

DHL report reveals: e-Commerce will have a significant impact on how companies will shape their transport strategies in the future

- **65% of the respondents identified the exponential growth of e-commerce and its implications on service as having a significant impact on supply chains.**
- **“European Customers are looking for complete solutions with a global reach.”**
- **DHL survey “The Logistics Transport Evolution: The Road Ahead”: Evolution in the European transport sector is also driven by trends such as the urbanization of markets, and technologies like big data analytics and digitalization.**

Bonn, June 4th, 2019: A recent survey commissioned by DHL, the world’s leading logistics company, has revealed that companies are facing a fast changing market environment, be it in terms of geopolitical changes or technological transformation. But in terms of their ground transportation operations, by far the biggest issue on companies’ minds is e-commerce and its implications on service and ground transportation requirements.

Especially the extraordinarily high service expectations born of e-commerce are impacting businesses. Just to name a few: Customers are expecting same or next day delivery, variable last-mile delivery options, high in-transit visibility, as well as flexible or free return policies and always in-stock inventories. Services that are increasingly challenging.

Paul Stone, CEO DHL Supply Chain Nordics and Head of Transport for MLEMEA explains: “Our European customers look for first-class capabilities in enabling last mile deliveries, which is why technology will be central to navigating this new era for ground transportation. The capability of AI and data analytics to manage the order profile and shipping patterns of customers’ increasingly complex and demanding operating models while optimizing cost and service, means that they are now viewed as essential services, rather than added benefits.”

The DHL survey “The Logistics Transport Evolution: The Road Ahead” found out that the impact of e-commerce on markets, in general, and ground transportation in particular, varies by region. For example, when comparing the impact of e-commerce over the next one to two years versus three to five years, U.S. respondents expect the impact to slightly decrease, from 63% to 60% while, in Europe, Middle East & Africa, Asia Pacific and Latin America, that same impact number increases from 65% to 69%.

Paul Stone, CEO DHL Supply Chain Nordics and Head of Transport for MLEMEA explains: “Here in Europe, transport is undoubtedly a critical aspect of the global business environment, and our findings indicate that companies across sectors and markets now recognize its strategic value. That’s reflected by our customers’ C-suite executives becoming more involved in transportation discussions. We undertook this study to gain an insight into exactly what companies expect from their transportation service providers, both today and tomorrow. Our research has shown us that customers are increasingly looking for complete solutions with a global reach as they can solve a wide range of transportation issues and requirements. In Europe, particularly, environmental commitments are increasingly important to our customers.”

Here the research showed that throughout Europe, the United States and Asia, more and more mega-urban centers are deploying congestion pricing and tolls on vehicles entering urban areas during peak business times – or, in some cases, at any time. Environmental concerns about transportation’s significant carbon footprint will grow as an issue and a potential constraint in delivering goods into these highly populated urban areas. Today, 76% of respondents stated legislation around mandatory carbon reporting is having a big impact on their transportation decision making.

Broader societal factors were also highlighted as presenting associated challenges, with 61% of companies referencing the increase in urbanization as a factor that will significantly impact their future business. Technology and its ability to help manage this complex environment are increasingly seen as a standard requirement of 3PLs: more than two thirds (67%) of companies believe that big data analytics and artificial intelligence (AI) are services that are essential for 3PLs to offer their shipper customers

You can find the full insights into what companies are expecting from their transportation providers by downloading the report here:

<http://app.supplychain.dhl.com/e/er?s=1897772577&lid=3967>

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Notes to Editors

“The logistics transport evolution: the road ahead” is a report by DHL Supply Chain, using data from research by Lieberman Research Worldwide, LLC (LRW) that was commissioned by DHL to identify the factors that are impacting ground transportation logistics and how the industry is adapting to the new frontier of solutions available.



The survey consisted of over 200 supply chain and operations professionals, from sectors including automotive, consumer, life sciences, technology, engineering and manufacturing and more. The respondents were geographically spread around the world.

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50 Years DHL

In 2019 DHL is celebrating 50 years since the company's founding by three entrepreneurs in San Francisco in 1969. DHL began as a disruptor to the traditional delivery industry, circumventing bureaucracy with an innovative new service to deliver documents by air overnight. Since then, DHL has grown into a globe-spanning family of DHL companies with about 380,000 employees in over 220 countries and territories that covers the entire spectrum of logistics and supply chain services. DHL's customer-centricity and can-do culture have fueled five decades of innovation – from the DHL 1000, one of the first word processing computers in the world, to using the purpose built StreetScooter, an environmentally friendly delivery vehicle powered by an electric drive and developed by Deutsche Post DHL Group. With the Mission 2050 commitment to reach zero group-wide emissions by 2050, DHL is continuing to be a trailblazer in the logistics industry.

DHL – The logistics company for the world

DHL is the leading global brand in the logistics industry. Our DHL family of divisions offer an unrivalled portfolio of logistics services ranging from national and international parcel delivery, e-commerce shipping and fulfillment solutions, international express, road, air and ocean transport to industrial supply chain management. With about 380,000 employees in more than 220



countries and territories worldwide, DHL connects people and businesses securely and reliably, enabling global trade flows. With specialized solutions for growth markets and industries including technology, life sciences and healthcare, energy, automotive and retail, a proven commitment to corporate responsibility and an unrivalled presence in developing markets, DHL is decisively positioned as “The logistics company for the world”.

DHL is part of Deutsche Post DHL Group. The Group generated revenues of more than 61 billion euros in 2018.