

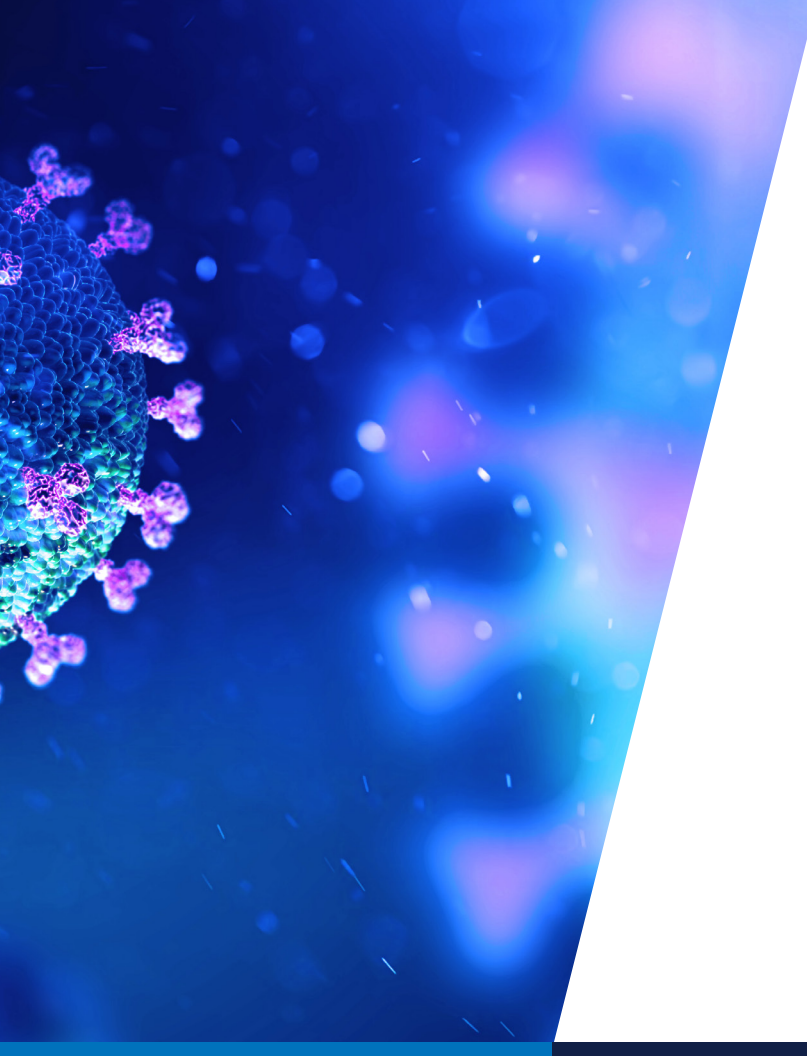


# FINDING THE RIGHT BALANCE: LEVERAGING A MULTICHANNEL OUTREACH APPROACH

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## **Contents**

- 3 Cutting through the COVID clutter
- 5 Improved customer experience with multichannel outreach
- 9 Targeting and personalization in the multichannel approach
- 10 Efficient production and management of multichannel campaigns
- 12 Why Toppan Merrill?



## CUTTING THROUGH THE COVID CLUTTER

Whether it be shopping, telemedicine appointments, video meetings, or text messages, people are spending much more time online and in front of screens due to the COVID-19 pandemic. Researchers from Syracuse University summarize the problem with a [collection of findings](#), illustrating that the average person's time in front of screens has soared. In fact, the average adult now spends over 11 hours a day in front of a screen.

While some of the economic benefits may be accumulating for businesses like Amazon, which experienced a [37% increase](#) in revenue due to the pandemic (and a resulting [80%+ increase in stock price](#)), the side effects have been harmful to a wide variety of other businesses and industries. In fact, companies that rely on communicating directly with their customers are finding consumers more easily distracted and less able to focus on the most important messaging.

