

Ship (It) Out!

Delivery Services

In this article, we'll help you figure out when it makes sense to hire someone else to do the running around for you and how to get your local and long-distance shipping and deliveries done conveniently, reliably, and at the lowest possible cost.

Need to get something from here to there?

While e-mail and fax machines have made sending correspondence and documents almost instantaneous—and cheap—there are still times when you'll need to ship something via a delivery service: when your accountant or real estate agent is screaming for those last-minute, notarized documents... When you've (once again) forgotten your mother-in-law's birthday, and need to get that present you just bought to her tomorrow... When you've found an incredible price for a fancy gadget—at a store 1,000 miles away.

Fortunately, various shipping services can get just about anything quickly from here to there. If your shipment is local, a courier service can pick up a package and get it there in less than an hour or two, or you can send the package via a delivery service's ground service option and have it there the next day. If you need to send something to a distant part of the country, depending on what you're willing to pay, a delivery service can get it there overnight, the next day, or within a week.

This article will help you figure out how to get your local and long-distance shipping and deliveries done conveniently, reliably, and at the lowest possible cost. We look at nationwide package delivery services, local courier services, and a few alternatives.

Nationwide Delivery Services

We report on the four largest nationwide package delivery services: DHL, FedEx, United Parcel Service (UPS), and the U.S. Postal Service. Table 1 tells you how these services were rated by surveyed customers. Table 3 gives you their rates and delivery-time guarantees for various service options available in the 48 contiguous states.

Customer Satisfaction

We surveyed consumers in seven major metropolitan areas and asked them to rate delivery services they had used "inferior," "adequate," or "superior" for "doing service properly," "starting and completing service promptly (on time)," "letting you know the cost early," "pleasantness of staff," and "overall performance quality." Table 1 shows what percentage of surveyed customers rated each service "superior" on each question and also what percentage rated each service "adequate" or "superior" (as opposed to "inferior") for "overall performance."

Of the four nationwide delivery services listed on Table 1, FedEx consistently rated highest, followed by UPS. DHL and the Postal Service scored substantially lower than the higher rated services. (The ratings for DHL include ratings for Airborne Express, which agreed to merge with DHL in 2003 and began at that time to merge its operations



Neither rain, nor snow, nor sleet, nor gloom of night shall stay the trusty courier from his appointed rounds.

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with DHL's; the ratings of Airborne, taken separately, were not significantly different from those of DHL.)

What They Say about Speed

Table 3 lists the different levels of service each company has available for non-commercial customers. Each firm has several speed-guarantee options. You can send something overnight or over a week. DHL, FedEx, UPS, and most airlines even offer same-day service (although it starts at a hefty \$163 per package).

All four services offer overnight service to most areas, although the time the package is guaranteed to get there the next business day varies by company, level of service, and destination (with remote rural areas sometimes getting slower service). The earliest overnight guarantees come from FedEx's First Overnight and UPS's Next Day Air Early A.M. services, which promise delivery in most areas by 8 a.m. But the premium for these services is high; a simple letter shipment usually costs over \$45.

As you can see from Table 3, services from FedEx and UPS that offer guaranteed delivery times of 10:30 a.m. the next business day to most addresses in the 48 contiguous states are much more

How We Gather (and How to Interpret) Our Data

Our tables rating individual firms will be more valuable to you if you know how the data were gathered and how they should be interpreted.

Opinion Surveys

Customer survey scores reported on our tables are from our surveys of consumers, which are conducted via mail, telephone, and the Internet. We primarily survey *Consumer Reports* and *CHECKBOOK* subscribers, but we also survey a sampling of other consumers.

Since many firms were rated by rather small numbers of raters, small differences between two firms in the percentage of raters who gave a particular rating (say, "superior") should be ignored. The table below gives a rough guide to minimum differences you should look for in deciding on one firm over another.

When using these survey data, remember that the questions are to some degree subjective and that the differences among firms might be explained by differences in the personalities, backgrounds, critical standards, and other characteristics of the raters or by biases these raters might have.

Complaints

Our ratings tables on auto detailers, carpet and rug cleaners, housecleaning services, movers, and plumbers show the number of complaints filed against individual firms with the government offices of consumer affairs in Alexandria; in Arlington, Fairfax, Howard, and Montgomery counties; at the Consumer Protection Division of the Maryland Attorney General's Office; and at the Virginia Office of Consumer Affairs. These complaint counts are from a two-year period. Since the Complaint Division of the District of Columbia's Department of Consumer and Regulatory Affairs is closed, we were unable to count complaints there.

The ratings tables also show counts of complaints filed with the Better Business Bureau of Metropolitan Washington, DC (BBB), during a three-year period.

