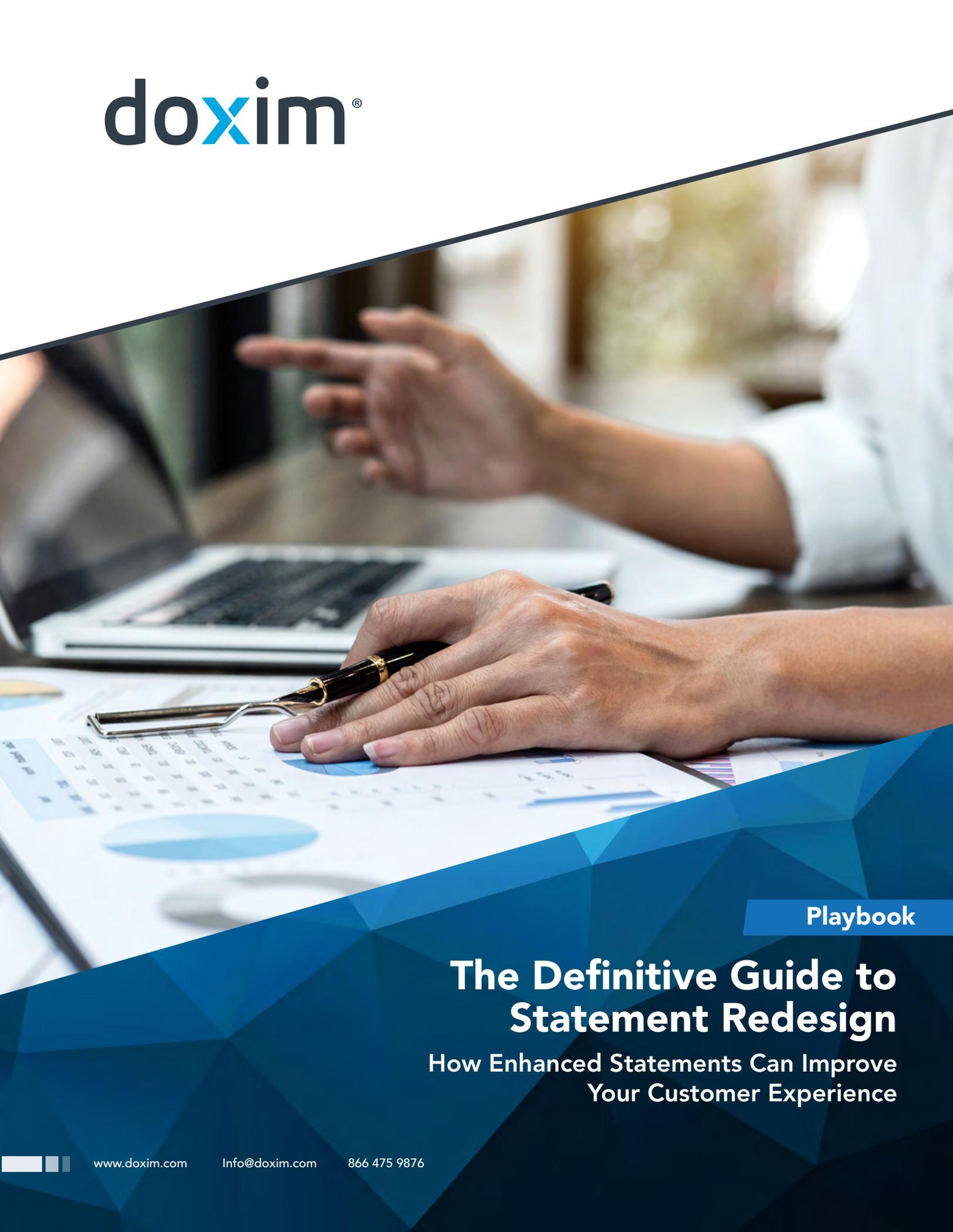


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Playbook

The Definitive Guide to Statement Redesign

How Enhanced Statements Can Improve
Your Customer Experience

Key Benefits of Statement Redesign



A statement is the one key communication piece that gets delivered to your entire customer base on a consistent and predictable basis.

