

Great statements improve customer relationships

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Executive summary

In the competitive Canadian landscape, companies and marketers continue to battle for innovative approaches that grab the attention of their customers. Meanwhile, every month, these same companies have a repeated communication conduit to customers that they may not consider part of the marketing mix—their billing statements.

We collaborated with the leading statement design firms in North America to develop a quantitative measurement of statement quality. We then analyzed samples from Canada, the U.S. and Europe to measure the overall quality. The results show that 10% of organizations have seized the opportunity and transformed their customer statements into powerful marketing tools. This type of transformation is proven to build better client relationships, reduce administrative costs and increase sales.

In order to help the remaining 90% of companies recognize the potential of high-quality statement design, we identified 76 features, clustered into three themes: relationship builders, brand enhancers and cost-savers.

Finally, we made recommendations on how you, as a marketing executive, can evaluate your own statements and undertake particular actions to improve them.

Can your customer statement really be a marketing tool?

Marketers generally accept that it can cost between five to ten times more to find a new customer than it does to keep an existing one, and 80% of your profit will come from customers that you already do business with today. Most direct marketing techniques, including direct mail, database management and loyalty and reward programs, are intended to develop a personal relationship with customers.

These techniques are even more effective when the direct marketing is personalized for each customer. Research shows that 88% of consumers prefer to deal with companies that treat them with a personal touch¹.

“Individuals seek recognition of their value... as human beings who are treated with full respect and dignity and appreciated for their individual worth.”²

– *Blue Ocean Strategy*, Chan Kim / Renee Mauborgne

Your customer statements provide an excellent opportunity for you to maintain and improve your relationships with customers.

They provide a frequent opportunity to show respect and appreciation to your customer, and offer a timely

snapshot of the relationship. Having your message cut through the clutter of most marketing media is difficult, but messages in statements are likely to be read and valued³.

We found that the best statements educate the client on new product and service offerings, and deliver messages to address changes in the client relationship. They provide an opportunity to communicate how important the customers' business is, describe the current state of affairs, offer ways to find out more information, and provide guidance based on what the organization knows about each client's needs. Our evaluation found that organizations with these characteristics in their statements have transformed them into powerful marketing tools. Their vision includes the wish to communicate more clearly, more openly (both literally and typographically), and more personally.

Great statements drive great results

A number of organizations have gone “on-record” regarding the benefits of their statement.

Increased revenue

When statements are used to retain customers, improve customer satisfaction, and cross-sell/upsell, the opportunity for increased revenue is created. One success story is Humana, Inc., one of the largest U.S. health care insurance providers. It used its SmartSummary™ statement as the

¹ Henley Centre research of U.K. consumers, 2004

² Blue Ocean Strategy, pp 180-181 W. Chan Kim / Renee Mauborgne. Harvard Business School Press, 2005

³ 86% of customers open and read their mail within the day they receive it. Canada Post Lettermail study, 2004; measurement of mail sent and received

communications focal point for its members. The statement provides clear explanations regarding benefits, claims and advice on how to save money with related claims in the future.

The statement helped drive a 52% increase in consumer-choice group membership in 2005. In addition, a modified version was used to launch Humana's Medicare Plan D program at the beginning of this year, leading to a 48% increase in Medicare membership⁴.

Another example, CIGNA Retirement and Investment Services⁵, found that by redesigning its Defined Contribution Retirement Statements, it increased first-time participation in company retirement plans and also increased ongoing contributions by 5.3%⁶.

Lower costs

Communicating information clearly can reduce the number of questions/calls to a call centre, improve billing times, or increase awareness and understanding of changes—all of which impact an organization's bottom line. The majority of call centres at large organizations deal repeatedly with account, billing and payment issues. Research from Pitney Bowes shows that 72% of calls to utilities, and 78% to credit card companies, are questions regarding the statement or information on it. These include balance due and date due⁷.

At Humana, their redesigned statements have shown that many of these types of questions can be proactively avoided through proper design, clear wording, and relevant "guidance" messages.

