

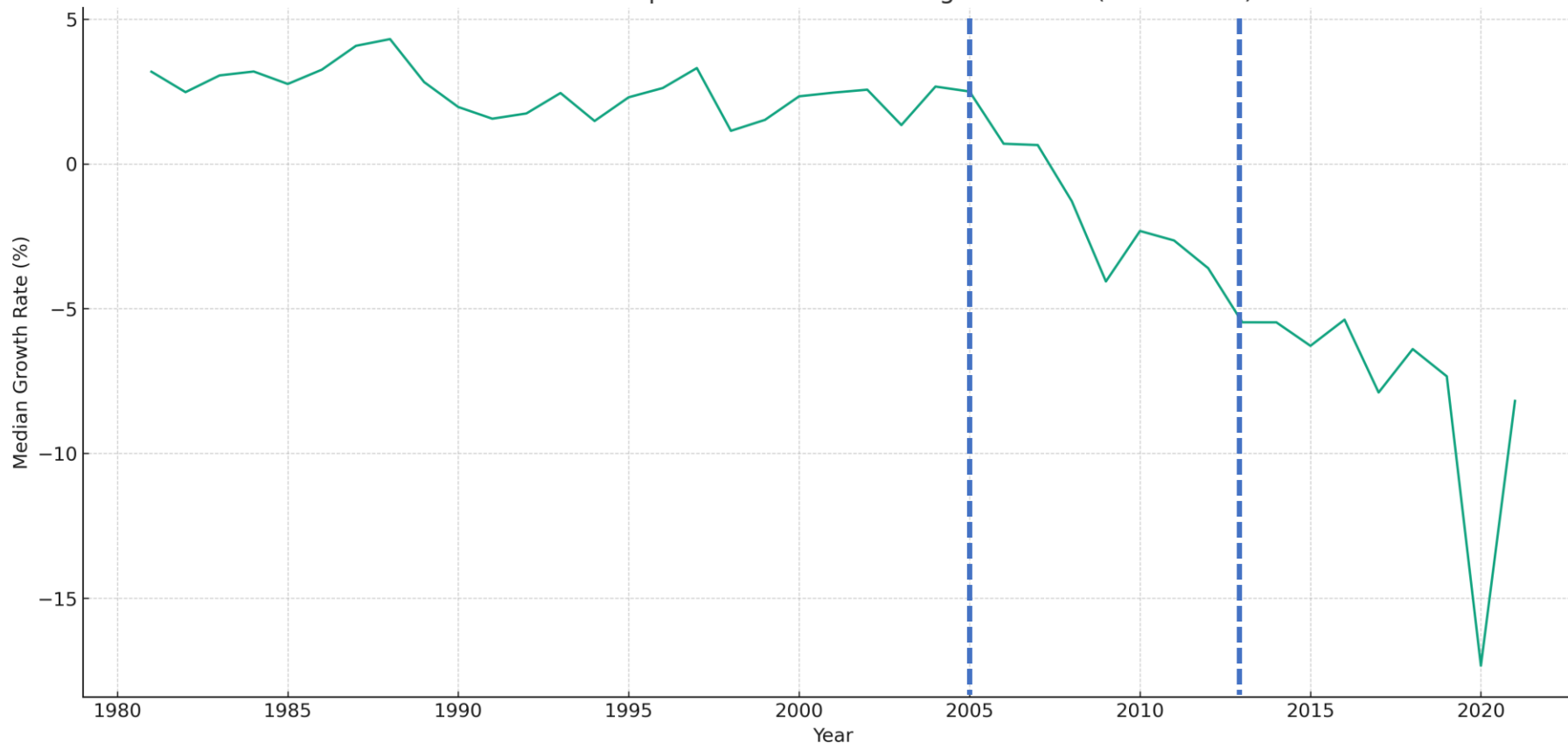


Mail Volume Decline: An EU-27 Perspective



World mail volumes: accelerating decline?

