

# Intelligent Shipping

in the UK,  
Germany  
& Benelux

An international European  
software research study

*at the heart*  
**STEPPING STONES**  
*of change*

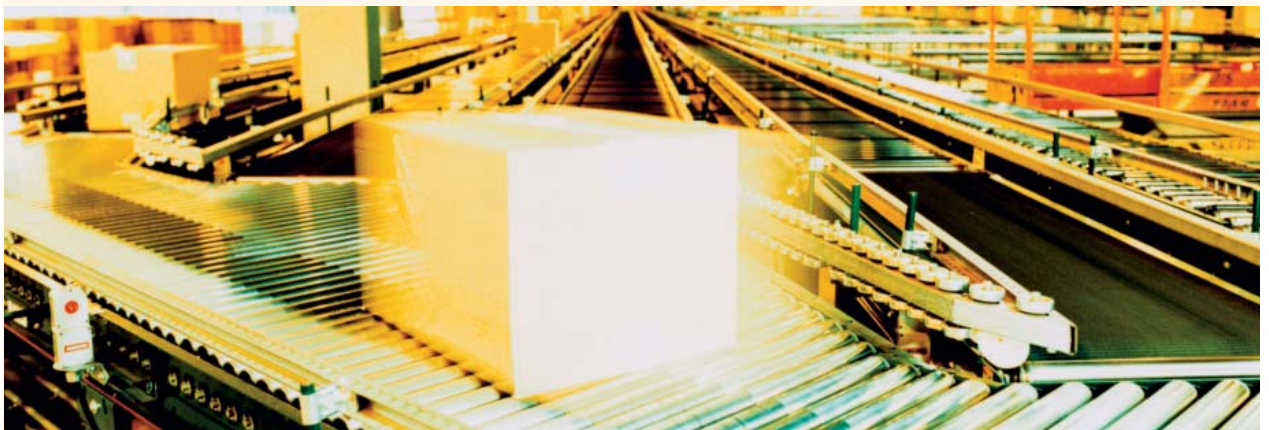
 **Pitney Bowes**  
*Engineering the flow of communication™*

By Professor Angus Jenkinson, Stepping Stones Consultancy. Sponsored by Pitney Bowes.



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## Executive Summary

Based on the number of respondents overall, this is probably the largest-ever European study of the use of parcel shipping services and intelligent systems for managing use of carriers. The study took place in the summer of 2006, beginning with desk research, and continuing with a comprehensive online research survey. The questionnaire contained 164 variables based on 47 possible questions, some with multiple options and open-ended replies. It gained a total of 6000 respondents. Of these, 400 were probed in greater detail on their use of software.

The aim of the survey was to understand the market for multi-carrier software, i.e. intelligent systems for the management of shipping amongst multiple carriers to make use of their respective strengths and optimise costs. Pitney Bowes is a major global player in the provision of such software.

The data (which was weighted to make sure that it matched the relative size and profile of the German, Benelux and UK markets) shows that there are a number of user segments based mainly on the number of parcels and/or palettes shipped per day. Even users shipping less than 10 parcels per day on average were often using software to assist. We found however that there were significant behaviour shifts once users moved into double figures (10 plus parcels per day), or increased into the mid-20s, mid-80s or above 200 parcels per day. They show up not only in the likelihood of having software and paid for software, but also in the kinds of functions that they use and value.

### 6000 respondents provided basic information about parcels shipping and use of software

There are significant national differences. The UK is clearly lagging in its adoption of this software and UK firms could learn from continental practice.

There are also some differences between category segments. The categories most likely to use specialist software were engineering, online retail, consumer products, financial and business services, and publishing.

Most companies investing in specialist multi-carrier software achieved a very rapid return on investment. Depending on the market segment, around two-thirds or more achieved break even within 12 months. Despite this, there was still a surprising number of companies shipping quite large volumes of parcels who did not use specialist software.

### The single most important benefit of multi-carrier software is to reduce costs

Many companies remain satisfied with free software, even when working with multiple carriers, because they have not experienced a pain sufficient to justify the change.

Users of specialist software provide more extensive services to customers, are better able to deal with operational complexity and saved costs. Paid-for specialist software has a wider range of function. For example, many more users with this software were using it to be able to ship parcels from their desks. They also made 50% more use of the ability to interface the software with business applications. They were also more satisfied on every functional benefit that multi-carrier software provides. Furthermore, vendors of paid for specialist software either meet or exceed the requirements of their customers in half of the 14 variables that we tested, with the overall mean satisfaction score matching overall mean expectations. Compared with other industry categories, this is a reasonably good result. Providers of free software left users dissatisfied on every single factor.

### Most companies investing in specialist multi-carrier software achieve a very rapid return on investment

A substantial number of companies have developed their own software despite the availability of good packages in the marketplace. Most mature application areas, even in areas like banking systems, have typically migrated to the use of software packages. A reasonable prediction is that this pattern will change in the future.

## Background and aim of study

The aim of the survey was to understand the multi-carrier software market, i.e. how users buy and make use of intelligent systems for the management of shipping amongst multiple carriers to make use of their respective strengths and optimise costs. Pitney Bowes is a major global player in the provision of such software and funded the study.

Capgemini, Georgia Southern University and the University of Tennessee published a series of reports on the development of supply chain capability, focusing in 2003-5 on the three issues of visibility, connectivity and collaboration. According to these reports, leading firms are making significant commitment to the development of end-to-end supply chain capability in order to improve productivity, customer service and competitive advantage.

According to Capgemini, the level of investment in transport varies. For example manufacturers, distributors and wholesalers spend over 5% of sales on domestic transportation while retail firms spend only 2% to 3% of sales in supplying their own retail outlets. Those firms servicing end-consumers appear to spend a surprisingly low 1% to 2% of sales on domestic transportation. Not surprisingly, domestic transportation costs as a percent of cost of goods sold (COGS) varies according to the strategic positioning of the company. Cost leaders spend 1-2% of COGS while firms with a customer service orientation spend over 5% of COGS on domestic transportation.

