2015 8TH ANNUAL GLOBAL SHOPPER STUDY

June 2015

2015 Global Shopper Study

“One of the most important insights from the 2015 Shopper’s Study is that in the world of channel convergence, shoppers are demanding spectacular in-store shopping experiences and customer service. Retailers should focus on enabling sales associates through technology, helping them provide the information shoppers want, when and where they want it. Sales associates empowered with real time information can spend more time with customers, making in-store shopping a more engaging, more satisfying experience. They can easily help customers make more informed buying decisions, offering more personalized service, product recommendations, flexible payment and delivery options and much more. That’s crucial because a majority of survey respondents said they would buy more merchandise from a retailer they believe provides better customer service. The personal touch still makes an enormous difference in retail.”

Ravi Kanniganti
Global Retail Practice Lead

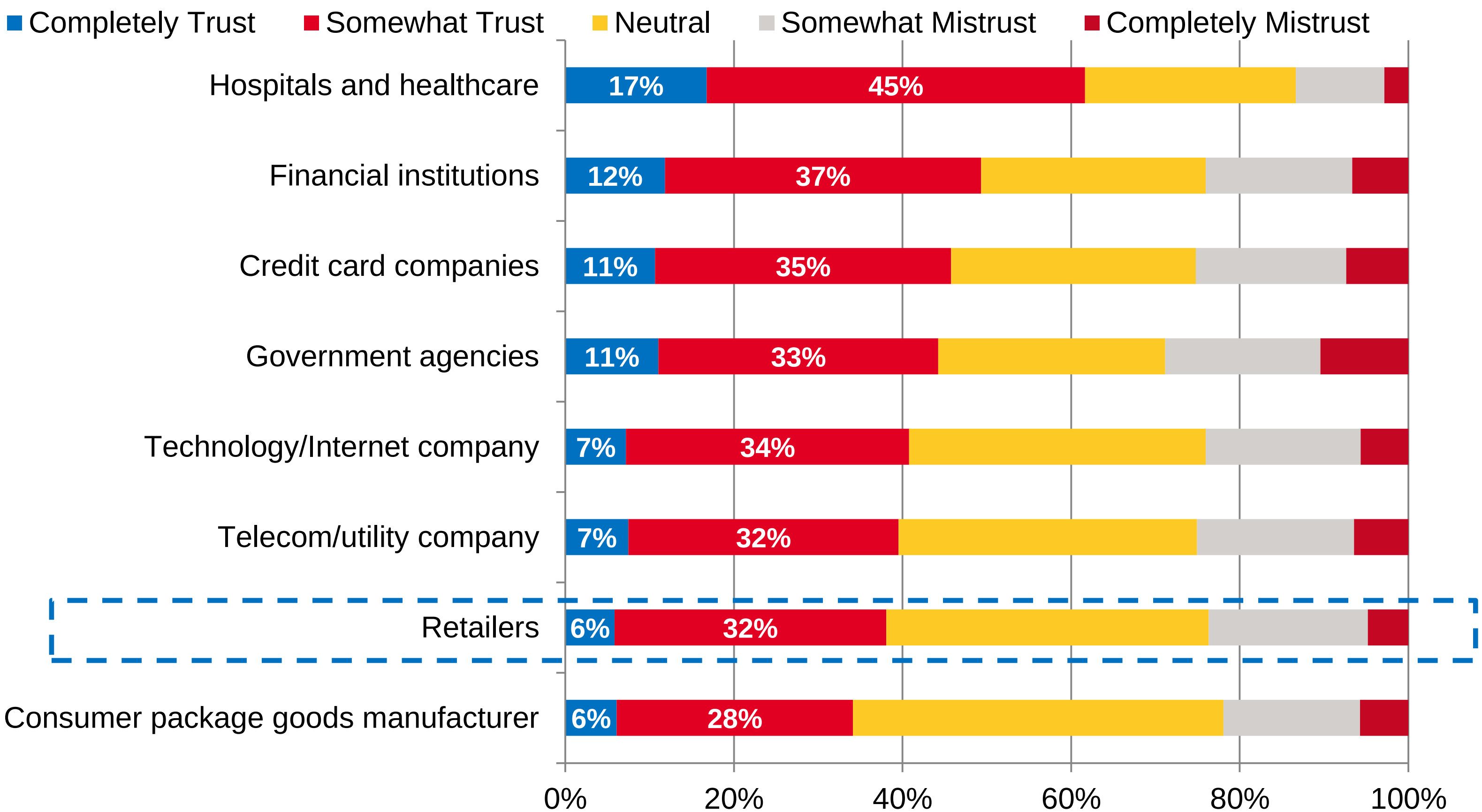
ZEBRA

2015 Global Shopper Study Key Findings

- Across the retail environment including online, mobile and in-store, **technology solutions are helping retailers** enable and improve every aspect of the shopper's experience
- Customer **satisfaction** has been **on the rise** with majority of shoppers feeling positive about shopping in stores overall
- Many shoppers are **willing to share certain personal information** with retailers, but value flexibility to control how personal information is used to tailor experiences
- There is preference for retailers that use information to make the shopper experience more **efficient** from one step to the next – shoppers appreciate brands that **customize messaging** and offers to be relevant
- Shoppers rely on advice from friends and family for purchase decisions, and they **expect better values** when shopping today
- Shoppers are enrolled in **loyalty programs** with the traditional outlets like grocery and drug store
    - They want to receive coupons and sale notices from their mobile loyalty programs
    - While at home, shoppers prefer offers via email; while in-store, prefer offers via text

Lack of Trust Among Shoppers

Q: "How much would you trust these companies/institutions to protect your personal data and use it to provide something that you value?"

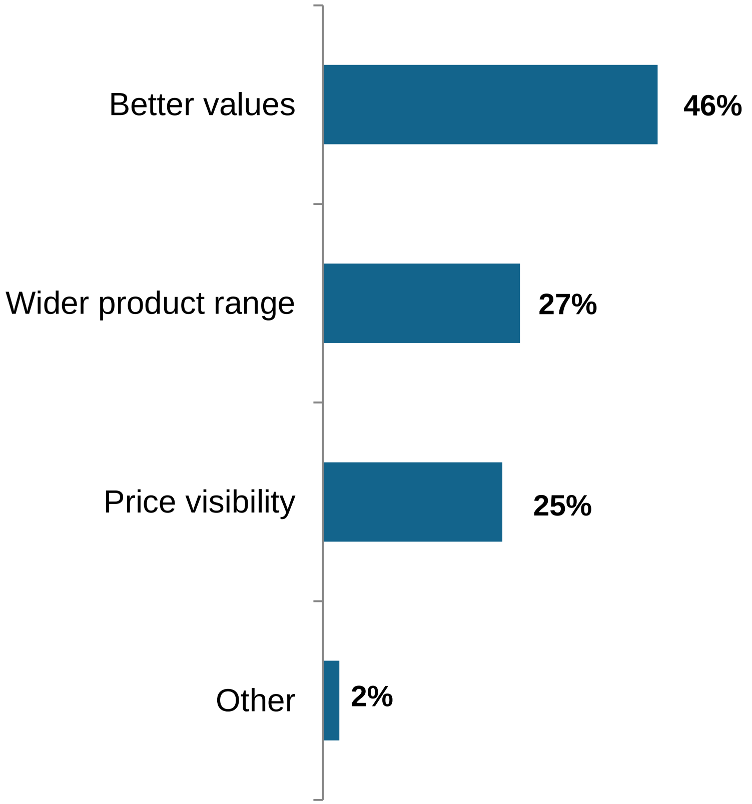


Retailers rank low on the trust scale among shoppers.

Purchase Influences and Expectations

Q: "What has the greatest influence on your buying behavior?"

Q: "Over the past two years, which of the following expectations have changed the most? I expect:"



Shoppers rely on advice from friends and family for purchase decisions, and they expect better values when shopping.

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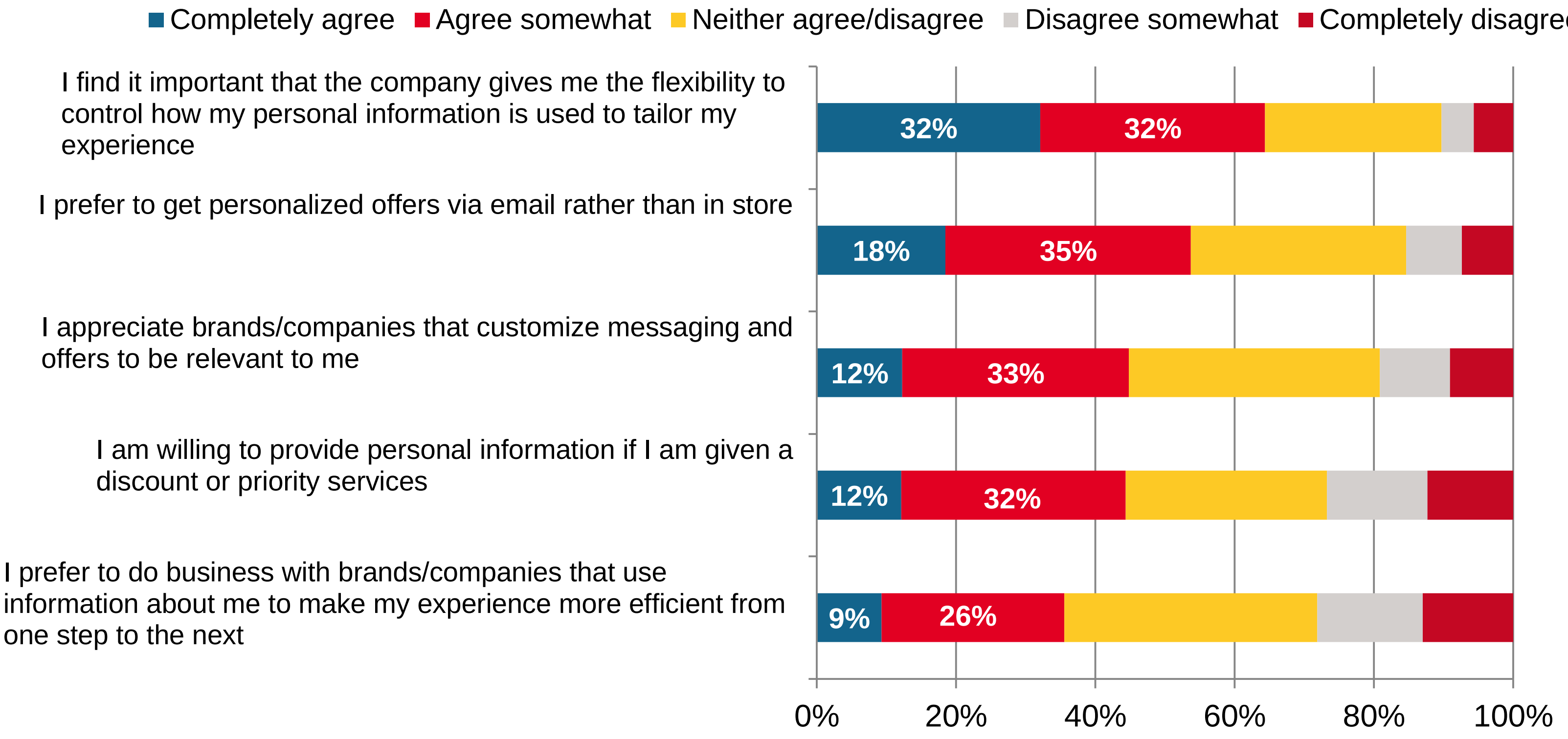
Shoppers Want Personalization

Q: "Using a 5 point scale where 5 means strongly agree and 1 means strongly disagree, to what extent do you agree/disagree with the following statements?"



