

# The Top 50 Mailers

BY HALLIE MUMMERT

The third annual listing of top mailers as measured by volume

**T**his past March, in *Target Marketing's Media Usage Forecast 2008*, we noted some definite shifts in planned ad spending compared to 2007's breakout. More dollars were being shifted from print channels to online media like search engine optimization and e-mail. And now results from our third analysis of who's tops in the direct mail arena show which business verticals appear to be adopting the new multichannel mind-set more quickly than the others.

For example, at least one telecommunications firm appeared in the Top 50 the past two years. That sector is not represented in the 2008 list, which is based on 2007 data. And while the financial services sector continues to index highly for annual mail volume and revenue, its numbers decreased by one for a penetration rate of 12 percent. The lone insur-

ance firm in the 2006 list, GEICO, was knocked off last year only to see the sector vindicated this year with Gerber Life's first appearance on the scene. Clearly, these sectors do big business in the mail, but they are balancing that investment with stronger forays into online media and cross-channel promotions.

Continuing their domination of this list are organizations in the non-profit and publishing sectors, accounting for 38 percent and 36 percent of the Top 50, respectively. Obviously, these marketers have long histories of success with direct mail campaigns. And many that have predominantly older customers choose this channel for its effectiveness at reaching that audience. But the other side of the issue is the difficulties these sectors have been facing in the integration of new media into their marketing plans. "Publishers and nonprofits do

a good job of using direct mail for targeting. They're very scientific in their calculations," states Fran Green, chief revenue strategist at ALC, the Princeton, N.J.-based lists and data marketing firm that helped develop the Top 50 list. "But they are really behind in making other channels viable for their customers. So they're almost beholden to direct mail."

To remain competitive, as well as relevant to customers and prospects, she recommends both for-profits and nonprofits adopt a less product-centric strategy. "We're seeing tremendous success from companies that combine a multichannel approach with a customer-centric focus," she explains. In addition, Green credits access to modeling and rigorous lifetime value analysis with opening new doors to profit. "The opportunities have never been better to market wisely," she affirms.

## A full list of 2008's Top 50 Mailers (excludes catalogers)

Company	Sales/Revenue (in millions)	Industry	List Manager
Citigroup Inc.	\$159,229	Financial	Does not rent
Bank of America	\$124,321	Financial	Does not rent
American Express	\$ 31,557	Financial/Media	Millard Group
Capital One	\$ 19,132.4	Financial	Does not rent
Discover Financial Services	\$ 6,434.3	Financial	Does not rent
Time Inc.	\$ 4,995	Media	Millard Group/RMI Direct Marketing
Hearst Corp.	\$ 4,550*	Media	Direct Media
The New York Times Co.	\$ 3,195.1	Media	American List Counsel
Reader's Digest Association	\$ 2,691.1	Media	American List Counsel
✓ Bose Corp.	\$ 2,000	Merchandise	Does not rent
Dow Jones & Co.	\$ 1,783.9*	Media	American List Counsel
The Society of Memorial Sloan-Kettering Cancer Center	\$ 1,623	Nonprofit	Direct Media
Meredith Corp.	\$ 1,616	Media	American List Counsel
American Cancer Society	\$ 1,037.7	Nonprofit	ParadyszMatera
✓ The Nature Conservancy	\$ 1,017	Nonprofit	American List Counsel
AARP	\$ 1,009.6#	Nonprofit	Does not rent
✓ America's Second Harvest	\$ 675.7	Nonprofit	List Services Corp./ Atlantic List Co.
American Heart Association	\$ 667.9	Nonprofit	Direct Media
Publishers Clearing House	\$ 530*	Business Services	List Services Corp.
Condé Nast Publications	\$ 453.5	Media	Millard Group/Direct Media
✓ Doubleday Entertainment	\$ 401.9	Media	Specialists Marketing Services

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### ALSAC/St. Jude Children's Hospital

Founded 46 years ago by late entertainer Danny Thomas with the mission to battle children's cancer and catastrophic diseases, **ALSAC/St. Jude Children's Hospital** in Memphis, Tenn., has 18 million donors on record, and of that, 5 million have donated within the last 24 to 36 months. Lori O'Brien, senior vice president of national direct mail, credits much of the nonprofit's current direct mail success to its association with the hospital's work in finding cures and increasing survival rates. "I think that the fact we're associated with those successes," states O'Brien, "people feel very comfortable supporting a charity [for which] they know their money is making a difference."

