



## **BACKGROUNDER: HOW TECHNOLOGY HELPS OUR TOWN WELCOME NEW RESIDENTS**

With approximately 40 million Americans (30 million households) relocating each year, the “new mover” market is a ripe, and never-ending, one.

Transplanted residents, often unfamiliar with their new surroundings and anxious to recreate their homes, are typically eager to learn about available services and products in their new neighborhoods. Our Town, Inc., one of the nation’s largest independent, direct mail welcoming organizations, helps the transition. The company mails personalized welcome packets containing customized gift certificates for products or services in order to introduce new residents to businesses in local communities. By identifying and efficiently targeting these new residents during the first few months of their move, businesses can help shape new residents’ purchasing habits, and create loyal, long-term customers.

Prior to November 2003, Our Town experienced tremendous growth, even while utilizing labor-intensive, time-consuming – and thus, costly - production processes. Business “sponsors” (advertisers) were promoted with non-personalized materials that were preprinted in volume and inserted by hand and semi-automatic machines into envelopes. Last minute changes to product offers meant stockpiles of unusable marketing collateral.

Today, Our Town utilizes cutting-edge proprietary digital software that enables its sponsors to more effectively welcome new residents to the community and capture the most qualified prospective customers, without wasting time or advertising capital. It also allows Our Town to realize efficiencies in mailing list generation, printing and production.

### **The 2D Barcode: Small Imprint, Huge Implications**

At the core of Our Town’s digital technology is the 2D barcode, imprinted on each gift certificate. The 2D barcode contains a plethora of information, including a breakdown analysis of the new resident, and the sponsoring business and its offer.

The 2D barcode technology provides several key benefits, including:

- Near-perfect mailing accuracy
- Customization and personalization of Welcome Packets and Gift Certificates
- Increased production efficiency and capacity
- Less paper use
- Error-free packaging
- Improved customer tracking
- Detailed feedback on service, and product quality and usefulness
- Enhanced follow-up marketing with variable targeted messages
- Variable data, such as expiration dates

### **The Mailing List: Our Town's Bread And Butter**

Each month, Our Town mails welcome packets to new residents in thousands of zip codes that correspond with participating sponsor demographics. Our Town boasts a 95 percent mailing accuracy rate, the highest in the new resident direct mail industry. The process by which the company achieves this capability is exhaustive.

First, Our Town pulls new resident data from a variety of sources, including county court houses, credit reporting agencies, utility companies and publishing houses.

Once Our Town receives the data, software, e.g. Coding Accuracy Support System (CASS) and Presort Accuracy Validation and Evaluation (PAVE), is used to validate every name and address. Mailing lists are then sent through the National Change of Address (NCOA) database for further certification, and only after a final check does Our Town import the information into its database.

As a final check, mailing lists then undergo a stringent "cleaning" process that utilizes Our Town's proprietary software to further verify and cross-reference the data, which virtually eliminates incorrect addresses, duplicate mailings to households and mailings to families who have not relocated.

### **Printing And Production: Where The Ink Hits The Parchment**

To print monthly welcome packets, Our Town employs a multi-step process that utilizes computers, a large bank of digital printers and Our Town's software technology to ensure fast, accurate production. Once mailing lists and sponsorship data are finalized, Our Town extracts desired new resident and sponsorship information from databases, selects print files by various postal weight requirements and feeds blank gift certificate shells into the printer for production.

The finished product is personalized, sponsor-specific gift certificates on high-quality, parchment paper. A special scanner within the printer digitally embeds each gift certificate with 2D barcodes that contain the resident's name and address, the month mailed, sponsorship information and artwork. The data is implanted in each gift certificate three times to guarantee the integrity of the barcode and the accuracy of future tracking.

Gift certificates are then sent to a variable printer for print production. Final outputs are fed directly to an intelligent inserter, which reads the barcodes and electronically directs the gift certificates into the appropriate envelopes. As a final quality control step, Our Town's software conducts periodic spot-checks and sends random envelopes, as well as incorrectly processed envelopes, to the diversion bin.

### **Implications of Our Town's Technology**

Our Town's proprietary technology allows business sponsors to accurately and efficiently target and acquire feedback from new residents. Additional implications include:

**Leveling of the playing field** – Small businesses stay competitive because more efficient technology equates to lower sponsorship costs and enables neighborhood, independent retailers to compete with large retail chains.

**Tailored advertising** – Business sponsors with multiple locations can tailor various gift certificate offers to different zip codes and track return rates. In addition, sponsors specializing in home owner-specific products and services, such as lawn and pool care, can target houses only or both houses and apartments.

*How Technology Helps Continued...*

**Countrywide coverage area** - Mailings are dictated by sponsorship participation within zip codes, not by the most popular regions and largest markets. This means that Our Town can service any geographical area in the United States.

**Up to the minute changes** – Sponsorship additions, cancellations, or last-minute changes to gift certificate content are easily accommodated by real-time digital production.

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