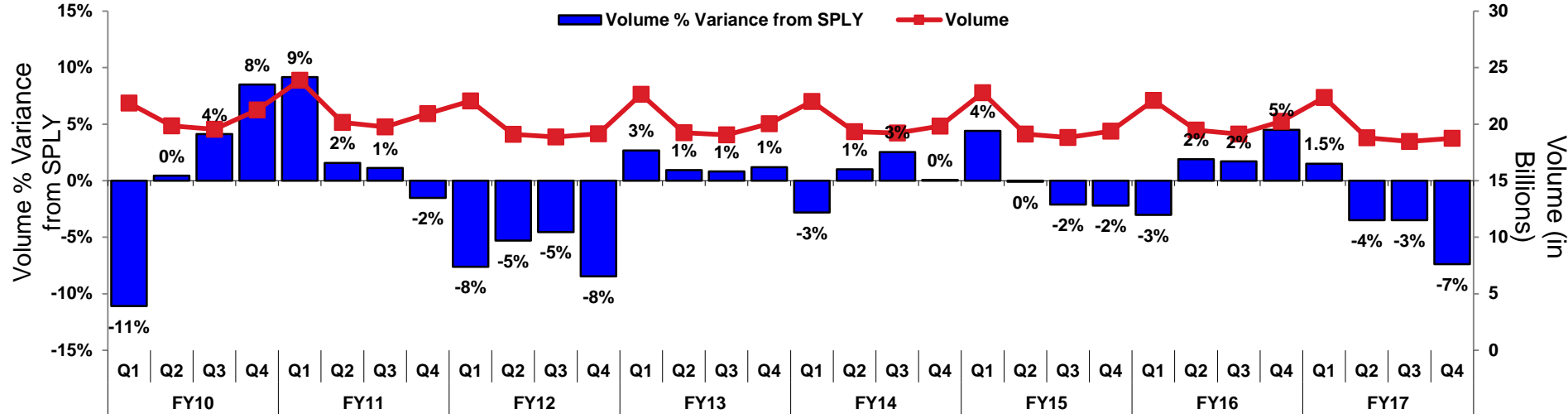# USPS Marketing Mail Product Development

MTAC

December 6, 2017

- **Pulse of the Industry**

- **Product Management Update**

- **Simplification**

- **2017 Promotions update**

- **Informed Delivery Update**

- **Open Discussion**

Pulse of the Industry

Standard Mail Volume

Source:
RPW Quarterly Reports; Excludes Parcels and International Mail volumes

Standard Mail: % Change SPLY

	FY15Q2	FY15Q3	FY15Q4	FY16Q1	FY16Q2	FY16Q3	FY16Q4	FY17Q1	FY17Q2	FY17Q3	FY17Q4
High Density and Saturation Letters	8.7	10.9	8.3	6.6	8.6	7.1	9.4	8.6	4.6	(0.7)	(6.5)
High Density and Saturation Flats and Parcels*	1.0	(2.3)	(4.8)	(7.0)	(3.1)	0.1	4.1	5.7	1.9	0.9	(2.8)
Carrier Route	(5.7)	(11.3)	(24.7)	(30.1)	(22.0)	(19.1)	2.5	2.3	8.0	12.9	8.5
Flats	(7.0)	0.0	29.9	35.9	31.8	21.4	(2.4)	(0.8)	(25.8)	(31.8)	(33.6)
Letters	0.3	(2.3)	(2.2)	(1.1)	3.4	2.6	5.2	(0.4)	(4.5)	(3.5)	(7.4)
Total Standard Mail (Excludes Parcels & Intl)	(0.1)	(2.1)	(2.2)	(3.0)	1.9	1.7	4.5	1.5	(3.5)	(3.5)	(7.4)

Notes:

*Includes EDDM Retail

Source:

*RPW Quarterly Files

5

Product Management Update

- ➤ Product Performance Analysis

- ➤ Evaluate CR letters for optimization opportunities (WG #188)

- ➤ Evaluate flats for optimization opportunities
  - ➤ Product usage
  - ➤ Requirements & Structure
    - ➤ Indicia
    - ➤ Piece Pound Analysis

- ➤ Opportunity for threshold-based incentives (i.e., catalogers)

- ➤ Evaluate Simple Samples product performance & market potential

- ➤ Simplify the pricing structure and onboarding process for Picture Permit

- **Assembling new team members:**
  - Currently have three of four positions filled and assigning products/roles to new members.
  - Last position should be filled by end of December.

- **Concentration around Current Product Effectiveness**

- **Partnering with Product Innovation to support new product development/roll out and prepare for transition to Product Management when they have matured.**

- **Reviewing product contribution for each Special Service product or service.**

Concentrating on Current Product Effectiveness:

➢ Working to address issues for Certified, Premier Forwarding, Hold for Pick-up, Business Reply Mail, and PO Boxes.

  ➢ Refresh training in the field

  ➢ Address system issues

  ➢ Working with various customers who are using these products

  ➢ Establish new baseline for product effectiveness

➢ Looking to identify opportunities to simplify Special Services product offerings.

DENOMINATED

Item #	Large Coil Description	Format	Price
790004	.49 Ferns PSA	Coil 3K	$1,470
789404	.46 Kaleidoscope Flowers PSA	Coil 10K	$4,600
772240	.44 Patriotic Quill and Inkwell PSA	Coil 10K	$4,400
799304	.10 Pears PSA	Coil 10K	$1,000
781904	.05 Grapes PSA	Coil 10K	$500
760304	.03 Strawberries PSA	Coil 10K	$300
782940	.03 Silver Coffeepot WAG	Coil 10K	$300
788040	.02 Navajo Jewelry WAG	Coil 10K	$200
782304	.01 Apples	Coil 3K	$30
780004	.01 Apples	Coil 10K	$100
789140	.01 Bobcat PSA	Coil 3K	$30
786904	.01 Bobcat PSA	Coil 10K	$100
789204	.01 Bobcat WAG	Coil 10K	$100.00