Shoppers expect retailers to give them the ability to control their personalized experience and when given control they are open to a variety of marketing tactics.

Preference for Personalized Offers

Q: “When you start the shopping process (including consideration, research and preparation), how and when do you prefer to receive personalized offers:”

	Before Leaving Home	While Entering or Moving In Store
E-mail	**91%**	**17%**
Text	**68%**	**42%**
Social media	**76%**	**31%**
Other	**5%**	**3%**

While at home, shoppers prefer their offers via email. While they are in the store, they prefer to receive offers via text.

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Shoppers Using Loyalty Programs

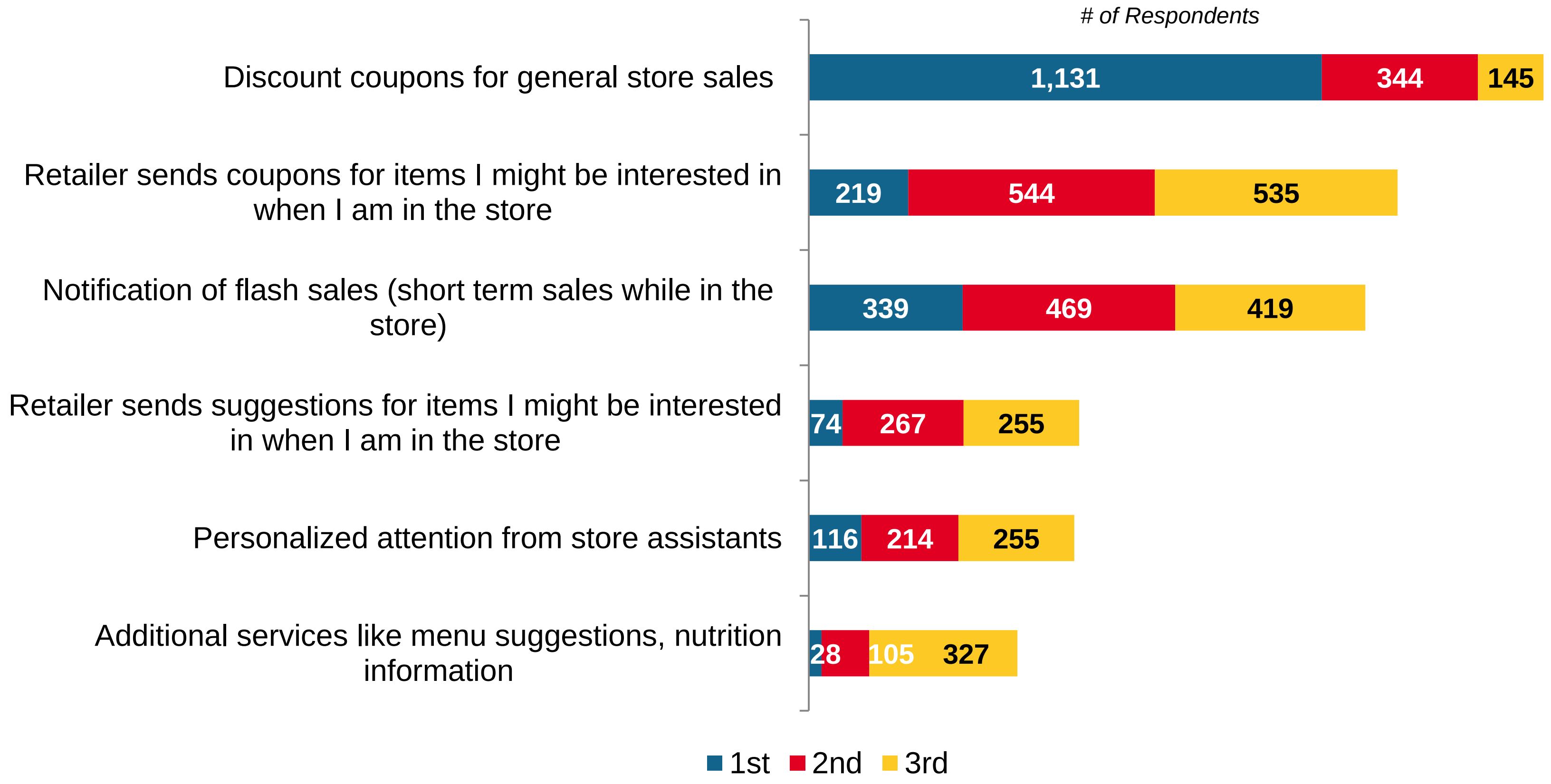
Q: "In which of the following types of store loyalty programs are you enrolled?

	Traditional	Mobile	Not Enrolled
Specialty Apparel & Fashion Store	37%	8%	55%
Specialty Hard Goods Store	29%	12%	59%
Department Store	35%	10%	55.
Discount Store / Dollar Store	11%	9%	80%
Drug Store / Pharmacy	42%	9%	49%
Grocery / Supermarket	57%	11%	33%
Mass Merchandiser / Mega-Store / Outlet	27%	10%	63%
Service Retailer	13%	10%	77%
Shopping Club / Warehouse Store	22%	10%	69%

Shoppers are enrolled in loyalty programs with the traditional outlets like grocery and drug store.

Mobile Loyalty Benefits

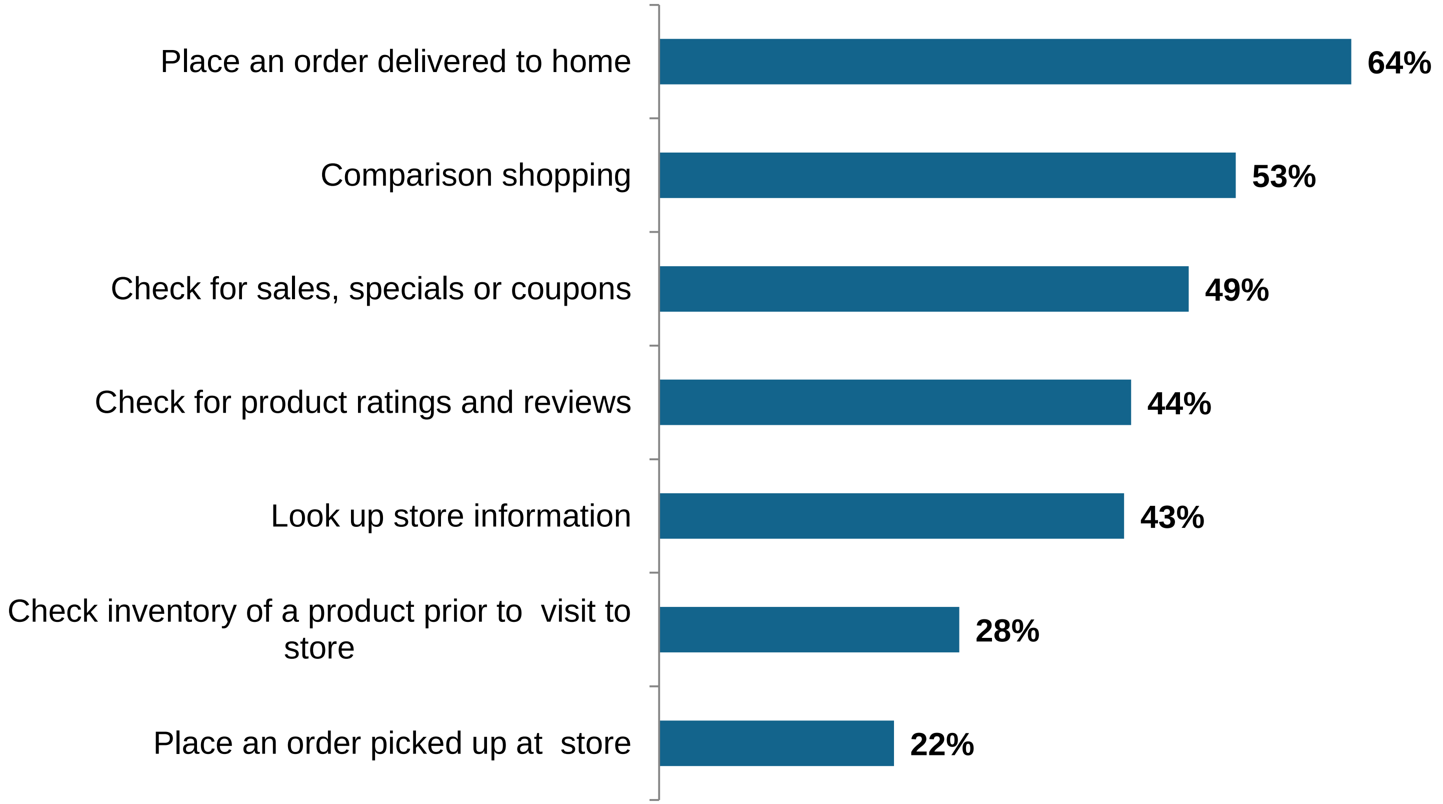
Q: "Which of the following benefits of your current Mobile Loyalty Programs is most important to you (or would appeal to you if you were enrolled in Mobile Loyalty)?"



Shoppers want to receive coupons and sale notices from their mobile loyalty programs.

