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DIRECT MARKETING AND ADVERTISING

In the modern market traditional advertising can not compete comparison with direct -marketing.

Recently we saw significant expansion of application of methods of direct-marketing (DM) in all branches of the market. To draw attention of the consumer by means of traditional advertising in mass media there is becomes more difficult, considering huge quantity of various consumer groups and a high level of a competition. A great number of advertising agencies, from beginners in this market up to the largest veterans, accelerate the activity in this direction, developing direct-marketing projects for the clients who most quickly have oriented in the today's market. It is possible to recollect the declaration of “Procter&Gamble” which has thundered on the West according to which the largest advertiser in the world has reconsidered the advertising budget, having refused from the majority of volumes of advertising on TV in favor of direct marketing.

And still developed opinion on direct-marketing as that of one of ways of advertising cannot be called absolutely true. Many differences of DM from actually that advertising to which we have got used, forces us to consider it as the one to be more exact and flexible tool in the hands of the expert in marketing. Traditionally advertisers and advertising agencies have got used to an idea of covering the greater audience for any money. In spite of the fact that even professionals of advertising confessed, that they do not know really operating way of measurement of effect from advertising. Research of the chosen advertising in focus-groups will not bring desirable result as 10 % of people do not confess, that they liked something which are distinct from a choice of others of 90 %. For the same reasons it is impossible to trust completely in interrogations and testing of casually chosen consumers. Supporters of the psychographic segmentation considering any target group of the population as carriers of certain group of habits and interests, say nothing about the fact, how precisely they know about interests not all group, namely the concrete person.

Tools of direct-marketing are much more targeted and allow to reveal and address to that consumer which will become interested directly in your production

and services, instead of to a huge audience with the expected response less than one, if not less one tenth, percent. Usual advertising would be aimed at creation of awareness on the trade mark for the subsequent ever and somewhere sales. The information acts only from the manufacturer to the market, not tracing influence of advertising on real contacts. Direct marketing is structured for creation of interest in a product “ here, right now ”. Actually, analyzing the received responses, the advertiser selects “ the hot list ” consumers and creates his own, personal market with the guaranteed reaction to its offers. It can come back to this market again and again, offering the new goods and services. Accordingly specific publicity expenses in recalculation on one purchase become incommensurably below. Action of the scale advertising action usually estimate in shares of the market which really influences much more factors, rather than only your advertising. Thus influence of the direct-marketing becomes completely measurable, all investments are being considered. Cost of each client, advertising investments in each sale – all gives in to calculation. You precisely know how your money much work effectively.

Direct-marketing gives ample opportunities of testing of the most successful offers of the goods/service. Simply compare percent of responses to the new offer to any control test offer, for example, selected in the previous time. Is it unsuccessfully? Change structure of the offer, interest the consumer in a new question and test once again. And try to compare two rollers, shown on a ten-million audience if of the offer have taken advantage ten thousand? Owing to what they send?

Inclusion of the element of a feedback into circulation enables to receive to the advertiser the information on the client. To transform a traditional unilateral stream of the information from the advertiser to the potential consumer into dialogue. To enable for adjustment of the further contacts between the manufacturer and the client. For example, it is possible to organize free-of-charge dispatch of advertising samples or booklets about the goods/service directly to the people who express the interest in your offer. Direct-marketing enables to avoid unnecessary expenses for promo-actions where there will be for certain a high percent of people which never will take advantage of your goods. Besides reception of similar inquiry gives the marketing information on potential clients.

At last, it is possible to allocate segments of the market for which direct marketing is the most justified. Advertising in such spheres as «business to

business» or sale of very specific goods and granting of specific services, frequently demands an orientation of your offers on absolutely precisely certain, frequently small, audience. Here again the DM will render the invaluable help.