

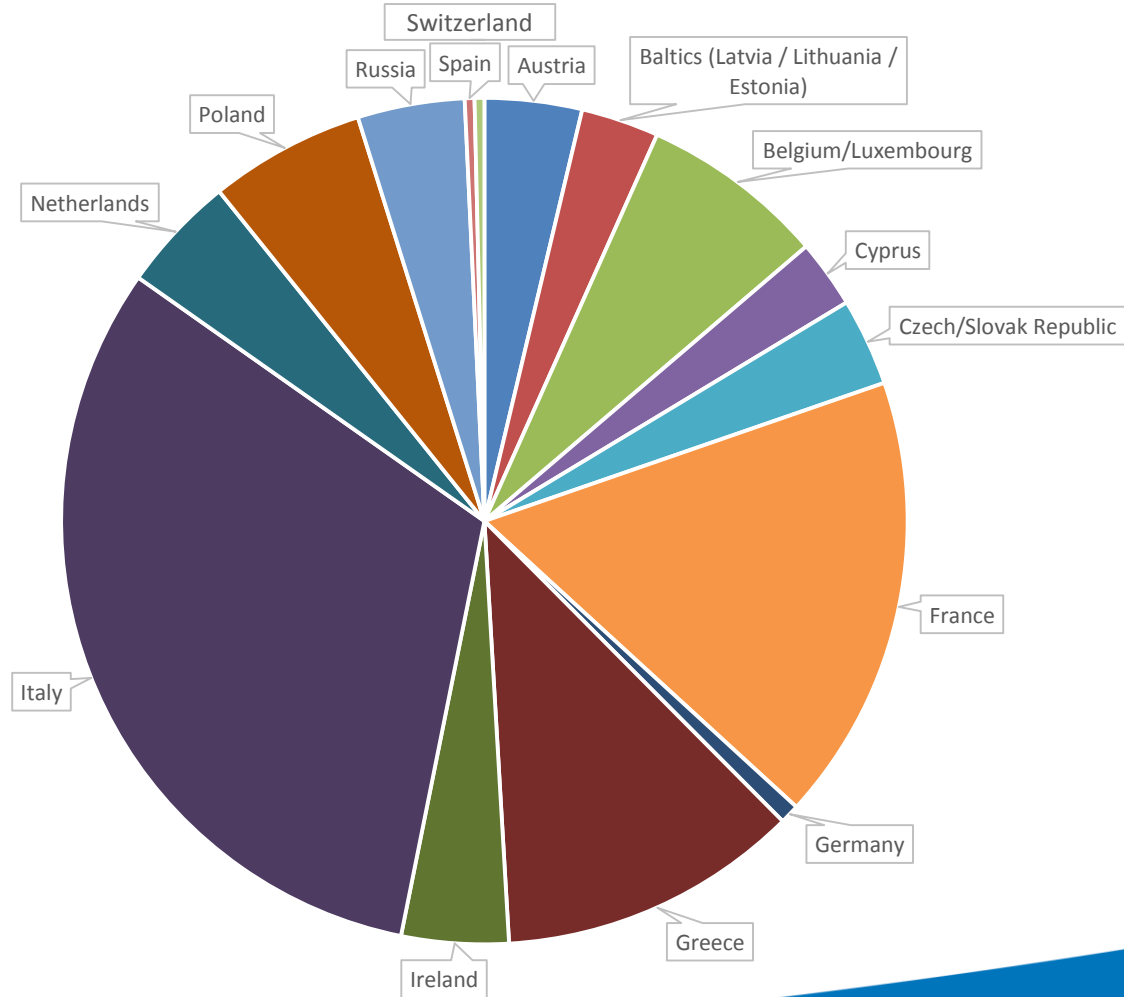
Logistics Pooling Barometer Survey

Results from the European survey conducted in
March 2015

- **Following a survey conducted in France in 2013, the network of ECR National Initiatives has run the “Logistics Pooling Barometer Survey” across all European countries in early 2015**
- **The objective of the Barometer is to assess the awareness and development of logistics pooling practices, to understand the benefits perceived, the barriers to overcome and the drivers for wider implementation**
- **269 respondents from 15 countries have responded to the Barometer Survey : retailers, manufacturers and logistic service providers active in FMCG as well as in other sectors**

