



**Better
connections:
Less clutter,
more engagement**

July 2014



Contents

- p2** Methodology and audience segments
- p3** Executive summary
- p4** Letterboxes: an uncluttered channel
- p5** Mail continues to deliver urgency
- p6** Mail and email preferences across industries
- p7** Channel preferences of existing customers

Methodology

Less clutter, more engagement is part of Australia Post's *Better connections* research series.

These reports are developed using data from various sources, including the Australia Post Consumer Survey. This survey, conducted each quarter, measures attitudes and behaviour of Australians towards different communication channels. Australia Post uses Quality Online Research (QOR) to compose a panel of respondents that best represents the Australian population in terms of age, gender and geographic location.

In July 2014, the Australia Post Consumer Survey looked at how much personally addressed mail and unaddressed mail participants receive and read, including examining

responses to mail and email from specific industry sectors and types of information. This is based on recall of what has been received in the letterbox or inbox in the previous week.

In addition, respondents were asked to specify their channel preferences for receiving different types of messages across various industry sectors and transaction types. These preferences are differentiated according to whether the respondent is an existing customer or has no previous relationship with the organisation. Respondents define their own eligibility as a "customer" or "not a customer".

Data was also compared to the same survey conducted in July 2012, April 2013 and November 2013, to identify any trends and changes.

Audience segments

Apart from analysing results according to age, gender, location and employment status, the following audience segments were identified within the total sample group:

	Youth	Under 25 years old.	Many university students or part-time workers.
	Younger professionals	No children.	Household income: \$50,000–\$150,000.
	Younger families	Dual-income household, with children under 10 years.	Household income: \$50,000–\$150,000.
	Older families	Dual-income household, with children over 10 years.	Household income: \$50,000–\$150,000.
	Home duties	Most likely to have young children.	Household income: under \$50,000.
	Older professionals	Over 40 years old.	Household income: \$150,000+.
	Retirees	Over 65 years old.	Household income: under \$50,000.

Executive summary

While people are receiving less physical mail, engagement remains very high – offering marketers an increasingly uncluttered channel and better cut-through.

The findings from the July 2014 consumer survey also confirm that both personally addressed mail and email have important roles to play in a multichannel communications strategy. There are clear delineations between what people prefer to receive by personally addressed mail and what they prefer to receive by email. Preferences vary according to audience segment, the sender and the message type – magazines, sensitive information, brochures, bills and so on.



While personally addressed mail continues to deliver the urgency and engagement it always did, some industries may be neglecting segments such as youth – presenting opportunities for marketers to harness this channel.

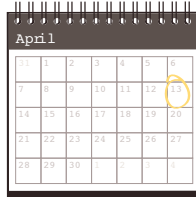
Here are 10 key findings that support these insights.

1



Australians received an average of **6.4 pieces** of personally addressed mail and **8.7 pieces** of unaddressed mail in a week.

2



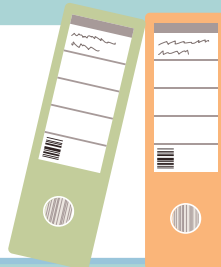
83% of Australians **checked their mail daily**, and **86%** read their mail on the **same day** they received it.

3

The average time taken to open and read mail was **2.8 minutes**.



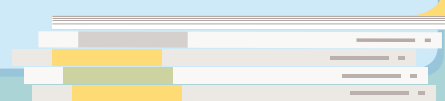
4



99% of Australians **opened their mail**. 63% also read it thoroughly, and 55% stored it for later reference.

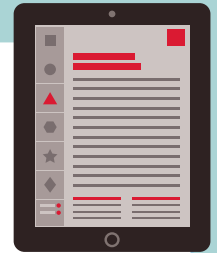
5

Australians wanted to receive magazines, important or sensitive information, brochures and catalogues, detailed information and vouchers or coupons as **physical mail**.



