

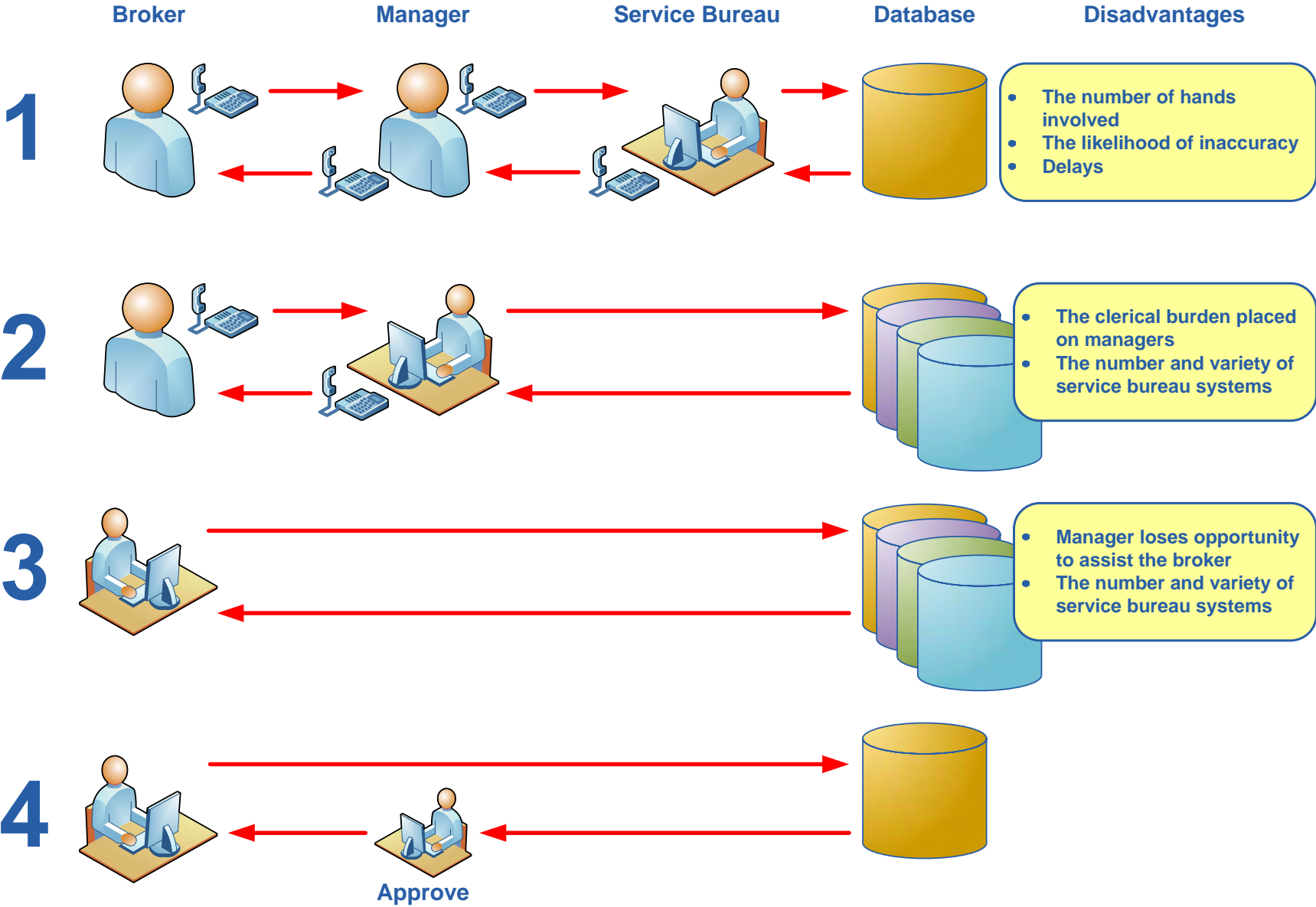
The Evolution of List Fulfillment

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Research Commissioned by



Generations of Count and Fulfillment Systems



Introduction

Mailing lists are the lifeblood of direct mail. But they are rented through an outmoded process that wastes time and money.

List professionals complain about how it works--few defend it. But it can be easily improved, for the problem is as much attitudinal as technological.

The answer, many experts say, is a universal list fulfillment system that frees managers and brokers for more creative tasks.

How do we define list fulfillment? As the process of obtaining a mailing list, from research to the delivery of names.

It starts with the simple act of getting a count. In most cases, brokers request them from managers, and managers retrieve them from service bureaus, using proprietary tools.

The systems have improved, but the division of labor is the same as it was in 1990. The burden falls on the manager, and it's a costly one, given the need to maintain a support staff.

