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MARKET INTELLIGENCE

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Corporation



CROSS-BORDER E-COMMERCE SHOPPER SURVEY 2016

Key Findings



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MESSAGE FROM THE CEO



Holger Winklbauer
Chief Executive Officer, IPC

I am delighted to present to you a selection of the key findings from the IPC cross-border e-commerce shopper survey for 2016. This research was based on quantitative research carried out in October 2016 with over 24,000 consumers across 26 countries in Europe, Asia-Pacific and North-America.

This bespoke study was developed by IPC, with and on behalf of its members to gain a better understanding of consumer preferences and experiences in regard to cross-border online shopping. The survey analyses each element of the cross-border delivery process and focuses on specific areas which postal operators can influence and improve.

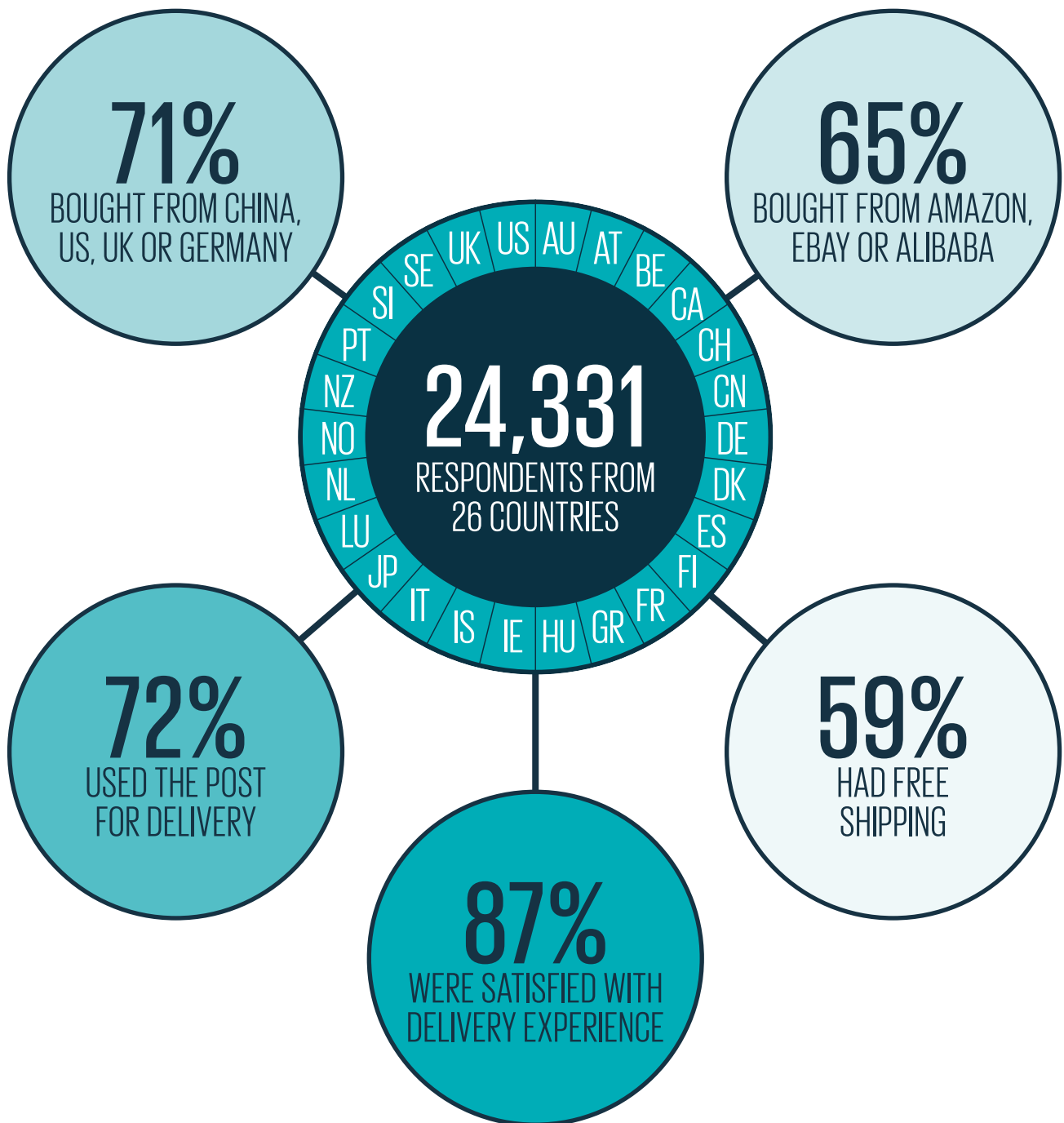
Cross-border e-commerce is a booming business and although it has been adopted by all generations in all markets, it has been whole-heartedly embraced by Millennials. The survey highlights the growing volume of low-value, light-weight goods which are being purchased online and in particular, China was identified as the main exporting market for cross-border online shoppers.

In comparison to the previous year, consumer expectations have changed. They are increasingly demanding greater visibility, increased reliability, more delivery options and all of these for a reduced delivery cost. In 2016 consumers also purchased significantly more from their smartphones and used these to monitor the delivery progress of their parcels.

The findings of this study will help IPC members to improve their service standards, their delivery performance and the way in which they communicate on the delivery process through their networks, in order to meet the needs of consumers and retailers for cross-border e-commerce.

I trust that this report will provide a useful insight into consumer preferences and experiences.

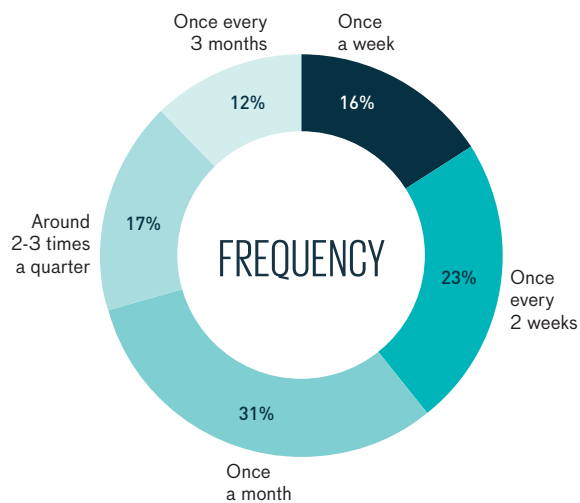
KEY FIGURES



CONSUMER PREFERENCES



ONLINE SHOPPING



All survey respondents had bought physical goods online at least once in the last three months and had made a cross-border online purchase in the past year. Of the survey respondents, 16% shopped online at least once per week and 39% had made an online purchase within the past two weeks. Thirty-one percent said that they preferred to shop online once per month, 17% around 2-3 times per quarter and 12% had only made one online purchase in the past three months.

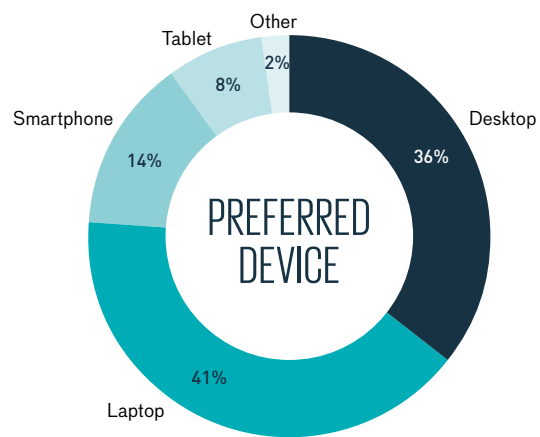
There were considerable differences by country in terms of consumer online activity. Online consumers in China were most active, with 36% of them making an online purchase in the past week. Thirty percent of US consumers had made an online purchase in the past week, followed by Germany (25%) and the UK (24%). At the other end of the scale, only 6% of online consumers in Luxembourg and 8% in Finland had made an online purchase in the past week.

Question: Over the past 12 months, on average how often have you purchased physical goods online (excluding groceries)?
Sample: 24,331 (all respondents)

INCREASING SMARTPHONE PREFERENCE

A key trend in online shopping in recent years has been the increasing use of smartphones for both researching and carrying out online purchases. Smartphones are key to the lifestyles of Millennials – especially younger Millennials (i.e. those born after 1990), which IPC explored in more detail in our other reports which profile Millennials in China and the US.

