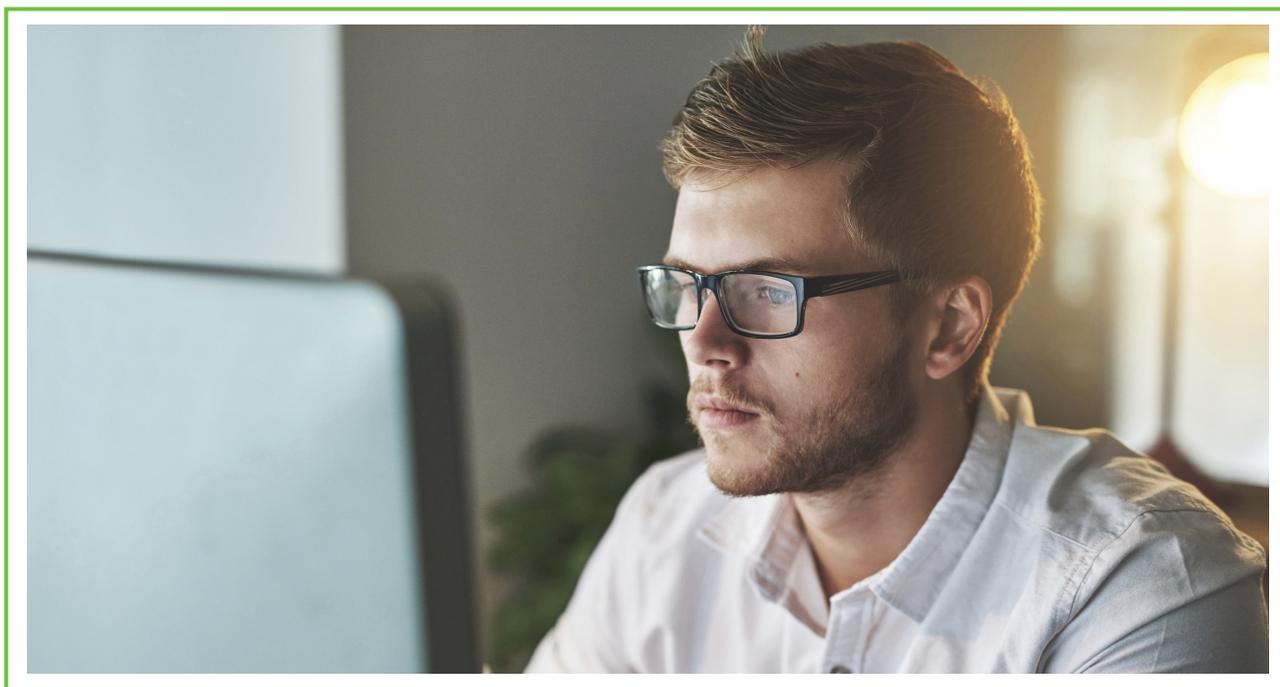


How to Build Customer Loyalty with Data and Document Management



Executive Summary



Today's digitally-driven business environment is transforming the way organizations communicate with their customers. The number of channels through which brands can now reach people is growing to include email, physical mail, social media, text messages, web portals and many other outlets. As a result, companies are now faced with the challenge of managing massive amounts of data in order to drive business results and build customer loyalty.

This whitepaper takes a look at the different aspects of data and document management software for organizations. The main points to note are:

- Data and document management is all about handling customer information.
- Organizations are faced with more and more customer data to manage and protect.
- Customers are demanding the use of multiple communications channels.
- There are five major trends in data and document management.
- There are business benefits to be gained from investing in the right data and document management software.

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1. What is a Data Management Workflow Expert?



The data and document management behind any successful customer communications piece lies in the hands of a data management workflow expert. This role may be named differently within individual organizations. Essentially, a data management workflow expert is in charge of customer data and making sure it is securely stored, accessible to those who are entitled to handle it and used to develop relationships with customers.

