

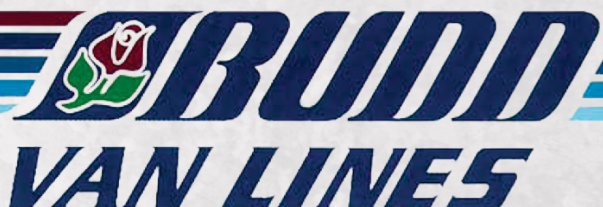
2023 TRIPPEL SURVEY

AMERICA'S TOP RATED CARRIER



"Budd Van Lines outperformed all carriers"

Trippel Survey & Research, LLC conducts this annual survey to obtain current information on HHG policy and program management, and obtain evaluations from corporate relocation managers regarding their level of satisfaction with the moving service industry and suppliers utilized in Domestic US relocation.



21st ANNUAL RELOCATION MANAGERS' SURVEY®
on HOUSEHOLD GOODS SHIPMENT:
PROGRAM ADMINISTRATION, POLICY &
INDUSTRY & CARRIER PERFORMANCE

BACKGROUND

Trippel Survey & Research, LLC conducts this annual survey to (1) obtain current information on HHG policy and program management, and (2) obtain evaluations from corporate relocation managers regarding their level of satisfaction with the moving service industry, suppliers utilized in shipping household goods and relocation management companies administering corporate HHG programs. This survey did not have corporate sponsorship although many manager's recommended survey questions.

METHODOLOGY

This is the twenty-first annual *Relocation Managers' Survey®* on Household Goods policy, administration and industry-supplier performance. Corporate relocation managers received an email message announcing the survey on February 7, 2023. A reminder notice was sent and the survey closed February 21st.

Of the 957 initial invitations sent via SurvyeMonkey 7 were hard or soft bounced and 2 opted out. Among the remaining invitations 121 managers participated; nearly the same as last year's survey.

Survey responses are presented in this report as reported by *SurveyMonkey*, the web-survey service firm used in this endeavor. When appropriate, comments are made throughout the report regarding survey responses and industry trending.

CONFIDENTIALITY

This report is copyrighted © by Trippel Survey & Research, LLC. No part of this work herein may be reproduced or used in any form or by any means without purchasing a marketing license from Trippel Survey & Research, LLC at alantrippel@icloud.com. Trippel Survey & Research, LLC maintains strict confidentiality of corporate participants.

The report and marketing license was purchased by Budd Van Lines and may be shared with or among internal stakeholders, external stakeholders and for promotion.

DISCLAIMER

Since the last survey on this topic one year ago no household goods corporation engaged Trippel Survey & Research in consulting or research assignments or survey programs.

INDEX

<u>Topic</u>	<u>Page</u>
Profile	2 - 3
HHG program administration	3 - 6
HHG policy	6 - 9
Industry & Supplier Performance	9 - 12

