

THE PULSE OF THE ONLINE SHOPPER: YOUR CUSTOMERS ARE READY, ARE YOU?

0 COMMENTS



You might think of UPS as just a shipping company. While they're really good at that, they also have expanded beyond it which includes nearly everything surrounding the logistics of moving things from one place to another. One thing that UPS has been doing for the past few years is consulting businesses about state of ecommerce. Since 2011, the company has been putting out a white paper called *The Pulse of the Online Shopper* which collects data on shoppers and presents the major trends in habits. We were able to take a look in order to provide you some important highlights.

The infographic cover features the UPS logo in the top left corner. Below it, the title "UPS Pulse of the Online Shopper™" is written in a large, gold-colored serif font. The central image is a composite of two scenes: on the left, a man and a woman are sitting on a couch, looking at a tablet together; on the right, there is a storefront window display for a clothing store, showing suits on mannequins. At the bottom left, the text "U.S. Study » June 2015" is displayed. At the bottom right, a green bar contains the text "A UPS Study Infographic" in white.

Prepared to Shop

The Pulse of The Online Shopper 2015 paints a picture of a shopper who shops prepared. They already have some pre-shopping work by finding some discounts and have done some research on your brand and others at home on their laptop. Today's consumer wants access to all the advantages and information they can get to make their choices and purchases and it's to retailers' benefit to provide as much as they can and make it easily understandable. For example: everyone has run into moments while purchasing online where they get surprised by the shipping or other costs tacked onto the subtotal. According to UPS, of people they surveyed, 44% of shoppers used the cart to discover these costs and then abandoned them.

One way to handle customers from being surprised by additional costs is to offer them free shipping, either through a purchase threshold, as a special offer or as a general feature of your brand. **56%** of shoppers abandoned a cart when shipping costs made the total purchase cost more than expected and **45%** abandoned a cart when they didn't qualify for free shipping. Those percentages show how it can be a good tool to make sure potential shoppers turn into paying customers. Customers are also willing to wait around a week for their items if they get free shipping and will more likely pay more if they want it sooner. However you handle making that shipping free or at least a good bargain is up to you.

With increased access to retailers both big and small, shoppers both expanding and refining their tastes by hunting for new and unique items. For small shops, their overwhelming selling point to consumers is that they offer unique products. Other important selling points are they offer what other big retailers do not. They are a part of the local community and provide new experiences and items. The main reason some customers shop internationally is the price. Beyond that, these international retailers either provide items that are unavailable or not associated with product offerings in their country.

The major way (**47%**) customers discover these new items and brands are through marketplaces with traditional means (word-of mouth, mail and TV) following and social media (online ads, social media & blogs) emerging in use. Customers are also increasingly using subscription services, which deliver new items regularly and are either curated by the service's taste or the customer's style.

The Rise of the Flex Shopper

2015 could be called the year of "The Rise of the Flex Shopper":

In last year's study, the "Flex Shopper" was identified as a consumer that readily shifts from one channel to another. They change course based on circumstance, influences, channel comfort, device preference and convenience. The boundaries between channels are blurred more than ever, as the ease of shifting between them has been accelerated by smartphone usage.

This is to say that customers aren't just shopping in person or online exclusively anymore. While 64% of customers still shop mostly single channel, the **36%** that are omni-channel shoppers need you to be as flexible as they are. They might be researching or getting feedback on items on their phone while in store or order online and pick up things in the store. In fact, **22%** access emails while in the store via mobile devices, prompting in-store purchases. Some retailers, like H&M, are already taking advantage of this information by providing free WiFi in stores.

As overall shopper habits begin to shift, the role of the store is changing. It's hard not to imagine that eventually they will become more showroom like, with sales associates helping to provide a human touch and fashion advice that an interface couldn't provide. Some things won't change: it still remains important to touch and feel (and/or try on) items before purchasing, especially with clothing. Consumers, also like pick-up things in store as well. Back in the present, it's increasingly important for stores to have their inventory updated in real-time.