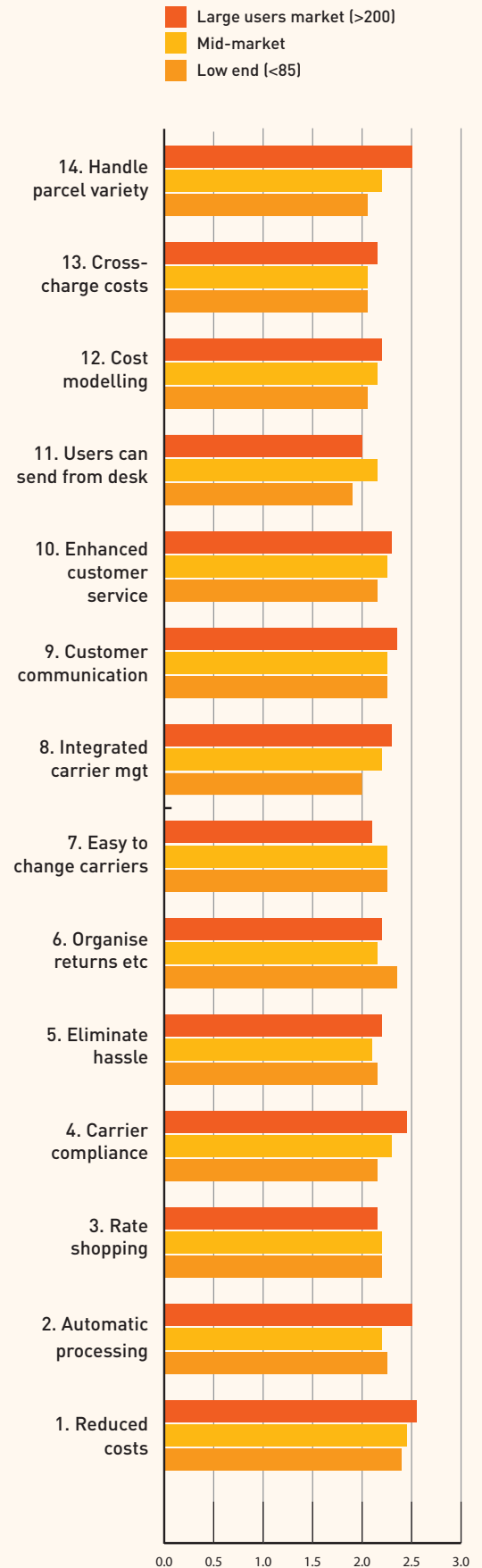


Fig. 1: Application benefits and performance ratings by market

### **Cost leaders spend 1-2% of COGS while firms with a customer service orientation spend over 5% of COGS on domestic transportation**

They also report that the use of commercially purchased software is increasing at a moderate pace overall (6% in the period), but faster amongst leading edge firms. In their 2005 study they found that almost 50% of leading edge firms use commercially purchased software compared to only a quarter of laggard firms. There is almost equal use of ERP systems and third-party software, with a trend away from home-grown software and towards ERP.

Similarly, a 2005 US study by the research and consultancy firm ARC identified a significant business case for investing in a parcel shipping solution. They argue that companies can reduce total shipping costs by 10% or more by improving compliance. Other benefits include negotiating more favourable rates with carriers, reducing the use of more expensive premium services when unnecessary, eliminating some surcharges, streamlining and automating the shipping process, which can reduce inventory, improving accuracy and reliability and improving visibility to customers in the value stream. In another US study by ARC, they cite a survey by Parcel Shipping and Distribution which indicates that transportation costs range from under 8% (manufacturing) to over 17% (3PLs) of revenues. These savings are therefore of significant value to firm profits.

According to ARC, "In the new world of parcel shipping solutions, organisations with world-class supply chains are taking their experiences learned during the roll out of ERP applications and supply chain planning applications and applying them to parcel shipping." Capgemini's discovery that leading firms are making greater commitment is a further indication of the likely benefits.

A Snow Valley report for IMRG, a retail industry association, published in June 2005, discusses e-retail delivery in the UK. It argues that there are very significant gains for online retailers who provide more delivery flexibility to consumers. By enabling consumers to choose between different pricing and delivery options, companies can reduce costs from returns and lost sales and become more attractive to consumers. They argue that in the UK the online retail industry could gain £2 billion in benefits from smarter shipping by avoiding home delivery inefficiencies and failures. They note that 39% of lapsed home shoppers claim that delivery problems were the principal reason for their defection.

Our study confirms the importance of transportation costs. Furthermore, these studies show that the benefit of good parcel shipping solutions extends beyond saving costs since it enables companies to provide better services to customers, whether these are consumers or businesses.

### **The online retail industry could gain £2 billion in benefits from smarter shipping**

Given these important benefits, our research aimed to provide an in-depth profile of current and required software usage for the specific application and of multi-carrier management amongst larger firms in the UK, Benelux and Germany. How many companies are using software? Why are firms converting to specialist software and why are others staying with free software from courier and shipping companies? How does the specialist application interface with other business software? These and other questions form the focus of the study.



## The respondents

In our study 6000 respondents provided basic information about their volume of parcels and use of software. 38% of these shipped zero parcels per day and 75% less than 20. Those respondents who met our criteria were asked to provide additional information about their use of software. Over 400 respondents were included in this phase of the survey with a number of respondents for each question varying according to their relevant circumstances, for example whether they used free software or had paid for specialist systems.

The study was restricted to Germany, the UK and Netherlands. Germany is the largest and most mature market for parcel shipping and multi carrier shipping applications. The Netherlands is a popular country for companies that want to locate a European wide warehouse and shipping service.

### Over 400 respondents provided detailed data

Respondents were sourced from two organisations: eyefortransport.com is a web portal and information centre serving the transport industry. We also worked with SSI, a specialist service provider of research samples. Drawing from a database of over 6 million people, they asked individuals who had already indicated responsibility for logistics and parcel shipping to take part in the survey. Respondents in both cases were emailed and requested to take part in return for a copy of this report.

### Criteria for selection in detailed study

1. Respondents were based in our target countries, UK, Germany, Netherlands.
2. Shipping on average at least 10 parcels per day.
3. Must use external carriers and know how many are used.
4. Must to know if they have software.
5. We excluded companies who were using fleet management systems for managing their own fleet and who did not have a separate multi-carrier management system.

As a result of this selection, a total of 411 interviews were available for the detailed study.

## Making the survey results match the real world

In preparing these results we normalised the findings. That means that, except in those cases where we are simply reporting the raw survey statistics, we weighted the respondents to reflect the real world, using size of country (number of businesses) and the size of organisations.

This meant that although we had a similar number of respondents from the Netherlands as from Germany, in our analysis we gave more weight to German respondents because Germany is a bigger market. Similarly we compared the profile of respondent companies against the national profile of size of company using data provided by local tax authority sources.



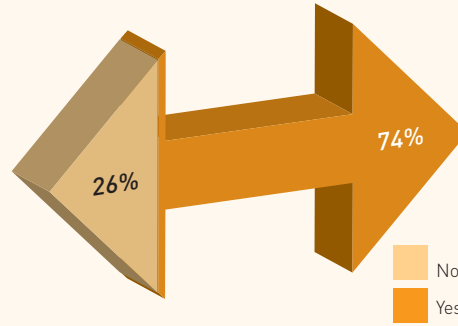
## Respondent profile

This data is unweighted.

