



UK DELIVERY REPORT

SEPTEMBER 2019

UNDERSTANDING THE CONSUMER'S SENTIMENT AROUND PARCEL DELIVERY CHOICES

This research was conducted to understand consumer sentiment around parcel delivery choices and to gauge whether there is a disconnect between what consumers want from a positive delivery experience and what suppliers actually deliver. This research is designed to serve as a means of helping industry stakeholders address any disparity between the two and understand the implications of not meeting consumer demands.



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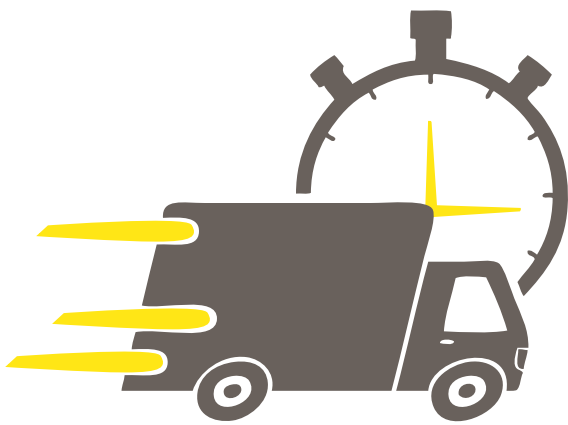
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What is important for a positive experience

METHODOLOGY

NetDespatch commissioned a survey, undertaken by an independent research organisation, Opinion Matters, in August 2019. 2013 UK adults, who have received at least one delivery in the last 6 months after ordering online / via phone / instore were surveyed. Those surveyed included: full time and part-time employees - both office and remote workers - as well as adults who are not at work.

*We hope you enjoy
reading the results*



SPEED

of delivery preferred:



FOREWORD:

THE 2019 PARCEL DELIVERY LANDSCAPE IN THE UK

MATTHEW ROBERTSON
co-CEO, NetDespatch

As ecommerce continues to grow, first impressions count. We are moving towards peak periods for 2019 and for retailers to gain the confidence of consumers, they need to fulfil orders quickly and efficiently. Increasingly, consumers are judging retailers on their parcel delivery experience, but is this experience really based on consumer preferences or is the industry itself driving faster and faster delivery times?

We started ecommerce shopping with five- to seven-day delivery, then we moved to next day delivery, and now we are witnessing not only same day delivery but the promise of delivery within four hours of an order being placed. This puts enormous pressure on everyone in the supply chain, from retailers to ecommerce technology providers, to carriers; you name it.

But when is fast, fast enough? And are consumer preferences really driving demand, or are retailers and carriers setting themselves up for failure?

These questions formed the premise for undertaking this research. What do consumers really want from their delivery experience and how does this compare with what suppliers are delivering?

In our research we have seen that when it comes to delivery, speed isn't necessarily the driver. In fact, when we asked our respondents how important delivery speed was, only 3% said that they actually wanted same day delivery. Think about that for a moment – just 3%!

Almost two thirds (62%) said that a 2-5 day delivery window is acceptable (usually ok) and almost a third (29%) said next day delivery is usually sufficient.

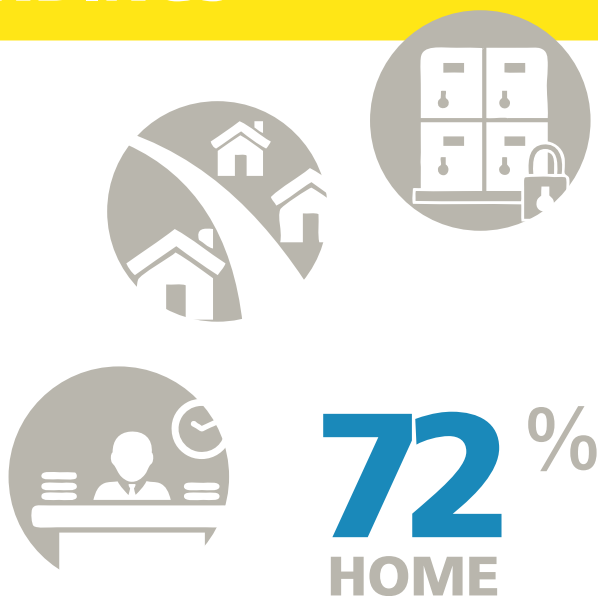
What consumers seem to be looking for is the ability to anticipate delivery with an exact delivery window, 91% of respondents said this was either very or fairly important. Moreover, visibility on information such as receiving order confirmations (96%) of respondents said this was either very or fairly important) and delivery confirmations (92%) of respondents said this was either very or fairly important are seen as two of the most important elements in a positive delivery experience.

