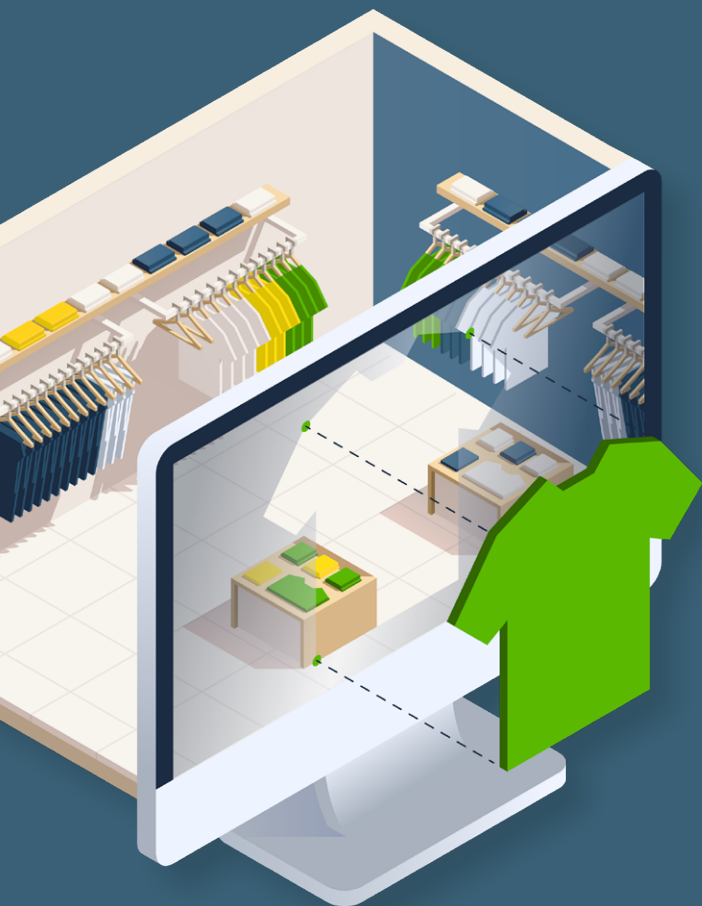


Fashion. Delivered.

A survey of international fashion shoppers and their attitudes towards product delivery experience

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Getting the delivery experience right.



Chris Tayler
Head of ETrak

It's a challenging time for the fashion industry. Consumers have fewer reasons to shop for apparel and low confidence in the economy, while political disruption continues.

Surviving, rather than thriving, might be the mantra of most executives for 2021, as McKinsey predicts anything between a 0 to 15% decline in profit compared to 2019¹. However, it's also the time to invest in areas that will make companies stronger and more resilient in the future. Time for the brave!

Digitisation is a key theme for fashion executives, and is likely to remain at the top of the agenda. After all, companies who have used technology across digital and physical touchpoints to offer an enhanced and more personalised experience have grown faster thus far.

There's no question that digitisation efforts must now be focused in the strengthening of the e-commerce proposition. With COVID-19 still being a key concern for people everywhere in the world², more people are shopping online. This applies both domestically and internationally. In Europe, 50% of cross-border B2C e-commerce sales are projected to grow at a double-digit rate at least through 2022³.

With increased cross-border e-commerce comes the D-word. Delivery. Disrupted supply chains due to COVID-19 have given fashion companies a taste

of delivery going wrong. For those companies, the strengthening of supply chain and product fulfilment has become paramount in the ongoing battle for today's online shopper (and the protection of margins!).

As you will see in the sections ahead, product delivery is a paramount aspect of the customer experience and becomes more important as the percentage of e-commerce sales keeps growing.

We wanted to help fashion delivery specialists get some insight into the current state of cross-border fashion e-commerce, and perhaps, bust some myths along the way.

Whilst many **delivery and e-commerce service providers have depicted consumers as impatient and overly demanding, our research has found a more nuanced picture for the international fashion shopper.** Paying for delivery and waiting for a week is OK, really, as long as the overall customer experience is great. This again shows there are no hard and fast rules in what makes a great online fashion brand. Hopefully this paper will give you some food for thought.

[1] The State of Fashion 2021, Business of Fashion & McKinsey Company. [2] What Worries the World, Ipsos.

[3] Europe Cross-Border B2C e-commerce Market 2020, Research and Markets.

Executive summary.



The many barriers to international fashion e-commerce.

Over a third of respondents claim to find frustration with a host of challenges around the shopping and delivery experience including *"confusing sizing"*, *"expensive delivery"*, *"inconvenient returns"* and *"lengthy delivery times"*.

