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### *The Challenge*

To reduce the amount of returned mailed to recognize increased business opportunities and decreased unproductive paper and postage expenses.

### *The Solution*

GrayHair's ACS Services, which, when used in conjunction with NCOA and CASS, provide the maximum coverage for updating addresses.

### *The Benefits*

Increased number of mailpieces are delivered to the correct recipients and updated addresses.

## Case Study: ACS Services from GrayHair Wanted: The True Benefits of Address Change Services Software

**GrayHair's ACS Services help leading direct marketing company cut returned mail costs and increased return of investment.**

### Challenge

**Having a constant stream of returned mail, a leading direct marketing agency needed a way to eliminate concerns caused by missed opportunities and returned paper and postage expenses.**

With more than 17 percent of the country moving every year, only 50 percent file a Change of Address form with the USPS®. This means mailers continue to send mailpieces to out-of-date addresses, which increases their mailing costs with little or no ROI. Marketing messages or invoices arrive late or are delivered to an incorrect recipient as a result of undocumented moves. Additionally, an out-of-date mailing list can prevent a mailer from receiving discounted mail rates. While the National Change of address (NCOA) database provides part of the solution, it cannot cover all moves made with only half of all change of addresses (COA) on file.

The leading direct marketing agency was using NCOA to update their lists but found this did not fully solve their problem. The agency was still receiving large numbers of returned mailpieces. Using CASS™ and DPV™ identified invalid delivery points but could not flag common addressee errors such as death, divorce, missing apartment numbers or even a simple data entry error. The agency was unaware of how many mailpieces were incorrectly mailed on a repeated basis. Working with GrayHair, this Agency determined their mailings had more than the industry standard of 6-10 percent of its mailing costs resulting from Undeliverable-As-Addressed (UAA) mail.

### Solution

#### ACS Services from GrayHair Software

GrayHair Software provides the recommended first steps — CASS™ and NCOAlink® processing. When used in connection with its ACS Services, which contains carrier knowledge information, the agency realized substantial improvements in the quality of its mailing lists resulting in fewer returned mailpieces. These services, driven through GrayHair's SelectSolutions platform, are easy to use and offer many on-demand mail services.

ACS Services provides valuable information. Being on the frontlines, they know the following vital information — when people move or no longer live at the addresses. They then file move information for the addresses or label the address as undeliverable or also known as a Nixie. ACS hit rates can range from 1–3% on customer mailings, like statements/bills. Hit rates of 5-8% are common on most acquisition files. Hit rates for some mailings can be as high as 20% especially in some business mailings. The Agency received an outstanding 4% Nixie hit rating and a COA above and beyond rating hit rating of 1.5%, which they felt was a huge success. Since ACS is not

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recommended for rented lists (nor is allowed), it was good that the Agency used it on their house list. ACS is meant for house lists and prospect databases where you are continually mailing to the same address.

## Benefit

### Large decreases in the number of returned mailpieces by using GrayHair's ACS Services through SelectSolutions resulting in over \$2 million in savings.

GrayHair processed a job of 100 million records using the COA and Nixie returns along with suppression options offered through SelectSolutions, such as deceased suppression and prison suppression, the number of address records that were successfully changed resulted in a savings to the agency of \$2,227,500.

- Get updated addresses that are not in NCOA database, to ensure you are mailing to the right address.
- Get access to more temporary moves, suppress those mailings until the resident returns.
- Get access to a lot more NIXIE records, suppress those pieces from future mailings and use the savings to mail new names that may respond instead of spending the money on mail that will only end up in the trash.
- Be green and save trees, wastewater, energy and reduce carbon output.
- Eliminate physical returns by getting them all electronically and be able to leverage that data against future mailings.
- Improve your ROI on every mailing. Using ACS and applying the updates will make every mailing more profitable and will reduce your waste.

#### ACS Sample Results

<b>Total Job Quantity</b>	100,000,000
<b>Cost per mailpiece</b>	\$.45
<b>NIXIE hit rate</b>	4.0%
<b>COA hit rate</b>	1.5%
<b>Suppress</b>	3,600,000 pieces
<b>Redirect</b>	1,350,000 pieces
<b>Savings</b>	\$1,620,000
<b>Forwarded Pieces</b>	\$ 607,500
<b>Total Savings</b>	<b>\$2,227,500</b>

## Result

### Using GrayHair products allowed the agency to reap the benefits of the highest possible postal savings while also saving money on supplies and handling expenses.

By using all the services and applications available through GrayHair Software for address hygiene, larger discounts can be taken and, more importantly, the mailpieces are actually delivered to the correct recipient increasing the potential for additional sales or responses to the agency's campaign.

#### About GrayHair Software

GrayHair Software, Inc. is an innovator and industry leader in the development of products and services that improve and automate the management of business mail. GrayHair's offerings are delivered via Select Solutions™, a cloud-based platform that merges software as a service with managed services. This customizable set of critical mailing services includes IM™ barcode assignment, mail tracking, address quality, presort, postage reconciliation and a variety of other mail processing software. GrayHair's ground-breaking solutions are designed by the leading minds in the mail industry and backed by an experienced, dedicated customer support team.