

2019

# Global Shopper Trends Report

## Essential Insights for Retailers

# What Do Shoppers Value?

Throughout the four years that iVend Retail has been performing consumer surveys, we've seen shopper behaviors change. What was true four years ago, isn't necessarily true now, as technology continues to disrupt retail and consumers embrace digital processes to get their shopping done. Although shopper behaviors are evolving year after year, shoppers' motivations remain basically constant: to find the easiest, most relevant, and convenient customer experiences.

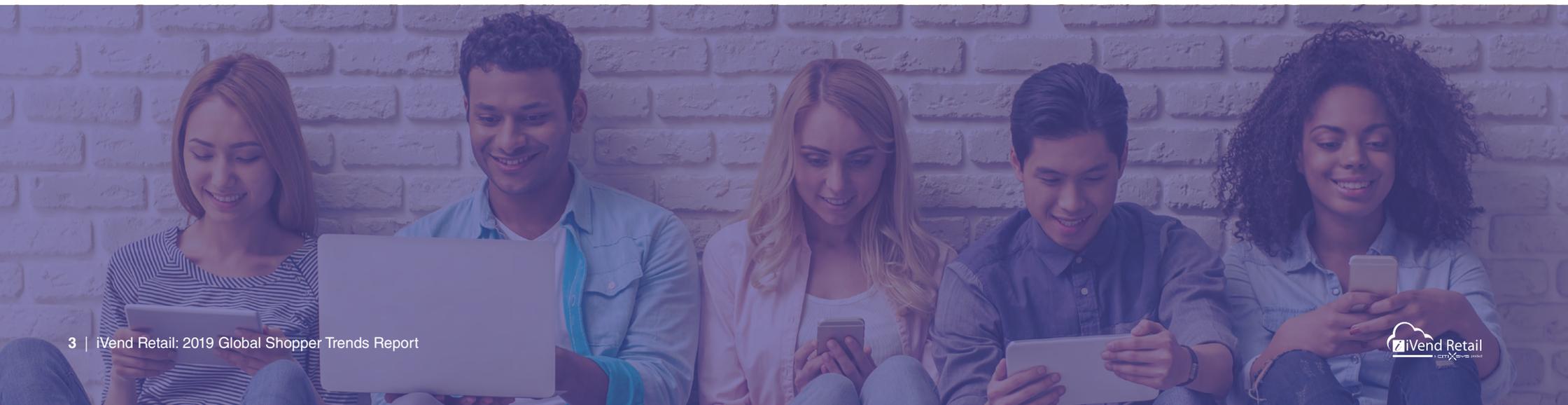
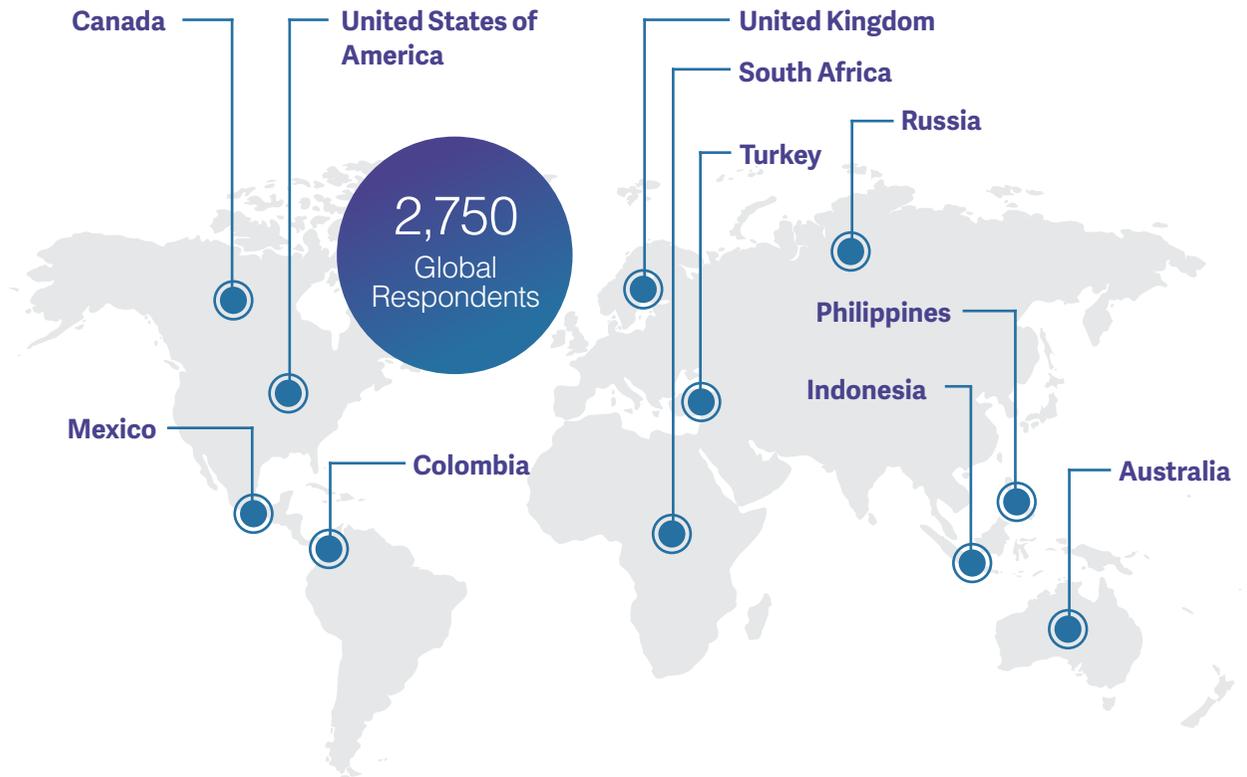
Our 2019 Global Shopper Survey reveals some significant changes in consumer attitudes and behaviors. We also drilled down to show how shoppers in different regions and from different age groups approach the shopping journey in different ways. You can use these insights to align your retail strategy to your specific customer base and build the connected omnichannel retail ecosystem that makes shopping easier and more convenient – the types of experiences your customers truly value.



