

COMMUNITYMANAGER

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The Box Stops Here

As consumers embrace online retail shopping, high-rise managers must deal with the sharp increase in package deliveries.

BY JULIE WARREN

It's not just the occasional birthday gift or weekly dry cleaning order arriving at the front desk of high-rise communities any more. Ninety-six percent of U.S. consumers—that's nearly everyone—does at least some of their shopping online.

From apparel to groceries, prescriptions, household items, and even furniture and automotive equipment, it's more convenient and efficient to buy whatever you want or need online and have it delivered right to your door.

For residents in a high-rise community, however, their packages usually only make it as far as the front desk. Then it becomes the manager's problem.

ONLINE PURCHASING IS SOARING

A May 2017 U.S. Census Bureau report states that e-commerce sales increased in the first quarter of 2017 by nearly 15 percent over the first quarter of 2016. The total increase in retail sales during the same period was only slightly more than 5 percent. And the *Seattle Times* reported in January that FedEx, UPS, and the U.S. Postal Service delivered nearly 700 million parcels between Dec. 1 and Dec. 17, 2016.

While these impressive statistics demonstrate that consumers are saving time and avoiding the hassle of shopping malls and grocery store parking lots by shopping online, they also signal »

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The recent spike in the number of deliveries to high-rise communities is putting a lot of strain on managers and their staff.

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a growing burden on high-rise managers and staff: what to do with all those deliveries as they reach the front desk.

WHAT'S IN ALL THOSE PACKAGES?

Deliveries to high-rise communities now include orders from subscription clothes shopping services, like Stitch Fix® and Trunk Club, that send wardrobe selections to shoppers' homes. Blue Apron, Plated, and Hello Fresh orders contain carefully measured and packaged ingredients for meal prep.

In urban areas, where parking is scarce and expensive, consumers can shop online for groceries via services like Peapod and InstaCart and have everything sent to them. Other deliveries include prescription medication and documents for residents who work from home.

Staff at some luxury high-rise communities see lots of high-end restaurant meals being delivered by services like UberEats and GrubHub. In a secure building that requires a passkey to access the elevators, that means the front desk personnel are escorting these mobile waiters up to units.

And Amazon, the granddaddy of all online shopping sites, now will deliver whatever you order—from books to clothes to a granite garden bench or even a 6,700-pound engine lathe—with no shipping charges and at any time of the day or night. And in June, Amazon announced that it will purchase Whole Foods, the Texas-based grocery chain, for more than \$13 billion, adding another dimension to Amazon's offerings.

EXTRA TIME, EXTRA SPACE NEEDED

High-rise managers expect more deliveries than usual during certain seasons—like Valentine's Day, Mother's Day, and Christmas. Some communities even hire temporary workers to help with receiving and dispersing the extra packages during such holidays.

But the recent spike in the number of deliveries to high-rise communities at other times of the year is putting a lot of strain on managers and their staff, says Andrew Schlegel, CMCA, executive vice president of FirstService Residential in Irvine, Calif. "In buildings that have more than 200 units, it takes a couple of hours a day (to sort and disperse packages)," he says. "And my guess is we're at the beginning of the trend."

That's a conservative estimate according to Amy Vega, CMCA. On-site manager for the 156-unit Two River Place Condominium Association in Chicago, Vega says that handling deliveries in the community she manages requires the commitment of at least one full-time staff member—with some occasional help from other personnel.