FOREVER RATES

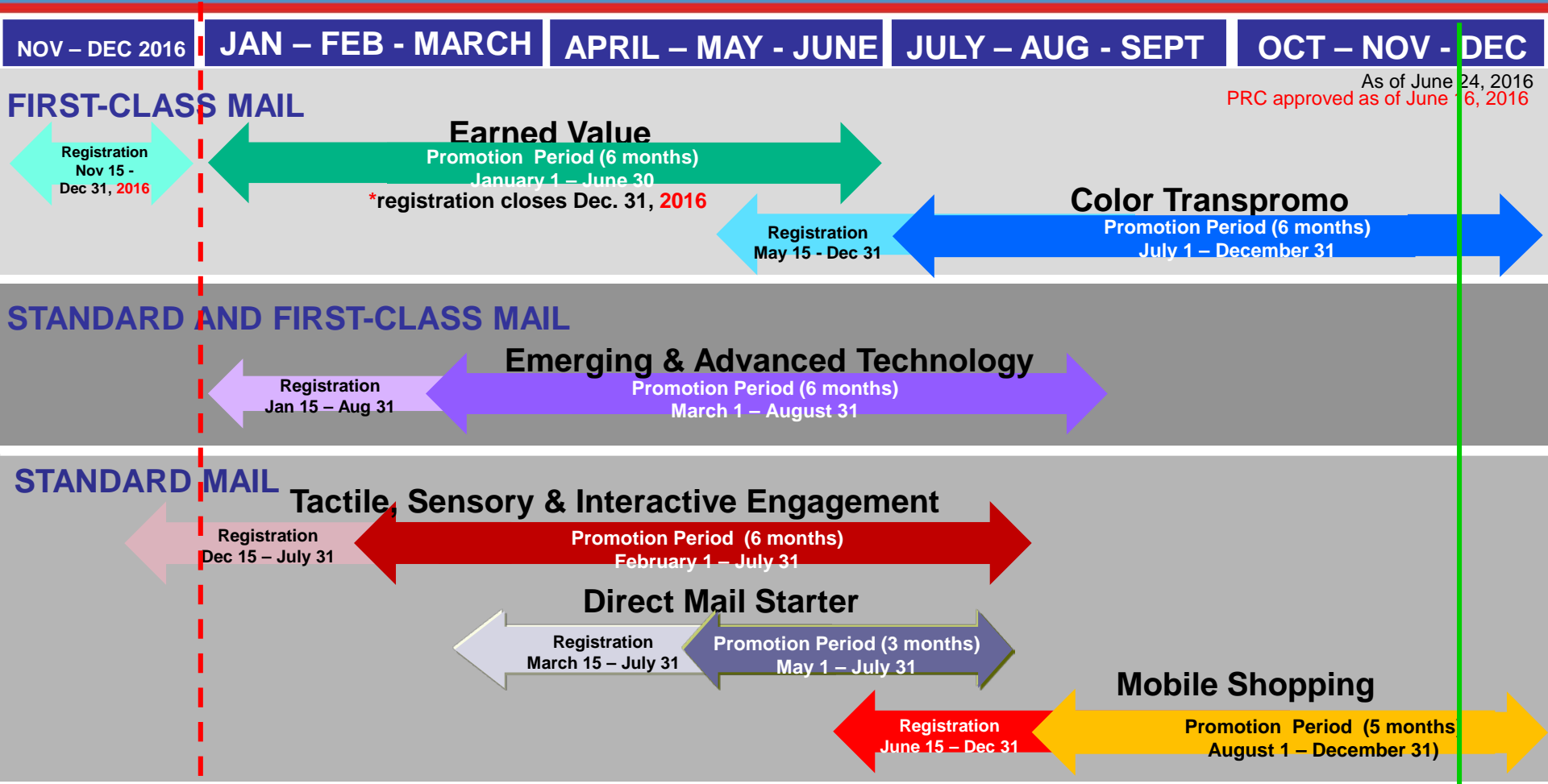| Item #	Large Coil Description	Format	Price
755004	.49 Flowers From the Garden (Forever) PSA	Coil 3K	$1,470
760104	.49 Flowers From the Garden (Forever) PSA	Coil 10K	$4,900
760004	.49 Patriotic Spiral (Forever) PSA	Coil 10K	$4,900
783504	.34 Coastal Birds (Postcard rate Forever)	Coil 100	$34
749904	.34 Seashells (Postcard rate Forever)	Coil 100	$34
749804	.49 U.S. Flag 2017 (Forever)	Coil 100	$49

PRESORT

Item #	Large Coil Description	Format	Price
782840	.25 American Eagle Presort (First-Class) PSA	Coil 3K	$750
781004	.25 Star Quilts Presort (First-Class) PSA	Coil 3K	$750
799904	.25 Star Quilts Presort (First-Class) PSA	Coil 10K	$2,500
789804	.10 Snowflakes Presort (Standard) PSA	Coil 10K	$1,000
783104	.10 Stars & Stripes Presort (Standard) PSA	Coil 3K	$300
783204	.10 Stars & Stripes Presort (Standard) PSA	Coil 10K	$1,000

NON-PROFIT

Item #	Large Coil Description	Format	Price
777504	.05 USA Nonprofit PSA	Coil 10K	$500
788140	.05 Art Deco Bird Nonprofit PSA	Coil 3K	$150
788240	.05 Art Deco Bird Nonprofit PSA	Coil 10K	$500
755104	.05 Patriotic Nonprofit PSA	Coil 3K	$150
760204	.05 Patriotic Nonprofit PSA	Coil 10K	$500

Simplification

2017 Promotions Calendar Update

![United States Postal Service logo] **UNITED STATES POSTAL SERVICE ®**

2017 Mailing Promotions Calendar

NOV – DEC 2016	JAN – FEB - MARCH	APRIL – MAY - JUNE	JULY – AUG - SEPT	OCT – NOV - DEC

As of June 24, 2016
PRC approved as of June 16, 2016

FIRST-CLASS MAIL

Registration
Nov 15 -
Dec 31, **2016**

Earned Value
Promotion Period (6 months)
January 1 – June 30
*registration closes Dec. 31, **2016**

Registration
May 15 - Dec 31

Color Transpromo
Promotion Period (6 months)
July 1 – December 31

STANDARD AND FIRST-CLASS MAIL

Emerging & Advanced Technology

Registration
Jan 15 – Aug 31

Promotion Period (6 months)
March 1 – August 31

STANDARD MAIL

Tactile, Sensory & Interactive Engagement

Registration
Dec 15 – July 31

Promotion Period (6 months)
February 1 – July 31

Direct Mail Starter

Registration
March 15 – July 31

Promotion Period (3 months)
May 1 – July 31

Mobile Shopping

Registration
June 15 – Dec 31

Promotion Period (5 months
August 1 – December 31)

UNITED STATES POSTAL SERVICE ®

Mail Volumes

- Total volume to date: 14.2B mailpieces
- Surpasses 2016: 96% of 2016 volumes with 8 more weeks

Mail Revenue

- Total revenue to date: $3.6B
- Exceeds 2016 totals

Participants

- 1927 participants to date
- Exceeds 2016 total by 17%
- Exceeds total promotion participants for any year in last 6 yrs

