

# Increase Customer Loyalty through 1:1 Marketing

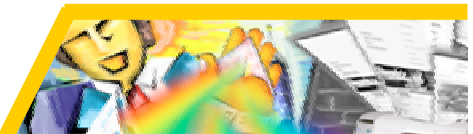
**Pamela Wu**  
**Marketing Director**  
**Silk Technologies**



**Would you like to  
Increase the Response Rate by  
500% ?**



*Intelligent Marketing, on Prints & beyond*



## Effect of Color & Personalization

- Average response rate of non-personalised DM campaign is **2%**
- Add Name only increase response by **44%**
- Add Static Full color increase response by **45%**
- Add Personalization & Full Color increase response by **135%**
- Add Database Intelligence increase response upto **500%**

- *A study in US by Professor David Broudy & Frank Romano*



## Cost per Response: Personalised Direct Mail

*Variable Data Printing (VDP) - an cost effective Marketing Tool*

	Static	VDP
Budget	\$ 10,000	\$ 10,000
Pieces Mailed	33,000	16,500
Cost per Piece	\$ 0.30	\$ 0.61
Response Rate	2%	10%
# Response	660	1650
Cost per Response	\$15.15	\$ 6.06

*Source: Total Repro*



# Postcard Marketing

*An example*



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# The Power of 1:1 Marketing with VDP Technology

## What is Variable Data Printing (VDP)

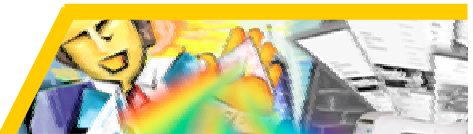
1:1 print communication that deliver relevant, unique message and specific to the needs of your customers

## Higher response rate – Better ROI

Powerful tool to influence buying decision, gain higher response rate, dramatically improved return-on-investment.

## Value proposition

- Revenue Growth & Cost Saving
- Customer Retention & Loyalty
- Productivity & Efficiency



## 1:1 Marketing -- Start With Basic

- **WHAT** - *Information/message must be relevant*
- **WHO** - *Match the contents to the right recipients*
- **WHEN** - *Deliver only when it is needed*

### Database Selection Criteria (Demographics)

- Geography
- Age / Gender / Industry type
- Occupation / Vertical segment
- Specific Product / Interest / Requirement
- Prior buying behavior / Historical info
- Preference / Hobbies
- Timeline, when needed



## Simple Mail Merge -- 1:1 Marketing Step 1

- Simple personalization using document template and mail list
- Merging standard text data with different name & address
- Example: Microsoft Word Mail merge function with excel list
- Application
  - *Standard sales letter with personalised name and address,*
  - *press release with name and company*
  - *standard invitation with personalised name,*
  - *product info, all-in-one catalogue with mail merge of name*

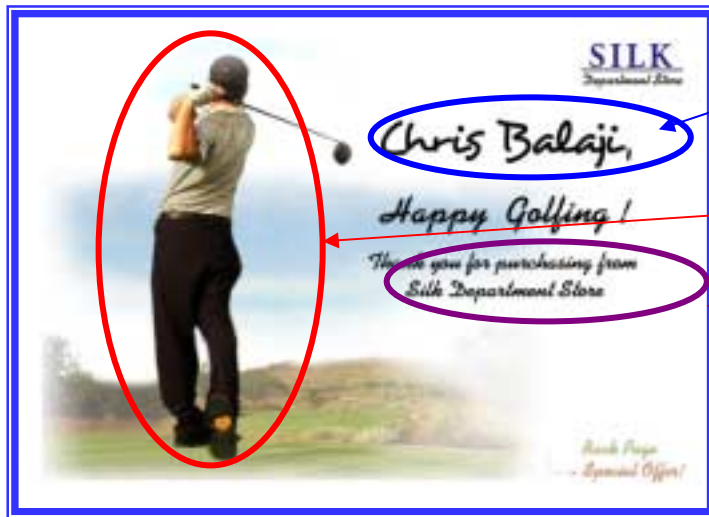


## Variable Contents – Effective 1:1 Marketing Tool

- **Complex Personalization with variable contents**
- **Document Template merged with variable text & image**
- **Message and Picture match recipient's characteristic**
- **Relevant information sending to targeted recipient at right time**
- **Wide Range of Application:**
  - *Postcard Marketing*
  - *Informational brochures, catalogues matching recipient's preference*
  - *Customer loyalty statement*
  - *Sales/promotional letter with relevant offers*



