

A Guide to International Address Management

QuickAddress
World

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This guide aims to provide a basic overview of the advantages of ensuring address accuracy. It answers some of the most frequently asked questions about address management, and, whatever the size of your company, will help you to understand how good address data management can help your organisation.

Questions and answers

Why is address management important?

Your address database can be the core of your business, and is essential when you need to communicate in any way with your customers, prospects or suppliers.


When your database is accurate, you not only help to ensure an optimal analysis of your customer data, you can also ensure that your communications with your customers are delivered, and that you give your customers no cause for offence through the inaccurate use of their data.

With increased globalisation of business, new data collection techniques through the internet and call-centres, and advances in computer storage and processing power, personal data is being stored and transferred in ever greater quantities. At the same time, people are becoming increasingly aware of how their data is being used, and legislation is being passed to control data use. Businesses need to appreciate that cavalier use of personal data is no longer acceptable, and that the storage and use of data such as an address forms part of the relationship that your business is trying to build with that person. The better your company manages that customer's data, the better chance it has of building a good relationship with him or her.

Furthermore, a recent survey in Britain revealed that 23% of business respondents wanted direct mailers to improve address accuracy.

How can address management benefit my business?

Good address data management is good for your business, not only because it helps to build a good relationship with your customers, but also because it can save you



time and money, and allows your business to grow. You can process data efficiently and reduce costs associated with undeliverable mail, duplicate mailings and so on.

Why do you need to validate addresses?

Addresses in your database could originate from any number of sources: other databases, information entered by your employees and colleagues, information provided over the telephone in call-centres, coupons, registration cards, the internet, e-mail and so on. The wide variation in sources and input methods often results in data being added in a wide variety of formats to your database, allowing inaccuracies to creep in. One way to reduce variance and keep inaccuracies to a minimum is to apply address validation techniques.

Using address management software during data entry or data cleaning allows addresses to be validated against a master address file, which in turn helps ensure that the data is entered into your database accurately and consistently. Also, as the postal addresses of your customers can change over time, for example when an area is recoded by the postal service, address management software will allow these addresses to be updated without you having to rely on your customers and prospects to keep you up-to-date with such changes.

Address management software can also be used to increase data-entry speeds and accuracy. For example, in the United Kingdom and The Netherlands, a postal code and a house number are usually sufficient to produce a full and valid address. These can then be entered into the database without having to type the address in full, avoiding inaccuracies creeping into the address data.

What are the sources for postal data?

Master postal files for multiple countries can be created from a number of sources. One main source is the postal authority of the country concerned. Using postal files can ensure not only that the data in your files is consistent, but also that it conforms to the postal norms of that country, enhancing the deliverability of anything that you send out to your customers.

The coverage of postal files in the country concerned differs according to the postal system in use. In some countries, such as the United Kingdom and The Netherlands, the postal files contain all street addresses. In other countries postal files do not cover the whole country down to street level. In Germany, France and Italy, for example, they contain data to street level only for certain urban areas, and in Belgium coverage is only to the level of municipality. For these countries, postal data can be enriched with data from other sources, such as data from mapping companies or data resellers.

How are address blocks formatted?

Accurately and consistently stored data within your database will need to be used when you wish to communicate with your customer or prospect by post, or to send an ordered item. One of the ways that countries differ from each other postally is in the address block format used on an envelope. Many countries have a unique way of formatting an address to ensure optimal deliverability (there are over 112 formats in use in the world today), and you should use the appropriate format when mailing to those countries.

In Germany, for example, the address block is formatted like this:

Herrn
Günther Meyer
Goethestraße 25

20002 HAMBURG

The personal form of address (in this case Herr) is written on a line on its own, the house number follows the street name, and an empty line is left above the address line containing the postal code, which helps the German postal services to machine-read the data.

In the United States, the address format looks like this:

MR S HOLMES
2978 W MAIN ST # 12
MINNEAPOLIS MN 23976-4542

The data is written in upper case, and the postal authorities request that certain fixed abbreviations are used (in this example, 'W' is "WEST", and "ST" is "STREET"). The hash symbol indicates that the number following it is the suite number, and the state code and postal code follow the postal town name on the last line of the address block.

What are postal codes?

Also called postcodes or ZIP codes, postal codes are assigned by postal authorities in many (but not all) countries to enable them to identify more efficiently the delivery point of the address on the envelope. The format and coverage of each postal code differs between and within countries. In some countries, such as the United


Kingdom and The Netherlands, each code covers a consistent number of delivery points. In other countries, like Germany, Sweden, France and Italy, a single postal code can refer to a single large company, a set of postboxes, a set of buildings, an area of streets, a whole village or several villages. In other countries, such as Belgium, the area covered by a postal code is never smaller than a municipality. Some countries, such as Ireland, have no postal code system. In any case, where available, it is important to use the correct postal code, in the correct format and in the correct place in the address block to ensure delivery of your item.

How do postal codes differ?

Like address blocks, the format of postal codes differs between countries, and also sometimes within countries. In Australia, Austria, Belgium, Denmark and New Zealand, for example, the format is 4 digits. In France, Germany and Italy it is 5 digits. In Greece and Sweden this is also the case, but there is a space between the third and fourth digits. In Singapore the postal codes have 6 digits. In Canada the format is A9A 9A9. In The Netherlands it is 9999 AA. In the United Kingdom the postal code can have 7 different formats, and in The United States, a ZIP code can be 5 digits long or 9 digits long with a hyphen between the fifth and sixth digits.