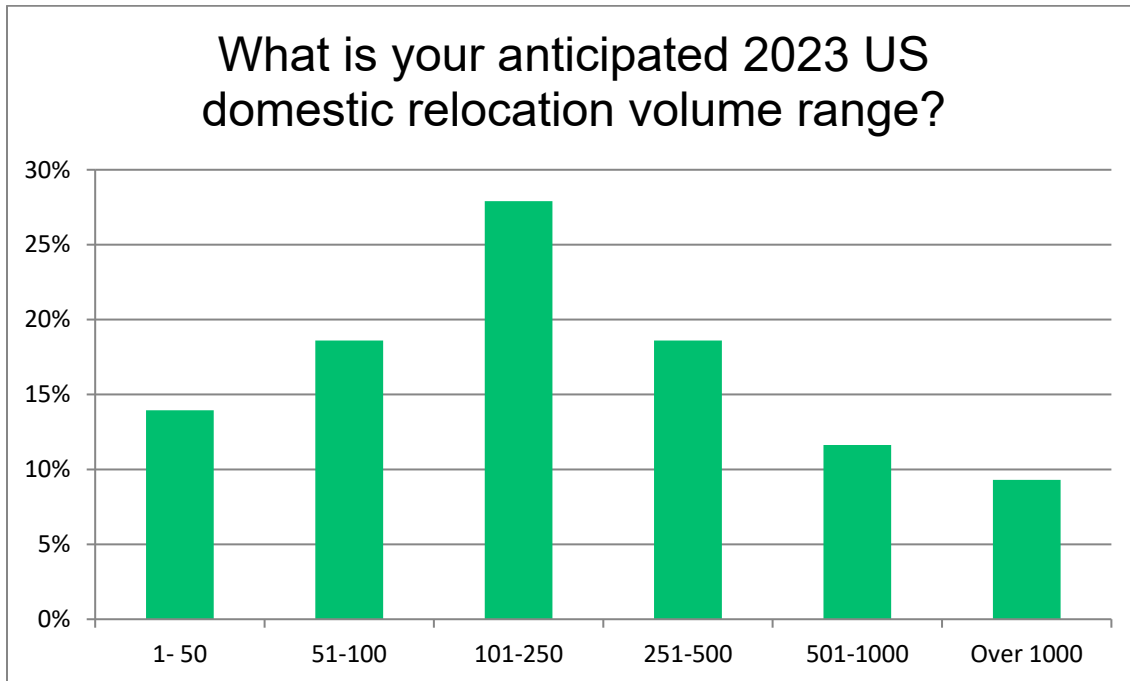
CORPORATE PARTICIPANT PROFILE

The following chart shows 121 participating corporate managers in this survey of which two did not provide an email address.

Email address (used to send you the final report).	
Answer Options	Response Count
	121
<i>answered question</i>	119
<i>skipped question</i>	2

The number of participants this year is 2% lower than last year's participation rate.

ANTICIPATED 2023 DOMESTIC U.S. VOLUME

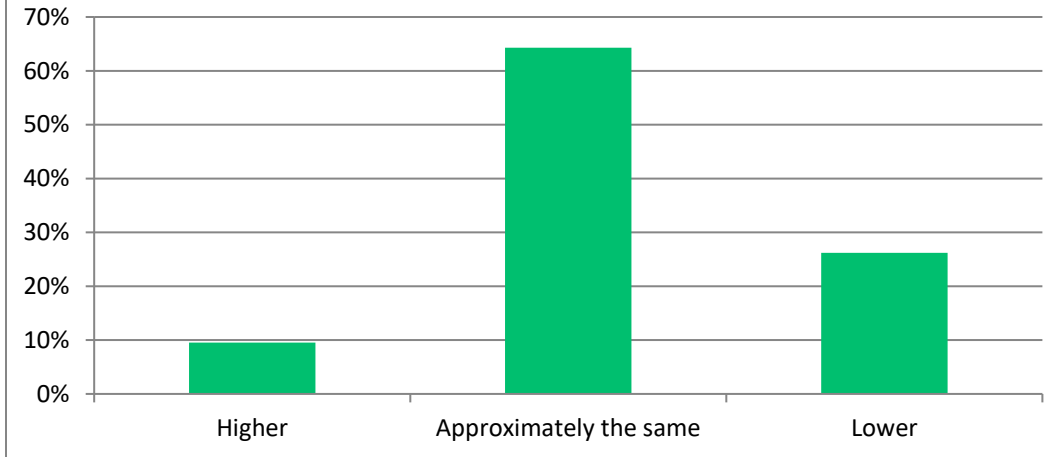


The 101-251 transfer volume segment accounts 28% of participants while 19% of participants expect 2023 volume to be in the 51-100 or 251-500 domestic volume ranges. Compared to the 2022 survey these survey respondents represent higher volume ranges. Conversely, this survey indicates a lower percentage of low-volume corporate manager participants compared to the October managers' survey 5 months ago.

2023 DOMESTIC VOLUME COMPARED TO 2022 ACTUAL

The following chart, shown on next page, indicates the industry expectation for 2023 volume compared to the 2022 calendar year domestic move volume.

