2021/2022

E-commerce Delivery Compass

The latest European insights to turn e-commerce logistics into your competitive advantage

sendcloud

Introduction

E-commerce is one of the fastest-growing and most important industries in the world. This was even before the period of hyper-growth caused by the pandemic. This hyper-growth created a steep rise in parcel volumes. Which not only changed how delivery companies think about e-commerce logistics but also how European consumers view delivery in general.

At a time when delivery companies are having to innovate their methods of shipment and distribution of parcels, online shoppers have acquired new behaviours and new expectations. This gives independent retailers an opportunity like never before.

Let's be honest. Logistics isn't the most exciting part of an e-commerce business. However, it's in the spotlight. Yes, the pandemic brought unprecedented growth and a record holiday season in terms of sales but there were also huge disruptions and challenges to overcome.

Online retailers need to understand what consumers want if they hope for success. While that seems simple enough, paying attention to all the latest shipping trends and knowing exactly what a consumer wants takes an extraordinary amount of time.

But, fear not. We've got your back. This report provides you with in-depth insights into the expectations of European consumers regarding shipping. We unravel the secrets of e-commerce logistics and explore the differences between countries and even generations.

Study design

This report is the result of a cross-national study conducted by Sendcloud in cooperation with Nielsen in May 2021. A total of 7,873 consumers contributed. From the United Kingdom (1,003), Germany (1,002), the Netherlands (1,002), France (1,001), Italy (1,001), Belgium (1,001), Spain (1,000) and Austria (863).

All respondents are online shoppers who ordered at least 1 product online in the past 3 months, are either male or female, and are aged 18 to 65 years old. The online purchase of services such as tickets, digital downloads, and holidays was excluded from the research.
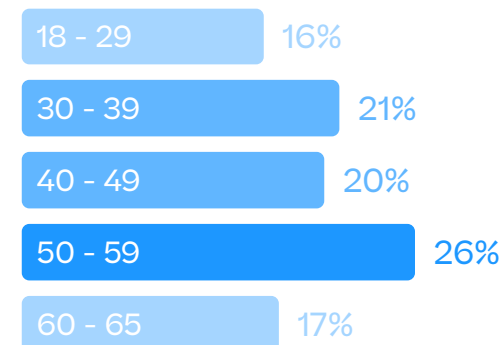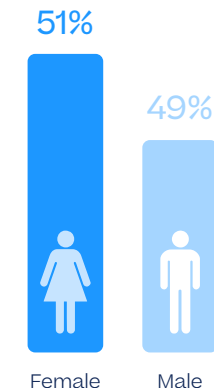
In order to better compare the generations in the study findings, a division is made into the following age groups: Generation Z (18 to 24 years old), Millennials (25 to 40 years old), Generation X (41 to 56 years old), and Baby boomers (57 to 65 years old).

The data has been collected through a 15-minute online survey consisting of 42 questions and statements. The European data was weighted based on population size per country to reflect the right proportion of European online

Sample sizes

🇬🇧 1,003	🇩🇪 1,002	🇳🇱 1,002	🇫🇷 1,001
🇮🇹 1,001	🇧🇪 1,001	🇪🇸 1,000	🇦🇹 863

Age

18 - 29	16%
30 - 39	21%
40 - 49	20%
50 - 59	26%
60 - 65	17%

Gender

Female 51%
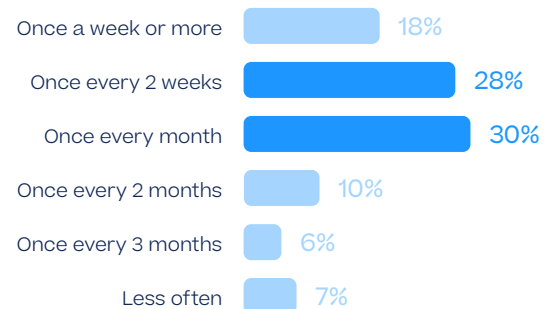Male 49%

Consumer characteristics

What are online shopping behaviours that are becoming the "new normal" after more than 1.5 years of a global pandemic? Let's take a look at Europeans' most preferred shopping channels, the frequency of online purchases, the most frequently ordered product category and the average value spent for the last product purchased online.

European consumers shop online almost twice a month, most often on marketplaces such as Amazon and eBay, spending an average of €110.30, mostly in the 👕 Fashion & Accessories category.
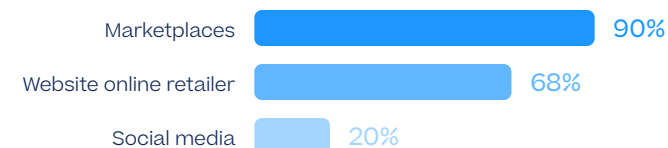
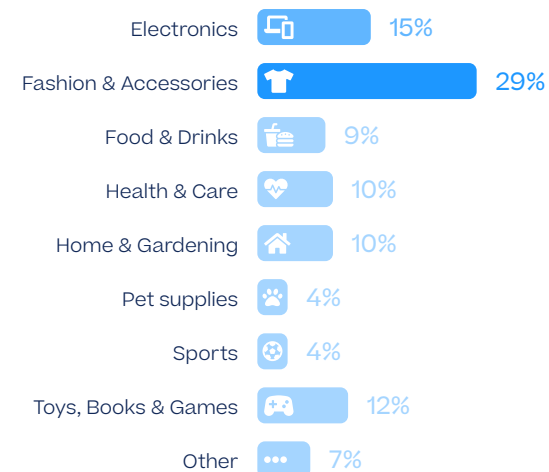## On average, how often do you order products online?

Once a week or more	18%
Once every 2 weeks	28%
Once every month	30%
Once every 2 months	10%
Once every 3 months	6%
Less often	7%

🇪🇺 **1.7 times per month on average**

Where do you order online products?
Multiple responses allowed

Marketplaces	90%
Website online retailer	68%
Social media	20%

In which product category did you order most often in the past 12 months?

Electronics		15%
Fashion & Accessories		29%
Food & Drinks		9%
Health & Care		10%
Home & Gardening		10%
Pet supplies		4%
Sports		4%
Toys, Books & Games		12%
Other		7%

How much did you spend on the last product you ordered online?

Category	Percentage
0 to 10 euros	8%
11 to 50 euros	45%
51 to 100 euros	25%
101 to 150 euros	8%
151 to 200 euros	5%
201 to 300 euros	3%
301 to 400 euros	1%
401 to 500 euros	1%
501 to 1000 euros	1%
More than 1000 euros	0%
I don't remember	2%

€110.30 per product

Key insights: expectations vs. reality

Let's have a look at the key insights of European consumer's needs and expectations when it comes to e-commerce logistics. Plus, how the current behaviour of online retailers reveal the discrepancy between consumer's expectations and the reality of what retailers offer.

> In order to reveal the retailers' reality, a survey among online retailers that use Sendcloud has been conducted to show the other side of the coin. 1,723 online retailers in the Netherlands, Belgium, Germany, Austria, France, Italy, the United Kingdom, and Spain have participated to get a better understanding of online retailers throughout Europe.

Free shipping: curse or blessing?

Consumers have been fortunate in recent years when it comes to shipping costs. For a long time, free shipping was the standard. However, more e-commerce giants are saying goodbye to free shipping. Major names such as ASOS, Amazon and Zalando have all introduced a free shipping threshold in recent years. But what do consumers think about this? And how do online retailers respond?

🔒 Consumers' expectations

68% abandons their shopping cart when confronted with shipping costs that are deemed too high during checkout. While 40% is not willing to pay for shipping at all when the order value exceeds €150.

🏧 Retailers' reality

Only 23% of e-commerce stores generally offer free shipping. With 7% only for certain products and 46% above a certain order value. Introducing a threshold for the masses could provide a long-term solution for online retailers.

Expected delivery times

Due to the rise in parcel volumes, many consumers faced delays during the pandemic. Delivery companies couldn't handle the parcel volumes which meant delivery times increased. How patient are consumers today? And how are delivery times communicated by online retailers?

🔒 Consumers' expectations

Almost every second, a European consumer abandons their shopping cart when the estimated delivery time is unknown or too slow. If standard delivery is selected, consumers expect to have their order delivered in about 3 days, while the maximum amount of days they are willing to wait is close to 5.

🖬 Retailers' reality

Only 20% says they provide information about the expected delivery time during checkout. They mostly communicate about it on product pages (36%). Shoppers are patient with delivery times and value clear and transparent communication from retailers. Therefore it is time to become proactive and be upfront about delivery expectations.

Multi-carrier shipping and delivery flexibility

In the not-so-distant past, online retailers often settled for one delivery company. However, we are increasingly seeing online stores offering a mix of delivery companies with different shipping methods. Zalando for example works with Budbee for flexible delivery in addition to DHL and DPD. A multi-carrier strategy can help save costs, but more importantly, is a great way to boost conversions.

🔒 Consumers' expectations

One of the reasons European consumers choose one online store over another is flexible delivery options (71%). The most preferred options are standard home delivery (57%), nominated day delivery (39%), and next day delivery (35%).

🖬 Retailers' reality

The top 3 most offered shipping methods by online retailers are standard home delivery (59%), service point delivery (36%) and nominated day delivery (35%). Online retailers still have a lot of room for improvement, especially in the area of flexible delivery options.

Track & Trace of shipments

Waiting ages for an order that ends up being delayed is fun for no one. With more consumers ordering online, it's important to keep them informed about the shipping status. You don't want shoppers waiting for nothing. But how important is shipment tracking to the consumer really?

🔒 Consumers' expectations

20% would not re-order at an online store at all if the possibility to track the shipment is not available or limited. The majority (72%) expects to receive updates via email.

🖬 Retailers' reality

Only 16% of online retailers indicate that automated track & trace notifications and a branded tracking page are very important to them. The tracking part is still an underutilised opportunity for online retailers to increase customer loyalty, considering that tracking emails have a higher open rate than any newsletter can ever achieve.

Handling of returns

How easily do consumers want to be able to return products? What is most important to them? And how do online retailers currently handle the return process?

🔒 Consumers' expectations

52% of European consumers return a product if not satisfied. More than half always check the return policy before they decide to buy a product from an online store.

🖬 Retailers' reality

An increasing number of online retailers offer digital return solutions, so consumers can arrange the return themselves. Next to that, some create return labels manually when they receive a return notification. And, although being one of the easiest consumer-friendly ways to offer returns, almost none add a return label directly to the box when packing an order. Surprisingly, 3 out of 10 online retailers state that they hardly receive any returns at all.

Green delivery and environmental impact

The member states of the European Union have agreed in the Green Deal to reduce emissions by at least 55% by the end of 2030 compared to 1990. This also has an impact on the field of e-commerce logistics. Therefore, you might wonder: how important is sustainable delivery for consumers? And are online retailers offering green delivery options in their checkout?

Consumers' expectations

More than half of online shoppers say they are concerned that the rise of e-commerce is a problem for the environment and 52% claim to choose to purchase from one online store over another if its environmental impact of the delivery is lower. Nevertheless, the majority is not willing to pay more for CO_2-neutral delivery.

Retailers' reality

Less than 1% is currently offering green delivery options in their checkout. Potential explanations could be that the environment is not yet a big concern for them. Or that delivery companies do not offer additional green delivery services. So there are big wins still to achieve in terms of environmental awareness in the world of e-commerce logistics.

Study findings

Part 1
Checkout

The checkout process in e-commerce is one of the crucial success factors for online retailers. And yet, this is when many online stores lose a large number of their customers. There are plenty of shipping-related preferences, wants, and needs for a checkout that drives conversion.

High shipping costs are still a deterrent

Europeans are very price-sensitive customers when it comes to online shopping - a nightmare for any online retailer. This is largely due to how easy it is to compare multiple sellers in just a few clicks. It might not be a big surprise that once again this year high shipping costs in the checkout will scare off European consumers most.

It's important to take into account that slow delivery, lack of the preferred delivery methods, and a bad experience with the delivery company offered also have a negative effect on the e-commerce conversion rates.

58% **68%** **78%**
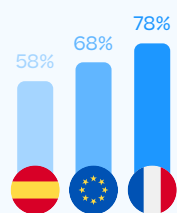
When comparing online shoppers per country, consumers from France are most prone to cancel an order because of too high shipping costs stated in the checkout, while **Spanish** consumers bring up the rear for this.

Of all reasons stated below, choose the shipping-related reasons to stop purchasing a product that was initially added to your shopping basket?
Multiple responses allowed

1 Stated shipping costs are too high

68%

2 Estimated delivery time is too slow

44%

3 Past bad experience with offered delivery company

20%

Less popular reasons:

18% Preferred delivery method unavailable

11% Preferred delivery company not available

8% Green (CO2-neutral) delivery not available

10% Other reason

Acceptable shipping costs depend on the order value

Two-thirds of consumers abandon their shopping cart when confronted with shipping costs during checkout that are deemed too high. But what exactly is "too high" and what is acceptable?

