

DesignMerge® Case Study

Graphic Printers, Inc Succeeds By Leading



Who They Are

Established in 1987, Graphic Printers, Inc (GPI) is a full-service commercial printer based in Meridian, MS. The term “full service” is an apt description, as GPI offers their clients expertise in every phase of the direct-marketing process—from design and document creation through digital output, bindery, and mailing services. Ed Pierce, president of GPI, summarizes his company’s philosophy, “Our ultimate goal is to make our customers successful.” It is with an eye toward this goal that GPI approaches variable data printing (VDP).

The VDP Challenge

One of GPI’s clients, a convenience store chain in central Mississippi with over 50 locations, has collected a significant amount of data on their clients through a “frequent guest” card. As the “frequent guest” purchases products, the card is swiped and points are accumulated and later redeemed for prizes. In return, the “frequent guest” understands that their purchasing habits and personal information are gathered and analyzed.

Enter the local Pepsi® distributor and the launch of a new sports drink named “No Fear.” The Pepsi distributor wants to specifically target consumers aged 30 and under with this new product. And while the owners of the convenience store have the data to spearhead such a campaign, GPI has the know-how and resources to successfully implement the VDP direct-marketing program.

Approaching their client (the convenience store) as a business partner, GPI creates a marketing plan and guides their client through the VDP process from start to finish. “It all starts with PowerPoint to more fully explain the nuances of variable,” says Ed. After getting buy-in on the plan, GPI goes to work pulling the required data from the client’s database using **Accuzip6**, and gathers 16,000 targeted names from a database of over 130,000 registered “frequent guests.” GPI then designs and creates a mailing coupon using the page layout application, QuarkXPress®. Currently, GPI is producing 2000 of these 4-up, 6x9, two-sided mailers weekly.



Addressing, personalization, and bar coding created using DesignMerge. Each coupon is “gender-coded” to track responses.

In addition to linking the name and address information from the database to the coupon, DesignMerge allows GPI to add information regarding gender of the recipient (for response tracking), and perform the multi-up sequencing necessary to create the duplex. DesignMerge even applies CopyFit to ensure that data does not overflow the boundaries of the text box, and prints the output in FreeForm format to the Fiery controller. Furthermore, DesignMerge saves valuable time by allowing GPI to re-use the original QuarkXPress file with a new database for each week’s mailer without recreating the layout.

DesignMerge Meets The VDP Challenge



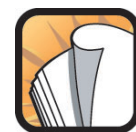
Campaign Results : Thus far, the campaign has determined a very telling piece of information: the sports drink is heavily favored by one gender vs. the other. We won't divulge which is which, but a full 80% of the respondents thus far have been of the same gender, with the remainder a significant minority at 20%. Using DesignMerge to add gender-identification to the coupon provides an added benefit to Pepsi: based on the campaign results, they can direct future marketing efforts toward a more specific focus group, if desired.

VDP Benefits : In a previous VDP campaign created and managed by GPI to prepare for this one, **GPI has tracked response rates upwards of 12% for VDP**—that is, 12% of recipients responded to their VDP mailing. These metrics are based on mailings to customers who had registered and received a "frequent guest" card but had only used it two times or less within a six-month period prior to the mailing. These were the "least frequent" customers and the goal was to entice them to return to recapture them as a customer—or to be able to delete them from the database to provide a more accurate list for targeting future business. As the database collection company charges a monthly fee based on the number of names on the list, this provided a cost savings, as well as relationship-building effort.

Just as impressive, all of the business reasons stated for getting into VDP are bearing out. Since getting into VDP, Ed describes himself as being "revitalized in the print business." No longer hunting for the "1000 copies of company letterhead," Ed is working with his clients to determine a winning proposition to drive sales. Year-to-date, business is up 30%, but profit margin is even higher. "We build a business case for our clients, so when it comes time for pricing, it's no longer a commodity item, but a value-added service," says Ed. "Customers do not blink at the price as its value is determined upfront."

DesignMerge Benefits : Since using DesignMerge, GPI has found it to be a powerful tool, providing the means for success in the VDP market. DesignMerge was easily integrated into their existing workflow without any disruption and without the need for additional software or personnel. By simply using the standard tutorials, the production team experienced a short learning curve and were quickly ready to begin integrating VDP services. GPI proves that the flexibility that DesignMerge offers can have an immediate and valuable contribution to the services a printer can offer. And after just a short period of time, GPI quickly recouped their investment and realized higher profit margins.

Summary : Ed suggests to those looking to get into VDP, "It's not for everyone, but I feel that there are two ways you can go. One way is to become a 'feed and print' provider, which really gets you back into the commodity business and is not the way to go. The other way, and the way that leads to success, is to learn not just the VDP portion, but the marketing and business case behind the technology. Spend the time to build a plan with your clients. If you can lead your customers through the process and make them successful, you'll be well-compensated for your efforts. If you choose to get into VDP, then DesignMerge is a fantastic tool."



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