



Effective marketing and communication using Variable Data Publication

An overview for Marketing, Communication and Brand professionals

See also: <http://bit.ly/ou11Jf>

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Marketing and communication in the digital age

Customer-focused marketing and communication

Customer-focus has always been a key element of good service delivery, as well as effective communications and successful sales closure processes. This is particularly so where audience engagement with a brand and repeat, or add-on, sales are objectives. As the traditional marketing funnel is rethought in the light of changing media technologies and customer behaviour, there is also a case for saying it has become a critical factor in determining where marketing resources are best put. Target audiences are no longer isolated individuals in a crowd representing pieces of a market share. They are now connected by social and professional networks, which filter out the disinterested. They have become groups and long-tail markets with something in common.

Experience of what succeeds in digital marketing and an understanding of the importance of usability considerations for the online 'information consumer' (and potential customer), gained since the emergence of digitally enabled marketing and communications channels and the rise of e-commerce, have not only reinforced this, they have identified a shift in customer expectations and tolerances away from broadcast generic messages; and revealed a greater need to recognise the segmentation of target audiences into increasingly refined subsets, ultimately approaching a direct and exclusive communication with the individual.

In a world of media convergence and multiple alternative devices, this complexity is magnified by the different forms of presentation that may be employed to deliver messages and the communication channels available to absorb them through. This introduces the further consideration of how information is best consumed by the intended recipient.

Not only is this 'relationship marketing' taken to its logical conclusion, which is that relationships are most likely to be effective at a personal level, it also demands recognition of the fact that taking a 'marketing orientation' approach – identifying, anticipating and responding to the 'needs and wants of customers', now also extends to how they 'need and want' to be communicated with.

No longer Madison Avenue

The activities of Marketing, Communications and Brand professionals are now easily bypassed by direct action using search engine supported research and through recommendations and comment in social and professional networks, accessed via the internet or mobile devices. Adjusting to this new reality means agencies bringing added value to their offerings, which helps their customers stay ahead of, or adapt rapidly to, changes in the local or global economy, or technological evolution and its social impact; and that provides an evidence-based proposition grounded in expertise and certainty that the client cannot realistically replicate for themselves.

This is no longer Madison Avenue where slick advertising creates markets or determines market share: we exist in a global knowledge economy, where the prospective customer can easily obtain,

compare and evaluate information about products and services; may source alternative suppliers of these for themselves; and then communicate and share their experiences of those products and services, as well as the processes associated with their acquisition, with others.

The significant factors that underpin traditional marketing thought now have to be refocused on the integrity and relevance of the message:

- Product *has become* Solution
- Price *has become* Value
- Place *has become* Access
- Promotion *has become* Information

The ability to accurately measure the outcome of marketing and communication activities and evaluate their progress whilst current has also become an important factor since the advent of digital enabled alternatives. These are able to demonstrate return on investment (ROI) more exactly than traditional approaches and offer routes to the point of customer action that may be mapped accurately and are comparatively direct and flexible.

No pushing please

Customer tolerance of marketing materials and communications that are pushed at them is now low. Relevancy to them has become important and the user-experience of engagement matters. After the initial enquiry, or catchment process that attracts their attention, success comes from drip-feeding the conversation in order to build a relationship, convert their interest to action and then create customer loyalty and respect. Focusing on their 'needs and wants' in how they are communicated with makes that relationship sustainable.

Information overload is an issue too and if the prospect is expected to do the work of mining content for what they have already shown you that they are interested in, a whole university prospectus when they are only interested in 16 pages of it for example, there is every chance of them losing patience with the process and moving on to a competitor that gives them exactly what they want more easily.

So, the way forward is to keep it specific, keep it relevant, don't be intrusive, follow their lead and help them visualise. Essentially make it personal. Profile the customer and give them something they actually want or respond with what they have in fact asked you for.

Push marketing increasingly produces a negative reaction, particularly when it ignores what the customer is signalling. Wait for the invitation: although at first sight they may seem intrusive, ad-serving technologies and 'you may also like' suggestions actually show that you know what that particular customer is potentially interested in.

