

Maximising the opportunity of a positive delivery experience

14 March 2024

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This is it, the moment of truth...



A quick word about whistl

The only company in the UK that offers all of these services
– a unique portfolio



Mail

Sorted
Unsorted
Hybrid
Digital Comms
Partially
Addressed



Parcels

Tracked
Part Tracked
Untracked



Doordrop Media

Doordrops
Sampling
Leafletdrop
Partially
Addressed



Fulfilment

Fulfilment &
Warehousing



Contact Centre

Inbound &
outbound
customer
services



International

Import & Export
Including
Customs
Clearance

Services

Sub-Brands

posthub
Part of the Whistl Group

parcelhub
Part of the Whistl Group



leafletdrop.co.uk
part of the Whistl Group

whistl

What you already know

UK eCommerce market at a glance

USERS



Number of online shoppers



2022 REVENUE

£111.5 bn

Down 11.2% on 2021 revenue

2027 PROJECTED REVENUE

£168.8 bn

Based on Compound Annual Growth Rate
2023-2027 of 8.43%

What you might not know

5.1 bn

Parcels in 2022

Decline from 5.4 in 2021

Decline 5% from 2021

162

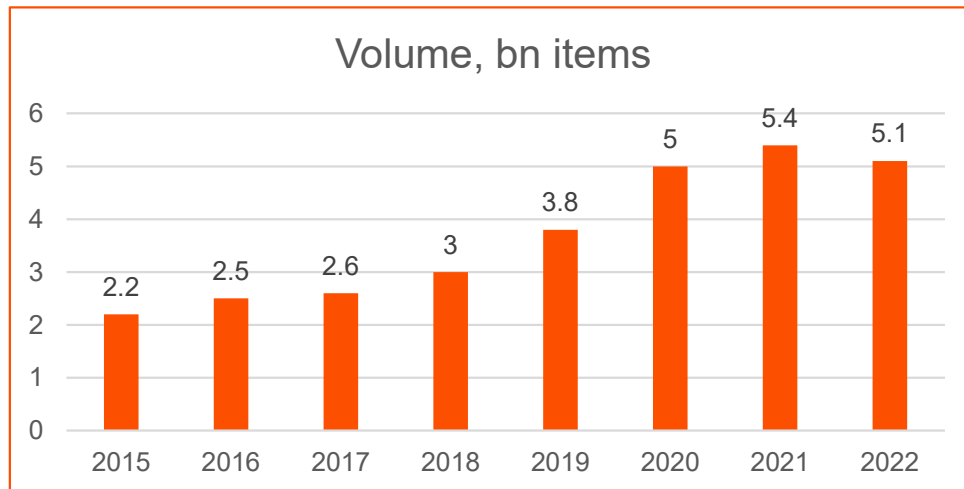
Parcels
per second

14m

Parcels
per day

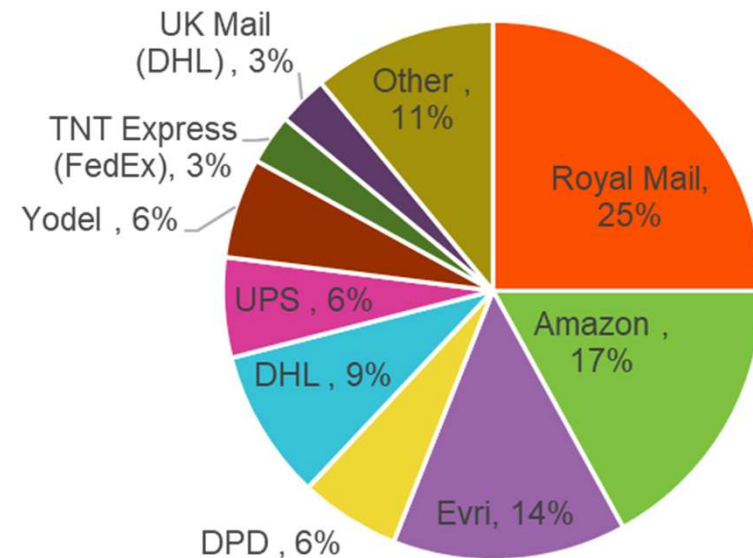
75

Parcels
per person



📈 Estimated CAGR of 6%, 2023 - 2028

Carrier Volumes



Whistl eCommerce Consumer Research

Our key findings



Attitude towards finances

SAVING MONEY IS TOP OF MIND

83%

of consumers hunt around to find **bargains**

70%

of consumers shop around to make a **saving**, however small



Behaviour of online shoppers

Only 3%

of consumers are **loyal** to particular online retailers

Even with a different attitude to finances, consumers show comparable attitude to online behaviour (hunting for bargains, even small savings, not being loyal to online retailers)