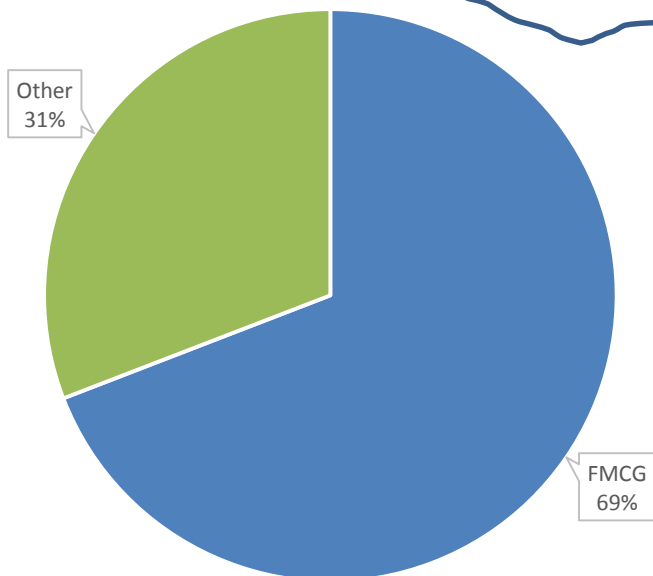
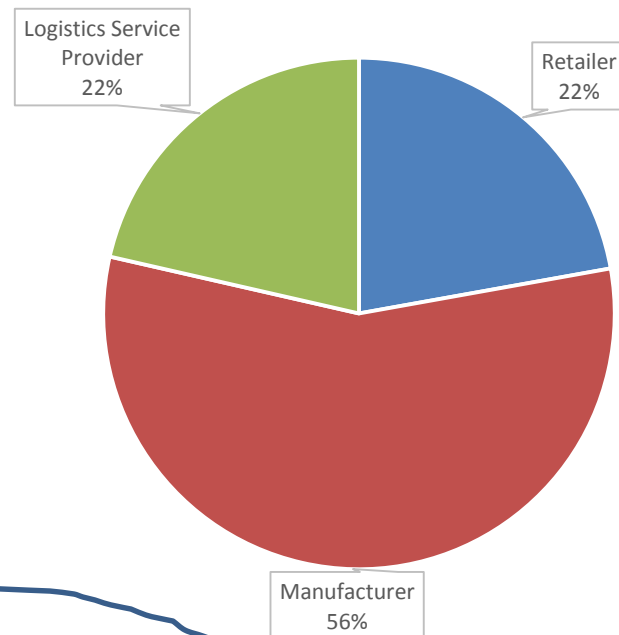
A wide European coverage, with 269 respondents from 15 countries

Austria	10
Baltics (Latvia / Lithuania / Estonia)	8
Belgium/Luxembourg	19
Cyprus	7
Czech/Slovak Republic	9
France	46
Germany	2
Greece	31
Ireland	11
Italy	85
Netherlands	12
Poland	16
Russia	11
Spain	1
Switzerland	1



All parties are well represented

Retailer	59
Manufacturer	150
Logistics Service Provider	57



FMCG	177
Others *	79

* Include pharmacy, on-line sales, perfumes, electronics...

- **The following insights are detailed in the document**
 - Awareness on logistics pooling concepts and typology
 - Level of implementation / Usage / Projects in place
 - Benefits expected / obtained
 - Drivers for implementation

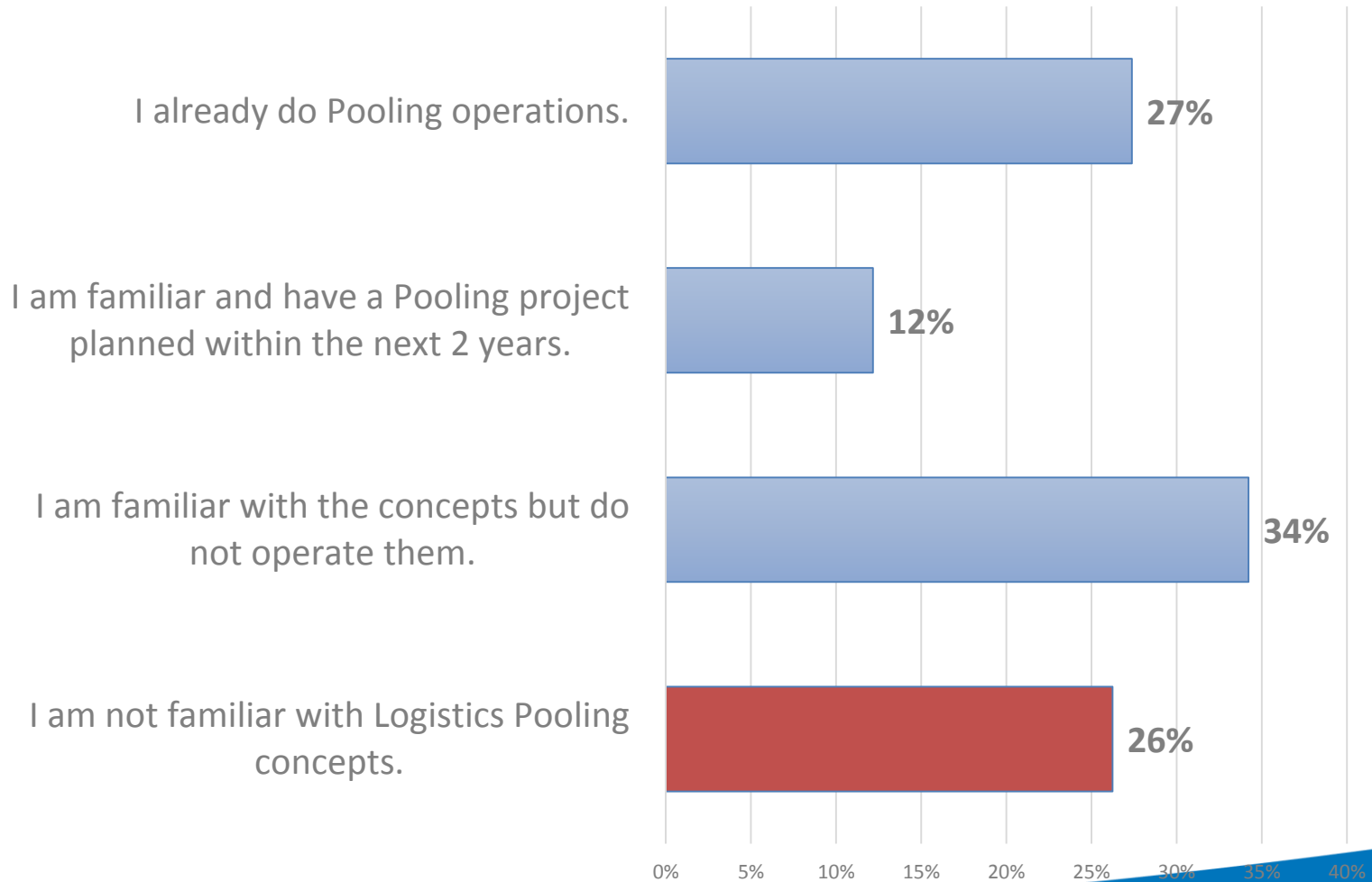
- **Results are displayed combining all countries together**

