



# Globalising the Power of Smart Logistics Collaborating across Industry to boost Management Efficiency

**In May this year, the logistics arm of Alibaba Group, Cainiao Network, announced plans for building a global smart logistics network, which aims to achieve 24-hour delivery nationwide and 72-hour delivery worldwide.**

Roger Su, General Manager of Cainiao Global, explains that smart logistics is the use of big data analysis to forecast the logistics flow and demand. Through the collaboration across the logistics industry, it facilitates the sharing of resources and creates efficient logistics management solutions.

## The sharing economy mind-set

Since its establishment in 2013, Cainiao has been bringing the open collaboration approach to the logistics industry. With the power of big data analysis and technologies, Cainiao strives to enhance the overall capabilities and efficiencies across the whole supply chain.

Quoting relevant statistics, Su notes that the daily parcel traffic in the mainland is approximately 50 million in 2015. The figure has reached over 100 million units in 2017, marking a 50% year-on-year increase. "If it requires 100,000 workers to handle parcel traffic of 1 million units per day, it would require 10 million workers to handle daily parcel traffic of 100 million units. Rather than managing such an enormous workforce, it would be more productive to utilise existing resources by forming partnerships, enabling logistics operators to provide more efficient and cost-effective delivery services."

As he remarks, Cainiao is an open platform where logistics operators can join. Cainiao leverages on its technology to improve management efficiency, such as building a national address database in order to standardise the different digital documentation formats across all alliance members.

Su also notes that Cainiao, based on the big data generated by the online ordering, analysis and forecasts of the flow of goods, in order to "minimise the time of transferring goods, reduce express delivery cost, and improve logistics efficiency." For instance, prior to the "Tmall Global Shopping Festival" on 11 November, the company provides the sales forecast with merchants to allocate the forecasted popular goods to local warehouses in

advance. "It allows retailers to dispatch the goods and arrange for delivery quickly once customer places their order."

Apart from analysis through big data, Su says that Cainiao has launched diversified last-mile delivery services in mainland China. Cainiao has set up parcel pick-up points across the communities, including Cainiao Posts, and local convenient stores, fruit stores and schools. The consumers receive notifications via mobile phone messages upon arrival. Meanwhile, convenient stores are able to provide 24/7 collection, which enhances the company's competitive edge in the "last-mile" delivery services.

## Application of smart technology

In July this year, Cainiao launched the smart pick-up locker service in Hong Kong. The network of smart lockers spans over from central business districts to major residential areas, and the delivery charge is only a half of the traditional courier service. After its launch in Russia, the service has revolutionised their parcel collection mode which usually collects at the post office.

Apart from the soaring parcel traffic in Chinese mainland, Su pinpoints that Southeast Asia has significantly large young population, which comprises a relatively high ratio of total population. "They are the generation, who grew up with smart phones and has huge economic potentials, posing enormous demand for logistics services." Meanwhile, Europe is benefitting from the cross-border collaboration propelled by the Belt and Road Initiative. The demand for logistics services has been boosted by the growing cross-border trade between China and Europe.

Su also remarks that clients do not only have high expectations about delivery speed, but they also care about the transparency during its transportation. "We have digitised the entire process for the shipment and established necessary infrastructure, which allows us to track the goods and enhances transparency. Meanwhile, we also partner with our overseas postal partners, such as Correos (national post in Spain), to establish goods monitoring platforms that are synchronised with our system."

## High value-added logistics: a prominent trend

In June this year, Cainiao, the China National Aviation Corporation Group and YTO Express won the contract for the construction of a premium logistics centre at the Hong Kong International Airport. The premium logistics centre has an estimated gross floor area of 380,000 square metre, including cargo handling centre, sorting centre and order fulfilment centre. It will adopt advanced environmental protection standards and state-of-the-art technologies, such as automated warehousing and temperature-control solutions. The centre is set to handle tens of millions of parcels with high efficiency every year and it is expected to be put into operation in 2023.

As Su remarks, the company is investing in the venture as

# 全球智慧物流骨幹網搭建增強 行業協同提高管理效能

it foresees positive prospects for Hong Kong's pivotal role in international trade and logistics centre of the Asia-Pacific region. "Hong Kong has always been a leader in the logistics, air freight and maritime sectors in Asia Pacific, with its high degree of trade facilitation, simple taxation system and convenient custom clearance, and these enable its irreplaceable status as a global entrepot." He adds that the new logistics centre will mainly handle high value-added goods. "In recent years, high-valued goods such as seafood, flowers, chocolate and healthcare products are transported to Chinese mainland via Europe or the

US. It is essential to create value-added logistics solutions by utilising advanced technology."