How does this 2023 domestic volume range compare to 2022?



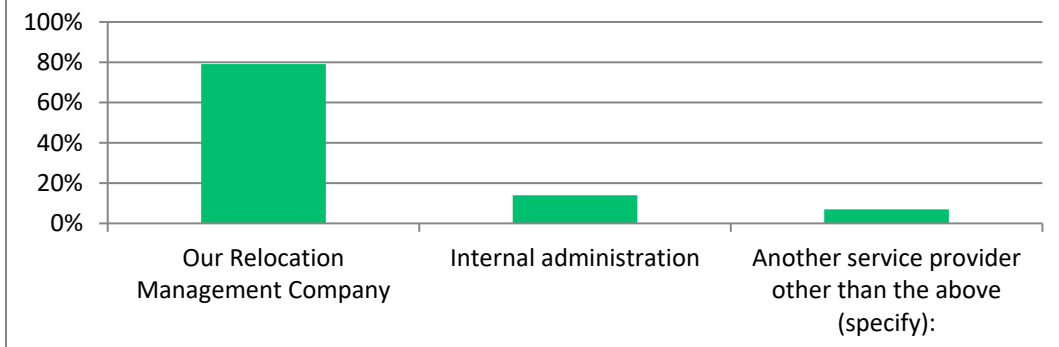
Approximately 64% of corporations expect volume to be the same this year compared to 2022.

Another 26% expect the volume to be lower compared to last. This is somewhat puzzling because in the manager's survey in October the prediction for 2023 was for the volume this year to be higher than 2022. One possible reason is the Fall survey had a larger percentage of small mover companies (i.e. under 251 annual moves) compared to this survey's mix of higher relocation volume companies.

HOUSEHOLD GOODS PROGRAM ADMINISTRATION

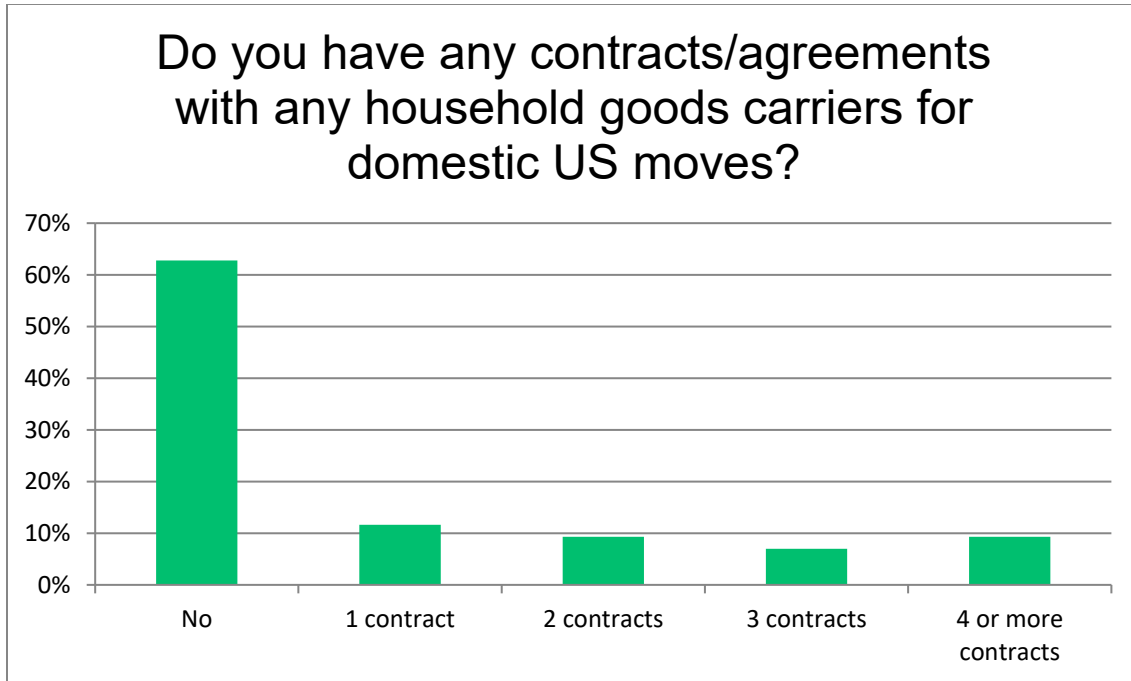
DAILY MANAGEMENT OF HOUSEHOLD GOODS PROGRAM

Which organization manages and oversees the daily USA domestic HHG activities (selecting carriers, placing order, overseeing shipments)?



