

InfoTrak

INFORMATION FOR BETTER DECISIONS

Personalization: Getting Your Message Heard

When you pick up your office mail, are you greeted by the usual barrage of “noise?” On good days, you carefully separate the catalogs (to be looked during a free moment), from the invoices, from the junk mail (which you quickly toss into the recycling bin). Does your trash can or recycling bin scream out offers that hardly penetrate your jaded marketing eye?

You’re not alone. A staggering 98 percent of mass mailings are thrown away without evoking any response. Not very encouraging for those of us who depend on getting our message through the clutter to the cynical recipient on the other end—the recipient just looking for an excuse to toss our hard work aside.

As marketing professionals, most of us can identify with both sides. We’ve agonized over just the right teaser copy to entice the reader into opening the envelope; and we’ve scoffed at the direct mail piece with a message too trite to pique our interest.

So what’s the answer?

Many companies are finding that personalized mailing, also known as one-to-one marketing, builds loyalty among existing customers and helps them acquire new ones, too.

WHAT IS PERSONALIZATION?

According to *Print on Demand* magazine, “Personalized, or one-to-one, communications are documents that incorporate customer-specific information. That could include personalized text, graphics, fonts, tables, charts, colors, etc. The goal of sending out customized documents is to get a recipient’s attention for a longer time than you would if it were a general mass mailing.”

And the possibilities of personalization are endless. Anything you know about your intended recipient can be used to create a truly dynamic piece. However, according to experts, randomly inserting a recipient’s name throughout the piece is not the answer. A credible personalized piece must demonstrate to the recipient that you know who they are and what they want.

Bruce Ganger, who writes for *PrintWriter.com*, an online publication that focuses on digital technologies for the print community, recently stated the following:

“Direct mail is a marketing medium that is cost effective for any size business. But, companies spend a lot of time and money to prepare marketing pieces and get it to a prospect, only to have it thrown away. It is a fact that in mass direct mail campaigns, 98 percent is thrown away without eliciting any response. Marketing people are seeking better and more effective ways



Chicago-Bolingbrook
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to get their message heard. The challenge for them is to create something that is more relevant to the recipient and more likely to generate a response. The key to meeting this challenge lies in the use of information.”

“According to another study by the Direct Marketing Association, when information was used to personalize direct marketing pieces, the average response rate was 23 percent—a far cry from the average 2 percent that traditional mass mailings usually achieve. By using information about a targeted audience to structure marketing messages, companies can present products and services that are more relevant.”

CAPTURING INFORMATION FOR PERSONALIZATION

The key here is **information** and its judicious use. We’re talking about capturing demographics on your intended audience and building a reliable database from which to draw. This database can range from the very simple to the very complex. But many experts warn: don’t over-

complicate your database with clutter that is not meaningful to your business model. Purposeful data sets that serve to enhance your business model are crucial, and more often than not, require the cooperation of multiple stakeholders.



When personalization is used in direct mail, companies have seen:

- an increase in response time of 34%
- an increase in repeat orders of 48%
- an increase in the first order value of 25%
- and, an increase in the overall revenue from the marketing campaign of 32%

— Study completed by Cap Ventures, as reported by *PrintWriter.com*



Al Weber, who writes for *Target Marketing* magazine explains: “The most successful marketing databases are part of a business modeling process. They are decision-support tools, designed to affect the business strategy, as well as to impact day-to-day tactics. Their successful application is a process involving top management, marketing, information systems (IS), finance, production, product planning and other departments.” He further states: “The knowledge required to build an effective data

set and implement change in strategy typically requires expertise and cooperation from many departments that must work together with a clear charter from top management.”

WHEN IS PERSONALIZATION APPLICABLE?

Direct mail is the obvious response to “when is personalization applicable?” and financial services companies have been on the leading edge of using one-to-one marketing, according to *Print on Demand* magazine. The magazine provides an example of a financial institution that, with the help of a digital printer, utilizes a secure internal Web site that allows sales reps and other employees to specify “various blocks of text, graphics, and photos...designing their own sell sheets, proposals, or marketing collateral.” The secure Web site allows employees to design *personalized* collateral—collateral that’s configured to hit the “hot buttons” of its target audience.

