



# Competition Mail™

How to win with every competition

A comprehensive guide to one of the most effective response mediums for competitions.

Australia Post Competition Mail™ can enable your company to receive a rebate of up to 7.7 cents on each fully stamped response you receive - a minimum number needs to be reached, and the competition needs to be an eligible trade promotion or lottery. Competitions are sometimes called sweepstakes, contests or give-aways.

“We’ve been helping companies run competitions for years. The mailed responses are definitely a fantastic way to generate sales, and trial new products - mail offers the best opportunity to be certain that your product has been purchased.”

- Earl Morrison - Director, Tactics Marketing

### By involving and stimulating consumers in a competition, your company can:

- Generate new sales;
- Generate product trials;
- Raise the company’s market profile;
- Raise the brand’s market profile;
- Build prospective customer lists; and
- Grow its customer knowledge.

### When you choose mail as one of your competition entry methods you can:

- Capture all the information needed to make your customer communications work harder;
- Build relationships with new and existing customers through future direct mail activities;
- Encourage more involvement with your brand by asking entrants to answer a question, draw a picture, or write a story;
- Enable access to everyone via the means they find easiest – regardless of their location or lifestyle;
- Offer a secure and trusted way for entrants to provide personal details, like their name and address;
- Charge a low single rate of just 60c nationally, no matter how long the entry is; and
- Be certain your product or service has been purchased, by asking entrants to include a receipt or part of the product or packaging suitable for posting with their competition entry.

### Competition Mail will assist:

- In collecting names and addresses, or other personal details to start/improve your CRM/One to One marketing program;
- In proving purchase when the competition’s aim is to drive product sales or sweepstakes;
- When the prize is a high value item and an entry qualification is desired;
- When the entrant qualification is a high value item (eg. the provision of a receipt for the purchase of a TV); and
- When the target audience includes Baby Boomers (born between 1946 and 1964), one of today’s most powerful buying sectors, who are comfortable and secure with this entry method<sup>1</sup>.

<sup>1</sup> Source: Publicis Mojo Pty Ltd

### Did You know?<sup>2</sup>

- 57% of Australian consumers have purchased a product or service due to a promotional offer (or competition) in the last month;
- 82% of Australian consumers have purchased a product or service due to a promotional offer (or competition) in the last year;
- For ‘Chance’ related offers instant win is, by a significant margin, the consumers’ mechanic of choice:
  - 73% prefer instant win; and
  - 11% prefer sweepstakes
- Fraudulent entry levels via the internet are very high; and
- When internet isn’t offered:
  - 55% would prefer SMS;
  - 34% would prefer Mail; and
  - 11% would prefer 1900

<sup>2</sup> Source: IMI International, Australia and North America, November 2004

“The Fast Moving Consumer Goods (FMCG) sector is highly competitive. Promoters have to be highly visible with promotions and competitions and make it easy for customers to respond. Using mail as a way for customers to enter the promotion is also an ideal way to capture all the information needed during the promotion, such as customer preferences and sales demography.”

- Earl Morrison - Director, Tactics Marketing

### In addition to all these benefits of mail, Competition Mail offers:

- A **FREE** PO Box address for the duration of the approved competition;
- A **COMPETITIVE REBATE** – the promoter receives up to 7.7 cents back on every single entry that is mailed in, once the minimum volume is received; and
- **REGULAR UPDATES** on the number of entries received.

“The rebate can actually off-set part or all of the handling and fulfilment fee, or it can be redirected back to the promotional budget. Few other marketing techniques operate to underwrite your marketing costs by gaining contributions from others – for large competitions with a high number of entries, the rebate may even pay for the prizes!”

- Kirsty Wilson – Director, Handling Matters



### To be eligible for the Competition Mail rebate, all your competition needs is to:

Be registered with the appropriate State or Territory Authorities and have obtained the relevant permit/s;

- Be registered with Australia Post at least three weeks before the promotion, as mail responses must be directed to the competition address supplied; and
- Attract a minimum number of stamped entries:

The required minimum number of entries for a rebate of 7.7c for competitions held wholly or partially in Vic, NSW, or Qld is:

First three months of the Competition	15,000
Each subsequent month of the Competition	5,000

The required minimum number of entries for a rebate of 4.4c for competitions held entirely in SA, WA, NT, Tasmania or ACT is:

First three months of the Competition	5,000
Each subsequent month of the Competition	2,000

### Applying for Competition Mail

Complete an application form and post or fax it to the Competition Mail Coordinator in your state or territory. (Addresses and fax numbers are listed on the application form).

Application forms are available from [auspost.com.au/competitionmail](http://auspost.com.au/competitionmail) or call **13 11 18** to have one posted to you.

### Claiming your rebate:

Complete the Claim for Rebate form, and post or fax it along with the volume details provided by Australia Post, to us for payment. (Addresses and fax numbers are listed on the Claim form).