Such a role involves managing the type of customer information to be collected, how it is compiled and stored and where it is communicated to, this could include a number of digital or physical channels. Such a role is relevant to organizations of any size in the public or private sector.

According to Christopher M. O'Brien, Executive Vice President, Communication and Shipping Solutions at Quadient (formerly Neopost) USA: *"In terms of data that is being managed for customers today, the sectors that are currently managing the highest volume of data in the United States, and that have the greatest need for secure data, are financial services, insurance and the medical sector. And there is a fourth sector that is also showing signs of development: the education sector."*

2. Major Data and Document Management Challenges

“I think the most challenging part is dealing with the immense amount of data that is now becoming available. [...] The more you know about your customers and their business strategies, the more you can create a relevant relationship with them.”

Christopher M. O'Brien

Executive Vice President,
Communication and Shipping
Solutions, Quadient (formerly
Neopost) USA



Data and document management specialists face the following major challenges: securely **gathering data** from all the various inputs; securely **compiling the data** so that it is easily readable and adds value; **distributing the data** among people within a company so that it can be used by employees to serve their customers and securely **storing** the data.

Additionally, the quality of the customer experience has become an essential topic when business managers determine how to best manage their customers' data via a document output management solution. It's clear that businesses need help finding simple ways to manage the customer experience within the deluge of content being delivered to individuals through all available communication channels.

As Mr. O'Brien explains: "I think the most challenging part is dealing with the immense amount of data that is now becoming available." There is so much more information out there than ever before and the volume continues to grow. Organizations are using websites, apps, social media and many other channels to promote their businesses. Companies need all the data they can collect to better understand their customers. "The more you know about your customers and their business strategies, the more you can create a relevant relationship with them," confirms Mr. O'Brien.



Did You Know?

According to the Annual State of the Transactional Communications Market Survey, InfoTrends, 2016:

- Businesses cite improving data management and leveraging customer data as top priorities.
 - Context: This was **18%** of 250 businesses surveyed, with the full list below
 - 43% Improve customer experience
 - 42% Reduce costs
 - 30% Security and compliance
 - 19% Improve mobile access
 - 18% Increase paper turnoff rates
 - **18% Leverage customer data for more relevant communications**
 - **18% Improve data management**
 - 16% Improve marketing strategy
 - 14% Integrate customers' transactional data with a marketing strategy
 - 13% Manage customer delivery and payment preferences
 - 12% Customer authentication and identity management

- Only 30% of businesses have achieved a "single view of the customer" by integrating customer data within and across divisions of their organizations
 - And for those who do, only 34% say that their marketing/customer experience teams do a really good job with leveraging that data

3. Five Major Trends in Data and Document Management

1

More and More Compliance

The standards for protecting data security in the U.S. and Europe are increasingly stringent. Now, companies must make sure that solutions they implement comply with data security standards.

2

The Speed of Data Capture

More than ever, all the data being captured must be processed quickly in order to respond to the needs of a specific customer.

3

Minimum IT Involvement

CRM (Customer Relationship Management) or ERP (Enterprise Relationship Planning) systems are critical for most organizations to effectively run their business. When they choose to add document management or data quality software to their corporate IT infrastructure, they look for solutions that can integrate with their systems, are simple and easy to implement and require minimum IT involvement.

