



## **DB SCHENKER —**

Niche opportunities for logistics and transit services  
to Russia and CIS market

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AO SCHENKER

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TransBaltica 2017

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# Definition: What is Niche Marketing?



## NICHE MARKETING IS

- Concentrating all marketing efforts on a small but specific and well defined segment of the population. Niches do not 'exist' but are 'created' by identifying needs, wants, and requirements that are being addressed poorly or not at all by other firms, and developing and delivering goods or services to satisfy them.



## WAYS TO CHOOSE THE BEST NICHE MARKET FOR YOUR BUSINESS

- Determine Your Angle
- Learn More About Your New Market
- Check Out Your Competition
- Determine Whether You Are Passionate About Your Niche
- Research The Trends Within The Industry



## THE KEY TRENDS IN LOGISTICS ARE:

- Market consolidation
- E- commerce
- Fulfillment service
- Digital transformation
- Introduction of innovative IT-solutions
- Internationalization of partners within the supply chain
- Demand for increased service levels
- New interests from online shops: large-sized products (furniture), drop-shipping, cross-docking
- Transportation of groupage cargo, etc.



## eSchenker by DB Schenker allows you to

- track your shipments
- receive notifications about tracking changes
- read the latest news about DB Schenker, etc.

The eSchenker App also supports your Apple Watch, so that you can receive shipment updates directly on your wrist

The application will be continuously extended to give you access to many DB Schenker services directly on your iPhone



## NICHE OPPORTUNITIES ARE IN:

- Vertical markets (Fashion & Retail, Chemistry, Pharmacy, etc.)
- Specialized infrastructure
- Centralization of services
- Energy sector
- Provision of remote services, e.g. consultations on business processes and software
- E-commerce, e.g. the use of postal vans
- Related business to another business, e.g. air passenger transportation and cargo business (the use of postal vans)