2017 Earned Value (as of 11/27)
- Participants: 729
- Final Volume: 1.3B pcs (>250% increase)
- Credit acceptance ended 9/15
- Credits expire 12/31
- Most credits have already been redeemed (2% outstanding)

2017 Tactile Sensory & Interactive Promotion (Final)
- Participants: 158
- Volume: 1.2B pieces
- Revenue: $268M

2017 Direct Mail Starter (Final)
- Registered: 40 /Participants: 1
- Volume: 11k
- Revenue: $2K

2017 Emerging & Advanced Technology Promotion (Final)

- Registered 301/Participants – 265
- Volume: 5.1B
- Revenue: $1.1B

2017 Color Transpromo (as of 11/27)

- Registered: 74 / Participants: 64
- Volume: 1.2B
- Revenue: $430M

2017 Mobile Shopping (as of 11/27)

- Registered: 913/ Participants: 713
- Volume: 5.6B

2017 Promotion Surveys Update

Strong Improvement in Survey Promotion Participation

- **Promotion response rates at record high following shift in survey process**
  - **45% of all mailers responded to the enrollment survey**
  - **38% of all mailers responded to the mid-promotion survey**

Table 1: CY17 Mobile Shopping Promotion Participant Survey Responses

Option	New	Repeat	MSP
Completed Both Surveys	71	90	32
Completed Enrollment Survey Only	48	54	28
Completed Mid-Promotion Survey Only	36	18	9
Total	**155**	**162**	**69**

Data Source: Survey Monkey, RPW FY16 – FY17
Last Collected: Monday, November 27th, 2017

UNITED STATES POSTAL SERVICE ®

For all mailers, those who measure the response rate on their mailpieces mail more than counterparts

- **On average, Repeat Mobile Shopping mailers who measure Click-Through rates mail 3x as many mailpieces in promotion as those who do not measure the response rate**

Table 2: Response Rate & Average Promotional and Total Marketing Mail Volumes by Mailer Response (YTD)

Options	Participant Count			Avg. CY17 Mobile Shopping Volume			Avg. Total MM Volume YTD		
	New	Repeat	MSP	New	Repeat	MSP	New	Repeat	MSP
Mobile Optimized Click-Through Rates	46	51	9	379,022	10,412,044	14,660,989	13,838,574	7,859,747	101,476
Boosts in Customer Sales	29	30	7	1,779,516	5,836,875	2,567,861	22,726,467	3,275,300	0
I do not know	16	17	13	488,931	11,365,488	521,165	16,437,515	7,349,034	5,754
We do not measure the response rate of mailpieces included in the promotion	13	14	10	817,659	2,895,867	692,034	314,291	722,570	473,833

Note:
1/ Total Marketing Mail Volumes Jan. – Oct. 2017

Data Source: Survey Monkey, RPW FY16 – FY17
Last Collected: Monday, November 27th, 2017

Marketing Mail Action Items:
✓ None

• Update regarding 2018 Promotions timelines and requirements documents

QR codes are back!

- **Social Media** inclusion of QR codes in products and promotions[1]
  - Snapchat has integrated QR code reader into the hands of 161 million
  - Facebook testing rewards with personalize QR codes for offline purchases
  - Pinterest new version of QR codes for retailers and brands[2]
    - Quickly jump to a board without having to search or tap for a brand
  - Interactive games that can lead to purchases (Pokémon Go)

- **QR codes are incredibly measurable**
  - Personalized QR codes shopping
    - Links ad to an in-store transaction
  - Renting bikes on the go and other services
  - Measuring digital and mobile conversions

- **Barrier to entry has been lowered**
  - QR code functionality is now integrated into major mobile platforms(iPhone)
  - Snapchat made QR codes cool by turning themselves into a QR code
  - Standardization of codes and scanners issue has improved

- **Brand usage**
  - 1App in Starbucks links to a mobile web-based version had 27% of customers trying app
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  - ➢ **Merchant-presented**

- **Eliminates "Card-not-Present" fraud issues and transmission of credit card data**

- **Walmart Pay app uses QR payments at checkout**

- **Visa, MasterCard (Masterpass QR) and PayPal moving to global implementation**

- **In China, mobile/QR payments tally $5.5*Trillion*/year**

Google Lens Makes Responding to DM Even Easier

1. Open Camera
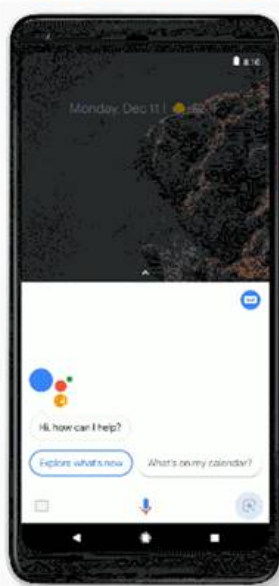
2. Tap

3. Take Action

Uses:

- **Identify items**

- **Go to URLs**

- **Scan Barcodes and QR codes**

Feature rolled out this month to Google Pixel devices only

- New name and new rules

- All entries must use Informed Delivery®

- Entries due January 15, 2018

- Finalists compete to become Grand Champion at NPF

- Finalists will be included in Irresistible Mail® book

- Winning client, agency and printer will be recognized

www.irresistiblemail.com/award

- **Program Office contact:**

  Mobile Shopping & Direct Mail Starter

  mailingpromotions@usps.gov

  Personalized Color Transpromo

  FCMColorPromotion@usps.gov

  Mail: US Postal Service

  Post Office Box 23282

  Washington, DC 20026-3282

- **Program Requirements & Documents**

  https://www.usps.com/business/promotions-and-incentives.htm

  https://postalpro.usps.com/promotions

- **Registration**

  https://gateway.usps.com

- **PostalOne Help Desk:**

  (800) 522-9085 or postalone@email.usps.gov

- **Irresistible Mail:** Irresistiblemail.com

Tactile Sensory Interactive Promotion

tactilesensorypromo@usps.gov

Emerging & Advanced Tech Promotion

EmergingTechPromo@usps.gov

Earned Value

earnedvalue@usps.gov

Informed Delivery Update

MTAC Informed Delivery® Update
December 2017

UNITED STATES POSTAL SERVICE ®

Informed Delivery By the Numbers

75
Participating MID Owners*

520+
Campaigns Completed

73.6%
Average Email Open Rate**

3.7M
Unique Dashboard Views***

6.34M
Registered Households

7.05M
Registered Users

2.3M
Email-enabled Users

Mailer statistics as of November 27, 2017.
User statistics as of November 30, 2017.
* Includes MSPs, Software Providers and Brands.
** 6-month average open rate for all emails sent, not just emails containing mailer campaigns.
*** Unique pageviews for the month of November 2017.

