



# Empowering mCommerce and eCommerce Customers with Faster Product Acquisition

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By Richard Slawsky | Contributing writer

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The retail business is changing and becoming more complex. Retailers today are facing changes in what consumers demand, the way they behave and above all, the technology they use.

One of the biggest challenges retailers face today is the ever-growing popularity of online shopping. Pew Research reports that nearly 80 percent of consumers now shop online and 62 percent of them are making online purchases every week.

Still, consumers have a desire for instant gratification, and that desire is having an impact not only on the last-mile delivery cost to retailer, but also what they demand from the online shopping experience. Whether consumers order from their mobile phone, tablet or laptop, consumers expect to have their merchandise as quickly as possible. This customer-led demand is driving retailers to transform their business and offer one cohesive shipping environment across any channel and the capability to deliver merchandise immediately.

According to San Francisco-based shipping and fulfillment software provider Temando, 80 percent of shoppers want same-day delivery. And Menlo Park, California-based same-day delivery service Deliv found that 25 percent of online shoppers will abandon an online shopping cart if same-day delivery service isn't available.

And a recent survey by HRC Retail Advisory found that 62 percent of respondents listed the ability to buy a product online and pick it up in the store as important.

Clearly, the traditional model of “order online, wait for a week or more to receive your merchandise” is changing in favor of one where shoppers expect to receive their merchandise within a few hours.

What’s emerging is a model that combines the convenience of mCommerce and eCommerce with the near-instant gratification of buying an item in store. The stumbling blocks of the so-called “last mile” are being overcome via a model where customers order a product online and pick it up in-store.

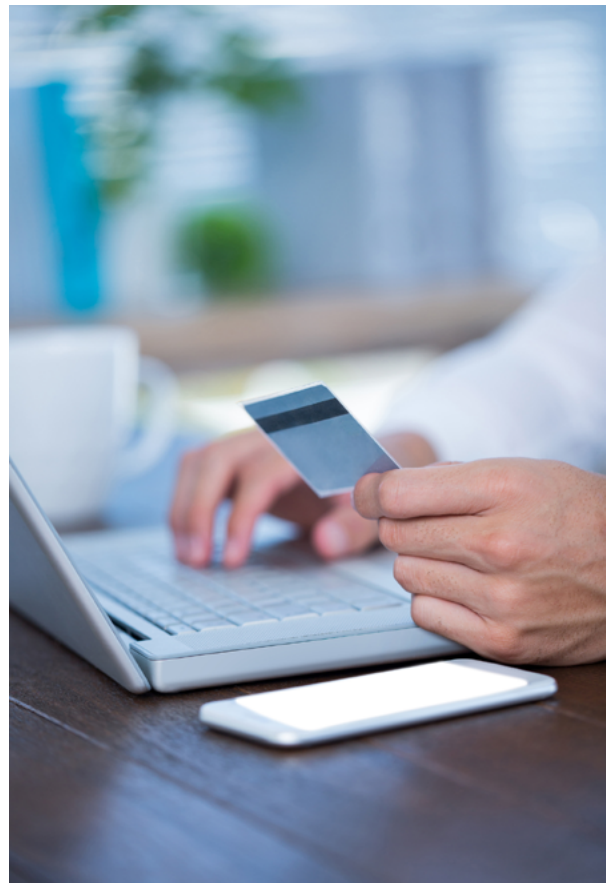
But how that process is implemented can be the difference between success and failure.

### **A new way to shop**

Consumers want the goods they order online to be available immediately, and they want the convenience and security of picking-up their online orders in store. The process of “Buy Online, Pick Up in Store” is growing in popularity.

According to a 2017 consumer survey by Scottsdale, Arizona-based JDA Software Group, 50 percent of consumers reported utilizing BOPIS within the previous 12 months, while a 2018 study by Lincolnshire, Illinois-based tracking technology provider Zebra Technologies found that 86 percent of retailers are planning to implement a BOPIS option for their customers in the next year.

Invesp, a consulting firm that specializes in conversion rate optimization and digital transformation strategies, says 57 percent of buyers it surveyed have picked up an online order in the past year. Of those, 73 percent said they bought online and picked up in person to save on shipping.



And a recent study by Retail TouchPoints found that 66 percent of shoppers chose the BOPIS option in the past six months. The main reasons are avoidance of shipping fees (86 percent of shoppers, up from 79 percent in 2017); flexible pick-up times (85 percent, up from 78 percent); the ability to touch and try merchandise (77 percent, up from 68 percent); and



saving time at the store (76 percent, up from 71 percent). Additionally, 86 percent of retailers are planning to implement a BOPIS option within the next year.

But while the demand for BOPIS is apparent, it's not without its challenges. Key to the success of BOPIS is a convenient pickup process. If a consumer has to walk to the back of the store and wait in line at the layaway counter to pick up their order, they might as well skip the process of ordering online.

That's where BOPIL™ comes in to play. BOPIL, or Buy Online, Pickup In Locker, addresses many of the issues surrounding BOPIS, offering customers the convenience of online shopping while at the same time allowing them to pick up their purchases quickly and easily.

