

QUARTERLY UPDATE

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Integrating **MAIL**
with **DIGITAL**
TECHNOLOGIES
to create powerful
business opportunities



LETTER FROM THE GM

Welcome to 2018. By now you've implemented the USPS postage changes that went into effect on January 21, 2018. You've finalized your budget for 2018. Your marketing plans are in place and ready to execute. Now what? I'd like to say you can sit back, and relax and coast the rest of the year...but we all know that's probably not the case. However ... did you know that Mail Services does more than just presort mail? Maybe we can help alleviate some of your worries, eliminate expenses in equipment, maintenance and labor, or bring new ideas and a fresh look to your printed output components.

In this issue of our newsletter, we will talk all things print and marketing. We are excited to announce the addition of another color printer to our print operations at Mail Services. As companies look to have their printed pieces stand out with a bit of color, Mail Services is happy to provide ideas and analysis on the options of color printing versus black ink. In addition, check out our article of when it makes sense to do full color printing, versus utilizing a color shell form.

Did you know that Mail Services can take over your entire print operations if you choose to outsource and get out of the printing business? Do you have old equipment – maybe even a mainframe driving your print output, and it's too costly to maintain, or even upgrade for that matter? Mail Services has helped several companies each year with their decision to outsource their printing operations, and you can learn more about that on page 2. We also provide Disaster Recovery services to companies print operations.

And, of course, we are still excited about the integration of mail with Digital Solutions. In our Digital Spotlight, check out the article on Informed Delivery – an exciting opportunity of taking mail into the digital world for double the exposure of a single mail piece. See how Mail Services and the USPS are working together to add color, web links, and more value to each piece of mail.

As always, we thank you for your continued loyalty and partnership with us, and we look forward to a great 2018. May your year be as colorful as your mail piece!

– Shayne

Mail is dying. *REALLY?*



Marketers would be foolish to count direct mail out. Check out these numbers:

40%

of consumers have made a purchase in the last three months because of direct mail they received (prWeb)

56%

of consumers find print marketing to be the most trustworthy (DMR)

92%

of millennial shoppers say they prefer direct mail for making purchasing decisions (DMR)

39%

of consumers have tried a business for the first time because of direct mail (DMR)

Which is why, between all the digital marketing hype, the following headlines have appeared in business publications over the last 12 months:

Forget the Hype: Direct Mail is Not Dead
(*Business.com*, Feb. 2017)

Why Direct Mail Marketing is Far From Dead
(*Huffington Post*, June 2016))

Think Direct Mail Marketing is Dead? Think Again... (*The Financial Brand*, Sept. 2016)

Direct Mail Marketing Isn't Dead – It's Immortal
(*Adobe.com*, Sept. 2016)

While direct mail is still one of the most effective lead-generation tools available, marketers HAVE to be online, as well. Which is why Informed Delivery becomes one of the most exciting USPS initiatives in the mailing industry this year. Check out more about the integration of mail and digital in our Digital Spotlight feature: **Informed Delivery** on page 3.

THE FACTS ARE:

73%

Americans online every day (Pew Research)

211 million

People in the US making online purchases (Statista)

\$440 billion

Amount US consumers are expected to spend online this year, up from \$395 billion in 2016 (FTI Consulting)

To outsource or not to outsource ... That is the question

According to Wikipedia, the concept of “outsourcing” came from the American Glossary ‘outside resourcing’ and it dates back to at least 1981. And most recently, Mail Services has been working with companies over the past 5-7 years on outsourcing their internal print and letter shop operations to Mail Services. These companies have had various reasons for their decision making to outsource:

- **Cost & efficiency savings** - outdated technology and/or equipment too expensive to upgrade or maintain.
- **Reduce overhead** - outgrowing their office space and their internal print rooms were too much of an overhead expense.
- **Focus on core competency** - as their business grew and marketing expanded, they decided printing and letter shop were not a core competency of their business direction.
- **Staffing flexibility** – their print demands were heavy the first of the month, and then very small volume print needs the remaining 3 weeks of the month.

Whatever your business challenges, Mail Services can be a great resource to partner with you for:

- Outsourcing your entire print needs.
- Offloading some of your print files that are bigger than your capacity, or more challenging components to print and/or insert.
- Adding functionality to your printed output – such as grouping of documents into one envelope, adding marketing messages to the printed output, or integration of print with digital components, such as e-documents.
- Being a disaster recovery site – Mail Services serves as your print center’s backup facility due to disaster recovery or equipment malfunction. By regularly processing a weekly or monthly file, we are prepared to back you up in times of emergency.

When done for the right reasons, outsourcing will actually help your company grow and save money.

