

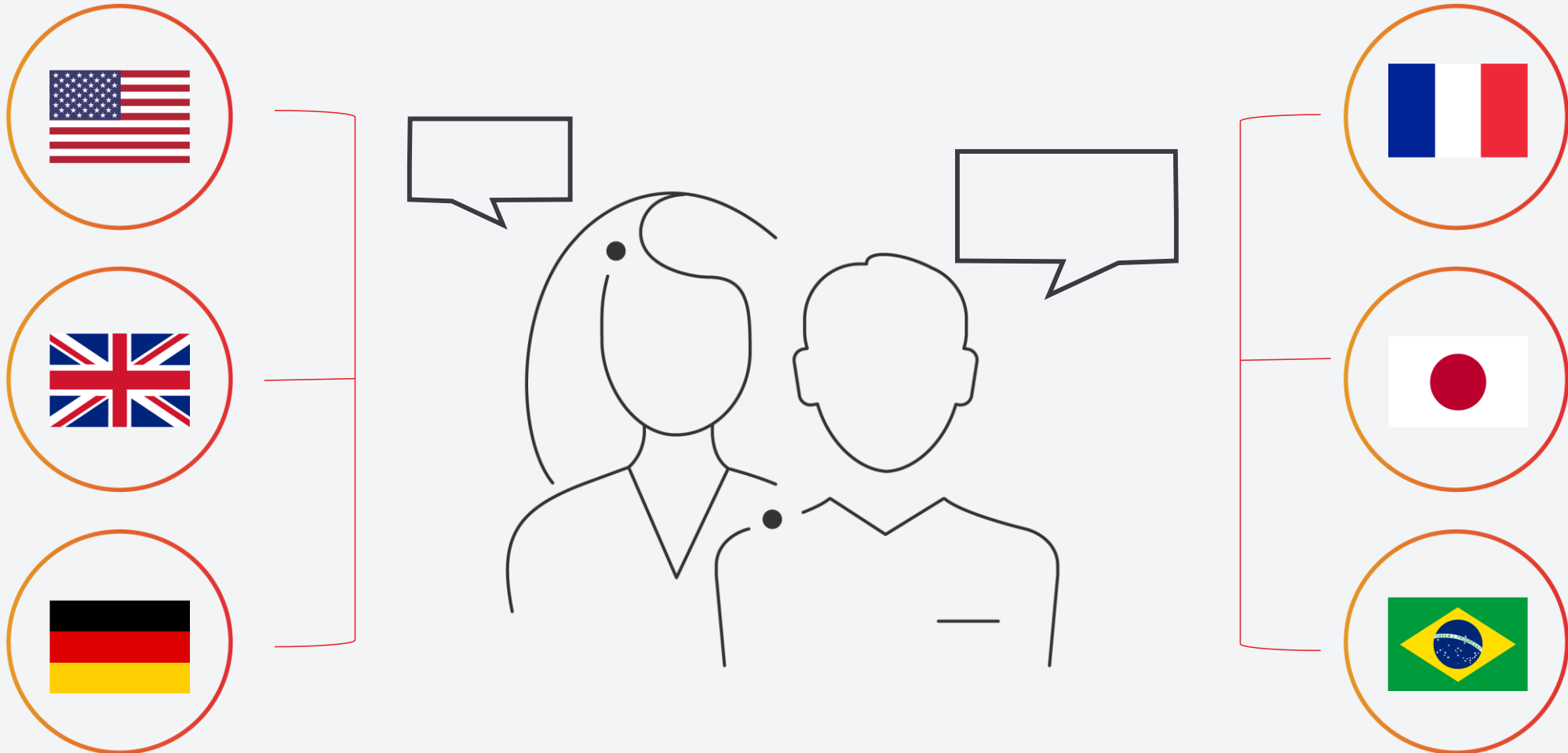


# The Shopper Story 2017— UK

A global study of the changing nature of retail from the viewpoint of over 10,000 shoppers

# What is The Shopper Story?

Criteo surveyed nearly 10,000 omnichannel shoppers (who shopped both online and offline) across the globe to find out what they **think** about shopping.





# Key Insights for the UK

- Omnishopping is ubiquitous – and multi-directional
- Retail and brand websites drive awareness as well as consideration
- Search engines are not the shopping starting point for the majority
- Shopping between sites is the norm
- Impulse purchases are almost as prevalent online as in-store
- The empowered shopper demands relevance and respect

Source: Criteo Shopper Story, UK 2017 | n = 1515



# What is an Omnishopper?

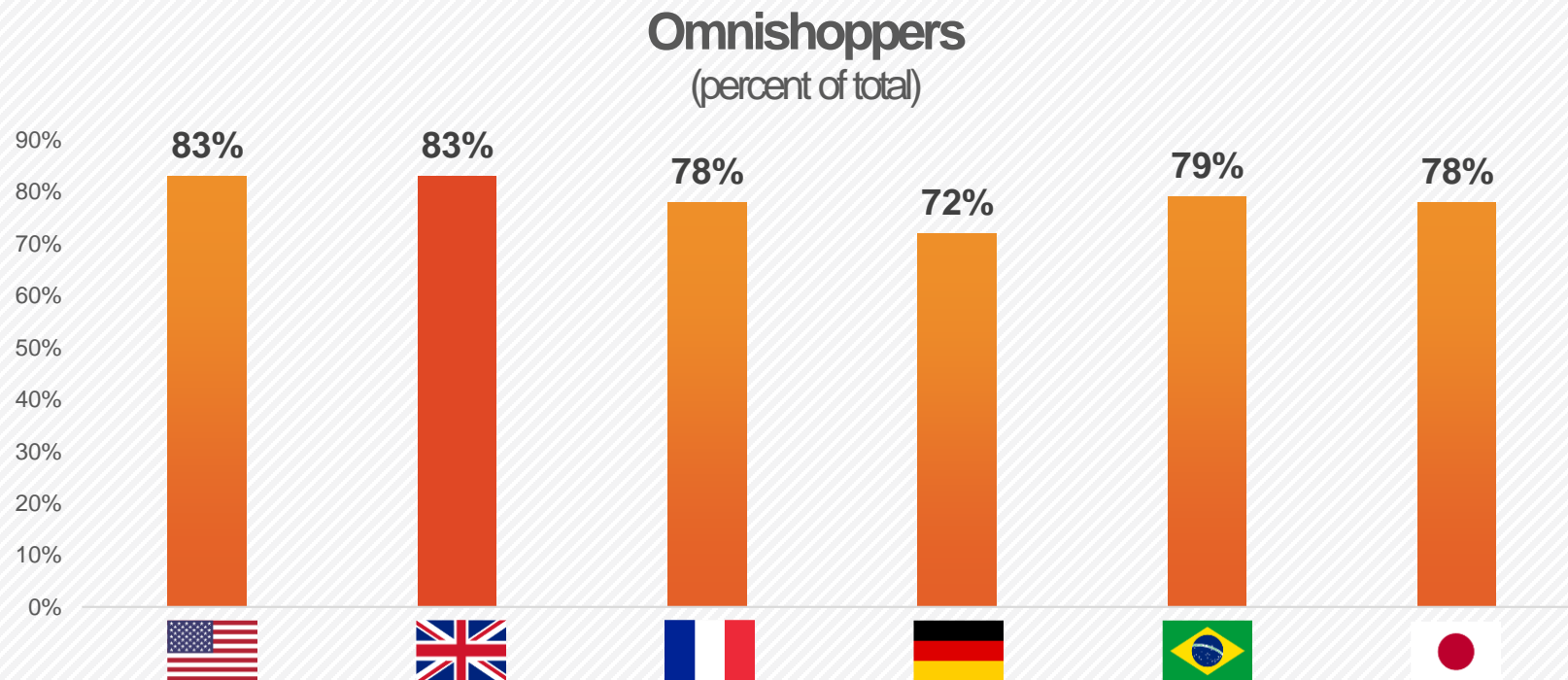
Shoppers who use a variety of devices, channels, and platforms to browse and buy products.

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# Omnishopping is nearly ubiquitous in the UK

Omnishopping is a global phenomenon with the US and UK leading

In the UK, they spend  
**+13% online**  
**+31% offline**  
than non omnishoppers



Source: Criteo Shopper Story, US, UK, FR, DE, JP, BR 2017 | n = 9033

# Omnishopping takes many forms

It's all about enabling the shoppers to buy and get the product whenever, wherever they want.



