



EPSG E-Shopping Project Team

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E-Shopping through Posts

*A key opportunity for
Postal sector in the
Information Society*

April 2007



Summary



- E-commerce market development
- E-commerce market analysis
- E-Shopping through Posts strategy
- Recommendations
- Next steps and jointly action plan





E-commerce market development



World Internet Usage and Population Statistics

World Internet Usage and Population Statistics, 2000-2007

World Regions	Population 2007 Est.	Population % of World	Internet Usage Mar 2007	% Population	Usage % of World	Usage Growth 2000 - 2007
Africa	933,448,292	14.2 %	33,334,800	3.6 %	3.0 %	638.4 %
Asia	3,712,527,624	56.5 %	398,709,065	10.7 %	35.8 %	248.8 %
Europe	809,624,686	12.3 %	314,792,225	38.9 %	28.3%	199.5 %
Middle East	193,452,727	2.9 %	19,424,700	10.0 %	1.7 %	491.4 %
North America	334,538,018	5.1 %	233,188,086	69.7 %	20.9%	115.7 %
America/Caribbean	556,606,627	8.5 %	96,386,009	17.3 %	8.7 %	433.4 %
Oceania / Australia	34,468,443	0.5 %	18,439,541	53.5 %	1.7 %	142.0 %
Total	6,574,666,417	100.0 %	1,114,274,426	16.9 %	100.0 %	208.7 %

Source: Miniwatts Marketing Group - www.internetworldstats.com/stats.htm



E-commerce market development



E-commerce sales in the USA

E-commerce sales in the United States, 2000–2006 (million USD)

Source: US Bureau of Census – February 2006

Year	Retail sales (millions of dollars)		% of e-commerce	% change from prior year	
	Total	E-commerce		Total	E-commerce
2006	3.944.638	108.324	2,7%	4,5%	26,0%
2005	3.775.349	85.993	2,3%	9,6%	27,3%
2004	3.444.438	67.569	2,0%	5,5%	19,3%
2003	3.265.477	56.644	1,7%	4,2%	25,9%
2002	3.134.322	45.001	1,4%	2,2%	30,4%
2001	3.067.725	34.517	1,1%	2,6%	24,3%
2000	2.988.756	27.765	0,9%		

Source: US Bureau of Census – February 2006

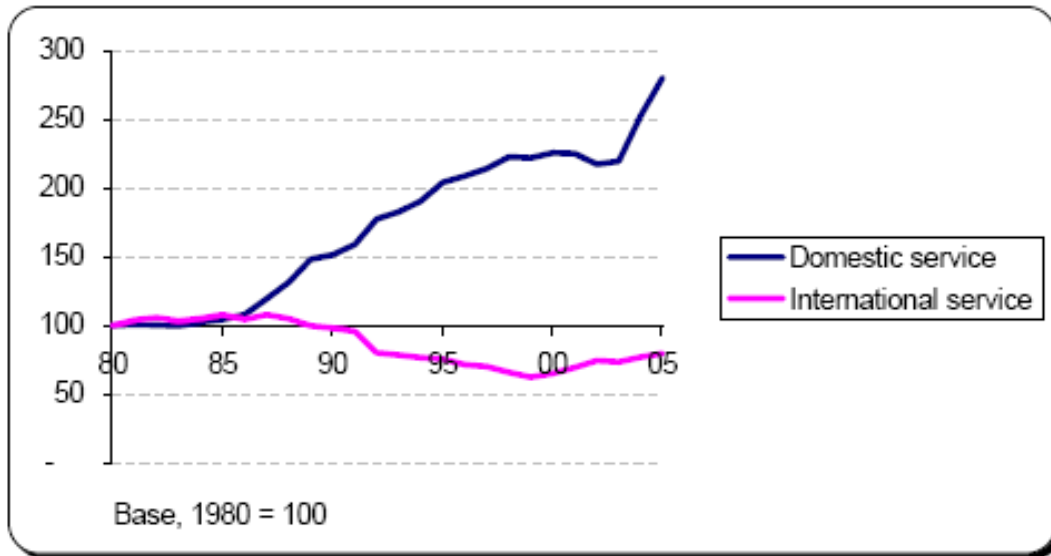




Postal capacity for e-commerce



Ordinary parcels world estimates traffic



Worldwide volumes of postal parcels reached **record levels** in 2005

Average annual variation

	1980-1990	1990-2000	2000-2005	2004-2005
▪ Domestic service	4.3 %	4.1 %	4.4 %	10.9 %
▪ International service	-0.2 %	-4.0 %	4.2 %	3.4 %