# Methodology

This report is based on the findings of iVend Retail's 2019 Global Shopper Survey. We asked consumers in 11 different countries about their attitudes and behaviors related to retail purchase decisions. As in previous years, iVend Retail partnered with AYTM to leverage their local market expertise.

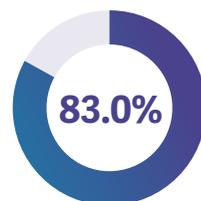
iVend Retail conducted an online survey from December 2018 to January 2019 of 2,750 respondents around the world with 250 respondents each from Australia, Canada, Colombia, Indonesia, Mexico, Philippines, Russia, South Africa, Turkey, United Kingdom (UK), and United States of America (USA). Survey respondents included both males and females, ages 18+.



# Key Findings

- **91.9%** of global shoppers make purchases to earn loyalty rewards, and 35.3% base purchase decisions on loyalty rewards at least half of the time.
- **79.7%** of global consumers report that social media and online ads impact their purchasing decisions — an increase of about 10% over last year.
- **70+ %** of global shoppers say that offers delivered to their mobile devices while they're in or nearby a store can influence their purchasing decisions.
- **84.2%** of consumers look for a sales associate with mobile technology to assist them.
- **81.4%** of global consumers reported ordering items online for in-store pickup, a growth in Click and Collect or Buy Online Pickup In Store (BOPIS) of nearly 30% from last year's survey.

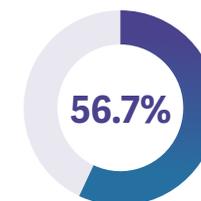
The survey also asked global consumers which aspects of retail shopping experiences they value most. The top responses are:



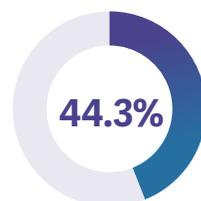
Quick and easy checkout



Earning rewards or loyalty points



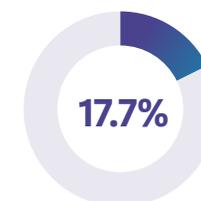
Free or easy returns



Click and Collect/Buy Online Pickup In Store



Personalised offers, experiences and communications



Technology like augmented reality, voice assisted shopping, virtual dressing rooms

Our survey confirms that shoppers want the greatest value and they're looking for the easiest, most convenient ways to shop. This report will provide you with insights into the modern shopping journey, and how your retail brand can optimise the experiences it provides each step of the way.



## STEP 1: DECIDING WHERE TO SHOP

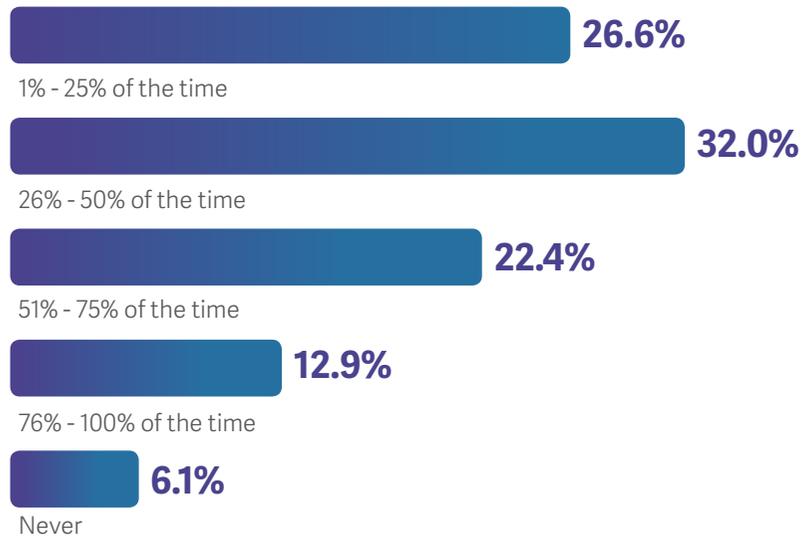
When consumers are ready to make a purchase, they will turn to retailers they know and trust. The sooner your brand's name comes to mind, the better the chances that the shopping journey will end with a purchase from your store.

## Loyalty Programs

One factor that weighs into global consumers' decisions on where to shop is whether they'll earn loyalty rewards for their purchases — in fact, our survey shows it's a deciding factor for 93.9% of shoppers, an increase of about 10% of shoppers who responded to our [2018 Global Path to Purchase Report](#).

This year's survey revealed 91.9% of global shoppers make purchases to earn loyalty rewards, and 35.3% shop with retailers with loyalty rewards programs for at least half of the purchases they make.

### How Often Consumers Shop with a Retailer Because They Earn Loyalty Rewards or Points





According to 83.3% of global consumers, the most common motivation for shopping with retailers that have loyalty programs is to earn discounts and free items (up from 65.6% last year). But earning rewards isn't the only reason customers may enroll in loyalty rewards programs:

- **37.3%** use the loyalty rewards program for exclusive product updates
- **26.7%** enjoy access to VIP events and benefits
- **21.3%** say loyalty rewards programs add fun to shopping experiences

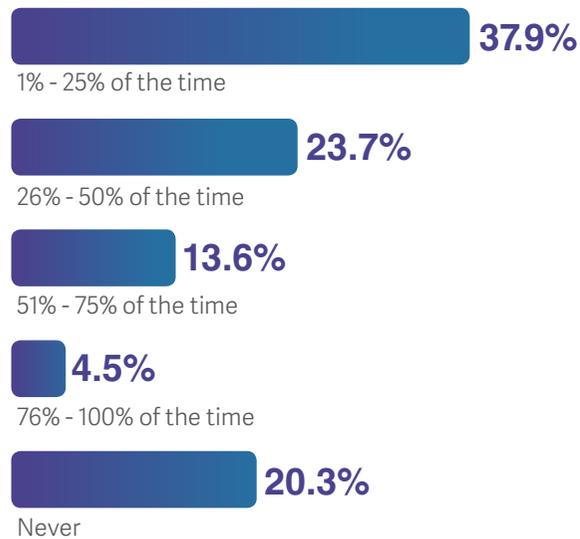
Our survey also found that the majority of global consumers prefer to manage their loyalty programs themselves:

- **33.3%**, in person with a card
- **32.9%** through a smartphone app
- **24.5%** through an online portal

Only **3.3%** of consumers prefer to have a store associate manage their loyalty program accounts for them.