[Read more](#)



Delivery matters. A lot.

Our research finds a majority of people will investigate and cross-check their expectations against the delivery and returns policy and many of them will abandon if they spot high delivery costs, long transit times or tedious returns policies.

[Read more](#)



Free delivery? It's complicated!

Shoppers on international sites are, in many cases, making a considered and emotional purchase and as such might downweight the importance of delivery or return costs, within reason.

[Read more](#)



I can wait...a little bit.

A week is the most common expectation for transit time for an item of apparel coming from another country. As with delivery costs, customers understand the complexity involved in receiving a product cross-border and are happy to wait within reason.

[Read more](#)



Keep me posted.

Customers want and expect tracking and will not buy from a site that doesn't have this. Keeping customers notified of the status of the delivery can be more effective than a marginal shortening of transit times or reduction in delivery costs. It is an opportunity for the retailer to provide a whole customer experience through the gap between purchase and fulfillment.

[Read more](#)

The future is international.

International growth has gone from being a side project for fashion retailers, to part of the core operation. Accordingly, e-commerce specialists have become more adept and agile at building shopping experiences that work across borders.

This trend has been accelerated by social distancing. In 2020, e-commerce saw unparalleled growth, including 9% of customers that were shopping online for the first time^[4]. It is also likely that different countries will emerge from the pandemic with differing paces of economic recovery. Because of this, geographic pockets of opportunity will open up over the coming years, whilst the overall European market may remain sluggish.

Additionally, the evolution of social media channels as full-fledged e-commerce storefronts, once the novelty coming from Asia, is now commonplace. This means more customers are tempted into impulsive purchases from brands they don't already know. Again, many of these will be international.

Accordingly, 7 in 10 fashion executives are expecting their online businesses to grow by 20% this year^[5].

Cross-border is both a great opportunity and a huge challenge for online retailers. They need to consider how to localise their customer experience to markets with different expectations of merchandise and sizes, but also payments, currencies and of course, delivery.

However, we need to remember it goes both ways. International retailers are fighting for every "domestic" market too. There's no choice but to build a solid international offering.



It is also likely that different countries will emerge from the pandemic with differing paces of economic recovery. Because of this, geographic pockets of opportunity will open up over the coming years, whilst the overall European market may remain sluggish.

The many barriers to international fashion e-commerce.

Despite the tremendous growth of cross-border e-commerce, there are still significant barriers for customers to purchase from international sites.

The leading cause for frustration and site abandonment relates to sizing. 48% of Americans and 39% of Spaniards quoted “sizing is confusing” as the most frustrating aspect of shopping internationally for apparel. Whilst it’s true that sizing is not part of the delivery proposition, “wrong size” is the most popular reason for returns and exchanges so getting sizes right can not only delight customers but help the bottom line too.



Sizing is a perennial problem for online international shoppers, even if relatively close geographically or culturally such as Spain or the US. Clearly a lot of thinking still needs to be done to come up with ways to help users pick the right size.

Size converters, such as the below used by adidas, can help European and American customers match their size and avoid returns, a win-win situation for retailers and customers.

And speaking of sizes and returns, we have seen great innovation with retailers building their own size assistants. Built on data, they use past shopper behaviour to predict the sizes least likely to be returned, ensuring customer satisfaction and lower return rates. If you want to know more, check our interview with [Fit Analytics](#), the leading provider of sizing technology for fashion retailers.

TABLA DE CONVERSIONES (ESTÁNDAR)

ES	2XS (28-30)	XS (32-34)	S (36-38)	M (40-42)	L (44-46)
US	2XS	XS (0-2)	S (4-6)	M (8-10)	L (12-14)
UK	2XS (0-2)	XS (4-6)	S (8-10)	M (12-14)	L (16-18)
DE	2XS (26-28)	XS (30-32)	S (34-36)	M (38-40)	L (42-44)
IT	2XS (32-34)	XS (36-38)	S (40-42)	M (44-46)	L (48-50)

adidas size converter

Around a third of international fashion shoppers quote lengthy transit times, delivery costs and inconvenient return process as barriers to shopping internationally for apparel.

