

SHOPPING (R)EVOLUTION

Digital Shoppers in the Age of Impatience



Stefano Cini – Client Business Partner



@CiniStefano #OM16

OM15: Lessons learned

Sense of urgency: change is not an option



The Big Bang of Data:
DUMB OBJECTS are becoming **SMARTER**



There is no **DIGITAL STRATEGY** anymore,
just strategy in a **DIGITAL WORLD**



Rethink your Customer Engagement process:
from '**CUSTOMER LOYALTY**'
to '**LOYALTY TO THE CUSTOMER**'

OM15: New challenges

You can't win if you don't play



FOLLOW
SMARTSHOPPERS



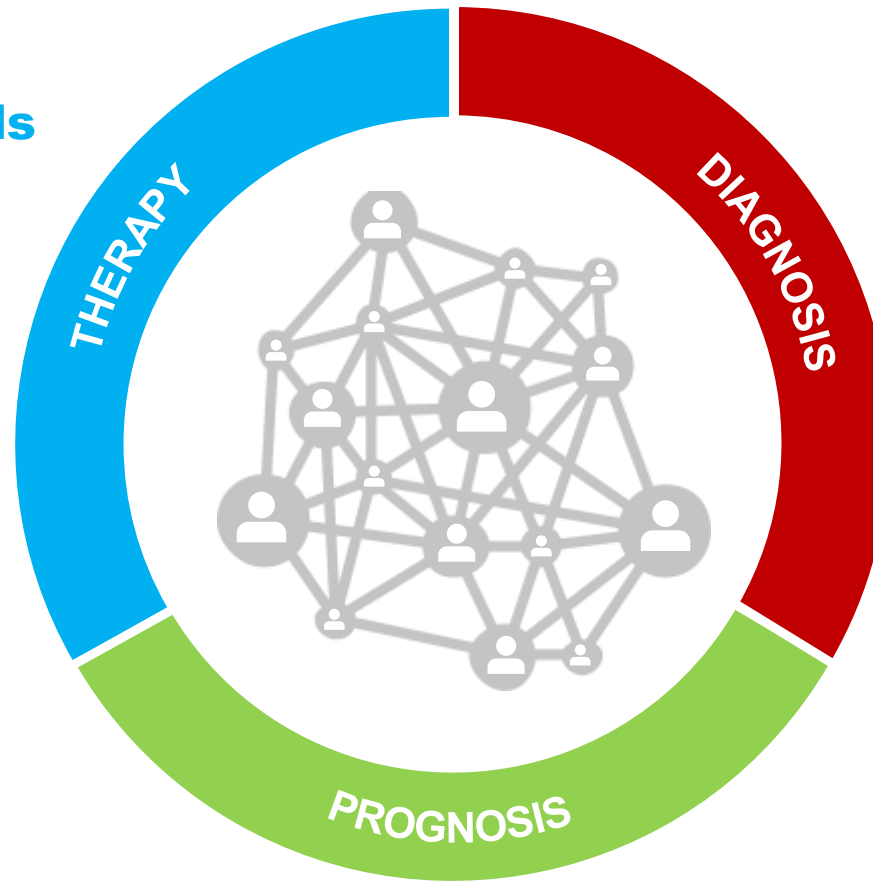
BECOME
SMARTBRANDS



OM16: Agenda

Digital Shoppers in the Age of Impatience

**How Smartbrands
can reshape
Customer
Management**

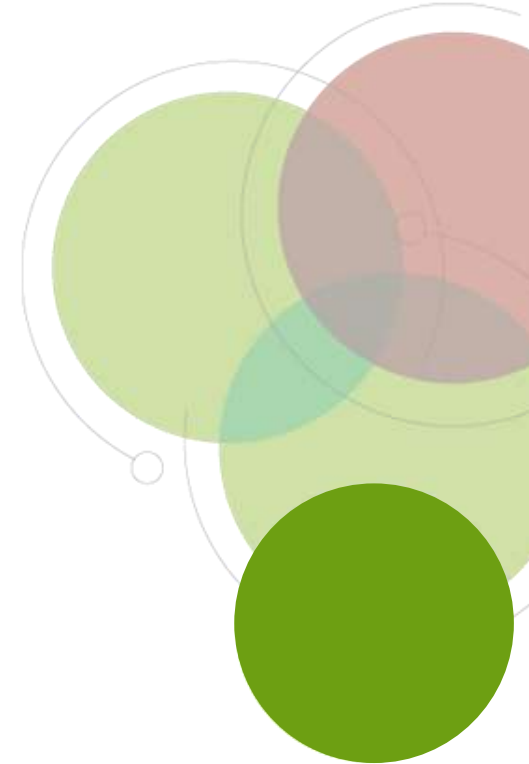


**How fast
is the change
in the Age
of Impatience**

**How to plan for
the Shopper of tomorrow**



How fast is the change in the Age of Impatience



Trends transforming business models

Technology open the door to digital disruptors

Sharing is Caring



On-Demand Economy



Coo-petition



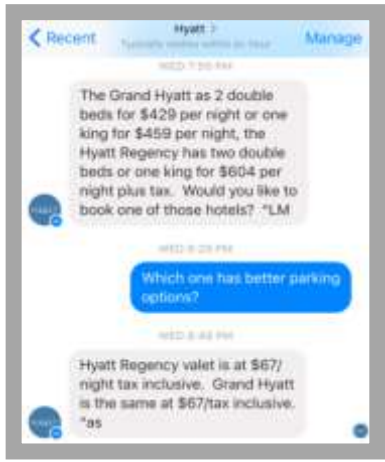
Digital Hybridation



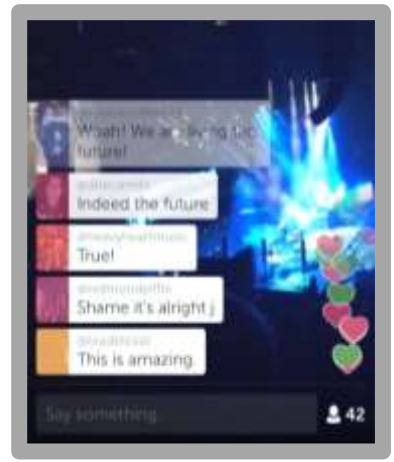
Trends transforming communication

Technology reshape the language and let consumer play as spokesperson

1-2-1 conversation



Live Broadcasting



Visual Vocabulary



User Generated Contents



Trends transforming consumer habits

Technology raises the bar and changes client engagement models

Gamification



Choice support



Info asymmetry reduction



P2P simplification



The rise of an "Always-On" Culture

Italians change the way they get connected

Internet Users (Pc+Mobile)

