

The Free Shipping eBook

**A guide to help merchants increase profits
with free shipping**

by Luke Knowles

© FreeShipping.org
2827 Sitting Bull Way, Fort Collins, CO
(970) 672-1136
luke@freeshipping.org

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Introduction

With a slow economy and ever increasing gas prices there is one bright spot in this economy... Online shopping, which is up almost 10% over last year. The challenge now for merchants is to try and get as much of that \$200 billion pie as possible.

In The Free Shipping eBook we make the argument that the best way to increase sales and turn casual shoppers into loyal customers is with free shipping. When it comes to online shopping promotions, statistics show that consumers respond most favorably to free shipping offers.

Throughout this eBook we will show you how to effectively use free shipping offers to increase market share and drastically reduce abandoned shopping carts.

We will discuss the 7 different types of shipping offers available to merchants. You will also learn how to effectively promote your free shipping offers to help achieve important marketing goals.

We will also show you how Amazon.com, Zappos.com and other smaller successful online merchants have blown by their competition, by offering free shipping instead of spending their money on traditional advertising.

The Free Shipping eBook is ideal for online merchants looking for ways to increase sales and attract new customers. Whether you are the owner of a start-up website or the marketing manager of a national retailer, we will show you how to get the most out of free shipping.

Greatly increase sales and widen your customer base with tips and insights found in The Free Shipping eBook.

About The Author

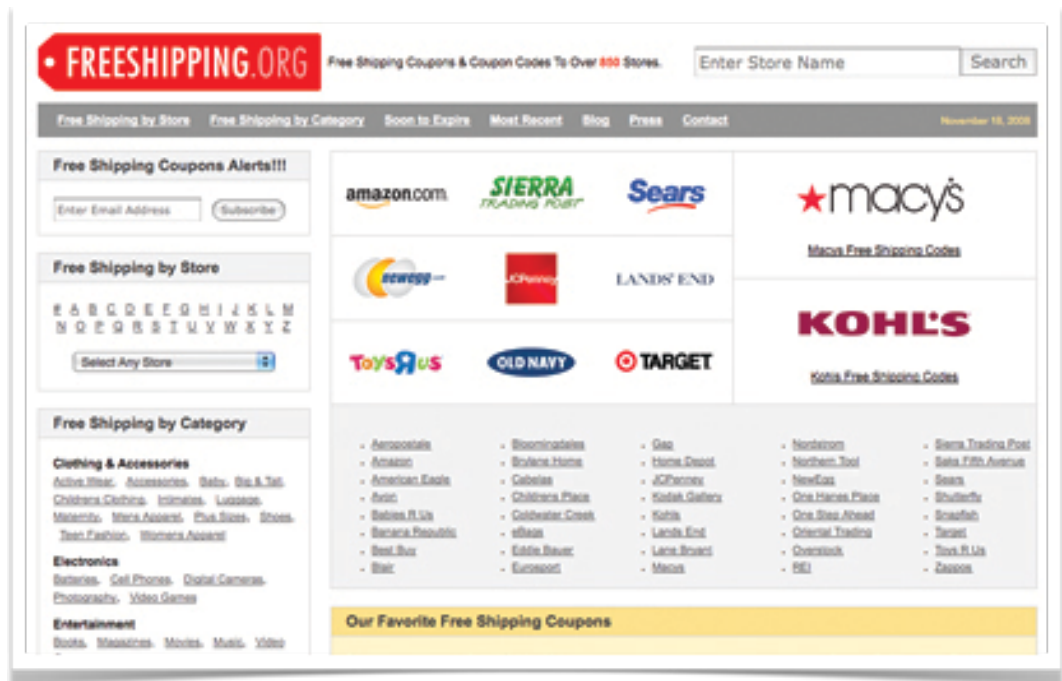
Luke Knowles is the Founder and CEO of FreeShipping.org, a one-stop destination for consumers searching for merchants who offer free shipping deals. Luke is an internet marketing veteran with over ten years of industry experience.



Luke also created the first annual Free Shipping Day, which was held on December 18, 2008, as a way to help merchants generate more sales later into December.

In 2005, Luke founded Kinoli Inc. which provides interactive marketing and design services to such clients as AAA, Remington College, W Hotels and more.

Luke and his wife Maisie live in Fort Collins, Colorado with their daughter Isabelle and Bassett Hound Samson.



