

JICMAIL Quarterly Results Webinar Q3 2023

New mail reporting variables.

+

Building the case for mail in ten minutes.



Mail Media Metrics





**Opportunities for
the mail channel
in 2024.**



**A round up of Q3
2023 results.**



**Building the case
for mail using
JICMAIL Discovery
3.0.**

Three opportunities for mail outlined at the JICMAIL annual conference

1.

Measurement



2.

DPDI



3.

Attention



Six steps for building a measurement framework

1. Pick your marketing model
2. Agree on your taxonomy
3. Choose your building blocks
4. Develop a cross-org working group
5. Measure Measure Measure
6. Test and LEARN

Xmas '23 Winter Sale	BUSINESS OBJECTIVE: Deliver £2 mill in revenue	MARKETING OBJECTIVE: Improve AOV to £120	TIME FRAME: Q4 2023	CHANNELS: £600k Display £400k Door Drop	ACTIVATION CAMPAIGN			
	BENCHMARK	TARGET	BASELINE	PERFORMANCE	UPLIFT	CHANNEL	MEASUREMENT METHOD	INSIGHTS
Offer Redemption Rate	2.0%	3.0%	2.0%	3.5%	+1.5%	Door Drop	Unique Tracking Code	Offer A outperformed Offer B
Cost Per Acquisition	£12	£10	£14	£10	+/- 0%	Display	Attribution	CPA's above average for social spend
Average Order Value	£110	£120	£111	£135	13%	Display and Door Drop	Attribution	AOV higher amongst women
ROI	0.7	1.1	1.0	1.3	18%	All	MMM	Door Drop ROI higher than Display

Full session available on You Tube



Search



The Future of Media 2023 - How to build an effective marketing measurement

Mail prospecting opportunities with DPDI

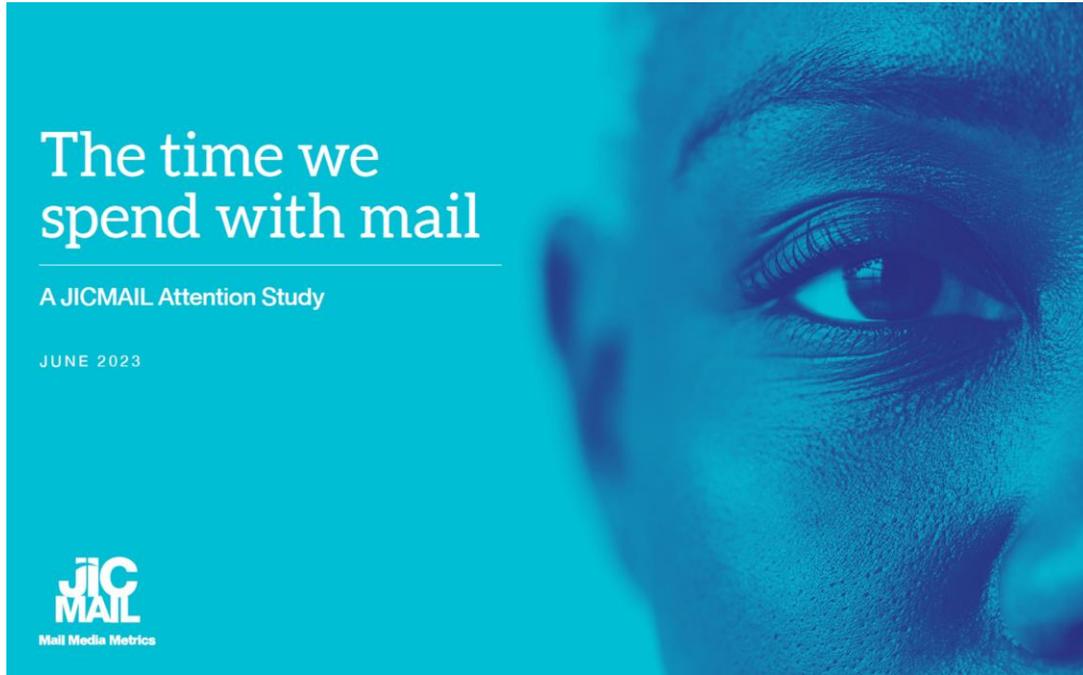


SME demands from data regulations (% agree)

To what extent do you agree or disagree with the following statements about the future of data regulations?



A year in mail attention measurement... and beyond



The time we spend with mail

A JICMAIL Attention Study

JUNE 2023



The JICMAIL Attention Manifesto

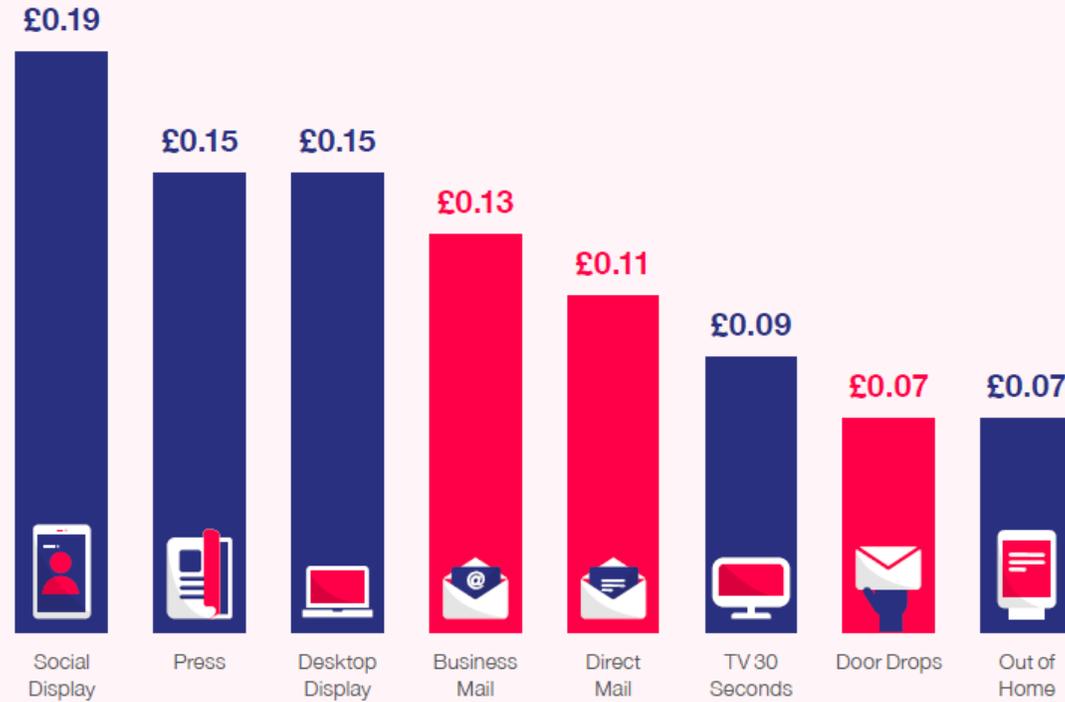
An industry roundtable discussion of the planning implications of The Time We Spend With Mail.

NOVEMBER 2023



Mail is a highly attention efficient channel

Cost per minute: ABC1 Adults

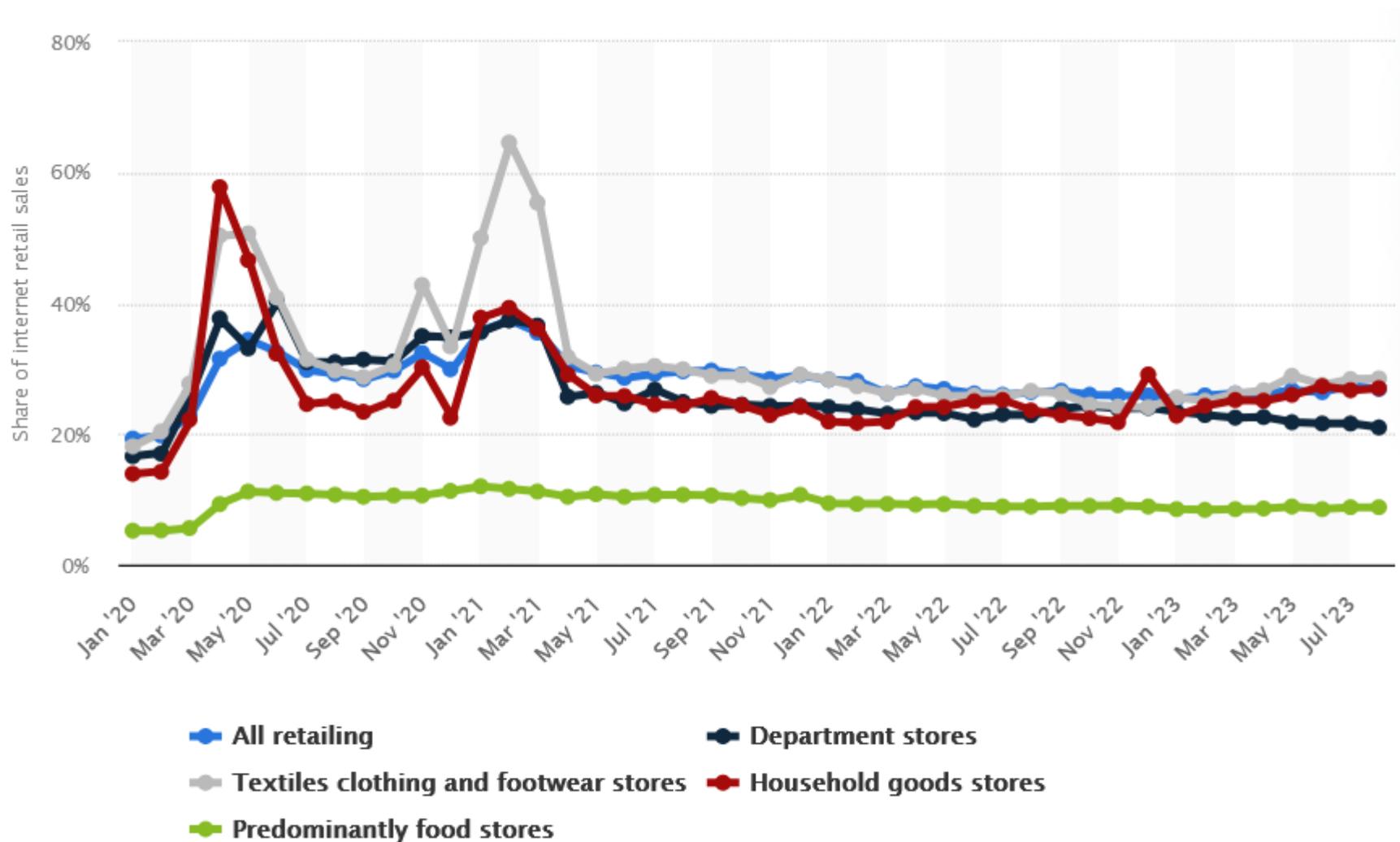


Highest attention efficiency

From digital to physical



Online share of sales down since its Covid peak



For the first time JICMAIL reports on online vs in-store sales driven by mail

Purchases by Channel
(% of mail items)



JICMAIL Q3 2023 Results Round Up

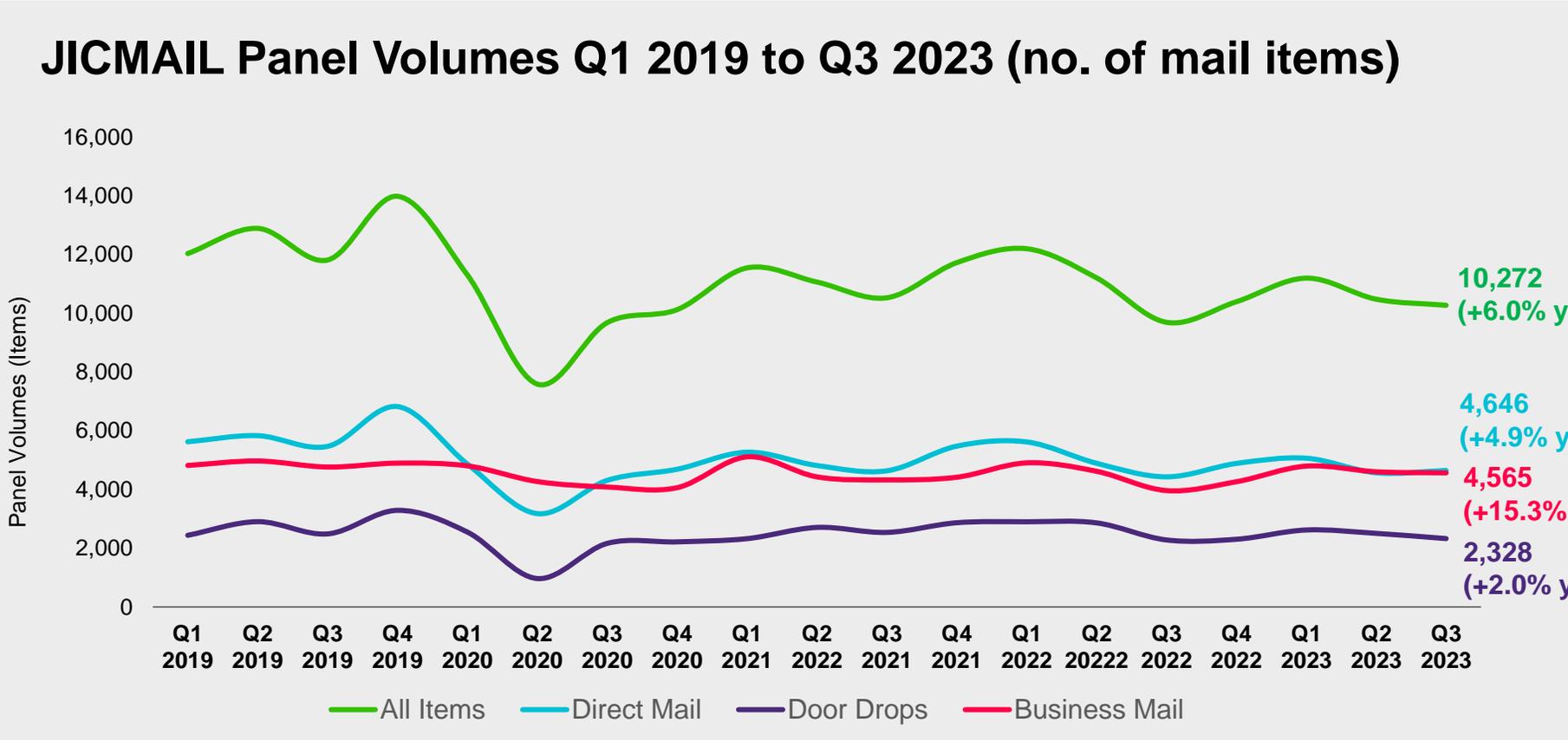
Volumes, Reach, Frequency, Lifespan and Attention



