ROADIE
A UPS Company

Out at Home Plate:
How Bad Deliveries Drive Away Lifetime Loyalty

Unpredictable swings in consumer behavior have become about as common as a baseball player swinging at a fastball that comes right down the center.

For years, shoppers have drifted back and forth between prioritizing speed at all costs to prioritizing cost at any speed. More recently, however, they have taken a holistic approach to online shopping, looking for retailers that can knock it out of the park on the entire delivery experience.

Now, artificial intelligence and other aggregated shopping experiences are stepping up to the plate, completely changing how the game is played. While shoppers have long used Google to find products online, Google now leverages its Gemini AI tool to offer product comparisons, prices, availability and delivery options across the internet. To a lesser extent, consumers also use other generative AI tools, such as Claude and ChatGPT, to talk about their needs and get recommendations for products that might meet them. Convenient delivery apps also aggregate multiple stores into one location, allowing shoppers to browse and compare.

While these AI tools and apps aren't perfect, they are rapidly improving and fueling a shift in the retail environment. Shoppers are becoming less brand-dependent than before because they can scan a broad range of options and find the one that best fits their budget and timelines. Many retailers are responding to this behavior by placing added emphasis on price, which, unfortunately, takes focus away from building customer loyalty.

While it may seem like this makes the delivery experience less important, that couldn't be further from the truth. In the stadium of brand loyalty, delivery is the center fielder that makes the heroic leap to grab the ball before it goes over the wall. Delivery is the only physical touchpoint in an online purchase, and good or bad, it creates the most memorable part of the experience for the customer. The front porch is where the promise a retailer makes at checkout becomes real. If the promise is kept, the delivery reinforces trust and confidence in the brand. But when it fails, the ensuing frustration is what the customer ultimately remembers.

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A recent survey of more than 1,000 online shoppers, conducted by Roadie and Studio by Informa TechTarget, found that delivery speed still remains an essential pitch in a retailer's arsenal. But consumers are also taking a holistic look at their delivery experience, judging not only by speed but by affordability, visibility, reliability, security, timing and communication.

And if the customer judges the retail experience as bad, the retailer may not get another chance. Nearly two-thirds of shoppers surveyed claim that one to four bad delivery experiences are enough to make them stop ordering from a retailer entirely. With this context, it becomes clear that delivery isn't just another player on the roster, but the closer — the pitcher the coach brings to the mound in the ninth inning to win the game.

The lesson here is clear: Retailers that don't pay close attention to the performance of their delivery partners and platforms ultimately risk losing repeat business in a market where repeat business is already getting harder to win.

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BATTER UP:

Keeping Your Promises

For many consumers who buy online, a delivery is late the second the promised delivery window passes by. A third of consumers say a delivery feels late as soon as the promised window has passed, while another 18% say it feels late two hours after that window. This means that more than half of consumers feel slighted by a delivery within a relatively short period of time after a commitment gets missed.

This doesn't mean shoppers have unrealistic expectations, only that they expect retailers to live up to what they promised they would do, and that they are watching to make sure it happens. Retailers and delivery providers need to ensure that they meet these windows as often as possible, and communicate clearly and effectively when they see a delivery is about to cross the foul line.

Aside from delivery windows, consumers are looking for a variety of other factors in their delivery experience. When asked what matters most to them about delivery, half of those surveyed put free or low-cost delivery at the top of their list, followed by real-time tracking updates (44%), fast delivery speed (36%) and a trusted, reliable delivery provider (29%).

