

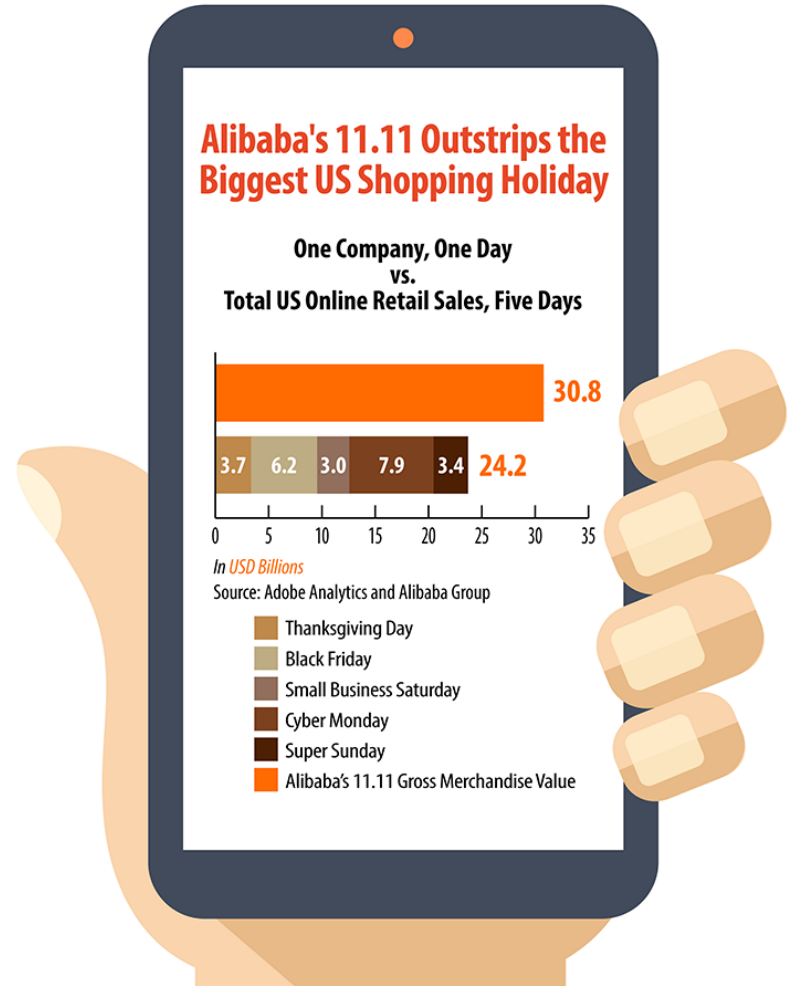
E-COMMERCE

CHANCES AND CHALLENGES
FOR AIR CARGO CARRIERS

AIR TRANSPORT COLLOQUIUM
UNIVERSITY OF ANTWERP
6 DECEMBER, 2018



THE NUMBERS ARE IN...





徐州

南京中轉

临沂中轉



CROSS-BORDER E-COMMERCE (CBEC)

- WHAT IS E-COMMERCE?
- WHY ARE WE LOOKING AT CBEC?
- HOW DO WE REAP BENEFITS OF CBEC?





