



Testing: Substituting Facts for Speculation

Stated simply and without equivocation, testing is the foundation of direct mail and the support for everything else we do.

Testing is an ongoing process that, with each successive test, gradually substitutes fact and evidence for speculation and guesswork. A well-designed strategy provides a continuous improvement framework that allows business plans to become realities, not hoped for events.

Further, it delivers a body of empirical knowledge that can impact every aspect of a company's marketing, not just the direct portion. For example, through testing we learned that:

- ⌚ Loyalty incentives denominated in minutes is far more successful than rewards denominated in dollars for telephone companies.
- ⌚ Biographies of interesting residents can be much more effective than “lifestyle” copy and design in motivating prospective residents to move into a retirement community.
- ⌚ Intriguing facts and mysteries work better than broad invitations to “live your faith” for leading religious publications.
- ⌚ Long copy sells in high interest consumer categories. For example, we took a package from about 2.5% to 17.5% by moving, in steps, from a simple voucher format to a 4-page illustrated letter. For some financial services products, the letters that smash control and trounce all contenders run 16 pages and more.
- ⌚ Short copy sells for mature products the prospect knows well and where the primary motivation is a great deal.
- ⌚ Plastic cards leverage the lifespan of offers that can't be acted on immediately. For example, there is no such thing as a list of people about to rent a car.
- ⌚ Warm, engaging and “consumer friendly” copy can be more than twice as successful as more serious, “bankerly” creative in getting people to sign up for home equity and credit card programs.

When Time and Testing Collide

In today's hyper-competitive business environment, some companies try to short-circuit the testing discipline in the interests of expediency. In effect, they trade shorter cycle times for reduced predictability.



However, time and the testing discipline are not mutually exclusive. For example, DirectTest™ from Direct Marketing Group is one proven solution.

DirectTest™ is a proprietary methodology that simultaneously tests many different list, offer, format and creative variables with a cost-time ratio significantly lower than traditional methods.

Typically, it can reduce a 1-year test plan to 120 days. In addition, through a focused combination of matrix marketing, detailed analysis and profit projections, DirectTest™ consistently improves clients' Return on Investment (ROI).

Whether you use DirectTest™ or traditional testing strategies, it's important to remember that sidestepping the testing process in the interests of time is always counterproductive. In the worst case, it's like being in a hurry to drive off a cliff. In the best case, it's like buying a couple of lottery tickets and cashing in the first because it won \$100 without looking at the second, which would have won \$10,000.