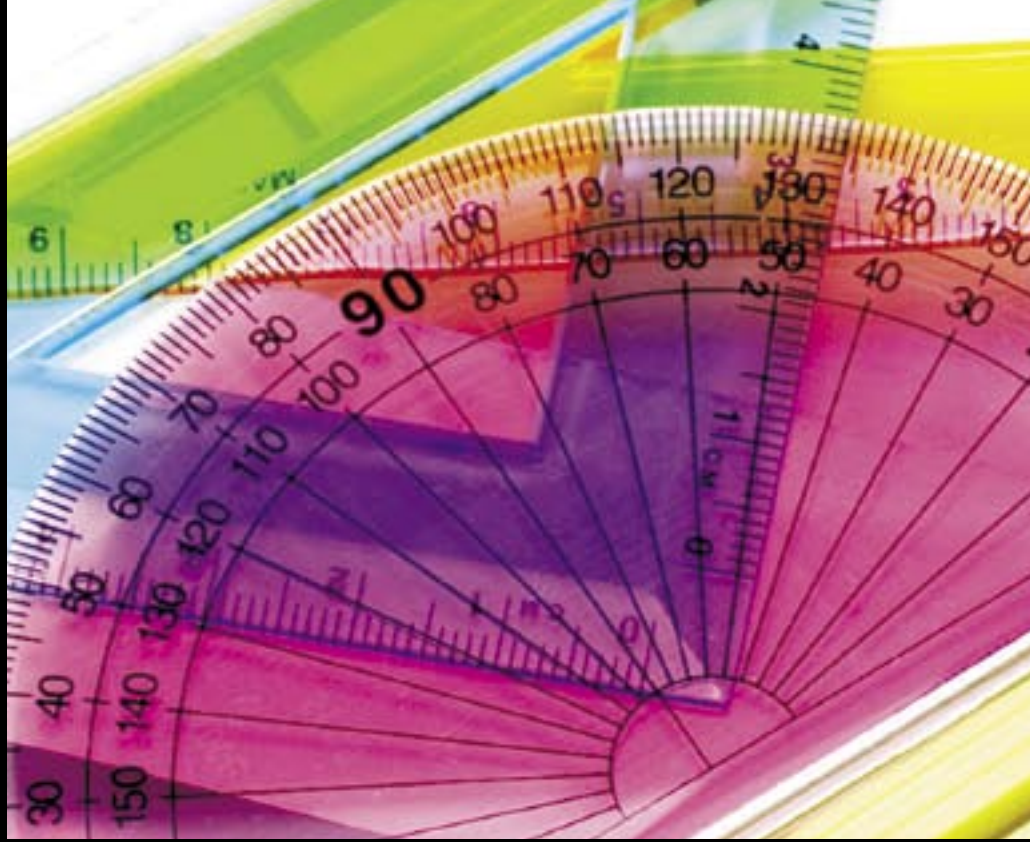


**a**s the space in which your communications with your customers narrows, the importance of an effective transactional document grows proportionately. Designing a great statement is no easy task, but learning from the mistakes of other fellow document producers could be your saving grace.



# Do Your Statements Measure Up?

The study of great statement design | By Dr. Michael Turton and William Broddy

Imagine your first visit to the local branch of your new bank. The place is disorganized and cluttered; you can't find the receptionist; the branch manager's office is located in back of the storage room; the branch signage bears no relationship to its corporate brochures or advertising; and you have to call an 800 number to actually find out the information you came looking for. You leave wondering, "Do they train their managers and run their business systems with the same lack of understanding of customer needs?" Now, think of your organization's customer statement: are your clients thinking the same thing when they open it?

Less than 10% of the statements issued in North America and Europe fully support the marketing and customer-support objectives of their issuer. In fact, almost 50% have a negative impact on the customer relationship with that organization. According to a 2003 Canada Post Corporation study on mail recipient behavior, since over 85% of an organization's clients will open and spend approximately 40 seconds (according to a Pitney Bowes study) to review the statement each month, a bad statement can drive significantly more call center incidents and also erode client perception of the organization.

