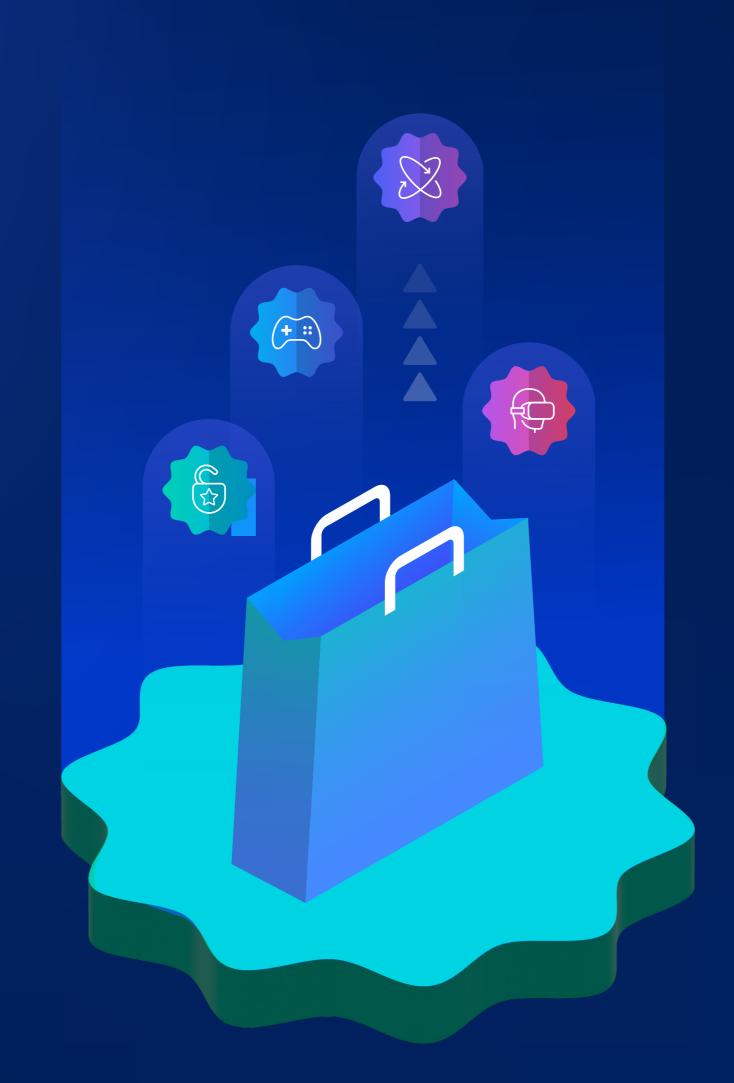
Shopper Preference Report

The shopping experiences consumers expect in 2022













Foreword

As an avid shopper, I've noticed that my shopping habits have changed, especially over the past couple of years. In the past, I knew what I wanted to buy, looked for the brand or product that met my requirements best, and bought it. Today, I look for insights and inspiration as well. When they are present, I find myself buying sooner than planned and more often than planned. Why?

Our new research shows that 98% of consumers value experience over price, at least in certain instances. But what is really interesting is how technology and other programs come into play to create those experiences. While consumers still love to participate in things like reward programs and gamification, they want brands and retailers to deepen the buying experience a step further, even with tech like augmented reality (AR), virtual reality (VR), live shopping, and NFTs for some. Welcome to the metaverse.

Together or individually, these elements enhance and deepen the shopping experience, which is what consumers across all demographics are looking for, myself included. I don't want to just buy one thing and be done. That's transactional and not fun. I want to have a full-blown experience that continues as I consume the product and tells me more about the brand that's behind it. It sounds like the shoppers we surveyed want the same.

Enhancing your shoppers' experience is key. It's as important as the product or services you sell them. Experiment and pilot new technology, new approaches, and new ways of engaging. Try it with all generations, but especially in the younger generation—the social natives—because they're changing everything.