No less daunting is the wide disparity in service bureau systems. Most serve counts "with fullest Boolean logic in a matter of minutes," as James

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Lenny Medico, senior vice president of list management, Lake Group Media

Johnson, an advisor at International Response Management Co., puts it. But some don't.

"We still work with service bureaus that do not make counts available online, meaning we have to work with static count report systems," says Lenny Medico, senior vice president of list management for Lake Group Media.

Then there's the actual ordering of lists. Managers often find themselves reentering data because there's no standardized order form.

Describe these quirks to an outsider, and they will ask how a data-tech business can operate this way, says Fran Green, president of ALC SMART Data Solutions.

Such inefficiencies might be bearable during periods of triple-digit growth. But postal mail volume is in a freefall, and email list rentals have not yet made up the revenue difference for many firms.

List managers, thanks to these and other problems, have seen their margins tighten. The proof is in the ongoing consolidation of management-brokerage firms.

Not all these issues can be resolved in the short term. But list fulfillment *can* be streamlined.

What would a 21st Century fulfillment regime look like? Ben Perez, former CEO of Millard Group, would welcome "anything that's quicker, smoother and has less hands on it. No list company has as many people as even three years ago."

The purpose of this paper is to trace the evolution of fulfillment through four generations. The solution is in the fourth.

Our timeline is imprecise, for memories differ on some points and there is a great deal of overlap between the eras. We define the generations not by

technology, but by who has access to them, and on the range of lists they cover. The main question is: Who enters the query—the service bureau, the list manager or the broker?

A perfect system would allow brokers to request counts and order virtually *any* list, using a single, industrywide interface. Here's why.

Background

Direct mail goes back to the earliest days of the Republic, and prospecting lists for almost as long. But the mailing list business as we know it started in the 1960s.

The rental process was, before that time, solely in the hands of brokers. They found lists, just as they do now, and they offered “exclusives.” But direct mail was booming, and brokers could no longer serve as both media buyer and seller, so a new player emerged: The list manager, whose job was to “market mailing lists the way independent space reps market advertising space in newspapers and magazines,” veteran Ralph Stevens wrote in a 2004 article entitled “The 10% Club.”

That was accompanied by the arrival of the ZIP Code and computer service bureaus, Stevens added. Lists were now stored in mainframe computers, powerful units that appended ZIPs and merged the lists in a mailing (a far cry from the Addressograph plates that had housed them for decades).

There was one problem. “You could run Finland with one of those computers, but try getting a count from them,” says Geoff Batrouney, executive vice president for Estee Marketing Group Inc.

The First Generation

Rudimentary counts could, of course, be easily obtained from count books and other sources. In a 1966 New Yorker article on the list business, author Calvin Trillin mentioned “‘data cards’—the five-by-eight cards that brokers circulate on each list they are offering.”

But mailers needed more up-to-date information, especially as mailings increased in volume, frequency and complexity. So the players, over years, jerryrigged a process for getting it.

The broker phoned the manager, and asked for a count. The manager called the service bureau. And the bureau manually pulled the information. But the latter was done only on certain days of the week.

“I would ship SCF counts that weighed five pounds.”

Pete Carney, CEO of Carney Direct Marketing

“It was cumbersome,” adds David Schwartz, the former CEO of 21st Century Marketing and now president of Executive Confidential, Organizational Consultants. “The service bureau would have to enter all of these line items in, and

they weren’t really charging for them.”

When the counts were finally produced, they were printed on “green-and-white greenbar paper, perforated in both margins,” recalls Pete Carney, CEO of Carney Direct Marketing. “I would ship SCF counts that weighed five pounds.”

Worse, this process was fraught with error. At times, “a staggering quantity of ordered lists would come into the merge, and you’d find the 4 million you were expecting was only 3 million,” Batrouney says. He adds: “If you were looking for hotline names, the technology wasn’t there to support the concept.”

In a typical scenario, a manager would wait two or three days, maybe longer, to find out that the names he needed weren’t there. “You anticipated 100,000 or more, and you end up getting a quantity of 7,000,” Schwartz says. “Now you’re saying to the manager, ‘How can that be?’ And he’s looking up at God and saying, ‘Your guess is as good as mine.’”

The average turnaround time for a list order? Two weeks, according to Fran Green. And it took even more time for the list owner to get paid, thanks to the “infamous merge-purge report,” as Schwartz calls it—a page of green paper with confidential information whited out or cut out in thin strips. Fights would ensue over terminology and other disputed points, resulting in long delays in checks being sent, he adds.

Granted, this process served the industry through a period of explosive growth. But some service bureaus remain stuck in it. They’re



unwilling or unable to invest in getting to the next stage.

