



# Political Mail: Insights and Opportunities for 2016

INSERT DATE, 2016





**Here today to discuss**

- ★ The opportunity
- ★ What we're seeing
- ★ What we're hearing
- ★ The dashboard
- ★ Political mail and Millennials
- ★ Questions



Today we're talking about the insights and opportunities in the \$12 billion business of political campaigns. And in particular how direct mail has a critical role in being a central part of a campaign's communications strategy.

Bringing visibility to direct mail is what the mail industry is doing this cycle.

But before we get into that, we want to first talk about:

The business opportunity this election cycle.

What we're seeing out on the trails. The trends and tactics being deployed.

We've also talked with campaign operatives, held focus groups with national party and congressional committee staff, Super PACs, fundraisers, campaign managers, general consultants, pollsters, data consultants, and direct mail consultants. And we want to share with you the insights from those conversations.

What do they want? What's on the wish list of things these decision makers want? And what features in direct mail would make them mail more often and more frequently?

We've uncovered this, and want to share it with you. And unveil the newest development from the Postal Service to meet this demand.

And, finally, recognizing the Millennial voter is changing the landscape of the

electorate, with **Millennials are estimated to be more than 40% of eligible voters,** USPS and AAPC teamed up to uncover the Millennials' attitudes and behaviors towards political mail. This so-called tech generation, have grown up with and around computers. They have taken to social media in droves and driven the need for smartphones and other devices.

Does this mean campaigns should focus exclusively on digital advertising to reach them? Surprisingly, no.

Direct mail is a communications tool that cannot be ignored. We'll share the conclusions and finding from the study.

Then, we'll take questions.



But first, I want to set the stage for this opportunity.

I imagine everyone here has been following some form of the presidential race. Some even may know the delegate count for each presidential candidate right now. Politics can be a spectator sport—but you all in the audience I imagine are part of the machine—in one aspect or another.

## The landscape

ESTIMATED ELECTION SPEND FOR 2016: **\$12+ BILLION\***



**114** presidential primaries and caucuses

**93** state executive seats

**34** U.S. Senate races

**435** U.S. House of Representative races

**6,000+** state legislative races and tens of thousands of local races

More than **250** pending ballot initiatives

*\* Total spend estimates range from \$10 billion to \$16 billion*



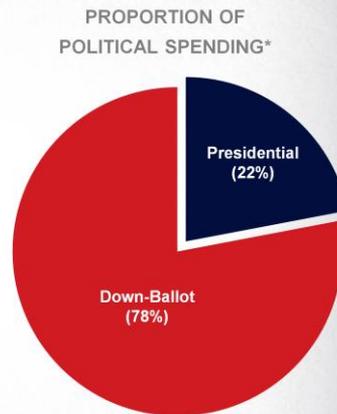
The 2016 election season is a major financial opportunity for the direct mail industry.

The 2016 election season is expected to expose voters to a high volume of ads and messages due to anticipated record levels of campaign spending. An estimated \$12.3 billion is expected on campaign advertising (such as television radio, digital ads, print ads, and, of course, direct mail). I will note the \$12 billion estimate is on the lower end of the spectrum. Some predict as much as \$16 billion when it's all said and done.

Actual spend in 2012 of political mail: \$525 million.

## Big money down-ballot

- ★ U.S. Senate and House: Collectively, spending about as big as presidential race
- ★ State Legislative Races: Seeing an increased focus, especially from outside spending groups
- ★ Ballot Initiatives: Almost \$1 billion spent in 2012, direct mail is more crucial here
- ★ Outside Spending Groups: Many Super PACs and like-minded groups can drop millions in down-ballot races



\*Source: Borrell Associates



While 20% of spending will be done by candidates – and those who support them -- seeking to occupy 1600 Pennsylvania Avenue, about 80% of spending will be done by congressional, governor, state general assembly, and local candidates.