At CIGNA, costs were minimized for ongoing design and regulatory changes because of their new composition system⁸. Ninety-six per cent of their statement recipients reported the statement was easier to read and understand, and this was reflected in dramatically reduced numbers of calls to their call centre. The project pay back was realized in less than three years and CIGNA is currently saving more than \$1 million a year in application maintenance and other costs⁹.

What makes a great statement?

We interviewed five respected information design firms that focus almost entirely on transaction mail—*Art Plus Technology*, *BlueNorth Strategies*, *IMDS*, *Prinova* and *Simplified Communications*. The result was a consensus of industry experts of 76 features of great statements as well as their relative importance.

⁴ Humana Annual Report – 2005. Humana Inc. is one of the largest health care insurance providers in the U.S.

⁵ CIGNA Retirement and Investment Services was sold to Prudential Financial in 2004. CIGNA now focuses on providing medical benefit plans, dental coverage, behavioural health coverage, pharmacy benefits, and products and services that integrate and analyze information to support consumerism and health advocacy.

⁶ PODi, the Digital Printing initiative, Digital Print Case Study Profiles: CIGNA Retirement Statements, 2004, www.podi.org

⁷ *The CCM Connection*, Pitney Bowes, 2004

⁸ Composition systems generate customer statements and other transaction documents. They create hundreds of thousands of mail pieces at a time. They can emit a wide variety of print streams and Internet-friendly document structures.

⁹ PODi: CIGNA Retirement Statements

While there may be some overlap, each of the features skews towards one of three categories: relationship builders, brand enhancers, or communication cost-savers. However, all features work together to provide a dynamic customer experience.

Relationship builders

Organizations that recognize the importance of their statements in building customer loyalty are employing a number of techniques to build a personalized document. Typically driven by information from a customer relationship management system, the document communicates the appropriate information to answer relevant questions, enhance the relationship and subtly promote additional business.

For example, organizations can personalize a client's statement, based on their profile or on current activities, to provide guidance or promote other services.

Humana has used its personalized messages within its SmartSummary™ statement to advise members on how to avoid higher co-payments. This personalized attention to its members' needs helped grow both its commercial and personal business by double digits in 2005¹⁰.

The following is a list of the top three (of 10) relationship building features and associated weights (out of 10).

- Clear presentation of changes in relationship (8.8)
- Subtle promotion of relevant products (8.3)
- Historical comparisons that are easy to understand (8.3)

See Appendix A for a complete list.

Brand enhancers

There are a number of features that project professionalism and support the organization's brand. Although these features seldom overtly drive additional client business or cause a deluge of calls to customer service, they do enhance the readability of the document and project the desired corporate image.

For example, the feature "Terms and Conditions customized to the recipient" removes clutter and helps clarify relevant terms of the relationship. Yet only 8% of the Canadian statements in our sample demonstrated the feature.

Presenting all information in the recipient's "language of choice" makes the bill easier to read and less cluttered than bilingual presentation. The use of "x of y pagination" ensures the reader that they haven't missed anything.

¹⁰ *Health Care Consumers: PASSIVE ACTIVE? A Three-Year Report on Humana's Consumer Solution, Humana, 2005*

The following is a list of the top three (of 43) brand enhancer features and associated weights (out of 10).

- Language of choice (9.8)
- Conservative application of colour (9.7)
- Limited font styles (9.5)

See Appendix A for a complete list.

Communication cost-savers

There are certain features of a statement that, if missing or poorly presented, cause confusion and annoyance for clients. This manifests itself in questions and complaints to the call centre, which in turn increases the cost of communication.

Many calls are triggered by a recipient's inability to properly read detailed variable information. Yet the majority of statements (60% in Canada) still present details in UPPER CASE, which is difficult to read. In addition, the majority (62% in Canada) do not leave enough white space. And finally, only 53% have a large enough type size to be read easily.