The Second Generation

Charles D. Morgan was willing to invest. In 1975, Morgan was CEO of Demographics Inc., a Conway, AR data processor that handled everything from payrolls to billing for local companies.

Hoping to expand his client base, Morgan visited Direct Media, and its founder Dave Florence, in Greenwich, CT. He thought the order-processing room was “in complete chaos, with paper flying everywhere and people screaming, and he had an epiphany: ‘This is process that computers could automate,’” says Mary Jo Yafchak, vice president of product management for Acxiom, based on a recent conversation with Morgan. (Demographics Inc. ultimately evolved into Acxiom).

Morgan vowed to build a system to facilitate two-day list order turnaround in six months. It was a huge job on a mainframe, but he did it, working 24/7 with Alex Dietz and other team members. Morgan wrote some of the code himself.

LOFS

The resulting List Order Fulfillment System, or LOFS, debuted in 1976. Don Hinman, senior vice president at Epsilon Targeting, describes it as “the quintessential list fulfillment workhorse.” It featured a query language that allowed the use of English terms in count requests.

The first client—and for a time the only one—was Direct Media. Thanks to LOFS, it was able to automate its list fulfillment process and make it faster and easier to serve its clients. Hinman recalls that Direct Media initially used LOFS to generate lists from its Yellow Pages business.

“LOFS provided the capability to select records in a pre-merged database environment, using any



attribute available in combination, randomly allocate or prioritize and to key code and postal sort for final mail prep,” says Mark Zilling, senior vice president at MeritDirect, who worked at Direct Media starting in 1986.

How did managers get counts from LOFS in the early days? From dumb terminals that were installed in their offices and connected to leased high-speed lines between New York and Conway. Thus, the desktop terminal was “connected to the Acxiom mainframe,” Yafchak says. “It had what we now refer to as a green screen—a flickering a black screen with green writing on it.”

She adds: “It was not pretty, but you got the count instantly, maybe in a few minutes. And if you didn’t like the results, the dumb terminal was in front of you—you could change the query, and there was no calling or faxing.”

In addition, “LOFS was able to do what we refer to now as waterfall counts, where you can say, ‘I want all of these people who look like this, and when I run out of those, fill it in with these,’” Yafchak adds.

There was one more benefit: That with LOFS, Acxiom “eliminated the standalone merge-purge process to calculate royalties—owners quickly received appropriate fractional credit for the data that had been sold on their behalf,” Yafchak says.

Generation 2.5

LOFS had no real competition for 15 years, according to Morgan. Eventually, though, it became easier to replicate the system’s capabilities.

For one thing, standard query language allowed programmers to use English terms to write queries for relational databases. In addition, businesses began to migrate to PC client server systems instead of mainframes, making it easier to do the programming.

But some early systems were “simplistic, often one-dimensional, quick-count tools,” says Tom Berger, CEO of Cross Country Computer. “They weren’t able to integrate real-live production results into the queries—they looked at static data sets.” Hinman adds that “you couldn’t do much scoring or modeling.”

Even LOFS “showed its limitations by restricting the total number of selections that could be made in a single campaign to 260 and limiting max/site restrictions to one value across the whole campaign, a restriction that more advanced marketers found quite limiting,” Mark Zilling writes.

One notable second-generation system was Otis, launched in 1996 by Applied Info Group (AIG).

“We made the decision to have people communicate with us by email, and in 1996, most people were not consistently using email, nor were they online all the time,” says Mitch Rubin, CEO of AIG. “A user would set up the count in the system, the query was transported by email and the response returned by email.”

List Counts on Discs

Prior to email, information had been exchanged in some quaint ways.

One innovation, circa maybe 1985, was to provide list counts on discs.

“We called it List-on-a-Disc,” says Schwartz. “We had the service bureau put some standard information from extracts of the list into an Excel program, and we would host these high-level counts in a spreadsheet. The broker would put in the 3 ½-inch floppy disc, and query this spreadsheet.”

Another method was Fax-on-Demand. A broker could dial a toll-free number 24 hours a day, make the request and get a return fax with the counts. In the beginning, these were sent by QUIP, one of the first fax machines—a technological wonder at the time. Carney had a fax machine in his bedroom, and could hear the queries coming in at night from the East Coast.

Acculist USA tried something even more radical in 1988. “If one of the vendors had a CompuServe or Prodigy account, we would email count requests,” says David Kanter, CEO of Acculist USA.

The Age of the Internet

But there was a better way.

Otis moved to the Web around 2000, and was renamed WebOtis. “We built it in such a way that any database could fit into it,” says Rubin. “It’s built not on Web pages, but on Web applications, so people can do true multi-tasking and threading, which are typically not possible on the Web. Mailers can run multiple counts at the same time and have them dedupe against one another.”

