CONNECTING FOR ACTION

A neuromarketing look at how direct mail works with digital advertising in integrated campaigns to optimize consumer attention, emotional engagement and brand recall.



“EACH MEDIA CHANNEL IS LIKE AN INSTRUMENT IN A SYMPHONY, WITH ITS OWN UNIQUE IMPACT PROFILE AND ROLE TO PLAY”

Elissa Moses, CEO of Ipsos’s
Neuro & Behavioral Science
Center of Excellence

ABSTRACT

How do today's consumers consciously and unconsciously engage with different forms of advertising media – direct mail, email, display and pre-roll video, specifically?

Do integrated media campaigns that combine direct mail and digital advertising have the same consumer impact as digital-only campaigns? And what effects does the sequencing of direct mail and digital advertising in integrated campaigns bring to bear on engagement? In a first-of-its-kind study that used a combination of neurophysiological and survey techniques, Canada Post and Ipsos found:

- Media format has a deep influence on the way consumers engage with brands and advertising messages.
- Integrated campaigns that include direct mail elicit greater consumer attention and better provoke the emotional engagement and brand recall that drive action than single-media digital campaigns.
- Media sequencing matters. This study suggests that direct mail's impact on consumer engagement with integrated campaigns may be strongest when it follows digital advertising.

CONTENTS

05 | INTRODUCTION

06 | KEY TAKEAWAYS

08 | ABOUT THE RESEARCH

14 | RESEARCH RESULTS: INDEPENDENT EFFECTS

28 | RESEARCH RESULTS: COMBINATION EFFECTS

40 | RESEARCH RESULTS: SEQUENCING EFFECTS

45 | CONCLUSION

47 | APPENDICES

53 | SOURCES

INTRODUCTION

In our rapidly changing media landscape, marketers have more communication options than they've ever had – but so do the consumers whose attention they seek. The question is: how can they achieve meaningful impact and, ultimately, spur consumer action?

At Canada Post, we're committed to helping marketers understand how best to leverage direct mail – both on its own and as part of an integrated marketing strategy – to maximize consumer impact and business results. As part of this commitment, we partnered with a team of neuroscience experts at Ipsos on an integrated media study that examined the role of direct mail and various forms of digital advertising (email, display and pre-roll video) in integrated campaigns, and the impact of media sequencing on consumer engagement.

This study was the first of its kind to combine this particular set of media, and also the first to look at the consumer impact of media sequencing. "This was a dream study for any curious researcher in the ad space," says Elissa Moses, CEO of Ipsos' Neuro & Behavioral Science Center of Excellence. "It offered the opportunity to bring a new perspective to media planning by breaking ground in our understanding of the relative impact of various advertising media and the influence of sequencing on optimizing that impact. The study left me with two important new insights. First, each media channel is like an instrument in a symphony, with its own unique impact profile and role to play. Second, digital advertising provides value in its own right, but greater value when it's combined and properly sequenced with direct mail."

The findings of this integrated media study, presented in this paper, build on two studies we published in 2015:

- Our neuroscience study, *A Bias for Action*, revealed that direct mail's tactile qualities have a deep, neurological impact on consumers. Mail proved 21% easier to understand and 20% more motivating than digital advertisements (email and display). Because of this, it's more effective at triggering consumer choice and action.

- Our ethnographic study, *Breaking Through the Noise*, traced mail's distinct journey through the home. We found that direct mail is wrapped in the ritual of arriving home, which gives it inherent noticeability and impact. And when direct mail is considered interesting, it is saved for later, shared with others and even displayed in prominent areas of the home.

KEY TAKEAWAYS

1 INDEPENDENT EFFECTS

Media format has a deep influence on the way consumers engage with brands and advertising messages:

- Direct mail offers a personal, sensory experience that triggers consumer emotions and action, while maximizing attention and recall. In this study, it held participant attention for 118% longer and stimulated 29% higher brand recall than digital advertising.
- When opened, email enforces key marketing messages and encodes them into memory. In this study, offer recall for email was on par with direct mail (57%), 39% higher than for display, and 27% higher than for pre-roll.
- Display can stir excitement and motivation in consumers, but this effect is tempered by the limited attention it captures. In this study, most (53%) participants failed to notice the display ads altogether. Those who did notice the ads spent 66% less time with them than the other advertising media.
- When viewed, pre-roll provides an exciting media experience that promotes brand engagement. In this study, it attracted the greatest share of attention towards brand logos and outperformed display for brand recall by 54%.

2 COMBINATION EFFECTS

Integrated campaigns that include direct mail elicit greater consumer attention and better provoke the emotional engagement and brand recall that drive action than single-media digital campaigns. Specifically:

- Integrated direct mail and digital campaigns elicit 39% more attention (time spent) than single-media digital campaigns.
- Integrated direct mail and digital campaigns trigger 5% more emotional intensity (arousal) than single-media digital campaigns.
- Integrated direct mail and digital campaigns elicit 10% higher brand recall than single-media digital campaigns.

3 SEQUENCING EFFECTS

Media sequencing matters. This study suggests that direct mail's impact on consumer engagement with integrated campaigns may be strongest when it follows digital advertising:

- Brand recall peaks when direct mail follows email, outperforming the average for the other single and integrated media campaigns by 40%.
- Arousal peaks when direct mail follows display, outperforming the average for the other single and integrated media campaigns by 26%.
- Motivation peaks when direct mail follows pre-roll, outperforming the average for the other single and integrated media campaigns by 3%.

WHAT MAKES A GOOD SCORE?

Considering this study's sample size, differences in motivation and arousal are considered significant at the 90% confidence interval when the difference between two measures is 3% or more.
See page 13 for more details.

ABOUT THE RESEARCH

This paper contains the results of a **neuromarketing** study conducted for Canada Post by Ipsos in partnership with Neurons Inc.

RESEARCH APPROACH AND TECHNIQUES

The researchers followed an integrated and rigorous research protocol that combined cutting-edge neurophysiological (EEG and eye tracking) techniques with traditional surveys, and involved no human intervention. This holistic approach allowed them to examine participants' non-conscious **(System 1)** and conscious **(System 2)** responses to the campaigns presented.

SYSTEM 1 TECHNIQUES AND METRICS

System 1 responses occur at a deeper level than those consciously experienced and call for a sophisticated palette of research tools, such as **EEG** and **eye tracking.**

DEFINITIONS

Neuromarketing is the application of neuroscience to marketing. It draws on neuroscience tools to study the effect of marketing stimuli on consumers' sensory, cognitive and emotional responses.

System 1 is the non-conscious and emotional mode of response that reacts quickly and without conscious filtering to stimuli.

System 2 is the conscious, rational and considered mode of thought that is not only slower and more effortful than System 1 thinking, but can be used to modulate System 1 response mechanisms.

Electroencephalography (EEG) is a neurophysiological measurement of electrical activity in the brain.

Eye tracking is the process of measuring the gaze and movement of the eyes using glasses equipped with small, specialized cameras. Data derived from eye-tracking tests can help researchers understand how their subject's attention is being captured by particular experiences or stimuli.

EEG recordings allowed the researchers to assess participants' emotional responses to the advertisements. In **neuroscience**, emotions are assessed for their intensity (high or low) and their direction (positive or negative). **Arousal** indicates the intensity of an emotional experience, while **motivation** indicates its direction.

Eye tracking helped the researchers interpret the EEG data by showing them how long, and at which moments each participant's **attention** was captured by particular experiences or stimuli.

SYSTEM 2 TECHNIQUES AND METRICS

Since System 2 responses are consciously felt, they can be assessed using traditional survey techniques.

An online post-survey was issued to participants the day after media exposure in order to assess their **aided recall** of the brands (advertisers) and offers presented, as well as their typical attitudes, feelings and perceptions towards each of the advertising media tested.



DEFINITIONS

Neuroscience is the scientific study of the nervous system.

Arousal is the bodily response of general excitement that a person exhibits towards a stimulus. It is linked to both pleasure and fear, and plays a primary role in emotional reactions, memory processing and decision-making. The more emotionally arousing a stimulus, the more accurately it is likely to be experienced and remembered.

Motivation is a measure of approach versus avoidance behaviour. High motivation responses stimulate positive feelings and approach behaviours, engaging a region of the brain called the ventral striatum. Researchers have found that engagement of this brain region is highly predictive of actual consumer choice.

Attention is the process of directing visual focus towards certain areas of a stimulus at the cost of others.

Aided recall is a marketing research technique for testing the memorability of brands and advertisements. Test subjects are shown an advertisement and asked to remember their previous exposure to it.

THE RELATIONSHIP BETWEEN EMOTIONS, FEELINGS AND ACTION

The distinction between emotions and feelings may seem subtle but is actually profound. **Emotions** are a person's non-conscious expression of their inner/bodily state. **Feelings**, on the other hand, are a person's conscious experience of being in a certain emotional state.

Both emotions and feelings have a causal effect on consumer action, but the nature of the relationship differs. That is, consumer responses begin at an emotional level. Emotions then trigger feelings and/or actions, and sometimes trigger both simultaneously.

A person cannot have feelings without emotions, but they can have emotions without feelings. That is, their brain can show a change in response to a particular event in a way that evades their conscious awareness. So even emotions that do not lead to feelings can still lead to choice and action. This is why combining System 1 and System 2 research techniques can improve the predictive power of consumer research.

DEFINITIONS

Emotions are a person's expression of their inner/bodily state. They occur both before and without consciousness.

Feelings are a person's experience of being in a certain emotional state. They are always associated with consciousness.

