

Dynamic Development of Cross-border E-commerce through Efficient Parcel Delivery

A study for DG Growth

Sectoral Social Dialogue Committee on Postal Services

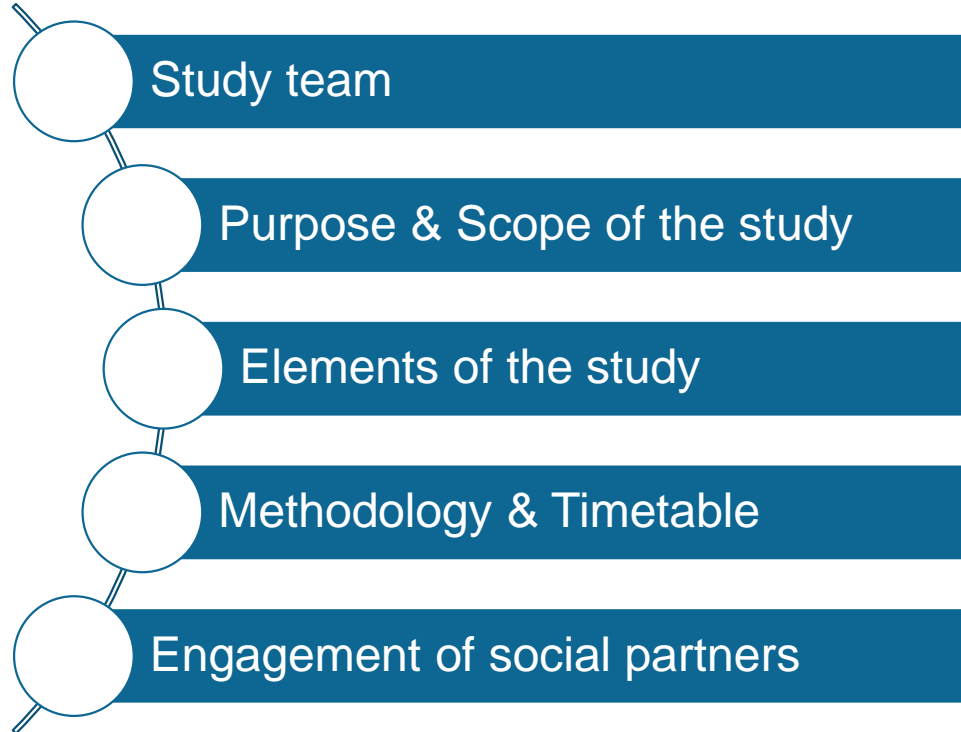
Working Group Meeting

Brussels, 3 July 2018

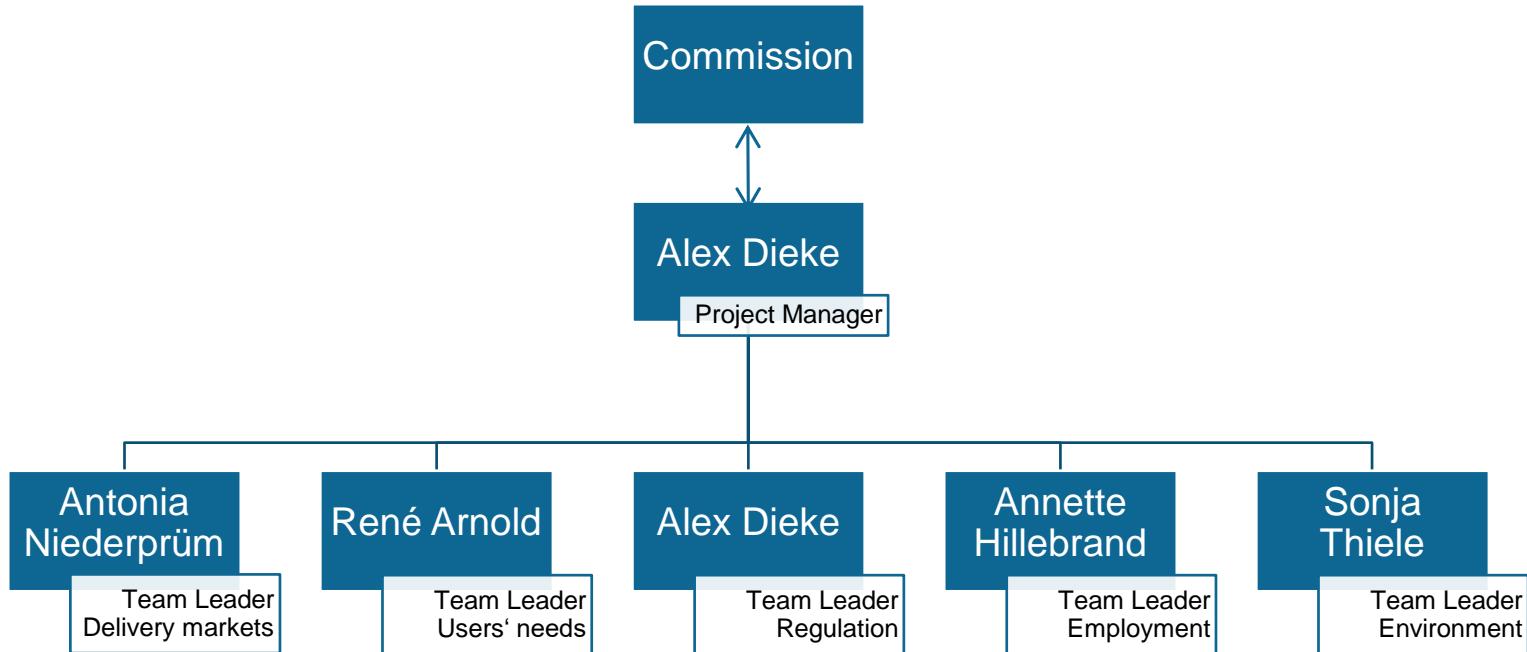
Science meets Consulting

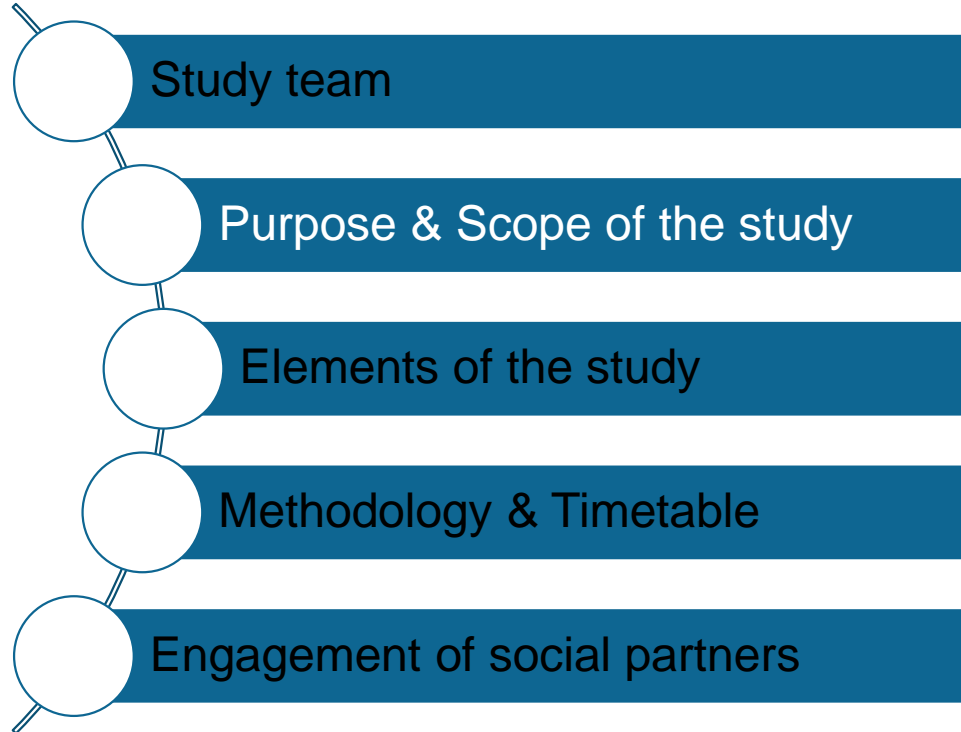


- WIK: independent research institute, funded by the Ministry of Economic Affairs and Energy
- More than 30 years of experience in economic regulation and sector policies
- Regulation and policies for digitisation
- WIK-Consult is a 100% subsidiary of WIK, founded 2001. Consultancy specialised in regulated industries with focus on Europe
- ~ 40 consultants/researchers combined. Predominantly economists