About FreeShipping.org

FreeShipping.org is the most comprehensive resource on the Internet that links shoppers to free shipping deals offered by online merchants. To date, there are more than 850 merchants represented on the site, including JCPenney, Target, Bloomingdale's, Kohl's, Sears, Best Buy, Nordstrom, and Macy's.

Shoppers are drawn to FreeShipping.org because it is a one-stop destination to search for and find online merchants offering free shipping deals. They can also review the variety of free shipping deals provided by each online retailer. When visitors click on an online store at FreeShipping.org, they will find detailed information on each promotion, purchase requirements, expiration dates, and coupon codes.

Merchants benefit from FreeShipping.org by being able to get their free shipping offers in front of online shoppers who are looking to shop at retailers that offer free shipping.

If you are a retailer that offers free shipping and would like to have your offers featured on FreeShipping.org, please [fill out this form](#).

About Free Shipping Day

In 2007 online shopping peaked on December 10 with \$881 million in sales, while the heaviest spending period for consumers is the week before and the week after Christmas.

There is no reason that online shopping should peak 15 days before Christmas when the majority of holiday shopping dollars are spent so much closer to Christmas. Let's face it, we are a country of procrastinators.

So why does online shopping peak on December 10 rather than much closer to Christmas? I believe that the closer we get to Christmas the more shoppers fear their orders will not arrive in time for the big day. This is why shoppers get in to their cars and head to the mall to shop.

With Free Shipping Day we can change the way shoppers think and how they shop. By having a SPECIAL day as late as December 17 or 18 where shoppers can order online from hundreds of stores that guarantee delivery by Christmas, shoppers will feel confident shopping online later into December.

Add to that SPECIAL day the guarantee of free shipping and it will be an even bigger hit with shoppers.

Instead of online shopping peaking on December 10, it could and should peak much later into December. Free Shipping Day has the potential to increase online sales by hundreds of millions of dollars every December.

For online sales to increase like this, we need complete buy in from merchants. Merchants need to promote Free Shipping Day just like they do Black Friday and Cyber Monday. They need to offer free shipping with guaranteed delivery by Christmas and tell their customers about it. Only then will shoppers start to feel confident shopping later into December.

The online shopping industry can benefit tremendously from Free Shipping Day. It's up to the merchants to make it happen.

Highlights from Free Shipping Day 2008

The first annual Free Shipping Day was held on December 18, 2008.

- More than 250 merchants participated.
- Hundreds of websites, newspapers, radio stations and TV stations helped spread the word about Free Shipping Day.
- Over 100,000 visitors to www.FreeShippingDay.com on Free Shipping Day.
- Over 250,000 visitors to www.FreeShippingDay.com since the site went online December 8th.

We were amazed with the positive response merchants had to the idea of Free Shipping Day. They could see that we were trying to extend online shopping later into December and were quick to get on board with Free Shipping Day. For some merchants, Free Shipping Day was the biggest day of the year for them.

Below are a few quotes from merchants who participated in the event.

“I’m the owner of Charm Boutique, one of the merchants who took part in Free Shipping Day. I just wanted to let you know that we had our highest visitors ever on the site yesterday which resulted in great online sales as well.”

-Kari Kraichely of Charm Boutique

“My affiliation with Free Shipping Day has brought tremendous exposure to OhToy.com.”

-Jonathan of OhToy.com

“Wow! We tripled our business yesterday! It’s 7pm Eastern time and my entire staff is still here trying to get all the orders processed and packed.”

- Julie Swatek of ScrapYourTrip.com

Free Shipping Day 2009

We will be announcing the date for Free Shipping Day 2009 near the end of January. Please send us an email at luke@freeshipping.org if you would like to participate.

Case Studies



Amazon.com

By looking at the history of [Amazon.com](https://www.amazon.com), it is clear to see how instrumental free shipping has been in making them the largest e-Commerce website.

- **2002** - Amazon offers free ground shipping on purchases totaling \$99 or more. Later that same year they lower the threshold for free shipping to \$49.
- **2003** - Amazon lowers the free ground shipping threshold to \$25 in the United States, and [reveals](#) its No-Ad strategy. Amazon.com Founder and CEO Jeff Bezos says, "We shifted money from TV and print advertising to customers through lower prices and free shipping. We're pleased with the results."

Amazon [lowers the threshold for free shipping](#) on its UK site from £39 to £25. Robin Terrell, Managing Director for Amazon.co.uk says, "We have been impressed by the customer response to our free delivery option. It is working extremely well both for our

In 2007 Amazon.com increased sales 38%. They more than doubled the sales of their nearest competitor.

