

NIQ

Shipping Data Whitepaper

How Shipping Data Delivers

November 2023

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Shipping Data

Introduction

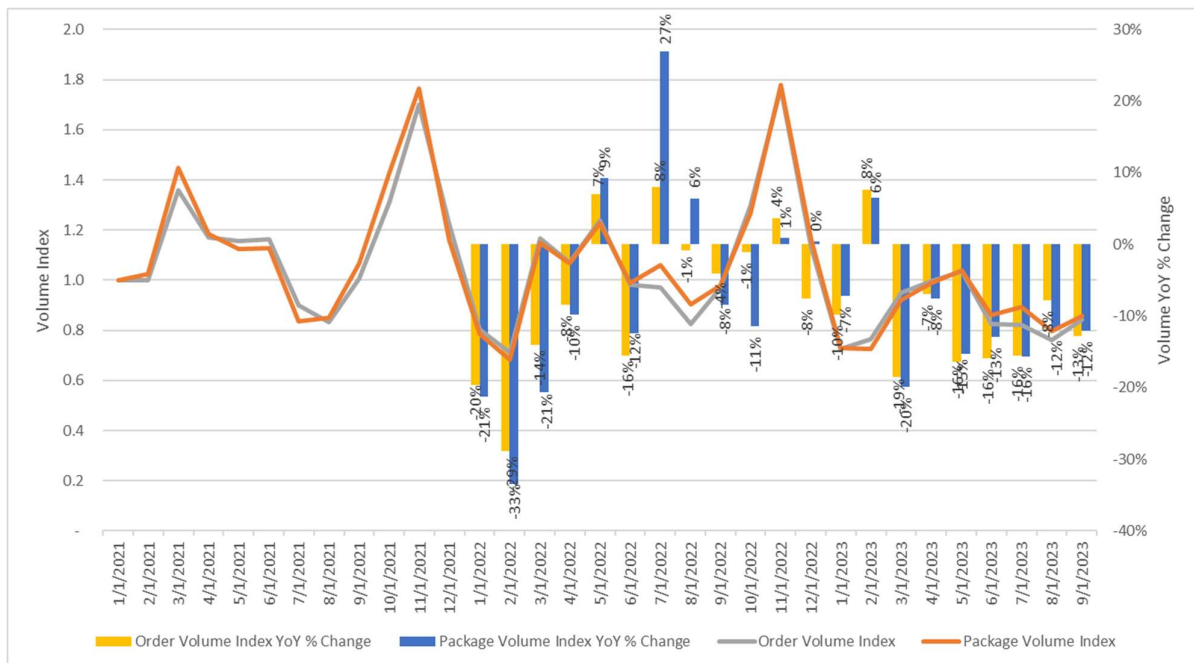
NIQ's shipping data quantifies carrier share by merchant, click-to-door shipping times to understand shipment delivery delays, and overall package volume by carrier across the United States.

E-mail receipt data is well known for accurately tracking high-level order level data and granular consumer behavior. Tracking a company's shipping trends is often more of a black box as much of the logistical data has not been readily available in the same format as the parsed order data.

Alongside its orders-based receipt data, NIQ also collects corresponding shipment emails from which it extracts numerous fields covering shipping/delivery times, location data, and even shipping method where available.

- NIQ's e-receipt based shipping data is complementary to the parsed orders data and can be useful in increasing precision of company estimates based on their revenue recognition policies.

