



PRESENTS

UBERIFICATION

A BRIEF HISTORY & ITS IMPACT ON LOGISTICS



We love to put order in your chaos.

Morai Logistics Inc. is a 3rd party logistics provider with an operating agency agreement representing Mode Transportation. We are a powerhouse logistics team based in the Greater Toronto Area and do business throughout North America, including Mexico. Our team is dedicated to our terrific clients and we strive to take the chaos out of your supply chain. We are always on the lookout to do exceptional work with remarkable people and companies!



Introduction

If 2015 could be summarized in a word, that word would be “uberification” as the on-demand delivery model really took off. Many industries have been affected by uberification, with several entrepreneurial ventures popping up this last year with their pitch being “Uber, but for X.”

Given that uberification is focused strictly on the distribution and not necessarily production of goods, this means that this latest trend will have the greatest impact on the last-mile end of the supply chain.

With that said, let us look at a bit of the history of this trend and why it has evolved so suddenly.





A Little Background

Although it launched in 2012, Uber's meteoric rise from fledgling start up to its most recent valuation of [\\$62.6 billion](#) happened within the last couple years.

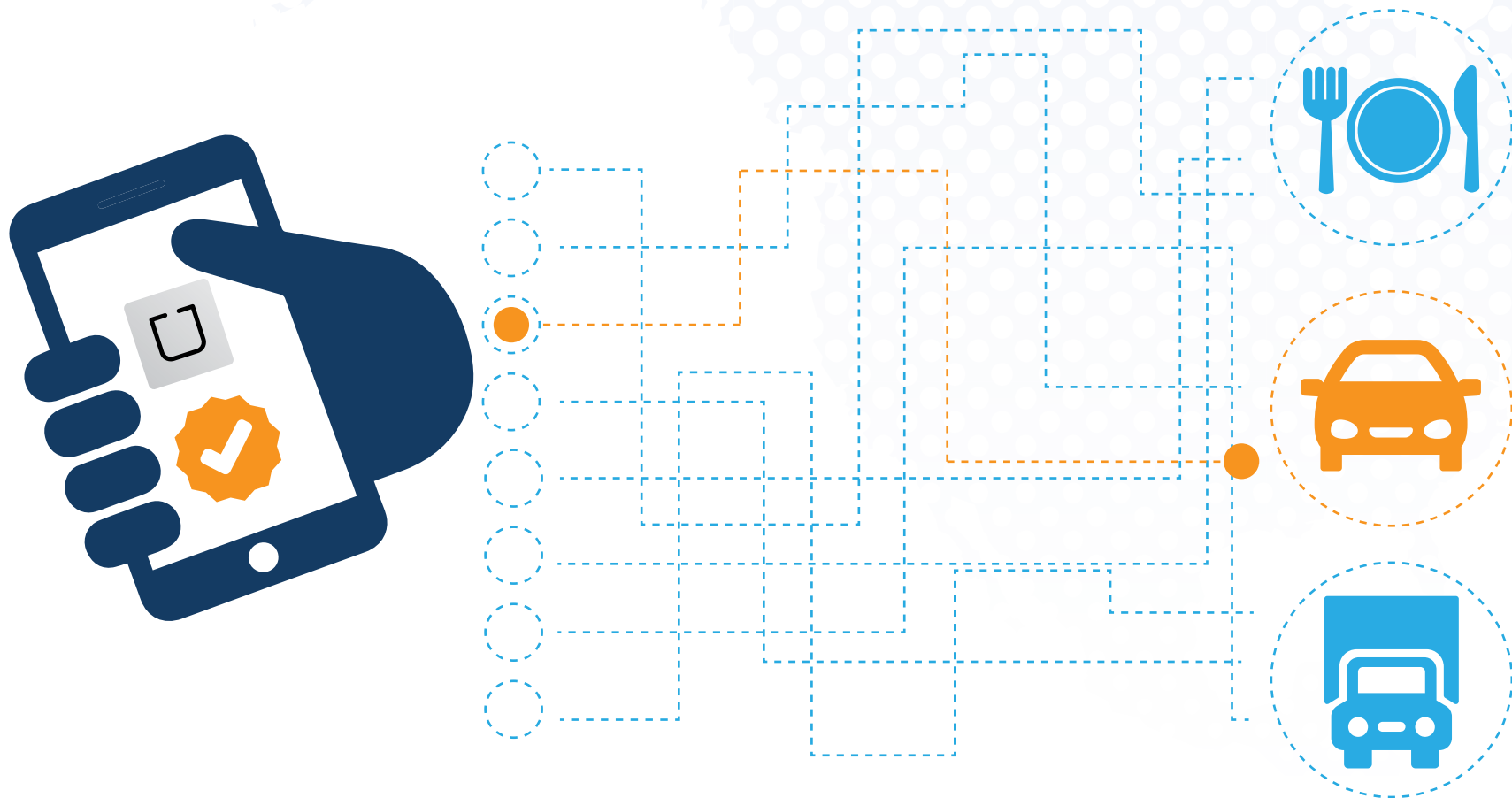
Since 2014, many companies and even industries have tried to model themselves in a similar fashion to Uber. The shared-economy model of business was especially popular in 2015.

