A Printer's Perspective & Guide to Digital Printing and Variable Data

GIMBEL &
ASSOCIATES

TABLE OF CONTENTS

My father was a printer. I'm a printer. And in the collective span of our lifetimes, we've seen the printing industry change to an unprecedented degree. Remember the old letter presses? I do. And it's with this knowledge of outdated technology giving way to vibrant, new technology that I'd like to make a prediction: Digital printing and variable data will do to offset printing what offset did to letter presses. It will turn today's solution into tomorrow's relic. Not overnight, mind you, but eventually, at least for some applications.

The special "Printer's Perspective" section of this book answers some of the business and operational questions asked by printing professionals as they transition to a business model where digital printing plays a more important, and perhaps dominant, part.

What do you need to know about the technology? How will digital printing help you generate a positive ROI? How will it affect your production streaming? What software will you need? What skills will your employees need to be successful, and how will you find and recruit such individuals? How do you use digital printing to meet your diverse range of business needs, including turning a profit with short-run print-on-demand?

Rest assured, each of these questions has an answer that will utterly convince you of the wisdom of moving to digital printing. I look forward to providing you with information that can help you in your decision-making process.

The coronavirus pandemic has changed a lot of businesses, and printing is one of them. Before COVID-19, orders for digital print were increasing at a faster pace than orders for offset. The work-from-home movement and other changes in the business world are expected to accelerate those trends. I believe it is even more critical now, that printers learn as much as possible about how to offer their clients the benefits of individualized digital print.

Digital printing will not only transform how we communicate to people with the printed word, it will transform the working lives of the people who are doing the printing.

The most effective direct marketing is to an audience of one.

We have a much better chance of selling our product or service if we can speak to each customer and prospect as an individual rather than as part of a mass audience, a member of a targeted segment, or even as someone who might be swayed by rudimentary personalization.

Of course, if you're like me, you've heard that plenty of times before. And you may have found yourself asking, "What's the best way to really deliver on the promise of one-to-one communications?"

I understand completely.

That's why I've authored this book for you. Together, let's explore how to realize the dream of true one-to-one direct marketing through individualization.

We have a much better chance of selling our product or service if we can speak to each customer and prospect as an individual.

But rather than taking on the enormous task of exploring all one-to-one media, such as individualized e-mails, pURLs, and text messages, to name a few, let's get more specific. Let's look at one of the strategic tools available to you — variable data print (VDP) enabled by digital printing devices. Not simply for the color capabilities so frequently touted, but for the individualized marketing applications now being used by today's leading-edge marketers. Let's focus on how digital printing can help you maximize your marketing efficiency and effectiveness, lower your cost per lead and cost per sale, and provide you with an impressive return on investment (ROI).

I hope you find this book informative.

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Making your mark in an age of media fragmentation

No matter what line of business you're in or type of marketing you practice, you face a formidable challenge. In an increasingly crowded marketplace, you must make sure your customers see and act upon your message.

Digital marketing experts estimate the average consumer or business decision-maker is bombarded with 4,000 to 10,000 marketing messages a day. Throughout all our waking hours we are pounded by a rapid drumbeat from a wide array of competing channels. Sources include direct mail, print, e-mail, television, radio, video and audio streaming services, internet, telephone, social networks, and text messaging. The list seems to grow every day. The typical household in the U.S. picks up 179.5 television channels, chooses from among 7200 magazine titles, and has access to billions of pages indexed by Google.

So many messages. What's a marketer to do?
Media fragmentation is the order of the day.

As a marketer, you must adapt — or confront the prospect of getting less bang for your marketing buck. Certainly, you could look to personalized direct mail to generate a significant response, typically five to nine percent, or less. But you need to ask yourself, "Is that the best I can do, or in an age of shrinking marketing budgets and increased focus on ROI, do I need to find an even more effective solution?"

The good news is that response rates for one particular type of direct marketing, individualized direct mail, are the best in the business. But before describing what individualized marketing is, and how you can take advantage of it, let's start at the beginning and put together a wish list of what you'd like your marketing to accomplish.

TOTAL RECALL?

Chances are, you've seen and heard a slew of ads today on television, radio, direct mail, newspapers, magazines, podcasts, and more.

But how many do you actually remember? What brand was being advertised? What about ads you saw yesterday or last week?

For most of us, it all adds up to one big blur. It's totally non-memorable. Marketers spend plenty of ad dollars on efforts that contribute to this problem. We need new and better ways of advertising.

IMAGINE THE POSSIBILITIES

Wouldn't it be to your organization's advantage if you could…

- Deepen and strengthen relationships with your customers through more personal and timely communications? This is especially important when you consider that, on average, existing customers can account for 80% of business growth.
- Communicate more effectively with new business prospects by speaking to each person's unique needs and preferences? Not using segmentation, but by delivering messaging individualized on a person-by-person basis.
- Create new revenue streams by using technology to generate opportunities that were not feasible before?
- Always deliver content to each recipient that is relevant and resonant? Never irrelevant or misdirected.
- Boost response rates by 100%–600% or more?
- Reduce marketing and operations expenses throughout your organization? Costs for printing, warehousing, postage, and customer service, to name a few.
- Beat the competition by marketing smarter, faster, and better? In effect, leaving them in the dust.

Have you ever said, "I wish I could do all that?" Now you can.
Let's look at how it became possible…

GETTING OUR DEFINITIONS STRAIGHT

What true one-to-one marketing is—and what it isn't

Why does one-to-one marketing matter? And how can you better achieve your business goals by marketing to an audience of one? To answer these questions, we must first agree on exactly what the expression "one-to-one" actually means. It's a task that's not as easy as it might seem. That's because we often use one-to-one in the same breath as "personalization", "customization", "relationship marketing," or many other terms.

To clarify our definitions, let's look at the evolution of marketing, in particular direct mail marketing, as a series of five steps.

STEP 1: BROADCAST MAIL

Spray and Pray

Broadcast mail is precisely what one-to-one is not. It's the "one size fits all" approach where marketers send the same solicitation to all prospect mailboxes. It makes no differentiation among recipients. We've all received mail that's addressed to "Occupant", "Current Resident", or "Neighbor" and recognized the impersonal feel of the method.

Still, broadcast mail could be highly effective.

Reach enough people with an attractive offer and you will get a significant response. Sears Roebuck could even sell homes through the mail…for a while.

But there's also lots of waste. For every customer you gain, there may be vast numbers who discard their mail unread.

STEP 2: SEGMENTATION

Cluster Clamor

With knowledge, comes power. And when direct marketers began accumulating data about their target audience, they could go beyond broadcast mail and divide recipients into like-minded segments or clusters. You could segment consumers by geography, demographics, or behavior history. Or you might separate business decision-makers by vertical market or company size. In every case, it was possible to print and mail different "lots" with targeted messages and offers that were versioned to the needs of a particular group.

Powerful as this method was, it remained impersonal. Even though marketers segmented direct mailings by a pivotal piece of data such as age, gender, family status, or customer versus prospect, they still treated diverse recipients within a target group identically, not as individuals. And that proved to be a great drawback, since we all like to think we're unique.

Still, like broadcast mail, this worked… for a while.

STEP 3: PERSONALIZATION

Playing the Name Game

Unquestionably, one of the key breakthroughs in direct mail marketing was the ability to personalize a mail piece. People like to see their name in print. By deftly using personalization, marketers could virtually guarantee a higher response rate than they'd receive with non-personalized materials.

Creative personalization increases the chances of success. Clumsy usage — repeating the recipient's name multiple times in the text, for example, makes the technique transparent and customers can

easily say "no." Worse, if the data is inaccurate and the name, gender, title, capitalization, address or other variables are wrong or missing, the effects could be disastrous.

What was once a novelty, personalizing a piece with the recipient's name, has become commonplace. Personalization on its own no longer guarantees a higher response rate.

STEP 4: CUSTOMIZATION

Close, but No Cigar
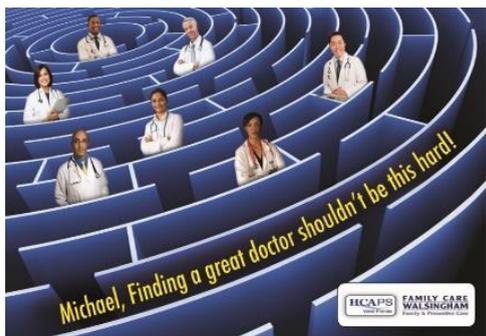
When personalization evolved into customization, marketers moved closer to the ideal of true one-to-one communications. By merging sophisticated individual data with personalization, it was possible to create individually targeted direct mail pieces. We can trace the early days of variable data printing (VDP) to this technology as it arrived on the scene in the 90s.

However, the full power of digital printing was not yet apparent. Usually, there were only a few "plug in" elements that could be varied. Digital printing was paired with offset printing to generate pieces that were hybrids. While marketers could target content to the individual, there was insufficient flexibility to do justice to the brand or the customers' emotional connection to it.

