

DELIVERY TERMS CONSIDERATIONS IN THE USER JOURNEY FOR ONLINE SALES IN EUROPEAN UNION MEMBER COUNTRIES

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Abstract

The delivery terms are a key element in the user journey in online sales as people associate these with the value they will derive from the transaction. Moreover users have a heuristic that is specific for the respective category of goods. Consumers are looking for the optimal solution for the delivery terms - specific courier company, delivery time, level of support and control over the delivery. Emerging trends include same-day delivery, alternative delivery locations, and sustainability initiatives. Overall, customers increasingly expect delivery to be fast, free, flexible, and frictionless. The implications for companies are multifold and impact the overall sales volume as consumers will not place orders to a specific company. This will impact the future scaling of the sales of the company and the learning curve for the company regarding client needs, trends and new product development. The impact will be as well on the considerations for internationalization regarding margins, risk management, capacity usage. The paper outlines the specifics of different EU member states regarding the consumer expectations and behavior regarding delivery terms for online sales. These specifics impact the planning of the internationalization process and the creation of the optimal user journey for the consumers.

Key words: User Journey, Planning International Sales, Consumer Behavior, eCommerce

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Introduction

Delivery considerations are pivotal in e-commerce user journeys, profoundly shaping customer satisfaction and loyalty. Yet nuanced market-by-market dynamics exist across the EU's diverse member states. This paper models delivery planning in user journey design for online EU sales, elucidating decisions and influential factors.

Qualitative insights from an in-depth interview with a fulfillment provider inform analysis of delivery integration amidst internationalization. Findings will summarize considerations around terms, cost, speed, and flexibility when

exporting online to the EU. Further research can build on this study of delivery's role in cross-border e-commerce user journeys.

Previous Research on Delivery Terms Impact

In their research paper “The last mile: an examination of effects of online retail delivery strategies on consumers” the authors (Esper and coauthors, 2003, Journal of Business Logistics, pp.177-203) present that the Internet has increased the level of importance of the end-consumer market to transportation carriers. They have conducted two experiments in which carrier disclosure on retail merchant websites is examined as a strategic differentiation strategy. The paper examined the effects of carrier disclosure strategies on product delivery-related expectations, consumer attitudes, and intentions to purchase a product online. Results from Study 1 reveal significant differences between disclosure and nondisclosure of the carrier for numerous product delivery-related variables, while Study 2 extended these findings by showing that providing consumers with a choice of carrier leads to increased levels of satisfaction with the online experience and greater willingness to buy, relative to nondisclosure and disclosure strategies.

In discussing consumer-driven e-commerce, Lim et al. argue that “last-mile logistics are essential for improving customer satisfaction and overall business performance” (Lim et al., 2017, p. 319-321) they list the following most common contingency-reported variables for last mile logistics and delivery. They have listed Consumer geographical density; Consumer time convenience; Demand volume; Order response time; Order visibility; Product availability and product variety; Product customizability; Product margin; Product returnability; Service capacity.

As noted in Tileva (Tileva, 2020) a commonly used tactic in online offers is to include delivery in the final price. In many cases the customer is not notified that delivery is calculated into the product price. The information is presented in a way that gives the client the impression they are not paying for delivery. Tileva points out that this is often denoted on international e-commerce sites as “free shipping” which leads to an association with savings, since one of the costs of the purchase is eliminated. Positioning this appropriately on the website of the seller is also an important component.