### The high cost of digital clutter

Megan Coville, an occupational therapist, discusses the [digital fatigue and distractedness](#) fed by COVID-19, "Many of us are constantly juggling multiple applications at once... Tending to [it all] can be daunting. Our ability to focus can be greatly impacted by

jumping between home and work needs. Our mental functions become overstimulated and exhausted when we have to quickly and repeatedly switch gears."

Even though digital distractions and clutter are at an all-time high, this is not an entirely new phenomenon. Researchers at Stanford University and Harvard Business School show that the high price of digital distraction predates the pandemic. [Stanford researchers show](#) that individuals who are regularly bombarded with several streams of digital information do not pay attention, do not control their memory, and do not switch from one task to another as well as those who limit their digital distractions. In fact, in 2015, [Harvard researchers found](#) that the cost of digital clutter was a staggering \$997 billion annually.

With so much digital distraction, businesses need to find new ways to cut through the noise. And yet, so many continue the heavy push of digitization — moving all their processes and consumer communication to digital means and ignoring the fact that digital distractibility is at an all-time high. For these businesses that are moving everything digital, digitization costs often include the risk of disconnected and discontented customers who are less likely to become brand advocates.

## The true cost of a digital-only mindset

When digital and direct mail are combined for broader consumer reach, there is a [63% increase in response rates](#) versus a digital-only approach. In fact, the average lifespan of an email is [less than 20 seconds](#), whereas direct mail's average lifespan stretches [beyond 15 days](#). This begs the question: What is the true cost of a digital-only mindset?

It is hard to argue that consumer access to their medical records is a valuable outcome of the massive move to digitize medical records. The same can be said for the increase in digitally available health insurance records, enabling consumers to understand their financial obligations for previous care received more quickly.

However, it is important for businesses to consider all sides to a digital transformation, with a close evaluation of the true cost of a digital-only mindset. From a more obvious information technology perspective, the explosion of digitization has led to many businesses utilizing a variety of dispersed technology platforms, where each division or department is using siloed technologies. This leads to vast process inefficiencies: workflow management bottlenecks, breakdowns in cross-group collaborations, and poor

resource utilization, to name just a few. In fact, according to [research from Ascend2](#), the leading barrier to the development and follow-through of an organization's marketing strategy is an overly disparate set of systems meant to collect and integrate consumer data.

A sometimes less obvious cost, and perhaps the cost most detrimental to a business with a digital-only mindset, is the cost of losing its connection with the customer. For the vast majority of consumers who have archived or deleted an email without reading it, a digital-only approach results in a decrease in consumer reach. For the many consumers who still do not spend inordinate amounts of time in front of a screen or simply choose to use their screen time more wisely, digitally sent correspondence may go unopened and become lost in the deluge of digital clutter. This poor email engagement is no surprise when you consider that, on average, Americans receive over [600 emails](#) in a given week. Contrast that with direct mail, where Americans receive an average of [17 pieces of mail](#) each week, and it is clear that a digital-only approach is leaving member engagement on the table.

Businesses may be saving money with a digital-only approach, but at what cost to their relationship with customers and to their future revenue stream?

## IMPROVED CUSTOMER EXPERIENCE WITH MULTICHANNEL OUTREACH

Another challenge that has come with the COVID-19 pandemic is a financial reckoning for businesses to be more responsible with their cost centers. Marketing and product management departments are realizing the need to do more with less and prove their worth along the way. Despite the costs of a digital-only approach to consumer outreach, businesses from a variety of industries, extending from the simple marketing of consumer packaged goods to the more complex marketing of products like health insurance, are realizing the benefit of using a multichannel marketing approach.

The multichannel outreach approach has enabled these businesses to realize the benefits inherent to digital and traditional methods and combine those benefits for a synergistic optimization that yields a higher likelihood of the customer consuming the content.