Recent Campaign Results

UNITED STATES POSTAL SERVICE ®

October: Top Campaigns by Click to Open Rate			
Industry	**Number of Mailpieces Sent to Informed Delivery Users**	**Email Open Rate**	**Campaign Click to Open Rate**
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Goals

The digital ecosystem of Informed Delivery integrates mail, package, performance, and consumer data to:

1. *Bridge the Physical and Digital*
2. *Drive Transparency & Visibility*
3. *Deliver Personalized Mail*

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Informed Delivery provides an enhanced digital mail experience for all of its users.

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Can be anyone who has a mailbox or a PO box and an email address!

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Any company looking to interact with their target audience in a first-of-its-kind way

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Advanced Insights
All features related to the process of capturing, analyzing, and displaying key metrics via reports and dashboards.

UNITED STATES POSTAL SERVICE ®

Informed Delivery Roadmap

	2017	2018	2019	& BEYOND

MAILER

2017 — Build an Industry Leading User Base

User Registration
Mailer Registration
Mailer Validation

Advanced Insights
Pre-Campaign Report
Post-Campaign Reports

Mailer Campaigns
Self-Service Portal
Mailer Campaigns
Customer Support

2018 — Bridge the Physical and Digital

User Registration
Mailer/Business as Receiver

Mailer Campaigns
Rich Content
Package Campaigns
Single Piece Campaigns

Advanced Insights
Image Data Feed
Digital Campaign Metrics
Data via Informed Visibility

Profile Management
Data Distribution

Smart Tracking
Flats Visibility

2019 — Enhance Experiences

Mailer Campaigns
Mobile Experience
Campaign Templates
Suggested Content
Campaign Web Services

Advanced Insights
Feeds to Service Providers

Profile Management
Premium Ad Placement
Banner Ads
Lifestyle Profiles

Smart Tracking
ID for Outgoing Mail

& BEYOND

Mailer Campaigns
Custom Mailer Campaigns

CONSUMER

2017

User Registration
Consumer Registration
PO Box Registration

Smart Tracking
Daily Digest
Bundle Scanning
Flag Missing Mail

Profile Management
View Profile

Consumer Dashboard
Dashboard Access
Customer Support

2018

User Registration
Identify POs with IV
Military Registration
Sign Up via Code

Smart Tracking
Voice Activated Assistants
Delivery Notifications
Magazines & Catalogs
Not My Mail

Profile Management
Assumed Change of Address
Multiple Physical Addresses
Multiple Email Addresses

Consumer Dashboard
Mobile Experience
Social Media Sharing
Rich Content

2019

User Registration
Colleges & Universities

Smart Tracking
Service Alerts
Delivery Window Estimate
ID for Outgoing Mail

Profile Management
Resident-Specific Content
Hold Your Mail
Daily Digest Preferences
Categorization of Mail Types
Digital Address Book
Lifestyle Profiles

Consumer Dashboard
"Like" My Mail
Social Media Feed
Save Offers to Wallet
Save & Flag Mail
Rich Content

& BEYOND

User Registration
Refer a Friend
DMV Identity Verification

Profile Management
Text Message Alerts
Custom Notifications
Customize Digest View

Gather Data → **Analyze Data** → **Customer Service Event**

Nixie
Mail which is undeliverable as addressed

Image decomposition *(in progress)*

Name/Address Data
Gathered from images of mailpieces scanned through automation equipment

Fail First Attempt (FFA)
Mail which is undeliverable on the Carrier's first attempt

Not My Mailpiece
Consumer-reported via Informed Delivery notification

Scorecard
Based on the data collected, can USPS assume that the consumer may have changed his/her address?

Physical Mailpiece & Email

"Do you still live at 100 Main Street in De Moines, IA?"

⊗ *No, my address changed*

✓ *Yes, my address did not change*
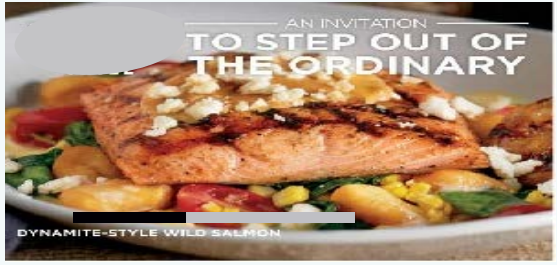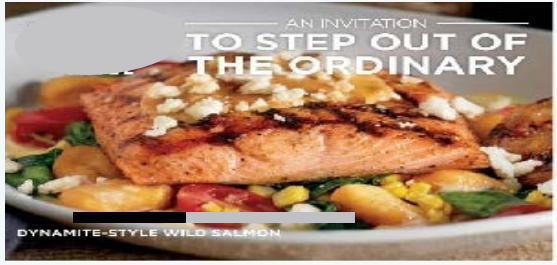
⊖ *No response - deactivate*

Development *(present – March 2018)*
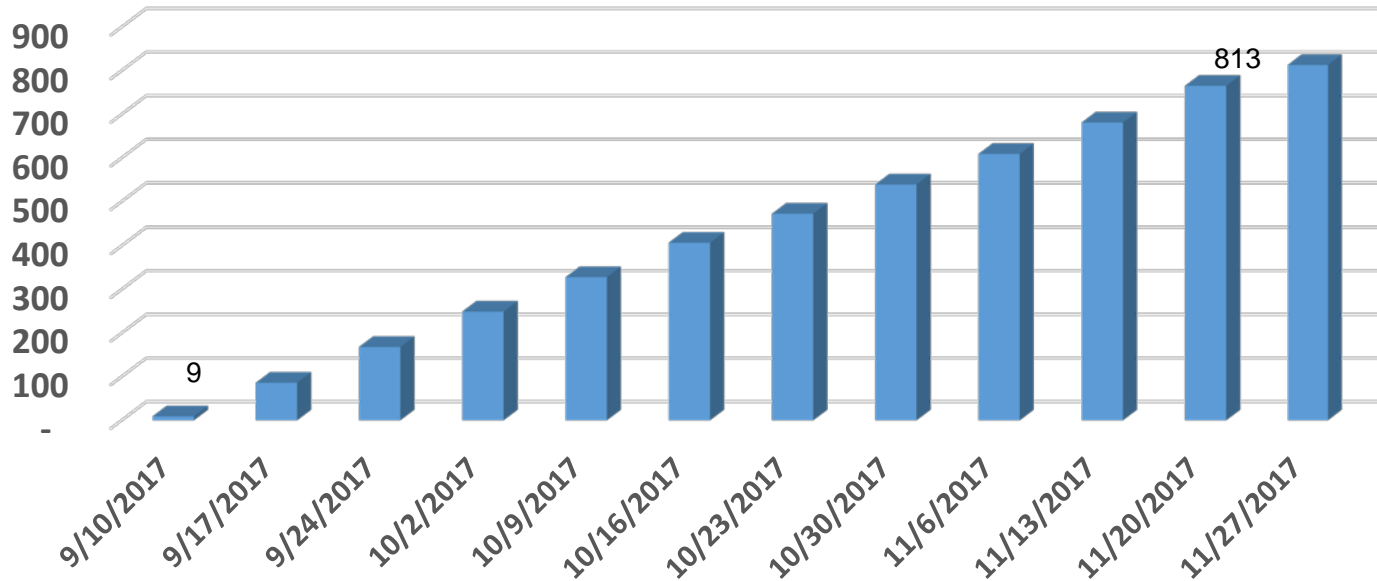
Testing *(starting April 2018)*

