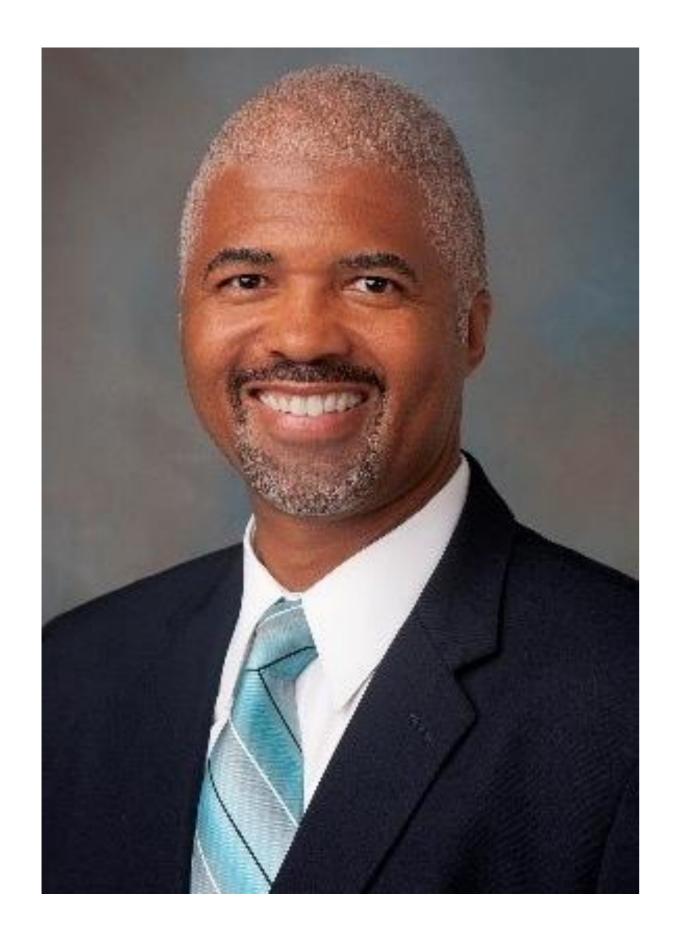
# Southern Area AlM Meeting

March 3, 2020





# DONALD R. NICHOLS National Lead Political & Mailing Services

Donald Nichols is the National Lead for U.S. Postal Service Political and Mailing Services. Donald mobilizes a national team of specialists who consult and support political campaigns, campaign strategists and political alliance mailing partners. He manages USPS strategic sponsorships with political associations, including the development of leading edge thought leadership. He also coordinates marketing and sales efforts to support the use of all mailing products.



# **DISCUSSION POINTS**

1

Campaign Spending

2

Voter Turnout/Insights

3

Capturing the Opportunity

4

Tools and Working Together

5

Looking Ahead







## **INDUSTRY MISPERCEPTIONS**

# 2018 U.S. Political Ad Spending Forecast compared to Our Previous Forecast

In \$ Millions

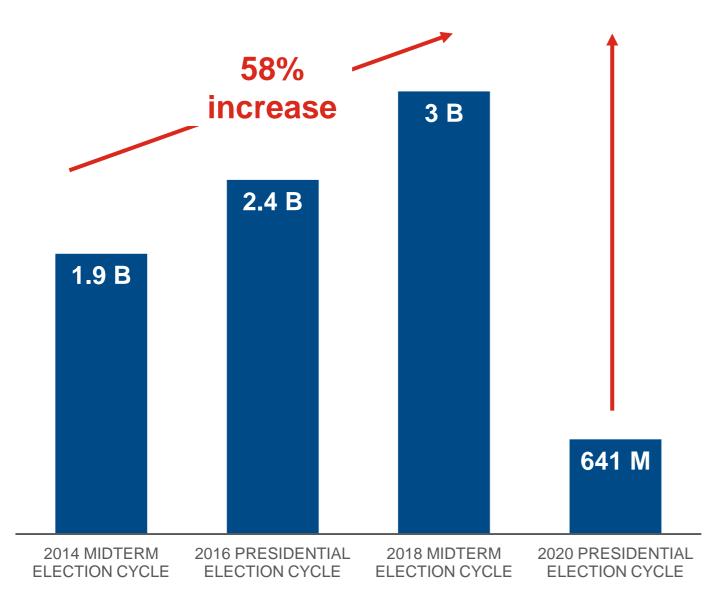


Media Choice	2014 Estimate	2014 Share	2018 Initial Forecast	'18 (1) Forecast Share	2018 New Forecast	'18 (2) Forecast Share	% of Change from Initial Forecast	'14-'18 % Change
Newspapers	\$659.8	8.0%	\$553.8	6.5%	\$619.0	7.0%	11.8	(6.2)
Other Print	\$127.2	1.5%	\$102.9	1.2%	\$97.4	1.1%	(5.4)	(23.4)
Broadcast TV	\$4,796.2	57.8%	\$3,420.9	38.8%	\$3,420.9	38.8%	1.8	(28.7)
Cable	\$585.3	7.1%	\$1,107.9	12.6%	\$1,107.9	12.6%	11.4	89.3
Radio	\$619.3	7.5%	\$683.4	7.7%	\$683.4	7.7%	21.1	10.4
Out of Home	\$635.3	7.7%	\$400.9	4.5%	\$400.9	4.5%	26.4	(36.9)
Direct Mail	\$284.1	3.4%	\$223.5	2.5%	\$223.5	2.5%	(10.2)	(21.3)
Online/Digital	\$71.2	0.9%	\$1,773.1	20.1%	\$1,773.1	20.1%	(5.6)	2391.6
Telemarketing	\$520.3	6.3%	\$498.1	5.6%	\$498.1	5.6%	3.5	(4.3)
U.S. Totals	\$8,298.7	100%	\$8,502.7	100%	\$8,824.2	100%	3.8	6.3

