UPS Pulse of the Online Shopper™

Tech-savvy shoppers transforming retail

To download the full UPS Pulse of the Online Shopper white paper go to: ups.com/insideretail

©2016 United Parcel Service of America, Inc. UPS, the UPS brandmark and the color brown are registered trademarks of the United Parcel Service, Inc.
Retailers must keep pace with ever-evolving technology and customer expectations. Today’s omnichannel merchants are being pushed to deliver a seamless, integrated experience across all channels. Helping retailers understand what makes savvy shoppers click is the goal of the fifth annual UPS Pulse of the Online Shopper™. Our survey partner, comScore, questioned 5,330 avid online shoppers on their preferences and motivations across a wide range of retail topics.

Following is a snapshot of what we learned. To get the full white paper, go to ups.com/insideretail.

**Digital fuels retail growth**

Online shoppers are anticipating even more use of digital, particularly smartphones.

- **Purchases made online by shoppers in this study**
  - 2016: 51%
  - 2015: 48%
  - 2014: 47%

- **Plan to shop more**
  - On Desktop/Laptop: 32%
  - On Smartphone: 25%
  - On Tablet: 24%
  - In store: 11%

- **38% of purchases are cross channel,** combining digital and store activities (up 2 points from 2015)

- **77% use a smartphone**

- **44% purchase products** on a smartphone (up 3 points from 2015)

- **82% use retailers’ apps**

- **29% use their phone to make a payment in store**

**Power Shoppers** do more with more

- **Make 58% of purchases online versus 43% for light shoppers**

- **More likely to**
  - Shop on their smartphones
  - Use retailers’ apps
  - Conduct shopping-related activities on social media
  - Find appeal in new store-based technology
  - Use ship to store

**Millennial Marvels** set the pace

- **Make 54% of purchases online versus 49% for non-Millennials**

- **More likely to**
  - Purchase on a smartphone
  - Visit and purchase from showroom retailers
  - Find online self-service options important
  - Purchase wearables
  - Read retailers’ social media posts and make a purchase from a social site

**Reimagining the store**

To remain viable stores must embrace innovations that offer a better customer experience.

- **Almost 4 in 10 shoppers follow retailers on social media sites**

- **1 in 3 say social media influences their purchases** (up 9 points from 2015)

- **1 in 2 shoppers have used ship to store**

- **70% have made an additional purchase when returning in store**

- **45% love the thrill of hunting for and finding great deals in stores**

- **1 in 6 online shoppers have visited retail showrooms without inventory**

- **3 in 10 are aware of in-store beacons**

**An infatuation with everything new provides a natural audience for new technologies, markets and retail models.**

- **3 in 10 value automated product reorder alerts**

- **1 in 4 have purchased from a marketplace in the past year**

- **51%**

- **1 in 4 expect to use marketplaces more in the coming year**

**Marketplaces have strong appeal**

- **85% of purchases on marketplaces**

- **12%**

- **70% have purchased from a marketplace in the past year**

- **53% for eBay**

- **17% for Newegg**

- **Strong following with Millennials**
Retailers must keep pace with ever-evolving technology and customer expectations. Today’s omnichannel merchants are being pushed to deliver a seamless, integrated experience across all channels. Helping retailers understand what makes savvy shoppers click is the goal of the fifth annual UPS Pulse of the Online Shopper™. Our survey partner, comScore, questioned 5,330 avid online shoppers on their preferences and motivations across a wide range of retail topics.

Following is a snapshot of what we learned. To get the full white paper, go to ups.com/insideretail.

### Digital fuels retail growth

Online shoppers are anticipating even more use of digital, particularly smartphones.

<table>
<thead>
<tr>
<th>Year</th>
<th>Purchases made online by shoppers in this study</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>51%</td>
</tr>
<tr>
<td>2015</td>
<td>48%</td>
</tr>
<tr>
<td>2014</td>
<td>47%</td>
</tr>
</tbody>
</table>

Plan to shop more:

- On Desktop/Laptop: 32%
- On Smartphone: 25%
- On Tablet: 24%
- In store: 11%

38% of purchases are cross channel, combining digital and store activities (up 2 points from 2015)

77% use a smartphone

### Power Shoppers do more with more

Make 58% of purchases online versus 43% for light shoppers

More likely to:
- Shop on their smartphones
- Use retailers’ apps
- Conduct shopping-related activities on social media
- Find appeal in new store-based technology
- Use ship to store

### Millennial Marvels set the pace

Make 54% of purchases online versus 49% for non-Millennials

More likely to:
- Purchase on a smartphone
- Visit and purchase from showroom retailers
- Find online self-service options important
- Purchase wearables
- Read retailers’ social media posts
- Make a purchase from a social site

### Reimagining the store

To remain viable stores must embrace innovations that offer a better customer experience.

1 in 2 shoppers have used ship to store

1 in 6 online shoppers have visited retail showrooms without inventory

45% love the thrill of hunting for and finding great deals in stores

70% have made an additional purchase when returning in store

77% of purchases are cross channel, combining digital and store activities (up 2 points from 2015)

### Shiny new objects

An infatuation with everything new provides a natural audience for new technologies, markets and retail models.

Shopping and the Internet of Things

3 in 10 value automated product reorder alerts

1 in 4 expect to use marketplaces more in the coming year

Marketplaces have strong appeal

- Amazon: 70%
- eBay: 53%
- Etsy: 17%
- Newegg: 12%

Strong following with Millennials

44% purchase products on a smartphone (up 3 points from 2015)

82% use retailers’ apps

29% use their phone to make a payment in store

Social butterflies swarming to retail

Almost 4 in 10 shoppers follow retailers on social media sites

1 in 3 say social media influences their purchases (up 9 points from 2015)

47% in 2014

51% in 2016

48% in 2015

51% in 2016

48% in 2015

51% in 2016

29% have made an additional purchase when returning in store

1 in 6 love the thrill of hunting for and finding great deals in stores

1 in 3 are aware of in-store beacons

85% have purchased from a marketplace in the past year

1 in 4 value automated product reorder alerts
Tech-savvy shoppers transforming retail

Shopper of the Online Pulse

To download the full UPS Pulse of The Online Shopper white paper, go to: ups.com/insideretail