

## Drip Marketing: Consumer Dialog that Builds Preference

By Pamela Lockard

These days, consumers have an unprecedented number of choices in the marketplace and in the mailbox. But there is a proven way to stand out from the crowd using relevant, sustained communications. It's called drip marketing. **Drip marketing is a powerful strategy to help you build awareness and preference, even in a crowded environment.**

According to recent studies by the Direct Marketing Association and the U.S. Postal Service:

- The average consumer receives 25 pieces of domestic mail per week.<sup>1</sup>
- The number of companies sending 500,000+ marketing e-mails more than doubled in two years, from 21% in 2002, to 51% in 2004.<sup>2</sup>

Even so, people often appreciate hearing from companies that interest them.

- 55% of postal mail recipients look forward to discovering the mail each day.<sup>3</sup>
- E-mail opt-in rates were 22% among people who researched the company Web site.<sup>4</sup>

**A drip mailing gives you a moment in your target prospect's day when you have their undivided attention – a powerful, dynamic moment you can use to build awareness and preference.**

### What is Drip Marketing?

Drip marketing uses relevant ongoing communications to cultivate top-of-mind preference for your brand. As the name implies, drip marketing works like irrigation, watering small amounts over long periods of time. Using postal mail or e-mail, the goal is to keep the "drip" of messages from drying up.

### Typical Drip Components

Depending on the target audience and the products/services being offered, drip campaigns often utilize a range of components and delivery channels.



Drip marketing targets consumers who have shown interest in your product or service and uses:

- A calendar plan of frequent, continuing communications
- Relevant dialog based on target audience needs
- Multiple channels (typically postal mail and e-mail)

## The Benefits of Drip Marketing

When done right, a drip campaign makes the target audience feel important, appreciated and informed. If you aren't staying in touch, chances are many of your prospects will simply ignore you and move on. A steady "drip" of relevant communications:

- Builds top-of-mind awareness
- Cultivates relationships, good will and trust
- Creates preference for your brand
- Increases your rate of conversion over time



## Ongoing Dialog – Make It Relevant

The way to ensure success is to develop an attitude of helpfulness and provide information your prospects want and need. Juniper Research reports that relevancy improves e-mail campaign revenue by nine times over untargeted "broadcast" mailings and improves net profits by an average of 18 times.<sup>5</sup>

## A Calendar of Timed Touches

A drip calendar plan is your map for success. When you plot out what materials to use and when each will launch, it is much easier to keep your drip campaign on time and on track. A calendar plan is especially important if you plan to use e-mail messages or newsletters. Consumers who show interest by opting in should be able to depend on receiving your communications at clock-work intervals.

## Track and Learn

Response tracking can help you establish the best pace for your audience. As you monitor response over time, segment your file and adjust subsequent mailings accordingly. Recent e-mail marketing research by Shop.org & Forrester documented that on average, 40% of e-mail recipients who opted in preferred weekly e-mails – compared to 28% bimonthly, 19% monthly and only 1% daily.<sup>6</sup>

## Build Momentum

Advance your case with each communication without being redundant. The key is to provide small bits of information about your service or product so that every mailing provides additional reasons to buy. Pre-planning is an absolute must. It's a big job on the front end, but once established, your drip marketing plan can be replicated for new groups of prospects until updates are needed.

## Drip Marketing in Action

Drip marketing is a proven strategy used by companies of all shapes and sizes, both consumer services and retail. The real estate industry has been using drip marketing successfully for years via postal mail, and now, using automated e-mail. Realtors claim that drip marketing is their most dependable method of converting run-of-the-mill online inquiries, especially when both postal mail and e-mail are used in tandem.

Paula, a Re/MAX agent in Oregon began using drip marketing in 1996 to build her business. Now recognized as one of the top-producing brokers in the Portland area, she stresses the importance of keeping drip mail content “all about the customer and their needs,” and avoiding blatant self-promotional language.

Another success story is from Pearson’s Wine & Spirits, a gourmet wine retailer in Washington D.C. who began collecting customer e-mail addresses in 1999. Two years later, the company decided to test a newsletter campaign. The first edition sold 50 cases of wine. The company now publishes the e-newsletter twice per week and has stopped buying print advertising completely. Customers forward the newsletter at a rate of 23% and sales volume has tripled in four years. The owner says, “We now have a higher profit margin and more loyal customers.”

## The Bottom Line

Good marketing always starts with a clear understanding of what concerns and motivates the target audience. Drip marketing goes a step further by investing freely in the relationship – making a deposit in THEIR account. Ultimately, the payoff is a higher level of consumer trust and loyalty across the board, and a brand that stands head-and-shoulders above the competition.

Studies show that consistently staying in touch builds relationships and helps marketers convert more prospects into loyal customers. Drip marketing may be the answer to increasing overall marketing ROI by increasing your rate of conversion.

*For help in creating relevant, effective drip marketing campaigns, think of DMN3. It’s what we do.*

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### Sources:

- 1 Household Diary Study, U.S. Postal Service, 2004.
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- 3 The Mail Moment, United States Postal Service, 2005.
- 4 Harte-Hanks Study, DMA Statistical Fact Book, 2005.
- 5 The ROI of E-mail Relevance: Improving Campaign Results Through Targeting, Juniper Research, 2005.
- 6 The State of Retailing Online 7.0, Shop.org & Forrester, 2004.