

*The
Berger Report*[™]

Announcing the first Internet-based
Automated Personalized Selling System

– *APSS* –

Patent Pending

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Confidential

APSS, Automated Personalized Selling System

Introducing APSS, the first intelligent fully automated marketing tool. APSS intuitively guides your prospects through your sales and marketing campaigns with spectacular results. Every day, companies use various aspects of this system; however, the power of APSS is its ability to function as a totally integrated solution combining Internet, database and digital printing technologies. In this report, I'll provide an overview and focus on its business applications.

Communication, the Name of the Game:

APSS efficiently manages communications with prospects, customers, investors, shareholders, consultants, strategic partners, associations, organizations and media personnel. Using the Internet, APSS promotes personalized dialogue while automatically moving prospects through the following steps of the sales process:

- interesting them in products or services
- building trust and fostering relationships
- identifying needs, timing, budgets, roles
- educating them
- presenting solutions
- breaking down purchase barriers
- fulfilling collateral material
- getting them to respond (e.g., order, inquiry, sales call, showroom visit)

Mining the Web:

The following excerpts, from *DM News*, 1998, prove the value of collecting information and sales leads via the Web:

\$200,000 Web Experiment Nets 3Com Nearly \$4 Million

3Com's Internet advertising experiment spawned a prospecting database that turned a \$200,000 outlay into \$3.9 million in sales.

In all, 22,372 people responded... The cost per response from banners was \$5.05 and the cost per response from e-mail was \$3.90.

Besides being able to change the media plan on the fly, the beauty of the 3Com campaign also lies in how inexpensive leads are to process... entrants filled out their own information online, eliminating administrative costs.

Information, the Heart of the Matter:

At the center of APSS is MEIS (Managed Extranet Information Services), which controls the entire process. This database/information strategy determines:

- What information is collected
- How the information is used
- What information is disseminated
- When, how and to whom information is disseminated
- Data mining and analysis parameters

Minting Golden Business Opportunities:

A prospect qualification process called M-I-N-T™ automatically identifies the following: Money, Influence, Need and Timing.

Once a visitor is qualified, the sales department is instantly notified via web, e-mail, fax or pager.

Printing-on-demand, Medium and Message:

An E-form™ enhances the web site's effectiveness by dynamically generating HTML documents that can be immediately viewed and printed by the Web site visitor. The information contained on the E-form™ or in a database is automatically inserted onto the newly created Web page using DBXML™ (DatabaseXpress Markup Language). Customizable documents such as product literature, contracts, confirmations, coupons and price lists are instantly provided via the Web.

If desired, printing requests can be sent to remote locations for customer fulfillment. Glossy color brochures, cover letters, invitations, newsletters, press releases—even mailing labels—are instantly generated. By using breakthroughs in digital printing, APSS can produce customized high-quality four-color collateral material, quickly and economically, to reduce the costs of:

- production
- inventory
- distribution
- replacing out-of-date material

The following extracts from *DM News*, 1998, emphasizes the advantages of printing-on-demand:

Web's Power May Rest in Ability to Marry Data, Targeted Print Pieces

The Internet's capacity for data gathering and print-on-demand's infinite flexibility to create targeted, high-quality, four color digitally created pieces is a natural match. Digital printing—which produces high-quality output directly from digital files without creating printing plates—is the tool that marketers and agencies have been waiting for to put their still-growing Web activities to practical use.

When automobile manufacturer Subaru wanted to ratchet up its engaging but non-interactive Web site to offer consumers more than sales information, it transformed a portion of its site into an interactive experience with a follow-up mechanism. Interested consumers were permitted to “build” their ideal cars on-screen, including choosing interior and exterior colors...and where they would like to drive their cars. Logged-on tire kickers provided the fundamentals of database information: name, address, etc.

Within 24 hours of submission, a personalized brochure, including pictures of the precise model in the preferred setting (say at the Grand Canyon), down to the interior colors, was in the mail to the consumer courtesy of his Subaru dealer.

KPN, the Netherlands-based telecommunications company, reported success with its Internet and telephone system.

It enabled consumers to request information about products and services via an IVR system and receive a customized catalog in the mail within two days. The campaign permitted consumers to access the service via telephone or the Internet.