# Example: Postcard Marketing

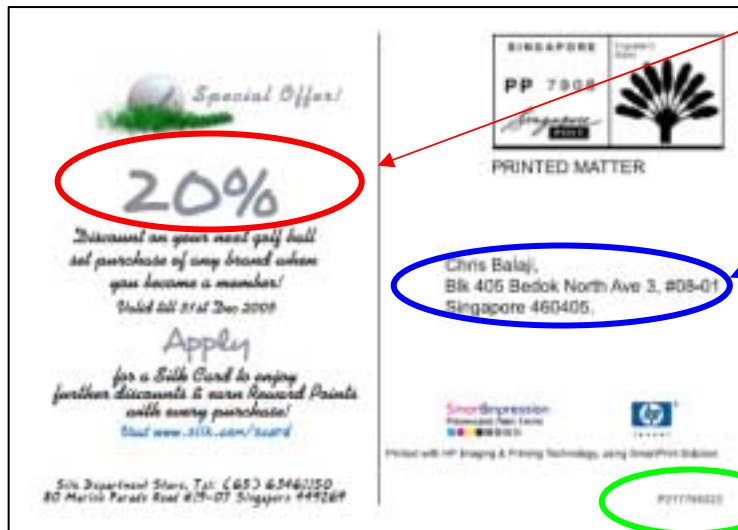


1). Personalised name

2). Profile of interest

3). Relevant Message

4). Targeted Promotion



5). Direct label print

6). Unique Tacking number

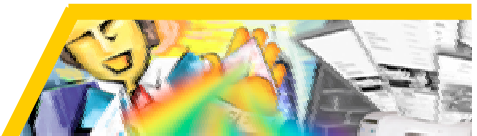
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# Example: Personalized Newsletter

1). Profile by recipient

2). Relevant Contents

3). Targeted Promotion



# Example: Personalized Sales Promotion



# Example: Loyalty Statement

**Smart Impressions LIFE STYLE**  
 Mr. Tan Kim Leong  
 2 & 2 Park Avenue  
 #12-01A  
 #1201 Kuala Lumpur

W 18 10 Megan Avenue B  
 12 0000 The Pavilion Mall  
 06010 Kuala Lumpur

MONTHLY LOYALTY POINT STATEMENT

SI CARD	Card Number	Card Balance	Points Earned	Points Redeemed	Points Accumulated
156-10148-83	14,100	16,050	800	30,000	30,000

Current Redeemed Points: 30,000

Date	Transaction Description	Qty	Points
12/07/04	Wool Mart & Bell	1	300
	Onionette Socks	1	300
	All American Golf Ball	1	3,000
18/07/04	Durban T-Shirt	1	800
28/07/04	Kingston 200MB Secure Digital Card	2	1,500
	Sonyva Devia PAL7300V 30" WIDE LCD TV	1	10,200
	Columbia Sportswear Hq. Polo	1	200
18/07/04	Novo Zoraida	1	1,800

