

# Making the final mile count

Here at Hermes we've recently commissioned an international report into usage and attitudes towards parcel deliveries.

Now in its fifth year, this independent research is designed to track trends in purchasing habits and delivery requirements, as well as exploring attitudes to existing services and needs of online shoppers across three European countries. It is our aim to provide valuable insight not only to our customers, but also to the wider retail community. We're committed to gaining a better understanding of how the international consumer buys online, as well as demonstrating our support for the continued growth in internet shopping, both in the UK and overseas.

The research was carried out by BDRC Continental, an independent full service market research agency with over 20 years specialising in transport, logistics, travel, and hospitality research. BDRC have experience of carrying out surveys in over 80 countries and this year we have expanded our sample to include 1,000 online shoppers from France, in addition to the 2,000 people in the UK and 1,000 people in Germany who had taken deliveries from e-retailers at least three times in the preceding three months. We've also included new insights into how consumers shop online, such as research into multichannel shopping behaviours and the returns process.

## How research helps

At Hermes, as the UK's leading consumer delivery experts, we want to make sure that the parcel recipient is receiving the customer experience they deserve. That's why it's important for us to use our research findings to tailor our offering and make the services we have work as hard as they can. Last year we introduced an industry-first Sunday delivery service, as a result of our 2012 report, which showed 59% of people had asked to receive parcels on Sundays. This year's report again gives us a valuable insight into international delivery preferences and has allowed us to think about how we can improve our services once more. We've outlined some of the most important findings in this white paper to help you discover ways in which your business can really make the final mile count.

## DELIVERY OPTIONS PREFERRED

We asked online shoppers to imagine that they'd just purchased a small item online such as a book or DVD to the value of around £75/€ 75.

We then asked:

- A) How would you like this item delivered
- B) The day of the week you'd like this delivered
- C) The time of day you would like this delivered

The responses were:

|  |  |  |  |
|--|---|---|---|
| To my home (delivery to be signed for)         | 74%   | 82%   | 67%   |
| Left in safe place at my home (not signed for) | 12%   | 5%  | n/a   |
| To a neighbour (signed for)                    | 3%  | 3%  | n/a   |
| To a place of work (signed for)                | 7%  | 3%  | 3%  |
| To a retailer for collection (signed for)      | 3%  | n/a   | 2%  |
| Other (ParcelShop/locker box/Post Office)      | 1%  | 7%  | 29% a parcel shop = 25%   |
| Most preferred time                            | 61% between 9am and 12 noon   | 53% between 9am and 12 noon   | 66% between 8am and 12 noon   |
| Most preferred day                             | 80% weekday   | 76% weekday   | 80% weekday   |

### Question asked for Mid Value item (£75/€75)

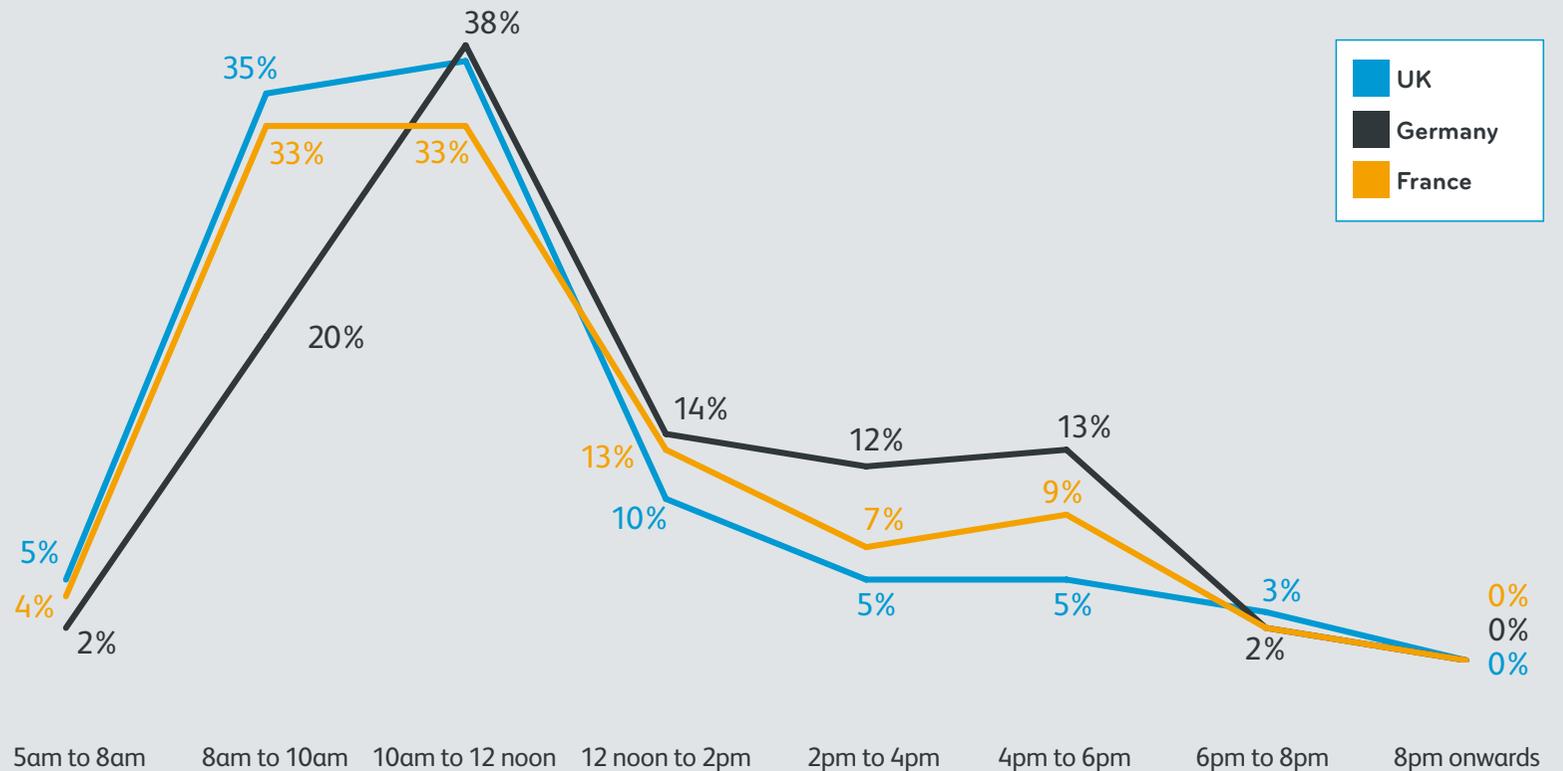
An overwhelming majority across all countries preferred a signed for delivery service to their home, with the parcel being left in a safe place nearby as the second favourite option. In the UK, delivery to a place of work is more popular, whereas the uptake of parcel shops and locker boxes really stands out in France, with a much larger proportion choosing this as their preferred delivery option. These findings show that convenience is key, with people not wanting to go out of their way to collect parcels - this explains the uptake of parcel shops. With Hermes, your UK customers are never more than a mile away from a myHermes ParcelShop\* and our network gives you access to 36,000 stores across 20 European countries.

