Catalog Marketing: It’s Complicated

With the growing interplay of channels in the catalog marketing space, to say nothing of outside factors influencing the industry, marketers have their hands full. To help you keep your bearings, we decided to take a mid-year look at some major trends and events shaping the second half of 2017 and beyond.

PRC Begins 10-year Rate Review. No one likes to talk about postage, so we thought we’d get this out of the way first. The review covers the current CPI-capped postal rate system. Mail marketers view the CPI cap as the only effective protection offered to mailers and consumers by the current system of market dominant price regulation against abuse of the Postal Service’s market power. The Postal Service would like to crush the CPI caps and impose above-inflation price increases on captive mailers. It’s a battle worthy of your attention.

Omnichannel Dominance. Multichannel Merchant’s annual MCM Outlook 2017 survey, sponsored by Ripon Printers, points to the continued integration of digital in marketing products and driving sales. Among respondents, ecommerce sites and email took a narrow lead over catalogs as the primary way retail merchants market to customers. Nearly all survey participants said they use ecommerce sites and email as marketing tools with catalogs and social media just behind. At the same time, page counts, circulations and frequency of catalog mailings are forecasted to either stay the same or increase by healthy margins compared to those that will decrease.

Pure Plays Launching Catalogs. Related to the omnichannel trend is the fact that several former digital pure plays are also launching print catalogs. Included in that group is discount online retailer Wayfair. According to Accenture Strategy’s Kurt Salmon Review, part of the reason may be that “women ages 18 to 30 are especially motivated by catalogs, claiming that they enhance their impression of a retailer. More importantly, 45% say catalogs stimulate their interest in a retailer’s products and a whopping 86% have bought an item after first seeing it in a catalog.” These and other statistics continue to support the catalog as the top targeted driver to catalog marketers’ ecommerce sites.

The Great Nexus Debate. Many states continue to push an Internet sales tax, which would impact almost all catalog marketers. Oklahoma, Tennessee and Louisiana all have new policies for remote sellers.

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taking effect this year. Attorneys general in 11 states asked the U.S. Supreme Court to overturn *Quill Corp. v. North Dakota*, a 1992 decision establishing that states cannot impose a tax collection obligation on businesses lacking a substantial physical presence in the state. Meanwhile, three pieces of proposed federal online sales tax legislation look to impose taxes on remote sellers.

**Alternative Print Formats.** The traditional catalog format isn’t going away, but there is a growing trend toward supplemental formats ranging from micro-catalogs and mini-catalogs to magalogs. According to *USPS Delivers™*, these formats are smarter (based on consumer data gathered through multiple channels), smaller and less expensive to produce. Yet they can deliver big impact by supporting digital experiences while still giving customers the physical, tactile experience they crave in the virtual world. Print catalogs add an additional touch point to house file marketing experiences.

**Relevance Reigns.** Regardless of the format or channel, the trend toward personalization and customization continue to gain momentum. The high degree of information overload means consumers quickly ignore anything that doesn’t scream relevance. Conversely, the more personal the content, the more likely they are to respond. To improve catalog relevance, marketers will use a wide range of techniques including gathering customer data from multiple channels, segmenting lists and only renting external lists of the highest quality. These steps help enable the creation of focused, relevant content.

For catalog marketers wondering where this is headed and what role print will play in longer term trends, keep in mind the words of Melissa Tsang, a writer and speaker on the social impact of ecommerce and technology, who said, “Print catalogs still have their purpose, just that this purpose has evolved.” In comparing print to digital, she invites people to consider whether they’d rather receive a birthday card in the mail, or a birthday e-card in their inboxes. In her words, "What the print catalog revival shows us is that old tools don’t die, they evolve. The best marketing strategies don’t throw them out, but use them in ways they cannot with new tools."
Someone recently observed that when you get older, Time plays tricks. The days are long but years fly by quickly. I’ve always thought that when we were little, the summer school break lasted forever. A month is a big deal to a 5 year old (aka 60 month old) compared to a 55 year old who has lived 660 months. In short, Time is relative, and we know that Time is not infinite.

In general, we are an impatient people. We now have Amazon making two hour deliveries, instant downloads of music and other video, and even “virtual lines” at Disney, making waiting close to painless. The new Tivo DVR magically skips over commercials – who has Time to wait for the show to continue?

Having said that, there are people who can relax and enjoy the passage of Time without worrying about the insignificant seconds/minutes each day. They most likely have less stress and pressure in their lives. Rather than obsess about Time, they enjoy it.

At Ripon Printers, we try to manage Time the best we can. We know that projects have deadlines, and the more Time we can give a client, the more Time the client has to run his or her business. I experienced this early on while a student at Notre Dame. My senior year, I decided to sell painter caps on campus at our opening football game. That day, I sold all 1,000 of my caps and was ready to sell more. Unfortunately, the company that supplied my caps had a 6-week lead Time, resulting in quite a few missed sales.

Whether you are one to rush through the day looking for Time, or someone who takes Time to “smells the roses,” we’ll do our best to make Time work for you.

RIPON
Ripon Printers Honored with Nine Graphic Arts Awards of Excellence

The Great Lakes Graphics Association (GLGA) named Ripon Printers a multiple award winner in the 2017 Graphics Excellence Awards competition. Ripon’s three Best of Category winners are DuPont Luxury Portfolio International (Web Press Printing, coated paper, 4 or more colors), Trek Project One Catalog (Product/Service Catalogs, cover sheetfed, interior web) and Indy 500 – 100th Running (Novelty Books).

Selected for Awards of Excellence are Lionel 2017 Signature Edition (Booklets, 4 or more colors), Elite Traveler (Magazine Series) and Dream in Kohler (Product Catalogs, 4 or more colors).

Certificate of Merit winners are Junior Great Books – Series K Vol 1-3 (Juvenile Books), Alcoholmanac 10th Anniversary Issue (Architectural/Art/Travel/Other Magazines) and Pursuit Ride / 1.0 – 2016 (Product Catalogs, 4 or more colors).

“The most fulfilling aspect of award competitions is that they recognize the skills, creativity and collaborative efforts between our team and those of our many outstanding customers,” says Ripon Printers’ CEO Andy Lyke. “We are grateful for the opportunities to help bring our customers’ best work to life.”