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TECHNOLOGIES

# The Milkman Talk

## Video 1

Transcript

Rome, April 20th 2023

## Interview with Poste Italiane

**V:** Welcome to the Milkman Talk Video Series. I am Valentina Russo, Chief Marketing Officer at Milkman Technologies. We are here to talk today with Gabriele and Fabrizio about Poste Delivery Now. Let's jump right in!

**Q: Gabriele, can you please introduce Poste Italiane for us.**

**G:** It's difficult to describe the entire complexity of Poste Italiane in a few minutes, but the way I prefer to describe Poste Italiane is through a few numbers. As you know, we have a network of 13,000 postal offices. Not everyone also knows that we have a network of 15,000 collection points, which is very important for the logistics market. And, above all, we have about 35M customers. When I refer to customers I mean all clusters and kinds of customers. I mean for example top customers, or individual consumers, small-medium businesses, or public administration. Both national and international. So it's easy to understand that Poste Italiane is a very unique company in the Italian market.

**Q: For a few years, Poste Delivery Now is the service dedicated to e-commerce operators, powered by Milkman Technologies. Gabriele, what was Poste Italiane's strategy when designing this service? And why did you name the service "Delivery Now"?**

**G:** Our driver in innovation, our strategy, has been always to listen to customers and address their needs. In particular, we are convinced that e-hopper satisfaction is the key factor to grow in this market. For this reason, our offer is focused on the chance for the e-shoppers to personalize and to customize their own deliveries. They can choose not only the place and date of delivery, but also the time-slot on that day, as specific as half hour intervals. It's very important to satisfy customers' expectations. This was Poste Italiane's strategy and in my opinion, it is a winning strategy.

We have chosen the name Poste Delivery Now because in our idea, the real need is not to receive the parcel as fast as possible but to receive it at the right moment. And this is possible thanks to Milkman Technologies.

**Q: Companies are striving to prevent future disruptions, while customer behavior and beliefs evolve rapidly. Shoppers are looking for sustainable, personalized, convenient deliveries. Fabrizio, has Poste Italiane established its position in the Retail industry?**

**F:** Well, if we look at the Italian ecommerce market, the online sales are under penetrated compared to the European market because only 10% of sales are made online compared to an average of 20% in the European market, not to speak about the rest of the world like Asia, the USA or the UK where the rate is over 25%. One more important factor from our point of view is that about 60% of e shoppers can increase their online orders if they can choose an option of shipment on the same day for a defined time-slot. And the last factor I would mention is that

about 30% of e-shoppers would increase their orders if they had the option of scheduled and flexible deliveries. So, we strongly believe that innovation in delivery is the key to unlocking the potential value of the ecommerce market and we make it happen thanks to the platform powered by Milkman Technologies.

### **Q: Let's talk a little about the technology behind this success and the role of Milkman Technologies.**

**F:** The most important asset of our delivery service is the technology that enables us to offer flexible and dynamic deliveries. After check-out, the e-shopper will receive a notification in which they can easily click on the tracking page and select their preferred date and timeslot in which they would like to receive the delivery. The e-shopper can interact with the tracking page and is always updated about the status of the shipment. The ETA is constantly updated and the e-shopper, on the same day of delivery, can see a display on the map of the courier that is going to make the consignment. After the delivery is completed, the e-shopper can easily access the proof of delivery, which is reported with the address, signature, and the time of delivery. All this is possible thanks to Milkman Technologies.

### **Q: And how are you monitoring the success of this service?**

**F:** The success of the service impacts both the e-shopper's and merchant's side. From the e-shopper's side, they have full control of the delivery so they can overcome all the barriers in their shopping online and they can increase their online orders because there are no uncertainties about the time and date of delivery. So, customers are more loyal and more satisfied because the e-shopper customer's journey is easy and frictionless. From the merchant's perspective, benefits are very important. The first is that customers are more loyal, and the churn rate will be reduced. Moreover, it's very important to consider the impact on cost-saving since the platform enables optimizing the routing and to maximize the first-time delivery success. In order to make recipients more satisfied and thanks to the interaction with the platform they can also resolve by themselves any kind of delivery issue. So that leads to less claims to customer care since they can interact at any time with the platform.

### **Q: The partnership with Milkman Technologies has enabled a new service for Poste Italiane: home delivery of fresh groceries. This is something exceptional for a Postal player. Gabriele, why has Poste Italiane launched this fresh delivery service and how does it work?**

**G:** Poste Italiane must have the ambition to drive this market and to become the first B2C fresh courier in the Italian market. We have this ambition. This is the reason we chose Milkman Technologies, because in this market it's also important to receive the product they have already chosen just at the moment you are willing to receive it.

**V:** Thank you, Fabrizio and Gabriele, for being here.

**G:** Thank you, Valentina.

**F:** Thank you.

**V:** This is The Milkman Talk. Stay tuned for the next episode.