

# Last Mile Discovery

Overview of business challenges, potential solutions and implementation strategies in consumer-facing logistics.



# Agenda



- Introduction of the GS1 T&L Discovery Paper
- What are the main outcomes
- Next steps
- Q&A

... leading to the fact ...



“That standardization is key to secure

# **interoperability**

among numerous of parcel service providers, various fulfilment solutions, thousands of vendors and billions of end customers”

# Disruption of Value Chains

## Drivers



- **Fragmentation of the Supply Chain**

- Small deliveries
- Delivery Points
- e-Retailers



- **Shorter order fulfilment lead times.**

- **Returns**

- **Increasing restrictions on (urban) delivery options**

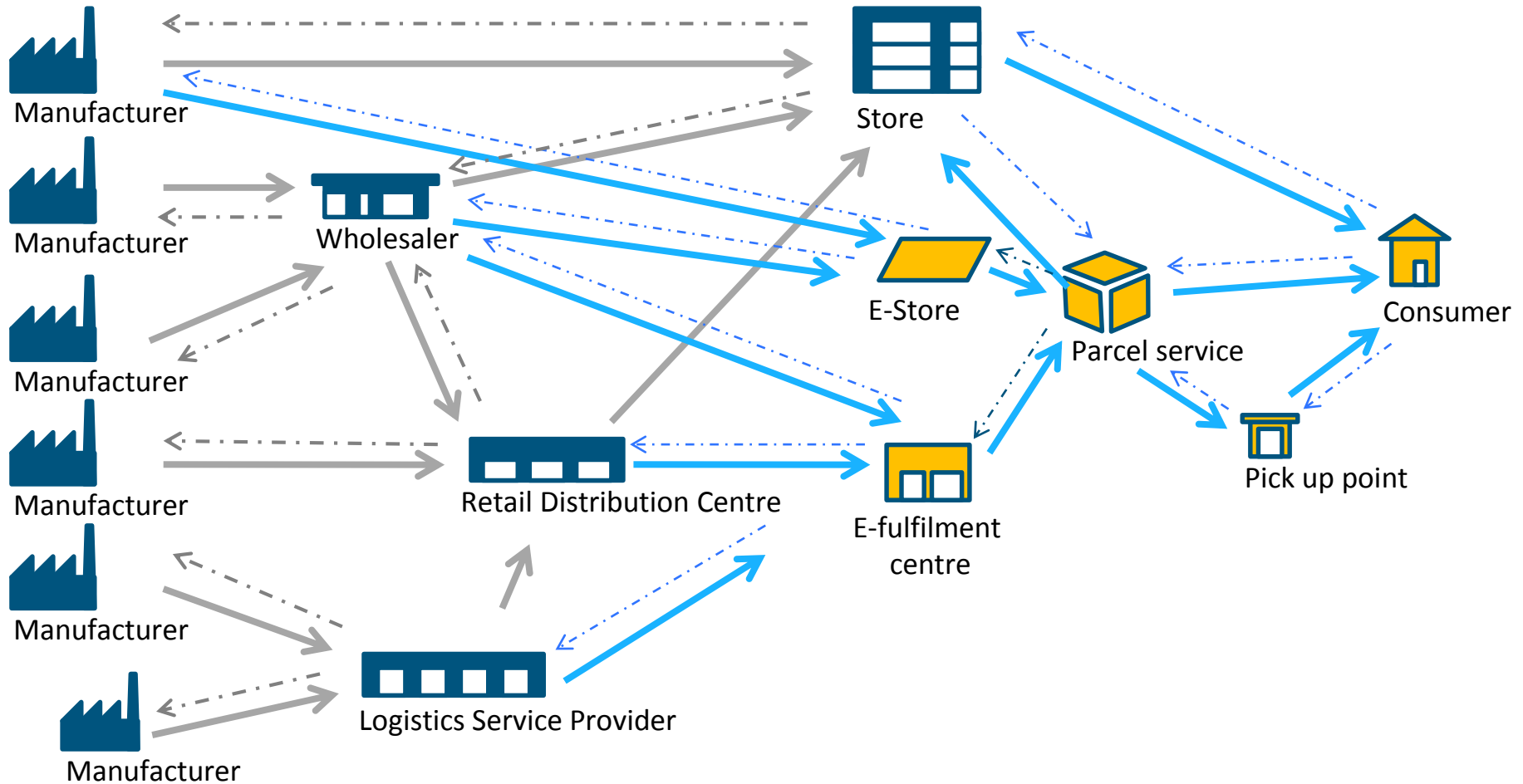
- **Non-transparent market for Delivery Options**



- **Consumer expect delivery for free / at low cost**

# Disruption of Value Chains

Last Mile impacts the entire Value Chain.



