The state of omnichannel retail

How to influence shoppers researching online, buying offline, and everything in between

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What's inside

Introduction

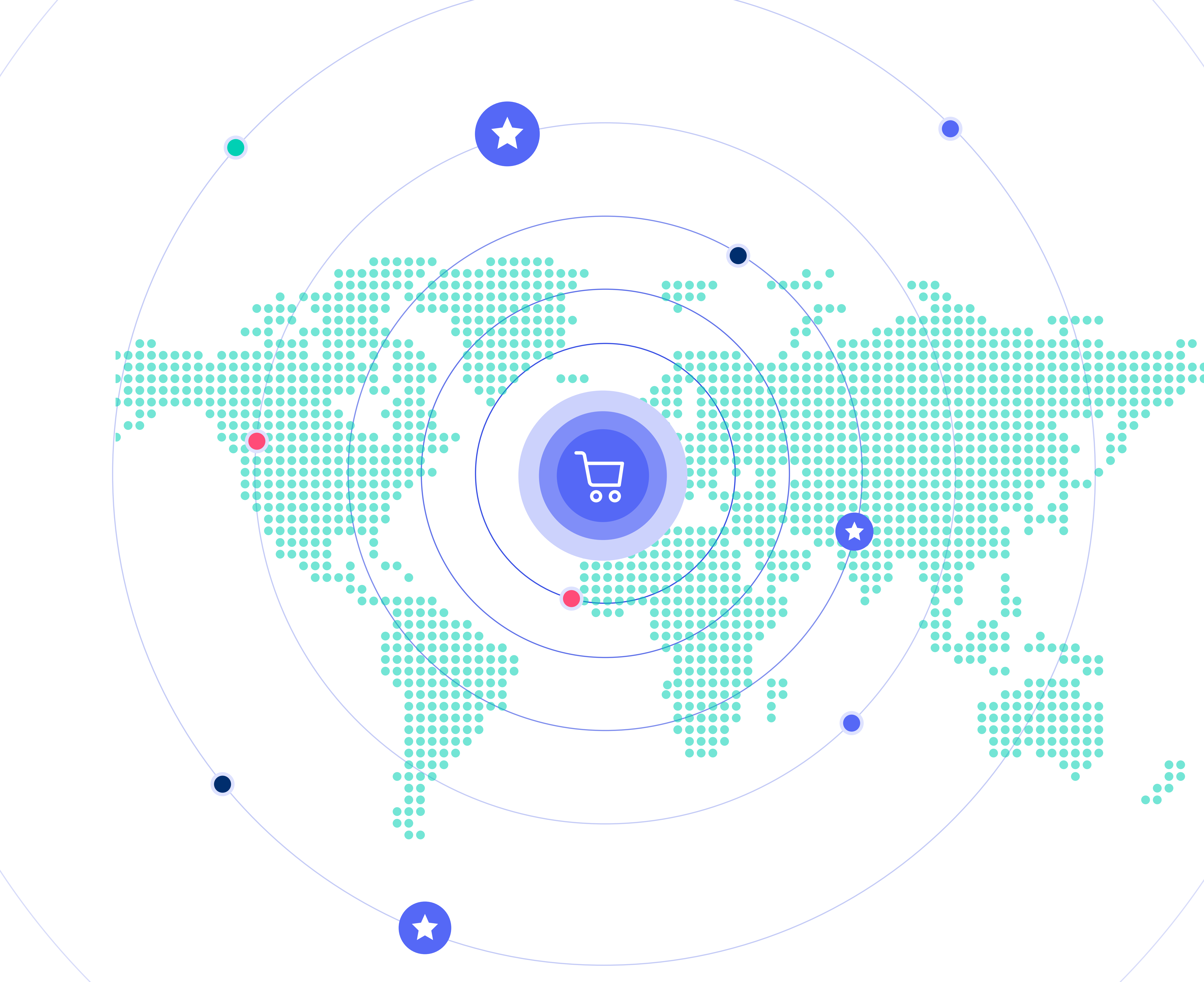
There's no denying it. The shopping landscape has changed. Consumers are savvier than ever, researching items before they commit to buying them so they can feel confident in their decisions.

But that research isn't only being conducted at home prior to purchase. Shoppers are also researching in-store at point of sale.

The result? Omnichannel shopping.

The question is, are you providing consumers with the seamless experiences they're looking for across all channels — online, in-store, in-app, or on social?

In order to win in this new competitive environment, brands need to understand the ROBO (research online, buy offline) economy and how to scale user-generated content across all relevant areas their audience is researching.



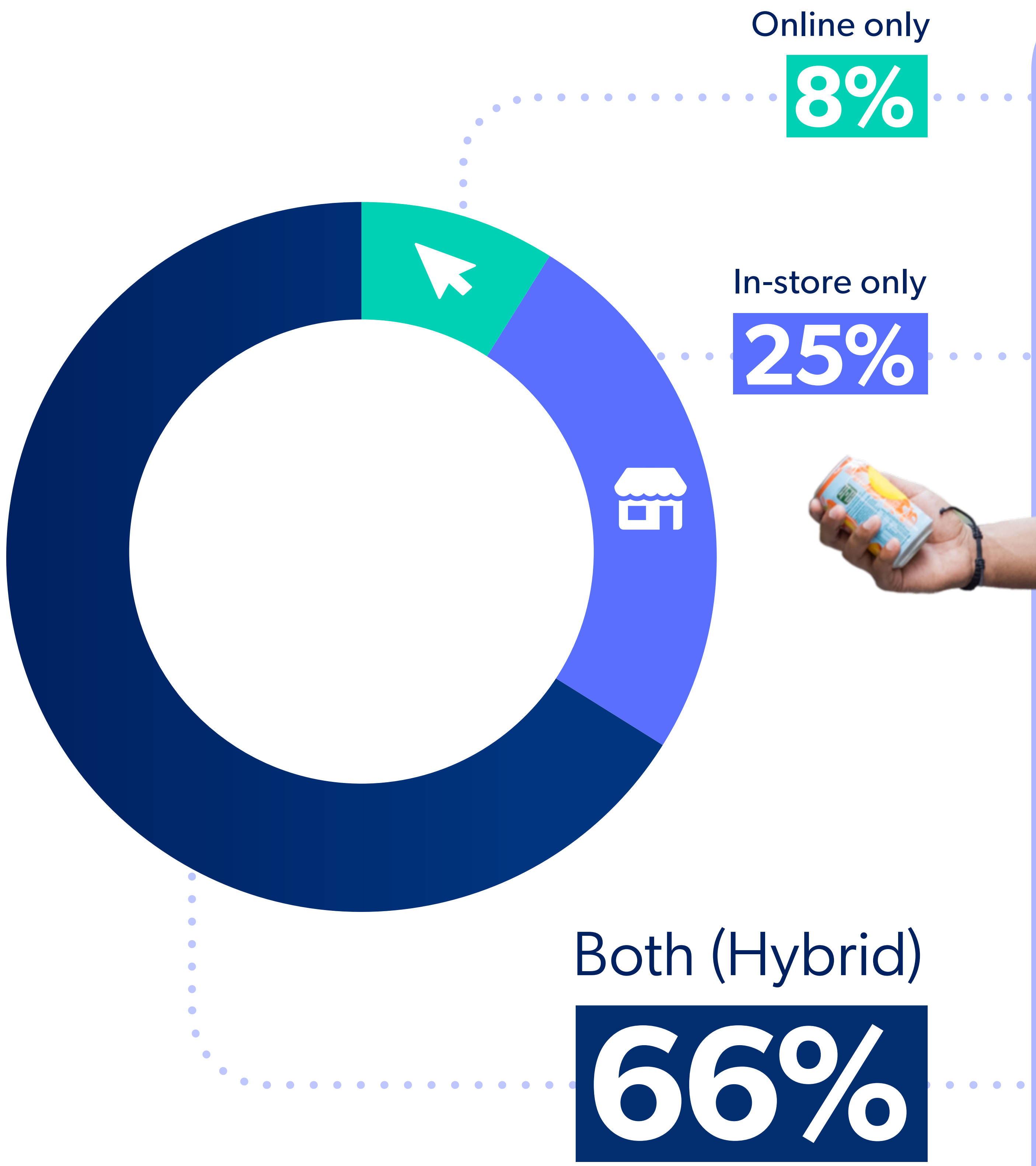
The omnichannel shopper

We asked shoppers what mode of shopping they felt happiest in: online, in-store, or a hybrid of both.

Nothing proves omnichannel more than these numbers.

Two-thirds of respondents prefer a hybrid type of shopping.

At a macro level, we are witnessing “the new norm,” with shopping preferences shifting as we move from a post-pandemic phase to an endemic new norm.

