

Subscription Boxes Have Little Effect on Shopper Behavior

The model works better with some product categories than others

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Krista Garcia

Subscription boxes are still a popular ecommerce model despite **shoppers not fully embracing them**.

The benefits for pure plays or retailers exploring new channels include a locked-in regular revenue stream and access to a rich trove of customer data.

For consumers, they fulfill needs from convenience to variety. **Attrition is high, though**. Once the novelty wears off, some start to question a subscription box's value and lack of flexibility.

According to an August 2018 survey by **GPSshopper**, fewer than 9% of US subscribers reported any changes to their shopping habits after signing up for a service. Most consumers neither spent less money nor shopped in store less often due to receiving a subscription box. They also didn't discover a new favorite brand or continue to purchase a product. The biggest draw for subscription boxes was the ability to sample products without having to commit to a full-price, standard size version.

How Do US Internet Users Feel About Subscription Boxes?

% of respondents, Aug 2018

The ability to sample products without actually purchasing them separately is appealing

21%

Have discovered a new favorite brand after receiving products in a subscription box

8%

Have become a repeat customer of a product after receiving it in a subscription box

7%

Going into physical stores less because I'm receiving products in the subscription box

5%

Subscription box replaces other purchases I would have made

5%

Note: ages 18+

Source: GPShopper, "Reality of Shopper Motivation" conducted by YouGov, Oct 4, 2018

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This factor doesn't really apply to categories like apparel, but beauty and personal care boxes, snack boxes, as well as meal kits that include branded ingredients, could benefit from this motivation. Samples and freebies of all types have also been **shown to appeal to younger shoppers**.

The overarching theme of this study was that US consumers cling to traditional retail models even as more options emerge. However, these habits do vary by category. A majority (58%) of consumers preferred to shop at "long-standing" stores for clothing compared with methods like subscription commerce, via Instagram influencers or experiential retail stores. For household products this preference was lower (38%) and was the lowest for beauty products (23%).

Once again, this demonstrates the advantage health and beauty products have in branching out. When a bottle of foundation can cost more than \$40 and is subject to many variables—skin tone, skin type, desired coverage—it's no secret why a less expensive, mini version has appeal.

Omnichannel retailing will likely continue its march forward. In the GPShopper study, 29% of US consumers said they still want to buy beauty products (as well as clothing and accessories) in brick-and-mortar stores 10 years from now.

Despite recent news of [Stitch Fix's stock dropping](#) after reporting so-so user growth and online subscription box marketplace [Cratejoy slashing its workforce](#), last week the O.G. beauty box brand [Birchbox partnered with Walgreens](#) to bring the store-within-a-store concept to the national retailer, further proof that [the physical store still matters](#) — even for subscription commerce companies.