

The Ultimate Franking Machine Buyer's Handbook:

A Comprehensive Guide to
Streamlining Your Mailing Process



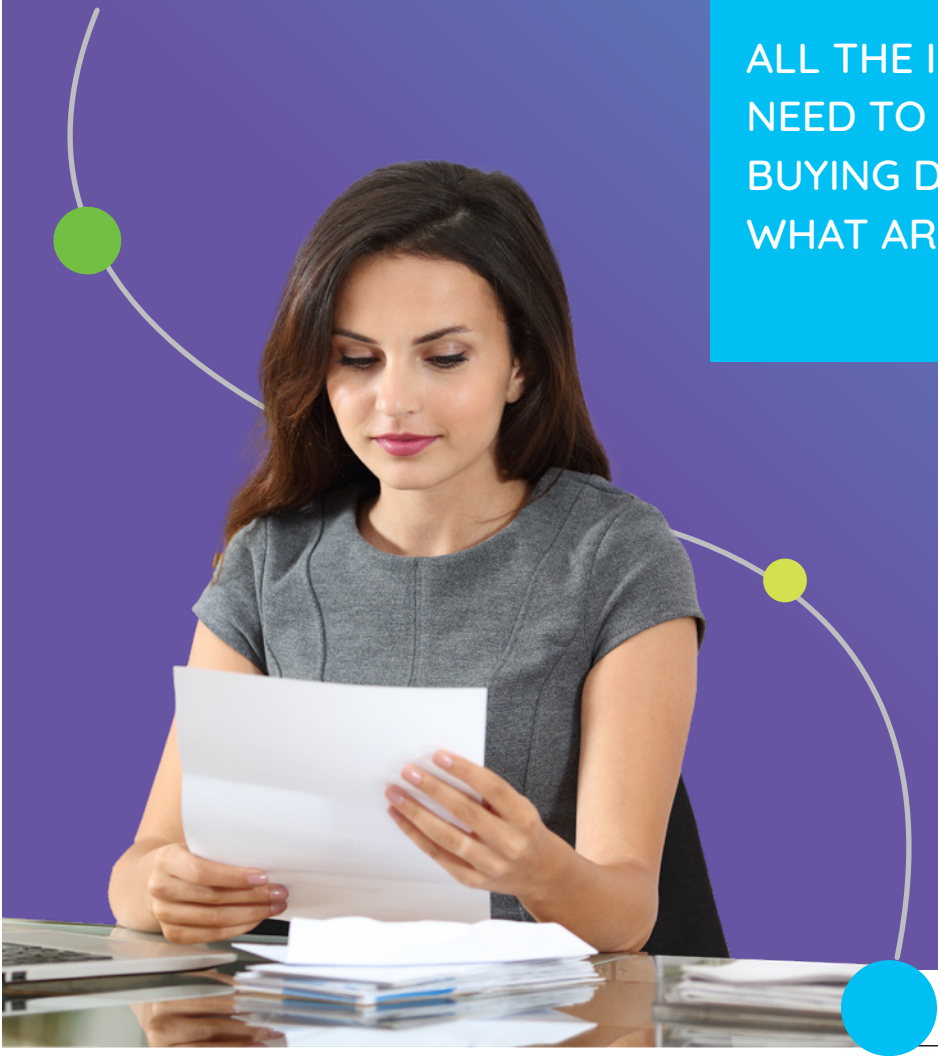
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INTRODUCTION

As a small business you don't have time to invest in the wrong mailing and shipping solution for your business. So, we've made it simple to evaluate and determine the best options for your company with this essential guide.

