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SERVICE AREA:

Business Development Strategies

ANALYSIS

THE USPS'S 2021 PROMOTIONS

WHAT THEY MEAN FOR PRINTERS

JANUARY 2021





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Introduction

Every year, the United States Postal Service (USPS) offers a set of promotions for mailers at the end of its fiscal year (November to October). These promotions are incentives that enable mailers to explore and benefit from new technologies or processes. Encouraging mailers to participate is an important of the USPS's mission. The six listed promotions for 2021 are the same as those for 2020, but there are some minor differences as well as other changes (such as price increases).

The intent of the promotions is to encourage marketers, printers, and mailers to use new technologies to enhance the benefits of traditional mail while also driving higher response rates and increasing the overall return on investment. The USPS runs these promotions to increase the value of direct and transactional mail. Here are the six promotions:

- ◆ Tactile, Sensory, and Interactive Engagement
- ◆ Emerging and Advanced Technology
- ◆ Earned Value Reply Mail
- ◆ Personalized Color TransPromo
- ◆ Mobile Shopping
- ◆ Informed Delivery

For mailers, it is vitally important to know whether these promotions are something you can use to benefit your customers. This document explores the nature of the 2021 promotions and what they say about the USPS's planned activities in 2021.

2021 United States Postal Service Promotion Descriptions

This section outlines the USPS's descriptions of its [2021 promotions](#) along with a brief commentary from Keypoint Intelligence on each item.

Tactile, Sensory, and Interactive Engagement

USPS Description

Encourages mailers to enhance customer engagement with the mail through the use of advanced print innovations in paper and stock, substrates, inks, interactive elements, and finishing techniques. Regular and non-profit Marketing Mail letters and flats that meet the promotion requirements will be eligible for an upfront 2% postage discount during the promotion period.

Our Take

The Tactile, Sensory, and Interactive Mail Piece Engagement Promotion has been in place since at least 2016. Advertising mailers that are interested in digital embossing, CMYK+,



and laser diecutting (including trailing edge die cuts) can take advantage of this promotion.

Emerging and Advanced Technology

USPS Description

Encourages mailers to incorporate emerging technologies such as Augmented Reality (AR), Virtual Reality (VR)/Mixed Reality (MR), Near-Field Communications (NFCs), Video in Print, and multi-channel mail integration with digital assistants/smart speakers into direct mail pieces. Regular and non-profit Marketing Mail letters and flats, and First Class Mail letters, cards, and flats that meet the promotion requirements will be eligible for an upfront 2% postage discount during the promotion period.

Our Take

The Emerging and Advanced Technology Promotion has been in place since at least 2016, but this promotion has newfound relevance thanks to the recent increase in the use of digital assistants and smart speakers.

Earned Value Reply Mail

USPS Description

Encourages mailers to continue to distribute Business Reply Mail (BRM), Courtesy Reply Mail (CRM), and Share Mail envelopes and cards by providing a financial benefit when their customer puts those pieces back into the mail stream. All participants will earn a \$0.02 credit per counted Reply and Share Mail pieces between April and June of 2021. Credits may be applied to postage for First Class and Marketing Mail letters & flats, and must be used by December 31, 2021.

Our Take

The Earned Value Promotion has been in place since at least 2016. The main change this year is that for those using reply mail, there is no longer a volume threshold to receive rebates. All reply mail that is returned during the promotional period results in a credit that can be applied to future mailings.

Personalized Color TransPromo

USPS Description

Enhances the value of First Class Mail by encouraging mailers of bills and statements to incorporate color marketing messaging to foster a better connection and response from their customers. First Class Mail presort and automation letters bills and statements that meet the updated dynamic print and personalization requirements will be eligible for an upfront 2% postage discount during the promotion period. First-time participants must meet only the dynamic color print messaging requirements.



Our Take

The Personalized Color TransPromo Promotion has been in place since at least 2016. It is extremely relevant for those sites that are using high-speed production color inkjet printing systems and color inkjet imprinting heads.

Mobile Shopping

USPS Description

Encourages mailers to integrate their direct mail pieces with mobile technologies that facilitate a convenient online shopping experience for consumers during the holiday season. There are many new mobile technologies that can be leveraged to qualify for this promotion to facilitate a seamless shopping and purchasing experience. Regular and non-profit Marketing Mail letters and flats that meet the promotion requirements will be eligible for an upfront 2% postage discount during the promotion period.