Insights on these races:

Senate and House: Collectively, spending about as big as presidential race

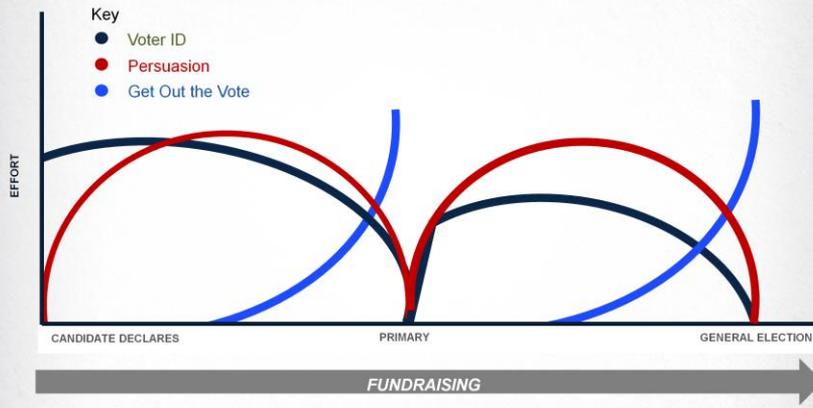
State Legislative Races: Seeing an increased focus, especially from outside spending groups

Ballot Initiatives: Almost \$1 billion spent in 2012, direct mail is more crucial here

Special Interests: Many Super PACs and like-minded groups can drop millions in down-ballot races



## Campaign spending phases



For candidates involved in a primary, it really is two distinct campaigns. Two different strategies and tactics—meaning two opportunities to impact campaign spending and deliver the benefits of direct mail. Fundraising is the constant.

Direct mail's "primary" power

Tried-and-true tactic of winning primary elections

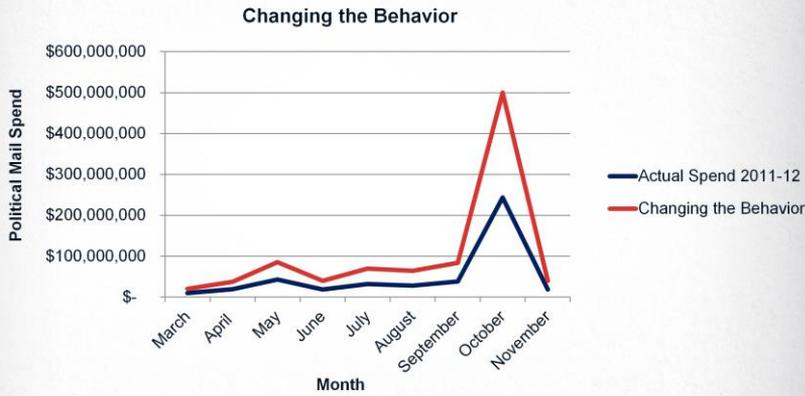
100% reach to targeted audiences

Cost-effective tactic for low-turnout elections

Provides long-form introduction for challenger candidates

Powers omni-channel campaign strategies

## Changing the pattern — “Early & Often”



Primary spending is an important part of changing the spending behavior of campaigns.

Here is a chart of the last presidential cycle. You'll see how the direct mail spend was pretty flat until the fall. Incremental increase now until the Fall.

As you see in the red line, political mail spend as it came in 2012. While political mail October revenues were extremely high, we have an opportunity to increase spend throughout the campaign especially in the months of July, August and September. We need to leverage the primaries and push throughout the campaign cycle.

To maximize our share, we must:

- Engage now until election day to influence spending throughout political campaign cycle.
- We must grow our overall share throughout the election cycle.
- We must partner with the mailing and political mail industry to drive growth.

As we just discussed, campaigns are spending well before the fall. So the opportunity is out there.



With a quarter of the campaign cycle already behind us, we want to share what's we are seeing in the field.

**Current perceptions of political mail**

- ★ Vital in reaching, persuading and motivating voters
- ★ Timing plays a critical role in sequencing communications
- ★ Current tracking for campaigns is flawed and inefficient, time consuming
- ★ Digital and direct mail are complementary

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The slide features a blue header with the title 'Current perceptions of political mail'. Below the title, four bullet points are listed, each preceded by a red star icon. To the right of the text is a photograph of a man with glasses, wearing a dark blue suit, white shirt, and striped tie. At the bottom left of the slide is the United States Postal Service logo.

Late last year, we met with a number of with campaign operatives, held insight meetings with national party and congressional committee staff, Super PACs, fundraisers, campaign managers, general consultants, pollsters, data consultants, and direct mail consultants.

