International Post Corporation

COVID-19 crisis accelerated structural trends of parcel growth and traditional mail decline in 2020

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postal industry performance

Brussels, 15 July 2021 – According to preliminary results published today by International Post Corporation (IPC), full-year 2020 results show considerably lower growth of 1.6% [1] compared to 5% growth reported for the full year 2019 in the IPC Global Postal Industry Report in November 2020.

These results have been significantly impacted by the COVID-19 crisis. As in previous years, the main growth driver for posts was parcels, fuelled by cross-border and domestic B2C e-commerce. Mail volumes and revenue declined further for many posts as the COVID-19 crisis accelerated e-substitution. For some posts, parcels growth did not suffice to offset the strong mail decline. Diversification also continues to play an important role for posts as mail services share of industry revenue continues to decline.

Holger Winklbauer, CEO of IPC said: "The COVID-19 crisis has been an accelerator of the structural trends in the postal sector. As mail volumes further declined, especially advertising mail, parcels now account for over 50% of revenue for some posts. Posts also saw costs increase as they had to adapt operations during the COVID-19 pandemic. The ongoing shift towards parcel operations leads to investments which continue to focus on parcel sorting capacity and automation, as well as expanding parcel locker networks. Posts launched new e-commerce delivery services to meet consumer demands during the COVID-19 crisis. These activities have the potential to strengthen the postal sector in the future".

The complete 2020 results as well as results for the first half of 2021 will be presented in the IPC Global Postal Industry Report, which will be published in November 2021. The report will include a comprehensive and detailed review of the postal industry, covering over 50 postal operators worldwide and analysing key market trends and consequences from the COVID-19 crisis. A publicly available summary, the IPC GPIR Key Findings, will also be published in November.

For more information on the IPC Global Postal Industry Report, please visit: http://www.ipc.be/services/markets-and-regulations/market-intelligence/global-postal-industry-report.

Source: IPC

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[1] Averages for 2018 and 2019 sourced from the IPC Global Postal Industry Report 2020 and based on 53 posts. Averages for 2020 based on an unweighted mean of results of the following 39 posts: An Post, bpost, Canada Post, China Post, Correios Brasil, Correos, Correos de Chile, Correos de México, Croatian Post, CTT Portugal Post, Czech Post, Deutsche Post DHL, Eesti Post, Hellenic Post-ELTA, Hongkong Post*, Iceland Post, India Post*, Japan Post, Le Groupe La Poste, Lithuania Post, Magyar Posta, Österreichische Post, Poczta Polska, Pos Malaysia, POST Luxembourg, Poste Italiane, Posten Norge, Posti, PostNL, PostNord, Royal Mail, Russian Post, Singapore Post, Slovenska Posta, South African Post Office*, Swiss Post, Thailand Post, Ukrposhta, United States Postal Service. Posts marked with an asterisk (*) are not expected to publish annual results until after publication of the IPC Global Postal Industry Report 2021 in November; analyses for these posts have been based on the latest periods for which data exists.