

DPI helps Nestlé hit the sweet spot

HP Indigo digital press helps fill 1,000 baseball card orders daily



“The HP Indigo digital press lets us automate our workflows so that we can grow our business without adding staff. Even in a slower economy, when we can’t expect huge growth, it has the benefit of the healthy margins that automation delivers.”

—Susan Moore, President, Digital Printing & Imaging, Inc.



HP customer case study: HP Indigo technology enables innovative marketing campaign

Industry: Printing

Objective:

Customized high-quality output; cost-efficient per-order delivery

Approach:

Automated print-on-demand with HP Indigo press
5000 integrated with web-based ordering

Business benefits:

- Fixed costs known up-front
- Orders handled by existing staff
- High production quality meets clients’ needs
- Few human touch-points reduce risk of order errors
- Reporting provides data for program monitoring, assessment



When Nestlé wanted to promote its Drumstick brand sundae cones in a personalized baseball card promotion, it turned to Digital Printing & Imaging, Inc. (DPI) and its HP Indigo digital press for an automated and cost-effective approach to web order fulfillment, production and mailing.

Since then, DPI has processed web orders for more than 2 million custom cards without adding extra shifts to its production schedule—the latest business accomplishment for a printer that has consistently uncovered new growth opportunities even in times of economic turbulence.



Customer

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Nestlé's objective, explains DPI President Susan Moore, was to build on the history of its Drumstick brand baseball promotions. The campaign included a Nestlé Drumstick Family Days tour organized to promote the sponsorship of Minor League Baseball (MiLB), an offer of discount tickets to baseball fans, and family-friendly activities hosted at MiLB events. The Drumstick promotion included a product code in specially-marked packages, which allowed consumers to upload digital images to a website. Here they create personalized baseball cards that would be printed and mailed directly to their homes.

"Nestlé approached us because it wanted to create a highly personalized marketing campaign. Thanks to our HP Indigo digital press, we could help them achieve their vision. HP technology gives us capabilities that we can turn into unique services for our clients."

Susan Moore, President, Digital Printing & Imaging, Inc.

Nestlé knew the program was aggressive; yet also felt it was possible with the advances in technology. For the campaign to be successful, the cards would have to meet high standards for quality and match the look

and feel of "real" baseball cards. Costs would have to be low since Nestlé wanted to position the cards as a free giveaway, which wouldn't be possible if the company had to shoulder high printing costs or maintain large inventories of materials. The workflow would need to be digital and automated.

Quality exceeding anything else they'd seen

DPI had the technology needed to meet all of the project's criteria: an HP Indigo press.

First, there is the customization. The press supports small-run print jobs, and thanks to its digital front end, can be configured to accept print orders from a website and produce jobs that include personal information—a player's picture, team name and baseball stats, for instance.

Equally important, the HP Indigo digital press delivers excellent production quality. "We provided Nestlé with samples and they felt the output was almost photographic," Moore says. "They told us the quality exceeded anything else they'd seen."

Budgeting would also be a challenge. The HP Indigo press 5000's capabilities would enable DPI to offer Nestlé a unique cost model to provide a solution. Nestlé would assume the cost of the up-front

“The HP Indigo technology lets us offer the customization required within the budget set. We’ve shown how digital printing can help businesses become more creative with their marketing, while reducing up-front risk.”

Susan Moore, President, Digital Printing & Imaging, Inc.

programming, such as developing the website and software to process web-to-print orders. After that, there were no more fixed costs: DPI would maintain supply inventory and handle all of the program administration. The program would pay for itself through DPI’s shipping and handling charge on orders as they came in.

This arrangement was particularly beneficial to Nestlé, Moore explains, since the promotion was new, and there was no way to predict how successful it might be. “Because we’re doing print-on-demand, it didn’t matter if the campaign resulted in a single order, tens of thousands or millions—the up front investment to Nestlé is the same,” Moore says. “They could create a budget for the entire campaign and know the fixed costs in advance. With the campaign success reaching the millions, this proved to be a very successful strategy.”

Automation minimizes human touch-points

DPI could offer this model, Moore says, because its HP Indigo digital press workflows can be fully automated.