Evolution of letter post volumes: median growth rate (1980-2021)



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

The decline in mail volumes has **intensified since 2013.**

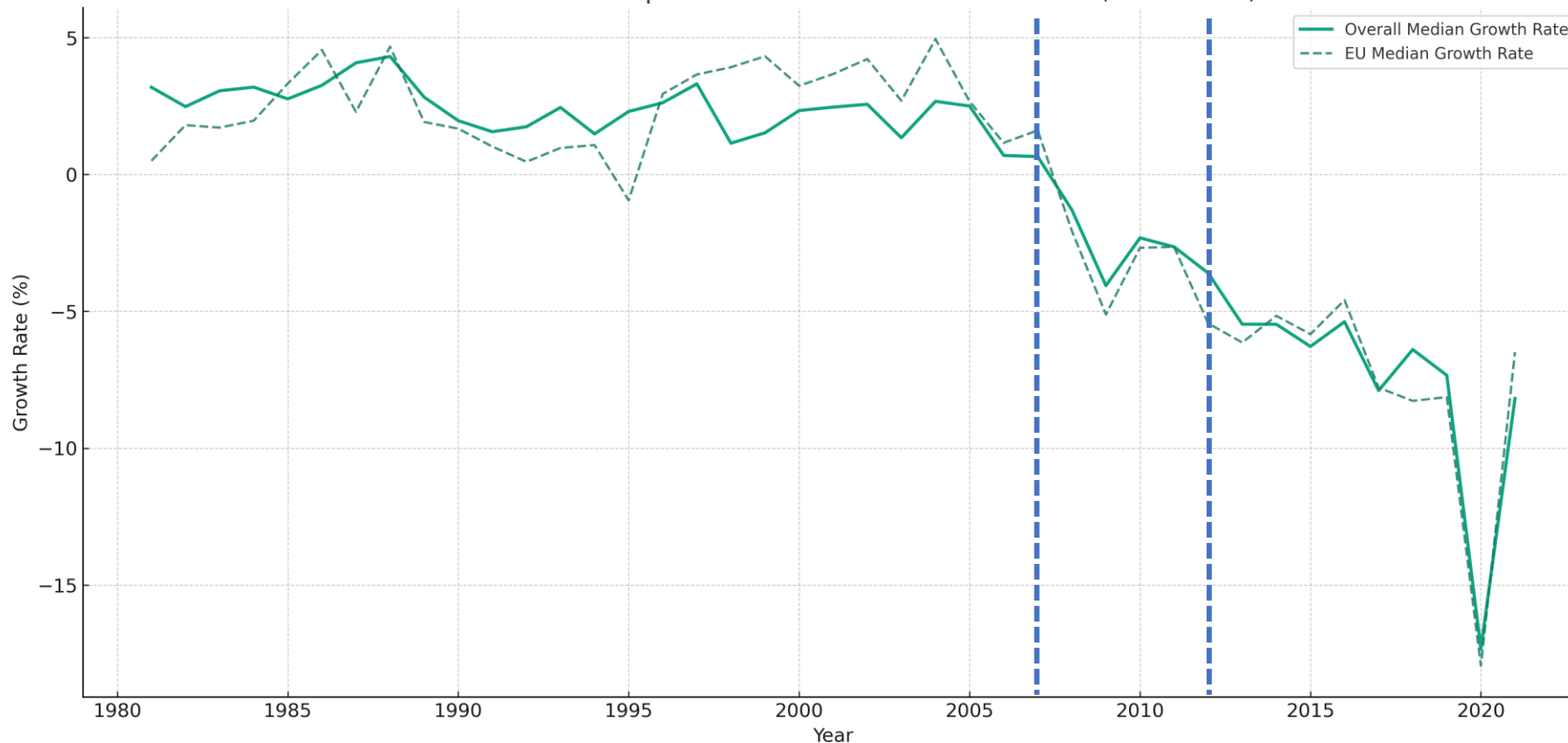
Key issue: What's the **potential magnitude of this decline?**

Source: UPU Postal Statistics and UPU KCTT modelling and calculations
Note: domestic letter post volumes only



EU-27 mail volumes: accelerating decline?

