

# The global philatelic market An economic & strategic perspective

Presentation at the International Conference on e-Philately

22 September 2018



## **Agenda**

### 1- Economic perspectives

- Macroeconomic environment
- Postal sector
- Philately market

### 2- Strategic perspectives

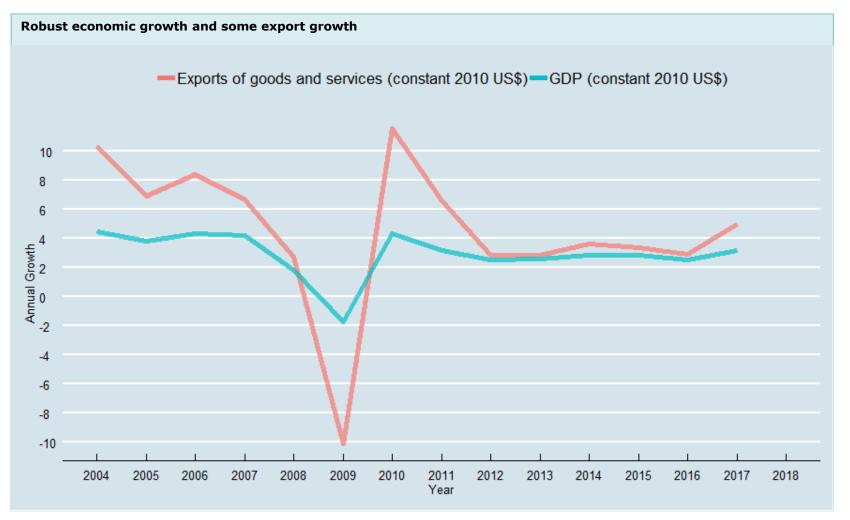
- Opportunities and risks
- Strengths and weaknesses

### 3- UPU solutions

- UPU strategy
- The place of philately
- Actions going forward



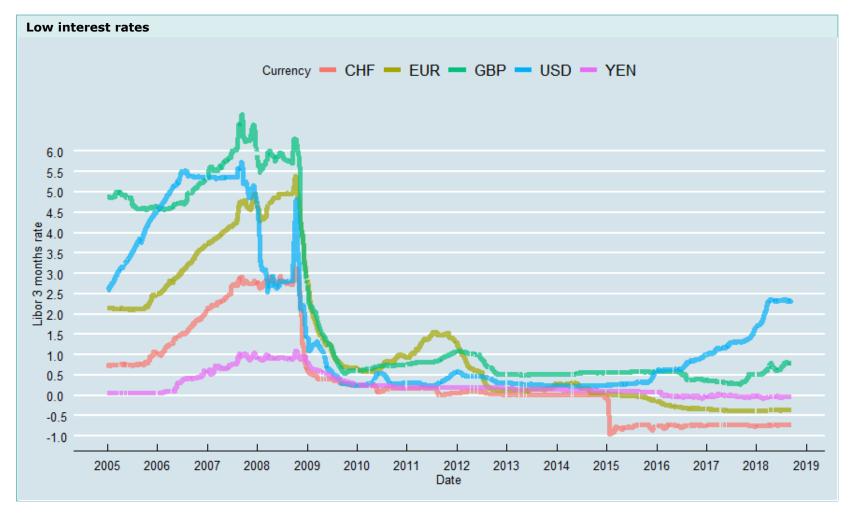
Key macroeconomic trends are affecting the global prospects of many sectors



Source: World Bank



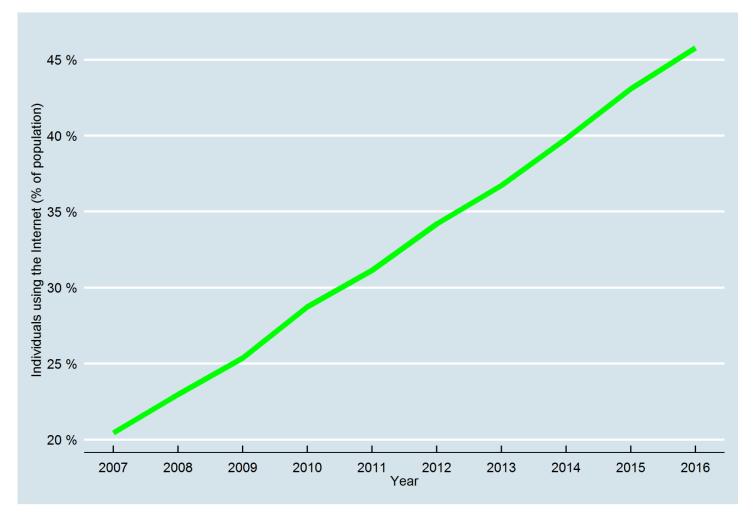
Low interest rates are putting pressure on traditional ways of doing finance