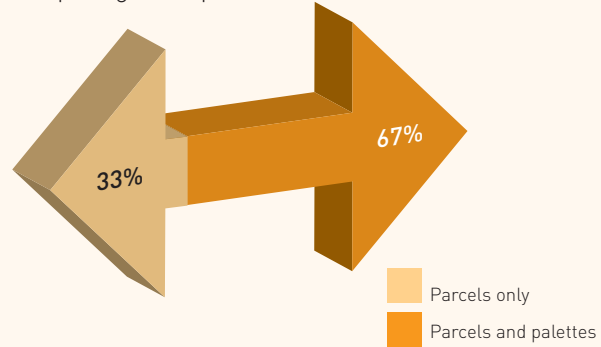
The survey covered a spectrum of industries, with a profile comparable to that found by ARC in its survey of parcel shipping in Europe (2006).

- Amongst the 6000 respondents, 80% shipped 10 or fewer parcels per day
- Amongst those who shipped one or more parcels per day, one third of them have software.
- Almost 90% were either business-to-business or shipped to both businesses and consumers. Only 12% were dedicated to consumers.
- More than one in four (28%) are in some form of logistics management, with almost a third in warehouse or mailroom management and one in 10 from an 'IT for logistics' role.
- One in four have their own delivery vehicles, although carriers are still important to them.
- Two thirds ship palettes as well as parcels
- Nearly three-quarters offer multiple shipping times
- 30% offer services to clients
- Compared with accounting, inventory management and other stable applications, this is a relatively young user base, although almost 20% of the respondents claimed to have had software for more than 10 years.

Own delivery vehicles



Ship cargo and palettes?



User type (own parcels or 3PL)

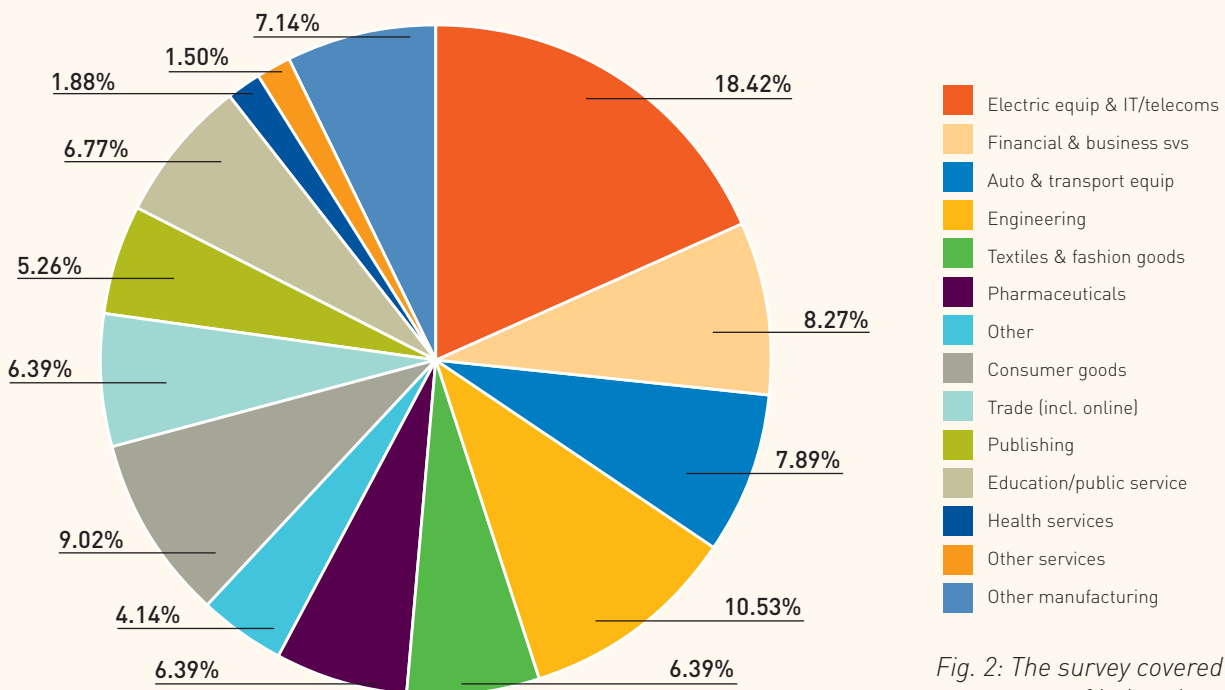
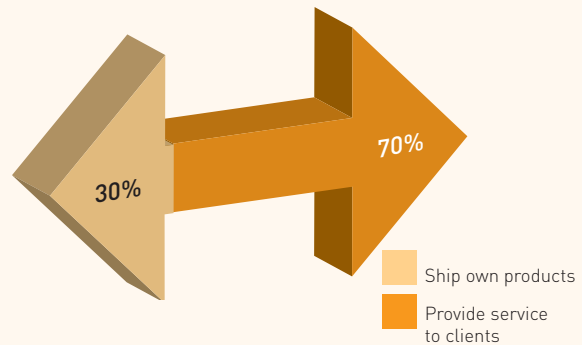


Fig. 2: The survey covered a spectrum of industries

## What is the market?

Multi-carrier management software helps firms to plan and manage the shipping of parcels and pallets in collaboration with the carrier and courier firms that serve them.

The software can interface to a variety of different internal business systems, typically those taking orders from customers and managing dispatches to them. The system could be interfaced to an online e-commerce system, an order processing system, a warehouse management system, or other systems, depending on how the business is managed. It may also interface to an enterprise management (ERP) system such as SAP or to a business application that enables office workers to manage the dispatch of parcels from their desks. The dispatch might be a pallet load of cameras for a retailer, a contract for a mortgage, refrigerated pharmaceuticals, a DVD from an online retailer or rental company, inventory for manufacturing or production, as is commonly used in JIT manufacturing systems, or business-critical spare parts.

Typically, business rules will be used to ensure that the right carrier is selected for each shipment based on factors such as size, weight, location of the recipient, urgency and delivery conditions.

The system interfaces with external carriers, such as DHL, Royal Mail or FedEx, as well as many smaller carriers and couriers in national, regional or specialist markets. It understands the protocol for giving carriers an order and generates both an electronic order and the accompanying paperwork, including labels.

The result is a seamless interface between the firm's business systems and its external carriers. Once goods have been collected, it is normal to provide traceability, so that users can check on the status of the dispatch and delivery, using data supplied by the carrier. In some cases, this service may then be passed on to clients or consumers so that they can find out when their order will be delivered, extending the concept of a seamless interface into full visibility.

In addition, the application may have a variety of other functional benefits, such as rate shopping, which enables choice of carrier, cost modelling, which enables a manager to see the effects of different shipping volumes under different plans with different suppliers, and reporting. Respondents were asked which functional benefits they valued the most and the results are given below.