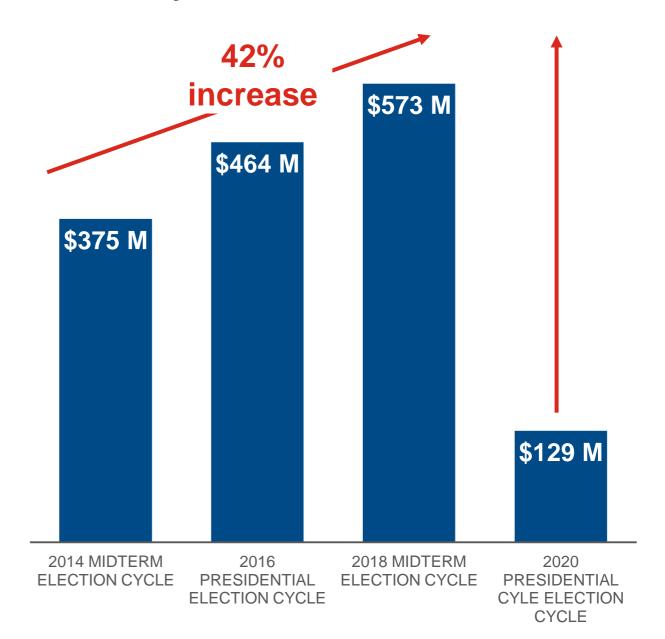


# **GROWTH OF POLITICAL MAIL**





### **Full Cycle Revenue Performance**





### POLITICAL MAIL IS A MAJOR PLAYER

\$573M+

Spent on political mail during the 2018 midterm election (USPS Fiscal Years)

\$372M

Highest revenue ever for USPS Fiscal Year

Source: "Survey Offers Key Insights on Political Mail in Florida, Ohio Midterm Elections," The United States Postal Service, February 2019.



## 2018: RECORD BREAKING CYCLE FOR POLITICAL AD SPENDING

\$5.25B

What political advertisers spent on the 2018 midterm elections.