## How Often Consumers Make Purchases Because of Online or Social Media Advertisement



## How Consumers Differ by Age Demographic

Our survey found that consumers around the world ages 55 and older are less likely to use digital methods to manage their loyalty program accounts: 50.6% of consumers ages 55-64 and 59.8% of consumers age 65+ prefer to manage their accounts in person with a physical card.

The second choice for both of these age groups is online portal (24.9% for ages 55-64 and 22.7% for ages 65+), but their least favorite way of managing their loyalty accounts is through a smartphone app (12.7% for ages 55-64 and 5.2% for ages 65+).

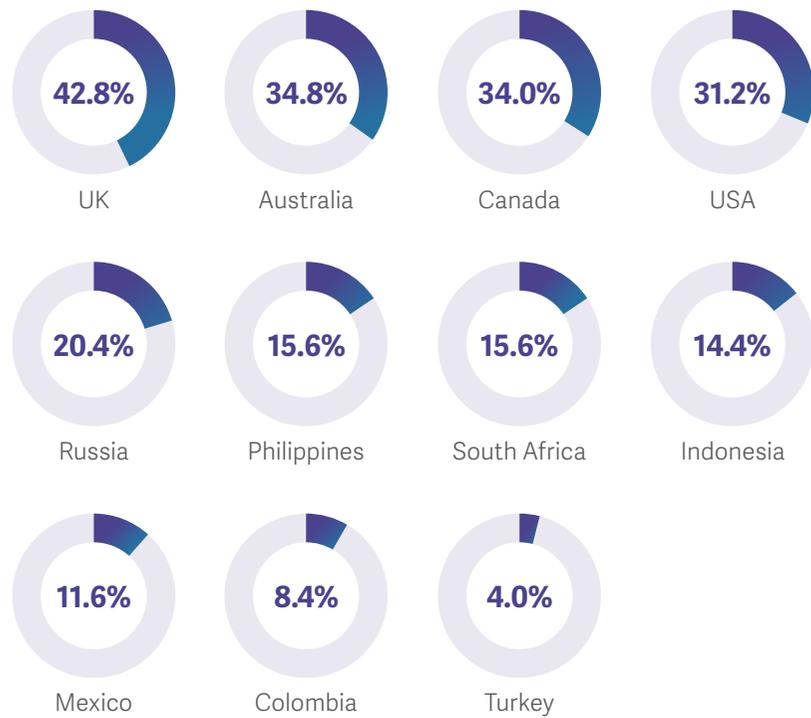
## Social Media and Online Advertising

Raising brand awareness in the digital age has shifted from traditional print and broadcast media to advertising on social media and online. On average, 79.7% of global consumers report that social media and online ads impact their purchasing decisions — an increase of about 10% over last year's survey.

## How Consumers Differ Around the World

The influence of social media and online advertising is an area that differed broadly by country. Consumers in some countries are less likely to be influenced by this form of advertising:

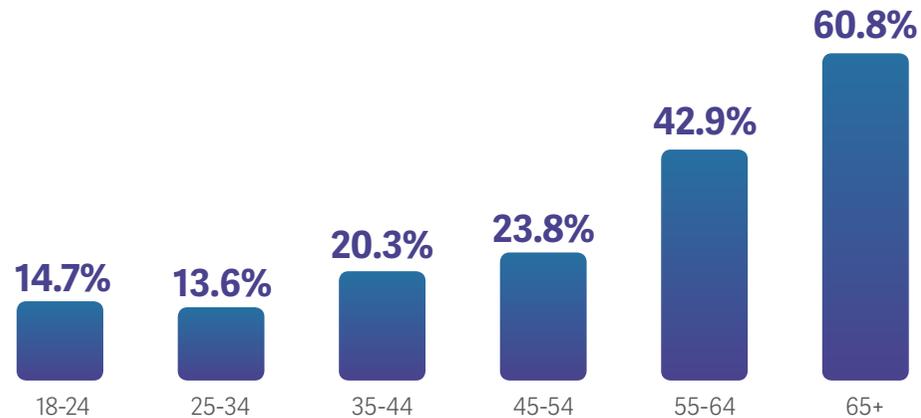
### Percentage of Consumers Who Say They Never Make a Purchase Because of an Online or Social Media Ad, by Country



## How Consumers Differ by Age Demographic

According to our survey, the influence of social media and online advertising also varies by the age of your target audience.

Percentage of Consumers Who Say They Never Make a Purchase Because of an Online or Social Media Ad, by Age



### When it comes Customer Loyalty, What Can Ruin a Sale?

Not keeping your brand in front of customers

When your customers need or want to make purchase is your brand the first that comes to mind? Developing a loyalty program that provides shoppers with the value they want and keeping your brand in front of your target market with advertising on channels they commonly use are two effective ways to make sure that when it's time to buy, they think of your store first.

## Case Study

### Beyond Beauty

Read how Beyond Beauty stores build loyalty to support their long-term growth strategy.

