



## FREE CHOICE FOR CUSTOMERS

More service for online shoppers through individual points of parcel receipt

## CONTENTS

---

2. Key factor individual services

---

3. Flexible delivery solutions for individual needs

---

4. Integrating receipt options into the ordering process

---

5. Conclusion

---

## 1. INTRODUCTION

The great success of e-commerce is based primarily on the convenience factor. It all has to be “simple and easy”. These are the main motives for more than 50 percent of online purchases (Source: Statista 2016). At home on the sofa or sitting in a train on the way to work – shopping on the Internet means having the freedom to shop when and where you want. No matter whether someone lives in the country and prefers online shopping in order to avoid long distances to shops, or whether someone lives in the city but has work times that collide with official shopping hours – online shopping gives all people the same selection, irrespective of what they do and where they live.

These benefits of the Internet have revolutionized not only how and where we buy. They have also changed the expectations of customers regarding the availability of goods – i.e. the delivery of goods. It has today become a standard that goods are being delivered quickly and reliably. Delays, for example because no one was at home when the deliverer called, create so-called pain points. These negative experiences can affect the entire shopping experience. Consequently, the motivation to buy in that shop again will drop. Online retailers can already offer their customers a variety of delivery options during the shopping process, which can be adapted to the individual needs and the respective daily routines of customers. They can thus use it to stand out from competitors.

## 2. KEY FACTOR INDIVIDUAL SERVICES

Online shopping is by no means a mere trend anymore. In fact, it is part of most people's everyday lives. In Germany alone some 47 million people regularly shop on the Internet (Source: Destatis, 2016). From clothes and sporting goods to medicine and food. On average, every online shopper fills his digital shopping cart 19 times a year. Parcels that have to find their way to customers – quickly, reliably and exactly when the customer needs the goods and is also able to receive them.

As easy and convenient as online shopping may be, a substantial part of the shopping experience is still missing: the reception of the goods. For customers, the act of purchasing does not end with the conversion, but only when they actually hold the coveted object in their hands. The convenience that online shoppers experience during the selection of products and shopping on the Internet is something they increasingly demand for the last mile. What consumers expect from delivery services has changed fundamentally. Customers want their parcel to come to THEM, when and where it suits THEM – in exactly the same way they are accustomed to when shopping on the Internet. The receipt of the parcel must fit into their daily routine, and proceed as smoothly as possible with minimized effort.

The issue of delivery has very high priority for at least 61 percent of online shoppers. Therefore, the last mile is an essential success factor for online shops. On the other hand,

*The receipt of parcels must fit into the daily routine of customers.*

many find the feeling of things being outside of their control when receiving a parcel rather annoying, for example if they find a notification in their letterbox. Why? Because customers either have to wait

for the redelivery or pick up the parcel at a parcel shop or the local branch of the delivery company. For those who work, that can then mean having to wait until the weekend, resulting in frustration and effort instead of joy.

And dissatisfied customers seldomly come back – which applies for both brick-and-mortar stores as well as online stores. 94 percent of online shoppers would buy in the same store again, if they were satisfied with the delivery. Trouble when it comes to the delivery, however, is punished. More than a third of customers would then choose a different retailer for their next purchase (Source: MetaPack survey "Delivering Consumer Choice: State of e-Commerce Delivery", 2015).



Source: Centre of Retail Research, 2014



Source: Study „Usage behavior in e-Commerce in Austria and Germany“, DHL, 2015



So it is not only the store design, usability and product range, but also the service that goes with the delivery that can have a significant impact on the success of an online shop.

Customer centricity no longer includes only individual deals, but also highly individualized delivery, which is based as closely as possible on the needs of individuals. Thus, 78 percent of online customers would already like to have different delivery options available during the ordering process. Nevertheless, this is still by no means standard in e-commerce.

### 3. FLEXIBLE DELIVERY SOLUTIONS FOR INDIVIDUAL NEEDS

47 million online customers – that is up to 47 million individual delivery patterns, are affected by many parameters. Online shops therefore need parcel service providers that are able to perfectly synchronise with the daily routines and needs of customers.

The changing needs of customers have led to the development of a variety of different delivery solutions in recent years, which can be seamlessly integrated into the daily routine of online shoppers. Even if the recipient is not at home at the time of delivery.

In this respect, the needs of customers can vary greatly and are subject to a number of different factors, such as whether they live in the city or in the country, and whether they live in a single-family house or an apartment building. Furthermore, their type of employment and mobility also plays a role. But delivery alternatives are now available for almost all of these situations.

Parcel lockers, where customers can pick up their goods as well as drop them off for shipment, are largely established today. The advantages: Parcel lockers are usually accessible around the clock and the shipments are kept safe. The machines can be opened only with the respective access authorization. This can, for example, be a mobile TAN – similar to online banking. The acceptance is very high. Of all the alternative delivery options, parcel machines achieve the highest satisfaction rate of 94 percent.

*„I can always receive parcels – even when I’m not home“*



Source: Study "CUSTOMER JOURNEY – From ordering to parcel receipt", DHL, 2015

*„Quick and convenient. Picking parcels up at the post office is no longer necessary.“*

It is also possible to have shipments delivered to specific parcel shops instead of someone's own home address. Parcel shops are collection points for parcels from logistics companies. Many of these contact points are actually kiosks or petrol stations that have longer opening hours so that customers can pick up their parcel on the way to work, on the way home, or when going out later. So-called collection shops collect and bundle shipments for recipients – even from different logistics companies. And customers are then free to pick up their goods there.

