

GOOD

Excellent

Great

POOR

Bad

AVERAGE

PARCEL'S 2017 CARRIER PERFORMANCE SURVEY

A look at how our readers view various aspects of carrier performance. How does your opinion compare? **By Amanda Armendariz**

Once again, we asked, and you answered. Thank you to those of you who took the time to fill out our carrier performance survey, in which we asked you to rate the carriers on a variety of issues like pricing, ease of negotiation, on-time delivery, and more. Your input allows us to benchmark these aspects year after year, giving us a convenient comparison tool to examine the top players in this space.

One point I found extremely interesting is that the usage of USPS jumped by eight percent compared to last year — from 76% to 84%. I'm always encouraged when I see more and more shippers including the USPS in their carrier mix, since for some shipments, the USPS can provide a distinct advantage. On the flip side, the number of shippers utilizing FedEx and

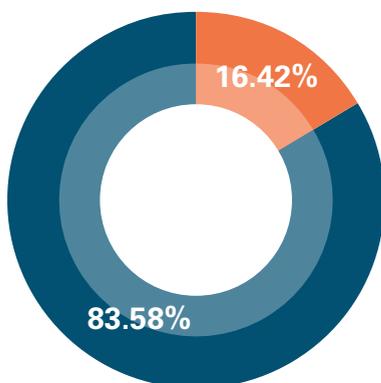
UPS for their domestic parcel shipping went down slightly, from 85% and 81%, respectively, to 84% to 78%.

I also enjoy seeing what our readers think about a variety of questions that are commonly asked in the parcel industry — things like whether there is enough competition to keep pricing fair, how important regional carriers are to a company's shipping mix, and a shipper's biggest reason for modifying their primary carrier. I think it's helpful for shippers to be able to have an "at a glance" look at how their peers respond to these questions, since it's likely that our readers are asking themselves these same questions regarding their shipping operation.

So take a look and see where your opinion lies compared to those of your peers!

