With the availability of various media options and other technological developments it is possible for many more companies to sell their products and services directly to customers without bringing in the intermediaries. Even though the trend of direct marketing was there in the past as well but the growth in the opportunities in the recent past has been tremendous. Direct marketing has benefited both the consumers as well as the marketers as marketers are no longer at the mercy of the middleman to promote the sale of their goods or services and consumers are able to get goods at lesser prices because of the elimination of middleman's margin. Direct marketing has been made more feasible due to the wider options available to the marketers. The existing media-print and broadcast, catalogues, direct mail, and telephone, has been complemented by fax machines, e-mail, the Internet, and online services. Companies are increasingly using all these media options to make direct offers to existing customers and to identify new prospects. Direct marketing enables companies to target their offers directly to customers and to measure their results more accurately.
According to the American Marketing Association (1995), "direct marketing involves the use of mail, telephone, fax, e-mail, or Internet to communicate directly with or solicit a direct response from specific customers and prospects."

According to the Direct Marketing Association (1990), "Direct marketing is an interactive marketing system that uses one or more advertising media to affect a measurable response and/or transaction at any location."

In direct marketing, organisations communicate directly with their target customers to generate a response or a transaction. It involves the use of a variety of activities, including database management, online marketing, mobile marketing, telemarketing and direct selling through mail. The availability of credit cards and toll-free phone numbers has also facilitated the purchase of products from direct response ads. More recently, the rapid growth of the Internet and the emergence of smart phones is fuelling the growth of direct marketing. Telemarketing is also being used. Some of the examples of the success of direct marketing are Reader's Digest magazine, Amway, Tupperware, Amazon.com, Myntra.com, Flipcart.com etc.

**Unique Features of Direct Marketing**

Some of the unique features of direct marketing are illustrated in Figure 10.1 and explained under:

**Figure 10.1: Unique Features of Direct Marketing**

**Personal messages**: generally the direct mail messages which are designed for a specific audience are addressed personally to the person concerned and have a bit of personnel
touch to them as compared to all other promotional tools where a general expression is used.

**Customised:** as explained earlier most of the direct marketing messages are customised keeping the target audience into account. They are delivered directly to the concerned person and a direct response is sought from them.

**Up-to-date:** direct marketing messages are designed frequently and are sent at short intervals, so as and when there is a change in the product, a new feature is added, or a new scheme is introduced, it is brought to the notice of the target audience with revised messages.

**Interactive and instant feedback:** direct marketing turns out to be a highly interactive medium, especially in telemarketing with the help of the toll-free number and Internet where customers log on to the websites, they can call or ask for additional information besides the one being delivered directly from the manufacturer. Customers can also provide their feedback immediately to the company.

**Secrecy is maintained:** direct marketing tools provide the manufacturers an exclusive advantage of keeping their advertising campaign secret from the competitors as they address their messages directly and personally to the target audience. In most of the cases the competitor does not gets to know about the promises being made by the manufacturer to the customers which gives the manufacturer a competitive advantage.

**Economical pricing:** direct marketing also provides the advantage of economical pricing to the customers as the manufacturer in this case can do away with the middleman so the middleman's commission is saved and the cost saving is passed on to the customers in the form of reduced prices.

**Personalised sales promotion incentives:** in addition to advertising on the web, marketers offer sales promotion incentives such as coupons, contests, and sweepstakes online and they use the Internet to conduct direct marketing activities more effectively and efficiently.

**Benefits of Direct Marketing**

Direct marketing benefits both the customers and the marketers in many ways. Some of the important ones are listed as under:
Shopping through direct marketing is a very convenient and trouble-free experience for customers.
- It saves time and introduces customers to a larger selection of merchandise.
- Consumers can do comparative shopping by browsing through mail catalogues and online shopping services.
- Direct marketing saves the botheration of travelling long distances, traffic problems and parking hassles.
- Marketers also benefit from direct marketing as they can give a personal touch to their communication for their prospective customers.
- Direct marketers can build a continuous relationship with each customer and can get constant feedback from them.
- Direct marketing can also give the advantage of reaching prospects at the right time.
- It permits the testing of alternative media and messages in search of the most cost effective approach.
- It can help marketers in measuring responses to their campaigns to decide as to which one has been the most profitable.
- Direct marketing also makes the direct marketer’s offer and strategy less visible to competitors.

**Tools of Direct Marketing**
The most recent form of direct marketing is online marketing. It uses Internet technology to attain marketing objectives. It is one of the recent developments in the field of marketing. It has increased the horizon of the marketers and has provided them with a broader platform to operate. It can be defined as achieving marketing objectives through the use of electronic communications technology such as: Internet, e-mail, E-books, database, and mobile phone. Direct marketers can use a number of tools for reaching prospects and customers. According to Philip Kotler (1999) some of the important ones are mentioned as under:

**1. E-Mail Marketing**
E-mail remains the most important direct marketing tool used for building customer relationships. E-mail or in other words electronic mail allows users to send a message or
file from one computer directly to another with the help of Internet connectivity. These are word-of-mouth tools through which consumers communicate about products with each other. These are being sent regularly by marketers to their customers announcing sales, discount offers, promotional schemes and other messages. E-mailers are being used to build a buzz about products.