With this in mind, the IPC cross-border e-commerce shopper survey asked consumers what their preferred device was to place an online order. The most popular device was a laptop (41%), closely followed by a desktop (36%). Smartphones (14%) and tablets (8%) were the preferred device for a significant proportion of the population. Compared to the IPC survey carried out in 2015, the biggest change has been that smartphone preference increased from 9% in 2015 to 14% in 2016.



Desktops were more popular among consumers aged 55+ (45%) and men (41%), and less preferred by consumers aged 16-34 (29%). They were most preferred in Portugal (55%) and France (53%), and least popular in Iceland (16%) and Ireland (20%).



Laptops were more popular among women than men (45% vs 38%), with no differences by age. They were most preferred in Iceland (55%), Ireland (53%), Norway (49%) and Finland (48%). However, this option was least popular in China (23%) and Portugal (24%).

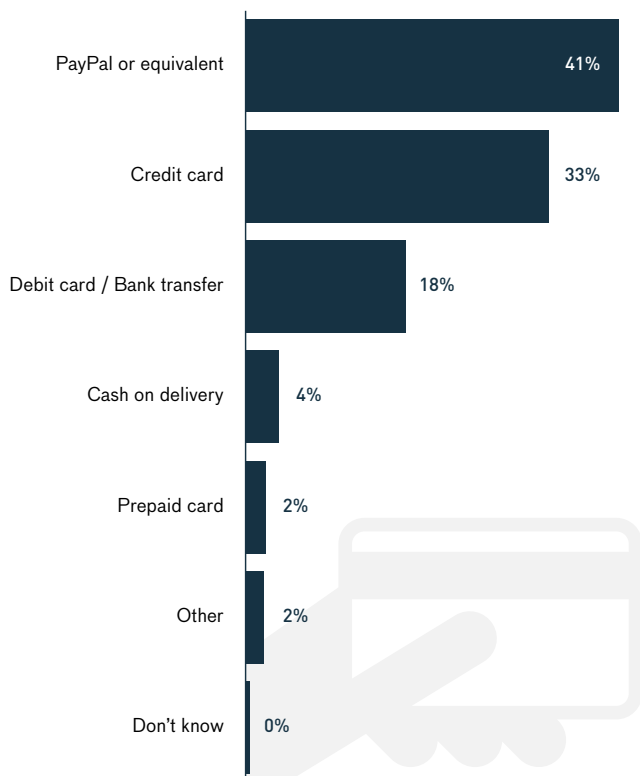


Tablets were the least popular of the four options. They were most likely to be preferred by 35-54 year-olds (9%) and least likely to be selected by consumers aged 16-34 (6%). This option was selected by 14% in Denmark and 12% in both the UK and Ireland.



Smartphones were more popular among younger consumers, being preferred by 23% of those aged 16-34, 13% of those aged 35-54 and 5% of consumers aged 55+. They were also more popular among women than men (15% vs. 13%). They were most popular in China (29%), Japan (27%) and the US (26%) – and selected the least in Belgium (6%) and France (7%).

Question: Which is your preferred device when placing an order?
Sample: 24,331 (all respondents)



PREFERRED PAYMENT OPTIONS

Consumers were asked to name their preferred payment option for online purchases. PayPal (or an equivalent) was most commonly mentioned (41%), followed by credit card (33%) and debit card / bank transfer (18%). There was less interest in using cash on delivery (4%) or a prepaid card (2%).

- PayPal (or equivalent) was the top choice in 14 of the 26 surveyed countries. It was most popular in Germany (68%), Australia (64%), Spain (62%) and Italy (61%) – and least popular in Japan (5%). Looking at respondent age, PayPal was more popular among consumers aged 35-54 than those aged 16-34 (44% vs 38%).
- Credit card was the top choice in 11 countries. It was very popular in Japan (81%), followed by Denmark (60%), Canada (53%) and France (53%). This payment option was least popular in Hungary (6%), Greece (12%) and Germany (14%). It was also most popular among men (35%) and consumers aged 55+ (36% compared to 31% of 16-34 year-olds).
- Debit card/bank transfer was the most popular payment option in just one country – China (36%). It was also popular in the Netherlands (32%) and New Zealand (29%). It was also more popular among women (20%) and consumers aged 16-34 (22%).
- Cash on delivery was most popular in Hungary (15%), Greece (15%) and Slovenia (12%).
- Prepaid cards were the most popular in Italy (13%).



PayPal (or equivalent) was the top choice in 14 of the 26 surveyed countries.

Question: Which is your preferred payment option?
Sample: 24,331 (all respondents)

DELIVERY CHOICES

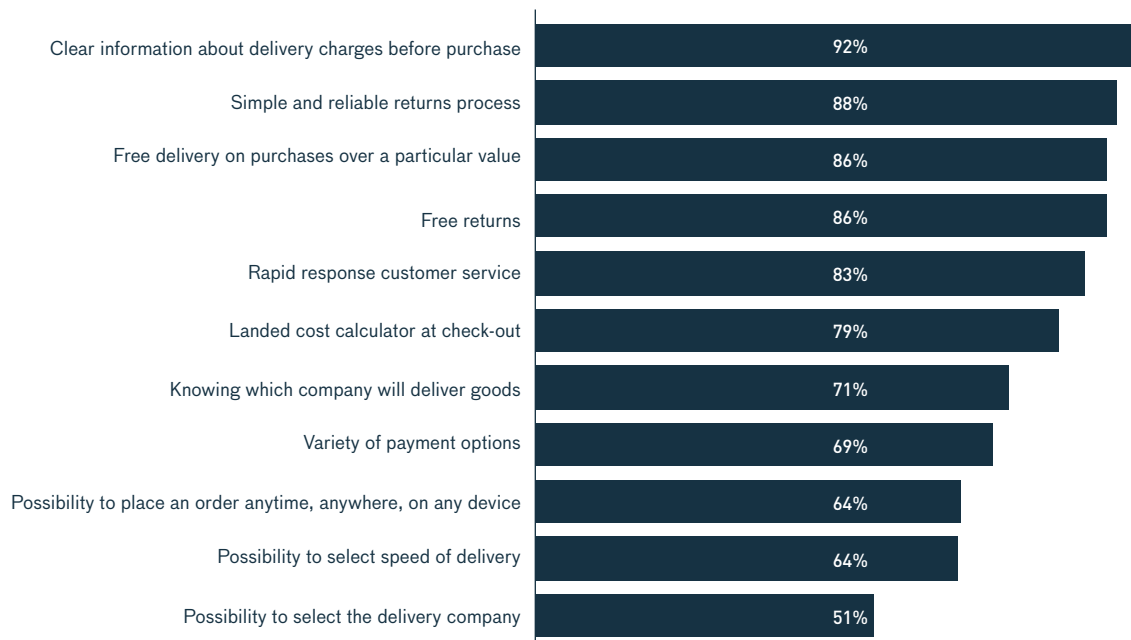
DELIVERY CHOICES RATED HIGHLY

Respondents were presented with a list of 20 statements about particular delivery elements and asked to rate how important each of these elements was to them. These statements are presented below, divided by those needs that can be met by e-retailers and those that are to be implemented by postal operators.

While the level of importance was rather high for all delivery elements tested, consumers in certain countries place more importance on non-standard delivery elements (e.g. weekend delivery for Chinese consumers), so there may be regional opportunities for upgrading the premium delivery offer.

DELIVERY ELEMENTS TO BE ACTIONED BY E-RETAILERS

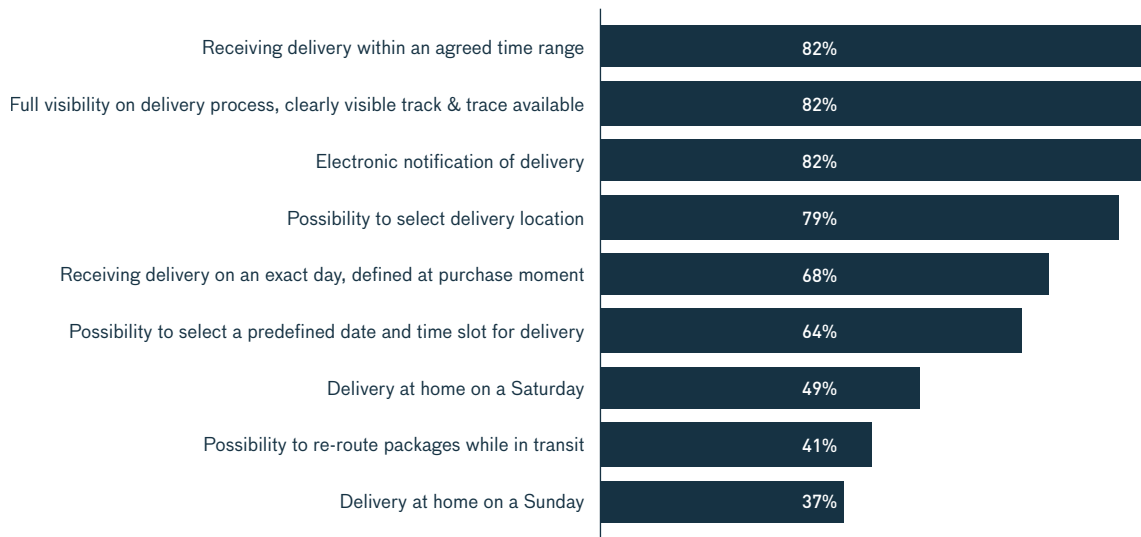
The most important elements are related to saving money for the consumer (i.e. 86% wanted free returns or free delivery on purchases over a certain value) and providing more transparency on delivery costs (92% wanted clear information about delivery charges before purchase). Only half of consumers found the possibility to select the delivery company to be important.