We'll take you through:

- The three ways to mail and ship
- Key benefits and challenges of each mailing and shipping solution
- Deep dive into franking machines, their cost, features, and benefits
- Latest mailing and shipping trends and how to handle them

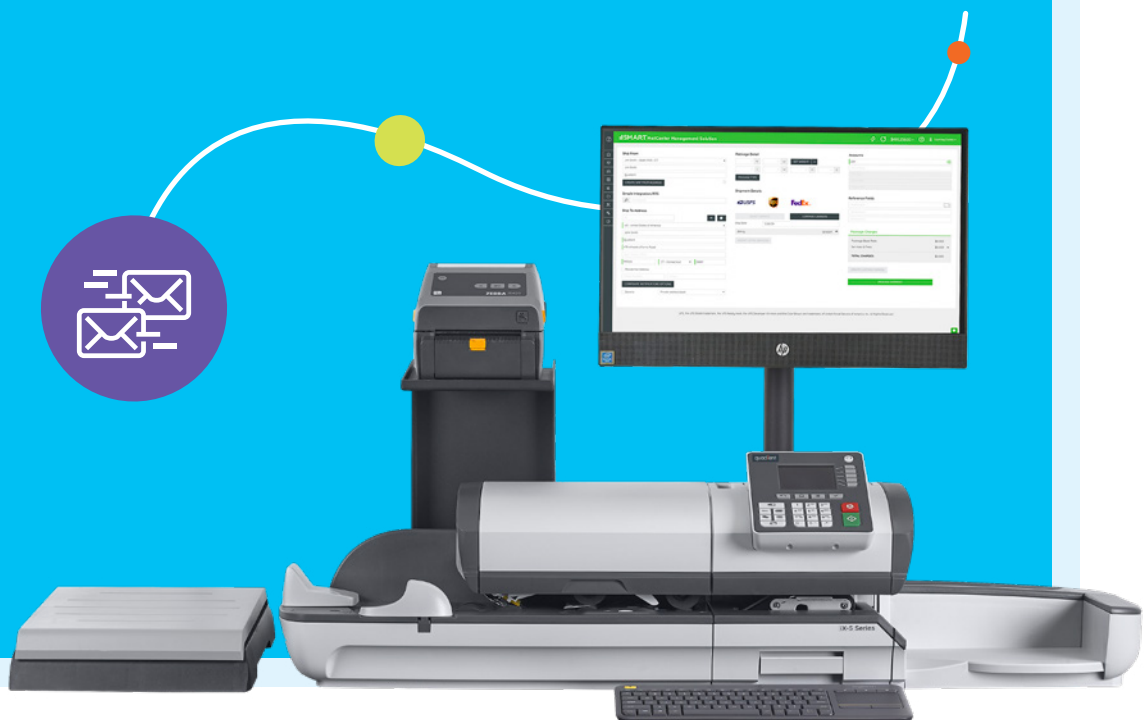


ALL THE INFORMATION YOU
NEED TO MAKE A SMART
BUYING DECISION IS INSIDE, SO
WHAT ARE YOU WAITING FOR?

DIVE IN!

TOPICS INCLUDE:

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THREE DIFFERENT MAILING OPTIONS

There are three different ways to mail and ship for your business. Before you evaluate them be sure to understand your business needs and objectives:

How much are you mailing a week?

Your mail volume determines a franking machine as a suitable solution.

Do you have busy periods that you should consider?

Factor in your busy periods when choosing a mailing solution.

Are you doing any shipping?

Shipping is available with a franking machine. You can also do shipping at the post office.

Do you need to track spending on mailing or shipping or both?

You can track both mailing and shipping spend with a franking machine.

