

## Urban logistics in times of covid: an analysis of three surveys in France

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# 2020: demand for goods has changed in cities

- In France a strict lockdown (“first lockdown”) from 16 March to 11 May 2020, followed by curfews, partial lockdowns and several other measures
- +32% B2C products sold in 2020 (growth rate twice as high as usual)
- Traditional retail has accelerated omni-channel take-up
- Huge increase in grocery and DIY click-and-collect

**Le Monde**

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## Covid-19 : la logistique, un secteur devenu incontournable

La pandémie a mis en exergue le rôle des chauffeurs et livreurs dans la bonne marche de l'économie.

Par Eric Béziat et Julien Bouissou

# Objectives and methodology

## **Three surveys along the pandemic progress**

- We implemented three surveys during and after the first lockdown with the views of:
  - Getting first-hand knowledge on urban logistics operations and challenges
  - Characterizing operators' response to the challenges

**Survey 1:** 'Barometer of urban logistics in times of lockdown' (Dablanc and Buldeo Rai) March 26-May 8, 2020

- A daily survey with a stable panel of 11 delivery companies operating in Paris
- A weekly survey among the four main freight business organizations

# Objectives and methodology

**Survey 2:** interviews with stakeholders during the period March-April 2020 (Heitz)

- 17 semi-directive interviews with third-party logistics providers and shippers
- 10 interviews with local public authorities

**Survey 3:** a monthly survey on logistics real estate developers in France (Diziain and Dablang) in March, April, May, June, September and October 2020

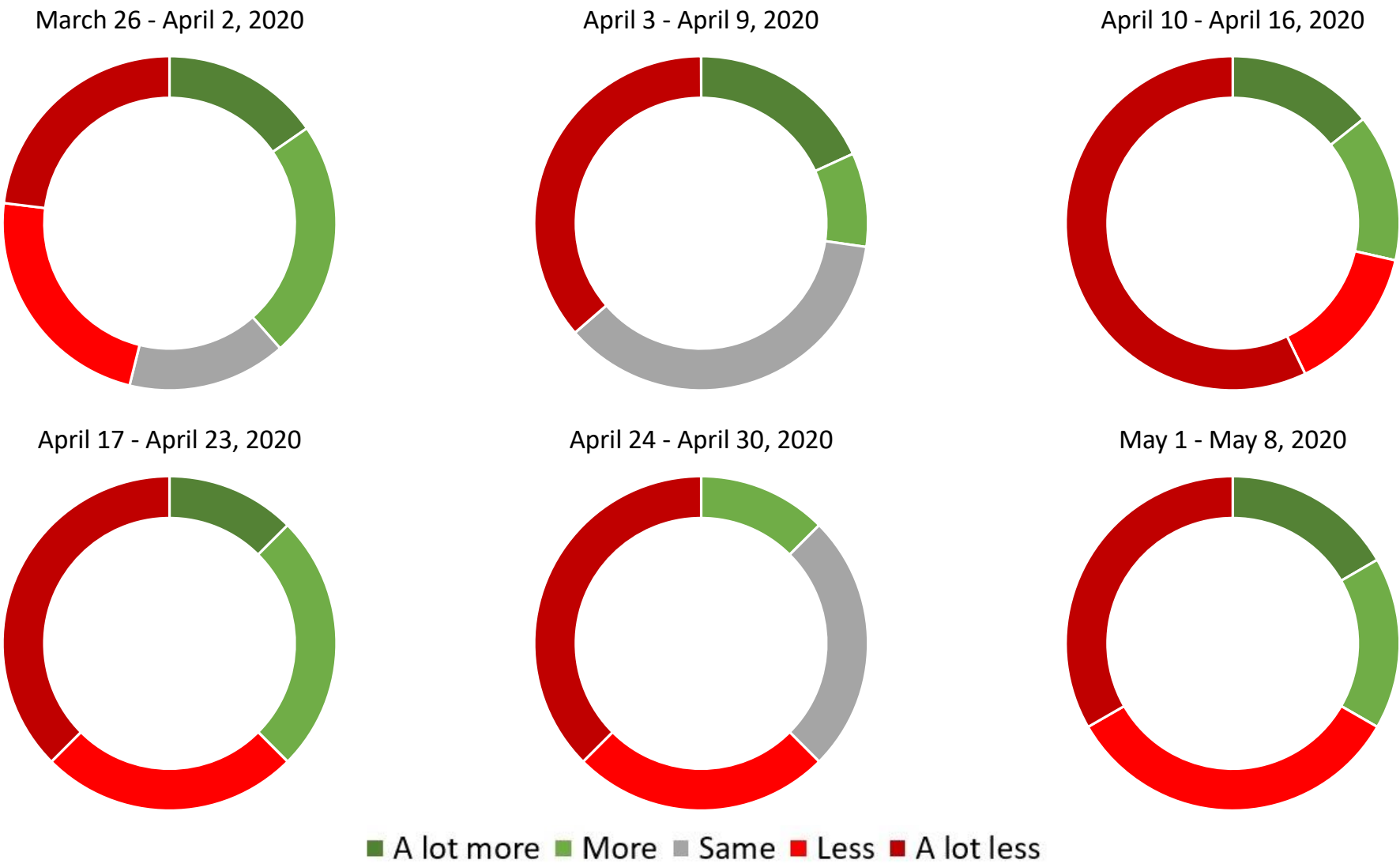
- Between 30 to 50 members of Afilog responded every month (Afilog is a business association of logistics developers, investors, architects, insurers, real estate service providers and logistics operators)
- All major logistics real estate developers participated in the survey (CBRE, Prologis, Goodman)