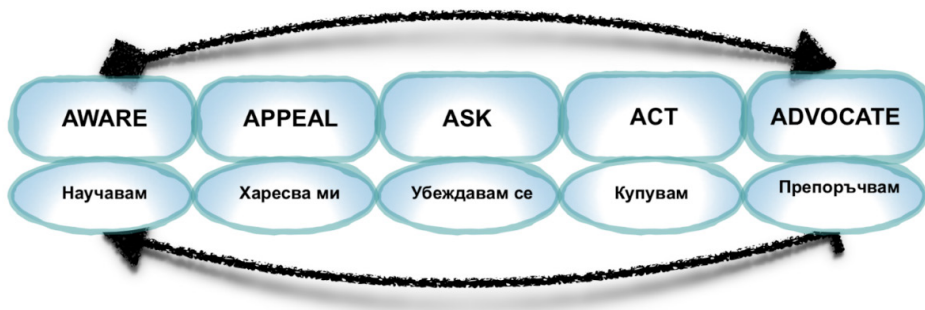
The Deliver Terms Planning in the User Journey - 5A Model

The 5As Model

The 5As model focuses on the sequential steps a consumer undergoes when engaging with a brand or product. It was detailed in Kotler et al. (2019) as a framework companies can readily comprehend, test, and implement for more effective and efficient marketing.

The five phases of the contemporary user journey can be used to plan the delivery terms aspects:

- **Awareness:** The first stage involves building awareness of the brand, product or service among the target audience. For an online cosmetics shop, this could mean utilizing Instagram ads, influencer campaigns and affiliate promotions. In case there is an already existing brand awareness that a specific company or brand does not offer specific delivery terms that consumers believe to be extremely important for the value they will derive from the purchase, than the delivery terms could be part of the awareness phase (i.e. Company XYZ offers same day delivery through Automatic Parcel Stations)
- **Appeal:** After establishing awareness, the next step is appealing to the audience by conveying the image of the respective brand, selection, quality or value proposition. Creative social media content and email campaigns can highlight new product launches, limited editions or sales. The delivery terms could have a substantial impact for users who place significant value to delivery terms for specific goods or locations (i.e. same day delivery of presents, customization of packaging etc.)
- **Ask:** In the third phase the focus shifts to encouraging consumers to browse the site, sign up for the mailing list or chat with customer service to learn more. Quizzes, live demos and new user discounts could provide incentives. Since the heuristics for the consumers for eCommerce in general and for specific types of goods include delivery terms we can expect for users to be willing to check the delivery terms, and make a research if needed. As pointed in “Branding in the Digital Age” (Edelman, 2010), discrepancies from the consumers expectations or the flow of a previously made statement (expedient delivery, ease of return etc.) results in users discarding a specific brand that is already gone through the previous stages and a high propensity to move to another brand.
- **Act:** This stage involves motivating consumers to make purchases on the site through checkout optimization, limited-time offers, free shipping, sampling programs or loyalty benefits to encourage conversion. The delivery terms can significantly impact the type of action the user undertakes (i.e. placing an order over the limit for free delivery, selecting a specific option for delivery or customization etc.)
- **Advocate:** The final stage focuses on turning customers into brand advocates. Review requests, user-generated content and referral programs encourage satisfied shoppers to share experiences on social media, generating word-of-mouth. The advocate phase can be expected to be present for users who have liked the delivery terms as well, as these terms are part of the final value they derive from the ecommerce purchase. Users are likely to describe the delivery terms in a review (i.e. delivery time, support in case of an issue with the order etc.)



Source: Котлър, Филип и съавтори (2019). Маркетинг 4.0 Издателство Локус Пъблишинг.

Figure 1: The phases in the consumer journey

Users can be delighted by a specific offer and/or piece of content regarding the delivery terms, i.e. 100 days return option, one-click return policy etc. As pointed out by the author of this paper in the afterword of the Bulgarian edition of Marketing 4.0 (Kotler, 2019, Locus Publishing) The “WOW” factor can enable much more successful achievement of marketing goals – by accelerating, skipping individual stages or strengthening individual phases of consumer journey – from awareness to action and finally to advocacy of the brand.