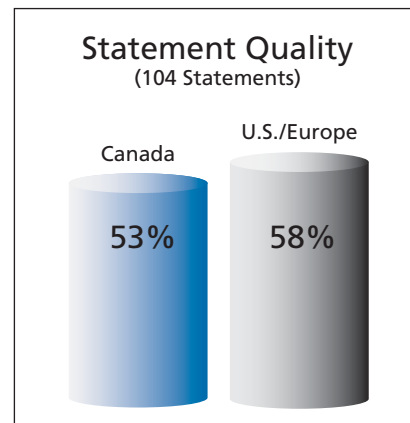
The top three cost-saver features and associated weights out of the total 23 brand enhancing features are:

- Accuracy of information (10.0)
- Plain text with no technical terms (9.7)
- Important information on page 1 (9.7)

See Appendix A for a complete list.

How did Canada fare?

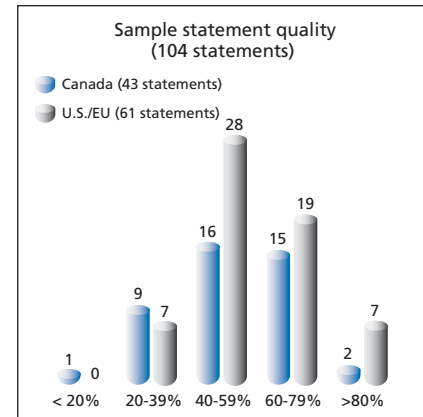
The overall scores suggest an opportunity for improvement for most organizations, as the average score of Canadian and U.S./European statements are 53% and 58% respectively. On average, results indicate scores on the statements in Canada are marginally lower than those in the U.S./Europe.



After evaluating 43 Canadian and 61 U.S./European statements, we found that only about 10% met 80% or more of our feature criteria.

The methodology assigned each statement a percentage score based on: weighted scores of the features present divided by *weighted scores of features relevant to the statement*.

See Appendix B for the study methodology.



Feature ranking

When we looked at the features list in their weighting order, we noted that the first 25 features fall into the cluster groupings for brand enhancers and communication cost-savers, ahead of the first feature weighted for relationship building. This said to us that there is a group of very fundamental things that should be done in a statement before you can enhance the relationship with your customers.

Industry comparisons

Every industry sampled had both excellent and poor quality statements.

Some general observations¹¹:

- Statements from **Wealth Management** companies received the highest scores—both on average and number over 80%.
- The **Credit Card** industry received the lowest scores—Canadian average was the lowest of all segments.
- In the **Retail Banking** industry, the Canadian average score is higher than in the U.S.
- The overall average for the **Utilities** industry had the greatest range of results, with both the best and the worst statement of the entire sample.

However, these observations could be more of a reflection of when the industries last upgraded their statement software and/or the current state of communication between the marketers and their IT colleagues.

¹¹ Note: Sample size for statements in each industry is not great enough to determine definitive industry trends. The sample size included: Credit Card (16 Canada, 17 U.S./Europe), Retail Banking (5 Canada, 12 U.S./Europe), Utilities (15 Canada, 23 U.S./Europe) and Wealth Management (9 Canada, 10 U.S./Europe).

What can a marketer do?

Take the test

Put yourself in your customers' shoes and experience the statement from their point of view. Compare your organization's statement to the list of features and associated weights used in this study (see Appendix A for a complete list). For a more rigorous evaluation, you may also wish to engage a professional statement design firm to help you in this effort.

Take ownership

"The one-to-one marketer looks at the entire marketing proposition from the other end of the binoculars...from the customer's perspective."¹²

—The One to One Future, *Don Peppers*

Statements have many stakeholders, including marketing, IT, finance, print operations and legal. However, marketing must drive the process.

We found that for 19 of the 20 best statements (those scoring more

than 80%), marketing took the leadership role, provided the vision, managed the design, and oversaw the implementation¹³.

Behind the implementation of great statements is a vision to communicate better. For this to happen, marketing must insist on the same end quality that would be found in traditional marketing communication pieces and include statements in the strategy for their marketing mix.

Get professional help

Statement design is a very involved discipline, combining traditional graphic arts techniques, personalized layout and information, and CRM or other customer data.

We found 15 of the 20 owners of great statements engaged external statement designers and developers to translate the vision into a functional document, and ensure its rapid deployment. Industry practices and methodologies used to redesign statements have evolved, and statement revitalization that used to take IT two years (and cost millions of dollars) now is being done in as little as two to three months at a fraction of the cost.