Study team



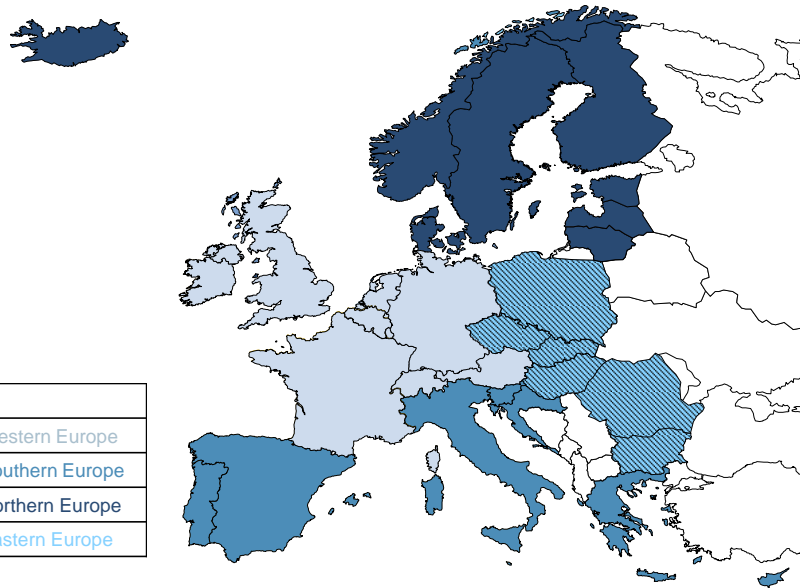


Purpose of the Study

- EP IMCO asked the Commission to conduct a pilot project on the ‘dynamic development of cross-border e-commerce through efficient parcel delivery’
- Study shall improve the understanding on
 - the state-of-play and the developments in the EU delivery markets and
 - the needs of consumers and e-retailers in relation to cross-border e-commerce and delivery services
- Study shall provide input for
 - the evaluation report on the regulation on cross-border parcel delivery services (2020) and
 - the report on the application of the Postal Services Directive (expected 2019/2020)

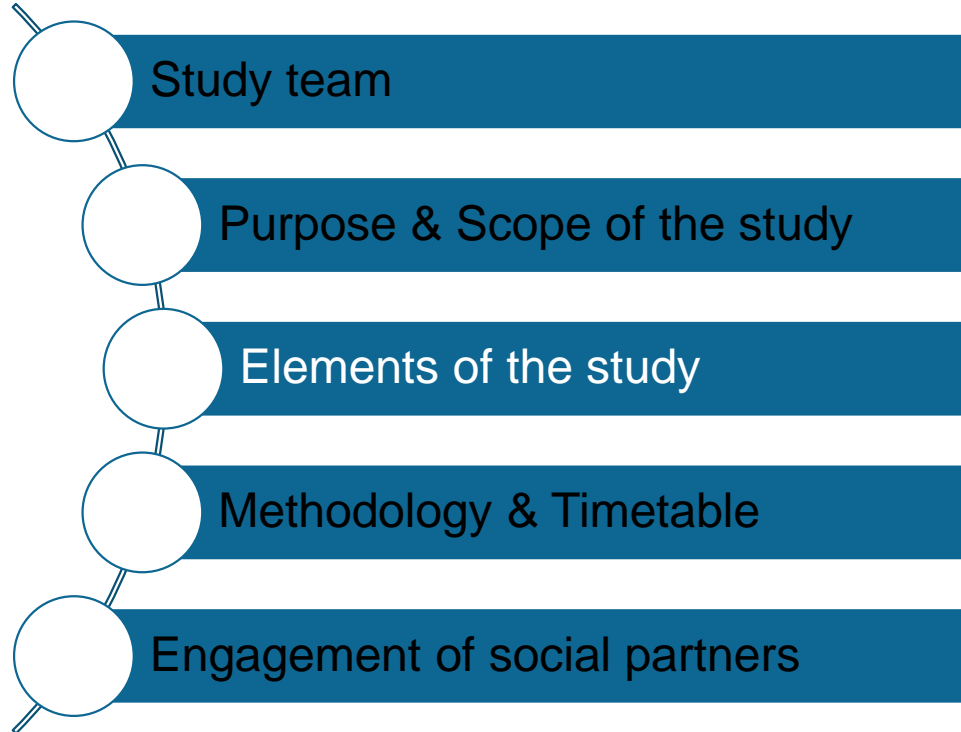
Scope of the Study

Geographical scope: EU-28 and EEA



Parcel delivery services

- **Parcels:** Postal items containing goods weighing up to 31.5 kg
- **Parcel delivery services:** services involving the clearance, sorting, transport and distribution of parcels
- **Parcel delivery service providers:** carriers that perform clearance, sorting, or distribution of parcels
- **Cross-border parcel delivery service:** the delivery of physical goods from the warehouse of the selling company directly to consumers in another country as an individual parcel
- **Focus on cross-border B2C e-commerce shipments (intra-EU and extra-EU)**