Base: All regular online shoppers (UK 2,003, Germany 1,003, France 1,000) Q44

\*Based on 5,000 ParcelShops with a mainland UK address.

## PREFERRED DELIVERY TIME

We asked online shoppers what time of the day would be most convenient to receive delivery of a mid-value item. The responses were:



Question asked for Mid Value item (£75/€75)

Preferred delivery time follows a similar trend across all three countries. The most commonly chosen delivery time tends to be between 9am and 12 noon, with Germany peaking a little later in the day than both the UK and France. There is little or no desire for delivery before 8am or after 6pm, especially in the UK where preference falls below 10% after 2pm. This favoured delivery time is consistent throughout the week, with only a slight fluctuation towards a later time at weekends. Each country shows a similar figure, excluding Germany who ask for a later delivery time during the week. It's interesting to see that a large majority of recipients across each country want their parcels delivered before 12 noon.

Base: All regular online shoppers (UK 2,003, Germany 1,003, France 1,000) Q49

# PREFERRED DELIVERY DAY AND TIME

## We asked online shoppers their preferred delivery day and time.

Weekdays are still the delivery day of choice; however, weekends present a great opportunity to reach consumers, with a considerable number of people preferring to receive their parcels at the end of the week. Germany leads the way with almost a quarter of those surveyed choosing the weekend for delivery. The UK and France are not far behind with 20% opting for the weekend as their chosen days to receive a parcel. This is where our 7-day service comes into its own. With many carriers only offering delivery on a Saturday, our UK Sunday delivery service gives us a distinct advantage when combined with our multichannel delivery options (home, safe place, work, neighbour, ParcelShop). This is becoming more and more important as many people want to receive their parcels at the weekend.

|         |  |                                 |  |                                 |  |                                 |
|---------|---|---------------------------------|---|---------------------------------|---|---------------------------------|
|         | Preferred delivery on this day  | Preferred delivery at this time | Preferred delivery on this day  | Preferred delivery at this time | Preferred delivery on this day  | Preferred delivery at this time |
| Weekday | 80%   | 69% between 8am and 12 noon     | 76%   | 50% between 8am and 12 noon     | 80%   | 61% between 8am and 12 noon     |
| Weekend | 20%   | 67% between 9am and 12 noon     | 24%   | 69% between 9am and 12 noon     | 20%   | 65% between 9am and 12 noon     |

Question asked for Mid Value item (£75/€75)