When you spend 15, 50, or 150 euros on an order from your country of residence, what are the maximum shipping costs you are willing to pay for next-day delivery?

€ 15 — € 3.40   € 50 — € 4.10   € 150 — € 5.20

The maximum shipping costs that European consumers are willing to pay for next-day delivery depends on the amount of money spent on an order. The more expensive the order, the more shoppers are willing to pay for delivery.

In this context:

> *40% of online shoppers are not willing to pay for shipping at all when the order value exceeds € 150*

Surprisingly, the average shipping costs consumers are willing to pay decreased drastically compared to 2020 for all order values:

€ 15 — € 4.20   € 50 — € 4.80   € 150 — € 6.20

Source: Sendcloud E-commerce Delivery Compass 2020/2021

Home gardeners and sportspersons most generous

When comparing individual product categories, two of them stand out in particular and lift the general average significantly: ⚽ Sports and 🏠 Home & Gardening.

Sports:

€ 15	€ 50	€ 150
€ 3.40	€ 4.90	€ 6.80

Home & Gardening:

€ 15	€ 50	€ 150
€ 3.60	€ 4.70	€ 5.80

It is noteworthy that especially in the ⚽ **Sports** category, the average shipping costs that online shoppers are willing to pay for an order value of €150 is a whopping €6.80, €1.60 above the pan-European average and the highest among all product categories and corresponding order values.
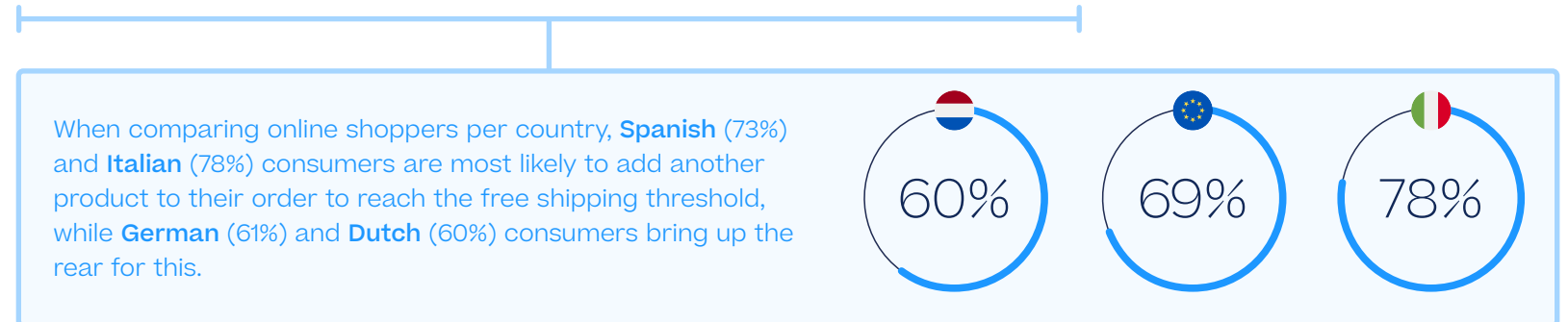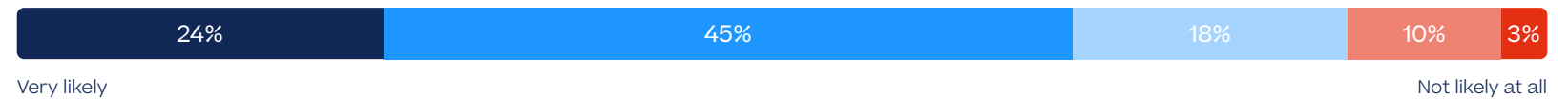
The good news is that 69% of European online shoppers are likely to add another product to their shopping basket to reach a free shipping threshold. Adding a free shipping threshold is therefore key to shipping strategies in 2021 to increase both sales and conversions.

How likely are you to add another product to your shopping basket to reach a free shipping threshold?

On a scale from 1 'Very likely' to 5 'Not likely at all'

24%	45%	18%	10%	3%

Very likely

Not likely at all

When comparing online shoppers per country, **Spanish** (73%) and **Italian** (78%) consumers are most likely to add another product to their order to reach the free shipping threshold, while **German** (61%) and **Dutch** (60%) consumers bring up the rear for this.

60%   69%   78%
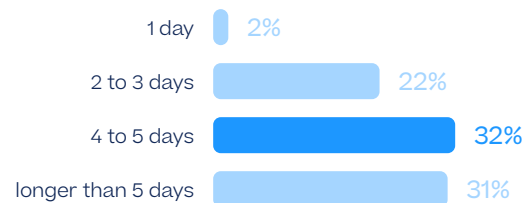
Is delivery running out of time?

Almost one half of European consumers abandon their shopping cart when the estimated delivery time is unknown or too slow. But what exactly is "too slow"?

If standard delivery is selected, European consumers expect to have their order delivered in 3 days, while the maximum amount of days they're willing to wait is close to 5 days.

When an online store states Standard Shipping as their main delivery option, how long do you consider this service to take?

1 day	4%
2 to 3 days	58%
4 to 5 days	33%
longer than 5 days	5%
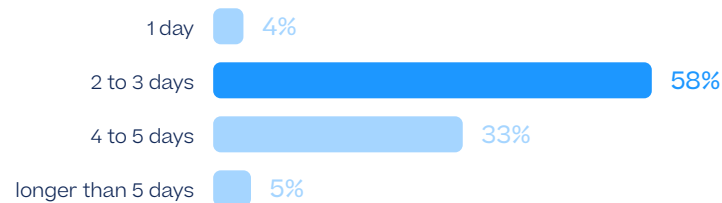
What is the maximum amount of days you want to wait for an online purchase to be delivered?

1 day	2%
2 to 3 days	22%
4 to 5 days	32%
longer than 5 days	31%

Dutch consumers have the highest expectations when it comes to the delivery time of their order, while shoppers from Austria are the most patient.

When it comes to delivery times, the highest flexibility can be found within the 👕 Fashion & Accessories, 🎮 Toys & Books & Games and 🏠 Home & Gardening categories. A possible reason might be that these are not products that you need immediately, whereas this is different for 🎁 Food & Drinks, for example, for which online shoppers are least willing to wait.

Average expected maximum delivery times
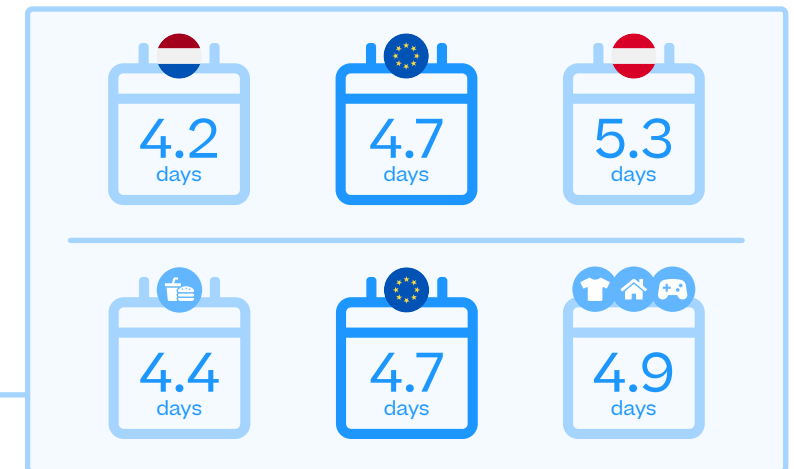
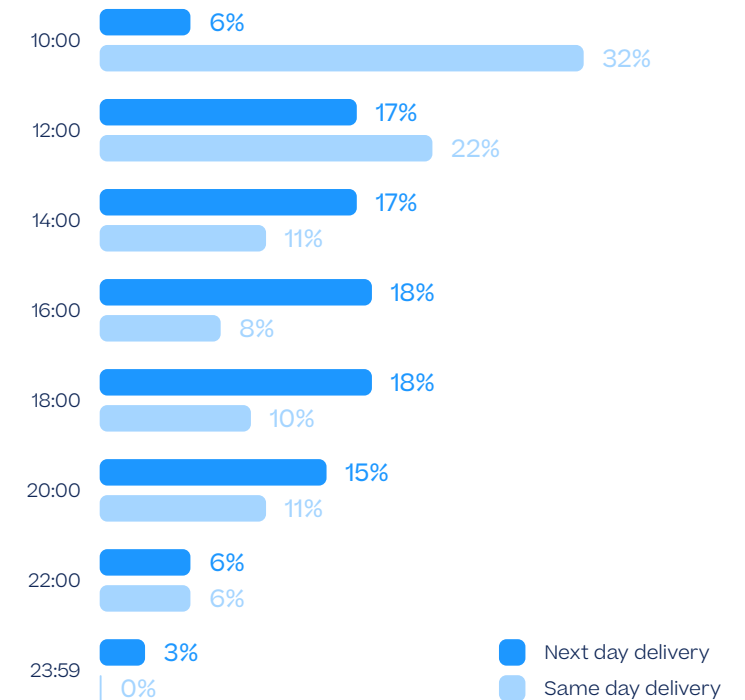|		
4.2 days	4.7 days	5.3 days
4.4 days	4.7 days	4.9 days

High expectations for cut-off times

As seen before, the expected time for standard delivery is not as fast as consumers would like, but it does depend on how quickly their products are ready to go. So, what are the expectations for cut-off times when the delivery method offered is either next-day or even same-day delivery?

Online retailers are continually prolonging their cut-off times to increase their conversion rates, up to the point where it does not even seem to be a luxury anymore. Larger online stores offering next-day delivery is pretty standard these days and even same-day delivery is getting increasingly common in major metropolitan areas like London, Paris, and Berlin.

What is the latest time you expect to be able to order to still be eligible for next-day delivery and for same-day delivery?

Time	Next day delivery	Same day delivery
10:00	6%	32%
12:00	17%	22%
14:00	17%	11%
16:00	18%	8%
18:00	18%	10%
20:00	15%	11%
22:00	6%	6%
23:59	3%	0%

- Next day delivery
- Same day delivery

On average, consumers in Europe believe that orders made just after 4pm should still be eligible for next-day delivery, while for same-day delivery this is shortly before 2pm.

*Average expected cut-off times for **next-day delivery***

14:53   15:04   •••   16:11   •••   17:37   18:48

*Average expected cut-off times for **same-day delivery***

12:03   12:44   •••   13:54   •••   16:03   16:13

Expectations vary greatly throughout Europe though. Expected ordering time for next-day delivery is latest in the **Netherlands** with 7pm and earliest in **France** (just before 3pm), while the expected ordering time for same-day delivery is latest in **Italy** and **Spain** (4pm) and earliest in **France** (12pm).

Flexible delivery methods matter

We have seen before that almost every fifth European consumer (18%) abandons its shopping cart during the checkout process when the preferred delivery method is unavailable. Let's take a look at European consumers' preferred delivery methods for online orders.

Especially popular shipping options across Europe

Standard home delivery in German and the UK
Next-day delivery in the Netherlands and UK
Mailbox delivery in the Netherlands
Service point delivery in France

Major differences between boomers and millennials

It is interesting to note that delivery method preferences vary greatly between generations, especially between boomers and millennials. While two-third of 📊 **Boomers** prefer standard home delivery, only 51% of 🌐 **Millennials** do this too - as flexible delivery methods like weekend delivery, same-day delivery and evening delivery are significantly more popular among millennials than boomers.

What delivery methods would you like to choose from in a checkout when ordering products online?
Multiple responses allowed

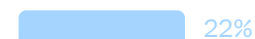Standard home delivery
57%

Nominated day delivery
39%

Next-day delivery
35%

Pick up at a local store
23%

Weekend delivery
22%
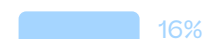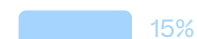
Same-day delivery or evening delivery
19%

Service point delivery or CO2-neutral delivery
16%

Mailbox delivery or parcel locker delivery
**15%**

Delivery on Sunday
14%
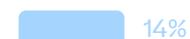
The product category influences the preference

Interesting to note is that even if standard home delivery is the most preferred delivery method across all product categories, there are delivery methods for certain product categories which are significantly higher preferred by European online shoppers.

