

## **EACO 23<sup>rd</sup> CONGRESS:**

### **UPU PRESENTATION AT THE POSTAL CEOs ROUNDTABLE**

***THEME: STRATEGY FOR POSITIONING AND TRANSFORMING POSTAL SECTOR***

#### **Summary of Presentation**

- Current Trends
- Digital Transformation of Posts
- Emerging Technologies
- Diversification Opportunities
- Growth in E-commerce
- Business Transformation Journey
- Postal Vision 2030
  - The role of various stakeholders
    - Government
    - Regulators
    - Operators
    - Other Stakeholders

#### **1. Current Trends**

- New Technologies
  - Changing postal landscape
  - Catalysts to help postal organisations re-invent themselves
- Digital Transformation and Diversification of Postal Services
  - Digital Disruption
  - Diversification opportunities
- Emerging Technologies
- Growth in E-commerce

#### **2. Digital Transformation and Diversification of Postal Services**

- Postal organisations to transform into Digital Organisations, in order to embrace opportunities created by new technologies, digital disruption and growth in e-commerce
- Digitisation of Customer experience
- Digitisation of Business Processes, and
- Digitisation of Resources (Data is a new asset)
- Provision of e-services e.g. e-government services, e-commerce etc.,

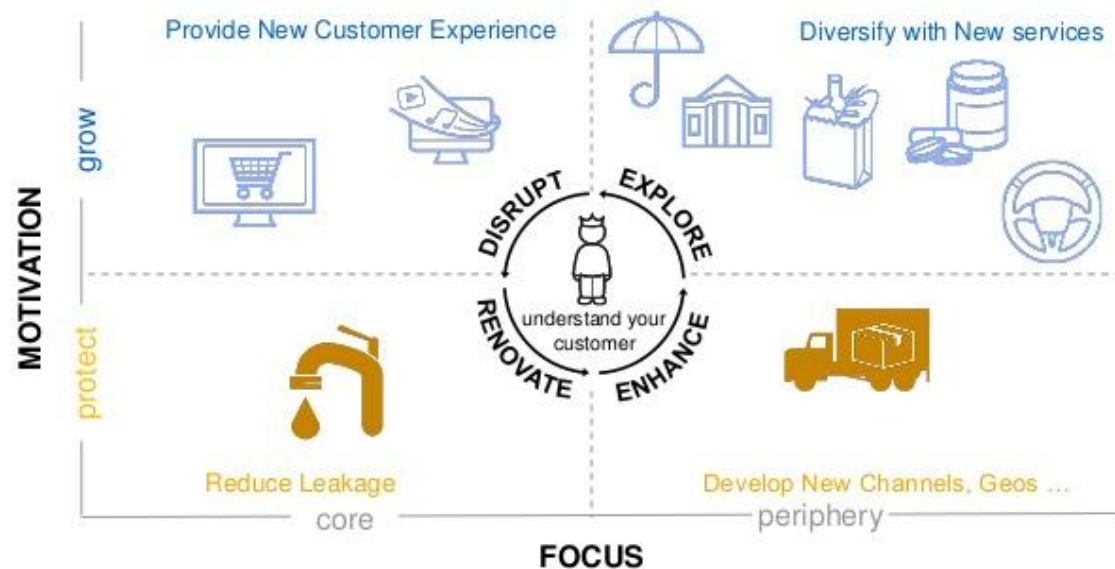
### 3. Emerging Technologies

- Big Data
- Internet of Things
- Drones
- Robotics
- Artificial Intelligence
- Cloud Computing
- Autonomous Vehicles

### 4. Business Model Transformation Journey

#### Business Model Transformation Journey for Postal Companies

A Cycle of Transformational Initiatives



- Defend the core business
- Provide new customer experiences
- Diversify into new services
- Develop new delivery channels

### 5. Business Strategies

- Embrace new technologies
- Growth in Parcels
- Diversify Selectively
- Foster Partnerships
- Embrace Technologies of the Fourth Industrial Revolution
- Customer- Centric
- Make use of the Big Data
- Improve Operational Efficiency

## **6. Postal Vision 2030**

### **Overview of Global Direction and Role of Various Stakeholders**

- Governments
- Regulators
- Operators , and
- Other Stakeholders

#### **6.1 Role of Government**

- Governments should decrease gaps in postal development, through:
  - Increased investments
  - Focused policies
  - Promote utilisation of postal network for socio-economic development.

#### **6.2 Role of Regulators**

- Harmonisation of the Regulatory Framework
- Regulators should harmonise and enhance the postal sector's regulatory framework
- Avoid regulatory silos, through collaboration with other regulators
- Develop a new definition of universal service
- Creation and management of the Universal Service Fund
- Consider licensing of private sector players and other external actors, to support investments within the postal sector

#### **6.3 Role of Operators**

- Postal Operators should seek to enhance their performance by implementing diversified strategies and operational improvements
- Staff training to support the Digital Transformation of Post
- Capitalise on the growth in e-commerce
- Increased self-reliance and reduced dependency on the fiscus
- Embrace the 4<sup>th</sup> Industrial Revolution (artificial intelligence, robotics, etc.)
- Benchmark operations with other market participants and explore partnerships
- Demonstrate clear ROI to shareholders (government)

#### **6.4 Integrating with Other Stakeholders**

- Postal sector to integrate with other stakeholders from the private sector and public sector, through:
  - Opening up of the market
  - Fostering partnerships and enhancing the role of UPU
- Private sector participation
  - Technological and infrastructural developments
  - Provision of Universal Postal Service
- Foster win-win partnerships between postal sector and other players in the market

## **7 Conclusion**

- The postal landscape is changing
- Digital Transformation and Diversification of Postal Services is key
- Business Models to focus on changing customer needs and new requirements in the digiteconomy