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MARKET INTELLIGENCE



International **Post**
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latest news from the global postal sector



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> TOP STORY

BPOST CONFIRMS EXPLORATION OF POSSIBLE FRIENDLY APPROACH TO POSTNL

bpost confirms that it is exploring internally a possible friendly approach to PostNL. bpost is surprised about, and regrets, the inadvertent leakage of an internal and confidential working document leading to press reports about a possible enhanced proposal to PostNL. Since the end of the prior discussions in May this year, bpost has continued to study internally the desirability, timing and content of a possible new approach to PostNL, and still believes in the merits of a possible combination with PostNL.

These internal discussions have not yet reached the decision-making stage and have not led to a proposal for consideration by bpost's Board of Directors. Accordingly, no decision has been made as to whether to initiate a new approach to PostNL or as to the content of a revised proposal. Since the end of May, there have not been any further discussions with PostNL on the structure or terms of a possible combination.

bpost will carefully evaluate the current situation and will reconsider the timing of its decision-making. bpost will communicate to the market as soon as it is in a position to give more concrete guidance one way or the other.

Source: bpost



> AMERICAS

AMAZONFRESH EXPANDS TO NEW US CITIES, WITH MONTHLY MEMBERSHIP PLAN

Amazon has announced that their AmazonFresh programme has expanded to American cities of Chicago and Dallas. These new cities add to the growing list of regions where AmazonFresh is available, including recently-launched Northern Virginia, Boston, Baltimore, and London.

With AmazonFresh, customers can combine grocery and other shopping into one seamless experience, and can order a wide range of items. AmazonFresh offers same-day or next-day delivery, with convenient delivery windows, including the option of either attended or unattended delivery. Customers can place an order in the morning and have it delivered as early as that same evening, or order before going to bed and have the items on their doorstep in time for breakfast the next day.

Amazon customers are able to use AmazonFresh for just US\$14.99 per month as an add-on to their Amazon Prime membership.

Source: Amazon

UPS PURCHASES 14 NEW 747-8F JUMBO FREIGHTERS

UPS has announced it has ordered 14 new Boeing 747-8 cargo jets to meet increased demand for the company's air shipping services. UPS's long term strategy is to increase customers' access to global markets and air shipments are a major growth opportunity for the company. The 747-8s will enable UPS to begin a cascade of aircraft route reassignments that will add significant air capacity to the company's busiest lanes, thereby optimising global air network capacity well beyond the impact of adding new cargo jets. The 14 aircraft are to be delivered between 2017 and 2020.

The value of the contract, which also contains options for 14 additional jets in the future, was not disclosed. The new jumbo freighters will be added to the company's existing operating fleet of more than 500 aircraft.

Source: UPS

FEDEX COMPANY, GENCO INTRODUCES SCALABLE WAREHOUSE SOLUTION

GENCO, A FedEx Company has announced an expansion of its network with the introduction of a multi-tenant warehousing solution, continuing to meet the evolving needs of healthcare customers in the US and Canada. With the expansion, GENCO offers small and medium-sized manufacturers top-tier supply chain solutions traditionally used by only large-scale customers in dedicated facilities.

The new facilities will be located in Memphis, Tennessee, and Milton, Ontario, Canada, and will comprise of 1,100,000ft² and 400,000ft² of space, respectively. The warehouses feature state-of-the-art infrastructure, have support to store and distribute all classes of healthcare products and include advanced warehouse, labour and quality management technology. The facilities will also be properly licensed to support kitting and relabelling activities.

Source: FedEx

> ASIA PACIFIC

AUSTRALIA POST MD & GROUP CEO TO TAKE ARAMEX BOARD POSITION

Australia Post's Managing Director and CEO, Ahmed Fahour, will take a position on the board of directors of global parcel express delivery and logistics company, Aramex.

This is a key part of the strategic e-commerce alliance between Australia Post and Aramex that was announced in June. The appointment is subject to Aramex shareholder approval, which will be sought at the next Annual General Meeting in April 2017. This is a natural progression in the strategic relationship between Australia Post and Aramex, which includes a Singapore-based joint venture targeting the global e-commerce market, with a particular focus in Asia.

