



UPU

UNIVERSAL
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E-PHILATEY

—

ANOTHER WAY TO PROMOTE PHILATELY

INTRODUCTION

Some basics about e-commerce in philately

E-COMMERCE

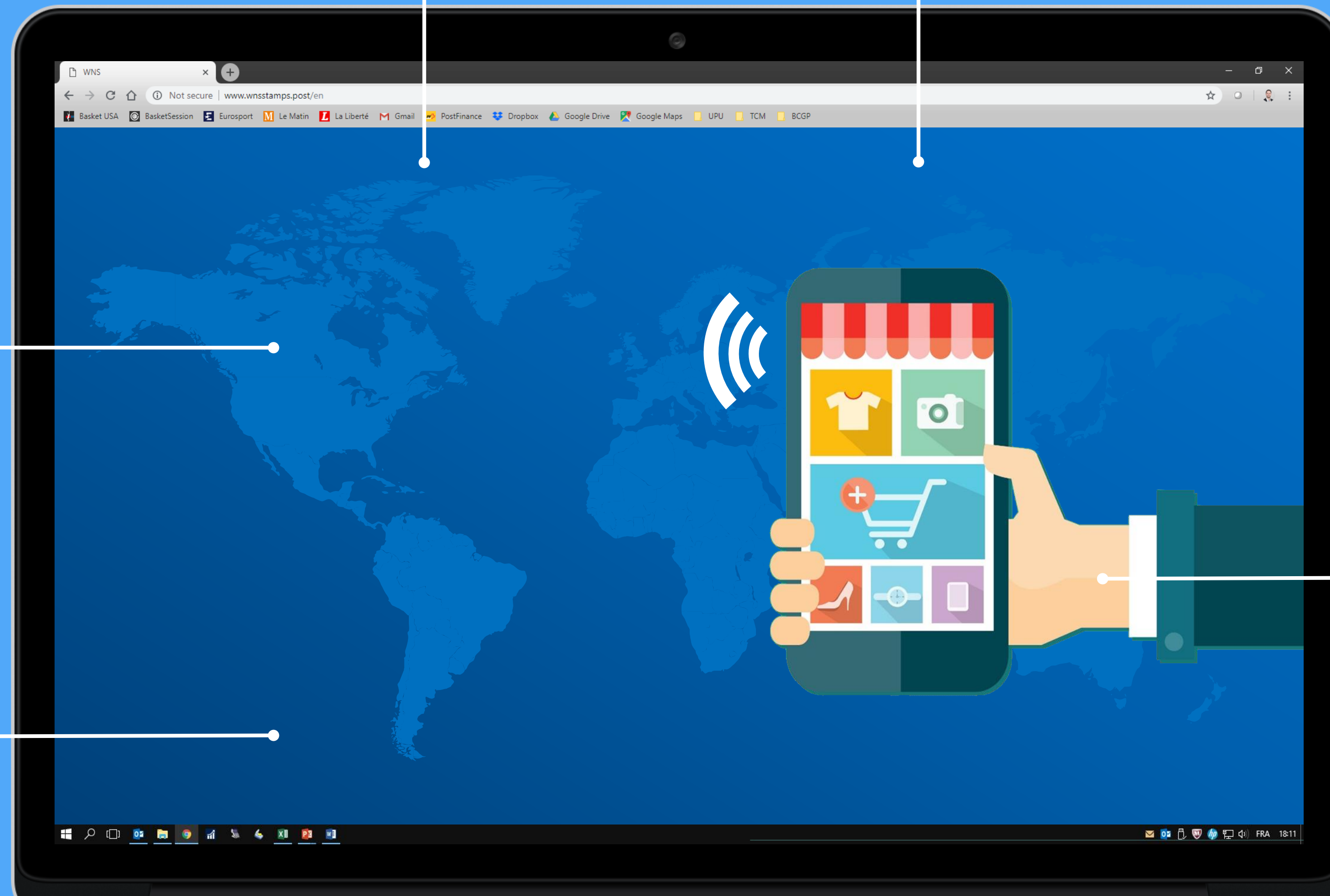
E-COMMERCE IS A FASHIONABLE MODE OF EXCHANGE