**What we heard from them regarding political mail:**

- Vital in reaching, persuading and motivating voters
- Timing plays a critical role in sequencing communications
- Current tracking for campaigns is flawed and inefficient, time consuming
- Digital and direct mail are complementary
- Pressure to explore and test new digital opportunities

And in the first quarter of the election cycle, we are seeing political mails impact.



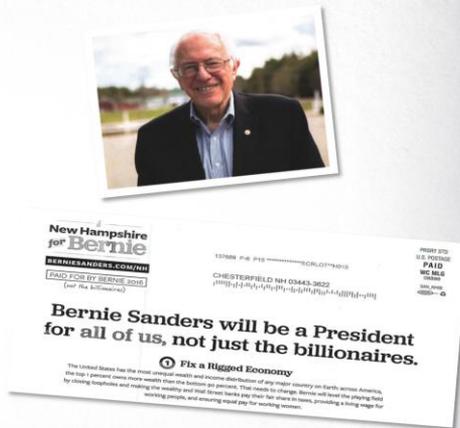
### Mail trends this cycle

- ★ Strong fundraising tool for presidential candidates
- ★ Integration between media channels are key
- ★ Tried-and-true method of communicating to primary voters
- ★ Innovative approaches to deliver a message

As *Politico* notes, “smart campaigns with big war chests are using a mix of tools – including both mail and digital – to target and communicate with voters in a much more sophisticated way than ever before.”

## Driving awareness

- ★ Candidate introduction to the electorate during the persuasion phase
- ★ Mail is a less intrusive media channel
- ★ Enjoyable customer experience



Mail drives awareness

Here's an example Senator Sanders used in the beginning of his campaign for president.

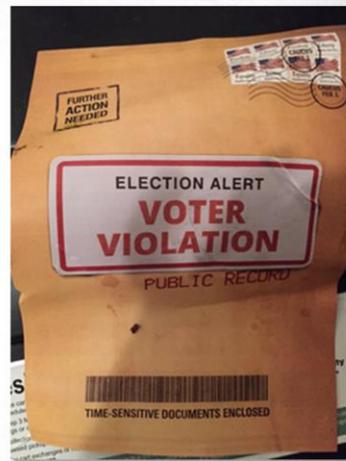
Using mail candidates have the opportunity to introduce themselves to voters and emphasize their message in more detail.

Mail is less intrusive – readers can engage with the mail piece when the time is right for them.

Mail is an enjoyable customer experience.

