

Restructuring



2014 The role has changed

The role of PostNL has changed

The need for next-day mail delivery has decreased due to the availability of digital alternatives, allowing longer delivery times for physical mail.



Post that must be quick

Post that can take longer



Post that must be quick

Post that can take longer

Consumer research



70%

Send a letter or card
via mailbox less than
once a month

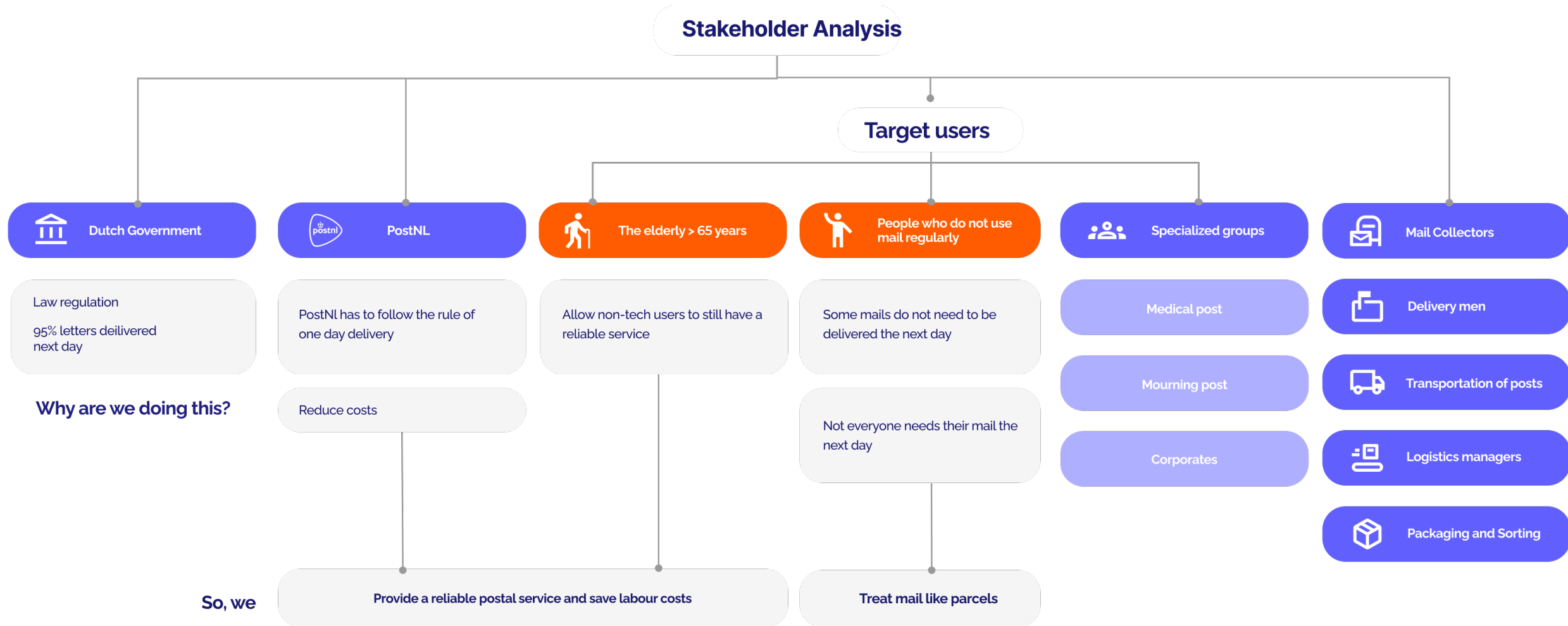
78%

Are unaware that mail is
legally required to be
delivered within one day

79%

Find 2-day or longer
delivery acceptable

Stakeholder Analysis



PostNL has one clear goal, A "futureproof post sector"

For every Dutch citizen:



