UPU Direct Marketing Advisory Board (DMAB)

Case study: Impact of the lack of a digital platform for direct mail

December 2023

Summary of case study facts

Country	• South Africa
Designated operator	• The South African Post Office (SAPO)
Case study title	• Impact of the lack of a digital platform for direct mail
Goals of the project	• Create awareness about products and services offered • Educate the market about direct mail/marketing • Promote the building of an online e-commerce and cross-border system for customers to perform transactions domestically and internationally • Reinforce the utilization of the digital platform to increase visibility online and improve lead generation by actively targeting customers to expand the database and increase revenue

South African
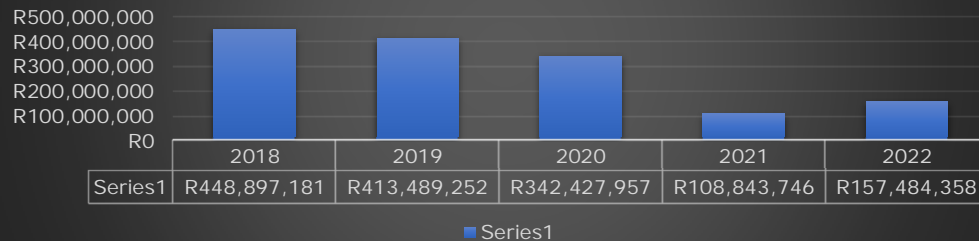**Post Office**

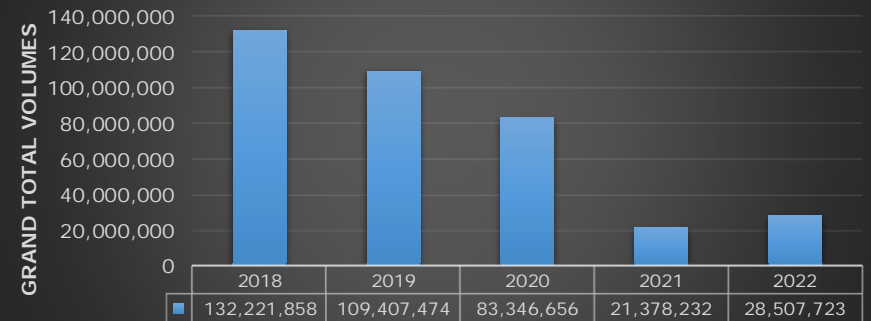| **Project description**	• Drive an increase in the use of the letter as a marketing medium

Key partners and clients	• E-commerce marketplace • Technology providers • Advertising agencies • Printing agencies

Volume trends

Revenue derived from direct marketing products (2018–2022)

	2018	2019	2020	2021	2022
Series1	R448,897,181	R413,489,252	R342,427,957	R108,843,746	R157,484,358

Volumes in respect of direct marketing products (2018–2022)

	2018	2019	2020	2021	2022
	132,221,858	109,407,474	83,346,656	21,378,232	28,507,723

Case study - South African Post Office

Project description

Digitization has permeated all facets of industry, including marketing. The falling behind of the postal sector in South Africa has had catastrophic results and accelerated the decline in letter-post revenue. The inability to showcase products and services on a digital platform means that marketers are unable to contact SAPO and that SAPO is unable to educate the market on its various products and services.

Objectives of the project

Educate the market	Create awareness	Reinforce the value of the letter product	Promote online transactions
• To be able to upload successful video and direct marketing campaigns on the website and YouTube channels. • Publish a monthly newsletter on the website to educate the market about the benefits of using direct marketing as a marketing tool.	• For our customers to perform online transactions on our website. • To track the revenue stream in respect of our products and services (how much each product brings in and how much revenue is generated by each campaign). • To perform international transactions and allow customers to send 3D parcels anywhere worldwide.	To enable companies to track the effectiveness of their direct marketing campaigns by embedding a QR code in the physical InfoMail and Response Mail (direct marketing products offered by SAPO to its external customers).	The sampling store will be able to connect curious customers with brands wishing to reach them directly. This practice is called "tryvertising".

The reasons for launching this project

To allow SAPO to have a presence online and be reachable for its customers.

To boost SAPO's credibility, increase its visibility online, and improve lead generation.

The digital platform will allow SAPO to actively target customers and expand its database and revenue.

Project timeline and process

Project dates and duration

- The project time frame is 2024–2027
- SAPO will work with other stakeholders to create the digital platform and relevant content
- The onboarding process will take less than six months
- The digital platform will be updated with relevant information on a monthly basis

Validation and implementation process

- Create content to educate the market about what SAPO's Direct Mail Centre, services and products entail
- Assist customers and help them expand their businesses
- The website will also showcase SAPO's previous successful campaigns on direct marketing and show how its direct mail products can help boost the visibility of businesses.

Case study - South African Post Office

Indicators	Key success indicators	Major challenges and lessons learned
	More visibility within the organization	The major challenges – the Direct Mail Centre lacks online visibility, which prevents SAPO's customers from being able to reach it
SUCCESS +	Customers will have a direct way of contacting SAPO without having to go through the organization	The lack of finances within the organization has resulted in certain projects being put on hold
Challenges	Customer reach will grow significantly, resulting in increased revenue	Our department has lacked visibility and the performance of our products has declined; consequently, our revenue has also declined. Increasing our visibility would generate new customers and result in increased revenue

| **Major challenges** | • Limited funds for the project |

| **Growth strategy** | • Focus on increased visibility to generate new customers and achieve revenue growth |

Building a Direct Marketing Ecosystem in South Africa

Post Office
South Africa

Contact Details

Case study information

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