

GOOD FORM THE CASE FOR KEEPING PRINT CATALOG ORDER FORMS



MORE THAN HALF OF ALL CATALOG ORDERS ARE NOW BEING PLACED ONLINE. Not sur-

prisingly, this has led to many marketers eliminating order forms from their print catalogs. But such a move shouldn't be based solely on saving money or on the percentage of mail orders received. There are other factors to consider.

One hundred different catalogs, in a variety of niches and revenue levels, were recently surveyed by our firm. Nearly half (46%) had no order form at all. Thirty-six percent included an order form printed on page as part of the press run. Only 9% included a bind-in order form with an envelope; 6% of those had inside inkjet imaging.

A similar study about eight years ago had very different results. Almost all of the 150 catalogs looked at had an order form, with about a third printing the order form on a catalog page.

So, why should you include an order form? The order form complements the catalog. Mail order buyers are conditioned to look in the center of the catalog to find the terms and conditions and other important how-to-order information. Today, catalogers typically receive fewer orders (5% or less) in the mail. Most orders are received

over toll-free numbers or online. Older catalog buyers (age 60 and up) tend to use the order form more and often pay by personal check. But an order form is often used throughout the buying process regardless of how the order is actually placed. Many times, the shopper completes the order form first to speed the process even if they plan to order by phone or online.

The bind-in order form creates a "hot spot" in the center of the catalog. This is why catalogs position their best-selling products in the center of the book. What's more, bind-in order forms cause the catalog to feel more substantial to the hand depending on the total page count. A bindin order form is also more "user friendly" when it comes to encouraging gift orders because of the number of "ship to" spaces normally available on the order form. For catalogers who process a large percentage of gift orders. I'd suggest thinking twice before giving up the order form.

The effectiveness of using an order formeither bind-in or printed-on-page-should be tested before it is simply eliminated. It's easy to set up a simple A/B split test, or a three-way A/B/C split test-bind-in order form vs. printed on page order form vs. no order form. The control is whatever you are currently doing. Let the actual results guide your decision. Don't drop the order form just because 5% or fewer of your orders are received by mail.

The true purpose of the bind-in is to provide the customer with all of the information they need to aid the ordering process. Consider everything that factors into the process, including the age of your customers and the number of gift orders you receive before you decide to cut the order form, so you're doing it for the right reasons. -STEPHEN R. LETT, president, Lett Direct Inc.

Paper Chase WHAT FACTORS IMPACT CATALOG **PAPER PRICE INCREASES?**

Paul Buohl, manager of estimating and purchasing for direct marketing production consulting firm EU Services, says mills have tried to implement price increases only when the raw materials costs warrant an increase.

And with the huge debt load facing several of the larger mills and the increasing costs of raw materials, transit and chemicals. "they must be concerned about achieving the best profit margin possible," Evjen adds. "They will take downtime when appropriate."

Further mill shutdowns are always likely, agrees John Maine, vice president of forest industry research group RIS, since profitability is "low to nonexistent" at some mills. Additional pressures from fiber costs (pulp and recovered fiber for recycled mills), exchange rates, energy or environmental expenses "could tip the balance in favor of closure at any time."

Paper inventories normally peak in July, Maine adds, and then "move down as we progress through the busy printing season. In general, inventories remain under control and are fairly low." -JIM TIERNEY



DID YOU KNOW?

Demand for merchandise from catalog marketers was up 1.6% in the second quarter, spurred by a 2.5% rise in catalog circulation, according

to Stuart Rose, a managing director at Tully & Holland.

Much of the growth was from marketers offering higher-priced goods, indicating that perhaps upscale consumers either hadn't been affected as significantly as

others by the economic downturn, or have yet to adjust their spending, according to the Wellesley, MA-based investment banking firm.

Rose notes the difference between increased catalog spending and demand is to be expected. "When

you increase [catalog] circulation, you end up going to less efficient segments, and there is typically more prospecting," he says. "Response rates tend to be less than those from your core customer database." -RICHARD H. LEVEY



HOW TO: STREAMLINE THE CONTENT PRODUCTION PROCESS

Looking to increase your sales, reduce costs and improve the team's morale? Who isn't?