STEP 5: INDIVIDUALIZATION

Reaching an Audience of One

Data rules! Now, as digital printing technology comes to the fore, you can use customer and prospect information to drive every aspect of your communications. You can vary text, photos, design, offers, colors — everything, on a recipient-by-recipient basis. Each piece in a print run is different and geared to the unique needs and preferences of the targeted consumer or business decision-maker.

This is individualization at its purest. It emulates the best practices of a one-to-one, in-person sales call — an interaction where an

expert sales person engages prospects in a way that's personal, timely and persuasive. But instead of paying for the sales person's time and travel, you create 4-color materials that set up a two-way value-based information exchange. You and the targeted individual continually pass useful, relevant information back and forth. Every time your customer or prospect provides you with information, you're able to incorporate your findings into your next communication and resume the dialogue in an iterative, knowledgeable manner.

To put it another way, you take the evolution of direct mail to its logical conclusion by practicing smart marketing on a universe of one. You're amplifying the "that's me" recognition to the nth degree and going beyond the selective data "plug-ins". It's all possible because print technology has caught up with database advancements and opened a vast new world of strategic opportunity for today's marketer.

10

THE FINE ART OF PERSUASION

The more individualized a sales pitch, the greater the chance for success. Do a test. Observe for yourself how effectively your colleagues bring relevant personal information to bear as they're selling their ideas to you. Do they display an inside knowledge of your preferences and dislikes? Are some more knowledgeable, therefore more persuasive, than others? Whose approach is closest to the broadcast, segmented, or individualized techniques?

Individualization uses relevancy to better qualify your leads and boost response rates, basket size, brand loyalty and ROI.

The time to leverage the technique has never been better.

Individualization uses relevancy to better qualify your leads and boost response rates, basket size, brand loyalty and ROI.

Why the time for all-media individualized marketing is now

Conditions have never been better for infusing your marketing operation with the power of individualization. It's a solution whose time has come.

The ubiquity of the internet has conditioned consumers to expect a highly individualized experience.

Before the internet, consumers would pick up the phone or send for a brochure if they wanted more information on a product or service. But now, the internet is the first place consumers go when they're doing research to make a buying decision. They expect to get information quickly and accurately, and to instantly bypass all content not relevant to their needs.

By choosing where they want to go on the internet, and interactively gathering information that's tailored to their unique specifications, consumers can enjoy an individualized experience that was previously impossible. Taking individualization to the next step, consumers frequently return to websites that already know their preferences and buying habits. Those sites recommend next purchases and items of interest as soon as the consumer lands on the site. It's a form of instant gratification that we've come to expect from electronic media. You should anticipate that consumers will hold print media to the same stringent standards.

Data is driving communications through an unprecedented array of channels.

Marketers have long used an intelligent mix of relevant and unique data to build, maintain and grow a dialogue with their customers and prospects. Most times, the sophistication of the data has been far ahead of the technology used to deliver it.

For example, even though you may know a lot about your customers such as their age, family status, buying history, or financial standing, you may not have been able to use all this knowledge in your marketing efforts. It was cost prohibitive to version your marketing materials individually. Even more frustrating, many organizations built elaborate, data-laden Customer Relationship Management (CRM) infrastructures often costing millions of dollars. Companies were dismayed to watch as the systems were underutilized or abandoned.

The data sat until marketers discovered innovative ways of sending individualized messages through a whole host of new, cost-effective media channels.

See what new media channels enable you to do

Individualization in cross-media marketing gives you the ability to:

- Turn your company's billing statements into a marketing vehicle powered by customer purchase data
- Send individualized e-mail promotions on a recipient-by-recipient basis
- Send text messages to a prospect's cell phone
- Use narrowcasting to target your audience through selected media precisely
- Drive recipients to the web via their own personalized URLs (pURLs)
- Re-target individuals with internet ads or triggered direct mail, based on their anonymous visits to your website
- Create direct mail campaigns where you individualize every piece to the customer's or prospect's needs

THE CASE FOR INTEGRATED MEDIA IS STRONGER THAN EVER

Given such an array of media, the astute marketer must make choices. In a world of media fragmentation, where brand equity has dissipated and response rates have continuously fallen, it's wise to integrate media and establish a prudent media mix.

For example, a coordinated direct mail/e-mail campaign has been proven to out-perform separately launched direct mail and e-mail programs. And direct mail campaigns where every piece features a unique pURL have boosted conversion rates by as much as 40%.

Print technology now supports database capabilities and lower cost per lead and cost per sale have come along for the ride. Digital printing deserves to be one of your tools of choice. It allows you to use the wealth of data you've accumulated or acquired. You can create marketing materials that fully leverage every variable that impacts the purchase decision. Create eye-catching, 4-color direct mail pieces where data dictates every bit of text, all the visual elements, and the branding components. The variables in the data reveal a buyer's motivations and hot buttons.

13

Companies can market smarter and better in print than was previously imaginable. In a world where unit cost has become the typical benchmark, you can focus instead on more important statistics such as boosting response, and reducing cost per lead and cost per sale. Those are the ultimate measures of marketing efficiency and effectiveness.

Use digital printing in concert with other individualized media and see just how powerful your data really is.

ACHIEVE CRITICAL MASS WITH YOUR MEDIA SELECTIONS

With so many media choices, today's marketers often spread their dollars too thin. They commit too few resources to too many channels. To begin, look for choices that enable you to focus on existing customers who give you the most business, and on whom you have the most data. Save the prospects or mass markets (where an immediate purchase decision is less likely) for later.

How to put variable data print to work for you

Picture this: You're sending out a product or service mailing to customers. With digital printing, you can base your featured products and discounts on the customer's buying history. You may highlight products the customer has purchased in the past or test products that seem like a logical upsell for the customer.

Send a customer who has made big-ticket purchases targeted copy, special offers, and appropriate visuals. A customer who has purchased smaller items can receive a completely different piece. And yet, images on both versions are of the highest quality. You can print, finish, and sort two unique versions inline. This enables you to qualify for the best postage rates available. Whether you mail millions of pieces at a time or practice direct marketing on a far smaller scale, these savings go right to your bottom line.

Individualized direct mail can deliver higher response rates; up to 600% greater than traditional, impersonal mail. Because all content is relevant and resonant, digital printing is far more effective at eliciting a response than sending traditional segmented, personalized, or customized mailings. Individualized mail can entice your customers to buy more often and in greater volume.

Test well, test often — All text and visual elements are variable and testable, so you can find the format, message, and offer combinations that work best.

Create new revenue streams — You can use digital printing to turn transactional statements into marketing vehicles. Some transactional document mailers sell the "white space" to advertisers whose offerings are ideal for the data profile of each document recipient. Besides including 3rd-party advertising inserts in a transactional mailing, you can print "onserts" directly on the statement itself.

Improve your ROI — A better response rate leads to more sales, bigger basket sizes, and new, untapped sources of revenue. You can achieve your business goals with fewer pieces in the mail. Reduce your printing and mailing costs while maximizing your marketing investment.

Get mailings out faster — With no make-ready processes to delay the start of a print run, digital printing can begin sooner than the same job run on an offset press. Its high-speed, inline technology lets you print on demand, eliminating offset printed shells. Just-in-time efficiency is a critical factor when you need to time your communications to advance the sales process.

Achieve the highest 4-color quality — Digital printing has evolved to an extraordinary degree over the last few years, delivering excellent printing quality. It's light-years beyond the fill-in-the-blanks personalization and low-resolution imaging of a decade ago.

> ## Measure digital print quality against the highest standards
>
> Several years ago, it was fair to say the quality of an offset job was superior to what you'd get with digital printing. But times have changed.
>
> Today, in the wake of extraordinary advances, digital printing offers you all the 4-color impact and beauty you'd expect from a high-end offset press. But don't take our word alone. Show a digitally printed piece to a colleague-and get his or her opinion. Their comments will be revealing.

How you benefit from organizational confluence

Digital printing helps you make the most of your communications dollars. And that's not only because it lets you market better and faster. It can also foster cooperation across organizational lines. Multiple functions can come together to create greater value for your company and your customers.

Consider a typical credit card statement, for example. Billers usually consider transactional documents an operational expense, although marketing may be given a line or two of variable text at the bottom of the statement to cross-sell a product. But credit card companies accumulate a wealth of customer data they could use

to enhance customer relationships and improve marketing efforts through customer-facing documents like bills and statements.

Consumers open and read bills and statements over 90% of the time, giving advertisers an opportunity to expose their messages to customers at a higher rate than they could achieve with a standalone direct mail campaign — at a much lower cost.

With digital printing, a new world beckons. You can seamlessly integrate marketing messages from new advertising partners into the monthly statement process, and charge for it, turning operational costs into sales opportunities. These 4-color ads, or "onserts," target cardholders who previously used the advertiser's services, bought a particular category of product, or match specific demographics. All with no need for the credit card company to sell information or compromise the customer's privacy. And all without the need to print, warehouse, and ship separate inserts or bill-stuffers.

Besides transforming your marketing operation, digital printing brings together every part of your organization.

It's a perfect example of the operations, statement processing, and marketing departments working together perfectly — operational confluence at its best. Customer service can get in on the act as well. Statements may include a QR code or web address that leads cardholders to a new online "help desk" to reduce the number of phone calls to customer service agents.

