



### About E- Commerce postal mail



While the traditional letter mail still remains an important income source for the postal operators, the E-commerce takes the place of one of the main drivers for the delivery business in the postal sector filling the gap caused by the letter volumes decline

> Between 2011 and 2014, global deliveries of small packets and parcels by Posts worldwide increased by some 48% to reach some 357 million items. In Asia and Oceania, where there are some reported 460 million online shoppers, Global B2C E-commerce is valued at about \$1.2 trillion. While considerably smaller than business-to-business (B2B) e-commerce, valued at more than \$15 trillion, this segment is growing faster, especially in Asia and

> Africa. This area also offers high potential for growth of

e-commerce in developing countries.

## What are people buying online?



The most common purchases made online are for electronics and digital media, including video games, music downloads, e-books, computers and phones. The next sector is the fashion industry, with clothes and footwear accounting for almost one-third of online purchases. 48% of people buy their groceries online, and 11% do all of their food shopping through an internet device. On mobile phones, however, it is still app spending - purchases to download content or in-app spending for additional features - which overtakes retail purchases as the main choice.



In 2018 has already seen a growing demand for retail-based technology, which makes online shopping easier. Leading the way in this sector is Amazon (<u>AMZN</u>), which has produced physical "reorder" buttons for common household items along with virtual appbased versions. Expect more online retailers to take this route and produce handy gadgets to assist with shopping.

## **General E - commerce Statistics**

- 2015 worldwide spending on digital commerce platform software reached approximately \$4.7B (a <u>15% year-over-year</u> increase).

- In 2017, ecommerce was responsible for around \$2.3 trillion in sales

- U.S. shoppers spent <u>\$5 billion</u> online during 2017's black Friday

- U.S. Ecommerce sales reached \$396 billion in 2016 and are predicted to grow to a massive 684 billion by 2020. (Statista, 2017)

 Ecommerce is growing <u>23% year-over-year, yet 46%</u> of American small businesses do not have a website.

- 53% of global internet users made an online purchase in 2016.(US Department of Commerce, 2017)

## **General E - commerce Statistics 2**

- Amazon accounted for 44% of all U.S. ecommerce sales

- In 2015, Alibaba accounted for 9.3% of worldwide B2Becommerce GMV. (Statista, 2017)

- 46% of online shoppers want more product comparisons from ecommerce sites. (BigCommerce, 2017)

- 73% of consumers are more likely to purchase a product or service if they can watch a video explaining it beforehand. (Animoto, 2017)

- Global retail ecommerce sales will reach \$4.5 trillion by 2021. (Statista, 2017)

- Online orders increase <u>8.9% in Q3 2016</u>, but average order value (AOV) increased only 0.2% — indicating that transactional growth is outpacing total revenue.



