

A STUDY INTO THE THEORETICAL PERSPECTIVE OF DIRECT MARKETING

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Abstract

Direct Marketing as a strategic approach to reach customers directly without intermediaries. Technology advancement has revolutionized direct marketing. The proliferation of digital channels, such as social medias, mobile applications and email marketing, has allowed business to personalize their messaging and target specific audiences with precision. The objective of this paper is to establish a knowledge on the concepts of Direct Marketing and the characteristics, perceptions, and attitudes of mail-order customers. In particular, it identifies the differences between the purchase through direct marketing and marketing. This article provides perspectives on some present and future marketing trends. Its material is based on recent business literature and advancements. The core of the work is secondary data. The research uses both published and online sources. The different articles, research, reports, articles from newspapers and magazines, information on other websites, and the internet been investigated. In India, there has been a notable transition towards digitalisation. The customers are increasingly exploring the internet for the best possible offer from local businesses. Digital marketers now have more methods than ever to reach customers online since social media platforms like Facebook, WhatsApp Instagram have clearly brought us all together. Grasping the reasons behind why consumers generate content about a business or a brand is crucial, as it helps us understand the elements that influence user behaviour. Digital marketing is both cost-effective and advantageous for the company's financial performance.

Keywords: Direct Marketing; Recent Trend; Telemarketing; Social Media Marketing.

1. Introduction

Direct Marketing is a notion that deals with the business of selling products or services directly to the public. In other words, direct marketing is a type of marketing that involve communicating directly with customers and potential customer in order to promote product and services. Direct marketing can be conducted in various ways including email, text messages, catalogues, phone calls and direct mail. It is implied that direct marketing enables us to communicate directly to customers rather than the mass media market. In addition, using this allows the marketers to hold their business better economically. However, direct marketing is a strategic path so that business could directly interact with their target audience and come up with personalized interactions with the customers. Recently direct selling has become very popular, as it offers a special chance for companies to carry on talks one to one with customers, to start with them from the beginning and create brand loyalty. Direct marketing offers swift information and immediate feedback from intended audience on how to change our marketing if the audience is not accepting our marketing the way we want them to accept. (Thomas 2017).

Apart from the conventional channels enumerated above including email marketing, direct mailing, and telemarketing, direct selling includes the use social media or in using devices to promote products on such platforms and through face-to-face meeting and events. Companies, instead of pursuing a single channel, adopt a multi-channel approach in which they are able to touch their consumers at various points of the touch point spectrum with each point designed to reaffirm unique preferences of a given

individual. Apart from the usual such as emails, direct mail as well as telemarketing, direct selling also involves the use of social media channels or any other means of making in person demonstrations or events. Through a multi-channel approach to the customers, companies can reach the consumers through several touch points and also provides them a personalized experience that appeals to his personal taste. (Chaffey 2013).

Along with, this the direct selling industry has moved their focus towards digital platforms, and companies integrated 'e-commerce' and 'online selling' to push up the market share and boost sales. This shift has helped these direct selling companies cope with the changed consumer behaviour and preferences and have brought the industry in their growth. Therefore, this direct marketing is a dynamic and effective method for companies to contact customers individually and optimally sell by targeted, personal strategies.

2. Review of Literature

Alford, P., Page, S.J.: Marketing technology for adoption by small business. *Service Ind. J.* 35(11–12), 655–669 (2015) The adoption of technology for marketing is necessary for small businesses to survive, but little is known about owner-manager practices in this regard. 24 owner-managed small companies in the visitor economy are the subject of a qualitative investigation in this report that attempts to close that gap. In line with the ideas of effective reasoning, it was discovered that there was a great desire to use technology for marketing and that its potential was clearly seen, especially in relation to how it could strengthen market orientation and make more adaptable in marketing. However, a lack of knowledge, particularly the inability to quantify the return on investment, limited the ability to take advantage of these opportunities. A planning model for the adoption of technology for marketing is offered, which can be tested through further research, even though the study's broader implications are constrained by the targeted sample.

1. "Search engine optimization (SEO) is a set of techniques aimed at improving the ranking of a website in search engine listings, thereby making it more likely that the end user will choose to visit the site." (Vryniotis, 2015).

2.1 Objectives:

- To establish a knowledge of the concepts of direct marketing
- To discover the idea behind direct marketing
- To perceive the most current development in direct marketing
- To identify the differences between purchase through direct marketing and marketing.

