

HOW DO THE CARRIERS STACK UP?

Our annual survey asks our readers to rank the carriers on a variety of aspects — here are the final results.

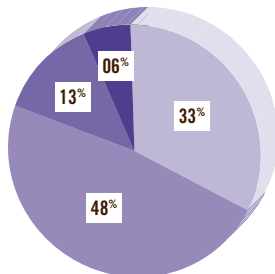
By Amanda Armendariz

FEDEX

Eighty-two percent of our respondents have used FedEx within the past year. Here's how FedEx rates in the opinions of our readers:

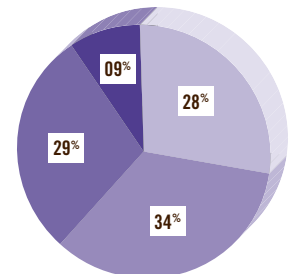
Customer Service

- Poor
- Fair
- Good
- Excellent



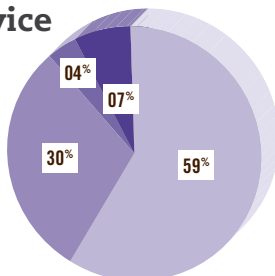
Claims Processing

- Poor
- Fair
- Good
- Excellent



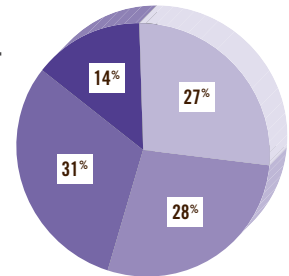
On-Time Service Performance

- Poor
- Fair
- Good
- Excellent



Refunds for Late Delivery

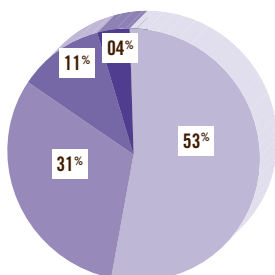
- Poor
- Fair
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Delivery Performance

(driver courtesy, package handling):

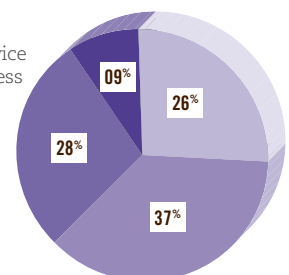
- Poor
- Fair
- Good
- Excellent



Pricing

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

- Poor
- Fair
- Good
- Excellent



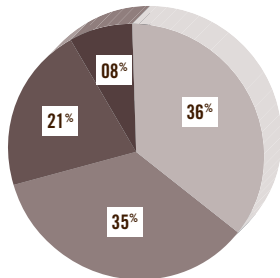
People love to give their opinions when it comes to companies they deal with on a regular basis, and our readers were no exception. We'd like to thank everyone who participated in this survey for giving us their insight about the major parcel carriers. From customer service, to on-time delivery, to refunds for late delivery — our readers weren't shy about rating the carriers. Some results were impressive, like how a full 59% of respondents rated FedEx's on-time service performance as excellent. Others, however, could use improvement. As you look through these results, do you find yourself nodding in agreement, or do you have a different view of the carriers than some of your peers? If you'd like to leave a comment on these results, scan the QR code at the end of this piece.

UPS

Eighty-four percent of our respondents used UPS within the last 12 months. Here's how they rate:

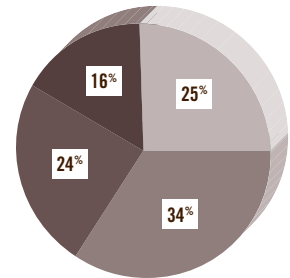
Customer Service

- Poor
- Fair
- Good
- Excellent



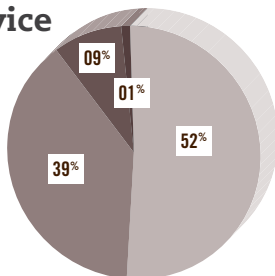
Claims Processing

- Poor
- Fair
- Good
- Excellent



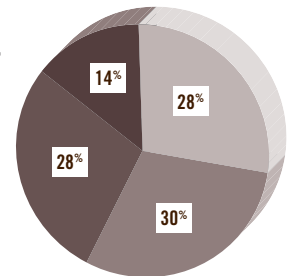
On-Time Service Performance

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- Excellent



Refunds for Late Delivery

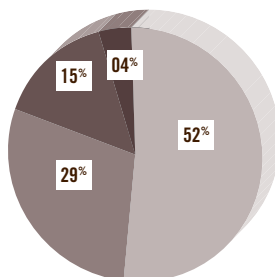
- Poor
- Fair
- Good
- Excellent



Delivery Performance

(driver courtesy, package handling):

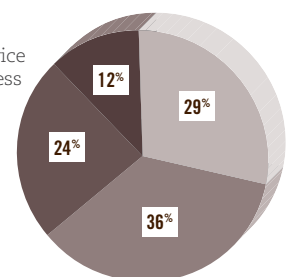
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Pricing

