

PROCESSWEAVER®
— INTEGRATED SHIPPING PERFECTED —

WINNING THE “LAST MILE”

Courier, Express, and Parcel Shipping & Delivery

▲ Keys to Winning the Last Mile

Realizing that the future belongs to
the fast and the first.



What is Last Mile Logistics

A few things to know

- Last mile logistics refers to the final step of the delivery process from a distribution center or facility to the end user.
- Although the name implies, it is the final mile delivery, actual last mile delivery can range from a few blocks to 50 or 100 miles.
- Most often, last mile logistics involves the use of parcel or small package carriers to deliver products to consumers.
- According to McKinsey and Company shippers of all sizes have identified last mile logistics as the cornerstone to driving growth and profitability

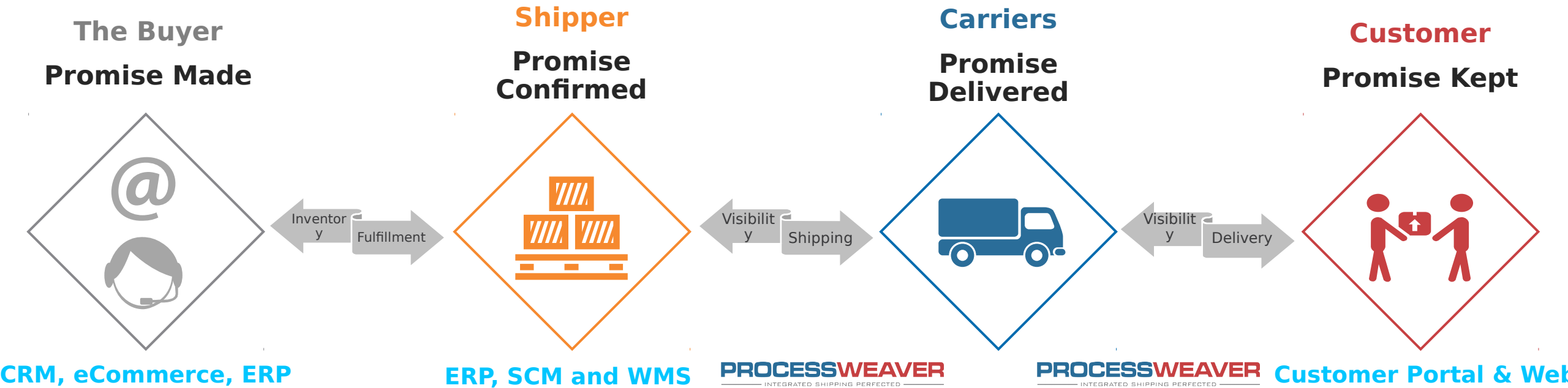


▲ Keys to Winning the Last Mile



Understanding that it's the customer who controls how you get them their order.

▲ At The Heart of What Today's Shippers Need



By helping them orchestrate and synchronize execution processes across functional execution domains