## Showrooming

See in a store, buy from that retailer's site



## Webrooming

Research online, buy in store



## Click & Collect

Buy online, pick up at a store or kiosk



## Scan & Scram

See in store buy it from another retailer online



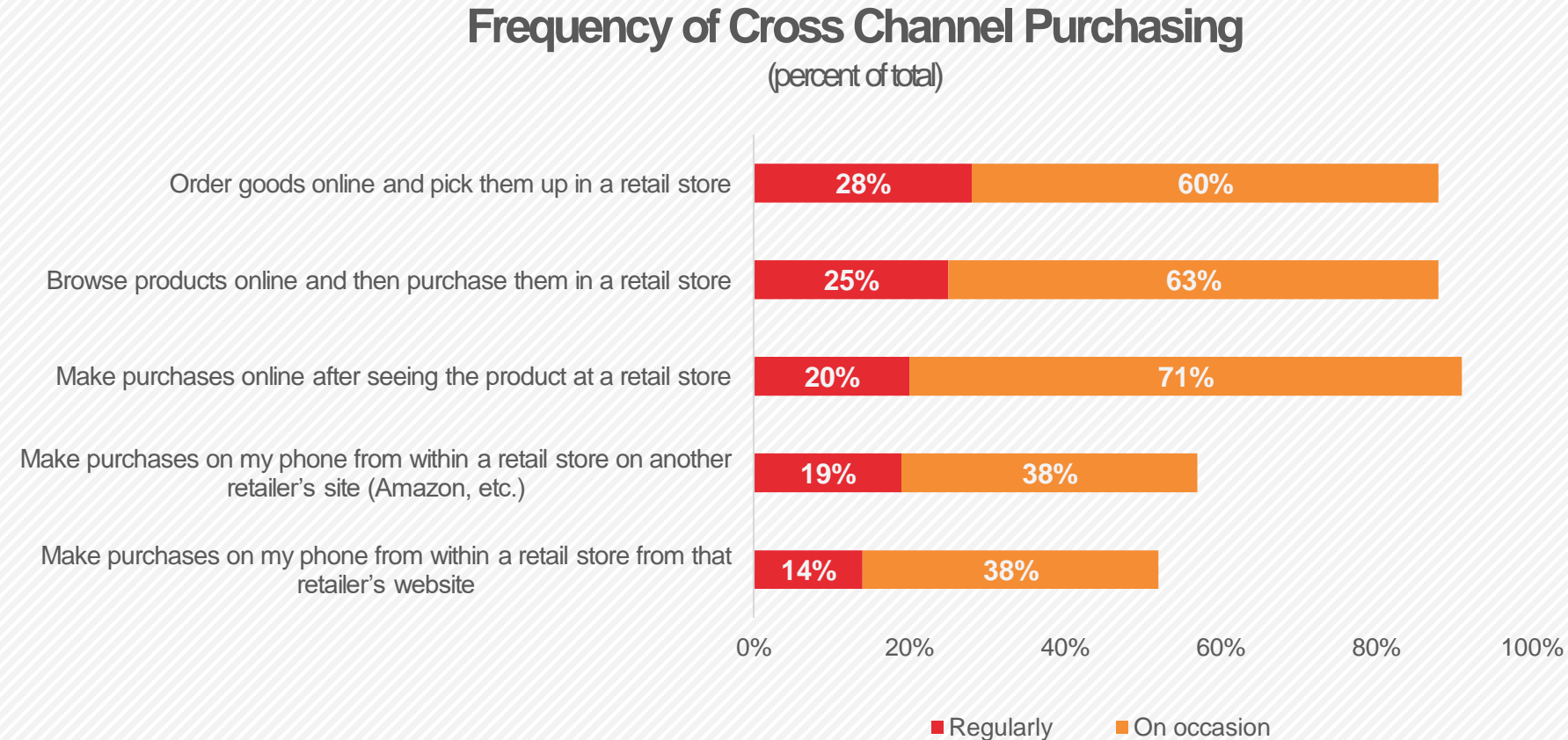
## Click & Ship

See in a store but buy on your phone for convenience

Source: Criteo Shopper Story, UK 2017 | n = 1515

# Click & Collect is the most frequently done form of UK Omnishopping

**Webrooming & Showrooming are also common**



Source: Criteo Shopper Story, UK 2017 | n = 1515

# What is the Role of Real World Retail?

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# Real-world retail is about the experience and discovery

74%

I look forward to shopping in stores when I have the time.

I prefer to do as much online shopping as possible.

72%

57%

I use my phone while in-store to research products online.

I like to try new retail stores.

71%

66%

I enjoy shopping in stores to understand what is in style.

I like to shop online at new websites.

62%



Source: Criteo Shopper Story, UK 2017 | n = 1515

# Location and immediate need drive store visits in the UK

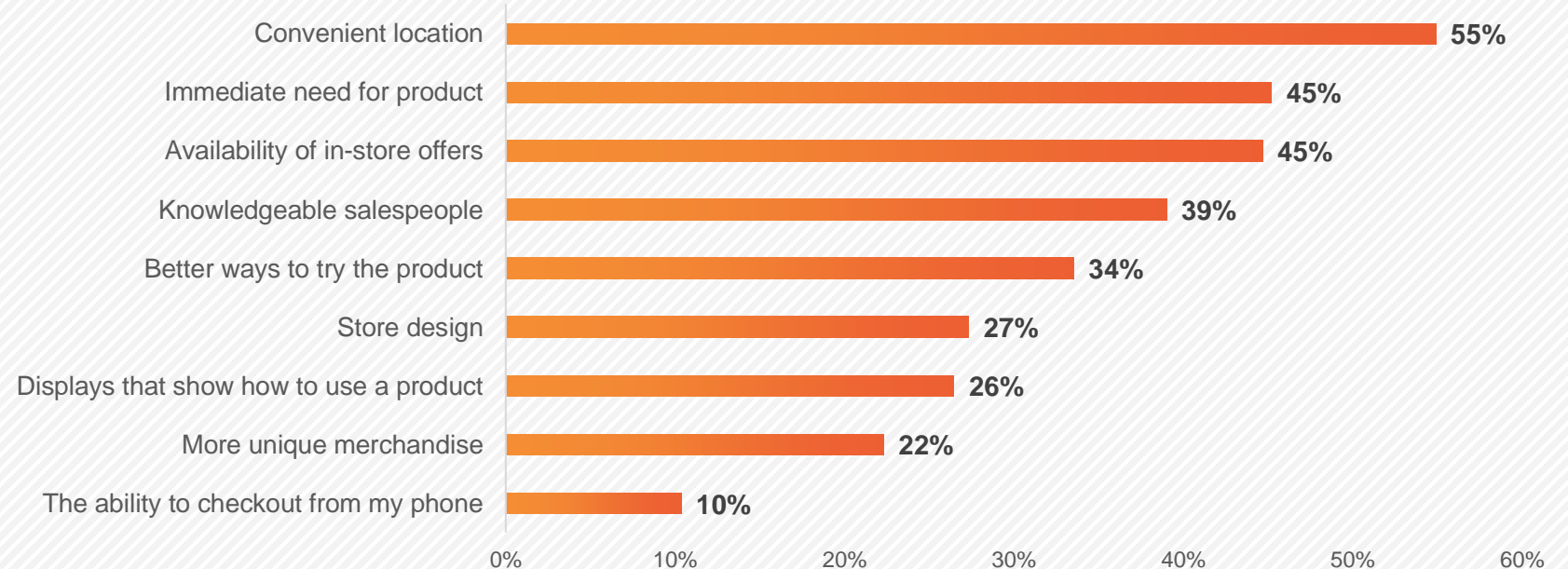
Omnishoppers seek convenience and immediacy from retail stores.

