



Powering Progress

How AI is Transforming USPS Promotions & Customer Engagement





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Agenda

Today's Roadmap

1. The Promotions Landscape & The Problem We Faced
2. LUCID: Automating Promotion Reviews with AI
3. The Integrated Technology Promotion: Empowering Customer to Use AI
4. How Industry Partners are Leveraging AI
5. Key Takeaways

The Promotions Landscape

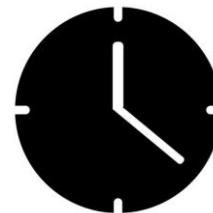
- Mailing Promotions Drive Real Results
- Since 2020, Mailing Promotions have contributed to **\$32 billion** in eligible revenue and **115 billion** in mail volume
- Participation has grown over 330% since 2020
- USPS has offered Mailing Promotions for over 10 years
- Every submission requires review against program specific requirements
- All reviews were 100% manual — every single one, reviewed by a person



The Problem

Our Process was holding back our own success

- 65,000+ Promotion Preapproval submissions reviewed manually in 2025
- 4 business day SLA for every submission
- If revisions needed — **up to another 4 business days**
- ~585,000 cumulative customer wait hours per year
- Over 11,000 USPS staff hours consumed by manual review annually
- Manual reviews often introduced inconsistencies



The Vision

What If We Change everything

- What if submissions were reviewed in minutes instead of days?
- What if we could free staff for strategic high value work?
- What if we could improve accuracy and speed simultaneously?
- What if we could scale without scaling headcount?

We Asked the question. Then we built the answer.



Introducing LUCID

L.U.C.I.D.

L — Large

U — Unified

C — Computer Vision &

I — Intelligent

D — Data



AI powered promotion review - from days to minutes

The Journey: How We Build LUCID

From Concept to Production

Phase	Timeline	What Happened
Internal Prep	June - August 2023	Built workflows, security protocols, identified requirements
Proof of Concept	September - December 2023	Tested Gemini and GPT models, conducted validation
Pilot Deployment	June - December 2024	Onboarded 4 customers, executed data sharing agreements, trained on new process
Refinement	October - December 2025	Expanded requirements, refined prompts, prepared for full scale deployment
Go-Live	January 30, 2026	LUCID deployed across promotions
Today	April 2026	Over 15,000 SRs processed, 75% automation with AI review

How LUCID works

The LUCID Process — 3 steps

Step 1

- Customer creates Service request through **My Products Portal**, fills out required fields, uploads mailpiece artwork and URL

Step 2

- API call triggers LUCID, computer vision scans image, engineered prompts evaluate against promotion requirements, confidence score generated, Gemini provides decision reason in natural language

Step 3

- **Approved:** automatic status update plus automated email to customer
- **Rejected:** natural language explanation of what didn't meet requirements, SR routed to MDA
- **Manual:** SR flagged for manual review and sent to MDA

No Change to Customer Submission Process

The Results

The Numbers Speak for Themselves

Metric	Before LUCID	After LUCID
Average Review Time	Up to 4 Business days	~6 minutes
Annual Customer Wait Hours	~585,000 Hours	Near Zero
Manual Review Rate	100%	25%
Annual Hours spent on Promotion Reviews	~11,000+ hours	~2,750
Submissions Automated with AI (January 30 – April 1)	0	11,090

LUCID Performance: Built to Improve

**87% Automation Rate
Last 30 Days**

75% Since Inception



87% Last 30 Days

- ✓ Continuous Improvement - steadily defining prompts
- ✓ Build to Improve - every submission strengthens the process
- ✓ Scaling with Confidence – more submissions, faster decision, less manual intervention

Customer Impact

Transforming the Customer Experience

- Customers who couldn't justify the wait time can now participate
- Fast moving segments (MarTech, Political, Retail) get approved in minutes
- Resubmissions are no longer a weeklong penalty
- Rejected submissions include natural language explanations so customers know exactly what to fix
- The Mailing Promotion program is now accessible to the pace of modern business

Pilot Customer, Mail Service Provider -
“The turn around time has been quick... the AI continues to improve making the approval process easier and more accurate”

Pilot Customer, Direct Mail Technology Platform - ***“The quick response time has been much better for us because we are under pressure a lot with clients changing or adding things last minute”***

Transition: From Internal AI to Customer AI

We don't just use AI to improve our processes, we create ways for customers to use AI to improve theirs



2026

INTEGRATED TECHNOLOGY PROMOTION

Use mail to wow your customers with an unexpected experience that guides how they watch, listen, or speak to your brand.



