

Omniva grows in Baltic parcel business

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The total commercial revenue of the Group was 24.7 million euros in the first quarter of 2018 (27 millions in 2017).

The parcel machine network facilitates growth in the domestic market

The commercial revenue of the company's parcel services increased by 18% in the Baltics compared to the first quarter of the previous year (16% in 2017). "We consider it essential for the parcel business in our domestic market in the Baltics to show continuous and accelerating growth," told Joonas Saluveer, Chairman of the Board of Omniva.

The growth of Omniva's parcel business is supported by the largest parcel machine network in the Baltics, which has developed into the most preferred channel for sending and receiving parcels for clients. Over 80% of Estonian clients consider the parcel machine as their channel of choice.

In 2018, the company is planning to expand its parcel machine network in the Baltics even further and make parcel machines more easily accessible to clients, even in smaller towns and settlements. The expansion process will also be continued in cities, which are indeed covered by parcel machines, but the rapid growth of e-commerce and the preferences of clients call for a network expansion.

One development which supported the growth of e-commerce in the area of parcel business was that ReBound Returns, an international platform that offers return solutions to web stores, chose Omniva as their partner for Baltic returns.

Innovation and efficiency in the postal business

The revenue of the postal business area is generally characterised by constant decrease due to the decline of letter volumes, whereas within the 1st quarter of 2018, the revenues

of the postal business increased by 2% compared to the previous year. “Letter volumes are continuing to decline but revenues from other postal services help compensate it,” explained Saluveer. “The postal business has also helped increase revenues by creating several innovative products which have been well received by clients.”

Omniva issued a pure silver postal stamp for the centenary of the Republic of Estonia, which proved so popular that an additional 10,000 copies were ordered in addition to the initial 30,000 stamps. Omniva also gifted these rare silver stamps to all children who were born in the Republic of Estonia on 24 February.

“Products like the silver stamp and the special-shaped Christmastime scented stamps are a good example of how creative thinking can lead to opportunities of innovation even in areas as traditional as the issue of stamps,” noted Saluveer. According to Saluveer, the postal network is continuously being adapted in order to meet the expectations of clients and service volumes. The network of mailboxes underwent thorough organisation by Omniva in the first quarter of 2018. By means of involving local governments and communities, mailboxes were placed in locations that are convenient for people and empty and unused mailboxes were removed. The organised network makes the sending of letters more convenient to clients.

Restructuring of international business

International business, which deals with the transport of international e-commerce parcels all over the world, decreased in comparison with the first quarter of the previous year due

to changes in the structure of destination countries. The previously dominating Russian market has decreased, whereas the proportion of other markets has increased. “This helps to better disperse the risks arising from one dominating market, however, the growth of other markets has not yet fully compensated for the rapid decrease of the Russian market,” noted Saluveer. Post11, the joint undertaking of Omniva and China’s largest private courier company S.F. Express, serves nearly 100 destination countries throughout the world.

AS Eesti Post, which is using the trademark Omniva, is an international group that offers postal, logistics and information logistics services. Omniva Group includes AS Eesti Post as its parent company and its subsidiaries AS Maksekeskus, UAB Omniva LT in Lithuania and SIA Omniva in Latvia, as well as its associate company OÜ Post11. The main area of business of the parent company is offering postal, logistics and information logistics services and processing e-invoices (Omniva Invoice Centre). The main area of business of SIA Omniva and UAB Omniva LT is offering parcel machine and courier services in Latvian and Lithuanian markets. The main activity of AS Maksekeskus is offering payment solutions for e-commerce companies in the Baltics. Post11 offers comprehensive international logistical solutions for delivering goods throughout the entire world.

In terms of ownership, Omniva is a wholly state-owned enterprise managed under the Ministry of Economic Affairs and Communications.

Source: [Omniva](#)