Finally, the research results should serve as a lesson for retailers and carriers with regard to how much they listen to the delivery desires of consumers. 41% of those surveyed said they ONLY order from suppliers that deliver using their preferred delivery options. At present it appears that suppliers aren't taking heed as our survey shows that 52% of respondents said carriers did not fulfil their preferred option/s for missed home deliveries.

We hope you find our UK Delivery Report valuable and informative. Connect with me on Twitter @mattrobuk if you'd like to speak directly.



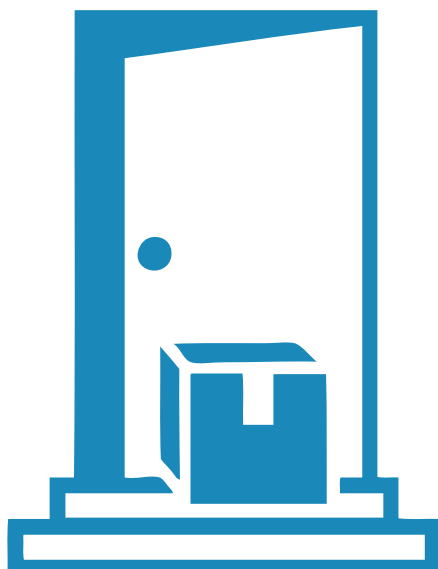
TOP RESEARCH FINDINGS



DO CONSUMERS TAKE ADVANTAGE OF MULTIPLE DELIVERY OPTIONS?

72% of respondents have had between 1-5 deliveries sent to their home address when they have been in, in the past month. 28% of respondents have had an item left with a neighbour on 1 or 2 occasions in the past month.

Outside of those two options it seems consumers have not taken advantage of the alternative delivery options afforded to them by suppliers, 89% of respondents have had zero deliveries to parcel lockers in the past month, 85% have had zero deliveries to work and 78% have had zero items left in a parcel shop or collection point.



82 %
HOME

WHERE DO CONSUMERS WANT THEIR DELIVERIES SENT?

Respondents were given the choice to select all the options they preferred when ordering goods to their home and 82% of surveyed respondents preferred goods to be delivered to their home address. 25% said a specified safe place is their preferred delivery option whilst 24% preferred to have items delivered to their neighbour.

WHEN CONSUMERS MISS HOME DELIVERIES ARE CARRIERS FULLFILLING PREFERRED OPTIONS?

52% of respondents said carriers did not fulfil their preferred option/s when home deliveries were missed.

HOW IMPORTANT IS SPEED OF DELIVERY?

Only 3% of respondents stated that they tend to want same day delivery, demonstrating that speed of delivery isn't a key requisite for a positive delivery experience.

Almost two thirds (62%) said that a 2-5 day delivery window is acceptable and almost a third (29%) said next day delivery is usually sufficient.

