

# What is multichannel communications?

Why is it important for your business?



# Editorial



**Henri Dura**, Managing Director, Neopost Document Solutions and CEO, GMC Software Technology

*“I believe that multichannel communications is a major part of the answer as it enables companies to reach out to customers.”*

“ Technology has empowered the consumer, putting him in the driver’s seat 24/7. In other words it is the customer who decides when and how to interact during a business relationship. This could be with a bank, an insurance company, a telecommunications organization a utilities group or any other entity. However if a consumer receives a message that is not relevant to him, or via the wrong media or at the wrong time, his customer experience will be far from optimal.

How can enterprises deal with this? I believe that multichannel communications is a major part of the answer as it enables companies to reach out to customers via their preferred channel, whether it be on paper, a smartphone, laptop or other device. Companies need to move from simply sending information to actually interacting with customers. And they need to ensure their customers are motivated to interact with them.

Customer communications are evolving rapidly. New technologies are in the spotlight as organizations make the transition to a world in which social media, mobility, data analytics and cloud computing (known as SMAC) begin to take center stage. So if enterprises really want to maximize the impact of digital communications they need to acknowledge SMAC trends.

You may have already decided you need to invest in a multichannel communications platform. Or maybe you are not so sure. Whatever questions you may have, this white paper will help you make the right choice for both your customers and your business. There is no single solution to suit every business. But I am convinced that if you make multichannel communications part of your overall business strategy you will be able to ensure that all the necessary elements of your customer communications are adapted to suit your budget and expectations. “

# The difference between multichannel and omnichannel communications

Over two billion people are now connected to the Internet. They are well informed, connected and constantly "on the move". These people are active across many channels. They read their physical mail, log onto their emails, check their text messages, "like" social media and blog posts, share videos and visit websites, wikis and web portals.



In this digital age customers have a world of choice and are free to choose to engage with companies that understand their individual needs and preferences. This means that enterprises that are capable of engaging with customers across both digital and print channels will be able to build their business and increase market share.

Multichannel communications is all about using available technology to ensure your target audience is presented with information or the ability to react to information across multiple channels. Customers expect to receive personalized, relevant communications that capture their attention despite their busy schedule. And, they are more likely to react to your message if it is delivered via their preferred media. In practice this involves sending the right message, at the right time, via the right channel.

Multichannel communications is more of an operational approach, and enables customers to complete transactions using different channels. Omnichannel communications however, views the experience through the customers' eyes and manages the customer experience across all channels so that it is seamless, integrated and consistent. This synchronized approach presents a single face to the customer and a consistent way of communicating. In other words Omnichannel is Multichannel done professionally.

# Customer communications management

Communicating with customers today is all about connecting, engaging and building sustainable, trustworthy relationships.

A Customer Communications Management (CCM) strategy is therefore essential for businesses wishing to remain profitable in the digital era. A CCM program can offer you the following benefits:

## Customer retention

Consumers do not think twice about unsubscribing from brand communications when the messages they receive are not relevant to them. Therefore you have got to have the ability to communicate appropriately across all channels in order to keep customers.

## Marketing opportunities

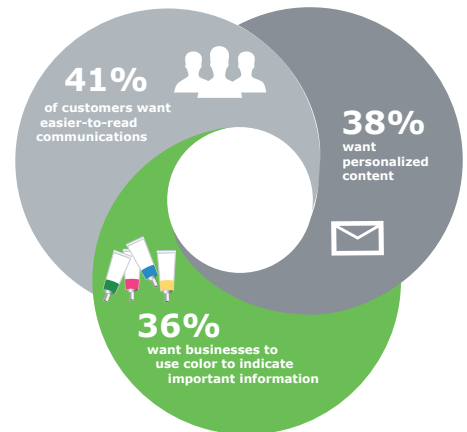
Transactional documents such as invoices and statements are opened and read more than any other type of documents. But they are generally sent out by Operations or Finance departments. If you allow your Marketing experts to leverage this type of customer communications, by adding for example personalized promotional messages, you could transform your transactional mail into a valuable touch point, bringing in new orders.

## Improved cash flow

Outstanding payment figures dramatically decrease when customers are offered a wider range of payment options. Expanding your payment options to include physical mail and a range of digital-based bill paying options not only improves your treasury performance, it also increases customer satisfaction.

## Did you know?

Research carried out by InfoTrends in the US revealed that:



## Physical mail and digital media in the UK

### Key Facts & Figures

- Physical mail volumes are declining but still exceed 15bn items pa (OFCOM)
- Since 2005 the print sector's share of the economy has nearly halved and is predicted to halve again over the next 5 years (Ibis World)
- The highest response rates to Direct Marketing campaigns are in retail services, personal banking and services (DMA)
- The percentage of physical mail resulting in receivers taking action increased from 4.0% in 2004 to 5.9% in 2011 (Royal Mail Consumer Report)
- Including DM alongside other channels increases overall campaign effectiveness. In overall terms an increase of 20% has been observed. (BrandScience Results Vault)
- Almost 9m adults have not used the Internet in the last 12 months. (BrandScience Results Vault)
- Rapid e-substitution of physical communications is currently growing for the following types of communications: tax returns, bank statements and B2C invoices (IbisWorld)
- The rise of digital media as a marketing channel has altered the landscape for the printing industry with 58% reduced print runs and 54% changing customer demands (The UK Printing Industry - Future Focus survey report 2014 - BPIF)