For ALSAC/St. Jude, the use of direct mail makes a huge difference in generating revenue for its fundraising programs. "We're [national direct marketing division] responsible for about 45 percent of the revenue generated, and of that, 98 percent ... is generated by direct mail."

The nonprofit doesn't have a "one-size-fits-all mail



program," claims O'Brien.

"I think versioning packages and making sure we're giving relevant [messaging] to the donors on info that they want [has been] probably the biggest [strategic] change." St. Jude has donors that give at higher and lower dollar amounts, and has created a mid-donor program for those who give \$250 or more. In looking toward the future for the evolution of its direct mail strategy, O'Brien feels St. Jude has a goal similar to that of many other nonprofits: migration to online marketing. "More and more people are savvy; they're going online to do their research," says O'Brien. "They're going online to learn more about the charities they're supporting ... and so you have to be there and be timely and relevant."

—Melissa Ward

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Company	Sales/Revenue (in millions)	Industry	List Manager
The Economist Group	\$ 379.2*	Media	Lake Group Media
✓ Habitat for Humanity	\$ 355.4**	Nonprofit	American List Counsel
✓ Susan G. Komen Foundation	\$ 274.9	Nonprofit	Direct Media
Consumers Union	\$ 255.2	Media/Nonprofit	RMI Direct Marketing
The Leukemia & Lymphoma Society	\$ 241.4	Nonprofit	Lists Services Corp.
✓ March of Dimes	\$ 236.1**	Nonprofit	American List Counsel
Disabled American Veterans	\$ 169.9	Nonprofit	Direct Media
Cystic Fibrosis Foundation	\$ 148.8	Nonprofit	RMI Direct Marketing
✓ Gerber Life Insurance Co.	\$ 148.6	Insurance	Does not rent
National Wildlife Federation	\$ 114.9	Nonprofit	RMI Direct Marketing
MBI Inc.	\$ 103.2*	Merchandise	Does not rent
Paralyzed Veterans of America	\$ 93.7*	Nonprofit	Lake Group Media
✓ Special Olympics	\$ 73.4	Nonprofit	American List Counsel
✓ HCI Direct	\$ 53.1	Continuity	Direct Media
International Masters Publishers	\$ 40**	Media	Direct Media
AAA	N/A	Nonprofit	Does not rent
ALSAC/St. Jude Children's Hospital	N/A	Nonprofit	Does not rent
BMG/Columbia House	N/A	Media	Specialists Marketing Services
Boardroom Inc.	N/A	Media	Boardroom Lists
✓ BusinessWeek	N/A	Media	MeritDirect
FC&A Publishing	N/A	Media	Lake Group Media
✓ Fisher Investments	N/A	Financial	Does not rent
✓ Hachette Filipacchi Media	N/A	Media	RMI Direct Marketing
Highlights for Children	N/A	Media	American List Counsel
International Home Shopping	N/A	Merchandise	List Services Corp.
National Geographic Society	N/A	Media/Nonprofit	Direct Media
4 National Magazine Exchange	N/A	Business Services	American List Counsel
The Salvation Army	N/A	Nonprofit	Does not rent
The Smile Train	N/A	Nonprofit	Names in the News

✓ New to the list in 2007; \* Figures reported in 2007 The Top 50 Mailers; \*\* 2006 revenue; # Estimated revenue  
Sales/revenue data sources: Hoover's, Charity Navigator, companies' own data

### FC&A Publishing

Since 1969, Peachtree City, Ga.-based FC&A Publishing has dedicated itself to bringing accurate and useful health and consumer information to buyers of its books and products. FC&A has published popular health titles such as "The Folk Remedy Encyclopedia" and consumer titles such as "Fast Fixes and Simple Solutions." Direct mail is key to the company's marketing program and the main driver behind the growth of a customer base totalling more than 1.5 million. According to Advertising Manager Libby Harper, "Over 90 percent of all FC&A sales result from direct mail advertising."