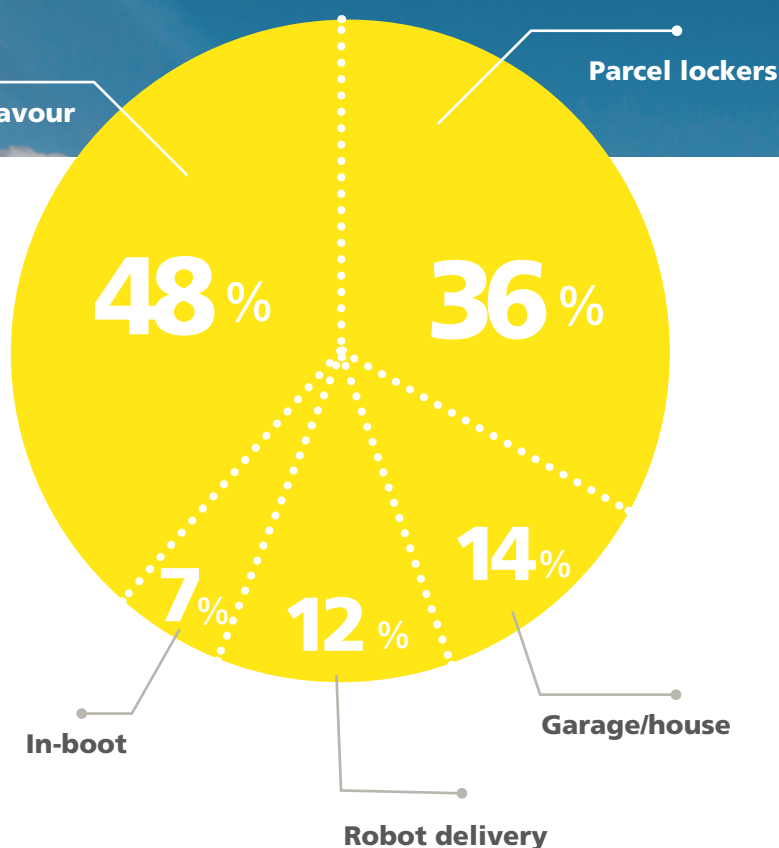


48 %

**OF THOSE SURVEYED
WERE NOT IN FAVOUR
OF INCREASED DELIVERY
OPTIONS**

HOW IMPORTANT ARE INCREASED DELIVERY OPTIONS?

Almost half (48%) of respondents were not in favour of more self-service options. Parcel lockers (36%) in garage/in house (14%) and robot delivery vehicles (12%) were the most requested/frequently selected options. Whilst in-boot delivery was down at 7%.



CREATING A POSITIVE DELIVERY EXPERIENCE FOR CUSTOMERS

Not surprisingly 96% of respondents said that receiving an order confirmation was either very important or fairly important in creating a positive delivery experience. Delivery confirmation was next on the list of important elements in creating a positive delivery experience. 92% said this was either very important or fairly important.

91% of the surveyed respondents said that a predicted delivery slot was either very or fairly important.

Conversely, 46% of those surveyed said that in-flight delivery options were either not at all important or not very important.

23 %

ROYAL MAIL

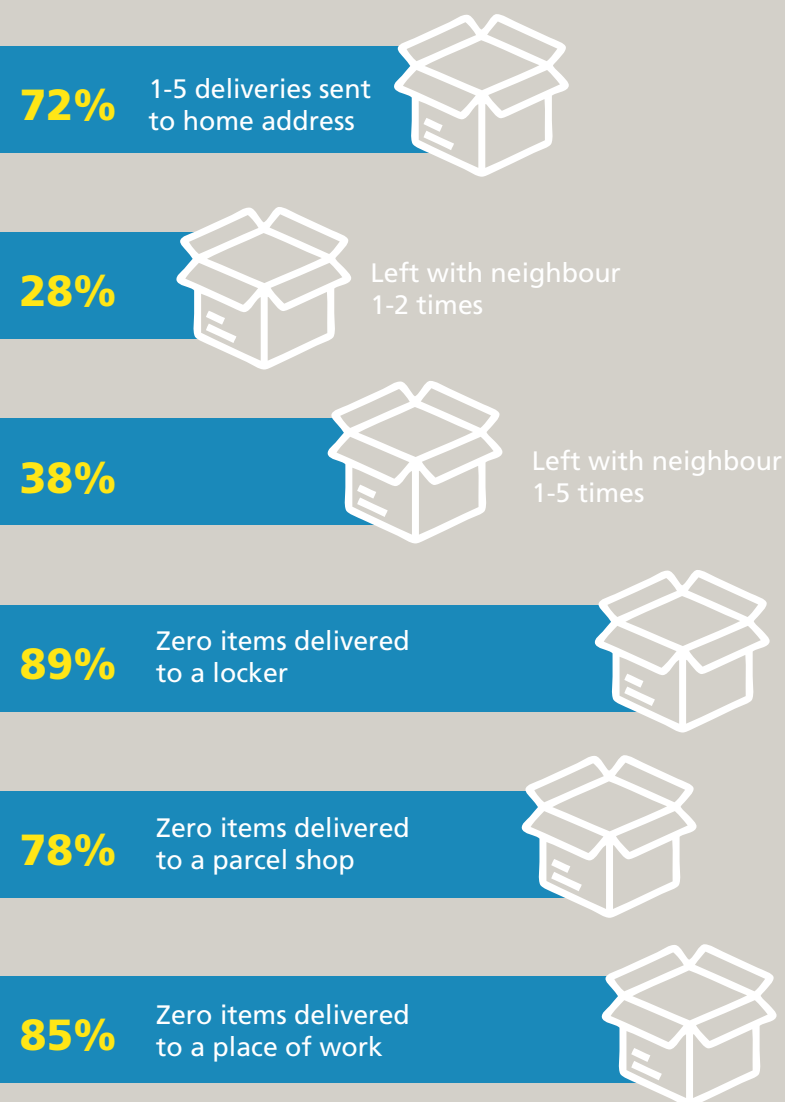
WHO IS YOUR PREFERRED CARRIER?