Elements of the Study



A) Analysis of market for cross-border parcel delivery services

B) Regulatory context

C) Users' needs for e-commerce parcel delivery services

D) Conclusions & Recommendations

Evolution of parcel delivery markets

Employment & working conditions

Environmental topics

National & EU dimensions

International dimensions

Consumers' experiences & expectations

E-retailers' experiences & expectations



Evolution of parcel delivery markets

- Demand for parcel delivery services (domestic and cross-border)
- Supply of delivery services and technological innovations
- Interoperability and standardisation
- Role of the USO for parcel delivery services



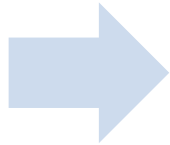
Employment and working conditions in the parcel industry

- Overall sector employment
- Role of social partners and social dialogue
- Wage policies, working time and subcontracting
- Important trends in labour markets



Environmental impact of parcel delivery services

- Overview of main environmental challenges
- Key drivers to promote more sustainable transport and delivery modes
- Industry initiatives to promote sustainable operations



Employment & Working Conditions

Sector employment

- Overall sector employment
- Employment at USPs and at major carriers
- Use of temporary, seasonal, or leased workers

Role of social partners and social dialogue

- Overall culture of participation
- Situation of collective bargaining processes in a country or a national parcel market
- Coverage of collective labour agreements (CLAs national, sectoral, company specific)

Data collection based on desk research and best effort - no survey among all Member States

Wage policies, working time and subcontracting

Examples and case studies illustrating

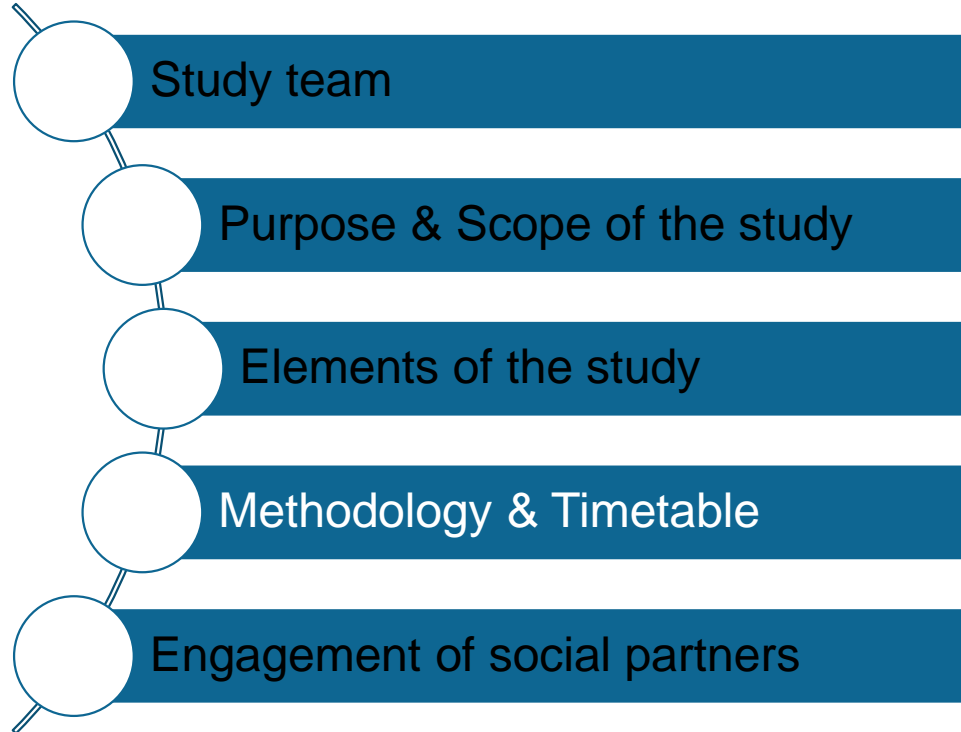
- Wage policies (one-tier / multi-tier approach)
- Payment rules (time-rate or piece-rate)
- Role of minimum wages
- Use of subcontractors and subcontracted self-employed

Important trends in labour markets

Examples highlighting trends, e.g.