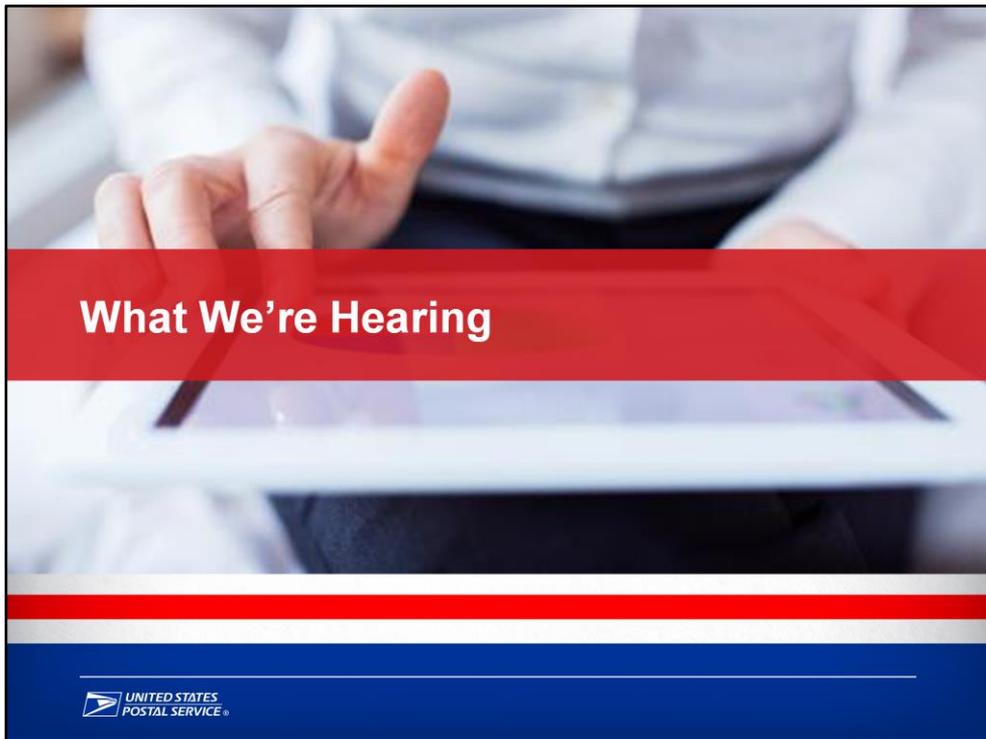
## Driving voters to act

- ★ Driving voters to get to the polls through a social pressure campaign
- ★ Hyper-targeted mailing – campaign used predictive models to identify infrequent voters who had an 85% higher chance of supporting the candidate
- ★ Get out the vote (GOTV) campaign



And here is an example of a campaign using mail to drive voters to the polls.

With all of the data now readily available, a highly targeted mailing can be an effective tool to identify and get infrequent voters to the polls.



So, that's what we are seeing, and here's what we are hearing this cycle.



**Decision maker wish list**

- ★ Predict when mail will be delivered
- ★ Track and analyze mail
- ★ Real-time data tracking of mailing process
- ★ Access and customize data to incorporate into voter files, share with campaign team, develop reports

Visibility on all channels makes for more effective integration

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#### Decision maker wish list

- Predict when mail will be delivered
- Track and analyze mail
- Real-time data tracking of mailing process
- Access and customize data to incorporate into voter files, share with campaign team, develop reports
- Hyper-targeted

Visibility on all channels makes for more effective integration

## Current perception of visibility

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Decision makers don't believe they are currently equipped with this information.

*Reality: information exists through Intelligent Mail Barcode™*

What the Postal Service is doing this cycle:

- ★ Driving awareness about the benefits of direct mail visibility
- ★ Working with campaign operatives and the industry to develop an enhanced tool for vendors to replicate
- ★ Helping to build awareness about the current IMb™ Tracing Vendors who are already bringing direct mail visibility to the campaign trail



## Current perception of visibility

Decision makers don't believe they are currently equipped with this information.

*Reality: information exists through Intelligent Mail Barcode™*

We know it's out there, and using it, and we are creating a hollow effect.

We're working as a team to help promote this technology.

You can take this information, skin it, and tweak it, and we're offering this information up.

What the Postal Service is doing this cycle:

Driving awareness about the benefits of direct mail visibility

Working with campaign operatives and the industry to develop an enhanced tool for vendors to replicate

Helping to build awareness about the current IMb™ Tracing Vendors who are already bringing direct mail visibility to the campaign trail



The Postal Service will be unveiling a “Deliver the Win” Dashboard this summer. This new USPS system will provide customers with delivery visibility into their political mailings.

Mailers will be able to;

- Track the delivery status of every Full-Service campaign mailing
- Know which Zip Codes have received the mail
- Analyze mail delivery by key geographic variables
- Display delivery data in graphical map view or columnar data view
- Export delivery information as a map or in raw form

Be on the lookout for more information about this exciting tool and join in as the Postal Service continues to provide more visibility into MAIL.

## Deliver The Win Dashboard™ landing page

The screenshot shows the 'Deliver The Win Dashboard' landing page. At the top, there is a dark blue header with the USPS logo and the text 'DELIVER THE WIN DASHBOARD™' on the left, and a red 'LOG OUT' button on the right. Below the header, a welcome message reads: 'Welcome to your Deliver The Win Dashboard™, John! By using the data filters below, you'll be able to view your political mailings like never before.' This is followed by a list of features: 'Your mailing selection defaults to the current week, but can be customized to view any week or month period for the past 12 months', 'You can view mailings for the list by checking each box.', and 'To view the status of your mailings, click the "Dashboard" button.' To the right of this text is a graphic of a map of the United States with an American flag pattern, and a group of small human figures standing below it. Two red callout boxes with white text are overlaid on the page. The first box, pointing to the 'My Locations' section, contains the text: 'Customers are able to search for delivery data based on their mailing locations. They can select one or more locations.' The second box, pointing to the 'Date Range' section, contains the text: 'Delivery data can be viewed in weekly or monthly aggregates'. Below the welcome message is the 'Search Mailings' section. It includes a 'My Locations' list with two entries: 'Smith for Senate - CRID 198762, 123 Main St., Richmond, VA' and 'Smith for Senate - CRID 198763, 123 Main St., Alexandria, VA'. There is a 'Date Range' section with radio buttons for 'Week' (selected) and 'Month', and a dropdown menu showing 'March 2016'. A blue button labeled 'VIEW MY DASHBOARD >' is located to the right of the date range. At the bottom of the page is a dark blue footer with the USPS logo and the text 'UNITED STATES POSTAL SERVICE®'.