▲ Multi-Carrier Shipping as Required Compliance



▲ Keys to Winning the Last Mile

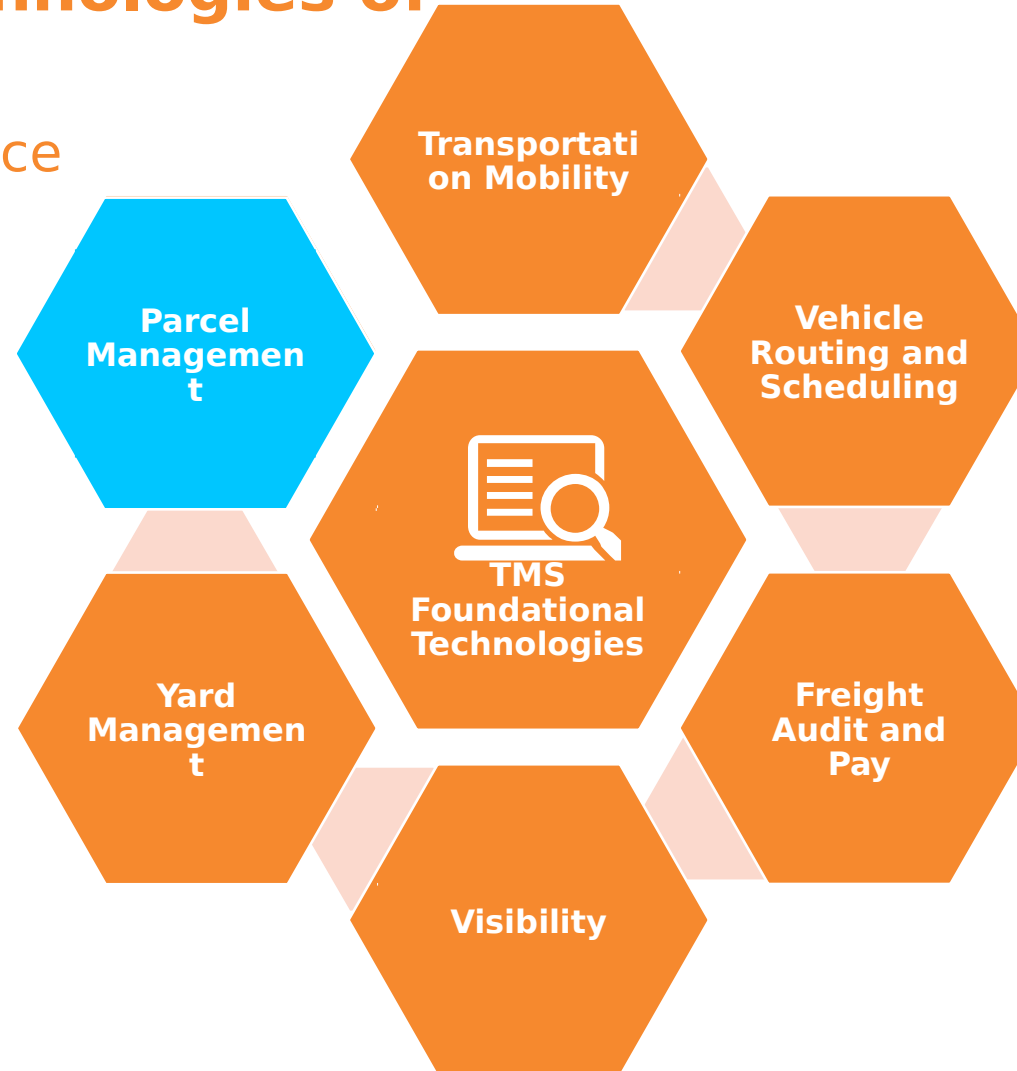
Commitment to the belief that digital transformation is the foundation of business transformation.



▲ The Need to Digital Transform Transportation

Foundational Technologies of TMS

- Optimizing performance
- Customer satisfaction
- Controlling costs



▲ The Need to Digitally Transform Transportation



The global TMS market was valued at \$1.2 billion in 2016 and is expected to reach \$2 billion by 2021.



TMS growing at a compound annual growth rate (CAGR) of 12.2% over the last five years, with Gartner estimating it closer to 20%.

