



IMb[®] Tracing Solutions

Leverage IMb tracking to improve response rates, cash flow, customer experience and more

Abstract

The Intelligent Mail® barcode or IMb, is now required for any mailer looking to earn postal discounts. The USPS will scan the IMb as the mail is processed throughout the postal network, generating billions of new data points.

Already, organizations like yours are finding ways to turn this data into customer intelligence. This e-book details how you can reduce costs, streamline workflow and generate new revenues by using this data in marketing, operations, billing and customer care.



Delivering Mailpiece Intelligence

When postal barcodes were first introduced, the primary purpose was to help automate mail delivery. The new generation of postal barcodes offers so much more.

The standardized, machine-readable barcodes are scanned at postal facilities as the mail is processed for delivery. The data that is captured as these scans occur make it easy to monitor, track and manage incoming and outgoing mail. Because the barcode includes a unique six or nine digit serial number, mailers now have the capability of identifying delivery status at an individual mail piece level.

Your Organization Relies on Customer Data

Some businesses will invest as much as five percent of their revenue on information and information technologies to gain a competitive advantage in the marketplace. In many companies, the right information can improve the quality of decisions made throughout the organizations. Every day, marketing managers, underwriters, financial analysts, service reps and department heads are called on to make on-the-spot choices that affect bottom-line performance, impacting whether or not your company will:

- increase response to marketing efforts
- provide accurate, timely customer service
- expedite cash flow and reduce the cost of funds
- eliminate waste and redundancies
- retain its best customers

Leading companies are finding ways to integrate data into business processes, and in some cases, automate decisions with on-demand business analytics. New tools include event-driven data platforms that capture business events in real time, aggregate intelligence, apply rules and even trigger queries when pre-defined thresholds have been reached.

What Intelligent Mail® Means to You

While the Intelligent Mail barcode has been in use for several years, it became a required element on mail in January 2013 for anyone looking to qualify for the lower automation postage prices. The full-service option, which requires a unique barcode on each and every mailpiece, is expected to be a requirement by 2014. Now, organizations who were putting off the switch are busy learning how they can tap into this new-found intelligence.

From a postal perspective, the Intelligent Mail program increases the value of mail, making delivery more efficient and providing companies with access to innovative services that can help manage resources, reduce expenses, adapt to market conditions and increase responsiveness to customers.

Your company's transition to Intelligent Mail will generate numerous data points that can help you improve marketing, enhance customer service as well as streamline billing and collections.

While most company executives spend little time thinking about mail production, the value of mail-based intelligence has already attracted hundreds of top corporations looking to reduce costs, streamline processes and drive incremental revenue.

Three factors are driving the interest in mail-based intelligence:

1. The information involves current customer transactions and can drive decision-making in timely, practical ways.
2. The information is pervasive, giving you the ability to impact results across an entire enterprise.
3. Once you adopt Intelligent Mail services, the information will already be in-house—ready and available to your business.

IMb™ — Your Source for New Business Intelligence

This 65-bar code produces a wealth of customer information and event-driven data. In simplest terms, this data connects companies with their customers and all postal operations—creating an automated, two-way dialogue that can feed essential mailstream data to marketing, customer care, billing and finance. The IMb gives you:

1. Mailstream Visibility

You can monitor and track customer communications automatically, including confirmation of all incoming and outgoing mail. You gain access to a centralized repository of event-driven data that can be used to reduce costs and improve business processes throughout your company.

2. Increased Customer Knowledge

You can get immediate feedback when your customers move to a new address or other events that could negatively impact your ability to communicate with them in a timely manner.

Transforming Your Business

Intelligent Mail is not a concept—it has already proven its value at some of the top corporations in America. By simply tapping into the dialogue that transpires between your company and your customers, you can use mail-based intelligence to make better decisions in virtually every aspect of your business, including:

- Marketing
- Customer Care
- Operations
- Billing
- Finance
- Customer Experience Management

Marketing: Sell More Effectively

Marketing departments were one of the first groups to adopt mail-based intelligence, probably because it is easy to measure its impact. Significant opportunities include:

Optimize Call Center Staffing

When it comes to call center staffing, timing is everything. With too few agents, calls go unanswered; having more agents than needed adds tremendous cost.