Online expenditure

↓ 3%

decrease in online expenditures is expected by respondents in 2023 vs 2022

Groups that are expecting increase in expenditures are: male (2% average increase), having household income over £70k (8% increase), people with kids (2%), those who shop online weekly or more often



Importance of delivery options

COST IS THE KING

54%

ranked delivery cost to be **#1** important delivery factor

If delivery costs are higher than **£5.95** you can **lose more than 50%** of your customers



Appealing online offers

£20

annual fee for free returns is somewhat appealing for 48% frequent e-shoppers

57%

of those who do not have a subscription are **open to this idea**

Most attractive non-delivery features: free samples of other products and exclusive offers for existing customers

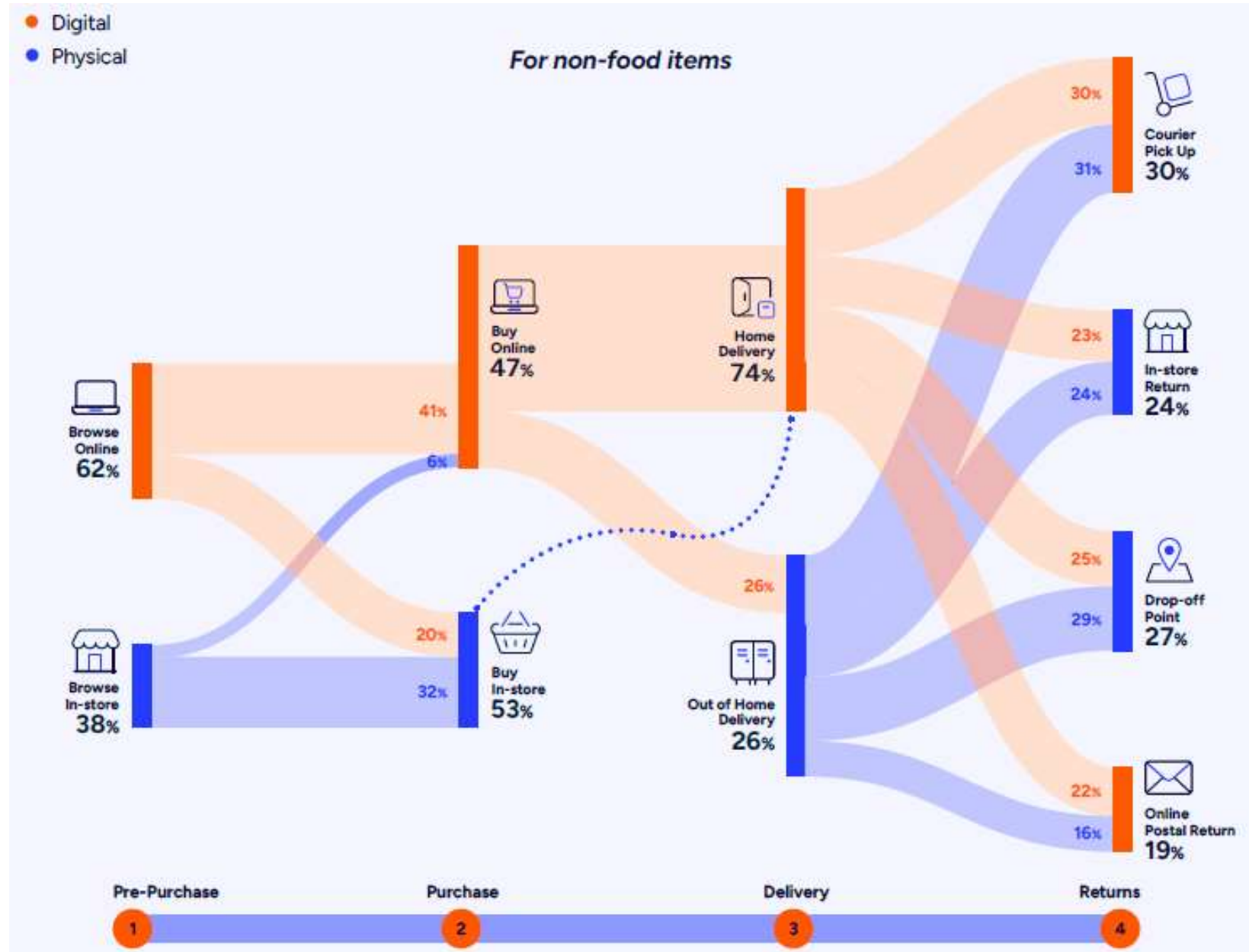


Sustainability

40%

of respondents ranked green/sustainable delivery to be the **least important** delivery feature