Micro-moments

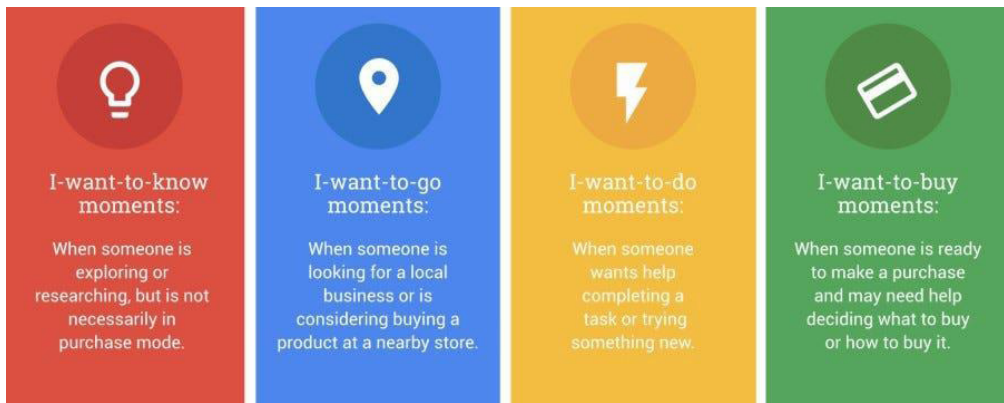
Micro-moments are instinctive consumer needs addressed on a device and the concept emerged from the analysis by Google team of billions of intent-rich interactions. Micro-moments represent opportune touchpoints where marketing can provide value and include the delivery terms as well.

Micro-Moment characteristics include:

- They signify concrete consumer wants in the moment including the will to know more on the delivery terms and whether other users are satisfied by the actual delivery, as compared to what is stated by the company)
- They connect to actual behaviors where users have left digital signals, namely they provide both context and scale of the respective intent-rich interaction
- They allow planning, execution, analysis and refinement of strategic and tactical marketing.
- Micro-Moments can be expressed in questions that consumers have and are actually looking for an answer to. The answer to a question can be won or lost by a business, i.e. consumers are not satisfied by the answer and move to another option to get a better answer as per their current stage in the user journey.

As consumers have endless needs and queries, Google formulated the approach of question clusters - groups of related question types and topics. They have identified two possible frameworks and both are applicable in the case of delivery terms:

- Universal clusters:
 - I want to know - here users would be interested in typical delivery terms, issues with delivery and reverse logistics etc.
 - I want to do - here users would primarily do things that they do on their own. In this case it could be making a return of a product, track the status of their order etc. Users could use review and comparison platforms for brands and products.
 - I want to go - in the case of ecommerce, users have this cluster of micro-moments more rarely. Nevertheless they could have micro-moments in this cluster in the hybrid model of numerous companies and marketplaces.
 - I want to buy - this is the prevalent cluster of micro-moments. Here users choose the ecommerce shop or the platform, the delivery options etc.
- Specific clusters - these clusters can be labeled as “freestyle” as they could make any grouping and subgrouping. Nevertheless there are some key clusters that could be used by the companies when planning the user journey:
 - Which is the best (fastest, cheapest, most recommended etc)
 - What’s best for me - here users would both look for the brands and products, and for the delivery terms
 - Can I afford it- here the prevailing questions relate to the price and cost of usage, but the delivery and return terms are an integral part of the total cost for the users
 - Where can I try it - here, besides the classical option to try in a physical location, users have the micro-moments of ordering samples or of ordering products in order to test and return if needed
 - Am I getting a good deal - this cluster of micro-moments is typical for ecommerce and covers both the price of the products and the delivery terms. In addition to this users can explore the micro-moments in a marketplace where they know this is a key feature of such platforms
 - How do I fix this problem - this cluster can be related to the return of products but as well to problems regarding wrong delivery (i.e. goods) or delivery problems (missing delivery details, problem with picking the delivery etc.)



Source: Think with Google.