DIGITAL PRINTING BECOMES YOUR TOOL FOR COMPANY-WIDE CHANGE

As your organization works more cohesively, it's not just a marketing story or a technology story. Rather, it's about how you can think in new ways and take new approaches that help your business run more smoothly and efficiently.

As with any innovation, individualized communication through digital printing needs a champion within your organization. You need someone with the vision to solve problems, develop opportunities, serve as a leader, build bridges between departments, and yes, be a corner office player. You and your associates may be just the "change agents" your organization needs. To break down barriers, you need a leader. Will that be your role? Or is there someone else you have in mind? Make it your responsibility to ensure all the right people are "in the know" and part of this new strategic team.

Here's how today's visionaries are using the latest digital printing applications to change their businesses…

DISCOVERING THE APPLICATIONS

Where digital printing can help you the most

Documents are powerful ways to inform or influence an audience. People generally pay more attention to material they see in print. Studies have shown that when subjects are given material read in both electronic and physical form, print has a greater impact. Your customers and prospects will comprehend better, remember more details, and take action more often if you approach them with printed documents. Adding the functionality of digital printing to ensure the content is relevant to each individual just magnifies the effect.

CUSTOMER RETENTION

Thank customers and connect with them individually by sending messages and graphic images that reference their buying history and preferences, lifestyle/social affinities, duration of customer relationship, and virtually any other factor. Make cross-sell offers driven by your knowledge of the customer's behavior and further cement the relationship through incremental purchases.

CUSTOMER UPSELL

Include aspirational information and lifestyle photography that shows customers how to reach the next highest level of membership or participation, whether it's accumulating rewards points, making additional purchases, or accomplishing specific tasks. Use customer data to generate individualized coupons, bonuses, discounts and rebates that increase "basket size."

TARGETED ACQUISITION

Use smart database modeling to classify and target your prospects by any number of data variables. Then use digital printing to vary your message by who's most likely to buy, what products are relevant, and how much

they're likely to buy. Provide photos, directions, and maps of the business branch closest to the prospect or customer, making it easy for them to visit the nearest location.

CHANNEL MARKETING / DECENTRALIZED MARKETING

Offer franchisees, retail/branch locations or channel partners a way to drive revenue through a "plug in" marketing program that takes each user's message, geographic, and contact differences into account, while remaining true to the brand. Provide franchisees with Automated Integrated Marketing (AIM), where. they can easily and autonomously individualize pieces by using a simple web interface. The AIM system gives them access to a centralized digital asset library and customer/prospect database.

STATEMENT/TRANSACTIONAL MARKETING

Integrate relevant marketing messages into tactical transaction documents. Sell space on statements (onserts) and charge advertisers to place 4-color ads that target only the individuals who are most likely to buy their products or services. Coordinate with e-statement presentment. Use onserts to point the way to relevant inserts. Alternatively, eliminate inserts entirely and print all your marketing and informational messages as part of the documents themselves.

Chances are, right now, you can think of a whole host of digital printing applications that can increase your company's sales and business growth. As an exercise, see how many you and your colleagues can come up with in an hour's time. And know that finally, the technology is here that can turn your collective marketing vision into revenue-boosting reality.

APPLYING SOLUTIONS TO YOUR INDUSTRY

What types of companies are using digital printing?

When you look at individualized digital printing applications by industry, the sky's the limit. Whether selling B2C or B2B, humans are the decision-makers. Using variable data and digital printing, you can ensure the materials they receive from you make the connections necessary to further the sales process.

Check out these examples:

RETAIL

Drive store traffic by varying the merchandise mix on each recipient's mailer, corresponding to customer or prospect demographics, psychographics, and previous purchase behavior.

Print with just-in-time speed, then track mail through the postal delivery network with USPS Intelligent Mail barcodes. This lets you time an integrated campaign with pinpoint precision — just like the leading retailer who discovered they could significantly boost response by complementing mailings with an email "booster shot" administered within 48 hours before or after in-home mail arrival.

AUTOMOTIVE

Start the selling process with innovative, individualized marketing programs such as sending mailings that invite prospects to "design their own vehicle," via an online app. Then following up with a digital rendering of the "finished" vehicle.

Generate service revenue from each customer by "hooking" them with photos and text that relate to their precise make and model. Then make service recommendations based on their individual car history, mileage, manufacturer service schedules, and the next likely repair or replacement requirements.

FINANCIAL SERVICES

Leverage customer profiling initiatives to create individualized mailings that cross-sell or up-sell banking products and services the customer is likely to buy next. Augment the communications with content and visual elements (including charts and graphs) that relate to the individual's current accounts.

Use customer demographic information like age or home ownership to promote financial products relevant to each customer's interests at different points in their lives. Young couples living in apartments may be interested in buying a home, while older adults are more focused on their retirement savings.

Meet compliance requirements in the most efficient and timely manner possible with a digital, inline printing process that guarantees fast turnaround and total accuracy.

B2B HIGH TECHNOLOGY

Use customer purchase and systems data to generate customer-specific "audits" or "reports" that cross-sell or upsell. Promote hardware upgrades, more software license seats, or a more extensive service and support package.

Prospect to different vertical markets, with all content and visuals corresponding to the title and responsibilities of the individual recipient. Include the type, size, and budget of each targeted company to control the messages in your data-driven documents.

Provide value added resellers (VARs) with marketing materials individualized on both the selling and buying ends. The VAR's unique set of offerings are featured, but only in configurations and bundles relevant to the buyer's specific needs.

Recruit students with on-campus images of people engaged in activities that match the prospective student's interests like sports, art, music, or science. Highlight relevant educational departments or degree programs for each student or include information about fraternities or sororities according to gender.

Almost anything you know about the student can be used to alter the materials in the school's recruitment packet.

Why Your Data Comes First

One reason digital printing is so exciting to direct marketers is because each solution starts with the database. Data drives the strategy, creative, offers, graphics, and even the media.

Behind the higher ROI and the variability that drives it, you need to be innovative and resourceful with your data.

The first thing you'll want to do is examine your own database. What information are you collecting and storing? What additional information can you include, append, or request? Can you use modeling to better understand the people to whom you're selling?

Then start making connections.

Use unique and relevant data to be more personal or more persuasive. By leveraging this relevancy, you can determine precisely which variables most affect response. Identify ways data-powered digital printing can serve the combined objectives of marketing, operations, and customer service.

When you take a close look, you begin to see how digital printing can help you forge new marketing opportunities and appreciate the underlying precept of the new technology.

Backed by the right data, each piece of mail is its own unique lot of one.

We'll even go one better than one-to-one marketing. With individualization, you can tailor your message to the multiple components of a single individual's personality. If a woman is a CEO by profession, a mother by preference, and a bicyclist in between, you can tailor your message to each aspect of her life. Mail her an analytical business case that details the benefits to using your product, an emotional sell that taps into motherhood, and an "enjoy yourself" approach that appeals to her sense of leisure.

Take a look at the following examples of persona-based communications. They show how you can craft your messages to a variety of personality traits, lifestyle preferences, and buying habits — all of which can exist within the same person. Analyze these examples of how marketers are using individualization to achieve success to inspire you to discover applications related to your business.

FRED FAMILYMAN

You can't be everything to everybody. But Fred Familyman sure comes close. By day, he's an executive decision-maker at a leading manufacturing firm. By night, he's a husband, dad, Little League coach, and caregiver extraordinaire. He's also a guy who likes his weekends, when he descends to his basement workshop to do battle with the gigantic armoire he's been building for years.

Today's smart marketers are using individualization to reach Fred in every one of his roles.

Fred needs to set up a wireless network for his company of over 1,000 employees. His vendor? A telecom company that first got his attention by mailing him a lead generation piece that specified his business type, number of users, projected budget, and industry relevant benefits.

Selling new woodworking tools to Fred is as easy as pie. His favorite supplier analyzes his previous purchases, then sends him an individualized catalog that features the items they project he's likely to buy next. Screwdriver anyone?

Reluctantly, Fred helped his father select an assisted living facility. It was the only care community that got back to Fred with an individualized brochure that spoke to his father's diabetes, kidney problems and walking disabilities.

20th wedding anniversary? A jeweler sent Fred a series of "Happy Anniversary" mailings in the months that preceded the big day. He sold Fred the one-carat diamond ring he gave as a "little surprise."

It's not 1,000 employees going wireless that concerns Fred at home, it's youngsters. Fred bought his daughter a cell phone when he received a feel-good mailing on family togetherness and communication that featured a photo that fit Fred's family demographic to a "T."

EMILY EMPTYNESTER

When Emily was focused on her career and family, she never went abroad much or thought of herself as a woman of the world. But now that she's retired, Emily is feeling very continental. There's the French cooking she does, the trip to Italy she's planning, and the English garden she's started. And she's also busy with "home grown" activities. She visits with friends, volunteers for charities, and waxes eloquent at her reading group every Wednesday night.

