

JICMAIL Quarterly Results Webinar Q3 2023

New mail reporting variables.

+

Building the case for mail in ten minutes.



Mail Media Metrics





1.

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



2.

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



3.

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

Three opportunities for mail outlined at the JICMAIL annual conference

3

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	PERFORM- ANCE	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



Mail prospecting opportunities with DPDI



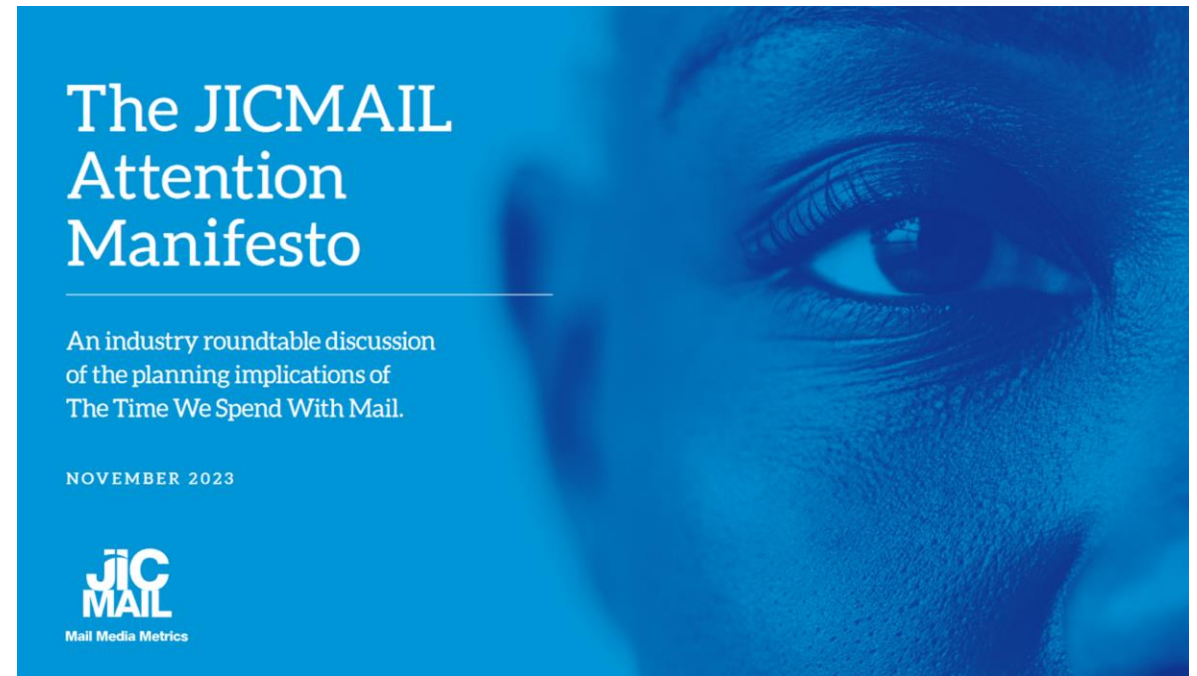
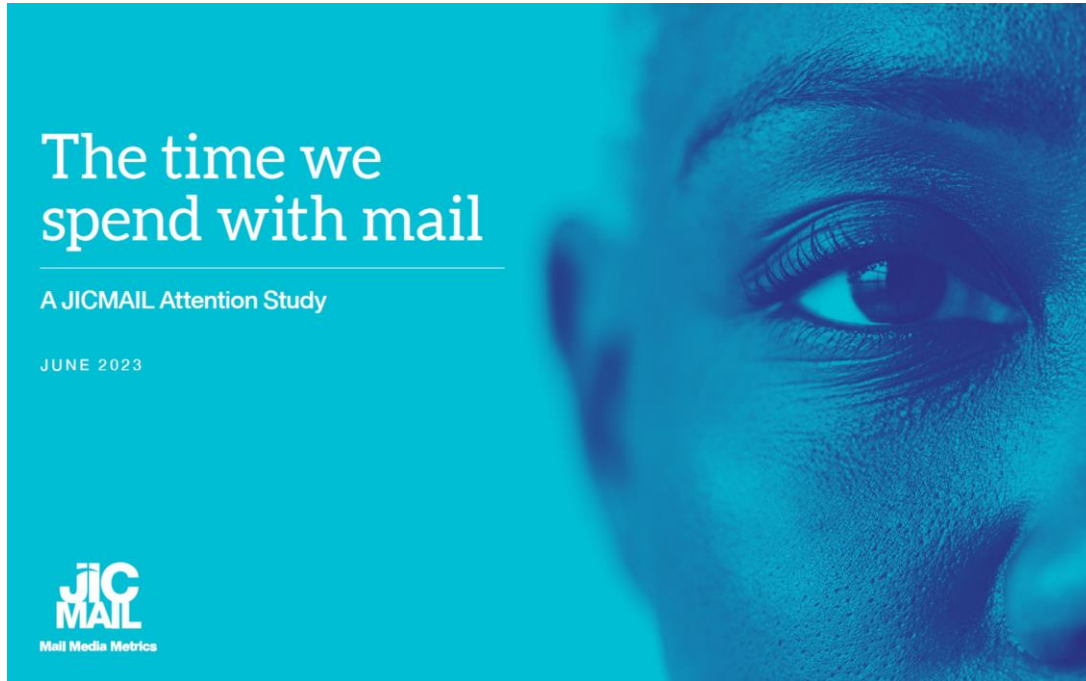
SME demands from data regulations (% agree)

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



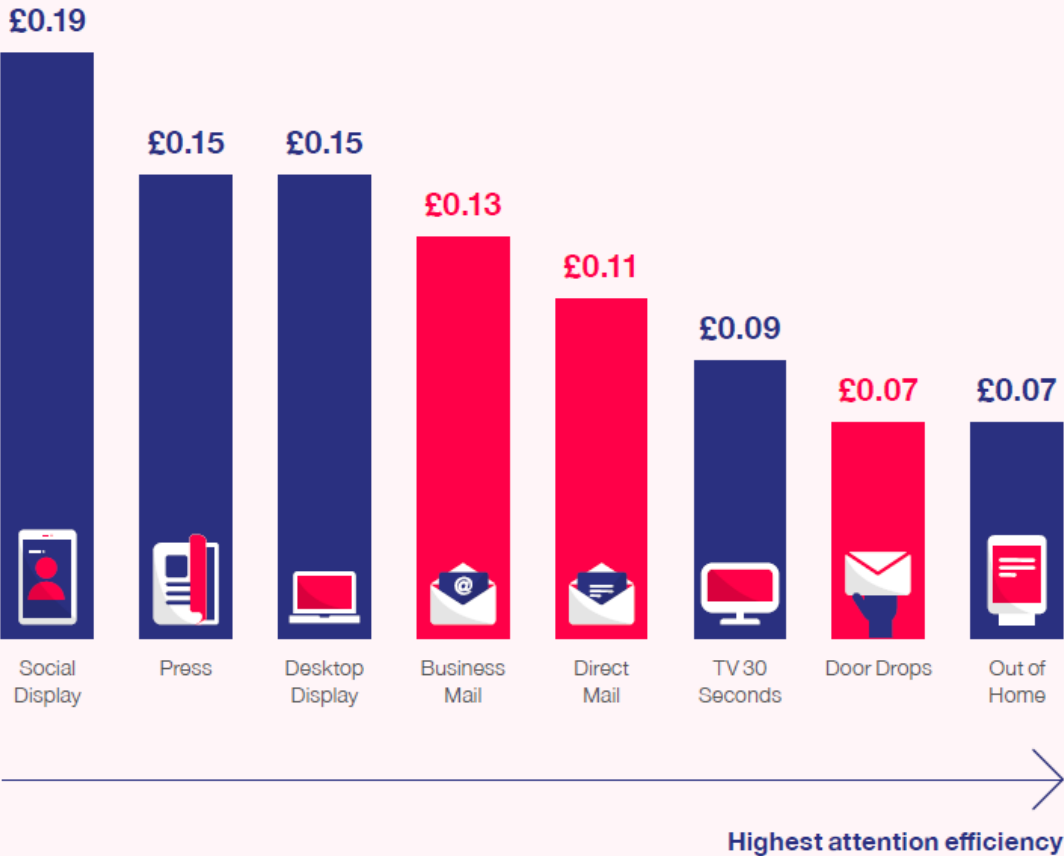
A year in mail attention measurement... and beyond

