

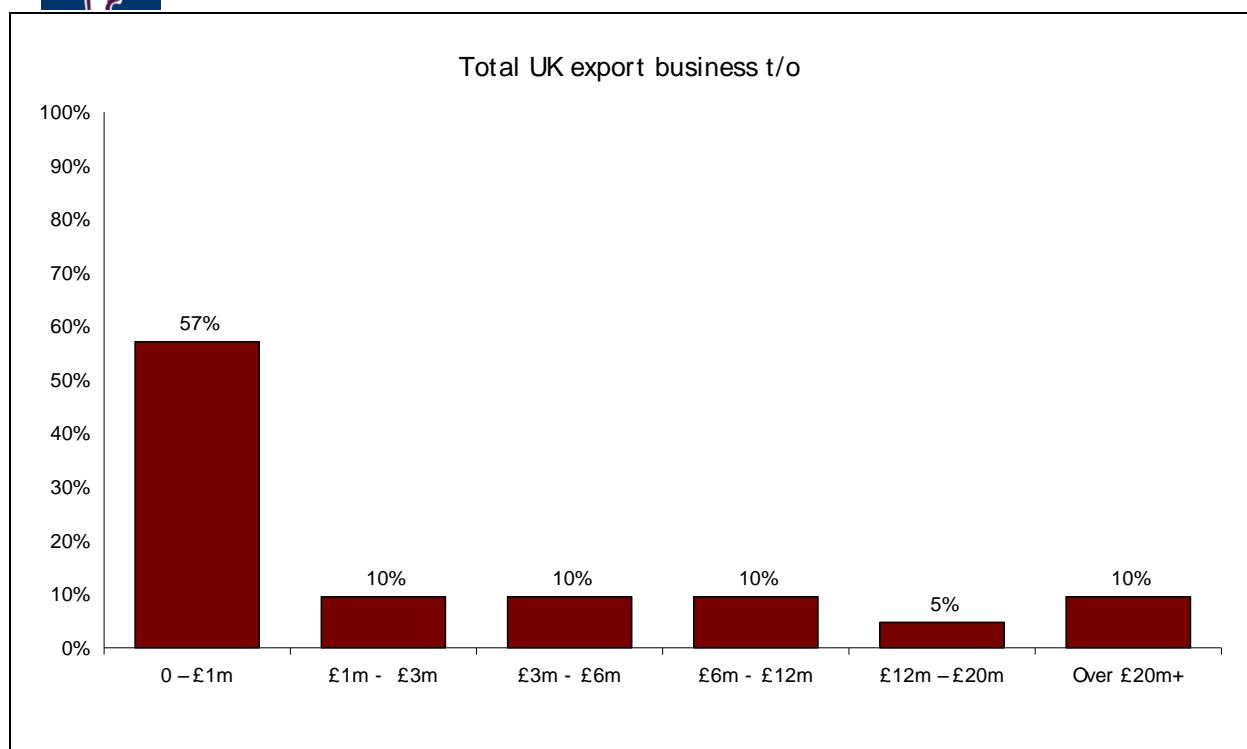
## INTERNATIONAL EXPORT MAIL CONSOLIDATOR RESEARCH

Conducted Q1 2011 (Sample Size: 21)