Evolution of letter post volumes: Median Growth Rate (1980-2021)



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

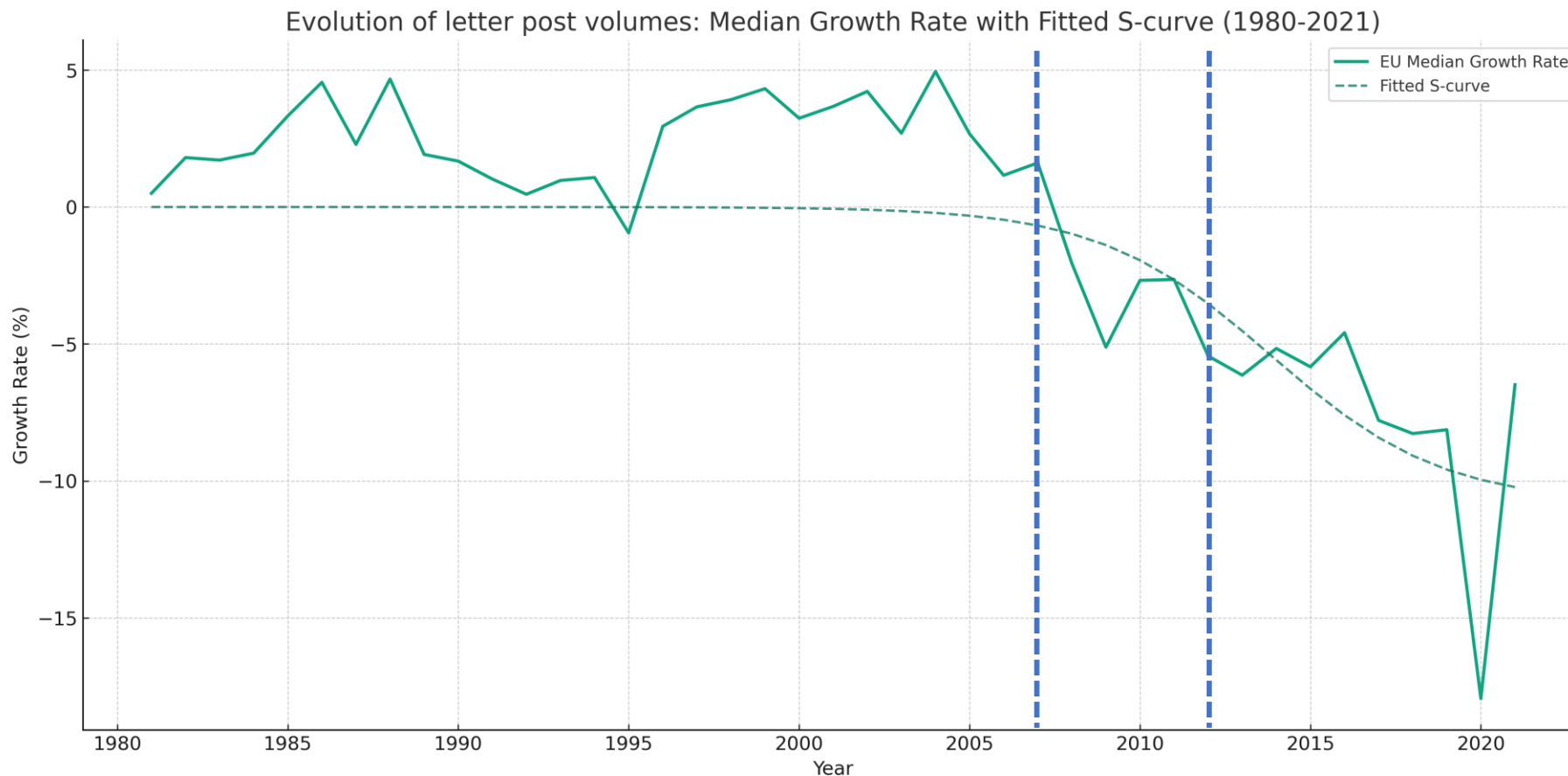
The decline in mail volumes has **intensified since 2012.**

