

2014



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MARKET FLASH

Fortnightly newsletter covering the latest
news from the global postal sector



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DIRECT MARKETING SPECIAL

> TOP STORY

POSTE ITALIANE TARGETS PARCELS MARKET AS IPO TAKES SHAPE

Poste Italiane needs to catch up on competitors in the parcels market and modernise the mail business as it heads towards privatisation by the end of this year, new CEO Francesco Caio stated.

The Italian postal group will present a new strategy in the next few weeks, sees logistics synergies from its stake in Alitalia and is committed to meeting the government's timetable for an IPO this year, he said after a meeting of the board of directors.

Caio, who replaced long-serving Massimo Sarmi in May, described the privatisation timetable as "a major challenge" but stressed the postal operator had already started to prepare for the IPO by appointing advisors and fixing a 'roadmap' for the coming months. The former telecommunications executive and digital economy expert announced that a new 'strategic plan' will be presented in the coming weeks.

Source: [CEP-Research](#)

AMERICAS

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THE UPS FOUNDATION SUPPORTS DIVERSITY AND ECONOMIC EMPOWERMENT

The UPS Foundation, on behalf of UPS, announced today it will donate more than US\$7.9m to 42 non-profit organizations supporting economic empowerment, education, inclusion, and mentorship initiatives. The donations include a US\$1m commitment of support over two years to the World Association of Girl Guides and Girl Scouts (WAGGGS) to provide leadership development opportunities to girls and young women around the world with a special emphasis on Latin America, Africa and the Arab world. Since 2004, UPS has supported WAGGGS in its mission to build global programs around leadership, advocacy, volunteerism, environmental sustainability and economic development.

Source: [UPS](#)

UPS BOARD APPOINTS NEW CEO

The UPS Board of Directors today announced that it has named David Abney, currently the company's Chief Operating Officer, as its new Chief Executive Officer and appointed him to the Board of Directors. Scott Davis who has served as the company's Chairman of the Board and CEO since 2008, will retire from UPS and will assume the role of non-executive Chairman. Both moves are effective 1 September.

Source: [UPS](#)

DEADLINE APPROACHES FOR 2014 CANADA POST E-COMMERCE INNOVATION AWARDS

Online retailers in Canada have less than two weeks to enter the 2014 Canada Post E-commerce Innovation Awards, in which finalists will compete for a chance to share CA\$1m in prize. This year features new categories that reflect the latest e-Commerce trends, such as mobile strategies, community outreach and omni-channel integration. The deadline to enter is 13 June.

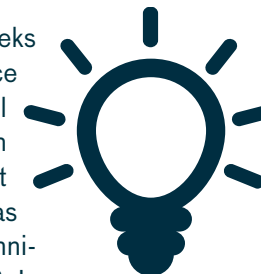
Finalists will be chosen by a blue-ribbon panel of judges. The award categories include: Best Mobile Experience (Large and Small); Best E-commerce Shopping Experience; Best Customer/Community Outreach, and Best Omni-Channel Integration.

The 2014 Canada Post E-commerce Innovation Awards will be held in Toronto on September 23 in a gala event hosted by TSN broadcaster James Duthie. Companies can apply at canadapost.ca/ecommerceawards. There is no fee to enter.

Source: [Canada Post](#)

CONSUMERS DEMAND MORE FLEXIBILITY WHEN SHOPPING ONLINE, SAYS UPS STUDY

comScore, Inc. and UPS released the findings in the third annual UPS Pulse of the Online Shopper Study. According to the study, online shoppers want retailers to make it easier to purchase their goods and services. Consumers also want websites and stores to work better together. For now,



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they also prefer to evaluate and purchase products from their desktops rather than their mobile devices, and when it comes to shipping and returns, 'free' is a driving factor to complete the sale. Furthermore, respondents said they want more options in searching for items, checking out, enhanced security and alternate delivery locations.

The study also found that, while retailers have had a hard time connecting social media to sales, social media do have an impact as one-third of all shoppers and one-half of 'millennials' said purchase decisions are influenced by social media. Moreover, the demand for cross-channel convenience is becoming more prevalent for the savvy shopper.

