Why some countries are taking a leap ahead by introducing hybrid mail

Jacob Johnsen
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Jacob Johnsen
Hybrid Mail Consultant

18 November 2010, Milano
Who is this guy?

Jacob Johnsen

- Communication engineer, Master in Organisation
- 20+ years experience within mail and telecom
- Vice-president for International Data Post for 7 years
  - Responsible for technical deliveries, product management and development departments internationally
- Heading European standardisation (CEN)
  - Responsible for hybrid mail and postal electronic services
  - Heading the activities for more than 12 years
- International Consultant in Hybrid Mail matters
Who is Gemadec?

- Makers of ePOST hybrid mail
- The world’s first provider of hybrid mail technology and turnkey solutions
- Responsible for 200 M letters every month
- Casablanca based with global operation

www.gemadec.com
Gemadec References

- **ePOST** technology has been provided to 22 countries.
- Deutsche Post sending 150M letters per month through ePOST.
- More importantly, developing countries are moving fast (with ePOST):
  - Morocco 1st hybrid mail operator in Africa
  - Algeria Post covering huge distances
  - Tunisia Post spearheading technology via ePOST
  - Senegal Post 1st sub-Saharan operator also on ePOST
- Numerous other hybrid mail operators and high volume mailers entrust their mail to GEMADEC and the ePOST technology.
Status Today

Developed posts:
- Hybrid Mail is widely adopted and fully integrated

Developing posts:
- using hybrid mail to leapfrog the development in terms of
  - Speed of delivery / meet service obligations
  - Quality of service / mgmt of return mail
  - Preparation to be involved in e-postal delivery

We can learn from these countries... ... who are we talking about...?
Developing countries

- Developed countries
- Less and least developed economies

Source: Wikimedia based on CIA World Fact book
## Market statements

<table>
<thead>
<tr>
<th></th>
<th>Developed countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Letter volumes</td>
<td>High</td>
</tr>
<tr>
<td>Drivers</td>
<td>B2C driven traffic</td>
</tr>
<tr>
<td>Salaries, level of automation</td>
<td>High</td>
</tr>
<tr>
<td>Delivery</td>
<td>High scale home delivery</td>
</tr>
<tr>
<td>Payment model</td>
<td>Sender pays for delivery</td>
</tr>
<tr>
<td>Universal service</td>
<td>Efficient delivery everywhere at low prices</td>
</tr>
</tbody>
</table>

Source: UPU report – postal economics in developing countries
**Postal drivers**

<table>
<thead>
<tr>
<th>Important goals</th>
<th>Developed countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Efficiency in operation and retention of volumes</td>
<td></td>
</tr>
<tr>
<td>Postal efficiency</td>
<td>High</td>
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<tr>
<td>Delivery quality</td>
<td>High</td>
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<tr>
<td>Delivery speed</td>
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<tr>
<td>National economics</td>
<td>Low growth / stagnating</td>
</tr>
</tbody>
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- The growing economy creates more mail, but not in a way similar to developed countries
- New communication channels have already taken a market share (especially mobile communication)

Source: Gemadec study
**with Hybrid Mail**

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</tr>
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<td>Efficiency in operation and retention of volumes</td>
<td>Improve delivery quality and increase volumes</td>
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<td>High</td>
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<td>Low</td>
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<td>Growing</td>
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</tbody>
</table>

- **Offer** is high quality production + improved delivery service
- **Uniform high quality of letters, clearly marked, sorted output**
- **Offer is well perceived in a growing economy**
- **Sorting and transportation time reduced significantly**

Source: Gemadec study
Hybrid Mail Drivers

- Increase the postal value
- Win-win: Efficiency, cost, speed and delivery quality
- Numerous additional postal features
  - Various delivery classes
  - Automated electronic archive
  - Electronic delivery and notification
  - Integration with output solutions
  - Track and trace in early phases
  - Marketing in all communication
  - Automation, efficiency, low cost
... even more Drivers

- Difficulties with return mail
  - Address checking, cleaning, correction
  - Removal of wrongful items before printing
  - Handling of return mail, feedback to rectify

- Environment: Green effect of using Hybrid Mail
  - CO² reduction in delivery: 40-70 %*

- Even more features
  - Handling of billing in post offices
  - Image of the post, create trust
  - Cross selling to senders

*Source: Gemadec study based on emission of 25 g per delivery
Who has hybrid mail today?
(exact mapping not possible)
Who has hybrid mail today?

(exact mapping not possible)

According to a UPU survey some 81 posts have Hybrid Mail in some form or another.*

* source: UPU, 2008

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Hybrid Mail may be used to Leapfrog Postal Development

Conclusion

18 November 2010,
Milan
Thank you for listening

More information:
www.ipostes.com
johnsen@ipostes.com

18 November 2010,
Milan