

Come together

AN INNOVATIVE AND RADICAL APPROACH THAT REQUIRES POST OFFICE EXECUTIVES TO BE PREPARED TO TRIAL AND VALIDATE NEW SERVICES TO HELP REPOSITION LOCAL POST OFFICES AS DIGITAL HUBS

Post office networks all around the world are facing many of the same challenges in trying to adapt or radically change their current business models to accommodate the demands of retail customers. Providing mail and financial services underpinned by eroding government business will not sustain post office networks or provide a viable future for the operators, sub-postmasters and agents down at the hyperlocal level.

As a result of the global economic situation we have seen over the past few years, consumers' general distrust of big business has intensified and it is not only banks that have experienced this shift in consumer attitudes. The post office brand, however, has largely been unaffected and is still generally viewed as one of the most trusted and loved brands on the high street. It is now time for post office networks to really take advantage of having this trusted brand and seek to commercialise it at every opportunity.

Based on personal experience, I vehemently believe the local agent providing post office services to the local community is undervalued and underutilised. They are also trusted by consumers and often play an important social role in most communities they serve. Their local knowledge is unrivalled and

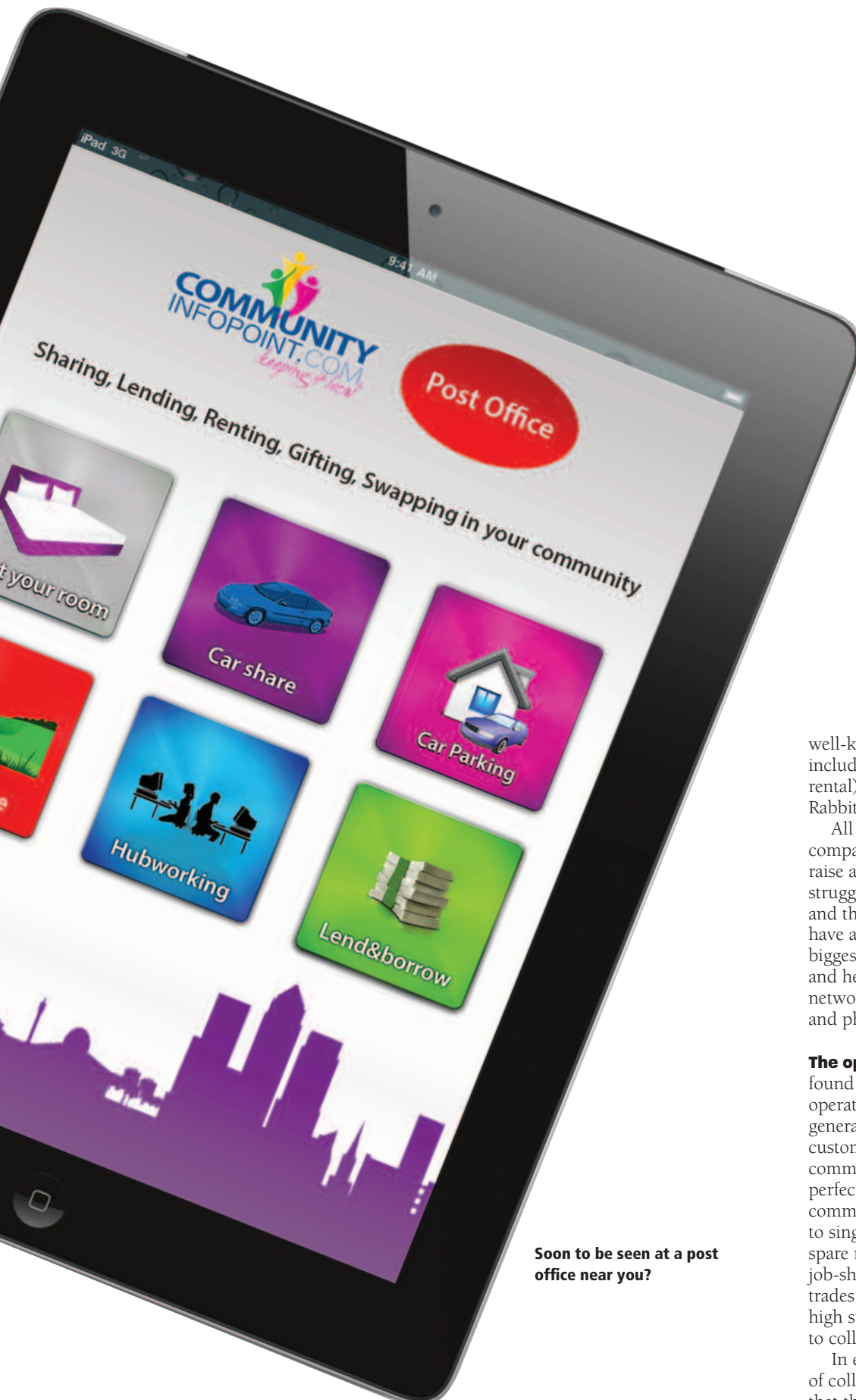
should be readily exploited to enable new revenue streams to flow from innovative community services. With proper incentives these local agents would provide a formidable sales force for post office networks to exploit when bidding for new areas of business.

Collaborative consumption Collaborative consumption takes the traditional actions of sharing, lending, bartering, swapping, renting, gifting and redefining them through technology and peer communities to transform business, consumerism and the way we all live now.

