

**FREE GUIDE**

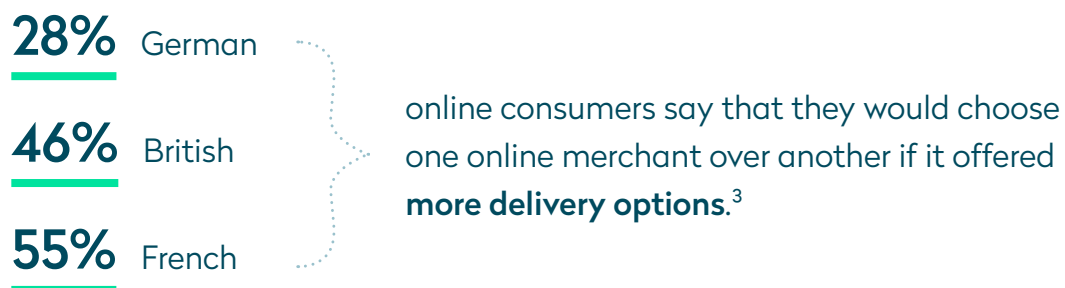
# Top 3 reasons every European online shop should offer out-of-home



## Introduction

Over the past couple of years, demand for **visibility, flexibility and control** of the delivery and returns journey has become increasingly important for online shoppers.

**59%** of online consumers will choose another e-tailer if the shop's delivery options are better suited to their needs.<sup>1</sup> Furthermore, **36%** will never buy from the same online merchant if they have a negative delivery experience.<sup>2</sup>



So, how to gain and retain customers? Your **delivery and returns performance is a differentiating factor**.

A localized approach is the key to opening the doors to a **customer-centric** journey and to increasing the chances of customers returning to your online shop for more. Customers want control over their delivery and returns experience; this is achievable by offering **multiple delivery options**, so **they can choose** the one that meets their needs best.

Additionally, consumer demand for sustainable consumption is also rising<sup>4</sup>, and conscious online shopping - including **sustainable delivery options** - is another factor to consider in today's online shopping behavior.

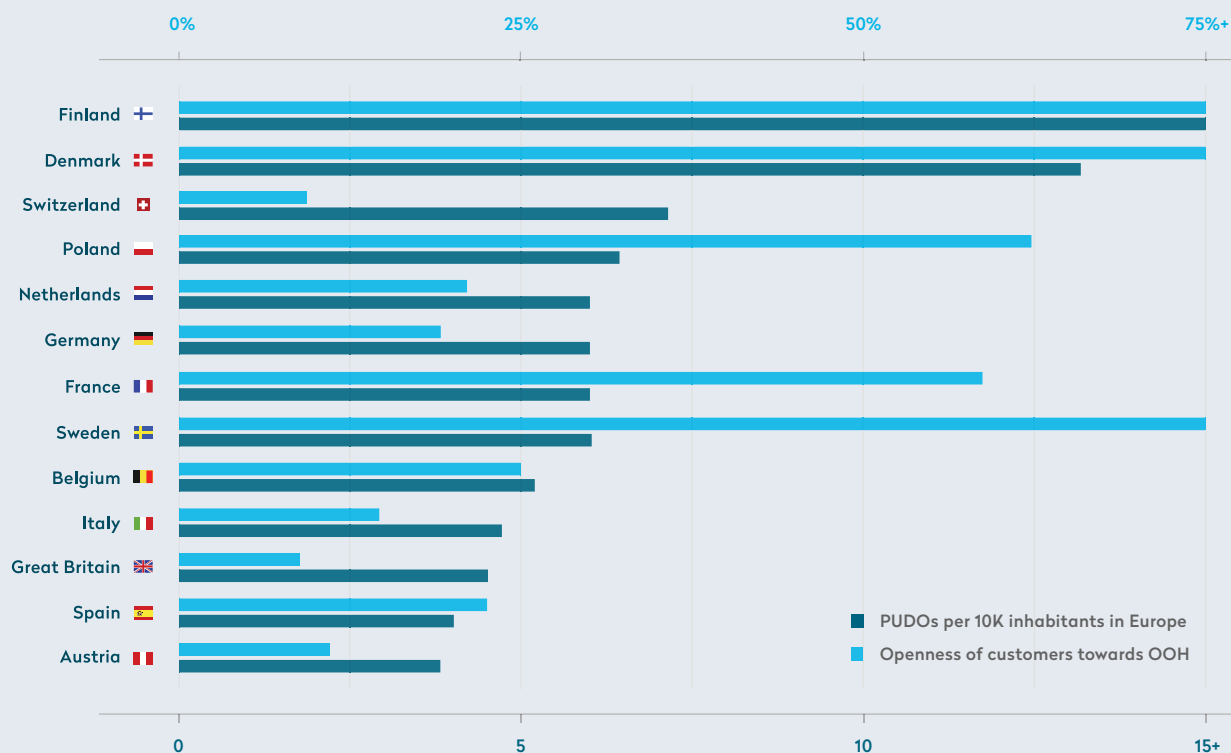
What if you, as an online retailer, could improve in all these dimensions and, on top, **save costs**?

