



E-COMMERCE RAISES THE STANDARD FOR DELIVERY EXCELLENCE.

Learn how to set your delivery channel apart from the competition.

Honeywell

DELIVERY IS ABOUT MORE THAN DELIVERING.

The needs and expectations of consumers are reshaping the way companies must operate. Today's consumers want a seamless experience and companies are forced to keep up with demands.

Amid fierce competition, companies find it increasingly difficult to stand out from the crowd.

One way companies are trying to differentiate their business from competitors is through a focus on their delivery process.



FAST-PACED TIMES CALL FOR SAME-DAY DELIVERY.

The increase in e-commerce spending is showing no signs of slowing. E-commerce is expected to become the largest retail channel in the world by 2021, according to Euromonitor International.¹

For 2019 alone, it's estimated that there will be 1.92 billion global digital buyers,² and e-commerce sales are expected to account for 13.7 percent of retail sales worldwide.³

2x

Online sales will
double by 2022



¹<https://www.forbes.com/sites/michellegrant/2018/08/14/e-commerce-set-for-global-domination/#6c49547bfaf>

²<https://www.statista.com/statistics/251666/number-of-digital-buyers-worldwide/>

³<https://www.statista.com/statistics/534123/e-commerce-share-of-retail-sales-worldwide/>

CONSUMERS WANT CONVENIENCE AND MORE.

Digitally experienced consumers expect access to a diverse menu of available products online as well as full visibility of order fulfillment. This includes knowing when a product has shipped, where it is in the delivery process and returning items easily (along with speedy refunds). This demand for real-time information was unheard of just over a decade ago.

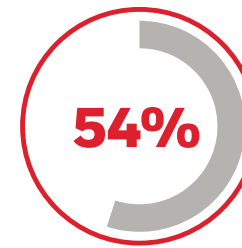
As consumers buy more online, companies need to find better opportunities to exert influence at different points during the transaction. Filling the “experience gap” – the time during which the online checkout occurs until the point at which the product arrives – has become a priority for many companies.

Companies need to facilitate a positive experience during this period of anticipation and use the opportunity to develop and deepen the relationship with their customers.⁵

Consumers also expect accurate, speedy and preferably free fulfillment. Not meeting these expectations can cause them to consider switching to other companies for future purchases.



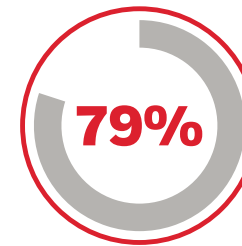
Ninety-five percent of people take action to qualify for free shipping⁶



Fifty-four percent of U.S. consumers under the age of 25 say that same-day shipping is their number-one purchase driver



Nine out of 10 consumers say free shipping is the #1 incentive to shop online⁷



Seventy-nine percent of U.S. consumers say that free shipping would make them more likely to shop online⁸

⁵<https://www.datexcorp.com/making-waves-5-companies-changing-world-logistics-last-mile-delivery-e-commerce-fulfillment/>

⁶eMarketer, Prologis, IHL

⁷<https://www.shipware.com/what-the-amazon-effect-means-for-the-shipping-industry/>

⁸https://www.walkersands.com/wp-content/uploads/2018/07/Walker-Sands_2018-Future-of-Retail-Report.pdf

DELIVERY IS THE DEALBREAKER.

Today, 89 percent of companies compete primarily on the basis of consumer experience – up from just 36 percent in 2010.⁹

Delivery costs and fulfillment are a big part of the shopping experience and companies are taking notice. Companies are aware that the experience consumers have with their brands is not limited to just their website or product anymore, and the way orders are shipped can shape future buying decisions.

To gain a competitive edge, companies continue to reduce shipping windows to differentiate from their competition.

Truncated shipping (sending the same order in more than one parcel to speed up delivery time), for example, which used to be a service only a few companies offered, is now the new normal and companies must learn to adapt.¹⁰

The increased focus of companies on shipping and delivery is further evidenced by the rise in startups dedicated to this face of the supply chain.

