

Let's Shout about the DMA's Opt-Out Recommendations

By Lee Marc Stein

If you haven't heard the news, the Direct Marketing Association (DMA) just launched its "Commitment to Consumer Choice" (CCC) guidelines. The CCC applies to all DMA members who use direct mail to communicate with customers and prospects. These self regulation require marketers to comply with the following best practices:

- **Effectively Honor Consumer Requests to Modify or Eliminate Mail:** The CCC program requires DMA members to provide existing and prospective customers and donors with notice of an opportunity to modify the receipt of future mail solicitations from their organization in every commercial solicitation. The notice may offer various modification options and should contain or refer directly to an option to eliminate future commercial mailings.
- **Disclose the Source of the Consumer's Name:** Upon request by a consumer, direct marketers will disclose the source from which it obtained personally identifiable data about that consumer.
- **Use of the Mail Preference Service (MPS):** Consumer marketers will also be required to use DMA's Mail Preference Service (MPS) name-removal file every month (instead of quarterly, the present requirement). To achieve that commitment, a consumer's request for in-house suppression should be honored within 30 days and for a period of at least three years from the date of receipt of request.

It is the first provision that will change the way we do business forever. The question is, of course, HOW?

Some 27 years ago, when I was at Business Week, all McGraw-Hill direct mail managers were upset about a mandate to put Opt-Out notices into customer (renewal and cross-sell) communications ONCE A YEAR. The fear was that an overwhelming majority of customers would respond that they wanted DO NOT PROMOTE status, and that

the very inclusion of the notification would kill response to the communications. Neither fear was ever realized, and the opt-out opportunity was essentially run in the magazines rather than in the direct mail.

Now we have this new mandate with a promise of strong policing by and penalties from the DMA. Let's look at some of the implications.

For prospect mailings, let's say the mailer is IMP and the offer is one of their recipe card products. IMP rents the Cooking Light subscription list, among others, and mails 25,000 pieces to that list. Because of the opt-out notice, 500 people tell IMP never to mail to them again, and response (because the notice is there) drops from a normal 4% to let's say 3.6%.

What happens the next time the same names on this list are mailed? Presumably, because the 500 objectors are not on the list any longer, response rates will actually rise, and IMP will get the same orders for less money spent. What's more, the 500 objectors will undoubtedly turn up in other files used by IMP and can be suppressed, meaning response for the other files may rise as well.

As Rick Witsell, VP Marketing for Alliant Cooperative Data Solutions, pointed out to me at the DMA Conference, this mandate can be a boon for copywriters. The opt-out message can be crafted in a way that enhances rather than detracts from response. Falling under the genre of "Exclusionary Audience Targeting," here's a first whack at one:

A Word about This Outstanding Free Offer from IMP

This offer of up to 48 free recipe cards was especially designed to appeal to those for whom cooking is next in importance to breathing.

If we made a mistake in sending this offer to you, please accept our apologies. To assure that you no longer receive unwanted mail from IMP Recipe Collections, simply..."

A million or so execution questions arise, mostly centered around vehicles for opting out. Web is easiest of course, but you'd have to do matchbacks to find the name and the list. If you decide on return mail, do you provide a BRE for the purpose? And so on.

The bigger question, however, is what is the consumer opting out of? Is it only cooking-related mailings from IMP? Is it all continuity offers from IMP? Or is it all cooking-related offers as a category?

On the customer communications side, if IMP mails to actives on its house file, is the customer given the opportunity to opt-out of mailings promoting a particular product line? Is there a Do Not Promote option which allows actives to say "No" to rentals of their name? Do we ask something like "How many mailings a year would you like to receive?" which is in reality "How much mail would you consider an annoyance?"

The wrinkles can make you scream, but on the broad face of it, I would urge you to shout "Hallelujah!" We're going to see increases in response rates, as well as new respect on the part of the consumer. Mail lacking the opt-out notice will be looked upon like email pleas from Nigeria.