Multi-channel solutions for Data-driven Integrated Marketing

Before considering how Variable Data Publication supports the customer-focused conversation it may be useful to clarify the use of the term multi-channel. It is used in both marketing and advertising and in digital technologies, though in a rather different and inconsistent way. A channel in both cases generally indicates a means of communication. However, that may be perceived as being grounded in either a function or a technology. 'Outdoor' advertising could be a billboard, the side of a bus, a huge display screen on a concourse, or coordinated flat screen animated advertising at the side of an escalator at an underground station. The communication objective is awareness. In this particular

example some may see this as a single channel because it has one objective, though the technologies employed are both print and digital.

Digital technologies offer many different means of communication and enable various types of output for different purposes, so 'digital' represents a multiplicity of channels, not just one. Almost everything is a digital channel in a sense, since in digital technology terminology multi-channel is typically used to represent the ability to deliver a set of different outcomes from a single coordinated source, which roughly corresponds to the marketing and communication profession's concept of Data-driven Integrated Marketing (DIM).

Variable Data Publication is digital technology that could be applied to different communication channels in terms of function and deliver different types of output in format and media. It has the capacity to work particularly well in a Data-driven Integrated Marketing approach, especially where the implementation has back-end functionality that supports that.

What is Variable Data Publication?

Variable Data Publication (VDP) is the systematic delivery of alternative versions of a document, or communication, using different combinations of component; which may cover content, illustration, design, format, language, advertising and even the media channel it is delivered by; to achieve a specific, very customer-focused outcome. Such a tailored approach to communication is likely to produce high levels of user-satisfaction and engagement among its audiences, because of the greater relevancy to themselves of what each of the recipients receives. This may be taken to a personal level, where the individual's profile, or stakeholder relationship with the subject matter, is referenced; or be associated with groups representing market segments, areas of interest, traits, or 'tribes'.

In either case the marketing communication or publication may address the recipient directly and will reflect them personally to a greater or lesser extent, dependent on the variables available and the cleverness of the system.

These outputs may be created as single instances within a series over time, perhaps as the result of user interaction and passive self-profiling, in which case they are most probably an intelligently reactive response to the client, rooted in customer-focused logic. This is VDP technology at its most subtle and is likely to involve an allied understanding of client-facing engagement and usability principles. Or, a communication or publication may have variations within a batch run, based on predetermined segmentation of the target audience and the analysis, or application, of collected data associated with it. Here the approach is likely to be more generic and stereotypical.

Although each implementation will have variations specific to its purpose, for convenience these alternative ways of using Variable Data Publication for marketing and communications may be summarised broadly as being either prospect driven and data driven. In fact this way of looking at the application of the technology is merely defining the starting point of the engagement. Once a recipient responds to a data driven VDP campaign, the continuation of that relationship may well become a prospect led interaction.

Prospect driven

As an example of the first of these ways of deploying the concept, the system may let the user generate their own unique version of a publication, most probably using a digital interface. This is being created to meet their specific requirements by their own activity; thus personalising it precisely,

whilst passively identifying their individual profile. It is called off for production as a single item by their completion of the process. What they receive in return is a seamless, coherent assemblage, tailored for them only, in which their choices are strongly reflected; though these may also have triggered additive selections, or additional variables, as relevant supplements to what they have identified as being of interest to them. As a result the customer satisfaction and 'buy-in' increase substantially because the document produced is so highly effective for their personal purposes. It is after all a bespoke product that contains exactly what they have asked for.

In essence this is engaging with a prospective customer that has shown interest by their presence, though apart from that very little is known about them. The real world equivalent might be somebody walking into a shop or a showroom that the salesperson has never seen before. A process of discovery ensues, in this case performed by the prospect's actions.

Applications of this approach might include user-generated prospectuses for education or for employee recruitment, catalogues or brochures distilled from a large product range, or product brochures and flyers where there are numerous variables among the specifications on offer.

