

TH...DELIVERING THE TRUTH...DE

5 FACTS YOU NEED TO KNOW ABOUT  
SENDING HIGH-VALUE MAIL IN 2022

*Navigating the complexities of the U.S. Postal Service today is a daunting effort, largely due to three recent factors: the pandemic; significant ongoing internal disruptions; and several unfavorable policy changes.*

*It's essential to understand these five new truths and adjust your high-value mail strategy to ensure a smoother, more successful year.*



NEXT 

**Success is dependent upon having accurate, real-time postal data.**

But, that's not always easy when rules, Service Standards, and network changes are in a continuous state of flux.

***Despite these challenges,  
companies remain dependent  
on the USPS.***

Every day, the USPS processes more than 173 million pieces of First-Class mail and it will continue to transform in ways that will affect your business. This will require careful management and insightful navigation.

**HERE IS WHAT YOU NEED TO KNOW.**

NEXT 

# 1 Mail campaigns have been working well for years. That won't change.

Even the pandemic didn't significantly diminish direct mail performance and—barring another national shutdown—is not likely to as the year moves on. In fact, direct mail was actually revitalized during the pandemic since more companies have turned to direct mail to connect with an audience that has become increasingly home-based.

But along with that comes a new challenge: there was a dramatic increase in people moving during the pandemic. Nearly 36 million Change of Address requests were made in 2020 alone. In addition, there was a 27% increase in temporary movers. And since many people don't actually file a Change of Address with the USPS, the number is actually much higher.

***In 2020, U.S. advertisers spent nearly \$16 billion to reach consumers through direct mail. The finance and insurance industries accounted for 70% of volume and spending.***

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**WHAT YOU CAN DO** Make sure you have a firm grasp on exactly where your customers are.

That, in turn, will generate the best-possible results for any given campaign, whether single- or multi-channel. In short, mailers need ways to **IMPROVE THE QUALITY OF ADDRESS DATA** so that deliverability and effectiveness are significantly enhanced.

## 2 Rate increases are here to stay.

They have been part of doing business with the USPS since day one. And more are coming, which will begin to have an impact on some mail rates starting as early as January 2022. Another increase of 6.6 to 8.5%, or possibly higher, is expected in July, which will have an even broader effect.

Then, beginning in 2023, you can expect twice-a-year increases for the foreseeable future. Throughout the year, mailers will have to make changes to accommodate new pricing, and software providers will need to allocate more resources to handle the changes. The new systems and procedures designed to handle it all will need to be thoroughly tested and then effectively implemented.

***“Companies are now in a continuous cycle of price changes. If you include both mail and parcels, you are adjusting prices 5 times a year.”***

ANGELO ANAGNOSTOPOULOS, VICE PRESIDENT, POSTAL AFFAIRS, GRAYHAIR SOFTWARE

### **WHAT YOU CAN DO** Plan to optimize your budget.

Mail remains an integral part of conducting business, so it is become increasingly important to take a deep dive into your address quality practices and optimize your campaign schedules and segmentation. Why? Because that's the best way to assure you are not wasting money sending mail to the wrong addresses.

Working with the right data is a dependable way to **MAKE A POSITIVE IMPACT ON YOUR BOTTOM LINE.**

### 3 It'll take longer to get there—but it *will* get there.

Lengthier delivery times are the new normal. Last October, the USPS implemented changes to their service standards for most First-Class mail, taking it from 1–3 days to 3–5 days. In reality, though, very little volume had been meeting the 1–3 day standard, and data now shows mail taking as many as 6–8 days, or even longer, depending on where you are, the route your mail needs to take, and exactly where it's going.

This is a new reality that must be well-managed and will require you to reevaluate your expectations and adjust your scheduling plans for all mail campaigns.

What's more, if you're in a regulated industry, compliance rules and requirements will need to be factored in, all of which will further affect your campaign plans and timing.

***“The Postal Service will increase time-in-transit standards by one or two days for certain First-Class mail that is traveling longer distances, outside of a local area, beginning October 1, 2021.”***

USPS

#### **WHAT YOU CAN DO** Evaluate what postal data you have access to now.

If you're lacking data that can help maintain a superior customer experience, now is the time to fix it. Invaluable data, like real-time status of a mailpiece's location and projected in-home delivery dates, will help improve your decision-making when it comes to executing effective mail campaigns. In short, when you better **UNDERSTAND YOUR DELIVERY PERFORMANCE** and can adjust your (and your customers') expectations, you'll be way ahead of the game.

## 4 The USPS, now under new leadership and business mandates, continues to evolve. So mailers must adjust the ways in which they work with them.

The challenges of the USPS are abundant. In addition to new leadership and bold efficiency goals, there is also massive turnover. Many reports put the most recent turnover as high as 50%, which went along with a major workforce reduction.

As a result, they lost valuable experience, valuable skills, even valuable data. For example, some carriers had detailed knowledge of particular, tricky, or recently-changed routes—knowledge that may have been entirely lost during the recent changes.

***“The USPS is undergoing significant operational changes to improve efficiency. This will cause disruptions in the network for the next 2–3 years. It is critical to monitor and adjust accordingly.”***

ANGELO ANAGNOSTOPOULOS, VICE PRESIDENT, POSTAL AFFAIRS, GRAYHAIR SOFTWARE

### **WHAT YOU CAN DO** Find a reliable source to stay in tune with the USPS.

Identify a partner or mail service provider that can keep a close eye on **WHAT'S HAPPENING WITH THE US POSTAL SERVICE**, and who truly understands how to best navigate changes in postal practices and requirements as they occur.

## 5 Undeliverable mail is inevitable. But it can be reduced.

Your mail may not be delivered for any one of several reasons: an incomplete or incorrect address; a person who moved without completing a Change of Address form; delays due to weather, or some other unanticipated events.

Undeliverable mail, especially high-value mail like credit cards, reimbursement checks, and insurance policies, can damage the customer experience. For the mailer, deliveries that are late, lost, or sent to the wrong address can translate to lost revenue, fraud incidents, delayed receivables, and in some cases, regulatory penalties.

***More than 6.8 billion pieces of mail were considered undeliverable in 2020 alone. That's over 4.5% of all annual outbound volume.***

**WHAT YOU CAN DO** Use real-time data to track and monitor your mail—from the moment it's sent out to the moment it arrives.

Access to visibility of its full journey can resolve delivery issues, better manage your customers' expectations, and **REDUCE THE AMOUNT OF UNDELIVERABLE MAIL**. For a host of reasons, the amount of undeliverable mail is higher than reported by the USPS. That's just another reason why all mailers must be completely familiar with the entire delivery path. Without that data, you have neither the reliability nor the confidence you need.

**We started out by giving you five must-know truths.  
We'll end by giving you five must-know words:**

# **IT'S ALL ABOUT THE DATA.**

Postal data is the newfound hero in resolving issues and improving results. Your success depends on it. Good data leads to better delivery, higher response rates, and more value. So as the USPS continues to evolve, you'll need to evolve, too, by making frequent adjustments on your end.

Data delivers the truth. And the truth will help get your messages delivered—as quickly and accurately as possible.

**To talk with [GRAYHAIR](#) on how we can help you manage the latest changes using insights from postal data, [EMAIL US TODAY!](#)**



**TRANSFORMING DATA INTO  
ACTIONABLE INSIGHTS**

***Using postal data to create significant impact  
across the enterprise.***