

Direct Marketing Special

International **Post**
Corporation

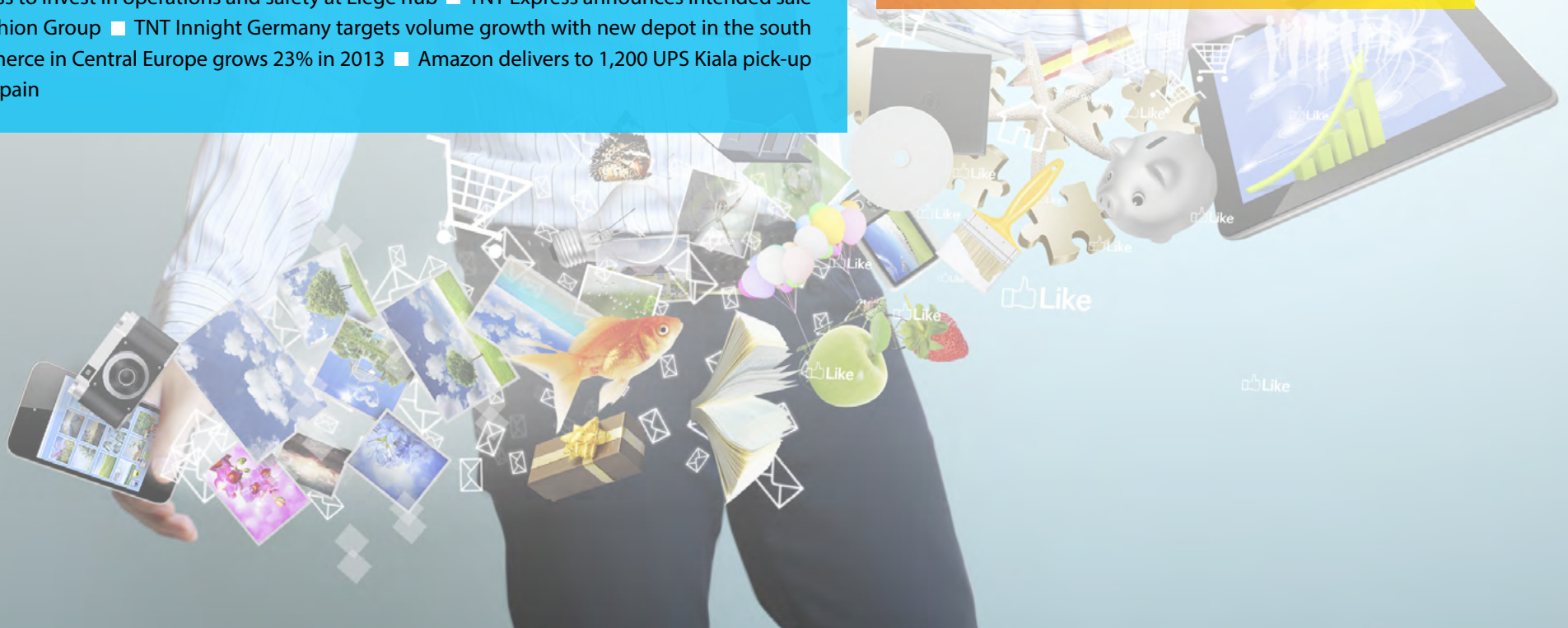
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Top story

CTT profits surge in privatisation year

Portuguese postal operator CTT Correios de Portugal has reported a strong, 53% increase in operating profits and a 70% surge in net profits in 2013, the year it privatised.

Operating profits went up by 53% to €87.2m on a reported basis and by 16% to €96m on an underlying basis. Reported net profits went up by 70.7% to €61m, while underlying net profits were 27% higher at €67.5m last year. The operating profit margin improved to 12.4% from 8% on a reported basis and to 13.6% from 11.6% on an underlying basis.

CTT's revenues dropped 1.3% to €705m but management stressed that the long-term revenue decline had slowed despite falling mail volumes thanks to growth in other businesses. In comparison, revenues fell by 6.7% in 2012. The main financial improvement came on the cost side where operational costs were reduced by 3.5%. CTT cut staff costs by 2.8% mostly thanks to voluntary redundancies which reduced the permanent workforce by 4.7% to 11,730.

Source: [CEP Research](#)



Americas

FedEx reports third-quarter results

FedEx Corp. today reported earnings of US\$1.23 per diluted share for the third quarter ended 28 February 2014, compared to US\$1.13 per share last year. The third-quarter results were impacted by business realignment costs totalling US\$47m, primarily related to the company's voluntary buy-out programme for eligible US officers and managing directors. Unusually severe winter storms throughout the quarter disrupted operations, decreasing shipping volume and increasing costs, and also impacted year-over-year operating income.

