

OFFICE OF INSPECTOR GENERAL UNITED STATES POSTAL SERVICE

Federal Sector Web Pages: Opportunities for Enhancement

Management Advisory Report

September 12, 2012

Report Number MS-MA-12-002



OFFICE OF INSPECTOR GENERAL UNITED STATES POSTAL SERVICE

HIGHLIGHTS

BACKGROUND:

The U.S. Postal Service must compete with commercial providers at a time when federal entities are increasingly using the Internet to find and research products and services. However, federal entities are not required to purchase goods or services from other federal agencies.

Selling to the federal sector is unique in that its purchasing activities are guided by the Federal Acquisition Regulation. As a result, the Postal Service has a sales group dedicated to the federal sector. Postal Service sales to the federal sector totaled \$51 million in fiscal year (FY) 2011 and are expected to be about \$100 million in FY 2012. The objective of our review was to evaluate the Postal Service's current website and determine whether management could make enhancements to better position it in the federal sector market.

WHAT THE OIG FOUND:

Opportunities exist for the Postal Service to create federal sector web pages that would enhance the visibility of its products and services to federal agency purchasing decision makers. The web pages should include useful content, be easy to use, and highlight the Postal Service's strengths and advantages as a shipping provider. Additionally the web pages should be designed to maximize external search September 12, 2012

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engine results. Having web pages for federal sales could enable the Postal Service to better reach target audiences and inform customers, with the end goal of increasing sales to federal entities.

WHAT THE OIG RECOMMENDED:

We recommended the Postal Service evaluate the information in this report and determine the feasibility of creating federal sector web pages as part of its overall sales strategy. Management agreed with our finding and recommendation and stated that they will develop a proposal for enhancing their current website to encourage selling to federal entities and present it to the chief marketing officer for approval within 120 days.

Link to review the entire report

September 12, 2012

MEMORANDUM FOR: CLIFF RUCKER VICE PRESIDENT, SALES

Donnell E. Berjomin, 5

FROM:

Darrell E. Benjamin, Jr. Deputy Assistant Inspector General for Revenue and Systems

SUBJECT:

Management Advisory – Federal Sector Web Pages: Opportunities for Enhancement (Report Number MS-MA-12-002)

This report presents the results of our review of the U.S. Postal Service's Federal Sector Web Pages: Opportunities for Enhancement (Project Number 12RR006MS000). The objective of our review was to evaluate the Postal Service's current website and determine whether management could enhance it to better position it in the federal sector market.

We appreciate the opportunity to provide this information to you, and hope you find it helpful. If you have any questions or need additional information, please contact Janet M. Sorensen, director, Marketing and Service, or me at 703-248-2100.

Attachments

cc: Nagisa Manabe Corporate Audit and Response Management

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Introduction

This report presents the results of our review of the U.S. Postal Service's federal sector web pages (Project Number 12RR006MS000). The objective of this review was to evaluate the Postal Service's current website and determine whether management could make enhancements to better position it in the federal sector market. This review was self-initiated and addresses financial and operational risk. See Appendix A for additional information about this review.

The General Services Administration (GSA) suggests maximizing an agency's web presence — including its web pages — to maximize sales and offers the following observations:

- Most agencies use the Internet to find what they need.
- Customers want quick and easy-to-find information.
- Content should be relevant, concise, and well-written.
- There should be a clearly identifiable link to GSA contracting information from an agency's home Internet page.
- Navigation should be easy and customers should be able to find everything they need with two-three clicks of the homepage.
- Agencies should display their GSA schedule number on every government web page and ensure contacts are updated and easy to find.
- Agencies should display the GSA's logo on their website and develop a section for government or GSA customers.
- Placing customer testimonials on agency websites may be beneficial.

Postal Service sales to the federal sector totaled \$51million in fiscal year (FY) 2011 and are expected to nearly double that — to about \$100 million — in FY 2012. As identified by the GSA, most federal agencies use the Internet to find the products and services they need, thus making the Postal Service's federal sector web pages an integral piece of its sales strategy.

Conclusion

Opportunities exist for the Postal Service to create federal sector web pages that would enhance the visibility of its products and services to federal agency purchasing decision makers. The web pages should include useful content, be easy to use, and highlight Postal Service strengths and advantages. Additionally the web pages should be designed to maximize external search engine results. Having web pages for federal sales could enable the Postal Service to better reach target audiences and better inform customers, with the end goal of increasing sales to federal entities.

Suggested Enhancements and Changes

The Postal Service currently has a government services web page, which includes information for creating election mail, steps for obtaining passports, Army Post Office/Fleet Post Office absentee ballot information, and penalty mail information. However, this site mainly targets the general public to inform them of the government services the Postal Service provides and does not have a distinct link or web page where federal agencies can obtain information about shipping services offered by the Postal Service. The Postal Service has the opportunity to create robust federal sector web pages that include the following:

Useful Web Page Content

Content, which is the information on a web page, is the most critical element of a website. Useful, relevant content will give decision makers (purchasers) a reason to visit the Postal Service's federal sector web pages. For example, offering free online training for contracting officers (COs) and program managers may increase access to the Postal Service's federal sector web pages by potential federal customers. The Postal Service could use web page content to:

- Create an opportunity to sell the Postal Service's brand.
- Provide useful links, such as a link to the Postal Service's Federal Supply Schedule on the GSA's website.
- Obtain valuable contacts by requiring training participants to register and answer a few key questions about their duties.
- Advertise Postal Service services by way of banners or key case study exercises that softly highlight Postal Service strengths.
- Include useful tools, such as a calculator, that mailers can use to determine the "true cost" of using a competitor's products after surcharges.
- Display the Postal Service's GSA schedule number on every government web page.