This was mirrored by advances at other companies. Accudata Integrated Marketing had been a LOFS user, but “we were in the point-and-click age, and we wanted to give clients more flexibility,” says Yafchak, who had joined Accudata in 1993.

The first iteration of Accudata’s system appeared in 1996. Users received a small application that they loaded on their computers. Queries went straight to the Accudata server, and were answered by fax.

Yet that was only a temporary solution. Accudata, through its new Alvion subsidiary, then created an online fulfillment application called ListKey, with input from Acxiom. It debuted in 2000.

ListKey is “built on modern technology, with high-speed database applications that can be relational in nature,” Yafchak adds: “The queries are lightning-fast, if I may say so, with an average time from initial query to data delivery being less than six minutes.”

In 2008, Acxiom, which had used ListKey to offer its InfoBase product to resellers, acquired Alvion. LOFS is still available, but “we’re in the process of migrating almost everything on LOFS to ListKey,” Yafchak says.

These are hardly the only tools that exist, and we’re in no position to say they are the first or best—our goal here is to trace the technological evolution. Advanced interfaces, which both house and fulfill lists and databases, are also offered by infoGROUP, owner of several venerable list management-brokerage brands, including Edith Roman Associates, Direct Media Millard and

Walter Karl; Blue Hill Marketing Solutions; Epsilon Targeting; Experian; KnowledgeBase Marketing; Cross Country Computer. They are also offered by prospecting database providers and other firms. MeritDirect has what it calls the Database Query System, or DQS, which has analytics and profiling capabilities. Any omissions to this list are inadvertent.

But here's the rub: "If you look from one service bureau to another, you'll see a significant difference in features," says Eric Smith, CEO of ListFusion/DataTree. "They differ in the service, the technology and the ability to do it quickly."

And whose job is it to make sense of this Tower of Babel? The overworked list manager.

The Manager's Burden

Today's systems would be unrecognizable to a practitioner who retired in 1985. So would the way lists are delivered—from labels (1960s) to mag tapes (1970s) to cartridges (1990s) to FTP and email (2000s). But those of us who dislike change can take comfort in this: The list manager still enters the count query and gets the information to the broker.

How do managers handle this chore in the digital age? Many run inhouse units to conduct queries, and train their personnel to use this variety of tools. Rewarded for their speed and accuracy, these employees become skilled at running queries because of the repetition and frequency of those requests.

But "speed" is a relative term—it usually means, "We strive for same-day service." And Fran Green calls the running of this infrastructure "one of the more challenging parts" of list management. At ALC, to name only one example, "most of our managed accounts come with their own service bureaus," she says. "We work with 32 different service bureaus, 32 different count systems, some online, some not, some user friendly, some not. We

have to train our people to be adept, accurate and quick."

Some of these bureaus house multiple files, others have one, but even the latter are important, and the sheer number complicates the clerical chore.

"It's not like keystroking and data entry," Green explains. "We have had to train staff to write

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She adds that it takes six months of training before a person is good in this customer service role. "At the same time, we want to give the kind of service that the marketplace has come to expect—and that requires very fast turnaround," she says.

How many people are needed to process queries? "It depends on the size of your business, how many properties you manage and the number of counts and orders processed," Green says. "But most managers would probably agree that you need as many customer service reps as you have sales and marketing people."

This, she adds, "has a huge impact on the P&L. If some of that could be automated, it would make a difference."

Lake Group Media has 12 people in customer service, and they handle both counts and ordering, Medico says. The average support person can process, say, 20 orders a day or 100 per week, he adds.

The Sales Imperative

Here's another downside to the second-generation system: The average counts clerk lacks the skills, knowledge and empowerment to cross-sell, upsell or do any form of selling. Yet a broker requesting a count is THE ideal prospect for an

added sale because they are making a purchasing decision.

“A good manager knows that if you want one-month hotlines, maybe you want three-month hotlines, too,” Green says. “When it becomes robotic, you lose the sales and marketing opportunity.”

At ALC and other firms, senior sales and marketing people review all count requests, and often contact the senior broker or marketer to make additional recommendations. ALC also trains its staff on when to escalate calls—for example, when there’s a very complex count or pricing request.

“You can get active subscribers to the Wall Street Journal, but when you start to get into multiple enhancements and promotional definitions—someone who came on as an agent, then renewed as a direct-to-publisher—you need the sales and marketing expertise to help structure these database pulls,” Green says.

But the answers given by counts clerks are only as good as the questions they are asked. John Papalia, CEO of Statistics, argues that brokers were better trained when they relied on their own

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data card files. “Brokers were involved more in hands-on research, and they were probably more competent in determining what each data card contained,” he says.

