



Shipping & Mailing

SendSuite® Tracking Online

Delivery responsibility doesn't end at the door anymore.

The imperative for inbound package tracking





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Prior to joining Pitney Bowes in 2011, Mr. Kruzan held management positions with Airborne Express and DHL Express, where he specialised in marketing, business development and technology applications.

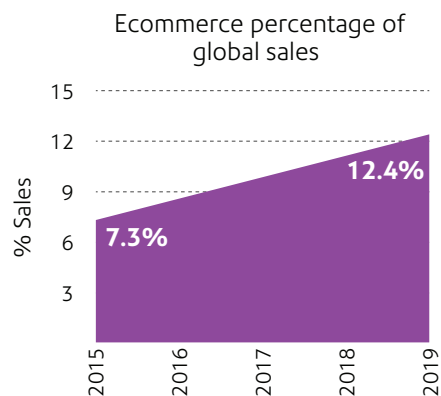
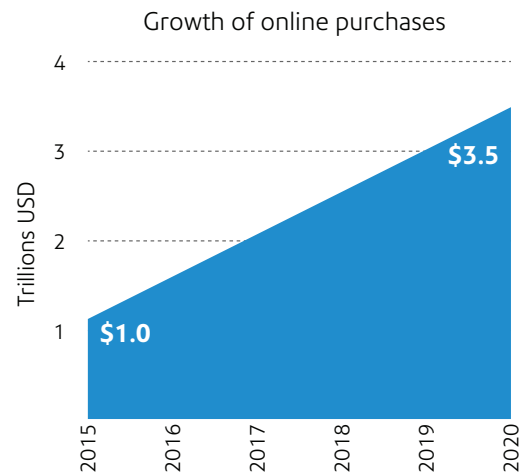
The shipping industry has transformed.

Managing a delivery from the door or dock to the final recipient has grown more challenging in just the last two to three years. That's because:

- The number of packages shipped daily has increased dramatically.
- Deliveries now arrive from multiple carriers at intervals throughout the day.
- Contents require monitoring because they are:
 - Time sensitive.
 - Temperature controlled.
 - Valuable.
 - Confidential.
 - Regulated.
- Accountability is a legal requirement or protection.

An array of factors are reshaping the shipping landscape and creating a pressing requirement for inbound package tracking.

Exponential growth. In the online retail marketplace, there are now over 1 billion globally connected, digital buyers of physical goods. Looking ahead, the forecast for growth in online purchases is steep: From \$1 trillion today to \$3.5 trillion within just five years.¹



The number of online purchases is expected grow from 7.3% of global retail sales in 2015 to 12.4% in 2019.²

Change impacts every sector.

Carrier-mix expansion. There once were a known handful of national and international carriers such as DHL, Fedex, UPS and TNT. Now, there are many more to choose from including:

- Local third party couriers and regional carriers with smaller geographical coverage, delivering from strategically placed warehouses and distribution centres
- Speciality carriers, such as those bonded for high-value items and legal proof of custody
- Crowd-sourced logistics providers who offer same day delivery services

Plus, in the future, we will likely see drones added to the mix of delivery options. These unmanned aerial vehicles [UAVs] are literally hovering in the wings. Not only is Amazon famously testing drone delivery, but Alphabet Inc. [holding company for Google] recently announced that it expects to offer package delivery to consumers by 2017, as well.³ These are but two big names among other smaller ones that intend to deliver packages to consumers with this new technology in the very near term.

Transformation in the shipping industry heightens the requirements and responsibility for receiving packages and documents. Timely, secure, confidential, and accountable internal routing is now the expectation; and this can be burdensome. For example:

- **Apartment buildings and property management companies** must cope with lost staff productivity and its expense. This is a result of managing a daily deluge of deliveries that clutter lobbies, front desks, management offices and mail rooms. What's more, available space for these packages is generally limited.

Misplacement, –or even theft– is a real possibility and creates a financial liability for the building, not to mention tenant dissatisfaction. That's why some landlords have stopped accepting deliveries, even though it inconveniences apartment dwellers.

Once a package arrives, residents expect to receive it promptly. For example, tenants working from home may need immediate delivery of important documents. Commonly, grocery deliveries contain temperature-controlled items that require quick refrigeration.

An apartment operator with 169 US properties received almost 1 million packages in 2014, noting that delivery totals have been increasing as much as 50% per year. If each package represents 10 minutes of lost productivity, wage costs to handle deliveries could lose the operator \$3.3 million/year.⁴

- **Corporate facilities and property management companies** handle increasing numbers of packages containing time-sensitive business documents, supplies, equipment and other valuable assets. Additionally, employees are shipping greater numbers of personal packages to the workplace because it's more convenient and secure than sending them home.

Manage inbound deliveries through automated tracking technology.

- **Colleges and universities** receive student care packages, items from home, and online purchases, ranging from expensive electronics to computers and clothing. These are flooding campus mail centres, which lack adequate space for them and which may be responsible for moving parcels to student recipients.

One campus reported it received 3,000 packages a day for a student population of 31,000. The number of parcels not only overwhelms the local post office, but campus mailrooms, which were designed for handling mailing envelopes, not boxes.⁵

Campus mail centers must also handle: important documents for the administration; supplies and equipment ordered by facilities or departments; and faculty packages that may contain research samples or artifacts, among other valuables.

- **Hospitals and healthcare networks** may get literally thousands of packages a day, containing a wide variety of contents including:
 - pharmaceuticals
 - medical supplies
 - medical devices and implants
 - testing equipment
- Many contents are valuable, some are regulated, and many are time sensitive or temperature controlled, requiring prompt delivery and chain-of-custody proof, from carrier to final recipient.
- **Laboratories** receiving test samples face time constraints in processing them, so prompt internal routing is critical. The labs must also maintain accurate tracking of the samples and test results across the facility, while preserving patient confidentiality.
- **Law firms** are obliged to maintain confidentiality and must have the assurance of secure, timely exchange of client files, case files, contracts, court filings, reports, evidence and testimonies. Chain of custody is critical. Complicating the issue, many firms are geographically dispersed over multiple locations and may send packages and documents back and forth among them.

It's clear that the traditional methods of manually logging deliveries at the mail centres, reception or dock don't fulfill the breadth of today's needs. And they introduce additional problems, such as lost-productivity expense or the possibility of human error.

In response, new automated tracking technology has been developed. With it, at package arrival, a scan can instantly capture sender, carrier, time of delivery and addressee. Recipients can be immediately alerted through email or text.

The technology can also provide real-time visibility along the internal delivery route, whether across a campus or throughout a building. It's possible to know who received what, when and where, for full chain of custody. Finally, automated tracking can capture the intended recipient's signature, providing complete accountability.

Benefits of automated inbound tracking:

- More efficient, faster delivery
- Reduced labour cost from lost productivity
- Elimination of human error
- Immediate notification of package arrival
- Chain-of-custody documentation
- Internal visibility and accountability

¹ Source: eMarketer

² Source: eMarketer

³ Source: Reuters

⁴ Source: WSJ

⁵ Source: University of Connecticut Daily Campus

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