Financial institutions are not the only industry getting into the act. Personalization can be an effective tool for all types of businesses and many types of documents, such as:

- Training manuals
- Trade show materials
- Sell sheets
- Insurance documentation
- Employee benefit books
- Newsletters
- Highly variable, technical documents

Since much of personalized documents are produced using digital print capabilities, the benefits and limitations of digital equipment apply.

- The benefits include: variable data capability, quick turnaround, and cost-effectiveness for small print runs.
- The limitations include: challenges with color matches, paper size/type confines and quantity limitations.

Using the digital technology available, companies can tailor, update and print material as needed—eliminating the reams of “one-size-fits-all” documents.

In a recent past *InfoTrak**, we quoted Frank Romano, author of *Digital Printing: Mastering On-Demand and Variable Data Printing for Profit*, who reminds us of the differences between static printing and variable (personalized) printing:

“The advantage to static printing is the cost effectiveness of long runs. You can actually plot the relationship between offset color printing and digital color printing by comparing run length and cost per unit. Numbers show that offset printing has a high up-front cost, based on the make-ready process, and that each additional unit printed absorbs part of that cost. The more units, the less cost per unit. Digital printing, on the other hand, has no real make-ready process, so each unit costs the same.”

MAKING IT WORK

Most of us have received “personalized” mail—varying from the “Mrs. Jones, You May Already Have Won...” to the more tailored packages that include offers that reflect our past buying patterns. But how does a company go about making this strategy really work?

Effective one-to-one marketing does not require a sophisticated CRM database,” according to *PrintWriter.com*. “It only requires a little demographic data, a little creativity and a print supplier that has a print-for-one work process.

Here's one example:

SupportKids, a leading Austin-based company providing collection services for single parents who are owed back child support, relies heavily on personalized direct mail.

“Our business demands that we include personalized content and information in every packet we send out. What's more, the information is not only specific to the individual we're mailing to, it's private information—which is why we rely on a company with systems in place to secure the integrity of our business model.”—Sheila Bostick, Vice President, Customer Acquisition, SupportKids.

According to David Lowndes, who is instrumental in producing the mailings for SupportKids:

“For our SupportKids client, we maintain a digital library of variable documents and data that is matched up with the specific kit or mailing project. The variable text is printed, using our Imagerunner 110 machine, on various “pre-printed” color templates or shells and, in some cases, plain paper. The shells, which are purchased in large lots, are a standard two- or four-color print job done on a sheet-fed press. By printing the variable black/white text on a pre-printed color shell, we're able to efficiently and cost-effectively manage all aspects of our client's printing, fulfillment and mailing project, which is crucial to their business success.”

