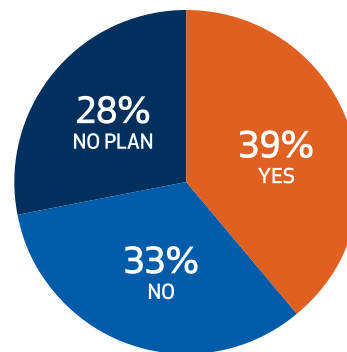


I. ECOMMERCE FACILITY MANAGEMENT STRATEGY AND MEASUREMENT

This section of the report analyzes how ecommerce facilities are managed, how performance is measured, and how facility service outcomes are being improved.

QUESTION # 1 Does your current innovation plan include your facility management strategy?

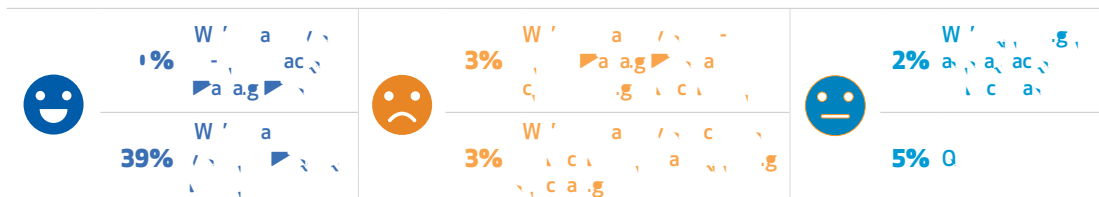
Thirty-nine percent of the respondents say their company's innovation plan includes a facility management strategy. The response to the questions suggests there are three schools of thought in the ecommerce space in regards to how they view facility management and related services. Over one-third (39%) include their facility management strategy in their company's innovation plan. Exactly one-third, according to the findings, do not include a facility management strategy as part of their innovation plan. And the final group, nearly one-third (28%), simply do not have a company-wide innovation plan.



Percentage of retailers with an innovation plan as part of their facility management strategy

QUESTION # 2 How would you describe your current facility management direction? select all that apply.

A high percentage of ecommerce companies say they are pleased with their current facility management process.



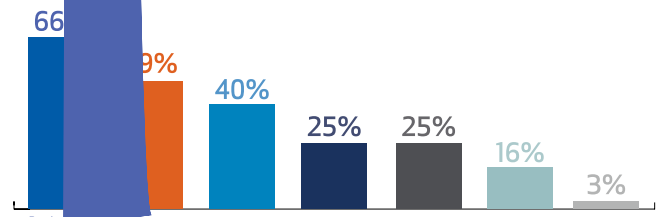
QUESTION #3 Which of the following facility services or needs do you manage in-house, and which do you outsource to a service provider?

A high percentage of ecommerce companies say they are pleased with their current facility management process.

FACILITY SERVICE	In-house management	Outsourced to facility services provider	Don't use/not applicable
General Maintenance	2%	98%	0%
HVAC	24%	76%	0%
Electrical/Plumbing	46%	54%	0%
Janitorial	48%	52%	0%
Security	4%	96%	0%
Facility Engineering	2%	98%	0%
Furniture	4%	96%	0%
Painting	4%	96%	0%
Lighting	6%	94%	0%
IT/Network Facility Management	2%	98%	0%

QUESTION #4 Do you measure the impact of your facility services on any of the following?

Two-thirds of the respondents measure their facility services performance impact on overall company productivity. Forty-nine percent measure facility services performance impact on labor costs. Facility services management impact on employee engagement is





This section covers the facility management technologies currently in use and that ecommerce companies are planning to invest in over the next two to three years. An open-ended question is also included, asking for the other services, innovations, and/or added value they would like to see from leading companies in the outsourced facilities services industry.



SELECT RESPONSES:

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QUESTION
#3

Which of the following labor challenges are you currently facing? select all that apply.

The top three most-often cited labor challenges are short staffing during peak times of the year, increasing productive hours compared to total hours, and staff health concerns. Thirty percent of the respondents indicate their company has employee retention issues.

QUESTION
#4

Which of the following sustainability strategies most interest you? select all that apply.

Just under half of the respondents (49%) say solar energy programs are the sustainability strategy of most interest to their companies. This is followed by waste management.

QUESTION
#5

Do you have a preventative maintenance program for any of the following or do you repair and replace as you go?

HVAC is the area with, by far, the most preventative maintenance programs

	Have program	Repair/replace as needed	N/A
HVAC	59%	30%	11%
Lighting	21%	69%	10%
Pipe, Ductwork	27%	47%	26%
Boiler/Electrical	23%	42%	35%



**OTHER HOT TOPICS AND
COMMON CONCERNS:**

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This is a time of challenge and change for nearly all industries and companies around the world. The ecommerce facilities services industry is in a unique position. The industry is facing a combination of long-term growth trends, primarily driven by the consumer shift to online commerce, and the new operational changes that are required due to the COVID-19 pandemic.

These dual challenges are forcing ecommerce companies to be creative and innovate, but the diverse industry is responding at varying speeds and with different levels of investment. Facilities services need more strategic attention to respond to accelerated demand trends, and also to deal with the increased management complexity as a result of dramatically increased health and safety requirements.

Many ecommerce companies as well as key wholesale distributors and third-party logistics providers plan to continue to invest in technology. Based on the survey findings, within two to three years the majority of the industry will be using predictive analysis and adding more sensors and building automation technology. And by that time, i.e., the 2022 to 2023 period, close to half of the survey respondents expect to also be investing more in IoT and robotics. If these forecasts hold the next few years should see a strong period of ecommerce facilities technology investment.

