SENDING POSTAL MAIL AS A SERVICE IN AN ERP ENVIRONMENT

WHY ON-DEMAND AUTOMATION IS A WIN-WIN SOLUTION FOR ANY COMPANY AND ITS CUSTOMERS

ESKER®

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INTRODUCTION

Businesses must be adept at facing challenges in today's highly competitive marketplace. But there are some problems that, no matter how solid the improvement strategy, always seem irreparable. Take the paradox of business mail: Despite advancements in electronic media and investments in enterprise resource planning (ERP) systems, postal mail remains widely used. In fact, after two decades of computerizing the workplace, businesses are still reporting a rise in the number of paper documents they send and receive because many customers prefer to receive their invoices and purchase orders via postal mail.

WHAT DOES THIS MEAN FOR MY BUSINESS?

To satisfy this preference, businesses are forced to invest large amounts of time and money maintaining internal mailrooms. But as operational efficiency becomes increasingly critical, many are coming to the realization that the true cost of manual mailing is unproductive and unsustainable. A large amount of cash is tied up in equipment, supplies, maintenance and labor, while employees have to dedicate too much time to manually printing and managing paper documents for mailing.

LOOKING FOR A WAY FORWARD

It should come as no surprise that businesses running ERP solutions are eager to find a solution to this paradox. Different avenues for managing business mail have already opened up to third-party providers who specialize in outsourced mailing activities — but choosing the right solution and vendor can be just as perplexing as the problem itself.

This white paper aims to shed some much-needed light on the subject by exploring the challenges of running an internal mailroom as well as the benefits of outsourcing mailing activities. More specifically, you will discover how using an intelligent platform that automates every phase of processing and every type of document delivery enables businesses to mail their documents directly from an ERP system through a hosted, pay-as-you-go solution. By eliminating the need for large mail equipment expenditures, businesses can then make better use of IT resources and benefit from:

- Automated delivery of business mail as it's generated
- Significant cost savings compared with conventional mail processes
- 24/7 operational continuity and visibility
- Reduced IT infrastructure complexity and support burden
- A flexible alternative to costly mail houses

Above all, this white paper is designed to help CEOs, CFOs, CIOs and facility managers learn, plan and evaluate the undeniable upside of outsourcing mailroom activities.

WHY THE TRADITIONAL MAILROOM IS NO LONGER VIABLE (& WHY IT MATTERS)

The mailroom is the epicenter for all paper documents sent or received by a business. Thus, any problems that arise can lead to a chain reaction of issues that affect the organization as a whole.

For example, a delay in sending invoices will postpone payments, which, in turn, could cause critical delays in receiving parts necessary to make products market-ready. Each of these setbacks has the potential to affect the solvency of a business. And, as a business expands, mail volumes increase exponentially which only amplifies the problem.

PREVALENCE OF POSTAL MAIL IN BUSINESS

Recently, Esker surveyed 500 North American billing and invoicing managers regarding their organizations' practices and preferences surrounding the creation and delivery of transactional business documents. Results of the survey showed that despite the growing use of electronic billing and payment methods, 64% of billing managers still use postal mail as their primary means of delivering their invoices. Likewise, when asked about preferences for receiving invoices, 74% of respondents said they prefer to receive billings via postal mail.
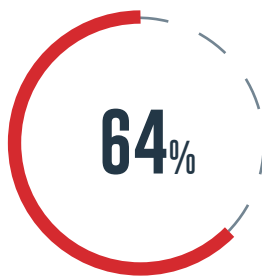
64% of billing managers use postal mail for invoice delivery
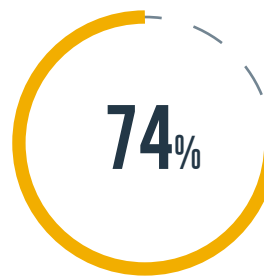
74% of respondents prefer to receive billings via postal mail

UNDERSTANDING THE COST OF CONVENTIONAL MAILING

In a perfect world, running a large mailroom operation would be a core competency for most businesses. Unfortunately, the operational demands are often too much to handle. First, expenses for equipment leasing and purchase, maintenance, supplies, and labor increase year after year. Next, many businesses have no dedicated mailroom staff so they have to pull employees from value-added duties in other departments or hire contract help to perform low-value tasks like printing, sorting and inserting documents for daily, weekly or monthly mail runs. Lastly, the infrastructure resources dedicated to mailroom operations are often underutilized, sitting idle until the end of the month when mail volume peaks. Despite the ever-increasing push for businesses to digitize their billing and invoicing processes, the adoption rate of electronic processing has been slower than expected, and a staggering amount of billing managers continue to use postal mail as their primary means of delivering invoices. What's more, not everyone is ready to (or wants to) make the switch to paying invoices electronically, as postal mail remains the most trusted method for receiving bills.