Accessible

Reliable

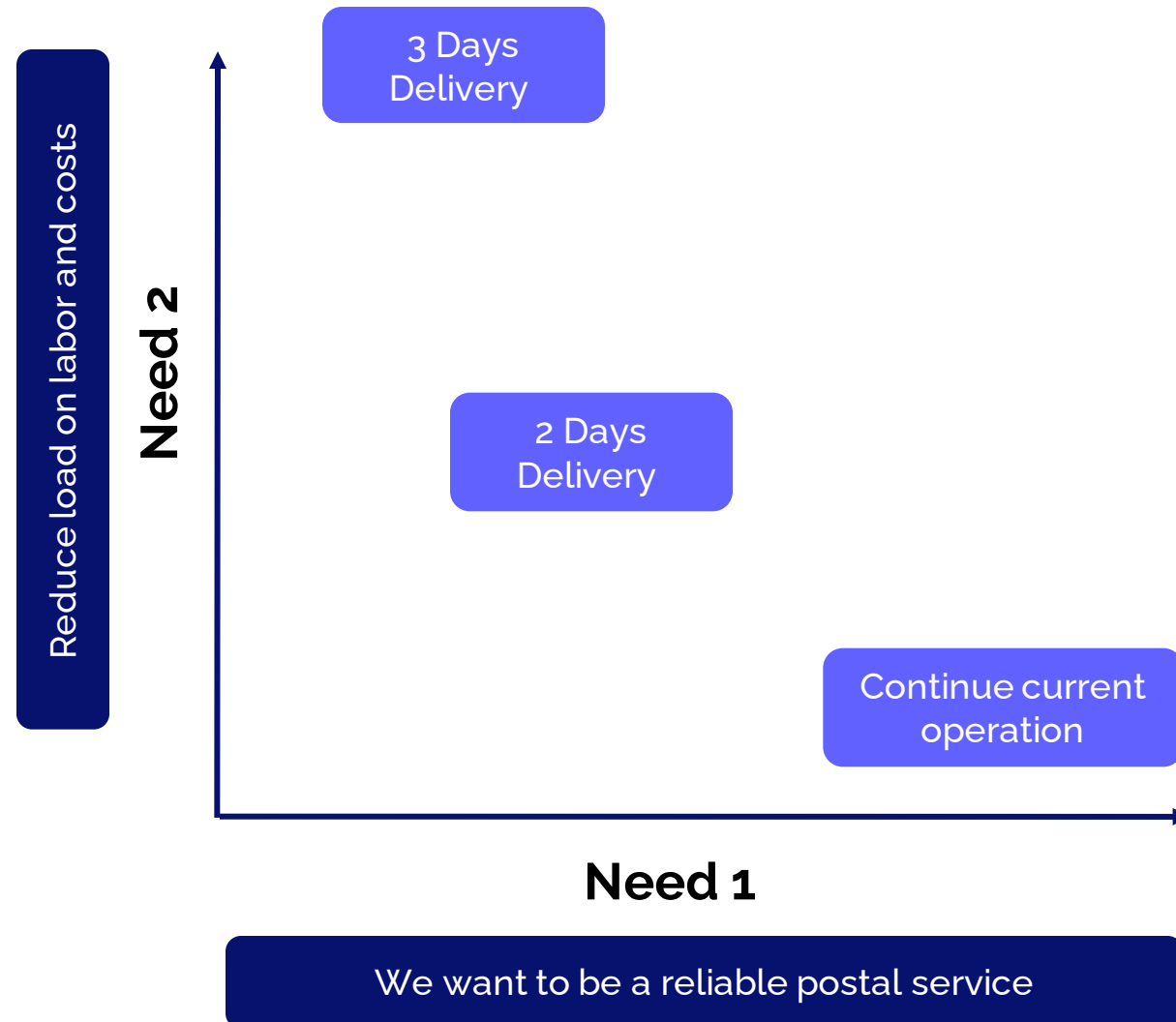
Affordable

For the employees :



Satisfaction

Tension plot



Tension plot

PostNL wants to reduce their costs, and keep their already pressured workforce happy, **BUT** they aim to be the #1 reliable and affordable brand

Desk Research Summary

- Digital interaction is not accessible for the elderly.
- Legal requirement: One-day delivery.
- Provide reliable postal service while saving labor costs.

Pick up your mail



Your mail has
been sent

Letter is delivered at
pick-up points, such as
a local supermarket

You get notified on
your phone

Decide when you pick up-
could be the same day

For the public

For the public



*Survey done for a sample of 1000 individuals

For the people with less mobility

For the people with less mobility

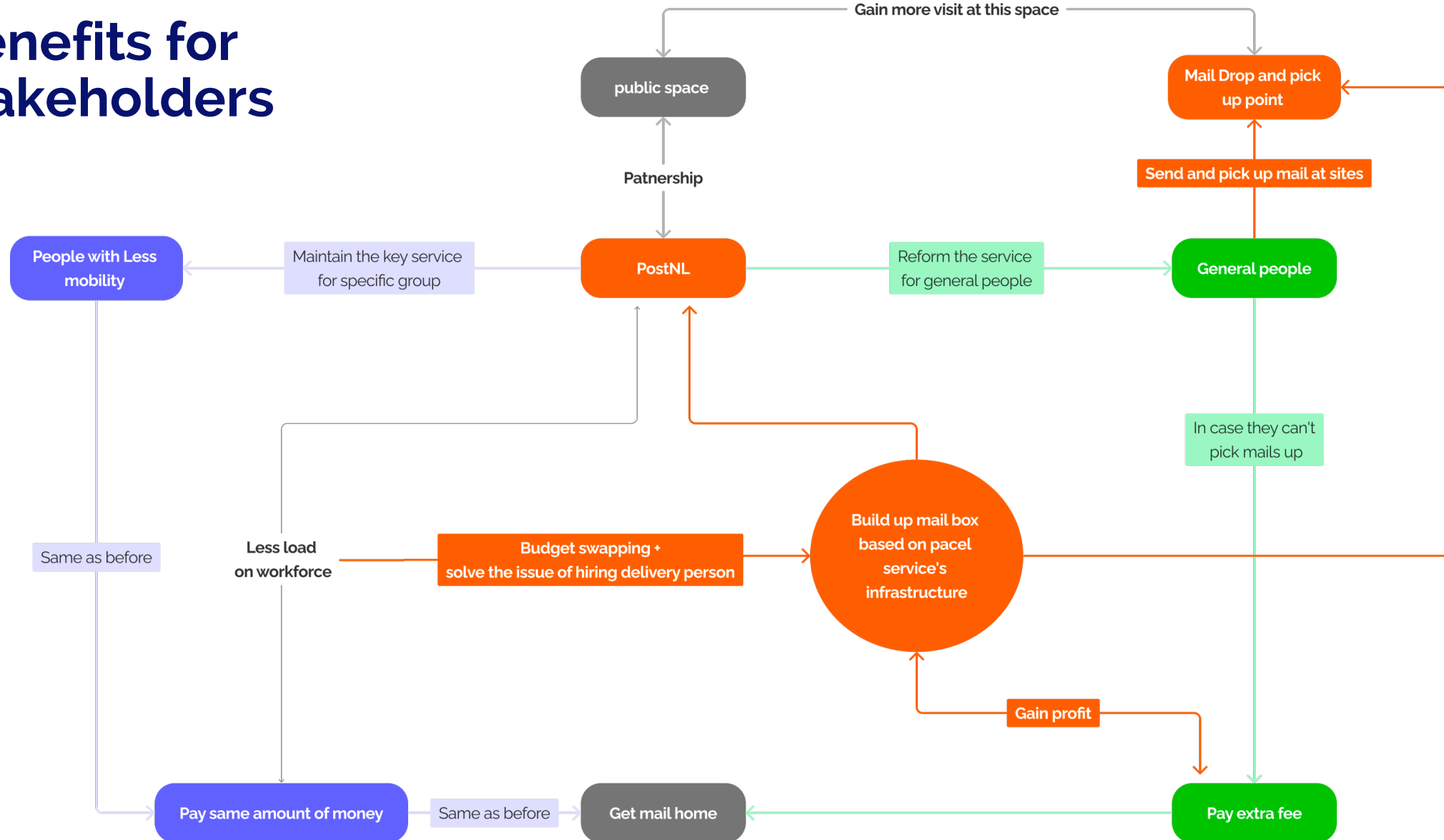
Referring to the elderly, people with disabilities, other vulnerable groups, etc.