Key Market Drivers

Reduced Costs

Enhance Customer Service

Corporate Globalization

Improve Productivity and Efficiency

Omni-Channel Logistics

Amazon Effect

Growth of eCommerce



Ecommerce, The Amazon Effect, and Parcel Shipping

▲ The Need to Digitally Transform Transportation



American region expected to continue lead to global TMS market followed by EMEA



APAC expected to witness the highest growth rate in its market share



TMS market will continue to growth at a healthy rate

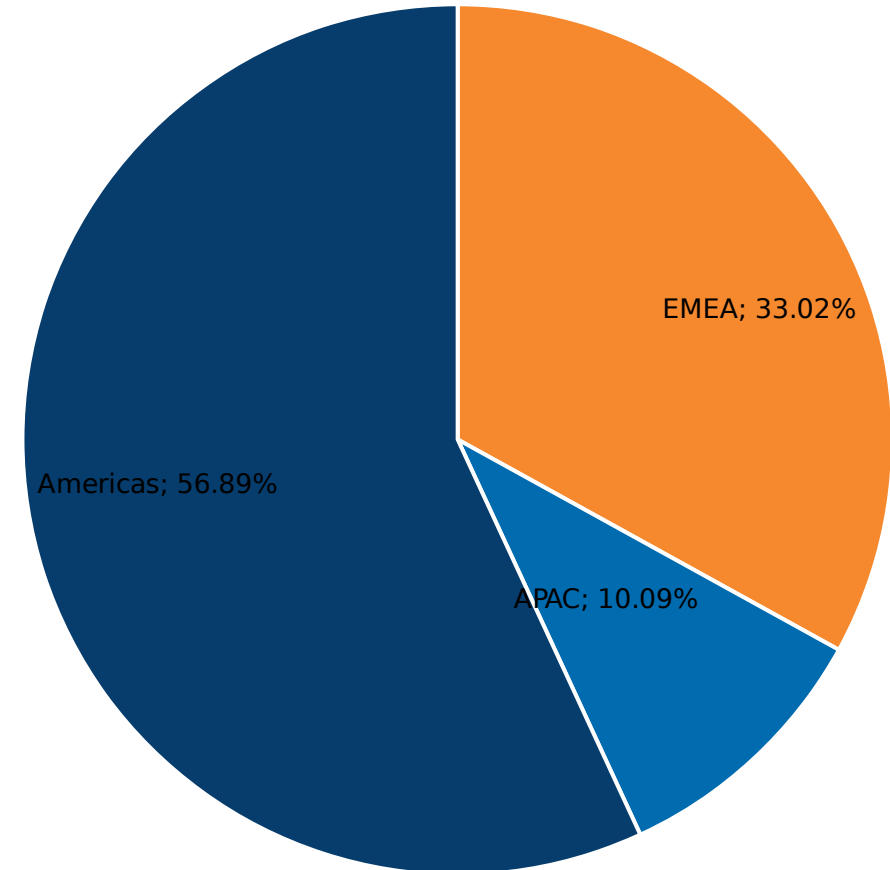
- 50% Americas
- 50% Outside Americas



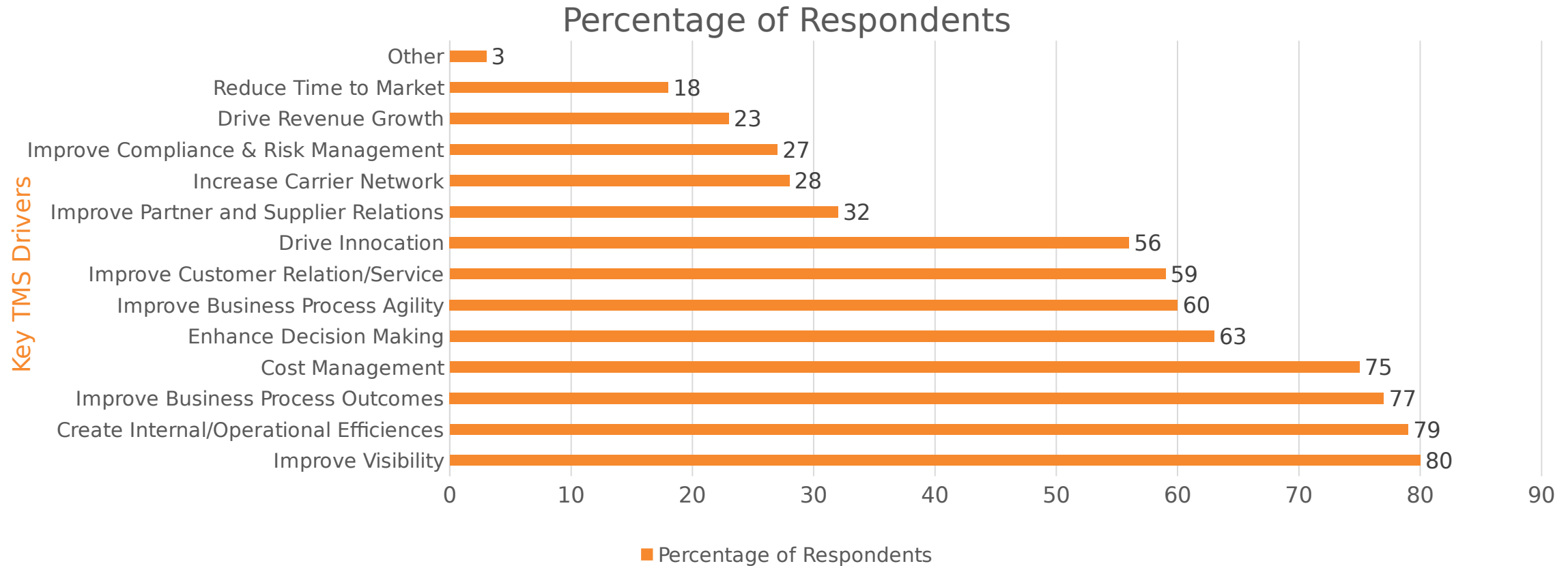
ERP/TMS is one of fastest growing segments of the TMS market

