



# HOW DO THE CARRIERS STACK UP?

PARCEL is proud to release the results of our 2016 carrier performance survey. **By Amanda Armendariz**

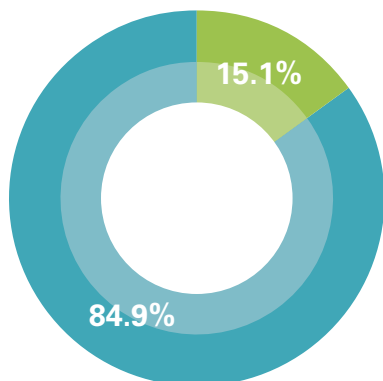
It's always interesting to see the results of various industry surveys. Not only can they help us benchmark our experience compared to our competitors', but they allow professionals a chance to share their experiences with others. In this carrier performance survey, we asked our readers to tell us how UPS, FedEx, and the USPS fared in terms of service, pricing, transparency, and more. It's interesting to note that most of the scores fell solidly in the 60-70% range. Definitely not shabby, by any means, but certainly not a gold medal score, either. But yet, shippers often feel trapped to some extent by the Big Two, assuming that the alternative options would not work for their operation. Could this lead to a sense of complacency among UPS and FedEx? That is certainly one hypothesis (but let me be clear, UPS and FedEx are also extremely competent at serving certain segments of the marketplace; no one is suggesting they do not serve a valuable purpose!). And there are definitely bright spots;

when it comes to delivery performance and on-time service performance, both UPS and FedEx scored very close to (or even slightly above) an 8 on a scale of one to 10. Since the Olympics are on my mind as I write this, I'm going to say that these are bronze medal honors. Very impressive!

But if shippers are feeling frustrated by the not-so-impressive aspects of UPS and FedEx, why do they not explore other options? Some definitely are; the numbers of folks using USPS has gone up, even if the number is lower than those using the Big Two. And while most of the USPS scores are lower than those given to UPS and FedEx, I am willing to bet that these scores go up as the USPS continues to make improvements to its ever-growing parcel network. Furthermore, more and more shippers are exploring partnerships with regional carriers, which means that the industry as a whole could be getting closer and closer to establishing the perfect carrier mix.