Mail Media Metrics

Panel volumes up 6% year-on-year in Q3 2023

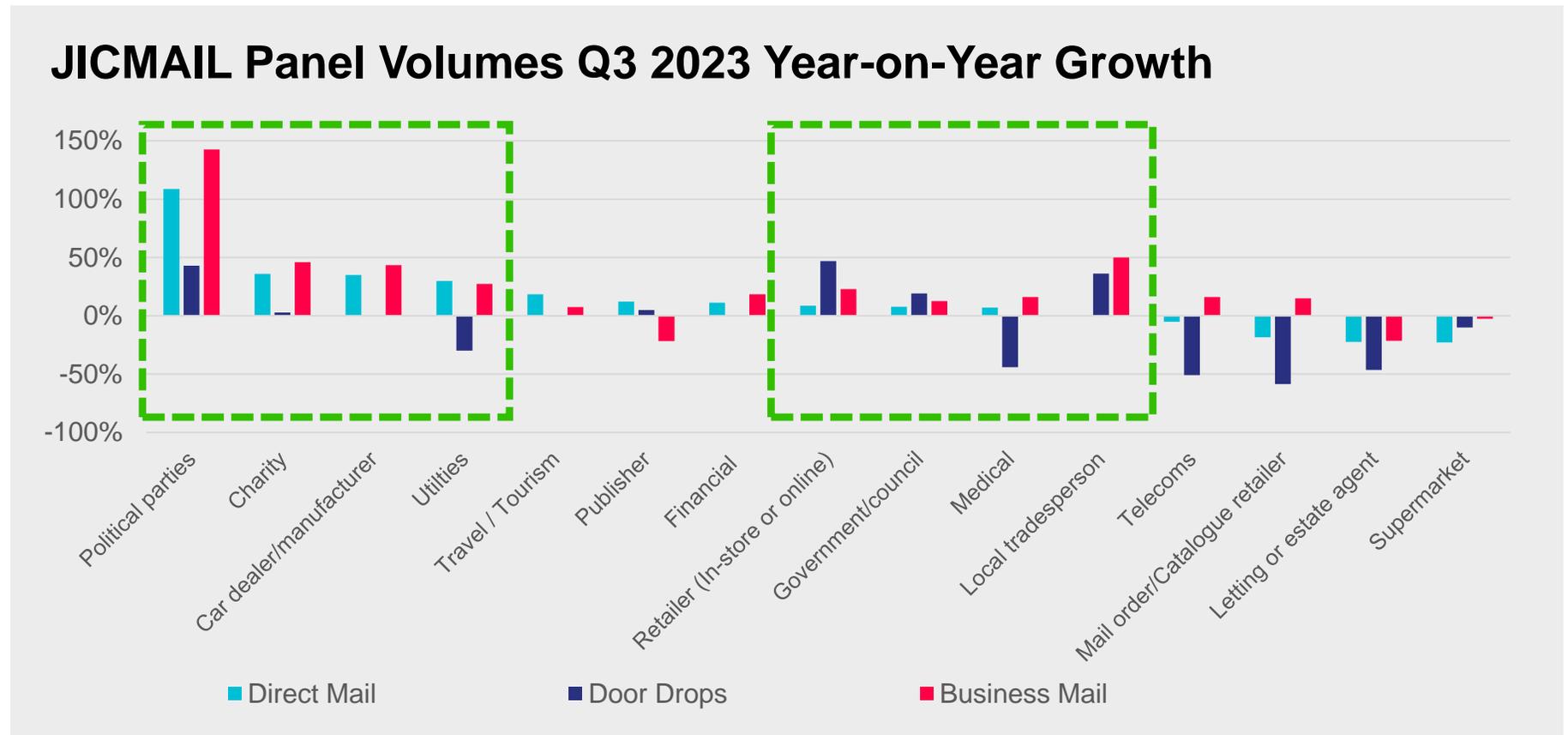
Business Mail volumes have increased by 15.3%, Direct Mail by 4.9%, and Door Drops by 2.0%



Source: JICMAIL Item Data Q1 2019 to Q3 2023 n=209,749 mail items

Political parties, charities, retail, utilities and local tradesperson volumes drive increased sample on the JICMAIL panel

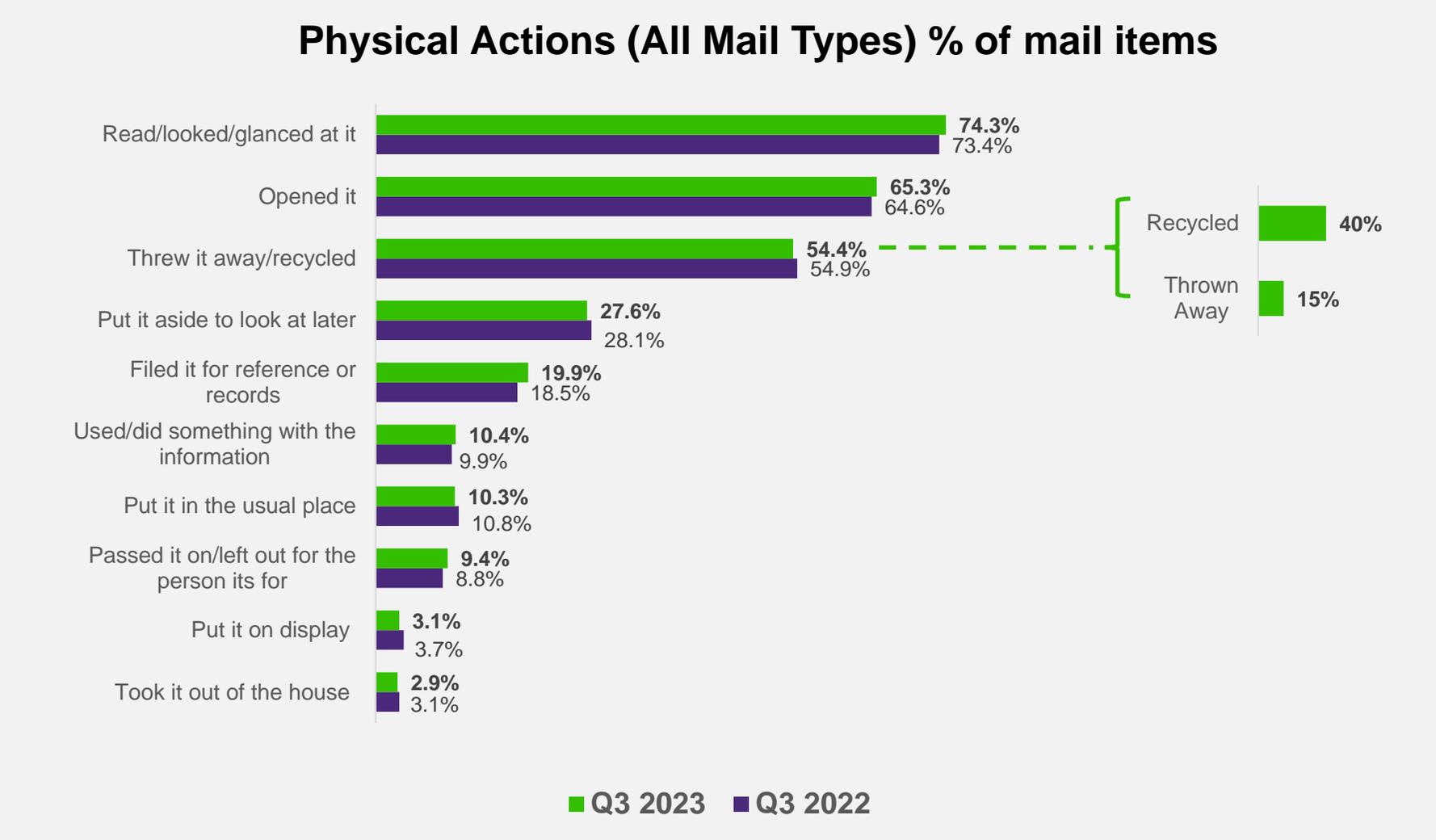
Apart from for Business Mail, volumes have declined for Telecoms, Mail Order, Letting / Estate Agents and Supermarkets year on year.



Mail open, read and retention rates continue to grow for the fifth quarter running. 73% of discarded mail is recycled

Fifth quarter in a row in which mail read, open and retention rates have grown year-on-year.

New for Q3 2023, we can see that more than doubled the amount of mail is recycled vs thrown away.



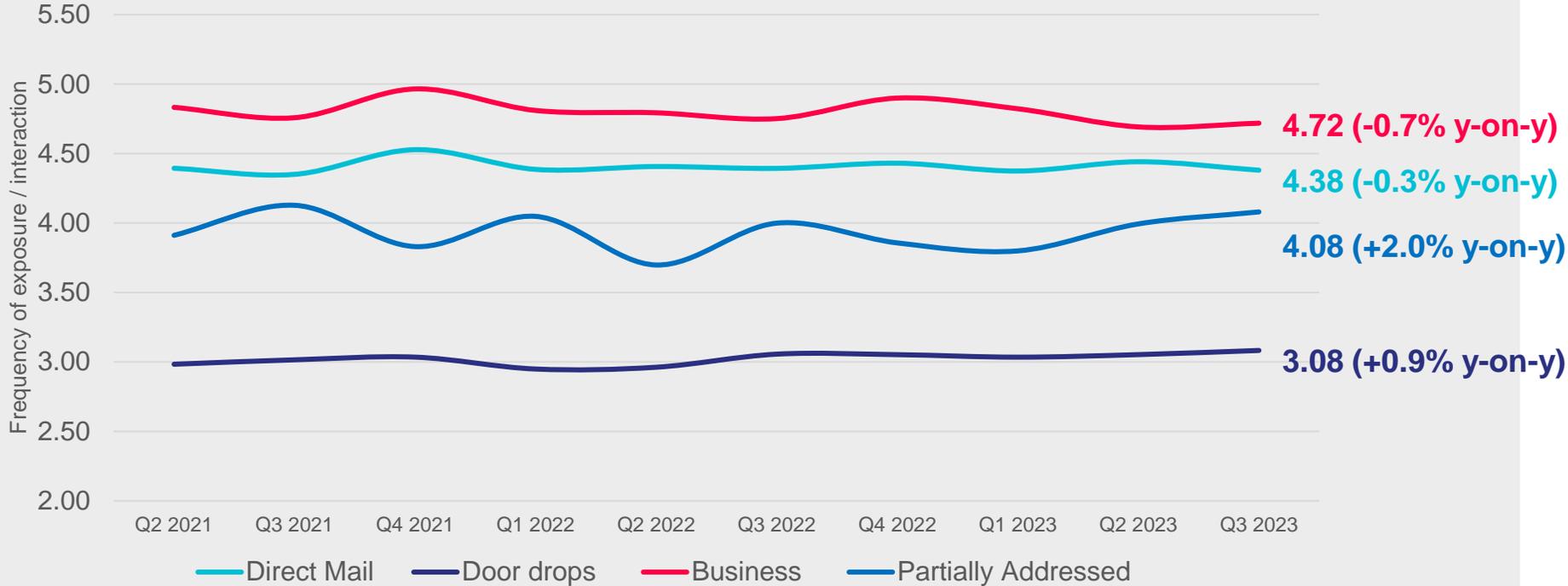
Source: JICMAIL Item Data Q3 2022 n=9,693 mail items; Q3 2023 n=10,272



Frequency of interaction stable year-on-year

Marginal upward shift in Door Drop and Partially Addressed interaction rates. Marginal decline in Direct Mail and Business Mail interaction rates.

Frequency of Interaction / Exposure Q2 2021 to Q3 2023

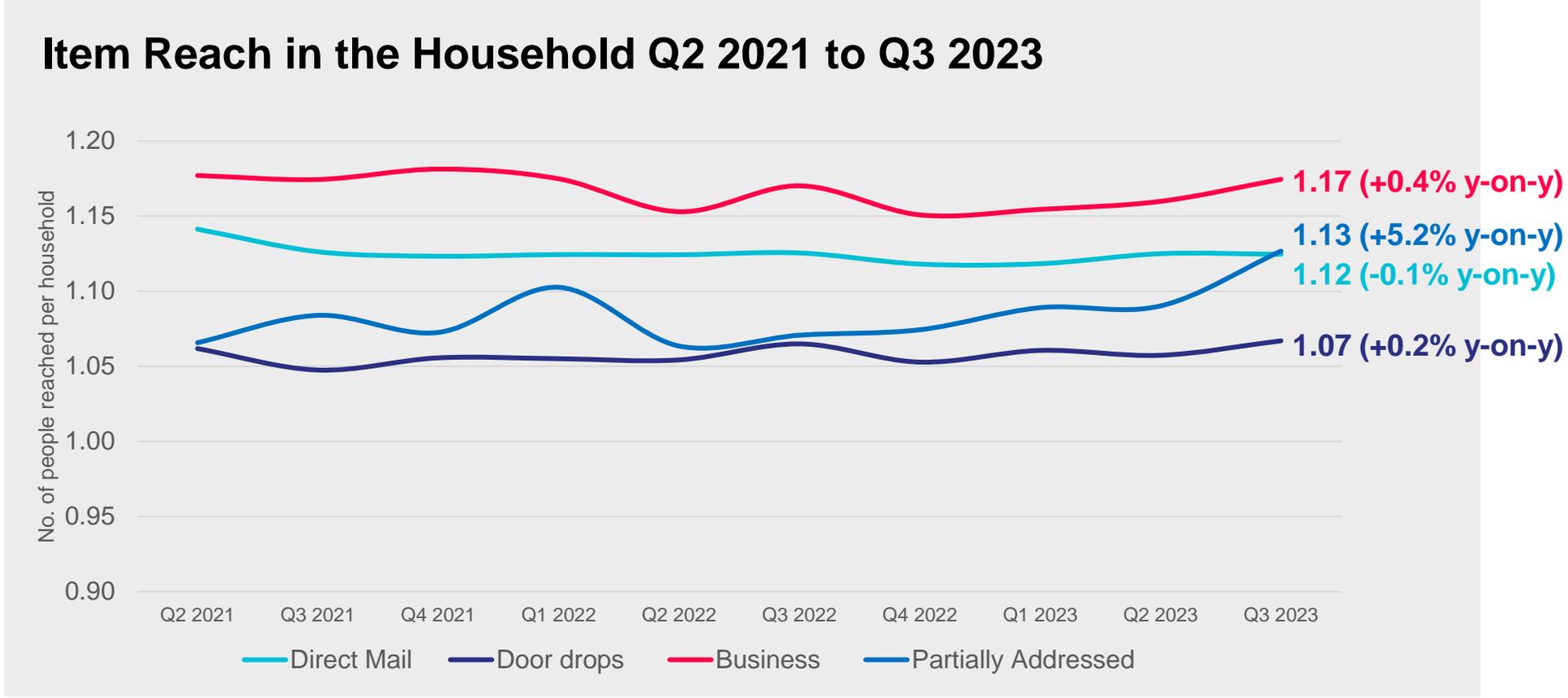


Source: JICMAIL Item Data Q2 2021 to Q3 2023 n=108,770 mail items

Mail sharing also virtually stable in Q3 2023

Partially Addressed Mail and Direct Mail item reach is now virtually neck and neck, although PAM sample sizes are much smaller (391 items in Q3 2023)