LIST OF EXPENSES:

- Plain paper and envelopes
- Printer and folding machine acquisition
- Printer toner
- Printer and other systems maintenance

- Consumables and management time
- Overall mail process time
- Reprocess mail time due to unusual problems

THE BENEFITS OF SENDING MAIL AS A SERVICE

With so many businesses focusing their attention on core objectives, cost control and resource conservation, tasks that were previously managed in-house are increasingly being outsourced. To businesses of any size, outsourcing offers a number of clear, strategic advantages, including: lower total cost of ownership, operational cost control, higher flexibility with personnel, less capital utilized and enhanced focus on more business-critical objectives.

IS YOUR MAILROOM IN NEED OF AN UPGRADE?

The first thing to consider in evaluating the need to replace your mailroom is to determine the efficiency and effectiveness of your current mailing activities. This will provide a clear picture of whether your business is a good candidate for mail as a service. Note: It is important to view your current mailroom operations the same way you would view any other activity in your organization.

- Have you developed standards to ensure a certain level of performance?
- Can you handle peak loads such as end-of-month invoicing?
- Does the mail arrive on time and to the right person?
- Do you have a fully equipped mailroom?
- Can you track your mail and is it secure?
- Are costs of your mailroom economical or are they a barrier to your budget?

AUTOMATION VS. EXTERNAL MAIL HOUSE

In working with a wide range of companies to automate postal mail processes, Esker has found that offloading to an external mail house does not necessarily address the underlying issues associated with delivery of business documents by postal mail. In fact, it can create new problems. For example, using an external mail house typically requires companies to produce large batches to be cost-effective. This is counterintuitive to the ebb and flow of business documents which vary greatly depending on the business, industry and economy. As a general rule, when flexibility is limited (as it is with most external mail houses) cost-effectiveness is limited as well.

By automating the process, rather than passing it off to someone else, businesses benefit from increased speed, accuracy, control and flexible print levels as a result of taking paper out of the process. An automated solution works together with a company's business applications, providing visibility to see what is happening throughout the process and where it can be improved.

VALUE OF HOSTED SERVICES

Hosted services give your organization a comprehensive solution to automate any document process, allowing your employees to concentrate on more important activities. On-demand document process automation using a software as a service (SaaS) approach offers the benefits of automated document processing without the investment and maintenance of traditional on-premises solutions. A comprehensive and customized SaaS approach to managing document process automation includes capabilities such as:

- 24/7 monitoring and management, plus data backup and recovery
- Clustering, load balancing, least-cost routing and capacity planning
- Security management, version management and performance management
- Single- and batch-job processing
- Real-time status availability

ESKER MAIL SERVICES: HOW IT WORKS

Esker Mail Services addresses mailroom inefficiencies by enabling you to mail business documents directly from your ERP application for worldwide delivery to postal services in less than 24 hours. Without hardware or software, mail is processed and handed off to the postal service nearest to the recipient from any of Esker's global mail facilities, making traditional business mail completely electronic for the sender from start to finish.

AUTOMATION IN EVERY PHASE OF MAIL PROCESSING

Submit   Fold & Stuff   Follow

Print   Stamp & Deliver
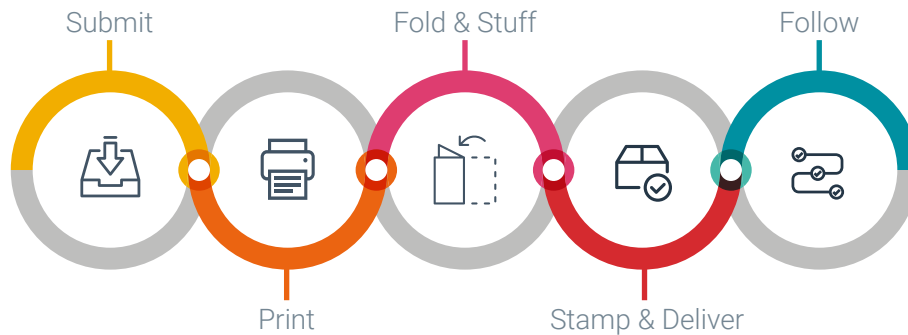
HOW DOES IT WORK WITH ERP APPLICATIONS?

