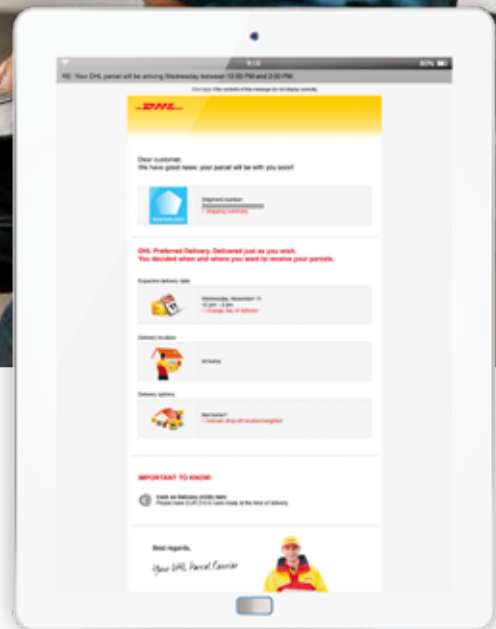




ALL THE DELIVERY INFORMATION YOU NEED

Transparency during the delivery process increases customer satisfaction



CONTENTS

1. Introduction
 2. Communication during the delivery process
 3. Touchpoints and transparency
 4. What retailers should do
 5. Conclusion
-

1. INTRODUCTION

How do positive emotions develop when shopping? We can generally define several stages: the desire “I want”, the decision “I buy”, and then the moment of ownership “It finally really belongs to me”. Contrary to the situation when buying in a shop, buying online requires the customer to overcome a time of waiting between purchase and actual ownership. The product is purchased, and often already paid for, but customers are not able to hold it in their hands. This is where customers place considerable trust in the entire process of ordering, logistics and delivery. If irritations or uncertainties occur on the part of the customer in the period between purchase and receipt of goods, this can have a severe impact on the confidence placed in the retailer. This makes the so-called last mile a critical success factor for e-commerce providers. That is why the communication with customers is crucial at this stage. If information is not immediately available or even completely lacking, this is perceived as a so-called pain point. Pain points can range from lack of predictability (“When will I get my goods?”) to the feeling of loss of control (“I have no influence on things”). Transparent and reliable information on the delivery status and the time of delivery will, however, significantly increase customer satisfaction.

2. COMMUNICATION DURING THE DELIVERY PROCESS

The delivery process must thus be transparent for customers – from the time of the order to the delivery of the goods. The communication actually has a direct impact on customer satisfaction.

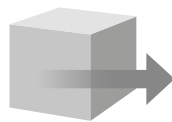
The communication of the delivery status directly affects customer satisfaction.

The DHL study “CUSTOMER JOURNEY – From ordering to parcel receipt” documents the interdependency between delivery period, transparency of communication and customer satisfaction. This is where good and transparent communication with the customer can counteract the frustration caused by long delivery times. Customer satisfaction still tends to be high within a waiting period of up to three days, if high transparency is provided for the delivery process. In case of later delivery, however, customer satisfaction will reach merely an acceptable average level. Furthermore, customers will be dissatisfied if no information is provided in the case of a longer delivery process. These negative experiences can affect the entire shopping experience and thus also have a negative reflection on the shop. This is where customers become frustrated, thus reducing the probability of purchasing there again. Ultimately, shop performance will suffer.

3. TOUCHPOINTS AND TRANSPARENCY

Seventy percent of online shoppers want to be kept up to date regarding the shipping and delivery status of their shipments. From order to delivery, there are several important touchpoints between companies and customers. For example, customers may receive information in the shop about the availability of the product and the expected shipping date. Once the item has been bought, customers usually automatically get an order confirmation by email. That is where the critical phase begins, and customers now want to know what is going to happen next. The necessary transparency is provided by the following:

- **Shipping confirmation:** It is sent out by the online shop and states that the goods have been handed over to the logistics provider.
- **Parcel notification:** This is sent out by the logistics provider and contains all the important information about the delivery date.
- **Delivery notification:** This is usually placed in the mailbox or sent per email by the logistics provider if the customer was not there at the time of delivery.



70%

of online shoppers want to be informed about the status of their shipments

Source: Study "Usage behaviour in e-Commerce in Austria and Germany", DHL, 2015

SHIPPING CONFIRMATION

For 77 percent of the respondents, the shipping confirmation is an "important" or "very important" trust-building measure. 92 percent say it is of particular importance to them. According to most online customers, the shipping confirmation should contain a direct link to shipment tracking and the expected date of delivery (88 percent each), the name of the parcel service provider (84 percent), the so-called parcel or shipment number (78 percent) and the estimated delivery time (69 percent).

Many online retailers do generally send a shipping confirmation, but it does not always contain the information customers are looking for. About **30 percent** of online customers actually complain about this.