From freight forwarders to warehouse analytics platforms and delivery and logistics providers, over 350 supply-chain management and logistics ventures are listed on AngelList, the online network of startup ventures, investors and job seekers. The increase in supply-chain and logistics startup ventures coincides with changes in the supply chain due to omnichannel and e-commerce fulfillment needs.¹¹

>50%

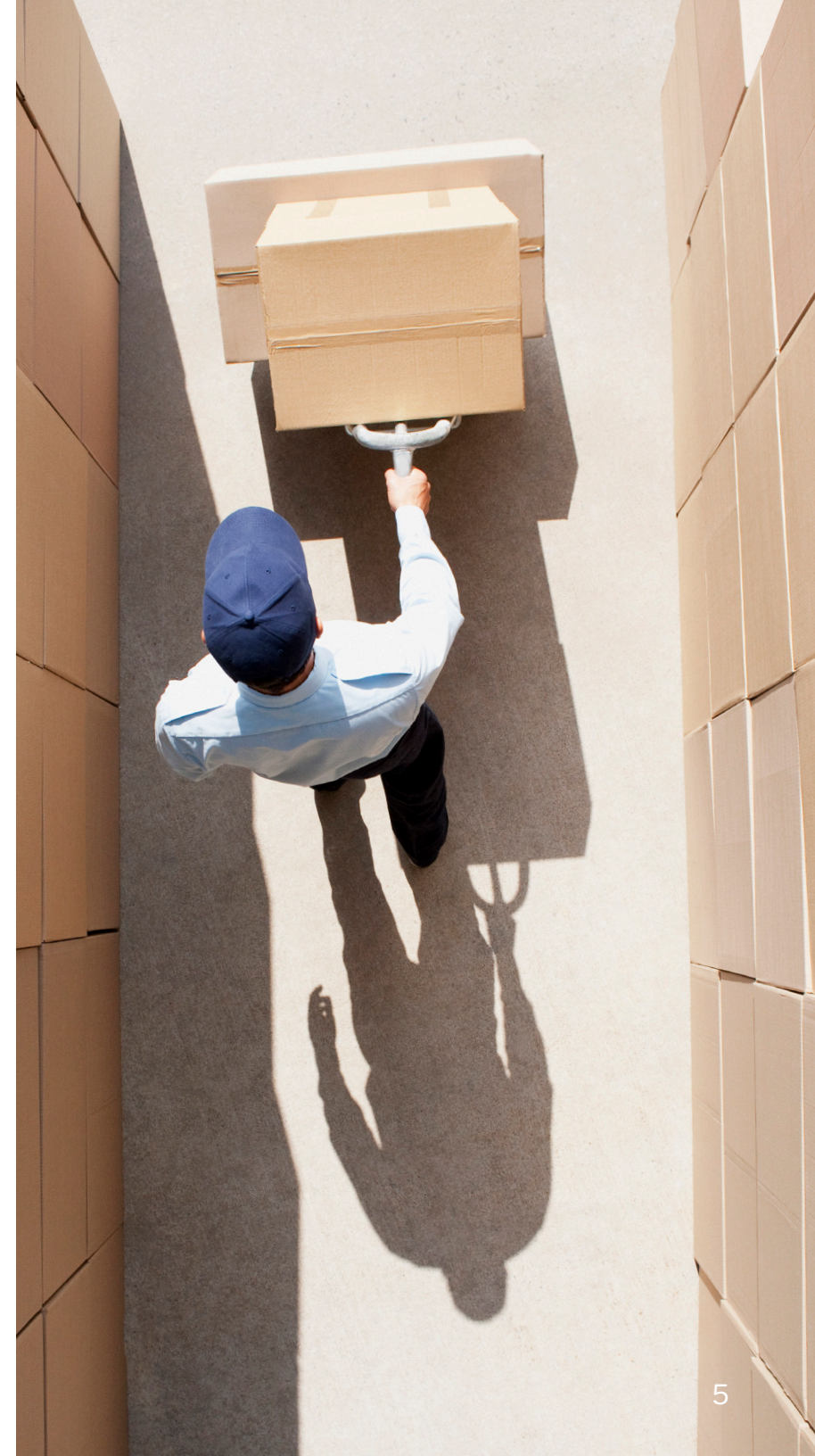
Last-mile delivery accounts for more than half of a shipment's total delivery cost¹²

⁹ <https://www.forbes.com/sites/shephyken/2018/07/15/customer-experience-is-the-new-brand/#73443e567f52>

¹⁰ <https://www.forbes.com/sites/samantharadocchia/2019/01/18/why-consumer-demand-for-faster-shipping-will-force-supply-chains-to-change-strategies/#265f1a94375f>

¹¹ <https://www.datexcorp.com/making-waves-5-companies-changing-world-logistics-last-mile-delivery-e-commerce-fulfillment/>

¹² <https://www.inc.com/kevin-j-ryan/starship-technologies-rolling-bot-mail-delivery.html>



SUPERIOR DELIVERY SERVICES MAKE COMPANIES STAND OUT.