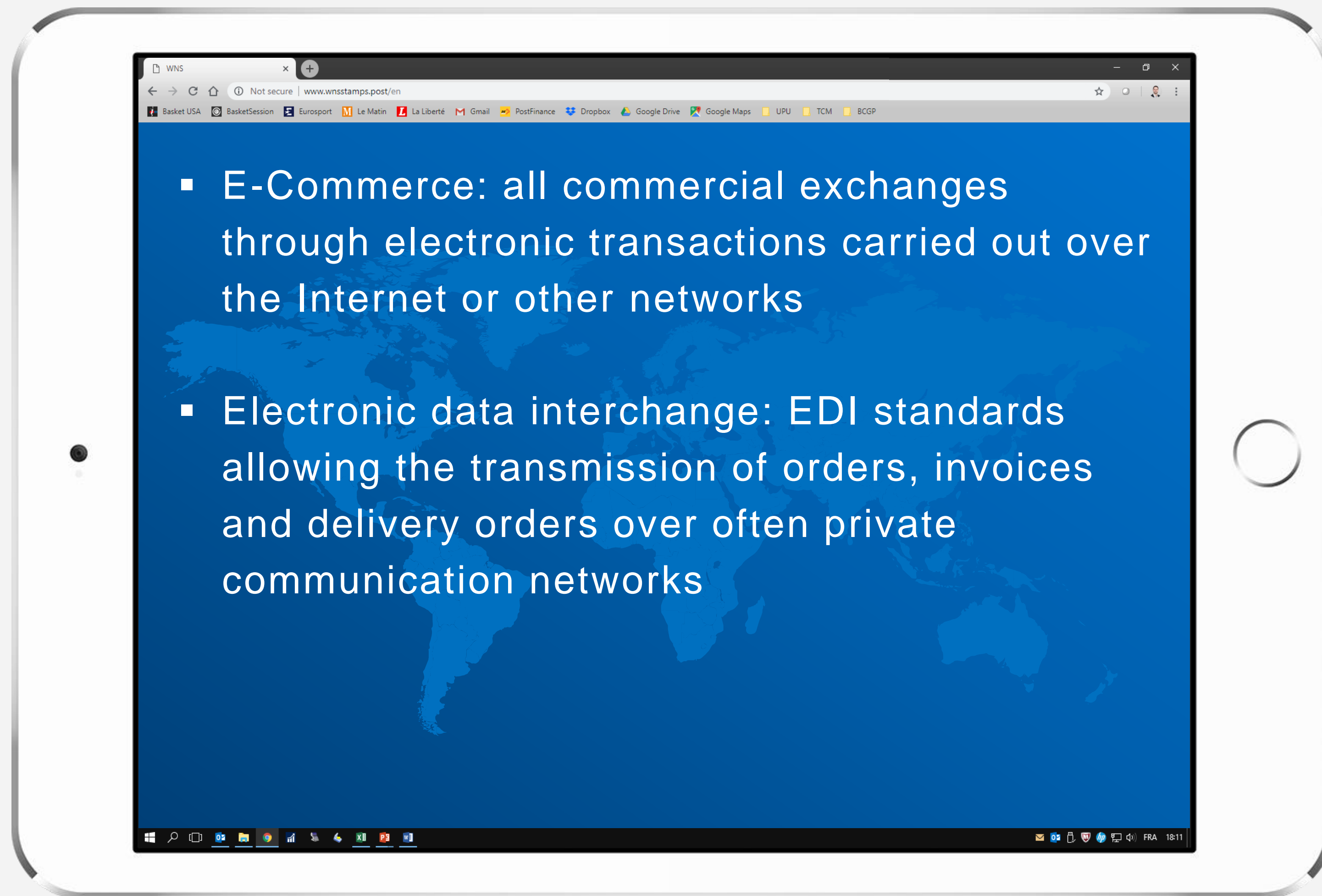
THANKS TO THIS EMANCIPATION, PHILATELIC MARKETING HAS UNDERGONE A RADICAL CHANGE

WE ARE NOW REGISTERING A DECLINE IN DIRECT SALES OF PHILATELIC PRODUCTS DUE TO THE GROWTH OF ONLINE SHOPS AND MARKETS

E-PHILATELY PRESENTS A POTENTIAL TO BE TAKEN UP IN THE FACE OF THE DIFFICULTIES THAT SOME ACTORS IN THE FIELD ARE FACING

IT IS GROWING RAPIDLY AND IS ATTRACTING A LARGE NUMBER OF STAKEHOLDERS AND ECONOMIC ACTORS THANKS TO THE GLOBAL DEVELOPMENT OF THE INTERNET AND THE RAPID GROWTH OF ACCESS TO IT





DEFINITION & EVOLUTION

- E-Commerce: all commercial exchanges through electronic transactions carried out over the Internet or other networks
- Electronic data interchange: EDI standards allowing the transmission of orders, invoices and delivery orders over often private communication networks



DEFINITION & EVOLUTION

- Transition from EDI to e-commerce: more simplified international trade procedures accessible thanks to Internet
- 1998: Electronic commerce is part of the general discussions at the WTO
- In twenty years: the sector has grown exponentially, enabling it to dominate world markets



GENERAL DATA

US\$ 2 304 Bn

GLOBAL TURNOVER OF B-TO-C
E-COMMERCE IN 2017 (+24.8%)

10.2%

OF ONLINE SALES COMPARED
TO TOTAL RETAIL SALES
WORLDWIDE

Source: report "Future of E-commerce in PGC-FLS or FMCG" published by Kantar Worldpanel



GENERAL DATA

+44%

ASIA ACHIEVED THE LARGEST INCREASE IN E-COMMERCE IN 2017 (BEST PERFORMANCE)

