

## Break through the clutter: 7 reasons to consider TransPromo now!

In today's hyper-competitive economy, marketers are challenged more than ever with:

- **Breaking through the clutter.** There are more marketing messages than ever aimed at consumers and businesses, which in turn makes it harder than ever to be noticed. Email campaigns get lost in ever-fuller inboxes; TV, radio and websites deliver a constant barrage of messages and, increasingly, we all see and receive marketing messages on our mobile devices.
- **Scarce budget resources.** More than ever, marketers are being asked to deliver more results at a lower cost. Yet, in order to succeed, they have to deliver messages at a higher frequency across more channels. While some, like social and email, are perceived as “free” – the truth is that the staff time and software solutions required to effectively leverage them is a major cost.
- **Holding on to the customers, members or donors you have.** Acquiring new customers is a difficult and expensive proposition. All companies need to do it, but if you focus on acquisition at the expense of keeping the customers you have, your acquisition programs will need to fill an ever-deepening hole before they can grow your customer base. That's not a sustainable situation.

That's why there is so much talk about “TransPromo” marketing today. It offers businesses a way to engage with their existing customers to test campaigns, sell them additional products and services, and deliver messages aimed at building customer loyalty.

HERE ARE 7 REASONS TO GIVE “TRANSPROMO” MARKETING A TRY.

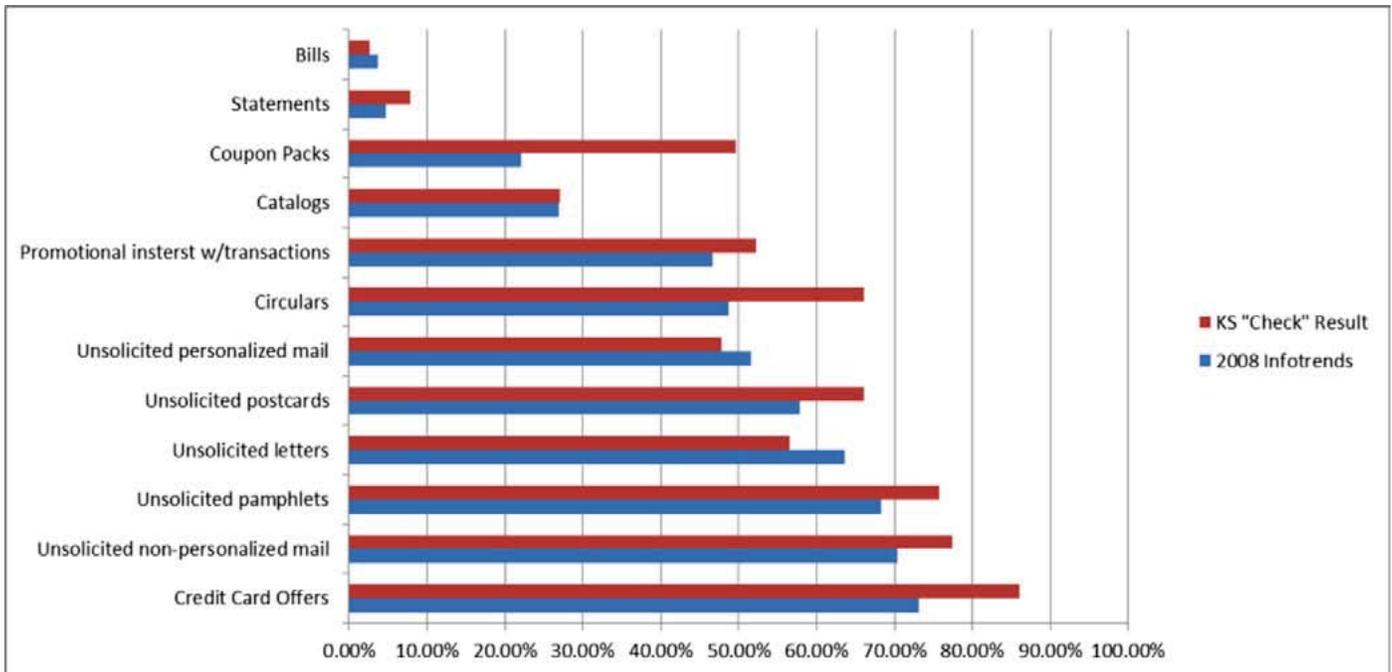
### 1. Transactional documents, like statements, get read

