IMPORTANCE OF E-COMMERCE

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Who we are
My current activities

- SPRINT PACK
- parcel lockers
- logistics
- e-Commerce
- Managing partner
- Investor
- Advisor
- CEO - Owner
- consulting
- web platform
- InPost
- Zibbakra

Boost your Business
Who we are and what we do?

- A network of independent consultants and interim managers
- Focus on e-solutions for pure players, retailers, logistic companies and posts
- Strong experience in Omni-channel and X-border solutions
- A pragmatic team of professionals with multidisciplinary know how and track record in various industries
The eCommerce opportunity
The e-Commerce opportunity

Source: Global B2C E-Commerce report 2014
China # 1

Top 10 Ecommerce Markets
Global Sales, Trends and Statistics

Source: Firstmark
China: e-Commerce already 20% of retail

Retail Ecommerce Sales in China, 2014-2018
billions, % change and % of total retail sales

Source: Global B2C E-Commerce report 2014
Technology and E-Commerce trends
Big data
Cloud computing

Cloud Computing
Having secure access to all your applications and data from any network device
Mobile Commerce in Europe reaches 25%

Source: Twenga
Internet of Things

By 2020, the Internet of Things will have achieved “critical mass”. Linking enormous intelligence in the cloud to billions of mobile devices and having extremely inexpensive sensors and tags embedded in and on everything, will deliver an enormous amount of new value to almost every human being. The full benefits—in terms of health, safety and convenience—will be enormous.
Social networks
Uberization

UberEATS
From hungry to happy in 10 minutes

uberRUSH

DRIVERLESS CARS?
Omnichannel supply chain

Source: Firstmark
A new alarm app by Oscar Mayer deceives you out of bed every morning to not only the sweet sound of frying bacon, but to the smell as well. A small gadget attached to your iPhone's headphone jack sends a bacon fragrance your way as the alarm sizzles. But, there is no bacon.
Virtual Reality

“VR SUPERMARKET”

VIRTUAL SHOPPING
4 Importance of customers
Consumer in the driving seat, rules are changing in Omni-channel

Source: Logistic Vibes
Importance of ‘delivery’ in consumer satisfaction (example of The Netherlands)

<table>
<thead>
<tr>
<th>Importance (Influence on consumer satisfaction)</th>
<th>Percentage (very) satisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>Orientation, Selection, Customer care</td>
</tr>
<tr>
<td>High</td>
<td>Delivery, Transaction</td>
</tr>
</tbody>
</table>

Source: Dutch Shopping 2020
Appreciation of delivery aspects (UK e-buyers)

1st: Cost
2nd: Speed
3rd: Flexibility
4th: Reputation
5th: VAS

Source: Last Mile report Culimino 2014
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X-border eCommerce market
X-border eCommerce market

$328 billion

Value of X-border online shopping in 2014 with 309 million consumers buying from overseas websites.

20%

Expected growth pa of X-border eCommerce for the coming years.
X-border eCommerce market

Popular markets to buy from are USA, UK, Germany, China, Hong Kong

- X-border eCommerce into countries like China, India and Russia is seen as a huge opportunity
- Intra (and into) Europe will get a boost as a result of EC measures to stimulate X-border eCommerce
Forces driving the X-border eCommerce

- Shippers
- Suppliers
- Consumers

GROWTH
Retailers, brands and manufacturers are discovering X-border eCommerce as a very efficient way to grow their market, go international and compete with marketplaces and large e-tailers

Large marketplaces such as Amazon, Alibaba, Rakuten, ...

• See cross-border as a way to grow rapidly their market share
• Open their platforms to smaller e-tailers, brands and manufacturers
• Increasingly engaging in upstream and downstream integration: web services, payment services, fulfilment and delivery
Consumers buying X-border

**Motivations**
- Price
- Availability of product in local market
- Broader selection
- Authentic products

**Barriers**
- High shipping costs
- Unknown fees: custom clearance, duties
- Long transit times
- No track & trace for low value shipments
- Difficult return process
- Limited choice payment/delivery options
- Fraud risk
Huge choice of suppliers

Webshop, payment and delivery solutions are increasingly offered to retailers and e-tailers as well integrated “software as a service” (saas) solutions

Cross border facilitators are offering services by which consumers can easily purchase X-border.

Integrators/private logistical providers are offering X-border services, develop deferred parcel services with domestic operators and/or via acquisitions. Posts are repositioning themselves as (domestic) parcels players

Marketplaces are offering webshop, payment, fulfillment and delivery services to smaller e-tailers
Huge choice of suppliers

Shipping software

- ProShip
- ReadyShipper
- MetaPack
- ShipStation
- Parcel International
- temando
- parcelhub

Cross border facilitators

- Skybox
- International Checkout
- Shop and Ship
- bongo
- shyp
- Borderfree

Logistical players

- FedEx
- DHL
- postnl
- UPS
- GLS
- Hermes Logistik Gruppe
- parcelmonkey
- dpd
- InPost

Marketplaces

- Rakuten
- Super Logistics
- formerly Webgistix
- PrimeNow
- Tmall.com
- Amazon Fulfillment
- Alibaba Group
New challenges and opportunities for the logistics and postal industry

(not all of them are needed in the same market)
Home Delivery of parcels with choice of delivery slot in the AM / afternoon / evening
Home Delivery of parcels with guaranteed next day delivery
Home Delivery of parcels with notification and/or predict of delivery time
Delivery of parcels at workplace
Delivery of parcels at safe place to avoid second or third presentation
Home Delivery of parcels on Saturday
Home Delivery of parcels on Sunday
Same day delivery of parcels
Drone Delivery of parcels
Pick-up and drop-off parcel (returns) in Post office (PUDO)
Pick-up in store of retailer (Omni-channel)
Delivery in parcel box at home (+returns)
Pick-up of parcel in automated locker
Pick-up of parcel in drive-through
Delivery in the trunk of your car
Delivery where you are

Shop anywhere online, and ship to your personal Parcify shipping address.

We'll sign for you, send you a notification, and securely hold your package at our depot until you're ready.

Schedule & follow the delivery of your parcel with the app. No need to stay at home or work. We bring it to you.

**BENEFITS**

- No more missed deliveries.
- Time saving.
- Track your parcel in real time with the app.
- Live chat with the driver.
- Receive your parcels no matter where you are.

**AVAILABLE IN ANTWERP**
Real time track & trace made available to ordering consumers and/or link to a dynamic planning system enabling for accurate notification of delivery time.
WHO WILL WIN THE E-COMMERCE PARCEL DELIVERY BATTLE?

POSTS? INTEGRATORS? OR ...

[Logos: Google, eBay, Alibaba, Amazon]
Delivery of food at home is the next big thing
Online groceries
Specialized delivery capabilities

Groceries

Health Care
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Take aways
Nobody can ignore the reality of E-Commerce today

Traditional retailers/FMCG will need to figure out their E-Com strategy and keep in mind the changing technology, markets and behaviors of consumers

Logistic companies need to adapt their systems to the new normal: whatever, whenever, wherever

Logistics incl. delivery is important part of consumer satisfaction

Cross-border is important for you

Iceland Post will as the supplier of choice support you in this
Thank you for your attention

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