On top of that, a busy manager can waste half a day emailing counts back. One manager, only half jokingly, claims that a “broker emailed me 15 times in one day with count requests. I would like to say, ‘You’re cut off for today.’”

The aggravation cuts both ways. Brokers have been heard to gripe that managers don’t always call

back or answer emails. Poor service can “materially influence list management sales, because experienced list brokers and mailers have long memories,” David Kanter wrote in an article.

Several list firms operate their own service bureaus. Specialists Marketing Services has one, and it also has a count-and-query system that can

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Carolyn Woodruff, senior broker, Direct Media Millard

be accessed by sales staff and production assistants. “They are able to give counts out very quickly when calls come in for count requests,” says Lon Mandel, CEO of Specialists Marketing Services.

Carney Direct started a service bureau seven years ago because “it looked more profitable” than list management, says Pete Carney. All of Carney’s management clients keep their lists at this bureau, so his account people need only one source of information. He adds: “We don’t have an online count system. I want someone saying something to somebody.”

Still, most managers are trapped in the second generation, the one in which the job of making the query falls on them. The solution? “With the current list management service environment, it would be great to have a self-service model where brokers who need count validation can get it,” adds Carolyn Woodruff, a senior broker at Direct Media Millard.

This kind of interface would let brokers specify exactly what they’re looking for, and limit the data to the selects and the values available on the list. This would eliminate miscommunication and



translation errors. But is it enough?

The Third Generation

The third generation of list fulfillment exists more in theory than in fact (except for compiled lists).

Brokers are free to use the systems run by compilers—they can even order from them. ListKey is used by managers, brokers, resellers and end-user marketers—so-called mailer directs, Yafchak says. But brokers are excluded from most interfaces for managed response lists. “I didn’t see a lot of unrestricted access,” Hinman says. “The databases, in most cases, are set up for access for a particular set of people.”

That’s true at the Lake Group. “We don’t give access to brokers,” Medico says. And it’s equally true at Specialists Marketing Services and with managers whose clients use service bureaus like AIG. “There are brokers who use the system, but to a lesser extent,” Rubin says. “It’s manager- and mailer-based, with brokers being more of a secondary market.” But Rubin adds: “It’s a shame more brokers aren’t given access.”

Why are brokers blocked at the front door? In some instances, list owners fear competitors will use these streamlined tools to go on fishing expeditions. In others, list managers want control over the information, and they want the opportunity to cross-sell, upsell and just plain sell.

That’s a huge consideration. While more efficient from a processing standpoint, direct broker access cuts the manager out of the sales process. The manager is unaware of count activity and can’t provide guidance.

The question remains of whether brokers even want direct entree. Given their workloads, the last thing they need is to have one more clerical chore dumped on them. Brokers need access to every mailing list on the market. But to get it under this plan, they would have to learn 50+ different systems. That would be like learning 50 languages.

These flaws in third-generation systems have prevented them from taking hold in *the field of managed response lists*.

The Fourth Generation

A more promising solution is to skip the third generation and go right to the fourth: A universal interface for all mailing lists.

Under this plan, the broker can get counts regardless of where the data resides or how it is stored. The interface automatically translates requests into language understood at each of the service bureaus housing the data. Ideally, this solution would integrate directly with the list broker’s data card and list recommendation system.

Wouldn’t the manager lose a selling opportunity? No. This access for brokers is “mediated”—that is, the manager would be instantly alerted when a broker requests a count, and asked to approve its release.

This would remove one of the major objections to direct access for brokers.

“We love the idea, but we need visibility,” says ALC’s Fran Green. “We need to be pinged if somebody’s running a count.”

Hinman also sees the benefit. “An astute list manager gets pinged, and then calls to say, ‘By the way, you didn’t put in left-handed Lithuanians.’”

Fourth-generation systems keep the list manager involved at critical points in the process. And the manager gets the best of both worlds: the efficiency of process automation without the loss of the human element.

Unlike earlier systems that are unique to a particular service bureau or are limited to the data connected to a particular installation, fourth-generation systems provide an open application programming interface (API) that enables easy integration of data sources with the count request interface. This enables universal access to all list data.



A New Solution

In 2009, responding to this marketplace need, NextMark introduced NextMark Select, a service that links counts from service bureaus with data cards from list managers. “You can think of it as an electronic bridge, that allows the data card to talk to the data,” says Joe Pych, founder and president of NextMark. “It uses a standard, secure internet protocol as the communications network.”

Cross Country Computer was the first service bureau to integrate this fourth-generation tool with its own counts system.

What are the benefits to the parties in the food chain?

The broker gets “faster access to exact universes of targeted prospect names,” says Tom Berger. This will lead to “targeted and more precise procurement and better management of net-name deals. When you know what segments are available at what resolution and with exact counts, you can negotiate from a position of strength.”

