Budco

WHITE PAPERS

THE BUDCO PERSPECTIVE: PRINT 09 – TRENDS AND TOPICS OF INTEREST

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The Budco Perspective: PRINT 09 – Trends and Topics of Interest

PRINT 09 is the largest, most comprehensive graphic arts and print industry trade show in the western hemisphere and encompassed nearly one million square feet within Chicago's McCormick Place. Held during the third week of September, tens of thousands of industry professionals from around the globe were in attendance.

This included the Budco team. Not only was Budco there to see, listen, and learn about the newest trends and technology but also to share results of a recent direct mail market test, which clearly shows the value of incorporating variable data into marketing messages to create personalized, relevant content that improves direct marketing performance.

Overall, the show addressed everything pertinent in the graphic arts world, including workflow management, printing and finishing, mailing and fulfillment, packaging, and green solutions.

This report provides an overview of some of the interesting trends and topics seen at the show.

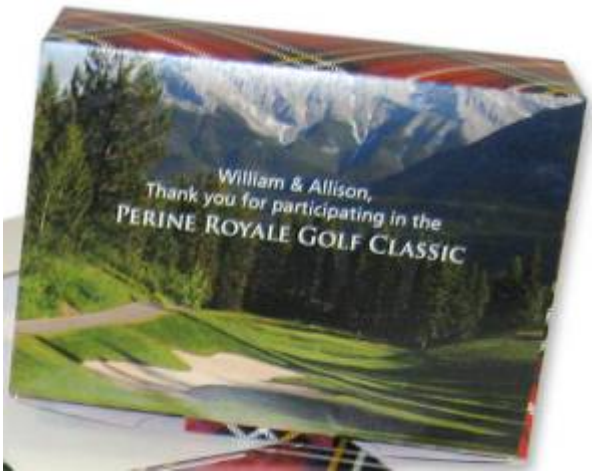
General Trends in Print Technology

The print industry has been hit as hard as any by the economic downturn. Given this fact, the major focus seems to be, more than ever before, on providing ways to bring innovative, cost-effective solutions to market while allowing printers and marketers to become more efficient and increase profitability.

For example, leading **high-speed digital print** providers, like Xerox, Oce, and HP, continue to improve hardware and software to offer more flexibility and efficiency. New approaches, like the use of dual print engines, improved low gloss toner, modular inline finishing options, and automated color calibration, are pushing increased throughput, reduced downtime, and improved color quality.

Similarly, **inkjet technology** is also improving. Inkjet printing has long been used for high-speed addressing, overprinting, and other applications requiring efficient, low-cost production but at a lower level of overall print quality. New continuous-feed inkjets are approaching 5,000 images per minute at an improved level of print quality. Toner-based devices still have the upper hand when it comes to image quality but print speeds are still topping out at a few hundred images per minute. The newer inkjets can also print on a wider range of substrates, including an expanding array of coated stock. This opens up the possibility for new application and use of inkjet technology. The combined result of increased print speed with higher quality output should provide printers and their customers with more options to meet market demands.

Another area of growth is digitally printed **personalized packaging**. The process is seeing growth in Europe now and expected to expand rapidly in the U.S. in coming years. In fact, over the next five years this market is projected to grow from around $580 million per year in spending to almost $6 billion per year. Process steps like scoring, coating, and die-cutting traditionally handled inline with offset printing can now be accomplished inline with digital presses so personalization can be incorporated. This capability provides new possibilities for creating more relevant, impactful, and powerful packaging solutions.



All of these advancements contribute to a more streamlined overall printing

process while continuing to improve quality, which definitely benefits both those seeking and providing print-based solutions.

Print and Beyond

Another interesting emerging technology is something called **“quick response” or QR Codes.** Although initially used for tracking parts in vehicle manufacturing, QR Codes are now used in a much broader context, including both commercial tracking applications and convenience-oriented applications aimed primarily at mobile phone users.

QR Codes with stored addresses and URLs may appear in printed materials like magazines, brochures, business cards, and newspapers or on signs, buses, or just about any object that users might need information about. Users with a camera phone equipped with the correct software can scan the image of the QR Code causing the phone's browser to launch and redirect to the programmed URL.

QR Codes are commonly used in Japan. Marketers here in the U.S. are starting to explore the possibilities.

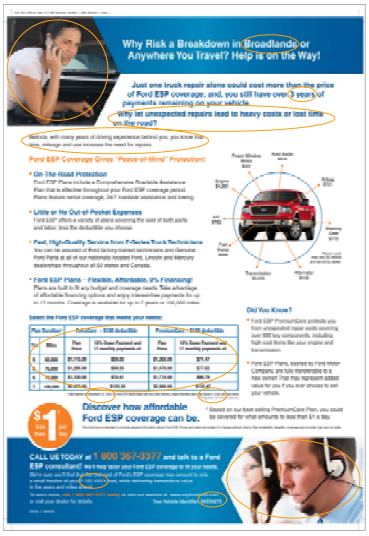
Ralph Lauren recently used the approach to promote their Polo brand apparel in connection with the U.S. Open tennis tournament. An ad in the New York Times included a QR Code that when scanned with a cell phone launched a mobile version of their ecommerce Web site, providing users with a mobile or m-commerce experience.

Budco Shares Direct Marketing Success Story

While at PRINT 09, Budco had the opportunity to present the successful results of a recent direct marketing campaign. Two sessions entitled “Profit Drive Applications” were held on the Xerox Real Business Live Stage. The sessions detailed how Budco helped Ford Motor Company **increase sales of their Extended Service Plan (ESP) product by 35.7%.**

For the market test, Budco and the Xerox 1:1 Lab worked together to create and test direct marketing techniques using variable text and images triggered by demographic information to create a highly personalized and relevant marketing message.

Budco Director of Client Services Steve Gough was at PRINT 09 to talk about the market test. “One of the things we do with Ford is work closely with the Extended Service Plan (ESP) team to design initiatives that sell extended vehicle warranties through the direct and dealer channel,” said Gough. “We revised our creative approach and used basic demographic information like age, income, gender, and geographic location to tailor a variable message and create a more relevant individualized offer delivered through a traditional direct mail communication. The new approach achieved a **5.7% increase in response and a 35.7% increase in sales penetration,** so this is truly an example of how relevant personalization can drive direct marketing performance and increase profit.”



The new approach to greater personalization will be rolled out over the entire direct marketing program. Ford expects the increased performance **to drive millions of dollars in incremental sales.**

For more information about this successful direct marketing application or information on any of the other topics in this report, please contact us at marketing@budco.com or 1-888-BUDCO-40.

About Budco: The Dialogue Company

Beginning in 1982 with a focus on fulfillment, Budco has grown organically by adding carefully integrated products in direct response to our customer's needs:

- Budco helps companies strengthen their relationships with key business and consumer audiences
  - We do this by creating solutions that encourage dialogue, the foundation of all successful relationships
- Our mission is to meet and exceed customer expectations by providing innovative, end-to-end business solutions that deliver results
  - We do this by designing custom product solutions supported by multiple in-house competencies

- Founded in 1982
- 500 employees
- Coast to coast operations
- Operations facilities and sales offices in California, Michigan, Indiana, Florida and New Jersey
- Headquartered in Highland Park, MI
- Integrated solutions supported by a wide variety of in-house competencies
- Custom approaches designed to deliver on customer's needs
- Cross industry experience with Fortune 500 companies
- Focused, innovative, client-centric culture

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