

Variable Data Printing: Must-Have Guide for Direct Mail Marketers

mailing.com
mail with confidence

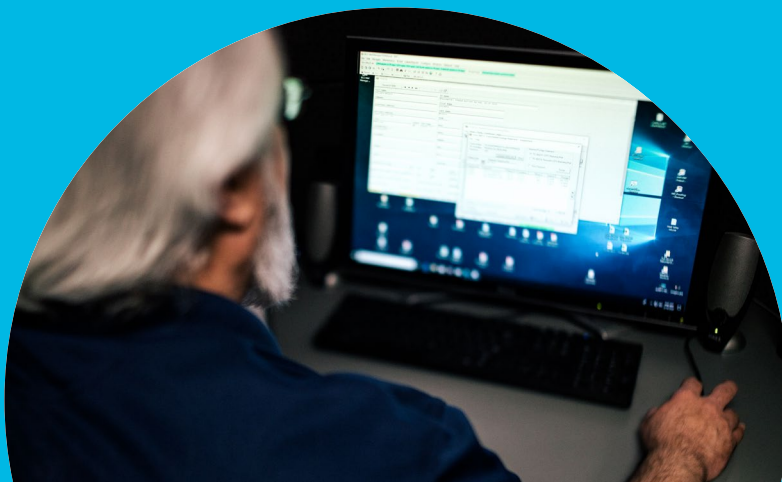


Table of Contents

Introduction	3
What's VDP?.....	4
How Does VDP Work?	4
Effectiveness of VDP	5
Best Formats for VDP	5
Example of Variable Data Printing	6
Where VDP Could Have Been Used.....	9
Verticals that are Great for VDP	10
Improve Your Direct Mail with VDP	12
What to Ask Your Direct Mail Partner About VDP.....	12
Conclusion & Next Steps.....	13

Variable Data Printing: Must-Have Guide for Direct Mail Marketers

by Paul Bobnak • February 1, 2021

Introduction

Variable Data Printing (VDP) is a remarkable opportunity to reach your customers and prospects based on their key characteristics. Instead of spray-and-pray mass mailings, your direct mail can be more precisely targeted, personalized, and relevant than ever before to grab the attention of recipients, and then, move them to act on your offer.

VDP offers you a wealth of possibilities to create powerful, relevant direct mail that speaks to your niche audience on a truly 1:1 basis.

How?

By tapping into your data or third party data.

Consider how much digital marketing depends on personalized data that creates a unique, individual experience for you any time you're online.

Today's companies want to create messages and offers based on customers' preferences and histories, as well as where they are in the sales funnel (or customer journey).

Let's get some quick basics covered to get started!

What's VDP?

Variable data printing is a digital printing process that is used to create individualized direct mail pieces in a single run based on one or more data elements you have about a customer or prospect.

These data points can be anything:

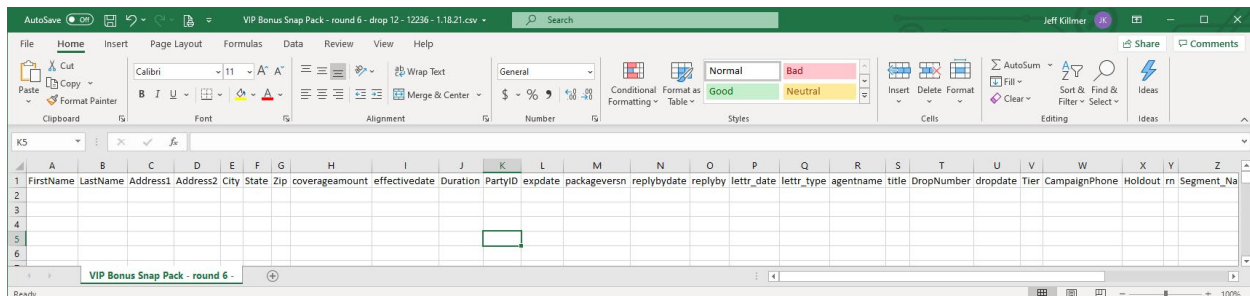
- customer name
- address
- purchase history
- gender
- age
- income
- and many more.

By themselves or in combinations, these customized unique elements capture attention, and eventually, generate conversion when printed onto a one-of-a-kind mail piece.

How Does VDP Work?

Variable data printing works by pulling dynamically-generated headlines, addresses, personal names, offers, graphics, or images from a database file. Text and images are inserted onto a static mail design or template based on a set of application and style rules.

