

Sales or Lead Generation Campaign?

One of the first things to consider about your direct mail campaign is its purpose. What do you want your campaign to achieve? Do you want to mount a sales campaign or a lead generation campaign?

So, what's the difference between a "sales" campaign and a "lead generation" campaign? The main difference is that with a lead generation campaign you're not trying to sell a product or service - at least not directly or initially. To sell a high value product or service directly off the page in a single mail shot is very difficult.

Instead, lead generation offers an incentive or benefit to prospects that respond to your mailing. The incentive or benefit must have value to the prospect in and of itself. Therefore, the incentive must reflect the real value you put on gaining a new prospect. The value of gaining a new prospect should easily outweigh the cost.

Sales letters on the other hand, have to go the whole way and provide: full benefits, features, proofs, glossy brochures etc. necessary to get a financial commitment. With a sales campaign the letter is the hero, it must carry a detailed and persuasive message about your product or service in order to generate a good response rate, and so justify your return on investment.

As well as the letter you will probably also need to enclose a good quality brochure to enhance interest and add extra information. Attempting to include comprehensive information about your product or service in a single letter format is not a good idea as it might make the letter unduly long. Recipients seeing long lines of plain text can be easily put-off, and your expensive printed material might well end up in the waste bin without having been read.

Because good quality marketing material is expensive to produce you might want to use it more selectively, and that's where the lead generation campaign comes in. A simple postcard highlighting a good incentive is all that is needed to separate the interested from the uninterested, and consequently provide you with a list of hot leads that can be followed up at a later stage.

The lead generation campaign is lower key. Its purpose is primarily to get interested recipients to raise their hands; it leaves some open questions to be answered later on in the sales cycle. If a sales campaign is tossing out a hook - a lead generation campaign is offering a lure.

The lure is an incentive to the prospect in order to obtain leads and enquiries. These can then be followed up by phone, personal visit, or more direct mail (or all three!). Or to put it another way, if you have a good incentive recipients will respond.

Yes, of course, for any number of reasons - lack of interest, lack of need, or it's just not the right time, your direct mail piece can end up in the bin - that's to be expected. They're not a prospect or ready at this time. The rest, however, will call, write, or email for more information.

Then Bingo! Into your database they go, out goes follow-up information to highly interested prospects. The lead generation approach reduces your cost while increasing the likelihood of your success.