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## EFFECTIVE LIST MANAGEMENT CAN SAVE YOU BIG

Let's talk about how to keep your postage costs down.

So far you have been following my advice and mailing to the same list more than once. At some point you find lists that will produce returns continually, but you notice that you are receiving more returns than when you started mailing to those lists.

You may see things like "Undeliverable as Addressed" or "Forwarding Order Expired." Every time you mail to an address and that prospect has moved or cannot be found for any reason, you have just paid for the postage with no possibility of getting a response.

Obviously it is a pretty big waste of money to continue to mail to this address, but what do you do about it? You could simply go into the list of names that you have purchased and delete the returns. No more bad addresses, no more wasted postage, right? That is one option but there is a better way to handle the situation.

The US Postal Service has an NCOA (National Change of Address) System that a limited number of companies are licensed to access. These companies are able to take the list that you have purchased, or compiled yourself, and check it against the USPS system. You will receive a report that will let you know if anyone on your list has moved, gone out of business, or even if the zip code that contact was in was changed by the Post Office itself. Along with the report you will receive a new copy of your list that has been cleaned and updated.

The cost for having your list checked is very economical (about \$5.00 per thousand records) and will allow you to keep getting your message out to as many people in your list as possible.

At times you can see up to a 10% undeliverable rate, and it can even be higher on older lists that you have been using for a while. Average is more like 5% undeliverable so let's take a look at the numbers at that rate.

If you mail 10,000 and get 5% back for bad addresses:  $10,000 \times .05 = 500$  pieces.

You will have paid postage on 500 pieces that did not reach their destination.

So if you mail to your list again without cleaning it you have just wasted:  $500 \times \$0.23 = \$115.00$ .

If you were to NCOA that list at a rate of \$5.00 per thousand you would have spent:  $10 \times \$5.00 = \$50.00$ .

So you have three choices when faced with a list that needs cleaning:

1. Spend hours deleting every return that you receive from your list.
2. Waste \$115.00 or more in postage every time you mail to that list.

or

3. Have the list checked by an NCOA service and get back in touch with customers that may have moved, for around one tenth the cost.

The NCOA service is the easiest and most effective way to keep your postage costs down.

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