# Not so hard to do surveys during a pandemic

- Many respondents happy to testify on their activity during these very unusual times
- An abundance of webinars further increased access to information on stakeholders' perceptions and data



# Delivery urban operators: extreme variability of orders and sectorial economic difficulties

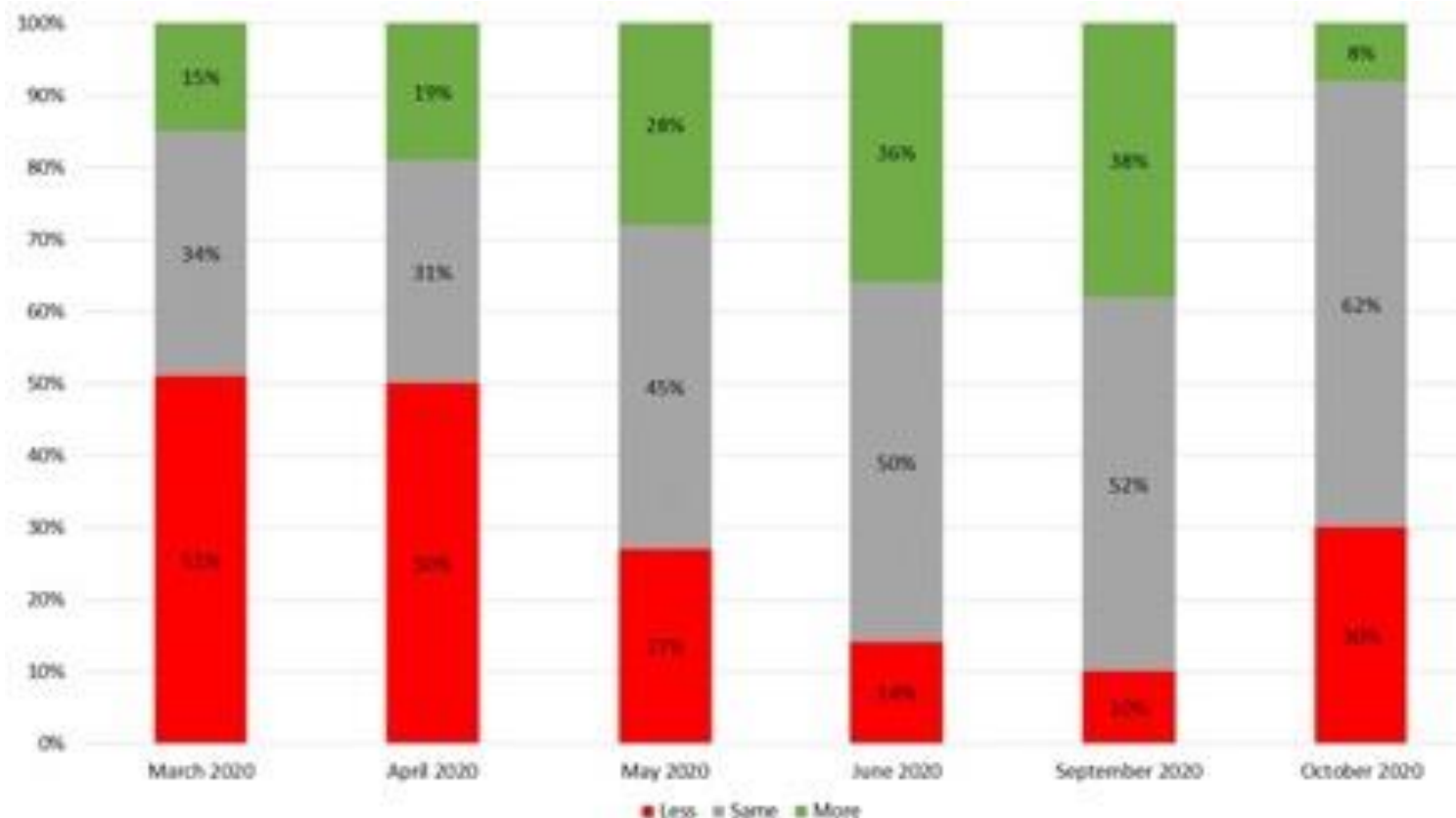


- Freight companies involved in markets not associated with 'essential goods' had to reorganize their activities, find new markets and accelerate shift to BtoC
- Shift in destinations and types of goods
- Increase in empty returns, deteriorating productivity
- Overall, higher productivity from better traffic conditions was counter-played by less return freight, more staff disorganization, more home deliveries (as opposed to deliveries to pick-up points)
- Partnerships formed between instant delivery platforms and major grocery retail chains
  - Deliveroo and Casino
  - UberEats and Carrefour
- Municipal web pages and applications:
  - Allowing local farmers to sell their products online and find delivery providers
  - Matching local stores opening a delivery service to logistics start-up companies



# Logistics real estate did well despite obstacles

- Logistics real estate was in a very good shape before the first lockdown
- The pandemic generated major but short-term losses
- Activities recovered and overall activity has decreased by only 7% in 2020 compared with 2019 which was an exceptionally good year



The evolution of warehousing activity (development and management) levels, as estimated by AFILOG members compared to "normal" times