92%

of online customers attach great importance to a shipping confirmation

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

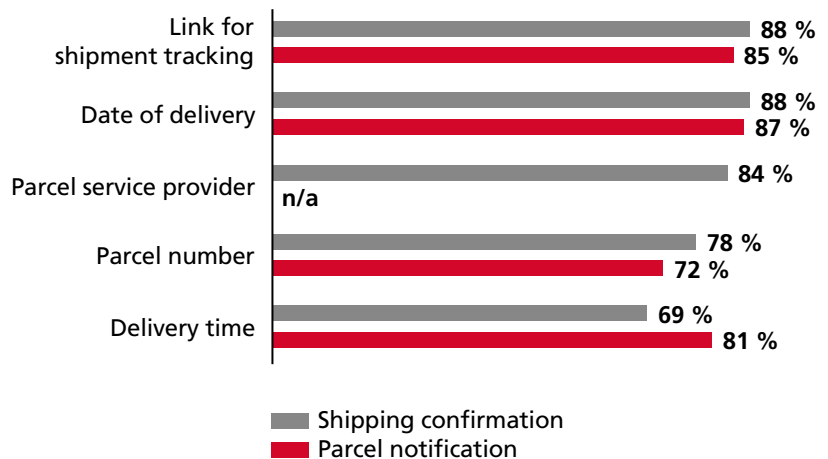


Source: Study "CUSTOMER JOURNEY – From ordering to parcel receipt", DHL, 2015

PARCEL NOTIFICATION

The parcel notification plays an important role for online customers in terms of the perceived transparency and is thus vital for confidence-building. This is where customers receive all the information they need. They are told when the parcel will likely arrive, are given the opportunity to follow the shipment status online and can ideally even adapt the delivery time or delivery location to their individual needs. According to a DHL study, 92 percent of online customers want to use parcel notifications in the future. In order to provide parcel notifications, parcel service providers require the contact details of the recipient. These therefore have to be passed on by the retailer to the logistics provider in a timely manner. According to the wishes of 87 percent of online shoppers, the estimated delivery date, the link for shipment tracking (85 percent), the delivery time (81 percent) and the parcel number (72 percent) should be included in it.

Information online shoppers expect in the shipping confirmation and parcel notification



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

Many parcel service providers offer their customers online shipment tracking. This is where the buyer receives a parcel or shipment number with the shipping confirmation. With the help of the number, customers can check the status of the shipment and determine the expected delivery time via a link on the website of the parcel service provider or via app. Furthermore, they can also change the date or place of delivery. The parcel notification therefore enables customers to influence the actual delivery so it fits into their daily routine and is made as easy as possible for them.

DELIVERY NOTIFICATION

Customers get a delivery notification – often in the form of a card in their mailbox – if, for example, they were not at home at the time of delivery. However, electronic delivery notifications, as sent out by some parcel service providers to registered customers, provide distinct advantages over the paper kind. Customers receive the information immediately and not only once they get back home. This, for example, gives them the possibility of already picking up the parcel on their way home.

THE BENEFITS OF TRANSPARENCY

Due to the density of information and the ability for customers to interact, parcel notifications greatly increase transparency. They give customers a sense of control over the goods they have purchased but still cannot actually hold in their hands. Furthermore, depending on the parcel service provider, they also give them the possibility of influencing the delivery process. 78 percent of online shoppers always feel well informed about the state of delivery. A lack of delivery information, however, causes great discontent.

Customers want all the information at a glance.

If the shipment tracking information stagnates or is even completely lacking, customers may feel upset. Customers expect to be in control of their purchased goods at all times. But if this is not possible, they may become dissatisfied or annoyed.

4. WHAT RETAILERS SHOULD DO

Transparency in shipping and delivery is much more than an additional service. It has a significant influence on customer satisfaction and thus also on customer loyalty. Because, the delivery experience has a proven effect on the further purchasing behavior. It is thus that 96 percent of German online shoppers would buy in the same shop again if they have had a positive experience. On the other hand, 49 percent would no longer buy there in the case of a negative experience.

However, there is still room for improvement in terms of delivery transparency. Because, one in five customers are still not satisfied with the flow of information regarding the delivery.

96%

of German online shoppers would buy in the same shop again if they have had a positive experience

49%



would not shop there anymore after a negative experience

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

Online shops and logistics providers must send consistent information to customers.

Transparency can be significantly increased through the direct transmission of all the necessary tracking and shipment information to the customer. With digital media, this is no problem from a technical point of view. However, it is important that customers receive consistent information. This means that the internal warehousing processes of the online shops have to be synchronized with those of the parcel service providers. This will ensure there are no information gaps between online shop and logistics provider, for example if a customer receives a tracking number from the online shop that has not yet been activated with the parcel service provider. Contradictory or missing information will cause customers to feel upset or even angry, as such a lack of information leads to a sense of loss of control.

TIP

What is also important is that customers can call up the necessary delivery information easily and directly at all times – even in the online shop. For example, it is very helpful if there is an online tracking link for the shipment in the order status page of the shop.

