

Planning Report

What are InPost Parcel Lockers?

InPost Parcel Lockers are designed to allow consumers to order products online and to be able to take receipt of their purchases at a time that is convenient to them, 24 hours per day, and 7 days per week. In addition InPost Parcel Lockers allow for the easy return of goods, an important aspect considering up to 30% of clothing bought online is returned.

They bring many benefits to the consumer, but perhaps the most important ones are certainty and convenience. Certainty that they will not suffer the issues surrounding a failed delivery and convenience in that they are in control as to when they make their collection – on the way to work, coming home from work, or when they are out shopping. The key here is that they do not have to make a special journey, rather they weave their collection into their daily activity.



Why are they needed?

This is a question asked in the annual IMRG Home Delivery Survey:

3. Do delivery concerns ever prevent you from shopping online?

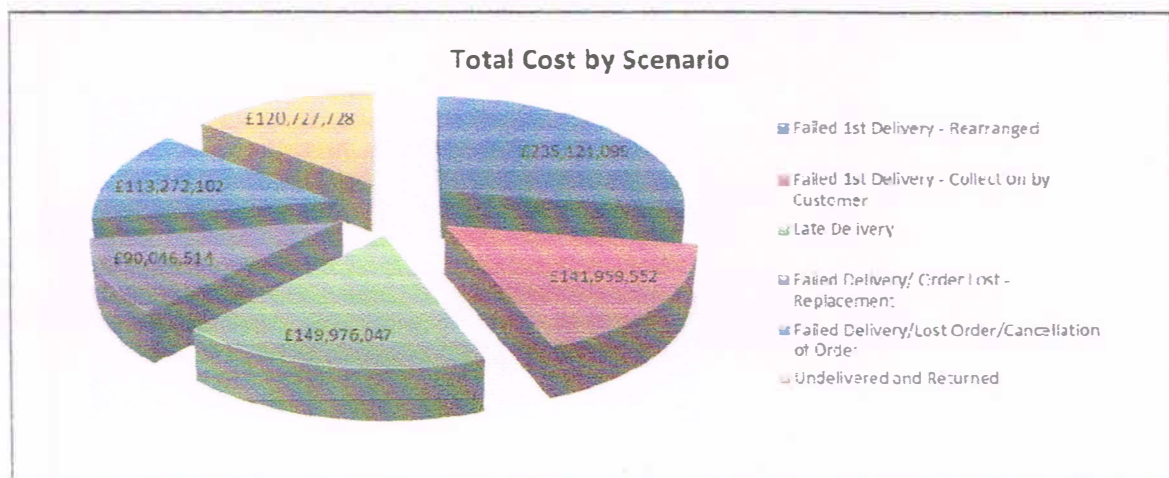
	2008/09	2009/10	2010/11	2011-12
Yes	49.4%	43.2%	46.5%	44.53%
No	50.6%	56.8%	53.5%	55.47%

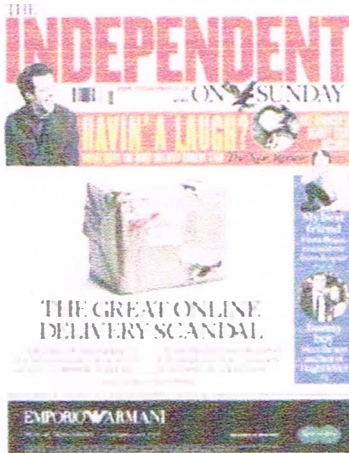
Of the 742 respondents that shop online 741 responded to this question

“The main concern for consumers is now clearly service-related and centred on the frustration of a delivery arriving (that cannot be left) when no-one is at home to accept it. Two-thirds of respondents ranked this as an important concern....” IMRG survey 2012.

Clearly consumers are looking for a wider choice of delivery options; InPost Parcel Lockers is the one delivery option that puts the consumer in control, being able to collect their goods at a time and place that is convenient to them.

The imrg Valuing Home Delivery Report 2012 found that the cost of failed 1st time deliveries was £851m per year, split between the consumer, the retailer and the parcel carrier.





The Independent on Sunday reported on the home delivery performance for Christmas 2012 and stated:

"During December, industry executives estimated that at least 225,000 parcels each day failed to arrive when promised."

"The worst problems faced by disappointed online shoppers included Christmas presents disappearing; packages being left at the wrong address; couriers claiming addresses didn't exist; days wasted waiting for non-existent deliveries; and spending large sums calling premium-rate numbers to try to track down missing parcels."

"Research by the consumer campaigners Which? found that 60 per cent of people shopping online last year had problems with delivery of their item."

Government e-Commerce Policy

[Data to be provided]

Key Benefits of Deliveries into Parcel Lockers

Delivery of items into Parcel Lockers provides many benefits for all the parties concerned in the online shopping experience, the Consumer, the Retailer and the Carrier. There is also another significant winner in this scenario – the Environment.

Consumer: As noted previously two key aspects about home delivery have a direct impact on the shopping experience, failed deliveries due to no one being at home to accept the delivery, and the cost of having to make arrangements to receive an initial failed delivery.

Retailer: The retailer is spending £325m every year due to failed deliveries, resulting in disgruntled customers and ultimately higher costs.

Parcel Carriers: With up to 15% of first time deliveries failing the cost to the Parcel Carriers is huge, £275m every year, delivery into Parcel Lockers can reduce this cost considerably, In addition, a carrier typically delivers one parcel to one address, this is a hugely inefficient way to make deliveries. Consolidated deliveries into parcel Lockers reduces the cost of a delivery by up to 10 times.

Environment: By reducing the number of individual deliveries into residential areas and replacing them with consolidated deliveries into commercial areas, the local environment and its residents can see significant reductions in pollution levels and traffic noise. Additionally, as recipients typically collect their items as part of their existing daily lives no additional journeys are required to be made.

Approach to site selection

The correct sites selection is key to the success of the individual Parcel Lockers. Each location is vetted to ensure the following criteria:

- Ease of access and parking
- Located in well-lit areas
- Are clearly visible
- Located in commercial or transport orientated areas

One of the key aspects in selecting a suitable location is to take into account the existing level of commercial traffic in order that we do not increase traffic levels in non-commercial areas.

In terms of areas of the country for locating Parcel Lockers we have utilised the Local Authority population census data and have based our calculations on one Parcel Locker for every 30,000 population. This will provide for approximately 2,000 terminals across Great Britain.

Typical Site Installations

Successful Parcel Lockers are found in the following types of locations:

- Supermarkets
- Petrol Stations
- Retail Parks
- Train Stations

In each case the Parcel Locker is located in such a way as to blend in to its environment, causing the least amount of disruption, yet providing the maximum amount of benefit to the community it serves.

Examples of existing locations