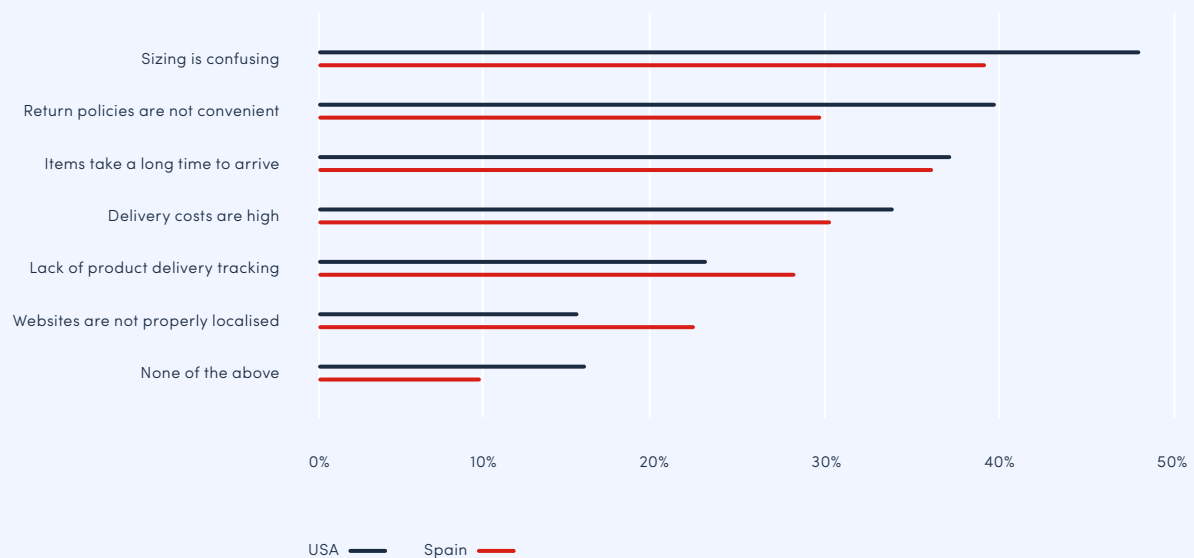
Once confusing sizes have been addressed, the next concern is delivery. Around a third of international fashion shoppers quote lengthy transit times, delivery costs and inconvenient return process as barriers to shopping internationally for apparel.

Return policies are particularly frustrating for Americans. This can be explained away by the fact that the US is one of the most sophisticated e-commerce markets in the world (of course, behind China!) and also quite distanced from fashion hubs in Italy, France and the UK.

These are complex barriers to solve, as they come at a cost for the retailers and threaten the margin on every sale. The key to improving costs and transit times for the customer ultimately comes down to enhancing the operation.

Interestingly, tracking and notifications are almost as big a barrier as the costs and transit times of delivery and returns. As many as 28% of the respondents surveyed quoted "lack of tracking and / or notifications" as a main barrier to purchase.

Which of the below do you find to be frustrating when buying apparel internationally online?



Reduce returns by solving sizing.

An interview with Fit Analytics.



Alejandro Sáez, Global Head of Marketing at **Fit Analytics** tells us how their intuitive sizing solution reduces returns for retailers by solving the sizing issue for customers.

Your motto is “Solve sizing”. Tell us more about the problem you are trying to solve and how it currently affects fashion retailers and their customers.

Returns are expensive to retailers and frustrating to customers. When a customer receives an item that is the wrong size, they simply send it back.

To solve this returns problem, we developed **Fit Finder**, an intuitive size advisor that delivers accurate size recommendations for apparel and footwear shoppers. It is used by more than 100 million shoppers per year and trusted by retailers such as ASOS, The North Face, Vans, Tommy Hilfiger and Zara.

On average, Fit Finder reduces returns for shops by 4.4%. However, for some shops the impact on returns is much higher. Results from a 6 month A/B test with Footlocker EU showed that shoppers using our Fit Finder product had a 13.55% reduction in return rate as compared to shoppers using a static size chart.

We know that “wrong size” is the most popular reason to return an item. Are size assistants more effective at avoiding this issue than traditional methods such as size converters? How?

Traditional methods such as size charts, meant to help customers determine the right garment size, are static and require a lot of extra work. Size charts work by mapping body measurements to apparel sizes. Most shoppers don't know their measurements, and it's totally impractical to ask shoppers to step away from the computer and measure themselves. This is not only frustrating, but hurts conversions by interrupting the