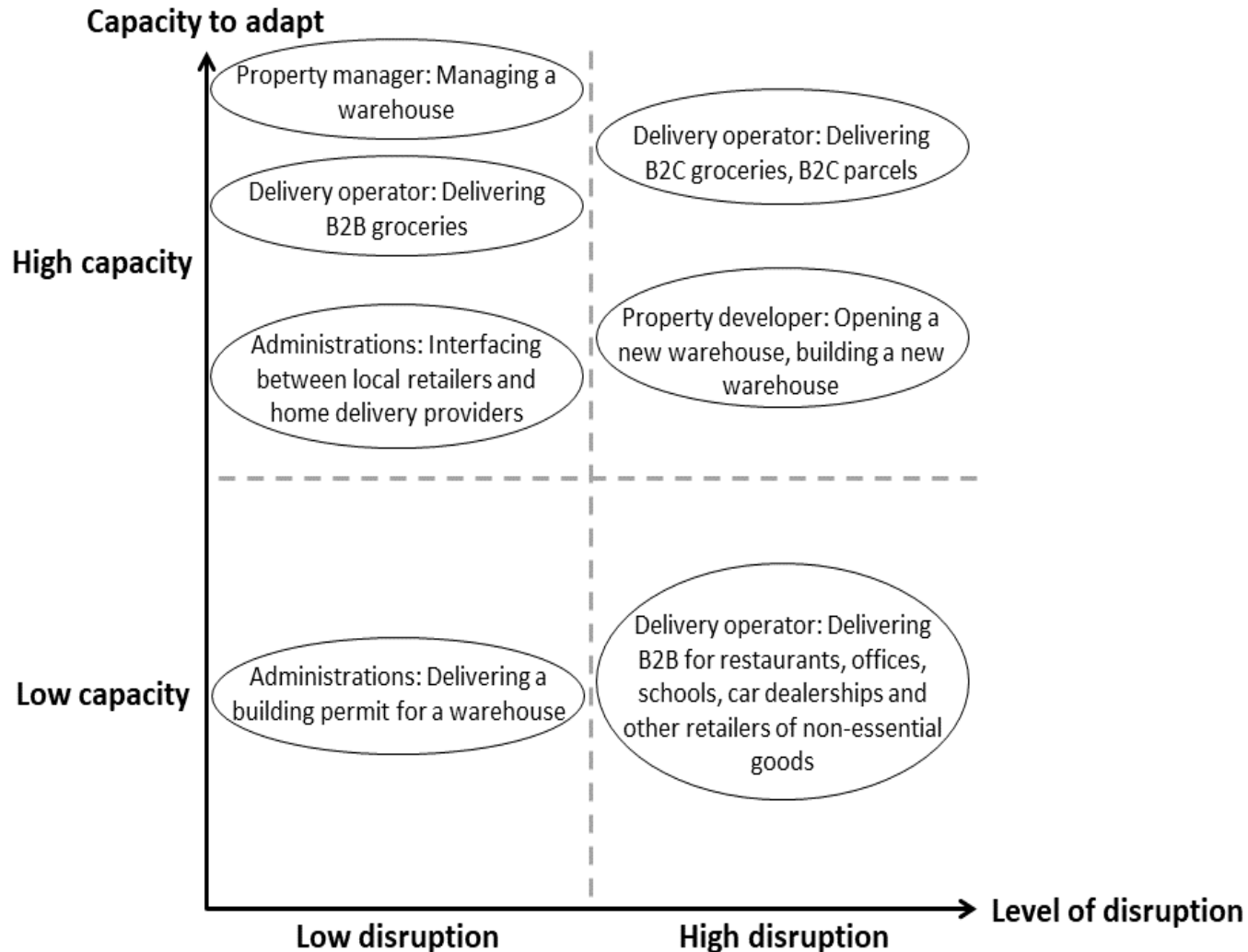
# Three main issues for developers and warehouse managers

- Staff reorganization and sanitary restrictions
  - A court ruling in April 2020 about Amazon's inability to comply with health regulations led to the temporary closure of all French warehouses (the company supplied French consumers from warehouses abroad)
- Administrative delays in permits (building licenses, impact studies)
- Relationships with clients, users of logistics facilities, suppliers, and administrations

# Mood changes from March to October 2020

Survey month	Key feedback
March 2020	<b>Strong adaptability</b> , uncertainties and worries but optimism despite everything
April 2020	A gradual recovery but <b>aggravated administrative bottlenecks</b>
May 2020	A <b>strong recovery</b> and the catching up of accumulated backlogs, but progress risks being blocked due to persistent or even worsening administrative delays.
June 2020	Confirmation of a <b>strong recovery</b> and catching up on accumulated delays, but progress continues to suffer from <b>administrative delays</b> and the uncertainties for 2021 and beyond are very real
September 2020	Confirmation that the year <b>2020 should be rather good</b> but concerns for 2021; progress continues to suffer from event cancellations and administrative delays
October 2020	Confirmation that the year 2020 should be rather good, but costs and complications related to staff and site reorganizations and persistent administrative delays; <b>concerns for 2021 due to missed opportunities</b> following event cancellations, uncertainties and a slowdown in calls for tenders. More diffuse concerns about the <b>loss of the sector's image</b> with the general public due to the "anti-Amazon" campaign.