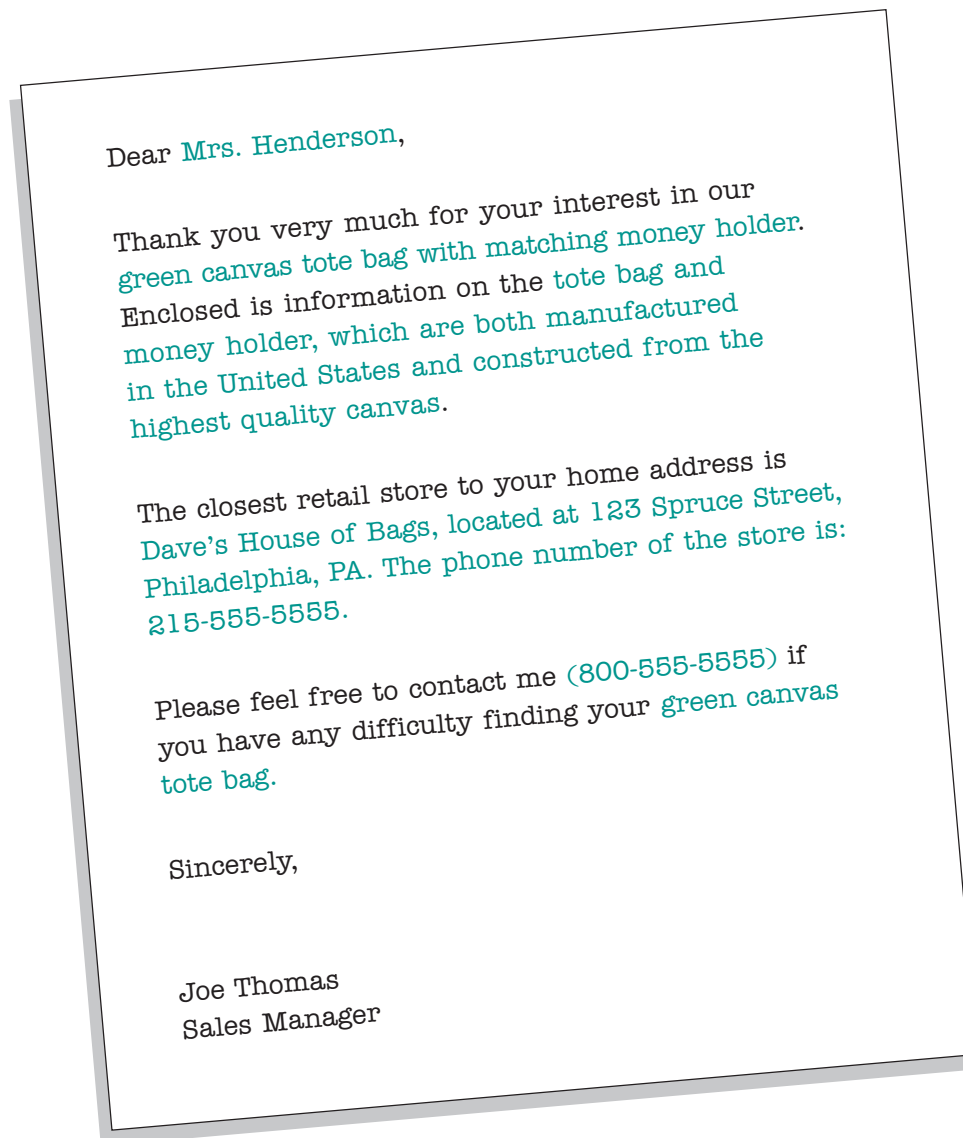
Another important aspect of the process is the close integration with the SupportKids' database. Lowndes explains: “We receive a twice-daily fulfillment feed from the Seibel System database. We process this feed and mail the corresponding package. Currently we handle over 40 different base packages with a daily volume ranging from one to thousands of each package. Average monthly volume is in excess of 40,000 packages. Daily volumes are subject to wide fluctuations caused by the client's advertising schedule. Typically, the daily volume will increase four-fold the day following a successful TV spot.”

“These packages contain a mixture of hard copy items, static print-on-demand documents and personalized print-on-demand documents. We meet and exceed the required turn-around times of either 24 or 48 hours depending on the package, from receipt of feed to mailing. In addition, 100 percent accuracy and 100 percent delivery are required.”

GETTING YOUR MESSAGE HEARD

Whether you're marketing business-to-business or business-to-consumer, customers and prospects expect to be treated as individuals, not just numbers. Email, Web sites and modern databases have the power to gather and store a great deal of information on customers and prospects. This, combined with the ability to produce personalized fulfillment, gives marketers a powerful tool to communicate appropriately *and credibly* with their audience. The most obvious form of this type of personalization is to use the contact's name throughout any correspondence. With today's tools, this can be taken much further: A prospect visits your company's Web site and requests information on a specific product. Your fulfillment company receives this feed of an individual's request and, based on this specific information, produces a package containing

a brochure on the product, a personalized letter giving the address and phone number of your nearest dealer and a special purchase offer. The local dealer is also contacted and given your details. Voila. The prospect is treated to the following letter:



The personalized information, whether used in a direct mail campaign or in a lead response effort, is more likely to capture and hold the attention of your intended audience, and, what's even better, elicit a response. And isn't that the name of the game? 🎯

*For more information on personalization and one-to-one marketing, or to receive back issues of *InfoTrak* please contact your Comac Account Manager, or call us toll-free, at 866-Comac4U.