



Postal Business Forum Report



The Asian-Pacific Postal Union hosted the 4th Postal Business Forum at the end of November 2015 that was attended by more than 70 participants from member countries, suppliers and consultancies. The Forum consisted of four main themes focused on different elements of strategy and a fifth theme based on knowledge transfer. Day 1 was focused on strategy within posts with presentations from leading posts of the region. The emphasis of Day 2 was given to suppliers to show how they can help posts deliver strategy. Finally Day 3 was focused on how to make post sustainable with a balance of topics from a variety of speakers.

Forum Presenters

Deutsche Post DHL – Japan Post – Singapore Post – India Post – Thailand Post – Korea Post – China Post – APPC – Inform – Escher Group – Deloitte – Prime Competence – Neopost – Vanderlande – Whatnext4you – APP – Sunflower Associates – APPU

Main Themes

- Day 1 – Making Strategy Happen
- Day 1 – Strategic Priorities
- Day 2 – Strategic Enablers
- Day 2 – Knowledge Transfer Workshops
- Day 3 – Making Strategy Sustainable



Day 1 Making Strategy Happen

Deutsche Post DHL	<p>A Global Approach to Global Connectivity – Carl Schelfhaut</p> <ul style="list-style-type: none"> • Cross-border trade as the key to success • Data sharing and integration of systems & processes • Cooperating whilst maintaining competitiveness
Japan Post	<p>Current situation of postal services and prospects for the future – Akio Miyaji</p> <ul style="list-style-type: none"> • Group’s Medium-term Corporate Plan • Japan Post’s Parcel Strategy • Realigning of Postal and Logistics Networks
Singapore Post	<p>Building a Sustainable Future for the Postal Sector- Lily Loo</p> <ul style="list-style-type: none"> • The Vanishing Core – Need for Action • eCommerce Logistics – Tremendous Opportunity for Posts • Improvements to Core Services – Not Contrary to Expansion into eCommerce Logistics
India Post	<p>Engaging with SMEs, - providing services across the e-commerce value chain - Pawan Kumar Singh</p> <ul style="list-style-type: none"> • Micro, Medium & Small Enterprises in India • e-Commerce Value Chain • Opportunities, Challenges & Initiatives

Session Summary

A major theme of the first session was the challenge facing posts due to the fall in traditional mail volumes. In marketing terms the letters business was long seen as a cash cow for posts with almost 100% market share in a stable or marginal growing market. In recent years letters volumes are falling in most countries and a 100% market share in a falling market is no longer the commercial advantage it once was. All four presenters showed how focus is changing to the rising star of eCommerce and the importance of this sector to the future of traditional posts. Carl emphasised that “eCommerce is a journey where we need to evolve along the way”. Akio showed how the recent privatisation of Japan Post will enable them to source capital to further their own ambitions in this market. Lily showed how Singapore Post is focused on both core and new business opportunities and has a nine point plan to deliver the future of SingPost. Pawan discussed the importance of Small and Medium Enterprises to the Indian economy and how India Post must reach out to this market to create a foundation for the future of India Post.



Day 1 Strategic Priorities

Thailand Post	<p>Engaging with SMEs, providing services across the eCommerce value chain- Phitsanu Wanitchchapol</p> <ul style="list-style-type: none"> • Share of SMEs in the Thai economy • How can posts facilitate growth of SMEs? • SMEs as a competitive advantage, examples from Thailand Post
Korea Post	<p>Up-to-date Technologies Applied to Postal IT – Jae Seok Min</p> <ul style="list-style-type: none"> • Current status of IT in Korea Post • Latest technologies applied to postal logistics • The future direction of postal IT
China Post	<p>Business Strategy of CPG – One Body Two Wings – Bo Qin</p> <ul style="list-style-type: none"> • Overview of development of China Post • The strategy of One Body Two Wings • How to implement One Body Two Wings
Asian Pacific Postal College	<p>2015 Review of Asian-Pacific Postal College - Graeme Lee</p> <ul style="list-style-type: none"> • APPC activities and growth in 2015 • Industry assistance in courses • Educate-Inspire-Motivate – the mantra of the college and a call for members to help develop the college for the future