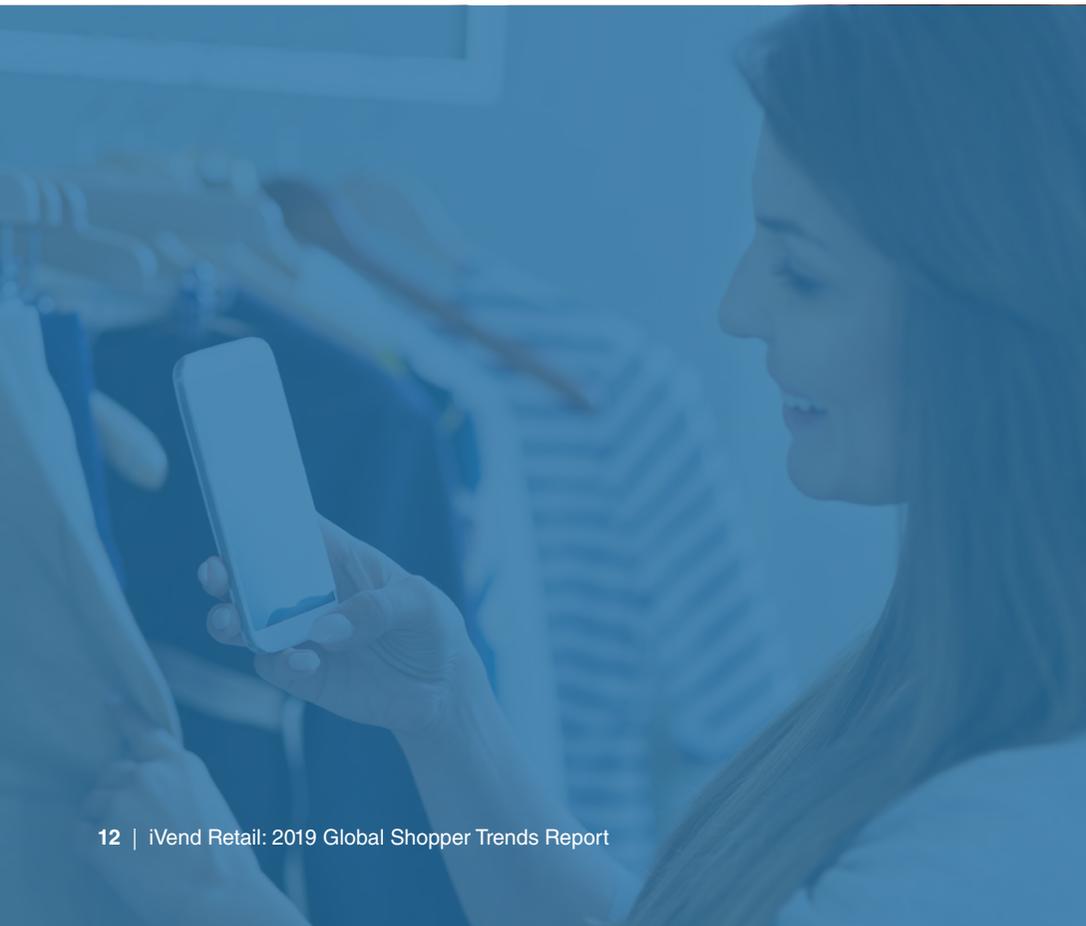
## STEP 2: BROWSING AND PRODUCT RESEARCH

Once consumers choose a shopping destination, they'll then browse and weigh their options for the purchase. In the past this may have involved strolling around a brick and mortar store and considering the merchandise on display. Today, browsing and evaluating products has become decidedly omnichannel.

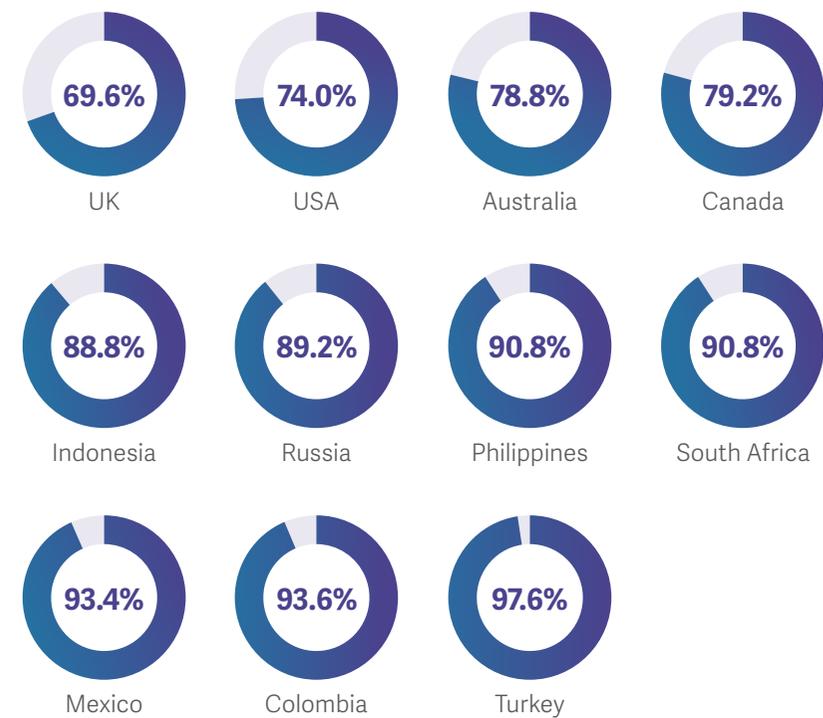
Our survey of global consumers found that 92.9% have browsed online before making purchases in physical stores (webroom) and 86.2% will browse in physical stores before making purchases online (showroom). In addition, 86.3% use a mobile device while they're shopping in a physical store to research products and prices.

### How Consumers Differ Around the World

Using a smartphone or other mobile device to research products and pricing while shopping in a brick and mortar store is a behavior that's more prevalent in certain parts of the world than others.



### Percentage of Consumers Who Use a Mobile Device for Product Research While Shopping In-Store, by Country



## How Consumers Differ by Age Demographic

Using mobile devices in-store for product and price research is also a behavior that varies with the age of the consumer.

### Percentage of Consumers Who Use a Mobile Device for Product Research While Shopping In-Store, by Age



Older consumers are also less likely to showroom or webroom: Among our survey respondents age 65+, 55.7% say they engage in browse stores first then order online and 74.3% say they browse online and then make purchases in stores.



### When it comes to Customer Experience, What Can Ruin a Sale?

Not creating a connected omnichannel ecosystem

Even though the statistics may vary from country to country or across age groups, the fact remains that the vast majority of consumers around the globe use a combination of physical and digital channels to browse and make purchasing decisions. Provide your customers with consistent, connected experiences as they move between channels and one step closer to making a purchase at your store.