8



Mail is a highly attention efficient channel

Cost per minute: ABC1 Adults

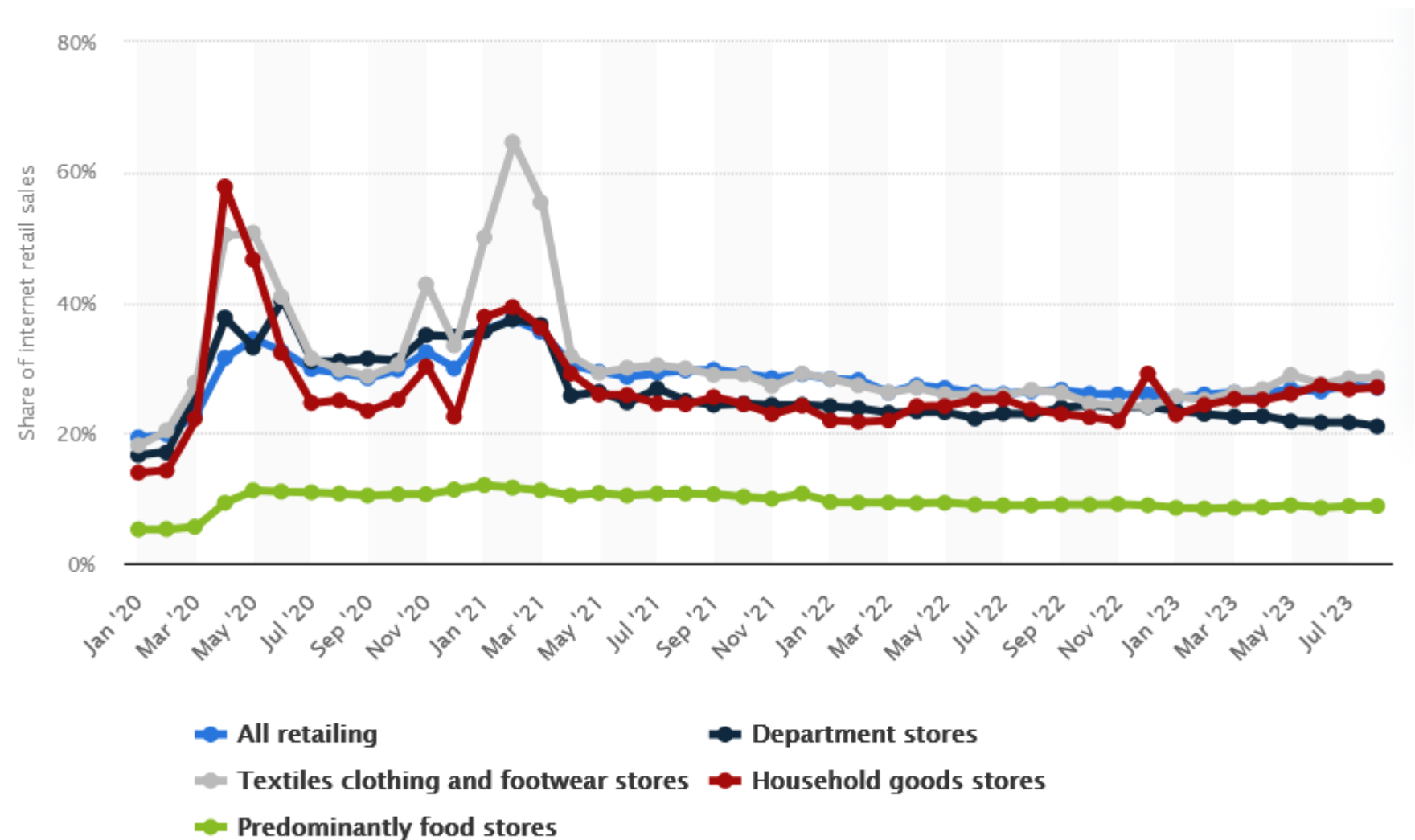


From digital to physical

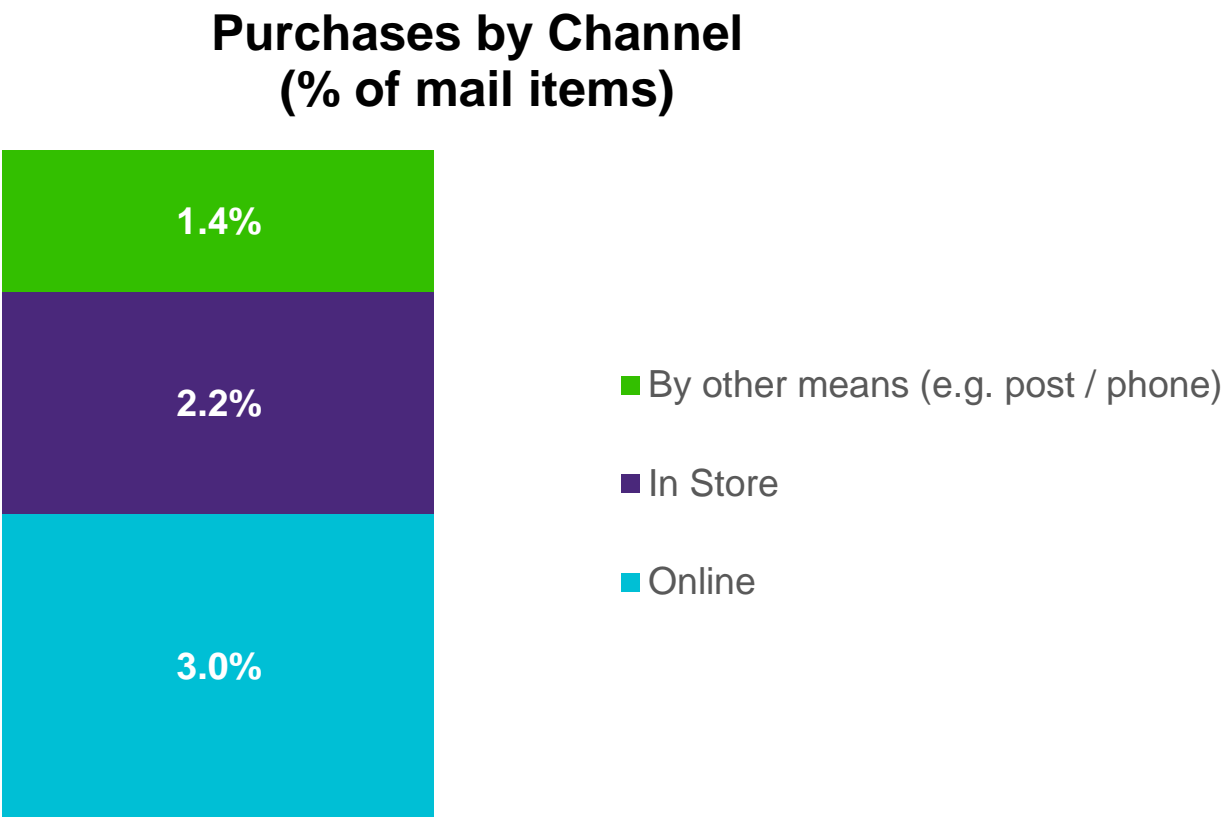
10



Online share of sales down since its Covid peak



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

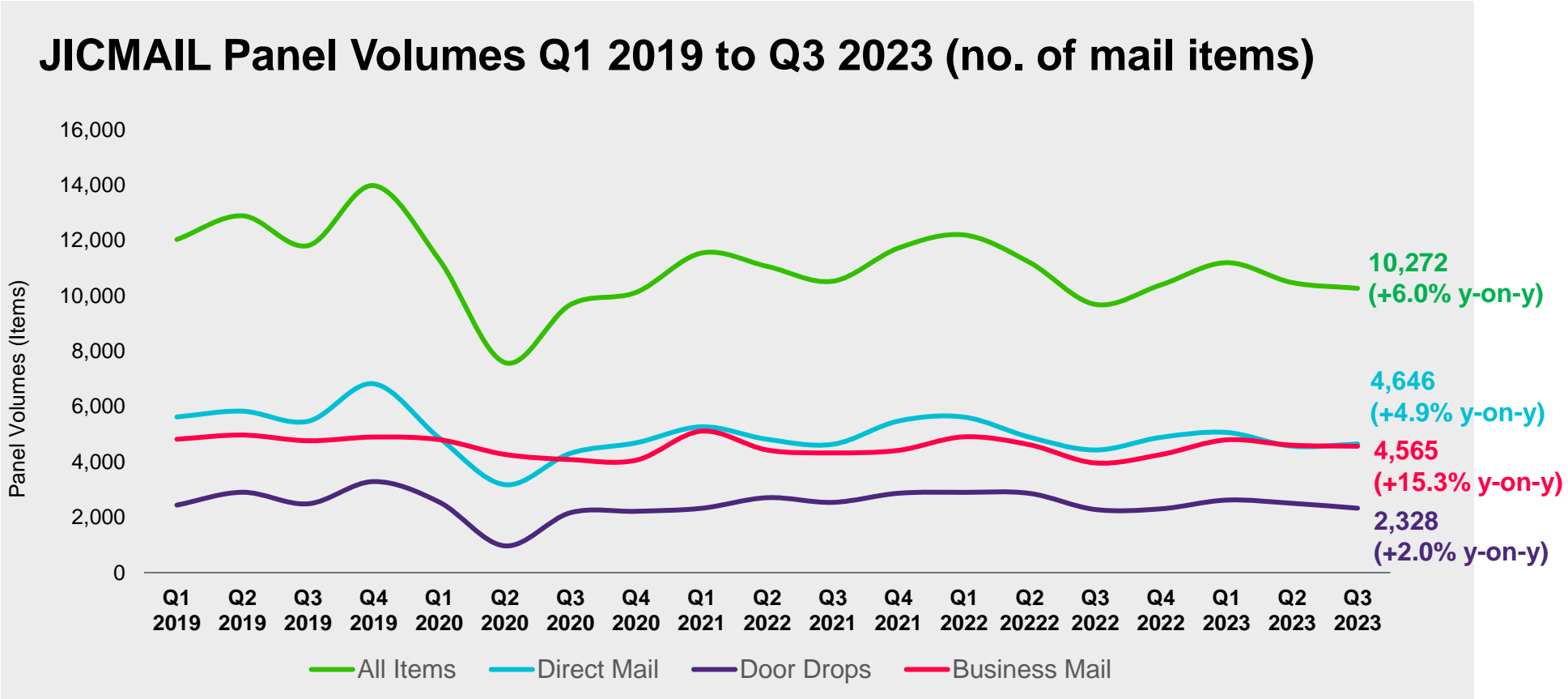


JICMAIL Q3 2023 Results Round Up

Volumes, Reach, Frequency, Lifespan and Attention

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%

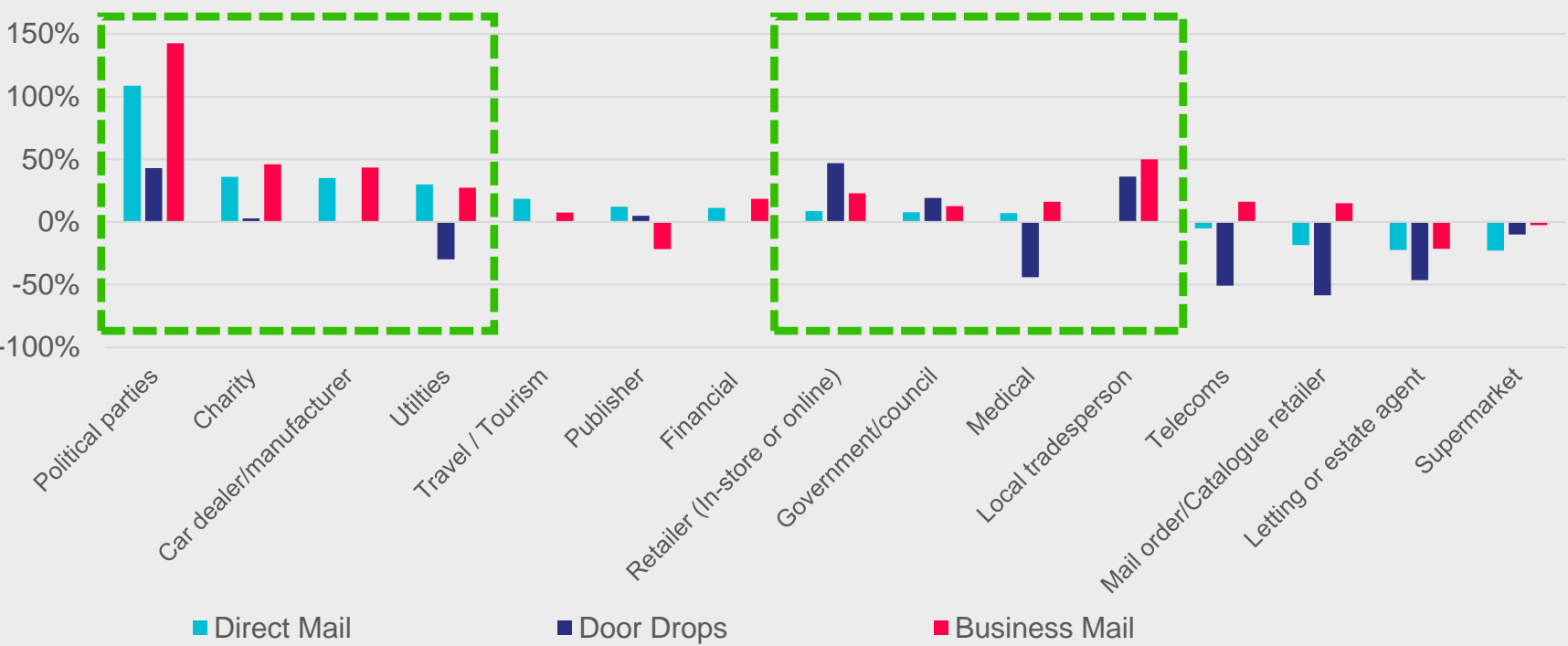


Political parties, charities, retail, utilities and local tradesperson volumes drive increased sample on the JICMAIL panel

15

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

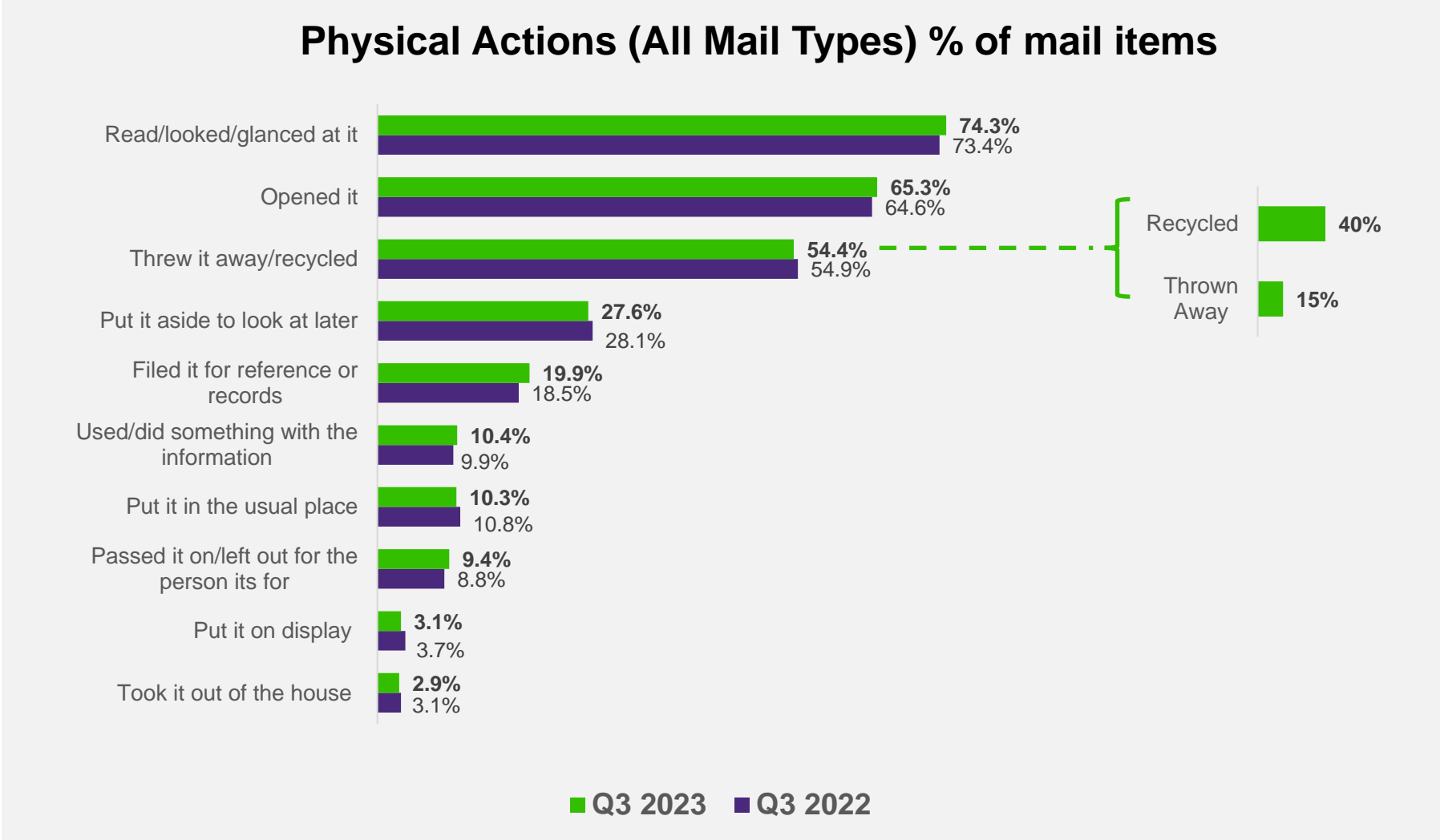
JICMAIL Panel Volumes Q3 2023 Year-on-Year Growth



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

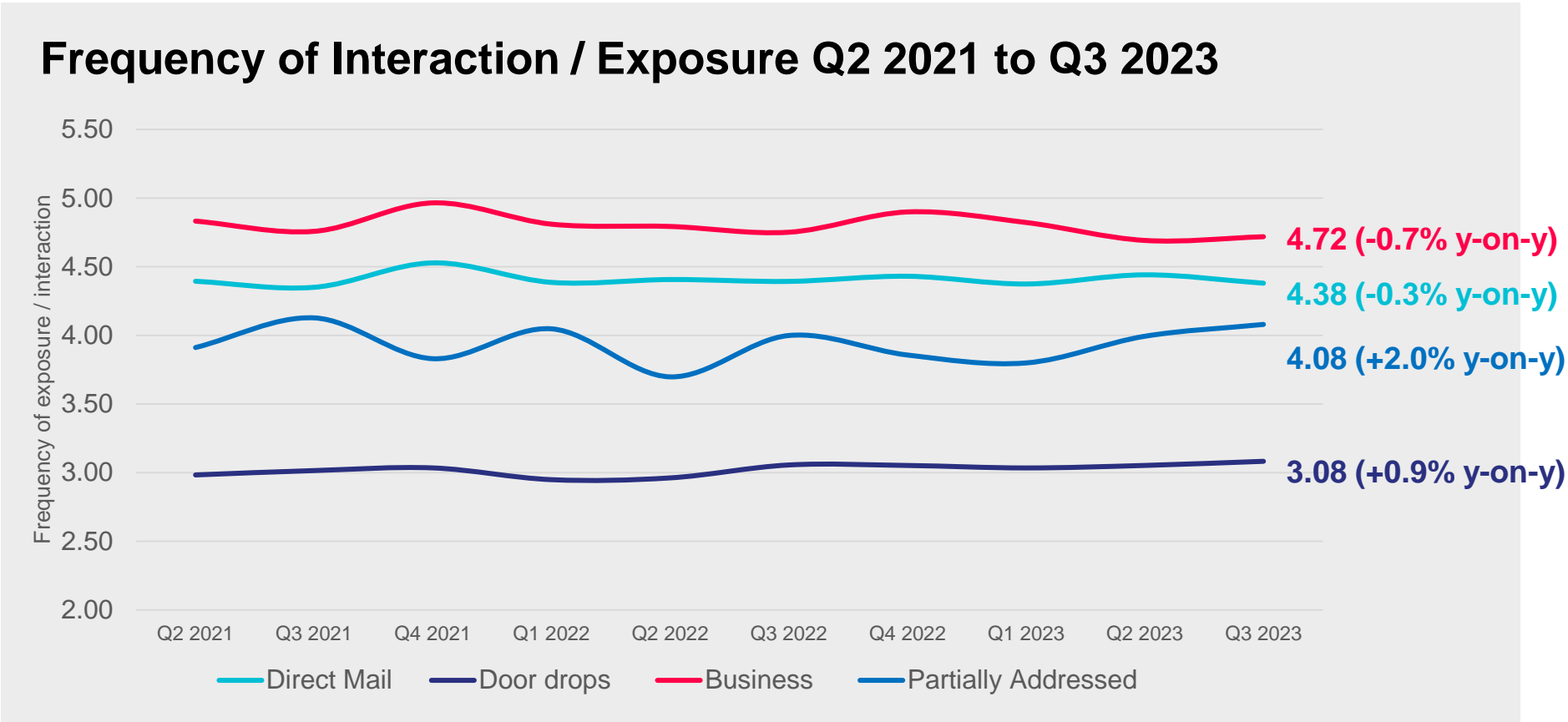
Fifth quarter in a row in which mail read, open and retention rates have grown year-on-year.

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



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.