Su will attend the Asian Logistics and Maritime Conference (ALMC) to be held on 20-21 November. He will discuss with global logistics players at ALMC on the opportunities towards the air cargo and supply chain sectors, under the rapid growth of e-commerce. "In the age of globalization and rapidly developed e-commerce, opportunities in B2C e-commerce is surging.

今年5月，阿里巴巴集團旗下的「菜鳥網絡」宣佈，全力搭建全球智慧物流骨幹網，以實現內地24小時必達、全球72小時必達的願景。菜鳥國際執行總經理蘇登瀛接受專訪時解釋，所謂智慧物流就是透過大數據分析，預測物流及其需求走向，並藉物流業協作，達至資源共享且高效的物流管理方案。

Find Roger at :

**Air Freight Forum I -  
New Paradigm of Regional  
E-commerce Order Fulfilment  
Centre – Where and How?**

Date : 20 Nov (Tue)  
Time : 11:15 – 12:45  
Venue : Main Forum

## 共享經濟的思維

於2013年成立的菜鳥，將開放、協作等創新的模式帶入物流業，通過大數據分析及其科技力量，致力提升整個物流業的配送效率。

蘇登瀛引述數據指，內地於2015年日均包裹量約5,000萬個，在2017年已經超越1億個，年增長率達50%。「日均處理100萬個包裹，需要聘請10萬人；日均處理1億個，就要請1,000萬人；與其管理這麼大量的員工，倒不如運用現有的社會及行業資源，以共同合作的模式，提供較高效及減低成本的派遞服務。」

他提到，菜鳥屬於開放平台，物流業者可加入，菜鳥則利用科技來提高管理效率，例如建立全國地址庫編碼化，以統一結盟者不同的電子單據模式。

蘇登瀛又指，菜鳥一直透過網上落單(零售)，再通過算法分析及預測貨品流向，達致「減少貨品流動、降低快遞成本，並提高物流效率。」他舉例指，在天貓雙11前，菜鳥已透過演算法，把預測熱賣的商品預先分發到相關的地區倉庫，「於是消費者落單後，便可以迅速發貨，並安排送遞。」

除數據演算法外，他又提到，菜鳥亦在內地推出多元化的「最後一公里」服務。菜鳥在社區設立代收點，包括菜鳥驛站、便利店、水果店、學校等，以手機訊息通知消費者收件，而便利店能提供24小時的收件便利，提高「最後一公里」服務的競爭優勢。

## 應用智慧科技

今年7月，菜鳥亦在香港推出智能快遞櫃服務，於全港各大商業中心及核心住宅區，增設智能快遞櫃，收費只是傳統派送的一半。另外，服務在俄羅斯推出後，更改變了當地居民前往郵局自取包裹的傳統收貨模式。

除了內地包裹數目急速增長外，蘇登瀛指出，東南亞人口年輕，30歲以下人口比例佔高，「他們與手機一起成長，具有不少經濟發展潛力，對物流服務需求十分龐大。」另外，歐洲正受惠於「一帶一路」倡議的跨境合作，中歐跨境商機不斷增加，亦是物流服務需求的增長點。

蘇登瀛提到，客戶不但對配送速度有要求，對貨品在運載過程的透明度亦甚為關注。「我們將包裹流通過程數碼化，搭建相關基礎設施，對貨件進行追蹤，提高透明度。同時我們亦與海外郵政夥伴合作，例如西班牙郵政，建設追蹤貨品平台進行協同。」

## 高增值物流乃未來趨勢

今年6月，菜鳥與中國航空集團及圓通速遞，成功投得香港國際機場的高增值物流中心項目。該物流中心總樓面面積預計達38萬平方米，包括空運貨物處理中心、分揀中心及訂單履行中心等，採用領先環保標準及尖端科技，實現自動化倉儲及溫度控制解決方案，預計每年可高效地處理數千萬個包裹，料於2023年投入使用。

蘇登瀛表示，是項投資是看好香港作為亞太區物流中心的地位，亦指香港一直在國際貿易上擔當重要的角色，「香港於物流、空運、航運各方面，在亞太區一直屬於龍頭角色，尤其香港貿易高度便利化、稅制及清關簡便，令其轉口地位無可替代。」他又指，該物流中心將主要處理高增值貨品，「近年貴價貨品例如海鮮、鮮花、朱古力、健康護理產品等，經歐美銷往內地，需要通過先進科技為物流方案增值。」

他將出席11月20-21日舉行的「亞洲物流及航運會議」(ALMC)，在電子商貿急速增長的框架下，將與全球業界探討空運與供應鏈物流業的角色及機遇。「在全球一體化下，電子商貿發展一日千里，B2C跨境的商機可期。」

Roger Su, Executive General Manager of Cainiao Global, reveals that the company foresees positive prospects for Hong Kong's status as the logistics centre of the Asian Pacific region and it has always played a pivotal role in international trade.

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