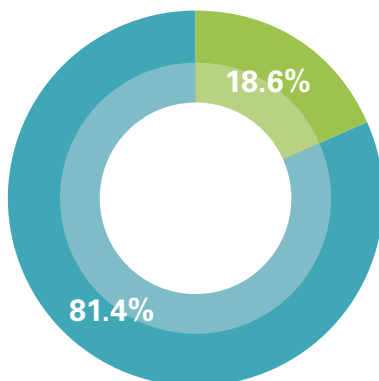
## FedEx

Did you use FedEx in the last 12 months for domestic parcel shipping? ■ Yes ■ No



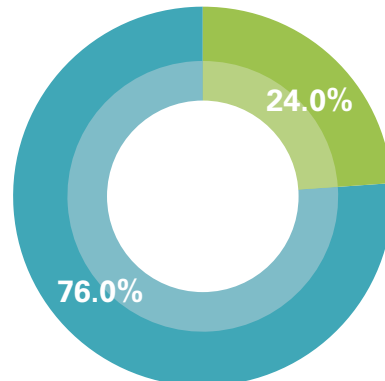
## UPS

Did you use UPS in the last 12 months for domestic parcel shipping? ■ Yes ■ No



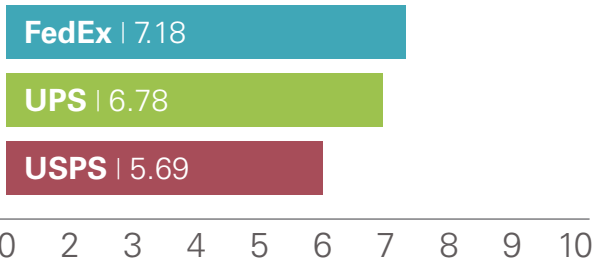
## USPS

Did you use USPS in the last 12 months for domestic parcel shipping? ■ Yes ■ No

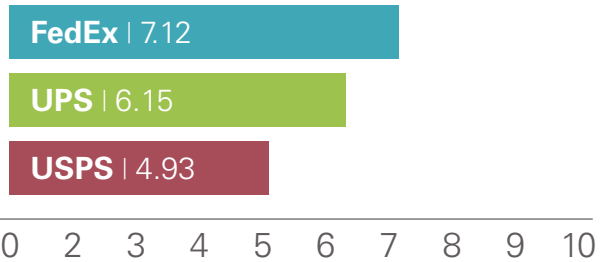


# Rating the Carriers

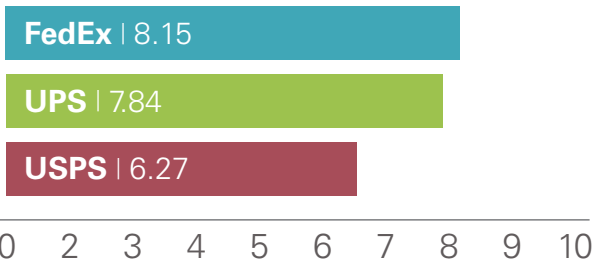
## Customer Service



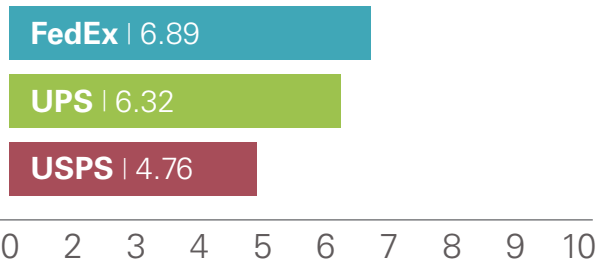
## Claims Processing



## On-time Service Performance

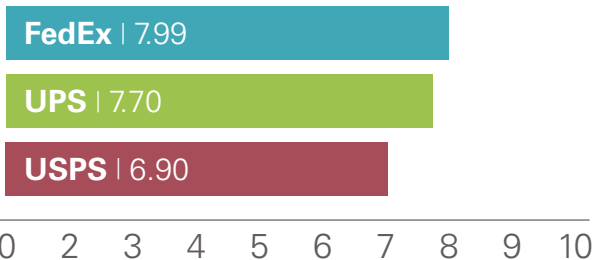


## Refunds for Late Delivery

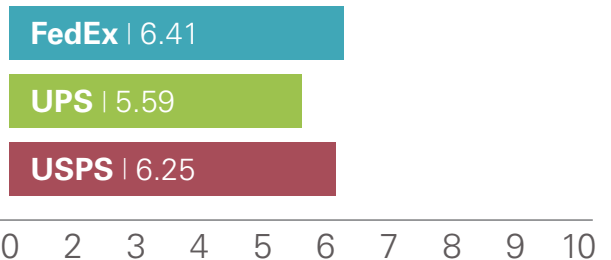


## Delivery Performance

(driver courtesy, package handling)



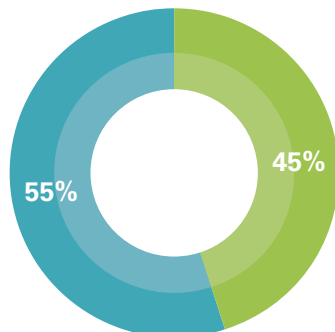
**Pricing** (published rates for service levels, willingness/fairness of negotiations)



# Other Insights into Our Industry

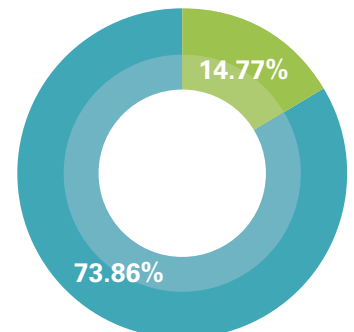
Do you think that there is enough competition in the parcel delivery market to keep pricing reasonable and service good?