FIGURE 1:

When a Delivery Feels Late

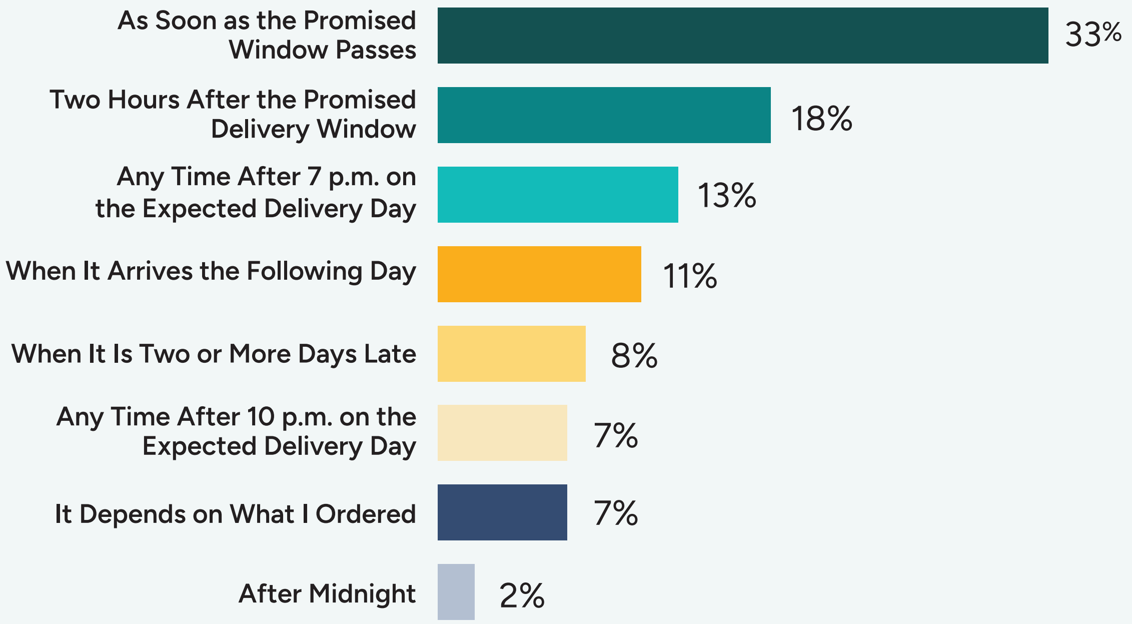

FIGURE 2:
What Matters Most to Shoppers About Delivery

50% Free or Low-Cost Delivery

44% Real-Time Tracking and Updates

36% Fast Delivery Speed

29% A Trusted, Reliable Delivery Provider

25% Secure Package Delivery

22% Clear and Accurate Delivery Windows

The hierarchy in FIGURE 2 is telling. Online shoppers still value speed, but they want that speed combined with visibility, cost control and confidence that the delivery will happen the way the retailer said it would.

This same pattern surfaces again when shoppers were asked to choose between delivery options. Almost a third of respondents (31%) say they most often choose reliable delivery within a defined time window, and a similar amount (28%) say they choose whichever option seems to have the best balance between cost and speed. For comparison, only 14% choose the fastest possible option regardless of cost, and only 23% choose the lowest cost option, no matter how slow.

For retailers, this means the focus shouldn't be on delivering as fast as possible or rushing to the bottom of the barrel on rates to save on cost. The question retailers must ask themselves is more nuanced: What is the best delivery promise we can make and consistently keep?

OUT ONE:
Damaging Brand Trust

When a delivery goes wrong, consumers don't necessarily separate the retailer from the carrier, logistics provider, delivery provider or individual driver that caused the issue. From the perspective of the shopper, it's all just one experience — and, unfortunately for retailers, most online shoppers are fair-weather fans.

This puts retailers in a very vulnerable position, given that most online sellers use third parties to handle delivery. Even when that third party is fully responsible, the retailer will still absorb most of the blame when a package arrives late or damaged, or is left unsecured.

The survey results show just how quickly those failures can put brand loyalty to the test. More than half (57%) say it would take just two to four bad delivery experiences to stop ordering from a retailer entirely, and another 7% say it would take only one.

How many bad delivery experiences would it take for you to stop ordering from a retailer entirely?

1	7%
2-4	57%
5-7	14%
8-10	2%
MORE THAN 10	3%
NO LIMIT/I NEVER BLAME THE RETAILER	9%

Bad delivery experiences come in many forms. When asked which factors influence their delivery experience, 85% of respondents say that on-time arrival within the expected window is extremely or very influential, and the same number say that the condition of the package upon arrival is extremely or very influential. Whether or not delivery instructions were followed came next, with 80% citing it as extremely or very influential. A photo or proof of delivery was also extremely or very influential to 72% of respondents.