Collectively, when considering a statement redesign project, we often tend to focus on the marketing opportunities it will bring. It makes total sense, because a statement is the one key communication piece that gets delivered to your entire client base on a consistent and predictable basis. And when maximized to their full potential, your statements can definitely help you drive new and incremental revenue.

But there's a second, more important, goal for any serious statement redesign initiative: to ensure your statements play an integral part in your organization's efforts to close the "Experience Gap" – the growing chasm between your customers' service expectations and their direct experience with their financial service provider(s).



If you ignore the important role statements can play in your account services efforts, and only deliver a basic paper statement to your customers, you are allowing some key issues/opportunities to go unaddressed:

1. Customer Dissatisfaction

If you put little time and effort into the design and layout of your statement it will likely present confusing data, which reduces customer satisfaction and drive up calls to your customer service teams.

With the fully loaded cost to manage a call in a call center ranging between \$5.50 and \$8.00, doesn't it make sense to do everything you can to ensure that the statement data you deliver to your customers is clear and understandable?

2. Brand Deterioration & Missed Brand Impressions

Sending out a plain vanilla black & white statement with basic data layout and design leads to wasted brand impressions. It does little to reinforce the brand image you want to communicate to your customers. Developing a better looking statement design helps you more closely align your statements with other branding activities, enhance the reader's overall experience and improve their impression of your organization.

3. A Missed Opportunity

Sticking with a legacy statement composition process also hinders your ability to leverage your statements as a valuable and effective marketing vehicle.

It's hard enough to get consumers to pay attention to any advertising these days. So why not communicate key marketing messages via a document that customers will actually open and read! Statements are the one communication vehicle you send out on a regular basis that achieves a 95% open rate with customers, who typically spend 1-3 minutes reading each one.

Monthly statements are already a very costly part of doing business. So it makes sense to leverage the value that statements can bring, as a vehicle to support your customer cross-sell and up-sell initiatives, and your efforts to more fully engage to improve customer satisfaction.



“Call center inquiries for statement related issues can range as high as 15- 20% of total complaints received by a financial institution.”

When analyzing your current statement design, consider the following:

- Who is your audience? Why are you sending them a statement? And how will they use the information when they receive it?
- Does your statement layout deliver the key information on page one like an account summary and personalized contact details?
- Is your statement simply a transactional document or is it also a marketing tool? If so, is it there to market your brand, or your products and services, or both?
- Do you want to include additional information on, or with the statement? If so, which other mailings could you eliminate if you did this?
- What are your key demographic segments? What do you know about these people? And do you want to really “speak” to each demographic?
- If so, what are the key messages (cross-sell or up-sell) that you might want to deliver to these different demographic segments?
- Do you deliver it in print and electronic version? How can you maximise value derived from these different delivery mediums?

Basic Design Principles



So, now we've established that there is more to statements than meets the eye, let's dive into some basic design principles. Statement design begins with messaging strategy – who is the statement for, what do you need to say and how do you need to say/deliver it?

To develop your messaging strategy you must consider three key things:

Audience – Who will receive your statement, how informed are they and what is their economic and cultural background and age. This is vital to ensure you pitch the content correctly. It's also very useful for identifying key segments for targeted messages you might decide to include on your statements.

Context – What are the circumstances in which the reader will view the statement? Are they still receiving it by mail, or are they only receiving e-Statements. And if the latter, how are they viewing them – on a PC, a tablet or a smart phone?

Purpose – What do you want the statement to accomplish? Is it simply to inform them of their current account status? Or do you perhaps also want to provide additional information and or include marketing messages as well?

These are all key considerations when designing and laying out your statement content. You should rank them all in order of importance to your organization, so you know what your statement needs to achieve.

Key Design Concepts



Once you've decided on the priorities of your messaging strategy the next step is to consider some of the design concepts that are a key part of developing effective statements.

