



Making Better Happen®



INSIGHTS REPORT:

# The power of direct mail in a multichannel strategy

## ► Maximizing the power of direct mail

Direct mail has long been a staple in the marketing mix, but its role in a modern multichannel strategy is evolving. While marketers sometimes view direct mail as an old-school or one-off tactic, new digital printing technologies have opened new opportunities for personalization and creativity, positioning direct mail as a vital channel in today's hyper-connected marketplace.



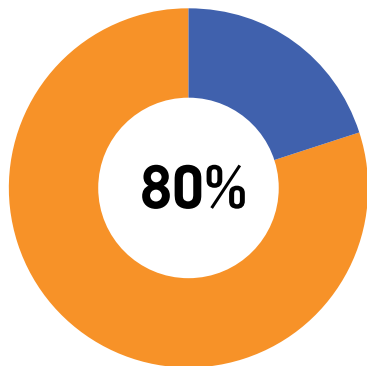
U.S. marketers invested **\$37.3 billion** in direct mail in 2024, a 2.6% increase in expenditures from 2023.

[SOURCE](#)



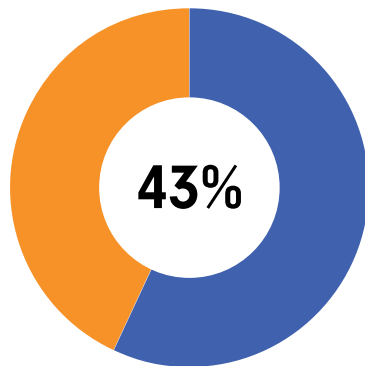
**90%** of mail is opened by recipients, while only 20%–30% of emails are opened/seen.

[SOURCE](#)



More than 80% of brands say they intend to grow their direct mail spending in 2025.

[SOURCE](#)



Only 43% of organizations utilize integrated media deployment (mail with digital/traditional media) to optimize customer journeys.

[SOURCE](#)

This report explores the evolving role of direct mail, dispelling common misconceptions while showcasing its unique benefits when used in the right way. We will delve into:

- A modern approach to direct mail in an omnichannel strategy
- Best practices for effective integration
- Methods for measuring success

Understanding these key themes will help marketers up their game to harness the full potential of direct mail, deepen customer connections, and drive measurable results.



## ► Start with strategy

Direct mail is only as effective as the strategy that informs it. To maximize its impact, marketers must approach direct mail within the broader context of the customer journey. An effective strategy will ensure you are reaching the right people and moving them from awareness to conversion using the right combination of tactics.

### Understanding your audience and data strategy

Sophisticated audience analytics and data-driven targeting are the foundation of an effective integrated campaign. Direct mail is a one-to-one tactic that relies heavily on individual-level data and customer information, whether that's from first-party customer data or third-party data sources. Finding the right people to mail to based on predictive models and data attributes is key to driving response and conversion.

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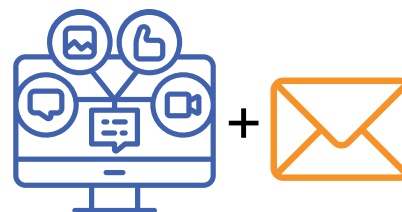
To fully integrate efforts, marketers can use targeted direct mail audience data as a first-party data source to extend campaigns to other channels like digital advertising.

### Average response rate:

Direct mail  
**2.7%-  
4.4%**

Email  
**0.6%**

[SOURCE](#)



**Marketers report a lift of 12% when direct mail is included in the multichannel mix.**

[SOURCE](#)



**Direct mail sent to house lists produced the top ROI at 161% compared to all media.**

[SOURCE](#)





## The role of direct mail throughout the customer journey

Direct mail can play a specific role at each stage of the customer journey.

### Awareness

Tactics like sophisticated, customized letter packages, interactive formats, or storytelling mailers help cut through the digital noise. Pairing with digital retargeting strengthens brand recall.

### Consideration

Personalized mailers with tailored offers, testimonials, or product guides can differentiate your brand. QR codes and PURLs enhance engagement by linking to relevant digital content.

