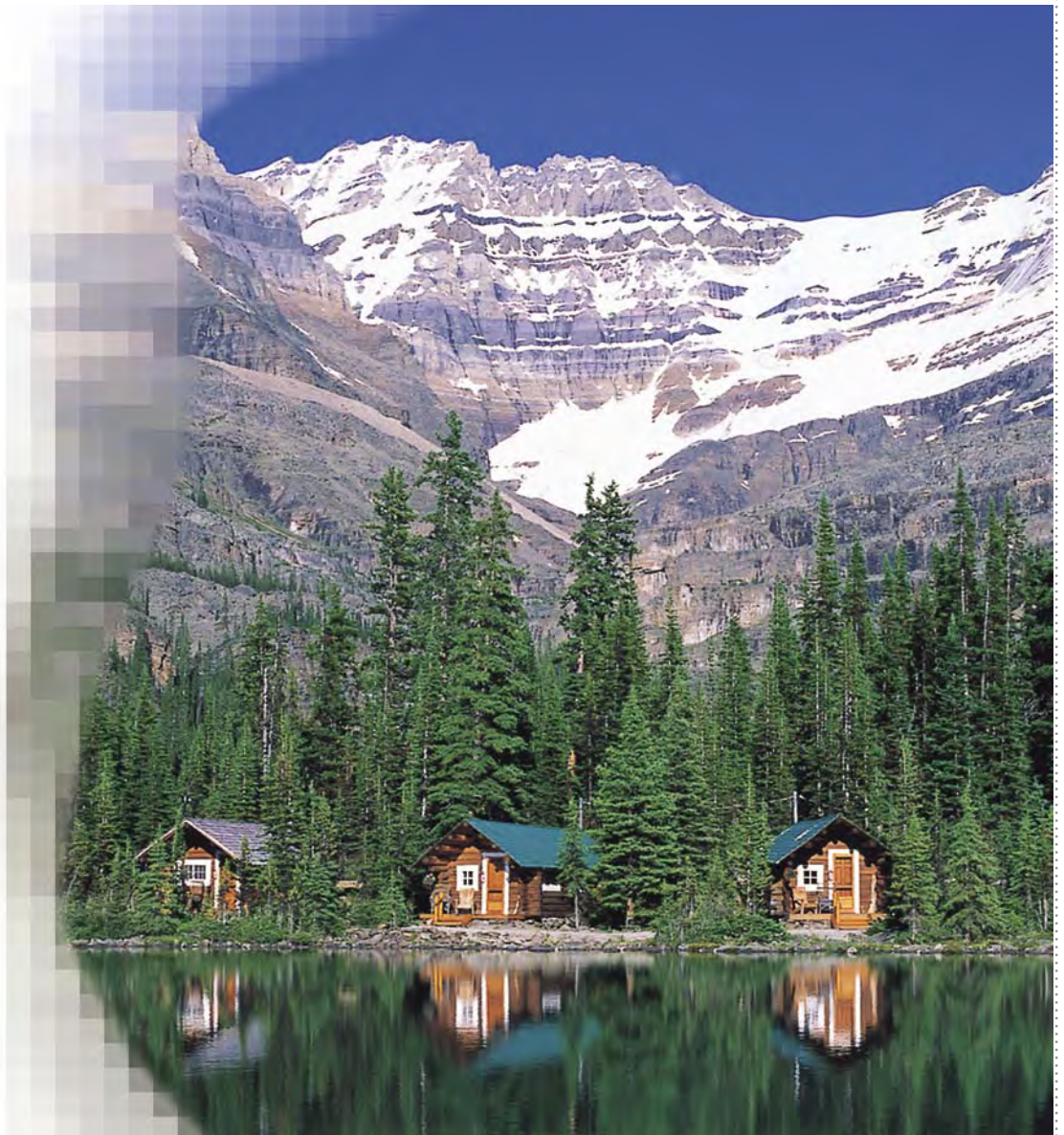


Tourism BC says “Hello” to Xerox 1:1 colour marketing lab



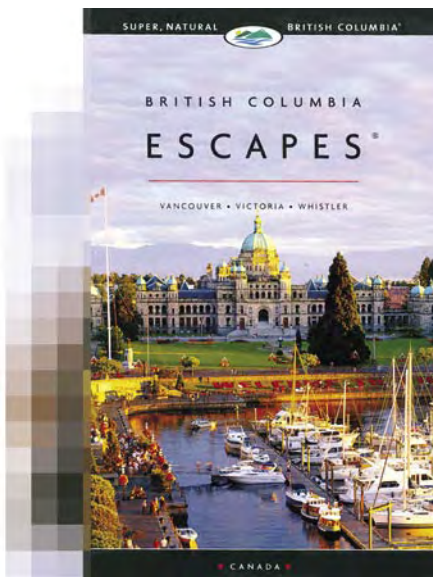
*Lake O'Hara,
Yoho National Park,
Tourism BC/JF Bergeron*



SUPER, NATURAL BRITISH COLUMBIA®
CANADA

Tourism British Columbia, a Crown Corporation, works closely with the province's tourism industry to market BC to consumers and the travel industry around the world. Its mandate is to ensure continued long-term growth and prosperity of BC's \$9.5 billion tourism industry through a variety of joint marketing and promotional campaigns to increase revenues and employment while raising economic benefits for all British Columbians.

The Challenge



Traditional Tourism BC Escapes guide

Fundamental to Tourism BC's business success is enticing visitors to choose British Columbia as their vacation destination. To capitalize on a rising trend among consumers to augment traditional vacations with short getaways, Tourism BC launched its BC Escapes marketing campaign which included direct response TV, direct mail, e-mail, print advertising and promotion. The campaign's common thread was to offer potential visitors free BC Escapes guides to help them plan a trip to British Columbia.

Tourism BC has two call-to-action outlets for consumers considering British Columbia in their travel plans; a 1-800 Hello BC® telephone number and a web site, www.HelloBC.com®

In response to any consumer inquiry, either by telephone or online, Tourism BC asks three questions: where are you coming from; how long are you planning to stay in BC; and is your primary vacation interest sightseeing or outdoor activity?

Each respondent is sent two guides: a Cities Guide for Vancouver, Victoria and Whistler plus a Regions Guide which delivers information from the rest of the province. Combined, the two guides total 112 pages. The guides are expensive to produce and distribute: postage alone averages \$4.13 per unit. Typically pre-printed on an offset press, five versions of the guide are available, corresponding to the possible combinations of responses to the three questions.