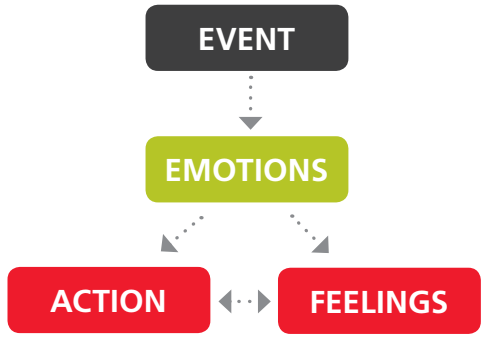


Figure source: Ramsøy, Thomas Z., *Introduction to Neuromarketing and Consumer Neuroscience*, 2015

ADVERTISING STIMULI

Two integrated campaigns featuring simulated retail brands were developed for this study – one from a home furnishings retailer, and the other from a fashion retailer. The same creative, messaging and offers were applied across each campaign, and optimized for the media tested:

- Direct mail (self-mailer, addressed);
- Email;
- Display (animated); and
- Video pre-roll (16 seconds, unskippable)[1].



The research facility is prepared for the arrival of the first participants.



A participant is fitted with an EEG headset and eye-tracking glasses.



The research technician benchmarks a participant for metrics.

TESTING APPROACH

- Each participant was exposed to two different media types for each of the two campaigns tested.
- Participants' physiological measurements were taken unobtrusively by the research technicians as they interacted with each media.
- Between exposures, participants were shown a 10-minute TED Talk™ as a distraction task to "cleanse" their minds of the first set of media they had seen.
- An online post-survey was sent to and completed by participants via email the following day.

SINGLE MEDIA GROUPS

Direct Mail / Direct Mail



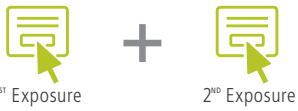
Email / Email



Pre-Roll / Pre-Roll



Display / Display



MIXED MEDIA GROUPS

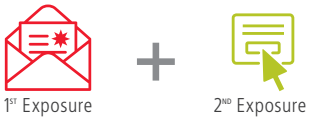
Direct Mail / Email



Direct Mail / Pre-Roll



Direct Mail / Display



Email / Direct Mail



Pre-Roll / Direct Mail



Display / Direct Mail



WHAT MAKES A GOOD SCORE?

Considering this study's sample size, differences in motivation and arousal are considered significant at the 90% confidence interval when the difference between two measures is 3% or more. Due to the nature of the motivation response in particular, which is **log-transformed**, small changes translate into exponentially larger, relevant changes in behaviour.

Likewise, a change of a few percentages in attention can translate into larger changes in emotional responses.

DEFINITIONS

Log transformation is a method used in statistical research to visualize and model skewed data (data that ranges over several orders of magnitude) by minimizing the influence of outliers.



KEY TAKEAWAY #1

INDEPENDENT EFFECTS

RESEARCH RESULTS

Media format has a deep influence on the way consumers engage with brands and advertising messages.

Before exploring the role of direct mail, email, display and pre-roll in integrated campaigns, let's look at how each media engages consumers independently – from the way they capture and direct consumer attention to the emotions and feelings they give rise to, and the extent to which brands and offers presented in them are accurately recalled.

DIRECT MAIL offers a personal, sensory experience that triggers consumer emotions and action, while maximizing attention and recall. In this study, it held participant attention for 118% longer and stimulated 29% higher brand recall than digital advertising.

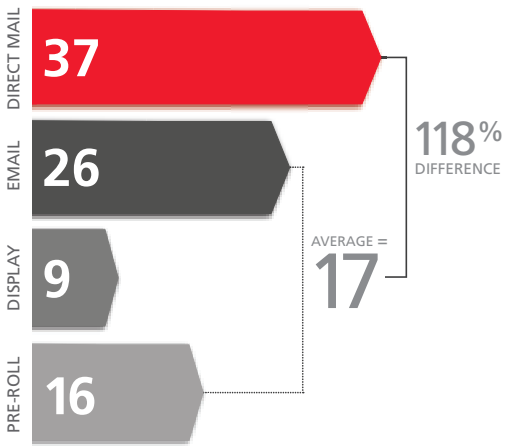
Consumer attention is an essential ingredient for effective advertising, but it has never been harder to get. Not only is there intense competition for it, but consumers' attention spans are shrinking – from an average of 12 seconds in 2000 to just eight seconds in 2015. To put this in context, the average attention span of a goldfish is nine seconds[2].

Direct mail is unique in its ability to draw consumers in for a long time. In this study, participants spent 37 seconds, on average, with their first exposure of direct mail – 118% more time than they spent with digital advertising.

TIME SPENT

118% more time spent with direct mail than digital advertising.

TIME SPENT – 1ST EXPOSURE
(SECONDS)



Direct mail also invites a high degree of visual exploration from consumers. In this study, participants made effective use of their 37 seconds with the medium, distributing their attention fairly evenly across the creative.

The prolonged, exploratory engagement that direct mail elicits gives marketers a leg up in the battle for attention and increases the odds that all their messages will be noticed and absorbed.

As consumers attend to direct mail, they respond positively. Neuromarketing studies on the medium have consistently shown that it triggers activity in an area of the brain (ventral striatum) responsible for motivation, which is linked with desirability and purchase intent.[3] For instance, in a 2015 study that tested consumer motivation across a variety of direct mail and digital advertising formats, we found that direct mail inspires a 20% higher motivation response than digital advertising.[4] We also found that the more a direct mail piece appeals to the senses (tactile or otherwise), the more motivating it tends to be.[5]

EYE TRACKING

Direct mail evokes visual exploration

In neuromarketing research, **heat maps** are used to visualize eye-tracking data. The heat maps below show that direct mail distributes visual attention fairly evenly across the important elements of the creative (e.g., brand logo, product, call-to-action, offer, content).



A **heat map** is a visual representation of how many people are looking at a particular area of a stimulus. Each person's eye fixation is represented by a green dot, and as more people look at the same region, its colour becomes warmer. This visualization allows researchers to see whether attention is strongly guided by certain elements, and whether some elements are going unnoticed altogether.

When participants in this integrated media study were asked to think about their typical reactions towards receiving addressed advertising mail, their prevalent reaction was that it's a personal experience that makes them feel special and valued by brands. Many even said they read it more thoroughly than other forms of advertising.

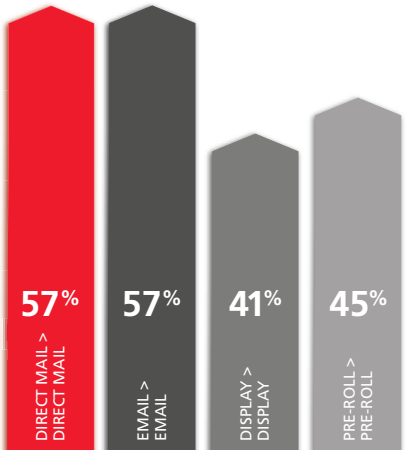
Consumer surveys consistently reinforce Canadians' attentiveness and openness to direct mail. Seven in 10 (74%) consumers always or sometimes notice advertising in direct mail[6], nine in 10 (85%) open mail that looks interesting[7], and seven in 10 (67%) read direct mail.[8]

Once read, direct mail messages are easily encoded into memory. In the aided recall test issued the day following media exposure, 66% of the participants exposed to the direct mail campaigns remembered the brands they had seen (outperforming all the digital advertisements tested). The fact that both of the brands featured on the campaigns tested were simulated, and thus unknown, made them particularly challenging for participants to remember. Because of this, direct mail's strong performance on the brand recall test is highly meaningful. Offer recall among those exposed to direct mail was also strong, at 57%.

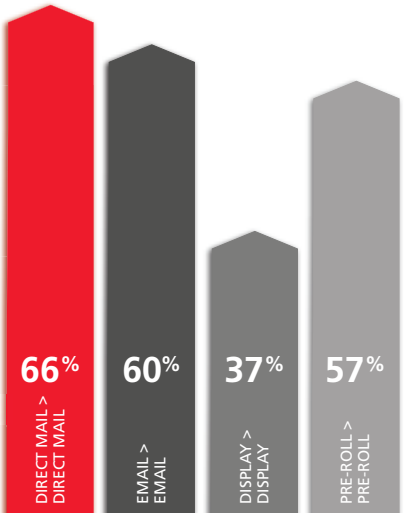
RECALL

Direct mail and email set a high standard for brand and offer recall (aided).

OFFER RECALL



BRAND RECALL



Direct mail's impact on consumer attention, emotions and memory is extended and multiplied when we consider its lasting effect in their surrounding environments. That is, when consumers find mail interesting, they save it for future reference, share it with others and even display it in prominent areas of their homes.[9]

WHAT PARTICIPANTS SAID ABOUT DIRECT MAIL ADVERTISING:

INTERESTED ABOUT
MOTIVATION IMPORTANT
EMOTIONS AROUSAL
PERSONAL
SPECIAL NOTICE
READ ATTENTION
POSITIVE CUSTOMER GIVE
KEEN EYE ABOUT ME



I feel more valued as a customer – feel less that I am just one amongst the 'masses'.

I usually read it more thoroughly. I feel like the company has taken the time to get my address and label the mail.

I always think it is important and give it a keen eye because it is for me and they probably know something about me. It makes me feel special and valued.

Quotes from participants about direct mail advertising

When opened, **EMAIL** enforces key marketing messages and encodes them into memory. In this study, offer recall for email was on par with direct mail (57%), 39% higher than for display, and 27% higher than for pre-roll.