Consolidated operating results increased despite the impact of severe winter weather. Results also include a negative net impact from fuel. These headwinds were partially offset by the benefit from one additional operating day in each transportation segment. FedEx Corp. reported consolidated revenue of US\$11.3bn, up 3% from US\$11bn during the third quarter the previous year. Operating income was US\$641m, up 9% from US\$589m during the same period last year. FedEx Corp. also reported an operating margin of 5.7%, up from 5.4% the previous year. Net income was US\$378m, up 5% from last year's US\$361m.

FedEx's Express segment reported US\$6.67bn for the third quarter, a slight drop compared to the same period the previous year. Operating income was up 14% to US\$135m, while operating margin was up 2.0%. The FedEx Ground segment reported revenue of US\$3.03bn, up 10% from last year's US\$2.75bn. FedEx Ground's reported operating income was up 2% to US\$477m; operating margin of 15.7%, down from 17.0% the previous year. FedEx Freight reported a 9% increase in revenue at US\$1.35bn, while operating income was US\$29m and the operating margin 2.2%.

Source: [FedEx](#)

UPS opens new facility to improve shipping to Mexico

UPS announced the opening of a new package sorting and delivery facility in Laredo, Texas, doubling the capacity of its previous building. The new facility will also use advanced technology to increase processing proficiency. UPS customers in South Texas shipping to Mexico can benefit from the new technology by experiencing a one-day improvement in time in transit.

The new facility is strategically located to improve shipping to Mexico, an extremely important market for UPS and its customers. According to the US Department of Commerce, trade between the United States and Mexico has increased 113% over the past ten years, with more than US\$1.35bn in cross-border commerce taking place every day.

Source: [UPS](#)

USPS names new VP Corporate Communications

Postmaster General Patrick Donahoe today announced the appointment of William (Bill) Whitman Jr, a veteran communications leader and public relations executive, as vice president, Corporate Communications. Whitman recently served as vice president and chief communications officer for McDonald's USA. Prior to joining McDonald's Corp., Whitman held several positions with leading public relations and marketing communications agencies, as well as holding leadership positions with Exxon USA, where he worked in strategic communications, community relations, public affairs and regulatory compliance.

Source: [USPS](#)



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Europe

Austrian Post reports slight rise in revenue in 2013

Austrian Post showed a good performance in the 2013 financial year against the backdrop of a challenging business environment on the postal and logistics markets. Revenue increased by 0.8% in the reporting period compared to the prior-year figure adjusted to take account of the Benelux subsidiaries divested by Austrian Post in 2012. This positive revenue development was due to growth in the parcel business as well as in the company's strategic international investments. At the same time, positive revenue effects from elections and referendums helped cushion the steady volume decline in the mail segment. This structural trend of declining letter mail volumes as a consequence of electronic substitution is continuing.



The Group's operating profit featuring an EBIT of €186.0m was slightly higher than in the previous year, but was impacted by special measures carried out in the third quarter of 2013. EBIT included positive effects on provisions, along with impairment losses on goodwill for the trans-o-flex Group in the amount of €27.0m.

Revenue of the Mail & Branch Network Division rose by 0.2% to €1.5bn. The positive revenue effects of new Group companies and elections and referendums in Austria were reflected in both the Letter Mail and Direct Mail segments. In the Parcel & Logistics Division, revenue in the 2013 financial year, adjusted to take account of the disposed subsidiaries in the Benelux region, rose by 2.0% to €857.3m. From a regional perspective, the Austrian parcel market generated the strongest growth, with revenue up 7.8%, whereas revenue declined in Germany.

Source: [Austrian Post](#)

Austrian Post sends parcels chief to run German subsidiary trans-o-flex

Austrian Post is dispatching the head of its domestic parcels business to manage German subsidiary trans-o-flex which is in the midst of a turnaround.

Max Moser, head of 'Parcel Logistics Austria', will take over as trans-o-flex managing director on 1 April.



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The appointment means that trans-o-flex will have a completely new management team this year. In January, Michael Stadlmann, formerly with Austrian Post, took over as head of finances and controlling while Christian Knoblich, a former CEO of pharma logistics company Movianto, joined as head of sales and marketing.

