Mail Is Boring- That's Why You're Overspending

By Adam Lewenberg, CMDSS, MDC

Let's face it. Mail is boring. Nobody gets excited about postage meters, USPS® accounts, presort discounts, outsourced print contracts, or the cost of sending a letter. These are not topics that get executives energized or procurement teams lining up to take ownership. And that is exactly the problem.

Mail may be one of the largest and most overlooked expense categories in corporate America. Organizations spend millions annually on postage, outsourced print and mail services, equipment, and internal processing. Yet compared to other major expenses, mail receives surprisingly little attention, expertise, or oversight. The result is that organizations can be overspending in the millions of dollars simply because nobody owns the entire category across the enterprise.

One of the Largest Expenses Nobody Talks About

We estimate that U.S. organizations spend approximately $176 billion annually on business-related mail expenses, including postage, outsourced print and mail services, equipment, staffing, facilities, and supplies. Despite its size, this category rarely receives the same management attention as other major corporate expenses.

Consider the resources companies dedicate to parcel shipping where UPS and FedEx's combined US revenue is smaller than the mail spends listed above. They have transportation departments, sophisticated reporting systems, procurement professionals, third-party auditors, and consultants continuously reviewing rates and contracts. Now compare that to mail. Who manages all the USPS accounts across an organization? Who reviews outsourced print and mail costs? Who determines whether equipment is properly sized, postage discounts are maximized, or vendors are charging competitive rates? In many organizations, nobody has complete responsibility.

Why Mail Gets Overlooked

Several factors make mail difficult to manage, creating an environment where unnecessary spending can continue for years.

- **Confusing rules and regulations:** USPS® pricing involves different mail classes, shapes, weights, preparation requirements, automation discounts, and promotions. Small changes in how mail is produced or processed can significantly impact costs, but identifying these opportunities requires specialized expertise.
- **Huge price increases:** Postage costs have increased by 42–79% over the last five years, potentially the largest in USPS® history. For organizations spending millions annually, these increases have a substantial financial impact, yet many simply absorb the additional expenses rather than adjust their mailing strategies.

- **Fragmented spending:** Marketing manages direct mail, finance oversees statements, operations handles office mail, and individual locations purchase postage and equipment. Outside vendors manage production and distribution. Large organizations may have hundreds or thousands of USPS accounts and numerous service providers, with no single department having complete visibility.
- **Terrible data and limited visibility:** Mail lacks standardized reporting across providers. Data is scattered among USPS systems, vendor websites, PDF invoices, and individual accounts, without APIs or connectors. Organizations must access multiple portals, export reports, reformat files, and manually consolidate information. This process must be repeated to keep the data current, making even basic expense reporting a significant undertaking.
- **Limited internal expertise:** As organizations outsource more mail operations, they lose employees who understand postal classifications, equipment, production workflows, and presort strategies. Remaining staff often manage only their specific areas, leaving vendors at an advantage with considerably more expertise than the organizations purchasing their services.
- **Limited independent support:** While entire industries exist to audit transportation, telecommunications, and utilities, relatively few consultants specialize in enterprise mail. Even fewer provide ongoing data consolidation, analysis, and expense management. Organizations are often left relying on their vendors to determine whether they are receiving the best pricing and services.

Combined, these challenges create the perfect environment for overspending. Costs increase, contracts renew, equipment remains in place, and vendors continue operating with limited independent review. Without reliable data or expertise, organizations may not even recognize the opportunities they are missing.

The Hidden Cost of Doing Nothing

The most expensive part of mail may not be the postage itself, but the lack of attention given to how it is purchased, processed, and managed. Consider an organization spending $20 million annually on mail-related expenses. If only 10% of that spending is unnecessary, the organization is wasting $2 million every year. Over five years, that represents $10 million in avoidable costs, even before future price increases.

These opportunities extend beyond postage rates. Organizations frequently discover unnecessary equipment leases, dormant postage accounts holding unused funds, missed discounts, outdated mailing processes, and outsourced vendor contracts that have not been competitively reviewed in years.

These issues rarely create an immediate crisis. They continue month after month, becoming accepted as the normal cost of doing business. Overspending goes unnoticed because there is no single person, system, or process responsible for identifying it.

Four Steps to Take Control of Your Mail Expenses

The good news is that organizations do not need to accept mail as an unmanaged expense category. Through our work managing enterprise mail expenses, we have developed a four-step approach that brings visibility, accountability, and ongoing cost control to this category. Organizations can develop their own methodology using internal resources, outside expertise, or a combination of both.

1. Consolidate All Mail Spending Into One Central Repository. You cannot manage what you cannot see. Start by creating a complete picture of spending across USPS postage accounts, mailing equipment and technology, and outsourced print, mail, and presort providers. This is often the most difficult step because automated connections between systems do not exist. Establish logins to each provider's web portal, link all known accounts, and export transaction and spending data. Standardize this information into a central repository that is updated monthly, allowing expenses to be viewed, compared, and monitored across the organization.

2. Put Mail Expertise Behind the Data. Having the data is only the beginning. Someone with specialized mail expertise needs to review it regularly to identify opportunities involving postage classifications, equipment utilization, vendor pricing, presort discounts, USPS incentives, and processing methods. This cannot simply become another report that nobody reviews. A knowledgeable resource must be responsible for turning the information into actionable savings opportunities.

3. Maintain a Working List of Savings Initiatives. Identifying opportunities does not save money. Implementing them does. Maintain a centralized list of initiatives that tracks estimated savings, responsible parties, status, and next steps. The mail expert should work with internal teams, vendors, and the USPS to implement improvements. Some changes may be simple, while others require contract negotiations, technology conversions, or operational adjustments. A structured process ensures opportunities are not forgotten and progress continues month after month.

4. Document the Savings and Promote the Successes. Measure results against previous costs, document completed initiatives, and communicate the financial impact to management. This validates the savings while building awareness and support for a category that has historically received little attention. Organizations are often surprised by the results, and demonstrating success makes it easier to gain support for additional improvements.

The Benefits Go Beyond Savings

While reducing expenses is the primary objective, better mail management delivers additional benefits. Centralized reporting gives finance and procurement clearer visibility into spending across locations and vendors. Improved oversight creates greater vendor accountability, while standardized processes reduce administrative work, eliminate redundant equipment, and simplify operations.

Perhaps most importantly, ongoing management allows organizations to be proactive rather than reactive. Instead of waiting for contracts to expire or costs to increase, they can continually evaluate opportunities, measure results, and make improvements. This creates sustainable cost control rather than a one-time savings project.

Mail Can Stay Boring. It Shouldn't Stay Expensive.

Mail may never be the most exciting category, but that doesn't mean it should be ignored. Fragmented spending, poor data, limited expertise, and rising costs have created an environment where organizations can overspend for years without realizing it.

The solution is straightforward: Consolidate the data, apply expertise, implement savings initiatives, and document the results. The biggest opportunity may simply be giving this enormous expense category the attention it has been missing.

About the Author

Adam Lewenberg, CMDSS, MDC, is President of Postal Advocate Inc., the nation's leading enterprise mail optimization and spend management firm. Postal Advocate manages the world's largest portfolio of enterprise mail and postage operations, including **over $2 billion in annual postage, 57,000 USPS accounts, 110,000 pieces of mail technology, and 101,000 enterprise online postage users.** Since 2011, the company has delivered hundreds of millions of dollars in client savings across postage, mail technology, shipping, and outsourced print and mail services. They can be reached at https://postaladvocate.com/contact/.