



Global  
Envelope Alliance



International **Post**  
Corporation

# ADVERTISING & E-COMMERCE SURVEY

Public Report

OCTOBER 2018

© 2018 - ipc.be



**Scope of the research:** The IPC-GEA Advertising and E-commerce Survey took place in three countries - Germany, Japan and the USA - in July 2018.

**Questionnaire topics:** Topics covered by the research include...

- Consumer preferences for advertising from multiple sources, including direct mail and unaddressed mail
- Consumer preferences and experiences related to e-commerce product packaging and sustainability
- Details of most recent online purchase, including details of advertising mail influence on this purchase
- Experiences of receiving advertising mail from e-retailers

**Target group:** Frequent online shoppers, who have bought physical goods online (excluding grocery) at least once in the last three months and receive printed advertising in their letterbox at least once per month. Target group was determined by quotas based on an even gender split across three age ranges.

**Methodology:** Quantitative research using online access panels

**Sample size:** 3067 responses at total level (1014 in Germany, 1053 in Japan, and 1000 in the USA). At national level, based on c.1000 responses, the margin of error is +/-3.2%. At total level, based on 3067 responses, the margin of error is +/-1.8%.





**ADVERTISING MAIL GETS CONSUMER ATTENTION**

78% open their letterbox daily

58% open their advertising mail

52% read their advertising mail

**E-RETAILER DISCOUNT CODES ARE A KEY OPPORTUNITY**

72% look for discount codes before buying online

Mail is the most effective media to redeem a code

**E-RETAILERS REGULARLY USE ADVERTISING MAIL**

57% received e-retailer advertising letter in past year

50% received e-retailer advertising catalogue in past year

**ADVERTISING MAIL LEADS TO 4.4 ADDITIONAL ONLINE PURCHASES PER PERSON PER YEAR**





## PREFERENCE FOR PAPER-BASED PACKAGING

Preference = cardboard  
followed by envelopes

Plastic wrapping is the least  
preferred format

## KEY ROLE OF SUSTAINABILITY

66% are more likely to buy  
from an e-retailer with  
sustainable packaging

56% prepared to pay an  
additional 10c for  
sustainable packaging




**75% IN GERMANY**



**68% IN GERMANY**





Global  
Envelope Alliance  


International **Post**  
Corporation

# ADVERTISING MAIL ACTIONS

Actions taken with advertising mail

Letterbox usage

Physical and digital adblocking

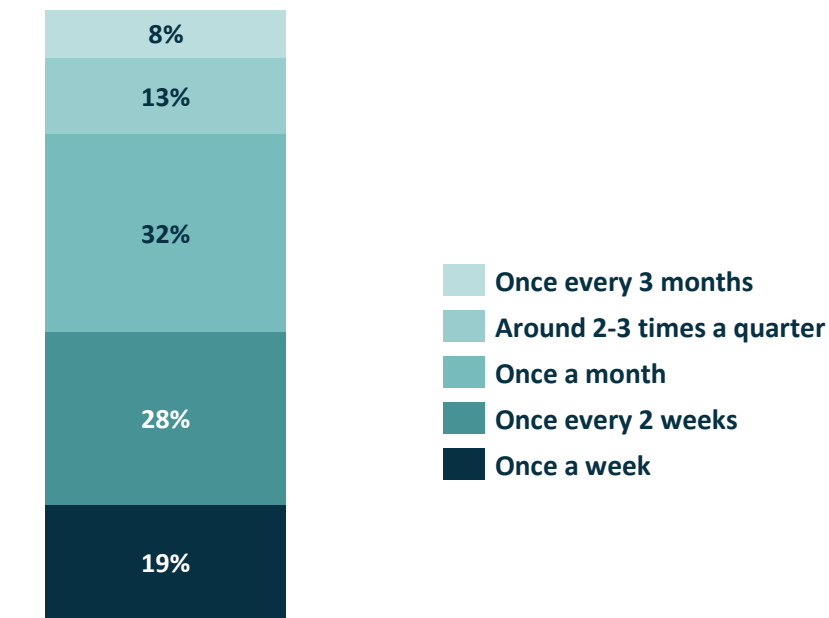


# FREQUENCY OF ONLINE SHOPPING

83% get printed advertising mail at least once a week

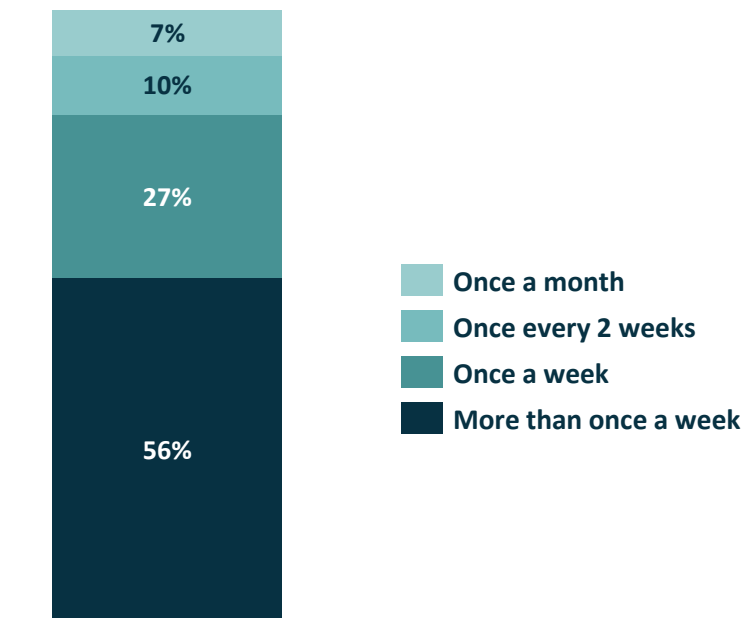
## ONLINE SHOPPING

At overall level, 19% of respondents shopped online on average once a week, 28% once every two weeks, 32% once a month, 13% around 2-3 times per quarter, and 8% had shopped online once in the past 3 months.



## RECEIVING PRINTED ADVERTISING MAIL

In total, 56% of respondents said they received printed advertising (addressed mail as well as brochures, catalogues and flyers) in their letterbox more than once per week. A further 27% said they received it once a week and 17% received it less often.



Question: Over the past 12 months, on average how often have you purchased physical goods online (excluding purchasing groceries)? And over the past 12 months, on average how often have you received print advertising in your letterbox?

Sample: 3067

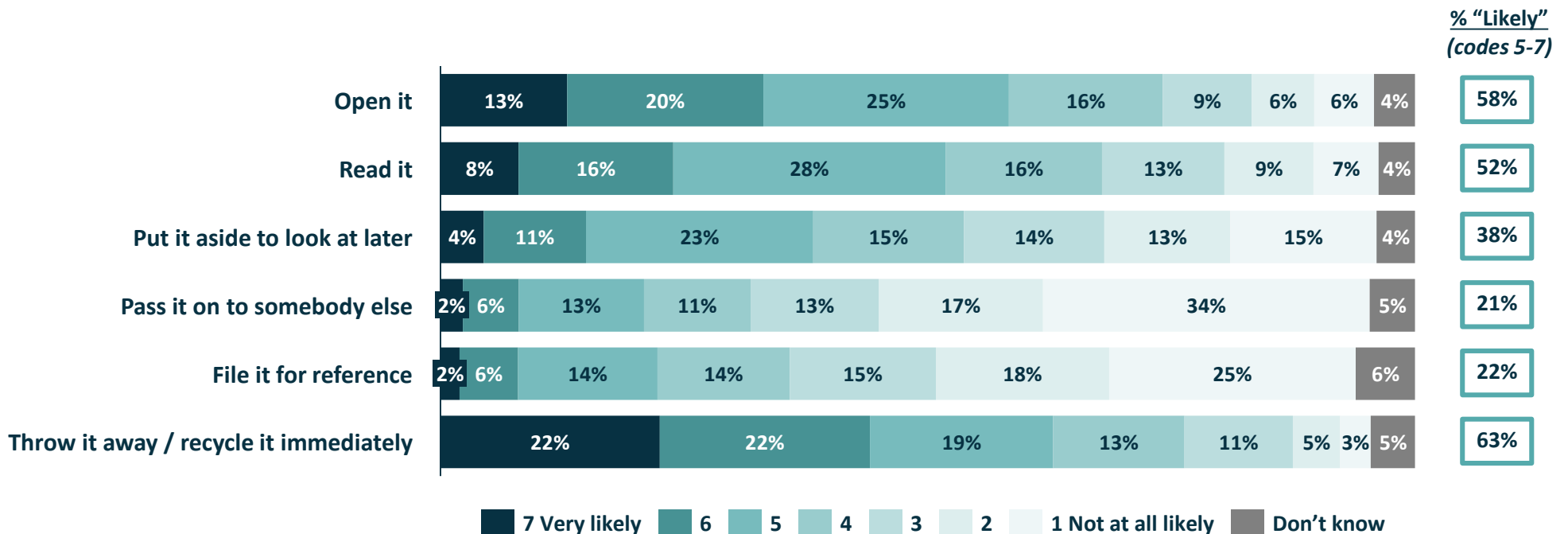




Asked about how likely they were to do each of the following actions in response to the printed advertising mail they receive, 58% said that they were likely to open it and 52% said that they were likely to read it. 38% were likely to put this mail aside to look at later, while less than a quarter would pass this mail onto somebody else or file it for reference. 63% said that they would

immediately dispose of the mail, with 22% of them saying that they were very likely to do this.

There were rather limited country-level differences in response to this question. In all three countries, at least 50% of respondents were likely to open and read advertising mail.



Question: How likely are you to do each of the following in response to the printed advertising mail you receive?

Sample: 3067





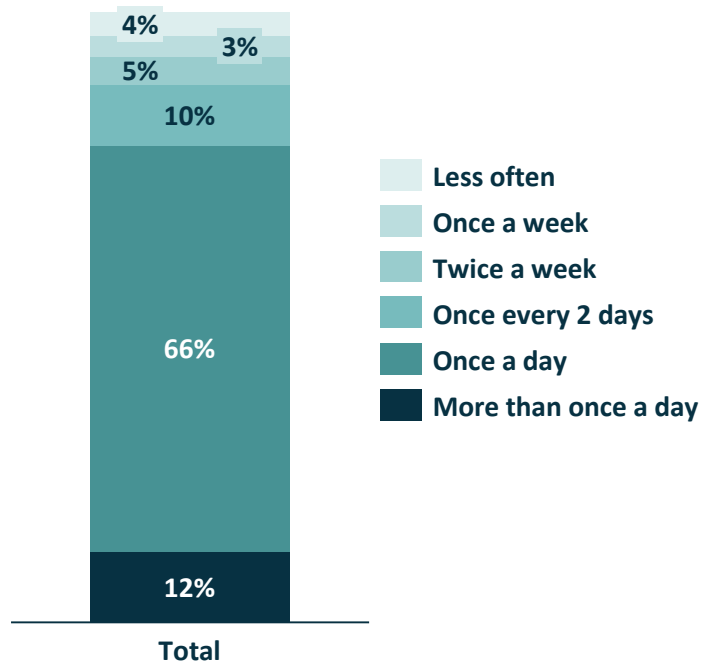
# FREQUENCY OF CHECKING LETTERBOX

83% of Germans check it at least once a day

## FREQUENCY OF CHECKING LETTERBOX

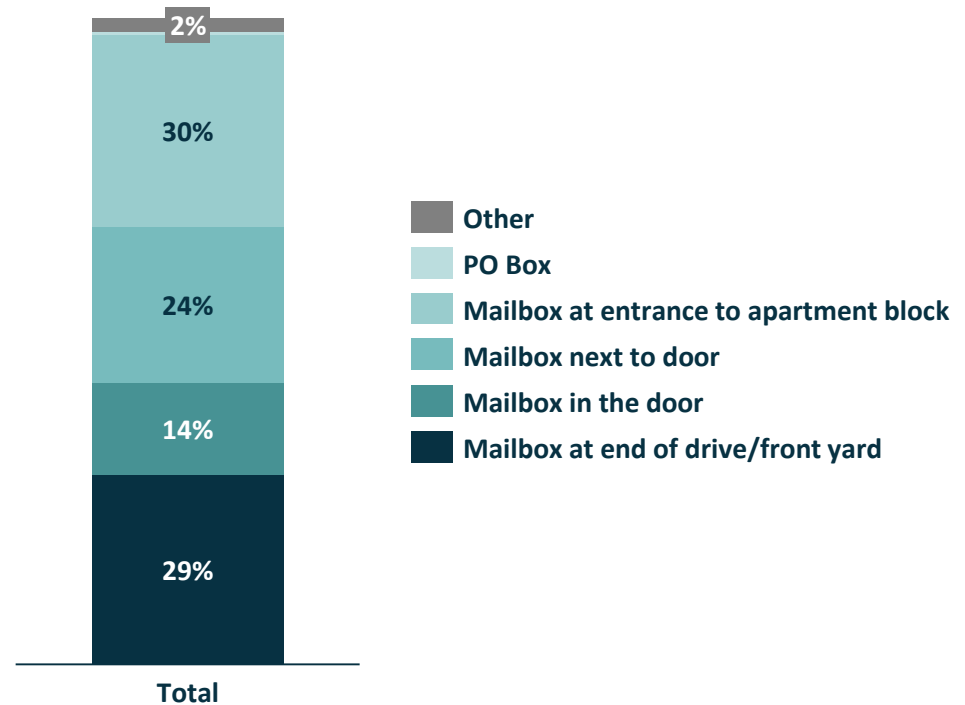
The letterbox is checked at least daily in most households, with the majority checking their letterbox at least once per day (78%).

Out of the three countries, Germans are most likely to check their letterbox regularly (83% at least once a day, compared to 76% in Japan and 75% in the US).



## LETTERBOX LOCATION

There are considerable national differences in letterbox location. 48% are located at the end of a drive/front yard in the US, while this is the case for 26% of respondents in Japan and 14% in Germany. Instead, letterboxes are more likely to be at an entrance to an apartment block in Germany (35%) or Japan (33%).



Question: How often do you check your mailbox / letterbox?

Sample: 3067



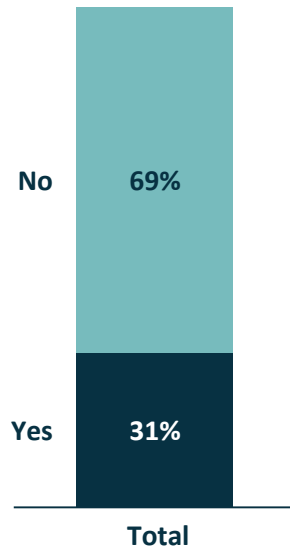




### UNADDRESSED MAIL ADBLOCKING

31% of respondents block all unaddressed mail from their letterbox.

35% of German and 33% of Japanese consumers block unaddressed mail advertising, while 25% do this in the USA. This also shows more openness towards advertising mail in the US than in the other countries.



### ADBLOCKING APPROACH

Those consumers who currently block unaddressed mail were asked which method they used to do this. At overall level, 61% had a sticker on their letterbox, while 38% had signed up to a “do not mail” list.

There were considerable national differences. A sticker was most popular in Germany (80%) and least commonly used in the US (37%). On the other hand, US respondents were most likely to sign up to a “do not mail” list (62%).

	Germany	Japan	USA	Total
<b>Sticker on the letterbox</b>	80%	57%	37%	61%
<b>Signed up to a “do not mail” list</b>	19%	41%	62%	38%
<b>Other</b>	1%	2%	1%	1%

Question: Do you currently use a digital ad blocker (such as AdBlock) to prevent seeing adverts from e-retailers and other advertisers when you are online?; Do you block all advertising mail without a recipient’s name on it?

Sample: 3067

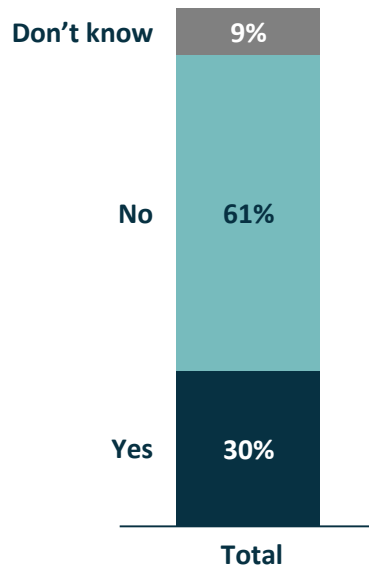




### DIGITAL ADBLOCKING

When asked if they used a digital adblocker to prevent online adverts, 30% of respondents said that this was the case, 61% said no and 9% were unsure.

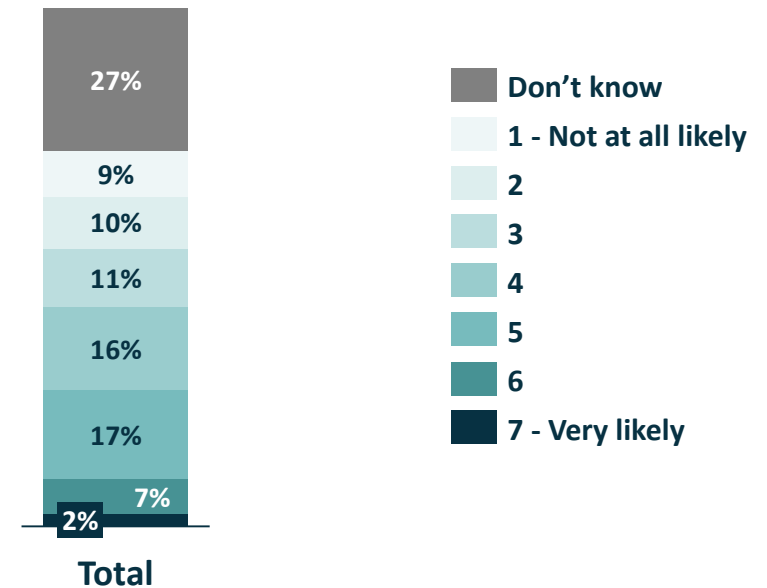
Digital adblocking is high in Germany and the US (38% and 31%) while it is at a lower level in Japan (21%).



### DIGITAL ADBLOCKING LIKELIHOOD

Of those who said they were not using a digital adblocker currently, 26% were likely to install one in the next year (answer codes 5-7).

A significant proportion – 27% - were unsure whether they would install such an adblocker in the next year. Also, some technology companies (e.g. Apple, Amazon) are exploring options to introduce adblocking as standard.




Question: Do you currently use a digital ad blocker (such as Adblock) to prevent seeing adverts from e-retailers and other advertisers when you are online?;

Sample: 3067





Global  
Envelope Alliance  


International **Post**  
Corporation

# PRINTED ADVERTISING FROM E-RETAILERS

Advertising preferences

Received printed advertising from e-retailers



# ADVERTISING PREFERENCES

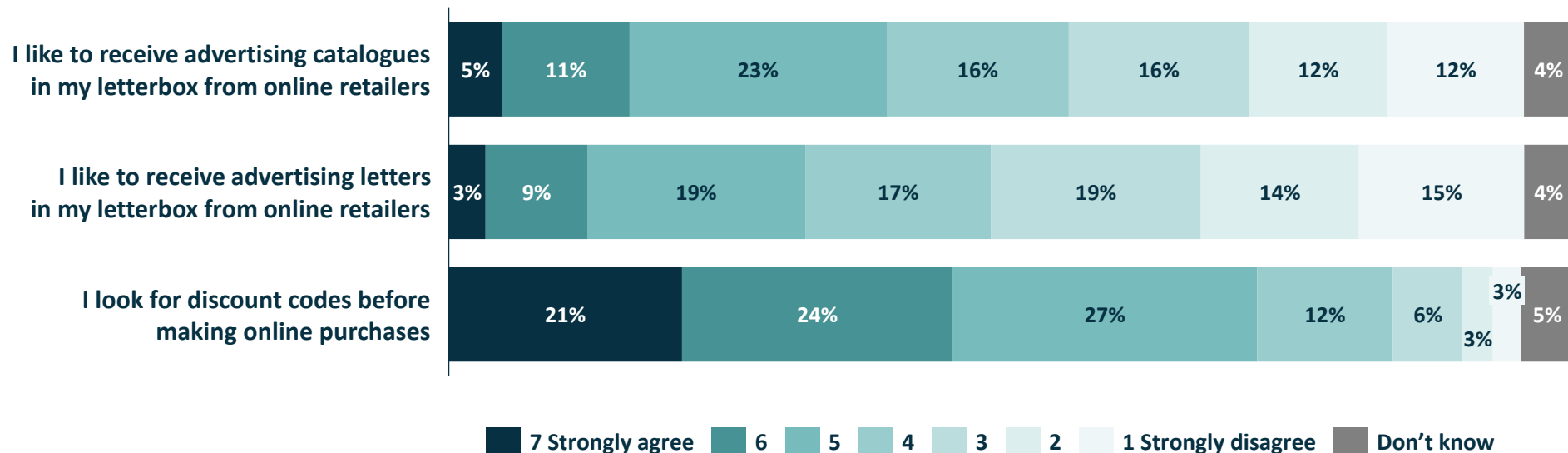
## 72% look for discount codes before purchasing

Respondents were asked for their level of agreement with three statements, measuring interest in receiving catalogues / letters from e-retailers and interest in using discount codes for online purchases.

- Overall, 39% of consumers agree (codes 5-7) that they like to receive advertising catalogues in their letterbox from e-retailers
- A smaller proportion – 32% - agree that they like to receive advertising catalogues in their letterbox from online retailers

- Consumers in all three markets are looking for discount codes before making online purchase (72% agreement)

Considering the high level of interest in discount codes for e-retailer purchases, it is clear that direct mail from e-retailers is most effective (and appreciated by consumers) if it includes discount codes.



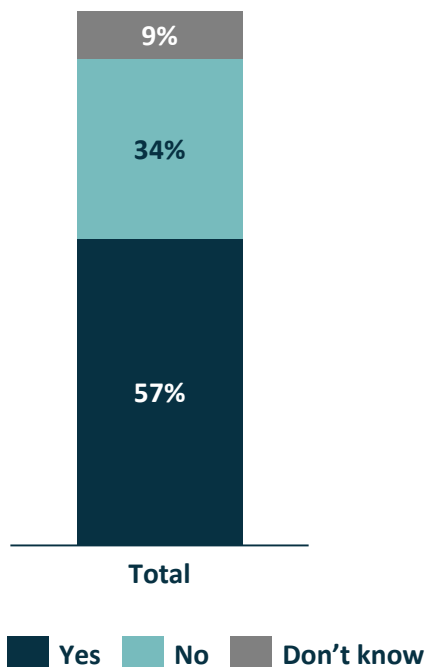
Question: Considering communications and advertising from online retailers, to what extent do you agree with each of the following statements...;

Sample: 3067



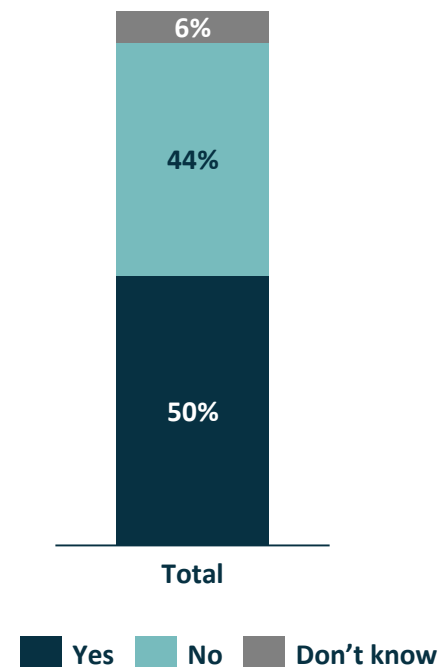
### ADVERTISING LETTERS

In the past year, 57% of respondents had received at least one advertising letter from an e-retailer. This proportion was highest in Japan (65%), compared to the US (59%) and Germany (48%).



### ADVERTISING CATALOGUES

In the past year, 50% of respondents had received at least one advertising catalogue from an e-retailer. This proportion was highest in the USA (60%), compared to Germany (53%) and Japan (38%).



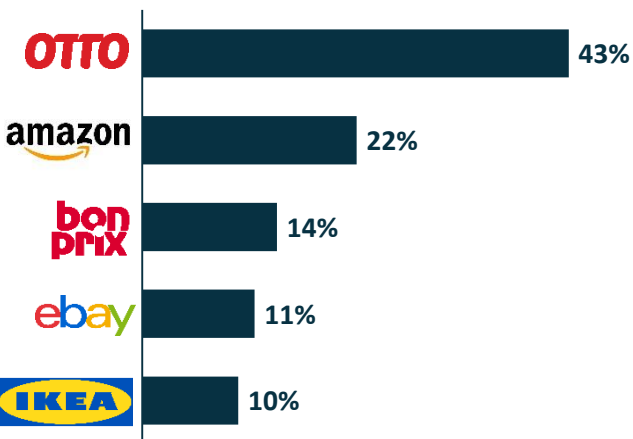
Question: Have you received any advertising letters from online retailers in the past 12 months?; Have you received any printed advertising catalogues from online retailers in the past 12 months?

Sample: 3067



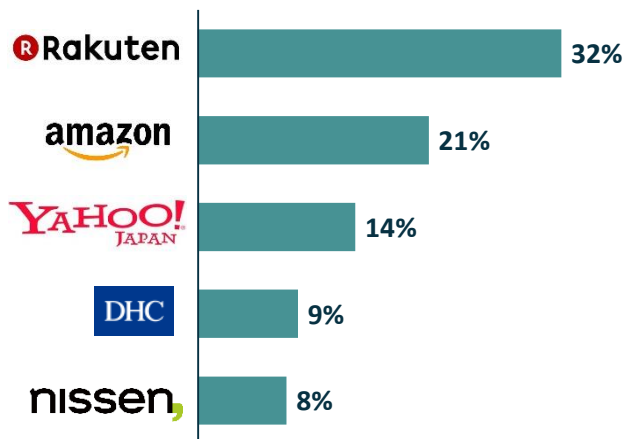
Respondents who had received advertising letters from e-retailers in the past year were asked to name them, with results summarised below:

### GERMANY



The top e-retailer cited as sending direct mail in the form of advertising letters was Otto (43%), followed by Amazon (22%). After these came Bon Prix (14%), eBay (11%) and Ikea (10%). It should be noted that BonPrix is part of the Otto Group.

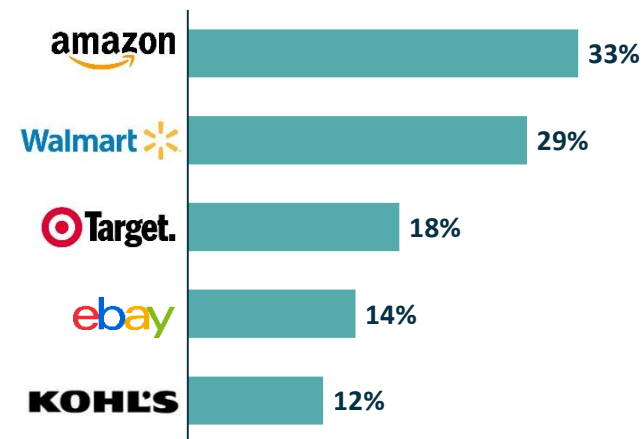
### JAPAN



The clear leader in Japan was Rakuten (32%), while Amazon was the 2<sup>nd</sup> biggest source of e-retail direct mail (21%).

3<sup>rd</sup> to 5<sup>th</sup> place were taken by Yahoo Shopping Japan (14%), DHC (9%) and Nissen (8%).

### USA



The top two e-retailers in the USA in terms of sending direct advertising mail were Amazon (33%) and Walmart (29%).

Following these were Target (18%), eBay (14%) and Kohl's (12%).

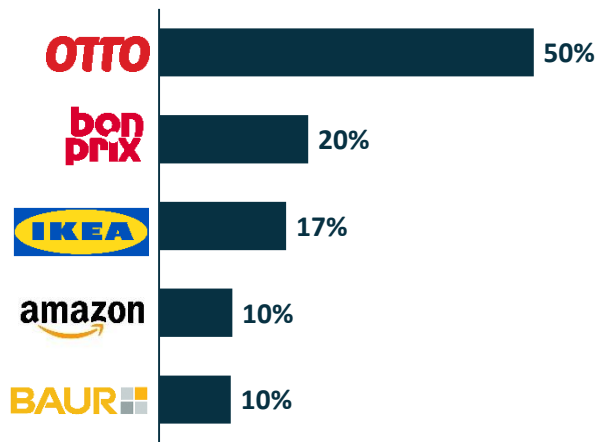
Question: Please name at least 3 online retailers that have sent you printed advertising letters in the past year?

Sample: 1755



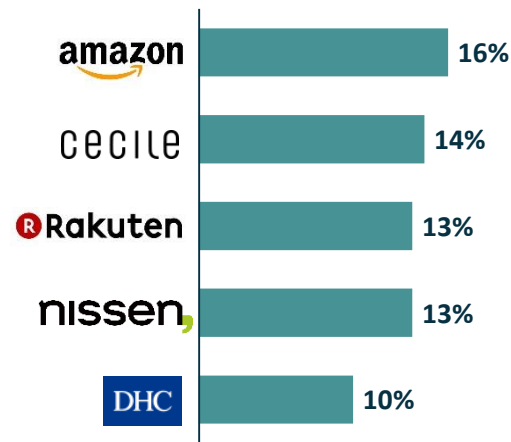
Respondents who had received advertising catalogues from e-retailers in the past year were asked to name them, with results summarised below:

### GERMANY



Of those German respondents who had received a catalogue from an e-retailer in the past 12 months, half of them had received one from Otto. It also has to be noted that BonPrix (20%) and Baur (10%) are part of the Otto Group.

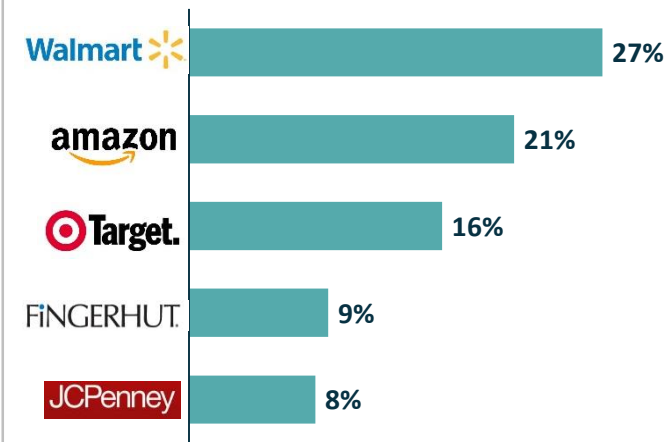
### JAPAN



Compared to Germany and the US, there was no single e-retailer in Japan sending a large volume of advertising catalogues.

The most common answers in Japan were Amazon (16%), Cecile (14%), Rakuten (13%) and Nissen (13%).

### USA



In the USA, Walmart was the biggest source of e-retailer advertising catalogues (27%).

This was followed by Amazon (21%) and Target (16%).

Question: Please name at least 3 online retailers that have sent you printed advertising catalogues in the past year?

Sample: 1544



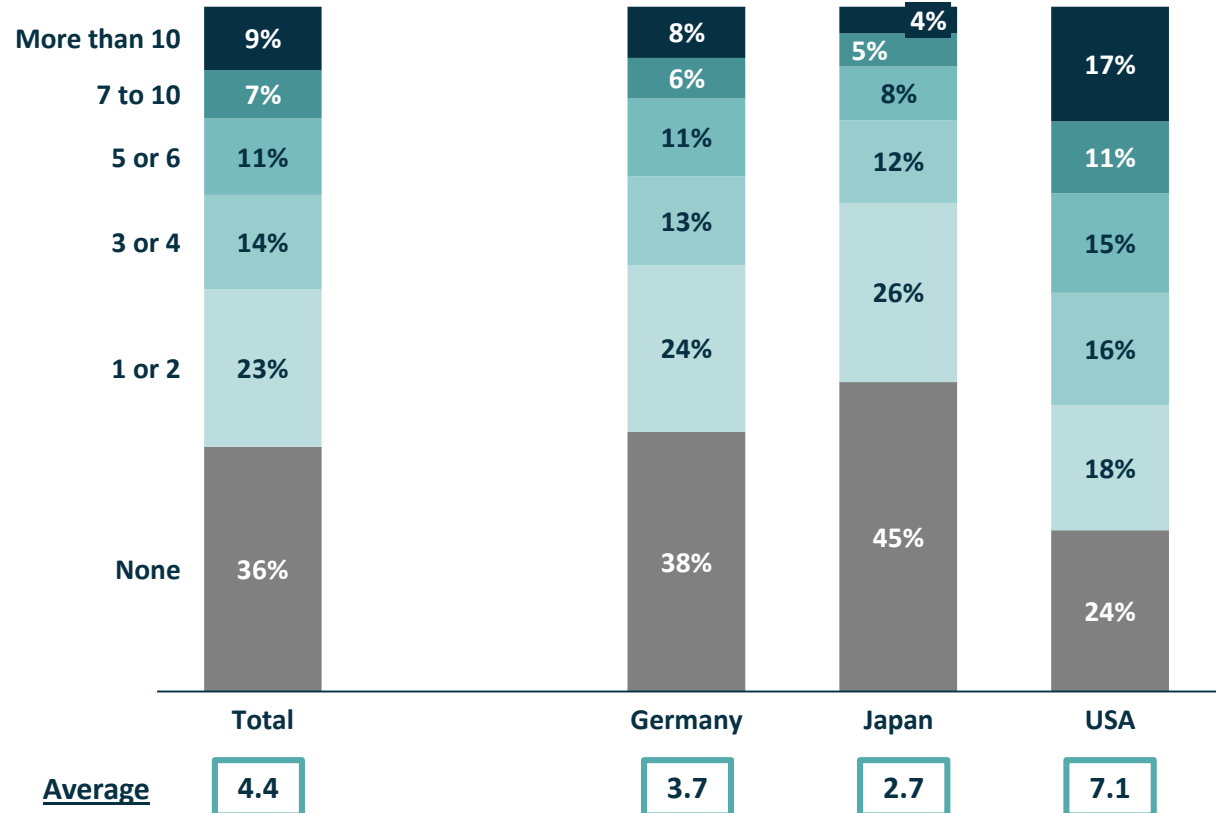
# ONLINE PURCHASES DUE TO ADVERTISING MAIL

Results in additional 4.4 online purchases per year

Survey respondents were asked how many online purchases they had made as a result of receiving advertising mail in the past year. While 36% had made no purchases, 23% made 1 or 2 online purchases, 14% bought 3-4 items, 11% bought 5-6 items, 7% bought 7-10 items, and 9% bought more than 10 items online as a result of advertising mail.

**This gives an average 4.4 purchases per year per consumer.**

At country level, US respondents clearly buy the most online due to advertising mail (7.1 online purchases, compared to 2.7 in Japan and 3.7 in Germany).




Question: Please can you estimate how many online purchases you have made this year as a result of advertising mail??

Sample: 3067







Global  
Envelope Alliance  


International **Post**  
Corporation

# MOST RECENT PURCHASE

Characteristics of online purchases

Influence of advertising mail on e-commerce

# MOST RECENT PURCHASE

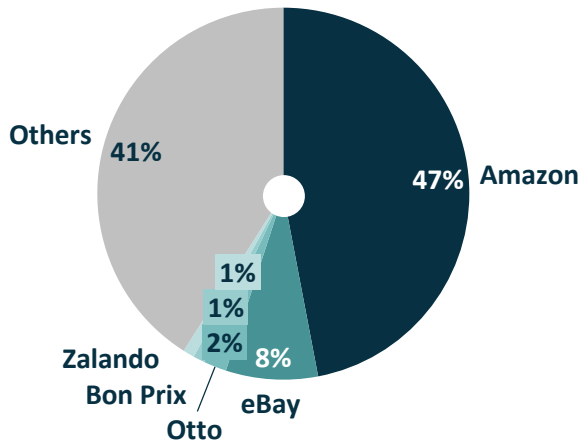
Amazon is the key e-retailer in all three markets

Clothing, footwear and apparel was the most commonly purchased category overall (39%), followed by Books, music and media (31%) and Health and beauty (26%).

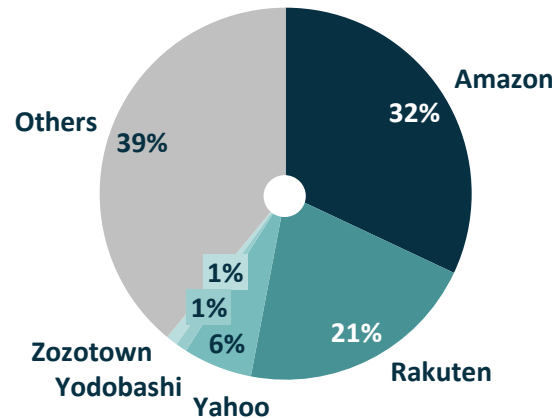
Amazon was the most widely used source of online shopping – accounting for 61% in the US, 47% in Germany and 32% in Japan.

- eBay was in 2<sup>nd</sup> place in Germany (8%), followed by Otto (2%)
- In Japan, Rakuten was in 2<sup>nd</sup> place (with 21% of respondents buying most recently from there), followed by Yahoo Shopping (6%)
- In the US, the most recent purchase also came from Walmart (4%) and eBay (3%)

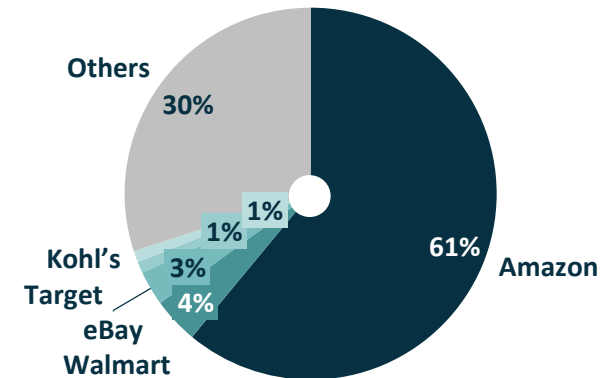
## GERMANY



## JAPAN



## USA



Question: Please identify which online retailer you bought this particular item from?

Sample: 3067





# MOST RECENT PURCHASE

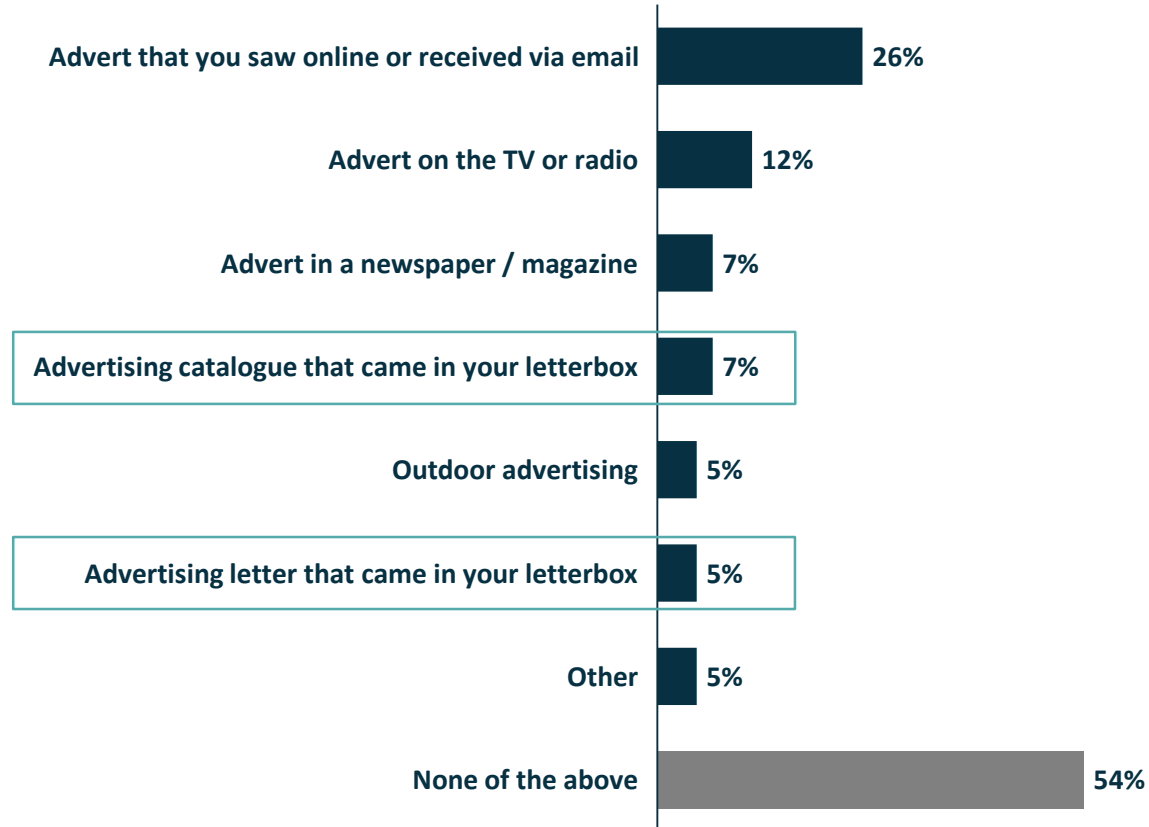
## Advertising influencing factors on most recent purchase

When asked if any form of advertising influenced their most recent online purchase, 46% of respondents said this was the case. Overall, an advert that the respondent saw online or received via email had the most influence over their last online purchase (26%). Adverts on the TV or radio influenced the purchase decision of 12% of the respondents.

**In terms of advertising mail, 7% of purchases were influenced by a catalogue and 5% were influenced by an advertising letter.**

Advertising catalogues were mentioned by 7% of respondents in Japan and the USA, and 8% in Germany.

Advertising letters were cited by 7% of respondents in Germany, 6% in the USA and 3% in Japan.



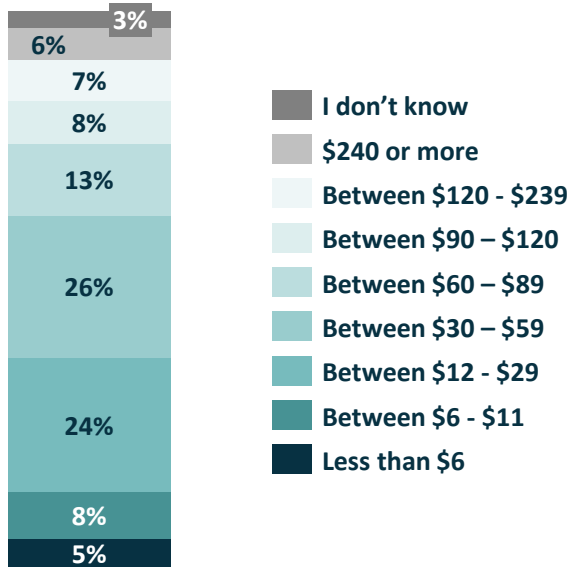
Question: Did any of the following factors influence your purchase of this product? Please select all of the relevant factors.

Sample: 3067



### PRICE

The most popular price range for the most recent purchase was between \$30-\$59 and between \$12-\$29 (26% and 24%, respectively). Overall, 63% of purchases cost under \$60.



### SIZE

We asked the respondents whether their most recent online purchase was small enough to fit into the letterbox.

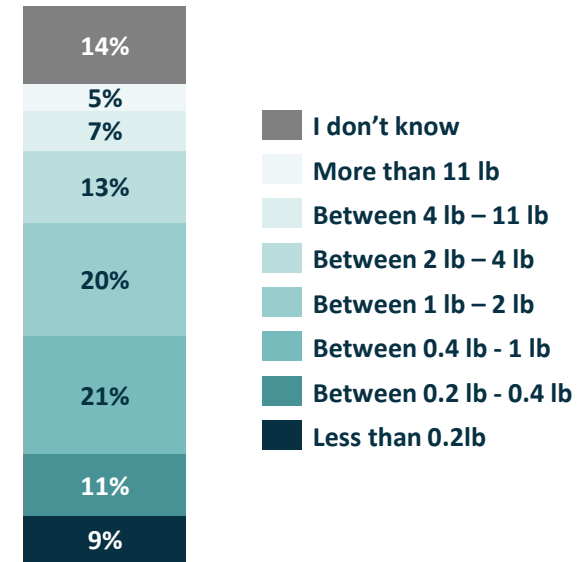
In the US, 36% of the purchases would fit the letterbox. At the other end of scale, in Germany, only 18% of the orders would fit the letterbox. Japan was in between with 30% of the orders which would fit.



28% of purchases would fit into the letterbox

### WEIGHT

Overall, 74% of most recent purchases were packets, i.e. under 2kg. In Japan, packets accounted for only 69%, in Germany for 73% and in the US for 81% of the most recent purchases.




Question: Please specify the approximate cost of goods within this particular purchase.

Sample: 3067





Global  
Envelope Alliance  


International **Post**  
Corporation

# PACKAGING & SUSTAINABILITY

Attitudes towards packaging & sustainability

Packaging used for most recent online purchase

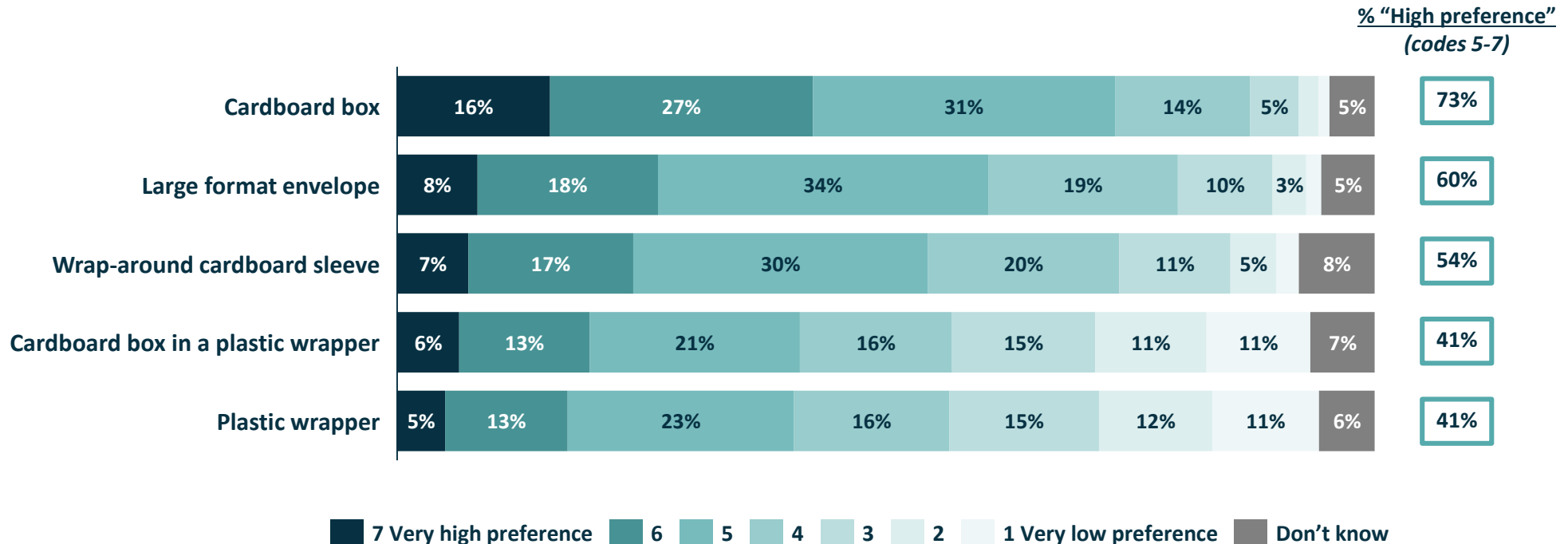


# ADVERTISING & E-COMMERCE PREFERENCES

## Cardboard boxes the most preferred form of a packaging

Overall, packaging preferences for online purchases are closely linked to paper – the most popular choice was a cardboard box (73% answering codes 5-7 “High preference”), followed by **large format**

**envelope (60%)** and wrap-around cardboard sleeve (54%). A plastic wrapper is the least preferred form of packaging for e-commerce (41%).



Question: What are your preferences regarding packaging for your online purchases ...?

Sample: 3067

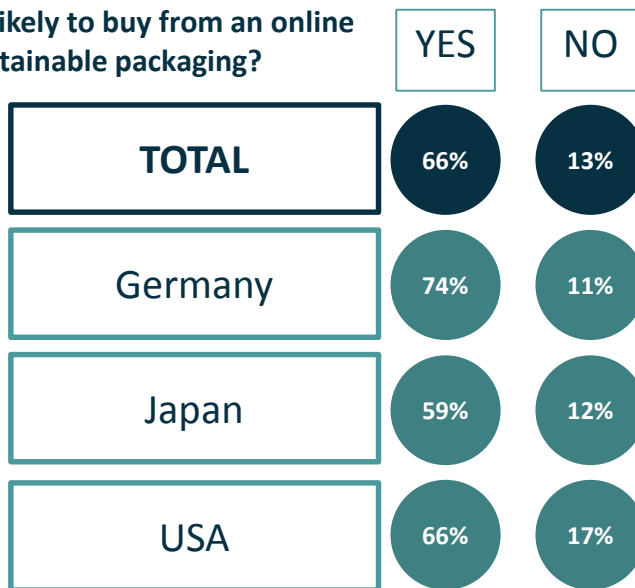




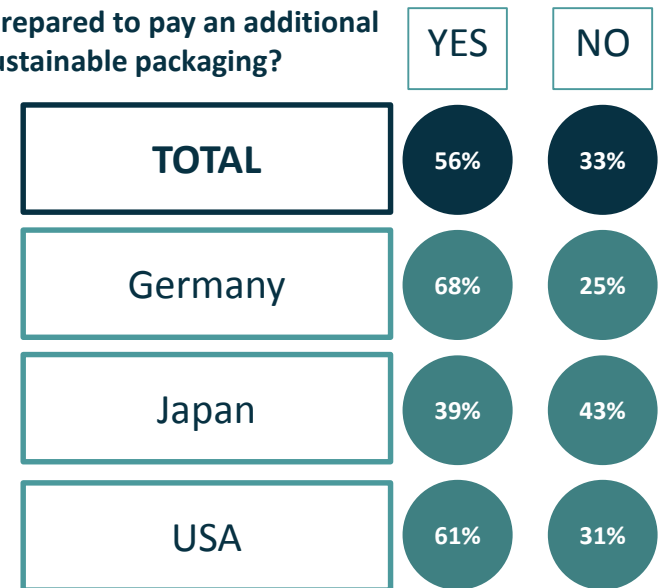
- **Approximately two-thirds (66%) of consumers would be more likely to buy from an e-retailer that used sustainable packaging**
  - This proportion was highest in Germany (74%) and lowest in Japan (59%)

- **The majority of consumers (56%) would be prepared to pay an additional fee of 10¢ for sustainable packaging**
  - This proportion was highest in Germany (68%). In Japan, a certain price sensitivity can be observed as 43% wouldn't pay 10¢ more for sustainable packaging

Would you be more likely to buy from an online retailer that used sustainable packaging?



Would you be prepared to pay an additional fee of 10¢ for sustainable packaging?



Question: Would you be more likely to buy from an online retailer that used sustainable packaging?; Would you be prepared to pay an additional fee of 10¢ for sustainable packaging?

Sample: 3067

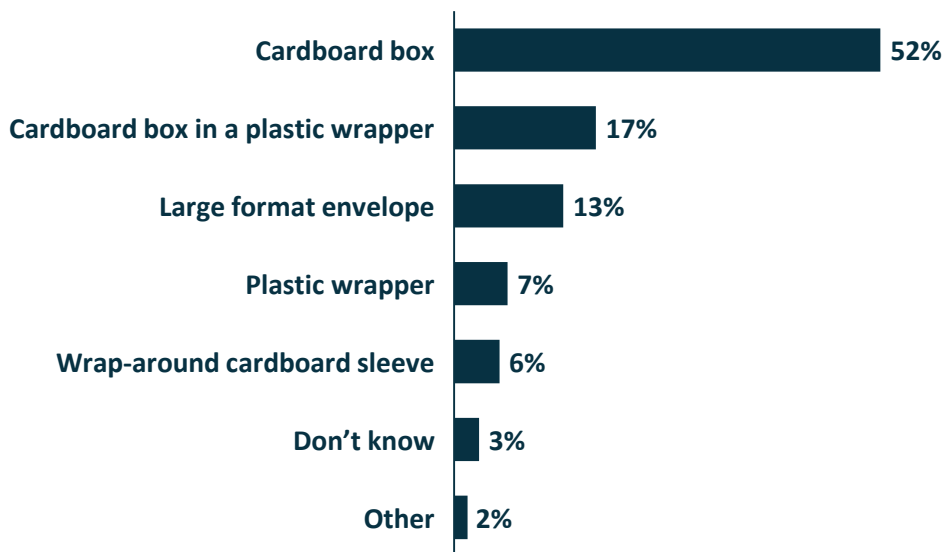




Most orders came in a cardboard box (52%), followed by a cardboard box in a plastic wrapper (17%) and a large format envelope (13%).

When comparing these results with consumer preferences, it can be seen that a cardboard box is both the most commonly preferred and most commonly used packaging format.

**While a large format envelope and a wrap-around cardboard sleeve ranked rank 3<sup>rd</sup> and 5<sup>th</sup> respectively in terms of usage, they ranked 2<sup>nd</sup> and 3<sup>rd</sup> in terms of preference, which indicates their market potential.**



### ANALYSIS BY COUNTRY

A cardboard box was the most commonly used packaging type in all three countries, although its usage ranged from 66% in Germany to 40% in Japan.

A cardboard box in a plastic wrapper – on the other hand – ranged from 29% in Japan to just 6% in Germany.

An envelope was most commonly used in Japan (16%) and the USA (15%), a plastic wrapper was slightly more common in the USA (9%), and a wrap-around cardboard sleeve was slightly more common in Germany (7%).

	Germany	Japan	USA
Cardboard box	66%	40%	51%
Cardboard box in a plastic wrapper	6%	29%	16%
Large format envelope	10%	16%	15%
Plastic wrapper	7%	5%	9%
Wrap-around cardboard sleeve	7%	5%	4%

Question: In what type of packaging did this purchase come?

Sample: 3067







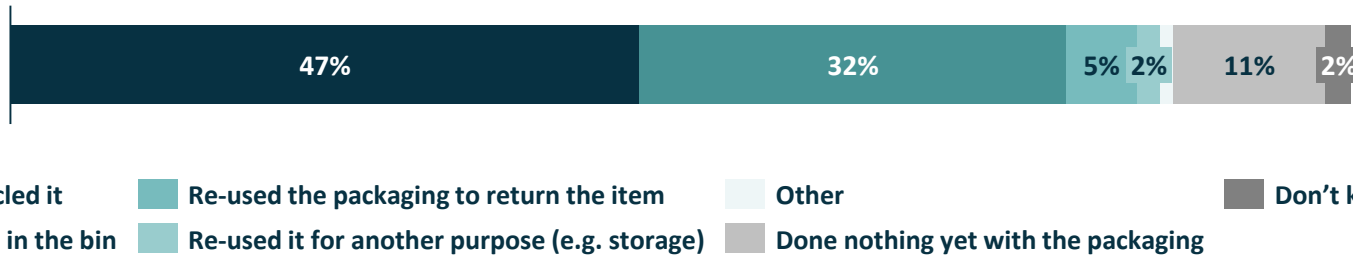
### WAS THE PACKAGING APPROPRIATE?

In terms of the packaging being appropriate for the item, in 81% of cases it was. 12% of respondents said that there was too much packaging, and just 3% said that there was insufficient packaging.



### WHAT WAS DONE WITH THE PACKAGING?

The packaging used for online shopping deliveries was mostly recycled (47% on average), with as many as 52% respondents in the US recycling it. However, in Japan, the most popular action on the packaging was to put it in the bin (44%). This action was performed by 26% of German and 25% of the US respondents, indicating that consumers in these countries tend to be more environmentally friendly.



Question: Was the packaging appropriate for the item? What did you do with the packaging from this online purchase?

Sample: 3067