A key challenge for Tourism BC is for its publications to provide depth and breadth, yet remain specific to each consumer's needs; ideally balanced to sway them to choose British Columbia for their holiday.

Joel Tkach, Marketing Manager,
Consumer Programs, North America,
Tourism BC



The Xerox 1:1 Lab: Demonstrating the power of personalized marketing

Seeking a more cost-effective approach to providing BC travel information to potential tourists, without sacrificing its current bookings, and to learn more about its respondents' BC travel interests, Tourism BC became one of the first participants in Xerox Canada's unique 1:1 Lab.

The 1:1 Lab is a testing ground for Xerox customers and Canadian Marketing Association members to demonstrate the power and accessibility of data-driven 1:1 marketing and accelerate its adoption by the marketing community.

The 1:1 Lab provides a learning environment for 10 selected corporations to test and compare the results of data-driven 1:1 direct mail marketing campaigns with traditional direct mail. The lab is equipped with state-of-the-art equipment and software, including the Xerox iGen3® Digital Production Press, a 110 impression-per minute digital colour press with image quality comparable to offset; and Exstream Dialogue™, one of the most robust and sophisticated one-to-one software solutions on the market. Terminal Van Gogh (TVG) provides strategic consulting on data-driven marketing campaigns and manages the client's data to ensure the right information is communicated to the right person. TVG also designs the 1:1 Lab participants' programs, re-purposes existing creative to function within the data-driven environment and mines customers' data to gauge results.