Deployment *(TBD)*

Industry: Accommodation and Food Services

	Campaign A 07/19/17 – 08/04/17	Campaign B 09/07/17 – 09/21/17
Num of Mailpieces w/ Informed Delivery Campaign	10,844	65,441 (+503%)
Num of Emails w/ Informed Delivery Campaign	2,062	11,069 (+437%)
Email Click-to-Open Rate	**2.32%**	**2.76% (+19%)**
Campaign Images	AN INVITATION TO STEP OUT OF THE ORDINARY DYNAMITE-STYLE WILD SALMON Missing call-to-action	EXPERIENCE A MENU AS FRESH AS OUR CATCH CLICK HERE TO VISIT OUR WEBSITE Clear call-to-action: "CLICK HERE" Image: Less Congested & Higher Quality

Minor adjustments to campaign images can drive higher customer participation!

Mailer Portal user base growth since September 9th launch

Total Mailer Portal Users

Open Discussion
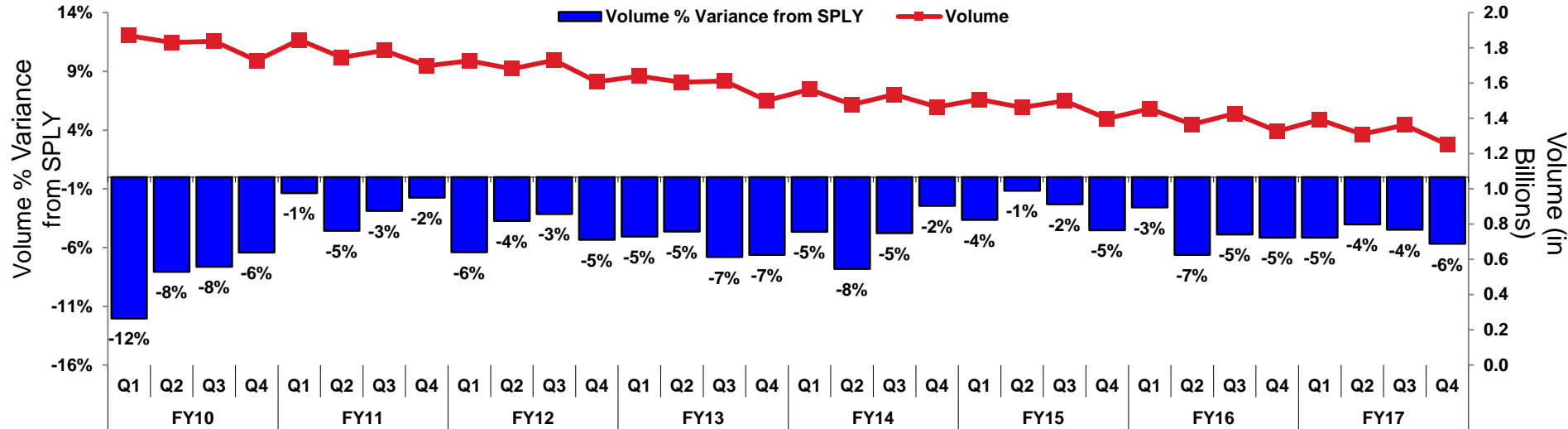
Periodicals
Product Development

MTAC

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Pulse of the Industry

Periodicals Volume

Source:
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Product Management Update

➢ Product Performance Analysis

➢ Evaluate flats for optimization opportunities
  ➢ Product usage
  ➢ Requirements & Structure

➢ Opportunity for threshold-based incentives (i.e., catalogers)

➢ Evaluate recommendations from PAG for potential implementation:

  ➢ Authorize Special Interest Publications (SIPs) at the group level as Periodicals

  ➢ Use postal delivery of periodicals to newsstands – eligible for Periodicals prices?

  ➢ Have a Periodicals price for single copies

  ➢ Allow more prospecting at the Periodicals rates

  ➢ Increase weight limit for inserted product samples

  ➢ Allow mailing to a subset of subscribers at Periodicals rates for greater flexibility

  ➢ Reduce number of minimum pages for requester pubs to 16

  ➢ Use "wantedness" to help new pubs acquire Periodicals status

  ➢ Use a click-on feature in Informed Delivery to track recipients' interest in a publication

  ➢ Allow SIPs to be offered as subscription premiums an pay Periodicals rates when poly-wrapped with a Periodicals title

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Special Services Initiatives

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UNITED STATES POSTAL SERVICE ®

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- Post-Campaign Reports

Mailer Campaigns
- Self-Service Portal
- Mailer Campaigns
- Customer Support

2018

User Registration
- Mailer/Business as Receiver

Mailer Campaigns
- Rich Content
- Package Campaigns
- Single Piece Campaigns

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& BEYOND

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& BEYOND

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Industry: Accommodation and Food Services

	Campaign A 07/19/17 – 08/04/17	Campaign B 09/07/17 – 09/21/17
Num of Mailpieces w/ Informed Delivery Campaign	10,844	65,441 (+503%)
Num of Emails w/ Informed Delivery Campaign	2,062	11,069 (+437%)
Email Click-to-Open Rate	**2.32%**	**2.76% (+19%)**
Campaign Images	 Missing call-to-action	 Clear call-to-action: "CLICK HERE" Image: Less Congested & Higher Quality

Minor adjustments to campaign images can drive higher customer participation!