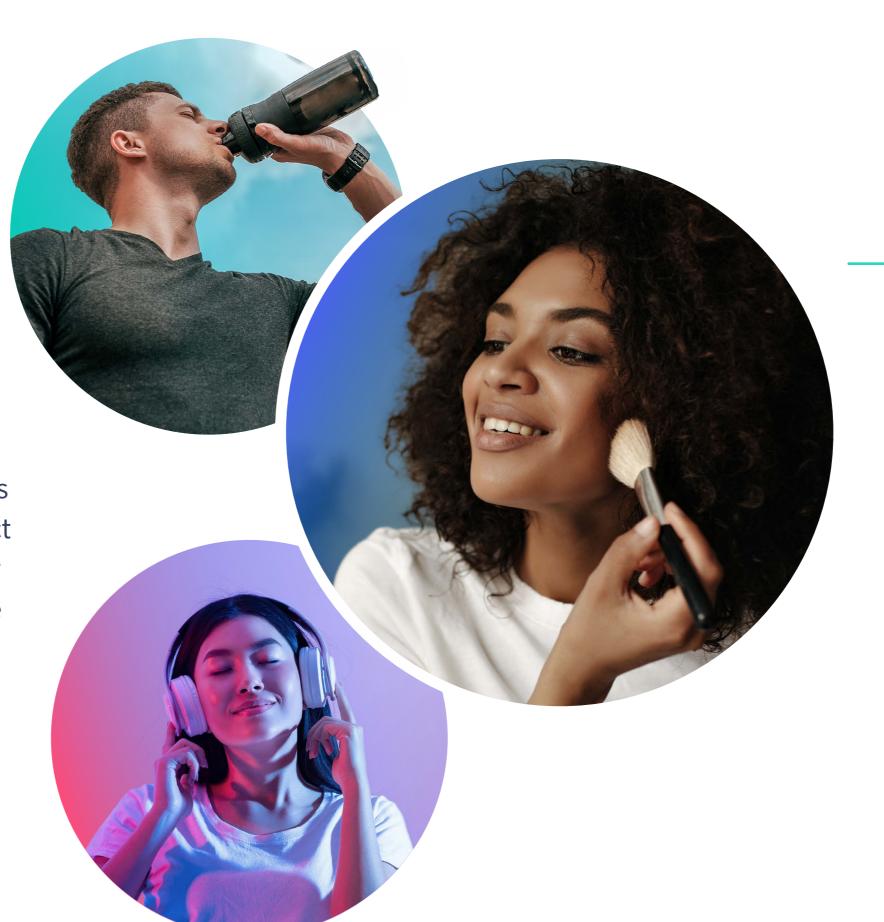
Findings from the shoppers interviewed as part of this research will help us shape the future of commerce together.

Zarina Stanford

CMO, Bazaarvoice

Where shoppers are today

Since the dawn of online shopping, brands and retailers have done all they can to attract more shoppers to their websites. But over the past several years, especially since the start of the pandemic, shoppers have rapidly adopted regular online shopping habits, both via websites and social media. Now, today's shoppers are very much online.

