



EUROPEAN ENVELOPE MANUFACTURERS' ASSOCIATION

PRESS RELEASE

46% of cross-border e-commerce purchases would fit into a mailbox Product returns a market opportunity for envelope manufacturers?

Brussels, 24 September 2018: E-commerce and its opportunities for the envelope industry were the central theme of the 61st Congress of the European Federation of Envelope Manufacturers (FEPE), held in Tallinn, Estonia, from 13-15 September 2018.

46% of online purchases would fit into a mailbox if efficiently packaged according to the IPC cross-border e-commerce shopper survey 2017, presented by Luke Lloyd. However, **with a 78% share, boxes are by far the preferred packaging option** a study on packaging preferences commissioned by FEPE revealed. Padded envelopes take 8% of the share, followed by cardboard wraps and paper envelopes (3%). Behind these figures lies the concern of both retailers and customers to protect shipped goods, explained Maurits Bruggink from the European eCommerce & Omni-Channel Trade Association.

The main challenges facing European envelope producers are the move towards digitalization and substantial postal and raw material price increases, according to Jean de Couëspel, Chair of FEPE's Markets Committee. However, he sees opportunities as e-commerce volumes increase and informed delegates that environmental pressure is pushing decision makers back to paper. Maynard Benjamin from the Global Envelope Alliance agreed that envelopes have major advantages in terms of ease of delivery, environmental factors and packaging and transport costs. **He sees online shopping returns as a market opportunity for envelope manufacturers.**

IPC also investigated the effectiveness of printed Direct Mail in e-commerce relations and revealed that **44% of those receiving a Direct Mail from their online retailer went on to make a purchase**. David Gold from Royal Mail confirmed the power of Direct mail, reporting that **in the UK 65% of all addressed mail is opened** and around 30% of advertising mail stays in the household for about a week (JICMail study 2018).

Joost van Nispen, the founder of the Institute for the digital economy, inspired delegates with insights on how the six generations alive today behave, communicate and shop. The huge differences between generations cannot be reduced just to age. Shared formative economic, socio-demographic, political, technological and lifestyle experiences also shape expectations and behaviour.

The economist Andrea Boltho analysed the various challenges that the European economy is currently facing and concluded that despite the possibilities of an acrimonious Brexit, higher interest rates, a financial crisis or renewed Eurozone tensions, **continuing moderate growth in Europe is feasible for several years.**

The Congress was attended by 76 delegates from 21 countries, representing envelope manufacturers and their suppliers. It was kindly sponsored by UPM, Stora Enso, W+D, AW Window Film, Eukalin, Multiplastics, Leipa, Sidaplast and Transcendia.

Next year's FEPE Congress will take place from 3-5 October in Porto. For further information please contact Lisa Kretschmann: info@fepe.org or +32 2 779 4001.