

Wunderman Rules

The following "Nineteen Things..." are rules established by Les Wunderman, one of the pioneers of direct marketing as an advertising vehicle. They are lifted in their entirety from <u>Being Direct, Making Advertising Pay</u>.

Review them and remember them, they could help you down the line.

19 Things All Successful Direct Marketing Companies Know (and Practice)

1. Direct Marketing is a Strategy, Not a Tactic.

It's not an ad with a coupon; it's not a commercial with a toll-free number; it's not a mailing, a phone call, a promotion, a database, or a website. It's a commitment to getting and keeping valuable customers.

2. The Consumer, Not the Product, Must be the Hero

The product must create value for each of its consumers. It must satisfy consumers' unique differences, not their commonalities. The call of the Industrial Revolution was manufacturers saying, "This is what I make, don't you want it?" The call of the Information Age is consumers asking, "This is what I need, won't you make it?"

3. Communicate with Each Customer or Prospect as an Audience of One

Advertising must be as relevant to each consumer as the product or service is. General advertising and more targeted direct marketing must both be part of a holistic communication strategy.

4. Answer the Question "Why Should I?"

The most dangerous question a prospect or customer asks is "Why Should I?" And he may ask it more than once – but never of you. The product and its communication stream must continue to provide him with both rational and emotional answers.

5. Advertising Must Change Behavior, Not Just Attitudes

Favorable consumer attitudes go only part of the way to creating sales. It's also the consumer's accountable actions such as inquiries, product trials, purchases, and repurchases that create profits.



6. The Next Step: Profitable Advertising

The results of advertising are increasingly measurable; they must now become accountable. Advertising can't be just a contribution to goodwill – it must become an investment in profits.

7. Build the "Brand Experience"

Customers have to know and feel the brand as an experience that serves their individual needs. It has to be a total and on-going immersion in satisfaction that includes everything from packaging to point of purchase, repurchase, and after-the-sale service and communication.

8. Create Relationships

Relationships continue to grow – encounters do not. The better the buyer-seller relationship, the greater the profit.

9. Know and Invest in Each Customer's Lifetime Value

One automobile dealer calculates that a lifetime of cars sold to one customer would be worth \$332,000. How much should a marketer spend to create such a loyal lifetime customer for a given product or service?

10. "Suspects" Are Not "Prospects"

"Prospects" are consumers who are able, ready, and willing to buy; "suspects" are merely eligible to do so. Communicating with prospects reduces the cost of sales; communicating with suspects raises the cost of advertising.

11. Media is a Contact Strategy

Measurable results from media, not the number of exposures, are what counts. Measurements such as "reach" and "frequency" are out of date. Only "contacts" can begin relationships.

12. Be Accessible to Customers

Be there for your customers – be their database and source of information and service through as many channels of communication as possible. They can't tell you what they need unless they can reach you.



13. Encourage Interactive Dialogues

Listen to consumers rather than talk to them. Let them "advertise" their individual needs. They'll be grateful for your responsiveness. Convert one-way advertising to two-way information sharing.

14. Learn the Missing "When?"

The answer "Not now" is as dangerous to advertising as "Not this." Only consumers know when they are ready to buy, and they will tell you if you ask them in the right way.

15. Create an Advertising Curriculum that Teaches as It Sells

A "curriculum" is a learning system that teaches one "bit" of information at a time. Each advertising message (bit) can build on the learning of the previous one. It can teach consumers why your product is superior and why they should buy it.

16. Acquire Customers with the Intention to Loyalize Them

Promotions sell product trials – but not the ongoing brand loyalty. They may also attract the wrong customers, who may never become loyal. The right customers must be acquired and persuaded to want what the product does and not what the promotion offers. The right customers may in fact be your competitors' best customers.

17. Loyalty is a Continuity Program

"Totally satisfied" customers are the least likely to fall away. Those who are merely "satisfied" may fall away without warning. To build ongoing relationships, rewards for good customers should be tenure-based (on previous purchases, usage behavior, and length of relationship). Rewarding "tenure" can prevent competitors from "conquesting" your best customers.

18. Your Share of Loyal Customers, Not your Share of Market, Create Profits

Spend more on the good customers you have. Ninety percent of most companies' profits come from repeat customers. It costs six to ten times as much to get a new customer as to keep an old one.



19. You Are What You Know

Data is an expense – knowledge is a bargain. Collect only data that can become information, which, in turn, can become knowledge. Only knowledge can build on success and minimize failure. A company is no better than what it knows.

- Lester Wunderman, *Being Direct*. 1996.

So there you have it. The accumulated wisdom of one of advertisings' icons condensed into nineteen simple expressions. If you put these in the perspective of what we do, I think you'll understand how and where they apply.