

REVISITING 2020



THIS WAS A YEAR LIKE NO OTHER FOR SUPPLY CHAIN AND LOGISTICS MANAGEMENT. HERE'S WHAT WE'LL REMEMBER ABOUT 2020:

1 SUPPLY CHAIN FRONT AND CENTER

The term "supply chain" burst into public consciousness as pandemic-related product shortages highlighted the delicate balance of supply and demand and the factory-floor-to-shopping-cart journey consumers often take for granted. Truck drivers earned some overdue recognition.

2 E-COMMERCE ACCELERATION

2020 accelerated e-commerce penetration by two to five years, depending on who you ask. E-commerce sales accounted

for about 14.4% of all U.S. retail spending in 2020, a share it was not expected to reach until 2022, according to eMarketer. This massive shift hastened the demise of some retailers and rewarded the tech savvy and direct-to-consumer ready, making digital initiatives imperative.

3 LAST MILE LOOMS LARGER

The last mile became trickier and more important than ever as the shift to online shopping accelerated and home delivery swelled. In fact, Amazon nearly tripled the number of U.S. warehouses used for last-mile

deliveries in 2020, according to logistics consulting firm MWPVL International.

4 FINDING FULFILLMENT

Retailers that solved the online order fulfillment puzzle came out on top. For instance, Best Buy and Target doubled e-commerce sales in 2020, driven in large part by their curbside pickup offerings. In fact, Target used its stores to fulfill more than 95% of digital orders.

5 GETTING IT DOWN COLD

With vaccine development in high gear, we took a cold, hard look at the cold chain that

underpins worldwide dissemination. From fast-track distribution to maintaining product integrity, the complexity of the cold chain came to the fore, and cold chain stakeholders tackled chain-of-custody and track-and-trace solutions.

6 AMAZON REIGNS

Amazon's hiring spree in 2020 drew comparisons to major historical events such as shipbuilding at the onset of World War II and home building after the war. Amazon added 427,300 employees between January and October 2020, swelling its workforce to more

than 1.2 million people globally, up more than 50% from 2019—a pace unequaled in U.S. corporate history.

7 PIVOT!

From passenger airplanes reconfigured as all-cargo carriers to manufacturing lines redeployed to make medical supplies, supply chain pivots in 2020 addressed shuttered channels and displaced demand. As disruption became the norm, these stopgap measures represented a coping mechanism in 2020, as well as a way to move forward—with agility and resiliency more prized than ever.