According to comScore, Amazon's North American web sales grew by 33% in the first half of 2008 compared to 12% for the industry.

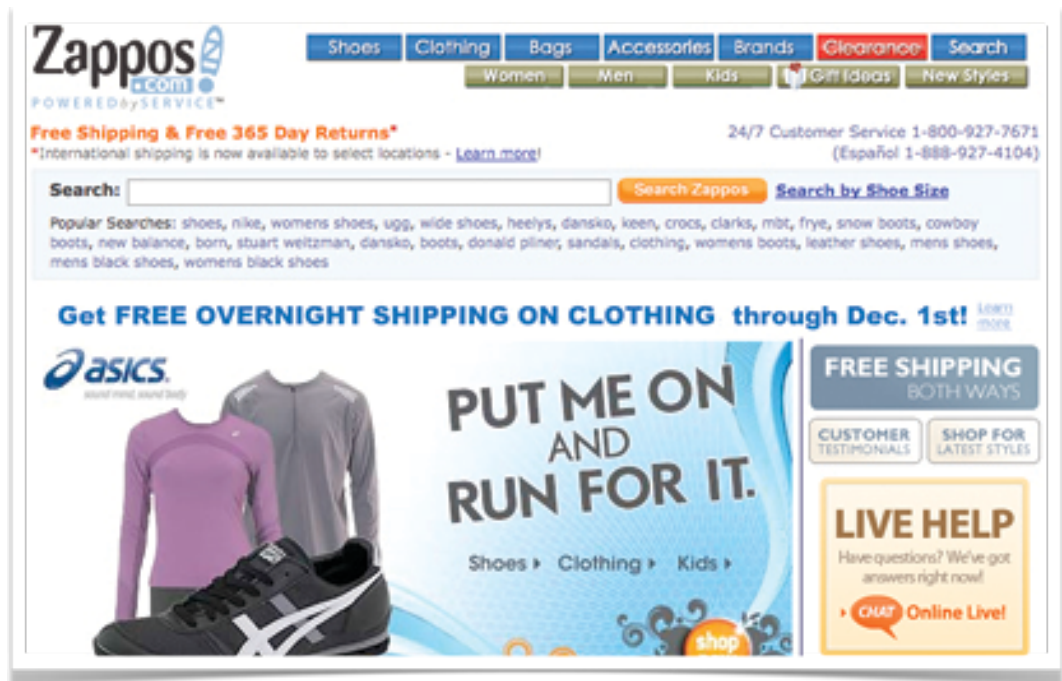
customers and for the business."

- **2005** - Amazon.com launches Amazon Prime membership, which offers free two-day shipping and \$3.99 overnight shipping on items that Amazon.com fulfills. Customers pay \$79 a year for this service.
- **2006** - Amazon [announces](#) that its qualified selling partners will now be able to offer free shipping on their goods.
- **2007** - Amazon.com unveils [Endless.com](#), a website focused on the highly competitive footwear and handbag sector. To steal market share away from traditional power houses like Zappos.com and Shoebuy.com they offer customers free overnight shipping.
- **2008** - Free shipping is [recognized](#) as one of the main reasons for Amazon's impressive 38% growth in 2007. The company's Amazon Prime program, which offers consumers free two-day shipping on every order for \$79 per year, has been an "overwhelming success," say Patel and Leung of Deutsche Bank.

Amazon's net income more than doubled to \$476 million in 2007, up from \$190 million in 2006.

Conclusions

- Amazon's aggressive free shipping promotions have been very effective in increasing sales and stealing market share from their competitors.
- Free shipping was Amazon's primary weapon in breaking into new markets like shoes and handbags with Endless.com.
- Free shipping is better than advertising.



Zappos.com

Let's take a close look at the history of Zappos.com to see how they used free shipping to become the market leader in online shoe and handbags.

- **2004** - Zappos.com provides free overnight shipping to all online customer orders placed on December 23, so as to ensure delivery by Christmas. Also helping boost online sales is a 365-day return policy that offers free return shipping on all purchases.

Zappos.com [posts record holiday sales](#) of \$20.5 million for November and December, a 127% increase over the \$9 million in revenue for the same period the previous year. Zappos.com CEO Tony Hsieh attributes strong holiday sales to free overnight shipping on orders and returns.

- **2005** - Zappos.com is [named the fastest growing online retailer](#) with sales in 2004 of \$184 million, up 163% from \$70 million in 2003.