# Industry addressing the Challenges Innovations & Best practices



**Urban consolidation centres**

**Parcel Lockers / Parcel Shops**



**Import Consolidation services**



**Collaborative Routing Centres**

**Mix-Move-Match**



**Rethinking Utilisation**



**Physical Internet**

# Disruption of Value Chains

## Key capabilities needed



Sourcing



Inventory &  
planning



Handling



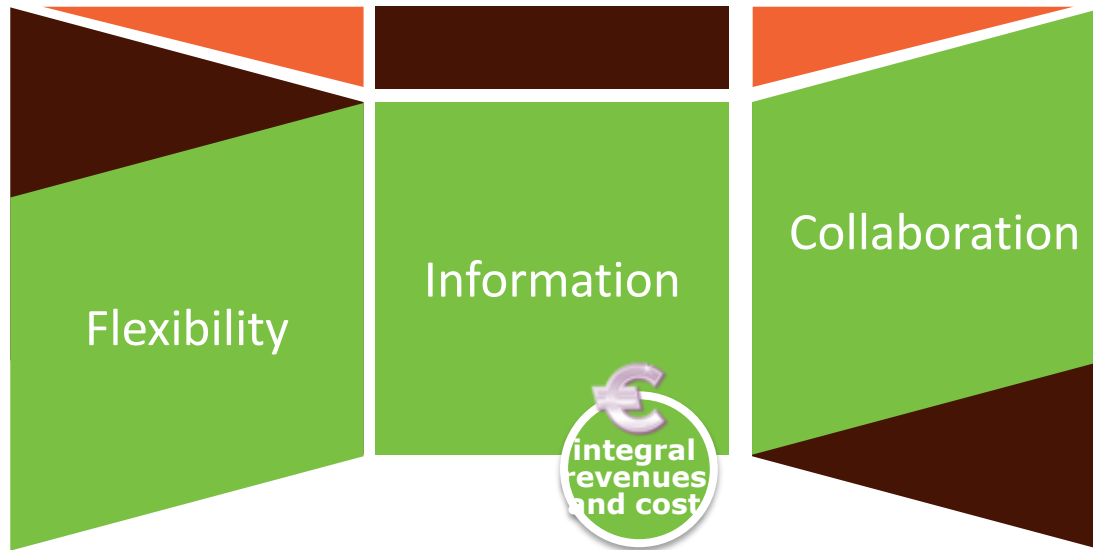
Transport



Returns

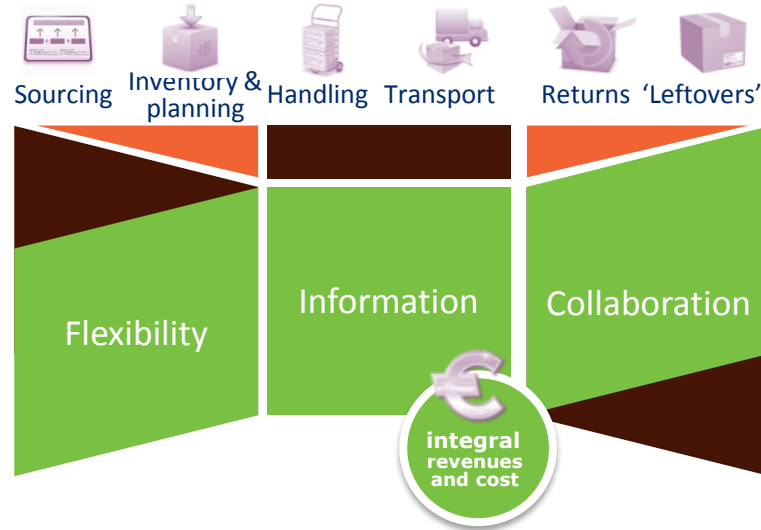


'Leftovers'