In 2008, InfoTrends, a leading worldwide market research and strategic consulting firm, released a study entitled “Trans Meets Promo ... Is It More than Marketing Hype?” They wanted to know what kinds of mail people discarded without opening or reading. Some of the results were not surprising. 73.1% reported discarding credit card offers, for example. But one statistic stood out and is routinely cited by companies: Only 4.7% reported discarding statements and only 3.7% reported discarding bills. That means 95.3% of people open or read their statements.

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If you're like us, you're having a hard time believing that statistic. The perception in many companies is that people don't review their statements, so there's no point in making them brand-compliant or attempting to use them as a way to reach customers with marketing messages. But everywhere we looked, we kept seeing that study cited. So we decided to test it.

We conducted an online survey asking the same question with the same possible answers. It was distributed via LinkedIn and Facebook and those taking the survey were encouraged to share it with others. Granted, it's not the most scientific method ever, but we just wanted to compare our results with the 2008 InfoTrends results. Here's the big surprise: The results were very, very close.



According to our "validation" survey, 6.3% of people typically discard statements without opening or reading them. Or, looked at the other way, 93.7% of people open or read statements they receive by mail.

The perception that people don't read their statements is most likely driven by the reality that it's those who discard them without reading them that call to complain when their statement or billing information isn't what they expected it to be.

Regardless of why the perception exists, statistics show that most people really do open or read their statements. That's an opportunity to get your customer's attention – to cut through the clutter, make some noise and be heard.

### 2. An opportunity to do more with less

While there is evidence the economy is slowly improving, the recession challenged businesses large and small to consider ways to better utilize their budgets and do more with less. The simple fact is that pre-recession budgets are unlikely to return even as the economy recovers. There is more accountability for every dollar spent – and a greater expectation for a return on investment.

Statements and invoices have to be sent. There is simply no way around it and doing so costs money. More and more businesses are beginning to understand the value of every customer touch. Marketers, depending on the message, are realizing how each of these touch-points can be used to develop a closer relationship with customers.

Smart marketers take the additional step of using their customer data to personalize messaging and make offers specifically tailored to each customer based on the products they've already purchased, demographic information and other segmentation criteria.

### 3. Save money

Businesses are concerned more than ever about managing and reducing their costs. Using transactional documents as a marketing channel optimizes an operational expense. That frees budget resources which can then be directed to other revenue-producing initiatives or dropped straight to the bottom line. The savings and efficiencies are found in:

- Postage. According to a Direct Marketing Association estimate, about 25% of the cost of a direct mail piece is attributable to postage. It simply makes sense to aggregate marketing messages or notifications with documents that are already going in the mail stream.
- Reduced production and creative spend. By placing messaging directly on transactional documents, and even with inserted materials, companies can avoid the cost of creating and producing separate mail packages for marketing campaigns. That means less money spent creating materials and less money spent on creative and account fees with your marketing and/or advertising agency.

### 4. Supports a migration to electronic presentment

Increasingly, people are becoming more comfortable with receiving their statements, product updates, legal and other documents electronically. This represents a great opportunity for many businesses to further control costs and provides marketers with additional opportunities to deliver highly targeted and personalized messages to customers.

Our check survey showed that more than half of the responders receive statements and other financial documents both electronically and by mail. By reviewing your own data, you can develop messages to encourage customers to move to receiving electronic documents only. Giving them a choice, and communicating with them in the manner they prefer, contributes to customer loyalty.

### 5. Measurable marketing campaigns

CEOs, shareholders and just about every other stakeholder want to see a monetary return on marketing expenses. After all, realizing return on investment is the ingredient that makes a company successful. According to survey results released by the Fournaise Group<sup>1</sup>, 69% of CEOs in business-to-consumer companies believe marketers “now live too much in their creative and social media bubble and focus too much on parameters such as “likes”, “tweets”, “feeds” or “followers” – the very parameters they can't really prove generate more (business-quantifiable) customer demand for their products/services, and the very parameters judged “interesting but not critical” by CEOs.