Although services like one-day and two-day delivery are becoming more mainstream, there are some companies making a name for themselves due to their emphasis and ability to differentiate on delivery.

Postmates is unique in its ability to deliver the previously undeliverable. This on-demand delivery service provider enables any type of merchant to deliver anything at scale using local on-demand logistics.

Postmates has a large delivery fleet, with over 20,000 on-demand operators in 40 American metropolitan markets. Partnerships with well-known brands such as 7-Eleven, Walgreens, Starbucks, Chipotle and Apple have provided Postmates with access to a tremendous customer base.

Wing was launched in April 2019 and is the first public drone delivery service. Wing conducts operations from Canberra, Australia. The company is owned by Google's parent company, Alphabet, and delivers takeaway food, coffee and medicine by drone to about 100 homes.

Drone delivery promises

Increased delivery speed

Reduced costs



Starship Technologies uses rolling robots. Consumers receive their packages via a robot about the size of a cooler – no delivery person is involved!¹³ The service is especially valuable for residential deliveries that required consumers to wait at home or visit a locker. This way, shoppers can get packages delivered when and where they want.

Walmart will start to deliver groceries directly to consumers' fridges.¹⁴ Here's how the service works: Shoppers purchase groceries online and select a delivery day. Walmart's employees will wear a camera when they enter consumers' homes. This allows shoppers to watch the process live from their phones. Consumers won't have to pay for the camera, but they'll have to purchase a special door lock.

Posti, a Finnish delivery company, offers premier delivery services for its customers, such as extra security with indemnification checks, unpacking and shelving, and an extensive pickup point and parcel locker network.

¹³<https://www.inc.com/kevin-j-ryan/starship-technologies-roll-ing-bot-mail-delivery.html>

¹⁴<https://edition.cnn.com/2019/06/07/business/walmart-in-home-delivery-grocery/index.html>

Amazon has long been a leader, in large part because of their shipping. Amazon frequently experiments with new methods to get products to their consumers faster and cheaper.

“The effect of Amazon is heightened expectations. Next week is no longer good enough. It’s got to be on its way now and arrive at the destination within a day or two,” opines C. John Langley, Clinical Professor of Supply Chain Management and Director of Development for the Center for Supply Chain Research, Penn State Smeal College of Business.¹⁵

Tesco is a multinational grocery and general merchandise retailer that is constantly experimenting with its delivery options. Currently Tesco offers several delivery plans, including same day, any day and midweek. They recently tested a one-hour delivery window and are trialing WhatsApp for delivery questions.

Carrefour is a multinational retailer that launched a bike delivery service using its ShipTo marketplace app, which connects consumers to a personal shopper who picks groceries from the nearest store and delivers them within 90 minutes.



¹⁵http://info.forbes.com/rs/790-SNV-353/images/Penske_REPORT-FINAL-DIGITAL.pdf

FUTURE-PROOF YOUR BUSINESS.

To give your consumers the differentiating delivery experiences they are looking for, you should consider investing in the right products and technology to ensure you can keep up with these demands.

Honeywell solutions can help your brand stand out and will enable you to create memorable experiences for your customers..

- **Mobility Edge™**, our unified hardware and software platform for mobile computing, connects and powers your workforce's mobile devices, providing enhanced usability, rapid deployment and optimized performance to deliver next-level experiences.
- **PC43K**, just one of Honeywell's extensive range of printers, enables ease of returns, requires fewer printers at home to self-serve for the consumer and provides retail options such as loyalty programs with a tablet feature.
- **Honeywell Marketplace** offers a wide array of software solutions for your supply-chain needs. Shop and compare the latest ISV offerings to easily find the solution that's right for you.

Honeywell is committed to partnering with its customers to solve problems and develop better outcomes. Our extensive industry experience coupled with our ability to connect data and insights can help companies achieve excellence in delivery.

Customers all over the world have taken their business to the next level through a partnership with Honeywell. Learn more at honeywellaidc.com or call a knowledgeable representative at 1-800-934-3163.



For more information:
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WHAT
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MAKE IT**

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