2021

Shopper Experience Index

Rethinking the approach to retail

bazaarvoice

What's inside

INTRODUCTION

While it may have felt like one, 2020 wasn't a fever dream.

Entering a new decade, people and companies alike set lofty goals. 2020 was the year to do big things, grow exponentially, and break new ground.

... And then COVID-19 was declared a global pandemic.

Our collective sense of normalcy came crumbling down. Stores around the world began to shutter, product launches halted, and partnerships delayed.

But…2020 wasn't all doom and gloom. While the year itself is finally behind us, the impact of 2020 will last even longer than the year felt. Brands and retailers looked at the obstacles ahead of them and made commitments to press forward.

We saw philanthropic efforts, new life breathed into old products, and exponential online sales growth. In fact, on the Bazaarvoice Network of 11,500 brands and retailers, we saw order count increase year-over-year by 39% and review count increase 44% during the same time frame.[1]

As brands and retailers quickly began doing things a little differently, shoppers globally scrambled to adjust almost overnight. From wiping down groceries and buying in bulk, to outfitting a Zoom wardrobe and building home offices, shoppers figured out what they needed and how to get it. Everything we endured in 2020 is a lesson for 2021.

With all these changes, we wanted to better understand what behaviors shoppers have internalized and committed to habit, and how these adjustments will change retail going forward. We surveyed over 6,000 shoppers located in the United States, Canada, Mexico, United Kingdom, France, Germany, Spain, and Australia. And let's just say… banana bread is so 2020.

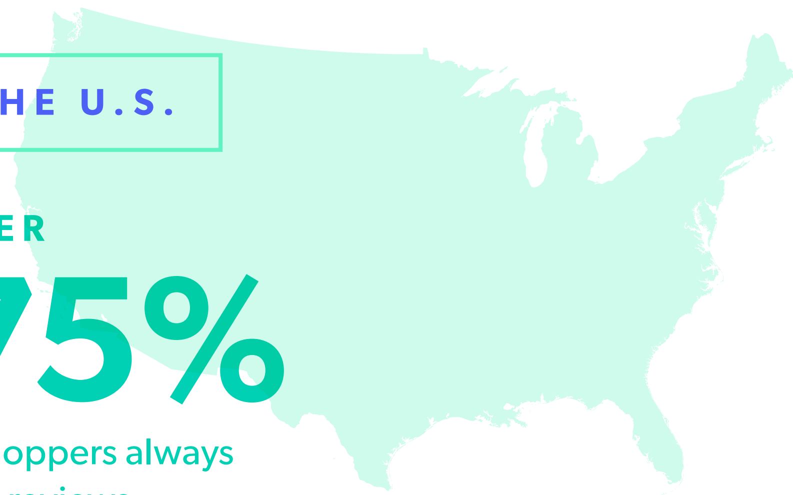
01

The demographics-based divide in commerce has widened.

01 THE DEMOGRAPHICS-BASED DIVIDE IN COMMERCE HAS WIDENED

There is not a single thing every shopper can agree on.

And while it's impossible to cater to the whim of every shopper on your website or at your store, you can cater to the majority. The onset of COVID-19 impacted countries in different ways. Shutdowns and risk of infection varied greatly by location. In turn, shoppers approached retail differently in response. Based on our survey responses, here's what you can expect from shoppers in each country.



THE U.S.

OVER
75%
of shoppers always read reviews

U.S. shoppers are very open minded.

Over 75% of U.S. shoppers always read reviews. While there is a slight preference to shop online for the upcoming year instead of in-store (51% v. 49%), U.S. shoppers are willing to shop in-store with the right precautions.

Over 60% of shoppers are open to new products, which is a good thing considering the U.S. also saw the greatest product shortages due to COVID-19. With an open mind to products, the majority of U.S. shoppers will switch products if product quality changes (62%). Over half want a mix of user-generated content (UGC) and professional photography on product pages to help them decide on new products.

THE UK

55%
of shoppers would pick shopping digitally over in-store next year

UK shoppers are being driven to buy online instead of in-store.

With multiple lockdowns and having one of the more mature e-commerce infrastructures, it's unsurprising that shoppers in the United Kingdom have adapted to purchase more online.

UK shoppers are least likely to shop in-store right now, and 55% of shoppers would pick shopping digitally over directly in-store for the next year. During the pandemic, these shoppers say researching on brand and retailer websites and buying there with delivery was their preferred shopping method (49%).

CANADA

51%

of shoppers would choose in-store shopping over online

Canadian shoppers are most likely to say they always read reviews, regardless of price point.

And though they're comfortable writing reviews and discovering new products on social media, they would still pick in-store shopping over online (51%). But, 47% say they would need stores to have mask requirements, sanitizing stations, capacity limits, one-way aisles, and social distancing to feel safe being in-store. And with that in mind, they say safety is paramount. Nothing is more important than it.

FRANCE

OVER

40%

of shoppers trust translated reviews

French shoppers are easily the most price-motivated shoppers.

They say price is the biggest reason to buy private label products, develop brand loyalty for certain products, and stop using products they love when price tags rise too high.

While over half of shoppers (52%) always read reviews no matter the price point, the French are one of the most likely nationalities to have maintained the same review consumption behavior during the pandemic. Over 40% of French shoppers trust translated reviews too.

GERMANY

BETWEEN

11-20

reviews is the sweet spot for shoppers

It's all in the details for German shoppers.

Lengthy, detailed reviews are most important to them while they're shopping, even more so than the average star rating. They also need more reviews than other shoppers to feel comfortable making a purchase. Between 11 and 20 reviews is the sweet spot for them. And while they're browsing products on websites – not social media – they do prefer customer photos and videos to professional photography but ideally, look for a mix of both.

While they're shopping, they're the most eager to purchase private label – 66% say they've made a private label purchase intentionally. While they are loyal to products they love, they switch which products they're using most commonly due to finding a better product that meets their needs.