1 STAMPS

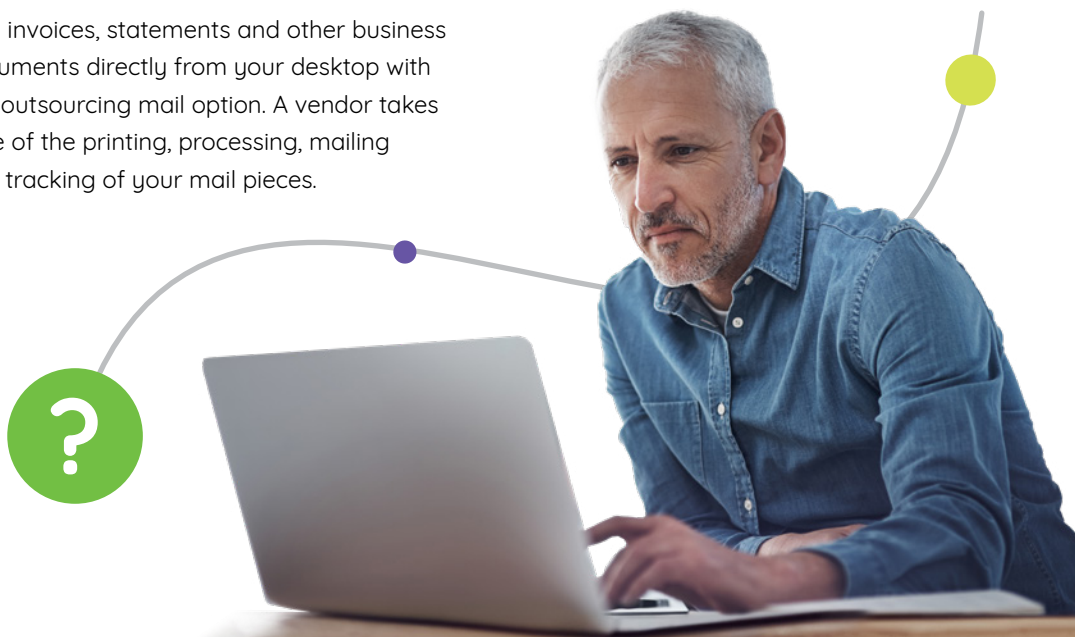
Traditional self-adhesive postage that is purchased from the post office at a specified value. Shipments can also be processed at the post office.

2 FRANKING MACHINE

Machine used to apply postage, with optional features like sealing, stacking, weighing and accounting. Can also be used for shipping mail and oversized packages.

3 PRINT TO MAIL SERVICE

Mail invoices, statements and other business documents directly from your desktop with this outsourcing mail option. A vendor takes care of the printing, processing, mailing and tracking of your mail pieces.



KEY BENEFITS AND CHALLENGES OF EACH MAILING SOLUTION

STAMPS

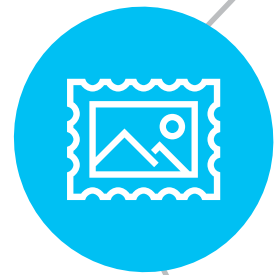
Traditional stamps are bought at the post office but at retail prices, so you receive no business discounts. You can also do your shipping at the post office at retail prices. This is the solution for individuals or companies that need to send only a handful of letters and shipments.

KEY BENEFITS

- No contract required to mail or ship
- No equipment to mail or ship

MAIN CHALLENGES

- Spending time and money for trips to the post office
- Incremental cost of stamps to cover rate increases or oversized mailings
- Not eligible for Royal Mail pricing discounts
- Must pay cash or card at the post office
- Limited to post office hours of operation



FRANKING MACHINE

Franking machines and related software that process different sized mail and shipments. A good option for businesses across all mailing and shipping volumes looking to automate their mailing and shipping process.

KEY BENEFITS

- Manual to fully automated process
- Expense tracking available
- Weigh, calculate and print postage onto the mail piece, all on one device
- Automatically updates when a postage rate change occurs
- No trip to the post office required
- Built-in scale ensures accurate weighing to avoid overpaying for postage
- Eligible for Royal Mail pricing discounts
- Efficient bulk mailing capabilities
- Postage credit facility available
- Available 24/7

MAIN CHALLENGES

- Lease or service contract required
- Requires ink and a scale



PRINT TO MAIL SERVICE

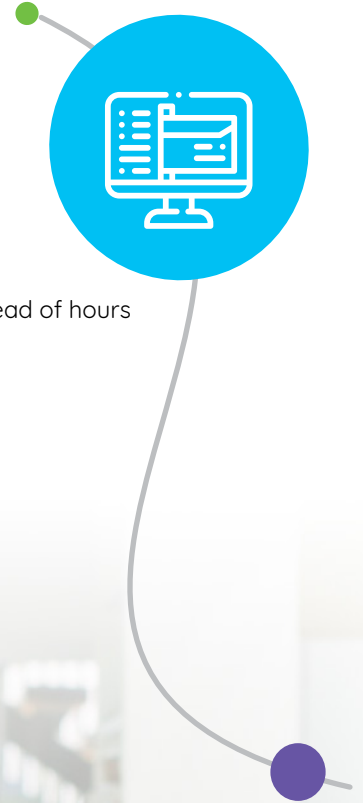
A solution that completely automates the mailing process. Documents are sent directly from the desktop or business app to a location that handles the physical mail delivery. This is an option for businesses across all mail volumes, looking to fully automate the mailing process.