Source: Gartner (April 2017)

Global TMS Market 2016



Key Value Drivers for TMS Adoption



Today's businesses need to understand that they both physically and digitally ship customer orders

▲ The Amazon Effect and Growth of E-Commerce

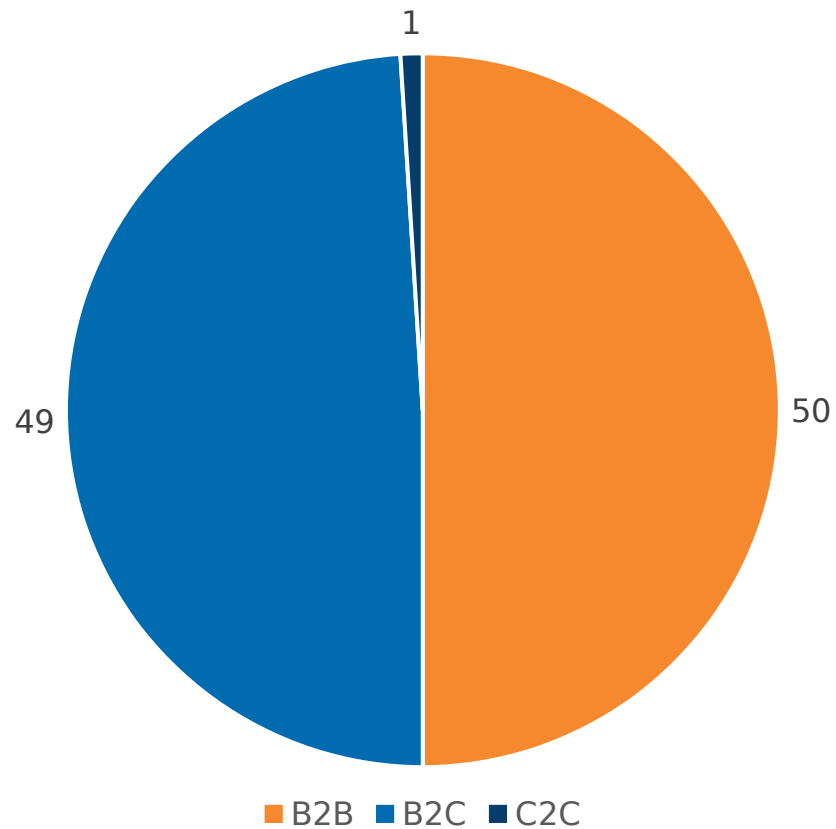


A few things to be aware of

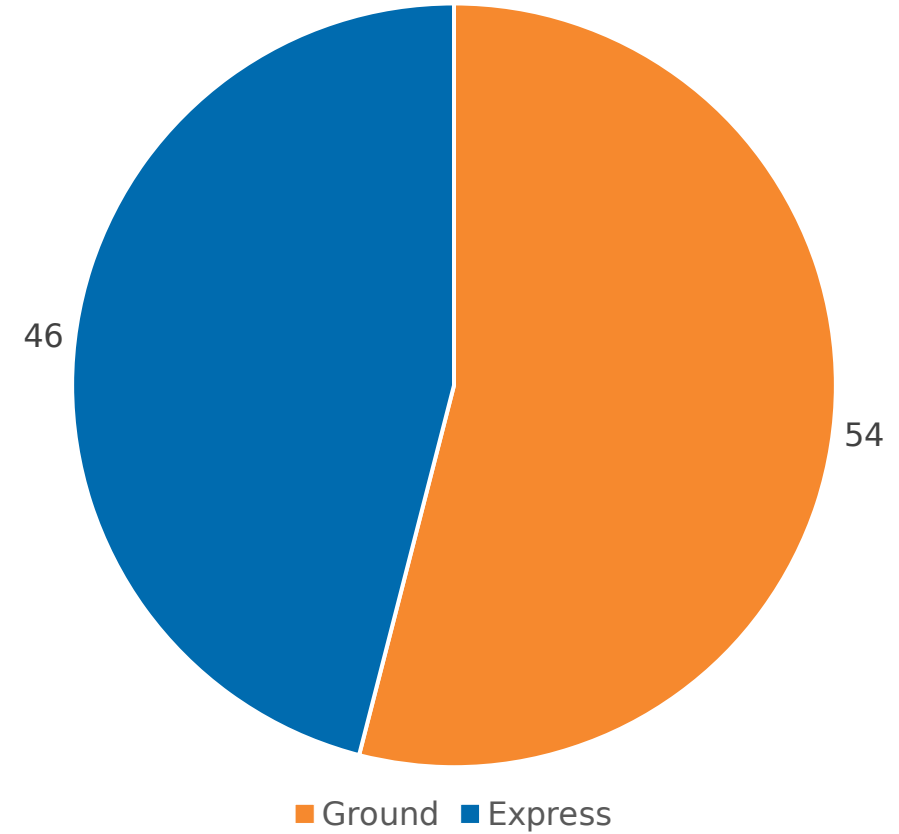
- Amazon continues to raise the bar, conditioning shoppers (and not just those sitting at home) to expect same-day delivery, while forcing rivals and logistics to play catch up.
- As the focus of e-commerce shifts to supply chain logistics, shippers are confronted with a fundamental challenge: rising expectations from consumers expecting ever-faster delivery.
- Delivery windows continue to shrink, covering the “last mile” to customers homes has become a critical and costly priority.
- Carriers and warehouse operators that benefit from rising e-commerce shipments are investing in digitally transforming their technology and networks to meet delivery requirements.
- According to the Council of Supply Chain Management Professionals’ 29th Annual State of Logistics Report, a leading trend for 2018 included: “a fully digital, connected, and flexible supply chain optimized for e-commerce and last mile, same-day delivery will become essential.”
- Businesses have to solve the “Last-Mile” riddle as they deal with increasing parcel