**“RETAILERS SELLING THEIR GOODS VIA THE INTERNET,
TO CUSTOMERS LOCATED IN ANOTHER COUNTRY”**

CBEC IS MAINLY LOW COST & LIGHT-WEIGHT

39% < € 25

84% < 2 kg

62% delivered for free

**MORE THAN 50% OF ALL ONLINE SHOPPING IS
FOOTWEAR, APPAREL AND CONSUMER ELECTRONICS**

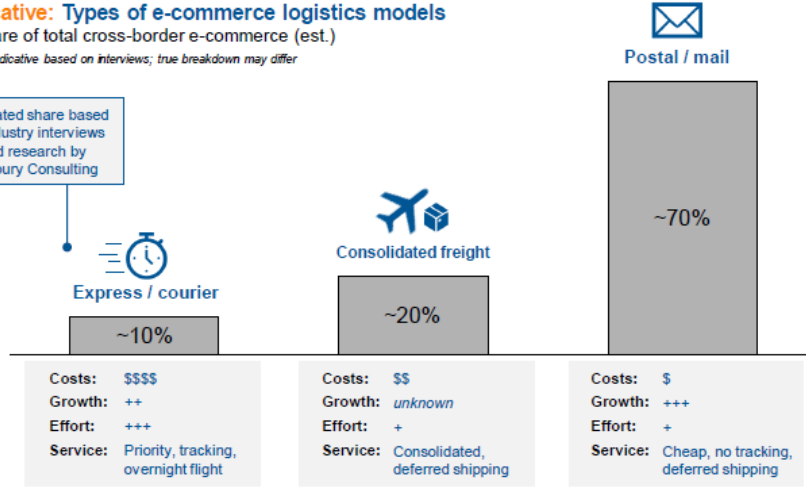
MORE THAN 1 TYPE OF LOGISTICS

Indicative: Types of e-commerce logistics models

% share of total cross-border e-commerce (est.)

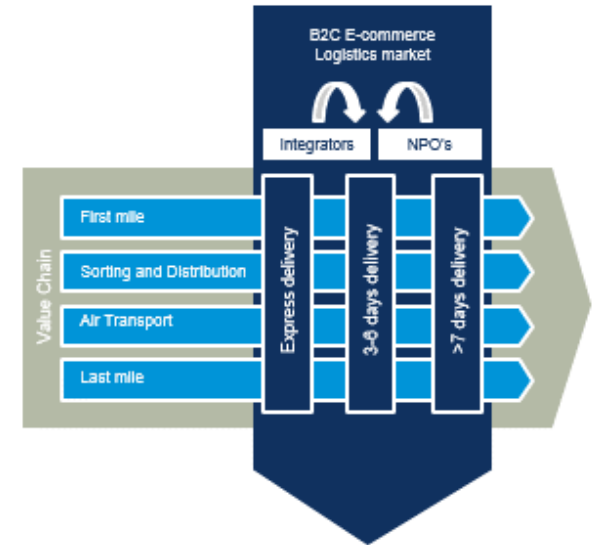
*Note: Indicative based on interviews; true breakdown may differ

Estimated share based on industry interviews and research by Seabury Consulting



MULTIPLE MODELS EXIST FOR SHIPPING CBEC, WITH POSTAL / MAIL IN THE LEAD

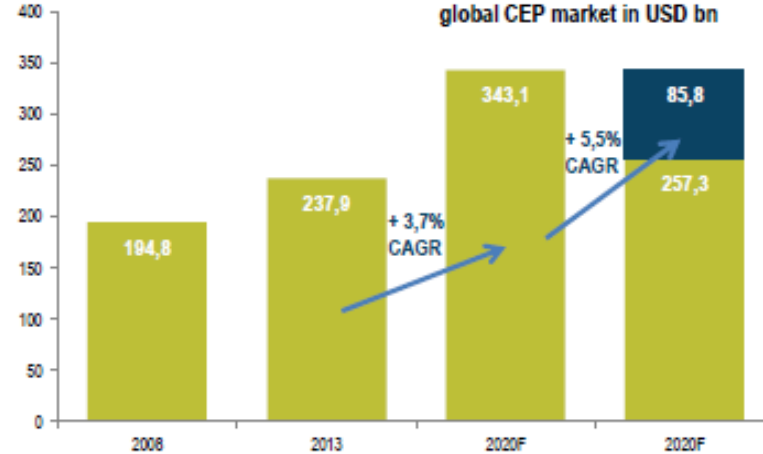
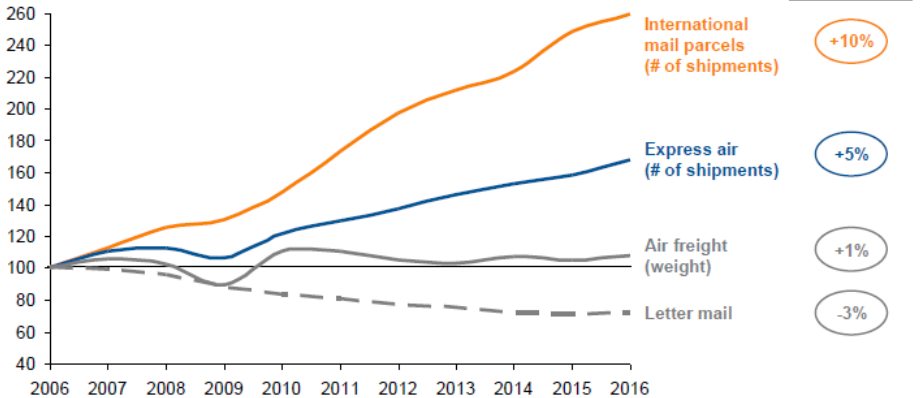
BUSINESS MODELS FOR CBEC INCREASINGLY OVERLAP



