

RSVP CASE STUDY

A storage solution company uses direct mail to leverage the Internet for leads and sales.

Challenge: A multi-state garage organization company, SOS, wanted to improve its multimedia mix of advertising to improve leads and sales. The company tried shifting money away from direct marketing and into Internet ads, but the quality of leads was poor and the profit-per-job decreased.

Solution: SOS shifted dollars back into a combination of direct mail and search engine optimization, using RSVP Publications postcard decks along with other mailings to direct leads to the Web in a true multi-media mix.

Result: The company increased direct mail ROI *and* improved Internet business.

Internet marketing is getting all the attention these days. But many companies are discovering that the best approach is to use multimedia advertising with a strong direct mail component to attract customers and close sales.

This was the experience of Dan Tracy, president of Storage Overhead Systems (SOS), a garage organization company that operates in Seattle, Portland, Dallas, and Houston. The company spends well into six figures on advertising, using a combination of direct mail, home shows, radio and the Internet. Recently, SOS discovered the limitations of Internet advertising--and the benefits of direct mail.

Discovery #1: Clicks do not equal solid leads

Like many executives, Mr. Tracy wanted to boost Internet traffic, believing that online lead generation would increase the company's profits.

So in 2006, Mr. Tracy decided to redirect 25% of his advertising budget into pay-per-click advertising. "My decision was fueled by the fact that my competitors were enjoying better positioning on the internet search engines

than SOS," says Mr. Tracy. "I was frustrated to see the competition appearing well above SOS in these search results."

SOS began spending \$5,000 per month on a pay-per-click ad campaign across all the company's markets. At first, Mr. Tracy was thrilled with the results: SOS jumped to the top of the Google search list. "I was happy with my placement and was anticipating a solid ROI."

But after several months, SOS discovered a troubling trend. The company carefully tracks all leads and sales, and they found that while many people clicked on the ads, very few of them clicked through to interact with the SOS site. "We were incurring the pay-per-click fee but were getting a high percentage of poor leads—people who were not really interested," says Mr. Tracy.

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In addition, the profit from the jobs that *did* materialize from the campaign were below par for the company. Explains Mr. Tracy: "It's more difficult to close the Internet leads, the jobs are smaller, and the add-on accessory sales are virtually non-existent. Internet business is great, of course, but the price we were paying for the campaign just wasn't worth it."

In fact, says Mr. Tracy, "For every dollar we spent on pay-per-click, only 38 cents came back!"

Discovery #2: Direct mail can drive Web sales

Based on these results, Mr. Tracy made a bold move in early 2008: he dropped all pay-per-click advertising and redirected the money full force into RSVP Publications postcard decks and other direct mail, coupled with a search engine optimization plan that costs only \$250 a month.

Numbers tell the story

For SOS, the bottom line is that direct mail is highly effective at generating quality leads, as the following numbers indicate.

Percentage of leads closed from:

- **Pay-per-click advertising: 28%**
- **Search engine optimization: 33%**
- **Direct mail: 71%**

According to Mr. Tracy, the results have been spectacular. "When my direct mail reaches homeowners, they routinely go to my Web site (either through search engines or URL) for more information. We've not only improved our lead generation, but we've also had a dramatic increase in the number of hits on our site."

That, in turn, has improved the company's positioning with Google, Yahoo, MSN and the other search engines.

But the real lesson is not just that direct mail is effective, but that

a multimedia approach, with direct mail and search engine optimization (SEO) working together, delivers the highest value of all.

Using SEO in combination with direct mail increased the ROI from mailings by a whopping 18%. Says Mr. Tracy: "I attribute most of this increase to the fact that our website is on all our mailings, which significantly bolsters our SEO presence. All those homeowners get our mailings and then jump online."

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How can RSVP help you succeed?

RSVP Publications has helped numerous companies increase their advertising ROI through targeted, effective direct mail. Our postcard decks reach affluent homeowners throughout the country. Our high-quality, high-profile postcard mailers generate qualified sales leads from the top 18% of homeowners in 125+ major markets across the USA. Our readers own the largest homes and have the highest discretionary income in their communities, providing advertisers with focused access to ideal prospects. To learn more about our advertising opportunities, please call 1-800-360-7787 (RSVP) or visit www.MailToTheAffluent.com.