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Building new revenue streams and customer loyalty requires delivering on and exceeding new customer demands, such as enhancing campaign effectiveness with variable data and multi-channel communications, optimizing customer touchpoints with TransPromo, and delivering on time and on budget. That’s why Océ delivers with end-to-end solutions that help you automate and streamline your organization to respond more flexibly to client demands, build new revenue streams, and increase customer loyalty. Learn more! Download the booklet, Mastering Multi-Channel Communications.

Océ: Partnering for Multi-Channel Marketing that Works

Cindy Cumings, Marketing Communications Manager at Océ North America, is responsible for creating market presence and awareness for Océ production printing products and services as well as generating leads. She does this by driving multi-channel campaigns made up of both Direct Marketing (direct mail, email, eNewsletters, and personalized web landing pages) and Extended Marketing (online banners, live webinars, paid search, print ads, and social media).

Cumings stated, “In an environment where we are working with users of Océ technology on the delivery of expanded marketing services, my mission is to make sure that we walk the talk. My objectives are no different than those of any other marketing professional. We create value-added offers such as white papers, case studies, on-demand webinars, and video product demos and promote offers in multi-channel campaigns to drive responses and leads through our call center. Qualified leads are loaded into our sales force database for appropriate action by our sales team.”

Océ has created a multi-channel communications architecture to consistently communicate with existing customers and prospects in the Graphic Arts, Corporate Enterprise, and Publishing market segments. Each month, customers and prospects receive Océ’s Digital Printing Insider eNewsletter that incorporates informative articles and case histories. It contains a personalized URL and links to downloadable white papers and on-demand webinars. Leads are routed to the call center for follow-up and qualification. Océ combines this with direct mail and email with a feature solution and an appropriate call to action.

Beyond this, Océ has an Extended Marketing program that leverages a number of communication vehicles such as online banners on industry websites, articles in third-party eNewsletters, sponsored live webinars, paid and organic search, social media, and print ads. As with Direct Marketing, every communication has a value-added call to action that drives to the Océ toll-free number and website to engage the prospect or customer with Océ.
Cumings is just like other marketing professionals. With limited resources, she needed to rely on partners that could support the delivery of a multi-channel architecture. She explains, “Marketers are seeking partners that transform products and services into real customer value. They don’t have the time to manage all aspects of a campaign, so they want a service provider that can work with them on everything from strategy to fulfillment of both print and electronic communications. One of the most important aspects of a partner is someone who offers the convenience of a single-source provider – with the expertise to continually improve the process and generate even greater improvements in terms of cost reduction, efficiency, and effectiveness. Being an expert in value-added services that augment print capabilities is a key differentiator in today’s market.”

Users of Océ production equipment are rapidly transforming their businesses and adding an array of marketing services.

According to Cumings, users of digital print technology frequently ask her how to effectively communicate with marketing professionals.

**Her advice is three-fold:**

1. **Educate me:** Marketing executives have a lot of balls in the air and multi-channel marketing is complex. Talk to me about how your services can make our marketing more effective.

2. **Cost counts!** Marketers need to deliver ROI. Multi-channel marketing and personalized communications are more expensive, but my objective is to deliver qualified leads to our salespeople. If I can see demonstrable improvements in ROI, I am willing to make the investment.

3. **“Wow” me!** Just as we try to “WOW” our customers, service providers need to “WOW” me. Share the work that you have done for other customers, and then explain how it could apply to my business.
The transition from a print services provider to a multi-channel marketing services provider is in full swing. Service bureaus, commercial printers, in-house data centers, and in-plant print shops of all sizes are expanding the media types that they offer and backing them with marketing services, including creative, campaign strategy and management, and data analytics. The idea is to have a variety of marketing communication tools on hand that can be custom-blended into the perfect media mix based on the individual client’s needs to generate results. Print is a core component of that mix.

Markets in Transition Create New Revenue Opportunities

Fierce competition in the traditional printing market is fueling the multi-channel transition. Offering multi-channel marketing services enables print service providers to enhance the value of their services. It also helps create longer-term relationships with clients so they are less likely to move their business based on a cost difference of a few pennies per printed page. These services also generate new and recurring revenue streams as contented customers come back for more.

Marketing executives are actively seeking solutions that improve their return on investment, deliver quantifiable results, and capture useful information on customers and prospects. InfoTrends’ research indicates that marketers are reaching out across multiple channels to engage customers. Marketers surveyed for InfoTrends’ October 2010 multi-client study entitled The Cross-Media Direct Marketing Opportunity reported using an average of three media types per marketing campaign (see figure 1).

