

Transforming the Delivery of Customer Communications to Support New Demands



A Madison Advisors Brief
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EXECUTIVE SUMMARY

Enterprise organizations recognize that their customer communications are vital. However, with the increased demand for different delivery channels and a better customer experience (CX), enterprises increasingly seek to outsource the composition process along with the document production.

More enterprises, even highly regulated ones such as banks and insurance companies, have begun leveraging cloud-computing platforms for mission-critical applications. The new level of corporate confidence in cloud-computing has extended into the adoption of cloud services. Combined with renewed interest in outsourcing document services, enterprises have more readily outsourced document design and composition services creating significant growth opportunities for hosted managed customer communications services.

Madison Advisors defines customer communications management (CCM) hosted managed services (HMS) as a delivery model in which a single source, integrated technology platform, incorporates the seven critical components necessary for end-to-end CCM, incorporating workflow automation and governance. Enterprises that generate outbound customer communications achieve measurable results from this model in several ways, including, but not limited to, the elimination of capital expenditures associated with purchasing, installing and maintaining software, and integrating with other technology solutions necessary to generate and deliver customer communications.

Organizations now have a broad range of hosted CCM solutions. Many new and established providers as well as print service providers (PSP) offer hosted services for composing and distributing customer communications. The providers also leverage their vertical industry expertise to more quickly implement new clients.

While all the solutions provide the same basic services, each offering has its own strengths. Data management providers offer a strong suite of data tools. Document design providers offer robust template design and rationalization.

CCM HMS MODEL

Madison Advisors developed a standard definition for CCM HMS as the baseline to evaluate each provider's overall solution. Madison Advisors identified the following seven critical components of CCM HMS shown in Table 1 below as the minimum requirement for a complete CCM HMS solution.

COMPONENT	DESCRIPTION
Data management and processing	The collection, aggregation, standardization and storage of data in a standard data model from a variety of sources, including core processing systems, customer relationship management (CRM) systems and external third-party sources. Data is used throughout the entire communication lifecycle, including composition, execution of business rules that determine variable content, personalization and targeted marketing messages, analytics and business intelligence. It is also used to drive print output management processes such as postal optimization, house-holding and barcode placement for the print production workflow environment.
Content management	A centralized repository that stores all the components necessary for the document composition process, including templates, business rules and variable text and digital assets such as logos and other images.
Preference and customer profile management	Collection and management of customer profile information, delivery channel preferences and customer consent for electronic interactions. This data is used to optimize the composition process to generate the output according to a customer's pre-determined delivery preferences.
Composition	The process that combines data and variable content with document templates according to pre-determined business rules to create customer communications that are optimized for the delivery channel(s) based upon pre-determined delivery preferences selected by the recipient. An archive copy of all communications is also created and stored in the archive of record.
Omni-channel delivery	Delivering communications in the appropriate format to a variety of channels, including print, email, web portal, mobile, tablet, SMS and social media.
Archive	A single repository to store all customer communications as delivered for future retrieval and delivery to support customer service requirements, and to satisfy audit and regulatory requirements to show proof of what was delivered to customers. The archive should also contain all change management history and include versions and approval workflows as well as the delivery history for each communication, whether print or digital.
Dashboard/reporting	A thin client or browser-based user interface that provides business users full visibility into the entire communication workflow, including job status from point of file receipt through delivery. Standard and customizable report generation is made available through a reporting module and business intelligence tools are integrated to allow clients access to underlying data for data analytics purposes.

Table 1 - Seven Components of CCM HMS

MARKET DRIVERS

The primary driver for enterprise adoption of CCM HMS is the demand from customers for a better CX. Customers want to communicate on the channel of their choice, carry an interaction across channels and receive feedback faster. For many types of communications, enterprises are moving from batch to event-driven. For example, printing and mailing an overdraft notice takes days. CCM HMS solutions provide support for multiple delivery channels and can track customer delivery preferences.

Another enterprise driver is cost reduction. By adopting a pay for outcomes model rather than building out costly CCM infrastructure and having to staff and support these systems, enterprises reduce capital costs. The pivot from capital to operating expenses helps justify the migration costs. The pivot aligns with the adoption of Salesforce and other cloud-based solutions for core business functions.

Customer preferences represent one aspect of a broader need for customer data management. Enterprises now collect a wide range of customer data to improve a customer's experience with timely communications, targeted marketing messages and the elimination of redundant communications. For a robust CX, enterprise organizations need to assemble and maintain a complete "view" of the customer.

Document accessibility is inexorably linked to both heightened CX and customer data requirements. Customers with special requirements, such as differing languages, large print, or captioning, require the organizations to acknowledge the requirements and make changes to the communications for a proper CX. A number of third-party providers provide tools and services for captioning, transcription and remediation of existing documents.

CCM HMS providers enable organizations to jump-start omni-channel delivery. The hosted migration provides enterprises with the opportunity to expand delivery channels beyond print to include e-mail and SMS using the HMS platform.

