FROM CARD-TO-ENVELOPE: TRANSFORMING CARD DELIVERY PROGRAMS

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As marketers look for innovative, new ways to reach consumers, it is becoming clear that getting their attention with traditional promotional mailings is becoming more difficult. Consumers generally take only a few seconds to look at each mailing and determine whether to open or discard it.

Almost every issuer faces the challenge of instantly attracting the attention of cardholders when they deliver cards through the mail. In this environment of high volumes of information and short attention spans it is even more critical that issuers send customers personalized and targeted messages with their card mailings — and carefully consider communication fundamentals. This includes determining which group or association the card-member is qualified for — if the customer needs to be educated on how they can utilize their cards to obtain different benefits — what image and reputation issuers want to portray and placement of multiple messages on a card carrier.

The card carrier no longer just delivers a card, it's an application to build relationships with debit, credit or prepaid cards, government organizations that issue driver's licenses or national ID cards and other companies such as retailers and healthcare organizations that issue loyalty and membership cards. Card issuers are advised to consider advanced card delivery technologies in order to create new revenue opportunities and cross-promote other offerings with their customers/citizens/cardholders while reducing operational costs and complexity.

MARKET TRENDS AND CHALLENGES

Customers no longer receive cards in the mail that are generic and have no personalization tied to the card carrier. Today's technology can now track consumer behavior and buying trends so that card programs including cards and card carriers — can be customized to meet specific customer preferences. Enhancements such as personalized letters and forms, personalized cards, and one-of-a-kind cards are all making their way to our doorsteps.

 All of these personalized, one-to-one marketing trends are also driving smaller production runs, shorter pre-printed stock lifecycles and shorter turnaround times for card issuance. These needs, however, still must be balanced with tighter profit margins and more stringent governmental regulation requirements when managing and evaluating operations.

With these various market trends and the competitive nature of the industry, there are steps that organizations can take to differentiate their brands from others — and create innovative products and services that result in measurable implements in revenue and customer loyalty.
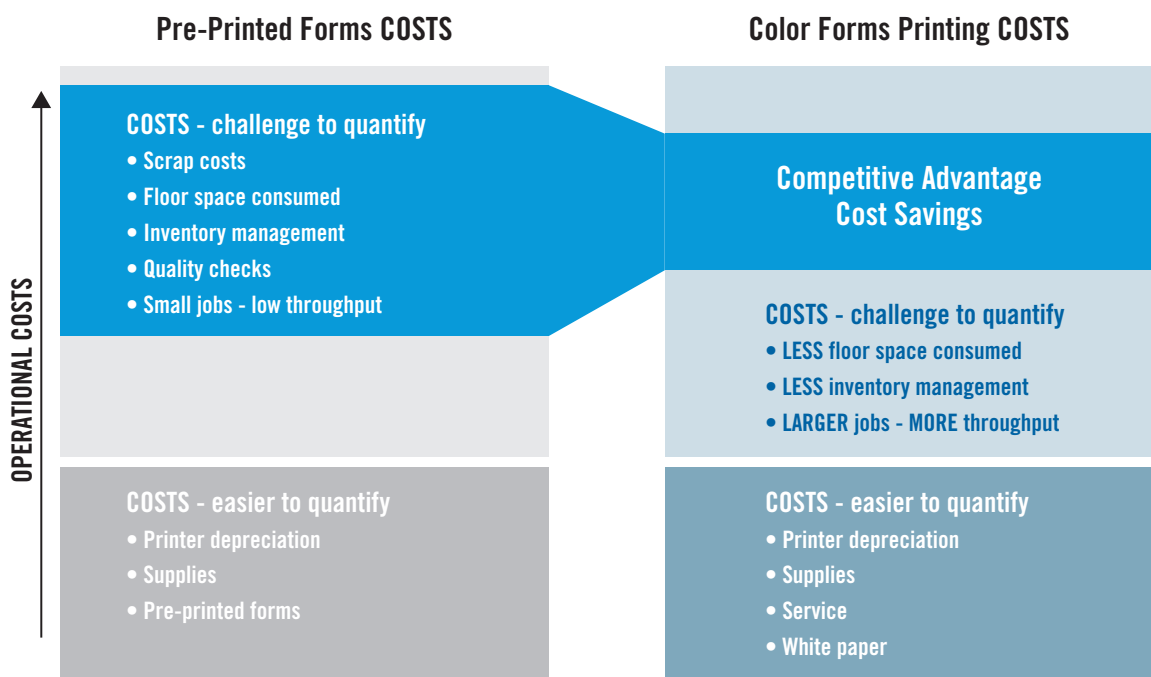
ON-DEMAND, INLINE COLOR PRINTING

Leading card marketers worldwide are recognizing that card carriers are "golden real estate" for improving their success of the card programs. Cardholders are much more likely to read a carrier if a card is attached to it. Therefore, card mailings represent an incredibly valuable opportunity for issuers to reach cardholders with targeted marketing messages.