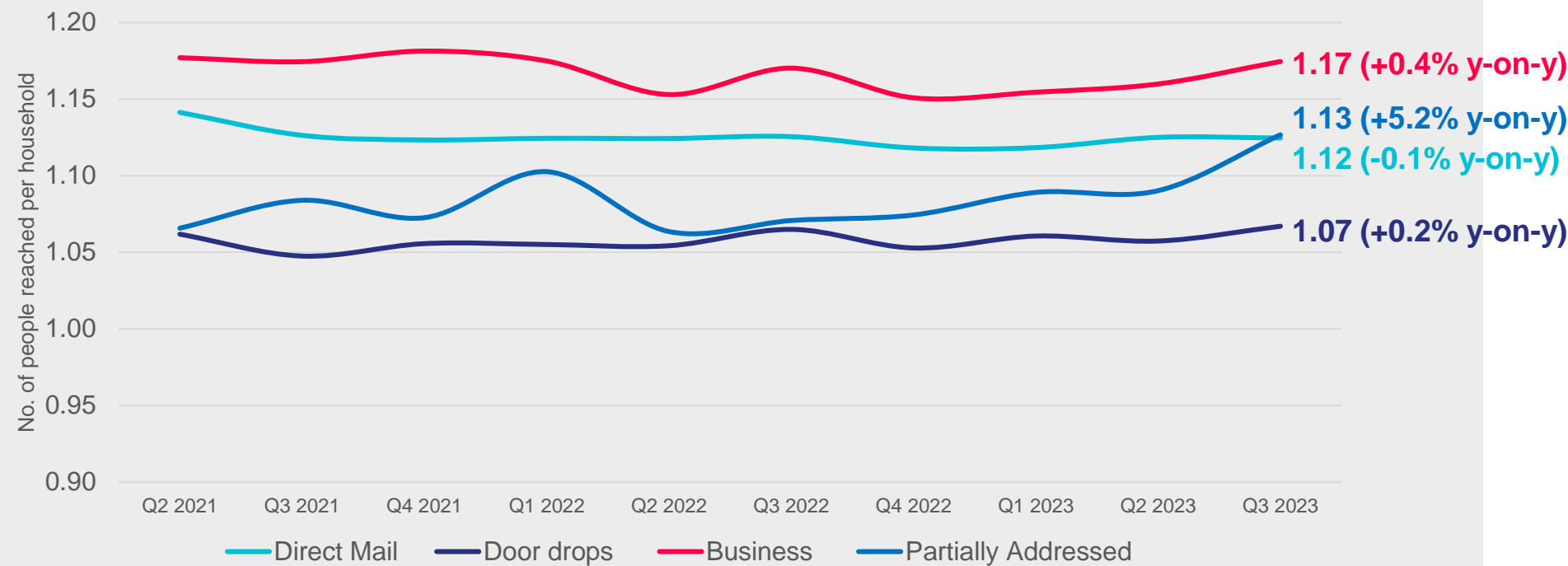


Source: JICMAIL Item Data Q2 2021 to Q3 2023 n=108,770 mail items

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

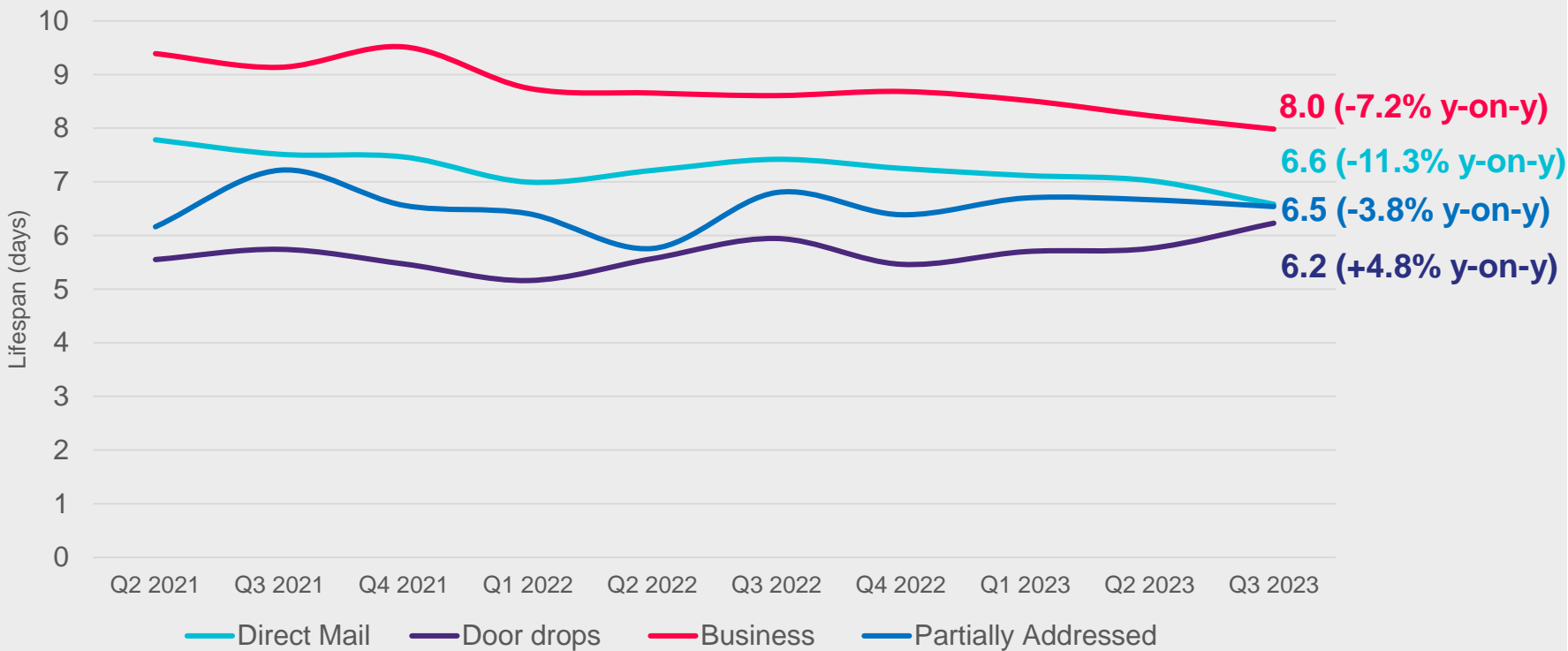


Source: JICMAIL Item Data Q2 2021 to Q3 2023 n=108,770 mail items

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.

Lifespan (days) Q2 2021 to Q2 2023

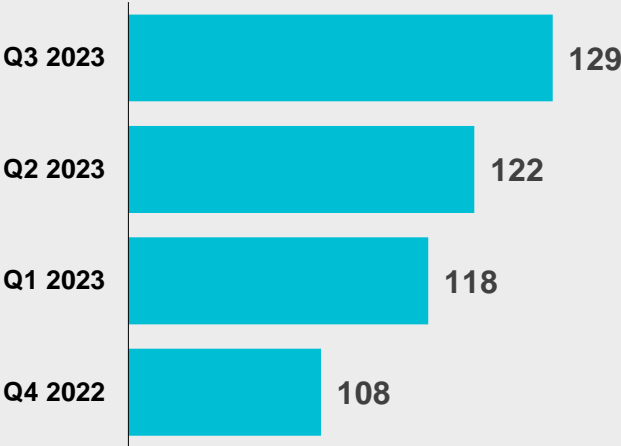


Source: JICMAIL Item Data Q2 2021 to Q3 2023 n=108,770 mail items

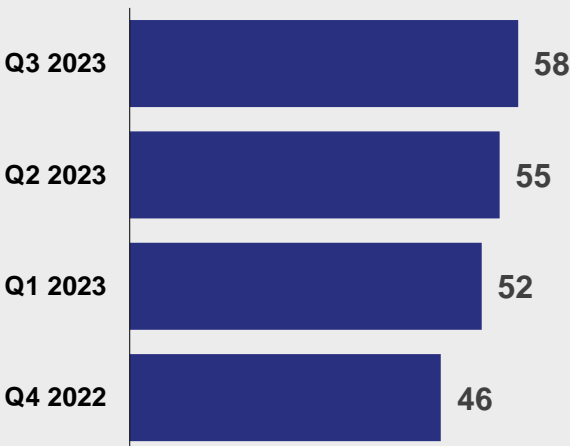
Direct Mail and Door Drop attention climbed steadily in Q3 2023

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.

**Direct Mail Attention
(seconds interacted with per item)**

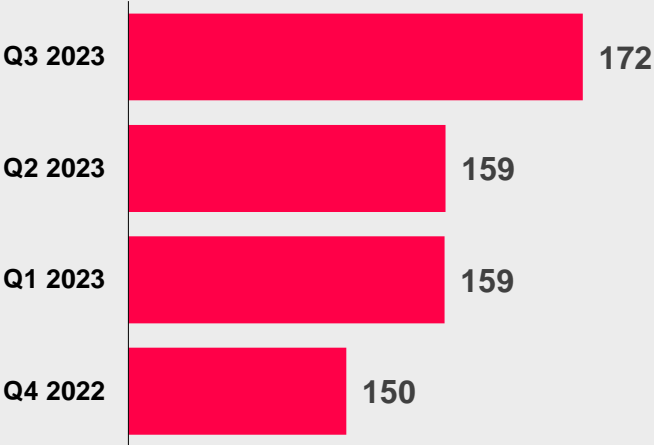


**Door Drop Attention
(seconds interacted with per item)**

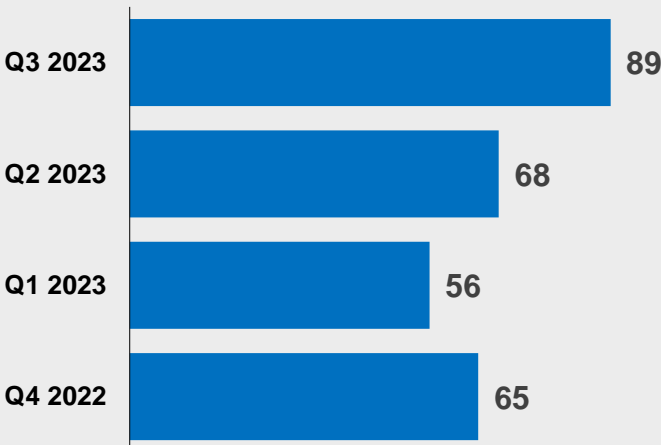


Business Mail attention also climbs in Q3 2023

**Business Mail
Attention
(seconds interacted
with per item)**



**Partially Addressed
Mail Attention
(seconds interacted
with per item)**



What's driving this increase in attention?

22



Supermarkets



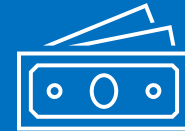
Charities



Telecoms



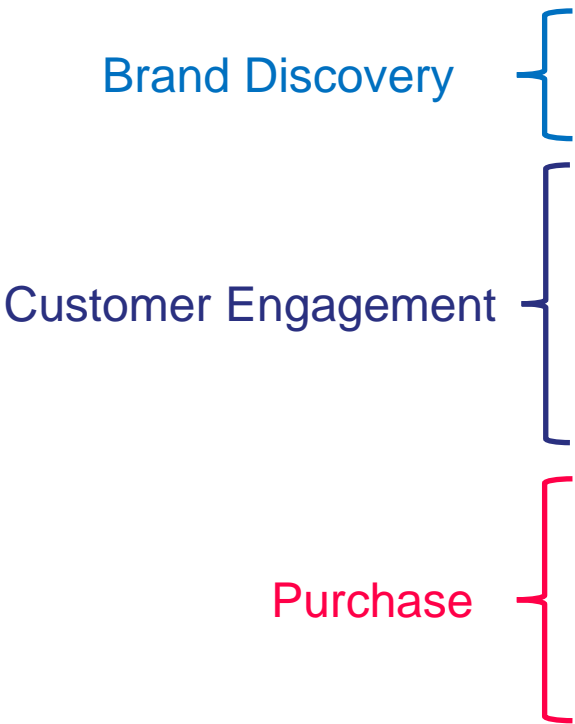
AB Adults



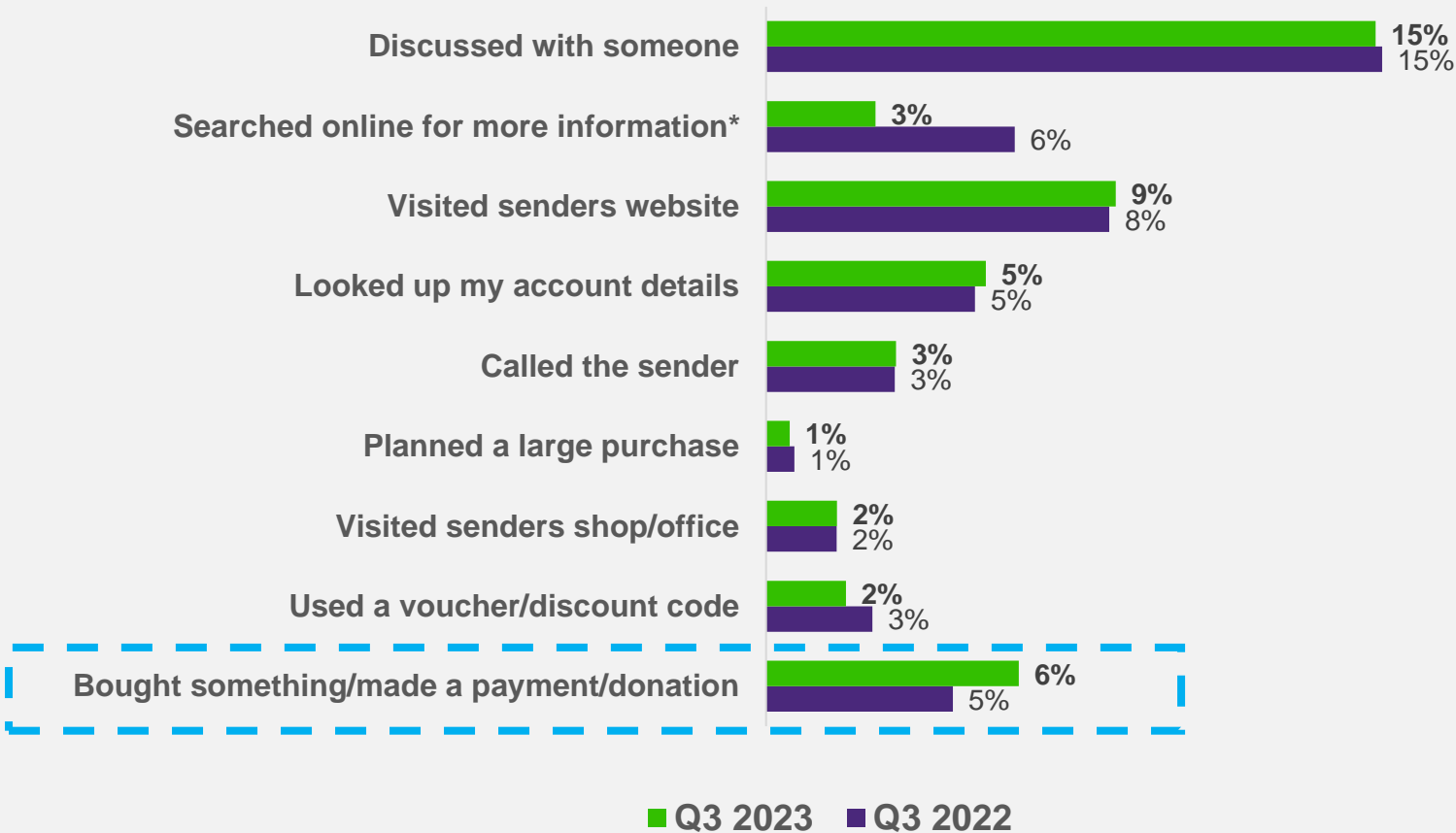
Mail Effectiveness Q3 2023

Commercial Actions

Increase in purchases driven by mail in Q2 2023



Commercial Actions (All Mail Types) % of mail items



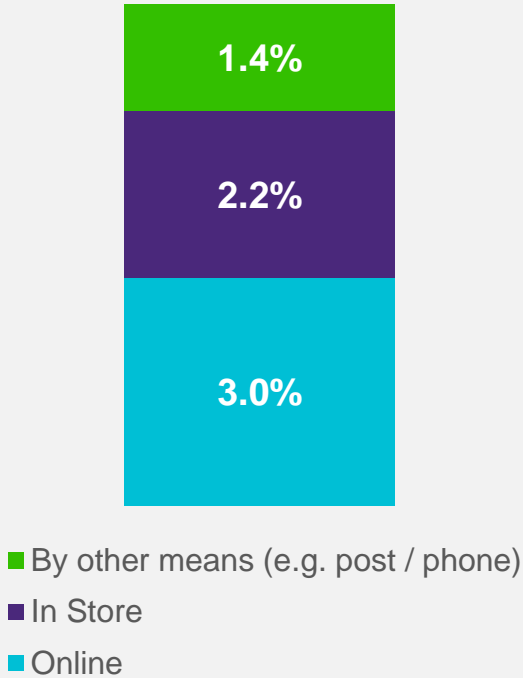
Source: JICMAIL Item Data Q3 2022 n=9,693 mail items; Q3 2023 n=10,272
* Questionnaire wording change from “Went online for more information” to “Searched online for more information.” Interpret year-on-year comparisons with caution

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

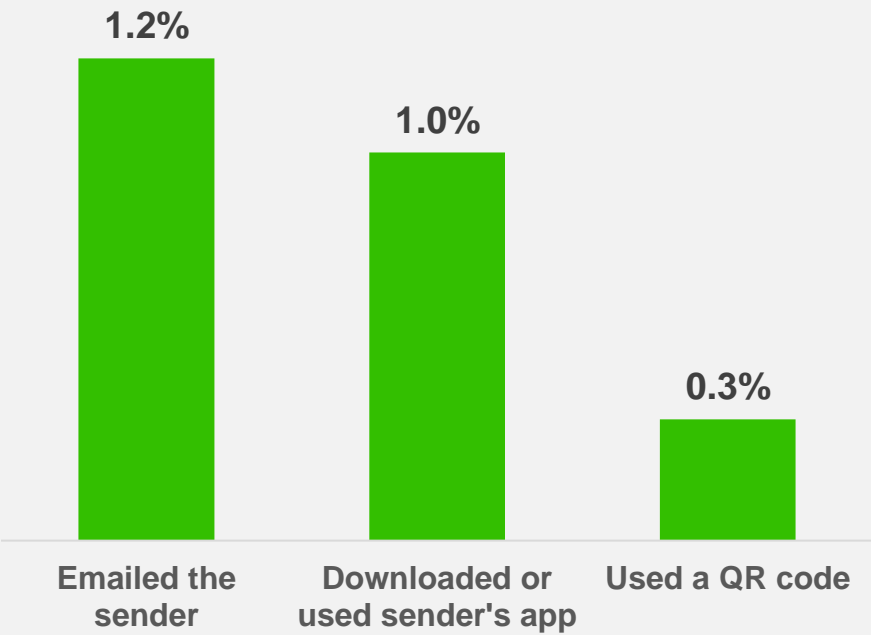
- Online purchases account for just under half of the transactions driven by mail.
- Mail’s role in a digital world is also underlined by the new metrics tracked which demonstrate mail’s ability to prompt email sends and app downloads.