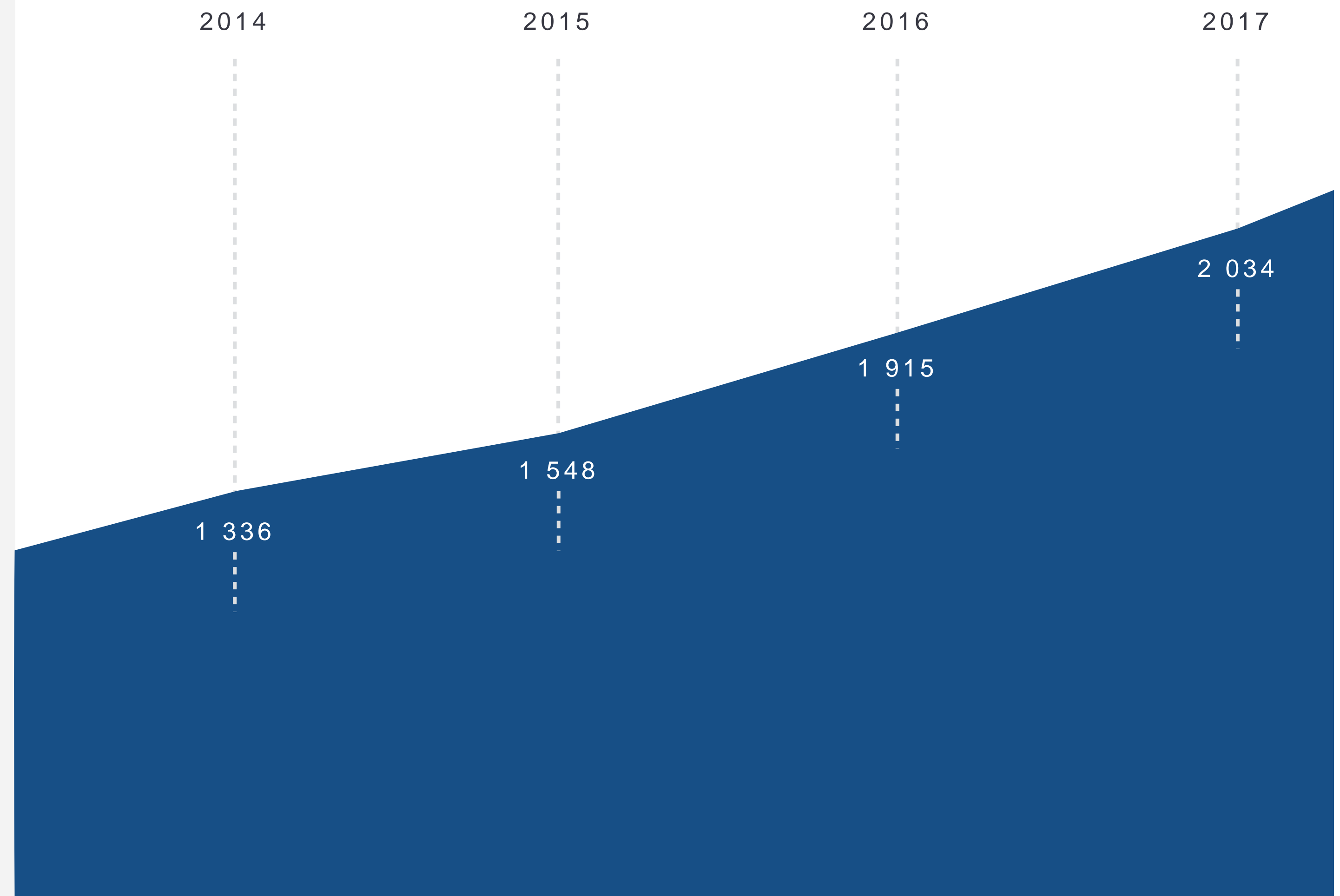
1.36 Bn

MOBILE SUBSCRIPTIONS REGISTERED IN CHINA BY JUNE 2017

Source: report "Future of E-commerce in PGC-FLS or FMCG" published by Kantar Worldpanel

GENERAL DATA

Evolution of turnover from global
B-to-C e-commerce (in USD billion)