CEO Tony Hsieh credits the success largely on customer loyalty

and word of mouth achieved largely through great shipping conditions. He says, "I'd rather spend the money on expedited shipping than on marketing. That creates the best customer experience and results in repeat customers."

- **2007** - Zappos.com again tests free overnight shipping during the week before Christmas and then adds the feature to its web site on a permanent basis (along with free return shipping).
- **2008** - Zappos.com stops advertising free overnight shipping but continues offering "fast" free shipping.

Tony Hsieh says, "Regarding our decision to stop advertising and promoting free overnight shipping on Zappos, it's actually simply just that: a decision to stop advertising and promoting it, not a decision to actually stop doing it. This means that the vast majority of our customers will still get their orders as quickly as they used to (usually overnight). The only difference is that we made the decision to not advertise or promise it, because we found that our customers were happier when they were surprised by the fast shipping."

Conclusions

- Zappos.com's overnight free shipping promotions were a large reason for the company's triple digit revenue increases.
- The use of overnight free shipping had a positive viral effect in that happy customers told others about the fast shipping they received.
- Free shipping is better than advertising.
- Overnight shipping is better than standard shipping.



BlackCatPlus.com

BlackCatPlus.com is a web boutique that has been offering women's plus size clothing and accessories since early 2007. Black Cat Plus has experimented with a number of different free shipping tactics.

Jodell Raymond, Owner of Black Cat Plus says, " I believe that some form of free shipping is the best practice for smaller modern day web retailers and is viewed as a key customer service feature/benefit. The challenge is finding the right promotional mix that encourages purchases without greatly reducing profits."

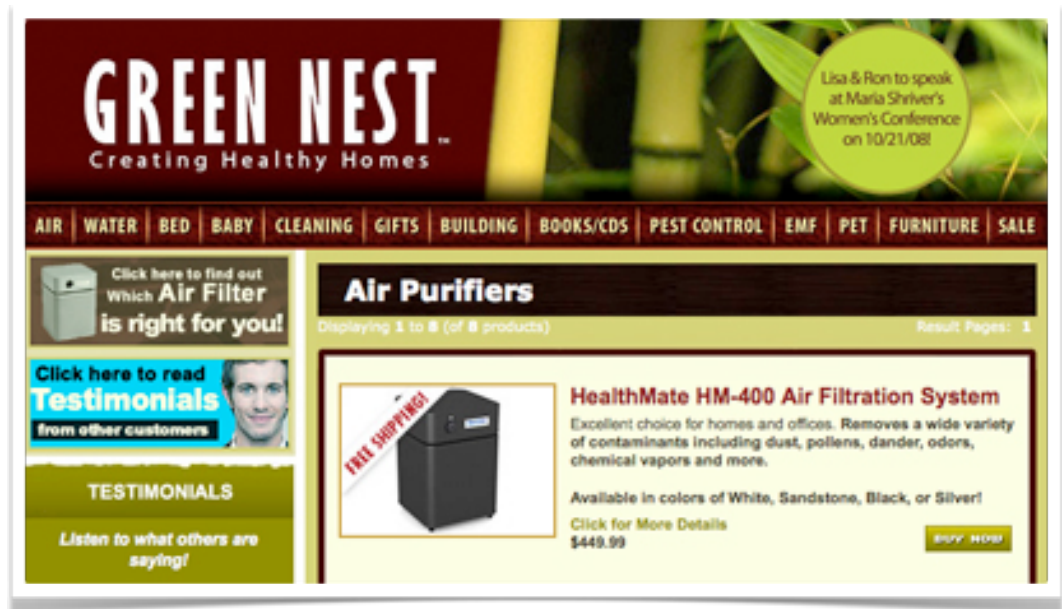
Black Cat Plus conducted its own customer research about free shipping. It showed that customers expectations are already set for free shipping. Raymond says, "It is up to us as marketers to find the right combination of free shipping that benefits us as well as our customers. Follow up calls to new customers revealed that free shipping was either a primary or secondary criteria when deciding to purchase."

Offering free shipping has helped Black Cat Plus to increase the purchase rate of both sale and regular priced items and helped move more inventory. Raymond says, " We get measurable results when we offer free

shipping. Our customers have purchased at a rate of 50% higher when we have offered free domestic shipping on all items. When we have not offered this service, regular customers have contacted us to inquire when we are going to offer free shipping so that they can time their purchases accordingly.

Conclusions

- Customer research shows that shoppers expect and want free shipping.
- Free shipping offers can help move products quickly.