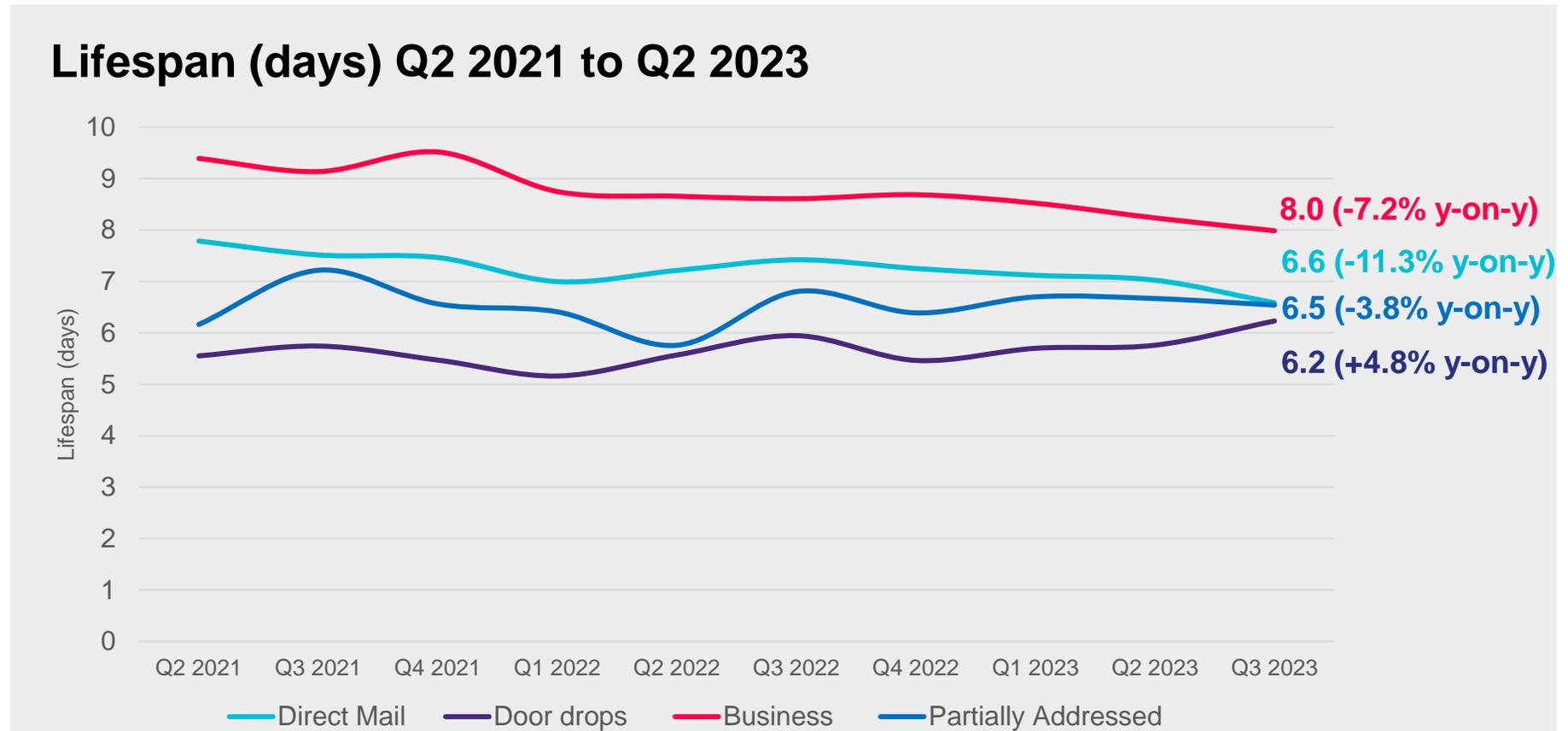
Item Reach in the Household Q2 2021 to Q3 2023



Source: JICMAIL Item Data Q2 2021 to Q3 2023 n=108,770 mail items

Lifespan up for Door Drops in Q3, but down for the other mail types

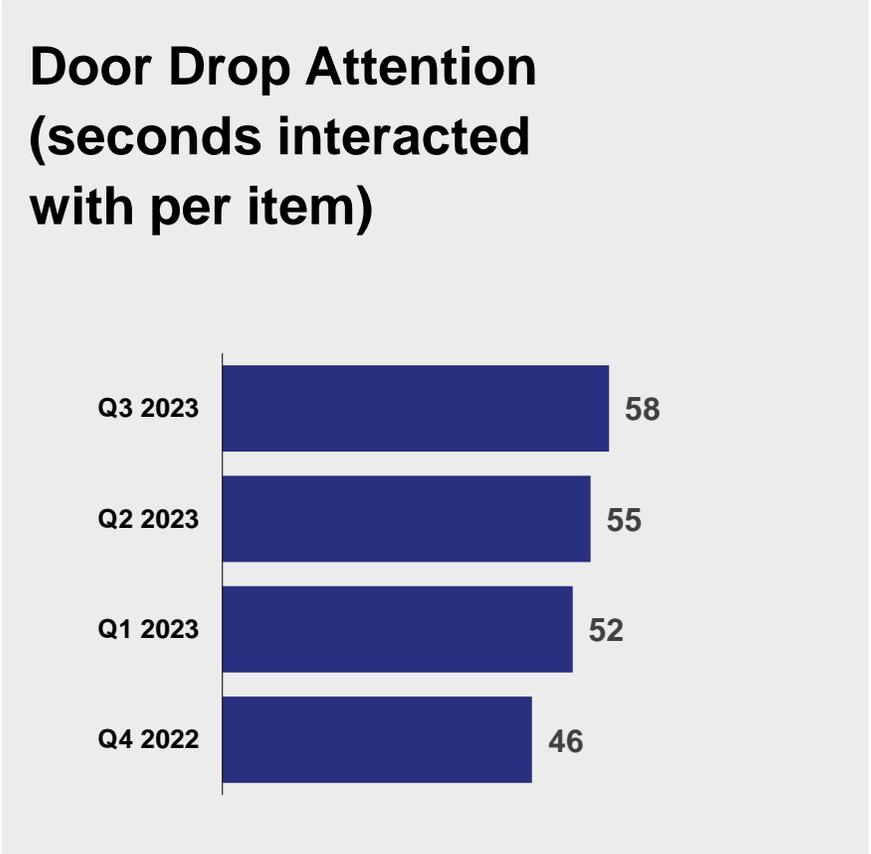
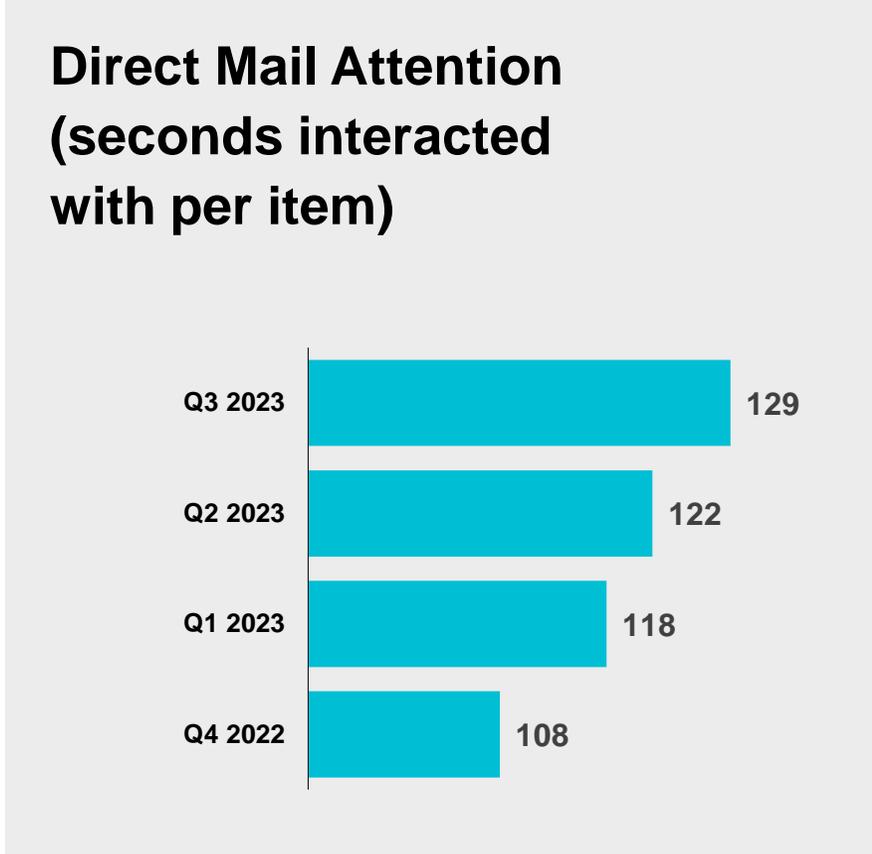
It is worth noting that more mail is being filed away year-on-year. While not necessarily “active”, this is still in the home although no longer contributing to lifespan calculations.



Source: JICMAIL Item Data Q2 2021 to Q3 2023 n=108,770 mail items

Direct Mail and Door Drop attention climbed steadily in Q3 2023

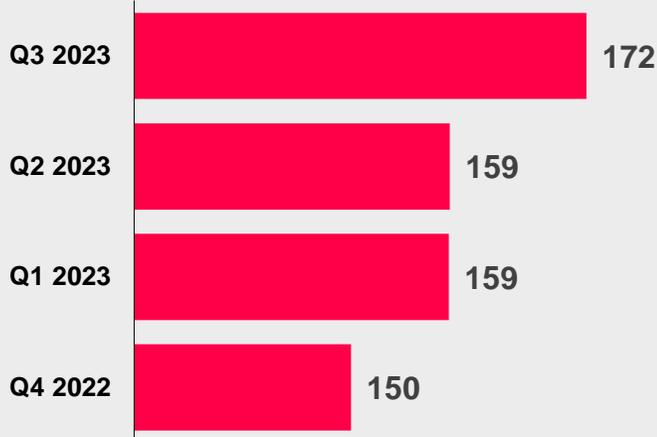
The average piece of Direct Mail was engaged with for over two minutes across a 28 day period in Q2 2023. For Door Drops the figure was nearly one minute.



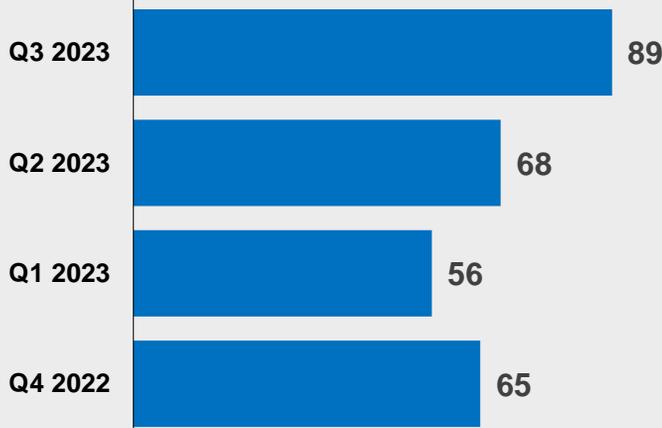
Source: JICMAIL Item Data Q4 2022 to Q3 2023 n=42,347 mail items

Business Mail attention also climbs in Q3 2023

Business Mail Attention (seconds interacted with per item)



Partially Addressed Mail Attention (seconds interacted with per item)



What's driving this increase in attention?



Supermarkets



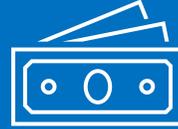
Charities



Telecoms



AB Adults



Mail Effectiveness Q3 2023

Commercial Actions



Mail Media Metrics

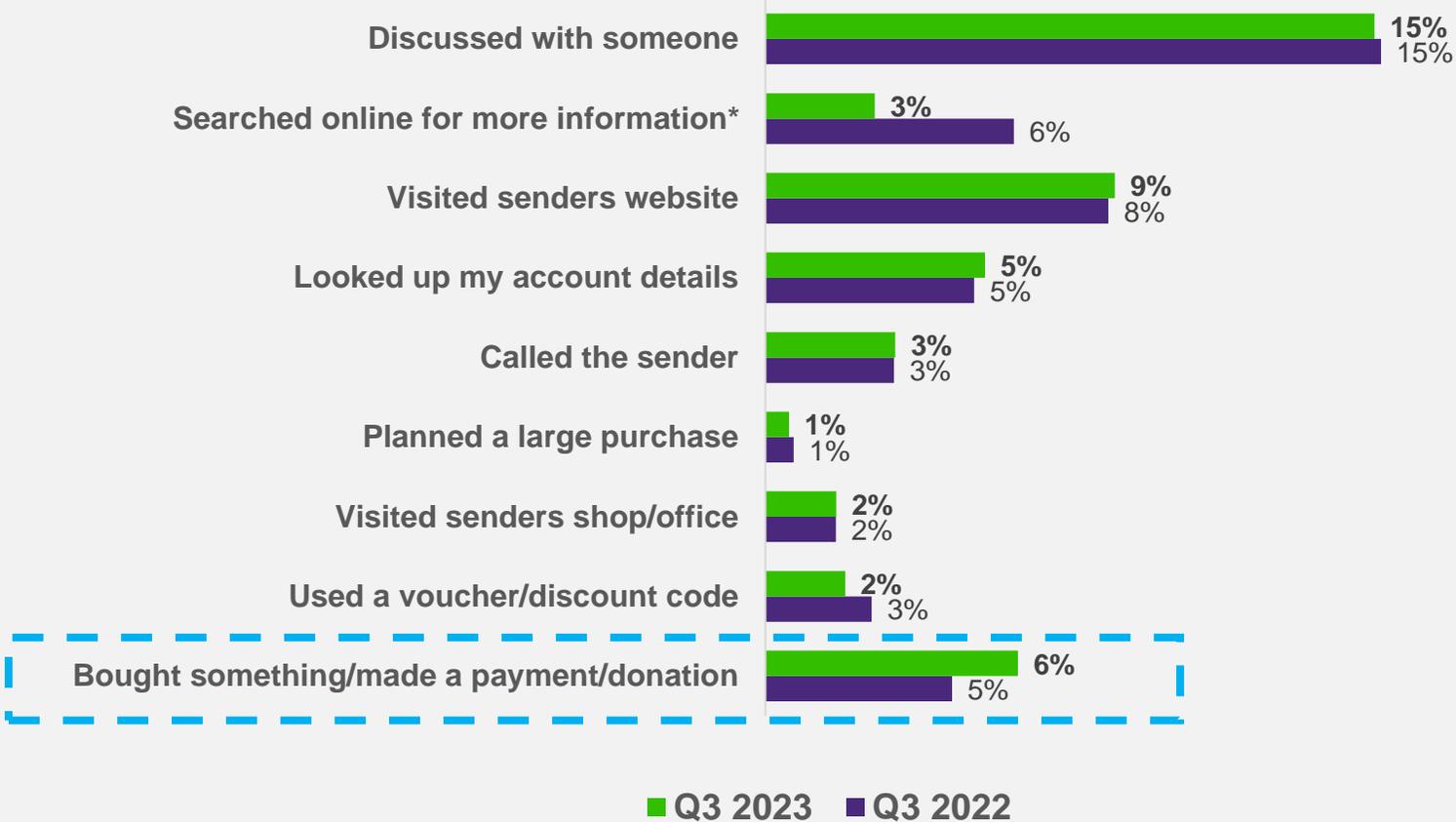
Increase in purchases driven by mail in Q2 2023

Brand Discovery {

Customer Engagement {

Purchase {

Commercial Actions (All Mail Types) % of mail items

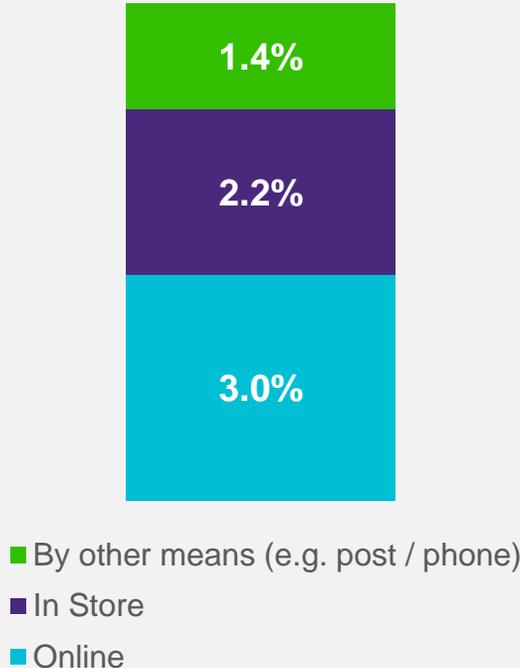


Source: JICMAIL Item Data Q3 2022 n=9,693 mail items; Q3 2023 n=10,272
 * Questionnaire wording change from "Went online for more information" to "Searched online for more information." Interpret year-on-year comparisons with caution

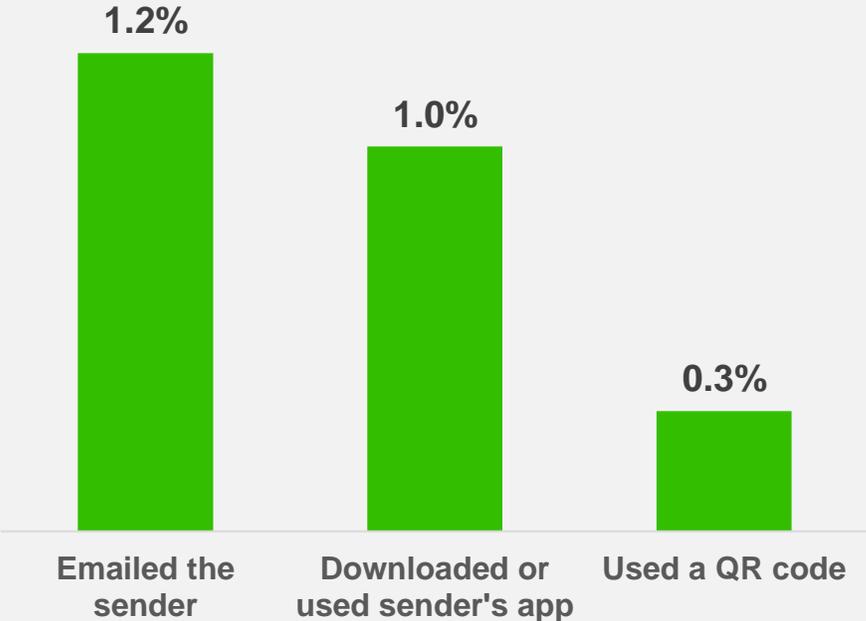
NEW COMMERCIAL ACTIONS: Mail prompts more online purchases than in store. 1% of all mail prompts app usage

- Online purchases account for just under half of the transactions driven by mail.
- Mail's role in a digital world is also underlined by the new metrics tracked which demonstrate mail's ability to prompt email sends and app downloads.

