



Variable Data Printing: Increased Response Through One-to-One Marketing

Green Industry Options for
Improving Direct Marketing

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Variable Data Mailing: Using Information to Increase Response

The use of variable data in direct mail represents the best available technology for increasing the response rate from a mailing or other media efforts. Companies utilizing direct mail strategies for lead generation are increasingly transitioning from a “one-to-many” mentality (a single piece sent to many people) toward a “one-to-one” approach with each piece customized for the person receiving it. This change leverages available information that you already have in your files about each recipient in order to create a more compelling and effective direct marketing campaign.

Robust variable data programs are being designed and implemented to:

- Increase response rates through personalization.
- Move prospects into an online channel through the use of personalized urls (or personal web landing pages).
- Use preference data collected online for continuing offline communications.

Why is personalization important to the green industry?

Green industry direct mail has always been a numbers game. That is, mail “x” number of pieces and get “x” number of responses, depending on your offer and your list. Then, out of those responses, you’ll close a certain number of sales.

The green industry has made extensive use of direct mail as a lead-generating tool for over 30 years. The problem for green industry direct mailers, though, is that the ratio of responses to pieces mailed is traditionally quite low – in the one-half to one-and-a-half percent range. At the same time, the cost of postage has continued to spike almost every year, and other mailing costs have risen as well. Against this backdrop, many green industry companies have retreated from traditional direct mail and are looking into other, more directed sales efforts.

The goal of every direct mailer is to maximize the results of their effort. The way to do this is to create a program that generates the greatest response from the prospects with the highest intent to purchase and have a system for converting those responses into profitable sales.

What is Variable Data Printing (VDP)?

Broadly defined, VDP is the creation of printed materials that are customized on a piece-by-piece basis, using available data for specific recipients. The concept is not new, as anyone who has printed a batch of invoices or managed a mail merge from a database has done it before. The

important difference is that VDP uses full-color digital printing equipment to create striking direct mail pieces that are professionally designed and customized for each reader. The potential application of this technology for direct mail is vast. Headlines, photos, body copy and offers can all be varied from one recipient to another based on the data in your list.

By using available data to customize a direct mail piece, you can create enough “stopping power” with your mailing pieces to improve response rates and ROI. Ultimately, this equates to mailing fewer pieces (with a lot less postage) to achieve the same, if not better, results.

The amount of variable data used in a direct mail project can range from minimal to extensive. You’re generally only limited by the types of data you have available in your list or database. The simplest approach is to incorporate the name of the recipient into the headline or body copy of the mailing piece. **An InfoTrends/CAP Ventures study found that this level of personalization can increase the response rate of a mailing project by 33%.** Conveniently for most marketers, this amount of data is available by default in any mailing list that provides a specific first name/last name field. So, even a new list used for first-time mailings can achieve improved response rates with this simple amount of personalization.

On the other hand, if you put variable data to work with your unsold prospects, current customers and former customers, you’re likely to have a treasure trove of data in your internal system that is very specific to particular properties and owners. Using this data creatively can push response rates much higher.

The power of past purchases

The hardest and most expensive sale to any customer, and the most difficult check to get, is always the first one. Marketers who are constantly looking for the “fresh meat” of new lists and prospects sometimes overlook the rich source of increased revenue represented by recent and past buyers.

A good example of a past purchase prototype program is one that pulls data on the sales history of a large customer base. It goes back two years to include recent, but not too recent, customers. Based on a single postcard “template” design, the program associates different application photos for each service being promoted. Also, since it’s designed for a multi-branch operation, it includes branch manager photos along with a biographical sketch of their background and qualifications.

When the data file is output, it includes the manager for the specific branch with his or her bio, the family and street names in the headlines and body copy, photos of the service being promoted (deep-root feeding for instance), and a different offer for each city selected by the manager.

So, in this example, “John Smith” would receive a very personalized reminder that it is time to fertilize his trees and shrubs at 1234 Street Name. The postcard would include an attractive offer along with photos showing deep-root feeding, as well as a photo and bio of his local manager and an invitation to call to order the service or with any questions.

This is an exciting use of VDP technology that is sure to show significant returns on investment once the program has been fully implemented and evaluated.

Keeping up with the neighbors

For another example of a program that can make intelligent use of VDP, consider a landscape company with high-end clients and installations. The company has professional photos taken of many of their best projects. They obtain testimonials from the clients and purchase a radius list. This type of list includes all of the homes within a certain distance of the subject property. Say there are 10 properties, and the company wants to mail to the 100 homes closest to each one. Each of 10 lists is then associated with the photo and street name of the subject property.

The headline might read: “<William>, have you seen the project we completed on <Maple Ave.>?” This approach would feature a photo of the project mentioned, which many of the closer neighbors would likely recognize. The body copy would go on to offer the same professional services to the recipient’s family on their street (with all of the variable data changing within each piece).

A PURL of great value

An effective next step for many companies using VDP is to include what is known as a “personal url,” or PURL. This is basically a personalized website page or pages for each person receiving a mailing. The personalized web address usually combines the company’s domain name and the recipient’s name (e.g. <http://www.<yourdomain>/johnsmith>.) The PURL is then included on the printed piece and directs recipients to visit and logon to the website.

Besides increasing web traffic, the PURL provides an opportunity to learn more about the recipient based on the information they share that can be used in later print or e-mail marketing. The incentive for logging on to a PURL may be a drawing, a contest, something free or a discount. Regardless of the offer, it is important to gain insights by having responders answer at least a few questions. For green industry professionals, these might include:

- How long have you owned your home?
- Do you currently work with a lawn care or landscape company?

- How would you rank your satisfaction? (Offer a 1-5 ranking or similar.)
- Which of the following might be of interest to you? (Provide a list of applicable services.)
- Would you like to receive our e-newsletter? (Allow for entry of e-mail address.)

These or other questions can be specifically crafted for each company, depending on the services they most want to promote and what they most want to learn about the person responding. With properly crafted questions, the company ends up with valuable intelligence they did not have before and can utilize in future marketing efforts.

One-to-one is a valuable part of any campaign

However a company may decide to use VDP, incorporating names, addresses and even custom images into their direct mail will increase their responses, decrease their cost per sale and easily prove its worth in terms of ROI. Of course, the timing of any mailing, along with the value of the offer and selecting the best possible list all continue to impact overall results.