DISRUPTING THE DISRUPTORS

accenture**consulting**

A DECADE OF RESEARCH

ACCENTURE POST AND PARCEL RESEARCH

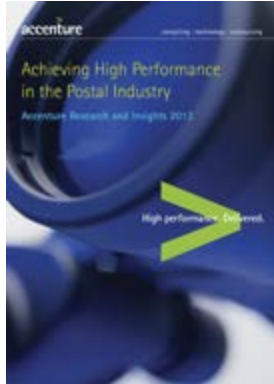2006   2009   2010   2011   2012   2013   2014   2015
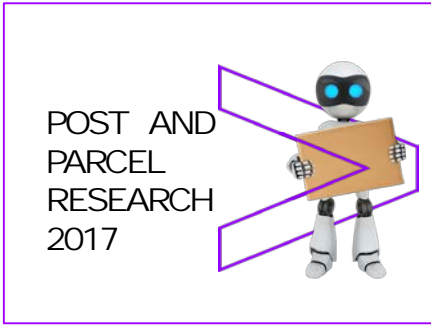
POST AND PARCEL RESEARCH 2017
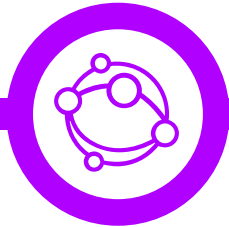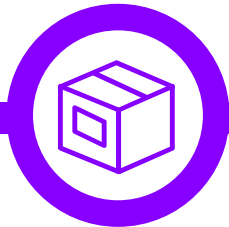
2016   2017

POST AND PARCEL DIGITAL MODEL

BE A DIGITAL ORGANIZATION

DIVERSIFY SELECTIVELY

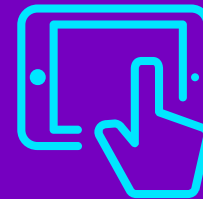**GROW PARCELS**

DEFEND THE CORE

DRIVE EFFICIENCY

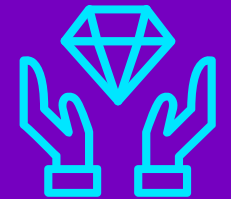Used to prove digital impact to the board and free up capital for other investments

DIGITIZE DELIVERY

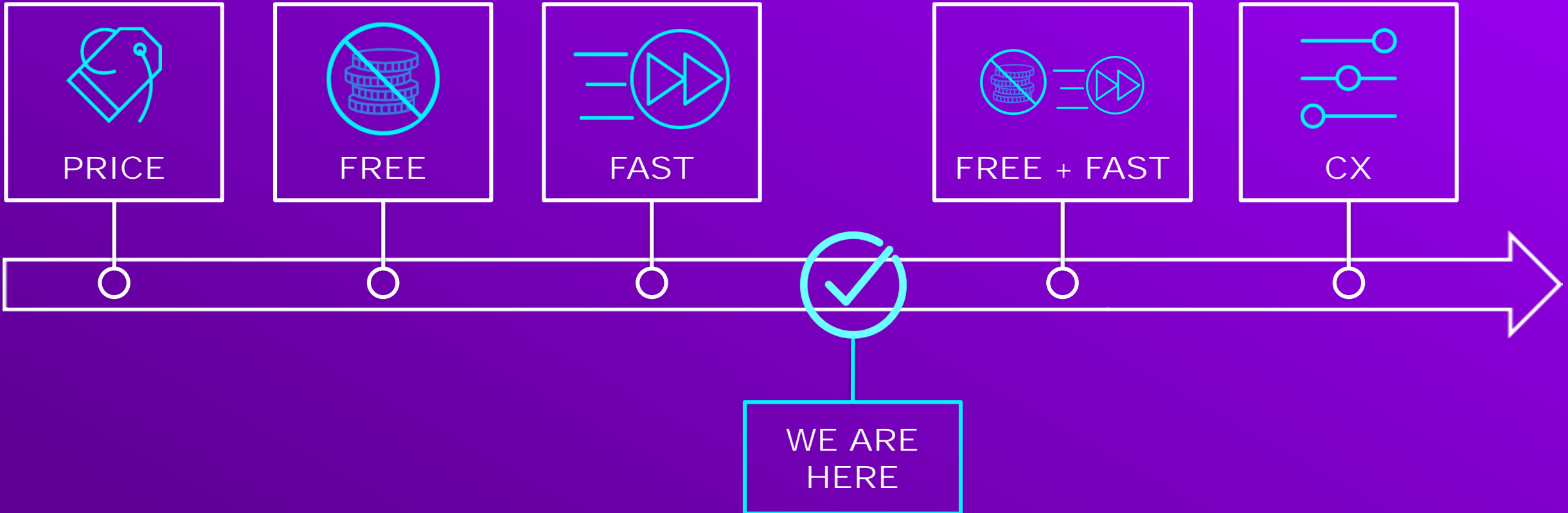Used to prove digital capability publicly to change brand perception

