

AIIM E-DOC – Reach and Relevance with Transpromo Communications

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The typical consumer receives thousands of marketing messages per day from a wide variety of media sources: television, radio, print, direct marketing, the internet, e-mail, voicemail and mobile phones and so on. At the same time customers are increasingly discerning in the information they wish to receive, when they receive it and from whom—they don't want their time wasted with irrelevant or inappropriate offers and general unsolicited junk.

So for marketing and communications departments the challenge of reaching the right customers at the right time is getting tougher and tougher. Wider ranging product offerings with ever shorter lifecycles and diverse communications channels mean that such communications are best highly targeted and personalised. As consumers become increasingly bombarded by an abundance of marketing messages, personalised or one-to-one marketing is key to ensuring organisations are maximising the customer experience, improving customer acquisition and building customer loyalty and attracting new customers.

The growing need to offer customers personalised and integrated communications has led to the emergence of a new category: "transpromo" (or transpromotional if you prefer) communications, merging the worlds of transactional printing and promotional marketing. Transactional documents such as invoices or account statements, whether delivered in paper or digital format, are often the most frequently used communication between business and customers. Due to the relevance of a transactional document, the consumer is not only guaranteed to open and read it, but it is also estimated that a recipient will engage with a transactional document for an average of around forty seconds, compared to not even opening a promotional document.

Notably, in the digital world consumers are increasingly immune to the intrusive and often irrelevant nature of email and web advertising, and actually favour receiving targeted direct mail. Whilst the typical response rate for bulk direct mail is well under 2 percent, by adding targeted personalisation, this rate is estimated to jump to nearly 14 percent, suggesting a quantifiable profit advantage for companies using personalised documents as a direct marketing tool.

Transpromo documents combine transaction information with promotional messages personalised according to customer profile data in the transactional databases business. This has the potential to capture the consumer's attention, enhance their perception of the corporate brand and potentially increase their spending. Personalised transpromo documents can be both paper and digital and can also be extended to include the use of cross-media tools like pURLs (personal URLs) and microsites, which

can be used to improve customer experience as well as to measure the impact of the print campaign.

One-to-one or personalised marketing is nothing new. Most organisations are aware of its benefits—from increased response and higher conversion rates, increased profits and enhanced customer loyalty. So, can transpromo really become a vital part of a customer communications strategy and what technology is required to exploit it? Underpinning transpromo must be robust customer relationship management (CRM) and enterprise resource planning (ERP) systems, and data mining capability, along with document production such as digital colour toner and inkjet presses and document composition solutions.

Digital printer manufacturers have not ignored the significant revenue opportunity that the transpromo market presents them for their digital colour press devices, particularly as colour material is proven to be read and retained more than black and white. Today's digital press printing technology is more affordable offering higher quality and performance, enabling companies to deliver more cost effective transpromo documents than ever before. Full colour variable data printing and variable data document composition software can be fully integrated into ERP and CRM systems to match existing customers with relevant promotional offers.

Vendors such as Xerox, Kodak, Canon, HP, Océ and InfoPrint Solutions Company all offer transpromo products as a combination of hardware and variable data printing (VDP) software. Vendors are also approaching this market through offering document outsourcing services such as Xerox Global Services through its Customer Communications Service and Pitney Bowes who offers end-to-end services for transpromo—using customer and location intelligence, mail stream technology and document composition software. These services are not limited to print, offering multichannel output such as web, email and SMS delivery.

When it comes to cost savings, the transpromo document is effectively the combination of two functions into one, thereby reducing costs in document creation, delivery and storage. For example, organisations that print bills generally have their operations and marketing departments produce their materials separately, incurring separate paper and printing expenses. However, by leveraging transpromo documents, printed via VDP, in which billing information and marketing messages are both printed together on the same blank sheet, organisations can save production costs on paper, press time and proofing. Also using less paper saves on the burdensome cost of warehousing and storage. In addition, budgeting for printing overages can be eliminated through the use of on-demand printing. With VDP, there is no

waste or spoilage to take into account, unlike traditional offset printing, so organisations will no longer need to pay extra for quantities over their specified print run.

Transpromo is still an emerging market, but it certainly offers the potential to strengthen customer relationships and drive new business by offering relevant marketing communications. Businesses can then view statement and bills as revenue generating opportunities rather than cost centric obligations. However, adopting this approach requires significant organisational changes and investment. This ranges from educating disparate

business units such as marketing and operations on how to integrate their communications materials, as well as taking advantage of appropriate hardware and software technology.

Despite the growth in the use of alternate media, print is likely to be around for some time as a medium for transpromo documents, but the future of personalised marketing most likely lies in multichannel communication, where a coordinated approach means that marketing communications reach customers at the right time, with the right offer via their preferred channel.

About Quocirca

Quocirca is a primary research and analysis company specialising in the business impact of information technology and communications (ITC). With world-wide, native language reach, Quocirca provides in-depth insights into the views of buyers and influencers in large, mid-sized and small organisations. Its analyst team is made up of real-world practitioners with first hand experience of ITC delivery who continuously research and track the industry and its real usage in the markets.

Through researching perceptions, Quocirca uncovers the real hurdles to technology adoption – the personal and political aspects of an organisation's environment and the pressures of the need for demonstrable business value in any implementation. This capability to uncover and report back on the end-user perceptions in the market enables Quocirca to advise on the realities of technology adoption, not the promises.

Quocirca research is always pragmatic, business orientated and conducted in the context of the bigger picture. ITC has the ability to transform businesses and the processes that drive them, but often fails to do so. Quocirca's mission is to help organisations improve their success rate in process enablement through better levels of understanding and the adoption of the correct technologies at the correct time.

Quocirca has a pro-active primary research programme, regularly surveying users, purchasers and resellers of ITC products and services on emerging, evolving and maturing technologies. Over time, Quocirca has built a picture of long term investment trends, providing invaluable information for the whole of the ITC community.

Quocirca works with global and local providers of ITC products and services to help them deliver on the promise that ITC holds for business. Quocirca's clients include Oracle, Microsoft, IBM, Dell, T-Mobile, Vodafone, EMC, Symantec and Cisco, along with other large and medium sized vendors, service providers and more specialist firms.

Details of Quocirca's work and the services it offers can be found at <http://www.quocirca.com>