

Pitney Bowes Parcel Shipping Index Forecasts a 20 Percent Increase in Volume by 2018

STAMFORD, Conn., November 15, 2016 - Pitney Bowes Inc. (PBI), a global technology company that provides products and solutions that power commerce, today unveiled the Pitney Bowes Parcel Shipping Index, an annual report that measures both volume and spend for business-to-business, business-to-consumer, consumer-to-business and consumer consigned shipments with weight up to 31.5 kg (70 lbs.) in 12 major markets, consisting of the U.S., Canada, Brazil, Germany, UK, France, Italy, Norway, Sweden, Japan, Australia and India. Based on proprietary and published data ¹, the Pitney Bowes Parcel Shipping Index found that parcel shipping volume was 31 billion parcels in 2015, which was a 2.9 percent increase over 2014. Furthermore, the Index forecasts parcel shipping volume to grow annually at 5 to 7 percent for a total increase of 20 percent by 2018, with cross-border shipping leading the way.

This Smart News Release features multimedia. View the full release here:

<http://www.businesswire.com/news/home/20161115005785/en/>

“With the growth we’ve witnessed over the last several years in ecommerce, it is no surprise the global parcel shipping market continues to expand at a strong pace,” said Lila Snyder, President, Global Ecommerce for Pitney Bowes. “That growth in parcel shipping is having a profound effect on businesses. Increased demand has led to greater service options from an expanding number of global, national and regional carriers. However, managing multiple carriers and shipping goods across borders also creates new challenges and raises complexity.”

The Pitney Bowes Parcel Shipping Index, which is unique in its focus on the parcel shipping market, confirmed that the U.S. is the largest parcel shipping market of the countries studied with more than 11.8 billion parcels shipped and \$85 billion spent in 2015. Japan, Germany, UK and France round out the top five countries with parcel volumes of 9.4B, 3.0B, 2.2B and 1.5B units respectively in 2015. Globally, the parcel shipping market is being driven primarily by growth in ecommerce with an increasing number of online shoppers around the world. Of the countries in this Index, the U.S. has the largest retail ecommerce market followed by the UK, Japan, Germany and France.

“The strong growth we are seeing in parcel shipping has led to increasing complexity for businesses of all sizes,” said Mark Shearer, Executive Vice President and President, Pitney Bowes Global SMB Solutions. “Small and medium businesses (SMBs) in particular are having trouble managing the growing number of shipping options, service levels and 24/7 tracking. New and improved technologies, including cross-border and cloud-based multi-carrier office shipping platforms, can help businesses of all sizes optimize their parcel shipping operations to maximize efficiency and deliver the best possible customer experience.”

Increase in North America Driven by Economic Growth, Office Shipping and Internet Retailing

- In North America, parcel shipping volume grew 3.6 percent in 2015 to 11.8 billion in the U.S. and grew 1.6 percent to 0.55 billion in Canada in 2015.
- U.S. businesses spent more than \$85 billion on parcel shipping in 2015, up 1.2 percent from 2014.
- Growth in the U.S. parcel market was primarily driven by more frequent consumer online shopping, increased office shipping and growing global trade.
- Approximately 40 percent of the U.S. parcel market is made up of office shipping¹, which includes packages and flats shipped by businesses as part of their daily work flow.

Growth in Europe Led by Germany, UK and France

- Of the European countries analyzed, Germany’s parcel market is the largest with more than 2.9 billion parcels shipped in 2015. Germany’s parcel market growth is primarily driven by B2C parcels propelled by strong demand in ecommerce. Parcel shipping spend in Germany rose by 6.4 percent to €12.7 billion in 2015.
- Parcel shipping volume and spend in the UK grew by 6 percent to 2.2 billion parcels and 10.1 percent to £8.9 billion.
- The parcel shipping market in France grew 4.7 percent in volume to 1.5 billion and 4 percent in spend to €9.7 billion.

Mixed Results in Asia-Pacific – Volume Dips in Japan; Australia Tops Region in Growth

- In the Asia-Pacific region, parcel volume dipped by 1.7 percent in Japan, primarily due to an 8.8 percent decline in packets. Conversely, the parcel shipping spend in Japan increased by 2.6 percent to ¥2,480 billion.
- The Australia parcel shipping market grew by 8.8 percent in volume to .70 billion and 8.2 percent in spend at AU\$9.6 billion.
- In India, parcel volume grew by 8.2 percent to .34 billion and spend increased 17.2 percent to €110.15 billion.

In Latin America, Brazil's Parcel Shipping Volume and Spend Grew Double Digits

- Brazil's parcel market grew 13.9 percent to 0.57 billion parcels and spend grew 15.4 percent to R\$10.27 billion.
- This strong growth was primarily powered by the increase of internet retailing. Also of note was a growing trend in Brazil of buying products via mobile devices, which has further propelled B2C parcel delivery services.

Accurate and precise shipping is paramount for ecommerce businesses around the world. In a recent global shopping survey², Pitney Bowes found that almost half of global shoppers reported some type of challenge with their online holiday orders in 2015. Shipping issues such as the wrong address, lost items or tracking inaccuracies made up more than half of those issues.

The Pitney Bowes Parcel Shipping Index focuses on business-to-business, business-to-consumer, consumer-to-business and consumer consigned shipments with weight up to 31.5 kg (70 lbs.). All service levels, such as time definite deliveries, are included. Adjacent services offered by carriers such as freight forwarding, supply chain management and cargo shipments are excluded.

For more information on the 2016 Pitney Bowes Parcel Shipping Index, please visit www.pitneybowes.com.

About Pitney Bowes

Pitney Bowes (NYSE:PBI) is a global technology company powering billions of transactions – physical and digital – in the connected and borderless world of commerce. Clients around the world, including 90 percent of the Fortune 500, rely on products, solutions and services from Pitney Bowes in the areas of customer information management, location intelligence, customer engagement, shipping, mailing, and global ecommerce. And with the innovative Pitney Bowes Commerce Cloud, clients can access the broad range of Pitney Bowes solutions, analytics, and APIs to drive commerce. For additional information visit Pitney Bowes, the Craftsmen of Commerce, at www.pitneybowes.com.

¹ Pitney Bowes commissioned research 2013, 2014 and 2015

² Pitney Bowes Global Shopping Survey, October 2016