Mail Media Centre

fast MAP

Effective Marketing Insight

fast.MAP/DMA Marketing-GAP Tracking Study 2009

What marketing communications are consumers happy to receive and what do marketers think they find acceptable? This important annual survey highlights the difference between the two and tracks how consumer attitudes in the UK have altered since 2005.

January 2010

Author: MMC

Source: *fast*.MAP

Introduction

What is the *fast*.MAP/DMA Marketing-GAP Tracking Study?

- The Marketing-GAP Tracker was launched in 2005 to measure consumer attitudes and motivations and marketers' perceptions of them to establish if marketers are getting it right.
- The survey is completed by a panel of 1,376 consumers which echoes the UK demographic profile and a panel of more than 300 marketers.
- While consumers respond to questions about their direct mail preferences, marketers are asked to judge what the consumers' responses will be.
- It is carried out each year to enable the gap between consumer reality and what marketers think is happening in the UK marketplace to be calculated and to track response trends.

Source: *fast*.MAP/DMA Marketing-GAP Tracking Study 2009

mmc

fast MAP
Effective Marketing Insight

Marketing-GAP Tracker 2009: Key findings

Preferred method of communication from marketing companies

- Consumers' preferred methods of communication from marketing companies with which they *have a relationship* are **email** followed by **direct mail**.
- Consumers' preferred methods of communication from marketing companies with which they *do not have a relationship* are also **email** followed by **direct mail**.
- Consumers' least preferred methods of communication from marketing companies are mobile phone call and SMS message.
- Marketers have underestimated consumer preference for email and direct mail from marketing companies with which they have an existing relationship by **23%** and **8%**, respectively
- Marketers have overestimated consumer preference for being called by landline or mobile phone and being contacted by text message.
- Consumer preference for email from marketing companies they have an existing relationship with has dropped by **5%** since 2008, while their preference for direct mail has gone up by **6%**.

Source: *fast*.MAP/DMA Marketing-GAP Tracking Study 2009

Preferred method of communication from marketing companies (cont'd)

- **67%** of consumers who do not have an existing relationship with marketers would prefer *no contact* from them compared with only **22%** of consumers who do have an existing relationship with marketers.
- Marketers have underestimated consumer preference for no contact from marketing companies they have an existing relationship with by **10%** and from marketing companies they do not have an existing relationship with by **37%**.

Source: *fast*.MAP/DMA Marketing-GAP Tracking Study 2009

Topics consumers are happy to receive information about

- Consumers are most happy to receive information about supermarkets/stores they use, local restaurants and services, and mail order catalogues.
- Marketers have underestimated how many consumers are happy to receive direct mail about supermarkets/stores they use, local restaurants/takeaways and local services/trades people/ local shops by **7%+**.
- Marketers have overestimated how many consumers are happy to receive customer magazines, direct mail from charities, and direct mail about cars, financial services and loans/credit cards by **8%+**.
- The percentage of consumers saying they are happy to receive direct mail about local services/trades people/local shops has risen from **35%** in 2005 to **40%** in 2009.
- The percentage of consumers saying they are happy to receive mail order catalogues has gone up from **21%** in 2005 to **35%** in 2009
- The percentage of consumers who are happy to receive direct mail about insurance and financial services has trebled since 2005.

