

# Delivery Anxiety

## The Conversion Rate Killer?

Streamline online purchases with definitive estimated delivery dates



Online retailers and brands have made significant investments solving for product anxiety. Examples include innovative tools like AI and AR-powered virtual stylists, size guides and digital wardrobes to help their customers have the confidence to buy without physically seeing, trying on, or touching the products they are considering. But few retailers have cracked the code for solving delivery anxiety that's just as important to consumers: when will my product arrive and will it arrive in the timeline expected?

To better understand how presenting a definitive delivery date estimate during the online buying journey impacts consumer online purchase behavior, Maergo partnered with Fenix Commerce and Swytchback to conduct a research study of online shoppers in the United States. This report looks at the tactics that online retailers currently use to communicate when an order will be delivered, and examines the delta between the status quo and consumer expectations for delivery date transparency.

## The Free Shipping Guessing Game

Most ecommerce retailers do a good job communicating that they offer free shipping and what the spend qualification threshold is. But consumers are often left guessing how free shipping impacts order delivery. Unfortunately, far too many online retailers are guilty of providing zero information on the product detail page, cart or checkout about how long free / standard shipping will take. Here's an example:

**ADD TO BAG**

**PRODUCT DETAILS** ▼

**ABOUT THE BRAND** ▼

**SHIPPING & RETURNS** ▲

Returns are accepted on this product within 30 days of receipt. Item must be returned unused, with tags, in its original packaging, along with a completed return form. [View complete return details »](#)

No information on the PDP page on how long shipping takes

**Your Bag**

**YOUVE QUALIFIED FOR FREE SHIPPING! (US ONLY)**

Promo code (one per order) **APPLY**

Subtotal \$290.00  
Standard Ground FREE

**TOTAL \$290.00**

**CHECKOUT**

The cart highlights that the customer has qualified for free shipping, yet no information is given on how long shipping will take

**SHIPPING METHOD**

<input checked="" type="radio"/> STANDARD GROUND	FREE
<input type="radio"/> 2ND DAY AIR	US \$15.00
<input type="radio"/> UPS NEXT DAY AIR	US \$25.00

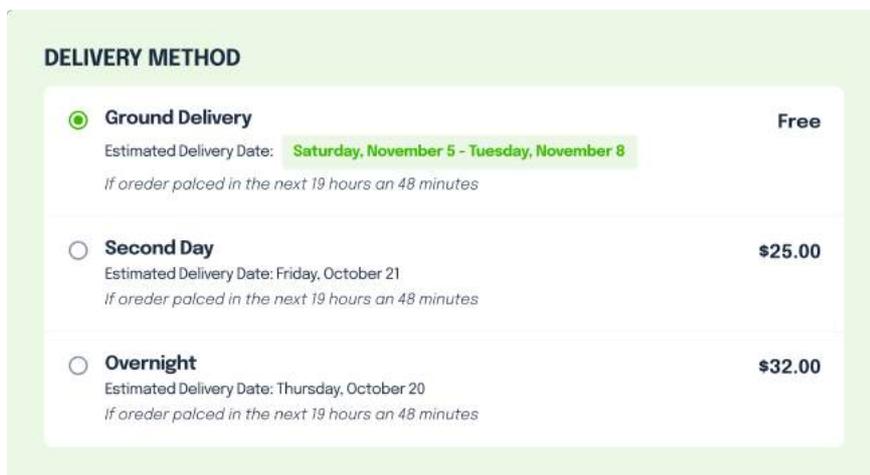
No information is provided in this checkout on how long standard shipping takes. Shipping times for expedited options are vaguely communicated, only because the time is part of the service level name provided by UPS

In this example from a major retailer, no information about how long shipping will take is provided at any point in the buying journey - not on the product page, in the cart, during checkout or even the shipping policy customer support page. The consumer is left completely in the dark - they simply have no idea when their order will arrive - they can only place the order and hope for the best.

As part of our research, we reviewed the sites of the top 100 U.S. fashion and apparel online retailers to find out how and where they're communicating definitive vs.estimated vs. no delivery dates to their consumers:

	PDP Page	Shopping Cart	Checkout
No delivery date information	87%	66%	0%
Business days range only	34%	28%	55%
Estimated Delivery Date (Expedited options only)	4%	2%	37%
Estimated Delivery Date (All options, including standard)	4%	4%	8%

We found that most retailers are providing limited to-no information to consumers who are not selecting expedited options. This means that by the time they hit checkout, 92% of consumers who shop at these retailers still have to play the guessing game - like in the example below with Levi's (who provide an estimated delivery date for their expediated options, but provide only a date window for standard delivery). Lack of a definitive delivery estimate creates uncertainty for the consumer which leads to avoidable cart abandonment.