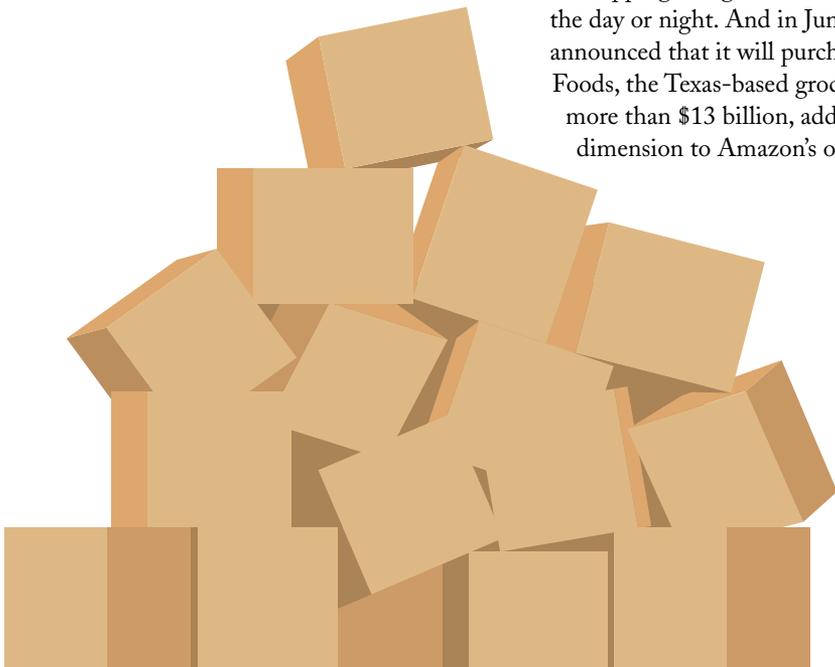
Finding space to house the increased number of deliveries is another challenge high-rise communities are facing. "I don't think anybody anticipated Amazon," says Vega, who has seen furniture, lamps, and even a mattress in a box arrive at her building. She considers the package rooms in 15- to 20-year-old buildings inadequate.

"We have increased our storage to accommodate just the Amazon deliveries," says Marcy Kravit, CMCA, AMS, PCAM, executive manager at the 31-story, 168-unit ocean-front Atlantic II at the Point in Aventura, Fla. "And because the receiving department is closed on the weekends, our front desk staff is overwhelmed with the number of packages arriving."

COOLING IT

Deliveries that require refrigeration, such as food, flowers, and especially medicine, present another unique problem for some communities.

"Our bigger high-rises, especially the newer ones, have commercial-grade refrigerators and freezers near the pack-



age room,” says Schlegel. Otherwise, managers often store perishable deliveries temporarily in refrigerators located in the community clubroom or staff office.

Developers of some newer communities had the foresight to plan for perishable deliveries by including built-in, restaurant-grade refrigerators near package rooms or receiving areas. Other luxury communities often simply rely on the concierge staff to put critical items directly into individual homeowners’ units.

While the south Florida community Kravit manages currently has adequate refrigerated storage for perishable items, the association is making plans to upgrade the front desk area soon to accommodate all the deliveries.

BRACING FOR HOLIDAYS

Although it’s still months away, Chicago’s Two River Place is already preparing for the 2017 holiday season, Vega says, by setting up a second workstation within the building, training maintenance staff on the tracking system, and investing in small roller bins to move packages out of the way of the front desk and lobby area.

Schlegel, Kravitz, and Vega all agree that it’s essential for each community to have some kind of system in place that allows managers and staff to track how and when the residents are contacted and that provides physical security for packages until the owners retrieve them. (See sidebar, above right.)

Deliveries in high-rise communities are an “ever-evolving problem,” according to Vega, who says that solutions are unique from one community to the next. She also warns managers not to expect one creative idea to work long term. Because of the rapid growth of the retail delivery market, managers need to continually adapt.

Julie Warren is editor of Community Manager.

Package Handling Tips for High-Rise Managers

- Develop a process for receiving, tracking, and handling deliveries once they arrive in your community. Your tracking system should include a method for labeling deliveries so there’s no mistaking who the package is for and who picks it up.
- Since items are sometimes delivered after the day shift has gone home, make sure that all staff understand and follow the process.
- Capture as much homeowner/resident contact data and in as many formats as possible. If you don’t have a phone number for somebody’s unit, and you don’t have an email, you’re stuck with knocking on doors.
- Find out how residents prefer to be contacted, and use that method.
- Separate packages and other deliveries in a controlled area.
- If you have space, consider installing a refrigerator for perishable items like food, medication, and flowers.



51%

of Americans prefer to shop online



96%

of Americans have made an online purchase in their life

E-Commerce is growing

23%

year-over-year



SOURCE: WWW.BIGCOMMERCE.COM

Americans in metropolitan areas report spending

4.5 hours per week

shopping online

Amazon ships an estimated 1,600,000 packages per day, and 60 percent of those packages go to residences.

