



S O U T H E R N



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April, 2018

ADAPTING TO A CHANGING MARKETPLACE

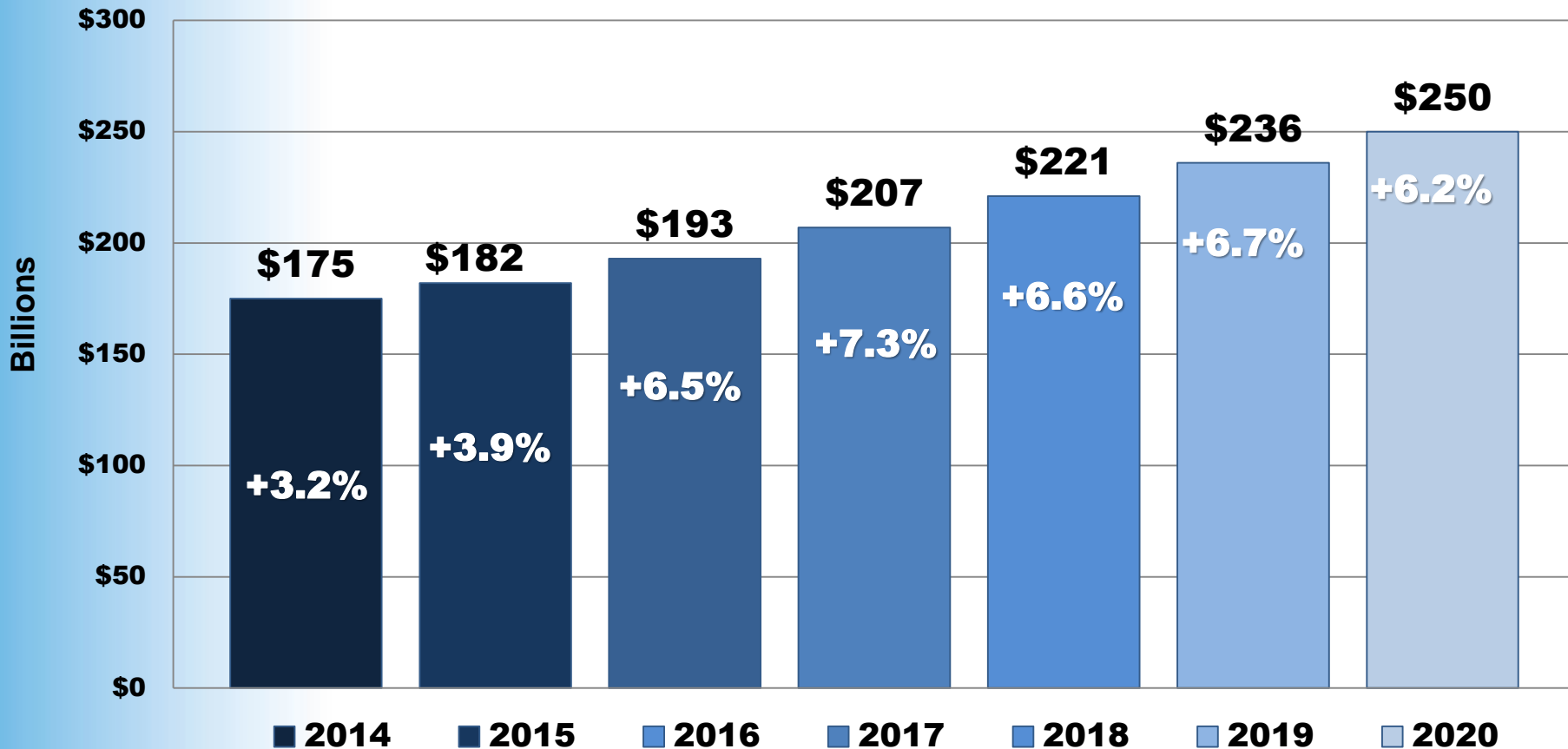


- On-demand access to everything... and with the touch of a screen
 - ✓ 77.1% of US adults will use a smartphone in 2017