## Market segmentation

Apart from those who on average ship less than one parcel per day, the market appears to break down into five broad segments according to the number of parcels they ship per day, on average. There was considerable difference in the use of software and also in the use of paid-for versus free software in these different segments. Based on the frequency of respondent and correlation with use of software, these segments are:

1. A mass-market shipping less than 10 parcels per day.
2. Low-volume shippers, those shipping 10 to 24 parcels per day.
3. Low to mid-volume shippers: those shipping 25 to 85 parcels per day
4. Mid-volume shippers: those shipping 86 to 200 parcels per day
5. High-end or large volume shippers: those shipping over 200 parcels per day.

While we had broadly similar numbers of survey respondents across these segments, when this was weighted by country and business size, the Pareto principle (or 80-20 rule) applied very clearly. Even ignoring the mass market, 86% were in the low and mid-volume range; 10% amongst larger shippers and only 4% were high-end shippers.

## Why do companies use multiple carriers?

Respondents gave two significant reasons for being satisfied with a single carrier. For three quarters, it was simply that they did not have enough parcels or palettes, while, for one in six, having multiple carriers is too complicated to manage. So it is logical that firms will begin to use multiple carriers when their volumes of parcels and/or palettes increase. This is likely to change only when remaining with a single carrier is either more complicated than adding further carriers or the complications are outweighed by the benefits (with the help of good systems).

The two most important reasons for using multiple carriers were to handle variety in parcel sizes or weight and to provide choices or control in delivery timing. Both were nominated by three out of five respondents (60%).

However, two other reasons were almost as important. Both 'cost-saving' and 'improving customer service' were nominated by a half of respondents. Only one in twelve required a different carrier for each country.

This pattern is repeated at market segment level. The same four factors are nominated by 50% to 60% of respondents in all three segments, with minor variations in priority, the most significant of which is that in the mid-market, cost saving becomes the most important item, nominated by 63% of respondents.

The use of multiple carriers, and then software to manage these multiple carriers, is therefore connected to marketing and business benefits that influence the business model. Companies are following a business trajectory in which their customer services require an increased number of individual shipments and they want to do this with reduced costs, ease of management and greater added value for customers. These results confirm exactly what we would expect.

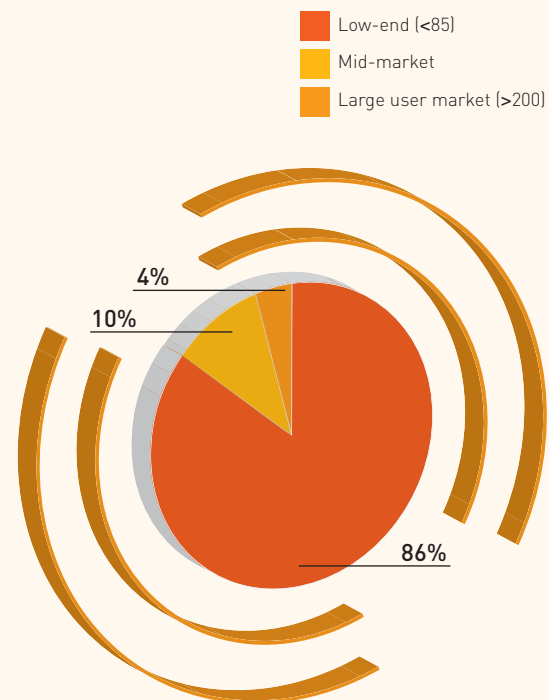


Fig. 3: Markets vary considerably in quantity of users

In this study, where we segment findings by market, we have for convenience concentrated on three segments: 'low-end' corresponds to segments 2 and 3 above (10-85 per day). 'Mid-market' and 'large market' correspond to segments 4 (mid-volume, 86-200 parcels/day) and 5 (high-end shippers, >200 parcels/day). We excluded those shipping fewer than 10 parcels/day.

## Usage and uses of software

Software is used to improve the business. It reduces costs and it improves services, particularly for customers.

### So why do some companies not use any software?

As discussed below, the single most important reason why companies don't use either free or paid for software is simply that they consider their volumes of parcels and/or palettes to be too low to warrant the installation.

We asked those without any software what tools they had to help. Nearly 40% said they had none. About one in six had some general software application (16%), such as an order processing system producing delivery instructions, while one in eight use manual lists (13%). 8% said they had dedicated staff!

### Free versus paid-for software

55% of our sample has either free software provided by a carrier or paid for software.

Amongst the 45% who don't, three in five indicated that there was 'no problem' not having software, while another third founded only a small problem. Only 7.5% found it a problem. While it is amongst large companies, shipping over 200 parcels a day, that most of these occur, even then, less than a quarter of those without software claimed it was a problem. This is a surprising result and suggests the need for some education amongst users.

**Users of paid-for software score the performance of their software above users of free software on every single factor**

### Use of any software

From a statistical analysis of the data, the most significant factors in influencing the need for any kind of software were (in each case the greater the number, the more likely it was that the company had software):

- The number of parcels per day.
- The number of employees based in that country.
- The number of external carriers.
- The number of post/mail room locations.
- The number of countries in which the company had warehouses and/or to which they shipped.
- Finally, those who provide progress information to customers were more likely to have software to help them do so.

Amongst those with software, however, two-thirds use free software supplied by carriers. We did not find that the country of the respondent made a significant difference to whether or not they have software, but it did make a difference to whether that software was free or paid for. The UK was the highest user of free software, with Germany and the Netherlands having a similar higher use of specialist software.

### Two-thirds of those with software use free software supplied by carriers

The main reason given by two in five customers who have free software for not choosing specialist software is that their volumes are small and free software works fine. This is backed up by statistical analysis: parcel volumes predict both software and specialist software use.

The second most important reason, stated by more than one in four respondents, was simply that they have not considered an alternative! There were cases of respondents using 15 sets of free software effectively barring convenient integration of data and end-to-end visibility of the entire order-to-cash despatch process. However, another 17% are planning, in equal numbers, to buy or develop software.

### Use of paid-for software

The key factors influencing ownership of paid-for software were (the greater the number, the more likely to have paid-for software):

- The number of parcels shipped per day.
- The number of employees in the company, whether at local, country or total level.
- The number of external carriers used. 75% have two or more carriers.
- The number of warehouse and post/mail room locations.
- The number of countries in which the company has warehouses and/or mail rooms.
- The UK was also the least likely to have paid for software.

**The segments that were most likely to use specialist software were engineering, online retail, consumer, financial and business services, and publishing.**

## Software interfaces

We asked respondents what applications or systems their software was interfaced to. They were able to select as many interfaces as applied. A manual interface was most common amongst those using free software, with almost 50% of respondents reporting this interface.

A quarter of respondents have an interface to a warehouse management system (27%) and a similar number to an order processing system (24%). The other two important interfaces were: one in five had an application allowing employees to book dispatches from their desktop (20%) and one in six had an interface to an ERP system (16%).

