

XEROX®

Technology | Document Management | Consulting Services

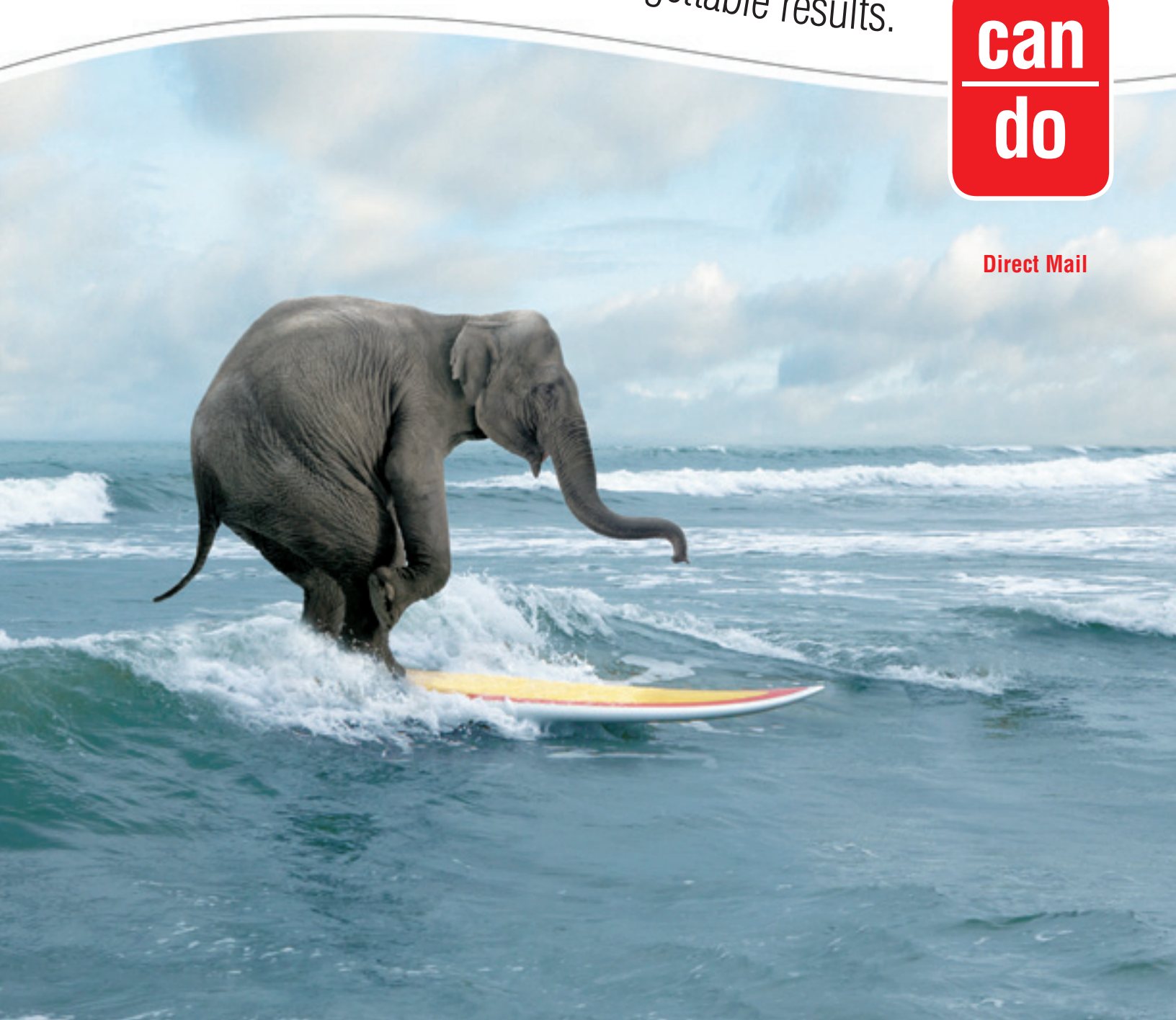
Direct Mail

Application Brochure

Increased relevance leads to unforgettable results.



Direct Mail



Direct mail is big business.



And it's growing bigger by the day. In fact, direct mail is one of the most promising worldwide opportunities in print services today, a fact you can affirm every time you check your own mailbox.

By 2009, direct mail expenditures are expected to grow by nearly 19% in Europe and by 32% in North America. In 2004, \$34 billion was spent on direct mail alone in Europe—that's 40% of total spending on direct marketing. In 2006, the U.S. Post Office delivered over 102.5 billion pieces of direct mail, nearly half of all U.S. mail. That's up by 14% since 2001.

Using direct mail for existing customers is a superb way to strengthen customer relationships.



