

Catalogs

An Opportunity
for Growth

A Market Segment Series

Catalogs

Digital Packaging


Direct Mail

Marketing
Service Provider

Photo Publishing

Publishing

Transactional
Marketing

A high-angle photograph of three people—two women and one man—gathered around a white table. They are looking down at a printed catalog or brochure spread out on the table. One woman, wearing glasses and a denim shirt, is pointing at a page. Another woman, in a grey shirt, is holding a small green leaf-like object. The man, in a striped shirt, is also looking at the catalog. The table is covered with various printed materials, including a colorful abstract design and a page with a grid of small images. The background is a bright, modern interior with large windows.

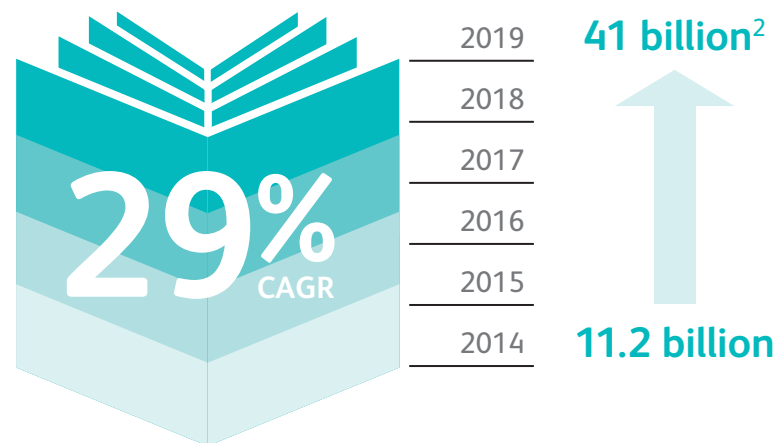
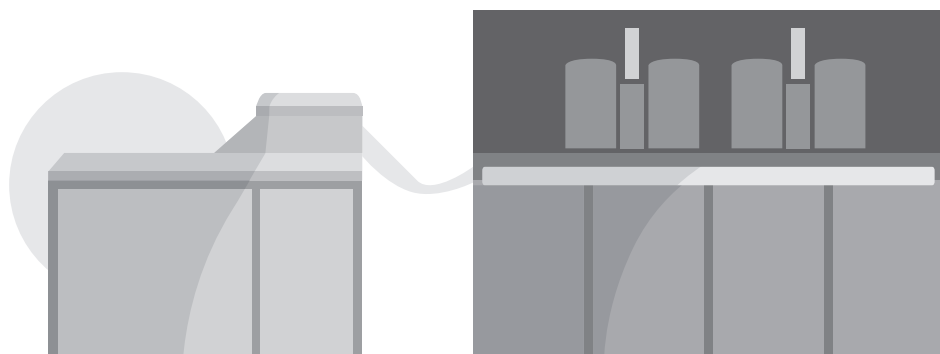
In a digital world where filling a shopping cart can be done with the click of a mouse, is there a place for printed catalogs? The answer is a resounding ‘yes’. In both B2B and B2C markets, printed catalogs have experienced an incredible revival as brands and marketers realize their power to impact consumer behavior.

Even if you’re already well established, this guide will provide new insights into the market landscape, as well as information you can use to enhance your strategic partnership with your clients.

Back in Style and Delivering Profitable Growth

Brands use catalogs as a vehicle to strengthen customer experiences and loyalty while driving online and in-store sales. When catalogs are personalized—either through covers or inserts that feature custom offers, messaging or imagery based on past purchases and personal preferences—the revenues they generate on a per-catalog basis can be three times greater than static catalogs.¹

By 2019, more than **40 billion** color catalog pages will be printed annually on digital devices in the U.S. and Western Europe—a compound annual growth rate of **29%**.



¹ Xerox–InfoTrends Catalog Research, 2015

² InfoTrends

Looking at the Numbers

New production capabilities associated with inkjet technologies, combined with the availability of data, are taking the cost and complexity out of delivering personalized catalog experiences.

Rather than sending static or versioned catalogs, the economies and capabilities enabled by inkjet printing are making it feasible for retailers to add personalization and relevancy to catalog covers, inserts and offers. Depending on mailing circulation, these can be produced either entirely on digital production devices or as hybrid solutions with digital and offset processes.