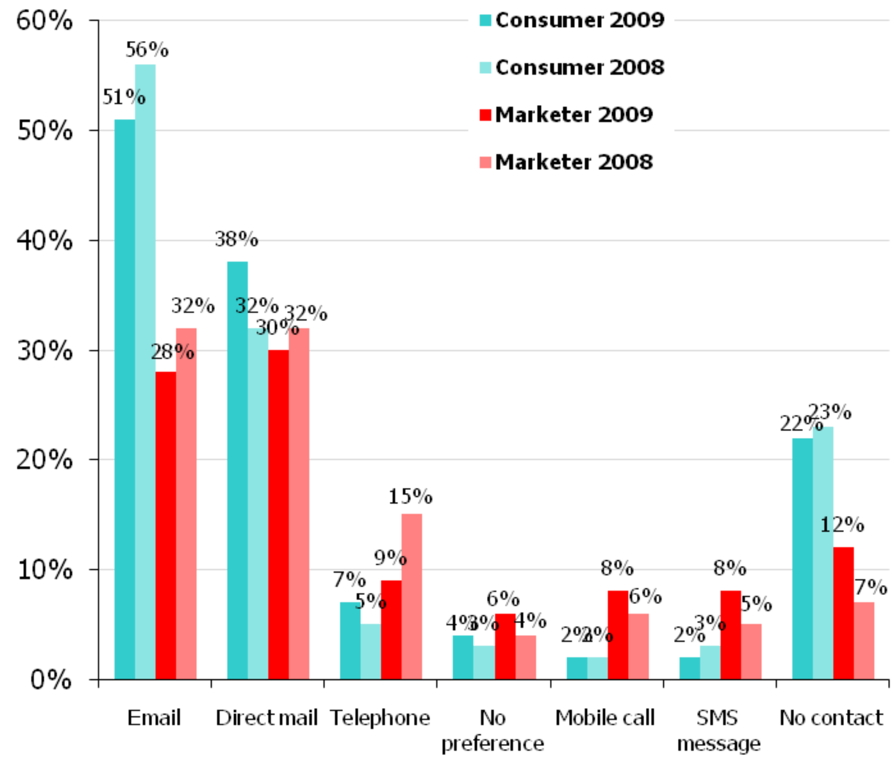
Source: *fast.*MAP/DMA Marketing-GAP Tracking Study 2009

Marketing-GAP Tracker 2009: Results

Consumers' preferred method of communication from marketing companies they *do have* a relationship with is email, followed by direct mail

What is your preferred method of communication from marketing companies with which you have an existing relationship?

- Preference for email has dropped by **5%** since 2008 while it has risen by **6%** for direct mail.
- Marketers have underestimated consumer preference for email by **23%** and direct mail by **8%**.
- They have overestimated consumer preference for being contacted by telephone by **2%**, mobile by **6%** and SMS message by **6%**.

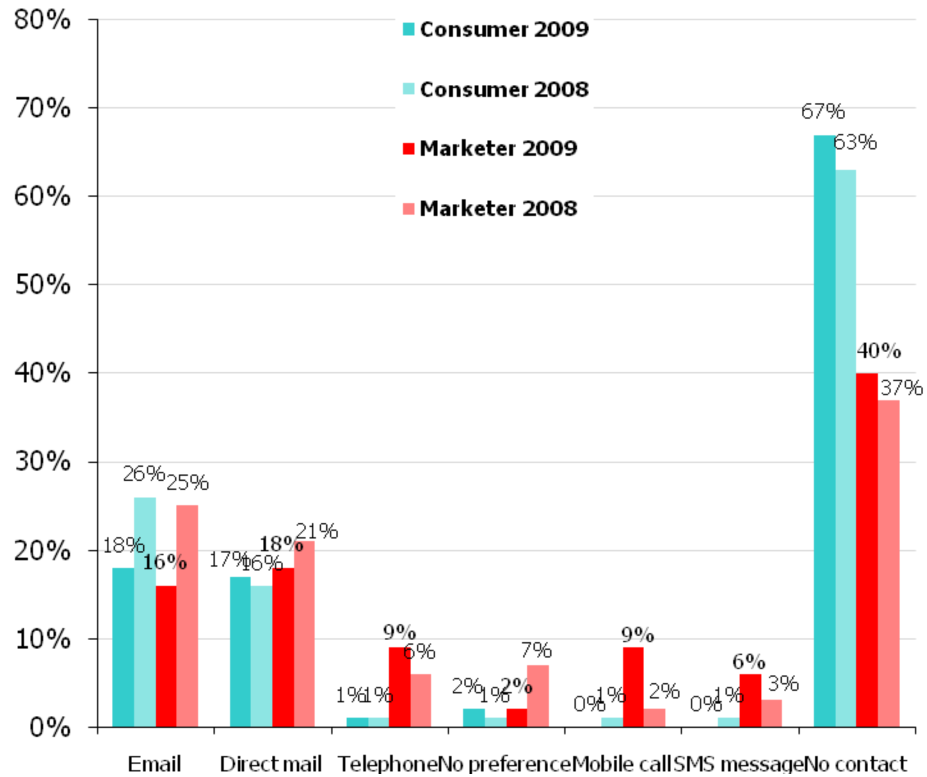


Source: *fast*.MAP/DMA Marketing-GAP Tracking Study 2009

Consumers' preferred method of communication from marketing companies they *do not have* a relationship with is email, closely followed by direct mail

What is your preferred method of communication from marketing companies with which you do not have an existing relationship?