## Consumers Don't Understand or Trust Delivery Window Estimates

Through the eyes of the consumer, delivery window estimates are highly ambiguous and add little or no value. Why?

- 1 **There is no industry standardization for when the delivery clock starts.** When we asked consumers what they expect a delivery time window to mean, we found that 50% of consumers thought it meant from buy button to doorstep, while the remaining 50% thought it meant from when the order actually ships.



No wonder consumers are confused. Retailers who are communicating in some fashion do a really poor job of explaining if the quoted delivery time window is the total time from buy button to doorstep, or from the point when the order ships to doorstep (i.e. ignoring processing time).

Great news: We offer free shipping within the continental U.S.  
 – automatically applied during checkout. Please note: order processing may take up to 2 days. After it ships, your order will be delivered via your selected delivery method.

SHIPPING	CARRIER	COST	ESTIMATED DELIVERY
Standard	UPS, FedEx or USPS	Free	Arrives 5 – 7 business days

In the example shipping policy above, the retailer clearly explains that processing “may” take up to 2 days. But then the estimated delivery of “5-7 business days” is ambiguous. Is this timeframe inclusive or exclusive of the quoted processing time?

A far better example is Men's Warehouse (below) that clearly calls out the estimated delivery date includes both warehouse processing + shipping:

<input checked="" type="radio"/> <b>STANDARD</b> - FRI, OCT 28	FREE
<input type="radio"/> <b>EXPRESS</b> - TUE, OCT 25	\$16
<input type="radio"/> <b>RUSH</b> - MON, OCT 24	\$24

"GET IT BY" delivery dates include approximate shipping time, plus the 1-2 days it takes to process your order (add an additional day if your order is placed on a weekend or holiday). Your order may arrive in multiple packages and/or be sent by a

- 2 Consumers don't understand business days, nor should they.** Almost all shipping window estimates are quoted in "business days", yet consumers don't really understand what this means beyond a high-level Mon-Fri assumption. With more carriers, as well as Amazon offering weekend deliveries, has Saturday become a "business day" for delivery? When a retailer quotes a "5-8 business day" delivery window, the consumer is left to do the math on their own and make assumptions that are likely wrong. A consumer ordering on a Friday may ask themselves the following questions in an attempt to manually determine when their order might arrive:

“

"Is today, day 0 or day 1" ?

"Does anything happen over the weekend?"

"Will my order leave the warehouse today or on Monday?"

"Does 5-8 business days mean from now, or when it actually ships?"

"Is the public holiday next Friday a business day"

"Am I 5 or 8 days or somewhere in between, how do I know?"

"Will the carrier deliver on a Saturday or Sunday"?

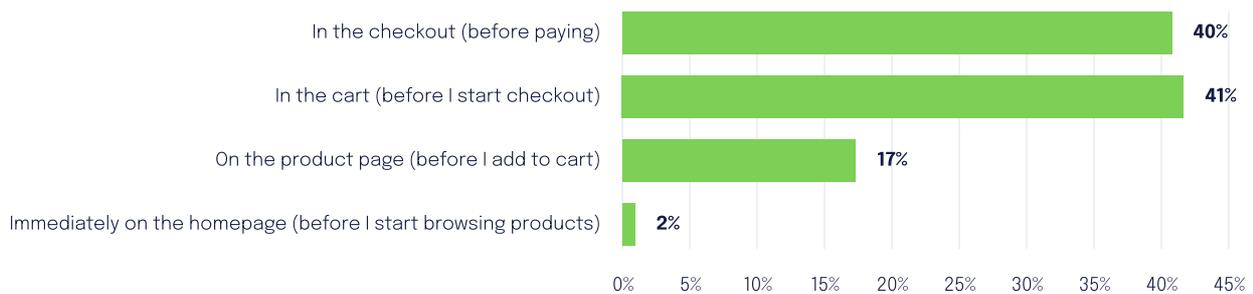
”

With some much unknown, the consumer might come to a worst case conclusion that their order won't arrive until 2 weeks after they purchase - which can easily lead them to abandon their cart and leave the site to see if they can get the product quicker somewhere else.

