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Address Quality and Why You Need to Read This We'll pay you \$175.20 to read it (albeit very, very indirectly)

World's most boring headline: "**Canadian Initiative Debated!**"
Second most boring headline: "**Address Quality...um, Anything.**"
We get it. It's boring. BUT...

Let's do some 'rithmetic:

- You mail 100,000 pieces o' mail;
- You pay your mail service provider for NCOA;
- Your friends at the USPS say that 3,600 pieces of your mail (3.6%) were not Move Update compliant;
- The allowed threshold is 800 pieces (.8%) – you are over that by 2,400 pieces;
- **Your penalty is 2,400 x \$.073/piece: \$175.20**
- Oh, and many those pieces were never delivered, but you don't know which ones – probably a couple thousand, which you will mail again next month. So the postal penalty is really the least of your problems.

Don't blame your mailer – they did the minimum, just like you asked them to. In the pre-Full-Service world the minimum was good enough. Not anymore. You need to know more about address quality than your mail house in most cases. Fortunately, you will – you've got SnailWorks on the payroll!

So, let's start smartin' you up right now. First, let's talk about the various address databases and matching methods. Whee!!!

- **NCOA – National Change Of Address.** You know this one – when good citizens move they file a change of address and it goes into the NCOA database. USPS won't let you look at the addresses (they're protected for privacy) but they will tell you if one of the addresses you already have matches one in their file, and if so they'll give you an update. We call this a "hit". It is important to note that there are two flavors of NCOA:
 - **18 month** - this is for moves that have occurred in the last 18 months. If you have a 24 month old address it won't be caught. The big advantage of this data is it's cheap, and mailers love cheap.
 - **48 month** - this database has data for moves going back four years, so it will almost always find more matches and correct more addresses. The downside: it costs a tiny bit more. Eww! Still, unless you are particularly rigorous about your address management, spring for the 48 month version. Tell your mailer to stop being so cheap, and give you the good stuff. The cost differential should really be minimal.
- **PARS – Postal Automated Redirection System.** You're not allowed to see this one, but your mail will. This is the database postal equipment uses to identify mail pieces that need to be forwarded, returned, or destroyed. In a perfect world, this database would match the NCOA data, but here on Earth, well, not so much. There are military and college moves on this database, as well as carrier-reported moves that just don't make it to NCOA. This is a lot of the reason you can do NCOA and still fail.
- **ACS – Address Change Service.** This is not a database so much as a method you can use to identify mail that was not delivered to the intended destination. If it's undeliverable it will be caught and identified by PARS or by the carrier using his or her DFK (Delivery Force Knowledge – we can't make this stuff up). IF you mail Full-Service, and IF you apply to corrections you get to your mailing list, the data is FREE. With Intelligent Mail, we can embed the ACS request in that fancy barcode you print on the mail piece, although you may need an Ancillary Endorsement. **There are many flavors of ACS, it can be complicated, and there are many ways to do it wrong which can be very costly.** Thus SnailWorks – we'll take your trembling hand and walk you through the dark forest of ACS processing. ACS is a great service with great ROI. Just make sure you have the right vendor helping you.
- **PCOA – Proprietary Change Of Address.** OK, this is optional, but a great idea at least every now and again. There are a number of database companies across the land that take the NCOA database and enhance with address updates from a variety of sources – periodical address changes, credit bureaus, lots of others – and match your list against them. They will generally have a better match rate than NCOA, for a fee.

Our advice for optimum address quality:

- Before every mailing, run your list against a 48 month NCOA file. Make sure you get back the changes and update your database;
- Do ACS on every mailing. Even after NCOA we typically find ACS hit rates of 1% – 4%. With SnailWorks, if you track your mail, ACS cost almost nothing. Use the returned changes/undeliverables to suppress those addresses from your next mailing;
- Send your house files for PCOA processing a couple of times a year. Apply the changes you get back to your list.

You might notice a common theme here – use the data you get to fix your list! It doesn't seem that doing the minimum will be enough anymore, and it's never really been a smart business approach, anyway. Between SnailWorks and your hot-shot mail house you can get the tools and help you need to have a sparkling clean list!

Some footnotes:

- The .8% threshold for Move Update is proposed at this time, not final;
- The penalty fee of 7.3 cents per piece over the threshold is proposed, and not final;
- Assessments for Move Update errors are scheduled to start in April 2015, but this could be pushed back;
- The value of having excellent address quality is never subject to change, and always final.

Giant Snail Unleashed in San Diego Come see it at the DMA, October 26 - 28

Team SnailWorks will be rolling out our giant, 20 feet snail at the DMA show in San Diego, California. We'll be in booth 1319. Come on by and see the giant snail, meet the team, and learn how SnailWorks can help your direct mail and multi-channel efforts.

Next Issue: **Canadian Initiative Debated!**

8341 Beechcraft Avenue
Gaithersburg, MD 20879
855 MySnail (697-6245)
www.SnailWorks.com

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