Source: eMarketer

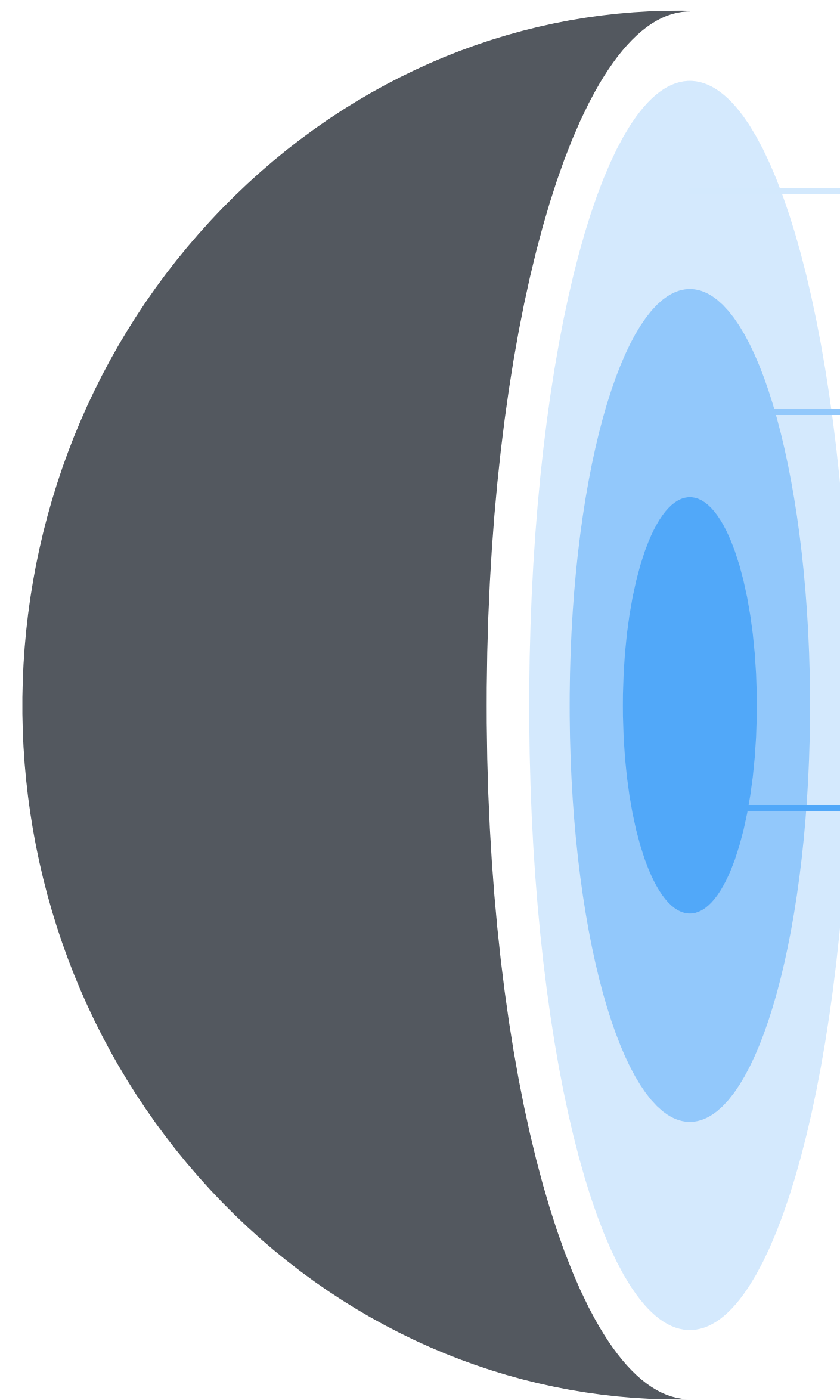


EFFECT OF E-COMMERCE ON PHILATELY DEVELOPMENT

How philatelic market has adapted to new technologies and
new customers behavior.

MARKET STRUCTURE

Specificity of the philatelic market:
composed by 2 complementary
markets.



GLOBAL MARKET

PRIMARY MARKET

CONSTITUENTS: designated operators, suppliers of products and services, philatelists, collectors, other customers

POINTS OF SALE: post offices, philatelic desks, authorized kiosks, philatelic exhibitions .

SECONDARY MARKET

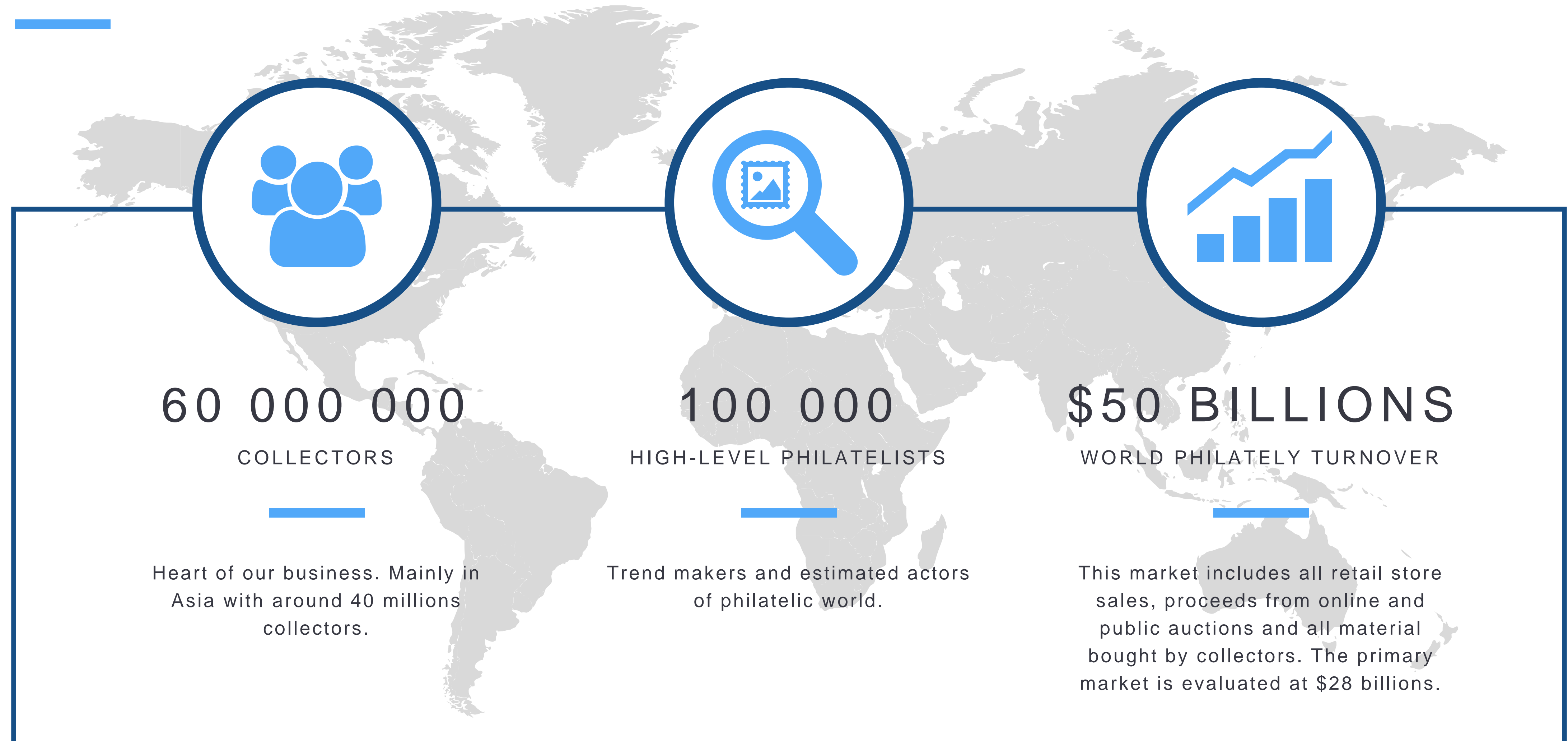
CONSTITUENTS: agents, dealers, traders, auctioneers, philatelists, collectors, other customers

POINTS OF SALE: traders, stamp traders, auction houses, exhibitions and philatelic events.