Source: Federal Reserve Bank of Saint-Louis



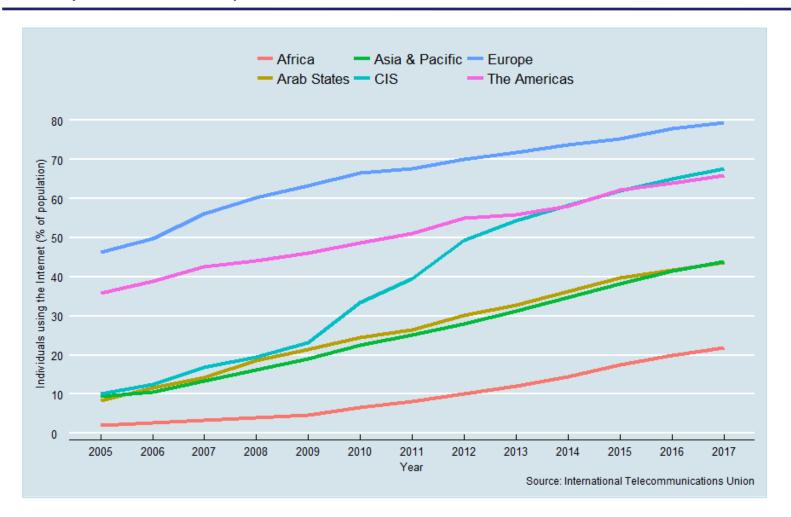
## While digitalization continues to progress...



Source: ITU



## ...everywhere on the planet

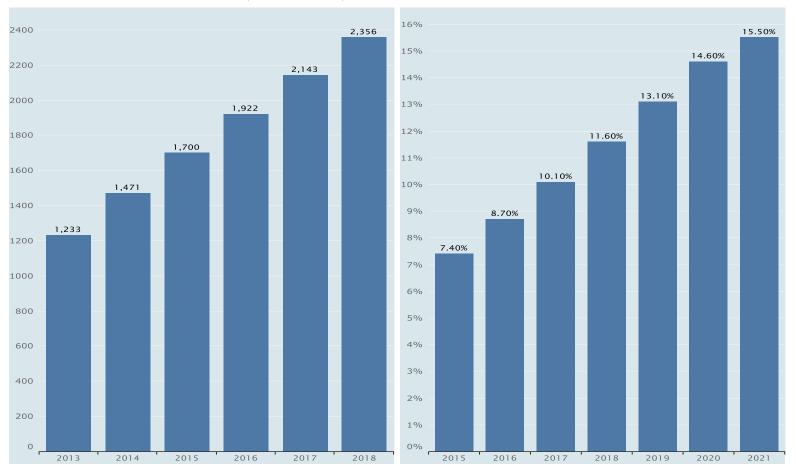




## ...boosting e-commerce...

Global B2C e-commerce sales (USD billions)

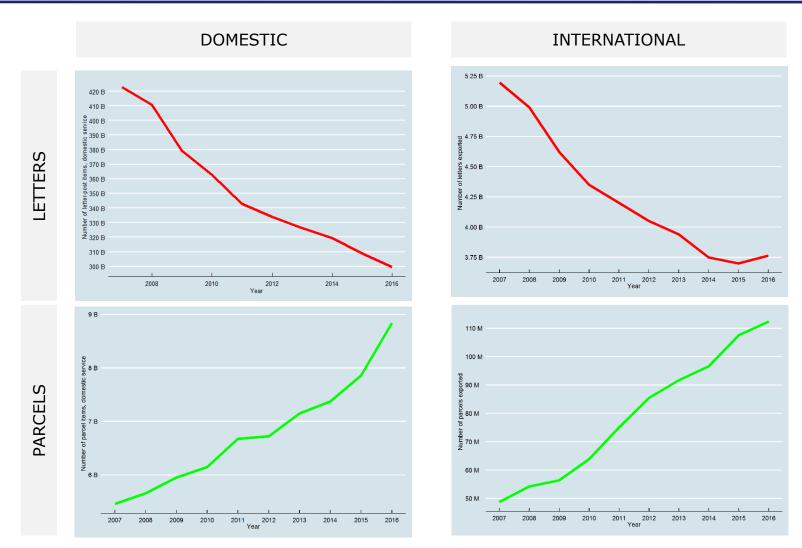
E-commerce share of total retail sales



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## ...and transforming the nature of the demand for postal services...



