



Retail

Report 2022

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Intro to the study

Introduction to the Appinio Retail Report

How is the retail landscape changing? What's left of the massive push COVID 19 had on online retail? Is it true that nobody wants to visit physical stores anymore and older segments are becoming technologically savvier?

In Appinio's **Retail Report**, we wanted to investigate how people are currently shopping, whether they prefer shopping online, offline or a combination of the two; what are musts and wow factors when shopping online and offline, and how people are planning to shop in the future.

This report also answers the following questions:

- **Browsing & research:** how often do UK respondents browse /shop online versus offline? When shopping online what is the go-to device? What are the reasons to shop online and what are the reasons to visit a store?
- **Purchase experience:** What makes UK respondents want to visit again a store and what makes them avoid it? What are the shopping channels UK respondents are currently using and which channels are they planning to use in the future?
- **Order & Delivery:** how important are free delivery, free returns and fast delivery when shopping online?
- **After sales:** how do UK respondents prefer to return the items they bought? What makes a good return experience and what makes a bad one? Do they leave reviews? Why?

About Appinio

Appinio enables companies to receive thousands of opinions from specific target groups in a matter of minutes and validate decisions and ideas in real time. As the world's fastest solution for market research, Appinio delivers feedback from consumers in over 90 markets.

About Spryker

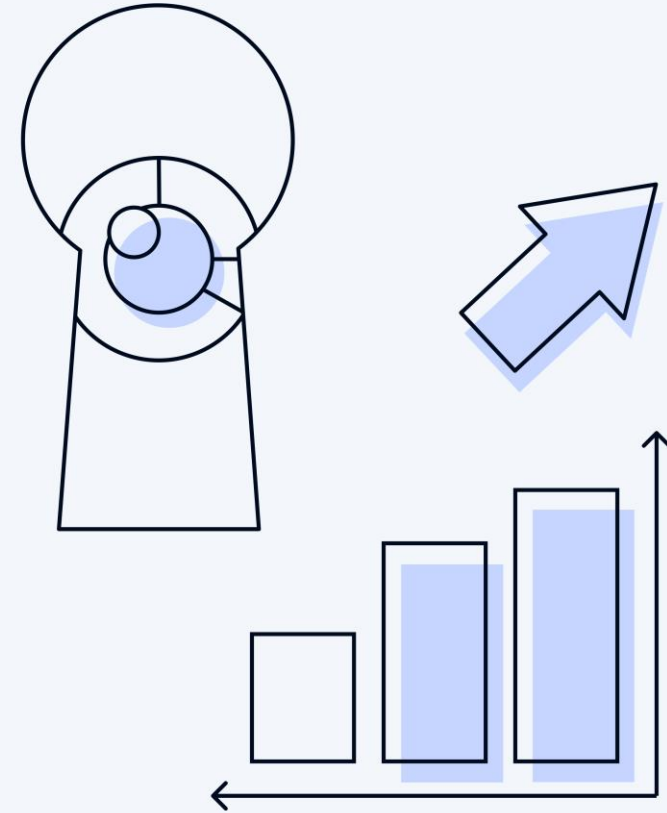
Spryker is a composable digital commerce platform that enables enterprises to future-proof their business and accelerate growth at any point in their commerce journey. Spryker's easy to use, headless, API-first model offers a best-of-breed approach that provides businesses the flexibility to adapt, scale, and quickly go to market while facilitating a lower cost of ownership and higher return on investment. As a leading platform for Marketplaces, B2B and B2C, Spryker has empowered 150+ customers in more than 200 countries worldwide to differentiate based on how they sell best and is trusted by brands such as Aldi, Siemens, Hilti, and Ricoh. Gartner® recognized Spryker as a Visionary in the 2021 Magic Quadrant™ for Digital Commerce, just one year after it first appeared (2020), and has also been named as a major player in B2B e-Commerce by IDC. Spryker is a privately held technology company headquartered in Berlin, Germany and New York, USA. Find out more at <https://spryker.com>.

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Key Insights

Estimated reading time 4 min

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Key Insights

The most interesting insights at a glance

Browsing & Searching for products

- **Are e-commerce apps/websites the new social media apps?** Around a third of UK respondents (31%) shop/browse online almost daily. Age does not play a decisive role, 45–54-year-olds are the most likely to surf online daily 34%. Even among Boomers, 30% shop and browse online every day. Only 12% of UK respondents visit offline stores daily, one in four (24%) visit physical store 2–3 times per week and one in four (25%) only once a week.
- **The biggest shopping mall in the world within your hands' reach.** The majority (69%) of UK respondents use their smartphone to browse and shop online.
- **Generally, UK respondents (40%) like to shop combining online and offline.** Gen Zers are the most likely to find shopping online preferable (42%) – while Boomers are the most likely to want a mix of both (46%).
- **Online killed the offline shops?** Two in five (40%) UK respondents will shop both in store and online in the future, even if 31% of UK respondents say that they'll shop mainly online.

- **The arguments in favour of physical stores:** it's no surprise that being able to touch/see/feel the product is the major USP for UK respondents (39%), followed by enjoying the store experience (33%), rank third not wanting to pay for the shipping fees & supporting local businesses (both at 26%).
- **The arguments in favour of online stores:** predictably, the convenience of online shopping is the first reason to keep shopping online (60%), followed by the ease of finding what one's looking for (44%), ranks third the possibility to find better deals online (41%).
- **High shipping fees are a no go.** Number one reason to avoid shopping at a particular business online are high shipping fees for 50% of UK respondents. As for shopping offline, unfriendly staff puts off 47% of UK shoppers.
- **The Internet has an answer to everything.** When considering the purchase of a product, the majority (71%) of UK respondents search online for information, followed by looking online for reviews & blogs (49%), third place goes to asking friends and family for advice (36%).

Customer Shopping experience

- **Good customer service is the most important factor** when it comes to perceived quality of the shopping experience at a retailer (online or offline), 77% of Britons see it as (very) important.
- **A seamless omnichannel shopping experience is a must.** It is not surprising that Gen Zers and Millennials, the most digital savvy segments, are the most likely to stress the importance of a seamless shopping experience (respectively at 91% and 92%).
- **Click & collect is a convenient form of shopping for many** with almost five out of ten UK respondents (48%) saying they have tried it already. While currently, more innovative forms of shopping such as QR code shopping or virtual try-ons/planners are still more niche, consumers show interest in using it in the future.
- For half of UK consumers, **shopping online with home delivery is the preferred way of shopping.** Nevertheless, shopping in-store is not dead and is most popular among 16–24-year-olds (32% see it as their preferred way of shopping) and 45–54-year-olds (32%) as well as 55–65-year-olds (33%).

Key Insights

The most interesting insights at a glance

Ordering & Delivery

- **Ordering online? The keyword is “free”.** When ordering online, the striking majority of UK respondents consider (very) important free delivery and free returns (respectively at 95% and 94%). Next day delivery ranks third at 81%.
- **Life in big cities is fast and hard enough.** People living in big cities (750K–1,500K) are most likely to consider important factors of online shopping Next day delivery (60%), Same day delivery, (58%), and home pick-up for returns (59%).

After sales

- **Return at the post office is the most popular way of returning products** (42%), right before home pick-up (39%). When it comes to the return window, 2–4 are the ideal return window for 48% of British consumers. Britons living in smaller cities do not mind shorter return windows while Britons from very large cities (> 1.5 million inhabitants) are more likely to say they want even more than eight weeks to return their products.
- **UK shoppers do not like to wait** – whether in-store after ordering something online. When it comes to negative experiences in-store, four out of ten have already had

long waiting times, making it the number one negative experience. And after buying a product online, **long delivery times were the number one negative experience** (41%). However, even after a bad experience, most consumer are likely to return to the store/online shop.

- **The large majority of UK shoppers write product reviews online (89%),** more than half do so at least sometimes. Naturally, most of them write reviews either when they are satisfied with the product (47%) or when they are not satisfied (39%). For 24%, an incentive can be convincing enough to write a review.

International comparisons

- **Get your smartphone, we are going online shopping.** Almost two thirds of respondents in every country favour the smartphone when online shopping, However, French respondents are the least likely to use their smartphone (58%) and the most likely to use their computer or laptop to shop online when compared to respondents from the UK, the US, Germany and Spain (35%).
- **Good customer service is essential for a high-quality shopping experience for respondents in all five countries.** This is followed by having a variety of payment methods and a seamless experience between online and offline channels.

- **Click & collect is popular in Europe,** especially in UK, while subscriptions are most likely to be popular in the US.
- **The keyword is “free”.** For all respondents in the five countries, free delivery and returns are among the most important aspects when ordering online.
- **Returns made it easy?** Spaniards are the most likely to consider a home pick-up important (60%), French respondents are the most likely to value the possibility to return parcels via delivery partners at other locations (36%).

01

Browsing & searching for products

Estimated reading time 4 min

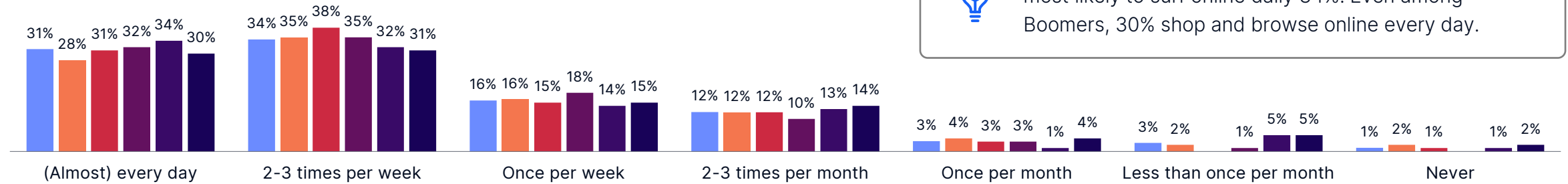
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Are e-commerce apps/websites the new social media apps?

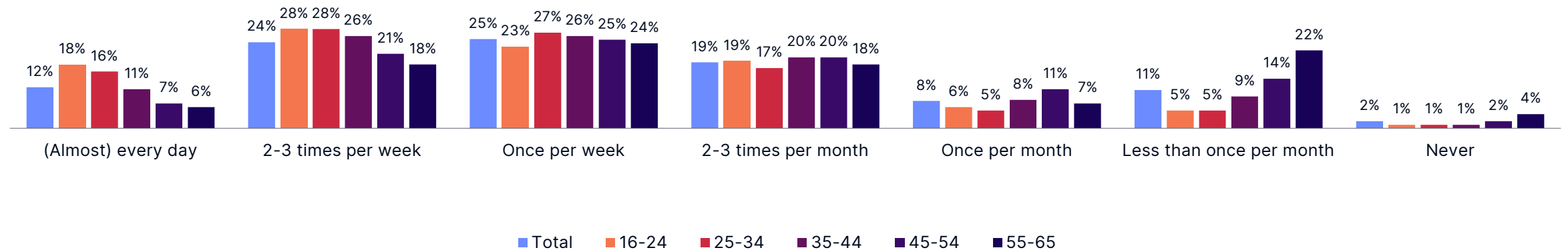
A third of UK respondents (31%) shop/browse online almost daily

How often do you usually browse/shop ONLINE (e.g. in online shops/on Google etc.)?



Age does not play a decisive role, 45–54-year-olds are the most likely to surf online daily 34%. Even among Boomers, 30% shop and browse online every day.

How often do you usually browse/shop OFFLINE (e.g. high-end shopping streets, in smaller stores)?

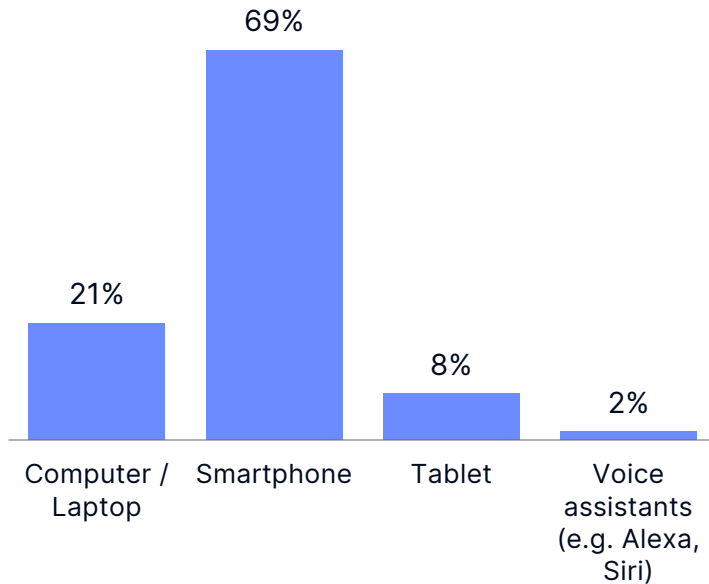


Appinio Retail Report UK

The biggest shopping mall in the world within your hands' reach

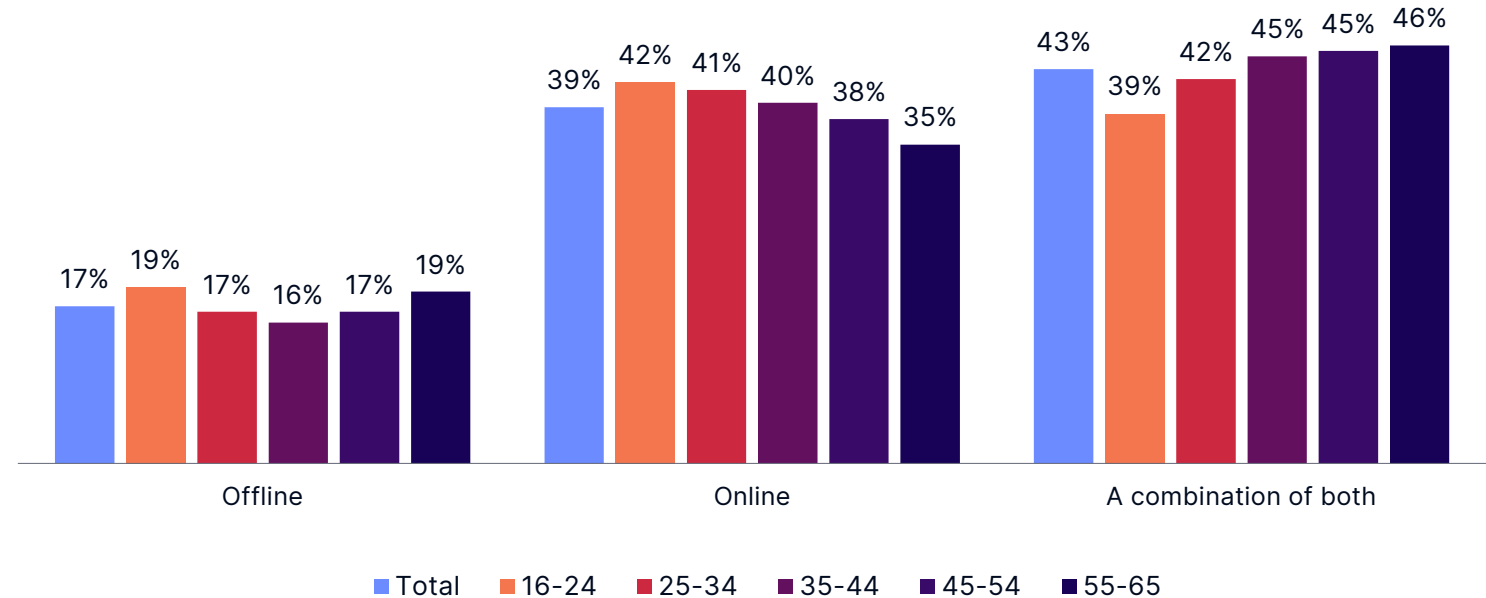
The majority (69%) of UK respondents use their smartphone to browse and shop online

When browsing/shopping online, which device(s) do you use the most often?



