

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

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A recent survey commissioned by DHL 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

Source: [Deutsche Post DHL](#)