# Disruption of Value Chains

## Working towards solutions

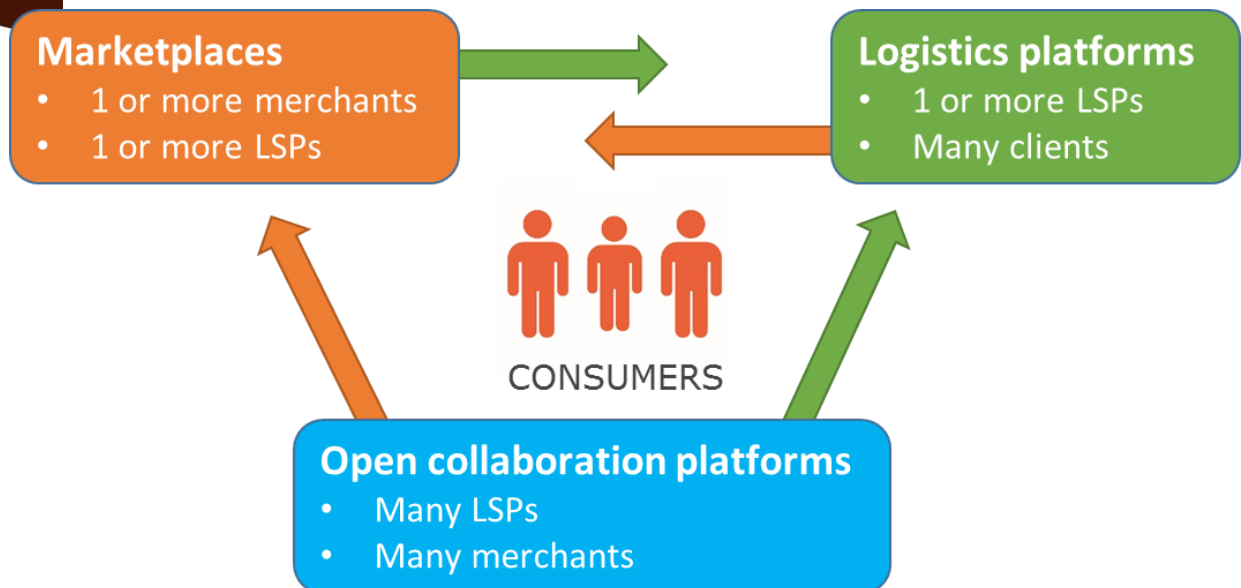
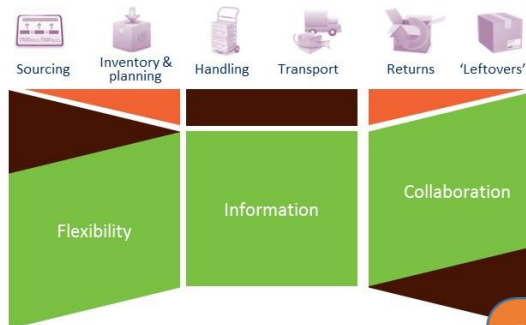


- **Identifying Products, Parcels and Parties**
- **Sharing data about Products, Parcels and Parties**
- **Real-time Integrated View of Inventory across ALL locations**