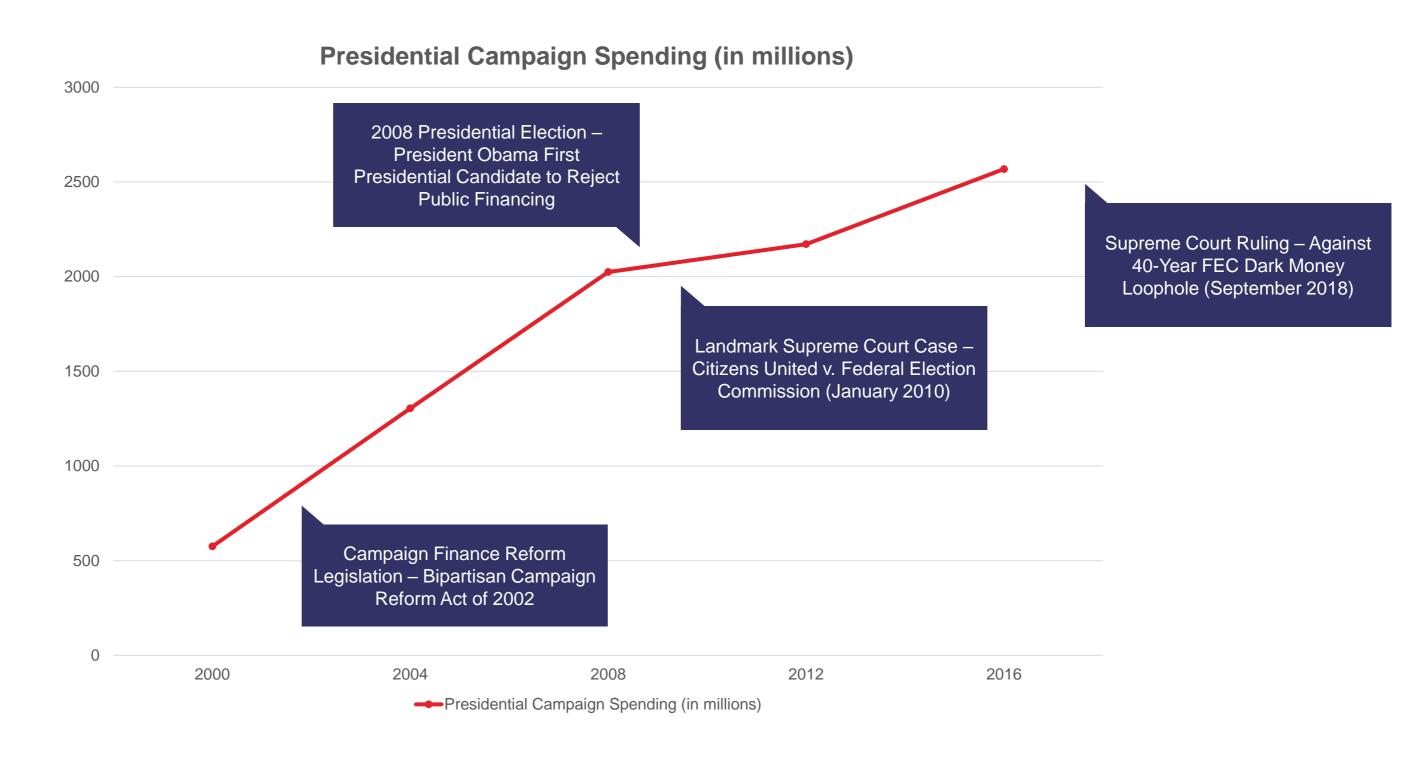


This number could skyrocket as we head into the 2020 election cycle.

Source: "Advertisers Spent \$5.25 Billion on the Midterm Election, 17% More Than in 2016," Kantar Media, Nov. 15, 2018.



## HISTORICAL CAMPAIGN SPENDING



Source: The Campaign Finance Institute presidential election spending data.



### **OUTSIDE SPENDING GROUPS**



# **SUPER PACS**

Super PACs can spend an unlimited amount to support candidates but cannot coordinate with campaigns. They must disclose donors and spending on campaign finance reports.



**CANNOT** coordinate with campaigns



**CANNOT** give directly to candidates or campaigns



**NO LIMIT** on independent spending in support of candidates

MUST disclose contributions and expenditures



# DARK MONEY

Usually 504(c)(4) "social welfare" organizations whose political giving cannot exceed 50.1% of expenditures. They are not required to reveal their donors.



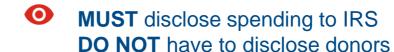
**CANNOT** coordinate with campaigns



**CANNOT** give directly to candidates or campaigns



**NO LIMIT** on independent spending in support of candidates









# **VOTER TURNOUT**

### Gender

Gender	2018	Percent Increase from 2014
Men	51.8	10.9+
Women	55	12+

# **Broad Ethnic Groupings**

Broad Ethnic Groupings	2018	Percent Increase from 2014
African American	51.4	10.8+
White	57.5	11.7+
Hispanic	40.4	13.4+
Asian	40.2	13.3+

# Age-Range Based on Birth Year

Age	2018	Percent Increase from 2014
18-29	35.6	15.7+
30-44	48.8	13.2+
45-64	59.5	9.9+
65+	66.1	6.7+



# **VOTER TURNOUT**

### **Education Level**

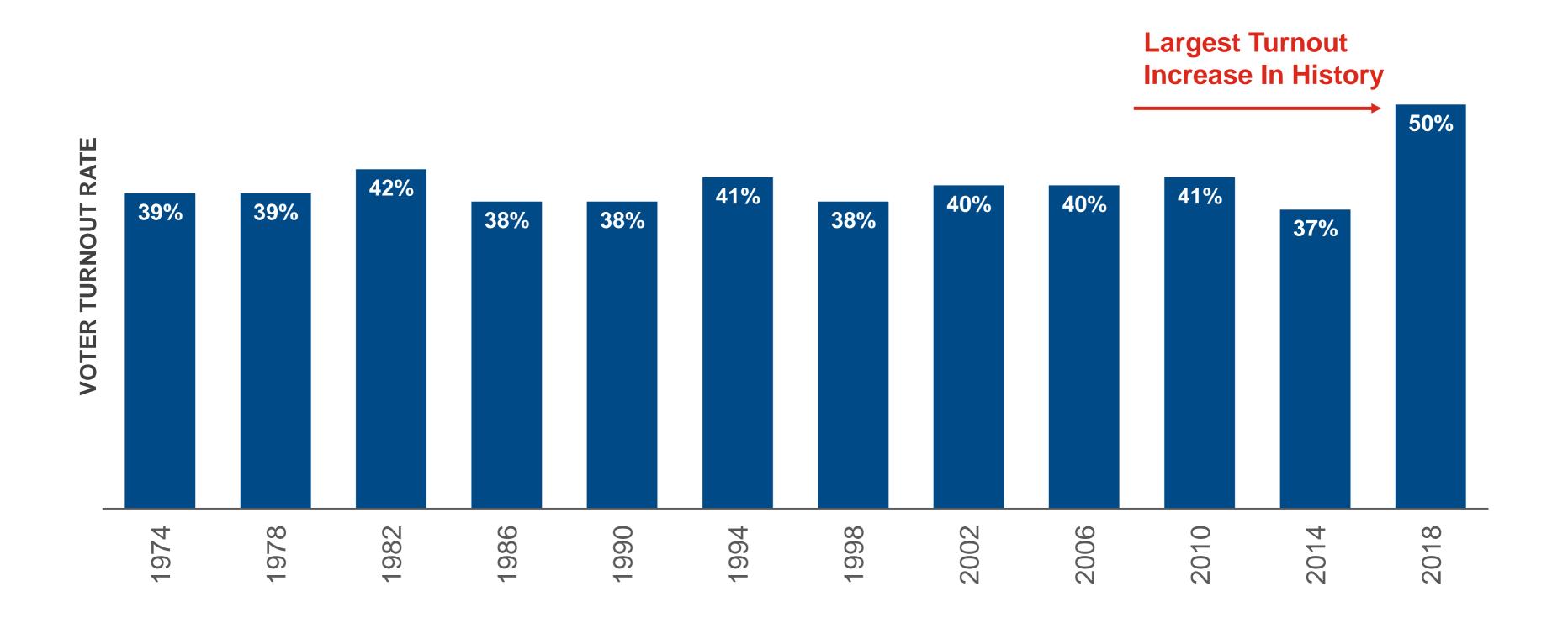
Education Level	2018	Percent Increase from 2014
College Degree	65.7	12.5+
Advanced Degree	74.0	12+
No High School	27.2	5+
High School or GED	42.1	8.2+
Some College	65.7	12.5+