DELIVER THE WIN DASHBOARD™ [LOG OUT](#)

Welcome to your Deliver The Win Dashboard™, John!  
By using the data filters below, you'll be able to view your political mailings like never before.

- Your mailing selection defaults to the current week, but can be customized to view any week or month period for the past 12 months.
- You can view mailings for the list by checking each box.
- To view the status of your mailings, click the "Dashboard" button.

**Search Mailings**

**My Locations**  
sort by Name | State

- Smith for Senate - CRID 198762  
123 Main St., Richmond, VA
- Smith for Senate - CRID 198763  
123 Main St., Alexandria, VA

**Date Range**  
View mailings by

Week  
 Month

March 2016

[VIEW MY DASHBOARD >](#)

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## Map view (default view)

The screenshot displays the 'DELIVER THE WIN DASHBOARD™' interface. At the top, it shows 'start over' and 'Searched 4 locations from March 1, 2016 - March 31, 2016'. The main area is a map of Virginia with various ZIP codes highlighted in green and blue. On the left, there are filter panels for 'Advanced Filter', 'Origin' (State, City), 'Destination' (State, City, Zip), and 'Mailing Date'. A legend at the bottom left shows 'Mail Delivery %' with three categories: 90%-100% (dark green), 80%-94% (medium green), and 70%-79% (blue). On the right, there is an 'Overlays' panel with options for States, Counties, Congress. Dist, and None. Five red callout boxes provide additional information: 'Applied search criteria' points to the search bar; 'Optional filters can be applied to further refine the display' points to the filter panels; 'Map legend defines percent of mail delivered' points to the legend; 'ZIP Codes™ are clickable and provide additional detail (Census data)' points to a specific ZIP code on the map; and 'Overlays can be applied to visually delineate data' points to the 'Overlays' panel.

Applied search criteria

Optional filters can be applied to further refine the display

Map legend defines percent of mail delivered

ZIP Codes™ are clickable and provide additional detail (Census data)

Overlays can be applied to visually delineate data

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## Data view

DELIVER THE V

start over Searched 4

MAP DATA

Advanced Filter

Origin:

State

City

Destination:

State

City

Zip

Mailing Date:

clear all filters

Data used to populate the map can be displayed in column format

Data can be exported in Excel or PDF format

Data includes mailing location, origin post office, mail destination (city, street, ZIP Code™), number of pieces, and percent delivered

	Origin	Post Office	Mail Service Provider	Destination	# pieces	% delivered
Smith for Senate - CRID 198762	Richmond, VA 20120	123 Main St., Richmond, VA	Mr. ZIP Mailings, Inc.	McLean, VA 22102	250	85%
Smith for Senate - CRID 198762	Richmond, VA 20120	123 Main St., Richmond, VA	Mr. ZIP Mailings, Inc.	Arlington, VA 22207	250	90%
Smith for Senate - CRID 198762	Richmond, VA 20120	123 Main St., Richmond, VA	Mr. ZIP Mailings, Inc.	Arlington, VA 22209	150	75%
Smith for Senate - CRID 198762	Richmond, VA 20120	123 Main St., Richmond, VA	Mr. ZIP Mailings, Inc.	Fairfax, VA 22031	1200	100%
Smith for Senate - CRID 198762	Richmond, VA 20120	123 Main St., Richmond, VA	Mr. ZIP Mailings, Inc.	Fairfax, VA 22032	800	100%
Smith for Senate - CRID 198762	Richmond, VA 20120	123 Main St., Richmond, VA	Mr. ZIP Mailings, Inc.	Falls Church, VA 22042	250	88%
Smith for Senate - CRID 198762	Richmond, VA 20120	123 Main St., Richmond, VA	Mr. ZIP Mailings, Inc.	Falls Church, VA 22041	50	0%
Smith for Senate - CRID 198762	Richmond, VA 20120	123 Main St., Richmond, VA	Mr. ZIP Mailings, Inc.	Alexandria, VA 22311	950	60%
Smith for Senate - CRID 198762	Richmond, VA 20120	123 Main St., Richmond, VA	Mr. ZIP Mailings, Inc.	Arlington, VA 22206	650	10%
Smith for Senate - CRID 198762	Richmond, VA 20120	123 Main St., Richmond, VA	Mr. ZIP Mailings, Inc.	Arlington, VA 22202	500	64%