- Sharing economy and 'gig economy' in delivery services
- Measures to improve the attractiveness of jobs in the parcel industry
- Innovations and technological changes (e.g. robots)

Data collection is complemented by interviews



Methodology

Element of the Study	Methodology							
	Desk research	Consumer survey	E-retailer survey	Stakeholder interaction			Case studies	Analysis
				Interviews	National stakeholder workshops	EU experts panels		
E-commerce & delivery markets	✓			✓	✓	✓	✓	✓
Employment & working conditions	✓			✓		✓	✓	✓
Environmental impact	✓			✓	✓	✓	✓	✓
Regulatory context	✓			✓			✓	✓
Consumer needs	✓	✓					✓	✓
E-retailer needs	✓		✓	✓	✓		✓	✓

- Purpose: Collect and assess publicly available data and surveys on all aspects of the study including
 - national parcel markets
 - national e-commerce markets
 - legislative and regulatory information
 - employment & environmental aspects
 - consumers' and e-retailers' attitudes towards cross-border e-commerce (emphasis: delivery aspects)
- Standardised data sheets will be used for quantitative information and a structured collection of qualitative information.
- Data sheets will be used to
 - inform WIK's overall analysis and recommendations
 - produce 31 two-pages country reports

Illustrative example



Consumer Survey

- Purpose: Collect expectations and experiences on cross-border deliveries and returns from as many different e-retailers as possible

Socio-demographics

Domestic and cross-border online shopping activities

Consumers' expectations in relation to delivery aspects

Consumers' experiences in relation to their expectations

Concerns of consumers not buying from foreign online shops

- Online survey in all EU Member States, Iceland and Norway (in national languages)
- Target group: Individuals that have purchased online within the last 12 months
- Sample size: 16,400 respondents (combined) in 30 countries
- Duration: 10-15 Minutes
- Translation, programming and fieldwork by our partner *Lightspeed*
- Fieldwork recently started

E-Retailer Survey

- Purpose: Survey consumers' expectations and experiences in relation to delivery of e-commerce purchases (domestic and cross-border)

Company information

E-retailers' online sales activities
(domestic & cross-border)

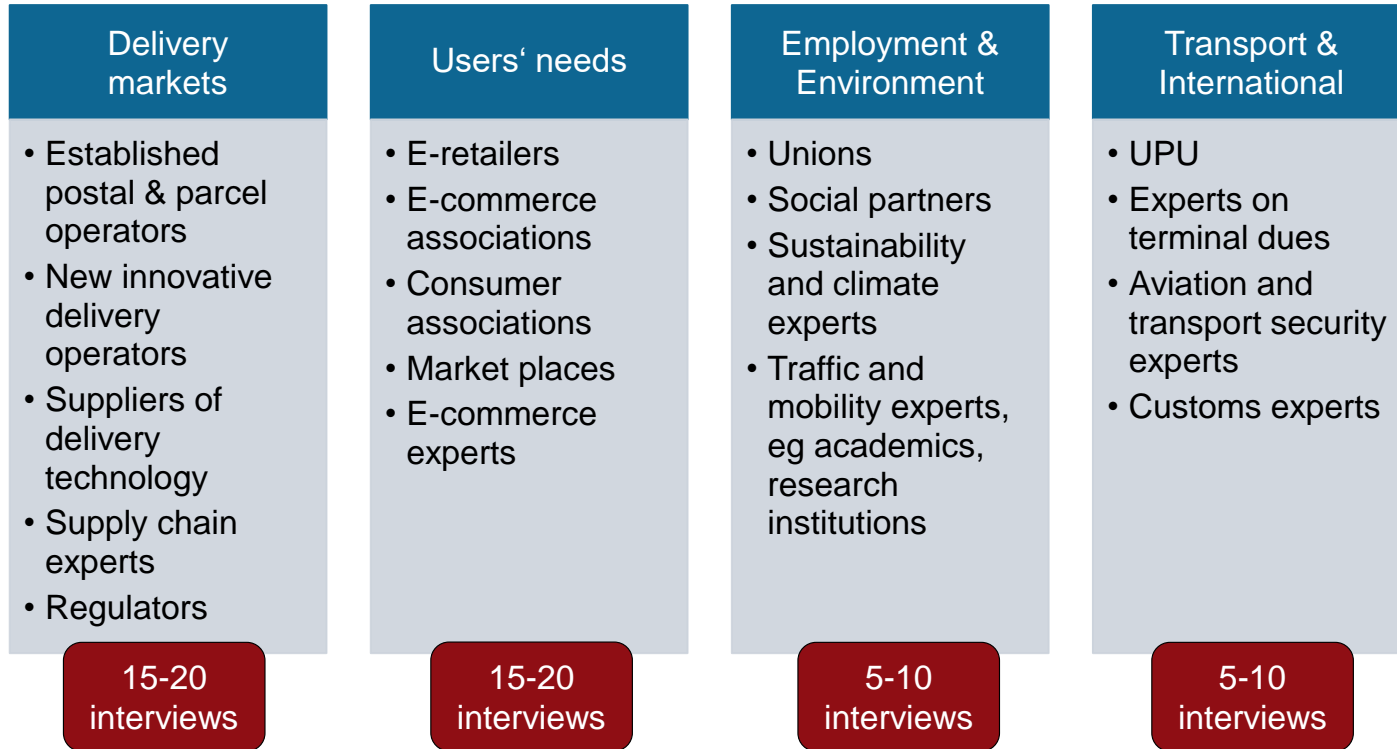
E-retailers' experiences with cross-border
deliveries & returns