While weekend and evening delivery has a relatively high share in the 👕 Fashion & Accessories and 🥤 Food & Drinks category, parcel locker delivery has a significantly higher share of 21% within the 🖥 Electronics category.
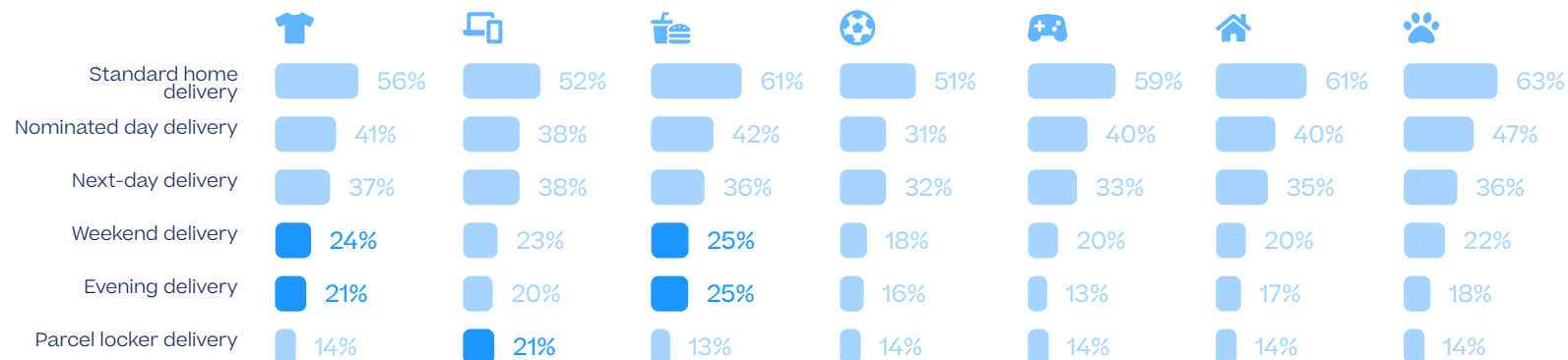
Keep in mind...

Using a single delivery method with high shipping costs can be problematic. The only thing you could "win" from this is basket abandonment. The solution is quite simple: offer different methods of delivering your products in order to keep up sales and develop them even further than they are now, It is not necessary for every type of product or service that exists - the most important part is adapting it to local preferences so customers get what best suits their needs as well as matching the types of items sold online.

What delivery methods would you like to choose from in a checkout when ordering products online?

Multiple responses allowed

	👕	🖥	🥤	⚽	🎮	🏠	🐾
Standard home delivery	56%	52%	61%	51%	59%	61%	63%
Nominated day delivery	41%	38%	42%	31%	40%	40%	47%
Next-day delivery	37%	38%	36%	32%	33%	35%	36%
Weekend delivery	24%	23%	25%	18%	20%	20%	22%
Evening delivery	21%	20%	25%	16%	13%	17%	18%
Parcel locker delivery	14%	21%	13%	14%	14%	14%	14%

Part 2
Shipping & Delivery

Shipping can be a hassle for consumers. But it's also an opportunity for your business to set itself apart. Every delivery company has its own strengths. Give online shoppers a choice of delivery flexibility with different delivery methods, prices and services so they have the perfect option according to their need or budget. Almost one in two European consumers have clear preferences when choosing a delivery company based on its services offered. Let's dive into the factors that are important to take into account when it comes to shipping & delivery.

Turn delivery aspects to your competitive advantage

As we now know, shipping is often a reason consumers leave the checkout. But what is most important when it comes to product delivery? Assuming there are two online stores selling the exact same product for the same price, the following delivery aspects are the ones that influence a European consumer's purchase decision.
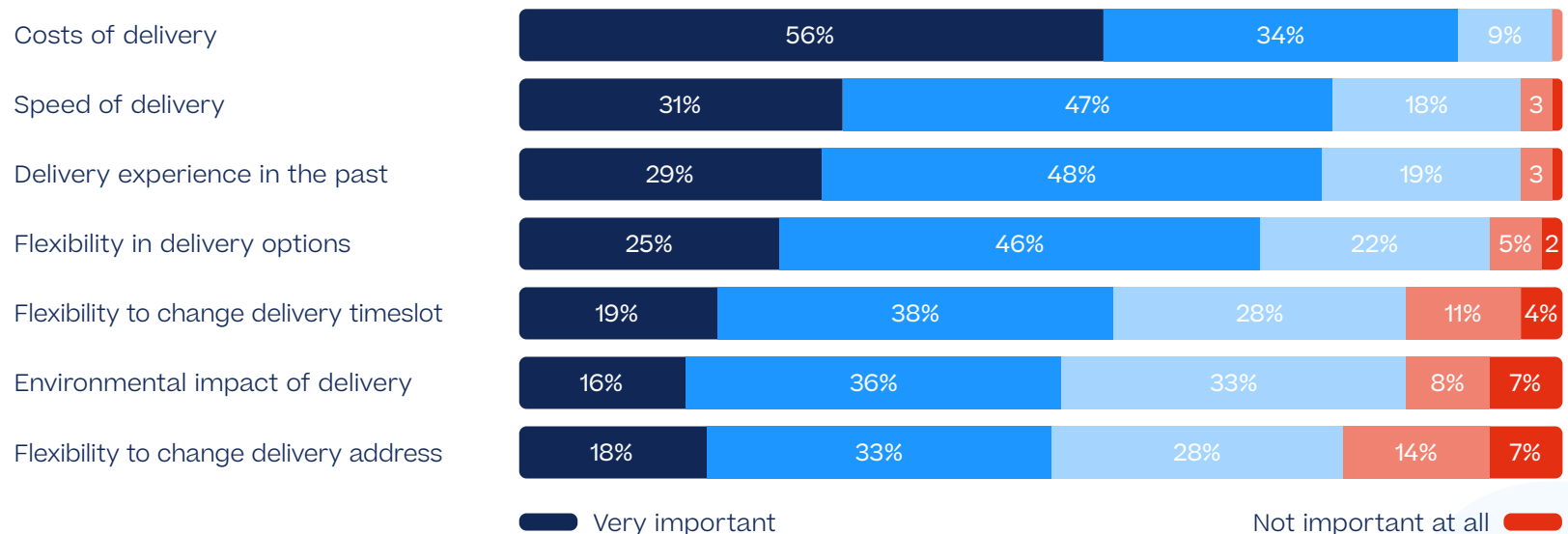
The main reasons are delivery costs (91%), speed of delivery (78%), and the delivery experience in the past (77%).

When comparing online shoppers per country, **Italian** and **Spanish** consumers most strongly agree with cost, speed of delivery and past delivery experience as the main reasons for choosing a particular online store over another.

How important are the following aspects to choose to purchase from one online store over another?

On a scale from 1 'Very important' to 5 'Not important at all'

Aspect	Very important				Not important at all
Costs of delivery	56%	34%	9%		
Speed of delivery	31%	47%	18%		3
Delivery experience in the past	29%	48%	19%		3
Flexibility in delivery options	25%	46%	22%	5%	2
Flexibility to change delivery timeslot	19%	38%	28%	11%	4%
Environmental impact of delivery	16%	36%	33%	8%	7%
Flexibility to change delivery address	18%	33%	28%	14%	7%

■ Very important   Not important at all ■

Speed of delivery as a premium service

European consumers mention speed of delivery as one of the most important factors when shopping online. But to what extent do these preferences exist and what exactly matters when it comes to speed of delivery?

Across all countries, the ability to choose the time frame of delivery (76%) is considered most relevant. While changing the delivery time when the parcel is already on its way (57%) is of least importance.

To what extent do you agree with the following statements?
On a scale from 1 'Completely agree' to 5 'Completely disagree'

I want to be able to select a time frame for my delivery

30%	46%	18%	4

I want to be able to choose the exact day of my delivery

29%	42%	22%	5

I want to be able to change the delivery time of my parcel when it's already on its way

19%	38%	27%	12%	4

Completely agree   Completely disagree

Rrrrrápido!

Of all countries surveyed, it is **Spanish** consumers who generally consider delivery times to be the most important factor.

Millennials are most demanding when it comes to premium service

One generation in particular stands out when it comes to premium services: millennials. 66% of 🌐 **Millennials** want to be able to change the delivery time when the package is already on its way, and 59% want to have the flexibility to change the delivery address - even after the product has been shipped. Millennials also prefer to have their delivery status at their fingertips: 72% would like to manage all incoming orders through an app, while only 45% of 📊 **Boomers** have a need for this.
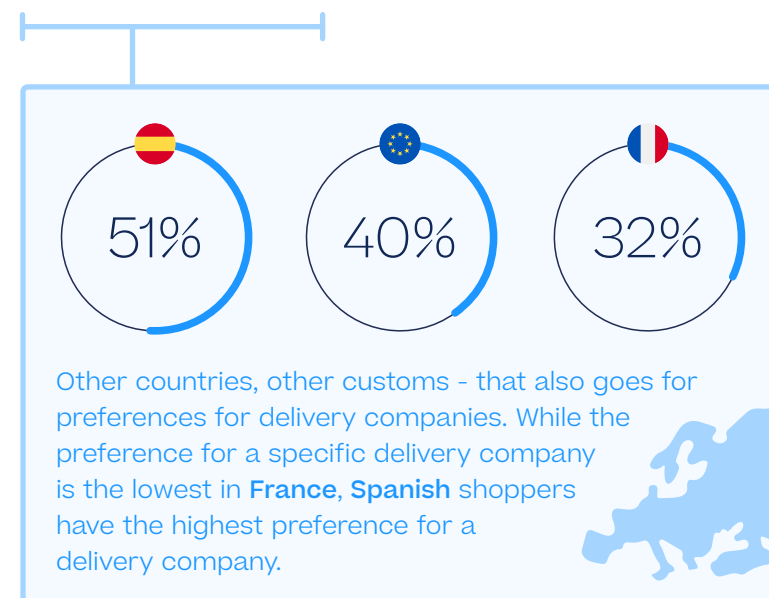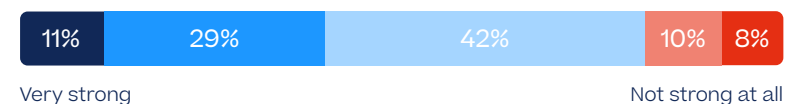
Preference for delivery companies

Does it matter to European online shoppers which company delivers their order? For most it doesn't, but 40% do have a preference when it comes to the delivery company. In 2020, for almost half of European online shoppers (47%), the delivery companies offered by an online store had an influence on the purchase decision.

It's interesting to note that with a share of 46%, consumers who mainly order in the 🖥 Electronics category show a significantly higher preference for a specific delivery company. One possible reason for this could be the higher order values spent for electronics with an average amount of €154 on the last product (compared to the pan-European average amount of €110.30 spent on the last product).

Generation Z and millennials are the pickiest consumers

While 46% of 📱 **Generation Z** and 50% of 🖥 **Millennials** have a preference when it comes to the delivery company, only 30% of 📊 **Boomers** are influenced by the delivery companies offered.

How strong is your preference for a specific delivery company to deliver your product?

| 11% | 29% | 42% | 10% | 8% |

Very strong — Not strong at all

🇪🇸 **51%** 🇪🇺 **40%** 🇫🇷 **32%**

Other countries, other customs - that also goes for preferences for delivery companies. While the preference for a specific delivery company is the lowest in **France**, **Spanish** shoppers have the highest preference for a delivery company.

Most preferred delivery companies throughout Europe

4 out of 10 European consumers have a strong preference for a specific delivery company. When shoppers have to choose one favourite delivery company, they prefer their parcels to be delivered by their national postal service.

Interesting to note is that subsidiaries of DPD are among the top 3 preferred delivery companies in the Netherlands, the United Kingdom and Austria.

Preferred delivery companies throughout Europe

Delivery companies have the greater responsibility

It's no surprise that European consumers favour certain delivery companies. In the context of lost or damaged packages, half of European online shoppers blame both the online shop and the delivery company. When viewed separately, delivery companies bear the greater responsibility for a quarter of consumers.

Imagine you order a product online and the package is damaged or you did not receive the package at all. Who do you believe should take responsibility for that?

1. Both the online shop and the delivery company

50%

2. The delivery company

25%

3. The online shop

23%
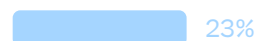
Country-specific preferences can also be seen in this point. **German** consumers assign significantly higher responsibility to the delivery company, while **British** consumers blame the delivery company only slightly more.

