

MTAC Periodicals Focus Group



New Products and Innovation

May 21, 2014

- **Pulse of the Industry**
- **PAG Initiatives**
- **2014 Promotions Update**
- **2015 Initiatives**
- **Open Discussion**

Pulse of the Industry

Advertising

- Print ad pages down 4% in first quarter
- B2B print ad pages down 4.4%, accounts for 26% of revenue. Digital ad revenue is 19% and Events are 45% of total revenue

Increased focus on publishers creating video content

- Conde Nast and Time, Inc announced new video platforms
- Meredith grew video content 35% in 2013

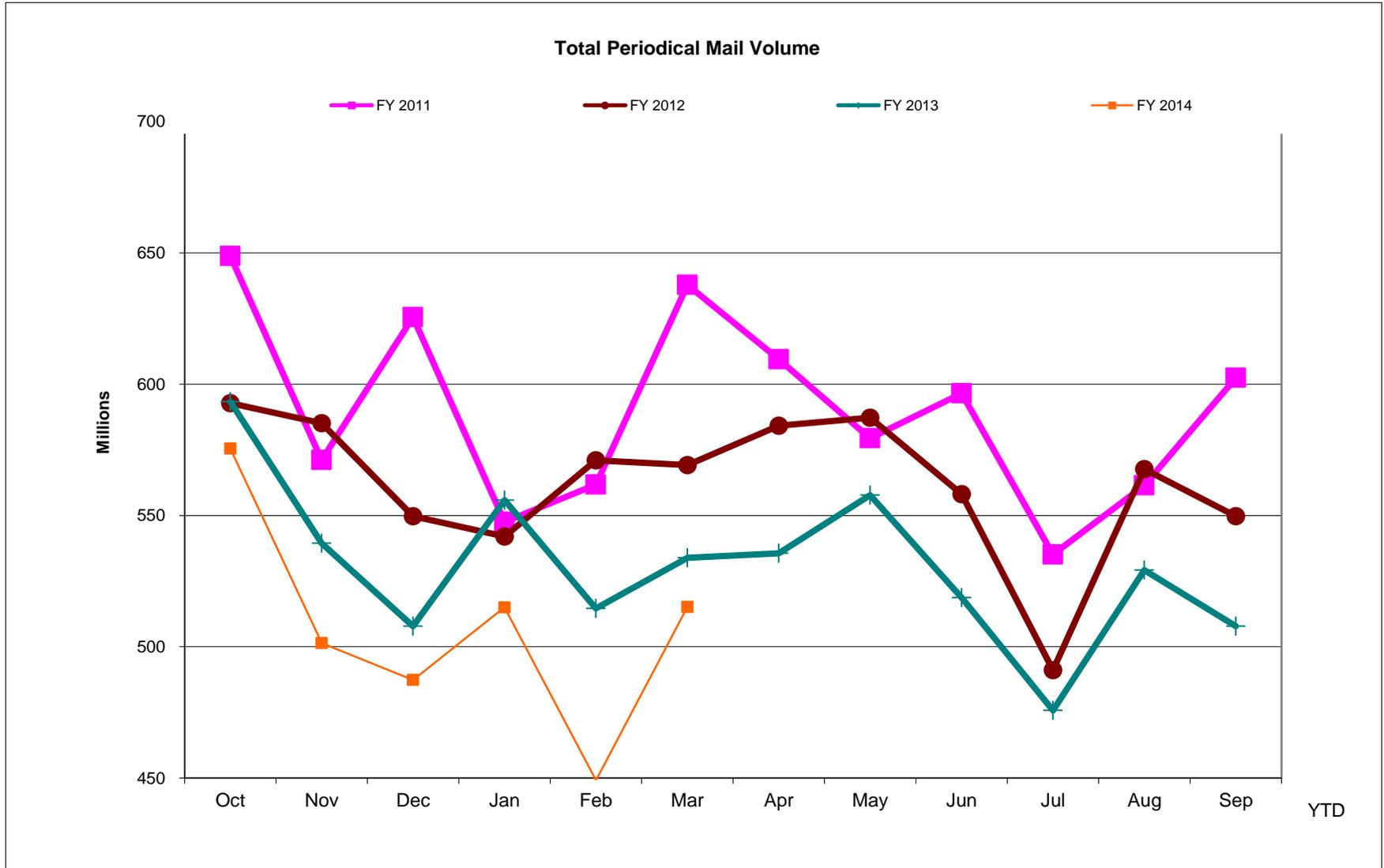
Business news

- Meredith 1st Quarter results – total magazine revenue down 5% (adv down 17%, circ up 5%, licensing up 6%)
- Time, Inc 1st Quarter revenue up 1% with Am Exp Publishing acquisition but down 5% if acquisition excluded. Spin off to occur June 6
- Quad/Graphics announced purchase of Brown Printing