- **An analysis per country is available at the end of the document, for countries having a sufficient number of respondents**

74% of respondents are familiar with the concepts, with more than ¼ of them already operating pooling and 12% planning to start within 2 years

Are you familiar with Logistics Pooling concepts?

263 responses



We started our first pool in 2004. Since then, we developed this concept in France with 17 manufacturers.

It's our core business :)

We operate already pooling concept for many years. We have established a bundling concept, based on back hauling at supplier locations mainly in Non Food (Internally this concept is called Procurement Logistics)

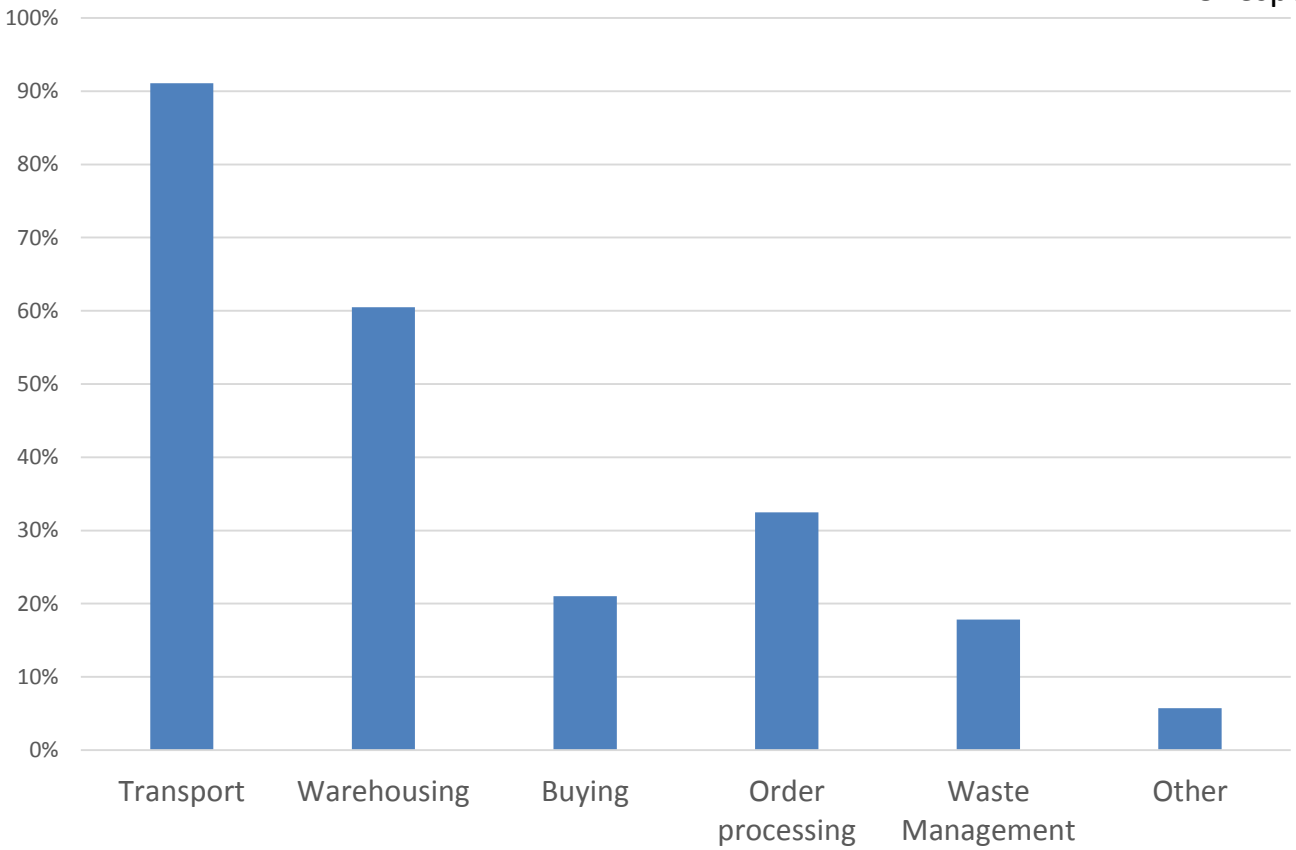
We do not operate pooling as our management manufacturer concept, but we use multiusers LSPs who share the supply chains. We also proactively support sharing supply chain.

