XM PIE®

one to one **in** one™

Double-digit response
from Personalized Direct Mail

Target® Stores, one of the largest retail chains in North America, sends direct mail to its most frequent shoppers multiple times per year. Customers spending above a certain level using their Target charge cards receive personalized direct mail pieces that reflect the types of products they purchase. The objective is to drive guest traffic to the stores by enticing them with special coupons and incentives, included in the mailer, for products Target thinks they could use or are likely to buy, based on analysis of established purchase patterns.

> *"XMPie partnered with us every step of the way. They understood how important it was to get our customer campaign up and running in just five weeks. XMPie made implementing personalized direct mail in-house an easy transition," said Heidi Schaefer, variable data project manager, Target.*

Target used a direct mail program called "Target Mail," a static mailer sent to 2 million of its best customers, encouraging them to visit the store more often. The company wanted to leverage its knowledge of customers' buying habits to create a new, highly-personalized mailer—with up to 20 variables—while also bringing the production process in-house to reduce costs. But doing both at the same time posed a challenge. Target had just five weeks to prepare the design templates and produce a sample to show internal teams how the mailer could be done in-house at a lower cost.

XMPie, with its ability to work with Adobe® InDesign®, provided a familiar interface to Target's current designers, and its easy-to-use campaign design structure provided the right tools for the job. For example, XMPie's uPlan, uCreate and uProduce components allowed the programmers, designers and production team to work independently on their respective tasks and then automatically combine the separate elements into a cohesive one-to-one personalized variable data campaign.

With XMPie as the VDP software platform, Target began developing the highly-customized variable print campaign. First, they built the shoppers' profiles from the meticulous data gathered from credit card purchases, Web and e-mail interactions. Next, they designed a 7 x 12-inch gate-folded self-mailer and included Target's patented "clipless coupon." The mailer had four panels featuring product categories based on customers previous purchases, with one panel bearing a peel-off, 6 x 3.5-inch coupon with 20 different manufacturer offers based on the individual recipients' buying habits.

As coupons were redeemed, unique barcodes helped track and measure the response to each offer, forming a complete feedback loop.

"Many companies talk about faster time to market, but it doesn't get much faster than what we achieved. Within five weeks we were able to define our target audience, create value-added variable offers and produce a personalized print campaign for more than 2 million Target customers. We achieved a 50 percent lift over our previous static direct mail pieces," said Heidi Schaefer, variable data project manager, Target. "Starting out with a project this complex makes everything else easier. XMPie was the key factor in bringing this program to reality."

Target also achieved a 30 percent savings in operation costs by bringing the production process in-house. For example, complex variable data programs like these require extensive testing and proofing by people in multiple locations. Using XMPie, personalized templates can be created as PDFs and shared with the Target teams in the U.S. and India, allowing international

An example of Target's patented "clipless coupon" self-mailer.

groups to work more efficiently, enabling them to meet tight production deadlines.

Schaefer expects to see further benefits as Target staff gain familiarity with XMPie's software tools. "The more we learn and apply it, the more ways we find to use it," she said. "We're currently using XMPie for numerous print campaigns and are exploring options for including cross-media features such as personalized URLs. It's a great foundation for many of our customer communications."