Source: UPU – Development of Postal Services in 2005





E-Commerce market analysis



E-commerce value-added chain





E-Commerce market analysis



Postal opportunities on e-commerce

Delivery	Payment	Hosting	Customer Relationship Management
<ul style="list-style-type: none">• Order fulfillment and tracking• Logistics• Supply chain management• Reverse logistics• Home and/or post office delivery	<ul style="list-style-type: none">• E-payment• Money orders• Micro-payment• Prepaid card• Cash payment at the Post office	<ul style="list-style-type: none">• E-shop• E-market place• E-advertisement• Product service and support	<ul style="list-style-type: none">• Customer acquisition• Knowledge management• Direct Marketing• Call center

- Opportunities on both domestic and international levels





E-Shopping through Posts Strategy



- Focus on the core business of Posts (Parcels – Mail – Financial services)
- Meet the e-commerce needs from both the buyers and the sellers standpoint
- Enable delivery and payment services on the Internet
- Get e-Marketplace integration
- Establish a Global Postal Internet Environment

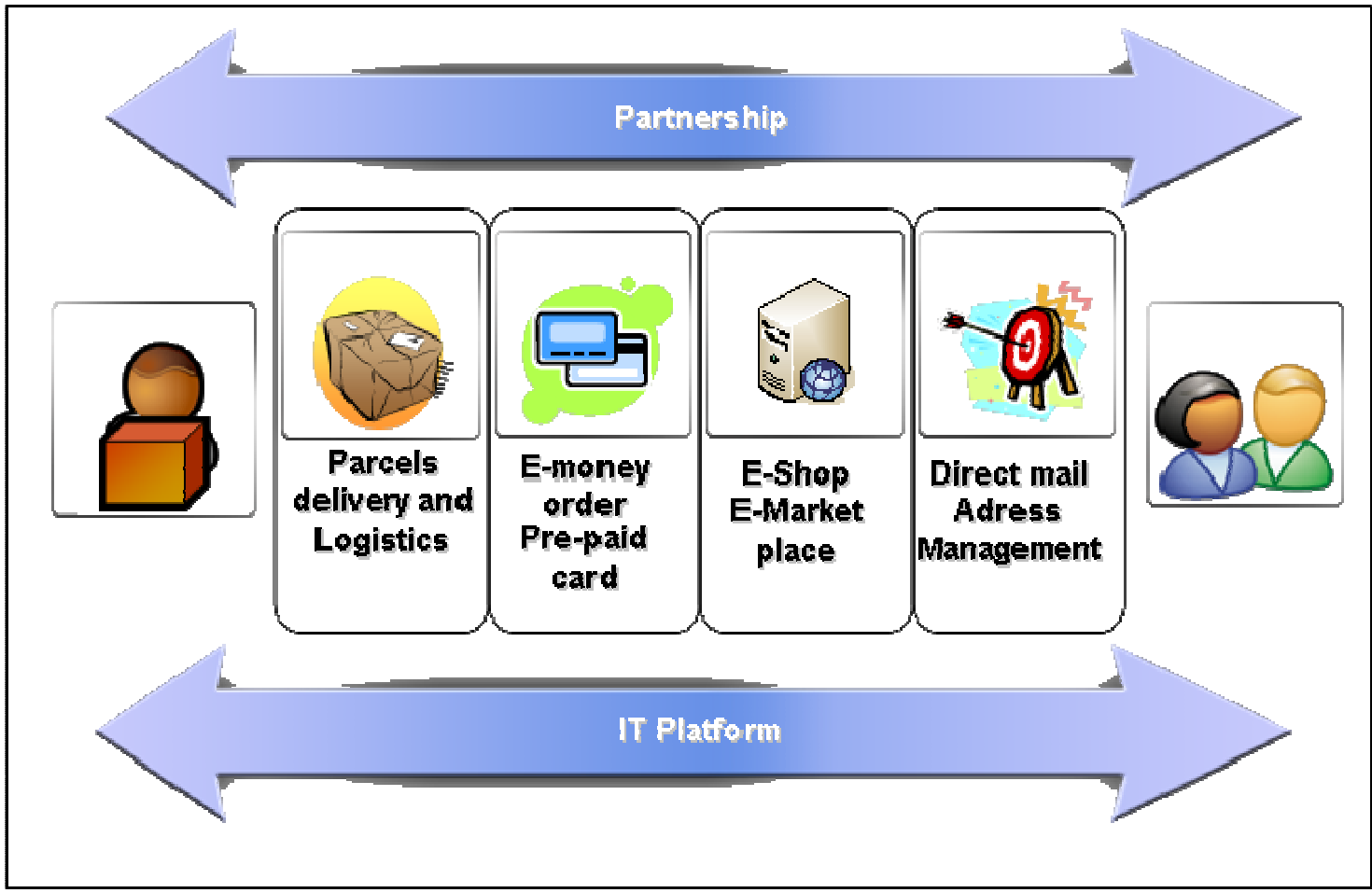




E-Shopping through Posts Strategy



E-Shopping through Posts Business Model





E-Shopping through Posts Strategy



Requirements for the e-Shopping through Posts Platform






Solution elements	Delivery	E-Payment	Hosting	Direct Marketing
Minimum required P&S	Express and parcel delivery	Cash payment at post office	E-shops E-marketplaces	Direct mail
Additional P&S	Order fulfillment; home parcel pickup; logistics and reverse logistics; cash on delivery; insurance	e-payment; money orders; micro-payment; prepaid cards	E-advertisement	Customer acquisition; address management; call center; multimedia delivery
Basic features	track and trace; freight calculation; printing labels; online request pickup service	Cash payment at post offices integration; e-payment integration	E-stores setting, hosting and maintenance; delivery, payment and direct mail services integration	database marketing, mailing consulting and production, catalog distribution
Local attributes	Delivery time according to local expectation Post code	Compliance with local financial rules	Integration with the main country e-marketplaces	Post code