Stepping Up to the Challenge

InfoTrends’ 2011 study entitled, The Evolution of the Cross-Media and Marketing Services Provider made it clear that service providers of all types are developing strategies to capitalize on the new revenue opportunity associated with multi-channel and meeting marketing executives’ multi-channel requirements. This study surveyed more than 280 print/multi-channel service providers to evaluate the current state of multi-channel and the evolution taking place in the graphic communications market. Service providers as a community understand the critical importance of getting involved in multi-channel services. Of the 285 respondents, 58% are currently offering some level of multi-channel services. Furthermore, 87% of respondents were either offering these services today or had plans to offer them in the next 24 months (see figure 2).
The providers surveyed understand that print is still a very relevant medium, but they also recognize that it is evolving. As print evolves, print service providers must transform. Print used to be the only tool in the box, but now it’s one of many integrated communications options in the marketing solutions mix. There is clearly a good understanding of the technologies available today, and this enables printers to take advantage of all multi-channel services to help customers market smarter with relevant 1:1 content. Effectively leveraging technology also drives bottom-line results for print service providers.

Expanded Services Mean New Revenue Sources
Print service providers reported that multi-channel marketing services were increasing in importance and currently represented 10% of their operations’ overall revenues. Projections are that the revenues derived from multi-channel communications will increase as a percentage of overall business in the future.

When PSPs were asked about the share of their revenues that were devoted to various other services, the greatest percentage came from digital and offset print (see figures 3 and 4).
More Services, More Profit

While digital and offset printing represent the largest share of revenue, more channels mean higher profits. Print service providers were asked to rate the profitability of various media channel combinations. As might be expected, multi-channel campaigns were considered more profitable than single-channel campaigns. Campaigns incorporating print, email, web/mobile landing pages, and mobile marketing were considered the most profitable of all, while email only campaigns were believed to be the least profitable (see figure 5). Although survey respondents considered print-only campaigns to be less profitable than multi-channel combinations, print remains an integral part of the mix. When more than 500 marketers were queried about media allocations, 44.7% of the budget was spent on print media. Meanwhile, 30.8% was devoted to online and electronic media. The balance was spent on other media types, including public relations, event marketing, and tradeshows. Successful providers are working with marketers to make all media types work together to deliver consistent messaging across all channels (see figure 6).

Business Metrics

Print service providers were next asked how their business metrics had changed as a result of offering multi-channel marketing services. Respondents reported the highest improvements in the ability to demonstrate value and digital print volume. Considerable increases were also reported in customer satisfaction, customer loyalty/retention, and customer acquisition (see figure 7).

Digital Print Volumes Increase

Finally, service providers reported an increase in digital printing volume as a result of transitioning to multi-channel marketing services. Those respondents who did see an increase were asked how much their digital print volumes had grown. Service providers reported that their digital print volumes increased by an average of 13.7%. Print service providers who are offering multi-channel marketing services are clearly experiencing substantial increases in revenues as well as profits.
While many companies are transforming into marketing services organizations, it would be difficult to find a better model for success than the one that is constantly being perfected at IWCO Direct (Chanhassen, MN). Originally founded as Instant Services, Inc. in 1969, IWCO Direct has transformed from a local family-held company to a national provider of direct marketing services. The company currently generates more than $390 million in revenues and employs 2,500 people. Marketing Vice President Debora Haskel states, “We operated in silos until 1999. We had three distinct organizations – Instant Web, United Mailing, and Victory Envelope – that were run as independent operations with separate management. Things changed when we hired Banta veteran Jim Andersen to be our President. We implemented a strategic planning process focused on an integrated business model. Redundancies were eliminated and our go-to-market approach changed. The three companies were reorganized into a single organization known as IWCO Direct, and we began focusing on delivering integrated solutions to our customers.”

An Integrated Approach
IWCO Direct’s approach has three critical components:

1. A total package solution: IWCO Direct has created a concept that it calls “providing customers with the Total Package.” According to Haskel, “Our total package includes creative, the direct mailer, inserts, the envelope, and postal optimization. We produce all direct mail components (including overlapping manufacturing platforms) to drive quality and brand integrity while reducing cycle time, cost, and environmental impact. Because we assume complete responsibility, the client doesn’t need to worry about ordering envelopes from one supplier, print from another supplier, and mailing/fulfillment services from yet another supplier.”

2. Going beyond print: IWCO Direct goes beyond print to offer a complete suite of direct mail and multi-channel marketing services. The company has created the right partnerships to integrate direct mail with email campaigns as well as mobile marketing initiatives. Haskel explains, “Our customers select the channels that they want to communicate over and we manage the integration.”

3. Reducing costs through postal optimization: IWCO Direct drives return on investment with a postal optimization model that delivers the greatest possible postal savings and ensures that direct marketers are never penalized for non-compliance with USPS regulations. The firm works with direct marketers to optimize postal savings through commingling. It has developed a proprietary program to increase postal discount qualifications by merging multiple mail streams, resulting in improved tier qualification and reduced postage costs. Mail is processed using 12 high-speed Delivery-Point Bar Code Sorters (DBCS). IWCO Direct has also created a logistics solution that is designed to reduce postage costs and improve standard mail delivery by transporting mail to destination postal facilities (Sectional Center Facilities (SCF) and Network Distribution Centers (NDC)).

