

FUTURE DEMANDS ON LAST-MILE DISTRIBUTION



Last Mile matters

86%

Delivery is part of the shopping experience

60%

Bought due to better delivery options

41%

Last mile cost of total supply chain cost

Source: Accenture Consumer Survey, CaoGemini Research Center

Logistic is part of the market

Delivery options are not an option

Delivery is never free

Key Trends Impacting Last Mile Distribution

Consumer Behavior



Volume Growth



Category Expansion



Seasonal Buying



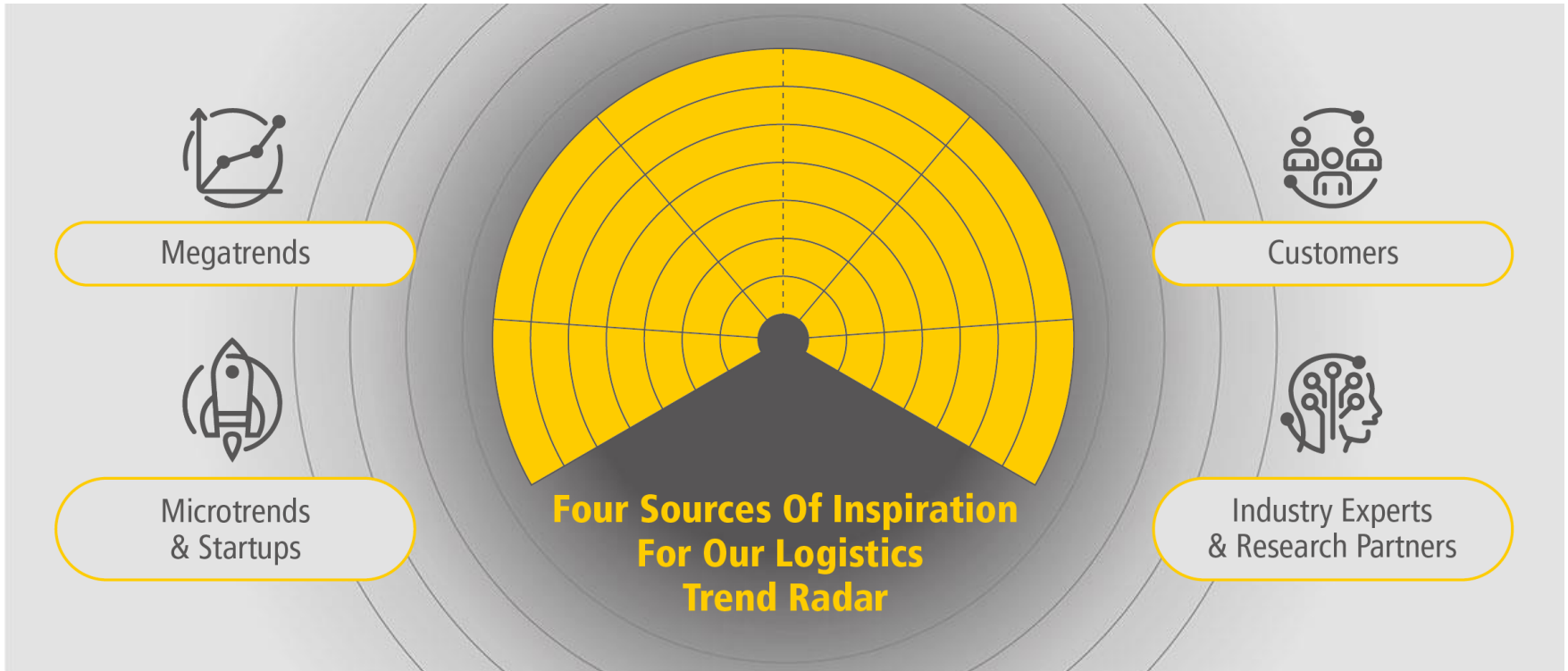
Urbanization



Sustainability



How we identify innovation trends?



Source: DHL Logistics Trend Radar 2018/19, download full report at dhl.com/trendradar

DHL evolution of logistics Pillars

Customer centricity



Getting closer to the customer through new business models and solutions

Sustainability



Becoming a zero-emissions industry

Technology



Catalyzing innovation with a cost-performance tipping point

People



Creating the collaborative human-machine workforce of the future

Source: DHL Logistics Trend Radar 2018/19, download full report at [dhl.com/trendradar](https://www.dhl.com/trendradar)

DHL TREND RESEARCH



Source: DHL Logistics Trend Radar 2018/19, download full report at [dhl.com/trendradar](https://www.dhl.com/trendradar)

Examples of innovation and trend solutions adopted in DHL Logistics

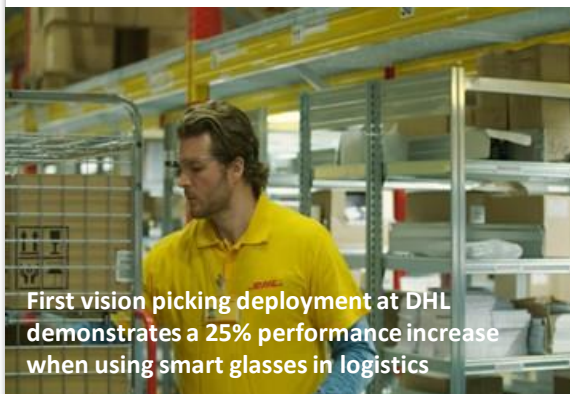
SMART CONTAINERIZATION

This optimized container format replaces 60% of inner-city vehicle journeys.



AUGMENTED REALITY

First vision picking deployment at DHL demonstrates a 25% performance increase when using smart glasses in logistics



BIG DATA ANALYTICS

Full sorting system visibility and ETAs to predict and alert issues and disruptions.
30% spare parts reduction
Zero defects obtained



GREEN ENERGY LOGISTICS

DHL Group and Total reinforce their worldwide collaboration on energy solutions and innovative logistics



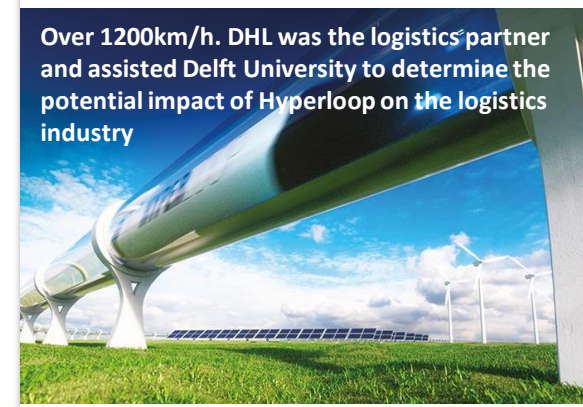
UNMANNED AERIAL VEHICLES

Rapid response from the air: medicines successfully delivered using a parcel drone in East Africa



TUBE LOGISTICS

Over 1200km/h. DHL was the logistics partner and assisted Delft University to determine the potential impact of Hyperloop on the logistics industry



KEY Takeaways

- 1 Last mile distribution is part of the marketing mix
- 2 Market will continue to evolve
- 3 New technologies will drive service quality and efficiency
- 4 Finding the right and not the best solution should be in focus
- 5 Sustainable Logistics is not free

THANKS

