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USPS Seeks 2018 Price Increase

USPS filed a case earlier this month with the Postal Regulatory Commission (PRC) for a proposed price adjustment for all classes of mail. This price adjustment, if approved by the PRC, will be effective on Jan. 21, 2018.

As in the past, the Postal Service will not include any surcharges for fuel, residential delivery, or regular Saturday delivery.

Table 3
Price Change Percentages

Class	Percent Change
First-Class Mail	1.905
USPS Marketing Mail	1.908
Periodicals	1.924
Package Services	1.960
Special Services	1.986

Table 7
USPS Marketing Mail Product Price Changes

Product	Percent Change
Letters	1.970
Flats	2.118
Parcels	2.768
High Density / Saturation Letters	2.378
High Density / Saturation Flats and Parcels	1.086
Carrier Route	2.031
Every Door Direct Mail – Retail	0.565
Overall	1.908

Table 5
First-Class Mail Price Changes

Product	Percent Change
Single-Piece Letters/Postcards	2.056
Presort Letters/Postcards	1.585
Flats	0.443
Outbound Single-Piece	0.00
First-Class Mail International	
Inbound Letter Post	21.902
Total First-Class Mail	1.905

Table 6
First-Class Mail First-Ounce Prices

	Current	New	Change	Percent Change
Stamped Single-Piece	\$0.49	\$0.50	\$0.01	2.0
Metered Single-Piece	\$0.46	\$0.47	\$0.010	2.2
MAADC Automation	\$0.423	\$0.424	\$0.001	0.2
AADC Automation	\$0.403	\$0.408	\$0.005	1.2
5-Digit Automation	\$0.373	\$0.378	\$0.005	1.3

While Mailing Services price increases are limited based on the Consumer Price Index (CPI), Shipping Services prices are adjusted strategically, according to market conditions and the need to maintain affordable services for customers.

Non-Competitive Products

Price adjustments for Non-Competitive Products as an overall percentage basis by mail class average about 1.9%. Individual price categories within each class of mail listed below will have varying percentage increases, some greater than the overall percentage increase. In fact, some price categories will actually see a decrease in pricing.

The new prices, if approved, include a one cent increase in the price of a First-Class Mail Forever stamp from 49 cents to 50 cents.

Postcard stamps and metered letters would also have a one cent increase. The USPS filing does not include any price change for single-piece letters being mailed to international destinations or for additional ounces for letters.

Competitive Products

In contrast, prices for Competitive Products and services will increase by about 4%. The USPS requested an overall 3.9% increase for Priority Mail Express. Retail prices will increase an average of 3.9%, while Commercial Base prices increase an average of 3.7% and Commercial Plus by 3.7%.

The Priority Mail average increase is proposed to be 3.9%. Retail prices will increase an average of 0.8%,

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Short Takes

The Pew Center recently surveyed 4135 US adults about the prospects for sale of self-driving vehicles. The Pew Center found that 65% of the respondents said they expect most cars will be autonomous within the next fifty years. Interestingly, the willingness of participants to ride in an autonomously operated vehicle differed based on gender. A majority (51%) of male respondents would ride in a self-driving vehicle, but a minority (35%) of women would be willing to do so. <http://www.businessinsider.com/transportation-and-logistics-briefing-men-urbanites-more-comfortable-with-self-driving-cars-gm-and-rolls-royce-partner-on-autonomous-shipping-ride-hailing-firms-challenges-in-western-europe-2017-10>.

The results were consistent with those of another survey by Morning Consult, which found that nearly twice as many males (30%) as females (16%) would be willing to ride in a self-driving car. The Morning Consult survey was taken in January of this year. https://morningconsult.com/wp-content/uploads/2017/01/170102_crosstabs_Brands_v2_TB-1.pdf.

Many of those uncertain of the new technology expressed concern about having to give up control and the safety of the new technology. “Among the 56% of respondents who said they would not ride in a self-driving car, the most common concerns were giving up control of the vehicle (42%) and safety concerns (30%),” *Business Insider* reported when it discussed the Pew Center’s research.

