

## EVENT COVERAGE

19 May 2015

# Courier giants to benefit from Indonesia's e-commerce boom

*Indonesia boasts 90 million internet users with online retail sales of USD2.6 billion in 2014. The e-commerce boom has fed robust growth in express courier services. Recognizing this trend, the Indonesia Supply Chain & Logistics Summit 2015 gathered industry leaders and government officials to discuss key industry trends, opportunities and challenges.*

Jeffrey Bahar, Deputy Chief Executive Officer of the Spire Research and Consulting group, was invited as a guest speaker at the Supply Chain & Logistics Summit 2015. In his presentation, Bahar highlighted Indonesia's booming e-commerce industry, focusing on the surge in the express courier services market.

Bahar mentioned that outsourced/contract logistics services in Indonesia are worth approximately USD29 billion, with more than 2,500 players in 2015. The industry is supported by growth in Gross Domestic Product (GDP) and domestic consumption.

At the same time, Indonesia's e-commerce market continues to shine. A population of 255 million with an expanding middle-class drive the growth of this sector. Popular e-commerce platforms including OLX, PinkEmma and Bhinneka; there are many more.

Moreover, logistics providers are cashing in on the e-commerce wave. Industry leaders like FedEx Express, First Logistics and DHL Express support deliveries for e-commerce platforms.

Nevertheless, roadblocks remain. Due to inadequate infrastructure, higher logistics costs are incurred – which means longer shipping lead times that dampen consumer enthusiasm. Moreover, Indonesia is a cluster of around 20,000 islands, which poses a geographical disadvantage. Other limitations include poor execution of government initiatives as well as limited skilled logistics workers.

**Bahar's presentation deck on "The Rise of Express Courier in E-commerce Business" can be found [here](#).**

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**About Indonesia Supply Chain and Logistics Summit 2015**

About Indonesia Supply Chain and Logistics Summit 2015 gathered industry leaders and government officials to discuss key industry trends, opportunities and challenges in Indonesia's supply chain and logistics industry. For more information, please visit its official website [here](#).

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**Jeffrey Bahar, Deputy Chief Executive Officer of Spire Research and Consulting**

Jeffrey founded Spire Indonesia's operation in 2003, subsequently opening full-service offices in Malaysia and Vietnam in 2007 and 2008 respectively. He is based in Jakarta and travels frequently in the South East Asia region to consult a vast portfolio of leading companies in various industries, addressing their market entry and market growth problems, providing marketing consulting, in-depth competitor analysis, distribution channel and supply chain analysis, as well as business partner evaluation.

He holds Master of Science and Bachelor of Science degrees in Industrial Engineering from the University of Wisconsin, Madison.

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**About Spire Research and Consulting**

Spire Research and Consulting is the leading research consultancy in global emerging markets. Spire's competitive advantage lies in its ability to deliver actionable intelligence on the external business environment in support of its clients' strategic decision-making in marketing and business development. Spire's clients include 50 Global Fortune 1000 companies and government agencies in 15 countries. For more information, please visit [www.spireresearch.com](http://www.spireresearch.com).

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