

Understanding Acuity by RRD™

**A NEW WAY TO TEST DIRECT MAIL AT A
FRACTION OF THE COST AND TIME**



INTRODUCTION

Improved response rates at reduced cost and time are the calling cards of this insight-driven, direct mail solution.

You might be surprised how many companies launch direct mail programs based on little or no research. Decisions on competing creative elements (e.g., format, pricing, gift premiums, slogans, imagery, color use, etc.) often come down to managerial experience, intuition or possibly some brainstorming among co-workers, friends or family.

The time honored way to test competing direct mail approaches is to actually implement a test mailing. While this traditional approach provides answers as to which version wins, it's also expensive and time consuming. In-market tests can cost hundreds of thousands of dollars and take 3-5 months to read results.

Case in point

We recently worked with a large nonprofit organization that has been extremely loyal to this approach. Here's an example of some tests they recently launched—maybe you're doing something similar:

3 different tests

1. three alternative gifts with purchase test
2. five outer envelope versions test
3. three mail package versions test

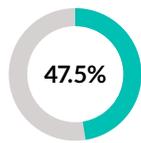
1.8 Million
total mail pieces

6 months to mail and determine results

>\$375,000 in costs

The time and cost going into that type of study are pretty typical of standard industry procedure. **It's also unnecessary.**

PRE-MAIL RESEARCH



In a TrackMaven marketing leadership survey,* nearly half (47.5%) of marketers consider themselves “data informed” yet use data “after-the-fact to find out what worked and what didn’t.” This is not ideal.

One of the smartest ways to be data informed is through pre-mail research and we’ve developed a proprietary solution for this called Acuity by RRD.

Acuity pre-mail testing measures the cause (the direct mail piece) and its effect (how the recipient reacts to it). By randomly assigning different creative executions (e.g., format, price, color, imagery, discounts vs. rebates, size, etc.) to individual respondents drawn from the same population carefully matched to the target audience, brands can make very efficient use of small samples.

This results in clear conclusions about:

- Which creative execution did the best and, therefore, offers the best chance for success when launched in the real world
- The type of person who responded to an offer
- What a person liked or didn’t like about an offer
- What motivated or failed to motivate a person’s behavior

This type of research can be applied to anything that generates a response — direct mail, in-store signage, email, digital ads, you name it. When properly designed, Acuity has proven itself as a modestly priced marketing solution capable of identifying which of several direct response appeals will generate the best return... and why.

It’s no longer necessary to execute the direct mail test and track the results to see what works best after the fact. This data-first solution answers the question, “Is it possible to learn what to do without spending a huge amount of money?” with a resounding “Yes.”

And that client referred to in the intro?

With Acuity pre-mail testing, we trimmed their testing timeline from six months to six weeks. Instead of mailing 1.8 million recipients, we sampled fewer than 2,900 subjects. Conservatively, we estimate they would have saved \$300,000 if they had used the testing solution instead of their standard test methods.

And the results?

The same: The winners they identified in their standard tests were the winners we identified in our research.

* Trackmaven, “2017 Marketing Leadership Survey”

HOW IT WORKS

Acuity allows you to select the exact same audience you would use in a standard in-mail test. Respondents are directed to the Acuity web mailbox where the process of mail retrieval, sorting, and reviewing is mimicked in an online environment.

Respondents can manipulate the piece — look at the outer envelope, flip to the back and come back to the front. Retrieve the contents within the mail package and review each one separately. They are also asked to respond to the copy and graphics on each piece and encouraged to provide comments throughout.

Whether you decide to test new vs. new, new vs. old, current vs. new, so on and so forth, there will be a winner, loser, or a statistical tie. (Chances for a tie are greatly reduced if the sample size is big enough and if the creative executions truly are different from each other.)

What do we look for? Any number of tried and true measures used in communications research, such as:

- Likelihood to respond to the mail piece
- Purchase intent
- Understanding the point of the mail piece
- Understanding and interest in key messages
- Liking for the mail piece itself
- Liking for specific elements, like format or offer in the mail piece
- Likelihood to show to or share with others

We'll often recommend that only two or three versions be tested at a time, which is enough for most situations. There are times, however, when your testing requirements include multiple tests that are a bit more complex. Acuity can handle that as well.

In addition to winners and losers, the survey provides a profile of those who liked each piece the most. It also identifies specific elements of the piece to accentuate and perhaps eliminate. These additional benefits are not available using the traditional in-market research approach. Acuity allows you to not only pick the winner but to also improve the winning creative with the ability to fine tune your targeting.



POSITIVE ROI VS. AN EVEN MORE POSITIVE ROI

Of course, I realize for many marketers there may already be a positive ROI in the testing you currently conduct. To you I would pose this simple question:

If you could get the same results — and insights that would help you improve the final mail package — in about a third of the time and cost, is it worth a try?

Ready to improve direct mail results at a fraction of the cost and time?

Visit **RRD.com/Acuity**

ABOUT THE AUTHOR

Mark Traylor | **Research + Customer Experience Director**

Mark Traylor has been working in marketing research for over 35 years. He is the founder and former president of National Market Measures, LLC—now a part of MarketVision Research.

His research expertise includes focus group moderating, survey and experimental research design, and multivariate statistics. He also consults with clients in market segmentation, concept testing, branding, new product development, and competitive marketing strategies.

A former professor, Mark has written articles for a number of peer reviewed marketing, research and advertising journals, including the Journal of Marketing Research, the Journal of Advertising Research, the Journal of Advertising, Psychology & Marketing, and the Journal of Consumer Marketing. He has also served as a consultant and expert witness in cases of deceptive promotion, trademark infringement, and patent design infringement.

ABOUT RRD MARKETING SOLUTIONS

From concept to analysis, when it comes to ensuring direct mail success on every level, RRD Marketing Solutions is well positioned to handle the entire cycle of insight-driven optimization:

- Creative development and refinement
- Pre-mail testing through Acuity
- Traditional A/B testing
- Conversion reporting and analysis

With unparalleled depth in direct mail management, we've developed breakthrough production efficiencies, automated processing and customization technology. Our expertise and scale allow us to effectively communicate with impact to an audience of any size.

Test direct mail at a fraction of the cost and time.

Visit RRD.com/Acuity