The concerns of those reluctant to ride in an autonomous car seem to echo those of people who once feared use of elevators in office buildings and high-rise residences. As explained in a March 23, 2010 article on the rise of elevators in *Wired*: “The secret of Otis’ success wasn’t so much that he could make a platform go up and down, which (patent trolls note) isn’t really much of an engineering achievement. There were already steam and hydraulic elevators in use here and there for a couple of years before Otis stepped up. No: Otis’ achievement was that he convinced people he could make an elevator that would go not only up, but also down without going into a free fall.” <https://www.wired.com/2010/03/0323otis-elevator-first/>. Once users became comfortable with safety and their lack of control, the elevator became as ubiquitous as stairs once had been.

When elevators were introduced, it was the presence of an elevator operator who helped allay safety concerns. It appears that there are ways to allay safety concerns with self-driving cars, too. The *Business Insider* article notes: “The majority of the respondents also said they support several policies that could restrict self-driving cars in various ways:

- 87% of the respondents favored or strongly favored requiring someone in the driver seat at all times who could take control.
- 83% said they favored or strongly favored dedicated driving lanes for self-driving vehicles.
- 69% said they favored or strongly favored restricting self-driving cars from driving in certain areas, such as near schools.”

The Verge reports that: “The California Department of Motor Vehicles will allow autonomous cars without steering wheels, foot pedals, mirrors, and human drivers behind the wheel to be tested on its roads starting next year. The department released its revised regulations today governing the safe deployment of autonomous vehicles on public roads. After a fifteen-day public comment period, those rules will be submitted to the state government, which will then begin enforcing them sometime in the middle of 2018.” <https://www.theverge.com/2017/10/11/16458850/self-driving-car-california-dmv-regulations>. The new regulations can be viewed at: www.dmv.ca.gov/portal/dmv/detail/vr/autonomous/auto.

The Sacramento Bee recently reported that: “Currently, 42 companies, including Tesla, Uber and a subsidiary of Google, hold state [California] permits to test driverless cars. Some of those vehicles already are being testing on city streets. Until now, however, state regulators have required those companies to have someone sitting in the driver’s seat to take control of the car if needed.” <http://www.sacbee.com/news/local/transportation/article178260111.html>.

The Washington Post reported on Oct. 11, 2017, that: “There are 285 autonomous vehicles licensed with the [California] DMV and 996 drivers licensed to test those vehicles, DMV officials said. Assuming the state’s revised rules are approved, those drivers would no longer need to ride inside autonomous test vehicles.”

USPS Seeks 2018 Price Increases... (cont. from page 1)

with Commercial Base increasing by 6.2% and Commercial Plus by 6.1%.

Parcel Select Non-Lightweight will see an increase of 4.9%. Parcel Select Lightweight prices increase by 7.0%.

Parcel Return Services will experience an overall price increase of 4.9%.

First-Class Package Service prices are proposed to increase by 3.9%. Retail Ground prices will see increases of 3.9%.

Internationally, Global Express Guaranteed will see an increase of 3.9%, while Priority Mail Express International prices will see an increase of 3.9% on average. The overall increase for Priority Mail International will be 3.9%. International Priority Airmail (IPA) and International Surface Air Lift (ISAL) will increase by 3.9%. Airmail M-bags increase in price by 3.9%. First-Class Package International Service prices will increase overall by 3.9%.

There are also price changes for both domestic and international ancillary and special services.

The PRC will review the prices before they are scheduled to take effect on Jan. 21, 2018. The complete

Postal Service price filings with the new prices for all products can be found on the PRC site under the Daily Listings section at <https://www.prc.gov/dockets/daily>.

For the Mailing Services filing see Oct. 6, 2017, Docket No. R2018-1. https://www.prc.gov/docs/102/102038/Notice%20and%20Attach%20ACD.pdf?inf_contact_key=8816628adffb5bfcbbbe7200dbd49f5afc39c1b345a92247765fd934f67761c3. For the Shipping Services filing see Oct. 6, 2017, Docket No. CP2018-8. https://www.prc.gov/docs/102/102017/Notice%20CP2018-8.pdf?inf_contact_key=bb0c82732e36ade101fbc90705618bba6dcc1db9b0244146b90e468a5df23858.