Free shipping continues to drive purchasing decisions – 58% of online shoppers have added items to their shopping carts to qualify for free shipping and 83% are willing to wait an additional two days for delivery if shipping is free. More than one-half of online shoppers said they want to see the total purchase cost early in the checkout process, and the majority prefer seeing the expected arrival date rather than the number of days it will take for the product to arrive.

While consumers prefer most of their packages delivered to their home (74%), there is a growing trend for alternate delivery options. Only about 43% of shoppers in the survey were satisfied with the flexibility of changing delivery days or rerouting packages. Consumers also expect free returns with 82% respondents saying they would complete the purchase if they could return the item to a store or have free return shipping, and 66% said they view a retailer's returns policy before making a purchase. The majority of shoppers want retailers to make it easy for them to return a purchase by including a label in the box.

Source: [UPS](#)

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AUSTRALIA POST RESTRUCTURES

Australia Post today confirmed plans to reduce the size of its headquarters and administration and direct valuable resources to support frontline customer services and initiatives.

Under an announced restructure, the Australia Post Group will reorganise around its two key brands. One will be the Australia Post brand, combining the existing retail and communication management services units, to provide trusted services and solutions for consumers and small businesses both online and through our post office network. Such services will be on behalf of corporations and government. The other will be the StarTrack brand, which will bring the parcels and express services business under the StarTrack banner to provide e-Commerce-driven logistics, supply chain and parcels delivery solutions for local and international businesses and online marketplaces.

The two business units will be supported by a leaner administration. Practically, this will mean a net reduction of approximately 900 managerial, administrative and support roles over the next 12 months, with the majority of the losses to come from the head office in Melbourne.

Source: [Australia Post](#)

AUSTRALIA POST AND WESTPAC SIGN STRATEGIC PARTNERSHIP

Australia Post and Westpac Banking Corporation announced a new strategic partnership which will see one of the country's largest financial institutions become a participant in the MyPost Digital Mailbox and Australia Post using Westpac's industry leading card acquiring services.

Westpac customers will be able to securely receive and privately store important communications such as statements via the MyPost Digital Mailbox. The MyPost Digital Mailbox is a free service that allows users to securely connect with service, receive statements and bills, make payments online, and use the digital mailbox as a personal digital storage. For businesses the system offers a range of integration options to allow businesses to connect securely to their customers through the digital mailbox and a secure digital delivery service to consumers as part of an integrated physical and digital marketing and communication platform.

Source: [Australia Post](#)



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ALIBABA AND CHINA POST PLAN JOINT LOGISTICS NETWORK

Fast-expanding Chinese e-Commerce giant Alibaba Group has signed a wide-ranging logistics and delivery cooperation deal with China Post to improve distribution in its home market and enhance its export capabilities.

The move comes amid a range of multi-million dollar technology acquisitions ahead of the group's forthcoming IPO in New York. It follows the group's acquisition of a 10% stake in Singapore Post and plans for an international eCommerce logistics joint venture, as well as a cooperation deal with Australia Post.

Alibaba founder and chairman Jack Ma and China Post general manager Li Guohua signed an agreement to jointly develop a 'smart' logistics network in the country. This would cover joint logistics and delivery activities and involve sharing warehouses, processing centres and delivery resources. The deal is designed to enable Alibaba to deliver online purchases anywhere in China within 24 hours and, in particular, to improve its coverage of small cities and rural areas through China Post's massive nationwide network, which includes 52,000 post offices and 150,000 delivery staff.

Source: [CEP-Research](#)

ARAMEX ACQUIRES AUSTRALIAN DELIVERY FIRM TO TARGET GLOBAL E-COMMERCE MARKETS

Middle East express operator Aramex has acquired Australian same-day courier company Mail Call Couriers, which is specialised in domestic express deliveries for the e-Commerce sector, and will apply its solutions and technology in other e-Commerce markets worldwide.

Aramex explained that the acquisition opens up further opportunities for developing and growing its global e-Commerce solutions across the Asia-Pacific region adding that Australia is now the fourth largest e-Commerce market in the region.

As a leading express operator serving metropolitan areas in Australia, Mail Call Couriers, founded in 1982, is reputed for developing innovative customer-focused technology and providing fast and efficient services for the e-Commerce sector. Its 'WantItNow' delivery solution features unique count-down technology and a three-hour delivery time window as well as evening deliveries.