A very different pattern appears amongst those with specialist software. Most importantly, benefiting from the extra sophistication of specialist packages, there is approximately 50% more extensive use of interfaces.

The most important applications, both with over 40% of respondents, are applications enabling employees to book dispatch from their desk (46%) and an interface to a warehouse management system (44%), while almost 40% also have a manual interface.

The other important interfaces are: an order management system (29%), a financial or legal administrative system (26%) and an e-commerce system (22%). Apart from a number of specialist interfaces, the lowest number of interfaces was recorded for the ERP system (13%).

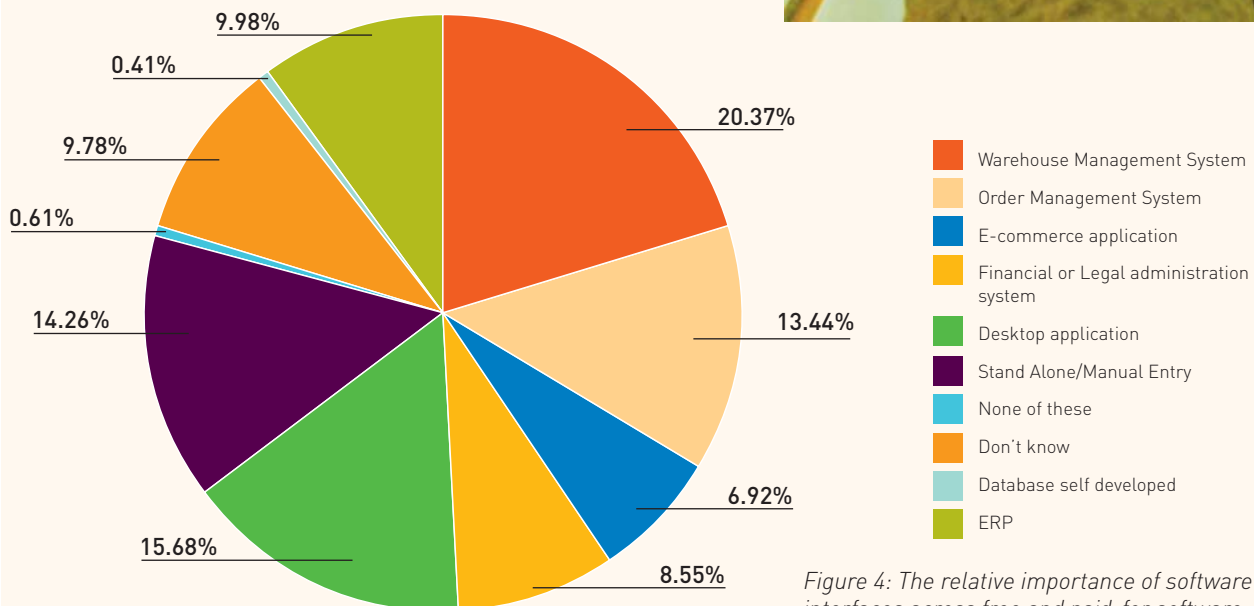


Figure 4: The relative importance of software interfaces across free and paid-for software. There are significant differences between the two groups, as noted in the body of the report

## Software functions and requirements

It is clear that most suppliers are failing to meet the requirements of customers, although this reduces significantly as larger companies buy more sophisticated applications from specialist suppliers.

We asked customers to rate the importance of a range of different functions or benefits and then to rate their supplier or software on its performance particularly in the low-end and free software markets. Asking the customer how important something is makes it a benchmark for performance. For example, if a particular function is unimportant then customers would not expect or need the supplier to score highly; but if the function or benefit is extremely important they would expect it to score highly too.

We found that in many application areas, supplier scores were below importance. This means that many customers are failed by their suppliers.

However, average satisfaction increases progressively from low-end to high-end market segments. Users of paid-for software also score the performance of their software above users of free software on every factor.

The most important benefit of multi-carrier software is to reduce costs. This item topped all three market segments. The second most important benefit, in all three segments, is the ability to handle parcel variety.

Importance then varies across the markets, although carrier compliance is important in both the mid and large user markets and customer communication fairly important in all three markets.

There are also important micro-distinctions. For example, although the ability of users to 'send parcels from their desks' comes lowest in both the low-end (sub 85 parcels per day) and large user markets and in the bottom third of the mid-market, it is actually very important to over a third of the large user market (→200 parcels per day) and almost 40% of the mid-market.

Similarly although 'cost modelling' and 'eliminating hassle' score relatively low, they are the only two significant factors (in a regression model) for predicting choice of paid for versus free software, together accounting for some 15% of the difference. There are also significant differences between paid-for and specialist software, as shown in the chart.

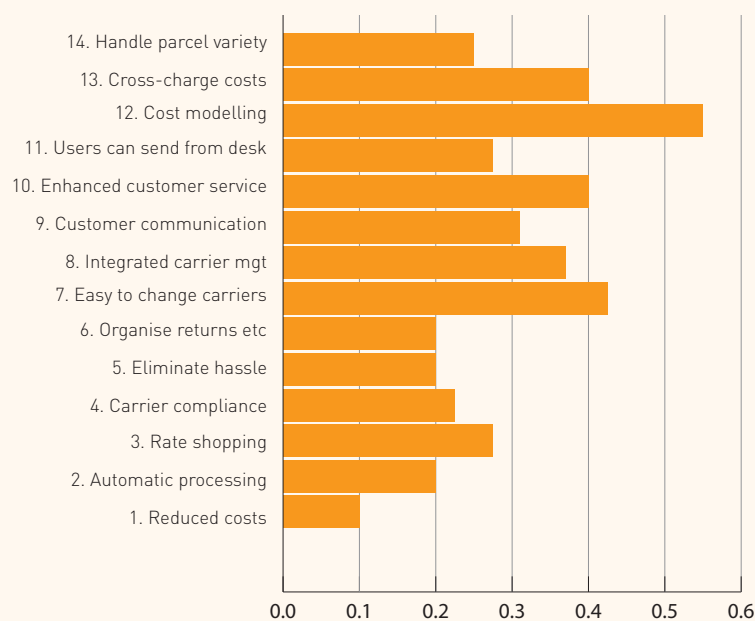


Figure 5: Users of paid-for software score satisfaction higher on every factor

## Usage of specific services

We also checked on the usage of specific services. For example, overall, almost 3 in 5 firms have multiple collection times by carriers to improve their service and operational flow. However, amongst mid-market and large market firms this increases to about four in five.

Only one third of the low-end firms use account numbers to allocate costs of dispatch but this rises to 60% in mid-market firms shipping 85 to 200 parcels per day and to 66% in firms shipping more than 200 parcels per day.

In the survey, almost a half of respondents said that customers can contact them and they had access to information to tell them about their delivery. One quarter each of the respondents provided their customers with full visibility through direct access to information, while the last quarter did not provide this information.