- Culture of immediacy; Consumers shop and purchase 24/7
 - ✓ One-third of US retail ecommerce sales will come from a mobile device in 2017

TOTAL MEDIA AD SPENDING



Digital Advertising Continues to Grow & Expand To New Platforms



40%

Digital Ad Spending
Of total Ad Spend



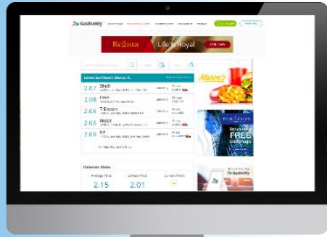
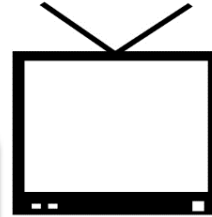
Mobile

24%

Ad Spend



Increasing to \$75B in 2018



Banner Ads



Interstitials



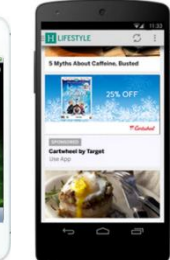
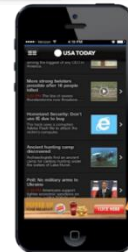
Video



Native



#151384188

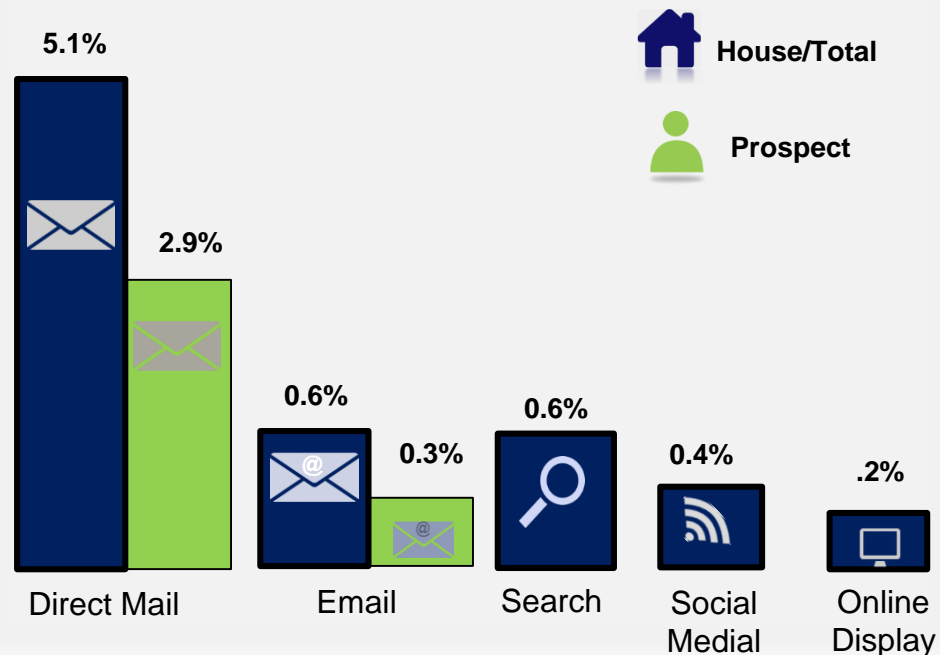


DIRECT MAIL GETS ATTENTION

RESPONSE RATES SURGED FROM **3.8%** TO **5.1%**

INNOVATION IN DIRECT MAIL

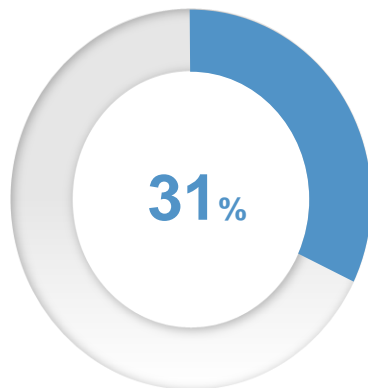
- ★ Better targeting
- ★ Personalized Mailpieces
- ★ Printing Techniques
Inks, Folds, Textures
- ★ Link to Online
eCommerce, Account Sign-Ups



