



SOULO[™]

newsletter

JULY 2020

A CREATIVE PRODUCTION AGENCY

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A Conversation with Bob Molacek, Owner and Founder of SOULO

First in an occasional series

Bob, you are about to celebrate 25 years in business.

What are some important insights about business success?

The most important thing is to hire good people. I have co-workers that have been with SOULO from nearly the beginning, and their knowledge and expertise drives the company forward. We have had to adapt with the times as the printing industry—our core business at the beginning—has transformed itself in the past two decades. Our good people have adapted and led the company's growth. I'm proud of them all.



Where are the sources of growth?

We've grown organically by consistently adding more clients in the vertical industries in which we excel: in B2B within construction, finance, real estate, medical, retail, and services of all types, as well as B2C clients in a wide variety of categories. We added more capabilities in signage, large format, for example, so we can drive branding through vehicle graphics as well as exterior signs. And we significantly expanded our digital marketing and web development capabilities to respond to our clients' requests for fully integrated, multi-channel communications. We are seeing a sharp uptick in growth in our digital services.

In addition to organic growth we've made several strategic acquisitions that gave us more good people and capabilities in the printing industry. It's always a challenge to acquire a company and integrate the people into a new culture, but it has worked well for us. The printing industry is continuing to consolidate and our vision for future success is to continue to grow our client base by servicing more of our clients' needs, whether it be printing, signs, digital marketing, direct mail, or marketing in general.

One of the things that sets us apart from other printing companies is that SOULO offers strategic marketing services as well as high quality execution, in printed and digital materials. We consider ourselves a marketing agency in that we can create overall communication strategies based on an individual client's customized needs and then execute that strategy in a wide range of communication vehicles. We're a full-service agency, with quality as our watchword from start to finish.

Any advice for the near-future?

2020 has been challenging, of course, with the pandemic disrupting clients' plans and spending. We are cautiously optimistic about the economy opening up and organizations resuming business activities. But I believe we will see long-lasting impacts from the pandemic. Everyone talks about digital

online shopping and most experts predict that behavior to be a permanent, fundamental shift. And not just for the younger generations.

Companies are taking a fresh look at the ROI of their marketing programs to see if they are getting the bang for the buck they expect. At SOULO we spend a lot of time looking at the metrics of our digital, email, and direct mail programs to see if our programs are performing as promised.

The other major impact is a bit more subtle. The young people of today who were in grade school when 9-11 happened have now had their own major historical event which impacts on feelings of security, safety, optimism, and certainty. We have a lot of brilliant young people working with us at SOULO and we want to be sensitive to these issues. Young people bring such a great deal of passion to whatever they do. We want SOULO to be that place where passion is channeled into great work while also recognizing the “whole person” and their aspirational needs. They’re the future. That’s what makes me excited to see what the next 25 years will bring.

Thank you, Bob.

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*A Conversation with Bob Molacek,
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Challenging Times Require Both Digital Marketing and Direct Mail

By Bob Molacek

This feels like 2008 when everyone stopped printing and went digital. Then they realized that print was still effective and came back to it.

-Suzanne Dahm, Vice President at SOULO.

Suzanne said this to me a few days ago as we discussed how COVID-19 was impacting businesses including our own. Marketing budgets were slashed during the Great Recession of 2008 as companies took a severe financial hit, in particular small businesses. Loss of demand led to excess inventory and businesses of all types offered deep discounts to move merchandise, which created a bargain-hunting mindset that has not lessened in the past 12 years.

Overall spending on advertising dropped 9% in 2009. In the aftermath we saw great leaps in digital marketing, especially concentrated in social media.

Coupled with the size and impact of the tech-savvy Millennial generation, it's no surprise that companies turned to digital marketing to drive sales. While overall spending on advertising dropped 9% in 2009, the post-recession period saw great leaps in digital marketing with social media becoming a key component of the changed media landscape. Twitter and Instagram saw explosive growth in those post-recession years. Mobile marketing had the effect of shortening the purchase cycle dramatically as well, and now smartphone ownership penetration is at 69% of US consumers. All generational cohorts are part of the always-connected generation.