However, only about half of respondents had full track & trace capability, rising to three and out of five amongst firms shipping more parcels (mid-market and large market, i.e. all firms shipping over 85 parcels per day).

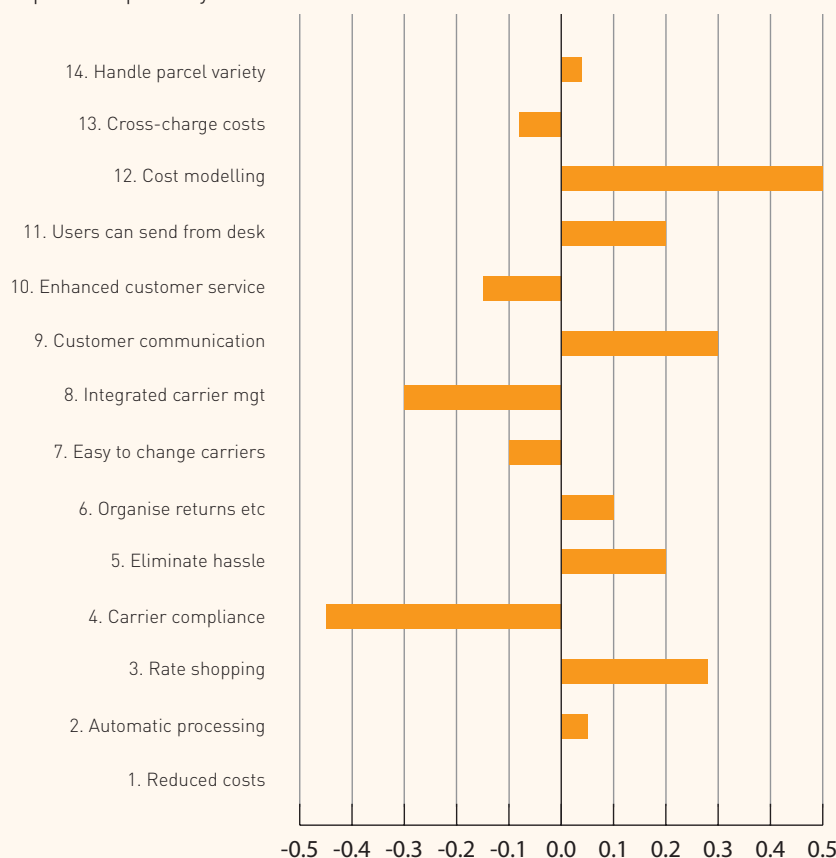


Figure 6: Customer requirements and vendor performance. Overall Mean scores. 1=Not important, 3=Very important

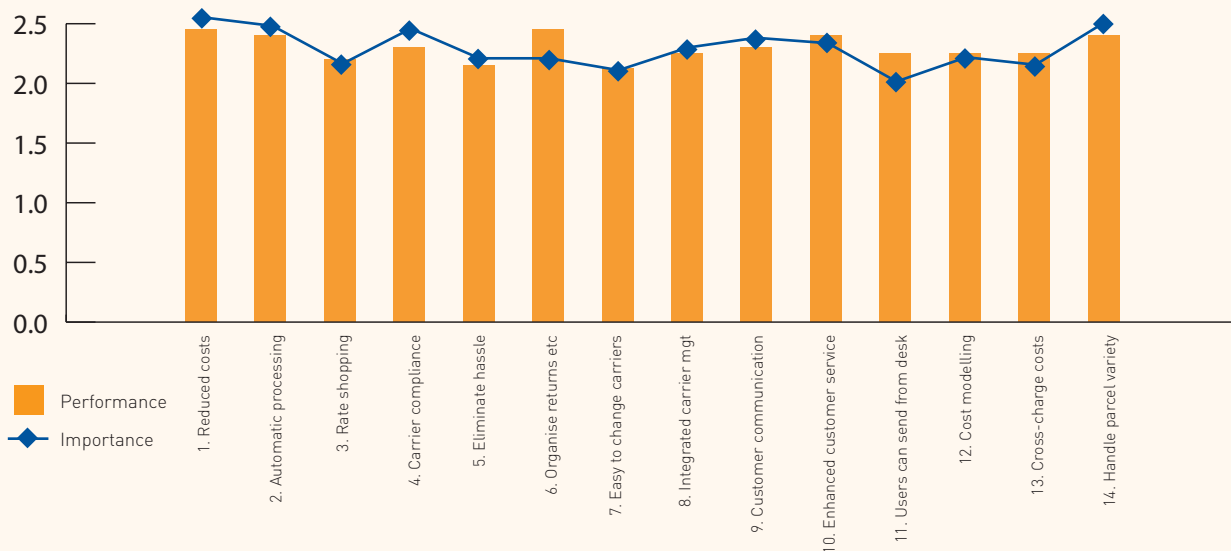


Figure 7: Customer requirements and vendor performance. Overall Mean scores. 1=Not important, 3=Very important

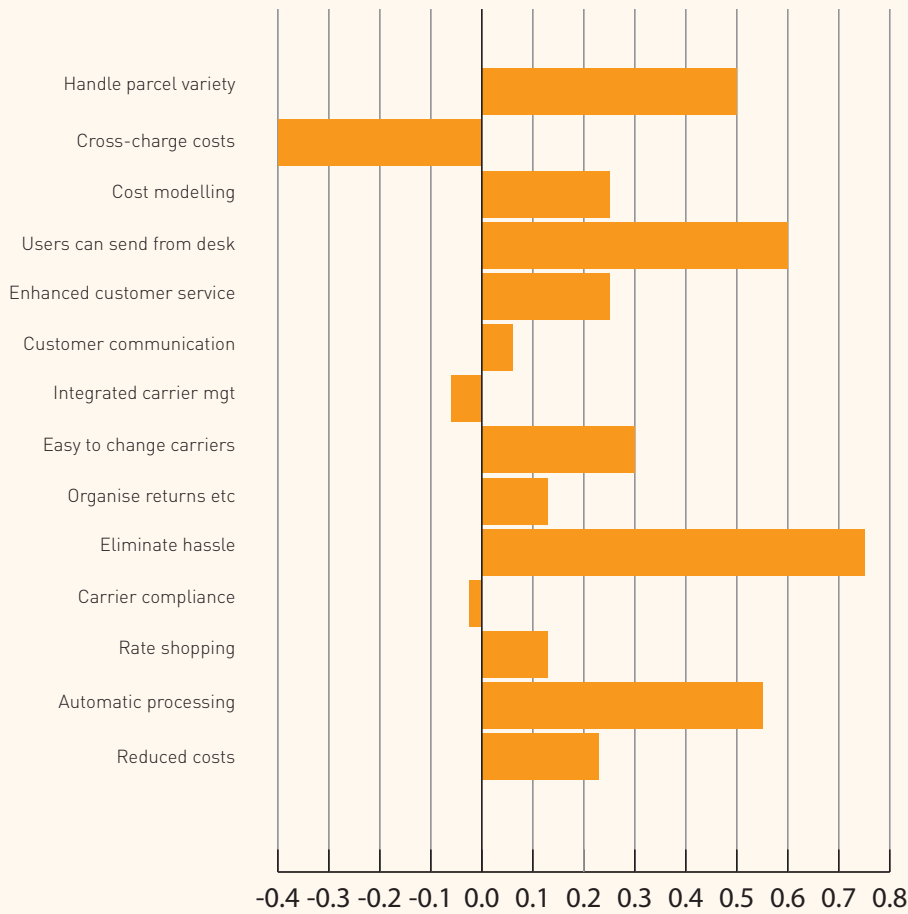


Figure 8: positive scores, right of axis, indicate customers want more than vendors provide. Users of paid-for software and those in the large market segments get a better match to expectations.