## Offering out-of-home delivery to delight your customers and save costs - at the same time

While out-of-home has been around for a couple of years, considerable investments in pick-up and drop-off networks in recent years have increased the density and attractiveness of out-of-home. This leads to a shift in consumer behavior in many European markets, which along with the advantages in costs and carbon emissions, is turning out-of-home into a potential game changer for e-commerce shipping.

### Pick-up/drop-off point (PUDO) density in Europe

Europe is the region with the most PUDO locations > 380,000<sup>5</sup>



\*PUDO locations: lockers, parcel shops and post offices

### Here are three reasons why you can't miss out on offering out-of-home:

#### 01. Higher NPS

More and more consumers have discovered the reliability of an OOH delivery service to their favorite pick-up and drop-off point. Rather than searching for the parcel in their neighborhood, they want to determine in the moment they place their order where and when they can pick it up - on a day and at a time of their choosing. This **freedom for self determination** will pay in on your delivery NPS. Make sure you offer your customers their preferred delivery option to **meet their needs and increase your overall NPS**.



#### The value of out-of-home for a higher NPS

1. Customers can choose the pick-up and drop-off point they like best.
2. The first delivery attempt rate is almost at 100% success.
3. Fewer customers' complaints over parcels disappeared in the neighborhood.



### 02. Cost savings

With out-of-home, multiple parcels are getting delivered at a single stop. This saves carriers a lot of costs. Cost differences remain very individual as they depend on numerous factors such as country, carrier and also on size and weight of parcels. Looking at available data, out-of-home rates are on average **5% to 25% below home delivery rates**. You can take advantage of these cost savings when you offer out-of-home delivery to your customers.



Savings of **16 ct.** - **3,6%** - per parcel overall by offering out-of-home.

### Sample calculation

Home delivery rate = 4,50 EUR/PAC

Out-of-home delivery rate = 3,70 EUR/PAC

Share of customers using out-of-home delivery: 20%

Overall rate with out-of-home delivery:  $4,50 * 0,80 + 3,70 * 0,20 = 4,34$  EUR

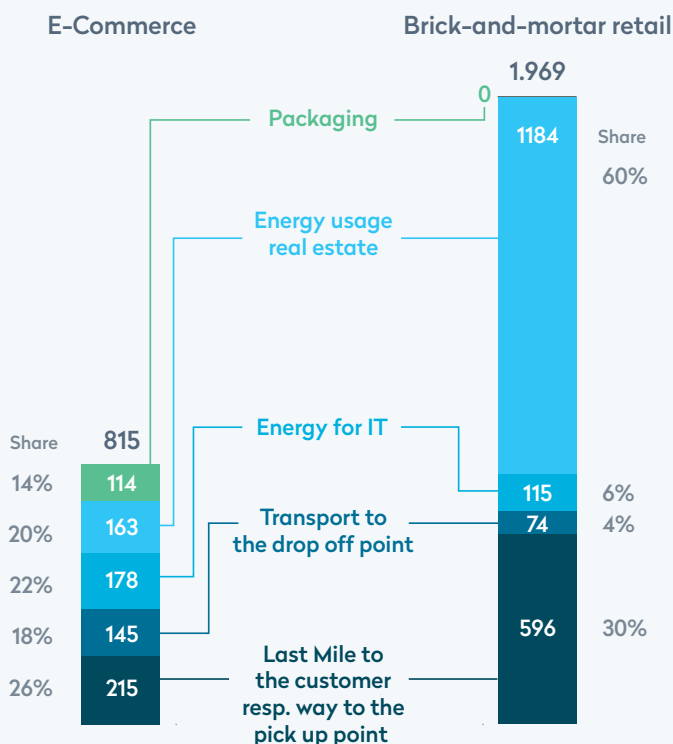
## 03. Sustainability

The interest and awareness for conscious consumption among online shoppers has grown consistently over the last few years, and studies have shown that they expect companies to take responsibility for protecting our environment. However, many online shoppers are unaware about the significantly **better carbon footprint** that **e-commerce has compared to stationary retail**. Moreover, studies have also shown that when a sustainable delivery option is clearly marked at the checkout, most customers will choose that one above all.