31,5 mio

individuals per year

21,7 mio

individuals per day

Avg time spent online

2h 01min

per day

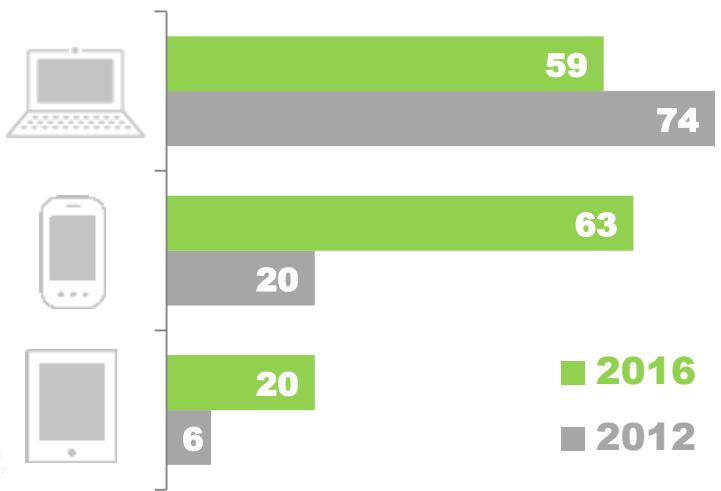


1h 05min
per day