Emily invests heavily in municipal bonds, so her investment firm individualizes her customer newsletter with articles about "muni's". Full-color charts and graphs that reference her specific portfolio spark ideas for diversifying her holdings. The more Emily knows, the more she's willing to invest.

Not only does Emily pay close attention to how her investments are making money, she's also focused on how she gives her money away. Her latest donation: A big check to a non-profit adoption agency that knows Emily is an adoptive parent, a New Yorker, and that her kids are fully grown. The initial appeal mentioned these facts prominently.

When Emily inquired about her next overseas vacation, the country's tourism board sent her an individualized itinerary. The material included 4-color photos and descriptions of hotels, restaurants, and sight-seeing destinations that were all specially selected and organized according to the preferences she had stated when she spoke to her travel agent.

End result: She's going next month.

Not only is Emily a world traveler, she's also a talented chef who's always eager to learn more, as evidenced by the cooking classes she takes from the local adult education program. Individualized invitations that feature photos of Emily and her friends in the last class they took together, along with photos of the sumptuous foods they'll be preparing in the next class, are the keys to her continued participation.

Consider these examples food for thought and a sampling of the marketing feast that awaits you.

Last year, Hernando got "fixed up" with the friend of a friend. This year, he married her. Together, they're doing another "fix up" — to the old Victorian house they just bought. But even though their home is "new," Hernando has deep roots in the community. You'll find him anywhere from the town athletic fields and the local diner to the corner barbershop and (to his mother's delight) the church he's been attending all his life.

Hernando's credit card company sees that he and his wife are making lots of home-related purchases. Without compromising the buyer's privacy, the company has sold space on its monthly statements to third-party advertisers such as home improvement retailers, contractors, and furniture stores.

Each ad (known as an "onsert") is printed only on the bills of customers who've been buying goods for their home. The credit card company generates extra revenue, the advertisers reach qualified buyers, and the Honeymooners have better access to the products and services they need.

When Hernando and his wife were having their car serviced at the auto dealer, they mentioned they might be interested in trading up. Three days later, they received an individualized mailing that featured glossy photos and specs of the specific makes and models in which they'd expressed interest. The mailing included a discount offer that had been specially arranged for Hernando's college alumni association. Later that week, they bought a car.

Hernando loves playing soccer; and watching it. When his favorite teams are in town, he gets an individualized e-mail invitation to purchase tickets from a ticket agency, followed by a self-mailer 48 hours later. He always responds. Hernando's reaction is one example of how a mixed media combination often works wonders.

Besides singing in the choir, Hernando is active in increasing his church's membership. After he meets with potential members, the church sends them follow-up materials individualized with Hernando's photo, contact information, and favorite Bible passages.

When you add up the numbers, individualization is always the surest way to be #1.

Stephanie has accomplished a lot in 23 years, and by the looks of things, she's destined to accomplish quite a bit more. She is a "straight A" student who's getting a graduate degree in psychology. Stephanie is also a seasoned skier who likes black diamond trails, and an active campaigner for political candidates who share her views. And oh yes, she recently took up music (she's a rapper, much to her roommate's amusement).

Stephanie always wants to look stylish in school and out. What better way to show off her style than by snapping up deals at the clothing retailers who send her discount coupons individualized with her name, special student-only prices, and even photos of new outfits from designer lines she's previously purchased?

It's a long way from campus to her home town, and Stephanie has logged lots of frequent flyer miles. Her airline of choice sends her individualized statements that show her how many miles she needs to advance to the next level of reward. The communications tell her where she can stay at low rates if she flies the airline to a resort on spring or winter break. Now Stephanie flies more often and selects her favorite airline wherever she flies.

Individualization and politics go hand in hand, as evidenced by the frequency with which Stephanie receives individualized mailings from her chosen political party. Mailings address the hot-button issues she's identified as important to her through surveys sent to her in earlier campaigns. Strategically timed mailings tell her where today's candidates stand on the issues.

Stephanie as a singer? Yes, for now. And yes, to the music club she recently joined. Learning that Stephanie likes to get behind the mike (from the online newcomer's survey she filled out), the club sent her a mailing that dropped her name into a humorous, templated story entitled, "The Stunning Career of Stephanie Student and Her Bling." The intent of this highly personalized piece is to hook Stephanie and entice her to select from the vast array of titles the club assembled for her.

Make a quick study of the stats and see how to increase your response rates by 100% or more.

INDIVIDUALIZATION ISN'T JUST FOR PEOPLE

It's for franchises and outlets, too

We've seen how individualization can appeal to different personality traits within a single individual who's receiving the communication. But what about the differences within a single organization that's sending the communication?

In both cases, you're covered.

Marketers can exploit the benefits of two individualization types: RI (Recipient Individualization) and SI (Sender Individualization). In the case of the latter, individualization is the perfect vehicle for any organization that can benefit by speaking to the unique, one-of-a-kind strengths of each different branch, retail outlet, franchise, or satellite within its corporate fold. For channel marketers and de-centralized marketing organizations, it's a must.

Consider these examples.

A large regional bank sends mailers concurrently for several branch openings. The bank individualizes each mailer with the photo and name of the branch manager, a map and driving directions, contact information, a "drive by" photo of the branch, and even special offers that vary by location. With digital printing, it's all printed cost-effectively as part of a single print run.

A national retailer gives hundreds of its stores a simultaneous marketing boost, while staggering the introduction of seasonal items across 33 regions of the country. The mailers for outlets in the south are the first to feature lawn furniture and garden supplies, while the mailers for northern stores continue to focus on shovels and snow-blowers, at least for a while.

The result: Geographic differences are turned into marketing strengths and it's all printed at once, without the time and expense of printing multiple lots.

A health and beauty franchise chain gives each franchisee access to Automated Integrated Marketing (AIM), a simple web interface that enables them to individualize pieces through access to a centralized digital asset library and customer/prospect database. It's fast, it's easy, and it keeps everybody happy.

In every instance, you have the limitless flexibility of changing every word and visual to appeal to your audience of one, while maintaining the control to ensure that every piece remains true to the brand.

The time to act is now

You've seen them every day in your marketing life. Fred Familyman, Emily Emptynester, Hernando Honeymooner, and Stephanie Student. Countless other individuals who, by their very existence in a marketing universe, challenge you to win them over with the best in one-to-one communications.

Thanks to new technology, it's just gotten a lot easier. Digital printing gives you the power to:

- Market individually, to one person at a time
- Create countless versions, one for each recipient, in a single print run
- Print only the quantities you need for your next campaign

And you're the one who benefits

For many marketers, fulfilling the dream of one-to-one marketing has been exactly that, a dream. But that's no longer the case. For the first time, print technology has caught up with database technology, enabling you to leverage your data and achieve a previously impossible level of persuasiveness in your printed communications.

Perhaps you're a step ahead of the game and you've already thought of digital printing applications that can drive your business engine.

Or maybe the potential of individualization in print is just starting to dawn on you and you're in the initial stages of formulating your vision for maximizing ROI and business growth. Either way, you're in the right place at the right time. Because the technology is here and the applications are waiting.

PRINTER'S PERSPECTIVE: QUESTIONS

We've devoted much of this book to examining how today's marketer can benefit from individualization by taking advantage of variable data and digital printing technology. But that's not the only perspective we want to consider. What about commercial printers? How can the enterprising printer ride the crest of the digital printing revolution and in the process, increase sales revenue, and business growth? Let's look at the questions printers are asking.

The number of printers investing in digital printing technology is growing rapidly. These printers are seeking to augment their traditional offset business, or in many cases, make digital printing the core of their business operation. However, in spite of the technology's acceptance, digital printing misperceptions endure. This holds true among traditional offset printers and digital printing professionals.

Many traditional printers, for example, have often looked at digital printing as an extension of the copier. There has been a perception that digital printing quality was inferior to offset. When printing multiples on large sheets, the perception that digital was slower persisted.

Furthermore, printers saw substrate or stock considerations for digital as limiting, since it could not accommodate the same variety as offset.

Digital printing professionals, on the other hand, are by necessity quite comfortable with the technology.

However, many of them see their primary revenue opportunities in static digital print runs, where they RIP once (rasterize the image) and print multiples of identical pieces. In this sense, they're operating on a parallel track as offset printers who make a plate and print identical multiples in a traditional print run.

In both instances, among traditional and digital printers, the perception of digital printing's value has lagged its actual technological advances and capabilities. Today, advancements in presses, ink chemistry, and substrates have virtually eliminated all the shortcomings previously attributed to digital printing. The finished product is up to the standards of the most exacting printing professional.

By moving beyond the static print run by printing pages that are each unique, digital printing provides new revenue opportunities that are unimaginable in the offset printing world.

It's about more than the technology. For printers, it's about the need to adapt to a changing marketplace and a changing world.

"WHAT'S CHANGED THAT MAKES DIGITAL PRINTING SO ESSENTIAL?"

Over the past five years, the printing industry has changed more than in the previous twenty. Consider the following:

Electronic communication is faster than print and that has changed customers' expectations. It's an accepted truism that "the internet has changed everything." And that is certainly true for the printing industry. Your clients

now have far more options for delivering the "written word" to their customers and prospects. They formerly produced and distribute printed materials such as sales collateral, brochures, direct mail, coupons, manuals, newspaper circulars, and so forth. Now they can send an inexpensive e-mail blast. Or they can post information on their websites, including documents their customers can download and print on their own desktop printers.