# Overall: various levels of challenges and adaptability



# Policy response, short term

- Quick responses to urgency at the local level during lockdown
  - delivery time-windows were immediately relaxed in order to facilitate city logistics
  - Municipalities' websites identifying local stores proposing a home delivery service: Paris website has identified and mapped more than 1000 local retailers



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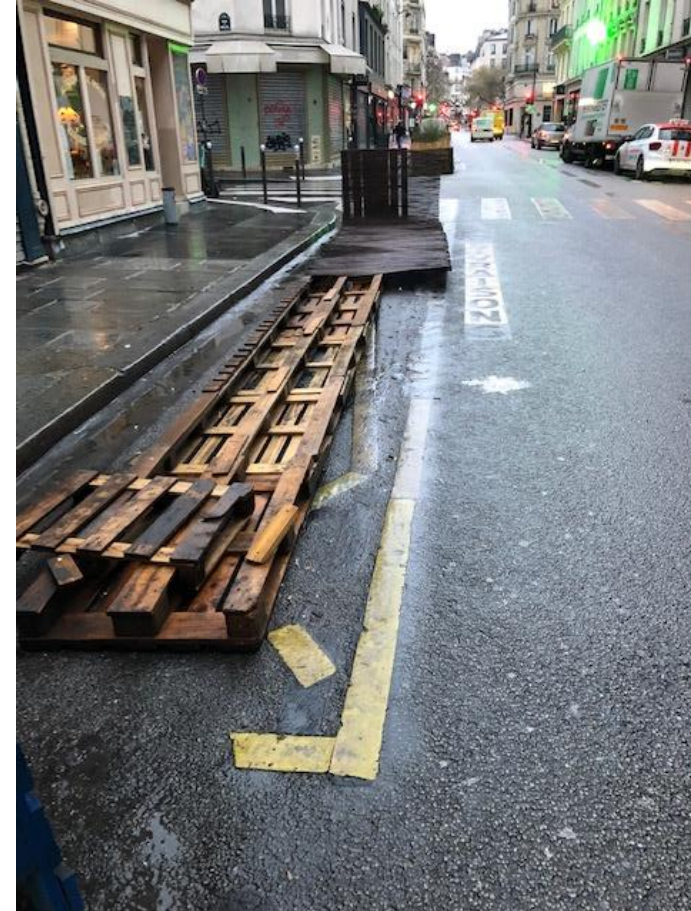


<https://vivrep.paris.fr/paris-tous-les-commerces-qui-livrent-sur-une-carte-interactive/>



# Policy response, longer term

- Logistics omitted from several post-lockdown initiatives
  - Reorganization of street space to invent a “different urban world” (Mayor of Grenoble)
  - “tactical urbanism”: change quickly, cheaply and temporarily the use of space in cities
  - Paris 50 kilometers of “corona-lanes”: good for cargo-cycles, not so good for other freight vehicles
- A failure to accommodate logistics facilities’ development

