

April 8, 2008

Abstract

Customized Communications: Market Overview

Report Fast Facts

Published: April 2008

Pages: 17

Tables & Figures: 9

Price: \$595

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Abstract

This document provides a definition for the Market Overview segment of the Customized Communications White Paper Series and identifies the market opportunity presented by custom communications. It discusses the needs of the marketing professional, which thereby become requirements for print service providers. It also provides examples of applications for each market segment and considers the opportunity for marketers and printers.

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A Market Transformation

In the traditional sense, as a printer you are a manufacturer. Wikipedia states that **printing** *is a process for reproducing text and images, typically with ink on paper, using a printing press. It is often carried out as a large-scale industrial process and is an essential part of publishing and transaction printing.* The traditional print manufacturing business has become increasingly price-driven, and print service providers need new ways to drive profitability. As a print service provider (PSP) in today's market, you must change your mindset and begin thinking of yourself as a marketing service provider (MSP) to compete effectively. Today's printers must extend their services beyond print manufacturing and into the communications business to help their customers facilitate the process of sharing information.

Consider an analogy from the food services industry. When McDonald's opened its doors, its focus was on the hamburger business; it sold Big Macs, fries, and shakes. Over time, its customers started to change. Kids who had grown up eating at McDonald's became adults and wanted healthier options like salads. Others demanded lunch on the run, as well as options for breakfast. Those who ended up with high cholesterol demanded chicken as an alternative to hamburgers.

McDonald's had to change its business model to adapt to the needs of its customers and changing market conditions. In diversifying its product offerings, McDonald's retained its current customers, attracted new ones, and sustained profitability. While print service providers are certainly different from hamburger franchises, both industries need to respond to dynamic market conditions and a rapidly changing customer base. As a print service provider, you must understand that the appetites of your customers are changing—what they liked five years ago simply may not satisfy them anymore.

Significant changes are taking place in the world of media. The communications industry has weathered change and has actually often thrived on it in the past. While we are experiencing challenging economic times, customers are seeking efficiencies in how they communicate and share business information.

In today's market, the marketing professional's challenge is far greater than brand communications. Marketing groups must now fill the pipeline with predisposed prospects, optimize customer value, and be accountable for demand generation through market differentiation and integrated multi-channel campaign management. This requires competencies in business analytics, database management, digital marketing, field sales, channel operations, and marketing results analysis.

Helping the Marketing Professional

The most important concept for you to understand is that your customer base changes when you shift from selling standard print to digital color and (most importantly) customized communications solutions. The ultimate target print buyers for customized communications are marketing professionals like Chief Marketing Officers (CMOs), Vice Presidents of Marketing, Marketing Directors, and Marketing Communications Managers.

Very simply, all marketing professionals are seeking support in the following specific areas:

- Market reach
- Acquiring an integrated view of the customer and employing technology to learn more about customers
- Leveraging low-cost Web and e-mail media
- Measuring results from marketing campaigns
- Justifying marketing ROI

This report discusses the ways in which print service providers can help marketers in these areas through offering customized communications.

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