### KEY FINDINGS



#### Average turnover

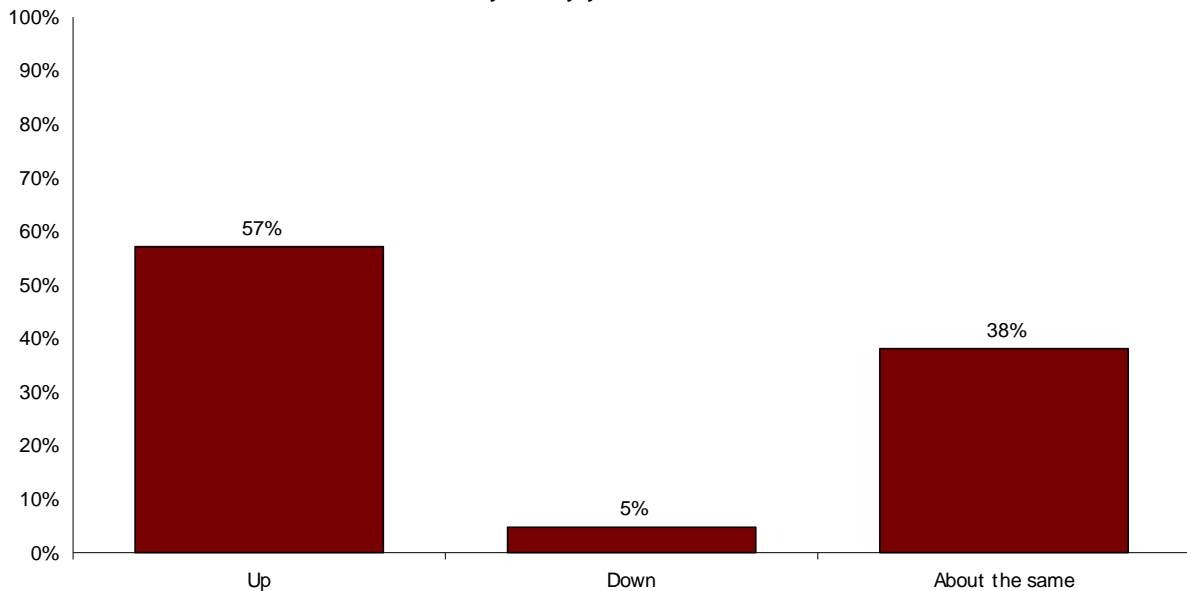


- 43% of the sample had a turnover exceeding £1m per annum. 25% of the sample had a turnover exceeding £6m per annum.
- Smaller consolidators were also represented within the sample; as the remaining 55% had a turnover up to £1m per annum
- 57% of the sample stated international export mail equated to 40% or more of their total business.



## Annual trends / impact of currency

Reviewing your own UK international export business from the UK, compared to this time last year, would you say your business is:



- 57% of the sample reported year-on-year growth.
- Currency (weak Pound vs. Euro) had not driven printed mail back to the UK but was impacting favourably on internet sales to overseas customers.
- Reasons for reported growth were identified as:
  - Increased packets traffic due to on-line sales (primary reason)
  - Partial switchback to direct mail from electronic (secondary reason)