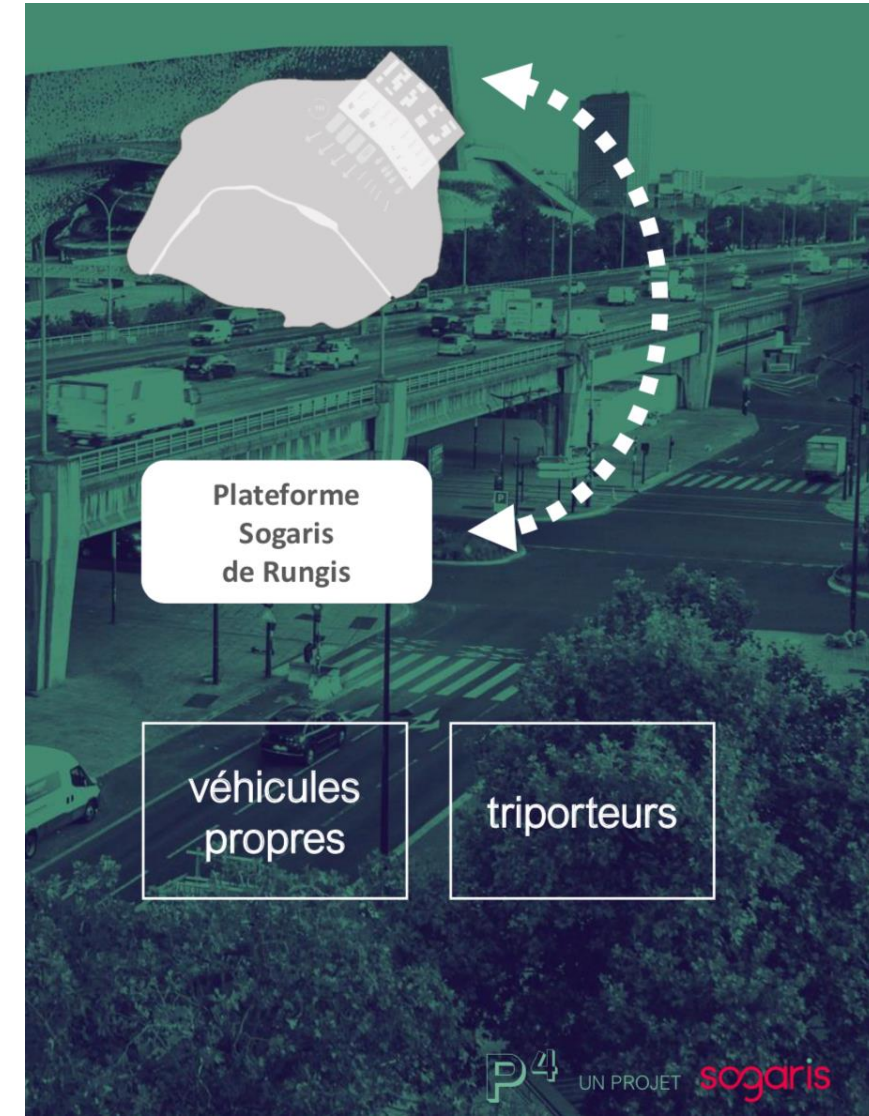


# Changing urban logistics in a post-pandemic world

- Accelerating the use of some technologies
  - easier to get authorizations for testing automated delivery vehicles such as robots and drones
  - new enforcement tools (plate-reading cameras) ready for deployment
  - Embracing the need for new methods for urban freight data and data sharing
- Improving the situation of gig workers for on-demand instant delivery platforms
- Accelerated implementation of low and zero emission zones, with one issue now disputed between local decision-makers and freight operators: the status of trucks in the new traffic restrictions