Source: [CEP Research](#)

Swiss Post achieves solid annual result in first year as public limited company

Swiss Post achieved a solid result in the first year following its conversion to a public limited company. Swiss Post has been a public limited company wholly owned by the Swiss Confederation since last year. In the first year following its conversion, group profit normalised to take account of one-off items was CHF626m, down 19% on the previous year. The decline of CHF146m is due to Swiss Post being fully taxed for the first time as a result of its new legal structure. At CHF8.6bn, normalised operating income was virtually unchanged from the previous year. Thanks to good cost management, which produced a reduction in operating expenses, normalised operating profit (EBIT) rose to CHF911m, compared to

CHF860m the previous year. The operating profit margin (EBIT return) increased to 10.6% from 10.0% in 2012.

Swiss Post achieved good results in all four business segments, but the trends varied from market to market. In the communication market, Swiss Post – with its three Group units (PostMail, Swiss Post Solutions, Post Offices & Sales) – generated a normalised operating profit (EBIT) of CHF238m, compared to CHF42m the previous year. The volume of addressed letters fell by 2.0%. By contrast, the volume of unaddressed items increased by around 1.7% as a result of acquisitions. In the logistics market, PostLogistics reported a normalised operating profit (EBIT) of CHF133m, down from CHF149m in 2012. Operating income rose to CHF1.6bn, while Parcel volumes increased by more than 3% year on year.

In the retail financial market, PostFinance generated a normalised operating profit (EBIT) of CHF537m, down CHF86m on the previous year. In the passenger transport market, PostBus reported a normalised operating profit (EBIT) of CHF28m. Due to the expansion of services and increased frequencies, operating income rose to CHF812m.

Source: [Swiss Post](#)



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Deutsche Post DHL meets earnings guidance and proposes higher dividend for 2013

Deutsche Post DHL generated revenues of more than €55bn and boosted profitability once again in 2013. Compared with the previous year, revenues declined slightly, by 0.8% to €55.1bn, as a result of negative exchange rate and other inorganic effects. Adjusted for these factors, however, revenues rose by nearly 3%. This gain was fuelled in part by higher postal rates as well as rising volume and revenues in the parcel business in Germany. Other revenue drivers included strong growth in the express business and revenue gains in the Supply Chain division. Deutsche Post DHL also reported margin improvements that led to an EBIT increase to €2.86bn. Operating earnings thus finished the year 2013 within the targeted corridor of between €2.75bn and €3.0bn. Consolidated net profit reached €2.1bn during the past year, an increase of more than €450m compared to 2012.

In 2013, revenues in the Mail division climbed by 3.4% to €14.5bn. The Express division continued to generate significant gains in revenues and earnings in 2013. Reported revenues amounted to €12.7bn, a slight decrease from the previous year's total of €12.8bn. However, revenue in 2012 included the divested domestic express businesses in Australia, New Zealand and Romania. Adjusted for this effect and significant negative exchange rate effects, revenues rose by more than 4% organically. In a business environment that remains challenging, revenues in the Global Forwarding, Freight division decreased by 5.3% in 2013 to €14.8bn. Adjusted for negative exchange rate effects, the decrease has been a little more than 2%. Volume and revenues in air freight fell below the previous year's level primarily because of weakened demand from several large customers in the Technology and Engineering & Manufacturing

sectors. At DHL Supply Chain, revenues fell slightly to €14.3bn in 2013. Adjusted for negative exchange rate effects and the impact of the disposal of three subsidiaries that were not part of the company's core business, revenues climbed by nearly 6%, or more than €800m.

At €4.5bn, revenues finished the final quarter of 2013 slightly below the 2012 level of €4.6bn. This dip in revenues resulted from negative exchange rate and other inorganic effects. Adjusted for these factors, revenues in Q4 2013 rose by more than €600m, or over 4%. The final three months of 2013 were the most profitable period for the group during the year. At €885m, operating earnings in the final quarter of 2013 increased 7% above the previous year's level.

Source: [Deutsche Post DHL](#)

Changes in Deutsche Post DHL Board of Management

After six years as Member of the Board of Management of Deutsche Post DHL and more than 25 years of service with the company, Bruce Edwards has decided to retire from the



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Board and from his position as Chief Executive Officer of DHL Supply Chain. The Supervisory Board of the company in its meeting today with regret accepted his resignation from the Management Board with effect from 10 March 2014, and appointed John Gilbert as new Member of the Board of Management responsible for the DHL Supply Chain division, effective today. Bruce Edwards was appointed to Deutsche Post DHL's Management Board in 2008, after having served as Chief Executive Officer DHL Supply Chain Americas/Asia Pacific of the Group since 2005.

John Gilbert came to the Group in 2005, when the former Exel plc was acquired by Deutsche Post AG. Gilbert, who joined Exel in 1994, has held various leadership positions in both companies, inter alia as President, Consumer/Life Sciences Americas since 2004. In October 2008 he took over responsibility for DHL's supply chain business in the Americas as regional CEO.