*"We were intrigued
and excited to be part
of the Xerox 1:1 Lab.*

*It allowed us for
the first time to present
British Columbia
vacation possibilities ideally
targeted to individual
consumer interests."*

*– Joel Tkach, Marketing Manager,
North America, Consumer Programs,
Tourism British Columbia*

When Total Graphics, a leading premedia supplier in Burnaby, BC, was invited to include one of its clients into the 1:1 Lab program, the company looked to one of its direct marketing customers.

"Our client Blitz Direct Vancouver, one of the direct marketing firms we work with, was a natural fit, given the range of clients they work with," says Murray Todd, president, Total Graphics.

When approached by Total Graphics to deploy this more customized direct marketing approach, Rob Davidson, managing director of Tourism BC's marketing agency, Blitz Direct

Vancouver, a division of Cossette West, says Tourism BC was intrigued.

"We're all aware, as marketers, that we need to make sure the information we put in front of consumers is relevant," says Davidson. "Tourism BC has a huge selection of guides that are lengthy and detailed. We wanted to test drive the customized marketing approach."

"We thought we were doing OK," adds Joel Tkach, Marketing Manager, Consumer Programs, North America, Tourism BC. "But we knew there was an opportunity to be more precise with the information we were delivering if we could learn more about our consumers."

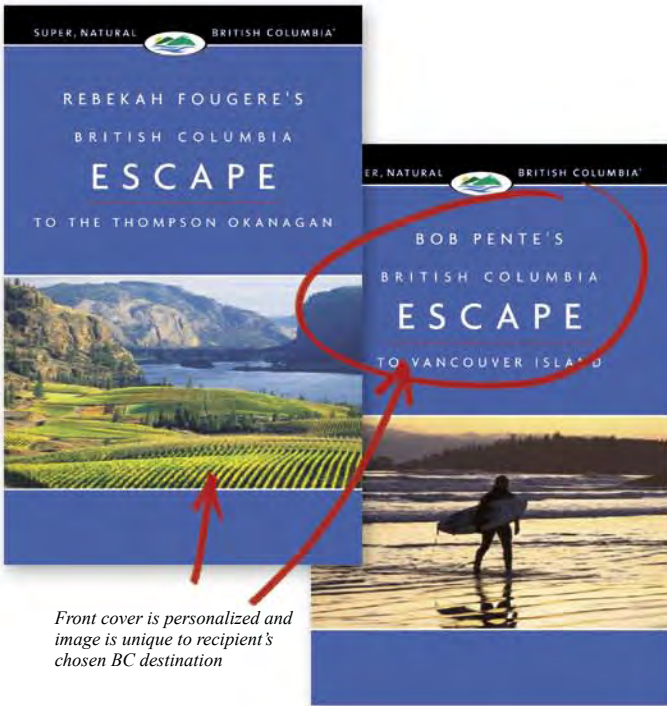
Meeting business objectives

For Tourism BC, the objectives for the 1:1 Lab project were two-fold:

- Determine a more cost-effective approach for getting BC travel information into the hands of campaign responders without sacrificing travel to BC;
- Increase the amount of data capture about its consumers; and act on that data to put the consumer into contact with the right products and move them through the purchase cycle faster.

Further, Tourism BC wanted to learn whether a travel brochure specific to the consumer would affect the consumer's decision to book their vacation through www.HelloBC.com® or 1-800-HelloBC.®

Data Driven 1:1 Communications in Action



Front cover is personalized and image is unique to recipient's chosen BC destination

Table of contents imagery varies depending on destination. Destination of choice highlighted. Recipient's name noted in the text



A moving suitcase represents the recipient's city or region of origin. The copy speaks to the recipient's activity of interest

GOOD-BYE BOOKING STRESS HELLO BC.