#### ECOM SALES GRAPH

#### GROWTH OF RETAIL ECOMMERCE SALES WORLDWIDE



# The 10 largest ecommerce markets (by billion USD)



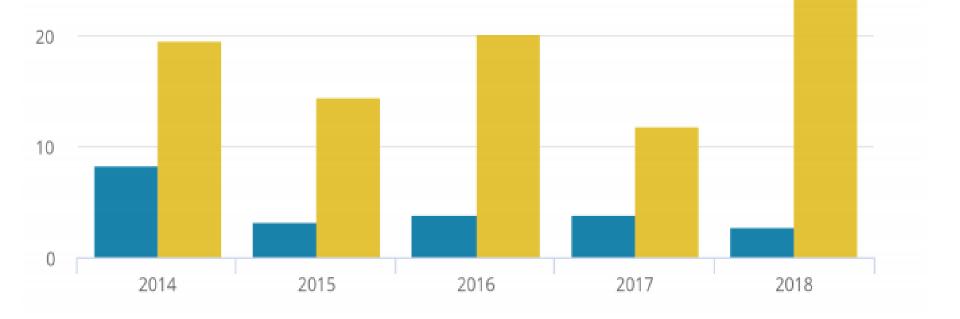
Great Britain, March, 2014 to 2018

March growth rates %

40

## March growth rates year-on-year for amount spent in department stores;



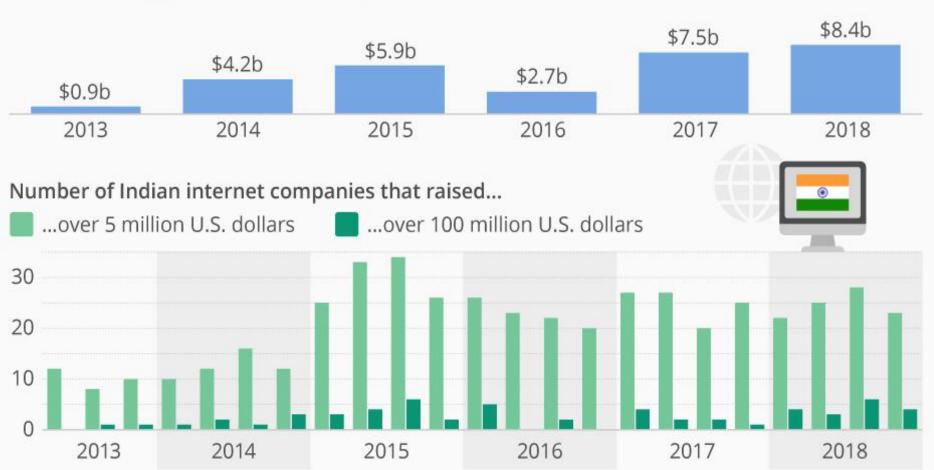


Department store sales (including internet)

Department store sales (online only)

#### **Indian Internet Economy Strong Despite New Restrictions**

Funds raised by Indian internet companies 2013-2018



Funds raised by private internet companies in India

StatistaCharts Source: Jefferies via Quartz India

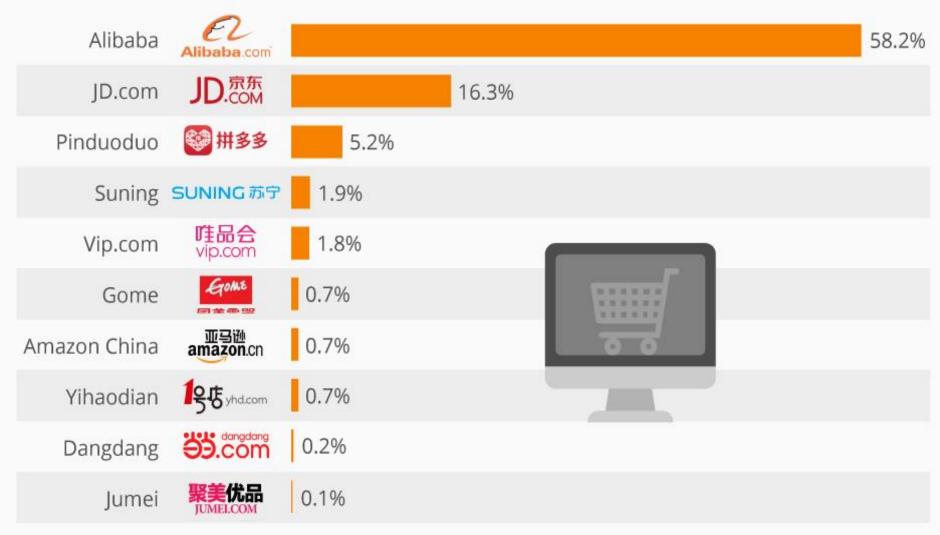


#### 1. Amazon

	49.1%
2. eBay 6.6%	
3. Apple 3.9%	
4. Walmart 3.7%	
5. The Home Depot 1.5%	
6. Best Buy 1.3%	
7. QVC Group 1.2%	
8. Macy's 1.2%	
9. Costco 1.2%	** Top 10 US companies , Ranked by
10. Wayfair 1.1%	retail ecommerce sales share , 2018 ( % of US retail ecommerce sales )

#### Alibaba continues to lead retail e-commerce sales in China

Top 10 e-commerce retailers in China as of June 2018, by sales share\*



\* Incl. products or services ordered using internet via any device,

regardless of the method of payment or fulfillment.



