

2015



MARKET INTELLIGENCE

International **Post**
Corporation



MARKET FLASH

A fortnightly newsletter covering the
latest news from the global postal sector



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> **TOP STORY****GLOBAL E-COMMERCE TO EXCEED US\$2TN IN 2015 AS ASIAN
MARKETS SHOW STRONG GROWTH**

Worldwide e-Commerce is set to grow well beyond US\$2tn this year driven by high double-digit growth in China and the rest of Asia and continued strong growth in North America and Europe, generating another high rise in consumer parcel volumes, according to recent figures from the Ecommerce Europe association.

Global e-Commerce grew by 23.6% to US\$1.6tn in 2013, the association's latest Global B2C E-commerce Report showed. Worldwide online sales were expected to grow by 22.9% to US\$1.9tn last year.

Asia Pacific overtook Europe and North America in 2013 to become the world's largest e-Commerce region, and looks set to extend its lead this year, the research for the association of European e-retailers found. B2C e-Commerce sales in the Asia Pacific region surged by 44.5% in 2013, driven by the strong growth of online shopping in China. B2C e-commerce sales in Europe grew by 17.1% while North America increased by 10.1% that year, according to the global report. Latin American e-Commerce sales grew by 21.5% while the Middle East and North Africa region grew even more strongly by 32.7%.

With total B2C e-Commerce sales of US\$419bn in 2013, the US was still the biggest individual market, but the emergence of China is significant. Partly due to the success of e-Commerce giant Alibaba, Chinese B2C e-Commerce grew by 78.5% to US\$328.4bn. For 2014, China was even forecast to surpass the US and become the world's new leader in terms of e-Commerce, Ecommerce Europe said. The association pointed out that the country with the second-largest e-Commerce turnover and growth rate, China is not ranked in the top ten of countries in terms of average spending per e-shopper.

Source: [CEP-Research](#)

AMERICAS

DHL OPENS US\$35M FREIGHT FACILITY AT CHICAGO AIRPORT

DHL Global Forwarding has opened a new US\$35m facility in Chicago to handle freight movements to and from the US, including temperature-sensitive healthcare shipments.



The building is a bonded Container Freight Station (CFS), designated by carriers to receive cargo to be loaded into containers. A part of the building has been designated a Foreign Trade Zone (FTZ), a secure area under the supervision of US Customs and

Border Protection considered outside the Customs territory of the US for the purpose of duty payment.

The new facility contains two temperature-controlled chambers (15-25°C and 2-8°C) that together measure close to 929 m² and a 93 m² ambient receiving area, built with variable temperature capabilities to process any pharmaceutical, biotech or medical devices that require a temperature-controlled environment and two dedicated truck docks.

Source: [CEP-Research](#)

UPS ANNOUNCES EXPECTED 4Q RESULTS

UPS announced that it anticipates fourth-quarter 2014 adjusted diluted earnings per share of approximately US\$1.25. Full-year 2014 adjusted diluted earnings per share is expected to be US\$4.75, up 3.9% over 2013 adjusted diluted earnings per share of US\$4.57. On a GAAP basis, full-year 2014 diluted earnings are expected to be approximately US\$3.28 per share, compared to US\$4.61 in 2013.

Company earnings for 2014 were lower than previous guidance, primarily due to the underperformance of the US Domestic segment. Less-than-expected demand on non-peak days resulted in a sub-optimised network during peak season; the company seems to have miscalculated and over-invested as volumes failed to grow as strongly as forecast. A decline in productivity, increased contract carrier rates, as well as costs associated with overtime and training hours contributed to the excess cost. International adjusted operating profit was also below expectations, primarily due to non-recurring charges and negative currency comparisons.

UPS expects solid business growth across all segments in 2015. Increased pension expense of approximately US\$180m due to lower discount rates, and currency headwinds of more than US\$50m will negatively impact results. The company anticipates 2015 diluted earnings per share growth to be slightly less than its long-term target of 9% to 13%.

Due to lower earnings, UPS shares slumped more than 10% during trading on Friday after the announcement, and closed the day down 9.91%. Nervous investors also moved out of FedEx shares, sending the price down by 2.97%.

