


E-COMMERCE FROM THE PERSPECTIVE OF AN INTEGRATOR

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**The difficulty lies not so much in
developing new ideas as in
escaping from old ones.**

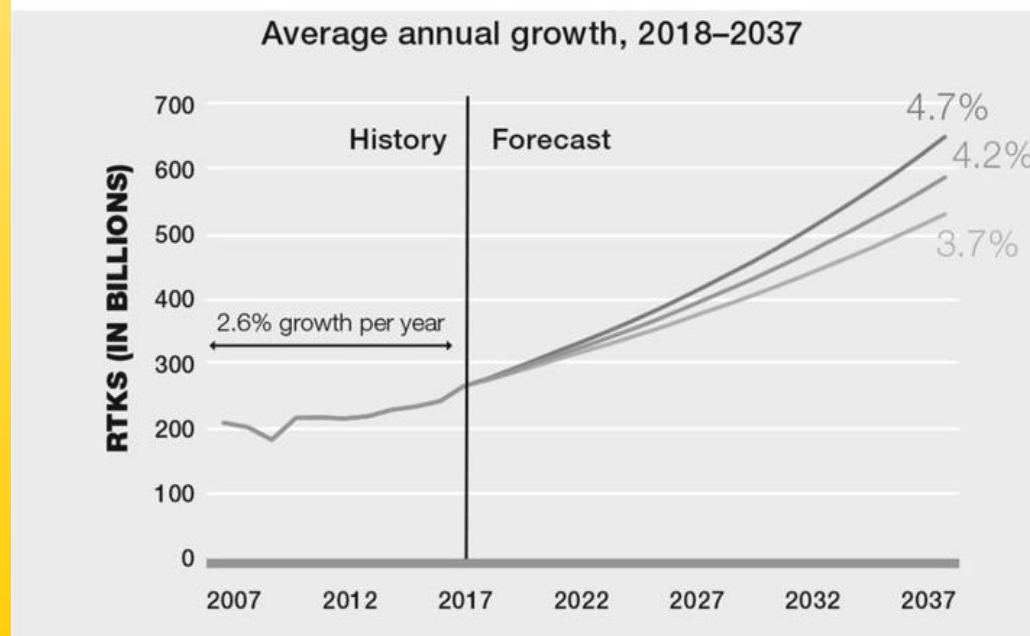
John Maynard Keynes



ALTHOUGH THE CROSS BORDER E-COMMERCE BUSINESS IS SMALLER THAN THE DOMESTIC BUSINESS, IT IS GROWING MUCH FASTER

Boeing: Demand for 2,600 new or converted freighters over next 20 years

17 / 10 / 2018



Some of the factors driving the growth in air cargo include a growing express market in China and the global rise of e-commerce, which is forecasted to increase 20% annually to nearly \$5trn in 2021 according to Boeing's analysis.



Last-mile is major concern in B2C business, especially on peak days, but also at normal volumes...



Distribution centers can deal with extra volumes : extra staffing, automation with spare capacity, extra shifts @ night and during the weekends.



Integrators have invested massively in new automated sort centers in order to deal with the extra volumes



Also high investments in renewal and expansion of the airfleet and use of external capacity during peak

E-commerce business = primaraly COY shipments which will be sorted automatically, COY will result in a better capacity use of our linehaul. Volatility has less impact on Hub's and linehaul.

Delivery costs are nearly 60% of the total costs.

Challenges mainly in delivery.



We have a long experience in how to handle B2B business but are new in B2C



Majority of consignees still wants home deliveries, but is often not home when deliveries takes place



More traffic in city centers leads to more congestion which reduces productivity



More pressure on environmental aspects resulting in circulations plans, low emission zones, reduction of parking spots,....



Increasing demand for drivers on a market which is already difficult and even more difficult during peak volumes



“Imagination is more important than knowledge.”

- Albert Einstein

Theoretical physicist (1879-1955)

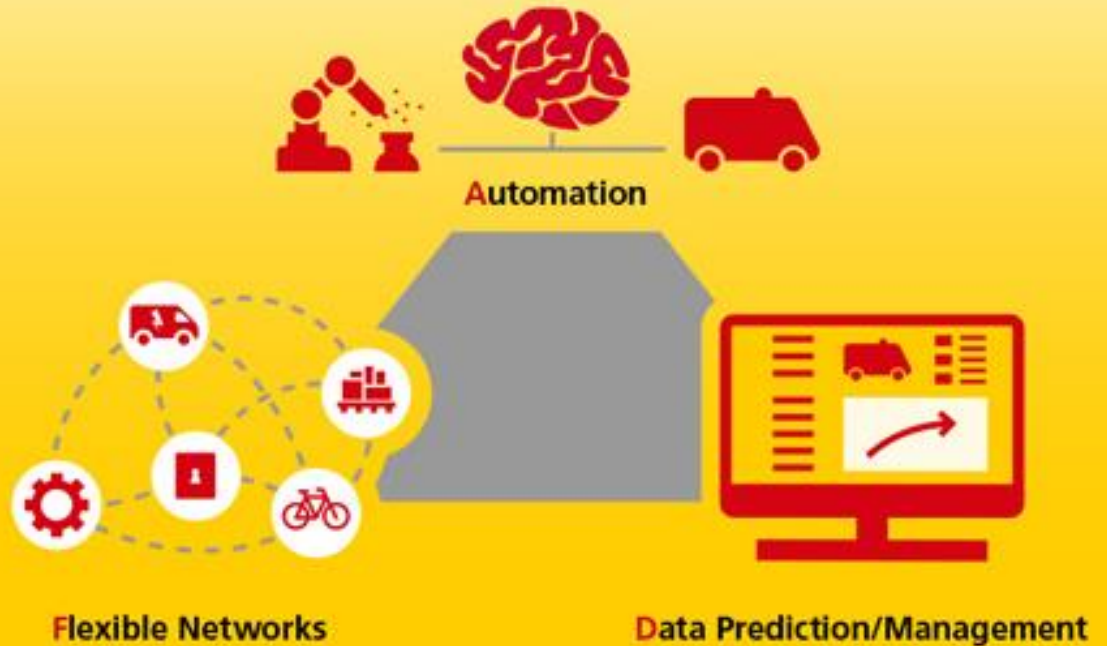
For the moment most last mile solutions are not responding to the (future)needs of the consignees and events of last weeks have proven that we need drastic changes if we want to manage the growth.

Technology will offer the solution.



THE FUTURE OF LAST MILE LOGISTICS: A RACE TO THE URBAN CONSUMER

The FAD Triangle describes three focus areas for logistics operators to increase their competitiveness in last-mile delivery.



Download white paper:
logistics.dhl/urban-consumer



Not Home



Most frequently used solution today but has serious limits and is often not customer friendly



Amazon Key is a new service that lets couriers unloc...



Your Package is In The Trunk: Amazon ...

www.linkedin.com/feed/update/urn:li:activity:6469104276424785920/



Environmental solutions are not always cost efficient....



DP-DHL has developed its own electric vehicle



Electric bikes with replaceable containers require two couriers versus one courier in a van.