Purchase Habits

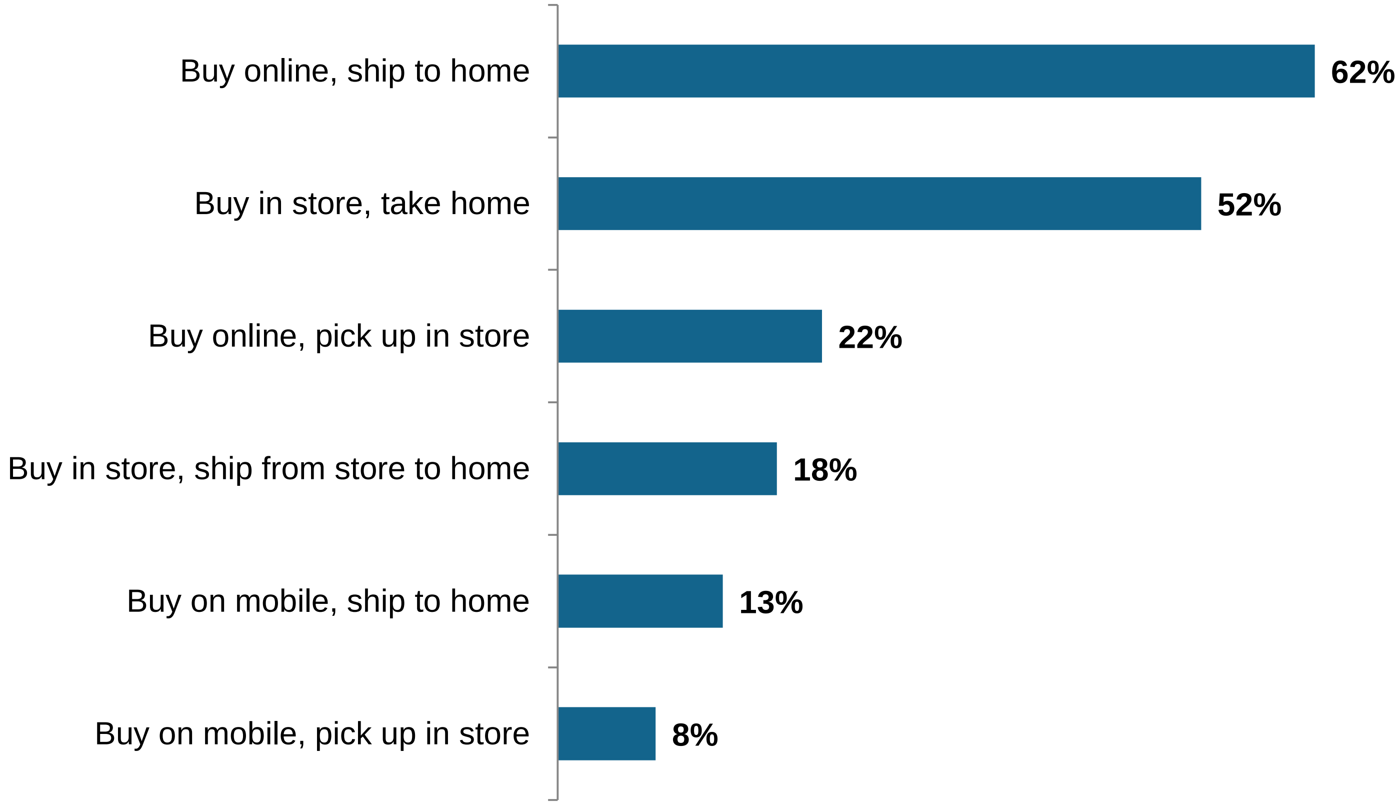
Q: "Which of the following shopping -related activities have you done online in the past four weeks?"



Shoppers are going online to not only make purchases, but do their research in terms of prices and discounts.

Purchase Preferences

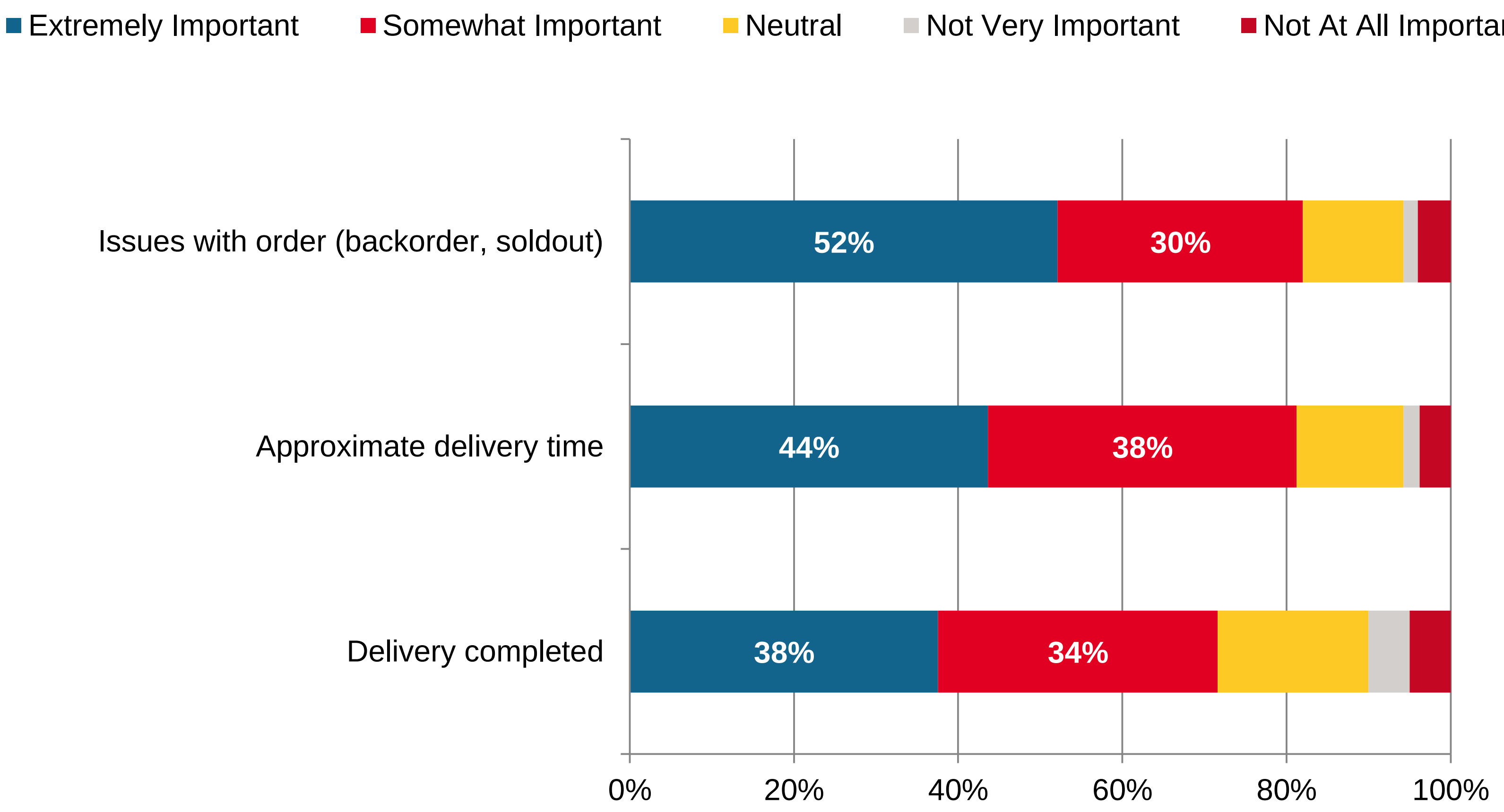
Q: "Which of the following options for purchase and ship would you prefer?"



Shoppers still prefer traditional purchase options both in-store and online, but there is definite interest for in-store pickups.

Text Notifications Carry Importance

Q: "How important would it be for you to receive a text notification as to:"



Shoppers are interested in getting text notifications about their current purchases, especially if there is an issue.

Connected Shopper Smartphone Usage

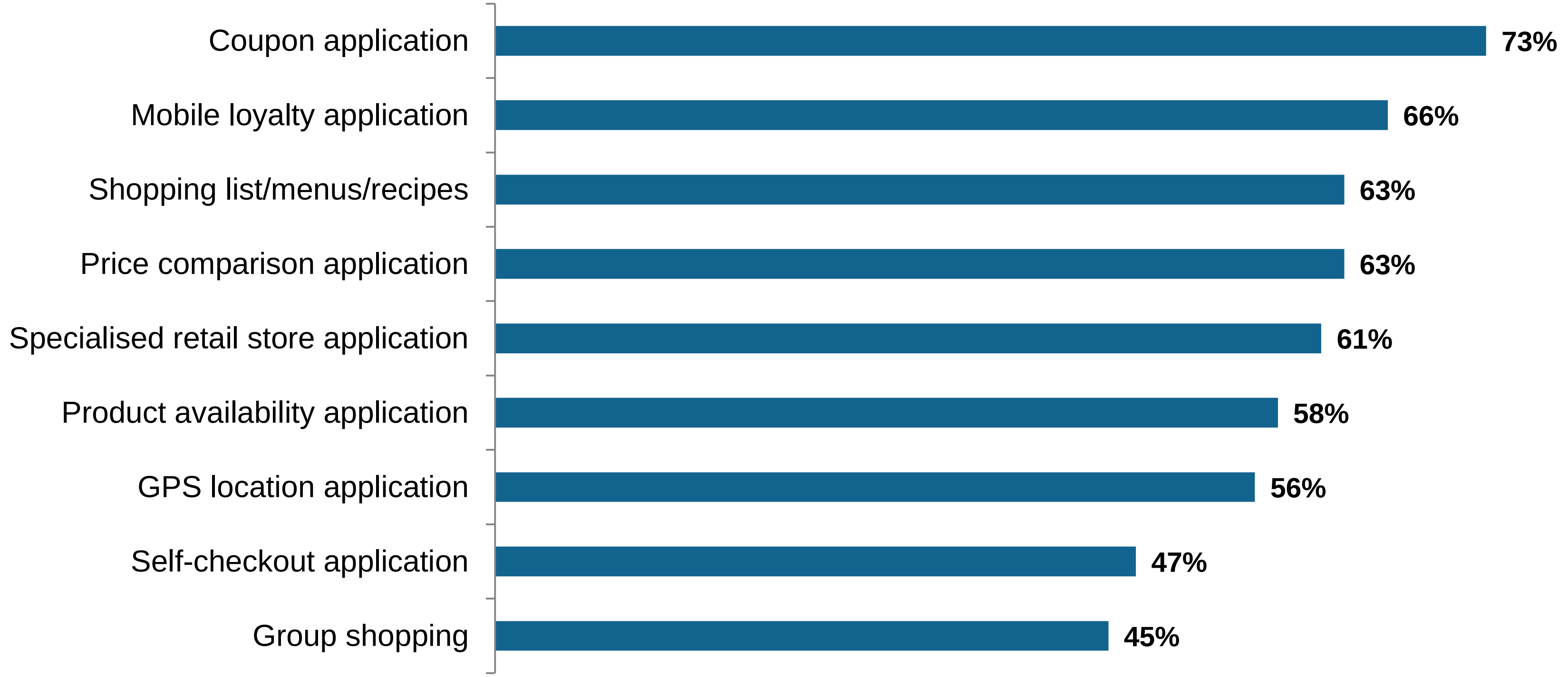
Q: "Do you use your smartphone for any of these shopping-related activities during shopping trips?"

The majority of shoppers use their smartphones for a variety of purposes.