## A Global Look

In the face of such statistics, the importance of what your customers

see in those 40 seconds is tantamount to your organization's success. Recognizing the significance of the transactional document as the primary communication channel with customers, Canada Post Corporation commissioned us to evaluate the quality of statement mail, both in Canada and the US and Europe. We were asked to develop a quantifiable rating system, gather a representative collection of live samples (104 in total) and then score them for overall quality, based on 76 features and attributes that should be present. The resulting white paper, "Great statements improve customer relationships," documents the results by geography and industry.

In preparing the weighted list of features and attributes, we consulted six leading information design firms that focus on statements. In addition to Cavendish Consultants, they included Art Plus Technology, Blue North, IMDS, Prinova and Simplified Communications Group. With their expert assistance, we were able to identify and weigh virtually all the significant components in the anatomy of a statement. In addition, we received scanned copies of statements sent by fellow electronic document professionals (EDPs) throughout North America and Europe, with the help of the Electronic Document Systems Foundation (EDSF).

## What Makes a Great Statement?

As a result of the research, it was found that the issuers of great statements (about 10%) understood each individual client and corresponded appropriately. The statements were well organized, easy to

read and follow, had appropriate spaciousness and never left the recipient confused as to what to do next or how to get more information.

When we looked into the development process for great statements, it was discovered that these projects shared three traits that separated them from the poor-quality documents:

### 1 Marketing or product management leadership

Marketing took ownership and drove all of the great statement projects. They provided a clear vision of what the medium would deliver, in that it delivered information in a way that was easy to understand and talked to the recipient as a valued client. There were certain tell-tale signs of this in the way the document was structured and its synergy with other customer-facing documents. They did have meaningless technical acronyms or uppercase descriptions of items.

### 2 External information design assistance

All but one of the issuers engaged outside information design (ID) assistance. There are only a handful of information designers that specialize in statement design, so we were able to identify the design firm styles within most of the statements. Interestingly, the one issuer that designed its statement internally has recently engaged an external ID firm to improve the message-placement structure. Key ID touches included simple and clear wording, minimal passive sentences, employment of the golden ratio within the page layouts, logical progression from most important information to less important and an obvious hierarchy.

### 3 State-of-the-art composition software and print technology

Virtually all of the great statements were composed using sophisticated composition software and print technology. The statements used a number of features not available on older, Assembler-based statement formatting programs. These would include true renditions of familiar typefaces, sophisticated white space and message management, document objects with more than one orientation, tables of contents, high-resolution financial graphics, serpentine columns and refined type placement (e.g., kerning, icons). The resulting statements had the look of client marketing documents rather than administrative afterthoughts.

### What Did Bad Statements Have in Common?

In our previous article (*DOCUMENT*, October 2006), we described bad statements as ones that are misleading, disorganized and, in some cases, quite ugly. The bad statements (ones scoring less than 50% in our analysis) had a number of problems that, when combined, resulted in a document that should have embarrassed the issuing organization. The more common problems included:

>> **Lack of precise help information:** Many statements hid their toll-free number by placing it on the back of the first page or in an inconspicuous corner of the document. All telephone assistance was directed at a single toll-free number (which would mean that the recipient would likely go through a multi-level ICR before getting to either a message or live-voice that could answer the questions).

They did not provide anything more than the corporate home page as a place to find online help, on which there was usually no direct link to information about how to decipher the statement. By comparison, great statements usually listed a specific statement FAQ sites.

[www.DOCUMENTmedia.com](http://www.DOCUMENTmedia.com)

View **Humana's** statements and its case study online, as it appeared in *DOCUMENT's* June 2006 eNotes. Simply **log on** and click Newsletter Archives.

**>> Organization and flow:** Organizations with bad statements usually organized the flow of the document around the way in which the data could be extracted and calculated. With older composition systems, it is quite time-consuming to reorganize data into a new sequence “just to satisfy the whims of marketing.”

