Mail Volume Decline: An EU-27 Perspective
World mail volumes: accelerating decline?

World mail volumes have seen a median negative growth rate over the past 15 years.

The decline in mail volumes has intensified since 2013.

Key issue: What's the potential magnitude of this decline?

Source: UPU Postal Statistics and UPU KCTT modelling and calculations
Note: domestic letter post volumes only
EU-27 mail volumes: accelerating decline?

EU-27 mail volumes have seen a median negative growth rate over the past 15 years.

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Source: UPU Postal Statistics and UPU KCTT modelling and calculations
Note: domestic letter post volumes only
The EU-27 mail volumes declines S-curve

S-curve modelling suggests mail volumes decline rates not likely to worsen from a structural perspective.

However they are also most likely to remain above 5% annual decline rate at the median.

Source: UPU Postal Statistics and UPU KCTT modelling and calculations
Note: domestic letter post volumes only
The EU-27 mail volumes declines S-curve

Disregarding the temporary COVID-19 impact on mail volume declines suggests a potential stabilization of decline rates at the median.

Nonetheless, the rates are likely to maintain an annual decline of over 5% at the median.

Source: UPU Postal Statistics and UPU KCTT modelling and calculations
Note: domestic letter post volumes only
The EU-27 mail volumes declines: forecasts

Will letter post volume decline rates bottom out this decade?

If so, will the decline rates subsequently improve?

The future of mail volumes remains highly uncertain.

Forecasted Evolution of Letter Post Volumes without 2020 observation: Median Growth Rate (1980-2030)

Source: UPU Postal Statistics and UPU KCTT modelling and calculations
Note: domestic letter post volumes only
Uncertain mail volumes decline evolutions

A **103 percentage points gap** between mail volume performance of Switzerland (13.7% higher than in 1996) and Denmark (89.4% lower than in 1996).

Aggregated **EU-27 mail volumes 38.3% lower than in 1996.**

Source: UPU Postal Statistics and UPU KCTT modelling and calculations

Note: domestic letter post volumes only
Forecasting EU-27 mail volumes evolution

Forecasted EU-27 mail volumes for 2030 stand at 32.3 billion letter post items, which is roughly 60% lower than 1996 levels.

Following Denmark's trajectory, however, the 2030 volumes could plummet to just 18.5 billion items which means uncertain evolution for about 14 billion items.

Source: UPU Postal Statistics and UPU KCTT modelling and calculations
Note: domestic letter post volumes only
International letter post as a lead indicator for domestic letter post?

Index = 100, 2012

<table>
<thead>
<tr>
<th>Year</th>
<th>Items 2021</th>
<th>Annual growth 2020-2021 (%)</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Domestic service</td>
<td></td>
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<td></td>
<td>257 billion</td>
<td>-1.0%</td>
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<tr>
<td></td>
<td>International export</td>
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<td></td>
<td>1.8 billion</td>
<td>-8.6%</td>
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</table>
What mail matters the most when little is left?

International letter-post (documents) may provide insights into future customer needs and behaviors following significant volume declines.

Which mail categories continue to see declines? Primarily transactional mail and addressed advertising items.

Which mail types experience the least decline? Personal and official correspondence, along with periodicals.

Source: UPU, International letter post market report, 2023
Note: study commissioned by UPU to Swiss Economics
More insights in the **forthcoming** “State of the Postal Sector 2023”: report release on 5th October at UPU Strategy Summit during UPU 4th Extraordinary Congress in Riyadh (Saudi Arabia).

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