AUSTRALIA

64%

of shoppers choose in-store shopping for the next year

Australian shoppers are operating with the greatest sense of loyalty.

It's unsurprising considering how many safeguards the country has put in place and how quickly they controlled the COVID-19 spread early on. They also have the biggest gap in preference for buying online or in-store – 64% choose shopping in-store for the next year. Australians even don't mind multiple trips to the store, making them the least likely shop in bulk.

Shopping in-store or not, UGC matters to them. They're tied with Spaniards for least likely to buy without UGC on the product page, but Australians are also least likely to trust translated reviews out of the shoppers we surveyed.

SPAIN

53%

of shoppers reported no product shortages during the pandemic

Spanish shoppers are eager to connect with brands and retailers online.

Over 60% of Spanish shoppers are reading reviews more now than they were pre-pandemic, and they are significantly impacted by UGC used in emails and social advertising. Over half of Spaniards would love to be part of a brand-moderated community forum, and 68% are willing to answer questions from other shoppers for products they love.

Despite being active online, 55% would choose shopping in-store for the next year over online. While they're shopping, they're one of the countries most drawn to private labels. And they're most likely to go to another store if their preferred products aren't available. But luckily during the pandemic, Spanish shoppers are the only shoppers to have a majority report no product shortages (53% said no).

MEXICO

80%

of shoppers read more reviews than before the pandemic

Mexican shoppers are very engaged online.

And they're engaging differently since the start of the COVID-19 pandemic. For 80%, reading reviews has become a more popular activity than before the pandemic. Over half (57%) trust translated reviews, which is a win for global brands. And while they're eager to read, they're most influenced by visual content to make an online purchase.

User-generated content has a big impact on Mexican shoppers wherever it's used, including email campaigns, websites, and social media.

02

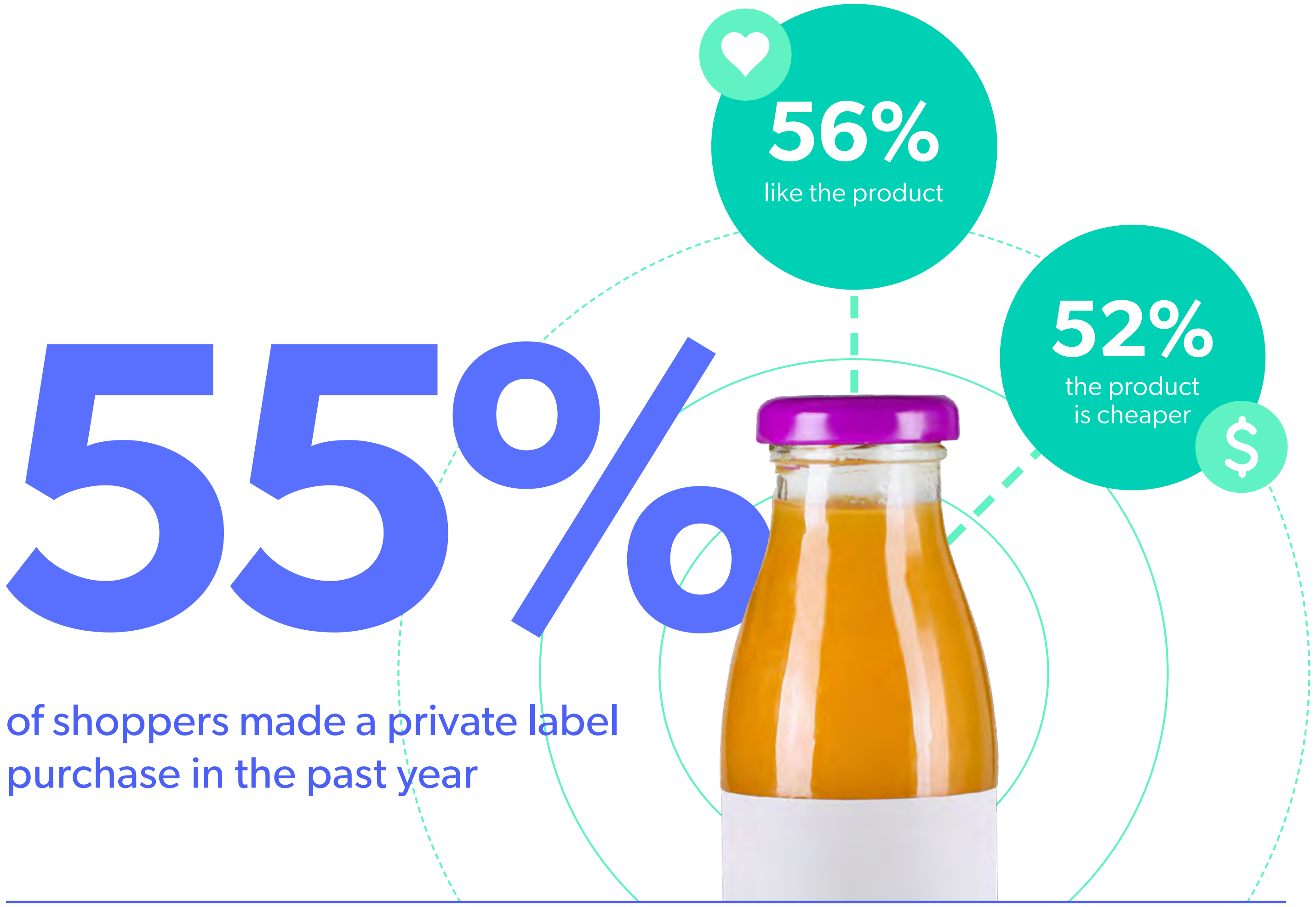
Private label is an active choice, not an accidental purchase.