How do accurate postal codes benefit your business?

An accurate postal code in your database provides you with a tremendous tool for analysis of the people within it as a postal code, which is geographically based, can provide you with geo-demographic information such as the television and radio stations a person can receive, their socio-economic status, and even, in many countries, which language they are likely to speak.



How dynamic is the postal world?

We know that in many countries, 15-20% of people and companies move each year. Recent figures show this to be 14% in Finland, 16% in Denmark and 20% in Sweden. Also, every year, an average of 3 to 4 countries create a postal code system, modify their system or scrap a system entirely.

As new residential areas are built or the economic and demographic patterns of areas change, postal authorities are obliged to regularly re-code areas and re-issue their postal tables. In The Netherlands, for example, around 30,000 postal codes are added or changed annually. The frequency with which postal authorities re-issue postal tables varies widely, from monthly updates (Switzerland), quarterly or annual, through to very seldom. Using address management software, you can clean your existing address data using updated address files from these postal authorities. This can ensure that you are able to keep your data up-to-date with these changes.


Troubleshooting

Taking this information into account, how can address management benefit a business? In the following section, we will demonstrate how address management can help businesses in a wide variety of ways, which will hopefully provide some solutions to any problems you may be having.

Capturing addresses over the telephone or from coupons

Your organisation has decided to start selling products or services over the telephone and has invested in an expensive call management system with a heavy advertising campaign for your mail-order service. The adverts roll out and your switchboard is inundated with enquiries, which have to be dealt with efficiently and professionally. It is essential that each call is dealt with promptly and quickly so that your potential customers are able to get through and are not left hanging on waiting for an operator for any length of time.

Once your operator is talking to the customer, the address will be one of the first pieces of information they ask for. Using an address management product, the operator, depending on the country, needs only to ask for certain key pieces of information, such as the postal code and house number and the entry is complete. Time is not wasted while complicated place names are spelt out over the phone, and a hundred or more characters can be entered into the system with minimal key presses. The address data is entered correctly and in a consistent format as the operator is not required to type all of the address data in, considerably reducing the chance of keying errors.



Whether you operate a call centre in a single or multi-country environment, address management software is available allowing the user the ability to seamlessly switch between all available countries' data.

Without address management, the calls could take much longer, costing a great deal more to fulfil, annoying the caller and tying up the telesales person, enhancing both operator productivity and customer quality perception.

Using address management can also speed up the process of recording addresses from handwritten sources such as coupons, as only certain address details need to be entered to return a full address. If any elements of the data are illegible, intelligent features in the software can be used to generate the valid name and address, thus ensuring coupons are successfully processed.

Say goodbye to mis-directed mail and incomplete deliveries

You have just taken a booking for your product and asked the customer for their home address so you can make the delivery.

The customer gladly gives you their address and a week later is back on the telephone complaining that they have not received the product. Why has this happened? Your customers are not postal experts, and perhaps their perception of their address is different from what is actually required by the postal authority for effective delivery. Using address management, the address to which you deliver will be postal authority approved and the item can get there.

You want to save money on your bulk mailings

Your company handles very large mailings and a significant part of the cost is the postage. The postal service has made you aware that you can qualify for postage discounts but 95% of the addresses for your mailing must contain a postal code. It is doubtful that this level of accuracy will be achieved from the return addresses that customers have given. Using address management software, almost every address can be accurately assigned a postal code and you can potentially benefit from postal discounts.

Finding out more information about your customers

It is essential that the information captured about customers is accurate because it can be used for future analysis. Imagine running a busy reservation desk for an airline company. It is the height of the season and the reservation hall is packed out. Selling the tickets and getting the passengers on board has to take priority over the laborious task of capturing address details. Using address management, the whole process is speeded up and accurate and consistent data can be captured. The customer has not been inconvenienced and the data is then available to be used for analysis of the customer type, where they live and how far they have been prepared to travel.

How do you keep addresses clean over time?

Initial use of address management software ensures that up-to-date address records are entered into a database. To maintain the integrity of this data, however, a cleaning program can be used to update the records by looking for and amending elements that have been changed by the national postal authority. Regular cleaning can maintain the integrity of existing data over time.

Glossary

Address block:

The format (order) in which an address is printed on an envelope.

Batch Software:

A program which can be set up to work without human intervention.

Database:

A computer-based record of customers or prospects with all their details stored.

Delivery point:

The place where a postman makes the final delivery of an item to the addressee.

Geo-demographic classifications:

Profiling data that is available to analyse lifestyles and spending habits which are accessed by the postal code.

Large-user:

An institute or company which receives a large amount of mail and is usually assigned its own postal code.

Postal code:

Also called postcode or ZIP Code, this is an (alpha)numeric code that identifies a geographic area of varying size.

About the author

Graham Rhind is an acknowledged expert in the field of data management. He runs his own data consultancy company, GRC Database Information, in The Netherlands (www.grcdi.nl) where he researches postal code and addressing systems, collates international data, runs a busy postal link website and writes data management software. Graham also speaks regularly on the subject and is the author of *Building and Maintaining a European Direct Marketing Database* and *The Global Sourcebook of Address Management* (Gower Publishing).



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