Approximately 79% of corporations outsource the management of the household goods program to a relocation management company. This is percentage is a 4-percentage points decrease from last year's survey and reverses a multi-year increasing trend towards outsourcing HHG program administration to an RMC. However, it is clear a vast majority of corporations do not want internal personnel spending time or resources administering household goods shipments.

CORPORATIONS CONTRACTING WITH HHG



This year's survey indicates 63% of corporations do not have contracts with carriers. This rate is much higher than the 51% rate posted in last year's survey. This reinforces the primary objective of using external RMCs to administer HHG.

PERMIT RELOCATION MANAGEMENT COMPANIES TO "GO OFF-LIST"

Regardless of whether or not you contract directly with a carrier(s) to what degree do you permit your RMC or internal department to use carriers other than your "preferred" or "contracted" suppliers?

Answer Choices	Responses
Our RMC or internal department can award moves to the best-qualified or available HHG carrier.	26%
We expect all our moves to go to preferred or contracted HHG suppliers	42%

Although we prefer moves go to certain HHG carriers our RMC or other external partner has a degree of flexibility to award a move to non-preferred or non-contracted HHG supplier when circumstances warrant an "off-list" selection. 33%

Forty-two (42%) of corporations expect moves to be assigned to contracted or preferred carriers – if a contract exists. This rate is lower than last year’s survey rate of 55%. These pair of statistics indicate corporate relocation managers rely on the RMC to select the best carrier and not be bound to a “preferred/contracted” carrier.

USE OF PERFORMANCE METRICS

Do you have performance metrics (i.e. SLAs) established with either the RMC, internal department or the carrier? Select one appropriate answer.

Answer Choices	Responses
Confidential information; can not be shared	5%
No HHG performance metrics are established	12%
Yes, only the RMC (or internal department) has performance metrics	30%
Yes, only the Carrier/Agent has performance metrics	2%
Yes, both RMC and Carrier/Agent(s) have performance metrics	51%

Approximately 88% of all corporations use performance metrics (“SLAs”) to evaluate performance of the HHG program – slightly lower than last year. The most common arrangements (50%) are SLAs on both carriers and the RMC. This is also slightly lower than last year.

AUDITS OF HHG

Are audits performed on each shipment to insure policy was followed and invoices are accurate? Multiple answers permitted.

Answer Choices	Responses
Confidential information, can not be disclosed	2%
No; audits are not performed on our shipments	9%
Yes, our relocation management company performs audits	56%
Yes, another external company (not RMC) performs audits	30%
Our internal relocation team or audit function performs audits	5%
Multiple stakeholders perform audits	7%

Slightly more than one-half of corporations (56%) rely on the relocation management company to perform audits of policy and/or invoices.

HOUSEHOLD GOODS SHIPMENT POLICY

PHILOSOPHICAL APPROACH TO POLICY DESIGN

Which of the following approaches are used to provide HHG benefits to employees in a domestic US move? Each row has one choice.

	Yes, true statement	Not a true statement
Higher organizational levels generally obtain more HHG benefits than lower organizational levels	38%	62%
Current employees generally receive more HHG benefits than new hires	10%	90%
Homeowners generally receive more HHG benefits than renters	23%	77%
Transferees with a family generally receive more HHG benefits than single transferees	26%	74%
Experienced new hires generally receive more HHG benefits than inexperienced new hires	26%	74%

Approximately two-thirds or higher majority of companies align with this approach to HHG benefits:

- Higher organizational levels receive the same HHG benefits than lower levels,
- New hires receive the same HHG benefits as existing employees,
- Renters and homeowners receive the same HHG benefits,
- Single employee transferees receive the same HHG benefits as employees with a family, and
- Inexperienced new hires receive the same HHG benefits as experienced new hires.

