

THE STATE OF THE ECOMMERCE FACILITIES SERVICES INDUSTRY

Key Insights

EXECUTIVE SUMMARY

Ecommerce has been the distribution industry's growth driver for many years. One of the most important trends has been the shift towards consumers adopting ecommerce as a supply channel for a wider range of product categories. This accelerated demand growth, while obviously a bright spot, has required ecommerce companies to review their strategies and look at their facility and logistics management process more strategically.

Ecommerce facilities and warehouses, while receiving increased attention during this period of disruption due to the COVID-19 pandemic, had already been an increasingly important part of ecommerce companies' overall strategies. But there is still progress to be made as is seen in a number of the survey questions in the report (in particular see "Insight #1").

The focus of this study is to quantify how ecommerce facilities are managed, how performance is measured, and how distributors are improving facility service outcomes. Below are some of the key insights from the new research.

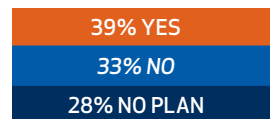
INSIGHT # 1



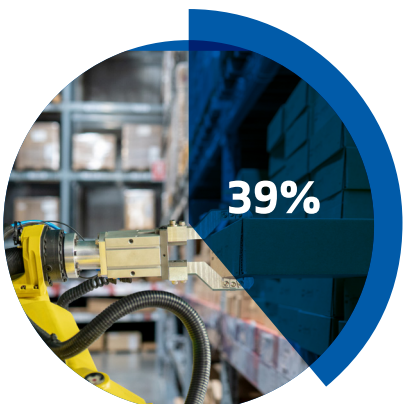
Thirty-nine percent of ecommerce and distribution companies' innovation plans include a facility management strategy

The survey asked the ecommerce companies if their current company-wide innovation plans include a facility management strategy. The findings suggest ecommerce companies have the opportunity to elevate how they view facility management services through a more strategic lens.

Does your company innovation plan include an ecommerce facility management strategy?

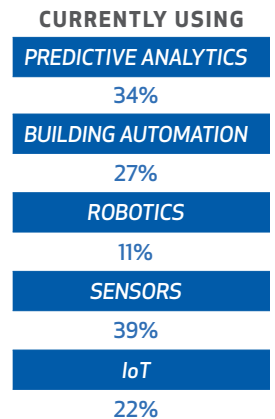


INSIGHT # 2



Over 30% of the industry plans to invest in predictive analytics, building automation, and robotics

Today, less than 40% of the respondents are currently using the following technologies: sensors, predictive analysis, building automation, IoT, or robotics. These findings suggest the adoption level for a number of facility technologies is still rather low. The data table to the right provides the percentage of the industry currently using these technologies.



INSIGHT
#3



SOLAR ENERGY PROGRAM



WASTE MANAGEMENT



LED LIGHTING RETROFITS

Solar energy is the sustainability strategy of most interest to ecommerce companies

The survey asked which sustainability strategies are of most interest to ecommerce and distribution companies. Just under half of the respondents (49%) said solar energy programs are the most interesting sustainability strategies. This is followed by waste management and LED lighting retrofits.

INSIGHT
#4



SHORT STAFFING DURING PEAK PERIODS



PRODUCTIVE HOURS VS. TOTAL HOURS



HEALTH CONCERNS

The top two labor challenges are short staffing during peak periods and productive hours as percentage of total hours worked

The top two most often cited labor challenges are short staffing during peak times of the year and increasing productive hours within total staff hours. Thirty-five percent of the respondents see worker health concerns as a challenge.

INSIGHT
#5



Facility operational changes as a result of the Covid-19 pandemic

The survey asked how the respondents' facilities operations have been changed due to the impact of the pandemic. Key themes from the write-in responses include:

- Increased sanitation practices and cleaning scheduling
- Social distancing
- Personal Protective Equipment (PPE) for staff
- Increased signage on safety and sanitation
- Added or changed work shifts and schedules
- Remote working

The findings in this **EXECUTIVE SUMMARY** offer a high-level view into the study's insights. The complete report with more specific and actionable data, analytics and benchmarks is available for download here:

GET THE E-COMM REPORT

ABOUT THE RESPONDENTS:

The respondents are primarily ecommerce companies, along with wholesale distributors and third-party logistics providers. Over half of the respondents work for companies with over 100 employees, and 37% are with companies that have over \$101 million in annual revenue.

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