Most importantly, it works. While everyone expects the volume of direct mail to grow, the sales effectiveness—measured per dollar of expenditure—continues to grow as well. Through end-to-end direct mail applications from Xerox, you can improve ROI and response rates to help you meet your key business objectives. Direct Marketing Association (DMA) figures indicate that direct mail clearly outperforms the average ratio for direct marketing of all types. Every \$1 spent on direct mail advertising brings in an average of \$11 in sales—more than twice the return generated with any other medium.

Direct mail is an especially important application for the printing trades. A 2004 report from Winterberry Group, DMA Universal McCann states that Direct-Mail Print/Lettershop represented \$16.8 billion in sales. Direct-mail spending grew at an estimated 7.9% pace and total spending is expected to reach \$62.2 billion by the end of 2007.

Opportunities abound.

Over the past several years, advertisers have seen that highly targeted, relevant mailings can be significantly more effective than a non-targeted "shotgun" approach. Such targeted mailings cut through the clutter to reach the precise audiences they seek, with a specially tailored message that can resonate with each individual recipient.

Studies show that direct-mail producers will increasingly rely on databases, analytics, targeting, modeling, and response tracking to improve the performance of their direct mailings. Surely, the demand for digital printing and variable imaging will intensify as will increased sophistication in all direct-mail methods.

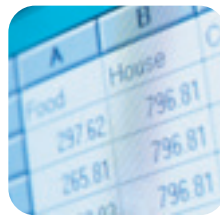
With Xerox, you can do relevant direct mail.

Xerox is uniquely positioned to enable simple to complex direct-mail applications—and new levels of success for your business.

With innovative workflow products, variable information expertise, and the industry's leading color printers, Xerox can provide end-to-end solutions for direct marketing applications.

According to a March 2004 study by Interquest—Variable Data Imaging Opportunities with Digital Printing Presses—the average increase in sales from the color variable-data print projects was 93%. And the cost per response rate was 54% lower than traditional direct-mail campaigns.

Armed with information like this, the power of Xerox solutions, your creativity and knowledge of your customers, and opportunities not only abound, they become your success stories.



The steps to success.

If you want to be successful creating relevant direct-mail applications, put these seven key steps to work:

Step #1: Define your business

You need a realistic understanding of what you do well and what you don't.

Step #2: Walk, don't run

The easiest place to start building awareness or to start selling new services/capabilities is with current customers.

Step #3: Find the data

The more high-quality data you can collect on your targets, the better your results will be.

Step #4: Capitalize on the Web

The Web is not only a great source of general information on customers, it can show you where you can target. The Web also permits you to update content to match your direct mail.

Step #5: Define your markets

Specialization, by targeting a given industry or by market segmentation, helps you build the knowledge base you need to maintain a competitive edge.

Step #6: Know your customer

Understanding your customer's needs, and your competition, gives you a platform for a more substantive conversation.

Step #7: Not business as usual

If you aren't developing fresh insights that improve your offerings, you risk losing business to companies that do.

Applications, as diverse as your imagination.

With Xerox, if you can imagine it, you can do it—through a combination of expertise in implementing, printing, variable information, and industry-leading workflow solutions. Together, they let you create the applications that reach customers, elevate response rates—and grow your business.

Applications like:

Personalized letters and postcards—

to cut through the clutter, get attention, and start a relationship—a personal relationship.

Websites through personalized URLs—

to provide information to consumers based on their individual interests and needs. And to gather customer information, which can be the most valuable resource of all.

Fulfillment brochures—

the culmination of the process, these brochures respond directly to the customers' requests. Want more information about a set of our services? It's in the mail—exactly as requested, proving that you listen and value your customers above all.

More sales—

What it's all about.





Web page

Postcard

Brochure

Here's an example of a multi-touch, direct-mail program that maximizes relevant data to create a personalized, targeted campaign, designed to generate high response rates and an improved ROI.

Xerox makes it possible.

Imagine a travel company looking for a fully integrated direct-mail "loyalty" campaign that would be based on travelers'/customers' previous trips and interests.

First wave—Personalized brochure

- Personalized letter inserted into a trip-offering brochure
- Variable image on brochure cover, based on customer's past trip taken
- Web tie-in using a personalized URL and landing page
- Online survey to further qualify the response
- Printed on Digital Color Elite Gloss 80 lb cover for cover page and Digital Color Elite Gloss 100 lb text for interior pages

Second wave—Oversized postcards

- Variable information and images determined by whether the customer completed the Web survey
- Responder postcard is perforated so it can also serve as a door hanger
- Non-responder postcard reinforces push to the online survey via personalized URL
- Printed on 14 mil Polyester Paper (Responder)
- Printed on Digital Color Elite Gloss 110 lb cover (Non-responder)

Third wave—Trip confirmation

- Personalized pocket-sized "dossier"
- Dossier customized with text and pictures about the booked destination, hotels, flight information, daily schedules, and more
- Printed on Digital Color Elite Gloss 80 lb cover for cover page and Digital Color Elite Gloss 100 lb text for interior pages



Dossier

Success, from end to end.