Source: [Deutsche Post DHL](#)

Consumer electronics revolutionising logistics

A new study conducted by DHL has found that technologies originally designed for consumer electronics can be increasingly used in the goods industry. This marks a complete reversal of past practices in which new technologies were initially applied in business and migrated to private uses only later, according to the Trend Research team at DHL Customer Solutions & Innovation. The trend report "Low-Cost Sensor Technology" shows readers how technologies like Microsoft's video-game camera Kinect, smart watches and NFC (near-field communications) technology can be incorporated into logistics.

Tablet PCs and Smartphones contain a large number of sensors that recognise our surroundings. For some time now, it has been possible to measure acceleration, position or light with these devices. The technologies contained in them can also be put to use in logistics. These applications can include recording the arrival time of shipments in parcel centres as part of tracking and tracing services, pinpointing the shipment's exact location and updating their status on an online platform.

Source: [Deutsche Post DHL](#)



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DHL wins contract extension with Boots UK

DHL Supply Chain has been awarded a major contract extension with Boots UK, the leading pharmacy-led health and beauty retailer, to handle its national cross dock, chill and transport operations to its network of 2,500 stores until 2018.

The new contract will stimulate greater efficiency and collaborative initiatives with other retailers, such as shared retail high-street

Source: [DHL UK](#)

Digipost chosen as the digital mailbox of the future

Norway Post's digital mailbox, Digipost, has been chosen as the public sector's digital mail supplier. The choice was made by the Agency for Public Management and eGovernment (Difi) following a public tender process.

The government decided in February that the public sector is now as a rule to communicate digitally with Norway's inhabitants and companies. As a result, all private individuals must now obtain a digital mailbox.

Digipost is an established solution and 300,000 Norwegians have so far obtained a digital mailbox. A number of companies, such as banks, insurance companies and health authorities, already use Norway Post's digital mail solution.

Source: [Norway Post](#)

Royal Mail awarded significant contract in London

Royal Mail has been awarded a significant contract to collect and deliver mail for a number of councils across London. Royal Mail will provide services to 14 London councils.

Royal Mail was awarded the two-year contract after a competitive tendering process in which the participating London boroughs purchased together from a Government Procurement Services contract. As part of the contract, Royal Mail will collect and deliver important council documents, such as council tax letters and polling cards.

In addition to collecting and delivering bulk mail, Royal Mail will also deliver a 'Hybrid' service, to those boroughs that wish to take it up. This will allow the councils to save money by centrally printing and then posting bespoke letters and documents to individual residents.

Source: [Royal Mail Group](#)



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TNT Express to invest in operations and safety at Liege hub

TNT Express intends to invest tens of millions of euros to enhance the efficiency and productivity of its flagship hub in Liege, Belgium (Euro Hub). The investment, which is subject to consultation with works councils, will increase the hub's sorting capacity by 50% and will improve health and safety for the 1,500 employees. The plans are part of TNT Express' strategic effort to increase operational performance and customer satisfaction.

As part of the plans, TNT Express will install new shipment sorting systems to increase the speed and processing capacity of the Euro Hub. Work will begin in 2014 and end in 2016. The modernisation of the 75,000 m² facilities will include installation of an automated handling system for smaller parcels and documents, as well as the centralisation of cargo screening activities in one facility. TNT Express will invest in additional x-ray machines to scan the growing number of shipments arriving by road.

For customers, the investment will mean shorter handling times for export goods and urgent deliveries, as well as better handling of fragile items. The expected operational benefits for TNT Express include the elimination of bottlenecks, the possibility to accommodate an increase in volumes and a reduced cost per unit.

Source: [TNT Express](#)

TNT Express announces intended sale of TNT Fashion Group

TNT Express announced the intended sale of its specialist fashion supply chain business TNT Fashion Group to a consortium formed by Belspeed and Netlog Group. The intended sale is subject to consultation of the works council of TNT Fashion Group B.V. and regulatory approval.

The intended sale of the Dutch operations of TNT Fashion is part of TNT Express' strategy to focus on core activities. The UK operations of TNT Fashion are being integrated with TNT Express UK and Ireland. Headquartered in Oldenzaal, the Netherlands, TNT Fashion Group B.V. offers supply chain services for the fashion and lifestyle industry, including warehousing, packing/repacking, distribution, retailing and e-fulfilment services. TNT Fashion Group B.V. employs 660 people.

The transaction is expected to be completed at the end of the second quarter of 2014.

Source: [TNT Express](#)



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TNT Innight Germany targets volume growth with new depot in the south

Night express delivery specialist TNT Innight has opened a new depot in Regensburg, southern Germany, to expand regional capacity as part of its ongoing growth strategy.

