

CAINIAO 菜鸟

**Data Powering cross-  
border E-commerce**

—Alibaba Cainiao

# Cainiao's Role in Alibaba Ecosystem

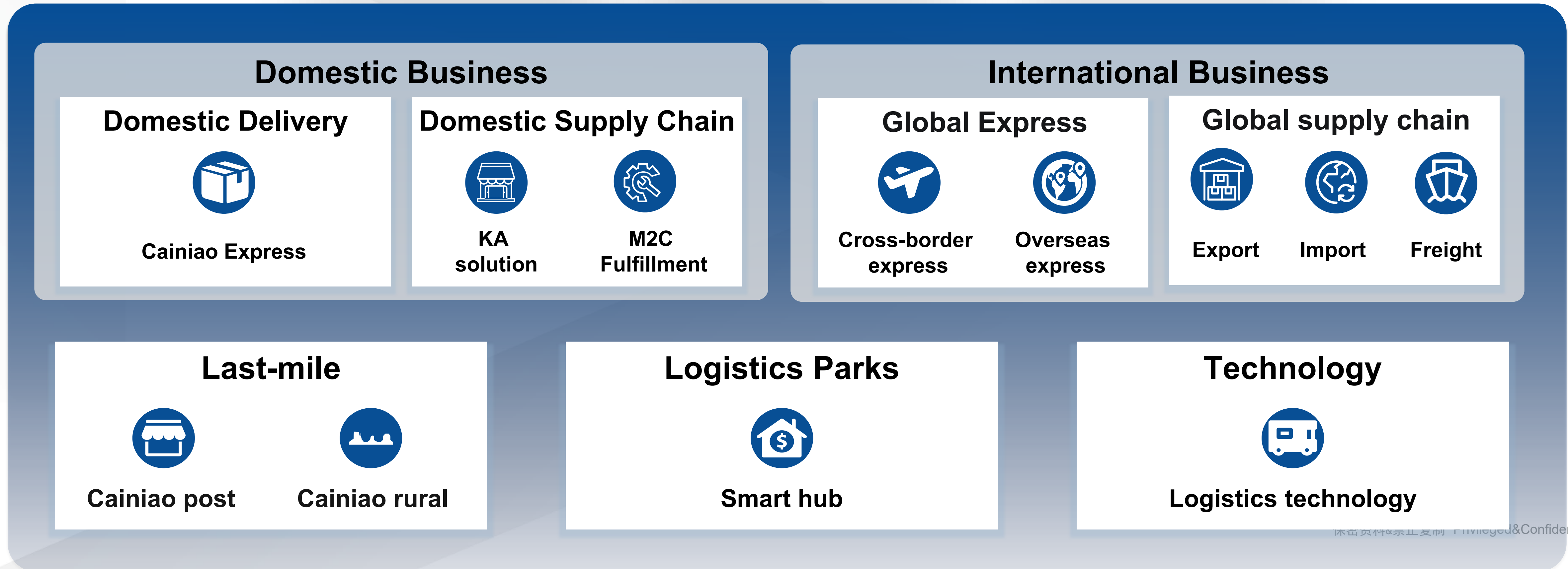
## Alibaba Ecosystem

The following chart sets forth the key businesses and services provided by us:



# Cainiao Business Overview

**Value Proposition** Be a customer centric, global smart logistics company that serves consumers, merchants and partners in the Alibaba ecosystem



# Data of Different Types

## Highly Sensitive

Some data, especially personal data, is highly sensitive and will require strict protection.



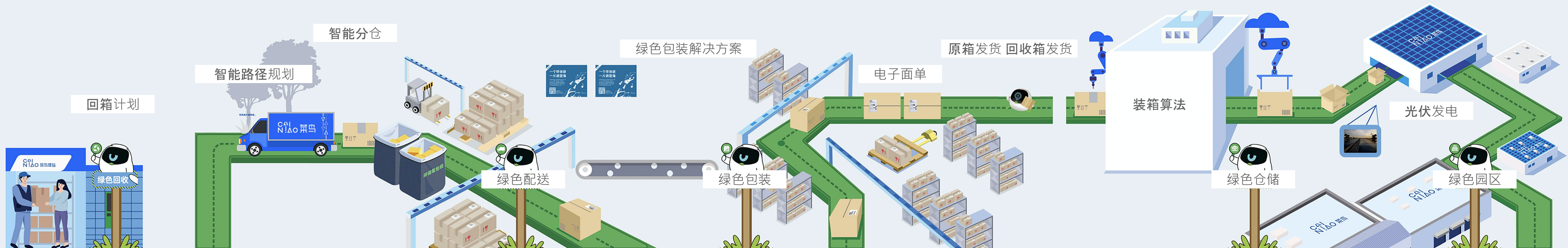
## Compliance-Related

Some data is essential for compliance and the operation of courier companies.