### Conversion

Direct mail can drive action with limited-time promotions, exclusive discounts, or personalized invitation letters. Pairing with email follow-ups accelerates decision-making.

### Retention & Loyalty

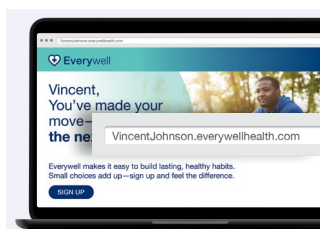
Direct mail fosters long-term relationships through thank-you notes, anniversary discounts, or VIP offers, reinforcing brand loyalty alongside digital engagement.

## ► Modernizing direct mail through digital integration



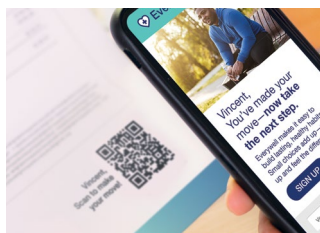
### Digital Overlay

A digital overlay—such as programmatic display ads, social media retargeting, or email follow-ups—helps reinforce messaging and guide recipients through the customer journey. By using data to match direct mail recipients with online identities, brands can serve relevant digital ads before or after a mail piece arrives, increasing engagement and conversion rates.



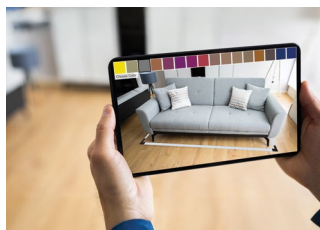
### Personalized URLs (PURLs)

PURLs are unique, trackable web addresses customized for each recipient (e.g., JohnDoe.CompanyOffer.com). PURLs are ideal for campaigns focused on lead generation, exclusive offers, or personalized content. This personalization not only boosts engagement but also allows marketers to track responses and refine their strategy.



### QR Codes


QR codes have made a major comeback, now widely adopted thanks to built-in smartphone scanning capabilities. Use QR codes when you want to provide instant access to additional content, such as product videos, appointment scheduling, or interactive experiences. Ensure QR codes lead to a mobile-optimized landing page and include a compelling call-to-action.



### Augmented Reality (AR)

While still emerging, AR is an exciting tool for innovative brands looking to enhance engagement. AR technology allows users to scan a mail piece with their smartphone and unlock interactive digital experiences, such as 3D product demonstrations, virtual try-ons, or gamified content. It's particularly effective for industries like retail, automotive, and real estate, where visualizing products or spaces adds value.

**40%**   
conversion rates when digital  
and direct mail are combined.  
[SOURCE](#)

 QR code  
use surged  
**323%**  
from 2021–2023.  
[SOURCE](#)

**69%**   
of organizations utilize  
content tailoring (based  
on individual wants,  
needs, behaviors, and  
characteristics) as a  
valuable direct marketing  
innovation/tactic.  
[SOURCE](#)

## ► Common pitfalls and misperceptions

Direct mail is often misunderstood and underused. These misperceptions and pitfalls can limit the impact of an otherwise powerful channel in an omni-channel campaign.

### Misperceptions

#### Direct mail is only for older audiences

Research shows that younger generations—millennials and Gen Z—actively engage with direct mail. They appreciate the tangible, personal nature of direct mail, making it a valuable tool for brand recall and response.

#### Direct mail is too expensive

While it has higher upfront costs, strong targeting and personalization lead to high ROI and competitive cost per acquisition.

#### Copy must be short

While brevity works in some cases, effective direct mail copy depends on its role in the customer journey. Awareness-stage mailers may use concise messaging, while conversion-focused pieces—such as personalized offers—often benefit from longer-form content.

### Common pitfalls



#### Delivering the wrong message

Generic, one-size-fits-all messaging weakens direct mail's effectiveness. Personalization—based on data-driven insights—ensures relevance and improves response rates.



#### Poor multichannel integration

Direct mail should complement digital channels, not compete with them. When timed strategically—such as following up on an abandoned cart or reinforcing an email offer—it enhances multichannel engagement and drives stronger results.