- Three quarters (75%) of **women** and two thirds (64%) of men prefer to browse / shop with their smartphone.
- **Men** are more likely than women to use their laptop (25% vs. 17%) to browse / shop.

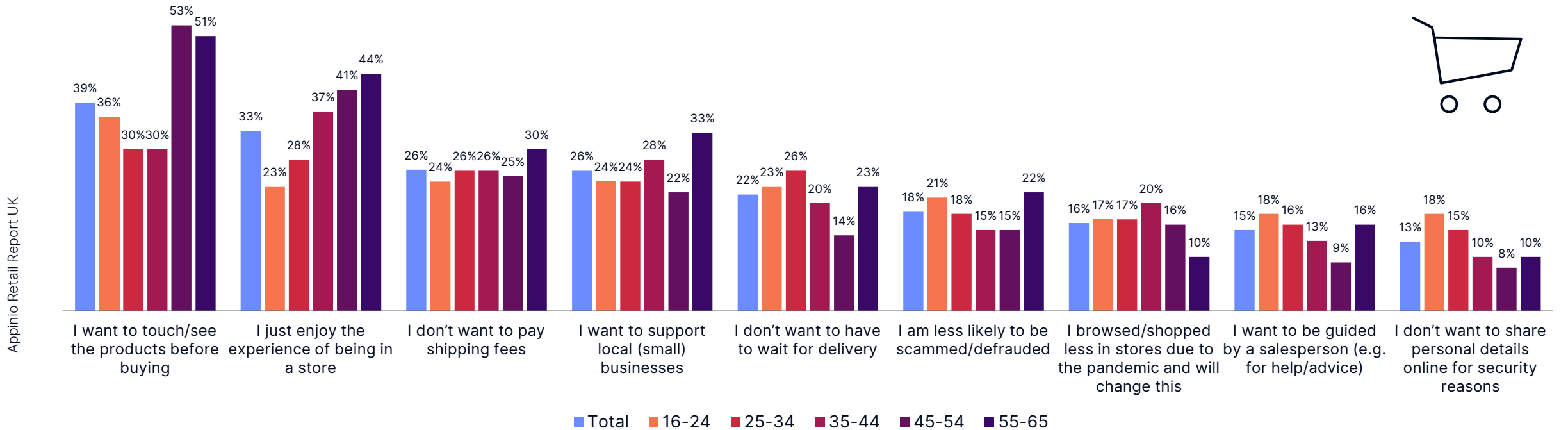
In general, which shopping experience do you prefer?



Generational clash. Gen Zers are the most likely to find shopping online preferable (42%) – while Boomers are the most likely to want a mix of both (46%).

The arguments in favour of physical stores

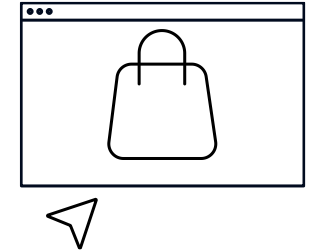
It is no surprise that being able to touch and see products before buying them is the biggest USP of going to a physical store



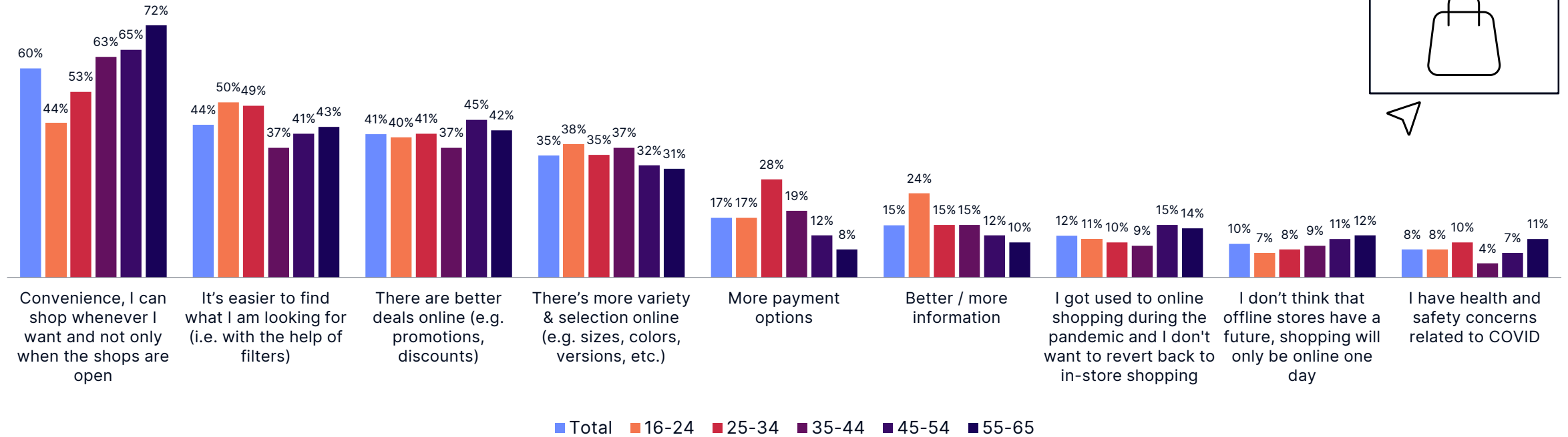
- **Over 45** are the most likely to say they will keep visiting stores because they want to **see/touch the products**.
- The older the respondents the more likely they are to keep wanting to visit stores because they **enjoy the overall experience, Boomers (44%)** are the most likely to say so.
- **Gen Zers & Millennials** have different priorities. The two groups are the most likely to keep shopping in physical store because **they want advice from sales assistants** (respectively at 18% and 16%) and because they value their privacy and **don't want to share personal details online** (respectively at 18% and 15%).

The arguments in favour of online stores

Predictably, the competitive advantage of online stores is the convenience factor, shopping anytime from anywhere



Appinio Retail Report UK



- Surprisingly, the older the respondents the more likely they are to value **convenience**, with **three quarters of Boomers** (72%) saying they will keep shopping online because they can shop whenever they want.
- Respondents over 45** will keep shopping online driven by the better deals online stores offer.
- Gen Zers & Millennials** will keep shopping online because **it's easier to find what they're looking for** especially with the help of filters (respectively at 50% and 49%).
- Millennials** are the most likely to shop online driven by the wider plethora of **payment options** (28%) and **Gen Zers** will keep shopping online because there's **better and more information** available (24%).

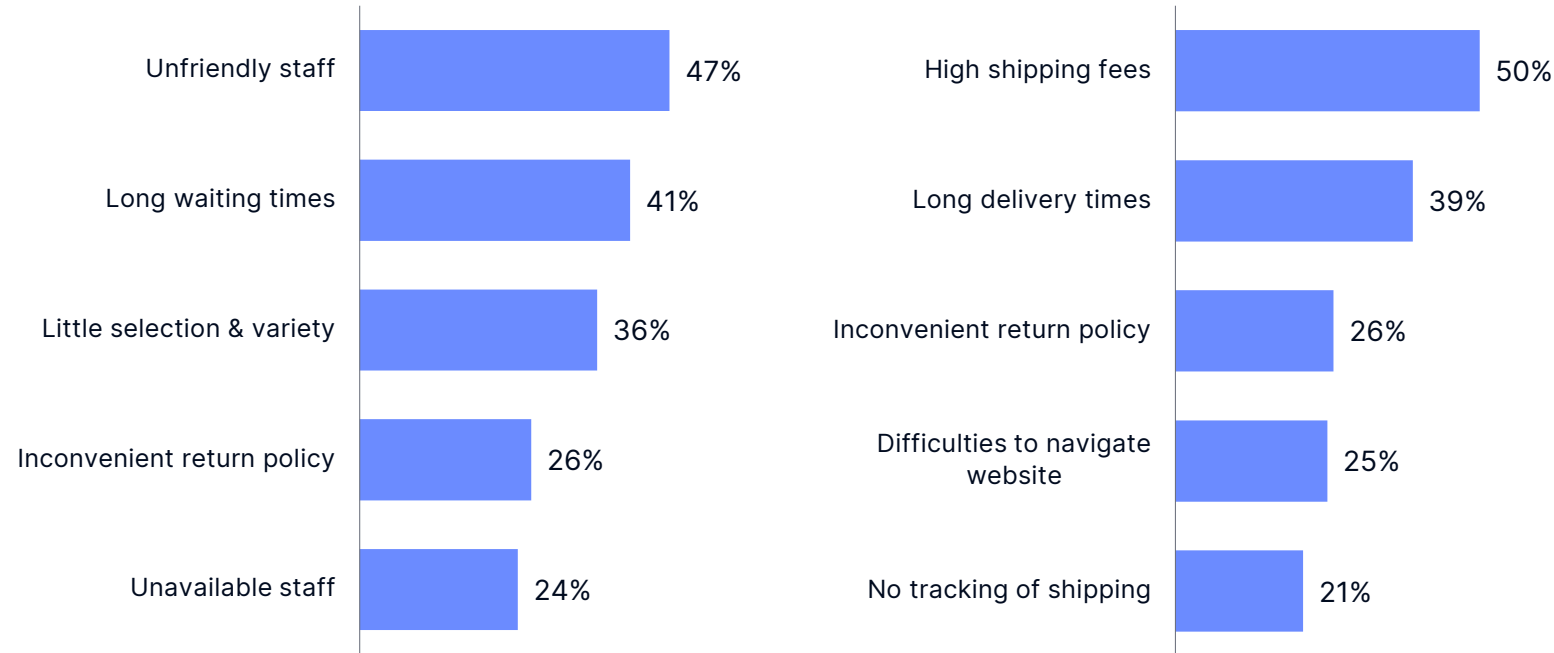
Unfriendly staff is the first reason to avoid shopping in store

Whereas high shipping fees is the main reason to avoid a particular online shop

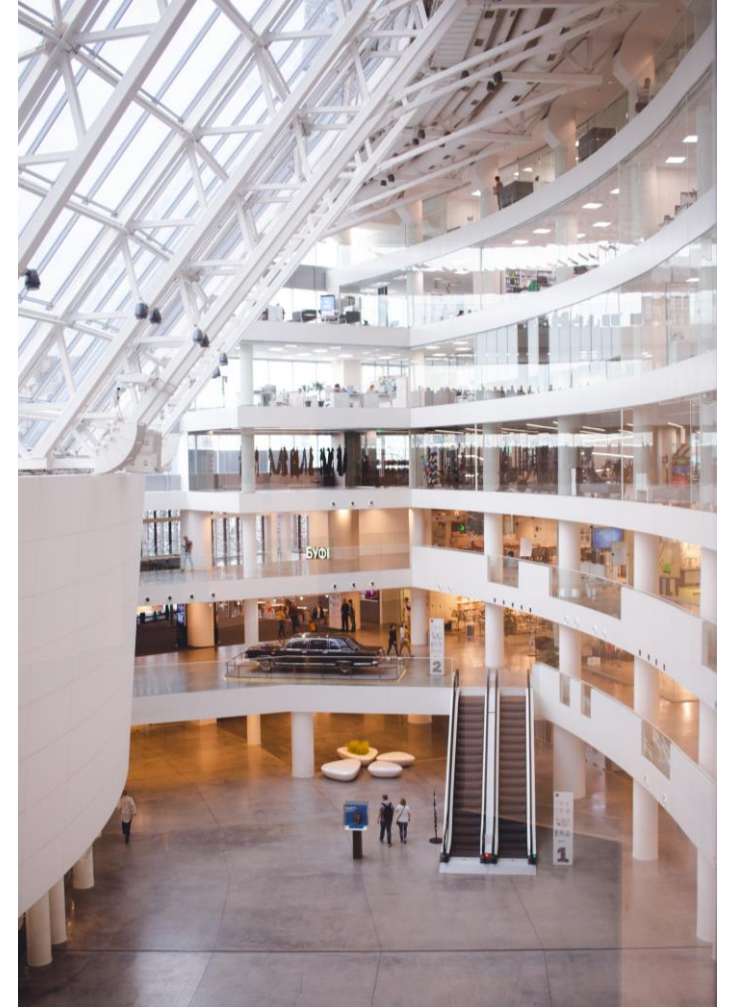
Top 5 reasons to avoid shopping at a particular business

offline

online



Beware of the Baby Boomers. They are the most likely to mention unfriendly staff as a reason to avoid a particular store (59%), and the most likely to avoid a particular online store if shipping fees are too high (62%).