By offering out-of-home, last mile emissions are reduced by up to 300 g of CO<sub>2</sub> per parcel when customers choose their favorite pick-up and drop-off point over home delivery.

### Average CO<sub>2</sub> equivalents released per product sold between e-commerce and stationary retail



## 2.3

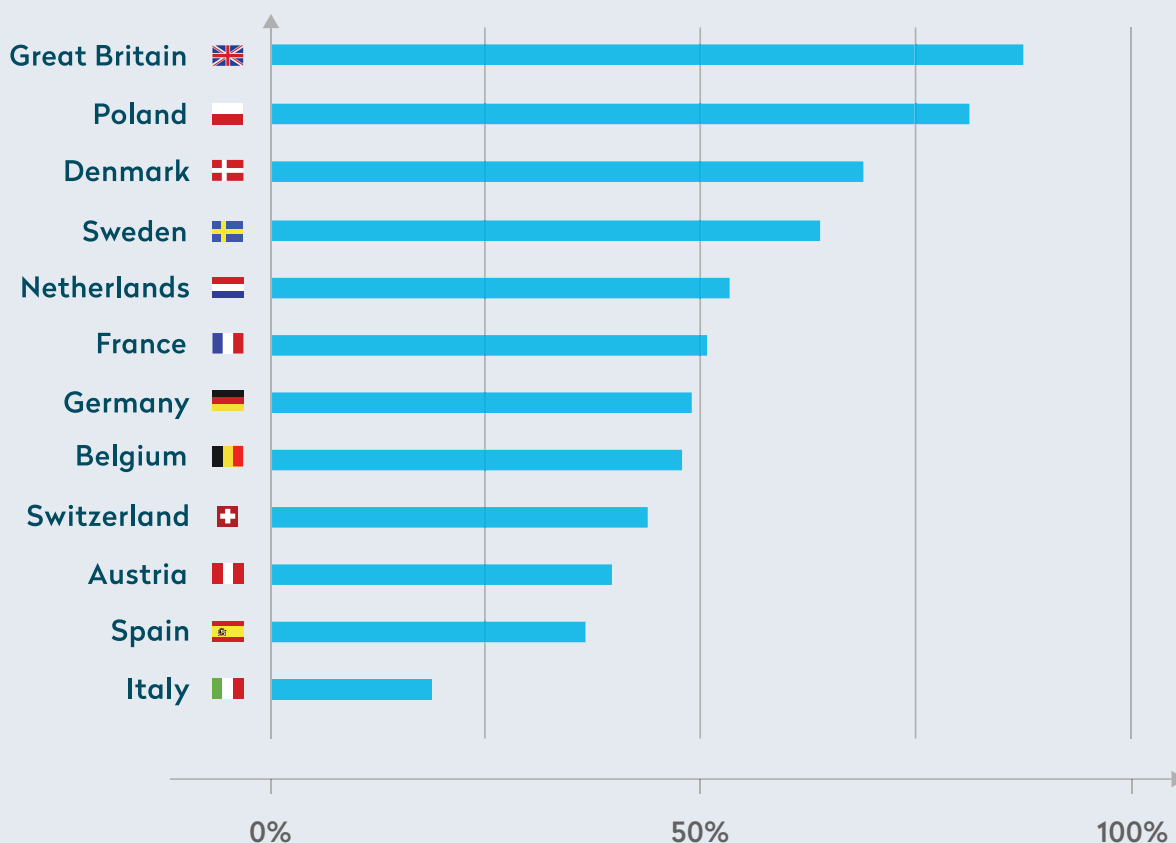
Factor by which the brick-and-mortar retail is higher

Source: Oliver Wyman, "Is E-Commerce good for Europe?", Economic and environmental impact study, p. 64

## For returns, additional out-of-home options will increase your NPS and can reduce costs

For returns, dropping off parcels at PUDO points is standard in all European markets. By adding strong out-of-home carriers to your existing network, you will increase the number of PUDOs, which will increase the density and thus make it more convenient to drop-off parcels for many of your customers. And, as many strong out-of-home carriers offer already very attractive returns rates, there is an opportunity to reduce the costs of your overall returns too.