Session Summary

While the first session provided a convergence of views from the four presenters this session provided quite diverse themes. Thailand Post focused on the importance of SMEs in the growth of Thailand Post and how SMEs are playing a significant part in the growth of small packets and parcels. This was in contrast to China Post where the two wings of their strategy are financial services and parcel services. Financial services provides significant revenues to China Post helping to position them within the top 150 biggest companies in the world on revenue. The Korea Post presentation was focused more on how Korea Post is investing in internal solutions for many IT activities. There was surprise among many suppliers at the Forum that Korea Post is developing hardware and software solutions for sorting machines, rather than using the skills of the main industry suppliers. The final presentation took us into a different territory by highlighting the need for staff development in ensuring a positive future for the postal industry. Graeme demonstrated how APPC has developed a number of courses over the past 18 months that are more customer and industry focused and better meet the needs of member countries. He also highlighted how APPC is reaching out to wider industry to deliver courses to all postal sector players.



<h2>Day 2 Strategic Enablers</h2>	
Inform	<p>Accelerating Postal Innovation – Concepts for Automation – Stig Reenberg Hansen</p> <ul style="list-style-type: none"> • Agile optimization software • Intelligent yard management • Assessing requirements to provide bespoke solutions
Escher Group	<p>Ready for Business – Omni Channel the Frontier of Retail - Khalid Sakdi</p> <ul style="list-style-type: none"> • Creating a digital experience • Where can postal satisfy customer needs? • Riposte – delivering an omni-channel experience
Deloitte	<p>Delivering the Strategy – Customer Focus- Paul Vogel</p> <ul style="list-style-type: none"> • Posts need to respond quickly to customer requirement for low cost, high speed traceable services • Customers have increased choice and control over providers • Data warehousing and management must be pursued
Prime Competence	<p>Delivering the Strategy - Innovation - Mark Ryder</p> <ul style="list-style-type: none"> • How to be ready for 2025 • Last mile of parcels – always at home • Capacity planning – lessons from airline industry
Neopost	<p>Solution provider for Shipping, Delivery Management & Tracking - Edouard Villa</p> <ul style="list-style-type: none"> • Communication is becoming more complex • Postal operators and eCommerce providers moving up and down the eCommerce value chain • Neopost Shipping provides delivery management solutions
Vanderlande	<p>Vanderlande Latest Developments - Roald de Groot</p> <ul style="list-style-type: none"> • 20 million parcels per day sorted by Vanderlande systems • Service is the key market driver • How to minimize cost per product handled?
<p>Session Summary</p> <p>This session covered a wide range of topics from suppliers and consultants to the postal sector. Despite the topics being varied the common theme of posts needing to innovate brought coherence to the session. Stig talked about how software can led to better optimisation of mail operations, in turn leading to improved quality and reduced cost. Khalid talked about how counter automation can help posts deliver a wider scope of customer solutions. Mark talked about how use of technology can lead to better delivery planning and utilisation. Edouard spoke about eCommerce is changing the way the postal sector is operating and how players are moving up and down the value chain. Finally Roald talked about the need to</p> <p>The session was an eye opener for many participants at the way the postal sector is changing in leading economies. There are many threats to Posts but each threat also provides a unique opportunity for Posts to develop into areas of new business.</p>	



Day 2 Knowledge Transfer Workshops

Workshop on Opportunities in Logistics

Logistics in Thailand Post	Logistics in Thailand Post – Anucha Soonglertsongpha <ul style="list-style-type: none"> • Thailand Post products and services • Thailand Post mail operations • Thailand Post Distribution Company Limited
Logistics Operations	Logistics in Deutsche Post DHL – Carl Schelfhaut <ul style="list-style-type: none"> • The Deutsche Post DHL logistics strategy • The importance of moving core business to logistics solutions
Cross Border Logistics	Jersey Post – Tracy Hayward <ul style="list-style-type: none"> • Jersey Post strategic journey to cross-border • Complex needs requires multiple solutions

Session Summary

The Opportunities in Logistics Workshop demonstrated to participants the importance of logistics as a growth area for posts. All three workshop presenters showed how Thailand Post, Deutsche Post DHL and Jersey Post are developing logistics solutions. In Thailand this is the development of logistics solutions to 200Kg, in Jersey Post it is the development of cross-border services and for Deutsche Post DHL it is worldwide express, logistics and supply chain management solutions.