HHG BENEFIT PROVISIONS BY ORGANIZATIONAL POSITION

For each of the six listed organization positions which HHG benefit is permitted by policy? Multiple answers permitted on each row.

	Carrier does HHG packing	Carrier does HHG unpacking	Employee is permitted to do packing or unpacking or both

Executive	95%	77%	37%	
Senior management	95%	72%	37%	
Management	95%	67%	40%	
Professional	95%	66%	41%	
Exempt, non professional	88%	59%	47%	
New Hire -experienced	90%	63%	48%	
	Shipment of unusual items permitted (ex: boats, RVs, trailers, wine)	Short-term storage while in transit	Policy has a limitation on maximum weight	Policy has a limitation on maximum move expenses
Executive	23%	91%	26%	14%
Senior management	14%	91%	28%	14%
Management	10%	83%	29%	14%
Professional	7%	83%	29%	15%
Exempt, non professional	0%	79%	32%	21%
New Hire -experienced	3%	78%	28%	18%

Among all the HHG variables listed the only one indicating various range of policy inclusion is “permission to ship unusual items.”

CAR SHIPMENTS

When permitted, how many cars may be shipped for each position listed? Only one answer per row permitted.

	Shipment of cars is not permitted	1 car regardless of distance of move	1 car if minimum distance requirement is met	1 car plus a second car is minimum distance requirement is met	1 car for each eligible family member
--	-----------------------------------	--------------------------------------	--	--	---------------------------------------

Executive	3%	0%	13%	78%	8%
Senior management	3%	3%	18%	73%	5%
Management	5%	5%	28%	56%	5%
Professional	5%	5%	31%	56%	3%
Exempt, non professional	24%	6%	27%	39%	3%
Experienced New Hire	20%	6%	29%	43%	3%

To summarize:

- Executive and Senior manager HHG benefits mirror each other with three-quarters or more of companies permitted to move 1 car plus a second if distance requirement is met.
- Managers and professional organizational positions mirror each with 56% (most common provision) permitted to move 1 car plus a second if distance requirement is met. Between one-quarter and one-third of companies permit only 1 car to be shipped if distance requirement is met.
- Exempt non-professional transferees and experienced new hire transferees realize far different and a wide variety of provisions related to car shipments than the other positions.

STORAGE OF HOUSEHOLD GOODS

As the chart below indicates, a majority of corporations permit storage but the duration varies widely by organizational position.