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



The EU-27 mail volumes declines S-curve



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

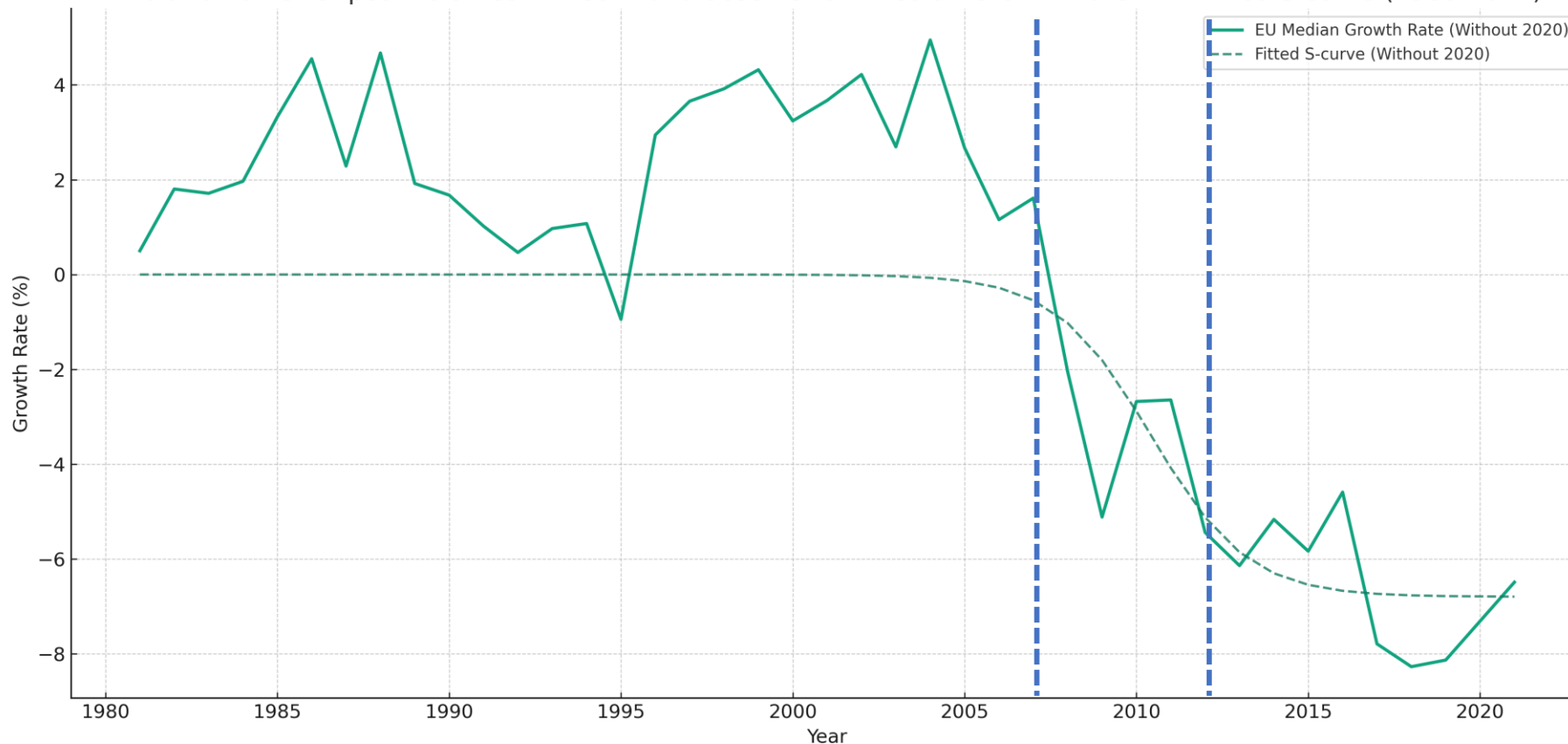
However they are also **most likely to remain above 5% annual decline rate** at the median.