we do a pooling by ourselves with 2 suppliers

**Transport and Warehousing are by far the most popular types of pooling (know, intend to implement, operate).
Pooling projects are initiated with transport operations, easier to implement than warehousing**

Which type of Logistics Pooling do you know?

178 responses



know	98%	77%	35%	25%	13%	4%
intend to implement	89%	50%	11%	11%	11%	6%
operate	96%	63%	19%	7%	4%	7%

For those not operating pooling today, the 2 main reasons are the difficulty to find the right partner (40%) and doubts about financial interest of pooling (25%). Lack of IT system (21%) and managerial barriers remain important (fear to lose independence or share information)

What are the main reasons for not operating Logistics Pooling?

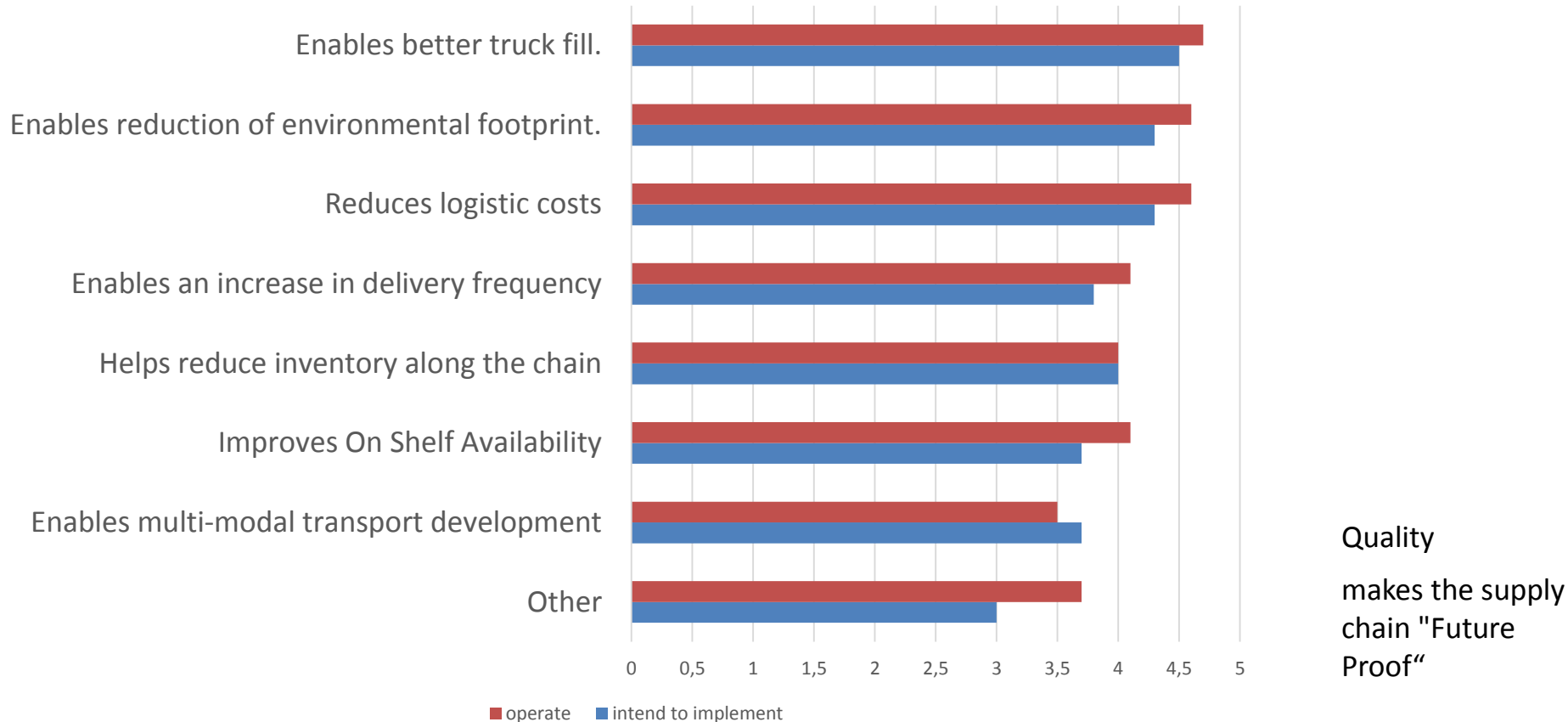
131 responses



Benefits identified prove identical for all respondents (better truck fill, reduction of logistics cost), although they are rated stronger for companies already operating pooling solutions. OSA improvement comes next for those already operating pooling.