### Other

Other	2018	Percent Increase from 2014
Alternative Voting	39.8	8.7+
Metropolitan	53.7	12.2+
Non-Metropolitan	52.1	7.7+



# MIDTERM ELECTION VOTER TURNOUT





## **VOTE-BY-MAIL POLICY BY STATE**

V@H

Colorado Oregon Washington No Excuse/ Permanent Mail-Ballot Option

**Arizona** 

California

Hawaii

Kansas

**Minnesota** 

Nevada

**New Jersey** 

**Montana** 

Utah

**Wisconsin** 

No Excuse/ No Permanent Mail-Ballot Option

**Arizona** 

**Florida** 

Georgia

Idaho

Illinois

Iowa

Maine

Maryland

Michigan

Nebraska

**New Mexico** 

**North Carolina** 

**North Dakota** 

Ohio

Oklahoma

**Rhode Island** 

**South Dakota** 

Vermont

**Wyoming** 

Excuse Required (Age Exception)

Indiana

**Kentucky** 

Louisiana

Mississippi

**Tennessee** 

**Texas** 

**South Carolina** 

**Excuse Required** 

**Alabama** 

**Arkansas** 

Connecticut

**Delaware** 

**Massachusetts** 

Missouri

**New Hampshire** 

**New York** 

Pennsylvania

Virginia

**West Virginia** 









# MEET THE POLITICAL STRATEGY TEAM



National Lead (Political/Mail)





John Walsh

**Northeast** 

Paul DelSignore

**Eastern** 

**Corey Turer** 

**Brenda Manos** 

**Pacific** 

Daniel Doyle
Strategy Team Manager
(Political/Mail)



Dave Powell

Capital Metro



Vivian Ramsey
Team Lead Expert
(Political/Mail)



Analyst/Special Projects (Political/Mail)



Jose Rodriguez Mark Stephens



Party Committees (Political/Mail)





## PARTNERSHIPS WITH POLITICAL CONSULTANT GROUPS

- Conduct research to drive thought leadership
- Participate in AAPC and C&E events through speaking opportunities and exhibit booths
- Promote thought leadership through sponsored articles, email blasts, Facebook Live interviews, webinars and other avenues





Jun 11, 2019 By Donald Nicho



Recent research in conjunction with AAPC reinforces the important role political mail plays in the media mix.



Hello [First Name]:

In my experience, successful political consultants know that direct mail is an integral part of the media mix for smartly run campaigns at the federal, state, and local levels. Recent research reinforces the important role political mail plays in the media mix by enhancing other forms of outreach.

The United States Postal Service commissioned a voter survey immediately following the 2018 midterm elections to explore voter attitudes on direct mail compared to other forms of political



Read the White Paper

advertising – such as television, radio, text messaging, emails, and digital ads

The results were released in the most recent USPS/AAPC white paper – <u>The Media Mix: Integrating Mail to Influence Voters</u> – during the 2019 Pollie Awards and Conference. Some of the highlights include:

- Mail is memorable. Nearly 80% of voters recall receiving political mail daily or weekly.
- Mail is credible. Political mail remains the most credible form of political outreach among voters.
- Mail heightens the media mix. Half of voters say they search online for more
  information about the campaigns mentioned in mail and 56% of voters say mail
  reinforces the television ads they've seen in support of and/or in opposition to a
  candidate.

You can read the full findings on the importance of the media mix, and also learn more about the Postal Service's latest tools, technologies and innovations that can maximize direct mail's impact, at <a href="DeliverTheWin.com">DeliverTheWin.com</a>.

Thank you,

Donald R. Nichols

<u>Donald.R.Nichols@usps.gov</u>

National Lead, Political & Mailing Services, U.S. Postal Service

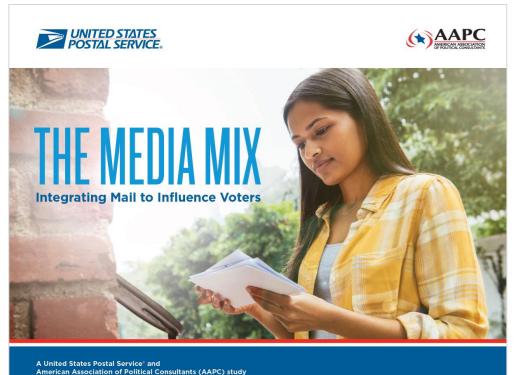
US POSTAL SERVICE 475 L'ENFANT PLZ SW RM 5516 WASHINGTON DC 20260

