

Press Release

J.D. Power and Associates Reports: Younger Online Apparel Shoppers Are Less Satisfied with Their Purchase Experience Than Are Older Shoppers

LLBean.com Ranks Highest in Overall Satisfaction with Online Apparel Retailers

WESTLAKE VILLAGE, Calif.: 21 November 2012 —Satisfaction with online apparel retailers is significantly lower among online shoppers between the ages of 18 and 24 than among those 55 years of age and older, according to the J.D. Power and Associates 2012 Online Apparel Retailer Satisfaction ReportSM released today.

Overall satisfaction with online apparel retailers varies widely across age groups. Satisfaction among online shoppers between the ages of 18 and 24 is 795 (on a 1,000-point scale), compared with 825 among those 55 years of age and older, and is significantly lower than the report average of 812.

The report examines satisfaction with online apparel retailers among consumers who have completed an apparel purchase online in the past 12 months. Overall satisfaction is measured across seven factors (in order of importance): online store services and delivery; website/online store; usefulness of information; in-stock availability of merchandise; competitiveness of pricing; variety of merchandise offered; and contact with customer service. The relative importance of customer service is low, as only 18 percent of online consumers indicate that they contacted customer service; however, among those who contacted customer service, this becomes the most important factor.

According to findings from the report, younger consumers (18-24 years old) who shop online for apparel rely predominantly on price (63%) when selecting an apparel retailer. Notably, a significantly higher proportion of these young consumers use positive reviews of the brand (27%) and recommendations from family, friends or colleagues (19%) when selecting an online apparel retailer than the report average of 19 percent and 15 percent, respectively. Conversely, older consumers (55-plus) who shop online for apparel use past experience with a brand (77%) as their primary reason for selecting a retailer, while only 16 percent use positive reviews of the brand and 11 percent use recommendations from family, friends or colleagues.

"Younger shoppers, while being driven primarily by price, consider the experiences shared by others more than do consumers in any other age group," said Sara Wong Hilton, director at J.D. Power and Associates. "As their brand opinions are still being formed, they rely on input from both people they trust and those who have already used that same online retailer."

The report finds that, on an annual basis, consumers visit their primary online apparel retailer's website an average of 30 times and make an average of five purchases. However, younger consumers visit their primary apparel retailer's website and purchase from that retailer online significantly more often, averaging 42 visits annually and seven purchases. Conversely, older consumers visit their primary online apparel retailer's website an average of 18 times and make an average of four purchases annually.

"The disparate shopping numbers reflect that younger consumers are more comfortable shopping for and purchasing apparel online, while consumers in the 55-plus age group are less comfortable, preferring more

traditional methods, such as shopping and making purchases in-store, via catalog or over the telephone," said Hilton.

Online Apparel Satisfaction Rankings

LLBean.com ranks highest among online apparel retailers with a score of 830. LandsEnd.com ranks second (829), while Forever21.com ranks third (824).

J.D. Power and Associates offers the following tips to online apparel shoppers:

- Read the user or consumer reviews and feedback for the apparel retailer website for positive comments, information and insight from other users.
- Many online apparel retailers have loyalty or rewards programs that offer significant savings, special incentives or rebates for consumers who frequently shop those sites.
- Some online apparel retailers provide free shipping, or a reduced or flat rate fee, on orders that reach a specified dollar threshold. This is an especially attractive benefit, as shipping costs add up quickly, depending on the total price, and how quickly you want the item(s) delivered. However, be mindful that you may end up spending more than you originally intended simply to qualify for free shipping.
- Before buying, check the retailer's return policy. Some retailers only accept returns within a certain number of days following the purchase, while others may charge a restocking fee, which usually is a percentage of the original purchase price.

The 2012 Online Apparel Retailer Satisfaction Report is based on responses from 2,399 consumers who made an online purchase from an apparel retailer in the past 12 months. Invitations to participate in the online survey were sent via email to online panelists in October and November 2012. J.D. Power and Associates received completed questionnaires through November 10, 2012.

About J.D. Power and Associates

Headquartered in Westlake Village, Calif., J.D. Power and Associates is a global marketing information services company providing performance improvement, social media and customer satisfaction insights and solutions. The company's quality and satisfaction measurements are based on responses from millions of consumers annually. For more information on <u>car reviews and ratings</u>, <u>car insurance</u>, <u>health insurance</u>, <u>cell phone ratings</u>, and more, please visit JDPower.com. J.D. Power and Associates is a business unit of The McGraw-Hill Companies.

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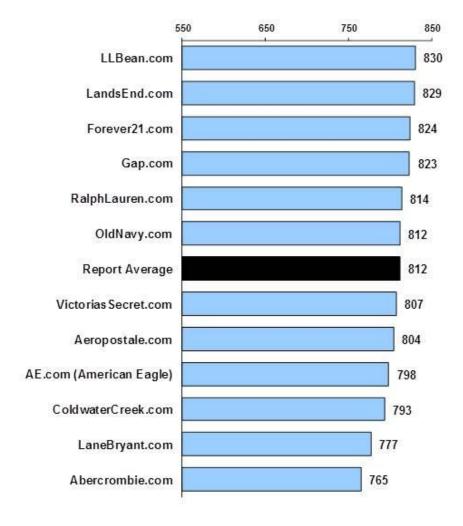
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(Page 2 of 2) NOTE: One chart follows.

J.D. Power and Associates 2012 Online Apparel Retailer Satisfaction ReportSM

Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)



Source: J.D. Power and Associates 2012 Online Apparel Retailer Satisfaction Report™

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