**Purchases by Channel
(% of mail items)**



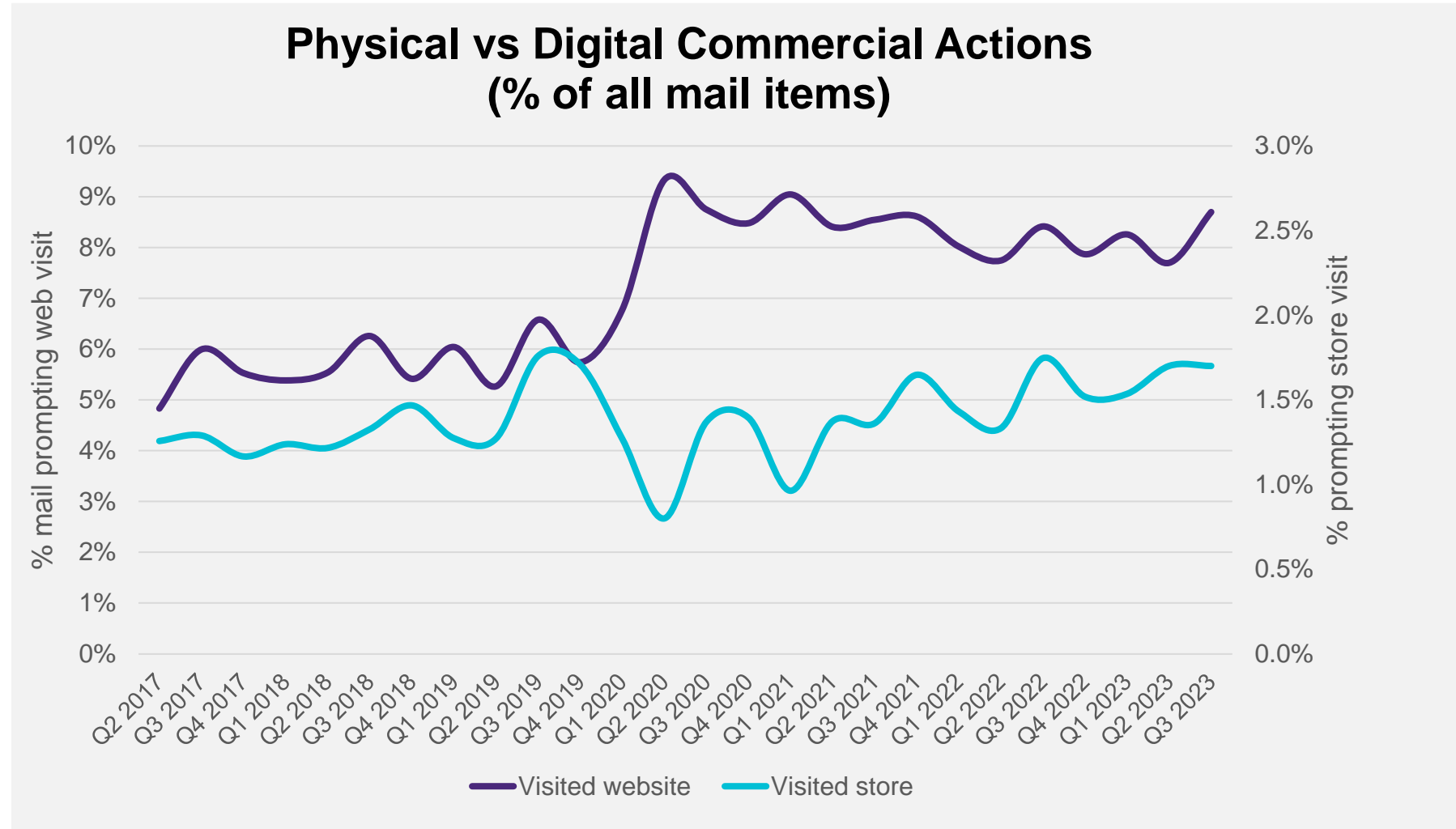
**New Digital Commercial Actions
(% of mail items)**



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.



Mail Media Metrics

Source: JICMAIL Item Data Q2 2017 to Q3 2023 n=294,000 mail items

New Reporting for Q3 2023

New Reporting Variables

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

Menu

Campaign Calculator

Sector or Content

BY SECTOR

Category

Bank / Building society (from Q3 2023)

Mail Type

☒ Addressed Mail

☐ Door Drop

☐ Business Mail

☐ Partially Addressed

Select Commercial Objective

All Commercial Action

Select Demographic

Adults 17+

Quarter

Q3 2023

Please note: minimum sample size of 30+ displayed. Filter new Q3 2023 variables on Q3 2023 date filter onwards.

What is the predicted reach of your mail campaign?

Addressed Mail in Bank / Building society (from Q3 2023):

1.11

Item Reach

4.4

Frequency

6.92 da

Lifespan

100

Input number of addressed Mail items

111

Campaign Reach

487

Campaign Impacts

Select all - Clear

☐ Q3 2022

☐ Q4 2022

☐ Q1 2023

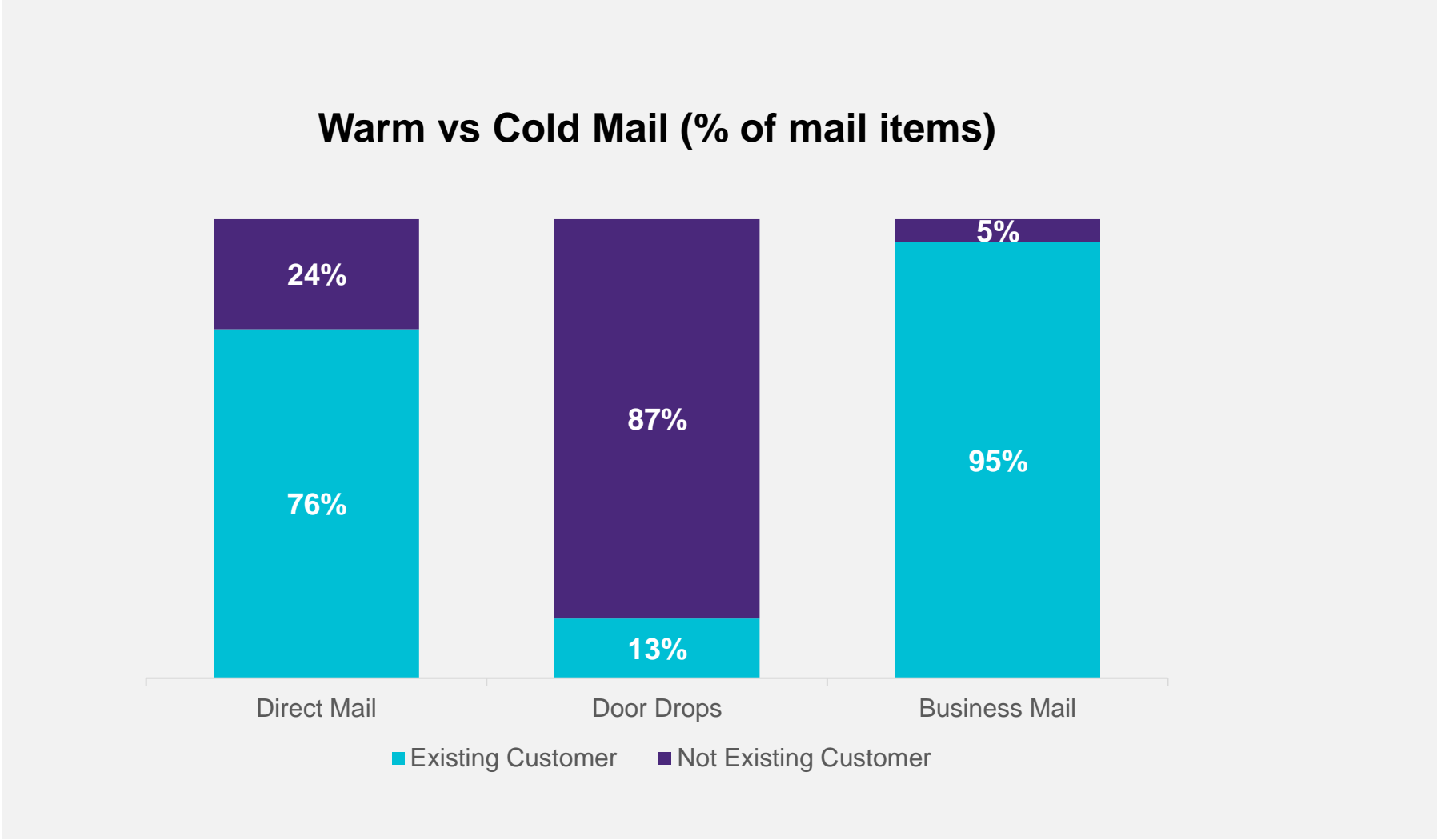
☐ Q2 2023

☒ Q3 2023

JiC
MAIL

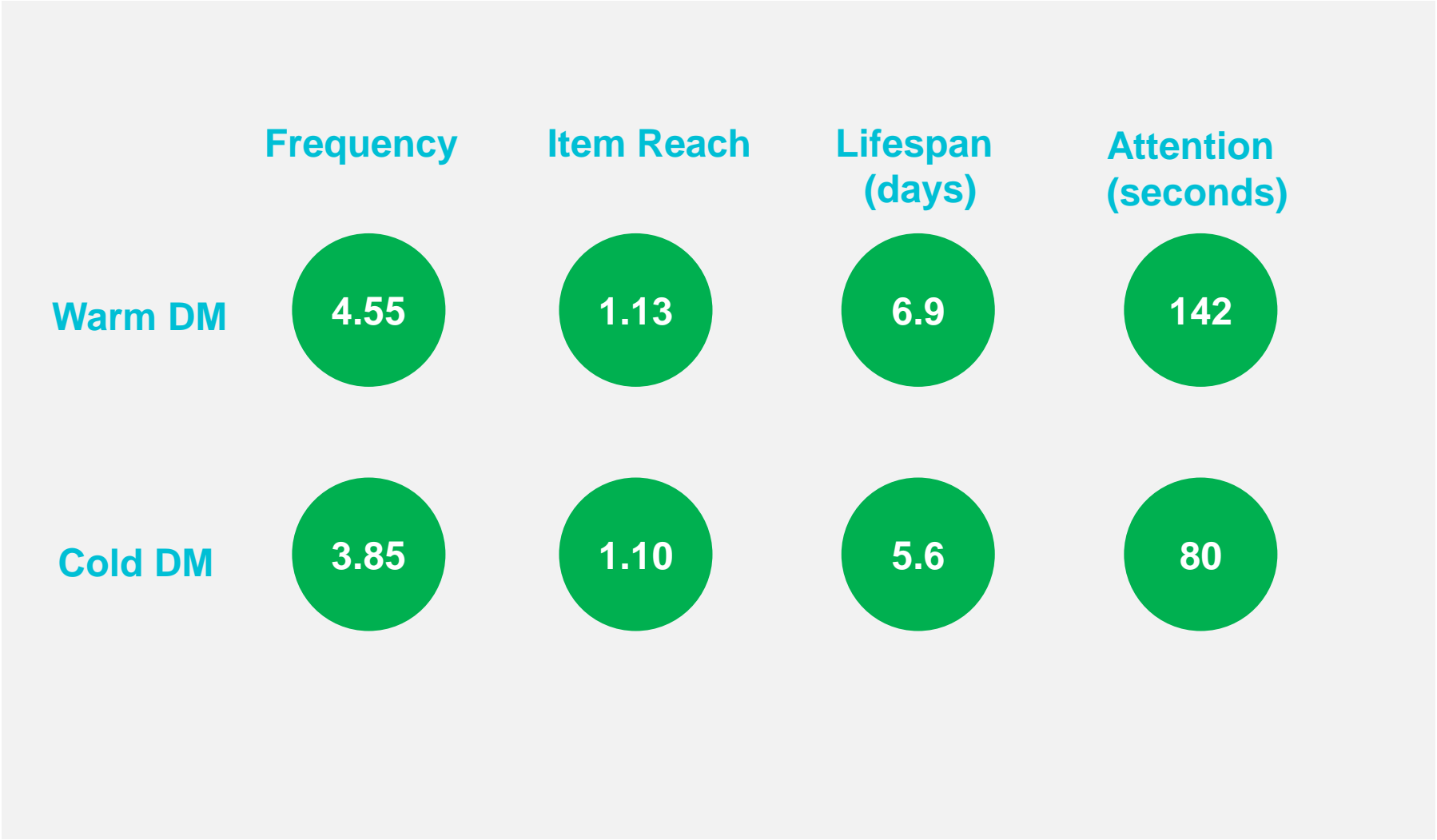
Mail Media Metrics

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



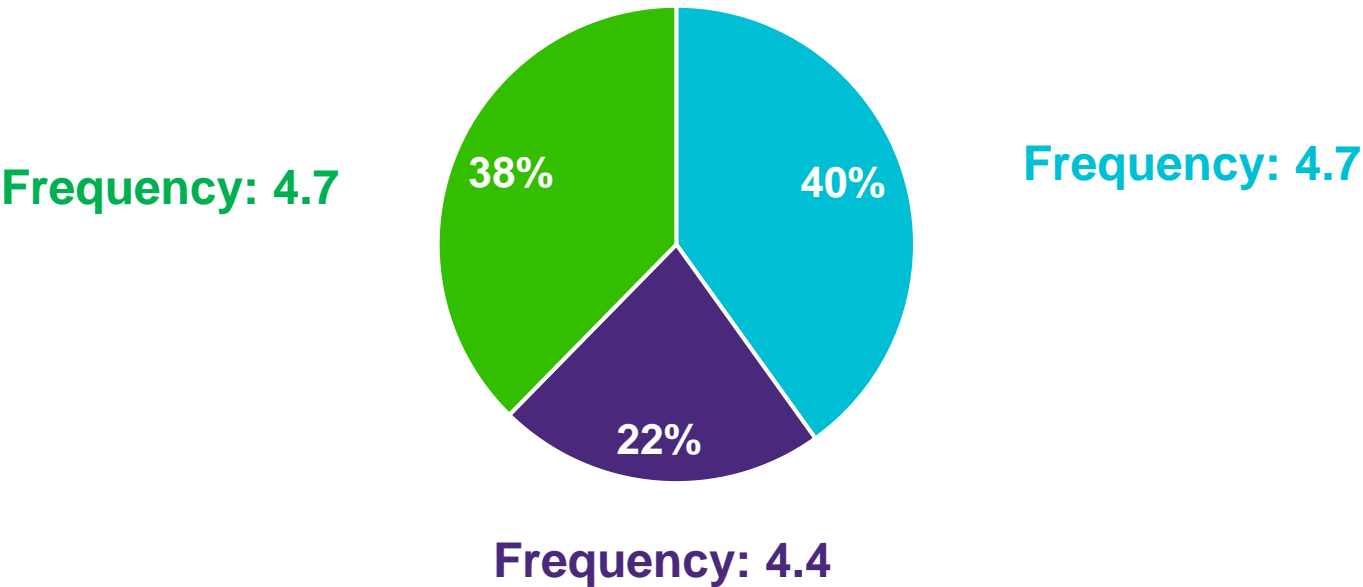
Existing customers are more engaged with a specific piece of advertiser Direct Mail, than new prospects are