Planning the perfect British Columbia escape is a snap when you get a little help from your friends at Hello BC.

This free information and reservation service is from Tourism British Columbia. So you know you're getting unbiased information from the people who know British Columbia best. Whether you call or go online, local travel experts can give you lots of insider information on activities, events, accommodation offers and more for every region in our province.

To book your accommodation now, complete these 3 simple steps:

- 1 Turn to page 17 and look at all the places we think you'd be interested in staying. They've been chosen just for you based on the information you gave us.
- 2 Make your selection and make a note of the hotel code.
- 3 Then, just call or click 1-800 HELLO BC or HelloBC.com.

Book before May 31, 2005 and you have a chance to win* a Panasonic® Portable DVD player! Very handy for traveling.

BOOK YOUR ESCAPE TODAY!
1-800 HELLO BC® or visit us at HelloBC.com

FLY & STAY VACATION PACKAGES

To make your trip as hassle-free as possible, we've assembled a convenient airline & accommodation package. Our Fly & Stay Alaska Vacation package prices are fantastic.

You can fly out of San Diego to Vancouver with three nights accommodation at Quality Inn at False Creek for only \$542 between May 1, 2005 and May 31, 2005 or \$427 between June 1, 2005 and June 30, 2005.

And it gets even better. With the current exchange rate, your dollar goes a long way here. And if you think all this seems too good to last, you're right. Our offer is time-limited, so call Alaska Vacations at 1-800-468-2258 or visit alaskavac.com to book soon.

TRAVEL PARTNERS

To book your travel to and within British Columbia, contact one of our travel partners.

Service to BC from the airline next door.
Complete vacation packages to Vancouver, Victoria or Whistler can be booked online at alaskavac.com or by calling Alaska Airlines Vancouver at 1-800-668-2258.

Offering "The Most Spectacular Train Trips in the World"™
For a true taste of our Canadian wilderness on your travel agent, call 1-888-852-8823 or visit www.seaskymountaineer.com.

Take one of our high speed Victoria Clipper ferries for a fast trip from Seattle to Victoria with a ton of gear storage. Just sit back, relax and get ready for your arrival in Victoria! Call 1-206-448-5000 / 1-800-888-2535, your travel agent or visit www.victoriaproperties.com to book online.

Special package rates are offered relating to the city of origin and the airline servicing that region

Imagery reflects the traveling party's make-up, e.g., traveling with family. The imagery also reflects the season of the trip



VANCOUVER ATTRACTIONS

- **H. R. MacMillan Space Centre**
Very popular with kids, the centre features a range of interactive exhibits and shows on variety of space shows, as well as the small planetarium displays and the best laser shows in town.
- **Stanley Park Horse-Drawn Tours**
Step aboard one of those old-fashioned horse-drawn vehicles and meander in comfort through the natural beauty of thousand-acre Stanley Park.
- **TELUsphere and Alcan OMNIMAX Theatre**
TELUsphere, BC's premiere science centre, features hands-on exhibits and activities guaranteed to entertain and educate. Also home of the Alcan OMNIMAX Theatre.
- **Vancouver Aquarium Marine Science Centre**
Come face-to-face with over 60,000 animals – including beluga whales, sea lions, dolphins, seals and more. Enjoy fish shows, sea otter feeds, shark dives and see more Amazon Rainforest.
- **Vancouver Maritime Museum**
The Vancouver Maritime Museum preserves the traditions of the Pacific Coast. Lets you see a real old ship alive.