- Preference for email has dropped by **8%** since 2008 while direct mail has gone up by **1%**.
- Marketers have slightly underestimated preference for email by **2%** and dramatically underestimated preference for no contact by **27%**.
- But they have overestimated consumer preference for being contacted by telephone by **8%,** mobile by **9%** and SMS message by **6%**.

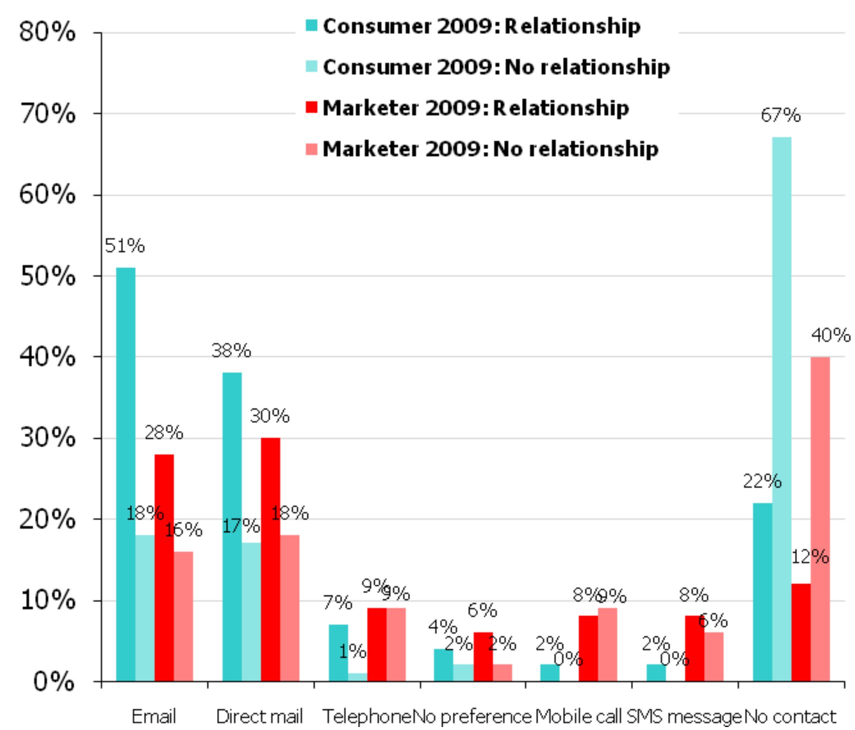


Source: *fast*.MAP/DMA Marketing-GAP Tracking Study 2009

The results show the importance of building up a relationship with customers

What is your preferred method of communication from marketing companies with which you have an existing relationship *versus* those you do not?

- **22%** of consumers who have an existing relationship with marketers would prefer no contact from them, compared with **67%** of consumers who do not .
- Marketers underestimated by a huge **27%** the percentage of consumers without an existing relationship who would prefer no contact from marketing companies.
- They also underestimated – by **10%** – the percentage of consumers without an existing relationship who would prefer no contact.