What is “Uberification?”

To answer simply, Uberification is when the booking and utilizing of a service is made so simple that it can be done with a swipe on a phone or other mobile device.



This means that when any user of a particular app requests a product or service, a trigger is generated in the system to meet the demand immediately. The process is also made as transparent and stream-lined as possible for the end user through the same technology through an easy to follow electronic trail.



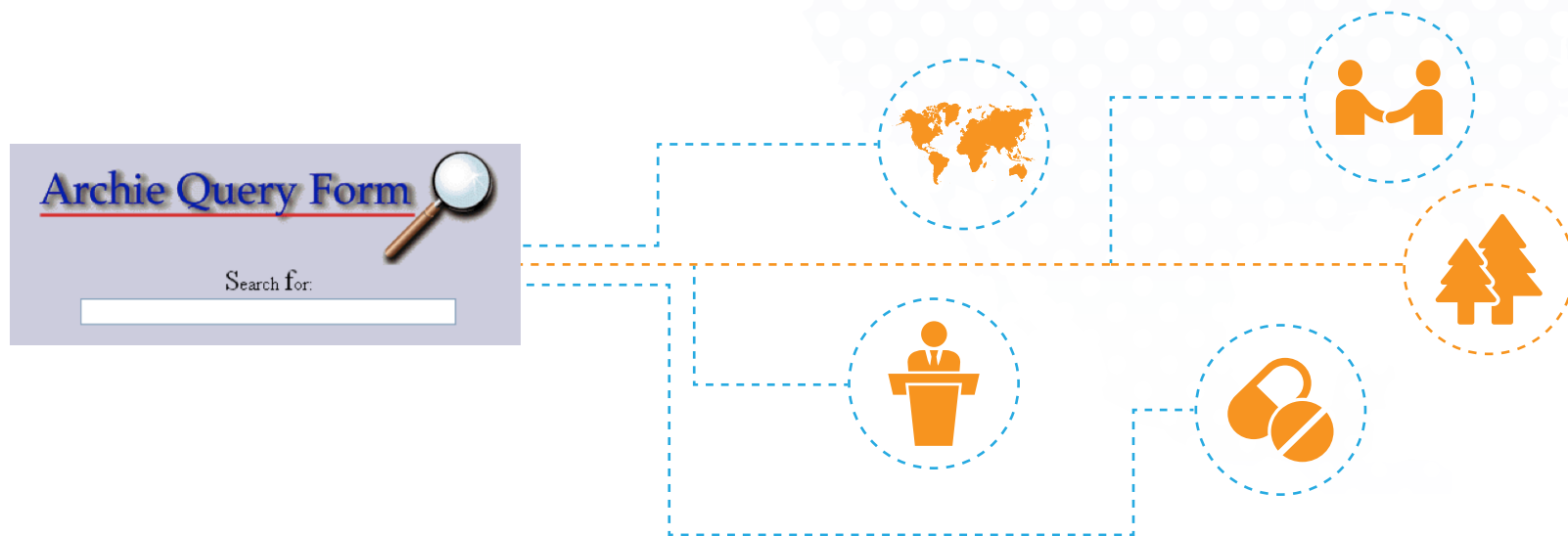
A stylized map of North America, including the United States, Canada, and Mexico, is rendered in a dark blue color. The map is filled with a pattern of small, light blue dots. The title text is overlaid on the map.