	Low-end market	Mid-market	Large user market (>200)
1.	Reduced costs	Reduced costs	Reduced costs
2.	Handle parcel variety	Handle parcel variety	Handle parcel variety
3.	Organise returns etc	Carrier compliance	Automatic processing
4.	Customer communication	Customer communication	Carrier compliance
5.	Easy to change carriers	Enhanced customer service	Customer communication
6.	Automatic processing	Easy to change carriers	Enhanced customer service
7.	Rate shopping	Automatic processing	Integrated carrier mgt
8.	Eliminate hassle	Rate shopping	Cost modelling
9.	Enhanced customer service	Integrated carrier mgt	Organise returns etc
10.	Carrier compliance	Users can send from desks	Eliminate hassle
11.	Cross-charge costs	Organise returns etc	Rate shopping
12.	Cost modelling	Cost modelling	Cross-charge costs
13.	Integrated carrier mgt	Eliminate hassle	Easy to change carriers
14.	Users can send from desks	Cross-charge costs	Users can send from desks

Figure 9: Application functions/benefits in order of importance (top to bottom) in each of the low-end, mid market and large user marketplace.



## Return on investment and pricing

Customers report that specialist multi-carrier software has an excellent return on investment profile.

Overall, over 40% of respondents (on a weighted basis) claimed to have achieved a break-even return on investment within six months and two-thirds (65%) within one year. Less than a quarter (23%) said that it took more than two years to achieve break-even.

However, results in the mid- and large markets are even better. In the mid-market, almost two thirds achieve break even within six months and five out of six within 12 months. While the large market results are more modest, they would still be desirable in almost every other software or indeed general investment category: over one third achieve break even within six months and over 70% within 12 months. Less than 10% take more than two years. Given that large organisations are often more rigorous in their evaluation of investment, it may also be that smaller companies have simply not noticed the benefits or have not developed a cost model for evaluation.

**Companies have very rapid ROI. Two-thirds or more break even in a year or less.**

Vendors use a variety of pricing models according to the respondent user base, often based on an up-front capital cost plus increments for extra modules and/or carrier interfaces and maintenance. However, some vendors charge on per-parcel usage basis, by rental, on asp usage, as well as novel combinations of factors.

**Almost 3 in five users (59%) claimed to develop their own software.**

## Build or buy?

Users of specialist (i.e. paid-for) software have a variety of sources for their application. Almost 3 in five (59%) claimed to develop their own leaving the variety of different suppliers competing for the balance. Furthermore, they did not feel that using their own IT resources in this way was a waste of their time.

This seems to contradict good business sense. One of the benefits of specialist software is access to a library of carrier Interface routines, making it easier to change carriers if required. Furthermore, specialist software developers are able to include a variety of different functions by amortising the costs across their multiple clients.

Over the last 20 years, there has been a substantial growth in the packaged software market across most industry categories. This is because packaged software generally affords users more and better choice in function with more reliable operation at a lower cost. Most category users need a set of relatively standard but configurable functions, making packaged software particularly suitable. Capgemini agree: they suggest that manufacturers, wholesalers and retailers already using ERP systems will benefit from off-the-shelf software, with little or no customisation to specific needs.

Software is also relatively cheap compared with other markets, reinforcing the benefit of buying. Prices may even be too low. Capgemini also found that vendors apply a cost-based pricing formula rather than pricing on benefits to users (which are much higher). Market prices are thus relatively low in the industry. Vendor income is further divided in a fragmented market,. Our research confirmed the general Capgemini findings: there was only one global brand. Lower and divided revenues might affect vendor R&D and service funding, but consolidation should assist.

However, software represents excellent value: relative low in cost and high in benefit. A good market to buy in.

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[www.infodis.nl](http://www.infodis.nl)



## About Pitney Bowes

Pitney Bowes Inc. is a Fortune 500 company that provides integrated mail, messaging and document management solutions. With global revenues of \$5.5 billion and operating in more than 130 countries, Pitney Bowes has two million customers of all sizes who benefit from increased efficiency and effectiveness throughout their entire mailing process.

### Pitney Bowes EAME (Europe, Africa, Middle East)

Pitney Bowes currently employs 6,000 people across the EAME region with direct representation through 17 operating companies and dealer relationships in a further 37 markets.

Whilst Pitney Bowes Distribution Solutions is a fairly new face in Europe, a 30 year development heritage in the US has produced more than 15,000 installations worldwide, positioning PBDS as the global leader of shipping solutions in the ARC Advisory Group survey 2006.

### Carrier Selection Systems: what can they do for you?

To reach new markets or new customers, your company is likely to use more than one carrier, the choice being dependant on the profile of the shipment and its destination.

At the same time, carriers are offering a large number of services, which can make the carrier selection rules more complex and the consolidation of data more tedious.

#### Dealing with multiple carriers means that you need to:

- Adapt to different shipping procedures (sometimes manual)
- Maintaining multiple labels and document libraries
- Struggling to get the full end-to-end visibility of the order to cash loop
- Forfeit customer value for your (limited) process adaptability

#### Adding or changing carriers means that you need to:

- Implement time-consuming process changes
- Keep up to speed with the carriers specs
- Distracting your IT department from their core activities
- Going through the carrier approval

**The ideal solution would be to use an independent carrier selection system such as GSA XE, scalable, customised to your requirements that would create real long term value.**

**GSA XE (Global Shipping Application)** supports the rates, the labels, the manifest, all the required documents as well as the EDI data transfer to multiple carriers. It automates the shipping process and integrates the information between the various enterprise systems. With GSA XE, the logistics centre can monitor the tracking events at every stage to support an **information-rich customer service**.

