

## **MAKING THE GRADE**

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In 2016 the United States Postal Service implemented the first rate reduction since July 1, 1919, but we all knew that this decrease would not last very long. On January 22, 2017 the USPS will increase the postal rates (See enclosed USPS Rate Chart for additional information). However, there is a 'silver lining', of sorts, included in the 2017 rates increase. For more information see page 6 "Silver Lining ...for Meter Users."

## WHAT'S THE BUZZ...

## Do you know the easiest way to increase your company's revenue?

It's simple... Sell <u>more</u> to your existing customer base! Offering new products and services to those with whom you already have established a trusted business relationship is the easiest way to increase sales. Also, asking for *referrals* from your loyal customers is a great way to open doors and shorten the sales cycle. You'll be surprised at just how effective this can be. A *warm* lead beats a *cold* call every time!



Tip of the Month... Metering your mail will save you an extra 3 cents per piece!

### Quarterly Newsletter SPECIAL EDITION

## Direct Mail and its appeal to the 18 – 35 age group

Most teens and adults in the 18 – 35 age bracket balk at receiving any form of advertising through social media and instant message channels. They feel that marketer's should not infringe on their private lives. Statistics show that this age group prefers direct mail marketing and are actually more likely to respond to direct mail marketing than any other form of marketing. Their response translates into either making a purchase or using a service more often than any other marketing strategy, and when combined with the use of PURL's or QR Codes, direct mail can produce even higher results.

For example, Robert Morris College in Chicago, found by adding personal URL's (PURL's) to their marketing mailers and catalogs sent to prospective college students, the university doubled their response rate. In addition, their conversion rate increased to 79% while dropping costs by a whopping 56%. College students seem to respond to the 'personal touch' that direct mail provides. In a recent survey, 43% of College students say they prefer the 'personal' touch. This explains why when your direct mail piece incorporates variable data, and personalizes the mailer, it makes the recipient feel important and valued. This illustrates the power of direct mail and the appeal it has to this age group.

## **USPS...ON THE HORIZON** What is My USPS™?

My USPS is a dashboard that displays your incoming USPS domestic packages in a central location to view status information and manage your packages. You can check the status of your packages at any time from a computer or web-enabled device. Most USPS domestic packages tied to the address associated with your USPS account will be automatically available on your My USPS dashboard. You can also manually enter USPS tracking numbers to add packages to your dashboard. My USPS will not be available in all locations. You'll be informed when you attempt to sign-up for My USPS if you live in a location that is not eligible. However, you can still use your <u>USPS.com</u> account to access a number of products and services, including the following; **Print domestic shipping labels, Request a package pickup, Buy stamps and shop, Manage PO Boxes, Print custom forms online, File domestic insurance claims online.** 

## The Lost 'Art' of Asking Questions

### How well do you know your clients' and business prospects?

It may surprise you to find out that your knowledge of your clients' true needs is only realized once you lose their business.

Failure to probe, identify, and solve your clients (and prospects) needs and requirements is one of the top reasons they will switch suppliers, even over price.

When businesses are faced with a challenge, they are more apt to gravitate to a vendor that offers a viable solution, vs. just a lower price point.

After all, price is nothing more than a band aid, and in the long run may not provide a cost effective 'solution' to their real concerns. Ask questions, provide solutions and your client's may just reward you with their business.



#### Direct Mail and Email marketing -

As cost effective as email marketing can be, it is not without its flaws. With today's sophisticated SPAM and security filters, and the flood of emails that fill our Inbox every day, email as a stand-alone marketing tool may fall short in achieving your marketing/sales, or company branding goals.

However, by combining the benefits of email marketing with the power of direct mail you can customize a marketing campaign that utilizes your mailer as a 'support' tool to enforce your email message. Your direct mail piece can actually help to *announce* the 'arrival' of your email to your targeted audience and your 'open rates' and 'responses' may increase as a result.

By using your direct mailer as a 'teaser' to alert your clients and prospects of the arrival of your email, you have not only created a platform for your company's brand, but it will increase the overall <u>success</u> of your marketing campaign.

Your email marketing campaign can be set up to capture your: email delivery, opened and clicked rates, landing page hits, leads captured, Social Media hits and so much more...

