



Address Logics, LLC.

Address Hygiene: Correction, Standardization and Update

WHITE PAPER: Industry Terms and Definition

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USPS Address Hygiene: Correction, Standardization, and Update

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Introduction: As any industry evolves, sales and marketing groups look for new ways to label maturing products. This concept is the reason why cell phones are now called “mobile devices” and various laptops have begun a new life as “netbooks”. Unfortunately, many of these changes in terminology are also the leading cause of market segment blur. Over the years, this confusion has become increasingly prevalent in the data industry, and more specifically for this paper, the Address Hygiene industry.

With so many years of poorly interchanged terminology in the market, numerous clients either find themselves spending time inquiring about services they are not interested in or unknowingly signing up for services that are unlikely to fulfill expectations. In 2010, a new player entered the industry and released a service that completely changed the way Address Correction and USPS standardization services are performed using new “*genetic-programming*” methodology.

Address Logics produced the following white paper to help clarify each of these terms within the Address Hygiene industry as well as associated services used within that market segment.

Address Hygiene is the general term used by the industry to describe the value of preserving and promoting correct and valid addresses. There are a number of ways to maintain the value of address data, some of which may result in an entirely different address as the final solution. For instance, the debt collection industry places a premium on the most current address available via Address Updating whereas the same process could be illegal in certain sectors, such as the medical industry, which prefers the highest Address Standardization accuracy possible. Most businesses looking for Address Hygiene are interested in a tiered data service option between all three listed below (Correction, Standardization, and Updating), allowing for an optimal solution providing the greatest value for their address data.

Address Correction relates to services that specifically fix or correct an address to be closer to postal address standards. Different than an Address Updating service such as NCOA or skip tracing, Address Correction should never change an address number from the one originally provided. USPS CASS™ offers a minor form of Address Correction in fixing issues with address prefixes, suffixes, or minor changes in city or state. With Address Logics' introduction of “*genetic-programming*” methodology, significant advancement towards error correction such as phonetic spellings and complex multiple input errors are now available.

In tiered service structures, Address Correction normally occurs during phase 2, after Address Standardization. Address Standardization is required in a previous phase to first determine which addresses will require a correcting service. When address hygiene vendors use Address Updating services to simulate Address Correction processes, clients are commonly billed for every record submitted, however still have significant variances between their data and USPS CASS™ standards.

Address Correction services such as Address Logics which integrate Address Standardization into its processes will often reach 96% accuracy of a given data set with the help of their advanced algorithms. With proper correction, a boost of even 10% in data accuracy will significantly assist in meeting optimal mailing postal standards, lower physical return mail and increase de-duping and other address dependent service matches such as phone append or skip tracing.

See Figure 1 for examples of Address Correction.

Address Standardization (Validation / Verification) are interchangeable terms for the same service phase relating to the accuracy of an address. Accuracy is almost always determined through the official, USPS CASS™ addressing service. This application is not directly available through the postal service, but there are

multiple providers that have met USPS regulations for offering CASS address validation software.

Address Standardization is important in every phase of Address Hygiene. Standardization separates good addresses from bad thereby allowing Address Correction services to focus processing time towards only those addresses that require attention. After any process from Correction to Updating, Standardization should be used again to ensure that any changes made to an address are as close to a validated USPS address as possible.

A record that fails Address Standardization (indicated by the missing zip + 4 DPV code) is a strong indicator for a host of unwanted issues ranging from return mail to excessive duplicate records or unmatchable records for Address Updating / Append. Addresses that fail USPS CASS™ validation will also not qualify for bulk discount (presort) rates offered by the Post Office. This will increase postage of that piece from presort rate to first class category, costing about 7.6 cents per record.

In the data append industry, Address Standardization software is used as the primary means in assisting data matching algorithms when linking submitted client data with a successful data match set. In the example below, you will notice how processing a record through USPS CASS™ increases the chance of finding a successful match. When combined with an Address Correction service, you can normally see an additional 16% match rate.

See Figure 2 for examples of Address Standardization (Address Validation / Verification).

Address Updating (sometimes referred to as data / address append) involves a very different process than the previous two services. Businesses that provide Address Updating services use expensive proprietary databases with information gathered from a wide variety of public and private venues such as credit card applications, cellular contracts, mortgage documentation, magazine subscriptions and even surveys that have been completed. This data is pooled and sold to other businesses that are seeking the latest information available for their client database. Address Updating services, such as skip trace or NCOA, are best presented in the last phase of Address Hygiene to ensure the greatest potential for data matching. These services take a submitted record, match it against the Address Update database and then return any new records, often changing the original record to a completely new and different address location.

In Figure 3, example 3, neither the original record, nor the updated matching record may necessarily be USPS standardized or even correct to begin with. In Address Updating, a record will return a match against an identically flawed or incorrect address as long as there is a matching flawed record submitted to the Address Update service. Because of this, the importance of combining Address Standardization with a robust Address Correction service prior to using an Address Updating service is vastly beneficial to the end result. More often than not, businesses that offer Address Updating services have records similar to USPS standards. Anyone looking to maximize the return on investment for their data will find it beneficial to submit the greatest number of already USPS Corrected and Standardized records in order to reach the highest matching rate with their Address Update vendor.

See Figure 3 for examples of Address Update / Append

To find out more about any of the services or associated definitions listed above, feel free to contact Address Logics @ <http://www.AddressLogics.com> or via phone at (888) 597.8885.

Figure 1

Address Correction: Examples

Original Address	Corrected Address
34567 Sesame / Troy, MI 48084	34567 E Sesame ST / Troy, MI 48084- 2828
34567 Sassemey / Troy, MI 48082	34567 E Sesame ST / Troy, MI 48084- 2828 ±
34567 Sassemey / Farmington, OH 48084	34567 E Sesame ST / Troy, MI 48084- 2828 ±

* Corrections noted in **bold**

± Unique capability of *Address Logics* genetic-algorithm service

Figure 2

Address Standardization (Validation / Verification): Examples

Original Address	Standardized
34567 E Sesame Street / Troy, MI 48084	CASS standardized (Validated / Verified) No
34567 E SESAME ST / TROY, MI 48084- 2028	CASS standardized (Validated / Verified) Yes *

* USPS CASS standardized addresses will **always** have a 9 digit zip (zip + 4)

Figure 3

Address Update / Data Append: Examples

Original Address	Update
777 Wallace DR / Plano, TX 75024	Box closed NCOA Update – Box closed
888 Circus Lane / Hubbard, IA 50122	123 Sesame ST / Vancouver, WA 98660-5626 NCOA Update – Move forwarding address
999 West Michigan / Saline, MI 48176	456 Seashore / Portland, OR 97203 Skip Tracing update – Magazine Subscription

* Update noted in **bold**

± Note that neither the original, nor the updated address will pass USPS CASS validation and require standardization.

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"The industry leader in modern Address Correction, Standardization, and Validation accuracy."

The views expressed in this paper are strictly Address Logics intended for educational purposes and not to be construed as legal or business advice.