Direct mail, in contrast, felt like “yesterday’s news” and the entire category dropped precipitously -5.5% in the period of 2006 to 2010. [\[Source\]](#)

When it comes to today’s marketing environment, at SOULO we see a similar trend as our print volumes have dropped and interest in our digital marketing products is up sharply. While I agree with Suzanne that the current crisis feels like 2008, it is also much different from a marketing perspective. 2008 was the wake-up call that the printing industry needed to be more competitive. To be honest, direct mail in 2008 was costly and was slower to execute, especially in the context of digital marketing alternatives. Offset printing was slow and variations cost a lot.

2008 was the wake-up call that the printing industry needed to be more competitive.

Digital printing changed all that. High quality, high volume digital printers offered high levels of flexibility and personalization. A print run could be a few pages or thousands with extremely high quality. The direct mail industry seized on digital as the solution for consumers’ expectations of personalization driven by their digital experiences. Especially Gen Z and Millennials, who see personalization as “table stakes” in any communication and buying interaction.

Today’s direct mail can be printed and mailed in less than 24 hours, personalized for your customer. Based on a robust profile of their buying habits.

With increased digital print capabilities, today’s direct mail can be printed and mailed in less than 24 hours and personalized for your customer, based on a robust data profile of their buying habits. A furniture retailer, for example, could use direct mail to upsell by offering a matching armchair to go along with the

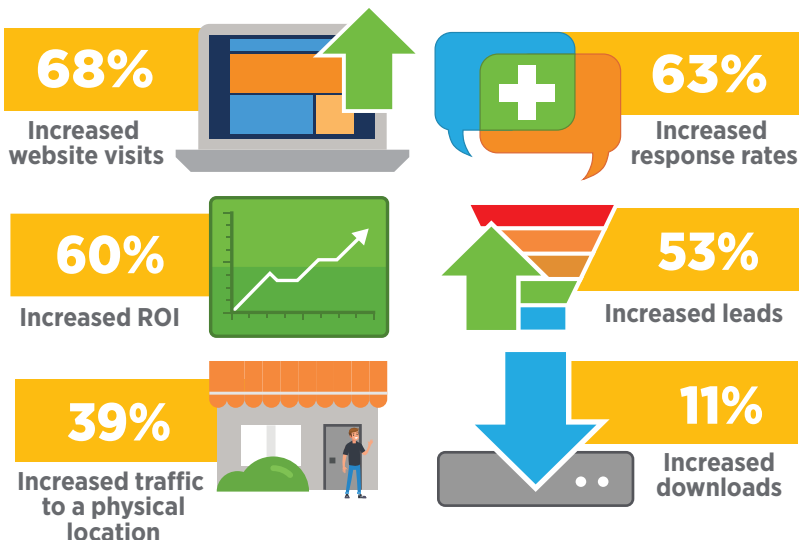
couch their customer just purchased. Or perhaps upsell a coffee table or end table based on the purchase history. It's this type of customer specificity that made direct mail increasingly relevant and contributed to the industry's turn-around with modest growth projected in the next few years compared to the steep declines in recent history.

80% of direct mail is opened. Compared to only 20% of email.

Direct Mail has a high open rate. Studies have shown that fully 80% of direct mail is opened compared to only 20% for email. Direct mail has a significantly higher response rate than digital, too: 3.7% compared to 2% for mobile, 1% for email, 1% for social media, and just 0.2% for internet display. [\[Source\]](#)

At this point you may be asking yourself “Why is Bob pushing direct mail when SOULO also does digital marketing?” Here’s the good news. A recent United States Post Office survey found that employing both Direct Mail and Digital Marketing is a compelling combination. The combination provides synergy to your integrated communications messaging across channels and gains greater engagement from consumers.

Combined Direct Mail and Digital Marketing Tactics



We'd like to demonstrate to you the power of combining Direct Mail and Digital Marketing!

[Click here](#) and fill out a very short form. We'll send you a Thank You email immediately. Within a few days you'll get a personalized postcard based on how you filled out the form.

For even more fun you can sign up here for the Post Office's Informed Delivery service [here](#). The Post Office will tell you the exact day your postcard will arrive in the mail.

The benefits of Informed Delivery? For marketers who are timing their marketing initiatives to a specific schedule, it's helpful to know when the direct mail piece will arrive at the consumer's home so they can time other communications accordingly. For consumers who are expecting very important mail, it's helpful to know when to expect the mail. Win-win.

