



5 Quick Tips for Achieving Personalization 2.0

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Direct mail continues to perform well against the onslaught of digital alternatives. In fact, a BIA Kelsey study noted in a recent Marketing Profs article (“Print’s Not Dead: Print Marketing Will Thrive in 2014 and Beyond”) says that direct mail holds a 43 percent share of total local retail advertising. A Pitney Bowes survey further indicates that 76 percent of small businesses say their ideal marketing strategy encompasses a combination of both print and digital communication.

Large businesses likewise use direct mail for the simple reason that it works. Past surveys such as those conducted by *Target Marketing* magazine show that direct mail produces the greatest ROI for customer acquisition in the B2C sector. Direct mail also scored highest for customer contact and retention.

Part of the reason may be explained through a study conducted by Millward Brown, a leading global research agency, and reported by Steve Olenski in his *Forbes* magazine article, “Direct Mail: Alive and Kicking.” The survey revealed that “physical media — AKA direct mail — left a ‘deeper footprint’ in the brain.” Put another way, media that consumers can touch and feel connects to recipients and touches more emotions than digital media.

There are plenty of other reasons why direct mail works, from being able to reach 100 percent of your audience to greater format versatility. But the real key to direct mail’s strong performance and positive outlook is its ability to target specific audiences with complex personalization that further deepens the footprint noted by the Millward Brown study.

Regrettably, as Olenski points out, far too few marketers have the training to consistently produce winning direct mail packages on a consistent basis. Further, many also lack the confidence required to engineer an effective testing strategy.

The purpose of this white paper is not to teach you everything you need to know about advanced personalization. That requires more intense study. Our objective is to provide some tips to get you moving in the right direction.

5 Quick Tips for Achieving Personalization 2.0

1. Become Data Intelligent. Raising the sophistication of your direct mail campaigns requires having a broad knowledge of what is available and knowing how to put the tactical elements together in a sound campaign strategy. A key starting point is to become more data intelligent. The more complete, accurate, up-to-date and accessible your data, the better the outcome of your direct mail campaigns.

Actionable data exists in most organizations from a multitude of sources, including purchases, subscriptions, contests, surveys, special acquisition programs and many other sources. The problem is that the data often reside within silos rather than in a consolidated, actionable data warehouse. Multiple databases and data sets are difficult to manage and present real challenges in extracting the data’s value. So start your internal efforts by getting your data in order, including a plan for how you want to deploy it.



If your initial data is incomplete, you can look to enhancing it through the use of a data aggregator, which is a service provider that collects and compiles data from individual sites to sell to marketers. Some of the services offered can profile the demographics of your current customer list and allow you to create more targeted campaigns.

Here are some options to consider for augmenting your data:

Portrait Reports

These consist of profiling tools designed to help you better understand your current customer base. Service providers can run reports from your customer list that identify the demographics of your customer base. This information enables you to better tailor your messaging to fit their profiles. Or you can use the information to purchase additional prospects that fit the demographic traits of your current best customers.

Here are some of the reports you can receive from USADATA:

- **Look-Alike Report** — Basic (20 variables) — Learn the demographic and psychographic composition of your customers or database and the service can find new prospects who look just like them.
- **Enhanced Look-Alike Report** — (130 variables) — Same as above but with a deeper dive based upon more variables.
- **Personicx Portrait Report** (70 Personicx clusters) — Analytical report that enables you to better understand who your customers are using Personicx segmentation.
- **Data Portrait Analysis** (300+ variables including interests & Personicx) — Analytical report that enables you to better understand who your customers are, using more than 300 demographic and psychographic categories of information.

Key Benefits

- Greater insight into demographics and psychographics
- More effective list/prospect targeting
- Better identification of data elements to append
- More effective communication with customers/prospects (i.e. offers, creative)

And while it sounds basic, the best campaigns begin with marketing looking at the database and deciding what it can offer individuals or target groups and then deciding what can be offered to generate response. It's the opposite of looking at products and deciding where you can sell them. If your database doesn't have the type of data for this sort of decision making, then you're stuck with personalization for dummies.