# Disruption of Value Chains

## Emerging landscape



# Opportunity for GS1 standards

## Value Networks need Extensive Collaboration



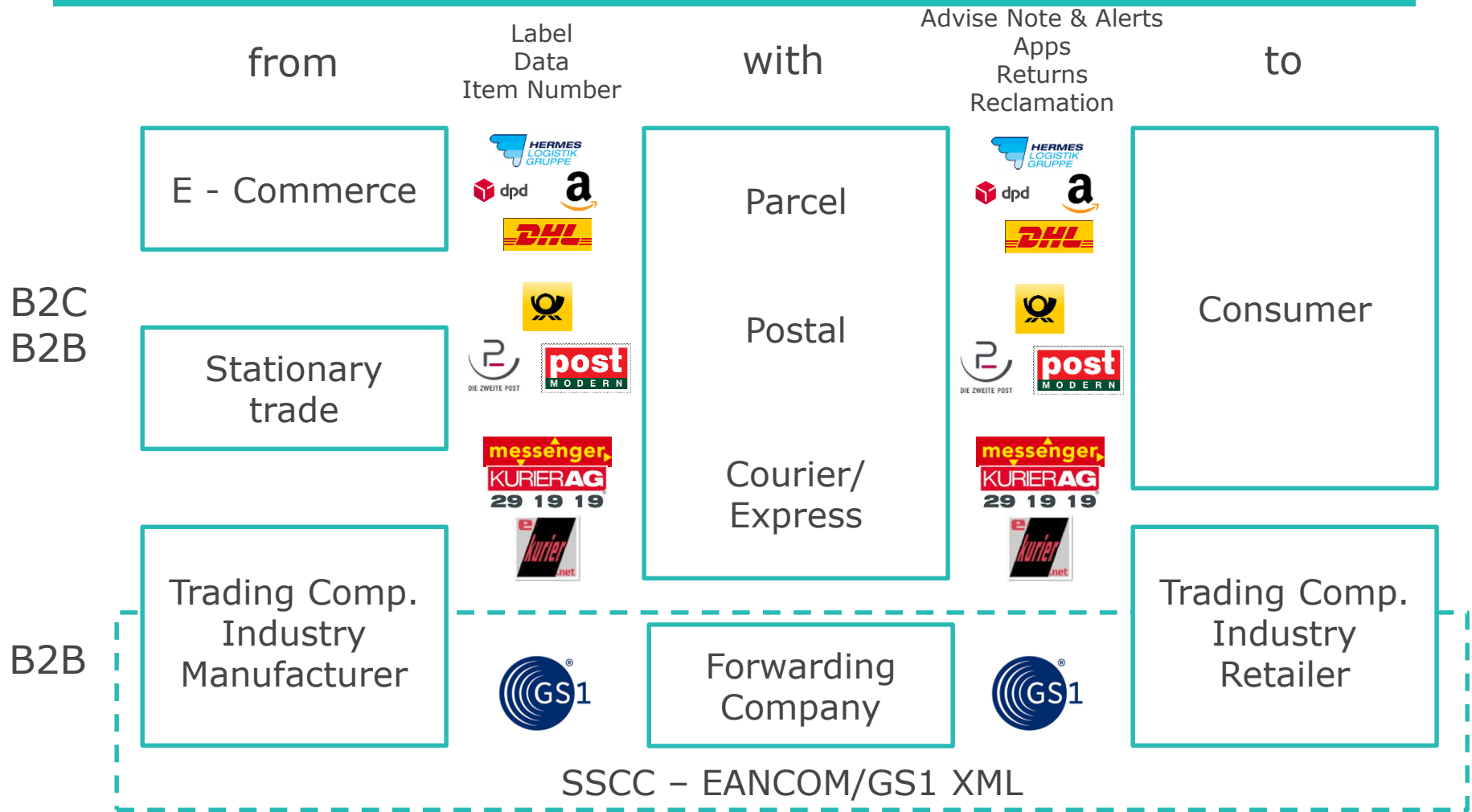
HOT	WARM	COLD
<ul style="list-style-type: none"> <li>• Cross Border challenges (On-Line Retail)</li> <li>• Cross Carrier Tracking (real-time)</li> <li>• Removing barriers to Parcel and Carrier selection.</li> <li>• Collaborative Routing Centres</li> </ul>	<ul style="list-style-type: none"> <li>• Finding Delivery Options</li> <li>• Returns management challenge</li> <li>• Inventory visibility across the Last Mile</li> <li>• Urban Consolidation Centres</li> </ul>	<ul style="list-style-type: none"> <li>• Consumer managing her preferences &amp; data</li> <li>• Import Consolidation Services support</li> </ul>
<ul style="list-style-type: none"> <li>• Common ID for Parcels, Products, Parties (SSCC, GTIN, GLN)</li> <li>• Common EDI</li> <li>• Real time visibility EPCIS</li> </ul> <div style="background-color: #00a0e3; color: white; padding: 10px; display: inline-block;"> <ul style="list-style-type: none"> <li>• ID Keys for Delivery Options</li> <li>• Master Data for Delivery Options</li> </ul> </div>		

