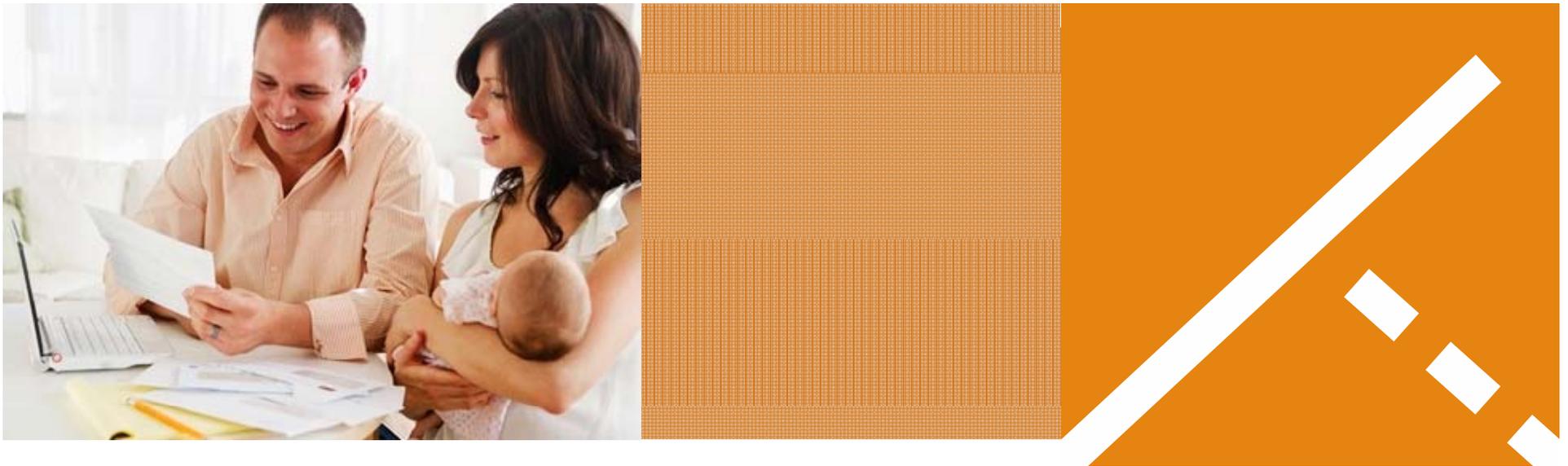


Break into New Markets

The secrets to launching a successful direct mail campaign



October 25, 2011 | Pitney Bowes International Services

Today's **speakers**



Larry Pendergast

Director Sales & Product
Management

International Services,
Pitney Bowes



Alex Ricketts

Media Propositions Manager,
Royal Mail



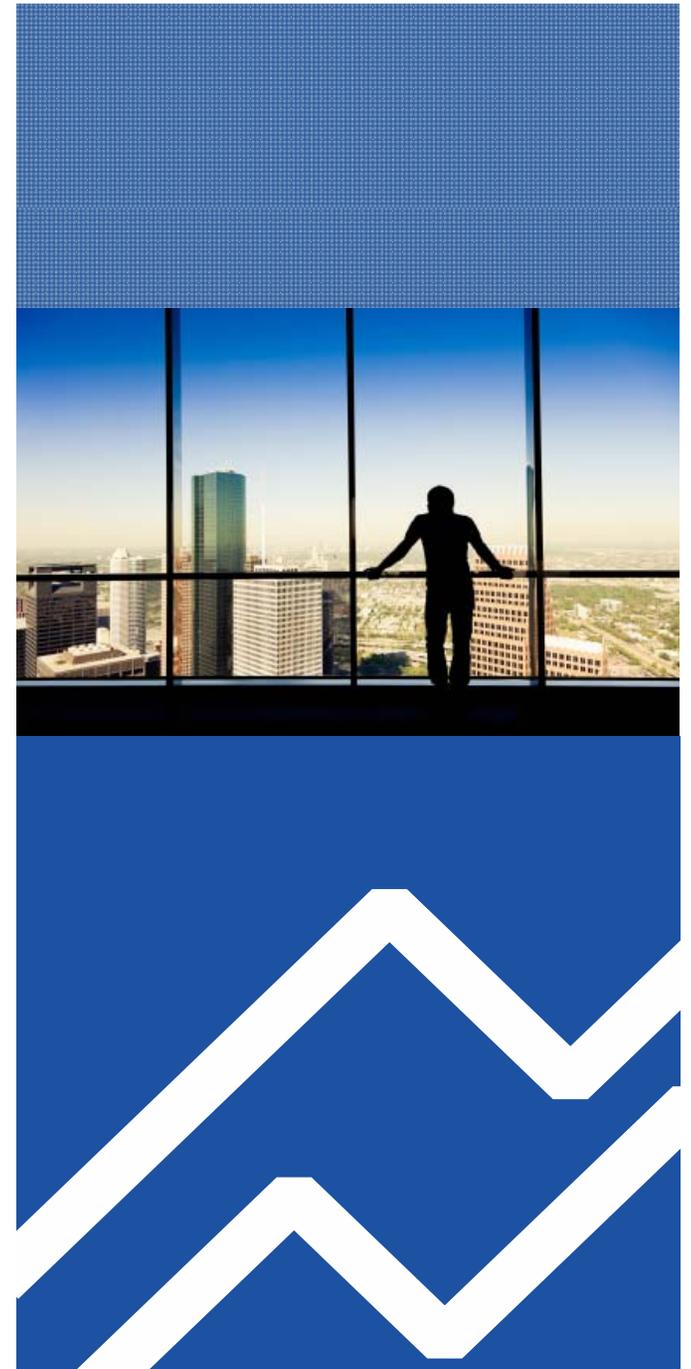
Thanks for joining us

- We are always looking for ways in which we can help you build your business
