

The art of document presentation – or how Enterprise Document Presentment (EDP) makes bills interesting

Twenty years ago I opened a current account with the Halifax Building Society in London. This meant I could walk from my flat in Islington, via the Queen Victoria Street branch, and pay the gas and electric bill on my way to work at the Financial Times at Southwark Bridge. It really felt revolutionary back then to be able to pay my bills from the automated teller machine, or cash-point, at the side of the road.

Nowadays this can all be done in the comfort of your own home, hotel room, plane, train or automobile - via the internet. The principles used, however, are all exactly the same as that early version back in the 80's. And it's not only the banking systems that have remained intact. The statements look pretty similar too – usually dull and lacking in finish!

It is glaringly obvious that a bank statement, however it is produced, is a much studied piece of documentation. We may not be disciplined to check every detail, but most of us would certainly scan it to see how much we may, or may not, have in our account. The same applies to our bills and the standard procedures we go through: open the envelope, discard the leaflets and free offers, and see what the damage is on the credit card, mobile phone bill, store card or whatever.

Implicit in this is the simple fact that, as a singular communication device, the lowly bill has a powerful potential. Especially so if we consider that - bar a few exceptional circumstances – it invariably arrives into the hands of the person holding the purse strings. The lowly bill as a marketing device is just waiting to be exploited.

Unfortunately, any IT specialist will readily relay the complexity of the issues between the back office and front office systems that ensue. And it's not just their complexity, but the sheer number of them. And then just add to that the requirements of corporate image consistency in vital areas like logos, colours and fonts, and you quickly begin to appreciate why so many companies are presently content with mish-mashes of bill presentations shaped by different divisions across countries, cultural norms and languages. All resulting in confused concoctions of messages and presentation.

In contrast, over several years there have been a cluster of companies producing software addressing these issues: the fundamental one being how to get the back office data out to the customer in a user friendly way? And once the presentation challenge has actually been managed, how on earth this everyday opportunity could be used to increase sales by conveying relevant marketing messages. Messages that need to be relevant to the customer so sales can be increased and at the same time reducing costs.

Industry professionals involved in this area bandy about some basic terminology:

ERP is 'Enterprise Resource Planning' and these are management information systems that integrate and automate many of the business practices associated with the operations or production aspects of a company.

CRM or 'Customer Relationship Management' serves to enable organizations to better manage their customers through the introduction of reliable systems, processes and procedures for interacting with those customers.

ECM or 'Enterprise Content Management' began to be coined at the turn of the last millennium. In autumn 2005 it was redefined as follows: *the technologies used to Capture, Manage, Store, Preserve, and Deliver content and documents related to organizational processes*. It is considered to be working properly when it is effectively "invisible" to users.

EDP or 'Enterprise Document Presentation' is a middle-ware software system that allows the back office systems to communicate seamlessly with front end output devices such as printers, faxes and images for email, such as PDF (Portable Data Format) files.

Neil Coulson is CEO of Quarter3 Ltd, management and marketing consultants specialising in the document presentation space. His comment succinctly captures the challenge, "So you face the problem of producing thousands of different documents to hundreds of printers, possibly by different manufacturers, in different countries, in different languages and you don't want to change your existing IT infrastructure. What do you do?"

There really is only one answer, and that is to look at the products offered by the handful of companies that now exist such as Adobe, StreamServe and Esker. These organisations all support and maintain middle-ware products, variously described as Document Presentation, Enterprise Document Presentment and Enterprise Content Management systems.

To cite one example, Stanley Europe has saved on 90% of their printing costs by largely dispensing with pre-printed stationery. "Many companies struggle to introduce flexibility into their customer documents simply because their internal systems can't handle the task" said Juliet Gilbert-Rolfe, UK managing director of StreamServe. "Stanley's focus is on continuously improving the key areas of customer interaction, and with StreamServe Enterprise Document Presentation, it can now customise information and distribute it in whatever format is required." Such software sits between the back end systems like Linux or Unix and IBM running applications like Oracle, Ingress, SAP, and SQL server. They function to communicate with front end systems like web portals, printers and devices for outputting printed documents, emails, text messages and faxes.