Nearly a quarter of respondents (23%) said that Royal Mail was their carrier of choice due to delivery options. Surprisingly the next most valued carrier, DPD, only garnered 10% of the vote.

With 50% of respondents stating that they have no preferred carrier due to delivery options, it appears all is still to play for.



FULL SURVEY RESULTS



USING THE DELIVERY OPTIONS OUTLINED, APPROXIMATELY HOW MANY LOTS OF GOODS HAVE YOU HAD DELIVERED IN THE LAST MONTH IN THE FOLLOWING WAYS AFTER ORDERING THEM ONLINE / OVER THE PHONE / IN-STORE?

Consumers seem to have little interest in additional delivery options other than send to home

72% of respondents have had between 1-5 deliveries sent to their home address in the past month – showing that this is still the preferred delivery option despite suppliers offering a full suite of options.

28% of respondents have had an item left with a neighbour on 1 or 2 occasions in the past month.

Looking at the respondents who work full time away from home (857 respondents) 38% had between 1-5 parcels delivered to their neighbours in the past month. 89% of respondents had zero items delivered to a locker in the past month following online purchase.

78% had zero items left in a parcel shop or collection point in the past month following an online purchase.

Interestingly 85% of respondents had zero parcels sent to their place of work in the past month.

Looking at the respondents who are full time working away from home, 77% had zero deliveries sent to work in the past month. Resulting in 20% having between 1-5 items delivered to their workplace in the past month.

WHEN ORDERING GOODS TO BE DELIVERED, WHAT DELIVERY OPTIONS DO YOU PREFER?

Consumers preferences correlate to findings from question one – People prefer delivery to home.

82% of surveyed respondents preferred goods to be delivered to their home address when ordering goods to be delivered.

25% said a specified safe place is their preferred delivery option when ordering goods to be delivered whilst 24% preferred to have items delivered to their neighbour.

Surprisingly only 10% preferred delivery to a work address. This number increases slightly when you delve into the findings – of respondents who work full time away from home 17% prefer items to be delivered to work. But this is still far behind the 75% that prefer items delivered to their home.

TYPICALLY, WHICH OF YOUR PREFERRED HOME DELIVERY OPTIONS WERE NOT OFFERED BY SUPPLIERS?

Getting your delivery option strategy right is essential - ignore consumers' preferred delivery options at your peril.

41% of respondents said they would ONLY order from suppliers that deliver using their preferred delivery options.

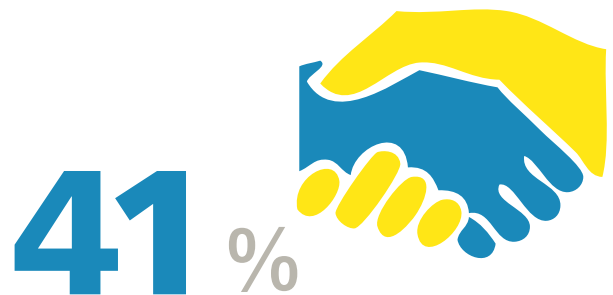
Just over 1 in 4 (26%) respondents with a preference regarding delivery options when ordering goods to their home said that suppliers don't readily offer delivery at a time when they would be at home, whilst 15% said that suppliers didn't offer a delivery time when they would be at work.