There are three basic design concepts you need to consider:

1. Emphasis – Directing the Eye

Emphasis dictates where the eye is drawn when a recipient looks at their statement. A simple way to achieve this is to first identify which part of the statement you want your reader's eye to focus on and then work with things like contrast and call out boxes to draw the eye there, as the human eye is naturally drawn to areas of high contrast.

For example, boxing certain paragraphs really helps make them stand out from the text around them, so this is a great way to put visual emphasis on content you would like the reader to notice.

Similarly, if you use a darker color on certain bars in a graph, the eye is drawn to those more than other bars in lighter colors.

Even variations within the text itself can be used to draw reader attention to specific messages, by bolding key words, for example. However this has to

be done with caution in order to maintain legibility and flow. As a rule of thumb, using shading, contrast and boxing are better ways to draw the eye than bolding, if you want to avoid impacting clarity and readability.

Use of color really helps your statement pop, does wonders for your brand image and, importantly, helps to increase response rates for your marketing messages.

However, over-use of color can have a detrimental effect on legibility – for example, a fully colored background can impact readability, so if you want to leverage your brand colors as a background for text boxes, for example, make sure this is limited to smaller ones with not too much text.

You should also give careful consideration to print and electronic production realities. For example, while your new statement design may look fantastic when viewed in color on your PC screen, be sure to do some tests to ensure that the colors and tones you have chosen also work well when they are output in black and white for print.

Visual noise is something to avoid. It occurs when there is too much going on within a given page, and the statement becomes hard to read. Overuse of color, elaborate or multiple fonts, or outlined, shaded or boldfaced fonts all contribute to visual noise, and this can erode the clarity of your statement.

TIP: One easy test to assess the visual noise of your statements is to look at the document through partially-closed eyes – where is the eye drawn? If the answer is "nowhere in particular" you either have too many points of visual emphasis, or none at all.



Get Rid of the Clutter

A statement should be a clean document. Display what's necessary and useful and don't display other information that is not – like system codes and ambiguous abbreviations that come in the core statement data stream. If they mean nothing to the reader and don't need to be there, get rid of them.

2. Clarity – Helping the Reader Understand

Clarity is all about maximizing the recipients' understanding of the content of your statement. It can be enhanced through careful language selection, avoiding jargon and acronyms, and keeping an eye on sentence length and reading level.

Clear language is an essential trait of business statements. Use plain English, simple and unambiguous words, and focus on the reader's point of view. Also ensure the tone of the language is appropriate. Recent research shows that people prefer official communications to be somewhat formal.

Here are some quick tips to make sure the copy on your statement is hitting the right notes for maximum clarity:

- Test the reading level of your copy. Current advice suggests no more than a 6th or 7th grade reading level for most communications.
- Shorter words make it easier to scan page copy and also save space on the page.
- Remove esoteric or ambiguous abbreviations that might come with your banking data stream. If they mean nothing to the reader and do not need to be there, take them out.
- For any ads that you include on your statements, focus less on features and more on benefits.
- Use clear, understandable calls to action.

Content arrangement strategies, like adding key lines can also help create defined sections to a statement page. Readers read and comprehend content more quickly when it's neatly organized and sectioned. This serves to increase clarity.



Ergonomics

In statement design, the term ergonomics refers to the flow of information within the statement. The statement should have a logical flow, from a summary on the first page to more detailed data later on.

TIP: To test the ergonomics of your statement ask yourself – is the layout “comfortable”? Does the customer have to search for information? Or does it provide the right information at the right time and group it so it is easy to find, read and digest.

3. Ethos – Building Reader Trust

Ethos refers to the things you do to help build a relationship of trust with the reader. For instance, ethos is enhanced by the use of your official letterhead and logo, which have built-in credibility. How data is displayed can also increase or decrease the perceived ethos of a statement. For example, if a reader is being shown two options, giving them equal treatment, space-wise, makes it appear to the reader like you are presenting them impartially.