Question: How important are each of the following to you when shopping online?
Sample: 24,331 (all respondents)

DELIVERY ELEMENTS TO BE ACTIONED BY POSTAL OPERATORS

Eighty-two percent of respondents found it important to receive delivery within an agreed time range, to have full visibility on the delivery process and to receive electronic notification of delivery. There is less interest in weekend delivery or being able to re-route packages while in transit.



Receiving “delivery on an exact day, defined at the purchase moment” is important to 68% of consumers. Posts need to meet consumer needs by offering day-certain delivery.

Question: How important are each of the following to you when shopping online?
Sample: 24,331 (all respondents)

DELIVERY SPEED

Consumers provided speed of delivery expectations for products purchased online from other countries. These were grouped into the regions of Australia/New Zealand, China/Japan, Europe and US/Canada. The wording of the question was adapted per region (e.g. asking 'Another Asian country' for respondents in China and Japan, and 'Asia' for other respondents).

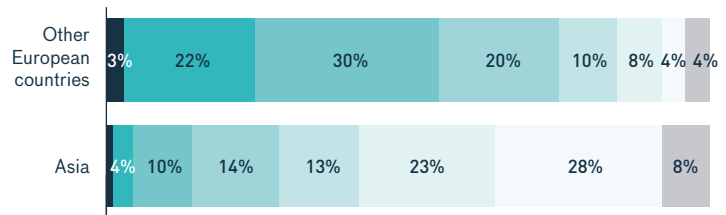
Speed of delivery expectations were asked for three products bought online from a foreign e-retailer: the first product was worth 'up to €10', the second was worth '€11-€50' and the third was worth 'more than €50'. The results for the three products values were rather similar, with the most notable difference being that consumers expected a slightly faster delivery time for more valuable products. Therefore, the results provided below are based on an average of the three.

The following responses are grouped by region:

EUROPE

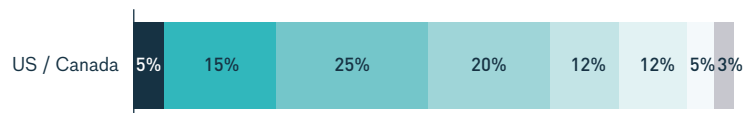
A quarter of European consumers expected delivery from another European country within 2-3 days, and three quarters expected delivery within a maximum of 6-7 days.

Twenty-nine percent of European consumers would wait for max. of 6-7 days if the order came from Asia.



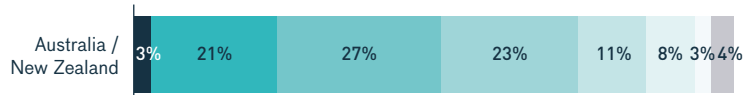
US / CANADA

Half of the consumers in the US and Canada expected goods from the other country (i.e. US expectations for Canadian goods) to arrive within a maximum of 4-5 days.



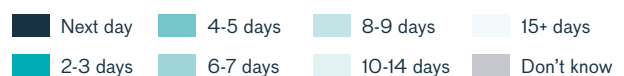
AUSTRALIA / NEW ZEALAND

Half of the consumers in Australia and New Zealand expected goods to arrive from each other within 4-5 days.



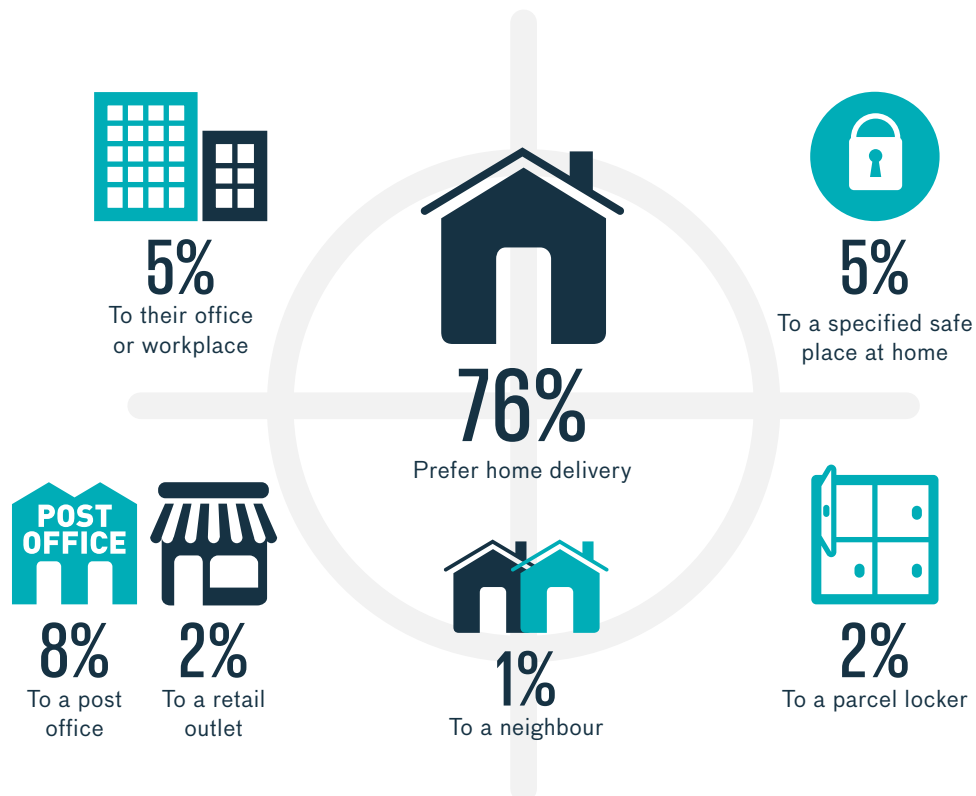
CHINA / JAPAN

Forty-one percent of the consumers in China and Japan expected goods to arrive from another Asian country within 4-5 days.



Question: How many days would you expect an item to take to reach you if it was bought from an online seller based in...?
 Sample: 24,331 (all respondents)

DELIVERY LOCATION



Seventy-six percent of consumers preferred delivery 'at home', just as in 2015. Results are similar to the 2015 Shopper Survey, with a significant proportion of consumers preferring delivery to the post office, their workplace, a safe place at home, parcel lockers and retail outlets.

There were some large differences by country, notably:

- 'Home' top choice in almost all countries, especially Japan. It is less prevalent in the Nordic countries.
- Delivery to 'post office' preferred in Norway (50%), Iceland (41%), Sweden and Finland (both 35%).
- 'Workplace' most popular in Portugal (14%).
- 'Specified safe place at home' preferred in China (17%), New Zealand (12%) and Denmark (11%).
- 'Parcel locker' most mentioned in Finland (14%) and Denmark (13%).
- 'Retail outlet' preferred in France (11%) and Belgium (9%).

