

USPS Promotions

MTAC

Product Development Standard Mail Focus Group

May 16, 2012

Use short-duration Promotions to:

- **Encourage innovation**
- **Increase awareness**
- **Highlight and accelerate best practices**
- **Acquire new customers**
- **Drive long-term product value**
 - **Relevance**
 - **Effectiveness/Response**
 - **Engagement**

Promotions Background & Plan:

**2011
Mobile
Barcode
Promotion**

July-Aug 2011

**2012
Mobile
Commerce
and
Personalization
Promotion**

July-Aug 2012

**2012
Mobile
Shopping
Promotion**
(Under Consideration)

Nov 2012

**2013
Promotional
Calendar
of several
*promotions***
(Under Consideration)

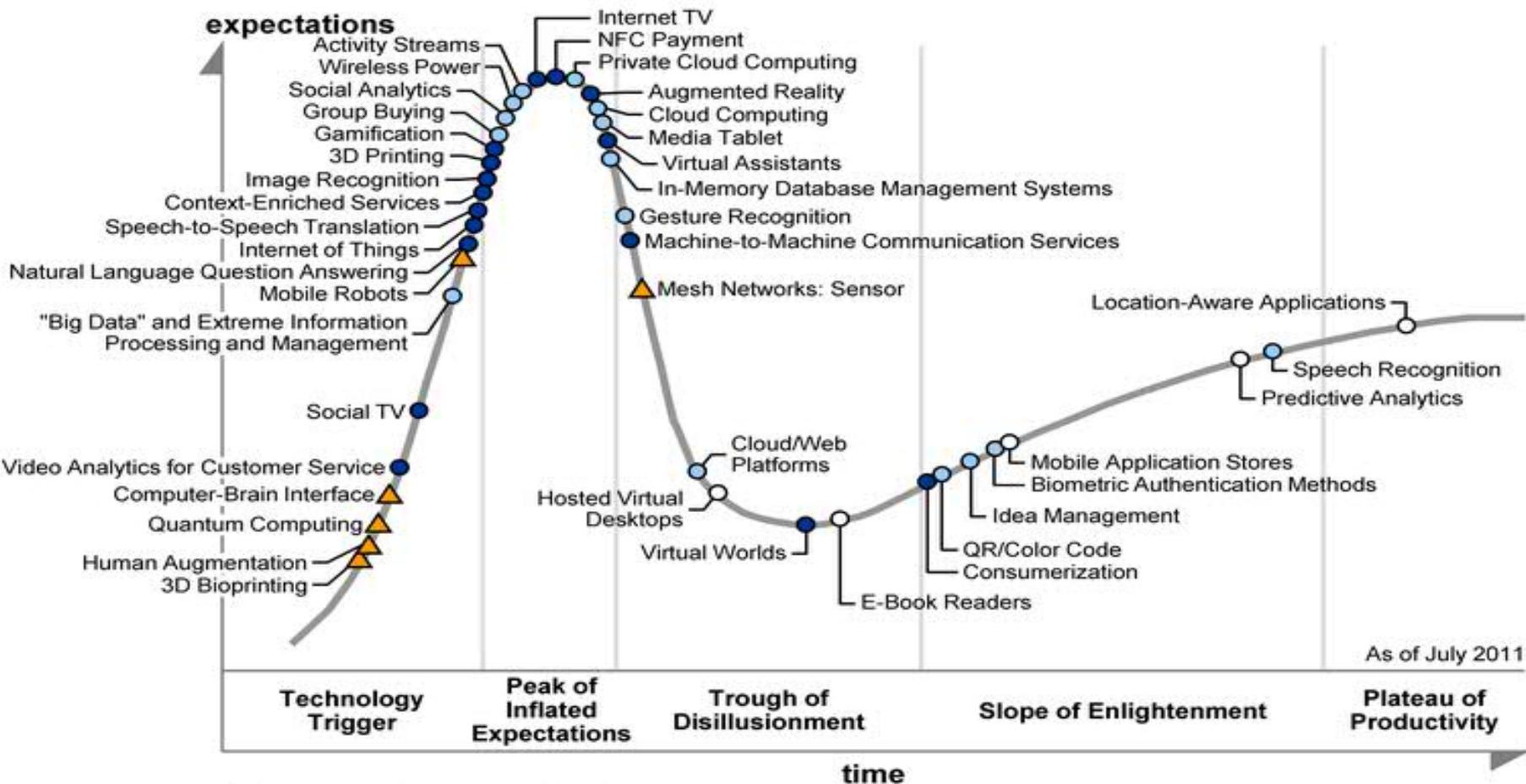
2013

2013 Promotions Calendar:

- **Announce with Fall 2012 Price Change Request to PRC**
- **Potential 2013 Calendar of Promotions (Market Dominant)**
 - **Feb – Mar:**
 - **Coupons (Social Platform/Mobile redemption)**
 - **May-July:**
 - **Earned Value CRM/BRM Promotion**
 - **Aug-Sept:**
 - **Samples**
 - **Emerging Technology - NFC, Augmented Reality, Authentication**
 - **Picture Permit**
 - **Nov.-Dec:**
