



Marketer's Primer Series: Personalized URLs

INTRODUCTION

***Analyst's note:** While the observations in this report are not intended to be an exhaustive look at all of the issues related to personalized URLs, they are intended to provide a broad compendium of issues of the most importance and immediate relevance to the average marketer. Although this report looks at some of the basic issues related to personalized URLs, it is also important to understand that these applications are a sub-set of 1:1 printing. Only issues unique to personalized URLs are covered here. For a full analysis of the larger 1:1 printing environment, readers should consult the companion primer "1:1 (Personalized) Printing: Boosting Profits Through Relevance." — Heidi Tolliver-Nigro*

It started as a trickle and now it's a flood—the use of personalized URLs as the latest way to grab attention and market products.

Personalized URLs are URLs that take recipients to their own individual landing pages (www.janesfurniture/bobsmith). There, recipients enter personalized mini-sites that greet them by name, personalize pages based on their stated preferences or information from the marketer's database, conduct short surveys, and record visitors' behavior while on the site. Sites can range from extremely simple to vastly complex.

Although this report will focus on the printed versions, personalized URLs can be generated for print, email, and even QR and other 2D barcodes.

What's in a name?

The most recognizable term for these applications is "PURL," which is short for "personalized URL." However, while the software for producing personalized URLs is available from more than a dozen manufacturers, the exclusive right to use the term "PURL" is claimed by Nimblefish. For this reason, you will see these applications referred to by other names, as well. These include "personalized URLs," "response URLs" (RURLs, trademarked by XMPie), "personalized landing pages," "personalized websites," "one-to-one micro-websites," and even "customized websites," although the latter is technically inaccurate.

Regardless of the medium, these applications have a wide variety of uses, including direct sales, sales prospecting, customer surveying, event registrations, information dissemination, fundraising, and obtaining customer and user feedback. But while personalized URLs have generated a lot of success, they have generated a lot of disappointment, too, primarily because of a lack of realistic expectations on the part of both 1:1 printers and their clients.



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SECTION 1: PERSONALIZED URL BASICS

Defining personalized URLs

What is a personalized URL? It is a unique URL generated for each recipient in a database (www.janesfurniture/bobsmith) that takes them to their own pre-generated, personalized mini-site. Once the recipient has logged in, the mini-site can interact with them by name, personalize the content of the mini-site (images, text, pre-populated forms) based on information from the marketer's database or answers given by the respondent on the survey page, and record visitors' behavior while on the site. Personalized mini-sites can also be set up to trigger automatic follow-ups, such as direct mailers, emails, brochures, sales calls, or other touches the marketer might determine.

SAMPLE: DIRECT MAILER WITH PERSONALIZED URL

Would you like InterlinkONE to grow a bit faster?

interlinkONE's integrated marketing software can help you-

- Increase response rates for print campaigns
- Deliver personalized marketing materials
- Execute cross-media campaigns
- Provide portals for online ordering
- Measure the success of all marketing efforts

Visit your **Personalized URL** now to learn more!

<http://JaclynSmith.isReadyToGrow.com>

The first 25 people to respond will be sent a bamboo plant for inspiration!

interlinkONE
21 Concord Street
Suite 200
Wilmington, MA 01887-2173

Jaclyn Smith
InterlinkONE

Source: interlinkONE

At their most basic, these campaigns have two components: the **personalized URL** itself and the **mini-site** to which the respondent is driven. This distinction is important because the technology for creating personalized URLs, in itself, is very simple. It is in the design engine, the flexibility of the templates, and (unless it is a point solution) the larger workflow / multichannel marketing solution into which it is built that the differentiation can be found.



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SECTION 2: DIFFERENTIATING PERSONALIZED URL SOLUTIONS

Personalized URL technology is relatively simple. From a pure URL-generation standpoint, all of the available solutions work well. When choosing a marketing partner to help you produce personalized URL campaigns, their marketing expertise should be a critical component of that decision. When choosing the personalized URL software solution *itself*, the differentiators are the functionality of the software, its integration (or lack thereof) into other components of the marketing campaign or production workflow, and the openness and flexibility of the page and campaign design, and other features.