02 PRIVATE LABEL IS AN ACTIVE CHOICE, NOT AN ACCIDENTAL PURCHASE

For decades as shoppers have tried to "keep up with the Joneses," name-brand products took priority in shopping carts. Private label products were seen as cheaper, lower quality options. Why buy generic when you could buy name-brand? We can name a few reasons.

These days, generic can be the same product as the name-brand. Take Costco's private label brand. Many of its products are made by big names and rebranded as Kirkland products to be sold at Costco. For example – if you look closely on a 2.5 lb bag of Kirkland coffee beans, you'll see a "Custom roasted by Starbucks" stamp. Same beans, same quality. But, much more cost effective when purchased as a Kirkland product[2].

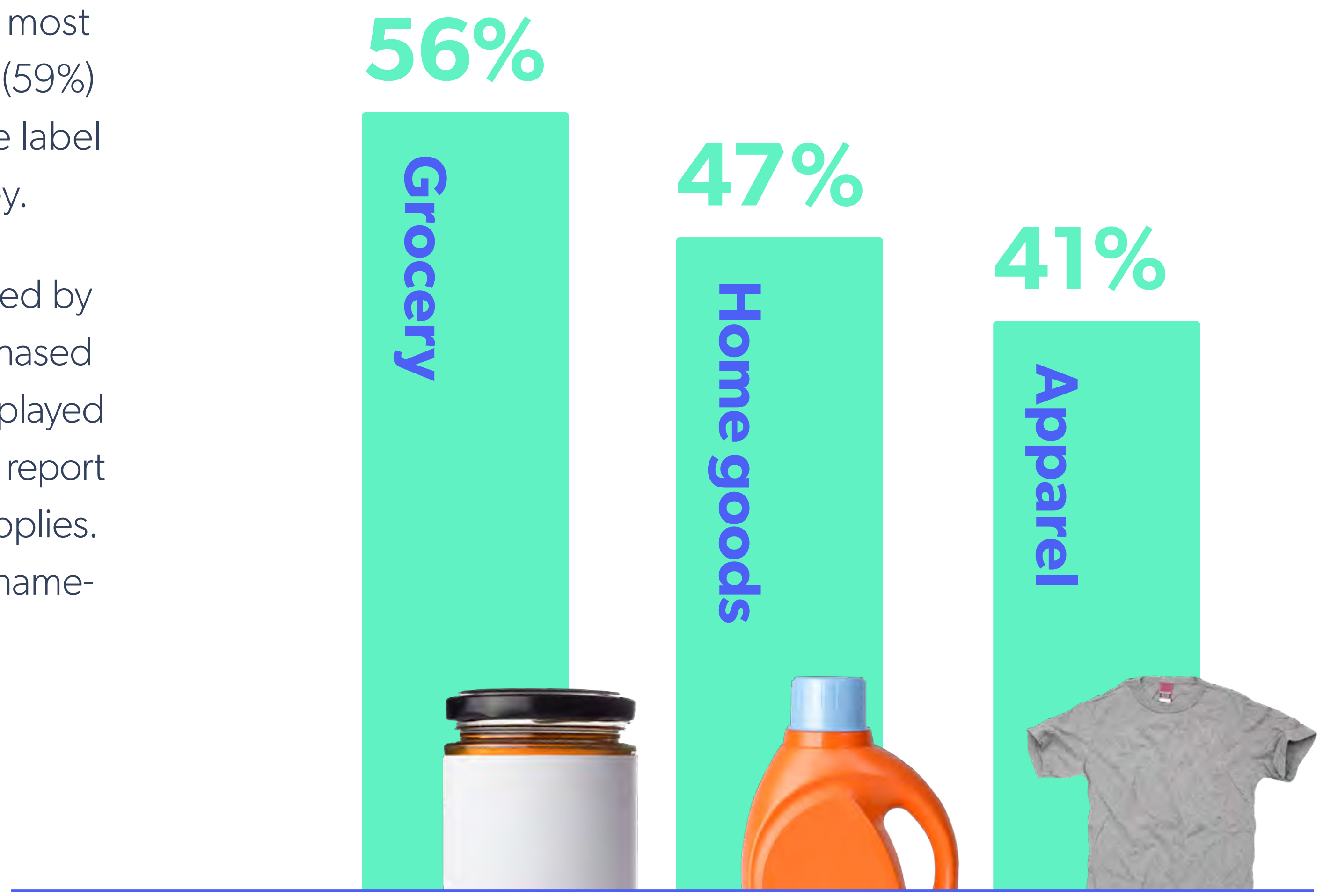
Some retailers have even built their brand on their private label goods, like Trader Joe's. More cauliflower gnocchi and Everything But the Bagel seasoning, please.



Through an improvement in perception and offerings, private label products have become sought after instead of afterthoughts. In the past year, 55% of shoppers have made a private label purchase. The top reason for doing so was liking the product (56%), followed by the product being cheaper (52%).

Conveniently, the top two reasons shoppers choose private labels are also the two most common reasons shoppers become loyal to brands and products – they love 'em (59%) and the products are well-priced (57%). Retailers who have stepped into the private label world are taking a strategic step, giving some of their suppliers a run for their money.

Grocery is the most popular vertical that shoppers will buy private label (56%), followed by home goods (47%), and apparel (41%). While 53% of shoppers have intentionally purchased private label products in the past year, the availability of private label products has also played a role in addressing global product shortages due to COVID-19. About 60% of shoppers report product shortages during the pandemic, most commonly for grocery and cleaning supplies. An added benefit for shoppers? Private label products can cost 20-25% less than the name-brand product on the shelf next to it[3].