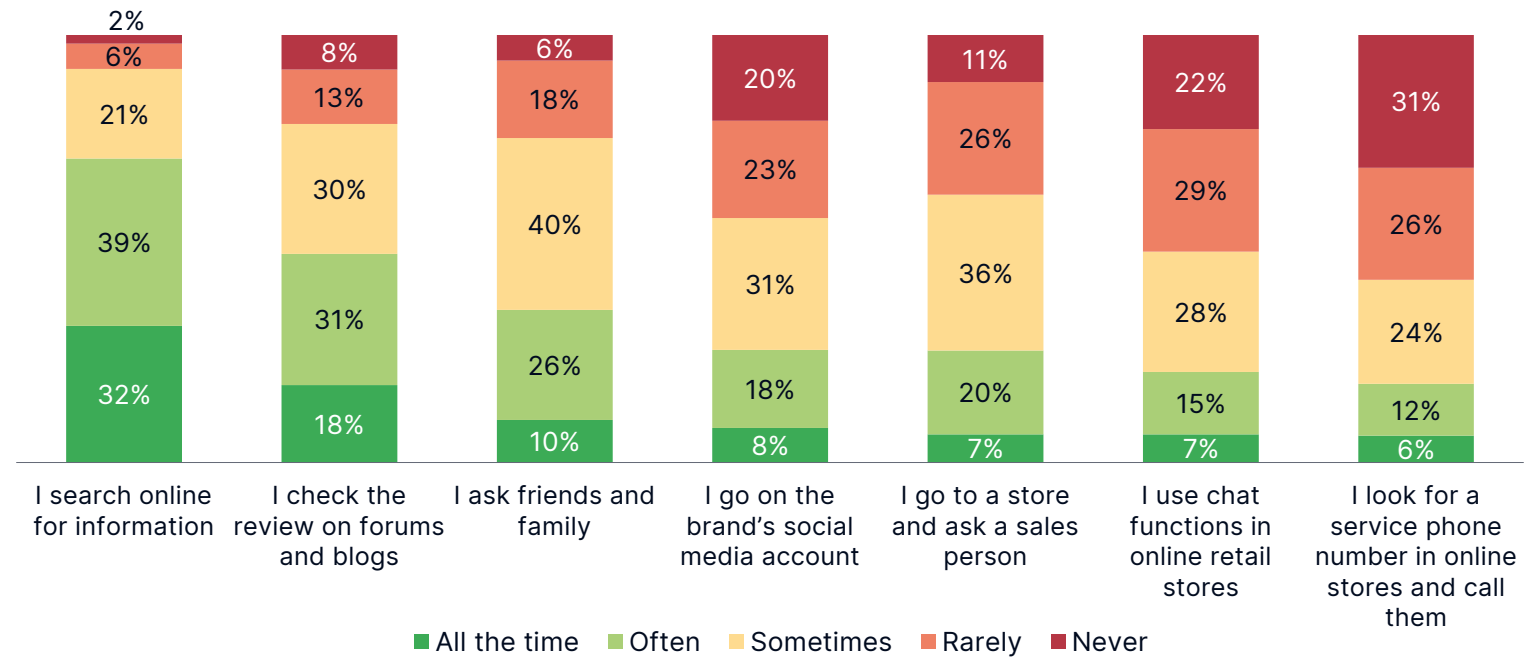
The Internet has an answer to everything

When considering the purchase of a product, the majority (71%) of UK respondents search online for information



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If you are considering the purchase of a specific product that you need to get more information on (e.g. a bigger purchase such as a washing machine), where do you usually search for information (e.g. price, features etc.)?

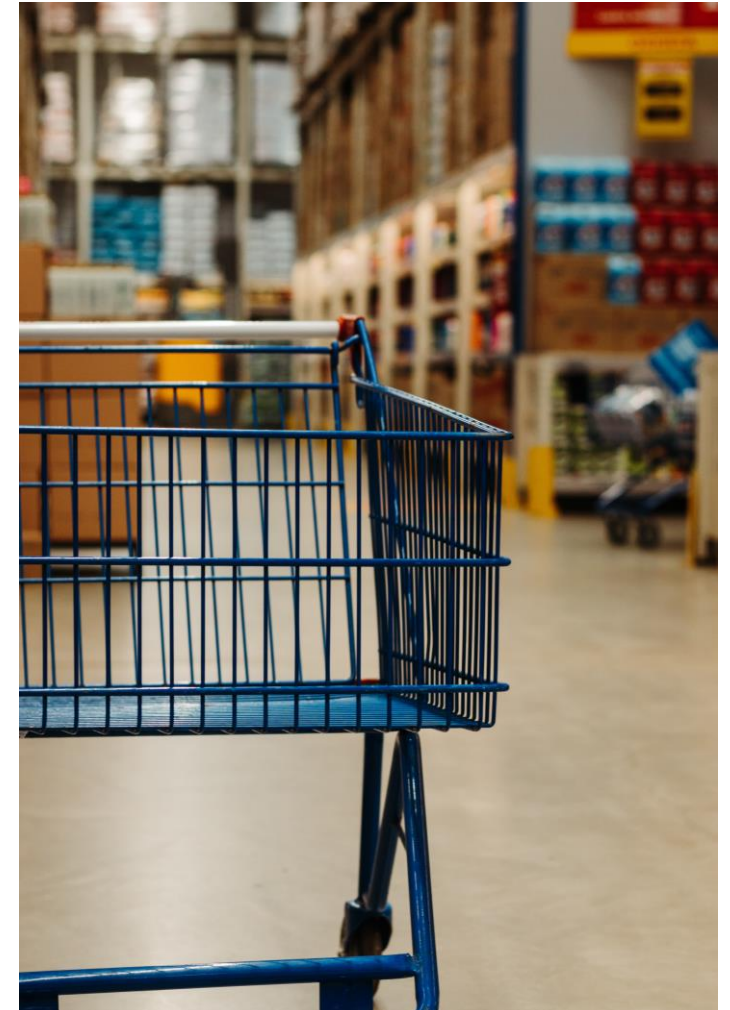
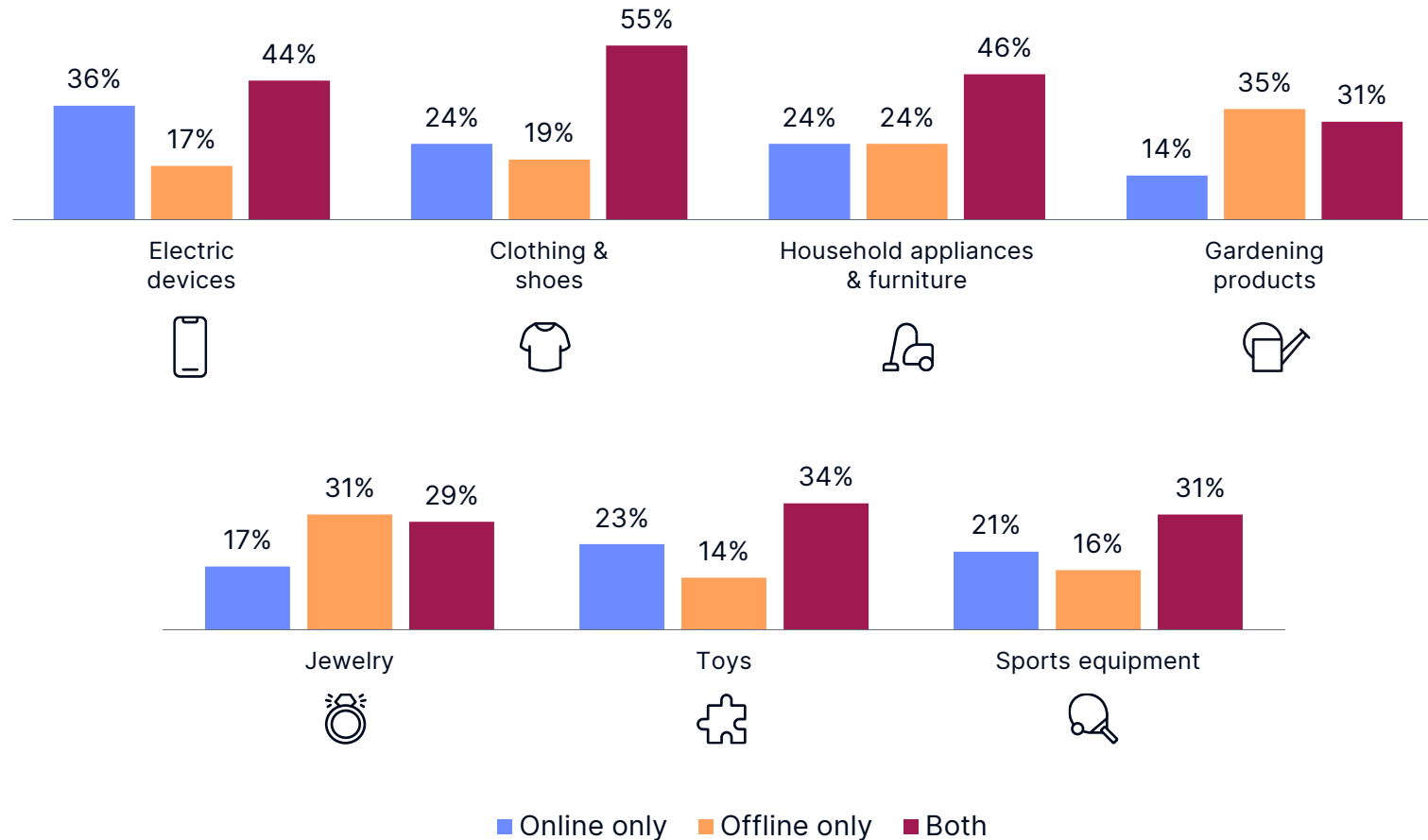


- **Millennials & Gen Zers** are more likely to ask **friends & family** (respectively at 42% & 47%).
- The older the respondents the most likely to **search online for information**, with **Boomers** being the most likely (78%).

Every product has its preferred channel

While 36% of respondents feel comfortable buying electric devices online (only), just 14% feel the same when it comes to gardening products

What channels do you typically use to purchase the following product categories?

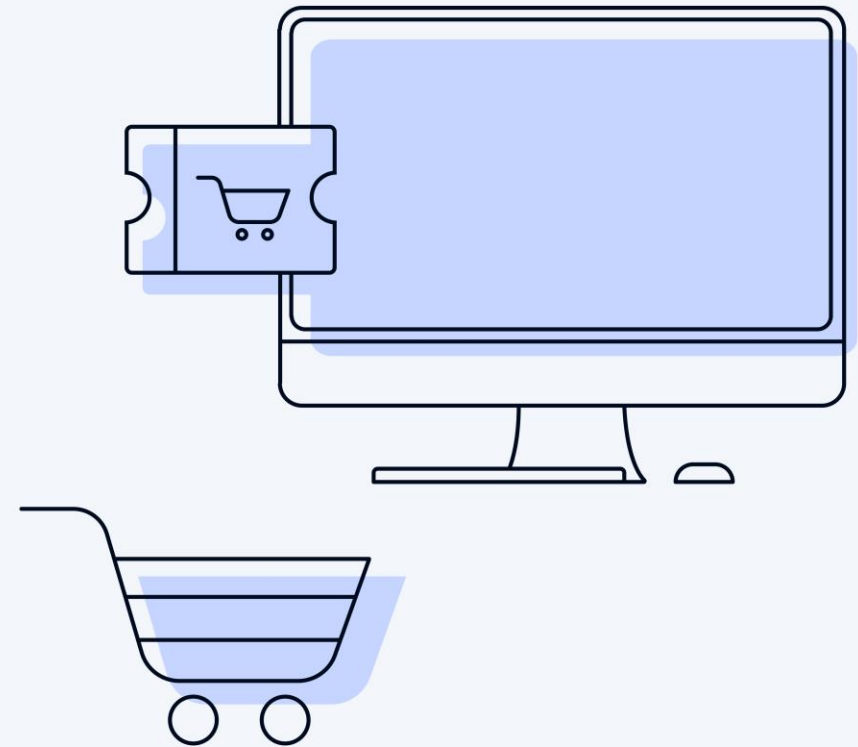


02

Customer Shopping Experience

This chapter has been created in collaboration with **Spryker**

Estimated reading time 4 min





Alexander Graf

[LinkedIn](#)

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[Podcast](#)

“Customer experience has become one of the most critical success factors for modern businesses. Whether or not a company chiefly operates in the digital world, the physical one, or both, failing to prioritize the shopping experience is a fatal error that significantly decreases customer satisfaction and loyalty. Over the past decade, the customer experience has changed dramatically in almost all industries within both the B2B and B2C sector. With the advent of new technologies and accelerated digitization - in part due to the pandemic - retail business both big and small must innovate their retail approach to remain successful in the face of rising global competition.”

— Alexander Graf, Co-Founder & Co-CEO, Spryker



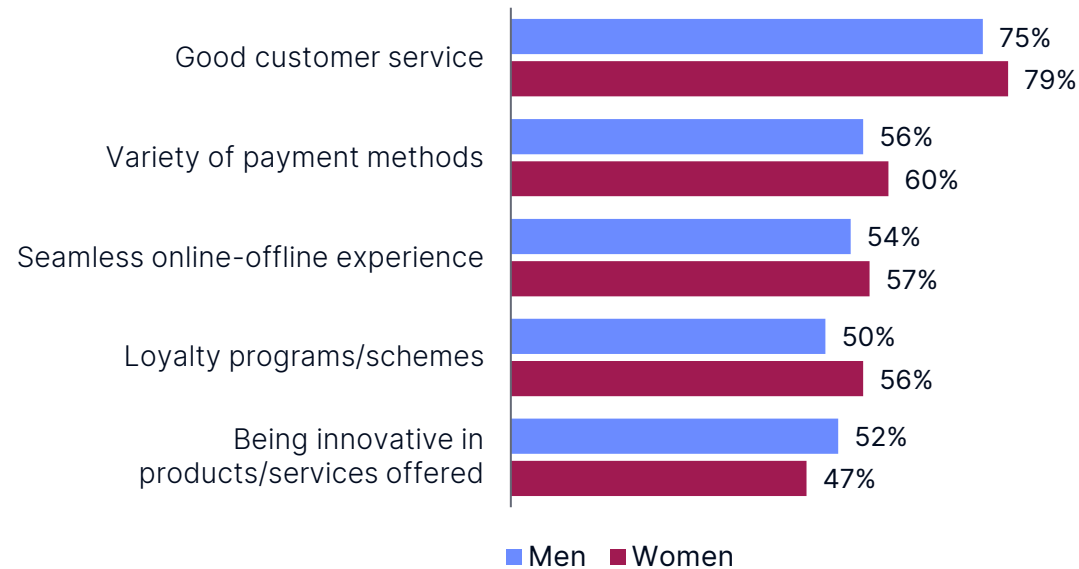
About Alexander Graf

Alexander Graf is one of the top e-commerce minds in Germany. He is the Co-Founder & Co-CEO of commerce software leader Spryker and the co-author of “The E-Commerce Book”. As a prolific entrepreneur who has built more than ten companies, he has always stayed true to the motto: “innovate or die”. He believes that businesses who do not adapt to new technologies and consumer trends will not stand a chance in the future. Alexander also hosts the industry-leading “Commerce Talks” podcast in which he looks at the hottest topics in digital commerce with special guests and thought leaders.