DURATION OF STORAGE

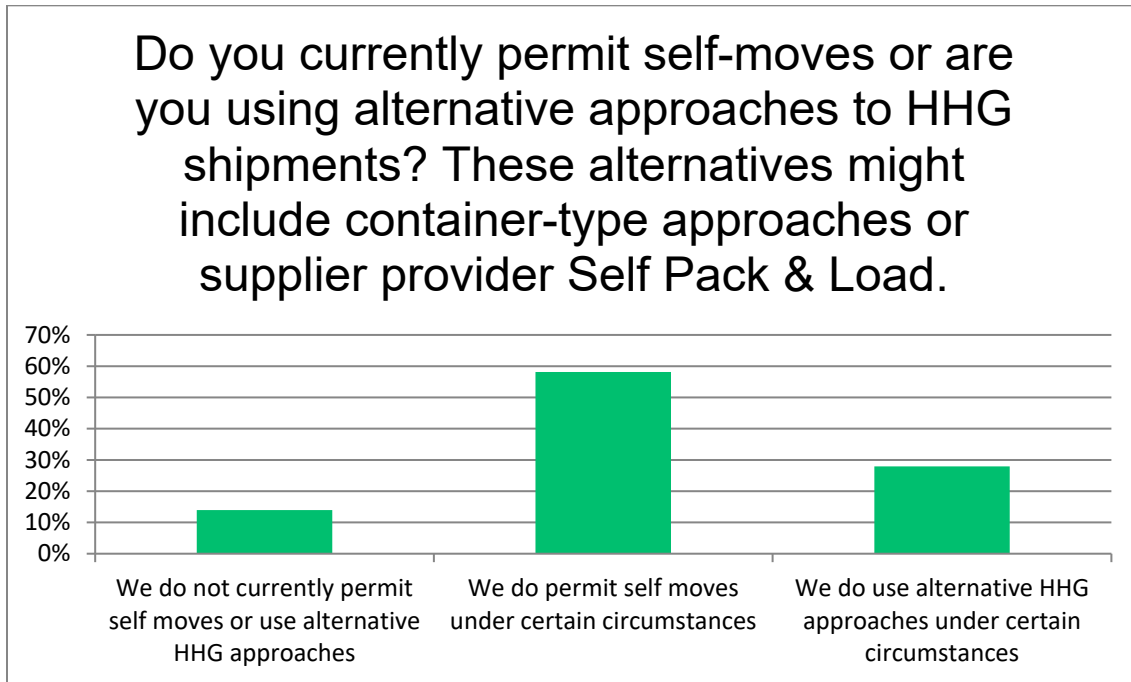
When permitted, what is the maximum storage duration for the listed positions? Only one answer per row permitted.

	Not permitted	30 days - 1 month	45 days	60 days - 2 months	75 days	90 days - 3 months	Another duration
Executive	5%	49%	2%	28%	0%	12%	5%
Senior management	5%	51%	2%	33%	0%	7%	2%
Management	7%	57%	2%	29%	0%	2%	2%
Professional	10%	56%	2%	27%	0%	2%	2%
Exempt, non professional	22%	53%	3%	19%	0%	0%	3%
New Hire -experienced	19%	54%	3%	22%	0%	0%	3%

When storage is permitted the most often duration is only 30 days -1 month.

Report continued on next page

ALTERNATIVE METHODS TO SHIP HOUSEHOLD GOODS



Approximately 58% of corporations permit self-moves under certain circumstances and 28% use alternative moving approaches under certain circumstances. Both figures are close to the reported figures in 2022.

INDUSTRY OVERALL PERFORMANCE

SATISFACTION WITH THE HHG INDUSTRY

The COVID pandemic changed many aspects of business for American corporations. The household goods shipment industry has been challenged like many others.

In your experience, how has the overall HHG industry performance changed during the past three years of the COVID pandemic?

Answer Choices	Responses
Performance has significantly improved	0%
Performance has slightly improved	12%
About the same performance	47%
Performance has slightly deteriorated	28%
Performance has significantly deteriorated	14%

In this 2023 survey 47% state the industry is about the same as pre-pandemic; this is a slight drop from the 53% level last year. Conversely, a combined 42% state the overall industry performance deteriorated to different degrees.

What might be most striking is only 12% of survey managers this year state carrier performance improved over recent years.

FACTORS ADVERSELY IMPACTING THE INDUSTRY’S PERFORMANCE

From your experience which factors adversely impacted overall performance of domestic HHG carriers in 2022? More than one answer is permitted.

Answer Choices	Responses
Low profits or deteriorating margins of carriers	43%
COVID-19 pandemic	50%
Lack of talent (drivers in particular)	81%
Relocation management companies are squeezing carriers	14%
Inability to handle peak move volume surges	69%
Inflation & Increasing fuel costs	79%
Government regulation	31%
Too few competitors	5%
Quality of services is slipping	38%
Another factor not noted above:	7%

Comparing each variable above to the same variables offered for selection in last year’s survey shows the percentage increased in every category!

The new addition to the list is “Inflation and Increasing Fuel Costs” which 79% of participating managers state hampered the HHG carriers.

FACTORS POSITIVELY IMPACTING THE INDUSTRY

From your experience have any factors positively impacted overall performance of HHG carriers in 2022? More than one answer is permitted.

