

Getting Direct Mail on Target

By Susumu Takigawa

Today more than 50% of Japanese women have jobs. Yet emancipation is far less advanced than the numbers alone might suggest.

The majority of Japanese working women still quit their jobs either when they marry or have children, and returning to work is no easy task. Mothers and middle-aged women trying to reenter the job market are likely to find themselves excluded from mainstream work, reduced to working as expendable part-timers.

Now, however, some enterprising Japanese companies have begun to zero in on this long-neglected labor pool. Over the past several years, a number of companies have begun organizing housewives who are unable to be away from home for extended periods because of having to look after their children. One of the most representative examples is Marketing Information Delivery Co., MID for short, an aggressive firm that has turned the nation's housewives into a low-cost alternative to direct mail, and a potent market research tool.

Until now, a company trying to get its catalogs and pamphlets out to consumers has had few alternatives to direct mail. Corporations have either used their own customer lists, or lists for all practical purposes purchased outright from credit companies and other firms, to send out their materials to the audience most likely to welcome them.

The problem with direct mail, however, is its imprecision versus its cost. No matter how finely segmented a mailing list may be, it is still a poor alternative to meeting your potential customers face to face. Moreover, Japan's mail services are said to be significantly more expensive than in other countries. Newspaper inserts, another preferred form of direct mail advertising, are also expensive, and vulnerable as well—readers are as likely to throw the whole wad away as they are to read it.

That is where MID comes in. MID struck on the idea of hiring housewives to hand-deliver direct mail materials, assigning them responsibility for designated neighborhoods, and giving them detailed instructions on how to decide which postbox should be stuffed with

which pamphlet. If it stopped there, MID would still be offering companies an alternative to the regular mail. But the company has gone one step further. Not only does it have its women employees deliver the mail; it also has them collect detailed information about the households in their neighborhood for input into MID's computer. The result is highly detailed marketing information on a house-to-house basis for communities throughout Japan.

How does MID actually work? Under the MID system, the company headquarters recruits "dealers" from around the country. The dealers then recruit housewives (called "Mid-ladies") who deliver advertising and other promotional materials door-to-door. Each Mid-lady is assigned around 500 households, to which she must deliver the direct marketing materials at her convenience within a certain time period. If that was all that was involved, it would not bring in more than pocket money. But that is not all the Mid-ladies do.

As they make their rounds, they also gather information about the territories under their control: the Suzukis have bought a new, expensive foreign car (including, of course, the type of car); the Tanakas have a small boy just entering elementary school next year, and also keep a dog and a cat; the Fukudas have a daughter of marriageable age and a boy studying for his university entrance exams.

"We are fully aware of the privacy problem," says a MID Co. representative. "We

stress specifically that we only want information that can be ascertained by any passerby. Sometimes we do get information of a sensitive nature, but we do not buy it, and we absolutely do not input it into our computer."

At present, the official says, MID has some 25,000 housewives on its payroll, and is looking to boost that to 150,000 within three years. There are also 100 MID dealers nationwide. In some cases, quite large manufacturers without their own independent sales routes have set up companies specifically to work as MID dealers, or have entered into contracts with other dealers. Manufacturers have a lot to gain from such arrangements.

In short, with the kind of information the Mid-ladies provide, a company can send extremely tightly targeted direct mail advertising out to only its most likely customers. The Japanese postal service has a lock on the mails in Japan. But MID claims it can get the materials out not only more effectively, but cheaper as well. It costs ¥62 per mailing through the postal service, but MID can deliver an item for ¥41.

"Our company's name is a reflection of the new concept on which we are founded," says a MID representative. "We work right in the middle, between the consumer and the manufacturer on the supply side."



"Mid-ladies" at work

Susumu Takigawa is a staff writer with Kyodo News Service.