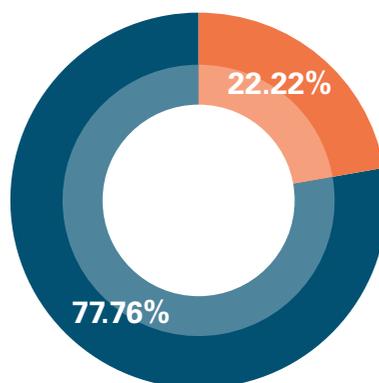
FedEx

Did you use FedEx in the last 12 months for domestic parcel shipping? ■ Yes ■ No



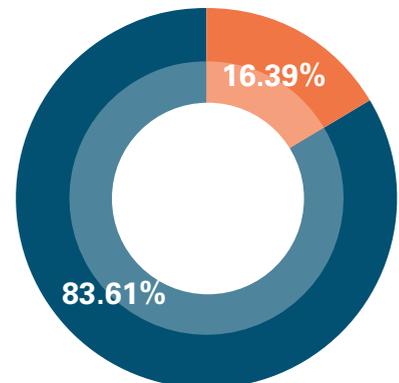
UPS

Did you use UPS in the last 12 months for domestic parcel shipping? ■ Yes ■ No



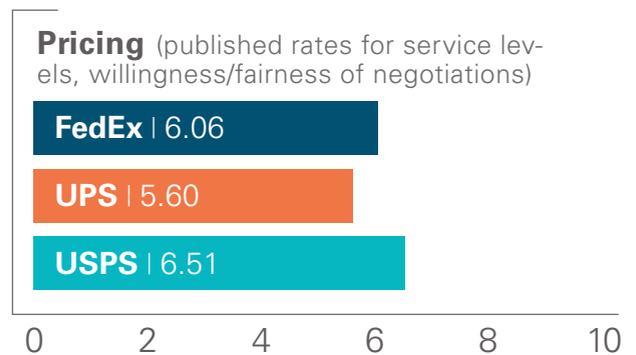
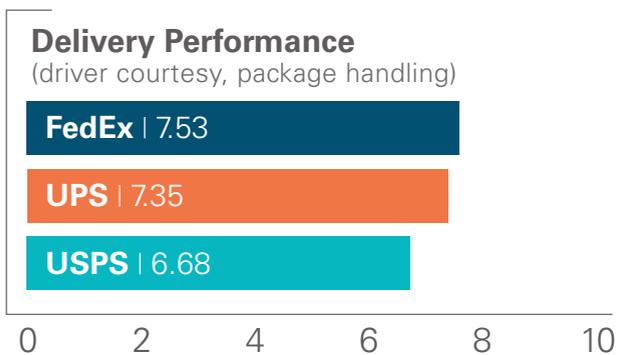
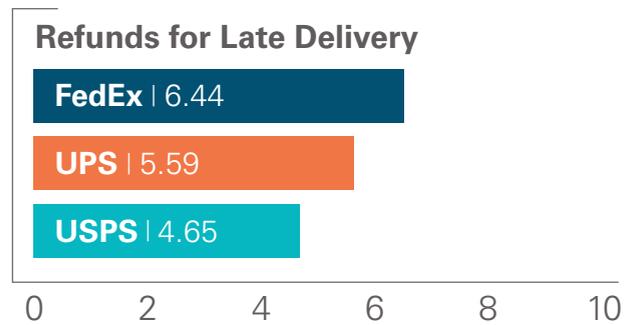
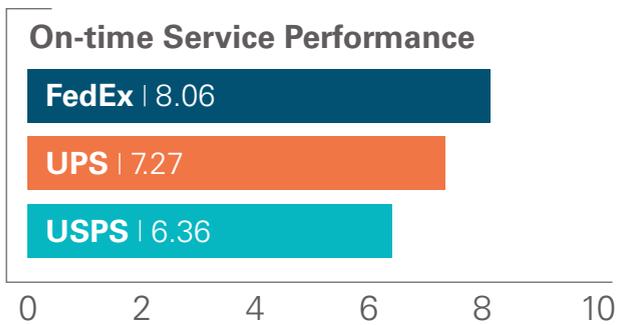
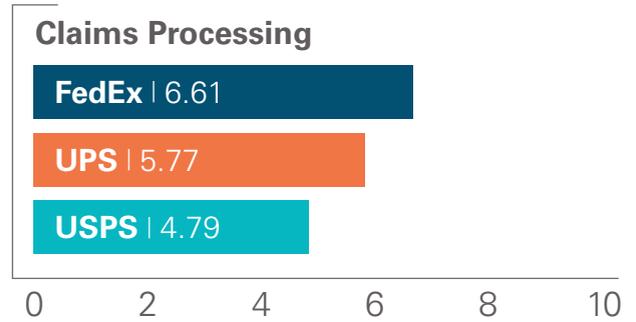
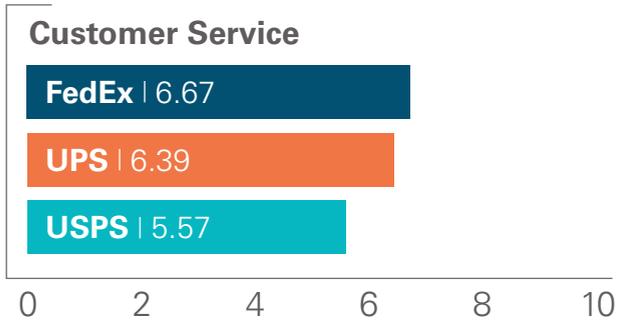
USPS

Did you use USPS in the last 12 months for domestic parcel shipping? ■ Yes ■ No



Rating the Carriers

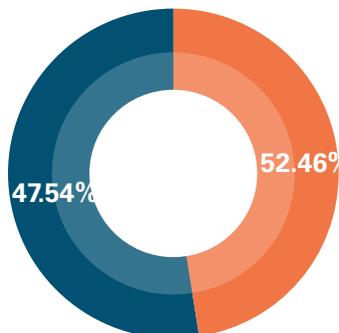
On a scale of 1-10, with 10 being the highest rating.



Other Insights into Our Industry

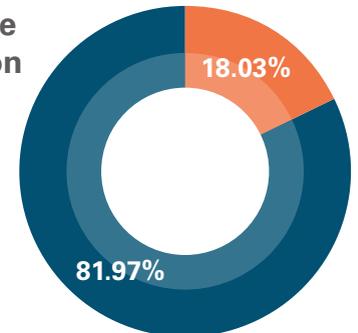
Do you think that there is enough competition in the parcel delivery market to keep pricing reasonable and service good?

