



## Current Comments<sup>®</sup>

### Junk Mail and Targeted Direct Mail Marketing— There Is a Difference!

Number 1

January 3, 1983

I travel a lot, and often return home to a pile of letters and pamphlets stuffed into my mailbox. Some of these—supermarket coupons, department store sales notices, and political pitches—are addressed to "Occupant" or "Resident." I promptly forward these to my wastebasket. But some of the unsolicited letters I receive are relevant to my professional needs. These include prepublication notices for new scholarly journals or book series, specifications for business and personal computers, various newsletters, and certain types of catalogs. I feel better about these pieces of mail. They, at least, usually address me by name.

However they address me, many of the senders have never met or done business with me before. They got my name from a mailing list which they purchased or rented. A mailing list is nothing more than a list of names and addresses used to prepare envelopes for mailing. The brokers and list compilers who sell and rent lists obtain their names and addresses from a variety of sources. Names can come from such public records as telephone directories and state motor vehicle registries. Or they may come from the records of private organizations, such as the donor files of charities or the customer files of retailers. Your name might be taken from a convention roster or the membership rolls of organizations you have joined. One can be added to lists by applying for a credit card, or by responding to a magazine or radio advertisement or questionnaire. But the surest way to get onto a mailing

list is to respond to a direct mail solicitation. Mailers recognize that their best prospects are people who have already shown a willingness to buy, donate, or subscribe through the mail.

Being on a mailing list can be useful if you are interested in the information or products an organization provides. Otherwise, you may receive an annoying influx of "junk mail." Junk mail is basically direct mail that has been mistargeted. If all direct mailers could devise a way to target mailings accurately, each piece would become a meaningful communication, and junk mail as we know it would cease to exist.

ISI<sup>®</sup> has recently developed a new type of mailing list service, one that will allow mailings to scientists, scholars, and research professionals to be more selective than ever before. In much the same way as we can help researchers locate relevant information, we can enable mailers to identify precisely those researchers who will be interested in what they offer. With the lists produced by ISI, researchers will receive less junk mail and more mail that informs them of events, products, organizations, and services they need to know about.

Since direct mail can be a useful information source, most people appreciate being included in some types of mailings. Recent surveys have shown this to be true of both business and residential direct mail. IBM recently hired a market research firm to assess attitudes toward direct mail among businesspersons. Respondents were asked, "Is direct mail helpful or annoying to you in conducting

your business?" Seventy-five percent said helpful, 21 percent said annoying, and four percent said both. The annoyed 21 percent were asked, "What other medium would you prefer?" More than half responded, "Send me direct mail anyway," or "I'd prefer to get it than not get it."<sup>1</sup> Similarly, the American Express Company recently surveyed its credit card holders and found that 92 percent of those who responded appreciated receiving at least some types of direct mail.<sup>2</sup>

Perhaps the best example of how responses to direct mail vary can be seen in the way consumers have used the Direct Mail/Marketing Association's (DMMA) Mail Preference Service. This is a program which the DMMA has been operating since 1971. Individuals and organizations can contact the Washington office of the DMMA and ask to be added to, or deleted from, mailing lists. DMMA refers these requests to its members, who usually comply. Since the mid-1970s, more people have asked to be included on lists than excluded from them. According to Margaret Bell, DMMA consumer affairs coordinator, requested additions tend to outnumber removals by more than two to one.<sup>3</sup>

The practice of advertising and selling through the mail dates back to the invention of movable type. The first trade catalogs were book lists issued by printer-publishers of the fifteenth century. Benjamin Franklin published one of the first American mail-order catalogs in 1744. But it was not until after the Civil War that the mail-order business grew dramatically. At that time, entrepreneurs like Aaron Montgomery Ward and Richard Warren Sears found that mail-order catalogs provided a very efficient way to market manufactured goods to people in the sparsely settled regions of the American West and Midwest.<sup>4</sup>

Today, direct mail is a major marketing tool. Each year, businesses and nonprofit organizations send about four billion pieces of mail at a cost of about \$10 billion.<sup>5</sup> In the US, direct mail is the third most widely used advertising medi-

um after newspaper and television.<sup>3</sup> This year, mail orders will generate approximately \$40 billion in consumer sales. By 1990, mail-order sales may account for about 20 percent of all merchandise sold in the US.<sup>6</sup> Nonprofit organizations rely on direct mail even more heavily than businesses. A US postal service study concluded that 80 percent of all contributions to nonprofit, charitable, and public interest organizations were raised through activities in which direct mail played a role.<sup>7</sup>

