

United States Postal Service

Loyalty Program





Updated May, 2021



What is the Loyalty Program?

- The USPS[®] Loyalty Program is an incentive program for *business users* of the Click-N-Ship[®] application.
- The program enables registered business users to earn financial benefits when they use the Click-N-Ship[®] application to purchase **Priority Mail[®] and Priority Mail Express[®]** labels.
- The Loyalty Program allows users to earn credit for doing the business they are already doing with the USPS.
- Earned credits can be applied to future purchases of Priority Mail[®] and Priority Mail Express[®] Click-N-Ship[®] labels, right in the shipping cart at checkout.
- All business customers registered on the Click-N-Ship[®] application on the usps.com[®] website are **automatically enrolled** in the program.



Promote USPS shipping options to small businesses

- Focus on Priority Mail® and Priority Mail Express®
- Promote use of **USPS Click 'n Ship**[®] online service

Increase customer retention / Reduce customer attrition - churn

- Reimagine, redefine and improve the USPS customer experience
- Extend customer lifetime graduate customers based on their needs
- Grow relationship lifetime value \$\$\$

Build stronger relationships with our small business customers

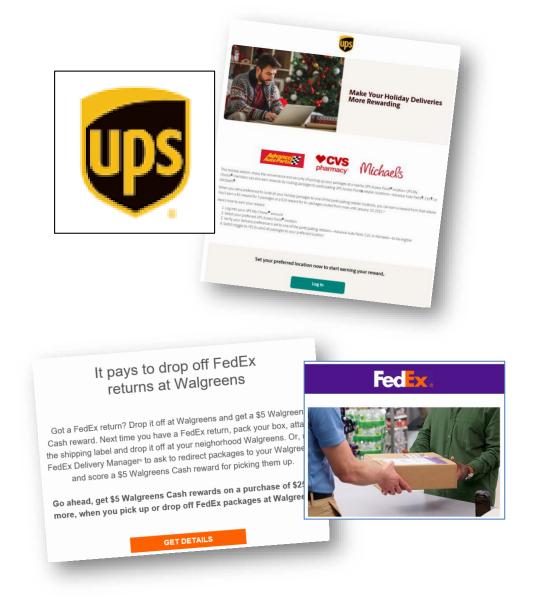




Competitors offer "Loyalty" value propositions

"Earn a reward while keeping your packages secure this holiday season. When you set a preference to have all your holiday packages routed to a participating **UPS** Access Point retail location - Advance Auto Parts[®], CVS[®], or Michaels[®] - you can earn a gift card from that retailer."

"Got a **FedEx** return? Drop it off at Walgreens and get a \$5 Walgreens Cash reward. Next time you have a FedEx return, pack your box, attach the shipping label and drop it off at your neighborhood Walgreens. Or, use FedEx Delivery Manager[®] to ask to redirect packages to your Walgreens, and score a \$5 Walgreens Cash reward for picking them up."





August 2020, Launch "Phase 1"

- Registered *business users* of Click-N-Ship earn credits on purchases of Priority Mail & Priority Mail Express, to apply to future purchases
- The Loyalty Program allows users to earn \$40 credit for every \$500 spent
- Bonus opportunities available (with first \$500 spend on PM/PME):

January 2021, Launch "Phase 2"

- Loyalty Tiers increase benefits as Click-N-Ship use and shipping volume grows, a great customer retention incentive
- Landing Page improves the overall customer experience





What is the Welcome Bonus?

- New business account users are eligible for the Loyalty Program Welcome Bonus.
- This allows new business users of the Click-N-Ship[®] application to earn a one-time Welcome Bonus of \$40 of credit following the first \$500 spent on Priority Mail[®] and Priority Mail Express[®] labels.
- The Welcome Bonus is *in addition to* the Base Tier Loyalty credit, where users earn \$40 of credit for each \$500 spent on Priority Mail[®] and Priority Mail Express[®] labels.
- What this means: Once a new business user completes the first \$500 of purchases, a total of \$80 of credit is earned toward future purchases.
- After the first \$500 of purchases, users will continue to earn Base Tier Loyalty Program benefits thereafter.