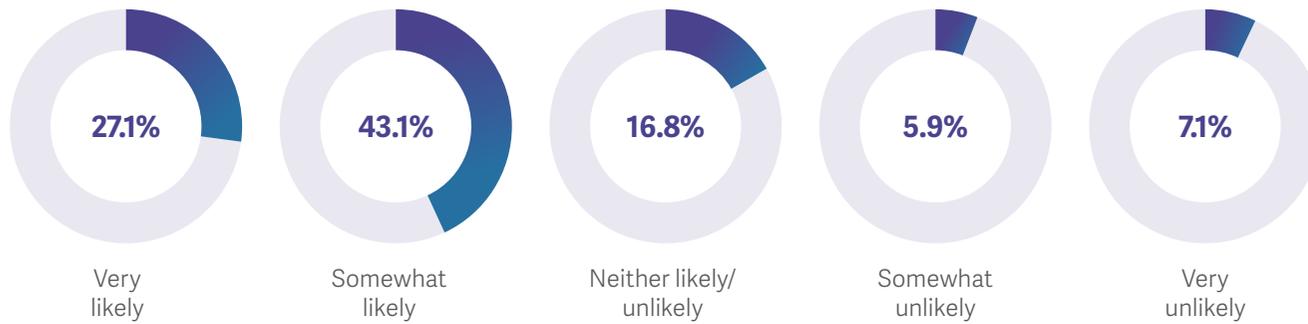
## STEP 3: DECIDING TO BUY

Whether the shopper's path began on an eCommerce site, a social media channel, an app, or displays in a physical showroom, the shopper is now in a physical store and has found the item she wants. How likely would a digital pass or coupon delivered right to her smartphone be the incentive she needs to make the purchase?



Our survey found that digital passes delivered to shoppers in-store can make a significant impact, influencing more than 70% of global shoppers to buy.

### How Likely Consumers Are to Make A Purchase When They Receive Digital Passes When In-Store or Nearby



**eBook**

#### The Digital Store Platform

Better data for survival in a customer-centric world.

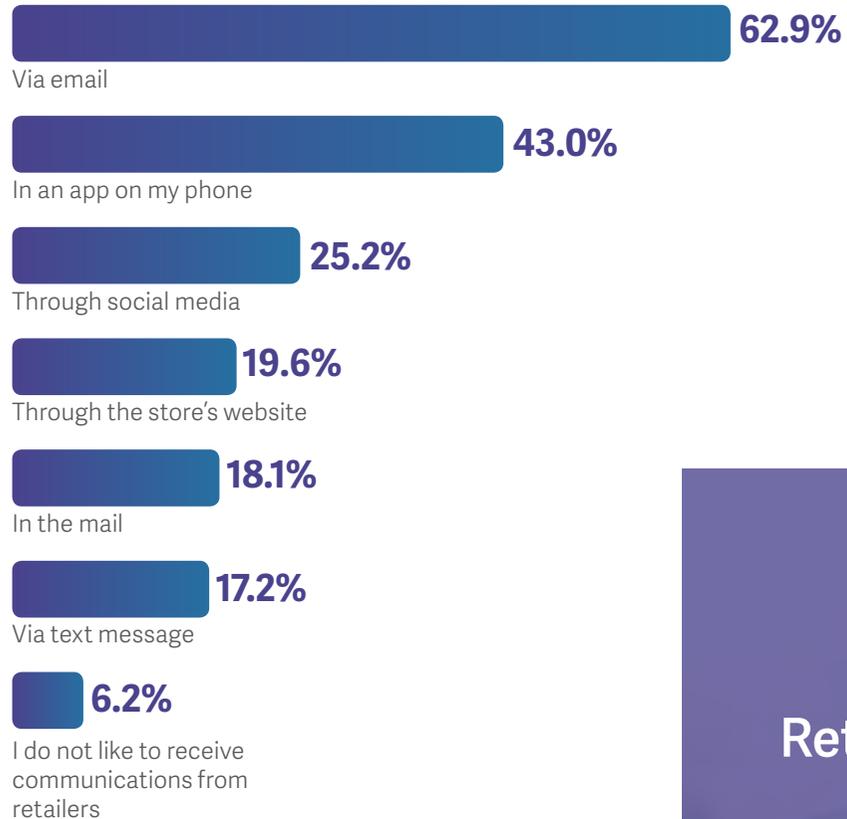
**Case Study**

#### Duty Free City

Read how Duty Free City focused on mobile technology to drive traffic.

We also polled global consumers to understand the way they prefer to receive communications from retailers, with the majority, 62.9%, preferring email.

## How Consumers Like to Receive Communications from Retailers



In addition to how you send messages, what you send to your customers also makes a difference. Our research shows 94% of global consumers prefer personalised communications from retailers, but respond more positively to different types of content When receiving personalised offers:

- **68.8%** like the ability to earn loyalty points and rewards.
- **58.5%** want benefits such as automatic credits for coupons and loyalty points.
- **57.3%** like access to exclusive deals.
- **47.9%** prefer personalised product recommendations based on past purchases.
- **20.9%** appreciate reminders of items in online shopping carts.



### Whitepaper

**Retail Analytics -The Perfect Business Enhancement**  
 Harness the power of big data in your operations.



## How Shoppers Differ Around the World

Depending on global region, the effectiveness of sending personalised product recommendations could vary. Fewer consumers in the U.S. (24%) Canada (37.2%), UK (34%), and Australia (37.6%) want personalised product recommendations based on past purchases compared to the global average. On the other hand, more consumers in Turkey (64%), Mexico (60%), and Colombia (59.6%) prefer them.