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

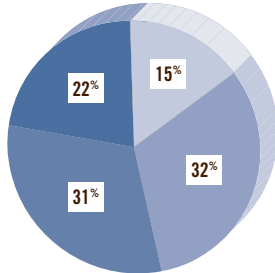
- Poor
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Sixty-nine percent of our respondents used USPS within the last year. Here are their thoughts on the carrier:

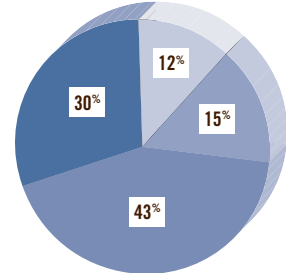
Customer Service

- Poor
- Fair
- Good
- Excellent



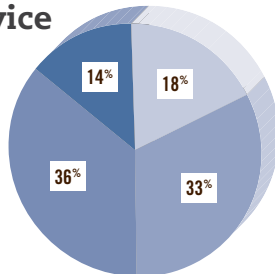
Claims Processing

- Poor
- Fair
- Good
- Excellent



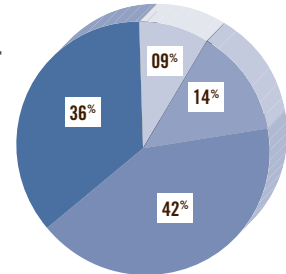
On-Time Service Performance

- Poor
- Fair
- Good
- Excellent



Refunds for Late Delivery

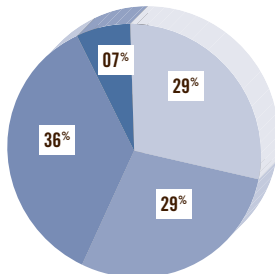
- Poor
- Fair
- Good
- Excellent



Delivery Performance

(driver courtesies, package handling):

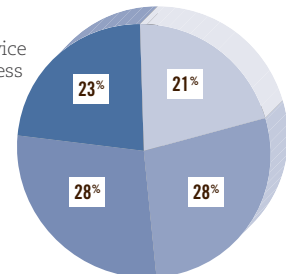
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Pricing

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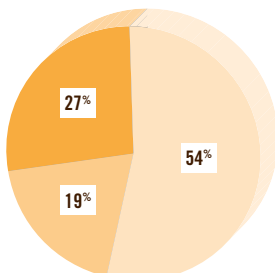
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YOUR THOUGHTS ON THE PARCEL INDUSTRY

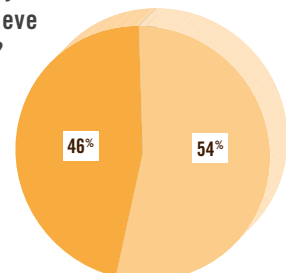
Do you think UPS' proposed merger with TNT would be an overall positive or negative to the parcel industry?

- Positive
- Negative
- Not sure/no opinion



The lawsuit brought by AFMS in response to UPS and FedEx's policy to prevent shippers from working with third-party negotiators (3PNs) is scheduled for trial in 2013. If you had a crystal ball, who do you believe the ruling will favor?

- UPS/FedEx
- Third-party negotiators



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

YES: 35% | NO: 65%

Those who said there wasn't enough competition offered the following thoughts:

Don't know how anyone can compete with FedEx and UPS for ground parcel. DHL tried and could not make it. Only having these two really is driving costs up... year after year.

We need a third nationwide domestic carrier

It would be helpful if one of the regionals would consider expansion. I believe that there is a strong market for an alternative, even if the alternative offers less capability.

There is always room in any market for competition.

I don't think the answer is with regional shippers. Smaller size companies can't afford to divide up their parcel shipments among several shippers. I think the answer is to find a way to bring back DHL.

The regional carriers need to band together in some fashion to provide an alternative.

Short of more carriers entering the market to create more competition, nothing.

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: 84% | NO: 16%

Some believed it would be due to these factors:

Continued growth of e-commerce business and pressure to do same day delivery

Fuel

Labor costs

The dim factors and overall carrier pricing.

There seems to be no tangible relationship to the annual increases which are seemingly controlled by UPS & FedEx. If the increases were more in line with CPI, it would be more understandable. Of course, they are private (non-government) enterprises and they can do as they please.

Shippers have to pass this expense along if we are going to remain competitive on price.

Lack of competitive forces to mitigate UPS / FedEx continual upward pricing strategy.

All the additional fees that the carriers keep adding.

For those that modified their primary carrier in 2012, here were some reasons why:

50% | Needed to achieve better pricing

18% | Dissatisfied with service

03% | Changed our level of service
(i.e., air to ground)

13% | Diversified to use more carriers

05% | Reduced the number of carriers used

11% | Rebid transportation and a different carrier(s) won

The top three biggest complaints about the respondents' primary parcel carrier were:

44.0% | Accessorial charges

12.2% | Fuel Surcharges

12.2% | Pricing



Do you agree or disagree with your peers' assessments? Scan the QR code to leave a comment!