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>> **PRINT IS DEAD.**
by David Speakman, Marketing/Creative Director



David Speakman

Yeah that's what I said! Or is it? **We'll don't believe everything you read** (except now). In the last 10 years, direct mail has gone from a \$40 billion dollar advertising spend in 1998, to a \$56.7 billion dollar advertising spend in 2008... **an increase of just over 41%**.¹ And while direct mail spending has begun to decline in this recession (the first such decline in over 60 years...along with declines in TV, newspaper, cable, radio and internet ad revenue), printed mail continues to generate one of the highest response rates amongst other major media. Telephone generates the highest response rate (8.55%), followed by Direct Response Television (8.14%) followed by mail (3.4%). And in most cases, telephone response rates reflect follow-up to direct mail campaigns.²

In addition, 71% of U.S. consumers actually respond to direct mail and 69% of consumers have expressed that Direct Mail is their preferred method of contact (versus 28% email and 3% telemarketing.)³ 17% of the U.S. population orders merchandise or services via the mail and these consumers spend \$528 billion annually in response to direct mail.⁴ On average, every dollar spent on direct mail brings \$11 in sales.⁵

The output of US printing manufacturing is forecast to grow at an annual compounded

rate of 2 percent between 2009 and 2014. The printing industry was among 11 of 18 US manufacturing sectors that saw month-over-month growth in August 2009. Major advancements in technology (namely digital presses) have dramatically contributed to industry consolidation. And while that isn't good news for the small, family-run printer, it has paved the way for faster production, smaller order quantities with more color and a more appealing cost structure.

It amazes me how many people are still searching for the "magic" solution. Probably because it **IS** possible in this world we live. We all know there are no fairies and pixy dust, but when the perfect combination of great creative, attention-grabbing messaging, a client willing to bend the rules and stick their neck out a bit, and perfect timing is achieved, magical things **CAN** happen. But the reality is that those magical combinations just don't come around too often (on a side note, I'm thinking about the Marlboro Man, "Tastes Great...Less Filling", "Just Do It", Apples "1984", "Where's the Beef?"... I could go on).

The bottom line is that it isn't so much about which channel of media is better than another (they each have their strengths and weaknesses).

>> A message from our President



Bob Clement
President/Co-owner

Happy 2010!

It's that time of year again...time to make annual predictions about the world and the economy.

We, here at Allied, are predicting an improvement over 2009, however, it will most likely be a slow and cautious gain.

Along those lines, I am pleased to report that we already feel a modest but positive change

in the business climate. Like you, we hear from numerous people that they have felt a shift too and that their business has been picking up.

If we are correct and companies begin to increase their spending and their marketing budgets, we know it will be with caution and with intention. Initiatives, projects and purchases will need to be tracked and measured to ensure that funds are being allocated to the right areas...ones that are going to add to the bottom line.

If this sounds like your company, please know that The Allied Group stands ready to assist you. Our mission is to create and execute programs that are measurable and produce ROIs that will make your boss smile!



Our last prediction is that we, with you, our client, will partner in successful ways to make 2010 not only better than '09, but a year with results that equal a great beginning to the new decade.

As always, if I can be a resource for you, please do not hesitate to call.

Best regards,

Bob Clement

Bob Clement, President

>> Some of Today's Sales DVD Picks

by Kevin Riley, General Sales Manager

When asked his opinion on movies or shows that showcase sales tips and tactics, The Allied Group's General Sales Manager Kevin Riley provided us with some of his favorites.

- 1. GLENGARRY GLEN ROSS**
Selling swampland or selling dreams? Alec Baldwin's one scene dominates the movie...Who wants to work for that guy?
- 2. MAD MEN**
The rise of modern Advertising and Marketing... Selling ideas instead of products...Isn't that what we all do now?
- 3. THE PURSUIT OF HAPPINESS**
Work smarter and take risks...You can have it all... It won't be easy—but it could be worth it.
- 4. CATCH ME IF YOU CAN**
Fake it till you make it...Frank Abignale could sell ice to the eskimo's...You could, too—if your life depended on it.
- 5. BOILER ROOM**
If it sounds too good to be true —it probably is... See how telemarketing got its reputation and how easy it was for the financial markets to crash.
- 6. TOMMY BOY**
Sometimes we end up in sales by accident... Practice makes perfect...If you believe in what you sell—others will also believe!



