

Product-Based Print Markets

Communications Should Be a Mosaic, Not a Melting Pot

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The term “integrated” has been flogged for many years as a buzzword both as a concept and in company names (as if putting it in your name makes you an expert). Over the last decade technology has increased our bandwidth and ushered in new channels. In 2011 the communications industry offers myriad channels through which companies can communicate, and today all these channels can truly be integrated.

But should they? I am not suggesting added debate on the benefits of various channels, i.e., online, pop-ups, mail, TV, etc. (many others have tried to tackle that discussion), but I am suggesting that the adage “too much of a good thing” in today’s world has never been more valid.

Direct Mail Is in the Past

In previous years “mass marketing” communication was sent out to large groups of consumers, and in an unconscious way the audience “self-selected” what messages they felt were relevant. Marketers benefitted from that approach (because there were fewer choices and because they had to, since there was little else). As time marched on, advertising became a more intelligent process allowing for better segmenting and media selection. Today the number of products and services is so much greater, even the variety of products is much more varied than ten, twenty, or thirty years ago. Think of something simple like deodorant—how many choices did we have in 1980 vs. 2010?

Today’s Direct Mail

On the direct mail side of the industry, I have seen mailings become more sophisticated and targeted. Lists can be segmented into very small pockets of similar consumers, and then content can be targeted to small groups that may even be comprised of one individ-

ual. This allows for all those different deodorants to be marketed to the specific demographic groups they are developed for, thus creating a relevant communication.

Business (marketing if you will) has become better at creating relevant communication by way of products that are more targeted to specific groups, better segmenting on the data side to create content that is targeted to smaller groups using tighter media research, and selection processes. I doubt consumers truly appreciate the advances that have been made to satisfy their appetites. As an industry we’ve come a long way.

As marketers we continue to find new ways to communicate using the Internet. Web-based marketing, cookies (tracking), social media, and mobile marketing are all very big items at any conference you attend these days. I hear we need to offer consumers choice, and I agree with that. But I fear today we’re slipping back into our old ways. There seems to be this wave of “we have to give the consumer *every* choice,” as opposed to understanding what choice they prefer. And it shows in the statistics of the number of messages we each see every day. This number has skyrocketed over the last decade. Almost to the point that much of what we “view” has turned into this brown melting pot of information, becoming part of the landscape of our everyday lives.

The Concepts of Direct Marketing

Mass marketing for anything other than branding should be a thing of the past (unless of course you’re marketing the air we breathe). The concepts of direct marketing—tailoring a message and content to an individual or at least a subset—should be a practice we’re all adhering to. This idea that we need to take content and push it out over every channel on the Internet (yes there are different channels on the Internet) without targeting creates more clutter, lessens the impact of the message, and only adds more messages that fade into the landscape. More attention needs to be paid to what channels each individual prefers and then communicate via that channel to those individuals. Yes, sometimes larger groups need to be tested and consumers don’t always understand or appreciate a certain channel until they’ve tried it. So testing and acquisition (even on the channel side) needs to be done.

I suspect much of this probably has to do with economics. Recently a client was performing a test between email and snail mail. He explained that when ordering both lists he segmented using socio-demographic criteria, and the result was that he obtained twice as many email addresses than physical addresses in the same geographic area. He felt that by getting more email addresses he was getting a better value—more equals better. The response results indicated otherwise. Both lists responded, but the email response was certainly not double. The point I make on the marketing side is that I believe marketers may be falling into the same trap we did years ago with mail—thinking that many messages for a low price must be good. But these mass messages do two things that work against us. First, for those individuals who do not fit the criteria, they are ineffective. Second, for those who prefer a different channel, they will also be ineffective. Both scenarios contribute to the slurry or melting pot of messages we are exposed to every day.

Good Communication Is a Mosaic

By that I mean it's a combination of various channels with (possibly) different tactics but with an overarching "brand." Deodorant can be marketed via a number of channels—online, mail, coupons—and each channel might deserve a different approach and will not serve every consumer. There is a myth that all young people will have IC chips embedded in their retinas and inner ears and will be completely online. Some will, but others will not. Our society is based upon choice, and we need to work on appreciating consumers and communicating to them in *their channel of choice*, not just blasting the message out across every channel.

This brings me to the graphic arts side of this equation. There is also a rush to be everything to everyone in an effort to grow revenues. In many cases, the purpose, right now, is to recoup some of the lost revenues as the printing industry has gone through some very bumpy times of late. I see an industry that is, out of necessity, believing it has to become an agency, i.e., an organization that offers e-presentment, email, online presence, and consulting—anything to fill some of the revenue gap. Let's face it, printers—and Marketing Service Providers (MSPs) for that matter—have invested billions of dollars in a communications industry based on paper. And it's fair to say the shareholders expect an ROI on that investment. But we also have to be realistic that many of our processes have been commoditized, and clients know this. The ever-present rule of supply and demand has never been more present in our industry than it is today with too many cylinders for too few images. So we seek out new ways to get at or retain revenue.

In the 90s when direct mail was a very strong growth channel, general agencies flocked to it in order to retain the revenue and grow new revenue. They added direct to their names, they proposed direct mail campaigns to their clients, and they executed campaigns. Some, whose names you all know as the pioneers in direct mail, were well beyond their years. Others invested heavily in time and research to gain the skills necessary to provide clients with top-notch ideas and execution. Others waded into the market without the proper tools or experience to actually help their clients. As a junior account executive on the production side, I

saw this on a few different occasions where the concepts I'd learned in the first few years of my career were beyond those of some seasoned advertising veterans at direct mail agencies.

The Challenge

The challenge we face as an industry and as individual organizations is that we often believe that nowadays we have to be everything to everyone. Choose the additional items you offer carefully. It would be easy to suggest to clients and prospects that you can offer all things—we are now "ABC Printing and Integrated Marketing." And clients no doubt want this for ease of use. They almost demand it. But is it a reality? I don't think a printer who has provided value and kept up to date for fifty years can become an email, social media, or online expert overnight.

With the various channels that are available, if you carpet bomb clients with various channels—offering all services under the sun without having a focus—it will diminish our value as an industry (or has already) and won't create a strong product offering for your clients. This subsequently will impede your relationship with clients. I suggest you look for specific areas of growth or opportunity. If you print physical coupons for many clients, look at where the coupon market is going. Is it online? I am not suggesting the coupon market will overnight go from print to online, but there will likely be a transition. If you can project that transition and draw a line between it, your current business, and your skill set, then you have a path you can follow to maintain a revenue stream for that product offering as it changes. You will also need to determine how you fit into that mix. But you're more likely to find a path to maintaining profitability by choosing carefully rather than by simply trying to be everything to all your clients.

There may be opportunities with current clients you actually turn down because they do not fit your model or developing model. Don't spread yourself too thin. A failure is worse than respectfully declining. Or maybe if you have a few requests in areas where you are not fully competent or are currently developing, finding a trustworthy partner could help you retain the relationship if not all the margins.

Your offerings should be a well-planned mosaic of services. While being possibly distinct and different (since new services will be an effort to grow the business), your offerings should fit and look like they should be together. Without forethought and planning, your clients and prospects will see you as a melting pot—a company without focus and with diminished value—rather than someone who they can clearly identify with while connecting with what you can provide.

John works with clients and industry to help create more effective direct mail through new/unique production techniques in an effort to develop more relevant communications. Cover-All and its divisions (SMART DM and PostLinX) offer a full range of data to document and document to data services. John also operates a consulting business, Postal Production Solutions, which focuses on educating and developing direct mail production skills.