

## UPS Study: US Online Shoppers Turning To International Retailers

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"The lines that separate domestic and international retailers continue to disappear," said Alan Gershenhorn, Chief Commercial Officer for UPS. "Retailers are now competing across the globe. In order to win, retailers can distinguish themselves by providing value through personalized experiences."

Personalized experiences includes the physical store. Many online shoppers find stores important to touch and feel products (59%), solve immediate problems (54%), receive superior customer service (52%), and participate in rewards/loyalty programs (52%). Half of shoppers (50%) have used ship-to-store this year, of whom 44 percent made additional purchases in store, and 41 percent plan to use ship to store more often in the next year.

The use of smartphones continues to be an increasingly important part of the shopping experience online and in physical stores. Eight in ten online shoppers use retailer apps, often preferring apps to websites because of faster speed and a better user experience. The convenience factor is key as "on the go" mobile shoppers seek efficiency at every turn. Mobile coupons (50%) and high-quality product images (50%) are two of the most important app features.

"Online shoppers are able to shop the world's boutiques and bazaars with ease," said Gershenhorn. "We're witnessing a glimpse of the future, when retailers and their customers will be defined less by geographic location and more by how they connect with each other. The challenge is to best provide shoppers with the choice, control and convenience they desire."

According to eMarketer, <u>global cross-border</u> <u>e-commerce</u> is projected to grow at an average of 22% from 2015 to 2020 compared to 15% for <u>U.S. e-commerce</u> during the same time period.

The top considerations that online shoppers make when purchasing from international retailers include clearly stating the total cost of the order including duties and fees (77%), stating all prices in the shopper's native



currency (76%), the retailer being reputable (74%), and reasonable speed of delivery

(66%).

Source: UPS