### Benefits of digital and traditional consumer outreach methods

No matter your industry, whether you have more basic product feature communication needs or more sophisticated member communications, the benefits you can realize through combining digital and traditional consumer outreach methods are numerous.



## Benefits of digital outreach channels

- + **Pay once, use perpetually** — With a digital outreach channel like email marketing, you can pay once to acquire an email address and then market to it forever. With social media channels, you are spending money or employee time (or both) to gain new followers, but then have the benefit of promoting messages to them ongoing.
- + **Wide variety** — Whether leveraging earned media (e.g., organic social media posts) or paid media (e.g., search engine advertising), the variety of digital channels available to businesses to connect with a specific demographic are plentiful. Leveraging digital means of communication may allow you to reach a wider variety of consumers from a wider array of industries and interests.
- + **Leveraged intent** — Due to the nature of online channels being searchable, businesses can identify consumers' needs based on what they are searching for and respond with relevant content. In this case, content management systems must be integrated with other automated systems to ensure the right message is provided to the client at the right time.
- + **Extended reach** — While traditional means of correspondence (e.g., direct mail) have a rich history of



success, having additional channels so readily available increases the likelihood of a business effectively reaching its customers.

- + **Sophisticated brand outreach** — For firms using more sophisticated and powerful [dynamic publishing solutions](#), digital outreach channels provide a method for better controlling the firm's online brand representations.

### Benefits of traditional outreach methods

- + **Physical-world interaction** — Whether leveraging a direct mail postcard, an important document delivery, or a television spot, the physically present aspect of traditional outreach can come as a breath of fresh air to an otherwise digitally cluttered consumer.
- + **Improved consumer reach** — For some businesses, certain segments of consumers may be harder to reach through digital means. By utilizing both digital and traditional outreach methods, businesses are able to reach more types of consumers.
- + **Higher engagement rates** — Due to screen fatigue and the clutter of digital noise, engagement rates for digital outreach are often lacking. For example, [average email open rates](#) are

around 20% and response rates less than 3%. Traditional outreach methods, such as direct mail, boast considerably higher rates of viewership and response rates. For example, almost all mail pieces are handled and opened by the consumer, and the average [response rate to direct mail](#) is 9%.

- + **Better brand control** — Offline, traditional outreach methods — whether it be via direct mail, print advertising, or in face-to-face event-printed content — allow businesses to better control their brand and message, as well as the way their brand messaging is displayed on the page.

### Finding the right balance between traditional and digital channels

Both digital and traditional methods of communicating with customers are valuable. Individually, they have their own strengths but combined, they help businesses strike a balance that increases reach, brand continuity, and consumer engagement.

Academic researchers [Prasad Naik and Kay Peters](#) (Journal of Interactive Marketing, 2009) illustrate that there are synergies between digital and traditional channels through very systematic and scientific means. They show that in a mixed format, where a business leverages both digital channels and traditional channels, there is a beneficial carryover effect within channels and a spillover

effect between the channels. The carryover effect was found to benefit a communication channel in a temporal way. For example, if a consumer sees a direct mail advertisement at a given point in time, they are much more likely to engage another direct mail piece later. In addition to the carryover effect, there is also a spillover effect between channels. For example, if a consumer views a traditional offline advertisement (e.g., television ads), their likelihood of engaging with online advertising increases significantly.

But how do you strike the best balance between the two to fully leverage each method's strength and the synergies of combined execution?

### Managing the dance between traditional and digital channels

Ensuring the ideal mix between traditional and digital channels requires a well-balanced effort and accurate evaluation by the marketer or product manager. While several important considerations should be evaluated, these four elements deserve special attention:

- + **Focus on timing** — The dance between traditional and digital communication approaches can occur at multiple points in the customer journey. For example, a consumer may first be exposed to a business in a television ad (traditional) and then

search for that brand online (digital). As that consumer moves beyond the awareness stage in their journey, they begin to consider multiple businesses and services, and at this point, they may be influenced again by traditional offline means, such as a well-targeted and expertly timed direct mail piece, which turns the consumer into a customer.