A disruptive change is happening as a result of empowering people to make money from things they own and that would otherwise be sitting idle. If we look at the early adopters – Wikipedia, Facebook, Twitter and Flickr, and also established peer-to-peer communities such as eBay – we can see that the collaborative consumption sector is evolving very quickly. More recently emerging sub-sectors include social lending, car sharing, travel, co-working, land sharing and peer-to-peer rental.

The sector is also attracting considerable investment in those companies that have proved their business model – venture capitalists invested over £400 million in the USA in 2011. The most successful and





Soon to be seen at a post office near you?

well-known companies receiving funding include Zopa (lending), Airbnb (room rental), Zipcar (car sharing) and Task Rabbit (job sharing).

All collaborative consumption companies currently rely on the internet to raise awareness of their service yet still struggle to tap into the hyperlocal space and those consumers that do not yet use or have access to the internet. One of the biggest hurdles they face is gaining trust – and here lies the opportunity for post office networks to facilitate and offer a hyperlocal and physical channel for this sector.

The opportunity Post office outlets can be found in most local communities. They are operated by agents/postmasters who are generally held in high regard by their customers. Their knowledge of the community is unrivalled and they are the perfect local force to identify available community assets from empty office space to single-person car journeys to work, and spare room capacity in customers' homes to job-sharing opportunities. The local agent trades under the most trusted brand on the high street, making it extremely attractive to collaborative consumption businesses.

In every community there are thousands of collaborative consumption opportunities that the post office could introduce and



from which it could take a share of revenue. This is just one example of how a post-office branded community digital platform could help build a deeper and more personal relationship with its customers and local stakeholders, creating added value and sustainable and new revenue streams, through a multichannel approach.

Another ideal opportunity for post office networks to start to build stronger links with their community and customer base is to launch a post-office branded community scheme that offers local small businesses, community groups, schools, local councils, etc, a digital platform through which they can trade, share and communicate with each other and in return receive post office community credits that can be used locally or donated to local worthwhile causes.

The post office would start to extract valuable data from each community and would then be in a position to source better deals with utility and telecommunications companies vying for the custom of those post office users. It would also form the first steps in creating a mechanism for mutualisation of the post office network.

Digital post box In repositioning the post office as a digital hub, the network is ideally placed to offer a secure, private digital space to every citizen. This platform could be accessed through public kiosks in

every post office and would enable the user to store all their personal information – for example their medical records and will, plus correspondence from councils, government and service providers. Essentially the post office could then offer the universal service obligation for digital media and thus remove its expensive and loss-making obligation for mail. There are a number of providers that are developing the technology to enable this and Escher Group, with its TrEx platform, is leading the way with trials already under way with the Irish Government and An Post.

Community infopoints Over the past couple of years I have been developing an open and collaborative platform that enables local communities to develop their own community apps that would sit beside some core applications we would wish to commercialise with our partners. The platform will be delivered through ruggedised iPads and be located in community locations including the post office. It will enable the user to interact with the platform through a PC, smartphone or in-store. A small proof-of-concept pilot is due to go live in London in August 2012.

Finally Post office networks are often accused of entering new markets too late. Launching post-office branded products and

services into established marketplaces results in a relatively small market share and limited growth potential. Post office networks must become more agile and start to think outside the current remit of providing traditional mail, and government and financial services. They need to reposition as digital hubs and build a robust collaborative platform that is essentially a marketplace for everything local.

Post office networks have the opportunity to become major players in the collaborative consumption sector – matching available community assets with the millions of consumers that will require these services. They already have a reach into every community with a trusted and much loved brand, supported by a compelling and knowledgeable local agent workforce. It is now time to exploit these three assets to create and develop a sustainable future for post offices in the twenty-first century. ■

The author

Gary Coyle has been involved in the post office sector for over 25 years, having been a local postmaster in a small village in the UK, a consultant advising post office networks all over the world, and an entrepreneur who has started and grown two businesses focused on the post office sector.
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GARY COYLE

Q&A

1. What criteria are you using to establish where best to locate a Community Infopoint?

For the proof-of-concept pilot we are trialling in four Idea Stores (combined libraries and information services) in London and have already received expressions of interest from post offices, pubs, doctor's surgeries, university campuses and community centres.

2. Will the Infopoints need to be manned?

No, we have designed the interface to be self-intuitive, so the user can reach the information they are after within three clicks. For the proof-of-concept pilot we are planning to attract volunteers to initially promote the Infopoints to try and attract the digitally excluded to interact with an internet-enabled device.

3. Why do you feel you need an actual physical location? Why not just market apps for downloading?

The majority of the world's population are still digitally excluded. In the UK alone there are over eight million people that have never used the internet. That is why we need to offer low-cost technology to enable all citizens to have equal access to local community information. We will of course also offer apps for downloading to smartphones, along with the ability to access the platform from your PC at home.

4. What sort of services will the Infopoints offer?

We are currently engaged with various local stakeholders in London to co-develop innovative services that are relevant and add value to every community. The areas that we will focus on for phase two of the development will be local jobs, safer communities, the emerging sharing economy and payment services.

5. Where does the opportunity lie for post office networks?

Post office networks need to diversify into other areas in order to survive. They are ideally placed to offer a hyper-local community platform because they already have a large existing infrastructure supported by knowledgeable agents/postmasters operating within a compelling and trusted brand. The post office could develop its own suite of products and services for the Infopoints and expand the post office brand and services into many more touch points within each community at a relatively low cost.