Source: [UPS](#); [CEP-Research](#); [CEP-Research](#)

ASIA PACIFIC

DHL EXPRESS INVESTS €10M IN FLIGHTS FROM ISTANBUL'S SABIHA GÖKÇEN AIRPORT

DHL Express has launched flights from Istanbul's Sabiha Gökçen Airport with an investment of €10m, as part of the company's overall investment worth €100m over the next five years to expand its presence in Turkey.

A DHL Express spokesman confirmed to CEP-Research that the new air connection from the second airport in Istanbul, located on the Asian side of the city, has been launched, in addition to the existing service to and from the larger Ataturk airport on the European side.

As part of its recently announced 'Strategy 2020 Focus. Connect.Grow.', Deutsche Post DHL has defined emerging markets as a key pillar for the group's future growth, with Turkey being one of the most promising 11 countries the group wants to focus on. The group aims to generate 30% of its revenues from emerging markets by 2020 compared to 22% at present.

Source: [CEP-Research](#)

UBER TRIALS HONG KONG DELIVERY SERVICE

Ride-hailing company Uber, which is seen as having disrupted taxi businesses around the world, is now eyeing the delivery sector with a new 'sharing' service in Hong Kong.

The new service, branded as 'UberCargo', launched in the Asian metropolis last week, using private persons as drivers in the same way as with its existing taxi services. The new service appears to mostly target private individuals

for deliveries within the territory but is also available to businesses, prompting observers to predict that the delivery industry could be the firm's next target.

Customers can use the UberCargo app to request a collection and can track the van's progress to the pick-up point. The drivers help customers to load and unload goods, and customers can either ride with their goods or track the delivery trip via the app. UberCargo prices are based on a combination of time and distance.

Source: [CEP-Research](#)

UPS ADDS TRADE CONSULTING SERVICES TO ITS CUSTOMS BROKERAGE RANGE IN ASIA

UPS has expanded its customs brokerage portfolio in Asia with the addition of the so-called 'Trade Management Services' (TMS) focusing on consulting to simplify expansion opportunities for customers in the region. The new TMS services comprise trade consulting, import/export technologies and managed services.

With trade consulting, UPS aims to enhance customers' competitive trade advantage and mitigate the risk of international trade by providing companies with customised assessments of the complex compliance, security and administrative issues impacting their business. "The ability to adapt to new government requirements means less exposure to penalties, a reduction in cargo clearance delays and the maximisation of duty/tax savings", the company explained.

Source: [CEP-Research](#)

ASIA PACIFIC

SINGPOST ADDS NEW E-COMMERCE SERVICES TO SIMPLIFY PARCEL SHIPPING

Singapore Post has expanded its range of integrated e-Commerce solutions for blogshops and SMEs with new services enabling them to drop off parcels faster and easier at a dedicated counter, after paying and printing the postage for their parcels from home or office.

To respond to a growing number of local online retailers, SingPost has launched SmartPac Lite, an envelope version of the existing SmartPac, for e-Commerce items weighing up to 1 kg. Measuring 240 mm x 330 mm, the SmartPac Lite is available for SG\$3.80 and offers more choice to blogshops and SMEs when it comes to delivery. As consumer-based retail businesses using blogging platforms such as Blogger, WordPress or Livejournal, blogshops are quite popular in Singapore. To provide even more convenience for blogshop owners and SMEs, the Singaporean postal operator also launched a new Bulk Package Counter in October last year in a three-month trial. The initiative was designed to make parcel shipping quicker and easier.

With this service expansion, SingPost is responding to significant growth of e-Commerce in Singapore over the last few years, with volumes from 'online' parcels having increased by almost 100% in Singapore since 2006. From the around 4m parcels that SingPost handles on a daily basis, 30% are e-Commerce items.

Source: [CEP-Research](#)

SINGPOST BUYS MAJORITY STAKE IN NEW ZEALAND FREIGHT

Singapore Post has announced that it acquired a 90% stake in New Zealand-based freight forwarding company Famous Pacific Shipping Limited (FPSNZ) through its subsidiary Famous Holdings Pte Ltd to strengthen its regional logistics business.

Famous Holdings Pte Ltd has paid an initial consideration of NZD 3.6m (€2.4m) for the stake (subject to working capital adjustments) and certain debts owing by FPSNZ to the vendors. Established in 1996, FPSNZ mainly focuses on sea and air freight forwarding together with customs clearance for inbound and outbound shipments from New Zealand.