USPS Promotions Pending

The USPS hopes to offer a number of promotion programs for 2018. Currently there are currently no members on the USPS Board of Governors to approve such plans. As a result, these programs are not able to be submitted to the PRC for approval. The USPS hopes that Congress will appoint at least one governor permitting the proposals for these promotions to be submitted later in 2017.

Ecommerce Grew in 3Q/FY 2017

Internet Retailer analyzed and reported on recent monthly “nonstore” data and concluded that it shows that ecommerce growth remains steady, growing at 15.0% in September compared with last year and 15.7% in the third quarter.

Internet Retailer used monthly nonstore data to make its analysis instead of quarterly data because the

Commerce Department only reports ecommerce sales on a quarterly basis. The Commerce Department will not report actual third quarter results until November. Read more at: <https://www.digitalcommerce360.com/2017/10/13/new-census-data-suggests-e-commerce-sales-jumped-15-7-q3/>.

Delivered to Your Trunk

Amazon.com wants to deliver packages to the trunks of its customers’ cars or deliver them inside of homes instead of outside, from where they can be stolen. *CNBC.com* reports that Amazon is in negotiation with Phrame, which makes smart license plates that enable deliveries to car trunks. The Phrame device resembles the type of locking device that realtors and emergency services use to enter homes when the owner cannot answer the door. It fits around a license plate and holds the car’s keys in a secure box. Users or delivery drivers, in the case of Amazon, use their smartphones to unlock the box. <https://www.cnbc.com/2017/10/10/amazon-is-in-talks-with-phrame-and-is-working-on-a-smart-doorbell.html>.

Just as Walmart’s proposed delivery system to people’s refrigerators (See *BMR 10/09/2017, p. 7*),

Phrame’s website indicates that its delivery personnel receive one-time and time-limited access to open a car’s trunk to make deliveries. <https://www.shorr.com/packaging-news/2017-05/2017-package-theft-report-porch-pirates-purchase-habits-and-privacy>.

Amazon experimented with in-trunk deliveries before with Audi and Daimler car owners in Germany in 2015. <https://techcrunch.com/2016/09/02/daimler-begins-testing-smart-car-trunk-delivery-service-with-dhl/>.

While Walmart’s program focuses on the delivery of perishable foods directly to a refrigerator, Amazon’s would focus on non-perishable items capable of surviving being locked in the trunk of a car parked outdoors.

Amazon Follows Walmart with Home Delivery Plan

CNBC.com reports that Amazon hopes to develop a smart doorbell that delivery drivers can use to enter a one-time access code in order to deliver Prime orders into consumers' homes. <https://www.cnbc.com/2017/10/10/amazon-is-in-talks-with-phrame-and-is-working-on-a-smart-doorbell.html>.

As of this time, the device could link to a user's

smart lock or have some sort of lock component in it. The device is still in development. Its release date and cost have yet to be revealed. The announcement follows a similar Walmart initiative involving delivery startup Deliv that uses smart locks to make in-home deliveries in California. (See BMR 10/09/2017, p. 7.)

Spooky Shoppers Spend

Nearly three quarters (71%) of online Halloween shoppers could buy Halloween products from Amazon.com Inc., according to *Internet Retailer's* survey of 2570 U.S. consumers conducted this month by Bizrate Insights.

Fully 16.1% of survey participants will shop online for some or all Halloween-related goods. Other shoppers either had no plans to buy Halloween products (22.1%) or preferred to shop in stores (61.8%).

Online shoppers planning to buy Halloween products preferred to shop at Amazon (71.2%), followed by *Walmart.com* (42.9%), and *SpiritHalloween.com* (40.0%). The numbers do not add up to 100% because consumers could select more than one response. <https://www.digitalcommerce360.com/2017/10/13/e-retailers-beware-amazon-may-dominate-online-halloween-sales/>.

Online Fraud Costs Sellers

Online retailers spend 8.0% of their annual revenue to prevent and manage fraud, according to a new study from research consulting firm Javelin Strategy and Research LLC.

