

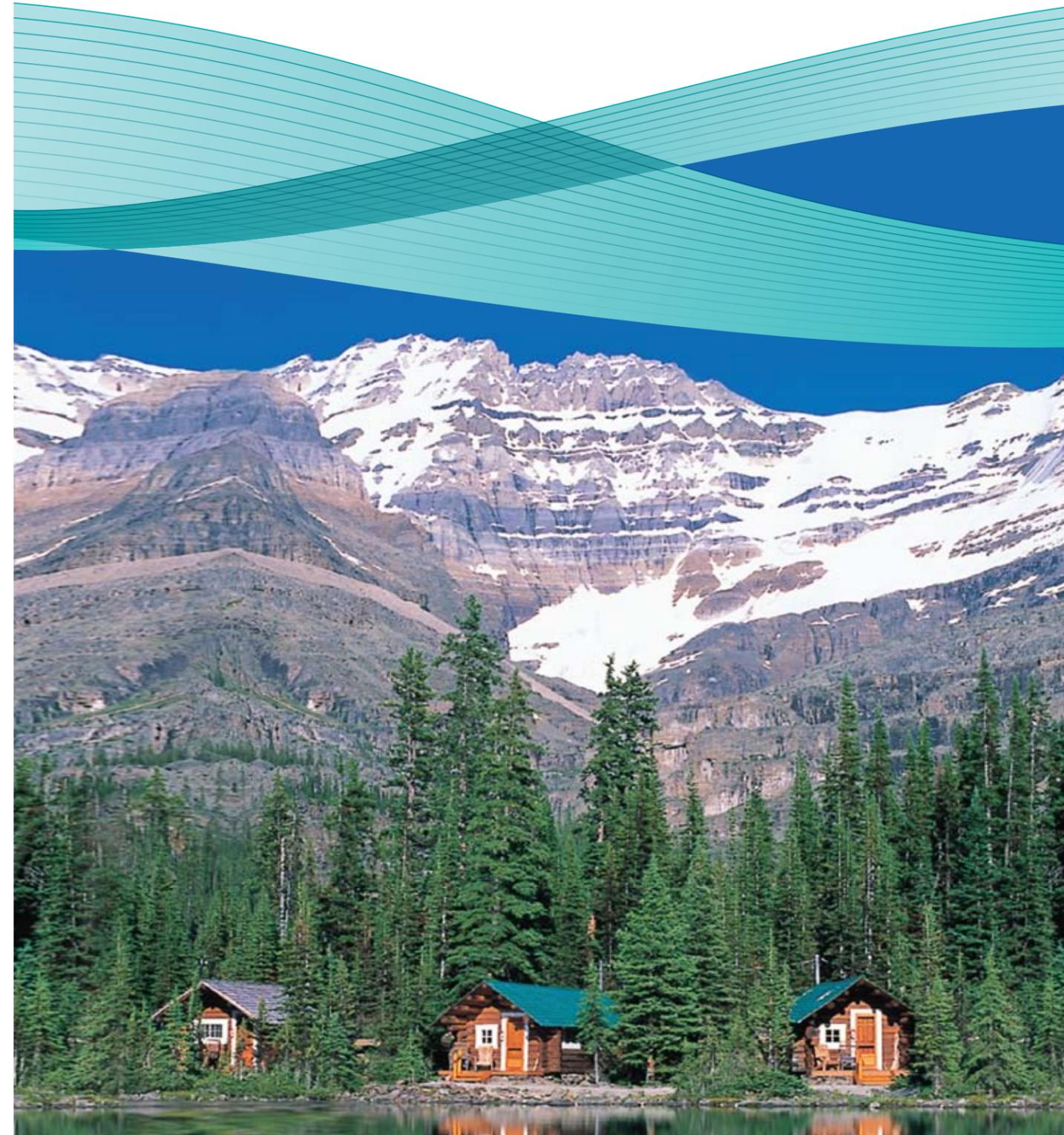
## Tourism BC says “Hello” to Xerox 1:1 colour marketing lab



The Xerox 1:1 Lab

**Fuji Xerox, delivering results you can measure.**  
As a global leader in variable data collection and digital colour printing technology, we are helping our customers leverage the benefits of personalized marketing through the Xerox 1:1 Lab.  
For more information, call your Fuji Xerox sales representative, or visit our website, [www.xerox.com/1to1lab](http://www.xerox.com/1to1lab) today.