Source: UPU Postal Statistics and UPU KCTT modelling and calculations
Note: domestic letter post volumes only



The EU-27 mail volumes declines S-curve

Evolution of letter post volumes without 2020 observation: Median Growth Rate with Fitted S-curve (1980-2021)



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

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



Will letter post volume **decline rates bottom out this decade?**

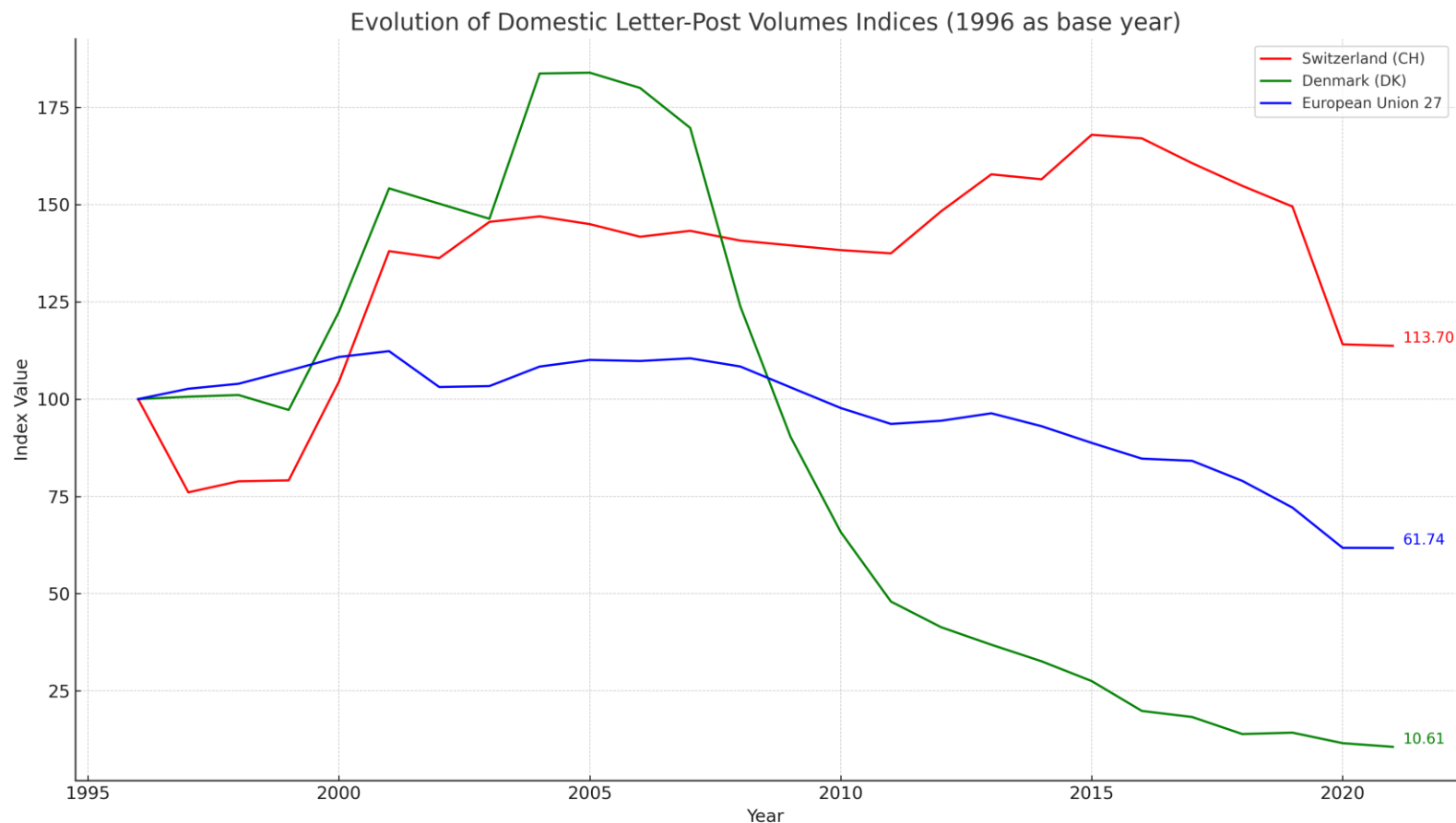
If so, will the **decline rates subsequently improve?**