MOST POPULAR PRIVATE LABEL VERTICALS

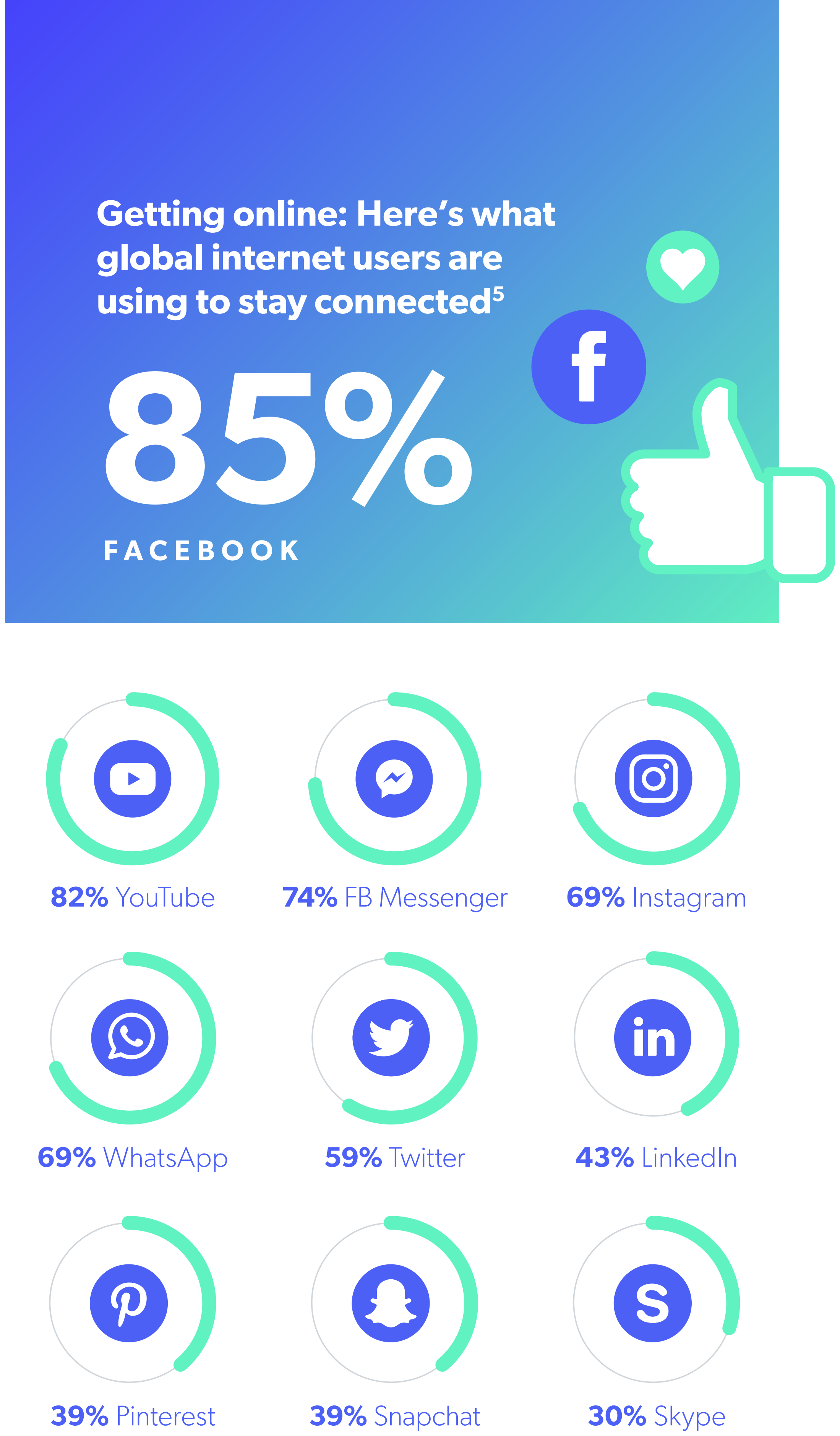
2 in 3 shoppers believe that store brands are just as high quality as name-brands

With two-thirds of shoppers reaching the conclusion that store brands are just as high quality as name-brands, and another third ranking private label higher in quality than name-brand, private label has secured its spot on the top shelf[4].

On top of customer perception, private label products benefit the retailers selling them. Profit margins are higher, operating costs are lower, and shopper support is more stable. There's nothing generic about private label's success.

03

Social commerce isn’t confined to your social media profiles.



03 SOCIAL COMMERCE ISN'T CONFINED TO YOUR SOCIAL MEDIA PROFILES

When AIM came to a computer near you in the '90s, folks were focused on building their friends lists and crafting the perfect away message. And MySpace turned everyone into an HTML coder in the early 2000s as they chased "Pic4Pic?"

The '90s and the '00s were focused on relationship building online. On connecting with other people. People you knew IRL. No one was adding a brand or retailer into their Top 8.

Fast forward to now, almost half of the global population is using at least one social media platform, and not just for keeping in touch with friends. Our survey found Facebook is the platform where consumers are most likely to give a brand a follow.