We believe that the combination of direct mail and digital marketing programs offers a greater ROI for your marketing dollar. Give us a call if you'd like to consult with us on multi-channel integrated communications programs. We have a depth of both digital marketing and direct mail experience and will customize our work to your specific objectives. We look forward to sharing in your success.



Bob Molacek, Owner and Founder



WANT TO SEE THE POWER OF DIRECT MAIL MARKETING?

CLICK HERE

Fill out a very short form. We'll send you a Thank You email immediately. Within a few days you'll get a personalized postcard based on how you filled out the form.

Best Practices for Effective Direct Mail Campaigns

With Jeremy Benedict

Perhaps you've seen stats* about the overall effectiveness of direct mail:

- **Over 40% of direct mail recipients look at or read the piece in-depth**
- **Our brains don't have to work as hard to process direct mail versus email (21% less)**
- **Direct mail recipients buy more and spend more: they'll buy in 28% higher quantities and they'll spend 28% more money than their neighbor who didn't get the direct mail piece**
- **It's tactile, engaging more of the senses**
- **It's effective: 29% ROI**

*Sources: Data & Marketing Association, Marketing Charts, Canada Post, Marketing Profs, United States Postal Service (USPS)

The direct mail industry has seen a resurgence in the last few years as marketers realized the benefits of the tactic as an important part of the marketing mix. Using a combination of multi-channel tactics drives sales higher than putting all one's money into a single channel such as digital.

You may be thinking about creating a direct mail campaign to drive your business objectives and sales, so we thought it would be helpful to share our broad experience designing and implementing successful DM campaigns.

We talked with Jeremy Benedict at SOULO. He is a USPS Certified Mailpiece Design Professional with over a decade of direct mail experience. Besides being an expert on the complexities of postal regulations around size, bulk mailing rules, advertising vs. non-advertising restrictions, and so forth, Jeremy is SOULO's resident expert on USPS added value services such as Informed Delivery and Every Door Direct Mail.

Jeremy's Top Ten List

1. Call-to-Action

Your first imperative is to specifically define your goals and objectives for the direct mail piece so that you craft an explicit Call-to-Action (CTA). This CTA can be buried in the copy and visuals but an explicit CTA will drive the response rate. Specifically define the target audience, the barrier or problem you intend to solve, and then ask for the order.

2. Sometimes You Have to Give to Get

A promotional offer—discount or an added value FREE item—will drive engagement. But it doesn't always need a monetary value. People respond to information, education, inspiration, and free tips.

3. Specifically Define Your Target Audience

The more specifically defined, the greater the response rate. We work with a wide range of list sources and we have learned over the years that the more targeted the list in terms of life stage, lifestyle, attitudes and behavior, the higher the response rate. The messaging should be about the benefit you are offering to the recipient, not all about you.

4. Clean Up After Yourself

The best marketers “clean” (review) their own contact databases at least once or twice a year. Every list should be updated when mail is returned as undeliverable. You pay for that service from the post office, but it adds value to your list assets. List aggregator services are only as good as the lists they get, and though list vendors check their data on a regular basis, there will still be some incorrect address data. You are better off developing your own contact database and maintaining it carefully.

5. Use the Post Office for Insights

The USPS is always seeking to drive more mail by offering more and better services. The National Change of Address database maintains address changes for the most recent 18 months and it's a great resource to use to clean your own database, especially in the world of personalized communications. Ask for Notice 67, which is a plastic multi-purpose template that will determine automation-compatibility for letter-sized mail pieces that simplifies address placement, identifies the barcode clear zone, and includes positioning marks for FIM patterns (facing identification marks) as well as character height and spacing gauges.

6. Be Creative!

There are lots of ways you can create exciting direct mail pieces, whether it's die-cuts for a 3-D effect, a scent strip, or a clever folding system that reveals information in an engaging sequential way. At SOULO we have the experience to combine out-of-the-box creativity with the most efficient mail rates to deliver a delightful experience to your customers.