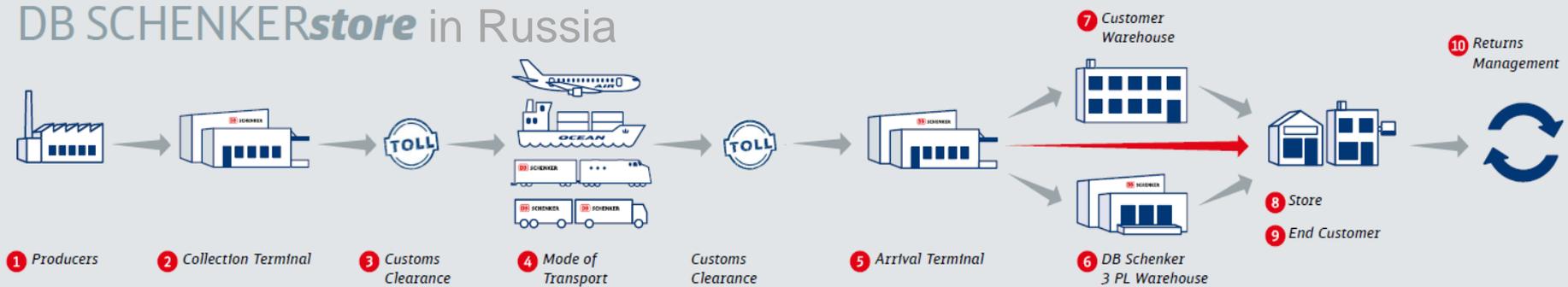
# Global partnership of DB Schenker



**GLOBAL PARTNERSHIP  
OF DB SCHENKER WITH  
FASHION & RETAIL  
INDUSTRY**



## DB SCHENKERstore in Russia

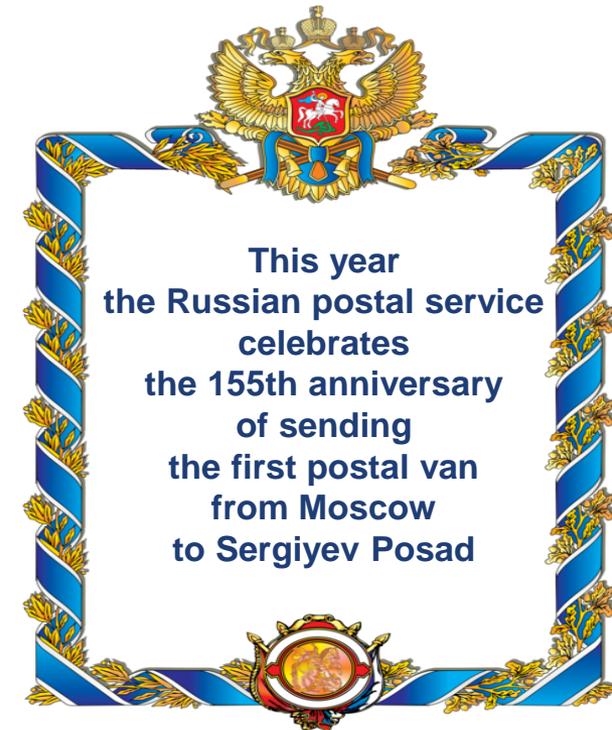


# Baggage and Postal-Baggage Vans Today



## DELIVERY SCHEDULE (SAMPLE)

| Where             | From Moscow         |               |                    |                    |
|-------------------|---------------------|---------------|--------------------|--------------------|
|                   | Delivery time, days | Min.cost, RUB | Tariff rate RUB/KG | Tariff rate RUB/m3 |
| Abakan            | 5                   | 1200          | 24                 | 6000               |
| Armavir           | 2                   | 600           | 13                 | 3250               |
| Arkhangelsk       | 2                   | 800           | 10                 | 2500               |
| Astrakhan         | 3                   | 600           | 12                 | 3000               |
| Achinsk           | 6                   | 800           | 17                 | 4250               |
| Vladivostok       | 9                   | 1350          | 26                 | 6500               |
| Volgograd         | 3                   | 600           | 10                 | 2500               |
| Ekaterinburg      | 2                   | 600           | 9                  | 2250               |
| Irkutsk           | 6                   | 1030          | 20                 | 5000               |
| Krasnodar         | 2                   | 800           | 13                 | 3250               |
| Novosibirsk       | 4                   | 600           | 13                 | 3250               |
| Perm              | 2                   | 600           | 9                  | 2250               |
| Samara            | 2                   | 600           | 10                 | 2500               |
| Yuzhno-Sakhalinsk | 18                  | 3500          | 58                 | 14500              |



## SPECIFICATIONS:

- Capacity will be increased by almost five tons
- Can run in the desert and in the Far North
- Speed from 160 up to 200 km/h
- Possibility of loading by forklift
- Model will be equipped with a monitoring system (burglar and fire alarm)
- Service life - 40 years
- Mileage without repair - half a million kilometers
- Transit time will be reduced up to six days



## ROAD NETWORK



**By the end of 2018  
in Russia/Tver  
will be produced  
about 100 postal vans (RIC size, i.e. adapted for use of bogies  
for the Russian 1520 mm gauge and bogies for 1435 mm  
(which is standard in China and in the EU))  
for regular services  
from Beijing to Berlin via Moscow**

# Express Delivery in Baggage and Postal-Baggage Vans **SCHENKER**



## TOP – 5 LOGISTICS OPERATORS FOR EXPRESS DELIVERY IN BAGGAGE AND POSTAL-BAGGAGE VANS



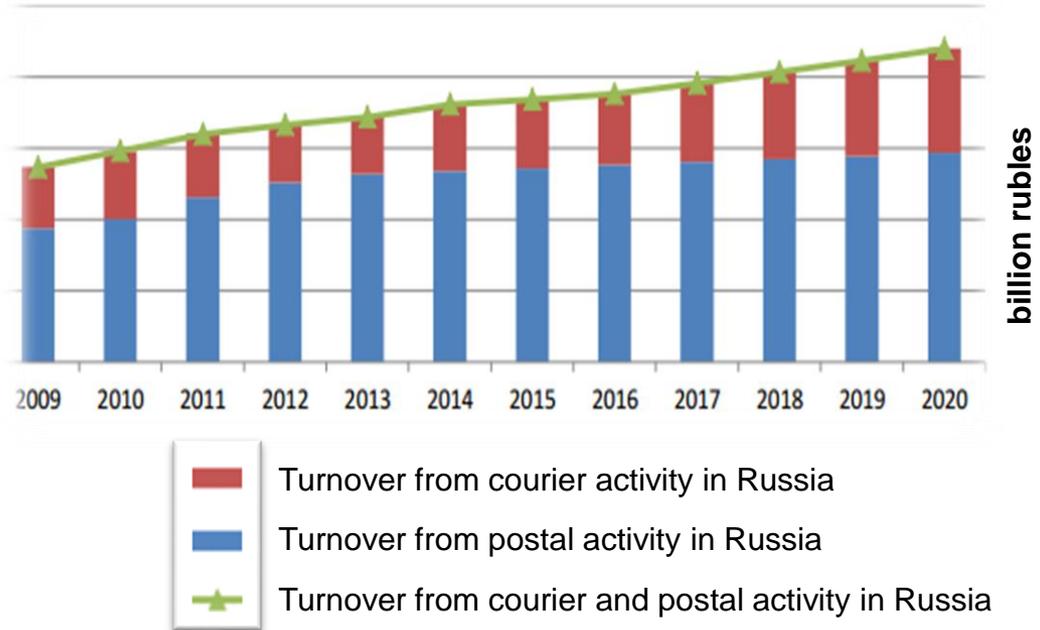
- DHL Express
- UPS
- TNT Express
- DPD
- Flip Post