- + **Track touchpoints** — Timing aside, it is important for businesses to use automated solutions for tracking consumer touchpoints. With a firm understanding of which touchpoints are moving the average consumer along to purchase, businesses can then utilize [automated content management systems](#) to ensure the right content is being placed in front of the consumer at the right time, both digitally and traditionally.
- + **Manage production** — In addition to automated tracking solutions, businesses need to balance their efforts between traditional and digital channels with the help of production management software to enable a more timely launch of new campaigns and/or ongoing touchpoints in existing communication campaigns. Automated communications and content management greatly improves the ability of businesses to declutter their outreach and benefit from cross-channel strengths that exist between traditional and digital communication channels.





- + **Attribute successes** — Lastly, an important element of finding the right mix between traditional and digital channels is ensuring your attribution model accurately assigns sales influence to the different channels so that marketing spend can be aligned. Innovations in traditional marketing channel content management allow businesses to personalize the marketing content with trackable URLs, vanity phone numbers, and other means for determining the source of the sale.

## TARGETING AND PERSONALIZATION IN THE MULTICHANNEL APPROACH

With [one in five consumers](#) feeling the need for a digital detox, the need for well-targeted and personalized content is greater than ever. Highly relevant content is sure to stand above the noise and break through the clutter, but it relies first on the targeting and segmentation of your customers into small groups. Equally important is the flexibility of your marketing communication to leverage personalized outreach, whether it be email or direct mail based, in getting the right content in front of the right customer at the right time.

### Creative ideas for personalizing content

Content personalization is a hot topic for many marketers and product managers, though not everyone executes personalization

effectively. For example, many communication campaigns start with a dynamic insertion of the recipient's name, allowing the campaign manager to check off a box and consider personalization complete. However, effective personalization requires more attention than just addressing a consumer by their first name.

Some effective out-of-the-box ideas for personalized content for approaches spanning both traditional and digital channels include:

- + **Make deeper connections** — Businesses with the most sophisticated needs, such as HIPPA compliance, can utilize pre-approved CMS content through template-based design to personalize the content their customers are viewing in email newsletters or direct mail pieces. Suppose the member communications are being routed through a dynamic publishing solution that truly enables personalized communications. In that case, the content can be personalized from such characteristics as the customer's age, gender, or location.
- + **Utilize targeted recommendations** — A services organization, such as a health insurance provider, could take an algorithmic approach to consider the different medical treatments a consumer has undergone and suggest content on how to prevent related illnesses. The recommended content

could be delivered via app notifications or email newsletter. Or perhaps a little extra personal touch is needed, and such content could be placed in the customer's hands as a physical mailer.

- + **Leverage gamification** — A variety of organizations could use information such as purchase history or consumer location to get extra personal, providing calls to action for additional loyalty program points if they complete a specific challenge. For example, Starbucks' introduction of such a [gamified loyalty rewards](#) program assisted in lifting its revenues to over \$2.5 billion. Similar gamification tactics could be used through a variety of channels, such as event marketing or direct response marketing, to move current members along the customer journey toward advocacy.

## EFFICIENT PRODUCTION AND MANAGEMENT OF MULTICHANNEL CAMPAIGNS

Utilizing a balance of traditional and digital channels to improve your member communications and prospective customer outreach is only half the battle. It is also important to accurately connect the different parts of your campaign. With a full [91% of marketing managers](#) reporting that they do not have access to a fully integrated technology stack, the need for connected campaign reporting is more important than ever.