The joint venture will help Australia Post grow the Australian e-commerce market, capturing more inbound parcel volumes and providing a platform for outbound growth. This is a critical part of ensuring a sustainable future for Australia Post and securing Australian jobs.

Source: Australia Post

ALIBABA GROUP LAUNCHES 2016 11.11 GLOBAL SHOPPING FESTIVAL

Alibaba Group has announced the launch of its 2016 11.11 Global Shopping Festival, unveiling more than three weeks of marketing promotions, entertainment programmes, and new product offerings from around the world to engage Chinese consumers on the world's busiest and largest shopping day.

At a press conference in Hong Kong attended by dozens of representatives from international brands, Daniel Zhang, Chief Executive Officer of Alibaba Group, said, "11.11 Shopping Festival has become the global retail benchmark over the past seven years, and we have raised the bar again this year to redefine the retail experience for consumers together with our merchants from around the world."

The 2016 11.11 Global Shopping Festival will unfold with a primary focus in the following four areas, in order to support the global growth strategy of Alibaba and scale of the event.

Source: Alibaba Group

GET READY FOR CHRISTMAS WITH NEW ZEALAND POST

New Zealand Post is making it easy to plan for Christmas with the release of sending deadlines and delivery dates for the holiday period.

People wanting to send cards and presents overseas in time for Christmas by International Air will need to post them by 07 December for Australia, 02 December for the South Pacific, Asia, North America, UK and Europe, and 30 November for the rest of the world. There are later deadlines for International Courier and International Express Courier services in early and mid-December.

For domestic services, the deadline for sending mail and parcels within New Zealand by Standard Post, ParcelPost and ParcelPost Tracked is 20 December. FastPost, Courier Parcel and Courier & Signature Parcel products need to be sent by 22 December. Online shoppers buying gifts from overseas through YouShop should pay for delivery from the USA, UK and China by Monday 05 December to ensure items arrive in time for Christmas.

Source: New Zealand Post

> ASIA PACIFIC

NZ POST ANNOUNCES KIWIBANK DEAL COMPLETION

New Zealand Post Chief Executive Brian Roche has announced the successful completion of the partial sale of Kiwibank's holding company Kiwi Group Holdings Limited (KGHL) to the NZ Super Fund and the Accident Compensation Corporation.

The NZ Super Fund has invested NZ\$263m for a 25% stake in KGHL, and ACC has invested NZ\$231m for a 22% stake – with the NZ\$494m deal based on the investors valuing KGHL at NZ\$1,050m.

Mr Roche said he was pleased that the transaction has been finalised, having been actively discussed by the parties since early 2015 and formally notified to the NZX in April, 2016. New Zealand Post will now reinvest NZ\$90m of its proceeds back into the bank, pre-empting future capital requirements and underpinning its platform for future growth, Mr Roche said.

Source: New Zealand Post



> EUROPE

SWISS POST HAS SATISFIED BUSINESS AND PRIVATE CUSTOMERS

Approximately 23,000 business and private customers surveyed are satisfied with Swiss Post's services, as shown by the latest results of the annual customer satisfaction survey: the Group-wide customer satisfaction index once again achieved a total of 80 out of a possible 100 points. Delivery quality was also rated very highly, scoring over 90 points for the tenth time in a row.

More than half the customers surveyed stated that they are very satisfied with the range of products and services offered by Swiss Post. Swiss Post's staff continue to receive high scores thanks to their friendliness and personal advice. While customers rate the range of services offered slightly higher than last year, they see potential for improvement mainly in pricing, and more generally in problem-solving. On the whole, customers rate Swiss Post's individual business units very positively, with scores between 74 and 86 points. The roughly 8,000 business customers surveyed – responsible for the bulk of the Group's turnover – rated the services offered and the quality of the individual units at between 78 and 83 points. This is slightly higher than in the previous year.