Furthermore, electronic channels are faster than print — much faster. Customers now expect to get information virtually instantly, giving electronic delivery a huge advantage over traditional printed materials. But a solution exists. We can change the way customers use printed materials. We can give these materials greater value. By increasing the relevancy and impact of printed materials you give them a far greater chance of eliciting a response or prompting a desired action. Today's printer can help preserve print's place in the communications mix.

Trends related to how companies communicate were already progressing towards shorter print runs, high personalization, and added value when the coronavirus pandemic began spreading across the globe. Like many business processes, COVID-19 greatly accelerated what was going to happen anyway in the printing industry.

The gradual migration towards digital printing has been replaced with an almost immediate transition to an environment of on-demand expectations. Customers willing to invest in print do not want to give up the flexibility and effectiveness that individualization provides in digital communication channels. Print company owners must make radical modifications to their operations two to three years sooner than they expected. The old method of attracting business through production efficiencies and lower costs is no longer so important. Suddenly, the cost per thousand approach to print sales puts printers at a disadvantage.

Individualized print offers far more immediacy and persuasiveness than it had as a mass communications vehicle, or even as a targeted direct marketing tool. That being said, the case for digital printing is not an all-or-nothing proposition. By using digital printing materials plus electronic communications, your clients can get the most bang for their marketing buck. Just make sure you're part of the equation.

The printing industry must compensate for lost revenue sources in many key markets. Not only is electronic delivery faster than print and encroaching on print's place in the communications arsenal, it has replaced print in several important markets. Take the software industry, for example. Only a few short years ago, the printing industry generated hundreds of millions of dollars in revenue by printing software manuals that were delivered with the software in the box. Now software companies direct users to a website for instructions, in effect cutting the printer out of the loop. They have passed the printing costs to the end user, who has the option of printing out the manual on a desktop or network printer, but probably won't.

Maps and guidebooks are other items that used to always require the services of a printer. GPS units in vehicles or on smart phones have eliminated the need for these traveler aids. The old static maps have been replaced with interactive displays, resulting in a better customer experience.

To offset the loss of revenue and compete for the communications dollars, printers must offer a product that qualitatively adds value to the client's communications stream. With the individualized one-to-one capabilities of digital printing, they can do precisely that. Printers can charge more for digital printing than for offset and enjoy higher margins, since they are offering more value.

The size of print runs is declining, making on-demand applications via digital printing more cost-effective. Data drives communications, and corporate America is doing a better job than ever at managing its databases. Whether sending marketing materials to customers and prospects or providing employees with internally focused communications, companies are now more adept at segmenting their audiences. They can avoid bulk distributions. The exploding work from home movement will contribute to a further reduction in large-scale print jobs. Instead of distributing policy manuals or benefit information to employees working in an office building, companies are looking to offer such information in digital form.

Furthermore, there's the phenomenon of on-demand manufacturing to consider. As this mode of production increases, so too does the printing of materials that accompany the manufactured items. Customers may ultimately order the same number of printed pieces as in years past, but in smaller runs, and with more frequency. The solution is digital printing. Print on demand is much more cost-effective on short runs than offset.

The use of corporate data continues to grow more sophisticated, a trend that will undoubtedly accelerate. Your corporate clients and prospects will find it even more essential to use a printer who has print-on-demand capabilities.

The amount of available information is growing at an incredible rate, and printers must adapt. Every minute of every day, more information is being stored electronically, with increasing urgency to retrieve it quickly and easily. This has created challenges for printing companies, because not only must they print, they must also securely store image and text files. Most times, they must post these files on the internet or intranet for their clients to access. Many printers can see the challenge clearly enough, but the question that presents itself is who's seeing the opportunity?

For printers, this evolution in print and data technology is a chance to adopt the hardware and software solutions that will make their businesses viable for years to come. It's a chance to explore processes and workflow. Often, they will make digital printing a central part of their plan. Again, as business initiatives become more data-centric

and the unimpeded flow of information becomes more vital, the ability to use new technologies creatively to augment these processes becomes increasingly important.

Competitive forces are in play in a big way. Digital printing is here. As your competitors exploit the technology to gain market share, you may wish to consider it, too. Consider that printing companies vying for a share of the available business will use digital printing to:

- Reduce operational costs, particularly on short runs
- Generate higher profit margins
- Deliver jobs faster
- Achieve the highest levels of print quality (digital printing can now compete with the best offset)
- Streamline workflow and processes
- Use variable data to help clients achieve more ambitious marketing and communication goals

Digital printing is and will continue to be a differentiator in the marketplace. And in the years to come, printers may find themselves under tremendous pressure to offer digital printing services. For all the reasons cited here, you'll want to consider making a well-planned transition, too. But in doing so, it's necessary to recognize that not only are printing technologies and marketplaces changing, the way you sell your services and product deliverables is changing, too.

"NOW THAT DIGITAL PRINTING IS HERE, WHAT'S THE NEW SELLING MODEL?"

To answer this question, it's important to recognize more communications channels and formats than ever are available for your clients to reach their customers. Print, web, and e-mail are popular, not to mention social media like Facebook, Twitter, Instagram, You Tube, and Tik Tok. The list grows longer every day. Each is a viable marketing channel and smart clients know they need to mix media and format to achieve maximum impact. You can be a part of the plan. But it may mean you're not just selling printing anymore. You're not just providing output. You're making yourself a key part of an integrated marketing campaign — you're selling SOLUTIONS.

For example, with digital printing, you can use the client's data to create direct mail pieces you individualize on a one-to-one basis. Each piece can list a unique web address, a personalized URL (pURL), that recipients can access for more information. The pURL might contain the individual recipient's name, such as *www.xyzcompany.com/yournamehere*, and by its personalized nature boost response. You can personalize information on the page to the recipient. The presentation may vary, based on database values related to the individual.

Marketers can track pURLs. This means they can flag prospects who visited their personalized web page, even if the individual did not take any action. Printing a conventional URL on a direct mail piece may encourage web traffic, but the marketer cannot identify which prospects clicked on the URL and which did not.

As recipients go online to respond, print can work in perfect combination with the internet. Marketers can send an e-mail reminder to non-responders 48 hours later — giving them another chance to visit the personalized web page.

You need to become a partner who not only provides the means to achieve client objectives but also gives them a way of measuring and quantifying their success. You can't do it by offering standalone print. You must provide integrated marketing products and services that work with all the non-print elements of the plan.

In my speaking engagements I tell printers, "In the future we will not be measured by the quality of the output; we will be measured by the quality of the outcome."

Roger P. Gimbel

For you as a printer, offering assistance with all aspects of a campaign is an opportunity. Rather than simply presenting your company as the print provider for the campaign, wouldn't it make sense to position yourself as the overall SOLUTIONS provider? You manage the database, you print the pieces, you host the web landing pages, you blast the follow-up e-mail, you fulfill requests for more information, and you make yourself an indispensable part of the client's communications team.

That's the new model. Though you may ultimately choose to confine your capabilities to digital printing as opposed to electronic communications, it would still be as a solutions partner, rather than a simple print vendor. True, you'll need to train and retool your staff. You'll need to learn a new lingo. And you'll need to sell in a way you haven't sold before. As the market changes and data drives more and more communications, and as digital printing becomes the industry standard, you need to not only change your clients' perception of your business, but your perception as well.

"HOW DO I BENEFIT FROM DIGITAL PRINTING?"

This is the key question that printers ask, and it has several compelling answers.

First, you're able to differentiate yourself from the competition by providing individualized content that's unique and relevant on a one-to-one basis. Your efforts can often produce results that are 100%–600% higher than traditional static black-and-white pieces.

Second, as a solutions provider, you position yourself as a strategic partner who's interested in a long-term business relationship with your clients. That can free you from the time and expense of continually pursuing new business to offset client churn and defections.

Third, you can increase your margins. Your clients will achieve better response rates, lower cost per acquisition or sale, and a greater return on investment (ROI). You can charge a higher price per piece. That's a business benefit that goes straight to your bottom line. Digital printing gives you a quantifiable ROI, too.

Finally, as cited above, you can extend your offerings to include many services that go hand-in-hand with digital printing. Your new services might include program strategy, electronic communications, web hosting, database, or fulfillment, to name a few. That's a sure way for your company to boost revenue, and to position yourself to grow and prosper in the years ahead. You can even take on roles and responsibilities that have been reserved for advertising agencies and other marketing services specialists and become a marketing services provider.

You might partner with a direct marketing expert who specializes in the intricacies and nuances of digital printing. Form an alliance that benefits all concerned. If you pursue the latter course, see "Do I Need a Partner" below, which addresses how to approach a direct marketing professional as a potential partner.

"HOW DO I PRICE DIGITAL PRINTING JOBS?"

