USPS – Privacy and CRM

Information Security and Privacy Advisory Board Meeting

March 16, 2004

- Background
- Why we are doing it?
- The Solution
- Privacy Implications
- Customer Gateway – Business Customer Application

SCOPE:
- 700,000 employees
- 87,000 retail locations – 7M customer transactions daily
- One of largest govt. websites (approx. 340,000 daily hits)
- 76+ customer databases - 15 customer call centers
- 2006 mail pieces yearly – mail industry 8% of U.S. GDP
- 14,800+ servers / 112,000+ desktops / 20,000+ laptops

BUSINESS MODEL:
- Independent government entity
- Transformation Plan and Presidential Commission
- Customer ID Initiatives
- Cross-Functional Committees
  - Privacy Committee
- Organizational Commitment
  - Business case, funding
- Milestones
The current customer data management capabilities of the USPS present significant business challenges for both the organization and its external customers.

**Customer**
- "Bleed", "Fragmented", "Data everywhere", "Frustration"
- Multiple entry points and processes
- Inconsistent experience
- Redundant data entry

**USPS**
- No single view of the customer
- Can't integrate data across business units
- Can't manage customer data as a strategic asset
- Can't make proactive decisions based on data

Customer ID (CID) is foundational for retrieving customer information in the Enterprise Data Warehouses (EDW).

Customer ID is a repository of customer identification data that is used to match and cross-reference customers across multiple USPS business systems.

The CID service:
- Identifies customers across multiple systems.
- Cleanses, standardizes, and matches customer records.
- Creates a unique identification of a customer.
- Is the corporate-wide solution for customer identification.

A customer is defined as any business entity or individual person at an address who utilizes a postal service of the USPS.

CID will cleanse, standardize, match, and cross-reference customer records from disparate USPS systems.
Customer ID is consistent with USPS architecture, privacy, security, hardware and software.

- Simple in design for corporate-wide use
- Minimize imposition on existing systems
- Commercial-off-the-shelf (COTS)
- Current Systems - Standard toolkit for integration
- Future Systems - will work with them early in their development
- Enterprise Data Warehouse (EDW)

A key goal of the CID integration approach is to minimize the imposition on existing business systems.

- CID is built-Went into Production on 9/26/03
- CID team leads integration process
- Integration Toolkit - standard methodology to business systems
- Funding for integration provided by Marketing
- Integration with eCAP and CBCIS completed
  - Integration with other business systems will be completed by Spring 2004

The benefits of CID will be realized through further integration with other key initiatives (i.e.)
- Privacy – CRM and Marketing
  - Protection and Strategic Use of Information
  - Apply Technology and Processes

- Data Accuracy
- Service
  - convenience & ease of use
  - access across channels
- Customer Choice
  - opt-in
  - opt-out
- Privacy Act
  - systems notices
  - database compliance

- Online - usps.com (FTC & OMB)

- Security & EDW

- Records

- Limited implementation budget

- Numerous customer forms

- Numerous collection systems of various agenstas

- Non-integrated use and sharing of customer information

- Lack of knowledge about privacy inquiries across channels
We have an opportunity to drive down costs while making it easier for our customers to do business with us...

- Long history of providing internet-based services
- Full range of customer segments—consumers through large, mail-centric companies
- The first gateway implementations address the needs of these customers.
- Later release of the gateway will deliver capabilities that support smaller mailers and consumers

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The Customer Experience:

- Customers must access multiple web sites, submit numerous forms, and view numerous pages to do business with USPS.
- Customers must search for relevant content and information on multiple websites.

- Customers have a single point of access and sign-on to all USPS business applications.
- Customers will have a personalized and customized user experience based on their preferences and needs.

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Four Key Characteristics of the Customer Gateway: (Business Customers)

- Design and Navigation
  - Framework for organizing information and content
  - Consistent customer experience across enterprise online brand
- Customer Experience
  - Targets all business customer segments via online channel
  - Address and meet the needs of all business customer groups
- Single Point-of-Access
  - Single interface to access content, applications, and data
  - Leverages single sign-on to integrate with existing web applications
- Customization and Personalization
  - Customers determine information and content displayed on the page
  - System displays information based on profiled attributes or behaviors
These characteristics translate into benefits to both business customers and the Postal Service:

- Single Portal Access
- Single Plan
- Consistent experience
- Lower total cost
- Customer Service
- Process all mail types
- Lower labor cost
- Increases employee morale
- Lower late mail rate
- Increased accuracy
- Increased productivity
- Lower cost per transaction
- Single sign-on solution
- Internet-based, self-service
- Customized reports
- Self-service for Business

- Launch Customer Gateway – June 2003
- Enabled Customer Service (IBSN) – Aug. 2003
- Enabled Consolidated Mail Tracking & Reporting – Sept. 2003
- Started single sign-on solution
- Initiated definition of personalization requirements

- New real-time automated online registration process
- Enable Single-Sign On
- Develop and build Enterprise Capabilities
- Implement Customization / Personalization
The Customer Gateway initiative:

Big step towards making our services easy to use

Leverages the identification services of our Customer ID

Required change of mindset: Away from stand-alone, individual components

Needs the collaboration of IT, Privacy and numerous stakeholders in Marketing