## Retailers also need to:

- Up the “genius” level of their staff
- Optimise product mix
- Enable better product experience

## Factors That Would Make Users More Likely to Shop In Retail Store

(percent of total)



Source: Criteo Shopper Story, UK 2017 | n = 1515

# What Influences the Shopper Journey?

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# Contrary to the old model, digital channels drive awareness across categories

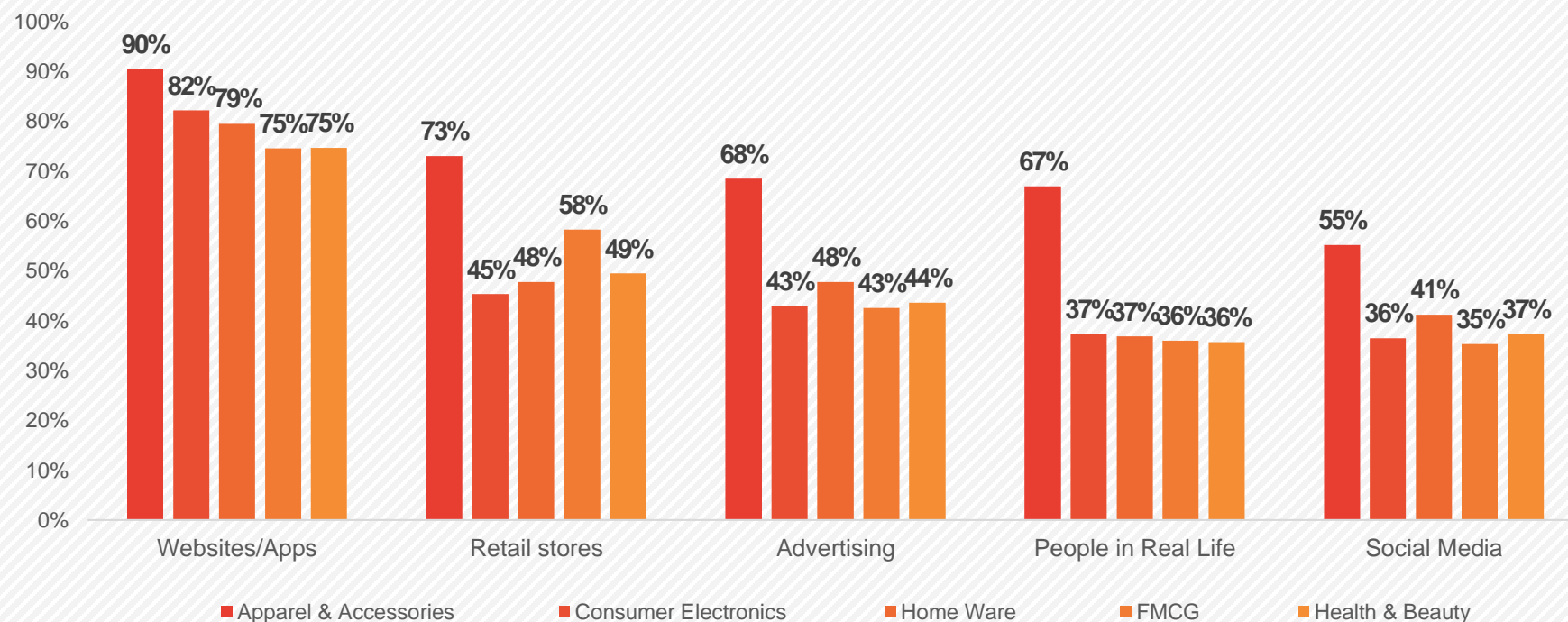
Digital has more impact than word of mouth and retail stores across all categories, but TV still scoops up ad spend.

I typically find out about something new when I see it online.



## First Learn About New Product

(percent of total)



Source: Criteo Shopper Story, UK 2017 | n = 1515

# Digital drives product consideration

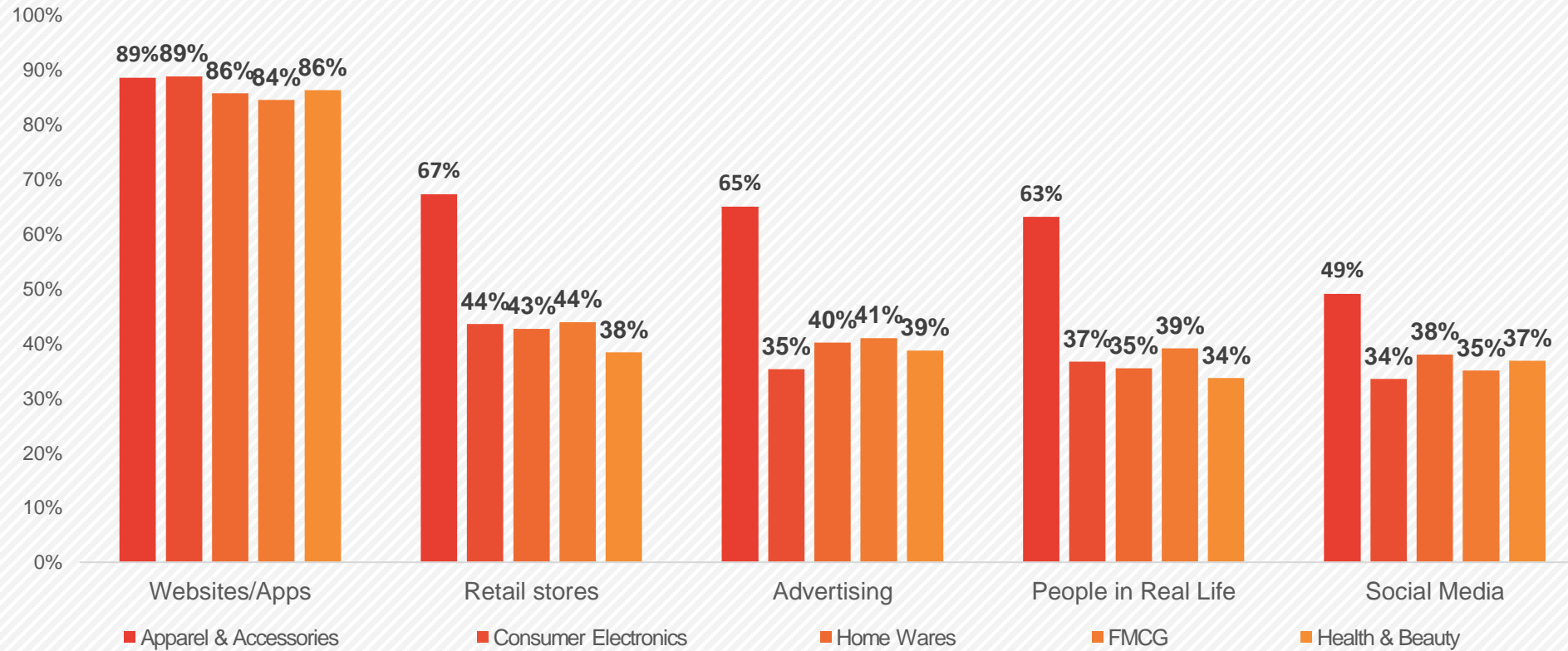
Omnishoppers are eager for information about products. Websites empower them to make product decisions.

When I'm deciding between coffee makers, I go online to compare.



## Learn More About New Product

(percent of total)



