Managing Deliverability

A Guide for Dealing with Undeliverable Letter and Flat Size First-Class and Marketing Mail

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Dealing with Undeliverable Letter and Flat Size Mail

Not all of your mail is being delivered, and it is probably happening more often than you think. The reason is simple – the address is not deliverable. The official term is UAA – Undeliverable As Addressed – and it is costing you money.

It's not that mailers don't put effort into getting correct addresses. Most organizations update addresses as customers, members, and subscribers provide new ones. Virtually every Full-Service mailing goes through NCOA (National Change of Address) processing, where addresses are matched against a national database of address changes. Still, you can expect that 1% – 3% of any mailing – sometimes more – will remain UAA. The main reasons:

- A person has moved and failed to provide a change of address to USPS
- A change of address was filed, but completed incorrectly
- There is a new move that has not yet been included in the NCOA file used
- The NCOA record on file has expired

How these UAA pieces are handled is critical so you can identify and correct them, and so the Postal Service takes the right action with them.

How is UAA Mail Discovered?

As mail travels through postal sorting equipment, it is matched against another USPS address database – PARS. (Postal Automation Redirection System). If PARS spots an undeliverable piece passing through, it will divert the mail immediately for appropriate handling based on mail class and endorsements – that's the end of its trip.

Mail that makes it past PARS and to the carrier may be redirected by the carrier if they know the addressee is not at the address, there is no such address, or mail cannot be delivered there for any number of reasons. If the carrier recognizes the mail as UAA, the piece will be returned to the delivery unit to be recycled or sent to a returns-processing unit knows as a Computer Forwarding Service (CFS). The mail piece is manually processed, depending on the class of mail and services requested by the mailer. If it goes through returns processing, it will be scanned again and identified as UAA mail.

What Happens to Undeliverable Mail is Entirely Up to The Mailer

So, what happens to these pieces of mail that cannot be delivered? That is up to the mailer. If they do not specify how the mail should be handled, Marketing or Nonprofit Mailing will be thrown away – and the mailer may never know about it. They may keep mailing those bad addresses again and again. First-Class Mail may be forwarded or returned but with no notice. Confidential information may be forwarded against the mailer's best interest, or sent back to the return address on the envelope, exposing the mailer to bad will from clients or security and privacy risks. The consequences of mishandled undeliverable mail can be high. It is critical to manage how UAA mail is handled and how you receive information on it. This is controlled through proper endorsements and participation in Address Change Services.

"It is critical to manage how UAA mail is handled"

What the Postal Service Does with Undeliverable Mail

How undeliverable mail is handled by the Postal Service is dictated by the class of mail, printed ancillary service endorsements on the mail, and the Service Type Identifier (STID) value embedded in the Intelligent Mail barcode on the mail piece.

- Return to the sender
- Forward to new address, if available
- Throw the piece away, or recycle it
- Shred it – known as Secure Destruction

The rules surrounding these actions can be complex: sometimes they are free, sometimes they are far from free. Most often, the mailer can get a corrected address or reason for non-delivery returned electronically.

These actions are under the control of the mailer – they just need to specify what they want done. Instructions for the proper service are included in the Intelligent Mail barcode, specifically in the Service Type ID, and in the printed ancillary endorsement as applicable.

Additional Address Services from the Postal Service

There are four ancillary services you may request to direct how you wish your UAA mail to be handled:

- Address Service Requests
- Return Service Requests
- Change Service Requests
- Forwarding Service Requests

Address Service Requested

First-Class Mail is forwarded for the first 12 months after the move if a new address is available. Otherwise, it is returned to the sender. After 12 months, it is all returned. A change of address is sent electronically at no charge.

Marketing Mail is forwarded for no charge if a new address is available for the first 12 months after the move. After 12 months, the piece is returned to the sender for a substantial fee.

Return Service Requested

Mail is physically returned and not forwarded. Address changes or reason for non-delivery will be provided electronically. For Marketing Mail, First-Class postage is charged for returning the piece.

