

## Case Study



## DHL meets the challenges of Home Delivery in the UK with Skillweb and Socket Mobile solution

### Background

With considerable growth of the home shopping market in the UK predicted – the total online spend is forecast to be 20% of retail sales by 2010 – there are increasing demands made on the delivery network.

Successful online retailers now have to provide more appropriate delivery options for home deliveries – which are potentially more costly - without eating into their profit margins. To address these new challenges, DHL has introduced its @Home Delivery Service.

DHL has created its new local courier network, recognising the need for a flexible service to deliver to over 27 million addresses in the UK. The service is required to meet consumer's needs by enabling evening and Saturday deliveries, without incurring significant additional costs that would eventually to be passed on to either the retailer or consumer.

### Meeting the Challenge

- **Providing a flexible delivery service**

A self-employed network, the DHL couriers use their own vehicles, mobile phones and work at times of the day to suit themselves. They work within a small radius and get to know customers in their area and the best possible delivery times that suit – for the courier paid on success, it is important to ensure that deliveries are made when the customer is at home. Traditionally home deliveries have a high failure rate, where a customer may be on the phone, doing housework or in the bathroom when a delivery attempt is made.

“As the carrier, we might be the only interaction that the retailer has with the customer, and therefore whatever delivery service we provide needs to be customer friendly. We also needed to make most deliveries first time, to satisfy customers and to keep our costs to a minimum,” explained Andy Taylor, Field Operations Director of Home Delivery at DHL Express UK.

- **Visibility and control**

The key to success of the courier network is the management and control – DHL needs to apply the same high standards of its business courier network to its remote based couriers. Unlike the business delivery model where items are stored on DHL premises, items for delivery are often out for three or four days – effectively becoming the courier's stock. For this reason a technology solution that was straightforward to use was required to ensure visibility of stock.

“With a 2000 courier network and probably growing to 3000 by the end of this year, we needed a simple device that we could train our couriers thoroughly in its use. We also needed something that could be adapted easily as requirements change,” explained Taylor.

## The Skillweb solution

- **Robust, lightweight device**

Skillweb's 2020ePOD application provided an ideal platform for the home courier model with its easy to use interface. The handheld units are proving robust, yet light enough for daily use, and can handle large amounts of delivery data back to the DHL business systems, providing real-time tracking management information both for the retailer and the customer.

"You wouldn't embark upon this type of courier network unless you could have high visibility and control. We needed tracking data, management visibility and importantly, it had to be delivered in a very short time frame. We looked for a provider that could give us this and Skillweb provided the solution that we needed," said Taylor.

- **Increased reliability**

The low cost mobile computing solution provided by Skillweb consisted of PDAs (an O2 Xda Argon handset) with a Socket Mobile Secure Digital Scan Card 3E (a small plug-in bar code scanner) and a custom built case to protect the unit. Because the Socket Mobile bar code scanner plugs right into the card slot at the top of the Xda Argon device, couriers have only one streamlined piece of equipment to hold. This enables them to scan bar codes with one hand, leaving the other hand free to handle packages for optimum efficiency.

The custom built case ensures that the units are more resilient for use in the field by couriers, increasing reliability by ensuring less than 0.5% failure rates for the system.

## The Benefits

- **Delivery data in real time**

DHL managers can see at any time of the day exactly what parcels the couriers have and what has been delivered. Delivery data captured by the handset, including package numbers quickly entered by scanning bar codes, is sent in real time to DHL's head office system.

Previously it took three or four days to gather information on parcels so that they could be tracked. Providing couriers with mobile bar code scanning capability ensures that tracking information is accurate and accelerates the speed of data collection.

- **Improved Customer service**

Taylor explained: "Customers are seeing a much improved customer service. We're getting a 94% first time successful delivery rate, which in the home delivery market is remarkable. By the time we make a second attempt – some of which are on the same day – we are up to 98% success."

## Business Benefits

- Solution provides high visibility and control of deliveries
- Real time delivery data enables accurate tracking information on packages
- Administration time significantly reduced with automated processes on data collection
- Improved customer service with higher first time delivery rate

For more information about Skillweb, please email [sales.enquiry@skillweb.co.uk](mailto:sales.enquiry@skillweb.co.uk) or visit [www.skillweb.co.uk](http://www.skillweb.co.uk).