Source: [CEP-Research](#)

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The deal is designed to enable Alibaba to deliver online purchases anywhere in China within 24 hours.

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MARC HUYBRECHTS JOINS BOARD OF DIRECTORS AT BPOST

Marc Huybrechts will join the bpost Board of Directors and will replace Koen Van Gerven as Director Mail and Retail Solutions, who recently became bpost CEO. As Director of Mail and Retail Solutions, he will be responsible for commercial relations of all letter products in Belgium, as well as the retail network.

Huybrechts has worked at McKinsey & Co, Fortis Bank, the Dexia Group and Distriplus. He will move into his new position at the start of September.

Source: [bpost](#)

DHL EXPRESS MAKES INVESTMENT OF CZK120M IN CZECH REPUBLIC

DHL Express Czech Republic has made its largest ever investment worth CZK120m (€4.4m) in a new sorting terminal near Prague in response to growing volumes and to improve services for existing and potential customers.

DHL has invested CZK70m in the new building located just north of Prague. The terminal, which opened in April, replaces three former separate sites. The new facility, with 120 employees, covers a total of 20,000m² and has the capacity to sort 4,000 parcels per hour. The hourly capacity can be expanded to reach up to 6,000 parcels. The facility will receive and sort almost 1.5m import and export cargo shipments per year.

A further CZK50m have been invested into technology, IT

and security systems as well as a modern high-capacity sorting system.

Source: [CEP-Research](#)

EESTI POST TO RE-BRAND UNDER INTERNATIONAL NAME OMNIVA

Eesti Post (Estonian Post) has unveiled its new international name Omniva, which it will use in the Baltics while retaining its original name for domestic mail operations in Estonia. The company said that it will gradually introduce the Omniva trademark in Estonia, Latvia and Lithuania this summer, illustrating its international character.



The re-brand is similar to the approach of Finnish postal operator Itella, which has retained the Posti name for the domestic mail business but uses Itella for all other activities, as well as PostNord's expansion of its group brand while keeping the established Swedish and Danish postal names.

Explaining the new brand, Eesti Post said that its internationalisation and enlargement of its domestic market from Estonia to Latvia and Lithuania have driven the need for the new trademark. All subsidiaries in Estonia and abroad will be drawn together under the unifying new brand name. Omniva will provide the logistics services and e-services that have until now been under different brands, like the Post24 automatic parcel machines, ELS courier service, Kirjakeskus mail centre and eArvekeskus e-invoicing centre.

Source: [CEP-Research](#)

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SANOMA AND ITELLA WORKING IN COOPERATION TO BOOST DOMESTIC E-COMMERCE

Sanoma's online shopping platform Mitäsaisiolla.fi (MSO.fi) and Itella have agreed on a new e-Commerce collaboration. The cooperation offers online merchants the opportunity to get MSO.fi's online platform and Itella's logistics services as a single solution.

MSO.fi was launched in fall 2013 and currently has almost 200 online merchants with over 35,000 products in total. MSO.fi reaches 3.5 million potential customers every week via Sanoma's various online services.

This year, Itella launched an extensive warehousing and delivery system investment project that automates a significant part of e-Commerce processes. For online merchants, this change signifies more efficient and broader service, while for consumers it translates to faster delivery times.

Source: [Itella](#)

LA POSTE BUNDLES E-COMMERCE LOGISTICS SERVICES UNDER VIAPOST BRAND

France's Le Groupe La Poste unveiled Viapost as its single brand for e-Commerce logistics activities under plans to grow its end-to-end business-to-consumer (B2C) and business-to-retail (B2R) services. The brand will incorporate Orium and Morin Logistic, two small e-Commerce logistics companies that the French postal group acquired in 2012.

Viapost already provides services for more than 30 brands such as Rue du Commerce, Sephora, Smart Box, Eden Park and Made.com. Its services range from warehousing-based logistics to distribution and delivery.

In 2013, Viapost (including Orium and Morin) had turnover of €100m within the group's overall logistics turnover of €500m. The business, with some 1,000 employees and 20 logistics centres, handled some 14m orders and some 28m goods in total.