CREATE NEW REVENUE

Used to deliver growth but requires capital, board buy-in and a digital brand image

CONSUMERS CHANGING - RETAILERS ADAPTING

PRICE

FREE

FAST

FREE + FAST

CX

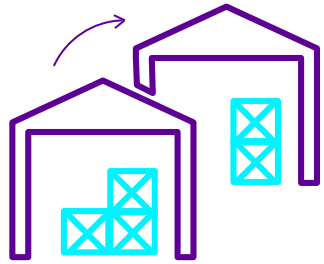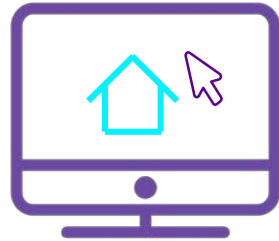WE ARE HERE

INVESTMENT CHANGING LANDSCAPE

To address these new demands, retailers are investing in new capabilities that will change the landscape.

INVENTORY PROXIMITY
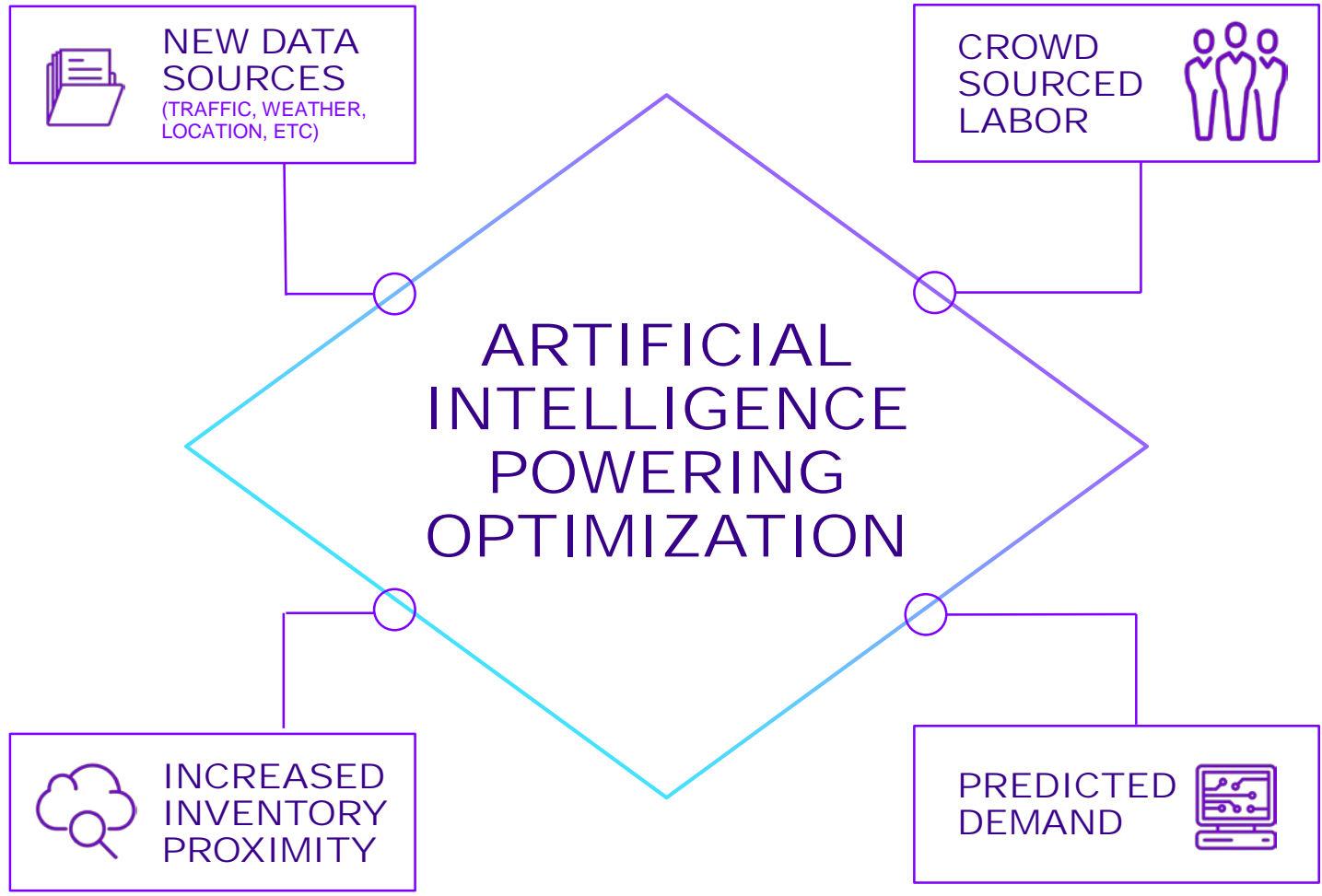
ALTERNATE DELIVERY OPTIONS