You'll get great results with relevant, complex direct-mail applications. With innovative workflow products, variable imaging expertise, today's leading color printers, professional services, robust digital front ends, and finishing, Xerox can provide you with fully integrated personalized direct-mail solutions.

We have the products, services, and expertise you need to turn your direct mail into direct profit.

With Xerox, you've got a true business partner.

We're ready to help you integrate your direct mail into your workflow and customize it to your operation and your needs.

A complete solution.

With Xerox, you're never just buying a print engine, digital front end, or box of software. You're buying a complete solution.

Services

Xerox can provide you with a full range of professional services—from product, software, and advanced application training to database management, campaign creation, Web and storefront integration, ulmage creative design, and application remote support services.

Software

Xerox FreeFlow® software products—MakeReady, Print Manager, Process Manager, Web Services, and Output Manager—help streamline the direct-mail production through automation. This innovative software family can help you speed up document creation, job management, pre-flight, imposition, color management, and much more.

Workflow and Variable Information Suite

The FreeFlow VI Suite is actually several products designed to optimize your variable-print production—giving you the power to add your customers' variable content, while keeping your productivity on track.

Put the Xerox VI Suite to work and you can increase your customers' response rates and profits by adding high-value, high-impact, customized content.

Xerox's patented VIPP® technology offers a page composition system with unparalleled performance. Cached resources keep your network from being overloaded and your printers running at rated speed. When utilized, VI Interpreter's Dynamic Document Construction provides premium variable print productivity and throughput.

Digital Front Ends (DFE)

Xerox offers a choice of three digital front ends—the Xerox FreeFlow Print Server, Xerox CX Print Server, Powered by Creo™, and Xerox EX Print Server, Powered by EFI™. Each of which gives you outstanding image quality, exceptional productivity, and ease of use.

Print Engines

Xerox has a diverse portfolio of digital presses—from full color, to highlight color and monochrome. Feature presses include the DocuColor® 5000, 7000, and 8000 Digital Color Presses, and the state-of-the-art iGen3® Digital Production Press—all of which excel at producing high-quality direct-mail pieces in a wide range of sizes, stock types, and weights.

Finishing Services

Offline tri-, c-, and z-folding, saddle stitching, and inline booklet making are all direct-mail production tasks that can be handled quickly and easily with Xerox professional-grade finishers. Xerox works with a number of partners to provide additional finishing options that boost the feeding capabilities of any Xerox digital printer.

The XMPie® suite of software solutions.

XMPie, today's leading solutions provider for dynamic, cross-media publishing, offers a premier suite of software products that enables companies, agencies, and print providers to take direct mail to the next level. It makes it easy to develop and execute direct-mail campaigns, from entry-level print materials (postcards, letterpacks, etc.) to personalized, information-driven, cross-media campaigns.

With XMPie technology in place, you'll have a scalable platform that fits perfectly with a distributed enterprise-agency-printer workflow. And you'll profit from off-the-shelf design tool support for such popular programs as InDesign®, Dreamweaver®, and GoLive®.

XMPie also provides FreeFlow integration; Web-enabled direct marketing; database connectivity via XML and APIs; support for Optimized PDF, PPML, VPS and PS; plus Xerox VIPP-enablement and validation with Xerox production printers.

In addition, we work with other partners, who provide a whole range of variable design tools from simple to complex. Some of these partners include: Atlas, CX Print Server, Lytrod, Elixer, and many more.

XMPie is a powerful tool that can help you manage cross-media variable campaigns.



Big savings, and a better package.

Tui, a leading multinational travel company, needed a better way to deliver tickets and itineraries to customers. They believed enhanced communications could improve customer satisfaction and drive incremental sales.

Traditionally, Tui would mail tickets and itineraries in multiple pieces, using generic designs and non-friendly jargon. Subsequent messages arrived as leaflets. Airport and resort information was not customized, so each customer received the complete, weighted directory, which was expensive to mail.



dsi Digital, based in Rainham, U.K., developed and repackaged the Tui vacation booklets for printing on the Xerox iGen3 Digital Production Press. An automated process provides error-free production of 45,000 40-page booklets each week. Select data is received via the Web and processed automatically for printing. Variable imaging eliminates costly pre-printing, with no late or incorrect ticket deliveries. Now, tour information is provided in a single, easy-to-understand, personalized booklet that lowers costs and increases revenues to the tune of £1 million per year.

The results: big savings.

- Cut postage costs by reducing average package weight by nearly one third.
- Eliminated warehousing and lithographic printing costs.
- Reduced number of confusion calls and increased calls for additional bookings.
- Increased use of discount offers for airports, hotels, and more.
- Boosted advertising revenues inside the booklets with personalized ads.
- Enhanced booklet value by tailoring to travelers' trips.
- Reduced lost tickets by integrating all travel documents into a single booklet.

