

HP Color Inkjet Web Presses drive innovative ads for Hearst Magazines



AT A GLANCE

Industry: Publishing
Business name: Strategic Content Imaging (SCI), O'Neil Data Systems (ODS)
Headquarters: Secaucus, NJ USA (SCI), Los Angeles, CA USA (ODS)
Website: www.sciimage.com (SCI), www.oneildata.com (ODS)



CHALLENGE

- Hearst Magazines needed a high-volume, personalised marketing tool that could integrate online content into print advertisements to create more effective and measurable marketing campaigns.

SOLUTION

- Hearst Magazines engaged Strategic Content Imaging (SCI) and O'Neil Data Systems (ODS) to print 300,000 full-colour, variable data magazine advertisements for *Popular Mechanics*, using the HP T300 and HP T350 Color Inkjet Web Presses, as well as Utopia Inkjet paper from Appleton Coated.

RESULTS

- ODS printed more than 4.8 million localised pages as eight-page inserts to be bound in the November 2011 issue of *Popular Mechanics*.
- SCI printed 300,000 personalised onserts.
- The economics, reliability, and productivity of HP Inkjet Web Presses showed advertisers that large-scale personalised ad campaigns could be cost-effective.
- Readers responded positively to the campaign. Cierant recorded a response rate of more than 4%, with 39% of site visits from mobile platforms.

Dale Williams, vice president of operations at print service provider Strategic Content Imaging (SCI), was not convinced by the doom-and-gloom predictions people were making about the future of print media. Jim Cioban, CEO of data-driven marketing partner Cierant Corporation, wasn't buying it either. That's why, in early 2010, Williams and Cioban began getting together and asking, "Why not?"

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—Michael Clinton, President,
Marketing Publishing Director,
Hearst Magazines

Why not leverage data from hundreds of thousands of subscribers to create high-value, low-cost personalised magazine advertisements? Why not use customisation to drive subscribers to online content tailored specifically for them? Why not use these tools to create more effective and measurable marketing campaigns?

Why not change the rules of print advertising?

The answers, they knew, began with the HP Inkjet Web Press. "If you want to reach a few hundred thousand people, and you only have forty hours to print and ship, you need something like the power of the HP Inkjet Web Press to get it done," says Williams.

They began talking with Jeff Lovelace at print service provider O'Neil Data Systems (ODS) to work out technical and logistical challenges, and then brought the idea to Hearst Magazines.

"Hearst was very receptive," says Lovelace. "They understood very quickly how this could impact the longevity of publishing a traditional magazine."

In the winter of 2010, Hearst began developing the Hearst Personalised Advertising Platform by bringing together print production partner Brown Printing, digital print service providers SCI and ODS, Cierant, and HP technology to open the door to one-to-one print advertising.

Opportunity becomes innovation

While the overall number of magazine subscriptions is shrinking, many consumer magazine categories with a demographically consistent readership have grown over the last decade. Between 2000 and 2010, the number of bridal publications increased by more than 233% and ethnic publications by 117%.¹ Travel and regional interest periodicals also grew.

A 2009 study of advertising return on investment found that magazines ranked first in driving purchasing intent among all media options² and were the top medium on average for helping drive web searches across all age groups.³

Hearst knew that the potential to reach readers with high-quality, personally relevant advertising was out there, but traditional offset printing made incorporating variable data cost and time prohibitive. Digital printing technology could

not yet cost-effectively print at the volumes needed for a national magazine, but the HP Inkjet Web Press changed all that.

With full-colour, 100% variable content printed at up to 122 metres (400 feet) per minute, the HP T300 Color Inkjet Web Press can meet the quality demands of an offset-printed magazine. The T300 can also produce hundreds of thousands of personalised pieces within the publishing industry's short printing windows. The HP T350 Color Inkjet Web Press is even faster, with colour speeds up to 183 metres (600 feet) per minute. With HP Inkjet Web Presses, the possibilities Hearst had been contemplating suddenly became real.

The breakthrough potential of the project ultimately attracted HP's printing business to be the first to advertise through the program. With HP on board, the technology monthly *Popular Mechanics* became a natural fit.

The team then formed the HP Innovation Ad Program, a campaign that would produce customised advertisements for 300,000 subscribers in the nation's 12 largest metropolitan areas. It would include personalised "onserts," printed by SCI, which would harness the power of the HP T300 Color Inkjet Web Press. The ads would feature full-colour name and address variable data printing with photography of regional landmarks like San Francisco's Golden Gate Bridge, as well as QR codes and personalised URLs that would drive readers to an online sweepstakes.

The campaign would also include a 16-page, regionally customised insert printed by ODS, using the HP T350 Color Inkjet Web Press. The insert would feature information about HP technology and product innovation and provide subscribers with details on where to buy HP products locally. It would also use QR codes and URLs to drive readers to web pages that enhance the printed content.