## Consumers Want Delivery Transparency Before They Add to Cart

Although adoption of date definitive delivery estimates is increasing among leading online retailers, most only provide this feature during the shipping option selection in the final stages of the checkout. However, our research found that 60% of consumers expect this transparency earlier in the shopping journey, with 40% expecting to know exactly when their order will arrive while in the cart (before they start their checkout) and 17% expecting this information on the product detail page before they add to cart.

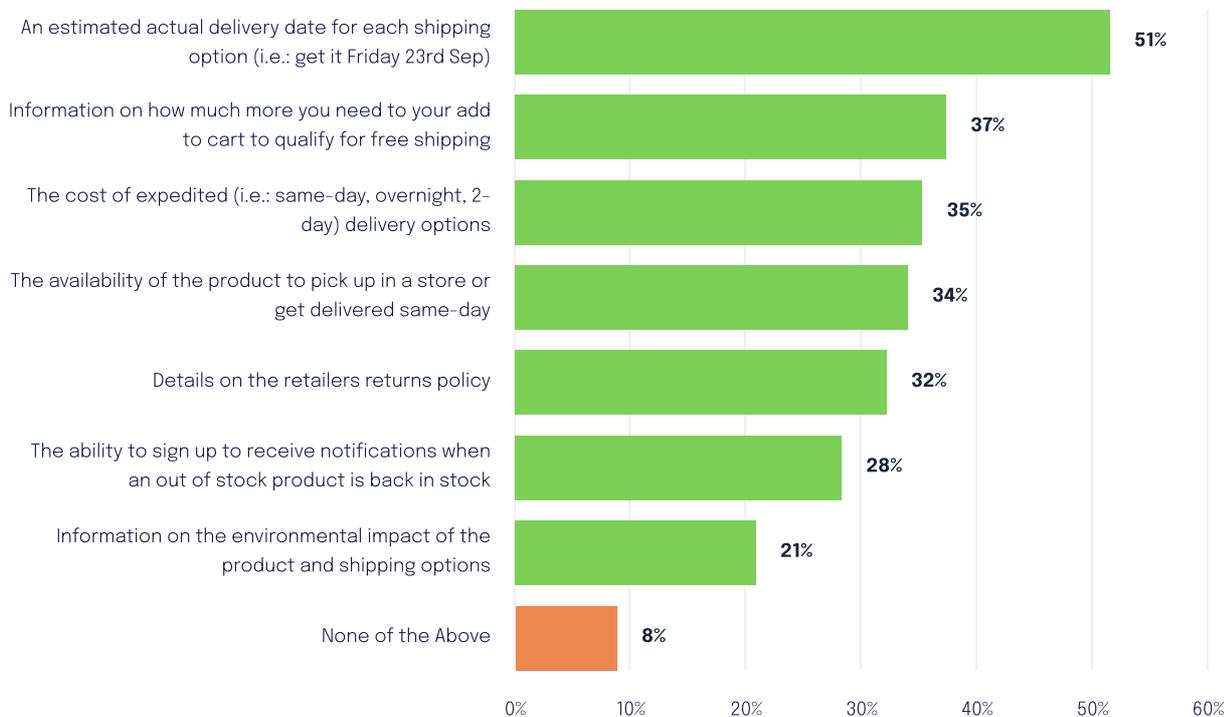
**When shopping online, where on the website is it important for you to first learn how long standard shipping will take?**



## Delivery Date Transparency Is Critical to Building Purchase Intent

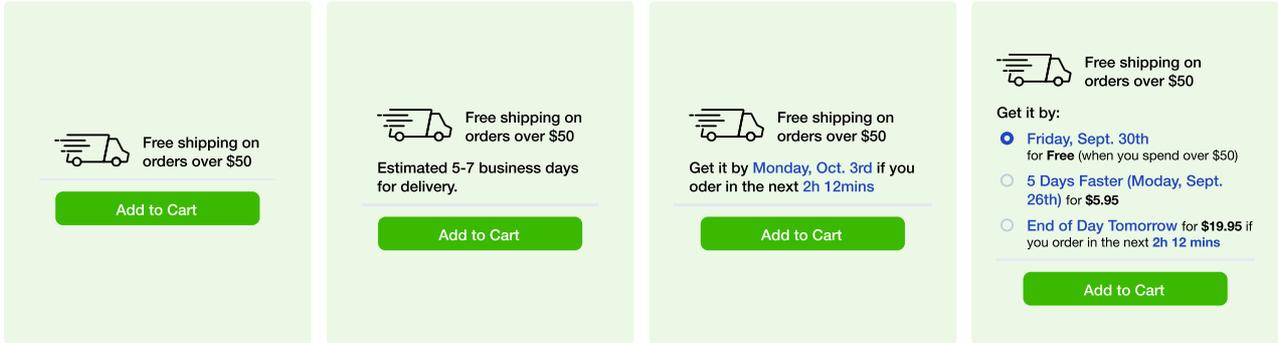
Our research found that 89% of consumers cited that it's important for a retailer to provide an exact delivery date estimate vs. A delivery window (i.e.: 4-7 business days) and when asked to consider the relative importance of seven different inventory, shipping and return promise features, 51% ranked an actual delivery date estimate as the most important feature to be presented on the product detail page before they add to cart.