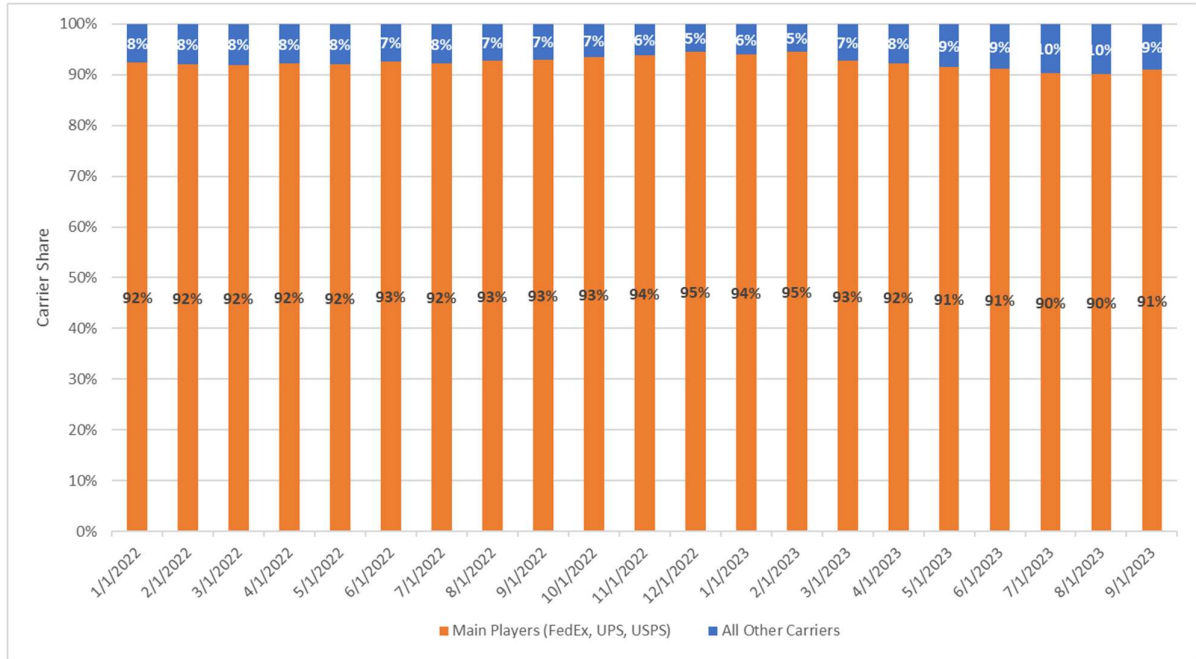
Figure 1: Fashion Merchants¹ Order and Package Volume Indices



The data above shows a clear relationship between initial order volume and resulting package volume. The tracked group of Fashion Merchants shows a decline in both orders and shipments from 2022 through September 2023 as brick-and-mortar stores reopened and behaviors shifted away from online shopping. ¹Fashion Merchants includes J.Crew, Old Navy (GPS), and Victoria's Secret (VSCO).

- Shipping data allows for a closer look into the distribution of shipping methods by carrier, estimated vs. actual delivery dates, as well as origin and destination analysis.

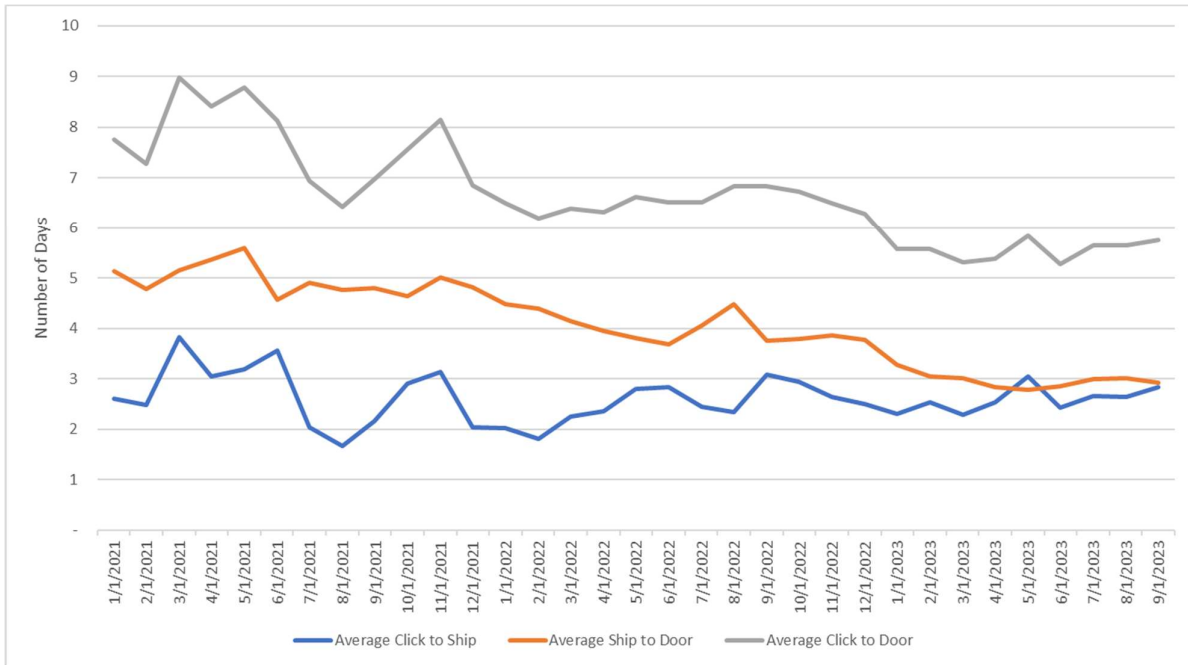
Figure 2: Carrier Share by Shipping Volume (excluding AMZN merchant)



While FedEx, UPS, and USPS have maintained the bulk of carrier share over time, more recently NIQ's shipping data has indicated a shift to other, smaller carriers.