# Urban logistics hub under Paris ring-road

## Opened in December 2020 to client Ecolotrans



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Sogaris  
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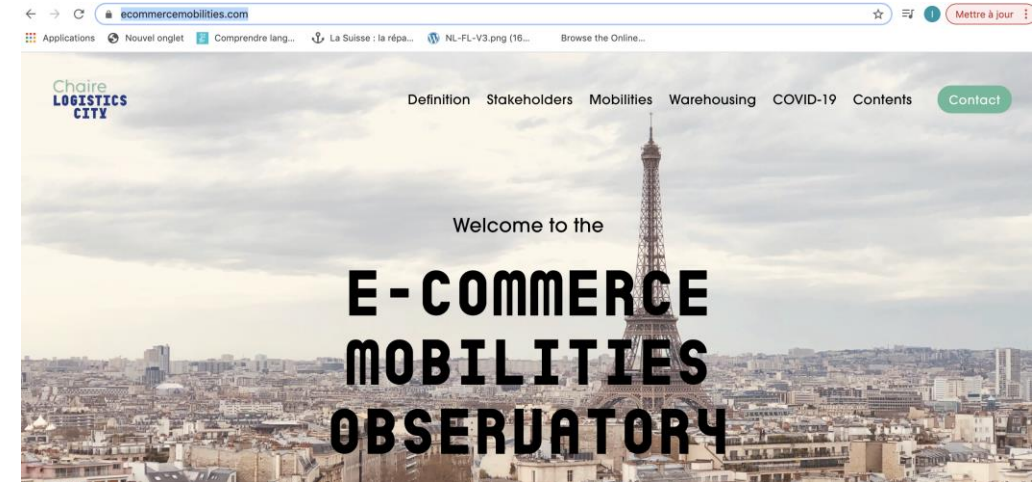
triporteurs



- Research oriented Chair
- Warehouses, innovations, new trends in consumption and impacts on city logistics

Results available online:

- Observatory of ecommerce mobilities (<https://www.ecommercemobilities.com/>)
- Survey reports on gig workers for instant delivery platforms in Paris 2016, 2018, 2020, 2021
- Barometer of urban logistics under covid lockdown
- Logistics real estate and relationships with urban form in 74 large cities around the world



<https://www.lvmt.fr/en/chaires/logistics-city/>