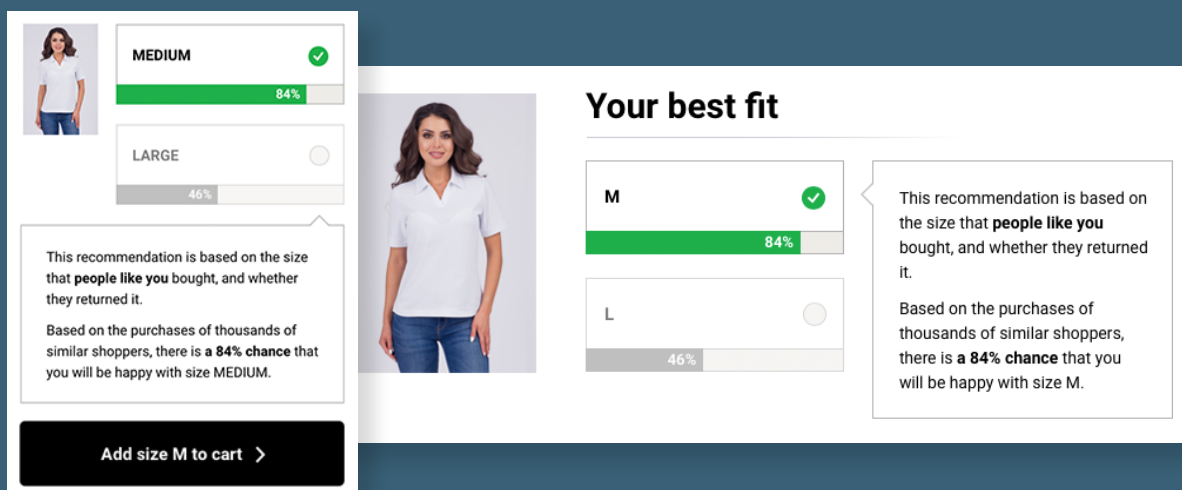
shopping journey. In addition, size charts are usually category specific, do not take variations between products into consideration, and do not transfer between brands. For consumers shopping with global retailers, varying international measurement systems makes it even more confusing when choosing the right size.

Algorithms take care of all that and do the work for the shopper. Sizing solutions like Fit Finder are fully integrated into the e-commerce experience. The tool uses machine learning to aggregate a bunch of different item specific data to match shoppers with the perfect garments for them – regardless of their region. By answering a few questions within the online shop, the customer gets an accurate, item-specific sizing recommendation and they can complete the purchase with confidence, reducing the possibility of returns in the process.

Some customers are very knowledgeable and even passionate about their fit. Do retailers carrying your technology encounter resistance from shoppers “who know their size”?

Not really. Customers who are sure of their size and fit preferences going into a shop will automatically select the size they intend to buy. But even for shoppers familiar with their size, shopping online is a different experience than shopping in stores.

It's harder to get a sense of how a garment will fit by looking at product images. Fit Finder is a voluntary process, so shoppers can choose to engage with the size advisor. Even shoppers who generally know their size benefit from using a sizing solution.



A consumer engaging with a brand new to them won't necessarily know the right size to buy. This especially applies to shoppers buying from international shops.

Fit and sizing varies from brand to brand. A consumer engaging with a brand new to them won't necessarily know the right size to buy. This especially applies to shoppers buying from international shops.

Your method is based on predictive analytics, how much data does a retailer need before they can make a size assistant work for them?

A retailer can get started with minimal data. Our basic requirements are a product feed and the production size charts. After we have this information, our machine learning algorithms start refining the size recommendations with every purchase made and the retailers see results within a short timeframe.

Are size assistants more useful for some product categories than others? What would you say are the items of clothing that suffer the highest return rates?

According to our data, denim, slim-fit pants, dresses, and high-heels have higher returns than other product categories. However, all categories and garment types benefit from an associated sizing solution.

Another important fact to note is that return rates vary between countries. There are some regions of the world where returns are much higher than others. For example, Germany leads the world with

the highest return rate, while countries such as Japan and Mexico have overall relatively low return rates.

So, what's on the horizon for Fit Analytics? Do you have ambitions to tackle any other problems in fashion e-commerce?

The volume of data we have can be applied to more areas than just size recommendations and we have already developed products to use our data to address different areas for fashion e-commerce companies. Over the last year, we have launched two new products: Fit Connect and Fit Intelligence.

Fit Intelligence provides additional insights into market and industry trends, including out-of-stock, size and fit consistency, and shopper preferences and demographics. This information can highlight lost revenue opportunities and alert brands to areas for sizing optimisation such as identifying missing sizes or fit inconsistencies.

Fit Connect enables retailers and brands to personalise their Product Listing around size, fit, and availability. The goal with Fit Connect is to move the sizing and style intelligence earlier in the customer journey: rather than the experience ending in a recommendation for a size that might be out of stock, the shopping journey is instead personalised from the outset around products that are relevant to the shopper, available in their size and sure to fit.

FIT ANALYTICS

Delivery matters. A lot.