What are the Loyalty Tiers and when will they go into effect?

- Beginning in January 2021, USPS launched "Tiers" within the USPS[®] Loyalty Program, which will grow benefits along with increased spending levels on Priority Mail[®] and Priority Mail Express[®] labels through the Click-N-Ship[®] application.
 - **1.** All Click-N-Ship[®] business users are automatically enrolled in the Base Loyalty Program Tier once they ship with Priority Mail[®], earning them \$40 of credit for each \$500 spent.
 - 2. When a business user spends \$10,000 on Priority Mail[®] and Priority Mail Express[®] labels in the prior calendar year, they will graduate to the **Silver Tier**, and begin to earn \$50 of credit for each \$500 spent.
 - 3. If a business user spends \$20,000 on Priority Mail[®] or Priority Mail Express[®] in the prior calendar year, they will graduate to the **Gold Tier** and earn Commercial Base Pricing.
- Spending will be assessed and Loyalty tiers assigned **at the start of each calendar year** thereafter, enabling business users to grow their benefits as volumes grow.



USPS Loyalty Program – Benefits at a Glance

Tier	Base / Value	Silver	Gold
Benefits	Any Qualifying Purchase	Spend Level: \$10,000 +	Spend Level: \$20,000 +
Automatic Enrollment	*	*	*
Free C-N-S account	*	*	*
set-up			
Access to Loyalty Program	*	*	*
dashboard website			
Free Priority Mail	*	*	*
Shipping Supplies			
Free Package Pick-up	*	*	*
Welcome Bonus:	*		
\$40. earned credit 1	•		
8% earned credit 2	*		
10% earned credit 2		*	
20 - 40% discount with			*
Commercial Base pricing 3			-

1. "Welcome Bonus" is an earned credit on the first \$500. customer spend

2. Credits earned based on Tier Credit value per \$500. spend

3. Commercial Base pricing discounts are based on weight and zone combinations



Check Loyalty Points & Rewards



Is the USPS[®] Loyalty Program for "Click-N-Ship Business Pro[®]" or "Click-N-Ship[®]" customers?

The USPS[®] Loyalty program is for registered *business users* of the "Click-N-Ship[®]" application only. "Click-N-Ship Business Pro[®]" users are not part of the program.

How long does it take for credits to show up in my Click-N-Ship[®] account?

Credits will be available in the customer account 30 calendar days after each \$500 spent on Priority Mail[®] and Priority Mail Express[®] labels.

Do credits issued by the USPS[®] Loyalty Program expire?

 Yes. Credits issued as part of the USPS[®] Loyalty Program will expire one year from the date of issuance.



Where can I check my credit balance for the USPS[®] Loyalty Program?

 Available credits are displayed in your shipping cart during the Click-N-Ship[®] checkout process and on the new Loyalty Program page on usps.com

	SHIPPING ADDRESS	PACKAGE INFO		FUSPS.COM Quick Tools Send	Receive Shop ED EMPLOYEE AVAILABILITY DUE TO THE IMPACTS OF CO THE HOLIDAYS TO YOU.	Businets International Help WID-19. WE APPRECIATE YOUR PATIENCE AND REMAIN CON	Q MITTED TO DELIVER		
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by alty Points & Credits 8 points will be available in the next 30 days. 10 you earn 500 points with Click-N-Ship®, you will receive an \$40 credit.			Go to My Loyalty Oversiew	the USPS Loyalty Program W			Survey You'll earn:	oous You'll receive:	
can use any available credit	t you have on eligible Priority Mail® or Priority Mail Exp	press® label purchases.	Order 7	Ship Online Using Click-N-Ship Use your USPS.com business account to purchase Priority Mail Zeness shipping	Earn Loyalty Points Atomscally em loyalty points Priority Mail and Priority Mail Express prochases. ¹	Get Shipping Credits Seve on hure Privity Mail Express seve on hure Privity Mail Express	y sent ant.	\$50 or overy solo spent \$10,000 annual spend required. Go to My Loyalty Overview	Commercial B Pricing - up to 49% of retail rates \$20,000 annual spend required.
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Is there a limitation, cap, or ceiling on the amount of credits I can earn as part of the USPS[®] Loyalty Program?

