The Maine Difference

Personalized travel guides from the Maine Office of Tourism help visitors plan the perfect trip
Wish You Were Here

Tourism is the largest industry in the state of Maine. Charged with responsibility for supporting and growing tourism in all areas of the state throughout the year, the Maine Office of Tourism serves as the marketing organization for the state’s many travel-related businesses. There is a great deal riding on their successful outreach to a broad array of potential visitors with a wide range of diverse interests.

Seeking a competitive edge in the high-stakes contest for tourist dollars, the Maine Office of Tourism participated in a pilot program provided by the Xerox 1:1 Lab, a unique proving ground for the power of fully variable direct marketing. The Lab sets up and implements tests comparing an organization’s traditional, static, direct mail with data-driven 1:1 direct marketing.

Working in close collaboration with the Maine Office of Tourism and their long-time direct marketing partner, DMM—and utilizing Terminal Van Gogh’s expertise in building one-to-one programs and a state-of-the-art Xerox iGen3® Digital Production Press—the Xerox 1:1 Lab devised a test to compare response rates and response quality from two different fulfillment mailings. The control program consisted of the Maine Office of Tourism’s traditional pre-printed travel planner with a separate response postcard. The test program included the same travel planner, along with a fully customized print-on-demand pocket guide specific to the expressed interests of the recipient, and a personalized postcard.

The Importance of Relationships

The Xerox 1:1 Lab is all about building relationships. Relationships between Xerox and direct marketing providers like DMM, who use Xerox equipment and expertise to advance the art and science of direct marketing. Relationships between direct marketing providers and their clients, working closely together to leverage new techniques and technologies to improve the client’s bottom line. And relationships between clients like the Maine Office of Tourism and their potential customers, whose attention and business have to be earned through an increasingly personalized approach to their individual preferences and requirements.

The Maine Office of Tourism faces particular challenges building relationships with potential visitors. With a mission to “present the activities and amenities of Maine that are most integral to the target audience’s decision making process,” the Maine Office of Tourism must identify and respond to many different target audiences. Hikers. Skiers. Antique seekers. Sailors. Sightseers. From fall foliage tours to summer lobster bakes, from winter festivals to solitary spring rambles, Maine offers a wide variety of activities and amenities to suit a wide variety of people. Reaching the right audience with the right information is the key to expanding mindshare and marketshare among potential visitors.

DMM, an end-to-end direct marketing solutions provider based in Scarborough, Maine, understands the unique nature of the Maine Office of Tourism’s challenges—as well as the unique potential of data-driven direct marketing. From bulk mailings 20 years ago to advanced digital direct marketing today, DMM has kept pace with the rapidly evolving technology and expertise required to stay on the cutting edge of the direct response industry. Having worked with the Maine Office of Tourism since 1998, DMM understood that 1:1 direct marketing had the potential to benefit their client by providing a vehicle to deliver targeted messages to different audiences—as well as a way to collect valuable data to further refine the client’s understanding of and messaging to those audiences.

Client Profile

As the marketing organization for the largest industry in the state of Maine, the Maine Office of Tourism serves a wide range of travel-related businesses and a broad spectrum of potential visitors with diverse interests. Their challenge: reaching every hiker or beachcomber or antique-seeker with the information that is most relevant to their interests and most likely to persuade them to choose Maine.

The Players

Industry: Travel and Tourism
Client: Maine Office of Tourism
Direct Marketing Provider: DMM
Variable Data Programming: Terminal Van Gogh (TVG)
Website Development: Portland Webworks
Digital Print Production: Xerox

The Maine Challenge
Laying the Groundwork

DMM Senior Vice President Theresa Cloutier approached Pat Eltman, Director of the Maine Office of Tourism, with the opportunity to participate in the Xerox 1:1 Lab. Open only to invitees, the Lab provides an exceptional level of support to clients throughout the 1:1 trial process. Having used customization successfully on their web site, the Maine Office of Tourism was open to the idea of a personalized direct mail campaign, with the caveat that the large, 245-page travel planner that had already been printed for the year would have to be part of any mailing.

Terminal Van Gogh, Xerox 1:1 Lab partner, developed creative, designed the one-to-one program and leveraged the data to create the traveler-specific pocket guides, 145,152 possible variations, and the postcards. TVG does design, build and deployment of data-driven, one-to-one marketing solutions enabling customers to unlock the marketing potential contained in their database to enhance customer relationships. The State’s website provider, Portland Webworks, developed the web content and housed the integrated database that provided the wealth of data used to drive the 1:1 campaign.

Recipients of the fulfillment mailing would be individuals who had visited the Maine Office of Tourism website (visitmaine.com) and requested the free travel planner. Using real-time information supplied by the visitor when filling out the request form on the website, the pocket guides (5” x 6.875” booklets, printed on a single sheet folded into 8 panels) would be customized to reflect the preferences of each recipient. From the photographs, to the calendar of events, to a letter addressing the recipient by name, each pocket guide would be a unique document incorporating the activities, regions and seasons specified by the potential visitor to Maine. The pocket guides, printed on demand, would also have the flexibility to be updated when events or other information changed—providing a more current reference than the large travel planner, which had to be prepared up to a year in advance.