Of the money that direct mailers spend each year, about \$125 million goes to purchasing mailing lists.<sup>8</sup> In their trade publications, direct mailers refer to "good" lists—that is, precisely targeted ones—as the "lifeblood"<sup>8</sup> or "keystone"<sup>5</sup> of direct mail. A good list is probably the most important factor in determining whether a direct mail campaign will succeed or fail. As Richard Krieger, Association of American Publishers, explains, "The best direct-mail campaign is the one that mails least."<sup>7</sup> By zeroing in on those prospects who will respond most favorably, mailers can counteract spiraling printing and other mail costs and postal rates, which have risen 500 percent since 1960.<sup>5</sup> And, of course, they can also increase the value that each piece of mail will have for its recipient.

The demand for specialized lists has increased enormously. So the variety of lists available has grown dramatically in recent years. Today, over 100,000 different lists can be bought from commercial suppliers. There are two basic types of lists: those compiled from public records and directories, and those derived from the internal records of various companies and nonprofit organizations.

The two largest companies that compile lists from public records are R.H. Donnelley, Inc., and R.L. Polk, Inc. Each year, these companies collect information from telephone directories, motor vehicle registries, and lists of new car buyers.<sup>7</sup> From this information, they can make a number of inferences: a person's sex is inferred from the first name,

ethnic group from the last name, type of dwelling from the number of surnames found at a given address, income from the number and price of cars owned, and length of residence from the number of years a person has appeared in a directory.<sup>7</sup> In addition, as Donnelley explains, they overlay this information with census data. This enables them to "characterize a geographic area as small as 275 housing units in terms of the median income, educational level, occupational characteristics, median number of washing machines owned, and median number of children."<sup>7</sup>

Although this kind of demographic information is useful for some mailers, most want a more sophisticated breakdown which will tell them about potential customers' professional interests, life-styles, and buying habits. Advertisers call this type of information "psychographics." Psychographic data come from records of what consumers have purchased, organizations they have joined, publications they have subscribed to, and charities they have contributed to. Most profit and nonprofit organizations keep files of members, customers, and donors, and many will contract with mailing list brokers to rent segments of their records for mailing lists.

In the past, mailers who wanted psychographic data for targeting mailings to researchers, engineers, social scientists, scientists, physicians, and other professionals have relied on membership and subscriber lists and lists compiled from college catalogs. Many scholarly journals make subscriber lists available to selected mailers, and a number of professional organizations allow certain mailers to use their membership rosters as a source of names and addresses. Among these are the Institute of Electrical and Electronics Engineers, American Medical Association, American Dental Association, American Association for the Advancement of Science, and American Veterinary Association, to name only a few. The Educational Directory is an example of a compiler

that draws names and addresses of college professors from college course catalogs, questionnaires, and other sources.<sup>9</sup>

ISI's new customized list service differs from these list sources in some important respects. Our lists are neither membership nor subscriber lists. One gets onto them not by ordering our products or services, but by publishing in a scientific or scholarly journal. Every year, we index 500,000 articles, including the names of 1.5 million authors. The information in our data bases about what each author has published enables us to identify his or her research discipline, however specialized it may be. Thus, we can select the names and addresses of only those researchers who would most likely need a particular type of product or service. Membership and subscriber lists cannot provide this type of detailed breakdown. Nor can college course catalogs, because course titles do not generally indicate a professor's research specialty.

The technique we use to generate customized mailing lists is similar to the one we developed for *Automatic Subject Citation Alert (ASCA®)*, ISI's personalized literature alert. For *ASCA*, we prepare a profile of title words, authors, and important publications relevant to the interests of the user. We then match this profile against our data base to retrieve a list of all the articles published each week in a particular specialty area. In the case of mailing lists, we prepare a profile that will identify papers published in those disciplines a direct mailer wishes to target. We perform as many test searches as are needed to create a profile exactly suited for the mailer's needs.

The end product of a test search is a computer printout containing full bibliographic information. But once a profile is perfected, our computer program automatically suppresses the references, which are unnecessary to the mailer, and prints the names and addresses of authors onto ready-for-mailing labels. We can generate a new batch of labels every

week, if mailers wish. The computer program which generates the labels automatically removes duplicates caused when authors publish more than once in a given period of time. It also permits zip code ordering of labels, a feature important to most mailers. Since our data bases include researchers from all over the world, we offer the option of preselection by country. This enables mailers to avoid sending mail to locations where no market exists because of currency exchange problems or other factors. Periodically, mailers will have the opportunity to reevaluate the selection criteria they are using and to have their profiles updated according to their own, or their customers', changing needs.