Customer service is often the most important factor in the perceived quality of the shopping experience

How important are the following factors when it comes to perceived quality of the shopping experience at a retailer (online or offline)?

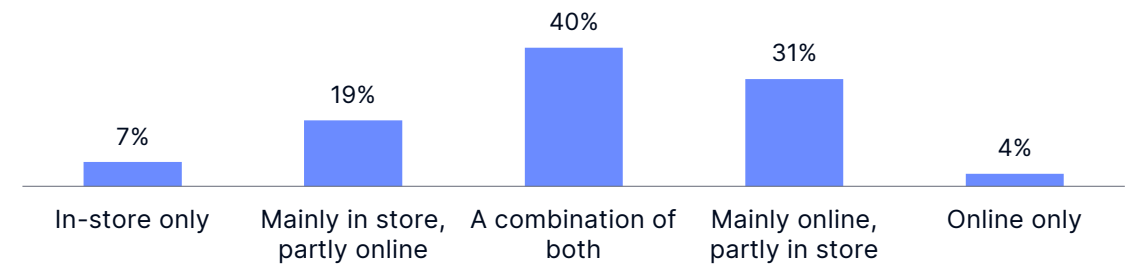
Top 2 answers



Good customer service is crucial for a high-quality shopping experience.

E-commerce solutions such as marketplaces can enable companies to entirely manage their own customer service, thus avoiding third-party mistakes and improving shopper satisfaction. These solutions can also help to increase convenience and product selection, two key benefits of online shopping.

When thinking about the future, how do you think your browsing/shopping behavior will be?



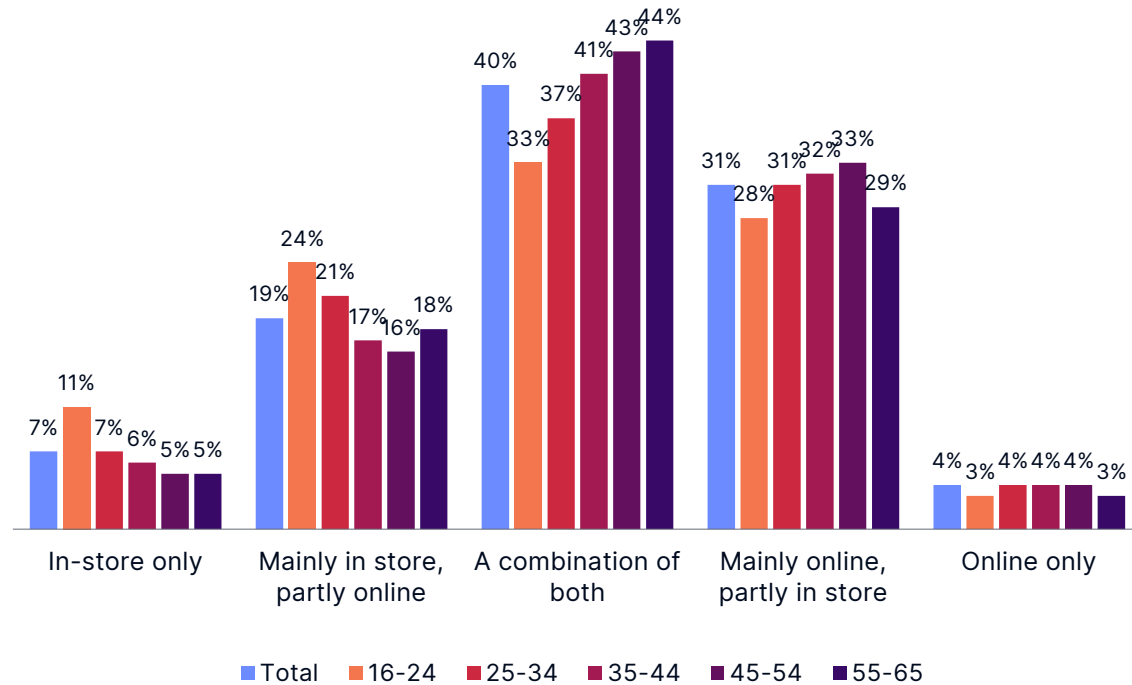
You have indicated that you will browse/shop more or exclusively online and less in stores. What are your main reasons for that?



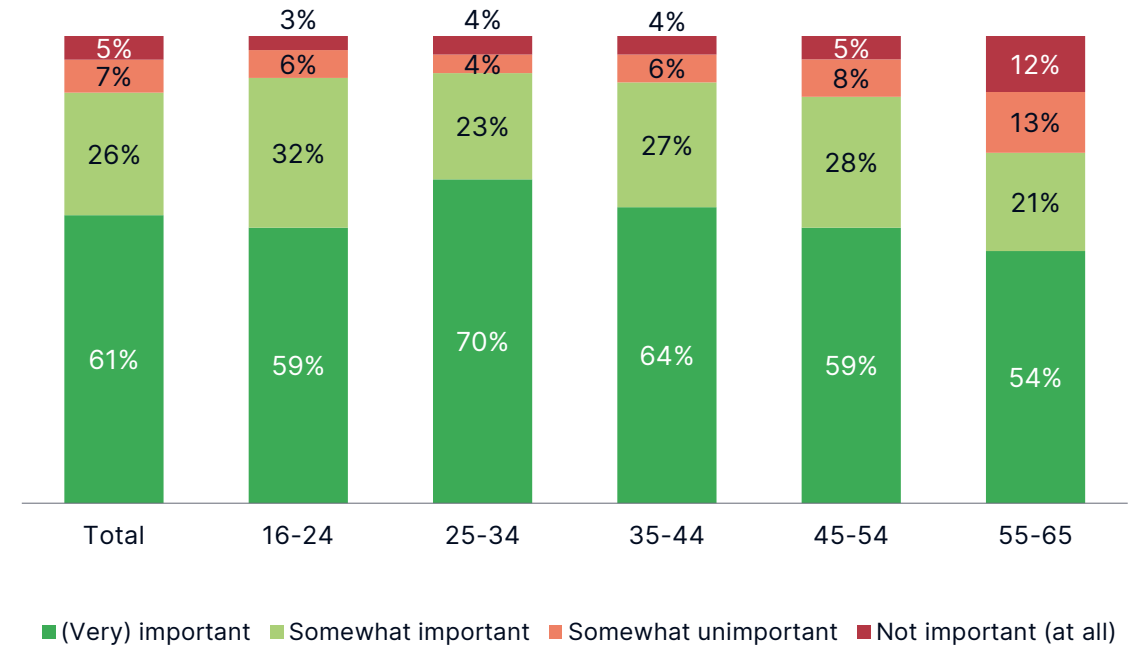
Consumers prefer a combination of both online and offline shopping

And a seamless experience is a must

When thinking about the future, how do you think your browsing/shopping behavior will be?



How important is it to you that a shop offers a seamless shopping experience between online and offline (e.g. buying something online and picking it up in-store)?

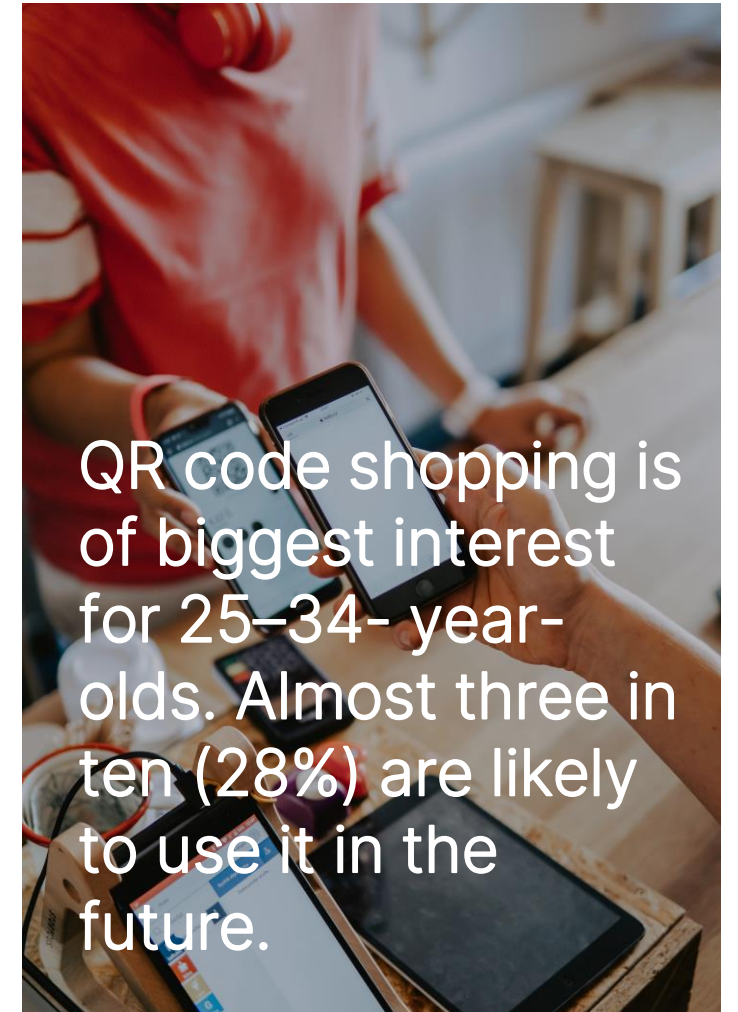
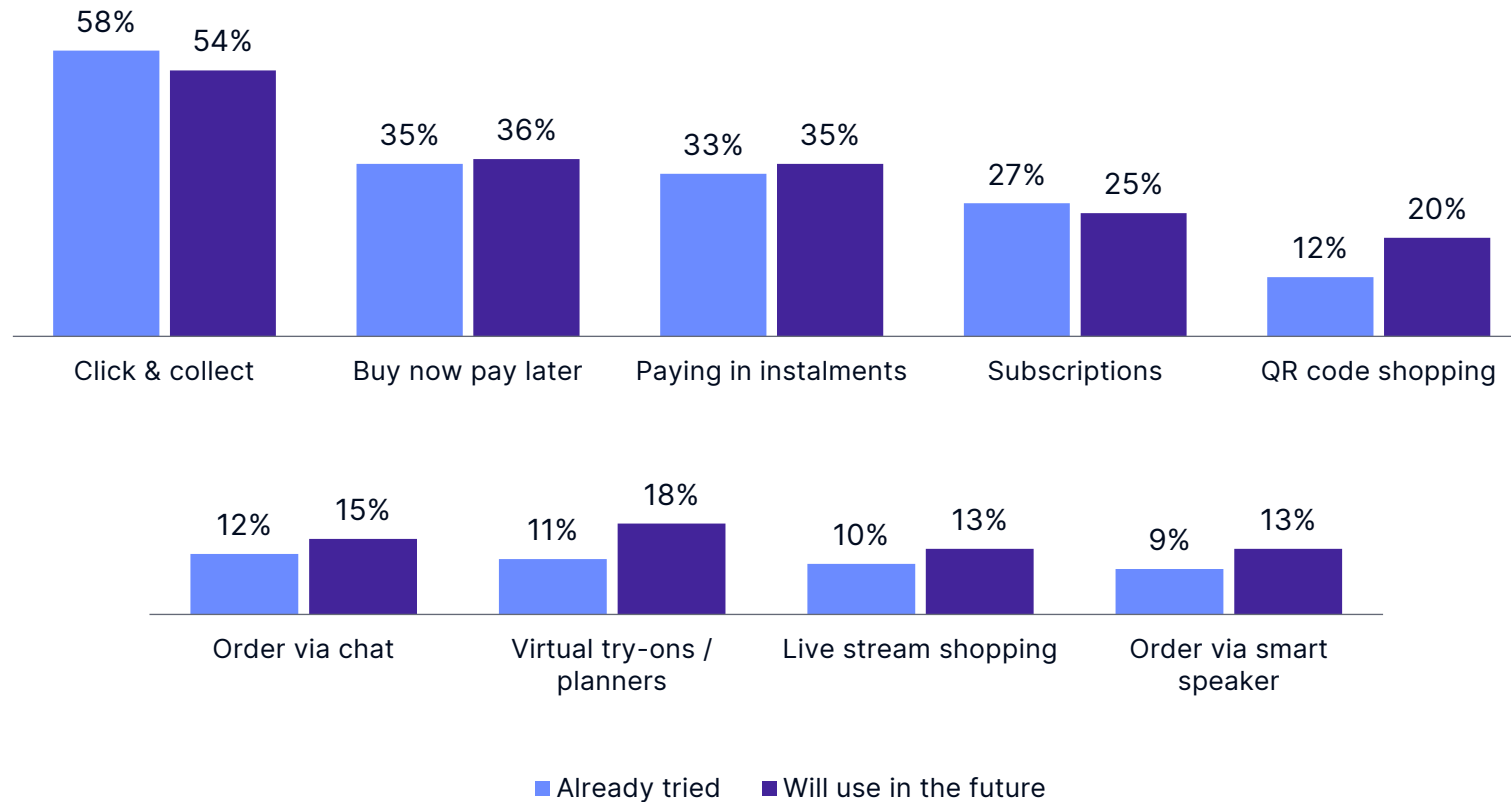


Consumers place a lot of importance on having a seamless experience between online and offline. This indicates that it is increasingly relevant for companies to implement new approaches such as unified commerce to ensure a consistent and first-rate shopping experience between the two channels

Click & collect is a convenient form of shopping for many

Consumers show interest in using new forms of shopping such as QR code shopping or virtual try-ons in the future

Which of the following forms of shopping have you already tried/are you likely to use in the future?