Reassuring your readers and fulfilling their expectations is vital. Your customers expect contact information, summary data, and account numbers to appear at predictable locations on the statement, and fulfilling these expectations makes the statement feel more legitimate to them on a subliminal level.

A major benefit of focusing on the ethos of your statements is not only to build trust. It’s also a really great way to get the reader to start paying attention to what else your organization has to offer. The more your readers trust you, the more effective any included marketing ads will be, which in turn will lead to more cross-sell / up-sell opportunities being generated.

Laying Out Your Statement



Now that we've covered some of the key considerations and concepts that are critical to any statement redesign project, it's time to focus on bringing it all together. And so we come to the statement layout.

There are a number of basic rules to keep in mind when laying out the data and information flow of a multi-page statement. To maximize readability:

- Keep branding and contact information front and center so customers easily recognize whose statement they are looking at.
- Keep key lines and styles the same throughout the document, this helps make the document feel consistent and cohesive.
- Ensure the first page includes clear, easy to read account summaries, personalized contact details and your most important marketing message(s).
- Balance the need to use printed "real estate" to maximum effect with the need for white space around copy, which helps increase comfort and legibility.
- Keep key messages "above the fold" to maximize readership and rates of response.
- Avoid centered text. It leaves ragged, unattractive edges and is difficult to read.

Remember that it's OK to include explanatory text in the body or footer of the statement as and when it's required – e.g. expanding on product descriptions.

Selecting Typefaces



Typography is the art and science of selecting and arranging type to maximize document readability and attractiveness. It comprises of typefaces, point size, line length, line-spacing (leading) and letter-spacing (tracking). Judicious use of different typefaces and point sizes helps to structure the information you are delivering, making it easier to read and digest. In this section we'll provide some best practices for font selection, point size and font treatment, plus common errors to avoid in typography.

Fonts: Size and Style

The type and size of font that is used on your statement is crucial to design, attractiveness and readability.

- Use solid, plain easy to read fonts. Twelve point is a good size for most readers and ten point is probably the minimum size to use, except for things like Terms & Conditions.
- Consider the need to deliver statements with a larger type size to readers who may need it (e.g. seniors). This is typically achieved by defining preferences in your statement processing system.
- Avoid combining more than three different fonts on the same page. This can make the content overly busy and reduce readability.

Serif or Sans Serif?

As a rule of thumb a serif typeface makes text easier to read by leading your eye from letter to letter. Serif typefaces are especially good for denser or longer blocks of text, which is why they are the typeface of choice for newspapers and books.

Similarly, a sans serif typeface is best for titles, as it helps to draw the reader's eye down into the body of the text.

“Hi, I am a serif font... Who are you?”

“I am a sans-serif font. Nice to meet you!”



Font selection has to be carefully managed. Below are some of the more popular fonts which are used on statements. These are just examples, so be careful to choose fonts that are suitable for your specific statement processing environment. Also, be aware that your font choice may well be determined by the existing branding guidelines of your organization.

Popular Serif Fonts

- Times New Roman
- Constantia
- Century Schoolbook

Popular Sans Serif Fonts

- Arial
- Calibri
- Helvetica

Italics, Boldface and Underlining

Using Italics is a subtle way to add visual emphasis to part of a block of text. But it should be used sparingly, as text in italics is less easily read than regular text. Boldface or underlining is less subtle and can irritate readers. And of course, emphasizing too many things within a given statement can undermine the overall readability, because when everything is made to look important, nothing is really important.

Uppercase is a No-No

You should avoid the use of UPPERCASE text to emphasize words, phrases or even entire block of text – BECAUSE WORDS IN CAPITALS ARE LESS EASY TO READ, will irritate your readers and can create a false sense of urgency, undermining the ethos of the document.

