

# Integrating Business and Customers through Transpromotional Documents

**T**ranspromotion is a technique that marries promotional materials and transactional documents to target a captive audience. Firms are using transpromotion for valuable up sell opportunities, increased satisfaction, customer retention, improved loyalty, and greater profits.

Transaction documents such as statements, invoices, and notifications, sent through the mail are necessary costs of doing business. By transforming these communications into ongoing, sustainable customer dialogues they create a powerful, profit-generating experience. Simply put, transpromotional documents place marketing messages (the more personalized the better) on transactional statements that makes it more likely a customer will see the promotions because roughly 95% of people open and look at their bills and statements. Considering most direct marketers strive for a 5% conversion rate from unsolicited mailings, communicating to customers on statements increases that number to an almost perfect 100% open rate—talk about effective marketing.

Transpromo is a way to make static documents relevant, dynamic and in some instances to turn costly materials such as bills, statements etc. into a revenue generating mechanism. Organizations “sell” white space to complementary vendors or business partners. For example: A car dealer selling space on a monthly car payment statement to a third party vendor such as an auto insurance company or car security provider such as On-Star.

For a true transpromo campaign, some level of customer data availability is required, such as favorite store, travel destination, and geographical information. Data analytics are then applied to provide relevant and personalized messages and special offers are added to the document that will ultimately connect customers to the mailer. Accessing the information in customer-facing documents such as statements and welcome

packs has traditionally been a challenge because these documents are typically stored in back-end systems and embedded in IT departments to insure accuracy and security.

With transpromo, companies bridge the gap between finance, marketing, and IT and leverage existing customer data to produce personalized and meaningful communications. The simplest kind of transpromo application might involve placing a generic marketing message on a monthly statement. This tactic is ultimately not very effective, as it doesn't consider customers as individuals. With the right technology in place a high-impact program is more sophisticated, more precisely targeted, and not as difficult as it might seem. By integrating data taken from various information streams such as customer sales and credit history, customer relationship management systems, and other sales and marketing sources with the right technology the company can send offers for women's clothing to those customers who regularly buy those products or offers for car maintenance services to customers who bought mufflers or tires.

## Why Transpromotional Marketing Works

Statements and invoices are expected—they contain important financial information and usually require action. Ninety-five percent of transaction documents are opened and read every month.

- 1.** Statements and bills receive more attention than any other form of communication, including television ads. The average customer spends between one and three minutes to review their bills.
- 2.** Everyone trusts the Postal Service to send and deliver mail and highly important documents, while e-security and telephone fraud continue to make headlines.
- 3.** Statements command more attention when they are initially opened and they are often read more than once. The paper-based, in-the-hand nature of transaction mail is valued by consumers as they pay bills, submit expense reports, prepare taxes, and file documents.
- 4.** Statement based marketing is cost effective because of its target audience: current customers. A five percent increase in customer business can translate into as much as a fifty percent increase in bottom-line profits.
- 5.** Driven by an opportunity to provide better up-sell and cross-sell initiatives, streamline operations, and assure compliance many organizations are adopting transpromo solutions:

- A print and mail operation can now adapt more robust data and file formats from their clients offering a higher level of value based on capabilities that include color variable print and images.
- A financial services firm has eliminated color reprints and can now route files, process data and apply full color overlay to generate personalized statements using advanced document re-engineering software.
- A telecommunications company reorganized their monthly statements to improve readability and reduce paper costs, adding unique offers based on each customer's profile and geography.
- A major service bureau serving the cable and telecommunication industry now prints dynamic messaging in color and black and white, segmenting offers based on specific customer preferences.

The concept of placing promotional materials in transaction documents is not new, but a more intelligent approach to these efforts makes it possible to create marketing experiences that are more personal and relevant. Transpromo should be treated as a process rather than a one-time project. Transpromo strategies are dynamic and organic. As you consider your strategy there are key axioms to keep in mind. Primarily it is important to create a messaging strategy that is crucial to ensure you are communicating the right messages, to the right customers, at the right time. Companies should also try to focus on business needs, not technology. Before jumping into transpromo a business should assess their environment and business requirements. This means evaluating both current and available technologies and whether further investments are warranted.

Today's transpromo marketing efforts have already proven themselves in their ability to boost customer acquisition, build customer loyalty, and reduce costs. These new document solutions all have their roots in customer communication management, which provides—via location, customer, production, and channel intelligence—a strategic framework for optimizing customer touch points. The rewards of transpromo are great: increased satisfaction and customer retention, improved loyalty, and cross-sell, and greater profits. And, it begins so simply, with a statement in the mail, the one communication that customers will read every month.