Source: UPU Statistics



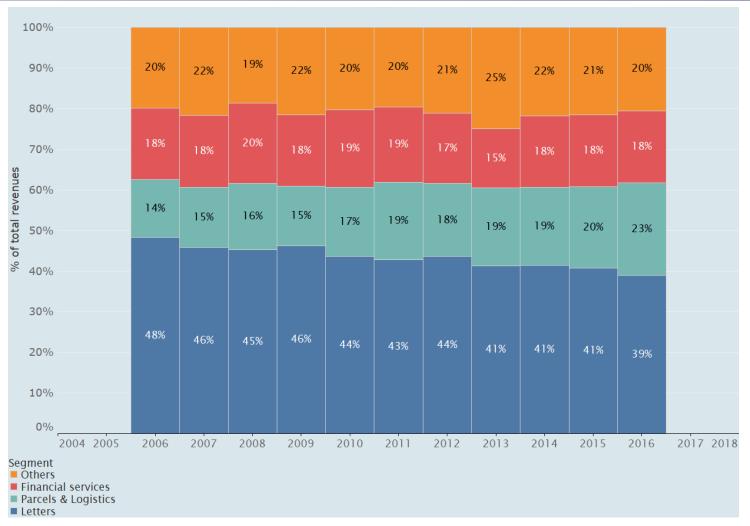
Thus affecting the growth of postal operators...



Source: UPU Statistics, World Bank



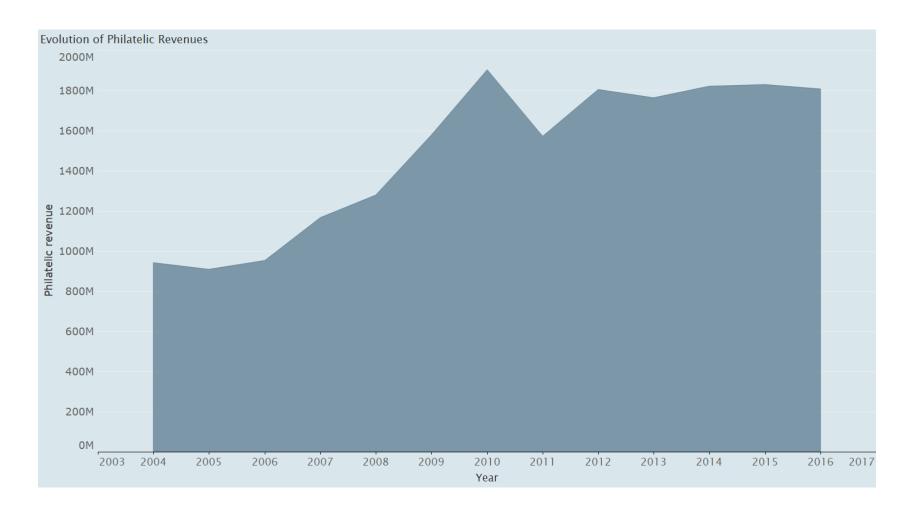
## ...as well as the business models of postal operators



Source: UPU Statistics 10



In this context, postal operators have increased their philatelic revenue...



