



Digital & Print: Dispelling the Myths – Embracing the Truth

November 2019



**AMERICAN
LITHO**



AGENDA:

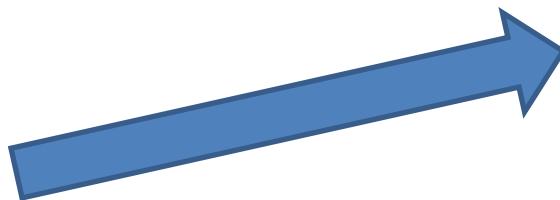
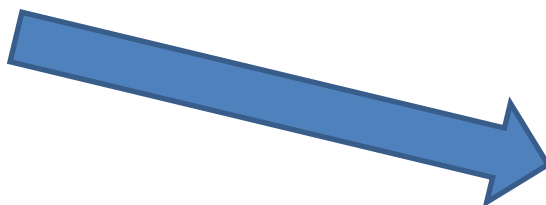
- 1. Digital vs. Print: Universal Myths vs. Truth**
- 2. Clinical Studies – reading paper vs. other media**
- 3. The 5 C's: Uncovering the truth to create positive change**
- 4. Bringing all of the truths together**
- 5. Informed Delivery**
- 6. Retargeted Direct Mail**
- 7. Informed Visibility**
- 8. Digitally Enhanced Mail**
- 9. Case Study – Third Party Automotive Warranty Extension Program**



Myths:

Digital is
better than
Print

Print is
better than
Digital



Truth:

Digital + Print are
Smarter Together!

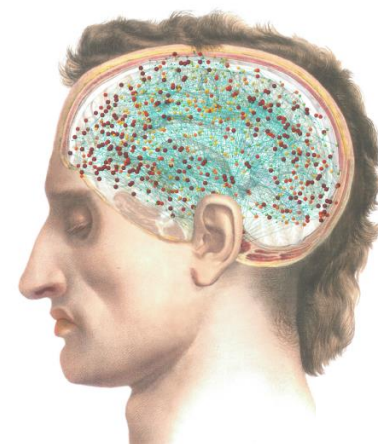




More than 100 Published Studies since the early 90's* (Neurologists, Psychologists, and other Researchers)

People read BEST from paper for 3 Reasons:

- 1) It makes content more intuitively navigable.
- 2) It facilitates better mental mapping of information.
- 3) Drains fewer of our cognitive resources, making retention a little easier.



* A Communicator's Guide to the Neuroscience of Touch





The 5 C's: Uncovering the Truths to Create Positive Change



TRUTH ILLUMINATION





CUSTOMER

MARKETERS HAVE MORE TOOLS THAN EVER, BUT IT'S NEVER BEEN HARDER TO CONVERT.



40%

of marketers' 2019 budgets will be spent on channels they didn't know existed 5 years ago



72%

of marketers say "increasing conversion rates" is their top priority in 2018



77%

of consumers say they now switch brands more quickly than they did three years ago

"We have so many more mediums, to bombard audiences with, but it's been harder to hook a sale, because the market is so fractured out there."

- Justin Scott, Director of Communications at Sprint



Source:
1 Salesforce, State of Marketing, 2017
2 Vidyard, DemandGen Report, 2018
3 Accenture, "U.S. "Switching Economy", 2015



CATEGORY

DIGITAL CAN'T DO IT ALONE.



1/2

more than half of online ads are never seen



32%

less than 1/3 of marketers find email, social ads, and paid search effective

The Online Ad Industry is Rallying to Fight Piracy, Fraud, Extremists and Fake News.

Los Angeles Times

"98% of digital advertising is ignored or not engaged with, oftentimes [it's] just discarded. I think people sometimes overinvest in digital."

– Rick Banks, FMR VP, Planning Director, Carat

Sources:

- 1 Marketing Week, "Marketers Continue to Waste Money...", 2016
- 2 WBR Insight, "State of Customer Acquisition", 2018
- 3 eMarketer, AudienceProject, 2018



CULTURE

DIGITAL HAS HEIGHTENED OUR DESIRE FOR PHYSICAL CONNECTION.

