

Study looks at delivery drivers becoming salespeople to increase revenue

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Online shopping and home delivery have displaced the traditional trip to the shops for many people. This has been an ongoing process in retail that has seen the closure of high-street shops and many of the big department store chains as customers turn to shopping online. The process was somewhat accelerated during the pandemic when many people simply could not go shopping because of the prevalence of the disease and lockdown restrictions.

Writing in the [*International Journal of Revenue Management*](#), a team in the U.S. discusses how suppliers are hoping to take advantage of this changing retail environment in which shoppers have everything from groceries and medication to devices and tools delivered to their homes rather than buying at a brick-and-mortar stores. They are looking at how retailers are exploring innovative strategies to enhance their resilience and revenue generation.

One novel approach known as the "driver-becoming-salesperson" strategy, could, despite its rather clumsy name, become an important component in on-the-doorstep upselling and cross-selling. The delivery driver hands over the goods ordered but with additional offers for associated products made directly to the [customer](#) at their own home.

Conventionally, the last-mile phase of the delivery process has been viewed as nothing more than a logistics operation. Drivers are hired, vehicles are serviced and packed with goods and an efficient route is planned around the sales region to get those goods to the customers as quickly and efficiently as possible. The passive hope is that satisfied customers will shop with the retailer again. However, a more proactive approach would represent a [paradigm shift](#) by adding a new role for the

delivery personnel—sales agent.

The concept is simple but may well be sophisticated in its implementation. The idea capitalizes on the direct, face-to-face interaction the driver can have with the customer when fulfilling the order. With appropriate skills, training, and the wares to offer, the delivery personnel might bring the showroom experience to the customer. Of course, door-to-door salespeople have existed ever since we have had doors, but this driver-as-upseller approach aligns more with the evolving landscape of e-commerce and modern retailing where storefronts are almost always virtual for many shoppers.

Timothy L. Urban and Robert A. Russell of the Collins College of Business at The University of Tulsa in Oklahoma, U.S., have modeled this scenario by looking at two well-known complex problems, a vehicle-routing problem and the multiple-knapsack problem. By merging these two problems, they hoped to come up with an optimal way for sellers to select products that their drivers might then upsell from their delivery vehicles. The model that combines logistics and selling takes into account product attributes, customer preferences, and route efficiency. The results from the model highlight the fact that it is relatively easy to find an efficient route, but finding the right customers for upselling is the key to success.

The "driver-upseller" strategy offers a pragmatic approach to help retailers adapt more effectively to the way people now shop. It will make an opportunity of the logistical paradigm of the last-mile delivery allowing for ad hoc customer engagement and upselling at the time of [delivery](#). As [online sales](#) continue to grow, retailers that embrace such an approach are likely to boost their competitiveness, their sales, and customer satisfaction.

More information: Timothy L. Urban et al, Upselling at delivery,

International Journal of Revenue Management (2024). [DOI: 10.1504/IJRM.2024.135962](https://doi.org/10.1504/IJRM.2024.135962)

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