### When it comes to Promotions, What Can Ruin a Sale?

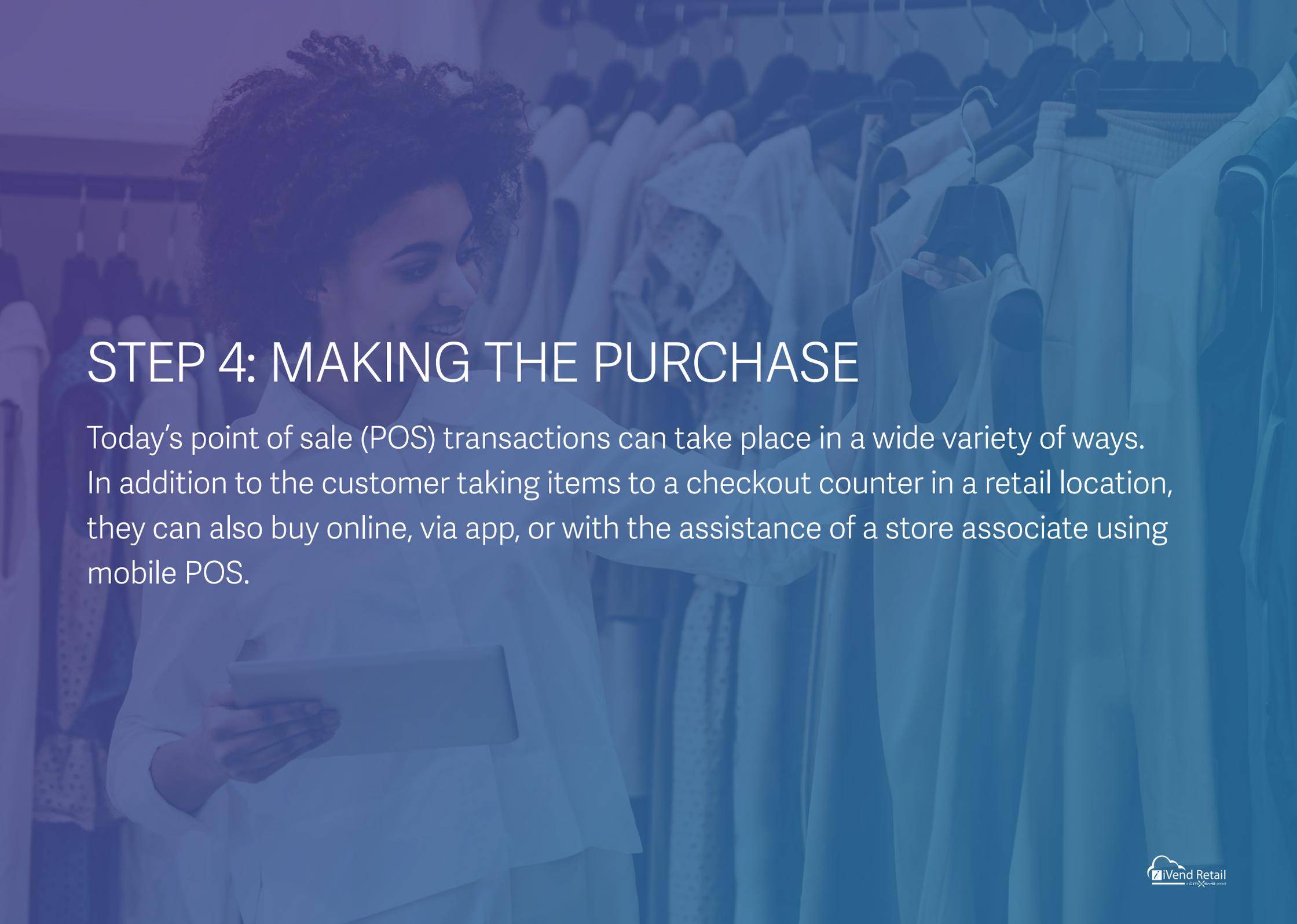
The wrong messaging at the wrong time

With so much competition for your customers' attention, you need to focus on delivering personalised offers, product updates, promotions, coupons and digital passes that your customers want and value. Use data insights made possible by integrating your retail management system with your ERP to determine which communications are effective and lead to greater conversions. Also, invest in technology that allows you to send communications to your customers at pivotal times in their decision-making — even at the point of decision, with geolocation technologies — so there's no doubt that the decision to buy is the right one.

**Case Study**

**COCO Store**

Read how COCO Store gained visibility into business performance across their chain.



## STEP 4: MAKING THE PURCHASE

Today's point of sale (POS) transactions can take place in a wide variety of ways. In addition to the customer taking items to a checkout counter in a retail location, they can also buy online, via app, or with the assistance of a store associate using mobile POS.

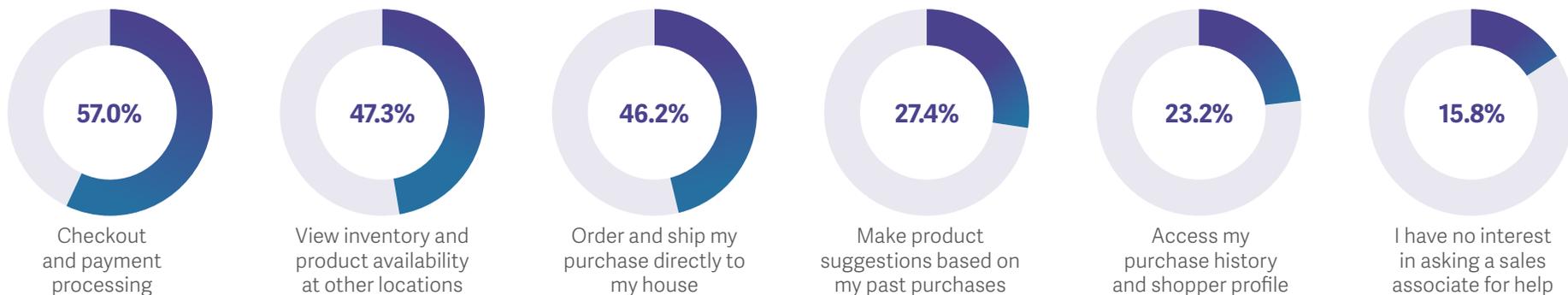


In iVend Retail's 2018 Global Path to Purchase Survey, 52.8% of consumers said they look for a sales associate with mobile technology to assist them. This year, that **number rose to 84.2%**.