The image below shows a sample Excel file with the layout of the data.



The screenshot shows an Excel spreadsheet titled "VIP Bonus Snap Pack - round 6 - drop 12 - 12236 - 1.18.21.csv". The spreadsheet has a table with the following columns: FirstName, LastName, Address1, Address2, City, State, Zip, coverageamount, effective date, Duration, PartyID, expdate, packageversn, replybydate, replyby, lettr_date, lettr_type, agentname, title, DropNumber, dropdate, Tier, CampaignPhone, Holdout, rn, and Segment_Na. The data is organized into rows, with the first row (row 1) containing the column headers. The spreadsheet is displayed in the "VIP Bonus Snap Pack - round 6" worksheet.

For example, if you're mailing an invitation to visit a new retail store, your data files can include customized maps showing the best driving route from each customer's or prospect's house to the store location matched to their exact street address. The

customized map is then inserted onto the mail piece along with any other individual details that are in your data files.

With the right digital press and software, a run of hundreds of thousands of mail pieces can be printed at high speed, each lasered with specific tailor-fit elements you choose to put on them. Besides clean, accurate data - the process requires software (and a press) that can handle large amounts of data and rapidly respond to each change from one printed piece to the next without significantly slowing down the printing process.

Effectiveness of VDP

According to surveys by the Data and Marketing Association (DMA), mailing campaigns that use personalization achieve response rates of 6%, a big improvement over an average of 2% for non-personalized direct mail.

However, keep in mind that it's not the response rate alone that determines the success of a campaign but its return on investment (ROI). When you take into account the total campaign cost and dollars generated per order, VDP - when executed well - can produce excellent ROI.

Compared to a larger standard direct mail campaign, narrowly targeting a particular audience segment with highly personalized elements and offers on a mail piece makes the campaign more relevant and valuable to the customer, leading to a higher response. The smaller-volume mail campaign increases the ROI due to lower postage and printing costs.

Best Formats for VDP

VDP works very well with direct mail formats that are easily customized.

Potentially, nearly every component of a direct mail piece can be personalized, like letters, headlines and subheads, body copy, inserts, images, graphic charts, call to action (CTA) reply devices, and offers. Anywhere there is data that sets one prospect or customer apart from another, there's an opportunity to use a variable element.

So what can VDP be used for?