Online is both the present and future of shopping

More than half of British consumers prefer shopping online (with home delivery) to buying in-store

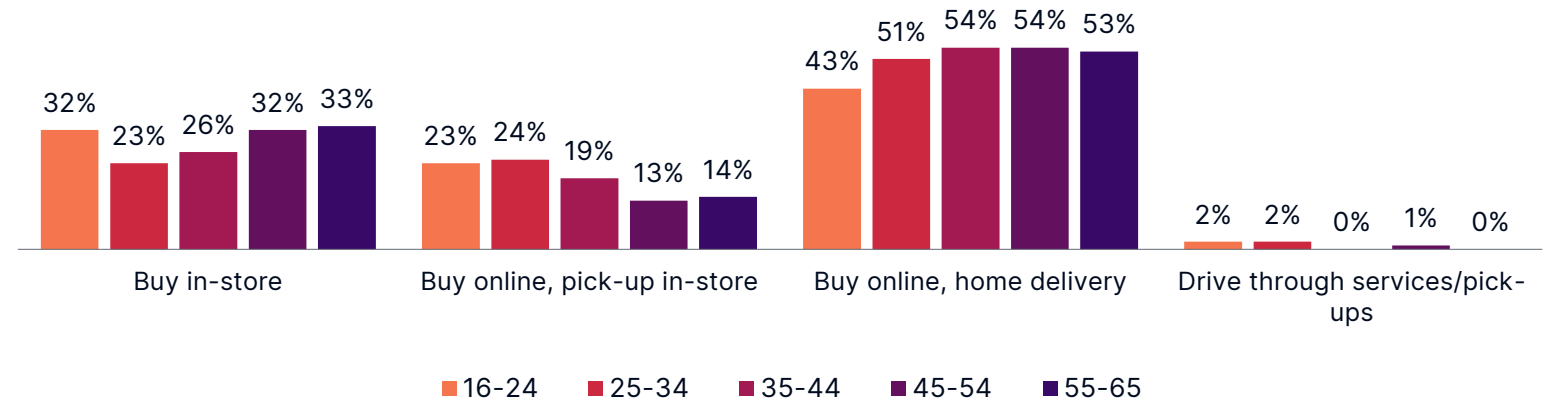
View and analyse data on research.appinio.com



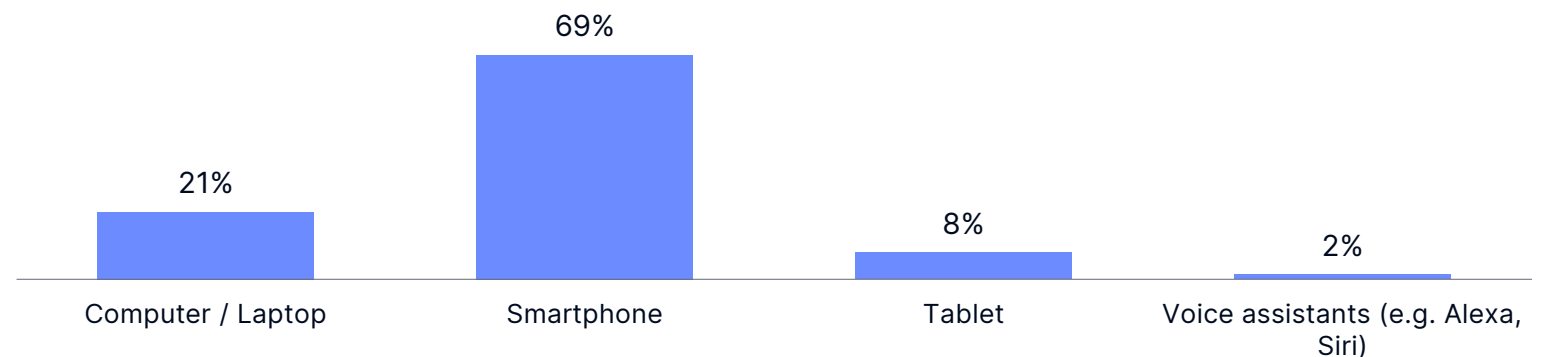
Online shopping is key for the future of retail. Purchasing online with home delivery is the most popular way of shopping among consumers. Furthermore, smartphones are already being used more than computers to buy online. This means that companies must ensure their customer experience is optimised for both mobile and desktop users.

What is your favorite way to buy products (excluding groceries)?

By age



When browsing/shopping online, which device(s) do you use the most often?

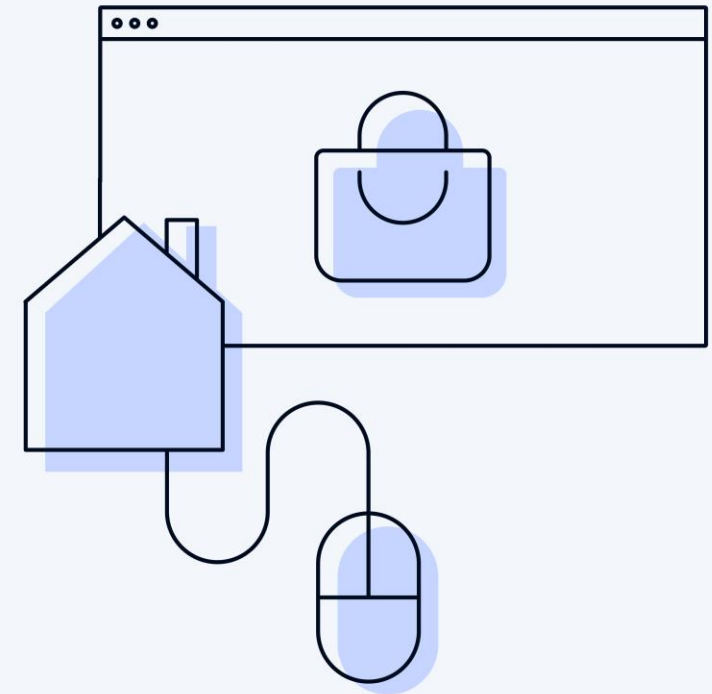


03

Order & Delivery

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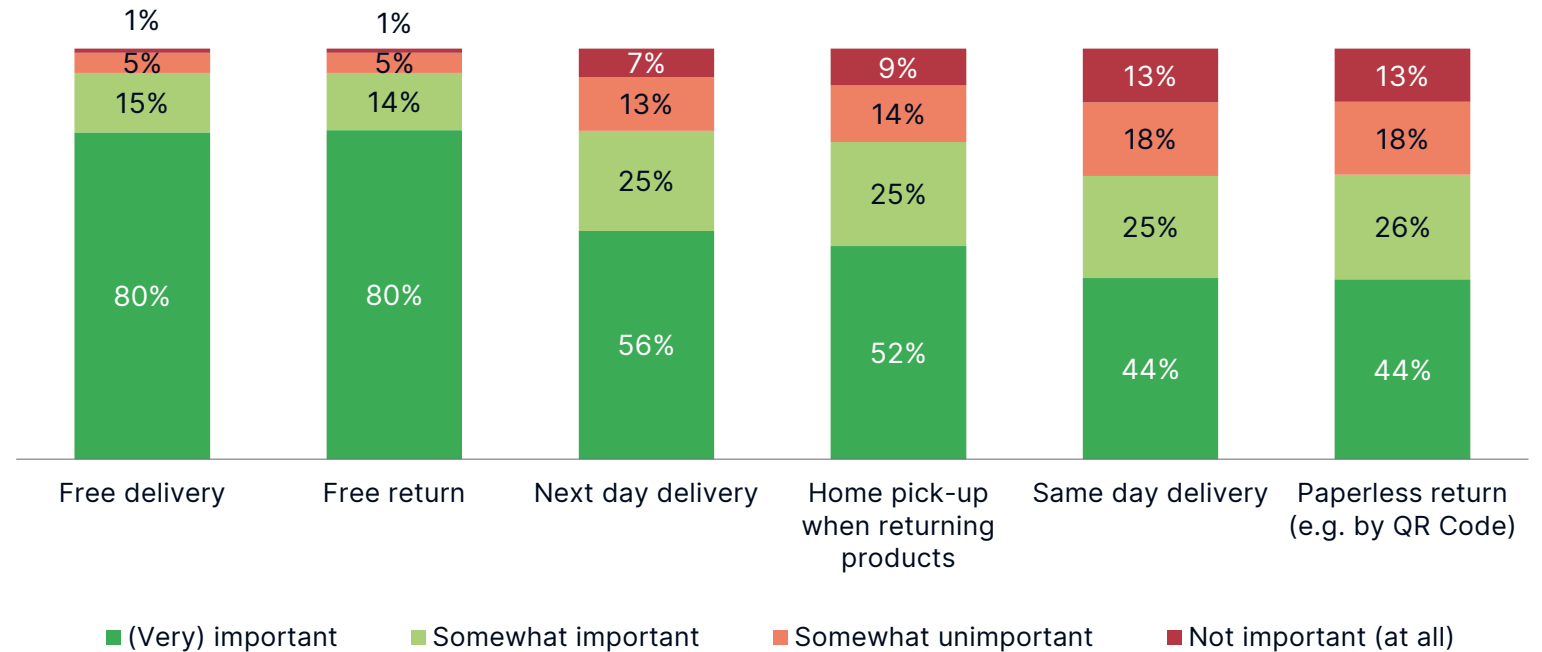
Ordering online? The keyword is “free”


The striking majority of UK respondents consider (very) important free delivery and free returns (respectively at 95% and 94%)

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How important is it to you that a shop offers a seamless shopping experience between online and offline (e.g. buying something online and picking it up in-store)?



 **Life in big cities is fast and hard enough.** People living in big cities (750K–1,500K) are most likely to consider important factors of online shopping **Next day delivery** (60%), **Same day delivery**, (58%), and **home pick-up for returns** (59%).

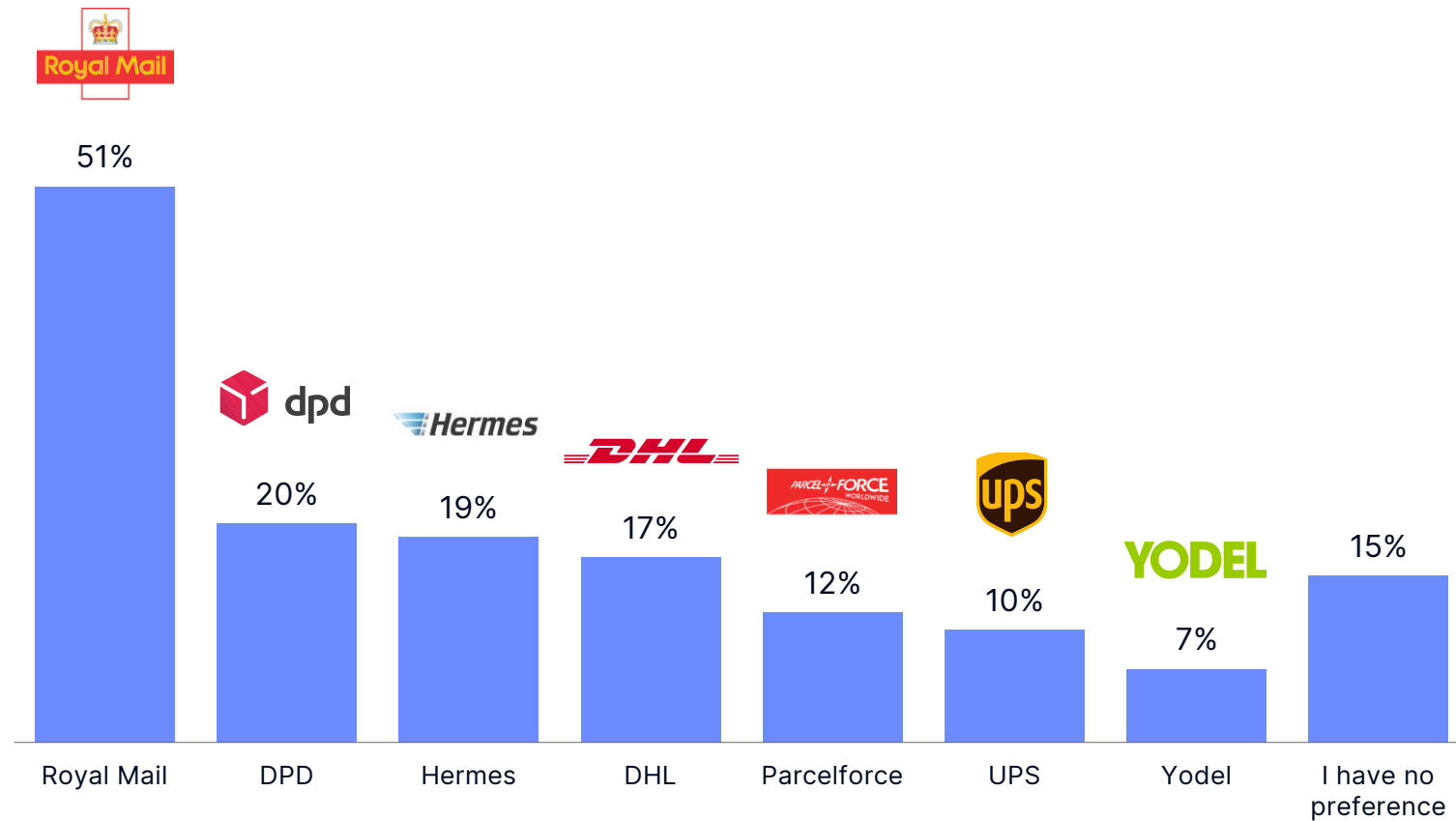
Courier service

One in two (51%) UK respondents stick to flagship delivery service

If you had the choice, which of the following delivery services would you prefer?