DXM Financial

Statement Period Ending: Nov 30, 2011
Account Number: 123456790
Pages: 1 of 4

Mr. Angus Young
9121 Heritage Drive
Whitall, PA 18052

Account Summary

Checking & Savings	\$4,005.93
Term	\$10,800.00
Loans	\$165,000.00
Tax Free Savings Account	\$5,000.00
Registered Savings Plan	\$225,000.00

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Service Manager
Lisa Smith
355.555.5555
John@doxim.com

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Creating Best In Class Statements

By moving from a legacy format statement to an enhanced statement, the look, feel, utility and value of your statement can be increased enormously. Let's take a look at an example of an enhanced statement and the various elements that it can include.

A Better Looking Statement Dissected

- A full color banner with prominent logo placement helps reinforce your brand image.
- The ability to dynamically add personalized contacts allows you to insert the appropriate account manager/representative for each customer, improving overall personalization.
- Statement data is well laid out, easy to read and decipher making reading a breeze and finding information quick and easy. An account summary on page one is a must.
- Multiple message zones both in text and image formats allow you to deliver targeted marketing messages to the recipient.
- 2D barcodes are smaller and contain a lot more data than OMR or 3 of 9 barcodes, allowing you to manage new levels of preference at the letter shop end of the statement output process.

DXM Financial

Dem11906 3217781 Y 1 0810
Jane Smith
123 Fifth Avenue,
New York, NY
10002

Account For
Lisa Smith

Your Investment Adviser
John Doe
Phone: (212) 456-8767
Email: john@doxim.com
Fax: (212) 456-8768
Toll-Free: (800) 456-8769

Contact Us
New York Branch
Phone: (212) 456-7877
Email: info@doxim.com
Fax: (212) 456-8768
Toll-Free: (800) 456-8769

Your Investment Portfolio
For the period ending January 31, 2017

Portfolio value on January 31, 2017	\$100,000.00
Portfolio value on December 31, 2016	\$423,600.52

Portfolio by account
Non-Registered: 99008 - Cash Account: 89456 - 8916

Message Board

All values and prices are in (USD), unless otherwise stated.
On January 31, 2017
CAD: \$1.00 = USD 0.81
EUR: \$1.00 = USD 1.13
GBP: \$1.00 = USD 0.76

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Additionally, with careful redesign you can often reduce your overall page count per customer statement, reducing print, paper and even mailing costs.

Displaying Data



In some cases you may want to display data graphically, e.g. when investment account information forms are part of your statement.

Proper data display helps your customers understand their statements more easily. To decide how to display data, you must first consider what the customer will use the data for – are they trying to see a trend over time or look for specific transactional information? This will help dictate whether a table or graph should be used.

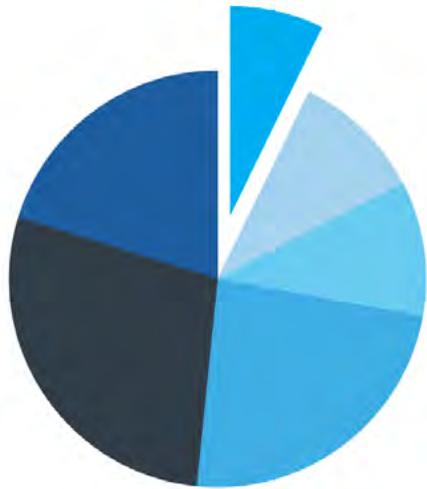
Tables are good for displaying specific pieces of data, or processing data from the bottom up. Graphs are better to give a top-down view of the trends and relationships among the data.

Customer needs also dictate how many labels and lines need to be part of your data display. Do you need horizontal gridlines on your graph? That depends on whether your readers are going to want to gauge the data more precisely (over time, for example), or if they really just want to see general trends.

