



# Win like a Leader

## How to succeed in the Retail sector

Changing consumer attitudes and macroeconomic headwinds are slowing growth in China's Retail market. Maintaining customer loyalty is no longer an industry imperative, it is the key to surviving the economic slowdown.

### THE TOP THREE INDUSTRY PAIN POINTS FOR RETAIL



#### INCREASED CUSTOMER EXPECTATIONS

- E-commerce has changed the demands of the consumer, who are technology-savvy these days and want greater flexibility, choices and competitive pricing. They also seek advance assurance of product and service quality before making purchase decisions.



#### INCREASED COMPETITION

- Trend cycles are short-lived. Businesses are under pressure to quickly meet customer expectations on delivering goods and services or risk losing them to competitors.
- Consumers are spoiled for choice these days. Businesses need to provide better product and service differentiation in order to win more customers from competitors.



#### INCREASED COSTS

- With changes in consumer behaviour to 'buy now, try later', businesses need better goods exchange policies to improve customer satisfaction. However, maintaining stock inventory on reverse logistics and facilitating return goods increases business operating cost.
- Rising labour wages in China have increased 100% since 2010 and are expected to double by 2020<sup>1</sup>.

Source: <sup>1</sup> IHS Global Insight; USCS "Doing Business in Mexico" Guide "As of April 2015.

According to the UPS 2016 Made in China 2.0 Whitepaper, leaders in the Retail sector 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>2</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>2</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 Retail industry, trend cycles are short lived, speed to market and logistics flexibility are key.

## UPS OFFERS A SUITE OF SOLUTIONS

TO OFFER BETTER DELIVERY EXPERIENCE TO YOUR CUSTOMERS, YET SIMPLIFY YOUR COMPANY'S REVERSE LOGISTICS PROCESS TO ENCOURAGE REPEAT PURCHASES AND HELP YOUR BUSINESS GROW.

### 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.

### 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.

### UPS Returns®

One-size-fits-all does not always fit. Ship your products with pre-printed return labels, integrate returns processing on your website, or expand drop off and pick up options.

Build a stronger relationship with your customers and increase repeat sales by making returns process a better customer experience.

### UPS Quantum View®

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

Improve customer satisfaction with proactive shipment notifications and alerts.

### UPS My Choice™

Increase customer satisfaction by giving them greater delivery confidence, control and flexibility of when and where they receive incoming package deliveries.

Enable millions of online customers to enjoy convenient delivery options with UPS Access Point® network in over 24,000 locations globally.

### UPS Flex Global View

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

Manage order fulfillment, stock-outs and potential delays.

### 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 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.

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



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