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



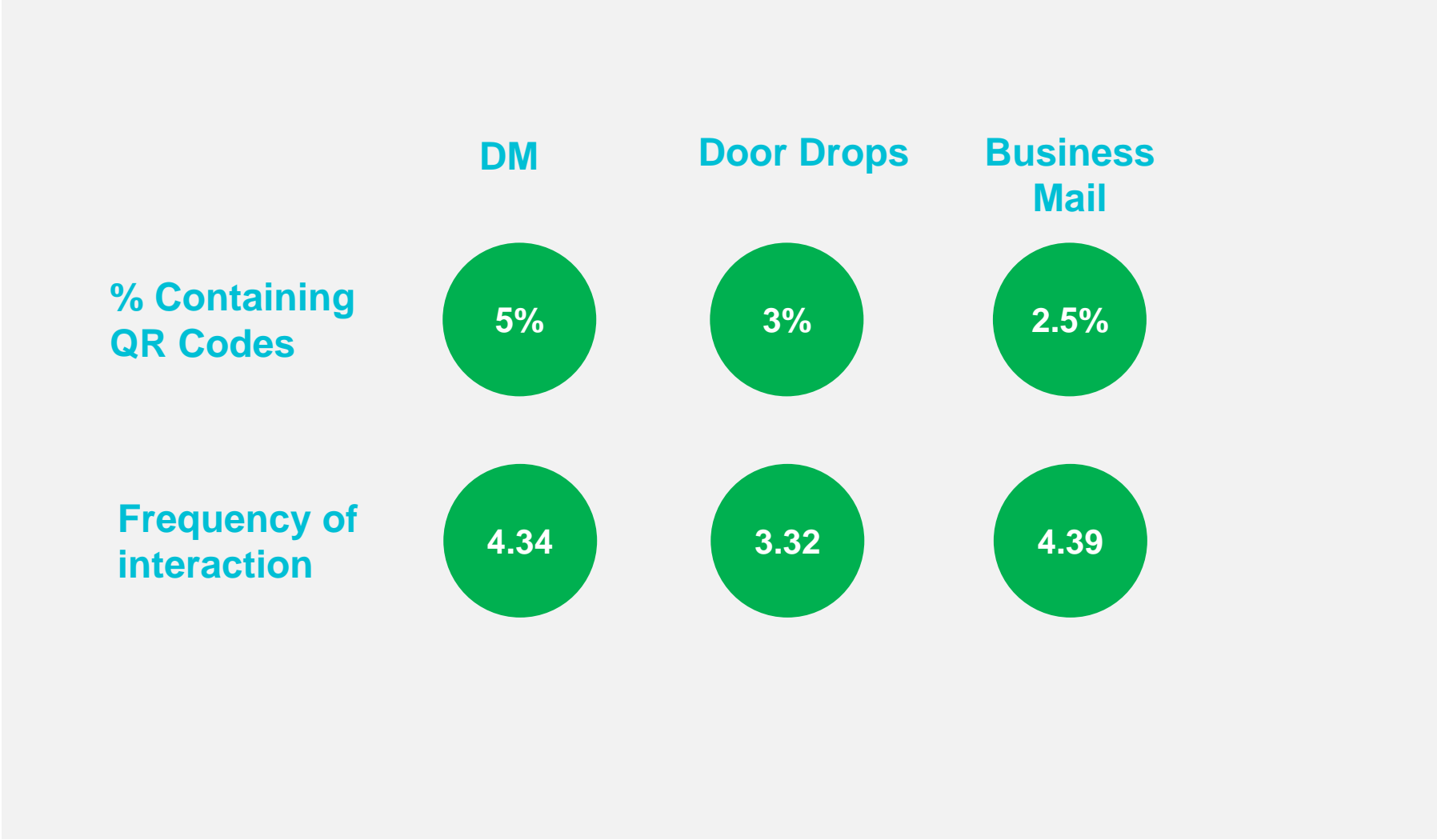
Other new variables: Financial Services sub-groups

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



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

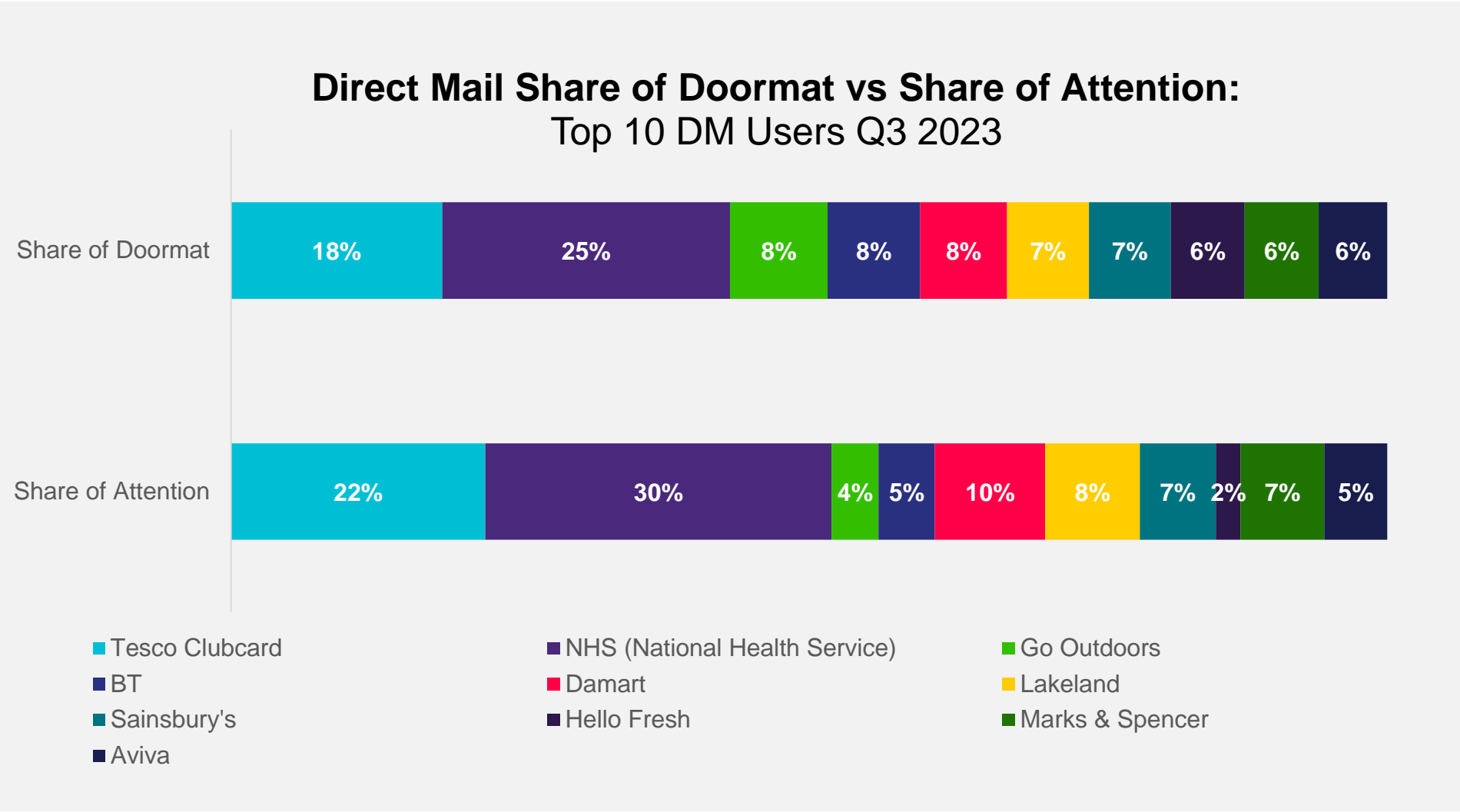
- While QR codes make a negligible difference to Direct Mail frequency of interaction, Door Drops containing a QR code have 10% more interactions than the average Door Drop.



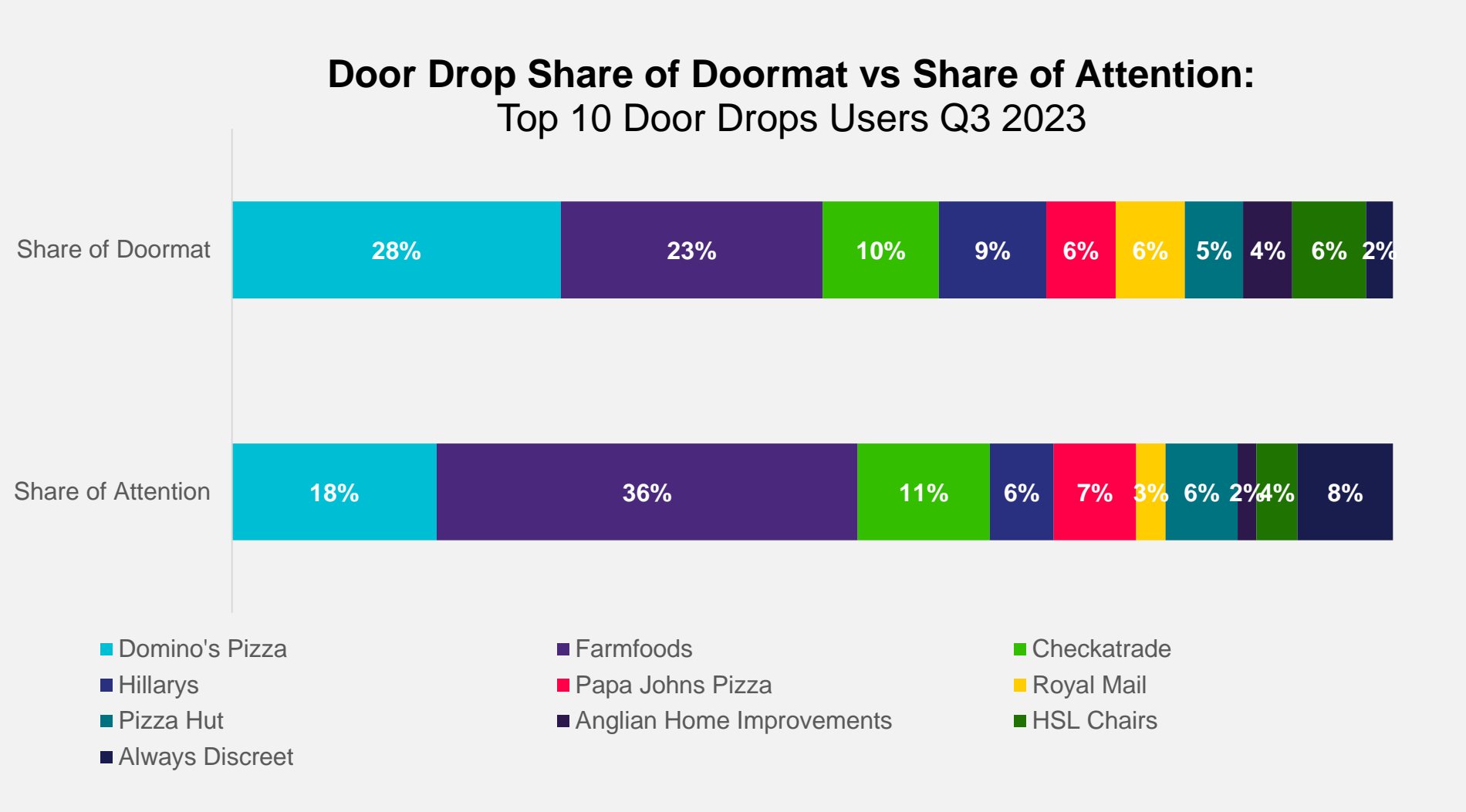
Advertiser Activity Q3 2023

Share of Doormat and Attention

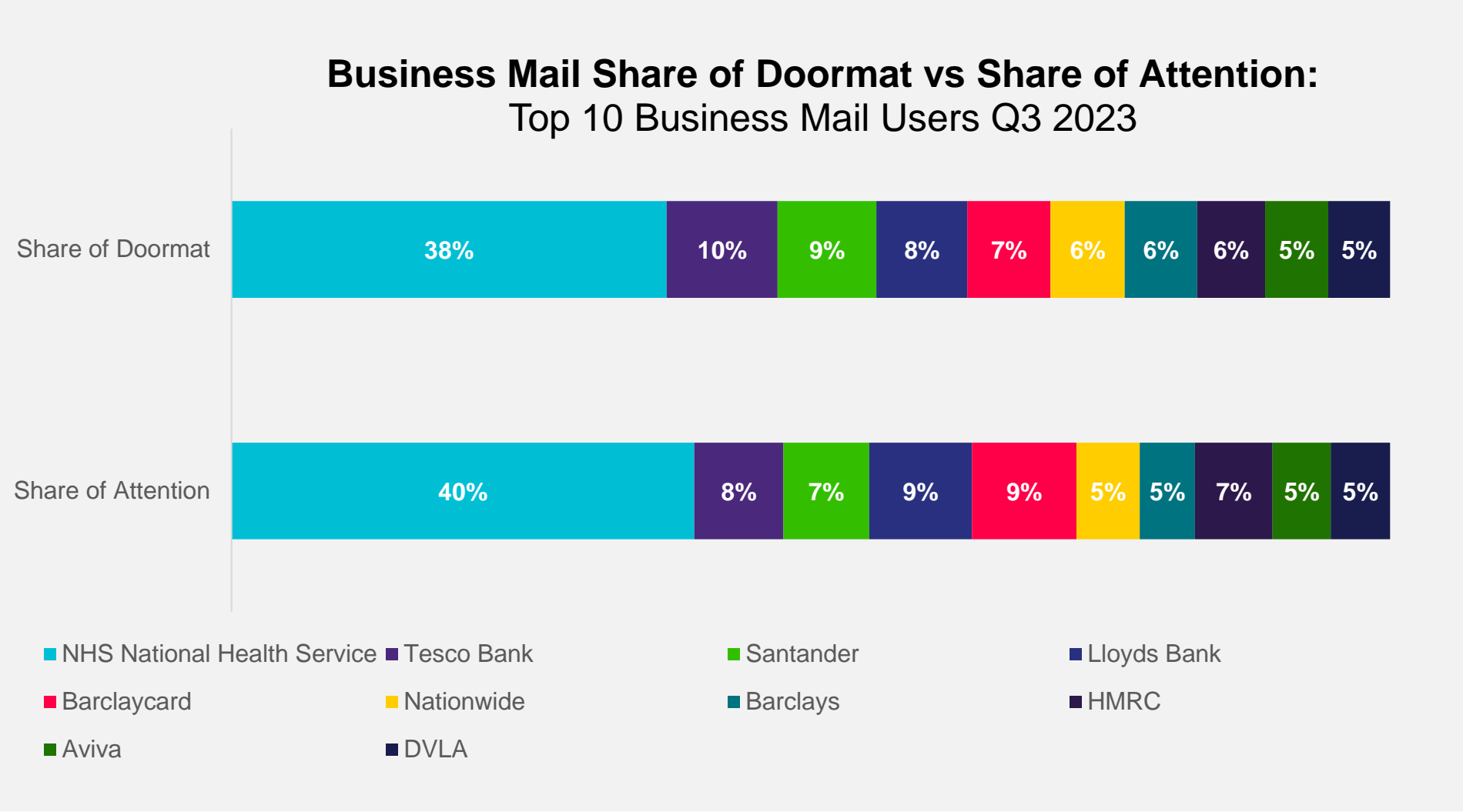
Tesco and NHS dominate in terms of share of door mat and share of attention. Damart over-performing for attention.