Multiple answers possible

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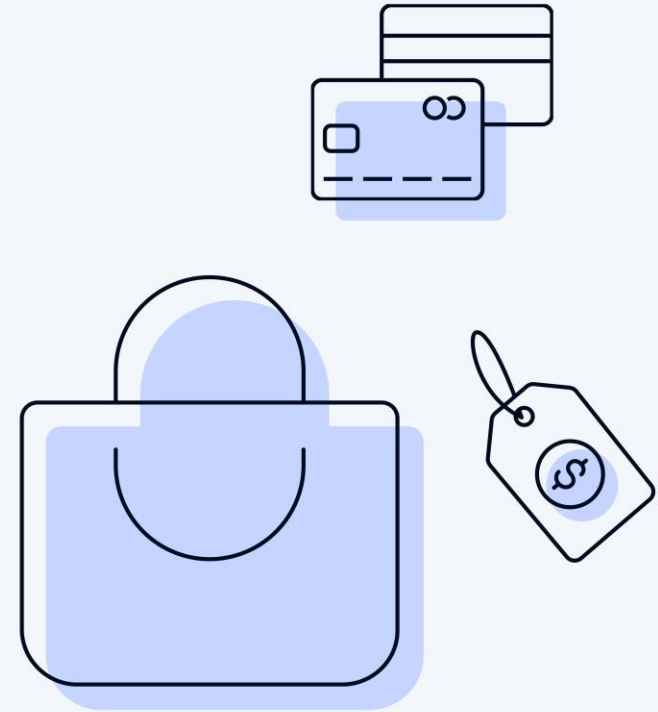


04

After sales

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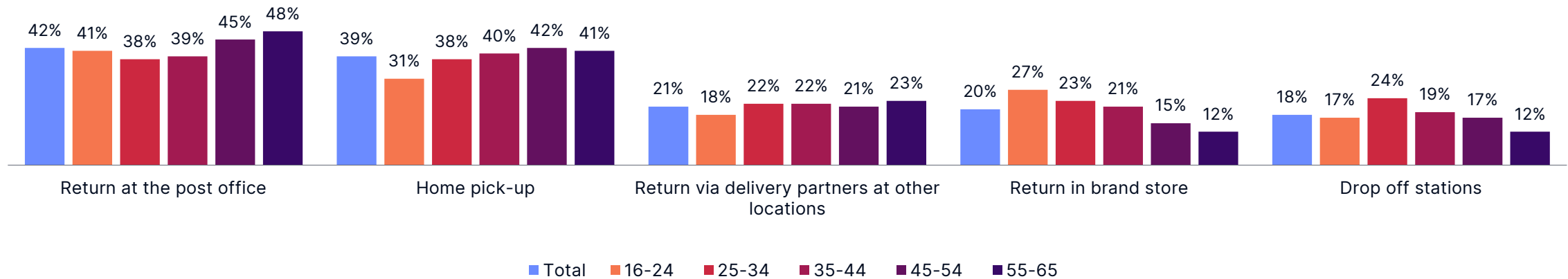
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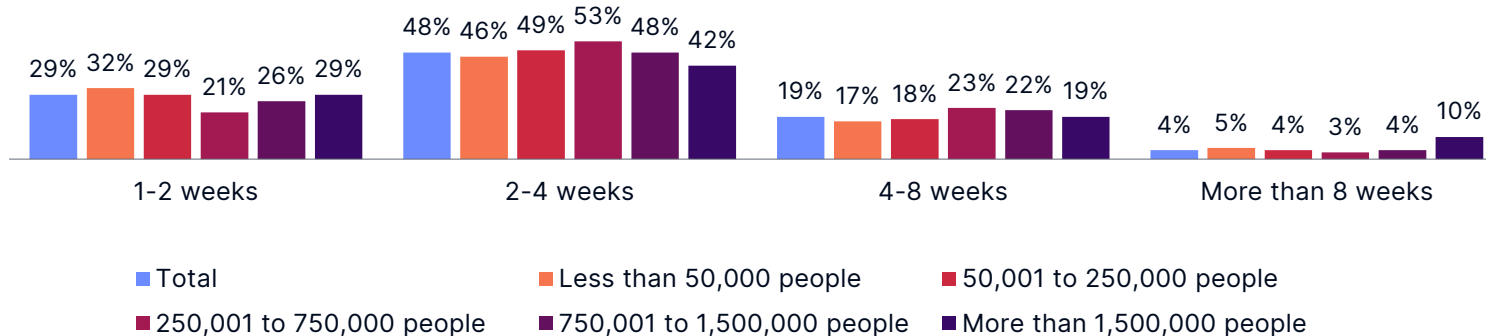
Return at the post office is the preferred way of returning products

2-4 weeks is the ideal return window for almost half of Britons

What is your preferred way of returning products you ordered online?



In your opinion, how long should a return window be when you have ordered something online?

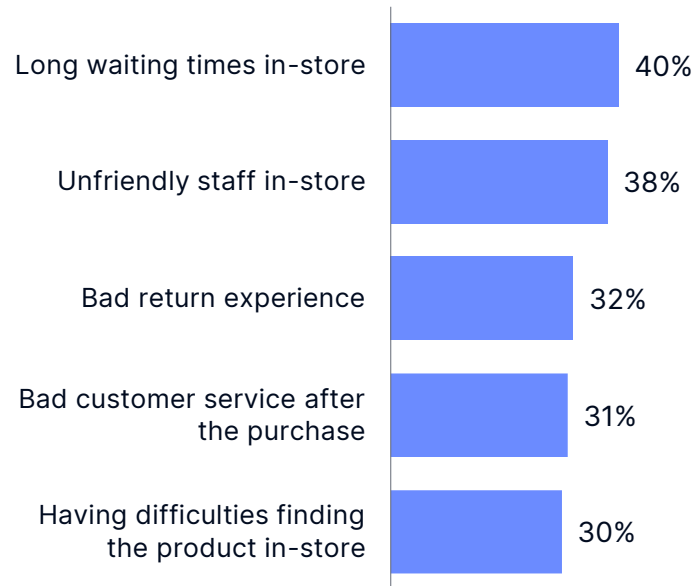


- **Men** are more likely than women to see 1-2 weeks as optimal (34% vs. 24%), while **women** would like to have around 4-8 weeks (23% vs. 15%)
- Those living in **small cities** are fine with shorter return windows, while those living in **very large cities** (more than 1,5 million) are the most likely to say they want even more than 8 weeks to return the items they bought online.

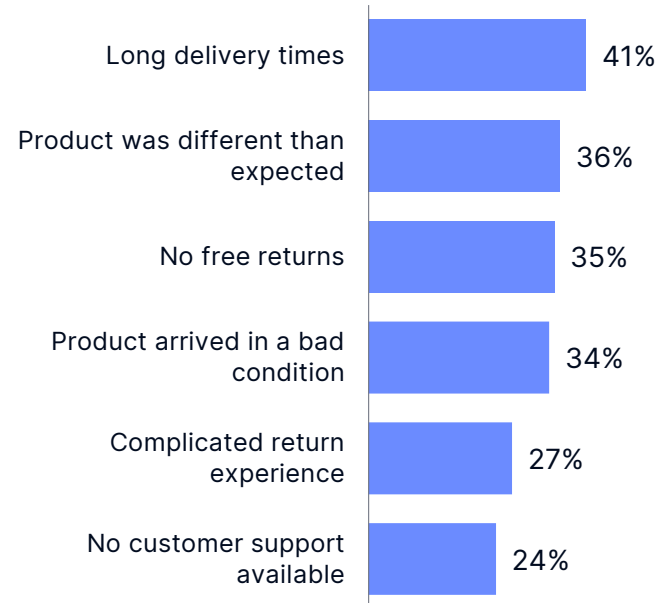
Whether in-store or ordering online, Britons do not like to wait

For almost four in ten (36%) of Britons, a product has been different than expected after buying it online

Which of the following negative experiences have you had when/after buying a product offline/in-store?



Which of the following negative experiences have you had when/after buying a product online?



Two in five (40%) Britons aged 25-34 have already had a bad return experience in-store

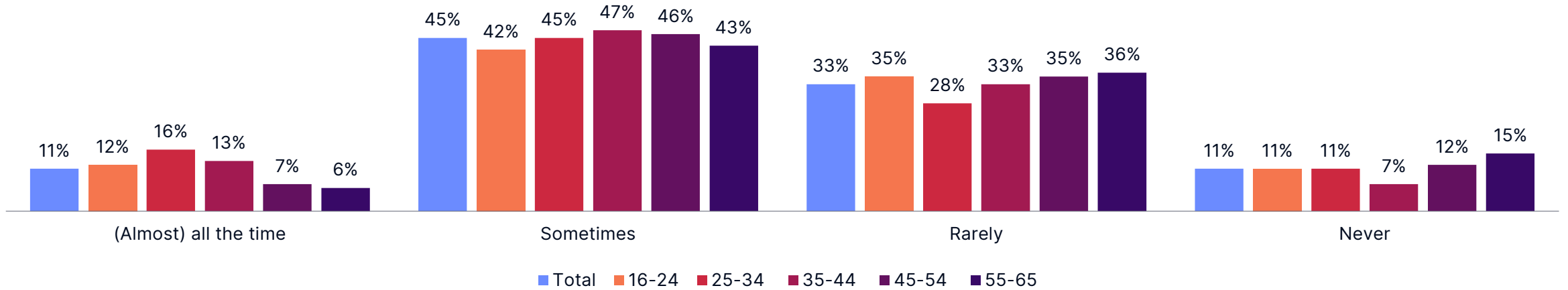


However, even after a bad experience in-store or offline, most of the consumers are likely to return to the store afterwards. Online, **Gen Zers** seem the most likely to be returning (61%), while **Boomers** are the most likely to avoid the shop in the future (67%).

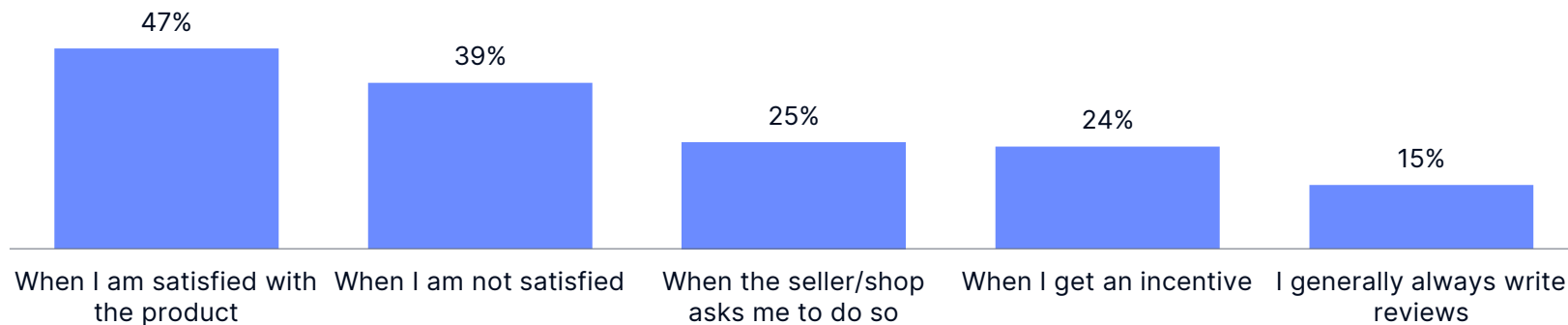
About 9 out of ten consumers write product reviews online

More than half of Britons review products at least sometimes online

How often do you usually write product reviews online?



When do you typically write product reviews?



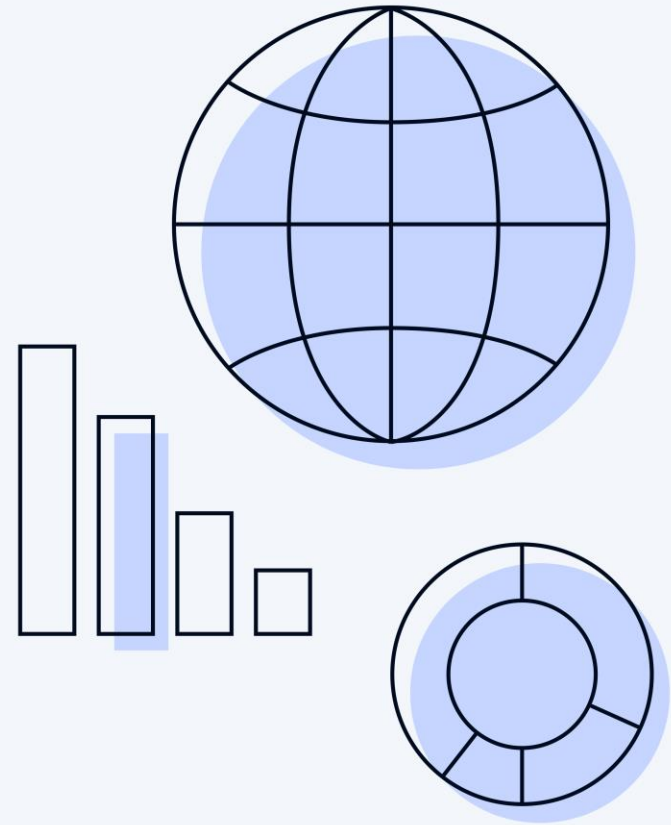
Naturally, **emotions drive action**: Those that are satisfied with the products are 10% more likely to write reviews sometimes (55%). On the contrary, those that are not satisfied with the products are just 7% more likely to write reviews sometimes (52%).