Critical trends in software development

Although the point of this report is not to talk about software, it is important to acknowledge some of the most critical trends in software development as they impact the marketer. The most important of these trends is the broadening of this technology beyond **point solutions** to its integration into broader, more comprehensive **Web-to-print, 1:1 printing, or multi-channel marketing solutions**.

Point solutions vs. multi-channel marketing solutions

Point solutions are designed to do one thing well—personalized URLs. They are designed to create personalized URL solutions that work alone. If there are other components to the campaign, they must be deployed separately. There are fewer and fewer of these on the market.

Increasingly, marketing campaigns are converging. Personalized URLs are being deployed as part of larger multi-channel campaigns through larger **integrated, Web-to-print, 1:1 printing, or integrated multi-channel marketing** software. At some point in the not-too-distant future, it is likely that most personalized URL solutions will integrate at least at some level with other marketing or workflow software. Likewise, most (if not all) Web-to-print, 1:1 printing, and multi-channel marketing software will include personalized URL capability by default.

If marketers are able to create standalone personalized URL campaigns that fit within the limits of the template-based structure and workflow, point solutions will work just fine. If they need to incorporate them into larger, multi-channel marketing effort (for example, a campaign that includes direct mail, email, and SMS text messaging), they need to look at solutions (or solutions providers) that can integrate all of these various components.



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SECTION 3: DATABASES AND PERSONALIZED URLs

Like all 1:1 applications, personalized URL campaigns require some kind of database, even if it's just a mailing list. But one of the factors that has traditionally scared marketers away from any kind of database marketing (personalized URL or otherwise) is the *lack* of databases.

This is where personalized URLs really shine. Personalized URLs don't require detailed customer databases. They can help *create* them. With a little marketing savvy, personalized URLs can turn even a basic mailing list into a highly qualified prospect list. This is because each campaign can be used to gather more information that can be appended back into the original database to be used for more precise targeting later.

Turning mailing lists into prospecting databases

Say the program is for GreenThumb Landscaping. The company rents a list of homeowners within a 20-mile radius, with each homeowner making at least \$100,000 per year. It sends out a four-color mailer featuring an outstandingly landscaped yard that invites recipients to log in to their own personalized URL to see if they've won a free landscaping design consultation and \$500 worth of landscaping services.

Each recipient's mailer is printed with his or her own unique URL—www.greenthumblandscaping.com/marshagraves or www.greenthumblandscaping.com/bobpearson. When recipients log in, they are greeted by name and asked to take a short survey before finding out if they've won. The survey includes questions to help the landscaper with prospecting, such as whether the homeowner plans to do any landscaping immediately, in the next six months, 12 months, "eventually but we don't know when," or not at all. They might be asked what kind of yard they have (primarily shade, primarily sun, part shade/part sun), what types of plants they prefer, and whether or not they would agree to follow-up contacts from GreenThumb Landscaping.

This gives GreenThumb an extremely well qualified prospecting list and, with knowledge of prospects' landscaping needs, allows the company to refine its marketing efforts and prioritize its leads.

In the meantime, recipients learn whether or not they are winners in the sweepstakes. They can also browse GreenThumb's website, where their online behavior can be tracked. Which pages did they click on? How long



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Section 4: Case Studies in Personalized URLs

In this section, we'll break down the overarching categories of personalized URL applications. These categories were developed by analyzing the entire body of personalized URL case studies using from the PODi archives, as well as the personal archives of the author of this report.

Lead generation

When we think about personalized URLs, we tend to think about lead generation. Indeed, this is the category in which most of the case study applications fall. Traditional methods of lead generation have extremely low response rates, so marketers have historically relied on volume. By using the increasingly well-developed strategies for using personalized URLs, however, marketers can turn static, low-response lead generation into a more effective and higher “response marketing” tool.

Let's look at a few best-in-class examples.

- Alerus Financial, a North Dakota banking institution, wanted to encourage new loan applications by implementing a pre-approved customer loan program. Rather than sending out its usual static piece, it decided to create a 1:1 mailer inviting recipients to log into a personalized URL to calculate their payments using the program. The list was segmented into three age demographics, with personalized messaging and images designed to appeal to each. At his or her personalized URL, each respondent discovered more information on the bank's credit card loan consolidation offer and could use an interactive calculator to estimate the monthly loan payment and submit an auto-populated contact form. A submitted form triggered an email to the lead sales contact information for follow-up.