The future of mail volumes remains **highly uncertain.**

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.**

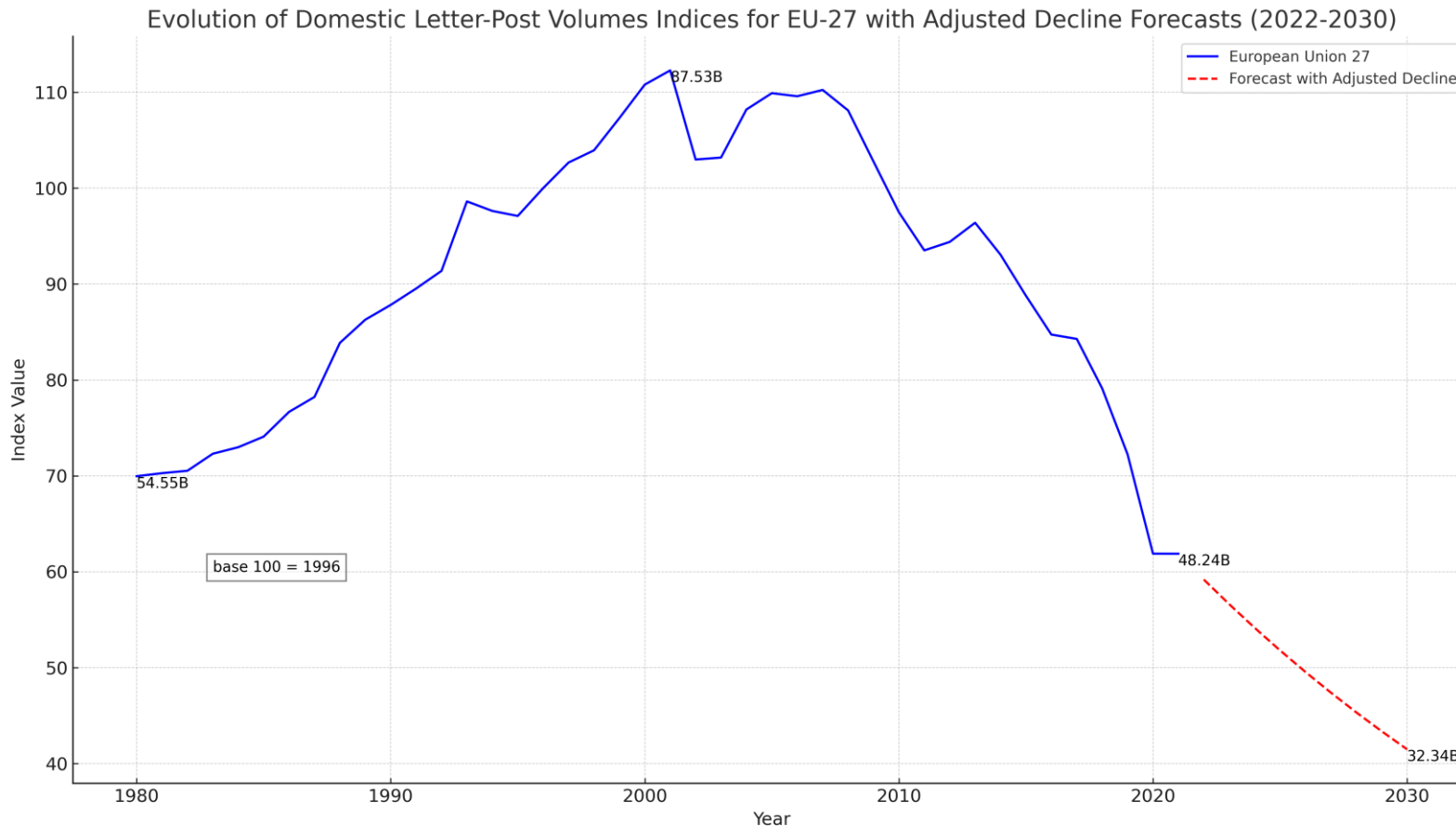
Source: UPU Postal Statistics and UPU KCTT modelling and calculations
Note: domestic letter post volumes only



