



Mailing and Shipping Priorities for 2021 and Beyond

How Canadian Businesses Are Adapting

Contents

This content is for executives and professionals who seek to:

- Learn how Canadian companies are adapting mailing and shipping practices in remote work environments
- Understand investment trends in mailing and shipping
- Reduce mailing and shipping costs by modernizing existing systems



Estimated reading time: less than six minutes

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Introduction



“Most businesses are watching expenses while also evaluating strategic investments—particularly related to digital transformation—that could ultimately reduce costs and increase efficiencies.”

COVID-19 has had a monumental impact on how we do business and how businesses communicate, with companies embracing new business innovations and efficiencies to adjust to distributed work environments.

Canada's chief central banker, Tiff Macklem, has warned of a long, slow recovery as successive rounds of COVID-19 lead to a “scarring” of the domestic and world economy.¹ To understand and anticipate how mailing and shipping trends may change over the next 6 to 12 months, Pitney Bowes conducted a survey of 208 Canadian enterprise and government employees to understand mailing and shipping challenges and investment priorities as a result of COVID-19.

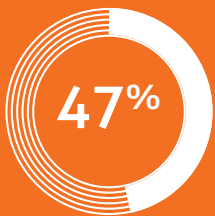
Most businesses are watching expenses while also evaluating strategic investments—particularly those related to digital transformation—that could ultimately reduce costs and increase efficiencies in mailing and shipping. Enterprises are looking for opportunities to modernize systems now to accelerate the return from these increased efficiencies.

Investments in shipping and mailing

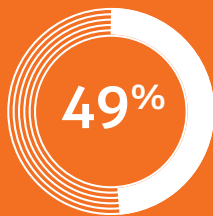
(short- and long-term)

Results from the survey indicate an interest in both short- and long-term investments to optimize mailing and shipping costs and processes. Over the next six months, 25% of companies plan to invest in mailing and shipping technology related to order fulfillment, and 25% plan to invest in e-document solutions. Over a 12-month time period, those numbers nearly double to 47% for order fulfillment and 51% for digitalization and e-document solutions. This highlights how an uncertain economic outlook directly impacts short-term investment planning. The survey also showed a slight variance in priorities depending on the vertical industry.

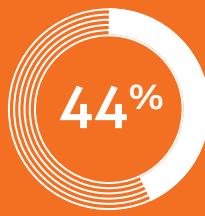
Medium-sized businesses planning to invest in 12 months:



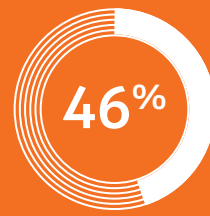
Mailing & shipping equipment



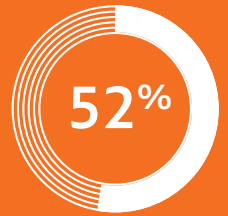
Mailing & shipping software, deployed across many locations



Reporting tools to optimize costs and efficiency



Intelligent lockers for contactless pick-up



Order fulfillment



Medium-sized businesses

Medium-sized businesses (respondents with 100-500 employees) offered an interesting perspective on the investment timeline question: almost all respondents showed tepid interest in investing in the short term, but the number of respondents indicating an interest in long-term investments (12-months) nearly doubled across the board.

Investing in servicing and installing equipment

The survey also indicated a slightly greater desire to invest in new equipment and shipping software (65%) versus servicing existing equipment and shipping software (59%).

Government

Government respondents cited "digitizing mailing/shipping (e-document solutions)" as a top priority (33%), suggesting their current processes need updating and modernization.



The rise of contactless pickup

One of the biggest trends to emerge from COVID-19 is contactless pickup—whether on university or college campuses, in brick-and-mortar retail, grocery stores, restaurants, or healthcare. Businesses are concerned with protecting their employees, clients and the general public. It will be interesting to see how this trend evolves as we continue to work within the “new normal,” and what new technologies or procedures businesses adopt to meet employee/customer demands. Based on the rapid pace of change, this evolution may continue for the foreseeable future.

Two of the top fulfillment challenges cited by all respondents were the “ability to provide 24/7 contactless package pick up for students, employees or customers” and the “ability to select cheap shipping rates with short delivery times” (31% and 27% cited these challenges, respectively).



Digital lockers offer safe, secure and trackable contactless pick-up

As mail and parcel volumes reach record levels, shippers and logistics companies are on a collision course

Regardless of the industry—speed and costs are two considerations impacting almost all shipping decisions. However, they are locked in a zero-sum formula: as things are done faster, they require more assets, infrastructure and manpower, which in turn costs more money. You cannot do things faster and cheaper. In an uncertain business and economic environment, businesses are relying on speed more than ever to get things done quickly and efficiently to keep revenue coming in, but in the end, something has to give.