Looking at the retailers that sell physical goods, costs to manage fraud amounted to 7.7% of their annual revenue in the twelve months from June 2016-June 2017 compared with 6.0% in the comparable year period. The relative share of operations costs attributable to fraud management is rising. For physical goods sellers, 21% of their operational costs in 2017 are devoted to fraud management, up from 15% in 2016.

Stores that are managing fraud do so at a price that can be as substantial as fraud losses. Most of the fraud-related costs are the costs of retaining employees and using software and technology to prevent fraud.

Fraud management comprised 5.9% of the 8.0% cost, while chargeback losses and the transaction fee paid to credit card companies cost only 0.6%. False positive losses, which represent sales declined by mistake when fraud was suspected, cost 1.5% of the retailer's annual revenue.

The Javelin study "2017 Financial Impact of Fraud

Study," which fraud and payment provider Vesta Corp. sponsored, surveyed 497 ecommerce merchants that generated \$1 million or more in annual sales within the past twelve months. Of these retailers, "155 sold only physical goods, 142 sold only digital goods or services, and 200 sold both. The average annual revenue of the retailers participating was \$136.1 million." <https://www.digitalcommerce360.com/2017/10/03/costs-of-managing-fraud-increase-to-8-of-revenue/>.

A study conducted earlier this year by Juniper Research, entitled "Future Fraud: 3 Key Battlegrounds in 2018," found that fraudulent chargeback rates from large corporations slightly decreased in the U.S. from 2015 to 2016.

Juniper's research showed slightly better success in reducing fraud chargebacks at large companies. Juniper found "the U.S. ranked among the lowest of countries that Juniper tracked, with a chargeback rate of 0.47% in 2016 down from 0.50% in 2015, according to the study, released in June." <https://www.digitalcommerce360.com/2017/07/12/fraudulent-chargebacks-decrease-slightly-u-s/>.

Fast-Paced Returns at Walmart

Walmart revealed Mobile Express Returns, a new program that makes returns of online and in-store purchases faster, *Business Insider* reports.

The program goes live in November and will be immediately available for orders sold and shipped by

Walmart.com. It will take somewhat longer before in-store purchases and online orders from third-party sellers will be included in the program.

Customers will use Walmart's app to get a QR code for their return before they visit the store. They

will then scan the QR code at a dedicated Mobile Express Lane inside a Walmart location to immediately obtain a refund of the purchase price.

As of December, some returns may not require a physical return, with Walmart instead providing a refund immediately. This approach would work with consumable items that cannot be resold. The company will track such transactions to make sure customers make limited use of

this “keep it” option.

Customers are more willing to buy online if they can return in a store. As many as 62% of consumers say they would shop online if they could return in-store.

Walmart has a store within ten miles of nearly 90% of the U.S. population, a feat that Amazon cannot yet match.

Amazon Curbs Demand for Delivery Services

On Oct. 5, a report claimed Amazon.com Inc. (Amazon) was testing its own delivery service, one that could curb its and other ecommerce vendors’ demand for services of package delivery companies.

Bloomberg reported that Amazon would oversee pickup of packages from warehouses of third-party merchants selling goods on its website and deliver them to customers’ homes. These are services now offered by United Parcel Service, Inc. (UPS) and FedEx Corporation (FedEx).

It hardly matters if the reports were true or when

such a service might be in place, as the price of UPS’ shares fell as much as 2% to \$116.52, and the price of FedEx shares dropped 1.6% to \$217.77 shortly after the reports were released.

Reuters reported that it contacted Amazon and learned it planned to use the same carrier partners to offer the program that it has used for years, including the Postal Service, UPS, and FedEx. <http://www.reuters.com/article/us-apple-iphone-research/u-s-buyers-favor-iphone-7-over-8-research-idUSKBN1CL1Z1>.

USPS Working on Plans for New Fleet

Virginia residents may be the first to observe the mail truck of the future. Fox News recently reported that the prototype for the U.S. Postal Service’s next-generation delivery vehicle recently made the rounds in the city of Leesburg.

The truck photographed on a Leesburg street is one of five vehicles being considered for the multi-billion dollar contract to replace the current fleet of Grumman LLVs that have been in service since 1987. <http://www.foxnews.com/auto/2017/10/11/next-generation-us-postal-service-truck-starts-zipping-around-town.html>.

