

PROLOG



**e-fulfilment
survey**

Who are Prolog?

- Established in 1981, Privately Owned
- 2011 £43m Turnover
- Over 900 full time employees
- 1 million sq ft warehousing
- Despatch 5 million parcels p.a.
- 3 million customer contacts p.a.
- Winner of Multiple awards
- Specialists in e-Fulfilment



Some of our E-fulfilment Clients



Why an e-fulfilment survey?



£68.2* billion spent online in 2011
16%* Growth in 2011
1.2* billion parcels delivered

***Source: IMRG**



**How good are the etailers at
managing these billions of
parcels each year?**

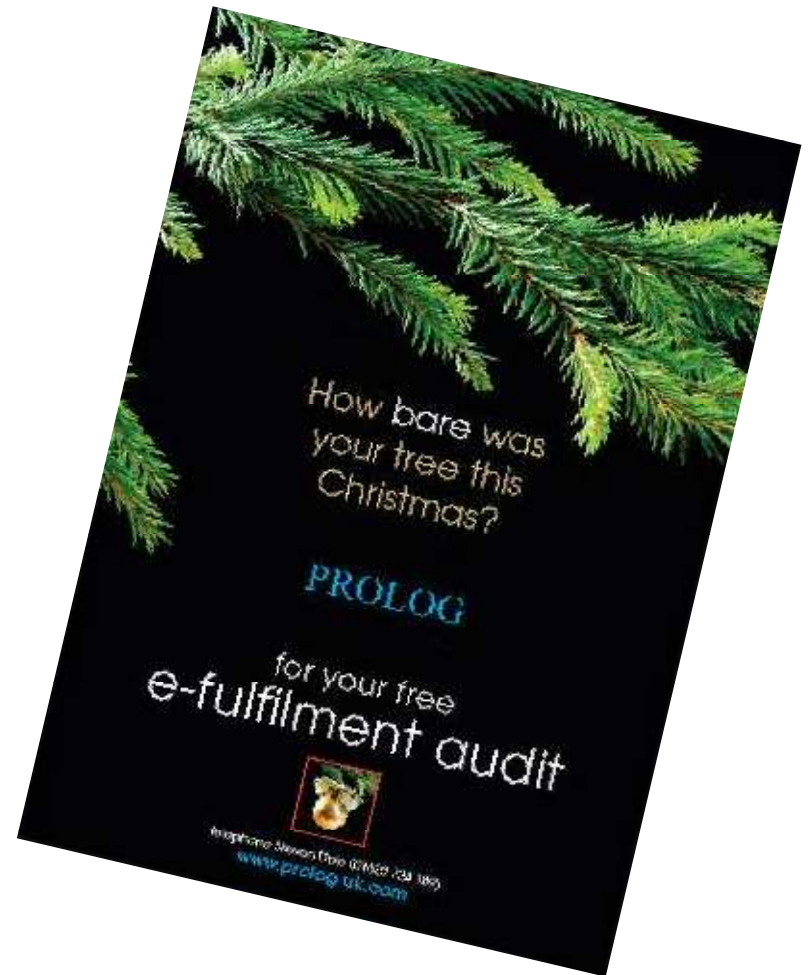


31 etailers surveyed
Over 100 orders placed



The E-fulfilment Audit: Three Key Areas

- Delivery Options
- Communication
- Fulfilment and Delivery



Some of the e-tailers involved in the survey



How the Survey was carried out

- Review of website
 - Delivery prices
 - Delivery options
 - Customer promise
- Order placement
- Collation of email communications
- Order receipt and recording of process
- Returns process
- Refund timescale





Survey Results

Delivery



Average customer promise for standard orders was **4.97** days

The **Best** was **1** day and the **Worst** was a shocking **14** days

Delivery Charges

Standard orders **£3.38***

Next day orders **£6.70***

*Non-weighted average prices



90.12%

Of orders were delivered on time





22.58%

Offer free standard delivery



Delivery Options

Delivery Options	Going the extra mile 	Falling a little short 
Selected day delivery	Provides consumer confidence	Only 40% companies offered the service
Making the delivery easier	Website delivery instructions	Less than a quarter of companies offer this
Gift Wrap	Adding a personal touch	Only 1/3 of retailers offer this service
Time slot deliveries	Vital for busy time poor consumers	Less than 1/3 of retailers have this in place
Collect in store	Offering the consumer choice and convenience	3 out of 5 retailers offer this service



What have we learnt?

- Service is key
 - Consumers will pay a 100% premium
- Free delivery is a strong customer incentive
 - Less than 1/3 of retailers offer this
- 9.88% delivery failure rate – unacceptable
 - Should be 2% or less
- Collect in store is popular
 - Other options e.g. named day delivery less so
- Retailers need to change or risk losing out