### What Does Your Direct Mail Marketing Piece Say About Your Company?

Like it or not, *'image'* is everything in the world of marketing. How your prospect/client perceives your company largely depends on the image and quality put forth in your marketing materials. In terms of content, remember to; know as much as you can about your target audience, make your message as easy to understand as possible, talk in layman's terms and avoid using difficult words. Keep your sentences and paragraphs short. Sentences (where possible) should be limited to 14 words or less. Limit your sentences to one idea per sentence and limit your paragraphs to seven sentences, or less.

Make sure that all your graphic images are sharp, crisp and clean. Remember, "You only get one chance to make a first impression."



#### Is Direct Mail Dead?

The reports of direct mail's demise have been greatly exaggerated. In fact, direct mail marketing/advertising is experiencing a resurgence of growth in today's B2B and B2C marketing environment. Technology has overshadowed direct mail in recent years, but the fact remains that direct mail marketing enjoys some distinct advantages over digital and social media. Let's take a look at a few...

**Its physical nature-** People still like to receive mail. They can hold, touch and save marketing materials for future consideration. My refrigerator door is proof of this.

**Measurable results-** It's easy to determine the success of your direct mail marketing piece by tracking your response rates and how that translates to your ROI. This allows you the flexibility to 'fine tune' and test market different forms of advertising to find out which is producing the best results. This will maximize the effectiveness of your campaigns.

**Direct mail works-** The bottom line is; that for your marketing dollar, direct mail remains one of the most cost effective methods of getting your message, offer, or special announcement directly in the hands of your customers and prospects.

Statistics show 3.4% of direct mail recipients respond, which in turn leads to an increase in revenue for your business, or charity. Also statistics show that 56% of people find printed material the most trustworthy of all the platforms available in the marketing environment today. But that's just the beginning; Direct Mail generates 10% more customers than email (34% to 24%), and more than 64% of employed U.S. adults say they find printed material easier and more comfortable to read than anything on a computer.

#### What Role Does '*QUALITY DATA*' Play In The Overall Effectiveness Of Your Direct Mail Marketing Campaign?

We are often asked as to the importance of data analytics and the role that it plays in designing an effective marketing campaign. The answer is simple; *Data* is one of, if not the most important aspect, for achieving success when planning your direct mail marketing campaign.

Targeted marketing is the most critical factor when formulating the criteria that you will use when assembling your data base/mailing list.

For instance;

If your product or service appeals to senior citizens, then you would certainly need to include an 'age range' as one of your criteria. Additionally, you may want to include an income, or net asset filter, and a 'renter', or 'home owner' criteria, as well.

Data analytics has reached the point that virtually any 'niche' consumer (or business market) can be identified by implementing search criteria/filters to select only those recipients that would best suit your 'ideal' candidate. By targeting only the people that would have the greatest interest in your product, or services, you have increased your chances for success.

The old 'shotgun' approach, which selected a geographic location and saturated that area with your direct mailer, was not nearly as effective as careful planning and precise targeting. This will not only increase your response rates, but will produce the most effective *return on investment* for your marketing dollar.

Another vital factor in the success of your direct mail marketing campaign is performing hygiene on your data file. This includes an NCOA (National Change of Address) scrub and also CASS certifying your data file. The money that you can save in postage (in the reduction of non-deliverables) can add up to hundreds, if not thousands of dollars.



The bottom line is that the success of your direct mail marketing campaign is not determined by cost per piece, but by cost per response.

By following the simple steps (listed above) you will be well on your way to launching a successful and profitable direct mail marketing campaign and reaping the maximum return from your marketing budget.

HELPFUL HINT: Do you track where your business is coming from? Does your company have a system in place that allows you to track the success of your direct mailer? Surprisingly, the majority of companies do not. This process can be as simple as asking: "How did you hear about our company?", "Did you find us by searching on the web?", or "Did you receive an offer from us in the mail?" Knowing where your business is coming from and how they are finding you, is vital in deciding how and where to spend your marketing budget. These simple questions must become routine when answering every call that comes into your office. If you do not ask, you will never be able to determine the success of your direct mail marketing campaign.