Source: [CEP-Research](#)



PICKUP LAUNCHES A NEW PARCELSHOP SERVICE

Le Groupe La Poste parcelshop subsidiary Pickup launched a new service, called 'La navette pickup', which is a solution to send small objects from one parcelshop to another between individuals. It is intended to better meet the specific needs of collaborative consumption like buying, selling, leasing or bartering between individual consumers.

A flexible pouch is used as a 'shuttle' (navette) and can accommodate most items sold or traded on collaborative consumption websites. This service is also eco-friendly as the pouch can be reused.

The service is already available in more than 4,000 parcelshops in France and should be extended to the 7,000 pickup parcelshops across the country.

Source: GeoPost

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DEUTSCHE POST DHL MANAGEMENT APPOINTMENTS IN MAY

Deutsche Post DHL has announced several senior managerial changes.

Anita Gupta will become Senior Vice President Media Relations as of 1 September 2014 with global responsibility for DP DHL's media work, including digital channels and customer communications. She will take over from Silje Skogstad who moved to the Corporate Strategy department as Senior Vice President as of 1 June. Gupta will be replaced as head of regional communications for Asia, Middle East & Africa by Belinda Tan, who was previously head of PR in the region.

DHL Express has united the management of two of its fastest growing regions with the appointment of Yasmin Aladad Khan as Senior Vice President for DHL Express South East Asia and South Asia. Khan, who joined DHL in 2001 and had headed for South East Asia (excluding Singapore) since 2007, has gained responsibility for the South Asia region, including Pakistan, Bangladesh, Sri Lanka and Nepal. These countries previously reported to Malcolm Monteiro, who has been appointed the new CEO of DHL Global Mail Asia Pacific.

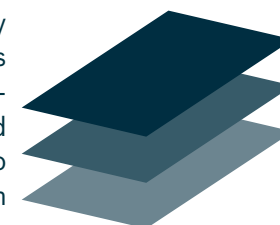
Source: [CEP-Research](#)

AUGMENTED REALITY TRANSFORMS LOGISTICS PROCESSES, SAYS DHL STUDY

DHL has issued a new study on Augmented Reality in logistics, focusing on possible applications of this emerging trend in the different stages of the supply chain. The trend

report illustrates how operations in warehouses, during transportation and last-mile delivery as well as value-added services could be enhanced by computer-generated sensory input such as videos or graphics.

The trend report has been developed by DHL Customer Solutions & Innovation's Trend Research team as part of an ongoing research project into Augmented Reality in logistics. DHL is planning to test some of the derived use cases in proof of concept studies.



The trend report explains briefly the emerging trend and innovation in Augmented Reality technology and hardware and how it can be implemented in logistics. It also provides an overview on best practices from various industries. "Augmented Reality in Logistics" presents 11 different possible applications for the industry, among them improved picking in warehouses for example, by equipping staff with head mounted displays, they could find the right route and the right item more efficiently. The surplus in information would also reduce picking errors.

Source: [Deutsche Post DHL](#)

HERMES TO INVEST €300M IN EXPANDING GERMAN CAPACITY

Hermes Germany announced an investment of around €300m to modernise and expand the logistics capacity of its parcel business with new regional sites to profit from the ongoing e-Commerce boom and move closer to smaller online retailers.

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This is the company's biggest investment so far and will be implemented by 2018, with Hermes aiming to establish itself increasingly as a partner for smaller and medium-sized shippers. Until now, its logistics system has been tailored especially to the needs of large companies. The company plans to restructure its logistics network with 35 high-performance, regional logistics centres that are optimally positioned in terms of shipment flows and with capacity to handle over 400m shipments annually. This will enable Hermes to get closer to potential customers, especially regionally based SMEs.

In addition to the new investment, Hermes is planning a stronger coordination of its transportation operations and is therefore bringing the German parcel business and the Transport Logistics division, which provides freight transportation, under common management. The aim is to coordinate the market presence and strengthen customer contacts as the two businesses partly address the same target groups. Common sales solutions are also supposed to reduce structural costs.

Source: [CEP-Research](#)

POST LUXEMBOURG GROUP 2013 FINANCIAL RESULTS

In 2013, POST Luxembourg and all subsidiaries in the POST Luxembourg Group maintained a stable turnover at €677.4m in a very competitive environment, and achieved solid financial results.