05

International comparisons

Estimated reading time 4 min

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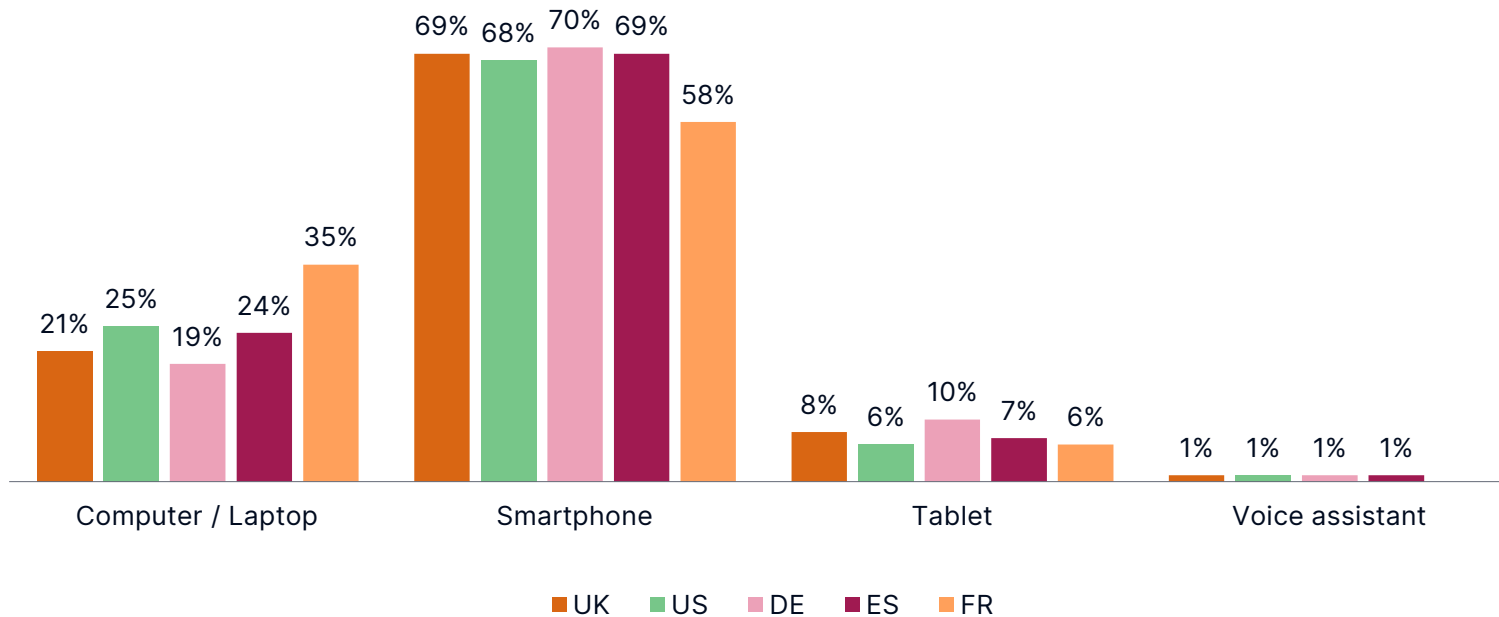


Get your smartphone, we are going online shopping

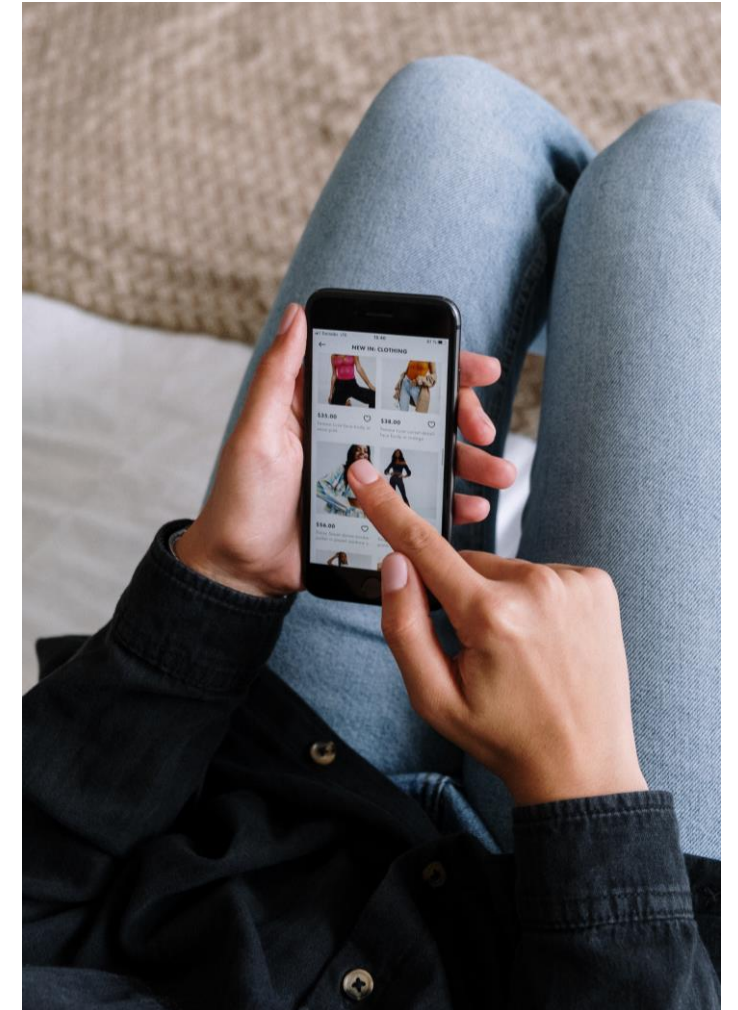
Almost two thirds of respondents in every country favour the smartphone when online shopping

When browsing/shopping online, which device(s) do you use the most often?

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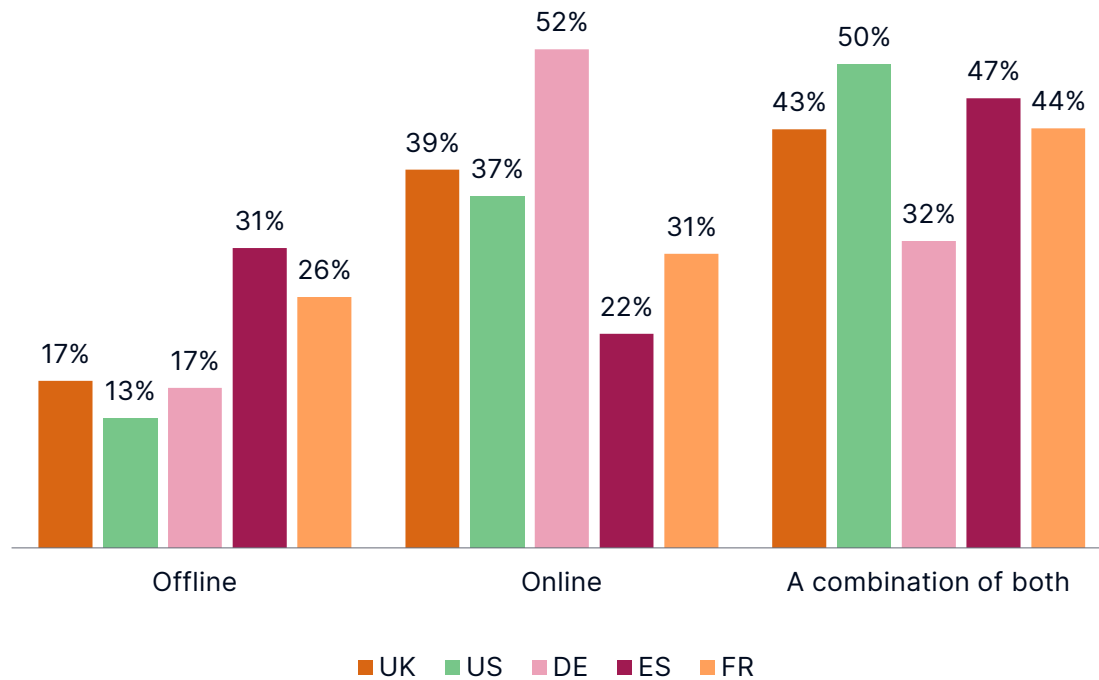
- However, French respondents are the least likely to use their smartphone (58%) and the most likely to use their computer or laptop to shop online when compared to respondents from the UK, the US, Germany & Spain (35%).



German respondents are the most likely to prefer an online shopping experience

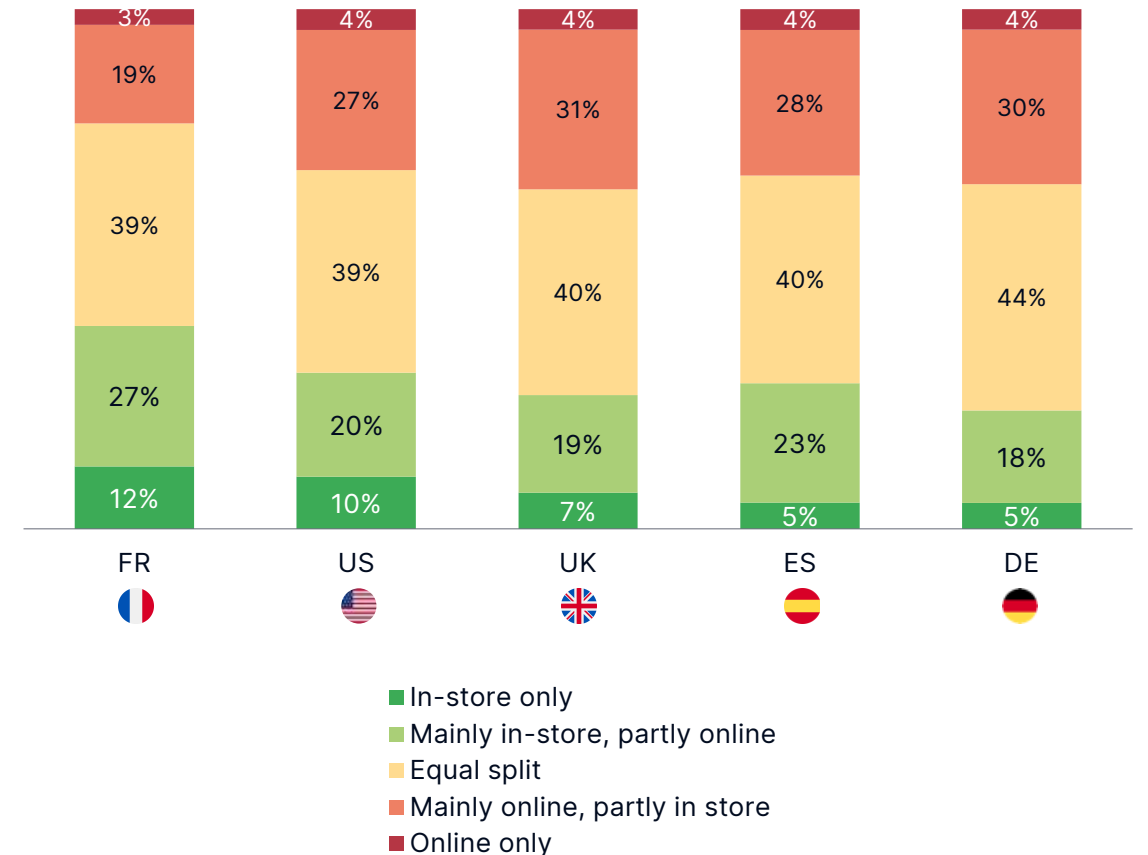
French respondents are the most likely to shop mainly in-store in the future

In general, which shopping experience do you prefer?



- But Spanish & US respondents are the most likely prefer a combination of online & offline shopping.

When thinking about the future, how do you think your browsing/shopping behavior will be?

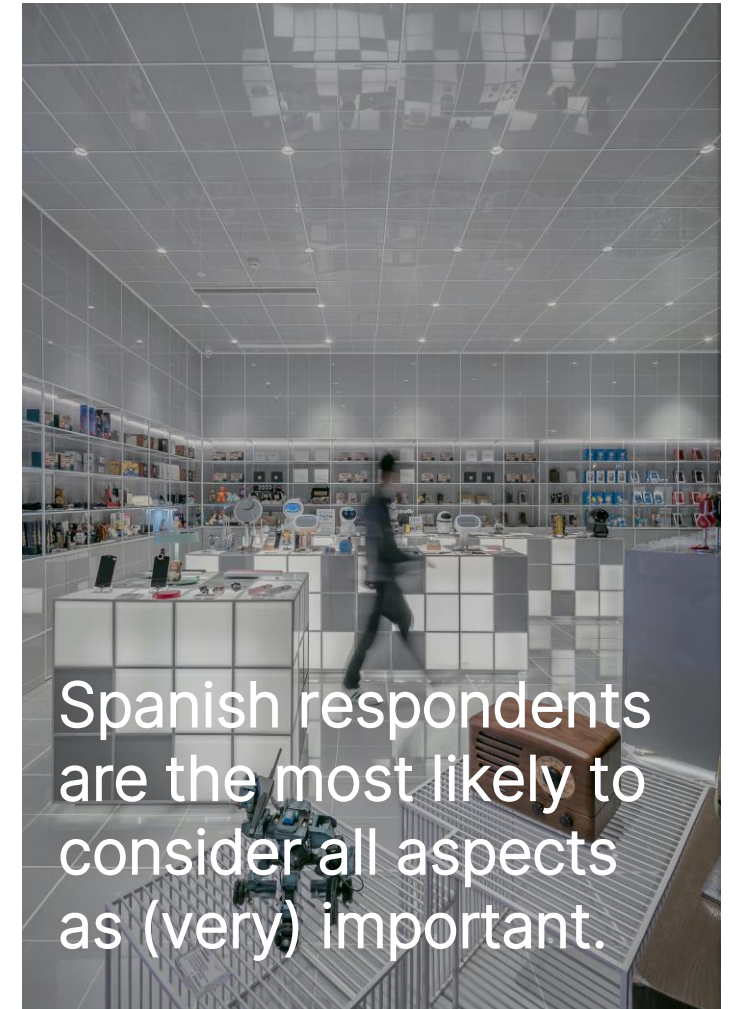


Good customer service is essential for a high-quality shopping experience

Follow variety of payment methods and a seamless online-offline experience

How important are the following factors when it comes to perceived quality of the shopping experience at a retailer (online or offline)? Top 2 replies






Aspects	UK	US	DE	ES	FR
1 Good customer service	77%	80%	72%	83%	77%
2 Variety of payment methods	58%	64%	57%	70%	60%
3 Seamless online-offline experience (e.g. look up online and try/have a look in-store)	55%	58%	34%	68%	66%
4 Loyalty programs/schemes (e.g. collecting points, discounts)	53%	51%	40%	64%	62%
5 Being innovative in products/services offered	49%	55%	41%	65%	55%
6 Personalized recommendations (based on your interests)	39%	48%	33%	57%	48%
7 Being active in community's life (e.g. participating in charity initiatives)	31%	37%	21%	40%	32%



Click & collect is popular in the old continent

Subscriptions are most popular in the US

Which of the following forms of shopping have you already tried?

		 UK	 US	 DE	 ES	 FR
1	Click & Collect	58%	19%	38%	42%	44%
2	Paying in instalments	33%	31%	37%	35%	49%
3	Buy Now Pay Later	35%	31%	24%	25%	26%
4	Subscriptions	27%	31%	17%	24%	18%
5	QR code shopping	12%	15%	11%	13%	9%
6	Order via chat/messenger (such as WhatsApp)	12%	14%	10%	16%	8%
7	Live streaming shopping (e.g. on Instagram)	10%	11%	9%	12%	15%
8	Virtual try-ons/planners (e.g. make-up, glasses, furniture, etc.)	11%	12%	14%	10%	8%
9	Order via smart speaker	9%	9%	9%	6%	8%

- **US respondents** are the most likely to have tried shopping with the help of **QR codes** (15%).
- **Spanish respondents** seem to be more familiar than other respondents with ordering via chat / messenger like WhatsApp.