5. CONCLUSION

Customers expect transparent information during the delivery process. They not only want to know when and where the goods are being delivered, but actually wish to pursue the status of the shipment live, and to influence delivery time and place, if required. Electronic parcel notification enables customers to act, no matter when or where, and to influence the delivery. It thus provides a maximum of transparency and control, and has a considerable effect on how satisfied customers are with the online shop. That is why the large e-commerce platforms already provide such a service as standard. In view of the increasing competition in the e-commerce field, it is important that online retailers are up to date in terms of service and offer a seamless and preferably trouble-free customer experience.

DHL PARCEL NOTIFICATION: SO YOUR CUSTOMERS KNOW EXACTLY WHEN THEIR PARCELS WILL ARRIVE

Give your customers maximum transparency and predictability for incoming shipments to ensure successful delivery of your parcels. With parcel notifications per email or DHL Paket app, your customers are always kept perfectly up to date about the current shipping status of their parcel.

If, contrary to expectations, your customers cannot be at home when the goods are delivered, they have the possibility of selecting another delivery day, having the parcel delivered to a preferred location or preferred neighbor, or having it diverted to a Packstation or post office.

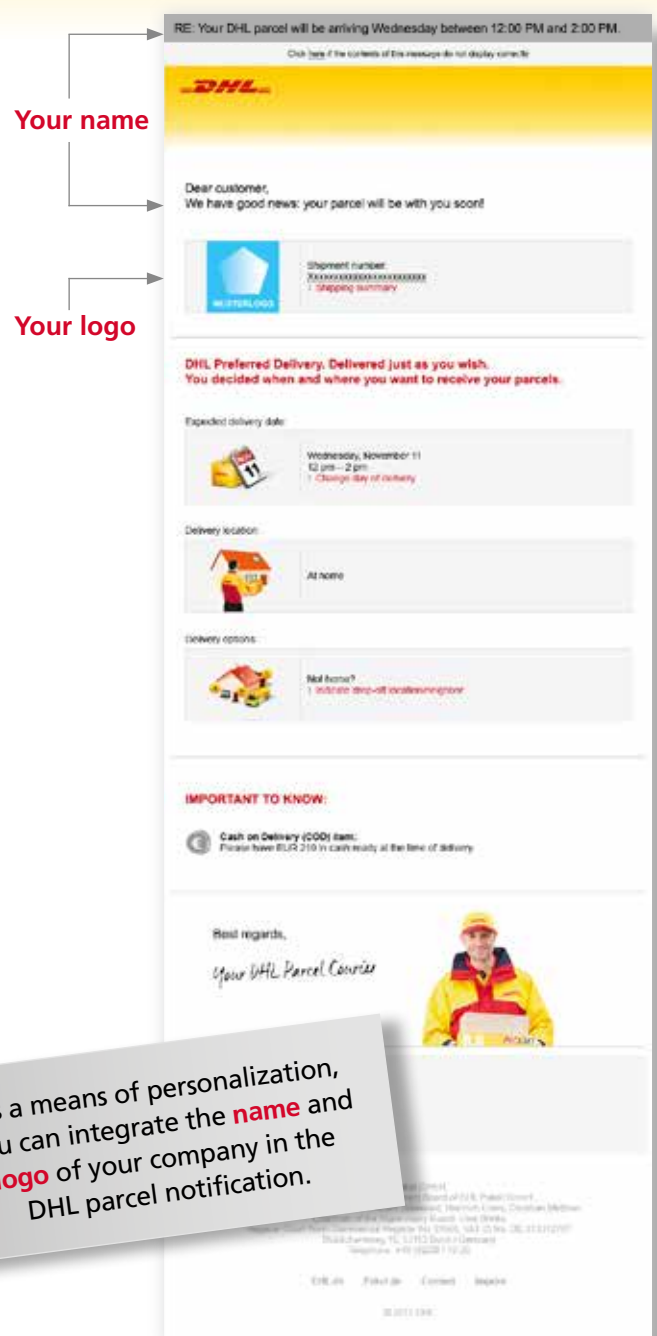
Parcel notification makes the entire delivery process transparent for the customer – from dispatch to delivery of the shipment.

The recipient receives information on the expected date of delivery by email or via the free DHL Paket app. If possible, a delivery window of between two and four hours is also communicated. Furthermore, DHL also provides a reminder by email, if, for example, a shipment is ready to be picked up at a post office or a second delivery attempt is to be made.

You simply pass on the email address of the recipient in the electronic shipment data to DHL – naturally with the consent of the customer. As soon as the DHL parcel arrives at the parcel sorting center, the parcel notification to the recipient via email or app is automatically triggered.

YOUR ADVANTAGES AT A GLANCE

- More service: Free standard service with DHL Paket
- More transparency: Increase in customer satisfaction through proactive information on shipment process
- More satisfaction: Increase of initial delivery rate and thus decrease of returned shipments



ALL THE DELIVERY INFORMATION YOU NEED

Transparency during the delivery
process increases customer satisfaction

Published February 2017

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 2017

DHL Paket GmbH
Sträßchensweg 10
53113 Bonn
Germany
www.dhl.de