Mailer Portal user base growth since September 9th launch

Total Mailer Portal Users

Open Discussion
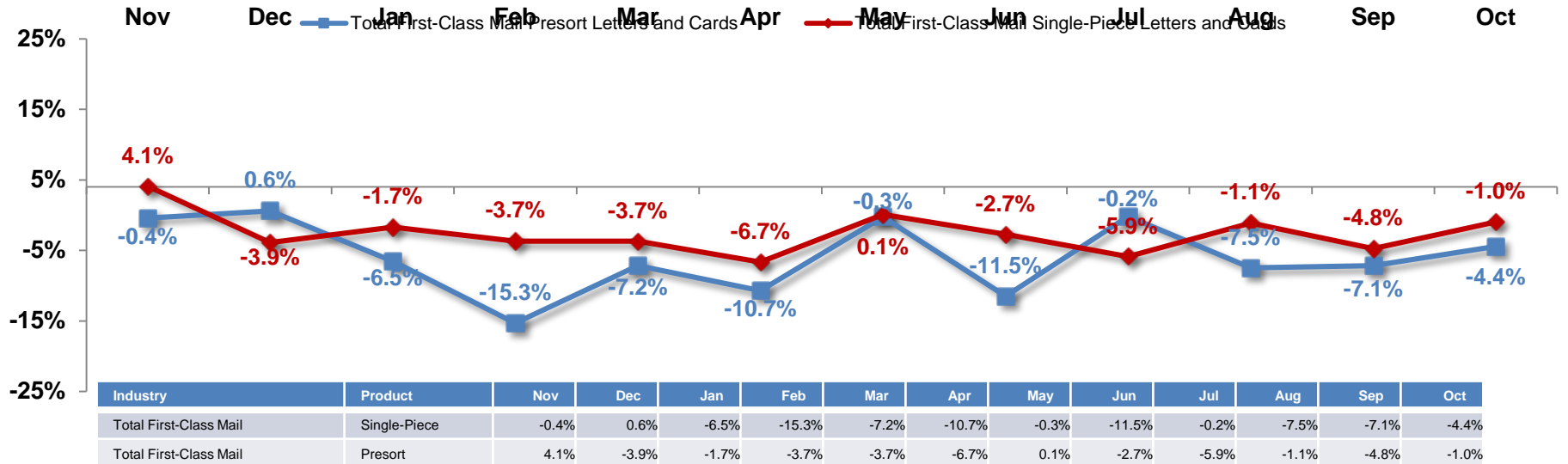
First-Class Mail Product Development

MTAC

August 23, 2017

- **Pulse of the Industry**

- **Product Management Update**

- **Simplification**

- **2017 Promotions update**

- **Informed Delivery Update**

Pulse of the Industry

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Total First-Class Mail Volume

First-Class Mail Volume
(% Change over SPLY)

Industry	Product	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Total First-Class Mail	Single-Piece	-0.4%	0.6%	-6.5%	-15.3%	-7.2%	-10.7%	-0.3%	-11.5%	-0.2%	-7.5%	-7.1%	-4.4%
Total First-Class Mail	Presort	4.1%	-3.9%	-1.7%	-3.7%	-3.7%	-6.7%	0.1%	-2.7%	-5.9%	-1.1%	-4.8%	-1.0%

Note(s):
1/ Data Source: RPW FY17 – FY18

Product Management Update

➤ Product Performance Analysis

➤ Explore opportunities for optimization
  - ➤ Requirements & Structure (i.e., make-up, presort, etc.)
  - ➤ Postcard size to 6 x 9 inches
  - ➤ One price for Single Piece First-Class Mail letters

➤ Simplify the pricing structure and onboarding process for Picture Permit

➤ **Assembling new team members:**
  ➤ Currently have three of four positions filled and assigning products/roles to new members.
  ➤ Last position should be filled by end of December.

➤ **Concentration around Current Product Effectiveness**

➤ **Partnering with Product Innovation to support new product development/roll out and prepare for transition to Product Management when they have matured.**

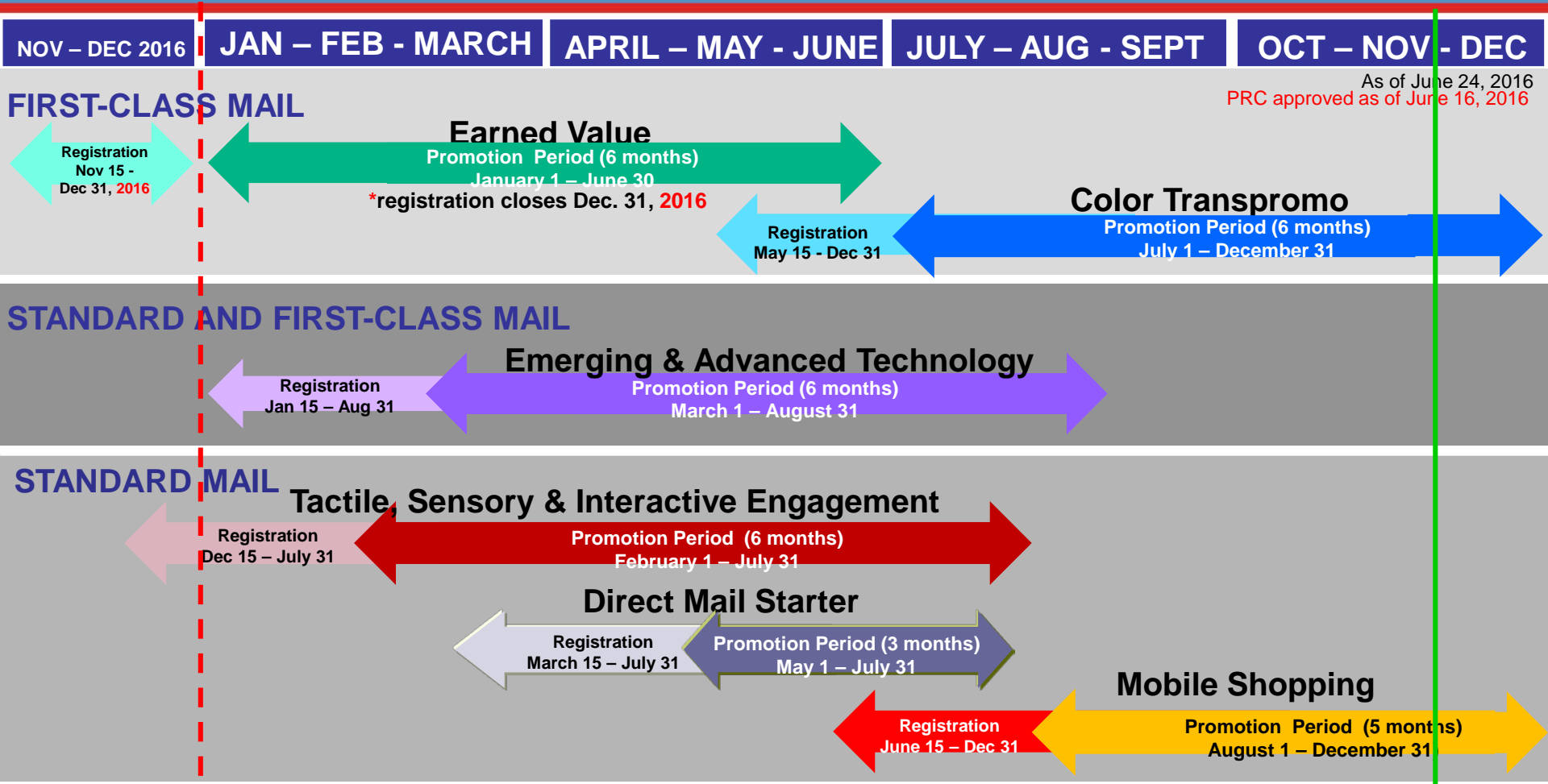➤ **Reviewing product contribution for each Special Service product or service.**

