



Understanding the Big Picture Helps Bring PUDO into Focus

CURRENT LAST-MILE GRIDLOCK NEWS SHEDS LIGHT ON PUDO POTENTIAL.

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Big Data, Niche Marketing, Obsessions Driving Growth

Mega trends like e-commerce are by definition global, a sustained and macro economic force or development that impacts business, economy, society, cultures, and personal lives. They define our future world and its rapid pace of change. E-commerce, in particular, leans so heavily on technology that it increases exponentially with daunting speed.

This speed ironically, represents a mega opportunity to those who can exploit it. Take Amazon for example. Amazon and other marketplace retailers of lesser but major stature, found ways to consolidate millions of retail items and create a prime set of incentives for millions of consumers to become dependent on the expectation of immediate or near immediate gratification.

In a perfect world perhaps. But such as it is, the North American logistics networks that attempt to deliver \$500B worth of online purchases is in fractured, broken, inefficient, unsustainable last-mile gridlock. A mega mess of undeliverable, stolen, and returns-challenged parcel traffic which PUDO is uniquely positioned to resolve; it isn't a stretch to say exploit.

The crisis grows exponentially larger on trends-driven demand, the scale and flavor of which is only beginning to be understood. Thanks to big data, the same analytics analysis and intelligence that allows online retailers and marketplace algorithms to 'intuit' what consumers want and when they want it, helps PUDO design and refine parcel delivery and returns traffic across North America's only Network of carrier-neutral logistics counters.



Why don't the e-commerce giants do this themselves? Because they can't; they are branded islands in an archipelago of other e-commerce islands all focussed on populating fractured logistics networks with more and more parcels, causing more and more gridlock.

Millennials and boomers are aging into two very influential and demanding e-commerce consumer groups — HENRYs (High Earners Not Rich Yet), and LEBs (Leading Edge Boomers) - whose pre-occupations and obsessions underscore e-commerce growth. HENRYs are avid online consumers creating a lot of big data and have, by virtue of their highly individualized natures, come to expect exactly what they want when they want it.



HENRYs are comfortable in the sharing economy and are less likely to save for a rainy day. This highly individualized group particularity has created a level of low-barrier-to-entry niche marketing that allows new and existing luxury brands to leverage big data to smart-target HENRYs and exploit their thirst for immediate gratification. That is, at least until they hit 'buy'. Ironically, HENRYs, the oldest of which approach 40, are very busy hitting their stride and often not home or available to receive parcels or negotiate complicated returns protocols. Oops!

LEBs (born 1946-1955) are pre-occupied with all things health and wellness; desperate to stay well, or at least look well. Life extending pharmaceuticals and nutraceuticals, controlled substances, natural and organic everything, specialty products, vanity items, reference material, comfort aids and other supplements are growth categories within a dynamic sector. Many of these categories — controlled substances, pharma, etc. — require specialized, time-sensitive logistics like signature-required and temperature controls. LEBs are often out exercising their aging youthfulness and often not home or available to sign for parcels. Another fail.

Across all age groups, niche marketing of controlled substances is on the rise, approaching the hundred-billion-dollar mark for e-pharmaceuticals alone, within the e-commerce sector. Fully executed delivery of cannabis, alcohol, tobacco, pharmaceuticals, biologicals and other signature-required and temperature sensitive perishables (not to mention the multi billion dollar prepared meals market) is complicated at best. The only safe and logical logistics solution for controlled substances is an agnostic one. Only PUDO can deliver coast-to-coast, carrier-neutral counters for all stakeholders in the e-commerce ecosystem.



Underscoring the rise, proliferation, and potential fail of e-commerce remains big data. Big data created the opportunity the crisis of last-mile gridlock. What big data cannot do is consolidate parcel delivery and return logistics amid the hundreds of thousands of branded players in the ecosystem. But PUDO can.

By leveraging big data — their own and our supplier partners' — PUDO is virtually consolidating e-commerce logistics, offering online retailers, logistics, consumers and all stakeholders a frictionless, carrier-neutral solution to last-mile gridlock. Everybody wins.

To learn more about the top seven e-commerce consumer trends for 2019 and how they affect e-commerce, visit [ecomdash](#).

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Investor Relations Questions or Suggestions?

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