Users send mail from their ERP system directly to an automated Esker Mail Services platform. These documents are securely routed to an Esker mail production facility where they are processed and delivered. As part of a network of multiple, redundant, secure data facilities strategically placed throughout the world, each Esker mail production facility acts as a backup for the others — providing 24/7 mailing service.

Esker's intelligent document delivery platform enables businesses running ERP solutions to realize the full potential of automated document delivery based on business rules through logic residing outside the ERP system. To the ERP system, the intelligent document delivery platform looks like a print destination.

REAL-TIME TRACKING IN THE ERP SYSTEM

Esker Mail Services enables users to follow their mail from start to finish using Esker's Document Manager — an easy-to-use, secure, web-based platform accessible from anywhere through a standard web browser. The Esker Mail Services platform offers document validation, real-time status, and tracking of jobs and documents.

HOW IT COMPARES

Versus internal mailroom:

- No need to maintain equipment
- Status notification in the ERP system
- Preview before processing
- Capable of handling peaks in mail volume
- Visibility throughout the entire document process

Versus external mail house:

- Send batch or transactional mail with no minimums
- Real-time tracking of job
- Status notification in the ERP system
- Preview before processing
- Able to respond to urgent demands
- Mail routed on a daily basis

BENEFITS OF ESKER MAIL SERVICES

Designed for quick reaction times and streamlined workload management, Esker Mail Services processes millions of documents each month for organizations around world, making traditional business mail completely electronic for the sender, from start to finish. Companies can quickly automate the processing and sending of business documents to customers, business partners and suppliers with no up-front IT investment thanks to Esker's cloud-based services.

45% of operational costs cut

24HR 24 hr delivery to postal services

STREAMLINED MAIL DELIVERY. YOUR WAY.

Esker Mail Services allows you to customize your business mailings without having to handle them onsite. You can select from several sending options to enhance the look and feel of your company's business mail, including:

- Choose envelope size
- Print on one or both sides
- Print in color or black and white
- Send correspondence today or schedule another day
- Add attachments
- Add an address page

Once "send" has been selected, documents go securely to an Esker mail production facility, where they are processed completely automated, minimizing human errors and protecting document security. No human intervention is necessary. Documents are printed, folded, stuffed into envelopes and stamped according to priority, country destination and weight. Once postage is applied, mail is handed off to the local postal service within 24 hours of creation.

BENEFITS OF ESKER MAIL SERVICES WITH ERP SOLUTIONS

- Eliminates internal mailrooms and associated costs
- Accelerates business cycles due to faster business document delivery
- Frees up internal resources for more productive activities
- Allows for document customization based on customer and supplier preferences
- Enables status notification in the ERP system
- Offers real-time tracking of job
- Presents preview before processing

GLOBAL CAPABILITIES & LEAST-COST ROUTING

Esker has a worldwide network of seven mail production facilities, located in France, Belgium, Spain, the United Kingdom, the United States, Australia and Singapore — all equipped with color digital printers, industrial folding and metering machines. Esker's production facilities offer the security, flexibility and performance modern businesses expect.
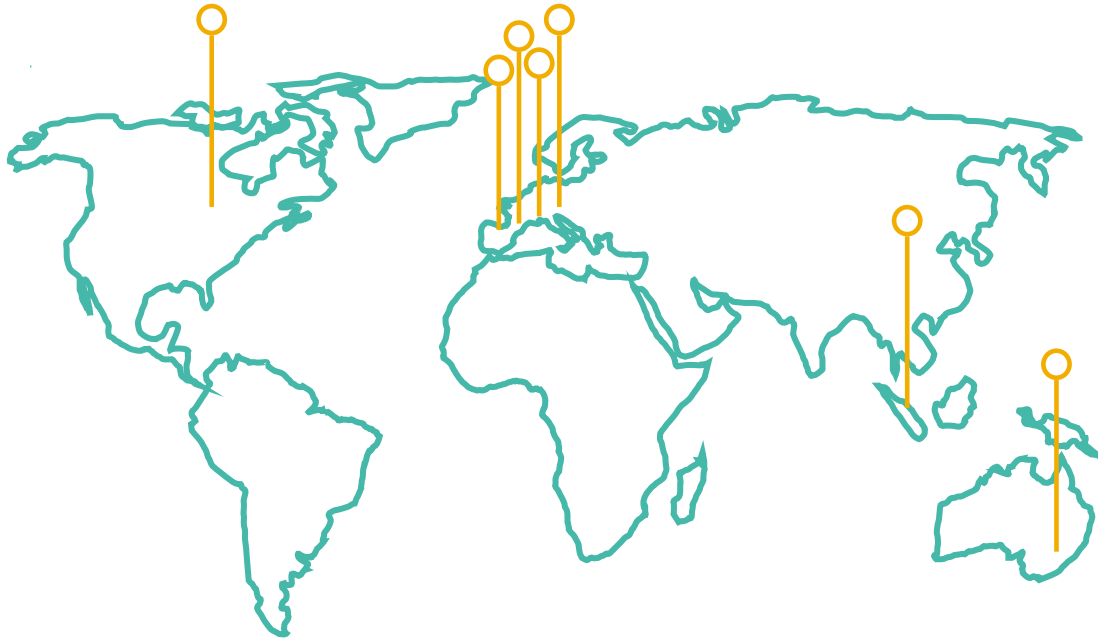
Thanks to its global coverage, Esker is also able to offer international mail services. For many companies with customers in different countries, sending business documents can be extremely costly. Because of Esker's strategically located production facilities around the world, Esker Mail Services clients benefit from least-cost routing. By sending their document to the facility nearest the intended recipient, businesses can take advantage of local postage rates and significantly reduce both mailing costs and delivery time.