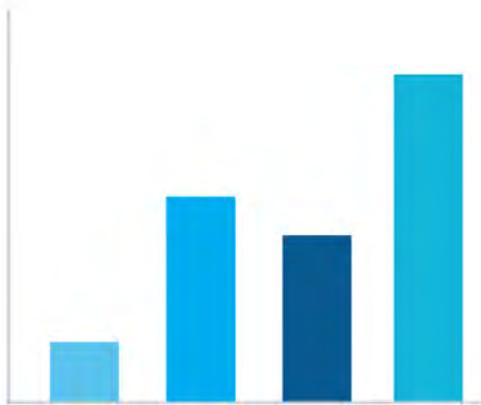
You can thicken the trend lines on a line graph to add emphasis, or darken certain lines to show the trends that you want to emphasize. But be careful about doing this. If the reader thinks you are being duplicitous by emphasizing certain data sets and downplaying others, you will undermine your statement's credibility. Similarly, tampering with scales (for instance starting the graph at 200 vs. 0) can also undermine credibility. The overriding watchword is - keep your data displays honest!

You can also consider eliminating graphing symbols, legends, and so forth for a more streamlined look, but this must be done judiciously or you risk losing reader comprehension. Would a clear title mean that you didn't have to label the axes? This sort of choice has to be made on a case by case basis.

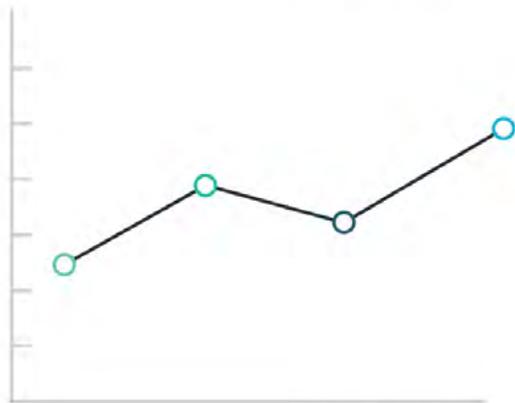
In some cases, a lack of conciseness is acceptable – pictorial symbols and color serve to attract the reader's attention, so sometimes you might make a trade-off for a less concise data display which is quick, accessible, and "friendly" to read.



Pie Chart



Bar Chart



Line Graphs

Here are a few best practices for data display on business statements, broken down by chart type:

Pie Charts

- The first “slice of the pie” in a pie chart should always start at twelve o’ clock
- A pie chart should have a maximum of six or seven slices. Beyond this, the reader can’t easily compare them. If you have more data to display, pick a different chart format.

Bar Charts

- Watch how you space the axes – it can cause the data to be read differently (for instance, stretching the x axis can level out the differences in data, or stretching the y axis can cause sharp peaks and valleys). This can in turn influence how your customers perceive their financial situation.
- A vertical arrangement of bars tends to look more formal and conventional to readers, and so it is more appropriate in most cases.
- Divided bar graphs make it hard for readers to make accurate comparisons of data within the bars, but they let you display a lot of data. So there’s a trade-off to be considered if you have a lot of data to share. Consider using something other than divided bar graphs when customers only need a general sense of what’s happening with the data, so they will be comfortable considering lots of data at once.

Line Graphs

- Like divided bar graphs, these are great tools for displaying trends, but can make comparing data accurately from line to line quite difficult. A grid can help here, but it can also cause unnecessary visual noise. Once again, consider how your customer will use the data, and let that guide how to display it.