You'll want to price digital printing solutions differently than a traditional print job. The pricing process includes several steps. For the sake of example, we'll assume we're pricing a customer acquisition mailing. Start with the premise that your customers can see the value in spending more on digital printing than on traditional print jobs, since they're attempting to achieve a greater return on investment (ROI).

Establish what your customer has been spending on acquisitions using traditional direct mail and print. This will serve as your baseline from which you can make cost comparisons.

Set up a meeting with your customer. It's your chance to ask several questions face-to-face, including:

- "What are your new business goals?"
- "What obstacles do you face in achieving these goals?"
- "What's your current spend on new business acquisition through mail and print?"
- "What are your criteria for calculating ROI, and what are your current ROI figures?"
- "Would you be interested in hearing how you can spend a little more on a program but in return, dramatically reduce your cost per lead and cost per sale?"

Hopefully, your customer will answer "yes" to the final question cited above. In which case, just refer to Charts A and B shown here. Chart A shows typical costs per package for individualized campaigns versus static and color. And while individualized mailings are more expensive, the returns are much greater — as shown in Chart B. It's a very convincing case. The increase in response/sales can range from 100%–600%

Chart A: individualized campaigns

Quantity: 20,000 Postcards

4.25 x 6

COST PER POSTCARD	STATIC COLOR	INDIVIDUALIZED COLOR
Digital Printing	.01	.07
Lettershop	.055	.055
List/Data	.05	.05
Postage	.265	.265
Total per postcard	.38	.44
Total Cost	**$7,200**	**$8,800**

Chart B: Sales and Return on Investment

Quantity: 20,000 Postcards

4.25 x 6

COST PER POSTCARD	STATIC COLOR	INDIVIDUALIZED COLOR
Each Sale	$100	$100
Response Rate*	2%	6%
Number of Orders	400	1200
Total Sales Revenue	$40,000	$120,000
Cost of Mailing	{$7,200}	{8,800}
Profit on Mailing	$32,800	$111,200
Return on Investment	**456%**	**1264%**

Source: PODI—Digital Print Industries, 2017

Once you've held your meeting and learned your customers' business costs and revenue goals, go a step beyond Charts A and B. Build a real-life matrix with actual expense and revenue figures in them. In doing so, you may need to bring in business partners for various services and capabilities; strategic direct marketers, for example. Be sure these partners furnish their fees so you can include them in the matrix you prepare for your customer. Also, remember that you're now selling yourself as a solutions provider, not simply a printer. And that means you'll want to participate in sharing all the revenues of the campaign, not just the print component. In certain cases, print may be the smallest part of the project; you don't want to limit yourself.

"DO I NEED A PARTNER TO HELP ME BUILD MY DIGITAL PRINTING BUSINESS?"

Most likely, you do need a partner. That's because you're no longer selling print — you're selling a strategic marketing solution. And if you're like most printers, you may not have the in-house strategic selling, direct marketing, and creative capabilities necessary for making this type of offering to potential customers. You may need to rely on professionals who have extensive experience in all three areas if you're going to build your digital printing business successfully. You need people who can speak the language of ROI and market penetration. People who can create complex direct marketing test grids that contain all the variables in play in a digital printing or multi-channel job. Find partners who have a creative spark to give vibrancy to the words and visuals on a printed page.

More often than not, to gain access to these talents you must find an accomplished direct marketing provider. But not just anyone. Be sure your direct marketing specialist not only knows and understands digital printing, but embraces it. It's only by finding partners dedicated to growing their business and yours through digital printing that you'll truly leverage this new technology to its full potential.

"HOW DO I COMPENSATE SALES REPRESENTATIVES FOR DIGITAL PRINTING JOBS?"

Digital printing projects take longer to sell than traditional offset jobs. That's because a strategic solution is being sold, not a commodity. There may be more decision-making layers in the customer's organization — and more time required to make the sale. Likewise for the logistics of the job since a customer takes more steps to ramp up. It will take longer to get started.

For all these reasons, you'll want to consider paying your sales representative a higher commission than he or she would receive for an offset job. One option is a dual compensation arrangement beginning with a project management fee built into the proposal. You can base this on a per diem rate.

We recommend a commission rate of between 10%–15% of the total project. This rate is higher than you may be used to paying, but well worth it when you consider the long-term benefits of selling digital printing. After all, you're not selling a "once and out" print job, you're forming a long-term, strategic marketing partnership with your customers.

"HOW DO I IMPLEMENT DIGITAL PRINTING, AND ADJUST MY WORKFLOW AND OPERATIONS?"

To build your workflow, it's necessary to work backwards from the end of the process to the beginning. When using digital printing to create individualized direct mail, for example, here are the key steps you'll need to take:

A. **Find or acquire a mail house.** Find a partner can work in concert with digital printing. Each printed piece is unique, and must be ready to mail individually. You won't be boxing up the printing and delivering it to your client. You need a mailing partner capable of working with digitally printed materials in which the content is variable. Mail piece integrity is essential with individualized documents. The mail house should offer individual mail piece tracking as the material moves through their production workflow. They must be able to track every piece and log critical status points, such as when mail pieces are handed off to the postal service. Tracking the mail through the US Postal Service delivery network after it leaves the mail house is another desirable function that will benefit your customers.

B. **Pick the output device that's best for you.** What types of programs and projects are you planning on producing? What's outlined in your Business Plan? Are you best served by continuous-feed devices or by sheet-fed 4-color digital color presses? Inkjet or Toner? In all cases, it makes sense to consult with the experts. Depending on their advice, you'll probably want to choose the most advanced unit your company can afford, provided it's suited for the applications you're considering.

C. **Select your software**. With very few exceptions, your clients cannot send you an all-in-one file that contains all the elements you need to produce a digital printing program. You'll need a database with each prospect's information, page layout, creative format, and all the variable data images. The production process requires a team approach where software programs work in concert with each other.

   There's no magic bullet. No single software program will enable you to accomplish all your goals and program requirements. But rather than listing and categorizing all your software choices here, we recommend you seek guidance and advice from experts. They'll steer you to the business partners who offer the software solutions best suited for your particular requirements. See the guide in the back of this book for a list of resources to consider.

D. **Decide on the RIP (Raster Image Processor).** As you know, all RIPs are not created equal. In certain instances, one RIP is superior to another, but in another, the situation may be reversed. Additionally, there may be more RIP choices to feed your print engine down the road, because of JDF (Job Definition Format) capabilities. Whatever your choices, know that one fact stands paramount. RIPs are extremely important with digital printing, since they must process so much information. The data must RIP fast enough to keep the print engine running at rated speed. And the more complex the job, the more

processing power that's required from the RIP, so choose wisely.

E. **Set up a PDF workflow.** What is the RIP interpreting? PDFs (Portable Document Format) files offer a predictable solution that is platform and media independent. PDF files incorporate CMYK color definitions. All fonts and pictures should be compactly embedded within the file. It has become the industry standard. You should establish a PDF workflow solution that integrates several process steps, including preflight, imposition, and picture replacement. A PDF workflow incorporating JDF is the wave of the future. Go with PDF from Adobe Systems Inc., and follow the leader.

F. **Ensure you're JDF compliant.** Are you familiar with Cooperation for Integration of Prepress, Press and Postpress (CIP4)? CIP4 is a group of major hardware and software vendors working together to create JDF (Job Definition Format) specifications. This format standardizes how a print job's production instructions and configuration specifications are documented for the devices used in the process. With JDF, you can manage the flow of a digital printing project so devices manufactured by competing vendors can work together. JDF-compliant devices will be able to electronically "speak" to each other and give feedback on the job flow.

To start the process, you generate a JDF job ticket that flows through your plant, activating and enabling all the devices in the workflow. As the speed of these devices continues to increase over time, you'll come to an interesting conclusion: automatic finishing is no longer an option, but a requirement. As the workflow increases, so does the complexity of the jobs. That's all the more reason to be JDF compliant. Being fully automated, you'll be able to keep costs down and margins in your pocket. If a device is not JDF compliant, don't buy it. Always ask the manufacturer: "What are your plans for JDF compliance?"

One more point. You probably have existing workflows in which you've invested heavily. By getting more information about JDF, you can see how to integrate your current processes and devices with equipment you've yet to purchase. Ideally, all systems current and future will communicate through JDF.

You need a complete Business Plan to guide you through the digital printing technology planning, purchasing, and implementation process. Your plan should address the following issues:

- Sales and marketing strategy, including volume projections and pricing models
- Workflow considerations
- Software requirements
- Hardware/equipment
- Shop layout (floor plans)
- Staffing: Management and workforce changes

FINAL THOUGHTS

Printed communications will clearly continue to play an integral part in corporate marketing strategies. In many applications, individualized print is the most powerful way to communicate with customers and prospects. Recent advancements in software and hardware technology implemented by print service providers allow them to provide the precision and flexibility marketers enjoy with digital communication channels — with added bonuses like less clutter in the mailbox and avoidance of email filters or ad blockers.

Studies have shown how effective direct mail can be. Targeted marketing messages delivered via the Postal Service regularly out-perform all the electronic channels combined. When campaigns are designed with both digital and physical components, the results are even better.