Surprising Study: Millennials Prefer Human Interaction Over Digital

Millennials aren't as people-phobic as they're assumed to be.

MARKETING DIVE Deep Dive Opinion Library Events Jobs Topics

The value of human interaction: Why digital isn't always better

What does it take for brands to form long-lasting customer relationships in a world of short attention spans?

RETAIL DIVE Deep Dive Opinion Podcasts Library Events Jobs Topics

Digitally native brands set to open 850 stores in 5 years

TECH

CYBERSECURITY | ENTERPRISE | INTERNET | MEDIA | MOBILE | SOCIAL MEDIA | VENT

Amazon is mailing a printed holiday toy catalog to millions of customers

59%

look forward to discovering mail each day

5.3%

DM conversion rates are the highest in 15 years

"Direct mail went away for a while, but more digital brands are seeing how well it works as strong marketing. It's a different way to speak with customers who are sick of the ads they see on Instagram."

- Cheryl Kaplan, President, M.Gemi

Sources:

- 1 DMA Statistical Factbook 2018
- 2 USPS 2017 Mail Moments Study





CONNECTIONS

NOTHING'S MORE POWERFUL THAN DIGITAL AND PHYSICAL WORKING TOGETHER.



40%

conversion rate when blending direct mail and digital



9X

better chance of making a sale when combining DM and digital



60%

of marketers preferred the concept "The Power of Digital and Physical"

"Digital makes it easy to personalize and measure success. Physical mediums like mail break through. And then you're saying, we've solved that problem. It's no longer this or that. You can have both.

- Ari Cox, Head of Creative and Digital Customer Experience, Zappos

Sources:

- 1 Survey of Marketers by Universal McCann, CAT, 2016
- 2 Pebble Post via DM News, "Direct Mail Right on Target", 2016
- 3 Canada Post, "Connecting for Action", 2016
- 4 MWG Marketer Interviews, September 2018



MAIL INNOVATIONS ADD DIGITAL INTELLIGENCE TO THE MAGIC OF DIRECT MAIL.



RETARGETED DIRECT MAIL
(Automated Direct Mail)

**Smarter Targeting +
Tangible Media**

"I think the premise is really intriguing. This allows you to effectively use your own first party data of who's taking action on your site to bring someone back."

- Will Flaherty, Head of Growth Marketing at Rent The Runway



INFORMED DELIVERY

**Seamless Communications +
Personal Delivery**

"Three chances to close the sale, mail, email, and interactive content, is great because you have multiple opportunities to attract a customer versus a one and done approach"

- Ari Cox, Head of Creative and Digital Customer Experience, Zappos



INFORMED VISIBILITY

**Coordinated Messaging +
Memorable Experiences**

"When you can have an orchestrated campaign that triggers based on when a customer receives a piece of mail, I think this is great."

- Monica Welz, Sr. Marketing Manager of Digital, Athleta



BRINGING ALL THE TRUTHS TOGETHER



CUSTOMER

Marketers have more tools than ever, but it's never been harder to convert.

CATEGORY

Digital can't do it alone.

CULTURE

Digital has heightened our desire for physical connection.

CONNECTIONS

Nothing's more powerful than digital and physical working together.

COMPANY

Mail innovations add digital intelligence to the magic of direct mail.





NEW INNOVATIONS HAVE TRANSFORMED MAIL



**INFORMED
DELIVERY**



**RETARGETED
DIRECT MAIL**
(Automated Direct Mail)



**INFORMED
VISIBILITY**



**DIGITALLY
ENHANCED MAIL**
(FKA Irresistible Mail)





Informed Delivery[®]