## Is the delivery of mail slowing down?

Since last January, the Postal Service eliminated overnight delivery for local first-class letters that would arrive the next day. Anywhere from 20% to half of the rest of the firstclass mail sent now takes an extra day of delivery time. It has been well documented that USPS service standards have been 'relaxing' since 2012, when the volume of firstclass overnight mail decreased and that of two-and threeday mail grew. Budget cuts in the Postal Service also played a large part in this trend.

The Postal Service calls the delivery changes "Network Rationalization." To limit the damage for customers and mailers, officials have downplayed the longer delivery times.

2015 internal data shows that the Postal Service did not meet even its lower targets for first-class mail. Letters that were supposed to take three days (and four or five days if headed to Alaska or Hawaii) arrived on time just 54 - 63% of the time.

Additionally, postal officials have said that severe winter storms do pose a significant impact on performance results for many service standards, slowing trucks from driving mail to post offices or airports.

At **A<sup>+</sup> Letter Service**, we, like many other letter-shops and mail houses, have educated our clients as to the advantage of presorting 1<sup>st</sup> Class mail (whenever possible) and highlight the advantages of **SCF/NDC** sorting for Standard (3<sup>rd</sup> Class) mail. In addition to the cost savings in postage, it allows us to better predict a time frame for mail delivery. We have found that the extra sorting process has played an important role in accomplishing this goal for our clients.

Certain restrictions do apply for taking advantage of these services, so be sure to ask your Customer Relations Representative for details and restrictions.

CALL US AT: 732-905-2010 for additional information

#### Unsure of the current USPS Rules and Regulations?

Contact one of our knowledgeable Customer Relations Representatives and we would be happy to help you. We are well versed in the ever-changing postal rules and regulations and can guide you through the process of preparing your direct mail campaign, assuring that your mailer will be in compliance with the current USPS postal regulations and guidelines. Call Us Today: **732-905-2010** 



The **USPS** is looking to replace its aging fleet of boxy mail trucks (which have been in service since 1987), called LLV's – Long Life Vehicles, with an all new vehicle fleet.

The LLV's, built by Grumman through 1994, feature an aluminum body built on top of a Chevrolet truck chassis, with a four-cylinder engine and three-speed transmission. The trucks have become very expensive to maintain over the years, and their fuel economy, emissions and safety equipment do not compare to most vehicles being produced today.

The plan is to purchase 180,000 over a 5-7 year span starting in 2018, budgeting \$25,000 - \$35,000 per truck.

One of the new design features of the vehicles will be two sliding doors on the side of the truck. This was a special request by the NALC (National Association of Letter Carriers), which sited this as a safety feature allowing carriers to work curbside more often. Several carriers have suffered major, even fatal injuries when their LLV's were struck from behind as they were unloading from the rear of the truck.

Several manufacturers are being considered to supply the new replacement vehicles. As is typically the case with government acquisition programs, the USPS prefers an American made vehicle.



### **POSTAL RATES EFFECTIVE JANUARY 22, 2017**

Straight First-Class (Letter)	.49¢
First-Class Presort (Letter)	.41¢
First-Class Presort (Postcard 4.25x6)	
Marketing (Standard) Mail Profit (Letter)	
Marketing (Standard) Mail Nonprofit (Letter)	

Ballpark estimates for 1 ounce.

#### Great News, Now Metering or Using an Indicia Saves You 3<sup>¢</sup> in Postage vs. Using a First-Class Stamp!

#### First-Class Mail—Discount Letters & Cards

Weight	Non-auto	mation	Automation					
Not Over (Ounces)	Single Piece*	Machinable <sup>1</sup>	5-Digit	AADC	Mixed AADC			
1	\$0.49	\$0.453	\$0.373	\$0.403	\$0.423			
2	0.70	0.453	0.373	0.403	0.423			
3	0.91	0.453	0.373	0.403	0.423			
3.5	1.12	0.453 <sup>2</sup>	0.373	0.403	0.423			
Card Rate <sup>3</sup>	\$0.34	\$0.284	\$0.253	\$0.266	\$0.274			

\* Deduct 3¢ off published rates when using Metered/Indicia vs. First-Class Stamps. 1. Letters that meet one or more of the nonmachinable characteristics in DMM 201.2.1 are subject to

the \$0.21 nonmachinable surcharge.