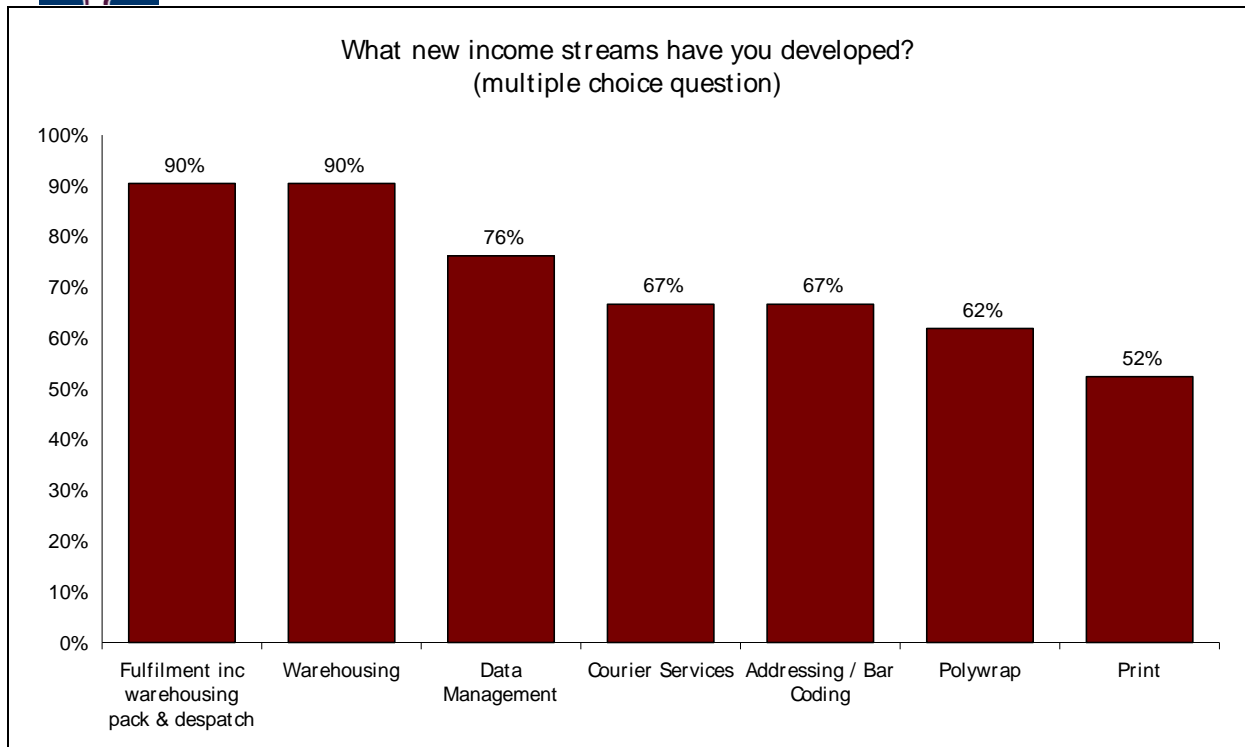


## Impact of opening up of the EU Postal Market

- 91% of respondents stated that the opening up of the European Postal Market had no significant impact on their business as this was viewed as already happening.



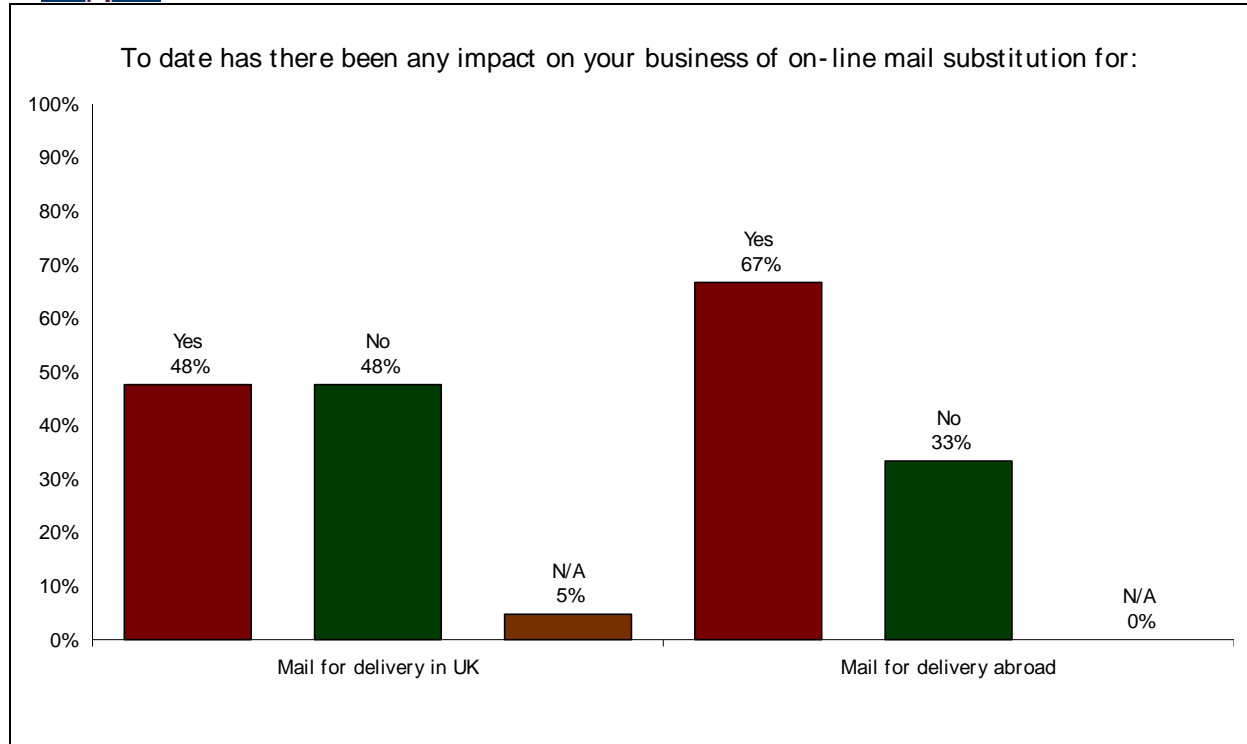
## Added Value Services offered by consolidators



