

## **Direct Mail vs Digital Marketing**

*A travel agency, with more than 100 outlets throughout the country, is considering using either traditional direct mail and/or a digital marketing campaign.*

*Their promotional objectives are to hold more clients (retention), to win new business, and increase to overall sales. However, they cannot agree on which particular tools to use - refer to excerpts of their manager's meeting below - can you help them decide?*

### **Key Comments from the Manager's Meeting**

#### **Justin:**

I think that we all agree that it's time that we broaden our promotional mix beyond just various forms of advertising. There are many other promotional alternatives for us. Today I'll like to hear your views on which approach we should take.

#### **Jake:**

I'm a big fan of traditional direct mail because it's so visual and it's physical. If we used an attractive postcard mailing that promoted the latest special deals, then that's something that could be put on the notice board at home. That way all the family will see it over a period of a few weeks, which is important as holidays are a family decision usually made over a period of time.

#### **Jane:**

I like the general idea of direct mail, but I think there's value in knowing more about our customers. That's why I would recommend outbound telesales calls. We could call customers and find out when and where they are planning to take their next holiday. We could then contact them when they are ready to book with special deals on their preferred destinations. That way we are providing a value-added service, rather than just sending out generic postcard.

#### **John:**

Well you could use both approaches - telesales first to find out more about their future needs, followed by a tailored direct mail offer with the postcard, at the appropriate time. We need to hit them when they are starting to plan and book their holiday.

#### **Julie:**

I suppose we could do everything, but we do have a limited budget and telesales calls are quite expensive. That's why I favor a digital marketing approach. Firstly, we could use our website to promote special deals, have more images of holiday destinations, set up a photo message board where our customers can post their own holiday snaps and try to build a community.

**Jennifer:**

All these ideas are fine, but they only target our existing customers - not new customers. So let's use late night infomercials? We could get the material from hotels - so the production cost of the ads will be minimal. I'm sure that many people watching TV late at night in winter will be attracted by images of beautiful beaches. All we would need to do is to promote a toll-free phone number and have staff answering the phone to close the deal.

**Joe:**

Sure, that's an option, but to be successful you need to trigger their need recognition. Let's go after people who are already in the information search stage and are looking on the internet for holidays. That means investing in Google search ads, which are triggered when people are searching for holiday deals.

**Jamie:**

Look, the game these days is social media. Forget everything else. We need a YouTube channel with lots of holiday videos and, of course, we need Instagram as well. And instead of Google ads, we should be using Facebook ads.

**Justin:**

Thanks everyone - we have lots of promotional ideas - we now need to work out which ones are best for us and our promotional objectives.

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**Student Discussion Questions**

1. Outline the various IMC promotional tools that are mentioned in the above discussion.
2. In addition to the promotion techniques discussed above, are there any other suitable IMC tools that you would add to their list?
3. If you were part of the management team, what would be your recommendation for their promotional mix? Why?
4. What sort of results would you expect from these additional promotional efforts? Do you think that their promotional objectives be achieved?