INTERFACE BETWEEN THE TWO MARKETS



SOME FIGURES



RECENT EVOLUTION: FROM INFORMATION TO TRANSACTION

- Diversification of philatelic products (FDC, souvenir sheet, notebook, philatelic games, etc.)
- Diversification of online shops or cyberstores (shopping gallery, e-shops, Marketplace, mall)
- From e-Catalog to e-Sales:
 - An intermediate step: checking availability, ordering online without prepayment
 - A new role for intermediaries: philatelic showcases, online traders
- Building and eroding trust capital
- The payment barrier: a matter of trust and security

ORIENTATION TOWARDS ONLINE SALES

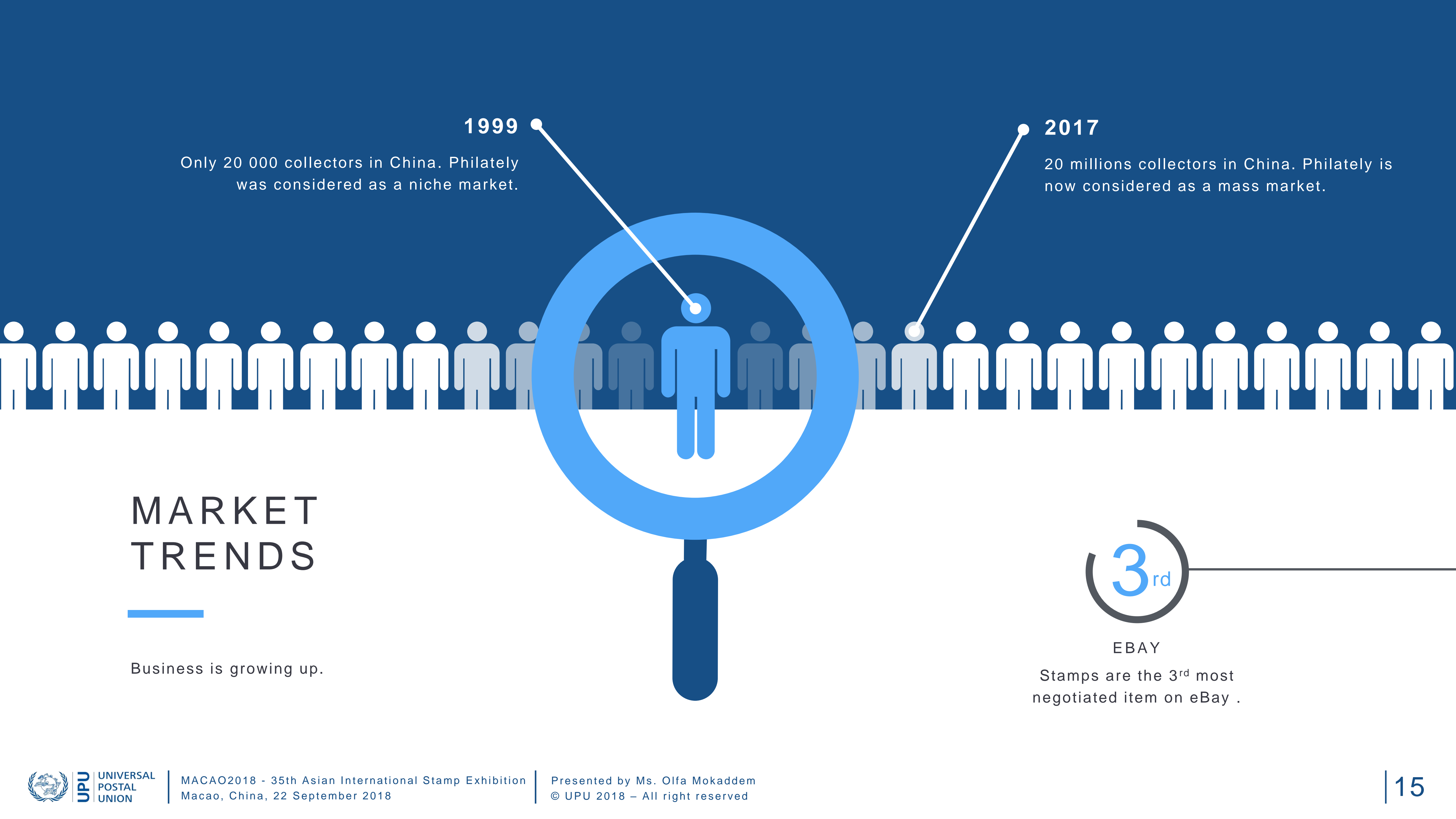
Cause: evolution of customers behavior
(collectors, philatelists, etc.)

ORIENTATION TOWARDS ONLINE SALES

Cause: evolution of customers behavior
(collectors, philatelists, etc.)

A BEHAVIORAL CHAIN

- Get information online:
 - Window-shopping on the Internet
 - Browse through the philatelic catalogues
 - Use price comparators
- Order online:
 - Choose the product and send the order (immediate effect)
- Pay online:
 - Various electronic payment methods
- Track purchases until delivery
- Use online after-sales service
- Claims, recourses, exchanges, etc.



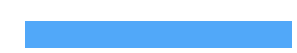
1999

Only 20 000 collectors in China. Philately was considered as a niche market.

2017

20 millions collectors in China. Philately is now considered as a mass market.