- Consumers read email advertisements fairly quickly. In the integrated media study, participants spent 26 seconds with the email advertisements (30% less time than they spent with direct mail, but more time than with display and pre-roll). Engagement with this medium is rather fluid, with consumers checking their inboxes repetitively as they move through their day.[10]

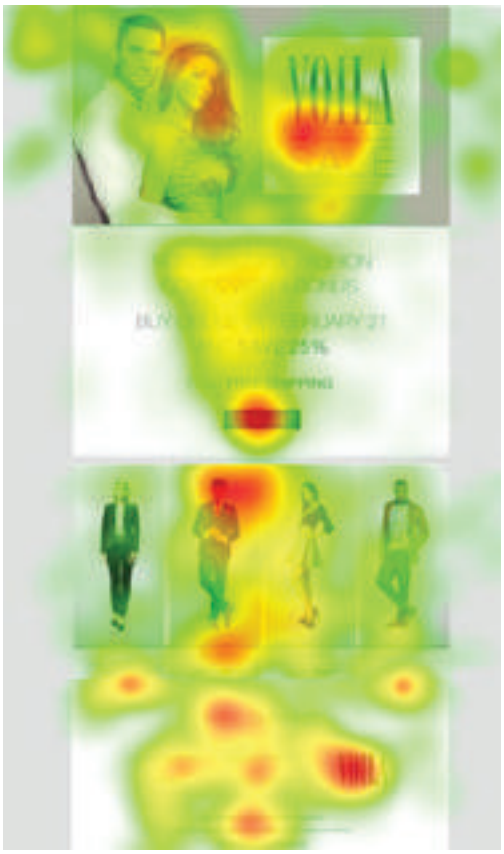
- Email attracts a less exploratory, and more focused, form of visual engagement than direct mail. When exposed to email in this study, participants' attention was drawn primarily towards the product and copy elements (e.g., call-to-action and offer), suggesting this medium can be an effective way to enforce key promotional messages.

- Once read, email marketing messages, such as offers, are easily remembered. In the post-survey, participants exposed to the email campaign had the highest offer recall, at 57% (on par with direct mail) and the second-highest brand recall, at 60% (trailing only direct mail).

EYE TRACKING

Email enforces messaging

Participants exposed to email in the eye-tracking study focused their attention primarily on the product and copy elements (content, call-to-action and offer).



The July 2014 introduction of the Canadian Anti-Spam Legislation (CASL), however, limits email's benefits largely to existing customer communications. That is, CASL applies a consent restriction to the use of email and other so-called "commercial electronic messages," which typically implies a pre-existing relationship with the message recipient.

Another challenge with email is its limited ability to elicit emotional engagement from consumers. Among the media tested in this study, it generated the lowest motivation in participants. Over-communication can amplify this problem by further decreasing engagement and triggering "email fatigue," a phenomenon that drives consumers to ignore, delete, and even unsubscribe to email from brands. In Canada, the median unique open rate for email is now just 11.4% and the median click-through rate is 0.6%.[11]

The signs of email fatigue can be observed in consumers' non-conscious responses to advertisements. In this integrated media study, participants exposed to the email campaigns experienced declines in both arousal and motivation from the first to the second exposure.

DEFINITIONS

The **unique open rate** measures one open per recipient and is expressed as a percentage of the total number of delivered email messages (unique opens ÷ delivered emails = unique open rate).

The **click-through rate** is the percentage of advertisements that drew at least one click (unique clicks ÷ delivered advertisements = unique click-through rate).



This integrated media study did not reflect real-life contexts in terms of email open behaviour. That is, all participants were specifically instructed to find and open the email advertisements from their inboxes. This forced exposure positively influenced recall. That is, if open rates in the study were in line with the current market average of 11%, recall performance would have certainly been lower – as would the reliability of the associated test results (due to smaller sample sizes).

WHAT PARTICIPANTS SAID ABOUT EMAIL ADVERTISING:

CONSIDER APPRECIATE
AWAY SPAM DAILY CLICK
UNSUBSCRIBE DEALS
PREVIOUS EMAIL
DELETE OFFERS
PERSONAL JUNK MAIL
DEPENDS TAKE SALE
VALUED CLEAR INBOX



"Depends how often. Daily is a nuisance. I like to look at them about once a week. Then it's a treat, especially if it's a sale."

"I don't take email offers seriously and delete them right away. I always feel it's a scam and someone is trying to get my personal info."

"If I were a previous customer, I would appreciate the email as a valued customer. I would disregard it as spam if not a previous customer."

Quotes from participants about email advertising

DISPLAY can stir excitement and motivation in consumers, but this effect is tempered by the limited attention it captures. In this study, most (53%) participants failed to notice the display ads altogether. Those who did notice the ads spent 66% less time with them than the other advertising media.

Display affords marketers the opportunity to reach a broad audience at a low cost. The challenge, however, is getting noticed by that audience.

In the integrated media study, the display ads were presented on a popular weather website, but participants were not specifically instructed to look at them. And as is often the case in market, few did. In fact, less than half (47%) of participants exposed to display campaigns noticed the display ads at all. Nine in ten (86%) noticed the first exposure and just one in 10 (7%) noticed the second.

This sort of "banner blindness," has been well-known to advertisers for some time. A newer issue is the growing adoption of **ad blockers**, which allow consumers to opt out from being presented display and other forms of online advertising altogether. There are now some 6.5 million active ad blocking software users in Canada, which account for 20% of the online population.[12]

EYE TRACKING

Display captures selective attention, at best

Product and copy (e.g., content, call-to-action and offer) elements presented in display ads all received low attention from participants.



- Mobile advertisements – both in-app and mobile web ads – are not invulnerable to ad blocking. One in five (21%) of the world's smartphone owners use mobile ad blocking browsers.[13] Meanwhile, display ads that are served to mobile audiences have limited creative real estate for attention-grabbing content, with standard dimensions of about 8 by 1 centimeters (320 by 50 pixels).[14]

- Display's low attention levels lead to low consumer action. Click-through rates for standard display ads in Canada have plummeted to just 0.06%.[15] They also inhibit memorability. In this integrated media study, display elicited the lowest recall of both brands (37%) and offers (41%).

- In neuromarketing research, as with everyday media contexts, an advertisement must be noticed in order to trigger a neurophysiological reaction. Since over half of participants exposed to the display campaigns failed to notice the advertisements, the neurophysiological findings associated with this media can only be taken as directional (due to small sample sizes). That said, directional findings from this study suggest that when noticed, display can inspire emotional engagement in consumers. Those participants who noticed the display ads exhibited relatively high levels of arousal and motivation. However, emotional engagement decreased with the second consecutive exposure to display, suggesting that this media is highly susceptible to ad fatigue.

DEFINITIONS

Ad blockers are programs that remove advertisements from an internet user's experience online. They target various forms of online advertising, including text (e.g., search), image (e.g., display) and video (e.g., pre-roll) ads.



Study participants' self-reported attitudes and feelings towards display advertisements were less than positive. When asked to think about their typical reactions towards advertisements on websites, they described them as distracting and said they give them only passing attention.

WHAT PARTICIPANTS SAID ABOUT DISPLAY ADVERTISING:

DISCOUNT EXPERIENCE
SITE GLANCE GO
DIFFICULT DISTRACTING
IGNORE SPAM
ANNOYING TEMPTED LIKE
LOOKS BOTHER SKIP
CLICK MIND VIEW
INTERESTING PROMOTION



Sometimes I will glance at the advertising then go on with what I'm doing. If it looks interesting, then I will look on further.

It is distracting and annoying unless it's something that interests me... then I am tempted to click on it for more information.

As long as it doesn't interfere with my browsing experience, I don't mind it. I don't like when the advertising makes it difficult for me to view the site.

Quotes from participants about display advertising

When viewed, **PRE-ROLL** provides an exciting media experience that promotes brand engagement. In this study, it attracted the greatest share of attention towards brand logos and outperformed display for brand recall by 54%.

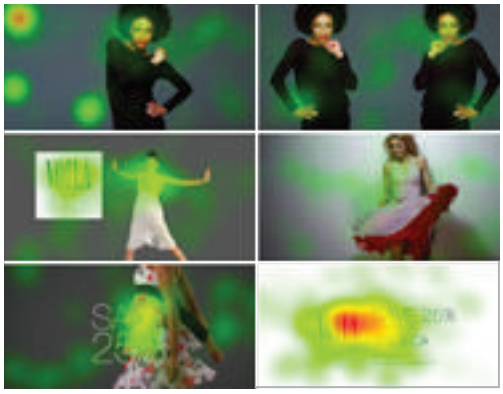
Pre-roll offers an exciting, multisensory media experience that promotes brand engagement. Of the media tested in this study, it stimulated the highest levels of emotional intensity (arousal) in participants and was the only digital media that did not produce declines in emotional engagement through repeated exposures. Pre-roll also attracted the greatest share of attention towards the brand logos – 7% versus 1% to 2% for the other media.

In the post-survey issued to pre-roll viewers the day following media exposure, aided brand recall was above average, with three in five (57%) remembering the brands they had seen (outperforming display by 54%). In contrast, offer recall was below average, with less than half (45%) of viewers remembering the offers that had been presented to them in this format.

EYE TRACKING

Pre-roll draws attention towards brand logos

Pre-roll viewers spent the highest share of time focused on the brand logo.





- These findings suggest that pre-roll's highly visual, video-based format may be effective for making emotional appeals and creating positive brand associations, but less so for conveying promotional messages and driving specific actions.

- Despite pre-roll's ability to excite viewers at a neurophysiological level, consumers consciously perceive it as a distraction en route to valued content and entertainment. When asked to describe their typical reactions to pre-roll ads, study participants described them as annoying and disruptive, and many said they skip them if they can, as soon as they can.