**Advantages of E-Mail Marketing**

There are several advantages of using e-mail over postal direct mail. The important ones are listed as under:

- It requires no postage or printing charges;
- E-mail is much faster than postal mail.
- It offers an immediate and convenient way for generating direct response. Most of the e-mailers have a link, which if pressed it directly takes the user to the website;
- Email can be automatically individualised to meet the needs of the specific users;
- Marketers use e-mail for behavioural targeting.
- It offers a chance for real dialogue with individual customers, helping marketers develop broad and deep customer relationship.
- Instead of using it to acquire customers, marketers can use e-mails to make announcements, to send promotional offers, or to communicate anything important or relevant to their stakeholders.

**Disadvantages of E-Mail Marketing**

- First and foremost difficulty, is finding an appropriate email lists.
- At times, it is difficult to match a list of email addresses with individual customers and prospects in a firm's database.
- Another problem observed in the email addresses is frequent change of address by individual customers.
- The biggest disadvantage of using the e-mail is the difficulty of making it through a customer's spam filters.
- Anywhere around 17 to 60 percent of legitimate mail is caught up in spam filters.
- E-mail needs to be delivered, opened and acted upon in order to work, which becomes one of the biggest problem with them.
E-mail Newsletters

Some of the companies send periodic e-mail newsletters. These are effective tools for communicating with clients, as they provide detailed news about the company, its products or other latest developments. There are various benefits of sending email newsletters, such as:

❖ They regularly and legitimately promote the company's name to clients.
❖ They personalise the communication with tailored content.
❖ They position the company as an expert in a subject.
❖ They point recipients back to the company website or social media portals.
❖ They make it easy for clients to pass along information to others.
❖ They occasionally pay for themselves by carrying small advertisements.

Permission marketing-Opt in or Opt out

In order to send e-mail to customers to generate a response, it is important for marketers to have the list of required email addresses. For the purpose, it is expected from marketers to search for those list that are 100 percent guaranteed to be opt-in. The opt-in qualification means that users have voluntarily given permission to receive commercial email about topics of interest to them. Those recipients who do not give their permission clearly or who prefer to opt-out, are generally not responsive to such emails. Marketing messages to opt in lists can generate a response rate of up to 90 percent, which is considered as quite good.

Opt-in techniques are part of a bigger traditional marketing strategy called permission marketing. According to Seth Godin (1999), "permission marketing is about turning strangers into customers". This calls for taking the permission of the interested customers and providing them with the information called for in an entertaining, educational, and interesting manner. When the consumer gives permission, they are generally keen about getting e-mailers and they respond to them. So permission marketing increases the success rate of e-mail marketing.

Rules for Successful E-Mail Marketing

It is important for marketers to understand as to how to get their emails through spam filters, opened up by the recipients, and acted upon by them. This is more of a science than art. The Direct Marketing Association (2002) has tried to give certain techniques
to be followed for drafting an effective email, some of the important ones are listed as under:

❖ Use opt-in marketing to build your list because your reputation for being customer oriented is more important than having a large list.
❖ Check your e-mail reputation to see if it will make it through ISP filters.
❖ Make it easy for users to subscribe, to build their trust.
❖ Use micro-segmentation, sending offers to smaller lists of relevant customers and personalise them.
❖ Design a creative e-mail with the help of multimedia to catch the attention of the target audience.
❖ Give recipients plenty of opportunities to engage with the e-mail and act on the offer.

2. Viral Marketing

When recipients forward email to friends, co-workers, family members, and others on their email lists, they are using word-of-mouth technique. This is known as viral marketing, which is the online equivalent of word of mouth. Viral marketing works well if all those who have been forwarded the emails fall in the target market of the firm. It helps in making their marketing campaign go viral. The message spreads like fire to millions of people. But the success of viral marketing is highly unpredictable as there is tremendous competition online for entertaining and engaging video and contests. At times, some of the video turns out to be a huge success, while most often it is a disappointment that a great video could not turn heads off and did not go viral. There is no hard and fast rule for success in viral marketing. One of the biggest examples of the success of viral marketing campaign is the success of the song, "Kolavari Di".