Omnichannel consumer behaviour



Whistl eCommerce Consumer Research

Choice and Visibility

Delivering the goods

Delivery options can really influence a customer's decision to make a purchase.



Over 80%

of people say that **tracking is important** particularly when ordering online.



An astounding
45% of shoppers
have even changed their
mind about making a
purchase because they
were **dissatisfied with the
delivery options.**

Offering tracking

with deliveries is
therefore a great way
for businesses to
avoid losing out on
valued custom.



Ranked importance of delivery options

1

Delivery cost

2

Speed of delivery

3

Tracking

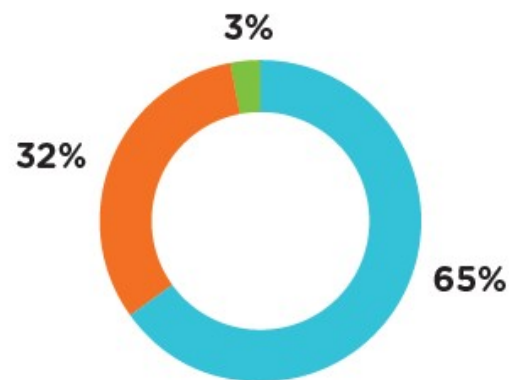
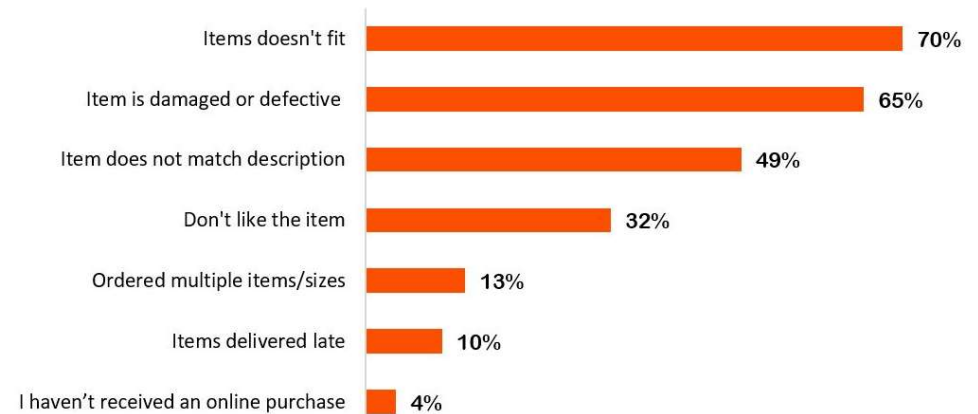
Whistl eCommerce Consumer Research

Many (un)Happy Returns

A growing issue...