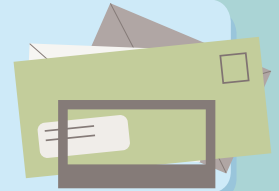
6

Australians wanted to receive brief information, newsletters, invitations to special events or sales and company requests for information via **email**.



7

39% wanted to receive **bills and statements** as personally addressed mail. 34% preferred email format.



8

There was an increase in the number of Australians wanting to receive communications as **both physical mail and email**.

9

Australians received the most personally addressed mail from **financial institutions, utilities companies, government, telecommunications companies** and **charities**.



10

Australians were **most likely to read personally addressed mail** from **utilities companies, financial institutions, clubs or interest groups, government** and **telecommunications companies**.



Letterboxes: an uncluttered channel

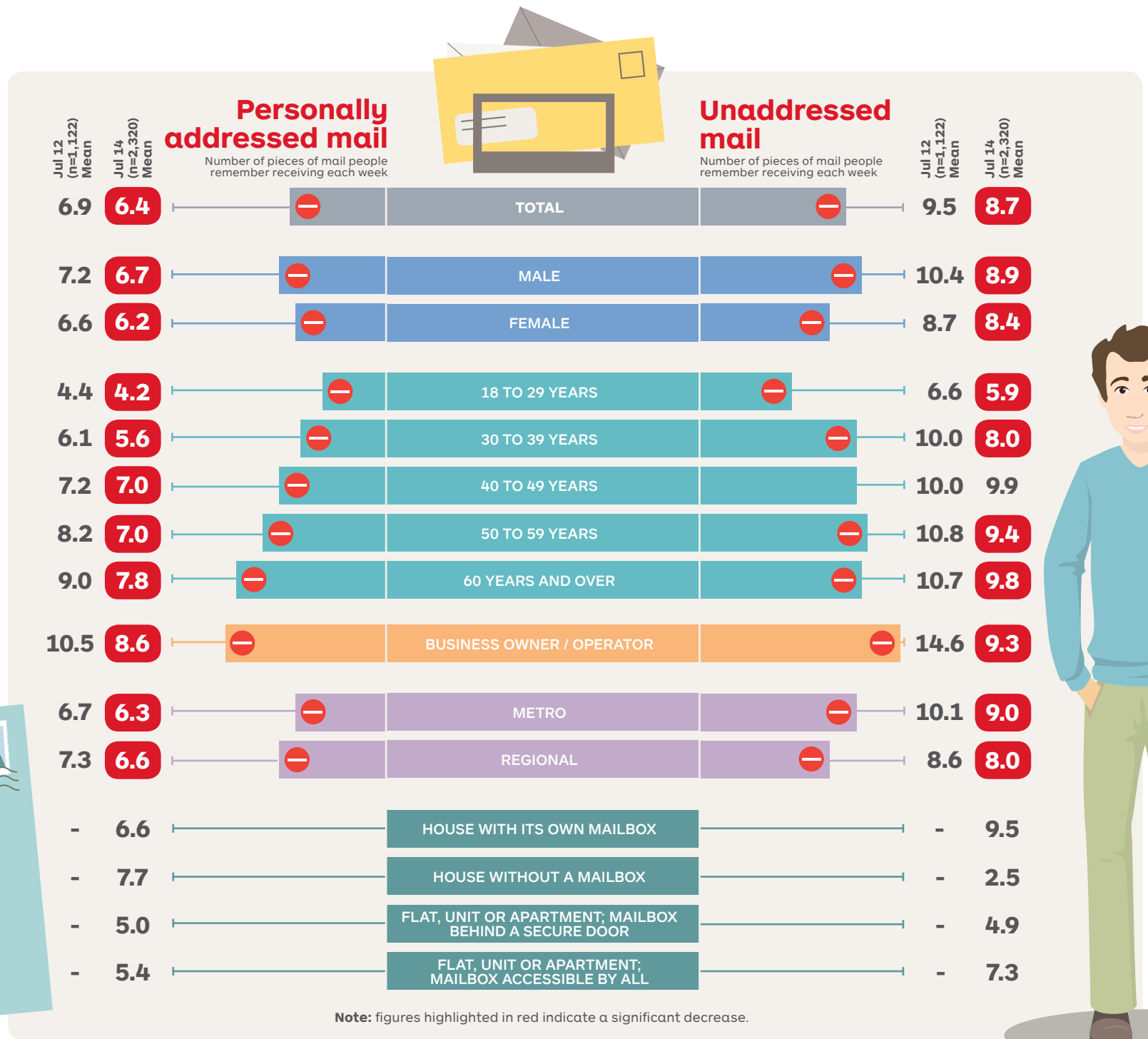
Compared with figures from July 2012, Australians received **less personally addressed mail** (a drop from 6.9 pieces in 2012 to 6.4 pieces in 2014). They also received **less unaddressed mail** – a drop from 9.5 pieces in 2012 to 8.7 pieces in 2014.