GreenNest.com

[Green Nest](#) has been selling natural certified organic product for the home since 2005. Many of the products they sell are heavy and large which can be a tough sell online since they usually come with a high shipping fee.

In 2006, Green Nest made the decision to offer free shipping on larger items like air purifiers and furniture as a way to persuade shoppers to purchase these items online. They also thought it would be a good way to differentiate themselves from competitors who don't offer free shipping.

Green Nest CEO Lisa Beres says, "To be competitive we felt it was the right thing to do." Green Nest makes up for the smaller profit margin on products they offer with free shipping by selling more of them.

About offering free shipping, Beres says, "Our customers love it!" She says that their free shipping offers have helped to increase word of mouth about their company and products.

Green Nest has no plans to stop offering free shipping and has started offering free shipping on some of their smaller items like books and CD's.

Conclusions

- Free shipping offers can work well for small merchants.
- Offering free shipping on products your competitors don't can create a competitive advantage for you.
- Selling more products can make up for smaller profit margins caused by free shipping.

These case studies show that merchants who offer free shipping before their competitors do reap more benefit from it than their competitors do once they start offering it.

Amazon.com was one of the first major online merchants to offer free shipping. Barnes & Noble and Borders now offer free shipping but make only a small fraction of the online sales that Amazon does.

Zappos.com was quick to offer free overnight shipping before their competition did, and they no longer need to advertise because of it.

Green Nest increased sales by being one of the first environmental merchants to offer free shipping on large heavy items, which was a very bold move.

Recent Market Research

Recent data shows that consumers respond very favorably to free shipping offers. Let's take a look.

- 78% of online customers said prohibitive costs of shipping discouraged them from online purchases. (Source: [E-tailing Group](#), 2008)
- 75% of people prefer to shop with online retailers that offer free shipping, compared to 61% in 2007. (Source: [Forrester Research](#), 2008)
- 43% of shoppers abandon their shopping carts because of unexpectedly high shipping charges. (Source: [Paypal](#), [comScore](#), 2008)
- Nearly 60% of respondents said free shipping was a "very important" factor in their decision to shop online. (Source: [BIGresearch Survey](#))
- 61 of the largest 100 online retailers offered free shipping as of the week of Monday, Nov. 10, 2008. (Source: [Internet Retailer](#))
- 60% of respondents indicated that free shipping was a reason they were more likely to shop online. (Source: [Harris Interactive Survey](#), 2008)
- 90% of respondents said free shipping offers would entice them to spend more online. ([The Conference Board Survey](#), 2008)
- 72% of consumers said that if an e-commerce site eliminated free shipping, they would use another e-commerce site that did offer free shipping. ([comScore Survey](#), 2008)

"What we're seeing at Google is that the current economic climate continues to impact consumer search and spending behavior, with more and more consumers turning to the web to shop, for example, opting to save on the cost of high gas prices in favor of free-shipping offers."

- John Burke, Director of Industry Development and Marketing at Google

When you combine this data with the case studies on Amazon.com and Zappos.com it is clear that free shipping can be a very powerful tool to increase sales.

The Value of Free Shipping

Free shipping offers lure more online shoppers to buy than any other promotion (even higher than merchandise coupons and special sales). According to the statistics above, it is evident that free shipping has a variety of advantages:

- **Free shipping** encourages shoppers to use the Internet to make purchases.
- **Free shipping** is what online shoppers expect to be offered by retailers during the holiday season.
- **Free shipping** is the most customer centric promotion valued by consumers.
- **Free shipping** or flat-rate shipping considerably decreases the amount of abandoned shopping carts.
- In today's economy (with rising fuel costs), **free shipping** is the most timely offer.

Free shipping promotions can help achieve marketing goals by:

- **Increasing public awareness and attracting mass media attention**
A catchy, creative offer can encourage influential loyal customers to spread the word. Good value travels quickly through word of mouth, blogs, message boards, and social media.
- **Building customer loyalty**
A newsletter offering free shipping can be the difference maker with shoppers deciding where to spend their money. This is the best method for reminding customers who have already purchased in the past and encouraging them to shop again. Loyal customers are likely to spread the word on great shipping deals.
- **Attracting new customers**
Free shipping promotions are a great way to turn casual, site

visitors into regular shoppers. Sometimes it takes an alluring incentive to encourage visitors to buy - statistics prove there is no better incentive than free shipping.

More potential benefits:

- stimulate trial of a new product or service.
- quickly sell overstock and unpopular products.