HP printing power makes it happen

With the plan in place, it was up to the team to make the concept a reality.

The first step was for Cierant to program websites and QR codes to match each individual subscriber. To integrate that and other personal information into the printed collateral, SCI and ODS used front-end solutions, including communications management software HP Exstream, with the companies' powerful HP Inkjet Web Presses.



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“It’s the computing power on the HP Inkjet Web Presses that allows this number of pages to come off the press in the right order, fully variable, [and in] four colour,” Williams says.

ODS printed the 16-page insert first—4.8 million total pages—on the HP T350 Color Inkjet Web Press. Two weeks later, after the latest subscriber information had been compiled, data for the onsert was sent to SCI with just 48 hours to complete the job. SCI made the deadline with time to spare, thanks to the speed and reliability of its HP T300 Color Inkjet Web Press.

Printed on Appleton Coated Utopia Inkjet paper, which was co-developed with HP and optimised for HP Inkjet Web Presses, the output ODS and SCI sent to Brown Printing to be included in the magazine matched the quality of the offset-printed pages. “Some of the stocks they’re coming out with for inkjet now are really, really impressive,” Lovelace notes.

Finally, Brown Printing bound the digitally printed signatures with the offset printed signatures, applied the onsert, inserted the mailing into a polyethylene bag, addressed, and mailed the November 2011 issue of *Popular Mechanics*. The concept of personalised advertising that bridged print and online media was now being put to the test.

Rapid results

For the new program to reshape the future of print advertising, it needed to show real, quantitative results. The ability to include personalised QR codes and web addresses added a crucial layer of value. It allowed Hearst to demonstrate that not only could the program work, but that the opportunities to interact with consumers both in print and online were nearly limitless.

Within hours of delivery the team began to see results. Overall, the onsert generated a response rate of more than 4% with 15,228 sweepstakes site visits—far exceeding the typical 1–2% response rate for direct mail. Mobile platforms accounted for 39% of site visits.

Hearst was also able to track the response rate according to the 12 targeted metro regions, which allowed the company to see how different parts of the country responded to the messages. This level of tracking also creates the potential for publishers to alter web content midstream to adjust for response demographics.

“HP technology allows us to offer another level of personal engagement, and we’re thrilled with the results we’ve seen from this first phase of the partnership,” says Michael Clinton, president, marketing and publishing director of Hearst Magazines. “It places a new premium on the value of print advertising.”



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—Dale Williams, Vice president of operations, Strategic Content Imaging (SCI)

According to a custom VISTA survey administered by Affinity Research through *Popular Mechanics*, readers responded positively to the advertising approach, delivery method, and the HP-branded content. Seventy-four percent viewed HP as “innovative” for delivering a personalised message to them through the onsert, and 82% saw the insert as innovative. More than three quarters of readers reported that they enjoyed reading the content, and two-thirds wanted to see more programs like this one in *Popular Mechanics*.

“Unlike more generic campaigns, this type of personalised advertising delivers specific metrics, so companies know what return they’re receiving on their campaign spend,” says Chris Morgan, senior vice president, HP Graphics Solutions Business.

HP technology powers new possibilities

The response from other publishers to the HP Innovation Ad Program has been overwhelmingly positive. “HP and Hearst took that leap of faith and we printed [the personalised advertisement] and put it in the magazine. Now everyone wants to know about it,” says Williams, who

gets inquiries about the program nearly every day from publishers.

HP offers an expanding portfolio of inkjet web presses, and Williams and Lovelace see tremendous growth potential for print service providers who need high-volume data processing and printing. Williams says, “There are so many different applications that this can hit on that we’re all going to be busy trying to keep up with it.” That’s one reason why SCI is upgrading its HP T300 Color Inkjet Web Press to a T350. ODS also installed an additional HP T400 Color Inkjet Web Press at its new facility in Plano, Texas.

Williams says he’s confident that SCI’s HP Inkjet Web Press will continue to deliver the quality and uptime needed to serve such a demanding market. And Lovelace adds that he believes HP will continue making developments that will allow ODS to further innovate in this market.

Says Williams, “You don’t just want to be the person who prints. You want to be the one who does more. This was a prime opportunity for companies with a high level of sophistication to step up and show their talents and the power of HP inkjet technology.”

1) American Society of Magazine Editors, “Number of Magazines by Category, 2000–2010.” http://www.magazine.org/ASME/EDITORIAL_TRENDS/1145.aspx
 2) Dynamic Logic, 2009. <http://www.magazine.org/advertising/magazine-media-factbook/keyfacts.html>
 3) BIGresearch, December 2010. <http://www.magazine.org/advertising/magazine-media-factbook/keyfacts.html>

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