Was it successful? Last year's KPN campaign inspired nearly one-fifth of the Dutch population to pick up the telephone or visit the Web site. As a result, more than 3,000 customized 36-page booklets were produced each week. Of those who responded, 45 percent purchased a product or service within two months while 91 percent referred to the booklet when making a purchase decision.

According to another article in *DM News*, Cincinnati-based Kroger, the country's largest grocery retailer, with \$26.6 billion in annual sales, now offers discount coupons on house-brand products through the mail to Web site visitors at www.kroger.com. Eighty-five percent of consumers use coupons to buy groceries and health and beauty care products. And...

The Internet offers marketers the ability to hit the right people with the right offer at the right time.

Consumers print ValuPages (coupons) on their home printers and give them to cashiers. More than 186,000 people downloaded ValuPage shopping lists and bought more than 100,000 products.

Powerful Databases, Links to the World:

APSS effectively builds databases by gathering information from user-defined E-forms™. Additionally, APSS automatically collects value-added information (via an interface with internal and/or external databases) such as corporate and personal credit ratings, demographics and legal background, and merges it with the visitors' database record. The following excerpts, published in *DM News*, 1998, demonstrate the power produced by linking internal and external databases:

SmartSite Automates Fulfillment with Web, Database, Digital Printing

The concept of one-to-one marketing is becoming a reality as Web sites are linked with databases and variable data digital printing.

Customers visiting a site enter information—such as their interests and contact data—into a text field. The information is accumulated in a text file and shipped electronically to a database that forms a profile and then onto a digital printing system that builds a customized direct mail piece targeted to the customer's interests.

SmartSite populates its database with data from Polk, Acxiom, First Data Solutions and Metromail.

DM News reports that networking company, 24/7, will begin serious efforts to encourage member Web sites to contribute information from visitor registration forms into its database. Once it has a substantial amount of names, 24/7 will study the data and profile it against information from third party list companies. It offered 3.25 million shares at \$14.00 per share on August 14, 1998. Within weeks, the stock skyrocketed.

Fostering Relationships, Rapid and Strong:

A Relationship Management Matrix controls the automated campaign management and fulfillment processes.

After visitors submit E-forms™, they may receive automated personalized e-mail messages, helping to foster relationships and move them through the sales process.

APSS is user friendly and can be accessed at any time. Because APSS is Web-based, it is capable of generating custom online reports, directories and distribution lists—twenty-four hours a day. It is easy to pull up a specific list of prospects, paste a message into a pop-up window and, with a mouse click, send everyone a personalized e-mail.

Touches, Personal and Persistent:

Personal messages are sent to visitors at appropriate times using the communication medium (e.g., Web, e-mail, fax, US mail) of their choice. For example, e-mail effectively distributes information and allows prospects, with a click of a mouse, to access additional information as described in the following extracts from *DM News*, 1998:

Online Portal Battle Overlooks Superior Performance of E-mail

The buzzword of 1998 has been ‘Portal’—a name for a customized interface to the Web. Portals tell people where to go to buy a book or CD. Amazon.com will pay a lot of money if you send customers their way and so will almost anyone with something to sell.

In many cases, e-mail is a superior portal. Instead of surfing the Web for the latest news, I subscribe to services that send me updates. If there is a headline I’m interested in, I simply click on that link and am taken directly to the article.

E-mail is fast, inexpensive, manageable, easy-to-use and uniquely personal. It is an important communications tool, often surpassing the telephone for many forms of business and personal interaction. Direct e-mail campaigns average response rates of well over 20%.

APSS, The Power to Succeed:

The information captured by APSS can be directly linked with or imported into an existing on-site marketing database. Fuzzy-logic, Multi-regression or Neural-net methodologies can be applied to APSS, giving you the most advanced marketing tool available today—capable of executing intelligent automated marketing campaigns.

If you're looking to improve your sales and marketing results, I'd appreciate an opportunity to work with you.

I've worked with industry leaders such as IBM, Cisco, SGI, Bowne Internet Solutions and AppNet/Sigma6.

To learn more about APSS and hybrid direct marketing, please call me at 734-741-8913. Or you may contact me using the information on the back of this report.

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