

Global Parcel Volume Exceeds 131 Billion in 2020, up 27 Percent Year-Over-Year, Finds Pitney Bowes Parcel Shipping Index

STAMFORD, Conn., September 28, 2021 - Pitney Bowes Inc. (NYSE: PBI), a global technology company that provides commerce solutions in the areas of ecommerce, shipping, mailing, data and financial services, today released the new Parcel Shipping Index featuring 2020 data from 13 major markets around the world. The Index finds global parcel volume reached 131.2 billion in 2020, equating to 4160 parcels shipped per second - an increase of 27 percent year-over-year. 34 parcels were generated per person, on average. Looking ahead, the Index estimates parcel volume could reach 232 billion or as high as 303 billion by 2026. The most likely outcome is that parcel volume will double in the next five years to reach 266 billion in 2026 with an 11 percent CAGR from 2021-26.

This press release features multimedia. View the full release here:
<https://www.businesswire.com/news/home/20210928005317/en/>

The Pitney Bowes Parcel Shipping Index, now in its sixth year, reveals parcel volume increased across all regions in 2020 with the exception of India. China remains the largest market by volume, with parcel numbers reaching 83.4 billion in 2020 or 2643 parcels shipped every second. Based on forecasts from Pitney Bowes, China is expected to become the first country in the Index to reach 100 billion parcels by volume in one year, which is likely to happen in 2021. 2020 was the first year US parcel volume increased at a faster rate than China since the inception of the Shipping Index.

Carrier parcel revenue increased across all 13 countries in 2020, collectively reaching \$429.5 billion, up 22 percent since 2019. The US remains the market with the highest carrier revenue of all regions in the Index. Countries including the US, Brazil and Australia saw their more established carriers lose market share to competitors.

The latest Index introduces a new performance measure, revenue per parcel. Tracking this datapoint provides insight into carriers' ability to respond profitably to changing market conditions. France generated the highest revenue per parcel in the report at \$9.3. China's revenue per parcel was the lowest at \$1.5.

Key findings from the latest Parcel Shipping Index include:

- **Parcel volume** reached 131.2 billion in 2020, up 27 percent from 103.2 billion
- **4160 parcels shipped per second** compared to 3248 in 2019
- **Parcel revenue** reached \$429.5 billion, up 22 percent since 2019
- **Highest CAGR 2014-20 for parcel volume** was generated by China at 35 percent followed by Brazil at 18 percent and India at 15 percent
- **Highest CAGR 2014-20 for parcel revenue** was generated by China at 27 percent followed by India at 16 percent and US and UK, both with 11 percent
- **The top three markets** by revenue – US at \$171.4 billion, China at \$127.5 billion and Japan at \$33.3 billion - represented 77 percent of global parcel revenue in 2020
- **China** remains the largest market in terms of parcel volume, reaching 83.4 billion, up 31 percent from 63.5bn, followed by the US at 20.2 billion and Japan at 9.1 billion
- **United States** remained the market with the highest carrier revenue, reaching \$171.4 billion, an increase of 29 percent year over year
- **Brazil** experienced the highest year-over-year parcel volume growth at 46 percent to 1.2 billion parcels, followed by the US at 37 percent and UK at 33 percent
- **Japan** saw an increase in parcel volume for the first time in three years, with volume reaching 9.1bn, up from 9bn in 2019
- **India's** parcel volume decreased but carrier revenue continued to grow, reaching \$4.5bn, up from \$4.4 the previous year
- **United Kingdom** saw the highest increase in carrier revenue, up 37 percent year over year to \$22.2 billion
- **France** generated the highest revenue per parcel at \$9.3

"For six years, the Pitney Bowes Parcel Shipping Index has tracked monumental change across the shipping and logistics industry, reflecting shifting consumer behaviors and carriers' ability to adapt at scale," said Jason Dies, EVP and President, Sending Technology Solutions, Pitney Bowes. "Ecommerce has become fundamental to our lives, and the

staggering parcel volume revealed in the latest Index reflects this. For the world's carriers, as essential service providers 2020 was a transformative year which tested their investments in people, infrastructure and digital capabilities to the limit. The Parcel Shipping Index accurately tracks and compares their performance during one of the hardest years they've ever faced. The Index has never been more widely anticipated or more relevant."

The Pitney Bowes Parcel Shipping Index measures 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 13 major markets, representing 3.8 billion people in the U.S., Canada, Brazil, Germany, UK, France, Italy, Norway, Sweden, China, Japan, Australia and India. Based on proprietary and published data, the Index has become a valued industry benchmark and a reliable source of accurate forecasting since the inaugural report in 2016.