In a now completely open market, POST Courier has had a

mitigated year in terms of sales results with a slight downturn in the total turnover from postal products and services. This reduction is predominantly due to the structural decrease in volume of the postal items, which should pick up in the years to come. The parcels market has, however, continued to grow steadily.

POST Luxembourg Group's operating result reached €56.46m, while the net result after taxes was €60.1m, a decrease of 2.07% compared to 2012.

Source: [POST Luxembourg](#)

CHRONOPOST AND FIXEADS PROVIDE SPECIALISED DELIVERY SERVICE

Chronopost has invested in the development of solutions to respond to the growing needs of the e-Commerce market.

The online platforms developed by FixeAds, a Portuguese company specialising in the development of platforms for free online adverts and electronic commerce, chose Chronopost's delivery solutions. The new collaboration will give online buyers the opportunity to manage their order interactively, giving customers all the information on their parcel and providing them with all delivery options available to them.

Founded in 2004, FixeAds's brands include Standvirtual, Imovirtual, Coisas and OLX. FixeAds has recently launched Faturavirtual which is a free online invoicing programme, approved by the Portuguese Tax Authority.

Source: [GeoPost](#)

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DHL EXPRESS OPENS SERVICE POINTS AT RUSSIAN PRESS RETAIL STORES

DHL Express Russia has signed a partnership with the press retail network Good News where customers can hand in both documents and shipments for express delivery via DHL.

As part of the deal, the newsagents provide preparation services for delivery with DHL Express offering customers the convenience of using the express service while shopping without the need for a courier pick-up or a visit to a DHL Express service point.

The project has so far been launched at 11 Good News convenience stores located at business centres and shopping malls across Moscow, with further service points to be added at the city's airports in the future.

Source: [CEP-Research](#)

INTERNATIONAL PARCEL VOLUMES TO RUSSIA SOAR IN 2013 AS E-TRADE BOOMS

Russian online shoppers are ordering more and more goods from international e-retailers, with the number of international parcels sent to Russia growing as much as 72% to 38m parcels in 2013, up from 22m in 2012, according to the country's National Distance Trade Association.

Alexander Ivanov, the association's president stated that he expects the rapid growth of international shipments to Russia to continue this year. He also highlighted the increasing number of self-service parcel terminals in the country. Of the total international parcel volumes shipped to Russia

last year, 2m were sent via express operators. The overall number of Russians buying online increased by 30% in 2013. Online shoppers in the regions were the main growth factor and 70% of new clients of web shops live outside Moscow.

Meanwhile, a separate survey by the global consulting firm PricewaterhouseCoopers (PwC) showed that the share of online sales in Russian retail trade will strongly increase from 3% in the beginning of this year to 12% by 2018.

Source: [CEP-Research](#)

M-COMMERCE SALES REACH 34% OF UK ONLINE REVENUES IN Q1 2014

British online shoppers increasingly make purchases via their smartphones and tablets, with over a third of UK internet sales generated through mobile devices in the first quarter of this year, according to the latest results from the IMRG Capgemini Quarterly Benchmarking.

The survey showed that between January and March 2014, m-retail accounted for 34% of the overall online sales in the UK, up from 32% during the previous quarter. Compared to the same period last year, it represents a 20% increase. M-retail penetration has boomed over the past years; it accounted for only 1% of total retail in 2010. The m-commerce growth thus equals a 3,400% increase over

72%
GROWTH IN
INTERNATIONAL
PARCELS SENT TO
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the past four years.

The growth rate of 'click and collect' sales continued to slow down from 16% during the last quarter to 14% during Q1 2014. At the same time, the average checkout abandonment rate went up slightly to 36% compared to 35% in Q4 while clothing and apparel retailers registered a lower rate of 26%, unchanged from the previous quarter.

Source: [CEP-Research](#)

UK POST OFFICE LAUNCHES MOBILE POST OFFICES FOR RURAL AREAS

UK's Post Office Ltd has announced the rollout of its new mobile post office network to serve rural areas with 40 Mercedes Sprinter vans converted into walk-in post offices on wheels as part of the company's modernisation programme.

The new vehicles, which are replacing the current fleet of converted LDV vans, will be deployed in over 250 locations across the UK.