Most of them have less digital accessibility

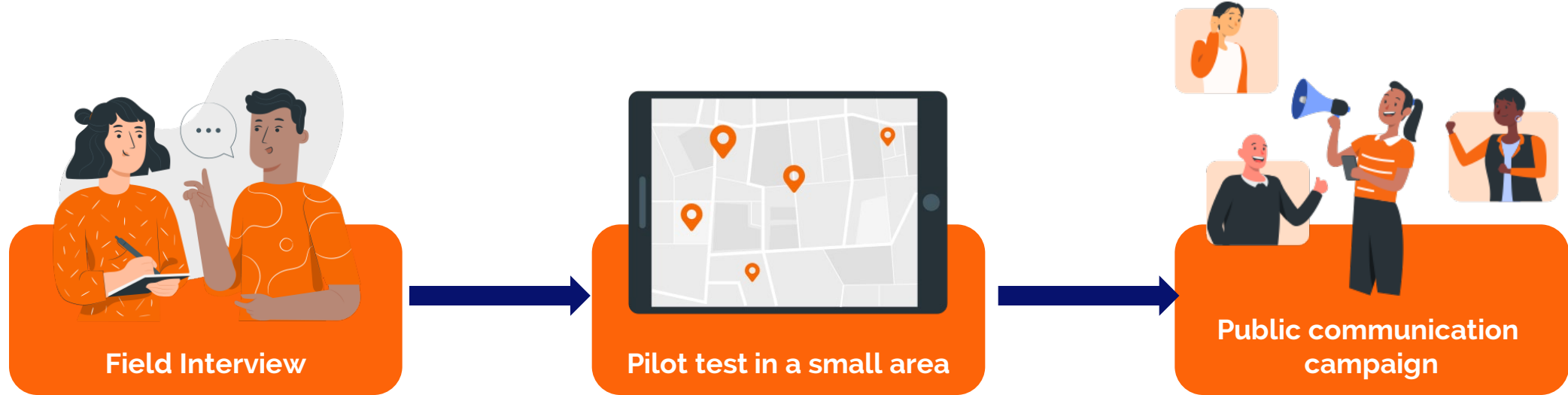
So, they still have their mail delivered home as usual, same price, same service

Benefits for stakeholders

Benefits for stakeholders



Roadmap



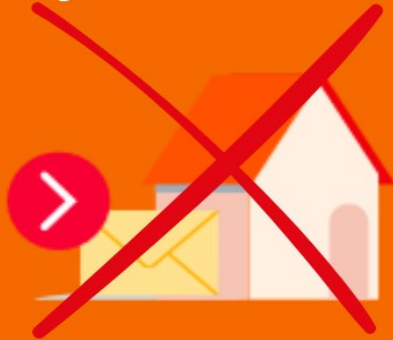
Investigate customer traction

Inform changes by adverts,
mail and social media

Emphasis on exception
for elderly and vulnerable
groups

Hurdles to expect:

Not able to pick up
your mail ?