¹² *The One to One Future*, Don Peppers, Currency Doubleday.

¹³ This is based upon our personal knowledge about the majority of the projects, as well as telltale evidence within the document of items that marketing usually has to fight for.

Employ technology that enables your vision

Most of the statements that measured well in our criteria were created using state-of-the-art software and print technology. Newer composition software¹⁴ can personalize the design and information for each statement based on instructions from a CRM or other system. They can use white space for messages, building the document to the maximum content within the limits of a specific postal weight. They can also minimize development costs, if the client wishes the document to be delivered in an alternate format such as epost™ or Braille.

Finally, use of colour has impacted statement designs. The unit-cost of high-speed variable colour printing now approaches black and white technology printed on preprinted stock.

Measure the results

Companies that focus on creating great statements realize impressive bottom-line impacts... you can too.

Here are the things you'll be able to measure:

How has your customer retention rate improved?

How much incremental business are you getting from existing customers?

How much have you reduced the number of customer calls associated with information on the statement?

Use your statement to make a statement. It tells your customers that you appreciate their business, and intend to give them clear information and relevant advice. Treat your statement as part of your overall marketing mix.

¹⁴ Some of the better-known composition software are: Exstream Dialogue, ISIS Paprus, Group1 Doc1 and Sefas. There are other systems designed for specific industries or workflows.

Appendix A: Statement features

The following list of features was used to evaluate the collection of samples. The features are sorted by the weight assigned by the statement design panel. The category indicates which feature-cluster each feature skews toward (B = brand enhancers, C = communication cost-savers, R = relationship builders).

Weight	Feature	Category
(10.0)	Accuracy of information Provides current and accurate information, as of the date of issue	C
(9.8)	Language of choice Presented in the client's language of choice rather than in both official languages	B
(9.7)	Conservative application of colour Avoids the use of too much colour, either in the variable print or on the preprinted stock	B
(9.7)	Plain text with no technical terms Uses plain text with few, and no unexplained, technical terms. Uses a simple vocabulary that would be consistent with typical recipient's reading level	C
(9.7)	Important information on page 1 Has all the important information regarding the account on page one with the rest on following pages. If the statement has only one page, all the important information is at the top of the page	C
(9.5)	Font styles—limited Limits the font styles to four or fewer	B
(9.5)	Forms—clear instructions and easy to complete Contains forms or remittance stubs that have clear instructions and are easy to complete	B
(9.5)	Avoiding all capitals Avoids presenting information all in capital letters, especially variable text. Many mailers have the misconception that information that is stored on the computer in upper case can only be presented that way. However, there are case-conversion tools and proper noun look-up tables that have mitigated this problem for many years. For example, newspapers convert upper case stock and mutual fund names to lower case using these technologies. ONLY PROGRAMMERS AND TOMBSTONE CARVERS CAN READ UPPER CASE AS EASILY AS MIXED CASE.	C
(9.5)	Clear hierarchy of table headings Has table headings with a clear hierarchy	C

Weight	Feature	Category
(9.5)	Summary information—separate, clear Separates summary information from the details of the statement and is understandable	C
(9.3)	Only initial words and proper nouns capitalized Has capitalization for only initial words in a full sentence and for proper nouns	B
(9.3)	Icons—self-explanatory and clear Contains icons, when used, that are self-explanatory and clear	B
(9.3)	Pagination—x of y Presents x of y pagination on each page of the statement	B
(9.3)	Charge calculations—clear Presents all charge calculations in a way that is clear, with any relevant variable (e.g., interest rate) included in the presentation	C
(9.3)	What to do next—clear and obvious Provides clear and obvious instructions on what to do next	C
(9.3)	Payment date—obvious Clearly presents the payment due date (before penalties apply)	C
(9.2)	Hierarchy of headings—know where you are Presents the section and table headings with a clear hierarchy. The client knows where they are in the document	B
(9.2)	Related information—grouped together Groups together any related information	B
(9.2)	Amount owed—obvious Clearly presents the total amount owed (as opposed to minimum amount due)	C
(9.2)	Contact number information clear Clearly presents the call centre telephone number. The call centre number should be reasonably large, with leading. If possible, increase the inter-character spacing; 3s, 6s and 8s are difficult to differentiate when crowded together	C
(9.0)	Appropriate line length for readability Have lines of text with lengths that are easy to read. Typically, this would be 10 to 12 words per line (18 to 24 picas)	B
(9.0)	Section text uses enough white space Provides enough spacing between lines of information to allow easy reading of variable text. Typically, 2 points of leading between 10 point text works well	C
(8.8)	Clear presentation of changes in relationship Clearly displays announcements of changes in rates or fees as messages at the point-of-need within the statement	R