CONSUMER INTIMACY

BORDERLESS PRODUCT ACCESS

NEW TECHNOLOGY - NEW CAPABILITY

NEW DATA SOURCES (TRAFFIC, WEATHER, LOCATION, ETC)

CROWD SOURCED LABOR

ARTIFICIAL INTELLIGENCE POWERING OPTIMIZATION

**INCREASED INVENTORY PROXIMITY**

PREDICTED DEMAND

- Smartphone penetration creating a network of always-on sensors provides new insight

- Accelerating retail investments in omnichannel capabilities change the last-mile landscape

- Growing comfort with new labor models changes last-mile labor supply and economics

CONTINUOUS DELIVERY

LOW COST SPEED AND CONTROL

- **CONTINUOUS:** packages are picked up and delivered continuously, eliminating non-value-add activity

- **FLEXIBLE:** uses a portfolio labor model of employees, contractors and gig economy to vary capacity

- **DYNAMIC:** continually updates and optimizes routes based on predicted demand and delivery capacity

- **PREDICTIVE:** delivery time and price commitments are made based on predictive models
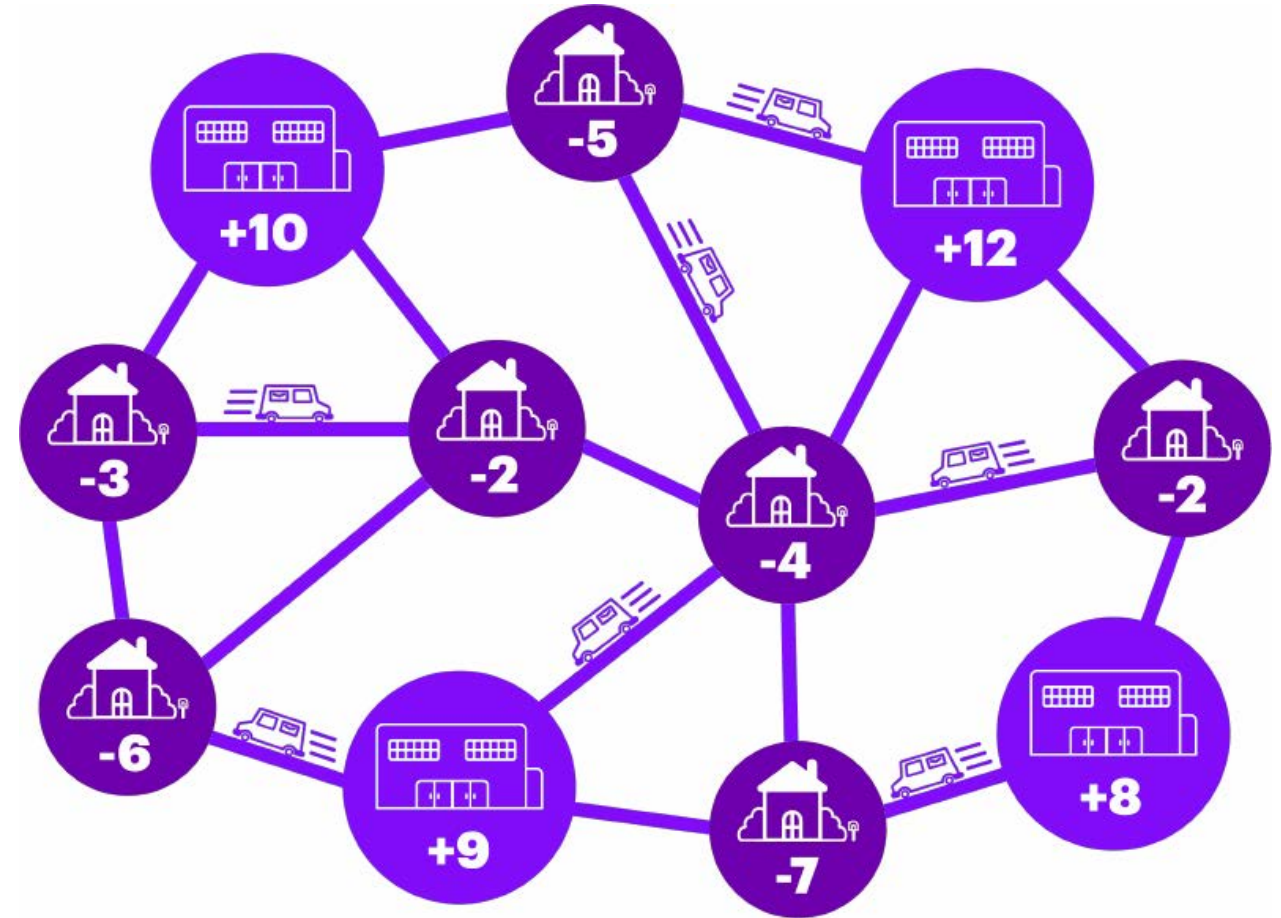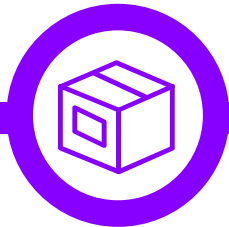
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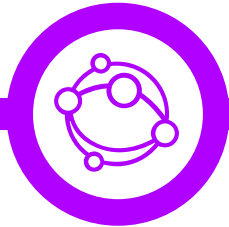
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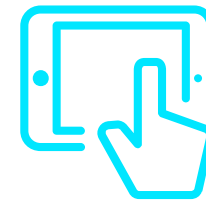
GROW PARCELS

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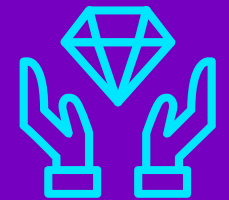Used to prove digital impact to the board and free up capital for other investments