The end result is a catalog experience that speaks specifically to the recipient—demanding attention and driving sales. Case in point: studies show that recipients view catalogs for an average of 30 minutes¹, influencing an average of 2.5 purchases, and with more than 77% of those recipients visiting a retail store due to a catalog promotion.



¹ *The Mail Moment*, USPS, 2005

² *Xerox-InfoTrends Catalog Research*, 2015

³ *Direct Marketing Production Printing & Value-Added Services: U.S. Report*, InfoTrends, 2015

⁴ *The Promise of Privacy: Respecting Consumers' Limits While Realizing the Marketing Benefits of Big Data*, Forbes Insights, 2013



63% made a purchase that was influenced by a catalog.¹

68% of B2C marketers agree that the catalogs they produce are becoming shorter and more targeted.²

65% of Millennials have made a purchase that was influenced by a catalog.³

62% of consumers are willing to trade personal information in exchange for personalized offers.⁴

Playing to Win

Here are four critical insights you can provide to marketers on how to increase the value of their catalogs.



Driving Behavior and Generating Sales

Despite a greater number of channels for consumers to complete purchases, print still plays a critical role as 69% of consumers consult a printed catalog before making a purchase online.¹ By creating relevant and targeted experiences, catalogs can drive sales to both digital channels and brick-and-mortar locations.



Doing More with Less

To reduce costs, catalogers are moving away from large, often costly, generalized catalogs in favor of smaller, more segmented catalogs with fewer pages. These needs are well-matched by production inkjet technologies.



Segmentation and Targeting, A Necessary Reality

More and more brands are opting to send customized catalogs that reflect an individual customer's past purchases or seasonal items in geographic regions. One retailer found personalized catalogs, based on past purchases, stimulated a 51% higher average order value than static catalogs.²



Integrating Print with Digital Channels

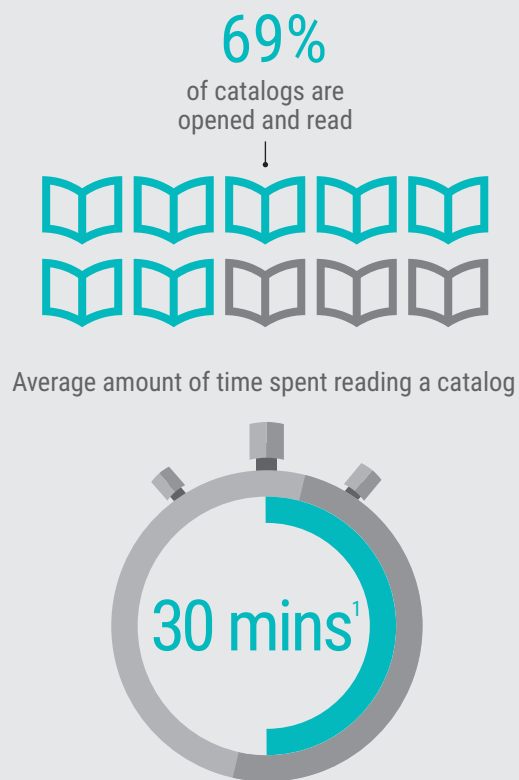
Omni-channel catalog marketing (supplementing a printed catalog with email, Web, mobile and other digital channels) gives consumers an opportunity to interact with their favorite brands on their own terms—boosting traffic, improving the customer experience and ultimately driving revenue. Research has shown this can increase profits by up to 60% over a print-only approach.³



¹ Xerox-InfoTrends Study; ² Reppa Customer Test; ³ Gartner Group and *Leading on the Edge of Chaos*, Emmett C. Murphy and Mark A. Murphy

