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Print's customers need to understand the benefits of adopting transpromo

Don't inflate a small idea, take a big one to help customers achieve best results sans investing

A report by Pira International finds transactional printing will grow at a modest CAGR of 1.7%, but its sub-segment, transpromotional printing, at a dramatic 18.9% from 2009-2014.

Another market research by InfoTrends shows that bills and statements received in the mail are opened and read more than 95% of the time, with consumers spending anywhere between two and four minutes reviewing each piece.

What does this mean? It means that these documents are turning out to be valuable interaction with an organisation's customer base, done knowingly or unknowingly by the customer. This said, the market research also states that six in ten consumers say they would prefer to see more colourful communications, even carrying marketing messages, rather than the traditional transaction and statement inserts ride along with the bill. This is where transpromo comes in – blending promotional messages into transactional documents to create a new marketing product.

There is no denying that the companies that send these bills and statements know us very well, through our money spend on purchase, lifestyles and the actual product purchase. Due to this, the companies are able to communicate a message that would be of interest to the recipient.

All this, without increasing the printing cost or timelines. By increasing message targeting, without losing the customer's trust, a transpromo can be quite advantageous. It does not always have to be tied to an offer; it can simply act as a vehicle to disseminate information.

When considering transpromo, one has a distinct advantage over postal spending. Postal rates on nearly every class of mails has been on the rise and it becomes that much expensive to send heavier mails. Direct marketers are continually challenged to offset these costs, which can represent up to 65% of total direct mail project budgets.

Yet there are many marketers who fail to focus their cost-reduction efforts on postage, trying instead to cut print and materials costs, and other campaign elements.

What you do with transpromo is: combine a 'must read' document with loyalty-building and cross-selling information. And what's more, with cost of print per colour page using the latest machine dropping, transpromo comes cheap.

So if transactional bills and statements are going to be mailed anyway, trying transpromo with it, each month is another way to attract attention.



Mehul Desai is the chairman and managing director of Mail Order Solutions

Making it colourful

For years, transactional bills and statement have been printed in black and white using a pre-printed form providing a touch of colour. But InfoTrend study has revealed that more and more transaction material over a period of time will be printed in full, digital colour output, which is become more faster and affordable than it has been. This is a trend we have also witnessed.

The cost of printing a colour page using a digital press has dropped considerably from say a decade ago. Further it makes promotional messages stand out. Companies worldwide that have implemented digital colour are experiencing improvements in the revenue collection process and better cashflow through the effective use of colour.

What we have also observed with our customers is that there is an increase in response rate as far as payment is concerned, which in a way offsets much of the cost of communicating in colour. In addition, what colour printing does is highlight key information, which in turn increases comprehension reducing call centre traffic and associated customer support costs.

In 2009, InfoTrends surveyed nearly 800 direct mail, bill and statement providers in Western Europe through a Trans Meets Promo – A European Perspective. Companies from the spread across six Western European countries participated. They asked transaction document owners who were using digital colour why they chose to do so. The main reason was because colour conveys a higher value to the customer.

In today's economic scenario, customer loyalty has assumed great significance and if anything, they are strengthening their efforts to communicate with and retain customers. And what better way than to do by adding colour to a document that customers interact with every month and making the communication more meaningful for the customer by communicating on areas of interest to that particular customer.

There is no doubt that transpromo segment will grow in coming years. Given the need to cut costs and achieve the best financial results without adding any new investment, company will understand the importance of transpromo. Crucially, it also ticks the CSR box on the environment by saving waste, as well as postage.

The concept – transpromo – may seem complicated, but transpromotional marketing is a win-win situation for consumers and their companies alike.



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