As so much direct mail is sent Standard Mail®—with delivery times ranging from two days to two weeks—being able to pinpoint delivery dates precisely allows marketers to optimize call center staffing, ensuring the right number of agents—no more, no less—are ready to take orders on any given day.

Target In-Home Windows

The ability to track and monitor mail delivery across the country also provides marketers with a competitive edge: the ability to plan communications so that they arrive at just the right time.

Whether it's the opening of a new bank branch, a special sale for a retailer or an invitation to an exclusive customer event, the ability to design a marketing campaign to reach its target audience on a pre-determined date can increase response and avoid the embarrassment (and wasted expense) of mailings that arrive too late, or early.

Reach More Customers, More Often

Every year, over 40 million Americans change their address—and many make no effort to let you know. That's one of the reasons why well over a billion communications are returned to sender annually, and an additional six billion pieces of mail are simply discarded by the USPS® because they are undeliverable as addressed.

For marketers, that represents not only a huge cost, but also a lost opportunity. The nearly eight billion communications never delivered represent people who may have been interested in your products and services, but may not have been aware of those offers. With Full Service Intelligent Mail, the Postal Service™ can provide you with address corrections via Address Change Service (ACS®) so you can stay connected.

Leverage Life-Event Triggers

Knowing when customers are moving offers another significant advantage to marketers, as these life events correspond with new needs, increased spending and new relationships with service providers. Capturing mail-based intelligence – often the first sign of a change in address – makes it easier for you to develop automated, triggered marketing programs to capitalize on the opportunities that new movers present.

Customer Care: Deliver Timely, Accurate Response

Call centers are increasingly relying on technology to improve productivity and increase customer satisfaction. Tools that incorporate Intelligent Mail® data help companies manage performance at a higher level.

Reduce Talk Time

While most call centers measure talk time, everyone agrees that the quality of the call can be even more important. The ability to monitor and track the status of mail-based communications—including check disbursement, fulfillment kits, statements and compliance notifications – arms your representatives with the facts they need to respond to customer inquiries with speed and accuracy.

Reduce Unnecessary Calls

In many call centers, a high percentage of calls are related to mail communications—confirming whether payments or orders have been sent or received. With the IMb™, delivery dates can be identified and the information made available to customers through email or web-based messages, eliminating follow-up calls and inquiries.

Make Better Fee-Waiver Decisions

If there's any confusion as to when a bill was received or when payment was sent, many companies will forego legitimate late fee charges in the interest of customer service. Armed with precise information, however, customer service reps will have the confidence they need to make smarter decisions.

At one leading financial services firm, Intelligent Mail tracking proved far more profitable than the benefit of the doubt. Verifiable tracking data on payments entering the USPS® resulted in fewer late-fee waivers—generating \$15 million in additional revenue.

Prevent Missed or Delayed Communication

It is not uncommon for companies to send communications to an incorrect address month after month—simply because they don't have a mechanism in place to capture and update address changes. This can lead to significant customer service issues, numerous phone calls and extra cost.

Integrating mail-based intelligence into processing systems makes it possible for you to incorporate more accurate information early on, thereby ensuring that mission-critical communications, including invoices, arrive in a timely manner.

Twenty-Three Ways You Can Benefit from Intelligent Mail Data

1. Optimize call center staffing
2. Target in-home dates
3. Reach more customers, more often
4. Leverage life event triggers
5. Reduce talk time
6. Reduce non-order in-bound calls
7. Make better fee waiver decisions
8. Prevent missed communications
9. Reduce cancellations
10. Manage risks and decrease fraud
11. Generate low-cost proof of mailings
12. Avoid unnecessary remains
13. Reduce costs on returned mail
14. Expedite invoicing
15. Improve lockbox analytics
16. Predict cash flow more accurately
17. Collect more effectively
18. Maximize discounts
19. Safeguard revenues
20. Ensure compliance
21. Strengthen the customer experience
22. Synchronize multi-channel communications
23. Analyze customer segments

Operations: Make Smarter Decisions

Operations groups often support the needs of multiple departments, offering companies the opportunity to impact results on a larger scale because of the sheer number of transactions involved. Intelligent Mail data can help lower costs and increase efficiency in several areas.