E-retailers' satisfaction with delivery & return
services

Concerns of e-retailers not to sell cross-
border

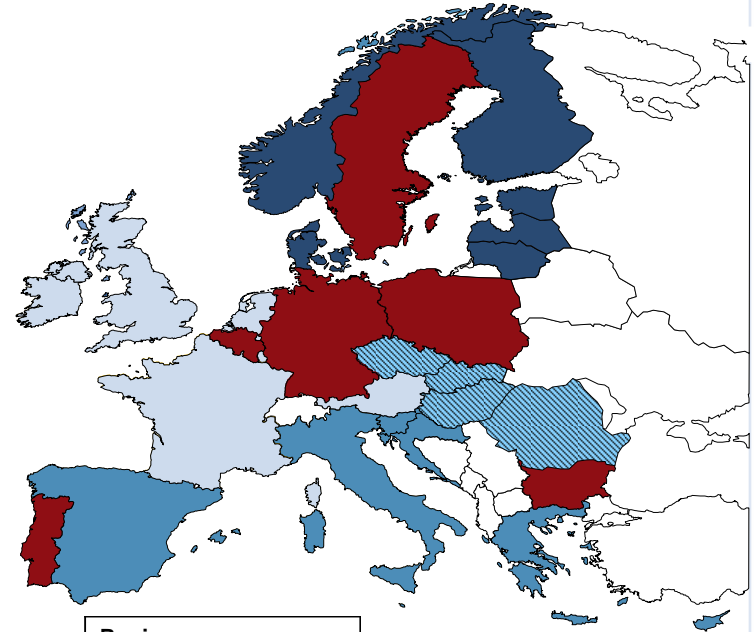
- Open online survey (not representative)
- Survey language: English
- Duration: 10-15 Minutes
- Launched in Jun 2018, open until early Sep 2018
- Link to the survey: <https://wik-parcel-study.eu/>
- Cooperation with national and European e-commerce associations to promote participation






Stakeholder interaction: Interviews



Stakeholder Interaction: National Workshops

- Six national stakeholder workshops to discuss for each country
 - recent developments of national and cross-border e-commerce (export)
 - current performance of domestic and export parcel markets
 - future trends for e-commerce and delivery
 - barriers to growth in (export) e-commerce
- WIK and Commission services agreed to have workshops in Belgium, Bulgaria, Germany, Poland, Portugal and Sweden
- National stakeholder workshops
 - 29 Jun in Bulgaria and 11 Jul in Germany
 - BE, PL, PT, SE: planned for mid Sep 2018
- Workshops conducted by WIK and its partner *Effience*³



Region	
	National workshop
	Western Europe
	Southern Europe
	Northern Europe
	Eastern Europe

Stakeholder Interaction: EU Experts Panels

- WIK will organise four EU experts panels to discuss specific topics with market stakeholders and experts
- Agreed topics:

Impact of technology and future trends on parcel delivery services

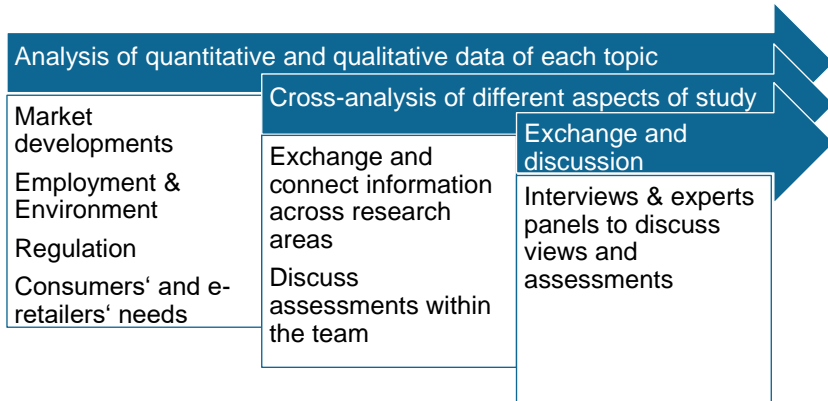
Environment and sustainability

Employment and working conditions in the parcel industry

- Target group: EU stakeholders and experts
- Set-up: Half-day events in Brussels or other convenient EU locations
- Implementation of experts panels planned for late Sep-Nov 2018

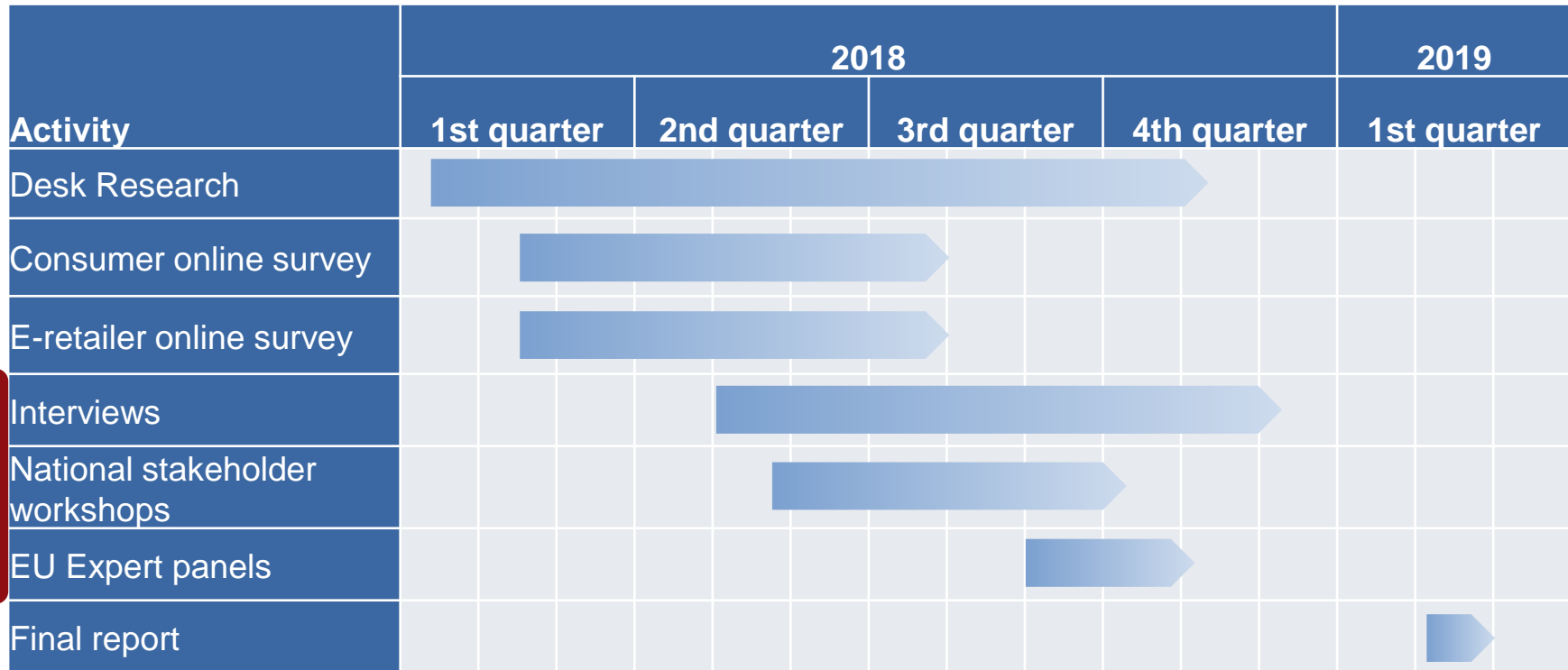
Final report will include approximately 20 case studies to address, e.g.