KEY BENEFITS

- Fully automated mailing process
- No equipment required
- Expense tracking available
- Track mail from start to finish
- Multichannel delivery options via postal mail and email
- Efficient bulk mailing capabilities - send hundreds of letters in minutes instead of hours
- No trip to the post office required
- No risk of losing or running out of stamps
- Available 24/7

MAIN CHALLENGES

- Shipping packages not available
- Small fee for outsourcing
- Documents must be formatted to work with outsourced provider



REVEALED: BOTTOM LINE BENEFITS OF EACH SOLUTION

There are a lot of factors to consider when deciding which mailing option is right for you. We've compiled a comparison chart that goes through the main features and benefits of each solution. As you go through be sure to keep your business needs and objectives in mind.

STAMPS

- No commitment: No agreement or equipment required
- Easy to use: Tried and true, as long as you're not mailing a lot of letters

FRANKING MACHINE

- Get discounts: Save money on all first class and second class mail and access postage discounts
- Prevent overspending: Integrated scales with precision weighing print exact postage denominations, so there's no risk of overpaying
- Save time: Eliminate trips to the post office and take back all that time spent waiting in line for stamps
- Make a good impression: Deliver a professional look to your customers, and special software can even add customer logos or advertising right on the envelope
- Automatic updates: Franking machines can automatically update to reflect Royal Mail rate changes and meet the latest compliance requirements by Royal Mail including automatically printing required barcodes
- Versatile option for any mail volume: There are tons of different combinations and capabilities that make franking machines accessible and useful to businesses of all sizes

PRINT TO MAIL

- Eliminates trips to the post office: There's no longer a need to wait in line for stamps
- Increases efficiency and productivity: No mail preparation required; send hundreds of letters in minutes - not hours
- Multichannel delivery options: Deliver through traditional postal mail and email
- Speed up invoicing time: Send invoices as they are created so they reach your customers faster, and you can get paid sooner
- Tracking: Automated services lets you track every item of mail
- Secure: Submitting through a secure server means your information is completely safe



TRENDS DRIVING MAILING AND SHIPPING VOLUMES

SHIPPING HAS NEVER BEEN MORE IMPORTANT OR PREVALENT

According to Royal Mail, parcel shipping volumes in the UK grew by 13.8% in the financial year 2020-21 and the projections for the next four years keep going up. Conversely, mailing volumes have been declining year on year. Businesses are finding new ways to communicate and send documents to their customers, for example via email, text, and in-app. For this reason mailing and shipping providers, like Quadient, are offering more options than ever, such as shipping software with mailing systems and multichannel mail delivery with mail as a service.

Take a moment to audit your own mailing and shipping volumes. Be sure that you have the right hardware and software in place to scale with the changing needs of your business.



TIPS FOR A WINNING SHIPPING STRATEGY

- Provide accurate and simple tracking information. Customers are eager for their orders, especially around the holiday season. By providing customers with tracking numbers, you will greatly enhance the customer experience.
- Don't pay to ship excess space and weight. One of the most important aspects of efficient packaging is choosing boxes that fit your items easily and safely without leaving unnecessary excess space or added excess bulk. Size and weight determine how much you'll pay to send your item. Nothing runs up costs more quickly than paying for superfluous space.
- Verify addresses for customers. From time to time there will be an out of date or incorrect address in your system. Address correction software can solve this problem.

WE ARE HERE TO HELP!

Our customer success specialists can introduce you to products and solutions available that can help your business.



FRANKING MACHINE OVERVIEW

Companies use franking machines to streamline their postage operations and reduce their mailing costs. Franking Machines are suited to businesses of all sizes, not just large businesses that send huge volumes of mail.