Yes No



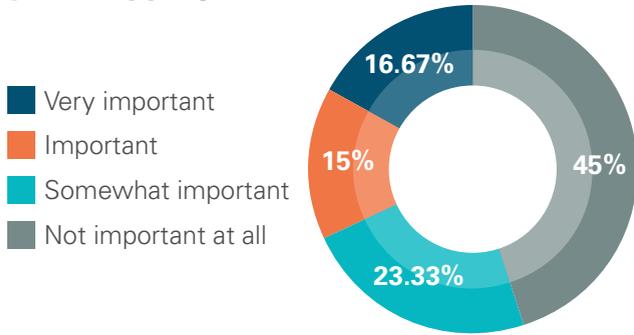
Do you think that the cost of transportation will be a greater percentage of gross company revenue in 5 years than it currently is?

Yes No



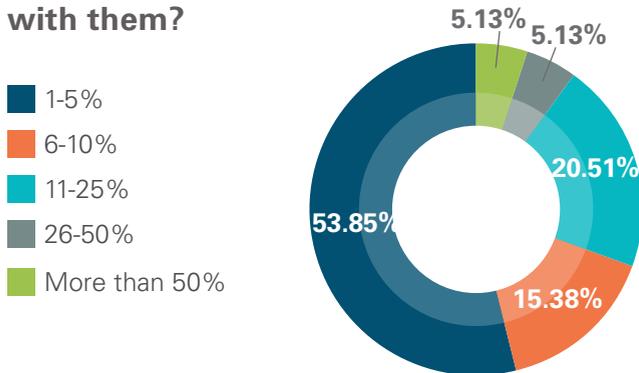
Last year, only 74% of our respondents answered in the affirmative.

How important are regional carriers to your shipping mix?

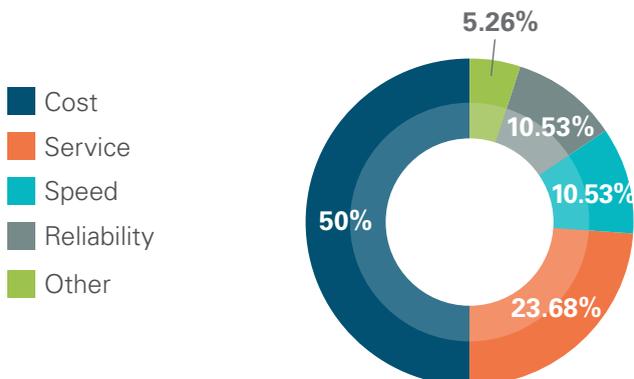


The bad news: the number of shippers who said regional carriers were “very important” to their shipping mix declined slightly. The good news: the number that said regionals weren’t important at all also declined by over five percent. So while regional carriers may not be overtaking the Big Two anytime soon, at least more and more shippers are recognizing that these carriers can indeed have a seat at the table.