“When someone places an order, it is routed to the HP Press Production Manager Server,” says Moore. “Then HP Press Production Manager software automates the job with the variable data and sends it to the print engine.” Bar codes printed on the sheets are used to track both the print job and the order. Address labels are generated automatically when the job reaches the finishing department.

“There aren’t many human touch-points,” Moore notes. This keeps DPI’s labor costs low and order integrity high. “By matching each order with the shipping address the first time, we ensure uninterrupted workflows,” Moore notes. This also keeps costs down by reducing the risk of make-overs or labor-intensive fixes.

So how did DPI’s capabilities score? “We came in at a high perceived value for the cost as compared to the other vendors Nestlé approached,” Moore states. The combination of high production quality and cost efficiency proved compelling, and Nestlé selected DPI to administer its baseball card promotion.

Hundreds of orders, no extra staff

Since the program launched, Moore continues, web orders have been flowing in at an average rate of 600 to 1,000 per day—a rate that adds up to around 2 million packs of cards for the duration of the program.

With automated technology, DPI has produced that volume without expanding its normal two-shift production schedule. “We knew we could handle up to 1,000 orders a day with our current shifts,” Moore says, “and if we needed to process more, we could add another shift.”

The program has been entirely turnkey for Nestlé. DPI maintains an 800-number so that customers can call if they have questions. (Moore says DPI fields only a few calls per week.) Copyright infringement issues, such as users selecting a copyrighted team name for their cards, are handled automatically by the software.

Customer solution at a glance

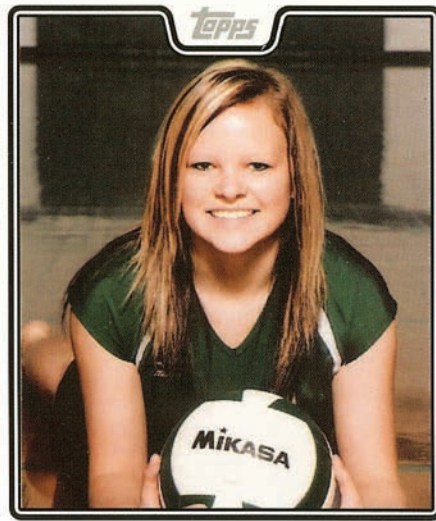
Primary applications

- Web-to-print
- Print on demand

Primary hardware

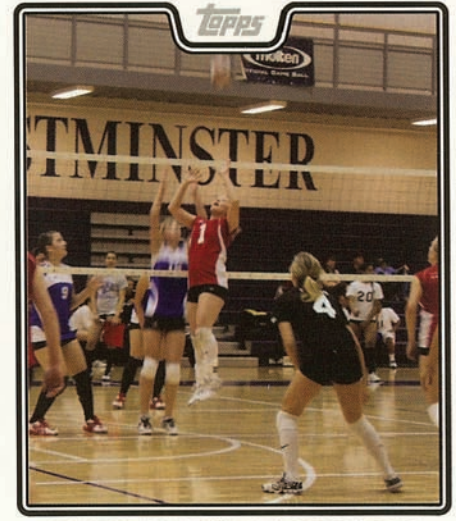
- HP Indigo press 5000

EAGLE MUSTANGS



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MORGAN SIPHERD

"If someone types in a word that infringes on a license, the software stops them," Moore says.

DPI also generates monthly tracking reports for Nestlé on program activity. The reports show order patterns and how visitors navigate the website. "The reports help Nestlé determine the success of the program and the viability for future campaigns," Moore notes, "and whether adjustments should be made the next time."

Moore also believes customers are happy with the cards. "We have no complaints, and many customers are returning to upload new pictures and order additional sets," she says. "Repeat business is always a good reinforcement."

DPI believes the Nestlé program exemplifies the value of automated digital printing. "The HP Indigo press 5000 and Press Production Manager server let us automate our workflows so we can grow our business without adding staff," Moore says. "Last year we grew our business by 42 percent without expanding our workforce." Even in a slower economy, when DPI can't expect that kind of growth, it has the benefit of the healthy margins that automation delivers.

"HP Indigo technology lets us offer the customization Nestlé requires, within budget," Moore says. "The program has truly shown how digital printing can help businesses become more creative with their marketing, while reducing their up-front risk."

To learn more, visit www.hp.com

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