Increase in volume
of stored items at
pick up point

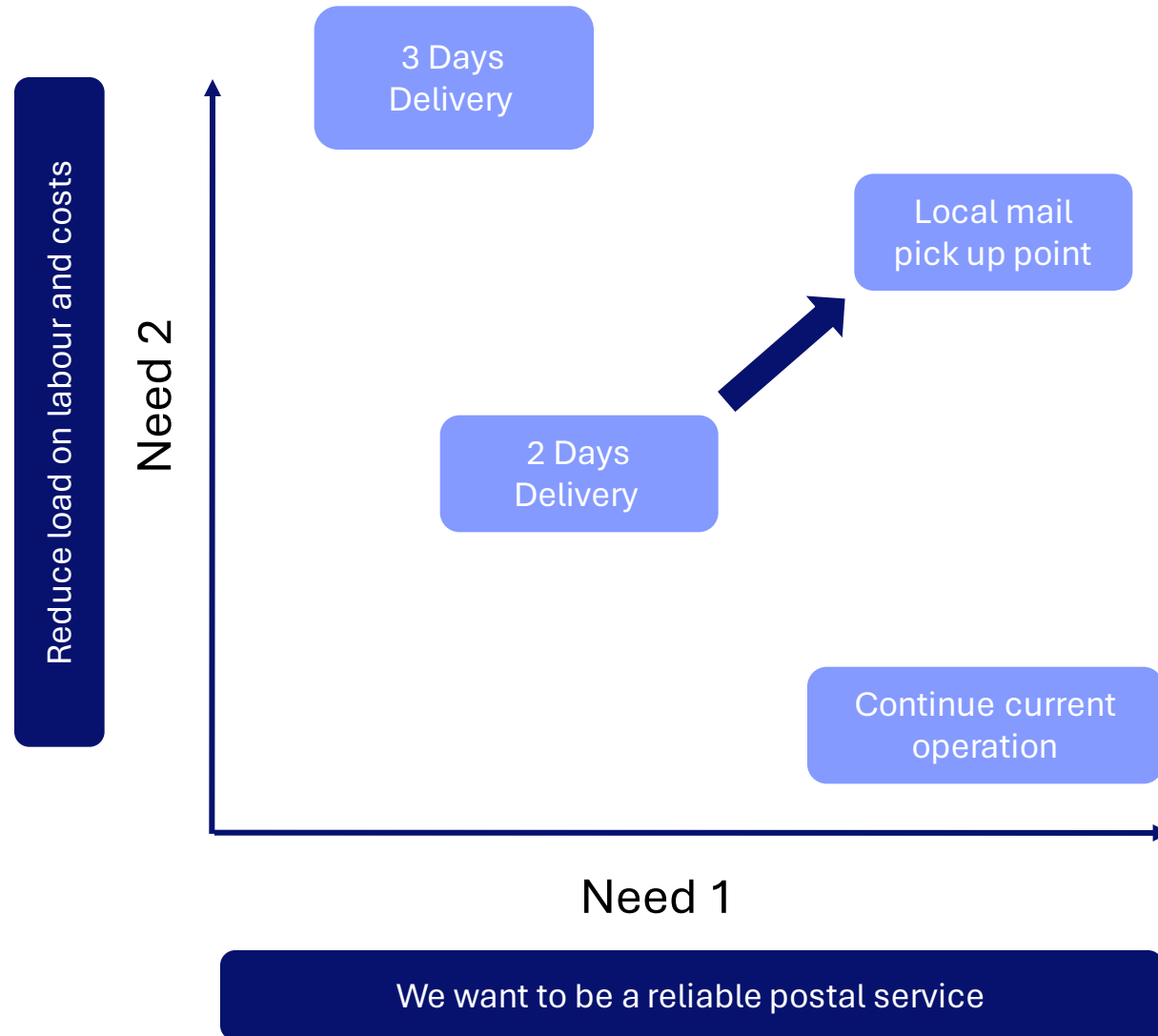


People feel
excluded



Actions to take: Would be discarded in a month or pay an extra price to get it delivered to your home

Tension plot



Functional and emotional benefits

Reduce costs while guaranteeing one-day access

Vulnerable individuals are taken into account - they can still enjoy the same services

Quality check

Some individuals might feel left out

Pick-ups not on same day

Reflection on teamwork

Activities

- Comprehensive desktop research before generating ideas
- Design solution based on the segmentation of user
- Discuss solution with the perspectives from stakeholders

Teamwork

- Divided tasks based on individual strengths

Pitfalls

- Design solution rather than fit to values of case holder

Thank you

Note

- **Public Awareness Campaigns:** Launch campaigns to inform the public about the changes and the reasons behind them, emphasizing the benefits such as cost savings and sustainability.
- **Pilot Programs:** Implement pilot programs in selected areas to test the impact of the proposed changes before a full-scale rollout.

Sources

- <https://www.postnl.nl/over-postnl/strategie/>
- <https://www.postnl.nl/api/assets/blt43aa441bfc1e29f2/blt60936fa8732724e8/65dc26faaf7236040aadb952/postnl-infographic-over-de-toekomst-van-post-februari-2024.pdf>
- <https://annualreport.postnl.nl/2023>
 - Several pages : for facts etc

<https://www.norge.no/en/digital-citizen/about-digital-mailbox>

<https://www.bnnvara.nl/kassa/artikelen/postnl-wil-post-niet-meer-de-volgende-dag-bezorgen>

Appendix

Real-word case study

- Neagetive example: The thing in denmark E-BOKS
 - Scanning in mail is not confidential
 - Enforcing technology is not nice.
- Digipost from Norway