Pitney Bowes is tracking these influential topics of connected sending for remote workers, cloud-based applications and contactless delivery and has a number of products and services to meet clients' growing demands across these developing trends.

“Offering quicker delivery options (1-, 2- or 3-day delivery)” (34%) and “reducing shipping & logistics costs” (37%) were among the top fulfillment challenges for all respondents—but they run counter to each other. With some carriers raising rates for the holiday season or in the beginning of the new year, enterprises will need to identify innovative ways to reduce costs while maintaining delivery times.

An acceleration of digital transformation

While the term “digital transformation” has been top-of-mind for some time, COVID-19 has dramatically accelerated the process as companies seek to digitize operations, respond to e-commerce trends and adjust to distributed work environments.



Fifty-one percent of respondents say they are looking to invest in digitizing mailing/shipping (e.g., e-document solutions) in the next 12 months.



Thirty percent of office workers note they are “increasing paperless adoption for customer communications,” highlighting a transition that may have several benefits for speed of correspondence and record-keeping.



The trends reflect that people who are working remotely lack access to mailrooms, fax machines and other office equipment, and need to find alternative ways to keep businesses moving forward. Many have opted for digital solutions—collecting digital signatures, for example. These solutions not only reduce reliance on office equipment; they speed up business communications and procedures.



Twenty-six percent of respondents also cited “gaining more efficiency with inventory management” as a critical fulfillment challenge, suggesting that siloed inventory tracking (or even paper copies) may soon be a thing of the past as software solutions tackle previously paper-based processes.

Empowering a remote workforce

Early in the spring of 2020, many companies anticipated returning workers to offices by summer. However, by summer, companies including big tech players such as Facebook, Google, Twitter and others conceded they'd need to embrace remote work long term.

According to a recent study by the Conference Board of Canada, two-thirds of Canadian businesses have at least 60% of their workforce working remotely, compared to less than 20% before the pandemic.²

With around 650,000 workers³, the Canadian healthcare system's reach is significant, and the government is one of the country's largest employers. When asked about their biggest challenges stemming from COVID-19, healthcare respondents indicated "enabling the workforce from remote locations" (50%). The challenge will likely continue, as there's no clear timeline in sight when remote workers will shift back to previous ways of working, if at all. With telemedicine and digital communications tools becoming more popular and even expected, a hybrid work model may require healthcare organizations to continue supporting remote work.

What was once dubbed the "future of the work" is now here. Its implications are directly impacting how businesses are making investments in connectivity (and ultimately productivity), but it's interesting to watch—against the backdrop of an uncertain economic environment where capital expenditures may be hard to come by for organizations—how heavy the investment will ultimately be.



Longer-term trends

While many remote workers have adapted to their new environments, one slice of the workforce feels unsettled. Government employees (who saw the greatest proportion of remote workers rise pre- vs. post-COVID at 55%) along with enterprise workers (with about 50% of workforce working remotely, an increase of 26% versus pre-COVID levels) have experienced the most significant change. In new environments, they are searching for new ways to add value and re-invent themselves, with some helping colleagues use digital solutions as workers wait to return to the office.

Prioritizing your short- and long-term investments

In summary, Canadian enterprises are evaluating both short- and long-term investments in shipping and mailing, with digitization becoming a priority particularly with the prospect of long-term remote or hybrid work environments. Some office workers with responsibilities covering mailing and shipping are re-skilling to support colleagues with remote digital solutions until workers return to the office. In retail, speed of delivery is a top priority, though organizations are also concerned with offsetting the costs of high-speed delivery.

There is no denying we are facing uncertain times, but insights are helping enterprises plan ahead with key considerations like modernizing systems to meet the contactless delivery trend (i.e., intelligent lockers) and reducing costs and increasing efficiency through innovation in mailing and shipping software and analytics software to optimize postage spend.



All the solutions you need to support smarter sending decisions across your organization

Today's businesses need smart, flexible sending solutions to adapt to fast-changing workplace dynamics. Pitney Bowes has the right technologies to streamline every aspect of the sending process, drive efficiency and control costs, plus comprehensive data analytics that provide actionable intelligence for sharper decision making.



Simplify sending

Help your employees save time and money on shipping and mailing, no matter what they send or where they work.



Increase visibility

Easily optimize sending operations and control costs across all of your locations and carriers.



Enhance delivery

Reduce costs with efficient tracking of incoming packages or delivery of packages using multiple carriers. Deliver peace of mind with contactless solutions.



Minimize risk

Rely on detailed insight to prove you got it right when sending your critical communications.

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Learn how to optimize your mailing and shipping operations by visiting our [Sending Technology Solutions](#) site.

Methodology:

In July 2020, Pitney Bowes conducted a five minute online survey interviewing 208 Canadian enterprise and government employees to understand mailing and shipping challenges and investment priorities as a result of Covid-19