Source: UPU Statistics 11

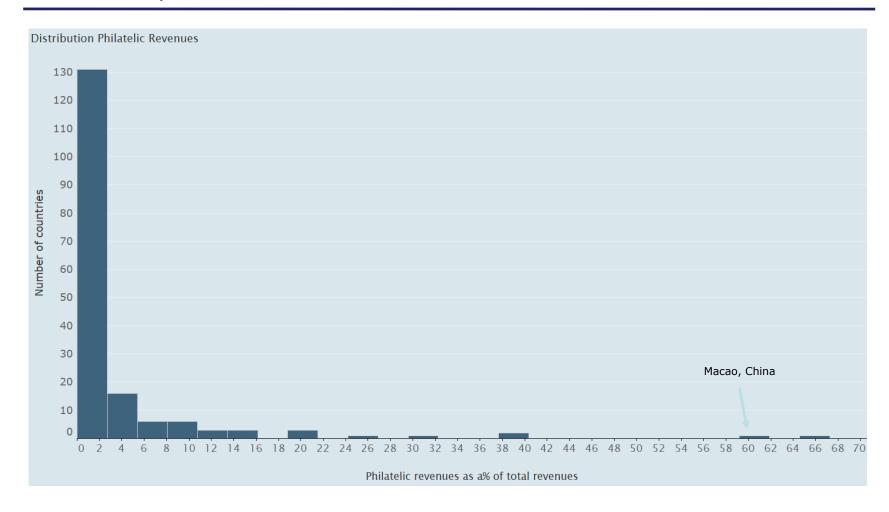


## ...especially in Asia

Philatelic revenues 2016				
China 755'962'884	United States 171'808'627	Italy 101'66	6'250	Brazil 78'761'901
	Japan 72'564'005	Switzerland 29'883'212	2 Kong SAR, China	SAR, China
France 291'175'000	Australia 53'273'774	Spain	New	
	33213114	Thailand Canada		
	India 49'577'739	Algeria		
	43 377 733			
		Tunisia		



But it still represents a low share of total revenues for most national Posts





## Indeed, the combined size of the primary and secondary markets is incipient





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- Strengths and weaknesses

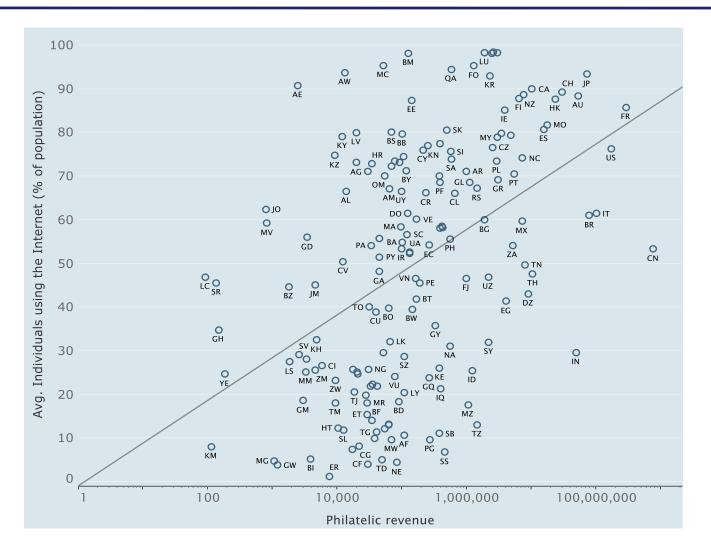
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## 2- Strategic perspective

Philately is generally boosted by digitalization





## 2- Strategic perspectives

...and by the search for alternative investments by high-net worth individuals

Figure 1. Number of HNWIs, 2010-2016 (by Region)



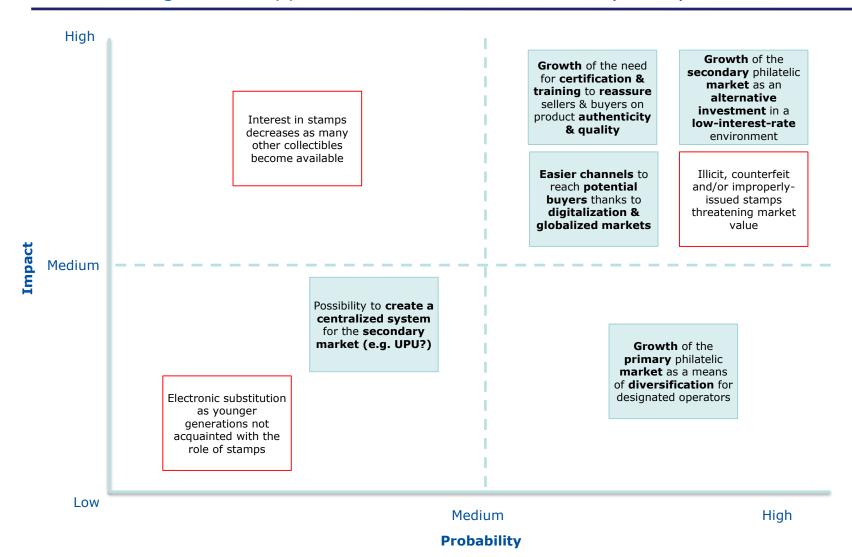
Note: Chart numbers and quoted percentages may not add up due to rounding