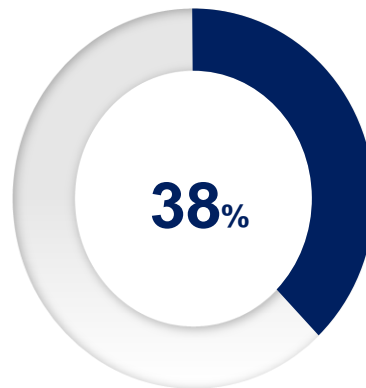
What we know: **Mail Works...**

DIRECT MAIL TOPS

all other media for delivering the highest ROI for B2C marketing



For acquisition



For retention



Mail STRATEGY

in a

DIGITAL WORLD

*Improve and embrace the advantages of
physical mail with **digital enhancements***

Approach

**Analyze digital trends and determine if they
can be integrated from the mailpiece**

*Enhance the value with digital image creating
a new mail moment*

MAIL & TECHNOLOGY TRENDS



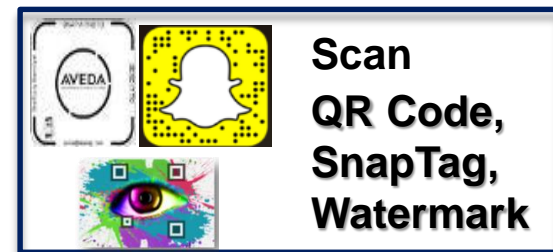
- ★ Video and print are being used together to create a bigger impact

- ✓ 48% of millennials view video solely on their mobile device.



- ★ Launch experience with a tap
- ★ Is the engine for Payment technologies

- ✓ Google Wallet, Apple Pay, Samsung Pay, Android Pay...



- ★ “Beautiful” visual and dotless QR codes
- ✓ Social Media inclusion of QR codes in products and promotions



APPLE UPDATES PROVIDES **SEAMLESS** **INTERACTION** FROM MAILPIECE TO MOBILE EXPERIENCE



Camera Reads QR Codes



Camera Activated Augmented
Reality



NFC Quick Touch
Experience Beyond
Payment

Approach

*Analyze digital trends and determine if they
can be integrated from the mailpiece*

***Enhance the value with digital image
creating a new mail moment***

Informed Delivery™

A daily digital preview of their hardcopy mail

Mailers can **replace**
with color image of
magazine or catalogs

Scan image of mail



Additional content to
enhance the value of
the mailpiece

URL for an “**interactive**
campaign,”.

