Marketing Service Provider

An Opportunity for Growth

A Market Segment Series

Catalogs
Digital Packaging
Direct Mail
Marketing Service Provider
Photo Publishing
Publishing
Transactional Marketing

Xerox
It’s a whole new world for print providers. And for those who understand the forces driving today’s crowded marketplace, it’s a world of opportunity for growth and value. Print providers are rethinking their operations and moving toward models that embrace high-value marketing services.

In fact, studies show that print providers experiencing the highest levels of annual growth generate the greatest amount of their revenue from value-added (non-print) services.*

*Production Print Services in North America: Understanding Industry Transformation, InfoTrends, 2014
The business of print has fundamentally changed.

Evolving from simply a provider of print to a strategic marketing services provider radically changes the dynamic between you and your customer. You’ll move upstream in the communications process and become a more valuable contributor and partner to your customers.

The benefits to your business can be dramatic. By supplementing relatively low-margin print services with high-margin marketing services, you’ll be boosting profits and building customer loyalty while future-proofing your business in a rapidly changing marketplace.
The Market Opportunity

Thanks to the digital and social media boom, consumer touchpoints are more varied than ever before. While this has prompted growth in multichannel marketing initiatives, it’s caused declines for some print applications.

This has prompted growth in multichannel marketing initiatives and has challenged print providers to rethink their role in an omni-channel world.

For print providers, success means finding new pockets of growth to supplement declining print runs. Offering marketing services provides an opportunity to not only grow a more profitable business, but to change how you are perceived by your customers and prospects.

Getting your foot in the door may not be as difficult as you think.

You may not realize it, but many print providers already possess the foundational skills needed to begin this transformation.

- You probably already have a long history of working with digital files and the kind of data proficiency that comes with variable data publishing.
- You have a knack for relationship building, managing complex processes and an attention for detail.
- You also have the local advantage—a benefit when it comes to face-to-face consultation—and a pleasant change for clients wary of the online-only marketing services experts that flood the Internet.

By adding marketing services to your arsenal, you can position yourself as a strategic partner able to develop and implement multichannel marketing campaigns—not just a print-only vendor.
Playing to Win

As you make the transition to marketing services, you’ll need to convince new clients of your competencies and get long-time customers to accept you as more than a printer. Use these talking points to drive the conversation.

Integration Across Channels

In the past, your customers dictated the buying process with their marketing efforts. With the diversification of media channels, that power has shifted to their customers. Today, the average marketing campaign uses at least three different channels. Studies show that print-only campaigns generate a 7.4% response rate, whereas a campaign combining print, email, social media and mobile apps delivers a 9.5% response.*

Deliver Quantifiable Results

Marketers are under intense pressure to generate results that drive revenue and build sales pipelines. As a trusted partner, you can assist by delivering data-driven personalization that triggers action. When you hold the keys to the entire campaign, you can measure, adjust and optimize as needed for your clients.

Move Toward Supplier Consolidation

Today’s customers are looking to simplify the execution of their communications and reduce the number of suppliers they work with. As a result, more are turning to their print service providers (PSPs) for help. As a marketing services provider (MSP), you will be able to assist with all of their marketing needs, from inception to execution.

Critical Insights You Need to Know

PSPs are transforming to MSPs

45% Have or are in process
28% Plan to, but haven't started yet
27% Don't feel the need or don't feel capable

Workflow software gaining traction

<table>
<thead>
<tr>
<th>Software Type</th>
<th>Present</th>
<th>2012</th>
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<tbody>
<tr>
<td>Digital Workflow</td>
<td>52%</td>
<td>44%</td>
</tr>
<tr>
<td>Web-to-Print</td>
<td>41%</td>
<td>34%</td>
</tr>
<tr>
<td>Cross-Media</td>
<td>29%</td>
<td>22%</td>
</tr>
</tbody>
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Top challenges printers face when transforming into an MSP

- Sales challenges: 51%
- Lack the right skills: 39%
- Don't have vision/strategy: 32%
- Don't know where to begin: 8%

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How can you capture a share in this profitable business opportunity? With just the right balance of skills and capabilities. Here are four critical must-haves.

1. Overcoming the Sales Hurdle
   - Teach your sales staff to frame the discussion around solving your customers’ pain points. Quantifiable results matter to this group. Not only will you need to train existing staff, but you also might need to hire new personnel with solution-selling mindsets.

2. Dealing with Data
   - Invest in the right talent, or partner with firms that have data expertise. You may be surprised by the data already at your clients’ fingertips, such as email subscriptions and past purchase history. If none exists, help them build a database through loyalty programs, surveys, promotions, list purchasing and cleansing, or postal programs.

3. Eliminating Bottlenecks
   - Evaluate your current workflow and ability to serve customers to identify gaps. Think about how workflow automation technology can help you increase your efficiency without compromising quality. Also consider how marketing automation technology can help you reach customers at different points in time and interact with each recipient individually.