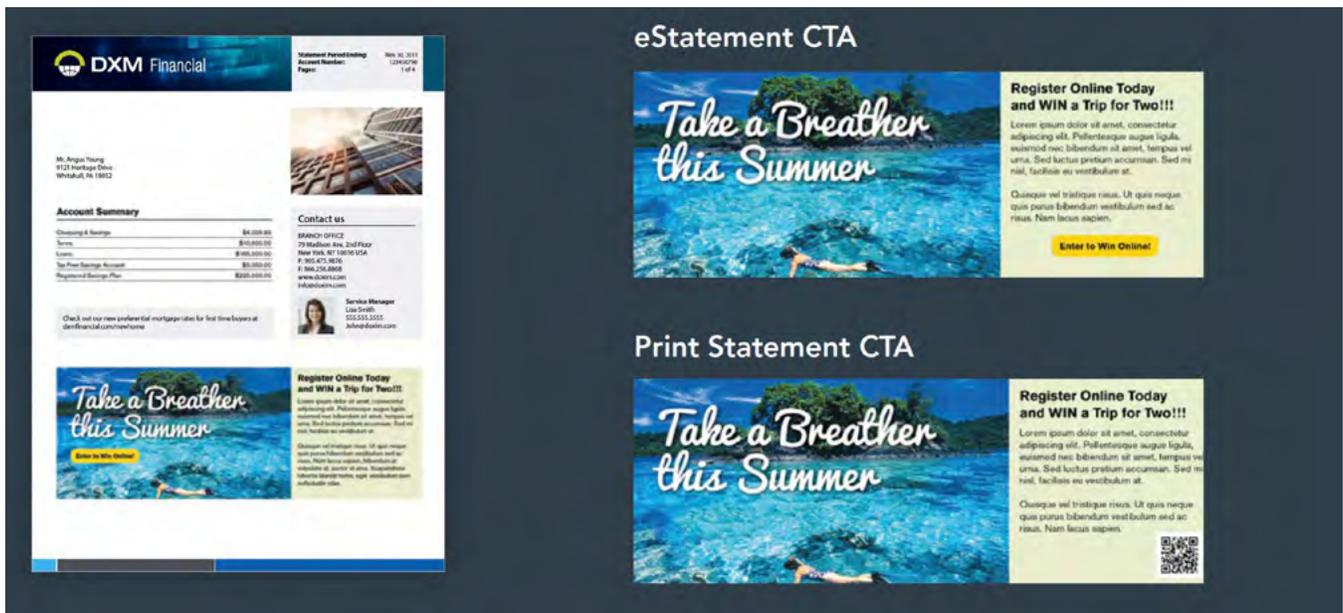
Leveraging Marketing Messages



Because your statements are the one piece of customer communications that are reliably opened 95% of the time (and then read/studied for 1 - 3 minutes) they present an ideal medium to deliver marketing messages to your customers.

Many institutions already take advantage of the statement envelope to deliver inserts and buck slips to customers. However research shows that the vast majority of this ancillary paper gets discarded by recipients, without even a cursory glance, so their overall value is questionable.

By using the statement itself to deliver these messages, the chance that they will be viewed, read and acted upon increases substantially. Putting these messages directly on the statements also reduces the costs associated with pre-printed inserts (print, shipping, storage and inserting). Additionally, and perhaps most critically, it also means that these messages can be delivered to all your customers, regardless of whether they receive their statements in printed or electronic format.



Calls to Action

Including a big, clear and compelling call to action (CTA) on your statement ads will drive better results for your marketing campaigns. And the more specific and descriptive the CTA is, the more likely a reader is to do something about it. "Call Now to Secure This Limited Time Rate" will work much better than a simple "Find out More."



And with so many customers opting for e-Statements only nowadays, it's important to consider how a person responds to the different mediums of paper and online.

On paper statements the CTA typically needs to be either a very simple URL - www.mybank.com/savemorenow, or a toll free number.

On electronic statements, embedded URLs can link the reader to the appropriate web content, providing an immersive end-to-end online experience, that can take the responder all the way to a logical conclusion – like actually signing up for the new high interest savings account that you advertised to them!

Above all, remember that in all cases, and especially online, the wording in the CTA and the place the person is taken to must be tightly aligned. There is no point in offering the user access to a new, low interest mortgage rate and then, when they click on the big orange "Get My New Mortgage Rate Now" button, they are taken to your home page where they have to hunt around to find the offer you just advertised to them.



A/B Testing

Anyone involved in email marketing will understand the value that A/B testing can bring to the response rate of your email campaigns. It's all about testing two versions of an email campaign to see which one drives better response. And even small changes to the wording, layout, images, color or CTA of an email can yield significantly better results.

Perhaps surprisingly, A/B testing can be also leveraged successfully to improve response to statement based ads as well. The date imperatives surrounding regular statement delivery can make this a little tricky but it's worth the effort and it's simple to do. Deliver two different ad versions to two different segments of your audience in one month, and track response rates. You can use the results to identify the best performing ad and use this one for statements sent out in the subsequent month.