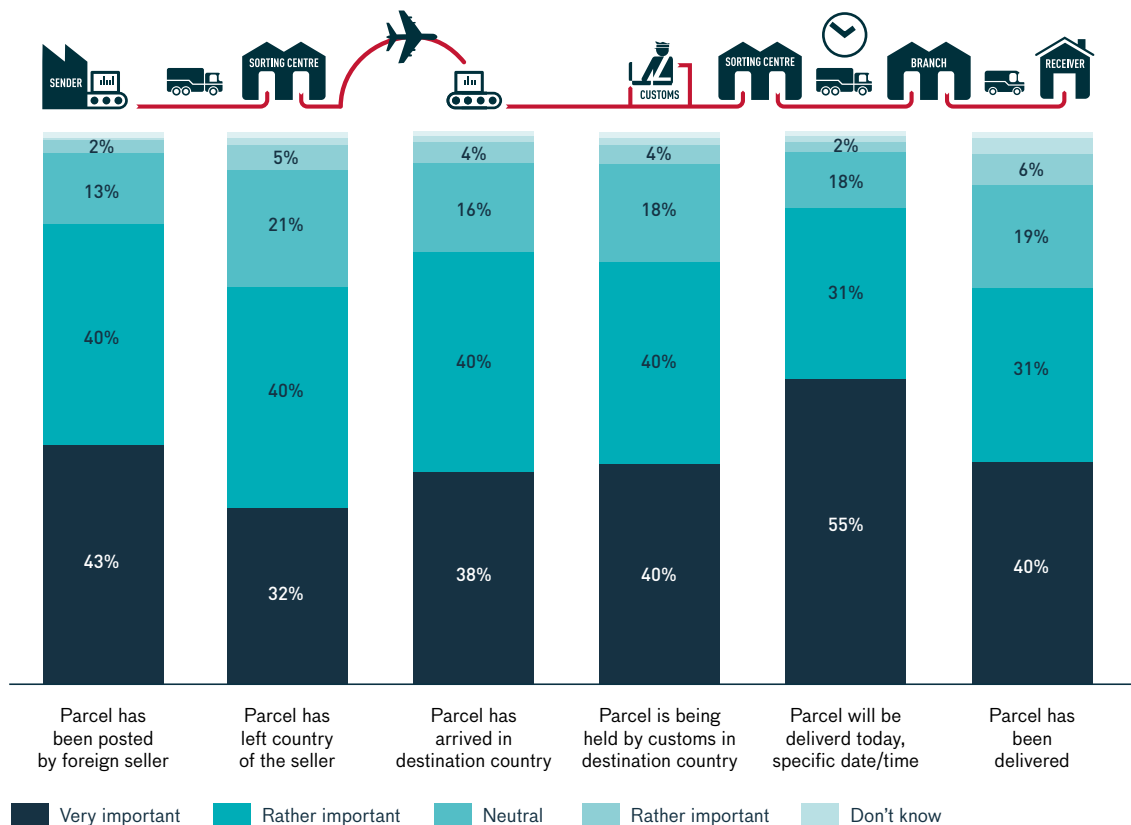
Question: Which is your preferred option for the delivery of your parcels?
 Sample: 24,331 (all respondents)

DELIVERY TRACKING

When asked for the level of importance of their item being tracked cross-border at certain key stages, the level of importance was high for all six items measured. The level of 'very/rather important' ranged from 72% up to 86% for each of these stages.

Information that the 'parcel will be delivered today, at a specific date/time', had the highest level of importance of all items tested.

For all six stages measured, women were significantly more likely than men to say that each stage of the tracking is 'very important'.



This result shows the value of IPC's INTERCONNECT solution. Using INTERCONNECT, IPC collects and manages tracking events data through barcode, RFID, and/or Mail Registration Devices in airports, from sending to delivery, including for returned goods. It allows posts to offer e-retailers and their customers a fully tracked end-to-end delivery service, so the level of visibility for a cross-border purchase is at the same level as for a domestic purchase.

Question: For each of the stages of an online cross-border purchase journey, please rate how important it is for you to be informed that the parcel is at each stage?
 Sample: 24,331 (all respondents)

CONSUMER EXPERIENCES



ON A GLOBAL SCALE

CANADA	
US	67%
China	21%
UK	5%
Australia	1%
Japan	1%

CHINA	
US	27%
Japan	18%
Canada	14%
France	11%
Australia	11%

US	
China	42%
Canada	22%
UK	13%
Japan	5%
Germany	3%

JAPAN	
US	40%
China	24%
UK	8%
South Korea	6%
Other	5%

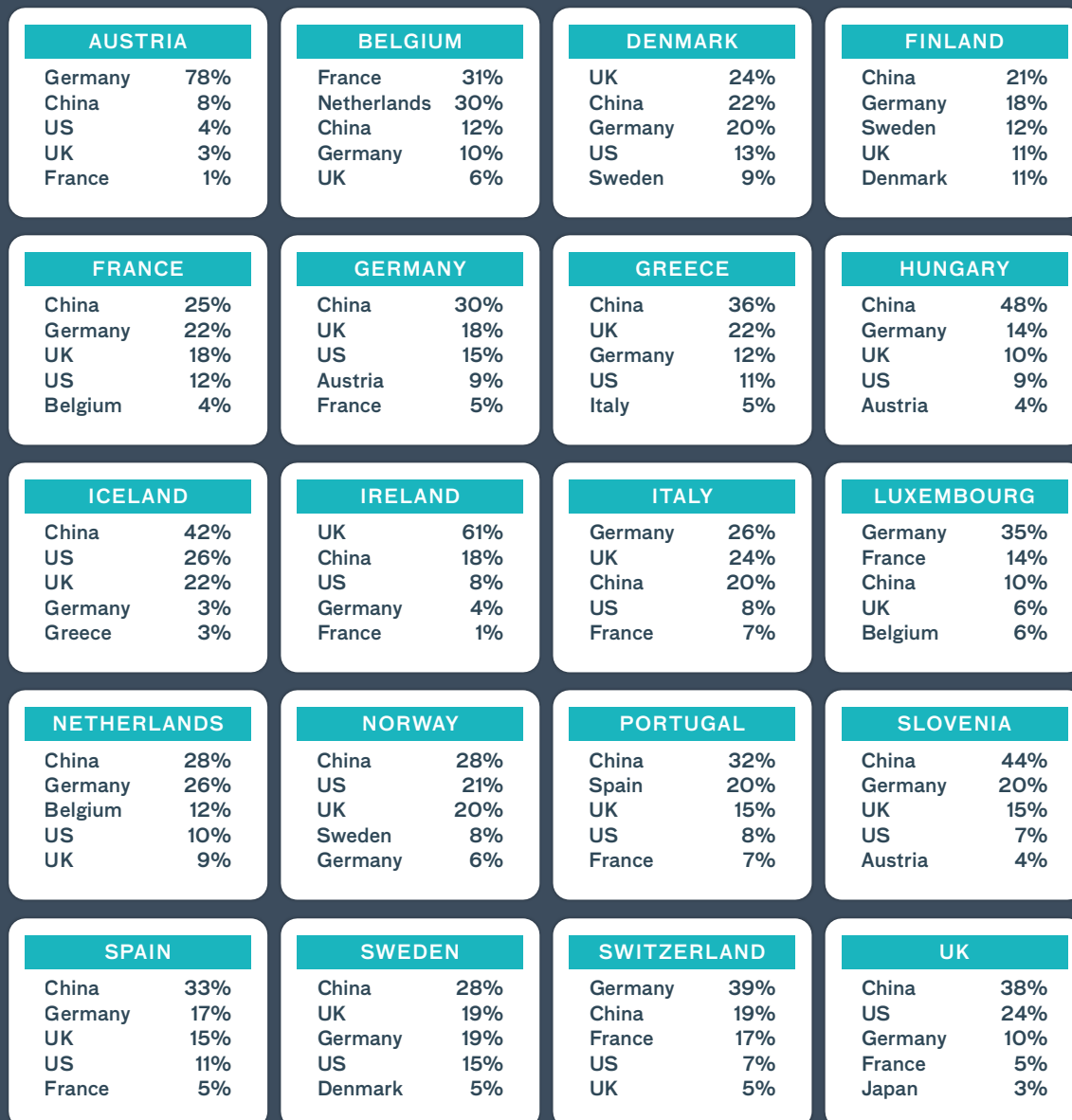
AUSTRALIA	
China	37%
US	28%
UK	15%
New Zealand	5%
Japan	3%

NEW ZEALAND	
Australia	27%
China	25%
US	24%
UK	16%
Other	2%

Question: Please specify the country from which you bought your most recent online cross-border purchase?
 Sample: 24,331 (all respondents)

WHERE ARE CONSUMERS BUYING FROM?

IN EUROPE



Question: Please specify the country from which you bought your most recent online cross-border purchase?

