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:**
  - 750,000 employees
  - 37,000 retail locations – 7M customer transactions daily
  - One of largest govt. websites (approx. 340,000 daily hits)
  - 70+ customer databases - 15 customer call centers
  - 200B mail pieces yearly – mail industry 8% of U.S. GDP
  - 14,000+ servers / 113,000+ desktops / 20,000+ laptops

- **BUSINESS MODEL:**
  - Independent government entity
  - Transformation Plan and Presidential Commission

Slide 1

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USPS Organization – CPO

USPS Privacy Advisory Board

- Chief Privacy Officer (CPO)
- Chief Information Security Officer
- Manager, Internet Services
- Inspector, Computer Crimes & Commerce
- Manager, New Business Programs
- Manager, Advertising
- Manager, Internet Channel
- Manager, CRM
- Manager, HR Policies & Programs

Slide 2

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- **Customer ID Initiatives**

- **Cross-Functional Committees**
  - Privacy Committee

- **Organizational Commitment**
  - Business case, funding

- **Milestones**

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Customer Information is in many places and not integrated

Customer Specific

Non-Customer Specific

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The current customer data management capabilities of the USPS present significant business challenges for both the organization and its external customers.

Customer	USPS
■ "Siloed", "Fragmented", "Data everywhere", "Frustration"	■ No single view of the customer
■ Multiple entry points and passwords	■ Can't integrate data across business units
■ Inconsistent experience	■ Can't manage customer data as a strategic asset
■ Redundant data entry	■ Can't make proactive decisions based on data

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

Slide 2

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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 paid service of the USPS.

Slide 3

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CID will cleanse, standardize, match, and cross-reference customer records from disparate USPS systems.

Key Benefits Enabled
- Comprehensive view of customers across all channels
- Advanced customer analytics

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.)
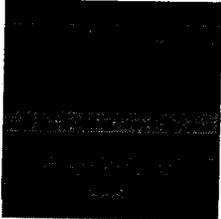
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- **Privacy – CRM and Marketing**
  - Protection and Strategic Use of Information
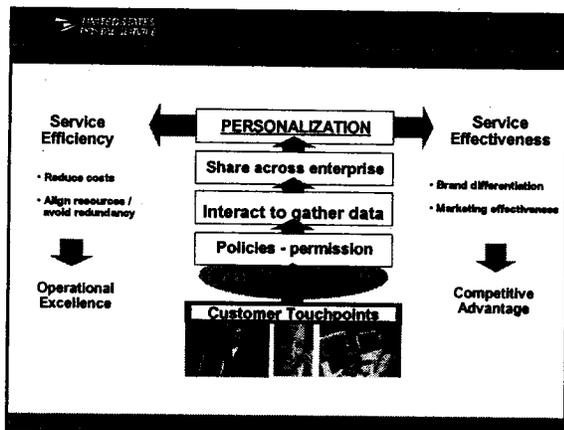 - Apply Technology and Processes

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Service Efficiency	PERSONALIZATION	Service Effectiveness
• Reduce costs	Share across enterprise	• Brand differentiation
• Align resources / avoid redundancy	Interact to gather data	• Marketing effectiveness
	Policies - permission	
Operational Excellence	Customer Touchpoints	Competitive Advantage

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- **Data Accuracy**

- **Service**
  - convenience & ease of use
  - access across channels

- **Customer Choice**
  - opt-in
  - opt-out

Slide 1:

- **Privacy Act**
  - systems notices
  - database compliance
- **Online - usps.com (FTC & OMB)**
- **Security & EDW**
- **Records**

Slide 2:

Channels

Fair Info Practices

Notice
Choice
Access
Redress
Security

ONLINE
PHONE
MAIL
RETAIL

Segments

Consumer | Small Business | Mid Market | Managed Accounts

Slide 3:
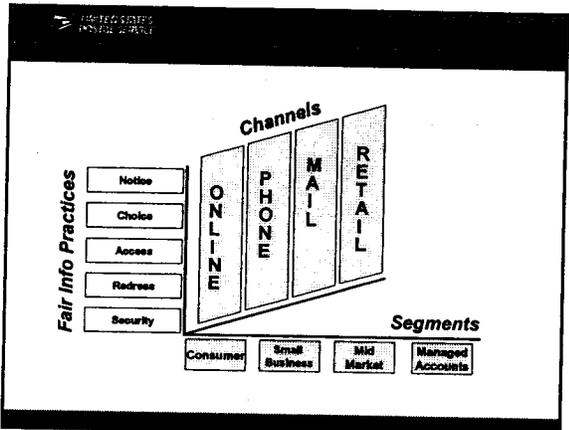
- Limited implementation budget
- Numerous customer forms
- Numerous collection systems of various age/size
- Non-integrated use and sharing of customer information
- Lack of knowledge about privacy inquiries across channels

Slide 1

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.
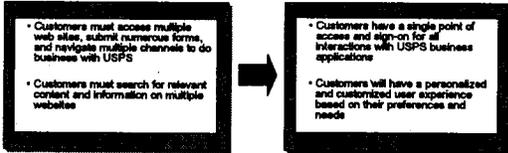- Later release of the gateway will deliver capabilities that support smaller mailers and consumers

Slide 2

The Customer Experience:

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

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

Slide 3

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
  - Addresses and meets 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:

☑ **Launched 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**
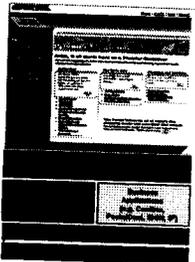
The Customer Gateway Initiative:

Big step towards making our services easy to use

Leverages the identification services of our Customer ID

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

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