Critical Insights You Need to Know

Catalogs command attention



Drive behavior

Response rates:²



Catalogs

4.3%



Direct Mail

3.7%



Email

0.2%



Display Advertising

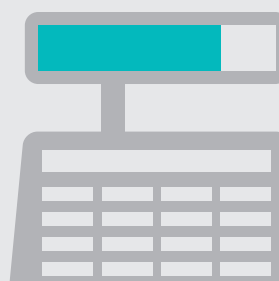
0.02%

Influence purchasing

63% of consumers were influenced by a catalog to make a purchase



77% visited a retail store due to products or promotions in a catalog



Mean number of purchases influenced by printed catalogs

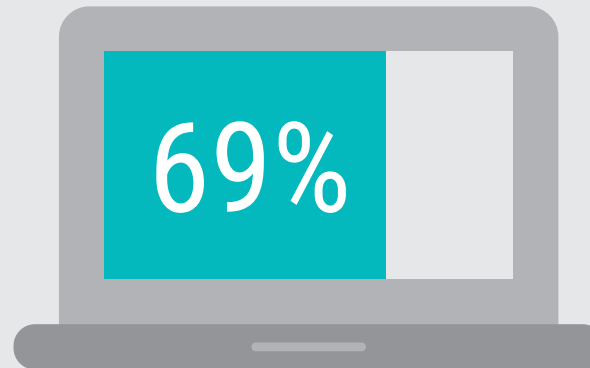
2.5

Customization fuels results



In a multichannel world, print plays a critical role

57% Prefer printed catalogs over digital/electronic catalogs

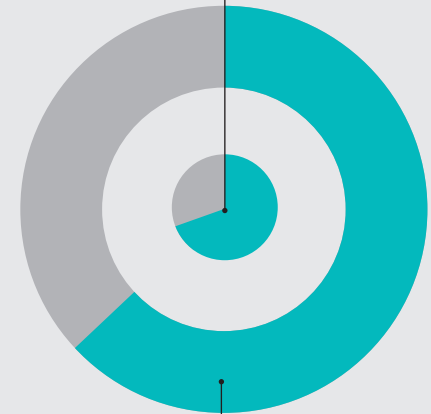


Consult catalogs before purchasing online³

Catalogers need help evolving

68%

Looking to shorten and target catalogs³



60%

Plan to use more targeting³



How can you collaborate to maximize return on investment? Here are four critical must-haves.

Getting in the Game

1

It Starts with Data

> **Build** the competencies to offer scalable, integrated print and digital solutions. Work with customers to understand the data they have, the data they can get and how it can be analyzed. The ability to deal with data will drive bottom line results for your client base.

2

Become a Relevant Player

> **Invest** in the right tools and technologies to meet the new technical demands for catalog manufacturing. Successfully competing in this market requires cost competitiveness, quality, speed and the ability to handle personalization.

3

Quality Color Matching

> **Deliver** consistent color so every page truly represents the products being sold. This can be achieved through color management tools that ensure consistent, accurate and repeatable color. Additionally, the Xerox® Rialto® Inkjet Press and select Xerox® Impika® Inkjet Presses are Fogra certified to assure stability, quality and color fidelity.

4

Engage the Market

> **Share** the power of an integrated omni-channel catalog strategy and the impact relevant and targeted print can have. Demonstrate the benefits of personalization and how catalogs can speak to a specific audience—a change from the days when they advertised to the masses.

Transformation in Action

Proving Inkjet Personalization Works for Catalogs

Germany
Bonprix

www.bonprix.de

Opportunity

Bonprix, with 32 million customers across 29 countries, wanted to understand the potential impact personalizing the catalog with more targeted content could have on overall ROI.

Transformation

While the retailer employs a multichannel approach that spans online, print and retail, it is their printed catalog that represents their most critical channel—220 million copies are distributed annually with 69% of online shoppers consulting the catalog first.

Bonprix did a test program using 300,000 catalogs with personalized front and back covers featuring targeted offers based on customer profiles and past purchase information. The custom covers were produced using a Xerox® CiPress® 500 Production Inkjet System. The body contained static content that was produced using traditional web offset technology.

Key results included 500% higher response rates from current customers and 400% higher response rates from inactive customers.

Personalized Catalog With Magazine Feel Builds Brand Loyalty

Netherlands
Hollandridderkerk

www.hollandridderkerk.nl

Opportunity

To further embrace the Lexus mantra of providing customers a red-carpet experience, dealers in the Netherlands knew their standard vehicle brochure wasn't enough; they needed a high-impact piece. Working with printer Hollandridderkerk, they transformed the buying process into an unforgettable journey.