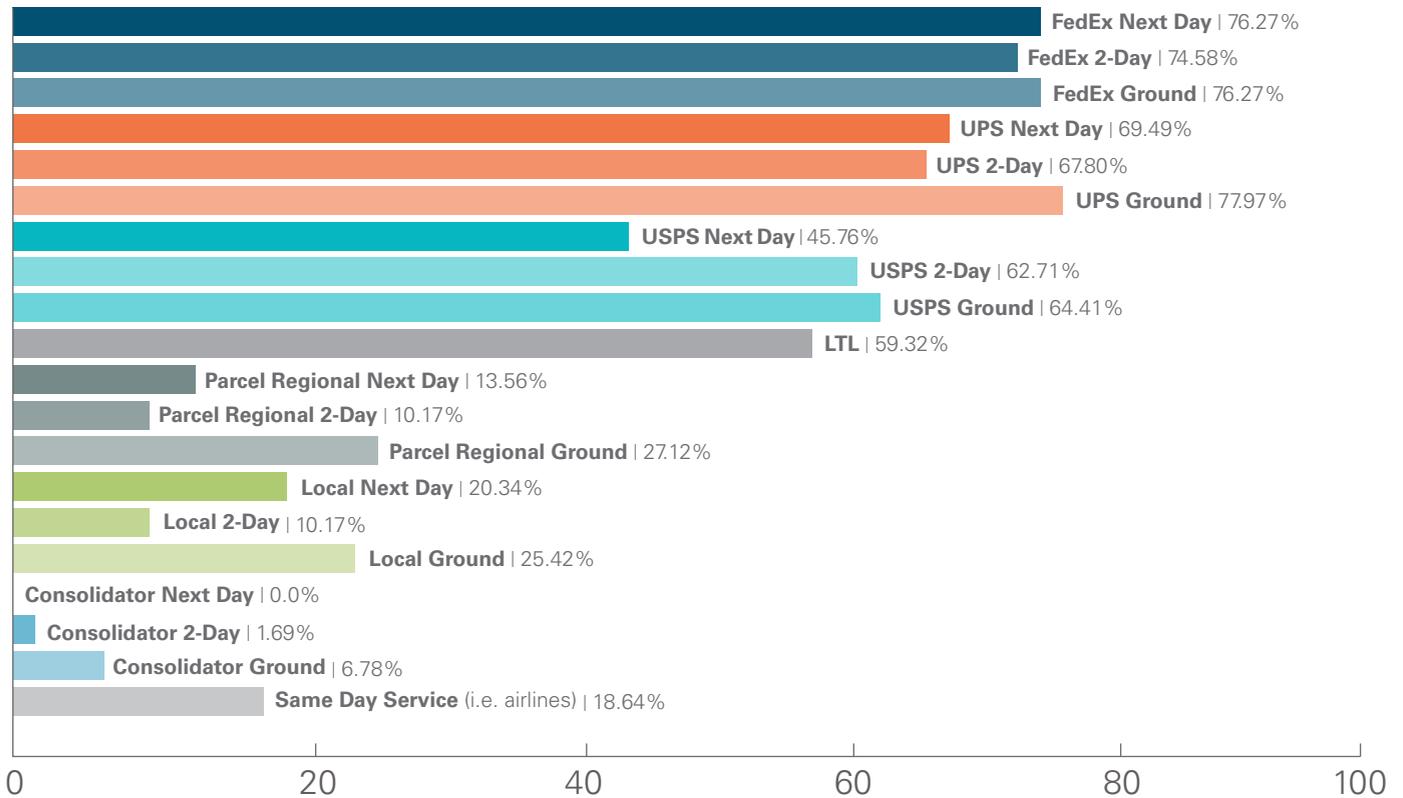
If regional carriers are part of your shipping mix, what percentage of parcels do you ship with them?



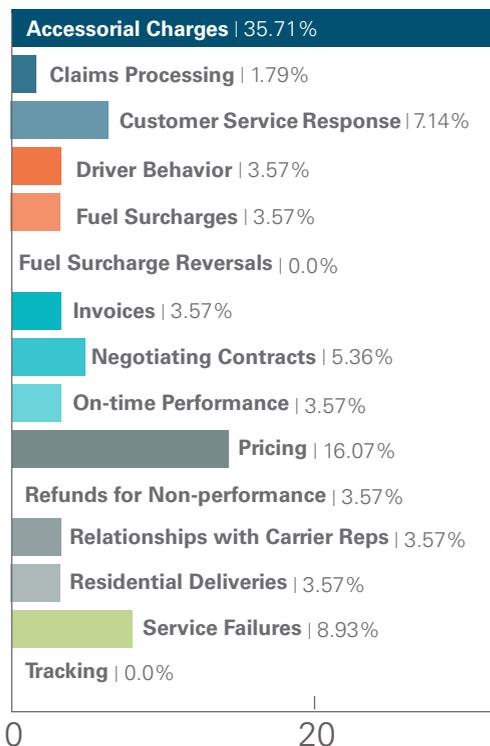
If you use regional carriers, what is the PRIMARY reason you chose to do so?



Check all of the carriers and levels of service you have used so far in 2017:



What is your biggest complaint about your primary domestic parcel carrier?



If you have modified your PRIMARY carrier in 2017, what was the reason for changing?

- Needed to achieve better pricing
- Dissatisfied with service
- Changed our level of service (i.e., air to ground)
- Diversified to use more carriers
- Reduced the number of carriers used
- Rebid transportation and a different carrier(s) won