Artificial Intelligence
Leverage the power of AI through mail.

The Integrated Technology Promotion: AI Treatment

Incentivizing AI Adoption Across the Mailing Industry

- Part of the USPS Integrated Technology promotion includes a specific treatment technique: **Artificial Intelligence**
- If a customer uses AI to enhance their mailpiece they can qualify for postage discount
- Goal: lower the barrier for mailers to adopt AI in their creative and production processes
- Available to all eligible mailers — from enterprise brands to small businesses to MSPs

Why This Promotion Exists

Meeting Mailers Where They Are

- Many Mailers lack dedicated marketing teams or design sources
- Small businesses and MSP's often influence artwork but don't drive creative
- Redesigning mailpieces is time consuming and can be expensive
- AI tools are now accessible enough that any Mailer can improve their mailpiece
- USPS wants to lower the barrier to mailing —AI is where the industry is going

How the AI Treatment Works

How To Qualify — It's Simpler than you think

1. Start with your existing mailpiece — you don't need to start from scratch
2. Run it through an AI tool —any AI platform (ChatGPT, Claude, Gemini, Canva AI, etc.)
3. Ask for enhancements — imagery, copy, formatting layouts, calls to action
4. Apply the AI suggestions to your mailpiece
5. Document it — show the original AI prompt and the enhanced version of the mailpiece
6. Submit through the My Products Portal — USPS reviews and approves the discount

The impact of the AI treatments

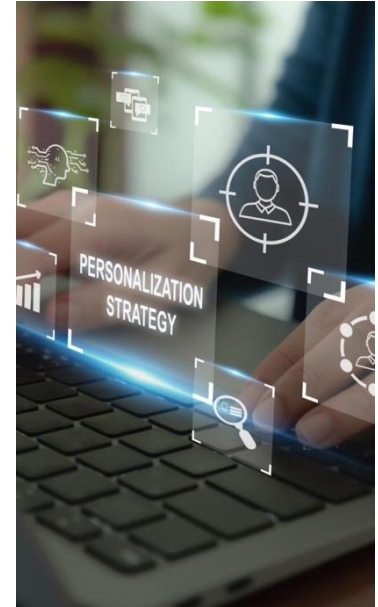
AI is Making Mail Better

- Customers are discovering AI tools that they didn't know existed
- Mailpieces are demonstrably improving in quality and engagement
- MSPs are using as value added service for their clients
- The promotion is driving AI literacy across the mailing industry
- Not just saving money — changing behavior

From Strategy to Savings

USPS Promotions Deliver Results

- USPS Postal Promotions create tangible engagement opportunities built into your mail pieces.
- Color, specialty treatments, and AI-driven elements increase engagement — results vary by audience and execution.
- Aligning these tools with your brand creates an interactive mail moment — boosting engagement while earning postal discounts.



Challenges

With the added value, why would mailers not take part?