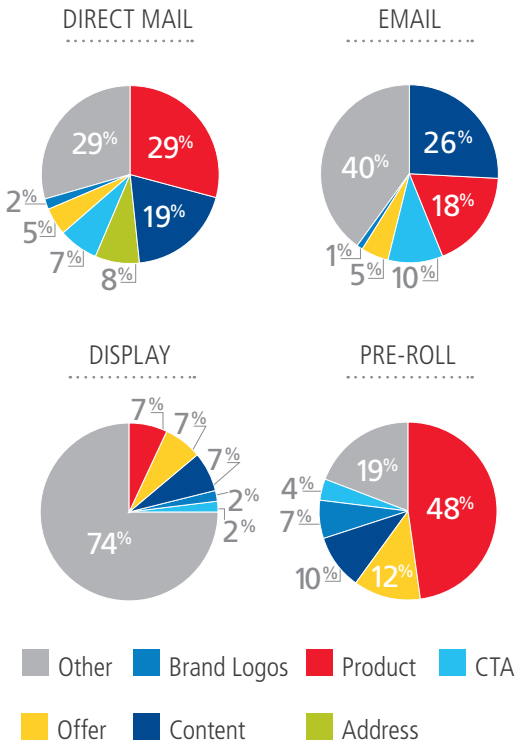
- Participants' self-reports were representative of actual consumer attitudes and behaviour towards pre-roll in market. Nine in 10 (94%) consumers skip pre-roll ads when the option is available,[16] four in five (81%) mute video ads,[17] and three in five (62%) are annoyed with pre-roll advertising.[18]

SHARE OF ATTENTION:

Pre-roll viewers dedicated the highest share of attention to the brand logos

Participants exposed to pre-roll spent the greatest share of time focused on the brand logos, while those exposed to direct mail and email spent the greatest share of time focused on the call-to-action (CTA) and content.

SHARE OF ATTENTION BY CREATIVE ELEMENT



In this study, the 16-second pre-roll advertisements were viewed in full by all participants because the option to skip was not presented to them.

WHAT PARTICIPANTS SAID ABOUT PRE-ROLL ADVERTISING:

ADVERTISING LONG
USUALLY SECONDS SKIP
TRYING FUNNY WAIT
ANNOYING
DISTRACTING VIDEO VIEW
USUALLY SECONDS
OPTION GLANCE UGHHH



I feel "UGHHH". And then I see how long the advertisement will last and if I have the option to skip it... I often skip it right away.

Rather annoying. I am usually happy once I can skip the ad to view the video.

It better be really funny or shocking in the first 5 seconds or I am not paying attention. If I can't skip then I usually do something else for the 30 seconds.

Quotes from participants about pre-roll advertising

KEY TAKEAWAY #2

COMBINATION EFFECTS

RESEARCH RESULTS

Integrated campaigns that include direct mail elicit greater consumer attention and better provoke the emotional engagement and brand recall that drive action than single-media digital campaigns.

We've just explored the different engagement styles that direct mail and digital advertising media (email, display and pre-roll) have to offer on their own. Now, how are consumer attention, emotional engagement and recall impacted when we pair them together in an integrated media campaign?

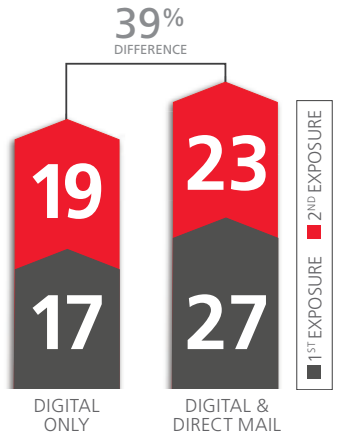
INTEGRATED DIRECT MAIL AND DIGITAL CAMPAIGNS elicit 39% more attention (time spent) than single-media digital campaigns.

As we saw earlier, direct mail engages consumers over a relatively long timeframe. When it's paired with digital advertising in an integrated campaign, direct mail helps optimize overall attention paid. This increases the opportunity for brands and advertising messages to be noticed and, by extension, to provoke the emotional engagement and recall that drive action.

FINDINGS:

- **Direct mail and email**: Integrated direct mail and email campaigns sustain attention over multiple exposures, eliciting roughly the same amount of time spent as email-only campaigns – 62 seconds versus 63 seconds – but less time than direct mail-only campaigns (68 seconds).

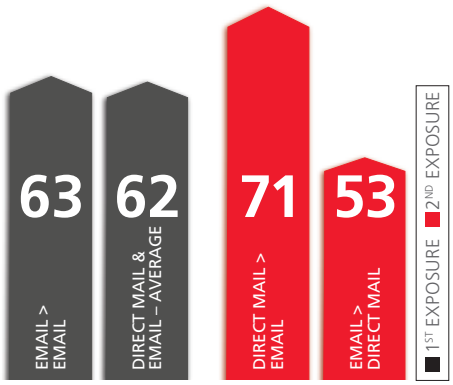
TIME SPENT



TIME SPENT

Integrated direct mail and email campaigns sustain attention over multiple exposures.

DIRECT MAIL AND EMAIL
(TWO EXPOSURES, SECONDS)



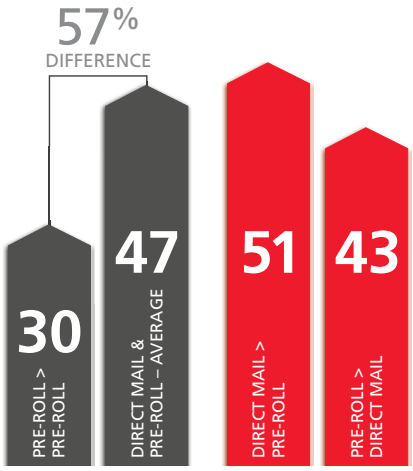
Direct mail and display: 186% more time is spent with integrated direct mail and display campaigns than display-only campaigns – 40 seconds versus 14 seconds.

Direct mail and pre-roll: 57% more time is spent with integrated direct mail and pre-roll campaigns than pre-roll-only campaigns – 47 seconds versus 30 seconds.

TIME SPENT

57% more time is spent with integrated direct mail and pre-roll campaigns than pre-roll-only campaigns.

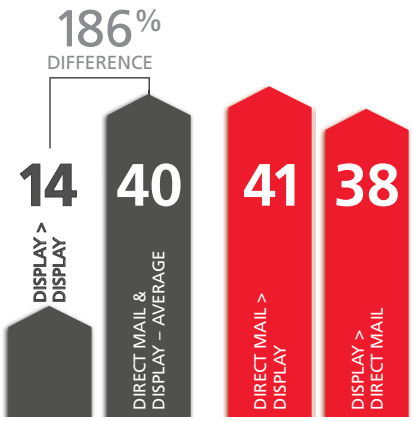
DIRECT MAIL AND PRE-ROLL
(TWO EXPOSURES, SECONDS)



TIME SPENT

186% more time is spent with integrated direct mail and display campaigns than display-only campaigns.

DIRECT MAIL AND DISPLAY
(TWO EXPOSURES, SECONDS)



OBSERVATIONS

- Integrated direct mail and email campaigns sustain attention for longer than any of the other integrated media campaigns, making this a fitting media combination for longer-form content and more complex messages.

- When paired with display, direct mail brings needed attention to brands and advertising messages that would have otherwise received selective focus, if noticed at all.

- When paired with pre-roll, direct mail complements video's passive, automatic, fixed-duration engagement with the more active, attentive and thoughtful engagement that comes with reading text.

- Direct mail's opportunity to capture attention is multiplied when we take these findings outside the lab environment and consider the visibility inherent in its physical format. That is, four in five (81%) consumers display advertising mail that interests them in their homes, creating repeated opportunities for brand exposure and engagement.[19]



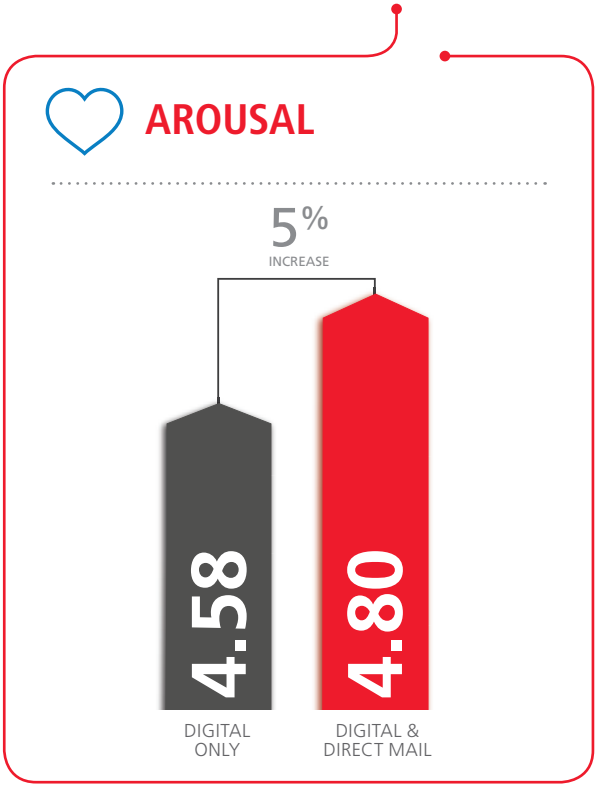
INTEGRATED DIRECT MAIL AND DIGITAL CAMPAIGNS trigger 5% more emotional intensity (arousal) than single-media digital campaigns.

Emotions are the powerhouse of consumer experience. They underpin the success of all marketing initiatives, whether brand or performance-oriented, because they trigger both actions and feelings.

One dimension of emotion, arousal, brings excitement. The other, motivation, brings desirability.