The results would mean that there was no account summary table at the beginning of the document and the order for the different sections of the statement bore no relationship to their importance (just where that section's job-step was located within the extract program). It also meant that the most important information, such as the amount owed or the closing balance, was not at the beginning of the document but near the end (again, the job-step of calculating those numbers was near the end of the extract).

**>> Columns in tables that didn't add up:** Anyone dealing with financial data expects that the highlighted number found at the bottom of a column would be the sum of that column (or the closing balance). However, many bad statements would actually have columns where additional numbers, not in the column, would be added into the total at the bottom (such as sales tax or fees). We found these tables very confusing and may have called to ask questions or complain. More likely, we would have just told our friends our poor opinion of the issuing organization (in fact, only one upset customer in 10 calls to complain; the other nine complain to third parties).

**>> Uppercase:** Back in the early days of mainframes, all information was stored and programmed in uppercase (with two-digit year fields). Unfortunately, this uppercase structure has never been fixed in most mainframe environments. Therefore, when information is extracted, it still comes out in uppercase. This is not perceived as a problem by IT because mainframe programmers (and tombstone-carvers) can read uppercase as easily as mixed-case, and they also believe that uppercase is more official looking. Unfortunately, these same programmers have now become senior IT executives who seem determined to present client information just as it comes out of the database — in uppercase. However, there are a plethora of tools now available that can be applied as part of the composition process to convert uppercase data into readable information. These include name and address conversion tools from address accuracy software providers, substitution tables from composition software suppliers and tables with mixed-case versions of stocks, mutual funds, merchants and other common terms. These tools are used extensively with web presentation applications but are not as well known in statement development (especially when there is no outside assistance).

**>> Not enough text space:** Another habit of mainframe programmers is to try to pack as much data onto media as possible. This stems from the early days when disk storage and telecommunications were very expensive. Thus, the programmer that could jam 20% more information into a given space was the hero. Unfortunately, this habit spilt over into programming customer statements; the objective seemed to center around putting the most data onto the fewest number of pages. Indeed, we found a number of statements that had data pushed together in lines that almost bumped into each other: a visual data-dump. Anyone trying to read these documents would find them hard to decipher.

**>> Boxes:** It was apparent that many organizations left the design of their statement to the forms department. Prior to the 1990s, client statements were usually a combination of “line-data” sequenced to fit inside pre-printed boxes. As organizations moved away from pre-printed forms to dynamically composed statements, many did not break from the data-in-box paradigm. But the reality is that information inside boxes will be much more difficult to read and no longer serves any structural value (except for the “amount paid” box on the remittance stub). A computer doesn't need a box to know where to put things

**>> Undecipherable terms and conditions:** Most bad statements contained a kluge of contractual and regulatory information printed on the backside of the document. In some cases, it was the backside of every page. The issuer revealed that they did not know what products the recipient actually had contracted for because the boilerplate covered every conceivable service that could be part of a recipient's portfolio. This resulted in the presentation of many terms and conditions that were irrelevant to that particular client.

To present all this information, the issuer usually used an extremely small type-size, minimum leading and agonizing line-lengths. As a consumer, we would be very confused by this representation of this agreement and may have grounds to consider it “contra preferentum,” a Latin legal term meaning, “If the words in a contract are ambiguous, the contract should be interpreted against the one who wrote the words.” In fact, corporate counsel should be very concerned about issuing legally relevant documents that could be considered contra preferentum.

Most organizations still think that a client statement is an expensive legal requirement for doing business, treating them as an administrative afterthought rather than a marketing weapon. However, organizations like Humana, who have embraced it as valuable client communication medium, have seen significant results from their efforts. We recommend that you get a copy of our white paper and evaluate your own statement using the list of features in Appendix A. If you score above 75%, you have nothing to worry about; but if not, we suggest you follow the recommendations on pages eight and nine of the paper.

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