For example:

- Instead of sending out a complete prospectus containing several hundred pages, a good deal of which the prospective student is not interested in, a university or college may create an individual prospectus in response to an enquiry, containing detailed information on what that person might actually want to study and reflecting their choices in the presentation and additional content of the document. Tying this in with feeder mechanisms for recruitment, or subtly pitching at the influencers and sponsors involved as a sub-theme, introduces an additional dimension to this approach.
- A travel company might send out a personalised brochure about the holiday experience that has been chosen, differently pitched for each member of a family group, thus maximising the take up of what is on offer and the enjoyment that they get from it.
- A shirt-maker may sell plain, striped and checked shirts in many different styles and colours, for both formal and casual occasions. If the customer has shown that they are only interested in plain white formal shirts, the marketing materials addressed to them should emphasise these and only reference additional items that may extend their buying choices, instead of telling them about the entire range.
- Similarly, if a small business customer is only really interested in small scale office printers, then why send them a huge catalogue of IT hardware, the majority of which is not applicable to their requirements?
- Or, if someone walks into a car salesroom and says that they are interested in the metallic grey coupe version of a particular model of car, with a sports engine—it makes sense to send them a brochure with a picture of that on the front and details inside that cover the specification that they have actually asked about. Do not send them a generic brochure with a family estate car in blue on it that gives details of economic diesel engines, when that is not what the prospect has enquired about.

Data driven

Obviously a prospect driven approach suits a situation where there is no initial data on the user. Where data has already been collected that may be used for a Variable Data Publication campaign, enough will be known about the intended recipients to build in variables that account for their individuality. Here the association with Data-driven Integrated Marketing should be clear.

In a print run of say 5,000 flyers it is entirely possible to make each one significantly different, yet none-the-less be part of a practical production batch. Each item would be seamlessly composed as it is printed to specifically attract the attention of its recipient by adjusting the content or presentation of the flyer in line with what is already known about them and their interests. That might even extend to the flyer making a different offer if certain criteria are met.

A straightforward example of this would be a leisure centre, or gym, sending quite different looking flyers to its membership from a single print run and mail out. These would differ according to the individual's sporting interests, gender, age, or a combination of these factors. The promotion might be of beauty therapies, weight training, or family swimming sessions, depending on what the data indicated was most likely to be of interest. If the variable components and the document template are well planned the fact that they are from the same print run would not be obvious at all.

As indicated previously further relationship development through digital marketing channels may become prospect led, whilst the data collected from prospect led activity may become the starting point for a data driven activity.

Any of the examples given for the prospect driven approach above could be developed for further marketing to existing customers in a data driven implementation once the information on the prospect has become available to work with. This leads on conveniently to data collection.

Data collection

Digital technologies collect masses of data and each piece of data is evidence of something. As information collects from a VDP activity a detailed picture emerges. Analysis of this provides extremely accurate market research, which informs campaign strategy and allows the segmentation of audiences for follow up marketing activity at a level of refinement that offers highly effective customer profiling.

So, this technique enables the accumulation of valuable statistical insights as well as permitting extremely fine segmentation and highly personalised variables in any follow-up digital marketing responses, or on-going market analysis. The creation of the document, or response to one, becomes the entrance to a Customer Relationship Management (CRM) process with the user volunteering their profile. Advanced implementations of VDP technology have CRM system tools built into them, or may be configured to pass the information across to one that is already in place (a CRM system).

A variation on this theme is to generate a document or communication based on something else that the individual has done that profiles them equally accurately. The concept in that case is similar to advertising technology.

Variations in what is variable

In the data-driven application of the principles, Variable Data Publication produces radically different versions of the same source material to target segmented traits within a collective audience. The documents; in the case of a printed outcome, for example; may vary in content, page length, cover design, illustration, or even language – and of course may carry the recipient's name and address. This might typically be done by assembling assets on the fly to match the criteria collected in a database prior to creating each run of deliverables. Here the individualisation is achieved by referencing known factors and although complex variables may be invoked, the personalisation is to a degree generic. Never-the-less it has proved highly effective in digital campaigns.

A prospect driven application of Variable Data Publication technology also delivers radically different versions of the same source material and may address the recipient by name. It may also include additional content which may be relevant to that individual and not another. Its variations are dependent of factors that have been predicted and declared, rather than being known at the outset.

As stated there is no reason why these alternatives may not be combined, or be mutually supportive. The variations of VDP are indeed endless and any particular application of its technologies should take account of the specific objectives and outcomes required in each case.