10% of respondents with a preference regarding delivery options when ordering goods to their home said suppliers didn't offer a 'leave with neighbour option' whilst 12% of respondents said some suppliers don't offer delivery to a specified safe place.

Surprisingly, those that hadn't worked for the past 6 months were the pickiest when it came to delivery

– 56% with a preference regarding delivery options when ordering goods to their home said they would only order from suppliers that deliver using their preferred delivery options.

Not surprisingly, the delivery option NOT offered which caused most unrest was suppliers not offering delivery at a time when consumers would be at their home address (26%). 38% of those that work full time - a combination of working from home and away from home - cited this as a preferred option not offered by suppliers.



WILL NOT ORDER FROM A SUPPLIER THAT DOES NOT OFFER THEIR PREFERRED DELIVERY OPTION





20%

**A WORRYING 1 IN
5 SAID PARCELS
WERE LEFT ON THE
DOORSTEP**

IF YOU WERE NOT AT THE DELIVERY LOCATION WHEN YOUR HOME DELIVERIES ARRIVED, WHERE WERE THEY LEFT?

Is there a disconnect between what consumers want and what suppliers deliver?

Nearly half (48%) of respondents have said that parcels were left with a neighbour when they are out. However, in answer to question two only 24% cited that they preferred deliveries to be left with a neighbour when they are out.

More worryingly 1 in 5 (20%) said their parcels were left on the doorstep.

WAS THIS/WERE THESE YOUR PREFERRED OPTION/S FOR MISSED HOME DELIVERIES OR JUST WHAT THE CARRIERS DID WHEN YOU WERE OUT?

*Customers are not getting what they want.
Over half of suppliers are ignoring customers'
preferred delivery options.*

More than half (52%) of respondents said that when they missed home deliveries at home the carriers did not cater for their preferred option.

This was felt most keenly by people that worked part time with a combination of working away from home and at home (65%).

Even those that said they "had ways to easily accommodate delivery parcels at my home address (e.g. neighbours/safe place on my home premises etc) were potentially left disappointed as 49% said that suppliers did not cater to their preferred options.

This number escalates when referring to respondents who "had ways to easily accommodate delivery of parcels at an address other than my home address" (eg work, collection point, neighbour) with only 36% saying their preferred options were met for missed home deliveries.



23%

ROYAL MAIL

DO YOU HAVE A PREFERRED CARRIER DUE TO THEIR DELIVERY OPTIONS?

*Royal Mail remains the carrier of choice, but
it's still all to play for.*

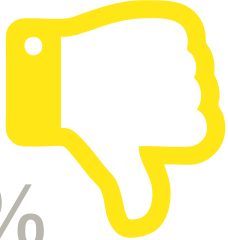
50% of respondents said that they do not have a preferred carrier due to delivery options.

23% said that Royal Mail is their preferred carrier and 10% said DPD.

This trend is replicated when looking at those respondents that work full time away from home (47.5% have no preferred carrier, 24% said Royal Mail and 12% said DPD). For those that work full time at home it is almost the same - 44% have no preferred carrier, 22% say Royal Mail and 12.5% say DPD.



47% AWAY FROM HOME



HOW MANY, IF ANY, BAD DELIVERY EXPERIENCES HAVE YOU HAD IN THE LAST 6 MONTHS FOR THE FOLLOWING REASONS?

Delivery experience seems good across the board, but delayed delivery seems to be the biggest bug bear with respondents!

Over a third of respondents (37%) have had between 1-5 bad delivery experiences in the past 6 months due to delivery being delayed.

This number increases to 39% for respondents that work full time away from home.

This was most keenly felt by those that work full time a combination of away from home and at home as 47% had between 1-4 bad delivery experiences in the past 6 months.

Not surprisingly this is less of an issue for those that haven't worked in the past 6 months with 72% saying they have not had a bad delivery experience in that time period.