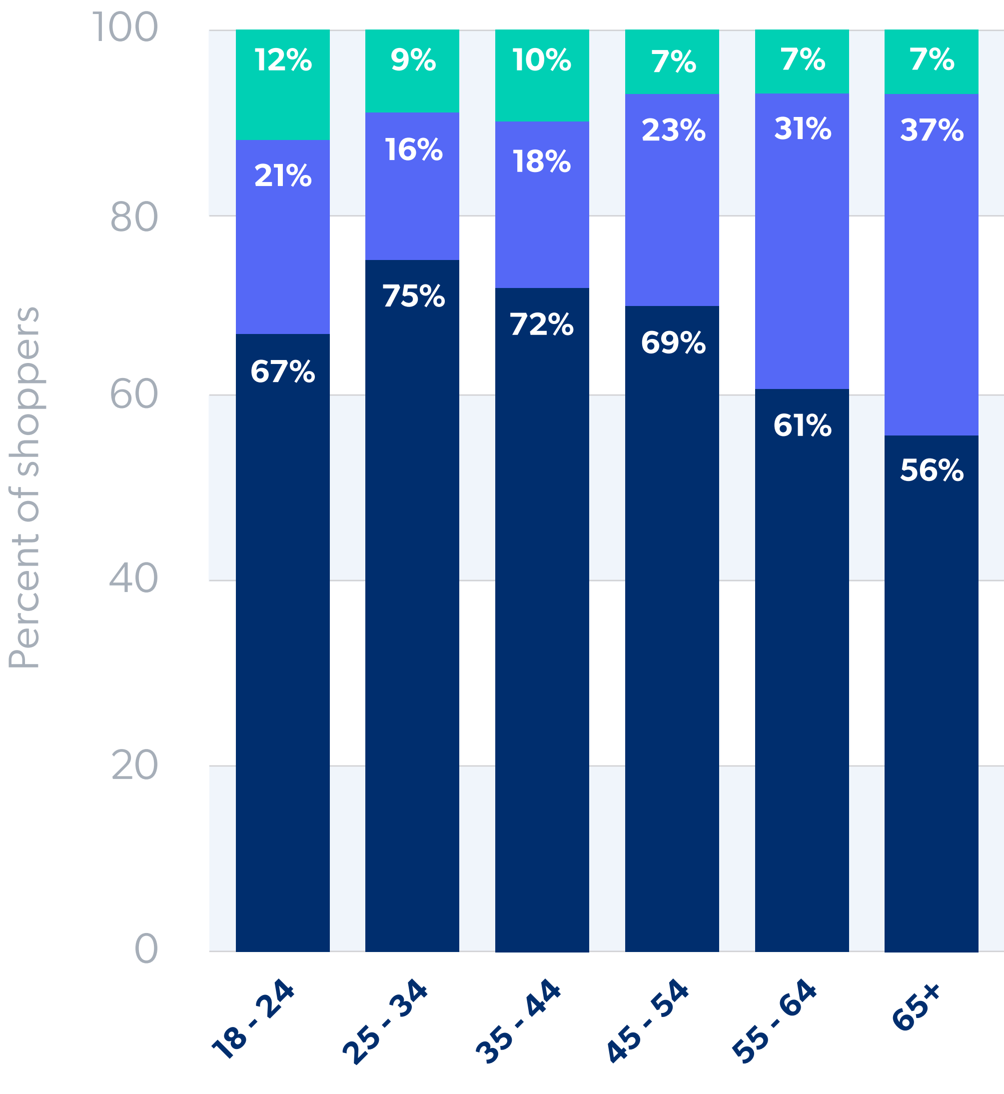


Shopping preferences

Online only In-store only Both (Hybrid)

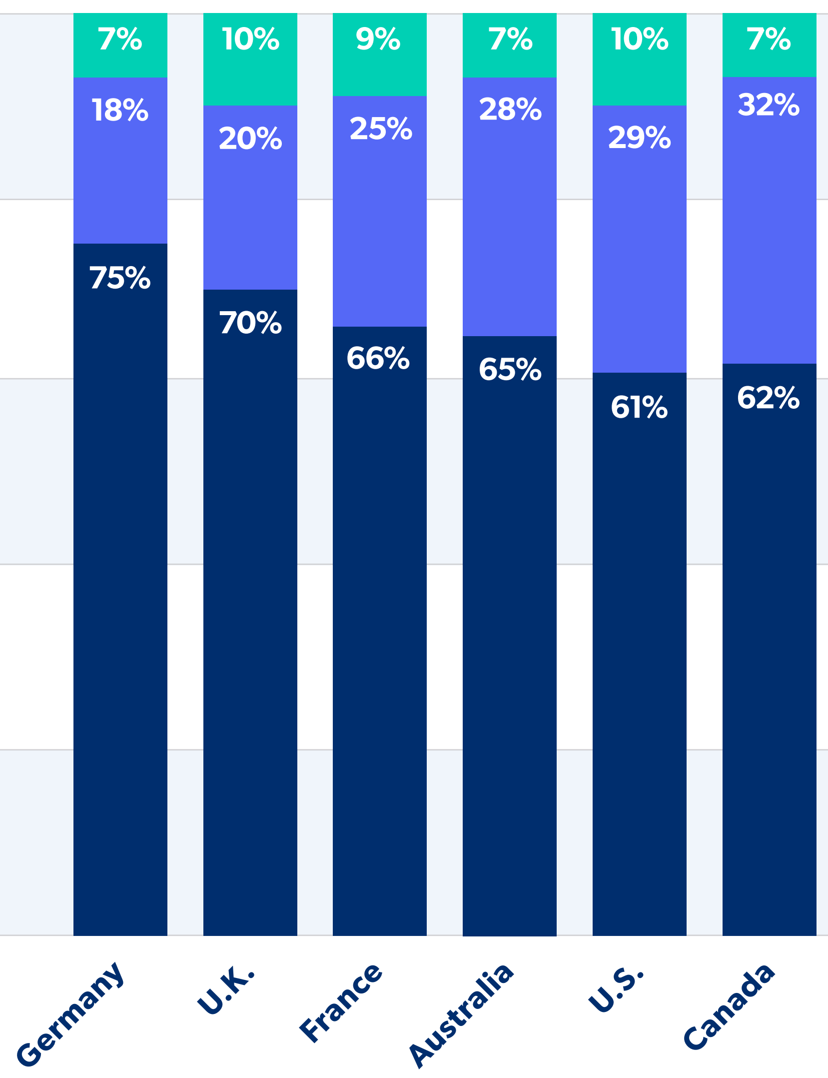
By age

Shopping preferences differ by age group, with younger generations buying more online.