- Obtain feedback on what is important to COs.
- Gauge which products or features specific federal agencies are researching by tracking and recording visitors' Internet Protocol addresses.

Easy Navigation

A website should allow users to find and access information effectively and efficiently. The method of finding information within web pages is referred to as navigation. Federal sector web page navigation enhancements might include:

- Simplified Uniform Resource Locators (URLs) that are easy to remember and related to the user's location on the site. For example, www.usps.com/gov would be easy for customers to remember.
- Other USPS.com URLs that link to the Postal Service's federal sector web pages.
- A link from the USPS.com homepage to the federal sector web pages.
- Everything the customers need within 2-3 clicks of the homepage.
- A robust search option within the federal sector web pages that will not take your customers outside the federal sector.
- An easy to find updated list of relevant sales force contacts.

A Highlight of the Postal Service's Strengths

The federal sector web pages should show users why the Postal Service is their best option. Highlights could include:

- The Postal Service invests heavily in security including having its own Postal Service law enforcement agencies — the U.S Postal Service Office of Inspector General (OIG) and the Postal Inspection Service. Postal Service law enforcement organizations are accustomed to working closely with other federal entities.
- The Postal Service has existed for over 200 years. It was formed by the government and has a sales staff to specifically serve the needs of the government.
- The Postal Service is transparent and decision makers are not always aware of how much more they are truly paying with the surcharges added on by competitors.
- Like other federal agencies, the Postal Service is mission-oriented, not profit motivated.
- The Postal Service could show ways for agencies to reduce mailing costs.

A Method for Maximizing External Search Engine Results

Potential customers may use external search engines such as Google or Yahoo to quickly find information. These search engines continuously search the World Wide Web and update their indexed collections of web resources in hopes of providing customer queries the most relevant results, thus the Postal Service should design federal sector web pages that will:

- Maximize the ability of Internet search engines to find, retrieve, and index content that federal customers are likely to search for.
- Increase its web page ranking. Search engines rank web pages by determining which pages are the most relevant. Companies could also pay to have their web page displayed as a sponsored link, banner or ad when specified conditions are met.

Recommendation

We recommend the vice president, Sales:

1. Evaluate the information in this report to determine the feasibility of creating federal sector web pages as part of its overall sales strategy.

Management's Comments

Management reviewed a draft copy of this report and agreed with our finding and recommendation. Management stated that they will develop a proposal for a federal web page to present to the chief marketing officer for approval within 120 days.

Evaluation of Management's Comments

The OIG considers management's comments responsive to the recommendation and corrective actions should resolve the issues identified in the report.

Appendix A: Additional Information

Background

Although the U.S. Postal Service is an independent agency of the federal government, it is one of the few government agencies authorized by the U.S. Constitution. The Universal Service Obligation of the Postal Service, while not explicitly stated, is implicitly considered to require that the Postal Service provide affordable service to every citizen of the U.S.

This mandate puts the Postal Service in a unique position among shipping providers in the U.S. and creates a commensurate unique opportunity for federal agencies. The Postal Service, unlike any other shipper, provides mailing and shipping service to every citizen of the U.S. — parallel in many ways to the requirements of other federal agencies to provide services to all citizens. The relationship between the Postal Service and each American citizen — and exclusive access to their mailboxes — might be considered a benefit to other agencies looking for ways to effectively serve their users and service audiences.

The Federal Acquisition Regulation (FAR) provides "uniform policies and procedures for acquisition," but does not require federal agencies to purchase goods or services from one another. However, among its guiding principles is having an acquisition system that satisfies customers' needs in terms of cost, quality, and timeliness; minimizes administrative operating costs; conducts business with integrity, fairness, and openness; and fulfills other public policy objectives. The FAR also includes socioeconomic requirements. For example, some items must be purchased from U.S. firms only and large organizations should use smaller businesses as subcontractors.

Understanding and accentuating this exclusive relationship between the Postal Service and the citizens of the U.S., the requirements of the FAR, and the nature of shopping online today might benefit the Postal Service by increasing the sale of products and services to other federal agencies.

Postal Service sales to the federal sector totaled \$51 million in FY 2011 and are expected to be about \$100 million in FY 2012. As identified by the GSA, most federal agencies use the Internet to find the products and services they need, thus making the Postal Service's web pages for federal sales an integral piece of its sales strategy.

Objective, Scope, and Methodology

Our objective was to review the Postal Service's current website and determine whether management could make enhancements to better position it in the federal sector market.

To accomplish our objective, we:

- Reviewed the Postal Service's current government services web pages.
- Reviewed Postal Service competitors' federal websites.
- Reviewed the GSA website to identify best practices for maximizing an agency's web presence.

We conducted this review from August through September 2012 in accordance with the Council of the Inspectors General on Integrity and Efficiency, *Quality Standards for Inspection and Evaluation*. We discussed our observations and conclusions with management on September 6, 2012. Management was very receptive to the suggestions in this report and fully supported the idea of creating federal sector web pages to encourage selling to federal entities.

Prior Audit Coverage

The OIG did not identify any prior audits or reviews related to the objective of this review.