For the manager, a fourth-generation system “eliminates the expense of procuring and updating data counts—as soon as an update is done, a new data card is on the market immediately,” Berger continues. “There’s better promotion, with a lot more resolution.”

And from the service bureau standpoint? “We’ll run fewer no-charge counts because people have access,” Berger adds. “The more clients we help to promote those counts, the more revenue we’re going to realize.” But that’s not the only upside for the service bureaus.

“If there’s demand for it, we’ll pick up some business as a result,” Berger says. “If ultimately there is not a lot of demand, we’ve still extended our best of breed tool via this integration.”

The List Broker

But what about list brokers? What will fourth-generation systems do for them?

“The real value of a list broker is in finding good lists and providing good advice,” Joe Pych says. “What these systems do is eliminate the grunt work.”

Carolyn Woodruff seems to agree. Freed from clerical chores, brokers can “take on more responsibilities for the prospecting process and help their clients grow their ROI,” she says. “Most of the end users have such limited staff as it is.”

Fourth-generation systems are easy to use. Getting a count is as simple as clicking a button. There are no additional systems or logins. No need for training. With NextMark Select, the broker sees a “get count” button on the top of every data card.

With prior-generation solutions, the broker had to take great care to compose a request that would not be misinterpreted by the manager or the service bureau. And when an error did occur, the process had to be repeated, wasting more time. A point-and-click interface speeds the composition of count requests and eliminates the risk of translation errors.

It’s also easier to keep track of count requests. Since all queries are being requested through a common interface, the system can track the lifecycle of each one from the initial request

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Mitch Rubin, CEO, Applied Info Group

through response. It will automatically maintain a queue of open requests and red-flag the late replies so they can be addressed.

That doesn’t eliminate the need for human intervention. The broker must perform what Woodruff calls “due diligence.” and have the manager validate or explain counts. “You want to know what’s changed, and why it’s up or down,” she says. “You go back to the prior year for that monthly hotline vs. the same month this year. You want that ammunition before you go to the client.”

Ben Perez adds that managers and brokers will always be needed for their expertise. “There may

be peripheral questions, other pieces of intelligence you need before you make a final decision,” he says. “Maybe there’s a list that should work that’s not working, and the broker can work directly with the manager or owner to come up with other recommendations.”

Hurdles

Despite these benefits, there are three obstacles to adoption of a universal tool.

The first is service bureau resistance. A small bureau that wants only to fulfill list rentals is “not going to swing an R&D budget” to integrate with a fourth-generation system, Berger says. And there is no real pressure from clients to do so.

It would take a large firm like Wal-Mart to drive standardization, Rubin argues. Wal-Mart’s suppliers have no choice but to conform to its systems, but the direct mail business lacks “a 500-pound gorilla” like that, he adds.

But Rubin adds that there would be “a lot of productivity advantages” to a fourth-generation system. “You’d hope that with economy the way it is within our industry, people would seek out those types of efficiencies,” he says.

List Industry Resistance

Another obstacle is that not all list pros have warmed up to the idea. Some managers fear they will be supplanted, and that researching and ordering lists will become, like booking travel, an online process that eliminates the need for agents.

There’s one answer to that—that managers will control the process. But fourth-generation systems providers will have to prove that to gain universal acceptance.

Some fear losing the personal touch. The counter argument? That a streamlined fulfillment system will, in fact, free managers to make sales calls. Others worry about accuracy. “The software adds up incorrect information perfectly,” Batrouney wryly notes. (His point seems to be that

the burden of accuracy falls not on the system but on the people supplying the data).

Some objections may be classified as resistance to change. Robert K. Sher, principal in RK Sher & Associates, recalls that list brokers were unhappy when SRDS came out with its first print directory of lists. “They banded together, and did not want SRDS to publish,” he says.

Sher adds: “I don’t know why the response list owners would be concerned about people having access to their list as long as they know there are safeguards built in as far as who can get it and who can’t, and what they can’t select.”

The old way is hardly a comfortable one. But people have found a way to live with it. Sigmund Feud noted that “it’s easier to suffer than to act.” Solutions providers have to demonstrate the benefits of the “new way,” and show a clear and risk-free path to trying it.

Technological Roadblocks

Then there are technical challenges, one being the uneven quality of the systems used in the industry. Some list owners use one company to house their data and another to send emails, Rubin says. B2B publishers, to name only one market segment, use wildly varying terminology on their qualification cards, making integration more complicated.

“This stuff has been used in other industries for many years.”

Joseph Pych, President, NextMark

And standardization is a tall order when there are still some mailers using Cheshire labels. Kanter says there are. Indeed, some list owners “maintain information internally, and batch-process counts and orders on certain days of the week,” he adds.