- Best practices for cross-border delivery solutions
- Innovative services and technologies
- Best practices of sustainable delivery services
- Examples for good or poor working conditions and employment
- Trends and developments from markets outside the EU
- Good or poor regulatory practices

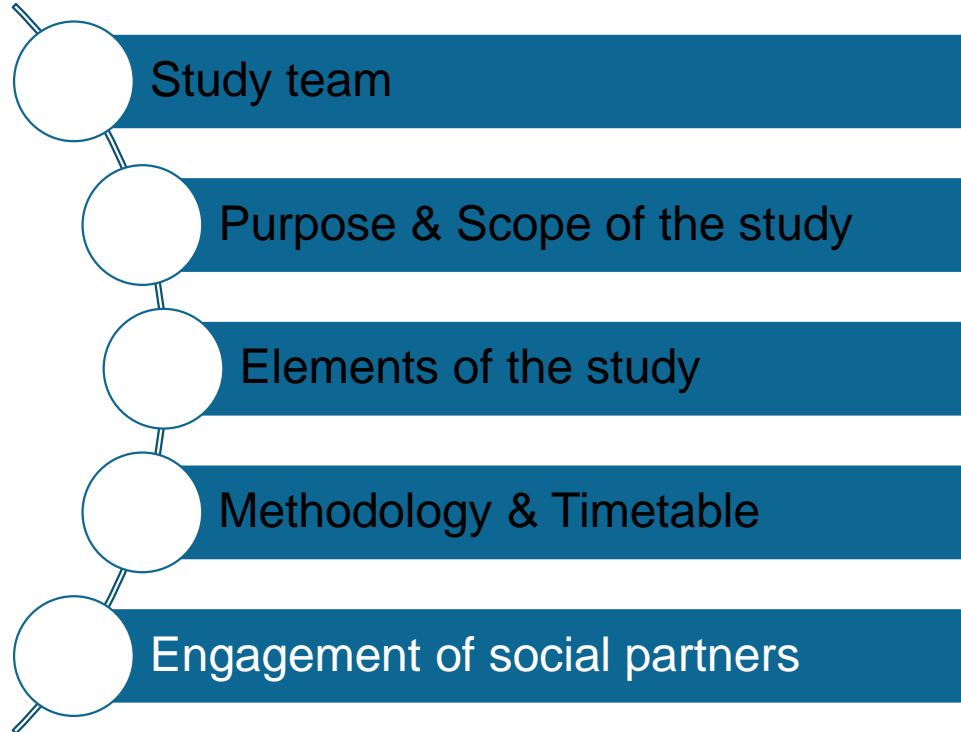


- Conclusions will be based on evidence (quantitative/qualitative)
- Recommendations may be directed to different parties, including:
 - The European Commission
 - Policy-makers and regulators in (all or some) Member States.
 - Parcel carriers (industry approach)
 - Other parties

Timetable



Stakeholder interaction



Engagement of Social Partners

Desk Research

- Reports & studies
- Data & resources (e.g. Eurostat, Eurofound, uniglobalunion.org)
- Please share with WIK any relevant publications that describe recent developments in the working conditions in the parcel industry

National stakeholder workshops

- In six countries: BE, BG, DE, PL, PT, SE
- On recent developments, current performance and future trends in e-commerce and delivery markets
- Please provide contacts to experts in your organisations for participation in the stakeholder workshops

Interviews & Case studies

- Please share with WIK examples on good and bad practices of working conditions in the parcel industry
- Please provide contacts to experts in your organisations for interviews

Experts Panel “Employment and working conditions in the parcel industry”

- Planned for October 2018 (tbd)
- Participants: carriers (HR responsables), unions, labour market experts and researchers
- WIK will contact (some of) you to provide contacts to experts in your organisations for participation in EU experts panel

Your Study Contacts

Project Manager

Alex Dieke

E-mail: a.dieke@wik.org

Tel: +49 2224 9225-36

Team Leader 'Delivery markets'

Antonia Niederprüm

E-mail: a.niederpruem@wik.org

Tel: +49 2224 9225-29

Team Leader 'Employment'

Annette Hillebrand

E-mail: a.hillebrand@wik.org

Tel: +49 2224 9225-53



WIK-Consult GmbH
Postfach 2000
53588 Bad Honnef
Deutschland
Tel.: +49 2224-9225-0
Fax: +49 2224-9225-68
eMail: info@wik-consult.com
www.wik-consult.com