Circulation/New Launches/Shutdowns

- Mr. Magazine reported 61 new titles in 1st Quarter versus 56 last year
- Dr. Oz magazine sold out first issue on newsstand and Hearst went back to press
- Ladies Home Journal shut down after 131 years

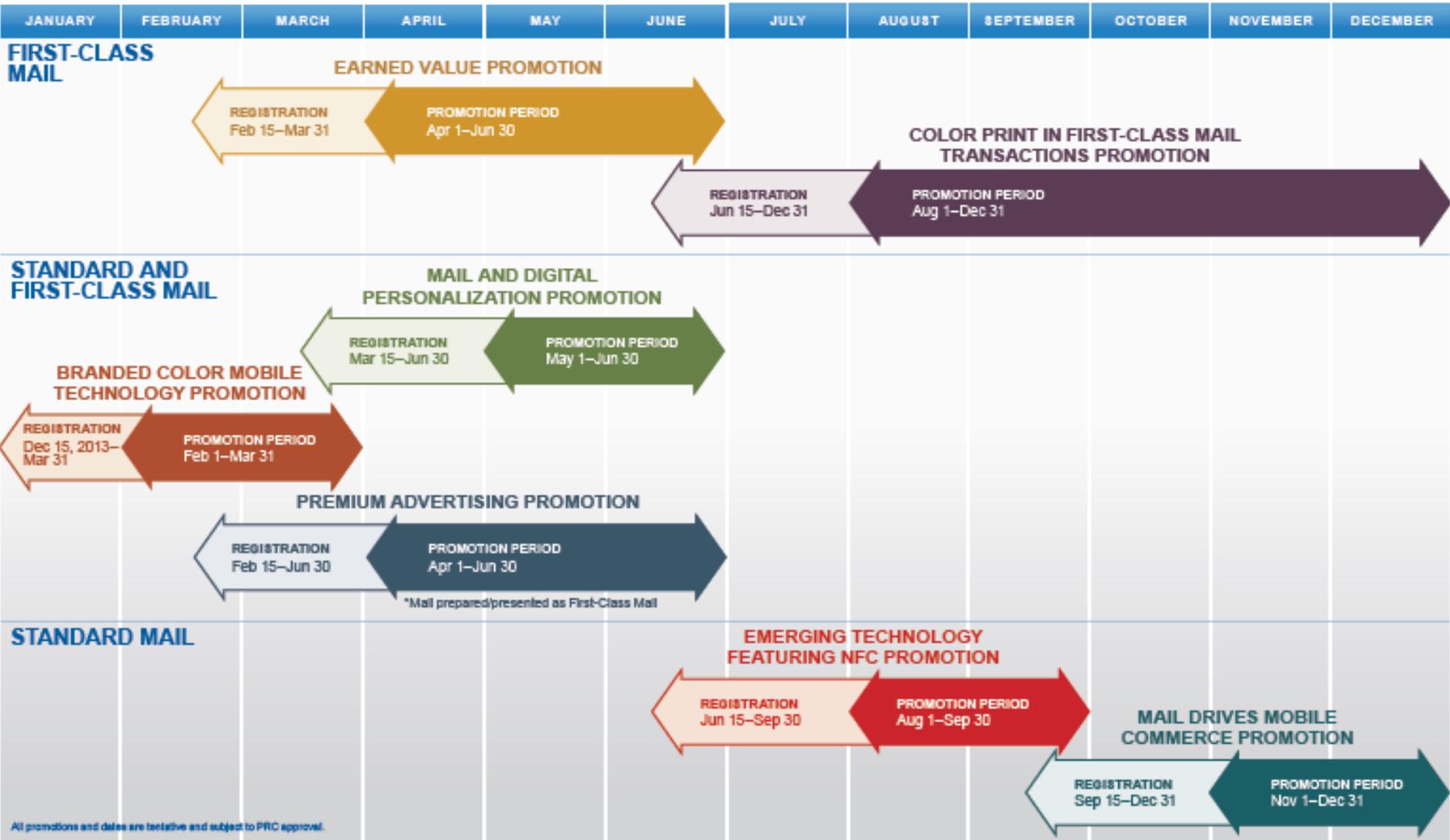
Renewed industry interest in alternate delivery



