Insight Lab Global Ecommerce Pulse 2024

Strategies, Challenges and Carrier Insights



Content of the Report

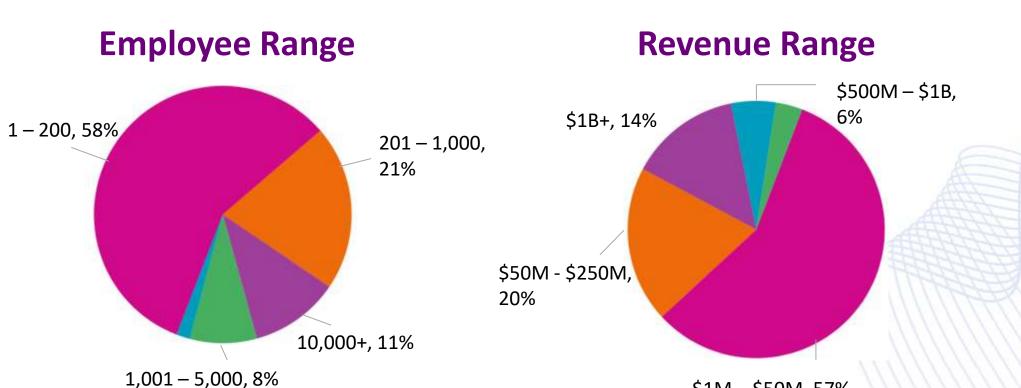
Research methodology Ecommerce hurdles Surcharge zone insights

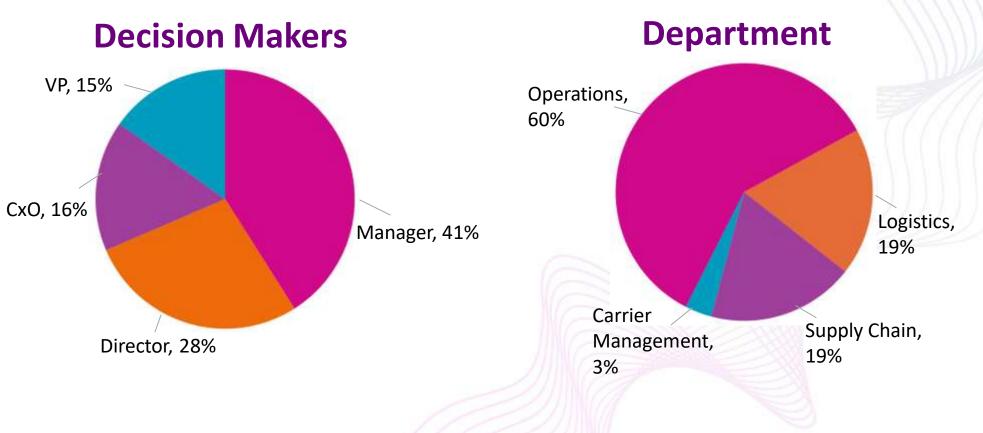


- Significance of ecommerce logistics
- Shipping carrier preferences
- Carrier management satisfaction insights
- Key factors shaping shipping carrier choices
- **Carrier selection strategy perspectives**
- Carrier option evaluation trends
- Shipping expense concerns
- Ecommerce return rate trends
- Conclusion and key highlights

Research Methodology

The research study is centered around a quantitative survey aimed at gathering insights and trends within Ecommerce-intensive industry sectors. The survey includes responses from 178 top executives (CxOs, VPs, and Directors) working in organizations generating \$1 million or more in online revenues in the United States. Data collection was conducted through an impartial survey distributed to key decision-makers and influencers in Supply Chain, Operations, Carrier Management, and Logistics.