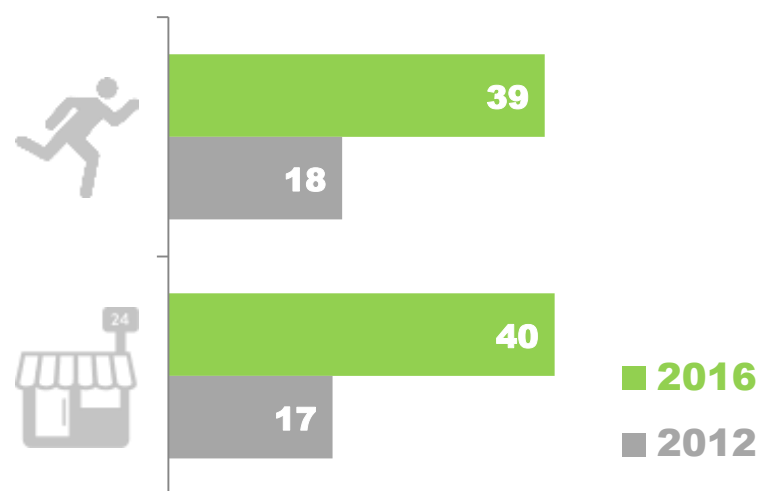


1h 45min
per day

Connected devices



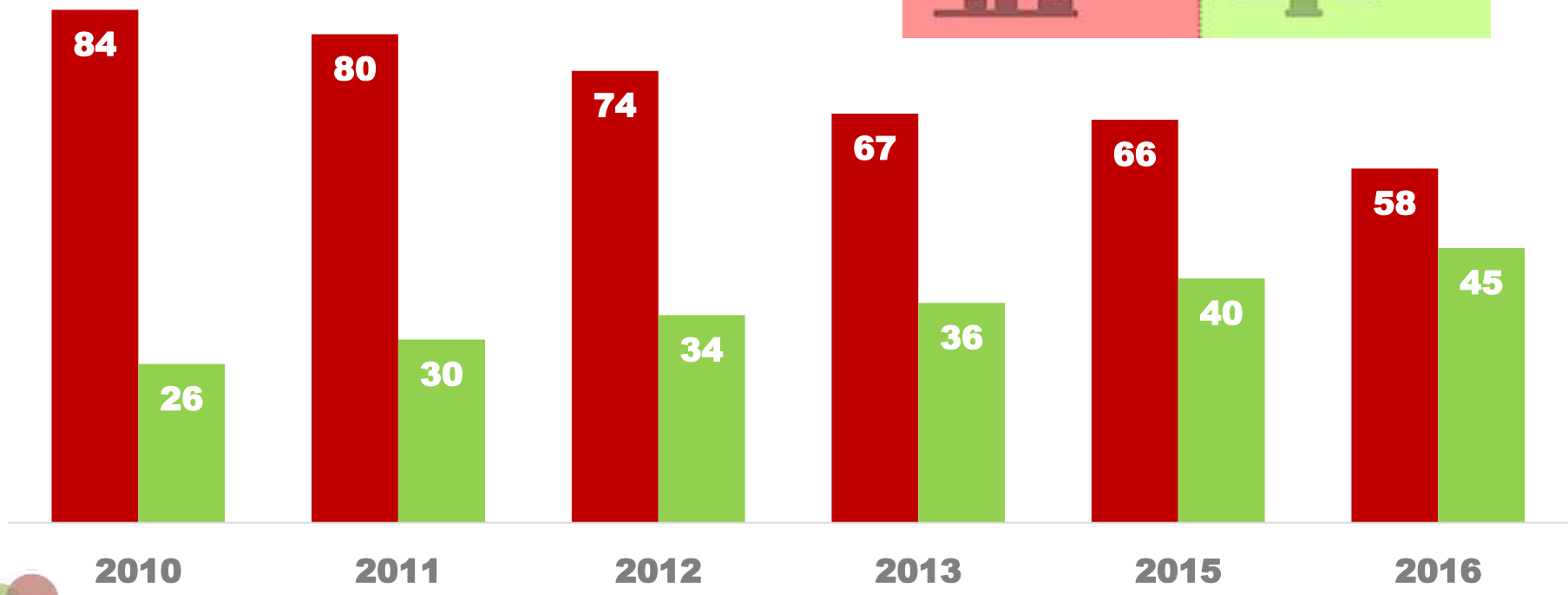
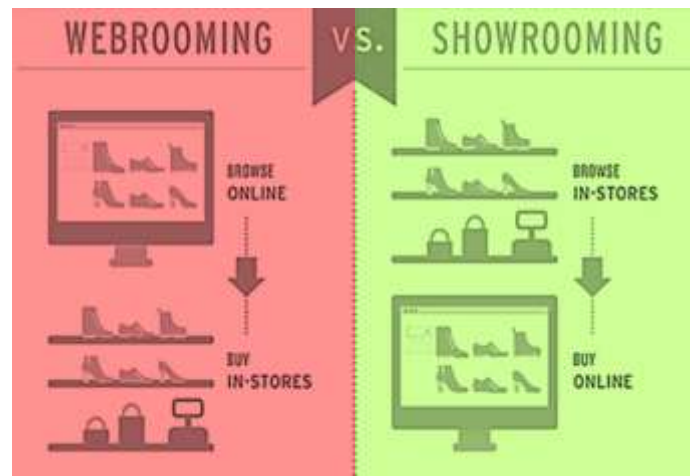
Connection areas



