

# InfoTrak

*Information for Better Decisions*



## Electronic Kitting: Functional Fulfillment for the 21st Century

**B**usinesses have long used promotional or informational kits to help inform customers about new products, to answer frequently asked questions about their services, or even to initiate discussion with new clients. With rapid response times becoming an undeniably important factor in today's information age, the ability to create a kit of collateral material that speaks to just the right customer — right when they need that information most — is of the utmost importance.

Anyone who has ever spent a long night at the office putting together one of these kits knows the time and effort it takes to complete one. Whether you're waiting for the color printer to spool out hundreds of pages or you're just sweating over the binding equipment, kitting can be a thankless task.

What's even worse is that with every work hour spent on piecing together these kits, you are taken away from your primary job focus. Because of this, many of today's businesses have attempted to maximize their response times by outsourcing their kitting jobs to third party fulfillment partners, thereby removing a laborious step in the communication process.

"I compare it to a seminar where after you give a speech about a product, you ask any interested parties to raise their hands," says Alex Peake, electronic fulfillment expert. "Let's say you get 100 raised hands. If you ask those same people the next day if they're interested, you may only have 90 hands. Every day you wait to get your message out to your customers, you seem to lose at least 10 percent of their interest."

In short: when a customer shows interest in your services, time is of the essence. Developments like digital communication and the Internet have made even the most casual consumer aware of the importance of prompt service. Fortunately, these same technological advancements have also led to some incredible progress in online kitting and fulfillment.

### Kitting: The Past

Mr. Peake's seminar analogy comes from his twelve years of experience in the fulfillment industry and his 20 years of peripheral experience as a marketer. In those years, he has seen many influential changes. "When companies first began using third party services

for things like collateral storage and kitting,” says Peake, noting the technological limitations of the era, “it was all fairly archaic. With these old systems, there were fairly limited options as far as customized kitting goes. Almost everything seemed to be done between the account representatives and the customers over the telephone and it left a lot of room for misinterpretation and mistakes.”

The archaic nature of early kitting fulfillment makes sense: this was the earliest age of the personal computer, when concepts like electronic mail, broadband modems and video teleconferencing were just science fiction.

“It’s fairly difficult to help a customer get what he or she wants when you can’t easily share information, the way we can today,” says Peake. “Back then, you couldn’t just email someone an image or a file. By the time you’ve sent drafts of a kit back and forth in the mail for revisions, you may have already lost your customer to the competition.”

In those times, small-scale fulfillment jobs like producing a single kit was impractical and beyond the reach of the limited technology.

## The Present

Luckily, recent years have brought many groundbreaking changes that have revolutionized the process of online kitting. The advent of two things — affordable personal computers and the Internet — has had an unquestionable impact on how business is done around the world.

In the early 1990s, as commercial entities first began offering Internet access to the general public, Peake began work on one of the first online kitting applications.

“We created a Web-based application for a client of ours, which basically performed a very specific, focused version of online kitting,” says Peake. The application was easy to use and had all the basics of a good kitting system, allowing the client to choose from a simple menu of kit choices. The client was pleased and soon the kitting system was used regularly among other customers.

“Over the next few years, global use of the Internet exploded. Computer prices dropped while Web communication became faster and more prevalent. Businesses needed to adapt to the new changes in technology by allowing for even faster access to their products and information. To keep up with the changes, fulfillment partners began creating faster, more manageable kitting solutions.

“Our system eventually evolved,” says Peake, talking about a new online kitting process. “Now, we’re able to push the kitting options and controls right back into the hands of the customer. They know this information best, so it only makes sense to let them have access so they get what they need to get the job done right.”

Online kitting systems eliminate the middleman by providing a user interface where the customer can see and choose the components that they want included in their kit, right on their computer screens.

## How Online Kitting Works

Normally, managing collateral materials by oneself can be extremely difficult. It’s a task that not only takes unwanted work hours away as you manage it, but also takes up precious real estate in your office or storage facility as it sits in piles and boxes, waiting to be put into kits and shipped. We need not even mention the other jobs entailed, like tracking the materials used by departments in your company, maintaining a number of shipping schedules, following up with business letters, phone calls, and more.

By having a fulfillment provider with kitting capabilities, you can do in just a few minutes what used to take days, even weeks. Imagine you’re the sales representative at a growing pharmaceutical company and you’ve just gotten a phone call from a potentially huge client. They want an informational kit about your products and services delivered as soon as possible. What can you do on such short notice?

With online kitting, quite a lot. As you log onto your fulfillment provider’s site, you should be able to choose the contents of your kit from a virtual menu, choosing the proper brochures, forms and documents. From there, you can select how these items are placed in your carrier or folder, how they’re bound, and how they’ll face your customers as they read your kit.

Gone are the days of business owners hiring temporary help or paying employees overtime to create binders, stuff envelopes and package brochures. “If you need to order multiple copies, you just note the quantity needed,” says Peake. “If you have a list of mailing addresses, you can submit it and your provider will send your kits to the proper recipients.”

