

# POSTAL NEWS

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## **1. Orissa to pay NREGS wages through post offices**

KalingaTimes Correspondent

Bhubaneswar, June 6: Come October, the job card holders under the National Rural Employment Guarantee Scheme in Orissa would be paid their wages through their accounts in the post offices across the state.

To make it happen, the Panchayati Raj Department of the state government signed a memorandum of understanding with the Postal Department here on Thursday.

The account opening process would begin from June 15 and payment to the job card holders will be made from October.

These saving accounts would be opened with zero balance for the job card holders, but the Panchayati Raj Department would make the initial deposit Rs 50 each in such account.

According to official sources, the authorities would deposit payable to the workers engaged for work under the NREGS at the main post offices and the same would be credited to the saving bank accounts of the labourers through the post offices in interior areas.

As per the agreement between the state government and the postal department, the job card holders who would have accounts in the post office will get accident insurance cover of Rs 1 lakh at a nominal premium of Rs 15 per annum that will be given by Oriental Insurance Company.

The novel scheme, which would about 44 lakh job card holders in the state, would be first of its kind in the country.

## **2. When E-Mail Marketing Works And When It Doesn't**

Naomi Grossman 06.06.08, 5:00 PM ET

The cost of stamps keeps going up, but small and midsize businesses still need to mail catalogs, sale promotions, and reminders to clients and customers. Or do they?

Online advertising expert Thomas Harpointner, chief executive of e-business marketing firm AIS Media, has some wise words about snail mail vs. e-mail. He addresses customers' online security concerns, the (unavoidable) pitfalls of spam, and the future of online marketing (hint: smartphones).

bMighty: How will the rising postal rates affect smaller business' use of the post office?

Thomas Harpointner: Businesses already have cut back on postal use. The rate hike is making the press, but now they will be raising the rates every year. Next May 1, it will be one more penny, at least. It could be much higher. With the rising cost of gasoline, any business that requires transporting goods will be affected. And we've already seen a 25% reduction in postal use by business.

E-mail is being used by virtually every type of business. There are some things that can't be sent by e-mail--medical reports, credit reports, law firms' documents and anything that needs to go through the post office; in some cases, the stamp makes the document official. Any official business will continue with postal mail, such as any type of a legal document that requires an original signature or postmark, for example, if a company is being sued.

Is there a way for those types of businesses to avoid snail mail?

Banks have found a way to circumvent the post office with direct deposit and paperless statements. Brokerage firms are also making statements available online. They don't mail statements and they avoid cost of paper and ink. It's also more environmentally friendly. And with the rise of fuel costs and postal costs, it's cheaper.

What about customers who worry about security with e-mail?

Many customers prefer paperless statements. It's voluntary, easily accessible, and they don't have to worry about identity theft. The No. 1 complaint to the FTC [Federal Trade Commission] is identity theft. Until every mailbox has a padlock, anyone can get in. Banks are all guilty of this. Banks send these blank checks [to customers in the mail]. If somebody intercepts it and writes on the check, money comes right off the account. The postal service is still scarier than e-mail vis-à-vis identity theft.

If someone can open an envelope, they can have access to lots of financial records. A mailbox has no real security. It's wide open to the world. Computers don't steal, people steal.

People are afraid of using credit cards online, but they don't have a problem handing it over to a waiter who disappears with it for 15 minutes. As long as confidential information isn't sent in an e-mail but informing the user it's available with login and password, it's safer for their customers and cheaper for the business and more convenient for both.

What about the people who like having a hard copy?

If you get a coupon in the mail, how often do you have it on you in the store? But if it was sent via e-mail and you can pull it up in your BlackBerry and show the cashier? The big stores are starting to do that. Organizing your e-mail is easier than organizing your mail at home. Postal mail, people open over the trash can. Skeptics say much of e-mail goes to spam and junk, but I would argue that people open their postal mail [business and residential mail] over the trash! In one study, the average response from an e-mail marketing campaign is 4.5% versus 2% to 2.5% for a postal mail campaign.

So are we seeing the beginning of the end for postal mail?

I see no end to postal mail. But the type of postal mail we receive will be more targeted, more relevant. So small and midsize businesses should rate their communications of everything that gets e-mailed and mailed, and on a scale of one to 10, rate how important these pieces [are]. The very important pieces that have to be in paper--a document that requires a signature with blue ink, like a lease--needs to be in postal mail. But what about that reminder for a tooth cleaning? Does it need to be in the postal mail? Or the sales event at a local store? For small and midsize businesses [that] have been thinking about moving more stuff online, this is a push.

A lot of brochures are expensive to print and costly to send. Companies in all industries large and small have begun to digitize those documents, like brochures, case studies, and white papers. There is much less information being printed than there was. Salespeople can refer customers to a link where there's a PDF, rather than mailing something.

What about the concern that a business' e-mail will end up as spam?