## Managing the process

In the health insurance industry, dynamic content management and automated client communications are essential for ensuring compliance and accuracy across both digital and traditional communications. Centralizing the management and production of your campaigns into a single platform can streamline the creation, management, proofing and production of your communication, regardless of the distribution channel. This will enable you to centralize workflow management, create data-handling improvements and provide cost-savings throughout. With one centralized source of truth you improve productivity, efficiency and compliance in the following ways:

- + **Productivity** — Access to the right communication, at the right time, and through the right means ensures everyone is on the same page throughout the entire lifecycle of a project. This increases productivity since employees are not duplicating work and are generally more in sync as they complete tasks and pass information along.
- + **Efficiency** — When teams can access centralized information, the extra time required to get individual stakeholders up to speed on project status is eliminated. Therefore, tasks and projects are managed much more efficiently. Your not managing digital communications in one system and traditional communications in another.

- + **Compliance** — All team members are continually updated on the latest conversations, documentation, and information, which leads to more compliant brand alignment.

For more connected management and reporting that can correctly identify efficiencies, businesses need to identify a solutions partner that can assist in connecting all the intricacies, from capturing and managing consent to ensuring leads, opportunities, and sales are correctly attributed to their source campaign.

## Connected campaign reporting

When marketers and product managers attempt to measure their outreach campaigns for efficiency measures (e.g., read rates, engagement rates, leads generated, etc.), they often run into bottlenecks with data that is siloed across disparate systems in use by their team.

When there is no centralized data management, getting the data needed for campaign reporting can take much longer than it should. Additionally, from disconnected campaign reports, the measures of success tend to be more confusing, making it unclear what data you should choose and use to discover how many leads, opportunities, and sales you've generated from that given outreach campaign — leading to untimely and inaccurate reporting. Multiple data dashboards and reports from disparate and unconnected tools, only further complicate the reporting process.

Even before COVID-19, overly dispersed systems, siloed data, and divergent data from outside partners (e.g., marketing

agencies) have made it challenging for businesses looking for clear picture of a campaign's ROI. To counter this difficulty and rise above the clutter, it is imperative for businesses to have well-connected, [centralized systems](#) with accurate tracking in place for campaign reporting.

### **Capturing and managing consent**

With the goal of finding the right balance between traditional and digital communications, it is important to remember that transitioning some of your member communications to digital requires their willingness, ability, and specific consent to do so. Obtaining the support of your members for digital communications requires a focused effort across the organization. Some different times when you can solicit member consent for digital communication include:

- + **New member signups** should emphasize the importance of consenting to multiple digital communication channels and solicit permission to communicate digitally.

- + **Customer support calls** should include a solicitation for member communications to move to digital means.

- + **Direct mail letters and member documents** should invite customers to receive future communications via digital channels in addition to mail.

Once you've captured their consent, managing it across your organization, and at the document level, is also important. Capturing consent at the document level helps your members enjoy the balance between traditional and digital outreach approaches, allowing them to select what they want, when they want it, and how they want it. For example, while they may prefer to receive their annual enrollment materials via the mail, they may prefer the monthly newsletter to arrive in their email inboxes. A robust communication preference center can be more easily managed at the enterprise level and enables the members to make changes without the hassle of needing to call customer support.

## WHY TOPPAN MERRILL?

Toppan Merrill has been helping clients to realize their potential with improved multichannel outreach for over 50 years. Toppan Merrill's legacy is built on proactive partnership, unparalleled expertise, continuous innovation, and unmatched service. As a leader in both traditional and digital communication channels for regulated and non-regulated industries, Toppan Merrill is uniquely positioned to deliver unmatched services to every corner of the globe.

As any marketer or product expert can attest, managing diverse multichannel outreach campaigns in regulated industries such as health insurance requires a level of industry knowledge that can only be gained with time. Toppan Merrill has been working with the health insurance industry and understands the nuanced approaches necessary to help insurers balance traditional and digital channels for both current and prospective members. Toppan Merrill brings industry-level expertise, centralization and automation solutions, and a "work smarter, not harder" mindset to every client engagement.

[Request a demo or call](#) today and let Toppan Merrill help your business reach its full potential.