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from

**The
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Press**

Direct mail top order producer

Michele Murphy, a senior marketing manager at American Express Publishing, reports that direct mail advertising remains her dependable workhorse when it comes to pulling in magazine subscriptions.

She makes these observations about the current marketing scene:

- The average U.S. consumer now is the target of eight direct mailings a day.
That is more than double the number received per person in 1971.
- Today's individual printed mailbox traffic on average consists of
 - 4 bills
 - 3.6 promotions or solicitations
 - 0.3 catalogs or magazines
 - 0.1 other commercial letters
- Price points of \$19.95 and \$19.97 are working better than \$19.49.
In one of Ms. Murphy's tests, \$19.99 produced a 10% lift over \$19.95.
- Offers featuring installment payments are working better and better, as subscription prices continue to increase.
- Separating shipping and handling charges from the core cost of a subscription generates better results than all-in pricing.
- In Ms. Murphy's experience (contrary to that of some other observers), premiums with affinity for a magazine's contents

The acceptance rate on trial offers is about 85%.

pull better than "wild cards."

For instance, she reported, American Express's Food & Wine magazine successfully has offered cookbooks and gourmet-enticing mustards as premiums.

- Acquisition mailings that offer automatic ("til-forbid") renewals — with a bonus issue as an incentive — are well worth testing.
- To avoid "I've seen this mailing before" list fatigue, Ms. Murphy advises, change your package's colors, type style, pictures, and other graphics from time to time to keep it looking fresh.
- List segmentation more and more is vital. People whose subscriptions expired long ago, in Ms. Murphy's testing, need steeper discounts than recent expires.

American Express Publishing's mail flow grew 26% in 2005 and was budgeted to increase by 10% over that base last year.

The company — which issues Food & Wine, SkyGuide, and Travel+Leisure magazines — aimed for a 37% increase in mail-derived subscriptions in 2006.

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