Weight	Feature	Category
(8.8)	Graphics—simple, no need for explanations When using financial graphics, they are simple with no need for explanations	B
(8.8)	Scrolling—appropriate carry-over Sections and tables break elegantly with no widowed or orphaned information	B
(8.8)	Appropriate size text—easy to read Provides variable text size that is large enough to be easily read. A statement should be set in a font of at least 10 points, or higher if font has a small x-height	C
(8.7)	Need to know vs. incidental type styles Uses a different type style for incidental or marketing messages	B
(8.5)	Document title explains what it is Title clearly stands out at the beginning of the first page, explaining what it is, e.g., “your September 2006 Gold Plus VISA statement”	B
(8.5)	Sequence—reads logically Presents information in logical order. The client should not think: “What’s that doing here?”	B
(8.5)	Finance charges and fees—separate table Presents any finance charges or administrative fees in a separate table rather than only as line items within a general “account activities” table, e.g., the Interac™, cash withdrawal fees, overdraft activation fees, overdraft interest, and monthly maintenance fees should be summarized and totalled in a separate table	B
(8.5)	Abbreviations and acronyms—avoided or explained Avoids abbreviations and acronyms or, if necessary, clearly explains	B
(8.5)	Subtotals and totals—obvious Presents any subtotals or totals in a way that is easy to understand, e.g., all the variables are aligned above the total in a column. Numbers subtracted have a minus sign preceding them	C
(8.5)	Tables and tabs—uncluttered, aligned Presents tables and their columns uncluttered with proper alignment to other tables	C
(8.3)	Subtle promotion of relevant products Promotes relevant products and services based on the organization’s knowledge of the client. If you know that your customer has certain services, promoting a complementary product is usually positively received, especially when presented at point-of-need	R

Weight	Feature	Category
(8.3)	Historical comparisons that are easy to understand Provides historical comparisons that are easy to understand (and are apples to apples). For example, cash flow within a retail account, spending patterns for a credit card, return on investment for wealth management, power consumption for a utility. Customers usually appreciate knowing how they are performing, whether it is rate of return on investments, electrical use or spending habits.	R
(8.3)	Loyalty program calculations clear For credit cards that have loyalty programs, the statement clearly explains what has been added and subtracted this month, it also identifies what will expire and when	C
(8.3)	Current activities personalization Personalizes the document and messages based on current activities within the statement	R
(8.3)	Readable terms and conditions Contains only terms and conditions that are plainly written and presented in black type on a light background, with a type size and with line spacing that is clearly readable	B
(8.3)	Payment options—present and clear Clearly describes all the ways in which payment can be made. This information is presented at the point-of-need	B
(8.3)	Correct currency abbreviations When presenting foreign currencies, uses the correct abbreviations, e.g., USD, GBP, EUR, etc.	B
(8.3)	Page layout uncluttered Page layout creates an overall openness that is uncluttered	B
(8.3)	Limited date styles Uses a limited number of date styles, e.g., 12/03, 12/03/2006, March 12	B
(8.3)	Cross references summary to details Consistently uses the same item descriptions when cross-referencing between the summary table and the details tables, e.g., if the summary table refers to total charges and presents a total from a details table, the details table uses total charges next to the place where that item was totalled	C
(8.3)	Important notes at point-of-need Has important notes at the point-of-need, which would clarify as item or request action	C
(8.3)	Navigation—clear at a glance Can be easily navigated. The summary table gives the page number where the details can be found for each item or it reflects the order in which details appear	C