Purchases by Channel (% of mail items)



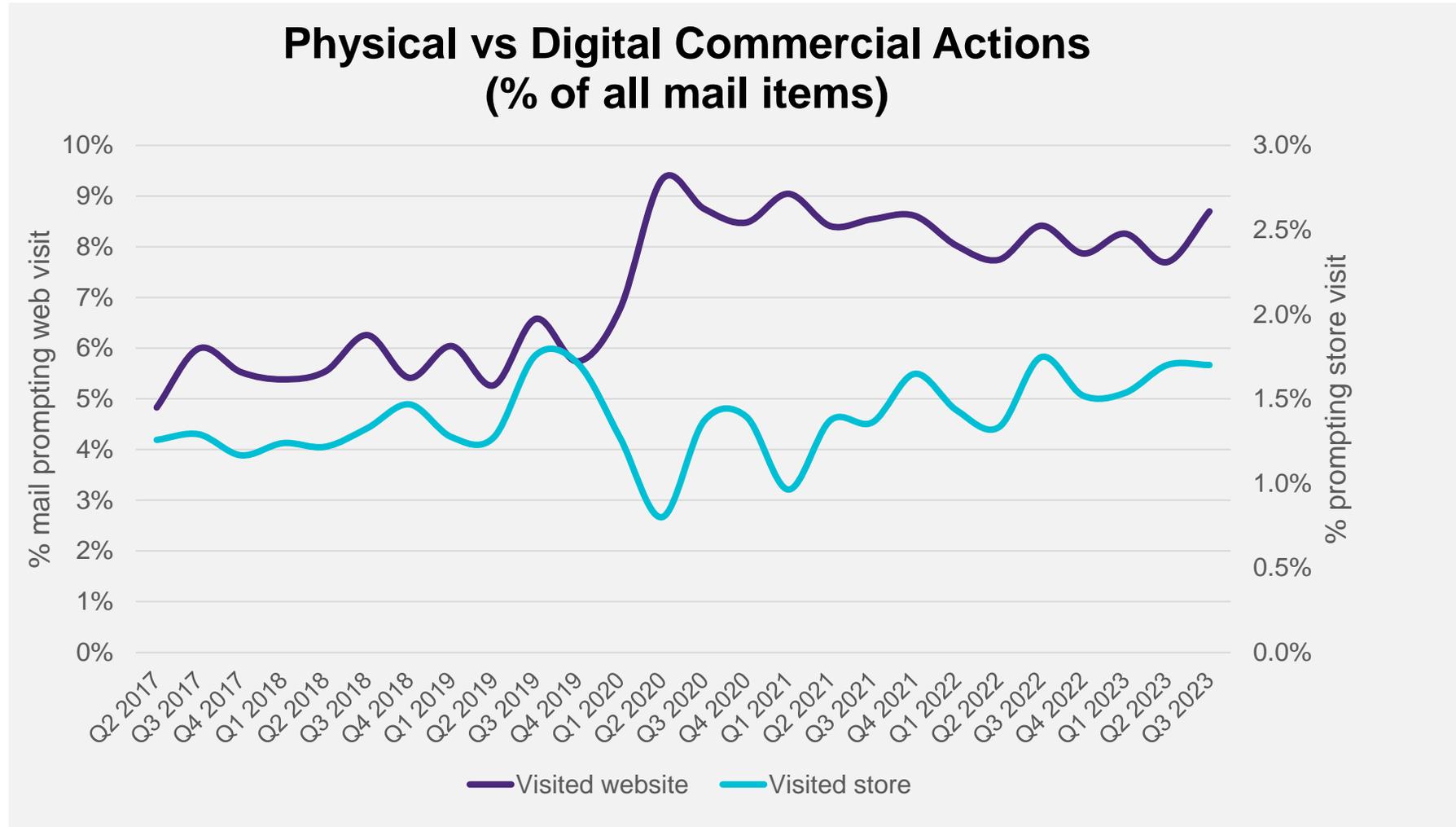
New Digital Commercial Actions (% of mail items)



Source: JICMAIL Item Data Q3 2023 n=10,272

Uptick in the proportion mail driving web traffic. At the same time physical footfall was maintained in Q3 2023

Despite the challenges faced by the British high street, mail continues to be an effective store footfall driver, alongside its digital effectiveness which has reached its highest point in two years.



New Reporting for Q3 2023

New Reporting Variables



Mail Media Metrics

As of Q3 2023 a number of new variables have been added

28

All new variables are labelled “(from Q3 2023)” and include:

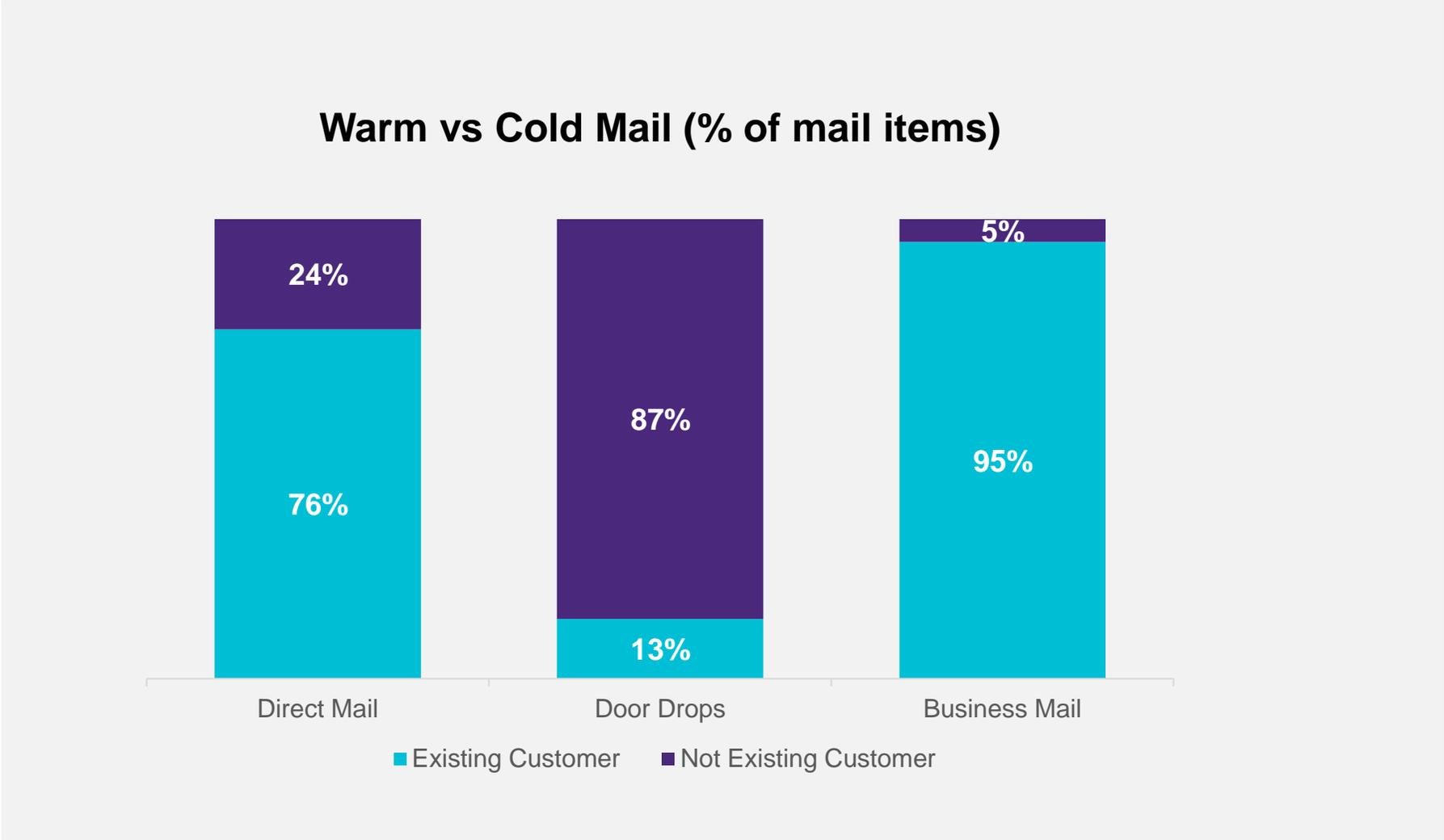
- **Sectors:**
 - Bank / Building Society
 - Insurance Services
 - Other Financial Services
- **Content:**
 - QR Codes
- **Commercial Actions**
 - Emailed the sender
 - Downloaded or used sender's app
 - Used a QR code
 - Made a purchase/payment/donation in a shop
 - Made a purchase/payment/donation online
 - Made a purchase/payment/donation by other means (e.g. postal, phone)
- **Physical Actions:**
 - Thrown Away
 - Recycled
- **Item Variables:**
 - Received by Current Customer or Donor? Yes / No



Users should filter on the Q3 2023 date filter onwards when viewing these new variables

The screenshot shows the 'Campaign Calculator' interface. At the top, there is a blue header with a 'Menu' icon and the title 'Campaign Calculator'. Below the header, there are several filter sections: 'Sector or Content' (set to 'BY SECTOR'), 'Mail Type' (radio buttons for 'Addressed Mail', 'Door Drop', 'Business Mail', 'Partially Addressed'), 'Category' (set to 'Bank / Building society (from Q3 2023)'), 'Select Commercial Objective' (set to 'All Commercial Action'), 'Select Demographic' (set to 'Adults 17+'), and 'Quarter' (set to 'Q3 2023'). A note on the right states: 'Please note: minimum sample size of 30+ displayed. Filter new Q3 2023 variables on Q3 2023 date filter onwards.' Below the filters, the main question is 'What is the predicted reach of your mail campaign?'. The results are displayed in a grid of colored boxes: 'Item Reach' (1.11), 'Frequency' (4.4), 'Lifespan' (6.92 da), 'Input number of addressed Mail items' (100), 'Campaign Reach' (111), and 'Campaign Impacts' (487). A dropdown menu for 'Quarter' is open, showing options for Q3 2022, Q4 2022, Q1 2023, Q2 2023, and Q3 2023 (which is selected with a checkmark). The JIC MAIL logo is in the bottom left corner.

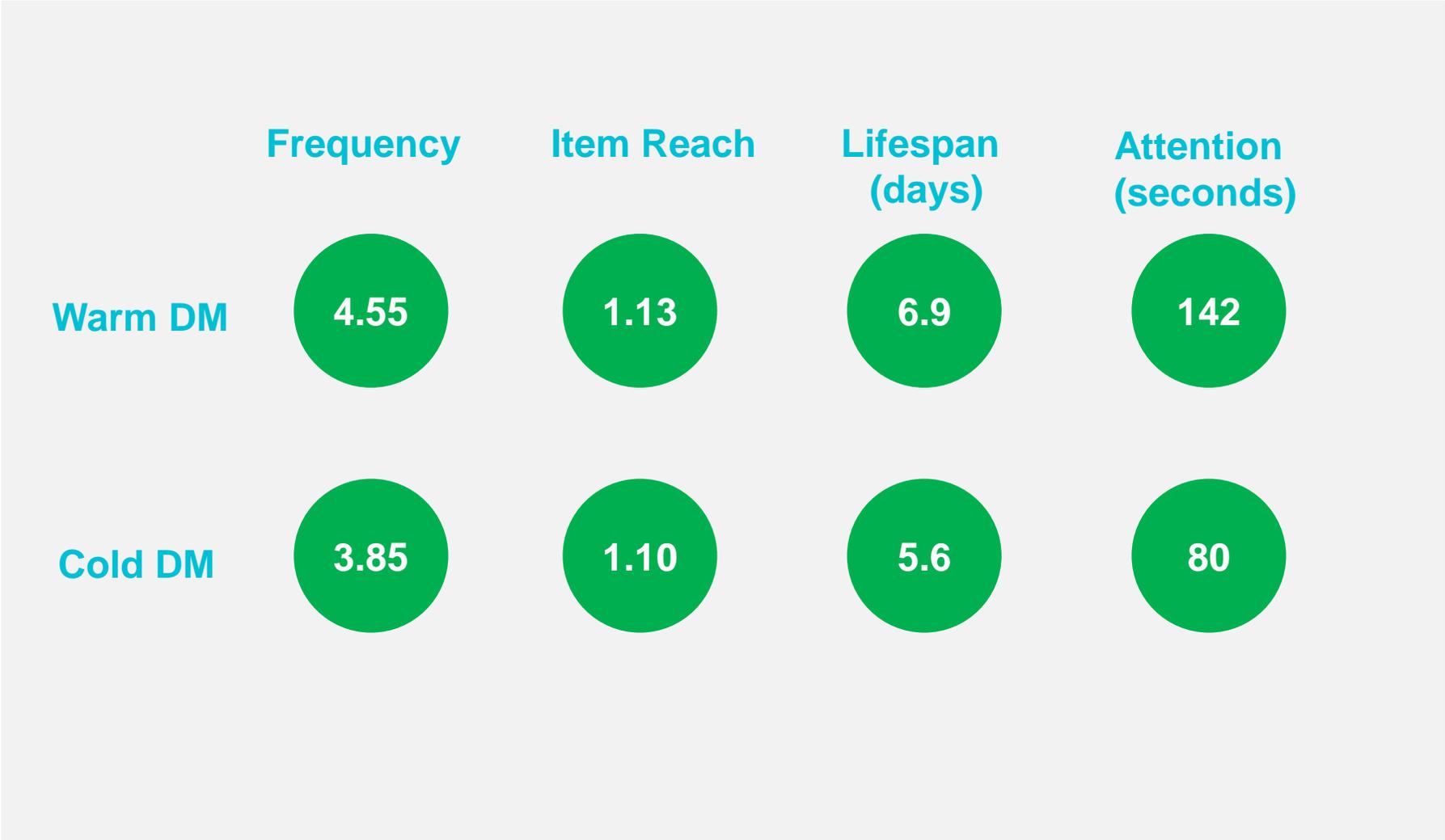
Three quarters of Direct Mail items were received by existing customers (warm mail). A quarter went to non-customers (cold)