With a focus on developing long-term customers, Harper credits FC&A's success with direct mail on the retention of long-term associates who have an invaluable understanding and knowledge of the direct marketing industry, as well as



the company's dedication to the continuous testing and improvement of its direct mail packages. FC&A's strategy has been sure-footed, explains Harper. "We continually adjust our mailings and controls to market trends and outside variables. Flexibility is key."

The publisher intends to hold steady with its current direct mail strategy of testing and adapting different mail packages. "We intend to keep on doing what has worked for us in the past," Harper maintains.

—Melissa Ward

## COVER STORY

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### The Salvation Army

Unconventional may be the word that best describes The Salvation Army's direct mail strategy. With a database of approximately 20 million active donors, this organization has a decentralized direct mail program with more than 3,000 units and operations reaching out to prospects and donors in local communities nationwide.

"Every campaign is developed and managed at the local level, and they raise money and do their own donor cultivation within their geographical boundaries," says Major George Hood, national community relations and development secretary. "It has been that way since day one; it goes back to the 1950s when we really started getting aggressive in direct mail fundraising."

With this open market approach in which vendors compete for small pieces of the organization's market share, funds are raised and maintained at the local level rather than being directed to a centralized location.

And while The Salvation Army's fundamental principles and structure of campaigns haven't changed, Hood



says the marketing approach continues to adapt as different direct response strategies emerge, and as list availability, consumer attitudes and direct mail trends evolve. "Now we're trying to integrate the Internet and finding ways to do totally integrated direct response fundraising," he says. "The future is about integration and going electronic and remaining green in the whole process, and I think we'll be dealing with those things as we move forward."

—Marissa Fabris

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### The Smile Train

As its name suggests, delivering smiles is very much a part of **The Smile Train's** mission. With donor support, the organization has provided free surgery to more than 330,000 children with impaired clefts in developing countries, and its long-standing direct mail program has enabled it to deliver an emotional message to prospects and donors.

"From an acquisitions standpoint, we rely heavily on direct mail because our cause is very visual," says Priscilla Ma, vice president of marketing at The Smile Train. "We're able to use direct mail as a medium to show people before-and-after success of simple, 45-minute cleft surgery, and people get it."

As one of The Smile Train's main fundraising activities,

Thank You



Ma says direct mail is an effective, cost-efficient way to reach a high volume of prospects and donors through both its acquisition and retention programs.

While The Smile Train consistently tests new tactics and creative, one particular approach has proven very successful for years. "Name exchange with other charities has been a very efficient way to do direct mail because we're getting like people who already have a propensity to give to charities," notes Ma.

—Marissa Fabris



## Methodology

To create this list of the Top 50 Mailers, *Target Marketing* editors partnered with the analytical resources division of lists and data marketing firm ALC. The following data was weighted and indexed to create the list:

- Who's Mailing What! Archive hits, composed of mail patterns for nearly

5,000 mailers over the course of 2007;

- ALC competitive analysis, based on publicly available list usage and number of hits; and
- ALC transactional history.

The list is not ranked by mail volume, given that the index is a prediction of volume mailed, not verified counts from

the companies. Most direct marketing organizations do not report such data, nor can annual sales be relied on as any indicator of volume mailed. Annual sales figures are included in the chart, however, to provide additional insight into the success of these leading users of direct mail in the U.S. ■

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