To test the effectiveness of this approach, Alerus also sent out a test group of static mailers. It found that 59% of the new loans generated from the campaign came from the 1:1 mailer with personalized URL and only 30% came from the static mailer.



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SECTION 5: EVALUATING PERSONALIZED URL SUCCESS

Will personalized URLs be the right solution for any of *your* marketing campaigns? The answer to this requires careful consideration of ROI and other metrics. Rather than cost per piece or response rate, marketers must look at more telling numbers, such as cost per lead, cost per response, and dollars generated per sale. Let's look at some of the most common metrics for evaluating the success of any 1:1 personalized printing campaign, not just personalized URLs.

Response rate. Most of the case studies for 1:1 printing, including those for personalized URLs, will discuss response rates. This is an important first gauge of success since it reflects how favorably recipients viewed the initial marketing message by logging in. It is not an entirely sufficient measure, however, because not every lead will convert into a sale or trigger the desired response. Still, it is a good first leading indicator.

Conversion rate. This is the percentage of people who not only respond to the campaign, but who follow through and convert to sales. You can have a 38% response rate to a campaign, but if only 6% of those convert to sales, that's only 2.3% of the original list. If, on the other hand, you get a 12% response rate but a 60% conversion rate, that's 7.2% of the original list—nearly four times higher. So the conversion rate is a critical factor in success measurement. The Diji campaign, for example, achieved an overall 2.38% response rate. On the surface, this does not seem that impressive. However, the campaign achieved a 73.9% conversion rate. That's a great return.

Cost per lead. Marketers are used to thinking about print marketing in terms of cost per piece, but a more impactful measure is cost per lead, or how much it cost to get each person to respond. For example, if you print 100,000 mailers and get a 1% response rate (or 1,000 leads), at \$.36 per mailer, each lead cost you \$36. If, on the other hand, you print 10,000 mailers with personalized URLs and get a 12% response rate, at \$1.26 per mailer, each lead costs you \$10.50. If you are measuring by cost per piece, 1:1 costs more. If you are measuring by cost per lead, it costs one-third *less*. Whether a personalized URL campaign is more expensive depends entirely on which method of evaluation you use. (See the TAG Marketing example.)

Cost per sale. Not every lead converts to a sale, so if the increased relevance created by 1:1 personalization creates better matches between recipients and the pitch, your conversion rate will often be higher. At 30%



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SECTION 6: BEST PRACTICES FOR PERSONALIZED URL CAMPAIGNS

As we look at the case studies throughout this report, it should be clear that, while personalized URLs play an important role in these marketing campaigns, it is not the personalized URL, in itself, that is the most powerful incentive in generating the response.

This might seem obvious, but it's important to reiterate because, in the early years of personalized URLs (just as it was in the early years of 1:1 printing), there was a belief that, simply by sending an invitation to log in to a personalized website, this in itself would be an incentive to respond. As the industry began to adopt, refine, and internalize these applications, it became clear that this was not at all the case.

Indeed, in the early case studies, you do see the personalized URL itself presented as the main draw.

In one PODi case study from 2001, for example, the front cover of the mailer says simply, "What do you say, Jeff..." with the invitation to log in to the personalized URL below. The variables in the field were name and company name, and the text was modified based on recipient title. The campaign received a 200% lift in response compared to previous campaigns. The company received over 600 qualified leads and cost per response was the lowest in the client's history.

That's a powerful endorsement, but the campaign was produced nine years ago. Does it mean that name and company name and a personalized URL will generate such lifts today? Marketers should not make this assumption. In this case, the campaign was developed when name personalization was less common. Furthermore, the campaign was printed on an over-sized postcard, which in itself tends to lift response. Without having the benefit of a control group, it is impossible to separate the lift by using the over-sized card from the lift created by the name personalization and the lift created by the personalized URL.

What we do know is that, if you look at the personalized URL case studies with the highest response rates *today*, these campaigns—like the "What do you say Jeff" campaign—consistently contain a mix of response-rate-boosting elements that work symbiotically to great effect.