Informed Delivery®

Direct Mail is still the **best channel** for message delivery



9.0M

Registered Users



72%

Open Rate



150K

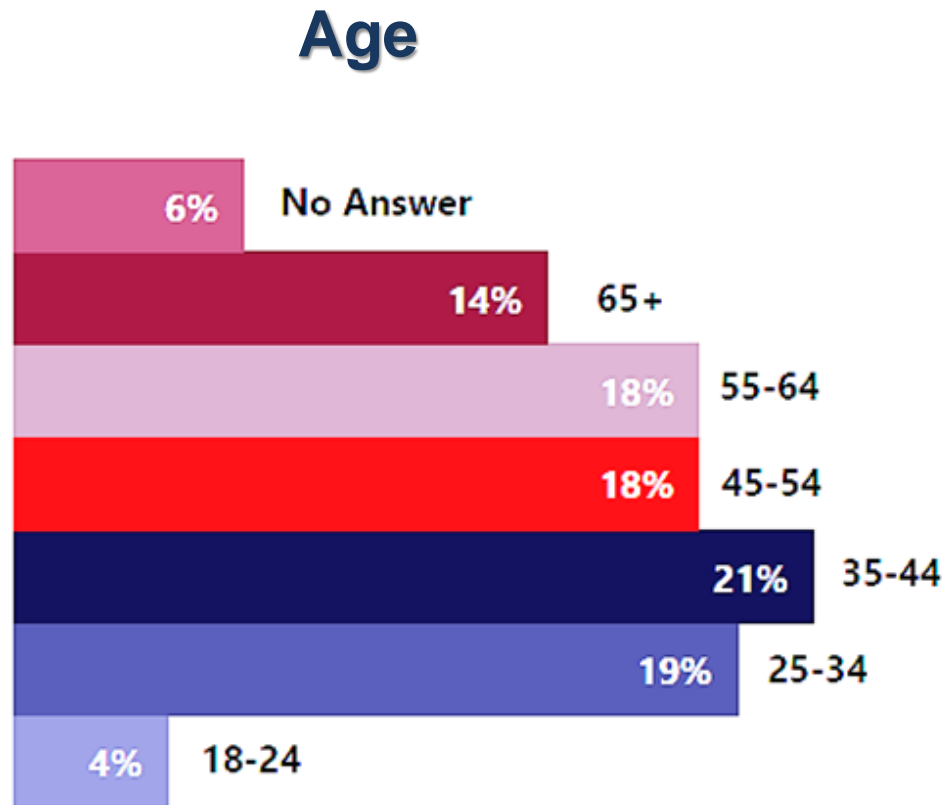
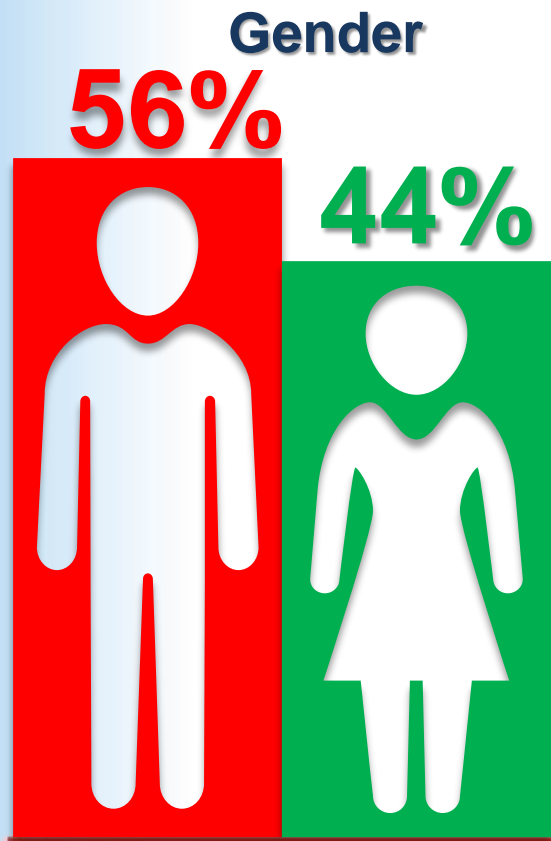
Average New Users per Week



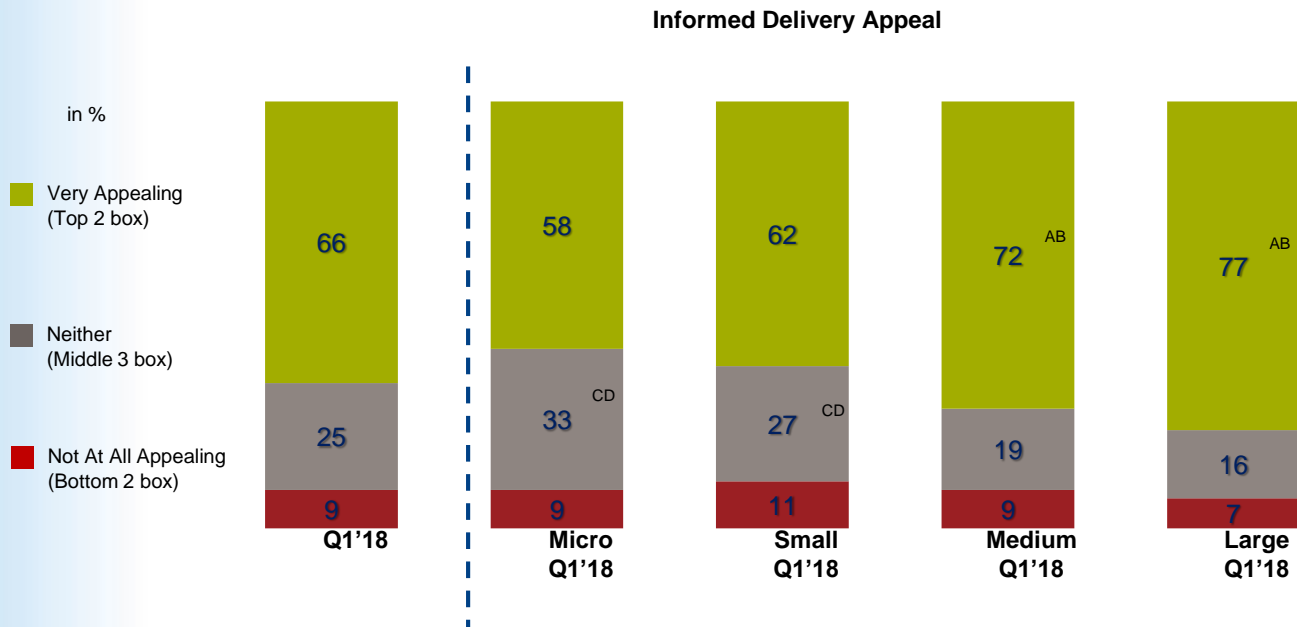
Digitally engage users who may not physically retrieve mail