- Postcards

- Folded Self-Mailers

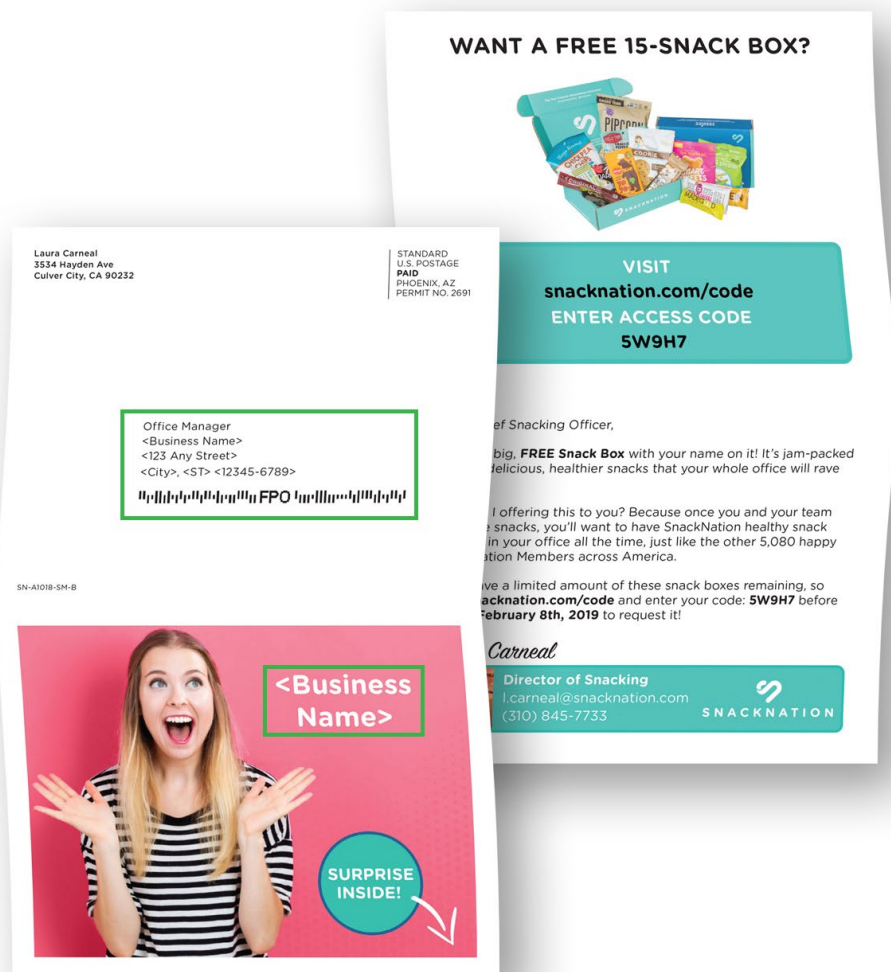
- Envelope Mailers

These popular direct mail formats can engage customers when they use VDP, as noted before, to capture attention and convey value.

Example of Variable Data Printing

1. Folded Self-Mailers

In this direct mail piece, a personalized callout of the business name is used. This is a simple way to get the attention of a potential B2B buyer right from the start. Using simple but effective data points on the front of your piece will entice the prospect to open and read what the branded message is asking them to do.



2. Envelopes

Envelope packages have wide ranges of variable data options. For example, letters, applications, reply forms, and buck slips can be personalized throughout the printing process.

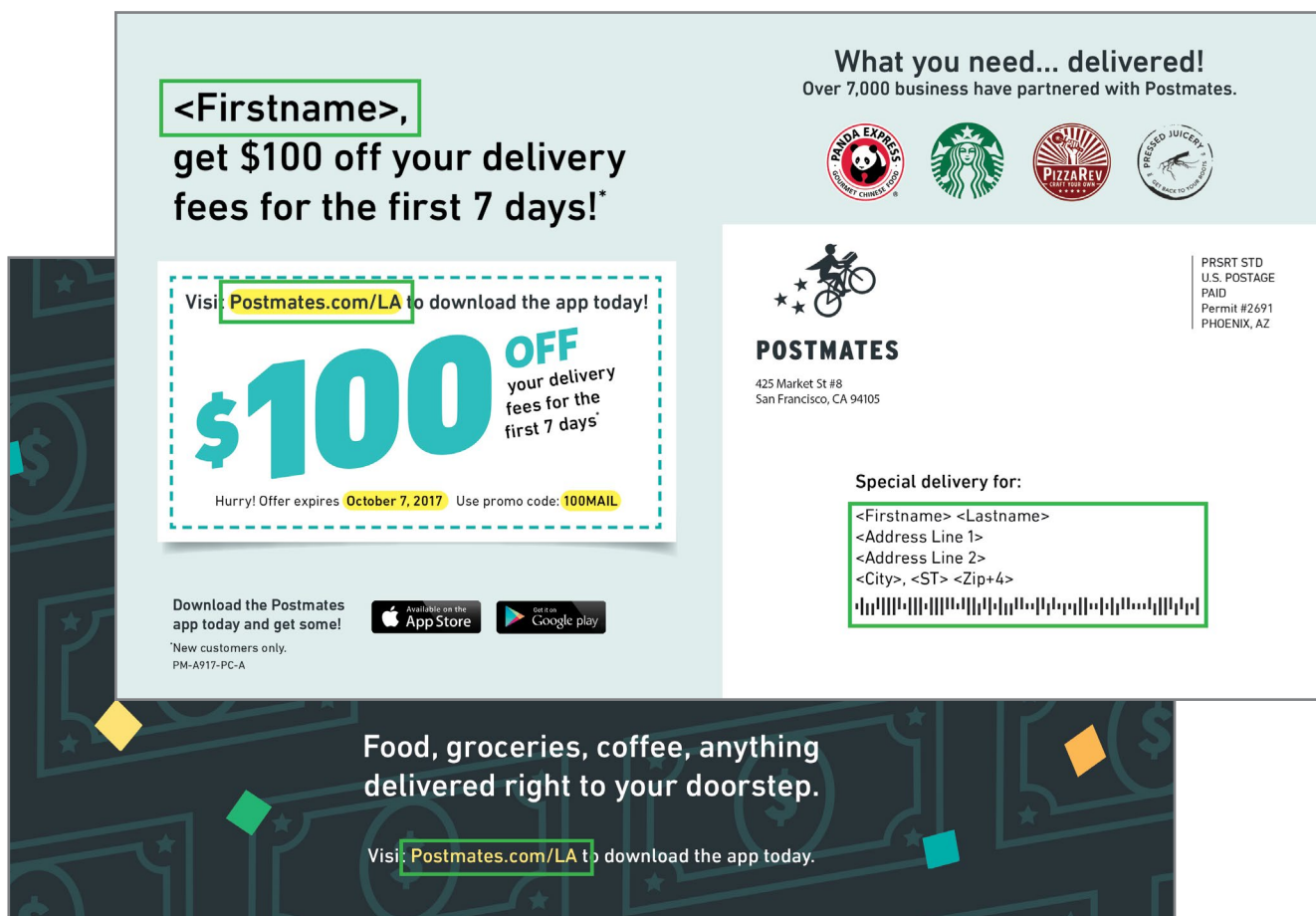
This simple example was mailed by a health insurance company. The savings potential, the person's first name, and locations near them are called out throughout the inserted pieces. Taking the extra step within the data process and calling out each person's projected savings helps the prospect put their unique savings into perspective to help them make a choice.



