

Postal optimizations that will maximize cost-saving in direct-mail campaigns

Article

Over 40% of direct marketers are concerned about declining response rates and budget constraints relating to printing, paper, and postage, according to Quad's Direct Marketing Revolution 2023 [report](#). And 32% are struggling to provide relevant, personalized, and customized messaging for consumers.

As marketers look for ways to save on costs, they're thinking about how budget cuts will impact reach, explained Kris Persons, senior vice president of direct marketing at Quad, a marketing solutions company specializing in print marketing, during a recent [Tech-Talk Webinar](#). Despite direct marketing's effectiveness, budgets are not growing exponentially, and they aren't elastic enough to absorb cost increases.

That's where postal optimizations come in.

Direct marketers can save money by preparing mailings in advance to take advantage of US Postal Service (USPS) discounts, said John Puterbaugh, vice president of advanced media and innovation at Quad.

The USPS is transparent about its rates and how senders can reduce cost. Pricing includes type of mail, how a parcel is sorted, transportation, and delivery location.

Puterbaugh recommended three ways direct marketers can increase savings as it relates to freight, distribution, and postage:

- 1. Reduce friction with fewer touchpoints.** By limiting the number of distribution points and streamlining the postal process, direct marketers can save time and money. With fewer touchpoints, the parcel is less likely to be damaged, thus improving the in-home experience.
- 2. Adjust mailings to reduce USPS costs.** Direct marketers can see extra savings by sorting mail by neighborhood "walk sequences" or delivering to a large portion of a postal route via full pallets. Discounts activate when the sender achieves a high density (125 or more households), or high-density plus (more than 300).
- 3. Lower rates with optimization techniques.** Direct marketers can cut costs by consolidating sends, strategically adding names to send lists to reach high-density mailing amounts, and by geospatial optimization based on the number of store locations. The latter allows direct marketers to leverage a wide range of cities, regions, or market areas for more effective reach to optimize channel mix beyond print.

[Watch the full webinar.](#)

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