

Protect Your Growth Strategy

2023 CONSUMER & MERCHANT BENCHMARK REPORT

Inflation is on everyone's mind, from consumers to business owners. But despite the economic headwinds, ecommerce is continually on the rise. The key is learning how to position your business to meet the trends and adapt to the changes.

66% of consumers will change their buying behaviors in 2023

Based on survey data we collected from 9,000+ consumers and merchants around the world, we've compiled three keys to success for ecommerce business growth in 2023.

3 Keys To Protecting Your Growth Strategy:

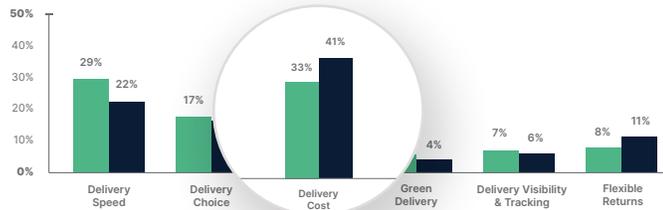
1. Reduce Your Shipping Costs
2. Improve Your Delivery Experience
3. Streamline and Expand Operations

Year over year, shipping costs are the #1 concern.

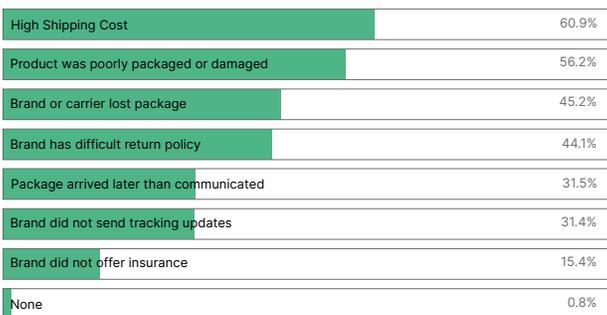
41% of consumers said delivery cost is the most important factor, up 8% from last year.

Thinking about when you're shopping for retail products online, what's most important to you?

2022 2023



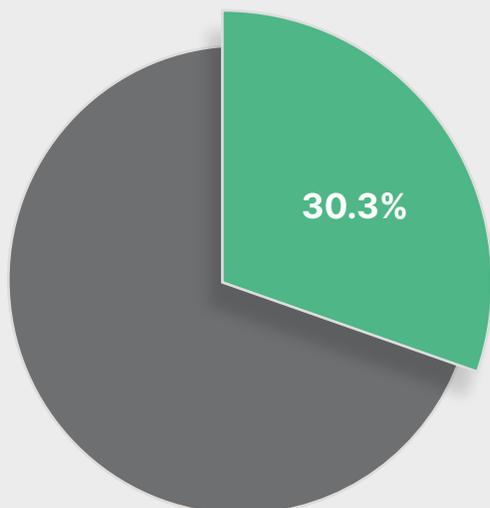
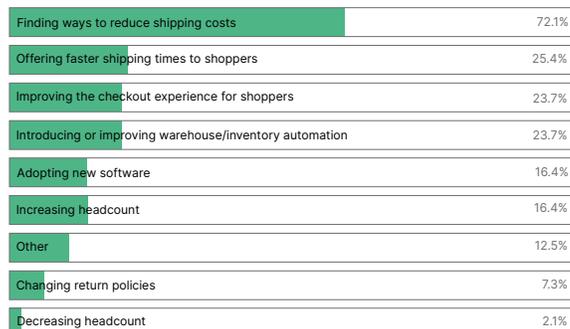
Which of the following would you make less likely to shop with a brand in the future? Select all that apply.



60.9% of consumers said “high shipping costs” would make them less likely to shop with a brand.

72% of merchants say they're also looking to reduce their shipping costs this year.

What are you considering to help your ecommerce business grow this year? Select all that apply:



Last fall, **30.3% of consumers** said cost of delivery is the #1 consideration when shopping online.**

**ShipStation Holiday Shopping Trends Report 2022

Good delivery experiences mean repeat business

How often do consumers prefer to receive status updates regarding their delivery?

Every day	42.9%
Only with substantial updates (such as shipped, in transit, out for delivery, delivered)	37%
Only upon delivery	10.6%
Only upon shipment	7.8%
Never	1.6%

Based on the data, you may want to consider:



Shipping Insurance

45% said they would be less likely to shop with a brand if their package got lost in transit.



Sustainable Options

66% of consumers would consider green delivery options (2023), up from 63% (2022).

Did you know: 49% of consumers would consider longer delivery times to reduce emissions.



Better Packaging

56% said they'd be less likely to shop if the product was poorly packaged or damaged.

Meet Your Customers Where They Shop

Did you know: We spend an average of 2.45 hours a day on social media?*

Which of these platforms do merchants intend to use to sell products in the next 12 months?

Facebook 	49.8%
Instagram 	39.5%
TikTok 	21.3%
Pinterest 	18.6%
None	33.8%
N/A	6.1%

Consumers' Great Expectations



Timing

62.4% expect online orders to be delivered in 2-4 days after purchase across age groups.



Method

23% say they expect to shop online more to save on rising costs.



Shopping Small

7 in 10 are willing to pay slightly more for a product in order to support a small business.

