



# Win like a Leader

## How to succeed in the High-Tech sector



High-Tech manufacturers in China need to take a customer-led approach to innovation and logistics to ensure China emerges as the dominant High-Tech player worldwide.

### THE TOP THREE INDUSTRY PAIN POINTS FOR HIGH-TECH



#### INCREASED COSTS

- Rising labour wages and near-shoring are now key factors in pushing up costs.
- Labour wages in China have increased by 100% since 2010 and are expected to double by 2020<sup>1</sup>.



#### INCREASED COMPETITION

- E-commerce has changed the demands of consumers looking for convenience, improved flexibility and lower prices, which has resulted in the need to redesign business strategy.
- 80% of companies expect to see more competition in one year's time than they do at the moment<sup>2</sup>.



#### INCREASED REGULATION

- Expansions into Brazil, Russia and India are quickly raising concerns relating to increased red tape and bureaucracy.
- 39% of High-Tech executives rank cultural challenges, regulatory concerns and knowledge of free trade agreements as top barriers for entry into these emerging markets<sup>3</sup>.

Sources: <sup>1</sup> IHS Global Insight; USCS "Doing Business in Mexico" Guide \*As of April 2015. <sup>2</sup> UPS 2016 "Made in China 2.0" Whitepaper. <sup>3</sup> Fifth Annual (2015) Change in the (Supply) Chain APAC Regional Summary.

According to the UPS 2016 Made in China 2.0 Whitepaper, leaders in High-Tech manufacturing who were surveyed were optimistic of the role logistics play in helping to solve their business woes.

### WHAT MAKES A MADE IN CHINA 2.0 LEADER?

Made in China 2.0 Leaders are from all over China, all industry sectors and represent companies of all sizes. They significantly outperform their peers in terms of profitability, productivity, market share and revenue. They represent the top 8% of export manufacturing companies and score 90+ in the Readiness Index<sup>4</sup>. They also have some stand-out characteristics:



#### INSIGHTFUL

They recognise the value of logistics in fuelling business growth.



#### FOCUSED ON LONG TERM

Leaders are prepared for the impact of macro emerging industry trends so they are not unduly concerned by the slower pace of growth under the "New Normal".



#### PROACTIVE

They are constantly on the lookout for ways to grow their business and expand their global footprint.



#### DIVERSIFIED

Instead of selling only to one type of customer, they diversify their customer base to reach both B2B and B2C customers.

<sup>4</sup> The UPS Readiness Index reflects a combination of Recognition and Performance Score. An index score of 90 reflects an average score of at least 9 or higher (on a scale of 1 - 10) for each dimension. There are 10 dimensions each for Recognition and Performance Score.

# COLLABORATE WITH UPS TO WIN

LEVERAGE LOGISTICS TO ADD VALUE

"MADE IN CHINA 2.0 LEADERS ARE MORE LIKELY TO RECOGNISE THE IMPORTANT ROLE OF LOGISTICS THAN OTHERS."

>3X  
more likely



**COST  
REDUCTION**

>2X  
more likely



**ENHANCED  
CUSTOMER  
EXPERIENCE**

>3X  
more likely



**SALES  
GROWTH**

In the High-Tech industry, products upgrade with incredible speed and must fight for first entry into market.

## UPS OFFERS A SUITE OF SOLUTIONS

SO THAT YOU CAN LEAVE YOUR LOGISTICS CHALLENGES WITH US AND FOCUS ON YOUR CORE BUSINESS.

### UPS WorldShip®

A shipping tool that eliminates manual labour and costs associated with errors and training by automating your shipment processing.

Data integration will speed up preparation of your shipments.

### UPS Quantum View®

A portfolio of services designed to offer you and your customers complete shipment visibility with tracking information and customised reports.

Improve customer satisfaction with proactive shipment notifications and alerts.

### UPS Flex Global View

Improve your freight inventory control and service recovery through an integrated view of your supply chain.

Manage order fulfilment, stock-outs and potential delays.

### UPS Paperless® Invoice

Allows shipments to clear customs ahead of time with an electronic commercial invoice data that transmits to customs offices even before the shipment arrives.

Save time and cost on paperwork, and gain flexibility on timely customs clearance around the globe.

### UPS® Service Guarantee

Whether it's meeting the expectations of your customers or creating a more responsive supply chain, UPS guaranteed service\* gives you more options and peace of mind.

### Brokerage Expertise

80 years of expertise in customs brokerage and an extensive international network.

When customs procedure changes, we have the expertise to adapt and clear customs efficiently, which results in cost savings and customer satisfaction.

### UPS Capital (iCDV)

Reduce financial risk with worldwide coverage for small package shipments.

Protect high value shipments in transit with higher coverage limits than most standard carrier programs.

### Marketable Label

Grow your business and your brand by creating customised shipping labels with your company logo, advertisements, promotional messages or QR code.

Turn shipping labels into advertising opportunities, attract repeat purchase and new customers.

\* Terms and conditions apply. Please refer to ups.com.



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