Exploration

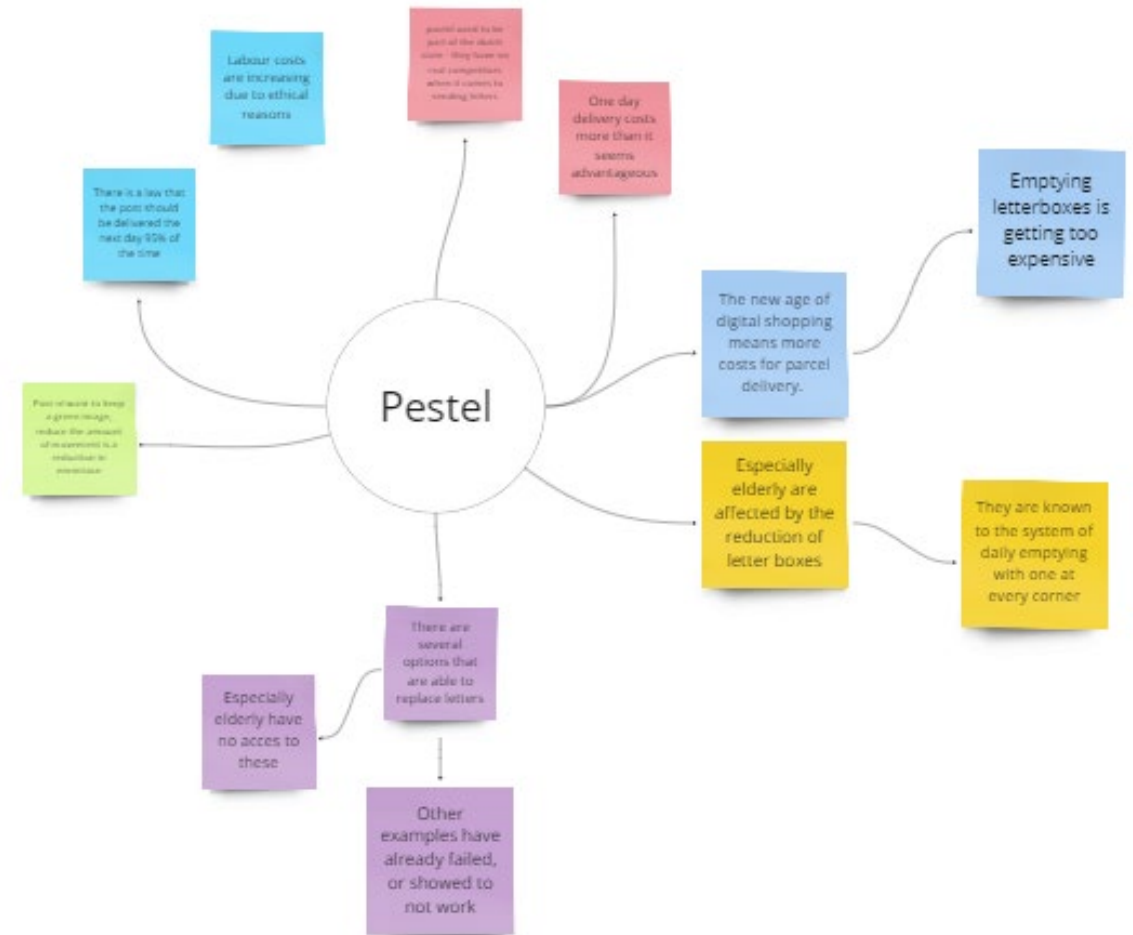
First idea: Mobile postal point

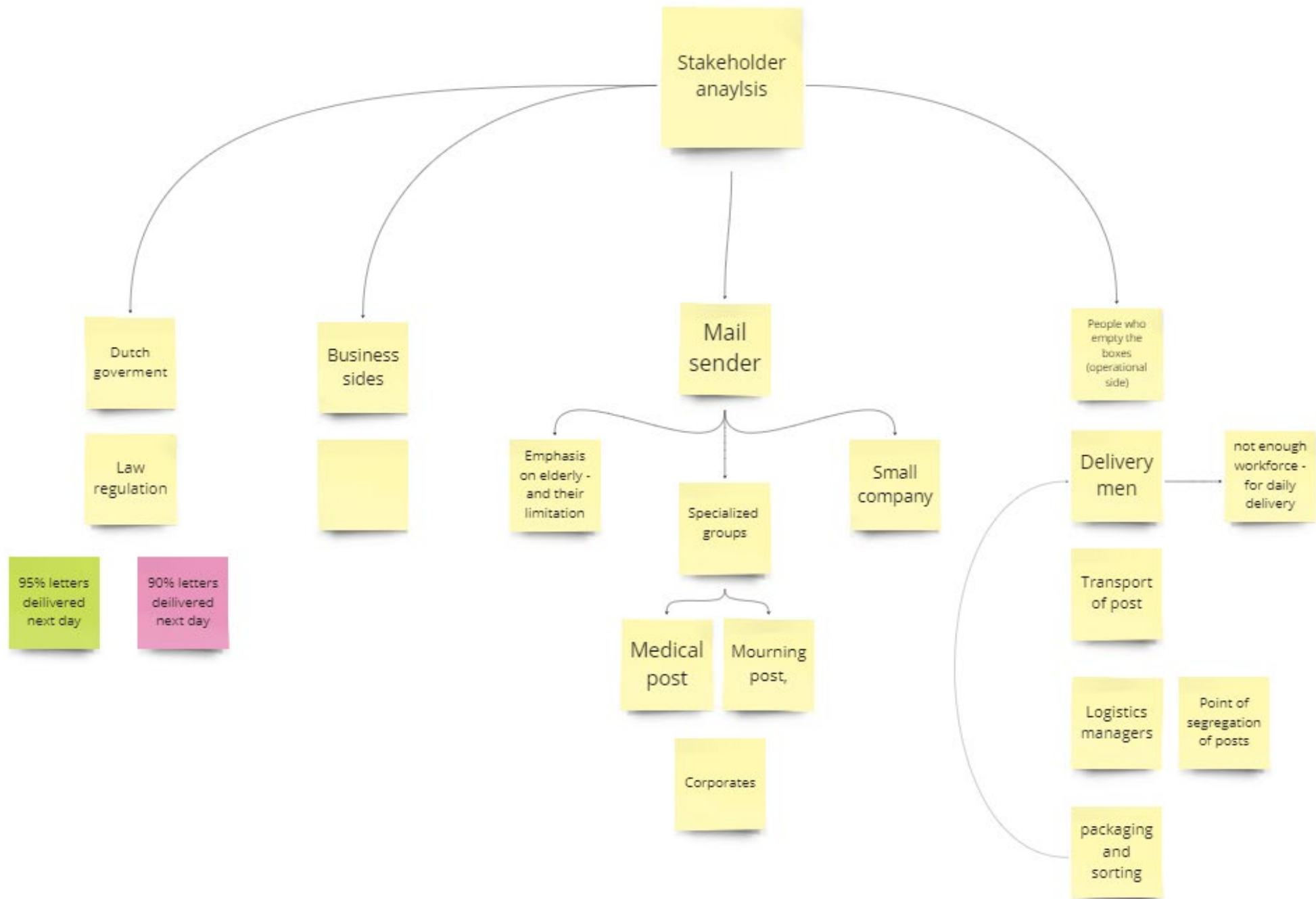
- Van moving around in the same community. No house delivery and less delivery man.