3. History of Direct Marketing

Direct Marketing could be dated back as far as 1940's and 1950's. During this era they would send direct mail to the customers promoting their product to differentiate from other ways of advertising, and services. A major drawback of such kind of advertising compared to the present scenario is that the customers weren't provided with ability to call or respond back. Catalogues are said to be the oldest form of direct marketing that dates back to the semi-centennial of the 19th century. (Dobkin 2007) In modern times, it is sent only to customers who have shown interest in their previous purchase. It is witnessed that there is a noticeable differentiation among the types of marketing where the direct marketing is presented with additional features such as targeted marketing, audience targeting, no intermediaries.

4. Importance of Direct Marketing

Direct Communication: Direct Marketing helps the marketers in promoting their products or services directly to their customers. It further enables them to differentiate their products or services from their competitors. Hence, the company is likely to know the reason why they are lacking in their business, so they can efficiently improve the necessary needs. (Kennedy 2013)

Achieving Credibility: Normally, every brand aims to provide superior quality in their products or services, yet they face obstacles in knowing them. However, direct marketing takes its way to resolve as they maintain direct contact with the customer to know their satisfaction with their products or services. Moreover, it helps them to make sure that their product or service are fulling their customers purpose of purchase. This facility lacks while promoting products or services through mass media. (Thomas 2016)

Post-Sale Contact: Through post-sale contact, the marketers can directly ascertain their customer's satisfaction. In way, the firms also cut down the post-sale enquiry cost as they directly deal with them. This also helps to maintain cordial relationship between the customers and firms in their future transactions.

5. Medias Used In Direct Marketing



Figure 1. Medias Used in Direct Marketing

Mail Order Marketing: As mentioned in Figure 1, The renowned direct marketing technique known as MBO is mail order marketing, often called catalogue marketing. This way of marketing takes the help of a catalogue which provides all the information about the products and services provided, which in turn helps the customers to understand the products and services. Customers, meanwhile receive the catalogue through mail order. (Duncombe 2000).

Direct Mail Marketing: Through mail orders, the manufacturing company markets its goods and services using this strategy. It is shortened to DMM. A number of other materials are mailed to the prospective clients as part of this marketing campaign in addition to brochures and letters. Furthermore, compared to other direct marketing promotional approaches, it is thought to be less offensive and more economical.

Telemarketing: The marketing strategy of selling goods and services over the phone is known as telemarketing. Business to Business (B2B) and Business to Customer (B2C) marketers are the two categories of marketers that are addressed by this approach. In this method, telephones are being used for the sale of products and services, which in turn helps to ascertain the customer satisfaction. If the orders are taken daily, it is said to be “Telesales”, which has opened the markets for call centres to manage the orders placed on a daily basis. This helps both customers and the company to connect easily. (Fahey et al., 2001).

Direct (face to face) Selling: When a salesperson engages in direct (face-to-face) selling, they use personal presentations, demonstrations, and other methods to market their goods and services to customers in retail establishments or door-to-door. It is the process of establishing direct relationship with their customers. Sales Personnel are appointed to act as agents, distributors etc.

6. Recent Trends In Direct Marketing

6.1 Personalization and Customer-Centric Approaches:

Hyper-Personalization: Leveraging data analytics and machine learning, marketers are creating highly customised offers and content based on each person's tastes and habits. It's not just about basic personalization like using a customer's name, it's far more advanced things like predictive analytics, guessing what a customer's need will be. (Nguyen et al., 2021).

Customer Journey Mapping: Customer purchase history helps understand what the customer has been doing and deliver the right message at the right time through the right channel to make the customer's experience in general pleasant. (Arthur Middleton Hughes 2012).

6.2 Data-Driven Marketing

Big Data and Analytics: It is often possible for marketers to gain a lot of information on the potential customers and consumers of a particular commodity through the use of big data analytics. This ability assists in enhancing the probability of creating and implementing successful marketing strategies by providing the necessary data.

Real-Time Data Utilization: Real-time data enables marketers to adjust their campaigns on the fly, ensuring that marketing efforts are relevant and timely.

6.3 Omni-Channel Marketing:

Online Marketing Strategy: It is most significant in the current business environment that organizations adjust to a blend of online and offline marketing communication strategies. This helps in creating harmony when delivering messages as well as constructing organization-to-client relations at various contact points. (Rana and Nripendra 2019).



Cross Channel Campaigns: Campaigns carried out across channels (Email, SMS, social media, Direct Mail) are coordinated which help in reinforcing the marketing message and boosting the chances of a response.

6.4 Artificial Intelligence and Automation:

AI-Powered Tools: Artificial intelligence is revolutionizing direct marketing by automating tasks such as content creation, customer segmentation, and campaign optimization. AI tools can analyse vast amounts of data to identify patterns and predict outcomes, enabling more effective decision-making. (Davis and Lee 2022).

Chatbots and Virtual Assistants: These tools include Chatbots and Virtual Assistants that immediately interact with customers and provides them with instant customer service and subsequently gathering the data that will eventually be used for future marketing aimed at customers. (Smith 2023).

