



THE FUTURE OF POSTS

Cross-Border E-Commerce a Priority

Posts rank cross-border e-commerce as critical to success

Throughout the **2020 Future of Posts study**, we found that parcels, cross-border e-commerce, and technology innovation are the top three priorities for Posts.

Pre-pandemic, postal operators were already working to digitally transform. Today, remote work and social distancing are the new norm which has resulted in even more e-commerce and greater parcel volumes. As Escher's Chief Sales Officer, Rodrigo Medgenberg explains:

“Consumers and businesses have flocked to online shopping to meet their needs both locally and internationally. Additionally, international shipping regulations now require extra attention and automation.”

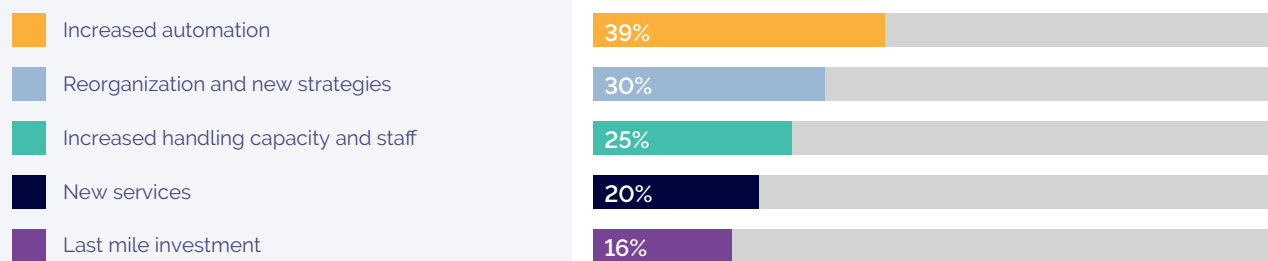
Report Findings

19% of Posts ranked cross-border e-commerce growth as most critical to their success, second only to parcels, which 26% prioritized as a top priority.

Of those surveyed, 87% of Posts plan to manage the growth of e-commerce postal traffic in the near future. This includes investing in handling capacity with the help of automation, infrastructure, and staff. In fact, automation was the most popular strategy for dealing with the projected increase in e-commerce postal volume, with 39% of postal operators planning to increase automation.

Plans for handling the increase in e-commerce postal volumes

Percentage of postal operators



Overcoming Challenges

So what issues do Posts encounter with managing cross border shipments? Our survey found that Posts' top three obstacles to cross-border e-commerce growth were:

 real-time tax and duty estimation solutions

 cost transparency

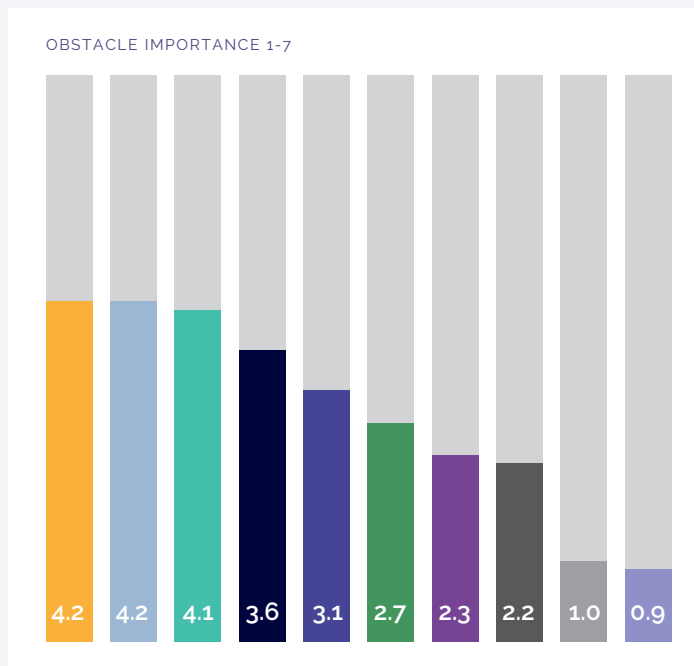
 transit times

This data backs up something postal operators already know: transparent, accurate landing costs and efficient delivery are critical to customer satisfaction and loyalty.

Main obstacles to cross-border e-commerce growth

Average importance scores from postal operators

-  Real-time tax and duty estimation
-  Cost transparency
-  Transit times
-  Documentation difficulties
-  Compliancy risks
-  Product restriction screening
-  Product classification
-  Solutions for cross-border product repair
-  Denied parties screening
-  Risk reduction



Need for Solutions

Despite the obvious importance of real-time tax, duty, and landing cost estimation, only 32% of Posts offered a pre-paid tax and duty solution. Additionally, only 37% notified recipients of chargeable costs prior to purchase.

Current cross-border services offered

Percentage of postal operators

■ Yes ■ No

Does your organization currently...?

Offer an easy return solution for international parcels?

57%

43%

Inform recipients about the taxes and duties they will incur when purchasing online from abroad?

37%

63%

Offer a solution for the recipient to pre-pay custom clearance, duties and taxes when ordering goods from abroad?

32%

68%

Fortunately, [solutions](#) provided by customer engagement platforms like Escher help Posts automate product classification, calculate taxes and duties at check out, screen for product restrictions, and flag denied parties, reducing compliance risk and greatly improving the customer experience in the process. To ensure strong cross-border e-commerce growth, Posts need solutions that meet their specific needs. Choosing the right solution will set postal operators up for international shipping success.

Download the *full* 19-page
Future of Posts 2020 report to learn more.

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