You can't avoid it. Business to consumer [postal] mail is easier to get through, but business-to-business e-mails have a much better chance of getting read than if they go by postal mail. Every executive has their own e-mail address, and it's personal, but only one mailbox, and the administrator is the screener there. Marketing gets thrown in the trash at that decision point.

Eve Partners, a mergers-and-acquisitions firm for the trucking industry, started to do e-mail campaigns. They were trying to reach executives at certain firms. They started an e-mail weekly newsletter, and since they started, their CEO said they can't handle the amount of inquiries they're getting. If they had to print the newsletter and mail it, it may or may not get read.

The benefit of e-mail is there are more statistics available. With a postal campaign, if you send 1,000 pieces, you don't know how many people opened and read it. With an e-mail system--we use Excerpto Mail [ Ed. note: an AIS Service]--you get a reporting system: How many were sent, deleted, opened and clicked on. Most of the better e-mail marketing systems have this. Postal mail can't compete on that level. The sender of the e-mail has a clue. He can see if everything is being deleted. Maybe the message is becoming irrelevant.

Business to consumers is a little different, but more consumers have e-mail than ever before. Most consumers have their own e-mail address. Reaching consumers is effective with postal mail, but [it] still gets opened over the trash. E-mail is still more effective. The Direct Marketing Association reports that e-mail marketing has shown to deliver \$51.45 ROI [return on investment] for every marketing dollar spent. Catalogs have been with us a long time, and they work well--\$7.20 ROI. You can make more money with e-mail campaigns.

What is the next frontier in mail for smaller businesses?

A major catalyst in our industry--smartphones. They will become the de facto Internet device in the next few years. More and more people are using them to check e-mail and connect to the Internet, at the office or the airport. You can browse the Web, check e-mail and check statements. As more and more people have access to the Internet, e-mail marketing will grow. Even if it was more expensive, it would continue to grow, but the fact is that it is much less expensive. And with the reporting capabilities, people can instantly respond. Who doesn't want a cheaper, faster, more effective way to do marketing? You can't get access to postal mail easily if you're traveling.

The printing industry is 60% smaller than it was in 1995. People are just not printing as much. Small and midsize businesses don't have the IT power, the technological savviness, or the resources of large companies, but over time, they will adapt. They have access to e-mail, they can see it's working, it's just a matter of how to get into it.

Naomi Grossman is assistant editor of bMighty.com.

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### **3. Connected: Postal Service technology can be helpful**

Saturday, June 07, 2008

By David Radin

Everybody complains about mail delivery. But it's amazing that the United States Postal Service can deliver billions of pieces of mail and have so many of them get to the proper destination in a couple of days or less.

Even with the rise of electronic bill pay services, USPS delivers checks daily to ensure that our payments get credited promptly to our creditors and banks. Sometimes that happens despite circumstances against them doing it.

I use electronic bill-pay; but some payments, I make by traditional check. In March, I received one of the typical paper bank statements and sent my payment by mail, with the confidence that it would arrive on time as usual. But when my April statement arrived, I was surprised that it showed no payments having been applied to my account, and that the bank had applied a \$35 late fee.

I promptly picked up the phone and informed Jackie, the customer support rep who answered my call, that I had mailed it 10 days in advance of the due date. She said she would note my account (with hopes that it wouldn't hit my credit report as a nonpayment), but she would not be able to credit the late fee until a new check came in.

To avoid problems, I promptly issued another check, but I wondered what might have happened to my original check. The answer came in early May, in the form of a letter from Lionel Snow, the manager of the USPS Mail Recovery Center in Atlanta. It read:

"You recently mailed a letter that we were unable to deliver or return. When this occurs, the letter is sent to a Mail Recovery Center where employees are authorized to open the mail to determine if address information is available to return to the rightful owner."

I guess I shouldn't have been surprised, but have never seen such a letter, and had not known of such activities. The letter went on to tell me that the Postal Service has recently installed imaging equipment specifically to expedite the return of undeliverable checks -- and there was a picture of my check near the bottom of the page! It apparently took a detour after the envelope became undeliverable, though I wasn't told why or how it was undeliverable.

Mr. Snow went on to express his regrets that the letter did not arrive at the destination, and assured me that the scanned image was not retained by the Postal Service and that the check had been shredded after it was scanned -- to make sure that my personal information would be protected.

In essence, an astute Postal Service employee pulled the address off my check and used new USPS policies and technology to make sure that I, the sender, was not harmed.

With the letter in hand, I was able to phone the bank, inform it about what happened, and get the late fee and finance charges (which by that point had accrued in two billing periods) credited back to my account.

Normally, when we think of how technology is used in delivery of letters and packages, we think of big sorting machines that read characters or bar codes. We think of the scanners they use when they pick up our packages and the touch-screens with styli that we use to sign for packages that arrive. And of course, we think of the way we can use

the Internet to track our shipments en route to their destinations. Even as I love these technologies, I now found my new favorite -- because it protects us behind the scenes from the problems that can happen due to nobody's fault in particular.

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