

## Postal operator CEOs expect consumers will demand much faster delivery in five years' time

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CEOs and senior executives from leading postal operators from America, Asia Pacific and Europe, gathered on 18 May in Vancouver, Canada for the 2018 IPC Annual Conference.

- **2018 IPC Annual Conference themed 'Disruptive postal business models' hosted over 60 postal CEOs and senior executives from around the globe**
- **Presentations from keynote speakers emphasise the need for accelerated postal innovation**
- **In-conference poll reveals that postal operators expect consumers to require faster cross-border deliveries from neighbouring countries in the coming years**

 **IPC Annual Conference 2018 group picture**

**Brussels, Belgium, 22 May 2018** – CEOs and senior executives from leading postal operators from America, Asia Pacific and Europe, gathered on 18 May in Vancouver, Canada for the 2018 IPC Annual Conference.

For the first time, interactive voting was introduced in this year's conference to gather views from participants on key topics.

Holger Winklbauer, IPC CEO commented on the theme: 'The postal industry is in a fascinating stage of transformation. With the emergence of new technologies, specifically smartphone-based, and business models, such as crowd shipping platforms, posts and their traditional competitors are facing disruption. These innovations are blurring traditional boundaries and lower down entry barriers to the delivery market, creating new forms of competition. The in-conference poll clearly demonstrated that postal executives expect consumers to demand a much higher delivery speed in five years' time, when ordering goods from a neighbouring country. Facing these challenges, postal operators have to be creative and innovative and focus on these evolving consumers' needs.'

This year, the conference speeches and debates explored new innovative platforms that have emerged in the delivery market. With increased smartphone penetration, the e-commerce experience, which is largely linked to logistics of purchased goods, is evolving fast. Innovative technology platforms are providing consumers with last-mile delivery fulfilment. With the emergence of the collaborative economy, crowd shipping platforms and applications provide consumers and retailers with multiple options for the delivery of parcels. Crowd shipping platforms such as Lalamove, who was also

among the speakers at the conference, represent for posts what Uber does for the taxi industry. This creates additional challenges for postal operators, in terms of logistics, which have to adapt to new consumer expectations.

Meeting the needs of large e-retailers' customers remains another key priority for postal operators. As highlighted in the latest IPC Cross-border Shoppers' Survey, giant e-retailers such as Amazon, eBay and Alibaba account for two thirds of cross-border online purchases. Results from in-conference poll, show that for two-thirds of participants, the launch of delivery networks by large e-retailers is seen as one of the main disrupters.

 IPC Annual Conference 2018 vote

In this context, postal operators reiterated the importance of reinforcing cooperation, in order to enhance the cross-border experience and thus, respond to cross-border customers' needs.

During the conference, attendees were asked a number of questions regarding consumer expectations and delivery options. The in-conference poll clearly demonstrated that

postal operators expect cross-border e-commerce shoppers to become more and more demanding when it comes to delivery speed. While the majority of voters considered that today's consumer expectations for cross-border delivery from a neighbouring country are between two (37%) and five (45%) days, they expected this to evolve towards a one-day delivery standard (57%) within five years' time.

**–ENDS–**

#### **Information for the editors:**

The IPC 2018 Annual Conference 'Disruptive Postal Business Models' featured keynote speeches from Andrea Sapuppo, Director Surface and Air Transportation EU, Amazon and Charlie Chen, Regional Special Projects Lead, Lalamove.

For the informal panel discussions, keynote speakers were joined at the table by Koen Van Gerven, CEO, bpost; Philippe Wahl, CEO, Le Groupe La Poste; Javier Cuesta Nuin, CEO, Correos; David McRedmond, CEO, An Post; and Suzanne Ruoff, CEO, Swiss Post.

#### **The following posts were represented:**

The IPC Annual Conference gathered about sixty senior delegates, including CEOs, from the following posts from the IPC membership and beyond: An Post (Ireland); Australia Post (Australia); bpost (Belgium); Canada Post (Canada); Correos (Spain); CTT Portugal Post (Portugal); Cyprus Post (Cyprus); Deutsche Post DHL (Germany); Hrvatska Posta (Croatia); Iceland Post (Iceland); Japan Post Co.Ltd (Japan); Latvijas Pasts (Latvia); Le Groupe La Poste (France); Magyar Posta (Hungary); Österreichische Post AG (Austria); POST Luxembourg (Luxembourg); Posten Norge (Norway); PostNL (The Netherlands); PostNord (Denmark and Sweden); Swiss Post (Switzerland); United States Postal Service (USPS) and representatives from PostEurop.

### 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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