### Which of the following features on the product detail page are the most important to you?



We also asked consumers which of the following four alternative levels of shipping policy transparency on the product detail page would make them most likely to proceed with their purchase.

Of the 4 delivery options you see below, which would make you most likely to proceed with your purchase?



15%

19%

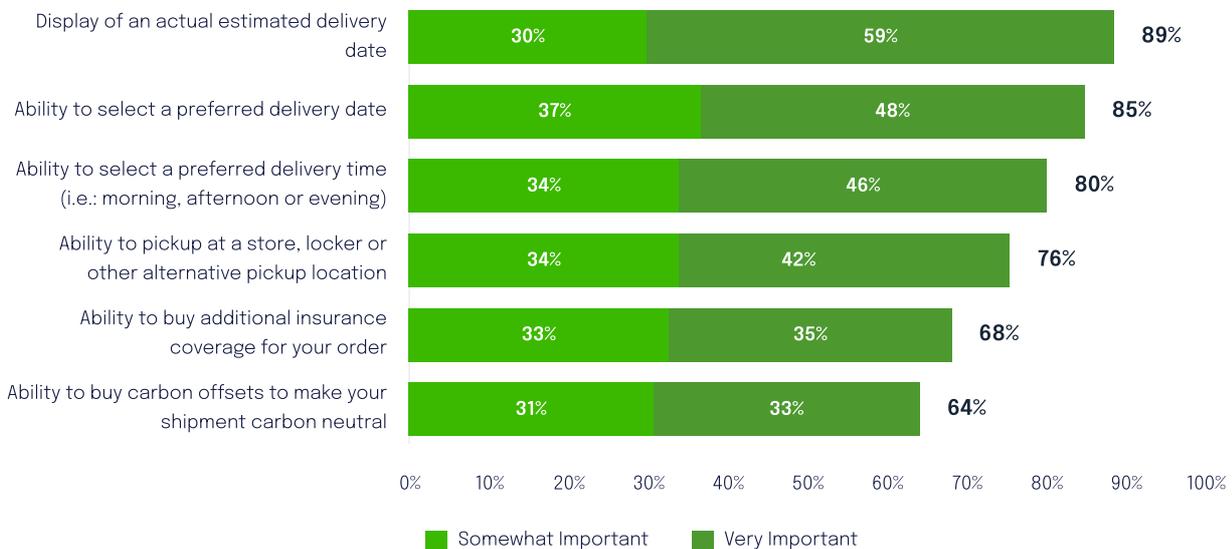
24%

42%

64% of consumers would be more likely to proceed with their purchase when presented with an estimated delivery date while 65% of those were even more likely to purchase when presented with estimated delivery dates and costs for all the available shipping options, not just the delivery date for standard / free shipping. Showing all the available options is critical for consumers that have a more urgent need for the product – it also allows them to determine the value (in days) of paying to upgrade to a faster delivery option.

Consumers have become habituated (because Amazon does it) to expect the retailer to provide an actual estimated delivery date before they add the product to cart, with 59% of consumers citing this as a very important feature and a further 30% citing the feature as somewhat important.

How important are the following shipment options to your decision to place the order?



Base: 1,410 US adults who purchase physical products online for delivery to their home at least once per month

## Delivery Date FOMO Drives Conversion Immediacy

Retailers have long used low inventory warnings (e.g. only 2 left) to drive add-to-cart urgency, but fear of missing a shipping deadline is also a key tactic for driving purchase immediacy. Amazon has long used the “buy in the next x hours and y minutes, to get it by z” widget on the PDP page to drive add-to-cart urgency.