### **Simplifying the shopping experience**

The leading provider of BOPIL solutions is Parcel Pending, based in Irvine, Calif. Parcel Pending's BOPIL package management solutions help retailers improve their staff efficiencies while at the same time elevating the customer experience and satisfaction via quick package pickup. In addition, BOPIL reduces shipping costs at a time when retailers are seeing a dramatic rise in shipping.

The BOPIL process is relatively straightforward. Once an online retail order is fulfilled - be it groceries, clothing, electronics, cosmetics or millions of other products - the items are placed into one of the Parcel Pending lockers located at the retail store.



Customers are then instantly notified by text or email and provided with a unique numerical code that they can type or scan at the locker kiosk. They can then quickly and easily pick up their order at their convenience by going to the retail store and simply entering their personal code into the locker.

The value of BOPIL is magnified when combined with BORIS (Buy Online, Return In Store), where shoppers can return an item they purchased online to a physical store. A recent study by e-commerce news site DigitalCommerce360 found that about 83 percent of shoppers prefer to return items to physical stores, regardless of whether they purchased the item online or in-store.

Although the prime function of Parcel Pending's BOPIL solution is to get purchases into the hands of customers as quickly as possible, it offers a number of benefits to retailers as well. Customers who visit a retail store to pick up their purchase are more likely to make additional purchases while in the store, boosting the store's bottom line.

A 2018 study by Toronto-based order management solution provider OrderDynamics, for example, found that 37 percent of all online shoppers made additional purchases they were not planning on when they came to pick up their item in store. Those who use BOPIS at least twice in the past 12 months spent an average of \$40 more on additional unplanned purchases when visiting a store to pick up their online purchase.

And offering the option of in-store pickup improves the customer experience, helping to build the brand loyalty that keeps shoppers coming back.

## **Beyond the store**

Although the BOPIL solution developed by Parcel Pending is the perfect complement to a retailer's BOPIS offering, the applications don't stop there.

We've all seen the news reports of package thieves snagging purchases from front porches. Lockers located in apartment complexes, shopping malls or other gathering places can enhance security while helping to keep shipping costs low. Parcel Pending offers lockers for both indoor and outdoor environments.

And many workers are opting to have their online orders delivered straight to their office or workplace, with companies embracing the trend and allowing their employees to do so. Still, those companies lack the time and space needed to oversee the rise in employee deliveries. A locker system is the answer to those concerns.

And large corporate campuses or medical facilities often have the need to pass sensitive documents or patient records between workers and/or building. Leaving a package unattended on an employee's desk or in an open mailbox can lead to the unintended dissemination of confidential corporate information or patient records, exposing a company to revenue losses or even regulatory fines.

Parcel Pending's commercial lockers log, retrieve and distribute packages quickly and effectively without the involvement of staff, increasing efficiency, enhancing security and improving employee morale. And that's just good for business.

## Benefits of BOPIL

**Revvig up revenue.** By bringing a customer into the store and delivering a convenient and quick experience, customers are more likely to impulsively purchase additional items. In fact, 61 percent of shoppers and 75 percent of millennials who come into the store to collect their online order make an unplanned purchase. Moreover, with BOPIL, stale merchandise is back on store floors faster improving the potential for sales. You can also drive additional in-store purchases by rewarding customers to utilize BOPIS via product coupons or samples in the lockers.

**Driving in-store traffic.** More foot traffic equates to more opportunities to market to and encourage customers to buy something. Kohl's is just one example of a retailer that has experienced a boost in foot traffic thanks to electronic parcel lockers. In fact, the retailer had a 12 percent increase in foot traffic after installing return centers.

**Elevating the customer experience.** BOPIL locker solutions enhance the customer experience by making it quick, easy and convenient for customers to retrieve their online orders/goods. As a premium customer experience, BOPIL can help retailers build their brand loyalty.

**Improving staff efficiencies.** BOPIL locker solutions boost retail staff efficiencies by providing fewer distractions and streamlining inventory audits, allowing retail staff to focus more on in-store customers and brand engagement.

**Reducing fulfillment costs.** BOPIL locker solutions provide fast order fulfillment via a chain of custody and accountability. Retail lockers like those offered by Parcel Pending provide a fast and easy way for retailers to pull an inventory audit report allowing staff to quickly identify existing orders pending customer pickup in the locker. Store management can quickly audit current BOPIS orders in a locker (compared to a bin or storage shelf), and the lockers provide a list of current orders waiting for pickup.

**Boosting marketing opportunities.** Macy's offers their customers a 20 percent in-store discount as a reward for utilizing their electronic parcel lockers. This type of incentive helps to get their customers into Macy's twice – once to pick up the online order and then again to make use of the 20 percent savings coupon. There are countless ways that BOPIL can help retailers market to their customers and providing a 20 percent discount coupon is just one effective example.

*Source: Parcel Pending*

## About the sponsor:

*Parcel Pending designs package management solutions that ensure the simple and secure delivery and retrieval of packages and online orders. We are your partner in engineering solutions for multifamily communities, retailers, corporate campuses, universities, and other properties where package flow is becoming a tsunami. Our innovative BOPIL™ (Buy Online Pick-up in Locker™) solutions for retail improves efficiencies and increases revenue. Call us, and together we'll create the perfect solution for your business.*