3. Use of Mobile Phones in Direct Marketing

Mobile phones are increasingly being used by marketers to send messages across to millions of people. SMS and MMS and Whatsapp are being used to send marketing messages to present and potential customers. Short message services (SMS) are up to 160 characters text sent by one user to another over the Internet, usually with a cell phone or a smart phone. It is different from instant messaging (IM)-short messages sent across users
who are online at the same time with the help of what's App, Twitter or Facebook. Multimedia message service (MMS) involves multimedia content, but is not commonly in use because hand held receiving appliances are generally not MMS capable. SMS differs from Email because users can receive the message instantly and inexpensively on mobile phones. SMS uses a store-and-send technology that holds messages for only a few days. When users send short text messages, they are charged either by cell phone minutes or by the message, but the cost is minimal compared to using the cell phone for a conversation. In addition to this, accessing SMS is easy because users do not have to open email or other software to send or receive such messages. Instead, they simply have to type the message on the phone keyboard and send. This SMS culture is growing rapidly mainly among children and young people. Marketers have to learn to use the medium effectively to build relationships with their customers by sending permission-based information when and where they want to receive it. To be successful, the messages should be short, personalised, interactive, and relevant. Various promotional incentives and schemes are introduced to the regular customers with the help of SMS. Instant messaging (IM) has taken Internet users by storm. Even though email is the most rapidly adapted form of communication to date, IM beats the speed of email and maintains all of its other handy features. Once the user is logged in, he or she can view their contact list and check the contact's status, whether they are online, off-line, away or idle. The list updates dynamically as friends and family enter and exit the online world rapidly. To send an instant message to another user, the user has to be online. Double-clicking a name on the contact list initiates a conversation. A separate window opens in which one can type the message and send it across. Immediately the response comes from the other side, and this can result in a conversation. In addition to instant messages, there are other options available through mobile phones, such as:

1. **Chat rooms** - in this case, various mobile users can all engage in one conversation.
2. **Hyperlinks** - users can send each other active links to websites.
3. **Files** - using instant messaging each other can send files or Microsoft Word documents to one another.
4. **Talk**- with the microphone and speakers attached to a PC, users can talk to each other over the Internet.

5. **Videoconference**- With a web camera connected to PC, users can engage in video-conferencing.

6. **Steaming information**- Up-to-date news, stock quotes, and other information can be displayed in the client application.

E-marketing or online marketing is taking the help of digital technologies which form online channels, such as, web-sites, e-mail, databases etc. to provide information to the consumers, handle their doubts and queries, procure orders, receive payments, and deliver goods through courier. Online marketing consists primarily of the distributing, buying, selling, marketing, and servicing of products or services over electronic systems such as the Internet and other computer networks. Through online marketing, only information is exchanged or an order is placed. Actual delivery of physical products is made through different delivery systems (like post, Courier, and person) with appropriate mode of transportation. Goods are delivered to the consumers and the final payment is collected from them either through credit card or through cash on delivery.

**LET US SUM UP**

- Direct marketing is an interactive marketing system that uses one or more advertising media to affect a measurable response from the target audience.
- Consumers can do comparative shopping through direct marketing by browsing through mail catalogues and online shopping services. It saves their time and introduces them to a larger selection of merchandise.
- Marketers also benefit from direct marketing as they can personalise and customise their messages for their prospective customers. It can help them build a continuous relationship with each customer.
- There are various tools of direct marketing, such as, e-mails, E-books, e-mail newsletters, database, viral marketing and mobile phone.
➢ E-mail or in other words electronic mail allows users to send a message or file from one computer directly to another with the help of Internet connectivity.
➢ There are several advantages of using e-mails, such as, much faster, no postage and printing charge, immediate and convenient way to get consumer's response, personal touch, and deep customer relationship.
➢ E-mail newsletters. These are effective tools for communicating with clients, as they provide detailed news about the company, its products or other latest developments.
➢ When recipients forward email to friends, co-workers, family members, and others on their email lists, they are using word-of-mouse technique. This is known as viral marketing, which is the online equivalent of word of mouth.
➢ Mobile phones are increasingly being used by marketers to send messages across to millions of people through SMS and MMS and WhatsApp.
➢ Online marketing is taking the help of digital technologies to provide information to the consumers.

QUESTIONS FOR REVIEW

1. “Direct marketing provides goods to customers at cheaper rates because it is able to do away with middlemen,” do you agree with the statement explain in the light of benefits of direct marketing to consumers.
2. “Direct marketing is equally advantageous to the marketers,” list of the various reasons in support of your answer.
3. Explaining the concept of direct marketing. How is direct marketing different from marketing through middlemen?
4. What is the role of various channels in direct marketing? Explain with the help of suitable examples from the current scenario.
5. Discuss the benefits of direct marketing to customers and companies and the trends fuelling its rapid growth.

6. Explain the various tools used by marketers for doing direct marketing.

7. What is e-mail marketing? How can marketers use e-mailers for communicating information to their target audience?

8. Define the concept of permission marketing. Why is opt-in and opt-out marketing relevant in today's context?

9. "Mobile phones are being used aggressively by marketers for spreading product related knowledge to their target audience", do you agree with the statement. Explain.