2. The maximum weight for machinable letter preparation is 3.5 ounces.

The card price applies to each single or double postcard when originally mailed; reply half of double postcard must be designed for reply mail purposes only.

\*\*Notes: [Pre-Sort first-class is a 500 piece min.] [first-class indicia is a 200 piece min. or 50lb. min.] \*\*Square dimensions and odd self-mailers subject to surcharge - call for details.

#### Marketing (Standard) Mail Regular—Letters

	Automation		Machinable		Non-machinable			)	
		Mixed			Mixed				Mixed
	5-Digit	AADC	AADC	AADC	AADC	5-Digit	3-Digit	ADC	ADC
Letters weighing 3.5 oz. or less per piece rate	\$0.251	\$0.271	\$0.288	\$0.284	\$0.301	\$0.462	\$0.549	\$0.574	\$0.647

[standard mail is a 200 piece min. or 50 lbs.]

#### Marketing (Standard) Mail Regular—Flats

		Automation			Non-automation			
	5-Digit	3-Digit	ADC	Mixed ADC	5-Digit	3-Digit	ADC	Mixed ADC
Flats weighing 4.0 oz. or less per piece rate	\$0.387	\$0.478	\$0.533	\$0.550	\$0.435	\$0.504	\$0.555	\$0.588
More than 4.0 oz. per pound rate plus per piece rate	\$0.897 + 0.163	+	+	\$0.897 + 0.326	\$0.897 + 0.211	\$0.897 + 0.280	\$0.897 + 0.331	\$0.897 + 0.364
[standard mail is a 200 piece min. or 50 lbs.]								

#### **First-Class Mail—Discount Flats**

Weight Not Over	Non-auto	omation	Automation					
(Ounces) <sup>1</sup>	Single Piece	Presorted	5-Digit	3-Digit	ADC	Mixed ADC		
1 2 2			\$0.446 0.656 0.866	\$0.63 0.84 1.05	\$0.67 0.88 1.09	\$0.75 0.96 1.17		
4	1.61	1.428	1.076	1.26	1.30	1.38		
5	1.82	1.638	1.286	1.47	1.51	1.59		
6	2.03	1.848	1.496	1.68	1.72	1.80		
7	2.24	2.058	1.706	1.89	1.93	2.01		
8	2.45	2.268	1.916	2.10	2.14	2.22		
9	2.66	2.478	2.126	2.31	2.35	2.43		
10	2.87	2.688	2.336	2.52	2.56	2.64		
11	3.08	2.898	2.546	2.73	2.77	2.85		
12	3.29	3.108	2.756	2.94	2.98	3.06		
13	3.50	3.318		3.15	3.19	3.27		

Additional Ounce Rate 0.21

 Flat-size pieces with certain characteristics (see DMM 301.1.3 and 1.4) are subject to the parcel rates.
For any rate not listed on this sheet, please contact A' Letter Service to speak to a sales representative and we will get the information for you.

#### Marketing (Standard) Mail Nonprofit—Letters

	Automation			Machinable		Non-machinable			e
		Mixe			Mixed				Mixed
	-			AADC					
Letters weighing 3.5 oz. or less per piece rate	\$0.134	\$0.154	\$0.171	\$0.167	\$0.184	\$0.345	\$0.432	\$.0457	\$0.530

[standard mail is a 200 piece min. or 50 lbs.]

#### Marketing (Standard) Mail Nonprofit—Flats

	Automation			Non-automation				
	5-Digit	Mixed 5-Digit 3-Digit ADC ADC			5-Digit	3-Digit	ADC	Mixed ADC
Flats weighing 4.0 oz. or less per piece rate	\$0.244	\$0.335	\$0.390	\$0.407	\$0.292	\$0.361	\$0.412	\$0.445
More than 4.0 oz. per pound rate plus per piece rate	\$0.794 + 0.045	\$0.794 + 0.136	+	\$0.794 + 0.208	\$0.794 + 0.093	\$0.794 + 0.162	+	\$0.794 + 0.246
[standard mail is a 200 piece min. or 50 lbs.]								