6.5 Content Marketing and Storytelling

Engaging Content: Customers are looking for engaging content, which tells a story, rather than traditional advertising. Content today tends to educate, entertain and add value to the audience and marketers are increasingly becoming oriented towards the same.

Interactive Content: Quizzes, polls, and interactive videos are being used to entice customers to fill out and donate data to then use for more customization.

6.6 Regulatory Compliance and Data Privacy:

GDPR and CCPA: Laws like General Data Protection Regulation (GDPR) and the California Consumer Privacy Act (CCPA) have set a very strict guideline for businesses on how data collected from consumers could be stored and used by businesses. It is necessary to follow these regulations to keep on enjoying the confidence of customers and escape the risk of a legal case. (Regulatory Compliance in Marketing: Navigating GDPR and CCPA).

Transparency and Consent: Marketing professionals are increasingly embracing clearer data practices and making sure they receive explicit permission from consumers before utilizing their data for marketing activities.

6.7 Social Media

It is the most recent trend used by every manufactures. The products and services are being marketed through bloggers who makes short video content related to the said products and services, which is mostly of 30 seconds video stating as “Paid Promotion” and posting it out in their respective social media accounts. By this way, the products and services reach various people all over the world which makes the willing customers to be keen to buy the products and services thus increasing the sales. The most used social media are Instagram, YouTube Shorts, Facebook, etc., (A Munshi 2012).

6.8 Search Engine Operation (SEO):

SEO (Service Engine Optimization) is a part of SEM (Service Engine Marketing). It is the method of improving the quantity and quality of any website that is featured on a search engine. It is a measurable, repeatable process that sends signals to search engines to make sure the pages are worth showing in Google’s index. When companies are able to successfully implement SEO in their digital marketing strategies, then their company names and websites become increasingly appealing to a greater number of consumers. (Simpson et al., 2014).

6.9 Teleshopping (or) Home Shopping

Tele marketing also known as Home Marketing, is the latest method of marketing used by the marketers. The most common way of presenting the products and services is broadcast media mainly via TV. The consumers are able to order their products or services through calling up the displayed contact number. It is considered to be the easiest form of retail marketing as the products are demonstrated on TV and the sales are done over telephone. The most recent trending Teleshopping platform for instance Naptol. (Johnson and Brown 2022).

6.10 Database Marketing:

Database marketing helps to have personalised communication to the customers through their data availability in the database. Additionally, this is considered to be the most important element in the Analytical CRM. It helps the marketers to introduce their new products and services to the existing customers. Furthermore, it helps to keep the customer with updating of the products and services used by them.

7. Direct Marketing Strategies

Adding client fidelity: Since direct marketing allows to communicate with guests directly, it also enables to establish strong bonds with both current and implicit guests. To enhance connections with guests, combine direct marketing strategies and client fidelity programme. (Williams 2023)

Assessing performance and products: Direct marketing enables the company to assess performance and products as well as directly estimate products and consumer feedback. When the company adopts, direct marketing crusade, it's important to maintain focus on feedback from guests in order to enhance any posterior direct marketing sweats more successful.

Incorporating the internet's power: Direct marketing is no longer just a miracle of the offline world. presently, target request is utilising the internet. For better results, concentrate on the target followership through emails, retargeting, Facebook advertisements, and Google announcements

360-Degree Approach: Just like any other marketing strategy, including a 360-degree approach to your direct marketing strategy and using all the available marketing mediums to convey the marketing message makes the communication more effective.

Target Market Segmentation: A good direct marketing strategy uses lists of targeted prospects to send promotional messages exclusively to those who are most likely to be interested in the services. Surveying customers and occasionally observing the behaviour of frequent customers are two ways to accomplish this.

Personalised Messages: Incorporating the recipient's name or location prominently in the message gives a great personalised touch that may entice in potential buyers, even though the volume of sales pitches provided can be staggering.

8. Components of A Direct Marketing

Contact Database: The accumulation of records maintaining information about clients, current as well as potential, is the essential element without which direct marketing is practically impossible (just for the record, the process of developing. The organisation has the opportunity to communicate with thousands of customers concurrently and individually solely due to a high-quality contact database. (Plessis and Boon 2004).

Offer: Many people are of the opinion that offers are truly products and services that have been or may be presented by a business to the market. It might be the case, yet not in direct marketing. An offer is essentially a deal you strike, typically involves low price, an exclusive bonus, or maybe the chance to



trial a product for free for a specific amount of time. Every interaction with your target audience centres around the proposition (core goal). Consequently, it must make the offer as special and alluring it can. (Spiller et al., 2011).