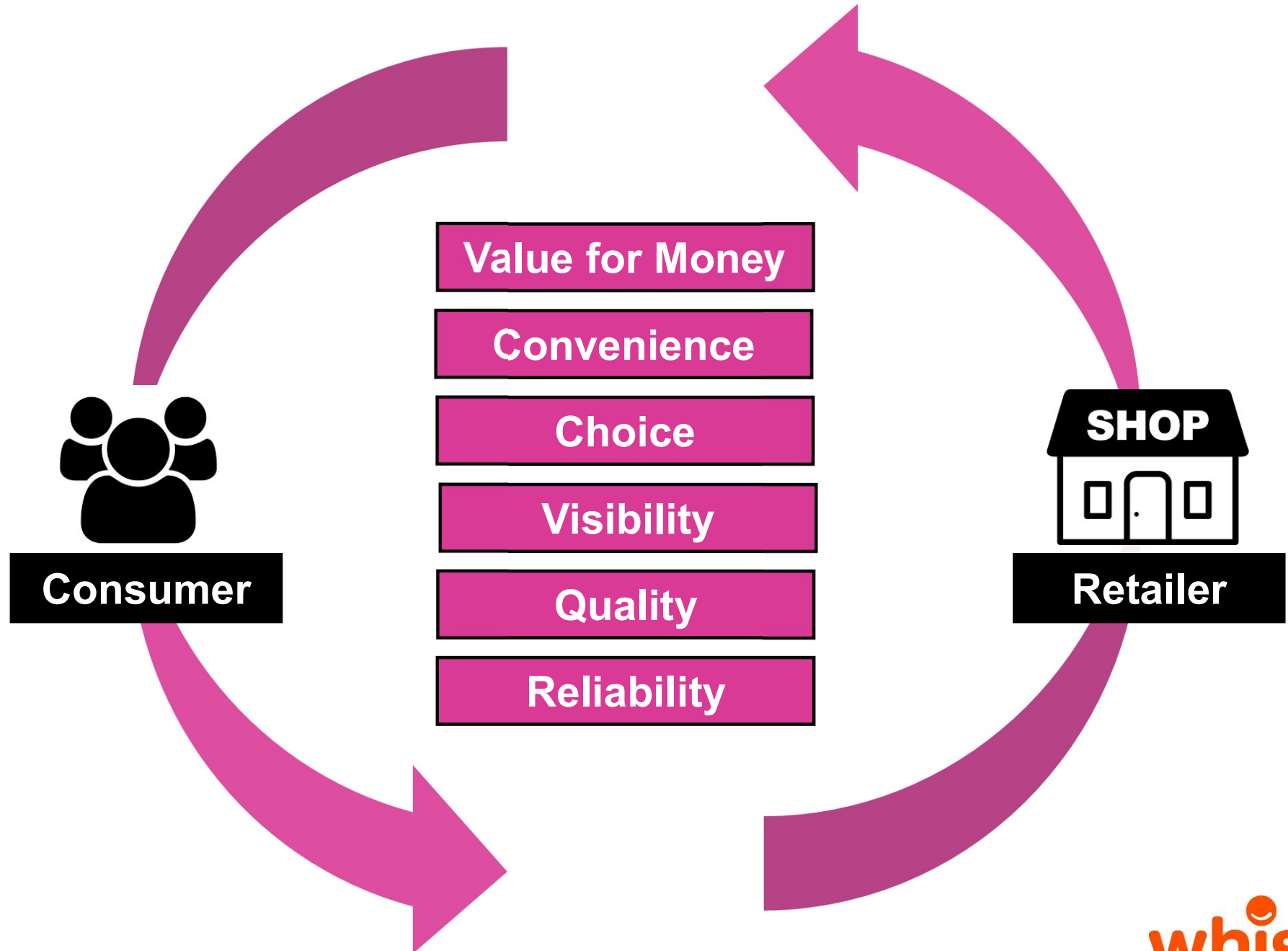
- ☹ up to **30%** of all ecommerce orders are returned, compared to only 8.89% in bricks-and-mortar stores
- ☹ **57%** of retailers said dealing with returns has a negative impact on the day-to-day running of their business
- ☹ **84%** would turn their back on a retailer after a bad returns experience

What have been your reasons for returning online purchases in the past?



- Returns should always be free, in all circumstances
- Returns should be free only where the retailer has sent the wrong item or the item is faulty
- It is reasonable to expect the customer to pay for the return

So, what's important?



What should I do as a retailer?

Optimise Shipping Efficiency

- ☺ regularly review and optimise your roster of carriers
- ☺ reduce direct and indirect shipping costs
- ☺ utilise a multi carrier platform to reduce complexity and cost
- ☺ use the right packaging (product and carrier specific)
- ☺ maximise your selling window with later cut off times
- ☺ capture correct contact and address details (address verification)

Leverage technology and maximise partnerships

What should I do as a retailer?

Enhance Customer Experience & Loyalty

- ☺ provide choice to your customers at the point of checkout
 - carrier & service options
 - delivery preferences (76% home)
 - reduces basket abandonment (up to 25%)
- ☺ increase first time delivery success
 - c. £15 cost per failed delivery
 - avoid reputational issues
 - proactive tracking support
 - contingency arrangements
- ☺ keep customers informed and rectify issues in a timely manner
 - encourage courier app utilisation
 - improve marketplace seller ratings
- ☺ delight your customers with a complimentary sample or offer
- ☺ improve the customer returns journey
 - make it easy
 - offer choice
 - consumer pay or retailer pay?

Leverage technology and maximise partnerships

This is it, the moment of truth...



... what will you do to make it a positive experience?