Taken alone, each of the media tested in this study play upon consumer emotions in different ways. Direct mail is known for its ability to inspire high levels of desirability, particularly when it has strong sensory appeal. Display and pre-roll, on the other hand, stimulate excitement.

Emotional engagement with campaigns is generally higher when direct mail is included in the mix, but direct mail's specific impact varies depending on the media involved and their sequence.

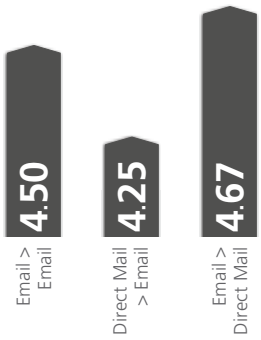


FINDINGS:

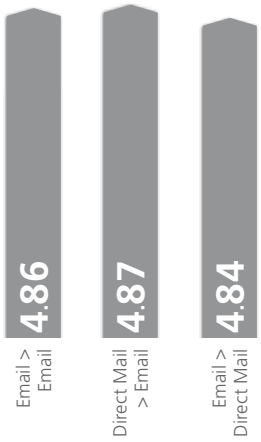
Direct mail and email: Integrated direct mail and email campaigns mitigate email fatigue by bringing up to 8% more arousal and up to 4% more motivation to the second media exposure.

AROUSAL AND MOTIVATION BY CAMPAIGN: DIRECT MAIL AND EMAIL

AROUSAL

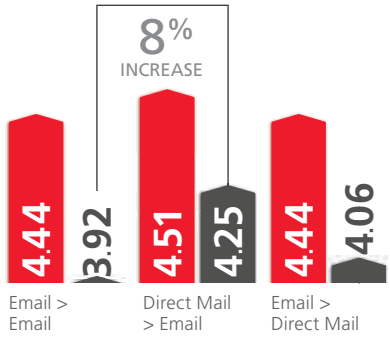


MOTIVATION

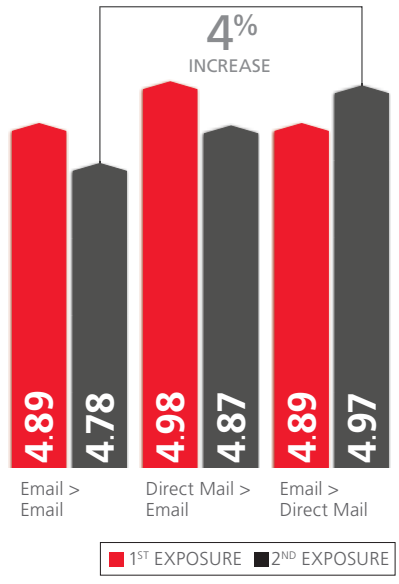


AROUSAL AND MOTIVATION BY EXPOSURE: DIRECT MAIL AND EMAIL

AROUSAL

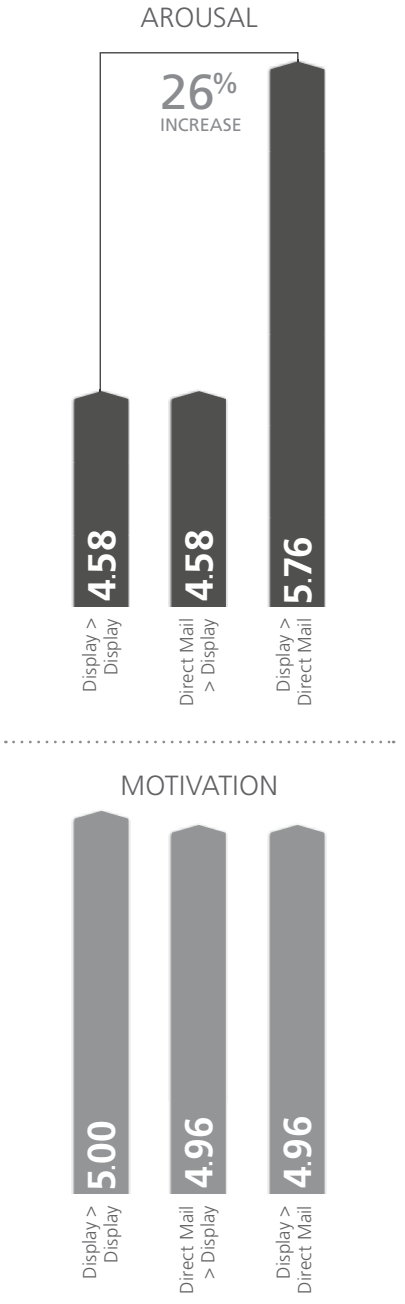


MOTIVATION

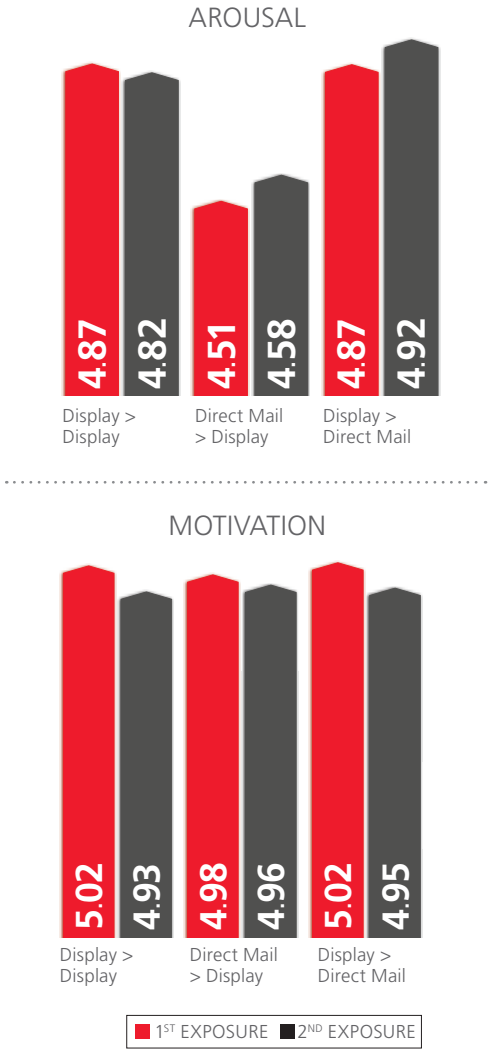


Direct mail and display: Integrated direct mail and display campaigns trigger up to 26% more arousal than display-only campaigns. Compared to display-only campaigns, these integrated campaigns also stimulate greater motivation in the second media exposure.

AROUSAL AND MOTIVATION BY CAMPAIGN: DIRECT MAIL AND DISPLAY



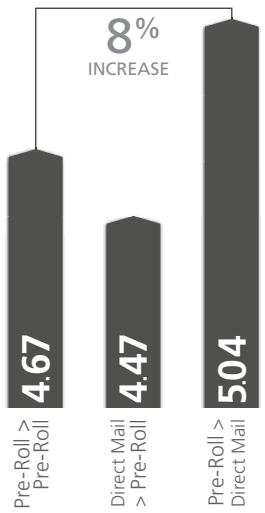
AROUSAL AND MOTIVATION BY EXPOSURE: DIRECT MAIL AND DISPLAY



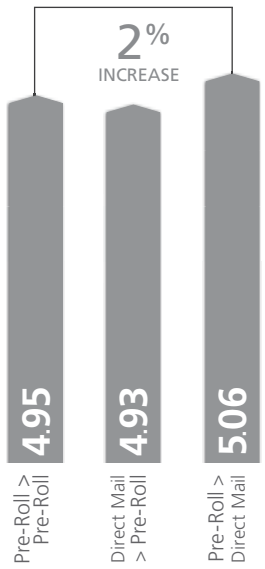
Direct mail and pre-roll: Integrated direct mail and pre-roll campaigns trigger up to 8% more arousal and up to 2% more motivation than pre-roll-only campaigns.

AROUSAL AND MOTIVATION BY CAMPAIGN:
DIRECT MAIL AND PRE-ROLL

AROUSAL

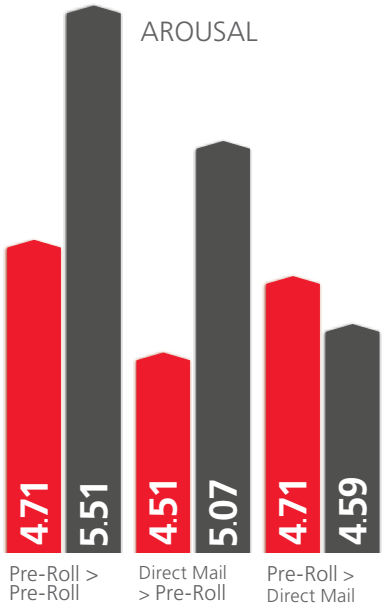


MOTIVATION

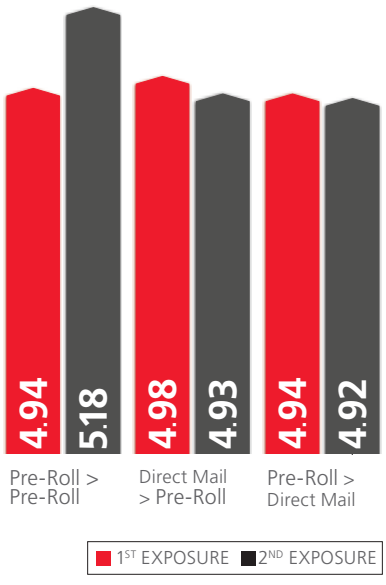


AROUSAL AND MOTIVATION BY EXPOSURE:
DIRECT MAIL AND PRE-ROLL

AROUSAL



MOTIVATION



OBSERVATIONS

- Interspersing display and email campaigns with direct mail may mitigate the ad fatigue that these digital media are susceptible to by maintaining emotional engagement over time.