@StatistaCharts Source: eMarketer



# Amazon hits record \$2.5bn quarterly profits driven by online sales and cloud demand

Amazon's profits hit a record \$2.53bn (£1.9bn) in Q2 this year, driven by its dominance in e-commerce and growing demand for its lucrative cloud computing services.

Takings for the last three months amounted to 12 times that of the same period last year, with sales rising 39% to meet \$52.9bn (£40.4bn) and its Amazon Web Services (AWS) division raking in \$6.1bn (£4.7bn) in sales - a 50% hike year on year.

According to the Financial Times, Amazon anticipates its profitability picture to continue an upwards trend in the third quarter, following another landmark Prime Day earlier in July which saw over 100m products sold, amounting to over <u>\$1bn</u> (<u>£760m</u>) in sales.



## Alibaba e-commerce marketplace highlights for Q3 2018

Alibaba's annual active consumers increased by 25 million and reached 601 million in the 12 months ended September 30, 2018. Alibaba delivered robust revenue growth of 54% for quarter Q3 2018. Taobao mobile app saw a total of 666 million MAUs.

#### Performance Highlights for Q3 2018

 Alibaba's revenue was RMB85,148 million (US\$12,398 million), an increase of 54% year-over-year.

- Annual active consumers on Alibaba's China retail marketplaces reached 601 million, an increase of 25 million from the 12-month period ended June 30, 2018.

- Net income attributable to ordinary shareholders was RMB20,033 million (US\$2,917 million), and net income was RMB18,241 million (US\$2,656 million), representing a year-on-year increase of 13% and 5%, respectively.



## JD.com Earnings: 352 Million Active Users Drove 16% Sales Growth



China-based online retailer JD.com reported fourth-quarter results last week. The company overcame soft demand for big-ticket electronics and home appliances to produce 16% sales growth in a wide range of lower-priced products.

#### JD's fourth-quarter results: The raw numbers

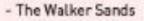
Metric	Q4 2018	Q4 2017	Year-Over-Year Change
Revenue	\$19.6 billion	\$16.9 billion	16%
Net income (loss)	(\$701 million)	(\$140 million)	(400%)
GAAP earnings (loss) per diluted ADS	(\$0.48)	(\$0.10)	(380%)

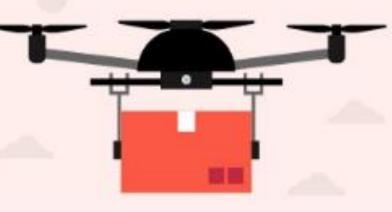
## The Future of logistics in e-commerce industry in 2019

## THE FUTURE OF DELIVERY SERVICES

#### QUICK DELIVERY

79% of US consumers said they're more than willing to request drone delivery if their package could be delivered within an hour.





73% of survey participants said that they would pay up to \$10 for drone delivery.



40% of parcels will be delivered within 2 hours by 2028.



#### DIFFICULTIES

77% of warehouses said that delivering products on the same day is their biggest challenge.

#### CONSUMERS' EXPECTATIONS

38% of shoppers expect high street retailers to offer same-day delivery.





#### QUICK DELIVERY BOOSTS SALES

72% of shoppers would shop more and spend more if same day delivery was available.

- Stuart



### **Fast & Flexible Deliveries**

Today's customers have high standards for how quickly they want their orders to be delivered. E-commerce companies will need to offer fast and flexible deliveries to prevent customers from abandoning the cart when they receive shipping information and looking elsewhere. Although you may not be able to deliver same or next-day delivery, you can work with a third-party logistics provider to offer shorter delivery times. So, they will be able to ship out orders and get them delivered faster.





## Thank you for you attention