Though less influential than these other factors, the individual driver also has an impact on the overall experience. More than six in 10 (62%) shoppers say that driver professionalism is extremely influential, and 72% say the delivery driver's behavior and performance are extremely or very important to their perception of the retailer.

For retailers, this means that the choice of last-mile partners and platforms has an upstream impact that must be considered when exploring delivery partnerships.

"Consumers don't see the retailer's delivery network as separate pieces," says Dennis Moon, chief operating officer at Roadie. "The delivery promise, how the retailer communicates, interactions with the driver and the condition of the package when it arrives are all one experience. That's the delivery iceberg. What the customer sees at the doorstep — an on-time delivery — is one visible piece supported by a lot of operational work under the surface. Every layer has an impact on whether they trust that retailer enough to buy from them again."

Retailers have put years of effort into developing engaging online stores, easy checkout processes and convenient returns. As this data suggests, that same customer-focused thinking must be applied to delivery as well, or all of that work can come apart in the last few feet of the delivery.

THE DELIVERY PICTURE

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>
> **Dennis Moon**
>
> COO AND HEAD OF OPERATIONS AT ROADIE

OUT TWO:

Stressing Shoppers Out

Delivery problems do much more than inconvenience shoppers. Much like a favorite ball club on a losing streak, delivery failures create anxiety, disruption and risk for them as well.

When asked which delivery issues frustrate them the most, more than a quarter (28%) of shoppers selected that packages were left where they were stolen or easily could have been stolen or damaged. This was the top answer, outranking late delivery (23%), lack of tracking updates (20%) and unprofessional delivery driver behavior (18%).

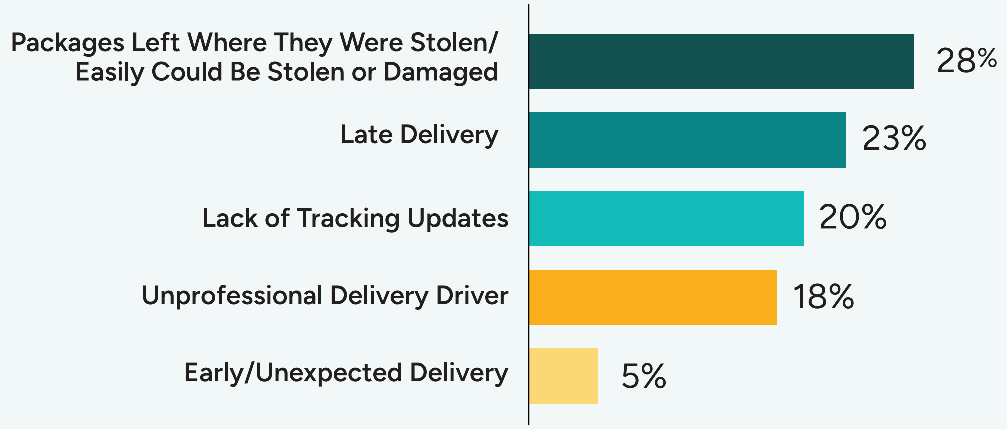
The top concern makes more sense when considering the scale of package theft. More than four in 10 (43%) of respondents say they have had at least one package stolen after delivery within the past 12 months, with the largest group having up to three packages stolen.

Package security creates a brand trust issue, but also a chance for retailers to build loyalty. Ensuring delivery providers follow instructions, place packages in secure spots and follow through on real-time delivery proof can help retailers reduce that theft-related anxiety that shoppers start to feel as soon as the package enters the delivery pipeline.

Stolen packages aren't the only thing stressing out consumers. As retailers look for ways to recover from delays, expand delivery capacity or deliver more affordably, late-night delivery has arisen in some markets as a useful option. Some consumers are open to it, with 41% saying after 10 p.m. is as good as any other time, and 10% actually preferring it.