Over the past 18 months, SingPost has been ramping up its regional logistics capabilities with new or expanded facilities including the development of an SG\$182m fully integrated regional e-Commerce logistics hub in Singapore which is expected to start operating in mid-2016. As part of its transformation, SingPost has been steadily expanding beyond Singapore, leveraging its regional platform Quantum Solutions and other subsidiaries and partners.

Source: [CEP-Research](#)

ASIA PACIFIC

E-RETAILER RAKUTEN AND JAPAN POST LAUNCH DELIVERY SERVICE TO LOCKERS

Japanese e-Commerce company Rakuten has launched a delivery service to lockers in Tokyo in cooperation with Japan Post, enabling customers purchasing products from the flagship Rakuten Ichiba portal to pick up their items from the lockers at their convenience.

Coming into effect this spring, the new service will be offered at around 30 locations across the Japanese capital, including post offices. To use the service, shoppers ordering products on Rakuten Ichiba simply need to select the shipping (delivery) method and the Japan Post locker of their choice. They will then have to confirm the locker password which can be found in the email that is sent when the delivery is completed. They will receive the delivered products by entering the password into the designated Japan Post locker.

Source: [CEP-Research](#)

RUSSIAN AND CHINESE POSTS LAUNCH RAIL DELIVERIES OF SHIPMENTS FROM CHINA TO RUSSIA

Russian Post and China Post have started rail transportation of international postal shipments from China to Russia to simplify cross-border flows between the two countries.

Until now, international shipments have been delivered to Russia only by air and by road. In contrast, rail transportation not only makes it possible to reduce transportation costs but also to exclude additional cargo operations and intermediaries from the supply chain.

The plan is part of the cooperation agreement between the railway operators of the two countries signed in May 2014. Prior to this agreement, the two postal operators already signed a Memorandum of Understanding in October 2013 during the official visit of Russian Prime Minister Dmitry Medvedev to China. The Memorandum aims at extending delivery routes for shipment flows from China to Russia.

Source: [CEP-Research](#)

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EMERGING MARKETS DRIVE INTERNATIONAL EXPRESS MARKET GROWTH, REPORT FINDS

7%
YEAR-
OVER-YEAR
GROWTH IN
INTERNATIONAL
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The international express market has shaken off the global financial crisis with solid average annual volume growth of 7% a year over the last five years, driven by emerging markets, according to a new report commissioned by the Global Express Association.

The international express delivery has thus shown solid growth following the global financial crisis and has grown faster than world trade over the 2009–2013 period,

the study by Frontier Economics found.

According to the report, Europe is the largest regional market with about 47% of volumes, based on the sum of outbound and inbound cross-border volumes. Asia Pacific follows with 25%, ahead of North America (21%), Middle East & Africa (4%) and Central & South America (3%). Growth has been strongest in regions outside of Europe and North America in recent years, the report found. The Middle East & Africa and Central & South America were the fast-growing regions between 2011 and 2013, although from low base figures.

Source: [CEP-Research](#)

LOGISTICS' COOPERATION NEGOTIATIONS FINALISED IN SCANDINAVIA

Posti announced in October 2014 that it will renew its logistics services in Scandinavia. The focus will be on road transport between countries of operation. The aim is also to develop offering in road transport in selected market areas in Europe. At the same time, Posti gave up its air and sea freight business, service warehouses in Denmark, as well as Scandinavia's internal distribution logistics. Service warehouses in Sweden and Norway will be given up in 2015.

The reason behind the changes is that the profitability of operations in Scandinavia has not been at an adequate level.

Source: [Posti](#)

FRENCH E-COMMERCE GROWS 11% IN 2014

E-Commerce in France grew by 11% to spending of €57bn last year and is predicted to break through the €60bn barrier this year, according to new figures from the country's e-Commerce association Fevad.

The results were slightly higher than expected thanks to a strong peak season which showed a 13% year-on-year rise in revenues to €11.4bn, the association's annual market study released yesterday showed. Outlining some of the main trends in 2014, the association said the number of online transactions went up by 15%, despite the weak economic climate in France and overall drop in consumer spending. The average 'basket' per transaction declined by 4% to €81, the

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fourth annual fall in a row. But this was compensated by an increase in the number of transactions per online shopper, which rose to 20 last year from 18 in 2013.