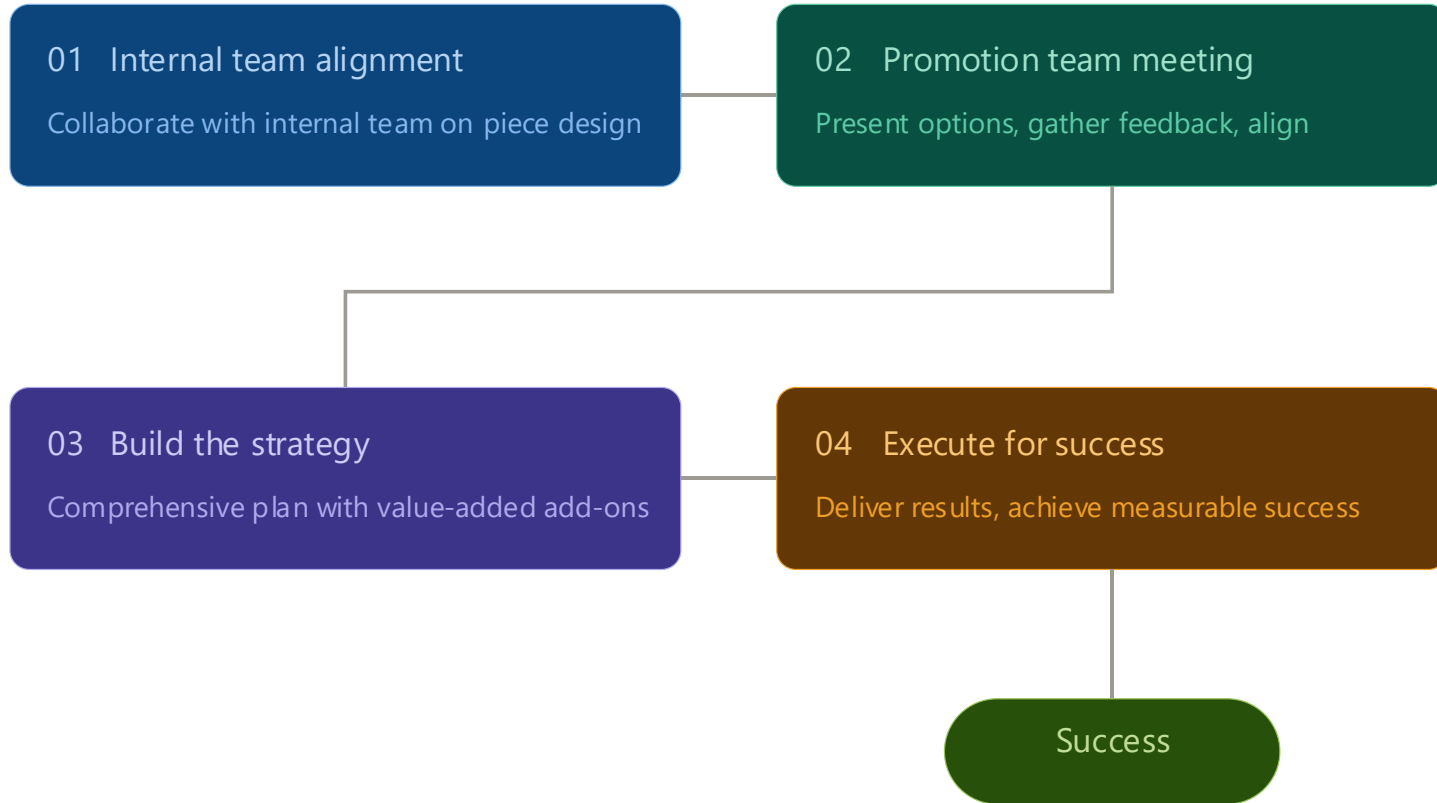
Challenge	Impact
Complex Requirements	Promotion guidelines are nuanced and change year to year.
Upfront Cost	Specialty inks, coatings, and interactive elements require investment before savings.
Operational Disruptions	Production, application, and pre-approvals create resource and timing issues.
Late Submissions	Last-minute approvals reduce flexibility and increase denial risk.