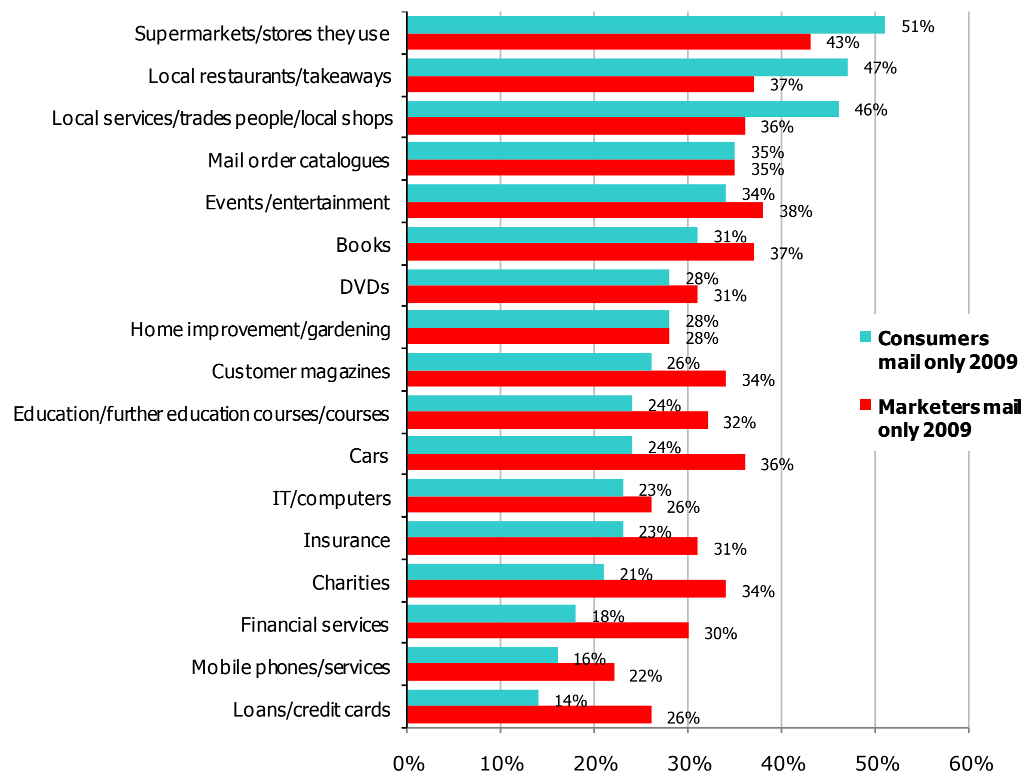


Source: *fast*.MAP/DMA Marketing-GAP Tracking Study 2009

There is a marked difference between what topics consumers say they are happy to receive direct mail about and what marketers think they prefer in certain key areas

Are there some things you are happy to receive information about via direct mail?

- Consumers are most happy to receive information about supermarkets/ stores they use, local restaurants and services, and mail order catalogues.
- Marketers have underestimated by **7%+** how many consumers are happy to receive direct mail about supermarkets/stores they use, local restaurants/takeaways and local services/ trades people/shops.
- They have overestimated by **8%+** consumer happiness about receiving mail about cars, customer magazines, charities, financial services and loans/ credit cards.