The Smithsonian National Postal Museum describes the search for the Grumman LLV as follows: “Until the 1980s, when postal officials looked to buy new vehicles for the service, they combed through existing models for one that best fit their needs. That decade, when the time came to select a new vehicle for the nation’s city letter

carriers, officials decided to do things differently. They created a set of criteria for the perfect letter carrier vehicle. Armed with this list of needs, they challenged commercial vehicle industries to create the perfect vehicle from scratch. Officials believed that this method would assure the creation of a vehicle that could last more than twenty years on the road.” <https://postalmuseum.si.edu/collections/object-spotlight/llv.html>. The vehicle has far outlived its predicted useful life of twenty years. This marks the thirtieth year many have been in service.

The vehicle seen in Virginia appears to be the first prototype in testing on the road. Fox News reports that: “The winning bid will be announced early in 2018, with deliveries (of the trucks!) scheduled to begin at the end of the year.”

See photos and drawings on the Fox News website.

A USPS Fleet Without Feet?

A new fleet of USPS vans or other vehicles is one idea in the works, but some are asking why not a fleet that drives itself as well. The U.S. Postal Service’s inspector general (OIG) recently raised the idea in a report released in early October. <https://usps.oig.gov/document/autonomous-vehicles-postal->

service. The OIG looked at how autonomous trucks, cars, and vans might offer the agency opportunities to control costs and improve operations. As the report explains: “It seems clear that this is where the future of transportation is headed.” The OIG favors the agency having its

sights on how best to prepare for such times: “The pace of innovation suggests that we can expect highly-autonomous vehicles to be available within 10 years. In order to be prepared, it will be important for the Postal Service to stay informed and continue to explore the technology, while thinking strategically about how to use AVs to strengthen its position in the delivery market.”

The OIG summarized its report on its blog and explained: “The OIG has identified ways the Postal Service could use the technology in last-mile delivery and trucking. Applications include autonomous vehicles that assist carriers in delivering mail, a mobile parcel locker that is a complete departure from current delivery methods, and autonomous trucks that handle the transportation of mail on highways.”

The OIG believes the innovations can come without loss of mail carrier jobs by improving worker productivity. The OIG sees in the Postal Service’s 228,000-vehicle fleet a number of worthy uses of new technology.

According to *Wired*: “Those plans are already in motion: The post office has partnered with the University of Michigan to build what it’s calling an Autonomous Rural Delivery Vehicle, which it wants to launch on 28,000 rural routes nationwide as early as 2025. In this vision, the postal worker sits behind the wheel but lets the truck do the driving, sorting mail and stuffing letters and packages into mail boxes while rolling down the street. Eliminating the need to constantly park the vehicle, get out, then get back in and get back to driving would yield, the report says, ‘small but cumulatively significant time savings.’”

<https://www.wired.com/story/postal-service-office-self-driving-mail-trucks/>.

The *Wired* article goes on to explain that a semi-autonomous vehicle could be driver-operated at intersections and in highly trafficked areas but operate itself on more forgiving terrain in rural neighborhoods.

“It’s exactly the reason vehicle tech developers like Tesla and Cadillac have released semiautonomous features for highway-only driving. With wide, open, semiautonomous delivery truck prototype in December of this year. If all goes according to plan, the USPS will pilot 10 prototypes on rural routes in 2019, leading up to that full-scale, country-wide rural deployment between 2022 and 2025. The mail people also say they plan to look into city deliveries and building fully driverless vehicles, the kind that don’t need steering wheels or pedals,” *Wired* reports.

The cost savings would add up, according to the OIG because vehicle operation incurs controllable costs in addition to labor: “The report’s authors insist they’re not looking to dump human workers, and that AVs can help by trimming other costs. The agency paid about \$67 million in repair and tort costs associated with vehicle crashes last year. It also shelled out \$570 million for diesel fuel. If the robots perform as promised, making driving much safer and more efficient, those costs could plummet,” says *Wired*.