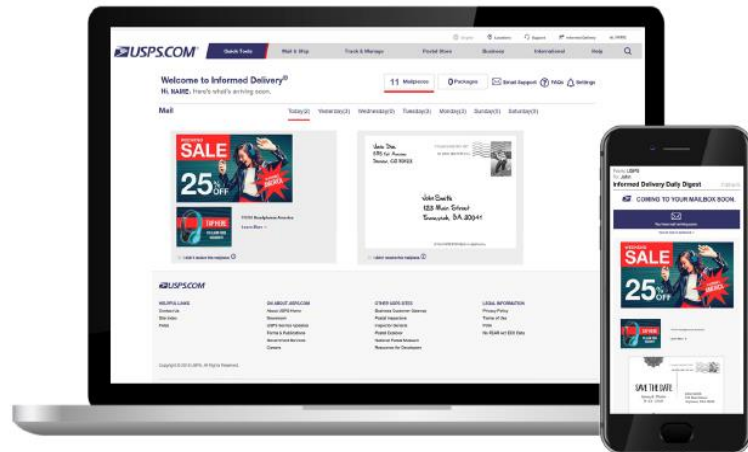
Direct Mail



Digital CTA



Enhanced Customer Experience





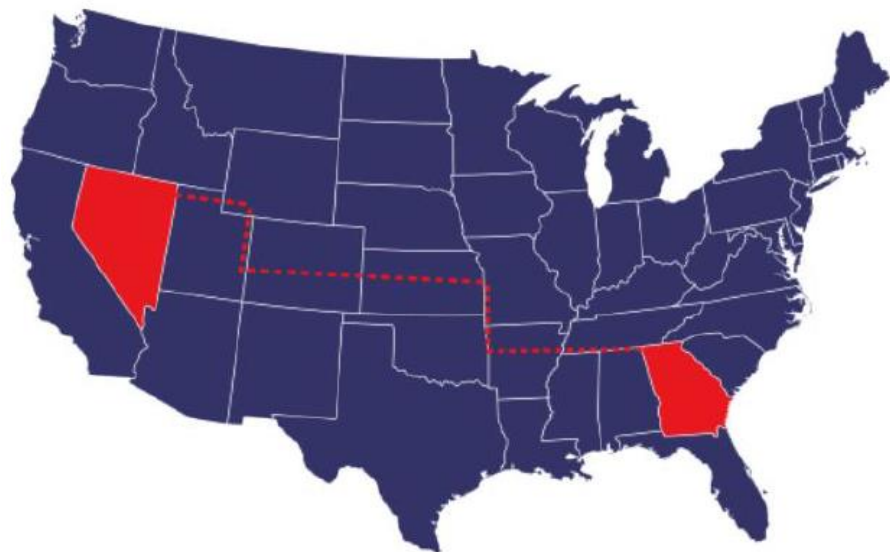
Informed Visibility™



■ Marketing - Article | 3-min. read

Track Your Direct Mail with Informed Visibility™

Take a deep dive into Informed Visibility™, and learn how it can boost your campaign efforts by coordinating direct mail with digital campaigns. [Read more >](#)





Retargeted Direct Mail

RETARGETED DM APPLIES AN OMNICHANNEL MEDIA STRATEGY TO MAIL

“Generally, 2% of shoppers convert on the first visit to an online store. Retargeting brings back the other 98%.”

Using Retargeted Direct Mail, marketers can automatically trigger personalized direct mail to people based on their digital behavior within 12 to 24 hours of a site visit.

With personalization, precise targeting, and quick turnaround, marketers can deliver **the right message, to the right person, at the right time**, to move him/her to action.

Source:AdRoll





Website Visit Retargeting Scenario

1 Consumer engages with customer website



2 Pixel on website captures IP Address and URL of visitor



IP: 88.192.214.43
URL:
asgc.com/reverseappend/in.aspx

3 Qualifying rules are set for reverse append



6 Measure performance at individual customer level



5 Personalized messaging sent using multi-channel addressable media



4 Identified visitor are segmented & scored based on brand's modeled persona*

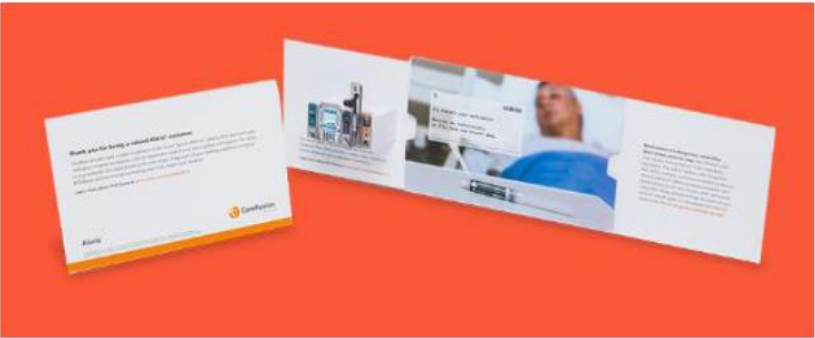




Digitally Enhanced Mail



Mail can deliver digital experiences ...