“ FRANKING MACHINES PROVIDE EFFICIENCY AND PRODUCTIVITY THROUGH SPEED, COST-SAVINGS, AND CONVENIENCE. FRANKED MAIL TYPICALLY ARRIVES 24 HOURS FASTER THAN STAMPED MAIL. ”

— Anthony Coo, Head of Product Marketing



FRANKING MACHINE USES

Simply run the mail through the machine whenever you are ready. The franking machine prints a block of ink in place of where a traditional stamp would be. This ink mark is referred to as indicia. It includes important information that identifies your mailing and helps it travel through the postal system. By making the postal service's job easier postage franking machine customers receive a discount on each piece of first class mail. If the item you are mailing is too thick for the mailing system, you have the ability to print postage onto a label that can be applied to the mailpiece.

WHAT ELSE CAN A FRANKING MACHINE DO?

In addition to printing indicia, a franking machine can also be used to print corporate marketing messages right on your envelopes. These can be altered with ease, meaning you can alert customers to upcoming promotions or pass on important information. Franking machines can also be used as part of an effective accounting strategy as they have departmental codes which allow for mailing costs to be charged back correctly to the relevant department. You can also post large envelopes or parcels from your franking machine.

“ BE SURE TO GET BMA PRICING - A SET OF DISCOUNTED RATES AVAILABLE WHEN PROCESSING OVER 250 LETTERS A DAY. ”
—Anthony Coo, Head of Product Marketing



TOP 10 FRANKING MACHINE BENEFITS

- 1 CONVENIENCE**
It's like having a dedicated mailroom in your office. Franked mail ensures a hassle-free process, eliminating trips to the post office and wasted postage due to uncertainty over rates.
- 2 OUT THE DOOR FASTER**
Applying stamps to a huge stack of envelopes is a tedious process. With a franking machine, envelopes are stamped quickly and easily.
- 3 ONLINE POSTAGE REFILLS**
Replenish your postage supply 24/7, avoiding time-consuming trips to the post office.
- 4 SAVINGS**
Save money using a franking machine and scale with up-to-date rates. With an integrated digital scale for precision weighing, a franking machine enables you to print the exact denomination — instead of using multiple stamps. You can also earn up to 21% savings over standard rates.
- 5 INCREASED SECURITY**
Eliminating physical stamp inventories means you'll never have to worry about lost or damaged stamps. Your postage pounds are safe-and-sound in your lockable machine, as opposed to a cluttered desk drawer.
- 6 COST ACCOUNTING**
A built-in cost accounting feature can accurately track postage expenditures for multiple accounts. This shows you where postage pounds are being spent, for easier budgeting and reconciliation.
- 7 PACKAGE COMPATIBILITY**
Self-adhesive labels are ideal for larger items such as packages, large flat envelopes and tubes. This looks cleaner and more professional than wallpapering an item with stamps, in addition to enabling you to apply the exact postage needed.
- 8 FASTER DELIVERY**
Franked mail is expedited as high-priority business mail. It's already dated, postmarked, and cancelled when it arrives at the post office, so it requires fewer steps in the handling process.
- 9 ENHANCING YOUR IMAGE**
Franked mail makes a statement about your company. Small businesses can appear larger and more prominent. And after all, your envelope is often the first impression you make on the customer.
- 10 FREE ADVERTISING**
With its ability to print a logo, advertisement or even a product image, a franking machine can turn your envelope into a mini-billboard. This is important since envelope marketing has been proven to enhance open rates and readership, while improving response rates.

ONE LAST REASON – A SPECIAL “BONUS”

Free Postal Consultation — Contact a [Quadient Mailing Expert](#) and we'll help you minimise postal costs, understand confusing regulations, and prepare your mail more efficiently. Getting the mail out doesn't have to be a time-consuming task. Find out how a franking machine can work for your business.

