



2011 Annual Report
**Swiss Post Innovation
Management**

SWISS POST 



“As Ideas Manager, I motivate employees of Swiss Post to become involved in Postidea with their great ideas and to thereby actively help shape the future of Swiss Post.”

Nicole Cipri, Ideas Manager at PostFinance





Dear Sir/Madam,

MyNewspaper, PubliBike, IncaMail: These are the names of three new offerings of Swiss Post that either reached market maturity or entered an extended pilot phase in 2011; they are three out of a total of 35 projects that we have supported financially over the last year and successfully accompanied through the INN process. To ensure that Swiss Post continues to

be among the most innovative postal operators, operations last year were carried forward in accordance with our motto: We enable innovations.

With the new launch of Postidea, we are putting our company suggestions scheme on a new footing. Even though the online platform experienced initial difficulties and was temporarily unavailable, employees of Swiss Post submitted 1,385 ideas last year. In 2012, we will expand Postidea to include an ideas campaign, which allows people to direct specific questions to selected colleagues, triggering the innovative potential of Swiss Post.

Also in 2012, PostLab networked Swiss Post with external partners including, universities, companies and other postal operators. PostLab has also developed intellectual property principles together with the Legal & Staff Service, filling a gap: Swiss Post has already received one patent. Five patent applications are still pending.

At the same time, we further developed PostLab and refocused it towards organizations associated with start-up companies and risk capital. We want to refrain from using the misleading name of "PostLab"; its networking activities, however, will continue to be used in Innovation Management.

What can we do with business ideas that do not fit with our core area of business? In order to still use these innovative ideas, we have created a new spin-off process, which is designed to streamline structures at Swiss Post. This was decided by the Executive Management and will enable us to cooperate more intensely with external partners from 2012.

Our most important project in the forthcoming year is PostVenture, a group-wide business plan competition, where the best business ideas are sought out and rewarded. PostVenture will commence in spring 2012 under the motto "Take a Step Forward". Everyone who participates will receive professional guidance and training while developing the business plan.

Contact us if you have an idea, wish to benefit from our know-how and networking or need financial support. **We are here for you.**

Pierre-Yves Caboussat
Head of Innovation Management

Ideas Management

Ideas are vitamins for Swiss Post

In 2011, we revised the online platform for Postidea and relaunched it under the slogan "Ideas are vitamins for Swiss Post". Submitters and assessors of ideas are efficiently and intuitively guided through the input masks. Despite various initial difficulties, the new system has now proven its worth. The unit ideas managers relieve superiors and can provide them with technical and content support. The new platform, with its efficient processes, should ensure a higher implementation rate and reduce the submission of same or similar ideas.

Benefitting from the knowledge and experience of our employees

Ideas Management exploits the latent potential of our employees' knowledge and experience. The basis for our Ideas Management is Postidea. This encompasses the company suggestions scheme and, starting in 2012, our so-called idea campaigns.

Employees can submit ideas – both large and small – on how to improve products and processes either via our online platform or in writing. Swiss Post needs employees who show initiative and become involved; Postidea encourages these characteristics. Swiss Post rewards proactive employees with a maximum of CHF 50,000 per suggestion. Investments in Ideas Management make sense economically: The benefit of the implemented ideas is far greater than the expenditure for personnel and the operational costs of the online platform.

Film Postidea

⇒ Postidea on the intranet

In 2011, the employees of Swiss Post submitted a total of 1,385 ideas, achieving a benefit close to 1.3 million francs. 9.3 percent of these ideas were implemented. The slight reduction compared to the previous year (1,528 ideas and savings of 1.8 million francs) can be explained by the almost four months during which Postidea was inaccessible.

In 2012, we will continue to develop Postidea. We expect to make the ideas campaign system available to employee heads or specialists starting spring. This will enable them to trigger the company's available knowledge and know-how with specific questions.