Figure 2: The four typical clusters of micro-moments according to Google

Specifics of Delivery Terms when Planning the User Journey for International eCommerce

The company

A detailed interview has been conducted with Vichren Bisset - Chief Commercial Officer and Board Member at euShipments.com - the trade name for the company InOut Trade. The company is a distinguished logistics entity primarily active in Romania and Bulgaria. The mission of the company is to support the expansion of online businesses throughout Europe. The objective of euShipments is to facilitate businesses of all sizes in accessing and serving European markets effectively, ensuring orders are transformed into successful deliveries. The company has assisted over 300 businesses in their expansion endeavors, offering consistent shipment services within the EU for nearly a decade. They have an extensive collaboration network, partnering with notable local couriers, strategically situated fulfillment centers, and responsive call centers. The value proposition of the company to its business clients is to remove logistical, linguistic, and operational barriers to sales and exports by offering dedicated account management and a unified API system for shipment processing, inventory tracking, and order delivery statuses.

Trends in eCommerce for Bulgarian Companies

Based on the data of the fulfillment company many Bulgarian companies operate on a B2B (Business to Business) basis and are not active in the B2C segment. If they sell online - this is primarily by selling to an eCommerce business or a retailer.

Another key observation is that online merchants are typically traders to B2B business and most manufacturers lack confidence about exporting to other

countries. The cosmetics, dietary supplements, and clothing sectors are very developed. There is a notable Direct to Consumer (DTC) trend emerging - globally and in Bulgaria. A retail to eCommerce shift in the model is visible. Big brands are adopting hybrid models. There is a growing trend for upselling during purchase or prior to delivery in eCommerce .

Undelivered parcels can be the difference between a successful and failed export effort. There is a high incidence of undelivered parcels in cash on delivery countries (average figure to be planned at start of 10% and more). Countries like Greece and Italy see higher rejections, reaching 15-20%, up to 30% for inexpensive items with no customer service.

Approach to international eCommerce sales for Bulgarian Companies

Based on the experience of the interviewed company Bulgarian businesses are slow to expand beyond Bulgaria. The local market serves as a validation and scaling ground. The infrastructural and payment system in Bulgaria is quite similar to those in neighboring countries and Poland. However, in Western Europe, the business model tends to differ, making it challenging for Bulgarian sales models to adapt.

According to the interviewed professional, no more than a dozen Bulgarian eCommerce companies have successfully localized in Western countries. They often sell through translated websites or through marketplace platforms. Most of the successful exporting companies usually operate with local teams in one or more areas relating to the delivery. This allows them to win the answers to questions of consumers expressed in micro-moments.

Utilizing local channels and marketplaces (for example, Allegro in Poland, Skrutz in Greece, etc.) is a common practice for the exporting companies. There are opportunities for localization in marketplaces (e.g. in France, Poland where these marketplaces are very well established) which allows the exporting companies to win multiple micro-moments. The use of these marketplaces presents a challenge regarding the higher competition in the respective segment and/or respective product. As a consequence relying on a single channel, especially a marketplace, is regarded as risky.

A notable example is when a Bulgarian clothing merchant switched from an unknown courier to a recognized one in an EU country. They added three more options - the three most popular couriers - and the issue with undelivered parcels almost disappeared.

Changes in the Consumer Journey and Specifics by Countries.

A key element of the heuristics for customers is delivery timing, return management, combined with return in-store or try in-store if possible. This can be related to the "I-Want-to-Go" cluster of micro-moments.

Delivery is a part of the sale - in markets with huge share of cash on delivery payment for eCommerce the sale doesn't end at checkout but when cash payment has been made at time of handover of goods to the end customer). Companies without experience find it harder to adjust for this user journey specific. The cash on delivery is typical for all Eastern European countries, Italy (up to 40% share of cash on delivery), Spain, Portugal. It is common even in Germany and Austria when it relates to unfamiliar brands for the consumers. This can be related to the Ask phase in the 5A model in which customers check if their preferred option is available and specific details about delivery options.

Exporters find it hard entering France, UK, Benelux as entry requires much customer service, which companies from Bulgaria are not much used to. A preliminary phone call for the pending delivery is not common In Germany, while in cash on delivery countries, it is an established practice. This can be related to the clusters of "How do I pay", "How do I get the delivery", "What happens with my order" clusters.