Looking for a seamless shopping experience

Stores are no longer just an endpoint for the shopping experience

- I research products online before buying them in a physical store
- I check products in the store before buying them online



Source: Nielsen, Osservatorio Multicanalità 2016 – Base Internet Users - % Respondents «Agree»+«Somewhat Agree»

eCommerce grows double digits

Increasing demand pushes Italian companies to go online

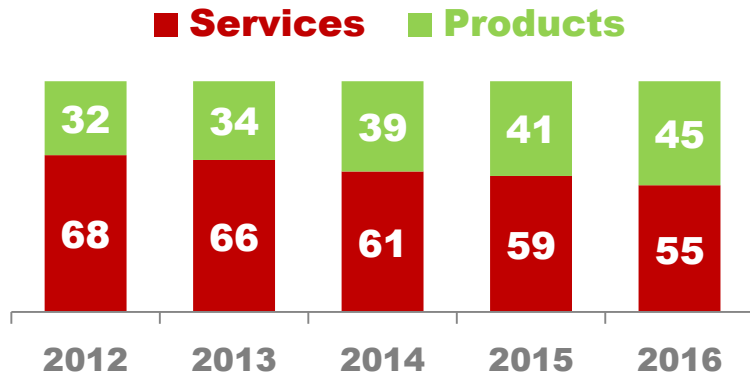
eCommerce Turnover

19,3 Bln €

online purchases
(+43% vs. 2012)

Source: Osservatorio eCommerce B2C

Turnover distribution



Source: Osservatorio eCommerce B2C

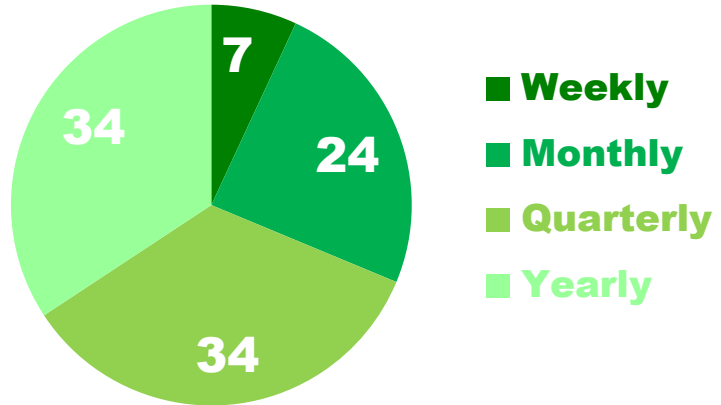
eShoppers

65%

of internet users
(+20 p.p. vs. 2012)