How strongly do you agree with the following stated benefits of Logistics Pooling?

83 responses



Rating score ranges from 1 = strongly disagree to 5 = strongly agree

Examples of hard benefits reached with pooling : inventory reduction, better truck utilization, cost reduction, CO₂ reduction,

...

Delivery frequency x 2,5 in average
Deliveries in full truck

10% cost reduction, 30% carbon reduction at same or better service level

A stock level in retailers DC decreased by 20% to 30%

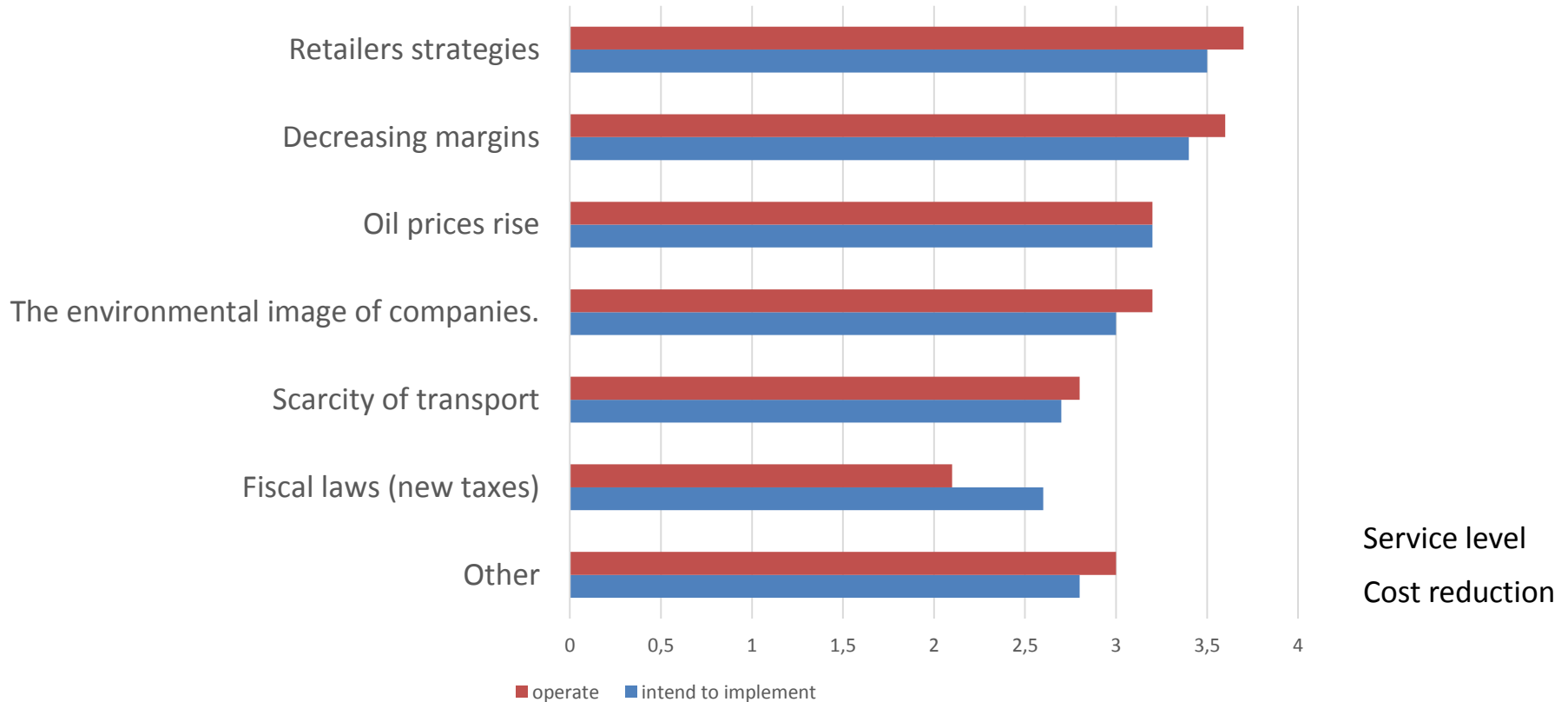
Over 35% less vehicles unloaded in retailers DC

Reduction in logistic costs, better full truck load

Retailer strategies prove to be the most impactful driver for pooling, together with the search for operational efficiency to restore margins. Environmental concern rates average for all respondents, whereas new taxes seem to have little impact.

How big are the following in driving Logistics Pooling?