Backed with the Best Technologies
IWCO Direct continues to invest in new technologies to drive its operations, and it recently announced a series of platform enhancements. The company installed a new Mitsubishi 3F16 sheet-fed press in Chanhassen. In addition, IWCO Direct has installed an Océ ColorStream® 3500 system and is installing 22 Océ VarioStream® 8750 digital web printers. IWCO Direct will install more than 60 pieces of high-speed equipment at its Chanhassen and Hamburg, PA facilities over the next five months. The added equipment will provide customers with greater personalization while increasing capacity by nearly 30% to 385 million direct mail packages per month.

“These enhancements keep us at the forefront of the market,” Haskel notes. “We can enable leading direct marketers to provide highly relevant direct mail offers in the most timely, cost-effective manner. We remain focused on providing high-speed solutions that enable our customers to leverage direct mail as a powerful component of their marketing mix.”

The Bottom Line
Haskel concludes, “Direct mail isn’t going away. Our customers continually tell us that it is the best mechanism for customer acquisition and reactivation. We continue to invest in new equipment and multi-channel technologies. We are always seeking ways to favorably impact response rates through the packages and designs we produce within our creative development department. We’re also concentrating on our logistics solutions related to mail management to ensure that our offerings are cost-effective. We’re excited about our business as well as the opportunities ahead.”
Partnerships are the key to developing and delivering the industry’s best document solutions to the people who need them. Because of the strength of its partnerships, Océ is able to provide the industry’s most comprehensive end-to-end document solutions and make them accessible to customers who need them through the most convenient channels.

A key area of focus for new revenue is value-added multi-channel services. All businesses want to improve customer contact levels and increase overall sales. Océ’s partnership with GMC Software Technology enables service providers to automate marketing and demand generation processes with software tools and platforms. Marketing automation tools offer the ability to streamline the sales and marketing processes by replacing high-touch, repetitive manual processes with automated solutions. Marketing automation and automated lead nurturing are becoming foundational marketing activities for accelerating sales and reactivating dormant customers. In an environment where high-quality leads and customer loyalty are critical, marketers are seeking partners and solutions that can automate communications at the right time. Ideally, automated communications can be linked to transactions and can also help reactivate dormant accounts.

The integration of GMC software with Océ PRISMA® workflow means that service providers can help marketers of all sizes create automated programs to welcome new customers, cross-sell and up-sell to existing customers, nurture new leads, increase customer satisfaction, and win back customers.

Examples of the services that can be enabled by automating the marketing process include:

- A welcome kit that is automatically sent to a new customer at the moment of account creation without the involvement of a customer service representative.
- Delivering dynamic content via the web or a direct mail campaign based on demographics.
- Lead qualification based on actions taken or answers provided.
- Trigger-based marketing that is dependent on the actions that a prospect takes on the company’s website. Marketing automation software tracks the prospect throughout the campaign and can adjust messaging accordingly.
- Location-based marketing that sends offers to consumers’ mobile phones as they pass by a restaurant or shop to incent them to stop.

Print service providers and software solutions providers are beginning to aggressively approach automated marketing for businesses of all sizes. Many companies are concentrating on driving marketing automation.

GMC Software Technology recently introduced GMC Inspire, an end-to-end Customer Communications Management (CCM) platform. It creates new ways to engage customers and target markets across digital and print channels to increase retention, accelerate acquisition, and drive operational efficiency.

GMC Inspire is a single platform that allows businesses to automate and control the entire communication cycle, including capturing personal buying motivators, leveraging customer insight, producing multi-channel communications, and managing customer responses. Enabling integration of communications across business units, GMC Inspire is designed to deliver consistent, compliant, and relevant communications across multiple channels. GMC Inspire is an advanced customer communications platform that can be deployed in the cloud and tailored for specific business needs. The solution is designed to engage prospects and customers at different stages of the customer journey, from awareness to acquisition to building value and loyalty.

Sustaining a competitive edge and driving new revenue streams means supporting a multitude of applications generated on a wide range of platforms using an equally wide range of composition tools. Océ PRISMA workflow provides the efficiency and flexibility you need to handle an array of customer requirements. Because no single print engine or software vendor can develop, test, and produce the best of everything, most rely on partners to provide software tools for specific functions. The most effective workflows draw on integrated third-party tools that are designed to work together and have a consistent interface. In a world where marketers want to automate business processes, the combination of GMC and Océ PRISMA workflow will help service providers participate in all aspects of this value-added services opportunity to generate new revenue streams.
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There's a solution for every business challenge. But when you're working in a multi-vendor, multi-location environment, the biggest challenge can be making all of those solutions work together.

Océ delivers with full, end-to-end solutions based on Océ PRISMA workflow software, one of the most consistent, open, and compatible platforms in the industry.

Questions?
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