

POST AND PARCEL



INTEGRATING OUR STRENGTHS

As the nation's Public Postal Licensee, SingPost has been connecting people, communities and businesses since 1858. Today, we continue to deliver products and services that are both relevant and meaningful to the community.

On 1 April 2019, Post and Parcel saw a change in leadership, when Mr Woo Keng Leong retired after serving the national postal service for four decades. Mr Vincent Phang took over the reins as CEO of Postal Services, as well as logistics operations in Singapore.

The Postal Transformation

The Postal segment continued to experience a decline in domestic letter mail volumes at an accelerated rate in the last two quarters of the financial year. This signalled the need for innovation to cater to Singapore's fast-evolving urban logistics landscape, consumer patterns and customer expectations, giving rise to what is known as our **Future of Post** strategy.

The strategy was unveiled in September 2019, along with our prototype of a Smart Letterbox and Smart Stamp at the Home Delivery Asia 2019 convention, in full view of local and international media, partners and industry heavyweights. Truly a pivotal moment in SingPost's transformation journey, the Smart Letterbox – with its fully-automated mail sorting and delivery technology – will completely overhaul Singapore's traditional letterbox infrastructure and upgrade the role of the postman.

Retrieval of mail and eCommerce packages is envisaged to be seamless. Upon notification, residents can, at a touch of a button and a scan of a device, collect mail and parcels securely, paving the way towards traceability for all mail.

Regaining Public Trust

Following a series of service lapses in FY18/19, an extensive review of operational and customer-centric processes was made to improve service quality and the overall customer experience.

Protocols identified as weak or outdated in both mail processing and delivery were improved. SingPost also improved salaries and implemented new incentive schemes for its postal workforce, to encourage and recognise service excellence.

An integrated customer experience team was also formed to strengthen satisfaction across all SingPost touchpoints, including the Post Office Network and delivery

operations. An internal campaign, "Every Delivery Counts", was also launched, emphasizing the values of responsibility and professionalism to postal staff.

Over the course of the year, SingPost introduced several significant changes to mail operations that included the extension of delivery hours for doorstep delivery services on weekday evenings and Saturdays.

In November 2019, SingPost launched the islandwide *MyPostman* campaign, with the distribution of QR-coded magnets to some two million addresses across Singapore. The campaign introduced residents to their neighbourhood postmen, giving them the opportunity to rate as well as provide feedback about their postal experience.

In the first six months of the campaign, SingPost received over 10,000 ratings for postmen, with an average score of 4.8 stars out of five.

Service improvement efforts paid off towards the end of 2019. During the year-end peak season, SingPost delivered 25% more eCommerce items domestically than the preceding year, while achieving significant improvements in net promoter scores for both delivery services and at the post offices.



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Record revenue for **International Post and Parcel** of over **\$500 million**

Enhancing Suite of Products

SingPost revamped its suite of postal products and services in late 2019. With the rapid growth of eCommerce and declining letter mail volumes, the previous mail delivery framework was no longer adequate to cater to present trends, including a steadily growing proportion of packages in varying sizes.

The new products were structured in two broad categories: letter mail and packages. The introduction of a dedicated package category reflected the high demand for small package deliveries across Singapore. Under each category, there were two types of services: a Basic service with no tracking, and a Tracked service that offered letterbox delivery with tracking capabilities.

The existing Ordinary Mail was renamed as Basic Mail, with its Standard Regular, Standard Large and Non-Standard categories remaining unchanged. Basic Mail could now weigh only up to 500g, down from the previous 2kg limit. For larger items between 501g and 2kg, new categories – Basic Package and Tracked Package – were introduced to reflect the increasing

volumes of small packets flowing through the postal system.

Tracked Mail and Tracked Package services were designed for customers who required tracking capabilities for their deliveries, as well as notifications for the recipient. Deliveries were now made directly to their letterboxes, reducing the need for customers to stay home and minimising missed deliveries.

The Registered Article service was also renamed as Registered Service (Singapore), as an add-on service to Basic Mail for items up to 500g. This was to realign the intent of the service, originally designed to offer secure delivery and tracked receipt of important letters and documents.

Change was also introduced to the popular SmartPac, which would now be delivered to the letterbox, while the AM Mail service ceased in March 2020.

Record Year for International Post and Parcel

In November 2019, SingPost obtained regulatory approval to increase international postage rates, effective 2 December 2019. The increase, between 10 to 20 cents, has helped to mitigate the increase in terminal dues made to foreign postal operators.





The financial year saw record revenues for International Post and Parcel of over \$500 million on the back of higher cross-border eCommerce related deliveries.

The good performance was the result of a new eCommerce customer segment with a supply chain boosting west-to-east trade flow, complementing the current east-to-west trade flow. This was in spite of on-going disruptions of global supply chains, including postal service suspensions and delivery delays to and from various countries, as well as higher air freight rates due to the grounding of flights by airlines. New customer wins had also diversified the inherent risk of over reliance on east-to-west trade flow, which saw significant disruption as COVID-19 emerged in Q4.

Celebrating Milestones in Singapore's Stamps Programme

This year saw a total of 12 stamp issues, marking momentous events and keeping stamp collectors excited.

Taking the spotlight for the 2019 stamp programme was the Bicentennial Stamp launch. The set of 10 stamps, designed in commemoration of Singapore's Bicentennial, was unveiled by Deputy Prime Minister Heng Swee Kiat together with Mr Vincent Phang, CEO for Postal Services and Singapore, at the Singapore Bicentennial Roadshow @ North East on 22 June 2019.

The stamp set featured a tapestry of Singapore's rich and varied history, tracking Singapore's story from settlement to nationhood. The 10 stamps depicted key milestones of Singapore's 700-year journey beyond the bicentennial milestone, illustrating why Singapore's early years before 1819 were critical to the Nation's success today.

In another important milestone, SingPost issued a special stamp issue commemorating 100 years of airmail.

Launched at the SINGPEX 2019 36th Asian International Stamp Exhibition in August, the stamps celebrated the adventurous spirit of those who pioneered the first mail that travelled from London to Singapore by air.

In 2019, SingPost also marked three bilateral relations milestones with Israel, the Philippines and Poland with stamp issues, all of them celebrating 50th anniversaries of diplomatic ties with Singapore.



The Singapore Bicentennial stamp set features a tapestry of Singapore's rich and varied history, tracking Singapore's story from settlement to nationhood.