Weight	Feature	Category
(8.2)	<p>Terms and conditions—variable data Only contains terms and conditions relevant to the information presented in the document, e.g., no cautionary statements about bond yields when the client has no bonds in their portfolio, no description of penalties associated with late payment when the client has a credit balance</p>	B
(8.2)	<p>Active not passive Uses active phrases rather than passive, e.g., I will, you can and call us</p>	B
(8.2)	<p>Clear presentation of additional account numbers Presents any additional reference points clearly and at the point-of-need, e.g., your power meter number, your different telephone numbers, and multiple sub-account numbers</p>	B
(8.2)	<p>Tracking information on each page Presents key tracking information on each page, e.g., account number, recipient's name, period reported or date of issue and section heading, where appropriate</p>	B
(8.2)	<p>Account number—obvious Clearly presents the customer's account number on the first page of the statement</p>	C
(8.2)	<p>Statement information and layout personalized to customer There are no irrelevant line items, tables or messages; no awkward blank spaces</p>	C
(8.0)	<p>Website for service information—present and clear Clearly presents the Web location (URL¹⁵, or better, PURL¹⁶) for service information near the call centre support telephone</p>	B
(8.0)	<p>Highlight key messages and actions Differentiate important messages and calls to action from other text or from tables</p>	B
(8.0)	<p>Separately disclosed account fees Separately discloses administrative fees within the statement, even if not summarized in a separate table</p>	B
(8.0)	<p>Non-numeric months Presents dates with non-numeric months, e.g., Mar 12, March 12, March 2006</p>	B
(7.8)	<p>Conveys appropriate tone It's enthusiastic, eye-catching and professional in its presentation. The right mood is set for the client. Statements that communicate customer appreciation and a desire to help, can help build the relationship</p>	R

¹⁵ Uniform Resource Locator

¹⁶ Personalized URL: usually an extended URL that contains the recipient's account number

Weight	Feature	Category
(7.8)	Balance transfers in a separate table For credit cards that allow balance transfers, the statement clearly explains what the balance is, what has been added and what has been paid off this month	C
(7.5)	Full colour on wealth statements For wealth management, statement is created using a variable full-colour printer	B
(7.5)	Historical comparisons Provides historical comparisons that are useful	B
(7.5)	Subsidiary notes in margin or footnote Places subsidiary notes in margin or footnote	B
(7.4)	Graphics Uses financial graphics to summarize information or to present historical comparisons	B
(7.4)	Is aware of culturally sensitive colour For example, financial information presented in red can mean one thing to Europeans and another to Asians	B
(7.2)	Customer choice on level of information Contains only the level of information the client wishes to receive beyond what is mandatory. The organization has the capability to allow a customer to be able to choose. By providing the client what they want, you avoid confusion and personalize the experience	R
(7.2)	Geographical personalization Personalized based on the geographical profile of the recipient. For example, lifestyle photography, special offers, location of branches or agents close to recipient. People have traditionally felt more comfortable with local businesses. By using local reference points and promoting local services, you can remind the customer of your community presence	R
(7.2)	Customer profile personalization Personalized based on the organization's overall customer profile, e.g., investment objectives, age, dependents, previous business, cultural and language preferences.	R
(7.2)	Date of issue—obvious Clearly presents the date of issue (the date on which the statement was calculated, composed, printed and presented to the post office for delivery)	C
(7.0)	Terms and Conditions—out of sight but findable Places the terms and conditions out of sight but findable	B
(6.8)	Full colour—non-wealth management statements Non-wealth managements created using a variable full-colour printer	B