55% of users typically pick up the mail, while **45%** of users
are not always the first ones to their mailboxes

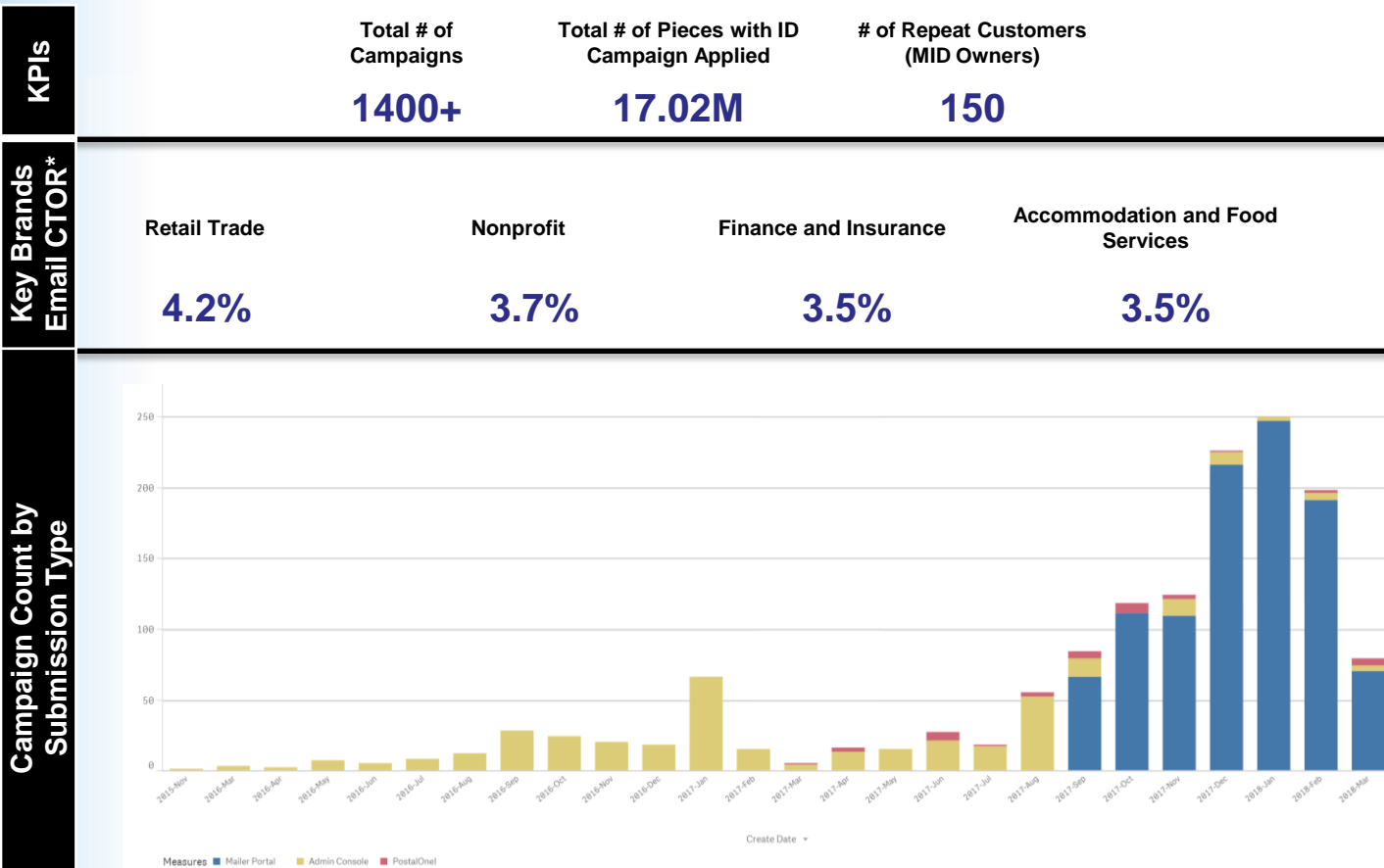
Who is the Informed Delivery Consumer?



