

# **New Products & Innovation**

**MTAC**

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JAN – FEB - MARCH

APRIL – MAY - JUNE

JULY – AUG - SEPT

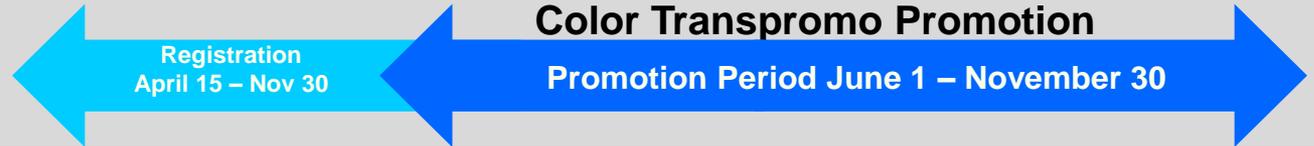
OCT – NOV - DEC

## FIRST-CLASS MAIL®

### Earned Value Promotion

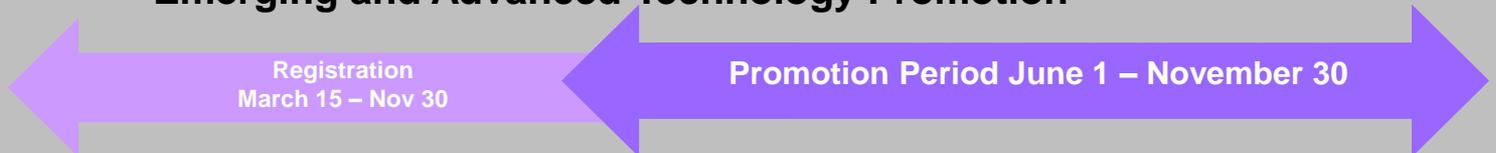


### Color Transpromo Promotion



## STANDARD AND FIRST-CLASS MAIL

### Emerging and Advanced Technology Promotion



## STANDARD MAIL®

### Mail Drives Mobile Engagement Promotion



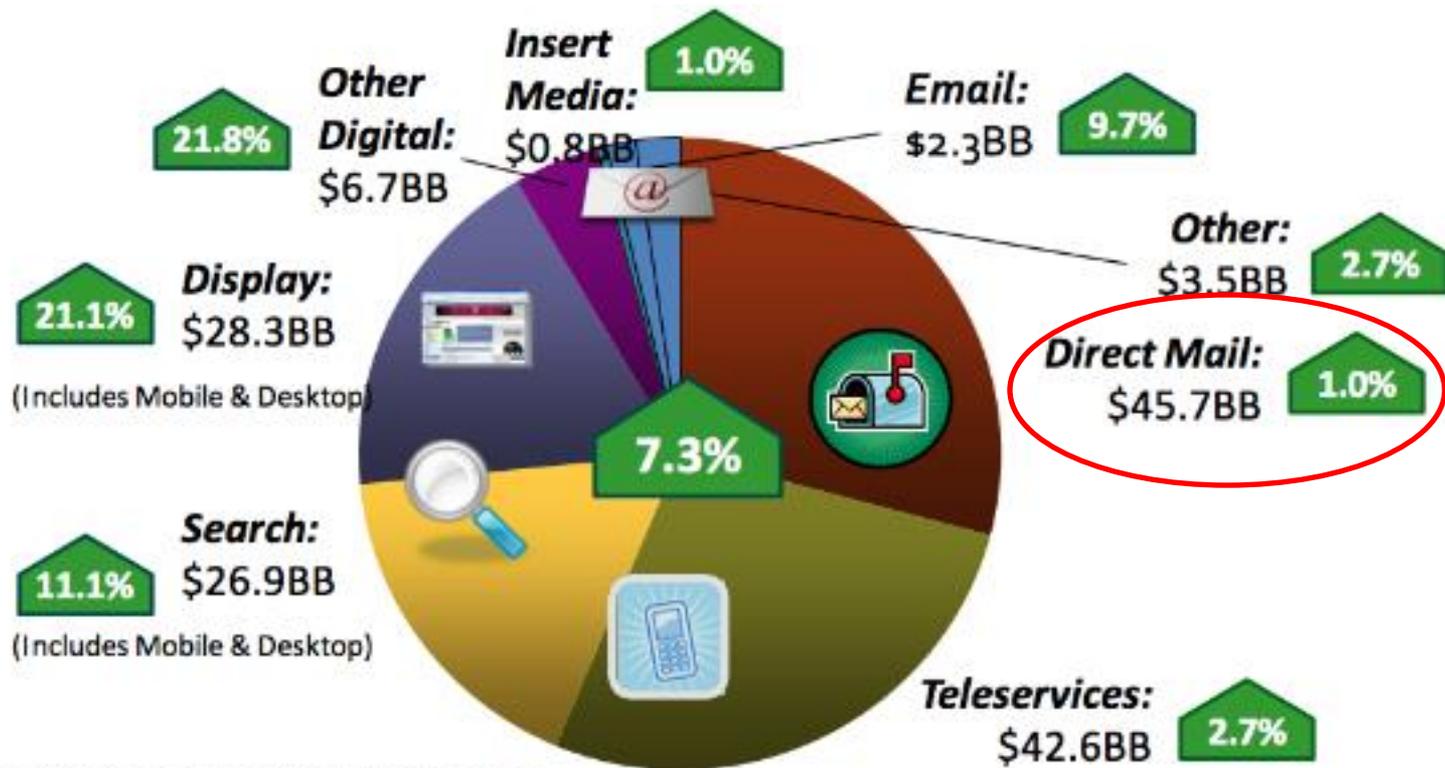
- The promotion calendar was fully approved by the PRC on May 7<sup>th</sup>
- While none of the requirements have changed, the promotion dates for the Emerging and Advanced Technology Promotion have been revised.
  - Original proposed dates: May 1 – October 31, 2015
  - New approved dates: June 1 – November 30, 2015
- Registration for the Earned Value promotion closed on April 30, 2015 and cannot be re-opened.
- Although some of the promotion dates overlap, customers cannot claim more than one discount per mailing. The exception is with Earned Value. Earned Value **can** be claimed along with any of the other three because it is a credit based promotion, and the others are discounts at the time of mailing.
- Pre-approval from the Program Office of mailpieces is encouraged for all promotions. Specifically for the Emerging & Advanced Technology promotion, all designs and technologies other than Near Field Communication (NFC) and “enhanced” augmented reality (AR) **must be** presented for preapproval.
- Completion of the post-promotion survey is a requirement for participation in all of the promotions
- Ideas for 2016 promotions are currently under review

- The Mailing Services team received over 20 proposals for possible 2016 promotions.
- New and innovative submissions include ideas around social media and mobile apps, “Green” initiatives; and mailpiece sizing and pricing
- The proposals have been reviewed with MTAC User Group 8, seeking input on how to make these possible promotions beneficial to both the USPS and the mailing community.
- Next Steps/Projected Timeline:
  - Completion of internal reviews/analysis: late July/Early August
  - Internal approvals received: late August/September
  - PRC filing: October
  - PRC decision: November
  - Implementation: early 2016