CALL 1-800 HELLO BC OR VISIT HELLOBC.COM

Personalized post card reflects imagery of recipient's chosen destination and time of year



10 THINGS TO DO ON THE ISLANDS

1. 15th Annual Brent Wildlife Festival, April 8 - 13, 2005
2. 4th Annual Dancing Man Music Festival, Gabriola Island, April 28 - May 2, 2005
3. Salt Spring Island Annual Studio Tour, May 27 - September 30, 2005
4. 13th Annual Cowichan Valley Garden Tour, June 5, 2005
5. 13th Annual Outdoor Recreation Show Courtyard, June 4 - 5, 2005
6. 2nd Annual Kwakiwilti Sewing Fair, June 18, 2005
7. Fair Weather Concert Series, Chemainus, July 3 - August 10, 2005
8. Fall Ships Port Alberni 2005, July 18 - 19, 2005
9. 23rd Annual Sibley Boat Regatta, July 17, 2005
10. Nanaimo Marine Festival and Bathub Race, Nanaimo, July 21 - 24, 2005

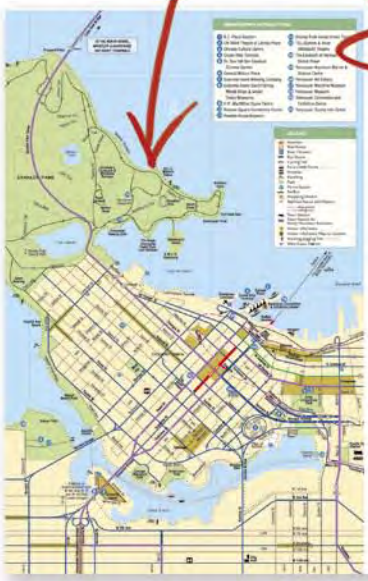
ISLAND HOPPING

- On Galiano Island, enjoy hiking, camping, kayaking, scuba diving and birding. Its seasonal sailing invites an open schedule and relaxation.
- Browse Mayne Island's historic Miner's Bay, swim in a sheltered, warm cove, visit the lighthouse and find tucked-away artistic studios.
- The barges of the Gulf Islands, Salt Spring is known for its renowned artisans, farm-gill scenery, herb and flower gardens, renowned bldges and the charming village of Ganges. Cycle country lanes, fish on island lakes, hike coastal trails and become a part of island life. Salt Spring is also the source of the region's very best spring lamb, and hosts a fisherman's market every Sunday morning in the summer.
- North and South Pender Islands, connected by a one-lane wooden bridge, are perfect for private time. Kayak lonely inlets, charter a fishing boat or hike the many trails. Whistlers are a sure sight on Pender, and even olive trees are being grown in this near-Mediterranean climate. The Ferry Landing at Otter Bay is home to what is reputed to be BC's very best hamburger stand.
- On far-flung San Juan Island, visit a winery, enjoy a picnic, hike up Mount Workman Pike and greet the locals at the pub. This rural, sparsely populated island is a gem.
- Gabriola Island boasts some amazing natural phenomenon: mudstone formations called the Malaspina Gullies, peninsula near Dog Bay (ask for directions at the Visitor Information Centre) and colourful tulip fields to explore. Easily reached from Nanaimo, Gabriola is also a favourite with scuba divers.
- For those with more time on their hands, Harlesy, Lasqueti, Texada and Duncan Islands reward visitors with an even slower pace, and the delights of discovering covelets and scenic gulches. Each is somewhat non-obligating to reach, but well worth the trip.

CALL 1-800 HELLO BC OR VISIT HELLOBC.COM

Top 10 Things are unique to the recipient's travel party e.g. with or without children. The selection relates to the time of year the trip is planned

Map and text are relevant to recipient's chosen destination



DAY TRIPS FROM VANCOUVER

Once you're in Vancouver, it's a snap to take a day trip to other nearby cities. Victoria and Whistler are all not far from Vancouver, Victoria and Whistler just a few hours from you, they're also just a couple of hours from each other.

VANCOUVER TO VICTORIA
Pop over to Victoria from Vancouver for a spot of afternoon tea in English style, of course. Then, spend a day galling and garden touring. For an eagle's eye view of Georgia Strait, the beautiful Gulf Islands and Vancouver Island, simply hop a float plane or helicopter from Vancouver's harbor to Victoria. For a slightly longer, but enchantingly beautiful journey, take the ferry. On the one-hour, thirty-five minute cruise, you may spot seals, bald eagles and if you're lucky, even a whale or two. Take BC Ferries from Vancouver Island (about 20 mi north of Victoria).

