

A record-setting end to an unprecedented year provides Canada Post with key learnings for 2021 and beyond

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Small business parcel volumes grew significantly as Canadians became confident online shoppers. At Canada Post, we believe the rapid and sustained shift to online shopping created a tipping point that will have a profound impact on the Canadian economy, especially as we build back from COVID-19. From our unique vantage point as Canada's parcel leader we see three key learnings: Canada's small and medium-sized businesses have stepped up to take a stronger presence in the online shopping space; Canadians expect more items to be conveniently delivered; and the demands on delivery companies will continue to grow substantially. At Canada Post, we're proud to serve all Canadians and will be guided by these insights as we plan for the future.

A record-setting end to an unprecedented year

In 2017, Canada Post delivered one million parcels on 67 different days, mostly during the holiday season. In 2020, we started delivering a million or more parcels a day in mid-April and it continued right through to the end of the year – 181 consecutive delivery days.

During the two weeks leading up to and including Christmas Eve, our employees delivered just under 20 million parcels to Canadians, with a record 2.4 million of those delivered in one day – on Monday, December 21st. Under difficult circumstances Canada Post broke records for parcel delivery in Canada, but it still wasn't enough to keep up with demand. Our

people worked incredibly hard to deliver, while we worked to keep them safe.

Three Key Learnings from 2020

Small and medium-sized businesses quickly transitioned and grew their online sales in significant numbers.

The number of parcels Canada Post received from small businesses grew by more than 50% in 2020 compared to 2019. Much of that growth occurred as they ramped up sales in the fourth quarter - growth of 62% in October, 73% in November and 85% in December.

The number of sign-ups to our Solutions for Small Business program increased by nearly 70%. The program is free and offers support and shipping discounts to small businesses. The number of parcels dropped off at post

offices jumped by 45%, with most coming from small businesses and start-ups. These businesses depend heavily on Canada Post to reach their customers across the country. It's important to note that we worked closely with many of our large customers to limit the amount we could deliver to help manage demand through the holiday peak season.

Most Canadians are now confident online shoppers. They will continue to buy more items more often from a wide variety of retailers.

In 2020, Canadians fast-tracked their online shopping habits by a few years, accelerating demand for retailers and delivery providers to keep pace with their needs.

Based on industry analysis and internal numbers, Canada Post believes Canadian retail e-commerce sales grew by 54 percent in 2020 to \$62.9 billion and will reach almost \$80 billion by 2023.

Convenient, on-time, dependable and secure delivery they can trust – that's the growing expectation from Canadians and the retailers they buy from.

An October Canada Post survey of 2500 online shoppers found three quarters will shop more often with retailers who use a delivery company that ensures their packages are delivered securely.

About two-thirds of shoppers are driven by retailers who provide flexible delivery options, especially convenient and secure pick-up locations for their parcels that can't be delivered.

We also saw in 2020 that Canadians expect companies to treat their employees and their communities with respect. It was important for Canadians to understand how we were working to keep our people, and the communities we serve, safe as we provided an essential service throughout the year.

Source: [Canada Post](#)