Source: Capgemini Financial Services Analysis, 2017



## 2- Strategic perspectives

There are significant opportunities & risks for market participants and the UPU

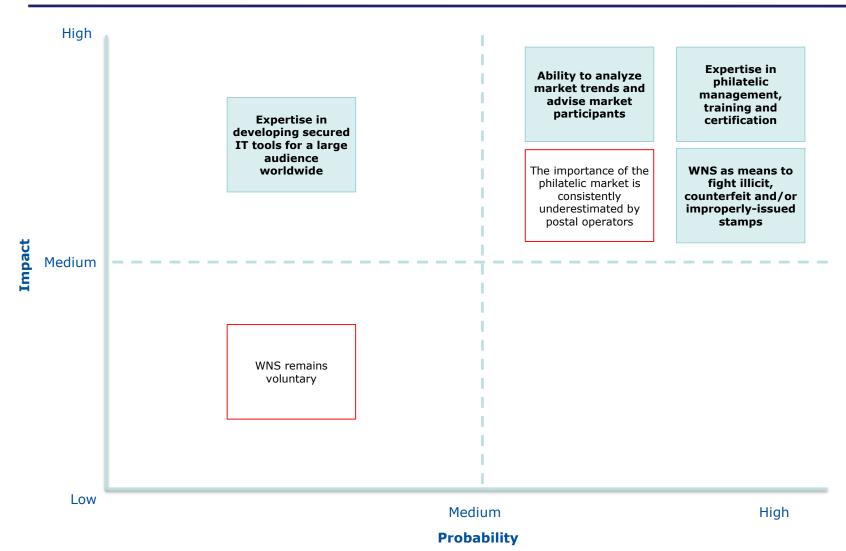


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## 2- Strategic perspectives

That can be matched with significant strengths and weaknesses



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### The UPU strategy for the 2017-2020 cycle has reserved a place for philately



The UPU Strategy for the 2017-2020 cycle is focused on...
improving interoperability, postal products and market functioning...
...with a focus on...

...e-commerce, financial services and operational efficiency

Philately is part of the strategic programme «Product & service diversification & harmonization under Goal 2



### Represented by WP 11 & 12 in the UPU's 2017-2020 Business Plan

#### **Istanbul Business Plan**

Istanbul Business Plan 2017–2020 2015 2 revined version Detailed plan of activities (over 40 work proposals and 26 resolutions), including KPIs, targets and financials for the 2017-2020 period

## Deliverables of the World Association for the Development of Philately (WADP) under Committee 3 of the UPU's Postal Operations Council

D1- Reconstitute the WADP at the POC session in December 2016

D4- Adoption of the WADP development plan for the Istanbul cycle

D7- Adoption of the new WADP rules

D2- Adoption of the WADP work plan for the Istanbul cycle

D5- Agreement on the development of the new WNS site (with new services and functionalities)

D8- Establishment of new IRC sales channels

D3- Adoption of KPIs

D6- Agreement on the implementation of the new WNS site with new functionalities

D9- Agreement on the creation of an international payment coupon



### World Association for the Development of Philately (WADP)

#### **Full members**

All UPU member issuing postal authorities and the representatives of major international philatelic industry associations such as:

- the International Federation of Philately (FIP);
- the International Federation of Stamp Dealers' Associations (IFSDA);
- the International Association of Publishers of Stamp Catalogues, Stamp Albums and Philatelic Publications (ASCAT);
- the International Association of Philatelic Journalists (AIJP);
   and
- the International Confederation for Printing and Allied Industries (INTERGRAF).







WNS membership worldwide





### Actions that could be considered going forward

Comprehensive study of the philatelic market (supply, demand, strategies, feasibility of ephilately, etc.)

Further
development of
certification and
training
programmes within
the UPU

Identification of opportunities to efficiently increase participation of postal operators in the secondary market

Strengthen collaboration with other international organizations on philatelic matters (e.g. asking them to join WADP as observers)



## **ANNEXES**