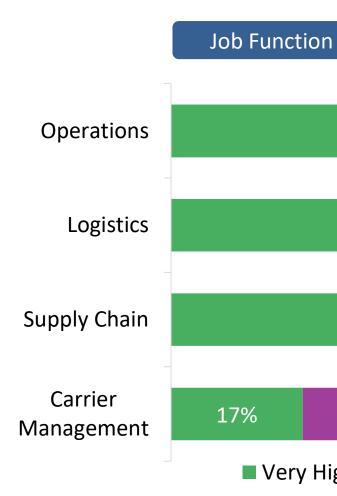
Respondent Profile



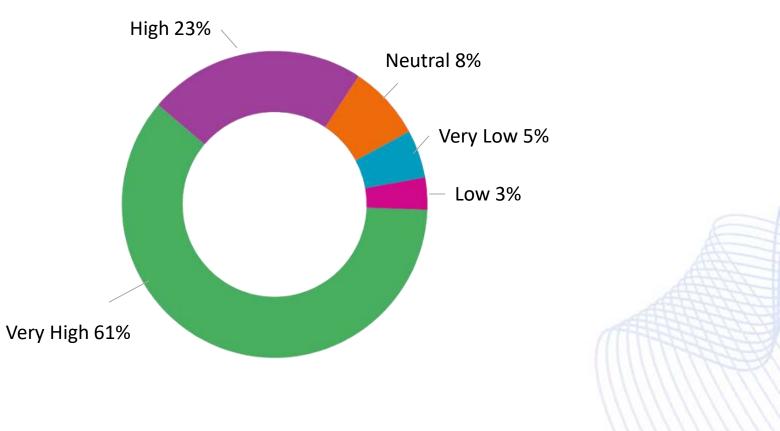
\$1M - \$50M, 57%

#1 The Significance of **Ecommerce Logistics across** Industries

A whopping 83% of professionals in supply chain and operations consider ecommerce logistics to be of utmost importance.







						1111
61%			23%	8% 5% <mark>3%</mark>		
				000		
	70%)		15%	9%	6%
58%			27%	6% 3% <mark>6%</mark>		
		E			1	
		50%		17%	169	%
ry High	High	Neutral	Low	Very Low		

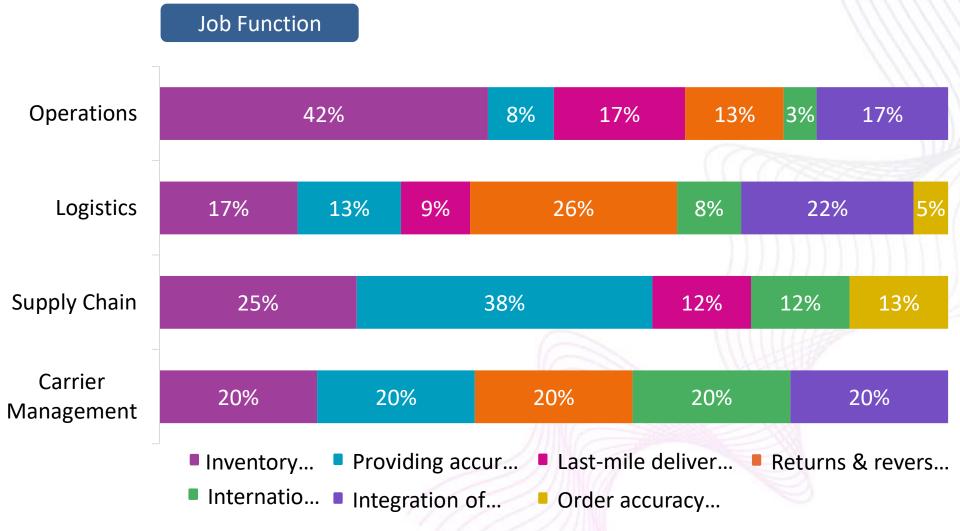
#2 Ecommerce Hurdles: Focus on **Inventory and Fulfillment** Challenges

Approximately 30% of respondents highlight inventory management and fulfillment as key ecommerce logistics challenges.