Document templates will need to be updated to support the new delivery options. The migration provides an opportunity to update the existing document templates, consolidating some and eliminating others. It is important for the enterprise to understand the range of services offered by the solution provider and the depth of staffing available to assist with migration.

CCM HMS LANDSCAPE

The CCM HMS landscape includes both software providers and print service providers. The solution providers' varied backgrounds are reflected in the overall solution's focus. All solution providers offer print production internally, support third-party print service providers or return composed files for the client organization to produce on premise.

Many CCM HMS providers have a background in the print industry and offer services centered around efficiently generating print-ready documents. These providers do provide multi-channel output, but with the understanding that these new channels initially represent a much smaller volume.

Solution providers with a digital background present a seamless omni-channel approach centered around the CX. Their model supports printed output as well as digital channels, but focuses more heavily on the CX.

In either case, the ease of migration weighs heavily on the solution provider's support for the existing composition tools. Most organizations create a wide variety of document types which may be composed across multiple document composition systems. CCM HMS providers offer services to transition the document composition into a unified platform.

For this brief, Madison Advisors compared CCM HMS solutions from the following providers:

- Conduent
- DataOceans
- FIS
- NEPS
- O'Neil Digital Solutions
- Precisely (CEDAR CX Technologies was acquired by Precisely in 2021)
- RR Donnelley

SOLUTION ANALYSIS

Madison Advisors VISTA compares the complete solutions offered by each provider. We evaluated each of the seven components of which an HMS solution is comprised. The figure below provides a comparison of the leading CCM HMS providers. The horizontal axis scores the HMS platform including all seven key components. Every provider in this study supports each of these components. The vertical axis scores the provider's vision in this market space factoring in implementation and migration toolsets and strategies as well as the providers approaches to CX and strategic goals.

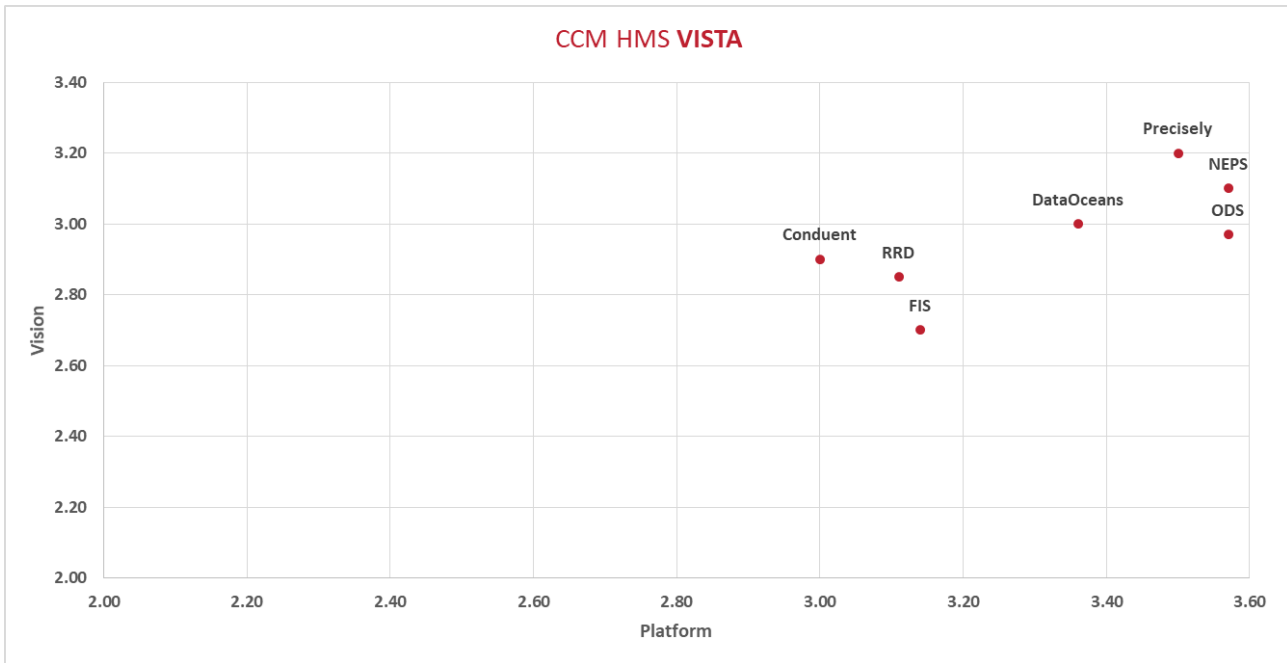


Figure 1 - Madison Advisors CCM HMS VISTA

Conduent's CCM platform supports a broad range of multi-channel communications. With a combination of composition solutions, the platform processes batch communications across multi-channel distribution services including print to mail, SMS, email, mobile and web delivery services, with centralized reporting. In addition, Conduent frequently integrates vital services such as call center, inbound processing, and healthcare platforms with the outbound CCM HMS services.

The solution also supports real-time communications including requests submitted in real-time and processed in batch, request needing immediate processing and sending. Real-time communications can be directed to the central distribution facility for distribution on any channel via integration with a secure server where it's routed for delivery.