3. Postcards

Here, a prospect was mailed a 6"x10.5" postcard with several VDP elements on the front side to promote a homeowners insurance quote. The variable data used are:

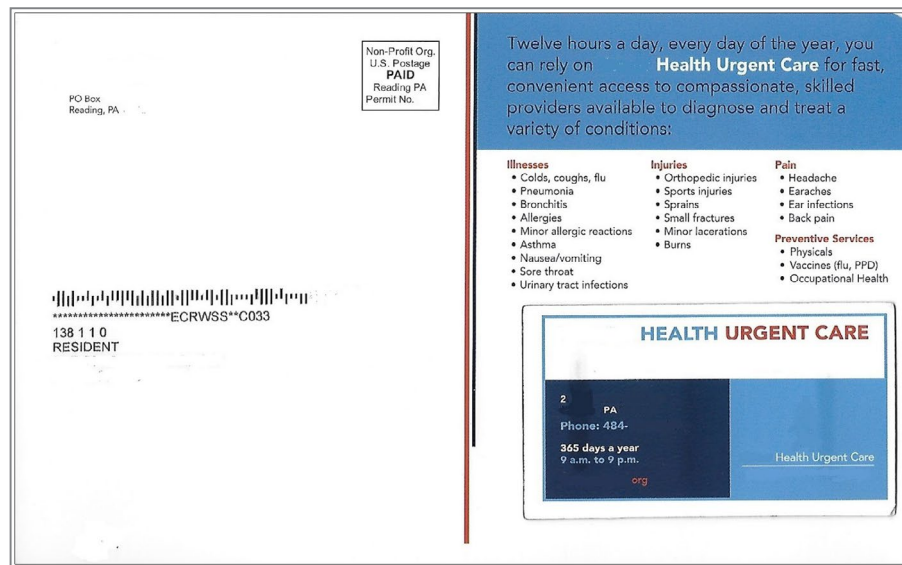
- First name callout on the mail panel side
- Personal address
- PURL used based on address demographics