MARKET TRENDS

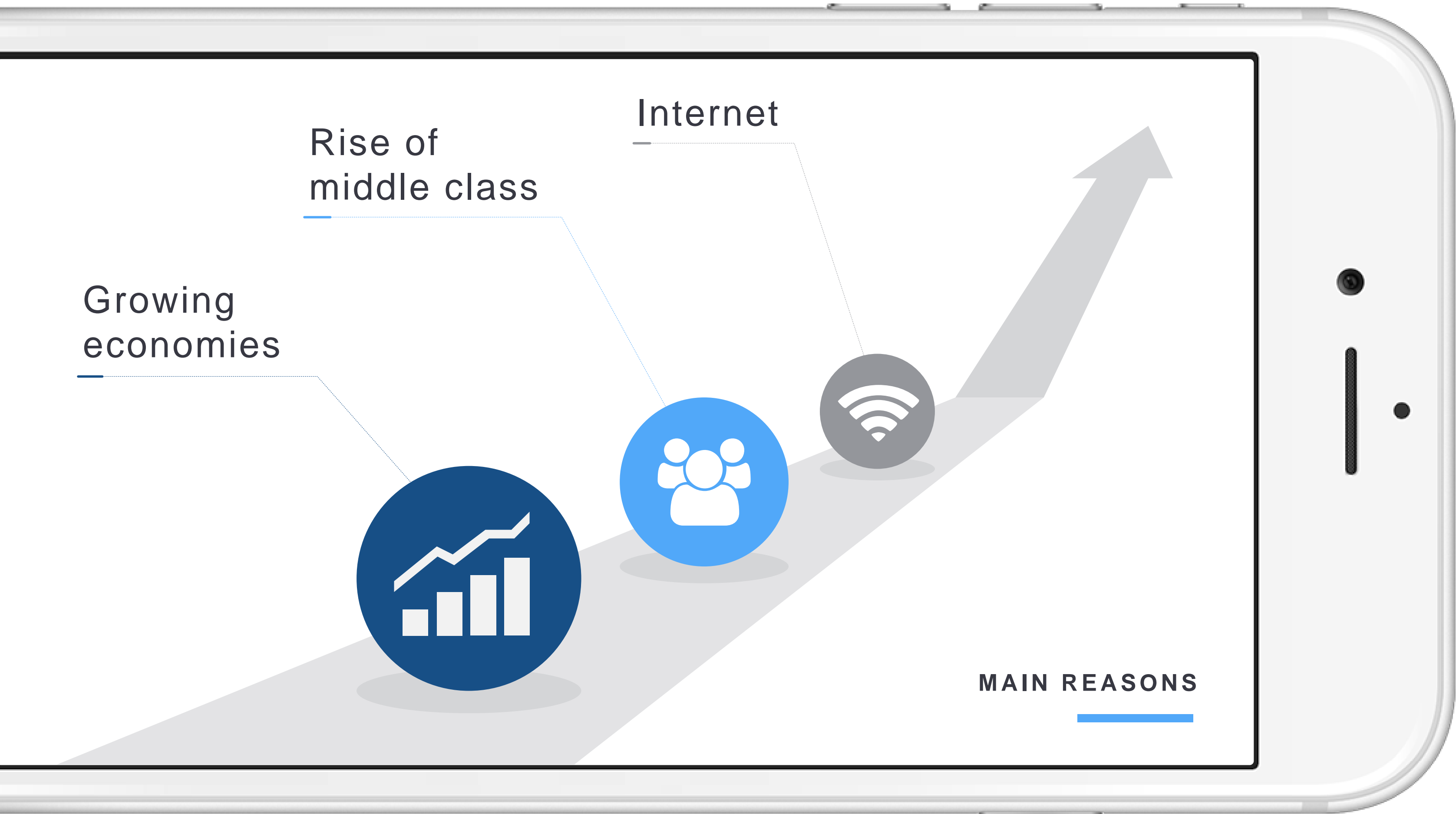


Business is growing up.



EBAY

Stamps are the 3rd most negotiated item on eBay .



MARKET TRENDS

Old passion became a modern hobby.

43%

POSTAL OPERATORS USING SOCIAL NETWORKS TO PROMOTE THEIR STAMPS



E-PHILATELY ASPECTS

How e-commerce has changed business for designated operators (opportunities, challenges, etc.).

ASPECT & TYPOLOGY

- **B2C** (business-to-consumer): sale of philatelic products to the customer via a dedicated site or intermediary (Merchant Gallery)
- **B2B** (business-to-business): inter-company trade (virtual marketplaces PMV)
- **C2C** (consumer-to-consumer): exchanges of philatelic products between private individuals:
 - A dedicated site acts as an intermediary (online auctions)
 - Example: the "eBay" site (rank offers, generate traffic, provide commercial guarantees,...)

E-PHILATELY

E-philately: the online philatelic commercial operation (sale, purchase and auction of philatelic products online)