The new depot features a large terminal covering 7,073 m² with 19 truck ramps and 300 m² in office space. The hall is also equipped with a high-capacity conveyor belt system. Thomas Steverding, Managing Director, Sales, Marketing & Customer Service, TNT Innight Germany, said good connections between Munich and Regensburg as well as to north-west Germany via the A3 motorway together with the geographical proximity to the key accounts of TNT Innight contributed to the decision to choose the location as the company's new depot.

In future, shipments from and to Austria and Slovakia will be mainly handled via the Regensburg depot, which creates capacity for further growth at TNT Innight's depots in Munich and Nuremberg unburdening those in volume terms.

Source: [CEP Research](#)

E-Commerce in Central Europe grows 23% in 2013

The e-Commerce market in Central Europe is estimated to have grown 23% to €93.3bn in 2013 surpassing the previous year's growth rate, according to new figures from Ecommerce Europe.

The region comprises Austria, Czech Republic, Germany, Hungary, Poland, Slovakia, Slovenia and Switzerland. Central Europe accounted for 24.4% of total European online sales worth €311.5bn in 2012, with 58m of the region's 165m inhabitants already using the internet for shopping, the e-Commerce umbrella association for online retailers pointed out.

Germany is by far the largest market in the Central European region with revenues of €50bn making up 65.7% of the region's total e-Commerce turnover. Germany has the largest online population in Europe with 69.6m people. The fastest growing e-Commerce market in Central Europe is Poland, with an average increase of 24% over 2012. The weakest growth was recorded in Austria and Switzerland with 12% for both countries.

Source: [CEP Research](#)

Amazon delivers to 1,200 UPS Kiala pick-up points in Spain

Amazon has added a new service option for its Spanish customers enabling them to collect their orders at 1,200 selected pick-up points across the country which belong to the network of Kiala, the UPS subsidiary.

Customers ordering via the Spanish website Amazon.es can now choose between three delivery options including home delivery, a particular address they indicate or a local shop in their neighbourhood which suits them the most in terms of proximity and opening times.

Kiala, acquired by UPS as part of its B2C expansion strategy, has some 7,200 delivery points in France, Spain, Belgium, Netherlands and Luxembourg, using retail partners such as newsagents and tobacconists, as well as 1,050 Click & Collect points, mostly in the Netherlands.

Source: [CEP Research](#)



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Feature story

Direct marketing focus on Swiss Post



General country information

- Total inhabitants: 8m
- Mail items per capita: 686

Recent DM acquisitions

- Remaining 50% of Direct Mail Company – web

New business

In July 2012, Swiss Post and France's Le Groupe La Poste entered into a partnership under the name of Asendia to unite their respective cross-border mailing activities. The two partners each hold 50% of the company's shares. Asendia operates from two headquarters, in Paris and Berne, and with over 1,000 employees is currently present in 15 different countries on three continents (Europe, North America and Asia). Asendia has enabled the two postal operators to bring together their expertise and their networks and has set out to become the world's largest provider of cross-border B2C solutions in the international mail business, including shipping and delivery of direct mail, business mail, press (catalogues, publications), and goods of up to 2kg.

Services along the value chain are also part of Asendia's business activities. Depending on the country, these may include customs clearance and VAT, warehousing and fulfilment, data management, and various others.

Media review and outlook

According to the latest available figures, radio and outdoor were the only media predicted to show a decline in 2012 (-3.2% and -3.6% respectively) while internet is by far the fastest-growing media in the Swiss market (21.5% in 2012, 5.1% in 2011). Internet prices are currently inflated; however as the use of this medium increases, negotiating power will strengthen and ensure lower prices and higher volumes. Print media and TV saw more moderate growth compared to previous year results. The market as a whole was expected to grow by 3.0% in 2012 (2011: 5.1%).

Direct marketing market situation

According to the data IPC members provided for the IPC Global Postal Industry Report 2013 (GPIR), the total mail volume declined by 4.1% in 2012, with significant variations depending on the region. At the same time, the average volumes of addressed mail have seen a decline while the volumes of unaddressed mail have remained stable. However, in markets including Germany, UK, Ireland, Greece, Finland, Hungary and Switzerland, unaddressed mail volumes have increased by as much as 51.4% compared to 2011. In this issue, we focus on Switzerland's unaddressed mail market as the leading force in driving these positive results.

The exponential increase in unaddressed mail is partly due to smart acquisitions of direct marketing subsidiaries, but not solely that. Looking at Swiss Post's direct marketing offering, there is a striking variety of different services and products allowing the advertiser to easily choose the desired features for their direct mail campaign.



