



Incoterms 2026: The E-commerce Cheat Sheet

Who pays for what? Defining the risk and cost for International Shipping.

Incoterm	Full Name	Shipping	Duties	VAT	Best Use Case
DAP	Delivered At Place (formerly DDU)	Seller	Buyer	Buyer	Standard B2C: Protects seller margins, but risks customer refusal due to surprise fees.
DDP	Delivered Duty Paid	Seller	Seller	Seller	Premium B2C: "All-inclusive" checkout experience. Higher conversion, lower refusals.
EXW	Ex Works	Buyer	Buyer	Buyer	B2B / Wholesale: Buyer arranges their own pickup from your warehouse.
CIP	Carriage & Insurance Paid	Seller	Buyer	Buyer	High Value B2B: Seller pays for shipping + insurance, but buyer handles customs.

DAP Warning

The "Surprise" Factor

Under DAP, your customer will receive a **payment link** (text/email) from the carrier before delivery. If they refuse to pay, the package is returned to you, and **you pay the return shipping**.

DDP Advantage

The "Conversion" Factor

DDP increases checkout conversion rates by **15-30%** because customers see a final, guaranteed price with **no hidden fees**.