A Brief History of On-Demand Distribution

Although it's easy to attribute the origins of the on-demand customer expectation to the creation of the internet, it was really the creation of search engines that were the precursors.

The first search engine was created in 1990 and it was called Archie. SearchEngineHistory.com gives a little bit of its history, "The first search engine created was Archie, created in 1990 by Alan Emtage, a student at McGill University in Montreal. The original intent of the name was "archives," but it was shortened to Archie".

Thanks to the creation of search engines, the nascent web users had a tool to easily find information in the rapidly expanding ocean of information that is the internet.



Because of the popular search engines of the past and of today (such as Google and Bing), users are able to bring up the answer to any query instantly and easily. With this infrastructure in place, it wasn't long before app stores and mobile technology capitalized on the opportunity afforded. By focusing on the connectivity and accessibility that mobile technology provides, mobile apps have been able to stream-line other aspects of our lives such as transportation, bookings, renting, dating, etc.

And then, along came Uber in 2012, and over the last two years many new and existing business have modeled themselves around the on-demand model.

“Once the structure was developed and inspired by the model of the mobile marketplace Uber, several entrepreneurs began to speak of [“Uber for X,”](#) where X is whatever one can get through mobile phone (mobile first) immediately and the demand of which is not of a digital service, but a physical product or service, as is the case of [Postmates](#), [Instacart](#), [MyTaxi](#), etc. In conclusion, we could say that the mobile phone, its expansion and its context have fueled the economy on demand, in real time and in a collaborative way: the “Uberification” of the Economy” writes Alberto Benbunan in this detailed [article](#) on Uberification.



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Psychology of Convenience

So why do so many users want everything ‘uberified’? Because of the better value the model provides.

By having your transactions simplified to a series of swipes, you save not necessarily in price, but in time and effort which over repeated and frequent uses quickly accumulates. Dr. Paul Marsden explains the consumer psychology in this article titled: [The Uberification of Everything](#).

“Specifically, Uber taps into [convenience research](#) that has identified five specific opportunities for convenience tech to buy people time and save them effort. And Uber delivers on every count:

- 1. Decision Convenience – Making it fast and easy to choose**
- 2. Access Convenience – Making it fast and easy to acquire**
- 3. Transaction Convenience – Making it fast and easy to pay**
- 4. Benefit Convenience – Making it fast and easy to enjoy/use**
- 5. Post-Benefit Convenience – Making it fast and easy to re-purchase**

By making the entire process so simply and transparent, Uber taxis are able to give passengers “VIP experience and bragging rights” Dr. Marsden concludes.



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Uber-ing Food Distribution

It really shouldn't be any surprise that the business of food distribution also started going through uberification in the last couple of years.

Delivery has after all, been an essential service for many restaurants. However, what is surprising is the degree that certain business are going toward this trend for 'fear of missing out.'

2015 saw new services (such as UberEATS) and even established online giants such as Amazon and Google targeting the last mile, "that most expensive and critical distance between a distribution center and the customer" according to Robyn Metcalfe of [Tech Crunch](#). Even the big brick and mortar stores such as Costco, Target and Walmart are looking at new food delivery platforms to address consumers' need for delivery where and when they are.



CONCLUSION

With all the 1-4 hour delivery of services promises of apps like Uber, what is important to remember that at the end of the day the mode of delivery and frequency of end user satisfaction will rely on strong logistics infrastructure and execution.

As this [article](#) in Food Logistics puts it,

“Changes in consumer behavior and the business landscape mean that laser-like focus on your logistics operation is paramount, particularly last mile distribution. Logistics is no longer perceived as only a cost center or a utility, but rather a differentiator to set your company apart from the competition.”



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