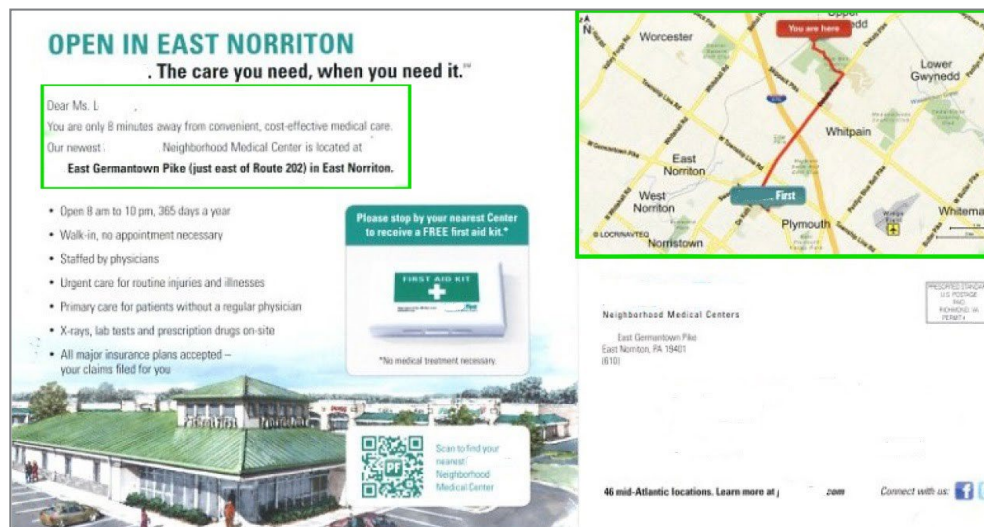
Where VDP Could Have Been Used

Using VDP in direct mail is the keystone of customer-centered communications. It provides exact targeting of your intended audience, provides them needed information and offers, and creates a connection with your brand.

In this example below, an urgent care facility lists its services on a postcard, hours, and contact information. But it misses an opportunity to engage a prospective patient or customer by not using the power of location.



The mailpiece below includes a customized map generated to show the exact route from the recipient's house to the location of a similar type of facility. It also lists some of the services it provides, but includes QR code to push traffic to its website.



Verticals that are Great for VDP

VDP can be used in a wide variety of data-rich industries, including but not limited to:

- Financial Services
- Retail
- Nonprofits
- Telecom
- Utilities
- Education
- Healthcare

Because direct mail goes to every household and business address in the country, you can use that as a starting point to target customers and prospects using better data. You then have many more options to make their mail more customized - both creatively and message-wise - in the customer's mailbox.

Healthcare encompasses many companies at the local, regional, and national level. And while use of data must respect HIPAA privacy rules, there are opportunities to use VDP in direct mail campaigns. This offer from a Medicare insurance broker zeroes in on residents by the specific county of their residence. Notice how often 'county' is referred to. With geomarketing, direct mail can be more relevant and engaging to the recipient.

FIND THE RIGHT MEDICARE PLAN FOR YOU AND AVOID MEDICARE PENALTIES!

<FirstName> <LastName> of <County Name> County, Please contact us immediately to possibly save hundreds. CALL OR TEXT TODAY. You have limited time to enroll in Medicare to avoid paying higher premiums and copays.

Our local, licensed Medicare agents can help you compare plans from the top insurance plans and get the most comprehensive Medicare coverage at the lowest possible premiums.

Time is running out. Reply by: 2/28/21

IMPORTANT MEDICARE ALERT FOR <COUNTY NAME> RESIDENTS ONLY.

<FirstName> <LastName>
<StreetAddress>
<City>, <State> <ZipCode>

1- [Redacted]

YOU MAY SAVE HUNDREDS ON MEDICARE PREMIUMS

Our Medicare Agents services are free for <County Name> residents.

We work for you. Not the insurance companies.

PLEASE CALL (OR TEXT)

1- [Redacted]

9 AM to 5 PM Mon - Fri
(TTY: 711).

Dear <FirstName> <Last Name>, Please call or text your local Medicare agent at 1- [Redacted]. If you don't enroll into Medicare when you first become eligible, you may be subject to penalties.

[Redacted] together cutting edge technology with over 25 years of local Medicare experience to help <County> County residents sort through the maze of Medicare plans from all the major carriers to help you make smart, affordable decisions.

Because we are your neighbors and live and work in <County> County, we go to the same doctors and hospitals as you, and can point you towards the plans which work best with your <County> County healthcare providers. We can guide you towards affordable plans with \$0 month premiums, or plans with \$0 primary care copays. We'll point out which plans have your drugs in their formulary, and your doctors in their network.

There is no cost for our services. But you must respond quickly! Please call or text us immediately at 1- [Redacted] so we can be sure you don't miss any important deadlines.

COMMON MEDICARE PLAN FEATURES AVAILABLE TO <COUNTY> COUNTY RESIDENTS:

\$0 Monthly Premiums. Up to \$250 in Eyewear, \$0 Lab CoPays, Comprehensive Dental, Preventive Hearing and Hearing Aid Benefits, Fitness Programs, \$0 Preferred Generic Drugs, No referrals for specialists and financial protection from unexpected high medical costs.

Automotive companies of all kinds also create impactful direct mail with VDP. This letter from a car dealer leverages data on a prospect's current vehicle model, make, and year and to make a trade-in offer for a new vehicle.