Farmfoods accounted for 23% of Door Drop share of doormat in 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.

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.

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.

10.9%

Warm Direct Mail response rate

1.0%

Cold Direct Mail response rate

5.1%

All Direct Mail response rate

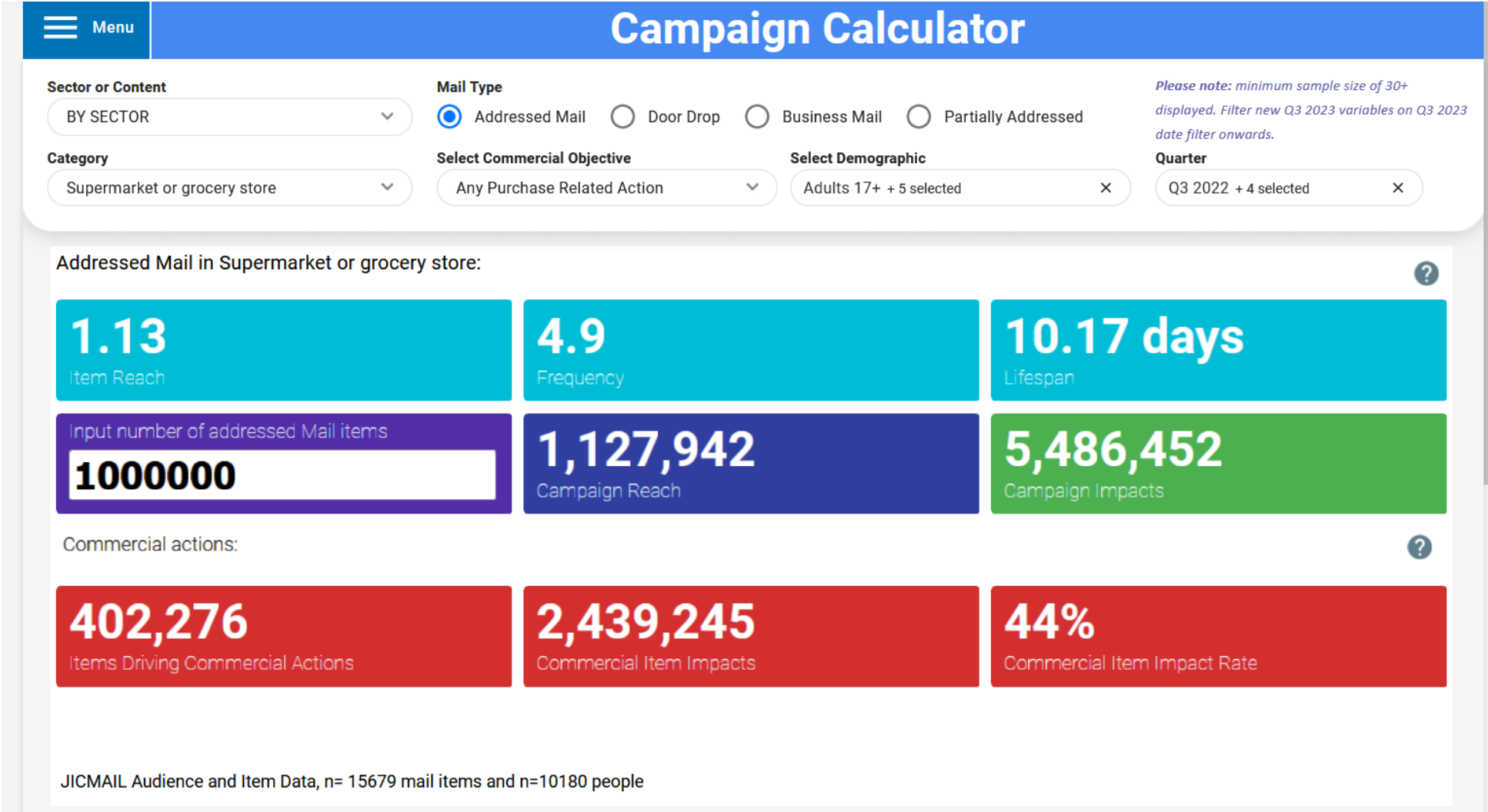
	Industry Sector	No. of Campaigns
Warm Direct Mail	10.9%	389
Cold Direct Mail	1.0%	553
All Direct Mail (Warm and Cold) Average	5.1%	942

The Business Case for Mail in Ten Minutes

**JIC
MAIL**

Mail Media Metrics

1. Mail makes an impression



JiC MAIL

Mail Media Metrics

Why does this matter?

42

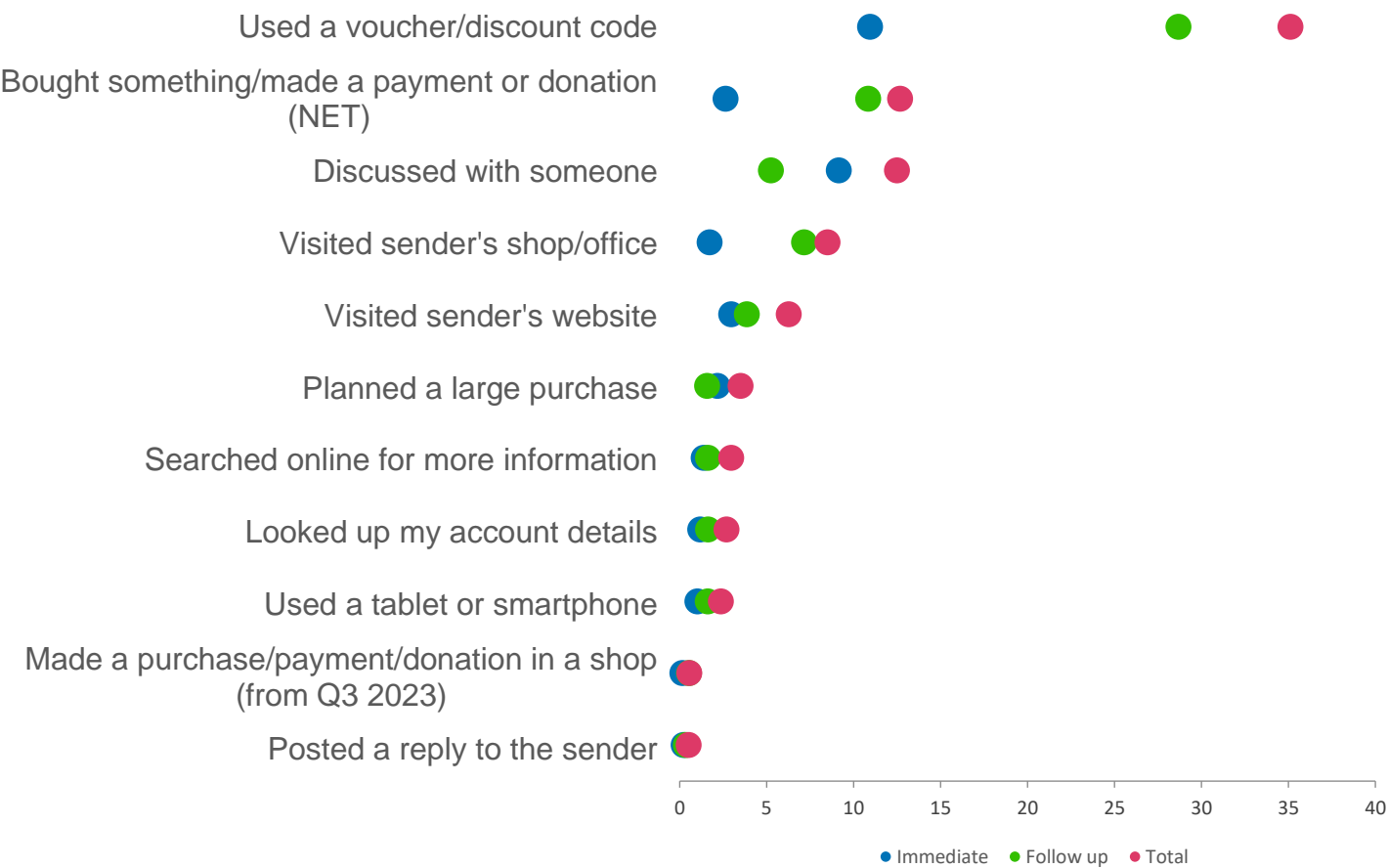
Because maximising impression delivery creates more opportunity to see (OTS). This is vital for driving top of funnel marketing effectiveness

AIDA Model



2. Mail generates purchases in store and online

Source: JICMAIL Item Data

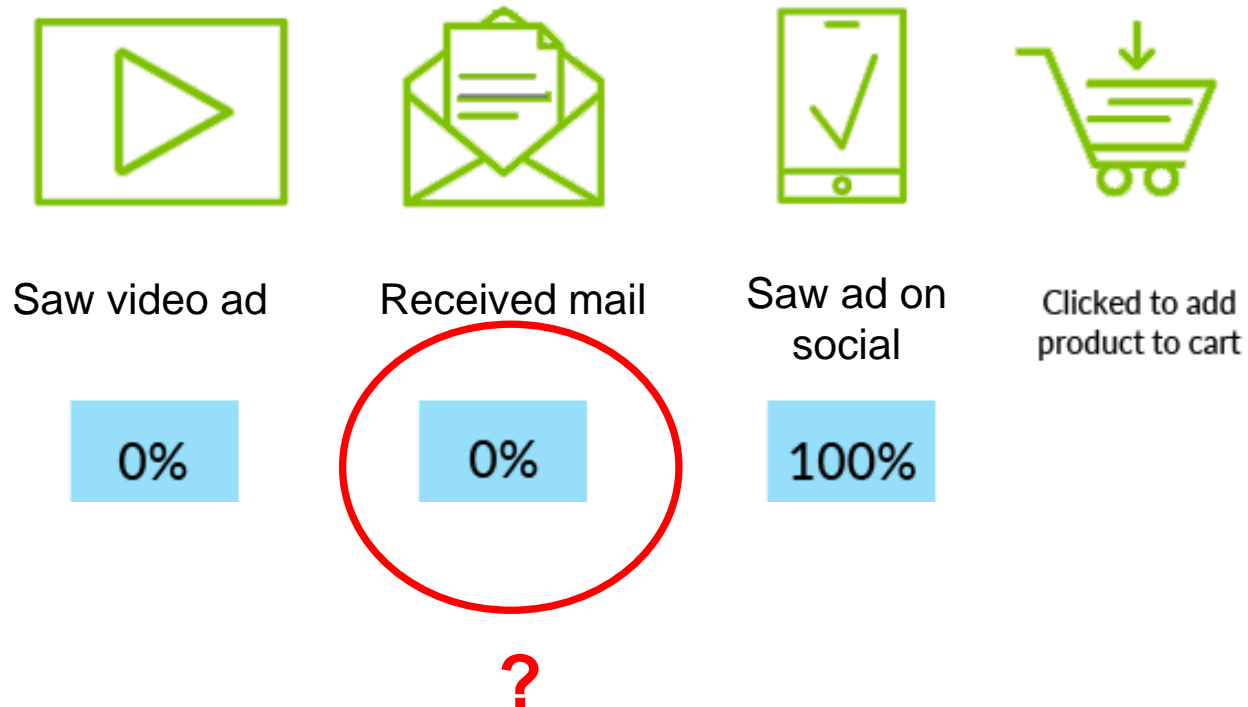


Why does this matter?

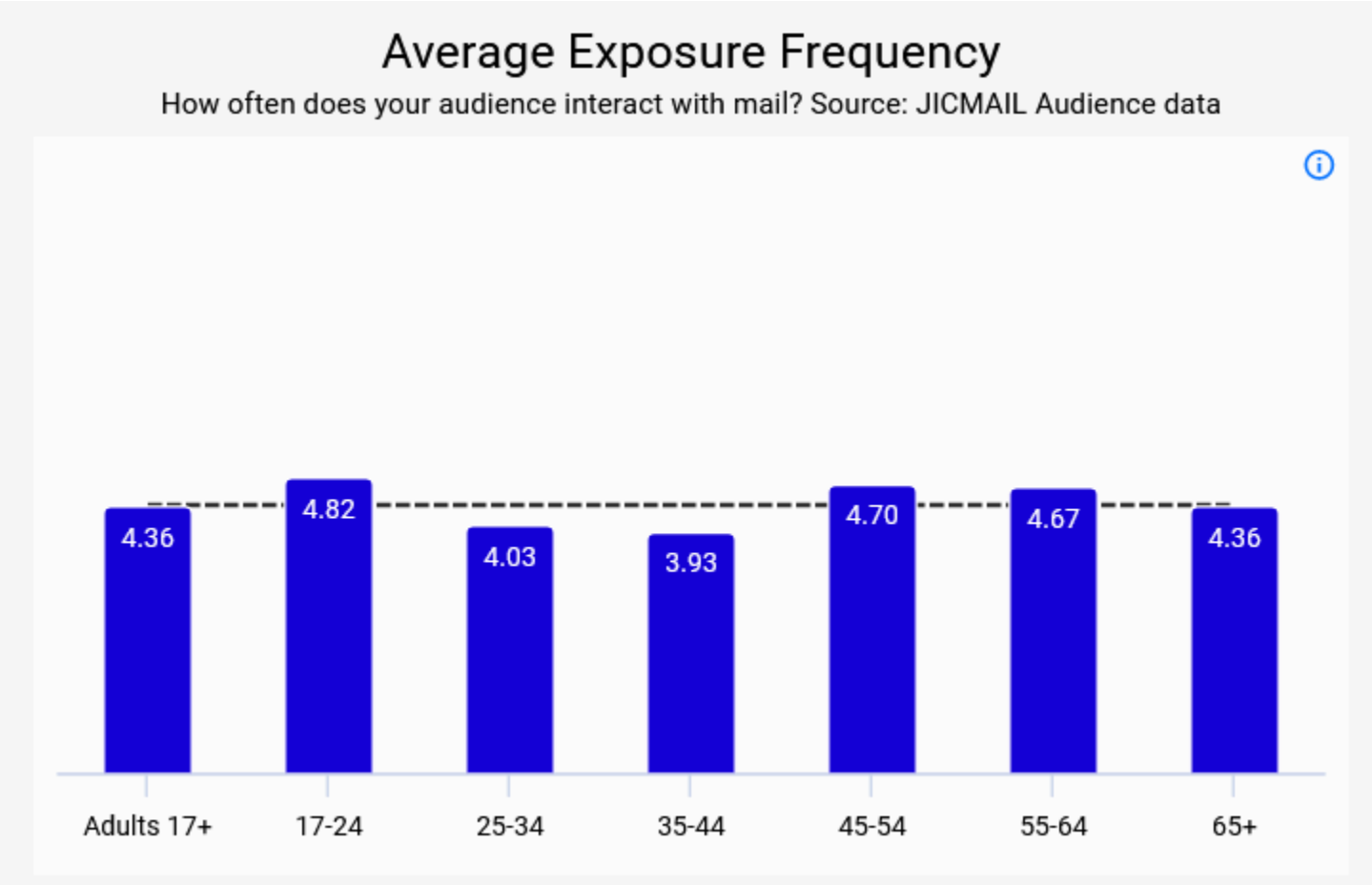
44

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

DIGITAL ATTRIBUTION MODEL (Last click)