The possibilities of Variable Data Publication are obviously suited to marketing and communications though are also effective with recruitment, education and training materials and account summaries or financial reports in the finance sector. They are by no means limited to these uses, or to a digital print output – though that is a common deliverable. The concept is essentially that of giving the customer what they want. Combined with the principles of book building and personalisation, together with the on demand individual output possible through digital channels – and of course an adequate supply, or archive, of content resources, new types of publication, or marketing initiative, are possible, which adopt a one to one, rather than one size fits all approach.

Why is it so effective?

VDP works because it answers the questions that the customer, or prospect, asks, or communicates information that the recipient can relate to – and doesn't push only what the marketer wants to say at them (either about something they are not interested in, or using puffed up language they don't believe). Today's prospects and recipients of communications should not be underestimated. They are used to being well informed, can easily 'crowd source' opinion, compare or verify what they are being told; are intolerant of things 'not about them' (not relevant to them, or the enquiry they are making); easily see through advertising hype and are inherently distrustful of the corporate, management, or 'party', line, which they expect to be spun. It works because it is 'customer-focused' and localisation of content in communications, as well as personalisation becomes possible.

Getting your message across

Think old fashioned customer service. The more the response conveys the sense of having listened to what the customer has said, the more 'trust' in the relationship and the communications. Similarly the more specific to the user, where no initiating enquiry is involved, say as in the case of regional, or site specific, content in a company newsletter, the more notice is likely to be taken of it. The value of this personalised approach is considered at greater length below.

Selling in services

For Marketing, Advertising and Communications agencies there is a clear opportunity to sell in services around Variable Data Publication solutions to replace the traditional revenue streams that the rise of digital alternatives has dented. Services bundled around VDP might include: overall campaign planning (audience, objectives, communication channels etc. – where used for a specified and limited purpose, or when seasonal, or cyclical, events have to be accounted for); consequential planning (decision tree design); variable structure design (layout) and variable content creation – copywriting, graphic design, creative concepts, photography and imagery; and data analysis, audience segmentation and follow up with targeted digital marketing campaigns (as part of a DIM strategy), as well customer-focused advertising and related content planning.

The replacement of lumbering in-house publications teams with lean, professional, publishing services creating and maintaining rolling documents for clients is another possibility.

What is it used for?

Examples of Variable Data Publication use in marketing and communications include:

- The tourism and leisure industry for sales and repeat sales.
- Fashion retailing to promote merchandise and seasonal trends; and to increase the value of the transaction through associated sales.
- Recruitment and selection materials, both in the education sector and for attracting quality employees.
- Corporate communications with stakeholders through personalised newsletters and localised magazines. These could include separate variables for investors or staff.
- In car sales to help close the deal.
- Any use of flyers, brochures and catalogues, promoting products, or services, in a targeted manner aimed at a segmented audience.

Cost effectiveness

To appreciate the cost effectiveness of VDP solutions the overall bottom line needs to be compared with the alternatives, as like for like totals, not just the simple unit cost of a deliverable:

- There is a higher return per item because the buy-in levels are better (much higher success rates at the point of action).
- There is little or no wastage because it is produced to meet demand (so it is leaner and greener and fits the Corporate Social Responsibility profile that many organisations are trying to be recognised for).
- The distribution costs are lower, particularly where a traditional print based 'one size fits all' solution has been used previously.
- It also opens up a relationship and the potential of a dialogue with prospects, through which more communication, detailed profiling and follow up digital marketing may take place, which of itself delivers value.

Personalisation and taking the long-tail view of the market

Personalisation

Remembering somebody's name is a simple way of signalling that they are important to you. So, addressing them personally in a document, or recognising them on a website and welcoming them by name, helps the relationship along. Here user-driven digital engagement has an advantage, since the system merely recalls what it has been told by them, which then becomes a matter of record. This doesn't have to be text based either. With the right assets in place the voice-over to an online presentation may speak the name of the individual that has clicked through to it for example.