Workshop on Revenue Protection

Revenue Protection Exercise	Revenue Protection - Graeme Lee <ul style="list-style-type: none"> • What is revenue protection? • European postal operators report \$1 billion losses through leakage, fraud and non-payment • Examples of revenue protection
Mail Operations	- Edouard Villa <ul style="list-style-type: none"> • How automated sorting solutions can deliver revenue protection
Counter Operations	- Khalid Sadki <ul style="list-style-type: none"> • How counter automation can deliver revenue protection

Session Summary

The revenue protection workshop took participants through some of the important issues related to revenue protection. It demonstrated how posts are vulnerable to loss of income through a variety of issues such as staff and customer fraud, low or non-payment, poor checks and lack of communication between operations and finance sections. Neopost and Escher demonstrated how automated solutions can play an important part in providing checks but they also highlighted the importance of trained staff in ensuring posts do not lose income due to them.



Day 3 Making Strategy Sustainable

Whatnext4u	<p>Building a Sustainable Future - Derek Osborn</p> <ul style="list-style-type: none"> • Sustainability – a strategic choice • The changing landscape – disruptive innovation • Smart cities, big data – smart Posts
Asia Pacific Posts (APP)	<p>Crowdsourced Delivery Vs Postal Service – Bui Bang Tam</p> <ul style="list-style-type: none"> • Crowdsourcing – sharing excess and underused assets • Leveraging the general public to facilitate delivery • Crowdsourced delivery is already happening!
Vanderlande	<p>Sustainable Solutions from Vanderlande - Roald de Groot</p> <ul style="list-style-type: none"> • Modular adaptable systems • Quality is the most sustainable solution – right first time • Replace, Re-use, recycle
Sunflower Associates	<p>Sustainable Regulation - Graeme Lee</p> <ul style="list-style-type: none"> • Trends in Postal Reform • Changing Postal Dynamics • Vision – Where are you going?
APPU	<p>What is the Future of Posts? - Amitabh Singh</p> <ul style="list-style-type: none"> • How can Posts be more visible in 2020? • What should be the business culture of posts in 2020? • Customer service in Posts in 2020 includes what?

Session Summary

The final session provided a wide range of topics on the issue of sustainability. Derek opened the session by highlighting the importance of sustainability in a wide sense from environmental solutions to better business practices that lead to both savings and more efficient ways of providing service. Tam looked at how crowdsourcing solutions can lead to cheaper, more effective and more environmentally friendly delivery solutions. DHL confirmed that they are currently trialling whether such solutions are practical in a real life context. Roald talked about sustainability in an operations context by looking at solutions that can replace, re-use and recycle. Graeme talked about sustainability at a policy level by highlighting the need for policy makers to change universal service definitions and other regulations to fit the changing market.

As a concluding session for the three days Amitabh asked participants “What is the future of Posts?” and asked groups around tables to focus on one specific facet of this question. After 15 minutes of debate each table gave a response to the question they had been posed.

Derek brought the forum to an end with a witty summary of the three days focusing on some of the key messages from the five sessions. He interspersed the serious summary with a series of photos from the forum that showed participants in various poses.



Postal Business Forum Summary

The 4th APPU Postal Business built further on the success of the previous events. Once again it attracted a number of high-ranking officials from posts within the region, which was reflected in the standard of presentations, debate and interaction. There was a good balance of senior managers, suppliers and consultants and participants from the two courses being held at APPC.

Feedback was again overwhelmingly positive and the general consensus was that the event is becoming more significant than other industry led events in the region. The nature of the event enables posts and suppliers to interact in a much more friendly and equal way leading to development of closer relationships.

The two formal dinners also provide a relaxed and informal way of breaking down barriers between attendees. In particular the informal karaoke session at the end of the Gala Dinner was not only broke the ice, it also melted it and left everyone in attendance with a warm feeling and a broad smile.

Postal Business Forum Sponsors

APPU would like to thank our corporate sponsors for ensuring all participants were suitably refreshed and entertained during the postal business forum.