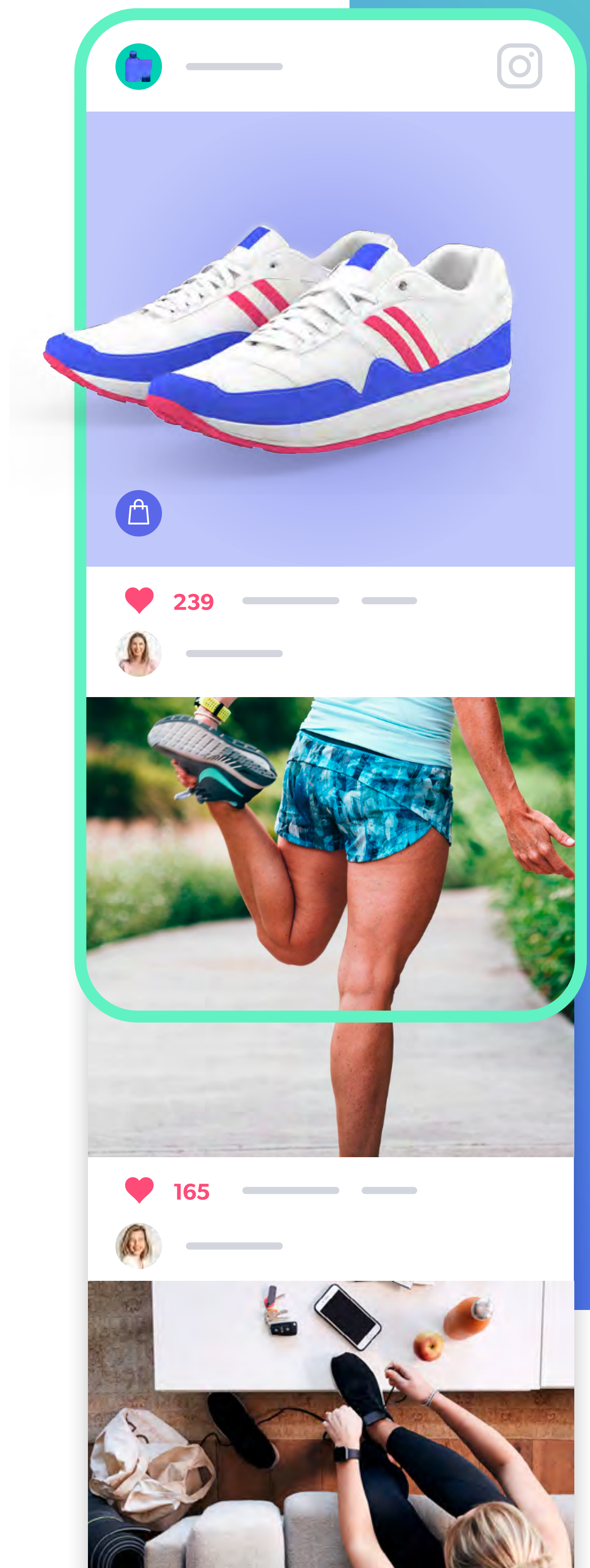
More than just looking at memes, humble bragging about life milestones, and endlessly scrolling viral content, social media now presents itself as a marketing and selling tool for brands and retailers.

Overall, about 1 in 3 shoppers globally have made a purchase on social media in the past year. But when you break it down by age, that number climbs to 43% of 18-24-year-olds and 47% of 25-34-year-olds. While less common with shoppers 35 and older, buying on social has become as common as "liking" a post online.

The most popular platforms for making a purchase are Facebook, Instagram, and YouTube, according to a visual user-generated content survey we conducted in 2021[6]. Shoppers say they buy this way because they like how the products looked in a brand or retailer's post (31%), followed by it being easy (27%). Part of the way brands and retailers can make buying on social easy is by tagging the product itself in a post, and 38% of shoppers say this makes them more likely to click, click, buy on a social post.

But it doesn't stop there – what happens on social doesn't, and shouldn't, stay on social. When shopping on a brand or retailer's website, almost 40% of shoppers won't purchase if there isn't UGC on the product page they're on. It's time to take what customers share with you on social media and go big with it.

About half (47%) of shoppers look on product pages for customer photos, followed by search engines (39%) and other websites where the product is sold (37%). Infusing all of the places your brand can be found with visual and social content is a surefire way to have shoppers going 😍.