Some retailers argue against free shipping, noting skyrocketing fuel costs and smaller profit-margins due to stiffer competition. However, with at least 7 different types of shipping offers (see next chapter) available to merchants, it is possible to craft a free shipping promotion that is beneficial to the customer and is still profitable for the merchant.

Also, with most of your competition offering free shipping, you may have no alternative but to offer it, if you want to compete.

7 Types of Free Shipping Offers

There are seven different types of free shipping available to merchants:

1. Free Shipping on Everything (or Free Shipping Without Conditions)

Merchants who have a high enough profit margin can offer free shipping with every order. Many shoe and jewelry merchants offer complimentary shipping on everything for this very reason.

Lalit Dhadphale of HealthWarehouse.com began offering free shipping on all orders in August 2006, a first in the online healthcare segment. Lalit says, “We opted to go free shipping across the board with no coupons or minimums for everyone and the results have exceeded our expectations (and our customers as well).”

Major advantage: This the most enticing deal for shoppers and can generate increased sales.

2. Free Shipping with a Minimum Order

The most common free shipping offer is free shipping with a minimum purchase price.

Alex Chauvin of Bikeo.fr found free shipping with a minimum order encouraged shoppers to buy more. Alex says, “We do offer free shipping for orders above 60€ and clearly see that we don’t have [many] orders between 40 and 60€; most of our customers with around 40€ in their cart push up to 60€.”

Major advantage 1: This type of free shipping offer encourages shoppers to spend more to qualify for the discount.

Major advantage 2: As fuel costs increase, merchants can raise the

spending limit needed to qualify for free shipping.

Tip: If the average customer spends \$90 per order, try offering free shipping on purchases over \$100. This will encourage shoppers to buy more to get free shipping.

3. **Free Shipping on Select Items**

Many merchants selling small and large items promote free shipping only on select products (as it is not cost effective to offer free shipping for oversized items).

Major advantage: This type of free shipping offer can be a great way to quickly increase sales on overstock items or last year's model.

4. **Free Shipping Site-to-Store**

Some large merchants like Walmart and Sears offer free shipping when you pick-up the items at a physical store location. At first glance the site-to-store savings may not be as apparent to the customer without front door delivery. However, as Walmart.com offers a much larger selection than a local Walmart store, it is still a benefit to the shopper. Other retailers that offer free shipping site-to-store include Circuit City, and REI.

Major advantage: Free shipping site-to-store can be a great way to get customers back into your stores.

5. **Free Shipping by Delivery Location**

We estimate that more than half of all free shipping offers are for deliveries within the continental United States.

Tip: Don't forget about Alaska, Hawaii, and U.S. territories! Many merchants who provide complimentary delivery only offer it to the lower 48 states. By offering free shipping to locations outside of the contiguous U.S. You can create an advantage over competitors in those markets.

6. **Free Shipping by Membership**

Membership has its rewards. Many online retailers offer free shipping to those who have joined a special members-only club. It is customary to charge an annual fee for membership. A prime example of this is the Amazon Prime membership which gives members free 2-day shipping on their orders among other rewards. For \$79 per year members join Amazon Prime. Sears has a similar offer called ShipVantage.

Major advantage: Free shipping with a Membership can help to build customer loyalty. Loyalty programs are a great way to lock in future purchases.

7. **Flat Rate Shipping**

Flat rate shipping differs slightly from free shipping. Flat rate shipping is when a retailer offers a low shipping rate regardless of purchase price, quantity, or weight. The Gap and Old Navy both offer flat rate shipping of \$7 for any size order and Kohl's regularly offers 99c shipping per item.

Major advantage: Customers shop with confidence knowing that delivery costs will not increase with a larger shopping cart. This helps to reduce abandoned shopping carts.

Tips on Promoting Free Shipping Offers

After choosing the free shipping promotion that best fits your company, capitalize on it! Don't fall into the trap of keeping it a secret from your customers. Keep them informed of shipping savings with strategic advertising. Below are a few tips to help you promote your free shipping offers:

- **Emphasize Urgency**

By emphasizing the urgency of the offer, you give shoppers a reason to buy right now.