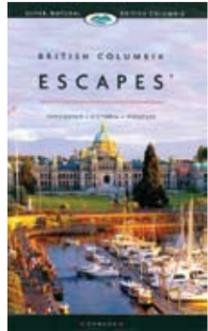
- Return on investment increased by 25% through reduced postage and paper costs
- Postage costs were 145% less for the 1:1 test group than the control group
- Page count reduction from 112 to 24 pages resulted in greatly reduced paper costs
- Significant savings in warehousing costs and in fulfillment costs
- Collection of highly relevant consumer data for use in future campaigns



For more information, contact your Local Fuji Xerox Representative or visit us at:  
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# The Challenge



**Tourism British Columbia**, a Crown Corporation, works closely with the province's tourism industry to market BC to consumers and the travel industry around the world. Its mandate is to ensure continued long-term growth and prosperity of BC's \$9.5 billion tourism industry through a variety of joint marketing and promotional campaigns to increase revenues and employment while raising economic benefits for all British Columbians.

Fundamental to Tourism BC's business success is enticing visitors to choose British Columbia as their vacation destination. To capitalize on a rising trend among consumers to augment traditional vacations with short getaways, Tourism BC launched its BC Escapes marketing campaign which included direct response TV, direct mail, e-mail, print advertising and promotion. The campaign's common thread was to offer potential visitors free BC Escapes guides to help them plan a trip to British Columbia.

Tourism BC has two call-to-action outlets for consumers considering British Columbia in their travel plans; a 1-800 Hello BC® telephone number and a web site, [www.HelloBC.com](http://www.HelloBC.com)®

In response to any consumer inquiry, either by telephone or online, Tourism BC asks three questions: where are you coming from; how long are you planning to stay in BC; and is your primary vacation interest sightseeing or outdoor activity?

Each respondent is sent two guides: a Cities Guide for Vancouver, Victoria and Whistler plus a Regions Guide which delivers information from the rest of the province. Combined, the two guides total 112 pages. The guides are expensive to produce and distribute: postage alone averages \$4.13 per unit. Typically pre-printed on an offset press, five versions of the guide are available, corresponding to the possible combinations of responses to the three questions.

A key challenge for Tourism BC is for its publications to provide depth and breadth, yet remain specific to each consumer's needs; ideally balanced to sway them to choose British Columbia for their holiday.



# The Trilogy Alliance

The Trilogy Alliance is an enabler for Xerox Graphic Communications Group customers and their marketing and advertising customers to implement data-driven, 1:1 print campaigns on an ongoing basis.

Relatively few corporate marketers have the infrastructure, experience or expertise to execute personalized marketing programs, even though they are aware of their advantages. The combination of Xerox, Terminal Van Gogh and the appropriate software partner brings together the

software and skills commercial printers and their customers need without requiring them to invest immediately in these areas.

As they gain one-to-one campaign knowledge and build their business, printers can continue to work with the Alliance or make the investments that will allow them to continue independently. The Trilogy Alliance offers flexible services, based on the skills and infrastructure of each customer.

Printing price comparison: (US Dollars)  
**Xerox 1:1 vs. traditional offset**

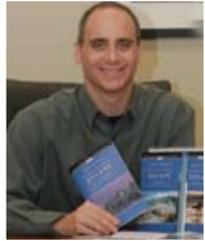
Tourism BC Control pieces <i>Price per package</i>		Tourism BC 1:1 Lab guides <i>Price per package</i>		
Package of 2 full colour guides totaling 112 pages and regional information	\$2.03	Record processing by TVG	\$0.42	
Gusset Envelope 9 X 12 (4/0)	\$0.25	1 guide, 24 customized colour pages, trim, folded and saddle stitched	\$2.40	
Fulfillment, insertion and lettershop costs	\$0.22	Window Envelope 6 X 9 (4/0)	\$0.12	
Sub total	\$2.50	Insertion	\$0.12	
CDN Postage	\$2.45	Sub total	\$3.06	
	\$5.80	CDN Postage	\$1.00	\$1.70 US postage
	\$8.30			
<b>Total per package</b>	<b>\$4.95</b>	<b>Total per package</b>	<b>\$4.06</b>	<b>\$4.76</b>

56% of packages sent to USA  
44% of packages sent within Canada



In November 2005, Tourism BC and Xerox Canada were both awarded gold trophies for the BC Escapes program at the annual Canadian Marketing Awards gala.

