

Your response

Question	Your response
<p>Question 7.1: Do you agree with our proposal not to include tracking facilities within First and Second Class USO services? Please substantiate your response with reasons and evidence.</p>	<p>eBay disagree with this proposal and would strongly contest Ofcom’s assumption that “[Tracking] is not a high priority for users compared to other features such as proof of delivery.”</p> <p>As a global online marketplace with over 147 million active buyers – 27 million of them based here in the UK – operating in 190 markets around the world, we have over 300,000 British businesses who use our platform to grow their business and reach new overseas markets everyday.</p> <p>In the UK specifically, we have already seen the number of items delivered with tracked services nearly double over the last two years \times_{\downarrow} and the percentage of items shipped using these products has increased from less than a third \times to more than a half \times – an indication of the huge demand there is for such products from buyers and sellers.</p> <p>This trend is reflected in the broader e-commerce market. For example, recent research by Metapack shows that 86% of consumers found tracking to be either “important” or “very important” to them (<i>Source: Metapack Ecommerce Delivery benchmark Report 2021</i>).</p> <p>Tracked services are critical to making a marketplace more efficient for three reasons:</p> <ol style="list-style-type: none">1. Greater trust through greater certainty – all our data shows that an item that is shipped with tracked services is significantly less likely to generate a call into our customer services with a ‘where is my package’ enquiry.

2. Greater confidence in purchasing – tracked services reduce the number of 'Item Not Received' (INR) claims we receive and allow us to provide robust seller as well as buyer protection.
3. Improved sales for our sellers – we are able to offer a number of incentives for sellers who operate with shipping services which include tracking to improve the buying experience. In addition, as we make clear on our site, sellers who follow best listing and selling practices will see their items appear higher in search results through our Best Match algorithm, increasing the likelihood of a sale.

For these reasons, driving the adoption of tracking services by Sellers is therefore a key customer priority at eBay ✂

Including tracked services within the USO would therefore offer sellers a lower cost tracked service solution which will help boost e-commerce and help drive a key flywheel for economic growth.

Unless the USO becomes fully tracked, the risk is that it will become commercially less attractive to consumer sellers, micro businesses, and UK SMEs. Given that the direction of our marketplace – and e-commerce in general - is moving increasingly from merely encouraging the use of tracking to potentially requiring it, it is essential that tracking services are widely available at competitive prices. It is therefore vital that this issue is addressed now in order to allow Royal Mail to put in place the necessary investment.

We would also note that while tracked services are available from alternative carriers, these often add surcharges and shipping time for customers who live in the Highlands & Islands, Northern Ireland and other special postal regions, whereas the USO would mean that this service was

provided to all UK consumers at the same price, regardless of geography.

Tracking is therefore a foundational requirement for e-commerce and is increasingly seen as a hygiene factor for consumers. Buyers now have the same expectation of consumer sellers and SMEs, and having a delivery confirmation is no longer sufficient for buyers - they expect to be able to track their order along all parts of the journey. It is therefore crucial that Royal Mail services and the USO evolve to meet the needs of the UK online customers.

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