	CURRENT VEHICLE: <vara/year/make/model> VIN: <vara.VIN#> • Trade-In Offer: up to 110% of KBB Value • Stimulus Down Payment Assistance • Bonus Offer: \$1,000 credit toward your new †
OFFICIAL BUYBACK EVENT ***Please read this entire notice carefully***	
<<Recipient's Name>> <<Address Line 1>> <<City>>, <<STATE>> <<ZIP>>	
CURRENT VEHICLE: <vara/year/make/model> VIN: <vara.VIN#>	
	STIMULUS BUYBACK EVENT
	up to 110% of KBB Value Stimulus Down Payment Assistance
Dear < First Name>,	
My name is . The used car marketplace is hotter than ever and we have a huge demand for vehicles like your <vara/year/make/model>. According to our records, you are still in possession of this vehicle and we would like the opportunity to purchase this from you. Despite what many people think, sometimes vehicles do appreciate in value. This has happened in record increases in the last few months on many high in demand vehicles like yours. The <vara/year/make/model> you own is one of those vehicles which is likely worth thousands more now than it was just a few short months ago! Due to the fact that we are in need of your vehicle, we are prepared to make you an excellent offer to purchase it immediately. Call to set up an appointment today.	
Additional Stimulus down payment assistance is also now available and up to 110% of KBB value for your trade can be offered. However, you are under NO OBLIGATION to PURCHASE ANYTHING to receive a written buyback offer. Right now, due to market conditions of the past year, used car values are higher than ever. In addition, you can take advantage of Great New Incentives on new like 0% financing and Double Rebates. To take advantage of this unique opportunity, please call me or our sales department directly at or please stop by for your written offer. Bring this letter and receive an additional \$1,000 towards the purchase of any new or used vehicle from our inventory.	
Sincerely,	
On approved credit. Some offers may not be combined with others that may be advertised outside this letter. Offers only apply to in-stock vehicles, previously placed orders do not qualify. * Up to 110% trade in allowance is based on K.B.B. average trade in value less reconditioning, damage and mileage deductions. Condition may effect actual offer. Double Rebate Example: MSRP \$27,494, Rebate \$1,250, Double \$1,250. † Bonus Offer Example: New , MSRP \$21,619. All offers plus license, tax, and \$499 doc fee. Expires Feb 28, 2021.	

Improve Your Direct Mail with VDP

As with segmentation, personalized targeting tends to increase campaign ROI in a variety of ways, from boosting discovery and response rates to driving visitors to a website or brick-and-mortar store.

And it all starts with customer data - but it has to be very good, if not perfect, data.

The hardware and software you use for VDP will have to be robust enough to handle lots of data changes quickly while printing big runs of hundreds of thousands of mailings, up to a million pieces.

Without the right data processing, you risk wasting time and money on your mail. At a minimum, you should run several processes to ensure that your database files are clean:

- **CASS (Coding Accuracy Support System)** standardizes, corrects, updates, and verifies addresses
- **De-Duping** eliminates duplicate records
- **NCOA (National Change of Address)** checks your data against new address records filed with the USPS by movers and is required to be run every 90 days

Taking these steps beforehand will help you improve efficiency, increase the accuracy of each direct mail project, and drive down postage costs.

What to Ask Your Direct Mail Partner About VDP

- Do you have the software and technology to improve my direct mail personalization with variable data printing?
- Would my data be secure during the printing and mailing process?
- Can you add third-party data to my customer records to make my direct mail more relevant to my audience?
- Can you help me segment my customer file based on the data?
- Can I send you an already merged data doc or pdf file for you to print?

Conclusion & Next Steps

VDP is more than just personalization. It is data-driven, targeted marketing at the micro level, and means that you have many more options to make your mail more distinctive - both creatively and message-wise - in the customer's mailbox.

And because it is printed, it is the physical expression of an overall marketing strategy that treats each individual as a person, not as part of a group or mass audience.

In short, VDP works because it centers product and service offers, among other elements, around the individual needs and wants of each customer. It zeroes in on the customer's preferences, experiences, and more, and builds the mail piece around how your company can fulfill those desires and needs.

The paper, ink, finishes, and effects used to create a printed mail piece adds an extra dimension to marketing that heavily uses data to create customized mail pieces. When done well, it can make those personalized elements shine and develop an emotional connection with a customer.



Want to know how to incorporate personalized data in your direct mail campaigns?

Our data team at mailing.com would love to talk with you about variable data printing and share our expertise every step of the way!

Give us a call at 833-4-MAILING or drop us an email at hello@mailing.com