Source: JICMAIL Item Data Q3 2023 n=10,272

Existing customers are more engaged with a specific piece of advertiser Direct Mail, than new prospects are

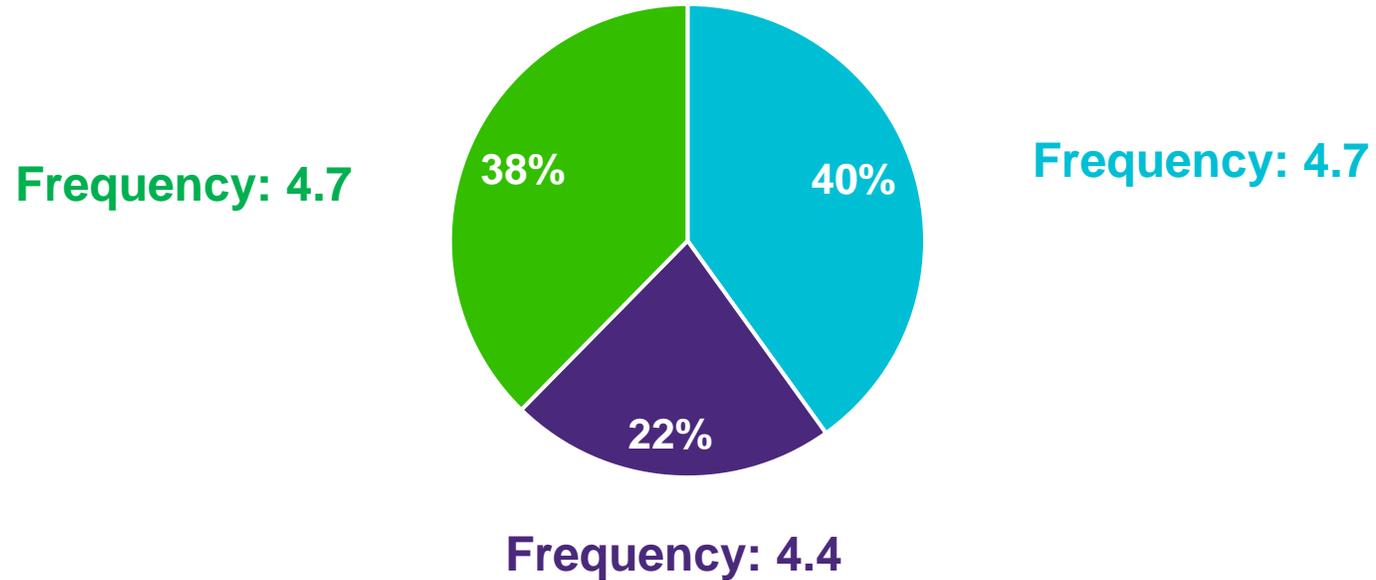
- Warm Direct Mail reports higher reach, frequency, lifespan and attention metrics than cold mail.



Source: JICMAIL Item Data Q3 2023 n=4,646 Direct Mail Items

Other new variables: Financial Services sub-groups

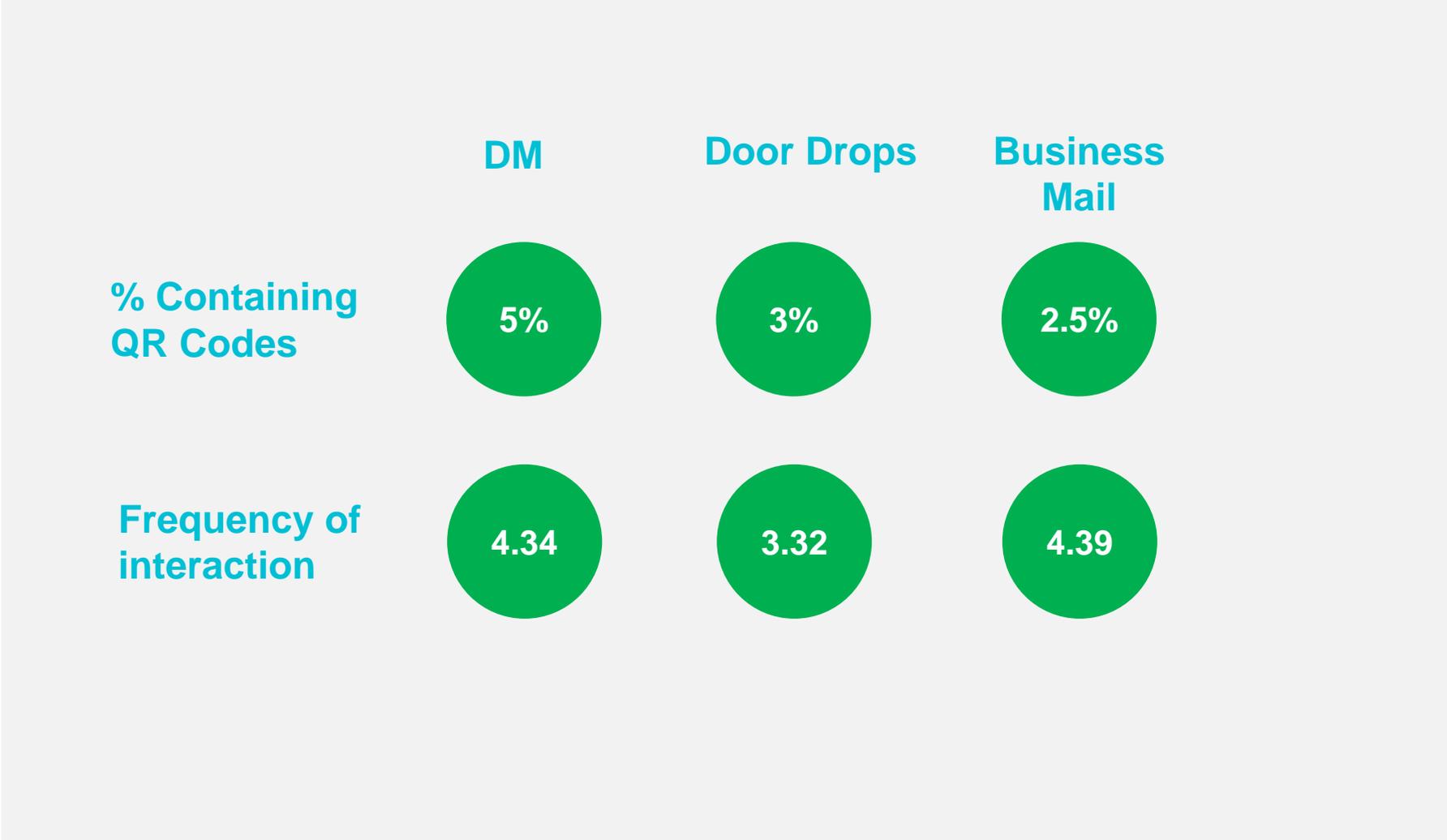
% of Financial Services Direct Mail Items by Sub Group: Q3 2023



- Bank/Building society
- Insurance Services
- Other Financial Services (e.g. Pensions, Credit Cards)

Other new variables: 5% of DM contains a QR code

- While QR codes make a negligible difference to Direct Mail frequency of interaction, Door Drops containing a QR code have 10% more interactions than the average Door Drop.