DIGITIZE DELIVERY

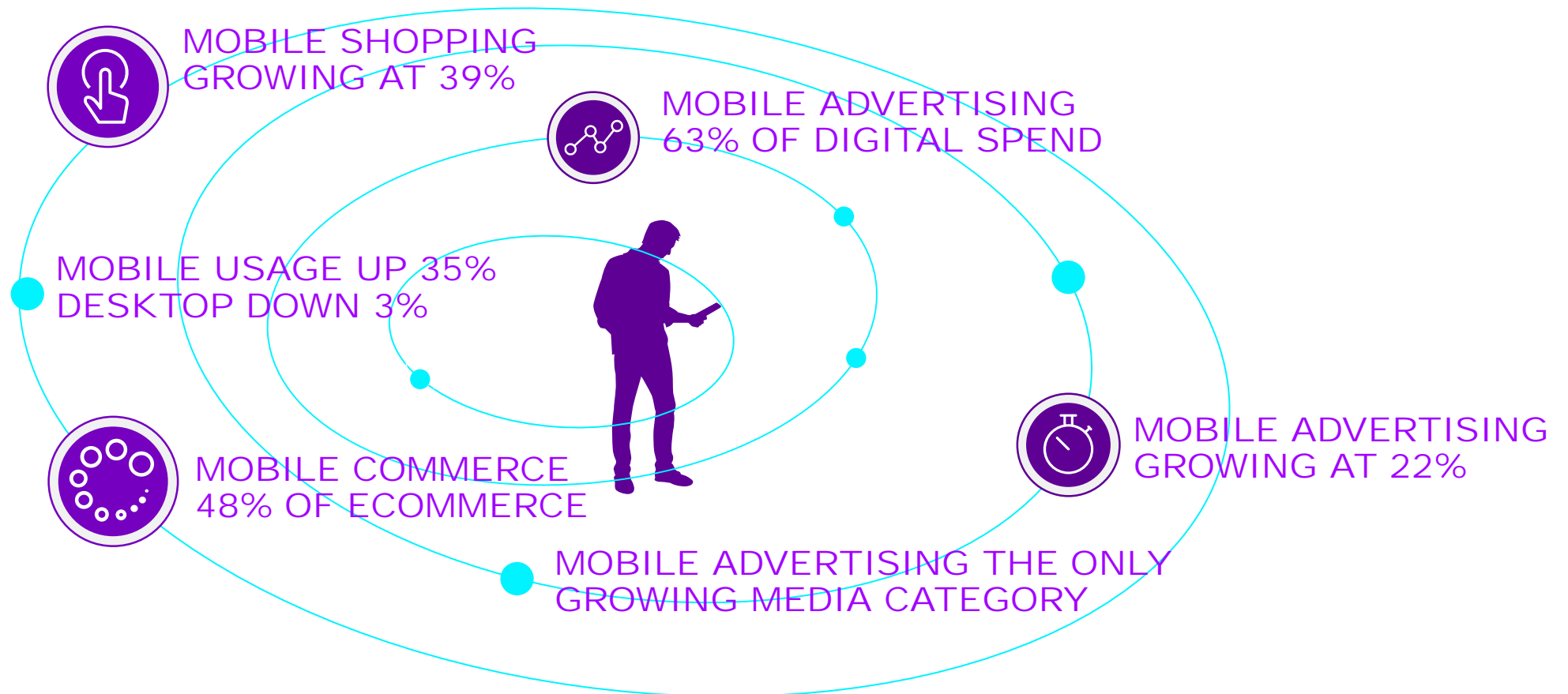Used to prove digital capability publicly to change brand perception

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MOBILE DRIVES ENGAGEMENT
CHANGING MARKET DYNAMICS

MOBILE SHOPPING GROWING AT 39%

MOBILE ADVERTISING 63% OF DIGITAL SPEND

MOBILE USAGE UP 35% DESKTOP DOWN 3%

MOBILE ADVERTISING GROWING AT 22%
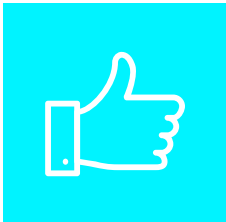
MOBILE COMMERCE 48% OF ECOMMERCE

MOBILE ADVERTISING THE ONLY GROWING MEDIA CATEGORY

DIGITIZING DELIVERY