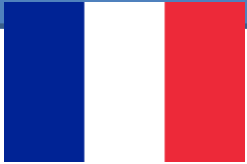
82 responses



Rating score ranges from 1 = no impact to 5 = huge impact

Pooling projects and operations cover a variety of countries, sectors and processes

CRC® :
Collaborative
Routing Centre



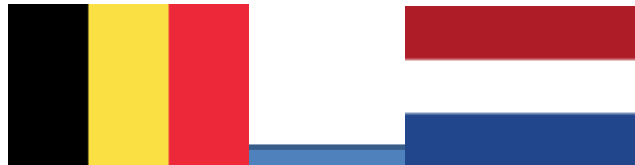
Frozen Foods
bundling UK



Hi-tech bundling
Germany



Backhauling of empty
pallets from UK back to
Belgium and
Netherlands



CEVA Italy
launched City of
Books, City of
Pharma e TechCity

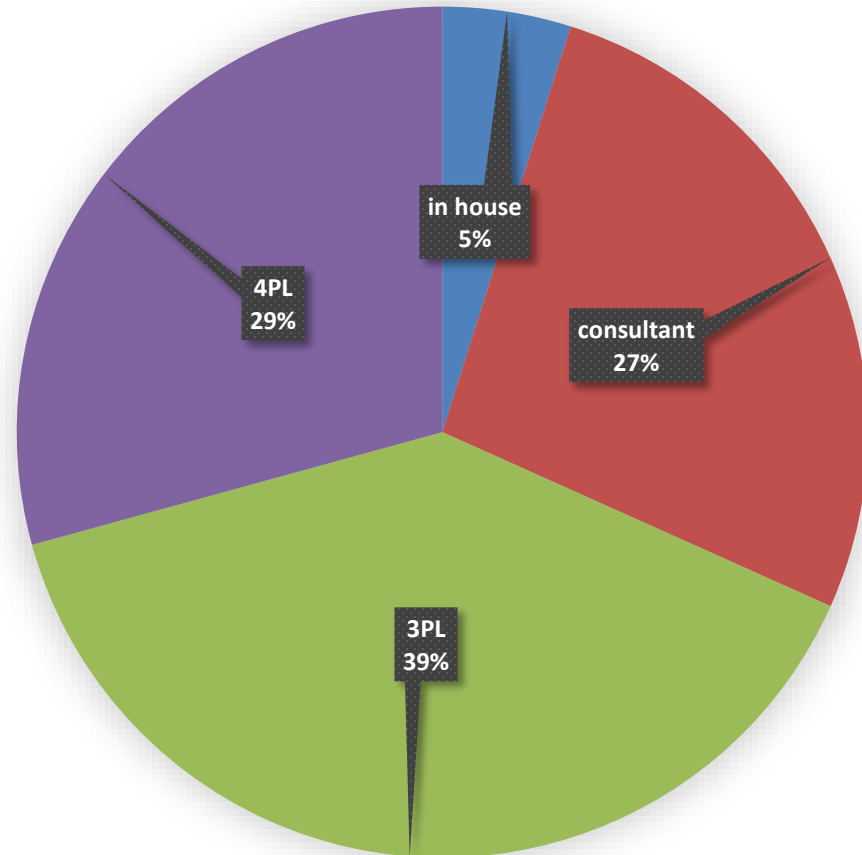


3/4PLs play a key role in implementing pooling IT providers are used in almost 100% of operations

Have you worked with service providers to implement your Pooling solution?

41 responses

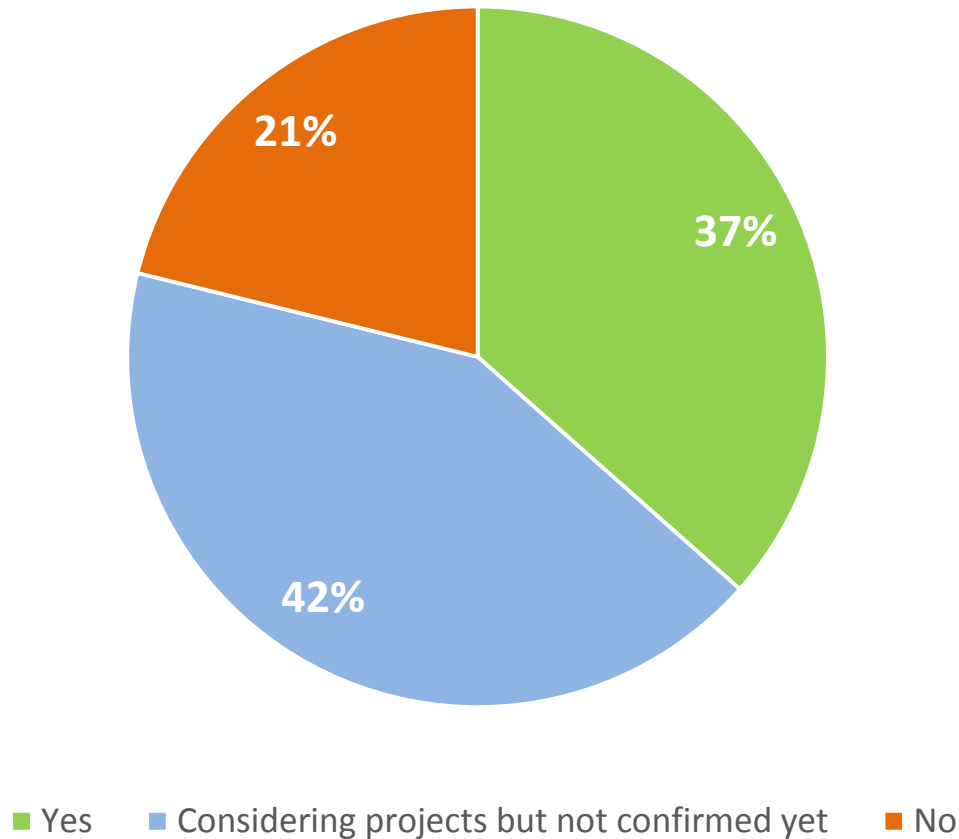
- **External support was used in almost 90% of pooling operations in place**
- **The role of a neutral body is crucial to monitor information flows with the required level of security and confidentiality**



