



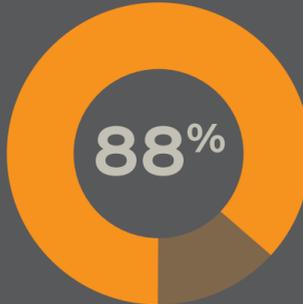
Blending Clicks with Bricks

The state of U.S. retail adoption of Buy Online Pick-up In Store.



Picking up online purchases in-store is a win-win strategy for retailers and shoppers alike. For shoppers, it is an essential convenience. They can retrieve purchases at stores most convenient to them and save shipping costs. For brick-and-mortar retailers, in-store pick-up of online purchases converts single channel customers into profitable omnichannel ones, providing an advantage over pure-play e-tailers.

Our research of buy online pick-up in-store shopping (BOPIS) found that consumers and retailers have widely embraced this trend.



88% of Top 100 retailers allow online purchases to be picked-up in a store

A growing number of retailers (45%) are shipping products to stores to fill BOPIS orders



A Cornerstone of Omnichannel Retail

Retailers that adopt BOPIS are reaping significant benefits

The number of U.S. shoppers using BOPIS to fulfill online orders has increased **30% YoY**



43% Almost **HALF** of U.S. shoppers have used BOPIS at least once in the past year



Omnichannel shoppers are **over 20% more profitable** than single channel shoppers, creating **\$1.21** of profit for every **\$1.00** generated by a single channel shopper



Major retailers have seen as much as a **1/3** boost in purchases as a result of in-store pick-up of online orders

A Better Omnichannel Experience

BOPIS allows retailers to deliver a differentiated experience



Flexible Payment

8 out of 10 retailers allow online payments using multiple & split payment types

7% of retailers (usually apparel & footwear stores) allow items to be RESERVED online and paid for in-store after trying on.



Timely Order Information

94% of retailers send emails to alert customers of order confirmation with instructions for pick-up

75% send "ready to pick-up" and "post pick-up" confirmation emails with return and support instructions



Improved Convenience

78% of retailers allow customers to return BOPIS orders to any store

60% of retailers provide designated pick-up areas & in-store signage for BOPIS

94% of retailers do not charge for return of BOPIS orders

Room to Improve

Despite BOPIS advances, we see a need for improvement



Inventory Visibility

Display near real-time store inventory to online shoppers

Provide filters to refine search results by BOPIS eligibility

25%

18%



Enhance Pick-up Process

Offer option of 24 x 7 customer pick-up

Provide self-help kiosk to assist with customer pick-up

Allow modification of BOPIS order after it is placed

7%

5%

16%



Flexible Checkout

Allow mixed cart order (direct ship & BOPIS)

Provide options / alternatives for out-of-stock items

53%

16%

The Next Horizon

As BOPIS matures and becomes the norm of online/offline integration, what's next for fulfillment?



Several retailers are planning 2014 / 2015 pilots for 24-hour self-service pick-up lockers



Curbside pick-up might erode additional purchase during pick-up but can increase order frequency



Some retailers are already partnering with eBay and Google for same day delivery

Learn more about how Cognizant can help you achieve your Omnichannel goals, contact us at retail@cognizant.com

Source: Primary research conducted by Cognizant Business Consulting's Digital Transformation Practice