

A Variable Data Printing Primer

Part One

It's happening. **Variable data printing (VDP)**, that is.

You mean that mail merge thing they do with, like, people's names so that the names appear on, like, envelopes and letters?

Almost. To wit: "Variable-data printing is the ability to merge a templated page layout with a variety of customized page elements. More than Microsoft Word's Mail Merge command on steroids, variable-data printing can incorporate customized text, charts, colors, logos, headlines, and other page elements. Thus, you can in turn create individualized brochures, catalogs, and direct-mail pieces for high-impact, one-to-one marketing campaigns and other communications."

(Eric J. Adams, Personalized Printing for Less, Publish.com)

Is a Phoenix Suns' parking ticket a variably printed document? Don't overlook the serial code at the bottom. With serialization, every ticket becomes a unique document printed from a database. What is true of serial codes applies equally to bar codes. Surveys are bar coded, for example, to ensure that the information they contain can be linked to a particular

respondent, while protecting the respondent's data from prying eyes.

A WWW literature review suggests that even the experts haven't quite figured VDP out. One pundit divides variable data into the categories: on-demand short-run color, personalization, selectable, and full variable printing. Another parses VDP into the categories: transnational, direct mail ("a push modality"), fulfillment ("a pull modality"),

"Personalizing a promotion absolutely increases its effectiveness and its response rate"

and loyalty programs. Other authorities, writing for the March 2000 issue of *Print on Demand*, discuss database publishing, enhanced apps, variable layout apps, and transaction-oriented apps.

While the experts wallow in the big picture, let's look at a few basics, together. Variable printing options include black ink only printing (used in manuals

or letters); full-color applications (such as direct mail pieces); and, black ink on offset color shells, (as seen on the covers of the ADMA newsletter). All things (such as run size) being equal, black ink only printing will always be the least costly option. The difference in cost between four-color digital output and the hybrid digital black output on offset shells depends on the run size. For sheer flexibility, especially in short runs, four-color digital output has the clear advantage. For longer runs, where variable black text and graphics are desirable, the per piece cost of the hybrid approach can be advantageous.

VDP function varies just as much as its form. Often enough, usage is limited to such simple challenges as address insertion or basic personalization (of the salutation) accompanied by a fixed text. However we are now seeing more – in order of difficulty – personalized body text, customized body text (content), customized graphics, and lastly, variable page layout.

What is variable printing really good for? Lots. The value of the serial number on the Suns' ticket or of a

bar code on a survey for data tracking and measurement is clearly significant. What about the value of VDP as a marketing tool? "Personalizing a promotion absolutely increases its effectiveness and its response rate," says Barry Weis, partner in the advertising and direct mail agency Nelson/Weis of Salina, Kansas. A DMA report indicates that "Normal response can easily vary from 0.1 percent . . . to 50 percent or more (when very targeted, relevant mailings are sent to long-standing customers)." *(Scott Bury, Printing for an Audience of One, Publish.com)*

VDP can, potentially, offer both cost saving benefits as well as marketing benefits. Whirlpool, for example, replaced a 200-page four-color catalog, with variably printed four-, eight- and 12-page brochures. In this program, prospective Whirlpool customers call an 800 number and reach call center reps (pre-qualification). The data gleaned by the reps flows into a database that enables Whirlpool to build a customized catalog for the caller. Thus, Whirlpool significantly reduces the effort required by the caller to obtain the desired

information. It also chops printing, postage, and graphics costs and ends up with a detailed understanding of a particular prospect. Moreover, the custom catalog arrives “on demand.” The prospect benefits from targeted, and in this case, a vastly simplified, set of options.

In a recent article, the executive editor of Print on Demand cites a SmithKline Beecham “stop smoking” campaign that includes “a sophisticated set of personalized publications delivered to smokers who contact their call center. In all, participants receive 10 communications from the company, with one-third of the data completely variable... SmithKline Beecham more than doubled its market in less than three months, with a 250 percent growth in the

nicotine replacement patch market in the U.K. alone.”

Here’s the catch. According to Joe Webb, a partner in Trendwatch, a graphics market research firm in San Francisco, “In our most recent survey, only 7 percent of creative departments saw database marketing (VDP) as a sales opportunity.” (*Eric J. Adams, Personalized Printing for Less, Publish.com*)

Here’s another: If you’re going to build a document based on a database, the quality of the information that appears in the document is only as good as the database itself. (The “value” of the data depends in equal part on the design of the delivery system.)

Says one expert “...with bad data, your piece is useless. Actually, not only is your piece useless, it can be

more detrimental than if you just sent a generic piece out: a newsletter that doesn’t have somebody’s name or doesn’t have a product there that is specific to them.” The problems can be as simple as inaccurate or inconsistent data entry. Garbage in, garbage out.

David Broudy, co-author of *Personalized and Database Printing: The Complete Guide*, expands on this: “A lot of databases that are currently in existence, and a lot of companies that are starting to implement this process, don’t include enough information to make it really effective. You can only do so much with a name, an address, and a ZIP code. You need to build a database that has more information in it – more marketing – related information...with which you can customize a variable print run.”

For example, yours truly recently received a personalized piece that mangled a line break, sending my last name to an otherwise blank line. This effort didn’t add luster to the folks responsible for the goof.

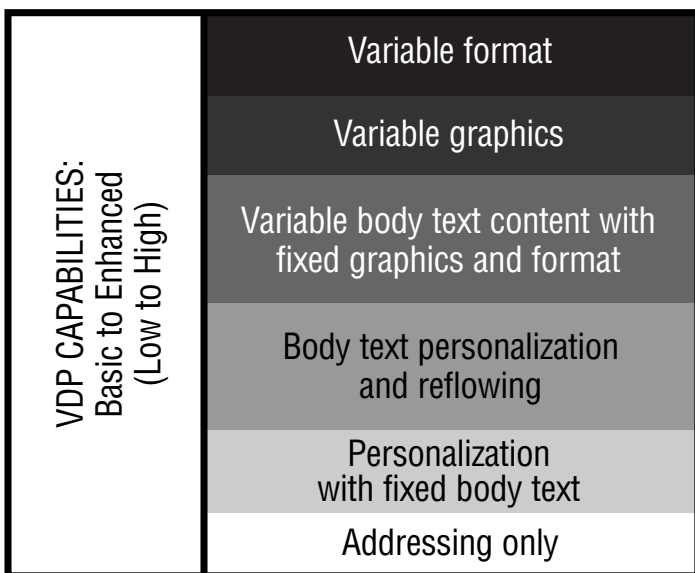
What database format do VDP providers generally prefer? The common type: ASCII, tab-delimited format (Excel®, Access®, etc.)

However, as needed, many VDP providers can convert your database to more common formats. The fields in your database can contain any kind of information: names and addresses, buying preferences, graphic tags, schematic references, and names of color photographs. As in all other types of printing, the traditional mix of capability, cost, experience, and quality should guide your choice of VDP provider.

What can you expect your VDP project to cost? Cost varies with project complexity and the capabilities of the provider. VDP projects range from the oh-so-simple to incredibly complex. Some experts assert that a piece created via VDP may cost ten times as much as a similar piece done with traditional printing. On the other hand, if your bottom line is ROI, VDP may be the solution. Money may be easily recouped in higher response rates, lower inventory and obsolescence costs, and improved public relations.

To be continued...

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When it comes to VDP, print options vary by vendor and need. Digital black printing, digital black printing with 4-color offset shells, and pure digital color printing all deliver interesting trade-offs in visual impact, cost-efficiency, and production flexibility.