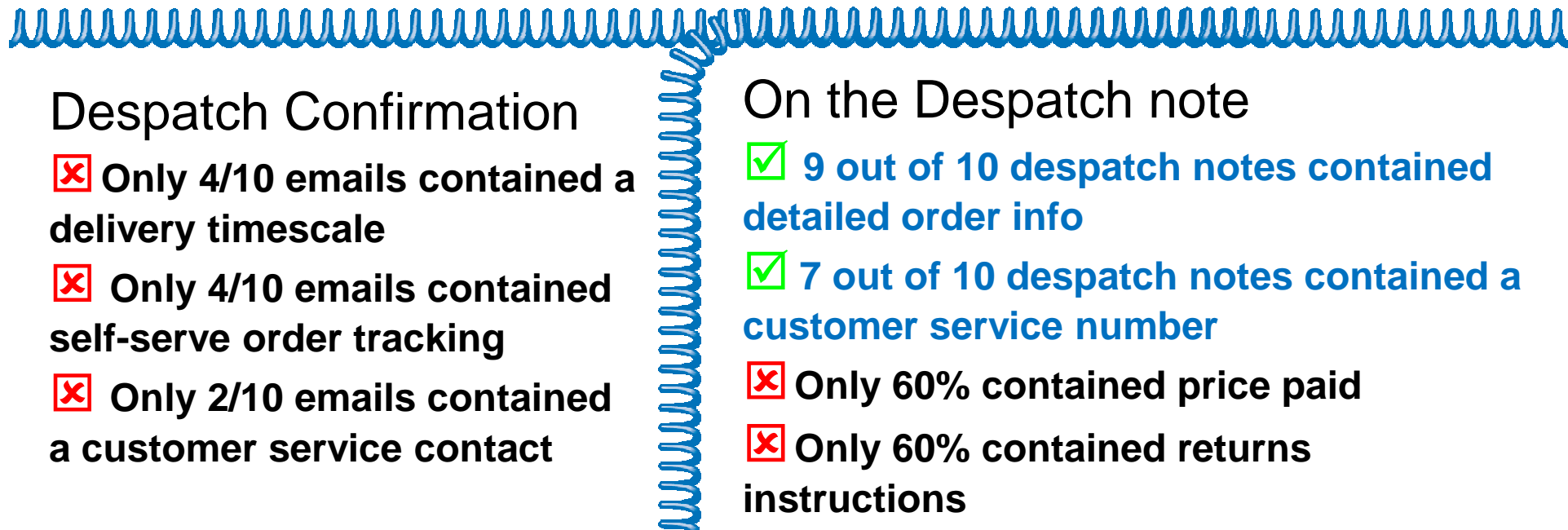
Customer Communication



Customer Communication

Order Confirmation

- ✓ 9 out of 10 emails contained detail product information
- ✓ 7 out of 10 emails contained expected delivery timescales
- ✗ Only 50% of emails contained a telephone number
- ✗ Only 30% of 10 emails contained the ability to self serve

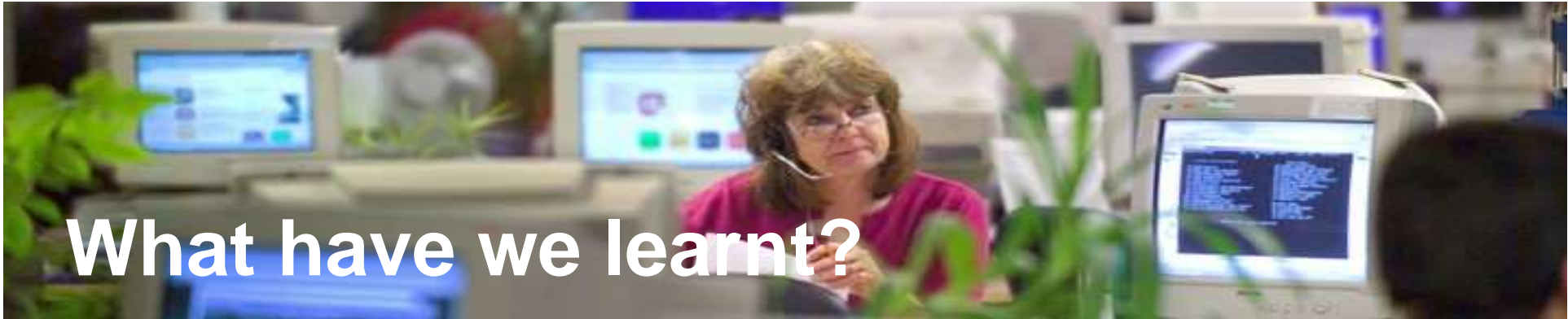


Despatch Confirmation

- ✗ Only 4/10 emails contained a delivery timescale
- ✗ Only 4/10 emails contained self-serve order tracking
- ✗ Only 2/10 emails contained a customer service contact

On the Despatch note

- ✓ 9 out of 10 despatch notes contained detailed order info
- ✓ 7 out of 10 despatch notes contained a customer service number
- ✗ Only 60% contained price paid
- ✗ Only 60% contained returns instructions



What have we learnt?

- Self service is key
 - Keeps customer service costs low
 - Seriously under utilised
- Contact with the etailer is made difficult
 - Frustrated customers!
- Poor Delivery notes make returns process hard
 - More costly calls
- Etailers that communicate well and make all parts of the process easy will retain customers



Returns



Returns

28.8

DAYS

was the average
max days to return
a product

7-30

DAYS

was the range
between the shortest
and longest time taken
to return a product

4 out

of 10

e-tailers offered free
postage on returns

5 out

of 10

had to obtain an
authorisation
code for a
return

Returns emails

- Only 4/10 emails contained a credit value
- < 4/10 emails contained refund timescale
- Only 3/10 emails included a telephone nr



What have we learnt?

- Vast range of timescales to return the product
- Most retailers give customer plenty of time to return the product
- Returns communication is poor
 - Possible confusion = additional customer service cost
- Free returns is growing in popularity
 - Growth of options e.g. Collect+

Summary

In Summary



- Some e-tailers offering a good service
- Room for improvement from even the best
- 1 in 10 orders late must be improved upon
 - Customer must be able to predict a delivery
- Problem compounded by poor communication
 - Lack of information re: delivery times
 - Inadequate access to tracking information
- Returns are vital
 - Only 60% e-tailers provide returns information
 - Only 4 out of 10 gave reassurance about their credit

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