A recognised method of managing a difficult customer is to summarise and repeat what they have just said to you. It shows you have been listening – even if their problem is not resolved. Like

remembering their name, remembering what they have told you, signals their importance and shows that they are being taken seriously, which also reflects on the quality of the relationship. Something similar is achieved by imitating, or reflecting, another person's behaviour. That, 'mimicry facilitates the smoothness of interactions and increases liking between interaction partners' has been demonstrated experimentally in human psychology research and is known as the Chameleon Effect [e-note: 1](#).

Because digital systems are capable of profiling a user by their interactions with them – in other words they can record what choices the individual is making by the actions they take; and may project the implications of this, with the aid of a little fuzzy logic, they are ideally positioned both to remember what the customer has said and to reflect them as a person.

This is what thoughtfully applied Variable Data Publication is capable of.

Personalisation may be the simple addition of a name, or a more complex response to information that the customer, or prospect, has given you. This may be as a direct consequence of a set of actions. Or, it may be a more subtle, decision-tree derived, set of variables at work, which build an implied profile of the individual and could potentially produce an outcome unique to them as a consequence of that. This level of automated personal service enters the realms of the Chameleon Effect and delivers a degree of engagement that previously might only have been possible in a face to face encounter with an astute salesperson.

The point is that the user is responded to individually and will have had some input to, or control over, the outcome. It is customer led, not push, marketing – and it could easily be user-generated marketing where the user-proposition is self-identified.

The long-tail view

The segmentation of target audiences into increasingly refined subsets referred to earlier, has also to take account of the fact that these are not always straightforward demographics, or simple market shares. They may well be cultural and social 'tribes', particularly among the young – though by no means exclusively so; composed of widely distributed individuals with common interests and traits. Collectively these may represent a significant long-tail market (the sum of the individuals in the crowd), which will be more effectively communicated with if recognised as such. Customer-focus is again relevant here, as are personalised elements, at both group and individual levels.

Not all such groups would necessarily be defined by marketing professionals as long-tail markets, particularly if widespread physical distribution is always seen as a qualifying factor. However, taking the long-tail view offers alternative ways of segmenting markets in directions that are in part behavioural, social and cultural (some would say 'tribal') – and therefore personal. And that, theoretically at least, makes them better defined for the purposes of personalised marketing.

Access to long-tail markets has been enabled by the Internet – though it could be said they existed previously with more limited range, in the form of catalogue based mail order operations. The idea is simple. In any one place there might be limited interest in a topic, product, or service: something that is to be promoted and sold. Such interest as there is may be replicated in other places though; and regionally, nationally, or globally that might amount to a huge, though widely distributed market for the something in question. Digital technologies make it relatively easy to reach long-tail markets, special interest groups and social networks; and then to promote relevant products or services to them.

Taking the long-tail view combines well with what Variable Data Publication techniques can offer.

Digital, marketing and publishing experience

Magus Digital has a strong background in digital technologies and environments and is able to call on extensive experience and expertise, which encompasses both digital and print production. As well as content creation for online and multimedia deliverables, video and interactive presentations, this includes professional writing, photography and design direction, for various types of publication; and the creation, management and direction of intelligent marketing strategies.

The almost unique combination of skills available here has already provided path finding direction to Variable Data Publication applications and as a result Magus Digital benefits from the experience of leading a co-developed project in this area that has taken three UK industry awards and was subsequently shortlisted for a fourth.

Magus Digital also offers extensive practical experience of digital marketing, Internet intelligence harvesting for reputation management, research and horizon scanning; and customer-focus and usability consultancy; all of which provides creative insight and innovative thinking for forward looking digital solutions. An understanding of today's multi-channel, multi-platform and multi-device marketplace, where media convergence and fragmented 'tribal' audiences are considerations, supports these activities.

Taking things forward

If there is interest in taking any, or all of these ideas, or new ideas prompted by the concepts presented here, forward, on a consultancy basis; or if the support and guidance of a client's agent is required to help implement change, or embrace technology in professional marketing and communications businesses, Magus Digital would be happy to discuss opportunities and explore ways of supporting clients and stakeholders in their future ventures.

Further information is available from:

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e-notes: any e-notes in this document link to online examples of what is mentioned, to illustrate the point being made, or to reference sources.