The mobile branches will be run by sub-postmasters bringing all standard postal services that the core branches provide to more isolated areas such as letter/parcel postage, personal banking services such as cash withdrawals, savings and insurance.

Source: [CEP-Research](#)

TNT EXPRESS TESTS RAIL-ROAD COMBINATION FOR INNER LONDON DELIVERIES

TNT Express began tests using a rail-and-road combination for deliveries into central London to examine whether rail can be used to improve the speed, efficiency and sustainability of some deliveries.

The first specially commissioned train, run in conjunction with Colas Rail, Network Rail and Transport for London, ran from Rugby in England's Midlands region into London's Euston Station carrying several tonnes of supplies from leading UK retailers and manufacturers. The goods were sorted in a special operation on the platform side and delivered to hundreds of stores and suppliers throughout the UK capital using electric and zero-emission delivery vehicles.

TNT Express UK said that future adoption of such rail services would enhance and build upon the company's existing road network and capabilities, by which the vast majority of the company's transport needs would continue to be met, including onward delivery of freight moved by rail. While the trial train originated from Rugby, TNT Express' long-term plan would be to consider developing high-speed, long-distance services from various regional locations.

Source: [CEP-Research](#)

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TNT POST UK UPGRADES PARCELS SERVICE FOR E-RETAILERS

TNT Post UK has upgraded its packets and parcels service by offering improved tracking as it increasingly targets e-retailers. The new 'P&P InSight' service allows customers to track the journey of their packet or parcel through the entire TNT Post network before it is handed over to its delivery partner.

To track an item, customers can use their existing barcodes, with TNT Post providing the item level information which also includes the weight and format of each mailed large letter or packet. In addition to offering a daily file update, the tracking information is available through the new online web portal that allows a customer to have complete track and trace transparency of where their packets and parcels are within the TNT Post network.

Source: [CEP-Research](#)



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IPC DIRECT MAIL GUIDE PROJECT LAUNCHED

In the age of digital substitution, direct mail remains a strong element of marketing communication – in fact, in Finland, Germany, Greece, Hungary, Ireland, Switzerland and the UK, unaddressed mail volumes increased in 2012. Working closely with its members, IPC has set out to remind advertisers about direct mail's strengths as a highly measurable and appreciated way of communicating in B2B and B2C markets and a powerful channel to drive e-Commerce sales. To achieve this, a global direct mail guide will be published in October 2014 encompassing marketing best practice examples and expertise from across the IPC membership and beyond.



In the age of digital substitution, direct mail remains a strong element of marketing communication.

Who is the target?

- Advertising/media agencies
- Marketing and advertising professionals, especially those that started their career in the past years and have not been exposed to direct mail or have ever used it for their work
- Marketing decision makers skeptical or unaware of direct mail

The main objective of this project is to prepare a publication and interactive (web, video etc.) content regarding direct mail's effectiveness especially to drive recipients online and increase e-Commerce sales.

> IPC PROJECTS

This publication will work as a gateway to country-specific content while gathering the global expertise and case studies. By working together, the participating posts will reinforce and promote one another.

The Direct Mail Guide will cover the following topics:

- Industry background
- DM research
- Planning an effective direct mail campaign
- Measuring ROI
- Case studies
- Sustainability issues

The Direct Mail project is open to participants from across the IPC membership and beyond.

Want to join or learn more?

Please contact Jakub Rymkiewicz, Project Manager, at jakub.rymkiewicz@ipc.be.



NEWS



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- Advantages of printed communication confirmed in Germany

TRACKING RESPONSE TO DIRECT MAIL IN THE DIGITAL WORLD

As the world of digital marketing has evolved, a divide has emerged between the disparate channels of digital and traditional marketing. Enabling this divide has been consumer adoption of technology – in particular, smartphones – which has created an inherently digital world. Whether directly or indirectly, the web now plays an increasingly significant role in consumer purchase behaviour.

To a large degree, digital and traditional marketing channels are now interconnected, creating both challenges and opportunities. The main challenge is that fewer and fewer consumers follow a linear conversion path. However, a big opportunity lies in the fact that new digital solutions can help marketers gain more robust insights into consumer purchasing behaviour.

Direct mail continues to be an effective direct response channel because of its ability to target and, perhaps most important, because it is tangible. Given that the internet plays a role in most purchases, it is important to understand how mail drives web traffic and how a company's website helps the conversion process once a consumer gets there.