- **French respondents** are more likely than other to have tried livestreaming shopping (15%).
- **German respondents** are more likely to have tried virtual try-ons and planners (14%).

The keyword is “free”

For all respondents free delivery and returns are among the most important aspects when ordering online



Appinio Retail Report UK

When you order things online, how important do you consider the following options?

Top 2 replies

Aspects	UK	US	DE	ES	FR
1. Free delivery	80%	82%	70%	89%	84%
2. Free returns	80%	81%	72%	89%	83%
3. Next day delivery	56%	58%	38%	68%	58%
4. Same day delivery	44%	53%	28%	63%	49%
5. Home pick-up when returning	52%	54%	33%	77%	55%
6. Paperless returns	44%	45%	44%	56%	45%

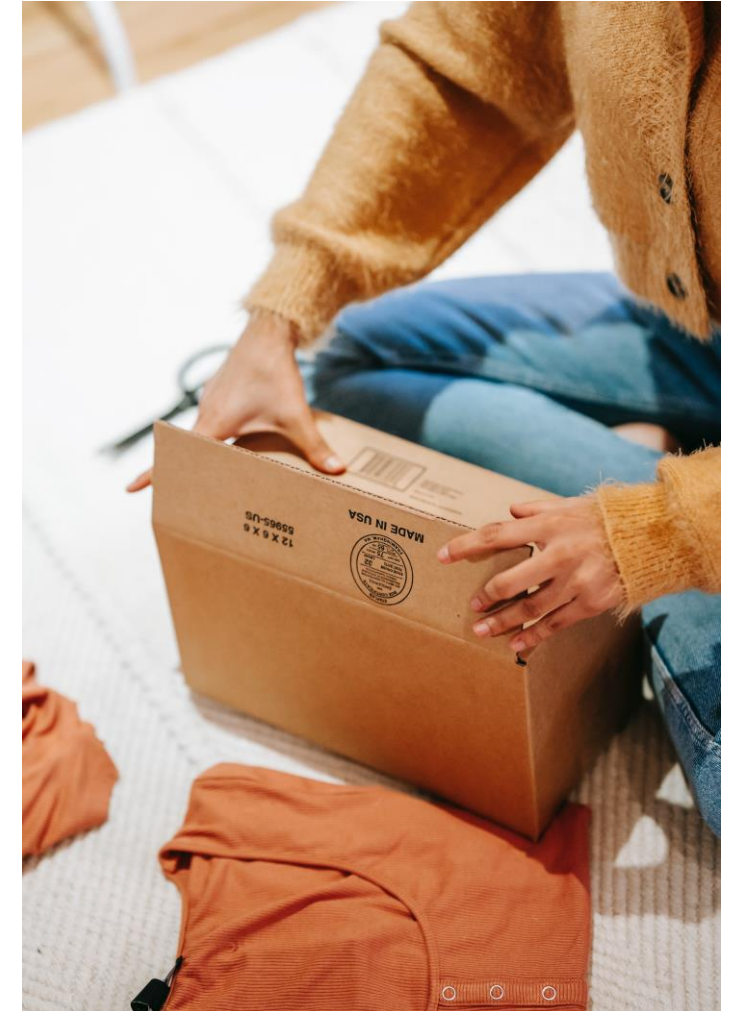
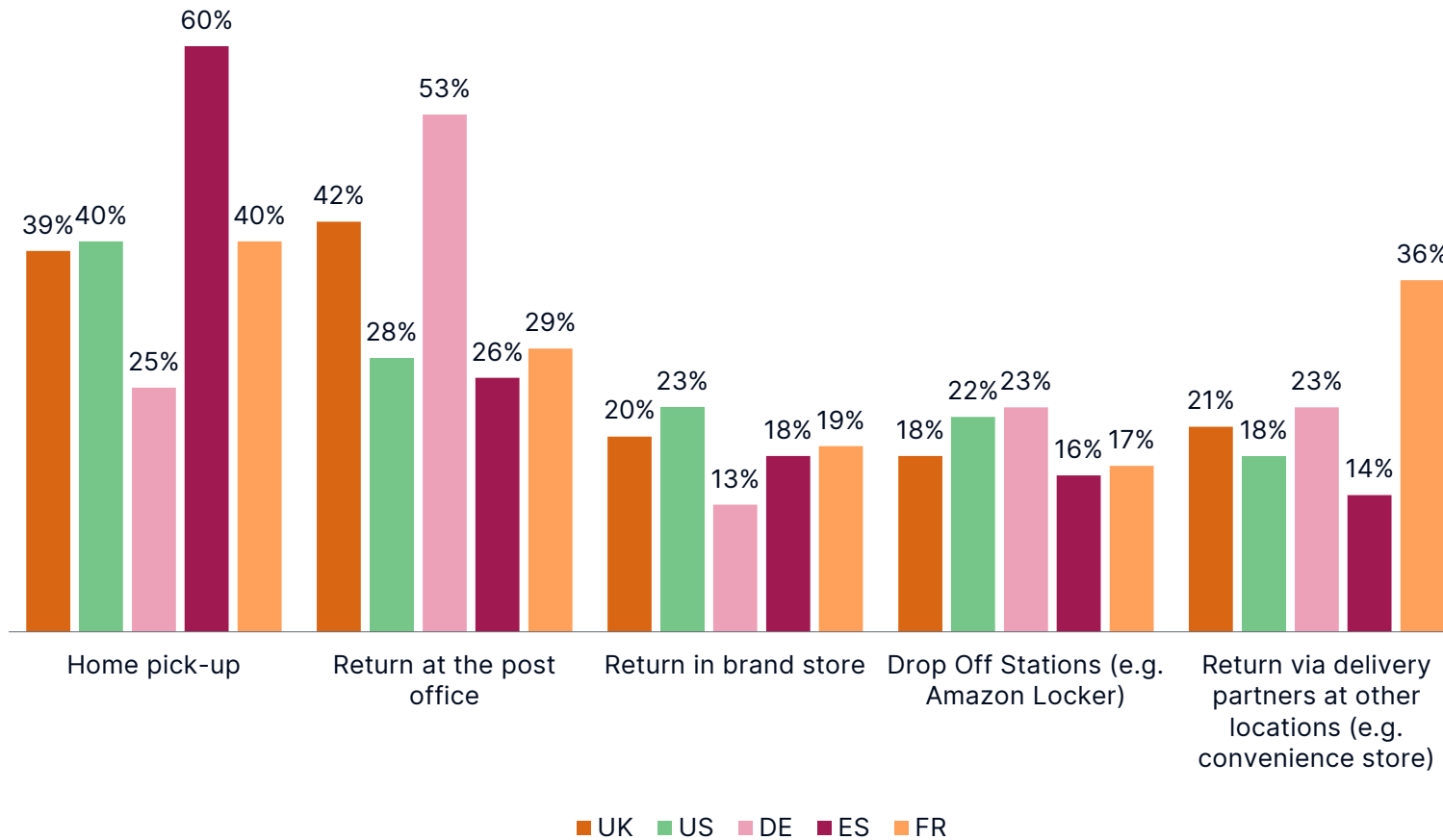
Spaniards are the most likely to consider a home pick-up important

French respondents are the most likely to value the possibility to return parcels via delivery partners at other locations

When you order things online, how important do you consider the following options?

Only two answers possible

Appinio Retail Report UK

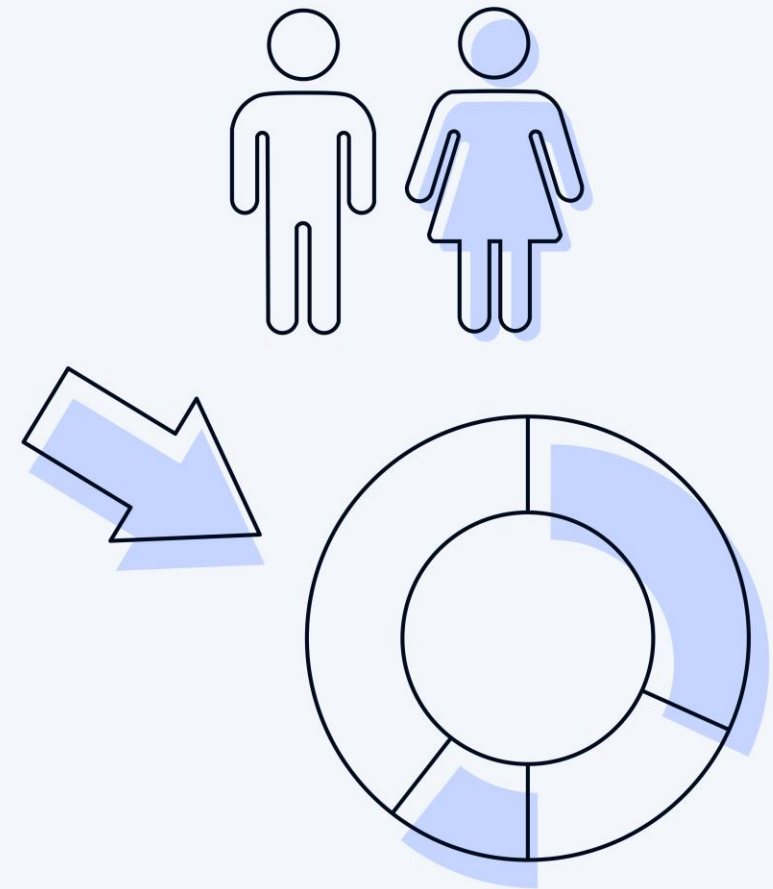


06

Study design & Sample

Estimated reading time 1 min

appinio



Tracking: research design

Method, sample & sample composition



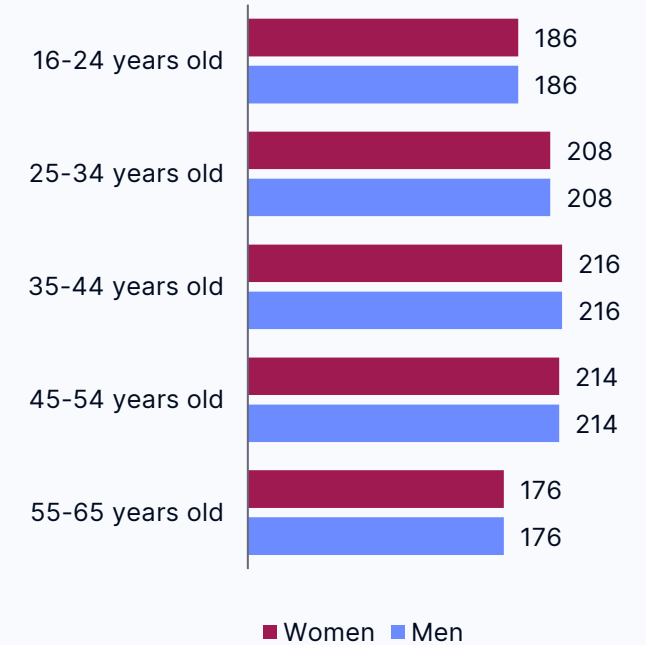
Method

- Mobile questionnaire, administered via the Appinio app
- The survey took place between 31st of May and 7th of June 2022
- View and analyze data on research.appinio.com

Sample

- Country: The United Kingdom
- Age: 16 - 65 years
Ø age= 39.3 years
- Nationally representative – quoted by age & gender based on the 2011 census
- Participants: N = 2000

Sample Composition



Your contacts

For studies



Louise Leitsch

Director Research

Office +49 40 2286 57 312

E-mail louise.leitsch@appinio.com



Mainga Hachibiti

Insights & Research Manager

E-mail mainga.hachibiti@appinio.com

For marketing



Sophie Locke

Growth Manager

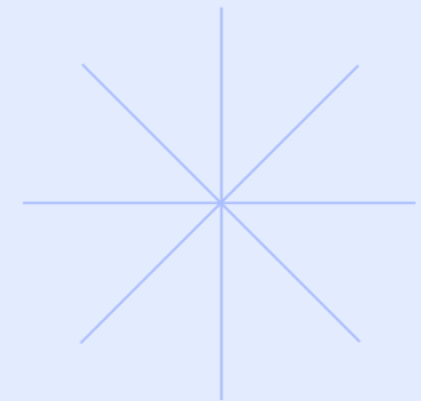
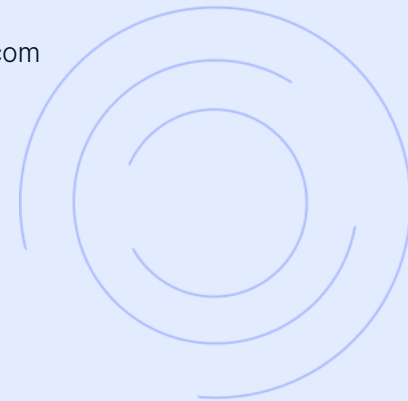
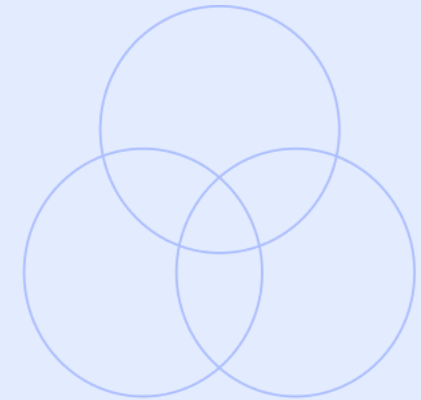
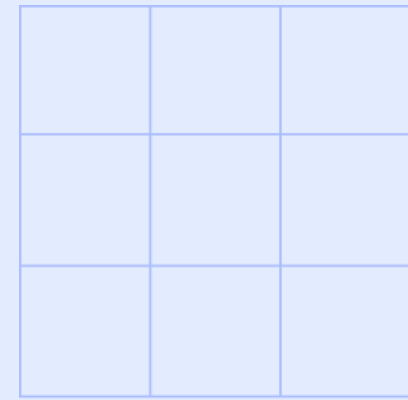
E-mail sophie.locke@appinio.com



Michael Drinkwater

Senior Consulting Manager

E-mail michael.drinkwater@appinio.com



Appinio Germany
Große Theaterstraße 31
20354 Hamburg

Appinio USA
1355 Market St
94301 San Francisco

Appinio UK
Victoria House, Suite 41
38 Surrey Quays Road, London, UK