Retail App Usage

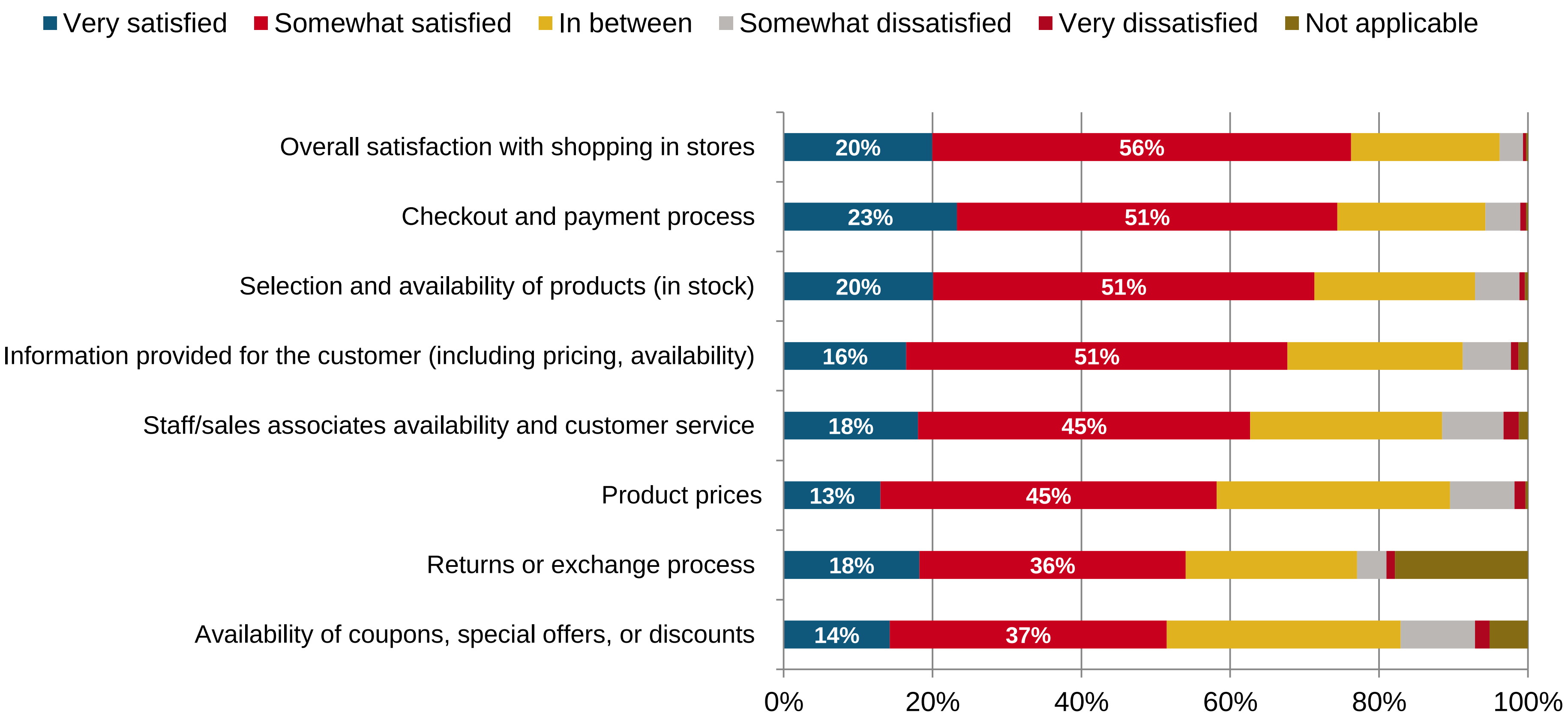
Q: "Have you downloaded any shopping-related apps to your smartphone? Using a 5 point scale where 5 means extremely easy and 1 means not at all easy, how easy has it been for you to use your smartphone in a retail location for each of these activities"

Shoppers have used any of the following apps…



Shoppers are more selective in their usage of shopping related apps – nearly half of shoppers have downloaded app; most popular apps remain coupon and mobile loyalty apps.

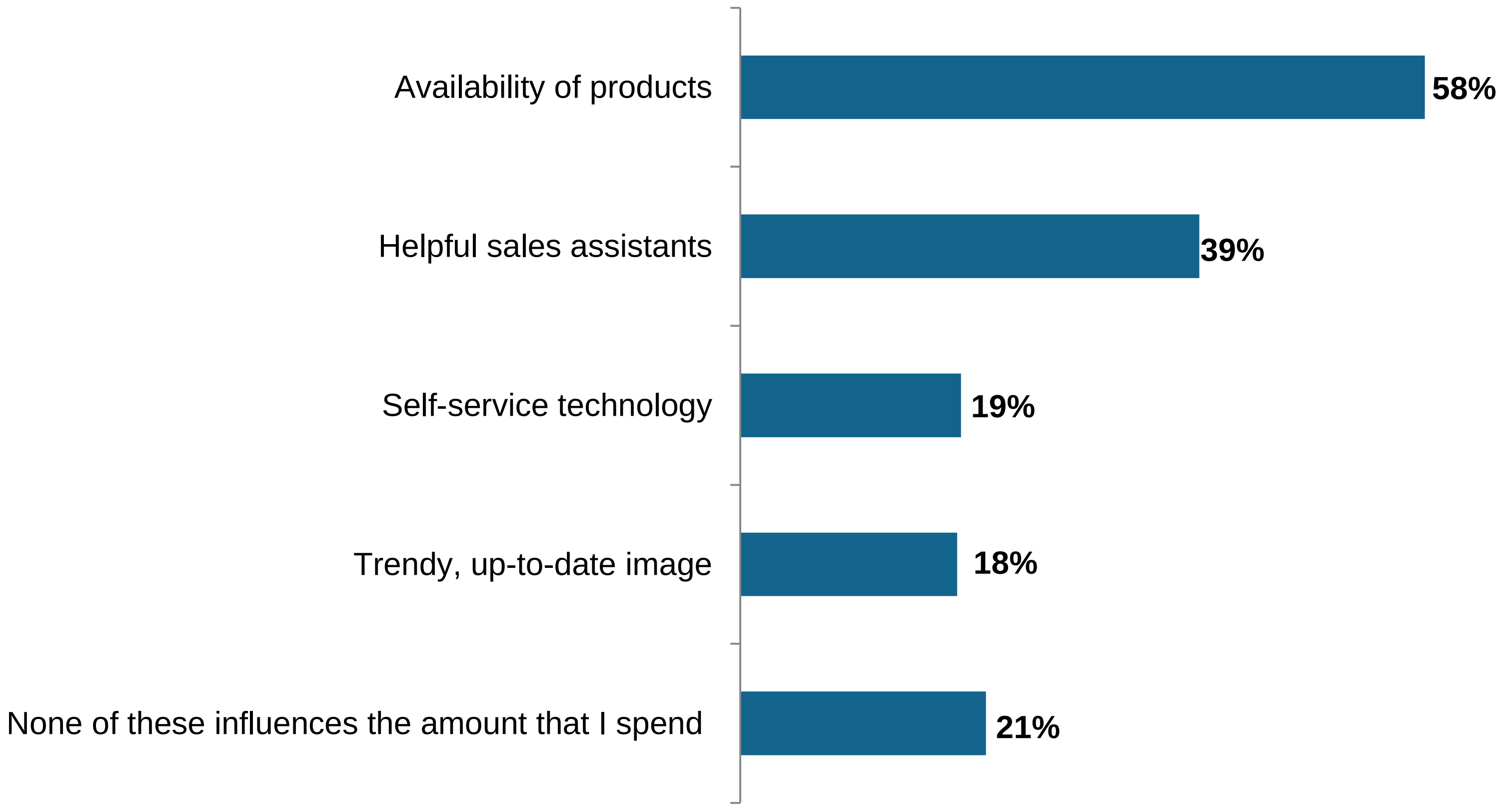
In-Store Satisfaction



Customer satisfaction has been on the rise with 76% of shoppers feeling positive about shopping in stores overall. The highest dissatisfaction remains around the returns/exchange process.

In-Store Shopping Influences

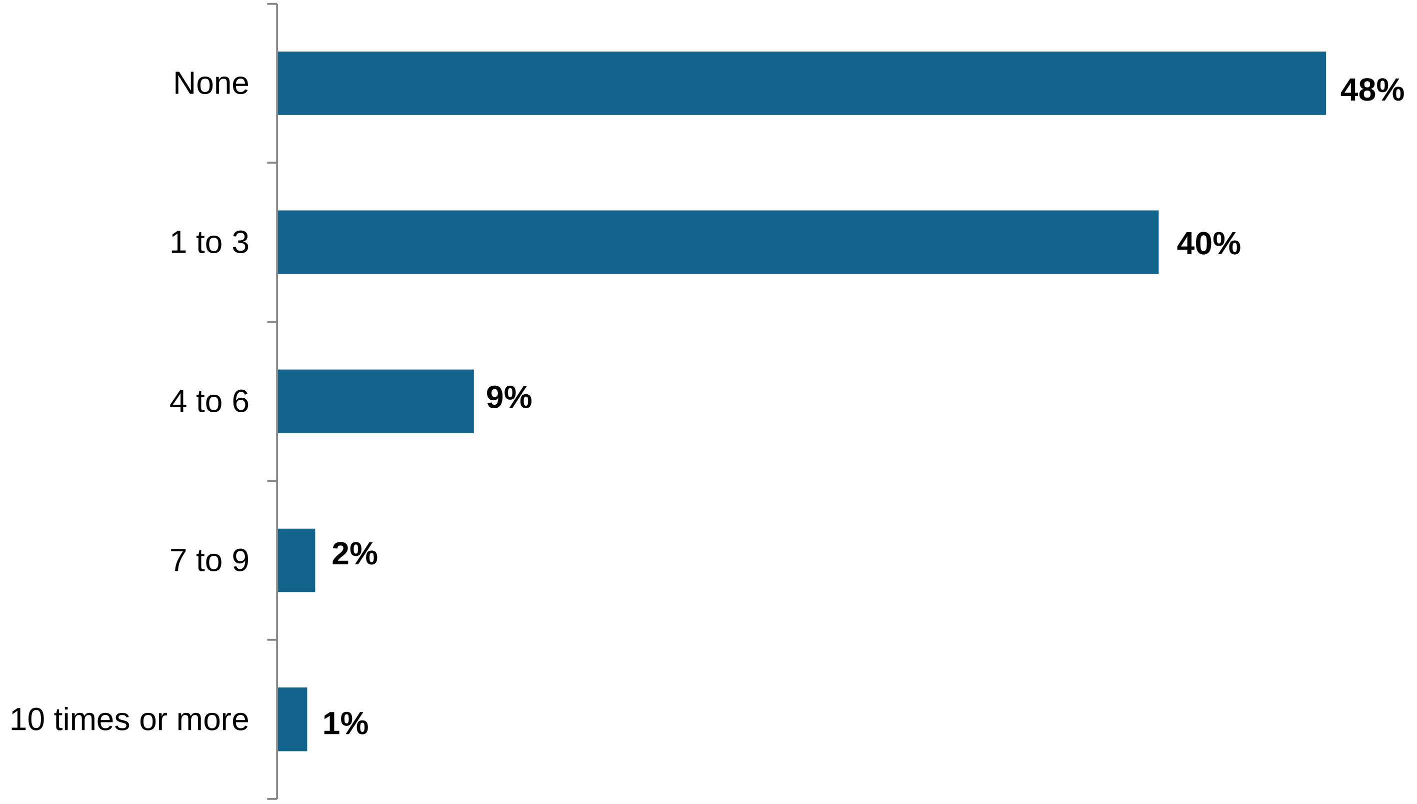
Q: "Which of the following aspects of the in-store experience influences you to spend more in a store?"



The majority of shoppers are influenced by key in-store experiences to spend more money.

