

Thrive and Survive: How print communication's value continues for SMBs and customers



Introduction

The use of print communications appears to be on the upswing. The leaders of this resurgence are small and medium-sized businesses (SMBs), the backbone of the global economy. Small businesses alone (with fewer than 500 employees) account for almost 50% of the GDP of the U.S.¹

There were certainly many SMBs who were forced out of business as a result of the cascading effects of the pandemic. In the U.S. alone, 34% of small businesses closed, compared to January 2020.² Despite the downturn experienced by SMBs, and the pain felt by larger enterprises, it did not take long to turn things around. The U.S. and European economies experienced the beginnings of a recovery in the third quarter of 2020, with the U.S. economy growing by 33.4% and the Eurozone economy growing by 12.5% during that quarter.³ Some countries, like France and India, dealt with pandemic surges that sent them back into lock-down, while others, like the U.S., were able to continue their recovery and begin to normalize daily activities.

According to the April 2021 World Economic Outlook prepared by the International Monetary Fund (IMF), “The global economy is projected to experience a stronger recovery in 2021 and 2022 than indicated in previous forecasts, with global growth projected to increase at a rate of 6% in 2021 and 4.4% in 2022.”⁴

Renewed interest in print communications, driven by SMBs, is growing along with the economy. In major markets around the world, physical mail began to rebound in March of 2021. The U.K., which had the most drastic reduction in mail volume at the beginning of the pandemic, has shown the most impressive growth. The U.S. also had a strong start to 2021, with mail volumes in March equaling those of March in 2019 and 2020.

To learn more about the benefits and importance of print communications, read on.

¹ 5.2 The Importance of Small Business to the U.S.

² Mapped: The State of Small Business Recovery in America

³ Global Economic Effects of COVID-19 (congress.gov)

⁴ World Economic Outlook, International Monetary Fund, April 2021, p. xiii.



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Why now?

Businesses rethought how they did things and realized they need to be able to pivot to meet customers' needs quickly. The SMBs who were agile enough to adapt on the fly to situations beyond their control fared better than others.

Over the last year, consumers spent the majority of their time inside their homes, forced to manage their lives through their electronic devices; laptops, smartphones, tablets, etc. (it is no wonder that digital fatigue set in). For businesses trying to break through the digital clutter, printed communication became a valuable alternative.

Print is a preference

The need for printed communication pieces (such as welcome packages, bills, and contracts) persists in part due to the digital fatigue experienced by consumers. They receive an abundance of digital communications, online and on personal devices, which is where print communications shine. Consumers benefit from the tactile experience of print communications, and it serves as a reminder to perform an action (such as to pay a bill).

It seems consumers have put a premium on individuality, reflected in their desire to choose for themselves how they want to be communicated with. Thus, their buying power will continue to drive the way businesses communicate.

In their annual State of Transactional Communications Survey in 2020, Keypoint Intelligence found that "76% of consumers rank the decision to choose the medium their providers use to communicate with them of the utmost importance." They also discovered, in their State of Marketing Communications Consumer Survey of 2020, that contrary to long-standing predictions of a paperless future, "Roughly 46% of respondents, regardless of age or technology adopter type, had no desire to go paperless."





With a preference for the ability to choose how they wish to communicate, along with a heightened expectation for personalization and interaction, consumers are sending a clear message to businesses: provide omnichannel integration.

Aspire, a leading consulting firm specializing in Customer Communications Management and Customer Experience Management, maintains that “Businesses savvy enough to leverage the right tools and techniques can capitalize on print’s unique attributes to strengthen their omnichannel strategy, seizing the opportunity to set themselves apart from the competition and secure customer loyalty.”

Print is secure

The bulk of the resurgence of print is based on transactional communications, 70% according to some experts, where security is a major concern. Gina Ferrara, Senior Analyst, Madison Advisors, tells us, “Although many companies are doing a better job at data protection, data security concerns may still make consumers hesitant about going all digital and conducting certain activities in a digital fashion. Since traditional printed communications are still considered a safe and effective way to communicate, there is a tremendous opportunity for brands to stand out from competitors through printed communications.”

Consider the step in the customer journey when it comes time to pay a premium. For many automatic payments, the consumer is asked to supply their banking information to the vendor, who then reaches into the account to pay themselves at the appropriate time. Once a vendor has access to your information, it is virtually impossible to take it back. While large public firms have strict policies and procedures for managing payment, local businesses are likely not as regulated. Consumers who were using digital communications to explore their options may choose physical mail when it comes time to make payments as a way to minimize risk.

For the vendor, print can ensure compliance through integrity codes, even when envelope contents vary by customer.

Watch the on-demand video webinar
 “IS PAPER MAIL STILL RELEVANT
 TO A MODERN WORKPLACE?”





Print is different

Aspire, the authors of the paper, [The Future of Mail](#), said, “More and more marketers will also come to see direct mail as a premium channel that can bypass spam filters and shine among nondescript white envelopes without having to compete against hundreds of emails.” And technology advancements like geo-fencing enhance the value of printed mail, giving marketers the ability to target prospects with pinpoint accuracy. Devices with location services can be mapped to physical addresses, allowing vendors to send cohesive, integrated campaigns digitally and through print.

Print is about choice

As noted previously, choice is critical to consumers. With an integrated, omnichannel strategy, which provides a consistent look and feel no matter what the delivery mechanism, you will improve the customer experience and acquire more data about your audience.

For print specifically, Will Morgan, Senior Research Analyst at Aspire CCS, says, “Produced in shorter, more targeted runs, this data-rich direct mail works in concert with digital channels, bringing to bear physical media’s unique ability to connect with recipients in a tangible way.”

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ONE THING IS CERTAIN, THE CONSUMER WILL DRIVE PHYSICAL AND ELECTRONIC MAIL STRATEGY, AND TODAY, THE CONSUMER STILL EXPECTS AND DEMANDS THE ABILITY TO SEND AND RECEIVE PHYSICAL MAIL.

Keith Woedy, VP of Research & Practice Lead at Madison Advisors

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Print will always be part of the mix

As more communications became digital, print took on an allure that had been missing for some time. All the reasons that direct mail used to dominate the marketing mix are new again to a constituency that grew up with very little of it. As we've seen, younger cohorts are a large share of the buying public, and for them, direct mail is still a novelty.

Print will remain the chosen delivery mechanism for high-value documents. For companies with limited access to trusted email, it is still safer to use physical mail delivery for critical documents.

Keith Woedy, VP of Research & Practice Lead at Madison Advisors, says, "One thing is certain, the consumer will drive physical and electronic mail strategy, and today, the consumer still expects and demands the ability to send and receive physical mail."

Download the infographic

**"3 COMPELLING REASONS
WHY PRINT IS A CRITICAL
PART OF THE CHANNEL MIX"**





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