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**.

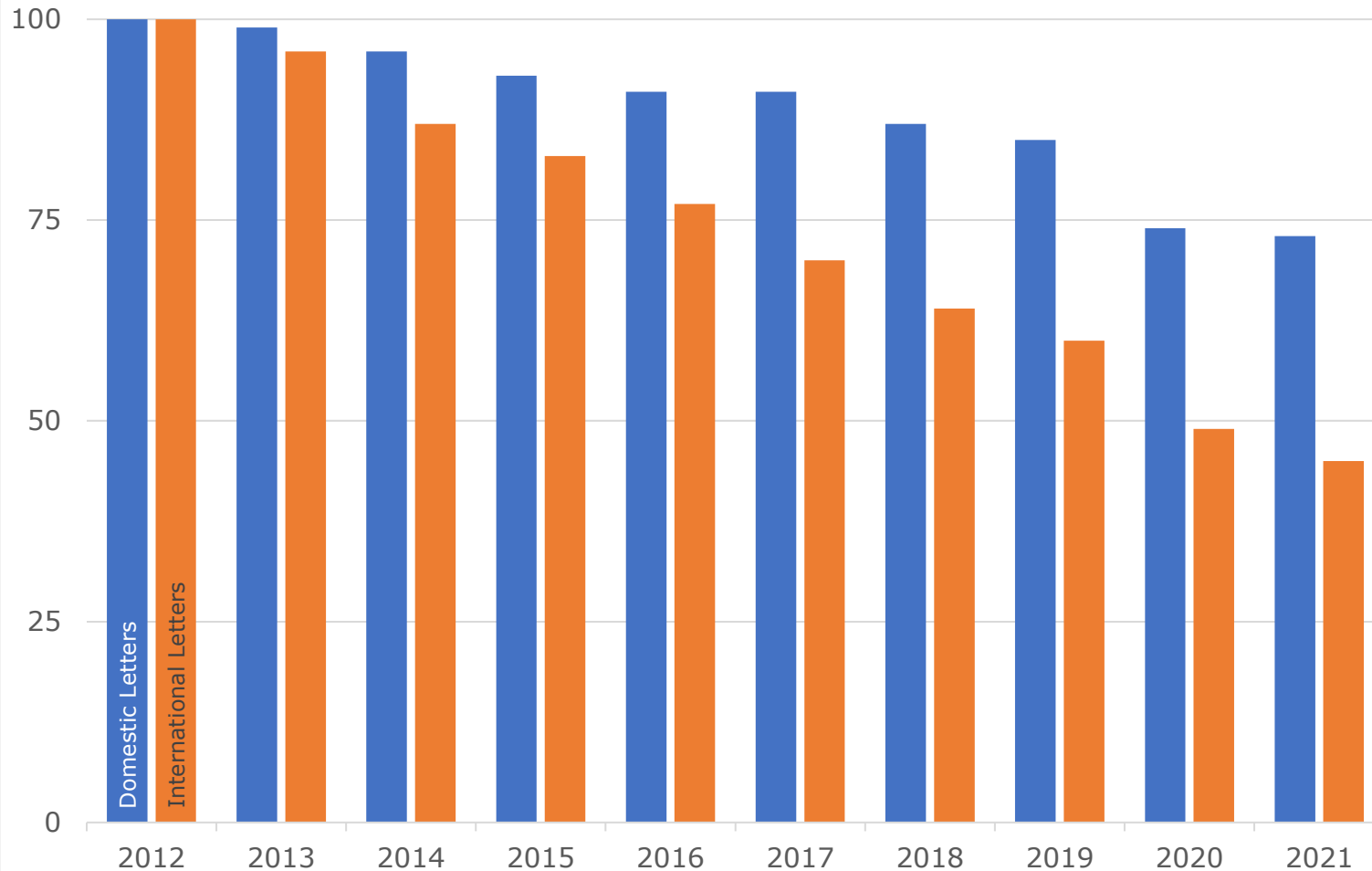


Source: UPU Postal Statistics and UPU KCTT modelling and calculations
Note: domestic letter post volumes only



International letter post as a lead indicator for domestic letter post?