- When used as a follow-up to pre-roll, direct mail introduces a more active and considered form of engagement that lifts overall excitement and motivation.

- Outside the lab environment, direct mail's emotional impact on consumers is owed to more than its physical format. In a 2015 ethnographic study, we found that the routine of checking, sorting and attending to the mail is so valued by consumers that they often ritualize it. In so doing, they imbue the process with sentiment, making them more susceptible to inspiration from brands.[20]



INTEGRATED DIRECT MAIL and digital campaigns elicit 10% higher brand recall than single-media digital campaigns.

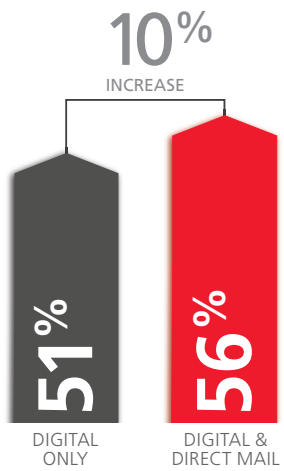
Brand awareness – particularly top-of-mind awareness – is tightly linked with purchase behaviour. That is, consumers are more likely to make purchases from brands they can easily recognize or remember than unknown brands.

In the integrated media study, brand recall was 10% higher, on average, among participants exposed to the integrated campaigns that included direct mail than the single-media digital campaigns.

FINDINGS:

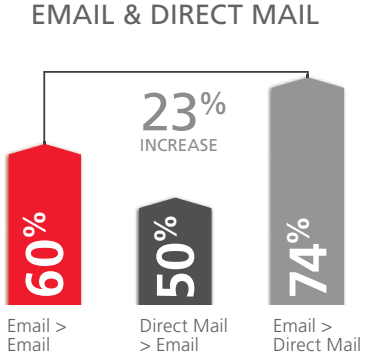
- **Direct mail and email**: Integrated direct mail and email campaigns elicit up to 23% higher brand recall than email-only campaigns.

BRAND RECALL



BRAND RECALL

Integrated direct mail and email campaigns elicit up to 23% higher brand recall than email-only campaigns.



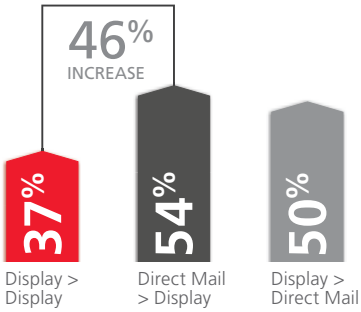
Direct mail and display: Integrated direct mail and display campaigns elicit up to 46% higher brand recall than display-only campaigns.

Direct mail and pre-roll: Pre-roll-only campaigns elicit slightly (8%) higher brand recall than integrated direct mail and pre-roll campaigns.

BRAND RECALL

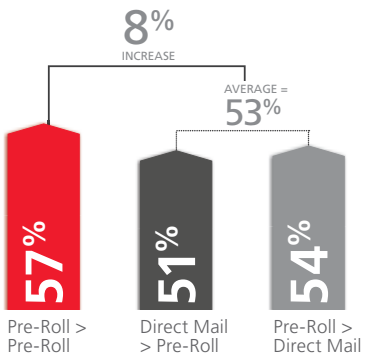
Integrated direct mail and display campaigns elicit up to 46% higher brand recall than display-only campaigns.

DISPLAY & DIRECT MAIL



Pre-roll-only campaigns elicit slightly (8%) higher brand recall than integrated direct mail and pre-roll campaigns.

PRE-ROLL & DIRECT MAIL



OBSERVATIONS

- As we saw earlier, display attracts the least attention and generates the lowest brand recall, while direct mail attracts the most attention and generates the highest brand recall. In integrated campaigns, direct mail helps compensate for display's limitations. This holds true regardless of whether direct mail is experienced before or after display.



- Direct mail has a powerful effect on brand recall when it's experienced as a follow-up to email. This suggests this text-driven media mix can be an effective formula for building brand recognition and top-of-mind awareness.

- Outside the lab environment, direct mail also builds brand recognition through its lasting presence in consumers' homes and the repeated brand engagement that comes with it. Take catalogues, for instance. Two in five (40%) Canadians typically keep catalogues for at least a month, while one in five (20%) keep them for at least four months.[21]

KEY TAKEAWAY #3

SEQUENCING EFFECTS

RESEARCH RESULTS

Media sequencing matters. This study suggests direct mail's impact on consumer engagement with integrated campaigns may be strongest when it follows digital advertising.

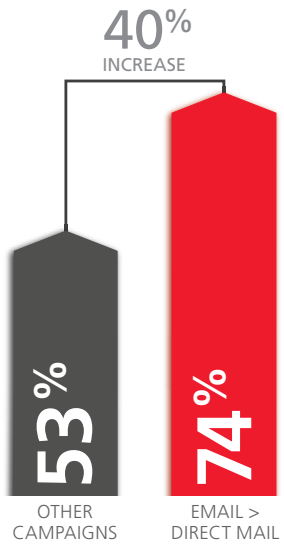
We've examined how direct mail and digital advertising media engage consumers on their own and in various combinations. Now, what effects does the sequencing of direct mail and digital media within integrated campaigns bring to bear on consumer engagement?

In this study, we found that in most cases, campaigns in which direct mail followed digital advertising had the strongest impact on both emotional engagement and brand recall.

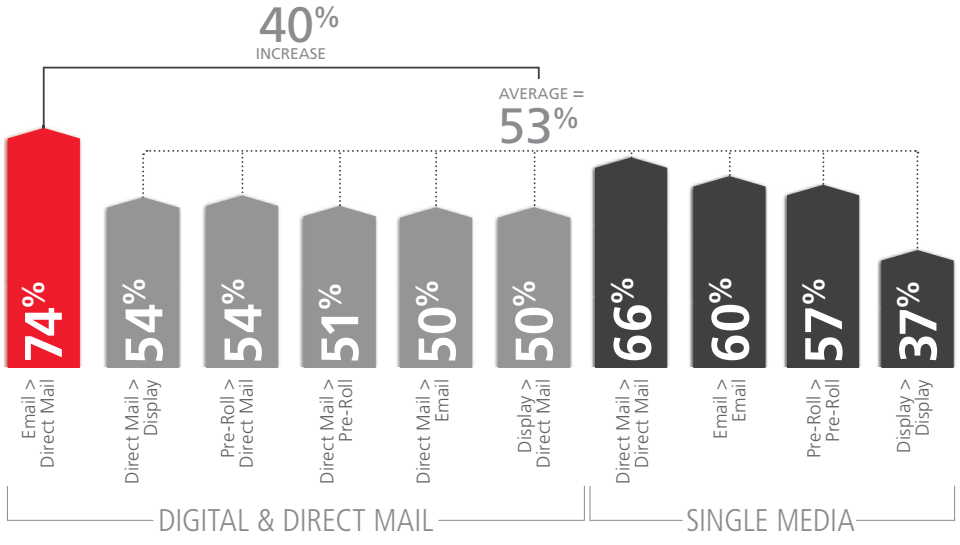
BRAND RECALL PEAKS when direct mail follows email, outperforming the average for the other single and integrated media campaigns by 40%.

Study participants exposed to email before direct mail outperformed the other groups on the aided brand recall test the following day by a significant margin (40%), with almost three in four (74%) accurately recalling the brands they had seen.

BRAND RECALL



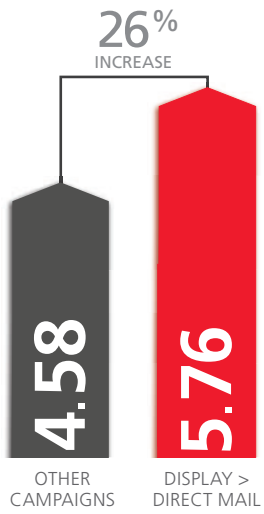
BRAND RECALL peaks when direct mail follows email, outperforming the average for the other single and integrated media campaigns by 40%.



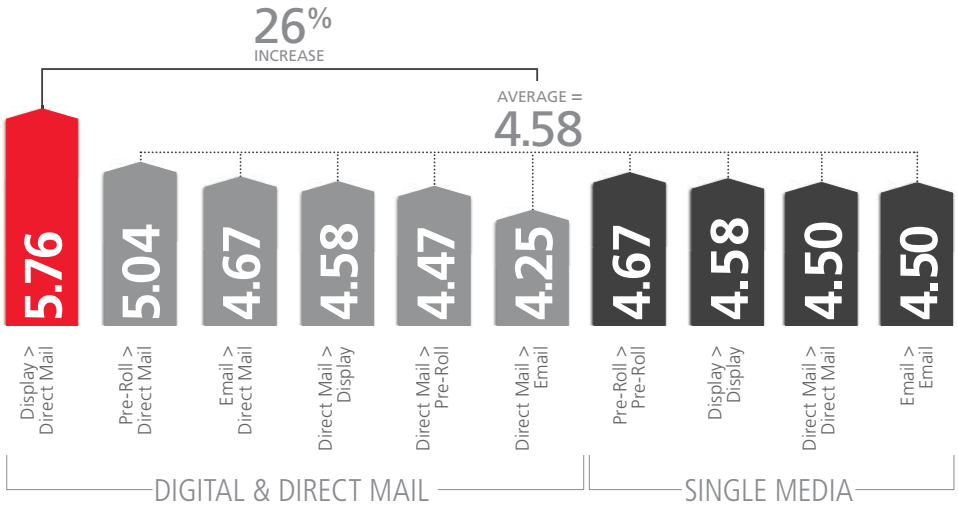
AROUSAL PEAKS when direct mail follows display, outperforming the average for the other single and integrated media campaigns by 26%.