All unaddressed mail items are delivered on the exact day specified in the PromoPost offer specifications. This allows Swiss Post's customers to coordinate the distribution of unaddressed mail with other media (TV spots, social media, promotions at the point of sale, call centres etc.). Depending on whether the customer has prepared the sending beforehand so that it can be transported directly to the distribution offices or if they want the post to do this (Handling Post), PromoPost is distributed in three or four weekdays (not counting Saturdays) after the consignment of the mailings at the post office.

Close look at Swiss Post's products within PromoPost

[Standard / Standard plus](#) is the main product of the Swiss postal operator, accounting for about 94% of the overall PromoPost volume.

PromoPost Standard solutions are recommended for winning new customers or retaining old ones. PromoPost Standard reaches all private customers and businesses with a domiciliary address as well as all PO boxes of private customers. The plus service additionally includes PO boxes of business customers. The service enables delivery on a specified day from Monday to Friday.

- Minimum order value – CHF50
- Volume discounts from CHF50,000 in value

[PromoPost Selective](#), constituting about 3% of PromoPost volume, enables advertisers to reach specific target groups quickly, efficiently and with minimal waste circulation and no additional costs are incurred for address procurement. The predefined target groups for PromoPost Selective are single- and two-family homes, agricultural enterprises and PO box holders. This mailing option is also a cost-effective method of targeting selected business customers.

Available options for targeting are:

- Delivery only to letter boxes of single- and multi-family dwellings (with one or two apartments) is recommended for marketing offers regarding housewares and gardening, rebuilding or renovation projects, farming equipment, etc
- Delivery only to letter boxes of agricultural enterprises
- Delivery only to business customer PO boxes (over 90,000 addresses) or all PO boxes
- Minimum order value – CHF50
- Volume discounts from CHF50,000 in value

[PromoPost Saturday Delivery](#), representing about 3% of the PromoPost volume, is only distributed to households which receive a Priority letter or a newspaper delivered by the post, so the coverage is lower than on weekdays.

[PromoPost Sampling](#) is not a separate product as such but rather a special rebate of 10% on all PromoPost products if a sample of a product is distributed.

As Swiss Post puts it, "PromoPost Sampling allows your product to speak for itself". This mailing service is ideal for products that are already available or are about to be launched on the market. A sample often says more than any creative marketing copy can.

Promotional gifts are not included in the PromoPost Sampling offering. PromoPost Sampling allows the advertisers to



distribute their samples efficiently in clearly defined target areas. Delivery of PromoPost Sampling is available on a specified day from Monday to Friday.



PromoPost Mailshots with an External Tab is a service in combination with PromoPost Standard. An extra CHF0.12 per item applies on the price for Standard / Standard plus. The product helps grab the

attention whilst standard direct mail lies undiscovered in the mailbox. Add a clear, interesting call to action and the external tab of the mailer will create the sense of timeliness and prompt the customer to respond faster.

Customised solutions

Swiss Post also offers a wide variety of premium solutions, ranging from address services, through business PostCard Creator, to customised campaign management. Some of the customised, out-of-ordinary uses of the postal medium include sending a scented logo to promote brand awareness, a seasonal offer triggered by the first recorded snowfall, or an unconventional giveaway attached to a direct mail communication. A dedicated team of direct marketing professionals is available to assist the business mailers with their most difficult/largest campaigns.

To meet the expectations of advertisers who want to track their mailing throughout the sending pipeline, Swiss Post

introduced Letter ID, a solution that turns mailings into intelligent data carriers. Each mailing contains a data matrix code with shipment data and an identification number and each individual delivery is monitored constantly. Letter ID creates complete transparency during mailing campaigns as advertisers can track every single delivery and better plan the use of resources for postal data processing.

Another customised solution from the Swiss post is the PostCard Creator. It is an online tool that gives the advertiser more freedom and independence as it can be used to quickly design and produce postcard mailings and unaddressed flyers. Swiss Post then manages the printing and dispatch according to schedule. With the PostCard Creator, the advertisers are able to produce professional postcard mailings and unaddressed flyers at any time of the day and have their mailings delivered just three days after ordering. PostCard Creator has a few thousands of registered and active users and its volumes increased by about 25% from 2012 to 2013. More at: <http://www.swisspost.ch/post-direct-marketing-postcard-creator>

Swiss Post offers a mature product array in terms of direct marketing with easy ways to create a DM campaign online, offline or with help of professional marketing staff. The many direct mail products cater to advertisers' specific needs, but customised solutions are available and encouraged, too. With smart acquisitions and an expansion of its direct mail offering in 2013, the Swiss postal operator managed to secure another good year for its physical channel.