Read the OIG’s report at <https://www.uspsaig.gov/sites/default/files/document-library-files/2017/RARC-WP-18-001.pdf>.

Fewer Holiday Hours

If the notion of a holiday sale is no longer fashionable, then what is the point of opening on holidays and paying overtime to staff brought in for the day? (*See BMR 10/23/2017, p. 8.*) It appears that an increasing number of retailers are willing to concede the battle for holiday operations and let store employees spend the day with family and friends.

The number of stores that will close for Thanksgiving has risen to nearly sixty, according to holiday deals site *BestBlackFriday.com*, which inquired of various retailers their plans in preparation for the big day.

Best Black Friday co-owner Phillip Dengler, told *Retail Dive* in an email that the list could top seventy-five. <http://www.retaildive.com/news/more-retailers->

[opt-to-close-this-thanksgiving/506266/](http://www.retaildive.com/news/more-retailers-opt-to-close-this-thanksgiving/506266/).

The list only includes a few of the largest retailers as of this date. Those include:

- Costco
- Crate and Barrel
- DSW – Designer Shoe Warehouse
- Ethan Allen
- H&M
- Home Depot
- HomeGoods
- IKEA
- Lowe’s
- Marshalls
- Neiman Marcus

Nordstrom
 Nordstrom Rack
 Office Depot and OfficeMax
 Party City
 Patagonia
 Petco
 PetSmart
 Pier 1 Imports
 Publix
 Sam's Club
 Sears Hometown Stores
 Staples

Stein Mart
 The Container Store
 TJ Maxx
<https://bestblackfriday.com/blog/stores-closed-on-thanksgiving-day-2017/>.
 Few stores have confirmed to Best Black Friday their plans to open on the holiday. They are:
 Big Lots (hours not yet announced)
 GameStop (hours not yet announced)
 Macy's – Thanksgiving 5 p.m. to 10 p.m. Black Friday
<https://bestblackfriday.com/blog/stores-open-on-thanksgiving-day-2017-hours/>.

Black Friday's Long Shadow

While retailers are being told to rein in holiday expectations, online sellers expect the number of Black Friday shoppers to rise by 9% over last year. A recent story by *Retail Dive* warns that many of these online shoppers are unhappy with post-order-taking action.

Pitney Bowes points to dissatisfaction with shipping, returns, handling of lost items, and miscalculated duties and taxes as it discusses the long shadow that threatens to undermine many ecommerce businesses' efforts to expand their foreign market sales. It appears that frustrations are highest among non-U.S. shoppers. "For example, while 36% of online shoppers in the U.S. experienced problems during last holiday season, the percentage was much higher—73%—in India. The frustration percentages were high across the rest of the Asia Pacific region as well: 69% in Hong Kong, 64% in China and 58% in South Korea," reports *Retail Dive*.

The dissatisfaction is expressed at a time when

online sellers have targeted foreign markets for expansion. As the article explains, "about 62% of retailers have a cross-border e-commerce business today, and the vast majority of retailers who don't offer cross-border plan to offer it within the next year, per the [Pitney Bowes] study. If those companies follow through, about 93% of all retailers will support cross-border shopping by this time next year—a 50% increase in cross-border retailers in just one year." <http://www.retaildive.com/news/nearly-half-of-online-shoppers-report-holiday-frustrations/507408/>.

Of course, Pitney Bowes is in the business of offering solutions to the challenges sellers face when growing a cross-border business. You can try for a download of the Pitney Bowes study at <https://www.pitneybowes.com/us/global-ecommerce/case-studies/the-challenges-of-cross-border-ecommerce.html> or http://news.pb.com/article_display.cfm?article_id=5801. We were unsuccessful in efforts to access the study to review recommendations in detail.

Walmart Lines Up Parcel for Deliveries

Walmart has acquired Parcel, a same-day and last-mile delivery company based in New York. This makes a fourth acquisition this year, following acquisitions of Modcloth, Moosejaw, and Bonobos.

The acquisition improves Walmart's ability to make same-day deliveries in New York City. The retailer has been working on enhancing its capacity to deliver Walmart and Jet products.

