

Voxware Research Reveals Significant Increase in Consumer Expectations for Online Retailers This Holiday Season

35.4% of consumers will abandon shopping with a retailer after receiving 1 incorrect item

HAMILTON, NJ – December 7, 2016 – Voxware, a leading provider of cloud based solutions for distribution operations, today released consumer survey data demonstrating heightened expectations to which online retailers will be held during the 2016 holiday shopping season. In the third biennial survey of its kind, more than five hundred consumers were surveyed about their holiday shopping plans, expectations for delivery of items that they purchase online or by phone during the holiday season, and the impact that late or incorrect deliveries have on their future shopping decisions.

As compared to the results of past surveys, in 2016 shoppers have significantly increased their expectations for the accuracy and speed with which retailers deliver holiday purchases. Smaller and specialized retailers are not excluded from these increased standards with 67% of respondents expecting a similar or better experience as compared to what larger retailers provide.

Significant findings of the Voxware Survey of Holiday Shoppers 2016 include:

Consumer Expectations for Accuracy and Speed at the Holidays Have Increased Since 2014

- 84% of consumers stated that expectations are higher than they were two years ago.
- 78% stated that their expectations for on-time and accurate delivery are higher during the holiday season than during other times of the year.
- 25% of respondents expect holiday gifts purchased online or by phone to be delivered within two days even if they have not requested expedited shipping, in 2014 only 8% of respondents had this expectation.

“Although few US retailers promise delivery within two days of an order being placed, there is clearly an increased expectation for speed and accuracy,” observed Keith Phillips, President and CEO of Voxware. “Call it the ‘Amazon Prime Effect’ if you like, but understand that new standards have been set and retailers need to meet or exceed them or risk being passed over by consumers.”

The Negative Impact that Errors or Delays Have on Retailers is Higher than Ever

- 27% of online or catalog shoppers will altogether abandon shopping with a retailer that makes even one error in product delivery. 63% will abandon shopping with a retailer altogether that makes 2 to 3 errors in product delivery.
- 19% of online or catalog shoppers will abandon shopping with a retailer altogether that delivers a holiday purchase later than promised even one time. 60% will abandon a retailer if they deliver later than promised 2-3 times.
- 35.4% will abandon shopping with a retailer altogether after receiving 1 incorrect item (up from 16.5% in 2014) 3 incorrect items or less will cost a retailer 91.8% of their customers (up from 68.4% in 2014)
- In 2014, only 35% of respondents reported being less likely or much less likely to make future purchases from a retailer that failed to deliver holiday purchases within two days

of the promised delivery date. In 2016 those same reactions were selected by 45% of respondents.

- 27% of respondents expect to be offered some type of compensation (i.e., discount, coupon, credit, etc.) from retailers that send them an incorrect item. 9% expect to be offered compensation if items are delivered late
- 46% of respondents said that they were likely or very likely to publicly share their negative experiences online with an additional 29% reporting they were somewhat likely to do the same.

Small and Specialized Retailers Must Perform as Well if not Better than Larger Retailers

- 21% of consumers surveyed expect an even higher level of service from small and specialized retailers than provided by their larger counterparts.
- 46% of respondents expect them to deliver service that is equal to that of their large competitors.

“This survey shows that consumer expectations are at their highest level during the holiday season with expediency, accuracy, and traceability driving online retail shopping trends. Retailers are facing tremendous pressure to get orders right and get them delivered faster than ever before,” said Phillips. “With 77% of shoppers intending to have more gifts delivered to themselves this season compared to last year, the stakes are too high for fulfillment failures.”

About Voxware

Voxware helps organizations with teams who are on the move to more effectively receive, act on, and communicate information critical to their work. Our hands-free voice solutions enable employees to safely and accurately speed through tasks, thereby boosting operational productivity and improving customer experiences. What’s more, Voxware easily adapts to changes in technology and processes, enabling organizations to quickly address shifting demands without disruptions to the operation. Our innovative approach to voice communication has proven to help our customers increase profitability by cutting costs and enhancing brand loyalty. For more information, please visit www.voxware.com.

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