Carrier   Who is more responsible?   Shop

Part 3
Tracking

It's clear that consumers want to know where their order is once it's been processed. This provides opportunities for online retailers to increase customer satisfaction and repeat purchases by being proactive with communications during all stages of an order's progress. From processing through delivery in a creative way while keeping a realistic outlook on how long delivery may take for each delivery company (and incorporating limitations). What do most consumers want when it comes to communicating about the status of their order? Let's find out!
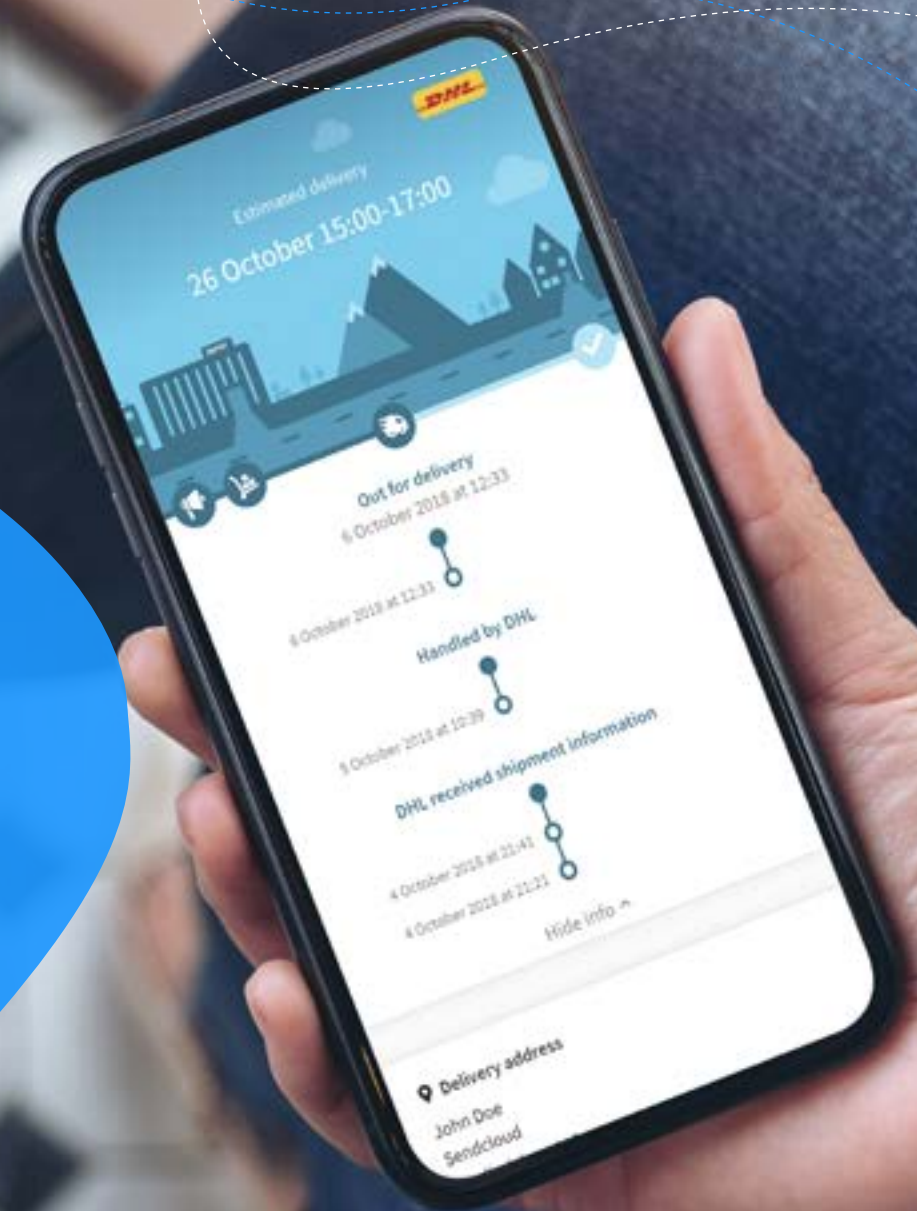
Tracking influences repeat purchase decision

A bad experience with the delivery company is one of the main reasons for European consumers to choose one online store over another. The ability to track shipment plays a major role here. One-fifth of European consumers would not re-order at an online store at all if the possibility to track the shipment is not available or limited.

Interesting to note is that these consumers would only re-order at an online store with limited tracking if it offers unique products or better prices than its competitors. Once again, price is the most important factor when it comes to decision making.

While for 29% of **German** consumers and for 24% of **French** consumers shipment tracking is a must-have to re-order at an online-store, **Spanish** (14%) and **British** consumers (11%) significantly bring up the rear here.

Top 5 product categories where European consumers see shipment tracking as a must-have to re-order
In descending order

🐾 **Pet supplies**

👕 **Fashion & Accessories**

💓 **Health & Care**

🖥️ **Electronics**

🏠 **Home & Gardening**

Would you re-order at an online store if the possibility to track the shipment is not available/limited?

Yes I would, I don't care much about tracking my shipment
19%

Yes I would, if the store offers unique products
28%

Yes I would, if the store offers better prices than its competitors
32%

No I wouldn't, being able to track my shipments is important to me
20%

The right message through the right channel

Tracking updates are an important part of the customer experience, so it is no surprise that European consumers like being updated about the delivery status of their orders. There is still much to gain for online retailers in this area as tracking updates are often being very standard and impersonal nowadays. This is a shame as this is exactly when consumers are most engaged with their orders!

Most preferred communication channels

European consumers expect to receive tracking updates mainly via email (72%). SMS (44%) is a good second service to offer, followed by carrier tracking apps (28%) and WhatsApp (21%).

> When comparing online shoppers per country, email as the tracking channel has the highest share for consumers from **Germany** (79%) and from the **Netherlands** (79%). SMS plays a relatively important role for 71% of **French** consumers, while WhatsApp is significantly more relevant for 41% of **Spanish** and 37% of **Italian** consumers.

How do you want to receive updates about the status of your order?
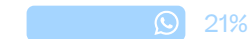*Multiple responses allowed*

1. Email — 72%
2. SMS — 44%
3. WhatsApp — 21%
4. Carrier tracking app — 28%
5. Facebook Messenger — 5%
6. Telegram — 3%

Increasing interest in tracking apps

28% of all European consumers want to receive updates about the status of their order via a tracking app from the carrier. This has slightly increased compared to 2020 (24%).

Overall, a growing interest in tracking apps can be seen. 60% of European online shoppers say that they'd be interested in using a single app on their smartphone to keep track of all their parcels from different delivery companies.

The greatest interest in single tracking applications is in **Italy** (68%), followed by **Spain** (68%), **Belgium** (65%) and the **United Kingdom** (63%).

How interested would you be in using a single app on your smartphone to keep track of all your parcels from different delivery companies? *On a scale from 1 'Very interested' to 5 'Not interested at all'*

22%	38%	20%	11%	9%

Very interested   Not interested at all
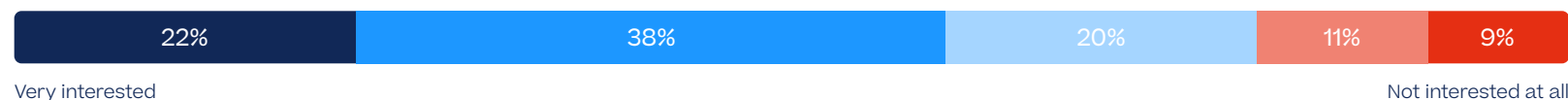
Part 4
Returns

Returns are always a hassle. Whether they cost you
time or money, the result is usually less-than-ideal for
both online retailers and customers alike! But what
about return policies? Is it worth making your policy
more lenient to avoid losing potential sales from people
returning goods that do not fit them right away? It pays
off in one way: repeat purchases! Can your return policy
really make a difference when it comes to conversion
and repeat purchases? We've got the answers.
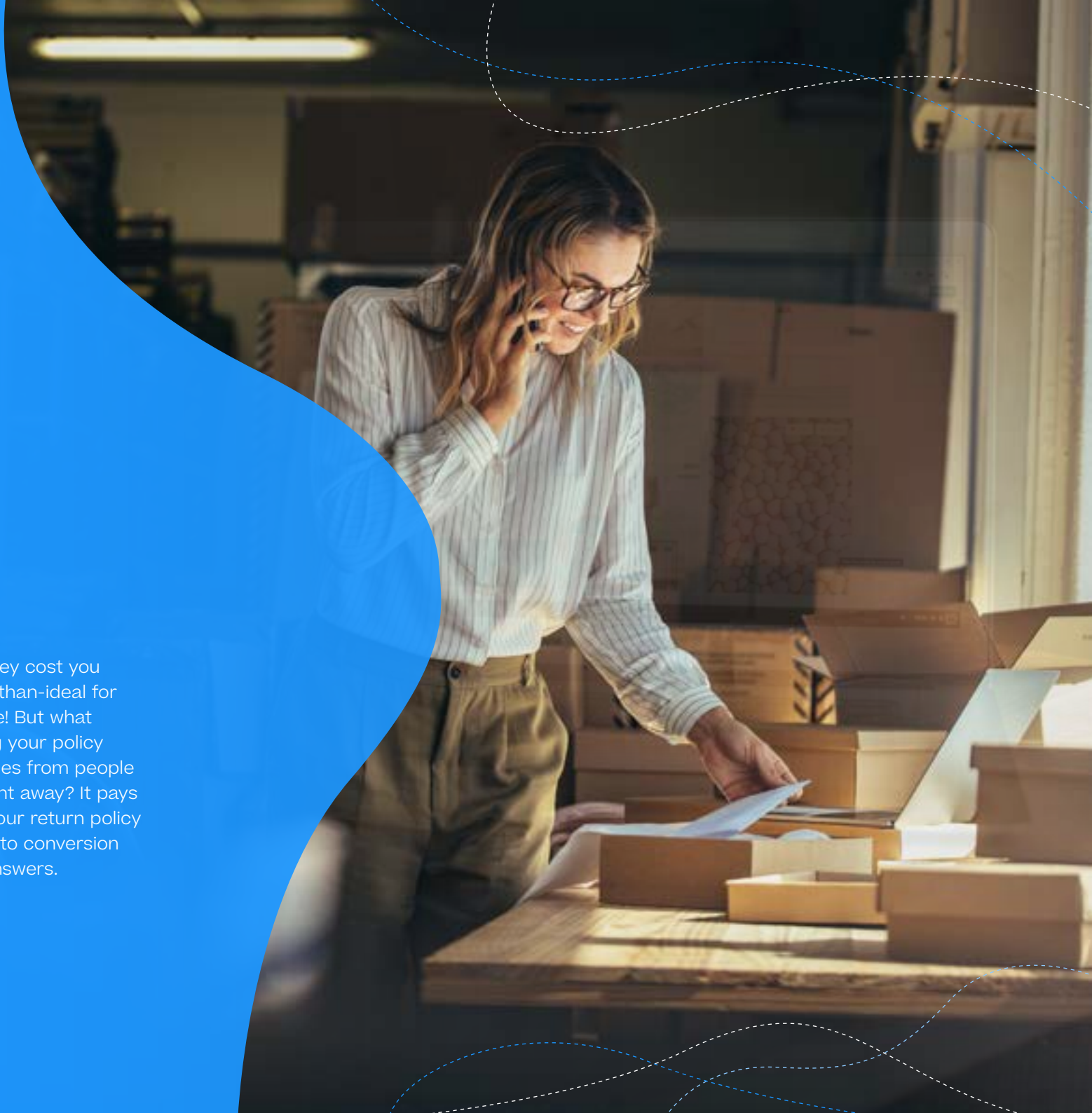
Europeans love to return

If you want to make the process of returns as simple and efficient as possible, it is important that one thing remains certain: returns are inevitable. The current state of returns shows that over half of European online shoppers typically return a product if they are not satisfied. Almost a third only return sometimes and 16% do not return a product at all when dissatisfied.

Do you typically return a product when you are not satisfied with the product (quality)?

52%	32%	16%
Yes, I typically return products	Sometimes	No

It all depends on the assortment

On average, the share of European consumers who typically return products when not satisfied is 52%. But, there are major differences between the product ranges. In the 👕 **Fashion & Accessories** category, the average return rate is significantly higher than the overall rate, while European online shoppers typically return the least in 🎮 **Toys & Books & Games** and 🛍️ **Food & Drinks** categories.
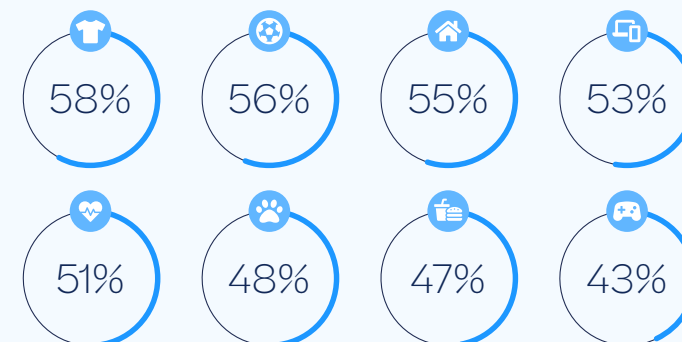
58% 56% 55% 53%

51% 48% 47% 43%

No surprise: Returns continue to be a big hassle for all parties

As we have seen before, almost a third of European consumers only sometimes return a product and 16% do not return a product at all when dissatisfied. The most frequently cited reasons are that returns are too much of a hassle and the cost of returning is out of proportion to the value of the product.

