

# How ePoD enhances customer satisfaction in the 'last mile'

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From traditional goods shipments to the more recent and rapidly growing ecommerce-fueled home deliveries, the 'last mile' plays an absolutely crucial role in the supply chain. If you get it wrong, you risk losing customers; but if you get it right, you might just win a customer for a long time. It's therefore unsurprising that there's so much emphasis on this 'last-mile' or 'final-mile' delivery stage.

The UK market is extremely competitive. Companies are increasingly well informed, and increasingly expect high service levels and value for money. And with the rise of social media, it's even more important to 'get it right'. A recent study found that shippers tend to monitor the social media, and if any negative comments emerge about the parcel carriers they use, this can provoke them to change carriers.

It's therefore no surprise that electronic proof-of-delivery (ePoD) solutions are increasingly being enhanced with items such as quick customer satisfaction surveys. These enable the carriers to obtain quantitative data about their customer satisfaction ratings. Key service description factors are monitored, such as: 'Collects on time', 'Delivers on time', 'Rarely damages parcels', 'Offers sufficient alternative delivery locations', 'Collection of Returns' and 'Solves my problems'.

## Facing the challenges

Although logistics challenges abound at every link of the supply chain, the last mile carries some specific hurdles and characteristics that make it particularly tricky. As this period is so crucial, many companies outsource it to specialists. This pushes the problem of fluctuating demand into the hands of third party logistics providers. Assuming that driver and vehicle availability can be resolved with predictive forecasting tools, the issue is then about how to achieve consistent quality in terms of the final mile delivery performance.

This is why it's almost unthinkable to attempt to achieve this without some form of automation. By providing the drivers with the right personal digital assistant (PDA), loaded with an intuitive ePoD application, the third party logistics providers or parcel carriers effectively enforce the business processes so that the quality of the delivery should be more consistent.

Batch-based routing can work well for shippers such as auto parts suppliers, who deliver to other businesses on an almost daily basis. In these environments, a batch optimiser can plan the next day's deliveries after all of the orders for a day have been received. But with home delivery of items such as bedding, furniture, cabinets and home appliances, requests for deliveries are constantly cropping up. As customers might not be home during the day to receive goods, they need precise delivery options.

In these industries, communication during the last mile has to be outstanding, as the customer interaction is much more involved. When a company delivers goods inside people's homes, it has to be extremely careful. Workers have to be circumspect about soiling carpets and knocking walls - it's very different from delivering to a distribution centre or a retail store.

Furthermore, even when a delivery appointment has been arranged with the customer, circumstances can arise that keep them from being home at that specific time. An ePoD solution that pro-actively communicates with the customers to ensure their availability at the right time will significantly reduce the costs arising from unsuccessful delivery attempts.

## Putting it into practice

Here's an example of a typical communication strategy:

Once an order arrives at a shipper's depot, the shipper's system sends an email and makes an automated phone call to let the customer know that the goods have arrived at their local facility. After the shipper schedules the delivery date with the customer, the system sends an email confirmation the night before the delivery is due, offering a three-hour window for delivery. Once on the road, the ePoD solution also places a phone call 30 minutes before arriving at the customer's house, to confirm the delivery.

However, it doesn't stop there. The communication strategy should also take into account what happens after the delivery. For example, 15 minutes after it has taken place, an automated call could be made to the customer, with a survey that asks questions such as:

- **Was the delivery on time?**
- **Did you get a call 30 minutes in advance?**
- **Was the delivery in the right condition?**

This will help the shipper or carrier to intercept and correct any customer satisfaction issues before they spiral out of control.

Collecting this data in a structured way is ideally carried out in conjunction with the use of an ePoD solution. The company can then start to use big data analytics to identify areas of customer dissatisfaction. These could be regional, the type of parcel, type of customer, driver-related, vehicle-related, depot-related etc. Unstructured and anecdotal customer satisfaction stories will never allow the shipper or carrier to structurally improve the overall performance. That's why using a best-in-class ePoD solution is the best way of truly enabling improvements in the 'last mile' of delivery.

### Sources

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