Mobile POS has the potential to enhance in-store shoppers' experiences in a variety of ways, and our global shopper survey revealed which are most important to consumers:



### Services Consumers Want from Store Associates Using Mobile POS Devices



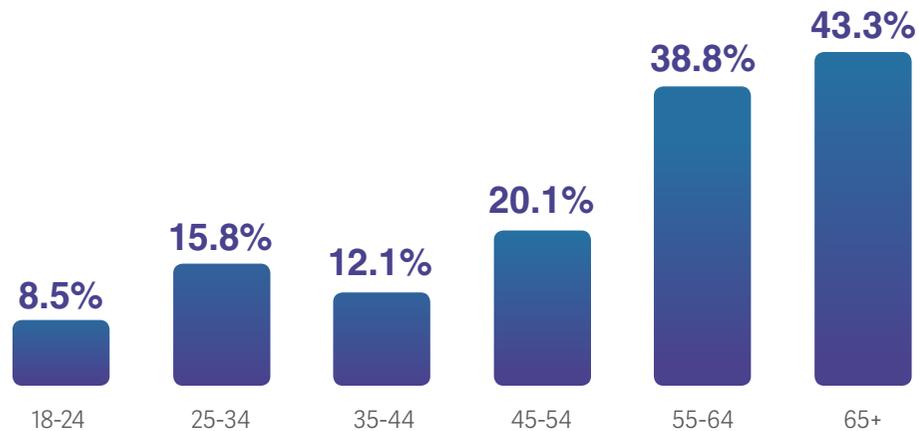
## How Consumers Differ Around the World

Our survey shows that consumers in different countries have embraced the idea of relying on sales associates using handheld, mobile POS devices to varying degrees. Although the majority of shoppers in all countries are interested in efficient assistance from sales associates, some are not: 40.8% of shoppers in the UK, 31.6% in Australia, 27.2% in the USA, and 24.8% in Canada. Conversely, a greater-than-average number of shoppers in Turkey (94.4%) and Mexico (94.8%) will be seeking out sales associates using handheld mobile POS devices for in-aisle assistance.

## How Consumers Vary by Age Demographic

Older respondents in our survey are less likely to take advantage of assistance from a sales associate using a handheld mobile device.

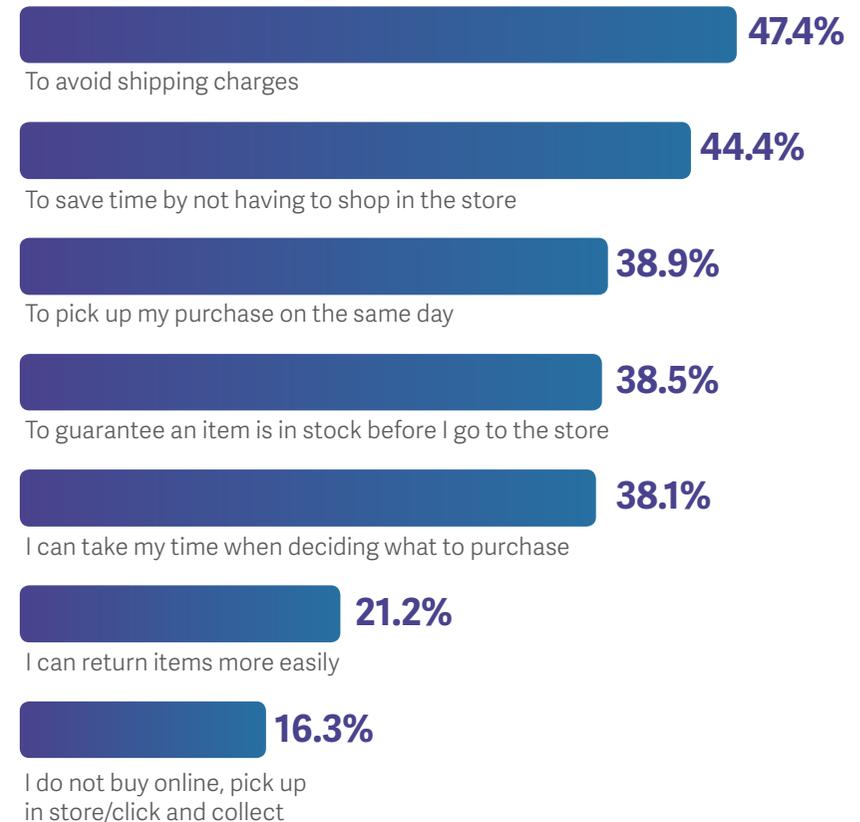
Consumers with No Interest in Assistance from Sales Associates Using mPOS, by Age



## Click and Collect/BOPIS

In last year's survey about 50% of global consumers reported ordering items online for in-store pickup. This year, however, consumers report that these Click and Collect or Buy Online Pickup In Store (BOPIS) processes have grown in popularity, **now used by 81.4% of consumers.**

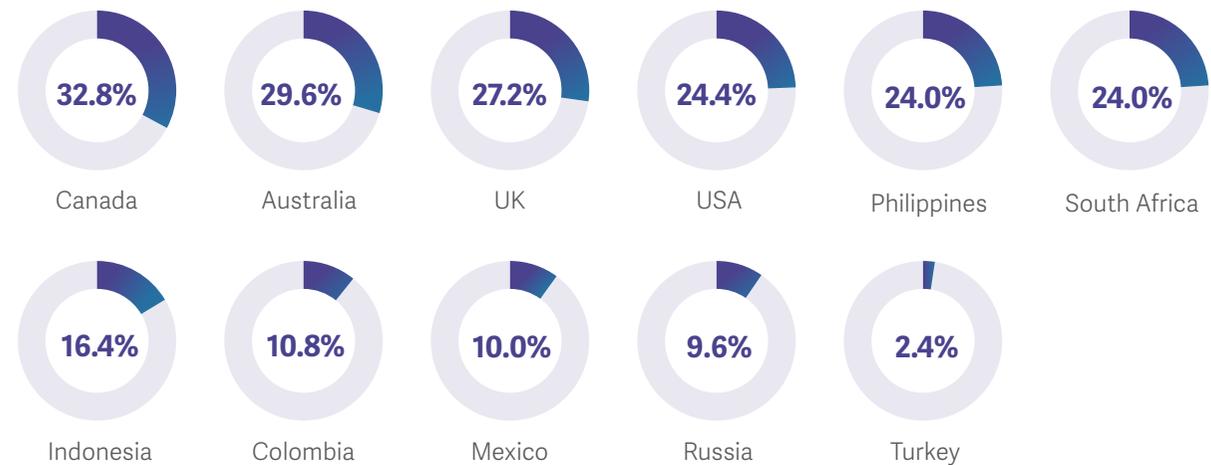
### Reasons Global Consumers Click and Collect/Buy Online Pickup In Store (BOPIS)



## How Consumers Differ Around the World

Click and Collect/BOPIS has different degrees of adoption in different countries.