# The Xerox 1:1 Lab: Demonstrating the power of personalized marketing



Joel Tkach,  
Marketing Manager,  
Consumer Programs,  
North America,  
Tourism BC

Seeking a more cost-effective approach to providing BC travel information to potential tourists, without sacrificing its current bookings, and to learn more about its respondents' BC travel interests, Tourism BC became one of the first participants in Xerox unique 1:1 Lab.

The 1:1 Lab is a testing ground for Xerox customers to demonstrate the power and accessibility of data-driven 1:1 marketing and accelerate its adoption by the marketing community.

The 1:1 Lab provides a learning environment for 10 selected corporations to test and compare the results of data-driven 1:1 direct mail marketing campaigns with traditional direct mail. The lab is equipped with state-of-the-art equipment and software, including the Xerox iGen3 Digital Production Press, a 110 impression-per minute digital colour press with image quality comparable to offset; and some of the most robust and sophisticated one-to-one software solutions on the market. Terminal Van Gogh (TVG) provides strategic consulting on data-driven marketing campaigns and manages the client's data to ensure the right information is communicated to the right person. TVG also designs the 1:1 Lab participants' programs,

re-purposes existing creative to function within the data-driven environment and mines customers' data to gauge results.

When Total Graphics, a leading premedia supplier in Burnaby, BC, was invited to include one of its clients into the 1:1 Lab program, the company looked to one of its direct marketing customers.

**“We were intrigued and excited to be part of the Xerox 1:1 Lab. It allowed us for the first time to present British Columbia vacation possibilities ideally targeted to individual consumer interests.”**

– Joel Tkach, Marketing Manager, North America, Consumer Programs, Tourism British Columbia

“Our client Blitz Direct Vancouver, one of the direct marketing firms we work with, was a natural fit, given the range of clients they work with,” says Murray Todd, president, Total Graphics.

When approached by Total Graphics to deploy this more customized direct marketing

approach, Rob Davidson, managing director of Tourism BC's marketing agency, Blitz Direct Vancouver, a division of Cossette West, says Tourism BC was intrigued.

“We're all aware, as marketers, that we need to make sure the information we put in front of consumers is relevant,” says Davidson. “Tourism BC has a huge selection of guides that are lengthy and detailed. We wanted to test drive the customized marketing approach.”

“We thought we were doing OK,” adds Joel Tkach, Marketing Manager, Consumer Programs, North America, Tourism BC. “But we knew there was an opportunity to be more precise with the information we were delivering if we could learn more about our consumers.”

## Meeting business objectives

For Tourism BC, the objectives for the 1:1 Lab project were two-fold:

- Determine a more cost-effective approach for getting BC travel information into the hands of campaign responders without sacrificing travel to BC;
- Increase the amount of data capture about its consumers; and act on that data to put the consumer into contact with the right products and move them through the purchase cycle faster.

Further, Tourism BC wanted to learn whether a travel brochure specific to the consumer would affect the consumer's decision to book their vacation through [www.HelloBC.com](http://www.HelloBC.com)® or 1-800-HelloBC.®

# The data-driven 1:1 Guide in action



Rob Davidson,  
Managing Director,  
Blitz Direct Vancouver,  
a division of  
Cossette West

To gather more information about potential visitors to the province, consumers who requested their BC Escapes guide online were asked some additional questions, with answers to be selected from a drop-down menu:

- Nature of travel party (e.g., 35 and under 35 to 54, traveling with kids, etc.);
- Destination (e.g., Vancouver, Victoria, Whistler, Thompson-Okanagan, etc.);
- Primary activity (e.g., golf, shopping, spas, etc.);
- Accommodation price range (e.g., less than \$100, \$100-\$170, more than \$170);
- Intended time of travel (season)

Together Xerox, TVG, and Blitz Direct undertook the redesign of the guide, reducing the number of pages from 112 to 24.

Each 1:1 Guide was printed on a Xerox iGen3 digital press, on Xerox Elite Silk Coated 80lb. stock, with every page customized to reflect the respondent's answers to the questions posed when ordering their BC Escapes Guide.

The 1:1 package guide, using Exstream Dialogue software, consisted of a personalized and customized 1:1 Guide, a personalized letter, two personalized postcards and a window envelope. The postcards were printed on Xerox Digital Color Elite Silk Coated 100lb cover stock.

The level of customization built into the 1:1 Guide was extremely complex, with each brochure element, including all text and graphics, driven by a matrix of potential answers from the questions posed to consumers. The program's objective was to ensure the 1:1 Guide delivered all of the relevant material the consumer required, without all of the excess material the traditional guide provided.