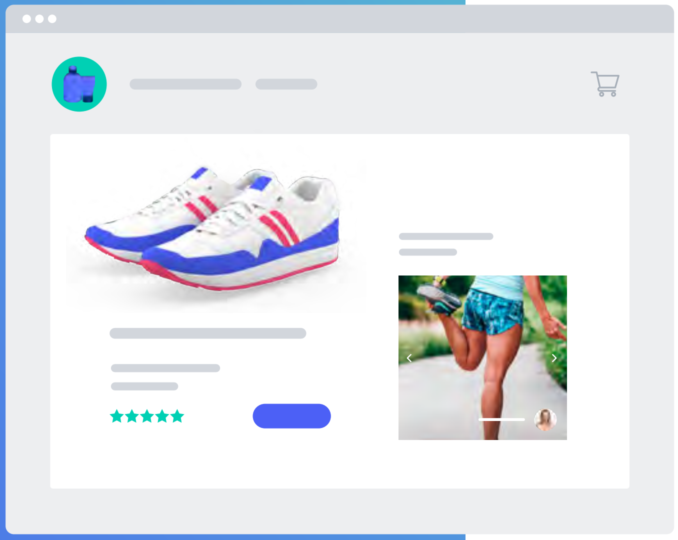


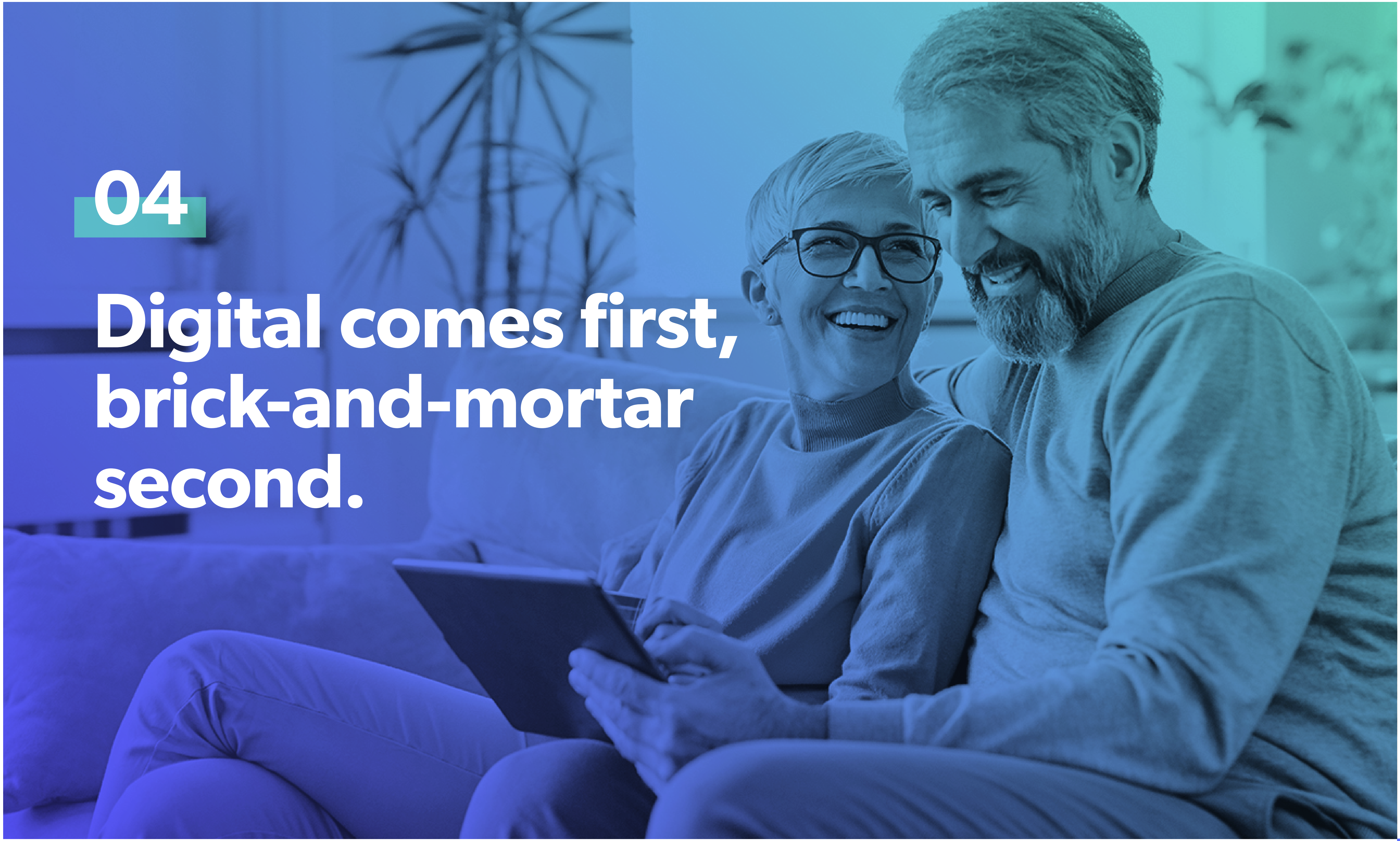
1 in 3

shoppers have made a purchase on social media in the past year

40%

of shoppers won't make a purchase if there isn't UGC on the brand or retailer's product page





04

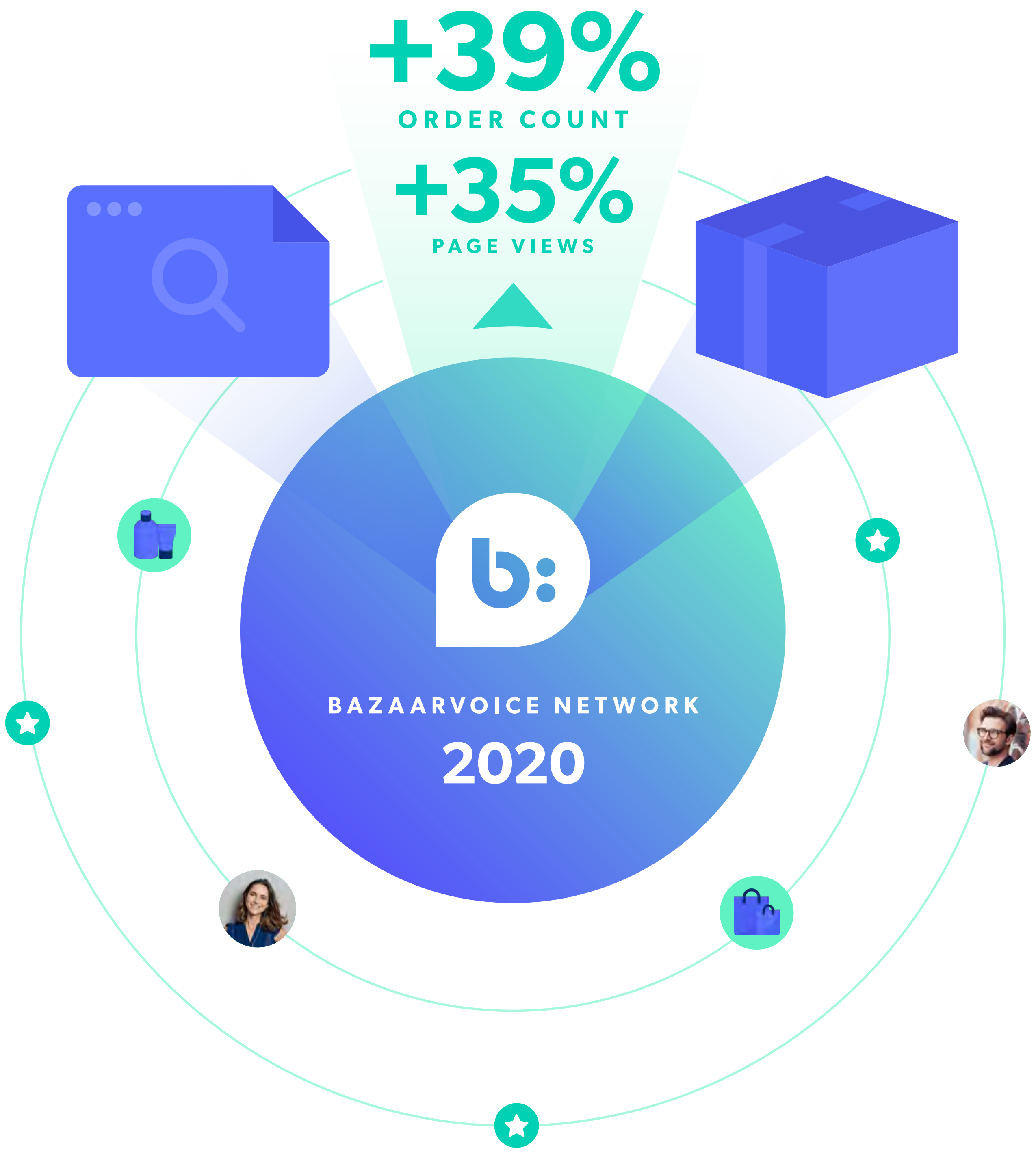
Digital comes first, brick-and-mortar second.

