

**J.D. Power and Associates Reports:****FedEx Sweeps Customer Satisfaction Awards for Small Package Delivery Service**

WESTLAKE VILLAGE, Calif. – Approximately 25 million small packages or more a day are expected to be shipped and delivered over the next two weeks during the holiday period, and carriers gearing up to deliver that huge volume will have to meet very demanding and distinctly different requirements for ground, air or international services for business customers.

A new J.D. Power and Associates study released today asked more than 900 shipping managers and other business personnel to rate their small-package delivery service carriers. The study has established a benchmark for customer satisfaction in the small package delivery service industry.

FedEx ranks highest in business customer satisfaction, not only in air and international delivery categories, but in ground delivery as well. FedEx performs particularly well in the areas of shipping and delivery, value, invoicing, and driver relationships.

Following FedEx in the air, ground and international rankings is UPS.

"One size does not fit all," said Curt Carlson, director of custom research at J.D. Power and Associates. "As carriers create one-stop shopping for delivery services, they need to be certain their performance in key factors that determine overall customer satisfaction is outstanding, and those factors vary in importance among air, ground and international services. Failure to do so puts the loyalty of their customers at risk."

The J.D. Power and Associates 2002 Small Package Delivery Service Business Customer Satisfaction Study<sup>SM</sup> finds that while pickup and delivery factors are very important for all three types of service (especially ground service), "value for the price paid" is also important for both air and international services. Additionally, air service business customers look for good driver relationships, while international customers appreciate good account executive performance to help resolve problems.

One interesting note is the difference relating to a carrier's reputation and its impact on international, ground and air service satisfaction. The study finds that a carrier's reputation does not have a major impact on the business shipper for international service (less than one-half of one percent), whereas reputation was a much more important driver of satisfaction for air and ground service (11 percent and 8 percent, respectively).



The 2002 Small Package Delivery Service Business Customer Satisfaction Study is based on 922 telephone interviews with shipping managers and other business personnel from a representative sample of U.S. businesses that have at least 10 employees and that spend \$10,000 or more annually to ship small packages (up to 150 lbs.). Airborne, FedEx, UPS, and the U.S. Postal Service (USPS) are included in the study. Airborne and USPS did not have sufficient sample to meet the international service award ranking criteria. Airborne also did not have sufficient sample to meet the ground service award ranking criteria. Other carriers, including DHL, had insufficient sample to be included in the study.

For a complete breakdown of the key factors contributing to overall satisfaction in the three small package categories, see the J.D. Power website and scroll to the bottom.

*Headquartered in Westlake Village, Calif., J.D. Power and Associates is an ISO 9001-registered global marketing information services firm operating in key business sectors including market research, forecasting, consulting, training and customer satisfaction. The firm's quality and satisfaction measurements are based on responses from millions of consumers annually.*

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