While these figures indicate a slow decline in quantities of physical mail overall, **seasonal fluctuations** have a large influence on the amount of unaddressed mail that people receive. As the table indicates, generally people received more mail in July 2012 than they did in July 2014. However, based on historical data, we would anticipate an increase in unaddressed mail again in November 2014, most likely linked to pre-Christmas marketing activity.

What Australians received

Unaddressed mail fluctuations

- July 2012 – 9.5 pieces
- November 2012 – 11.1 pieces
- April 2013 – 9.4 pieces
- November 2013 – 10.7 pieces
- July 2014 – 8.7 pieces

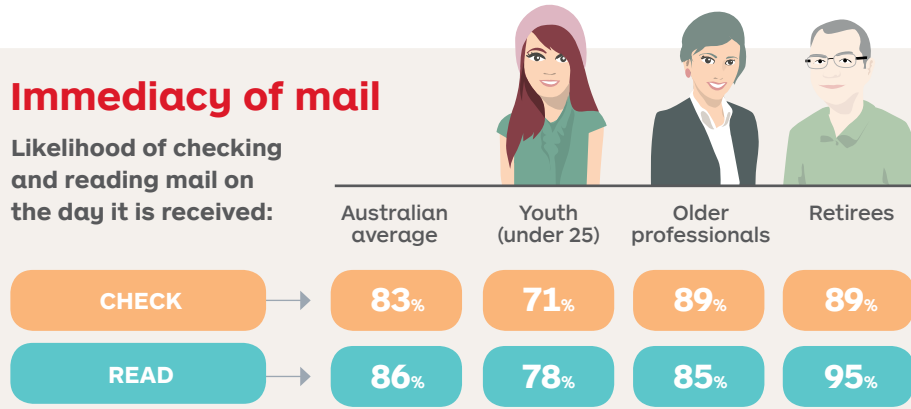


Mail continues to deliver urgency

The figures for **daily checking and reading of mail** remained very high (over 83%), with mail delivering the same immediacy of message and consistency in communication that it always has. **But different age groups varied in how regularly they checked their mail.**

Immediacy of mail

Likelihood of checking and reading mail on the day it is received:



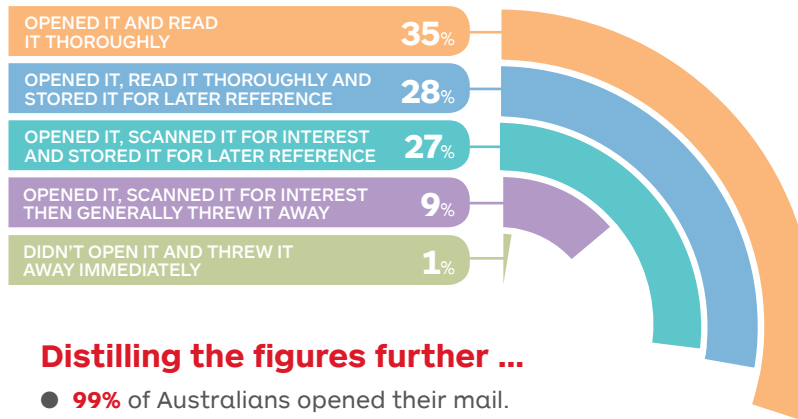
While retirees were significantly more likely to check and read their mail on the day it arrives compared with youth, **all groups still demonstrated an immediate connection with mail.**