Change Service Requested

Marketing Mail is discarded, but a new address or reason for non-delivery is provided electronically. In most cases, there is no charge for this service for Full-Service Intelligent Mail. Basic Marketing Mail may be charged for electronic address notices.

Forwarding Service Requested

Essentially identical to Address Service Requested for both letter and flat mail, forwarding charges will apply to Marketing Mail pieces.

No Service Specified

First-Class Mail by default is treated as Forwarding Service Requested and Marketing Mail is discarded and no notice is provided to the mailer.

Of course, nothing is this simple.

Within each of these options are countless details, exceptions, and options. You can read the details in the Domestic Mail Manual ("507.4.0 Address Correction Services").

There is also one other service available for First-Class Mail – Secure Destruction. With Secure Destruction, any undeliverable mail is shredded securely by the Postal Service, and an address change or reason for non-delivery is sent to the mailer.

Endorsing Your Mail Pieces

You may see the services listed above as "Ancillary Service Endorsements." They are NOT printed endorsements! There are really only two endorsements you should print, and one of them is No Endorsement. It's really very simple:

- For **Marketing Mail**, if you wish to receive address services, print the endorsement: "**Electronic Service Requested.**" This tells the carrier that you do not want your piece immediately discarded, but that you want to have the piece run through address change processing.
- For **First–Class Mail, no endorsement is required.** While not required, an endorsement is still recommended to aid in minimizing physical returns. The piece will automatically be run through address change processing.

The wrong selection of service requested as an endorsement can generate significant unplanned costs. Your address requests are all managed within the Intelligent Mail barcode.

"Wrong selection of service can bring unplanned cost"

Accessing Deliverability Through Address Change Service (ACS)

Address Change Service (ACS) is the program through which mailers can direct how their UAA mail is handled, and how address information is delivered. Through ACS, you can have address change information automatically sent to you, or you can retrieve it from the Postal Service ACS program. The best solution is to use a service like SnailWorks, who can manage and enhance your ACS program.

Signing Up For ACS

In order to participate in ACS, you need to sign up directly with the Postal Service to have the address change data provisioned. If you are working with SnailWorks for ACS, you will still need to sign up for the program individually, and give the Postal Service permission to forward data to SnailWorks.

Two forms are required to sign up for ACS: the first to setup an ACS account with USPS and the other to establish access to electronic data. A third form is required if you wish to register for Secure Destruction, which can give you access to the Secured Destruction STIDs. Links to these forms are included at the end of this paper. SnailWorks will walk clients through filling out and properly submitting these forms. Once an ACS account is established, additional MIDs can easily be associated to the account.

Which Address Service Should You Use?

With all those choices, what address service makes sense for you? These are some typical applications:

Change Service Requested

This is by far the most widely used choice. Most mailers do not need the piece back and would, in fact, prefer not to have it back. The piece will be discarded, but you will be notified identifying which pieces were not deliverable as addressed, what the new address is (if available), and the reason for non-delivery. In most cases the Postal Service does not charge for it with First-Class Mail and Full-Service mailings. Change Service Requested is the most common choice for direct marketing – there is seldom a need to get the physical mail back.

Secure Destruction

For First-Class Mail, you can take the additional step of having the mail piece shredded by the Postal Service and have an electronic notice confirming its destruction. This is popular with financial documents where privacy and security are most critical. There is no charge for the service, but it is only available for First-Class Mail.

Address and Forwarding Service Requested

These essentially identical services are rarely recommended for direct mail marketing, but there may be applications for specialized mailings like ballots or financial documents. Generally, if you want the mail piece back, these are the services of choice. Forwarding and return come at a steep cost to Marketing Mail users, but there is no charge for First-Class Mail.

Return Service Requested

Return service is generally limited to high-value items where there is value getting the piece back. Some companies mailing expensive catalogs may be able to reuse them if returned, or some higher-end premiums. For Marketing Mail, it can be very costly to have the piece returned.