- Many companies are expanding internationally – direct marketing and direct mail play significant roles



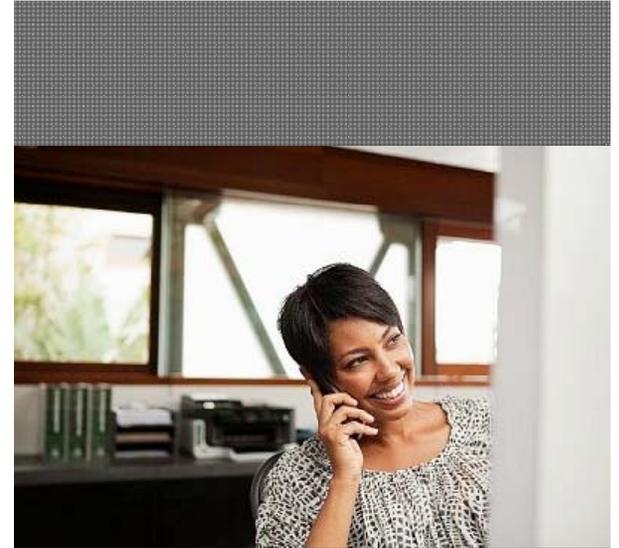
Today's **business landscape**

- Current economic recession has changed consumer media habits
- Unpredictable recovery timetable drives need to review and realign marketing strategies
- Advertising expenditures under more scrutiny
 - More emphasis on return on investment
 - Shift in spend toward more targeted and accountable media



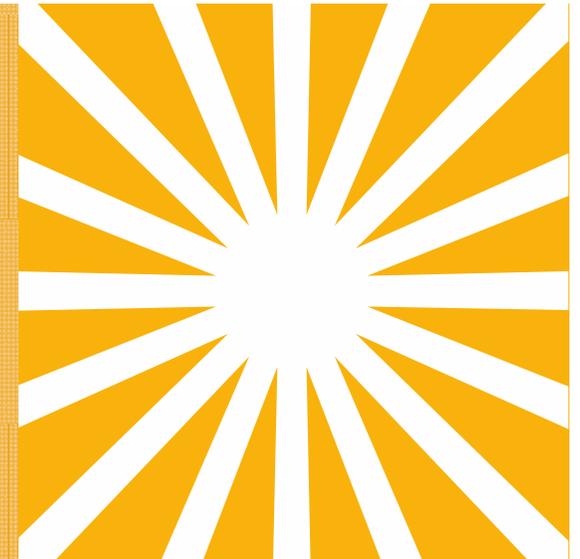
In a recession, people don't stop buying ...they just buy differently!