New on-demand inline color printing technology allows issuers to balance the needs of marketing groups and create more dynamic mailings that are affective and affordable. Card issuers can turn blank white paper into highly personalized, full-color card carriers — providing a powerful way to further an organization's impact, differentiate their brands and create messages that resonate. Also, they are no longer constrained to pre-printed stock for imagery, logos and messaging. If they want to change color, a logo, or a message, they can easily do it with no waste of paper or additional sunk cost.

For the operations teams, on-demand printing reduces the need for pre-printed stock and helps manage small run sizes more effectively. Instead of having to stop the machine and reload the correct pre-printed stock stored in large multi-story warehouses between jobs, they can simply maintain blank white paper in the system and build larger job sizes with on-demand printing. This in turn can greatly reduce form inventory and floor space required to hold a wide range of form designs, as well as reduce the time it takes to manage these various forms. This all adds up to a reduction of operational complexities and associated costs.

Overall, on-demand color printing is a significant value-add. It not only provides design flexibility and the ability to deliver one-to-one marketing messages, but also the ability to cross-sell products and services, issue coupons and certificates and encourages immediate card activation.

Pre-Printed Forms COSTS

OPERATIONAL COSTS

COSTS - challenge to quantify
- Scrap costs
- Floor space consumed
- Inventory management
- Quality checks
- Small jobs - low throughput

COSTS - easier to quantify
- Printer depreciation
- Supplies
- Pre-printed forms

Color Forms Printing COSTS

Competitive Advantage Cost Savings

COSTS - challenge to quantify
- LESS floor space consumed
- LESS inventory management
- LARGER jobs - MORE throughput

COSTS - easier to quantify
- Printer depreciation
- Supplies
- Service
- White paper

On-demand color printing can significantly reduce overall operational costs and help increase card program revenue.

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LARGER PAPER SUPPORT

In recent years, government regulations have increased in the financial industry. Because of these regulations, issuers are being forced to utilize larger font sizes, which ultimately reduce the amount of available marketing space. Organizations that have traditionally utilized 8 ½ x 11" or A4 carrier sizes are challenged now with balancing legal disclosures with key marketing messages and cross-promotional items that can help generate new revenue. These market changes have pushed the need for issuers to expand carrier sizes to 8 ½ x 14", 11 x 17" or A3 sizes. This increase in size is resulting in a variety of benefits.

With larger forms, organizations can easily attach a card along with promotional and educational information, tear-offs and coupons to help drive revenue and decrease expenses — all on one form. In addition, issuers have more room to print disclosures and expanded terms and conditions required by industry and government regulations. This can be done without compromising font size or messaging.

EFFICIENCY WITH INLINE AUTOMATION

Inline automation in the card delivery process can dramatically reduce turnaround time and production steps. Having an inline system that can both personalize the card and package it for mailing in a single step is ideal. It helps reduce customer turnaround time, minimize production steps and increases operational efficiencies and security. It can also reduce the risk of human error and minimizing the handling of cards.

Inline card delivery also enables issuers to elevate their marketing to a new level — going from a blank card and form to a personalized card and carrier that is packaged in an envelope, all in a one-step solution. Issuers should ensure the card systems they choose offer a modular design that can meet immediate needs and grow to accommodate program changes.

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BEST PRACTICES FOR IMPLEMENTING CARD DELIVERY INTO PORTFOLIOS

Planning is key — knowing what you want to accomplish and where you want to go is essential for success.

Issuers are advised to know their target market and have a clear idea of what they want to accomplish in their card programs — this can include advertising and call-to-action opportunities, cross-selling messages or adding terms and conditions and regulatory language. Card carrier content can also include education information regarding card use.

Evaluate Your Workflow and Product Efficiencies.

Carefully consider your production steps and workflow. Where do you see bottlenecks in your production flow? Where are you seeing disruptions in your production? These can all be opportunities to improve operational efficiencies.

Review All Associated Costs.

Keep in mind the tangible as well as intangible costs incurred as part of an effective card delivery program. This includes all hardware, supplies, software and form costs, as well as infrastructure changes, floor space needed to accommodate inventory, size of jobs for operational costs, and service and maintenance fees.

Know Your Options.

There are various card delivery systems and workflows to consider. Knowing what is available and what best aligns with your program goals is key.

Protect Your Investment.

The ability to grow and adapt to market trends, industry standards and consumer preferences ultimately helps protect your investment. Find a trusted, familiar brand that is proven and financially stable. And choose issuance systems that can easily integrate into existing infrastructures seamlessly also insist on systems that can scale to fit your needs now and in the future. This will help ensure you are getting the best return on your investment.

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