Strategic Fit:	How well does this fit with our stated promotion goals: Build on the goals of past promotions and continues to build awareness of how mobile or other advances in technology can be integrated in direct mail campaigns. We want to highlight other direct mail techniques and best practices that we believe increase the value of mail. Promotions should create excitement about mail, keep mail top-of-mind for marketers, reward innovative customers, show customers we want their business as well as encourage others in the mailing industry to provide similar initiatives for customers. The general intent of all promotions is to increase the value of mail and sustain its long-term growth or slow its decline.
Benefit to USPS	What is the primary benefit to the USPS in relation to other promotion ideas. Will this keep FCM in the mail, will there be a possibility of incremental growth, will it improve the overall value of mail?
Benefit to Mailer	How much can the mailer benefit by participating. Will it increase the ROI of the mail campaign or will it offer significant postage savings.
Level of Innovation	In terms of technology integration, how innovative is the promotion. Is it a new or emerging technology? Is it something many mailers have yet to try?
Volume Retention	If the primary goal of the promotion is to retain FCM, how effective do we think it will be?
Cost to USPS	How wide would participation be - would total discount amount be high? Also, would this require significant or costly development of systems?
Cost to Mailers	Would most mailers need to make significant financial investments in order to participate?
Ability to Implement	Would there need to be significant changes to our systems or processes to implement this? Would we have to obtain concurrence or approval from internal stakeholders? Would this require significant staff resources at the program office level?

# Direct & Digital Estimated Advertising Spend:

## \$156B



Source: Winterberry Group analysis of multiple sources  
 Note: Arrows reflect percentage change in spend, by channel, from 2014 levels; Insert Media includes FSIs and statement inserts; Display and search reflect spending on desktop and mobile

# Direct Mail responses increase by using Omni-Channel marketing

Using direct mail, web and email in integrated campaigns creates synergies that boost response more than using any medium alone.



# Omni-channel Campaign Challenges



Question Asked: What are your greatest challenges when developing multichannel campaigns? (Select all)  
 (Selected top 12 challenges) Source: The Relevancy Group, LLC/Executive Marketer Survey n=274 Mid-Market n=137, Enterprise  
 n=137, 10/14 US Only

# Real Mail creates omni-channel marketing as part of the base Direct Mail offer

## Pilot

- Leverage digital images of mail captured during processing
- Users get a morning email showing images

## Location & Target Audience

- Pilot: Northern Virginia: 6600 registered

## Initial Pilot

1. Determine consumer interest
2. Measure consumer satisfaction
3. See the affects on mail

## Next Steps:

- Test NYC in the fall



# Real Mail Notification

## Increases Direct Mail response rates

### Combined Results of Initial Two Lift Tests:

Post Office Anywhere & Remind Santa

Response Method	Response Rate		Lift		
	Test	Control	Response Rate Increase	Response Rate <u>Multiple</u>	
Typing in URL	1.1%	0.5%	+0.6%	> 2 X	← Number of typed in URLs was higher among Real Mail subscribers than control
Clicking on Link in Real Mail alert	4.8%	---	+4.8%	N/A	← Most Real Mail subscribers responded by clicking on link
Total Response	5.9%	0.5%	+5.4%	> 10 X	← Overall response rate of Real Mail subscribers was much higher than control

## Users like the service

“Love this service because our mail box is not near the house and its great to know what’s up there!”

“Cool addition to our mail service. Thanks.”

“...nice service. Different people in the house bringing in the mail...I can be sure that I didn’t miss anything.”

“...this service is absolutely brilliant.... I didn't know I needed this...”

“I am 96 years of age and having this info early in the day means a lot to me.”

“This is awesome! I travel a lot, and this helps me stay on top of things.”

# Real Mail users are active and willing to recommend the service

**Average email  
open rate 23%**

***93% check their alerts every day/  
whenever they arrive***

***92% are likely to continue using  
Real Mail***

***86% are likely to recommend  
Real Mail***

## How often do you check and view your Real Mail Notification alerts?

Every Day	89%
Whenever they arrive	4%
2-4 times per week	5%
Once per week	0.4%
Rarely or never	0.3%
Other	0.8%

## Will you want to continue to receive Real Mail Notification if it becomes an official USPS service?

Very likely	80%
Likely	12%
Moderately likely	5%
Slightly likely	1%
Unlikely	1%

## Will you recommend Real Mail Notification to friends, family, or colleagues if it becomes an official service?

Very likely (9 or 10)	71%
Likely (7 or 8)	15%
Neutral (4, 5 or 6)	8%
Unlikely (2 or 3)	1%
Very Unlikely (0 or 1)	4%