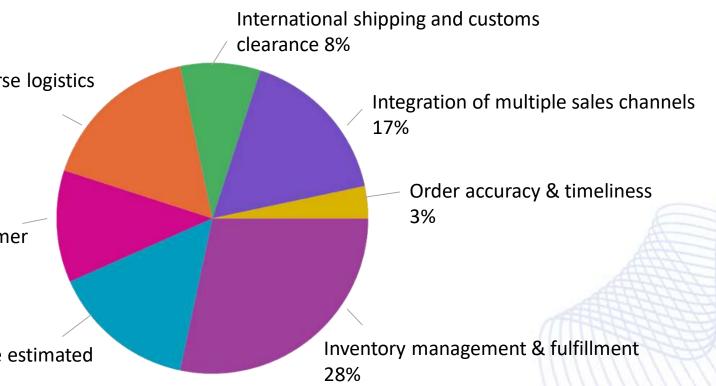
Returns & reverse logistics 17%

Last – mile delivery & customer experience 12%

> Providing accurate estimated delivery date 15%





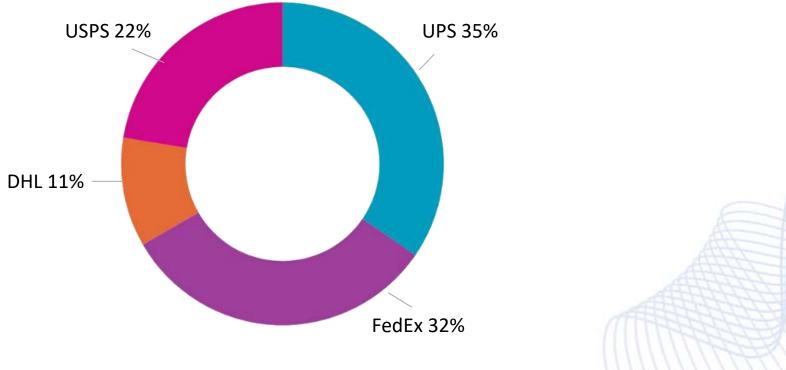


#3 UPS and FedEx Maintain Top Spots as Preferred Shipping Carriers Across Industries

A substantial portion of survey participants favors UPS and FedEx as their go-to shipping carriers of choice.

