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The Real Roles Played by Direct Mail and Digital Marketing



Longwood Gardens By the Numbers

- -1,500,000 visitors
- -1,100 acres
- -#1 Most visited paid attraction in the Philadelphia area
- -170 Continuing Education classes held annually
- -100s of performances a year
- -71,000 Member households



Membership History

- Transitioned from a frequent visitor pass to a Membership program in 2007
- Quickly grew to 60,000 households in 2015
- Suspended annual acquisition campaigns and began reworking Membership program
- New levels launched in Summer 2016 with an average of 45% price increase
- Reinstate Membership acquisitions in Spring 2017





Acquisition Campaigns

- Always financially successful 3-month campaigns
 2 per year
- Large direct mail campaign, 300,000 pieces mailed
 - Response rate of 1.15%
- Internal lists and acquired lists
- Can we do better?
 - Is direct mail dead? Is it relevant to Millennials and Gen Xers?
 - Can social media and display advertising replace direct mail?
 - Is there a better mix with digital and direct mail?
 - Is more always better? Can we be more efficient?





Preparing for a Relaunch

- Worked with Elliott Marketing Group
- Modeled existing Members
- Utilized Experian data, existing ticket purchasers and other transactions, and traded lists
- Scored entire database





Test 1: Direct Mail with/without Display Advertising and/or Social Media

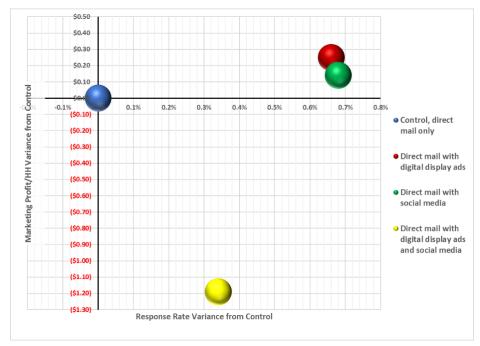
- Four randomly selected cells
 - Control: Direct mail only
 - Cell2: Direct mail with display advertising
 - Cell3: Direct mail with social media
 - Cell4: Direct mail with both display advertising and social media
- Results: Direct mail with either display advertising (Cell2) or social media (Cell3) beat the Control based on response rate
 - Response rates for Cell2 and Cell3 almost identical, so display advertising is most profitable because of lower cost (\$9.22 profit/target versus \$9.11)





Surprise Findings

- Surprise Finding: Cell4 had the lowest return (\$7.78), meaning too much digital marketing suppressed potential response rate gains
- Repeated in 2018 and 2019 with similar results





Test 2: Direct Mail with Display Advertising Against Digital Only

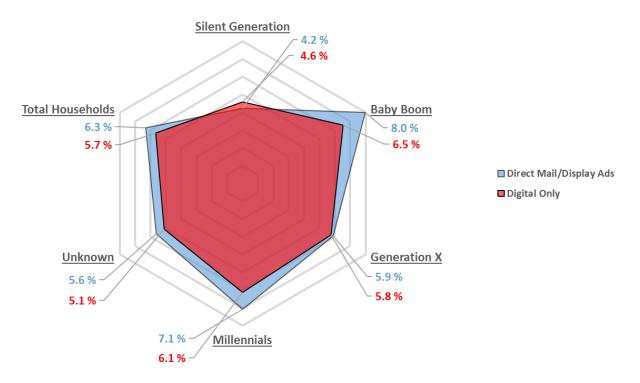
- Four randomly selected cells
 - Control: Direct mail with display advertising
 - Cell2: Display advertising only
 - Cell3: Social media only
 - Cell4: Display advertising and social media only
- Results: Digital-only cells had response rates averaging 5.7% (5.5% to 5.8%) while the Control had a response rate of 6.3%, significantly higher
 - Control also outperformed digital-only cells in profit, \$8.29 compared to \$7.87







Analysis of Age/Generation



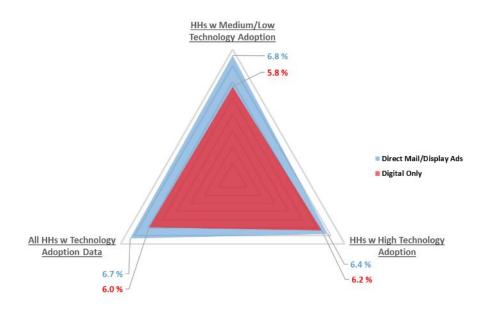


Control response rates were higher for all groups or digital was higher but was not statistically significant

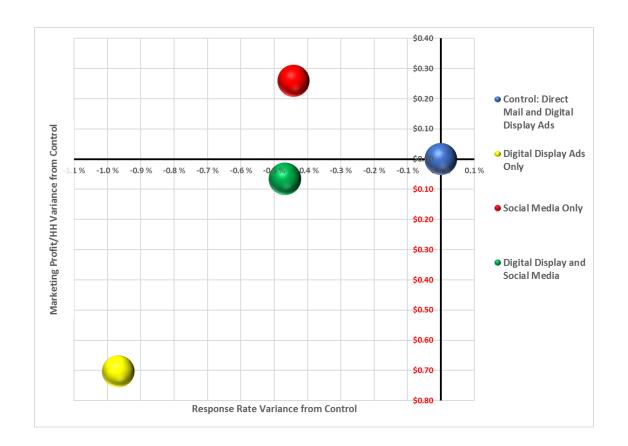
What Else?

- 7,200 households in the test had high levels of technology adoption
- For those, there was no significant difference in response rate between direct mail with digital advertising and digital-only
 - Because of lower costs, the profit was higher for this segment
- Only for high levels of technology adoption, not low or medium
- High levels of technology adoption were not limited to one generation
 - Millennials: 74%
 - GenX: 53%
 - Baby Boomers: 20%
 - Silent Generation: 7%





Testing the Hypothesis









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