Payment will be made by cheque or direct debit to your nominated bank account.

Claim for Rebate forms are available from [auspost.com.au/competitionmail](http://auspost.com.au/competitionmail) or call **13 11 18** to have one posted to you.

For more information, call **13 13 18**

# A peep at the features of entry methods for 'games of skill or chance'

## Where The Promotor Pays The Entry Cost

### Mailed Entry – Reply Paid

#### For the entrant:

- Mail is viewed as an unobtrusive and secure way to provide personal details;
- Mail is available everywhere – regardless of location or lifestyle; and
- Entry is free from anywhere in Australia.

#### For the Promoter

- Access to the Reply Paid service includes an annual fee, then a charge per response;
- Sponsors and Service Providers alike can establish Reply Paid addresses;
- Proof-of-purchase can be ensured, by asking entrants to include a receipt or part of the product/packaging suitable for posting with their competition entry; and
- To collect information from mailed entries promoters will need data entry arrangements.

### In Store Redemption

#### For the entrant:

- The cost of entry depends on the time and travel that is required to get to the store; and
- Successful entry relies on the willingness of retailers and their staff to participate in the scheme.

#### For the promoter:

- Retailers involved in the promotion may charge for their participation;
- Proof-of-purchase is available;
- Once in the store, opportunities to up and cross-sell are increased for the retailer and potentially the advertiser; and
- Data capture opportunities are reliant on retailer and staff participation.

### Internet Entry

#### For the entrant:

- The cost of entry is negligible. ISP's usually charge a flat monthly fee, which includes all internet activity; and
- The internet is viewed as a less secure method of providing personal details.

#### For the Promoter

- Internet entry incurs set-up and management costs similar to phone or SMS;
- Internet cannot offer tangible proof-of-purchase;
- Once at the site, other sales and marketing activities can be offered to the entrant;
- There is a set-up cost for the creation of a database;
- Service Providers can pass on part of revenue opportunities to promoters after a minimum is generated; and
- Fraudulent entry levels via the internet are very high<sup>2</sup>.

### Telephone Entry – 1800/1300

#### For the entrant:

- Entry is usually viewed as convenient;
- Phoned entry can allow access to Instant Win competitions; and
- Entry from anywhere in Australia is free.

#### For the Promoter

- Set-up costs and monthly call centre and other staff charges incurred by the Service Provider supplying the 'hardware' to access telephone systems are often passed on to promoters;
- Tangible proof-of-purchase cannot always be guaranteed;
- 1800 per call costs will vary per minute, based upon local, national or mobile calls and 1300 numbers provide call access locally at flat rates; and
- There is a set-up cost for the creation of a database.

## When The Entrant Pays To Enter

### Mailed entry via Competition Mail

#### For the entrant:

- Entry is available to everyone – the letter box is available everywhere;
- The customer knows that entry will only cost 60c; and
- Mail is viewed as an unobtrusive and secure way to provide personal details.

#### For the promoter

- A rebate of up to 7.7c on each entry received, (once the minimum number is reached) is paid by Australia Post directly to the promoter;
- Proof-of-purchase can be ensured, by asking entrants to include a receipt or part of the product/packaging (suitable for mailing) with their competition entry;
- There are no set-up costs and access is simple and direct, with no intermediary required;
- Prize draws can be arranged on Australia Post Competition sites;
- Regular volume counts are provided during the competition; and
- To collect information from mailed entries promoters will need data entry arrangements.

### Telephoned entry via Local call, SMS or 1900

#### For the entrant

- Entry is usually viewed as convenient;
- Entry costs can vary, but fixed charges will cost the entrant 55c; and
- Phoned entry can allow access to Instant Win competitions.

#### For the promoter

- Service Providers can pass on part of revenue opportunities to competition promoters, after a minimum is generated;
- Proof-of-purchase can't always be guaranteed;
- Service Providers forward set-up and monthly charges to competition sponsors; and
- There is a set-up cost for the creation of a database.

“Using the mail to receive competition and sales promotion entries is proving to be particularly popular with the main grocery buyer,” says Kirsty. The reason for this, according to Kirsty, is that “the main grocery buyer typically tends to be women who understand and enjoy the method of mailing in entries, and can access the competition, regardless of her location.”

- Kirsty Wilson - Director,  
Handling Matters

# There are legal requirements for trade promotion and lotteries that you need to satisfy

"We have discovered that competitions including mailed responses generally achieve 'mail' participation rates of up to three per cent. For some campaigns this can equate to over half a million entries.

"Mailed entries are not only a secure way for entrants to provide their personal details but they enable companies to collect specific information that can assist with other marketing activities or future competitions.

"With the loss of the Electoral Roll as a marketing tool, permission based data collection such as that which mail can provide is especially important."

- Kirsty Wilson, Director, Handling Matters

In every Australian State and Territory, the local Department of Gaming, Racing and Liquor is the state or territory authority that regulates Trade Promotion Lotteries. Listed below are some common questions and the answers provided by these Departments.