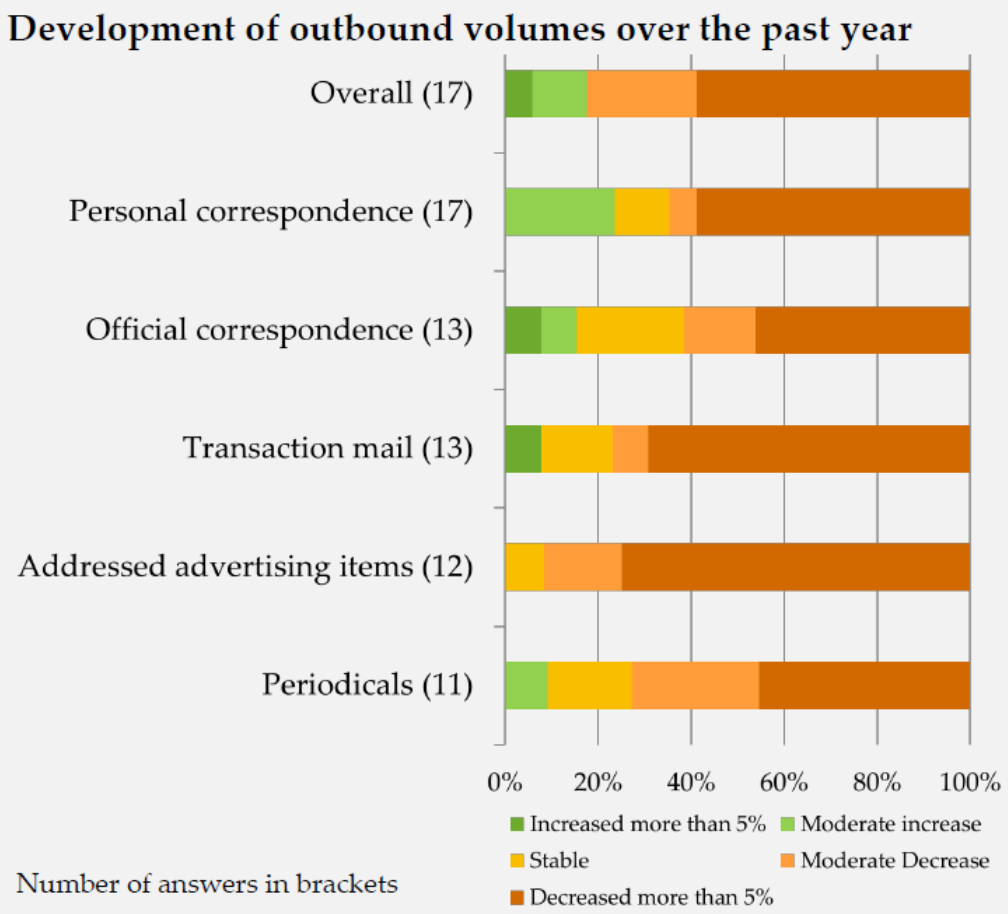
Index = 100, 2012



	Items 2021	Annual growth 2020-2021 (%)
Domestic service	257 billion	-1.0%
International export	1.8 billion	-8.6%



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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