CBEC = A FAST GROWING SEGMENT

Global air freight and express cargo growth, 2006-2016

Index (year 2006=100)



OVERALL PARCELS AND EXPRESS MARKET GROWS FASTER THAN (STANDARD) AIRFREIGHT

CBEC = DISRUPTING FREIGHT & LOGISTICS

DIVIDING LINE SEPARATING BRICK-AND-MORTAR RETAIL AND E-COMMERCE IS RAPIDLY BLURRING



'PUSH' LOGISTICS



'PULL' LOGISTICS

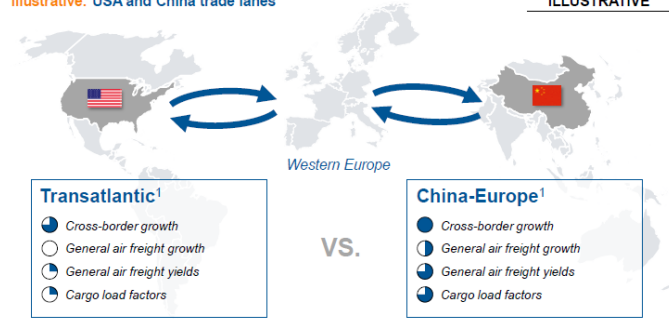
DOMINANT MARKETPLACES HAVE TURNED THEIR ATTENTION TO A SEAMLESS, COMPLETELY DIGITIZED LOGISTICS CHAIN

MATCHING STRENGTHS WITH OPPORTUNITIES

DIFFERENT **CUSTOMER** SEGMENTS REQUIRE POTENTIALLY DIFFERENT VALUE PROPOSITIONS

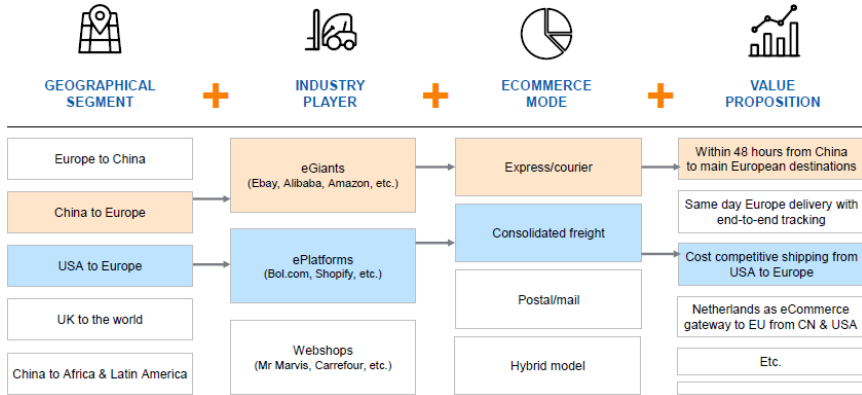
DIFFERENT **GEOGRAPHICAL** SEGMENTS REQUIRE POTENTIALLY DIFFERENT VALUE PROPOSITIONS