- Consolidators offer a wide range of incremental services to add value to their offer.
- Nearly all offer fulfilment & warehousing; data management is offered by 76%.



## Mail Substitution (electronic)



- Overseas mail has been more affected by substitution than domestic mail, for example university prospectus due to budget reductions etc.

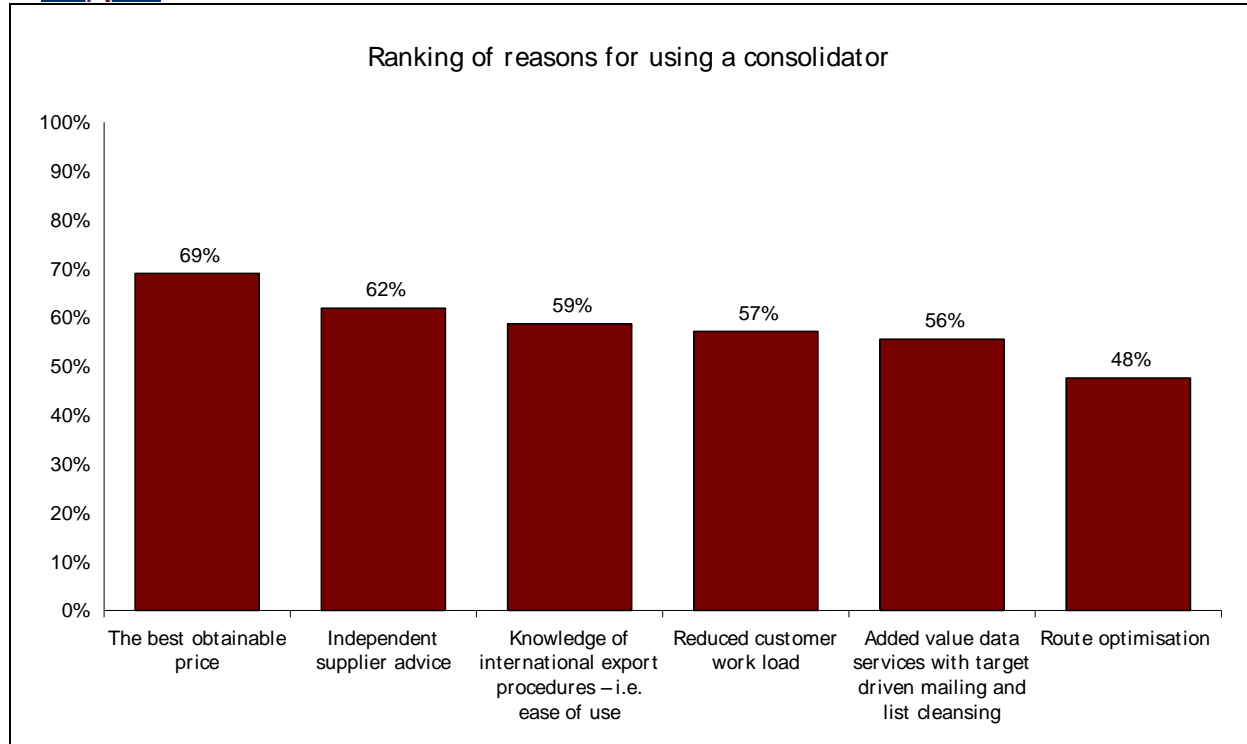


## Printing at the point of distribution – threat to export mail?

- 57% of those interviewed believed printing at the point of distribution or 'hybrid' mail could threaten export volumes from the UK.
- 43% answered 'no' as they felt it was too far into the future



