

> Streamline customer communications

North America

Pat Brand - President, North America - Solutions Dynamics Inc
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AUT School of Engineering, Computer & Mathematical Sciences
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AGENDA STREAMLINING CUSTOMER COMMUNICATIONS AT SCALE



- >Trends CCM - North America
- >Global Applications SMBs
- >Digitisation – Challenges
- >Digitisation - Solutions



PAT BRAND - CREDENTIALS PITNEY BOWES



- >President, Document Messaging Technologies
2004 – 2009
- >President, SMB North America
2009 – 2013
- >SVP and GM, SMB Global Products and Strategy
2014 – 2018

Happy to now be part of Solution Dynamics Team





NORTH AMERICA CCM

\$23B MARKET & GROWING 3.6%*

>Print & Digital transactions

345 billion (2018)*

- 281b Marketing + 64b Transactional*

>3.3% growth 2022*

- Marketing 3.5% CAGR*
- Outsourcing 5.2% growth*

>Transactional 2.4% CAGR

>Outsourcing 4.6% growth

Row Labels	2017	2018	2019	2020	2021	2022	CAGR 2017-2022	(In Bs)
Marketing	270.1	280.8	291.6	301.8	311.5	321.6	3.5%	
In-House	127.7	131.1	133.4	135.9	137.5	138.5	1.6%	
Digital	102.1	106.3	109.8	114.0	117.6	120.7	3.4%	
Print	25.5	24.8	23.6	21.8	19.9	17.7	-7.1%	
Outsourced	142.4	149.7	158.2	165.9	174.0	183.1	5.2%	
Digital	85.5	92.9	102.2	110.7	119.0	128.6	8.5%	
Print	56.9	56.8	56.0	55.2	55.0	54.5	-0.9%	
Transactional	62.4	64.1	66.0	67.3	68.7	70.1	2.4%	
In-House	37.6	38.4	38.9	39.1	39.2	39.1	0.8%	
Digital	25.1	26.9	28.8	30.3	31.7	32.9	5.6%	
Print	12.5	11.5	10.2	8.8	7.5	6.2	-13.2%	
Outsourced	24.8	25.8	27.1	28.2	29.6	31.0	4.6%	
Digital	7.9	8.9	10.2	11.6	13.0	14.7	13.1%	
Print	16.8	16.8	16.9	16.7	16.6	16.3	-0.6%	
Grand Total	332.5	344.9	357.6	369.1	380.2	391.7	3.3%	

- Outsourced transactions grow nearly 5% CAGR while in-house is flat
- In-House Print volumes decline 13% CAGR while out sourced digital grows 13% CAGR

*Source:Infotrends

Source: Keypoint Intelligence/InfoTrends Forecast
The Value of Customer Communications Delivery North America Market
February 2018 by Matt Swain

MID-SIZE BUSINESSES NORTH AMERICA UNDERSERVED GLOBAL APPLICATIONS

>Enterprise (2k firms)

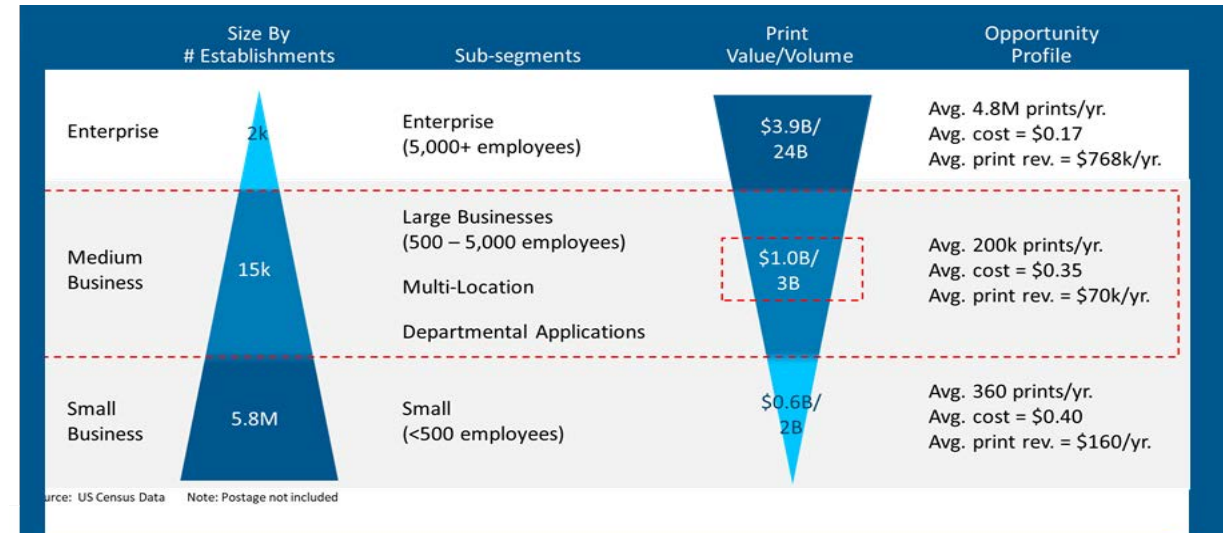
- Focus large software/service providers
- Global applications fragmented
- Digital managed separate from print

>Small businesses (5.9m firms)

- Access cloud tools
- (Quickbooks/Constant Contact)

>Mid market (15k firms) underserved

- In-house producers for print/digital
 - Inefficient - lack of scale
- Shrinking mail volumes/slower delivery
 - High cost of onboarding - complex apps



MARKET: VOLUME & \$BILLIONS

Note: Postage not included

2017	PRINT VOLUMES	PRINT VALUE	PRICE PER MAIL PIECE
In-House Volumes/Value			
Enterprise	8.2	\$ 1.2	\$0.15 - 0.18
Medium	3.4	\$ 1.0	\$0.30 - 0.35
Small	0.9	\$0.3	\$0.40 - \$1.00
Total	12.5	\$ 2.5	\$0.20

CHALLENGES TO DIGITIZING COMMUNICATION WORKFLOWS – COSTS & FLEXIBILITY



Cloud platform connects to right service providers

- >Clients focused on digitizing operations and driving variable cost structure
- >Service providers geared to supporting larger jobs for Enterprise clients
- >Focus on digitizing few largest ERP applications increases cost of supporting many smaller office applications
- >On boarding - cost and time - prohibitive
- >Production efficiency
- >Tradeoffs - production efficiency vs delivery hurt



POSITIONED TO STREAMLINE CUSTOMER COMMUNICATIONS AT SCALE - NORTH AMERICA

- > Digital2Print acquisition
 - Jupiter platform
 - 300+ service providers in 50 countries
- > Understanding of NA market
- > Large cornerstone clients
 - Plus key recent wins
- > SDL robust technology stack
- > Disciplined services approach
 - Deep domain expertise of our people
 - Focus on client satisfaction





SUMMARY - STREAMLINING CUSTOMER COMMUNICATIONS AT SCALE - NORTH AMERICA



Thank You





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