The month's purchases and points earned: 16,050

**REDEEM**

POLO BURN T-SHIRT  
 Save Redeemed Points Here

000 points

POLO BURN T-SHIRT

22,000 points

POLO BURN T-SHIRT

2,000 points

**A chance to win a MX-5 Mazda**

Don't miss it!  
 Make your dream come true

## Customer Loyalty Statement

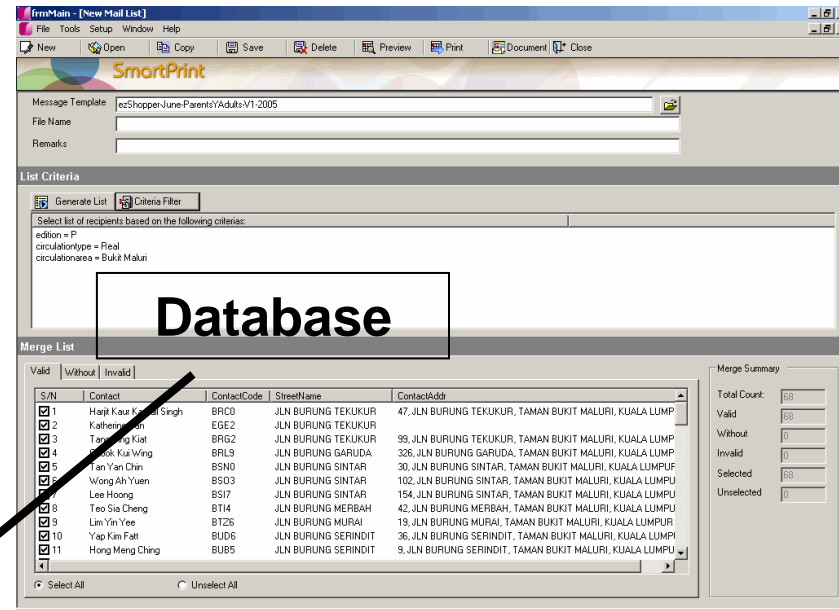
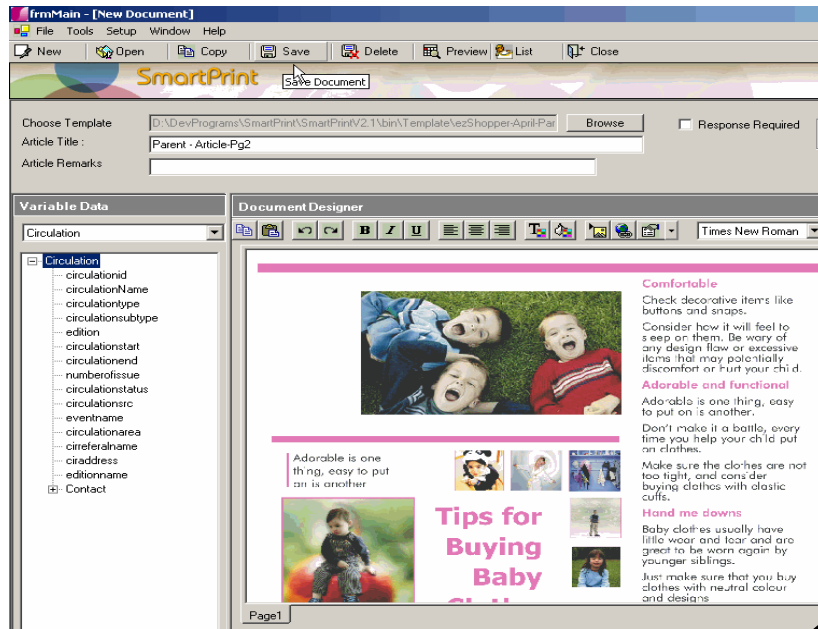
1). Redemption according to customer buying history

2). Enhance customer loyalty with database intelligence

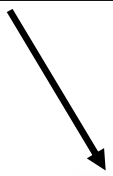
3). Strip Ad for cross-selling



# Variable Data Print Workflow



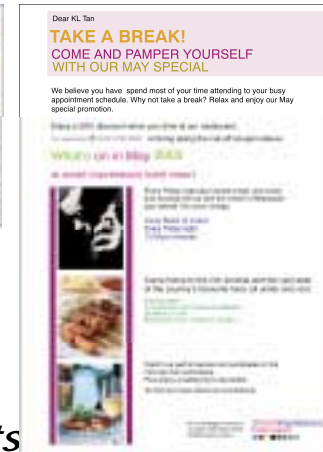
Print Template



Post Card



Sales Letter



Loyalty Statement




Flyer  
Catalog  
Brochure

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# Generating Revenue from Transactional Document?

*Typical monthly statement*



**Quick Comm**  
K-23-51 Jalan Melintang 5, 50450 Kuala Lumpur, Wilayah Persekutuan, Ma  
Tel: 03-85622547 Fax: 03-85622548

CM Marketing Sdn Bhd  
B-3-8, Megan Phileo Avenue  
12, Jalan Yap Kwan Seng  
50450 K.L.  
Tel: 27111296  
Fax: 27111273

DATE	REFERENCE NO	DESCRIPTION	DEBIT
Jan 28, 2003	INV 0018	SALES	3,871.00
Feb 07, 2003	INV 0024	SALES	2,617.00
Feb 18, 2003	INV 0033	SALES	6,840.00
Feb 20, 2003	OR 00004	Payment Received	
Mar 06, 2003	INV 0038	SALES	1,342.00
Mar 26, 2003	INV 0049	SALES	1,477.00
Mar 27, 2003	OR 00018	Payment Received	
Apr 04, 2003	INV 0058	SALES	1,624.00
Apr 27, 2003	OR 00026	Payment Received	
Apr 30, 2003	INV 0077	SALES	1,787.00
May 17, 2003	INV 0088	SALES	1,965.00
Jun 05, 2003	INV 0101	SALES	2,163.00
Jul 10, 2003	INV 0128	SALES	2,378.00
Jul 28, 2003	INV 0141	SALES	1,642.00
Aug 07, 2003	INV 0148	SALES	2,788.00
Aug 20, 2003	OR 00032	Payment Received	
Aug 27, 2003	INV 0160	SALES	2,953.00
<b>TOTAL</b>			<b>33,946.00</b>

*Common promotional flyer*



**4 YEAR SALE**  
Special Deals On Latest Models

**599.00**  
**599.00**  
**599.00**  
**599.00**

**Siemens S55**  
**Siemens S55**

**SUPER DEAL**

For a limited period, purchase Nokia 6234 and get 1GB GPRS, 1GB to the SIM

Call Us TODAY or visit our website at [quickcomm.com](http://quickcomm.com)