Weight	Feature	Category
(6.2)	Customer recognition of brand Has the look and feel of other customer loyalty materials issued from the organization. The document enforces the brand identity	R
(6.2)	Subtle promotion of new products Promotes new products or services as in-line messages in appropriate sections of the document, e.g., Gold Card, savings account, etc. Although general promotion should be avoided within a statement, customers appreciate learning about new services at time of announcement.	R
(6.2)	Alternate delivery advice Gives advice on delivery methods—email, Braille, Web, etc.	B
(6.0)	Importance of brand to design Follows corporate branding in its design	B
(5.8)	Uses icons Use of icons to lead readers to important information or to identify different types of information	B
(5.5)	GST number clearly displayed Clearly presents the organization's GST number at the point-of-need	B
(4.5)	Page size Is printed on letter-sized paper vs. legal or Monarch	B
(3.7)	Who are you really dealing with? Clearly identifies the company issuing the statement, e.g., your Northern Lights University VISA Card is actually issued by American Mega Capital	B

There are additional communication cost-saving features that were excluded from the analysis because they could not be determined by the statement itself. These include:

- Putting return envelopes in payable statements after the client has paid electronically for years. Of the approximately 700 million bills paid through the banking system¹⁷, only 38 million were paid using a remittance stub, including those paid through ABM machines. Customers know that you are aware that they never use the envelope, making this one of the top complaints into a call centre.
- Statements that arrive late. Despite the use of undated indicia on your envelopes, most customers can figure out when the bill was inducted into the postal system. There is nothing more likely to cause complaints in the call centre than bills postmarked four or more days after the *date of issue*.

¹⁷ Canadian Payments Association clearance ANNUAL FLOW OF PAYMENT ITEMS THROUGH THE AUTOMATED CLEARING SETTLEMENT SYSTEM (ACSS) statistics for 2005: electronic remittances (201M) and automatic funds (debit) transfers (521M).

Appendix B: Methodology

The conclusions in this white paper are based on a study commissioned by Canada Post, conducted by Imerge Consulting, intended to produce the following results:

1. A measurable and repeatable methodology for evaluating the quality of a customer statement as perceived by the receiving customer.

We recognized that defining as many relevant features and attributes that might be found would be the optimum way to evaluate many different statements from different industries in a measurable and repeatable fashion.

Evaluating the efficacy of statements can be a subjective exercise. To ensure credibility of the results, recognized information design experts assisted in the development and weighting of the importance of each feature or attribute.

2. A benchmark of the overall quality of statement mail in Canada versus the U.S. and Western Europe, using a representative sampling from these markets.

Customer statements are typically produced by large transaction mailers—including retail banking, credit card, utilities and wealth management firms—all represented in the study. Other industries with large reliance on statements but not included in the scope of this study include insurance, telecommunications and health services. To ensure that we had a fair representation of their statements, we captured documents as they arrived on the doorstep of colleagues throughout North America and Europe.

In all, we collected and evaluated 43 statement samples in Canada and 61 from the U.S. and Europe.

Samples Collected	Canada (43)	U.S./Europe (61)
Credit	16	17
Retail Banking	5	12
Utilities	14	22
Wealth	8	10
Total Statements	43	61

Interview process

Each firm of design experts was interviewed at their offices or via teleconference. They were requested to give their immediate opinion on the importance of each feature and provide comments on how we could best frame our feature description. The typical interview took two hours.

There were 76 features identified and weighted by the information design firms. We followed the agenda below at each information design firm.

1. We first described how we had collected the samples and how we planned to evaluate them.
2. We then described the weighting scale, being from 1 (trivial) to 10 (critical).
3. We described each feature and requested them to give their score.
4. As we wanted to have criteria descriptions that could be identified as being present or absent, we asked them to provide any comments or suggestions to the actual wording of the criteria.
5. We requested any additional features that they felt were missing.
6. Finally, we asked for comments or criticisms about the process and its legitimacy.

Sample collection

We requested document systems industry colleagues from across North America to nominate statements that they received as consumers. The statement *donors* resided in cities in most regions of the U.S. and Canada, and in the United Kingdom and France. Most provided statements in all four categories.

The typical donors were between 35 and 65 years of age; were technical professionals and would fit the *mass affluent* cohort, the target demographic for most financial services.

Canada

Analysis of the concentration of large mailers in Canada led us to conclude that we would capture the majority of statement volume within the 43 statements we collected for at least the retail banking and credit card sectors.

Our analysis of the utilities and wealth management sectors led us to conclude that there was a low concentration of mailers, and that random sampling across subtypes and Canadian geography would produce a reasonable sampling. We validated these assertions upon assembly of the sample collection.