Reducing Cancellations

When you don't receive payment, you have every right to cancel service. But every week, utilities, telcos and other companies spend thousands of dollars turning off service—only to reinstate these customers a few days later when payment is received. In regulated industries, such as insurance, the cost-to-cancel and re-issue policies are even greater as multiple communications are required.

These costs—including the corresponding strain on customer relationships—can be avoided in many cases by incorporating mailstream intelligence into your operation. By barcoding remittance coupons, for example, you can gain visibility on incoming payments up to three or more days in advance, providing the insights needed to make smarter business decisions.

Better Management of Risks and Reducing Fraud

When high-value mail, such as checks and credit cards, does not reach its intended destination, it could be the result of an error, theft or potential fraud. Items can be taken from the production floor or lost in transit. It is even possible that communications and payments can be redirected to a new address by the named recipient in an attempt to disguise a home location. Gaining the ability to track delivery from beginning to end offers companies a powerful tool that can help manage risk and identify potential issues before they become a liability.

Generating Low-Cost Proof of Mailings

To safeguard delivery, many companies spend thousands of dollars on Certified Mail™ and Delivery Confirmation™. These costs are unnecessary with the IMb™, which can generate verifiable data that can quickly resolve a wide range of disputes. Information can be archived and shared with internal constituents, regulators, senior management and others to verify compliance and streamline service-level agreement management. In addition, USPS® performance can also be validated to help identify lapses in service delivery.

For one large insurer, intelligent proof of mailings proved far more cost-effective than certificates. Delivery status costs on cancellation notices dropped from \$0.30 per piece to \$0.015 per piece, resulting in \$285,000 in savings every month.



Avoiding Unnecessary Remails

Today when a customer calls to advise that he or she did not receive an expected communication, the easiest response is to request a remail—an out-of-process mailing that could cost significantly more than the original. Armed with accurate, on-demand information, you can provide exact status including the expected delivery date and avoid sending duplicate mailings for pieces that are still in transit.

Reduce Cost on Returned Mail

In many companies, returned mail is considered a cost of doing business. But the true cost is far greater than many executives care to admit. When you add up the print and mail costs for the initial mailer, the increased call volumes, handling of returned mail, and the subsequent remail costs, the total could run between \$3.00 and \$11.00 per piece. And that's not counting the lost sales opportunities, communication delays, customer dissatisfaction and delayed revenue receipt.

Historically, tackling the problem of returned mail has been seen as a major undertaking, and because the costs are absorbed by many departments across an enterprise, no single group is usually willing to lead a company-wide initiative. With the advent of Intelligent Mail, however, the data needed to update addresses and reduce Undeliverable-as-Addressed mail is more readily available and easy to apply.

The payoff can be large: one insurance company that dealt with this problem decreased the total number of returned mail pieces by nearly 40%, saving hundreds of thousands of dollars. It was also able to re-deploy a total of 22 full-time employees who had been working on one aspect or another of the returned mail problem.

Billing: Follow the Money

Most companies depend on the mailstream for invoicing and remittance, and managing this communication channel more effectively can have a direct link to your ability to improve overall cash flow.

Expedite Invoicing

Company revenues depend on timely payments from customers, and when an invoice reaches its intended recipient late—or not at all—revenue streams may suffer. The United States Postal Service Postal Service®, estimates that 34 percent of mail contains address errors that could delay or prevent proper delivery.

With ACS, you can update records or take corrective action before your next invoice is sent, which will help keep receivables flowing on schedule.

Improve Lockbox Analytics

Time is money, and the time it takes for a lockbox service to process and post remittance checks can cost a company thousands of dollars in interest revenue. By monitoring the flow of payments from the time they leave customers' hands to the time revenue is posted to an account, you can identify potential gaps in the process and take the necessary corrective action.