VANCOUVER TO WHISTLER
Looking for a day of unparalleled scenic views, mountain biking, hiking or a world-class round of golf? Make the quick trip from Vancouver to Whistler. Nothing could be easier. Whether you rent a car or take the bus, it's easy to get to Whistler. As you hug the fog-like Howe Sound, you'll travel by Puntan岑 Provincial Park, a popular scuba diving destination and the perfect spot for a picnic. Visit the BC Museum of Mining at Britannia Beach or magnificent Shannon Falls, one of the highest waterfalls in British Columbia. For more information on these scenic routes or places to stay along the way, just call the free Hello BC reservation and information service:

For accommodation reservations, travel ideas and year-round pricing call: **1-800 HELLO BC** or visit us at **hellobc.com**

DAVID, HERE'S YOUR VERY OWN GUIDE TO ACCOMMODATION ON VANCOUVER ISLAND.

<p>CAMPBELL RIVER LODGE FISHING & ADVENTURE RESORT 1700 North Island Highway Campbell River, BC V9P 2K7</p> <p>Experience nature, relax and unwind in a peaceful setting. Enjoy the best of both worlds: a beautiful view of the ocean and a peaceful setting. Enjoy the best of both worlds: a beautiful view of the ocean and a peaceful setting.</p> <p>\$70* Nightly Includes breakfast</p> <p>\$220* Nightly Includes breakfast</p>	<p>COMET HOBBYLAND INN 827 Sealed Street Nanaimo, BC V9S 2J2</p> <p>Comet Hotel, an excellent choice for a night's stay. High quality service, excellent location, and a beautiful view of the ocean. Enjoy the best of both worlds: a beautiful view of the ocean and a peaceful setting.</p> <p>\$66* Nightly Includes breakfast</p> <p>\$82* Nightly Includes breakfast</p>
<p>COAST WESTERLY HOTEL 1590 Cliff Avenue Nanaimo, BC V9S 3X4</p> <p>Coast Westery Hotel, an excellent choice for a night's stay. High quality service, excellent location, and a beautiful view of the ocean. Enjoy the best of both worlds: a beautiful view of the ocean and a peaceful setting.</p> <p>\$74* Nightly Includes breakfast</p> <p>\$82* Nightly Includes breakfast</p>	<p>PAUL'S MOTEL INN 890 Douglas Street Victoria, BC V8T 4E8</p> <p>Paul's Motel Inn, an excellent choice for a night's stay. High quality service, excellent location, and a beautiful view of the ocean. Enjoy the best of both worlds: a beautiful view of the ocean and a peaceful setting.</p> <p>\$49* Nightly Includes breakfast</p> <p>\$70* Nightly Includes breakfast</p>

What if you could have the best of both worlds? Accommodation on Vancouver Island is just what you need. It's a beautiful view of the ocean and a peaceful setting. It's a beautiful view of the ocean and a peaceful setting.

<p>QUALICUM HERITAGE INN 827 College Road Qualicum Beach, BC V9K 2G4</p> <p>Qualicum Heritage Inn, an excellent choice for a night's stay. High quality service, excellent location, and a beautiful view of the ocean. Enjoy the best of both worlds: a beautiful view of the ocean and a peaceful setting.</p> <p>\$74* Nightly Includes breakfast</p> <p>\$81* Nightly Includes breakfast</p>	<p>QUALITY INN WASHINGTON DOCK 2415 SA. Wharves Cause Road Nanaimo, BC V9M 2B8</p> <p>Quality Inn Washington Dock, an excellent choice for a night's stay. High quality service, excellent location, and a beautiful view of the ocean. Enjoy the best of both worlds: a beautiful view of the ocean and a peaceful setting.</p> <p>\$66* Nightly Includes breakfast</p> <p>\$214* Nightly Includes breakfast</p>
<p>DOUBLE OCCUPANCY March 1 - May 31, 2005 May 1 - Sept 30, 2005</p> <p>High: \$74 Nightly Low: \$74</p>	<p>DOUBLE OCCUPANCY March 1 - June 30, 2005 July 1 - Sept 30, 2005</p> <p>High: \$66 Nightly Low: \$66</p>