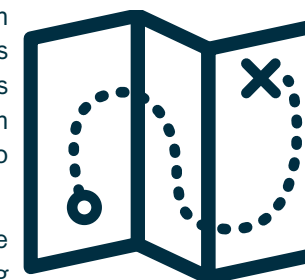
For instance, vanity URLs help to identify offline campaign traffic to a website and track corresponding visitor behaviour once visitors arrive. Vanity URLs are easy to remember and should be featured prominently in any mail piece. Vanity URLs can be direct links to a website or landing page, or can be set up to use redirects, which set a cookie in a visitor's browser who can then be tracked in a web analytics programme such as Google Analytics. The latter process

essentially simulates a click on an online ad and is seamless to the end-user. When visitors enroll or complete a lead form on a website, it can be tied back to the mail campaign.

Mail can also stimulate navigational searches, using a search engine like Google for example. While this is a fantastic by-product, it leaves a gap in tracking because the visitor is not using the vanity URL. Looking at pre- and post-mail drop website visits or year-over-year site traffic data in a web analytics tool can help tease out potential lift.

Dynamic phone tracking uses IP forwarding to allow for rapid versioning of phone numbers. It requires a software implementation that, from an IT perspective, is similar in scope to Google Analytics. The strongest suite of dynamic phone tracking is the ability to add tracking parameters to URLs the same way that campaign links are appended for web analytics tools. Once a visitor clicks, a cookie is placed in their browser. Once the code on the website detects this cookie, it will instruct the user's browser to render the page with the dynamic phone number in lieu of the default phone numbers. This number will essentially follow the user throughout their site visit, so if they call at any time it's possible to know from which campaign their call originated. This method can also be used for tracking phone calls from mail traffic using vanity URLs.

To sum up, customer conversion paths are no longer linear and there are interdependencies between the traditional offline world such as direct mail and digital channels.



NEWS



- Tracking response to direct mail in the digital world
- Advantages of printed communication confirmed in Germany

Understanding how these programmes work together is essential to truly understanding the campaign performance and maximising its responses.

Source: www.dmnews.com

ADVANTAGES OF PRINTED COMMUNICATION CONFIRMED IN GERMANY

VDZ, Germany's trade body for publishers, has released a significant body of research that provides marketers and advertisers with some compelling evidence for the use of print. Print Wirkt ('print works') is a meta-analysis study that gathers data from a series of German and European studies covering every aspect of magazine buying and reading, as well as the effects print advertising have on both the reader and the brand advertiser. The study focuses on the fact that print works 'intensely', 'precisely' and 'enduringly', with key findings including the fact that consumers trust print more than any other media (GPRA, 2012) and the average length of time spent reading a magazine is 91 minutes – equivalent to watching a film (AIM, RFID, 2012).

The 'precise' element of the study focuses on the fact that print quickly activates a large audience and generates clicks from accurately defined target groups. One of the key findings of the study is that 39% of observers of a print ad with an interest in the product will visit the company's website (AIM, 2013).



The 'enduring' factor is expressed in a number of compelling ways, notably the fact that print ads stay in the mind, with 25% of readers able to recall a specific advertisement in a magazine. If the reader has an interest in the product that figure rises to an impressive 54%.



Lastly, magazines remain visible for a long time, staying present in the home weeks after purchase, as well as being passed on to other people after being read for the first time. This gives magazines and other printed communication not only the role of status symbol, but the ability to accumulate additional contacts, further increasing reach and presence. To learn more about the effectiveness of print media, go to www.printwirkt.de.

Source: Print Wirkt, Print Power

EVENTS



MAIL WHICH ROCKS THE MAILBOX

In May 2014, Canada Post hosted a webinar on direct mail best practice called 'Rock the mailbox' with Trish Witkowski from Foldfactory as the guest speaker. The main topics covered were direct mail planning from strategy through format choice to analysis and some best-in-class best practice examples and inspiration.

Successful direct mail communication is fairly easy to deliver and can be divided into three distinct categories: strategy, format and analysis. The term junk mail, according to Witkowski, originated only because a lot of direct mail campaigns are not properly prepared or followed up. As B2B Marketing puts it in their 'Best Practice Guide: Direct Mail', "when direct mail fails, it's for the same reasons that every other type of marketing fails: bad targeting".