If you have any questions and call the 24-hour customer support or services at any time, call our TOLL-FREE Number 1800-888888

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**Call Us Today At 03-2711 1269**





# Marketing Campaign Strategy

## 1. Acquisition Strategy

- *Situation:* Zero customer base, consistent strategy to build
- *Campaign:* 6-month Postcard Marketing campaign to acquire & grow a loyal customer base

## Acquisition Cycle

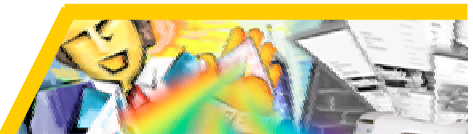
- *Prospecting* → *Educate* → *Recruit* → *Promote*



# Marketing Campaign Strategy

## Postcard Marketing Activities (Acquisition)

- 1<sup>st</sup> Month: 100% “introduction” postcard for get to know each other
- 2<sup>nd</sup> month: Seminar/Roadshow invite-card, New product launch
- 3<sup>rd</sup> month: Post event thank you card, reminder card for sign-up,
- 4<sup>th</sup> month: Welcome card for new members, continue recruit
- 5<sup>th</sup> month: bring-in a friend, get a award; continue reminder/welcome
- 6<sup>th</sup> month: Reward & loyalty point redemption



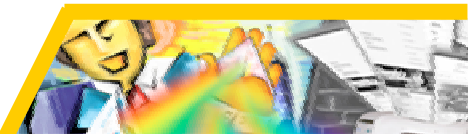
# Marketing Campaign Strategy

## 2. Retention Strategy

- *Situation:* Already have customer base, but may not be up-to-date
- *Campaign:* 6-month Postcard Marketing campaign  
to consolidate strong customer base with healthy growth potential

### Retention Cycle

- *DB clean-up* → *Keep-in-touch* → *Promote & up-sell* → *Reward & retain*



# Marketing Campaign Strategy

## Post Marketing Activities (Retention)

- 1<sup>st</sup> Month: 100% “member update” postcard for DB clean-up
- 2<sup>nd</sup> month: “Thank-you” card with coupon for renewal;  
“We miss you” card for not renew
- 3<sup>rd</sup> month: New product intro, promotional coupon/voucher
- 4<sup>th</sup> month: Post event “Thank you card”, award to new members,
- 5<sup>th</sup> month: Bring-in a friend, get a award; continue grow the base
- 6<sup>th</sup> month: Reward & loyalty point redemption; build strong branding



# SilkTech 1:1 Marketing Solution Suite

- **SmartPrint Marketing**
  - *Utilising variable data printing and personalised content technology*
  - *Convenient pre-designed template for cost effective in house marketing*
- **SmartPrint Business Printing**
  - *Convergence of marketing ad/msg with daily transactional document*
  - *Selective promotion mapping with past buying behavior*
- **SilkTech Communicator**
  - *Multi-channel Communication software,*
  - *Personalised email, fax or sms communication*
- **Operating System requirement**
  - *Microsoft Windows XP professional*



# SmartPrint Marketing Solution

- **Pre-designed Template**
  - *Postcard template*
  - *Personalised Sales Letter*
  - *Targeted Mailers*
  - *Personalised Certificate*
- **Cost effective in-house Marketing Tool**
  - *Utilize variable data printing technology to personalised marketing materials*
  - *Creating positive customer response*
  - *Improve brand awareness and increasing customer loyalty*



# SmartPrint Business Printing Solution

- **SmartPrint Business Printing Solution Suite**
  - *Quotation module*
  - *Invoice module*
  - *Statement module*
- **Powerful Revenue Generating Tool**
  - *Enhance customer intelligence by mapping database to different offers*
  - *Attract customer attention by integrating targeted message onto transactional document (quotation, invoice, statement)*
  - *Increase sales by timely and intelligent marketing and promotion*



# SilkTech Communicator

- **Personalised Communication software**
  - *Multi-channel Communication software (email, fax, SMS),*
  - *Personalised message template (greeting, product info, news)*
  - *Drag & Drop function, communication history*
- **Effective Tool for Business Communication**
  - *Broadcast marketing message to targeted audience*
  - *Scheduled communication, on-time, on-target*
  - *Close communication to retain customer loyalty*

## **IDA propose Anti-spam Control Bill:**

- *1000 email per month, or 100 email per day*
- *\$1m per legal suit or upto \$25 per email of punishment*



**SILKTECH**

SmartPrint

## Contact Us

### Silk Technologies

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