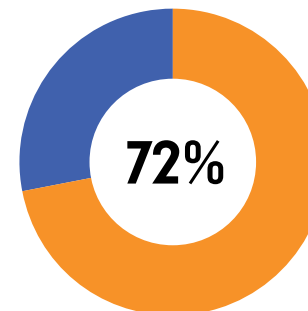
#### Poor mail piece construction

Flimsy materials, hard-to-read fonts, or unappealing design can cause direct mail to be ignored.



All generations believe mail brings a sense of daily discovery.

[SOURCE](#)



72% of Gen Z would be disappointed to stop receiving mail and feel happier getting cards, letters, and packages than video calls, emails, or texts.

[SOURCE](#)

#### Direct mail

1.6  
minutes

#### Digital ad

1.1  
minutes

People spend 1.6 minutes on average with a direct mail ad compared to 1.1 minutes for a digital ad.

[SOURCE](#)

## ► Testing strategies to optimize performance

Testing is a cornerstone of effective direct mail strategy, but not all testing approaches are equally valuable. By employing rigorous, scientific, and statistically valid methodologies, marketers can gain deeper insights into what truly drives response and conversion.

### Three testing strategies every marketer should consider:



#### Early-stage online testing

Conducting controlled digital experiments before launching live mail campaigns can help narrow down options, reducing risk and improving the efficiency of direct mail testing. By leveraging digital insights, marketers can refine creative elements before making a larger investment in physical mail.



#### A/B split testing

This classic testing method compares two versions of a mail piece with a single variable changed—such as the offer, headline, or call to action—to determine which version performs better. A/B testing provides clear, actionable insights with minimal complexity, making it a foundational approach for optimizing direct mail campaigns.



#### Full factorial and fractional factorial testing

Instead of simply comparing two packages, this method systematically tests different combinations of elements—such as headlines, offers, design, and messaging—to isolate the factors that have the greatest impact on performance. This structured approach ensures that the right elements are optimized for maximum results.



#### Exposure and frequency testing

Factors like how often a recipient is mailed, the spacing between mailings, and overall campaign timing can significantly influence response rates. Understanding the right cadence and sequence can help optimize engagement and conversion.

Continual creative improvement reduces degradation, increases ROI and increases revenue.



One personal lending organization found allocating 10%–20% of mail volume to testing increased direct mail performance by up to 120%.

The key takeaway is that testing should go beyond simple A/B package comparisons. By using methodical, data-driven testing strategies, brands can uncover the true drivers of response and continuously refine their campaigns for better performance.



## ► Integrating direct mail into a multichannel strategy: Results

Direct mail is not an isolated tool—it's a force multiplier. When used strategically, it breaks through digital clutter, engages audiences tangibly, and drives stronger results when paired with other marketing tactics. Marketers who integrate direct mail into broader, multichannel strategies consistently see higher response rates, improved brand recall, and better overall campaign performance.

The following key metrics can help evaluate the effectiveness of direct mail in your integrated campaign:

### Response Rate

Percentage of recipients who take the desired action.



### Conversion Rate

How many complete the intended goal (purchase, sign-up, etc.).



### Cost Per Acquisition (CPA)

Total campaign cost divided by new customers acquired.



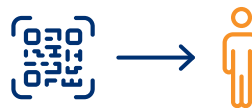
### Return on Investment (ROI)

Revenue generated vs. campaign costs.



### Attribution Metrics

Using PURLs, QR codes, or call tracking to measure engagement.



### Multichannel Lift

Comparing direct mail + digital performance vs. digital-only efforts.



The most effective campaigns don't treat direct mail as a standalone effort but as a core part of a multichannel strategy. When integrated with digital, social, email, and even in-person engagement, direct mail enhances reach, reinforces messaging, and drives higher conversions.



## ► Let's get started.

IWCO has decades of experience helping marketers achieve outstanding results with direct mail. Let us help you boost your multichannel marketing performance with our proven direct mail approach.

For further insights on how to enhance your multichannel strategy with direct mail, contact Wes Sparling, SVP Marketing Strategy, IWCO.

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