Second idea: Static postal point

- Set up Drop and Pick up point for mail together in the community, People will pick up the mail and send mail at the point

Pestel – curent situation





Understand values from postnl



Post NL website:

Several values are grounded to this: (social value) (limited workforce (they do not want to overwork them)) They highly value this.

Source: <https://annualreport.postnl.nl/2023/business-report/social-value/providing-the-dutch-by-postnl>

Story on the people.
Benefiting from delivering mail

Petra Bergman (80) has been a mail deliverer in the Dutch city of Zwolle, in the neighborhood where she lives, for fifteen years. As a diabetic, it is good for her to exercise for at least an hour a day. "Thanks to this job, I've really been given a boost," Petra says.

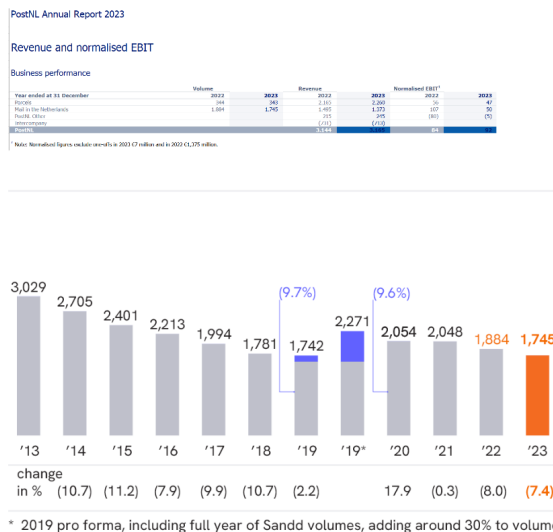
Source: <https://annualreport.postnl.nl/2023/business-report/social-value/promoting-health-and-well-being>

loop helps to reduce loneliness

In Lierum, the Netherlands, parcel deliverer Joop Toluen takes the concept of 'neighbourliness' (taking care of one another) seriously. Joop is an immigrant from the neighbourhood where everyone knows Joop, and Joop knows everyone. So, it's not surprising that he participates in our scheme to reduce loneliness. 'I have already passed on a few locations where I feel residents could benefit from some company,' says Joop. 'One involved a lady who had recently lost her husband and had not seen her son for over a year. I thought, before she ends up so isolated, I think it would be wise to pass this on. We remain anonymous when we make such a report, and the social workunit contact you to see if they can help. I would think that it's only once someone feels lonely that they need to do this, to do something about their loneliness.' 'I had never heard of it, but I've seen how important it is.'

<https://annualreport.postnl.nl/2023/business-report/social-value/postnl-makes-a-positive-impact-on-society>

95% in 2 days



positively. The consumer is front and centre, even more so in the future of e-commerce. We believe that out-of-home delivery options will increase. In many markets, but especially e-commerce, digitalisation will accelerate, and with this comes the further growth of networks and platforms. And, as I said before, the entire e-commerce logistics sector has the obligation to operate in the most sustainable way.

And what are your focus areas in 2024?

We aim to structurally deliver a return that exceeds its cost of capital.

As our Parcels strategy is geared towards capturing growth in e-commerce, we are dedicated to improving profitability towards the average margin over the 2019-23 period in our Parcels business over time. We are focused on a number of specific actions to balance volume, value and capacity for our company, our people and our customers.

For instance, further simplifying our product and pricing policies will enable us to pass on actual costs to customers and enhance the attractiveness of specific parcels by reflecting their true value in the prices we set. Additionally, we are further adjusting our operational network to make sure that we are able to both scale up and down in a cost-effective way. The improvement of our network includes opening a sorting centre in the Dutch city of Alphen aan de Rijn and a mini hub in the city of Utrecht. Both locations are essential to handle peak moments and ensure we can offer the right quality in set moments. And we are redesigning our range of delivery options, such as same-day and Sunday delivery, to better balance customer demands and financial feasibility. Also, we are exploring new opportunities, such as the integration of our transport services, to further improve our collection and sorting processes.

As inflation levels are still high and consumer spending is down, we know that volumes in our domestic markets will take time to recover. We are taking further cross-border initiatives to attract volumes by retaining and acquiring e-commerce

clients from Asia and Europe. For CBS Europe specifically, we will develop additional propositions, such as expanding fulfilment options for our cross-border clients.

