

## Variable Data Print: Where Are We Really?

By Frank McPherson

Over the last two years, I've discussed a variety of applications for personalized, 1:1 print marketing. I've drilled down into the details of what makes VDP applications work or not work and how to make the best use of your data. In this column, I'd like to take a look at the kinds of applications that Custom Data Imaging Corporation has *actually produced* over the last 12 months.

The goal is to give you an idea of what is really going on in the field, where marketers are placing their money, and where embracing VDP may not be just a competitive edge, but a necessary competitive response.

Marketers using VDP are still extremely private about their successes, so I cannot divulge the names of our clients or the specifics of their programs. But I can talk about the types of programs CDIC has run and their general characteristics.

**Not-for-profit fundraisers.** One of the fastest growing applications for VDP is not-for-profit fundraisers. By optimizing their mailing lists, then personalizing the message to each recipient, charities, educational institutions, and others can achieve better response rates and build up their donor bases.

One application we *can* talk about comes from the University of Toronto. We were able to cut down their ineffective mailing list by 50% — saving \$16,000 in postage alone — and replacing it with an upgraded list of individuals with strong donating histories, plus a highly targeted list likely new donors.

We broke the target recipients into demographic groups, based on their background, so that they received letters on the letterhead of the department in which they or their family members got their degrees. Thus, rather than appealing to gifts for the university at large, we tapped into their emotional ties to their alma mater departments, with an explanation of how their donations would directly benefit these departments. Each letter was personalized and the pledge form pre-populated and barcoded to make it easier and faster to respond.

The result? The university increased its donor base by 80% and increased its revenue by 30%.

**Political campaign GTOVs.** Another application we are doing a lot of these days is GTOVs (Get Out to Vote) for political campaigns. These mailers are personalized, not just with the recipient's name, but also with the concerns that they raised through previous phone contacts or door-to-door canvassing. Each individual receives a four-color postcard that says something like, "Dear John, you are interested in A, B, and C, and this is our stand on these issues." You flip the card over and it shows picture of the local candidate, where the polling station is, and the location of advanced polling station. While I cannot divulge the results of these campaigns, they are extremely successful.

**Financial reports.** This is a good example of a bread-and-butter application for many financial companies. Predominantly done in monochrome (or monochrome printed onto four-color offset shells), these reports provide customers with details on the performance of their financial portfolios, often comparing previous performance with current and projected future performance. Here, VDP is more about communicating information than selling, but for these marketers, there is a very high value associated with them.

**Retail applications.** Often, retail stores will use their databases of customers' past purchases to cross-sell and upsell related merchandise. Currently, this approach is especially popular for selling sports merchandise, such as clothing and equipment for golf, tennis, and squash. If a golf enthusiast purchased a new driver, for example, the retailer will contact him about the newest putter on the market. If he bought new set of clubs but did not purchase a bag, the marketer might encourage him to consider purchasing the latest motorized version. If the customer has bought clothing, the marketer might offer 10% off shirts or 50% off during an "end of season" sale.

**Professional services.** We are seeing a growing trend of newsletters being produced by professional services providers, such as dentists, chiropractors, and osteopaths. A dentist, for example, might keep his customers up on the latest dental techniques, cosmetic procedures, or tips on dental care. Newsletters can be targeted by age, family, and medical condition, as well as personalized, so that customers receive articles and information specific to their health care needs. In some cases, these newsletters are

four-color variable. In others, they are four-color shells with the personalized and customized portions in monochrome.

**Call center follow-ups.** We see this a lot in the insurance market, although these applications are certainly not limited to insurance. In these applications, insurance companies create personalized follow-up mailers based on calls customers make to their call centers. A customer might call based on a television advertisement, for example, then the company will send out an information package and application form within 72 hours. All of the information is personalized and customized based on the products the individual is interested in. Forms are pre-populated with the individual's name, address, and other information, so all they have to do is fill in the blanks, sign it, and send it in.

The brochures are also targeted, so that if you are a single mother, you receive a brochure with a woman with a child the cover. If you are a senior citizen, your brochure will have people of that age group. If you live in British Columbia, the brochure will reflect that. This increases the sense of relevance in the minds of customers.

### **Reflecting the Marketplace**

These are all applications that we produced over the last 12 months, so these are jobs that marketers are doing on a regular basis. There are, of course, many more. I would estimate that, in our own shop, our ratio of VDP jobs to static jobs is up 40%.

The takeaway point here is that marketers are getting it, and if you have not yet seriously investigated how this technique would benefit you or your clients, and you think your competitors are sitting back, waiting and watching without taking action the way you are, you are probably misjudging the market.