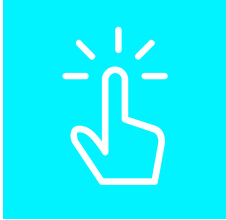
70%+
of emails were opened daily

90%+
of participants said they were likely to continue using the service

80%+
of participants said they were satisfied or very satisfied with the service

2X – 10X
response rate compared to direct mail alone

100k pilot participants in New York and northern Virginia have been using Informed Delivery for a year. Current subscriber base is ~5.5 million as of end of July 2017.
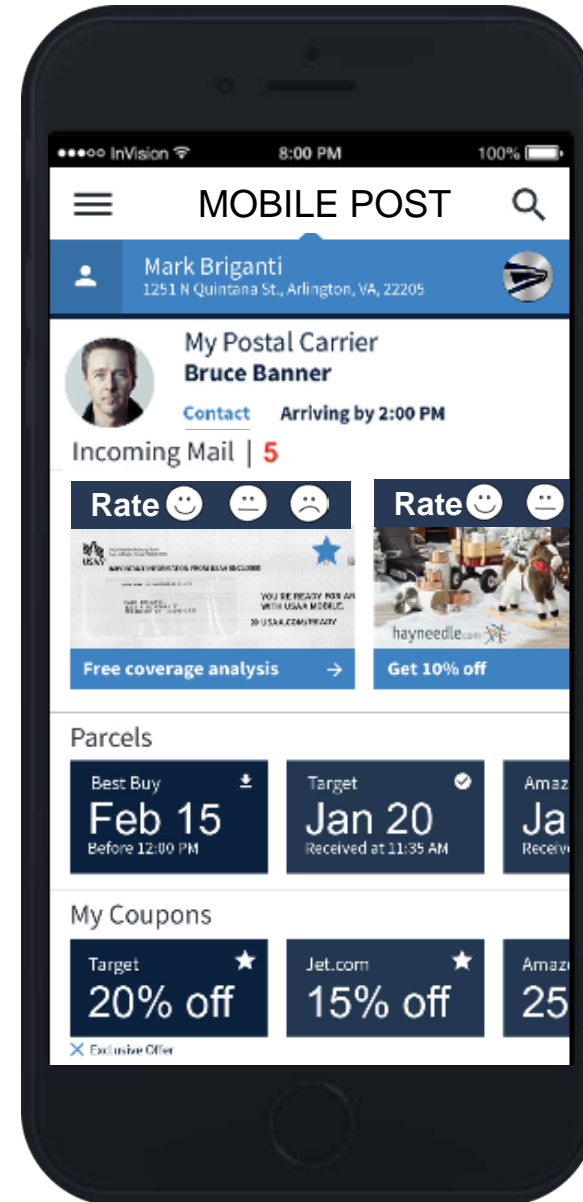
Access a digital scan of the exterior of your mail