A response device in the form of a postcard soliciting additional information from the recipient was designed—providing the Maine Office of Tourism with valuable insight into prospective visitors’ travel plans and input about the usefulness of the direct mail pieces. An incentive offer on the response card gave recipients the opportunity to win a shopping spree at one of Maine’s most famous retailers, L.L. Bean. The postcard accompanying the traditional fulfillment mailing and the postcard accompanying the personalized fulfillment mailing were designed to look nearly identical to ensure that the only significant variable in the test would be the customization.

“The results of the 1:1 Lab illustrated that personalized direct marketing resonates with our audience. Potential visitors to Maine responded very positively to receiving information about their individual interests. As a bonus, we learned more about them, which will help us with future marketing efforts.”

– Pat Eltman,
Director of the Maine Office of Tourism
Solution Components

Personalized Package

- Generic travel planner*
- Personalized postcard – includes variable graphic based on region of visitor interest and L.L. Bean offer
- Relevant, data-driven customized pocket guide – 1 sheet folded to 5” x 6.875”
- 8 panels of specific information user requested

*Note: travel planner was included in both packages.
Specific region information on activities changes from visitor to visitor

Relevant images and copy

Activities shown based on season and visitor’s interest

Updated events and image based on time of year visitor chose to travel to Maine
The Freedom to Change Course

The first versions of the two mailings were mailed in August/September 2007. Closely monitoring the responses, Xerox and DMM quickly noticed that the postcards weren’t pulling the expected level of response. Two problems were identified: first, a blue background used on the postcards, while consistent with the Maine Office of Tourism’s graphic “look and feel,” made it difficult to read the postcard. And second, the card didn’t ask prospective visitors to specify the year they expected to visit Maine or call attention to the customized pocket guide that was included in the package.

While direct mail campaigns have always been about testing an approach, evaluating the results, and then refining the approach based on what you’ve learned—digital flexibility has dramatically condensed that process. The 1:1 Lab was able to identify an opportunity, take steps to address it by changing the background color of the postcard to white and add questions about the year of a person’s visit, how the customized pocket guide had been useful and what was their history of visiting Maine—all in 3 days. The new reply device, with all of the necessary copy and graphic edits, was ready to mail within the week. The revised postcards generated a higher response rate immediately, validating the course correction and adding considerable value to the campaign.

In comparison, the static version of the postcard had been pre-printed on an offset press. The entire inventory of remaining cards had to be thrown away, and there was not sufficient time in the campaign to offset print cards with the revised graphics and copy. To continue the test with visually similar postcards in the control mailing, the 1:1 Lab printed the new static cards digitally—on demand.

<table>
<thead>
<tr>
<th>Control Piece</th>
<th>Cost Per Package</th>
</tr>
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<tbody>
<tr>
<td>245-page travel planner (offset produced)</td>
<td>$3.00</td>
</tr>
<tr>
<td>Printing and finishing (offset)*</td>
<td>$0.45</td>
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<tr>
<td>• Postcard</td>
<td></td>
</tr>
<tr>
<td>• 4/0 process, trim to 4” x 6”</td>
<td></td>
</tr>
<tr>
<td>Project management, fulfillment, insertion and lettershop costs</td>
<td>$0.53</td>
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<tr>
<td>Outer envelopes printed</td>
<td>$0.05</td>
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<tr>
<td>Postage</td>
<td>$4.60</td>
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<tr>
<td><strong>TOTAL production or future reprint</strong></td>
<td><strong>$8.63</strong></td>
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<table>
<thead>
<tr>
<th>New 1:1 Lab Piece</th>
<th>Cost Per Package</th>
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</thead>
<tbody>
<tr>
<td>245-page travel planner (offset produced)</td>
<td>$3.00</td>
</tr>
<tr>
<td>Data preparation, processing and set-up variable print ready file generation (pocket guide and postcard)</td>
<td>$0.48</td>
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<tr>
<td>Digital Printing*</td>
<td>$0.50</td>
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<tr>
<td>• Postcard, 1 sheet cut to 4” x 6” (4 up on a sheet) of variable data</td>
<td></td>
</tr>
<tr>
<td>Digital Printing</td>
<td>$0.75</td>
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<tr>
<td>• Pocket guide, 1 sheet folded to 5” x 6.875”, 8 panels of variable data</td>
<td></td>
</tr>
<tr>
<td>Project management, fulfillment, insertion and lettershop costs</td>
<td>$0.53</td>
</tr>
<tr>
<td>Outer envelopes printed</td>
<td>$0.05</td>
</tr>
<tr>
<td>Postage</td>
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<tr>
<td><strong>TOTAL production or future reprint</strong></td>
<td><strong>$9.91</strong></td>
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*Price per package evaluated on the base of 7,448 pieces.