4

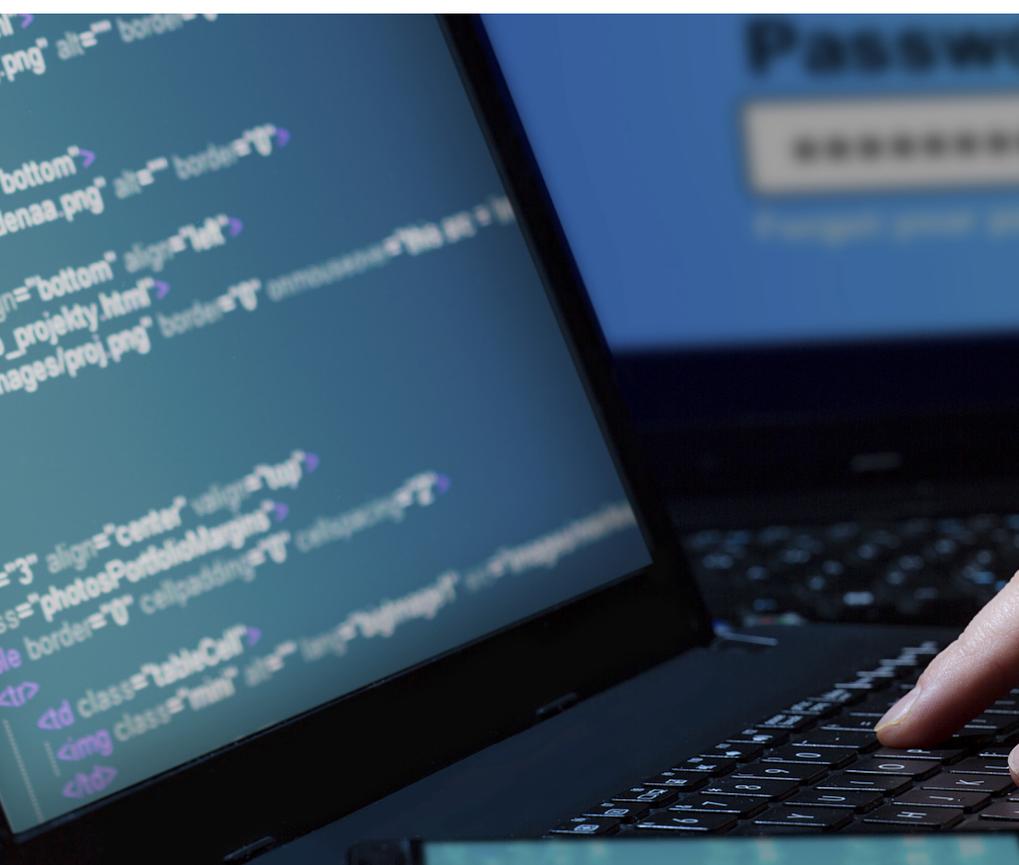
Flexibility

Organizations today want to be able to change the parameters of their data and document management software when their business needs change. This means that the software should be able to scale as the company grows and is flexible enough to easily integrate with current systems.

5

Tracked Documents

In addition to using email to send transactional documents, we are seeing a trend towards “tracked email.” This includes the capability to determine whether a document has been read. An email link to a portal shows customers’ documents and reveals whether recipients have received and opened their invoices.



Tracking physical mail is equally important and software can be used to show that the proper documents were inserted into the right envelope during mail preparation, as well as show which documents have been delivered and signed for as proof of delivery.

4. Before Investing in a Data and Document Management Solution



Before investing in a solution, ask your provider to review each stage of your data management (customer communications) workflow. This involves identifying potential problems at each stage of the process. This requires a detailed workflow analysis that determines how you can optimize your processes with a comprehensive solution tailored to meet your specific requirements.

Something as commonplace as returned mail illustrates this point well. Returned mail is a symptom of a broader customer contact data quality problem. An analysis can be carried out in order to find the root cause of the poor data quality. This is typically found upstream from the document output process. Your provider should be able to identify the exact point at which the address was initially entered into your customer database. Larger operational issues usually surface at this point; issues that require a more comprehensive solution.

Other factors such as financial considerations, performance, current and scalable technology and available training, should also be part of your selection criteria. These areas all have a role in helping you determine the most appropriate solution to address your data and document management challenges.

4. Before Investing in a Data and Document Management Solution



Did You Know?

Figures from the USPS (United States Postal Service) show that almost 40 million people change addresses in a given year. And when this happens, databases deteriorate.