04 DIGITAL COMES FIRST, BRICK-AND-MORTAR SECOND

Raise your hand if 2020 turned you into an online shopping pro.

You're not alone. Globally, 60% of shoppers have adjusted how often they're shopping in-store, reporting reduced in-store trips, or only going in-store if it's an emergency. In countries like the U.S., where cases are quickly rising, or the UK, where lockdowns have been implemented multiple times, shoppers are more likely to avoid going in-store at all.

As a result, online shopping became everyone's BFF. In the first month of the pandemic, the Bazaarvoice Network saw page views increase by 88% year-over-year and orders by 96% year-over-year. Overall, 2020 saw a 35% increase year-over-year in page views on the Bazaarvoice Network, and a 39% increase in order count[7]. Forecasts also predict global online sales are set to increase 17% year-over-year[8].



Almost 40% of shoppers are still shopping online weekly, which is up from 28% pre-pandemic[9]. And with more commerce happening from the comforts of our couches, 48% of shoppers are reading reviews more now than they were before the pandemic. Reviews are still crucial for shoppers heading in-store, with 63% say they're researching online before heading in-store[10].

While it was already on the rise, the pandemic has accelerated digital's trajectory. Online shopping went from a nice option to have to a necessity in 2020. This method of shopping has become second nature to many. Early predictions show that online sales' contributions to increased total revenue have a hold – about three to six percentage points will be permanent[11].

However, shoppers aren't willing to give up brick-and-mortar shopping. Slightly over half of shoppers would choose online shopping over in-store for the next year globally. But, this preference flip flops depending on which demographic we're talking about. UK, U.S., Mexican, and German shoppers all pick online over in-store. Online is also preferred by shoppers 44-years-old and younger.

With that in mind, retailers and brands need to be willing to cater to both preferences. Since the start of the pandemic, 47% of shoppers said browse in-store, buy in-store was their most common way of buying, followed by 43% saying they'd browse and buy on a brand or retailer website with home delivery. Curbside pickup was most likely to be favored by U.S. shoppers or shoppers 34-years-old or younger. This suggests that while older shoppers have adapted to our new normal, they're eager to return to what they're comfortable with.

We'd love to tell you your brand should focus on either or. But that's not the case. Shoppers want you to have an omnichannel presence, and finding ways to continue innovating in-store as you ride the growth wave of online is crucial.

05

Get creative to replace in-person awareness and relationship building.

05 GET CREATIVE TO REPLACE IN-PERSON AWARENESS AND RELATIONSHIP BUILDING

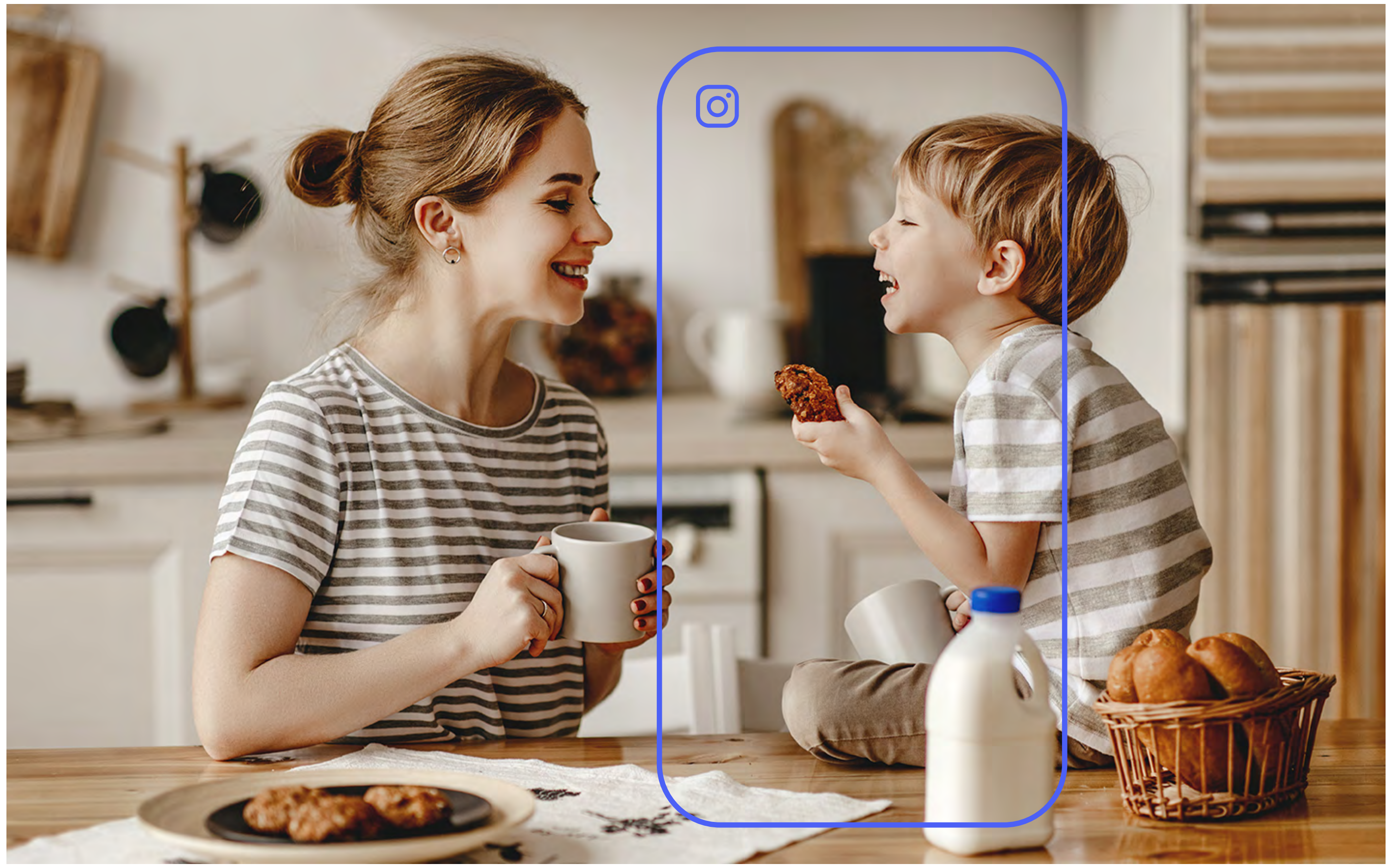
Even for the shoppers heading in-store, there's a whole lot less browsing and discovery. Shoppers are quick to get in and out (if they're in at all). Scrolling endlessly through digital catalogs can lead to decision fatigue, giving a new definition to shop till you drop… your phone, that is.