For example, if a respondent indicated that they were planning on visiting Vancouver in the summer to golf and were interested in accommodations in the \$170+ price range, then their guide would feature summer imagery of Vancouver, accommodation listings in the \$170+ price range in Vancouver and information regarding golfing in Vancouver.

The 1:1 Guide would also include circle tours based on the consumer's chosen destination. For example, if they indicated an interest in the Thompson-Okanagan region, then their guide included a wine tour of the Okanagan Valley.

The cover of the 1:1 Guide was personalized with the respondent's name and displayed an image of their chosen destination. A personalized message was included on the inside front cover. The 1:1 Guide was also customized based on the respondent's place of origin. For example, Americans were provided with exchange rate information, Californians received fly 'n stay package info, and Washingtonians received driving-related information.

The complexity requirements of the 1:1 Guide were enormous, depending on the answers supplied by the consumer, 2,400 primary combinations of answers and myriad versions of the 1:1 Guide could be produced.

The Tourism BC project ran from April to August of 2005 with more than 5,000 1:1 Guides delivered to consumers across North America. On a weekly basis, Hello BC respondents were randomly placed into either the test group or the control group. An equal number of traditional Tourism BC guides were sent as a control group.

The control group received the standard fulfillment package of the two guides. The test group received the 24-page 1:1 Guide.

“The project was a challenge from a planning perspective because of all the variables in the content,” says Tkach. “You can imagine we had a complex matrix due to all the variables. But once the planning was done, the whole thing ran like clockwork. Once a week TVG

would collect the data from Hello BC and the customized 1:1 brochures were out the door a few days later.”

## The results

For Tkach, one of the immediate returns was reducing postage costs - the test group's mailing costs were 145% less than those of the control group since the cost of mailing the 1:1 Guide was substantially less than sending the two standard guides. For each brochure shipped within Canada, the cost of mailing the traditional package was \$2.45 vs. \$1 for the 1:1 piece. The cost differential of packages sent to the U.S. was even more dramatic, with the 1:1 Guide costing \$1.70 per piece versus \$5.80 for the traditional package.

Paper costs were also greatly reduced, given that the 1:1 Guide had 88 less pages than the two standard guides. Additional cost savings extend to less warehousing and reduction in fulfillment costs.

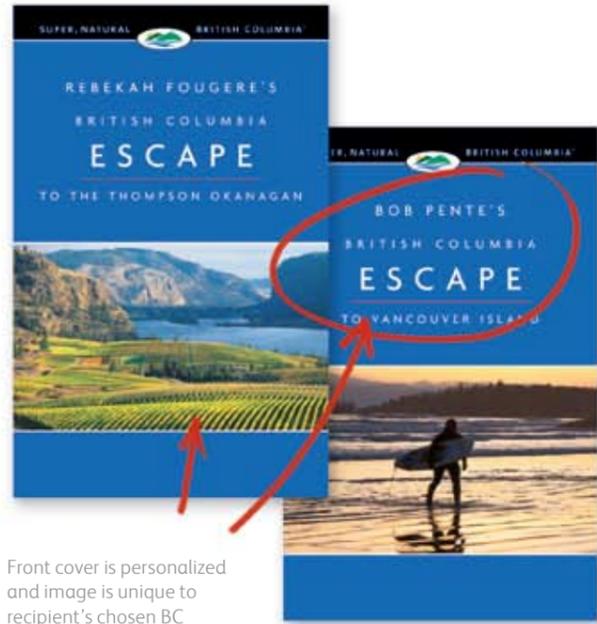
The sum of the reduced costs saw the 1:1 Guide generating an increased return on investment of 25 percent.

Outside of dollar costs, of significance to Tourism BC was the quantity of highly relevant consumer data it collected during the project that can be used to better target its communications efforts in the future.

The new customized 24-page 1:1 Guide delivered efficiency and intelligence in a true customer relationship management program. It brought increased relevancy and accuracy to the consumer at a lower cost to Tourism BC. The organization had found a better way to manage print without compromising results.

“As a direct marketer, for a long time we've talked about putting a blank piece of paper at one end of the machine and out comes something that is customized to a particular individual's needs based on the information we have about them,” says Davidson. “The Xerox 1:1 Lab was exciting opportunity – from a direct marketing point of view – to see the results of the customized approach.”