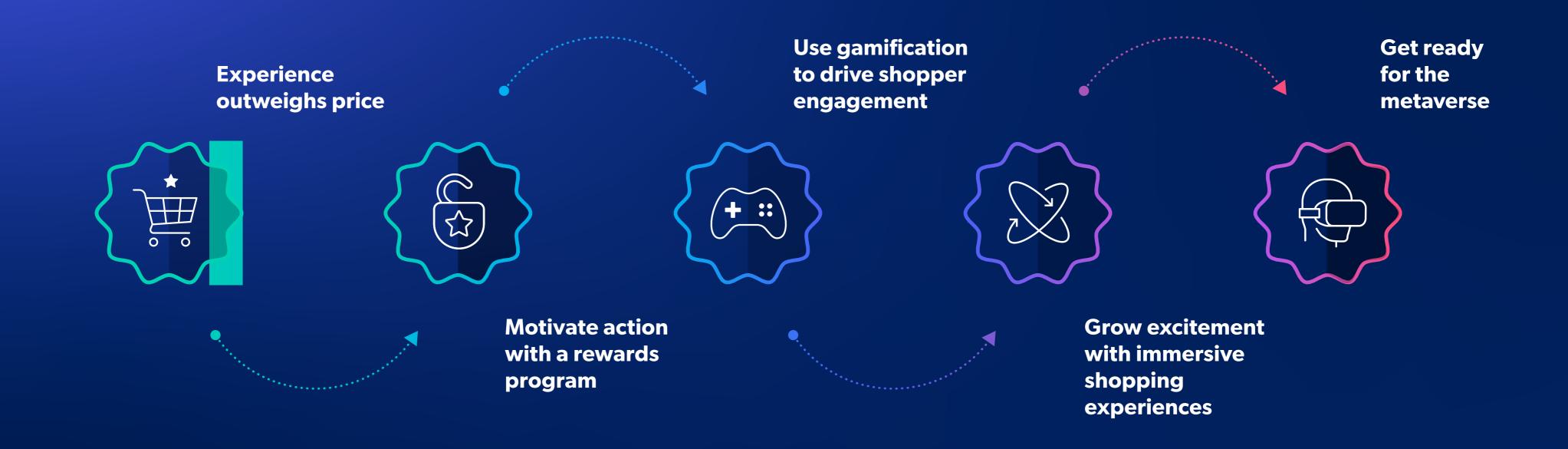


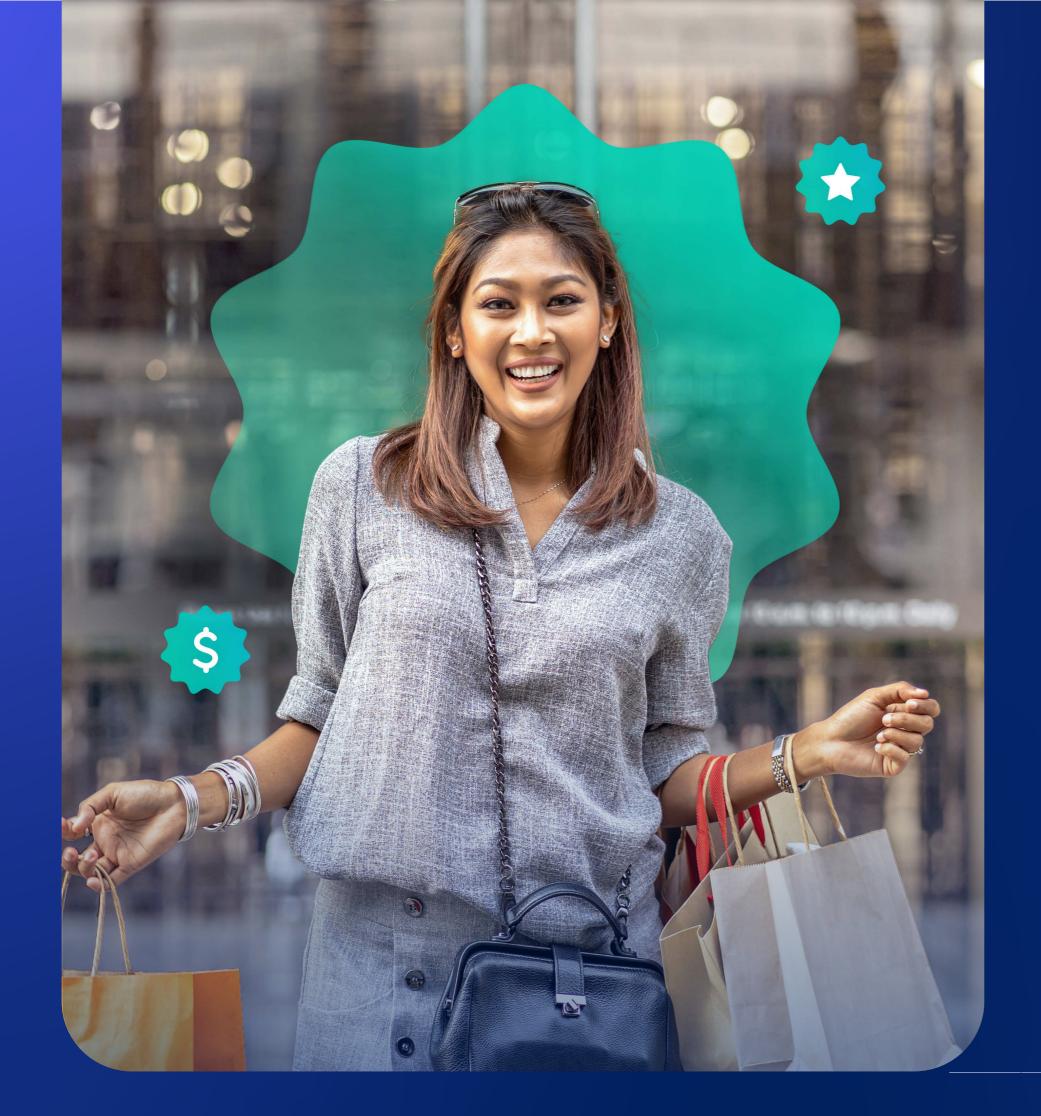
In fact, 99% of consumers say they regularly shop online and 97% have purchased something through social media.

But now that consumers are acquainted with online retail, they expect more integrated shopping experiences from brands and retailers. Simply attracting customers to your online store is quite literally the least you can do. How do you take shopping experiences to the next level?

To answer these questions and more, we surveyed over 10,000 shoppers across Australia, Canada, China, France, Germany, the U.K., and the U.S. This report explores what global shoppers want out of the future of shopping and how you can deliver the experiences they crave.

What's inside







Experience outweighs price

Shoppers want experiences that inspire them and enhance their shopping experience, even if that sometimes means paying a little bit more. Can you put a price on a worthwhile experience? In some instances, yes, you can. Today's shoppers want experiences that meet and exceed their expectations, whether that's on your website, in-store, or on social media. Even with rising inflation, 98% of consumers say there's at least a certain case where they'd buy something based on experience vs. price. And 93% also say a positive shopping experience is important to them.

You have to provide shoppers with an experience that's effective and engaging enough to outweigh the cost of purchasing a product that may be otherwise out of budget. This can be achieved through the use of AR, VR, and different gamification elements such as rewards programs, communities, and the metaverse. Shoppers want to feel like they're part of something, and creating a great experience helps drive affinity and loyalty to your brand.



98%

of consumers say there's at least a certain case where they'd buy something based on experience vs. price, even with rising inflation







Motivate action with a rewards program

The easiest way to take your customers' digital shopping experience to the next level is through rewards programs.