Source: Criteo Shopper Story, UK 2017 | n = 1515

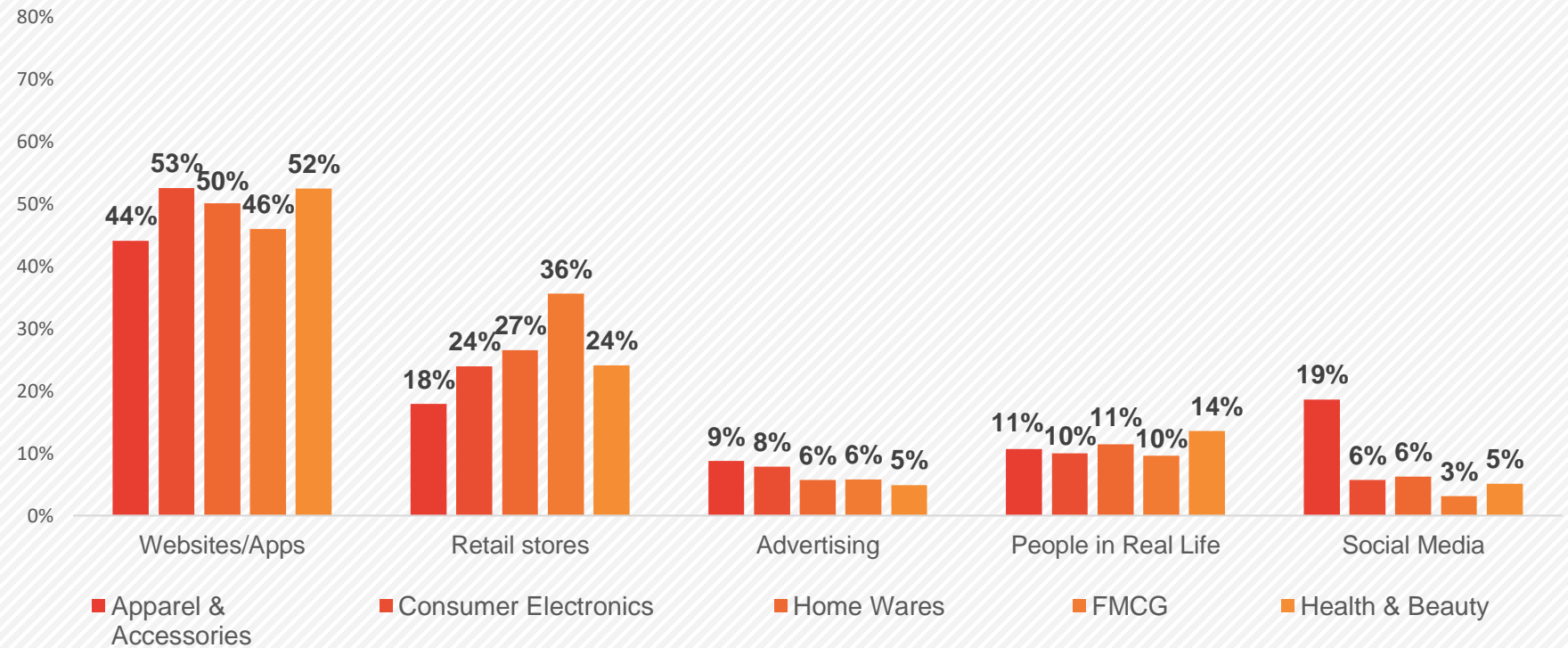


# Digital is also a point of purchase driver, regardless of where the purchase is made

I saw an offer on a retail site for just what I wanted.



## Last Influenced Product Purchase (percent of total)



Source: Criteo Shopper Story, UK 2017 | n=1515

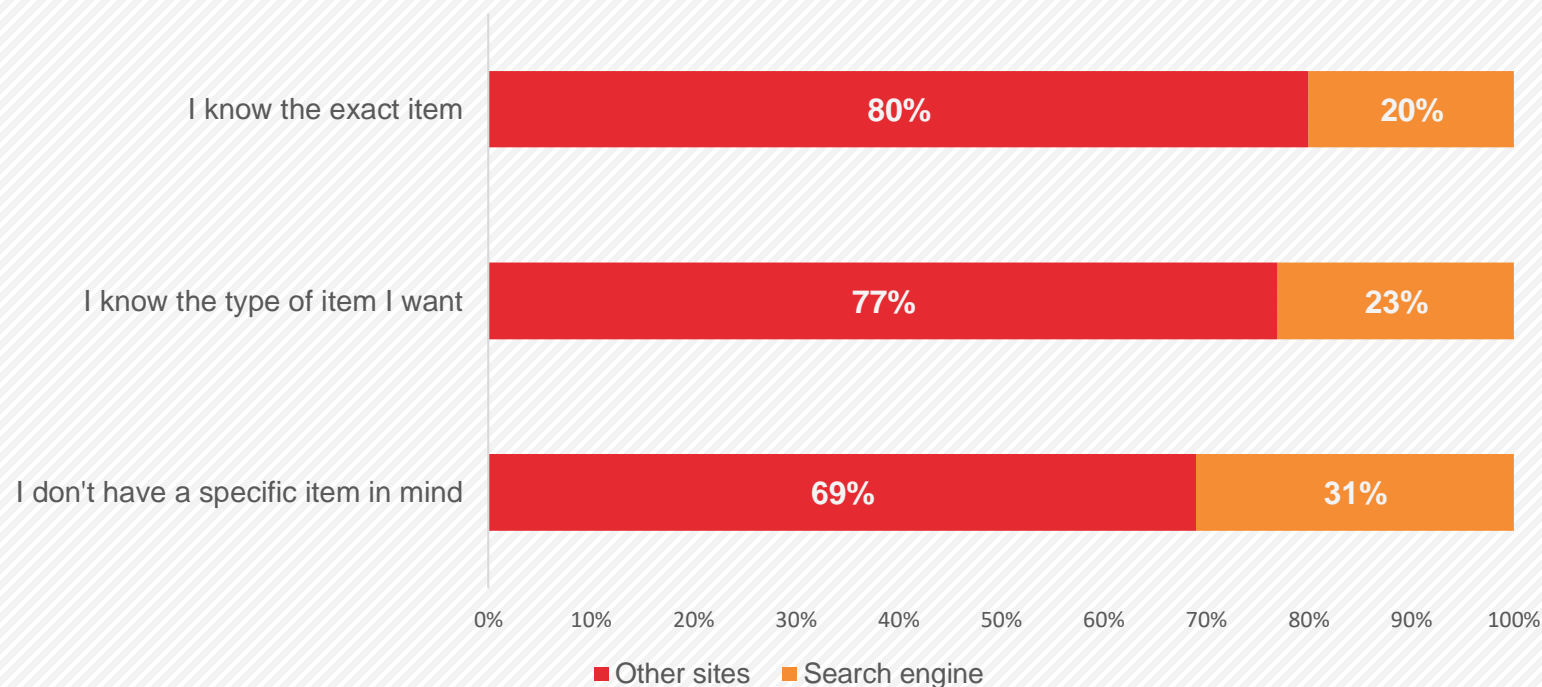
# The omnishopper journey does not usually start at search

**80%**

of shoppers who have a  
type of item in mind do  
not start at search

## Starting Points For Online Purchases

(percent of total)



Source: Criteo Shopper Story, UK 2017 | n=1515

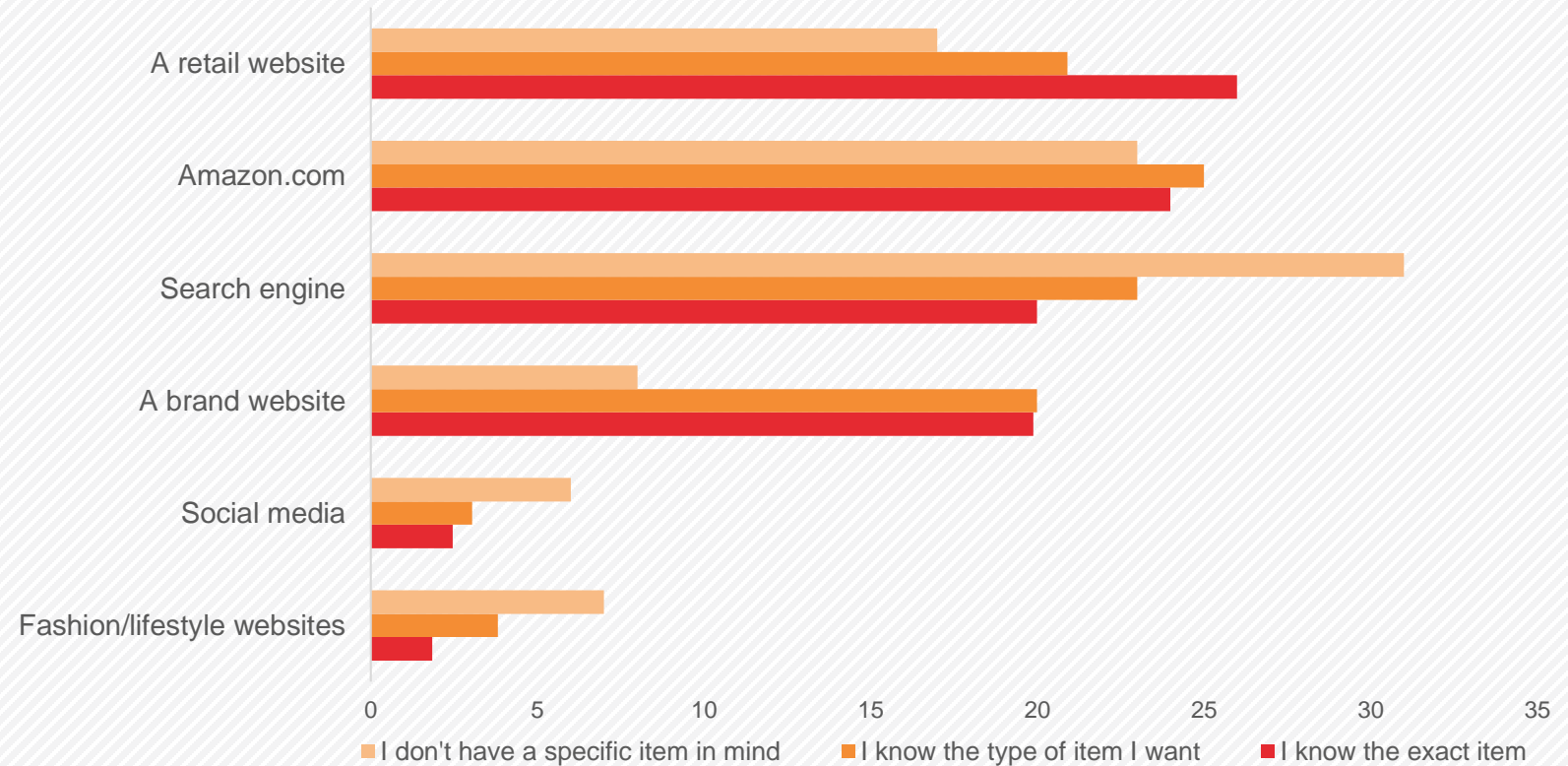
# Retail sites attract high intent shoppers

Shoppers turn to retail sites when they are in market to buy. They typically know the item or type of product they want.