For information regarding our privacy policies, visit www.usps.com/privacypolicy



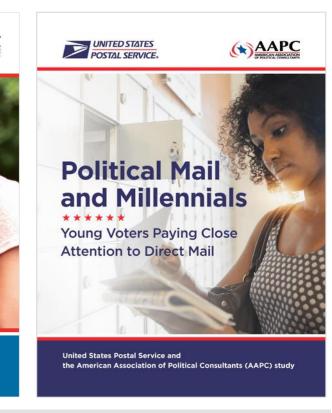


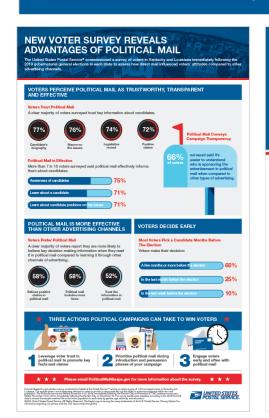
## **USPS LEADS THE WAY IN THOUGHT LEADERSHIP**

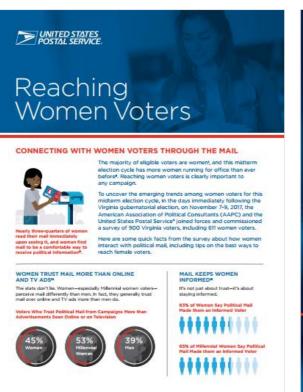


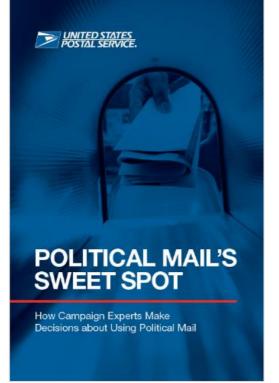
















NOW IS THE TIME TO PREPARE POLITICAL CAMPAIGNS FOR 2020 AND BEYOND







# MIDTERM ELECTION VOTER SURVEY



A United States Postal Service\* and American Association of Political Consultants (AAPC) study



# NOVEMBER 6-11, 2018 — WE SURVEYED —

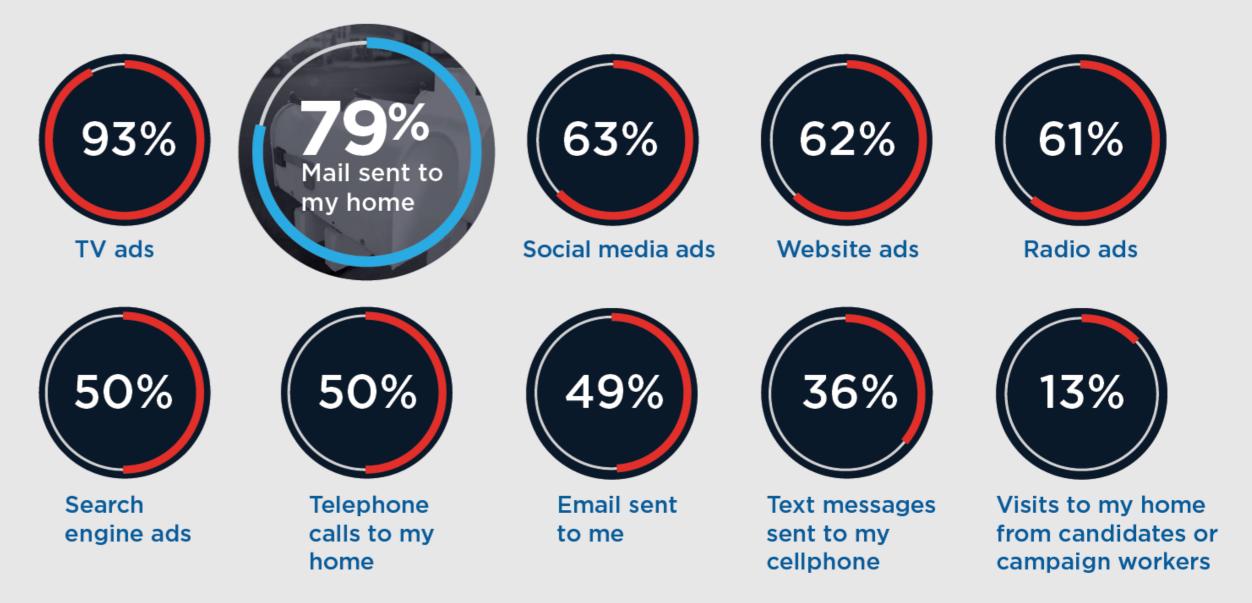
& GGGGS
OHIORESIDENTS



# During this fall election season (2018), how often did you see, hear, or receive political advertising from the following sources?

Percentage answering "At least daily/At least weekly":

# THE MEMORABLE MAIL MOMENT® EXPERIENCE







### INTRODUCTION

- of surveyed voters said that mail increased their awareness of which candidates were running
- of surveyed voters said that mail was a helpful starting point to learn about a candidate and their positions
- 46% of surveyed voters say if they got mail from a political organization with information about candidates or ballot issues they would read it upon seeing it

### **PERSUASION**

- of surveyed voters rated mail as one of the top three most persuasive political advertising techniques
- 60% of surveyed voters said that mail made them a more informed voter
- **34%** of surveyed voters said they are likely to read political mail that contrasts with the candidate's opponent on the issues

#### **VOTING DECISION**

of surveyed voters said that political mail had an impact on their voting decision

**GET-OUT-THE-VOTE** 

7% of surveyed voters found mail to be a helpful source for deadlines for registering to vote or early voting

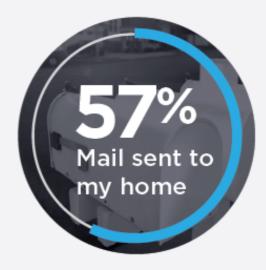
All data from the Summit Research post-election survey on behalf of the Postal Service™ among 821 actual Florida voters and 803 actual Ohio voters, conducted immediately following the midterm elections (November 6-11, 2018).