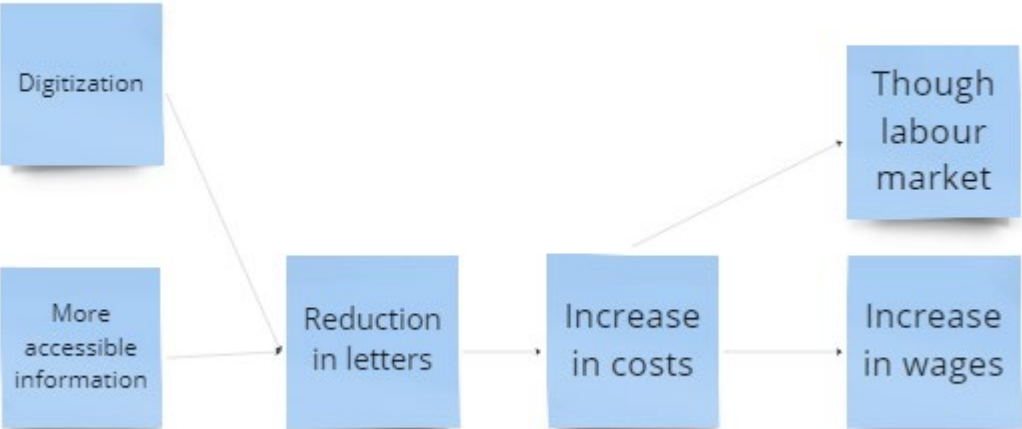
Exploring additional opportunities is crucial given our position as an integrator in the e-commerce value chain, and is therefore on our roadmap for 2024. For example, by opening up our automated parcel lockers to third parties. We've seen that digitalisation has shown a significant step-up in EBIT contributions, and this will only develop going forward.

For Mail in the Netherlands, our focus will be on realising our cost-saving plans and tariff increases. This will be alongside the new programmes we have started to fill as many mail deliverer vacancies as possible.

Mail in the Netherlands faces a challenging situation, with a continuous annual volume decline of 7 to 9 percent. Furthermore, the demand for mail to be delivered within a day has decreased even more significantly. This trend, combined with the sharp increase in labour costs, means that the universal service obligation (USO) will be loss-making from 2024 onwards, which will eventually apply to the entire mail business. Despite these challenges, it is our mission to keep postal services accessible and reliable, while maintaining realistic quality. After all, mail still plays a relevant role in our society.

This situation requires a **fundamental change in our service framework**, enabling PostNL to continue adapting to the declining volumes and changing customer demand in a **socially and societally responsible manner**. To make this necessary transformation possible, **a change in the current regulations is needed**. We ask the **ministry and politicians** to address this issue and to engage in dialogue about changing postal services. Together, we can ensure that we can sustainably maintain postal services in the Netherlands in the future. Through these changes, the postal company can achieve a return that is higher than the costs of capital for

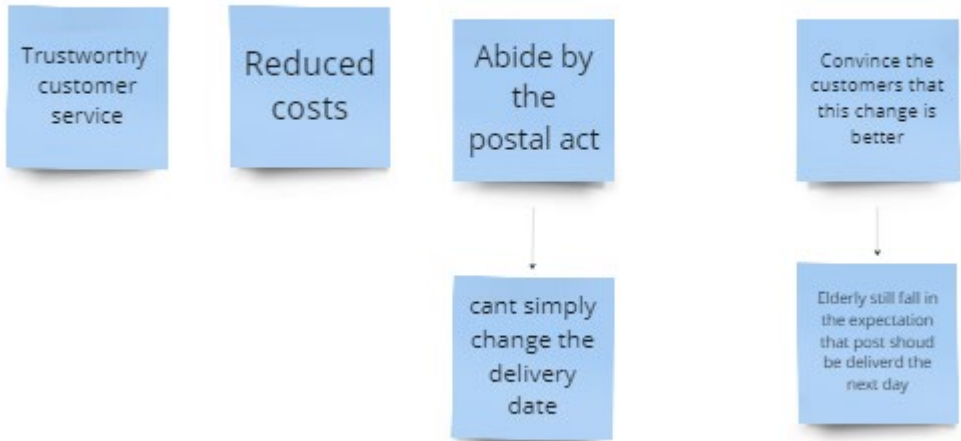
problem



Proposed solutions from their side



What do they need?



How do we achieve this?



What is the idea?

Set up Drop and Pick up point for mail together in the community, People will pick up the mail and send mail at the point