# Embrace digital & enhance physical mail

As **Malcolm Lane-Ley**, Chairman of the Anton Group in the UK, says

*« If you want to add real value you will need to ensure you have an extensive range of products and services that can meet the changing communication needs of clients. »*

One of the fastest growing trends in customer communications today is the shift from physical to digital communications. InfoTrends (a market research and strategic consulting firm) is forecasting that 8.6 billion (35%) consumer bills and statements in the U.S. will be delivered as paperless in 2017. So although this represents a significant increase, compared to 18% in 2012, it still means that paper is here to stay for another while. The reason for this is that the consumers surveyed value receiving bills and statements by physical mail because it:

- **Acts as a reminder for them to pay**
- **Can be archived as a hard copy**
- **Is their preferred way to receive communications**

However in reality digital channels can also act as reminders to pay, while offering simple and secure archiving capabilities. Customers who prefer to receive their transactional communications by physical mail will most likely continue to do so. However they will expect high quality communications in the future. Other customers will prefer digital communication channels for payment including pdfs by email, web portals and e-invoicing service providers. Offering consistency across channels allows people to switch according to their needs at any moment. This may involve the use of a tablet one day and then moving to paper where prestige or attention grabbing may be more effective. If you would like to serve your customers better, it is probably the right time to carry out a survey to find out how your customers like to send and receive their business communications.



# Business benefits of multichannel communications



One single platform can be used to implement an integrated multichannel communications strategy across an entire enterprise. This empowers the organization to produce, optimize and deliver customer communications via both paper and digital channels, depending on customer preference.

A successful multichannel campaign enables you to:

**Speed up customer acquisition** by efficiently targeting individuals through their preferred channels

**Grow customer satisfaction and loyalty** by providing clear, targeted and consistent customer communications via any channel

**Cross sell/up sell** by transforming regular transactional documents such as invoices or statements into relevant marketing tools containing personalized offers

**Reduce outsourcing costs** by bringing document creation in-house

**Improve your brand image** by reducing manual errors thanks to the automation of batch document creation

**Boost operational efficiency** by merging data and streamlining business processes to create, produce, deliver and track customer communications

**Ensure brand consistency** by taking control of all of your document design and template management

**Increase time to market** by designing documents once, maintaining less templates and consolidating assets such as pdfs, Word documents and logos into one single controlled environment

“You have got to have the ability to communicate across all channels in order to keep customers”

**Simon Harris**  
UK Sales Manager, Insurance,  
GMC Software Technology

# Effective customer communications

There are four key foundations for effective communication:

## Clarity

This involves making sure we understand what customer needs are and ensuring content delivers these needs. For example not all customers want to see all the transactions on their bank statements. Effective communications is like having a conversation. It should only be about things the person you are talking to is interested in.

## Context

We know all customers are different. But how do we know what to give them? We need to give them content that is relevant

to their needs. For example if a bank notices that someone is saving a lot of money it could embed targeted promotions and new product offers on statements and bills.

## Choice

Organizations drive choice, not consumers. For example banks often fail to give us a choice and simply inform us that statements will be sent in a digital format and if we prefer paper statements we have to pay for them.

By giving people the opportunity to choose how they receive their communications means you can increase customer engagement.

## Consistency

All of the benefits of multichannel communications are lost when there is no consistency. This means coherence when it comes to messages, images and colors. Multichannel communications platforms provide you with tools for creating consistency, in a sustainable compliant way. This ensures that people know who their message is coming from, whether it be in a paper or digital format.

# The importance of data

Data silos exist in many organizations. And this can cause problems. For example if you have a customer who does not pay his bills, you should not be sending him new offers. Therefore someone needs to take ownership. A team needs to bring together data from different systems and merge it into both print and digital channels.

Many companies make the mistake of taking data from different sources. They do not realize that you need to merge data in order to create value. For example if a customer regularly buys clothes online, the financial platform used for payment will contain a lot of useful data on how the customer likes to pay. He may prefer to pay on receipt of goods or in advance. If the retailer in question has a

separate database containing a complaint from this customer because his account was debited twice by mistake, this could be overlooked. Also if you have errors in your data systems you may have different entries for the same person in different formats and the same person may receive the same direct marketing campaign many times. "By merging all the data you have for the same customer you can create a Single Customer View. This enables you to provide customers with better service, create better customer relationships and more adapted communications campaigns" explains Esther Labrie, Marketing Specialist at Human Inference.



# Conclusion

Businesses today are increasingly faced with having to manage separate projects in order to get a message out via web portals, consumer smart phones, tablet apps, email and print channels. Co-coordinating this is both difficult and complex. Even when it works, there are significant gaps between the different channels. The information available to the customer is not the same on every channel. This causes frustration which can lead to the customer leaving or contacting the call center to complain. Either way, the business is losing money.

As Scott Draeger, Customer Communication Strategist for GMC Software Technology, explains “Managing customer communications as a portfolio is a solution. This requires modern CCM technology that accesses data and content from many systems and assembles it into effective customer communications regardless of the channel. By connecting communications together early in the process, it becomes easier to manage complex communications. Effective CCM adopters can truly focus on their customers, instead of focusing on technology.”

“Most people resist change, even when it promises to be for the better. But change will come and if you acknowledge this simple but indisputable fact of life and understand that you must adjust to all change, then you will have a head start”

Arthur Ashe (1943 - 1993)  
American World No. 1  
professional tennis player.

## Sources

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