



A Dialogue with Clients



Every Door Direct Mail (EDDM)
Is it worth the savings?

What is EDDM?

Every Door Direct Mail (EDDM) is a service from the United States Postal Service (USPS) designed to make it easier to send out mass direct mail to a localized area. The USPS encourages small businesses to use EDDM rather than other types of advertising efforts.

What sets EDDM apart from regular Direct mail is that the mail piece has no address on it. The only instruction given to US mail carriers is to blanket an area with an advertising message. EDDM is only for mailpieces that measures more than 6.125 x 11.5 inches.



Advantages of EDDM

Cost Savings

EDDM is less expensive than other forms of direct mail because mail lists are not purchased and mail pieces are not addressed.

Disadvantages of EDDM

No Control Over Delivery

EDDM must blanket an entire Zip Code or Carrier Route by delivering your mail piece to every residence. Residences are defined as single family homes (owner and renter occupied), multi-family homes, condominium complexes, apartments and trailers.

No Targeting Capabilities

With EDDM you must saturate an entire area. You cannot target your best prospects based on demographics such as:

- Single family home
- Owner occupied
- Household income
- Age of home
- Age of homeowner

No customization

Since EDDM does not contain any homeowner names, addresses or personalization, it is perceived as true junk mail.

Mailpiece Size Restrictions

The EDDM rate classification requires its own set of unique mailpiece sizes. Sometimes these sizes are not the most efficient to produce in a commercial print environment and may result in higher printing costs.

Low Homeowner Reaction

As EDDM has grown in popularity, postal carriers have begun to bundle EDDM advertising pieces into a convenient package for receivers to throw away. While this is a danger with any advertising mail, individual letter pieces have a better chance of being seen.

The Myth about EDDM postage savings



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FACTS

Postage is the most expensive aspect of a direct mail campaign because sorting and distributing mail is costly. But, if you can make the USPS's job easier by doing the sorting and bundling of your mailing for their Letter Carriers to take on their daily route you'll get a discount on your postage rate. Simply said if you're willing to do some of their work for them you should get a discount on postage...right? Well, not exactly.

Mail preparation for EDDM postage rates involves many different steps:

- You (or our company) must bundle your mailing in 100 piece bundles
- You (or our company) must print and affix a facing slip on each bundle with the Zip Code and Carrier Route number.
- Each bundle must have two USPS specified rubber bands keeping the bundle and facing slip together.

EDDM postage rate \$0.168 per piece plus your investment of the time needed to print the facing slips, bundle and deliver your mailing to the Post Office of the targeted Zip Code. However, if you would prefer our company to prepare your mailing for EDDM there is a cost of \$0.03 per piece. Your total postage and handling would then be \$0.198 per piece.

There is a better way to send your with lower postage costs...

Another USPS mail classification is Saturation Mail. Saturation mail is one step up the postage rate chart at only \$0.197 postage per piece (less than EDDM when you consider our handling costs), but it offers so much more. With a Saturation mailing you can sort and target homeowners based on median household income, median home value and median age of homeowner.