#### Card, Letter, Envelope Sizes & Dimensions



Call **A+ Letter Service** today for all of your printing and lettershop needs! **732.905.2010** or visit our website at **www.aplusletter.com** 

#### SPECIAL INSERT

## **USPS** DIRECT MAIL DELIVERY OPTIMIZATION SCHEDULE



### JANUARY

Performance recovery from the holidays usually comes by week two. Delivery is not where it will be in June, but there is improvement.

#### **FEBRUARY – APRIL**



Good delivery performance with only minor fluctuation.

### MAY – JUNE

The best delivery months of the year, as volumes are very low.

### JULY

Expect some mid-month slowing, as back-to-school catalogs cause some disruptions.

### AUGUST

First fall catalogs mail and cause a slight dip in performance, usually the first and third weeks of the month.



Happy 4th of July!

**SEPTEMBER -** The week of Labor Day is usually a "good" delivery week, as the USPS prepares for it. The week following the holiday is the first slower week of the fall season. The last two weeks of the month usually are back to near August levels.



Christmas catalogs mail heavily at this point. The last week of the month is usually one of the 3 slowest delivery weeks of the year due to the heavy volume. NOVEMBER - Delivery from mid-October through the first week of

**OCTOBER** - Typically shows a drop in performance mid-month as

**NOVEMBER** - Delivery December remains slow, when volume is extremely holiday push that week.



December remains slow, but the slowest week is right after Thanksgiving when volume is extremely high, as most cataloger's mail their last big holiday push that week. DECEMBER - After the first week of the month, Marketing (Standard) Mail delivery time

increases. The USPS prepares for the First Class and Parcel surge and we typically see all mail move very quickly. The 2 days prior to Christmas typically slow down, as USPS focus shifts to that First Class mail. The period between Christmas and New Year's is difficult, there are two days with no processing and in some years it depends on when Sundays fall. Distribution companies lose days they can ship and deliver to the USPS.

#### **SPECIAL INSERT**

## Mailers Told To Keep Using "Standard Mail" In Indicia Until 2018



The USPS announced the following phased transition for Marketing Mail:

In January 2017, Standard Mail<sup>®</sup> will undergo a name change and be rebranded as USPS Marketing Mail<sup>™</sup>. It is expected that this name change will better communicate to mailers how this mail class can be used. In response to feedback from the mailing community, the USPS is implementing this change in a phased transition period to allow both hardware and software changes to be implemented successfully.

- The new indicia and/or postage markings should not be used for letter or flat mail until January 2018 at the earliest.
- Tray label and pallet markings will be deferred until mid-2017 at the earliest.

Other types of changes, such as changes to postage statements and forms, can move forward with the January 2017 price change. This phased transition period will allow both hardware and software changes to be implemented successfully. A schedule will be published in early 2017 to assist mailers with implementation.

## FUN FACTS ABOUT THE USPS

- The USPS processes and delivers 47% of the world's mail.
- The USPS maintains one of the largest fleets of vehicles in the world, operating more than 200,000 vehicles.
- More than 7.5 million people are employed by the USPS.
- In the early years of Parcel Post, parents sometimes mailed their children if they met the 11-pound weight limit, according to the Smithsonian. In 1913, an eight month old baby in Ohio was 'mailed' by his parents to his grandmother, who lived a few miles away.





## There is a **"Silver Lining"** in the 2017 Postal Rate Increase for Meter Users

While the price of stamps will increase to 49 cents, metered mail will see a reduction to 46 cents (per piece), increasing the meter discount on First-Class Mail by 6% for a 1 ounce letter.

Currently, First-Class mailers can mail up to 2 oz. letters for the same price as a 1 oz. letter for presorted mail. Under the new USPS price guide for 2017, you will be able to mail up to 3.5 oz. for the same price as 1 oz. The benefit of this is simple, you can now mail more content for the same cost as a 1 oz. letter. No longer do you have to worry whether or not a few extra pages will bump your rate up to the next level price point.

From a marketing stand point this represents a great opportunity for mailers to get more information into the hands of their clients, prospects and consumers' in general.

Another rate decrease contained in the 2017 postal rate guide is the reduction from 19 cents to 18 cents for each additional ounce on a First Class Mail (Retail) Parcel.