Sample: 24,331 (all respondents)

TOP COUNTRIES: CHINA, US, GERMANY AND UK

China accounted for 26% of the most recent cross-border purchases, followed by the US (16%), Germany (15%) and the UK (15%). Following this, there is a drop-off to France (5%), Japan, Australia, Canada and the Netherlands (all 3%). Note that the sampling methodology of this project – 20 of the 26 surveyed countries are in Europe – impacts on the answers given at this question.

Purchases from China were more popular with young people and women, while purchases from Germany were more popular among men and older people.

This map shows the top five source countries for cross-border e-commerce for each of the 26 countries that took part in the survey. It shows the importance of the 'Big 4' (China, Germany, UK and US) at country-level as well as at the overall level.

Key findings to note are:

- Large e-commerce countries have a dominant impact on their smaller neighbours (e.g. Irish consumers buy 61% of their cross-border e-commerce from the UK), Canadians buy 67% from the US, and Austrians buy 78% from Germany).
- China is in the top three sources for all countries, and it is especially popular in lower-income countries such as Slovenia and Hungary.

THE BIG THREE WEBSITES

At the overall level, Amazon (31% of most recent cross-border purchases), eBay (23%) and Alibaba / AliExpress (11%) account for two-thirds of cross-border e-commerce from the survey respondents. Following this 'Big 3' are Wish (4%), Zalando (3%), Apple (2%) and Asos (1%).

Amazon and eBay were both more popular among men than women, with women tending to prefer other sites rather than the 'Big 3' focused on here. When analysing the results by age, the most notable trend is that Alibaba was favoured by younger e-shoppers, eBay was favoured by those aged 35-54, and Other websites were favoured by e-shoppers aged 55+.

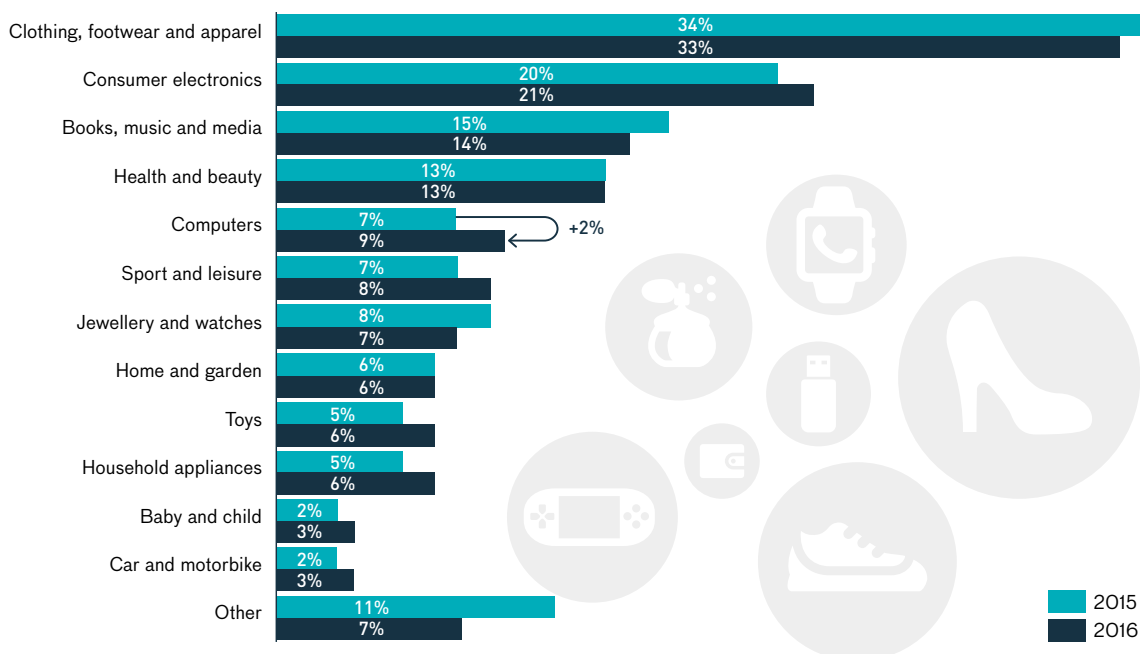
Key differences per country are:

- Amazon was especially key for cross-border e-commerce into Austria (64%) and China (55%).
- eBay was key to Hungary (48%), Greece (44%) and Slovenia (37%).
- Alibaba/AliExpress was most popular in Iceland (38%), China (34%), Slovenia (25%) and Spain (24%).
- Websites with a particular strong role in certain countries include Wish (12% in Sweden), Zalando (11% in the Netherlands), Rakuten (14% in Japan), and Bol.com (9% in Belgium).



WHAT ARE CONSUMERS BUYING?

As in 2015, the top four categories bought cross-border in 2016 are clothing, footwear & apparel (33%), consumer electronics (21%), books, music & media (14%) and health & beauty (13%).



There was a 2% increase in computer purchases between 2015 and 2016. These survey results are reflective of numerous other studies, which show these categories to be the most commonly bought online – both domestically and internationally.

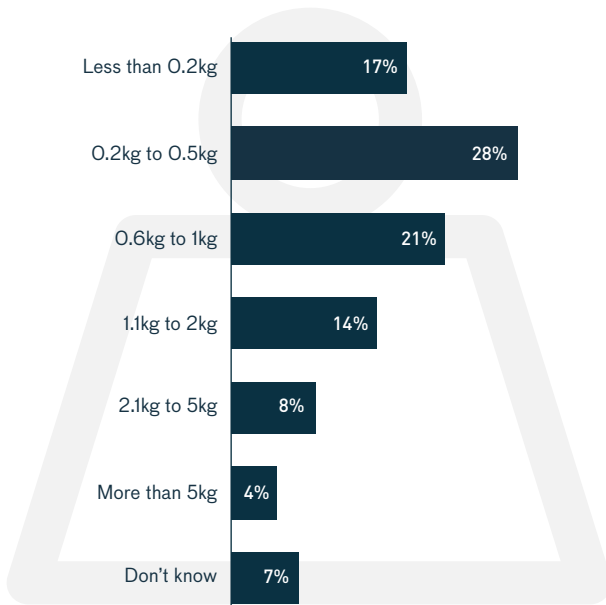
When analysing by gender, it can be seen that clothing, footwear & apparel is the top choice for women (39%, vs. 26% for men), while consumer electronics are the top choice for men (30%, vs 12% for women). In terms of age, the younger age group were more likely than older consumers to purchase clothing, footwear & apparel (39%) and computers (12%).

Clothing, footwear & apparel was the most common category bought in almost all countries. It was especially popular in China, the US and Ireland. Consumer electronics was the top choice in three countries: Hungary (41%), Italy (35%) and Finland (30%).

Books, music & media was especially popular in Austria, Belgium and Luxembourg (all 22%). Health & beauty was very popular in China (31%) and Japan (24%). There was also extensive cross-border purchasing of baby & child (20%) and sport & leisure (18%) by Chinese consumers.

Question: For this particular parcel, please specify what category of goods you purchased? (Multiple answers possible)
 Sample: 24,331 (all respondents)

LIGHT-WEIGHT PARCELS ARE BEING BOUGHT CROSS-BORDER



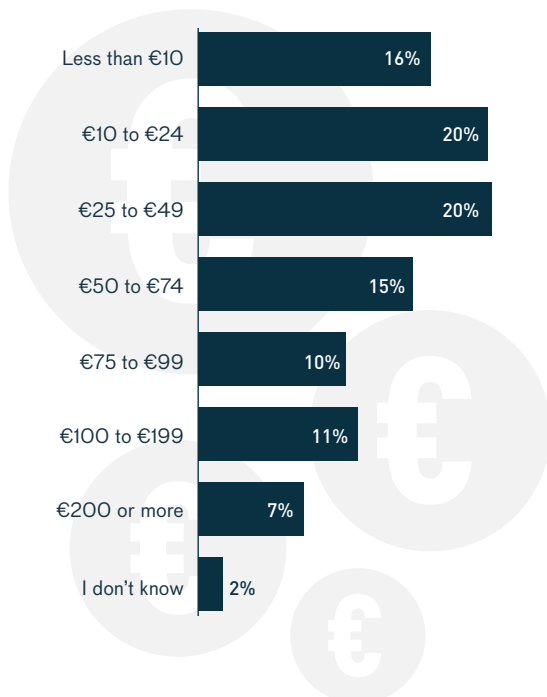
Considering the definition of a packet being up to 2kg, it can be seen from this chart that 81% of purchases were a packet 13% were a parcel and the remaining 7% was 'don't know'. The most common weight category – with 28% was 200-500g.

