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What subscription box shoppers want and don't want

By Matt Zajechowsk

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Consumers have a lot of choices today when selecting subscription box services, with products ranging from clothing and makeup to pet supplies and coffee. While many people are willing to give subscription services a try, it can be far more challenging to retain them once they've subscribed.

I worked with <u>Shorr Packaging</u> to survey 500 subscription box consumers to learn more about what it takes to hold their interest. Those who responded tend to be young, female, educated and single, earning an average of around \$64,000 per year. More than half (58 percent) subscribe to one box, 28 percent subscribe to two boxes and less than 10 percent subscribe to three or more boxes. Consumers surveyed spend an average of \$34 per month on these services.

Subscription box popularity

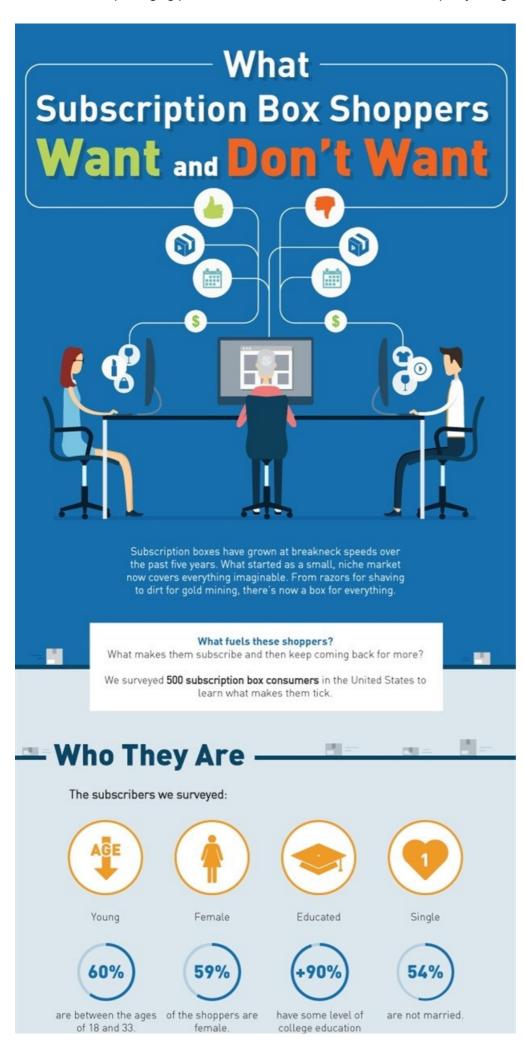
The most popular subscription boxes, according to respondents, are those in the apparel, style and entertainment category. Cosmetics, beauty and grooming are second, with snack foods coming in a distant third. Consumers say they are least interested in subscription baby and kid products, alcohol products, prepared food services and pet supplies.

Even when consumers are fired up about a product category, most cancel their subscription box services well before the one-year mark, with the average time at 125 days. The youngest consumers are most likely to cancel early, while those in the 42- to 59-year-old age group show the greatest loyalty. The top reason for cancelling is that they feel it wasn't worth the money, followed by no longer being able to afford the subscription. Consumers rarely cancel due to customer service issues or receiving products too frequently. More than one-quarter (28 percent) say they've re-subscribed to a service they canceled, with men more likely than women to change their minds.

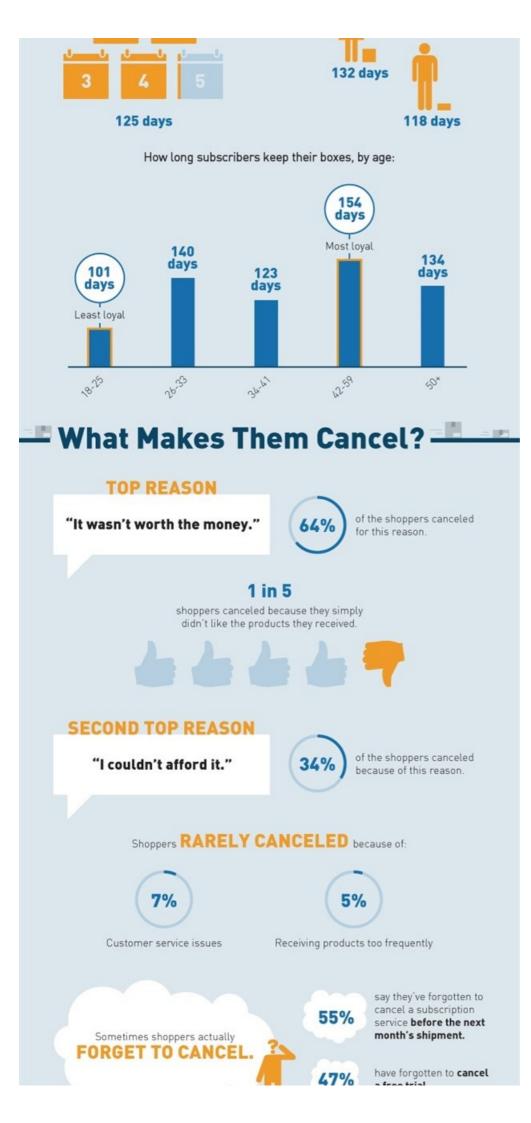
Many consumers admit to letting subscriptions continue after they've lost interest. Nearly half have forgotten to cancel a free trial and 55 percent have forgotten to cancel a subscription for the next month's shipment.

The overall look of subscription boxes matters, according to the survey. Seventy-six percent of consumers say they are very likely or likely to notice custom packaging compared to plain brown-box packaging. In fact, more than half have shown off custom packaging to friends, family members and coworkers, and one-third have shared images on social media.

Colored paper, fancy ribbons and other embellishments can even influence the decision whether to stick with a subscription. Nearly seven out of 10 surveyed said custom packaging is important to their subscription box experience, so much so that about 30 percent are more likely to continue a subscription simply because of that packaging. Subscription services have recognized this fact and have started creating more intricate packaging. Many are turning to packaging firms











ABOUT MATT ZAJECHOWSK

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