Transformation

To create a lasting and impressionable experience, Hollandridderkerk partnered with the Lexus dealership to produce highly-personalized catalogs that were sent to potential buyers after leaving the showroom.

The 1:1 catalog, My Next Lexus, was custom to each buyer and featured the specific Lexus model including options, accessories and color. Pieces were further enriched with branded content, related articles and sales rep contact information. Dealers could personalize and order the catalog using the XMPie uStore. Pieces were printed on the Xerox iGen4 Press, with Xerox FreeFlow Core automating a touchless workflow process.

For Hollandridderkerk, the success of this piece has demonstrated the value of personalized communications, bolstering the printer's reputation as an expert in delivering cross-media campaigns.

Empowering Transformation

With a robust portfolio of digital technology, automation offerings and business development support, Xerox is driving transformation in the catalog market.

Here's just a sampling for your consideration. See more at www.xerox.com/production.

Workflow Automation and 1:1/Cross-Media Solutions

With our award-winning Xerox® workflow portfolio and working collaboratively with our partners, we have assembled the industry's most comprehensive array of workflow solutions to help you capture catalog opportunities.

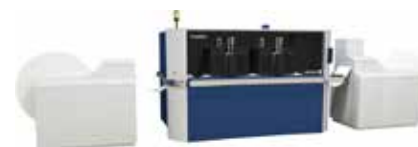
- **XMPie® Circle** is a cloud-based solution for planning, managing and automating your multichannel marketing campaigns.
- **XMPie® PersonalEffect®** turnkey systems provide powerful, out-of-the-box solutions for professional-grade graphic art variable data print applications, best-in-class Web-to-print storefronts and multichannel communications that bridge print with digital media. PersonalEffect Enterprise Platforms provide bespoke solutions for high-end, demanding requirements.
- **Xerox® FreeFlow® Core** automates and integrates the processing of print jobs, from file preparation to final production, for a touchless workflow that reduces time and costs.
- **Xerox® FreeFlow® Digital Publisher**, a digital publishing software solution, can help you meet the diversified needs of publishers by complementing print with electronic communications simultaneously, using a single, unified workflow.
- **Xerox® IntegratedPLUS Finishing Solution** transforms your most challenging job stream into efficient, highly automated and predictable production with one-touch prepress and automatic finishing setup.
- For input data streams, composition, prepress and more, you'll find solutions from GMC and Chemistry by Solimar to fit your specific needs and unique business environment.



Visit www.xerox.com/workflow.



Xerox® Trivor® 2400 Inkjet Press



Xerox® Impika® Inkjet Presses

Market-Leading Technology

- **Xerox® Trivor® 2400 Inkjet Press** maximizes productivity and offers automated image quality advancements inside a highly flexible system. The result is a press that delivers the quality and reliability your business depends on today, while providing scalable options to protect your investment for the future.
- **Xerox® Impika® Inkjet Presses** provide a flexible range of solutions to meet all your inkjet needs, while offering scalability to ensure your investment is protected in the future.
- **Xerox® CiPress® Production Inkjet System** uses waterless ink technology that produces consistent and vibrant color on a range of low-grade and lightweight offset papers, helping to simplify production and reduce mailing costs.
- **Xerox® iGen® 5 Press** delivers world-class quality and benchmark productivity for high-volume production environments.



Visit www.xerox.com/production.



Xerox® CiPress® Production Inkjet System



Xerox® iGen® 5 Press

Business Development and Professional Services

The Xerox® ProfitAccelerator® program, with a portfolio of 100+ tools, resources and training services, is designed to support your efforts from sales and marketing, business planning, operations and new application development. Other services help to:

- Design an optimized workflow tailored to your requirements
- Leverage digital technologies for profitable growth
- Incorporate targeted messaging to drive loyalty and sales



Visit www.XeroxDigitalHotSpot.com.

Discover more opportunities in this Market Segment Series.



Catalogs



Digital Packaging



Direct Mail



Marketing Service Provider



Photo Publishing



Publishing



Transactional Marketing

This series provides insights and practical advice on how to thrive in seven business-boosting markets for print providers. See more at www.xerox.com/applicationseries.

We're Xerox.

Xerox helps print providers work better by combining people, processes and technology in more efficient and cost-effective ways.

To find out more, visit www.xerox.com/production.