By way of explanation, Chris Stone, President & CEO of StreamServe, makes the comment; "Many large organisations spend millions of dollars annually to ensure that the image they present to their customers accurately reflects their brand. Then they forget about the prime communication sent to every single customer – the bill!"

And what follows on from addressing the complexity and consistency issue above? All of a sudden lots of opportunities become apparent. Not only will these products bring the brand communication in line with the corporate image, but also back office information can also be used to suggest products and services to the customer.

This middleware can take place across numerous types of printer drivers that may be around a corporation, can operate across systems in many different countries across all the continents of the world, and still produce documents consistent with a company's corporate image. At the same time tying in back office systems with well presented and refined documents produced at the front end, the bit output to the customer – like our lowly bill.

Chris Stone; “The lost opportunity to promote a company's brand can be especially expensive in terms of customer loyalty when two companies merge. When a customer's service provider is merged into a larger company, customer irritation, because of incorrect or confusing statements and invoices, can create a golden opportunity for competitors.”

When I first came across the term EDP it made little sense to me. It was only as I dug down into the subject that it gradually dawned on me that the concept provides a vital function in large companies with many customers.

John Rueter, Corporate VP Global Marketing at StreamServe puts it well, when he says “You've seen the bills, I've seen the bills, they're awful! There must be a better way of communicating with the customer than this!”

That it brings together the back office of an organisation and makes it possible for front line functions to address them directly is just a small part of the story.

One company that has neatly demonstrated how this can work is Harley Davidson in partnership with Adobe. Mark Wheeler, European Marketing Manager at Adobe, points to how these back office and front end technologies can be made to work seamlessly at the [Harley Davidson](#) site. Here you can order and customise a bike – not just for you sitting in front of your PC at home at the front end of the website. In real time, as you select which paint job you want, the information is communicated back to the factory floor, accessing stock inventories and work flow schematics to calculate expected lead and delivery times.

So there are the two sides to this subject. The first around communicating with the customer based on producing the bill in line with the corporate image, at the same time as reducing cost. The second is around increasing profits and growth for companies by grasping the opportunity afforded by the bill to combine it with the data you may already have on the customer to better serve them.

The technology has to be completely, proficiently linked; otherwise weaknesses are exposed in the system. Chris Stone quotes the example of QVC, who were putting 3 items in a box, ‘Whatever the size of the item. So if the customer ordered 4 items, 3

automatically went into 1 box, leaving the fourth item to make the journey alone in a separate box! By allowing for volume size in the calculations, the parcel numbers delivered were reduced dramatically.'

Bashrat Din of MD UK & Northern Europe makes an interesting observation around billing security. "The industry is very concerned about security, and this is perhaps the single most important issue right now." He has a point. The last thing anyone wants to share is their bill – particularly the bank statement. The banks would dearly love to send out data electronically but are hampered by security issues. He continued; "Companies all seem to be arriving at the same place, integrating ERP, EDP and CRM so that a company can purchase a single neck to throttle!" Take output from any input and method of delivery, compressing the Procure to Payment Cycle, and Order to Cash Cycle.

Businesses have been trying to reduce these steps – procurement, accounts payable, sales ledger - ERP financial systems, supported by business systems supported by pieces of paper. Sales order processing – signature of the delivery note, triggers a payment via the BACS payment system. The same market dynamics are at play as in Sales Order Processing, with a single solution from the provider. Sales Order Processing – receiving via Electronic Data Interchange (EDI) the Pareto Principle of 80% of orders being received by 20% of the customer base.