PostBus

LED lights save fuel

For safety reasons, postbuses are driven with their lights on during the day, too, and thereby use up additional fuel. Urs Brechbühl, a PostBus employee, made a suggestion through Ideas Management's Postidea to supply the postbuses with LED daytime running lights in order to save fuel. Investigations revealed that about half of the vehicles can be fitted with these lights. As a result, Swiss Post saves around 20,000 francs per year and reduces its CO₂ emissions. Urs Brechbühl drove the Postidea Mini Cooper for three weeks in June as recognition for his contribution.

INN process

35 projects and propositions

In 2011, the INN jury assessed 13 ideas at an early stage and reached a financing decision. The jury also evaluated nine more advanced projects and submitted a recommendation for financing to KLA INN. The KLA INN in turn assessed twelve projects/initiatives, which are normally aimed towards the development of a business plan and undertaking of a pilot trial. The INN funds supported a total of 35 projects and propositions in 2011.

This support made it possible to, among other things, launch **goCommerce**. The e-commerce platform saves small and medium sized companies from the costly programming of their own shopping solutions and additionally supports them with dispatch and collection services. Furthermore, in 2011 the personalized newspaper **MyNewspaper** took on the market test. The personal daily newspaper can be put together through an Internet portal. Choices include content from national and international headlines. Moreover, the first customers were able to be gained for the DirectAnalytics software tool (see box).

Easily and quickly to market maturity

Executive Management provides an annual budget of 1.5 for every thousand of the expected group sales (about 13 million francs in 2011) to support innovative and sustainable propositions through the INN process; these start with a simple business or process optimization idea and normally end in pilot operations. Ideally, it takes less than eight months to market launch. A jury with representatives from the units (INN jury) and the Group Management Committee of Innovation, New Business and Sustainability (KLA INN) assess the ideas or projects. Based on the potential of the idea or project, this committee decides which propositions will be supported financially. We guide and advise the project heads during the entire process.

The INN jury was expanded last year and now has 53 members. The ePost Product House (ePH) has, among other things, a new regular serving attendance. We maintain a close information exchange with the ePH in order to realise seamless processes and promote synergy effects. New is also the Legal & Staff Service representation in the INN jury. This service points out special legal issues to project heads early on, especially in the area of intellectual property rights.

In 2011, we opened the INN process, and with the spin-off process mapped a course of how promising projects outside of Swiss Post can also be implemented.

In 2011, we revised the COSTAR questions to raise understanding. We have also begun with the development of a web-based tool, which will promote awareness of the COSTAR method and facilitate its use. This tool conveys important information about COSTAR and in the future will enable direct registration of business ideas and promote exchange with other individuals. In 2012, the COSTAR Creator (previously COSTAR Editor) will be implemented in the PostVenture project for the first time.

DirectAnalytics

Marketing through informed analysis of customer data

DirectAnalytics is an INN process success story. This new and unique web application expands the already sophisticated direct marketing services of PostMail. It enables the segmentation and analysis of customer data in B2C areas and its classification in geographically defined region types. Business customers are thus shown the potentials for acquisition, up and cross selling as well as customer retention; they receive a tool to better plan and refine their marketing activities.

More successful projects from the INN process

- ↳ **Swiss Post Box:** the electronic letterbox
- ↳ **Post SuisseID:** the Swiss standard for secure identification and digital signatures
- ↳ **IncaMail:** secure sending of e-mails
- ↳ **PubliBike:** the new Swiss bike sharing service
- ↳ **Loyalty Marketing+:** comprehensive loyalty service for business customers
- ↳ **pro clima:** the carbon-neutral mailing option for letters, parcels and goods



“Thanks to the INN process, we received swift technical and financial support for our projects.”

Paolo Canonica, Project Head of DirectAnalytics, PostMail

PostLab

Additional incentives thanks to external partners

In 2011, under the name of PostLab, Innovation Management at Swiss Post operated a hub that has had both an internal and external impact. We networked Swiss Post with innovative partners such as universities, companies and other postal operators and monitored projects, enabling us to impart valuable ideas to the units. Starting in 2012, important PostLab services will be provided directly by Innovation Management. We are also concentrating the networking on organizations associated with start-up companies and risk capital (more on this in the accompanying interview).