Predict Cash Flow

You can use the same intelligence to predict cash flow days in advance, because you will know the exact date that each payment is mailed. Such data will make it easier for treasury departments to make more informed decisions in terms of corporate capital.

Collect More Effectively

With precise knowledge of when customer remittances enter the postal system, you can eliminate excuses ("the check is in the mail") and prioritize who and who not to contact—saving five dollars or more for every call averted. You could also suppress production of unnecessary dunning notices, which leads to big savings in both printing and postage costs.

At one leading credit card company, Intelligent Mail proved far more profitable than the power of persuasion. Verifiable tracking data on payments entering the USPS® slashed outbound call volume by 18% and yielded annual savings in the millions—with no reduction in collection efficiency.

Finance: Calculate the Savings

Rarely does one data application provide so much value across an enterprise. Given that companies rely on the mailstream for so many mission-critical functions, however, it is not surprising that mail-based intelligence can positively impact both revenue and expenses in so many ways.

Maximize Discounts

Before taking advantage of any of the value-added intelligence offered by IMb Tracing™, companies that are Full Service-compliant will reap the benefits of lower postage costs. Some corporations may be able to save millions of dollars by adopting the enhanced barcode.

Safeguard Revenues

Use Address Change Service (ACS) to update addresses and ensure that invoices reach their intended destinations faster. And with greater visibility into the mailstream, you can better manage collections, improve lockbox operations, optimize late fee revenues and manage cash flow with greater confidence.

Customer Experience: More Important Than Ever

In an attempt to build customer satisfaction and brand loyalty, many companies have turned their attention to the customer experience. At some organizations, new roles have been created with titles such as VP of Customer Experience. And at one Fortune 500 firm, dozens of Customer Action Teams (CATs) have been formed to identify gaps, re-engineer processes and fix problems before they occur.

One of the reasons why Intelligent Mail applications may be so attractive to individuals charged with managing the customer experience is that the data is based on actual customer transactions—information that most customers expect you to have available at your fingertips. Another big reason is that, by managing this single source of data better, improvements can be made across dozens of key customer touch points, including billing, automated response units, customer care, collections and online account management.

Synchronize Multi-Channel Messaging

Another way Intelligent Mail applications can enhance the customer experience is through the synchronization of multi-channel marketing messages. By knowing precisely when your mail will arrive in customers' homes, you can use this information to "trigger" pre-arrival or follow-up electronic/mobile messages. These coordinated messages can boost anticipation of special events or offers, direct customers to websites for additional information, and generally increase the impact of direct mail—and help increase response.

Analyze Customer Segments

While most companies already have a good understanding of their customers, data provided by the Intelligent Mail Barcode can yield additional layers of valuable information. The barcode makes it easier to segment customers across a wide range of behavior characteristics, instantly see overviews of entire mailing campaigns, track individual behavior across single or multiple mailings, and more. As a result, you have more flexibility in defining the precise criteria needed to spot and analyze trends or problems. This facilitates efforts to tailor future campaigns to accommodate customer behavior and, ultimately, optimize results.

While the 23 applications identified previously will apply to most businesses, there are even more ways Intelligent Mail data can drive results when you consider the unique needs within your industry.

TrackMyMail Services from Pitney Bowes:

Making the IMb™ Work to Your Advantage

If information is the oxygen of the modern age, TrackMyMail™ from Pitney Bowes is a source of fresh air. No other application offers the range of tools and support you need to maximize the full value of Intelligent Mail. You get access to industry-leading solutions in customer data quality, data integration, business geographics, electronic content management and unrivaled know-how in postal data optimization – which enables you to improve the quality of decisions made throughout your organization.

With TrackMyMail, you can speak with experts who can explain your options, and provide a detailed analysis outlining the specific ways you can play a role in this new mail-based data. We'll demonstrate how you can automate decisions with on-demand business analytics and leverage event-driven triggers to improve customer satisfaction, operational processes and cost efficiencies.

With the Intelligent Mail barcode becoming widely adopted, take time now to learn how this great source of customer intelligence can improve your performance.

Visit www.pb.com/trackmymail or call 1-888-444-9972.