7. Work with a Direct Mail Team with “Design Chops”

Today's print technology offers great quality output with the ability to personalize 1:1 to your customers, but you want a quality impression for every single recipient. It's your brand presence and

you want to present your best “face.” You need people who can create beautiful pieces that look as good coming off the press as they do when they arrive in your mailbox.

8. Work the Lead

Follow up your direct mail efforts with a phone call from a salesperson who has been briefed on the offer who knows how to offer a detailed selling story.

9. What Gets Measured Gets Managed

Make it measurable. Test different creative and offer approaches to optimize your program before you launch it to a large audience. Embed a QR code or a tracking number so you can measure response and build on that for future initiatives.

10. Keep Your Good Friends and Make New Ones

Make sure your dialogue is with current customers as well as new prospects. People want to feel valued, and a personalized direct mail campaign, even coupled with a promotional offer, makes the recipient feel like you care about them. It's a relationship, after all.

At SOULO we've completed countless successful direct mail campaigns and we'd like to put that expertise to work for you. No matter where your customers and prospects are in the purchase funnel, we know how to activate a response. Call us today and let's talk about your next Direct Mail Campaign.

UP NEXT

Air Mechanical, A Case History



Air Mechanical, A Case History

Overview

Air Mechanical is one of the leading HVAC companies in the Minneapolis-St. Paul area. SOULO has worked with them for over a decade. Air Mechanical has had the same brand identity since its founding in 1985. While their brand presence has been effective in helping the company succeed, the leadership at Air Mechanical believed there was an opportunity to freshen its identity to better represent the full range of their services. The reimaged brand needed to resonate with the existing customer base as well as a new audience of Millennial homeowners.

The Challenge

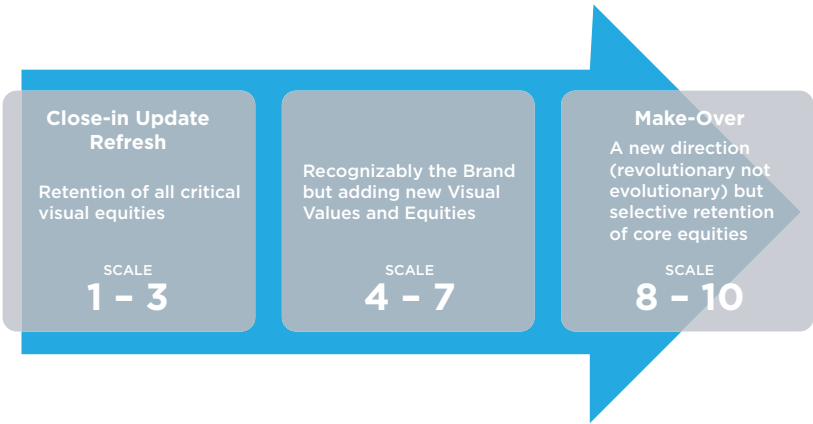
Air Mechanical's brand promises, such as high-quality service, reliability, trustworthiness, and a no-nonsense/get-it-done company culture, had to be elevated. We wanted to understand the key visual equities of the brand, and ensure it was communicated to customers. The new identity was to be utilized across a wide range of channels, including vehicle wraps, invoices and other printed materials, promotional materials, and an industry-leading advertising campaign. We knew we had to get it right.

The Process

We considered the visual brand equities the most important components of creating a new identity. We started with creating a master brand that would embrace all of Air Mechanical’s key service areas but maintain enough flexibility for new initiatives. It was important to show how the logo and brand identity could evolve into new territories, while still retaining the key visual equities that drive brand recognition and affinity.

Design framework

Using SOULO’s Logo Brand ID Design Process and Innovation Spectrum, we asked Air Mechanical’s help to determine how “close-in” or “far out” the design exploratory process should be. Throughout the project, it was determined the brand was in the future while also anchored in the past. The brand rested at an 8 on the scale below.



Consumer Input

Air Mechanical and SOULO had to be certain that this new brand would be appealing and not disruptive to current customers with strong loyalty to the brand. Consumer research (qualitative focus groups) was conducted to verify that the new approach represented a step in the right direction, reflecting both Air Mechanical’s core equities as well as the customers’ own experiences with AMI. Consumers embraced the new identity enthusiastically.