Get all your fresh favorites for less.

NEW MOBILE CHANNEL

POSTMAN CONNECTION AND DELIVERY DETAILS →

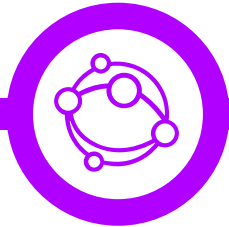**OFFERS, IMAGES AND DIGITAL FEEDBACK** →
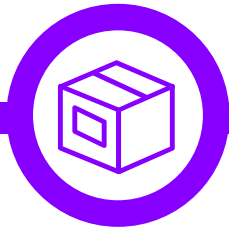
PARCEL NOTIFICATION AND CONTROL →

DIGITAL WALLET →

POST AND PARCEL DIGITAL MODEL

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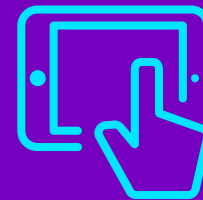
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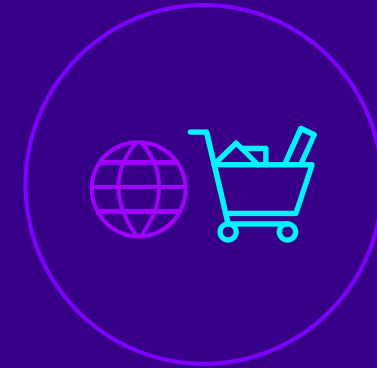
IDENTITY IMPORTANCE GROWING

19%
Fraud growth annually since 2013[1]

71%
Of fraud is identity theft making it the most common type of fraud[1]
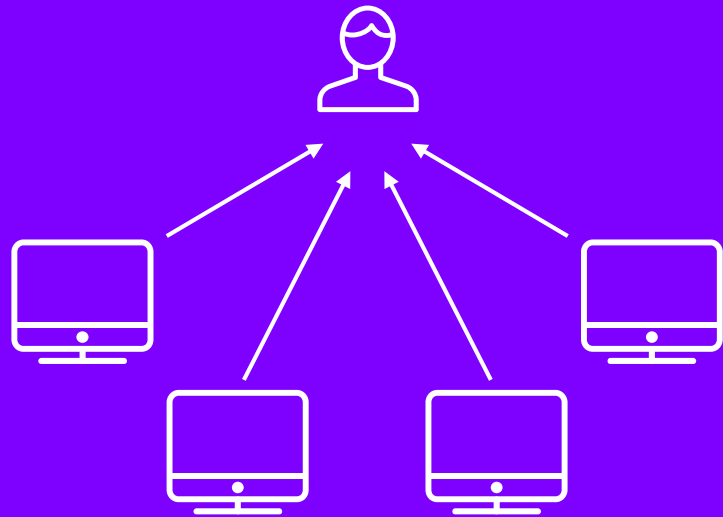
52%
See increased international transactions as a major contributor to fraud increase[1]
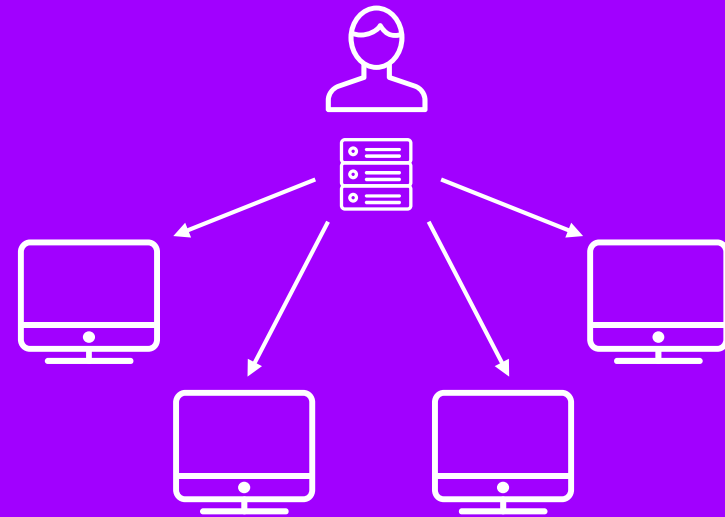
RE-ARCHITECTING IDENTITY