In Bulgaria and Romania end customers for eCommerce delivery have close contact with the courier. On the opposite are Western European countries in which only order tracking is available, and that is the maximum information the courier can provide. In Bulgaria and Greece, postal codes are not sufficient - unlike Western Europe. In Greece, some places don't have addresses and instructions are given as to what to do upon reaching the locality.

There is a clear heuristic for the use of renown couriers in the respective country - if an exporting company is not using the prevailing courier companies then consumers are significantly less likely to place an order, and are significantly more prone not to receive a specific delivery. Examples are Correos in Spain, Inpost in Poland, Sameday in Romania etc.

Some countries have Automatic Parcel Stations (APS) - for example Poland, Germany, the three Baltic states. If a company does not use this solution then local consumers are significantly less likely to place an order.

Specifics on Timing of Delivery as a New Nod in the Consumer Journey

A key element of the heuristics for customers in countries with cash on delivery is to have a shorter delivery time to prevent customers from rethinking their purchase or going elsewhere. This is especially noticeable in Bulgaria and Romania. In other countries with credit card payments, it is less of a concern. For one in Romania, EU Shipments has a call center to confirm addresses and delivery expectations. And if a delivery fails then they follow a script to ascertain where and when the customer wants to receive their order. This approach could be classified in the Act and Advocate phases as it impacts both the current order and potential future orders.

Consumers inherently understand if a company is using a local warehouse, namely if the company offers same-day delivery. Among other equal factors

customers choose companies that have articulated or it can be inferred that the seller is using a local warehouse and local team.

Expectations and Considerations by Consumers in the Consumer Journey

These are the key considerations based on the heuristics for the respective user when selecting the export model by a company:

- Delivery rate - some countries and some sectors can have very high return rates for order
- Speed of delivery - Monday is always the busiest packing day for order fulfillment (2-3 times busier compared to other days, which is not convenient for merchants)
- Need to be closer to customers - faster delivery, more trust in the fulfillment address, more convenient for returns to a local address
- Focus of company resources - one of the preferred options is to focus on brand, product development etc., and use partners/fulfillment partners for
- Language and labelling requirements - especially for cosmetics and food products.
- Currency revaluations and bank fees - depending on the need to refund customers, pay to local services providers etc.
- Importance of timely and informative notifications - specific countries and specific types of goods (apparel, accessories) are very dependent on these as no claimed orders can go up to 40% and more
- Potential for upsells - specific types of goods can have a user journey that is prone to upsells (perfumery, cosmetics, apparel etc.)

Conclusion

Delivery considerations profoundly impact e-commerce user journeys and cross-border sales. This study reveals nuanced market dynamics across EU member states that shape delivery planning in internationalization.

Consumer heuristics around preferred couriers, cash payments, language, personalization, and speed create complex requirements. Local teams, channels, and warehouses facilitate adaptation. Marketplaces enable localization but concentration risks remain. High delivery rejection and unclaimed order rates plague unfamiliar exporters.

Overall, consumers increasingly expect seamless, fast, free, flexible, and transparent delivery. Lagging brands risk dissatisfaction, abandoned purchases, and lost loyalty. Delivery excellence represents a competitive advantage. Yet no pan-European approach exists given diverse needs. Agile, data-driven strategies balancing standardization and localization enable export success.

This exploratory study provides directional insights into delivery planning for EU e-commerce exports. Further research can bolster findings through:

- Quantitative analysis of delivery performance correlations to sales and satisfaction metrics across markets
- Surveys of EU online consumers on delivery preferences and pain points
- Comparative case studies of brands succeeding with tailored cross-border delivery strategies
- Ethnographic research into cultural and contextual factors influencing delivery expectations
- Experiments testing the impact of delivery innovations like same-day, automated pickup stations
- Modeling total landed cost tradeoffs for localization via warehousing/logistics networks

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