# Issues with CEP carriers

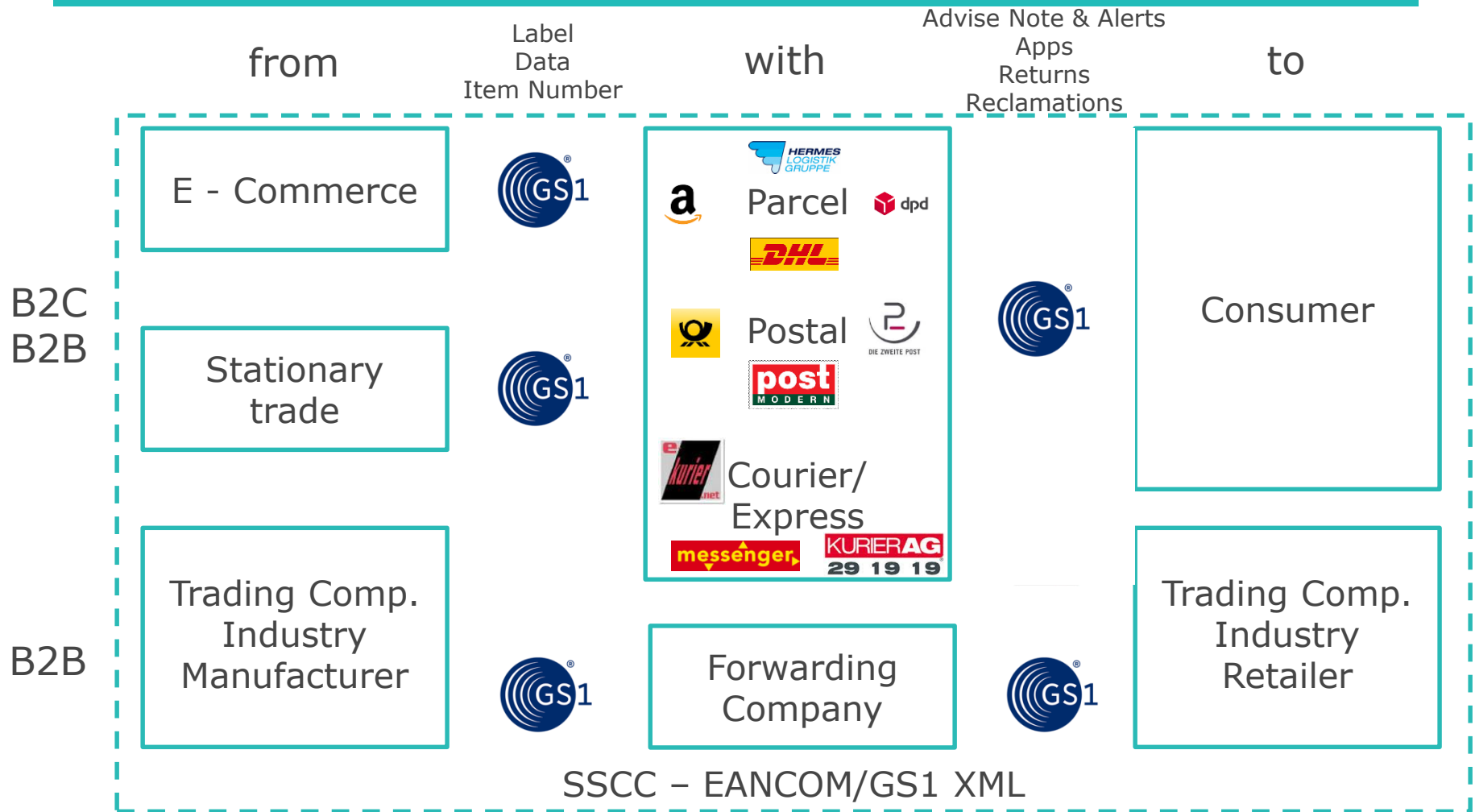


- Shippers cannot easily get visibility of relevant delivery options;
- Shippers need to comply with several LSP specific requirements e.g.
  - Specific ID-number formats
  - Specific Label format
  - Specific Interfacing formats
  - Routing tables
- Shippers incur **significant unnecessary cost** especially true for small shippers (e-Retailers)

# B2C – NO Standards in CEP



# B2C – Standards = GS1 !



# Potential next Steps



- **Influence CEN Label standardisation exercise**
- Engagement with **CRC partners (shippers / solution providers)**
- Continuing on-going efforts for **Returns**
- Engagement with **Urban/City Logistics Service providers**
- **Intensify collaborations** within and outside GS1 to deploy GS1 standards.

# European Standardization



## Driver:

EU Digital Single Market (DSM) Plan led by JC Juncker (May 2015)

