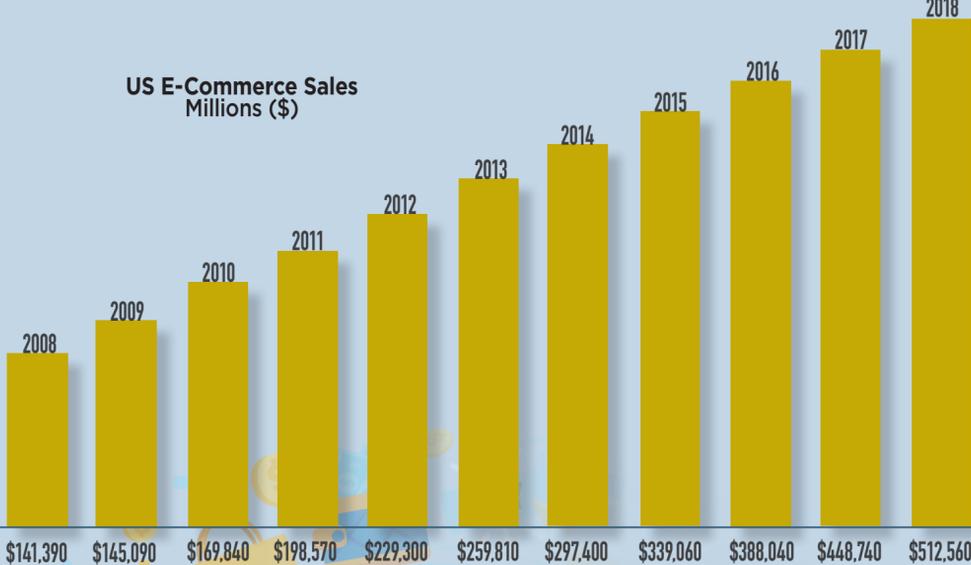


IS YOUR SUPPLY CHAIN OPTIMIZED FOR THE CONTINUED RISE OF E-COMMERCE?

GROWTH OF E-COMMERCE - We Are Just Getting Started

Growth of e-commerce in the U.S. has steadily increased in overall sales and as a % of total retail sales. By 2023, e-commerce sales in the United States is expected to reach \$735B.

US E-Commerce Sales Millions (\$)



Source: US Department of Commerce

E-COMMERCE TRENDS IN 2019

Mobile continues its sharp climb in the US

By 2021, m-commerce is projected to account for approximately 73% of total e-commerce sales.

Personalized Online Shopping Experience

Media giants like Facebook and Google are introducing integrated online chat bots to assist with the personalized online shopping experience and customer service.

Artificial Intelligence is Here

Voice technologies like Google Home and Amazon Echo are making it more convenient for consumers to purchase products at home and on-demand.

Increasing Online Consumer Expectations

Free shipping has not only become a norm, it also helps increase sales. 8 out of 10 online shoppers say free shipping is the No. 1 incentive to make them shop more online.

67% of consumers expect a clear and easy return policy.

60% of online shoppers consider free shipping as an element of the best returns experience.

SUPPLY CHAIN CHALLENGES AFFECTING E-COMMERCE SHIPPERS IN 2019

- Maximum agility required to meet omni-channel customer demands
- Growing delivery demand calls for improved infrastructure, assets, relationships and rapid response times to complex problems
- High variability, high velocity (Amazon Effect) final mile expectations are increasing costs while profit margins decrease
- Increasing speed of business and consumer connectivity
- Supply chain visibility across all modes and channels
- Escalating logistics-related costs (especially for parcel shippers)

IS IT TIME TO RETHINK BEYOND THE TRADITIONAL SUPPLY CHAIN?

- Reverse Engineer Your Program:** Taking an outside-in focus that starts with the consumer's journey and working back through the supply chain design will result in a better e-commerce experience for your customers.
- Be Flexible, Be Agile:** Network optimization, carrier and mode selection based on factual data are key components to reducing supply chain cost and improving time in transit. This, in turn, has a positive impact on customer satisfaction.
- It's Time to Look Beyond Cost Savings:** To remain competitive and increase market share, shippers need to take a holistic approach to their supply chain. Savvy shippers are making it a priority to set their network up for future growth, not just taking advantage of immediate cost savings.
- Final Mile is a Difference Maker:** Proactively analyzing your final mile delivery strategy could be the difference between one-star and five-star reviews.
- Seamless Omni-channel Experience:** Online shoppers want an integrated shopping experience. By providing options (e.g. in-store pickup and returns), you are increasing customer loyalty and potentially a higher AOV (average order value).
- Making Data Actionable:** Understanding your shipping data and turning it into business intelligence will enable you to better meet customer expectations and become more profitable within the growing e-commerce industry.
- Optimizing Your Supply Chain for 2019:** A more efficient supply chain practice in this digital age is adopting an ecosystem or platform approach that is inclusive of suppliers, production, distribution and the consumer.

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