FIGURE 4:

Most Frustrating Delivery Issues

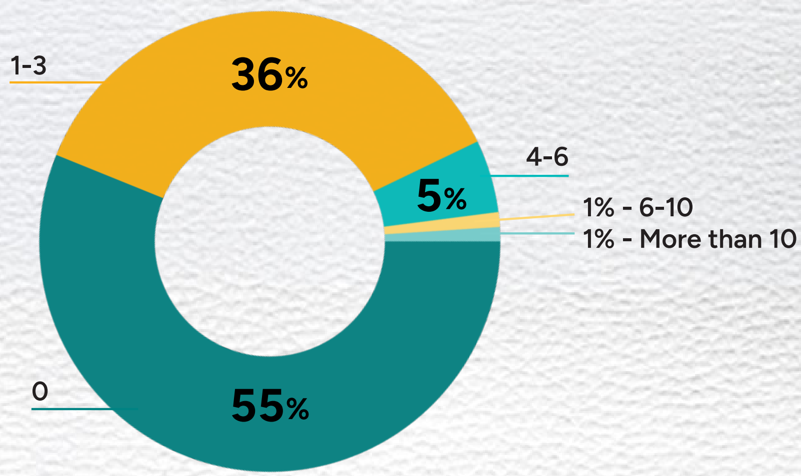


> Delivery preferences have to be flexible enough to account for the needs of your different customers. A late-night delivery that might be convenient for one shopper could be stressful for another one. The key is to give consumers visibility and control so the delivery option matches the situation instead of just the route.”
>
> **Chris Grubb**
> HEAD OF MARKETING AT ROADIE

However, late-night deliveries aren't for everyone. More than four in 10 (42%) of respondents say they aren't comfortable with deliveries later than 10 p.m. Among those who are uncomfortable, leading concerns include theft (48%), a preference for receiving deliveries while awake (44%), concerns about not hearing or noticing the delivery (29%), safety or privacy concerns about drivers being on the property late at night (28%) and a higher likelihood of delivery errors (26%).

Clearly, late-night delivery solves a problem for about half of consumers, while also creating trust and anxiety issues for the other half.

FIGURE 5:
Packages Stolen Within the Last 12 Months (Porch Piracy)



PRODUCT TYPE ALSO MATTERS.

Respondents find that late-night delivery is most inconvenient for:

58%
Groceries

35%
Pharmacy Items

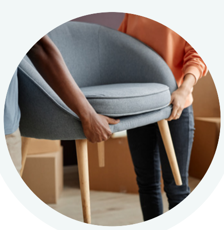
25%
Electronics

The fewest respondents called the following items inconvenient:

8%
Auto Parts

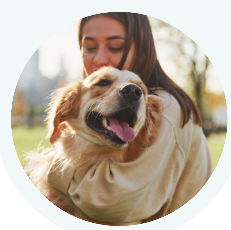
10%
Baby & Childcare Essentials

12%
Apparel & Fashion



13%
Furniture / Big & Bulky Items

15%
Flowers & Gift Baskets



17%
Pet Supplies

This data suggests there may be a market for late-night delivery of these items, so a successful strategy may involve segmenting by product category. Given the number of consumers uncomfortable with late-night delivery concepts, requiring consumers to opt in or giving them the chance to opt out is also advisable.

OUT THREE:

Unexpected Delivery Costs

Just as some batters feel an urge to rush the mound when they get hit by a pitch at the plate, consumers don't like surprises either. Especially when they hit them in the wallet.

When delivery fees show up unexpectedly at checkout, shoppers may abandon their cart. A third of respondents say that delivery fees have a severe impact on their decision to purchase an item online, while another 40% say they have a moderate impact.

This doesn't necessarily mean every delivery needs to be free, but it does mean retailers need to be transparent about delivery costs before checkout and give consumers easily understandable options.

Tipping creates a similar type of frustration for many respondents. When a retailer or brand uses a delivery service with tipping expectations, 57% of consumers say they are either much less or somewhat less likely to place an order.

