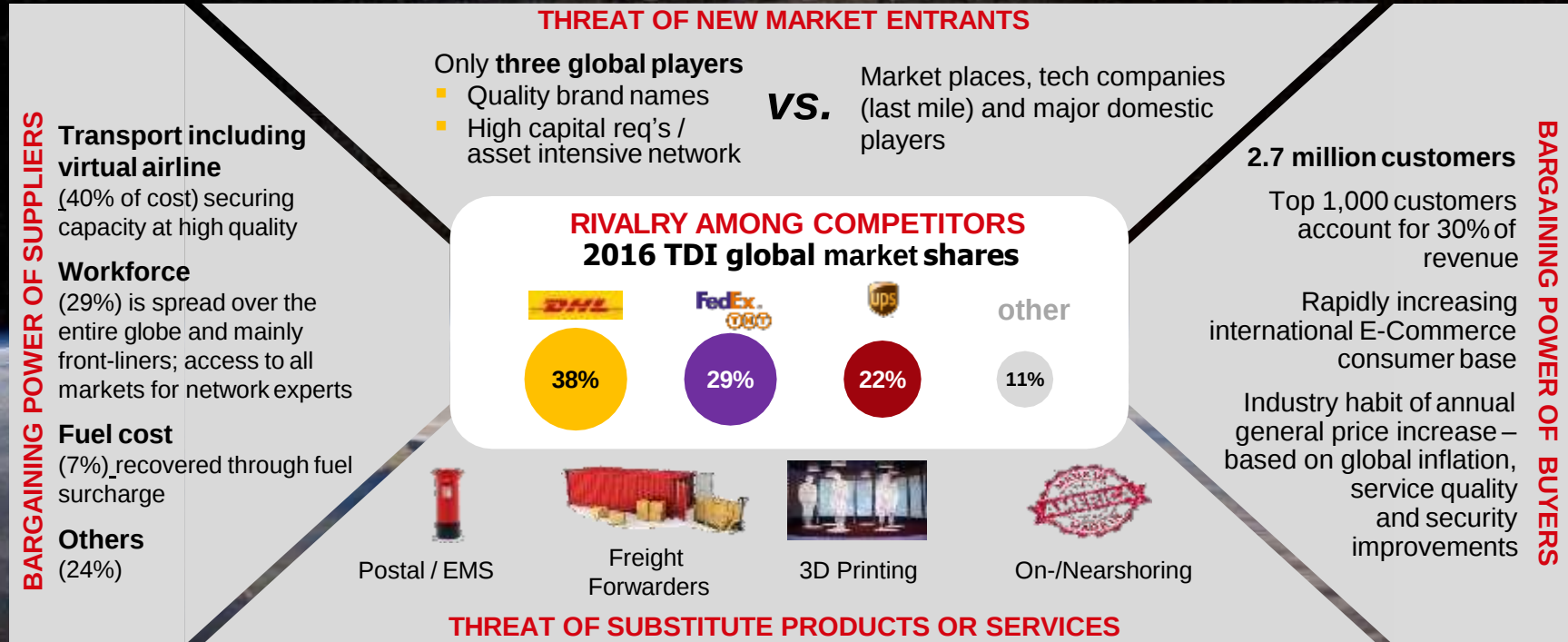


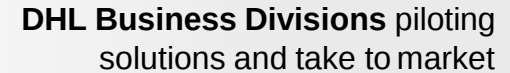
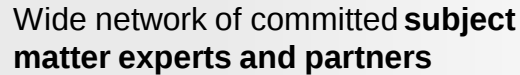
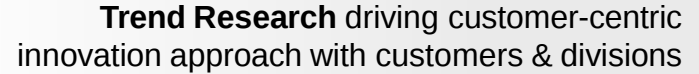
**THE ELECTRIC LIGHT
DID NOT COME
FROM THE
CONTINUOUS
IMPROVEMENT
OF THE
CANDLE**