Product delivery for the fashion e-commerce industry is the single most important factor of the customer post-purchase experience.

8 out of 10 shoppers will investigate the cost of delivery before purchase, and even more significantly, **7 in 10** have abandoned a check-out because of the website's delivery proposition.

PREFERENCES



SHOP IN:

United Kingdom



Free Delivery over £35

Free Returns

Next Day Delivery available

Students Get 10% off 24/7



CURRENCY: £ GBP

UPDATE PREFERENCES

Retailers need to consider what are the best ways to convey this information through the whole customer journey. Clearly, pages with thorough information about delivery and returns are essential, and best practice is to allow navigation to those from both the homepage and relevant steps in the booking process.

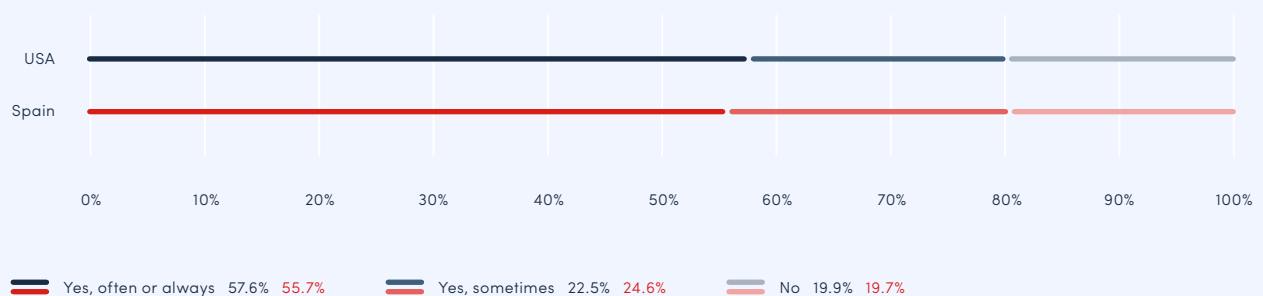
Another great touchpoint to communicate your international delivery proposition is the preference setting buttons. As an example, the retailer ASOS provides information regarding delivery options and payment methods on the "change locale" dialog box, a great case of providing the right information in the right place.

The delivery policies from international companies change so much from one company to another that one of the first things I will always do is check how deliveries work, but also returns. And how much it might all cost.

Louise, 31, US

Asos preferences

When shopping for apparel internationally, do you investigate the cost of delivery before checking out?



Free delivery? It's complicated!

For a long time now, research has indicated that only free delivery will do and that customers will not purchase from a company that doesn't offer free standard delivery.

But in the context of international fashion, things might be a little more complicated than that.

When a customer buys an item of clothing from an international site, it's likely to be a well considered purchase with a strong emotional connection to the brand. On top of that, customers feel it is a lot fairer to pay for delivery costs when an item comes from another country.

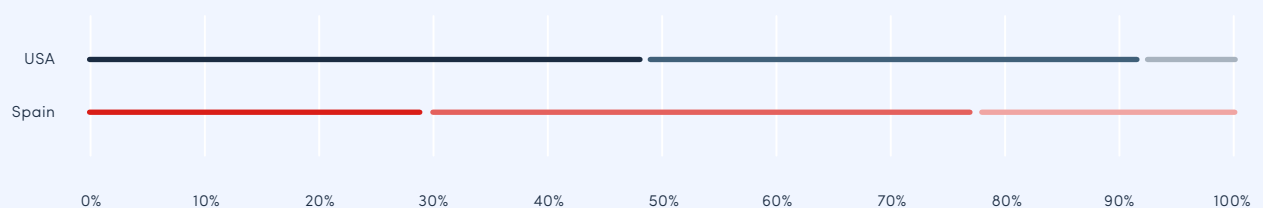
Interestingly, this has been one of the most divisive questions in our survey.

As many as 48% of American international fashion shoppers wouldn't buy from a company that doesn't offer free standard shipping, whilst only 29% of Spaniards feel the same way.

"Really liking the product" is the main reason for shoppers to look the other way when confronted with delivery costs. 43% of Americans and 48% of Spaniards claim they'd be happy to pay for delivery costs for a product they really like.

This means that the issue of delivery costs will have different effects at different market levels, and even on a brand by brand basis.

Would you purchase apparel from an international company that doesn't offer free delivery?



■ Yes, I expect to pay international delivery 48.6% 29.1%
 ■ Yes, but only if I really like the product 43.4% 48.4%
 ■ No 8.0% 22.5%

The issue of delivery costs is further complicated by the fact that it's not enough to understand the relationship between delivery costs and conversion. There is also a strong relationship between delivery costs and basket sizes.