Each brochure includes accommodation selections (either 12 or 8 hotels) within the recipient's price range. American recipients are given pricing in \$US. Seasonality is also reflected in the rates



Rob Davidson, Managing Director,
Blitz Direct Vancouver,
a division of Cossette West



Blitz DIRECT, DATA & PROMOTION

The data-driven 1:1 Guide in action

To gather more information about potential visitors to the province, consumers who requested their BC Escapes guide online were asked some additional questions, with answers to be selected from a drop-down menu:

- Nature of travel party (e.g., 35 and under, 35 to 54, traveling with kids, etc.);
- Destination (e.g., Vancouver, Victoria, Whistler, Thompson-Okanagan, etc.);
- Primary activity (e.g., golf, shopping, spas, etc.);
- Accommodation price range (e.g., less than \$100, \$100-\$170, more than \$170);
- Intended time of travel (season)

Together Xerox, TVG, and Blitz Direct undertook the redesign of the guide, reducing the number of pages from 112 to 24.

Each 1:1 Guide was printed on a Xerox iGen3 digital press, on Xerox Elite Silk Coated 80lb. stock, with every page customized to reflect the respondent's answers to the questions posed when ordering their BC Escapes Guide.

The 1:1 package guide, using Exstream Dialogue software, consisted of a personalized and customized 1:1 Guide, a personalized letter, two personalized postcards and a window envelope. The postcards were printed on Xerox Digital Color Elite Silk Coated 100lb cover stock.

The level of customization built into the 1:1 Guide was extremely complex, with each brochure element, including all text and graphics, driven by a matrix of potential answers from the questions posed to consumers. The program's objective was to ensure the 1:1 Guide delivered all of the relevant material the consumer required, without all of the excess material the traditional guide provided.

For example, if a respondent indicated that they were planning on visiting Vancouver in the summer to golf and were interested in accommodations in the \$170+ price range, then their guide would feature summer

imagery of Vancouver, accommodation listings in the \$170+ price range in Vancouver and information regarding golfing in Vancouver.

The 1:1 Guide would also include circle tours based on the consumer's chosen destination. For example, if they indicated an interest in the Thompson-Okanagan region, then their guide included a wine tour of the Okanagan Valley.

The cover of the 1:1 Guide was personalized with the respondent's name and displayed an image of their chosen destination. A personalized message was included on the inside front cover. The 1:1 Guide was also customized based on the respondent's place of origin. For example, Americans were provided with exchange rate information, Californians received fly 'n stay package info, and Washingtonians received driving-related information.

The complexity requirements of the 1:1 Guide were enormous, depending on the answers supplied by the consumer, 2,400 primary combinations of answers and myriad versions of the 1:1 Guide could be produced.

The Tourism BC project ran from April to August of 2005 with more than 5,000 1:1 Guides delivered to consumers across North America. On a weekly basis, Hello BC respondents were randomly placed into either the test group or the control group. An equal number of traditional Tourism BC guides were sent as a control group.

The control group received the standard fulfillment package of the two guides. The test group received the 24-page 1:1 Guide.

"The project was a challenge from a planning perspective because of all the variables in the content," says Tkach. "You can imagine we had a complex matrix due to all the variables. But once the planning was done, the whole thing ran like clockwork. Once a week TVG would collect the data from Hello BC and the customized 1:1 brochures were out the door a few days later."