■ Yes ■ No

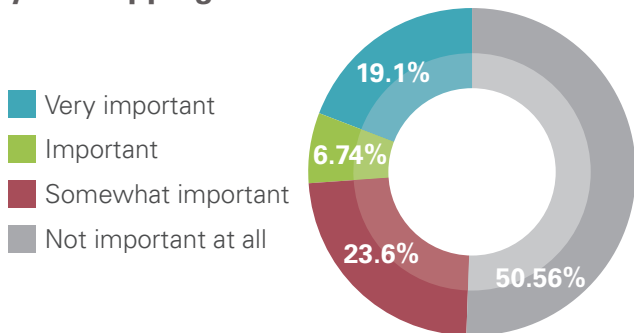


Do you think that the cost of transportation will be a greater percentage of gross company revenue in 5 years than it currently is?

■ Yes ■ No

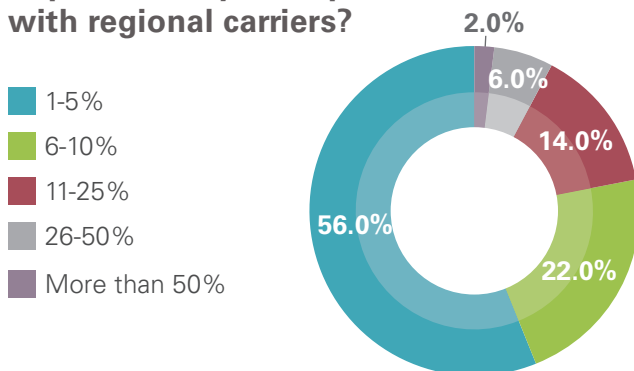


## How important are regional carriers to your shipping mix?

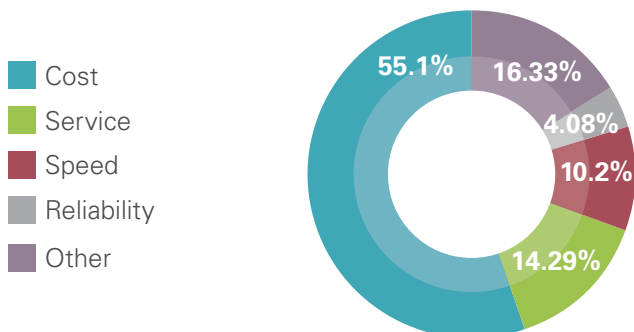


Shippers' utilization of regional carriers is indeed growing, but the number of shippers who state that regional carriers are "not at all important" to their shipping mix is still the majority. I would wager that as e-commerce continues to grow (which means more residential deliveries and the corresponding UPS/FedEx surcharges), the number of shippers utilizing regional carriers will rise dramatically.