- Company-attributed, high-volume distribution or shipment centers can be tracked based on the origin package scans.
- Shipping data captures the order date, shipping date, and received date by package to track the parcel journey from when an order is placed to its arrival. Below are average shipping times for the group of fashion merchants. Overall, shipments are getting to consumers relatively faster each year, driven by an improvement in average ship to door times.

Figure 3: Fashion Merchants¹ Average Shipment Times



Measured in days, Click to Ship, Ship to Door, and Click to Door are all metrics that can be used to understand the length of time between the initial order and the final delivery of the purchased item. ¹Fashion Merchants includes J.Crew, Old Navy (GPS), and Victoria's Secret (VSCO).

Use Cases

The availability of shipping data offers a broad set of uses cases that cover everything from macroeconomic reads into the e-commerce and logistics industries down to impacts on revenue recognition and the acceleration of new distribution facilities.

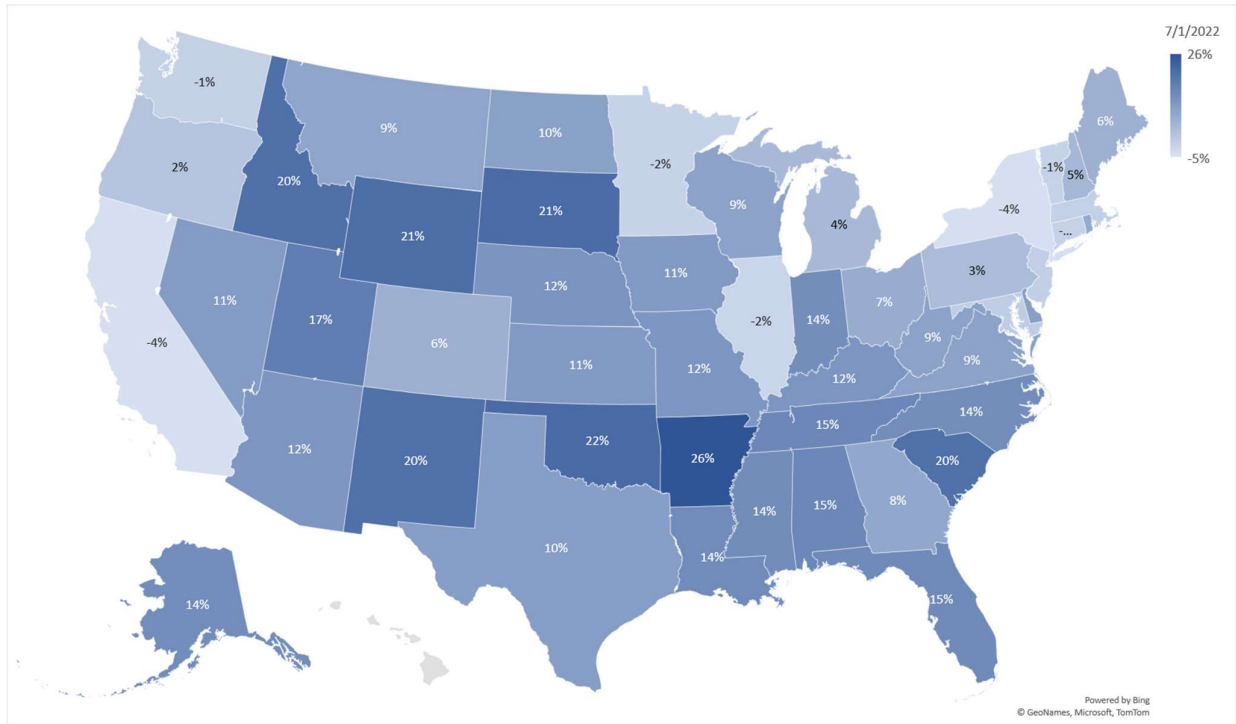
Macroeconomic

- E-commerce growth or decline
- Supply chain insights
- Population movements based on location of delivered items

Population Movements due to Covid

The most common methods of determining population movements such as the Census Bureau are known to suffer from significant lags to real-time data. Shipping data is unique in that consumers are incentivized to provide up-to-date shipping information to avoid the immediate consequence of their purchased goods being shipped to a prior address or an inaccessible location.