Once pooling has started, it cannot be stopped! 80% of companies currently operating pooling already have or consider new projects

Do you have additional projects planned in the future?

52 responses



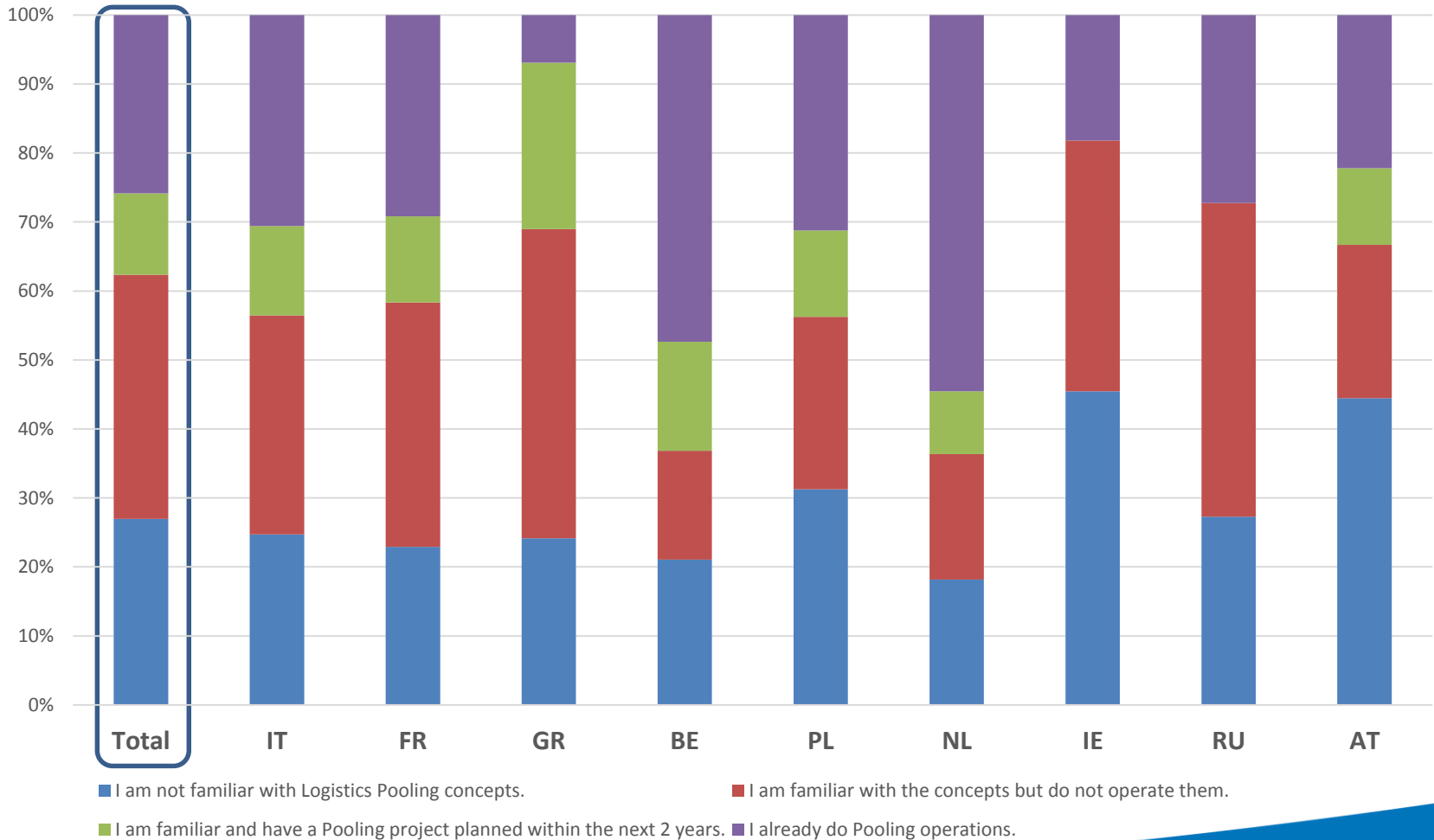
Country results

- **Detailed results have been split for the following countries, which have had a minimum of 10 respondents**
 - Italy (IT), France (FR), Greece (GR), Belgium/Luxembourg (BE), Poland (PL), Netherlands (NL), Ireland (IE), Russia (RU), Austria (AT)
- **Some results are not displayed when they prove not reliable enough**
- **Number of respondents per country**

	IT	FR	GR	BE	PL	NL	IE	RU	AT
Retailer	15	16	6	7	-	4	2	3	1
Manufacturer	51	24	20	10	8	5	5	7	4
Logistics Service Provider	19	4	4	4	8	2	4	1	5

Pooling operations are more developed in the Netherlands and Belgium, whereas knowledge of the concepts appear low in Austria and Ireland

Are you familiar with Logistics Pooling concepts?