We have passed the point where simple personalized documents was the only strategy necessary to boost campaign ROI. While personalization still makes a difference, printers can do much more today by leveraging the enormous amount of data their clients can provide about their customers and prospects. Digital printing makes the production of these one-to-one applications affordable in batches of any size.

COVID-19 forced many companies to re-think how they did business. A rush to stay connected with locked-down customers resulted in an onslaught of emails, text messages, in-app ads, social advertising, and more. Consumers were overwhelmed by the amount of electronic marketing dumped on them and they reacted by ignoring most of it. In contrast, the volume of physical advertising mail has dropped. The relatively empty postal mailboxes make them attractive ways to get the attention of customers — particularly when the marketer has carefully selected the audience and crafted the offers, images, and messages to match the needs of each targeted individual.

For print service providers, data-driven digital printing provides them a way to move beyond the volume-based sales model which customers viewed as a commodity purchase. With so many ways to add value to the materials they produce, printers in a position to exploit their investments in digital printing have much more to offer their clients.

Transitioning to a business model built on an entirely different kind of customer relationship isn't easy. We at Gimbel & Associates have been helping our customers make those changes for quite some time and it's not something that happens overnight. Salespeople must learn new skills, and the mindset of the entire organization must evolve. The rewards, however, are substantial.

The print business is operating in a new, and for some, unfamiliar environment where the effectiveness of the printed material matters just as much as technical details like colors, finishes, and embellishments. Quality and

cost will always factor into a customer's decision about their campaigns, but printers must put just as much emphasis on how their products help customers achieve their business objectives.

Just as what happened to letter presses decades ago, the newest technologies surrounding digital printing are providing capabilities far beyond what printers have been able to offer with their offset presses. An immense amount of research and development efforts are dedicated to all aspects of digital printing. This includes ink chemistry, substrates, presses, artificial and machine intelligence, automation, and more. Printers must embrace these changes or be left to battle for business by beating the low prices of their competitors on traditional print projects.

AIM™/Automated Integrated Marketing	Proprietary marketing system in which users can access a centralized digital asset library and customer/prospect database to autonomously create individualized marketing materials. Ideal for a decentralized organization — a franchise operation, for example, in which each user has different messaging, offers, and contact information, but must still adhere to organizational standards.
Aliasing	The jagged, stair-stepped appearance of printed diagonal lines.
Anti-aliasing	A technique that smoothens the printed appearance of jagged, stair-stepped lines — often by filling the edge of the line with varying shades of color or gray.
Asset Library	Collection and housing of all data and graphic assets used in a particular digital printing application.
Banding	Banding is a digital print term that's used when a pattern appears on a printed page — due either to insufficient color or grayscale ranges within the output device's image processor, or insufficient information within the original scan. It's most noticeable in printed areas that fade from light to darks.
Broadcast Mail	The first phase in the evolution of direct mail, in which every piece is identical and is addressed to "occupant," "resident," or any other catch-all form of identifying the recipient.
Business Intelligence	Software that provides businesses with different Software views of company data by using methods such as filtering and pattern recognition. This enables businesses to make more informed decisions.
Calibration	Setting up a system — scanner, monitor, printer, etc. — so that it produces accurate and consistent results. Since equipment and systems vary, it's necessary to calibrate to achieve predictable colors. If devices or consumables change, recalibration is necessary.
Campaign Management	Software that enables users to automate marketing software processes by coordinating the segmentation of the customer database and the development of offers — in effect, linking data analysis with program execution.
Channel Marketing	Use of different media and delivery mechanisms when marketing a product or service — each of which is known as a media channel. Also refers to the type of marketing that an organization does through channel partners with whom it has an affiliation. Computer manufacturers who sell their products through Value

	Added Resellers (VARs) is a case in point. Or companies that market through multiple branches or satellites.
Chroma Saturation	Intensity or vividness of a color, such as a "weak color," a strong color."
Chromatic Colors	Any color that is not white, black or gray — colors that contain both hue and chroma.
CIP4	The International Cooperation for the Integration of Processes in Prepress, Press and Postpress Organization (CIP4) is a not-for-profit association. CIP4 brings together vendors, consultants and end-users in the print communications, graphic arts industry, and associated sectors, covering a variety of equipment, software, peripherals, and processes. Members participate in focused working groups to define future version of Job Definition Format (JDF), to study user requirements, and to design a JDF Software Development Kit (SDK).
CMYK	Cyan, Magenta, Yellow and Black —the four process colors ("subtractive" colors) that are used in four-color printed reproduction. CMYK (Cyan, Magenta, Yellow, Black) is one of several color models. Others are HSB (Hue, Saturation, Brightness), PMS (Pantone Matching System) and RGB (Red, Green, Blue)
Color Correction	Adjusting, enhancing or normalizing the colors in a digital image.
Color Gamut	The tonal range of colors that can be reproduced by a digital device.
Color Management System	Software that ensures colors remain the same regardless of the output device or medium used to display them.
Color Measurement	The scientific determination of color. It uses specialized measuring machines that use a numeric system to compare colors. A CIE (Commision Internationale de l' Eclairage) worldwide standard helps the industry compare and match colors.
Color Model	A set of rules and definitions that that give a consistent language to people when they are defining and describing color. Color models serve as the language — and include CMYK (Cyan, Magenta, Yellow, Black), HSB (Hue, Saturation, Brightness), PMS (Pantone Matching System) and RGB (Red, Green, Blue).
Color Profile	Refers to the relationship between the color models of the system devices. Also called device profile.
Contrast	The difference in brightness between light and dark areas in an image.
Cost Per Piece	A calculation of the cost for each piece dropped in a direct mail campaign — the traditional method of measuring the expenses incurred during the job. However, when comparing two printing methods, cost per piece is only meaningful if all other factors are equal.

Cost Per Response	The proper parameter for measuring the cost of a direct mail job — along with cost per dollar of sales, or other results oriented measurements. This point is important when assessing digital printing:

Since digital printing costs more per piece than conventional offset printing, it must justify its cost by producing better results. |
CRM/Customer Relationship Management	All aspects of interaction between a company and its customers—whether it's sales or service related — all of which are undertaken with the intent of increasing customer satisfaction and loyalty.
Customer Retention	A marketing effort that's designed to prevent your customers from defecting to the competition. The idea is to offer superior value and impeccable customer service, so current customers have no motivation to look elsewhere.
Customization	The fourth phase in the evolution of direct mail, in which sophisticated data elements were combined with personalization to provide one-to- one messaging and graphics that appealed to the differing needs of each individual. However, since the number of variables is generally limited — and customized pieces are often created as hybrids with offset—it falls short of true individualization.
Data Driven Graphics	Generating charts or other graphics by sending the raw numerical data to the digital front end (DFE) or Raster Image Processor (RIP) rather than creating individual charts in advance for each document in a single print run.
Data Mining	Database applications in which the software searches large volumes of data looking for hidden patterns that accurately predict future behavior in customers and prospects.
Data Modeling	Data modeling uses data to predict the likelihood an individual or business will respond to a specific product offer. Using these models enables marketers to select the best names or categories for each campaign, and eliminate market groups unlikely to provide profitable returns.
DIC/ Device-Independent Color	The goal of DIC is to provide an independent, universal standard against which color from all devices in a system can be referenced and matched.
Digital Asset Manager	Software that organizes, manages and tracks

digital assets such as graphics, logos, photos and text. See Asset Library. |
| Digital Color-Printing Software | Computer programs that use mathematical algorithms to enable a digital color printing device to print. They may include add-on features such as color-calibration software, various pattern selections or a print-instruction screen. See RIP. |

Digital Imaging/ Digital Printing	Digital imaging refers to the routines that take place before the output methods occur. These routines include: scanning, photo manipulation, color correction and RIPing. Digital printing, on the other hand, refers to a variety of computer-controlled output methods: inkjet, computer- airbrush, thermal-transfer and electrostatic printers and copiers.
Digital Printing	Method of printing in which the data and images are printed directly from the computer onto paper — without intermediate steps such generating film or plates.
Direct Mail	A form of advertising in which published material is mailed directly to the customer or prospect.
Direct Marketing	A direct communication to a customer or prospect that is designed to elicit a response— whether it's an order, a request for additional information, or a visit to a retail or other business establishment. Various forms of communication can be used to make the solicitation, ranging from direct mail, print and e-mail to telemarketing, television, Podcasting, and a growing number of other channels.
DPI/Dots Per Inch	Standard of measurement for the resolution of images generated by display and printing systems. The higher the DPI, the higher the resolution.
File Format	A format for encoding information in a file, such as the format in which a scanned picture is saved. A program can insert or import a picture from the file, provided it's saved in a file format that the program supports. Some common file formats are BMP (Windows bitmap), FPX (FlashPix format), JPEG (Joint Photograph Expert Group), and TIFF (Tagged Image File Format).
Front End	Front end refers to all the hardware and software that comprise a digital system — from scanner and computer workstations to (but not including) the output device.
Gradation	Step of transition between colors or shades. It occurs by mixing percentages of a dominant and secondary color. Sometimes referred to as gradient.
Hue	The distinctive property by which we perceive any chromatic color. Color, described in terms of hue, is red, yellow, blue, green, etc.
ICC/International Color Consortium	A consortium of companies that promotes the use and adoption of open, vendor-neutral, cross platform color management systems. An example of these standardized specifications: ColorSync 2.0.
Image Area	The actual area of a page that can be printed upon. It is surrounded by non-image areas, or margins.