Figure 4: % Change in Package Volume July 2022 vs. YA (excluding AMZN)



The above map compares package volume based on field DEST_STATE in July 2022 to July 2021 to isolate population movements that occurred due to the Covid pandemic. Notably, New York and California saw the biggest declines while the Southeast and Mountain regions experienced growth in package volume.

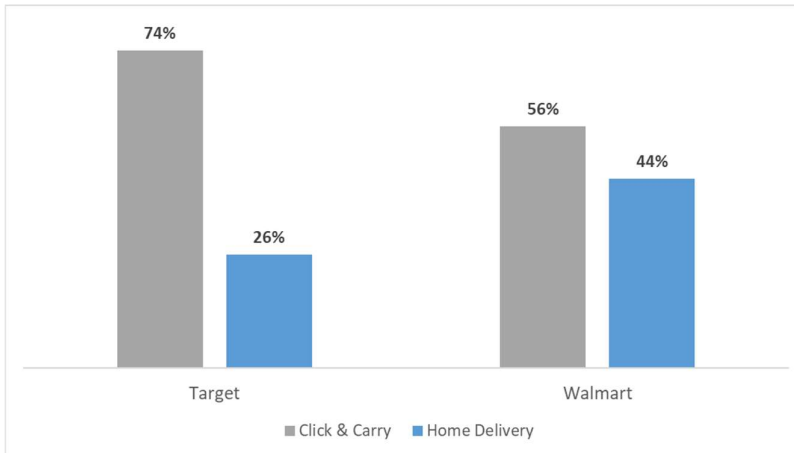
Industry

- Market share shifts between logistics carriers
- Impact of last mile carriers, disruptors, and new entrants
- Delivery vs. Click & Carry

Delivery vs. Click & Carry

NIQ Shipping Data captures details on Click & Carry (C&C) orders at merchants offering this service. Based on receipt information, NIQ can determine if an order is placed online and picked up in-store or shipped. This is useful to track consumer usage of C&C services across retailers. According to our data, C&C is a popular option among Target shoppers.

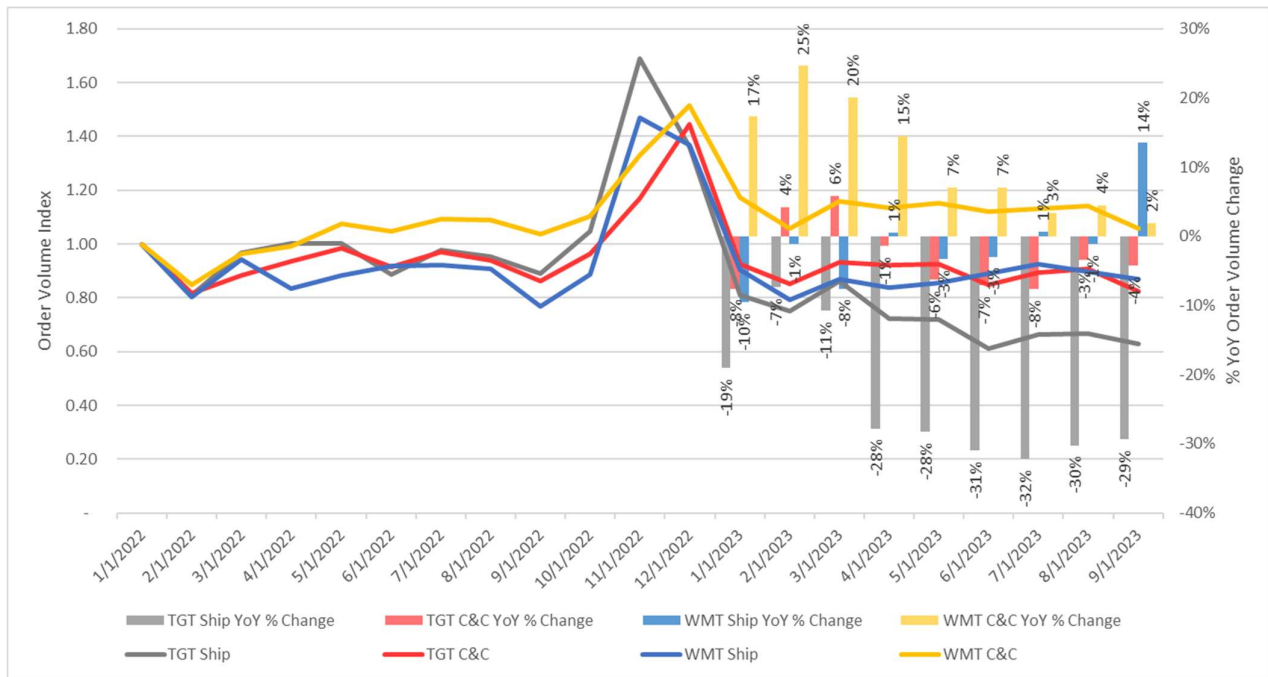
Figure 5: % Orders by Collection Type – Q3 2023



