

PERSPECTIVES

Can't Happen Here? Don't Be So Sure

Self-regulation is the best defense against the do-not-mail threat **By Donn Rappaport**

On the wall of his office in Washington, Steve Berry keeps a pair of maps depicting a growing trend. The map, labeled "2006," shows only four red states; the 2007 version, 15.

Berry, executive vice president for government affairs at the Direct Marketing Association, isn't keeping track of states that favor Republicans and Democrats; he's following the do-not-mail movement's progress. Red states are those where bills to establish such registries have been introduced.

"Do-not-mail would be an absolute disaster, not just for the mailing community but for *all* marketers," Berry says. "Historically, marketing is the process of reaching out to potential customers who may or may not have expressed a need for a particular product, informing them about how that product can help them solve a problem or in some way enhance their lives, and then allowing them to decide whether they want to make a purchase.

"Direct mail is among the most productive media ever devised for doing just that. But it's totally dependent on DMers having ready access to marketing data. Do-not-mail would severely restrict that access."

Self-regulation and respecting consumer choice is the best way for mailers to ward off this specter.

The March of Dimes is one of the nation's largest charities. It mails more than 90 million pieces a year and has a 2007 revenue goal of \$60 million, of which about \$46 million will be raised from direct mail.

The March of Dimes also has a very extensive privacy policy. Among other

things, it offers donors the ability to opt out of future mailings, and to choose the frequency and even the content of communications from the organization.

"It's more than just 'Take me off your circulation file,'" says Kim Haywood, director of database marketing for the White Plains, NY nonprofit. "We have as many as 20 different suppressions. If donors want to be solicited in September but not October, November or December, we'll do that. If they don't want to be acknowledged, we don't acknowledge them. If they want to be contacted for our 'Mothers March' in February, but not in November, we'll do that."

On the opposite side of the country, Pat Connelly orchestrates Williams-Sonoma's marketing efforts.

"As an industry, we need to be much more open about how customers want to receive mail from us and make it easier for them to choose, even if that means they don't want to receive as much, or even any, mail from us," says Connelly, the company's executive vice president and CMO. "If we don't govern ourselves, we'll be subjected to state-by-state regulation or federal legislation that governs us. That would not be a good scenario."

Connelly points to the difference between the recent DMA resolution on consumer choice and previous guidelines.

"Historically, the DMA and almost all marketers have let customers choose whether they wanted their names and other information to be shared with third parties," he says. "But it's been a pretty open field in terms of how we communicate, and how often, with our own customers. We




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haven't been too open in terms of saying, 'If you don't want to get any mail from us, even though you're a customer, that's fine, or if you only want to get one catalog every quarter, that's OK.'"

Connelly notes that when Williams-Sonoma does a mailing it compares the number of catalogs sent vs. orders received.

"Until recently, we haven't looked at all 13 mailings to our customer base in a given year and calculated what would've happened if we'd only mailed 12. Actually, we mail so often that one more mailing may not add that much business incrementally. If you look at mailing 'X' on its own, it might look fine, but more analysis shows that it took a little bit away from the mailings around it, so it really wasn't that productive."

As a result of this longitudinal analysis, Williams-Sonoma has cut an entire mailing out of its cycle and begun to create smaller, more focused catalogs for specific customer segments.

Connelly says, "It turns out that these steps, while geared to making us more compliant to our customers' wishes, also save us money and increase response rates." 

DONN RAPPAPORT is ALC's chairman and CEO. This article is excerpted from the fall 2007 issue of *The Rest of the Story*, ALC's quarterly newsletter. To read the complete article, view past issues or learn how to subscribe, visit www.alc.com/ourstory/ourStory_news.asp.

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