

# Understanding Consumer Usage and Attitudes toward Subscription Services - US - September 2018

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## This report looks at the following areas:

The success of subscription box startups such as Dollar Shave Club, Birchbox, and Blue Apron has inspired a host of other companies including retail chains to launch their own subscription services. Offerings span industries from meal kits to pet products to intimate apparel. Models vary between recurring, allowing consumers to set standing orders for products they use regularly; on-demand, whereby consumers schedule deliveries as needed, and exploration, where consumers pay a set fee to receive a box of retailer-selected items.

Despite the fact that one third of all adults report shopping online at least once a week and nearly three quarters do so at least once a month, adoption of online subscription services remains relatively low. Many consumers still have negative perceptions about subscription services, including cost, general product usage concerns, or freshness, in the case of food products. Thus retailers need to take extra steps to overcome potential barriers to entry, such as guaranteeing freshness of food products or by better communicating why signing up for a subscription is a better value than ordering products one at a time.



"Subscription services are evolving as more companies across a variety of product categories are in or entering the market. Consumers have interest in signing up for product subscriptions; however such programs must be tailored in a way that makes the consumer's life easier and adds value. Product quality and quantity are top concerns, as is cancellation."

- Matt Lindner, Senior

Commerce Analyst  
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