# Data Driven 1:1 Communications in Action



Front cover is personalized and image is unique to recipient's chosen BC destination

Table of contents imagery varies depending on destination. Destination of choice highlighted. Recipient's name noted in the text



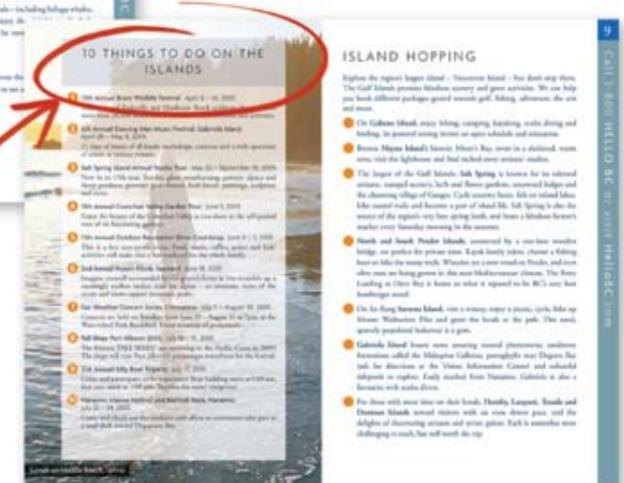
A moving suitcase represents the recipient's city or region of origin. The copy speaks to the recipient's activity of interest



Top 10 Things are unique to the recipient's travel party e.g. with or without children. The selection relates to the time of year the trip is planned

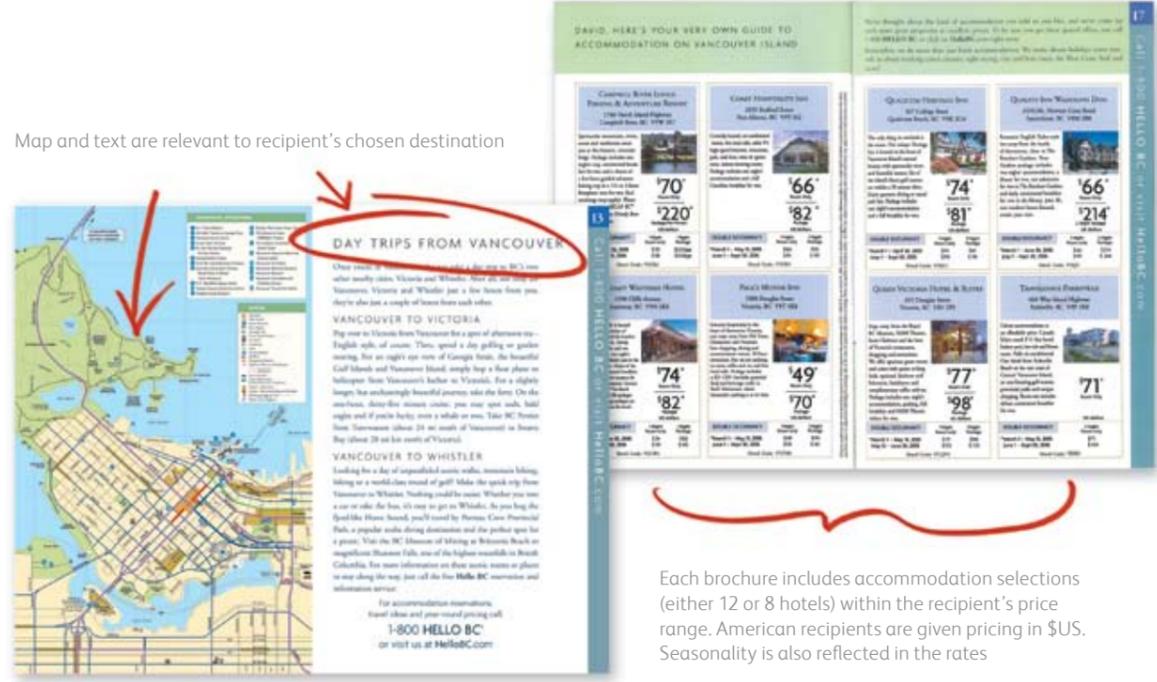


Personalized post card reflects imagery of recipient's chosen destination and time of year



Special package rates are offered relating to the city of origin and the airline servicing that region

Imagery reflects the traveling party's make-up, e.g., traveling with family. The imagery also reflects the season of the trip



Map and text are relevant to recipient's chosen destination

Each brochure includes accommodation selections (either 12 or 8 hotels) within the recipient's price range. American recipients are given pricing in \$US. Seasonality is also reflected in the rates