# MAIL CONTINUES TO DELIVER CREDIBILITY IN AN AGE OF UNPRECEDENTED SKEPTICISM

Please rank the top three political advertising techniques that you find the most credible.

Percentage top 3 choice:















to me





Social media ads



Telephone calls to my home



Search engine ads

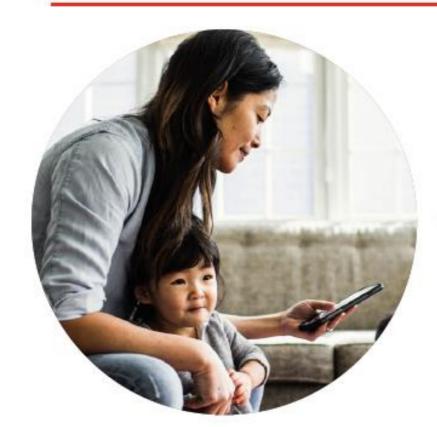


Text messages sent to my cellphone



# **BIG INSIGHTS**

# MAIL'S IMPACT ON WOMEN, MINORITIES AND MILLENNIALS



Female voters were more likely than male voters to say that mail increased their awareness of which candidates were running and drove them to search online for information about the campaign.



African American and Hispanic voters were more likely than White voters to find mail credible and impactful.



Younger voters
highly value mail
to inform their
voting decisions.

All data from the Summit Research post-election survey on behalf of the Postal Service™ among 821 actual Florida voters and 803 actual Ohio voters, conducted immediately following the midterm elections (November 6-11, 2018).



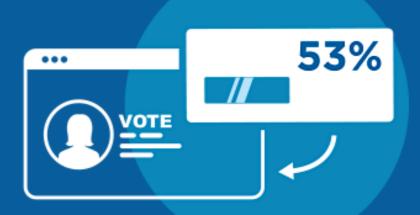
# DEMOGRAPHIC PROFILES

### **Women Voters**



75% said political mail increased their awareness of which candidates were running.

More than half (53%) of women said that mail drove them to search online for more information about the campaign.





# DEMOGRAPHIC PROFILES

### **Millennial Voters**

50% said that mail was impactful when making the voting decision.

67% said mail drove them to **search online for more information** about the campaign, compared to 51% of Gen X and 46% of Boomers.





# DEMOGRAPHIC PROFILES

# **African American and Hispanic Voters**

African American	68%
Hispanic	61%
White	43%

68% of African American voters and 61% of Hispanic voters called mail a **credible source**, compared with 43% of White voters.

62% of African American voters and 54% of Hispanic voters said that mail was **impactful on their voting decisions**, compared to 36% of White voters.