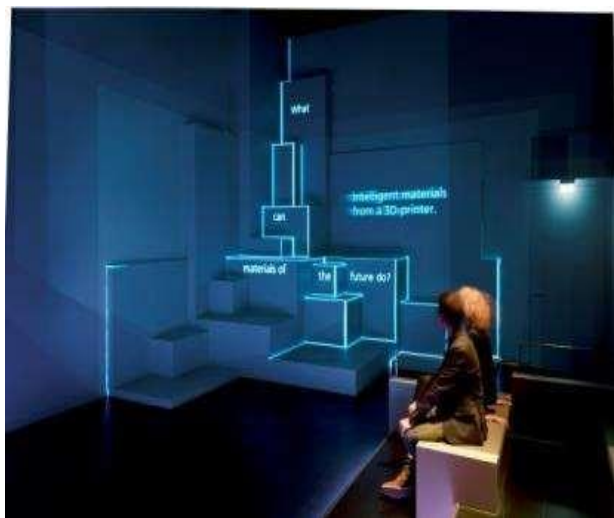


Porter's Five Forces - in the International Express Industry



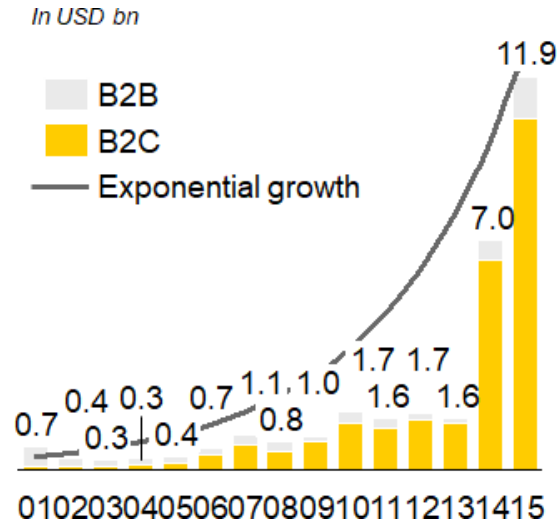
Innovation Centers in Germany, US & Singapore as key platforms for customer engagement





The Logistics sector is highly attractive

Exponential growth in logistics VC



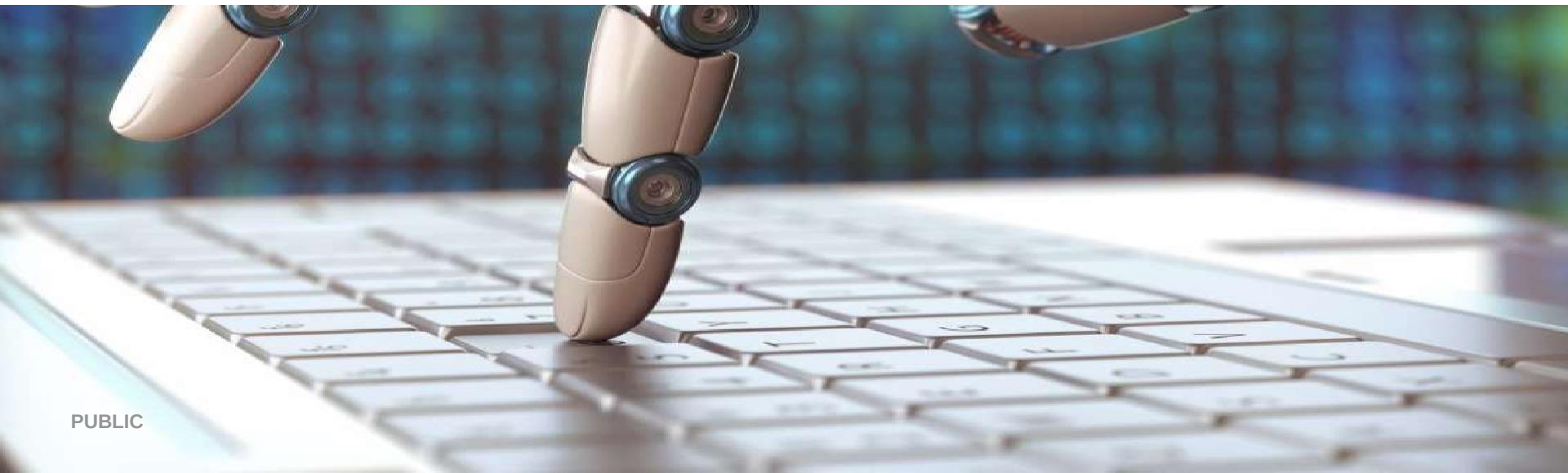
Opportunities only partially exploited

I **>US\$7 Trillion** Global logistics costs in 2015, worth c.10% of global GDP.

II **“Logistics: a digital laggard on the cusp of a productivity jump”¹⁾**

Source: Corporate Development; 1) Goldman Sachs equity research: Logistics Digitisation, March 2017

INDUSTRY LEADERSHIP IN A DIGITALIZED WORLD



Digitalization...

is the biggest **opportunity** since globalization

equips humanity with fundamentally **new abilities**

is not only about **new technology**, but also about a **different mindset and culture**

changes the way we communicate, work, travel, consume, and do many other things!