When analysing the results by gender, it can be seen that women were more likely to purchase parcels weighing up to 0.5kg (47%, vs 43% for men), while men were more likely to make a purchase over 0.5kg (52%, vs 45% for women). This difference in weight is probably caused by product categories favoured by women (clothing, health and beauty) being generally lighter than categories favoured by men (computers, electronics).

Key differences by country are:

- Fifty-seven percent of cross-border purchases in the UK, Slovenia and Greece were up to 0.5kg.
- As in 2015, Chinese consumers bought much heavier items than in all other countries.
- Finland had a notably high proportion of purchases weighing over 2kg.

OVER A THIRD OF CROSS-BORDER PURCHASES COST LESS THAN €25



There is a rather wide distribution of cross-border online purchase values. Sixteen percent of purchases cost less than €10, and 36% of purchases cost less than €25.

These results are in line with the findings of the 2015 survey, where 17% of purchases cost less than €10, 38% cost €10-50, and 21% cost €51-100.

Females and those aged 16-34 were most likely to make a purchase costing less than €10. Thirty-nine percent of women made a purchase valued under €25, compared to 32% of men. Conversely, 21% of men made a purchase valued over €100, compared to 15% of women. As with product weight gender differences, these trends are a likely result of product categories favoured by men/women.

Key differences by country are:

- A quarter of UK and Slovenian consumers bought a product for less than €10, while this was the case for just 3% of Chinese consumers.
- High-value purchases – €100 and above – were most common in Luxembourg (38%) and Switzerland (29%). These two countries have a high level of consumer income.

Question: What was the approximate weight of this particular purchase?
Please specify the approximate cost of the goods within this particular purchase?
Sample: 24,331 (all respondents)

WHAT WAS THE DELIVERY EXPERIENCE?



FIFTY-NINE PERCENT OF CROSS-BORDER SHOPPERS RECEIVED FREE SHIPPING

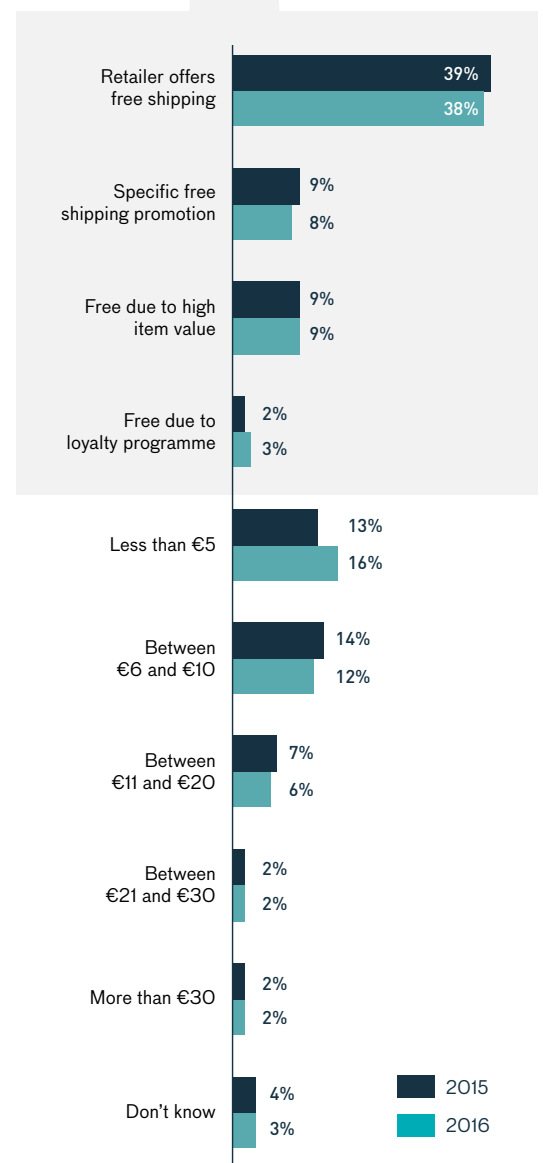
Fifty-nine percent of respondents received free shipping – broken down as 38% due to retailer offer, 8% due to a promotion, 9% due to product value and 3% due to a loyalty programme. Answers are similar to 2015, though it is notable that more respondents paid 'Less than €5' (or equivalent in local currency) for cross-border deliveries in 2016.

There are few differences by age and gender. In terms of gender, women were slightly more likely to pay 'less than €5' (17%, vs 15% for men) and men were slightly more likely to pay '€11 to €20' (7% vs 5% for women). As with previous questions, this gender difference may be attributed to women purchasing lower-value, lighter goods, which entail lower shipping costs. The only notable difference by age was that consumers aged 55+ were slightly less likely to obtain free shipping than the 16-35 age group.

Based on IPC consumer segmentation analysis for this question, it can be concluded that consumer expectations are driven by consumer experiences – if a consumer is loyal to a retailer that regularly offers free shipping, then they are going to expect this from retailers in future.

Looking at differences between countries, the key findings are:

- **There is a very high level of free shipping in China (78%), driven in particular by 'specific free shipping promotions' (27%).**
- Free shipping was also most common in Iceland (68%), Belgium, Slovenia and Austria (all 66%). The high level of free shipping in Belgium and Austria can be linked to their high level of cross-border purchases from neighbouring countries.
- **Finnish consumers paid the most for their delivery. Just two-fifths received free shipping, while 27% paid more than €10.**



Question: Please specify the shipping cost for this particular purchase?
 Sample: 24,331 (all respondents)



THE IMPORTANCE OF TRACKING

Sixty-nine percent of cross-border consumers were offered the visibility to track their delivery status, a quarter (24%) were not offered this, and 15% did not recall. These results are the same as in the 2015 survey.

Based on IPC consumer segmentation analysis for this question, it can be concluded that consumer expectations are driven by lack of consumer experiences (i.e. unmet consumer needs) – consumers who find tracking most important are those who are not being offered it.

In terms of country differences:

- Tracking was most likely to be offered in China (83%), followed by Italy (74%) and Spain (73%).
- It was least likely to be offered in the UK (42%), followed by Norway (47%) and Australia (48%).
- Thirty-eight percent of UK consumers, 36% in Australia and 35% in the US were not offered tracking.
- A quarter of respondents in Sweden and Norway could not recall if they were offered tracking.

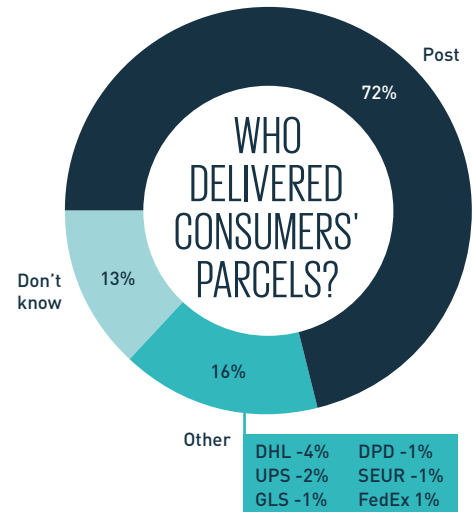
When asked if **they made use of the offered status tracking tool** for their most recent online cross-border purchase, 84% of consumers indicated that they did so.

Almost half of consumers used **tracking that was integrated** on the e-retailer’s website, while 40% used the delivery company’s website. This result is similar to that of the 2015 survey.

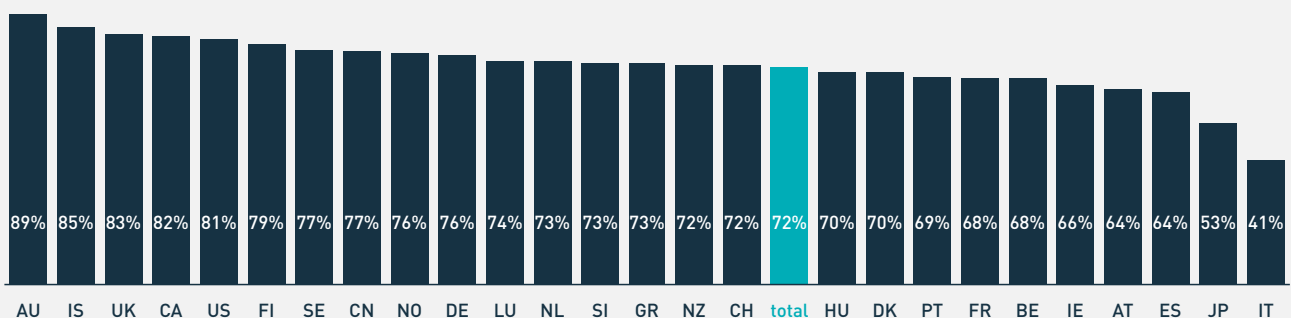
SEVENTY-TWO PERCENT HAD THEIR PARCEL DELIVERED BY THE POST

The post accounts for 72% of most recent cross-border deliveries, 16% of deliveries were with other carriers, while 13% of consumers did not know who delivered their parcel.