How much impact do delivery fees have on your decision to purchase an item online?

SEVERE IMPACT	33%
MODERATE IMPACT	40%
MILD IMPACT	18%
VERY MILD IMPACT	6%
NO IMPACT	3%
NOT SURE	1%

Less than a quarter (22%) say tipping expectations have no effect, while only 16% say tipping makes them somewhat or much more likely to order.

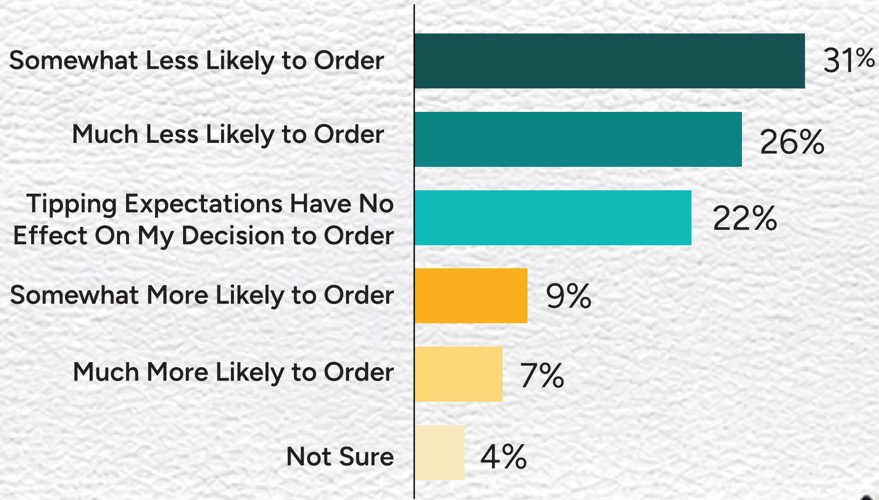
Shoppers aren't exactly anti-tip as a whole; their feelings actually span a wide range. About a quarter (24%) say they feel happy because they enjoy rewarding or incentivizing good service, while a similar number (22%) say they feel frustrated because they don't think tipping should be required for delivery. Just under one in five (17%) feel guilty because they don't want to spend more but feel pressured to, and 9% feel confused because they don't know how much they are supposed to tip.