A separate survey on Christmas sales trends by researchers CSA for Fevad found that seven out of every ten French shoppers bought presents online, with one in three purchasing from a foreign-based website. About 15% bought goods as part of Black Friday or Cyber Monday sales. French consumers continued to favour home deliveries ahead of all other options in the run-up to Christmas but 'click and collect' options grew fast in popularity while parcel shops were less popular, the CSA survey found.

Source: [CEP-Research](#)

TNT ANNOUNCES MAJOR UPGRADE OF INTERNATIONAL SERVICE TO GERMANY

TNT announced a major upgrade of its international delivery service to Germany. TNT now provides guaranteed next-day delivery to all postal codes in the country as well as an optional delivery before 12:00 nationwide. Both services are available for parcels and heavier freight shipments.

TNT is responding to demand for fast and reliable delivery services, with greater control over the delivery time. The upgrade builds on several operational improvements made by TNT in recent months, including investments in its European Road Network and air hub in Liege.

Source: TNT

GERMAN ONLINE SALES POST STRONG 15% GROWTH FOR CHRISTMAS

German online sales grew by a strong 15% year-on-year to revenues of €9.8bn during the 2014 Christmas season, which was slightly ahead of expectations, according to figures released today by the German e-retail association, bevh.

Total interactive sales, including the declining mail order market, posted solid growth of nearly 7% to €11bn during the festive period, which is slightly below the €11.2bn forecasted in December. E-Commerce sales thus represented 89% of total interactive sales.

Source: [CEP-Research](#)

ICELAND POST LAUNCHES AUTOMATED PARCEL MACHINES

Iceland Post, the Icelandic national postal operator, is set to launch a national network of automated parcel machines (APMs) under the 'Póstbox' brand using terminals supplied and installed by InPost parent company, the Integer.pl Group.

The terminals for receiving and sending parcels will be available in Iceland's largest cities but also at petrol stations, offering Icelanders from smaller towns the same 24/7 delivery convenience. Integer.pl, which won the tender, did not say how many terminals would be installed.

Source: [CEP-Research](#)



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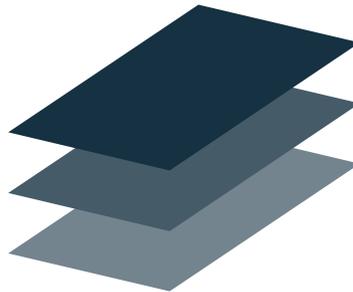
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DHL SUCCESSFULLY TESTS AUGMENTED REALITY APPLICATION IN WAREHOUSE



DHL has successfully carried out a pilot project testing smart glasses and augmented reality in a warehouse in the Netherlands. In cooperation with DHL customer Ricoh and wearable computing solutions expert Ubimax, the technology was used to implement 'vision picking' in warehousing operations. Staff was guided through the warehouse by graphics displayed on the smart glass to speed up the picking process and reduce errors. The pilot proved that augmented reality offers added value to logistics and resulted in a 25% efficiency increase during the picking process.

The pilot's objective was to gain insights on the technology's benefits and limitations. For three weeks, warehouse staff in Bergen op Zoom was equipped with head mounted displays such as Google Glass and VuzixM100. The displays showed the respective task information during the picking process, including aisle, product location and quantity. Overall, ten order pickers used the equipment and picked more than 20,000 items, fulfilling 9,000 orders within the given time frame. As a result, staff was able to operate much faster and error free. Currently DHL and Ricoh are jointly evaluating the roll-out of the solution.

Source: [Deutsche Post DHL](#)

RUSSIAN POST POSTS NEW RECORD IN INTERNATIONAL SHIPMENTS FOR NEW YEAR

Russian Post has posted a successful pre-holiday peak period from 1 November to 31 December 2014, doubling the number of international shipments (with product enclosures) handled compared to the same period last year, after investing in capacity expansion.

During the last two months of 2014, Russian Post processed 19m shipments. This is twice as much as in 2013 and 4.5 times as much as in 2012. In December last year alone, the company handled 10m items.