A further 22% of Spaniards expect to pay for international deliveries and think nothing of it, a figure that goes down to 8% for Americans.

Again, the cultural differences can be explained away by the differences in market sophistication. Free delivery is ubiquitous in the US but is not as common in Europe.

Free delivery may reduce the risk of abandoned shopping carts and incomplete sales, particularly if the order is small and impulsive. Conversely, charging for delivery may result in increased numbers of abandoned carts, but the remaining orders may have greater value. This is further complicated by the type of product, the location of the retailer and of course the demographics and behaviours of customers. We encourage active testing to find the perfect balance between selling to more people and selling more items to fewer people.



If I am on an international site it's probably because it is a site I have bought from in the past, because I really like this brand or because I consider this item to be something a bit more exclusive. For all those reasons, I don't place the same emphasis on delivery costs as it's more of a one-off, special purchase I can't make in Spain

Alberto, 38, Spain

Meet the shopper.

Raquel, 37, Madrid.



Raquel is a 39-year-old Spanish woman, living between Madrid and Vigo. We caught up with her for an interview follow-up after the survey.

Raquel, are you shopping much for apparel these days?

Well, I am. As with everybody else, what I have been buying has changed a little bit, but I am still buying bags, bikinis and comfy clothes, to give a few examples.

What about the method of shopping, has that changed this year?

Yes, absolutely. I used to be really old-fashioned in the sense that I would prefer to buy in-store than online. However, now I feel that the whole experience of shopping in-store is one of fear; everyone around you feels quite uneasy, not fun!

I used to find shopping in store really easy actually, compared to online where getting the right size can be a pain, and returns can be quite hard to do. I am now learning how things work online. I even bought something on Instagram!

paying for returns is actually more painful because when you pay for delivery you're paying for what you want, whereas when you pay for returns you pay for what you don't want

How would you say shopping online changes from shopping in-store?

It's interesting. I feel like online I am more drawn to detail. How much things cost, how deliveries and returns work. It feels more like work! I think I am making more rational choices, not sure that's a good or a bad thing.

So what do you think about delivery costs? Do you check for them before putting items in the cart? Would you not consider a site that charges for delivery?

I do check about everything: how much to deliver and importantly how (and how much) to return. Every brand sizes items differently so a good return experience is really important. I think Zara does a really good job with it, which means you shop on impulse more.

The thing is, I understand that if a company puts an item in the door of my house, I will need to pay for that a little bit. After all, I am saving time and money from driving to the store. I think more and more we are getting used to that. Perhaps paying for returns is actually more painful because when you pay for delivery you're paying for what you want, whereas when you pay for returns you pay for what you don't want.

I can wait... a little bit.

Whilst much has also been written about the need for speed when it comes to delivering a product to customers, our survey has found international fashion shoppers to be a lot more reasonable.

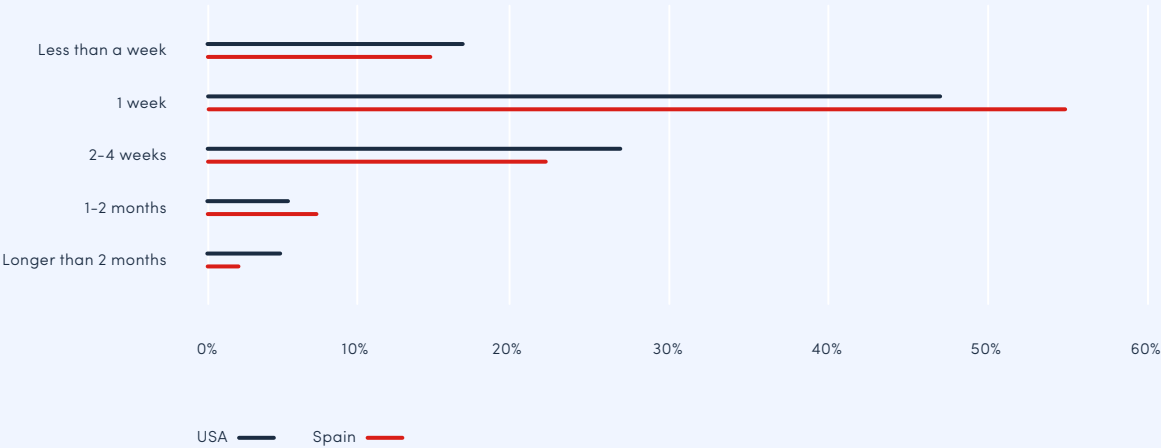
Only 16% (US) and 14% (ES) of those surveyed would be willing to wait less than a week for an item that comes internationally, with a majority willing to wait anything from one to four weeks. A further 9% would be willing to wait over than 4 weeks, which again shows that international purchases can harbour a little more patience.