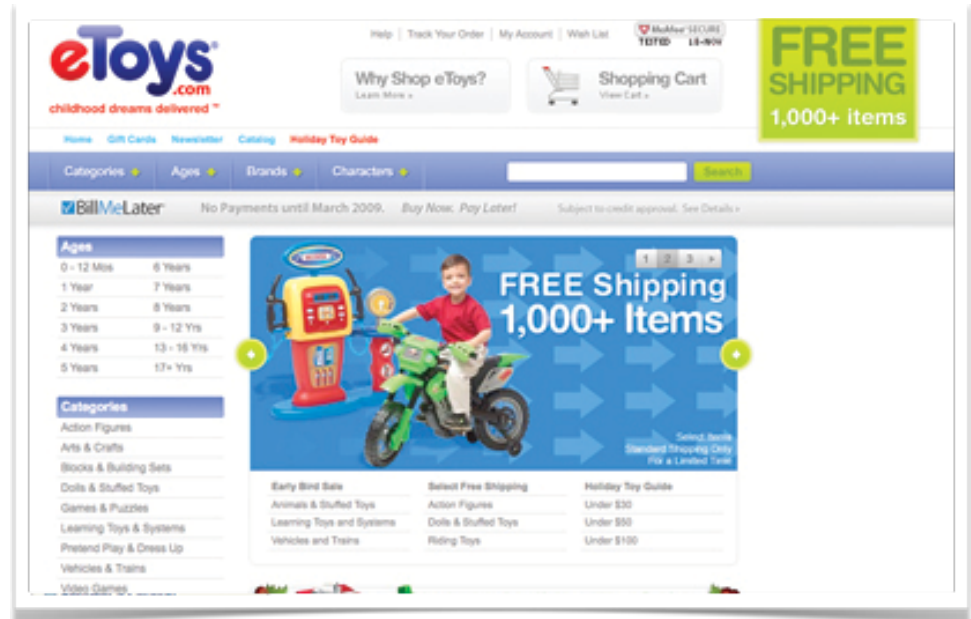
- **Highlight Exclusivity**

Tell customers why they are fortunate to have found your offer.



- **Make Your Offer Clear**

One of the biggest mistakes we see merchants make is hiding their free shipping offers in places most shoppers will never see it. Every visitor should know about your great free shipping offer.



- **Give Your Offer a Unique Name**

With 6 out of 10 merchants offering free shipping, you will need to come up with creative ways to stand out. Come up with a unique name for your free shipping offer that is very memorable. “EZ Delivery Service” from BabyAge.com is a great example.



- **Be Creative**

Sierra Trading Post has one of the most creative uses of free shipping that we have seen. Every Sierra Trading Post catalog has a riddle hidden in it.

Readers are encouraged to read through the whole catalog to find the riddle. During checkout shoppers are given the opportunity to answer the riddle to get free shipping on their order.

This encourages shoppers to read through the whole catalog to find the riddle, which puts more products in front of very loyal customers.

This creative approach to free shipping has had a social or viral element to it. Since the riddles are very difficult, Sierra Trading Post customers spend much time discussing the riddles in forums and on blogs.

Try to be as creative with your free shipping offer as Sierra Trading Post is with their riddle.

The screenshot shows the Sierra Trading Post website homepage. At the top, the logo reads "SIERRA TRADING POST" with the tagline "Great Deals. Great Brands." To the right, it says "100% Guarantee" and "SAVE 35-70% Every Day" with a red "Every Day" badge. Further right, it says "World's Best Brands". Below the logo, there are navigation tabs for "Shoes, etc.", "OUTDOORS", "adventure", "HOME & GIFT", "Active Home", "Women's Classics", and "Men's Classics". A search bar contains the text "enter keyword or item #". To the right of the search bar, it says "custom search", "view cart / checkout", "(0 items \$0.00)", "my account", "live chat", and "1-800-713-4534". On the left side, there is a "Browse Departments" section with links for "Outdoor Gear & Outerwear", "Men's Clothing", "Women's Clothing", "Shoes & Boots", "Kids' Corner", and "Home Decor". Below this is a "BARGAIN BARN our Best Deals!" section with links for "New Items", "Shop By Brand", and "Gift Ideas". There is also a "Sign up for Email DealFlyer" section with a text input field for "your email address" and a "Sign Up" button. The main content area features a large "FREE Shipping" promotion with the text "plus on all orders!". Below this, it says "\$25 Gift Card for every 2,500 points earned", "No Annual Fee", and "Earn Triple Points on Sierra Trading Post purchases." There is an "APPLY NOW!" button. Below the promotion, there is an "Automatic Savings" section with the text "Save even more on all your favorite brands with a Sierra Trading Post Rewards Visa® Platinum Card! Use your card wherever you go to reap the benefits, and tap into exclusive savings online at SierraTradingPost.com." At the bottom, there is a "SIERRA TRADING POST REWARDS" section with the following details: "Earn a \$25 rewards gift card for every 2,500 points acquired.", "Earn 1 point for every net dollar spent on purchases.", "Earn 3 points for every net dollar in purchases at Sierra Trading Post.", "Earn a 1,000-point bonus after making your first purchase!", "FREE shipping on all orders, FOR ALL CARD MEMBERS.", and "No annual fee!"