	Reven
\$1M - \$50M	
\$50M - \$250M	
\$250M - \$500M	
\$500M - \$1B	
\$1B+	



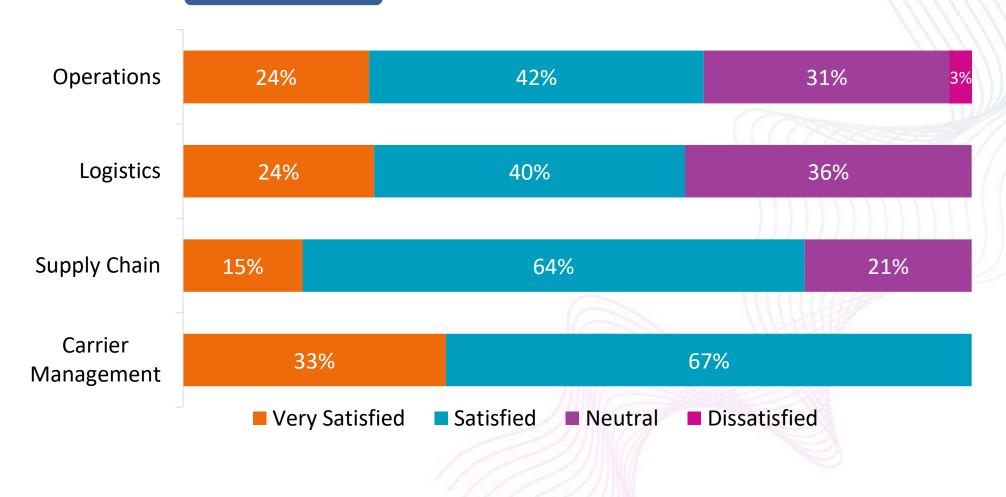


ue Range

34%	31%	10	%	25%
36%	36%		9%	19%
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36%	21%	14%	29%	
		6		9)))))
37%	37%		5%	21%
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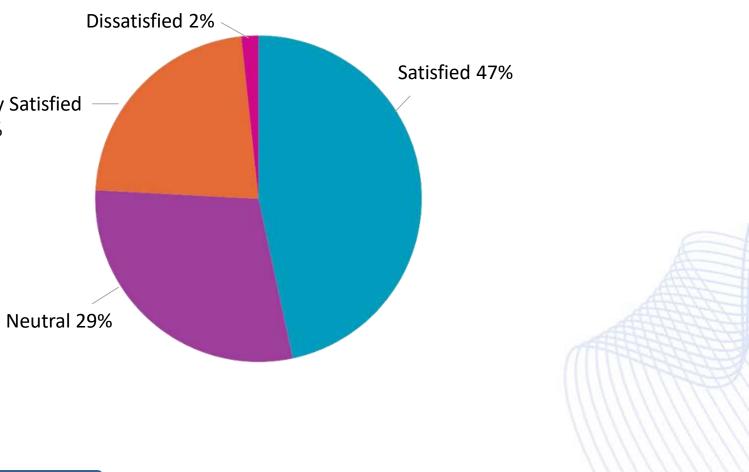
#4 Strong Approval for Current Carrier Management Process

A notable 69% of participants express satisfaction with their existing carrier management process.



Very Satisfied 22%





Job Function

Technology integration and tracking capabiloties, 10%

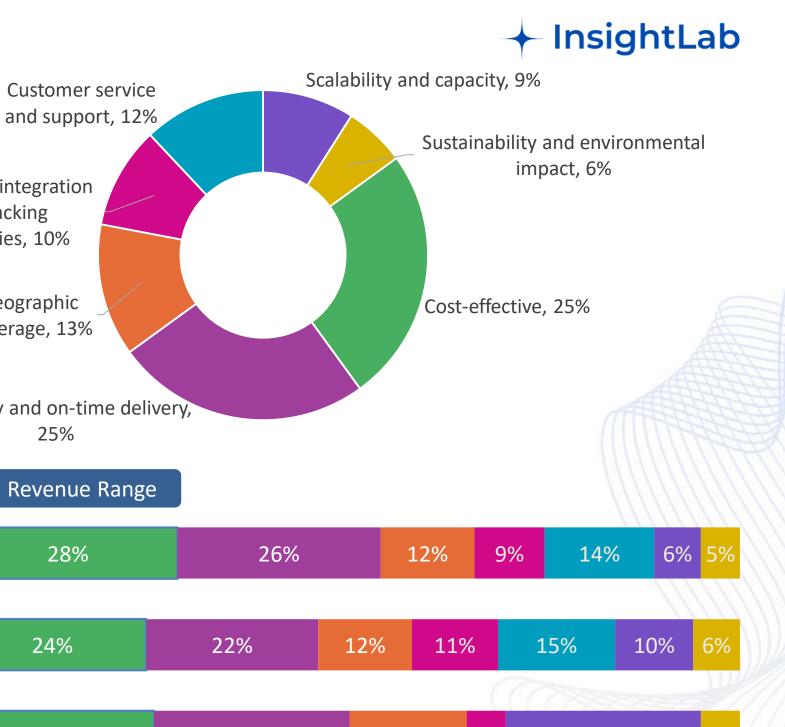
> Geographic Coverage, 13%

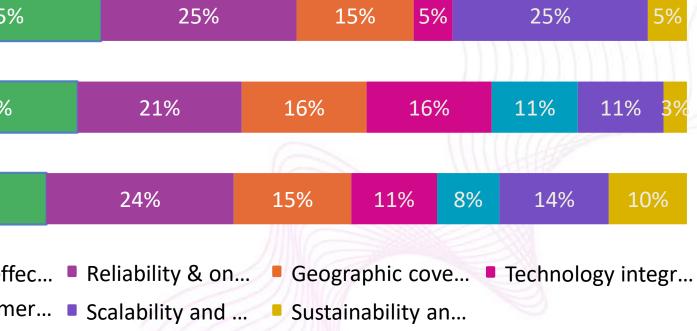
Reliability and on-time delivery, 25%

	Revenu
\$1M - \$50M	28%
\$50M - \$250M	24%
\$250M - \$500M	25%
\$500M - \$1B	22%
\$1B+	18%
	Cost-effeCustome