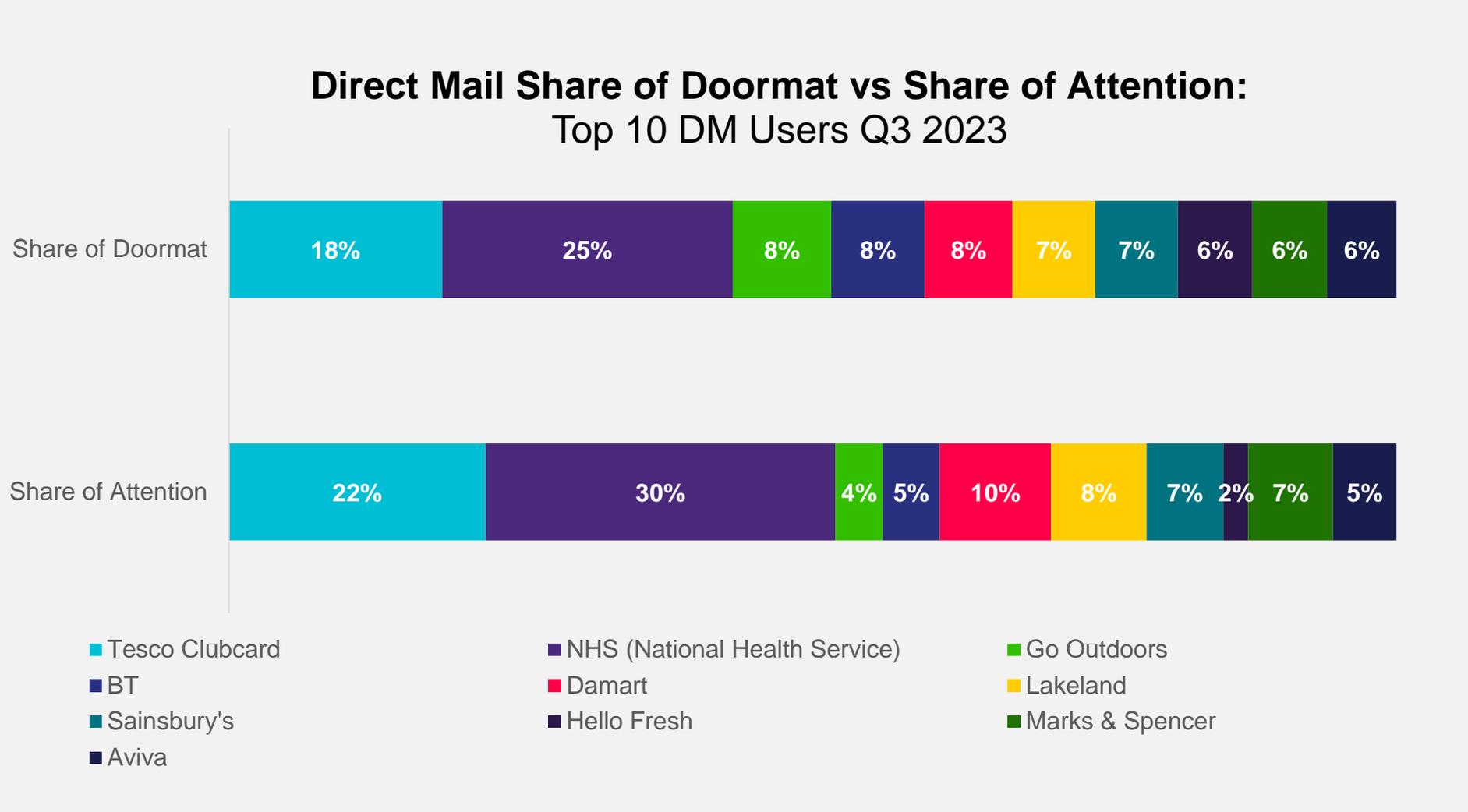
Advertiser Activity Q3 2023

Share of Doormat and Attention

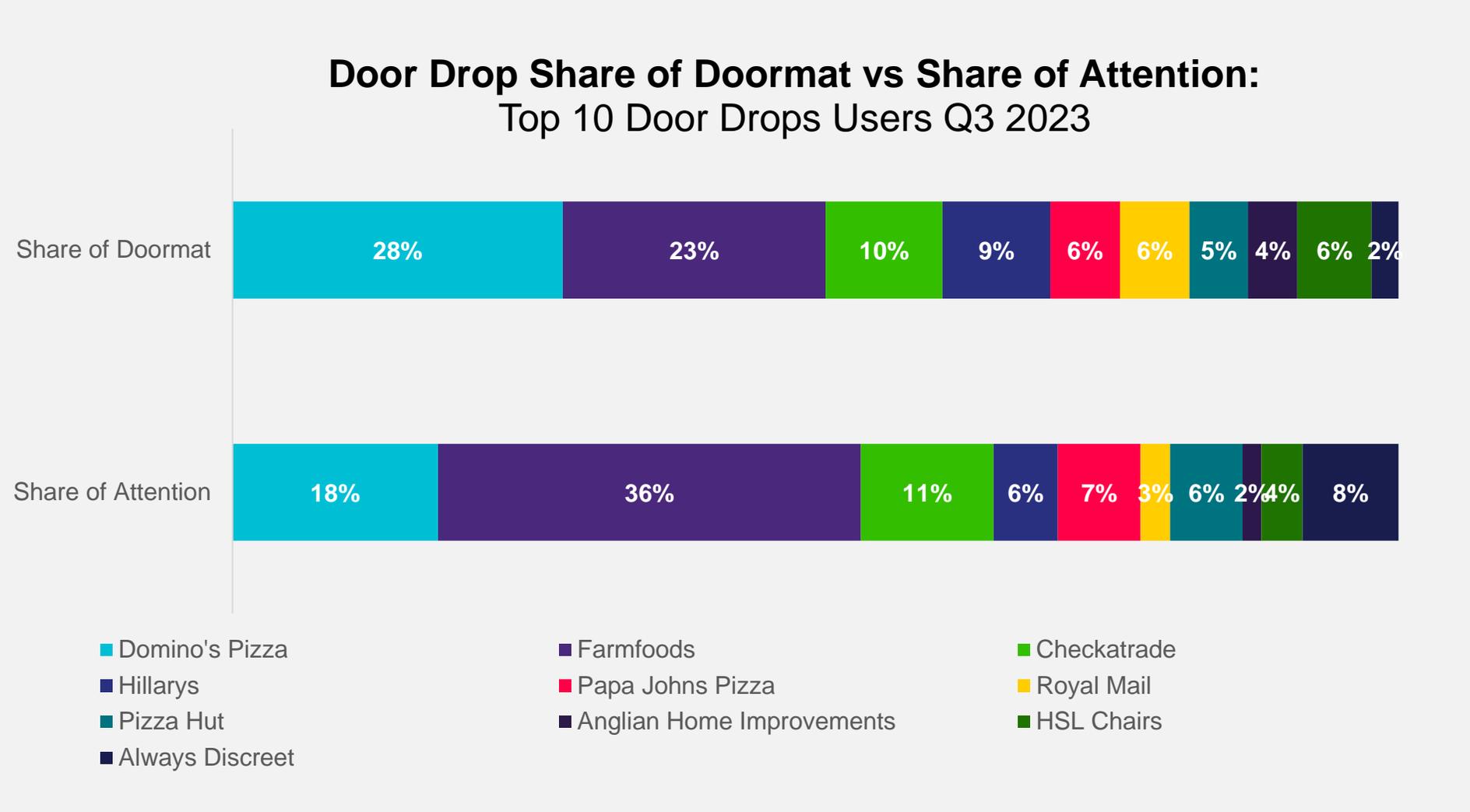


Mail Media Metrics

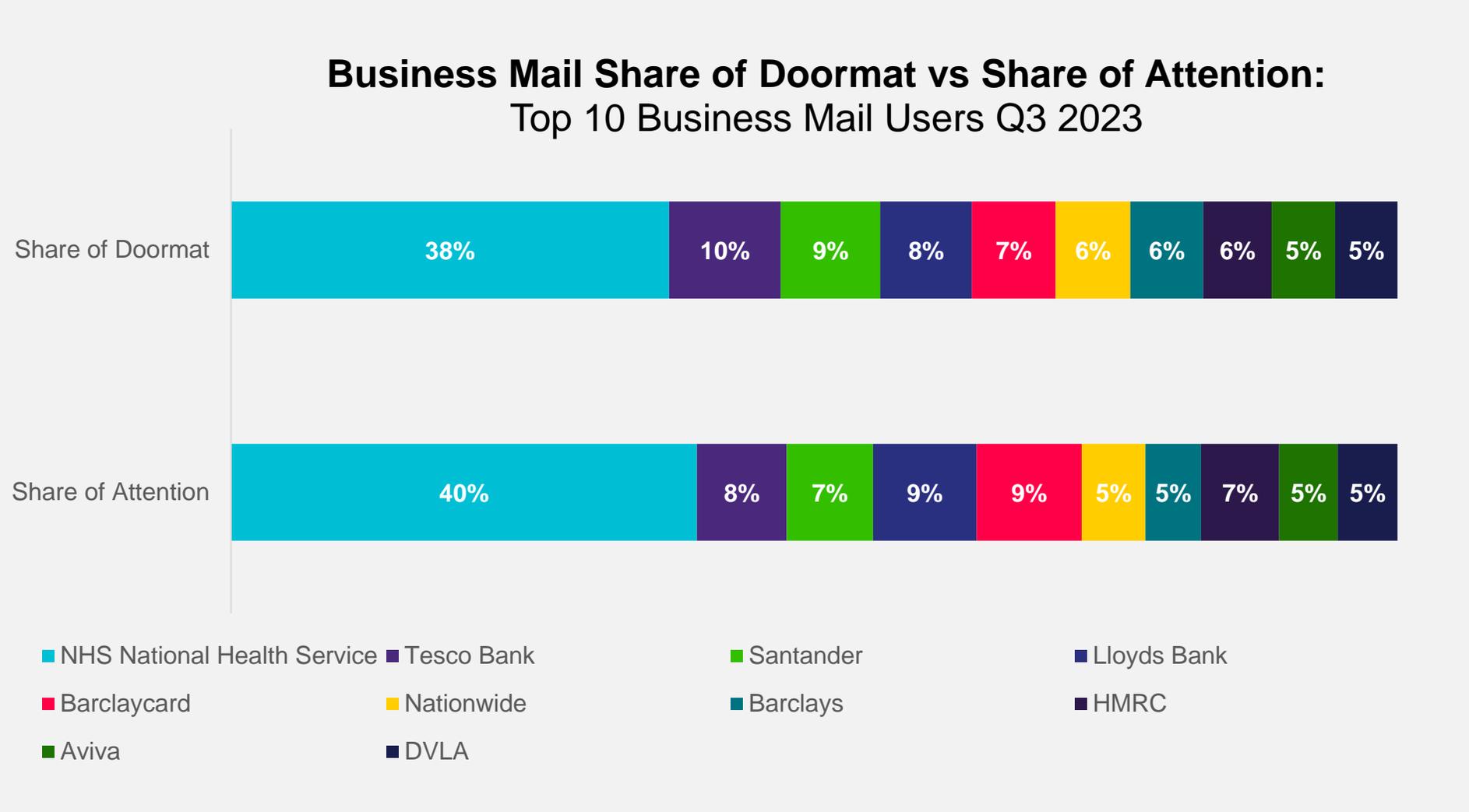
Tesco and NHS dominate in terms of share of door mat and share of attention. Damart over-performing for attention.



Farmfoods accounted for 23% of Door Drop share of doormat in Q3 2023, but commanded 36% share of attention



Share of doormat and share of attention broadly aligned for Business Mail



1.

Mail engagement

Mail continues to assert its importance in challenging economic times. Open, read and retention rates have increased for the fifth quarter running in Q3 2023.

2.

Mail effectiveness

Purchases driven by mail increased to 6% of mail items vs 5% a year ago. By channel, this broke down to 3.0% to online purchases, 2.2% in store and 1.4% by other means (by mail or phone).

3.

Share of attention

Tesco Clubcard, The NHS and Farmfoods are punching above their weight in delivering mail attention. Share of attention is higher than share of doormat (mail volumes) for each of these advertisers.

Calls for contributions to the Response Rate Tracker update launching in Q1 2024



Response Rate Benchmarks by Mail Type

The average response rate for All Direct Mail (Warm and Cold combined) is 5.1%. As would be expected, the difference in whether existing customers or cold prospects are being targeted makes a huge difference to response, with 10.9% of warm mail typically driving a response and 1.0% of cold mail doing so.

10.9%

Warm Direct Mail response rate

The role of acquisition based marketing (cold) vs customer retention (warm) is hotly debated in the industry. In an era in which third party cookie targeting is on its way out, the value of first party data in targeting customers and driving outcomes takes on a role of increased significance – a significance borne out by higher response rates. At the same time, brands will reach a business growth ceiling by only ever targeting their existing customers. Acquisition based marketing is vital to expand the customer base therefore. As always, a blended approach to marketing objectives is a tried and tested course of action.

1.0%

Cold Direct Mail response rate

While it is not the role of JICMAIL to report on response rates from other channels, performance marketing practitioners will be well aware of the favourable comparisons these metrics generate when pitted against other media channels, particularly in the digital space.

5.1%

All Direct Mail response rate

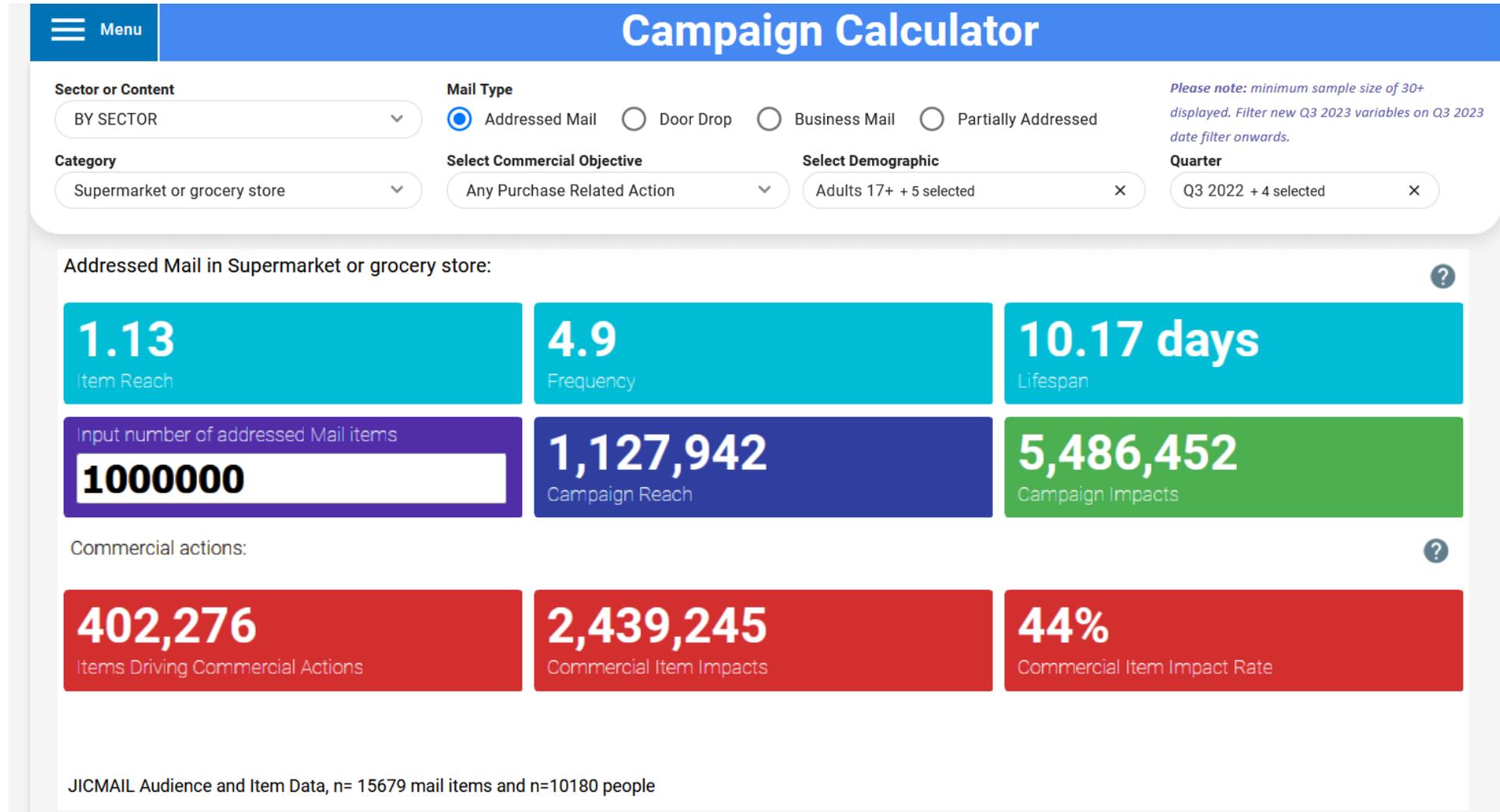
	Industry Sector	No. of Campaigns
Warm Direct Mail	10.9%	389
Cold Direct Mail	1.0%	553
All Direct Mail (Warm and Cold) Average	5.1%	942

The Business Case for Mail in Ten Minutes

**JIC
MAIL**

Mail Media Metrics

1. Mail makes an impression



Why does this matter?

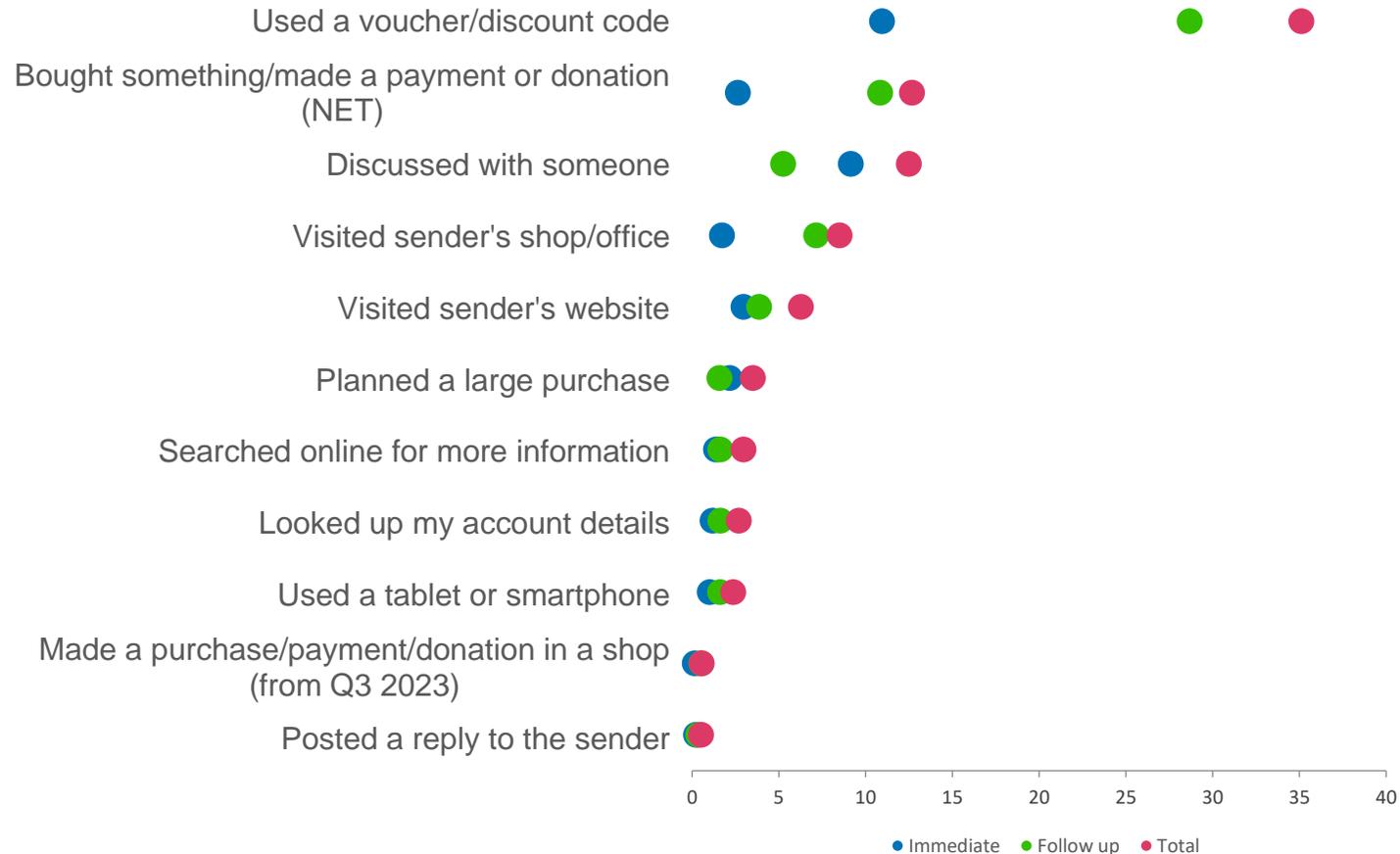
Because maximising impression delivery creates more opportunity to see (OTS). This is vital for driving top of funnel marketing effectiveness

AIDA Model



2. Mail generates purchases in store and online

Source: JICMAIL Item Data



Why does this matter?

Because in the world of last-click-attribution, mail is not getting fair credit for driving digital purchases

DIGITAL ATTRIBUTION MODEL (Last click)



