e-Commerce the new economy

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# eCommerce the new economy

LOGISTICS PROVIDERS?
e-Commerce?

Geo Tagging

ON DEMAND

eWallet

Uberization

Fulfillment

Omni Channel

Cloud

Mobile Commerce

real time

Many to Any

Cross-Border

Reverse Logistics

Last Mile Delivery

Final mile
> Key Drivers

- Connectivity
- Smart Technology
- B2B & B2C
- LMD
Global Digital Landscape

- Total Population: 7.448 Billion
- Active Internet Users: 3.630 Billion
- Active Social Media Users: 2.671 Billion
- Unique Mobile Users: 4.779 Billion
- Active Mobile Social Users: 2.438 Billion

64% Mobile Phone Users
> e-Commerce Hot Spots

2015
Logistics e-Commerce
Market Size
Euro 181.3 billion

Global e-Commerce Transactions
projected USD 2Trillion by 2020

Ti – Transport Intelligence 2016
> Hot Spots Forecast

Logistics e-Commerce Market Size
Euro 348.9 billion

China + India + SE Asia = 50% of Global Market Share
Online Shopping

50% - 80% purchased online in past month

CHANGED BUYING BEHAVIOURS
Connected Mobile Devices

Almost 40% of Web Traffic served to Smart Phone Mobiles
Transformation = Change
> Challenges

- **e-Commerce is NOT JUST ABOUT LOGISTICS but about GLOBAL TRADE**
- Involves end to end **360 VISIBILITY, INTEGRATED & COMPLEX** Value Chains
- Estimates Some 40% of International e-Commerce portals **turn down orders** due to poor cross border logistics and fulfillment capabilities to LMD
- Challenges include: First mile efficiencies... **Cross border compliances**... Uninformed seller direct to buyer... changed buying habits... LMD... Internet... Local supporting infrastructures... **Reliability**... **Technology**... Government red tape... Real time... **Trusted partners**... Visibility... Tedious process... e-Payments... **Cybercrime**... **Returns/Reverse logistics**... Flexibility... **Speed**... **Connectivity**... **Trade barriers**... Overall customer/brand experience...
> Key Players in the new economy

**Amazon**
- Founded July 5th 1994
- Seattle WA. USA
- Founder: Jeff Bezos
- Worlds largest Ecommerce & Internet platform for 3rd party sellers
- Operates in over 60 Countries
- Shipments can be FBM or FBA
- Annual Turnover: USD107 Billion
- Employees: 269,000
- Customer base 30 million worldwide
- Over 1 Billion packages processed by FBA in 2015

**Digital Native Consumers**
- Consumer preference
- Shifting from Bricks & Mortar to online shopping
- Buyer now connecting directly with Seller enabled by Technology
- Physical/Virtual (Online/offline) services offering Omni Channel convenience to Consumer
- Customer overall experience & speed of delivery is paramount
- Returns service
- Wider choice & Value for money
- Brand Experience
- Visibility of process to LMD

**Alibaba.com**
- Founded 4th April 1999
- Hangzhou China
- Founder: Jack Ma
- Largest Internet & Ecommerce Company in China
- Operates Worldwide
- Provides common online shopping platform for Buyers & Sellers
- Annual turnover: CN¥101.143 billion 2016
- Operates several online affiliate Marketplaces
- Alibaba is the worlds largest retailer as of April 2016
- Represents 80% of China’s total eCommerce Market
> The Power of e-Commerce

Amazon & Alibaba have propelled the global growth of e-Commerce transactions further by introducing Social Media Commerce via the Singles Day, Black Friday and Cyber Tuesday annual sales campaigns.

- **Single’s Day Sales** USD 14.9B in a single day in Nov 2015
- **120,000** estimated orders **each minute** on 2015 Singles Day
- **73%** of purchases in first hour made **via mobile phone**
- **12 hours** time taken to beat 2014 whole-day record of $9.3bn
- Alibaba It predicts in 2016 that **1.7 million couriers, 400,000 vehicles and 200 planes** will be making deliveries of products that range from electronics goods to cosmetics

- **Thanksgiving day** USD 1.73B growth of 25% to 2014
- **Black Friday** USD2.74B increase of 15% on 2014
- **Cyber Monday** USD3.7B increase of 15% on 2014
- **Smartphones** generated 22 percent of online sales, 70 percent more than in 2014.
- The above is separate to the US Peak Holiday Season in November-December processing in excess of **100 million plus ecommerce transactions per day in 2015**
Opportunities
Global economic opportunities are opening up via the e-Marketplaces to the traditional Freight Forwarding communities worldwide including micro-logistics.

Offering e-Commerce Logistics capabilities as part of your core service and provide access to wider local and overseas markets.

Customers can benefit from dealing with a one-stop-shop global trade partner by being a true local expert.

Services can include complete, end-to-end channels including consolidations, cross border compliance, fulfilment, visibility and LMD solutions.
The WCA eCommerce Network will provide Industry Leadership, Education and Access to Services that will deliver unique beneficial value to Members.

Leading the way to connect you to a world of new opportunities!
Dedicated e-Commerce Network

Shared Economy  Industry Leadership  Digital Tools & Resources
## WCA e-Commerce Network

### Members
- **e-Commerce Member Types:**
  - Open to all existing WCA Members
  - Logistics and non-Logistics Companies
  - Freight Forwarders, Supply Chain, Warehouse Solutions
  - LMD/ Express Delivery Companies
- Connect in and increase your knowledge of e-Commerce

### Member Benefits
- Worldwide Network
- Dedicated e-Commerce Services
- Knowledge Hub
- Advisory Services
- Conferences & Workshops
- Connectivity Many to Many
- Access to Members Benefits Programs

### eVendors
- eVendors can grow their Business with new revenue opportunities
- Engage on a Global scale via a specialised platform for e-Commerce Service Providers
- Exclusive and accredited WCA eCommerce Vendor Program
- Unique opportunity to connect directly with Freight Forwarding community