DIRECT MAIL TARGETING:
THE “MERGE-PURGE” PROCESS

The direct marketing industry has developed very sophisticated targeting methods.

Today, it is possible to buy lists of consumers based on a variety of characteristics. Some of these lists may be based on:

- Magazine subscriptions
- Purchases from other online merchants
- Motor vehicle and real estate titles
- Ownership of products based on warranty registration
- Membership in associations
- Government licensure (e.g., veterinarians, dentists, attorneys)
- Yellow page listings
- Medical conditions
- People who have recently moved

To create a comprehensive list of names and addresses for sending catalogs and/or other materials, the following steps are involved:

1. Combining several lists into one source (the “merge” part). Any one individual source is unlikely to contain all the names of potential buyers for a given criterion. Therefore, direct mailers will often buy numerous different lists.

2. Removing duplicates. The lists usually contain a great deal of overlap. It is likely, for example, that many surfing enthusiasts will subscribe to several magazines, be members of at least one organization, and shop from one or more merchants. Therefore, there will be a number of duplicates. Identifying and purging the duplicates is tricky, however.
   a. **Standardization of format.** The way that addresses are written (e.g., 123 Main Street #45; 123-45 Main Street; 123 Main St., Apt 45) may differ between lists. Therefore, lists are first standardized to a chosen format. For example, the pound sign may be consistently be used and “Street” may be consistently abbreviated as “St.”
   b. **Identification of individuals who are likely to be the same person.** John B Jones and J Jones may both have the same street address. They could be relatives, in which case a judgment needs to be made as to whether each should receive an individual catalog. It could also be that these are people who live in the same apartment complex but have not indicated unit numbers in their address. Occasionally, names are misspelled, and algorithms analyzing the likely pronunciation of names spelled differently can be used to assess the likelihood that this is the same individual.

Here is an illustration of a merge-purge process to find a list of potential buyers from a new catalog surfing gear vendor: