

71 Percent of Shoppers Are Spending More In-Store Than Online, According to New Survey

First Insight Finds Consumers More Likely to Add Items to Cart when Shopping in-store vs. Online More Men Say In-Store Technology is Enhancing the Customer Experience

Las Vegas - Shoptalk - March 04, 2019 - Both men and women are spending significantly more in-store than online during a typical shopping visit according to a new report, by First Insight, Inc., a global technology company transforming how leading retailers make product investment, pricing and marketing decisions. The company, which recently surveyed consumers on shopping habits, purchase behavior and influences driving decisions, found that 71 percent of respondents (72 percent of men; 70 percent of women) typically spend more than \$50 when shopping in-store. In contrast, only 54 percent of respondents (59 percent of men; 49 percent of women) are spending more than \$50 when shopping online.

Of note, 34 percent of respondents (36 percent of men; 33 percent of women) reported spending more than \$100 during a typical in-store shopping visit, compared to only 21 percent (26 percent of men; 17 percent of women) who reported spending more than \$100 when shopping online.

This trend continued when evaluating the likelihood of a shopper adding extra items to their carts. When shopping in-store, 78 percent of men and 89 percent of women reporting that they sometimes or always add additional items to their cart. By comparison, a lower 67 percent of men and 77 percent of women reported adding extra items to their carts when shopping online.

"Even as online sales grow, this research shows that retailers must work to strike the right balance with consumers who are shopping differently online than they are in-store," said Greg Petro, CEO of First Insight. "The fact that consumers are less likely to add items to a cart when shopping online implies that online recommendations are not as effective as they should be. Retailers need to be sure to offer the products consumers need and want at the right price points no matter where they are shopping, and must continue to work to drive traffic in-store where consumers are willing to spend more."

The results were announced during Shoptalk in Las Vegas today. Download the report and accompanying infographic to see all the key findings from the study here.

Other significant findings of the survey include:

More Consumers Only Go In-Store When They Need Something

According to the survey, 73 percent of men and 69 percent of women respondents said that they only shop in-store when they have a need for something. Far fewer of both groups (64 percent of men and 56 percent of women) said the same about online shopping. The data points to the fact that retailers and brands, to be most effective and capture greater sales, need to place greater priority on the overall shopping experience. To attract consumers into the store beyond buying necessities, retailers must focus on in-store pricing, incentives and having the right items available in-store.

More Men Say In-Store Technology Enhances the Shopping Experience than Women

According to the report, men and women have begun to diverge slightly in their usage and enjoyment of in-store technology, with men using magic mirrors, interactive windows, smart fitting rooms, virtual technology and beacons more often in-store than women (between 40-47 percent versus 33-40 percent). Further, more men felt in-store technology enhanced their shopping experience across every technology:

- · Magic Mirrors: Twenty-five percent of men versus 20 percent of women
- Interactive Windows: Twenty-five percent of men versus 19 percent of women
- Smart Fitting Rooms: Twenty-three percent of men versus 21 percent of women
- Virtual Reality: Twenty-two percent of men versus 19 percent of women
- Beacons: Twenty-four percent of men versus 18 percent of women.







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percent), 66 percent of men say they make their clothing purchases in-store, versus 59 percent online.

By comparison, the survey showed that both men and women prefer to purchase technology items and gadgets online. Fifty-two percent of men and 43 percent of women purchase technology items online, versus 36 percent and 34 percent, respectively, who buy these items in-store.

Methodology

First Insight's findings are based on the results of a consumer survey of a targeted sample of more than 1,000 respondents and was fielded in February 2019. The survey was completed through proprietary sample sources amongst panels who participate in online surveys.

About First Insight, Inc.

First Insight is the world's leading customer-centric merchandising platform that empowers retailers and brands to incorporate the Voice of the Customer into the design, pricing, planning, and marketing of new products. Through the use of online consumer engagement, the First Insight solution gathers real-time consumer data and applies predictive analytic models to create actionable insights, which drive measurable value. Retailers, manufacturers and brands use the First Insight solution to design, select, price, plan and market the most profitable new products for reduced markdown rates and improved sales, margins and inventory turnover. Customers include some of world's leading vertically integrated brands, sporting goods companies, department stores, mass merchant retailers and wholesalers. For further information, please visit www.firstinsight.com.

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