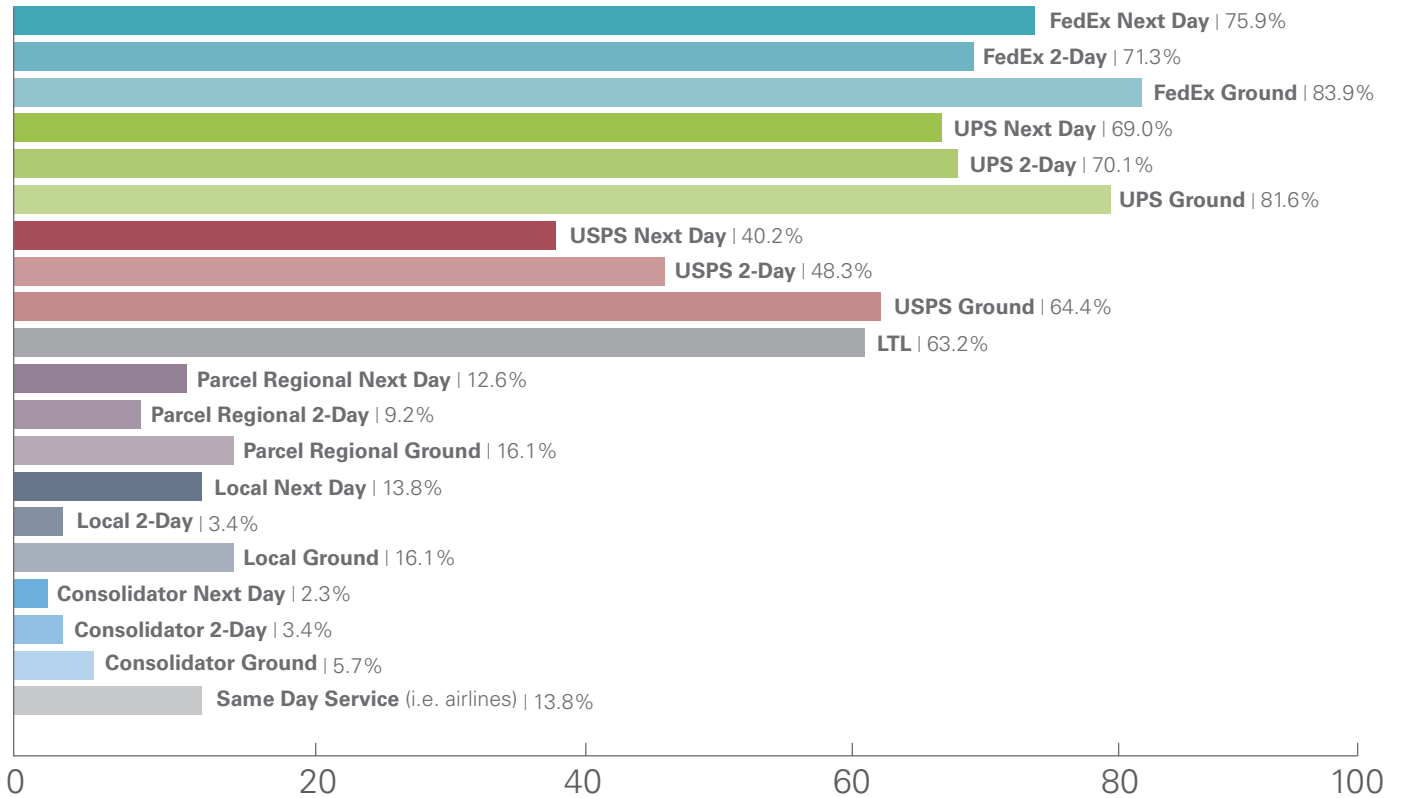
## If regional carriers are part of your shipping mix, what percentage of parcels do you ship with regional carriers?



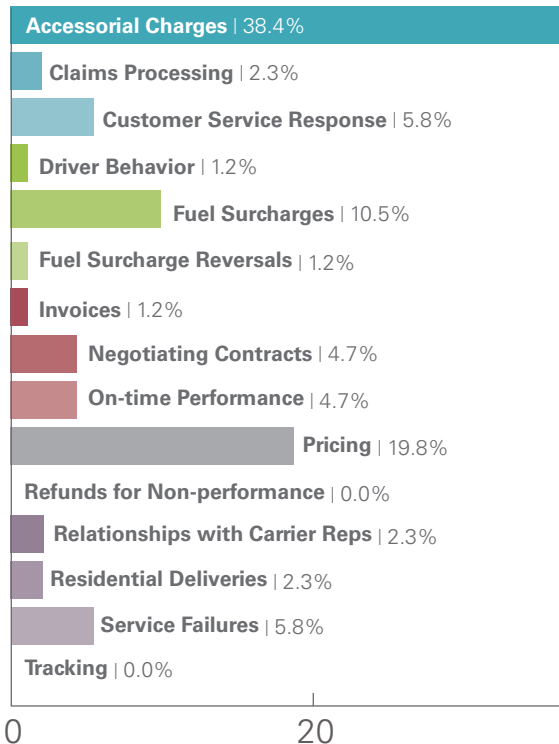
## If you use regional carriers, what is the PRIMARY reason you chose to do so?



## Check all of the carriers and levels of service you have used so far in 2016:



## What is your biggest complaint about your primary domestic parcel carrier?



## If you have modified your PRIMARY carrier in 2016, please check the statement that best describes your reason for changing.