Global attributes	IPS	IFS	Multi-language and multi-currency; customs	QoS measurement; response management
Standards required	XML as protocol QoS standard	Banks' and credit cards' gateways protocols QoS standard	XML as protocol QoS standard	QoS standard
IT requisites	Internet connection; web servers and database	Internet connection; web servers and database	Internet connection; web servers and database	Internet connection; web servers and database





Recommendations



- Ensure parcels and express mail services quality of service all over the world 
- Assess e-commerce market needs from both the buyers and sellers standpoint 
- Ensure legal and technical interoperability for e-commerce delivery related services 
- Develop and promote a global postal *trustmark* for e-commerce in coordination with other global postal e-service branding initiatives 
- Sponsor the development of a global marketplace for e-commerce delivery and payment related services in connection within the designated postal operators 





Next steps and jointly action plan



Parcels and EMS Cooperative

- Ensure the use of track and trace systems for parcels and monitor the quality of service globally – Parcels Group
- Monitor the quality of services for EMS – EMS Cooperative
- Create a UPU certification of quality of services for e-commerce postal provider – EPSG/AES UG in coordination with PFSG, Parcels Group, EMS Cooperative.
- Develop a Trustmark logo for the use of designated postal operator certified – EPSG





Next steps and jointly action plan



POC Committee 4 - Markets

- Undertake a market study to seek both the buyers and sellers needs with regard to e-commerce





Next steps and jointly action plan



Telematic Cooperative AES UG/PFSG

- Development of international standards for online shipping tools – TC AES UG
- Create a UPU certification of quality of services for e-commerce postal provider – EPSG/AES UG in coordination with PFSG, Parcels Group, EMS Cooperative.
- Develop a Trustmark logo for the use of designated postal operator certified – EPSG
- Develop a business plan for the global e-shopping solution - EPSG
- Establish the key elements for the global e-shopping solution – AES UG
- Prioritize the key elements implementation - AES UG
- Develop a global and e-shopping solution - PTC





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Thank you!