“There are simply too many variables as to how lists are fulfilled and how companies want their databases set up,” Lon Mandel comments. “I believe this task has been taken on by some very

large companies—many, many years later, we are basically in the same place.”

Fourth-generation systems will not likely handle 100% of all requests. One defining feature of the fourth-generation system—the simple universal interface—is also one of its drawbacks. It may be able to automate run-of-the-mill requests, but earlier systems will be required for the unique and highly complex requests.

But technology is not the main issue—as in all such situations, these problems will be overcome. As Joe Pych says, “This stuff has been used in other industries for many years.”

Ordering

There’s more to list fulfillment than getting counts. The next step in the process is ordering. But this job, too, has several hands on it as it’s now done.

“Every list company has its own internal system,” Medico says. “But if it’s not married to the service bureau system you’re working with, you have to reenter the order, so there’s a lot of double entry. Ideally, there would be one universal place to send all the orders.”

Is a universal ordering system a possibility? Yes. NextMark is developing one, and some observers say they would welcome it.

“It would make perfect sense” says Don

“This task has been taken on by some very large companies — many, many years later, we are basically in the same place.”

Lon Mandel, CEO, Specialists Marketing Services

Hinman, regarding a “list of lists” allowing near-universal fulfillment access. A broker or mailer would log on and “ask for a certain kind of target audience,” he adds. “It would give you the recco, almost like an automated broker. You click on the file name, and it takes you to the order fulfillment system. However, I don’t see anything like out there yet.”

Mailers can already place orders online. Abacus, through its Fastpath system, allows participants to query and order all the prospecting names they need. They can attain 100% of their circulation needs with little effort on their part. The key, of course, is list performance. It’s the same with other databases. And small mailers can order lists from compilers and resellers as easily as they can purchase books on Amazon.com

But some list executives oppose a universal ordering system, and a big reason, expressed during many previous attempts to create one, is reluctance to standardize. Fran Green expresses frustration at the industry’s resistance to a standardized order form. “My position is that it’s appropriate to be proprietary about things that distinguish your company from a sales/marketing/service perspective,” she says. “But order forms? That’s why the conversations broke down.”

David Schwartz agrees. “The thinking man would ask, ‘What are the priorities?’” he says. “What do you want from a good broker and media service? A lot of this is commodity.”

But progress has been made in removing other types of bottlenecks. Not long ago, sample mailing pieces had to be mailed by Federal Express or UPS to the manager, for clearance by the owner. Mailers can now scan the pieces, then FTP them or send PDFs.

Some firms even have online libraries that managers can access to get the creative, Kanter adds. And if the client hasn’t quite finalized it, the owner or manager can visit the client’s Web site and get information on the company.

And in the future? We will truly have what Hinman calls “self fulfillment.”

Eric Smith says “data will be captured directly from Web forms, merged, validated and made available for purchase—all done instantly.”

It’s already happening to some degree. “There are more and more instances where the list buyer is

provided direct online access for running counts and in some cases exporting data,” he adds.

Buyers will search for key words on lists, get a real-time listing of available files, then click and order, Smith continues. “From a technical perspective, creating a partnership between a mailing list search engine and a capable computer service would accommodate both small flat files and larger compiled files.”

Conclusion

All that said, many list professionals feel that a universal, fourth-generation interface will help them eliminate time-consuming work.

“They hire us for our sales and marketing capabilities,” Green says. “But we spend a tremendous amount of time and money on things that do not add value to that because of the disparity of the systems.”

“The job of managers and brokers was never to get counts—it was to satisfy their clients’ requests for audiences,” adds Ralph Stevens. “The rest of it is a mechanic’s job.”

A fourth-generation system would free managers to spend “less time doing manual work

and more time marketing our lists,” says Marlies Duke, list manager at ALEXA Marketing.

ALEXA’s system, which is now tied to the NextMark interface, allows brokers to get counts “anywhere in country at any hour—whether weekends, nights, or in the California time zone. You don’t have to rely on reaching someone in our company.”

Others concur, and think the time is ripe for a true fourth-generation solution.

“I love the idea that I could go into (a system)

“The job of managers and brokers was never to get counts — it was to satisfy their clients’ requests for audiences.”