The Data Provided by the Postal Service

The Postal Service provides an electronic file which you can download or set up as an automatic feed. Secure Destruction data is similar, but comes in a different format from a different source. Marrying this data together with your mailing lists and identifying the mailing-specific information that is absent from the USPS data can be challenging This is an excellent reason as to why many choose to use an outside source like SnailWorks.

Included in the data will be:

- The original address mailed to (if there is a new address – not included if undeliverable)
- The new address, if available
- Reason for non-delivery – this is supplied as a reason code
- Assurance of destruction in the case of Secure Destruction

Working With and Interpreting Postal ACS Data

The first step in working with ACS or Secure Destruction data is to associate each record to the correct mailing and piece. Once this is done, you can characterize the type of record – a move or a nixie. Working with reason codes, you should develop a policy on what actions you wish to take with the records – delete the address, use the new one provided, etc. This is where reason codes become critical in driving your decision. Some of the codes you may see:

- Insufficient address
- Temporarily away
- Moved, left no address

There are many more. Clearly, you may take a different action depending on the results you get.

> "SnailWorks manages and enhances ACS data"

SnailWorks Mail Deliverability Services

Solutions for Undeliverable Mail

The most obvious way to increase the effectiveness of direct mail is to be sure it is all delivered. And yet it isn't all delivered. As of March 2023, 9.8% of Americans move annually. Time and again we see 2% – 4% of the mail in a high-quality mailing go undelivered. Every piece of mail that doesn't reach its intended prospect is wasted. SnailWorks Deliverability Services gives you the tools to measure, identify, and minimize undeliverable mail.

Undeliverable mail causes nothing but trouble:

- **It's a waste of money** – postage and printing for nothing
- **It hurts response rates** – measuring against mail that never got delivered is bad math
- **It makes you look bad** – undeliverable mail may pour back into your client's office, even a small percentage can create quality concerns
- **If undeliverable mail has the wrong barcode or endorsement**, you may pay a fortune for mail nobody wanted back

SnailWorks uses a combination of Postal and proprietary services so you can control your undeliverable mail:

- **Identify each piece that is undeliverable as addressed.** Know who, when, and why mail was undeliverable as addressed – and get the new address when available
- **Take control over how USPS handles your undeliverable mail.** Return it, forward it, discard it, or shred it, and document what happened to every piece
- **Get new address information delivered to you automatically** – on your schedule
- **Receive all deliverability data** from a variety of sources combined in a single file linked to your identifying address. No fancy processing to do or matching back– we do it for you!

SnailWorks Mail Deliverability Service combines Postal data from ACS (Address Change Service), Secure Destruction, and Informed Visibility with your mailing data to drill right down on what mail was undeliverable and why. Our experts can assist with proper setup, STID selection and data interpretation. ACS data and subsequent list updates can be automated. And, as with all SnailWorks services, it is easy to use.

Choose the Right Partner:

SnailWorks Mail tracking, Informed Delivery, and Deliverability Services are essential for all mail service providers and mail owners. SnailWorks has tracked billions of pieces of mail. We have tracking solutions designed to work with anyone in the mail value chain – mail service providers, agencies, campaigns, non-profits, retail marketers, and financial services. Every mail effort has unique requirements and can benefit from the intelligence mail tracking provides. SnailWorks is the perfect partner, offering:

- World-class mail tracking
- Unmatched expertise in all phases of mail and mail tracking
- Account organization, including views that allow each party to see their data
- Affordable plans
- Informed Delivery support, creating, managing, and reporting
- Unparalleled service, reporting, and proficiency

Additional Resources:

USPS ACS™ Enrollment
https://postalpro.usps.com/acs/eACS001.pdf

Electronic Product Fulfillment
https://epf.usps.gov/assets/psform5116_0320_v2.pdf

Secure Destruction
https://postalpro.usps.com/acs/SDEnrollmentForm.pdf

Domestic Mail Manual (Address correction Services – 507.4.0)