▲ Growth of Domestic Parcel Shipping 2017

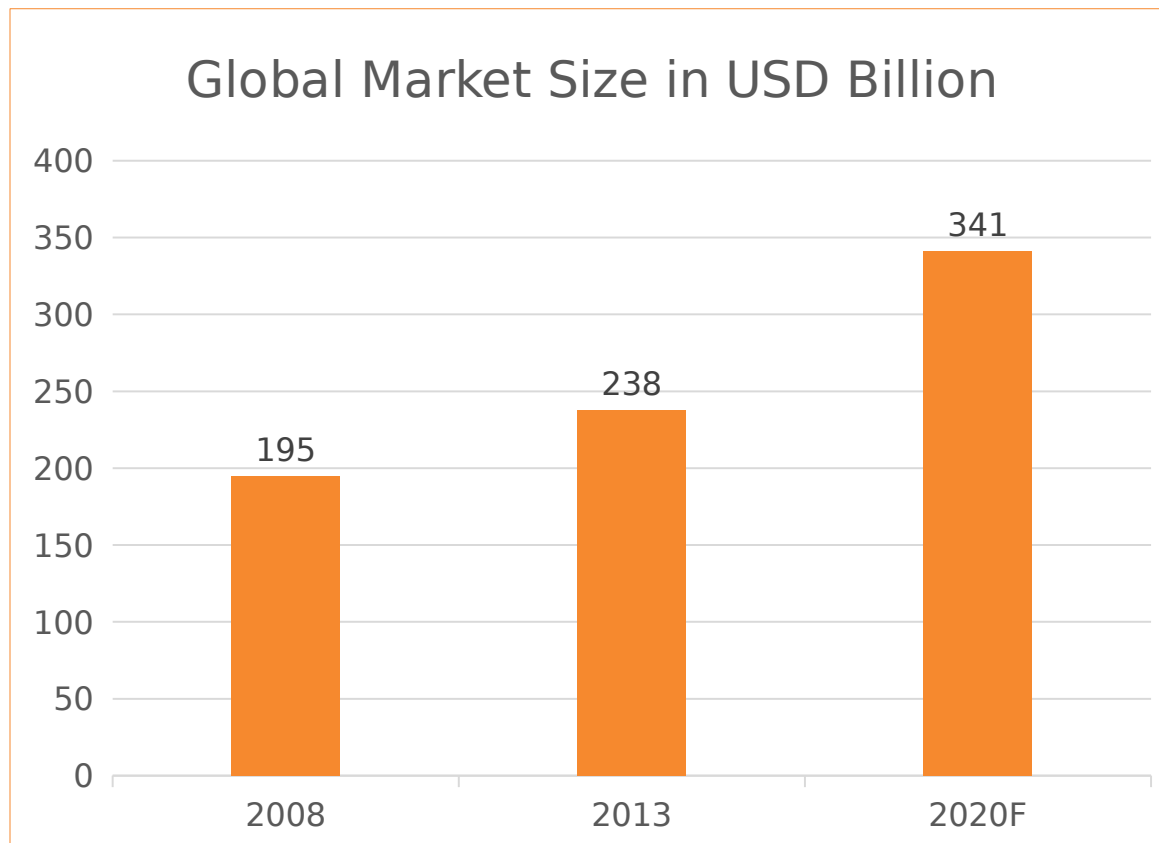
Market Segment



Carrier Product



Parcel Growth 2008-2020



Routes

International

Faster growth (~5.4%, 2013-2017) than domestic primarily due to growing cross-border eCommerce

Domestic

Continues to be >75% of overall market with ~5.0% growth (2013-2017)

Customer Segments

B2B

Slower than B2C with close to GDP growth but significant share and higher margin contribution

B2C

Close to eCommerce growth rates and growing in significance

C2C

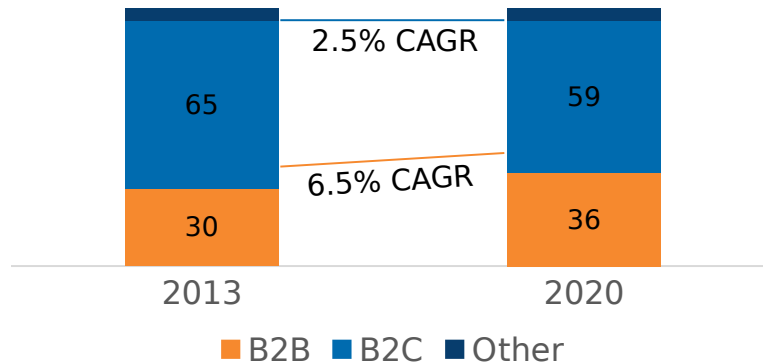
Emerging segment from growth in auction sites and the circular economy

Market	APAC	N. America	W. Europe	Europe Rest	Middle East	S. America	Africa
2013 Share	32%	33%	23%	5.7%	3.5%	2.5%	1.5%
2020 Share	38%	30%	19%	5.3%	4.1%	2.5%	1.9%
2013-2020 CAGR	15%	9%	5%	8%	7%	5%	10%

