

InfoTrak

Information for Better Decisions

Fulfillment: Your Partner in Enhancing Marketing Effectiveness

There's an old axiom in the advertising business that says, "Half of all advertising dollars are wasted; but nobody knows which half." Despite decades of technological advances, today's marketers still face much the same dilemma. Complicating their task is the fact that inquiries, leads and orders now come through, or are spurred by, an ever-growing multitude of marketing communication and consumer demand channels. To name just a few:

- Network television
- Premium television and/or local access stations
- AM/FM radio
- Satellite radio
- Billboards
- Newspapers
- Trade magazines
- Consumer magazines
- E-zines
- Email and SMS messaging
- Direct mail
- Telemarketing
- Product placements
- Co-sponsored advertising
- Web sites
- Pay-per-click ads
- Catalogs
- Circulars, inserts and coupon packets
- In-store displays
- ATMs and kiosks
- Trade shows
- Call centers

Businesses spend enormous sums of money trying to reach customers and influence prospects through these and other channels. For example, the Federal Communications Commission pegged 2002 expenditures on broadcast advertising in the U.S. at more than \$41 billion. Forrester Research expects U.S. spending for online advertising and marketing to reach \$14.7 billion this year — a 23 percent increase over 2004. And, in its latest forecast, Jupiter Research predicts spending on e-mail marketing in the U.S. will rise from \$2.1 billion in 2003 to \$6.1 billion in 2008.

As a marketing professional, your challenge is to determine which of the channels your company uses is producing the best results — and where to continue investing your precious marketing dollars. Without good data, it's all just guesswork.

The purpose of marketing is to provide the "right" product or service at the "right" price to the "right" customer through the "right" distribution channel supported by the "right" level of promotional activities.

U.S. companies will spend a total of nearly \$1.07 trillion on marketing this year, according to communications and research consultants Blackfriars Communications, Inc. Manufacturers will spend nearly \$120.1 billion on advertising, direct marketing, events, and other activities. Retailers will spend \$24.5 billion on direct marketing alone. If marketing were a vertical industry, it would represent about 9 percent of America's gross domestic product.

“Premier brand-builders concentrate investment on the customer touch points that will do the most to raise profitable demand. It's critical to analyze which touch points will have the greatest impact on customer behavior and brand loyalty, then reallocate investments to those few key touch points.” (Suzanne Hogan, Eric Almquist and Simon Glynn of the corporate identity consulting firm Lippincott Mercer, writing in Building a brand on the Touch Points that Count.)

Capture, organize, track and report

Your fulfillment company should be your first strategic resource for analyzing marketing response and generating intelligence to help you better allocate your marketing dollars. After all, no matter where a lead originates — from a call center in India, a bingo card from a trade magazine, or your company's Web site — the customer's or prospect's data and product/service interests can be securely routed to your fulfillment house for a prompt response — preferably within a day. The need for prompt turnaround cannot be overemphasized. Companies that fail to quickly get information into the hands of their customers or prospects risk being viewed as unresponsive, or worse, losing a sale to their faster competition. The fulfillment aspect should be transparent to your prospects. That is, your vendor should be able to seamlessly integrate with your company's systems, so that it appears to your prospect that the response has come directly from your company.

Working in conjunction with your company, your fulfillment vendor can provide information that ties back to the effectiveness of specific marketing efforts. The information can also illuminate marketing effectiveness within specific target markets — vertical, horizontal, geographic, etc. — and with specific product or services launches. This information should be easily available to you through a robust, real-time, online reporting system that lets you access the data you want in a format that makes sense for you.

By using fulfillment systems to track orders for collateral (what was ordered by whom, when and in what quantities), then correlating that to critical dates of a campaign (launch date, advertising campaign dates, etc.), you can assess the effectiveness and contribution of collateral to your overall success.

Services that improve ROI

Capturing, organizing, tracking and maintaining customer data is just one way in which a fulfillment company can help you integrate front- and back-end operations to improve your marketing ROI. Your vendor should also be able to help you manage your customer/prospect relationships by providing consistent, relevant messaging and support with services such as:

- Document personalization
- Online collateral customization
- Online kit assembly
- Print-on-demand
- Digital documents
- Document lifecycle management

Personalizing and customizing materials to match customer interests and needs has been proven to increase response rates significantly over those produced by generic materials. (For more on this topic, please contact Comac and ask for the *InfoTrak* on Client-Centric Communications.) Print-on-demand and digital document delivery can help you reduce production, storage, obsolescence and shipping costs. And document lifecycle management can help your company remain compliant in today's increasingly complex regulatory environment.

In short, a good fulfillment partner can assist you in making optimal use of your resources to drive positive business outcomes. For a thoughtful discussion of your company's needs, contact Comac. More than a fulfillment company, Comac delivers marketing solutions to help you reduce time to market, streamline business processes, increase response rates and improve ROI. Call Comac at 1-866-COMAC4U, or visit our Web site at www.comac.com.

The Blackfriars Marketing Index™, a quarterly measure of corporate marketing demand and spending, shows a strong correlation between marketing measurement practices, corporate perceptions of marketing and marketing budgets. Firms that measure their results have marketing budget increases that are nearly twice the percentage of those that do not measure results. In 2004, companies that measured their marketing results increased their annual marketing budgets an average of 11.2 percent, while companies that did not measure marketing results increased their budgets by only 6 percent. Additionally, executives at firms that measure results are less likely to be dissatisfied with the effectiveness of their marketing. Only 9 percent of executives at companies that measure performance are dissatisfied with their marketing performance, while 23 percent at companies that do not measure marketing performance are dissatisfied.



Corporate Headquarters:

Comac, Inc.
565 Sinclair Frontage Road
Milpitas, CA 95035
1-866-COMAC4U
www.comac.com

Chicago-
Bolingbrook, Illinois
(630) 378-4849

Chicago-Batavia
Illinois
(630) 406-1189

Atlanta
Georgia
(770) 739-7070

Milpitas
California
(408) 945-1600

Tracy
California
(209) 832-9494

Freehold
New Jersey
(732) 761-9666

Austin
Texas
(512) 719-9800

INFO4212/04