## Starting Points For Online Purchases

(percent of total)

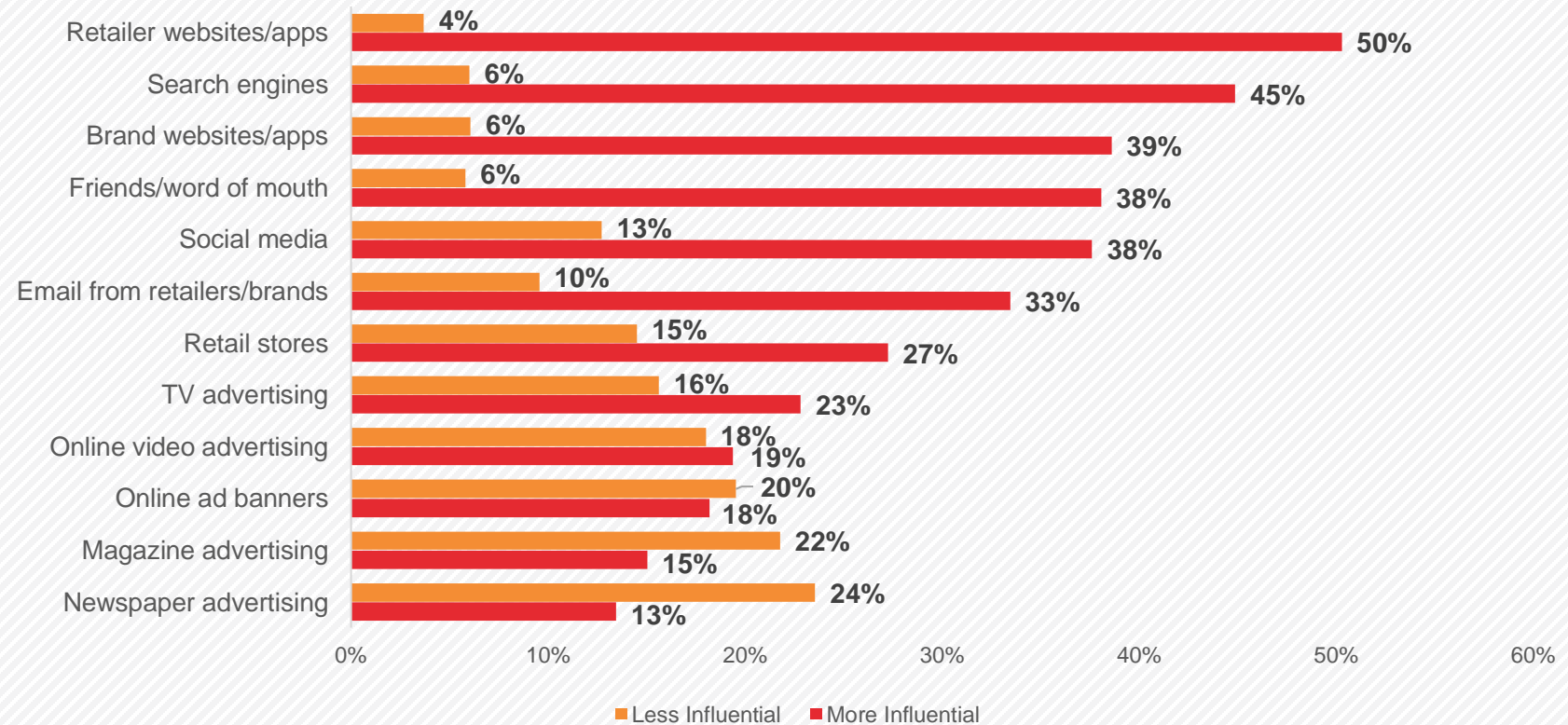


Source: Criteo Shopper Story, UK 2017 | n=1515

# Retail websites are seen as increasing in influence – even over search and social



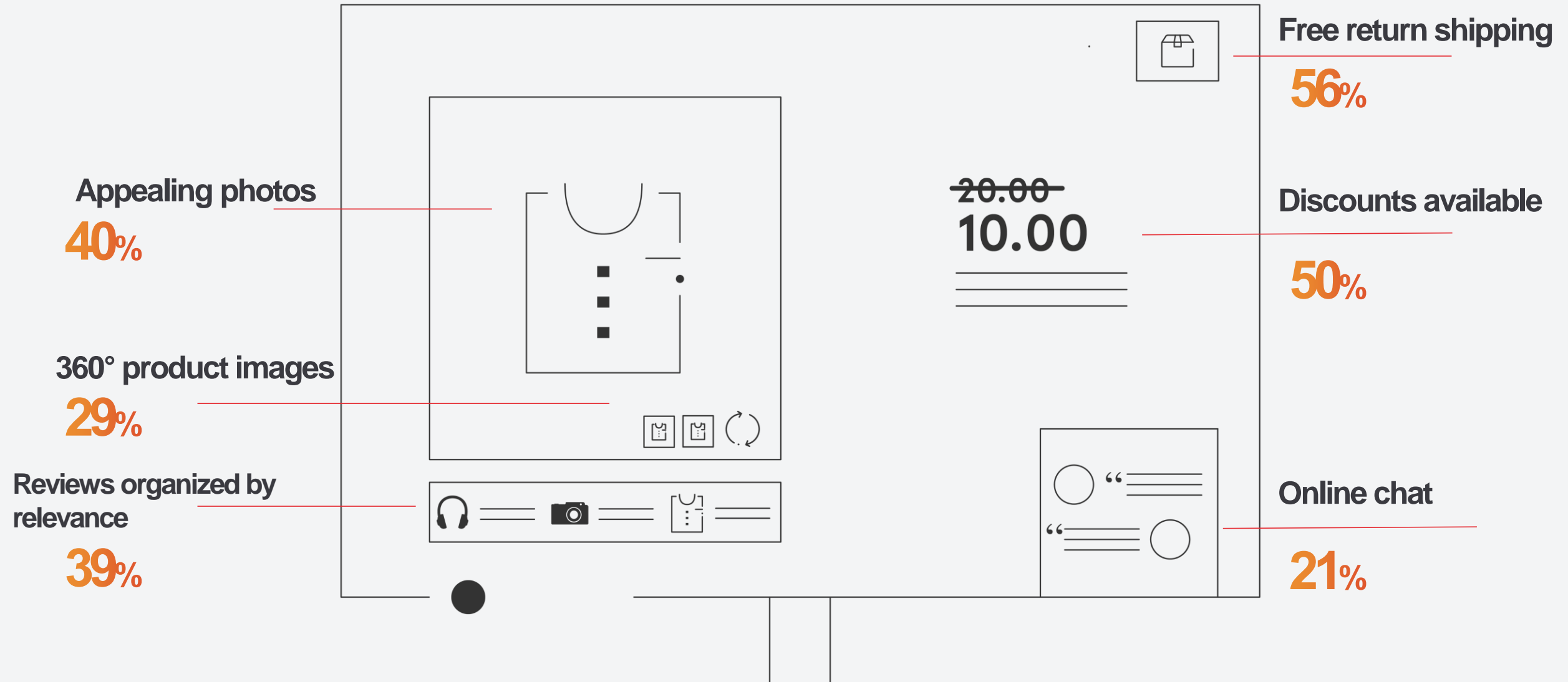
## Resources More Or Less Influential In Purchase Process (percent of total)



Source: Criteo Shopper Story, UK 2017 | n=1515

# How eCommerce sites can improve conversion

Percent of shoppers that say these website factors are very important.





# Digital vouchers are seen as most influential

7 in 10 are motivated by email offers; 55% are motivated by discount codes through social media and half print out online vouchers – yet most trade spend is still focused on in store tactics.