Our Take

The Mobile Shopping Promotion has been in place since at least 2016, but it has received a pandemic-related boost as many shoppers have been coerced into using online tools more frequently than before.

Informed Delivery Promotion

USPS Description

Encourages mailers to continue to adopt use of the USPS's omni-channel feature, Informed Delivery. Participants may create Informed Delivery campaigns through the Portal or submit elements through their eDoc submission, and develop campaigns that meet best practice requirements. Regular and non-profit Marketing Mail letters and flats, and First Class Mail presort or automation letters, cards, and flats that meet the promotion requirements will be eligible for an upfront 2% postage discount during the promotion.

Our Take

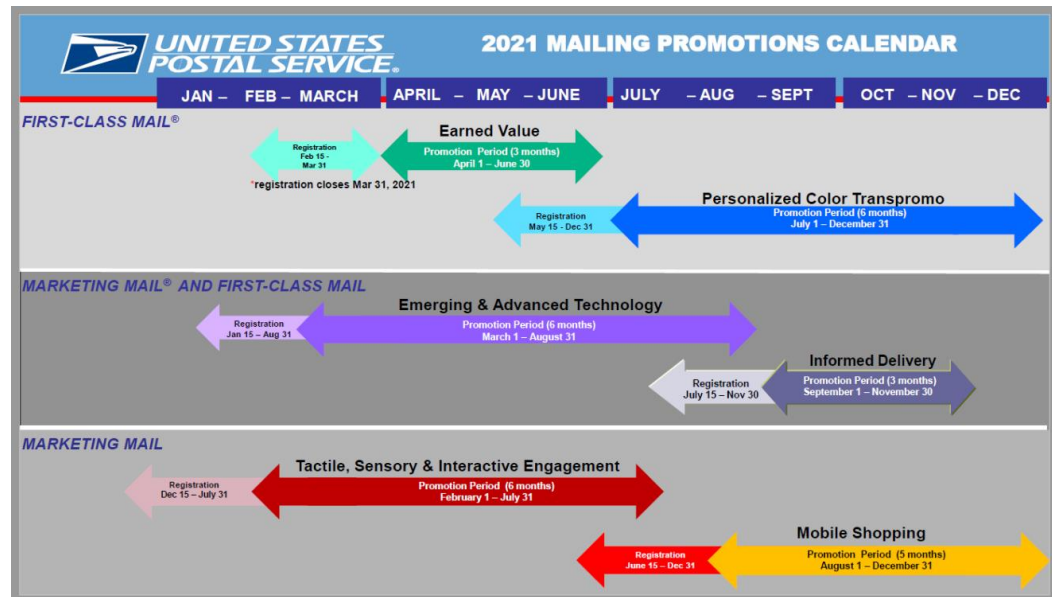
The Informed Delivery Promotion began as a pilot project in 2014 and was expanded to most ZIP codes in 2017. Enhancements to Informed Delivery in 2021 include reminders, social sharing, and embedded coupons. These should be particularly important for marketers. For those not familiar with Informed Delivery, it enables consumers to preview scanned images of their household mail on a smartphone or computer before it arrives in their mailbox. In addition, mailers are able to integrate digital elements to enhance their campaigns. From an omni-channel perspective, Informed Delivery is important because it generates multiple impressions from a single mail piece (digital and physical).



The USPS's 2021 Promotional Calendar

The rollout of the promotions is summarized in the USPS's [2021 Mailing Promotions Calendar](#). The qualification process does not appear to have changed significantly since 2020.

Figure 1: The USPS's 2021 Promotional Calendar



Source: United States Postal Service

Each promotion is preceded by a registration period. The actual time spans for each program are as follows:

- ◆ *Tactile, Sensory, and Interactive*: February 1 – July 31
- ◆ *Emerging and Advanced Technology*: March 1 – August 31
- ◆ *Earned Value*: April 1 – June 30
- ◆ *Personalized Color TransPromo*: July 1 – December 31
- ◆ *Mobile Shopping*: August 1 – December 31
- ◆ *Informed Delivery*: September 1 – November 30

If you have an idea for a promotion that the USPS could offer, suggestions are encouraged. The USPS maintains [a suggestion form template](#) on its website.