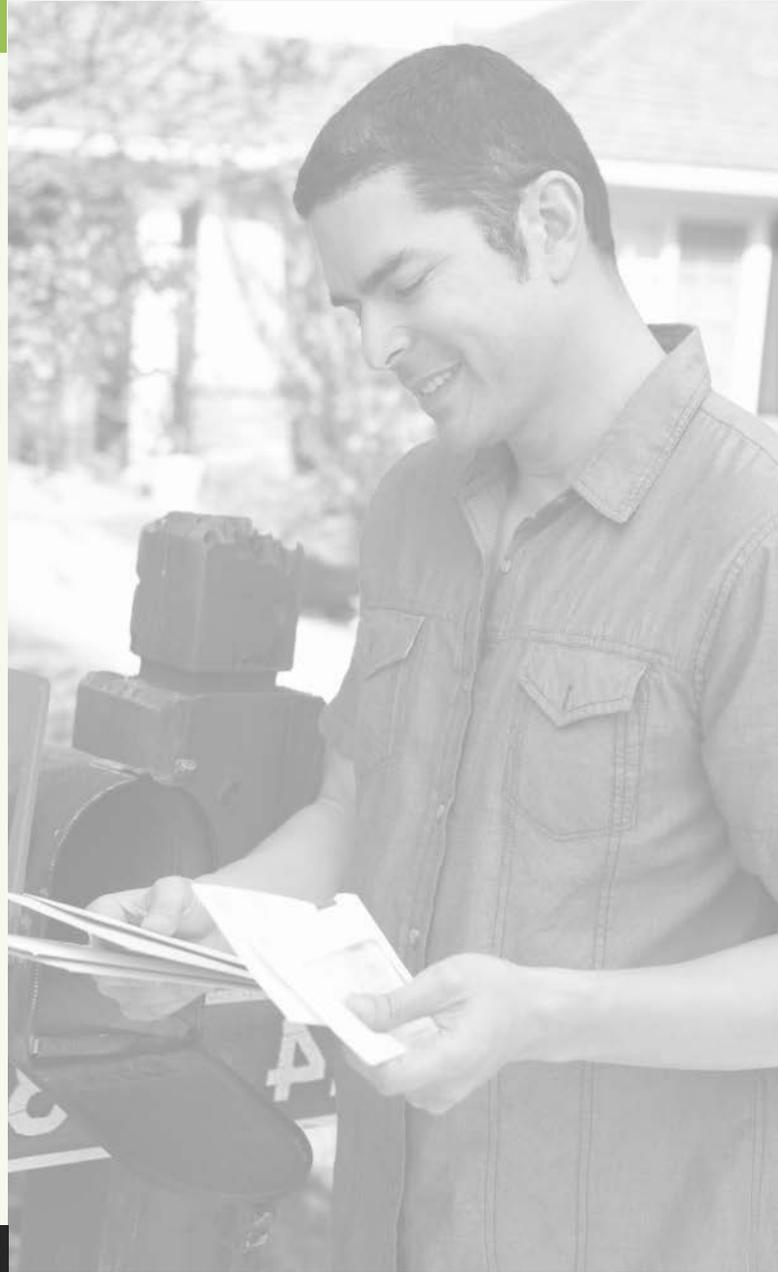
Compared to the EDDM requirement that you must mail to Every Door Direct, Saturation Mail with it's available demographic filters at an even lower postage rate appears to be the solid choice for your next mailing.

Conclusion

EDDM is a low-cost mailing solution because it does not require the acquisition of a mailing list or the addressing of a mail piece. Unfortunately, without personalization and demographic targeting options, the overall return on investment is frequently lower than intended. In other words you may be paying to print and deliver your mailpiece to many unqualified residences.

Given the drawbacks, EDDM should only be considered in limited circumstances such as local pizza restaurants. It becomes very ineffective when marketing for more selective products and services such as vacations, automobiles and home services.

When considering the ROI of any direct mailpiece there are many more pieces to the marketing puzzle than just the cost of postage. Certainly EDDM has its place in select markets, but given the nature of the home service industry, it has not proven to save money or deliver results for the money it proposes to save.



About the author

Bill McGowan is the third-generation owner of PrintFast. He has an extensive knowledge of the printing industry that extends for over forty five years. He understands the intricacies of the printing process and knows how to design his products for maximum marketing results. One of his areas of expertise is Direct Mail Marketing. This specialty not only requires the understanding of print production and content design but also the ability to target specific homeowner prospects based on demographic research to deliver the highest ROI for his clients.



PrintFast
PRINTING EXCELLENCE SINCE 1903

100 Blackford Avenue, Middlesex, NJ 08846

800-810-4818 www.print-fast.com info@print-fast.com