Almost half of shoppers say what they value most about an in-store shopping experience is the ability to touch, see, and try on products, followed by the instant gratification of taking home their purchases immediately (27%). And half of shoppers say shopping at a brick-and-mortar store is how they feel most connected to the brands they love, followed by leaving reviews (21%).

Humans thrive on connection – with each other, with businesses, and with your products. With our 'new normal' having turned into just our 'normal', you need to meet customers where they are. That means finding ways to get in front of shoppers when they're at home.

Product sampling lets you find new customers and for new customers to find you. Our survey found 88% of shoppers like the idea of receiving free samples. And even better, over half are willing to write a review of the free products they've received and about a third say they'll even post on social media.

In a Bazaarvoice survey of the Influenster community of members who have received a sampling box from us, 60% say they've purchased the products they sampled again. And even better, 97% say they've bought at least one other products from the brand because they loved the first product so much[12].



Sending product samples to a shopper's home helps them experience your products before they commit to buy, and it allows you to offer instant gratification.

Another way to foster connection with shoppers is through running social media campaigns. Develop a branded hashtag to foster communication with your customers. Ask them to show how they use your products. Repost their content on your social media profiles and on your website.

You know your customers best. Give them what they'll appreciate and need to feel connected to you. And if you're not sure, ask. With 56% of shoppers willing to fill out a preference survey from a brand, you'll easily find the answers you need.

CASE STUDY

Samsung

In a bid to show its customers that the company was working with them during the pandemic, Sharon Hegarty, Marketing Director of Samsung Electronics, and her team created the **#FromMyWindow** and subsequently, as lockdown eased, **#FromMyWander**, hashtags to turn isolation into a creative opportunity.

"By promoting artistic sharing at a time when many felt suppressed, we generated positive engagement," Hegarty insists.

The campaign itself then evolved into a new campaign 'Inspired by a True Photo.' The 'Inspired by a True Photo' platform is based on a simple concept; taking a single user-generated image, and making it the focus and inspiration of the creative journey. Samsung is encouraging its customers to upload their real life photos by using **#withGalaxy**, for the chance to have their image chosen, and the subject of their photograph influencing unusual creations in arts and culture.

The first of those creations was a 90-second cinematic ad called 'Onions', based on a single photo of a bag of onions. It was shown on UK national television network, Channel 4, in October 2020 and across multiple channels over a series of months.

"It's often more powerful to encourage advocacy among fans rather than the content always coming directly from the brand," Hegarty adds.

CONCLUSION

It's easy to write off 2020 and hope for better in 2021. We won't deny your hope, but we'll be the first to tell you to not write off the start of the decade. While unexpected and not in the ways necessarily planned, global retail grew. Big time.

In the 2020 Shopper Experience Index, we said that shoppers were eager for connection from their favorite brands and retailers. That couldn't be more true now. Lean into the direction retail is headed, and you'll be even prouder of what your business can accomplish than when you finally nailed your sourdough starter or found toilet paper and Clorox wipes.

01 The demographics-based divide in commerce has widened

Learn your audience. Know your audience. Provide for your audience.

02 Private label is an active choice, not an accidental purchase

Step into the space as a retailer, or step up your game as a brand.

03 Social commerce isn't confined to your social media profiles

Let social content work for you everywhere your customers are.

04 Digital comes first, brick-and-mortar second

Don't write off in-store shopping but get ready to double down on digital.

05 Get creative to replace awareness and in-person relationship building

Your shoppers want to build relationships with you. It's your job to lay the building blocks.

Resources

1. 2021 Bazaarvoice Network benchmarks
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About Bazaarvoice

Thousands of the world's leading brands and retailers trust Bazaarvoice technology, services, and expertise to drive revenue, extend reach, gain actionable insights, and create loyal advocates. Bazaarvoice's extensive global retail, social, and search syndication network, product-passionate community, and enterprise-level technology provide the tools brands and retailers need to create smarter shopper experiences across the entire customer journey.

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