 - **Buy-it-Now**



Gartner Research Hype Cycle – Technology Outlook



Years to mainstream adoption:

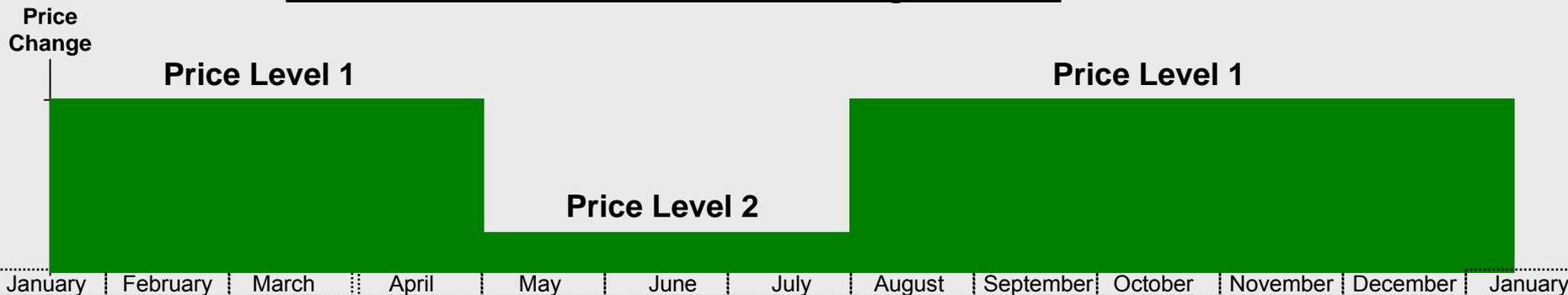
- less than 2 years
- 2 to 5 years
- 5 to 10 years
- ▲ more than 10 years
- ⊗ obsolete before plateau

Source: "Gartner's 2011 Hype Cycle Special Report Evaluates the Maturity of 1,900 Technologies" <http://www.gartner.com/it/page.jsp?id=1763814>

Price Flexibility

- **Need to build more flexibility in pricing – both process and infrastructure**
- **Need to respond to market with ability to alter pricing by :**
 - **Time of year (Seasonal Pricing) /Day of week/Time of Day**
 - **Geographic locations**
 - **Industry/Customer**
 - **Products**

Potential 2013 Standard Mail Price Change Timeline



Pulse of Industry

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□ Here is what we see:

FY2012 Volume vs SPLY

	<u>Qtr2</u>	<u>Q2 YTD</u>
➤ High Density & Saturation Letters	+4.9%	-3.7%
➤ High Density & Saturation Flats & Parcels	+0.8%	-0.9%
➤ Carrier Route	-3.0%	-8.4%
➤ Flats	-13.7%	-13.6%
➤ Letters	-7.2%	-7.5%
➤ Total Standard Mail	-5.0%	-6.4%