

Case study

Borderfree Retail auto-populates address data to improve online shopping experience and conversion rates.

Client profile

Borderfree® Retail

www.borderfree.com

- Serving 300 storefronts and 2 million active customers in 220 countries and territories
- Poised to capitalize on growing trend of cross-border shopping
- Acquired by Pitney Bowes in June 2015

borderfree

Overview

Regardless of their shape or size, retailers surveying today's digital landscape almost invariably see opportunity when their gaze alights upon the global marketplace. And why not? For century-old behemoths and garage-based startups alike, customers around the world are just a few keystrokes away.

However, the transition to doing business globally can be more challenging than it first appears. Shipping and delivery protocols vary from market to market, as do duties and taxes on cross-border shipments. Payment processing can create additional complications. And international consumers may require marketing materials, order forms and customer service to be delivered in their own language.

Reducing these obstacles to globalization is the goal of the Borderfree® Retail solution from Pitney Bowes. The solution streamlines demand generation, website localization, duty and tax compliance, payment processing and customer care for Internet retailers doing business abroad. "It converts prices into buyers' local currency, then quotes taxes and cross-border shipping costs," explains Theo Goodman, senior product manager for Borderfree Retail. "It also includes a payment service. A buyer in China, for example, can pay with a credit card or through an Alipay account if they want to."

"Our goal is to build a check-out that helps people complete purchases as quickly and easily as possible. We saw an opportunity to improve the user experience."

—Theo Goodman, Senior Product Manager,
Borderfree Retail



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Business challenge

Another crucial service that Borderfree® Retail offers fledgling multinationals is order fulfillment. Although a retailer's purchase form looks like its website, its buyers are actually ordering from Pitney Bowes, which in turn places an identical order with the retailer. Then Pitney Bowes manages physical shipment of the products to the buyer.

Six months ago, the Borderfree Retail team determined that it could improve the end-user experience by auto-populating address details in its order forms. “Our goal is to build a check-out that helps people complete purchases as quickly and easily as possible,” Goodman explains. “We saw an opportunity to improve the user experience of our address form, so we began investigating prospective solutions.”

Solution

The Borderfree Retail team initially evaluated a Google API for auto-populating addresses, but balked at the \$300,000 to \$500,000 annual costs. In addition, the Google tool would have required legal review of a complex commercial agreement, which would have delayed implementation.

While contemplating next steps, Goodman and his team discovered that their own parent company offered a similar solution: the Pitney Bowes GeoSearch API. It is one of 11 location intelligence APIs from Pitney Bowes that can be incorporated into third-party applications. Others include the GeoTax® software, which integrates local tax rates into financial processes; GeoLife, which provides lifestyle and demographic insights; and GeoRoute and GeoZone, which offer routing directions and calculate drive times and distances, respectively.

“Strategically, the GeoSearch API is important for us because search is, increasingly, the primary way that customers access Pitney Bowes address data and geocoding functionality,” explains Shah Karim, vice president of Location Intelligence Product Development.

“The easier you make the check-out process, the more likely customers are to make a purchase. We expect the GeoSearch API to improve the conversion rate of Borderfree Retail.”

—Theo Goodman, Senior Product Manager, Borderfree Retail



The GeoSearch API provided most of the functionality the Borderfree® Retail team was looking for, and at a much better price point than the alternative. As a user types an address into a form powered by the GeoSearch API, the keystrokes are compared against a massive Pitney Bowes database containing geographic information from 40 countries around the world. Then the form suggests addresses that most likely match the user’s intent (see Figure 1).

The Borderfree Retail team also wanted the ability to access the user’s IP address to narrow the search results. Average response time when the GeoSearch API has the user’s IP address is 20 milliseconds. The Pitney Bowes Location Intelligence group turned to partner LocationSmart for assistance with IP address location. Integrating the GeoSearch API and LocationSmart functionality into Borderfree Retail took just two weeks. Testing took another two weeks.

Secure Checkout

Language: English

PayPal Check out

You are checking out as a guest

Already have a Borderfree account? Click here.

FREE RETURNS ON ALL ORDERS.

1. Shipping

First Name: Robert, Last Name: Zimmerman

Address Line 1: 292 Ma

292 Madison Ave, New York, NY 10017
292 Main St, New York, NY 10044
292 Mercer St, New York, NY 10003
292 McGuinness Blvd, Brooklyn, NY 11222
292 Midland Ct, West New York, NJ 07093

State: Alabama

Postal Code: , Country: United States

Phone Number: , Email Address:

Shipping Method

<input checked="" type="radio"/> Standard	8–13 business days
<input type="radio"/> DHL Express	4–9 business days

Order Summary:

Items:	USD 106.23
Shipping:	USD 9.48
Duties:	USD 0.00
Taxes:	USD 0.00
Order Total:	USD 115.71

Submit Order

Figure 1: When a customer begins entering an address in an order form powered by the Pitney Bowes GeoSearch API, the form offers a list of addresses that the customer is most likely to mean. The customer selects one from the list and moves on through an accelerated checkout process.

Technology used

- GeoSearch API

“Incorrect addresses reduce customer satisfaction and cost us time and money. By minimizing address errors, the GeoSearch API improves our internal resource utilization and the shopping experience of our retailers’ end users.”

—Theo Goodman, Senior Product Manager,
Borderfree Retail



Now, whenever a buyer places an order with a Borderfree® Retail merchant, address fields auto-populate on both payment and shipment forms. “Buyers might type just four or five characters before Borderfree Retail suggests a handful of addresses that are likely candidates,” Goodman says. “They select the right one, and they’re done.”

Benefits

This functionality saves time for end users. “The easier you make the check-out process, the more likely customers are to make a purchase,” Goodman says. “Conversion rate is one of the top metrics that we focus on when we’re enhancing our product, and we expect the GeoSearch API to improve the conversion rate of Borderfree Retail.”

In addition, because it reduces data-entry errors and helps standardize address formatting, the API minimizes shipping and billing problems. Goodman says undeliverable merchandise cost Pitney Bowes \$200,000 in shipping costs and \$1.5 million in customer refunds in 2016. He notes that not every undeliverable order is the result of an invalid address, but eliminating invalid addresses is having a large financial impact. It’s also benefiting customer satisfaction.

“If an order comes back, it’s a poor experience for the buyer who didn’t get the item,” Goodman says. There’s also a chance the initial calculation of shipping rates or taxes was incorrect if the address was wrong. Borderfree Retail staff must investigate, correct the address, deal with any ramifications of the error and then re-ship the package.

“Incorrect addresses reduce customer satisfaction and cost time and money,” Goodman says. “By minimizing address errors, the GeoSearch API improves our internal resource utilization and the shopping experience of our retailers’ end users.”



For more information,
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