Maximizing USPS Promotions

Through Expertise, Execution, and Partnership

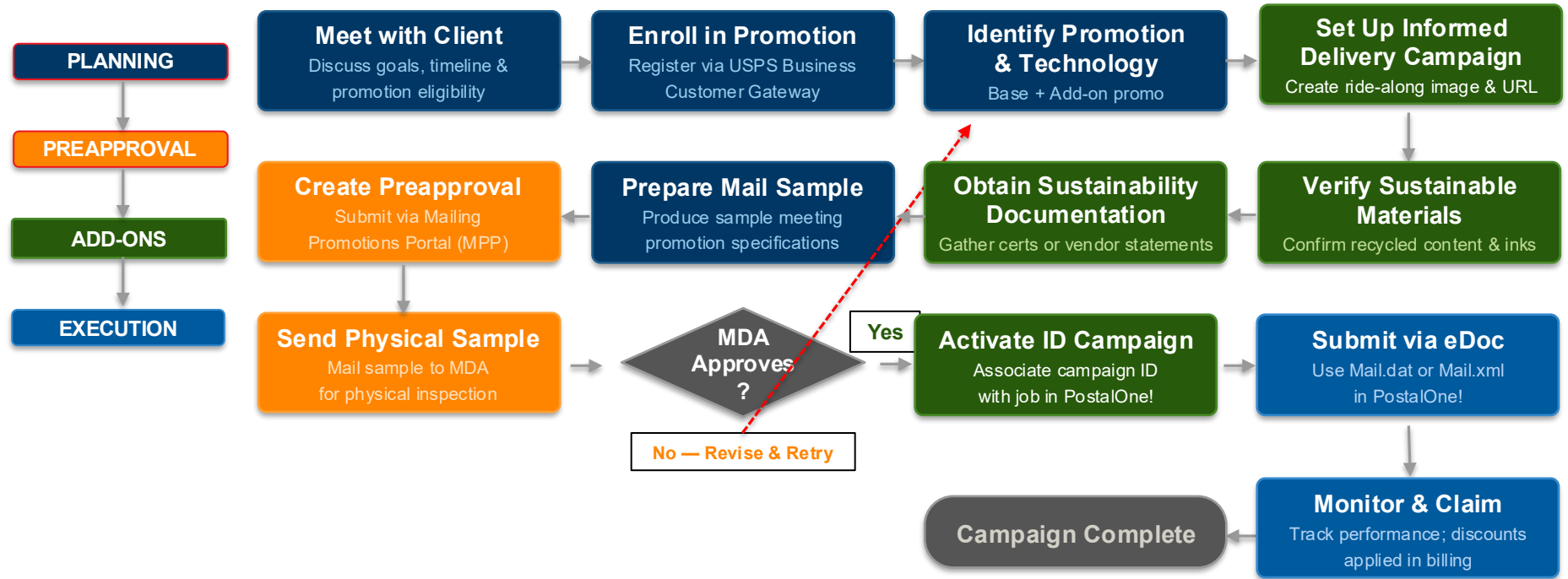
- Design with compliance in mind — eligible technologies, proper trigger placement.
- Cross-functional collaboration: clients, sales, CS, and SMEs identify the right promotion and timing.
- Regular meetings with USPS leadership; twice-yearly client sessions to develop promotional plans.
- Combine Postal Promotions with co-production and consolidation — mail more, mail smarter.
- AI standardizes qualification decisions and submission processes across customers.
- Involved in preapproval from the start to finish — bridging clients and USPS so no savings are missed.

Calev Systems Promotion Strategy A Path to Success



Postal Promotion Preapproval Process

From Client Meeting to Campaign Completion



Customer-Tailored Plans for Each Mailer



- Understand each customer's vision and production capabilities.
- Collaborate with USPS and clients to build a promotion that fits their business.
- Educate clients on how AI can enhance their piece to qualify for promotions.
- Leverage AI internally to accelerate recommendations and submissions.
- Build custom distribution plans ensuring mail arrives on time.

Turning Savings into Scalable Growth

Use Case

Client re-entering direct mail after a two-year pause. Challenge: reduce postage costs without cutting marketing reach.

	Before	After
Planned Volume	700K – 800K pieces	1,250,000 pieces
Promotion Strategy	None	Hybrid co-production + TSI promotion
Outcome	Standard campaign	\$17,500 savings reinvested into expanded reach

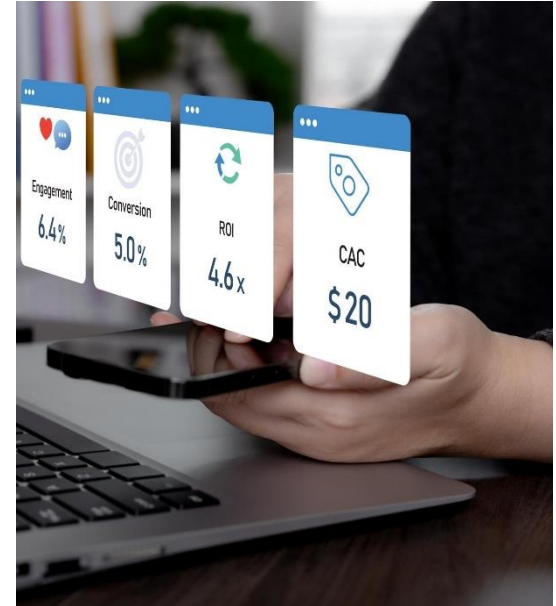
The Winning Formula: Plan, Stack, Execute

The real opportunity isn't one promotion — it's stacking them strategically. Plan upfront, not after the mailpiece is designed.