African American	<b>62</b> %
Hispanic	54%
White	36%

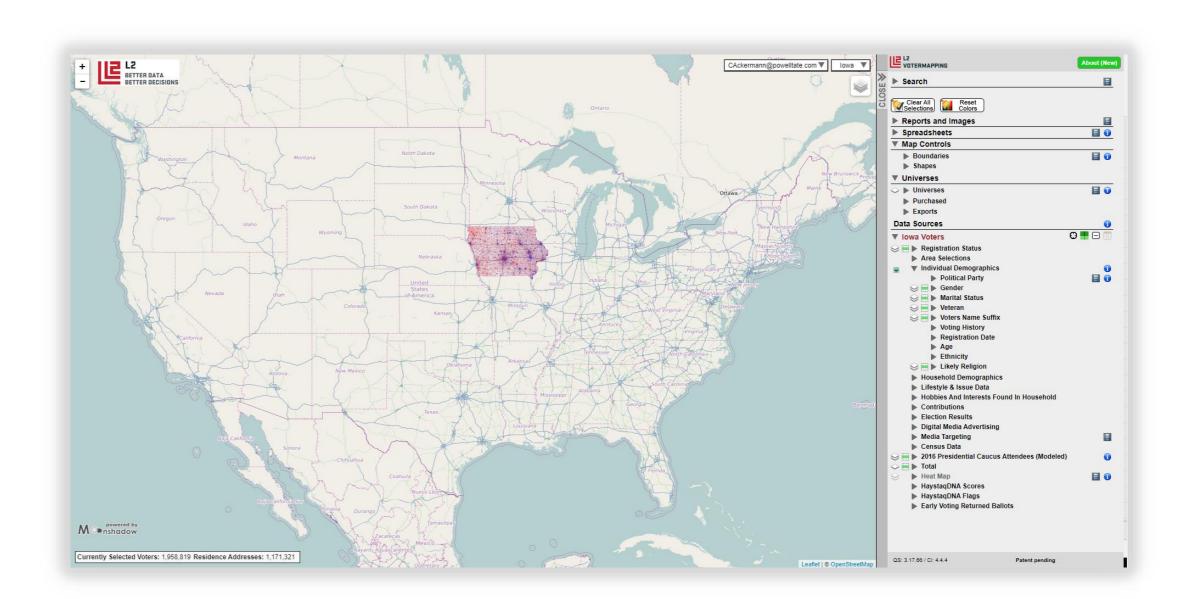






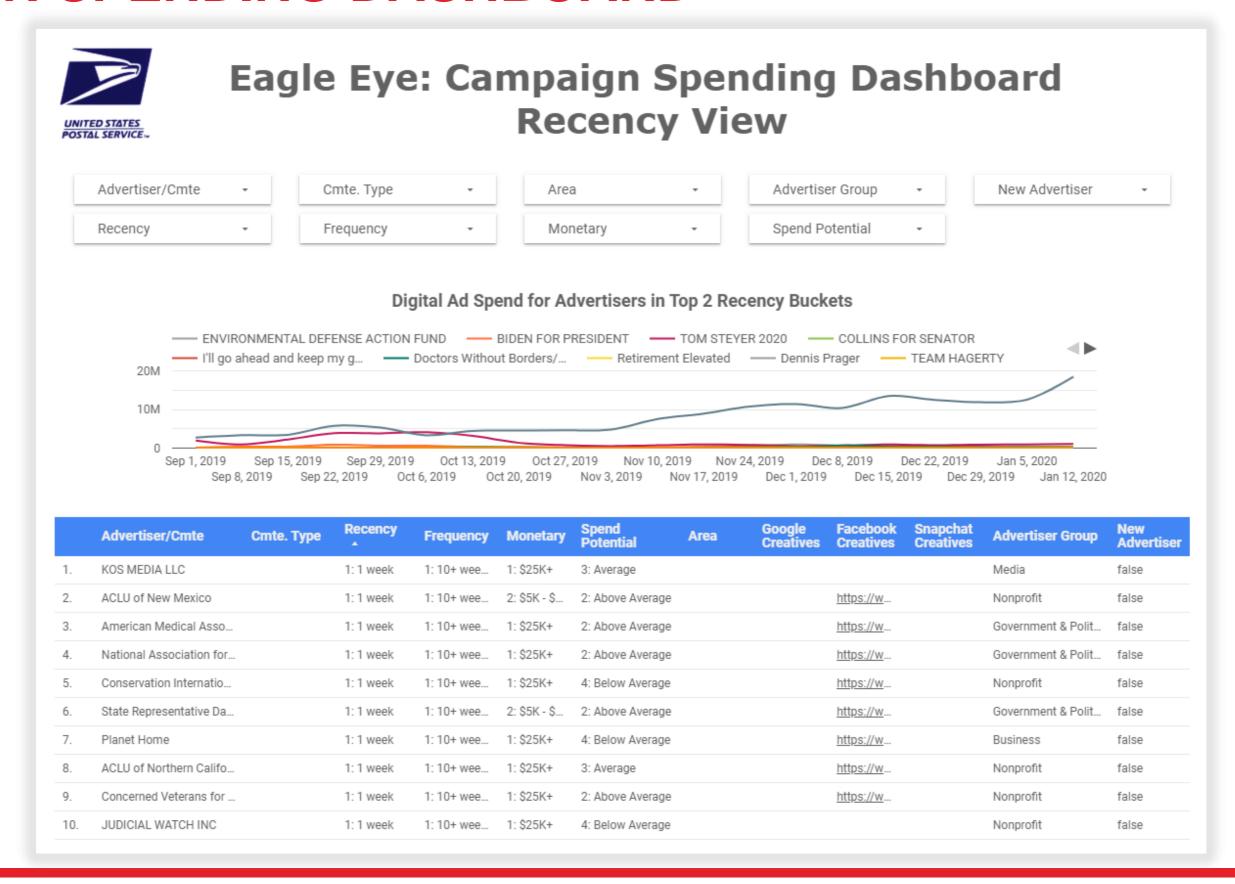
# **EXPANDED USE OF L2 DATA FILES**

- Expanded to 50 licenses
- 600 behavior fields
- 400 demographic fields
- 91 predicative data fields