80%
of people spent more than planned to unlock a reward

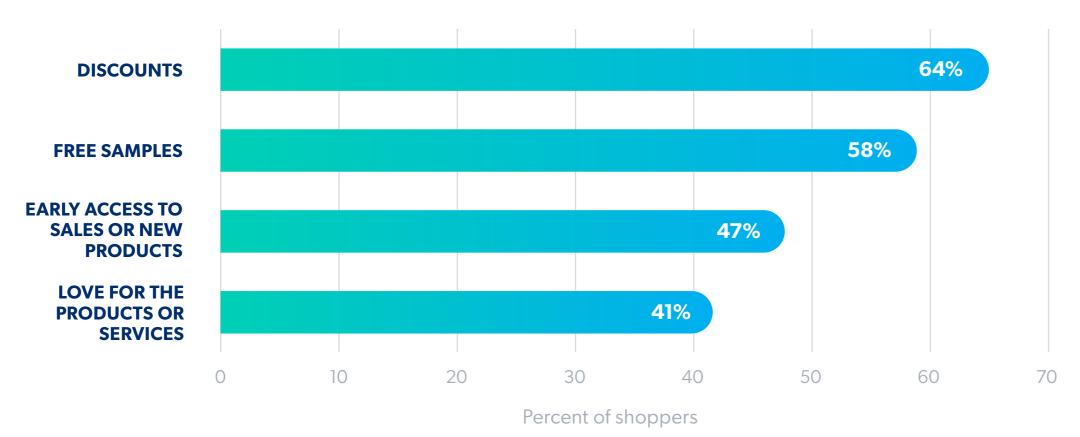
The majority of people (48%) spent about \$10 to \$30 to unlock a reward. And rewards programs encourage consumers to spend anything in the first place: 65% of people say they're more likely to purchase something if they can participate in a rewards program and 20% said maybe.

They won't just spend money for rewards, they'll take action. Almost all (91%) shoppers said they're likely to create an account (instead of just shopping as a guest) if they can participate in a rewards program, with 23% saying they're certain to.

While over two-thirds (69%) of shoppers said they have participated in rewards programs with brands or retailers, 20% said they haven't yet, but would be interested.

Consumers are willing to spend more time with your brand – and more money on it too. You just have to give them something in return with rewards programs.

What encourages people to participate in rewards programs



Kick-start your rewards program with product sampling

Product sampling programs can be considered a type of reward program. Almost all brands and retailers use their sampling programs to both generate content as well as reward advocates. They view the invitation to, and participation in, sampling communities as a way to reward top contributors, or acquire new loyalists.

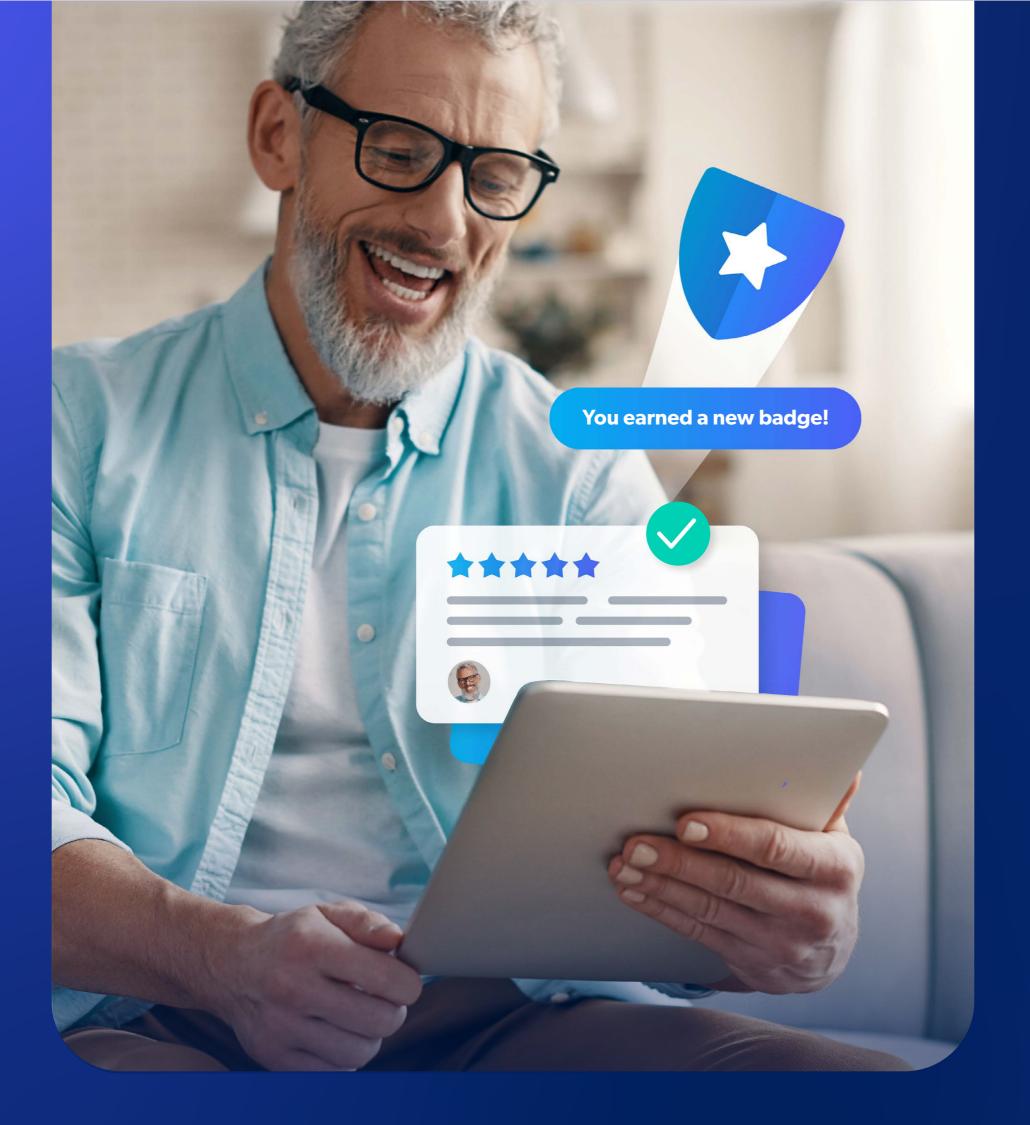
For instance, <u>Kraft Heinz</u> sent samples of its new salad dressings to a select group of ideal consumers in Bazaarvoice's Influenster community of more than 7 million members, encouraging them to share their experiences through reviews and on social media.