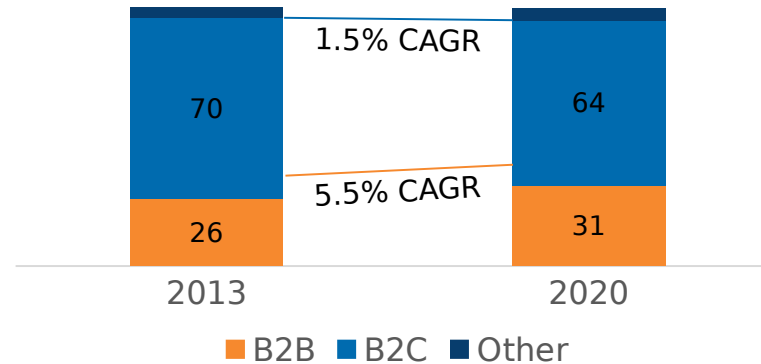
Global B2B Versus B2C Market Share

Market Share by Revenue

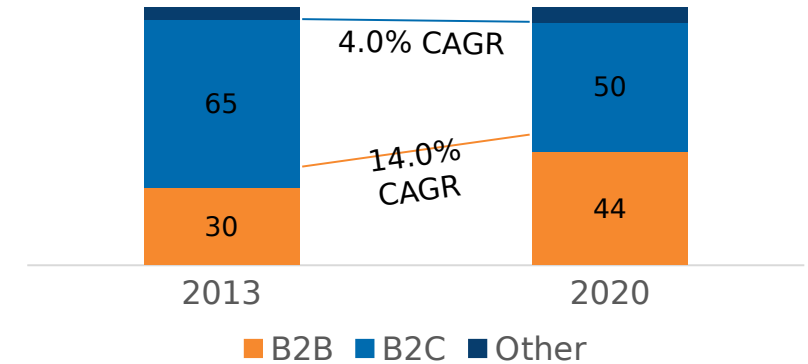
North America



Western Europe

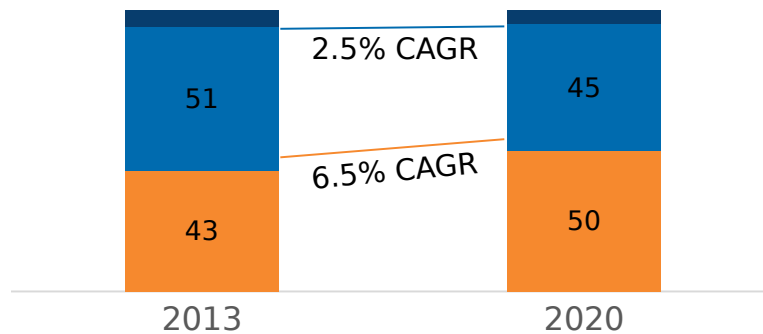


Asia Pacific

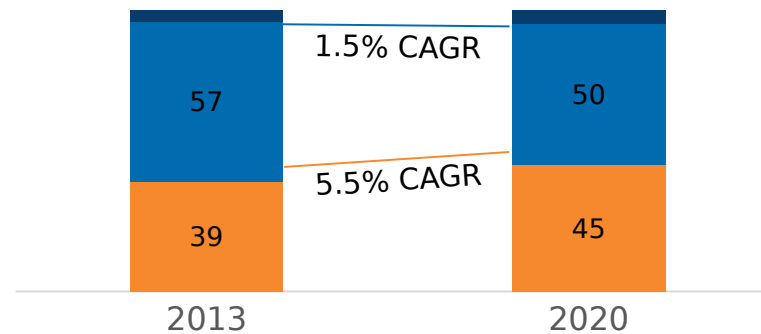


Market Share by Volume