Customers are also increasingly open to an augmented in-person shopping experience. Some of it already exists, with one great example being Apple's roaming check-out appealing to **27%** of customers. More customers want to take the check out into their own hands with **29%** finding mobile checkout with own phone/tablet in store appealing. Having self-serving options like touchscreens that can receive information, make a purchase or arrange delivery is also something that is interesting customers.

If you have an app specific to your franchise or store, customers are becoming less satisfied with it just having an account that saves their cart and personal information. Customers want other benefits including a cart that is portable across platforms, accurate store inventory, coupons and store locators. They also want assurance that the app is secure and will protect their personal information. Some customers might eschew an app entirely as shopping through a browser allows them to use tabs to comparison shop.

Ready Retailers

So what should you have ready for your customers? Information, information and information. Over 50% of customers want the following things easily accessible while shopping online in order of importance:

- Detailed product information

- Retailer reputation
- Return policy
- Multiple images or zoom in features
- Consumer/peer reviews
- Sizing tools

Other avenues of information a retailer might include are videos, Q&A's and having live chat available. As mentioned before, this information includes the checking out process; the more transparent the process is, especially the pricing, the more satisfied customers will be.

Customers not only want information from you, but also fellow customers—which can range from user-submitted photos to message boards. Product reviews are especially popular as **70%** of customers are satisfied with ability to read a peer review before purchasing and **73%** find product reviews influential.

It's clear what the message of all this data is: remove as many barriers to purchasing (or returning) as you can, so that you customers can purchase more and more often. If you're able to take the risk, brands should adopt the new *useful* technology mentioned above that will better help them serve customers.

This all may sound daunting for new and smaller brands but two things will make it easier: 1) starting off with transparency will save you the work of trying to be transparent later and 2) working with a good marketplace, like **Nineteenth Amendment**, will help get your unique product to the eyes of many without having to worry too much about all the logistics.

Of course, there is more included in the full white paper including how social media influences shopping habits and simplifying the logistics of deliveries and returns. However, with this post I wanted to focus on the importance of information sharing that happens between customers.

You can download the white paper **HERE**.



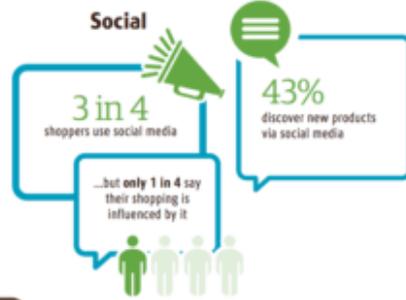
The Empowered Shopper Propels Retail Change

Today's savvy shopper continues to raise the bar on what it takes for a retailer to stay competitive with an online, in store and omnichannel shopping experience. To find out what it takes to be a Ready Retailer, download the full white paper at ups.com/insideretail.

Dollars and Sense



Shifting Channel Behavior



Hunt for the Unique and Hard to Find



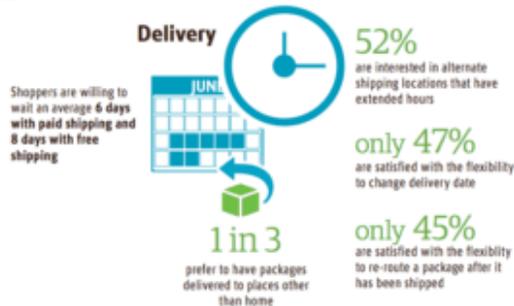
Mobile

- 41% of shoppers have used a smartphone to research an online purchase while 30% have made a purchase
- 24% of mobile users use a retail mobile app on a weekly basis
- 23% research on their smartphone prior to visiting a store — and 23% also research while in the store

The Store



Logistics Prowess



Returns



UPS developed the fourth annual survey of online shoppers to understand what motivates them to choose one retailer over another along the full path to purchase. Survey partner, comScore, gathered input from 5,118 panelists to reveal what retailers can do to succeed with empowered shopper.