

The Transpromotional Opportunity Offered by [RISO, Inc.](#)

Variable Data Printing, or VDP, is a form of on-demand printing in which elements such as text, graphics, and images can be changed from one printed piece to the next using information from a database. Today's VDP applications can go far beyond the laser-personalized letters, invoices, and customer statements of recent decades. It is now possible to further customize transactional documents with transpromotional messages, as well as develop customized sales brochures and training handouts to fit the needs, interests, and preferences of individual customers, employees, or members. VDP has been shown to boost the effectiveness of printed output, whether it's measured by response rates, readership, ROI, or customer satisfaction.

Because consumers want personalized communications and prefer the use of direct mail, transactional documents like monthly statements and invoices present new opportunities for personalized marketing messages. In addition, other communications vehicles are losing their effectiveness due to spam filters and do-not call lists. The need to leverage the use of statements and other customer-facing communications is paramount to the overall marketing strategy.

To produce personalized communications, in high volume, requires an output device that can handle color and VDP with great efficiency. While many products claim to have this ability, RISO redefines efficiency with its HC5500 high-speed full color inkjet printing systems. Increasingly, more transactional print providers are turning to this product because of its low cost, small footprint, and high level of reliability.

The Use of Statements

Statements work because they are expected by the recipient and usually require action. They are also high-involvement documents which many consumers spend 1-3 minutes reviewing and are viewed more than once. The real value is the ability to use transactional documents to turn consumer attention into action. The ultimate objective is to combine information delivery with data-driven personalization and promotional offers to generate faster and higher response rates.

Transpromotional marketing is growing fast. Many organizations are moving to convert traditional billing and statements to transpromotional messages because they understand the value of leveraging data they already have on their customers to create new opportunities for additional revenue. An InfoTrends' survey conducted in 2006 validates this trend, with 36 percent of respondents indicating that they are already combining marketing messages with their transactional documents and present the two in one printed document. Another 33 percent of respondents state that they plan to do so in the next five years.

Organizations utilizing transpromotional printing typically see the following results:

- Response Rates: Up 36 percent
- Average Value of Order: Up 24.5 percent
- Repetitive Orders/Retention: Up 47.6 percent
- Overall Revenue/Profit: Up 31.6 percent
- Response Time: Up 33.9 percent

Source: Adobe

Selecting the Right Solution for Variable Data Printing

There are many different printing technologies on the market today that meet a variety of variable data printing needs. Choosing the appropriate solution will depend on an organization's output demands today and in the future. These printers can be separated into three classifications within the categories of toner and inkjet:

- Low end with print speeds under 40 pages per minute and an acquisition cost of less than \$25,000
- Mid range with print speeds between 40 and 65 pages per minute and an acquisition cost between \$25,000 and \$50,000
- High end with print speeds of 100 pages per minute and higher with an acquisition cost of \$100,000 or more.

Generally speaking, the higher the classification, the larger the footprint of the device and complexity of using the system. However, RISO, Inc. redefines efficiency with its HC5500 series. RISO has manufactured a full-color, high speed inkjet printer that offers print speeds as fast as 120 pages per minute at a price point comparable to the mid range category. Increasingly, more transactional print providers are turning to this product because of its low cost, small footprint, and high level of reliability.

Before deciding on a hardware solution, RISO asks its customer to consider the following:

Output volume: This is a major factor in deciding what caliber of printer will be appropriate. An organization must first understand its current monthly output volume and what it projects it to be in the next three to five years. Accurately projecting output volume will help a company choose a printer with enough capacity for growth and ensure against having to upgrade a device before its useful life and/or lease is up.

Consider the following before deciding on multiple low-end printers or one high-end printers:

- The purchase of multiple low-end systems may have a lower acquisition cost; however if life expectancy is equally low, continually replacing the units can get costly
- Although there is redundancy with a multiple low-end configuration, managing output across multiple systems requires more operator intervention and space requirements

Location of the printer: It is important to know the space available for your printer and whether it will be in its own dedicated space such as a print room or in-house print shop, or in an open area.

Color or monochrome: There are printers that will print black and white only, spot color, or full process color. An organization should understand the benefits of each alternative before choosing a solution. All color devices have the capability to print black and white as well, but monochrome systems can only print in black and white. Second,

printing black and white documents on a color system typically costs more per print than printing them on a monochrome system. Additionally, some color systems print slower than comparable monochrome only systems in their class, even when printing black and white only. A company should look at all its transactional applications and decide if using one or other or a combination of both technologies is the right strategy for them.