Click & Carry is preferred among Target shoppers within NIQ’s panel and is increasingly popular among Walmart shoppers. In Q3 2023, 74% of Target online orders were placed using C&C, and 56% of Walmart online orders were fulfilled using C&C.

Shipping data offers visibility into trends across C&C and shipped orders. Volume trends indicate different growth stories for each channel. In 2023, Walmart (WMT) saw YoY growth in C&C orders while Target (TGT) shipment orders declined.

Figure 6: Target and Walmart Shipments vs. Click & Carry Order Volume Indices



Shipments for both Target (TGT) and Walmart (WMT) peak in November 2022, reflecting seasonal holiday shopping orders. While Target shipments are down YoY in 2023, it saw some slight growth in Q1 Click & Carry orders. Walmart seeing C&C orders increase with softer shipment declines than Target in 2023, reflecting a general consumer shift to Walmart as inflation pressured spending.

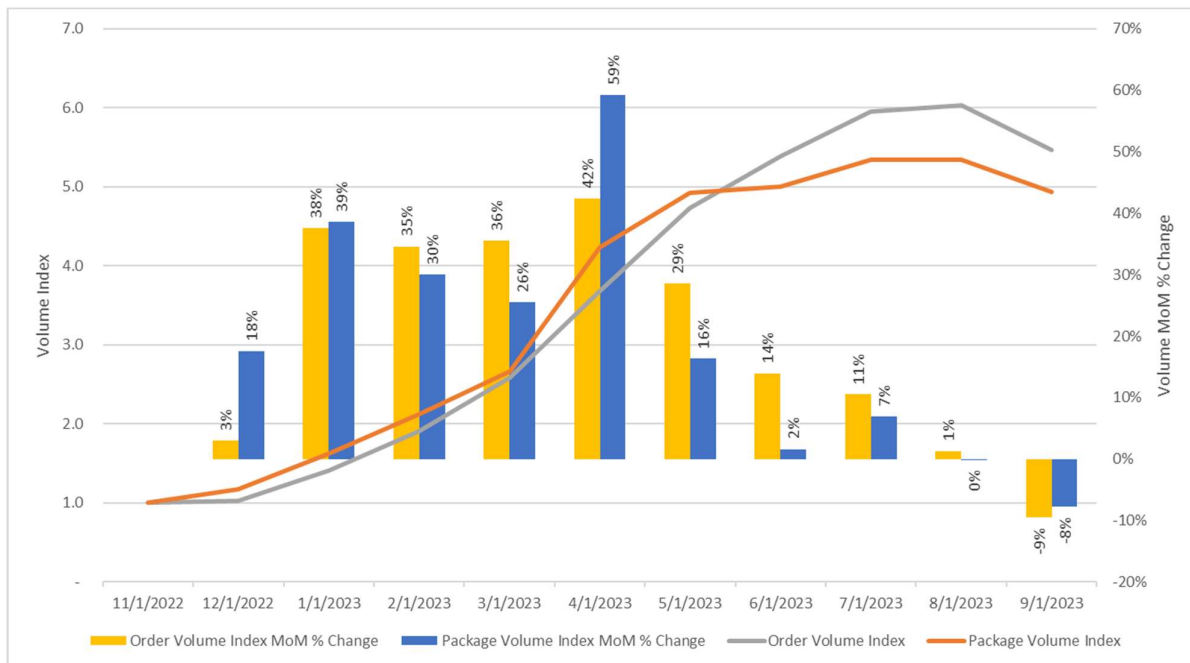
Company

- Effects of shipping delays and order cancellations on revenue recognition
- Strategy and share of logistics players
- Fulfillment and distribution centers based on origin scans

Temu (PDD)

Shipping data provides an accurate and early read on new merchants and can measure performance directionally over time. NIQ's shipping data provides a window into the trajectory of fast-growing, e-commerce merchant Temu, which launched stateside in the Fall of 2022. Both order and shipping data suggest September 2023 volumes are starting to decline month-over-month after growing ~5x from November 2022 through June 2023.