According to the Annual State of the Transactional Communications Market Survey, InfoTrends, 2015:

- Organizations with incorrect, incomplete or outdated customer contact information see elevated rates of returned/undeliverable mail **(53%)**, delayed bill payments **(50%)**, elevated call center volumes **(44%)** and bounced emails **(43%)**.
- Having an incomplete view of customer data reduces call center efficiency **(55%)**.

Data and Document Management Solutions Available

There are software solutions available on the market today that help organizations handle their data. Some solutions can actually help you compile information from numerous sources into a single updated customer contact record, which is critical to ensuring you have the most updated and correct address of your customers.

In addition to handling data, there are software solutions out there that help businesses automate the creation and preparation of their critical customer communications. Not only can these solutions help eliminate wasted time and resources in preparing outgoing documents, they can also help enhance the look and feel of those communications.

The ideal solution is a single platform that can manage both data and customer communications effectively. A single solution should not require a lot of IT resources for implementation and should be able to keep your existing business applications – ERP, CRM or accounting platforms – intact. A convenient, easy-to-use, single source of service delivers major operational efficiencies and cost savings without discarding existing infrastructure and protocol.

4. Before Investing in a Data and Document Management Solution

How Can Software Improve Documents?

All of your outgoing communications documents, in particular your transactional documents (invoices and statements), can be enhanced. Software can take invoices from your existing ERP or business applications and change the engine that is used to create, format and print them. A lot of transactional documents are not created in the most easy to read format and many times organizations lose out on opportunities to send targeted messages or promotions as part of these communications. With the right software, you not only improve the format of the document but can also insert targeted messaging in the same communication. This powerful software allows you to add personalized text and overlays and images to the document to enhance the look and feel of the communication and promote your company's branding. You can even add promotional messages targeted towards specific customers.

Users of such software do not have to be IT specialists. Only a few hours of training is required to learn how to enhance outgoing documents. Some software allows IT to grant certain "permissions" to business process owners, such as marketing or finance folks, which enables them to manage specific elements of the data and document output workflow. Formerly, this could only be handled by IT which could sometimes create a bottleneck.

How Can Software Improve Address Data?

Address verification software enables you to improve the address quality for all of your documents. In the U.S. for example, you can check that the physical address on your mail piece is correctly formatted and that the communications piece is being sent to the recipient's latest address. This helps ensure that you send the right information to the right person.

The Role of IT in Data and Document Management

A wide array of documents can be produced by different departments, at different times and in different geographical locations across a business which can pose a challenge to an organization's data management workflow. It is important that IT be involved with anything that impacts their organization's data management workflow, but solutions to help optimize the workflow should not carry a heavy burden on IT. Solutions chosen should therefore be flexible enough to allow access for a variety of users with different permissions and user rights, which allows business process owners to control only what they are responsible for. This helps limit the bottleneck with IT as users are allowed to control specific functions without IT involvement, and at the same time provides IT administrators with ultimate control over which user has access to specific features.

5. The Business Benefits of Data and Document Software Solutions

Easier Transpromotional Marketing

Powerful document output management software has the capacity to easily add transpromotional messaging (advertising on transactional documents such as invoices) to your customer communications. The concept itself is not new, but many companies struggle to execute on integrating such messaging due to the labor it takes to manually insert enclosures and the complexity of determining the specific customers that should receive the promotional messaging. However if you opt for a software solution that allows targeted messaging to be added through a simple, user-friendly experience, you can solve this problem easily and add transpromotional messages to the documents of your choice.

Improved Customer Relationships

Improving the look and feel of your documents and adding targeted promotional messaging not only helps you personalize your customer communications but also enables you to streamline your processes which, in turn, improves the relationship you have with your customers. A good example of this can be seen each time you receive incoming documents. For example, if you send out invoices with a payment slip attached, you can add a simple barcode to the payment slips. When these payment slips are mailed back, you can automate the incoming document process with letter opening machines that can open at least 300 envelopes a minute, scanners that snap a document for electronic storage or handheld scanners that log items, documents and returns through your barcodes. This means you can do things a lot faster and improve the entire customer-related process.