Why don't you return your products?
Multiple responses allowed

1. Returning is a big hassle to me

48%

2. Returning the product is more expensive than keeping it

44%

3. There is no possibility to return

12%

4. I tend to forget to return my product in time

10%

Other or unknown reason

21%

Austrians are the most forgetful shoppers when it comes to returning a product on time, as almost one-fifth (17%) cite this as a reason not to return.

65%
A relatively high share of **German** shoppers (65%) typically return a product if not satisfied. If not returning, the reasons are: a big hassle (47%) and returning is more expensive than keeping the product (38%).
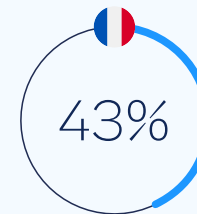
43%
About 4 out of 10 **French** shoppers (relatively lower share with 43%) typically return a product if not satisfied. If not returning, the main reason is that returning is more expensive than keeping the product (highest share in Europe).
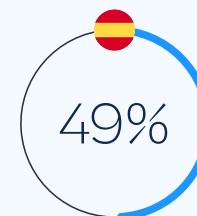
49%
About half of **Spanish** shoppers typically return a product if not satisfied. If not returning, the reasons are: a big hassle (51%) and returning is more expensive than keeping the product (second highest share in Europe).

Take responsibility over returns

Who is responsible for returns? European online shoppers believe that online retailers (60%) are mainly responsible for arranging and paying for the return shipment of their order. Only a fraction sees the responsibility in themselves (15%).

Who do you think is mainly responsible for arranging and paying for the national return shipment?

1. The online retailer (store)

60%

2. Both the online retailer and the customer

20%

3. The customer

14%

I don't know

6%

Compared to the European average, a significantly higher percentage of online shoppers in the **Netherlands** (19%), the **United Kingdom** (19%), **Germany** (17%) and **Austria** (17%) consider themselves responsible for arranging and paying the return shipment.

You think no one checks your return policy?

Like it or not, the facts do not lie: 52% of European consumers always check the return policy before they decide to buy a product from an online store.

Do you check what conditions you can return a product before buying it?

52%	33%	15%
Yes, I check the return policy	Sometimes	No

69%
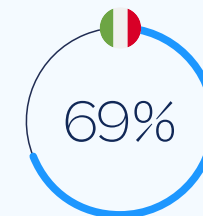
In **Italy**, a massive 69% of online shoppers always check the return policy before ordering. **Spain** comes in second place with 65%.

43%

Consumers from the **UK** seem to care less about the return policy, as only 43% indicate checking it before buying from an online store.

Key ingredients for a converting return policy

More than half of European consumers check return policies before placing an order. But what are the key elements they want to find in the policies?

Consumers mainly want to be informed about:

The cost of the return
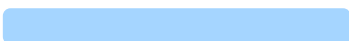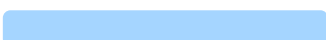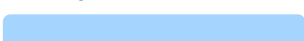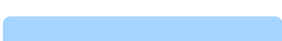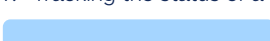
How to return the product

When to expect the refund

How long the return period is

What are the most important elements of a return policy for an online store?
Multiple responses allowed

1. Costs of the return

67%

2. Ready to use return label

59%

3. When to expect the refund

46%

4. Return period (numbers of days, after delivery, to return the product)

43%

5. Being able to submit a return online

40%

6. Contact details of the online store in case of any problems

37%

7. Tracking the status of a return shipment

36%

What to offer to keep customers coming back?

Most online retailers already know that a good return policy can stimulate repeat purchases, but what do consumers really find important?

1 Alternative refund options

The EU law for online returns states that refunding returns is allowed to take a maximum of 14 days after receiving a return notification. However, 46% of consumers still want to know when to expect the refund before buying. In addition to the refund to be legally offered, providing online shoppers an instant voucher as a "fast track" refund option for your online store once you have received a return notification is a good strategy to keep your customers happy without making them wait too long for their refund, while increasing your sales and repeat purchases.

2 Free returns

Free returns almost always increase purchases. It is up to you to test if this results in a larger profit in the end. If you insist on letting consumers pay for returns, give them a discount coupon for your online store with the value of the return costs for their next order. Reduce the chance of getting returns by paying extra attention to your product pages and carefully packaging orders.

3 Easy and fast return process

It sounds logical and it is, but consumers find an easy to find and clear return policy extremely important. However, many online stores are already going wrong here, which is a pity, because 85% of consumers sometimes or regularly check the return policy before they purchase.

Return costs are decisive for a purchase

Europeans are very price-sensitive customers when it comes to online shopping and paying for both shipping and return costs. So it might not be a big surprise that 74% of European consumers would not order at an online store if they had to pay for the return themselves.

I would not order at an online store if I had to pay for the return myself
On a scale from 1 'Completely agree' to 5 'Completely disagree'

40%	34%	20%	5

Completely agree   Completely disagree
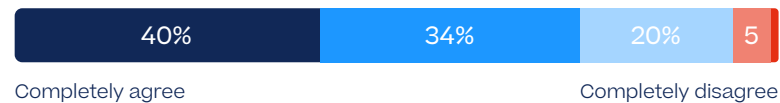
The curse of free returns for the fashion industry

Of all product categories analysed, online shoppers show the significantly highest agreement for free returns as a must-have (76%) when ordering online in the 👕 Fashion & Accessories category. With these numbers, it is not surprising that fashion retailers have the highest return rates compared to all other product categories.

Price sensitivity increases with age

It is interesting to note that the older online shoppers are, the more price-sensitive they become when it comes to paying return costs. 📊 **Boomers** are the generation least willing to pay return costs and, with 76% agreement, have the significantly highest share not to order from an online store if they had to pay for the return themselves.
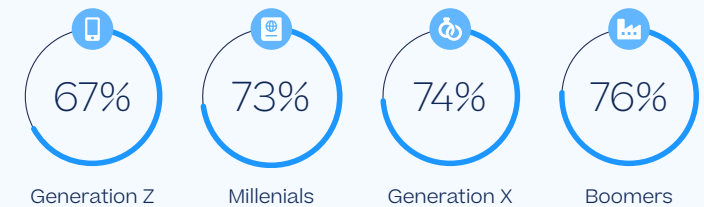
67%	73%	74%	76%
Generation Z	Millenials	Generation X	Boomers

Psychological return tactics

Especially during the initial lockdowns, many online retailers extended their return deadlines to ensure consumers could safely return their orders. A smart move that works two ways, as consumers indicate a short return period is an important reason not to order at a particular online store, while longer return periods lead to fewer returns, because customers because customers tend to forget the product or get more attached to it over time.

> *Offering a longer return period could kill two birds with one stone: increase conversion and cause fewer returns.*

40%
Would not order at an online store if the return period is less than **30 days**

26%
Would not order at an online store if the return period is less than **60 days**

The attitude towards longer return policies seems split across Europe however, probably making this tactic more powerful in Spain, followed by Italy and the UK.

42%
24%

27%
14%

36%
23%

31%
17%

38%
28%

35%
19%

51%
38%

49%
35%

Percentage of consumers that would not order at an online store if the return period is less than **30** vs. **60** days

Flexible return options matter

We have seen before that there are plenty of shipping-related preferences among European consumers for a checkout that drives conversion. 90% of online shoppers also show a clear preference when it comes to returning a package.

How do you prefer to return a package?

1. Take the package to a drop off point (post office, parcel shop)

45%

2. Return package to be picked up from my home / work

36%

3. Bring the package back to a local shop of the online retailer

10%

> Taking the package to a drop-off point is the most popular return option across Europe (especially in **Austria** and **Germany**) except in **Spain** and **Italy**, where having the package picked up at home or at work is preferred. Bringing the package back to a local shop of the online retailer is especially preferred in **Spain** and the **UK**.

The product category influences the preference

Interesting to note is that the highest preference to take the package to a drop off point can be found for products in the 👕 Fashion & Accessories category, while most of European consumers prefer the return package to be picked up from their home / work if it is a product in the 🍰 Food & Drinks category. It should be noted that in some cases you can add conditions to returns and refunds. For example, perishable goods like fresh food and dairy products are often excluded from the right to return.

> ### Millenials stand out once again
>
> At a significantly higher share than 🎮 **Generation X** and 📻 **Boomers**, 📱 **Millennials** prefer to return a package by bringing it back to the local shop of an online retailer. One possible reason for this could be that millennials like to have immediate access to return a product and get a refund.
>
> Big fashion players like H&M show the way: Online shoppers can return or exchange their online orders for free in any H&M store. It is a smart move, as it not only saves the company the cost of returns, but also attracts climate-conscious consumers to the store to generate new potential sales.

Handle returns quickly

The EU law for online returns states that refunding returns is allowed to take a maximum of 14 days after you have received a return notification from your customer. Time enough, you would say? Well, not if you want to keep your customers happy.

14 😠 **5.7** 🙂
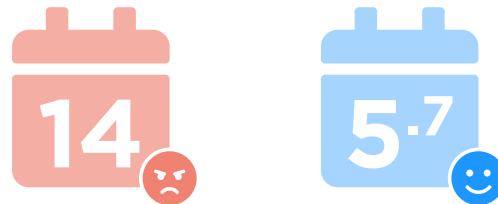
Unfortunately, European consumers are not that patient and expect a retailer to process their refund a whole lot faster: on average, European online shoppers are willing to wait for a refund only around 6 days after they have submitted a return.

Consumers have become more patient

Compared to 2020, the overall European willingness to wait for a refund has increased by half a day. The **Netherlands** and **United Kingdom** stand out: here, the willingness has increased from an average of 5 days (2020) to an average of 6 days (2021).

One possible reason for this could be the COVID-19 pandemic which led to more understanding for delays: consumers are way more patient in the delivery of their products and are more open to accepting longer refund periods in post-times of crisis.

Spanish consumers are the most impatient for their refunds: the maximum time they are willing to wait is just under 5 days. **Austrian** consumers on the other hand are willing to wait almost 7 days for their refund. But 14 days? No way.
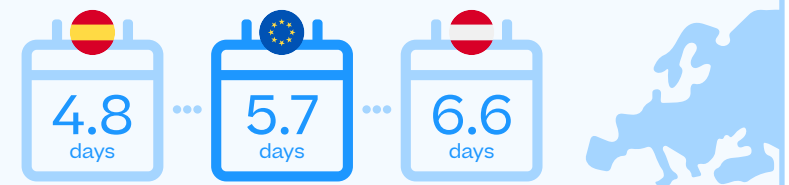
4.8 days **5.7** days **6.6** days

Part 5
Cross-border shopping

Your business is doing well locally and you want to branch out into international markets, but how do you get started? You are not alone. In 2016, only 15% of e-commerce was cross-border; experts predict that by 2022 this number will be at 22%. Cross-border shopping is on fire right now - but what are consumer's attitudes towards it? Let's take a closer look!

Attitude towards cross-border shopping

Almost one in two European online shoppers ordered from international online shops last year, so crossing the border could be an interesting opportunity for online retailers.
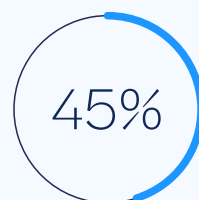
45% **45% of online shoppers** indicates to have ordered from an international online store in the past 12 months.
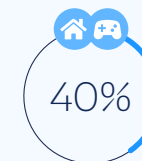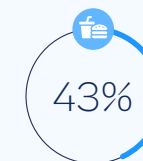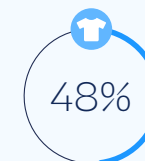
Brexit and EU-regulations result in drop of cross-border e-commerce

A look at the annual results show that the share of European consumers ordering cross-border dropped from 53% in 2020 to 45%. This is likely due to Brexit and the expiration of the VAT exemption for non-EU countries.

The United Kingdom in particular stands out, with a dramatic drop from 45% of consumers ordering cross-border in 2020 to just one-third in 2021. A look at the main shipping-related reasons for British consumers not to order from international online stores shows that the impact of shipping costs, customs and returns in particular has increased sharply.

Two outstanding product categories for cross-border shopping

When it comes to 🖥 **Electronics** and 👕 **Fashion & Accessories**, European online shoppers ordered their products relatively frequently from international stores. The share of cross-border online shoppers in these two product categories is significantly higher than in e.g. 🛍 **Food & Drinks**, 🎮 **Toys & Books & Games** and 🏠 **Home & Gardening**.
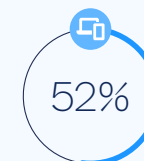
52%   **48%**   **43%**   **40%**

In what foreign country did you order the most in the last 12 months?