Showrooming

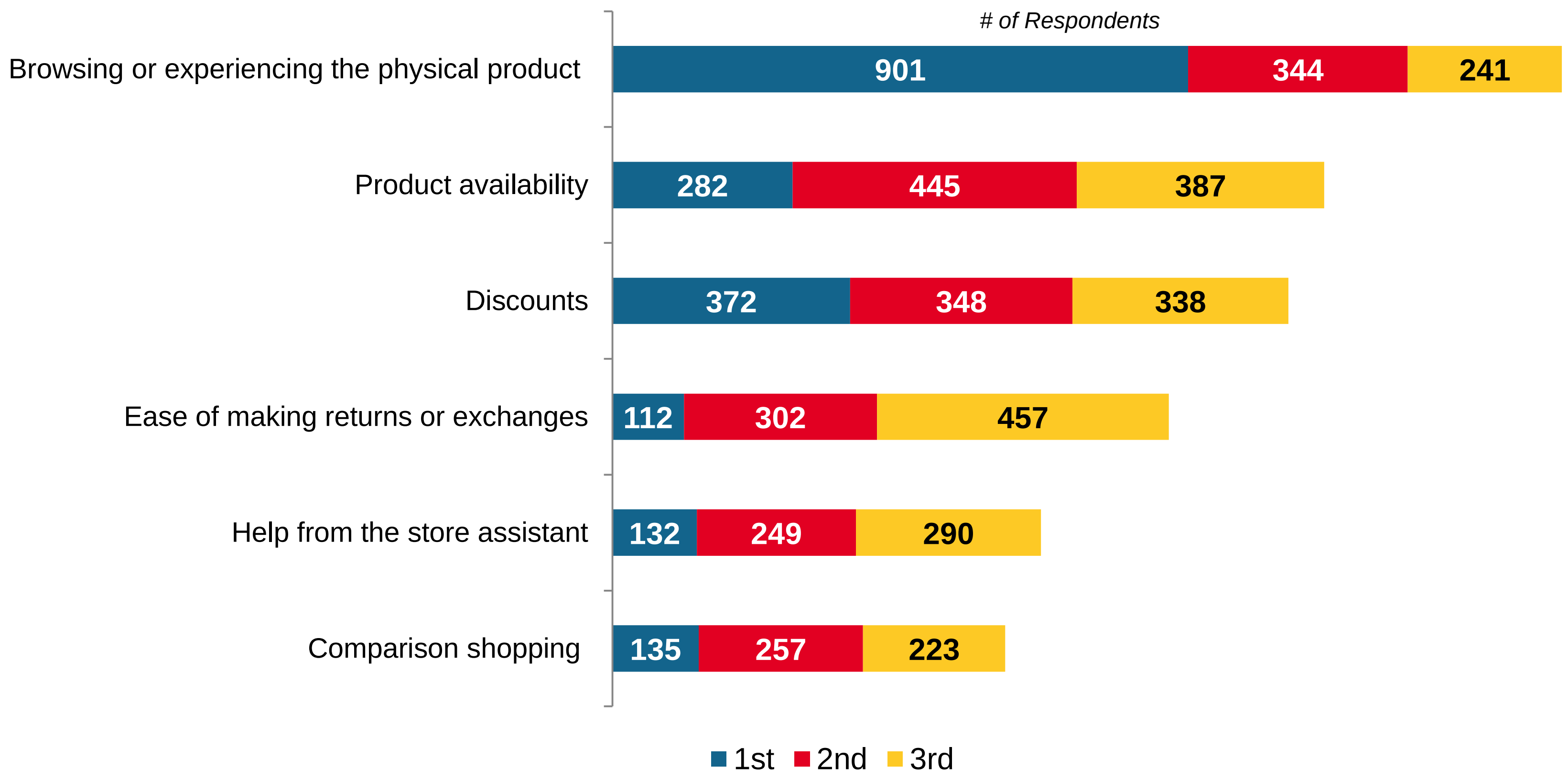
Q: "How many times in the past month did you shop in a store but end up purchasing the items online instead?"



About half of shoppers showroomed – looked at items in store but made their purchase online.

Compelling Reasons for In-Store Shopping

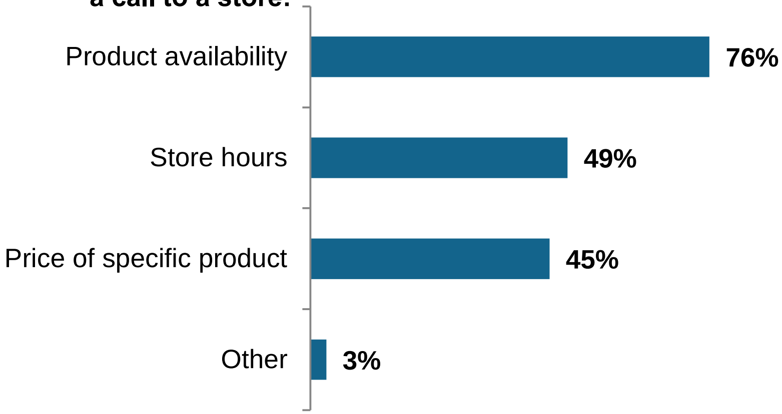
Q: "When you have a choice to shop on-line or shop in a store, what are the most important reasons that would lead you to shop in a physical store?"



Shoppers still appreciate the ability to browse and experience the physical products when shopping in store.

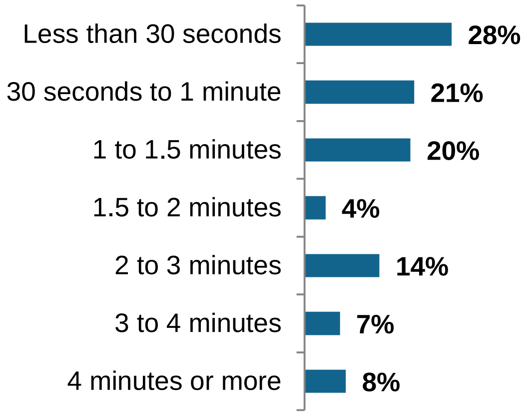
Calling the Store

Q: "What kind of information are you looking for when placing a call to a store:"



Q: "When do you typically call a store?"

Q: "How many seconds will you wait on the phone before abandoning the call?"

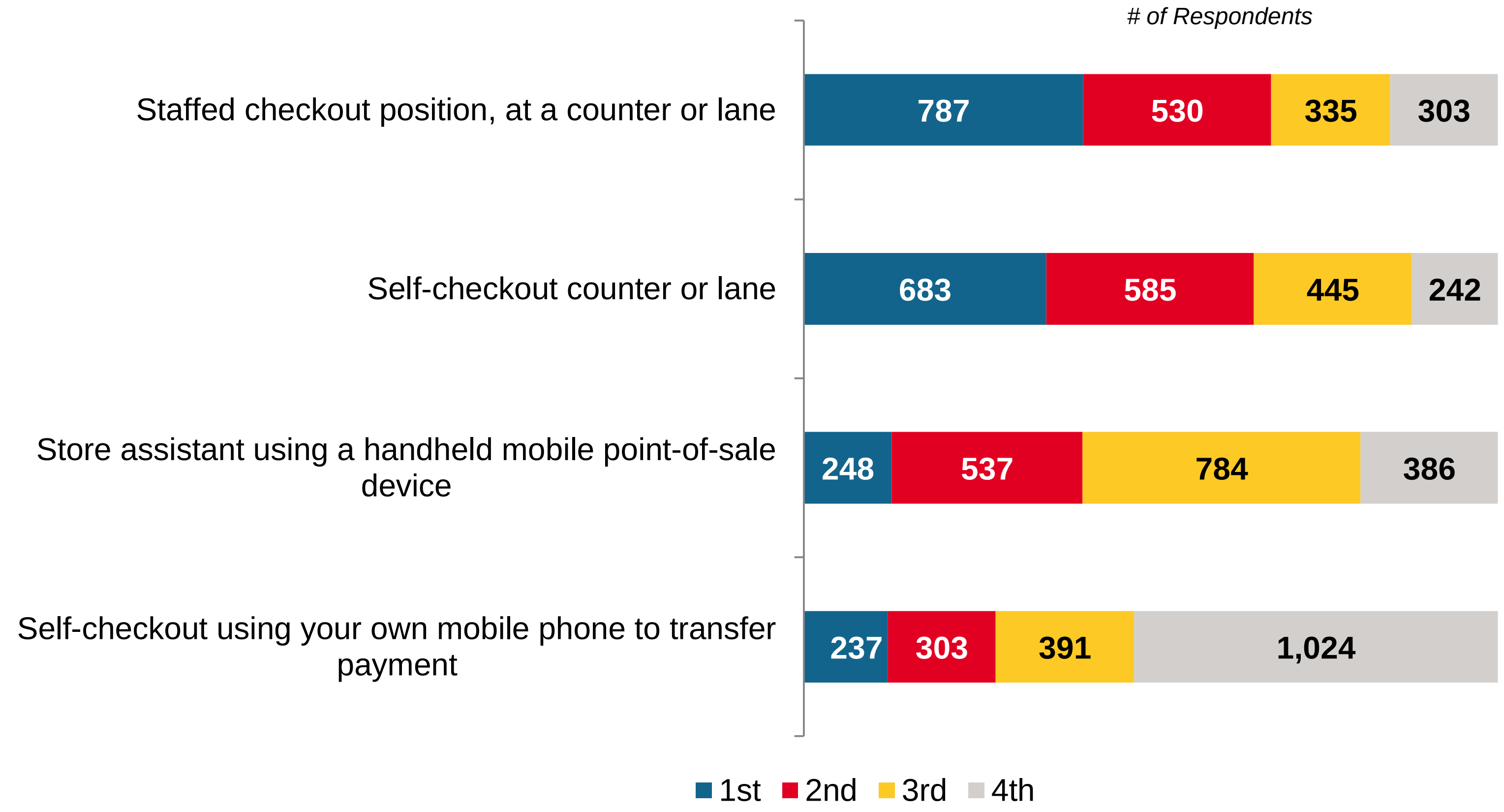


Q: "If you abandon the call without getting the information you need, which of the following actions will you typically take?"

Half of shoppers are calling stores as part of the experience.