This helped the food brand collect authentic content while also rewarding loyal customers with free samples.









Use gamification to drive shopper engagement

Another way to elevate shopping experiences is with gamification. Gamification is similar to a rewards program, but includes a gaming aspect where shoppers are required to do something in exchange for the reward (further than just shopping with you or signing up for your reward program).

70%

of people enjoy gaming elements while shopping online

42%

enjoy gaming in-store

An example of gamification includes exactly what the word itself says – allowing consumers to play games for a reward. But you can be creative about what exactly that means. Gamification campaigns can take the form of interactive quizzes, challenges within a brand's app, and more. About three-fourths (72%) of people said they would spend longer in an app or on a website if they received points that converted into a discount in return, with 16% saying maybe.

72%

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of people said they would spend longer in an app or on a website if they received points that converted into a discount in return

16% said maybe

bazaarvoice®

Gamify your reviews program to collect user-generated content

Gamifying your user-generated content (UGC) program is a great way to collect ratings, reviews, and customer photos or videos. Over three-fourths (77%) of people said they would submit UGC to gain a reward. Being entered into a sweepstake where a customer has the chance to win something if they leave a review is what would encourage most people to leave a written or image review (56%), followed by an email from the brand or retailer they bought a product from reminding them to review it (40%), and the opportunity to have their review included on a brand website or in a campaign (37%).

A great example of this is when <u>Plenty</u>, the kitchen paper brand, prompted its website visitors with a pop-up that offered them entry into a sweepstakes.

When customers left a product review, they earned the chance to win £50 and they were able to enter every month!



Why do consumers engage in gamification while shopping?