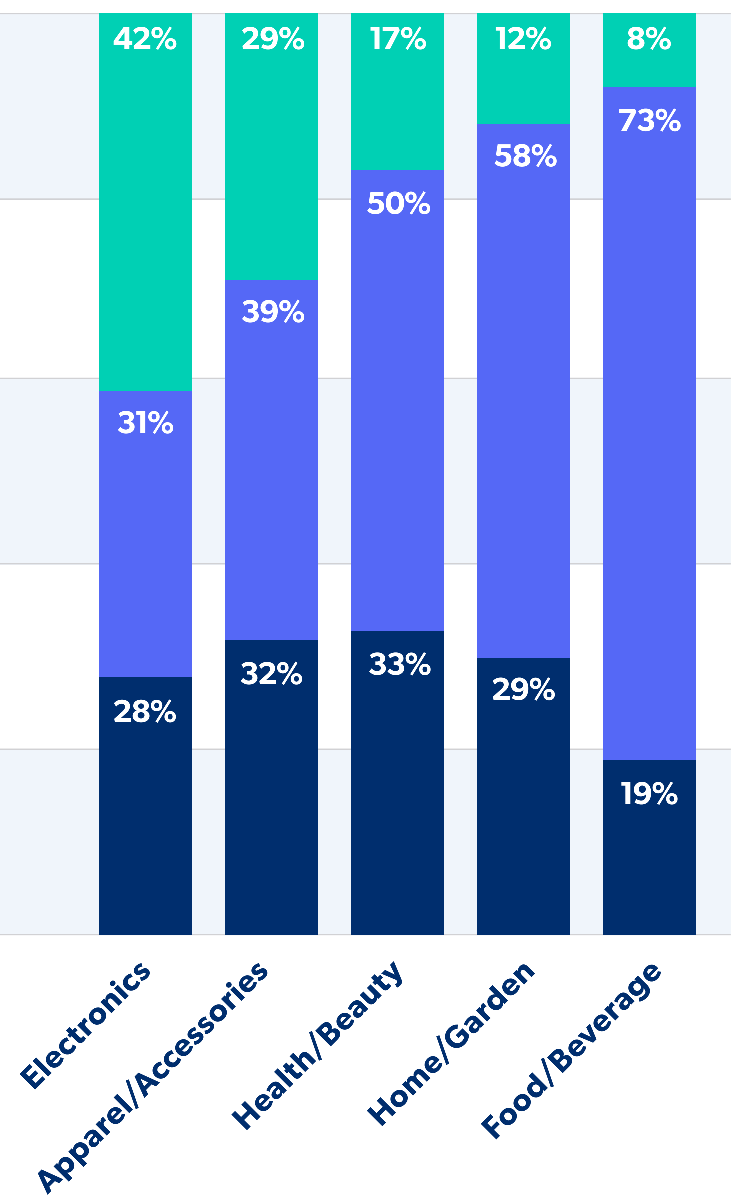
By country

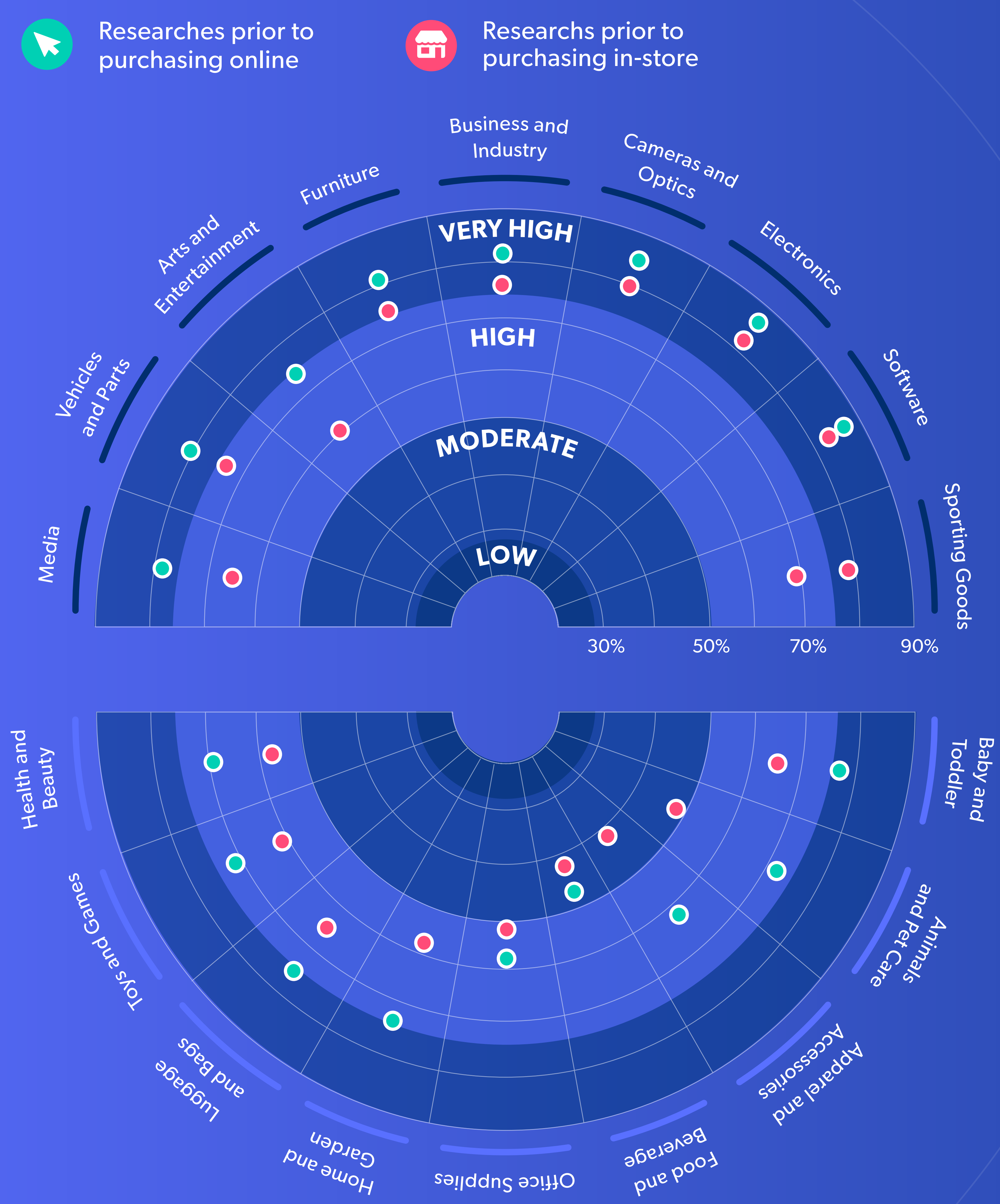
Preferences also differ by country, with 3 of 4 German shoppers preferring a hybrid shopping mode.



By industry

And shopping preferences differ dramatically by industry.





Research behaviors

Research is a key factor in a shopper's journey, with three-quarters of online shoppers conducting research prior to making a purchase and 3 in every 5 in-store shoppers showing the same behavior.

74%

of online shoppers often research prior to purchasing

59%

of in-store shoppers often research prior to purchasing

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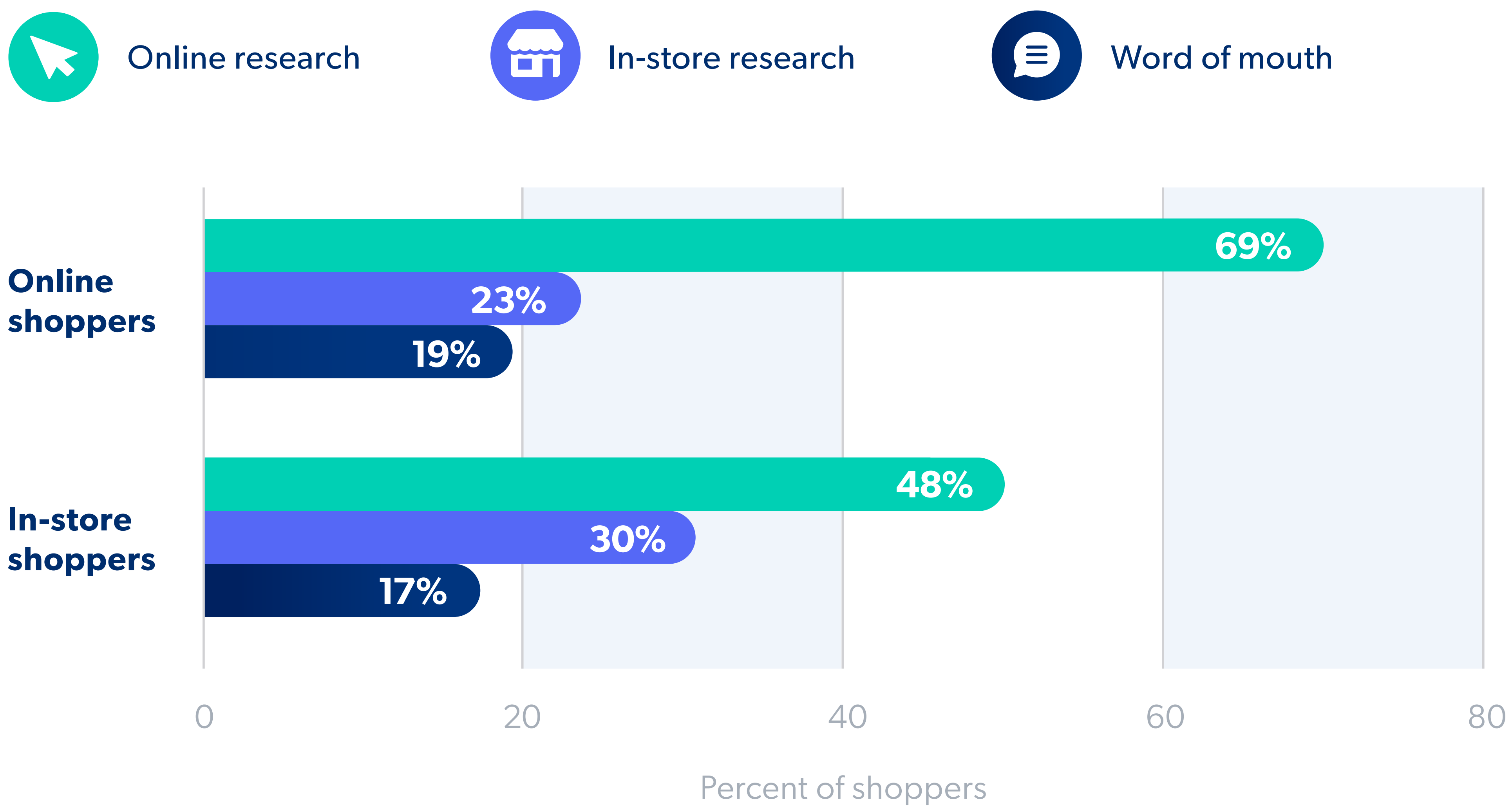
Research prior to purchasing

We live in the world of the "messy middle" where the route to the checkout for in-store shoppers often involves research online, and the route to the online checkout can involve a trip in-store or a search on social media before a decision is made.