TransPromo provides marketing with a trackable, cost-effective way to reach the right audience with relevant messages and offers and, more importantly, deliver financially quantifiable results through increased sales and reduced customer churn.

### 6. Build loyalty and brand reputation

Most of the discussion in the market regarding TransPromo focuses on putting marketing messages on a statement. This view misses the opportunity to build customer loyalty by providing relevant information that, while not selling a product or service right then and there, can help ensure your customers continue to buy from you – rather than your competition.

The opportunities depend on your business and audience. Imagine you have just welcomed a child into your home. The hospital will send a statement to you, detailing what your insurance covered and what you owe out of pocket. But this misses an opportunity. The hospital could include information about parenting classes and other resources for new parents. For a bank or credit union, if you know your account holder has children approaching college age, messaging could direct them to resources about how to pay for college.

These types of information or content offers demonstrate that your business is paying attention to your customers and what's important to them. The goodwill generated will result in lower customer churn and positive word-of-mouth about your business.

### 7. Print as an interactive medium

Our world is increasingly-digital and TransPromo marketing can help you take advantage of the opportunities presented by connected mobile devices.

With the prevalence of smart phones, QR codes are becoming more widely adopted – especially in the United States. Using them, you can deliver all sorts of content – depending on your business objectives.

- Deliver coupons or discounts
- Entry form for a sweepstakes or other contest
- Direct purchase
- Access a video
- Link them to your social media presence

Including interactive elements, such as QR Codes, in your marketing creates engagement with your customers and improves marketing results.

### WHETHER YOU ENGAGE A PARTNER OR TEST TRANSPROMO IN HOUSE, HERE ARE 4 TIPS FOR SUCCESS:

**Design your documents with TransPromo in mind.** A consistent, well thought out document design will improve your results. Your design should be clear, concise and uncluttered. And be sure your marketing space doesn't interfere with your statement's primary purpose!

**Consider your audience.** You have access to a lot of data about your customers that can be used to create relevant, personalized messages for them. Adding generic, one-size-fits-all messaging will be less successful, doesn't contribute to building customer loyalty and could be perceived negatively by some customers.

**Use Color.** A well designed document will use color to lead the recipient to the information you want them to see. That doesn't end with the marketing messaging – color should be used to help your customer navigate the document to find important information about their transactions or other critical messages.

**Don't limit yourself to the document.** Depending on the message, the product and your audience, an envelope, an insert or a complete page may be the right way to deliver your message and generate the results you are looking for. The right partner can help you test different messages and message placement to learn what is most effective for your business.

### Boost your marketing ROI

TransPromo can be one of the most efficient and effective tools in your marketing mix. In order to gain the most value from it, be sure to carefully target and test your messages and how they are delivered with your transactional documents. Then you can truly reap the potential benefits of a well-considered, well-executed, TransPromo campaign.

### Learn more:

To learn more about the potential impact of TransPromo marketing and Kaye-Smith's solutions, please visit our website at [KayeSmith.com](http://KayeSmith.com) or call Dick Ehrig at 800.822.9987.

<sup>1</sup>July 2012 Fournaise Group, [www.fournaisegroup.com](http://www.fournaisegroup.com), "CEO's Do Not Trust Marketers"

### About Kaye-Smith

Kaye-Smith is the Pacific Northwest leader in the execution and management of business-critical communications. From electronic and paper statement processing to highly-personalized, targeted marketing programs, it is critical that you deliver on your brand promise at every point of contact. ISO certified, HIPPA compliant, and SSAE No. 16 – SOC 2 audited, we help our clients execute their business communications securely, effectively and efficiently, providing them with the tools they need to control costs, ensure compliance and maximize the marketing opportunity of every communication. Facilities in Seattle and Portland provide built-in disaster recovery and business continuity.