Data and document management software solutions not only help you improve the quality of your documents and increase productivity (which in turn reduces costs) they also provide you with integrity to ensure that

the right document is sent to the right person. This is accomplished with physical mail by applying intelligent barcodes to the documents using specific customer identifiers, which ensures the right communications are inserted into the right envelopes. For digital delivery, document output management software provides you with the ability to securely send your communications via email, including a digitally signed PDF with a protected password that enables recipients to open the document.



5. The Business Benefits of Data and Document Software Solutions

Optimizing your data management/customer communications workflow means that your customers:

- Do not receive multiple communications because different documents are grouped together in one envelope
- Do not receive delayed invoices and other communications because their address was formatted incorrectly or inaccurately
- Have the option to choose the delivery method they prefer: paper or electronic
- Receive personalized transpromotional messaging in a user-friendly format that is targeted to their needs

Increased Cost Savings

- High-performing output management software automates and centralizes a user's document preparation process, eliminating manual labor and increasing operational efficiencies.
- Such solutions merge different documents for the same customer into a single envelope, which allows for savings on printing, envelope and postal costs.
- Address validation software ensures your customers' addresses are accurately and correctly formatted so that important communications reach the intended recipient. This helps eliminate the costs associated with resending returned mail.
- Integration with postal presorting software also helps reduce postal costs.

Better Compliance with Regulations

A document output management software solution adds integrity to your mail assembly process by securing the content of each communications piece with intelligent

barcodes that ensure all critical communications, such as financial statements or health records, reach the intended recipients.

Such a solution is typically installed on your company server (premise-based solution). While the choices are currently limited, you do however have the option of choosing a SaaS-based version as opposed to a premise-based version. That said, while the right SaaS or cloud-based solution provides a high level of security, some companies prefer not to opt for the cloud as they feel they need to protect their data behind their own firewalls, therefore in essence they control more elements of the data flow.

Faster Transition from Physical to Digital Mail

Many companies today believe that they are behind in their digital strategy. They are not sure where to turn. Investing in the right document management software solution enables businesses to easily evolve to digital delivery via a single platform, and address their customers' request to choose the delivery method they prefer, whether it be paper or digital delivery.



6. Future Prospects for Data and Document Management



Multichannel Delivery

There will be increased amounts of data to handle in the future. It will be important for businesses to manage this data and make it relevant to recipients. Getting the right information to the right person, via the right channel and in the most cost effective way - this is not going to change - but the channels we use will continue to evolve. Therefore the ability to communicate via these different channels is going to be critical.



Did You Know?

According to the Annual State of the Transactional Communications Market Survey, InfoTrends, 2016:

- Businesses cite that “improving customer experience” is their top business priority for the next year relative to critical communications
- Consumers highlight the ability to select their communication preferences as a way for providers to engage them and build long-term customer loyalty.

TOP FIVE

- 33% Give me discounts
 - **32% Let me select my communication preference**
 - 25% Add more payment options
 - 24% Personalize my experience
 - 23% Offer online chat
- Consumers are asking providers to make business communications they receive by mail easy to understand, colorful to emphasize important information and personalized to accentuate relevance.

Customer Data Protection

The responsibility of managing and protecting personal customer information has escalated into legal requirements in many industries and will continue to be a major challenge that virtually all companies will face in the years to come. As a result, the role of a data management workflow expert will become even more critical to a company’s “health.” Organizations will be required to find new ways to enhance the security and integrity of outbound communications.

Conclusion

As we move forward, ensuring customer loyalty will be closely linked to data and document management software. Many people may still wish to receive printed documents in the future but, as Christopher M. O’Brien concludes, *“Most people, especially when it comes to invoices, will want to receive these documents on their mobile devices, view them on a portal and, unlike today, decide when they receive them.”*

Sources

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