But most product research is conducted online — whether a purchase is made online or in-store.

Shopper research behavior prior to purchasing



Online shoppers' preferences

Among those that shop online, research is typically conducted via a web browser search, closely followed by specific brand websites. Just under a third of shoppers use social media for research, with Facebook and Instagram as the key platforms.

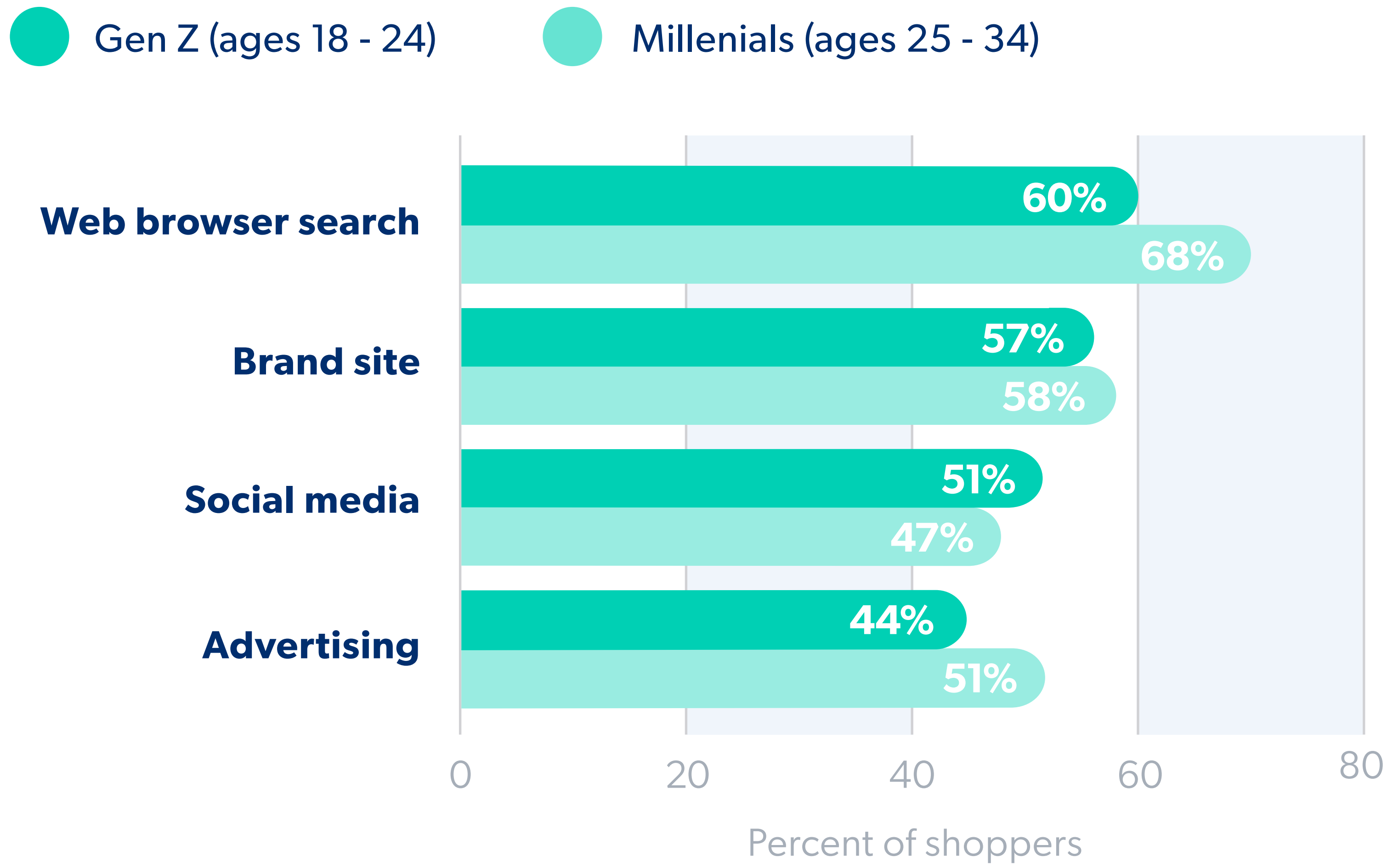
Web browser search is increasingly important for younger generations like Gen Z and millennials, where the gap between web browser searches and brand websites closes considerably. The majority of this audience now also turns to social media platforms to inform their research journey.

For social media, Facebook leads the way, particularly in Australia where three-quarters of social media shoppers turn to the platform. Instagram, although still key, is secondary.

Despite Facebook being a clear front-runner, other social media platforms should not be ignored. TikTok and Snapchat play particularly key roles in the U.S. market (51% and 33%, respectively), significantly ahead of most other markets on both platforms.

Online research tools

Online research among Gen Z and millennials



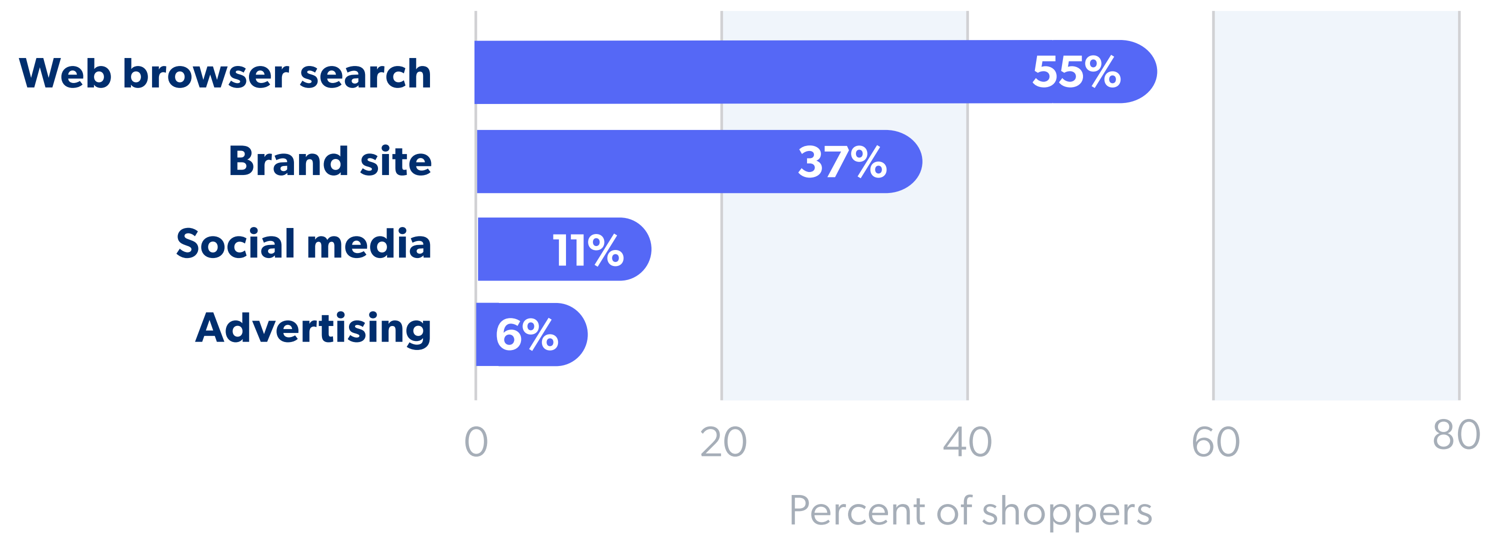
In-store shoppers' preferences

In-store shoppers show similar research trends, choosing web browser searches considerably ahead of other search platforms. Three-quarters (74%) of these shoppers conduct their research while at home, prior to going in-store to make a purchase.