- Consumers search for information before they make decisions
- They will negotiate harder at the point of sale
- Consumers now more willing to postpone purchases, trade down, or buy less



Marketers must develop cost-effective solutions with impact

- Get closer to consumers through multi and cross-channel engagement
- Stress value and quality in addition to price
- Engage with customers to build loyalty and drive action



**Consumers want positive content
-- continued communication is key**

Direct Mail remains a vital component in any multi-channel strategy



- Direct mail has seen its ROI level rise steadily over the last three years, a trend credited to **improved targeting***
- Spending in direct mail is forecast to rise 3.6 percent annually between 2010 and 2014

(DMA 2011 Fact Book)

* Source: Brand Science research June 2010



Adding direct mail into the marketing mix can boost your campaign ROI by up to 20%*

Direct Mail drives action

In the past 12 months, 21.9 million British adults have taken action as a result of direct mail they have received

What they did:	How they did it:
14.2MM bought something	7.3MM visited a store in person
8.3MM kept for later reference	6.2MM ordered online
6.0MM visited a store	3.9MM used a landline phone
3.0MM made a phone inquiry	2.8MM ordered by mail
2.8MM tried a new product/service	1.8MM ordered via email
	1.3MM used a cell phone

Affluent consumers respond to direct mail

“Contrary to conventional wisdom, direct mail is probably the most cost-efficient method for reaching the truly affluent. These are the households with a net worth of \$800,000 or more and incomes of \$200,000 or more.”

-- Ron Kurtz, of the American Affluence Research Center
(AARC)



Direct mail is also effective to the B2B audience

Of 1000+ B2B marketing professionals surveyed,

- 79% found direct mail to be effective
- By sector, 34% of business services organizations in the study found direct mail very effective

-- Marketing Sherpa Survey



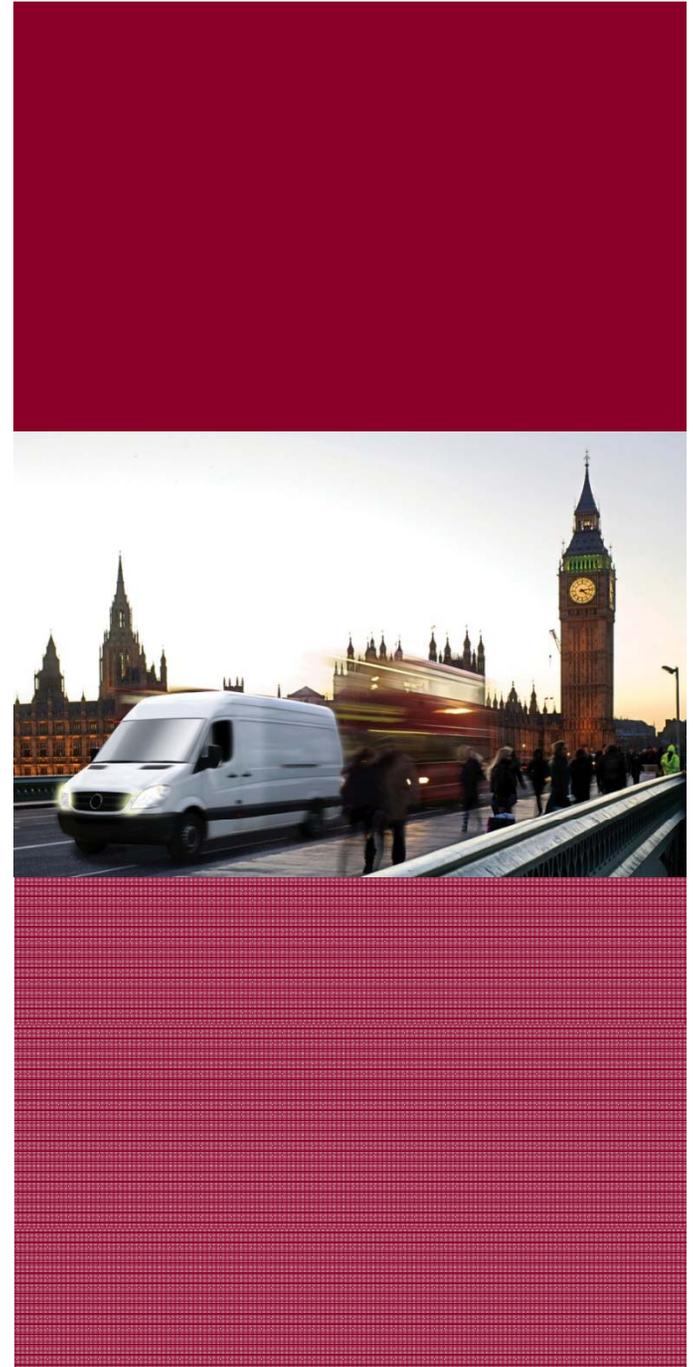
Many U.S. businesses seeking growth **are expanding into new markets overseas**