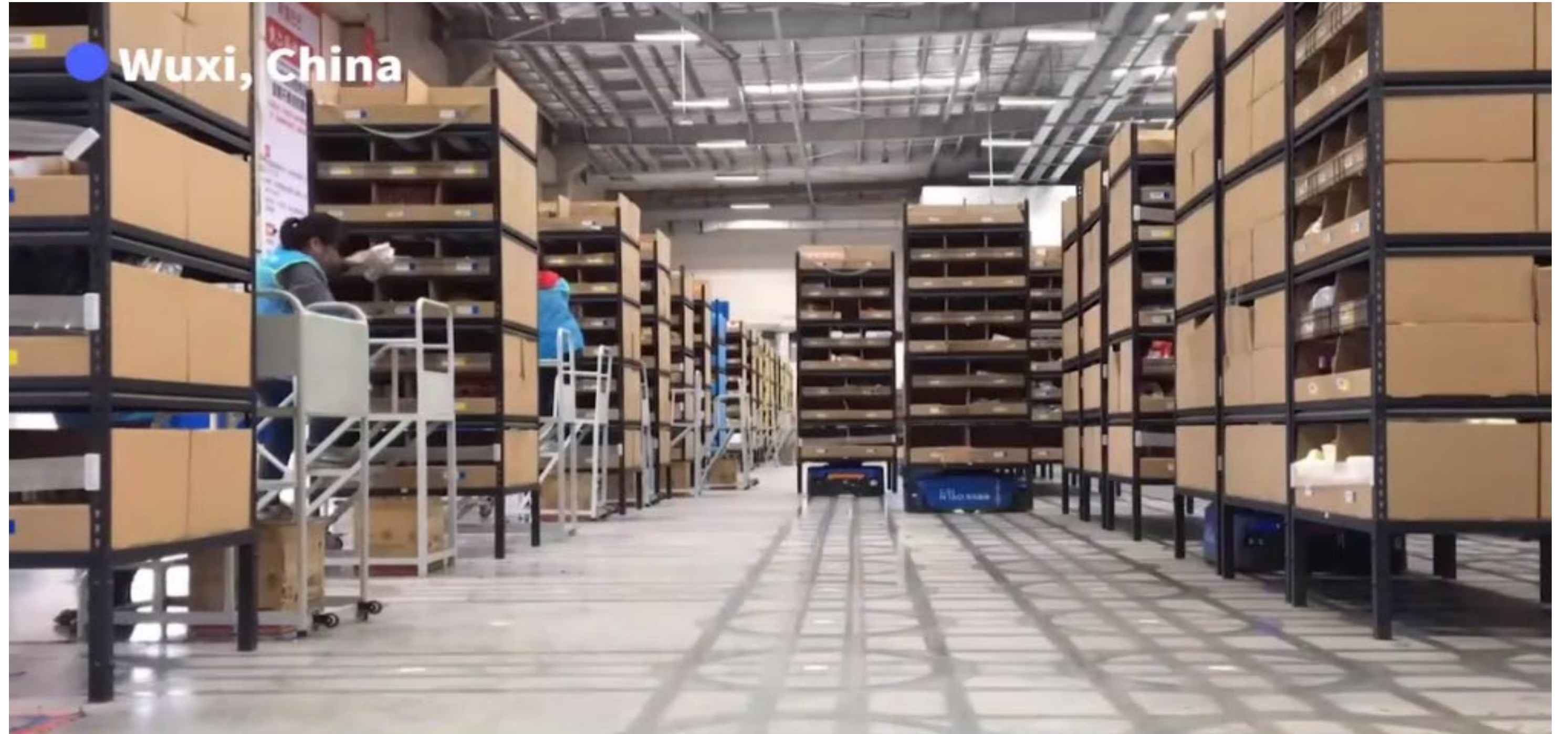


## Other Data

Some data seems less important. Yet we can still explore value from it.



# Case Example: Smart Order Consolidation



Identify Parcels

Group into Single Package

Reducing Costs



Vehicle Use ↓ 10%



Travel Distance ↓ 30%



Logistics Costs ↓ 20%

## Case Example: Smart Route Planning

During a recent test of the system in Shenzhen, the technology cut vehicle use by 10 percent, travel distance by 30 percent, and transportation cost by 20 percent

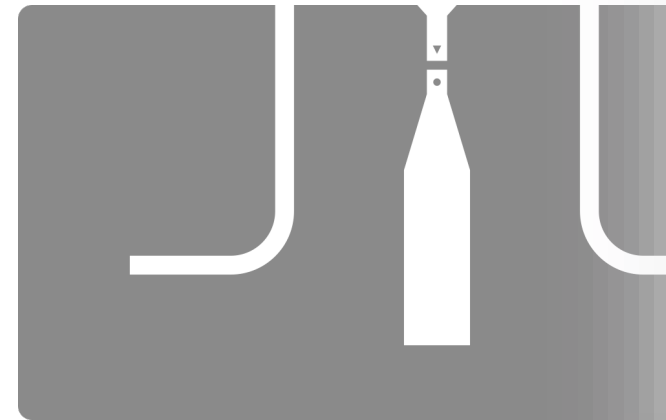
# Case Example: Automatic Sorting Center



LEMO PAD



RFID



Logistics AGV



Sorting Center



Supply Chain Visualization



# Case Example: Smart Packing Algorithm

## Big Data to Design Packages

Cainiao leverages big data analytics on the sizes and proportion of various e-commerce items, and design just a handful of box specifications to meet most packaging scenarios in warehouses.

## Algorithm to Recommend Packages

Similar algorithm can also assign the most appropriately sized packaging ↓ for the e-commerce items.



During the “Double 11” Shopping Festival in 2022, this algorithm has slimmed 250 million e-commerce parcels, reducing 15% packaging materials.



# Some Take-aways

## Value of Data

Even the seemingly “less important” data of e-commerce items, if used wisely, can reduce logistics costs and enhance efficiency.



Cainiao smart supply chain helped Nestle China to optimize its inventory management.

## Digital Capacity

In order to explore the value of data, optimized algorithm and computing capacity will be essential.

## Public-Private Coordination

Government authorities, international organizations and private sector shall make joint efforts.

## Data Security

There is no trivial matter in data security. Logistics companies shall take strong measures to protect sensitive data to enhance compliance.



Cainiao warehouse helped the SCENT LIBRARY integrate B2B and online B2C sales to reduce inventory costs.

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THANKS

