

A Rapid Rise in Global Parcel Volumes Shows No Signs of Slowing

A look at the data from the most recent Pitney Bowes Parcel Shipping Index

By Jason Dies

This year's Parcel Shipping Index results revealed just how staggering 2020 was for the shipping and logistics industries. Notably, consumers continue to shift to make e-commerce the default method of shopping, which we anticipate will continue to pressure the industry in the coming years. With our forecast of global parcel volume doubling to 266 billion parcels in 2026, it's clear there's a lot to do across the industry to prepare for continued, exponential growth in the next few years.

2020 was an unprecedented year, and naturally some findings were surprising. One stat that stood out to me was that 2020 was the first year US parcel volume increased at a faster rate than China since the inception of the Shipping Index six years ago. It will be interesting to see how the future plays out, as we expect China to be the first country to reach 100 billion parcels by volume.

The Parcel Shipping Index has never been more relevant, and it's an exciting time to be in such a fast moving and changing industry that is being challenged by demand across the globe.

Jason Dies is EVP and President, Pitney Bowes Sending Technology Solutions.

Some Key Findings from the Shipping Index:

- ▶ Parcel volume reached 131.2 billion in 2020, up 27% from 103.2 billion
- ▶ Parcel revenue reached \$429.5 billion, up 22% since 2019
- ▶ Highest CAGR 2014-20 for parcel volume was generated by China at 35%, followed by Brazil at 18% and India at 15%
- ▶ Highest CAGR 2014-20 for parcel revenue was generated by China at 27%, followed by India at 16% and US and UK, both with 11%
- ▶ The top three markets by revenue – US at \$171.4 billion, China at \$127.5 billion, and Japan at \$33.3 billion – represented 77% of global parcel revenue in 2020
- ▶ United States remained the market with the highest carrier revenue, reaching \$171.4 billion, an increase of 29% year over year

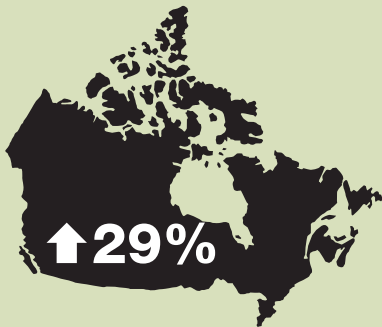
These are just some of the key findings from this year's index. To download the full Pitney Bowes Parcel Shipping Index ebook and view the video, infographic, and interactive map, please visit <https://www.pitneybowes.com/us/shipping-index.html>.

Parcel Shipping Index Findings by Region

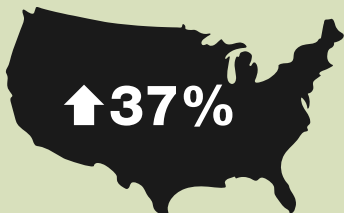
Americas



BRAZIL'S INCREASE IN PARCEL VOLUME WAS THE HIGHEST ACROSS THE STUDY, EXCEEDING ONE BILLION FOR THE FIRST TIME, REACHING 1.2 BILLION IN 2020 – A 46% INCREASE FROM 0.85 BILLION IN 2019.

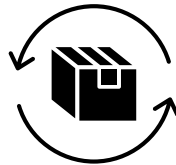


CANADA'S INCREASE IN REVENUE WAS ONE OF THE HIGHEST IN THE STUDY AT 29%, REACHING \$11.5 BILLION, UP FROM \$8.9 BILLION. VOLUME REACHED 1.6 BILLION, UP 29%.

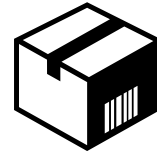


IN THE UNITED STATES, PARCEL VOLUME ROSE BY 37% TO REACH 20.2 BILLION. PARCELS PER CAPITA REACHED 61 IN 2020, UP FROM 45 IN THE PREVIOUS YEAR.

Europe



IN GERMANY, ALL LARGER CARRIERS (INCLUDING DPD, DHL, AND GLS) REPORTED REVENUE GROWTH, WHILE SMALLER CARRIERS COMPRISING 'OTHERS' SAW THEIR GROWTH DECLINE.



ITALY SAW PARCEL VOLUMES EXCEED 1 BILLION FOR THE FIRST TIME, REACHING 1.3 BILLION, UP 31% FROM 2019.



UK GENERATED THE HIGHEST INCREASE IN CARRIER REVENUE ACROSS THE INDEX, UP 37% TO \$22.2 BILLION FROM \$16.1 IN 2019. REVENUE PER PARCEL INCREASED – FOR THE FIRST TIME SINCE 2016 – TO \$4.4.



AUSTRALIA GENERATED THE THIRD HIGHEST REVENUE PER PARCEL ACROSS THE INDEX, AT \$7.6 AFTER FRANCE AT \$9.3 AND THE US AT \$8.5, ALTHOUGH THIS HAS FALLEN SINCE IT REACHED \$9.8 IN 2014.

Asia Pacific



INDIA WAS THE ONLY COUNTRY TO SEE A DECLINE IN PARCEL VOLUME IN 2020, DOWN 16% TO 2.4 BILLION PARCELS FROM 2.9 BILLION IN 2019. THIS IS LIKELY TO BE A RESULT OF PANDEMIC-RELATED EXCEPTIONAL CIRCUMSTANCES AND NOT CONSIDERED A TREND.

100 billion

CHINA REACHED 83.4 BILLION IN PARCEL VOLUME, UP FROM 63.5 BILLION IN 2019, THE LARGEST OF ALL MARKETS BY VOLUME AND THE FIRST COUNTRY IN THE INDEX FORECAST TO REACH 100 BILLION IN 2021, WHICH IT IS EXPECTED TO REACH IN 2021.

JAPAN'S PARCEL VOLUME REACHED 9.1 BILLION, UP FROM 9 BILLION IN 2019. REVENUE INCREASED BY SIX PERCENT TO \$33.3 BILLION.