## Interested?

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To inquire about this pilot program, please contact  
Elena Neely at [elena.m.neely@usps.gov](mailto:elena.m.neely@usps.gov)

or

The Program Management Office at  
[USPSPoliticalMailPMO@usps.gov](mailto:USPSPoliticalMailPMO@usps.gov) to learn more.

### Additional Resources

Deliver The Win Dashboard™ only displays data for political mailings that contain Full-Service Intelligent Mail Barcodes (IMb™). For more information on Full-Service mailing standards: <https://ribbs.usps.gov/index.cfm?page=intelligentmailservices>

Your political mail resource: [www.deliverthewin.com](http://www.deliverthewin.com).





Here's a summary of the recent findings from a joint study the United States Postal Service and the American Association of Political Consultants (AAPC) recently released.

Recognizing the Millennial voter is changing the landscape of the electorate, with Millennials estimated to be 33% of the registered voters nationally, USPS and AAPC teamed up to uncover the Millennials' attitudes and behaviors towards political mail.

This so-called tech generation, have grown up with and around computers. They have taken to social media in droves and driven the need for smartphones and other devices.

Does this mean campaigns should focus exclusively on digital advertising to reach them? Surprisingly, no.

Direct mail is a communications tool that cannot be ignored.

Polling and focus group research show that an exclusive focus on digital channels would miss an important opportunity for communications outreach: direct mail.

The conclusion of the study, Millennials are paying very close attention to political direct mail—it is a must-have component of a multichannel communications strategy and important launching point to digital channels.

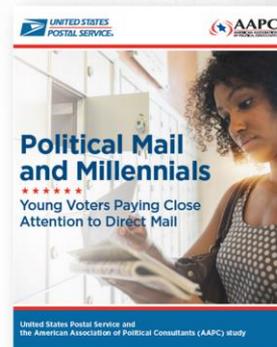
## Understanding Millennials

### ★ Why

- Millennials (ages 18-34) is the largest living generation
- Millennials are estimated to be more than 40% of eligible voters
- Digital natives, connected, involved

### ★ How

- Online survey (March 18-23, 2016) by USPS and Summit Research of 1,165 U.S. adults nationwide (sampled to match Census targets), with oversampling of Millennials
  - Millennials (=671)
  - Non-Millennials (=485)
- Series of focus groups by USPS and Deep Blue Insights



Access the study:  
[deliverthewin.com](http://deliverthewin.com)



USPS partnered with the American Association of Political Consultants (AAPC) to study Millennials' attitudes and behaviors towards political mail this cycle. The study can be accessed on our website: [deliverthewin.com](http://deliverthewin.com).

### Why

Because millennials will play a substantial role in electing lawmakers this cycle:

- Millennials (ages 18-34) is the largest living generation
- Millennials are estimated to be more than 40% of eligible voters
  - Hispanic millennials will account for nearly half (44%) of the record 27.3 million Hispanic eligible voters projected for 2016
- Digital natives, connected, involved

To that end, USPS conducted research, focus groups, and a survey and released their findings in a joint study with AAPC.

### How (the methodology)

Our findings primarily come from two sources:

Online survey (March 18-23, 2016) by USPS and Summit Research of 1,165 U.S. adults nationwide (sampled to match Census targets), with oversampling of Millennials

Unweighted sample sizes

- Millennials (=671)
- Non-Millennials (=485)

The goal: We wanted to understand the Millennial mindset on direct mail and compare results to non-Millennial adults. This comparison would provide further context on Millennials' use and attitudes of political direct mail compared to use and attitudes of older segments, who are generally considered to be top targets for direct mail.