**Delivery Monday, October  
24. Order within 42 mins**

Our study found that 86% of consumers cited that having a delivery deadline countdown timer on the product detail page was very or somewhat important to their purchase decision.



## Conclusion & Recommendations

### Get definitive - make a delivery promise that will delight and convert your customers

Consumers don't want to play delivery roulette when shopping online. They are used to receiving an exact delivery estimate when they shop on Amazon, and these expectations now extend to everywhere they shop online. Adding date definitive estimates into your online experience is almost certain to drive a material increase in conversion rate. So how should retailers approach enabling this highly effective feature?

- **Get past the “what if we miss the estimate” fear.** Many retailers we speak to cite they are afraid to provide date definitive shopping estimates - because if they miss the date, they will see a costly uptick in “where’s my order” support requests. “Better to set low expectations and over deliver” is commonly the answer we hear from transportation and customer support teams. The problem with this approach is that it’s not a consumer centric strategy; customers **want** to know exactly when they should expect their order to arrive. The date is only an estimate. Yes, inevitably some deliveries will be late, but that’s okay - as long as you proactively communicate via email or sms notifications of any delays before the consumer realizes their shipment is actually late. The uplift in conversion rate will easily outweigh any increase in customer support costs. We have found that most shoppers are prepared to forgive a slight delay in delivery as long as they have been updated proactively. One strategy that retailers can deploy to convert this potential negative experience into a positive one is by proactively offering future store credits or coupons in case of a delivery delay.
- **Test how estimated delivery dates impact conversions.** Use A/B testing to compare how providing a definitive estimated delivery date impacts your customers purchase decision. Start at the checkout (easy as you already have the shipping address at this point), work back to the cart and then the product detail page (where you will have to ask for a zip code or GEO location for non-registered / 1st time visitors). Measure how providing a date definitive delivery estimate at each phase of the buyer journey impacts conversion and thus top line revenue.
- **Reconsider when and how you do your carrier selection.** Retailers that rate shop their service levels across multiple carriers to get the best price for a given package weight, SLA and delivery zip code almost always do this at the point when the shipping label is generated (hours or days after the order has been placed). Why? Because that’s the way it’s always been done, it’s the way most common WMS and multi-carrier shipping integration platforms were designed, and because retailers shipping inventory from multiple fulfillment nodes usually don’t determine which node

will fulfill the order until after the order has been placed (a function of how most OMS systems were designed). Moving some of these decisions forward in the consumer buying journey is critical so that at least tentative decisions on where and how an order will be fulfilled can be made in real time as the shopper is on the PDP page. It will also likely require the shopper to provide their GEO location or zip code on the PDP page if they want to see a date definitive shipping estimate before they are in the checkout.

- **Evaluate off the shelf date definitive estimate platforms.** Building a date definitive delivery tool in-house can be an expensive and time-consuming project, requiring ongoing support and maintenance making total cost of ownership quite high. Instead, start by evaluating vendors that provide date definitive solutions that pre-integrate with your existing carriers to understand and accurately predict (based on historical data) when a shipment is likely to arrive at any given zip code and pre-integrate with your ecommerce platform to allow you to quickly on-board and start testing.

## About Maergo



Maergo is a first-of-its-kind parcel delivery platform, purpose-built for branded direct-to-consumer delivery using modern technology and advanced data capabilities. The result is a national service disrupting incumbent carriers and empowering the largest and fastest growing brands to increase sales and customer satisfaction. Learn more at [www.maergo.com](http://www.maergo.com).

## About Fenix Commerce



Fenix Commerce helps retailers deliver better, every step of the way. We believe the number one growth driver for brands is a better customer experience. To help brands deliver a better customer experience we have built an eCommerce delivery operations system that allows merchants to deliver a superior pre & post-purchase shipping experience. Increasing customer satisfaction and turning shipping from a cost-center to a profit-center all while helping brands see up to 40% increase in conversion, up to 51% incremental shipping revenue, as well as an 8% reduction in shipping costs, and virtually eliminating WISMO contacts.

## Methodology

In September 2022, Maergo in collaboration with Fenix Commerce and Swytchback a leading mobile-first insights platform specializing in creating immersive survey experiences undertook a consumer research panel survey of 1,410 US adults who purchase physical products online for delivery to their home at least once per month to gain insights into the importance of shipping delivery date estimates when deciding to make a purchase online.

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