Australians spent an average of **2.8 minutes** opening and reading mail in July 2014.

Less mail, but more engagement

From November 2013 to July 2014, there was a **rise in the percentage of Australians who read their mail thoroughly.**



Distilling the figures further ...

- **99%** of Australians opened their mail.
- **63%** read it thoroughly.
- **55%** stored it for later reference.
- **10%** threw their mail away at some stage.
- **Less than 1%** threw their mail away without opening it.

Message dictates channel preference

As we drill down into **bigger mail and email trends**, we see channel preferences being influenced by the **type of message and the information it contains.**

Percentage of people who prefer to receive communications by mail, email or both channels

	Mail	Email	Both
1 MAGAZINES	61%	9%	10%
2 IMPORTANT OR SENSITIVE INFORMATION	56%	19%	22%
3 BROCHURES AND CATALOGUES	51%	15%	16%
4 DETAILED INFORMATION	48%	23%	24%
5 VOUCHERS OR COUPONS	42%	25%	25%
6 BILLS AND STATEMENTS	39%	34%	26%
7 BRIEF INFORMATION	21%	51%	18%
8 NEWSLETTERS	27%	44%	18%
9 INVITATIONS TO SPECIAL EVENTS OR SALES	29%	37%	24%
10 WHEN COMPANIES ARE REQUESTING INFORMATION	32%	35%	19%

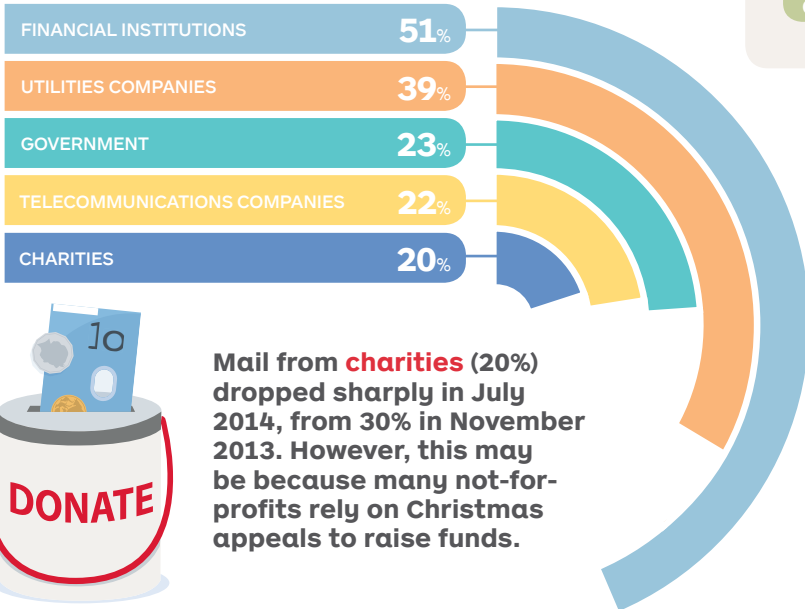
Preferences for email were **generally lower than in November 2013**. For example, the preference for brief information by email **dropped from 54% to 51%**, and requests for information from companies via email **dropped from 39% to 35%**.

Mail and email preferences across industries

With the exception of **government**, Australians received **less mail across all industry types** in July 2014 compared with November 2013. Some segments were more likely to receive personally addressed mail from certain industries. For example, **older families** and **older professionals** were more likely to receive mail from financial institutions, while **retirees** received more mail from travel and holiday companies.