50% UNLOCK DISCOUNTS

AND REWARDS

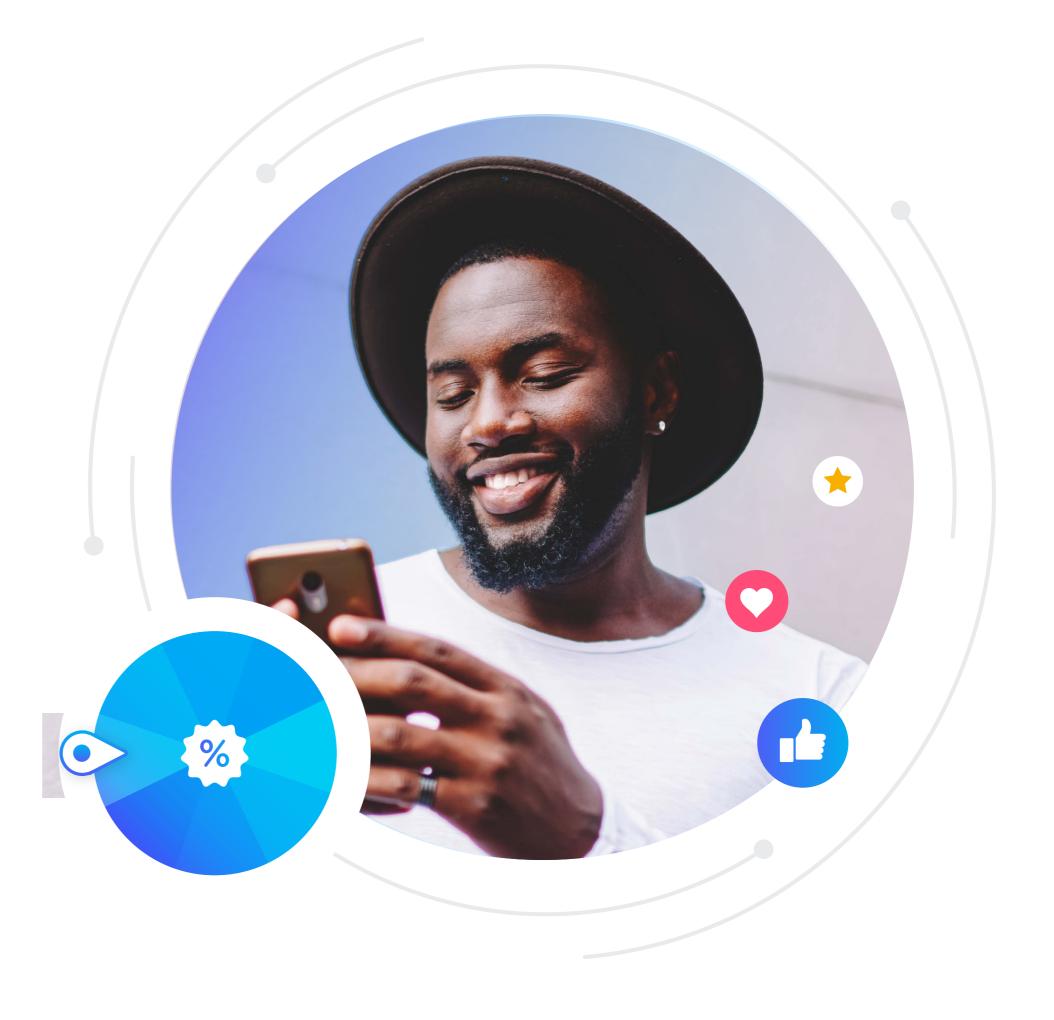
22%

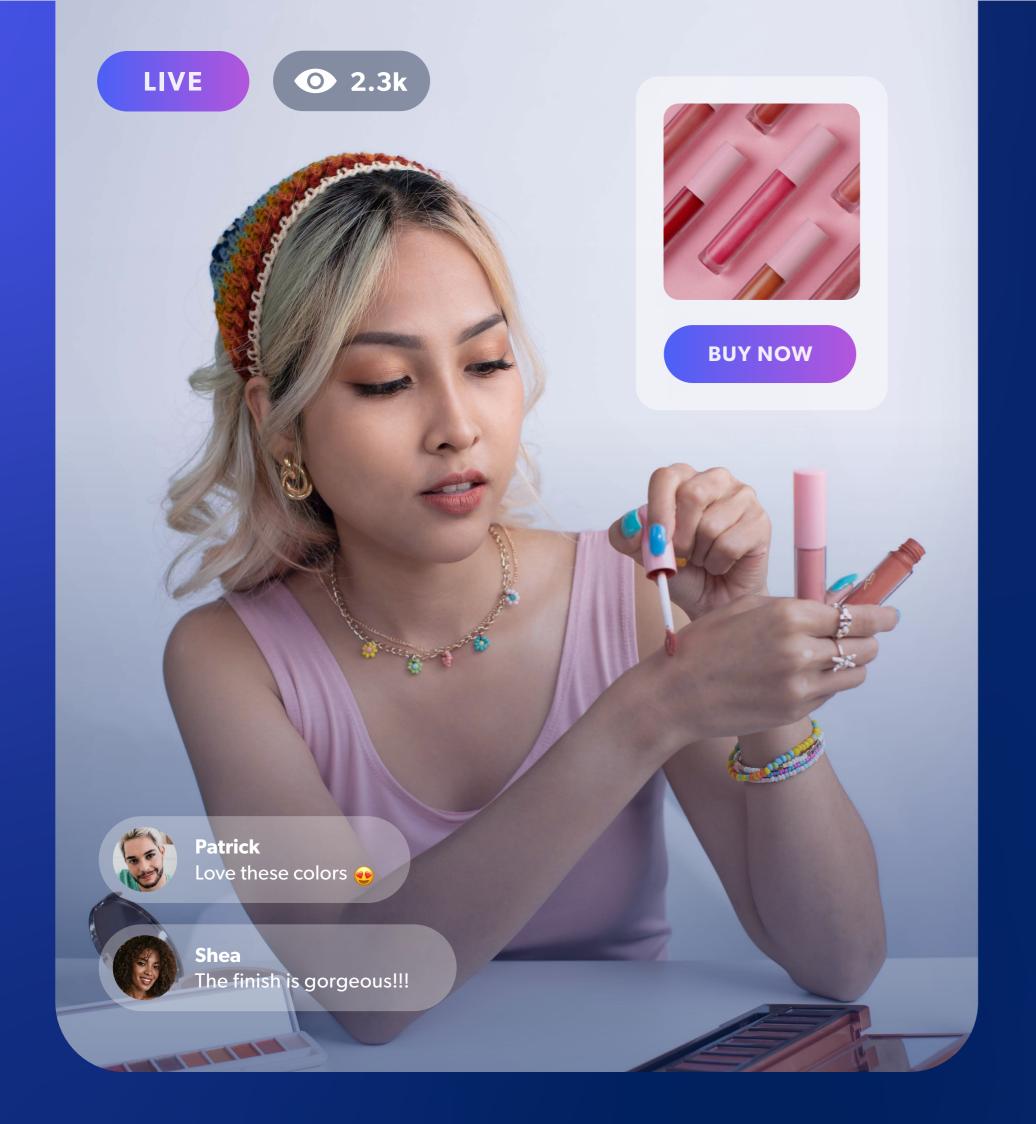
JOIN AND ENGAGE WITH COMMUNITIES AROUND PRODUCT TYPES