Oh, it really depends. If I am buying a bunch of T-shirts for everyday wearing I am happy to wait, but if I am buying a pair of new trainers, I will probably be quite aware of when they're arriving and when I might wear them for the first time

Sofia, 27, Spain

How long are you willing to wait on average for an item of clothing shipped from another country?



Just keep me posted.



Product tracking and notifications are really crucial to give confidence to customers before they purchase. And unlike delivery costs and transit times, companies can have a lot more leverage to build a good tracking and notification experience for customers.

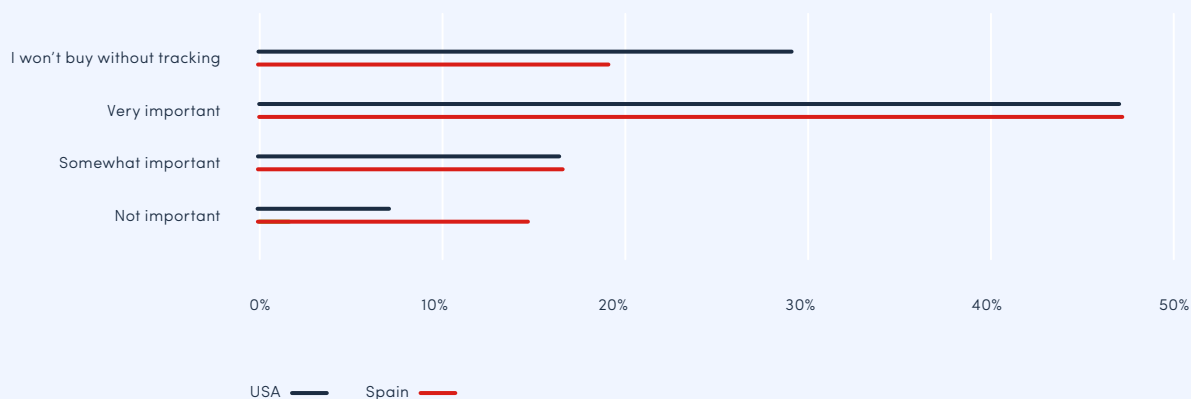
Nearly one in five Spanish shoppers (19%) would not order if they couldn't track their shipment, a further 47% consider tracking to be important, while only 15% don't consider tracking to be important. For Americans, as many as 3 out of 10 won't continue to purchase if they know tracking is not possible.

Amazon was one of the first companies to offer real-time order tracking. And as the biggest fashion retailer in the US⁶, it has increased customer expectations around product delivery and tracking.

To be honest, I am too busy to keep track of when I made a purchase and when the item should have arrived. Not always, but usually. So for me, what's important is to have received emails and be given a tracking number. So if I wonder, I can quickly check where it is. And, for the tracking number to work and the information to be clear which is not always the case!

Jennifer, 31, US

When you buy apparel, how important is the ability to track your shipment and receive notifications in your choice of international retailer?



....and the best delivery experiences are from....