Source: [CEP-Research](#)

RUSSIAN POST LAUNCHES HOME DELIVERY OF SMALL PARCELS ACROSS RUSSIA

Russian Post has launched a home delivery service for small parcels weighing up to 2 kg across the country at a cost of RUB 100 (€1.30) and is also testing courier deliveries without any weight limit across Moscow. Until now, letters were delivered to homes but Russians always had to go to their local post office to collect parcels.



Via the mobile app available for Android and iOS devices, customers currently can only track shipments, scan their barcodes, search for the nearest post office and pick them up.

In 2014, Russian Post delivered around 70m international shipments weighing up to 2 kg, the so-called small parcels,



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and expects this figure to rise by a further 30% this year. Potential revenues from the new home delivery service will primarily depend on the demand for it, Malyshev stressed.

Source: [CEP-Research](#)

PARCELFORCE UPGRADES DELIVERIES WITH INTERACTIVE CUSTOMER SERVICES

Royal Mail's express parcel business Parcelforce Worldwide has launched a new customer service range offering customers greater choice and control over their delivery.

The new 'Parcelforce Select' provides an improved range of interactive services to enable online retailers provide their customers with greater control over the delivery of their parcels if they know they will not be at home to receive them.

Consumers can now select exactly where they want their parcel to go if they know they will be out when a delivery is attempted. In addition, Parcelforce Worldwide is expanding the number of notifications parcel recipients receive about the progress of their parcel, including a one hour delivery time window. In addition to its existing notifications, the express parcel's business will also be able to notify customers of an unsuccessful attempted delivery, 'neighbour delivery', advising which neighbour has accepted the parcel, and Post Office handover, advising customers of the Post Office where the parcel has been left. For customers returning items, Parcelforce Select offers day of booking notification, confirming the date of collection, day of collection notification and collection confirmation, or whether the return collection was not possible.

Source: [CEP-Research](#)

DPD STEPS UP B2C EXPANSION WITH UK PARCEL SHOP NETWORK

DPD will launch a UK parcel shop network with up to 2,500 locations under the PickUp brand in June to step up its expansion in the fast-growing B2C market.

The launch marks the next major European expansion move for the group's growing pick-up and drop-off (PUDO) network, which already includes some 7,000 outlets in France, 5,000 in Germany and nearly 2,000 in other countries. Parent group GeoPost aims to create an integrated pan-European parcel points network under the Pickup brand with more than 20,000 locations as part of its B2C growth strategy.



In the UK, the new DPD Pickup locations will compete in an increasingly crowded parcel shop 'marketplace' with rival networks including 5,500 CollectPlus stores (a Yodel joint venture), Hermes' 3,500 locations, some 2,600 UPS Access Points, the start-up Duddle network as well as 11,500 post offices used by Royal Mail. InPost's network of some 1,000 parcel lockers is another 'click and collect' option for British online shoppers.

Source: [CEP-Research](#)



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AMAZON EXPANDS UK SUNDAY DELIVERIES WITH REGIONAL COURIERS

Amazon has expanded Sunday deliveries in the UK to 15 cities using a logistics technology platform in cooperation with regional and local couriers.

The e-Commerce company launched deliveries on Sundays for members of its Prime scheme in January 2014 serving seven British cities. Amazon UK later announced that Sunday deliveries are now offered in 15 cities, without naming them, and volumes have grown by more than four times in the last year. Sunday 21 December was the busiest Sunday of 2014 for deliveries, when Christmas shoppers enjoyed the benefits of the One-Day Delivery service, it said.

In parallel, the company has expanded its network of Pickup Locations to more than 16,000 locations across the UK. These include more than 10,500 Post Office branches as well as a large number of Collect stores, the new 'Pass My Parcel' stores, and Amazon Lockers.

Source: [CEP-Research](#)

UK E-RETAIL DELIVERY VOLUMES POST DOUBLE-DIGIT ANNUAL AND CHRISTMAS GROWTH IN 2014

E-retail delivery volumes in the UK posted year-on-year growth of 16% in 2014 and 11.6% growth in December, in line with forecasts, with a new record in total parcel volumes dispatched through UK carriers last year, according to the British e-Commerce association IMRG.