Parcel Shipping Index Findings by Region

Americas (Brazil, Canada, United States)

- **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 percent increase from 0.85 billion in 2019. Its revenue per parcel showed the highest rate of decline, at -22 percent y-o-y. Brazil Post decreased its revenue market share by 15 percentage points with a 27 percent revenue share decline CAGR 2014-2020.
- **Canada's** increase in revenue was one of the highest in the study at 29 percent, reaching \$11.5 billion, up from \$8.9 billion. Volume reached 1.6 billion, up 29 percent.
- **United States** generated the highest carrier revenue in the Index, at \$171.4 billion, an increase of 29 percent y-o-y. Parcel volume rose by 37 percent to reach 20.2 billion. Parcels per capita reached 61 in 2020, up from 45 in the previous year. The rise of Amazon Logistics was most prominent in the US as UPS' and FedEx's share of both parcel volume and revenue declined. Amazon Logistics generated 109 percent y-o-y parcel revenue growth and 127 percent increase in parcel volume.

Europe (France, Germany, Italy, Norway, Sweden, UK)

- **France** generated the highest revenue per parcel in the Index at \$9.3. Parcel volume reached 1.6 billion, up 18 percent year over year. Revenue rose 11 percent to \$14.6 billion.
- **Germany** generated 4.1 billion parcels in 2020, up 12 percent from 3.7 billion the previous year. Carrier revenues reached \$21.6 billion, up 18 percent, while revenue per parcel rose 5 percent to \$5.3. 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 percent from 2019. Carriers generated \$9.6 billion in parcel revenue, a 24 percent y-o-y increase. While revenues per parcel were some of the highest in the Index at \$7.4, this was a decline of 5 percent from the year prior.
- **Norway** generated 98.5 million parcels, up from 76 million the previous year. Revenues reached \$210.7 million. Posten Norge retained 79 percent of carrier volume market share as it has every year since 2014, with revenue per parcel reaching \$2.1.
- **Sweden** saw parcel volumes reach 170 million, up 26 percent y-o-y reaching 17 parcels per capita, an increase from 13. Carrier revenue per parcel is \$2.1 and had been declining since 2016.
- **UK** generated the highest increase in carrier revenue across the Index, up 37 percent to \$22.2 billion from \$16.1 in 2019. Revenue per parcel increased – for the first time since 2016 – to \$4.4. Of the major carriers, Hermes saw the biggest increase in market share (from 6 percent to 11 percent) and the highest growth in volume (63 percent). Parcels per capita rose to 74 – the highest in the Index - from 56 in 2019.

Asia Pacific (Australia, China, India, Japan)

- **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. Revenue reached \$7.8 billion, up 9 percent. Parcel volume reached 1 billion for the first time, up from 934 million in 2019. Australia Post retains its dominant market share of 40 percent of the market by volume and 39 percent by revenue.
- **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. Parcels

per capita reached 58 from 45 in the year prior. Parcel revenue reached \$127.5 billion, up 17 percent y-o-y.

- **India** was the only country to see a decline in parcel volume in 2020, down 16 percent 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. Despite this volume decline India generated a 3 percent increase in parcel shipping revenue reaching \$4.5 billion. Amazon Logistics has been steadily increasing its market share by volume with 4 percent CAGR from 2014-20.
- **Japan's** parcel volume reached 9.1 billion, up from 9 billion in 2019. Revenue increased by 6 percent to \$33.3 billion. While parcel revenue has grown steadily since 2016, parcel volumes peaked in 2017 at 9.6 billion.

To download the Pitney Bowes Parcel Shipping Index ebook and view the video, infographic and interactive map, please visit <https://www.pitneybowes.com/us/shipping-index.html>.

The Shipping Index is an example of research Pitney Bowes conducts annually to provide insight and forecasts on the shipping and logistics industry. Pitney Bowes also conducts BOXpoll™ a series of weekly consumer surveys in partnership with Morning Consult. Please visit www.pitneybowes.com/boxpoll for the latest BOXpoll findings.

About the Pitney Bowes Parcel Shipping Index

The Pitney Bowes Parcel Shipping Index measures parcel volume and spend for business-to-business, business-to-consumer, consumer-to-business and consumer consigned shipments with weight up to 31.5kg (70 pounds) across Australia, Brazil, Canada, China, France, Germany, India, Italy, Japan, Norway, Sweden, the United Kingdom and the United States. Population data points were sourced from the International Monetary Fund, World Economic Outlook Database published in 2020. The Pitney Bowes Parcel Shipping Index spans 13 countries and represents the parcel shipping activity of 3.7 billion people.

About Pitney Bowes

Pitney Bowes (NYSE:PBI) is a global technology company providing commerce solutions that power billions of transactions. Clients around the world, including 90 percent of the Fortune 500, rely on the accuracy and precision delivered by Pitney Bowes solutions, analytics, and APIs in the areas of ecommerce fulfillment, shipping and returns; cross-border ecommerce; office mailing and shipping; presort services; and financing. For 100 years Pitney Bowes has been innovating and delivering technologies that remove the complexity of getting commerce transactions precisely right. For additional information visit Pitney Bowes at www.pitneybowes.com.