Saw video ad

0%



Received mail

0%



Saw ad on social

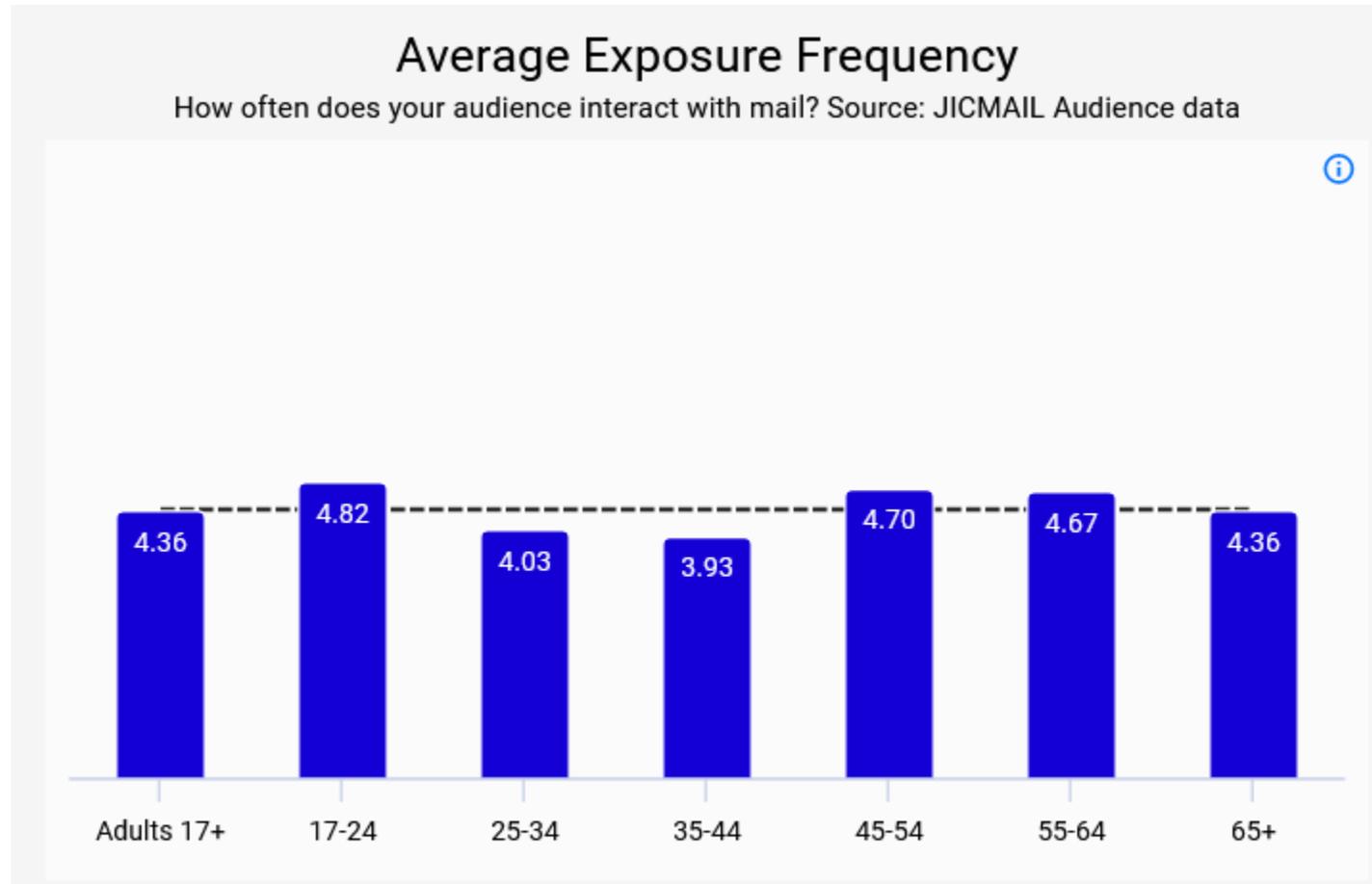
100%



Clicked to add product to cart



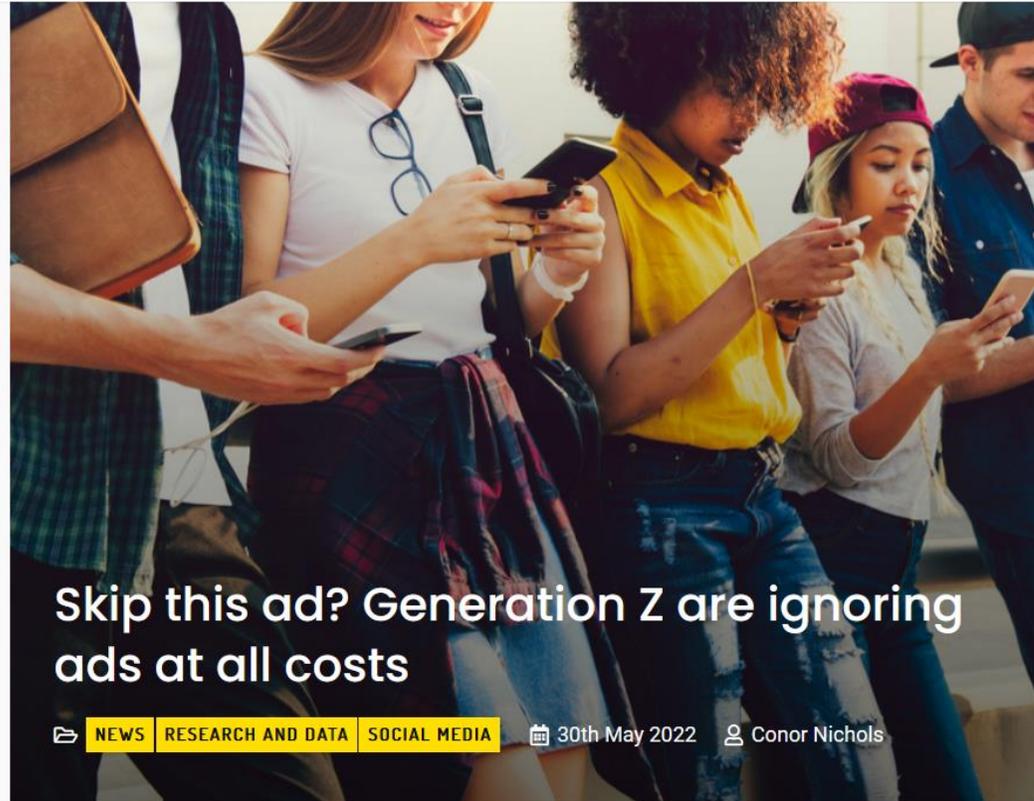
3. Younger audiences will also interact with your mail



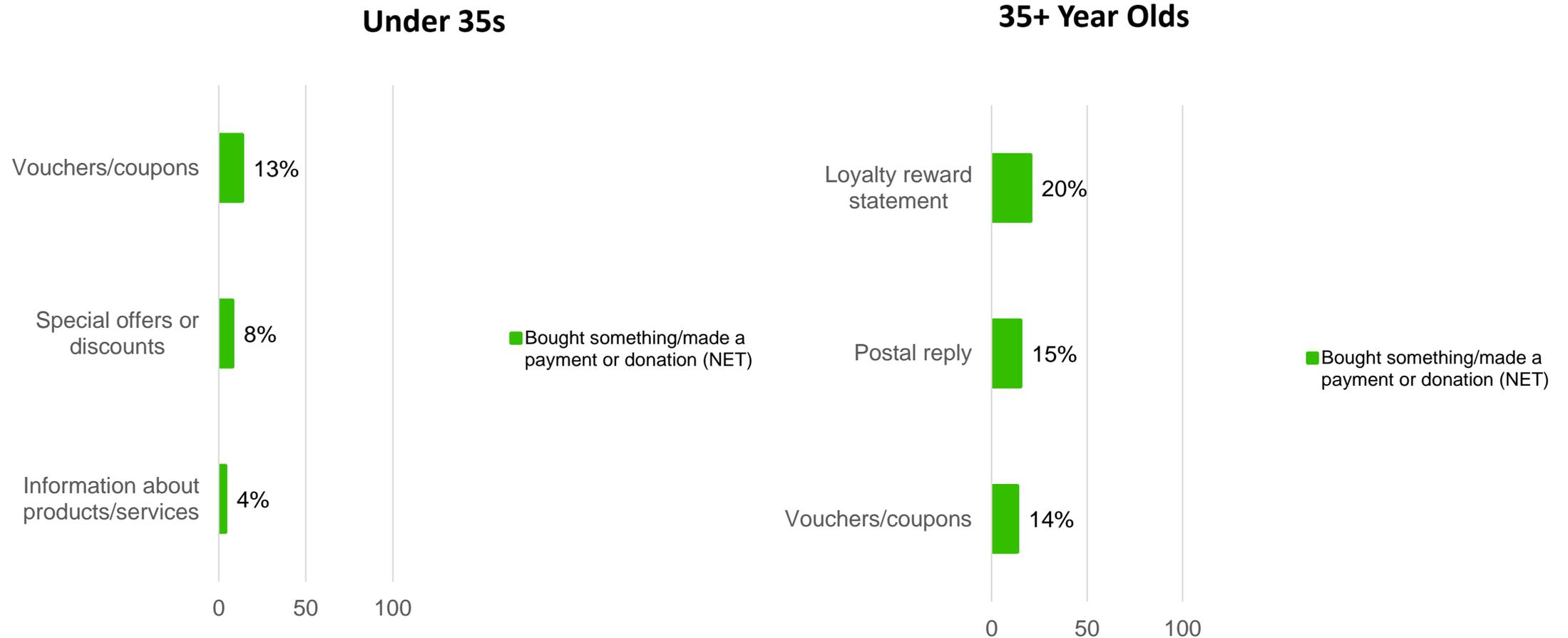
Why does this matter?

Because younger audiences are hard to reach. They are fragmented across multiple platforms and are likely to actively avoid ads

MARKETING / BEAT



4. We know what mail content prompts a purchase

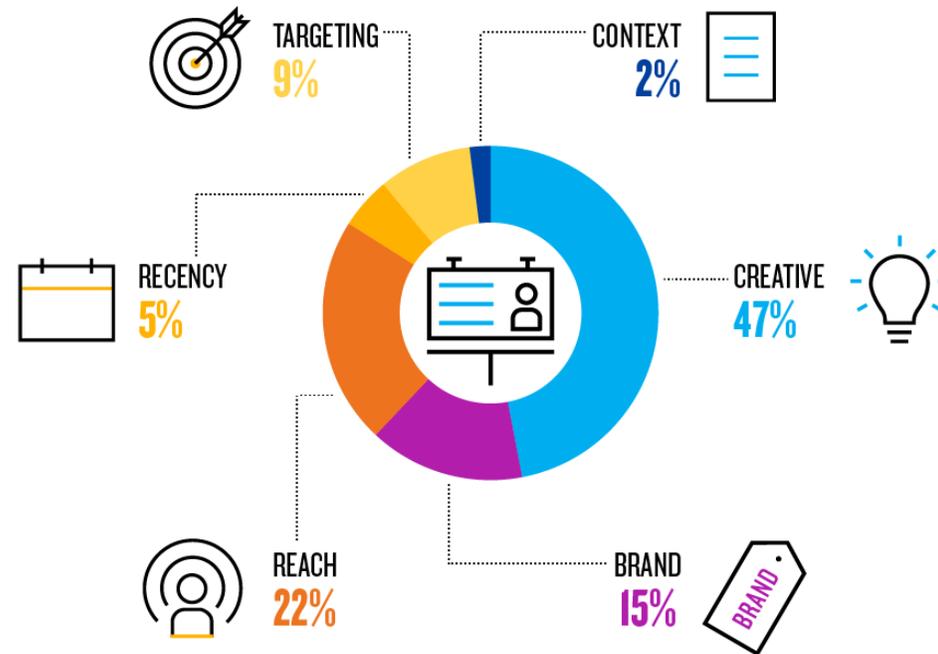


Why does this matter?

Because creative is the biggest driver of ad effectiveness

PERCENT SALES CONTRIBUTION BY ADVERTISING ELEMENT

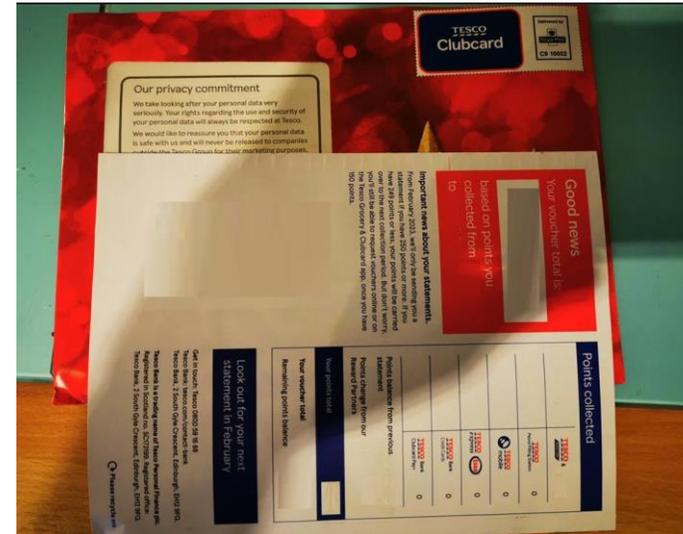
n



5. We know about mail's journey in the home

HH details	
Region	Yorkshire
Social grade	DE
Household Size	Live with others (HH size = 2+)
People in Household	Lives parent
Tenure length	Over 10 years
Tenure Type	Owned/mortgaged
Mosaic Group	D: Rural Reality
Acorn Group	F. Countryside

Mail details	
Advertiser brand	Tesco Clubcard
Sender	Supermarket or grocery store
Format	Business
Reach	2
Frequency	6



Because digital ad fraud is rife. Understanding what real people are doing with your ads is vital

\$84 billion of ad spend lost due to ad fraud in 2023

This figure is expected to rise to \$172 billion by 2028, according to Juniper Research.

Nicola Agius on September 28, 2023 at 12:45 pm | Reading time: 2 minutes

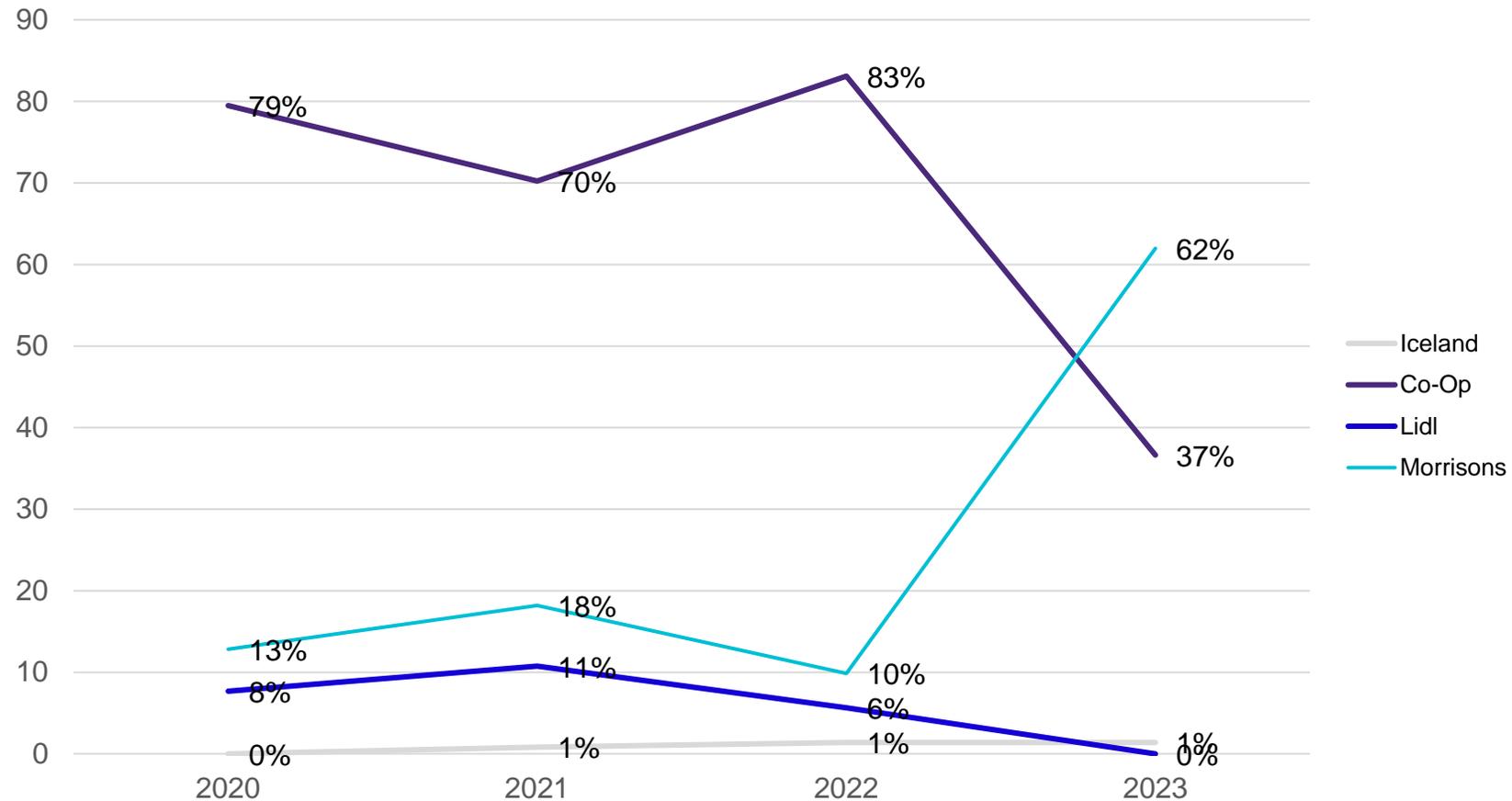


Ad fraud will cost marketers \$84 billion this year – 22% of all online ad spend.

This figure is expected to soar to \$170 billion in five years' time in 2028, according to a new in-depth study from Juniper Research.