Source: [Swiss Post](#)

DEUTSCHE POST DHL GROUP HONOURED AS 'SECTOR LEADER' IN TRANSPORTATION FOR ITS ENVIRONMENTAL MANAGEMENT

Deutsche Post DHL Group has been recognised as 'Sector Leader Transportation DACH Region' by the independent non-profit organization CDP (previously Carbon Disclosure Project) as part of CDP's renowned annual assessment of environmental performance. With an overall score of 'A-' the Group's environmental management leads the logistics sector in its efforts to continually reduce transport-related emissions and increase resource efficiency.

CDP awards Sector Leader status to companies that, in comparison to other companies in their industry, demonstrate a high degree of transparency with regard to climate-change activities and performance, including defining targets, achieving emissions cuts via reduction measures and/or verification of reported data. Sector Leader status is an expression of a company's outstanding performance in terms of strategies initiated and measures implemented to combat and/or adapt to climate change as well as efforts to increase data validity. CDP climate scores are on a scale from A to F.

Source: [Deutsche Post DHL](#)

AMAZON TO CREATE MORE THAN 300 NEW PERMANENT JOBS WITH THE OPENING OF FULFILMENT CENTRE

Amazon has announced that a new fulfilment centre in Daventry, Northamptonshire, will open in 2017, creating more than 300 new permanent jobs next year.

Amazon is increasing the size of its UK fulfilment centre network to meet increasing customer demand, expand its product selection of more than 150m items and support the 40% growth last year in the number of independent small businesses selling on Amazon Marketplace using Fulfilment by Amazon warehousing and delivery.

Amazon will begin recruiting for a range of positions for the Daventry fulfilment centre, from operations managers to engineers, HR and IT roles to people who will handle customer orders.

Source: [Amazon UK](#)

> EUROPE

UK MAIL LAUNCH NEW CAMPAIGN FOR MIDNIGHT ORDER SERVICE

UK Mail has launched Midnight Order with a 12am order cut-off to meet the growing expectations of consumers who are demanding more convenient delivery choices.

By providing customers with improved delivery options, Midnight Order can enhance retailer's customer satisfaction and conversion rates. The service can also be used as a true evening delivery service, as recipients will receive their much-needed items between the convenient hours of 6pm and 10pm.

UK Mail also provides further support to retailers through their Retail Logistics and Courier services. Whether its store replenishments, door-step swap outs, inter-branch transfers, returns or new store openings; there is a delivery solution to meet retailer's needs.

Source: UK Mail

GEARING UP FOR CYBER WEEK

The majority of retailers who are participating in Black Friday sales this year are planning discounts of up to 50%, according to research commissioned by Royal Mail.

Around one in five plan to take part in the annual Black Friday sales event, which happens on the last Friday of November each year. Many retailers are expected to begin discounting items during the week leading up to Black Friday extending to Cyber Week- the week commencing 28th November. The research, carried out by Yougov on behalf of Royal Mail, found that consumers could still be in line for big savings this year. Seventy-eight percent of retailers, who plan to take part in the annual sales event, intend to offer discounts of up to 50% on their products.

Nearly a quarter of retailers participating in Black Friday this month say they would offer free gifts to shoppers spending over a certain amount, while nearly one in five plan to offer free shipping on all online purchases.

Findings from the research suggest that the annual sales event could also be used by many retailers as a way to trial new products as part of a planned product entry strategy. Around one in ten said they planned to discount brand new products to generate interest in

both the product and their business.

Nearly half (45%) of retailers interviewed expect Black Friday to account for up to 50% of their Christmas period sales. When asked how they expect this year's sales to compare to last year, 35% said they expect sales this year to equal that of last year, 12% believe sales to be higher this year, while only 6% think sales this year's will be less than last year.

Source: Royal Mail



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 (IPC) is the leading service provider of the global postal industry that provides leadership by driving service quality, interoperability and business-critical intelligence to support posts in defending existing business and expanding into new growth areas. It is a cooperative association of 24 member postal operators in Asia Pacific, Europe and North America. IPC's solutions and services are used by over 180 posts worldwide. Since 1989 IPC has set standards for upgrading quality and service performance and developed technological solutions that help members enhance service for international letters, packets and parcels. IPC engages in industry research, creates business-critical intelligence, provides a range of platforms and programmes for member post CEOs and senior management to exchange best practices and discuss strategy. IPC also manages the system for incentive-based payments between postal operators.

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