And:

Held series of focus groups by USPS and Deep Blue Insights

Four focus groups representing Democratic, Republican, and unaffiliated voters

The goal: We wanted to understand how Millennials think about political mail. We exposed them to both positive and negative mail pieces from candidates and independent expenditure groups, provided by members of the American Association of Political Consultants.

## Political mail drives action

**57%**

of Millennials  
made a  
decision about  
how to vote  
because of mail



**66%**

of Millennials  
likely to search  
for information  
about the  
candidate



**54%**

of Millennials visited the  
candidate's website

Source: USPS and Summit Research national online survey  
(March 2016)



Some of the key findings:

Political mail prompts Millennials to take action. Because of political mail, 57 percent of Millennials made a decision about how to vote because of mail, with 54 percent visiting the candidate's website, and 66% likely to search for information about the candidate.

## Millennials share and discuss mail

**78%**

of Millennials  
discuss  
political mail  
with others



**75%**

of Millennials use  
political mail to  
remind them  
when to vote

*Reinforced in focus groups*

Source: USPS and Summit Research national online survey (March 2016)



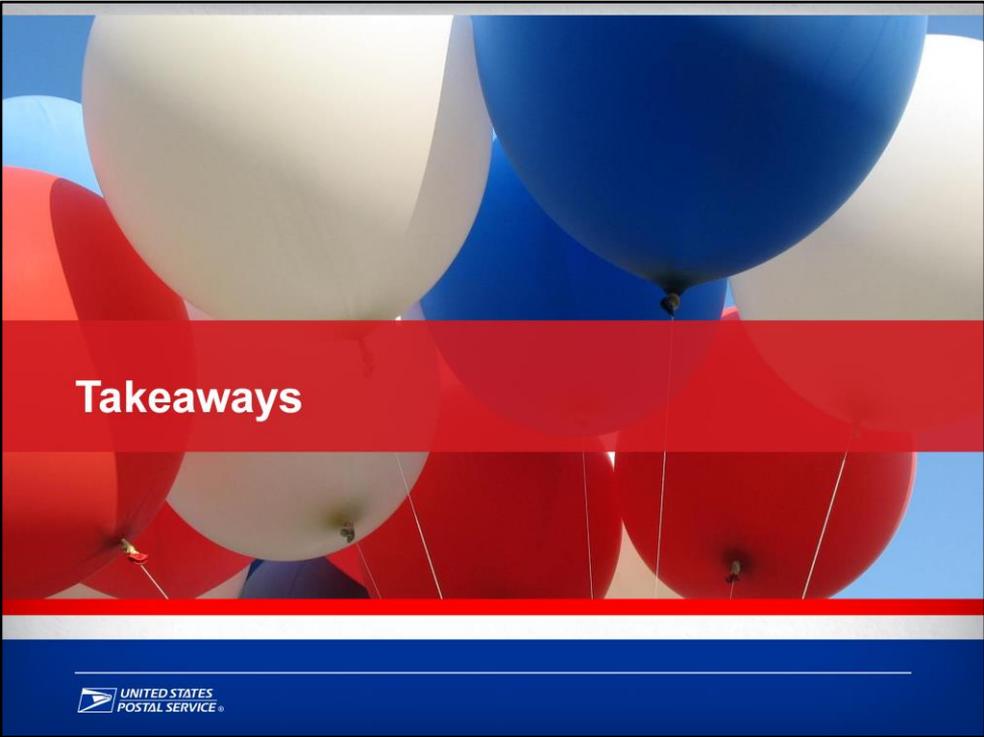
Key findings from the USPS and Summit Research survey reinforce that Millennials not only pay close attention to direct mail, but they also are involved in politics and very engaged in the political mail they receive—even more than non-Millennials.

Millennials read, discuss, and use political mail at higher rates than non-Millennials.

Discuss political mail with others (78 percent compared to 63 percent for non-Millennials).

Use political mail to remind them when to vote (75 percent compared to 58 percent for non-Millennials).