At a country level, usage of the post was highest in Australia (89%) and lowest in Italy (41%) and Japan (53%). For countries with a lower usage of the post, this was due to the high level of competition from courier companies with a strong base in their market.



USAGE OF THE POST PER COUNTRY



PARCEL RETURNS

ONLY SIX PERCENT RETURNED THEIR PARCEL, ALMOST ALWAYS USING THE POST

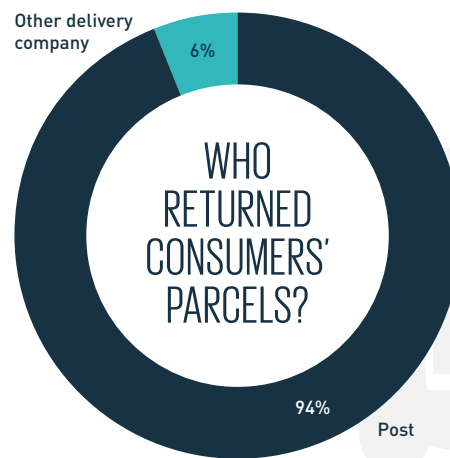
Only 6% of respondents returned their most recent cross-border parcel – an increase on the 4% recorded in the 2015 survey.

Men were more likely than women to return their parcel (7% vs. 5%), while the likelihood to return the parcel decreased with age (8% for 16-34 year-olds, 5% for 35-54 year-olds, and 4% for those aged 55+).

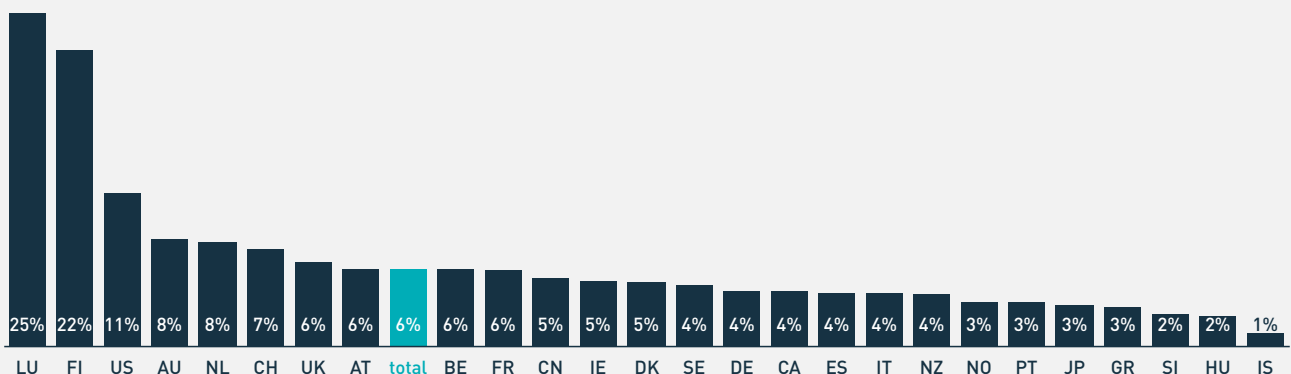
The likelihood to return an item is naturally dependent on the product characteristics. The level of returns was highest for heavier items (16% for items weighing 2.1 – 5kg, compared to 2% for items weighing less than 200g) and for more expensive items (12% for items worth €75-€99, compared to 2% for items worth less than €10). The products with the highest returns level were those that are more likely to be heavier/more expensive, namely computers (24%) and household appliances (15%).

The e-retailer returns policy is also a key factor. Zalando provides the return label within the parcel and its USP is its generous free returns policy, thus as a result it has a higher level of returns (13%). Other sites – such as Wish – don't put such emphasis on a returns policy and, as partially a result of this, receive fewer returns.

The country-level results show that the level of returns was highest for consumers based in Luxembourg (25%), Finland (22%) and the US (11%), and lowest for consumers based in Iceland (1%), Hungary and Slovenia (both 2%).



RETURNS USING THE POST BY COUNTRY

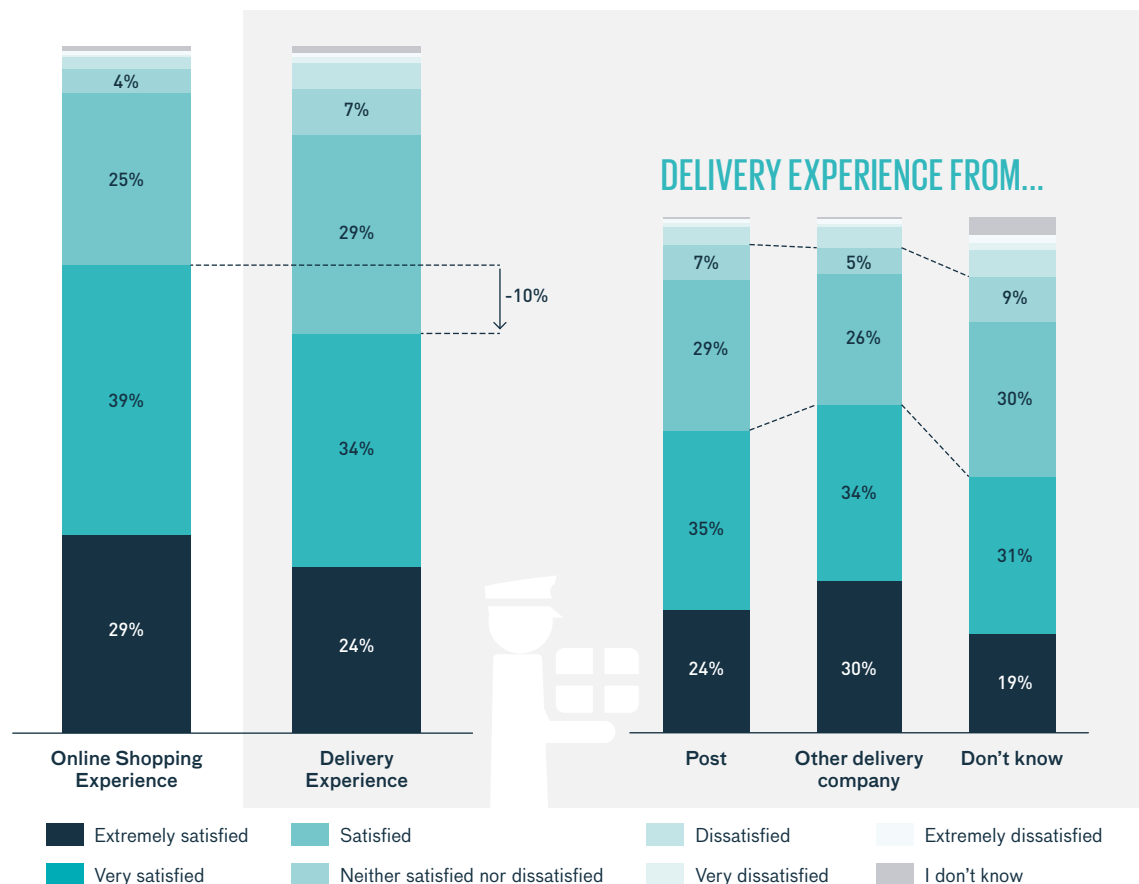


OVERALL SATISFACTION

Ninety-three percent of online consumers were satisfied and 68% were 'extremely/very' satisfied with their online shopping experience. Only 3% of consumers were dissatisfied with their online shopping experience.

Eighty-seven percent of online consumers were satisfied and 58% were 'extremely/very' satisfied with their delivery experience. Only 5% were dissatisfied with their delivery experience. There was no difference in answers according to age or gender.

Fifty-nine percent of consumers who used the post to receive this parcel were 'extremely/very' satisfied with their delivery experience, compared to 64% of those who used another delivery company and 50% who did not know who the delivery company was. The level of dissatisfaction was the same for the post as for another delivery companies, at 5%.