HOW IMPORTANT IS THE TIME IT TAKES TO DELIVER GOODS TO YOU USUALLY?

Speed is not of the essence. Respondents cite that they are happy to wait for delivery.

Only 3% of respondents stated they tend to want same day delivery

Almost two thirds (62%) said that a 2-5 day delivery window is fine (usually okay) and almost a third (29%) said next day delivery is usually sufficient.

Digging deeper into the statistics, those that work full time from home (6%) and those that work part time from home (7%) are the ones that most desired same day delivery.

Surprisingly, method of ordering doesn't buck the trend as even when looking at respondents who order online, they still replicate the same pattern (3% want same day delivery, 29% said next day delivery is fine (usually sufficient) and 62% are happy (stated this is usually okay) with a 2-5 day delivery window).

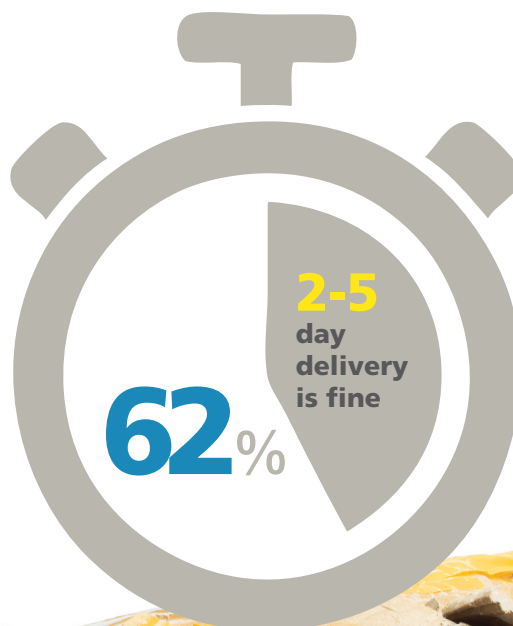
MORE AND MORE DELIVERY OPTIONS OR CONCEPTS HAVE POPPED UP OVER THE LAST FEW YEARS INCLUDING DELIVERY TO STORAGE LOCKERS AND TO YOUR CAR. ARE YOU IN FAVOUR OF MORE SELF-SERVICE OPTIONS AND IF SO WHAT OPTIONS MIGHT APPEAL?

No real consumer desire for more self-service options.

48% of were not in favour of more self-service options.

Some respondents were in fact keen for increased innovation. Parcel lockers (36%), in garage/in house (14%) and robot delivery vehicles (12%) were the most popular. Whilst in-boot delivery was down at (7%).

Robot delivery appealed mostly to those that work full time away from home (15%).



ABOUT NETDESPATCH

NetDespatch is the leading SaaS parcel data management platform for postal and parcel carriers worldwide. Recognised as one of the top independent Cloud Computing providers in the UK, the platform currently enables carriers to provide more than 130,000 of their business customers with solutions to seamlessly integrate ecommerce websites, sales order processing and warehouse systems at point of despatch. Users can print the correct shipping labels, customs documentation and manifests, and automatically pre-advise their carrier of incoming parcels. For more information visit

www.netdespatch.com
Or follow NetDespatch on Twitter
@NetDespatch.



IN YOUR OPINION, WHICH OF THE FOLLOWING ELEMENTS ARE IMPORTANT WHEN IT COMES TO CREATING A POSITIVE DELIVERY EXPERIENCE ONCE YOU HAVE ORDERED OR PLACED AN ORDER?

Order confirmation still tops the list with respondents when creating a positive delivery experience.

Not surprisingly 96% of respondents said that receiving an order confirmation was either very important or fairly important.

Delivery confirmation was next on the list of important elements in creating a positive delivery experience. 92% said this was either very important or fairly important.

91% of those surveyed said a predicted delivery slot was either very or fairly important.

Conversely, 46% of those surveyed said that in flight redelivery options were either not at all important or not very important.

Delivery photo of parcel in a 'safe place' was also deemed to be one of the least important elements in creating a positive delivery experience with 13% saying this was not at all important and 43% saying this was either not at all important or not very important.



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