

**Case Study:
PBMS/Managed Address Services**

PBMS Helps Cable Systems Operator Reconnect With Customers and Prospects

The marketing team for an operator of cable systems was looking to grow their customer base and reconnect with customers that had cancelled service. The company currently serves approximately 800,000 customers in 19 states with cable television, telephone and high-speed Internet service. They are a wholly owned subsidiary of a Fortune 500 diversified media and education company, employing 2,000 associates.

Low response rates to their marketing campaigns led the company to investigate how much of their mail was getting delivered. They had previously sent the mail out as Standard Mail™, which the United States Postal Service® (USPS®) does not typically forward or return. Since the mailer had no visibility into the quality of their customer addresses, they assumed that 98 percent of their mail was being delivered (which is the USPS average delivery rate.) As a test, the cable company mailed their next marketing mailer as USPS First-Class Mail®, and were very surprised when 15 percent of the mail used in the campaign was returned undeliverable.

They figured out why response rates were low, but didn't know what to do next since they did not have addressing expertise. They believed their customer addresses were correct when they were originally entered by service personnel at the time of installation, but didn't understand how could good addresses go bad?

It was time to bring in addressing experts, and turned to Pitney Bowes Management Services (PBMS) Mailstream Consulting. The PBMS consultants performed a complete analysis of the customer's files and processes to uncover the root cause of their addressing issues, such as:

- Formatting errors in the addressing database
- Customers who had moved several times without updating the address
- Vacant addresses

Additionally, PBMS Mailstream Consultants determined that the customer's test had been flawed. Based on the nature of the test and differences in how the USPS processes First-Class Mail versus Standard Mail, some mail was delivered during the test that would not have been delivered as part of the regular mailing campaigns. Their addressing problem was greater than the 15 percent originally estimated.

PBMS Mailstream Consultants established a multi-step process that incorporated automated addressing tools and manual processes to investigate, correct, confirm and configure the cable operator's customer information. They helped the company identify the quality of addresses prior to print, allowing them to maximize the efficiency of future marketing mailings.

The marketing organization was able to obtain control over the addresses used in their campaign and effectively leverage their marketing spend to increase response rates. The results were impressive:

- By managing the address process, PBMS Mailstream Consultants corrected over 50 percent of the addresses that were suspect, for delivery. This enabled the company to re-connect with an additional 2 percent of their customer base.
- Logic was put into place to accurately determine which addresses were deliverable prior to printing the mail piece. This enabled the marketing organization to suppress undeliverable addresses prior to print, avoiding wasted print, production and postage costs, and saving the company more than \$1 million annually.

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