Brand Architecture

Beyond creating a master brand, AMI needed a system that showed their service areas and could be conveyed clearly and contextually. We created a simple, easy-to-understand system that identified the service areas with meaningful and relevant icons and colors, consistent with the overall brand identity. The colors tied directly back to the logo and each service area had a mini-toolbox of assets that could be used in any instance where the brand was used.



Integrated Communications Campaign

Launching a new brand identity requires an integrated multi-channel advertising campaign to build rapid awareness of the new identity. Individual service areas convey the key benefits and reasons-to-believe for consumers. The campaign also provides educational content to promote Air Mechanical's expertise. SOULO's process included:

- Profile key customer segments and how receptive they were to different types of advertising messaging and media.
- Create a wide variety of advertising communications (from direct mail to billboards) that reached Air Mechanical's customer targets on a broad basis as well as a 1:1 basis.
- Reflect the knowledge and expectations of AMI's customers. The rich database of customer knowledge allowed SOULO to identify the key wants and needs of their different segments and provide the right content at the right time.
- Develop a digital content capability for the brand that can speak to single topics within the company's service areas and enable a speed-to-market approach for timely message delivery.

Work created for AMI includes

- Direct Mail (large run and individualized messages)
- OOH-Billboards and Social-Indoor/Street-level
- Print advertising
- Tradeshow
- E-postcards and email marketing (newsletters)
- Digital marketing/advertising (static and animated)
- Print collateral (including content development for sales)
- Website direction (including content development for the new Smart Home segment)
- Apparel
- Social media
- Large format (signs, banners, event graphics)
- Brand manual and standards for advertising and apparel
- Vehicle wraps



Digital Postcard

Print Ad



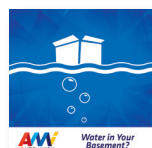
Vehicle Wraps



OOH-Billboards



Web Direction



Social Media

After creation and rolling out the new brand identity, SOULO created distinct advertising campaigns for the AMI brand as well as smaller, focused campaigns for each service area. This enabled the AMI team to toggle between talking about the broad solution the company provides to its customers as well as solve specific problems. This message spoke to both a person who needed a company to handle all the mechanical maintenance of a building and to a person who just had a clogged drain. The ability to focus that message on the audience makes it relevant and gives AMI topical ways to talk to their customers in a way that resonates with them and their needs. It also reinforces their position as experts, thereby strengthening the relationship they maintain with their customers.

The Results

A strong brand identity relaunch campaign helped elevate the brand, both with current and potential customers. It also broadened AMI's appeal by referencing all of their services, including air conditioning and heating systems, Smart Home installation, plumbing, and electrical.

Throughout the brand relaunch, AMI experienced strong demand. The right-place, right-time rollout kept Air Mechanical front-and-center, re-introducing their look to existing customers and expanding their appeal to new customers. Having an updated look that matches their quality work and vision for the future, AMI's phone continues to ring off the hook.

We are proud to have played a part.

UP NEXT

Great Places to Work

Great Places to Work

The *Star Tribune* recently recognized companies and organizations in Minnesota as Top Workplaces for 2020. Rankings were based on positive reviews by their employees. Congratulations to all of these great places all but especially to these clients, with whom we are proud to work.

Bell Bank

(financial services and insurance)

Blaine Orthopedic Surgery Center

(part of Twin Cities Orthopedics/Revo Health)

City of Eden Prairie

(municipality)

Jones Lang LaSalle

(real estate)

Keller Williams Realty

(real estate)

Kraus-Anderson Companies, Inc.

(construction)

Newmark Knight Frank

(real estate)

Pediatric Home Service

(healthcare)

The MLS Online.com

(real estate)

Wings Financial Credit Union

(financial services and insurance)

*Source: [Star Tribune](#)



Is your website working for your business?

SOULO is offering a FREE

WEB AUDIT



Without a doubt, SOULO is my number one recommendation when it comes to website design and building. I could not have asked for a better website, but more importantly, a better experience with my new website build.

-Adam Klinkner / Owner-Special Tools Inc.

Customer confidence can make or break a conversion.

If your website isn't working, you run the risk of losing out on leads. If you don't know where to start, why a feature isn't working, or what can be revised,

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for a free, summarized web audit. We'll provide several ideas for improving your site and get you set up with an Account Manager to walk you through the process.

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