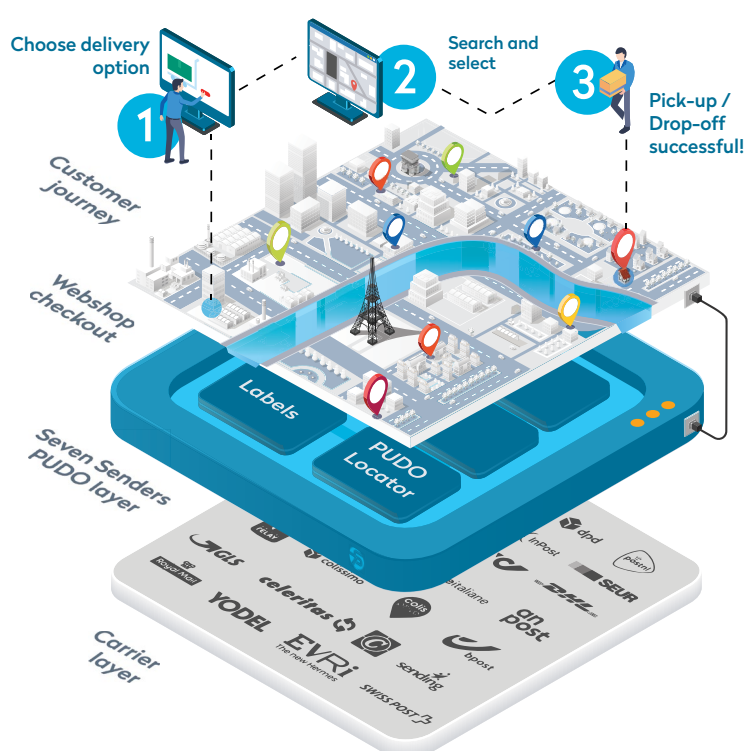
### Increase of PUDO coverage by adding an additional returns carrier



## Easily gain the full potential of out-of-home by using the Seven Senders PUDO Locator

Adding or switching carriers, especially for OOH services, can be costly and often lead to complex IT projects. Seven Senders has extended its API services to access the more complex OOH carrier service world, through the PUDO Locator. This new piece of software gives merchants access to a multitude of European OOH carrier services through one standardized and easy-to-use format.

The PUDO Locator helps you **save costs**, **increase your delivery NPS** and **reduce your last mile emissions** by up to 300g of CO<sub>2</sub> per parcel.



Gain access to PUDO locations across Europe in a standardized way, request carrier labels, and tracking data. Profit from best-in-class rates for outbound and return parcels, and let us manage the transport between your warehouses and the carriers.



**Any questions? Please contact us!**  
**We look forward to hearing from you**



**Felix Hansenzahl**  
**Head of Sales**

[f.hasenzahl@sevensenders.com](mailto:f.hasenzahl@sevensenders.com)



**Tim Rudolph**  
**Vice President Product**

[t.rudolph@sevensenders.com](mailto:t.rudolph@sevensenders.com)

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## About Seven Senders

Seven Senders is the leading platform for cross-border parcel delivery in Europe and supports retailers to successfully implement their growth and internationalization plans. The company was founded in Berlin in 2015, now has offices in 5 European countries and 220+ employees, generating annual revenues of 100+ million euros.

Seven Senders takes over the organization and implementation of cross-border parcel deliveries for retailers of all kinds, optimizing shipping to France, Italy, Austria, Switzerland, and other European countries for companies such as ASOS, Shop Apotheke, or Tamaris. Whether the focus is on speed or cost, Seven Senders offers direct access to Europe's best local carriers (La Poste Colissimo, Bartolini, Post AT, Royal Mail, etc.) and is responsible for the daily end-to-end supply chain from the warehouse to the customer.

As a one-stop solution, retailers can access various additional services, from a plug-and-play label solution and EU-wide digital claim management to analytics and tracking tools. Of course, each parcel can also be shipped climate neutral. So, if you value offering your customers a local shipping experience to increase your conversion and retention while optimizing costs, there's no way around Seven Senders.

**Text:**

Romina Romano  
Tim Rudolph

**Publisher:**

**Seven Senders GmbH**  
Dircksenstrasse 4,  
10179 Berlin  
+49 (0) 30 233 218 700  
info@sevensenders.com

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  5. <https://bloq.it/emerging-pudo-delivery-trends-worldwide>



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