

Catch 'Em and Keep 'Em Survey Findings (United States)

Summary

- Internet ubiquity, personal technology adoption, and e-commerce growth have produced a new consumer behavior—cross-channel shopping.
- This environment creates three issues for retailers:
 - How to “catch” consumers as they search for products, prices, and shopping ideas
 - How to “keep” shoppers connected to your brand as they bounce between channels
 - How to entice customers with experiences that trigger them to buy, and buy more
- Consumers increasingly depend on online content to find information, get deals, discover new ideas, and become inspired before making a purchase.
- “Mashing up” physical retailing with the best of rich online content revitalizes stores by creating compelling experiences not possible via either channel (online, store) alone.
- Cisco IBSG tested five mashop concepts with 1,000 U.S. shoppers. Results show broad interest among both men and women, and across all age groups and industry categories. Gen Y and baby boomer / Silver women exhibited the greatest interest.
- The research findings will help retailers select and create the best mashop concepts for their specific markets and target customers.

Channel-Hopping:

Many Shoppers Use at Least Two Channels To Search and Buy

New forms of cross-channel behaviors have emerged. In addition to the two most common shopping journeys—1) searching online and buying in stores, and 2) searching in stores and buying online—consumers are now crossing channels within the store and online. This new behavior is making it more difficult for retailers to keep shoppers within their brands throughout the purchasing cycle. Cisco IBSG's research results highlight the opportunity for retailers to use a new generation digitally rich, easy-to-use kiosks and mobile experiences to capture sales in the store:

- Percentage of respondents who have searched using one channel and made a purchase through another channel:
 - PC-to-store: 57 percent do it now; 17 percent interested in doing it
 - Store-to-online (mobile or PC): 38 percent do it now; 19 percent interested in doing it



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- Kiosk-to-store (immediate in-store sale): 24 percent do it now; 29 percent interested in doing it
- Kiosk-to-store (later in-store pickup): 19 percent do it now; 27 percent interested in doing it
- Kiosk-to-store (delivery to location of choice): 15 percent do it now; 28 percent interested in doing it
- Mobile-to-store: 24 percent do it now; 21 percent interested in doing it
- Mobile-to-PC: 26 percent do it now; 18 percent interested in doing it

Technology and Digital Content Influence Four “Buying Triggers”

Shoppers currently use or are interested in using a variety of technologies and digital content in conjunction with the four buying triggers that drive purchases: find, best deal, discover, and inspire. (Note: buying triggers are experiences that cause customers to move from thinking about buying to actually making the purchase.) Cisco IBSG’s research identifies the significant value that consumers attribute to digital buying and solution guides, videos, and personalized recommendations in helping them make better purchasing decisions.

- **Find:** Finding the right product. Key elements include information, price, product, location, and availability.
 - Retailer websites: 65 percent use now; 19 percent interested in using
 - Social networks: 32 percent use now; 15 percent interested in using
 - Mobile apps: 20 percent use now; 21 percent interested in using
- **Best deal:** Getting the best price. Key elements include price, offers, rewards, and scarcity.
 - Retailer websites: 63 percent use now; 20 percent interested in using
 - Price-comparison sites: 28 percent use now; 34 percent interested in using
 - Coupon sites: 23 percent use now; 29 percent interested in using
 - Social networks: 27 percent use now; 18 percent interested in using
- **Discover:** Finding the right product to address a specific want or need, and learning how to use a product so it becomes a solution.
 - Online retailer recommendations: 49 percent use now; 25 percent interested in using
 - Online buying guides: 30 percent use now; 36 percent interested in using
 - Online solution guides: 27 percent use now; 32 percent interested in using
 - Online videos: 30 percent use now; 23 percent interested in using
- **Inspire:** Buying something that is “uniquely you.” Key elements include joining the in-crowd, starting a trend, or buying something others will covet or aspire to.
 - Online retailer recommendations: 44 percent use now; 24 percent interested in using
 - Online buying guides: 24 percent use now; 37 percent interested in using
 - Online solution guides: 22 percent use now; 32 percent interested in using

- Online videos: 28 percent use now; 22 percent interested in using

In-Store Digital Screens Influence What People Buy

Respondents showed growing interest in using interactive, visual content to help them make buying decisions:

- Kiosk in store: 20 percent use now; 31 percent interested in using
- Digital screens in store: 21 percent use now; 27 percent interested in using
- Video walls in store: 15 percent use now; 27 percent interested in using
- Mobile phones in store: 20 percent use now; 20 percent interested in using
- Tablet PCs in store: 9 percent use now; 26 percent interested in using

Mashop Concept Tests

Cisco IBSG tested five mashop concepts to determine shoppers' overall interest in each solution. The research also explored how the concepts encouraged shoppers to make purchases as well as which elements of the experience (for example, content, endpoints, devices) shoppers found most useful. Survey results show broad interest in the five mashop concepts among men and women, and across all age groups and industry categories. Gen Y and baby boomer / Silver women were most interested.

- **Immersive experiences:** Allow shoppers to visualize themselves in different environments wearing various combinations of products (for example, trying on clothes and accessories virtually, or experimenting with furniture designs, fabrics, and colors in a living room)
 - Most popular concept overall
 - High interest from women of all ages; Gen Y / Silvers stand out
- **Product viewer:** Large, interactive screen provides product information, views, directions to find products, and product reviews
 - Interest from Gen X and Gen Y men, women of all ages
 - Side-by-side comparisons are a top feature
- **Shelf help:** Ability to see product information, videos, and comparisons at the shelf edge. In addition, allows customers to speak with an expert virtually via video.
 - Most consistent appeal across all age segments
 - Video expert is “important” to “very important” for 36 percent of shoppers.
- **Personal mobile shopper:** Delivers personalized offers (based on transaction history) to customers' mobile phones
 - Biggest hit with Gen Y women and men
 - Thirty-nine percent of Gen Y would be more interested if this capability made personalized recommendations and offers based on products and services that shoppers “liked” on Facebook or asked about on Twitter.
 - Thirty-seven percent of shoppers want to tell retailers when they're ready to buy.
- **Shopper favorites:** Large in-store screen shows products rated by popularity, sales, votes, and “likes”
 - Forty-one percent of shoppers want limited-time, in-store specials on the screen

- Gen Y, baby boomer / Silver women most interested
- Older shoppers want directions to products in store and ability to scan bar codes on screen for more information
- Social network integration (sharing “likes” and recommendations) popular with Gen X / Gen Y

Survey Demographics

- 1,000 U.S. consumers
- Ages:
 - 18 to 29: 27 percent
 - 30 to 39: 18 percent
 - 40 to 49: 22 percent
 - 50 to 59: 17 percent
 - 60+: 16 percent
- Ages by generation:
 - Gen Y: 18-29
 - Gen X: 30-49
 - Baby boomers: 50-64
 - Silvers: 65 and older
- Gender
 - Male: 48 percent
 - Female: 52 percent

For More Information

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More Information

Cisco Internet Business Solutions Group (IBSG), the company's global consultancy, helps CXOs from the world's largest public and private organizations solve critical business challenges. By connecting strategy, process, and technology, Cisco IBSG industry experts enable customers to turn visionary ideas into value.

For further information about IBSG, visit <http://www.cisco.com/go/ibsg>.



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