4. Walk the Talk and Self-Promote
   - Launch a self-promotion campaign that demonstrates your competence in serving marketers’ needs. Demonstrate what you can do with a cross-media self-promotional campaign that drives recipients to a networking event or luncheon at your facility. Document the success of this campaign in a case study.
Opportunity
With the vision and guts to reinvent themselves beyond being a printer, Serbin Print Marketing & Publishing invested in digital technology to initiate their journey as a marketing service provider.

Transformation
Serbin’s transformation was enabled with Xerox® digital presses, workflow offerings and XM Pie® Marketing Solutions. In offering personalization, Serbin quickly realized they needed data expertise and new selling skills. They also needed to convince existing customers of their expanded capabilities.

To do so, they turned to the Xerox Business Development team for professional sales, marketing training and self-promotion recommendations. The investment paid off. For the past six years, Serbin has experienced a 31% average annual growth rate and doesn’t expect to slow down anytime soon.

“We knew digital was our future. By teaming up with Xerox, we were able to market ourselves more effectively, which opened doors for us. To get the most out of our technology and software investments, we had to promote and support them. There’s nothing better than business development with Xerox to get this done.”
— Mark Serbin, President Serbin Print Marketing & Publishing

Opportunity
There are a number of ways print providers can strengthen their relevance—for PremCom, it was all about the workflow.

Transformation
PremCom’s client-branded online print portals were receiving upwards of 1,500 short-run, highly customized Web-to-print orders each day. Without an automated workflow, they were forced to manually process many of these orders, resulting in decreased efficiency and higher costs.

By adopting Xerox® FreeFlow® Core, PremCom eliminated more than four hours of manual processing—filling close to 3,000 print orders daily—and gathered insights to help control costs and improve projections.

PremCom’s improved workflow efficiencies provide a competitive edge that has led to new business.

“Implementing FreeFlow Core has been a major milestone for our business—keeping us on the front lines of customer service. Our adoption is a major success story. Xerox is the partner that helps us let the work flow.”
— Marco Poli, Managing Director PremCom
Empowering Transformation

With a robust portfolio of digital technology, automation offerings and business development support, Xerox is driving transformation for the marketing service provider.

Here’s just a sampling for your consideration. See more at www.xerox.com/production.

Workflow Automation and 1:1/Cross-Media Solutions

With our award-winning Xerox® workflow portfolio and working collaboratively with our partners, we have assembled the industry’s most comprehensive array of workflow solutions to help you make the transition to marketing service provider.

- **Xerox® FreeFlow® Digital Publisher**, a digital publishing software solution, can help you meet the diversified needs of publishers by complementing print with electronic communications simultaneously, using a single, unified workflow.

- **Xerox® FreeFlow Makeready®** empowers your prepress operators to make short work of complex documents through an intuitive WYSIWYG prepress toolset, quickly handling everything from basic imposition to tab programming and accepting both electronic and scanned input.

- **XMPie® Circle** is a cloud-based solution for planning, managing and automating your multichannel marketing campaigns.

- **XMPie® PersonalEffect®** turnkey systems provide powerful, out-of-the-box solutions for professional-grade graphic art variable data print, best-in-class Web-to-print storefronts and multichannel communications that bridge print with digital media. PersonalEffect Enterprise Platforms provide bespoke solutions for high-end, demanding requirements.


Xerox® Versant® 180 and 3100 Presses

Xerox® Color 800i/1000i Presses
**Market-Leading Technology**

- **Xerox® Versant® 180 and 3100 Presses** feature Ultra HD Resolution for outstanding quality while packing performance and automation into a small footprint.

- **Xerox® Color 800i/1000i Presses** let your creativity shine with vibrant image quality and the dynamic effects of silver, gold and clear specialty dry inks.

- **Xerox® iGen® 5 Press** delivers world-class quality and benchmark productivity for high-volume production environments.

- **Xerox® Brenva™ HD Production Inkjet Press**, a cut-sheet inkjet device, is ideal for those looking to capitalize on the economics of inkjet printing but require all the versatility of a cut-sheet package.


**Business Development and Professional Services**

The Xerox® ProfitAccelerator® program, with a portfolio of 100+ tools, resources and training services, is designed to support your efforts from sales and marketing, business planning, operations and new application development.

As you look for new and creative ways to position your operations, Xerox and our network of industry experts can help you:

- Build strategic business and marketing plans
- Develop sales management plans
- Evaluate value-based pricing options
- Use social media to drive sales
- Develop and host open house events

Discover more opportunities in this Market Segment Series.

This series provides insights and practical advice on how to thrive in seven business-boosting markets for print providers. See more at www.xerox.com/applicationseries.

We’re Xerox.

Xerox helps print providers work better by combining people, processes and technology in more efficient and cost-effective ways.

To find out more, visit www.xerox.com/production.