The conclusion of the study is Millennials are paying very close attention to political direct mail—it is a must-have component of a multichannel communications strategy and important launching point to digital channels.



# Takeaways

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## Presentation takeaways

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- 1. Millennials are paying very close attention to political direct mail — it is a must-have component of a multichannel communications strategy and important launching point to digital channels.**
- 2. Campaigns demand political mail visibility to better coordinate the full campaign communications strategy.**
- 3. The opportunity to influence the \$12 billion worth of campaign spending happens now (during the summer and early fall). Important to engage with decision makers now.**



### Takeaways

1. Millennials are paying very close attention to political direct mail — it is a must-have component of a multichannel communications strategy and important launching point to digital channels.
2. Campaigns demand political mail visibility to better coordinate the full campaign communications strategy.
3. The opportunity to influence campaign spending behavior happens now (during the summer and early fall). Important to engage with decision makers now.

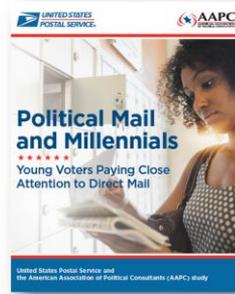
## Assets

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★ **Microsite: [deliverthewin.com](http://deliverthewin.com)**



★ **Access the study: [deliverthewin.com](http://deliverthewin.com)**



Assets are just a click away.

Check out our microsite: [deliverthewin.com](http://deliverthewin.com) How direct mail attracts voters and delivers results.

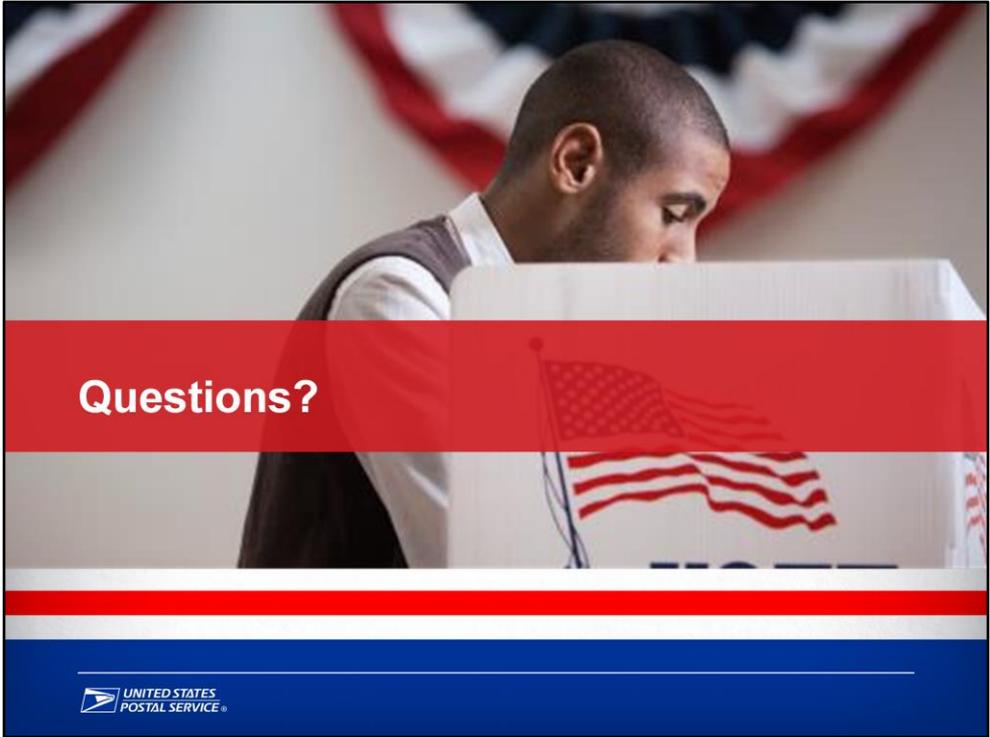
The site reiterates key political direct mail messages, including:

How mail amplifies digital marketing strategies.

How mail works in various stages throughout a campaign.

How visible and predictable mail campaigns seamlessly integrate with other campaign efforts.

[DeliverTheWin.com](http://DeliverTheWin.com)



Questions?

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