

Advertising Mail in North Carolina

Despite the growth of electronic communications, the mail – including direct mail – remains an important vehicle for commerce and information exchange in the United States.

Driving Local Economic Growth...

- Advertising mail offers a cost-effective entry into the market for small businesses looking to introduce themselves to local customers, and to larger businesses that bring jobs to small towns and rural areas, but look to reach broader audiences.
- According to DMA most recent economic impact study (2006), businesses like direct mail because it offers a significant return on investment.
 - In 2006, every dollar spent on *catalog* marketing generated an average ROI of \$7.20.
 - Every dollar spent for *non-catalog* direct mail generated an average ROI of \$15.71.
- Last year, advertising mail contributed more than \$660 billion in increased sales to the US economy, and played a critical role in the success of our country's businesses, large and small alike, as well as nonprofit organizations.
 - In 2006, advertising mail brought \$19.6 billion in increased sales to North Carolina's economy, and played a critical role in the success of North Carolina state businesses, large and small alike.
- Advertising mail provides more than 103,000 jobs for North Carolina citizens.
 - According to DMA research, more than 13,000 people in North Carolina were directly employed in mail marketing in 2006.
 - Another 90,000 North Carolina jobs were made possible in 2006 by direct marketing – jobs for the people making goods to be sold, the workers who provide the paper and printing services to create advertising mail, the customer service and warehouse workers who coordinate mail orders and to the postal workers who deliver advertising mail and the packages it generates.

Providing Consumer Value...

- According to a 2005 DMA survey, 69 percent of people shop from catalogs, on the Internet, over the phone or by mail. These numbers are intertwined because these mediums overlap a great deal in today's multichannel marketing environment (e.g., people place orders online for goods they see in catalogs).
- When asked why they choose to shop direct:
 - 63 percent say direct shopping is more convenient
 - 36 percent say they appreciate the additional choice and variety
 - 34 percent say they save money

- The average US household gets just over 14 pieces per week of Standard Mail from businesses and nonprofit organizations, a figure that has held steady over the past five years. (If all advertising mail is counted, including non-standard and unaddressed it's 18.5 pieces, but still steady over past five years)
- And this is mail that people are reading – the most recent USPS Household Diary study (2005) indicated that 85 percent of US households usually read some or all of the advertising mail they receive.
- Nonprofit organizations, including those serving environmental causes, used the mail to help raise nearly \$200 billion in individual contributions in 2005, according to Giving USA. Direct mail also helps nonprofits recruit volunteers and educate consumers about important social issues.
- Most consumers don't want to stop all direct mail. Many consumers who choose a blanket opt-out on receiving direct mail might not realize – and would regret missing out on – special offers, coupons, and notices about new local businesses and services.

Making the US Postal Service Possible...

- For television, newspapers, radio, and online communications, advertising provides much of the revenue that makes the delivery of other content possible. The same is true for the US Postal Service (USPS).
- Advertising mail currently provides more than a third of the annual revenue the US Postal Service needs to maintain its daily operations and provide a universal, reliable, and affordable method of communication for all American households, businesses, and nonprofit organizations.
- The USPS is required by federal law to provide six-days-per-week service to more than 146 million separate delivery points across the nation – a complex and expensive undertaking that is made possible by the significant contributions of advertising mail to USPS revenues.
- Without the revenues generated by advertising mail:
 - **Curtailed Service:** The USPS might not be able to continue to provide guaranteed six-days-per-week delivery to every North Carolina household and businesses.
 - **Lost Jobs:** Local post offices might be forced to close, costing jobs in communities and creating inconvenience for postal customers. In North Carolina alone, 1,751 local post offices and mail sorting centers provide jobs for more than 20,000 people.
 - **Higher Rates:** Postage rates for personal correspondence and package delivery would rise dramatically.
 - **Consumer Impact:** For individual postal customers, reduced advertising mail could mean higher prices, a longer drive to find a post office, and less certain delivery times for birthday cards, bills, and packages.

Respecting Consumer Choices...

- Getting off mailing lists should never be difficult. Most companies welcome such feedback because they would prefer not to waste their resources in sending mail to someone who doesn't want to receive it.
- If a consumer does not want to receive mail from a particular company, it is usually a simple matter to contact the company and request to be taken off their list or to have their names not be shared with other companies.
- The Direct Marketing Association offers an easy-to-use Mail Preference Service that can reduce the amount of mail consumers receive by as much as 80 percent by taking their names off "prospecting" lists that companies use to identify potential new customers. It's easy to sign up at www.dmaconsumers.org.
 - DMA's Mail Preference Service has been in existence for 36 years, and will stop most new direct mail solicitations and reduce mail volumes by up to 80 percent. The service is so successful, that it has been replicated in dozens of developed nations around the world.
- And when it comes specifically to credit cards, consumers can stop all pre-screened credit offers by calling 888-567-8688 or going to www.OptOutPrescreen.com, a Web site maintained by the leading national credit bureaus.

Reducing Environmental Impacts...

- As a society, we have made great strides over the past decade in using our resources more efficiently, increasing recycling efforts, and improving forest management. In fact, there is more forestland in the America today than there was in 1900.
- Direct mail accounts for only 2.2 percent (in weight) of the total municipal solid waste generated in the US annually, according to the US Environmental Protection Agency. That figure is likely to decline as greater strides are made in paper recovery and recycling.
 - In 2005, a record 51.5 percent of the paper consumed in the US (51.3 million tons) was recovered for recycling. Paper recovery now averages 346 pounds for each man, woman, and child in the US. Recovered paper accounted for 36.6 percent of the US paper industry's fiber needs in 2005.
 - According to a recent survey by the American Forest & Paper Association, 66 percent of the US population has access to recycling for catalog and direct mail paper.