NEARLY **70%** OF **BUSINESSES** SEE INFORMED DELIVERY AS VERY APPEALING, WITH **MEDIUM AND LARGE** BUSINESSES MOST LIKELY TO BE INTERESTED.



Mailer Campaign Portal Adoption & Growth



*Email Click-to-Open Rate defined as clicks generated from emails divided by number of emails opened. Data as-of 1/7/2018.

Bundle Scanning

Dec 2017

Digest includes images of letter- and flat-size mailpieces

Package Tracking Digest

Dec 2017/
June 2018

Interactive content allows consumers to **interact with their packages**

Packages launched in Dec; additional features expected in June (e.g. delivery preferences)

Multiple Addresses

June 2018

Users can **add more than one address** to their account (e.g., multiple physical addresses and/or PO Boxes)

Data Via Informed Visibility

June 2018

PO Box Up Time and **Delivery Time**

Save to Wallet

Sept 2018

Save promotions and coupons to **digital wallet**

Video Content

Sept 2018

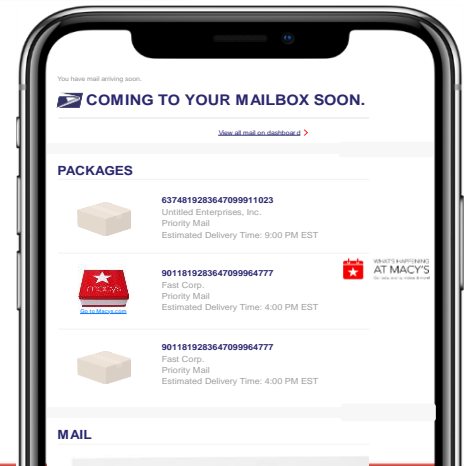
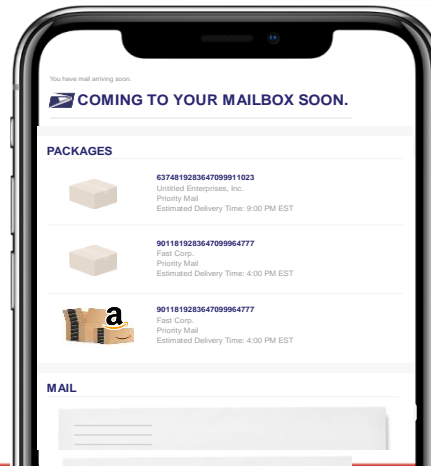
Adding video content to marketing campaigns to **enhance user experience**

Major Cataloger

Saw a **360% increase** in the number of pieces with a campaign applied.

Informed Visibility bundles accounted for 78% of all pieces with a campaign applied.

Package Tracking Digest



Thank you.

