

Deliverable Summary

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Context and Purpose

Visitors by car are perceived to be extremely important for the city centre shops. They purchase most per client because they can load their cars with goods. Keeping these shoppers is therefore desirable. However, car traffic increase is not desired. This requires a situation in which it is no longer necessary to go to the city centre by car for purchasing large amounts of goods or goods with a high volume or heavy weight. An option is to create pick-up points at locations that are well accessible by car or train, such as transfer points, P+R, and railway stations. This innovative logistic concept is called a Merchandise Pick-up Point (MPuP).

An MPuP has as a direct goal to limit traffic of people as well as traffic of goods to a city centre. Shoppers can pick up their purchases there. This system may at the same time limit urban road freight traffic if the choice is made that the goods are no longer stored in the city centre, but at the pick-up point or close to it. The most important motives for the possible implementation of this concept in Utrecht are the improvement of the air quality in the city and the improvement of the vitality of the city centre.

In R&D phase of this measure, a feasibility study has been carried out to see if merchandise pick up points can be the solution for inner city problem. Consumers and market parties such as city centre entrepreneurs, shippers and operators were approached to survey the market potential and requirements.

Summary Contents

The study is based on an extensive desk research and 10 interviews with relevant shopkeepers from the city centre of Utrecht. Furthermore 365 surveys among consumers in the city center were carried out. This gives an overview of the feasibility of the MPuP concept in Utrecht and in what form the MPuP would be the most appropriate for both consumers and retailers. MPuPs ensure a decrease in freight transport in the inner city of Utrecht. In the future, it will be possible for retailers to receive the goods at a suburban location. An advantage for them is that they are, for example, less tied to their inner-city expensive storage space. A possible advantage for consumers, is that they can park their car at the MPuP and travel to the city centre by PT. In this way, they are not forced to take 'cumbersome goods' directly with them, but they can return to the same MPuP and pick up the goods there.

A prerequisite for the success of the concept is a major change in the consumers and retailers behavior. This study also examined to what extent the retailers and consumers are willing to modify their routine behavior so that a MPuP in Utrecht can be feasible.

Study Results in short:

- Utrecht's innercity: the report describes in detail how many and what kinds of shops are located in this area, how their distribution is arranged, what people shop in that area and how they travel.

- Shopkeepers: were asked in detail about their current distribution systems and the (dis)advantages of this. The research took stock of their initial opinions of a MPuP. When introducing a new concept, shopkeepers often initially prefer the traditional concept, they are not so open to change. It's important to work together with the shopkeepers who are enthusiastic about the new concept and thus evoke positive spillovers to other shopkeepers.

The problems that retailers encounter have more to do with the flexibility of the distribution and the accessibility of the city centre. Any bundling of goods would already be a useful solution to these problems; this would not necessarily have to be a MPuP. Therefore, when testing the MPuP-concept, it is good to focus on the bundling aspect. Furthermore, past experiences have shown that it is useful to start with building confidence in a small group of retailers who are truly interested. If successful, other retailers can join the concept.

- Consumers: the willingness of the consumer to use a future MPuP has been researched in detail in this report. Travel behavior of consumers is also often based on routines. Changes in mobility can be realised with help of the five steps of the "Tertoolen model". Benefits of the alternative should be brought to attention and the provision of information regarding public transport is essential, as well as raising the PT image. It's best to distinguish specific target groups and take a step-by-step approach.

The study has shown that the number of stores that sell cumbersome goods in the centre of Utrecht is low and therefore the number of consumers that come to the city centre for these goods as well. However, in general consumers seem to be moderately positive about the MPuP and the possible use of the concept. Consumers who come from the Province of Utrecht and use the city centre for shopping as a regional centre have a relatively high interest in using the MPuP in the future. The current P+R users are the most positive in their opinion on the MPuP. They are already very pleased with the current P+R facility and if a MPuP would arise there, these consumers seem an easy target group to persuade into using the MPuP. For them, this is a relatively small step. Residents of the city of Utrecht and fun shoppers that generally come from further afield seem less interested and less suitable for potential MPuP use.

Functional Use

This Deliverable was a first exploratory feasibility study into the innovative logistics concept called Merchandise Pick-up Point. Costs, exploitation or design of a future MPuP were not taken into account yet. This is something that a follow-up study should determine. It is recommended in the

study to continue further research by interviewing distributors, in addition to only shopkeepers. They are an important part of the supply side.

Until month 36 of the MIMOSA project, the implementation phase will be carried out. After more information is known about e.g. the costs, a political decision will be made on where to implement a pilot MPuP. Within the time of the implementation phase, a pilot Merchandise Pick-up Point, specifically aimed at consumers as inner city shoppers, will be implemented. This is still a very rare concept in the Netherlands.

Lessons learned

For this feasibility study, different groups of people were interviewed. The “supply group”, shopkeepers, claim that they are eager to see change in the distribution system. However, when presented with a new concept such as the MPuP, they seem reluctant to let the traditional concepts go. It is therefore important to search for enthusiastic entrepreneurs who are more open to innovation and thus form a group of frontrunners. They can be found in every European city. Furthermore, a lesson learned is to present the new concept on a step-by-step basis, showing that the change/innovation will be slowly implemented, little by little and only if successful. This can encourage hesitant shop keepers to participate after all.

As opposed to the shop keepers, the “demand group”, consumers, initially seems enthusiastic about a new concept such as a MPuP when asked. However, in practice, consumers often choose the fastest & easiest way to obtain or collect goods. Especially captive car drivers are a (large) group where much time and money would have to be spent to convince them to not come by car to the centre for cumbersome goods. It is better to start with groups that already have good experiences with public transport or P+R facilities and to confront the captive car drivers with the success of the innovation in a later stage.

A lesson learned it to not immediately discard public transport travelers for a concept like the merchandise pick up point. Even though you would think that we do not want to push those travelers from the public transport into the car, it turns out that they change their normal travel behavior in case of high volume or heavy weight goods: they take a car. Since the aim is to limit car traffic to the centre, this is a group that can be convinced to pick up their cumbersome goods at a location outside the centre indeed.

To conclude, good research on the feasibility is important, specified into various target groups. In Utrecht it turned out that the number of stores that sell cumbersome goods in the centre is actually relatively low. However, there are still sustainability and efficiency gains to be made. The city wants to be progressive and innovative with regard to its inner city freight distribution problems and is itself the initiator of this MPuP concept. This attitude makes new logistics initiatives more promising in Utrecht than in cities with a more conservative government.

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