PAG Initiatives

- Coupon value
- Eliminating marked copy requirement
- Marking interactive links within Edit pages
- Recommendations and next steps from WG 158 on 3510/3526 forms
- Implementing new air box requirements in January
- Review USPS tests of 24 oz. flats on automation
- Combining Periodicals Publications – New MTAC group
- Product Samples in Periodicals
- Flats PARS

2014 Promotions Update



All promotions and dates are tentative and subject to PRC approval.

Promotion Results

• **Branded Color Mobile Technology Promotion**

- **Participation:** **Over 350 Participants**
- **Discounted Volume:** **Over 2.5 Billion Pieces**
- **Total Discount:** **Nearly \$12 Million**
- **Seeking anecdotal information about participants experience with color mobile barcodes**
- **Survey to be sent in a few weeks**

▪ **Earned Value Promotion**

- **574 customers enrolled. Registration ended March 31**
- **Counting reply mail pieces April 1 through June 30**
- **Credits will be released after August 24**
- **Extending expiration date**

▪ **Premium Advertising Promotion**

- **19 customers enrolled (Registration is still open)**
- **Promotion Period: April 1 – June 30**
- **Participants who plan to send commingled mail need to contact the program office: PremiumAdMail@usps.gov**

▪ **Color in First-Class Mail Transactions Promotion**

- **Receiving samples for review from mailers**
- **Registration begins: June 15**
- **Program Period: August 1 – December 31**

- **Mail and Digital Personalization Promotion**
 - Registration opened March 15, promotion began May 1
 - Promotion Period: May 1 – June 30
 - Recorded Webinar is available on RIBBS

- **Emerging Technology Promotion**
 - Webinar planned for early June
 - Registration begins: June 15
 - Promotion Period: August 1 – September 30

- **Mail Drives Mobile Commerce Promotion**
 - Registration opens: September 15
 - Promotion Period: November 1 – December 31
 - Requirements posted on RIBBS

Color Print in First-Class Mail Transactions Promotion



CLASSIC

Account Ending In 5017	
Previous Balance	= \$2,255.10
Payments/Credits	- \$0.00
Purchases/Cash Advances +	\$4.99
Interest Charges/Fees +	\$0.00
New Balance	\$2,260.09
Purchases This Year: \$9.98	
Revolving Credit Limit:	\$1,200.00
Available Credit:	\$0
Days in Billing Cycle:	28
Statement Date:	02/26/2014

Your Current Level: CLASSIC
You are \$9,990 away from achieving SILVER status!*

\$0	\$10,000 SILVER	\$25,000 BLACK
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**Subject to credit history.

Cabela's CLUB Points	
(Points shown in dollars)	
Previous Points Balance	= \$0.00
Points Earned at Cabela's	+ \$0.00
Points Earned at Cenex	+ \$0.00
Points Earned Elsewhere	+ \$0.00
Other Points Added	+ \$0.00
Points Redeemed	- \$0.00
CLUB Points Available	\$0.00

Payment Information	
New Balance	\$2,260.09
Amount Over Credit Limit	\$1,060.09
Amount Past Due	\$1,144.00
Minimum Payment Due*	\$1,189.00
Payment Due Date	03/22/2014

*Minimum Payment Due does not include any promotional balance or amount in dispute.

Late Payment Warning:
If your Minimum Payment Due is not received by the Payment Due Date, you may have to pay a late fee of up to \$35.

\$5 FLAT RATE SHIPPING
NO MINIMUM ORDER

Now through 05/31/2014

**MUST USE PROMO CODE:
CLUBFIVE**

Must use your CLUB Visa. Restrictions apply. See cabelas.com/clubfive, or call 1.800.237.4444 for terms and conditions.