 No. There is no cap or ceiling on the amount of credits that you can earn as a USPS[®] Loyalty Program customer. You continue to earn credits based on your assigned loyalty tier for each \$500 spent. There is no ceiling on the amount spent. After January 2021, there is an increase in benefits through applications of tiers for purchases.

Are there any circumstances where the credits can be used outside of the Click-N-Ship[®] application?

 The USPS[®] Loyalty Program applies only to business user purchases of Priority Mail[®] and Priority Mail Express[®] labels through the Click-N-Ship[®] application. Credits earned can only be applied to future purchases of these products through the Click-N-Ship application.



What USPS services offered in the Click-N-Ship[®] application earn credit for eligible customers as part of the USPS[®] Loyalty Program?

- The USPS[®] Loyalty Program allows users to earn credits only for purchase of **Priority Mail[®]** and **Priority Mail Express[®]** labels using the Click-N-Ship[®] application
- No other services are part of the Loyalty Program at this time, but stay tuned for "Phase 3"





How do I register for the USPS[®] Loyalty Program?

- There is no registration required.
- New and existing registered business users of the Click-N-Ship[®] application will be automatically enrolled in the USPS[®] Loyalty Program.

How are labels refunded for USPS[®] Loyalty Program customers?

 The refund policy for labels will follow the current Click-N-Ship[®] refund process.

Can I unenroll from the USPS® Loyalty Program?

- As business user, you can elect not to use the credits that you earn. No action is required.
- Credits will automatically expire one year from the date issued.



Loyalty Program Website

How do I get to the Loyalty Program?

- USPS.com/smallbusiness webpage
 - Hot Link to Loyalty webpage
- USPS.com/CNS website
 - Strategic positioning
 - Banner ads
 - Rotating features
- Here is the URL:

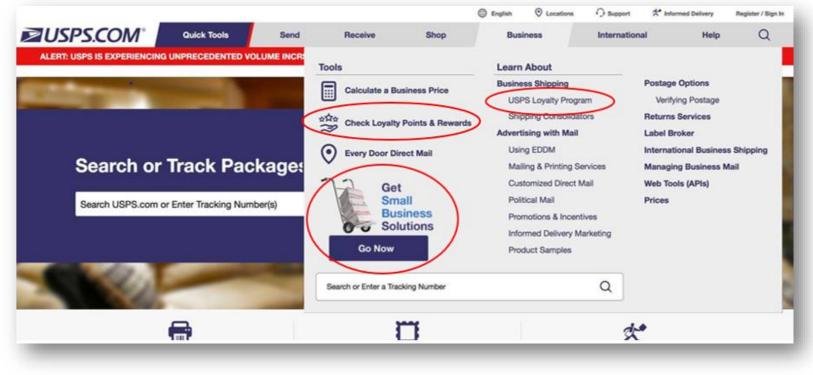
http://www.usps.com/loyalty





How do I get to the Loyalty Program? Something NEW:

- USPS.com Top Listing: Business > Business Shipping > USPS Loyalty Program
- "Stars-In-Hand" Check Loyalty Points & Rewards
- "Get Small Business Solutions" Hot Link





Loyalty Program Promotion

Internal Messaging:

- USPS user Screen Saver & Scroll on user terminals
- Retail Digest, Postal Bulletin, LINK Articles
- Quick link and banners on usps.com

External Messaging:

- SEO (Search Engine Optimization)
- Website Banner Ads
- Targeted email campaign
- Social Media Facebook and Instagram





Loyalty at Retail

- POS Receipt messaging
- Earn rewards on your business account purchases of Priority Mail labels with the USPS Loyalty program by using Click and Ship. Visit www.usps.com/smallbizloyalty for more info. • Wide distribution: every customer gets a receipt
 - All POS terminals and self-service kiosks
 - Messaging:

"Earn rewards on your business account purchases of Priority Mail® labels with the USPS Loyalty program by using Click and Ship[®]. Visit <u>www.usps.com/smallbizloyalty</u> for more info."

- Specific customer engagement tracking with definitive metrics
- Launched nationally in March in over 18,000 post offices



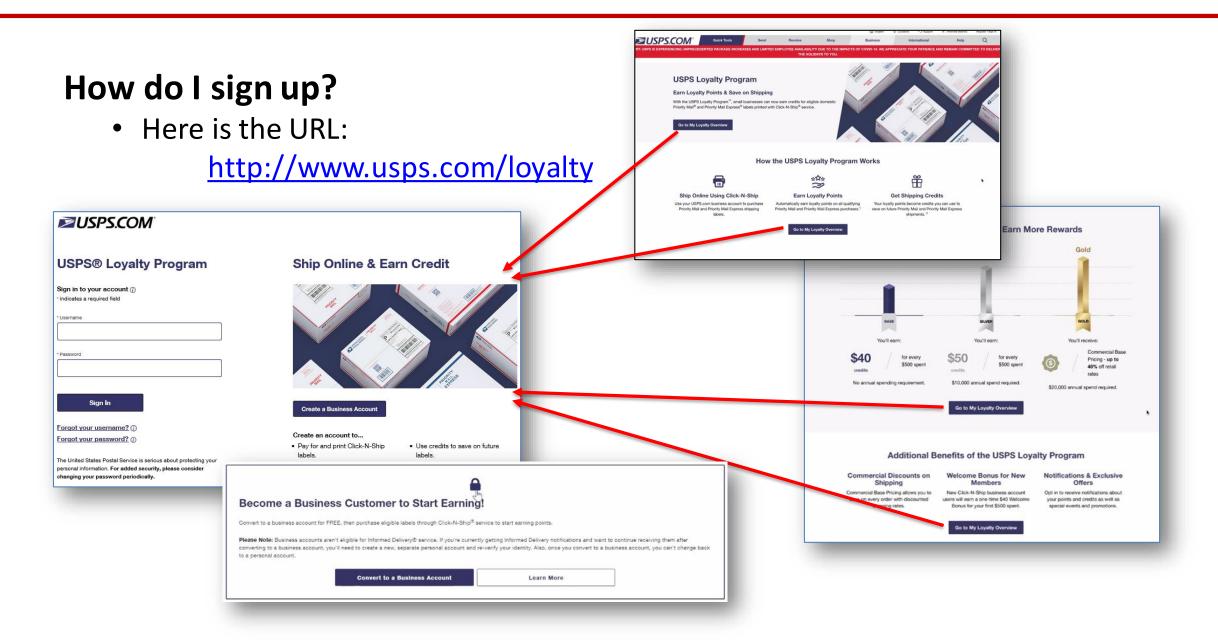
Is anyone signing up for Click-N-Ship[®] and using the USPS Loyalty Program?

- Yes! So far:
 - Over 500,000 business customers have qualified for the **Base Tier**
 - Thousands of business customers have qualified for the Silver Tier and Gold Tier
 - Millions of transactions from *new* small business customers

Click-N-Ship[®] and Priority Mail[®] meets these customers' needs! The USPS Loyalty Program *adds value* and builds the relationship!



Loyalty Program Website





USPS Loyalty Program



Visit the Loyalty Program home page at: <u>http://www.usps.com/loyalty</u>

http://www.usps.com/smallbusiness