The IMRG MetaPack UK Delivery Index, which measures parcel volumes generated by e-Commerce, estimated the overall e-retail parcel volumes at 920m for the whole year 2014, which even beats the 900m orders forecast. Boosted by the pre-Christmas period, parcel volumes in December 2014 showed spectacular 28% growth compared to the previous month.

As for parcel carriers, some of them posted volumes in line with the market growth of 11.6% in December 2014 while others failed to reach that level. Hermes and Yodel, for example, increased their peak season volumes by 15% and 11% respectively while UK Mail has reported "record volumes". Royal Mail, however posted parcel volume growth of 'only' 4% in the UK last month.

Source: [CEP-Research](#)

ROYAL MAIL LAUNCHES NEW POSTAGE SOLUTION FOR EBAY SELLERS

Royal Mail has launched Click & Drop, a new online postage and label solution to make it easier for eBay sellers to ship parcels using Royal Mail.

The new solution allows eBay sellers to integrate their accounts, enabling them to easily buy and print postage labels at the click of a button, without the need for manually inputting the address of each individual buyer. The online service will also automatically check the delivery postcode to limit the risk of a mis-delivery.

Royal Mail has also extended the payment options for those using the new solution. Customers now have the flexibility of



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paying using their PayPal account as well as debit or credit cards. By extending payment options, marketplace sellers have the option of covering the cost of their postage using the proceeds generated from their marketplace sales, if the same account is used.

Source: [Royal Mail Group](#)

DHL BEATS TRAFFIC WITH LONDON'S FIRST EXPRESS HELICOPTER SERVICE

DHL Express launched London's first-ever scheduled helicopter delivery service. DHL's new helicopter service will significantly enhance the connection between key financial centres in the USA and the UK, in particular. It will guarantee next-day delivery of urgent documents from New York, Boston and Chicago to London's financial district.

With a daily flight connection from DHL's Heathrow Hub to the centre of London, the helicopter will bypass traffic and cut the journey time into Canary Wharf and the City of London by up to one hour.

Source: [Deutsche Post DHL](#)

ROYAL MAIL RELEASES TRADING UPDATE FOR FIRST THREE QUARTERS OF 2014

Royal Mail issued a trading update covering the nine months ended 28 December 2014 in which it stated that trading in the nine months was in line with Royal Mail's expectations.

The seasonal increase in parcel volumes came through as anticipated. Given the company's performance over the

Christmas period, and that it continues to expect to hold underlying UKPIL operating costs before transformation costs flat for the full year, Royal Mail is confident that the outcome for the full year will be in line with our expectations. Our outlook for letter and parcel trends and other guidance remain unchanged from that set out in our Financial Report for the half year ended 28 September 2014 issued on 19 November 2014.

Moya Greene, CEO of Royal Mail stated: "We handled around 120m parcels in the month of December alone, 4% more than last year. Letters performed in line with our expectations, with addressed letter volumes down 3% in the first nine months. GLS, our ground-based European parcels business, continued to perform well."

Investors welcomed the figures, contained in a trading update, and the company's share price rose more than 4% after the announcement.

Source: [Royal Mail Group](#); [CEP-Research](#)

PARCELFORCE SELECT IS LAUNCHED TO PROVIDE GREATER DELIVERY CHOICE AND CONTROL

Parcelforce Worldwide launched its new Parcelforce Select service range to support the growth of online retailing by responding to the needs of e-retailers and their customers.

“
Royal Mail is confident that the outcome for the full year will be in line with expectations.”



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Parcelforce Select provides an improved range of interactive services to enable online retailers provide their customers with greater control over the delivery of their parcels if they know they will not be at home to receive them.

As part of the Parcelforce Select service, online retailers and other businesses will be able to help their customers to better manage their parcels after placing an order, enabling their customers to even change their mind on the day of delivery. Customers will be able to select exactly where they want their parcel to go, if they know they will be out when delivery is attempted. This could be a specific neighbour, convenient Post Office branch or a safe place on their property. Customers can also continue to choose an alternative day of delivery if that is more convenient for them.