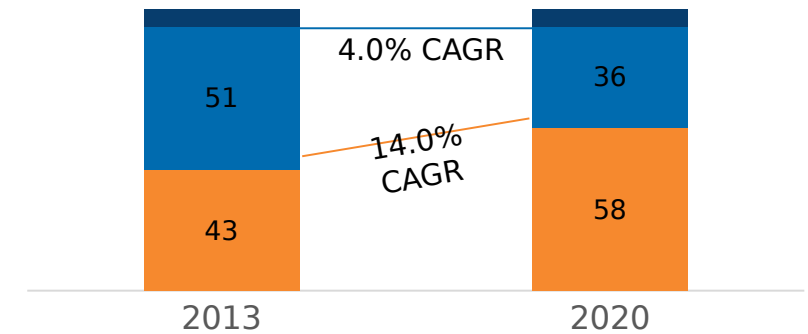
North America



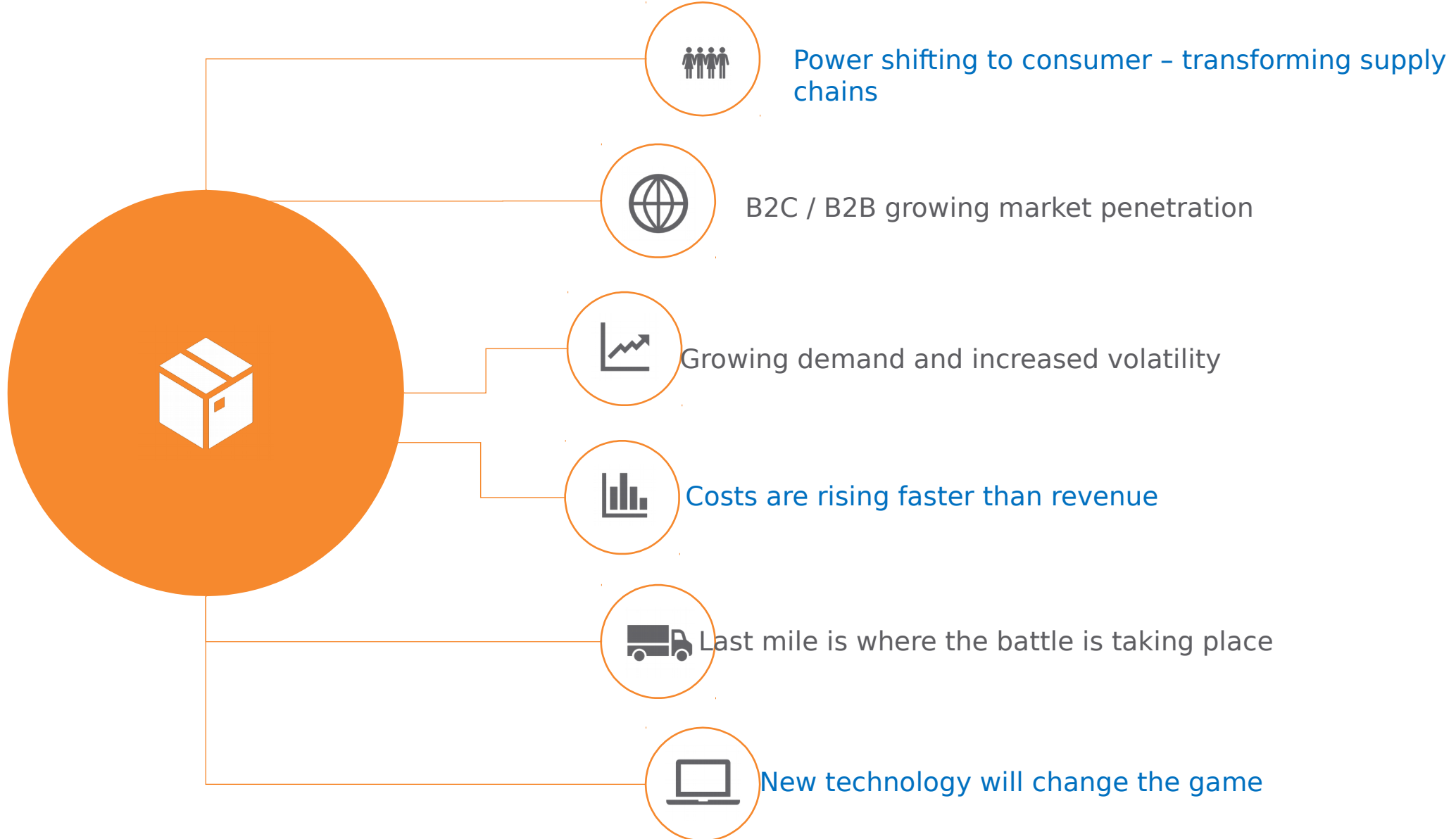
Western Europe



Asia Pacific



Key Findings



Complying with DOT and IATA regulations to ensure on-time delivery and avoidance of fines

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