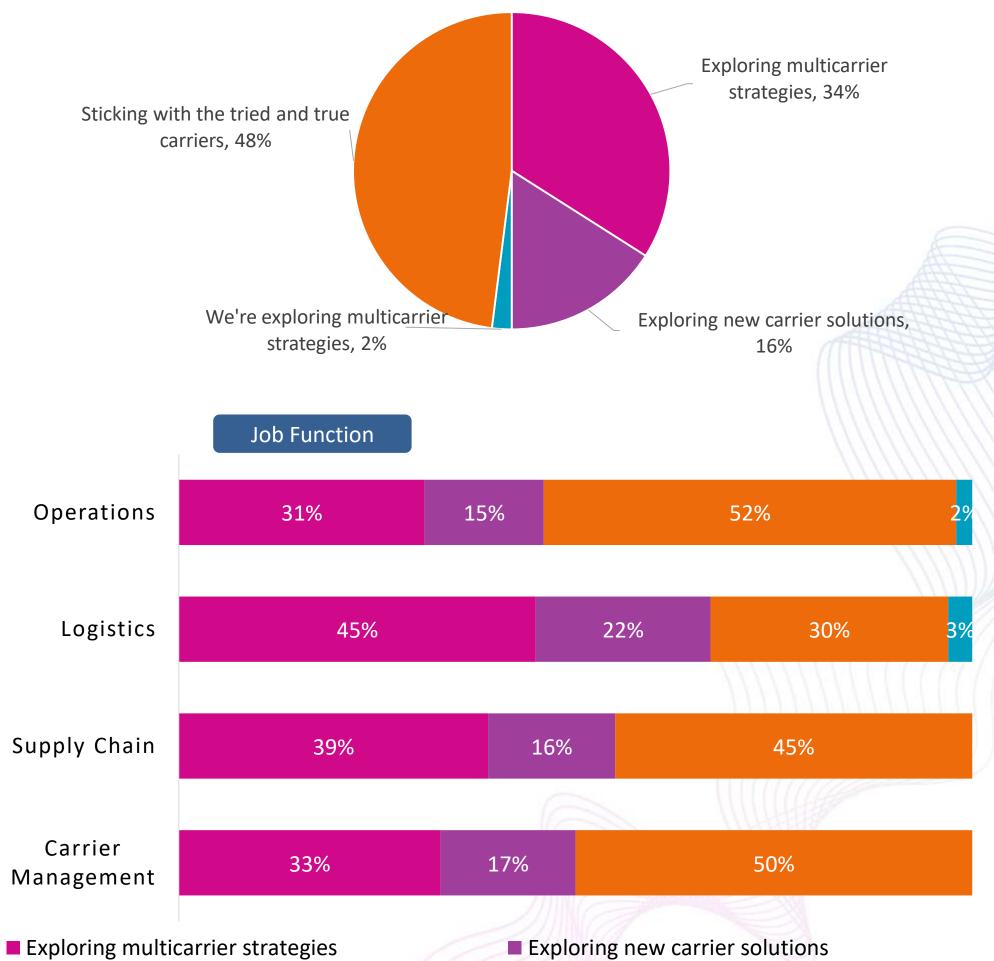
#5 Key Factors Shaping Shipping **Carrier Choices: Cost-Effectiveness and Reliability**

Nearly half of the participants emphasize costeffectiveness, reliability, and on-time delivery as the pivotal criteria influencing their choice of shipping carriers.





carriers, 48%



#6 Shipping Carrier Loyalty **Prevails**

Demonstrating a strong sense of loyalty, almost 50% of participants expressed reluctance to switch from their current shipping carrier.



