

Strategy

March 2009

Swiss Post International

International business strengthens national business

Swiss Post International is a wholly-owned subsidiary of Swiss Post. The joint-stock company was established in 1996 and now employs a staff of over 1300 worldwide in eleven European countries, in five Asian metropolises and in the USA. Swiss Post International provides all services necessary for international business, from the processing of daily post to comprehensive direct marketing services, full distribution of newspapers and magazines and shipment of small goods.

Swiss Post International's aim is to strengthen its business within Switzerland through targeted growth abroad. In order to secure its competitive position and its import/export activity, connections to the international distribution network are being constantly expanded and the market position in international mail developed. This is happening firstly through the Swiss Post International's own subsidiaries in the key countries of Europe and in the USA, and secondly through franchise partnerships and alliances in countries with emerging cross-border mail potential. Swiss Post International is currently number three postal service provider active in the international letter business.

Forming alliances

In the international Courier, Express and Parcel markets, Swiss Post International is pursuing its strategy of securing successful alliances. "I see considerable growth potential in the international parcels market", says Jean-Pierre Streich, Head of International at Swiss Post. Swiss Post International Logistics AG has been working with European logistics firm GLS since 1998 in goods shipments in the B2B segment. In the B2C segment in Germany, Swiss Post International has been providing country-wide delivery

of catalogues, brochures and small goods through its primeMail service in cooperation with the Hermes Logistik Group, a subsidiary of the Otto Group, since the end of 2001.

Since January 2009, Swiss Post International has operated in Italy as Swiss Post Porta a Porta. The company specializes in the cross-border letters business and other logistics services. With its minority stake in the distribution specialist Hermes Porta a Porta, Swiss Post International is active in the field of business to customer (B2C) parcel distribution in Italy.

“In addition to goods delivery, Swiss Post International will in future also drive forward the area of express and courier service in Switzerland”, Streich explains. In 2000, TNT Swiss Post AG evolved from the joint venture with Dutch company TNT and today provides express and courier services throughout the world. This means that every post office in Switzerland can handle urgent mail for over 200 countries.

Securing competences worldwide

In the UK and the USA, Swiss Post International operates in the mail business with publishers, direct marketers and mail order retailers.

With its own subsidiaries, sales agents and franchise partners Swiss Post International is represented in 11 European countries (Germany, Austria, Belgium, France, the UK, Italy, Spain, the Netherlands, Sweden, Denmark and Switzerland) five Asian metropolises (India, Singapore, Hong Kong, Malaysia and Shanghai) and the USA. Daniel Baettig, CEO Swiss Post International Management AG, explains, “With our international subsidiaries, we focus on mail dispatch to establish our international reputation before expanding our offering to bring our full product suite to the market.”

At the same time, Swiss Post International is using franchising to open up other markets with an emerging cross-border mail potential. Distribution partnerships have evolved with postal providers in Slovenia, Spain, Hungary and Finland.

Knowing the brand

The brand name Swiss Post alone opens access to globally active companies for Swiss Post International and its franchisees in their own countries. They are able to benefit from quality attributes such as “Swissness”, service provision and connection to the high-capacity network. “We have adopted a strategy of creating an association between the Swiss Post brand and the traditional Swiss values of punctuality, reliability, flexibility and entrepreneurship as well as international presence, competence and quality”, Baettig explains. “This gives us an enormous competitive advantage in international business, which contributes significantly to developing business in our home country.”

Dispatch designed to be flexible

Swiss Post International’s global distribution network today offers customers flexible international distribution channels. Whether the priority is speed or price, Swiss reliability plays a decisive role. For example, Priority letters sent to Switzerland from elsewhere in Europe take an average of 2.1 days to arrive, while letters travelling in the opposite direction reach their destination in 2.0 days on average. Through alliances, synergies with partners and the purchase of knowledge, Swiss Post International can offer services such as tailored solutions in bulk marketing mail. “Business customers receive customized support and assistance in winning, serving and informing new international customers”, Streich summarizes. Swiss Post International also has access to a high-capacity and customer-oriented consultancy network. “This means we can also provide corporate customers around the world with bespoke services, from sector-specific solutions with comprehensive direct marketing and business post services to the dispatch of international press publications and small goods in the B2C sector.”

Developing new products

A globally uniform product range, which is continually adapted to the needs of customers, ensures transparency. Various additional services with clear value added are also offered within the individual product ranges. The spectrum ranges from pre-sorting and franking to collection, tracking and fulfilment. Swiss Post International currently provides the following ranges:

- Direct marketing:
«Marketing Mail International» for customer acquisition and retention through promotional mail
- Newspapers and magazines:
«Press International» for the dispatch of regular publications and promotion of subscriptions
- Small goods dispatch:
«Business to Consumer International» for business customers sending small goods
- Daily post:
«Business Mail International» for daily correspondence such as account statements and invoices

Only available in Switzerland:

- «Standard International»
For the dispatch of documents and goods; various priority levels available
- «Business to Business International»
For the worldwide dispatch of parcels incl. logistics and customs formalities

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