An obvious but still comparatively new idea are parcel boxes. These are the counterpart of mailboxes, only for parcels. They can be permanently installed on the property of the recipient or can be fixed to the door as a folding box.

Recipients can also determine a location on their property that is accessible for the deliverer as a drop-off or pick-up location. This could be the garage or terrace, for example. Once a parcel has been delivered there, the customer receives an email or notification card. What is also very popular is to specify a neighbor as the recipient. Whith 76 percent, more than three-quarters of online customers like to fall back on the help of neighbors.

Drop-off permission is a real alternative for many users. 50 percent of online customers wish to make use of it in the future, while 16 percent even see it as their primary delivery alternative.

Even mobile delivery options, such as in the trunk of a recipient's car, are being tested. However, these innovative developments are not yet widely available, but do clearly show the trend towards highly individualized delivery, emphasising mobility and flexibility.

**54%**



want their parcels sent to post offices or parcel shops

**76%**

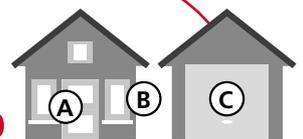
say that parcel shops are located nearby and easy to reach

**29%**



want to use parcel boxes for parcel receipt

**50%**



want to define a specific drop-off location at home

Source: Study "CUSTOMER JOURNEY – From ordering to parcel receipt", DHL, 2015



Source: „Delivering Consumer Choice: State of e-Commerce Delivery“, MetaPack, 2015

**37%**  
bought more because of the range of delivery options

Source: „The individualization of delivery“, MRU GmbH, 2016

## 4. INTEGRATING RECEIPT OPTIONS INTO THE ORDERING PROCESS

Online retailers can increase customer satisfaction and strengthen customer loyalty if they provide different shipping options. Ideally these should already be provided during the ordering process, where customers can choose the appropriate receipt option for each parcel, according to their individual needs – with just one click. This simple service gives online shoppers a great added value, and can be a decisive advantage over the competition. The numbers speak for themselves: According to a study by MetaPack, more than two-thirds of online shoppers have preferred shopping at a certain retailer because it had more delivery options. This means: Given comparable goods and prices, the retailer who has the better delivery service wins the game.

*The better delivery service wins the game.*

Other studies also confirm this. Surveys by the MRU, for example, have shown that more than a third of online customers were motivated to order more by additional delivery services

### TIP

E-commerce providers can integrate such services directly in the checkout of their shops. Customers can then see all the available alternatives at a glance and directly choose the one they wish to use.

## 5. CONCLUSION

Satisfaction with the parcel receipt is a very important part of the shopping experience. Because, only satisfied customers will buy again. Delays in delivery, for example because customers are not at home, are considered unpleasant.

More than three quarters of all customers would like to have alternative options for their parcel receipt – ideally already during the checkout process in the online shop. E-commerce retailers can easily integrate such options into their shops. The full service on the last mile is increasingly becoming an important competitive factor in e-commerce.

# FLEXIBLE PARCEL RECEIPT FOR YOUR ONLINE CUSTOMERS

There are well-established and innovative delivery alternatives that will also work in the event that your customers are not at home. With more than 28,000 parcel drop-off and receipt points, DHL has the densest network in Germany. We transport more than 3.9 million parcels on average every day and deliver to more than 44 million households. As an innovation leader in logistics, DHL develops new solutions to make e-commerce even more successful.

## DHL Packstation



More than 3,000 Packstations are available to users for the pick-up and shipment of their parcels. 24 hours a day, 365 days a year. The parcels are kept safe in over 300,000 compartments.

## Preferred location



Garage, terrace or garden shed – residents can determine a drop-off and collection location on their property that is accessible for DHL deliverers.

Once a parcel has been delivered, the customer receives an email or notification card.

## DHL parcel box



The private mailbox for parcels – particularly suited for homeowners. Similarly to a letterbox, the DHL deliverer places parcels in the securely locked box and picks up returns from it for free. DHL also provides parcel boxes for apartment buildings in some German cities.

## Direct delivery to a post office / Parcelshop



With the densest network of drop-off and delivery points, this delivery option has clear advantages. Your customer will be able to choose a destination of his convenience for each delivery. Registration is not required.

## Preferred neighbor



Whether in the same house or next door, the preferred neighbor option guarantees delivery to a clearly defined person in the neighborhood. Your customers then receive an email or notification card

and can pick up their parcel.

## In-car delivery



Maximum mobility is guaranteed by in-car delivery. The goods are transported to the car of your customer. Using a TAN, the deliverer can locate the vehicle and open the trunk only

once. DHL has been providing this innovative type of delivery in cooperation with smart in selected cities since September 2016.

At the moment, different Shopsoftware-Plugins and an API-Interface are being developed to integrate individual points of parcel receipt into the ordering process of an online shop. Questions concerning this matter should be directed to: [webshopintegration@deutschepost.de](mailto:webshopintegration@deutschepost.de).

# FREE CHOICE FOR CUSTOMERS

More service for online shoppers through individual points of parcel receipt

**Published in October 2016**

All rights reserved. No part of this publication may be reproduced or transmitted in any electronic or mechanical way without prior written permission by the publisher. This includes, without limitation, photocopying and the storage and retrieval in data storage systems.

© DHL 2016

DHL Paket GmbH  
Sträßchensweg 10  
53113 Bonn  
Germany  
[www.dhl.de](http://www.dhl.de)