PRINT IS DEAD. *continued from page 1*

The best campaigns are constructed as a multi-media approach with each medium acting as a support mechanism for the other educating your best prospects through the sales cycle and eventually turning them into customers. As the batch-blast era of direct mail moves toward a more targeted, strategic approach, a healthy mix and balanced attack to reach your targeted audience is simply the best approach. Cost-per-contact varies tremendously amongst the 10 or so major media options. And, while mail certainly costs

more, its revenue-per-contact still make it one of the most effective marketing tools for your buck!

Resources:

- 1 *The Winterberry Group*
- 2 *USPS Media Choices Today: What's Getting Through*
- 3 *InfoTrends/CAP Ventures*
- 4 *USPS and DMA statistics*
- 5 *Xerox Designing for Digital*

>> How to Successfully Implement and Manage a Complex Program

by Bob Childs, Vice President - Program Management

The Allied Group has overseen the transition and implementation of over 100 complex print and supply-chain management programs. The two biggest worries in the mind of prospective customers that are contemplating such a switch are: will it be handled properly and will I really see an improvement in efficiency? Each is a legitimate concern and we have established a long track-record of success in both areas. Based on our experience, we have developed a thorough and comprehensive checklist of the 10 necessary steps to ensure an efficient transition, a smooth implementation and a successful and beneficial program for our clients. The 10 steps are:

1. Start a formal implementation process immediately by detailing all necessary steps and timelines.
2. Review and outline customer relationships, expectations and guidelines in order to capture everything that needs to be done to maximize the programs' results.
3. Schedule ongoing, weekly meetings with all essential parties to establish and meet implementation goals and stay on-track with the Implementation Checklist.
4. Implement a combination of project management and account management processes to establish account objectives and metrics to analyze the plan and each specific project. Each project must work synergistically with the overall program goals.
5. Agree upon assignments and develop timelines to manage the key business function start ups.

6. Assign responsibilities for each of the 5 critical business functions:
 - a. IT integration
 - b. Inventory transfers
 - c. Account management set-up
 - d. Mailing and fulfillment requirements
 - e. Management reporting and/or invoicing needs.
7. The implementation team must include both client staff and Allied personnel (with the exception of a transfer from a current vendor).
8. Carefully and clearly manage the communication of all phases of this transition internally:
 - a. Inventory transfer
 - b. Release cut off
 - c. Inventory pick up and delivery
 - d. Final receipt into stock needs
9. Conduct in-person client training on the release ordering process.
10. Schedule periodic reviews to manage client and Allied expectations. Schedule 1 month implementation follow-up and six and twelve month reviews.

By being disciplined and sticking closely to these 10 steps, you can ensure a worry-free transition of any mission-critical program and have the confidence that your results will improve.



Bob Childs

News *continued*

NEW CLIENTS

We are pleased to welcome some new additions to the Allied family:

WRIGHT LINE

GUTOR NORTH AMERICA

FISHER DIAGNOSTICS

GN NETCOM

POST UNIVERSITY

BRATTLEBORO RETREAT

FRANCISCAN HOSPITAL FOR CHILDREN

BECHTEL MARINE PROPULSION CORPORATION

UNITED NATURAL FOODS, INC

A Proper Start Will Lead to a Successful Finish *continued from page 4*

increase postage rates, not be mailable as is, or to point out ways in which we could change it to decrease postage. This step also keeps all departments abreast of what will later funnel through the pipeline.

If you are currently having a direct mail campaign designed, then just ask your design team what steps and measures they implement to ensure that you are not only going to be hitting your prospects and clients with a unique piece, but a piece that can mail and at the postage you are expecting to pay.

News



ALLIED SURVEY WINNERS ANNOUNCED

We'd like to thank all who participated in our online survey. Two lucky participants were picked at random to win a \$100 gift card. The winners were Pam Walker, Director of Marketing and Communication at MultiPlan, and Lynne Nelson, IS Business Analyst at The Concord Group. Congratulations Pam and Lynne and thanks again to all those who participated!



PINE WINNER

We are pleased to announce that The Allied Group was recently recognized for its design and print work by The Printing Industries of New England (PINE) and received Awards of Excellence for the following categories and pieces:



SOUTHERN NEW HAMPSHIRE UNIVERSITY
Yield Book, Customized/VDP Digital Print
Pinnacle Award Winner (above)

ADVANCED VISION RESEARCH
Direct Mail Campaign
Customized/VDP Digital Print
Award of Recognition



UNIVERSITY OF HARTFORD
Viewbook, Brochure 4/C
Award of Merit