Idea in detail

Details



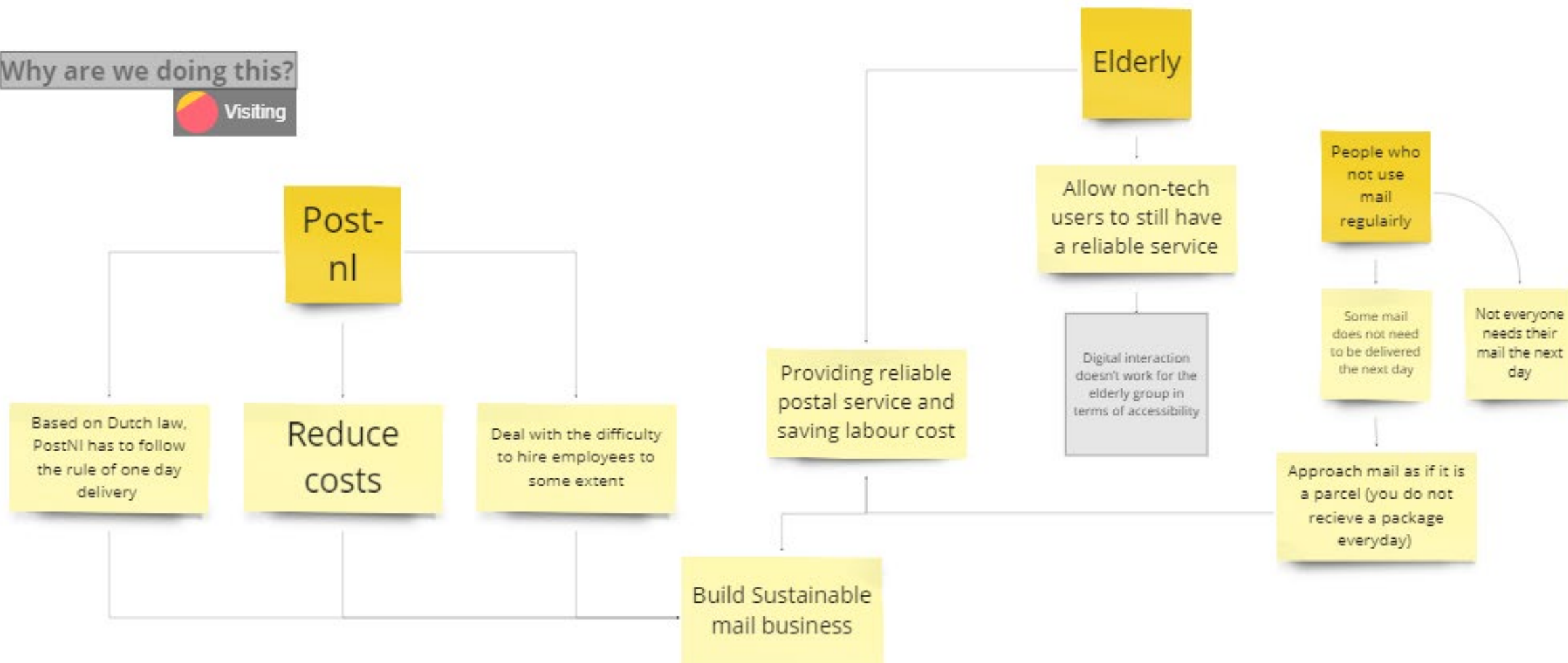
Who are we doing this for?

Post-
nl

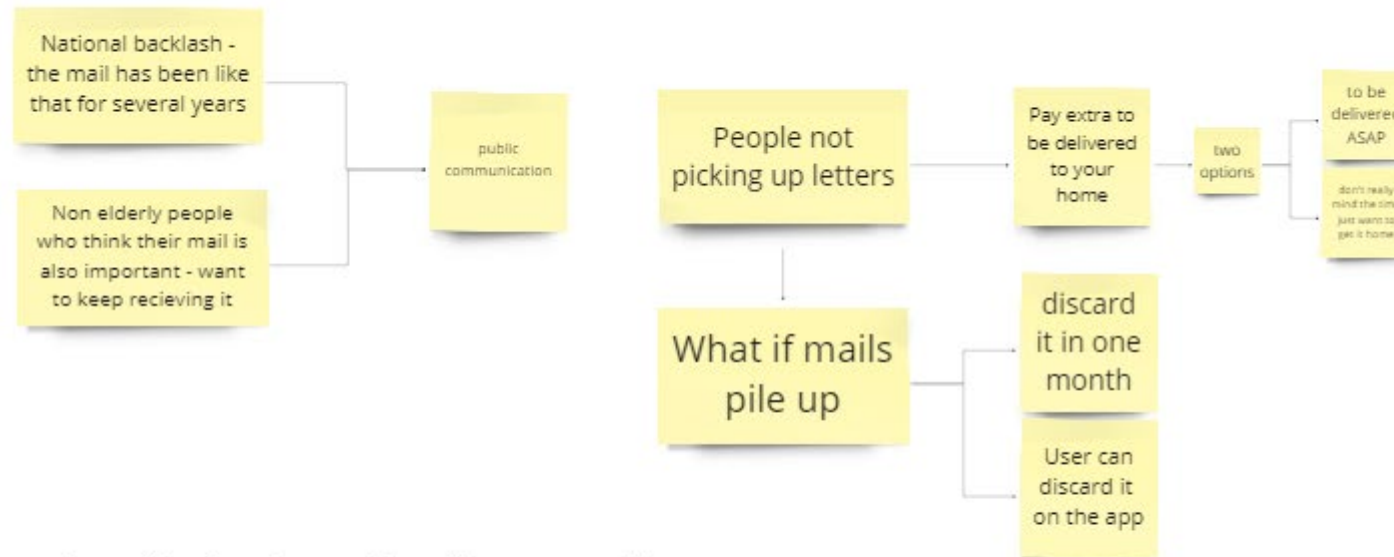
Elderly

People who
not use
mail
regularly

Why are we doing this?



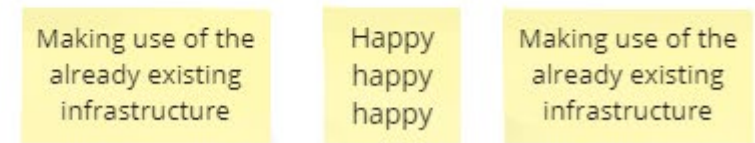
What kind of hurdles are we expecting? How do we solve these?



pains after implementing the concept?



gains after implementing the concept?



How stakeholders benefit