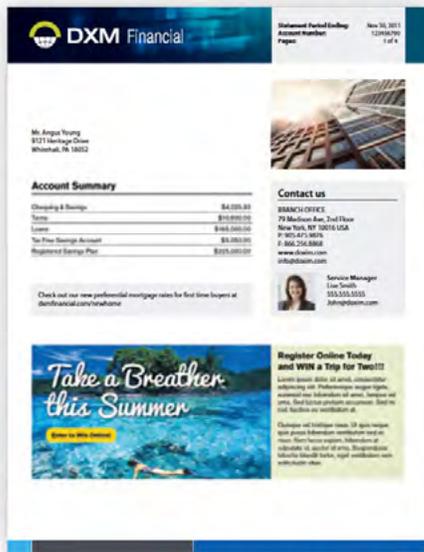
Demographic Targeting

By leveraging business analytics tools to 'mine' your customer data you can identify trends in customer demographics that can help focus your ad messaging. You can then target different statement based messages to different customer segments. By anticipating customer needs and interests and offering them products and services that resonate better with them, you will increase the chance of engagement and response from recipients.

Advanced Statement Design

This is a lot to think about when embarking on a project to improve something as seemingly simple as a statement. A good enhanced statement design should:

1. Provide lots of flexibility in the way statement content can be laid out. And include zones for data, marketing and other messages and personalized contacts
2. Allow multiple templates to be created and utilized, so that things like first page and inside page templates are different



Sample First Page



Sample Inside Page

3. Provide different templates for eStatements (in color) and Print (Black & White) so you can optimize the statement for black and white print output

4. Allow you to append additional content and materials to statements such as newsletters or other pertinent customer communications



Sample Black & White Page



Sample Newsletter

An Opportunity Exists

To remain competitive, organizations must consider communication strategies that allow them to communicate more effectively with their customers, improve customer satisfaction, lower costs and add additional revenue streams via statement based marketing. A great opportunity exists with a new statement redesign and it's a win/win for both your internal stakeholders and your customers.

Some Final Ad Ideas



Once you've mastered the use of on-statement advertising to support the cross-sell and up-sell of products and services, here are a few 'out of the box' ideas that you might want to think about investigating further:

- Use incentive based ads on statements to encourage eStatement adoption – e.g. : “Sign up now to receive your statements online and get a \$10 Amazon voucher.” Remember that one customer opting out of print statements will save you more than \$10 in print and mail costs in the first year alone.
- Leverage third party coupons to drive increased adoption of services – e.g. offer a \$500 big box home renovation store voucher to incent recipients to take out a home renovation loan. Negotiate with a specific store and get these at less than the face value, because it benefits them too.
- Leverage local businesses to provide incentives that help drive loan adoption – e.g. get your local Ford dealer to offer a \$1000 cash incentive on a new vehicle when customers take out a new car loan.
- Consider providing third parties with paid access to your statement ad space (e.g. insurance or investment providers). The revenue this derives can be used to reduce or even eliminate the overall cost of print statement production and delivery.

How Doxim Can Help



Doxim is a leading provider of statement processing and content management services. Backed by a deep understanding of technology, business, and regulatory needs, we have become the trusted provider of statement design, composition processing, and eDelivery solutions for more than 800 financial service organizations across North America.

These solutions include:

- Data Conversion and Optimization
- Electronic Document Production
- On-Statement Marketing
- Differential Bundling and House-Holding
- E-statement distribution
- E-statement e-Notification
- Electronic Content Management



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Statement Services**

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Doxim is the customer communications management and engagement technology leader serving highly regulated markets, including financial services, utilities and healthcare. We provide omnichannel communications and payment solutions that maximize customer engagement and revenue, while reducing costs. Our software and technology-enabled managed services address key digitization, operational efficiency, and customer experience challenges through a suite of plug-and-play, integrated, SaaS software and technology solutions. Learn more at www.doxim.com.