FRANKING MACHINES COSTS

It's not an exact science, but franking machines can range from as low as £19.99 per month to £500 per month, depending on your machine's configuration and features. In addition to your monthly fee, be sure to consider operating costs which can include paying for ink or other machine-specific supplies. It's important to know what exactly is included in your monthly fee, and what will cost you extra. Some vendors present too-good-to-be-true promotions, but they are just that... too good to be true. They could actually result in your company paying extra charges in the long run, so make sure you ask your supplier lots of questions before you commit.

Check out the [Supplier Fee Cheat Sheet](#).

FRANKING MACHINE ROI

Believe it or not Royal Mail wants to pay you for making their job easier. So franking machine users pay less for postage than regular stamp users. In fact, on average it's up to 20p cheaper to send a First-Class letter that you've stamped with a franking machine than to use the regular stamps you'd buy at a post office. While this might not seem like a lot, it adds up. A franking machine customer whose monthly postal volume averages 5000 single-piece letters will save £1,000 a year.



HOW TO TOP POSTAGE ON A FRANKING MACHINE

When you buy a franking machine, you can choose to pay for postage in advance or arrears via a credit facility. You can then also opt to pay via a card or direct debit to ensure funds are always available.

For Direct Debits, funds are auto debited from your bank account when your postage account reaches a set level. This method gives you the flexibility to automatically add funds when you need it, but it might be more difficult to track spending.

Some franking machine providers, like Quadient, offer the "pay later" option which allows you add postage as needed, and the company sends you a bill at the end of the month for any funds downloaded. This allows you to get credit to the machine without waiting for funds to clear.

Before choosing a method of payment determine what is best for your company's accounting department and be sure to ask your vendor what fees are associated with each method so you can be aware of any additional charges.



YOUR CHECKLIST: WHICH FRANKING MACHINE IS RIGHT FOR YOU

The quest for the perfect franking machine match is not exact - identifying the volume of the mail and shipping you typically handle will be your best guide. But there are other business-specific needs that you might want to factor into your decision. Luckily we've pulled together the top five questions you should ask yourself before buying a franking machine. Your answers will be essential whether you are speaking with a specialist on the phone, doing research online or speaking with colleagues.



HOW MUCH DO I MAIL A WEEK? —AND ARE PACKAGES BEING SHIPPED?

Mailing equipment is designed for specific usage levels, so it's important to know your demand before signing up. If not, you risk underestimating your mail volume and negatively affecting machine performance as a result, or overestimating.

HOW FAST DO I NEED THE MACHINE TO WORK?

This can depend on mail volume, or how often you have an influx of mailings to turnaround quickly. Manufacturers provide the amount of letters per minute that a machine can process. Note that these are just a guideline and may be different from your actual speed, especially if you need to weigh each piece of mail prior to processing. But, they're good to use as a comparison between franking machines.

HOW MUCH HANDS-ON SERVICE DO I WANT?

You can either have a technician come to your office to service equipment, or swap service where you ship the damaged machine back and get a replacement one. Note that if your machine is used far above the recommended volumes, you may find yourself calling for frequent service.

DO I NEED TO TRACK POSTAGE SPENDING?

Whether you need to track postage spending by department or cost centre, or just in general, there are options available for any desired level of detail. Choices range from a report of each individual transaction up to a consolidated month-end summary. You can access the data from the mailing system screen, a meter tape print-out, through a connected printer, PC or laptop, or vendor website in some instances. Be sure to ask about your options.

HOW MUCH SPACE DO I HAVE?

How much space do you have in which to place the physical machine, and is it in an ideal location for those who will be using the machine most? Choose an optimal location and make good use of the physical space in your office.

FRANKING MACHINE PARTS AND FEATURES

We've taken the typical franking machine and are zooming in on the critical parts and optional features you should know whether you are a franking machine newbie or veteran.

1. WEIGHING: Most mailing systems come with a built-in scale that makes it easy to calculate the proper amount of postage and it will automatically update to have the most current Royal Mail rates. In order to get auto updates, you need to have the system connected via LAN.

2. ENVELOPE FEEDING: This is the way mail pieces are processed in the machine. They can be manual (hand fed) 18 letters per minute (lpm), semi-automatic 30-50 letters per minute and automatic up to 300 letters per minute or more.