Question: How satisfied were you with the shopping experience / delivery experience for this particular purchase?
 Sample: 24,331 (all respondents)

SURVEY METHODOLOGY



Scope of the research: The IPC e-commerce cross-border shopper survey took place in 26 countries. Fieldwork took place from 29 September to 24 October 2016. 24,331 responses were collected, with the breakdown per country shown in the table below.

COUNTRY	RESPONDENTS PER COUNTRY	COUNTRY	RESPONDENTS PER COUNTRY
Australia	1,029	Italy	1,028
Austria	1,002	Japan	1,000
Belgium	1,032	Luxembourg	102
Canada	1,040	Netherlands	1,044
China	1,038	New Zealand	1,034
Denmark	1,014	Norway	1,035
Finland	1,042	Portugal	1,022
France	1,031	Slovenia	516
Germany	1,006	Spain	1,000
Greece	1,016	Sweden	1,032
Hungary	1,044	Switzerland	1,028
Iceland	104	United Kingdom	1,026
Ireland	1,046	United States	1,020

Target group: Frequent cross-border online shoppers, who have bought physical goods online at least once in the last three months and have made a cross-border online purchase in the past year. The target group was determined by quotas based on the age and gender profile of the online population per country.

Methodology: Quantitative research using online access panels supplied by Qualtrics.

Questionnaire topics: Topics covered by the research include:

- Online shopping preferences (e.g. preferred device, preferred delivery location, etc.).
- Delivery and tracking expectations (e.g. expected speed of delivery from particular regions, relative importance of tracking at various stages).
- Delivery cost (e.g. measuring willingness to pay for additional delivery options).
- Most recent cross-border e-commerce experience (an in-depth overview of most recent experience, including details of the product purchased, the delivery experience, etc.).
- Socio-demographics.

IPC MARKET INTELLIGENCE PRODUCTS



IPC GLOBAL POSTAL INDUSTRY REPORT

The IPC Global Postal Industry Report is the sector's most comprehensive, holistic and in-depth report on postal industry trends and performance.

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- Worldwide coverage of 45 postal operators
- In-depth review and comparison of corporate and business unit performance
- Solid foundation to benchmark performance and better understand industry trends
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FIG. 12: REVENUE SEGMENTS, 2014-15

26 POSTS RECORDING REVENUE GROWTH IN 2015

Revenue growth in the postal industry remained steady in 2015, with strong performance for postal and logistics operations driving overall growth. Focus remained on cost-saving activities to support the industry as a whole, with all BRICS+M operators except South Africa and Post Office seeing total revenue grow over 5%.

In 2015, 26 out of 45 postal operators saw total revenue growth of over 1%. Of these, 17 reported double-digit growth. Revenue across all reporting regions showed growth, but Africa only saw slight growth. Total Asia Pacific (APAC) reported strong double-digit revenue growth, and Latin America (LATAM) saw growth. Europe (EU) reported strong revenue growth for all operators, which has remained strong beyond growth for many postal financial service divisions, but out of 12 operators did report growth in this segment in 2015.

Three major factors drove growth in 2015: new mail, diversified postal services in Europe, Asia and Asia Pacific, China and Singapore Post saw double-digit revenue performance for mail divisions through e-commerce-related services, and growth for all other revenue segments.

Ten postal operators reported revenue decline in 2015, despite reporting growth for both mail and parcel divisions. Of these, small revenue decline was the result of lower government contributions, with Hong Kong's performance also negatively impacted due to declining financial service income. France's low volume revenue performance despite declining mail revenue, with falls in that sector largely offsetting overall growth.



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IPC CARRIER INTELLIGENCE REPORTS

IPC Carrier Intelligence Reports provide instant access to critical financial, operational, strategic and market information for 50 leading postal and parcels operators from Europe, Asia Pacific, the Americas and Africa in an easy-to-read, consistent format.

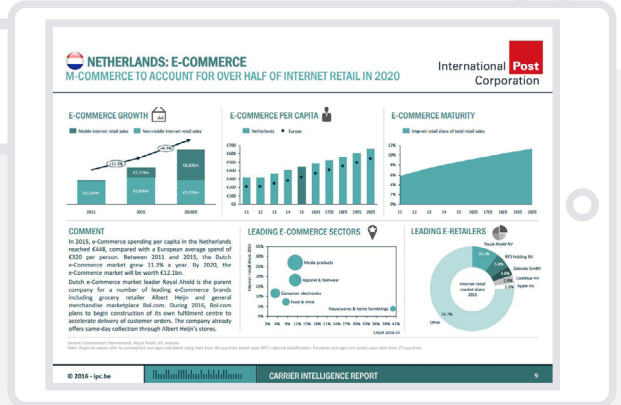
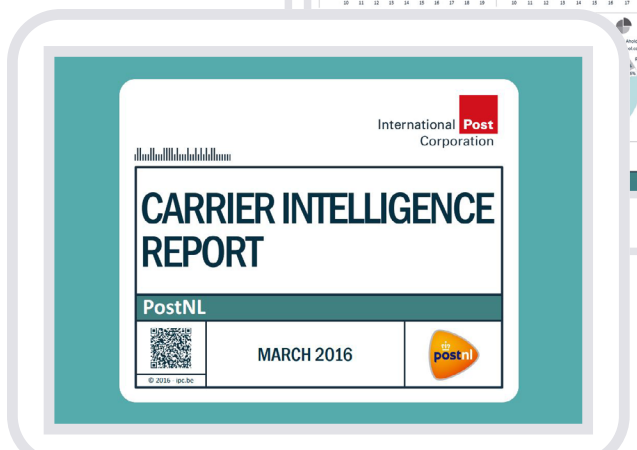
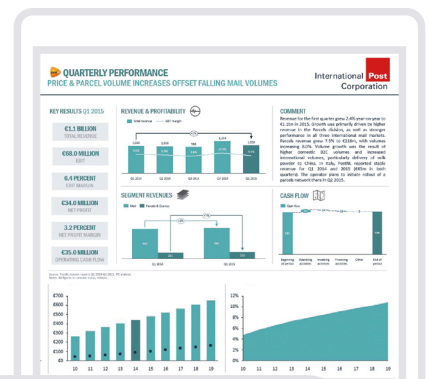
The reports provide operator-specific analysis on topics of key strategic importance for the postal sector, including information on the macro environment, corporate governance and strategy, consolidated and business unit performance, corporate social responsibility, business outlook and strategic targets.

IPC Carrier Intelligence Reports have been specifically designed to meet the market intelligence needs of industry executives as well as consultants and analysts engaged in research throughout the postal and parcels sectors. By compiling key quantitative and qualitative data for each operator, the reports save valuable resources for in-house strategic and market analysts.

The reports are available by annual subscription giving participants access to all 50 reports. To register your company for access to all IPC Carrier Intelligence Reports, or if you require further information, please contact info@ipc.be.



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ABOUT THIS PUBLICATION

This report provides key findings from the IPC cross-border e-commerce shopper survey 2016, based on the survey responses of 24,331 consumers spread across 26 countries. For more details on the survey methodology, please refer to page 22 of this report.

The 26 postal operators who contributed to this survey also received a more detailed version of this overall report, plus each postal operator received a country-specific report that focused on their market. These reports assist the postal industry in better understanding consumer needs with regard to cross-border parcel delivery.

The IPC Marketing department also produces the IPC Global Postal Industry Report and IPC Carrier Intelligence Reports, a range of reports providing instant access to critical financial, operational, strategic and market information for 50 leading postal and logistics operators in an easy-to-read, consistent format.

For more information on IPC Market Intelligence products, please see pages 24 and 25 of this report.

To have access to the full range of in-depth analysis offered by IPC, please contact us at info@ipc.be.

ABOUT INTERNATIONAL POST CORPORATION

International Post Corporation (IPC) is the leading service provider of the global postal industry that provides leadership by driving service quality, interoperability and business-critical intelligence to support posts in defending existing business and expanding into new growth areas. It is a cooperative association of 24 member postal operators in Asia Pacific, Europe and North America. IPC's solutions and services are used by over 180 posts worldwide. Since 1989 IPC has set standards for upgrading quality and service performance and developed technological solutions that help members enhance service for international letters, packets and parcels. IPC engages in industry research, creates business-critical intelligence, provides a range of platforms and programmes for member post CEOs and senior management to exchange best practices and discuss strategy. IPC also manages the system for incentive-based payments between postal operators.

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