By having a system that brings in design and back office systems to produce billing, its easy to see how this can also be used to hold the logo, font and colour information so the whole page can be printed out, dispensing with the need for headed paper. This gives customers a choice of how they require the output.

Bashrat Din observes that "Finally marketing has recognised that here is a great way of connecting with customers."

The drivers for this, to coordinate communication across various platforms, are the campaigns such as eGovernment in the UK. People now want to receive bills by Portable Data Format (PDF) – Silver Surfers are used to paper – but some of them scream "GIVE ME THE CHOICE!" The key point here is that they want to receive the traditional piece of paper in an electronic version. Provided it looks like a piece of paper on the screen they can print it out on their printer, and the physical version will look identical to what they would have received through the post, they are happy with the procedure.

As for the future, the challenges are mainly for those companies and organisations behind the curve, and whether they adopt products from vendors, or they develop their own systems. It is essential that security rules have to come out of the systems in relation to businesses to customers' correspondences. In the sphere of business to business what will need to happen is a manageable number of high adopters, combined with a reduction in the high churn rate of individuals changing their email address.

One way to communicate is to push the customer out to a secure email, which pulls you to a secure website. SSL technology with standard digital certificates – will only receive emails that begin to emerge, via password and encryption. Certain emails will arrive with

login and password to be put in as standard. Other ideas involve incorporate firewalls behind which sits a document you wish to collect. These are effectively personal portals and when your laptop breaks down everything is still there, held safely behind firewalls and always regularly backed up.

Many businesses in the UK are unaware that there is now no longer a requirement to send out a copy of the invoice printed out and put in the post, thanks to the European Directive on Invoicing effective since January 2004. As costs continue to increase for postage, the fact will slowly start to sink in that this method of delivering invoices will be a big opportunity to save cash. VAT compliant and audit proof – internals are anticipated to be using it for a long time.

The one thing consistent about this area is that the companies operating in it all have a different take on what it is that they define it as. Maybe this is a way of differentiating themselves from one another – to put some clear blue water between themselves and their rivals, who knows.

This makes for a very confused marketplace, with everyone claiming to be focused on a different aspect of the industry. This approach could well be counter productive in the long run, as the more executives operating in the companies are confused, the less likely they may be to purchase.

StreamServe have taken a bold move in the market place by switching to a transactional method of charging for their systems. This means the customer can have all the various modules that come attached to StreamServe's core systems and they are charged by the number of items delivered, or printed and processed.

This approach helps to quantify the sheer volume of the transactions that are moving around an enterprise's systems, and can be accurately assessed from an accounting point of view. Rather than taking a calculated gamble on the upfront costs of licence purchase, the customer can spread the cost of the software development along with operating overhead costs.

As the software is immensely powerful and capable of much more than most of even StreamServe's clients realise – they get as much of it as they can eat, with all the modules being provided as standard right out of the box. Work out with them a realistic charge per transaction by negotiation, and away you go.

Peter Skanberg, Technical Project Manager at Handelsbanken, "This is a dream product; it has been absolutely trouble-free. I can say that we have freed up resources that can be better used elsewhere. The distribution of sales reports by post used to take 48 hours, and then it took 15 minutes by fax. It now takes 90 seconds with electronic delivery."

And needless to say every company has its own problems and its own issues. Hadley Industries is comprised of twelve companies and is one of the largest producers of cold rolled metal sections. They needed to find software that could personalize and manage

documents in a variety of languages. They conduct business in thirty-four countries across all five continents. They had also sustained excellent customer service for many years.

How to communicate with different market segments? If the company had to, for example, send out invoices from their twelve subsidiary companies to six different countries, it would mean no less than sixty variations of the same document.

The solution? Using a system whereby documents can be modified in-house, each with its own branding, stationery, presentation style and language. The system can identify Hadley's subsidiary company for each purchase order or invoice, produce the document that represents that company and then identify which printer it goes to. Hadley save time and considerable costs because all sales orders or invoices can be directly outputted to plain paper. The appropriate logos, addresses and languages appear....and this is just one issue for one company. Just a small issue like logical page-breaking can transform the look and efficiency of a bill/document/invoice.

