



FULFILLING MODERN-DAY SHOPPERS' HIGH EXPECTATIONS

Today's discerning shoppers have more purchasing and fulfillment options than ever before. The omnichannel experience gives individuals the ability to balance cost, timing, and convenience according to their specific preferences. Retailers are tasked with understanding these preferences and optimizing not only their product offerings but their fulfillment options as well. To better understand consumer preferences, Radial—working with CFI Group—conducted a random survey of 500 shoppers, analyzing the role of cross-channel fulfillment and how various delivery options affect the shopping experience. The survey also examined how bad experiences with a retailer are shared and the preferred response shoppers expect. Finally, to gauge the effect of data breaches, individuals were asked about their experiences with attempted credit card fraud and how it influences their purchasing behavior.

Illustrating the importance of providing a full range of shipping options, 78% of respondents said that having the ability to pick up an online order in-store was *Somewhat to Extremely Important*. The reasons for the importance of the in-store pickup option are nearly evenly split between saving time and saving money. Of the group who indicated picking up online orders in-store was important, 45% said their primary reason for in-store pickup was to get the product immediately and 42% said it was to avoid shipping costs. This split among reasons for using in-store pickup speaks to the variable tastes and preferences of online shoppers and the need for retailers to respond by offering a positive omnichannel shopping experience.

Cost saving is, unsurprisingly, a primary consideration for shoppers when selecting a shipping option. When asked about the effect a low-cost economy shipping option would have, 46% of respondents said they would be willing to wait longer for delivery in order to attain the lower shipping rate. Another 45% said it would depend on how long the delivery date would be extended, leaving just 9% who indicated they would pay a little more for a standard shipping option to get the order sooner. Taking it a step further, retailers may find that free shipping presents a unique opportunity in that 85% of respondents surveyed said they would be willing to increase the size of their order to qualify for it. This appetite for free shipping,

combined with the patience for delivery many shoppers have with this option, affords retailers the ability to leverage free shipping as an effective sales tool.

Expectations for how long delivery should take in general varies among shoppers, with 33% indicating they expect delivery for an online order should take 3 days or less. At 54%, just over half said 4-6 days was their expectation, leaving 13% who feel delivery typically should take 7-10 days. Regardless of the expectations, it is very important to communicate the specific timing of delivery

for all orders. In the event that delivery time is not stated when placing an online order, 35% of respondents said this would cause them to abandon the order and shop with a competitor. While some retailers may prefer not to box themselves into a delivery window, the realization that omitting this information could result in one-third of potential orders being abandoned is enough to make communicated delivery times a necessity for all online orders.



1/3 of respondents would abandon their online cart and shop with a competitor if a specific delivery time was not provided.

After an order is placed, the vast majority of shoppers (82%) will follow up with the retailer to check on its status. These individuals used a variety of channels when checking the status, and often used more than one source for the information. The most common method for checking the order status is the retailer's website, which was cited by 55% of respondents who said they normally follow up on the status of their order. Another 30% said they will email the retailer directly, 26% call the support center, and 14% use a live chat tool on the retailer's site. This high rate of follow up makes live shipment tracking across a variety of channels a requirement for competitive retailers looking to provide a seamless and comprehensive shopping experience for their customers.

Our study also examined how shoppers share bad experiences that occur throughout the shopping process and their expectations for a response from the retailer. The majority of individuals said they would be likely to communicate their bad experience with the retailer directly. Specifically, 63% said they would contact the retailer's customer service team, 21% indicated they would email the retailer, and 8% would likely use a live chat tool on the retailer's website. This leaves 9% who said they would likely share any bad experiences with a retailer on social media. Despite the relatively small representation of this group, the negative publicity that social media posting can generate is alarming to retailers. However, the social media forum presents an opportunity for these retailers to respond to negative feedback shared by customers and rectify a bad experience.

The results of the survey show that 75% of those who share a bad experience on social media expect a response from the retailer. The timing of the response is also important as 66% of those who expect a response want it on the same day of the original posting. Another 30% said they would expect the response by the following day. These figures underscore the importance of monitoring social media and responding to applicable feedback.

The final portion of our survey examined shoppers' feelings regarding credit card fraud given the pervasiveness of data breaches in recent years. Demonstrating the importance of providing a secure environment that protects all online shopping activity against fraud, 87% said they are concerned with having their credit card data stolen or compromised. Furthermore, 41% of this group categorized their level of concern as *Extreme*. Given the delicate nature of this highly valuable information, retailers must earn the confidence of their online shoppers by presenting a sound process that instills confidence in the security of all personal data.



If stolen credit card information is on one end of the compromised-data spectrum, having legitimate purchases wrongly identified as fraud is on the other. While just 19% of respondents said that they have had an online order incorrectly identified as a fraud attempt, the majority of those affected by this mistake said the delayed order had an impact on their purchasing with that retailer. Specifically, 34% said they are now hesitant to shop with the retailer again, 17% said they will only purchase again if a product cannot be found elsewhere, and 14% said

they will definitely no longer shop with the retailer. This outcome shows the strong influence any perceived instability with personal information has on future purchasing behavior and stresses the point that retailers must continue to make data security of utmost importance in order to maintain a loyal customer base.

As online shopping continues to grow as an essential component of the purchasing experience, modern-day shoppers expect progressive retailers that offer comprehensive fulfillment options, staffed contact centers with a social media presence, and a secure checkout process that keeps all personal information protected. Innovative companies that cater to these desires will be able to provide the seamless experience individuals appreciate and garner the trust so critical in becoming a brand customers want to shop *and* recommend to friends.

About CFI Group (www.cfigroup.com)

Since 1988, CFI Group has delivered customer experience measurement and business insights from its Ann Arbor, Michigan headquarters and a network of global offices. As founding partner of the American Customer Satisfaction Index (ACSI), CFI Group is the only company within the United States licensed to apply ACSI methodology in both the private and public sectors. Using this patented technology and top research experts, CFI Group uncovers the business drivers and financial impact of customer experience.

About Radial (www.radial.com)

Radial is the leader in omnichannel commerce technology and operations, enabling brands and retailers to profitably exceed retail customer expectations. Radial's technical, powerful omnichannel solutions connect supply and demand through efficient fulfillment and transportation options, intelligent fraud, payments, and tax systems and personalized customer care services.

Hundreds of retailers and brands confidently partner with Radial to simplify their post-click commerce and improve their customer experiences. Radial brings flexibility and scalability to their supply chains and optimizes how, when and where orders go from desire to delivery.