2. Understand the New Direct Mail Math.

Nothing will throttle your move to potentially high-ROI campaigns faster than a cost-per-thousand mentality. That's because a hyper focus on unit costs doesn't always yield the best results. This is especially true when it comes to data-driven print programs. The real key is to evaluate your response versus total costs. Using data driven technologies to produce better targeted mailings will increase your unit costs, but the total return on your investment will be much better than getting lower unit costs with lower response rates.

See the chart below for how it works.

Data-Driven Campaign Financial Illustration

Low-Level Targeting & Personalization	High-Level Targeting and Personalization
Production Costs: 25,000 pieces @ \$.40 each = \$10,000	Production Costs: 12,500 pieces @ \$.80 each = \$10,000
2% Response rate = 500	10% response rate = 1,250
Revenue Model: 500 @ \$100 average sale = \$50,000	Revenue Model: 1,250 @ \$100 average sale = \$125,000
Production cost as % of revenue = 20%	Production cost as % of revenue = 8%
R.O.I. = 5.0 x	R.O.I. = 12.5 x
Cost per response = \$20	Cost per response = \$8
Profit = \$40,000	Profit = \$115,000

3. Keep up with Personalization Technologies.

Too many marketers regard print as unchanging. The truth is that new technologies are being introduced or taken to more sophisticated levels every day. That's particularly true among data-driven technologies, which keep enabling more complex levels of personalization.

For example, we all know that digital variable data printing technology allows you to personalize every word and image on a page. Yet **XMPie® ulmage®** software takes you a step beyond. You can create attention-demanding communications that build readership and response by embedding text within images and images within images.

For instance, instead of a boat dealer using a static image of a boat in direct mail materials, the dealer could include a variable, personalized image where the model changes based on a recipient's preference and the recipient's name is engraved on the boat's side. The process is as simple as creating a template within Adobe® Photoshop® or Illustrator®, and then using the system's uDirect® or PersonalEffect® tools to generate and place a set of individualized images directly into the print stream.

Another example is **mapping technology**. We're all familiar with the generic location maps that show the store nearest you. They're useful (and a form of variable data), but you can do so much more.

Current mapping technology now enables you to create maps completely individualized for each person on your mailing list. You can show them the exact route from their homes to your store while including any of these options:

- Start/Stop icons
- Map size and shape
- Line color and thickness
- Travel time and distance

What's more, the whole process is simple and relatively inexpensive. All you need to do is submit your file on a spreadsheet, and the software creates the individualized maps that are then produced on the fly during the digital printing process.

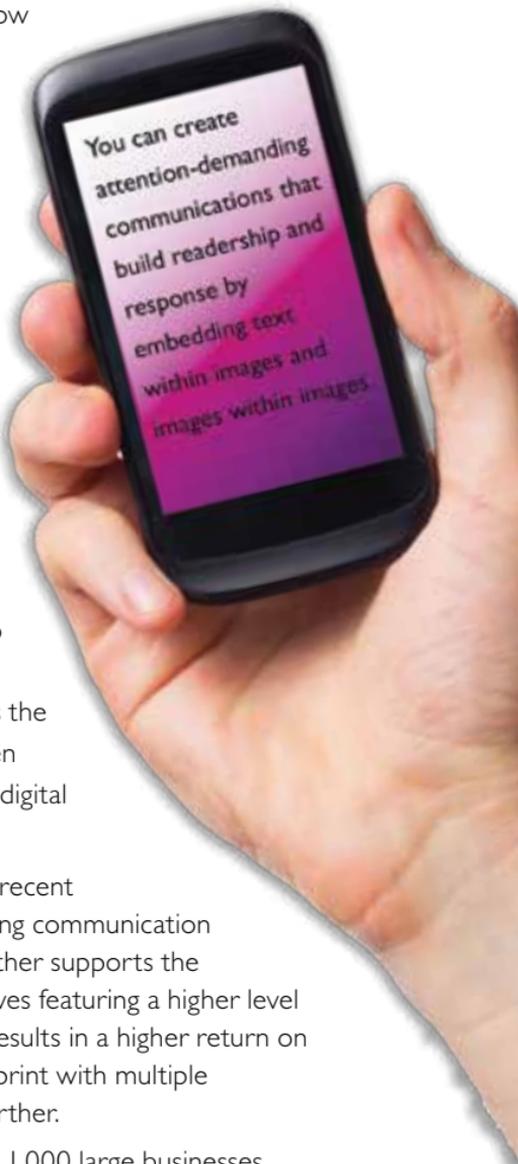
4. Integrate multiple channels. A recent InfoTrends study of the marketing communication needs of various businesses further supports the assertion that marketing initiatives featuring a higher level of personalization complexity results in a higher return on investment. The integration of print with multiple channels boosts results even further.