On our ratings tables, we calculate complaint rates, where we are able, by dividing the number of complaints by the best measure we can devise of each firm's business volume and exposure to complaints.

There are limitations to the complaint data. One problem is that some complaints may be unjustified, simply filed by cranks. Another problem is that, in some cases, we didn't have a measure of business volume and therefore couldn't control for differences in firms' exposure to complaints.

We always recommend that you look for substantial differences in complaint counts and rates. We also advise giving little weight to complaint counts if the total count against a firm is less than three or four.

Survey of Firms

To gather much of the other information on our tables, we surveyed the firms. In general, our researchers surveyed firms by phone (sometimes without revealing their affiliation with *CHECKBOOK*), but in some cases data were collected by mail or from firms' websites, or phone responses were confirmed by mail follow-up.

Price Index Scores

To compute our price index scores, we calculated an *average* price for each job or item for all the firms that quoted on that job or item. Next we compared each firm's price to the average. One firm might come in at 120 percent of the multifirm average for a particular job, and another firm might come in at 90 percent. We took each firm's percentage score on each job or item, standardized it, and assigned a weight to each job or item, based on our judgment. We then averaged the standardized, weighted percentage scores to find how the firm compared to other firms overall. Finally, we multiplied this overall percentage score by a flat dollar amount, say, \$100.

The price index score, then, is intended to indicate the relative prices we found for the firms, adjusted to the base of this flat dollar amount. These index scores are imperfect for various reasons: for instance, the jobs or items checked may not be representative; the weighting of various jobs or items in the index may not accurately reflect typical expenditure patterns; and the number of jobs or items is small.

Timeliness of the Data

All of the data must be interpreted in view of timeliness.

Our customer survey data are from surveys conducted from April 2000 to September 2005 for auto detailing shops, carpet and rug cleaners, housecleaning services, funeral homes, movers, plumbers, upholsterers, and window washers; January 2002 to September 2005 for delivery services; and August 2001 to April 2005 for primary care physicians.

Survey respondents were asked to report on experiences in the preceding year.

Our data on complaints for the government offices of consumer affairs are for a two-year period dating back from December 31, 2004. For the BBB, the data are for a three-year period dating back from a date from May to June 2005 (different three-year periods for different articles).

The data from our survey of firms were collected from July to October 2005 for carpet and rug cleaners and plumbers; from August to October 2005 for housecleaning services; and from September to October 2005 for movers and window washers.

Our price data were collected from February to July 2005 for plumbers; from March to September 2005 for housecleaning services and upholsterers; from May to September 2005 for funeral homes and movers; from May to October 2005 for carpet and rug cleaners and window washers; and from June to September 2005 for auto detailers. Price data for delivery services were collected from firms' websites on September 29, 2005.

For the most part, our tables include firms for which we collected 10 or more ratings on our customer survey during the customer survey period mentioned above, but we do not report data for periods prior to firms' changes of name *and* ownership. As a result, some large firms are not listed at all. If only name *or* ownership changed, we do report the data. Changes subsequent to the dates listed above may not be taken into account.

Top Ratings

We give checkmarks to firms that score highest on a scoring system that we devise for each service field. Our scoring systems weight the various data in our tables and text based on our subjective judgment of their importance. Since the scores are based entirely on information presented, you can apply your own subjective judgments, and decide whether you prefer firms we have not given checkmarks. Where we do not have important data on a firm, we cannot give our checkmark.

A Rough Guide for Deciding Whether the Difference Between Two Percentages is Important	If one firm had this number of ratings:	And a second firm had this number of ratings:	Do not give much importance to the difference between the frequency with which the two firms experience a particular rating or result unless the difference is at least this many percentage points:
Assuming the average of the two firms' percentages is 50 percent	10	10	45
	30	30	26
	60	60	18
	120	120	13
Assuming the average of the two firms' percentages is 80 percent	10	10	36
	30	30	21
	60	60	15
	120	120	10