TODAY

Identity is managed by the grantor of the identifier and susceptible to fraud and theft.

TOMORROW

Using blockchain capabilities, the Decentralized Identity Foundation is giving management of identity to the identified.

IDENTITY OPPORTUNITY FOR POSTS

TYING A HUMAN TO A HOME

A foundation of identity is the association of a person to their home. This attestation is essential for taxation, school enrollment, utilities and ecommerce. Posts are the best organizations to validate this association.
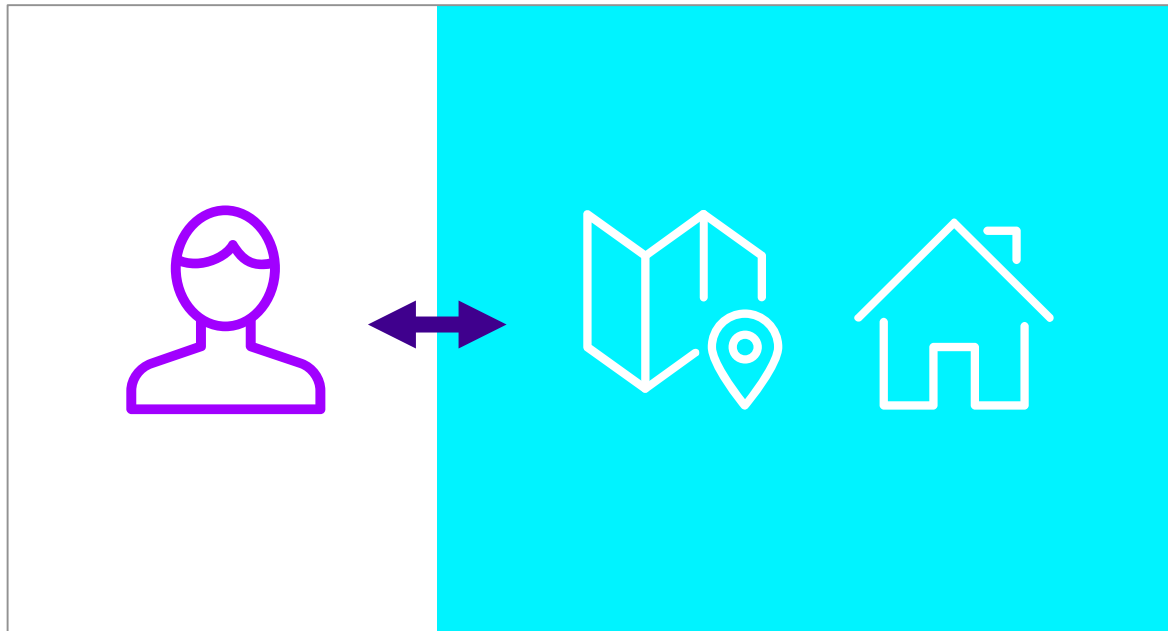
1 Use the mail stream to tie a human to a home

2 Use the postman to confirm a human to a home

3 Use the postman to in-person proof and capture a biometric of a human at a home

THANK YOU

Brody Buhler

Global Managing Director
Accenture Post and Parcel Industry

✉ robert.b.buhler@accenture.com

in Brody Buhler