Concentrating on Current Product Effectiveness:

➤ Working to address issues for Certified, Premier Forwarding, Hold for Pick-up, Business Reply Mail, and PO Boxes.

  ➤ Refresh training in the field

  ➤ Address system issues

  ➤ Working with various customers who are using these products

  ➤ Establish new baseline for product effectiveness

➤ Looking to identify opportunities to simplify Special Services product offerings.

Simplification

2017 Promotions Calendar Update

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2017 Mailing Promotions Calendar

| NOV – DEC 2016 | JAN – FEB - MARCH | APRIL – MAY - JUNE | JULY – AUG - SEPT | OCT – NOV - DEC |

As of June 24, 2016
PRC approved as of June 16, 2016

FIRST-CLASS MAIL

Registration
Nov 15 -
Dec 31, 2016

Earned Value
Promotion Period (6 months)
January 1 – June 30
*registration closes Dec. 31, 2016

Registration
May 15 - Dec 31

Color Transpromo
Promotion Period (6 months)
July 1 – December 31

STANDARD AND FIRST-CLASS MAIL

Registration
Jan 15 – Aug 31

Emerging & Advanced Technology
Promotion Period (6 months)
March 1 – August 31

STANDARD MAIL

Registration
Dec 15 – July 31

Tactile, Sensory & Interactive Engagement
Promotion Period (6 months)
February 1 – July 31

Direct Mail Starter
Registration
March 15 – July 31

Promotion Period (3 months)
May 1 – July 31

Registration
June 15 – Dec 31

Mobile Shopping
Promotion Period (5 months)
August 1 – December 31

Mail Volumes

- Total volume to date: 14.2B mailpieces
- Surpasses 2016: 96% of 2016 volumes with 8 more weeks

Mail Revenue

- Total revenue to date: $3.6B
- Exceeds 2016 totals

Participants

- 1927 participants to date
- Exceeds 2016 total by 17%
- Exceeds total promotion participants for any year in last 6 yrs

2017 Earned Value (as of 11/27)

- Participants: 729
- Final Volume: 1.3B pcs (>250% increase)
- Credit acceptance ended 9/15
- Credits expire 12/31
- Most credits have already been redeemed (2% outstanding)

2017 Tactile Sensory & Interactive Promotion (Final)

- Participants: 158
- Volume: 1.2B pieces
- Revenue: $268M

2017 Direct Mail Starter (Final)

- Registered: 40 /Participants: 1
- Volume: 11k
- Revenue: $2K

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2017 Emerging & Advanced Technology Promotion (Final)

- Registered 301/Participants – 265
- Volume: 5.1B
- Revenue: $1.1B

2017 Color Transpromo (as of 11/27)

- Registered: 74 / Participants: 64
- Volume: 1.2B
- Revenue: $430M

2017 Mobile Shopping (as of 11/27)

- Registered: 913/ Participants: 713
- Volume: 5.6B

Improvement in Survey Promotion Participation

- **Promotion response rates at record high following shift in survey process**
  - **45% of all mailers responded to the enrollment survey**
  - **38% of all mailers responded to the mid-promotion survey**

Table 1: CY17 Mobile Shopping Promotion Participant Survey Responses

Option	New	Repeat	MSP
Completed Both Surveys	71	90	32
Completed Enrollment Survey Only	48	54	28
Completed Mid-Promotion Survey Only	36	18	9
Total	**155**	**162**	**69**

Data Source: Survey Monkey, RPW FY16 – FY17
Last Collected: Monday, November 27th, 2017

Proprietary & Confidential

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For all mailers, those who measure the response rate on their mailpieces mail more than counterparts

- On average, Repeat Mobile Shopping mailers who measure Click-Through rates mail 3x as many mailpieces in promotion as those who do not measure the response rate

Table 2: Response Rate & Average Promotional and Total Marketing Mail Volumes by Mailer Response (YTD)

Options	Participant Count			Avg. CY17 Mobile Shopping Volume			Avg. Total MM Volume YTD		
	New	Repeat	MSP	New	Repeat	MSP	New	Repeat	MSP
Mobile Optimized Click-Through Rates	46	51	9	379,022	10,412,044	14,660,989	13,838,574	7,859,747	101,476
Boosts in Customer Sales	29	30	7	1,779,516	5,836,875	2,567,861	22,726,467	3,275,300	0
I do not know	16	17	13	488,931	11,365,488	521,165	16,437,515	7,349,034	5,754
We do not measure the response rate of mailpieces included in the promotion	13	14	10	817,659	2,895,867	692,034	314,291	722,570	473,833

Note:
1/ Total Marketing Mail Volumes Jan. – Oct. 2017

Proprietary & Confidential

Data Source: Survey Monkey, RPW FY16 – FY17
Last Collected: Monday, November 27th, 2017

First Class Action Items:

- Update on 2018 Promotions and MSP Incentive

QR codes are back!