3. Younger audiences will also interact with your mail

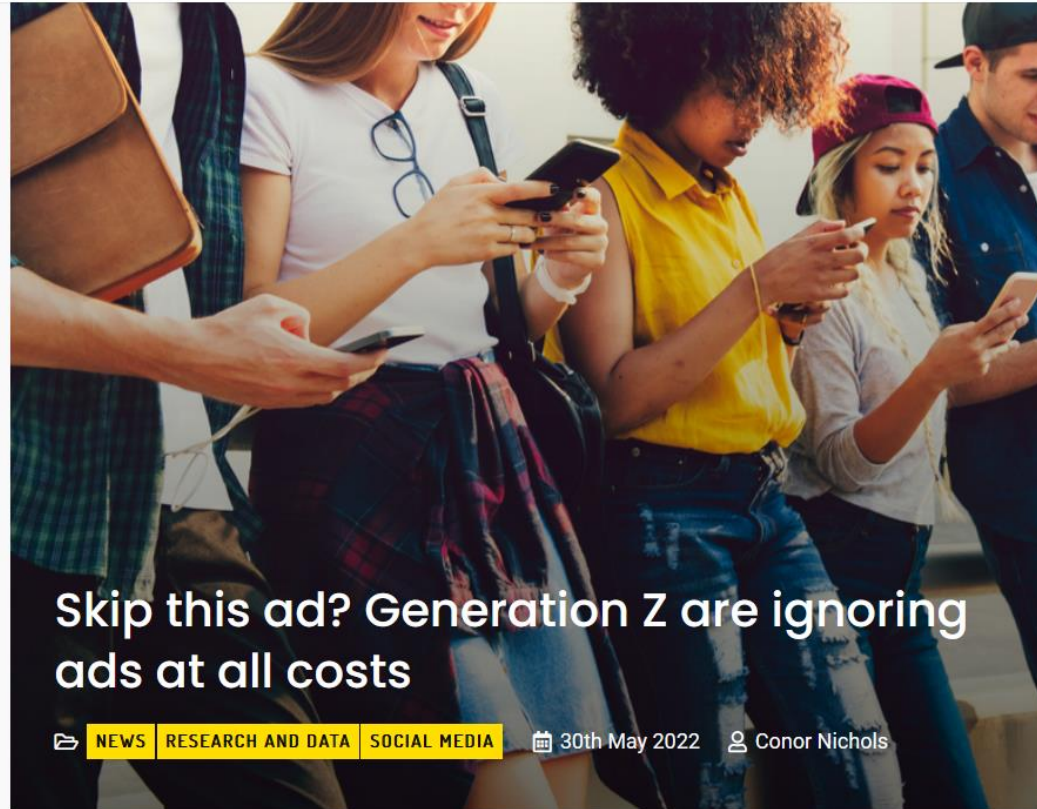


Why does this matter?

46

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

MARKETING / BEAT



Skip this ad? Generation Z are ignoring ads at all costs



NEWS

RESEARCH AND DATA

SOCIAL MEDIA



30th May 2022

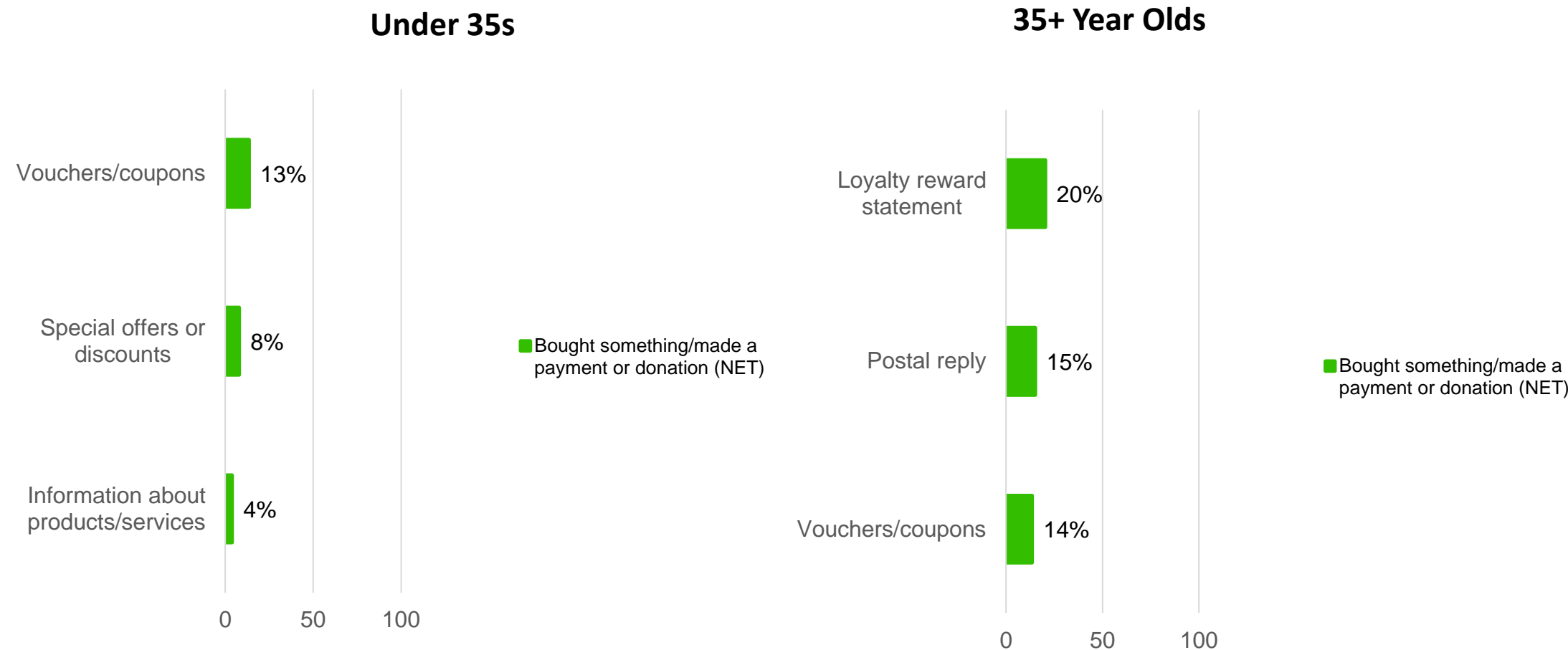


Conor Nichols

JIC
MAIL

Mail Media Metrics

4. We know what mail content prompts a purchase



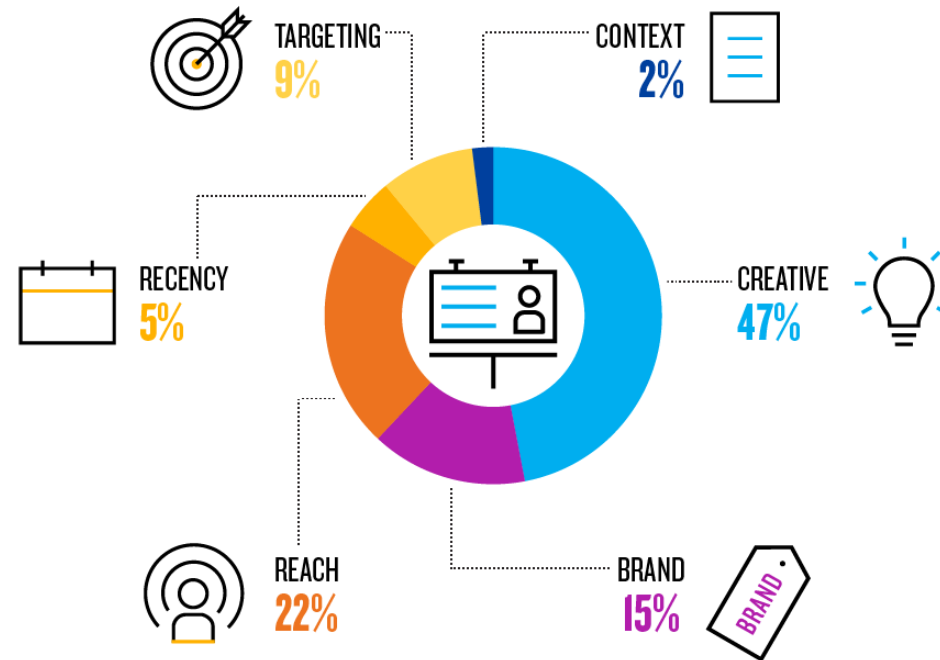
Why does this matter?

48

Because creative is the biggest driver of ad effectiveness

PERCENT SALES CONTRIBUTION BY ADVERTISING ELEMENT

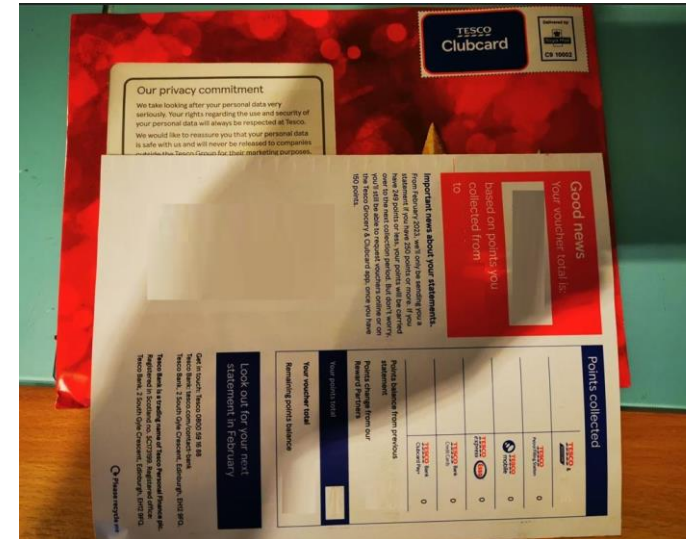
n



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

49

HH details		Mail details	
Region	Yorkshire	Advertiser brand	Tesco Clubcard
Social grade	DE	Sender	Supermarket or grocery store
Household Size	Live with others (HH size = 2+)	Format	Business
People in Household	Lives parent	Reach	2
Tenure length	Over 10 years	Frequency	6
Tenure Type	Owned/mortgaged		
Mosaic Group	D: Rural Reality		
Acorn Group	F: Countryside		



Customer	Activity	Date
HHM1 Male, 35-44	Planned a large purchase	Sun Nov 27 2022
	Used a voucher/discount code	Sun Nov 27 2022
HHC Male, 35-44	Discussed with someone	Sun Dec 04 2022
	Looked up my account details	Sun Dec 04 2022

Why does this matter?

50

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

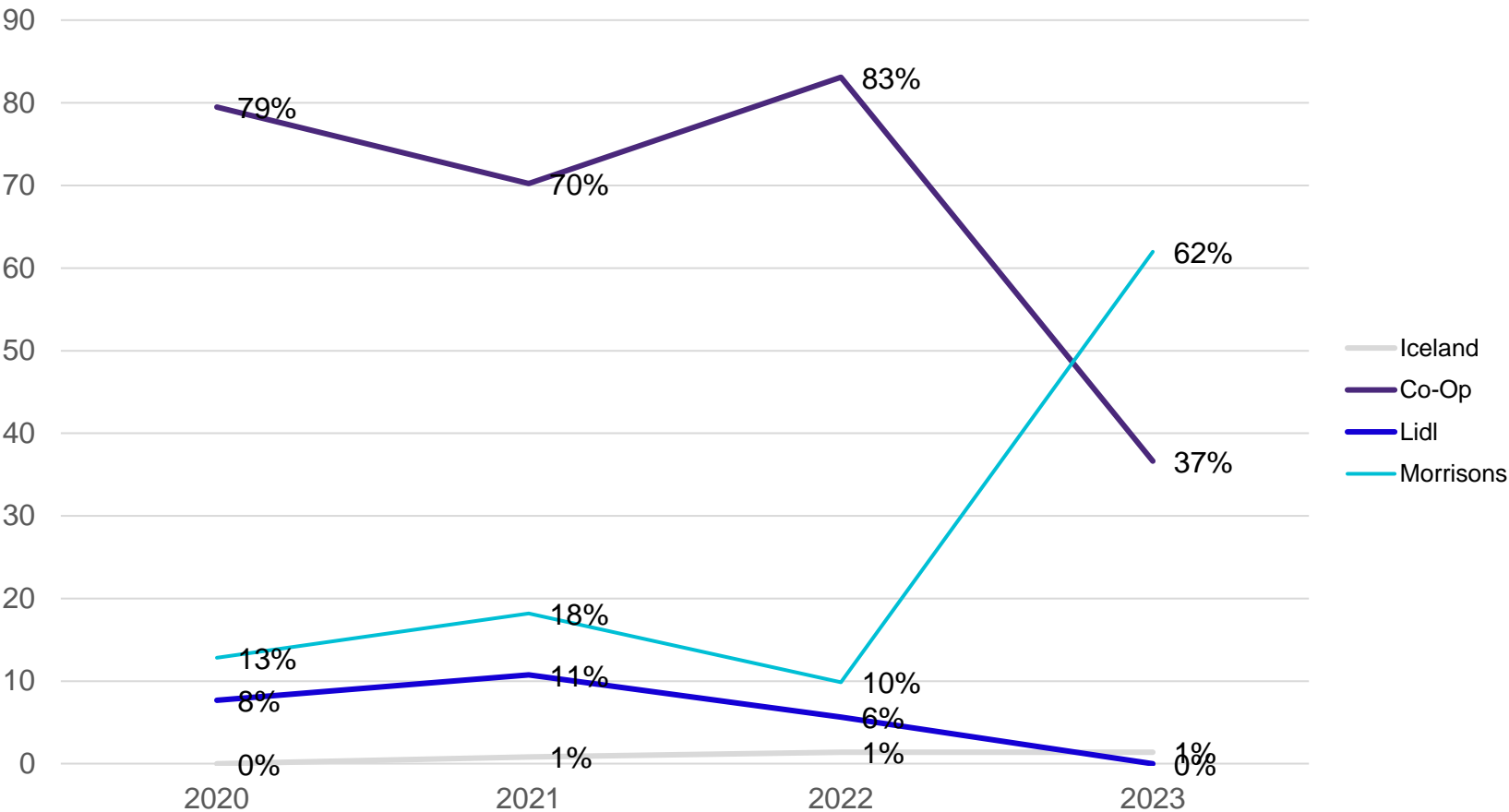


Ad fraud will cost marketers \$84 billion this year – 22% of all online ad spend.