Source: Swiss Post



Case studies

Dimensional DM boosts response



Xeikon was looking to raise awareness of its digital label and packaging solutions.

Objective: Xeikon, primarily known in the document and commercial printing market, was looking to raise awareness of its digital labelling and packaging solutions. The

company set out to reach relevant prospects using a hyper-targeted, personalised direct mail campaign designed to generate brand awareness and open the door to sales calls.

Marketing background

Xeikon uses a multichannel mix, including trade shows, regional conferences, PR, and traditional advertising. However, the company thought it had to get really personal if it wanted to generate face-to-face meetings for its salespeople.

The first step was for the analytics team at Catalyst to create a look-alike model using Xeikon's customers and prospects to identify companies with similar traits – such as employee size, current print applications, revenue range, etc – to develop a list of about 2,500 high-quality leads. The next step was to develop a mailer so engaging that it would capture even the corporate gatekeepers' attention, while demonstrating Xeikon's capabilities.

To achieve that, Catalyst devised a dimensional direct mail piece that contained a high-quality glossy brochure, label samples, and four differently flavoured Keurig coffees, each of which meant to represent a different quality of the Xeikon 3000 Series press. The different flavours were accompanied by a slogan, such as "Breakfast Blend: Savour its reliable production" and "Sumatran Reserve: Bold and robust colour quality".

Each sending – and the subsequent follow-up email – included a PURL comprising the recipient's name (for example, KCraig.xeikonlabel.com) that led to a form prepopulated with their information. All visitors had to do was verify and hit submit. From there a recipient could access additional content, including downloadable case studies and white papers, via a microsite. The PURLs made it easy to see exactly who was accessing what, facilitating relevant follow-up calls by Xeikon sales reps.

Creative idea

The offer and call to action on the sending was compelling, simple and seductive: "Make an appointment to see a Xeikon rep and get your Keurig brewer." Having scheduled the appointment, a Xeikon sales representative would personally deliver a free Keurig brewing system, a difficult gift to turn down. "The goal of the campaign was to book appointments for the salespeople," Xeikon says. "So what better way than having them deliver free Keurigs to prospects?"



Results

The mailer resulted in an 8% response rate from prospects proactively visiting their PURL and an 80% conversion rate from microsite visitors completing a form, clicking a link, or downloading a brochure. The number of leads – 115 – exceeded the original goal by nearly 300%, and Xeikon has seen fivefold return on investment so far, with active leads still in the pipeline.

Client: Xeikon

Agency: Catalyst

Source: www.dmnews.com

Couldn't make the turn**Background**

Eneco, one of the largest producers and suppliers of natural gas, electricity and heat in the Netherlands, wanted to increase their market share in the business segment of the energy market. To do this and to generate leads on potential new customers, they needed to make sure Dutch businesses knew Eneco was there to help them make their companies more sustainable.

**Creative idea**

The idea was to mail thousands of companies in the Netherlands a fake notice of a delivery not made. The failed delivery item was a windmill.

The notice was designed to look like the sort of delivery notes used by DHL and UPS with the serial number of the windmill, the date and time of the delivery and an explanation for why the delivery was not made, in this instance, because the truck driver could not make the turn.

A unique track and trace code on the note allowed the recipient to watch a video in which, thanks to Google Street View, the driver was seen to be having difficulties in their very own street. The video ended with a message that Eneco provided more energy solutions than a windmill on your doorstep. There was a call button to get in touch immediately with Eneco's customer service team.

Results

Twitter began to buzz with positive comments about the campaign idea. The campaign response, with 948 calls and 278 emails, turned into over 100 business leads. There were 450 requests for solar panels and even four requests for windmills.

Source: [Directory](#)



News

**Marketers giving mail a fresh look, says Donahoe**

In a keynote speech at the National Postal Forum – the annual mailing industry trade show which took place from 16 to 19 March – Patrick R Donahoe, Postmaster General and Chief Executive Officer of the Postal Service, today described a changing attitude of marketers toward the role of direct mail as a means of attracting and retaining customers.

The Postmaster General urged the mailing industry in attendance to talk with customers about new ways of using data and analytics to optimise return on mail and integrated campaigns.

With advancements in augmented reality, QR codes and Personalised Uniform Resource Locators (PURLs), which are unique and personalised websites created especially for each recipient of a direct mail or email campaign, mail can be a lynchpin for integrated marketing campaigns with interaction of digital and social media.

Source: [USPS](#)

Personalisation still in focus in 2014

Once a company has shown that it knows a customer, the latter expects them to use that information when communicating with them. Generic messages, without personalisation of any kind, dissatisfy most engaged customers and these tend to be most valuable ones.