Checkout Preferences

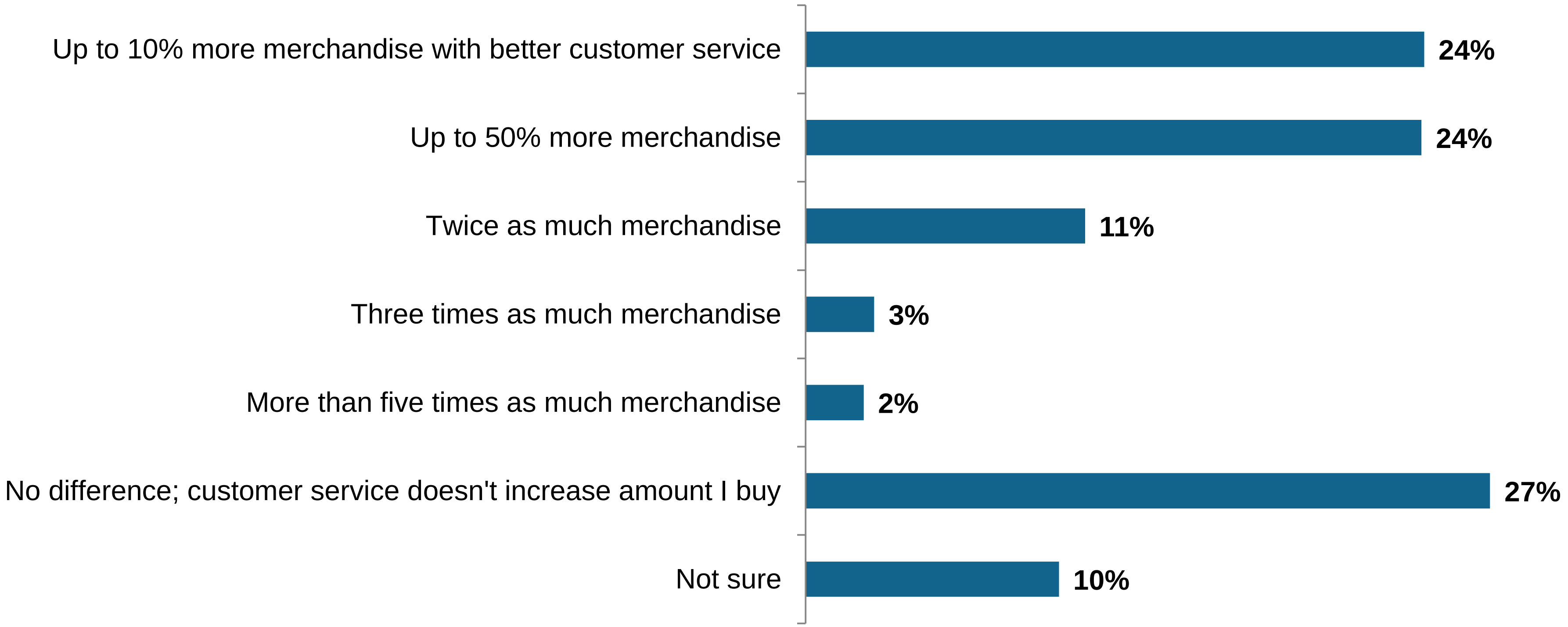
Q: "The list below describes ways to pay for your purchases, either with the help of a member of staff or a sales assistant or on your own. Assume that all options are available at the stores where you shop. How would you prefer to pay/checkout for your purchases?"



Shoppers still highly value a staffed checkout position, but an equal number appreciate self-checkout.

Upsell Opportunities

Q: "How much more merchandise are you willing to buy with a retailer that you believe provides better customer service?"



When better customer service is applied, the result can be an increase in sales; 64% indicate they are willing to purchase more merchandise than normally.

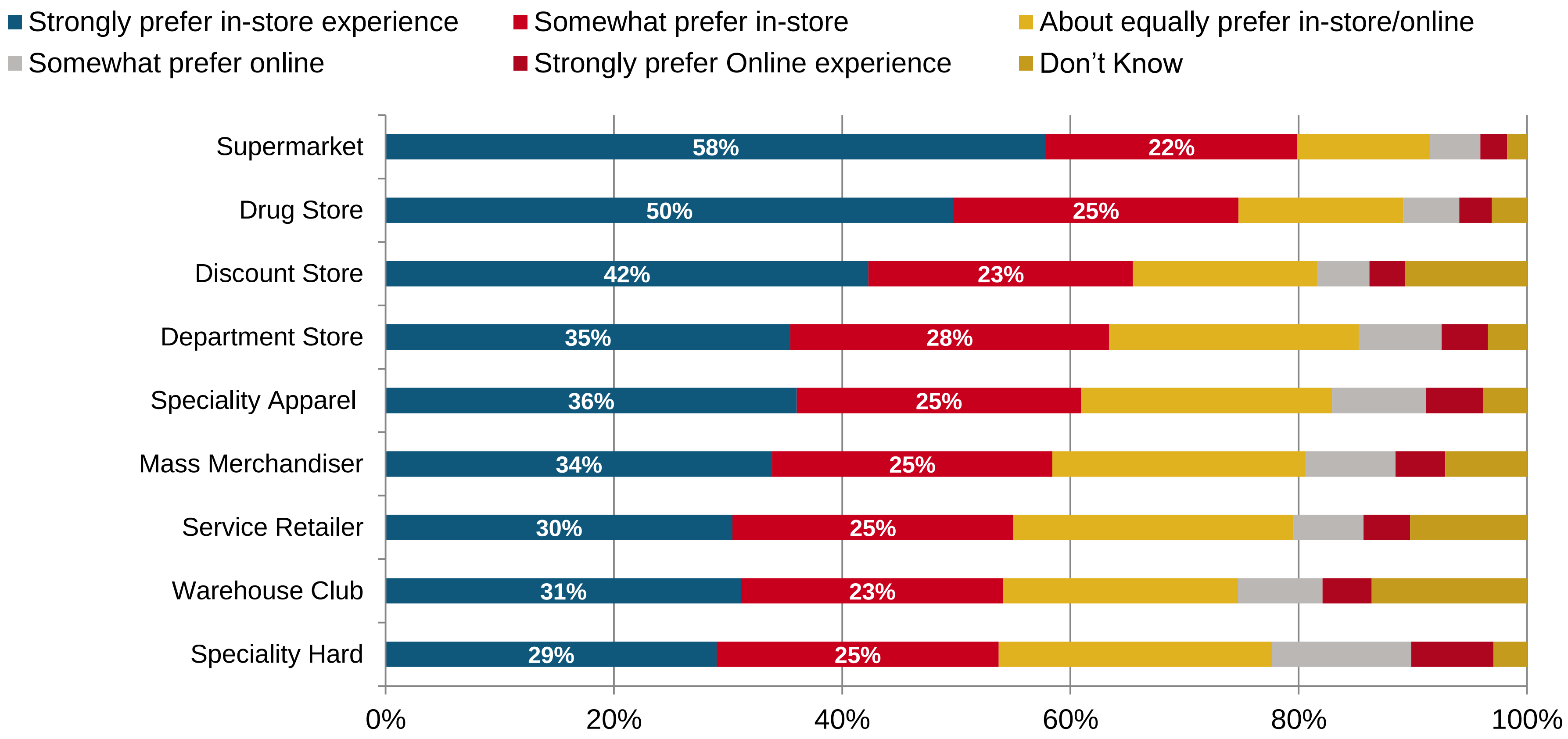
Out-of-Stock Opportunities

Q: "If an item you want is out-of-stock or not available when you are in the store, retailers may be able to assist you in the following ways. How likely you would be to make a purchase before you leave that store if a retail associate offered you each of these solutions while you were there?"

	What Customers Want
Offer discount to come back to the store when the item is in stock	**66%**
Order out-of-stock item and have it delivered to home	**62%**
Find another location that has the item in stock and tell how to get there	**51%**
Order the out-of-stock item and have it sent to store	**49%**
Find a substitute product within the store that is similar to the one wanted	**43%**

Sales can be saved if shoppers are provided options, such as offering a discount if they return when the item is in stock and/or having the item shipped directly to their home.

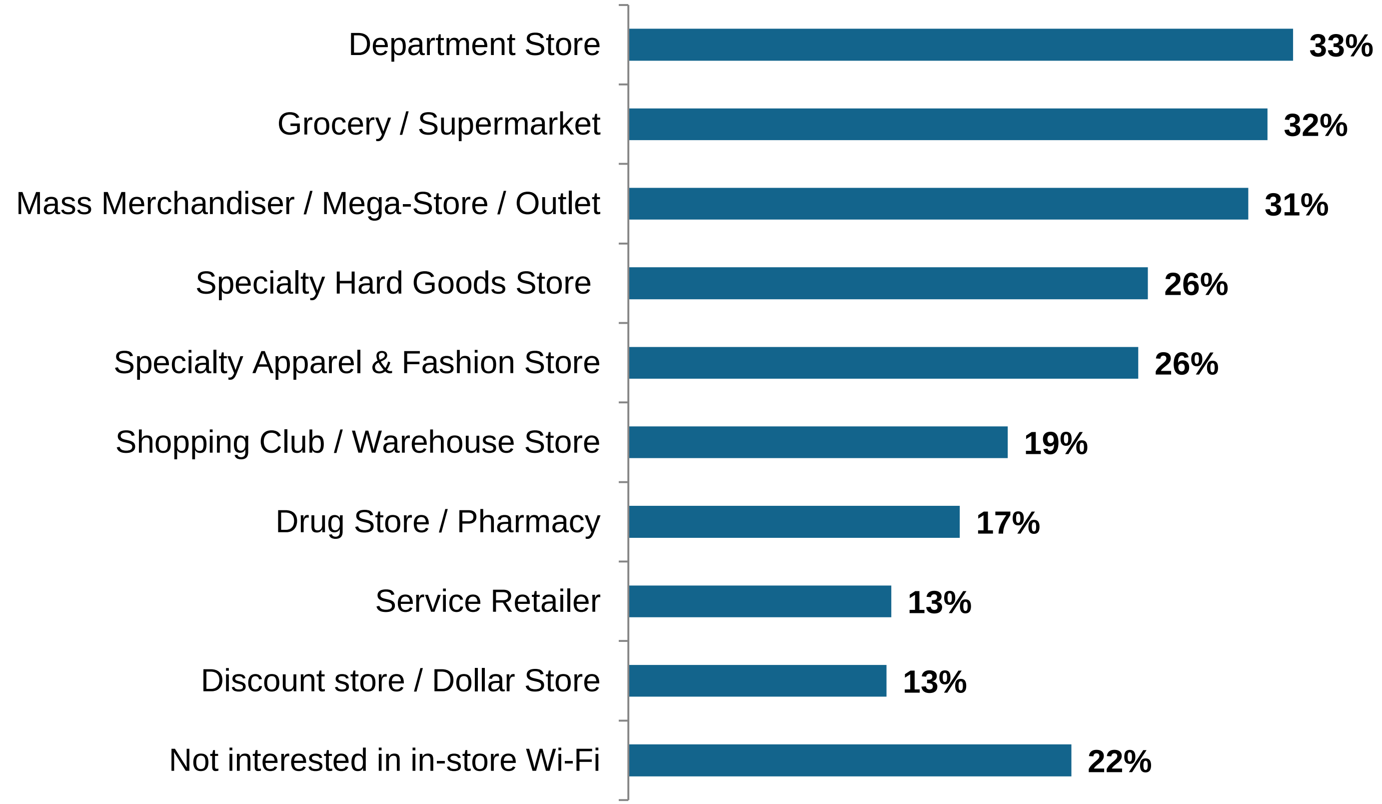
Shopping Preference



Shoppers clearly prefer the in-store experience for the items for which they need immediate gratification.