One of the most important benefits of online kitting is control setting. Users can create their own rules for their collateral documents. If you have a specific health form that is supposed to go out only to new hires in your company, you can specify that. So, the next time you’re readying a kit, the system will automatically know to include that document with any kit destined for a new employee.

### Online kitting allows customers to assemble and create virtually any style of messaging for their business needs, including:

- Membership Kits
- Benefits Mailings
- Promotional Kits
- Product Specifications
- Procedure Manuals
- Training Kits
- Employee/Company Tax Information

All of these advancements have made for incredible progress for marketing leaders. Free from waiting for that infamous color printer, they can now focus on the most important aspect of their job: ensuring that the company message is heard loud and clear by their clients. Fortunately for them, it seems that recent technology is making things even easier.

## The Newest Developments

While the use of online kitting systems can save both customers and fulfillment providers valuable time away from the telephone clarifying instructions, the most important benefit to online kitting is in the potential for customization.

Often a marketing message needs to be geared to a certain audience in just the right way — especially if that message is expected to cut through the clutter of dozens of mail pieces that arrive daily on executives’ desks. What if your company wants to pitch the same idea to two different industries? The information that is pertinent to one industry may not be as applicable or important to a potential client you may have in another unrelated industry. By not narrowing your message, you run the risk of alienating everyone. A wise marketer probably wouldn’t give the same speech to the head of a financial institution that they just gave to the board of directors at a hospital... so why would sending the same collateral materials to both groups make sense?

Now, some fulfillment providers are turning their spaces into mini-production houses, giving marketing managers even more control over when, where and how their materials are presented. Along with providing real-time inventory updates, ordering, managing and tracking, these offsite fulfillment experts now provide customized kitting services.

“One-to-one marketing is the ultimate dream of marketing,” says Peake. He also eagerly points out a number of kitting methods that give businesses more flexibility in how they create and distribute their informational and promotional kits, including:

**Stocked Items:** Here, a client chooses from a number of stocked items from their inventory to assemble a kit that meets their need.

**Static Print on Demand:** Here, a client chooses from a number of items held in a digital document repository to be printed on demand, and included in the kit.

**Custom Print on Demand:** This option allows the user to create a one-off document that is unique to each specific order. For example, you can select from a number of shells, such as letterheads, paper stocks and coloring, and attach a PDF™. The PDF is then printed on the selected shell and included in the kit.

**Variable Print on Demand:** Every kit can be personalized with variable print on demand. Address kits to multiple recipients, or even include their names within the documents in a variable field.

**Design on Demand:** Here, a user may substitute variable photos and text blocks within their own documents. With just a few clicks, you could change the imagery or tone of a brochure to speak to a whole different audience. Without getting up from your desk, you could handcraft the perfect kit to fit a specific client within minutes. This type of power needs control. As previously mentioned, the latest kitting systems give their administrative user control of the content of the kit. Certain items and item elements can be made mandatory, other items or elements can be automatically included when certain items are selected. This type of control ensures brand and regulatory compliance. Combined with controls on who can order what items and in what quantities or dollar values, today's systems provide both the power to deliver relevant and accurate content and the control needed to effectively manage costs and compliance.

Peake predicts more growth in the area of customized kitting in the future. "Naturally, printing companies are telling people that they should print everything on demand. Some fulfillment companies may try to convince you that only using pre-printed stock material is the way to go. The truth is, you need a hybrid of both."

As the technology for digital printing becomes more widely used, its cost at a consumer level continues to drop. This means some fulfillment providers will be able to offer digital printing capabilities at an incredibly reasonable cost.

"Certain materials just don't make sense to print in large quantities," says Peake, "while sometimes it's just cheaper to print other items in mass quantities. With more digital printing being outsourced these days, customized kitting is a sort of ideal balance between the practicality of the old methods and the improvements of the new."

**For more information on fulfillment, please contact Comac at 1-866-COMAC4U and ask for the Managing Director. Or, visit us on the Web at: [www.comac.com](http://www.comac.com).**

## In Closing

Over the last few years, "personalization" has become the buzz word of direct marketing. What is now becoming apparent is that "relevance" is the key to increasing response rates and ultimately sales. As described above, today's kitting technology ensures that a relevant package of material is delivered to the right person at the right time, and that the package is produced in an efficient manner. More effective and more efficient.

Kits remain an incredibly effective and reliable tool to help businesses quickly reach and communicate with their customers. The task of kit-assembly, however, has proven to be laborious and time-consuming. As many companies have realized, the more time spent assembling a message than conveying it to a customer can prove fatal in today's rapidly moving business world. Many marketing leaders have chosen to outsource their kitting jobs to fulfillment providers.

Technology has made it possible for these third party providers to create online kitting menus where users can assemble the kit of their choosing from a vast array of options. This online kitting service provides customers with more control than ever, giving them everything from customizable options, varied text and digital printing capabilities so users can create a variety of presentations to fit the needs of any customer.



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