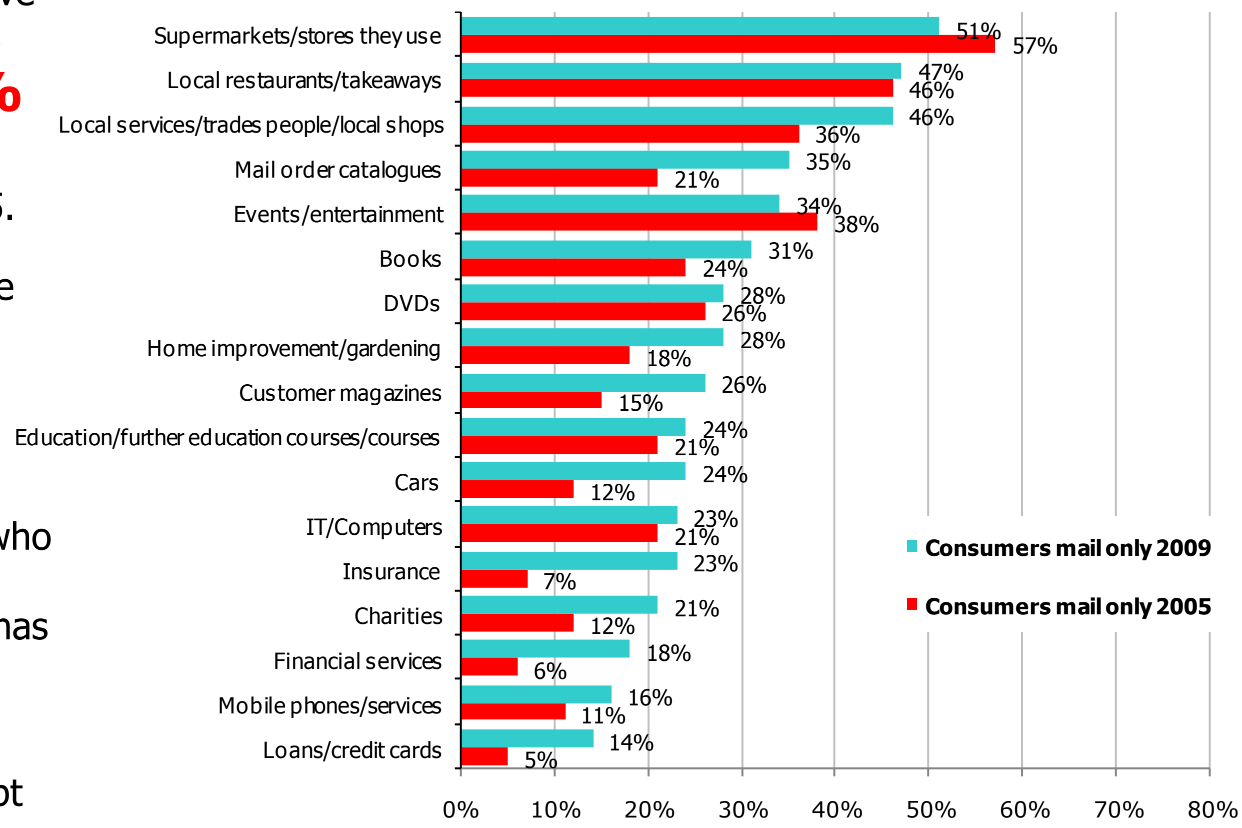


Source: *fast*.MAP/DMA Marketing-GAP Tracking Study 2009

Topics of interest in 2005 compared with 2009 highlight how consumer tastes are changing

Are there some things you are happy to receive information about via direct mail?

- Consumers are happier to receive mail about local services/trades people/local shops, with **40%** stating a preference in 2009 compared with **35%** in 2005.
- They are now happier to receive mail order catalogues, with approval rising from **21%** in 2005 to **35%** in 2009.
- The percentage of consumers who are happy to receive insurance and financial services mailings has trebled since 2005.
- The only area in which their happiness has declined is receipt of supermarket/stores and events/entertainment mail.



Source: *fast*.MAP/DMA Marketing-GAP Tracking Study 2009

Appendix

Details of research surveys and terms used

Methodology

Each year the same questions are asked of similarly constructed, online consumer and marketer panels.

However, to ensure the survey stays abreast of technological advances over the years, new questions are occasionally added, as emerging media such as the internet, mobile phones and SMS messaging have moved into the marketing mainstream.

Each panel responded to a separate survey.

Both surveys contain the same questions, but while consumers are asked to express their own views, the marketers are asked to use their experience and judgement to predict how the consumers will have responded to each question.

The consumer panel

28 questions were submitted into a *fast*.MAP online self-completion survey despatched on 6 November 2009. The panellists were entered into a prize draw to win £250.

Images and answer options were **randomised** to avoid top box bias / creative skew.

An acceptable minimum completion time was pre-set and surveys completed more quickly were not included in the results.

Intelligent routing ensured panel members would experience a high-quality survey experience, because respondents were only presented with relevant questions.

There is **constant requalification** of the panel to ensure that background variables are updated. Differences from initial recruitment can result in being removed from the panel.

The consumer panel comprised 1,376 adults recruited from the 30,000 *fast*.MAP wholly owned, closed panel whose profile echoes that of the UK's population profile in terms of age and gender.

Demographic data, collected via an online lifestyle survey, made it possible for only people who are both mail- and internet-responsive to be selected for the panel.

This pre-existing data also makes it possible for fast.MAP to examine in detail the demographics of a group of people who respond to a question in a specific way. For example, it might choose to investigate their age, sex, income, family or marital status to establish whether there are any significant similarities.

Appendix

Details of research survey and terms used

The consumer panel (cont'd)

The advantage of the *fast.*MAP panel – which has been running for more than eight years and has achieved accurate results for marketers in sectors including automotive, charity, finance, catalogue and mail order, telecoms, internet, fast-moving consumer goods and medical – is that it is extremely representative of a direct marketing-responsive audience.

It is used by direct marketing, marketing, advertising and sales promotion agencies, and brands to gain feedback on marketing, advertising (print/web/mail/video/radio) or sales activity, such as testing different creative treatments, scripts or envelopes; list selection; data planning and purchase and media planning.

It is now possible to reach far more people for research purposes via the internet than the telephone, because so many households have registered for the Telephone Preference Service (TPS).

Online research offers many benefits. Two of these are overwhelmingly important for the *fast.*MAP/DMA Marketing-GAP Tracking Study.

The first is the availability of the wealth of demographic and lifestyle data about panel members, which allows the profiling of cluster groups of those who respond in specific ways. By relating these profiles back to the database, it was possible to identify and quantify the number of other individuals who fitted the same profile.