22%
CONNECT WITH

CONNECT WITH THE BRAND

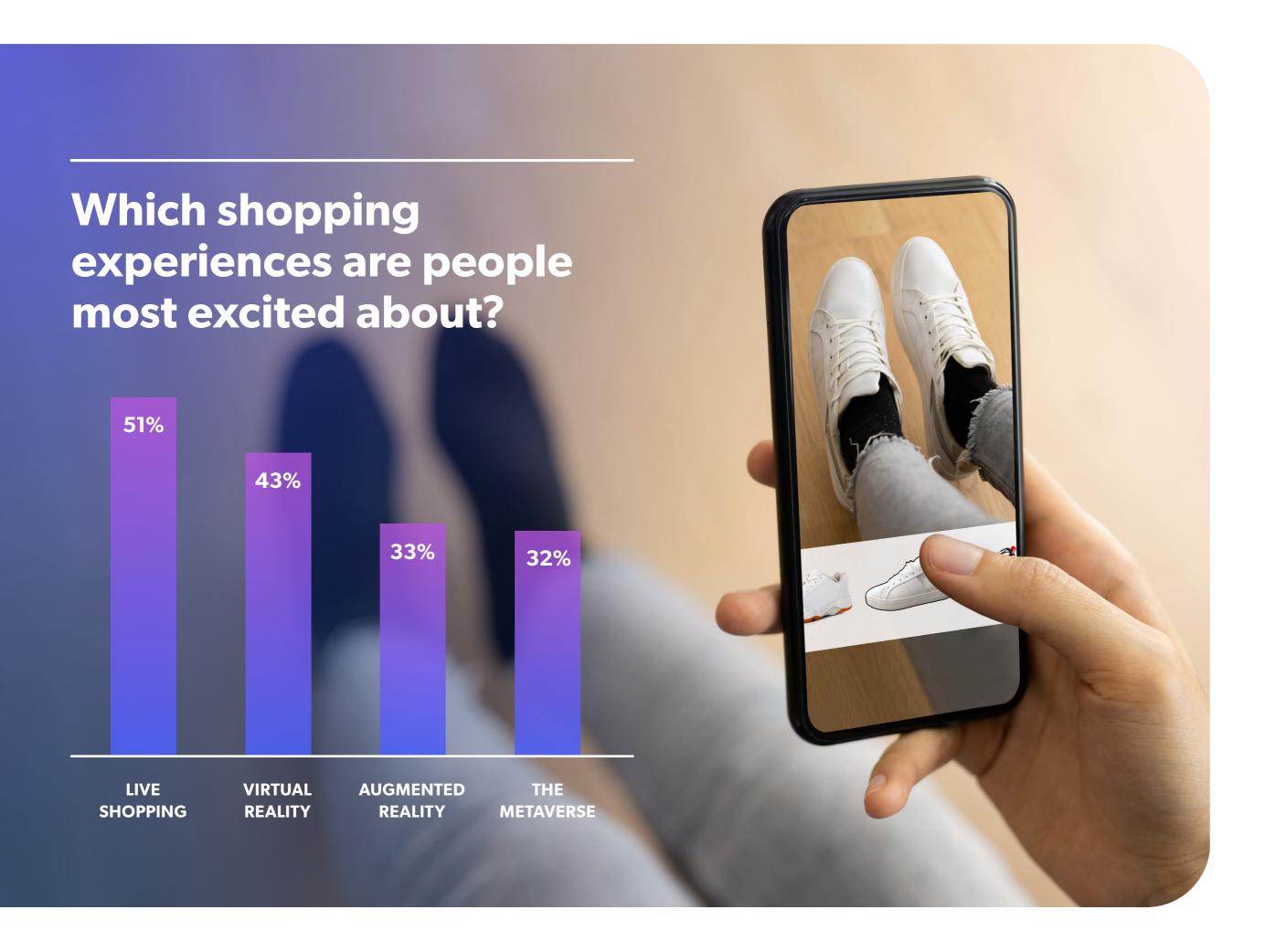
Shoppers are already familiar with gamification elements in shopping, and they're open to participating in them. Give them a fun little break from endless scrolling with an opportunity to play a game or enter a sweepstakes in exchange for a reward. This keeps consumers entertained, engaged, and coming back (or staying) for more. They also might even reward you with an invaluable piece of content.





Grow excitement with immersive shopping experiences

Shoppers want technology that will make their shopping experience more fun, interactive, and informative, whether it be online or in-store. And they're looking forward to what the future will bring.