Fees are structured on a per name basis. The price will vary from about \$.35 to \$.50 a label, depending upon the type of profile and the amount of time and effort required to create and maintain it. Our lists cost somewhat more than lists available from traditional sources, but the accuracy they offer will be well worth the price for many mailers. To send a high quality information packet to a research scientist, one often spends \$4.00 or \$5.00 on materials and postage. At this rate, it behooves the mailer to allow as few packets as possible to turn into junk mail.

The need for careful targeting is particularly acute in the case of research scientists. Certain reagents, diagnostic and measuring devices, and a host of other research tools are so specialized that only those in a tiny discipline would ever require them. The same is true of some types of advanced computer software, pharmaceutical products, and chemical and electrical supplies. Many types of informational mailings are best handled on a highly selective basis. This would include notices of seminars and lectures, questionnaires and newsletters, and membership drives and advertisements for specialized journals and other materials available in print.

For some types of general-purpose mailings, the degree of precision we of-

fer with our customized lists may not be necessary. ISI offers another type of mailing list service more suitable for these less specific mailings. Names and addresses of all authors who have published articles in the journals we index are stored in a computer and categorized according to the edition of *Current Contents*<sup>®</sup> in which they have appeared. Thus, the breakdown includes authors in the agricultural, biological, and environmental sciences; arts and humanities; life sciences; clinical practice; engineering, technology, and applied sciences; physical, chemical, and earth sciences; and social and behavioral sciences. The lists are managed by Angelo R. Venezian, Inc., New York. Venezian rents them to selected mailers.

The lists which we provide through Venezian, Inc., cannot target research specialties the way our customized lists do. But they can offer a type of selectivity which many other lists cannot. They identify only those authors who are currently publishing. Just as the needs of an engineer differ from those of a biologist, those of a publishing biologist differ markedly from those of a biologist who does not publish. According to historian of science A.J. Meadows, University of Leicester, UK, "Three quarters of all scientists and engineers in the U.S.A. published nothing during the course of any specified year."<sup>10</sup> Sociologist of science Derek J. de Solla Price notes that only a fraction of practicing scientists are actively contributing to the literature at any given time.<sup>11</sup> Those who do publish comprise almost the entire market for laboratory supplies. This is one compelling reason why our lists based on the act of publication will be best for some mailers.

Another advantage these lists offer is their coverage. They include certain groups of hard-to-find individuals such as researchers working in private industry, or authors in the social, physical, chemical, geological, engineering, medical, and other sciences who are not affiliated with an academic institution or professional organization.

Of course, our lists will not be available to just any marketer. We will screen requests for our lists, and do our best to limit them to organizations we feel have something worthwhile to tell or sell the authors in our data bases. In distributing both our customized lists and our more general lists, we and Venezian take measures to guard against any unauthorized use. Venezian's method for monitoring mailings is to include some fictitious names and addresses on each list. Mail addressed to these nonexistent individuals returns to Venezian, and the illicit use of the list is thus detected.

Those who are interested in our customized lists should contact Thomas DiRenzo, vice president of direct marketing and communications, Institute for Scientific Information®, 3501 Market Street, Philadelphia, Pennsylvania 19104. For the more general lists, contact Alan Speck at Venezian, Inc., 10-64

Jackson Avenue, Long Island City, New York 11101.

Constant exposure to a barrage of messages is one of the prices we pay for living in the modern world. Receiving a piece of junk mail is like getting a wrong number on the telephone—a waste of time and money. If you have a mailbox, telephone, television, or radio, you can expect to get an occasional miscommunication. Of course, a lot of useful information makes its way to you along these channels. We hope our mailing lists will improve the efficiency and relevance of the direct mail you receive.

\* \* \* \* \*

*My thanks to Kathleen Nell Schalch and Amy Stone for their help in the preparation of this essay.*

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#### Correction

In the *Current Comments*® essay, "William D. McElroy and the Illuminating Story of Bioluminescence," in *Current Contents*® (43):5-15, 25 October 1982, Stanford University's Hopkins Marine Station at Monterey, California, was incorrectly identified as the Johns Hopkins Marine Station at Stanford. We regret the error.