- EMS Russian Post
- SDEK
- SPSR Express
- Pony Express
- Major Express

Potential customers are commercial companies like L'Oreal, ABB, etc.

## FORECAST OF CONSUMPTION OF POSTAL SERVICES AND COURIER DELIVERY FOR THE PERIOD TILL 2020, BILLION RUBLES



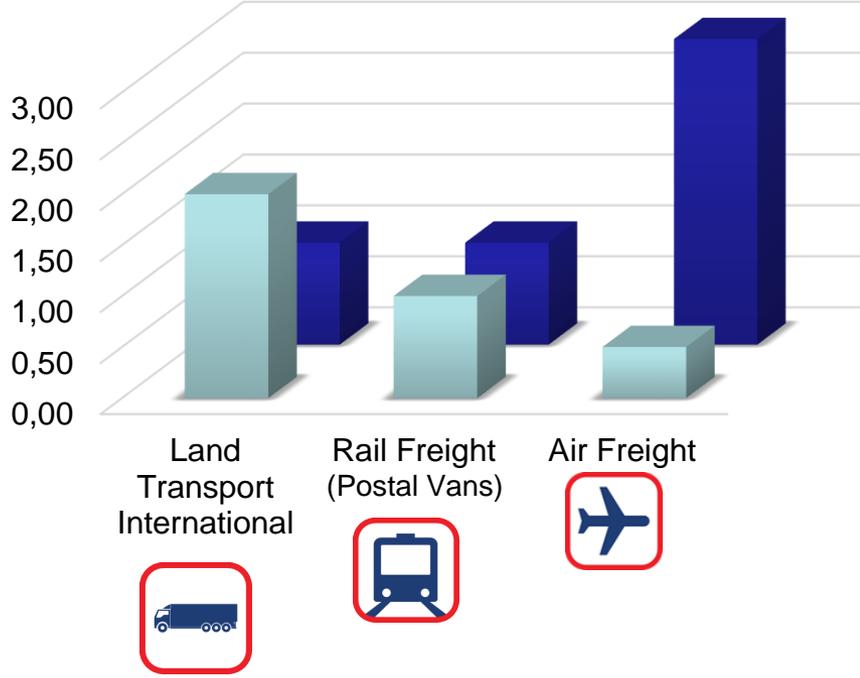
**Thus, steady rise is predicted up to 2020**

# Rates of Groupage Cargo Delivery from Latvia/Riga to Russia/Moscow



| ROUTE                       | CARGO TYPE              | TRANSPORT MODE               | TRANSIT TIME INCL. CUSTOMS CLEARANCE | RATES        |
|-----------------------------|-------------------------|------------------------------|--------------------------------------|--------------|
| Latvia/Riga – Russia/Moscow | Groupage (up to 300 kg) | Land Transport International | 2 Days                               | From 1 \$/kg |
|                             |                         | Rail Freight (Postal Vans)   | 1 Day                                | From 1 \$/kg |
|                             |                         | Air Freight                  | 0,5 Day                              | From 3 \$/kg |

■ Transit Time/Days ■ Rates \$/kg



## RIGA – PLAVINAS – REZEKNE – GREBNOVA – MOSCOW