In the integrated media study, arousal was consistently higher among participants exposed to campaigns in which direct mail followed digital advertising, and peaked when direct mail followed display, outperforming the other campaigns by 26%.

AROUSAL



AROUSAL peaks when direct mail follows display, outperforming the average for the other single and integrated media campaigns by 26%.

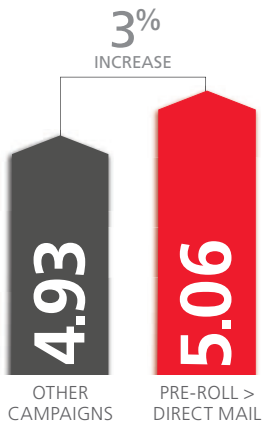


MOTIVATION PEAKS when direct mail follows pre-roll, outperforming the average for the other single and integrated media campaigns by 3%.

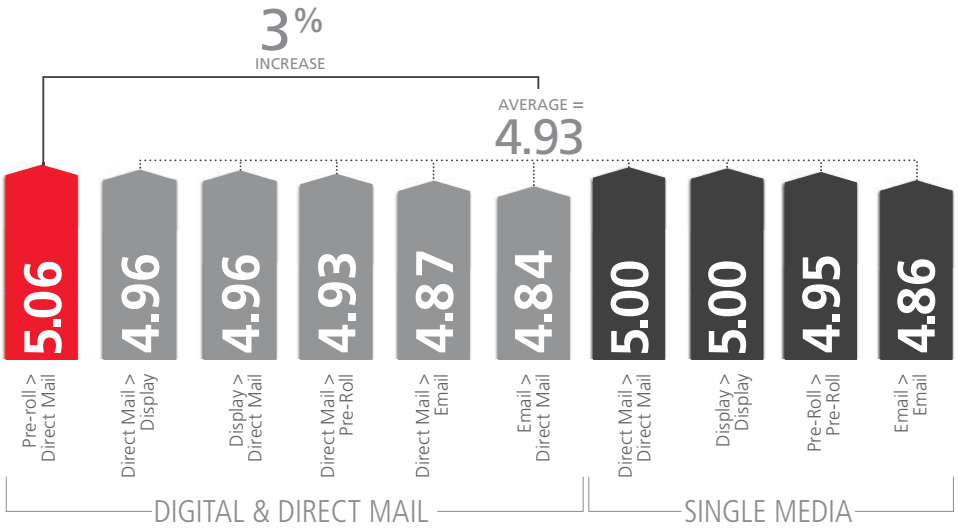
Across all the campaigns tested in this study, the highest level of motivation was experienced by participants exposed to pre-roll followed by direct mail. Their motivation response was 3% higher than the average for the other campaigns.

Motivation differences between two measures of 3% or more were considered significant in this study, suggesting pre-roll followed by direct mail can be a powerful campaign formula for driving consumer action.

MOTIVATION



MOTIVATION reaches its peak when direct mail follows pre-roll, outperforming the other single and integrated media campaigns by 3%.



OBSERVATIONS

- Display ads appear to function as quick, introductory sparks of interest. They may augment emotional engagement with direct mail offers received afterwards.

- Pre-roll – and perhaps video advertising, more generally – appears to have a powerful priming effect on consumers, creating greater desirability for direct mail offers when they receive them afterwards.

- Brand contact with consumers via email may promote more meaningful and memorable engagement with follow-up direct mail communications.

- These findings suggest that in integrated campaigns, direct mail may serve as a powerful agent for propelling prospects down the purchase funnel. However, it's important to keep in mind that the optimal media mix for any given campaign will vary depending on countless factors – the type of product or service promoted and the marketing objective, to name just two.

- These findings offer marketers across industries an opportunity to advance their own media efficiency by using them as a starting point to apply, learn from and build upon.



CONCLUSION

The findings from this integrated media study advance our understanding of the role of direct mail, email, display and pre-roll in integrated campaigns and shed new light on how media sequencing can optimize campaign impact.

- Direct mail offers a personal, sensory experience that effectively captures and sustains consumer attention, triggers the emotions that drive action, and optimizes recall. It can even earn brands a visible and lasting presence in their customers' homes. When combined with digital media in integrated campaigns, direct mail amplifies consumer attention, emotional engagement and brand recall. Its impact is strongest when used as a follow-up, suggesting direct mail can be a powerful agent for propelling customers forward through the purchase funnel.

- Email enforces key marketing messages and promotes recall, helping keep brands and offers top-of-mind. However, it elicits low levels of motivation, and over-communication can lead to consumer disengagement. Direct mail mitigates email fatigue by improving emotional engagement with the medium. It also maximizes brand recall when used as a follow-up.

- Display can stir excitement and motivation in consumers. However, it only captures brief sparks of their attention, at best, leading to low action and recall. Direct mail brings greater attention to display, improving recall. It also increases emotional engagement with the medium and maximizes excitement when used as a follow-up.

- When viewed, pre-roll offers an exciting, multisensory media experience that promotes brand engagement. It also demands low active involvement, helping shift consumers into the deeper, consideration-provoking mindset that direct mail so effectively capitalizes on. Perhaps this explains why campaigns in which direct mail follows pre-roll maximize consumer motivation to act.

The neuromarketing and ethnographic studies that Canada Post commissioned in 2015 shone a spotlight on the evocative power of direct mail's physicality. Now, this integrated media study takes our understanding of direct mail to a new level by putting science behind another key attribute that is born from its physicality and data-driven nature: its connectivity. With its personal, portable format, direct mail connects consumers with media, content and offers across channels, amplifying their impact.

It's the combination of physicality, data and connectivity that makes direct mail the power channel for customer activation. And when marketing capitalizes on all three of these attributes, we call it Smartmail Marketing,™ The Science of Activation.™

METHODOLOGY

APPENDICES

Research procedures

- The researchers recruited 211 respondents to a central location in Toronto.

  The sample included a mix of ages (in the 18 to 64 range) and genders with a general interest in home furnishings and fashion.

- Upon arrival, each participant was assigned to one of 10 groups – each of which would be exposed to two different media types for the two campaigns tested.

- Participants were fitted with an EEG headset and eye-tracking glasses, and benchmarked for metrics.

- Physiological measurements were taken unobtrusively by the research technicians as participants interacted with the first set of advertising stimuli specified for their group.

  The researchers wanted participants' experience of each media to mirror their real-life interactions with them as closely as possible. To this end, participants were instructed to retrieve the direct mail advertisements from an actual mailbox at the research facility. The email advertisements were sent to their personal inboxes. The pre-roll advertisements were presented on a simulated YouTube web page. And the display advertisements were presented on a replica of a popular weather website.

A CLOSER LOOK AT THE CREATIVE CAMPAIGN

Professionally designed ads were created for all the media tested.



Direct Mail



Email



Pre-Roll



Display

- As a distraction task between the first and second media exposures, a 10-minute TED Talk™ was shown to participants.

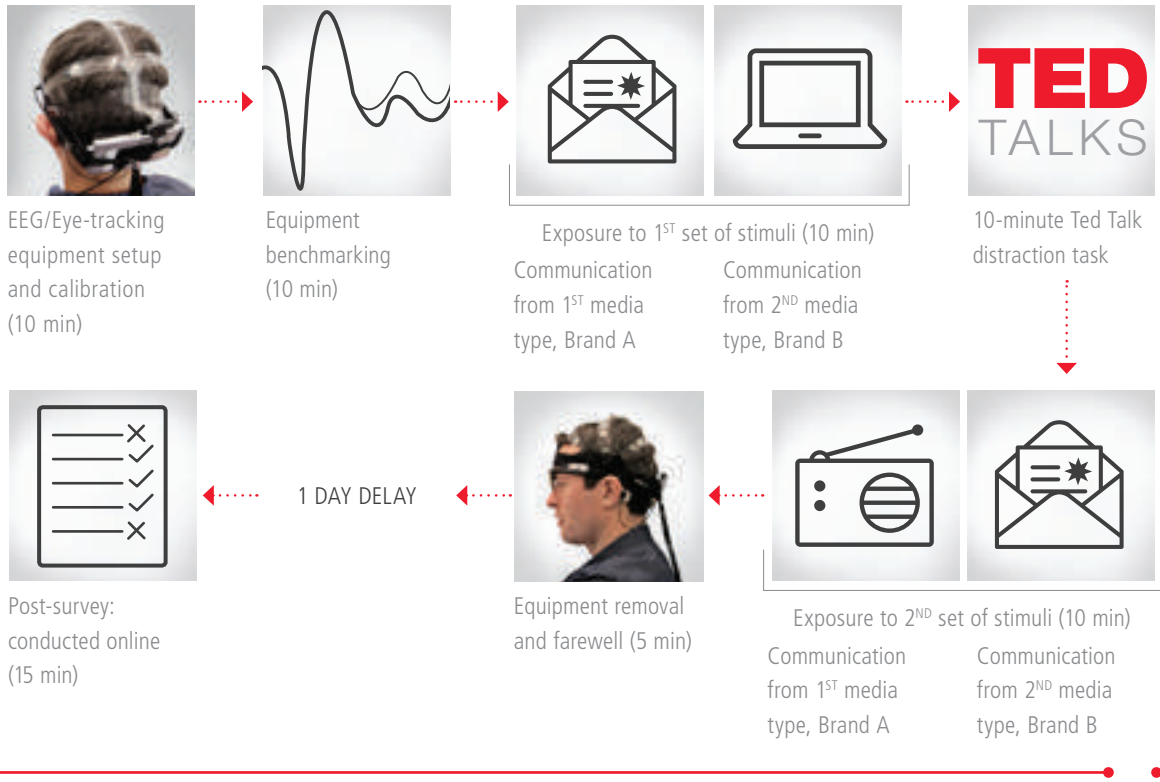
  According to many industry experts, a distraction period of as little as five minutes is more than enough to cleanse the mind between exposures to different stimuli. The longer the period, the greater the likelihood of forgetting.