Lab Program Results vs. Traditional Campaign

<table>
<thead>
<tr>
<th>Visitor Acquisition Cost</th>
<th>Visitor Revenue*</th>
</tr>
</thead>
<tbody>
<tr>
<td>~74%</td>
<td>+23.4%</td>
</tr>
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</table>

*Based on increased visitor traffic and revenue projections for a two-person, two-day visit.

Static postcard has question pertaining to usefulness of overall package

Data-driven postcard:
- Top image changes based on region
- Information individuals said interested them
- Data-driven piece populated name and address information
- Question pertaining to usefulness of personalized pocket guide only
Results That Count

From September to November of 2007, requests for information about travel to Maine were sent out in two different forms. The control package was the Maine Office of Tourism’s traditional pre-printed travel planner with a separate, static response postcard. The second package incorporated the travel planner, customized print-on-demand pocket guides reflecting the recipient’s stated interests, and a personalized response postcard. Over three months, 7,448 control packages and 7,448 personalized packages were mailed.

The data-driven, personalized fulfillment mailing—with pocket guides customized to reflect each recipient’s stated interests—generated a 24.1% improvement in response rate over the control fulfillment mailing. 73% of the respondents stated that they found the personalized pocket guides helpful; 96% reported that they were planning to travel to Maine in 2007-2008; and over 50% provided written feedback, which was of particular interest and value to the Maine Office of Tourism. Based on these results, the personalized fulfillment mailing generated 23.4% more revenue from reported visitors to the State than the control fulfillment mailing.

The data-driven mailing generated more customer feedback, and that feedback was more detailed and actionable than the more generic feedback generated by the control mailing. Based on this customer input, the Maine Office of Tourism could refine future mailings to respond directly to what their customers told them they want: information about specific hotels. Fewer ads. More consistency between print and Internet information. Antique shopping maps and information. They also got immediate reinforcement for the things potential visitors felt they did right in the mailing: Maps. Current events. Targeted regional information. Timely and relevant ideas on where to go and things to do.

The Benefits of Customized Mailings

The Xerox 1:1 Lab test validated the power of customized mailings to create relationships that benefit both a business and its customers. Potential visitors to Maine got up-to-date information relevant to them, rather than having to sort through large amounts of copy to find what they wanted. They’re less likely to miss information about activities or events that would motivate them to choose Maine over other destinations. With better information, they’re more likely to have a rewarding travel experience—and to recommend and return to Maine in the future.

For the Maine Office of Tourism, the benefits of using state-of-the-art tools to attract a larger share of new and return visitors are clear. With more tourists, more revenue is brought into a state highly dependent on the travel industry. In a tight and competitive market, a targeted and personalized mailing is a better use of the Maine Office of Tourism’s budget than a one-size-fits-all approach. In addition to advancing the organization’s mission to promote travel to Maine, the personalized mailings delivered valuable information back to the Maine Office of Tourism to help them further refine both the tourism industry and their marketing efforts. And the conclusion of these efforts?

- An adventurous couple from Illinois books a whitewater rafting trip along the Penobscot River in the Maine Highlands.
- An extended family plans its annual reunion at Old Orchard Beach.
- An avid fisherman from Atlanta hooks a native trout in a remote stream.
- Several retired friends visit quaint villages in Western Maine.
- A solitary cross-country skier savors the solitude in the Moose River Valley.

In the end, the success of the program demonstrated how the Power of Personalized Direct Marketing can have a greater impact on those requesting information about Maine. A win for all!

Leveraging 1:1 for Your Business

For more information about the Xerox 1:1 Lab or to schedule an appointment with a Xerox representative to discuss how your business can build better relationships with customers using the power of digital, data-driven direct marketing, visit www.xerox.com/1to1lab or call 1-800-ASK-XEROX.

The Xerox 1:1 Lab Program: we take marketing personally.
Case Study Snapshot

Industry
- Travel & Tourism

Key Client Contacts
- Director of the Maine Office of Tourism
- Marketing Manager

Partners
- DMM
- Portland Webworks
- Terminal Van Gogh
- Xerox Graphic Communications Group

Business Challenge
- Current marketing efforts are traditional in nature: TV, trade show, mass marketing of email and direct mail
- Increasing visitor traffic in a competitive marketplace

Background
- DMM in partnership with Xerox 1:1 Lab program provided direct mail lab test
- Lab program provides education of creating data-driven direct mail
- Utilized visitor supplied information to create individually relevant brochure

Program Objectives
- Provide customized travel information to interested visitors
- Demonstrate individualized marketing can increase response rates and drive visitor traffic
- Test response between relevant DM vs. static DM
- Create infrastructure to create follow-up marketing efforts with past and potential visitors

Results – Power of Relevance

Data-Driven Customized Package
- 24.1% improved response rate over control
- Over 50% of those responded provided feedback
- Anecdotal comments more refined and actionable
- 73% indicated personalized pocket guide was helpful
- 96% are planning to visit Maine in 2007-2008
- The Maine Office of Tourism projected 23.4% more revenue generated

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