Promotion	Discount	Value
Integrated Technology (AI)	5%	AI-driven content qualifies the piece and drives engagement.
Informed Delivery	1%	Digital preview creates a touchpoint before the mail arrives.
Sustainability	1%	FSC/SFC paper — often no additional cost from paper merchants.
Combined Stack	7%+	Fully integrated, high-performing campaign with compounding savings.

Bringing Mail to Life with AI-Powered Experiences

- Dynamic, personalized CTAs across the mailpiece and Informed Delivery channels.
- Custom CTAs based on audience, timing, or behavior driving higher engagement.
- Transform IT and ID promotions from manual processes into scalable, repeatable systems.
- AI automation deploys campaigns faster, more consistently, and with fewer errors.



AI in Action: Visualizing Success Across Every Mailing

Turning Mail Data into Actionable Success



USPS Promotional Savings

Promotional Savings Analysis

START DATE: END DATE: [Apply](#) [Reset](#)

1062 statements [Export Workbook](#)

Customer:

TOTAL SUBTOTAL POSTAGE
\$14,186,993.18
before incentives/discounts

TOTAL ADJUSTED POSTAGE
\$12,896,590.98
1062 mailings

TOTAL PIECES
41,378,982
1062 mailings

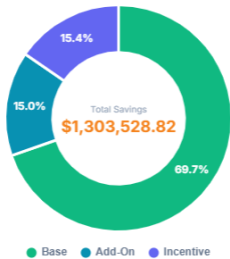
TOTAL PROMOTIONAL & INCENTIVE SAVINGS
\$1,303,528.82
10.11% of net postage

BASE PROMOTION SAVINGS
\$907,949.27
7.04% of net postage

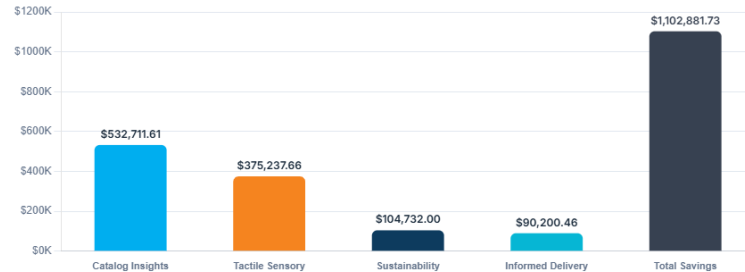
ADD-ON PROMOTION SAVINGS
\$194,932.46
1.51% of net postage

INCENTIVE SAVINGS
\$200,647.09
1.56% of net postage

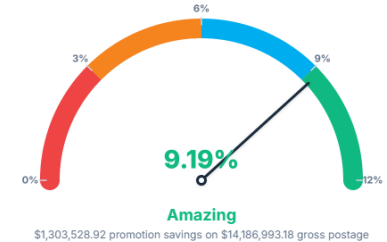
SAVINGS SUMMARY



PROMOTION SAVINGS BREAKDOWN



SAVINGS RATE



AI in Action: Visualizing Success Across Every Mailing

Maximizing Every Opportunity from Qualification to Approval



- 83% Qualification Rate for all mailings
- 100% Approval Rate

Key Takeaways

Where do we begin?

- Invest in team education and AI training — execution compounds over time.
- Align strategy with reality — match client needs to printer capabilities.
- AI accelerates through contextual reasoning, not rigid rules.
- Stack promotions strategically — IT, Informed Delivery, Sustainability.
- The result: consistent 7%–12% savings reinvested into volume and performance.

Standard Finish

LUMBER LIQUIDATORS
GREAT FLOORS FOR LESS!

200+ STORES NATIONWIDE!

LumberLiquidators.com | 1-800-HARDWOOD

WATERPROOF FLOORING from **39¢** sq ft

Bellewood **\$2.99** sq ft

APRIL ANNUAL CLEARANCE EVENT!