During the spring we held a workshop as part of the Postal Innovation Management Network. Representatives from six postal operators exchanged ideas on why it is important to have successful Innovation Management. We helped organize the TIP conference in September at the ETH Lausanne (EPFL) and were responsible for an event on the theme of

spin-offs. The Lausanne conference for Trends and Innovations in the postal market was an occasion that led to further conversations and an intensive exchange of information.

In 2011, we developed principles for the theme of intellectual property in close cooperation with the Legal & Staff Service of Swiss Post. Patents, brands, copyrights and individual designs of Swiss Post will be more systematically realized and protected. Swiss Post has already been awarded one patent right; five patents were registered.

“We want to be able to implement projects faster”



The name PostLab is being dropped, yet its activities will be carried on, says Peter Frei, Head of the former PostLab. Networking will be shifted from universities to the start-up scene. This is how Swiss Post will be able to implement projects faster and closer to the market.

Peter Frei, why is the name “PostLab” being dropped?

The name was confusing. We were never a lab in the traditional sense. Many activities, such as services for the units, are being continued through Swiss Post's Innovation Management.

What has PostLab accomplished since its founding a good three years ago?

The PostLab has given Swiss Post many valuable ideas. We reviewed 72 potential projects and themes; out of these, 29 were implemented. In a more indirect way, we had an affect at corporate culture level in that the internal structures were regularly informed about the activities of the PostLab and employees were able to use the Rolex Learning Centre at the EPFL.



“The services offered to customers by PostBus will increase in range and appeal thanks to the cooperation between P INN and EPFL.”

Gregor Ochsenbein, Specialist for Innovation Management, PostBus Switzerland Ltd.

Which projects were especially successful?

An important project, for example, was DirectAnalytics, which we initiated together with PostMail. We brought those responsible at PostMail together with the right people at EPFL and the University of Applied Sciences and Arts Northwestern Switzerland and provided support for the project. The Optima project was also successful: PostAuto researched mobility in congested areas together with EPFL experts. Different scenarios were worked out for future business possibilities in the area of combined mobility.

What will you do differently in the future?

Cooperation with the universities is admittedly productive, but is scheduled to follow a very long time scale. We want to be able to implement projects faster and develop innovations closer to the market. To do this, in future we will be focusing more on cooperation with organisations from the start-up sphere or organisations which provide risk capital.

How do you plan to achieve such specific networking?

There are various organizations in Switzerland that promote start-up companies and impart knowledge about company founders. We are strengthening our contacts, for example, with the KTI Confederation Innovation Promotion Agency and with organizations such as Venture Kick, InnoBE and the Institute for Young Entrepreneurs. In coordination with the units, we are scanning the key points of innovation defined by Swiss Post and are making early contact with aspiring firms.

Swiss Post Innovation Management

We are here for you

Innovation Management

Pierre-Yves Caboussat

Ideas Management

Lorenz Wyss

INN process

Rahel Arnold

PostLab / new: Innovation Partner Network

Peter Frei

On the intranet
<http://pww.post.ch/innovation>



Pierre-Yves Caboussat



Lorenz Wyss



Rahel Arnold



Peter Frei



A photograph showing the lower legs and feet of two people walking through a thick carpet of fallen autumn leaves. The person on the left is wearing blue jeans and a striped shirt, while the person on the right is wearing light-colored cargo pants. The background is a soft-focus park with trees displaying vibrant autumn foliage in shades of yellow, orange, and red. The lighting is bright and natural, suggesting a sunny day.

“The active involvement of employees creates an open corporate culture and strengthens Swiss Post's innovative capacity of.”

Yves-André Jeandupeux, Head of Human Resources

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