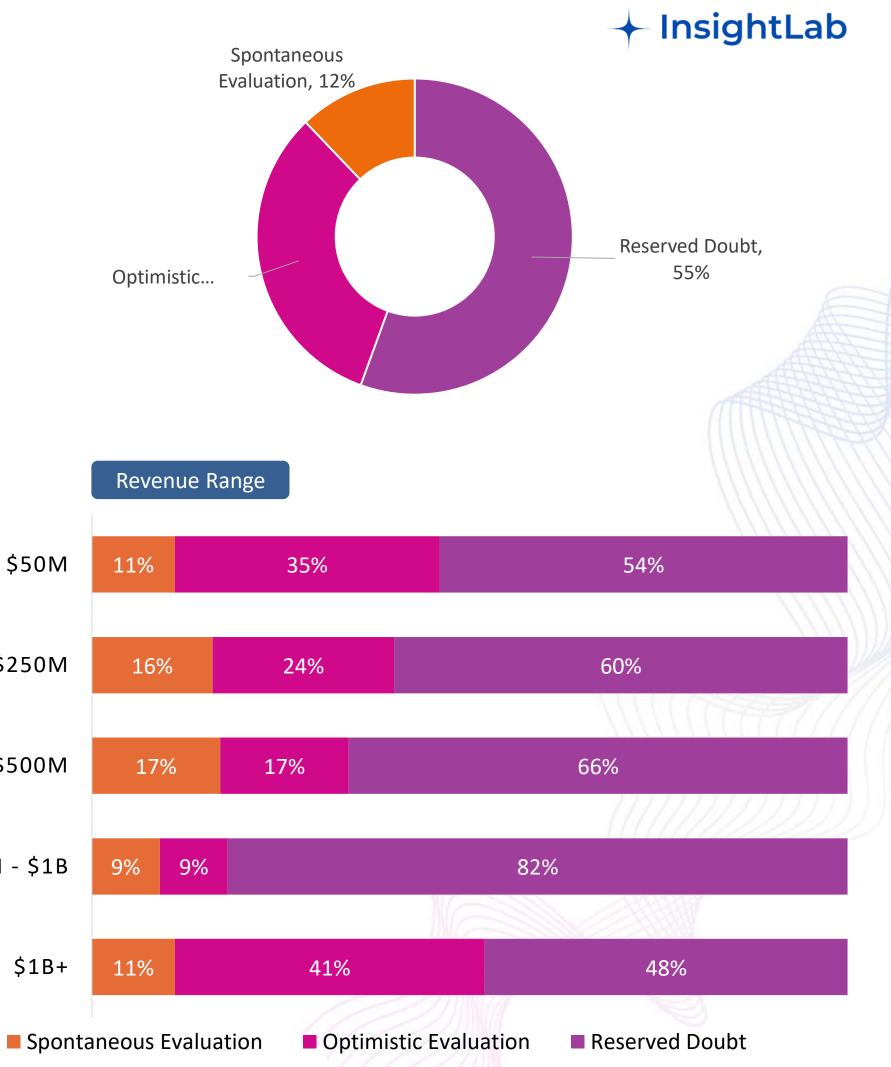
Sticking with the tried and true carriers

We're exploring multicarrier strategies

#7 Limited Focus on Assessing **New Carrier Options**

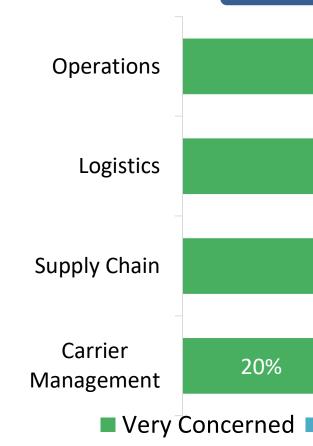
For 55% of participants, evaluating new carrier options is not a priority.

