

People Will Pay For Performance

Here's a question. Would you rather have something that costs less or works better? In my experience, there are print buyers who tend to come down on one side or the other. We could call them price buyers vs. performance buyers. Now let me ask another question. Would you rather *sell* something that costs less or works better? In my experience, most salespeople would rather have the lower price. Most seem to think the lowest price gives them the greatest chance of making the sale.

I call that lazy selling. And sadly, we have too much of it in our industry. Especially considering the many ways in which our current technology provides opportunities for print that simply works better for the customer.

Extreme Personalization

The most obvious application of that statement is probably what you probably call Variable Data Printing. I put emphasis on the "you," because I don't call it that. I much prefer the term *personalization*. Anything that you can express with an acronym (VDP) probably fits into the category of jargon, and I think salespeople should avoid jargon like the plague. Besides, while Variable Data Printing may be a good way to describe the capability, which represents a *feature* of your printing company, the *benefit* that feature produces is the ability to personalize a printed piece. Don't ever forget that buyers ultimately buy benefits, not features. In classic advertising terms, they ultimately buy the steak, not the sizzle.

Personalization has been proven to increase response rates. Having said that, it's still very possible to design a personalized piece that won't perform, but that's a topic for another day. What's relevant to today's discussion is that personalization adds to cost, but can improve performance.

That takes me back to the theme of lazy selling, because most of the personalization I see only scratches the surface of what is possible. Putting my name in the headline is cute, but it's no longer enough to ensure that your customer's mail piece jumps out of the pile of mail I pull from my box. I like to use the term "extreme" personalization to describe the state of the art, where printing technology and marketing strategy meet at a point of maximum creativity. One of my clients recently produced an order of almost 2500 pieces which included 4 text variables and 6 image variables, all driven by a database which my client helped to design. She started selling the concept almost a year ago, helping her customer to understand how much data they already had, and what other data they could collect to gain the maximum benefit from her personalization capabilities. She also did a very good job selling all of it as an *investment* rather than a cost.

Here's another key point. She very consciously positioned herself to under-promise and likely overperform. Starting with her customer's perception that they'd been getting 1%-2% response on previous direct mailings, she asked if they'd be happy to increase that to 4%-5%. Even at 3X the cost of their previous mailings, the short-term and longer-term revenue projections at 4%-5% response would deliver a very solid ROI. You can imagine how happy they were when this mailing pulled almost 8% response!

(You're probably wondering about the thinking behind this mailing. It was really pretty simple. The company sells 10 products. Their data told them which of those products each of their customers was currently buying, and by process of elimination, which products they weren't buying. Some of the other data they collected suggested which of those "other" products would most likely be of interest. Each mailer offered an incentive to buy one of those "other" products.)

Supplier Performance

There are several other applications in which printing technology provides a performance-related benefit, starting with another acronym-commented capability – Print On Demand. We're close to 30 years into the "new reality" where buying print in smaller quantities really makes better economic sense for the customer. Over the course of those years, that's expanded from simple black-and-white to the most complex full-color, and taken us well beyond the sort of "pleasing color" the first digital color printers were capable of producing.

But that doesn't mean that the quality of any individual print order will be "good enough" for the person who buys it. We still suffer quality failures, and we still suffer service failures, which means that we still have customers who are dissatisfied with the performance of their print supplier.

So, let me close with a question. If you're calling on a prospect who has performance issues with their current supplier, should you have to meet or beat that printer's prices in order to win the prospect's business?