- **Social Media** inclusion of QR codes in products and promotions[1]
  - Snapchat has integrated QR code reader into the hands of 161 million
  - Facebook testing rewards with personalize QR codes for offline purchases
  - Pinterest new version of QR codes for retailers and brands[2]
    - Quickly jump to a board without having to search or tap for a brand
  - Interactive games that can lead to purchases (Pokémon Go)
- **QR codes are incredibly measurable**
  - Personalized QR codes shopping
    - Links ad to an in-store transaction
  - Renting bikes on the go and other services
  - Measuring digital and mobile conversions
- **Barrier to entry has been lowered**
  - QR code functionality is now integrated into major mobile platforms(iPhone)
  - Snapchat made QR codes cool by turning themselves into a QR code
  - Standardization of codes and scanners issue has improved
- **Brand usage**
  - 1App in Starbucks links to a mobile web-based version had 27% of customers trying app
  - Pepsi featured Snapcodes (QR codes) that unlocked; Exclusive lenses, Geofilters and Games
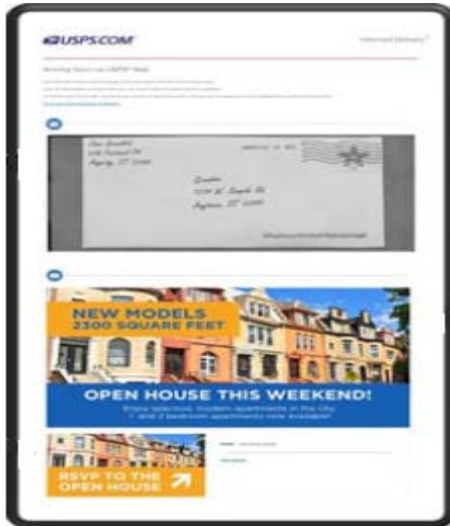
[1]Mobile Marketer May 16, 2017
[2]Tech Crunch November 14, 2017

- **EMVCo (developed EMV standards) issued guidelines in Sept 2017 on use of QR Codes in payments**

- **Enables two modes:**
  - **Consumer-presented**
  - **Merchant-presented**

- **Eliminates "Card-not-Present" fraud issues and transmission of credit card data**

- **Walmart Pay app uses QR payments at checkout**

- **Visa, MasterCard (Masterpass QR) and PayPal moving to global implementation**

- **In China, mobile/QR payments tally $5.5*Trillion*/year**

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- **New name and new rules**

- **All entries must use Informed Delivery®**

- **Entries due January 15, 2018**

- **Finalists compete to become Grand Champion at NPF**

- **Finalists will be included in Irresistible Mail® book**

- **Winning client, agency and printer will be recognized**

www.irresistiblemail.com/award

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- **Program Office contact:**

  Mobile Shopping & Direct Mail Starter

  mailingpromotions@usps.gov

  Personalized Color Transpromo

  FCMColorPromotion@usps.gov

  Mail: US Postal Service

  Post Office Box 23282

  Washington, DC 20026-3282

- **Program Requirements & Documents**

  https://www.usps.com/business/promotions-and-incentives.htm

  https://postalpro.usps.com/promotions

- **Registration**

  https://gateway.usps.com

- **PostalOne Help Desk:**

  (800) 522-9085 or postalone@email.usps.gov

- **Irresistible Mail:** Irresistiblemail.com

Tactile Sensory Interactive Promotion

tactilesensorypromo@usps.gov

Emerging & Advanced Tech Promotion

EmergingTechPromo@usps.gov

Earned Value

earnedvalue@usps.gov

Informed Delivery Update

MTAC Informed Delivery® Update
December 2017

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75
Participating MID Owners*

520+
Campaigns Completed

73.6%
Average Email Open Rate**

3.7M
Unique Dashboard Views***

6.34M
Registered Households

7.05M
Registered Users

2.3M
Email-enabled Users

Mailer statistics as of November 27, 2017.
User statistics as of November 30, 2017.
* Includes MSPs, Software Providers and Brands.
** 6-month average open rate for all emails sent, not just emails containing mailer campaigns.
*** Unique pageviews for the month of November 2017.

October: Top Campaigns by Click to Open Rate

Industry	Number of Mailpieces Sent to Informed Delivery Users	Email Open Rate	Campaign Click to Open Rate
Professional, Scientific, and Technical Services	4,960	83%	4.78%
Accommodation and Food Services	3,014	69%	3.61%
Retail Trade	18,962	58%	2.20%

November: Top Campaigns by Click to Open Rate

Industry	Number of Mailpieces Sent to Informed Delivery Users	Email Open Rate	Campaign Click to Open Rate
Accommodation and Food Services	36,433	73%	6.27%
Retail Trade	16,941	68%	4.70%
Retail Trade	17,888	68%	4.36%

Informed Delivery Roadmap

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Goals

The digital ecosystem of Informed Delivery integrates mail, package, performance, and consumer data to:

1. *Bridge the Physical and Digital*
2. *Drive Transparency & Visibility*
3. *Deliver Personalized Mail*

Users

Informed Delivery provides an enhanced digital mail
experience for all of its users.

Consumers
Can be anyone who has a mailbox or a PO box and an email address!

Mailers
Any company looking to interact with their target audience in a first-of-its-kind way

Themes

Informed Delivery features are grouped into six high-level themes:

User Registration
All features related to the process of signing up for Informed Delivery and verifying user identity.

Mailer Campaigns
All features related to creating interactive campaigns to customize the appearance of mail piece in a user's email notification or dashboard.

Consumer Dashboard
All features related to accessing and managing the Informed Delivery mail and package dashboard.

Profile Management
All features related to managing consumer preferences and profile settings to create a customized mail experience.

Smart Tracking
All features related to tracking, viewing, and managing the status and delivery progress and of all anticipated mailpieces.

Advanced Insights
All features related to the process of capturing, analyzing, and displaying key metrics via reports and dashboards.

Informed Delivery Roadmap

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	2017	2018	2019	& BEYOND
	Build an Industry Leading User Base	*Bridge the Physical and Digital*	*Enhance Experiences*	

MAILER

2017 — Build an Industry Leading User Base

User Registration
- Mailer Registration
- Mailer Validation

Advanced Insights
- Pre-Campaign Report
- Post-Campaign Reports

Mailer Campaigns
- Self-Service Portal
- Mailer Campaigns
- Customer Support

2018 — Bridge the Physical and Digital

User Registration
- Mailer/Business as Receiver

Advanced Insights
- Image Data Feed
- Digital Campaign Metrics
- Data via Informed Visibility

Mailer Campaigns
- Rich Content
- Package Campaigns
- Single Piece Campaigns

Profile Management
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2019 — Enhance Experiences

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Open Discussion

Product Management Update

MTAC
Product Innovation/Emerging
Technology Focus Area

Shipping Products

- **Team composition:**
  - Five of seven positions filled
  - Product assignments under review

- **Focus on optimization of current product performance**

- **Partnering across functions to support new product initiatives and strategies**

Shipping Products

- Identify customer challenges with shipping products

- Build a product information repository for internal and external stakeholders

- Look for opportunities to maximize the effectiveness of our shipping product offerings

- Partner with MEPT and others to develop strategies for Package Platform

- Work closely with Operation and Pricing for new market opportunities

Special Services Initiatives

- **Assembling new team members:**
  - Currently have three of four positions filled and assigning products/roles to new members.
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