### DATA SECURITY, THE REAL PROBLEM MAY COME FROM WITHIN...



Usually when we hear of security breaches, data hacks, etc., we always assume that the intrusion has been perpetrated by a sophisticated or sinister source, cloaked and lurking in the dark corners of the internet.

However, reported data breaches, over 6 million records reported already in the United States this year (according to the Identity Theft Resource Center), often come from familiar faces within your own company. In most cases, there is no malicious intent on the behalf of your employees, just a careless mistake that allows hackers to invade your network.

A security breach is any event that compromises the confidentiality, integrity or availability of an information asset. According to Verizon's 2015 Data Breach Investigations Report, about 50% of all security incidents are often caused by people within your own organization. And while 30% of all cases are due to worker negligence like delivering sensitive information to the wrong recipient or the insecure disposal of personal and confidential data, roughly 20% are considered insider 'misuse' events, where employees could be stealing and/or profiting from company-owned or protected information.

Often, that translates to employees stealing patient medical data or client social security numbers, which can then be sold on the black market or used to commit fraud like collecting someone else's social security benefits, filing a fraudulent tax return, opening new credit card accounts or applying for health insurance using an assumed identity.

"The Insider Misuse pattern shines a light on those in whom an organization has already placed trust," Verizon said in the report. "They are inside the perimeter defenses and given access to sensitive and valuable data, with the expectation that they will use it only for the intended purpose." However, this is not a perfect world and not always the way things work.

At A<sup>+</sup> Letter Service we take your data and document security for every direct mail marketing campaign we fulfill very seriously. We have been approved by Master Card, MetLife, The Department of Defense and many Fortune 500 companies to handle their stringent security requirements. We employ a sophisticated security protocol, which includes; 'next generation' network firewalls with intrusion prevention systems, interior and exterior video surveillance monitoring, full-time security personnel and all employees are screened and background checks are performed. You can rest assured that your project is in safe hands at A<sup>+</sup> Letter Service.



The marketing world of nonprofit, fundraising, donor appeals, charity event's, etc., marches to the beat of a different drummer. What works in corporate and business marketing, does not necessarily translate to the nonprofit marketing sector. Here are a couple of examples:

**Content** – The content (wording) of a fundraising mailer must be crafted very carefully. Not just the right choice of words, but the essence of the message itself. Ultimately, both commercial (business) and non-profit marketing share the same goal, and that is to raise revenue. However, Non-profit marketing requires a more subtle approach, when reaching out for donations.

Of course, when drafting your copy, the call to action remains the single most important aspect of your mail campaign. For additional information on how to maximize the effectiveness of your Non-profit group, event, or fundraising appeal, contact us at A<sup>+</sup> Letter Service and we would be happy to help you (*cost effectively*) deliver your 'message'.

**Timing-** The success of any marketing campaign is timing. Whereas, in the corporate/business environment, you would never want to send out marketing, or correspondence mailings (unless seasonally related) right before Thanksgiving, Christmas and Easter, the exact opposite is true in the Fundraising/Donor and Charity arena.

People are more charitable during certain holidays - its human nature. What you must plan for is the lead time required when mailing at the nonprofit postal rate. You must build in a *minimum* of 3 weeks lead time to allow for delivery of your marketing piece. So, if your event or appeal has a set date, or deadline, you must factor in the delay in delivery time in order to fulfill your expectations.



# ... and while you're there, request a quote for us to digitally print a customized newsletter like this for you!



## A<sup>+</sup> Letter Service reaches a milestone, as 2017 marks our 30<sup>th</sup> Anniversary!

From a small start-up business, working out of a store front in Normandy Beach, to our current 50,000 sq. ft. facility in Lakewood, NJ, A<sup>+</sup> Letter Service has become one of the premier letter-shops serving companies nationwide.

We could never have accomplished the growth we have experienced without remaining true to our core values; providing our customers with a high quality product/service, on-time delivery, while paying great attention to detail and superior customer support.

This 'formula' is the basis of our success over the years and something we take very seriously.

And with our recent acquisition of *Affiliated Direct Mail*, our presence is strengthened in the direct mail marketing arena.

So, as we celebrate our **30<sup>th</sup> Anniversary**, we would like to express our gratitude to all of our loyal customers for their patronage, as we look forward to our next 30 years and beyond...