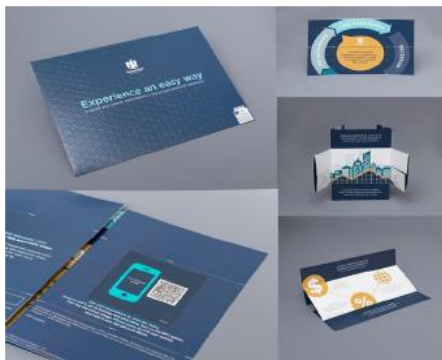


... or deliver tools to augment them





Digitally Enhanced Mail



Mail can connect to digital experiences ...



... or offer digital response mechanisms



★ ★ ★

Case Study: Third Party Automotive Warranty Extension Program

Industry Marketplace

- 18 billion in total revenue
- 2,142 competitors
 - Car Shield
 - CarChex
 - Concord Auto Protect
 - Liberty Bell
 - Infinite Auto Protection
- 20,243 Employed in the Industry



Challenges

- Highly regulated industry
- Competitive
- 30% of all vehicles change hands annually (on average) – short purchase window
- 70% of customers cancel after a major repair

Opportunity

- The Auto Extended Warranty Providers operators provide automobile owners warranties that extend past the warranty a car's manufacturer provides for a new vehicle.
- Additionally, participants in this industry include car manufacturers, car dealers and other third-party warranty providers. The industry has benefited from the average age of the vehicle fleet in the United States increasing an annualized 0.9% to 11.9 years over the five years.

Case Study: Third Party Automotive Warranty Extension Program

Audience

- Age 55-75
- 58% women, 42% men
- Single income households

Channels - Integrated Omni-Channel Approach

- Website
- Google Ads
- Direct Email – responders and remarketing
- Purls
- YouTube – marketing videos and video ads
- Call Centers (Chicago and St Louis)
- Direct Mail – *both response mailings for call follow-ups and for direct acquisition*
 - Post cards: 500m per week
 - Letters: 2.2mm per week



Case Study: Third Party Automotive Warranty Extension Program

Testing

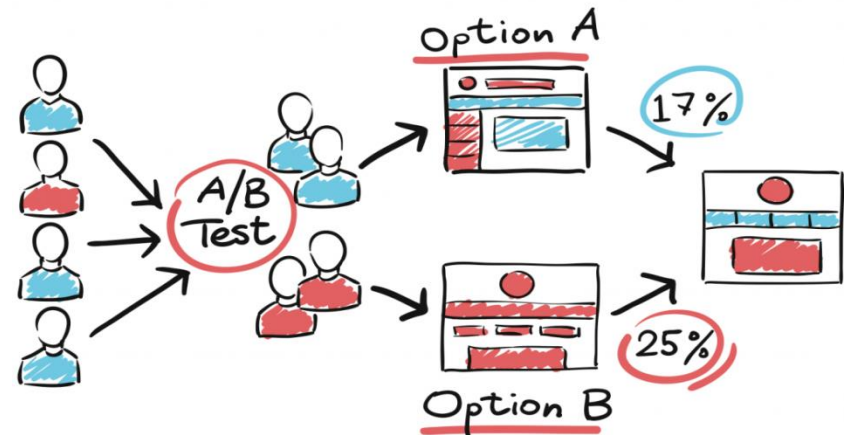
- Format
- Message/Offer
- OE's
- Color (changed from yellow to pink)

Response

- Letters receive a .6-.7 response rate

Conversion

- Close rate on inquiries is 7-8%
- 40% based on color change of postcard
- Average 500+ sign-ups per day, 3000+ per week
- Average sale \$4,200





Questions?





Thank You!

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