Answer Choices	Responses
Carrier use of customer-focused technology	36%
Carrier use of driver-focused technology	25%
Use of containers for domestic moves	47%
Smaller loads	25%

Virtual technology for pre-move surveys	81%
Another factor not noted above:	8%

One factor contributing to performance improvement is use of technology. Another important factor perceived by corporate managers is the use of containers in domestic moves.

SUPPLIERS' PERFORMANCE

OVERALL PERFORMANCE

	Scores										Count	Aver	Top Block %	Bottom Block %	Net Satis. %
	1	2	3	4	5	6	7	8	9	10					
Allied Van Lines								8	5		13	8.38	38%	0%	38%
Atlas Van Lines						2	11	15	18	5	51	8.25	45%	4%	41%
Budd Van Lines							6	12	5	17	40	8.83	55%	0%	55%
Interconex							1	2		1	4	8.25	25%	0%	25%
Mayflower					2	1	1	2	3		9	7.33	33%	33%	0%
New World Van Lines				1	1		2	8	2	2	16	7.81	25%	13%	13%
NorthAmerican							3	12	3	1	19	8.11	21%	0%	21%
United Van Lines						2	5	14	5	2	28	8.00	25%	7%	18%
Wheaton						2		4	2		8	7.75	25%	25%	0%
Other not listed	3							5	6	4	18	7.61	56%	17%	39%
	3	0	0	1	3	7	29	82	49	32	206	8.17	39%	7%	33%

The industry saw a substantial decrease in the average satisfaction score to 8.17 this year from 8.52 last year. This was the third consecutive year the average industry score has decreased. Net Satisfaction also decreased to 33% from 53% a year earlier. Nearly all service suppliers, exception of Allied Van Lines, realized a decrease in performance metrics.

Budd Van Lines outperformed all carriers earning the best average score and the highest net satisfaction percentage. Allied Van Lines earned the second highest average score and Atlas Van Lines the second highest net satisfaction percentage.

There is a widening range of both metrics compared to recent years surveys; the better evaluating carriers are distancing themselves in corporate manager overall satisfaction then poorer performing carriers.

SATISFACTION WITH RELOCATION MANAGEMENT COMPANY MANAGING HHG

If your company uses a relocation management company to administer and execute your HHG program, how satisfied are you with their overall HHG performance? Scale is 1 Low to 10 high. If you do not use a RMC skip this question.

	1	2	3	4	5	6	7	8	9	10	Total	Aver.	Top Block	Bottom Block	Net Satisfaction
Aires							1	2	1	2	6	8.67	50%	0%	50%
Altair Global Relocation								3	4	1	8	8.75	63%	0%	63%
Cartus							2	3	7	4	16	8.81	69%	0%	69%

Cornerstone Relocation				1			4			5	8.60	80%	0%	80%	
Graebel Relocation	1		1				3	1	1	7	7.57	29%	29%	0%	
NEI Global Relocation				1		2	1	2		6	8.67	50%	0%	50%	
Plus Relocation						1	2			3	8.67	67%	0%	67%	
SIRVA - BGRS				1		6	4	7		18	8.94	61%	0%	61%	
Sterling Lexicon				2		1	2	0		5	8.00	40%	0%	40%	
Weichert Workforce Mobility						4	6	4		14	9.00	71%	0%	71%	
Other R.M.C			1		3	1	2	1		8	7.75	38%	13%	25%	
Total >	0	0	0	1	1	1	11	26	34	22	96	8.60	58%	3%	55%

Because (a) 79% of corporations rely on and use the services of a relocation management company to manager the transportation of household goods, and (b) 63% of these same corporations do NOT have contracts with HHG carriers it is useful to question corporate managers on their professional satisfaction with the performance of the RMC in administering the corporate household goods shipment program.

Due to fairly low sample sizes among many service providers only three relocation management companies generated reliable performance metrics. To this extent corporate managers gave the highest satisfaction scores, both average score and net satisfaction percentage, to Weichert Worforce Mobility. Cartus and SIRVA-BGRS earned the next pair of combined high metrics.