



OmniStats



Bureau of Transportation
Statistics



US Department of
Transportation

Home Shopping Increases Neighborhood Parcel Deliveries

Based on data from the *Omnibus Household Survey*, the Bureau of Transportation Statistics estimates that about one out of every two (104.8 million) non-institutionalized U.S. adult residents made at least one purchase during the month of May 2003 that required home delivery (Table 1). In addition, 41 percent of adults reported that they received at least one home delivery in May that was delivered by a company other than the U.S. Postal Service (Table 2).

Electronic and mail-order shopping have also had an impact on the retail sales industry. Recently released data from the *Annual Retail Trade Survey*¹ for 2001, showed that e-sales accounted for 1.1 percent of the total retail sales in 2001 (\$34.6 billion).

E-sales were concentrated in two groups that accounted for over 90 percent of retail e-sales: nonstore retailers (75 percent) and motor vehicle and parts dealers (16 percent). The electronic shopping and mail-order houses industry accounted for almost all nonstore retailer e-sales.

E-sales for nonstore retailers grew 21 percent between 2000 and 2001. In a May 2003 press release², the Census Bureau's unadjusted estimate of U.S. retail e-commerce sales for the first quarter of 2003 showed an increase of 25.9% from

the first quarter of 2002.

Increasing access to the Internet by household consumers may have contributed to increased revenue for e-sales. *Omnibus Household Survey* results show that 69% of adults have access to the Internet from some location. Data from the Census Bureau's September 2001 *Current Population Survey*³ show that Internet use among adults has increased from 22% in 1997 to 54% in 2001.

E-commerce has had an impact on the transportation industry through an increased demand for package delivery. Data from the 1997 *Commodity Flow Survey*⁴ showed a 31% increase from 1993 in tons of parcel, postal and courier shipments as part of domestic and export-bound freight shipments within the U.S. A major parcel delivery company, one of the myriad of companies offering this type of service, reported in June 2003 that its average daily package volume had almost doubled from 1.12 million in FY 1997 to 2.17 million in FY 2003.⁵

If the current trends in home shopping prevail, a corollary result could be an increasing share of the freight market associated with home delivery of retail goods. Results from the 2002 *Commodity Flow Survey* may provide some additional insights on these trends.

Table 1 - Home Shopping Among US

Purchase Method	%	Margin of Error	Population Estimates
Buyers who used one or more methods to make a purchase	50%	± 3.49%	104,816,696
Internet buyers	27%	± 3.02%	56,175,399
Telephone buyers	23%	± 2.80%	47,342,334
Mail-order (by mail)	15%	± 2.47%	30,468,253
Mail-order (by fax)	5%	± 1.45%	9,608,437
In person purchase for home delivery	10%	± 1.94%	19,942,542

Source: US Department of Transportation, Bureau of Transportation Statistics, *Omnibus Household Survey*, June 2003. Data cover activities for the month of May.

¹ 2001 Annual Retail Trade Survey of Manufactures, U.S. Census Bureau, www.census.gov/estats.

² Estimated Quarterly US Retail E-commerce Sales: 4th Quarter 1999-1st Quarter 2003. US Department of Commerce News, May 23, 2003, Washington DC

³ *A Nation Online: How Americans are Expanding their Use of the Internet*, February 2002, US Department of Commerce, based on data from the September 2001 Current Population Survey (CPS), Internet and Computer Use Supplement, www.ntia.doc.gov/ntiahome/dn/index.html

⁴ 1997 Commodity Flow Survey: EC97TCF-US, US Department of Transportation, Bureau of Transportation Statistics, Washington, DC: 1999.

⁵ FedEx Corporation, Quarter 4 Fiscal 2003 Statistics, June 24, 2003, www.fedex.com/us/investorrelations. In March 2000, FedEx introduced a Home Delivery Service as part of its ground delivery operations to accommodate the increasing business-to-consumer market. Figures in their Quarterly Report are based on ground delivery of both business-to-business and business-to-consumer packages.

Table 2

<i>Omnibus Household Survey</i> Questions used in this report-June 2003	Results	Margin of Error	Population Estimates	Sample
During May, did you have access to the Internet from home, work, or some other location?				
Yes	69%	± 3.23%	145,975,626	709
No	31%	± 3.23%	64,084,536	319
During May, how many times did you use the Internet to purchase merchandise to be delivered to your home?				
None	73%	± 3.02%	153,203,015	743
One or more times	27%	± 3.02%	56,175,399	281
During May, how many times did you use the telephone to purchase merchandise to be delivered to your home?				
None	77%	± 2.80%	161,230,178	768
One or more times	23%	± 2.80%	47,342,334	253
During May, how many times did you mail an order form to a business or company to purchase merchandise to be delivered to your home?				
None	85%	± 2.47%	178,567,627	868
One or more times	15%	± 2.47%	30,468,253	152
During May, how many times did you fax an order form to purchase merchandise to be delivered to your home?				
None	95%	± 1.45%	199,877,113	977
One or more times	5%	± 1.45%	9,608,437	46
During May, how many times did you purchase merchandise in person at a store or business that had to be delivered to your home; that is, you did not take the merchandise home with you?				
None	90%	± 1.94%	189,846,189	922
One or more times	10%	± 1.94%	19,942,542	104
During May, how many deliveries did you receive at your home that were delivered by a company other than the US Postal Service - someone other than your regular mail delivery person? Non-US Postal Service companies include FedEx, UPS, Emory, Airborne Express				
None	59%	± 3.37%	113,497,982	584
One or more deliveries	41%	± 3.37%	85,464,848	440

Source: US Department of Transportation, Bureau of Transportation Statistics, *Omnibus Household Survey*, June 2003. Data cover activities for the month of May.

Methodology. Data presented in this OmniStats are taken from the June 2003 issue of the BTS Omnibus Household Survey (covering activities in May). Data are preliminary and are subject to change. The target population for the survey is the US non-institutionalized adult population (18 years of age or older). Monthly results are based on a completed sample of 1000+ households that are randomly selected using a list-assisted random digit dialing (RDD) methodology.

Margin of Error. Survey data provide estimates of population parameters and are subject to error because findings are based on a sample, rather than on the entire population. Standard error estimates for each Omnibus Survey item are available on the BTS website for the Omnibus Survey at

<http://www.bts.gov/omnibus/household/index.html>. After selecting the month of interest, choose "Marginal Frequency Distributions." Margins of error for findings in this report are shown in the table above (based on a 95% confidence interval). Estimates are also subject to nonsampling error, e.g., coding, transcription, or data coding errors. These errors would occur if a census survey was conducted under the same circumstances.

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