3. STACKERS: A case for mail pieces once they've been processed. Mailing systems offer catch trays, drop stackers or even motorised conveyers to collect and stack processed mail.



4. SEALING: Some mail systems seal the envelopes for you, no licking required. There's a variety of sealing options based on the size of the machine.

5. SHORTCUT KEYS: Save time and eliminate keystrokes with programmed buttons for frequent tasks such as jobs, rates, reset funds and more.

6. SCREEN: These vary in size, flexibility, display design and menu options for the mailing system. Some are in grayscale while others are in full colour, depending on your system. Some even come with touchscreen technology.

7. CONNECTIVITY: In order to download postage funds or perform software updates, your solution will need a method of communicating. Vendors offer a range of connection types including high-speed LAN or Wi-Fi.

METER: The actual meter is a small device located inside the machine that securely stores and keeps track of your postal funds.

METER TAPE: There are times when you'll need to run items that are too thick to fit in the machine, so you'll need to print postage on a postage label. All vendors supply labels that can be run through the unit, and they come in a few different forms.

HOW DO YOU CHOOSE THE RIGHT FRANKING PARTNER?

This is a list of some of the most important and common questions to ask your vendor when shopping for a franking machine, and our insider tips to explain why.

<h3>Vendor Question Cheat Sheet</h3>	NOTES
<p>Which machines are available for my mail volume, and how fast are they? They may make a recommendation but you should know your options.</p>	
<p>What is the cost for extras (if needed) and can they be added to any of the machines? Consider if you need any extras like sealing, stacking, feeding, etc. and get the costs individually. Be sure to ask about any bundled offers the company may have.</p>	
<p>What is your estimate of the total monthly supply cost for each machine (per impression)? This includes the cost of ink, tapes and sealing fluid.</p>	
<p>What is the total cost of ownership? Do you need to pay for rate updates, equipment, maintenance, postage labels, print head replacement, etc.?</p>	
<p>What type of connection do your units offer? Refer to the "Types of Connections" section of this guide to determine if your office needs LAN, PC, Wireless or Modem.</p>	
<p>Is there an extra cost to add funds to the franking machine? Some vendors will actually charge you a fee to add postage!</p>	
<p>Is there a minimum balance required on the machine at all times? Vendors could charge for this, too, if your machine's balance is below their mandated threshold.</p>	
<p>What is your policy for getting postage funds back after the machine is returned? Each vendor has its own policy, so be sure to ask.</p>	
<p>Can you provide a copy of your Terms and Conditions? Take a good look at this document for hidden fees or stipulations.</p>	
<p>Can you spell out any cancellation fees, rate increases, or additional fees that are in the proposed contract? This can be a good way to get the overview, but be sure to double check the answers against your proposal.</p>	

SPEAK TO A MAILING EXPERT

Whether your company is sending five pieces of mail a week or five hundred, you've now got the know-how and the tools to determine the best way for your business to send mail.

Quadient's superior folder inserters and document handling solutions bring accuracy, efficiency and reliability together in an easy-to-use solution that makes your mail assembly simple and fast. Designed for businesses of every size, Quadient offers a range of intuitive solutions that provide the highest level of productivity and dependability.

Pair a folding and inserting machine with Quadient's intelligent mail automation software and you will have a powerhouse mailroom solution. When businesses automate mail creation with an intelligent Quadient folder inserter, they lower costs, eliminate user error, and ensure the right documents are always sent to the right customer.

Thousands of companies trust Quadient to enhance the mail preparation process and ensure communication security. Quadient's easy-to-use mailing software and hardware helps companies of all sizes simplify, automate, and modernise document preparation, reduce compliance risk, and better the mail outreach process.

Connect with a Quadient solution expert to learn more, request a quote or see a live demo of the folder inserter in action. Learn more at mail.quadient.com/en-gb.



About Quadient®

Quadient is the driving force behind the world's most meaningful customer experiences. By focusing on Intelligent Communication Automation, Parcel Locker Solutions and Mail-Related Solutions, Quadient helps hundreds of thousands of customers worldwide simplify the connection between people and what matters.

For more information about our mail-related solutions, visit mail.quadient.com.

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