Conduent also supports ad-hoc communications generated by desktop applications or interactive customer communications capabilities. Authorized users can select from a list of eligible templates that utilize drop-down or radio button choices, including free form text entry areas, where key points of a customer contact can be added. These communications can then be sent to an approval workflow where one or more approvers review/approve before the communication is released for delivery.

DataOceans' Oceanus platform supports composition and delivery of omni-channel content; user interfaces for consumers, business users, and operations; and integrations including payment gateways. Oceanus Targeted Content Manager provides a browser-based interface for business users to upload a full range of content and apply business rules for usage in personalizing communications. The user interface controls access to TCM and allows users to select target audience demographics and add effective dates. The solution also supports multi-level approval workflow to add or modify content and to approve the release of content. The system tracks and stores all delivered output (print, digital, SMS), allowing for full visibility into communications history as well as allowing for roll-back of content as needed.

FIS' Touch-CX ecosystem supports viewing and archival of all communications, including printed documents, formatted email, an SMS text and even an API notification. The solution's active archive is intended for real-time access by systems for high-speed search and production such as for re-print purposes or to support an alternate delivery channel if an electronic delivery fails. The solution also includes a long-term archive for use by customer service or self-service by clients. Touch-CX supports API access for searching and viewing of documents from within its own archives as well as federated archives which may exist within an organization's infrastructure.

NEPS' Clear Communications Practice enables the transformation of templates during implementation. With its structured approach, NEPS evaluates and re-designs existing document templates to support multi-channel delivery with plain language. At the same time, the process uses embedded business logic to reduce the overall number of templates by combining dozens or hundreds of similar documents into a single flexible template.

O'Neil Digital Solutions' ONESuite platform offers a unified data platform consisting of automated tools for data-related functions such as data ingestion, data mining and aggregating data from multiple sources into a centralized data warehouse. In addition, the platform offers tools for data normalization and standardization, data mapping, data processing and data preparation for document delivery.

Precisely's CCM content management platform, Rapid Suite, is a thin client service that supports a broad range of customer communications, including batch, on-demand (both 1:1 and 1:many), personalized email communications, SMS message delivery and in-app real time alerts. From a unified platform, content is leveraged across the communication types above and across all channels. There is no limit to the format or types of content that can be stored.

All content components (rules, resources and templates) are tracked with version control for full audit control history. Activation into production is performed by business users and does not require an IT release to migrate the changes into production.

RR Donnelley's ConnectOne communications platform consists of an integrated suite of software modules encompassing the full spectrum of CCM HMS requirements. The platform uses an underlying workflow system for job management and includes specific modules for secure authentication and online electronic payment.

SUMMARY

Enterprise adoption of cloud-based solutions extend across the full range of corporate software and services. Although CCM solutions have historically been mainframe-based, the transition to the cloud environment is natural. CCM HMS solutions are ideal for organizations that are looking to outsource non-core business functions and offload technical debt.

Many enterprises still lack full support for multi-channel delivery. With full support for omni-channel delivery to customers, a CCM HMS enables organizations the opportunity to leap frog an extended development process and bypass the infrastructure costs associated with new channel implementations.

The CCM HMS market continues to evolve both through emerging providers and acquisition of existing providers by new players. In addition, the solutions continue to add new components for managing data and content elements which represent the essence of all customer communications.

Creating a better CX requires organizations to implement a digital strategy and transform their customer communications to support new demands. Organizations will also need to organize and consolidate customer data in order to provide a consistent personalized experience for clients across multiple delivery channels.

APPENDIX
ABOUT THE AUTHOR

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Richard Huff brings extensive experience managing market and product research with the goal of providing excellent advice on best practices and technology recommendations for printing/mailing operations. He conducted numerous research studies on print-related software, operational efficiency, and market pricing.

Prior to joining Madison Advisors, Richard was a senior analyst with Doculabs, where he was lead analyst for end-user and vendor consulting engagements. Huff also had eight years of experience at Uarco, Inc., a manufacturer of customized business forms and labels.

While at Uarco, Richard was a member of the launch team for Uarco Impressions, one of the first distributed short-run color print operations. Impressions twelve print facilities leveraged high speed network communications to distribute and print personalized documents at the facility closest to the recipient.

Richard earned a B.S., Mechanical Engineering, University of Illinois at Champaign-Urbana.

ABOUT MADISON ADVISORS

Madison Advisors offers research and consulting services that provide objective analysis, client-specific guidance and in-depth market knowledge to clients in the customer communications management (CCM), electronic delivery and print industries. Madison Advisors' industry-neutral expertise enables enterprise organizations, service providers and technology providers to achieve their strategic objectives around CCM.

Since our inception in 2001, Madison Advisors has helped our clients:

- Assess their competitive industry standing through our Best Practices Assessment
- Develop and implement effective enterprise communication strategies
- Identify growth opportunities in the enterprise, service provider and technology provider markets
- Understand the impact of market trends on their business

For more information about Madison Advisors, visit www.Madison-Advisors.com.