



Last Mile Delivery

HFN OMNICHANNEL SUMMIT

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Inch by Inch . . .

- ▶ Who is this guy and What is 'Last Mile' Delivery?
- ▶ Expectations: Theirs & Yours; Then & Now
- ▶ Eye on the prize; \$1 Trillion and Beyond
- ▶ What world do we live in? What is coming?
- ▶ What can you do?

What is 'Last Mile'?

- ▶ Aaron's Ecommerce Background:

A 12 Year Evolution that began before iPhones, Uber and Instagram!

- ▶ Macy's.com (The Magic of. . .)
- ▶ Amazon.com (Earth's Most Customer-Centric Company)
- ▶ NordstromRack.com/ Hautelook (Commitment to Customer Service)
- ▶ Walmart eCommerce (Save Money. Live Better.)

- ▶ What is 'Last Mile' Delivery?

- ▶ The movement of goods from a fulfillment center to a final customer desired location.

Expectations: Theirs & Yours

- ▶ Manufacturer & Retailer Expectations should be in line with. . .

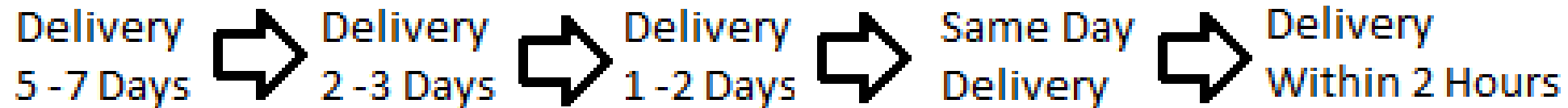
Customer Expectations for Last Mile Delivery

- Fast
- Cheap
- Convenient/ Direct
- Transparent
- Accurate and Intact

Expectations: Then & Now

“Let’s display when it ships because that’s what we can control”

- ▶ Is this customer centric?



“If there is no struggle, there is no progress” -Frederick Douglas

- ▶ Gas price peak in 2008 of \$4.11 avg/gal
- ▶ 2013 UPS/ Fedex Holiday Backlog: Volume of packages exceeds capacity of network

Eye on the Prize

- ▶ According to the [U.S. Department of Commerce](#), “sales on the web reached **\$394.86 billion**” in 2016, which was “a 15.6 percent increase” over 2015.
- ▶ The total value of transactions from U.S. consumers on Amazon.com reached **\$147 billion** in 2016, a 31.3 percent increase compared with \$112 billion in 2015.
- ▶ U.S. online sales are projected to reach **\$1 Trillion by 2027***
- ▶ What does this mean?

HUGE opportunity of \$600 Billion+ in the next 10 years!

What world do we live in?

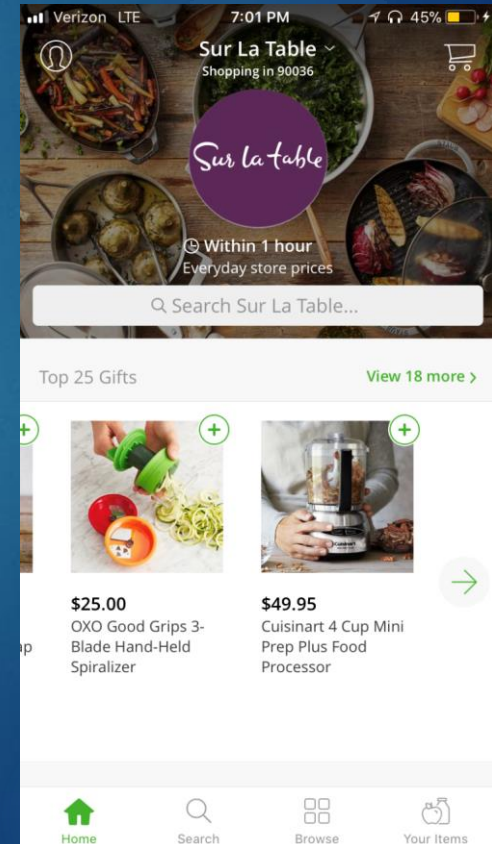
► Last Mile solutions that exist today

- Amazon Lockers, Same Day Prime, FBA, Flex, Key In-Home Delivery
- Walmart in-store Pickup Towers, Grocery car service, Associate Delivery, Parcel
- Target Grand Junction, Restock
- 3PLs
- Crowdsourcing Apps: Instacart (Sur La Table), Deliv, Postmates
- Conversion of cheap Brick and Mortar space for fulfillment, i.e. malls

July 13, 2017

Sur La Table Products Now Available Through Instacart

"What's so great for consumers is that the elevated experience of Sur La Table can now be delivered with near instant gratification," said Nilam Ganenthiran, Instacart's Chief Business Officer. "With this partnership, you can now spend more time doing what you love and leave the rest to us."





Make \$18-\$25/hour

Be your own boss, set your own schedule, and have more time to pursue your goals and dreams. Join us and put the power of Amazon behind you.

Target restock

almost at the end of the roll,
or the bottom of the bottle?
we'll bring you more, fast.



here's how it works:

shop



Choose from over 15,000 popular essentials (think personal care, food, household & baby must-haves).

fill



Add the things you need to your Restock box (up to 45 pounds) & watch the capacity tracker to see how much room is left.

we deliver



Order by 2:00pm Mon-Fri, choose Restock Express Shipping & we'll deliver your box to your door **next day** for just \$4.99.



What's Coming?

- ▶ Evolution of Brick & Mortar Stores
- ▶ Location Based Delivery: 'Deliver where I am now'
- ▶ Intentional delayed delivery: Shifting expectations

Do you remember when Cable had no commercials?

- ▶ And of course. DRONES!



What Can You Do?

- ▶ You don't have to do all of the heavy lifting! Lean on your retail or manufacturing partners, as well as distribution and logistics partners.
 - Reduce your production & import lead-times
 - Reverse Engineering options
 - Harness value of customer service
 - Utilize 3PLs where possible
 - Enable tracking on all direct shipments
 - Change Customer expectations: 'Do you really need that delivered in 10 minutes?'
 - Pursue partnerships with Crowdsourcing Solutions