FILM



ON DEMAND DELIVERY



Digitalization is the next S-curve further driving Globalization & E-commerce

Globalization & E-commerce

Globalization = basis of our long standing B2B business and position as most international company in the world

E-commerce = emerging B2C business driven by consumers increasingly shopping online from abroad

Digitalization = accelerating impact of technology boosting globalization and e-commerce as well as efficiency and productivity

Digitalization

Strategic questions

- How can digitalization help us to **drive revenue and quality up** and cost out?
- How big is the e-commerce opportunity?
- What are the right price points?
- How much efficiency/**productivity gains** can be realized?

EMERGING TRENDS

1.6

billion
shoppers online in 2018

3.4

trillion USD
estimated global e-commerce sales by 2019

900

billion USD
spent on cross-border
purchases by 2020

THREE
TIMES THE
FIGURE OF
2015!

Consumer behaviour is changing:

They expect everything 'on demand',
any time, any place and to buy anywhere



THE AGE OF IMMEDIACY

Delivery as the deciding factor between one brand and its competitor.

- **More than just product and pricing: delivery and returns play a huge role in a brand's success.**
- Delivery is often the deciding factor between one brand and its competitor.
- Should your brand's delivery options fail to be fast enough to appeal to the today's on-the-go consumer, do not deliver to a customer's preferred location, or are too expensive, you will lose the sale.

In the Age of Immediacy, where a taxi can be ordered in minutes and movies streamed in seconds - consumers want their product yesterday!



FILM



OPPORTUNITIES FOR GROWTH



THE AGE OF IMMEDIACY

HOW CONSUMERS' BUYING HABITS ARE CHANGING

Online Shoppers demand SPEED & FLEXIBLE DELIVERY.

- More than just product and pricing: delivery plays a crucial role in a brand's success.
- **68% of millennials would choose a retailer solely because of its delivery options*** (and are open to shopping cross-border)
- 30% of shoppers would choose retailers who offer a **premium/next-day service.**

FAST, FLEXIBLE & EASY



THE AGE OF IMMEDIACY

Create a competitive advantage via delivery options offered

91%

OF CONSUMERS LOOK
FOR THE AVAILABLE
DELIVERY OPTIONS
BEFORE REACHING THE
CHECK-OUT.

68%

OF MILLENNIALS WOULD
CHOOSE A RETAILER
SOLELY BECAUSE OF
ITS DELIVERY OPTIONS.

46%

OF BASKET
ABANDONMENT IS
CAUSED BY LIMITED
SHIPPING OPTIONS.

Burying this information in
your footer, FAQ page, or late
in the check-out process is a
wasted opportunity.

Customers are twice as likely
to repurchase from a retailer
after a positive delivery
experience.

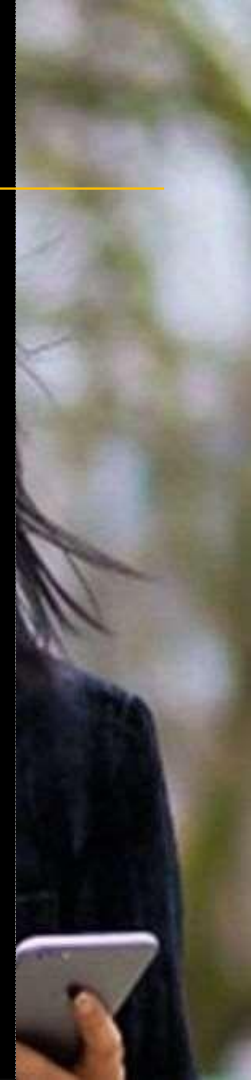
Increasing conversion is
about eliminating
uncertainties. Delivery might
just be the area of where
questions arise.

**Make sure you offer this early in your customer's online journey.
Offering delivering options will make them come back for more.**

SOURCE: 'How do fashion brands deliver?' Paazl
Delivery Experience Score

SOURCE: Metapack – 2016 state of ecommerce
delivery consumer research

SOURCE: eDelivery, study of 240 of the UK's top
e-commerce sites. VisualSoft



SUMMARY

1

Cross-border e-commerce is a **lucrative opportunity**, regardless of company size

2

Customers' buying habits are **changing**, and fast

3

DHL supports companies of all sizes to **Power Up Their Potential** through collaborative partnerships

4

Our **global reach**, end-to-end network and e-commerce experience makes us **your perfect partner**



THANK YOU...

IT'S AN EXCITING TIME FOR E-COMMERCE,
EMBRACE IT.