In order to make sure the direct mail does not fall into the junk category, Chief Folding Fanatic from Foldfactory pointed to three questions a mailer must answer:

- Is the offer clear?
- Is it timely?
- Is it relevant?

Another important aspect of direct mail marketing Witkowski refers to is the 40%-40%-20% (audience, offer, creative) rule, which she deems as not being relevant anymore. Because of the advanced data tools available today, Witkowski suggested the success of a modern direct mail campaign depends in 60% on the audience, 30% on offer and in only 10% on everything else.

Further in the webinar, the best drivers of sales were discussed; these were identified as fear, greed, guilt, anger, exclusivity, salvation and flattery. Based on these drivers, different direct mail inspirations were shared regarding the format, visual tricks, sensory and sampling and colour of the direct mail piece.

Witkowski also talked about variable data, quick response codes, personalised URLs and augmented reality, all of which can enhance the success of a mailer. As discussed during the webinar, variable data use ranges from including a recipients' name on the envelopes to including a personalised image or video inside of the mailed piece. Personalised URLs (PURLs) work well when advanced data collection is a priority for the campaign, while augmented reality and QR codes allow the reader to access extra content by using their smartphones together with the mailer. Lastly, the direct mail format was covered, including swinging fold, panel tabs, accordion fold and sliding reveal format.

The webinar delivered expertise on direct mail preparation. The key take-away for the budget-sensitive marketers is that you can produce a really creative and interactive mailing idea at low cost and then combine the mailer with digital channels for even more interactivity and response collection.

Trish Witkowski is Chief Folding Fanatic at Foldfactory.com where she showcases best practice examples about direct mail campaigns which use folding solutions. She also developed a system that standardises file creation for folded materials. Foldfactory video gallery can be accessed here: www.foldfactory.com/videos.php.

Source: Canada Post's webinar 'Rock the mailbox'

CASE STUDY

DIRECT MAIL THAT TARGETS PETS INSTEAD OF PEOPLE

Date: January 2014

Agency: Rethink Canada

Canadian company Bulk Cat Litter Warehouse wanted to increase their sales with direct mail. To achieve this goal, they asked an advertising agency for a creative idea that would not go unnoticed.

The idea

In order to make the flyer stand out and increase the chances of the recipients reading it, ad agency Rethink came up with a mailing idea that would get people's cats attention first. In this mailing, owners were targeted through their cats, by printing it on paper that had been prepared with catnip. When the cats responded to the mailing, so did their owners.

Results

The flyers were by far the most effective direct marketing done by Bulk Cat Litter Warehouse. There was a spike in both customer counts and sales, with many people mentioning that they came in specifically because of the flyers. In addition, the making-of video was viewed over 370,000 times on YouTube and featured on numerous blogs and websites like Gizmodo, Mashable, PSFK, Laughing Squid and Jezebel. More than 3,660,540 online impressions were generated, including 2,269 tweets and 4,509 Facebook shares.

Mail is the only advertising medium that appeals to all five senses – including smell and using this distinguishing feature is a no-brainer for ads in, for instance, the perfume industry. This idea, however, has an extra element of genius in that the human recipients of the mailing were actually the secondary target audience. Their cats were the primary audience.

The campaign has in the meantime gone viral. The original mailing went to 500 people, but the story has been taken up by many websites and the video has now reached 370,000 views.

Access case study media online in IPC's [DM case study library](#).



ABOUT THIS PUBLICATION

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If you would like to contribute to this publication or require further information, please contact: publications@ipc.be.

ABOUT IPC

International Post Corporation is a cooperative association of 24 member postal operators in Asia Pacific, Europe and North America. Over the past two decades IPC has provided industry leadership by driving service quality and interoperability, supporting its members to ensure the high performance of international mail services and developing the IT infrastructure required to achieve this. IPC engages in industry research, creates business-critical intelligence, provides a range of platforms for member post CEOs and senior management to exchange best practices and discuss strategy, and gives its members an authoritative, independent and collective voice. IPC also manages the system for incentive-based payments between postal operators. With members delivering some 80% of global postal mail, IPC represents the majority of the world's mail volume.

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