The second is that the research was done in real time to gain fast, continuous feedback. This means, for example, that if people change their views following a government announcement, a disaster, a product recall, or a rise or fall in the interest rate, it is possible to instantly track this change and factor its effect into the findings.

Appendix

Details of research survey and terms used

The marketer research panel

The second panel comprised over 300 marketers, drawn from the *fast*.MAP marketing professionals' panel, who were emailed the questionnaire. Additional responses came from DMA members who were invited by email and on the DMA website to access the questionnaire via a link.

Validity

When looking at the validity of research findings four things are of prime importance: recency; sample size (that a statistically relevant number of people took part in the survey); whether the respondents form a representative sample; and the manner in which the question is posed.

The representative sample and statistical relevance aspects have been covered on slide 14. The research was conducted among a very large sample of 1,376 consumers and is therefore more statistically relevant than similar research done among a smaller sample: the bigger the panel, the more accurate the results.

Since the order in which multiple choice answers appear can influence the response (it has been shown that for some individuals items higher up a list are more likely to be selected than those lower down), the order items appeared on all multiple choice lists was randomly changed throughout the survey to avoid bias.

Results can also be skewed by the way in which responses are collected. A very obvious example would be for a face-to-face interviewer to ask the question: ‘Do you donate to a charity at least once a month?’ Or even worse, for the question to be asked by someone easily identifiable as being connected with a charity. In such cases guilt will become a factor and people are likely to lie to save face, rather than admit they've not given to charity recently.

With an online, anonymous survey, people are more likely to give honest answers to awkward questions.

Appendix

Details of research surveys and terms used

Recency

One of the greatest benefits of online research is that it takes place in ‘real time’ so that at any moment it is possible to monitor response levels and observe progress. Since answers have been input by the respondents, the delay which occurs because written data has to be entered by a third party is avoided.

Also, it has been shown that data entry errors are less likely to occur when people enter their own responses online. This is partly because a third party may make a data-entry error if they have difficulty in deciphering someone else's writing and partly because if an individual takes the trouble to fill in an online questionnaire, they are likely to enter the data more accurately than a keyboard operator whose attention may wander during monotonous, repetitive data-entry work.

Using face-to-face surveys or paper questionnaires, it would take two or three months to achieve responses to 34 complex, multiple-choice questions from 1,376 people who mirror the UK population profile.

This is because it would be necessary first to identify individuals with the right demographic profiles and persuade them to participate. Then either the questionnaires would have to be mailed or delivered, or a qualified, nationwide research team would have to be assembled to do the interviews. Responses would be returned to base for input and data processing before results could be presented in a useable form.

The *fast*.MAP/DMA Marketing-GAP Tracker Study was carried out in November 2009 and the first findings were accessible within hours; statistically relevant results representing an accurate snapshot of topical UK consumer opinion were available within days.

Appendix

Details of research surveys and terms used

Comparison of marketing specialist and consumer respondent findings

In the marketer questionnaire it was necessary to collect responses in a slightly different way from the consumer questionnaire. So that one set of findings could be compared with the other, it was necessary to organise responses into class intervals.

For example, if consumers are asked to provide a yes or no response to the question 'When providing details about yourself do you always look for the opt-out boxes so your details are not passed on to a third party or used for marketing?', 82% may answer 'yes'.

The corresponding marketer question would be: 'What proportion of consumers do you think always look for the opt-out box when providing details about themselves, so their details are not passed on to a third party or used for marketing purposes?'. Their responses may be as follows:

Proportion	Response
0-10%	7%
11-20%	13%
21-30%	22%
31-40%	16%
41-50%	16%
51-60%	7%
61-70%	13%
71-80%	5%
81-90%	1%
91-100%	0%

The above findings can be reported in several ways – for example, that 1% of marketers correctly predicted that more than 80% of consumers look for the opt-out box, or that 99% of marketers are more optimistic than reality suggests, or that, on average, marketers are more optimistic, thinking that only 37.5% of consumers opt out compared to the real figure of 82%.

If 50% of marketers had underestimated and 50% had overestimated, then the overall assessment of consumer attitudes by marketers would have been correct.

To find out more about the information in this presentation, please call us on

0800 917 0640

or email us at info@mmc.co.uk

Or if you would like a copy of the *fast.*MAP DMA/report, contact:

David Cole, Managing Director, *fast.*MAP

0207 242 0702

or email at david.cole@fastmap.com