

Case Study:

Shattering the Direct Mail Benchmark



Achieving an 11% Response Rate and Reducing Cost per Policy by 87% for ACA Health Insurance Company

Context

DDG's client faced a challenge from senior management: slash direct mail cost per policy by 70% during ACA Open Enrollment, despite the industry's typically low response rates under 1%.

Objective

Drive qualified calls from strategically targeted audiences needing affordable healthcare, ensuring cost efficiency and effective ACA plan enrollments.

Strategy

Identify and target individuals lacking employer-sponsored insurance, but financially stable enough to purchase private health insurance.

Approach

Leveraged proprietary insights and analytics, combined with 30+ years of industry experience, to deliver the highest-quality precision targeting:

- ✦ Identified segments with the highest likelihood of ACA enrollment
- ✦ Prioritized audiences with the greatest need for coverage
- ✦ Targeted geographic areas with historically strong engagement
- ✦ Applied rigorous segmentation and exclusion techniques to optimize efficiency

Execution

- ✦ 100,000 mail pieces distributed over 8 days across 7 states
- ✦ Utilized dedicated phone numbers and unique URLs for precise tracking
- ✦ Leveraged USPS informed delivery for additional response tracking

Outstanding Results

- ✦ 11% raw response rate to the client's call center
- ✦ 36% of calls exceeded 90 seconds
- ✦ 17% of calls lasted more than five minutes
- ✦ Drastically improved customer acquisition cost (CAC) realizing a staggering 87% reduction in cost per policy vs. the 70% target

Impact

DDG not only surpassed the client's ambitious goal, but also redefined direct mail effectiveness for ACA enrollment, demonstrating the power of targeted strategy alongside exceptional creative execution.