Standard Parcel labels

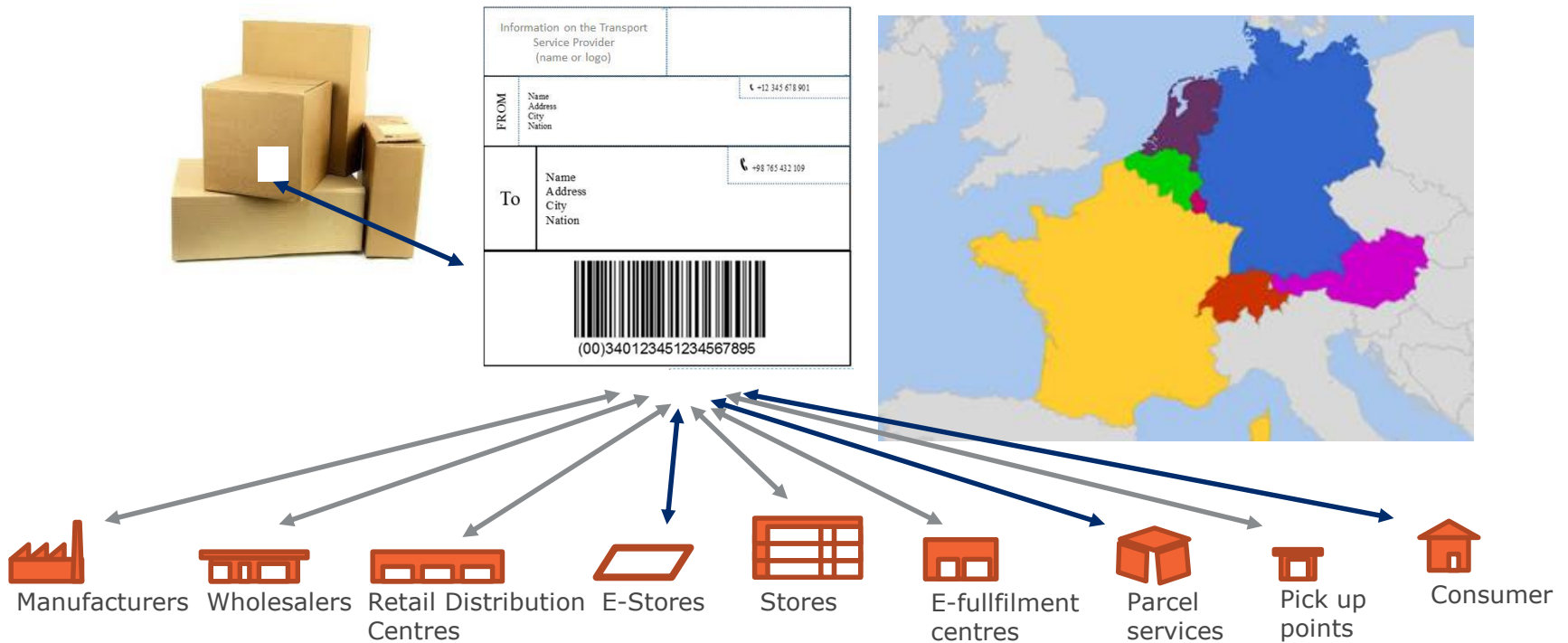
## Execution:

**the European Committee for Standardization (CEN)**

standardization work commissioned (TC 331) to ease international e-retailing:

*"European postal standards should be based on, and **compatible with**, the open retail standards for **end-to-end supply chain management systems** already used by **B2C e-commerce retailers** for the **global trade in goods and services**".*

# Connecting delivery information with physical parcels in a standardized way





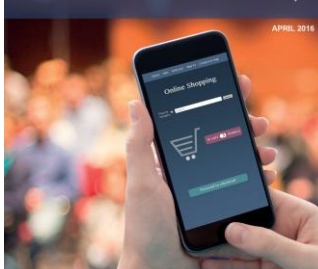
# How is GS1 influencing CEN?



- CEN **standard to cover ALL** the different **delivery** service providers (Post-Courier-Express-Parcel)
- **GS1 targets** for CEN Draft standard
  - Shipper generates and attaches label with SSCC
  - Label should NOT contain any carrier-specific information
  - NO carrier-specific parcel-ID
  - NO routing codes
  - All “handlers” to use shippers label
  - Label / Booking information to be as limited as possible
  - Allow GLN as Shipper account code towards CEP LSP

ECOMMERCE EUROPE PRIORITY PAPER

Completing the #DigitalSingleMarket:  
How to boost cross-border e-commerce in Europe?



# CEN time table



- 25 August Draft finalisation Stockholm
- 1 Sept Submission to CEN review process
- Q4 2016 Review by country mirror committees
- Q1 2017 Process comments; final standard ballot & approval

**We need MO involved during country reviews  
to protect GS1 targets.**

# Engaging with the Stakeholders



## Approach depends on player's geographical footprint

- Global Marketplaces expect global coordination covering Product-related and Logistics standards.
- Global LSP would expect global coordination covering Product-related standards
- Open Collaboration Platform players (likely local/regional) supported by GS1 MO
- Best practice sharing



# Thank You for your attention

## Questions