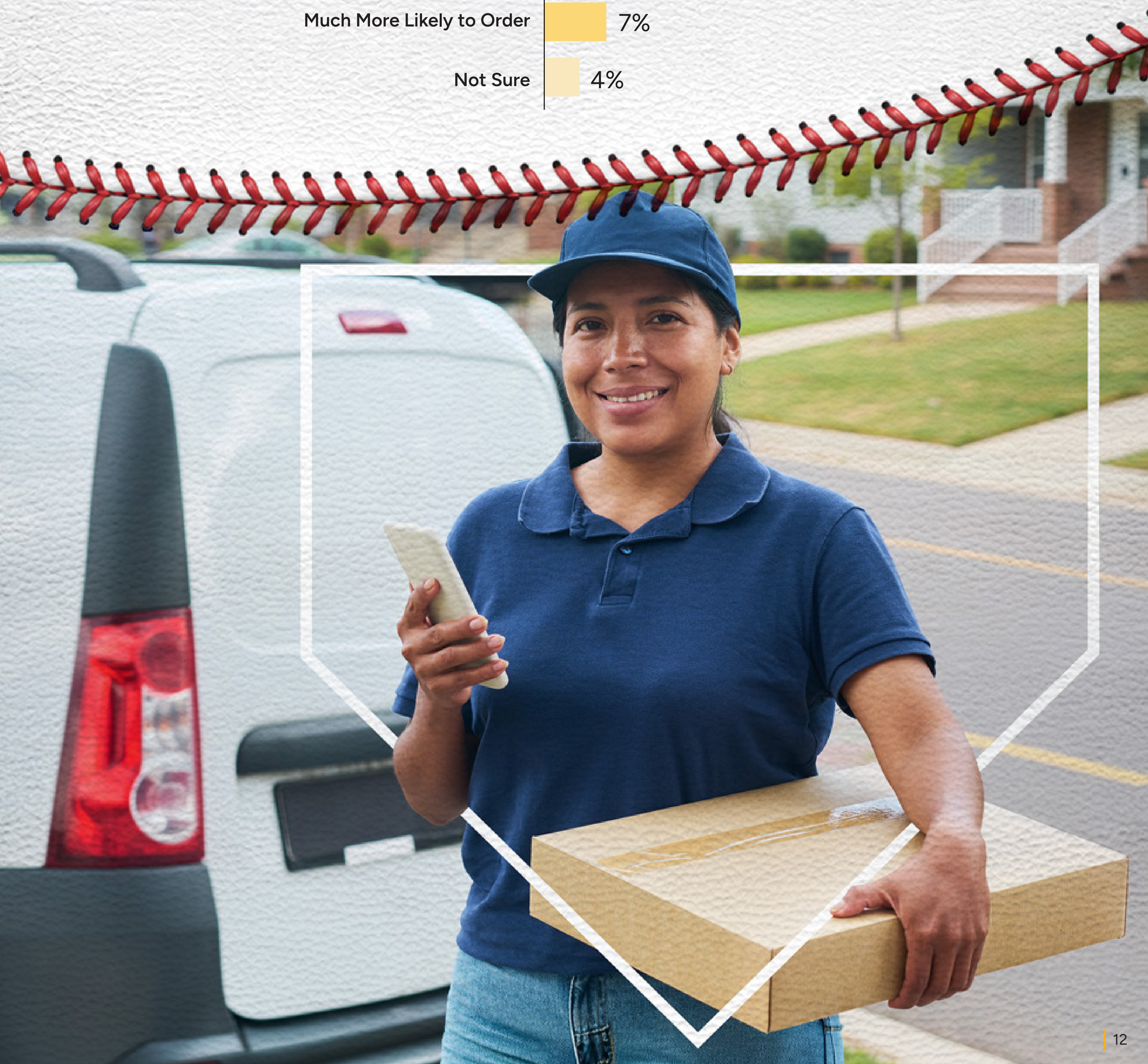
The issue isn't about tipping, but about setting appropriate expectations and staying transparent about them. A sudden tip prompt or automatically suggested tip creates another moment where the buyer may stop and question how badly they need to order the item. If the customer is comparing deals across multiple sites, an unexpected delivery fee or tip prompt may be enough to send them elsewhere.

"Consumers are willing to make tradeoffs as long as those tradeoffs are clear," says Grubb. "They might choose speed, lower cost, security or a tighter delivery window depending on what they are ordering. But in all these cases, what they don't want is to feel surprised after they've already made their decision to buy."

FIGURE 7:

Q. How do tipping expectations for drivers affect your likelihood of placing an order?





AVOID THE LAST OUT:

Hit a Home Run in the Last Mile

Delivery can no longer be treated as an afterthought that happens after the sale. It is part of the sale, part of the customer experience and part of a retailer's brand loyalty strategy.

The survey results show that online shoppers are watching their delivery promises very closely. They care about cost and speed, but they also want control in the form of accurate windows, tracking updates, secure package placement, professional drivers and clear communication when something does go wrong. When a retailer swings and misses on one or more of those expectations, it amounts to more than one bad order. They could risk losing the customer entirely.

That risk is growing as shoppers gain access to more tools that help them compare products, prices and delivery options. In an environment where brand loyalty is now a luxury rather than a given, a poor delivery experience is enough to give shoppers a reason to try another retailer next time around. Conversely, a strong delivery experience gives them a reason to come back and buy again.

Roadie helps retailers build delivery experiences that line up with the way consumers actually shop, compare and make buying decisions. By aligning delivery speed and cost with reliability, security and good communication, retailers can turn the last mile from an out into a home run.

To learn more about how Roadie can help your business deliver with greater flexibility and have a winning season, check out our [Same-Day ROI Calculator](#).