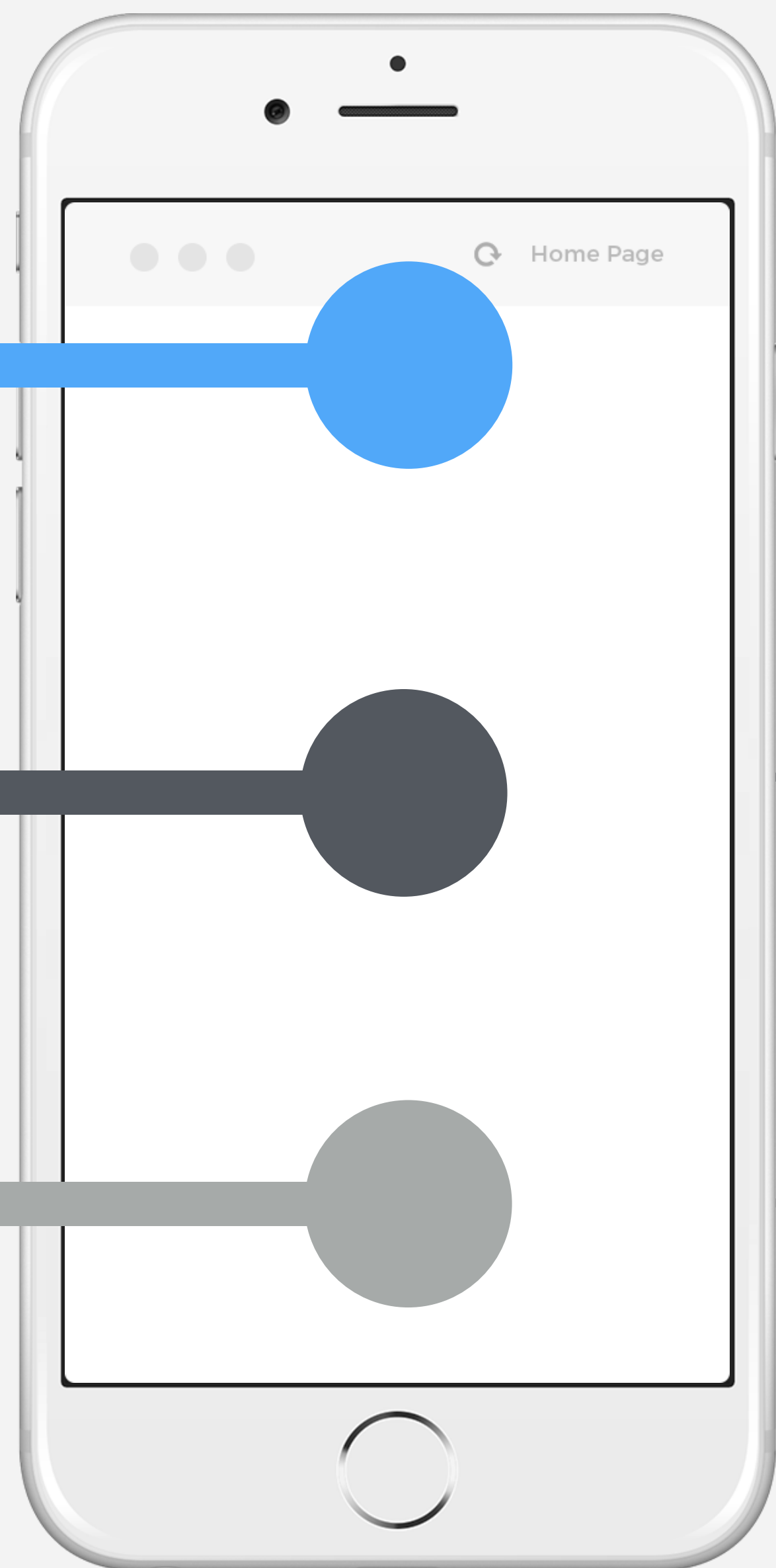
E-PHILATELY

E-philately: the online philatelic commercial operation (sale, purchase and auction of philatelic products online)

ADVANTAGES OF E-PHILATELY FOR DESIGNATED OPERATORS

- The use of e-philately is essential to the success of the company (advertising, brand image,...)
- Allows to cover: customer and supplier relations, design, marketing, product distribution, pricing and product strategy
- Advantages:
 - An additional sales channel
 - More traffic
 - Operating costs
 - Access to the international philatelic market
 - E-marketing tool
 - In-depth knowledge of customers

OPPORTUNITES



ACCESS TO THE INTERNATIONAL PHILATELIC MARKET

Customers from all around the world can buy your stamps, in particular in the Asia-Pacific region.

ADAPT YOUR PRODUCTION TO MARKET NEEDS

A philatelic e-shop allows you to create customers database, so you can make statistics out of it (age, social status, popular themes, etc.) and adapt your stamp production to their needs.

SOCIAL MEDIAS AND INTERNET COMMUNICATION

Philatelic e-shop will also allows you to use social media and all Internet advertisement to promote your stamps.

ADVANTAGES OF E-PHILATELY FOR CUSTOMERS

- Availability of philatelic products
- Larger choice
- Personalized offers
- Competitive prices
- Track and trace
- Convenience
- Variety of information

E-PHILATELY

E-philately: the online philatelic commercial operation (sale, purchase and auction of philatelic products online)

E-PHILATELY

No easy stuff! Designated operators should take caution on several issues they might face in e-philately.

CONSTRAINTS AND PROBLEMS

- Online payments
- Cybersecurity (protection of personal and payment data)
- Absence of a legal and regulatory context
- Infrastructure (network and equipment),
- logistics (value chain, delivery, etc.)
- Lack or absence of training
- Human resources (unskilled or inadequate)

OPERATORS' WEBSITES AND E-SHOPS

A questionnaire established in May 2018 by the UPU on the WNS provided some interesting information. (87 answers)

DESIGNATED OPERATORS OWN AT LEAST ONE OF THE FOLLOWING ONLINE PHILATELIC INSTRUMENTS:

9%
Dedicated philatelic website (without online shop).

51%
Online philatelic shop.

58%
Web page for philately within their websites.

31%
Virtual market place offering, among other things, postage stamps.