Inkjet versus Toner: The organization should look at the strengths and weaknesses of each type of technology to determine which is the best fit for their application:

- Toner systems usually offer better print quality and color matching capabilities and can print on a wide range of stocks, from plain copier to glossy photo paper. These systems require more energy than non laser systems. Additionally, the heating and fusing process can reduce the machine's life expectancy and cause more system breakdowns.
- Inkjet systems do not use heat or fusing in the printing process. Instead, ink droplets are formulated and dropped onto the media as it passes under the print heads. Because of this fact, inkjet systems tend to have higher reliability and uptime in addition to a longer life. Additionally, inkjet systems typically draw less power than toner systems. Although these systems generally do not offer the same image quality as toner systems, a good quality output can be achieved with the right paper.

Total cost of ownership: An organization must look at all the costs associated with owning a piece of equipment. Often times, companies look at the sticker price of a device and the cost per copy. While these are important considerations, they are not the only contributing cost factors. Other variables to include:

- **Cost of service:** In some cases vendors offer a “service and supply” rate and in other cases, service is purchased separately. If a company decides not to purchase a service plan from the vendor, they should be careful to understand the per-call rate and parts costs.
- **Energy cost:** A company should not only look at the power consumption a device draws when in use and when idle, but also if the system will need special power accommodations over and above a simple wall outlet. Some devices also require cooling and venting, which if not already accounted for will add to the cost of implementing that system.

Space requirements: If a system will use up a lot of floor space, a company should consider that when calculating their cost.

Productivity cost: Systems that print at a higher speed and/or have a higher reliability factor return their investment to a company quicker. Organizations should be careful not to discount the cost of their time, particularly for jobs that are highly time sensitive.

It is important to note that there is not a “one size fits all” printer. Like any other technology, the strengths in one area usually come at the expense of another. So, for example, a printer that prints in full color or black and white will usually do so at a greater expense than a monochrome only system. A printer that produces very high quality images will usually do so at slower print speeds. Printers that focus on cost savings usually do so at the expense of output quality. Before looking at the alternatives, an organization should decide what features are most important. They

should keep in mind what primary applications will be printed on the system and determine what the requirements for those jobs are. In some cases the best solution is a multi-technology approach where an organization opts for more than one category and classification of printer, allowing them to choose the most appropriate output device for that application.

The Value of Color in Transactional Documents

There are many technologies on the market today that enable marketers to leverage variable data printing to personalize their communications. The advancements in printing technologies, specifically [digital ink-jet printers](#), make it possible for organizations to incorporate color cost effectively in all documents. [RISO, Inc.](#) has been leading the industry with developing print technologies that support customers' needs. The revolutionary [HC5500 series](#) has been designed to allow all organizations to use color in every day documents. No longer is color saved for high-end, expensive output like brochures and other marketing collateral. All organizations can use color for costs as low as black and white.

Color is the best way to draw attention to a document and ensure that its message is read and retained. There are many different ways color can be incorporated into document including:

- **ROP Color:** “Run on Press” color is used for the marketing or promotional messaging included in the document.
- **Highlight Color:** Highlight color can be used for demarcation between line-items so readers can easily scroll down and read across a statement. It can also be used to highlight an area of a date of next appointment, amount to be paid, or address to remit to.
- **Accent Color:** Accent color can be used to bring focus to certain areas of a bill or statement, such as a phone number to call for support, website to visit for more information, or the total amount to be paid.

The use of color allows organizations to convey important messages in their transactional document such as a new contact person, address or phone number change. Color helps the reader locate different pieces of information on a page, so highlighting certain areas can reduce call volume to the support line or speed the receipt of payment.

The Impact of Color Printing

Numerous studies have been done on the benefits of using color in print:

- Color in documents increases learning and retention of facts by 78 percent
- Comprehension of facts improve up to 73 percent when presented in Color
- Invoices printed in Color get paid 30 percent faster than black-and-white ones
- Recipients of Color direct-mail pieces are 55 percent more likely to pick up the ads compared to those in black and white
- 70 percent of readers locate the information they need when it's in Color
- Color boosts brand recognition by up to 80 percent
- 78 percent more likely to remember Color words (Source: Pantone)
- Enhanced customer loyalty:

- 48 percent increase in repeat orders
- 32 percent increase in overall revenues

Source: InfoTrends. Other Sources: Loyola University and Other Studies

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Organizations looking for greater response rates, increased customer retention and satisfaction and above all greater revenue opportunities from cross sell and up sell messaging know that they need to deploy strategies that leverage variable data printing to customize their communications. Specifically the usage of statements and other documents that businesses use on an ongoing basis to communicate with their customers.

[RISO, Inc.](#) is at the forefront in developing high-speed color printing technologies that work with VDP and PPML software so that marketers can leverage the power of their statements to create additional messages. These printers offer full-color capabilities at costs as low as black and white and with speeds of 120 pages per minute.

To learn more about RISO's variable data printing solutions, please visit us at <http://us.riso.com/vdp>