CUSTOMER SUCCESS STORY

network DISTRIBUTION BY DESIGN

With over $12 billion in revenue and 40+ years of experience, Network Services Company is an international and member-owned organization which provides distribution services to over 75 global accounts in healthcare, commercial real estate and industrial markets.

THE CHALLENGE

After the acquisition of another company, Network Services inherited a number of legacy ERP systems that made managing mail (and fax) volumes a complex and inefficient process. Large files that were generated and sent to Network Systems' mail house typically took 7-10 days to print, sort and finalize before reaching customers.

The decision was made to consolidate everything through the implementation of SAP, and find a certified SAP® partner with an on-demand automation solution that could:

- Facilitate the general and widespread use of document automation company wide
- Integrate with SAP and be implemented without installing/managing new software
- Mail and fax outbound purchase orders, invoices and AR statements from SAP

THE SOLUTION

Now, when incoming data arrives, it is automatically captured by Esker's on-demand software and populated into Network Systems' SAP system. The images are immediately available from the interface and visible to all appropriate parties. With Esker, instead of the mailing process taking up to one week, the files are sent to the mail house and go out the next day.

RESULTS

- **IT simplification:** Where several people used to manage and monitor multiple systems, everything is now in one place and managed by a single person.
- **Improved visibility:** Attachments in SAP can now be accessed at the touch of a button without searching or printing.
- **Faster processing:** Network Systems was able to eliminate 5-9 days of processing/labor in the mailing process (e.g., generating queues, printing, sorting, etc.).
- **Cost savings:** Esker's on-demand solution helped the company eliminate the costs and headaches associated with supporting software, hardware and maintenance.

CONCLUSION

Businesses running internal mailrooms will continue to face obstacles that prohibit operational efficiency and cost-effectiveness in the coming years. Expenses are expected to keep climbing, customer demand for postal mail has not gone away, and resource allocation between business departments is still critical.

Automated mail solutions such as Esker Mail Services are tantalizing for many businesses that are hungry to adopt a more modern form of mail processing. In fact, many market analysts expect the IT services on-demand market to mature rapidly in the coming years.

Efforts to mitigate these negative impacts, including the potential hit that working capital could take (slower distribution of invoices and receipt of payments), are key factors contributing to the current and future uptick in solutions like Esker Mail Services.

Esker Mail Services is a proven solution from a trusted vendor that can eliminate the pains of traditional mail processing. Taking a hosted, cloud-based approach to global post mail delivery not only automates mail processing in an ERP environment, but ensures rapid implementation and financial predictability, which are important for CIOs who bear responsibility for cost overruns on projects. With Esker's ERP-compatible solution, your business can finally move away from the internal mailroom and start sending postal mail as a secure and streamlined service.

ABOUT ESKER

Esker is a worldwide leader in AI-driven process automation software, helping financial and customer service departments digitally transform their purchase-to-pay (P2P) and order-to-cash (O2C) cycles. Used by more than 11,000 companies worldwide, Esker's solutions incorporate artificial intelligence (AI) technology to drive increased productivity, enhanced visibility, reduced fraud risk, and improved collaboration with customers, suppliers and internally.

GLOBAL EXPERTISE

Founded in 1985, Esker operates in North America, Latin America, Europe and Asia Pacific with global headquarters in Lyon, France, and U.S. headquarters in Madison, Wisconsin. In 2018, Esker generated 87 million euros in total sales revenue.

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