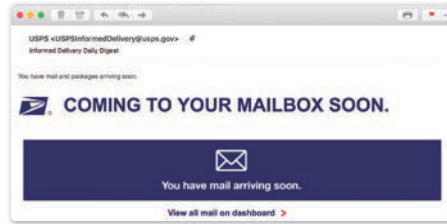
INFORMED DELIVERY:

Welcome to the new era of mail

Launched in May of 2017 by the USPS, Informed Delivery is a free and optional notification service that gives residential consumers the ability to digitally preview their letter-sized mail pieces. Informed Delivery makes mail more convenient by allowing users to view what is coming to their mailbox whenever, wherever – even while traveling – on a computer, tablet or mobile device.

How does it work? To automate the sortation and delivery of mail, the USPS digitally images the front of letter-sized mail pieces that run through automation equipment. USPS is now using those gray-scale images to provide digital notifications to users in advance of the delivery of physical mail. Informed Delivery allows users to take action before important items reach their mailbox, while offering mailers an unprecedented opportunity to engage users through synchronized direct mail and digital marketing campaigns.

Mail Services, as a USPS mail services provider, has the ability to enhance this offering for our client. We can help your mail piece stand out in the consumer's inbox,



To sign up for Informed Delivery go to:
informedelivery.usps.com

by coloring the image of the mail piece that is seen digitally. In addition to the color image, Mail Services can add a digital link to your mail piece image, to encourage the consumer to take action on your mail piece by clicking on the link provided in the inbox, prior to receiving the physical mail piece in their mail box. With the enhancements of both color and a web link, consumers are more apt to take action, and you can drive return on investment to each digitally enhanced mail piece.

For more information, or to schedule a Learn at Lunch session with your company, call Pam Deacon, VP of Sales at 515-727-7716, or email: pdeacon@mailserviceslc.com

Variable color printing vs. Color pre-printed shells

Because color printing is more expensive than black, Mail Services often works with our clients to help them analyze and determine what is most effective for color printing – pre-printed shells or variable color.

A shell is a pre-printed sheet that contains static or common unchanging art and text such as corporate logos, slogans, and phone numbers that would be on commercial documents, but leaves open areas for the future imprinting of variable information, such as names, addresses, and personal variable data such as amount due, itemized listing of accounts, etc. These shells will be printed in high volume and held for future use. By printing a large quantity of shells, you can take advantage of volume pricing, and a low costs per item for the shell, while still utilizing color.

If you have a limited amount of color to print, or the color print is variable by each document utilizing data and demographics, then a shell is not feasible and color variable printing is the better solution. Also, if the color printing is customized and different for each print run, such as a different marketing piece from month to month versus a static statement or invoice that does not change in design each month, then you would utilize color variable printing.

Mail Services can help you with both the analysis and determination of which direction is right for you, as well as for the best price on pre printed shells. Because we purchase such a large volume of paper annually, we have a network of buyers available to provide the absolute lowest cost, allowing us to pass on the savings to you.

For a discussion on color print, give your account manager a call. We are here to help.

INFORMED DELIVERY BY THE NUMBERS

NUMBER OF REGISTERED USERS

(as of 2/5/2018)

7,960,043

MAILER PARTICIPATION

(as of 1/31/2018)

217

Total brands represented across all industries

950+

Total campaigns completed

72.6%

Email open rates (12-month average); click-through rates improve with more compelling calls to action

JANUARY 2017

Top Performing Campaigns by Email Click to Open Rate

#1 MAILER

Nonprofit industry

64% email open rate

9.26% email click to open rate

#2 MAILER

Professional, Scientific, and Technical Services industry

77% email open rate

7.38% email click to open rate

#3 MAILER

Finance and Insurance industry

66% email open rate

5.36% campaign click-through rate



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Integrating **MAIL**
with **DIGITAL**
TECHNOLOGIES
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MARCH **14-16**
ISAC – *Des Moines, IA*

APRIL **8-11**
**Illinois Association of
County Officials (IACO)**
– *Springfield, IL*

APRIL **17-18**
**Missouri Collectors
Association** – *Jefferson
City, MO*

APRIL **18-19**
**County Treasurer's
Association of
Oklahoma** – *Tulsa, OK*

CALENDAR OF EVENTS

FIND US AT THESE EVENTS

MAY **1-2**
**Kansas Municipalities
Conference** – *Wichita, KS*

MAY **5-6**
**Medical Group
Management
Association (MGMA)** –
Lake of the Ozarks, MO

MAY **5-9**
National Postal Forum
– *San Antonio, TX*

MAY **15-16**
**Iowa Treasurer's
Conference** – *Burlington,
IA*

MAY **15-16**
**South Dakota
Treasurer's Conference**
– *Pierre, SD*

MAY **22-24**
**Tennessee Trustee's
Association** –
Chattanooga, TN

MAY **24-25**
**Northeast Oklahoma
Assessor's Conference**
– *Afton, OK*