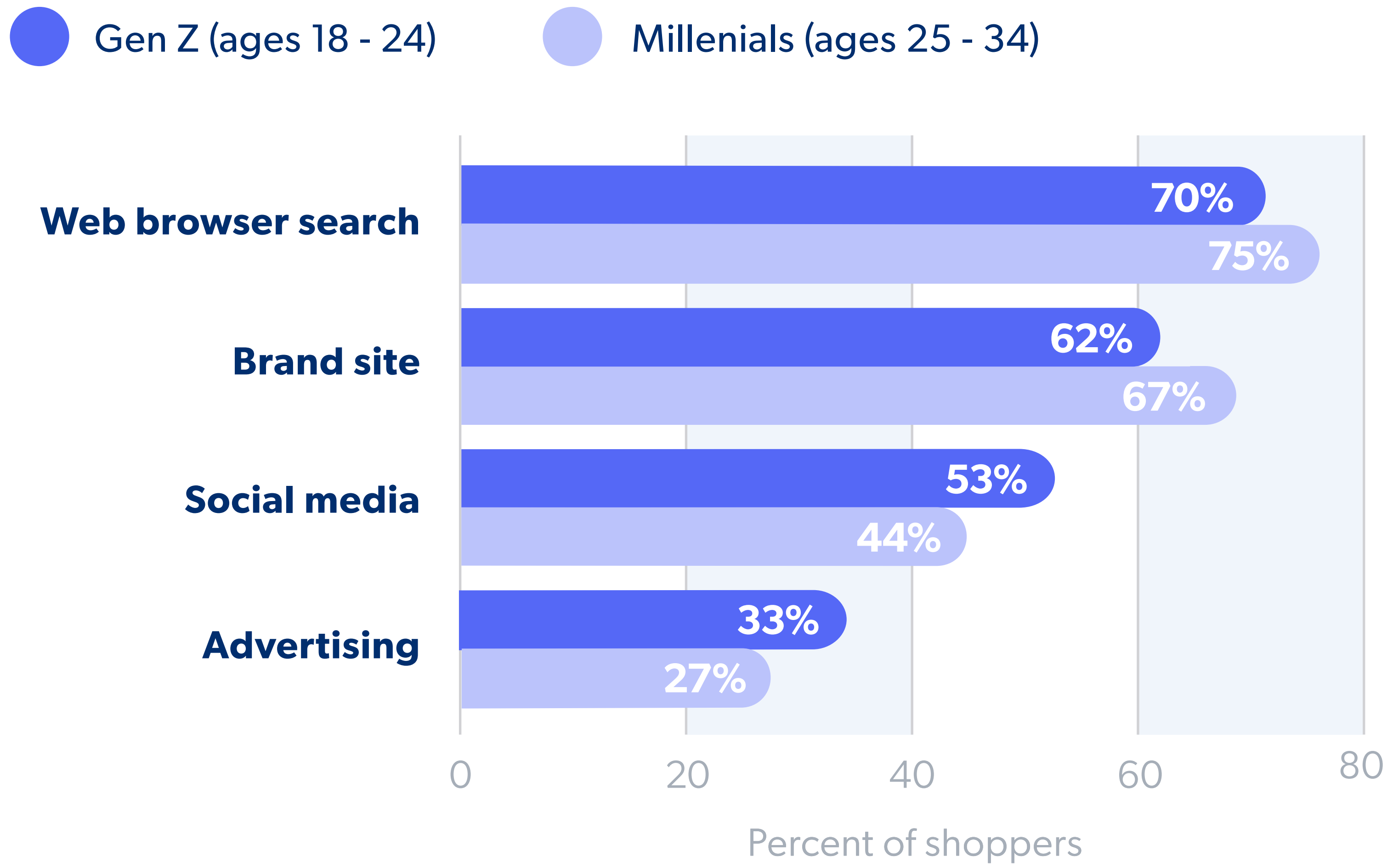
Among in-store shoppers, web browser searches are consistently the most frequently used source of information across all markets, particularly so in Canada (60%). Other sources of information also play a key role in enabling in-store shoppers to make informed purchase decisions. In France and Australia, 2 in every 5 in-store shoppers turn to brand websites.

And in the U.S., 15% of in-store shoppers look for product information on social media prior to purchase.

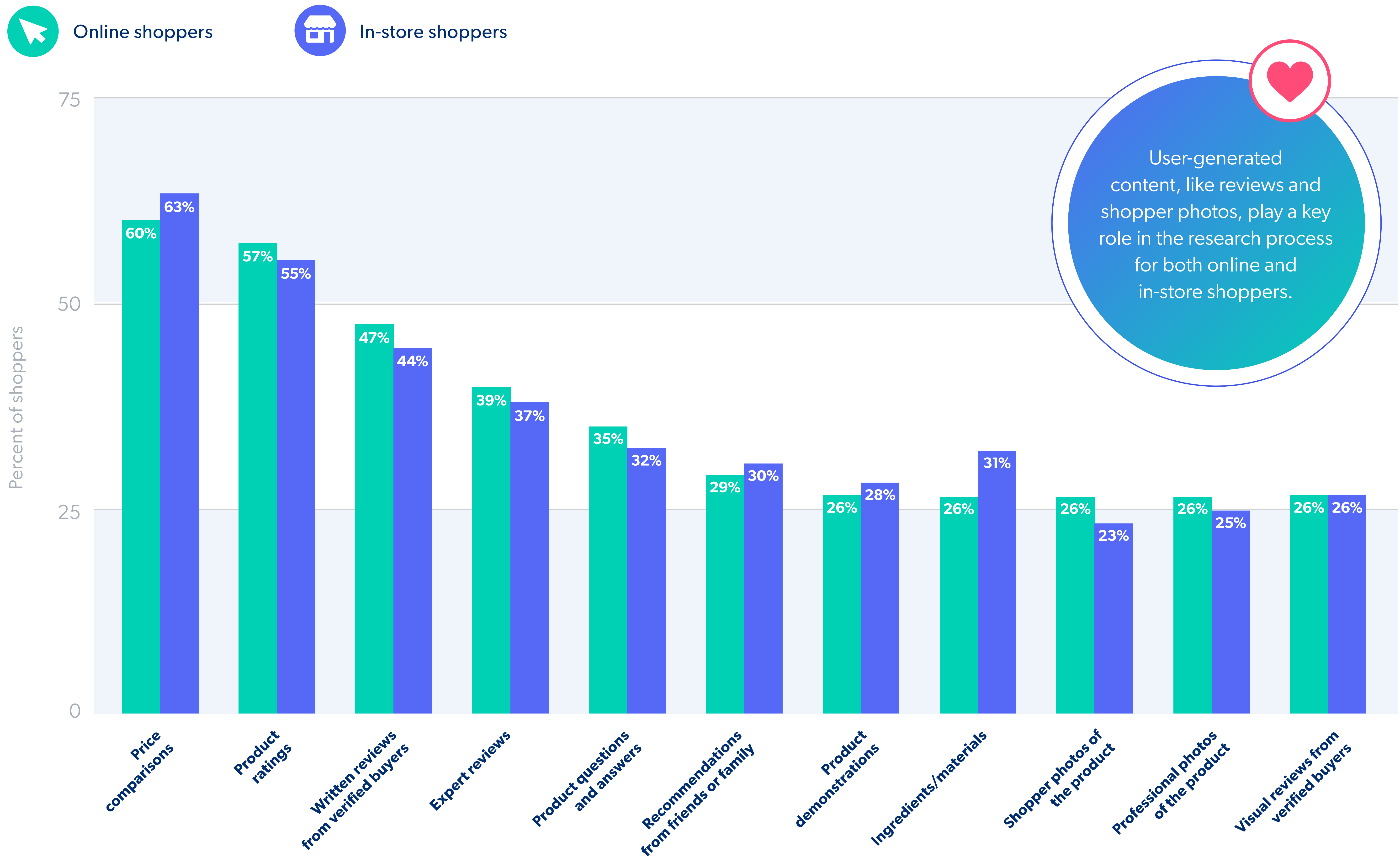
In-store shoppers' research trends



In-store shoppers' research trends among Gen Z and millennials



Shoppers' research preferences



How omnichannel shopping influences sales

With a mobile phone in every pocket and the rise of social commerce, brands and retailers are increasingly growing their presence online. But for some industries, in-store is still the primary path to purchase — further highlighting the need for a transparent and user-friendly omnichannel shopping experience.

The vast majority of online shoppers purchase from online retailers (76%) rather than directly from brands. And while still relatively new to the buyer's journey, shopping on social platforms is also on the rise, with 1 in 5 (19%) purchasing items on social media — Facebook shops (41%) and Instagram stories (37%) being the top channels.