Base: All regular online shoppers (UK 2,003, Germany 1,003, France 1,000) Q44

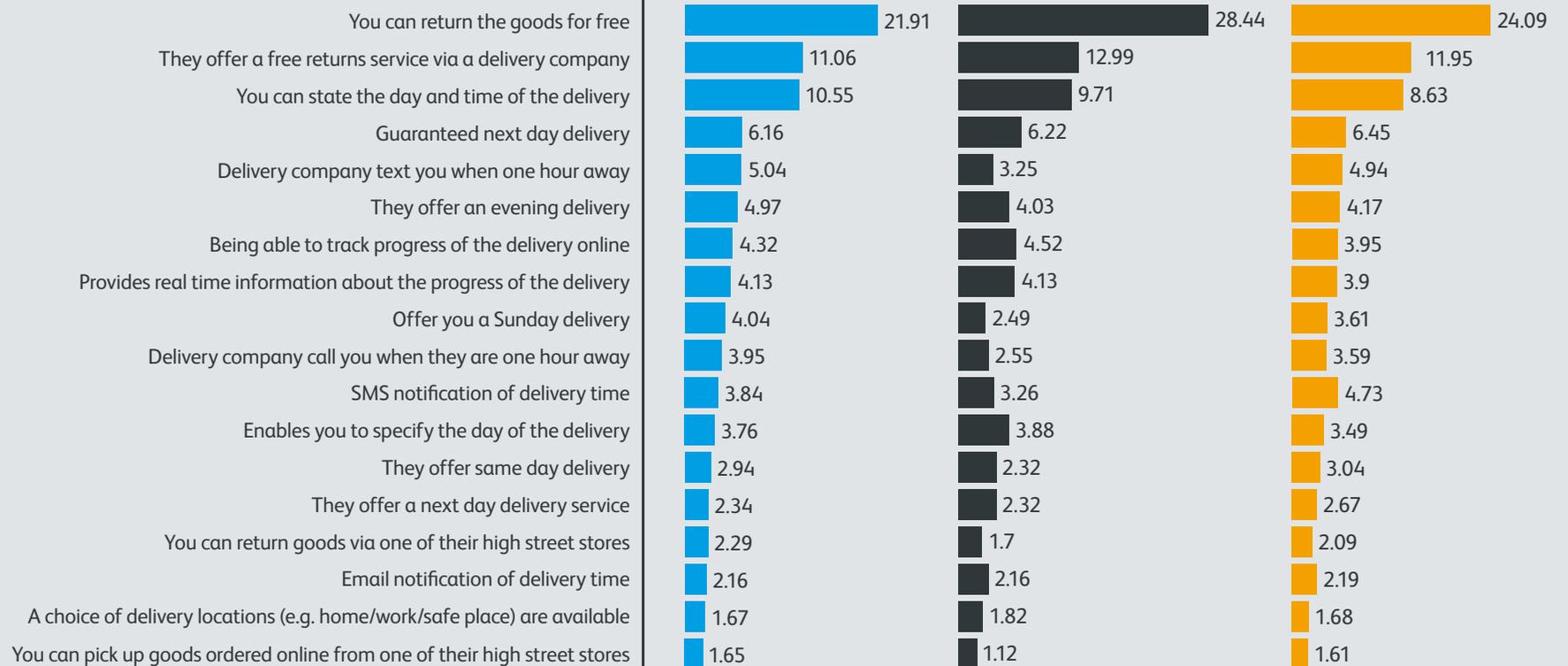
# SERVICE FEATURES

In an effort to develop our service offering we have looked into which delivery features appealed the most to parcel recipients. Free returns is a clear winner across all three countries, with roughly a third of respondents rating it as an important feature.

Equally important is the ability to state the day and time of delivery. With today's non-stop culture and customers' desire to have parcels delivered when they want, where they want, people need to be able to plan their deliveries around their lives. We make this even easier with our Hermes Parcel Manager App and E-mail as we provide the recipient with regular updates so they are fully in the know as to where their parcel is, and when it will be delivered.

## The appeal of different delivery service features offered by some retailers.

### Mean scores



Base: All regular online shoppers (UK 2,003, Germany 1,003, France 1,000) Q64b

# DELIVERING THE FUTURE

One of the biggest things we've taken away from our research is the importance of the availability of different delivery options, be that the day, time of day or where the parcel is being delivered to. On top of this, customers want returns to be free and convenient. A tailored and efficient journey from retailer to consumer is becoming more and more crucial and Hermes is here to make the final mile work harder. We've recently introduced a host of innovations to make delivering and receiving parcels a better experience, and are planning new innovations for 2015 drawing on the findings we've taken from the report. Our mission is to offer the best possible customer delivery experience, designed to delight your customers.



## INNOVATIONS

Delivering the future



Hermes 7 Day Service offers your customers a convenient and flexible multichannel home delivery service on a Sunday.



Parcel Manager is a free service that provides your customers with real-time updates via app and e-mail notifications.



Hermes International provides our clients with the opportunity to expand their customer base by reaching customers in 20 European countries.



Our simple and easy 3 click\* returns process allows your customers to return unwanted items within minutes of visiting the website.

At Hermes we're committed to putting the recipient in control, making sure that their delivery experience is just right to fit around their busy lives. With our customer-friendly multichannel delivery options, we are proud to offer the industry's leading first-time delivery hit rate and provide retailers with an efficient and hassle-free service which makes delivering their parcels one less headache.

To find out how Hermes can help you to develop a delivery service to suit your business then call us on **0844 543 7067**, email us on [hermes-uk@hermesworld.com](mailto:hermes-uk@hermesworld.com) or visit [www.hermesworld.com](http://www.hermesworld.com)

\* 4 clicks if payment is required.