Customer Relationship Management software (CRM) is a classic – in that it has the potential to have a 360 degree view of the customer. Knowledge, Enterprise Resource Planning (ERP), making it externally focused. Information being simply pushed in the direction a company wants it, in the way their customers and clients want to receive it.

What really does seem to be developing as the important issue of the future is connected with security issues and the ways round them. Also technology and modes of transition will change. My early sense of convenience at being able to pay a bill at a cash point already seems cumbersome when compared to being able to pay easily through my mobile phone. (The operative word there being easily). But counter to this the amount of phishing scams, and the increasing sophistication of the fraudsters, is conspiring to undermine the average user of the internet on their home PC or mobile. Confidence levels are being breached.

As Mark Wheeler of Adobe explained to me, 'Several core issues we are having to address – there is lots of concern from the banking environment around phishing (where a bogus email is sent to people pretending to come from a bank – when the victim goes to the bogus website, set up to look like the victims Bank, the username and password are recorded. Then the crooks go to the genuine banking site, log on as the individual as they have all the passwords, and then transfer money out to their own accounts). The net actual impact of this in the UK alone is estimated to be at least £18million of cost – and that's in the banking sector alone. Adobe Reader or Adobe Flash Player EDI is about TRUST – there has to be authentication, with electronic invoicing becoming standardised. We need to go and regain that trust, so we have confidence in the system with EDP solutions and how they communicate. It's all about confidences.'

The second area is around electronic purchasing. He continued, 'Imagine that I'm in a procurement department and I want multiple parties to bid on a project for me? Here is what I want you to produce – diagrams are sent out all over the world - to India and

China. There are many instances of reverse engineering, taking the products to pieces and then bringing them back to market at half the cost. Intellectual Property getting into the wrong hands because of procurement processes being breached on the security front. If I ask you to bid for the right to manufacture 5000 units of a bolt, it will be possible to have a remote switch off to access the electronic design. If designs change, I need to make sure you have the correct version on your PC that the supplier is working to. The company controlling the procurement process will be able to go into the file sitting on the supplier's system and make sure they are working on the correct version of the file.'

'A third area is accountability around the usage of documents. So it's about who has accessed that document, how many copies have been made, how many copies have been printed. The ability to be able to see precisely what has been done with each and every document. Received information, due diligence around what has been done, and track what has not been done.'

Adobe have been working with one of the large credit card companies. I asked him how one could monitor the bills for the future:

He replied, 'There are very real opportunities around bills, particularly of those from credit card companies and the banks. If you stop and consider this that these financial institutions know an awful lot about their customers, from spending habits, through to predicting where they will shop at various times of the year. Deals could be hatched with companies to provide interactive suggestions as ways to save money, based on past shopping habits. In many ways like the customer loyalty cards will give cash back in exchange for holding spending data and patterns. By extension the banks could offer money in exchange for sharing spending patterns from the bank or credit card account, with companies with an interest, like holiday firms, specialist shops, such as those related to hobbies - sport, music, books & films.

Bills are going to grow into intelligence, a better utilised understanding of the customer, to utilise this intelligence to engage them in a purchase.'

Estimates vary, but today it's thought that there are around 600 million PCs in the world, with something like 570 million mobile phones in Europe, 380 million in North America and 540 million in Asia-Pacific. A total of 600 million PCs to 1520 mobile phones.

With mobiles already ahead in the PC mobile race, it is only a matter of time before Enterprise Document Presentation will be communicating with these mobile devices via the internet. The commercial opportunities utilising these technologies is simply phenomenal.

Oh to be the Strategy Manager of a credit card company.

Bills are Dead – long live Bills!

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Anthony Capstick was sponsored by StreamServe to produce this thought presentation article.

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