## Attitudes Towards Couponing (percent agree)



Source: Criteo Shopper Story, UK 2017 | n=1515

# How Do People Shop Online?

The journey is increasingly complex

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# More than half the time, shoppers do not purchase from the first site

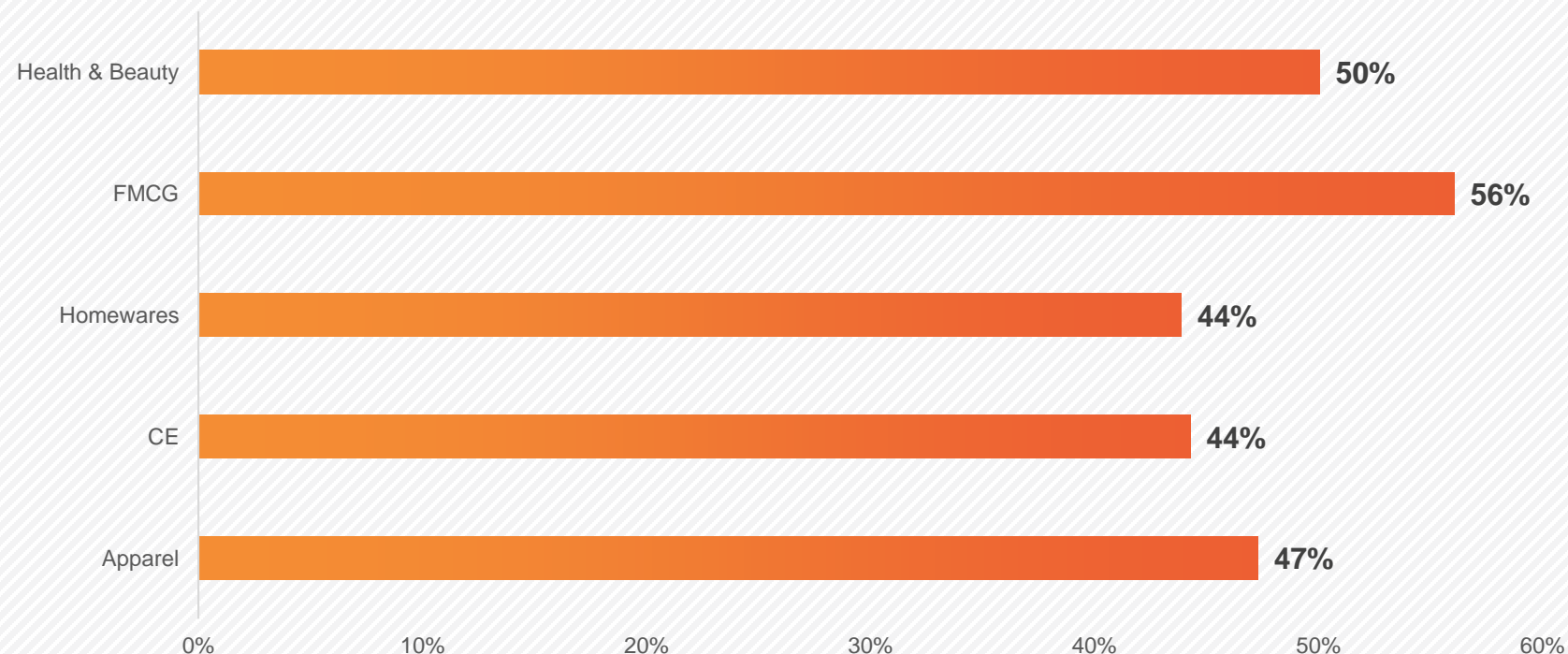
All categories show a high level of “cross shopping”.

I check out more than one website to see what they have, when I can get it, and what it costs.



## Purchase From The First Website Visited

(percent of time)



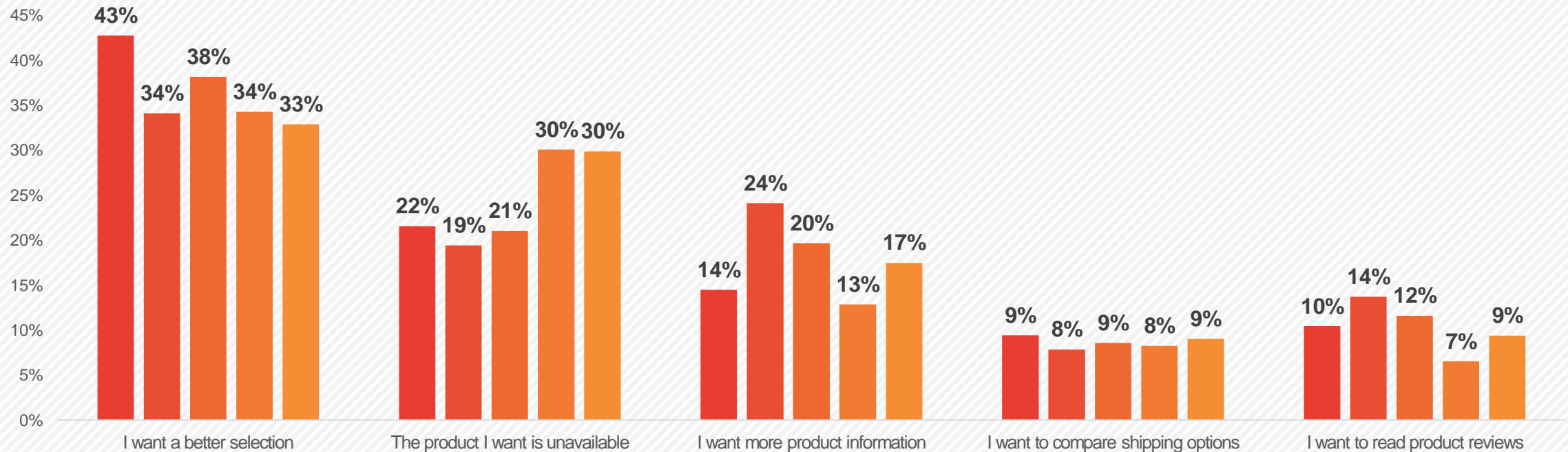
Source: Criteo Shopper Story, UK 2017 | n=1515

# Selection and stock availability drive site abandonment

Product availability is more important in FMCG and Health & Beauty.

## Why Browse Different Websites

(percent of total)



Source: Criteo Shopper Story, UK 2017 | n=1515

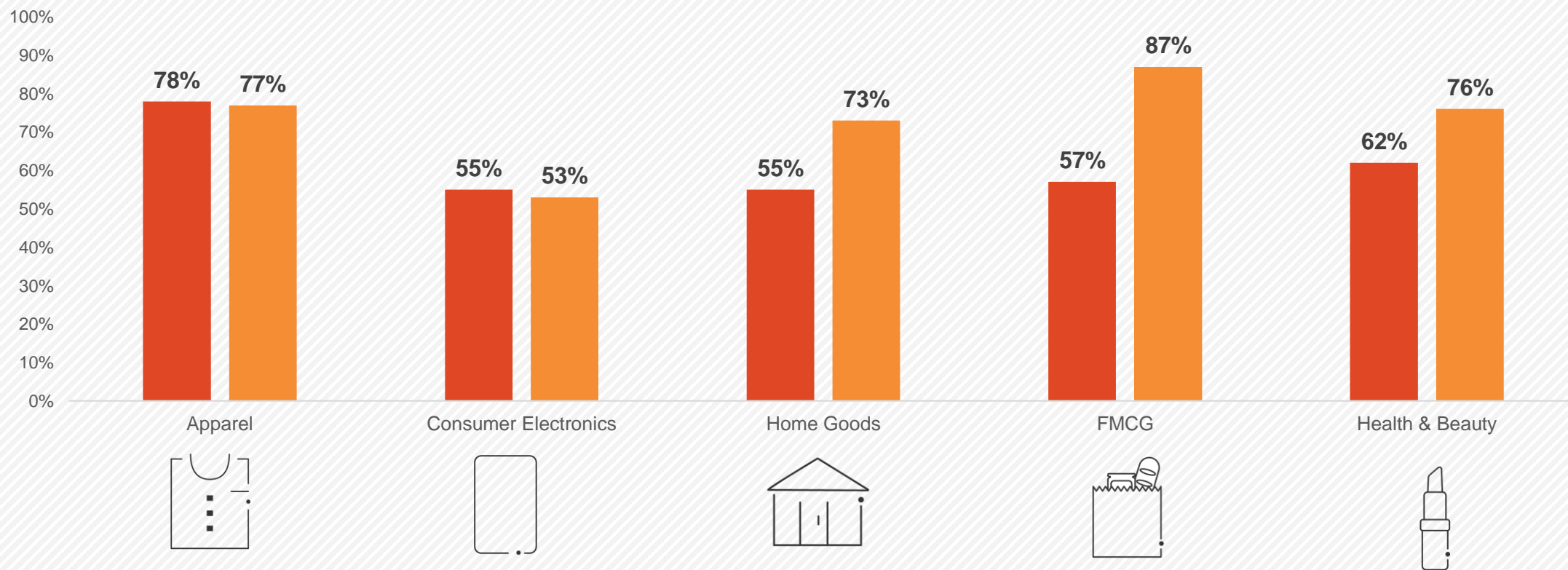
■ Apparel ■ CE ■ Home Goods ■ CPG ■ Health & Beauty

# Impulse purchases almost as prevalent online as in-store

FMCG, Home Goods and Health & Beauty brands need to adopt ways of incenting impulse purchasing online in ways similar to what they do offline.