Awareness of type of pooling is almost identical in every country, with Transport far ahead, followed by Warehousing.

Warehouse pooling is more popular in Netherlands and France ; Greece, France and Austria have a wider knowledge of pooling outside physical logistics (buying, order processing, waste management)

Which type of Logistics Pooling do you know?

	Transport	Warehousing	Buying	Order processing	Waste Management
Total	96%	68%	26%	17%	10%
IT	84%	50%	21%	53%	21%
FR	100%	75%	29%	33%	8%
GR	83%	67%	28%	22%	22%
BE	83%	67%	33%	0%	0%
PL	100%	57%	29%	0%	0%
NL	100%	86%	14%	0%	0%
IE	100%	25%	25%	0%	0%
RU	100%	67%	33%	33%	0%
AT	100%	75%	0%	25%	25%

Ireland is not convinced at all of financial benefits of pooling, whereas Russia thinks IT system is not adapted to run live operations. Greece declares lacking competencies and France lacks methodology to start a pooling project.

What are the main reasons for not operating Logistics Pooling?

	Total	FR	GR	IE	IT	RU
I don't have the necessary financial resources.	4%	0%	11%	0%	0%	0%
I don't know how to start such a project.	11%	33%	0%	0%	26%	0%
I don't have the necessary competencies.	11%	0%	33%	0%	22%	0%
My general management doesn't want to share information with competitors.	17%	22%	22%	33%	15%	0%
My IT system is not adapted.	22%	33%	22%	33%	19%	67%
I don't want to lose my independence.	24%	11%	33%	33%	11%	0%
I'm not convinced of the financial benefits.	35%	33%	33%	100%	7%	33%
I cannot find the right partner to start with.	41%	67%	44%	33%	37%	67%

Details for BE, PL, NL and AT cannot be displayed, with only 1 respondent to the question

Reduction of logistic cost is strongly recognized in France (5), but far less in Belgium (3.6). Similarly, Inventory reduction is poorly recognized in Belgium (3.4) and Netherlands (3.5) in comparison to France (4.6) and Greece (4.4)

How strongly do you agree with the following stated benefits of Logistics Pooling?

	Total	FR	GR	IT	BE	PL	NL
Enables multi-modal transport development	3,4	2,0	4,2	3,8	3,6	3,2	3,2
Improves On Shelf Availability	3,8	3,6	4,0	4,2	3,3	3,2	3,2
Helps reduce inventory along the chain	4,0	4,6	4,4	4,0	3,4	4,2	3,5
Enables an increase in delivery frequency	4,2	4,4	3,4	3,7	3,8	4,0	3,8
Reduces logistic costs	4,4	5,0	4,8	4,5	3,6	4,7	4,4
Enables reduction of environmental footprint	4,5	4,6	4,6	4,5	4,4	4,5	4,4
Enables better truck fill	4,6	4,6	4,7	4,6	4,3	4,2	4,6

Details for IE, RU and AT cannot be displayed, with only 1 respondent to the question

Retailer demand and decreasing margins remain the most important drivers overall. The environmental image of companies is not seen as a driver in France and Greece, as opposed to Belgium, Poland and the Netherlands. Higher delivery distances make scarcity of transport and oil price more important in Greece and France, compared to Netherlands.

How big are the following in driving Logistics Pooling?

	Total	FR	GR	IT	BE	PL	NL
Fiscal laws (new taxes)	2,5	3,0	3,0	2,1	2,4	2,3	1,5
Scarcity of transport	3,0	3,0	3,3	2,4	2,8	2,7	2,0
The environmental image of companies	3,3	2,8	3,0	2,9	3,6	3,6	3,4
Oil prices rise	3,3	4,0	3,6	3,1	3,4	3,2	2,6
Decreasing margins	3,6	3,3	3,6	3,5	4,2	4,3	3,2
Retailers strategies	3,7	3,8	3,4	3,6	3,6	4,2	3,8

Details for IE, RU and AT cannot be displayed, with only 1 respondent to the question

- **Differences of awareness and implementation are clearly seen between countries, depending mainly on their geography (logistics network) and global “Supply Chain maturity”**
- **However, the level of responses to this survey tends to prove that logistic pooling is seen everywhere as an enabler to increased Supply Chain efficiency, through reduction of cost, inventory and CO₂ emissions.**

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