- Respondents were then exposed to the second set of media stimuli assigned to their group (two alternative media types of the same two campaigns presented to them in the first exposure).

- Respondents' equipment was removed and they were reminded, as they left, that a survey would be emailed to them the following day.

- An online post-survey was sent to and completed by participants via email the following day.

RESEARCH PROCEDURES



Reporting neurometric data

For all neurometric data analyses, the researchers ran a general linear regression model, which took into account each variable that could affect results. For the first and second exposures, they began by modeling the main effect of the type of media (channel), followed by the order of the exposure (first versus second) and the interaction between the two main effects.

This approach allowed the researchers to analyze the individual contributions of each main effect (e.g., How much does the type of media explain the variance in a neurometric score, when ordering and interaction effects are taken into account?) as well as the interaction effects (e.g., How much does the interaction effect explain of the variance in neurometric score, when the main effects of media and order are taken into account?). It also explains why the neurophysiological results reported for overall campaigns were not straight averages of the individual (first and second) media exposures they were comprised of.



ABOUT THE RESEARCHERS

APPENDICES

IPSOS is one of the top three companies in the global research industry. With a strong presence in 87 countries, Ipsos employs more than 16,000 people and has the ability to conduct research programs in more than 100 countries. Founded in France in 1975, Ipsos is controlled and managed by research professionals. They have built a solid group around a multi-specialist positioning – media and advertising research; marketing research; client and employee relationship management; opinion and social research; mobile, online, offline data collection and delivery.

Elissa Moses, CEO,
Ipsos Neuro & Behavioral Science Center of Excellence

Ms. Moses heads the Ipsos Neuro & Behavioral Science Center of Excellence and leads the development of tools and partnerships with leading Neuro experts. Prior to joining Ipsos, she was Chief Analytics Officer at EmSense, pioneering Neuro applications to brand understanding, ad testing, package testing and shopper research. Earlier in her career, Elissa held management positions at Philips, Grey, DMB&B, BBDO and as Founder and Managing Director at The BrainWaves Group. She is author of The $100 Billion Allowance; Accessing the Global Teen Market and co-author of ESOMAR's "36 Questions to Help Commission Neuroscience". She holds a degree in Human Behavior from the University of Chicago and studied Advertising and Marketing at Northwestern's Kellogg Graduate School of Management. **elissa.moses@ipsos.com**



Jessica Reiter, SVP,
Ipsos Neuro & Behavioral Science Center of Excellence



Jessica Reiter is a seasoned researcher with the ability to translate insights into strategy and distill consumer nuance to create meaningful brand experiences. Her career spans client, agency and market research supplier sides and has the distinction of deep experience in both traditional market research techniques as well as cutting edge neuroscience based approaches. Specifically, she helped pioneer the use of bio- and neuro-sensory research techniques at EmSense Corporation where she served as Vice President, Consumer and Shopper Insights. Just prior to joining Ipsos, Jessica was Vice President, Human Experience Strategy Director at MediaVest where she was responsible for identifying key moments of consumer receptivity and designing strategies on how to emotionally connect with consumers for P&G. She received her BS in Business Administration from Boston University. She resides in New York City and is based out of Ipsos' Avenue of the Americas office in New York. **jessica.reiter@ipsos.com**

NEURONS INC is a consultancy company that applies neuroscience tools and insights to address challenges in today's business and society. Neurons is a spin-off from the Copenhagen Business School and the Copenhagen University Hospital, and it is a result of an incubation process with Fortune 50 company Lowe's Home Improvement.

Dr. Thomas Ramsøy, Founder & CEO, Neurons

Dr. Ramsøy started his career by studying business economics at the Norwegian School of Economics, after which he briefly studied philosophy while working in market research. Dr. Ramsøy then turned to psychology, where he did his bachelor's and master's degree cum laude, after which he worked as a clinical neuropsychologist at neurological and psychiatric hospital departments. In 2004 he entered his PhD in neurobiology and neuroimaging at the Copenhagen University Hospital, finishing his thesis in 2008 and being able to run both MR and EEG brain scanners from A to Z, developing novel neuroanatomical and statistical protocols along the way. He was then invited to establish a research group in conjunction between the Copenhagen Business School and Copenhagen University Hospital, which cumulated into the Center for Decision Neuroscience. Here, Dr. Ramsøy led a group of researchers that achieved numerous high impact journal publications, including Science, PNAS and Psychological Science. During this period, Dr. Ramsøy established Neurons Inc as a spin-off from CBS and the university hospital, and as an incubation process through Lowe's Innovation Labs in Silicon Valley. Today, Dr. Ramsøy is regarded as one of the leading scholars and practitioners in applied neuroscience, including neuromarketing, neuroeconomics and related disciplines.
He has published numerous scientific papers, and has written the first and still only textbook on neuromarketing and consumer neuroscience.



Dr. Ramsøy is a consultant for Fortune 500 companies on employing neuroscience to business, and on innovation, and he frequents the corners of this planet doing workshops, seminars and establishing university curricula on applied neuroscience.

SOURCES

BrandSpark, "2015 BrandSpark Canadian Shopper Study"

Canada Post & Harris/Decima, CPC #14-216, "Catalogue Shelf Life Omnibus," December 2014

Canada Post & Harris/Decima, CPC #15-212, "Direct Mail Engagement Omni," July 2015

Canada Post / Ipsos, "Neuroscientific Media & Campaign Study," 2016

Canada Post / TNS, "Consumers and Direct Mail," CP 13-214, October 2013

Canada Post, "*A Bias for Action*: The neuroscience behind the response-driving power of direct mail," July 2015

Canada Post, "*Breaking Through the Noise*: How direct mail combines the intimacy of ritual, the impact of physicality and the power of data-driven relevance to send a signal that resonates," June 2015

eConsultancy, "Pre-roll video ads: is it any wonder why we hate them?," August 22, 2013 (iMedia Connection cited in the article as the original source)

eMarketer, "Mobile Ad Blocking on a Steep Ascent Globally," June 1, 2016

IAB Canada, Digital Advertising Guidelines, January 2015

Marketing Magazine, "20% of Canadian Internet Users Block Ads," August 13, 2015

Mary Meeker, "2016 Internet Trends Report," June 1, 2016

Millward Brown, "Using Neuroscience to Understand the Role of Direct Mail," 2009

Office of the Inspector General, USPS, "Enhancing the Value of Mail: The Human Response," June 15, 2015

Ramsøy, Thomas Z., PhD, Introduction to Neuromarketing and Consumer Neuroscience, 2015

Royal Mail Market Reach, "The Private Life of Mail," January 2015

Silverpop, "2015 Email Marketing Benchmark Study"

Sizmek, "Benchmarks Report," 2013 and 2014

Statistic Brain Research Institute, "Attention Span Statistics," April 2, 2015

[1] All the digital advertisements (email, display and pre-roll) were tested on laptops

[2] Statistic Brain Research Institute, "Attention Span Statistics," April 2, 2015

[3] Canada Post, *A Bias for Action*: The neuroscience behind the response-driving power of direct mail, July 31, 2015 (See also: Royal Mail Market Reach, The Private Life of Mail, January 2015; Office of the Inspector General, USPS, "Enhancing the Value of Mail: The Human Response, June 15, 2015; Millward Brown, Using Neuroscience to Understand the Role of Direct Mail, 2009)

[4] Canada Post, *A Bias for Action*: The neuroscience behind the response-driving power of direct mail, July 31, 2015

[5] Canada Post, *A Bias for Action*: The neuroscience behind the response-driving power of direct mail, July 31, 2015

[6] BrandSpark, "2015 BrandSpark Canadian Shopper Study"

[7] Canada Post / TNS, "Consumers and Direct Mail," CP 13-214, October 2013

[8] Canada Post / Harris Decima, Direct Mail Engagement Omnibus, July 2015

[9] Canada Post / Harris Decima, CPC #15-212, Direct Mail Engagement Omni, July 2015

[10] Canada Post, "*Breaking Through the Noise*: How direct mail combines the intimacy of ritual, the impact of physicality and the power of data-driven relevance to send a signal that resonates," June 2015

[11] Silverpop, 2015 Email Marketing Benchmark Study"

[12] Marketing Magazine, 20% of Canadian Internet Users Block Ads, August 13, 2015

[13] eMarketer, "Mobile Ad Blocking on a Steep Ascent Globally," June 1, 2016

[14] IAB Canada, Digital Advertising Guidelines, January 2015

[15] Sizmek, Benchmarks Report, 2013 and 2014

[16] eConsultancy, "Pre-roll video ads: is it any wonder why we hate them?" August 22, 2013 (iMedia Connection cited in the article as the original source)

[17] Mary Meeker, "2016 Internet Trends Report," June 1, 2016

[18] Mary Meeker, "2016 Internet Trends Report," June 1, 2016

[19] Canada Post / Harris Decima, Direct Mail Engagement Omnibus, July 2015

[20] Canada Post, "*Breaking Through the Noise*: How direct mail combines the intimacy of ritual, the impact of physicality and the power of data-driven relevance to send a signal that resonates," June 2015

[21] CPC #14-216, "Catalogue Shelf Life Omnibus," December 2014

Smartmail Marketing
The Science of Activation

CANADA POST POSTES CANADA

™Trademarks of Canada Post Corporation. All other trademarks are the property of their respective owners.