From:	🇳🇱	🇩🇪	🇫🇷	🇪🇸	🇮🇹	🇬🇧	🇧🇪	🇦🇹
China	57%	49%	54%	60%	47%	42%	38%	24%
Germany	25%	X	20%	14%	22%	10%	15%	73%
United States	12%	21%	13%	16%	14%	30%	9%	11%
United Kingdom	12%	24%	20%	16%	21%	X	12%	9%
France	6%	9%	X	9%	10%	4%	43%	2%
Spain	3%	5%	11%	X	9%	6%	4%	3%
The Netherlands	X	10%	3%	2%	3%	7%	33%	3%
Italy	4%	7%	6%	6%	X	7%	4%	4%
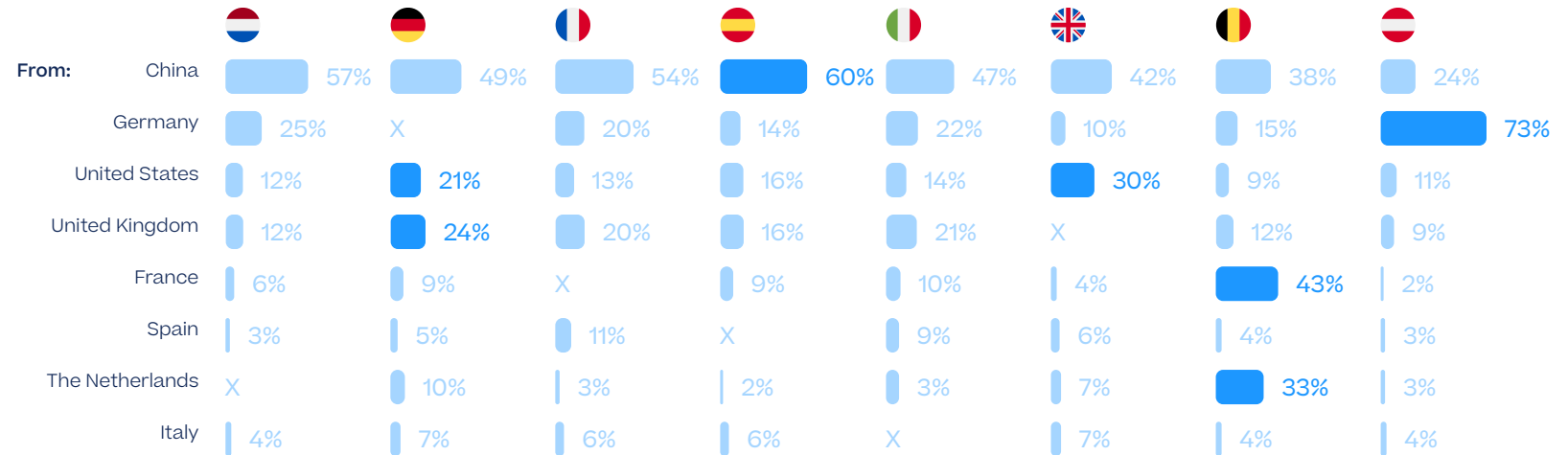
The most popular foreign country to order from is China across all European countries, except Austria and Belgium. If ordering cross-border, Germany is the most popular country to order from for the majority of Austrian online shoppers. The United States is a popular country to order from for UK-based shoppers. It is likely that the shared language and close relationship in between the two countries in general contribute to the relatively high number.

High shipping costs biggest bottleneck

In the chapters before, we have seen that Europeans are very price-sensitive customers when it comes to online shopping. So it might not be a big surprise, also when ordering internationally, that high delivery costs (56%) will scare off European consumers the most.

Important to take into account is that further frequently cited reasons for European consumers not ordering from international online stores are that they do not know whether or not any customs charges will be incurred (47%), a lack of transparency as to how long shipping will take (32%), and an overly complicated returns process (43%). One in five European consumers also speaks of a lack of trust in international shipping, which goes hand in hand with the other reasons mentioned.

When looking at the main reasons for not ordering from an international store by country, some interesting local differences can be identified:

German (55%) and **Belgian** (54%) consumers avoid international online stores because of potential customs to be paid significantly more than the European average of 47%. Online shoppers from the **UK** and the **Netherlands** tend not to trust international shipping (22%) significantly more than the European average of 19%.

What would be a shipping specific reason to not order from an international online store?
Multiple responses allowed

1. The delivery costs are too high

    56%

2. I potentially have to pay for customs

    47%

3. I cannot (easily) return the product if I don't like it

    43%

4. The delivery takes too long

    34%

5. I don't know how long the delivery will take

    32%

6. I don't have enough information about the delivery

    22%

7. I don't trust international shipping

    19%

There is a lot of cross-border potential for online retailers, as long as costs can be cut for both themselves and their customers.

Part 6
The future
of e-commerce

Consumer expectations will always evolve, especially in
e-commerce. The online environment is changing into a
jungle of new players, developments and opportunities.
How do consumers feel about the latest developments?
Let's dive into it.

Growing awareness of green delivery

Although more than half of online shoppers (54%) say they are concerned that the rise of e-commerce is a problem for the environment and 52% claims to choose to purchase from one online store over another if its environmental impact of the delivery is lower, at the same time only 8% would cancel an order if green (CO2-neutral) delivery is not available.

It is also interesting to note that as the order value increases, a large share of European consumers is not willing to pay more for CO2-neutral delivery and they insist on free shipping costs.

For which of the following order values would you <u>not</u> be willing to pay any extra costs for CO2-neutral delivery?
Multiple responses allowed

Order value of €15 — 39%
Order value of €50 — 42%
Order value of €150 — 47%

Boomers care the least about green delivery

When asked: "Would green (CO2 neutral) delivery affect your online purchasing decision?", 📊 **Boomers** (23%) show significantly more disinterest in green delivery than 📱 **Generation Z** (10%), 💻 **Millennials** (14%) and 🎧 **Generation X** (20%).

Compared to other generations, Generation X is also the one that would clearly change the store if another store offers green delivery.

Food & Drinks category surprises with largest share

Green delivery is most preferred in the Food & Drinks category, where one in five consumers would change the online store if another one offers it. One possible reason for this could be that consumers are trying to compensate for their guilty conscience and the emissions caused by their online purchases with the help of green delivery. After all, buying food online could have been saved by going to the nearest supermarket or local farmer.

Packaging material is still considered most critical

When it comes to current e-commerce logistics, European consumers are mainly concerned about packaging: 78% think packaging materials of products ordered online should be fully recyclable, 67% of European consumers find that often too much packaging materials are being used to ship their orders.
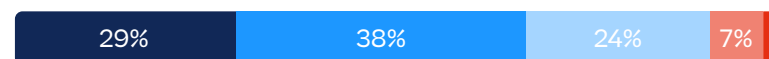
To what extent do you agree with the following statements?
On a scale from 1 'Completely agree' to 5 'Completely disagree'

I think the packaging (material) of products ordered online should be fully recyclable

41%	38%	18%	

I believe online stores often use too much packaging (material) to ship their orders

| 29%	38%	24%	7%

Completely agree   Completely disagree

Not much has happened since 2020

If we take a look at last year's results, the main concerns in 2020 were also with packaging. The share of European consumers having concerns with packaging even increased by 1 percentage point compared to the previous year. This suggests that not much has happened in a year in this area and online shoppers still believe that things have not changed for the better when it comes to packaging.

Generation Z is more involved and concerned

Looking at the individual age groups, 📱 **Generation Z** (71%) shows significantly higher concerns about too much packaging material than 🏭 **Boomers** (65%). In general, a Europe-wide comparison shows that the share of concerned online shoppers regarding too much packaging material decreases with increasing age.
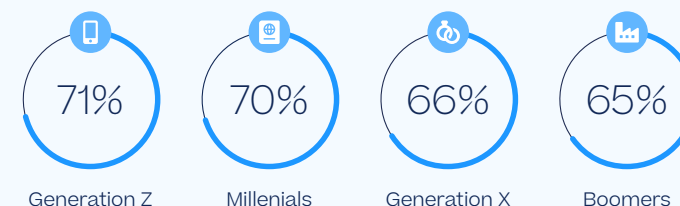
71%	70%	66%	65%
Generation Z	Millenials	Generation X	Boomers

The need for smart delivery is (still) not present

Smart locks have been a part of trend reports for multiple years now. With a smart lock, packages can be delivered straight to the consumer's house without having to be home to receive it, making home delivery easier than ever. At least, that is the idea. How is the adoption within Europe?
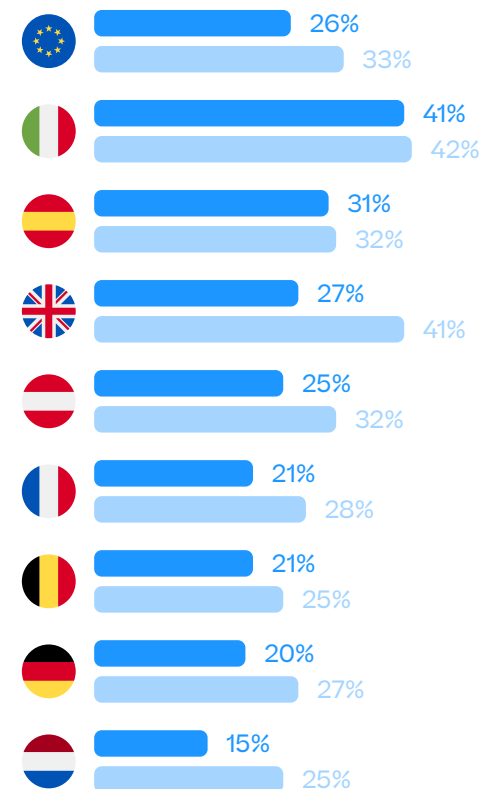
In general, most European online shoppers do not have a very positive attitude towards this new technology: only 26% are willing to use a smart lock on their door. In Italy and Spain, online shoppers are the most positive, while Dutch and German consumers are the most sceptical about smart locks.

> Interestingly, compared to 2020, both on European average and on local level, a decline in interest and approval for using such smart locks can be identified. **British** consumers experienced the biggest change of heart here. While 41% were still in favour of such smart locks in 2020, this year the share is only 27%.

It can be concluded that it might still be too early for futuristic delivery methods like smart locks. It will be exciting to see how smart delivery will develop in the next few years.

I am willing to use a smart lock on my door to be able to receive packages when I am not at home
Sum of 'Agree' and 'Completely agree' on a scale from 1 to 5

Country	2021	2020
EU	26%	33%
Italy	41%	42%
Spain	31%	32%
United Kingdom	27%	41%
Austria	25%	32%
France	21%	28%
Belgium	21%	25%
Germany	20%	27%
Netherlands	15%	25%

2021
2020

Market guide & profiles

After mapping European consumer's preferences - which pre-purchase decisions they make, how they want their products to be shipped and delivered, to what extent they want to be informed about the shipping process, what they want when it comes to returns, which countries they buy products from online and why and last but not least what they think about the latest trends and future developments - let's pass in review the most outstanding local highlights per country to make you use them to your competitive advantage.

Market guide
United Kingdom

The United Kingdom is one of the world's top e-commerce markets and the largest in Europe. It has the single highest penetration of internet usage and therefore it is not a surprise that the annual growth rate is enormous. But within a leading market, consumers are used to convenience. What are the preferences for British online shoppers?

✔ **+700,000 online retailers**

✔ **18% growth in e-commerce in 2020**

✔ **87% of the population buys products online**

BUYING BEHAVIOUR

British consumers have the highest online order frequency in Europe: almost one third of British consumers buy online once a week or more, in which millennials have the biggest share.

91% shops through marketplaces

Followed by webshops (77%), but the United Kingdom also has the highest percentage of online purchases via social media (27%).

Most popular categories to buy online:

Fashion & Accessories

Food & Drinks

Home & Gardening

£89.50 average order value

Millenials shop for considerably more money with an average order value of £139.70.

SHIPPING PREFERENCES

Most important reasons to abandon a checkout:

Stated shipping costs too high

Estimated delivery time too low (> 4.6 days)

33% prefers a specific delivery company

Royal Mail is highest preferred, followed by DPD.

Most preferred shipping methods:

Standard home delivery (64%)

Next-day delivery (33%)

Nominated day delivery (33%)

RETURNS

85% even if only sometimes, returns products

And when doing so, preferably at a drop-off point.

55% expects the retailer to cover the return costs

Most important elements of a return policy:

Costs of the return (70%)

Ready-to-use return label (60%)

CROSS-BORDER SHOPPING

31% orders from international stores

That's the lowest share in Europe.

Reasons not to order abroad:

High delivery costs

Paying for customs

The hassle of international returns

22% tends to not trust international shops

Only Germans (23%) distrust international shops more.

When shopping online across the border, British consumers shop mostly in:

China (42%)

United States (30%)

Market guide
The Netherlands

The Netherlands is a small country but it plays a big role in the e-commerce industry. It is the sixth largest e-commerce market in Europe. Domestic players like Bol.com or Coolblue can offer great services to customers because the country is small and delivery can be done fast. What does this mean for Dutch online shopping behaviour and preferences?