	Revenu	
\$1M - \$50M	11%	
\$50M - \$250M	16%	
\$250M - \$500M	17	%
\$500M - \$1B	9%	9
\$1B+	11%	

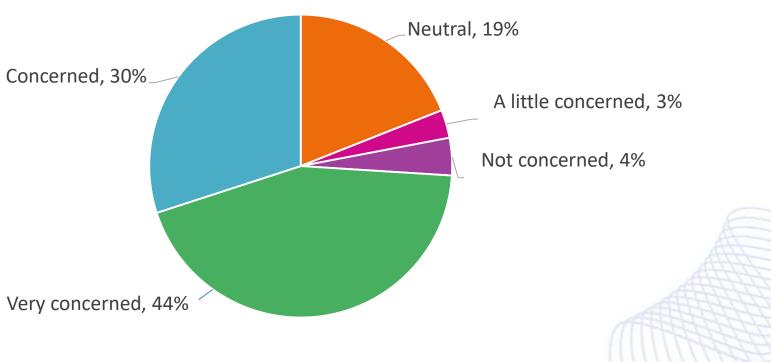


#8 Shipping Cost Dominate **Industry Concerns**

A substantial 75% of participants express concern regarding their overall shipping expenses, underscoring the pivotal role of cost for the majority of businesses.







Job Function

44%	25%	25%	6%
52%		38%	10%
52%	3	34%	14%
	60%		20%
Concerned Ne	utral 🔳 A little cond	cerned 🔳 Not c	oncerned

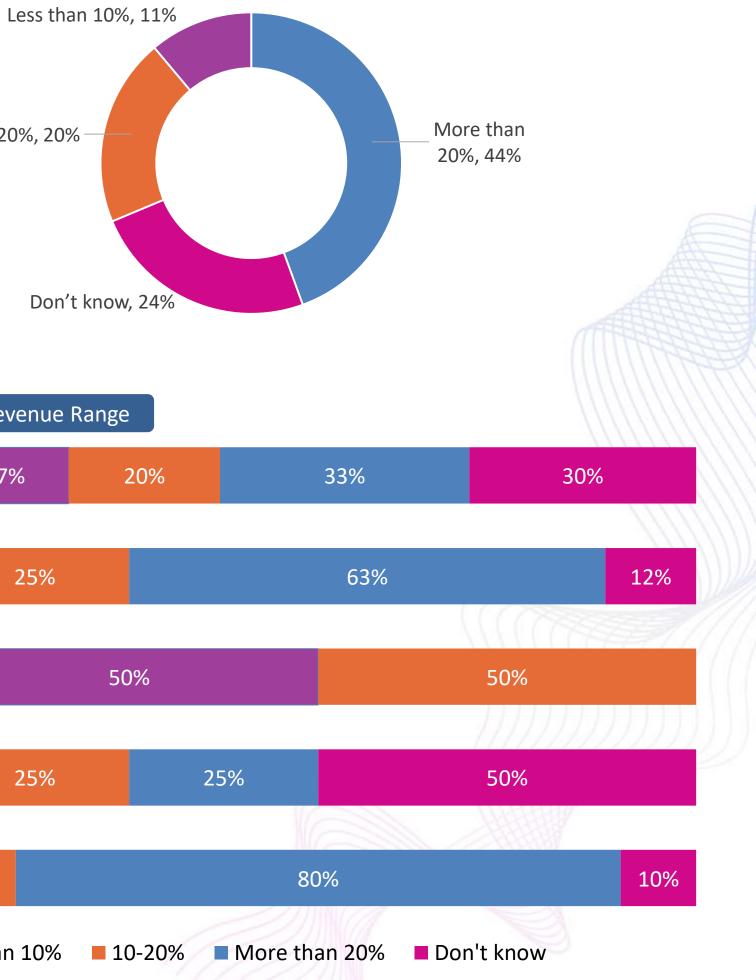
10-20%, 20%

#9 Limited Impact: Few Customers outside of FedEx and UPS Surcharge Zones

A small percentage of participants' customers reside outside of zip codes subject to FedEx and UPS Delivery Area Surcharges.

	Rev	enu	
\$1M - \$50M	17%		
\$50M - \$250M		25%	
\$250M - \$500M			
\$500M - \$1B		25%	
\$1B+	10%		
Less than 10			





#10 Below Average Return Rates

60% of respondents indicate that their return rates are lower than the average ecommerce return rate of 18.1%.