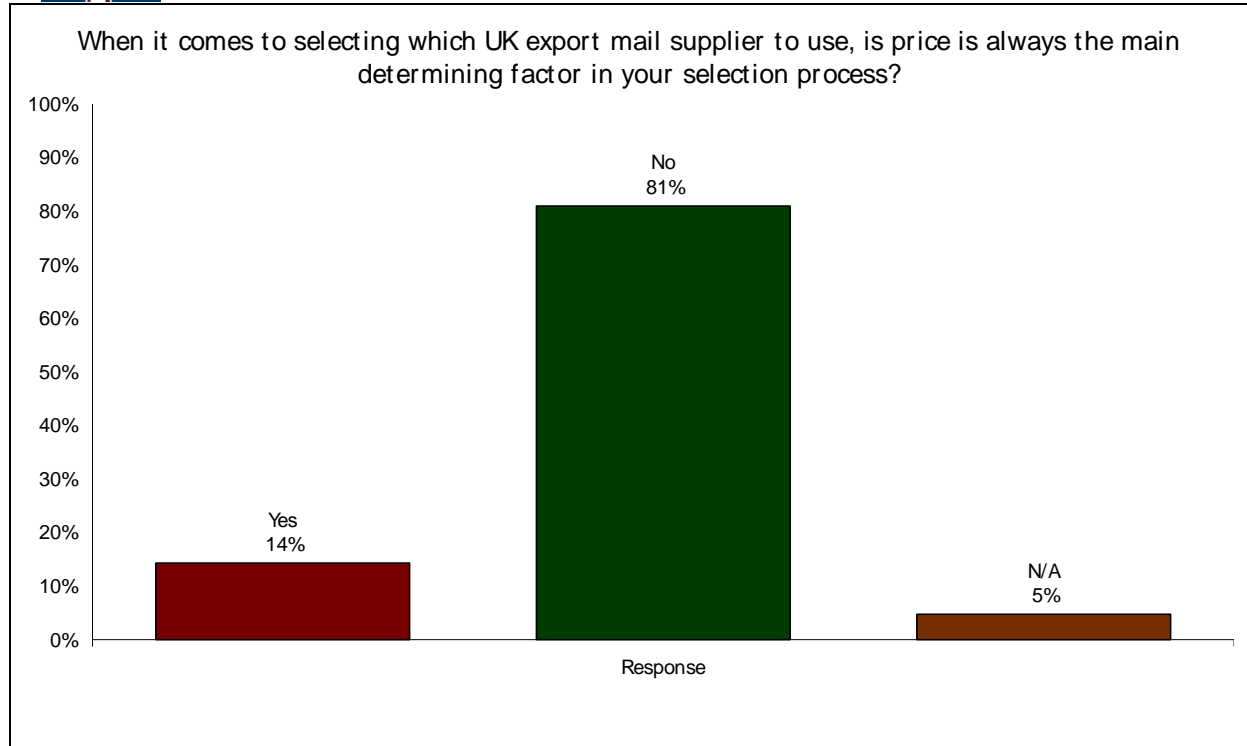
## Why customers prefer to use consolidators rather than deal direct with 'Posts'



- The 'best obtainable price' is the highest ranking factor, but by no means the only reason.
- The gap between the top four reasons is only 13% and issues such as independent supplier advice; reducing the work load for customers; knowledge of export procedures are all highly valued by customers.
- Over half the sample believes data services are the main reason for using consolidators.
- Route optimisation is the least important reason, as it is not the route 'per se' that interests the customer, but the mix of time taken, price and transparency through the supply chain.



## Is price the main determinant in selecting which supplier to use?



- 81% of consolidators responded “no” to this question, reinforcing the mix of factors that rank in consolidators’ minds on which supplier to use.



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*B2B research services include customer satisfaction interviews with existing and terminated customers; insight into lost prospects to improve business gains / customer retention; market sizing / structure.*

For further information contact 020 8868 0212 or email:

[solutions@thestrategyworks.com](mailto:solutions@thestrategyworks.com)

[www.thestrategyworks.com](http://www.thestrategyworks.com)