Ralph Stevens

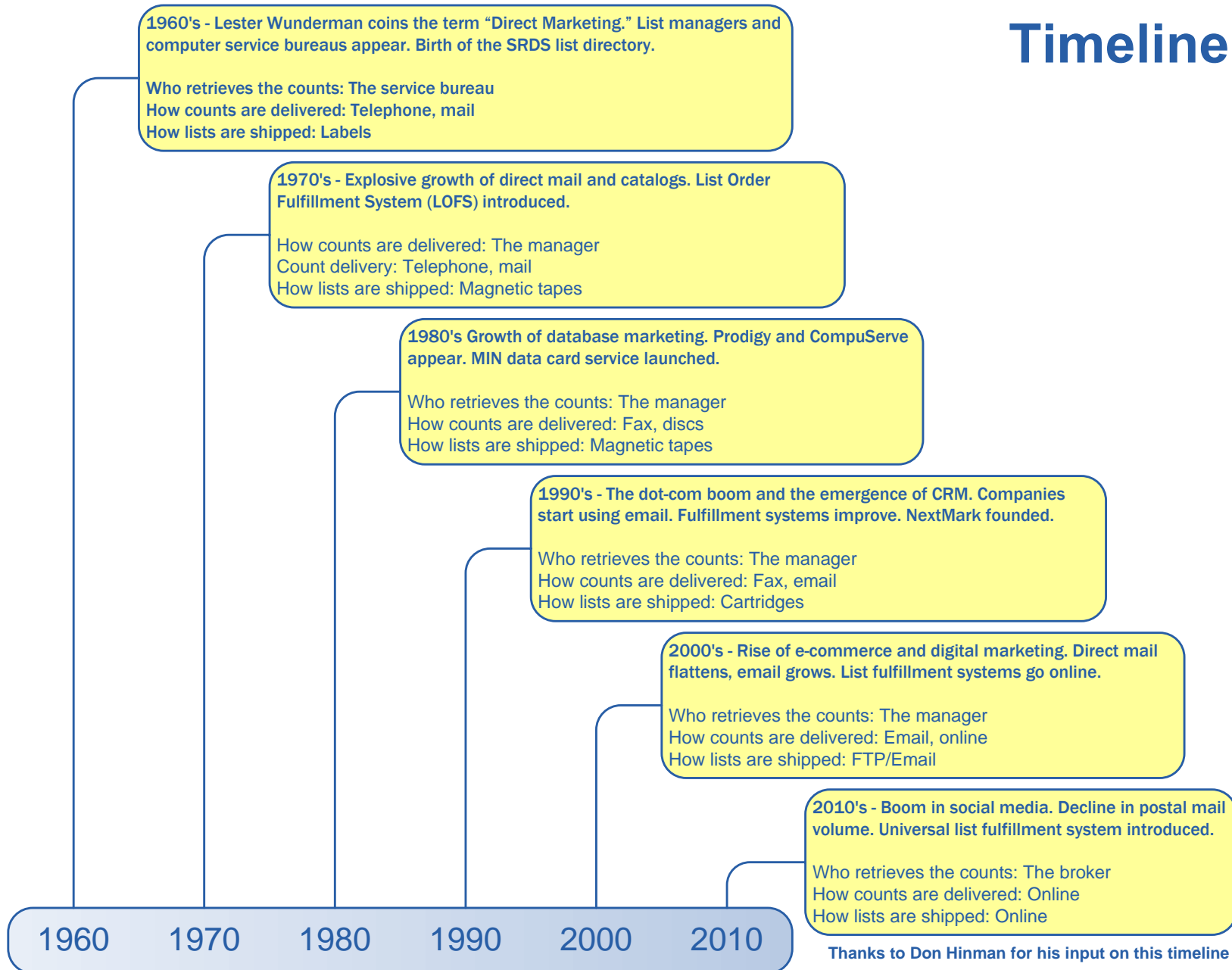
and conceivably send out unique clearance requests to 100 different list owners and managers and do that without having to prepare individual emails,” Kanter says.

Medico adds that a universal system, while not easy to develop, is the ideal answer.

Green concurs.

“It’s a win for the business,” she says. “We’re all for it.”

Timeline



About the Author



Ray Schultz is the head of TellAllmarketing, a company devoted to custom publishing. He is the former editor of DM News and Direct, and founding editor of Direct Newslite, Direct Listline, the Circulator and 1to1 magazine. In 2002, he was named the Direct Marketing Association's List Leader of the Year.

About NextMark

NextMark provides the tools and resources that help organizations to buy, sell, and learn about addressable media including postal, email, telephone, package insert, online, and mobile programs. NextMark currently indexes and tracks more than 100,000 addressable media programs from 1,400 sources. Its solutions have been proven through more than 7,700,000 media searches and 120,000 media plans for thousands of catalog merchants, retailers, fundraisers, politicians, banks, telcos, entertainers, broadcasters, publishers, and other organizations that reach their market directly. NextMark is a privately held corporation headquartered in Hanover, New Hampshire USA with its Marketing Information Network list services operation located in Edmond, Oklahoma and on the web at <http://www.NextMark.com>.