Minimum Payment Warning: If you make only the minimum payment each period, you will pay more in interest and it will take you longer to pay off your balance. For example:

If you make no additional charges on your card & each month you pay:	You will pay off the balance shown on this statement in about:	And you will end up paying an estimated total of:
Only the minimum payment	4 years	\$2,260.00

If you would like information about credit counseling services, go to www.justice.gov/usdo/bapcpa/cde/co_approved.htm or call toll-free 1-855-895-1118.

Please note that your account has been identified to receive a CLUB points addition. This is being provided to address an operational issue associated with a previously made purchase that qualified for a \$5 shipping promotion. We apologize for any inconvenience or confusion. If you have questions, please call 1-800-850-8402.

You've qualified to earn 2% on all CLUB Visa purchases through April 30, 2014. All you need to do is start using your CLUB Visa for everyday purchases and begin to earn more points!

See next page for your list of payments/credits and purchases/cash advances.

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Change of address?

Check here and complete the reverse side.

*Cabela's CLUB Points cannot be used for payment.
*Please use black or blue ink and return this portion with your payment.
*Make Checks Payable to:

Cabela's CLUB Visa
PO BOX 82519
Lincoln NE 68501-2519

PAYMENT METHODS

	
cabelasclubvisa.com	Retail
	
Mail	1-800-850-8402

Account Ending In:	5017
Amount Past Due:	\$1,144.00
Amount Over Credit Limit:	\$1,060.09
Minimum Payment Due:	\$1,189.00
Payment Due Date:	03/22/2014
New Balance:	\$2,260.09

AMOUNT ENCLOSED:

PRIMARY TESTACCOUNT
6855 PACIFIC STREET
ONA WV 25545-9782

000001000000433100118900002260092

2015 Promotion Ideas

Evaluation Criteria

Strategic Fit:

How well does idea fit with promotion goals: The general intent of all promotions is to increase the value of mail and sustain its long-term growth and,

- **Build on the goals of past mobile barcode promotions**
- Continue **to build awareness of how mobile technology can be integrated** in direct mail campaigns
- Highlight other direct mail techniques and best practices that we believe increase the value of mail.
- **Create excitement about mail**, keep mail top-of-mind for marketers, reward innovative customers, show customers we want their business and encourage others in the mailing industry to provide similar sale initiatives for customers.

Benefit to USPS

How much will this benefit the Postal Service. Will this slow volume decline in FCM, is there be a possibility of incremental volume increase in Standard Mail, will it improve the overall value of mail, etc.

Benefit to Mailer

How much can the mailer benefit by participating. Will it increase the ROI of the mail campaign or will it offer significant postage savings?

Evaluation Criteria

Level of Innovation	In terms of technology integration, how innovative is the promotion . Is it a new or emerging technology? Is it something many mailers have yet to try?
Volume Retention	If the primary goal of the promotion is to retain mail volumes , how effective do we think it will be?
Cost to USPS	How wide would participation be - would total discount amount be high? Also, would this require significant or costly development of systems ?
Cost to Mailers	Would most mailers need to make significant financial investments in order to participate?
Ability to Implement	Would there need to be significant changes to our systems or processes to implement this? Would this require us to build a new product or system? Would we have to obtain concurrence or approval from internal stakeholders? Would this require significant staff resources at the program office level?

Current List of Promotions Ideas

■ First-Class Fundraising Promotion

- Encourages participants to use First-Class Mail® for their fundraising activities.

■ First-Class Mail Color/Transpromo Promotion

- Continue to grow the value of First-Class Mail and encourage mailers to invest in color print technology for bills/statements

■ Alternate Postage Promotion

- Build awareness and stimulate usage of one of our newest and most exciting products.

■ Holiday Mobile Shopping Promotion

- Demonstrate how direct mail, combined with mobile technology, continues to be a convenient method for consumers to do their shopping

Continued

■ **Mail and Mobile Technology Integration**

- Promote use of mobile-print technology that allows a recipient to either download an app or ties into a rewards/loyalty program

■ **2015 Earned Value Reply Mail**

- Slow the decline of First-Class Mail (BRM and CRM) pieces through a postage credit for each returned mailpiece

■ **Advanced or Emerging Technologies Promotion**

- Encourage the use of “enhanced” augmented reality or standard NFC technology in mailing campaigns

■ **Catalogs Drive Action Promotion**

- Use findings from catalog innovation study to encourage mailers to use multi-channel marketing and enhancements that demonstrate power of direct mail to drive consumer action

Open Discussion