- Favorable exchange rates
- Popularity of U.S. brands
 - 4 of top 10 consumer brands in U.K. are U.S. brands (source: Superbrands UK)
- U.K. represents easy point-of-entry
 - Third largest economy in Europe
 - 62.3MM people; over 50MM adults
 - Common language creates sense of familiarity
 - Royal Mail offers special programs for advertisers



Pitney Bowes exclusive agreement with **Royal Mail** provides advantages

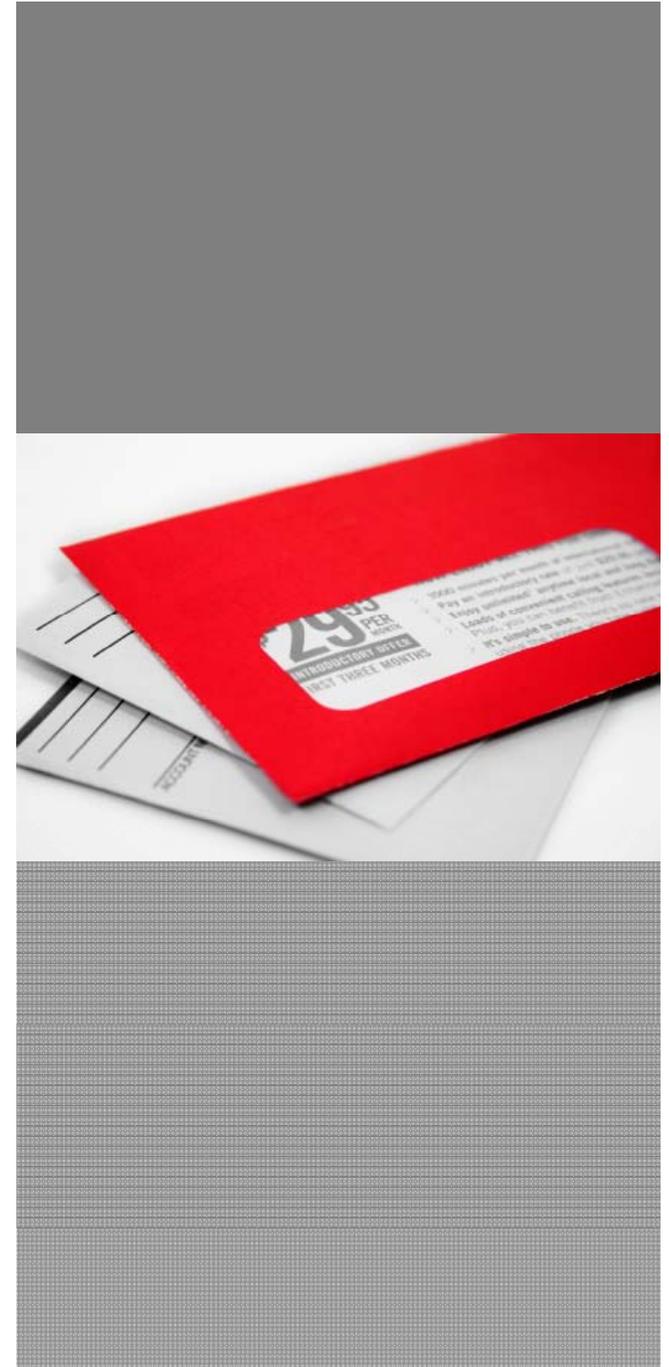
- Access to Royal Mail's market expertise
 - Full service consultants available to help design efficient go-to-market plans
- Cost savings opportunities
- Shipping efficiencies
- Simple ways to overcome consumers' surprise over "duties and taxes"
 - Fully-landed cost calculations