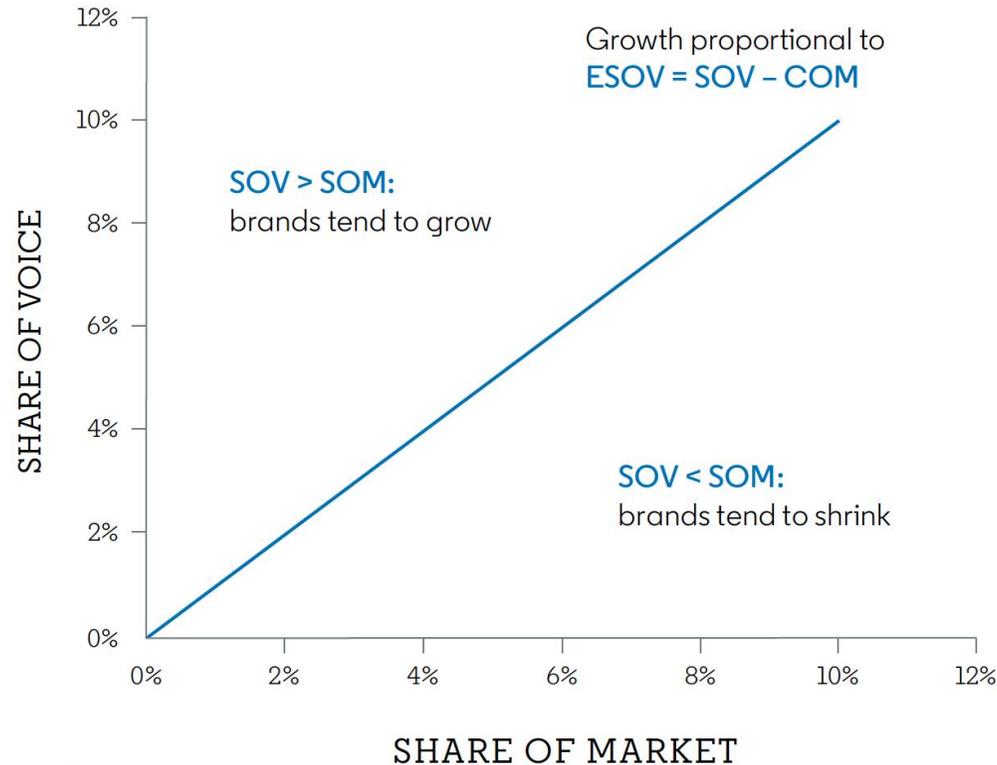
6. Your share of doormat is crucial for success

% of mail items accounted by a specific advertiser within a specific competitive set within the JICMAIL panel. Source: JICMAIL Advertiser Attribution



Why does this matter?

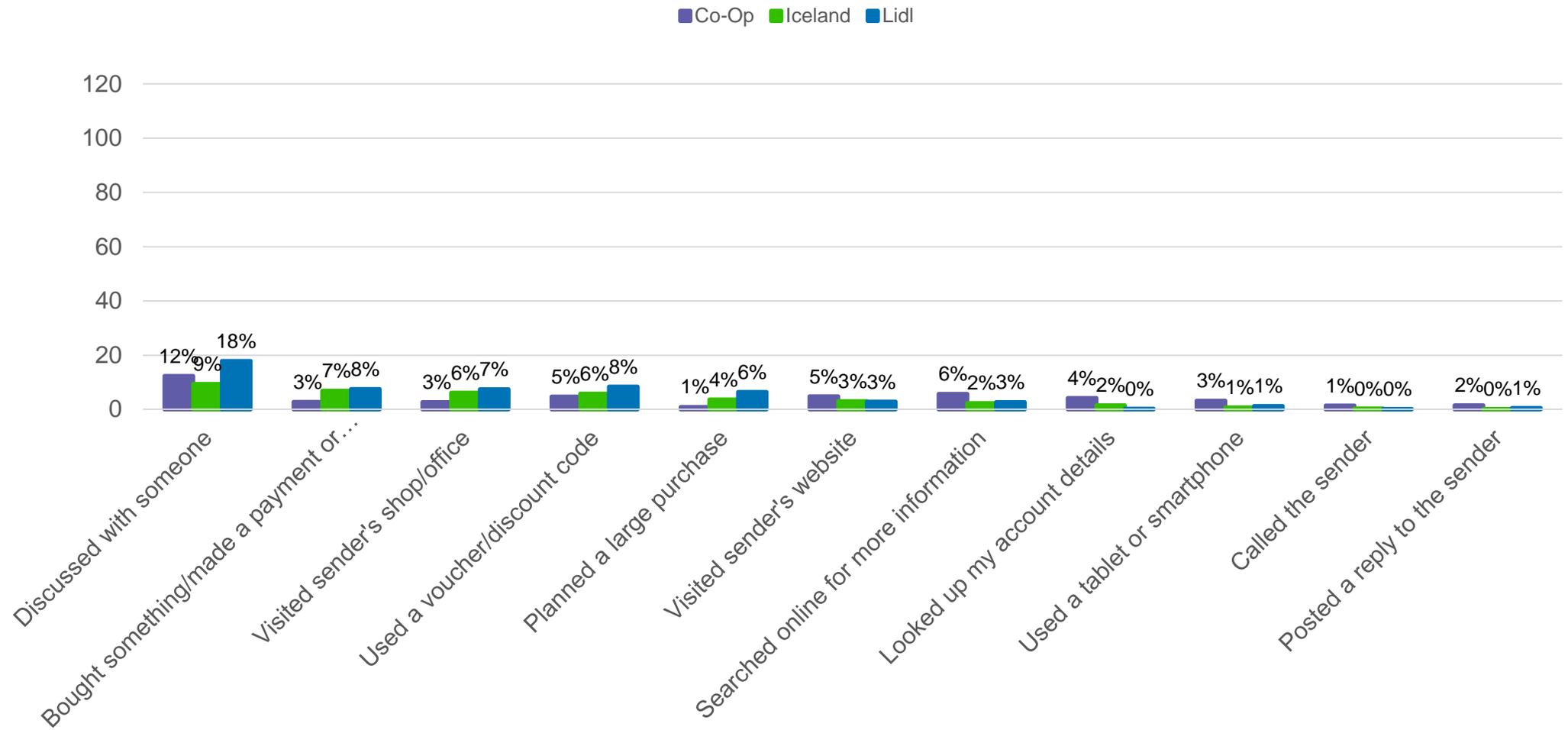
Because share of voice is linked to market share. Visibility on consumer doormats vs your competitors is essential for cutting through.



7. Mail drives significant performance for competitors

Commercial Actions

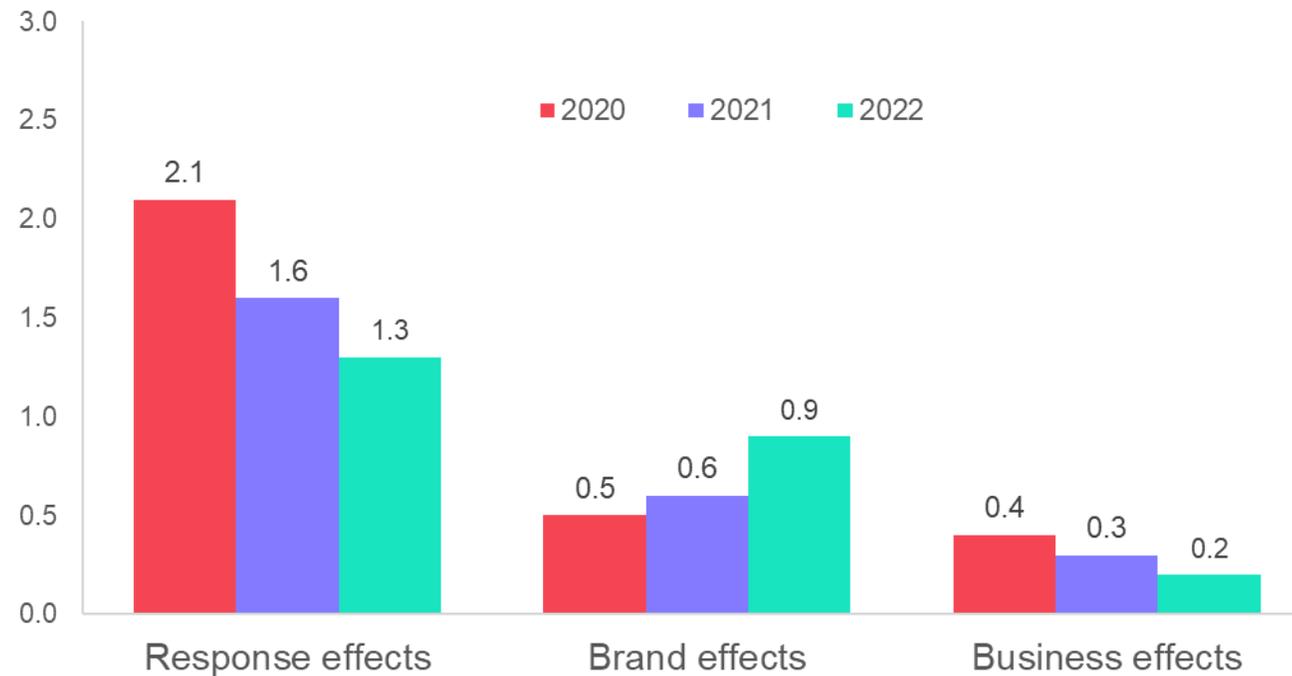
The % of total actions taken accounted for by different physical interactions and commercial actions. Source: JICMAIL Advertiser Attribution



Why does this matter?

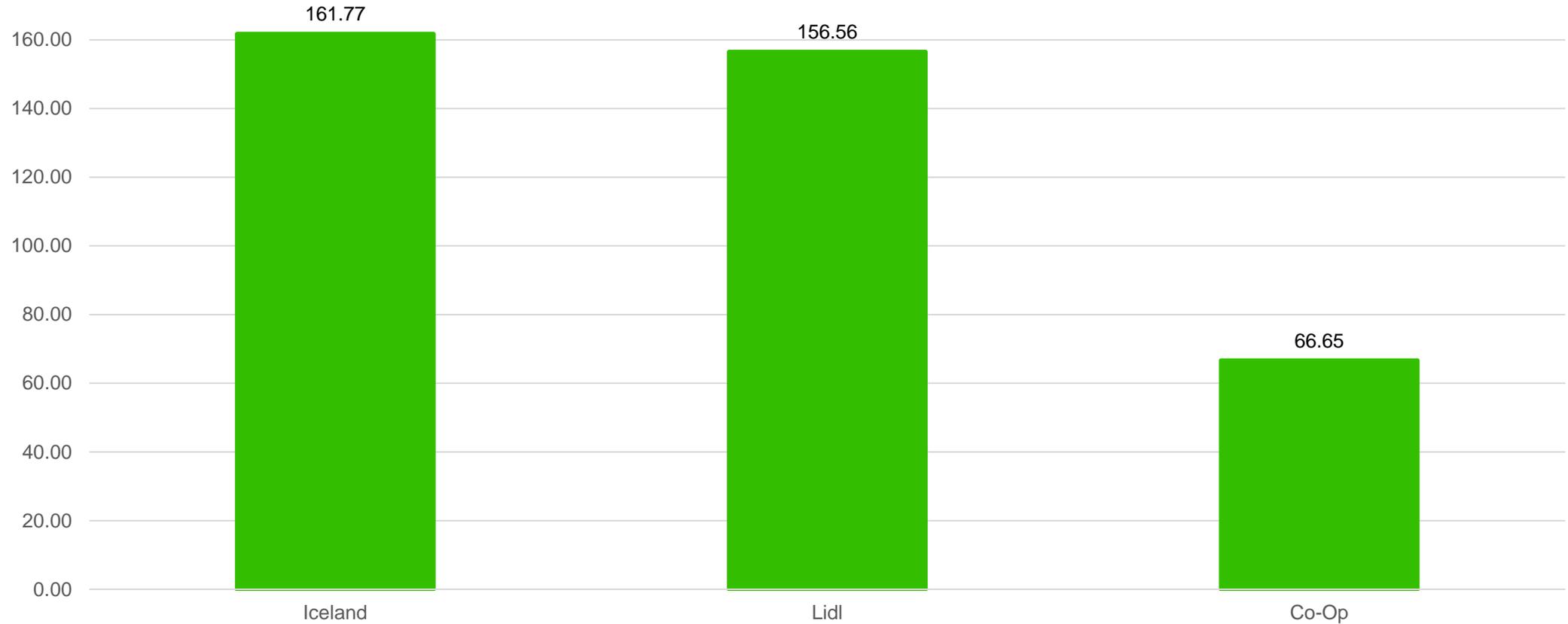
Because performance marketing effectiveness is declining. You need to maximise response from all available channels.

Average Number of Effects by Campaign



7. The mail channel is a high attention medium

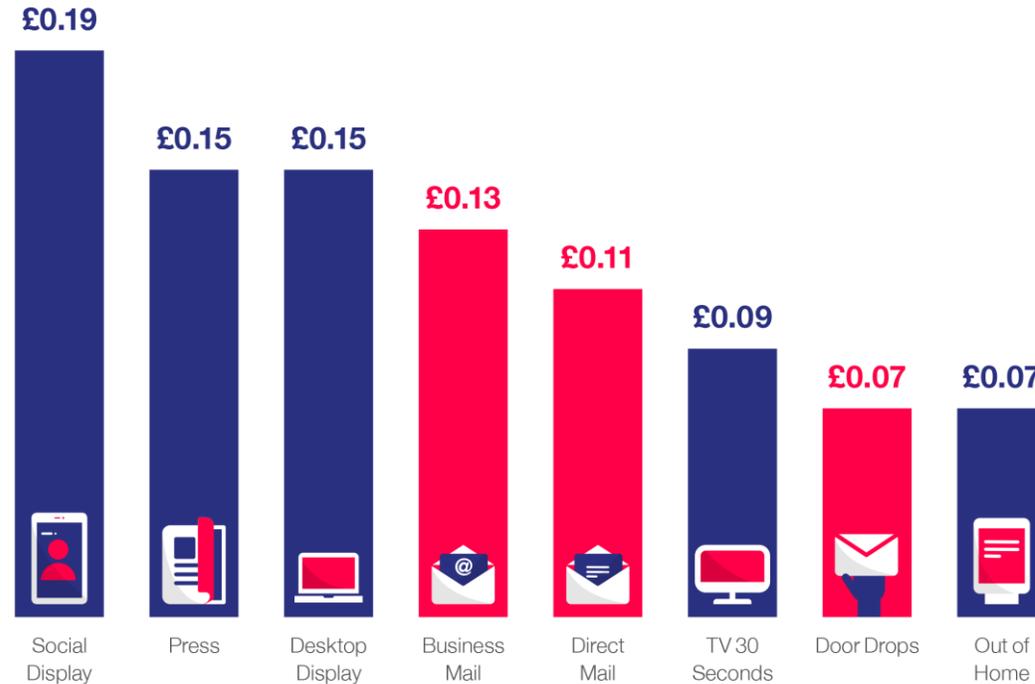
Attention: Seconds per Mail Item
Enables you to compare key JICMAIL metrics by advertiser. Source: JICMAIL Advertiser Attribution
Brands with a sample of less than 30 mail items will not display in these charts.



Why does this matter?

Because in the era of attention planning, mail is among the most cost-efficient channels out there

Cost per minute: ABC1 Adults



Highest attention efficiency

Thanks

 jicmail.org.uk

 [linkedin.com/company/jicmail](https://www.linkedin.com/company/jicmail)

 ian@jicmail.org.uk

 [@jicmailuk](https://twitter.com/jicmailuk)

**JIC
MAIL**

Mail Media Metrics