We recommend that independent legal advice be sought by competition sponsors regarding competition terms and conditions and permit applications.

## Can tickets be sold?

No. Every state and territory authority requires that no participant incur a cost of more than 60c to enter (this covers the cost of postage or a telephone call). However the purchase of goods or services at their normal retail value to gain entry is allowed.

## Are permits required?

Yes, depending on the value of the prizes, in NSW, ACT, VIC, SA and NT only.

## How long does it take a state or territory authority to process an application?

Applications must be lodged at least 14 days before the commencement of the competition. Depending on the state or territory, it can take a state authority at least 10 days to process an application.

## Is there an application fee from state authorities?

Yes - between \$0 and \$2,200 depending on the state or territory, and the value of the prizes.

## For how long can a Trade Promotion Lottery continue?

State/Territory authorities issue permits for specific periods up to 12 months.

## What types of Prizes are legally permitted in a Trade Promotion Lottery?

In most states and territories almost anything goes, but there are restrictions on liquor prizes, the value of cash prizes, and some items (including tobacco products, firearms and ammunition) are prohibited.

## Are there rules about the prize draw?

If the prize value exceeds state/territory-established values the draw and the announcement of the winner(s) may need to be scrutinised, unless

the state authority has otherwise granted approval. Plus, there must be public notification of all the winner(s) and individual notification to the winner(s).

## What records must the Competition Sponsor keep?

All entry forms and other competition records must be retained for between 3 months and 3 years after the date winners are decided, depending on the relevant state/territory authority.

## Do Trade Practices Laws apply?

Yes, they apply to the promotion and running of a competition. Competition sponsors must not engage in conduct that is 'misleading or likely to mislead or deceive' potential entrants.

## Are charities required to follow the same requirements?

Charities are bound by the same requirements, but may be exempt from the application fee in some circumstances.

## Are permits recognised in other states?

No. Permits are valid only in the state or territory of issue. Trade promotions conducted in more than one state or territory must obtain the relevant permission of each state authority. (Note: a permit number from another state or territory is required before applying in NT.)

## Where can I find more details about State/Territory regulations?

These web-sites provide detailed information about the requirements of each state:

VIC: [www.vcgr.vic.gov.au](http://www.vcgr.vic.gov.au)

QLD: [www.qogr.qld.gov.au](http://www.qogr.qld.gov.au)

SA: [www.olgc.sa.gov.au](http://www.olgc.sa.gov.au)

WA: [www.orgl.wa.gov.au](http://www.orgl.wa.gov.au)

NSW: [www.dgr.nsw.gov.au](http://www.dgr.nsw.gov.au)

ACT: [www.gamblingandracing.act.gov.au](http://www.gamblingandracing.act.gov.au)

TAS: [www.gaming.tas.gov.au](http://www.gaming.tas.gov.au)

NT: [www.nt.gov.au/ntt/licencing](http://www.nt.gov.au/ntt/licencing)

"The ability to involve entrants and respondents in questionnaires, or by asking them to provide feedback can also add a lot of extra value to a competition and a great way to achieve this is using mail as the response medium"

- Earl Morrison - Director, Tactics Marketing

## Competition Mail – The Facts At A Glance

To be sure you gain your Competition Mail rebate you need to know:

### What's recommended?

Response envelopes can be up to 130mm x 240mm, 5mm thick, 250grams in weight and oblong.

A 60c stamp on the competition entry.

If entries include proof of purchase ensure it is not too stiff for our rapid letter processing system.

Apply to Australia Post at least three weeks prior to the commencement of the competition.

Ensure the Prize Draw is at least 5 days after the competition ends.

Show the Competition address set out correctly, (ideally shown on an envelope) in promotional material.

Reply Paid envelopes are not eligible for Competition Mail rebates.

Use the Free address supplied and approved by Australia Post.

### Why?

This ensures smooth processing, and these are the maximum envelope dimensions for a 60c stamp.

The rebate is calculated on 60c postage, and legally the entry cost per item cannot be more than 60c.

Items such as bottle caps or ring pulls cannot travel through letter processing machinery. They could damage the entry or our machinery, and invalidate your rebate.

Approval from Australia Post is required to gain the rebate and prepare our systems to accommodate your competition.

This ensures all eligible entries have been received.

Entrants can copy the address - it helps with accuracy and fast delivery.

The rebate is offered to encourage stamp sales. A Reply Paid Envelope can be used when the promoter plans to pay the entry cost.

These PO Box addresses are specially established to ensure rapid processing and validate response volumes.

We tell our clients that they don't just get a great response from using mail during competitions and promotions but they also receive a generous rebate if a minimum number of responses are received. This can substantially offset the costs of conducting the promotion or campaign.

- Earl Morrison – Director, Tactics Marketing

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