The business of mail

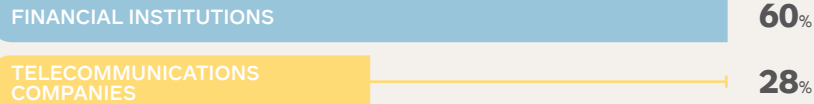
Australians reported receiving the most personally addressed mail from:



Targeted segments

Certain audience segments were **more likely to have received personally addressed mail** from specific industries.

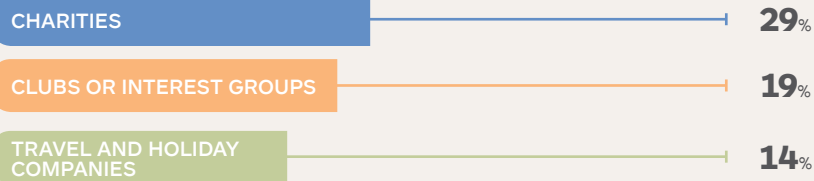
Older families received personally addressed mail from:



Older professionals received personally addressed mail from:



Retirees received personally addressed mail from:



What do Australians prefer to read?

Of those who receive personally addressed mail, Australians were most likely to read mail from:

- Utilities companies (94%)
- Financial institutions (92%)
- Clubs or interest groups (85%)
- Government (84%)
- Telecommunications companies (83%).

These high reading levels reflect a **high engagement** with physical mail, as well as the importance of these communications.

A missed opportunity?

One segment that stands out as different when it comes to the receipt of mail from specific industries is **youth**.



The younger audience receives **less personally addressed mail** from:

- Financial institutions (31%, compared with 51% for the average population)
 - Utilities companies (22%, compared with 39% for the average population)
 - Charities (9%, compared with 20% for the average population)
 - Real estate companies (8%, compared with 16% for the average population).
- This may be because a **lower percentage** of younger Australians live in their own home.

When you consider that the **reading levels for youth remained high** (for example, youth who received mail from financial institutions read 75.4% of these communications and 87.8% of the mail they received from utilities companies), physical mail could help savvy marketers engage with this segment.

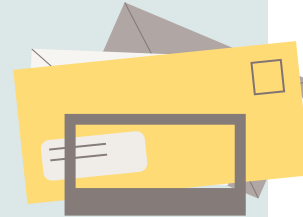
Channel preferences of existing customers

In the majority of cases, when a customer already had a relationship with a particular business or industry, they preferred **personally addressed mail** for advertising and promotional materials.

Top 5 personally addressed mail preferences

Existing customers preferred to receive advertising and promotional materials by personally addressed mail from:

- 1 **Government** (42%)
- 2 **Financial institutions** (40%)
- 3 **Utilities companies** (40%)
- 4 **Supermarkets** (39%)
- 5 **Local service providers** (39%).



Top 5 email preferences

Existing customers preferred to receive advertising and promotional materials by email from:

- 1 **Clubs or interest groups** (40%)
- 2 **Telecommunications companies** (34%)
- 3 **Travel and holiday companies** (34%)
- 4 **Utilities companies** (30%)
- 5 **Financial institutions** (29%).