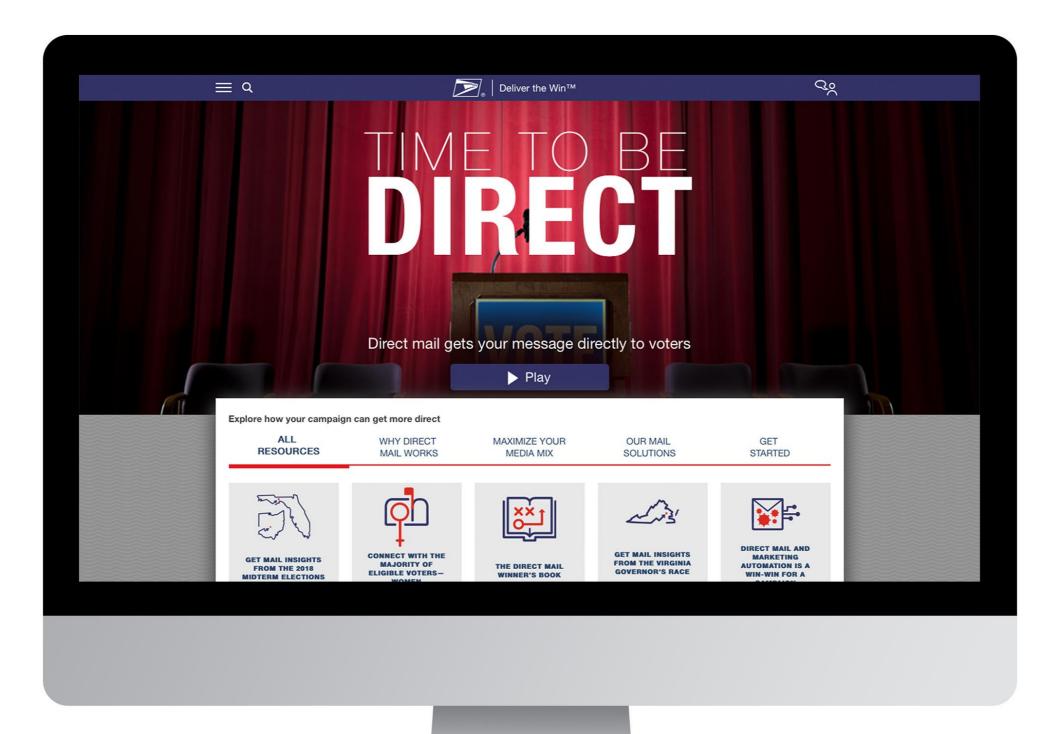


## **CAMPAIGN SPENDING DASHBOARD**





# **DELIVER THE WINTM**



deliverthewin.com



## MAIL ALERT PROCESS

### What is it?

A notification sent to the receiving Post Office and Delivery Units about your incoming mailings

### How does it work?

Customers can distribute an alert about their upcoming mailing by emailing the following information to

### **USPSPolAlert@USPS.gov**

- 3602 or 3602-C Form
- PDF of the Mail Piece
- Entry Date
- FAST Number (if applicable)



## MAIL INQUIRY PROCESS

### What is it?

An inquiry is sent to the receiving Post Office and Delivery Units only after the mailing has not met the delivery standard for the class of mail used for the mailing

### How does it work?

Customers can place an inquiry about a mailing by emailing the following information to

### USPSPolAlert@USPS.gov

- 3607 Receipt
- 3602 or 3602-C Form
- Entry Post Office
- Number of Pieces
- Entry Date
- PDF of the Mail Piece
- FAST Number (if applicable)



# **RED TAGGING**

**Benefits of Tag 57:** 

1

Mailings are more easily identifiable throughout the process

3

Accepted mailings are segregated from other mail in the Business Mail Entry Unit

2

Provides added visibility to mailings as they enter processing centers

4

If a problem is detected, it is escalated to a higher level



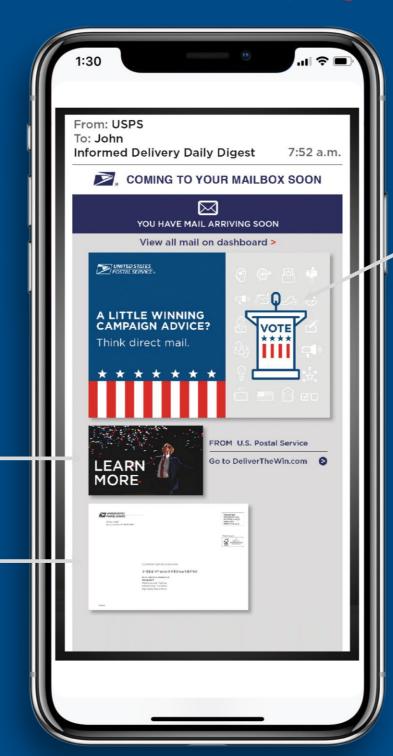


# **INFORMED DELIVERY©**

Here's what an Informed Delivery interactive campaign looks like to the recipient:

Supplemental content:
Mailers can include color
images and interactive
content that accompany the
scanned image of
Representative Image.

Mail piece image: Users receive emails with grayscale images of the exterior, address side of incoming letter-sized mail pieces.



Representative Image:
Mailers can replace
the grayscale image
with a full-color
Representative Image.

For flats: Without a Representative Image, a user will see this.

A mail piece for which we don't currently have an image is included in today's mail.

Note: Informed Delivery users will see images of your mail pieces if they are scanned through USPS automated equipment, regardless of whether an interactive campaign is applied



# **INFORMED VISIBILITY®**

### **Benefits:**

1

Provides end-to-end mail tracking information for letter and flat pieces, bundles, handling units, and containers

2

Leverages intelligence to create logical and assumed handling events to provide expanded visibility

3

Improves ease of use through flexible data provisioning and delegation



# SHARE MAIL®

### **Benefits:**

1

Provides a mechanism for businesses and organizations to use mail to share information

2

Customers can send Share Mail letters and postcards to other parties — without using a stamp

3

Utilizes Intelligent Mail barcode® (IMb) technology to identify and count each mail piece as it moves through mail processing equipment







### **STRATEGY**

- 1. Expand team, reach and capabilities.
- 2. Meet with every candidate for office.
- 3. Maximize year-round mail opportunities.
- 4. Leverage sponsorships to educate, network and influence political operatives.
- 5. Increase engagement on social media and amplify results.
- 6. Strengthen USPS partner alliances.
- 7. Develop and execute year-round educational curriculum.







### **CONTACT ME**

**Donald Nichols** 

National Lead for USPS® Political Mail Outreach

Donald.R.Nichols@usps.gov

www.LinkedIn.com/in/Donald-Nichols

@DonNicholsUSPS