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

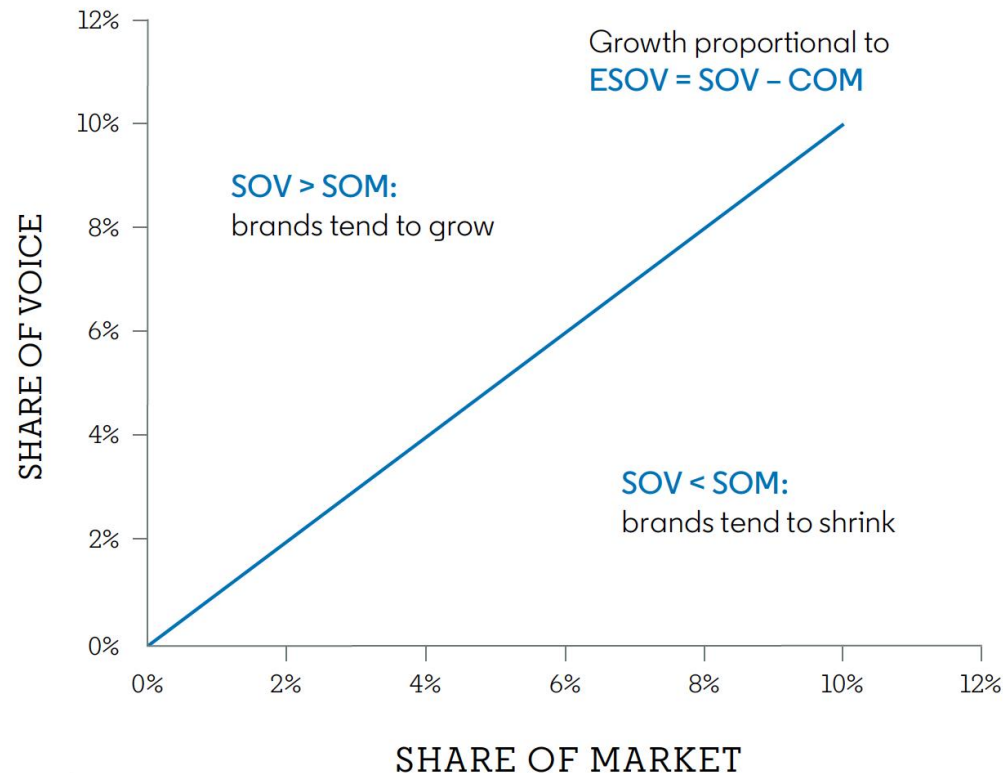
% of mail items accounted by a specific advertiser within a specific competitive set within the JICMAIL panel. Source: JICMAIL Advertiser Attribution



Why does this matter?

52

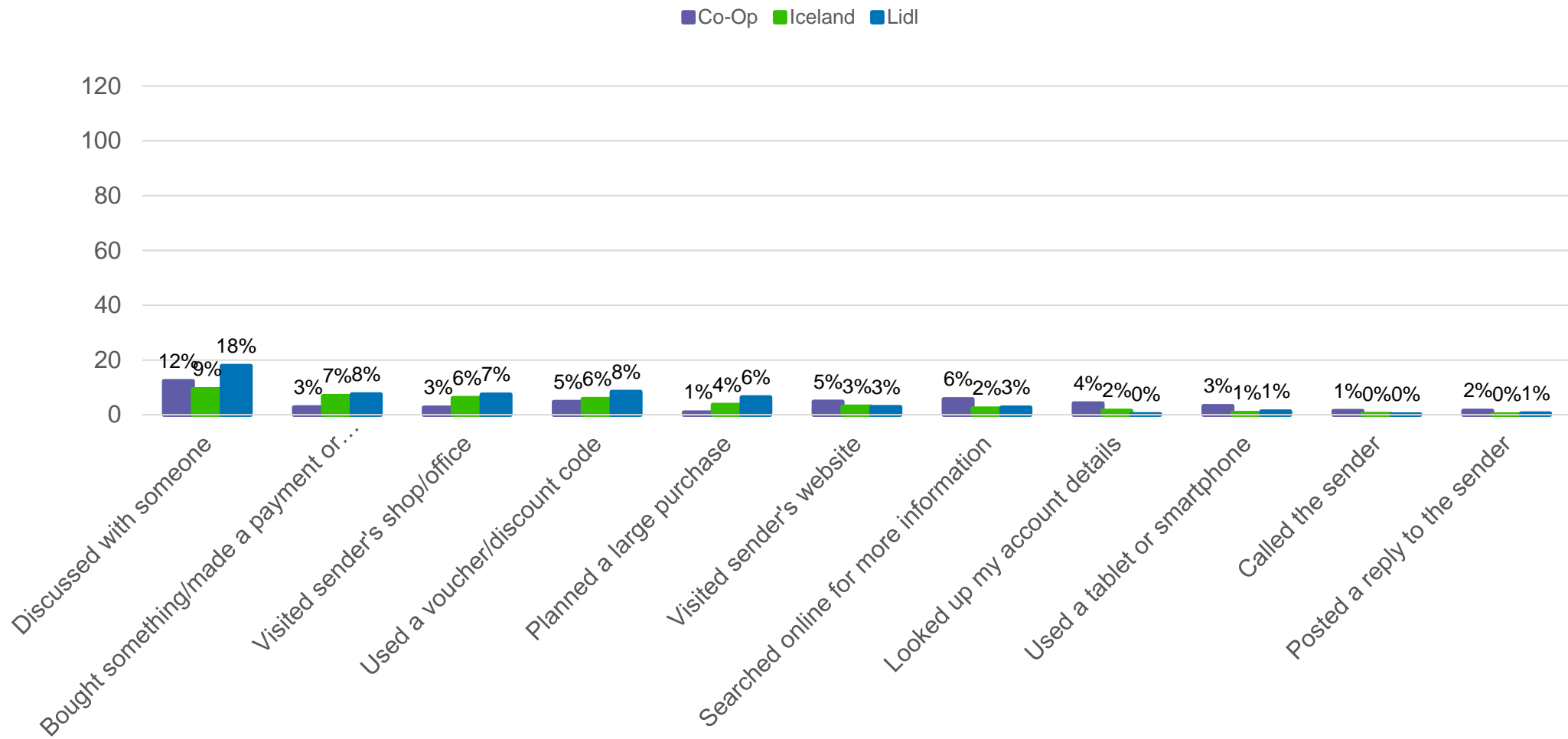
Because share of voice is linked to market share. Visibility on consumer doormats vs your competitors is essential for cutting through.



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

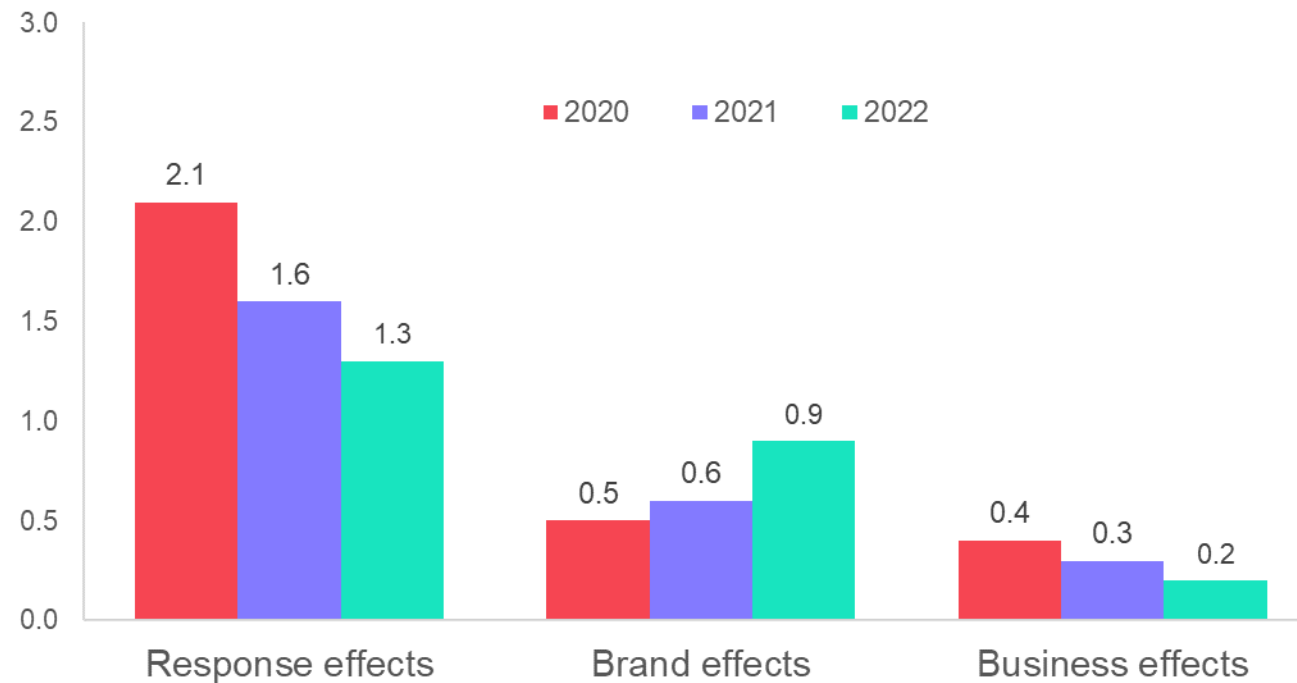


Why does this matter?

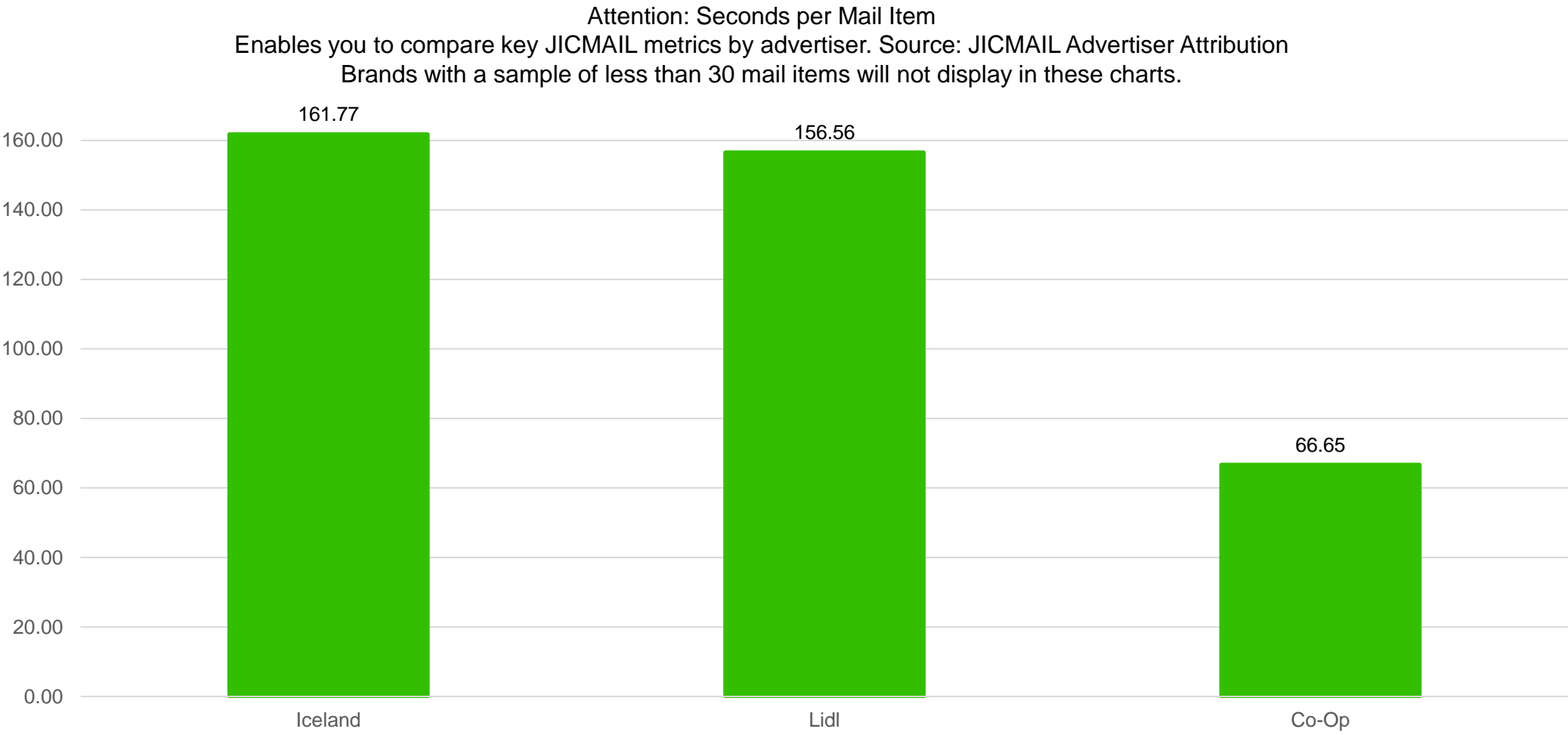
54

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

Average Number of Effects by Campaign

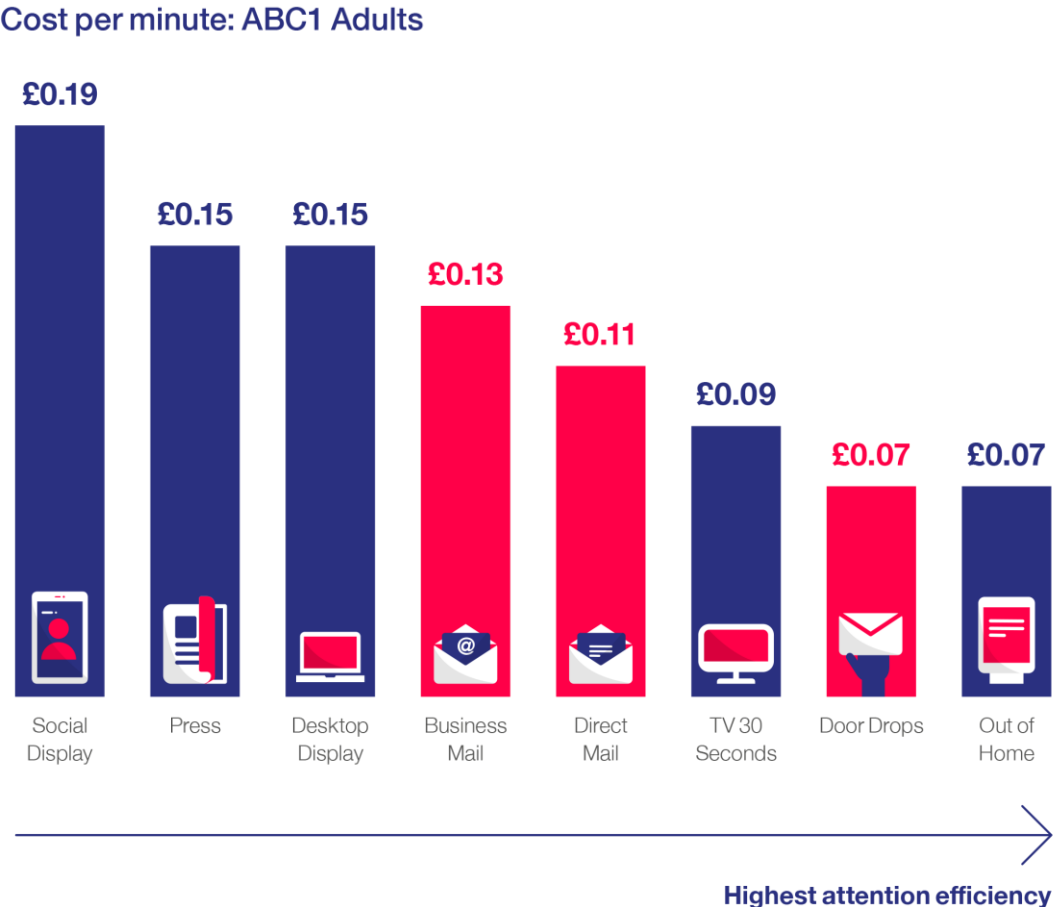


7. The mail channel is a high attention medium



Why does this matter?

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



Thanks

 jicmail.org.uk

 linkedin.com/company/jicmail

 ian@jicmail.org.uk

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

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Mail Media Metrics