Source: [Royal Mail Group](#)

MARKETING LEADERS JOIN ROYAL MAIL'S MARKETREACH CAMPAIGN

Royal Mail MarketReach launched its new "MAILMEN" campaign on 27 January. As part of the campaign, marketing industry leaders have joined forces with Royal Mail MarketReach for a campaign to demonstrate the vital contribution mail makes to advertising success.

The campaign, targeting clients, media planning and buying agencies, creative agencies and marketing decision-makers at the top 3,000 advertisers, combines digital, press and OOH, and direct marketing including staged direct mail and emails, and promotes Royal Mail MarketReach's in-depth research programme, The Private Life of Mail.

Source: [Royal Mail Group](#)

DPD UK LAUNCHES 'LAST MILE LABS' FOR STARTUPS WITH INNOVATIVE DELIVERY SOLUTIONS

DPD UK and L Marks, a British investment fund focusing on innovative start-ups, have announced an initiative called 'Last Mile Labs' looking to support young companies with original delivery ideas for the last mile.

The eight-week programme will see ten selected teams receive mentoring from the DPD teams, access to DPD proprietary technology (platforms, APIs etc.) and £12,500 in initial funding to allow them accelerate their technology in the labs. Working at the dedicated office space in London, they will be able to attend workshops and talks hosted by DPD and L Marks partners. The best candidates will have the opportunity to get £100,000 in follow-up founding and the chance to secure a contract to supply DPD.

Source: [CEP-Research](#)

TNT INVESTS £15.5M IN REGIONAL BRITISH SUPER-DEPOT

TNT UK has announced it is to open a new £15.5m super-depot in Swindon enabling faster deliveries for customers in south-west England.

The South-West Depot and Regional Sortation Centre is being built by industrial warehouse developer IDI Gazeley on a new ten-acre site on the South Marston Industrial Estate. It will have a new state-of-the-art sort machine and more than 100 loading bays.



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Keeping local parcel traffic in the South West will also mean fewer vehicles and fewer miles on already congested roads and motorways. TNT, which is also significantly investing in upgrading its entire fleet, estimates its long-haul lorries will reduce mileage by nearly 1.1m km, which, in turn, will reduce CO2 emissions by up to 815,000 kg each year, thereby reducing the impact on the environment.

Source: [CEP-Research](#)

UK SME E-RETAILERS TARGET GROWTH THROUGH ONLINE MARKETPLACES, ROYAL MAIL SAYS

British small and medium-sized (SME) online retailers are looking optimistically at 2015 and plan to increase their use of online marketplaces, such as eBay and Amazon, to boost their growth, according to Royal Mail's annual tracker study into the expectations and challenges facing e-retailers.

The survey results revealed that the sector is in a positive mood for this year as seven in ten businesses expect their sales to increase. Even though 76% of the SME online retailers highlight tougher competition than a year ago, they are more optimistic in terms of their growth expectations this year, with a year-on-year increase of 9%. About two-thirds of the respondents named the increasing number of websites as the main reason for rising competition, ahead of price sensitivity (42%), which ranked first last year.

On-time delivery emerged as the most important factor for driving customer satisfaction quoted by 62% of the respondents, followed by product price ranked second (52%) and product quality ranked third with 44%, down from 66% last year, as the survey showed. What is also becoming increasingly important to UK SME online retailers is providing a good returns process for online shoppers, the study found. A third of the retailers surveyed said a simple returns process was a key factor to customer satisfaction last year, up from 23% in 2013. Three in ten (27%) of UK SME online retailers will be simplifying the returns process in 2015 to increase customer satisfaction, up from 11% last year.

Source: [CEP-Research](#)



ABOUT THIS PUBLICATION

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If you would like to contribute to this publication or require further information, please contact: publications@ipc.be.

ABOUT IPC

International Post Corporation is a cooperative association of 24 member postal operators in Asia Pacific, Europe and North America. Over the past two decades IPC has provided industry leadership by driving service quality and interoperability, supporting its members to ensure the high performance of international mail services and developing the IT infrastructure required to achieve this. IPC engages in industry research, creates business-critical intelligence, provides a range of platforms for member post CEOs and senior management to exchange best practices and discuss strategy, and gives its members an authoritative, independent and collective voice. IPC also manages the system for incentive-based payments between postal operators. With members delivering some 80% of global postal mail, IPC represents the majority of the world's mail volume.

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