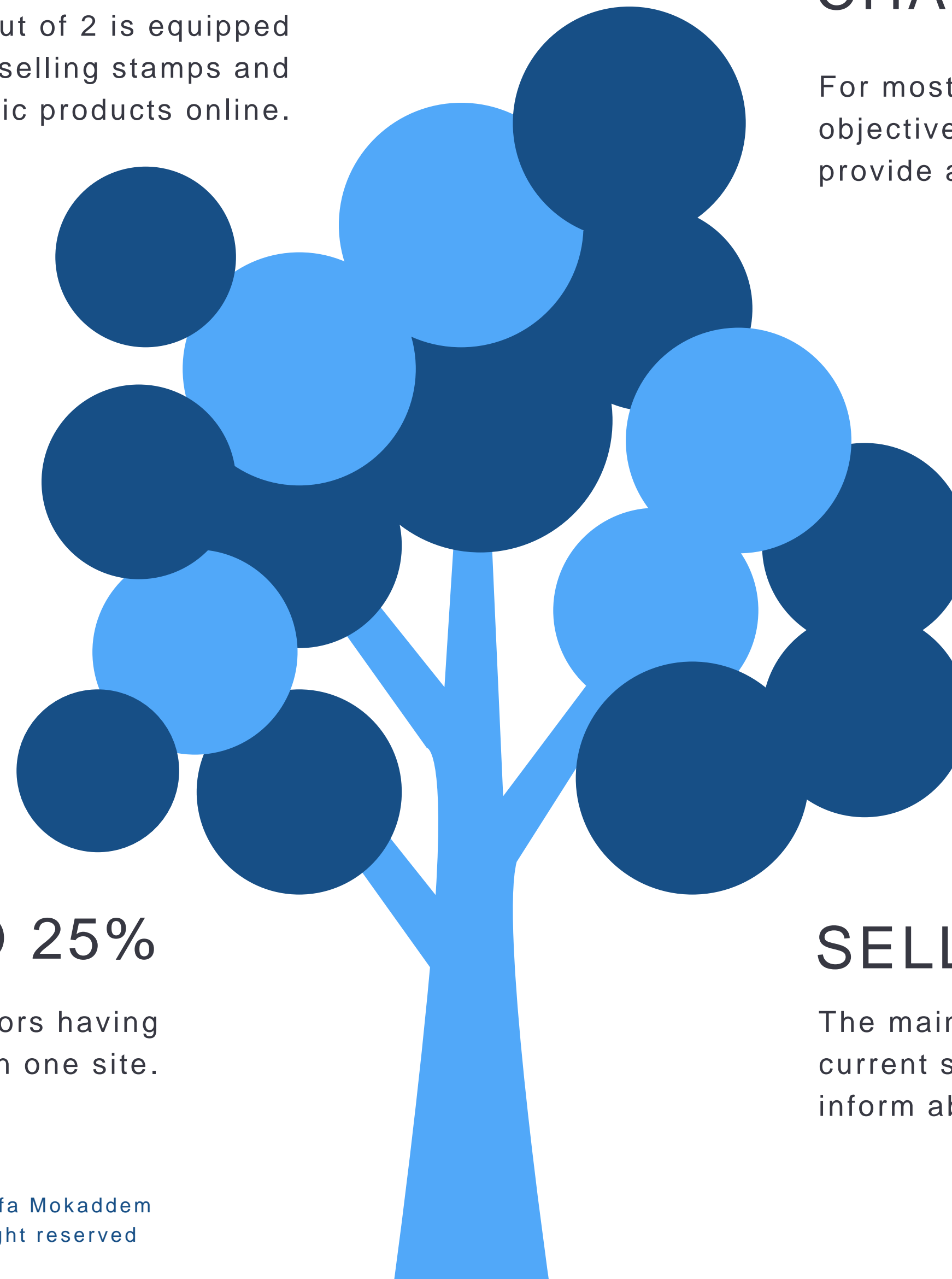
75%
Operators who declared not to have an online philatelic shop plan to implement one in the future.

GENERAL DATA

SALES CHANNEL

For most operators, the main objective of online shops is to provide an additional sales channel.

50%
1 operator out of 2 is equipped with a site for selling stamps and philatelic products online.



15 TO 25%
Equipped operators having more than one site.

SELL & INFORM

The main objective of current sites is to sell and inform about philately.

Philatelic Seminar on Philately, between tradition and n

ROLES OF INTERESTED PARTIES AND FUTURE

How stakeholders react to these changes and what actions are taken to develop philately.



IMPLEMENTATION OF PROMOTION AND DEVELOPMENT SUPPORTS

- Regulatory and institutional context
 - Establishment of a legal environment
 - Establishment of institutional structures: processes, procedures, instructions
- Online payment system
 - Secure, diversified, accessible to all
- Infrastructure and accessibility
 - Infrastructure: telecommunications networks, logistics facilities (delivery), monitoring, equipment, products, databases
 - Accessibility: availability, cost of use
- Adequate financial and human resources

DESIGNATED OPERATORS

They are the heart of the business.

ROLE OF THE UPU

- Promotion
 - Philatelic e-shops and operators' websites via WNS
 - QR specific codes related to philatelic e-shops and websites of operators participating in philatelic competition classes.
- Support and assistance
- Coaching
 - During all stages of the project
- Training
 - Organization of training workshops on related topics
 - Organization of meetings via Web ex targeting the theme

ROLE OF THE UPU

- WADP
 - Monitoring and surveillance of the international philatelic market (Cooperation between partners)
 - Organization of round tables, seminars and conferences
 - Creating synergies between the different interested parties



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THANK YOU



QUESTIONS ?

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