

Cash On Delivery Option: Yes or No

The increase in online deliveries is evident. Due to the lockdowns imposed by the pandemic, customers have now realized that online purchases are much more time effective as compared to going to brick and mortar stores. However, online deliveries also come with their own set of challenges for customers. There is always the anxiety about when the parcel will arrive and the risk of fraud. In order to save themselves from this trouble, consumers prefer to avail the cash on delivery option. This increases reliability and makes customers more inclined towards making the purchase. Infact, 7 out of 10 customers prefer to pay for their deliveries via cash upon arrival.

### What is **Cash on Delivery**?

This is also known as the cash on demand or collect on demand option. In this, the customer only pays for the delivery upon order fulfillment instead of paying for it in advance. If the order is not paid for, it gets returned to the merchant or the brand that it was delivered by.

This blog will discuss all the reasons why your business should offer their customers a cash on delivery option.



#### Increase in Impulse Purchases

Customers are more likely to make impulsive purchases based on the fact that they do not have to immediately pay for what they are ordering. With online pre delivery payments, people are more likely to judge and weigh their decisions more carefully based on their financial plans. When they do not have to pay while placing their order, they can order a product based on their likes. Once the order arrives, they will pay for it in cash. This is very beneficial to your company profits and revenue.

### • Increase in Customer Loyalty

More than 47% of people have claimed that they have anxiety and fear of fraud when making online purchases and placing orders. They fear that they would pay for an item and never receive it. Other than this, there is also the issue of the lack of secure payment gateways. Customers are afraid of online scams relating to their credit card or billing information

being misused on the internet. With cash on delivery, customers have the chance to develop trust in your service by paying only when the delivery is completed.

# • Familiarity For Customers

Your customers are more likely to trust and choose you because of the familiarity that your business has to offer to them. Cash on delivery offers a similar delivery experience to the traditional brick and mortar shops. This does not feel like a new system to adapt to, rather it is simply more convenient as an added advantage.

# **How Does Shipox Help With Cash On Delivery Operations?**

Delivery Management Systems such as <u>Shipox</u> assist users with complete Cash on Delivery transfer option and financial management for their orders. This enables these software to track the entire cash flow from the point of order creation until the final destination. In the admin backend, users are able to view how much COD is pending with each driver and to collect it from them. In the Finance Orders page in the admin backend, users can see the following information:



- To be collected Orders yet to be delivered
- Collected Orders delivered and cash with driver
- With cashier The cash collected from the driver and with the cashier
- With bank Cash updated as "with bank" by the cashier after he had deposited the cash to the bank

Users can also check the cash pending from a specific driver by going to the "collected" tab and filter the page with that specific driver's name. Once the pending cash is received from the driver, users can select all the orders and "batch COD status update" as "With Cashiers".

Shipox is a data-driven **Delivery Management Software** that enables its users across a multitude of diverse industries to avail market competitive features and customer support in order to automate and perfect their delivery process. Shipox users are able to increase the efficiency of their delivery process, optimize their costs effectively, and enhance their customer experiences. To learn more, you can <u>sign up for a quick demohere</u>.