

How To Maximize Your Bill In Tough Economic Times

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While there is currently an air of hope about the future of our troubled economy, at the moment things are still pretty grim. The economic crisis is taking its toll on all businesses and the leasing industry has not escaped unscathed. Delinquencies and self-repossessions are on the rise, and companies are struggling to find new ways to bring in business as well as ways to cut costs. However, there is a solution in an admittedly unexpected place: the monthly invoice.

Invoices and statements are opened and read over 95 percent of the time, making these documents an excellent method for communicating regularly with customers. While the average consumer may encounter up to 3,000 marketing messages per day, they usually receive only twelve transactional documents per month. This makes the monthly bill the perfect location for information that you want to ensure your customer sees. These messages, strategically located on the front page of your invoice, can help to increase revenue, reduce costs and ultimately increase customer loyalty via a technique called "TransPromo" messaging. This relatively new term refers to the effective combination of transactional documents with targeted marketing material using techniques like highlight color, segmentation and personalization.

One-to-one Messaging

What sets the TransPromo concept apart from standard marketing methods such as bill inserts or direct mailers, is the ability to target customers using specific criteria and reach them with one-to-one marketing messages. Utilizing existing data about customers, such as transactional information, products and services they currently use, payment history, or demographic data, significantly increases the power of the message being sent. Speak directly to the customer rather than sending a watered-down message that could possibly apply to some, but not all recipients.

For example, NEC Financial Services ran a series of messages on their invoices specifically targeted to customers who purchase maintenance programs. Sent only to these customers, the message was in a highlight blue color and had a strong call to action. It read, "Wouldn't it be nice not to pay your full maintenance fees up front at the start of your lease? Did you know you can break your phone systems maintenance into monthly payments over the term of your lease?" The campaign produced a twelve percent increase in applications received from existing customers.

NEC Financial Services ran another campaign marketing new products to customers who were not currently using them: phone systems, copiers, LCD, plasma, and voice. They used their messaging area to tout the benefits of these products and after six months they had funded over sixty contracts totaling over \$800,000 in additional revenue. By sending this strategic marketing text to only customers who were not already using the product, the message is much more powerful. You are speaking directly to the appropriate customer and addressing a need specific to them. Conversely, including information about a product or service that a customer is already using is a waste of money and an ineffective message.

Utilizing envelope messaging and inserts in the invoice package helps to reinforce your information and offer several touch points to get the message across. With TransPromo messaging, all three of these elements would have consistent messages targeted to specific customers, allowing you to avoid a blanket message to all customers offering much less impact.

Generating Revenue

Statistics show that up to 80 percent of new business comes from existing customers. With your invoices and statements being sent to that core group, TransPromo messaging offers a way to reach customers with cross-selling and up-selling opportunities. Promote additional products or discuss the benefits of signing up for equipment maintenance. Perhaps your company offers a program to pay maintenance fees monthly as opposed to one, up-front cost; utilize this dynamic messaging area to explain this service. Additionally, if you offer electronic billing or autopay, including information about these products and incentivizing customers to use these payment methods could lead to receiving payments much more quickly.

Reducing Costs

Maximizing a transactional document not only offers the chance to increase revenue, but also to reduce costs. With delinquencies on the rise, using the invoice or account statement as a collection tool eliminates the need for separate mailings, thus reducing printing, production and postage costs or the time involved with making collection calls. Send out your 30/60/90 day messages on the monthly bill itself and you significantly increase your open rate and the likelihood that your message will be read.

Fielding customer service calls can be costly. Determine some of the most commonly asked questions from incoming calls and address them in the TransPromo messaging area on your invoice or statement. The reduction in call volume will be an invaluable cost-reducing measure.

Increasing Loyalty

During this time of general uncertainty, open communication with customers is essential and can increase customer loyalty and reduce churn. You may even choose to use TransPromo messaging to thank your loyal customers with a discount or promotion, or perhaps to alert them of a referral program where they would receive some incentive to recommend your services to others.

Cultivating Customer Relationships

With so many benefits and such an easy integration into an already existing document, TransPromo is clearly the most effective customer communication strategy. Whether marketing a product or service, offering referral rewards, thanking customers for their loyalty with a discount, or sharing a message about service, formerly routine invoices can now help to generate revenue, reduce costs and increase customer loyalty. Perhaps most importantly, TransPromo messaging allows companies to create deeper, more meaningful relationships with their customers. Jesse Johnson of OSG Billing Services says, "Connecting with customers and keeping them informed is the best way to make them feel valued. Using a monthly invoice or statement as a vehicle for this communication makes sense because it's being sent out regularly and because you are guaranteed it will be read."

About OSG Billing Services

OSG Billing Services provides fast, accurate and dependable invoice presentment and distribution services. As a trusted partner, we advise customers on direct billing strategies to improve the overall quality of the invoice and increase customer satisfaction. With a proven-process for invoice design, set-up and production, we can get invoices into the consumers hands quickly and error-free. We guarantee it. The services we offer include: invoice consultation and design, error-free print and mail, targeted marketing programs, an automated document factory, online invoice management and electronic bill presentment and payment. These capabilities have made OSG Billing Services an award-winning direct billing provider. Visit <http://www.osgbilling.com/> or call 1-888-EASY BILL.

Author Bio

Shannon Seastead is Director of Marketing for OSG Billing Services. Since joining OSG in 1998, Shannon Seastead has been responsible for overseeing the development and implementation of the company's marketing programs. With more than 15 years of experience, she supervises all corporate communications, media relations, events and advertising efforts, while guiding OSG Billing Services into new markets. Previously, she held marketing and advertising positions at Chiat/Day Advertising, Blue Cross Blue Shield and Tompkins Associates, Inc.