Creating a more efficient work process for producing your catalogs, website content and marketing vehicles can help. In most companies today, resources are squandered and creative energy is zapped because of last-minute directional changes and incessant rework.

Here's a guide to creating a work process that can improve productivity and the quality of your marketing vehicle—and, ultimately, your bottom line.

✓ IDENTIFY ALL THE STEPS REQUIRED TO COMPLETE THE PROJECT.

Formulate task durations and establish an overall timeline.

CALL OUT KEY TOUCHPOINTS.

These are places where collaboration and information exchange between marketing, merchandising, creative and the executive team should take place.

Schedule these touchpoints as face-to-face meetings. Emailing comments around the office is neither collaborative nor an efficient way to exchange ideas. Even a 10-minute meeting is more productive than attempting to manage various email strings and then glean and distribute direction.

CREATE A GUIDE FOR EACH MEETING BETWEEN TEAMS.

Outline the following: owner (who's running the



meeting), objective, duration, attendees, input (what information people will bring to the meeting), activities (who presents what) and output (agreements, direction, etc.). The kickoff meeting is your chance to collaborate with your partners and create the most relevant and productive presentation for the customer.

Be clear on what's expected regarding input and output of these meetings. For example, the input for the kick-off meeting should include all product information and marketing offers, and a creative framework. Agreements on offer positioning, product attributes and possible presentation tactics should be included in the output.

✓ GET TOP-DOWN SUPPORT.

The best way to get buy-in and meaningful dialogue going between departments is a mandate from top management that a process overhaul is needed. You must get this support for the process model before presenting to the teams. If the initiative is deemed a priority by the boss, it keeps everyone from denying change is needed and people will get on board.

DEFINE ROLES AND RESPONSIBILITIES.

Delineation of responsibility needs to be clear for any inter-departmental work process to be effective. Everyone must be accountable for their assigned roles and not dispense advice willy-nilly across functional areas; this will only distract from the agreed upon strategy. That said, providing an opportunity for ideas to be heard from all contributors is important and should be accommodated in a way that doesn't derail the process or create a missed opportunity to leverage a new idea.

✓ SET GOALS FOR IMPLEMENTATION.

Agree on a date when or a specific project where the new process will be fully adopted. It may take months before all the areas can get far enough ahead to meet the required dates and provide the essential input for meetings. Adjustments in everyone's work styles may have to be made to support the new process as well. Creating an implementation timeline and marking progress will ensure the initiative doesn't get pushed to the back burner.—NEAL SCHULER, principal, Schuler Creative Consulting

TIP:

Use Data to Stay Relevant

COUNTRY CURTAINS WAS "WOEFULLY UNPREPARED" FOR THE RECENT RECESSION. The hous-

Country Curtains

ing depression struck when home sales peaked in 2006, and then stuck at lower levels.

The Stockbridge, MA-based domestics cataloger/retailer saw about a 15% decline in sales from 2008 to 2010,

said Phil McAvoy, president of the Stockbridge, MA firm, speaking at NEMOA. Worse yet, the price of cotton rose 300%—after holding steady for about 20 years.

Since McAvoy arrived at Country Curtains in 2008, "we've been fine-tuning the brand," he noted. "We had to make sure our brands were on target all the time because tweaking the brand can be tricky."

A huge advantage for the merchant is that "we capture almost all retail transactions with a name and address," McAvoy said. Country Curtains boasts a 99% capture rate.

How does it manage this? Store managers receive incentives based on capture rates, McAvoy said.

While Country Curtains had "tons of data," it needed a strong partner to turn it into an actionable database. (It found one in digital marketing agency SolutionSet.) "We try to learn more about our customers every week and every month," McAvoy said.

Product and lifestyle targeting is a recent focus for Country Curtains, McAvoy added. "We reviewed IO years' worth of purchasing history, along with unique product and style preferences."

The merchant tracks strategy, people and process all the time, focusing a great deal on process, he said. "You have to address these and fix them and move on. We learn more from our mistakes than our successes."

No matter how well the business is doing, multichannel merchants should always have five or six new business initiatives "in the hopper," McAvoy said. Because if just one of them works, it can help invigorate the brand.

"Our biggest benefit is our equity in the brand and customer loyalty that has built up," he said. If you want to succeed, "continue to make your brand relevant."—JT