The results

For Tkach, one of the immediate returns was reducing postage costs - the test group's mailing costs were 145% less than those of the control group since the cost of mailing the 1:1 Guide was substantially less than sending the two standard guides. For each brochure shipped within Canada, the cost of mailing the traditional package was \$2.45 vs. \$1 for the 1:1 piece. The cost differential of packages sent to the U.S. was even more dramatic, with the 1:1 Guide costing \$1.70 per piece versus \$5.80 for the traditional package.

Paper costs were also greatly reduced, given that the 1:1 Guide had 88 less pages than the two standard guides. Additional cost savings extend to less warehousing and reduction in fulfillment costs.

The sum of the reduced costs saw the 1:1 Guide generating an increased return on investment of 25 percent.

Outside of dollar costs, of significance to Tourism BC was the quantity of highly relevant consumer data it collected during the project that can be used to better target its communications efforts in the future.

The new customized 24-page 1:1 Guide delivered efficiency and intelligence in a true customer relationship management program. It brought increased relevancy and accuracy to the consumer at a lower cost to Tourism BC. The organization had found a better way to manage print without compromising results.

"As a direct marketer, for a long time we've talked about putting a blank piece of paper at one end of the machine and out comes something that is customized to a particular individual's needs based on the information we have about them," says Davidson. "The Xerox 1:1 Lab was exciting opportunity - from a direct marketing point of view - to see the results of the customized approach."

In November 2005, Tourism BC and Xerox Canada were both awarded gold trophies for the BC Escapes program at the annual Canadian Marketing Awards gala.



The Trilogy Alliance

The Trilogy Alliance is an enabler for Xerox Graphic Communications Group customers and their marketing and advertising customers to implement data-driven, 1:1 print campaigns on an ongoing basis.

Relatively few corporate marketers have the infrastructure, experience or expertise to execute personalized marketing programs, even though they are aware of their advantages. The combination of Xerox, Terminal Van Gogh and Exstream Software's Dialogue™ enterprise personalization solution brings together the software and skills commercial printers and their customers need without requiring them to invest immediately in these areas.

As they gain one-to-one campaign knowledge and build their business, printers can continue to work with the Alliance or make the investments that will allow them to continue independently. The Trilogy Alliance offers flexible services, based on the skills and infrastructure of each customer.

Printing price comparison: Xerox 1:1 vs. traditional offset

Tourism BC Control pieces <i>Price per package</i>		Tourism BC 1:1 Lab guides <i>Price per package</i>		
Package of 2 full colour guides totaling 112 pages and regional information	\$2.03	Record processing by TVG	\$0.42	
Gusset Envelope 9 X 12 (4/0)	\$0.25	1 guide, 24 customized colour pages, trim, folded and saddle stitched	\$2.40	
Fulfillment, insertion and lettershop costs	\$0.22	Window Envelope 6 X 9 (4/0)	\$0.12	
Sub total	\$2.50	Insertion	\$0.12	
CDN Postage	\$2.45	Sub total	\$3.06	
	\$5.80	CDN Postage	\$1.00	\$1.70 US postage
Total per package	\$4.95	Total per package	\$4.06	\$4.76

56% of packages sent to USA
44% of packages sent within Canada

Xerox, delivering results you can measure.

As a global leader in variable data collection and digital colour printing technology, we are helping our customers leverage the benefits of personalized marketing through the Xerox 1:1 Lab. For more information or to schedule an appointment with a Xerox sales representative, call 1-800-ASK-XEROX, or visit our web site, www.xerox.com/1to1lab, today.



The Xerox 1:1 Lab

Client benefits close-up

Return on investment increased by 25% through reduced postage and paper costs

- **Postage costs were 145% less** for the 1:1 test group than the control group
- Page count reduction from 112 to 24 pages resulted in **greatly reduced** paper costs
- **Significant savings** in warehousing costs and in fulfillment costs
- Collection of **highly relevant consumer data** for use in future campaigns