Individualization	The use of customer and prospect data to drive every element in communications materials — with text, photos, design, offers, and colors varying according to the preferences of each individual on a recipient-by-recipient basis. Individualization is the form of marketing where the ideal of one-to-one communications is finally achieved. One form of individualization is via direct mail (actually, the fifth stage in the evolution of direct mail), which is produced by Variable Data Print (digital printing).
Individualized Media	The media selected for campaigns that use individualization. Includes any media in which the individual can be targeted with relevant messaging on a one-to-one basis — such as direct mail, e-mail, pURLs, text messaging, billing statements, and so on.
JDF/Job Definition Format	The JDF is an industry standard designed to simplify information exchange between different applications and systems in and around the graphic arts industry. To that end. JDF builds on and extends beyond pre-existing partial solutions, such as CIP4's Print Production Format (PPF) and Adobe Systems' Portable Job Ticket Format (PJTF). It also enables the integration of commercial and planning applications into the technical workflow. JDF joins the growing number of standards based on XML, ensuring maximum possible portability between different platforms and ready interaction with internet-based systems.
LPI/Lines Per Inch	The number of lines per inch on a halftone screen. Generally speaking, the higher the LPI, the higher the printed resolution.
Narrowcast	Targeting the interests of smaller and smaller audiences, down to the individual recipient, based on the recipient's choice of being included in selected groups or networks.
Neutral Colors	Black and white — and levels of gray in between (also called grayscale). These are colors that lack both hue and chroma, and are also referred to as achromatic colors.
Onserts	An ad that's printed onto a transactional document using digital printing. It replaces or augments the traditional insert as an advertising vehicle for 3rd party advertisers to sell products or services. However, unlike inserts, it can be targeted exclusively to recipients who fit the data profile of likely buyers.
Personalization	Using or printing personal information, such as a first or last name, in a marketing campaign. Direct mail was at the forefront of personalization — in fact, personalization represents the third phase in the evolution of direct mail.

POD/ Print On Demand	A concept or workflow where materials are only printed when an order, or request is generated for a specific item, document or kit. The goal of POD is to reduce overhead, storage and waste of printed materials.
pURL/Personal Uniform Resource Locator	A pURL is a Personal Uniform Resource Locator. Functionally, it serves as a URL, but instead of pointing directly to the location of an internet resource, it points to an intermediary server. Less commonly known as a Persistent URL.
Recipient Individualization (RI)	Using individualization to target a recipient's unique needs and preferences on a one-to-one basis.
Relationship Marketing	A form of marketing that emphasized building longer-term relationships with customers, rather than focusing exclusively on individual transactions. A common metric for measuring the effectiveness of this type of marketing is Customer Lifetime Value.
RGB/Red, Green, Blue	A color model, known as the additive model, in which red, green, and blue are combined in various ways to created any other color.
RIP/Raster Image Processor	A device that converts fonts and graphics into bitmapped raster images, which are used by the printer to draw onto the page.
Saturation	The amount of color applied per unit area. Saturation refers to the amount of pigment as opposed to any measure of brightness.
Segmentation	Using data to divide the target audience into likeminded segments or clusters or lots. Segmentation was the second phase in the evolution of direct mail — and while it succeeded in categorizing consumers by geography, demographics or behavior history…or businesses by vertical market or company size — it lacked the one-to-one persuasiveness that later forms of direct mail would achieve
Sender Individualization (SI)	Using individualization to differentiate entities within the organization that sends out the communications. Example: A large bank can successfully promote select branch offices by sending out mailers with photos of each branch's employees, and local driving directions and maps. Likewise for franchise organizations or retail chains that market individual outlets under a corporate umbrella.
Shade	A color with black added — in effect, a darker variant of the color.
Spot Color	These colors are printed as solid areas and used when fewer than four colors are needed, or when the four-color process (CMYK) is unable to accurately reproduce a PMS color.
Substrate	Any surface or material on which printing is done.

Subtractive Color	Cyan, magenta, yellow are the subtractive primary colors. When ink is applied to paper, they absorb light. What isn't absorbed is reflected — and that's what appears to the human eye on the press sheet.
Tiling	Dividing a very large-format image into smaller sections that can be output on the digital device, then assembled after they're printed out.
Tint	Adding white to a chromatic color, thereby reducing the saturation.
Transactional Marketing	Marketing that's done on a transactional billing statement. See Onserts.
Value	The measure of lightness on a scale of grays running from black to white. Chromatic colors are measured in the same manner: the darker ones (shades) are described as lower in value, the lighter ones (tints) higher in value.
Variables	Every element that can be varied in individualized communications based on the recipient's data. In individualized direct mail that's printed with digital printing, every component of the mailing can be variable — text, design, photos, logos, offers, contact information, the entire piece — all geared to the recipient's purchase history and preferences.
Variable Data Print/ digital printing	A digital print run where each printed page contains variables that are determined by content in a database. Depending on how the data/variable are used, it's possible that each page in a single print run can be different from all the others.

APTech	The Association for PRINT Technologies is an association focused on the evolution of printed products in an increasingly digital world. They provide a forum to inspire the development of new and valuable print products. APTech provides education and market research, and fosters collaboration between the creative minds that love to innovate, and the leaders who stand ready to create the future of our industry. printtechnologies.org
DMA	The Direct Marketing Association is the leading global trade association of business and nonprofit organizations using and supporting direct marketing tools and techniques. www.the-dma.org
NPSOA	The National Print & Sign Owners Association (NPSOA) is dedicated to delivering products and services that enhance the growth and profitability of its members through advocacy, educational programs, publications, research, and the sharing of technical information. www.printowners.org
Printing United Alliance	This national organization and local affiliates offer members the products and services that enhance their growth, efficiency, and profitability. They are the largest graphic arts trade association, representing an industry with approximately one million employees and serving the interests of thousands of member companies through advocacy, education, research, technical information, and cost-saving resources. With local affiliated associations, Printing United Alliance delivers services and products that enhance the knowledge, growth, and profitability of members through advocacy, research, education, and networking. www.printing.org
Xplor	Xplor is the worldwide association of the users and suppliers of the products and services that create, modify and deliver customized information using a variety of document technologies. www.xplor.org

ABOUT ROGER P. GIMBEL, EDP

Roger P. Gimbel, Electronic Document Professional (EDP) and recognized authority with over 40 years experience in digital printing, is President of Gimbel & Associates, a global consulting firm providing business development services and sales and marketing strategies to print providers and organizations. Roger founded the firm in 2003 and oversees a team of consultants with expertise in developing and facilitating sales training and sales process management, workflow analysis, marketing strategies, multi- channel campaigns, trans-promotional applications, and distributed print strategies.

Before establishing Gimbel & Associates, Roger was Director of Worldwide Operations for Global Document Solutions, overseeing global sales and the operation of several print facilities. Previously, he was President of Xerographic Reproduction Center (XRC Inc.), a worldwide leader in digital print on demand.

Roger is a founding member of the International Printer's Network (IPN), the world's foremost global alliance of leading companies in the printing, visual communications, and graphic communications industry. Having served as chairman of IPN for 10 years, Roger continues to serve on the Board of Directors.

Roger Gimbel was recently recertified by XPLOR International as an Electronic Document Professional through 2025.

INDUSTRY AWARDS

• *IPN Innovation Award,* January 15, 2020
by The International Printers Network in Tokyo, Japan. Gimbel & Associates received this prestigious award for sharing their concept for Strategies for Continued Growth in Print Services.

• *Service Recognition* for ten years of service to the Electronic Document industry. Xplor International Conference, 2011

• *Technical Excellence Award* at Mailcom, 2004

• *Honorary Certificate of Premier Partner Ambassadorship* in recognition of Xerox Premier Partner's Global Network Advisory Council contributions, 2014

• *Lifetime Achievement Award* in recognition of leadership and personal contribution to the International Printers Network, 2005

• *Pioneer of the Decade* for outstanding contributions to the digital printing industry, 2000

ABOUT GIMBEL & ASSOCIATES

We're an international management consulting firm working to ignite business growth through digital technologies. As an independent company, we offer clients customized consulting services to achieve their sales and marketing goals.

We provide consulting engagements in the following areas:

Business development ~ Sales strategy ~ Sales training ~ Digital implementation ~ Strategic planning

Marketing plans ~ Workflow analysis ~ Integrated marketing services ~ Variable data ~ Data analytics

Micro modeling ~ Software deployment ~ Customer workshops

With our extensive background in print production, digital, inkjet, workflow, marketing communications, training, and direct marketing, we help our clients accomplish their growth and efficiency goals.

www.rogergimbel.com

"In the future we will not be measured by the quality of the output, we will be measured by the quality of the outcome."

– Roger P. Gimbel, EDP

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