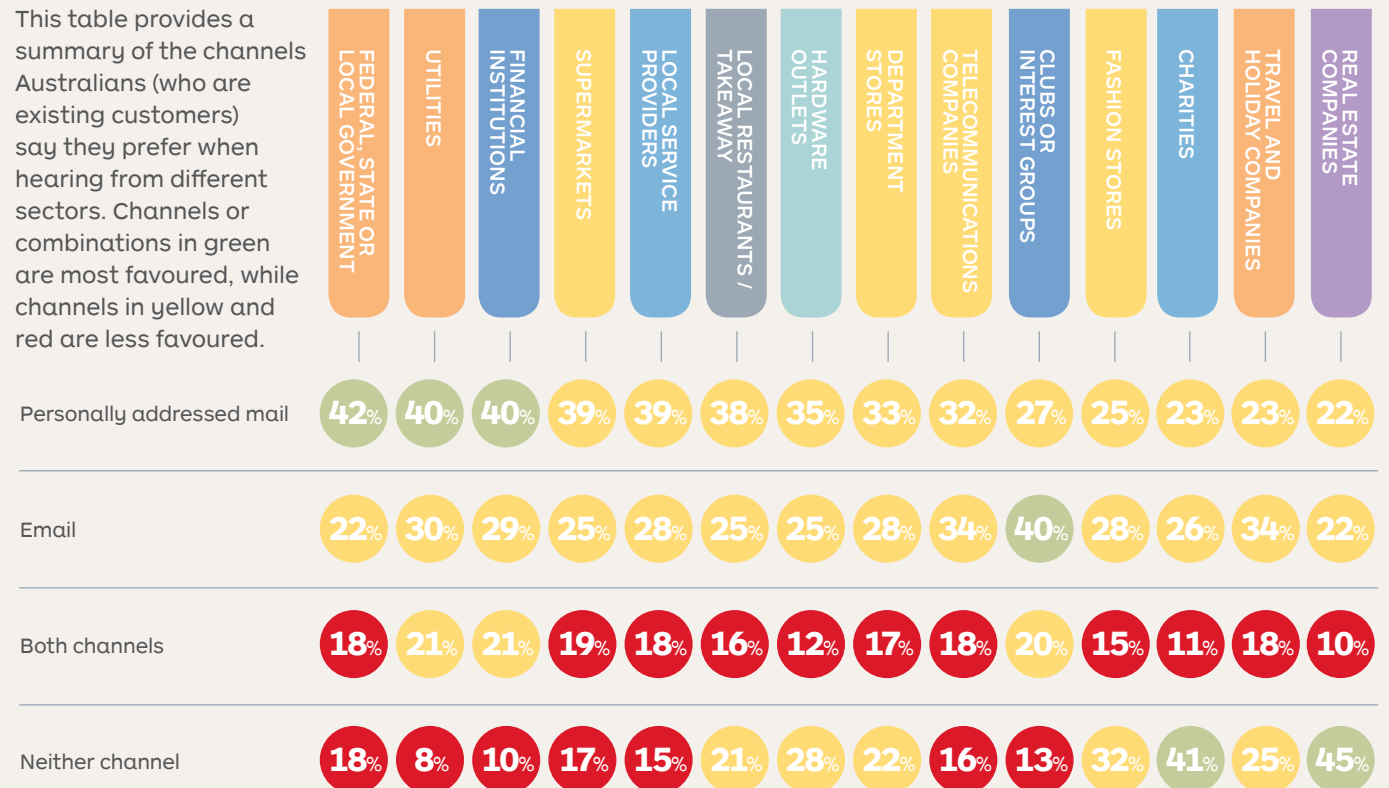
Multichannel growth

Not only did Australians want to receive certain messages as **both physical mail and email**, more existing customers preferred to receive advertising and promotional material via **both channels**. This applied across **all industries**, confirming a trend observed every quarter since April 2012.

It stresses, again, the importance of a **multichannel marketing approach**.

Channels customers prefer different industries to use

This table provides a summary of the channels Australians (who are existing customers) say they prefer when hearing from different sectors. Channels or combinations in green are most favoured, while channels in yellow and red are less favoured.





Less clutter, more engagement is part of Australia Post's *Better connections* series. These reports are released on a quarterly basis and are available to download at **auspost.com.au/betterconnections**.

The Association for Data-driven Marketing (ADMA) and Australia Post have also conducted additional research on advertising channel preferences in different industries. To find out more about the advertising channels Australians consider most useful, **download your free copies of these industry-specific reports at: auspost.com.au/creatingconnections**.