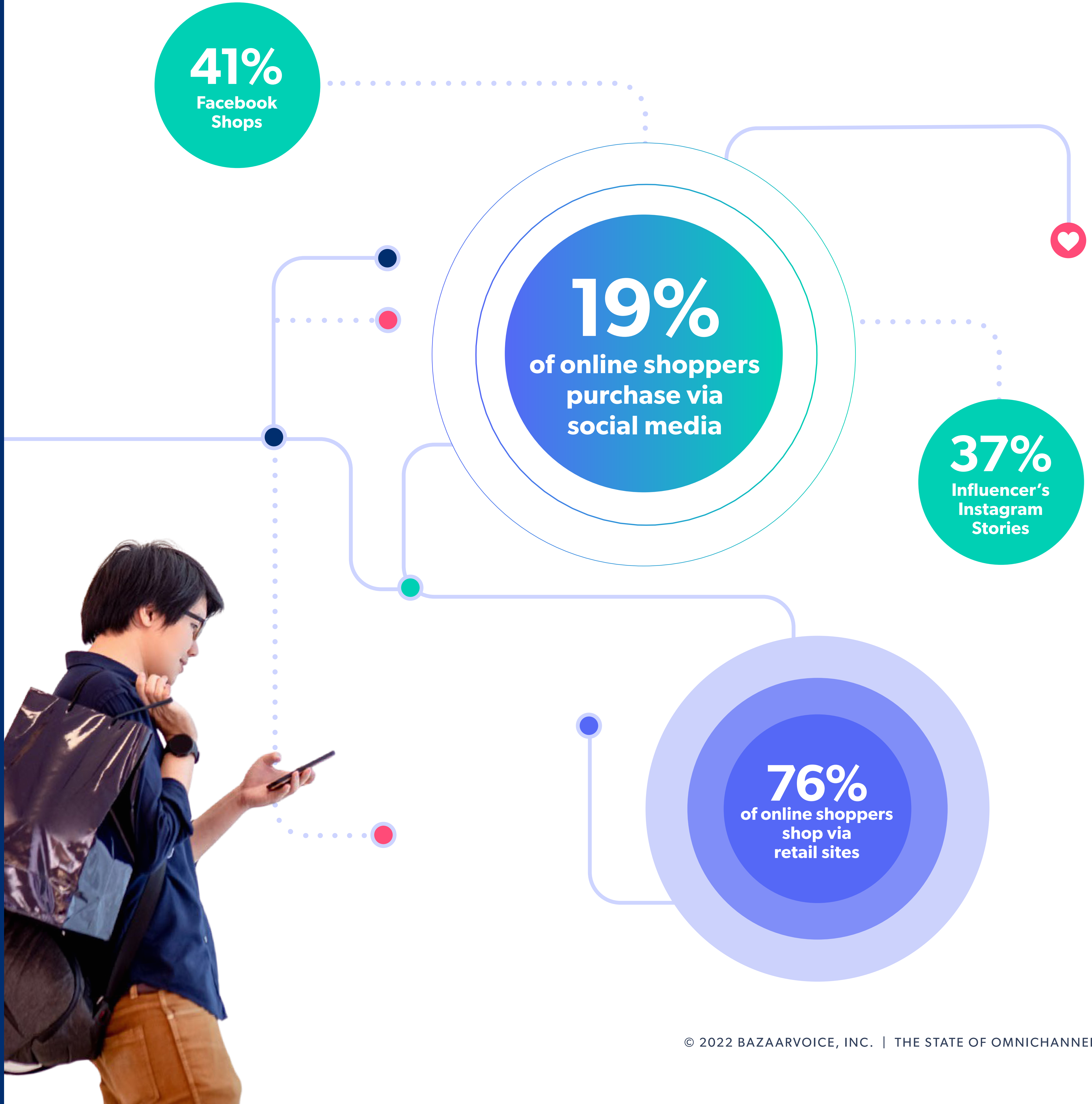
Nearly half (41%) of shoppers research products online and still go in-store to make the purchase.

Why? To see or feel the quality of the product in person.

A majority (63%) of in-store shoppers use their phone in-store for research purposes, mainly to determine the best deal available (69%).

Access to better deals also drives online purchases while in-store (61%), with 36% of in-store shoppers claiming to have purchased a product online while actually in the store.

Interestingly, the use of smartphones in-store is more prevalent among U.S. in-store shoppers (70%), while in-store shoppers in Canada are significantly more likely not to show this same behavior compared to other markets.



What drives shopping online vs. in-store?

The main drivers for shopping online are access to home delivery (60%) and the ability to conduct direct product searches (58%). While in-store, shoppers are most put off by the inability to determine a product's quality (56%), with three-quarters wanting to see the quality of a product before purchasing (75%).

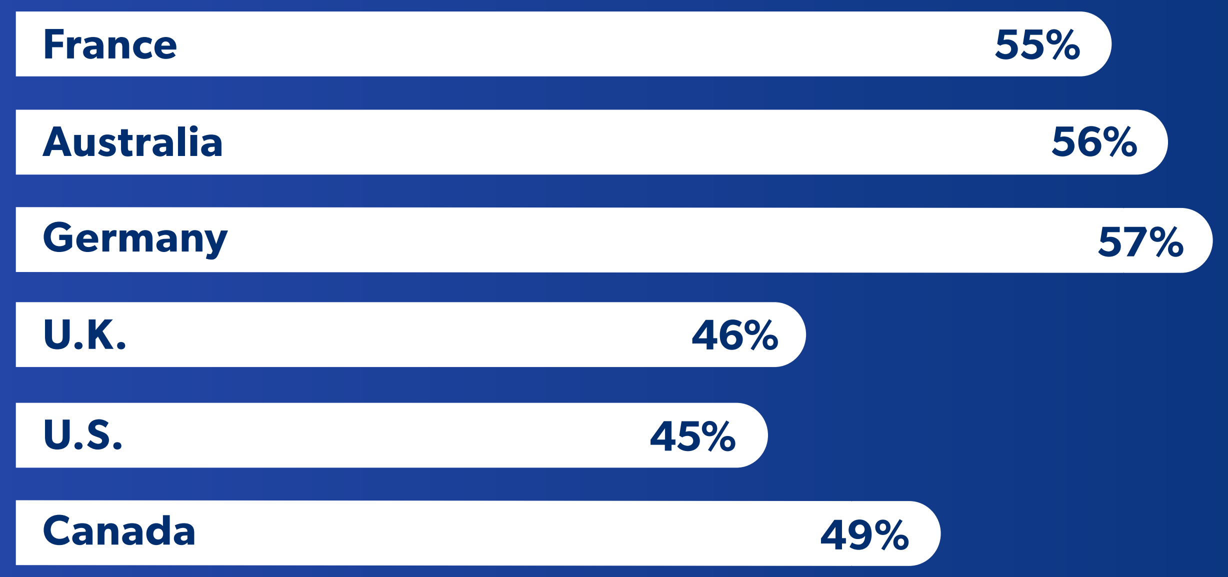
Unsurprisingly, the ability to determine the quality of a product is the main draw for in-store shoppers. To try and test a product prior to purchase is also vitally important to in-store shoppers, significantly so for those in France (55%), Germany, (57%) and Australia (56%) compared to the total level (51%). Similarly, in-store shoppers in France and Australia also place more importance on interactions with store assistants than other markets.

Buyers find it more convenient to shop online for products that don't require checking the quality and fit in real life, such as media and software.

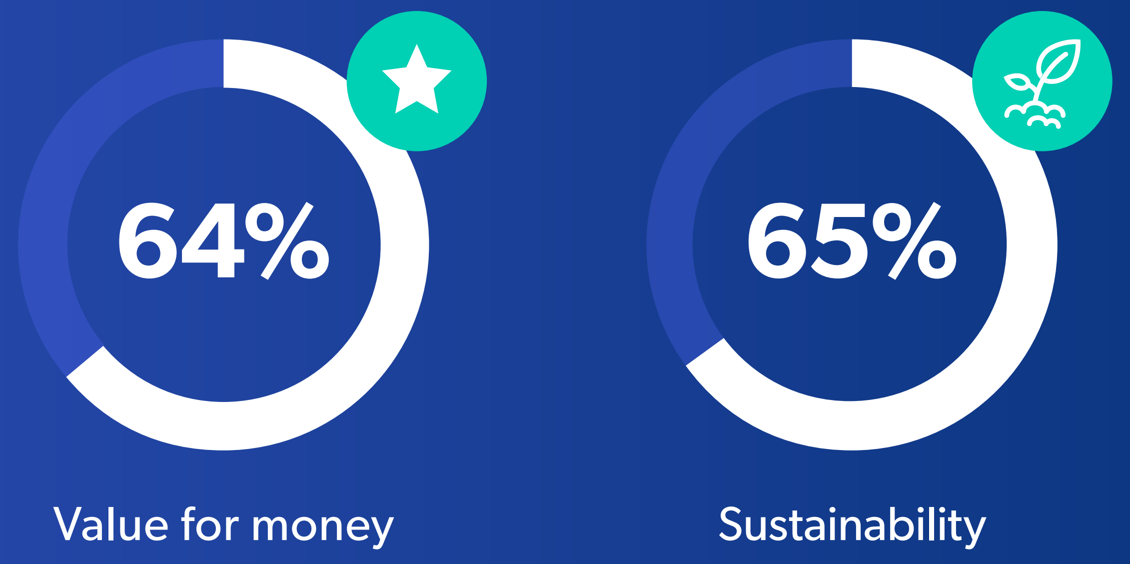
In-store shopping for food and beverages is popular, particularly because shoppers want to see the product's value for money (64%) and sustainability (65%) in real life.