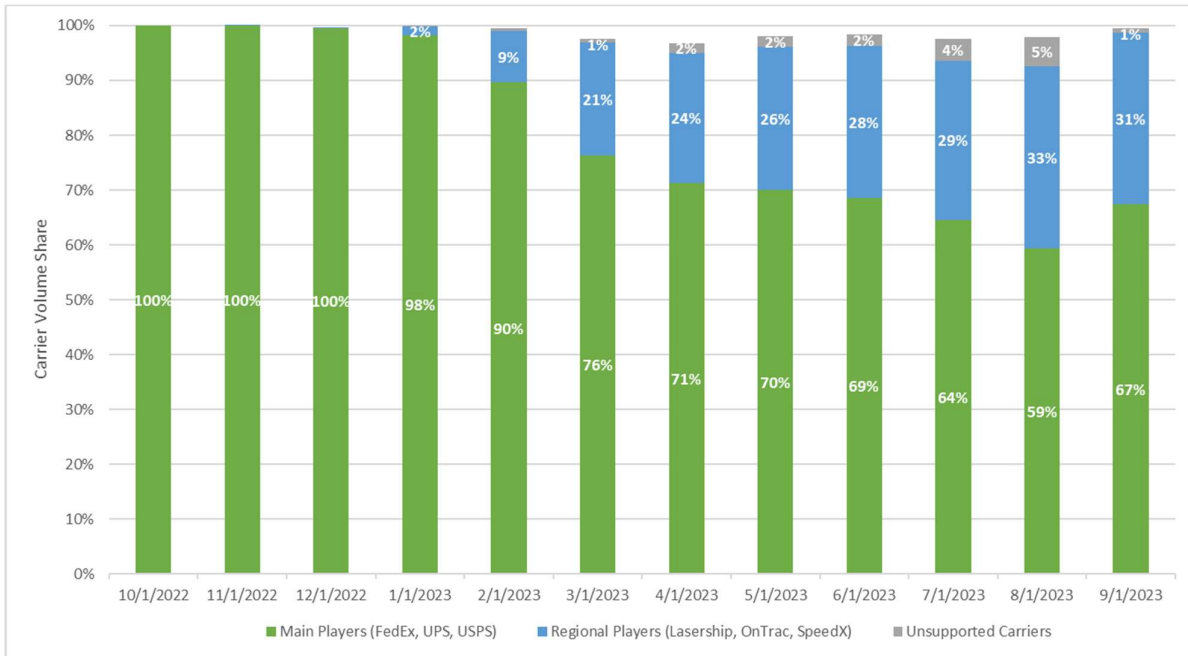
Figure 7: Temu Order and Package Volume Indices



Temu order and package volume has grown continuously MoM from the Fall 2022 launch through end of June 2023.

NIQ's shipping data can also provide insights into carrier share within a merchant's tracked packages to understand which logistics services a company employs and to what extent. NIQ data from March through September 2023 shows Temu working increasingly with regional last-mile deliverers Lasership, OnTrac, and SpeedX.

Figure 8: Temu Package Volume Carrier Share¹



A month-by-month progression of Temu's logistics choices to utilize a higher percentage of regional carriers to deliver its packages.

¹Carriers with shares < 1% hidden.

Trends to Watch

Pricing-related shipping trends to watch include carrier shift from package size pricing to weight-based parcel pricing and understanding how that impacts carrier share. With retailers also looking to optimize costs within a changing delivery landscape, there is increased demand for platforms and software to determine a preferred mix of traditional logistics carriers and last mile carriers that could influence delivery patterns. Trends around improving delivery efficiency are also measurable with orders being both bundled and split into multiple shipped packages. Amazon's entrance into the logistics space represents another possible shift in retailers' search for delivery efficiencies among carriers.

Conclusion

Compared to other datasets, email receipt data offers unmatched granularity surrounding a transaction. The addition of shipping data to traditional order data bolsters and expands the number of actionable insights derived from the data. In some cases, shipping data should be even more current than its orders counterpart due to consumers' own motivation to have their packages delivered to the proper places. These advantages are amassed into a rich data feed that can provide useful macroeconomic analysis, industry-specific trends, and individual company analysis.

[Please contact us if you'd like to know more about how NIQ's shipping data can help you.](#)