

PRINTIPS



Graphics Printing Mailing Under One Roof

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The Value of Print

uch is being made today of the decline of printing. Newspaper and magazine subscribers are dwindling; e-books are gaining in popularity; online advertising is replacing print; and printed products are being assailed as environmentally unsound. So does printing have a future? Does it have a present?

We say unequivocally: yes.

Businesses and organizations know that printing is not about the ink on the paper; it is about the target audience's reaction to it. As author, journalist, and marketing consultant Cary Sherburne says, "It is not about print; it is about the most effective way to achieve the business objective associated with any given customer communication or campaign."

Print is not dead or dying, though it is changing. In this issue of Printips we'll share with you why our outlook on print is so positive.

Affordable color

One beneficial change in printing is the new affordability of full color printing. Improvements in digital printing equipment such as the paper feed system, lower toner fusing temperature, and polymerized toner particles have resulted in output that rivals offset printing for color fidelity, image resolution, and the range of papers that can be used. And because digital printing requires almost no *makeready*, there are minimal fixed costs associated with each job. That means full color printing is now affordable in quantities as low as 100 prints, as well as in variable data printing applications such as versioning and one-to-one marketing.



Scan this EZ Code for The "Power of Print" Video

Affordable color and the ready availability of stock photography means that small businesses and organizations can now realize the benefit of having corporate identity and marketing materials designed and printed in full color and illustrated with photographs. The effectiveness of informational material such as instruction sheets and training guides can be increased by incorporating color. Membership communications like newsletters and event invitations can be more visually appealing by printing in full color. Booklets and catalogs can now have full color covers (and maybe even full color interior pages). Depending on the design and the stock requirements, it may even be possible to print business cards digitally on demand, eliminating the need for imprinting on masters or shells.

Direct mail

As the amount of advertising on the Internet has grown, conventional wisdom has declared that direct mail marketing will disappear as a way of reaching customers and prospects. To us this sounds a lot like the now-debunked predictions about the paperless office. Every year since 1987,

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the United States Postal Service has conducted an annual study called *The Household Diary Study*. In 2008 the study included 5,312 households who completed a seven-day household diary of mail received and sent for all 52 weeks of the study year. Here are some of the study results:

- Advertising mail represented 63% of all mail received – an average of about 16 pieces a week.
- 79% of households said they either read or scanned the advertising mail they received.
- One in three households said they made one or more purchases as a result of receiving the advertising mail.

Contrary to the prevailing opinion that direct mail is "junk" mail that is immediately discarded by recipients, a majority of respondents in the 2008 Household Study reported paying attention to the advertising.

In another 2008 study, the *DMNews/*Pitney Bowes survey, 1000 American consumers (split 50-50 between men and women) age 18 and up from ten major metropolitan areas (Atlanta, Boston, Chicago, Denver, Houston, Los Angeles, Miami, New York, Phoenix and Seattle) were surveyed regarding the direct mail marketing pieces they receive. The survey findings:

- Nearly 94% of consumers surveyed reported taking action on promotional offers and coupons received via direct mail.
- 20% of consumers reported that more than 10% of the offers or coupons they received by mail led to a purchase.
- Almost 40% of respondents said they had tried a new business for the first time because of information received via direct mail.
- Nearly 70% of respondents said they renewed a relationship with a business because they received a direct mailing or promotional item.

 Respondents stated that information received via direct mail often led to contribution to a non-profit organization for the first time.

The surveyors concluded that "direct mail induces consumers to touch the offer – recipients of mail are receiving, sorting, reading and using direct mail to make purchasing decisions."

In March 2009 Bredin Business Information (BBI) published the results of a survey of 50 small to medium business marketers and 741 principals of US-based businesses with fewer than 500 employees. *Marketing to SMBs in 2009* revealed that 43.6% of the 741 businesses said they rely on direct mail, including letters and post cards, for information on products and services.

E-mail marketing

Due in part to its low cost, the relative ease of conducting a campaign, and the growing availability of e-mail lists, e-mail marketing is increasingly seen as an alternative to direct mail marketing - especially to reach the under-30 year old demographic. However, recent research suggests that digital marketing may not be living up to its original promise. In a survey conducted by Harris Interactive in July 2009, of 2,265 U.S. adults age 18 and above, a majority of respondents stated that printed media is easier to read than the digital equivalent (though they did prefer the immediacy of the digital media). Of those surveyed, 68% said they felt more comfortable when they have something on paper rather than on a computer screen.

