

## Holiday message from the CEO

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 Holger Winklbauer

E-commerce is and will remain for some time the main driver for postal growth. It is therefore essential that posts pursue their efforts to meet expectations of e-retailers and their customers, especially on the cross-border markets.

### **INTERCONNECT volumes are growing**

Volumes of items going through the INTERCONNECT network have continued to increase throughout 2018 to now reach 3.8m tracked items per month. Increasing the volumes as well as extending the geographical scope of INTERCONNECT will remain our key priority in the coming months.

Dear readers,

As the year comes to a close, I am pleased to present you the last edition of YourIPC for 2018. On this occasion, I would like to look back at the main highlights of the year.

### **E-commerce parcels and packets drive growth**

The year closes on a positive note for the postal sector. Preliminary data on the global postal industry's performance for 2018 – from the IPC Global Postal Industry Report published a few weeks ago – show that the growth for the first half of the year is much higher than in 2017. Posts are benefiting from the rapid increase in e-commerce. We also note that although mail volumes continue to decline, the pace is slowing down thanks to the light e-commerce packets going through the mail pipeline.

The IPC Dynamic Merchant Platform further developed this year aims at embedding postal delivery solutions within the shopping carts of leading global e-retailers. Through the DMP, e-retailers will benefit from the cross-border features of an integrated express network for the price of delivery. As shown in the IPC Cross-border online shopper survey, customers want full transparency on the delivery fees (including customs) upon purchase. The delivery experience is also highly dependent on the convenience for the customer. This will continue to be a major priority for IPC and will very likely result in a prepayment solution as a future global service of IPC members and other postal operators.

### **IPC services are being expanded**

In line with the objectives of our 2025 strategy adopted mid 2017, IPC continued to

extend its existing services and develop new solutions to help our members to fully meet the expectations of e-retailers and their customers.

As part of our efforts to increase the usage of the current IPC services, some IPC solutions have registered new records. For instance, the IPC Common Returns Platform has now reached over 10m returned items since its creation in 2010. In 2018, a forecasted record of 3m items will be returned through the system by the end of the year. Many more labels have been provided to consumers for possible return, demonstrating the increasing success of the solution.

The IPC Pallet Box continues its success, expanding its membership to seven posts, covering France, Germany, the Netherlands, Switzerland, UK, Luxembourg and Ireland.

The IPC Cross-Border Shopper Survey expanded from 31 markets and 28,000 consumer interviews in 2017 to 41 markets and 34,000 respondents in 2018.

This year, IPC's sustainability programme, the Environmental Measurement and Monitoring System (EMMS), turned ten. Posts participating in the programme continue to

improve their carbon performance and have saved 15m tonnes of CO2 emissions since the launch of the programme.

## Looking forward

Next year will mark the 30th anniversary of IPC, meaning 30 years of joint efforts by our member posts to innovate and enhance their cross-border performance. 2019 will also be the anniversary year for one of our flagship services used by 185 posts worldwide: the Global Customer Service System. For the past 20 years, this service has played an important role to enhance cross-border customer services, underpinning key international barcoded or tracked postal products, such as UPU parcels, PRIME, EMS, KPG, EPG and INTERCONNECT.

These anniversaries will be an opportunity to reflect on the challenges and trends ahead of us and how we can best tackle them together.

I wish you all a happy New Year and a successful 2019.

**Holger Winklbauer**  
CEO IPC