*Statista Aug 2022

Prepare for returns earlier than ever before

ShipStation data shows that returns are happening, in some cases, weeks earlier than in previous years.

53%

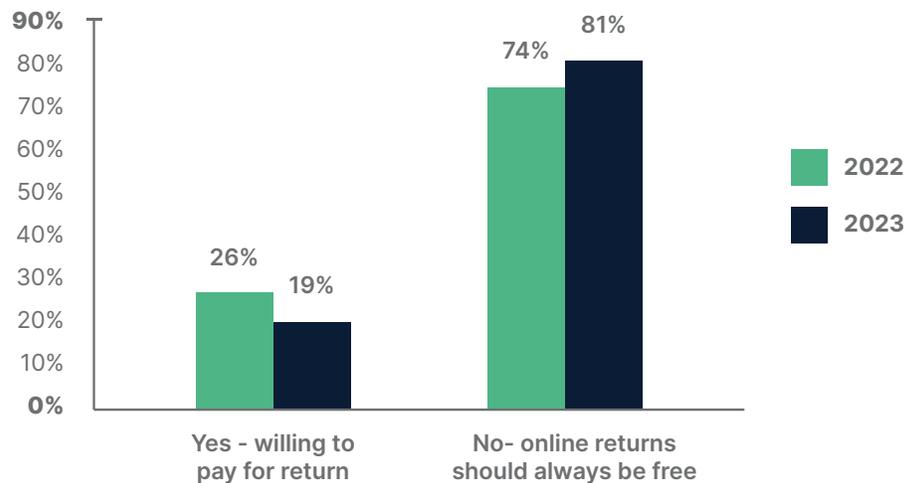
of holiday returns were made from Dec. 1 - Dec. 24

Most Popular Days for Returns

November 28, 2022
December 5, 2022
January 3, 2023

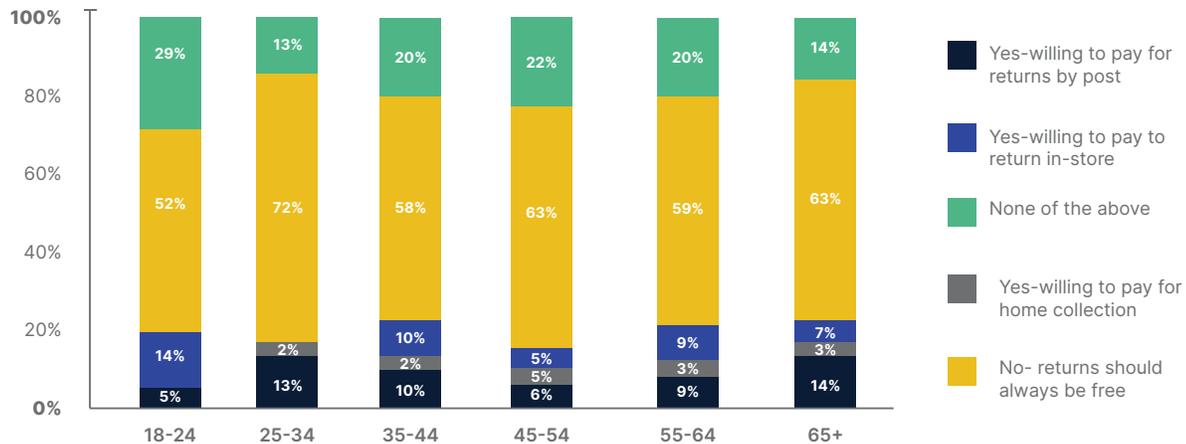
2021 Season: Dec 13, 2021
2020 Season: Jan 4, 2021

We asked consumers:
Are you willing to pay for returns on products ordered online?



Returns should be convenient & free

Gen Z shoppers are more willing to pay for returns. However, the majority still expect them to be free.



How consumers want returns

The #1 preferred method of returning an order is to receive a **pre-printed return label in the original box** for them to drop-off with a carrier.

66% of merchants do not currently offer free returns.

81% of consumers say they want returns to be free.

44% of consumers say they're less likely to shop with a brand if the returns process is difficult.

Shipping automations are your key to savings

30% of merchants plan to introduce warehouse automations in 2023.

We asked merchants: What's the primary goal for introducing warehouse automation?

Working faster	44.8%
Reducing errors	22.4%
Solving specific problems in our workflow	20.7%
Lowering headcount	8.6%
Other	3.4%



REAL FOR REAL
By Shannon Storms Beador

Real Housewife of Orange County, Shannon Storms Beador, uses ShipStation's automation rules to save time and money on shipping.

Results:

- Increased processing speed **5x**
- Increased average order size **3x**
- Reduced errors by **85%**



"Now that I have the right team around me, which includes ShipStation, I am able to focus my time on other things."

- Shannon Storms Beador
CEO, Real for Real



Ready to protect your growth?

Ecommerce Readiness Checklist

- Secure the best shipping discounts
- Sell on multiple channels
- Insure relevant shipments
- Offer a clear returns policy
- Automate fulfillment
- Learn more at

About This Research

ShipStation worked with Retail Economics to conduct this survey in January 2023. This report includes answers from a sample of nationally representative consumers, as well as data from an independently run survey of ShipStation's US-based merchants.

Who We Surveyed



1,000 consumers, 300 ShipStation merchants



8,000+ households