✔ **almost 190,000 online retailers**

✔ **19% growth in e-commerce in 2020**

✔ **+80% of the population buys products online**

BUYING BEHAVIOUR

83% shops through marketplaces

Shipping via both online retailers (78%) and marketplaces (83%) is popular among Dutch online shoppers.

Most popular categories to buy online:

👕 **Fashion & Accessories**

💻 **Electronics**

🎮 **Toys, Books & Games**

The highest share in the Fashion & Accessories category comes from Generation Z (54%).

€96.70 average order value

Generation Z's shop for considerably more money with an average order value of €129.

SHIPPING PREFERENCES

Most important reasons to abandon a checkout:

💵 **Stated shipping costs too high**

⏱️ **Estimated delivery time too low** (> 4.2 days)

Generation Z is willing to pay up to €7.40 for shipping expensive orders: that's 80% above Dutch average.

34% prefers a specific delivery company

PostNL is most popular, followed by DHL.

Most preferred shipping methods:

🏠 **Standard home delivery** (57%)

📅 **Next-day delivery** (45%)

📅 **Nominated day delivery** (42%)

Dutch shoppers care more about evening delivery (28%) and mailbox delivery (38%) than other countries in Europe.

RETURNS

87% even if only sometimes, returns products

And when doing so, preferably at a drop-off point.

49% expects the retailer to cover the return costs

19% expects having to pay for a return themselves.

Most important elements of a return policy:

Costs of the return (64%)

Ready-to-use return label (60%)

CROSS-BORDER SHOPPING

54% orders from international stores

That's quite a bit above the European average of 45%.

Reasons not to order abroad:

Paying for customs

High delivery costs

The hassle of international returns

When shopping online across the border, Dutch consumers shop mostly in:

China (57%)

Germany (25%)

Market guide
Belgium

Many people compare Belgium with the Netherlands. But in e-commerce, they are not that similar. Belgium's e-commerce market has been growing at a rapid pace; largely cross-border, as only 15% of Belgium enterprises sells via a website. What can we learn from a country in which e-commerce is not as highly developed as in many other countries?

✔ **52,000 online retailers**

✔ **17% growth in e-commerce in 2020**

✔ **70% of the population buys products online**

BUYING BEHAVIOUR

75% shops at online retailers directly

Followed by marketplaces (66%).

Most popular categories to buy online:

👕 **Fashion & Accessories**

💻 **Electronics**

🎮 **Toys, Books & Games**

€95.20 average order value

Interesting to mention is that in Belgium, there's no high differences between age groups.

SHIPPING PREFERENCES

Most important reasons to abandon a checkout:

💵 **Stated shipping costs too high**

⏱ **Estimated delivery time too low** (> 4.9 days)

36% prefers a specific delivery company

Of which bpost is by far most popular.

Most preferred shipping methods:

🏠 **Standard home delivery** (54%)

📅 **Nominated day delivery** (42%)

📅 **Next-day delivery** (33%)

The Belgians also have a high share in preference for weekend delivery (29%), service point delivery (28%) and mailbox delivery (25%).

RETURNS

78% even if only sometimes, returns products

And when doing so, preferably at a drop-off point.

57% expects the retailer to cover the return costs

Most important elements of a return policy:

Costs of the return (63%)

Ready-to-use return label (62%)

CROSS-BORDER SHOPPING

73% orders from international stores

Significantly above the European average of 45%.

Reasons not to order abroad:

Paying for customs

High delivery costs

The hassle of international returns

When shopping online across the border, Belgian consumers shop mostly in:

France (43%)

China (38%)

The Netherlands (33%)

Market guide
Germany

E-commerce is a huge market in Germany and plays a major role in the country's retail industry. Leading online platforms like Amazon.de have been active in Germany for many years and dominate the market: their revenue share makes up for 40% of the total e-commerce revenue within the country. What else can we learn from the German e-commerce?

✔ +406,000 online retailers

✔ 19% growth in e-commerce in 2020

✔ 72% of the population buys products online

BUYING BEHAVIOUR

93% **shops through marketplaces**

Followed by websites of online retailers (67%).

Most popular categories to buy online:

👕 **Fashion & Accessories**

💻 **Electronics**

🏠 **Home & Gardening**

€152.10 **average order value**

Millenials shop for a significantly higher amount of money with an average order value of €233.10, mostly coming from Food & Drinks.

SHIPPING PREFERENCES

Most important reasons to abandon a checkout:

💵 **Stated shipping costs too high**

⏱️ **Estimated delivery time too low** (> 4.9 days)

47% **prefers a specific delivery company**

DHL is highly preferred, followed by Deutsche Post.

Most preferred shipping methods:

🏠 **Standard home delivery** (66%)

📅 **Nominated day delivery** (35%)

📅 **Next-day delivery** (25%)

Compared to other European countries, Germans care a lot more about parcel locker delivery (17%).

RETURNS

89% even if only sometimes, returns products

And when doing so, preferably at a drop-off point.

53% expects the retailer to cover the return costs

Most important elements of a return policy:

Costs of the return (71%)

Ready-to-use return label (61%)

CROSS-BORDER SHOPPING

30% orders from international stores

That's much lower than the European average of 45%.

Reasons not to order abroad:

High delivery costs

Paying for customs

The hassle of international returns

23% tends to not trust international shops

That's the highest distrust in Europe.

When shopping online across the border, German consumers shop mostly in:

**China** (49%)

United Kingdom (24%)

Market guide
Austria

Austria has a relatively small e-commerce market and is placed behind Switzerland when it comes to market size. As a result, Austrian consumers shop heavily across borders. The most popular e-commerce players like Amazon.de and Zalando dominate the market with a 40% revenue share. What can we find out about Austrian online shoppers?

✔ **+34,000 online retailers**

✔ **18% growth in e-commerce in 2020**

✔ **66% of the population buys products online**
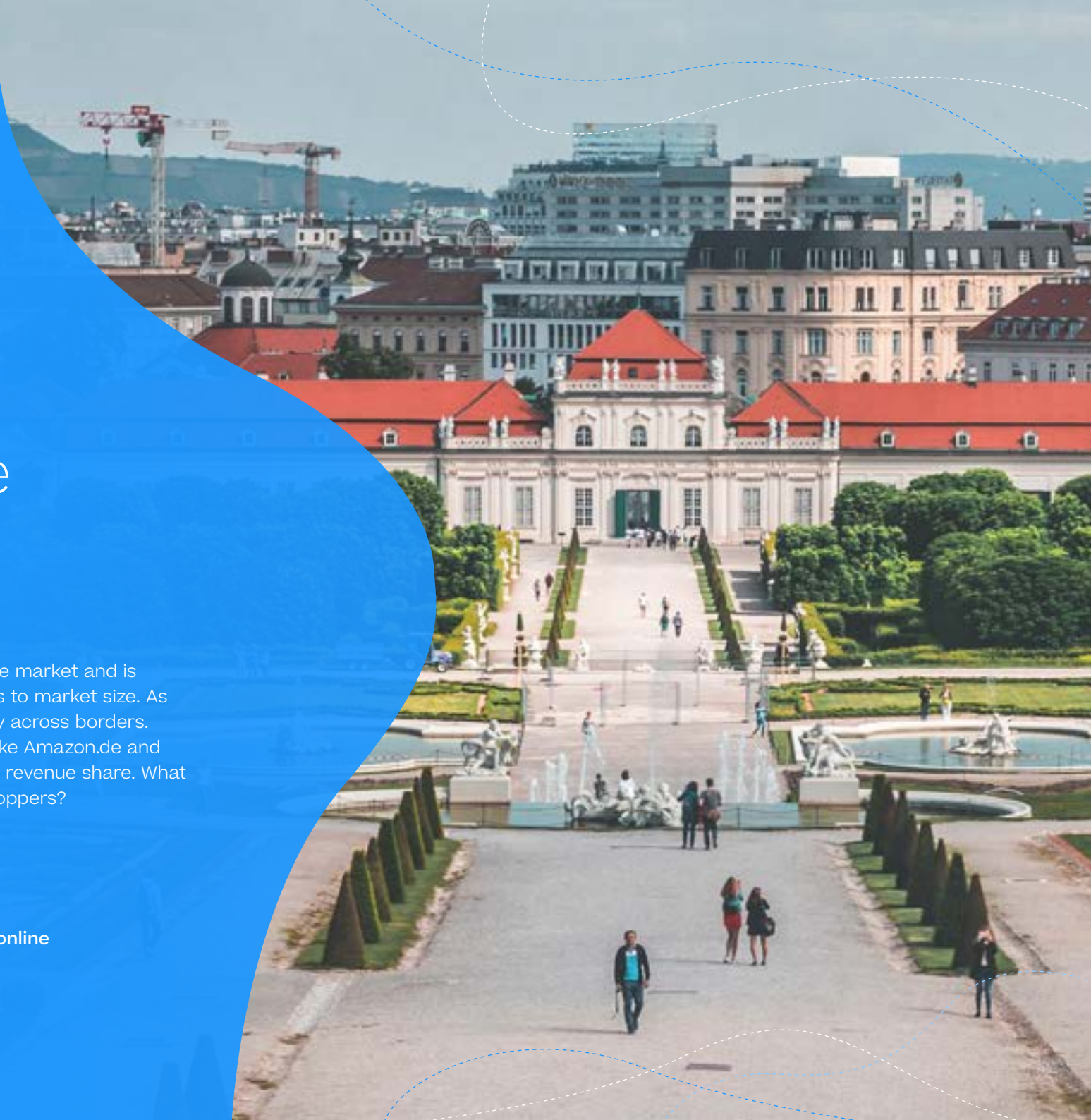
BUYING BEHAVIOUR

81% shops through marketplaces

Followed very closely by webshops (79%).

Most popular categories to buy online:

Fashion & Accessories

Electronics

Toys, Books & Games

€97.50 average order value

Generation Z shops for a considerably higher amount of money with an average order value of €110.40.

SHIPPING PREFERENCES

Most important reasons to abandon a checkout:

Stated shipping costs too high

Estimated delivery time too low (> 5.3 days)

41% prefers a specific delivery company

Austrian Post is highly preferred, followed by DPD.

Most preferred shipping methods:

Standard home delivery (61%)

Nominated day delivery (36%)

Next-day delivery (30%)

Compared to other European countries, Austrians care a lot more about CO2-neutral delivery (26%).

RETURNS

89% even if only sometimes, returns products

And when doing so, preferably at a drop-off point.

57% expects the retailer to cover the return costs

Most important elements of a return policy:

Costs of the return (63%)

Ready-to-use return label (54%)

6.6

Austrian shoppers are most willing to wait for their refund: a maximum of almost 7 days, compared to the European average of 5.7 days.

CROSS-BORDER SHOPPING

79% orders from international stores

That's the highest share in Europe.

Reasons not to order abroad:

High delivery costs

The hassle of international returns

Paying for customs

When shopping online across the border, Austrian consumers shop mostly in:

Germany (73%)

China (24%)

Market guide
France

France is the seventh largest e-commerce market in the world. E-commerce made an early entrance in the lives of French consumers. But it really became big when internet access became a standard. Now online shopping is a convenience in which marketplaces like Amazon.fr and Cdiscount dominate the market. What can we learn from the French?

✔ **+270,000 online retailers**

✔ **18% growth in e-commerce in 2020**

✔ **62% of the population buys products online**

BUYING BEHAVIOUR

90% shops through marketplaces

Shopping via marketplaces is by far most popular, only 56% shops directly on the website of the online retailer.

Most popular categories to buy online:

👕 **Fashion & Accessories**

🎮 **Toys, Books & Games**

🍔 **Food & Drinks**

French shoppers shop significantly more Toys, Books and Games than the European average.

€113.60 average order value

Millenials shop for considerably more money with an average order value of €143. Generation Z shops the least expensive products with an average order value of €78.50, mostly spent on Fashion & Accessories.

SHIPPING PREFERENCES

Most important reasons to abandon a checkout:

💵 **Stated shipping costs too high**

⏱️ **Estimated delivery time too low** (> 5 days)

30% would not order again from an online store after a bad delivery experience

Most preferred shipping methods:

🏠 **Standard home delivery** (60%)

📅 **Nominated day delivery** (43%)

🏪 **Service point delivery** (37%)

32% prefers a specific delivery company

That's the lowest in Europe. If there is a preference: Colissimo and Chronopost are preferred.

RETURNS

77% **even if only sometimes, returns products**

And when doing so, preferably at a drop-off point.

69% **expects the retailer to cover the return costs**

That's the highest share in Europe.

Most important elements of a return policy:

Ready-to-use return label (74%)

Costs of the return (70%)

Compared to the European average, French consumers also care significantly more about information about the refund period in the return policy.

CROSS-BORDER SHOPPING

46% **orders from international stores**

That's very close to the European average of 45%.