- **Experiment**

It may be that one type of free shipping offer has better results than others. Experiment with different offers until you find the offer that is right for your customers and your profits.

The same offer that works well for other merchants in your industry might not be the right free shipping offer for your business.

Other Ways To Use Free Shipping

Besides the obvious benefit of a free shipping offer (i.e. increased sales and brand awareness), a well executed free shipping promotion can accompany other offers and initiatives.

Gift Cards

Many merchants use free shipping as a way to encourage shoppers to buy gift cards. Below are a few reasons why you might want to consider offering free shipping on gift card sales.

- **Gift cards = free money**
Since more than 30% of gift cards will never be used, merchants should do all they can to promote gift card sales. That 30% should easily cover the cost of shipping and then some.
- **Gift cards are popular around the holidays**
Many gift-givers choose to give gift cards around the holidays when they are unsure of what friends and relatives want.
- **Gift cards can reduce returns and exchanges**
By increasing gift card sales, merchants can reduce the amount of returns and exchanges they have to process.
- **Gift card recipients spend more than the cards value**
According to an AC Neilsen survey, the average gift card recipient spends 20% more than the cards initial value.
- **Your competitors are probably doing it**
See what merchants offer [free shipping on gift cards](#).

The National Retail Federation estimates that \$26.3 billion will be spent on gift cards in 2007. \$8 billion or more will never be used.

In 2006, Best Buy reported over \$43 million in unused gift cards from the two previous years.

Email Subscriptions

Giving customers free shipping on their order is a great way to increase newsletter subscribers. Being able to reach loyal customers by email when you want can help increase sales.

Merchants should determine whether offering free shipping on an order is worth the potential revenue the subscriber will generate. Take into account the fact that many loyal customers may forward the emails they receive to their friends.

This tactic can turn visitors or one-time buyers into loyal customers because the merchant can reach the subscriber with news, updates, and promotions at any time. See what merchants have [incentives tied to signing up for emails](#).

Viral Marketing Campaigns

Combine your free shipping offer with a viral marketing campaign to increase sales from returning customers and attract new buyers by word of mouth.

Here are two examples of viral marketing campaigns involving free shipping incentives:

- **Offer free shipping for bringing in a friend**
Old Navy regularly runs "Best Friend Weekend" promotions offering free shipping to shoppers that invite a friend to register at the website: "Bring a buddy. Save a budget."



- **Get customers to create and spread ads online**
Levi's customers were given the ability to create their own Levi's online using their own photos and send the ads to friends. Those whose ad was viewed by at least three other people received free shipping on their next order over \$75.

Conclusion

With more and more shoppers turning to the web, the pressure is on for merchants to make sales. The statistics clearly show that shoppers respond very favorably to free shipping offers.

The Amazon.com and Zappos.com case studies show how effective a well-planned and well-executed free shipping campaign can be for increasing sales and market share, as well as creating positive buzz about their brands. Both of these merchants have replaced advertising with free shipping and won big.

In their book [*The Fall of Advertising & The Rise of PR*](#), Al Ries and Laura Ries makes the case that PR is better than advertising. We agree 100% with that argument and bring a new argument to the table. Free shipping is better than Advertising. Amazon.com and Zappos.com are proof of this.

We also see small e-merchants like [OhToy.com](#), who offer free shipping on orders over \$25, using free shipping to make inroads against large toy retailers like Toys R Us and eToys.com. It's the only way some small retailers can compete.

With at least 7 different types of free shipping offers available, merchants should be able to craft an offer that is alluring to shoppers and profitable for the company. A flat rate shipping offer is also attractive to shoppers because it allows them to know what the shipping charges will be up front. This helps to reduce abandoned shopping carts.

Come up with a creative way to offer free shipping like Sierra Trading Post has with their free shipping riddle and your customers could be talking about you on blogs, web forums and other social media.

Thank you for reading The Free Shipping eBook. I truly hope that we have helped you to get more out your free shipping campaign, or given you the motivation to start experimenting with offering free shipping.

Please [email us](#) to let us know the results from your free shipping offers.