Creative: Making offers as appealing as possible while evoking thoughts in the consumer that will lead to the desired response is the creative part. Creativity cannot be overlooked, even though it may not score highly as a database or an offer in direct marketing. A compelling idea combined with a solid database and a meaningful offer will dramatically increase response rates. Together, the offer's textual content and layout make up its creative element.

9. Issues In Direct Marketing

Privacy Concerns: In order to target potential clients, direct marketing frequently includes gathering and using personal information. Customers may become outraged if they believe their data is being misused or used without their permission, raising privacy concerns.

Spam and Unsolicited Communication: Unsolicited direct marketing can irritate and frustrate prospective clients, resulting in a bad impression of the company. Examples of this include email spam and telemarketing calls.

Data Quality and Accuracy: Reliable and current customer data is essential to direct marketing effectiveness. Information that is inaccurate or out-of-date can lead to resource waste and missed opportunities.

Legal and Regulatory Compliance: The laws and regulations governing direct marketing tactics differ throughout states, cities, and nations. Penalties and legal problems may result from noncompliance.

Overwhelm and Information Overload: Due to the abundance of marketing messages available in many media, consumers may feel information overload, making it more difficult for your message to be received and successful.

Lack of Personalization: If direct marketing is not carried out with precise targeting and personalization, it may occasionally come across as impersonal and generic.

Response Rate Variability: It might be difficult to forecast a campaign's performance due to the wide range of response rates in direct marketing. Response rates can be influenced by variables like audience targeting, creative content, and timeliness.

Expensive and Resource-Intensive: Especially for small businesses, effective direct marketing may be costly and resource-intensive. Data collection, printing, shipping, and marketing supplies are possible expenses.

Requests to Opt-Out and Unsubscribe: Direct marketing must give consumers simple methods to do so in order to stop receiving messages in the future. Handling these requests might take a lot of work, and it might make your target audience smaller.

Risk to Brand Image: Direct marketing can harm a company's reputation if done carelessly, especially if consumers find it obtrusive or spams.

Competition and Saturation: In certain sectors, direct marketing may be highly competitive, which can cause saturation and make it more difficult for your message to stand out.

Inconsistent Outcomes: The intended return on investment (ROI) may not always be obtained via direct marketing operations.

10. Conclusion

The direct marketing conceptualization shows its complex nature, but also immense impact in business strategies of nowadays. Direct marketing is contrasted with traditional advertising through its direct engagement with consumers, personal dialogue, use of data insights. Underlying the concept is the message that targeted communication, building of relationships and technological tools to bring about customer engagement, all need to be carefully strategized for.

Furthering the discussion on this subject matter, the businesses are seen to be working in the dynamic landscape of direct marketing and success depends on the fine line between innovation and ethical considerations. Technological changes have been accompanied by a change in the expectations and preferences of consumers in the evolution of direct marketing. To create a strong direct marketing strategy that is both compelling and ethical, you must have a deep insight of whom you're marketing to, be very transparent and deliver real value.

Furthermore, in direct marketing as an idea, the combination of channels and reacting to novelty is crucial for maintaining the actuality. An overall direct marketing strategy is made possible and integrated with online approaches with a customer focused mind set.

Direct marketing is basically portrayed as a dynamic tool which reflects adaptability in the contemporary commercial setup. Direct marketing is one of the cornerstones of business tying intact to forge powerful connections with the audience to form brand loyalty, increase sales as well as seem to navigate business relationships with consumers. Being in embrace with the literal essence of direct marketing makes it eras where organizations, not only survive, but flourish in era of customized, data based, and client savvy communication.

This is a very direct marketing that focuses on certain market segments using more individual specific tactics and resources. That effectiveness is enhanced by these campaigns as they focus their time and resources on marketing a given good or service to a given market. The marketing system is going through a new age with the help of the digital marketing. Few examples for direct Marketing are:

- **Netflix** – Personalized emails to subscribers, suggesting movies or TV shows based on their viewing history.
- **Starbucks** – Receives personalized offers, discounts, and notifications about new products for its customers.
- **Topicals** – Email Marketing
- **Ashley White** – Affiliate Marketing
- **Samsonite** – Search Engine Marketing
- **Hubspot Blog** – Content Offers
- **Amazon** – Campaigns via email that provide product recommendations based on a customer's browsing and previous purchases



- **Amazon** – Campaigns via email that provide product recommendations based on a customer's browsing and previous purchases
- **IKEA** – Uses combination on direct marketing channels, including catalogues and email campaigns to showcase its products.
- **Uber** – Employs through its mobile app by sending push notifications with personalized promotions, discounts, and information about new features.

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The authors declare that we have no conflict of interest.

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