The majority of people agree that brands and retailers enhancing their shopping experiences through AR and VR is exciting (74%) and 59% want AR/VR in-store. But almost half (42%) of people have never used AR/VR while shopping, suggesting these experiences are still not widely offered by brands or retailers.

Above all of the many opportunities it offers, shopping is what people are most excited for in virtual reality (61%), followed by concerts and gaming (49%) and sports (44%). When it comes to what they will purchase, people are most likely to buy clothes using VR/AR experiences (32%), followed by electronics (19%), and health and beauty (14%).

It may seem intimidating, but these immersive experiences are going to be worth the investment. And since so few brands and retailers are on top of it, the sooner you incorporate this technology, the more likely you are to offer something that many don't. Get ahead of the game – your shoppers will thank you for it.



59%

of people want to experience AR and VR while shopping in-store





Get ready for the metaverse

The metaverse is here. And while we get it (kind of), do shoppers? Is it something they want to participate in? What about NFTs?

of people said that while of people said that while they're aware of the metaverse, they don't understand it

Surprisingly, everyone is aware of the metaverse. A shocking 0% of people we surveyed said they have never heard of it. However, 49% of people said that while they're aware of it, they don't understand it. Plus, they have some apprehensions.

The biggest concerns people have with the metaverse is that they don't trust it with their personal data (37%) and they don't fully understand how to use it (34%). Other concerns include: how returns will be handled (30%), if they'll be able to try items out (29%), and whether or not they can trust the metaverse to have the information they need to make a purchase (16%).

And while it's predicted that the metaverse may be a \$800 billion global market by 2024, consumers don't think it will be used widely anytime soon. The majority of people think the metaverse will be regularly used by the majority of people in 3-5 years (31%). Only 10% think it will happen in under 12 months and 10% don't think it will ever be widely used.

However, they do think there are some things to be excited about in the metaverse. The chance to try a new experience (53%) and the opportunity to discover new products (45%) are why people are most interested in shopping in the metaverse.

While it seems like a far off fantasy, the metaverse is well on its way. This isn't a project that you should be leaving for your "future self" to handle. If you haven't at least started thinking about how your brand can forge a path in the metaverse, you should start now.

When it comes to NFTs (non-fungible tokens), 56% of people are aware of what they are, 22% say they are kind of aware, and 18% say they're not at all aware.



49%

of people say they will buy an NFT in the next 12 months

Shoppers are most interested in the metaverse to:





Understand that shopper excitement for retail's tech-y future varies from country to country

According to our data, if you want to get ahead of your consumers' eventual expectations, look to China. In terms of integrated commerce, they're already in 2052 – heavily operating in what the rest of the globe would consider the future of retail – and are good predictors of what will work and what won't. On the other hand, those from the U.K. and France seem to be least aware about (and least in to) what's to come in the world of shopping.

▼ THE METAVERSE

▼ AR AND VR

▼ NFTS

AWARENESS

- In America, 56% of people are aware of the metaverse but 44% said they don't understand it.
- In France, people are least aware of the metaverse at 47%.

ADOPTION

- In China, 35% of people think the metaverse will be widely used in 1 to 2 years.
- Most nationalities think it will be widely used in the next 3 to 5 years.

AWARENESS

- In China, 85% of people want to see AR/VR experiences in-store.
- In the U.K., only 48% of people want to see AR/VR experiences in-store.

ADOPTION

In China, 52% of people have used AR/VR while shopping in-store.

AWARENESS

- In China, 67% of people are aware of what an NFT is.
- In the U.K., people are least aware of what an NFT is at 48%.

ADOPTION

- In China, 66% of people are planning to buy an NFT in the next 12 months.
- In the U.K., only 38% of people are planning to buy an NFT in the next 12 months.

If you're an international brand, these numbers are worth implementing into your strategy. Introducing technology in places that are already receptive to and interested in it is a good way to ensure success and work out kinks before taking them to regions that may not be as tech-savvy.

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A final word

You no longer have to convince consumers to shop online for your products – but you have to up your game (literally) in order to win at retail. There are a variety of ways to keep your shoppers engaged—and coming back for more—ranging from reward programs to eventually allowing your customers to shop in the metaverse. Regardless of what you choose, shoppers crave technology, interaction, and personalization, and you need to upgrade the shopper experience to allow that.

Key takeaways



brand can level-up shopping experiences with offerings like rewards programs, gamification, AR and VR, and whatever comes next in the metaverse.



Get more out of your rewards program by encouraging shoppers to spend more money, spend longer on your website or in your app, and provide you with priceless UGC.



Gamify your UGC program. Consumers are familiar with gamification elements in shopping and enjoy and expect to see them as well.



Look to China to learn what's next. Shoppers are excited about more technology being integrated into shopping, such as AR, VR, and live shopping.



the metaverse, so they become interested in what you have to offer in this up-and-coming channel.

Ready to position your brand for the future of commerce?

Get started today

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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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Making shopping smarter.

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