Shopper Wi-Fi Usage

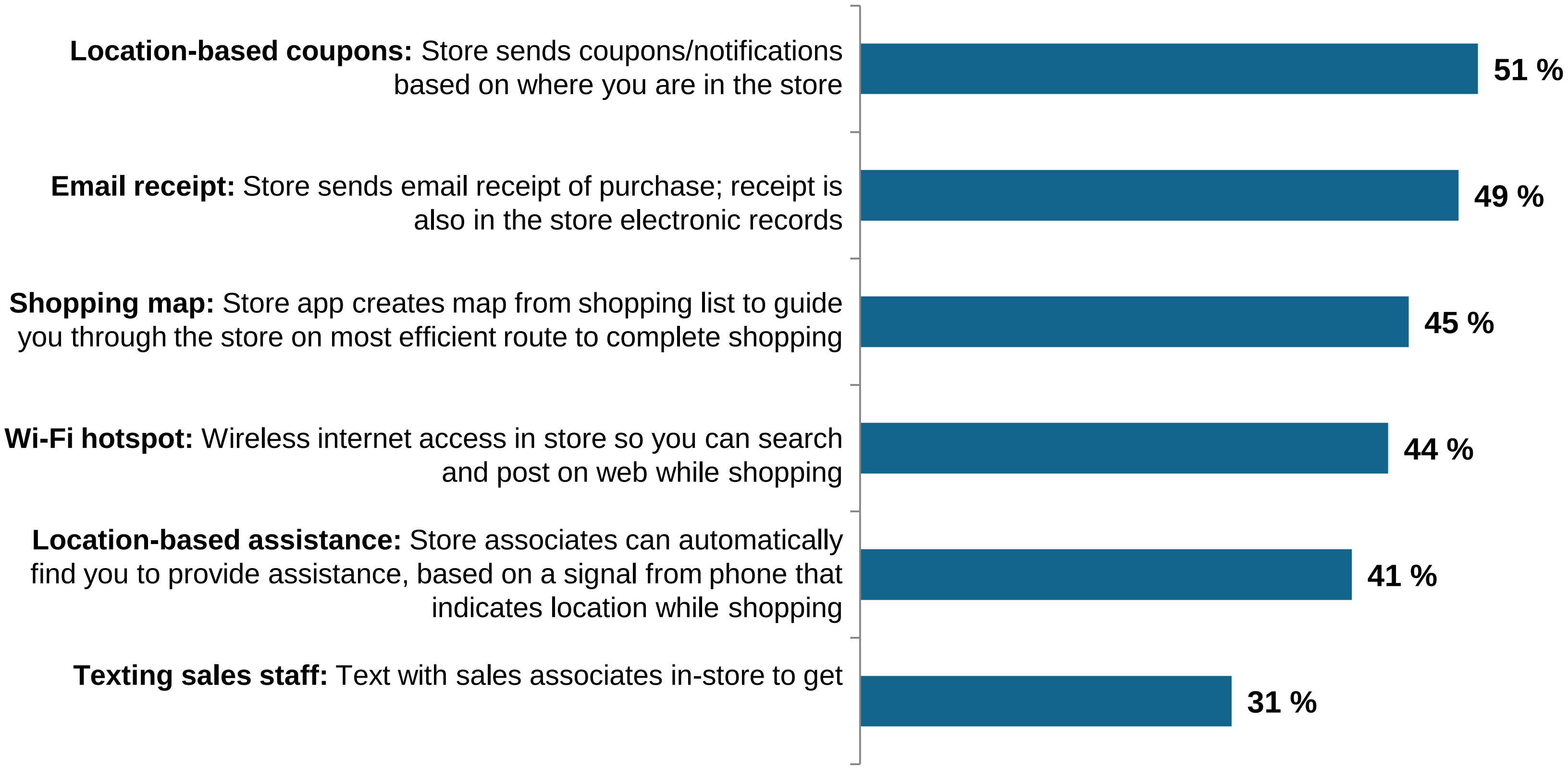
Q: "Where would you be most interested in using a smartphone to do shopping-related activities on the internet if in-store Wi-Fi service is available?



Shoppers are interested in accessing in-store Wi-Fi.

Shopper Likelihood to Use In-Store Services

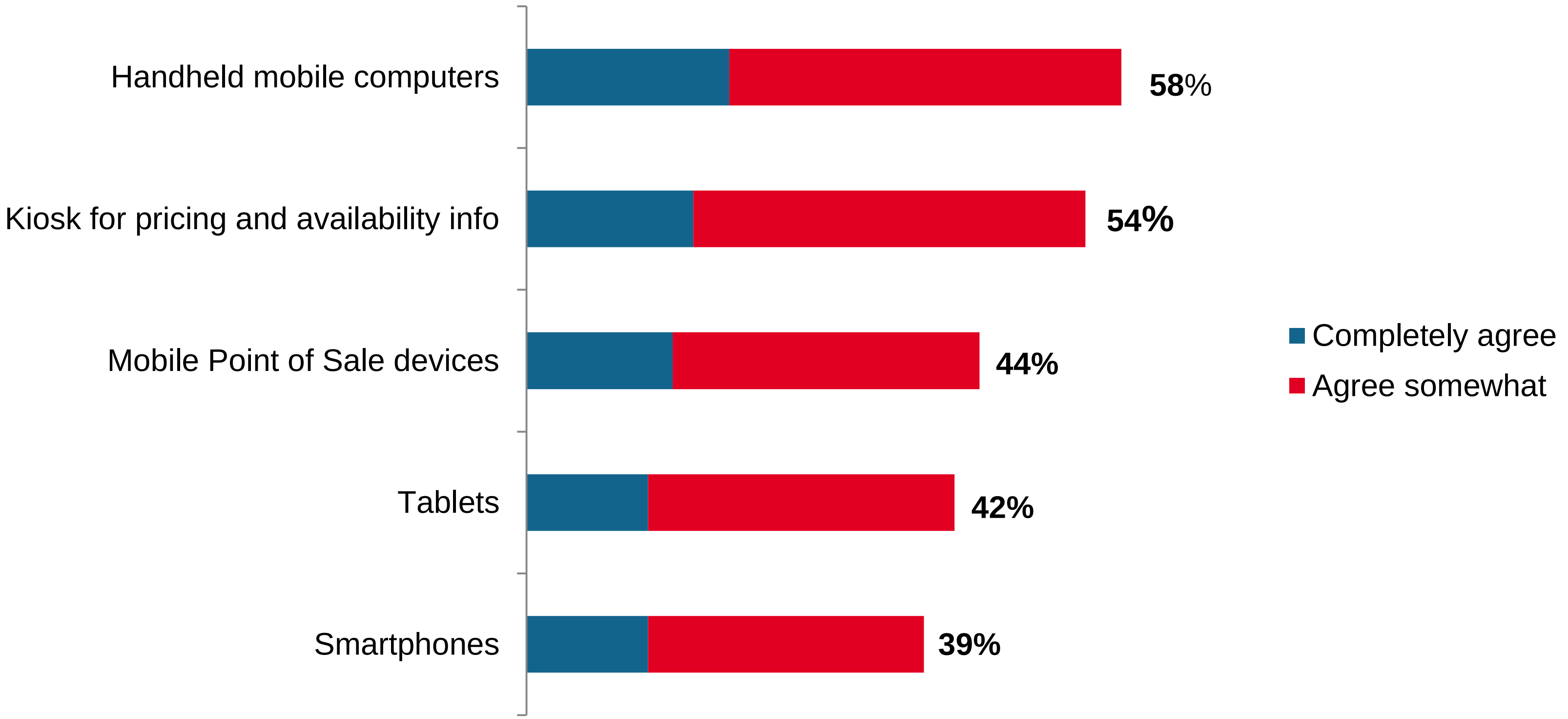
Q: "How likely would you be to use the following in-store services if retailers offered them for shoppers to use on their own smartphones while shopping in the store?"



Shoppers show likelihood to use location technologies and Wi-Fi technologies on their own smartphones when shopping.

Influence of Associate Technologies

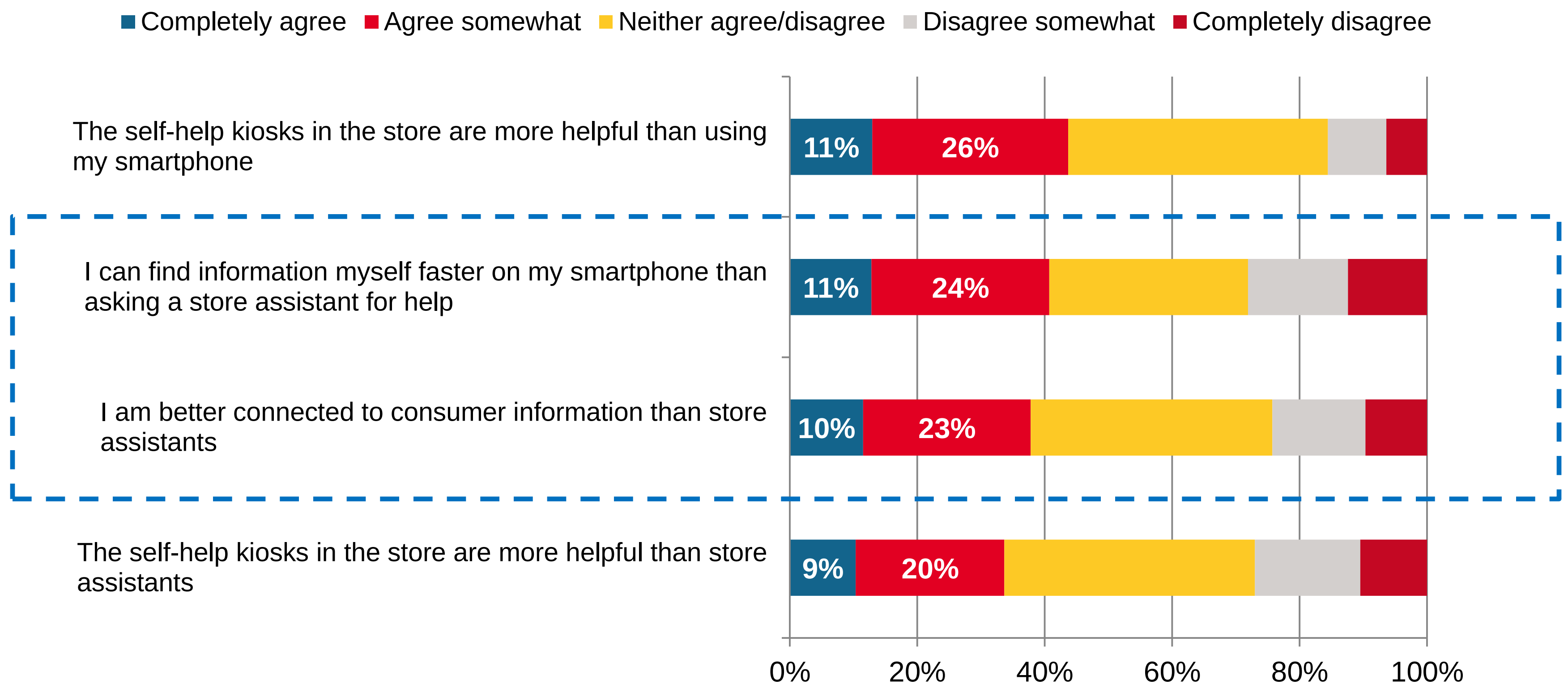
Q: "To what extent do you agree with the following statement for each type of technology? Store associates who use this device or technology improve my shopping experience…"



Shoppers agree that store associates equipped with technology improve the shopping experience, especially shoppers equipped with handheld mobile computers and access to kiosk terminals.

Shopper Perceptions of Technology

Q: "To what extent do you agree with each of the following statements about how technology influences your shopping experience?"