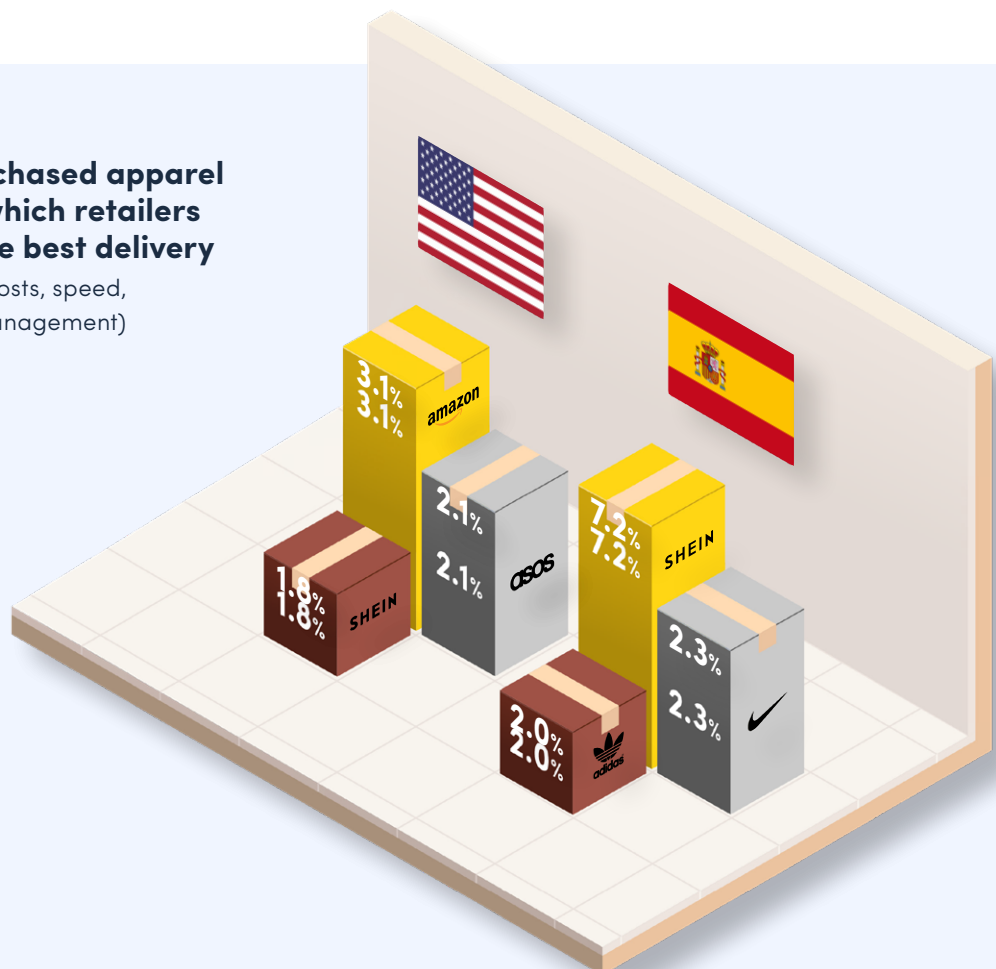
Not all delivery experiences are created equal, and customers are becoming really aware of the best companies to purchase apparel from.

It is interesting, even if perhaps not surprising to see Amazon topping the list in the US. Whilst the fashion industry remains divided on how to work (if at all) with Amazon, the fact remains not only that Amazon is the sales leader in the apparel category, but also that they are seen as the best delivery proposition to shop internationally.

Closely following for the American audience we have ASOS, which we already highlighted as best-in-class delivery experience all-round. Shein takes the top three in the US.

In Spain, Shein again comes on top for delivery experience by a long stretch, followed by NIKE and adidas. For retailers operating at those market levels, closely studying what it is from these companies that delight customers can give plenty of inspiration to improve the delivery proposition.

When you've purchased apparel internationally, which retailers have provided the best delivery service? (consider costs, speed, tracking and return management)



The worldwide delivery solution for e-commerce. Simplified.

ETrak provides e-commerce retailers with a cost-effective, tracked delivery solution that ships parcels worldwide, via access to a global network of postal and commercial carriers in over 220 countries.

The joint venture between The Parcel Monkey Group and leading industry experts The Delivery Group (TDG), is changing the face of e-commerce logistics, keeping costs and delivery times to a minimum.

Supplying retailers with a multi-carrier integrated solution, ETrak provides clear visibility from dispatch to delivery, offering tracked delivery on all e-commerce shipments; a fundamental feature for customers when shopping online. Harmonised tracking is included as standard with ETrak, making complicated and confusing scans for customers a thing of the past.

The ETrak **bespoke delivery management system** provided to retailers, known as the ETrak Portal, enables them to track and manage all aspects of their international shipments, and can be tailored to meet any specific business requirements. With seamless integration to all shopping carts, retailers can produce shipping labels in seconds with the portal's API integration and CSV upload functionality.

Ready to take cross-border e-commerce delivery to the next level? We would love to talk to you:

chris@etrak.io | 023 8064 2850



Methodology notes

All statistics provided, unless otherwise noted, have been sourced from a survey of American and Spanish residents. The survey engaged 2,708 residents from Spain and 2,747 residents from the USA aged between 18-54, demographically representative of both countries based on age, gender and location. Survey responses were collected during the period from Dec 10 – 30, 2020. The overall sample provides data for each country with a maximum margin of error of $\pm 1.9\%$ for a 50% sample at the 95% confidence interval.

From this larger sample, respondents who had purchased apparel online were asked questions relating to their purchasing and decision making. The number of Spanish respondents in this sample was 402, providing data with a maximum margin of error of $\pm 4.9\%$, while the American sample was 500, providing data with a maximum margin of error of 4.4%.