SALE

APRIL 10-14
FR - TUE
9 AM - 6 PM

SPECIAL SUNDAY HOURS
11 AM - 5 PM

CABINETS TO GO WOW FOR LESS.

100+ STORES NATIONWIDE!

CabinetsToGo.com | 1-800-CABINETS

KITCHENS up to **65% OFF**

CLOSETS up to **70% OFF**

WATERPROOF FLOORING in White **39¢** sq ft

KITCHENS & CLOSETS up to **70% OFF**

THESE DEALS WILL NOT LAST!
Offer ends 4/14/14. Offer available at participating stores. While supplies last. See store for details.

LUMBER LIQUIDATORS GREAT FLOORS FOR LESS!

2 WAYS TO SAVE!

APRIL ANNUAL CLEARANCE EVENT!

SALE

APRIL 10-14
DOORS OPEN 9 AM, FRIDAY

CABINETS TO GO WOW FOR LESS.

THE FAMOUS, ONCE-A-YEAR CLEARANCE SALE!
All products in stock, and are available on an as-is basis. Includes product restrictions with applicable limitations. See store for details. Offer ends 4/14/14. Offer available at participating stores. While supplies last. See store for details.

LUMBER LIQUIDATORS
GREAT FLOORS FOR LESS!

2 WAYS TO SAVE!

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Complex Finish

OCEANIA CRUISES

EXOTICS

2024 - 2028
COLLECTION OF VOYAGES



BLISS VARNISH 1



BLISS VARNISH 2



FOIL



SOFT TOUCH



SCULPTURED EMBOSS

Example of Combining Promotions and Incentives

- Catalog + Sustainability + Marriage Mail Incentive + MGI

FEATURES



136

Love Story

An ode to his marriage, designer Travis London's home is a personal, whimsical and artful expression of his evolving creativity and bold confidence.

Written by Made Prager
Photographs by Eric Sorensen
Styling by Pip Peroni



146

Natural Beauty

This serene, contemporary condo by designer Hayasia Schmitz boasts organic materials and warmth as that honor its beachfront location.

Written by Jennifer Boak
Photographs by Neil Latham
Styling by Peggy Green - iroko

156

Paradise Found

For a vibrant young family, designer Robert Blomida crafts a tropical-modern house that promises coastal charm in unexpected ways.

Written by Lisa Bringham Deane
Photographs by Eric Sorensen

ON THE COVER: At this South Florida property, designer Robert Blomida arranged an RH fire pit and lounge chairs at one end of the pool. Residential designer Casee H. Malone positioned the match house on the right, supports the pool pavilion, while landscape architect Tyler Nielsen layered the structure's clean lines with plants as much as phiblic and/oris aquariums. Page 116.

ASK YOUR SMARTPHONE TO TAKE YOU TO LUXESOURCE.COM FOR MORE DESIGN INSPIRATION.

- **Call-to-Action:** “Ask your smartphone to take you to luxesource.com for more design inspiration.”

The Big Picture: AI on Both Sides

A Complete AI Ecosystem for Mail

USPS Internal	Customer Facing	Calev Systems
LUCID	AI Promotion	Enterprise AI
75% of reviews automated	Incentivizes AI in mail creation	Claude for analytics & reporting
~6 minutes vs 4 days	Accessible to all business sizes	Historical data matched to performance
Increase Participation	AI literacy across industry	Opens new business opportunities

Key Takeaways

1. AI at USPS is not theoretical — its live, proven, and delivering. LUCID has processed 11,090 submissions from Jan 30 to Apr 1. Four business days has become six minutes
2. Automation doesn't replace them — it elevates them. MDAs are doing strategic work. Customers are getting faster, better service. The human element is more valuable now
3. USPS is creating incentives for **YOU** to adopt AI. The Integrated Technology AI promotion gives you a discount for using AI to improve your mail. Take advantage of it!
4. Your Industry peers are already doing it. You just heard from Clev Systems —they're using Claude for reporting and analytics right now
5. This is just the beginning. LUCID is expanding. New tools are coming. The mailing industry is being transformed, and USPS is leading the way



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