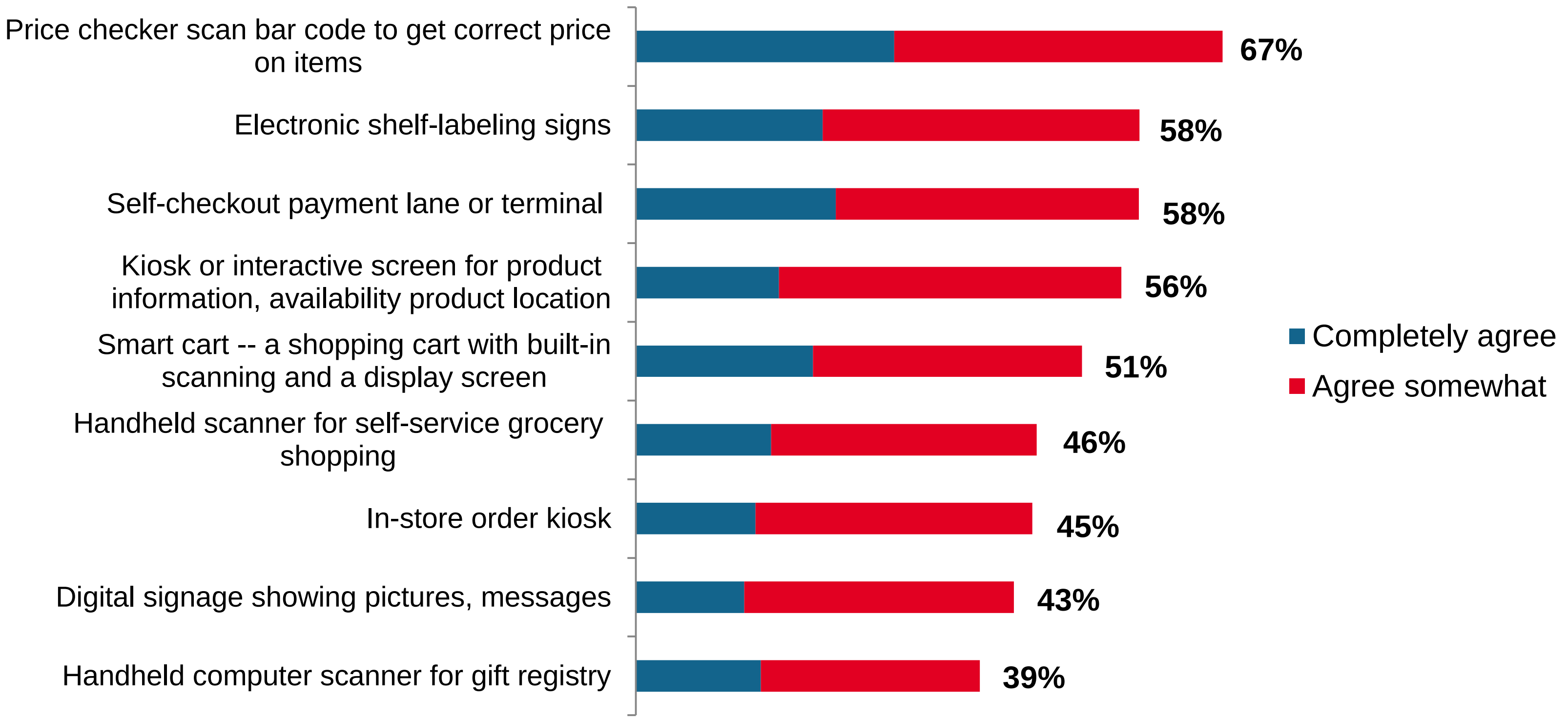


More than a third of shoppers believe that they are better connected to product information than associates, and that self-help kiosks are easier to use than their smartphones.

Influence of Self-help Technologies

Q: "The technologies listed below are available in many stores to help you shop on your own, with little or no need for help from staff or a store associate. To what extent do you agree with the following statement for each type of technology?"

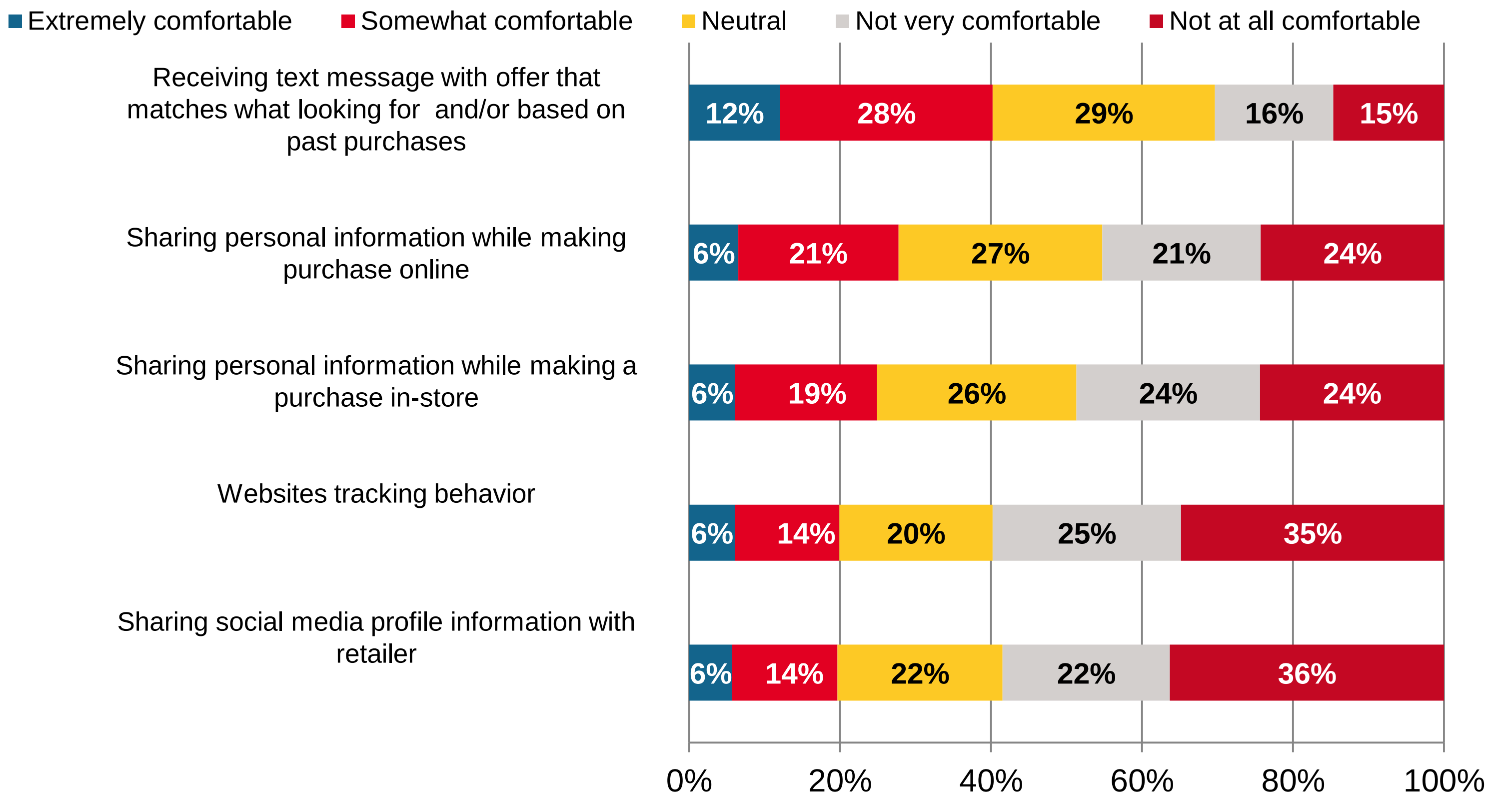
Having this device or technology available for me to use in the store improves my shopping experience..."



Shoppers agree that being equipped with self-help technology improves the shopping experience, especially shoppers equipped with price checkers and locations that offer shelf labeling, self-checkout terminals and kiosks.

Privacy Demands Shifting

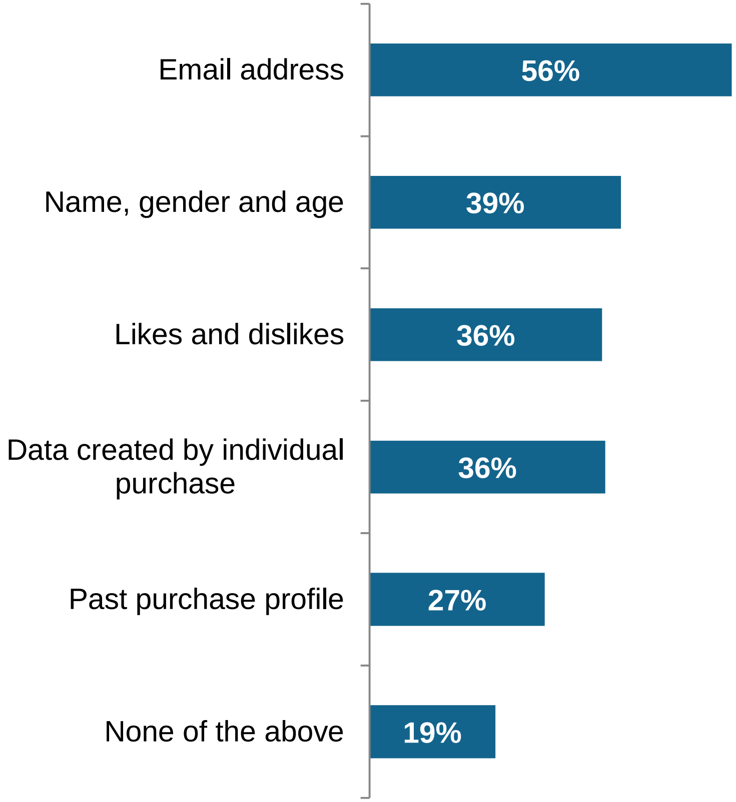
Q: "Using a 5 point scale where 5 means extremely comfortable and 1 means not at all comfortable, how comfortable are you with each of the following?"



There is low comfort level with privacy aspects of the shopping experience, but the discomfort levels are least in terms of receiving a personalized text message offer.

What Will Be Shared and At What Cost

Q: "Which of the following types of personal information are you willing to share with retailers in-store or online?"



Q: "Which of the following will encourage you to provide personal information when retailers?"

About eight in ten respondents are willing to share some level of information with retailers, but for those not willing, a financial perk is the best incentive to encourage them to share.

Methodology

- Shoppers surveyed from: United States (588), Canada (137), Singapore (105), Australia (114), UK (167), Italy (119), Spain (125), France (146), Germany (125), China (118), Japan (112), and Thailand (99)
- Fielded by on-line research partner, Research Now for Zebra Technology from January 6 through February 18, 2015
- Surveys were designed to reveal experiences and attitudes towards the use of in-store technologies to enhance customer satisfaction

Key Metrics

- Retailers' impact on shopper satisfaction (in-store, mobile and online)
- Shoppers' satisfaction and preference for technology used by in-store associates
- Shoppers' utilization of mobile technologies