One problem with e-mail marketing is deliverability of the message. In February 2010, the president of Return Path, an e-mail deliverability company, commented on deliverability. "Almost 95% of email messages at one point in 2009 were classified as spam, according to a recent study," said George Bilbrey, President, Return Path. "As ISPs battle the onslaught of spam, the risks increase that legitimate senders will find their

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emails mislabeled as spam or junk and not reach consumers' inboxes."

Return Path also found that for the first six months of 2009, 20% of consumer e-mail ads sent by their Mailbox Monitor system were undelivered. Of those, 3.3% were sent to "junk" or "bulk" e-mail folders and 17.4% were not delivered at all. The undeliverability rate was even higher for business e-mail addresses, particularly those protected by spam filters. On average, only 72.4% of commercial e-mail is delivered.

Combine direct mail with e-mail marketing

The best strategy for communicating with customers and prospects is to use a combination of direct mail and e-mail marketing. According to an Ipsos survey conducted in 2007, 67% of respondents performed online searches for more information on a company, service or product after receiving an "offline" message.

Results from ExactTarget's 2008 Channel Preference Survey supports the strategy of



combining direct mail with e-mail. Respondents in that survey gave direct mail a score of 3.9 (out of a possible 5) as an acceptable marketing method and gave e-mail a score of 3.7. Three-quarters of respondents (75%) said they made a purchase because of a marketing message received through direct mail, and 65% said they made a purchase because of an e-mail.

Print is here to stay

Despite the pace of change affecting printing, it remains a proven way to communicate with customers and prospects. Direct mail marketing, when combined with e-mail, is more effective than e-mail alone. And the affordability of full color means that direct mail pieces can be eye catching and appealing to the target audience.

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Typical Response Rates

n direct mail marketing, the *response rate* is the percentage of recipients who respond to the mailing. Response rates can vary widely by industry, though the Direct Marketing Association (DMA) in a study of 1,122 industry-specific campaigns determined that the average response rate for direct mail is 2.61%. The response rate is often used as a measure of the success of a direct mail marketing campaign.

Before beginning any direct mail marketing campaign, it is a good practice to determine the

breakeven response rate – the number of respondents to the campaign that must buy to yield enough profit to cover the cost of the direct mail campaign. If the breakeven response rate is very high, then the campaign can be restructured to lower the cost and therefore lower the breakeven response rate to a more achievable level.

In general, the overall response rate is higher when a smaller target audience is contacted multiple times versus a larger target audience contacted once.



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The Value





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Mail or Email?



"The survey found that 54% of respondents have a strong preference for direct mail."

f your organization is a nonprofit that needs to communicate with alumni, members or donors, you'll be interested in the results of a survey commissioned by Pitney Bowes in 2009. Conducted by International Communications Research, the survey included approximately 1100 U.S. college graduates who were asked about their preferences for receiving information from the school they attended.

The survey found that 54% of respondents have a strong preference for direct mail. Less than half that number - only 23% - chose e-mail as their preferred method of communication. Respondents also indicated that they are less likely to discard or ignore direct mail that includes messages about fundraising and donations for their college or university. The alumni also prefer print mail for correspondence and news from their alma mater - 57% indicated a preference for mail versus 31% for e-mail.

What is a QR Code?

QR Codes enable people to quickly jump from printed materials to online content. For businesses, OR Codes can help drive more traffic to websites & vidoes and increase awareness of products & services.



Save The Date! **2010 Clermont Chamber Business Expo**

Join the Clermont Chamber, on Thursday, April 22, 2010 at Receptions Conference Center East, in building a sense of community among Clermont County businesses, increasing visibility of Clermont Chamber members and attracting new members, at this Business to Business Expo. This is an ideal way to showcase your business, promote your products and services, and network.



<<< Scan Here for More Information

This QR Code (Quick Response Code) is linked to the Chamber's 2010 Business Expo website. You will be able to see the application, rules and regulations, and a floor plan that includes who has already signed up for the Expo, as well as what booths are still available. Or you can visit: http://www.clermontchamber.com/Clermont-Chamber-Business-Expo.259.0.html