U.S./Europe

We also concluded that we could achieve a reasonable comparative sampling by ensuring collection from a wide area of households, and with a comparable collection by industry.

Evaluation process

Development of evaluation mechanism

We assigned each of the final criteria a score from 1 (trivial) to 10 (critical), based upon the average of the five scores provided by the design firms and one score from ourselves¹⁸.

Some criteria or features would be relevant to one industry or customer and not relevant to another, e.g., *total amount owed* would be relevant to a credit card or utility statement but irrelevant to a chequing statement. We developed a mechanism that would recognize that each statement had a potentially unique set of criteria to be scored. To compare across all statements, we had to express the final score as a percentage.

Statement evaluation process

Each sample was examined by Michael Turton to determine which features were relevant for that statement and whether they were present. His analysis of the statement was scored and the raw score was converted using the following mechanism:

1. Identify whether each feature was present, not present or irrelevant on that statement.
2. Add the following values:
 - a. If present, add the weighted value for that feature to the achieved score and also to the potential score
 - b. If not present, add no value to the achieved score and the weighted value for that feature to the potential score
 - c. If irrelevant, add no value to either the achieved score or the potential score.
3. Sum the assigned feature values for both achieved score and potential score.
4. Divide the achieved score by the potential score to establish a percentage score (that could be compared to other statements).

These scores could then be used in our analysis.

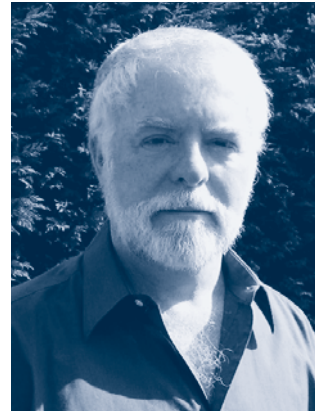
¹⁸ Except for five cases where a score was dramatically different from the other five; that score was removed from the average.

Appendix C: Contributors

Authors

Dr. Michael Turton, edp, PhD, has been designing documents for more than two decades during which time he witnessed the birth of desktop printing and laser production printers.

As MD of a design company within the Saatchi empire, Michael was responsible for the radical new design of the British Telecom billing system in the early 1990s. He established Cavendish Consultants in 1992, principally to design mission-critical transactional documents and forms. His designs not only look good but work well, a combination of form and function that can be seen in the documents of companies such as AXA, Littlewoods, Legal and Trade, Scottish Widows, Abbey, Scottish Power, United Utilities, Schroders, Citibank, National Savings and Investment, Mashreq Bank, Severn Trent, and HSBC. His colour documents increased revenue by more than \$10 million in just the first three companies.



When he is not designing documents, he helps companies develop and implement document strategies whose justifications are not so much “How much?” but rather “What is the cost of not having one?” The satisfaction in changing the way a large corporation thinks about its documents is considerable—as are the benefits that subsequently accrue.

When he is not employing either of these skills, he lectures about them—all over the world and with passion.

In 1998 he received his Electronic Document Professional certification. He currently serves as vice-chair of the EDP Commission.

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William Broddy, edp, is Imerge Principal Consultant for Compliance Communications Business Processes.

He currently assists major organizations across North America with regulatory best practices, market planning, and implementation of electronic document delivery applications.

Bill brings nearly 30 years of experience with electronic document enabling and delivery. During this period, he was Canadian Product Manager for printing and publishing systems, and was a product planner with IBM in the Boulder AFP lab. He also was Vice-President of Business Development for Prinova Technologies.



He is an EDP commissioner and course instructor for the Canadian EDP Certification Program. Xplor, the Electronic Document Systems Association, recognized his leadership and expertise in 2004 with its most prestigious award “Xplorer of the Year”.

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BlueNorth of Guelph, Ontario, is an industry leader in personalized communications, which merges client data with client messages. Its methodology, called White Page Marketing, is part art, part science, and results in effective one-to-one client communications.

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Cavendish Consultants designs mission-critical transactional documents and forms. The designs not only look good but work well, a combination of form and function.

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