### Percentage of Consumers Who Use a Mobile Device for Product Research While Shopping In-Store, by Country



## How Consumers Differ by Age Demographic

Our global shopper survey also shows that older consumers are less likely to use Click and Collect/BOPIS: 49.5% of consumers ages 65+ say they have never ordered online for pickup in-store.



### When it comes to the In-Store Experience, What Can Ruin a Sale?

Disappointing the convenience-driven shopper with outdated technology

The in-store shopper looking for fast, accurate answers to help make informed purchasing decisions and the online shopper choosing to pick up a purchase in-store both want convenience and reliable data and service. How well you deliver on those expectations depends on the technology you have in place to support your operations. An integrated platform that shares data with all departments and staff is a must for retailers serious about providing loyalty-building customer experiences — and earning the position as leader in their market.

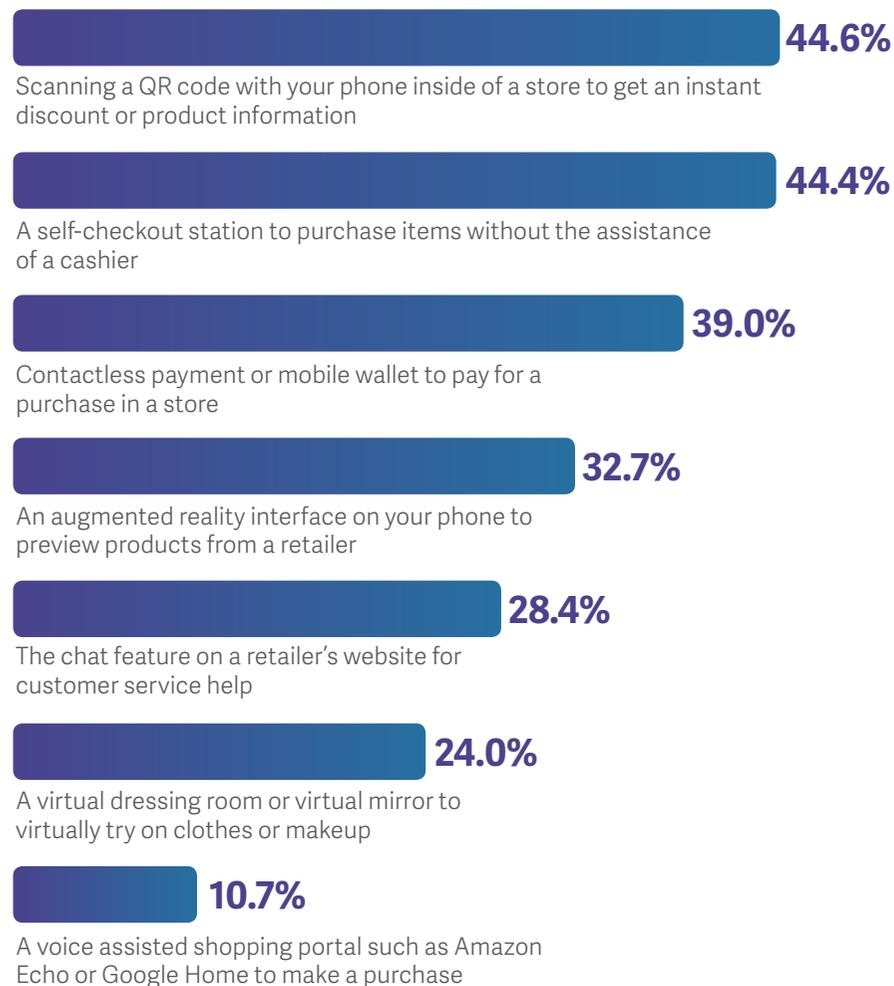
# STEP 5: SHOPPING TOMORROW

Your retail ecosystem is constantly changing in response to new technologies and changing consumer behaviors. What's next on your technology roadmap?



Our survey asked global consumers which technologies make them want to shop with retailers.

## Technology that Makes Consumers Want to Shop with a Retailer



### When it comes to Technology, What Can Ruin a Sale?

Not keeping up with the services and shopping experiences the competition can provide

In addition to meeting — or exceeding — customers' expectations today, it's vital to plan for tomorrow. Retail management technology that doesn't leave room for new functionality or innovation is a short-sighted investment in a rapidly changing industry. Look for technology with modular architecture and an open platform so you can add functionality without having to rip and replace.

# Build the Right Retail Ecosystem to Create the Right Shopper Experiences

The convenient, relevant shopping experiences that your customers expect all require the right technology to support them. Every step on the modern path to purchase is directly impacted by technology in some way, whether an eCommerce platform, mobile POS, loyalty software, digital passes, in-store POS and retail management, integration with ERP, or data analytics.

To meet the modern customers' expectations throughout an omnichannel shopping journey, you need an integrated retail management system to provide comprehensive tools to optimise the retailer's response to each step a shopper takes.

And as the path that shoppers take continues to evolve, iVend Retail's Suite has the flexibility and agility to adapt and scale, giving you the ability to provide experiences your customers demand, now and in the future.





## About iVend Retail

iVend Retail by CitiXsys is a global provider of integrated omnichannel solutions for retail and hospitality chains. Our software solutions integrate vital systems to produce a flawless ecosystem where data flows instantly and freely, with minimal IT investment. Designed to provide exceptional customer experiences throughout the entire shopper and dining journey, iVend Retail solutions for point of sale, loyalty, eCommerce, digital passes, analytics and mobility will increase revenue, improve customer retention, and bring in new business, all while lowering your operating costs. Our suite of solutions is available through a worldwide distribution network of certified partners. For more information about iVend Retail, [www.ivend.com](http://www.ivend.com) or email us at [contact@citixsys.com](mailto:contact@citixsys.com).



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