

# Lloyds TSB Save a Massive £380K

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## Client overview

Lloyds TSB is one of the top UK credit card players and has a huge print requirement for its customer communications, including statements, tariff and interest change notifications and product and service announcements. The majority of its work is planned well in advance and resourced through its own internal print set-up. But sometimes unscheduled projects, such as an unexpected rate change mean turning to a document services specialist to deliver a winning solution.

## Project requirement

Following an interest rate change, Lloyds TSB Cards Marketing contacted Aquilus on 22nd August 2006 to arrange the printing and mailing of four million customer packs with a deadline of 12 September 2006. The timeframe was tight with no latitude if Lloyds TSB Cards Marketing were to comply with strict FSA regulations and its own internal SLAs. Although an ostensibly straightforward project, Aquilus's market understanding and practical know-how ensured that the team was prepared for any potential pitfalls. Recognising that there is always a degree of risk inherent in dealing with large volumes, multiple parties and time limitations they addressed the project with their characteristic awareness, pragmatism and contingency mindset.

## Solution and delivery

Typically, the client's timetable gave Aquilus little contingency with milestones based on everything running to plan. However, as the project went on, successive pressure points developed that had the potential to compromise delivery to time and budget. Aquilus demonstrated their experience and knowledge by responding to every challenge and keeping things on track.

- Ⓢ Sourcing of stationery in a very compressed timescale – Thanks to Aquilus's expansive supplier network it was able to secure confirmation of the required four million paper and envelope stocks for delivery by the 25th – just three days after the initial contact.
- Ⓢ Sudden revision of mail volumes – On the 24th, volumes were revised down to 1.4 million leaving the client vulnerable to incurring costs for unwanted but already ordered stock. Aquilus's relationship with the supplier enabled them to cancel the additional stock without penalty.
- Ⓢ Shifting schedules – With data arriving later than originally scheduled, the printing of the output was put back to the 27th – bang in the middle of a Bank Holiday weekend. However, with the resources, capacity, manpower and 'can do' attitude to get the job done and a dynamic project management approach that effortlessly navigated through the obstacles, Aquilus was able to despatch 1.4 million packs by the 30th August – still ahead of the original SLA.

## Case Study

### Key Benefits

Aquilus delivered a pragmatic, confident and intelligent handling of the tariff mailing project, securing three direct financial returns for Lloyds TSB :

- Ⓢ £30K saved on late cancellation of pre-ordered stationery
- Ⓢ £350K saving on post-age costs
- Ⓢ Additional revenue secured due to fast response

### Essentials

Essential criteria for any financial services client:

- Ⓢ Certainty of outcome
- Ⓢ Certainty of delivery
- Ⓢ Certainty of cost



## Benefits and returns

Through Aquilus's pragmatic, confident and intelligent handling of the tariff mailing project, Lloyds TSB secured three direct financial returns:

- Ⓢ A reduction of £30K in stationery costs when the excess stock was successfully cancelled
- Ⓢ A very substantial saving of some £350K in postage costs. Aquilus partners with downstream access providers (DSAs) to ensure mail optimisation, where cost reductions and improved delivery over traditional Royal Mail services allow clients to benefit directly from the competitive advantages of a deregulated market.
- Ⓢ A securing of additional revenue due to the timely notification to customers of the interest rate change

Moreover, despite the project's 'shifting sands', Aquilus succeeded in delivering against the three essential criteria for any financial services client:

- Ⓢ Certainty of outcome – A quality printed item with accurate data and customer information is an absolute prerequisite
- Ⓢ Certainty of delivery – FSA regulations are mandatory and are always an added pressure for both customer and supplier. Internal SLAs too have to be met and exceeding them is an even better boost to divisional performance
- Ⓢ Certainty of cost – No-one likes surprises, particularly when the pressure is on to demonstrate strong fiscal management and budgetary control as well as basic cost-efficiencies and best value

## Client verdict

"Even though this was a fairly standard project for a document services supplier, you can see how easily it could have been derailed. Where Aquilus win is that they never bring a 'fairly standard' approach to the job to match – they scrutinise, assess, plan, put in contingency, and support the whole project with quality process management systems and a healthy culture of open communication and 'can-do' based teamwork. In this instance, their level of market knowledge, operational responsiveness and service orientation was the difference between success and failure; between being under budget and over; and between Lloyds TSB realising an impressive return on one mailing and not. That in my book is adding value and it's this calibre of document solutions partner that becomes an intrinsic part of our own success."

Simon Backwell, Senior Campaign Manager, Lloyds TSB Cards Marketing

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## About Aquilus

Aquilus is one of the UK's foremost suppliers of innovative document solutions from document consultancy through to mailing services. Our portfolio includes document design, black through to full colour printing, intelligent mail insertion and a variety of mail optimisation solutions. In addition we offer 'mail in' services covering document design, scanning, automated character recognition, capture and indexing.