## Frequency Of Making Unplanned Purchases

(percent of total)



Source: Criteo Shopper Story, UK 2017 | n=1515

■ Sometimes/frequently Online

■ Sometimes/frequently Offline

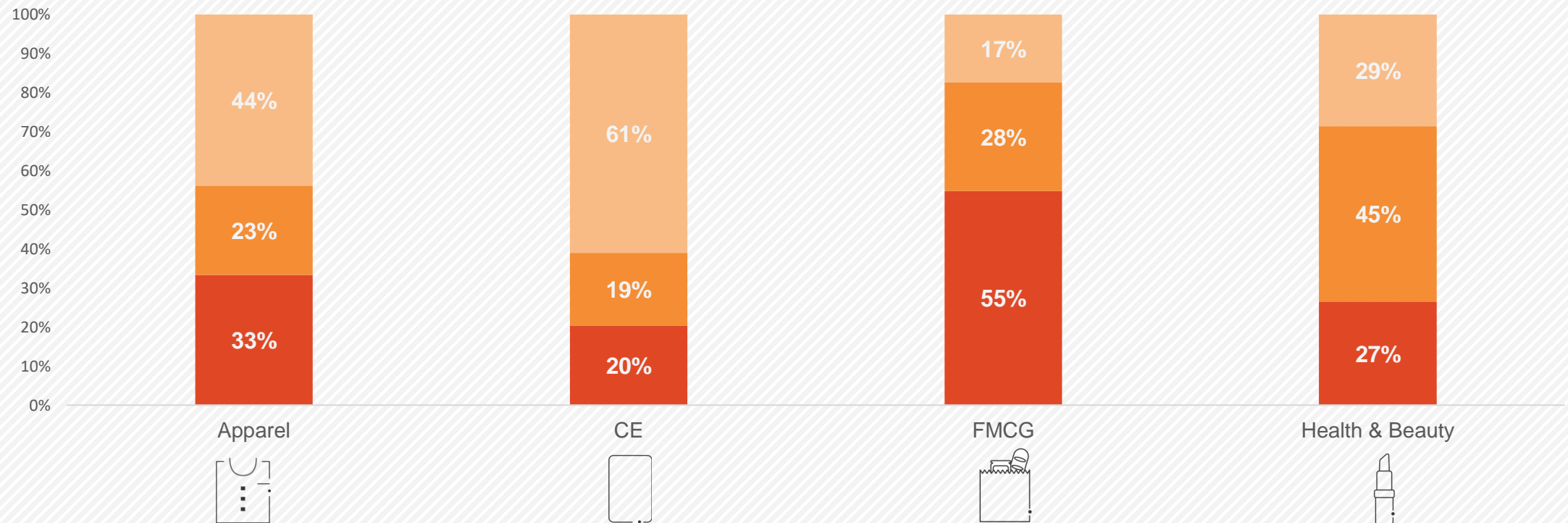


# Nearly 2/3 of omnishoppers belong to loyalty programmes

Loyalty programs are an important step to enacting shopper marketing across channels.

## Are You a Member of Loyalty Programs

(percent of total)



Source: Criteo Shopper Story, UK 2017 | n = 1515

■ Yes, multiple retailers ■ Yes, at one retailer ■ No

# What Do Shoppers Think About Advertising Relevance and Data Usage?

Awareness is high: Omnishoppers demand respect and relevance

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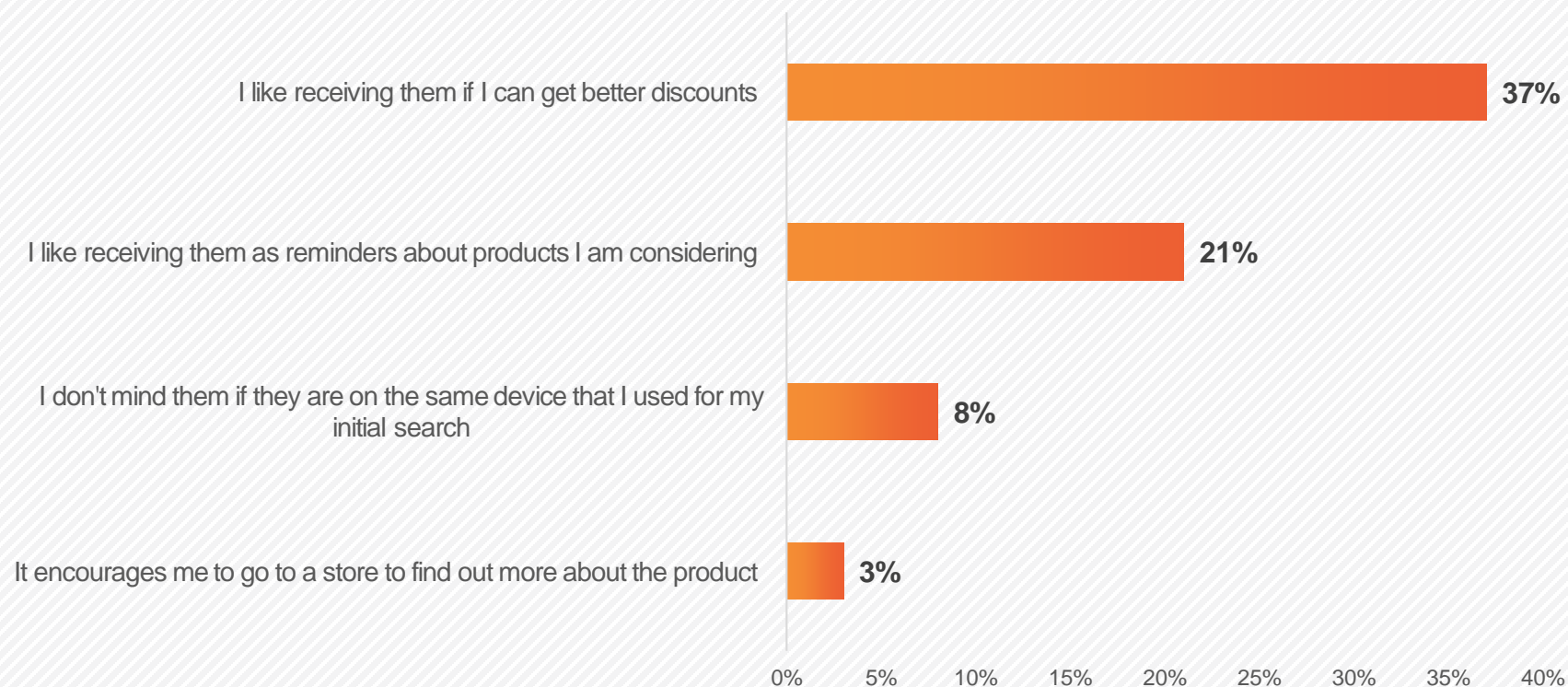
# Shoppers recognise retargeting and understand the value

I like it when I see ads for things I was shopping for yesterday. A deal can make me buy now.