Reasons not to order abroad:

High delivery costs

Paying for customs

The hassle of international returns

When shopping online across the border, French consumers shop mostly in:

China (54%)

United Kingdom (24%)

United States (21%)

Market guide
Spain

Compared to other European countries, the Spanish online market has developed relatively slowly and is currently the 13th largest in the world. The market is not fully mature yet and with an expected annual growth rate of 9% until 2024 there's a lot of potential in the Spanish e-commerce industry. What drives Spanish consumers to buy products online?

✔ **135,000 online retailers**

✔ **24% growth in e-commerce in 2020**

✔ **76% of the population buys products online**

BUYING BEHAVIOUR

91% shops through marketplaces

Followed by websites of online retailers (71%).

Most popular categories to buy online:

Fashion & Accessories

Electronics

Toys, Books & Games

€87.50 average order value

Boomers buy online for a considerably low value: €72. Highest order value is mainly coming from Electronics.

SHIPPING PREFERENCES

Most important reasons to abandon a checkout:

Stated shipping costs too high

Estimated delivery time too low (> 4.5 days)

21% would leave a checkout if the preferred shipping method is not available

Most preferred shipping methods:

Standard home delivery (51%)

Nominated day delivery (43%)

Next-day delivery (39%)

Spanish consumers also want to be able to choose same-day delivery (25%) more than the European average.

51% prefers a specific delivery company

That's the highest in Europe. Seur is most preferred, followed by Correos Express and Correos.

RETURNS

83% even if only sometimes, returns products

And when so, preferably picked up at home/work.

65% expects the retailer to cover the return costs

Most important elements of a return policy:

Ready-to-use return label (74%)

Costs of the return (70%)

Spanish shoppers are least willing to wait for their refund: a maximum of not even 5 days, compared to the European average of 5.7 days.

4.8

CROSS-BORDER SHOPPING

59% orders from international stores

That's quite a bit above the European average of 45%.

Reasons not to order abroad:

High delivery costs

The hassle of international returns

The delivery taking too long

When shopping online across the border, Spanish consumers shop mostly in:

China (60%)

Market guide
Italy

The Italian e-commerce market shows some resemblance to the Spanish market: it's the 15th largest in the world and also shows an annual growth rate of 9% till 2024. With e-commerce penetration still being very low, the Italian market is expected to only grow further. What preferences do Italian consumers have when it comes to shopping online?

✔ **246,000 online retailers**

✔ **24% growth in e-commerce in 2020**

✔ **34% of the population buys products online**

BUYING BEHAVIOUR

92% **shops through marketplaces**

Followed by websites of online retailers (64%).

Most popular categories to buy online:

👕 **Fashion & Accessories**

💻 **Electronics**

🥤 **Food & Drinks**

Italian shoppers have the highest share of Europe in buying Health & Care products online (14%).

€99.10 **average order value**

Generation Z spent considerably more money on an order: €124.20.

SHIPPING PREFERENCES

Most important reasons to abandon a checkout:

💵 **Stated shipping costs too high**

⏱️ **Estimated delivery time too low** (> 4.5 days)

23% **would leave a checkout if the preferred shipping method is not available**

Most preferred shipping methods:

📅 **Nominated day delivery** (41%)

🏠 **Standard home delivery** (40%)

📅 **Next-day delivery** (36%)

Italian consumers also have a high share of willingness to choose CO2-neutral delivery (20%).

44% **prefers a specific delivery company**

BRT is preferred, followed by DHL.

RETURNS

86% even if only sometimes, returns products

And when so, preferably picked up at home/work.

68% expects the retailer to cover the return costs

That's much higher than the European average.

Most important elements of a return policy:

Costs of the return (61%)

Being able to submit a return online (52%)

CROSS-BORDER SHOPPING

57% orders from international stores

That's quite a bit above the European average of 45%.

Reasons not to order abroad:

High delivery costs

Paying for customs

The hassle of international returns

When shopping online across the border, Italian consumers shop mostly in:
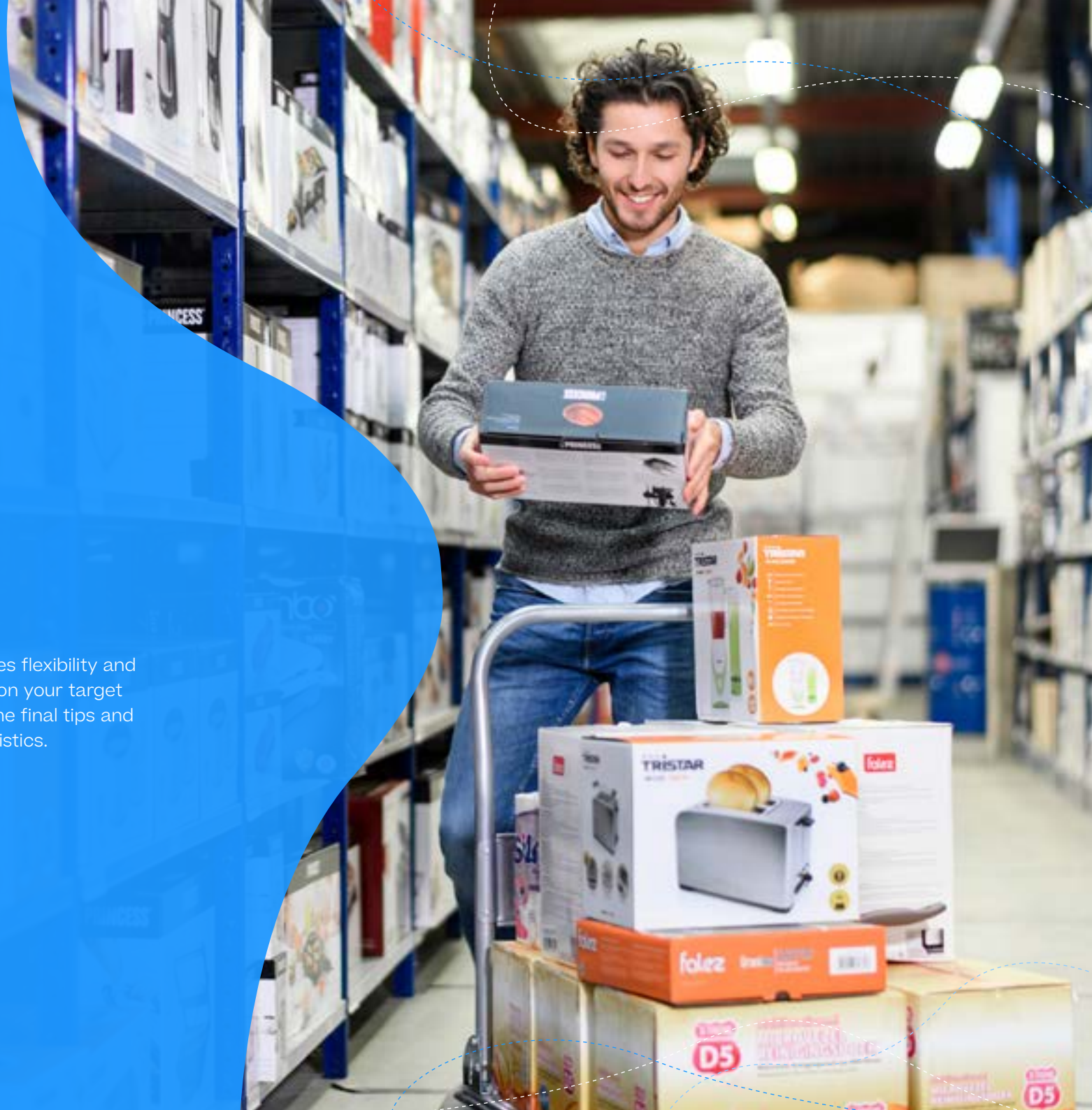
China (47%)

Germany (22%)

Conclusion

Being successful in e-commerce requires flexibility and the ability to adjust the strategy based on your target group. Here is our study review and some final tips and tricks for the future of e-commerce logistics.

Review

Local differences matter

Every country has its own quirks when it comes to online shopping. When scaling internationally, online retailers will need an understanding of what consumers in other countries are used to so that they can provide the best service possible for their international clients.

For example Dutch shoppers expect fast delivery times while Austrians would rather wait longer than usual before receiving a package; and if there is any damage incurred during delivery, some countries prefer to receive the same product again, while others prefer a reimbursement.

When dealing with these differences from country-to-country, online retailers should keep this in perspective when deciding how best to deal with orders going out of one region into another.

A smooth delivery process is what counts

Most European consumers do not have a strong preference when it comes to the delivery company, as long as their package gets delivered without any issues. Especially the speed of delivery is mentioned as one of the most important factors when shopping online.

In the context of a lost or damaged package, European online shoppers blame both the online shop and the delivery company and want to be informed pro-actively with a reasonable solution through the right channel, mostly via email or SMS.

Free returns, convenience & transparency

European shoppers agreed on one thing: they would order more frequently in case of free returns. Furthermore, European consumers like to be well informed about the return policy (on a website) before they decide to buy a product online and they demand an easy return process.

Clear information about costs associated with returning products as well as having an easy way offered to get a returns label lead to more repeat purchases and the chance to earn more from a customer.

Environmental care to be stimulated

On the one hand, European online shoppers care about packaging material used when ordering online (too much packaging material is wasted and not all material is recyclable). On the other hand however, consumers are not willing to pay that much extra for CO2-neutral delivery.

Green delivery is preferred, but it should not lead to additional costs. So the responsibility for environmental care is mainly on the retailer or delivery company's shoulders from the shopper's point of view. Overall environmental friendly packaging material suited for the type of product shipped (not oversized packaging material) should be the standard.

Nevertheless environmental awareness increases among Generation Z's and millennials, so online retailers need to keep an eye on green developments.

Tips & tricks

TIP 1
Offer dynamic shipping costs

Don't charge your customers with too high shipping costs and make sure that you communicate about the cost of shipping already on your product pages. This is an essential part to avoid losing potential conversions, so it is important not only in checkout but also before each purchase. Add a threshold for free shipping to help boost your sales even more!

TIP 2
Offer multiple delivery options

Give shoppers the power to choose when it comes to the delivery of their orders. They want premium services like faster delivery and delivery on a day of choice, but they also value transparency about prices and timing for same or next day deliveries. Be clear on cut-off times, additional costs, and expected time of arrival so that customers can decide what fits their needs best!

TIP 3
Don't be dependent on delivery companies

By collaborating with multiple suppliers you will be able to offer the most suitable delivery methods for every order. Leave the decision to your customers and increase conversion in your checkout.

TIP 4
Keep customers informed

Make sure to pro-actively communicate about the status of orders via automated triggers. Any change in parcel status? Make sure to notify your clients through the right channels. At least make them aware of the fact that an order has left the warehouse and is on it's way.

TIP 5
Create a profitable return policy

Offering a clear and easy to understand return policy will keep customers coming back for more. Collaborate with multiple delivery companies to save costs on international shipments. Consider adjusting return policies from country to country, and make sure customers know how they can send their unwanted items back if necessary. Offering free returns might increase the amount of returns, but will increase the amount of repeat purchases in your store which will help you to increase your profit.

TIP 6
Take care of the environment

Ship small parcels with postal networks and keep packaging small. Never use a big box for an order that only contains one product and avoid unnecessary packaging material. Make sure your customers can use the same package for returns. Be aware that environmental awareness is growing. Offering a CO2-neutral shipping method can give you an additional USP and boost your conversion.

About Sendcloud & Nielsen

About e-commerce shipping platform Sendcloud

Sendcloud is an all-round shipping platform for online businesses that connects to 85+ shop systems and delivery companies. As one of the fastest growing tech companies in Europe, the company is on a mission to make shipping as scalable as possible for every company.

The platform offers an optimized checkout with flexible delivery options, a fully automated picking, packing and label printing process, branded tracking notifications and a return solution. With over 23,000 customers, integrations with over 50 e-commerce systems and over 80 international delivery companies, Sendcloud is the leading shipping solution in Europe and soon beyond.

For more information, visit www.sendcloud.co.uk

About market measurement firm Nielsen

Nielsen Holdings plc (NYSE: NLSN) is a global measurement and data analytics company that provides the most complete and trusted view available of consumers and markets worldwide. Their approach marries proprietary Nielsen data with other data sources to help clients around the world understand what is happening now, what is happening next, and how to best act on this knowledge. An S&P 500 company, Nielsen has operations in over 100 countries, covering more than 90% of the world's population.

For more information, visit www.nielsen.com

Implement the key findings from this study yourself.

Want to be on top of the shipping game and offer the best shipping experience to your customers? Get started for free and see how you can save time and costs on logistics while offering your customers the best shipping and return solutions.

Discover the possibilities ↗

Questions?

For more information about this study,
reach out to marketing@sendcloud.com

sendcloud