**GSA XE** is designed to cope with the ever-changing shipping requirements. Pitney Bowes has developed a library of carrier components that represents approximately 70% of the parcel volume in Germany, Benelux and UK. A team is dedicated to ensure ongoing development, update of these components as well as obtaining the carrier approvals on behalf of our customers. Any change required by your contracted carriers will be updated by Pitney Bowes. **Adding a new carrier becomes easy and seamless.**

**If you want to:**

**GSA XE will:**

**DELIVER VALUE TO YOUR CUSTOMERS**

- Flexible choice of carriers
- Proactive customer service
- Flawless return process

**DELIVER CUSTOMER DRIVEN SOLUTIONS**

- Multiple currencies, origins & accounts
- Consolidated Track & Trace info
- Effective returns management

**DELIVER COST EFFICIENCY**

- Complete loop order to cash
- Real time expenditure forecasts
- Inventory reduction

**DELIVER COST DRIVEN MODEL**

- Straight obedience to business rules
- Strict compliance with carriers
- Sound decision-making tools

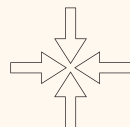
**DELIVER GROWTH ENABLERS**

- Agile organisation
- Integration with enterprise data
- Fully automated processes

**DELIVER ROBUST IMPLEMENTATION**

- Seamless integration with ERP, WMS
- Proven sizeable technology
- Reliable Pan-European support

**Centre of Excellence:** Applying the Pitney Unified Process (PUP) as development lifecycle methodology for our shipping solutions has resulted in state-of-the art products which are compliant with the carrier requirements. It also allows seamless integration with the systems and processes on customer's sites. Continuous evaluation of our product development processes as well as our project implementation review has led to reduce the time to market.



**Project Initiation And Planning**

Establish the scope of the project. Identify the high-level schedule for the major deliverables. Define the expectations and a clear mission for the project team.

**Requirements - Design**

Translate customer needs into product specifications and system architectural design. High level of interaction with customers/users is required at this stage.

**Development**

Build the solution upon the outlined requirements and system architectural design. Test the system against the acceptance criteria.

**Deploy**

Complete customer's training. Finalise acceptance testing. Deploy the solution into the customer's test environment.

**Project Close**

Review the solution and establish the required support processes at customer site as well as the support interfaces into the Pitney Bowes Centre of Excellence.



## About Stepping Stones Consultancy

Category of one research and strategy

Stepping Stones is a consulting research agency serving major brands since 1991. It is led by Prof. Angus Jenkinson, who also leads the Centre for Integrated Marketing.

Our focus is providing strategy, planning and research insights. In particular, we identify insights that define your customers and their needs as well as your unique value to them. We then help to develop the business, strategic and communications model that optimises your business performance.

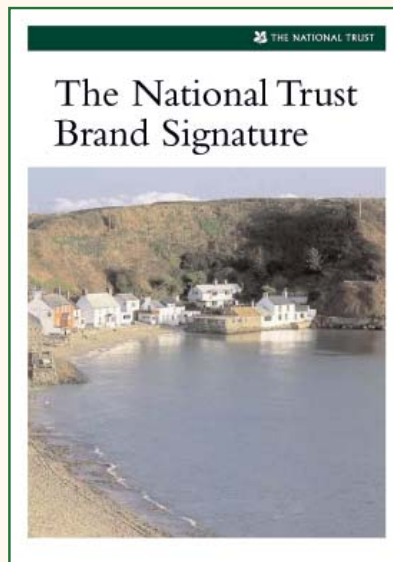
We assess and develop your communication strategy applying integrated marketing to reduce costs and improve results.

Powerful research, planning and strategy tools, such as Stellar, CODAR and TOUCHPOINTS, give superb added value.

- branding and customer profiling
- business model
- market sizing and definition
- marketing and communication strategy and planning
- brand research and tracking
- customer satisfaction, attitudes and needs
- value design
- enhanced integrated marketing performance

### Clients include:

Pitney Bowes  
Masterfoods  
NSPCC  
Roche  
Novartis  
Mind Your Own Business  
KB49  
IBM  
Barclays Private Bank  
ICG plc  
Olympus  
Royal Mail  
Toyota  
Vodafone



The National Trust is one of Britain's leading brands. After a century of service they needed to reconnect to the roots of their identity. The unique Brand Signature service identified the true essence of the brand as well as positioning, customer need states, brand personality and leading image.

Staff and agencies across the organisation described how inspired and empowered they were, and how it aided decision-making at all levels.



See [www.icgplc.com](http://www.icgplc.com)

ICG plc is a leading financial services company. In 2006 our international research review of their identity, client needs and marketplaces, using Stellar®, led to new insights, as a result of which we rebranded and repositioned the firm.

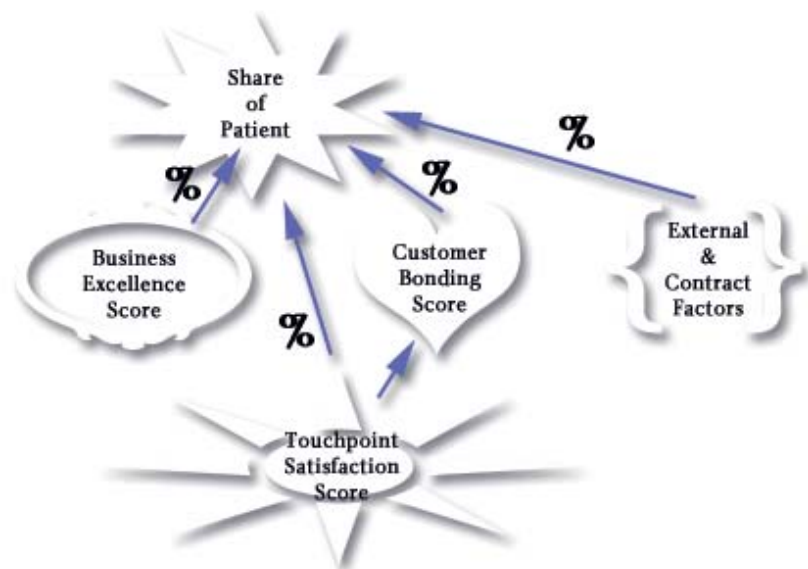
We then designed and developed a range of communication

tools, from signs to stationery to PowerPoint templates. Including a sophisticated, multi-language, multi-market website with internet and extranet components.



If you would like to receive our newsletter, The Leader's Edge, or get assistance with one of your projects, please email Angus Jenkinson on [angus.jenkinson@stepping-stones.org](mailto:angus.jenkinson@stepping-stones.org).

**TOUCHPOINTS** is a research tool that identifies customer attitudes and business potential for service improvements for Novartis Consumer Health across 10 countries. We measure current performance and the relationship between share of customer and various customer attitudes. According to Geir Halstad, the European head of the project, "Angus's unique combination of analytical sharpness and operational business understanding made his company Stepping Stones our preferred partner for our annual Global Customer Satisfaction surveys within Novartis Medical Nutrition. The learnings from the surveys have had direct impact on the way we do business."



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*Engineering the flow of communication™*