Direct Mail Technology Integrator Directory

The USPS's Direct Mail Technology Integrator Directory is a national directory of technology providers who may be of use to mailers hoping to integrate technology into their direct mail campaigns. Providers fall into one or more of the following categories: AR, NFCs, Video in Print, and Digital to Direct Mail.



For more information on the Direct Mail Technology Integrator Directory, please visit https://postalpro.usps.com/promotions/promotions_resources/tech_directory?

Related United States Postal Service Initiatives

Other USPS initiatives dovetail with the 2021 promotions and are particularly relevant for production color digital print, and especially high-speed color inkjet used in omni-channel campaigns. These include:

- ♦ *Informed Visibility*: A part of Informed Delivery, this service provides mail tracking and reporting through a software application known as IV-MTR (Informed Visibility Mail Tracking & Reporting). The goal is to help mailers build business by expanding their access to near real-time information about their mailings. It is designed to help mailers manage their operations, refine their processes, and adjust their marketing campaigns as needed. IV-MTR leverages the capabilities of the USPS Full-Service Intelligent Mail program.¹ For more information on Informed Visibility, visit <https://www.usps.com/business/informed-delivery.htm>.
- ♦ *Retargeted Direct Mail*: As part of its long-term strategic plan, the USPS is working to promote the adoption of digital features used by mailers that will help enhance the value of physical mail. A key aspect of this plan is what the USPS calls Retargeted Direct Mail (also known as Automated Direct Mail). The concept is to help mailers handle situations in which a consumer starts a purchase with an online shopping cart, but abandons it prior to making a purchase. Retargeted Direct Mail helps the e-tailer close the sale by providing additional incentives via direct mail.
- ♦ *Digitally Enhanced Mail*: This concept integrates the use of digital technologies like AR, NFCs, video-in-print, "buy now" capability, and redesigned quick response (QR) codes with direct mail. The basic strategy is to create engaging consumer experiences that expand the capabilities of printed mail.

Other Factors Impacting 2021

USPS Rate Increases

Rate increases as approved by the Postal Regulatory Commission went into effect on January 24th of this year. The average increases are less than 2% for Marketing Mail² (1.5%) and First Class Mail (1.8%), though rates vary due to a wide variety of factors. See the [USPS pricing page](#) for full details.

The Postmaster General

Louis DeJoy joined the Postal Service in June of 2020 to become the 75th Postmaster General. Arriving from outside the Postal Service (the first such Postmaster General in

¹ Full-Service Intelligent Mail is an automation option offered by the USPS that tracks barcoded mail, enabling more accurate deliveries and high-speed mail processing via the Intelligent Mail barcode.

² The USPS defines Marketing Mail as "mail matter not required to be mailed as First-Class Mail or Periodicals. Lower non-profit prices are available for USPS Marketing Mail but require specific authorization."



decades), De Joy soon instituted a number of controversial operational changes, many of which were rolled back due to complaints and political pressure. The question remains whether the Biden administration will choose to bring in new leadership. That issue, however, is complicated because the Postmaster General is selected by the USPS's board of governors. Biden cannot remove DeJoy himself, but he could replace the members of the board of governors. He would have to show cause, and might cite nationwide mail delays. This process will likely unfold in the coming months.

Opinion

Dealing with a global pandemic, institutional issues, political controversy, and the resulting mail delivery delays, it is not that surprising the USPS decided to offer the same six promotions in 2021 that it had in 2020. Moving forward, there is good reason for hope. The USPS continues to deliver mail and parcels despite the mounting challenges, and delays are being overcome. Consumers and businesses continue to depend on the support of the USPS during the pandemic. Perhaps more importantly—and maybe a sign of better days to come—the Biden administration is more likely to be hospitable to the operation of USPS in general.

opinion



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Jim Hamilton is a well-known industry analyst who serves as Consultant Emeritus for Keypoint Intelligence's Business Development Strategies and Production Printing consulting services. In this role, Mr. Hamilton supports the areas of production digital printing, wide format signage, labels & packaging, functional & industrial printing, production workflow & variable data tools, document outsourcing, digital marketing & media, customer communications, and business development.

[Comments or Questions?](#)



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