The survey included more than 1,000 large businesses, across 10 different vertical industries, with more than 60 percent of respondents' campaigns being personalized or segmented. The chart below shows the response and sales conversion rates from the various personalized marketing campaigns.

So the evidence is clear that while direct mail with complex personalization is very effective, you can raise your performance levels still higher through integrated, multichannel campaigns.

Campaign	Response Rate	Conversion Rate
Print Only	6.0%	16.2%
Print and Email	7.6%	18.3%
Print and PURLs	7.6%	15.3%
Print, Email and PURLs	8.2%	16.5%
Print, Email, PURLs and Mobile	8.7%	19.0%

Source: InfoTrends, *Understanding Vertical Markets: Enterprise Communications Requirements*





5. Demand campaign metrics. Finding a good tracking and analytics program is the only effective way to demonstrate campaign performance as well as provide the data you need to help refine future campaigns. As your competition becomes more intense and sophisticated, the ability to keep pace will increasingly depend upon your data capabilities. Yet many companies are woefully lacking in this area, particularly when it comes to marketing campaign analytics.

Fortunately, there are tools available to help you generate the marketing analytics you need. Ripon Printers, for example, offers PersonalEffect® Analytics, which features the uProduce™ Marketing Console, a graphics-rich, web-based dashboard providing detailed charts and graphs that highlight important campaign metrics. By integrating media and event information with relevant variable information, uProduce Marketing Console provides an unprecedented view into campaign performance through one customizable tracking interface.

Because the PersonalEffect platform produces each touch point, information is automatically collected across all communications. Any variable elements used in a campaign, regardless of media, can be tracked, analyzed and reported on.

Additionally, all response activity — such as an email read, a button pushed or a link clicked — is recorded and can be used in campaign analysis. By delivering accurate metrics, you can analyze campaign performance and choose to refine offers, messaging, target populations and even change the medium of communication. This agility when managing live campaigns can make your marketing communications more precise, relevant and effective.

Regardless of which tool you choose to use, be certain to move beyond pure Web analytics and choose a solution that lets you capture broader marketing data.

About Ripon Printers

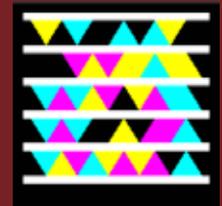
Ripon Printers serves small to mid-size direct marketers and publishers, producing catalogs, publications and a wide range of direct mail products. Linking our capabilities together is an obsessive devotion to customer service that places your satisfaction above any other business goals.

We offer a complete range of print solutions that includes coldset and heatset web printing as well as sheetfed and digital printing. Whatever your needs, Ripon Printers has the right fit. A variety of integrated multichannel capabilities, from digital editions and email marketing to personalized URLs, mobile barcodes, augmented reality and digital storefronts complement our print production, fulfillment and distribution services.

Elevating the effectiveness of your direct mail campaigns and extending your multichannel presence is easy and hassle-free with Ripon Printers. To learn more about our broad range of services, please contact your representative or send an email request to sales@riponprinters.com. You can also view a short video highlighting our capabilities at our homepage, <http://riponprinters.com>.

Ripon's Integrated Direct Marketing Services

- Mail List Processing & Hygiene
- Data Services
- Offset Printing
- Variable Data Digital Printing
- Mobile Barcodes
- Personalized URLs (pURLs)
- Email Blasts
- Digital Editions
- Fulfillment & Distribution
- Integrated Campaign Management & Reporting



Scan the QR Code with your smartphone to view "Ripon: The Video."



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