TABLE 3

Sample Courier Prices ¹ <i>Firms' quoted prices for delivery within four hours</i>	Capitol Hill to...				Rockville, MD to...				Springfield, VA to...			
	Northwest DC	Arlington, VA	Rockville, MD	Landover, MD	Northwest DC	Arlington, VA	Capitol Hill	Landover, MD	Northwest DC	Arlington, VA	Rockville, MD	Landover, MD
A A Courier Service	\$12.00	\$15.00	\$26.00	\$15.00	\$22.00	\$26.00	\$26.00	\$26.00	\$20.00	\$15.00	\$38.50	\$30.00
Apple Courier	\$10.50	\$18.50	\$34.50	\$18.50	\$28.50	\$34.00	\$34.00	\$38.50	\$34.50	\$24.50	\$54.50	\$51.50
Best Messenger	\$9.00	\$16.00	\$24.00	\$24.00	\$24.00	\$22.50	\$24.00	\$36.00	\$28.00	\$28.00	\$30.00	\$38.00
City Express Courier Service	\$6.80	\$13.85	\$22.40	\$28.40	\$24.40	\$24.40	\$24.40	\$35.05	\$24.40	\$15.10	\$35.05	\$35.05
Custom Courier Systems	\$8.91	\$11.32	\$23.72	\$28.23	\$21.47	\$11.32	\$21.47	\$28.23	\$21.47	\$18.09	\$28.23	\$28.23
Laser Courier Service	\$6.75	\$11.00	\$24.00	\$26.00	\$24.00	\$35.00	\$22.00	\$37.00	\$22.00	\$15.00	\$46.00	\$48.00
Quick Messenger Service	\$5.95	\$10.95	\$22.00	\$17.95	\$22.00	\$29.00	\$22.00	\$34.00	\$28.00	\$24.00	\$43.00	\$34.00
Speed Service	\$7.00	\$14.00	\$30.00	\$20.00	\$7.00	\$14.00	\$30.00	\$20.00	\$22.00	\$12.00	\$30.00	\$20.00
Super Express Courier Service	\$10.00	\$16.00	\$29.00	\$18.00	\$25.00	\$28.00	\$29.00	\$22.00	\$27.50	\$14.00	\$35.00	\$25.00
Washington Courier Service	\$8.00	\$10.00	\$24.00	\$30.00	\$22.00	\$16.00	\$24.00	\$30.00	\$17.00	\$16.00	\$30.00	\$28.00

¹ See page 96 for description of research methods, dates, and limitations. Rates are based on prices quoted by firms to CHECKBOOK shoppers from May 29 to May 31, 2002, to deliver

an envelope package. All rates are based on weekday delivery, with the need for the item to be delivered within four hours to and from specific street addresses within the listed geographic

area. Rates assume the sender has an account with the service; many courier services charge higher rates for customers who do not have an account.

Price

To get a general picture of courier service prices, our researchers shopped a sample of 10 courier services for their rates for 12 specific deliveries of letter-size parcels that would need to reach their destinations within four hours. The results are shown on Table 3.

As you can see, there is a wide variation in prices, particularly for the longer-distance suburb-to-suburb deliveries. One reason courier service prices vary so much is that they each have to travel different distances in order to make the original pickup. Another reason is the way they calculate their rates. Each firm seems to have a different system. Some firms use air distance; some use a zone system; some use a formula that takes into account actual distance traveled and degree of difficulty; and some firms seem to have no logical, consistent system for determining rates.

You should keep in mind that the prices on Table 3 are for calls for pickup between 9:30 and 10 a.m.; firms sometimes charge as much as three times their regular rates for delivery requests made after 3 p.m.

The prices shown on Table 3 are for deliveries for a customer who has an account. With most firms, prices would be substantially higher for a customer who does not have an account. Most firms won't maintain an account for you unless

you'll use them more than once or twice per year; if you will, it's a good idea to set up an account right away.

As you can see from Table 3, you'll generally save money by using a nationwide package delivery service such as UPS or FedEx if you can wait for delivery until the next business day. But for short-distance deliveries like Capitol Hill to downtown you might save and get faster service by calling a courier service.

Before using a courier service, check its prices; in the past we have found that prices often varied when our shoppers called a firm several times.

How to Use Them

Pickup

Hiring a courier is as easy as picking up the phone. You simply call the firm you choose and let the dispatcher know the address of origination, the receiver's address, and how soon you need the package delivered. The dispatcher will typically let you know when to expect the messenger.

Payment

Courier services usually prefer that their customers have an account; this speeds up the process since dispatchers don't have to collect and verify credit card numbers, and messengers don't have to worry about collecting cash or

checks. Most couriers will accept some form of non-account payment, such as cash, check, or credit card. Some firms may charge you an additional \$2 to \$3 fee if you are paying by personal check.

Account Priority

Not only can you save money by opening an account with a firm, you can also ensure a higher quality of service. Many firms place a priority on serving their existing accounts before serving cash customers.

Getting It There in One Piece

Courier services keep track of packages and their drivers through cellular phones, two-way radios, and pagers. Generally, the courier services will attempt to get a signature when delivering packages, but if the recipient is not there, the package usually will be left at the door. One of the advantages of hiring a courier service, however, is their flexibility. You can, for example, make special arrangements with a firm so that a courier is required to get a signature; you can even request that the courier wait for someone to arrive before leaving your package.

Another special arrangement you can make with many courier services is to request written or verbal proof of delivery. You can even have the dispatcher notify you by phone. But these special arrangements do cost more.