Parcel is a technology-based company that specializes in delivering perishable and non-perishable delivery to customers in New York City. It also

provides services like scheduled evening delivery and custom text message notifications for high-growth ecommerce companies looking to differentiate their customer experience. Its strengths are routing algorithms, leased vehicles, and an employee-based workforce to sort, load, and deliver packages to customers on the same day, overnight, and in scheduled two-hour windows. <https://blog.walmart.com/business/20171003/who-is-parcel-what-this-delivery-company-means-to-walmart>.

Briefs

Walmart recently told analysts the company expects to add 280 new, expanded, or relocated stores globally for each of the fiscal years 2018 and 2019. It expects U.S. ecommerce sales to grow by 40%. <https://news.walmart.com/2017/10/10/walmart-highlights-progress-on-strategic-initiatives-and-outlines-plan-to-win-with-customers-and-shareholders-at-its-meeting-for-the-investment-community>.

A survey of 2000 U.S. adults from coin-counting kiosk company Coinstar found 14% of holiday shoppers shop at the last minute, 7% finish most of their shopping before Thanksgiving, and 12% take advantage of Black Friday or Cyber Monday discounts. About 77% of holiday consumers expect to go over budget, Coinstar said. <https://www.prnewswire.com/news-releases/coinstar-holiday-survey-results-reveal-the-majority-of-holiday-gift-givers-set-a-budget-yet-hidden-expenses-put-many-in-the-red-300533218.html>.

Salesforce predicts that Black Friday will be the busiest digital shopping day in U.S. history, beating Cyber Monday for the second year in a row. Cyber Week (Thanksgiving to Cyber Monday) will see the deepest discounts and the highest rate of free shipping (86% of all orders), according to Salesforce's number crunching. <https://www.salesforce.com/company/news-press/press-releases/2017/09/170925.jsp>.

Internet Retailer also forecasts the shift to digital shopping for the holidays: “The decline in both store traffic and positive consumer sentiment towards Black Friday in-store events is well-documented. The reality is the battlefront has shifted to digital commerce, and that trend is only going to pick up steam,” said Ryne Misso, director of marketing at Market Track.” <https://www.digitalcommerce360.com/2017/10/16/early-holiday-shopping-black-friday-online-sales-surge/>.

Business Insider has bad news for retailers: Josh Elman, a consumer and retail analyst with Nasdaq Advisory Services, told the newsletter. “But I think at

the end of the day . . . the whole idea and concept of Black Friday deals in store will diminish over time.’ He continued: “Ultimately, consumers really want convenience and they want to get their item and get out of the store quickly. They don’t want to wait in long lines, they don’t want to wait for a store to open anymore.” According to National Retail Federation data, 99 million people said they shopped in stores on Thanksgiving weekend last year—a drop of three million from the year before. According to Elman, the number of people hustling to the stores for deals is only going to fall further this year.” <http://www.businessinsider.com/black-friday-2017-dying-2017-10>.

Harvard Business Review explains the trend to digital shopping 365 days/year as follows: “Customers don’t want retailers to dictate their shopping schedule. Wealthier shoppers have become used to buying the products they want when they want them, whether that’s shouting out an order to Alexa, discovering an item while browsing through Pinterest, or using their mobile phone to buy a bunch of stuff during their morning commute. More price-sensitive shoppers are also changing their habits. . . . More and more shoppers across the retail spectrum are only frustrated by deals restricted to a certain timeframe (such as on Black Friday) or buying mode (such as in-store specials only).” <https://hbr.org/2017/10/why-retailers-should-retire-holiday-shopping-season>.

Amazon will create more than 120,000 positions this season across its U.S. network of fulfillment centers, sortation centers, and customer service sites. Last year, thousands of holiday positions were transitioned to regular, full-time roles after the holidays and the company expects to continue that trend this year. <http://www.businesswire.com/news/home/20171012005512/en/Amazon-Hiring-120000-Jobs-U.S.-Holiday-Season>.

The U.S. Department of Commerce recently announced that “sales on the web reached \$394.86 billion” in 2016, which was “a 15.6 percent increase” over 2015. https://www.census.gov/retail/mrts/www/data/pdf/ec_current.pdf.

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