



***Merchant
Delivery
Insurance
Product***

nti

**SHIPPING &
DELIVERY
INSURANCE**
iul

Ecommerce / Parcel Delivery Landscape



155,715
total retail
businesses

source: Statista

87,288

total *online*
retail businesses

source: Ibis World, 2023

\$63.8bn

online retail sales
of physical goods*

source: Australia Post, 2024 Inside Australian Online Shopping



\$138
average
online
order value

18.1%
of all physical goods
sold are sold online*



2,703
Shopify
stores
>\$1m in
turnover#



shopify **28%**
Market Share#

source: Australian Shopify & Shopify Plus

Shipping & Delivery

1.1bn
parcels
shipped
in 2022*

3m
parcels
shipped
per day*

1 in 3 parcels
are returned to merchants*

* source: Pitney Bowes Parcel Index

Customer Behaviour

81% of customers
contact the retailer
on delivery issues^

73% of customers
more likely to purchase
when delivery insurance
is included^

^ source: NTI ecommerce customer survey, 2023



What is Merchant Delivery Insurance?

NTI has offered embedded single trip insurance programs for a number of years. In that time ecommerce retailers identified the need in market for a product that would provide cover for high volume, low value shipments, but most importantly help them manage a key pain point in their growing businesses.

“How can I manage returns and claims in a scalable way, without devoting endless staff resources to the issue?”

MDI is an electronically transacted Annual Cargo policy designed to pick up the low value high volume ecommerce deliveries typically excessed out a traditional Cargo policy.

**Average excess on Annual cargo policies
\$250 - \$2,000**

This proposition works alongside traditional annual policies but focusses on picking up the sales deliveries transacted on the merchant’s ecommerce platform.

**Two year MDI pilot program has successfully protected 60,000 Shipments
Handled more than 1,000 claim cases**

Broker integration

MDI is a true “hand in glove” proposition between brokers and NTI. Key performance data and insights are shared directly with you to engage with the merchant directly or with our support team, affording more meaningful engagement with these clients.

The MDI platform is designed to issue notifications to you the broker, should the merchant make any changes. For example if the merchant were to switch off cover on a sales channel via an online marketplace. This affords the chance to contact the merchant and check if the agreement to sell via that channel actually protects their interest.



MDI Platform example

“MDI provides a low cost, per transaction solution to the common problems merchants are facing. Access to a seamless claims management platform is key for merchants grappling with how to manage claims and returns as they simultaneously grow their business.”

Who is it designed for?

E-commerce merchants or retailers with online stores operating on the Shopify platform.

MDI has options for a basic online direct solution, for smaller retailers, as well as an enterprise level solution designed for larger ecommerce retailers with more bespoke requirements.



MDI Product Highlights

Streamlined Claims Management

End customers are able to lodge their damaged, lost or stolen goods directly from the merchants website to the NTI portal & NTI then manages the entire claim and return process

Seamless Re-supply

Replacement goods purchased by NTI from the merchants available inventory at retail price, shipped out quickly as another purchase.

Pricing that scales with the business

Per-shipment coverage supported by Australia's leading insurance experts.

Peace of Mind Protection

Safeguards a merchants customers and helps to maintain reputation with full coverage against theft, damage, and loss.

For further details visit:

nti.com.au/shipping-delivery-insurance



Potential new customers lost after finding negative reviews

-22%

with 1 negative review

-59%

with 3 negative reviews

NTI has been able to settle claims, with replacement items purchased from the merchant, on average 13 minutes from lodgement by the merchant's customer.

Similarly where refunds are required, NTI issued payment within 3 minutes of the merchant's customer accepting the offer, all running 24/7."

This relates to a 6 month sample period. NTI cannot guarantee the speed of claims processing and refunds.