Meanwhile, shoppers are less likely to shop in-store for categories like software, toys, and games since it's more convenient and easier to save online.

Importance of testing products prior to purchase



Reasons in-store shopping is popular for food and beverages



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Omnichannel strategy prioritization

There's no denying that as a retailer, an omnichannel retail experience is crucial — half of retailers are currently researching or planning this strategy. Another 42% already have it as an established strategy, or are at least actively executing one.

60% of companies in Canada

16% of companies in the U.S. are prioritizing omnichannel retail strategy

54% of companies in the U.K. are prioritizing brand awareness

51% of companies in Germany are prioritizing innovation

Companies in Canada and Australia are researching and planning omnichannel retail strategies

57% of companies in Australia

A quarter of companies say that up to 80% of omnichannel shoppers making repeat purchases and are extremely valuable and loyal.

France is significantly ahead of most other markets in having an established omnichannel retail strategy (34%), while companies in Canada (60%) and Australia (57%) are more likely to be researching or planning their strategy.

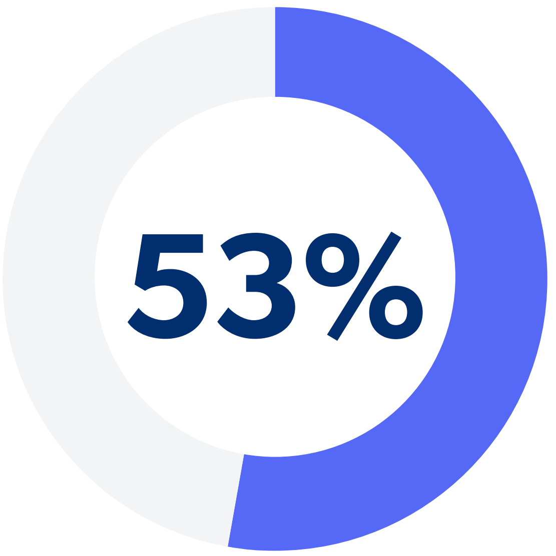
The U.S. (16%) and Germany (15%) place the greatest emphasis on prioritizing an omnichannel retail strategy compared to the market set, with only innovation ahead as a primary business focus. However, retailers in the U.S., Canada, France, and Australia plan to invest the most in developing customer loyalty. In Germany, innovation is the primary focus for increasing investment (51%), and brand awareness is the greatest priority for future investment strategies in the U.K. (54%). While the importance of an omnichannel shopping experience is recognized, the investment plans aren't necessarily in place to achieve a successful and seamless experience across all markets.

When looking at current focuses, half of companies want to develop “community and connection” (influencer marketing, connection with communities around passions or shared interests and brands with similar views) to drive social interactions between those with similar interests.

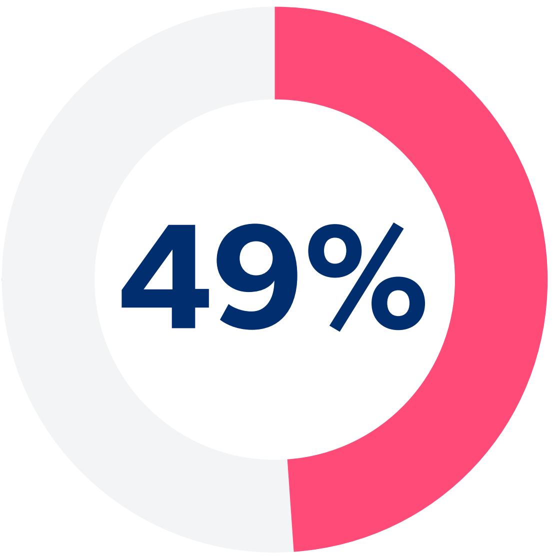
Brand websites are crucial to the omnichannel shopping experience, with almost half using this channel ahead of advertising and web browsers.

Among those who do provide an omnichannel shopping experience, advertising is a prime channel used in the U.K. (53%) and France (53%), ahead of company websites.

In Germany, social media is a more significant channel (49%) used to provide omnichannel experiences. However, advertising is key in the U.K. (23%), while social commerce is more of a priority in Germany (25%). With social media playing an important role in the consumer shopping journey, two-thirds of retailers are using Instagram Shopping as a central element to their social commerce strategy ahead of Facebook Marketplace and other social platforms.



of companies in the U.K. and France use advertising as a key channel



of companies in Germany use social media as a key channel

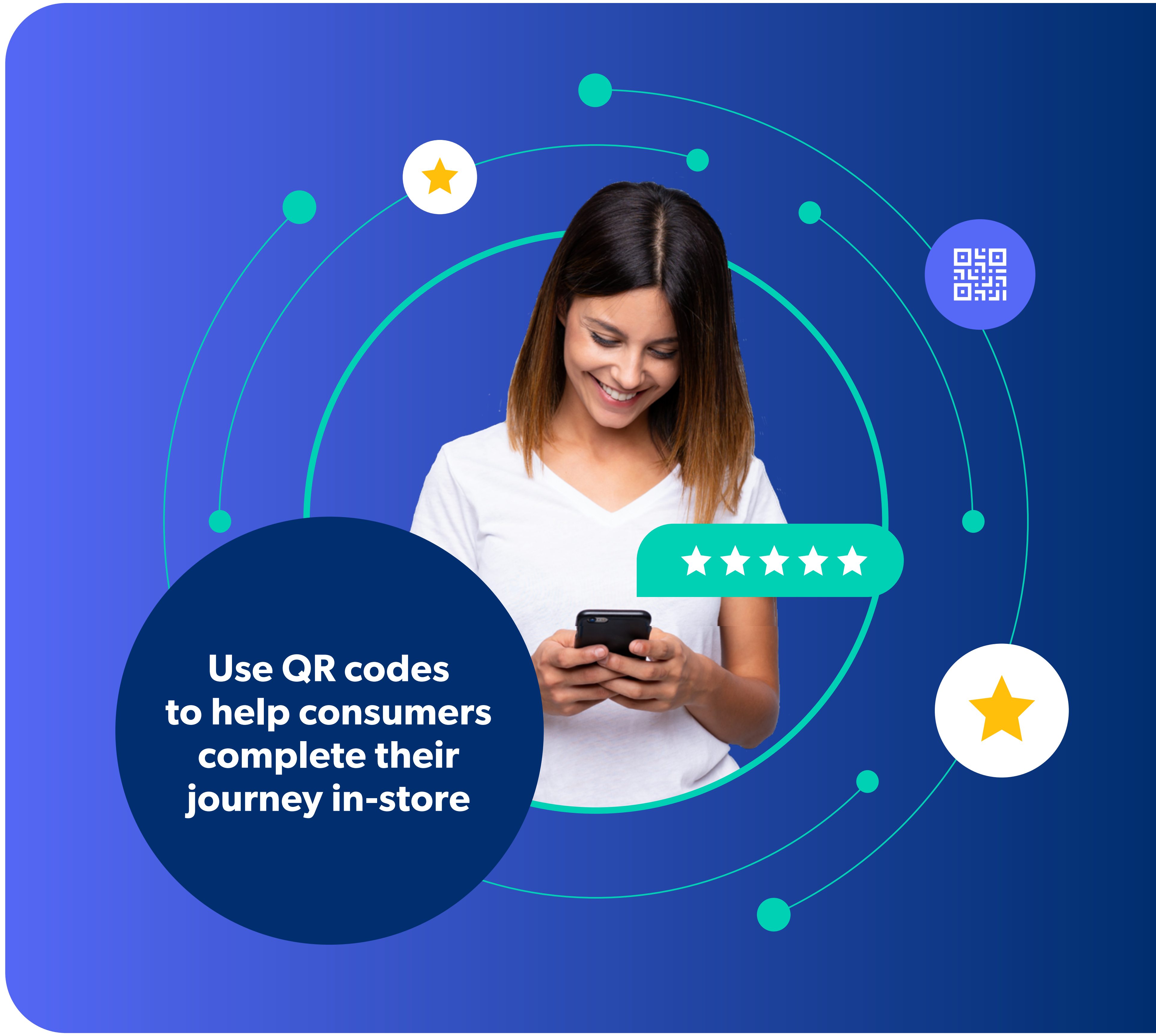
96% of retailers say that customer reviews are important to providing a successful omnichannel retail experience

Almost all retailers (96%) claim that customer ratings and reviews are important to providing a successful omnichannel retail experience that aligns with consumers' views and how they research online.

