Online Shoppers in Brazil and Mexico are Patient, More Mobile and Marketplace-Driven

Online shoppers in Brazil and Mexico continue to be the most patient when it comes to shipping and delivery, use more mobile apps, and turn to marketplaces more than ever. Driving these behavioral shifts is a desire to find better prices and unique products with more choices, control and convenience.

The 2018 UPS Pulse of the Online Shopper™ Global Study, conducted by comScore, provides insight into online shoppers’ behaviors and preferences. We have categorized the results of this year’s study into three areas:

**Constants:** Areas of the retail experience that remain important year over year and influence purchase behavior. These are satisfaction with today’s shopping experience, shipping, and logistics.

**Movers:** Areas where consumers have shown significant growth over the past few years. These are mobile, international shopping and store engagement.

**Emergers:** Newer areas of retail that may play a role in the shopping experience of the future. These include alternate delivery locations, marketplaces, and technologies such as chatbots.

Understanding today’s online shopper in Brazil and Mexico and evolving to meet their new demands is critical for retailer success. By focusing on these key areas, retailers have the opportunity to help shape the future of retail while simultaneously increasing customer satisfaction and sales.
Satisfaction with today's shopping experience, shipping and logistics remain important year over year.
Shopping experience

Online shoppers in Brazil and Mexico are generally satisfied with their online shopping experience, and their satisfaction has grown since 2015. They are most satisfied with shopping on desktops or laptops and least satisfied with shopping in physical stores.

In both countries, searching and purchasing are done via a single channel slightly more than half the time. They make a higher percentage of their purchases via multi-channel shopping methods compared to shoppers in the U.S., Europe and Canada. Retailers should take these shopping considerations into account when developing their channel strategies.

### Constants

<table>
<thead>
<tr>
<th>Desktop or laptop</th>
<th>Tablet</th>
<th>Smartphone</th>
<th>Physical store</th>
</tr>
</thead>
<tbody>
<tr>
<td>88% (up from 81% in 2015)</td>
<td>85%</td>
<td>86%</td>
<td>60%</td>
</tr>
</tbody>
</table>
56% of online shoppers in Brazil and 56% of online shoppers in Mexico prefer weekend delivery because they are typically home to receive the package.

**Shopping and delivery**

Consumers expect quick fulfillment of online orders and speedy delivery. For online shoppers in Brazil and Mexico, they are also keen on being able to choose the day and location of delivery. Online shoppers find shipping options such as same-day delivery and Saturday delivery as important when checking out online.

Same-day delivery has impacted Brazilian and Mexican consumers’ shopping behaviors in a number of ways. They consider expedited delivery a time savings as they do not have to visit a physical store, which gives them the ability to shop more often.
Returns of online purchases usage and preferences

Consumers in Brazil and Mexico continue to prefer to return items to a physical store when the option is available. However, online shoppers in Brazil actually make more returns by shipping the items back to the retailer. Ease of use and free returns shipping are the top reasons. In fact, 91% of online shoppers in Brazil rate free shipping on returns as important when selecting an online retailer.

The majority of shoppers make a new purchase while processing a return regardless of the method. Over eight in ten shoppers in Brazil who return to a physical store made a new purchase, significantly higher than those in the other regions surveyed.

38% of online shoppers in Brazil have made a return in the last year, compared to 22% of those in Mexico.
Movers

Mobile, international shopping, and store engagement have shown significant growth over the past few years.
Mobile

Over the years, shopping on smartphones has grown in Latin America. More smartphone users in Brazil (59%) and Mexico (57%) have made a purchase on a smartphone, up from 40% and 39%, respectively.

Mexico and Brazil online shoppers have the highest rate of smartphone use regionally at 92% and 90%, respectively, compared to Canada (81%) and the U.S. (79%). A significantly higher percentage of smartphone users in Brazil, compared to those in other surveyed regions, indicate they will shop more on smartphones relative to the previous year (58%).

Retailer smartphone apps are also growing in popularity in Brazil and Mexico with over nine in ten smartphone users using them, compared to roughly six in ten mobile device users saying they did so in 2015. Shoppers also prefer retailer apps to websites due to faster speed.
International

Retail has become global as 81% of online shoppers in Brazil and 78% of online shoppers in Mexico have purchased from an international retailer. Among international shoppers in Mexico, 56% expect an expedited international shipping option, and they use it on 31% of their orders. The expectation and use of expedited international shipping among online shoppers in Mexico is significantly higher compared to those in the U.S., Brazil and Canada.

Better pricing internationally, whether directly or via a domestic marketplace, is the top reason those in Brazil and Mexico make international purchases.
Store engagement

The percent of non-grocery purchases made in store has declined in both Mexico and Brazil since 2015. Consumers in Mexico make more than half of their non-grocery purchases in store and 64% indicate they plan to shop the same amount in store relative to the previous year.

However, there is still room for improving the in-store shopping experience with only 60% of consumers in Brazil and 72% of consumers in Mexico being satisfied with the experience.

Ship-to-store usage is common among online shoppers in Brazil and Mexico. Forty four percent of online shoppers in Brazil and 42% of online shoppers in Mexico have used ship-to-store in the past year with the majority of those saying they plan to use it more often next year (67% and 58%, respectively).

Satisfaction with in-store shopping experience

- **Brazil**
  - 60% satisfaction
- **Mexico**
  - 72% satisfaction

**Ship-to-store**

- **Brazil**
  - 44% have shipped to store for pickup
  - 58% plan to use it more often next year
- **Mexico**
  - 42% have shipped to store for pickup
  - 65% plan to use it more often next year
Emersers

Alternate delivery locations, marketplaces, and technologies, such as chatbots, may play a larger role in the shopping experience of the future.
Alternate delivery locations

Consumers are increasingly using alternate delivery locations. On average, online shoppers in Brazil and Mexico would send more than half of their packages to an alternate delivery location. This preference has grown since 2015, increasing for Brazil from 26% in 2015 to 55% in 2018 and for Mexico from 44% in 2015 to 52% in 2018.

Compared to online shoppers in the U.S., Canada and Mexico, online shoppers in Brazil have a significantly higher percentage of their orders delivered to an alternate delivery location.
Top reasons for purchasing at a marketplace instead of a retailer
Among online shoppers in Mexico

- **Better prices**: 63%
- **Free and discounted shipping**: 57%
- **Wider range of categories in a single location**: 38%
- **Speed of delivery**: 44%
- **Total cost of the order including shipping costs and/or taxes**: 46%

Intended marketplace behavior
Among online shoppers in Mexico

- **74%** Purchase more on a marketplace
- **71%** Research more on a marketplace

Emergers

Marketplaces

Shopping on marketplaces is universal. Almost all online shoppers in Mexico have purchased from a marketplace (99%), and more than seven in ten say they are likely to research and purchase more on marketplaces in the next year, which is the highest of all regions surveyed.

Better prices and free or discounted shipping are the top two reasons for choosing to shop at a marketplace.
Retail technologies

Technology is playing a growing role in retail. Most online shoppers in Mexico are comfortable using chatbots for various shopping experiences. They are most comfortable with using chatbots for getting product information and completing steps for processing orders.

Retailers should consider implementing chat functionality throughout the path to purchase in order improve the customer experience.
Key Takeaways

The following insights will help retailers successfully address the dynamic online shopping experience for consumers in Brazil and Mexico and their future shopping demands:

**Deliver a Consistent Experience**

Guarantee parity across all retail channels to provide brand consistency and build customer satisfaction.

**Offer Flexible Delivery Options**

Include in-store pickup, alternate delivery locations, expedited delivery, flexible hours and weekends to meet consumers’ growing preferences for delivery options.

**Elevate the In-Store Experience**

Make sure your physical store remains relevant by providing an inspiring and effective shopping experience.

**Empower the Shopper**

Provide convenient resources for consumers to get details on products through in-store technologies and a robust mobile shopping experience.

**Test the Marketplace Waters**

Consumers in Mexico have the highest percentage of making a purchase on a marketplace. Explore selling on marketplaces after closely evaluating the scope of opportunity for your business.
Methodology

The UPS Pulse of the Online Shopper™ Global Study evaluates consumer shopping habits from pre-purchase to post-delivery. The 2018 study was fielded in Q1, Q2 and Q3 2017 and is based on a comScore survey of more than 18,000 online shoppers worldwide, which includes roughly 2,200 respondents from Latin America (Brazil and Mexico). Respondents made at least two online purchases in a typical three-month period.

Shopping Frequency In a Typical Three-Month Period

- **40%** made 7+ purchases
- **40%** made 4-6 purchases
- **20%** made 2-3 purchases