Royal Mail Advertising Mail™

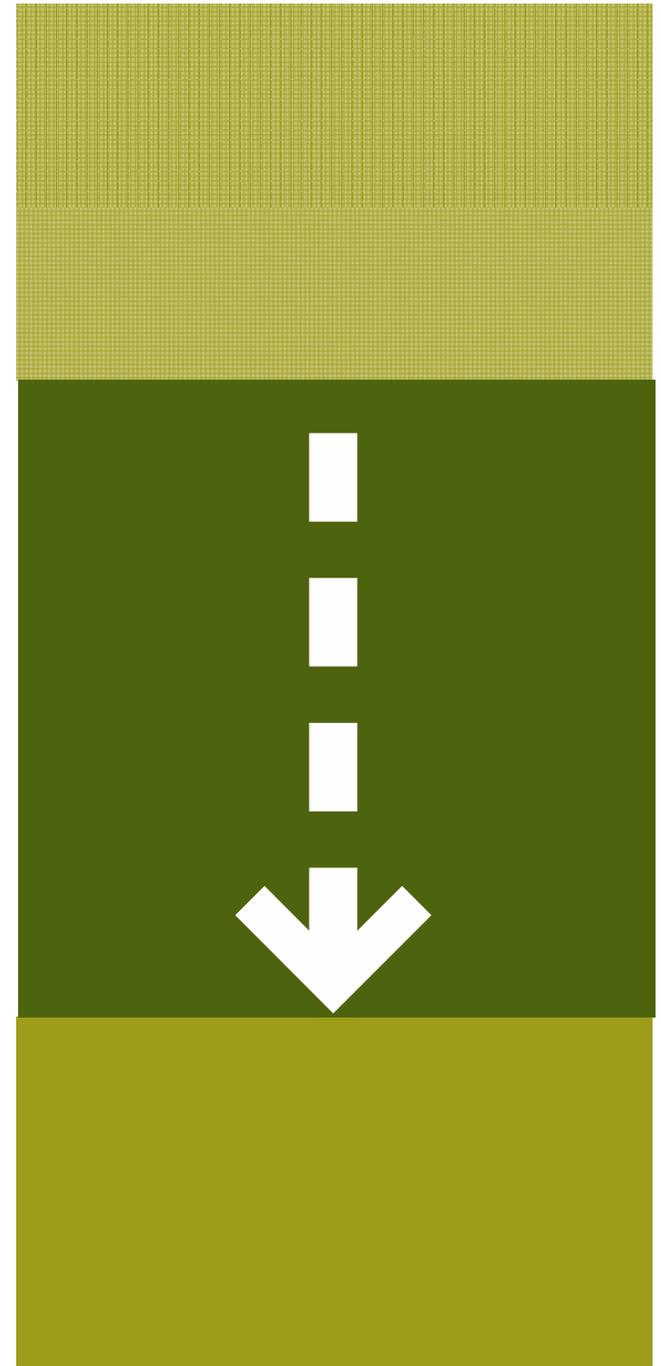
Better targeting, pricing and results

- Product exclusively for Advertisers
- Must be 100% Advertising content (no bills or TransPromo)
- Significant price advantage over Business Mail
- Data quality standard (MPS mandatory)
- Can be used with other offers, products and services



Other Royal Mail products to help **marketing budgets stretch further**

- First Time Users - A plan for marketers new to direct mail. Progressive discounts for multiple mailings
- Sustainable[®] Mail - up to 3.9% discount by sending environmentally responsible direct mail
- Data Services – access to vast opt-in databases using sophisticated targeting tools
- Advertising Mail Lite – enhance main campaign by sending teasers pre-campaign or reminders post-campaign. Special rates are available.



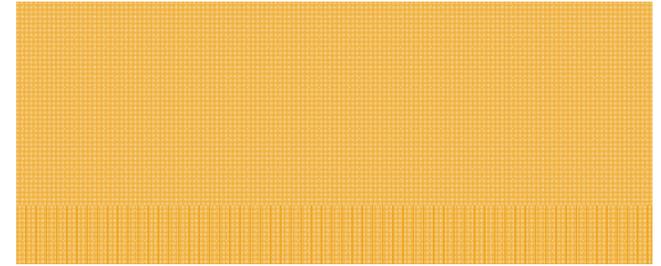
Consultative Services available for Royal Mail advertisers

- Customer journey understanding and development
- Advice on test matrices construction and results measurement
- Research
- Case studies
- Creative previews/reviews
- Media tools
- Competitive activity reviews:
 - Who's mailing what?
 - Who's mailing your customers?
 - 'Through the Mailbox' creative analysis
- Eye Tracking to improve response
- Workshops and brainstorming sessions



Pitney Bowes and Royal Mail give U.S. marketers significant advantages

- Royal Mail Advertising Mail™ offers **differentiation** between advertising and standard business prices
- Royal Mail Advertising Mail™ makes mail **more competitive**
- Postal Direct ensures that mail carries a **local look-and-feel** to reassure consumers
- Pitney Bowes can process everything for you, soup-to-nuts, **including tracking and returns**



Thank You . . . and now Q&A



For further information please contact your Sales or Postal Direct Representative.

postaldirect@pb.com or call 800-521-0080