## Attitudes Toward Retargeting Ads

(percent of total)

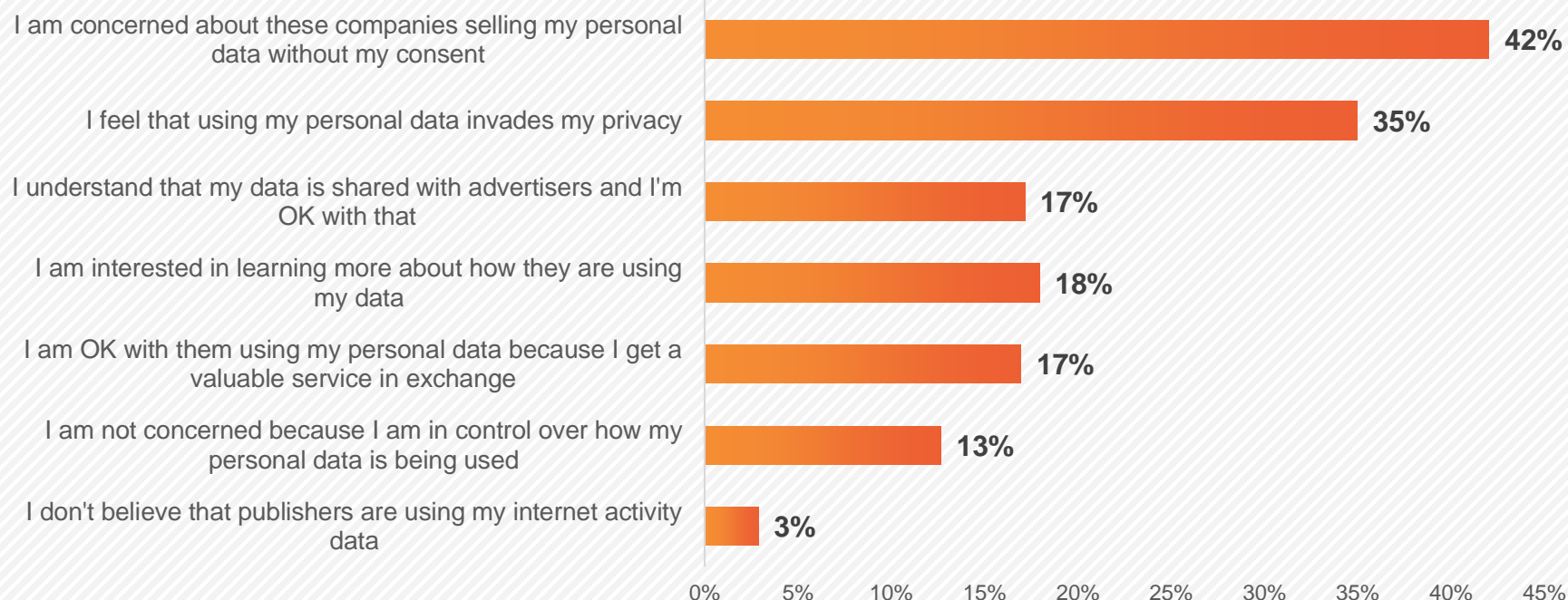


Source: Criteo Shopper Story, UK 2017 | n = 1515

# Omnishoppers want control, consent and transparency

Data may be the way to drive ultimate relevance for omnishoppers, but publishers and retailers need to tread with caution – and full disclosure.

## Attitudes Toward Publishers & Retailers Using Browsing Data (percent of total)



Source: Criteo Shopper Story, UK 2017 | n = 1515

# Use data well — but don't abuse the privilege

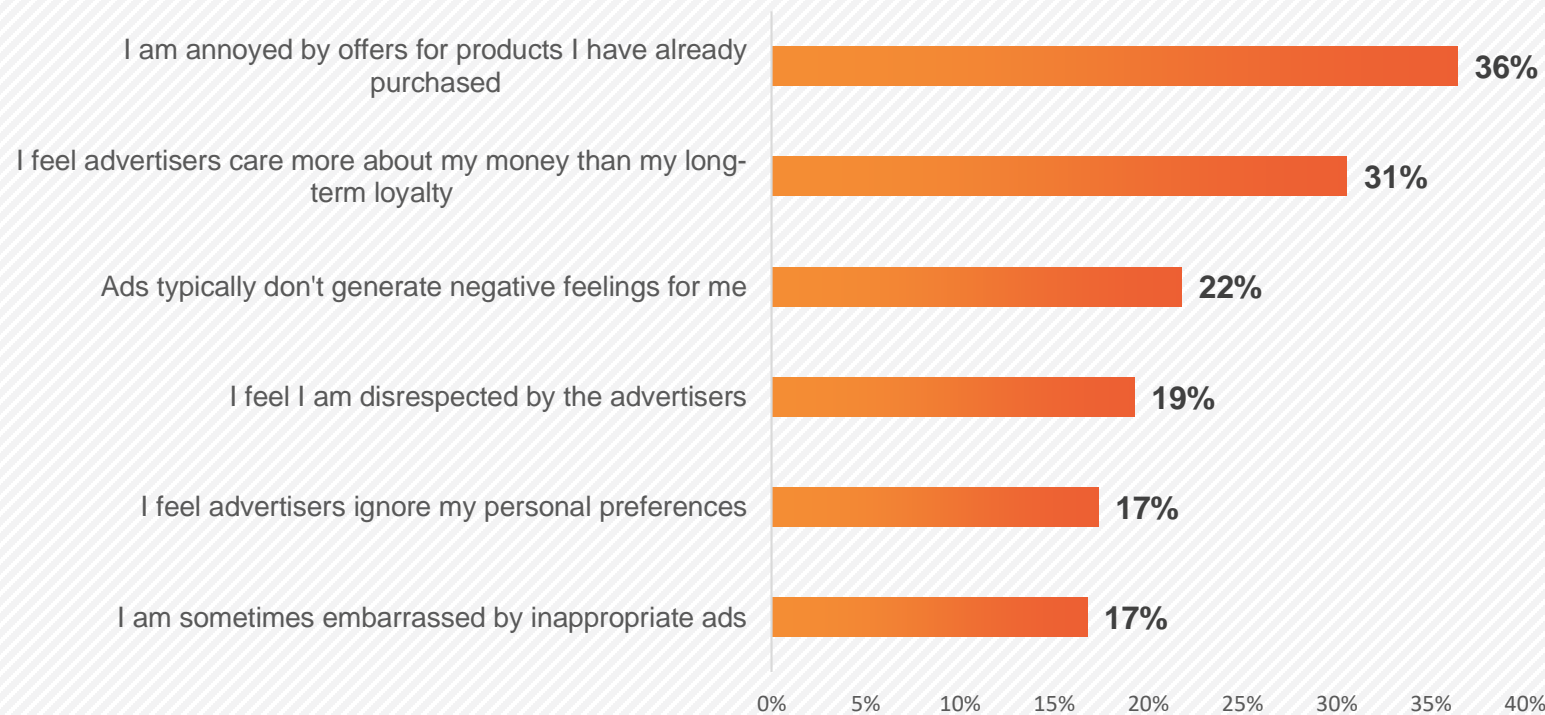
Brands and retailers need to gain the broadest possible view of the shopper so that they receive the most timely, relevant offers — and think about long term loyalty versus short term gains.

**1/3**

are annoyed by  
improper data use

## Attitudes Towards Online And Offline Advertising

(percent of total)



Source: Criteo Shopper Story, UK 2017 | n = 1515

# Takeaways for reaching the empowered UK Omnishopper



1

## **The omnishopping mandate eliminates silos**

With the prevalence of omnishopping, marketers need to market to the shopper – not the device or channel.



2

## **Retail sites drive awareness and point of sale purchase**

Brands need to consider digital across the full funnel to ensure that they are capturing shoppers where decisions are increasingly made.



3

## **Retail sites reach shoppers in buying mode**

Amazon does not dominate the omnishopper journey. Retail sites, building on long-time offline relationships, are a way to reach highest intent omnishoppers.

# Takeaways for reaching the empowered UK Omnishopper



4

## It's an ecosystem

Omnishopper journeys include multiple sites and sessions. A networked approach to commerce marketing enables brands to reach valuable consumers across every channel and device.



5

## Relevance drives impulse

With impulse purchasing almost as prevalent online as in-store, brands and retailers need to use data to present the most relevant and complementary products to encourage “click to cart”.



6

## Respect the shopper

Omnishopper data usage is a privilege – advertising timeliness and relevance is the demand. Marketers who respect the shopper earn long time loyalty.



# About Criteo

Criteo (NASDAQ: CRTO), the leader in commerce marketing, is building the highest performing and open Commerce Marketing Ecosystem to drive profits and sales for retailers and brands. 2,700 Criteo team members partner with 16,000 customers and thousands of publishers across the globe to deliver performance at scale by connecting shoppers to the things they need and love. Designed for commerce, Criteo Commerce Marketing Ecosystem sees over \$550 billion in annual commerce sales data.

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