Personalisation is what captivates high-value customers and takes many forms. Of course, messaging is a straightforward part of the communication value chain to personalise communications. Other forms are channel and device, context, and timing (including frequency). One way not to personalise is to add “or current resident” after a customer's name on direct mail labels. The perception of recipients of mailers with that message is that they are not valuable as customers and are interchangeable.

On the other hand, when customers receive messages that are personalised, and thus relevant in some way, the response tends to be more favourable. When it comes to direct mail, the power of personalisation is even stronger as the customer is delivered a physical piece of communication with their name and sometimes other personalised data. This creates additional emotional ties with the brand and ensures longer shelf life for the advertising piece.

However, the true impact goes far beyond adding a <first_name> or <company> field in a marketing communication. In digital channels, true personalisation is set to become omnipresent in 2014 – as SourceLink, a US direct marketing consultancy, writes – due to data, standardisation in HTML5 coding and advancements in marketing automation. Direct mail marketing needs to keep pace or else it will lose against more flexible digital channels. After all, personalisation is a powerful way to create engaged customers who give the advertiser their business, their referrals and their loyalty, benefitting all stakeholders, from posts, through advertisers to the end customers.

Source: [entrepreneur.com](#)



Canada Post phasing out doorstep delivery of mail

Canada Post will end door-to-door mail delivery in Canada in a phased five-year-long approach starting in autumn 2014.

Only certain neighbourhoods within large cities will be affected, and most businesses will keep their delivery to the door. In smaller cities, nearly all households and a higher proportion of businesses will make the switch.

Customers in rural areas with a letter box at the end of their driveway will not be affected, and mail delivery to lobbies of apartment buildings will continue unchanged. Businesses that receive a large volume of mail or are located in well-established business districts will also keep their existing delivery arrangements.

Community letter boxes will include individual locked compartments dedicated for each address, large enough to take more than 50% of parcels and packets mailed in Canada. Units will also include an outgoing mail slot and larger parcel compartments that can hold more than 80% of the parcels and packets mailed in Canada. When a parcel is left in one of these compartments, a key to the compartment is then placed inside the mail compartment for the corresponding specific addressee.

Time will tell how this transition will affect overall satisfaction of mail receivers and the response rate of direct marketing, however, the preliminary study that Canada Post did was encouraging.

Source: Canada Post

Euro Mail takes over part of PinBizz's activities

The print and email company Euro Mail, a subsidiary of PostNL, will take over the bulk of services from PinBizz, a company which offers storage and logistics services for online shops in various markets and has encountered financial problems. The take-over of PinBizz fits well in the activities of Euro Mail in the field of printing and preparation, processing and despatch of mail solutions.

The activities of PinBizz will be integrated into the Euro Mail offices in Bleiswijk, Apeldoorn and Den Bosch. The employees from Euro Mail will take over these activities. PinBizz encountered financial difficulties as a result of declining sales. The biggest customer of PinBizz is Reed Business.

Source: PostNL

Canada Post Partners with Stream Integration to deliver better address services

Stream Integration, a technology consultancy specialising in enterprise analytics and information management, and Canada Post announced in January 2014 a strategic partnership to deliver enterprise solutions for address data certification, verification, cleansing, and enrichment. The new software brings Canada Post's AddressComplete™ address validation tool together with Stream Integration's StreamClean™ capabilities. The StreamClean Powered By AddressComplete™ software seamlessly integrates the AddressComplete capabilities into IBM's InfoSphere products

worldwide. Customers can now dramatically improve the quality of, and confidence in, their global enterprise data with a simple plugin to their new or existing InfoSphere-based applications.

"The cost of bad or missing data varies by industry, enterprise, and application. However, everyone agrees that it is a cost, and remediation is much more expensive than getting the data right in the beginning," said Mark Rowan, CEO of Stream Integration. "Our partnership with Canada Post now provides IBM customers in several countries with a powerful yet easy-to-use solution that improves the quality of their global data at any point in a data management process and increases their confidence in the validity of that data."

"The AddressComplete address validation tool improves the customer experience, operational efficiencies, and marketing ROI," says Alexis Zamkow, General Manager, Data Products at Canada Post. "This partnership will allow more companies to access our world-class international address data and turn addressing into their competitive advantage." StreamClean powered by AddressComplete leverages Canada Post's address expertise to serve up highly intuitive address verification matches in subseconds, meeting the speed and accuracy requirements to support today's Big Data environments.

Source: Canada Post



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Avenue du Bourget, 44

1130 Brussels

Belgium

Tel.: +32 (0)2 724 72 71

www.ipc.be

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