Three-quarters use their own website to facilitate ratings and reviews as part of their omnichannel shopping experience, helping drive traffic to their site and making the purchase journey feel more seamless for consumers — particularly as website traffic and analytics are currently the primary methods used to measure omnichannel retail experiences.

With 2 in 3 consumers saying they research online while in-store, retailers are displaying QR codes either on shelves or packaging, alongside on-shelf digital displays. Clearly signposting QR codes could help consumers complete their journey while in-store.

Shoppers in Canada are considerably more likely to use on-shelf digital displays, while shoppers in Germany focus more on display QR codes on packaging. However, shoppers in Australia would rather sales assistants directly share QR codes via their mobile devices, preferring this over all other in-store research methods.



Most brands and retailers in Canada (90%) and Australia (93%) believe they're successfully providing a true omnichannel shopping experience, ahead of all other markets, particularly the U.K. where only 66% agree. Similarly, most brands and retailers in the U.S. (87%) and Australia (93%) agree they're successfully bridging the gap between shopping online and offline, while in France, 14% disagree, significantly more than the total market level.

While many global companies feel confident about their omnichannel strategy, barriers like cost, expertise, and resourcing are making it difficult to scale growth.

Key factors important to retailers when creating an omnichannel shopping experience

Barriers that come with developing an omnichannel shopping experience

Capitalize on your omnichannel retail strategy

Now that social media is a primary channel for product research and discovery, content, especially user-generated and influencer content, have become an even more critical part of the marketing mix.

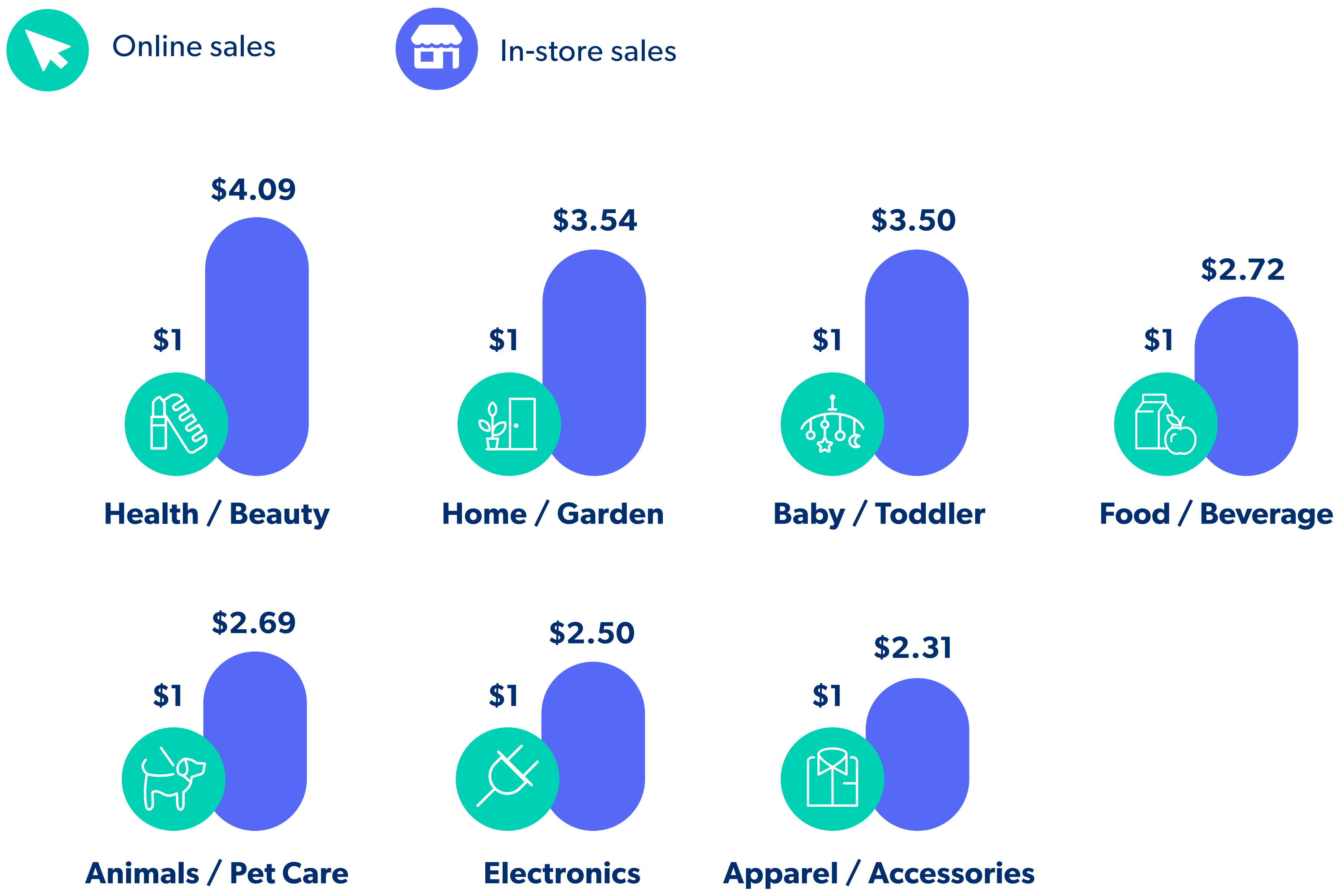
But how can you quantify how much online user-generated content influences offline sales?

By calculating the impact that shoppers researching online and buying offline (ROBO) has on sales — at Bazaarvoice, we call this your ROBO multiplier.

Every company has a unique ROBO multiplier depending on your industry and your online and in-store revenue split.

Calculate now

ROBO multipliers by product category



If you have a ROBO multiplier of 4, for every $1 of sales influenced online, there is an addivtional $4 of sales influenced in-store.

Based on the assumption that across Bazaarvoice retailers studied, 17.8% of revenue comes from online sales and 82.2% offline.

Key takeaways

ROBO

The line between online and offline shopping continues to blur and become more fractured.

- Work out your ROBO multiplier to help make the case for omnichannel resources.

Social proof

Online social proof informs both in-store and online shoppers.

- Ensure your content mix provides the guidance shoppers are looking for.

In-store

Mobile phone usage is an active part of the in-store shopper journey.

- Make it easy for shoppers to find the right information fast while in the aisle.

Value optimization

Inability to scale omnichannel is a key barrier to success.

- Find the right partner to realize productivity gains at speed.

Use our ROI calculator to learn the impact user-generated content can have on retail sales online and in-store.

Calculate now

Demographics

Consumer sample profiles

Total sample
n = 6165

n = 3521

Online shoppers

Those who have purchased from a specified category in the last 6 months and prefer to purchase that category online

n = 4706

In-store shoppers

Those who have purchased from a specified category in the last 6 months and prefer to purchase that category in-store

Note: Respondents were allocated to 3 categories that they'd purchased from in the last 6 months and their shopping preferences for that category (either online, in-store, or both). Therefore, throughout, the base sizes represent only respondents who saw each category in the relevant online and in-store sections, regardless of their shopping preferences across other categories, rather than the total sample.

Country

U.K.	France	Germany	U.S.	Canada	Australia
n = 1031	n = 1058	n = 1010	n = 1026	n = 1025	n = 1015

Gender

Female 50%

Male 48%

Age

18 - 24	11%
25 - 34	17%
35 - 44	16%
45 - 54	16%
55 - 64	16%
65+	23%

Demographics

Brand and retailer sample profiles

Total sample
n = 423

PR / Influencer Manager	Chief Marketing Officer	Marketing Manager	Marketing Director	Other C-Level Marketing Executive
15%	14%	11%	9%	9%

VP of Marketing	General Manager	E-commerce Manager	Customer Sales	Social Media Director
6%	4%	4%	4%	3%

Note: When interpreting the data, keep in mind the base sizes among retailers are considerably lower than among brands.

Company type

Brand 89%
Retailer 8%

Gender

Female 30%
Male 69%

Decision-making authority

60% Solely / ultimately responsible

27% Part of a core team responsible for decisions

13% Some influence, but not ultimately responsible

Country

U.K.	France	Germany	U.S.	Canada	Australia
n = 50	n = 65	n = 93	n = 70	n = 84	n = 61

Age

Age	%
18 - 24	11%
25 - 34	27%
35 - 44	50%
45 - 54	9%
55 - 64	2%
65+	1%

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.