Illustrative: USA and China trade lanes



ILLUSTRATIVE

ILLUSTRATIVE

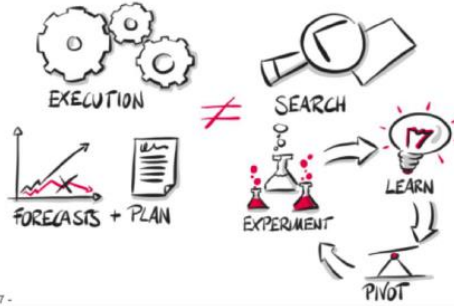


THE RIGHT COMBINATION CAN CREATE **VALUE**

... USING LEAN STARTUP METHODOLOGIES

'IMPROVE THE EXISTING'

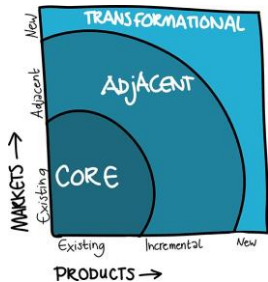
- KNOWN BUSINESS MODEL
- DRIVEN BY EXECUTION
- LOTS OF DATA
- BUILDING NEW SOLUTIONS FROM 'WITHIN'



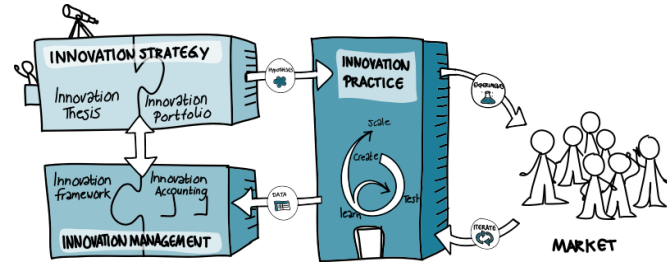
'CREATE THE NEW'

- UNKNOWN BUSINESS MODEL
- DRIVEN BY EXPLORATION
- LIMITED DATA
- OUT-OF-THE-BUILDING LEARNING (OUTSIDE-IN)

BALANCED PORTFOLIO OF IDEAS



SYSTEMATIC APPROACH TO EXPLORE, DEVELOP AND TEST VALUE PROPOSITIONS



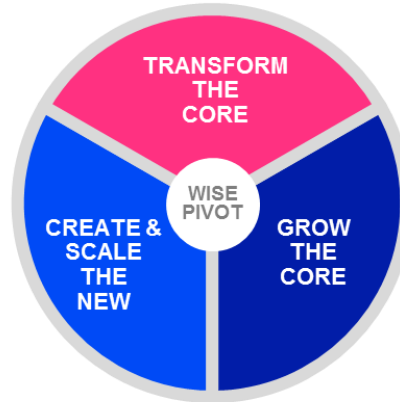
Source: medium.com/the-corporate-startup

... THINKING BIG, STARTING SMALL, LEARNING FAST!

PILOTING WITH SAME-DAY AND NEXT-DAY DELIVERY IN EUROPE FOR (NL) **WEBSHOPS**

PILOTING WITH DOOR-TO-DOOR SOLUTION FOR **SME CUSTOMERS**

DEVELOPING COMPETITIVE 4-6 DAYS CN_EU AND US_EU SOLUTION FOR **E-PLATFORMS**



OFFERING E-COMMERCE AND TO-DOOR SOLUTIONS FOR **LOGISTIC COMPANIES VIA**

SoDExi

DEVELOPING E-COMMERCE RELATED BUSINESS FROM **EXISTING CUSTOMERS**

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THANK YOU!

JACO VANEMAN
HEAD OF E-COMMERCE LOGISTICS
AIR FRANCE KLM CARGO

