

Sept. 10, 2004

By: Melissa Campanelli

Senior Editor

melissa@dmnews.com

Direct mail solutions provider On-card Inc. will launch its new product, also named On-card, at the National Postal Forum in Washington on Sept. 19.

On-card is a thick, laminated personalized postcard with a phone card attached that offers 30 free long-distance minutes. In beta testing since 2003, On-card delivers a sales or lead generation message and a gift offer that's ready to use the moment a prospect goes online or calls to respond.

Consumers targeted get the 4-by-5 1/2-inch postcard, which has the thickness of a credit card and contains the gift incentive. It also features four-color graphics and a company's logo embossed on the front. The back of the card has additional personalization, logos and the chance to include a photo of a sales rep.

Recipients are informed that to activate the phone card, then enter a PIN either by dialing a toll-free number or visiting a special Web site. Companies can offer both choices.

If the recipient calls, he can enter his PIN into On-card's automated server and be transferred to the client company's call center where a sales rep can obtain further information about the recipient and potentially sell a product or service.

"With the do-not-call list in effect right now, this solution is important because it essentially is reverse telemarketing," said Pablo del Real, chief marketing officer at On-card, Delray Beach, FL.

Recipients also can be transferred to On-card's interactive voice response survey, where they can answer questions about themselves and their needs. When the recipient completes the survey, and if he has a profile matching what the On-card client seeks, On-card can transfer him to the call center.

If a recipient visits the Web site, he will be asked to enter the PIN and fill out a customized survey. The Web page can include customized ads and messages. When the recipient fills out the survey and his card is activated, he may be told that he can increase the minutes of free long-distance calling time by referring two people.

“This is really one of the strongest selling points of our solution,” del Real said, “because this is the only piece of mail that I know of that you can send out to one person and get three responses back.”

When recipients complete their survey, On-card records the information. Clients can receive summary reports that include activation rates by day of the week. With this information, companies can contact prospects immediately. “Typically, when you send out a direct mail campaign with business reply mail, it takes weeks to get leads back,” del Real said. “This, however, is happening the moment that the recipients are entering the data. This is live campaign data.”

The solution is working for beta testers, he said. A large long-term-care insurance provider, for example, beta tested the solution this year and dropped a 30,000-piece On-card mailing to targeted prospects. It generated a 8 percent response. The insurance company had done traditional direct mail tests for years, getting about a 0.3 percent response, he said.

The company signed on for the solution and was sending 80,000 to 120,000 On-cards monthly. It scaled back its mailing during the summer but will hit those numbers on a monthly basis when it resumes full-volume mailings in the fall.

A lettershop or print shop can charge 25 cents to 75 cents to produce a traditional direct mail piece, not including postage, del Real said. On-card costs \$1.25 to \$1.45 per piece, not including postage. On-card has a minimum volume of 20,000 pieces.

“At first glance it may seem that our product is more expensive, but we try to engage customers in conversations about costs per response,” he said. “it’s not so much a matter of how many pieces did you get out there, but rather how many responses did you get back.”

On-card qualifies for First-Class presorted postage, but del Real said the company is working with the U.S. Postal Service to qualify for First-Class automation rates.

“We should have approval for the less-expensive automated classification in September,” he said.

To demonstrate the product, On-card is giving away 10 On-card campaigns of 20,000 pieces each. Companies can register to win the giveaway at www.on-card.com/free. Entry ends Sept. 30. Winners will be announced Nov. 4. Direct marketers also can request a free product preview.