Source: Nielsen, Osservatorio Multicanalità 2016

Purchase frequency

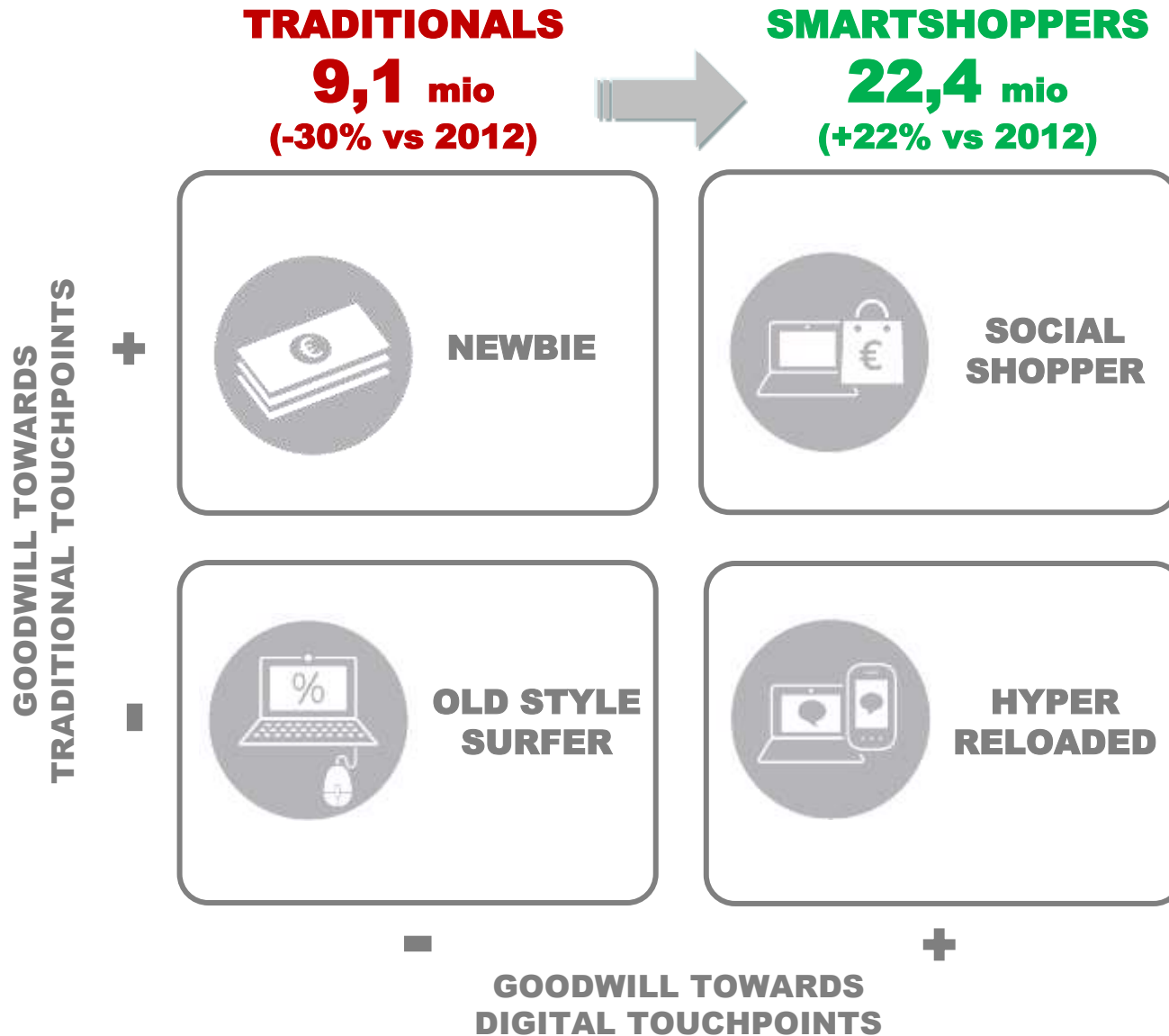


Source: Nielsen, Osservatorio Multicanalità 2016

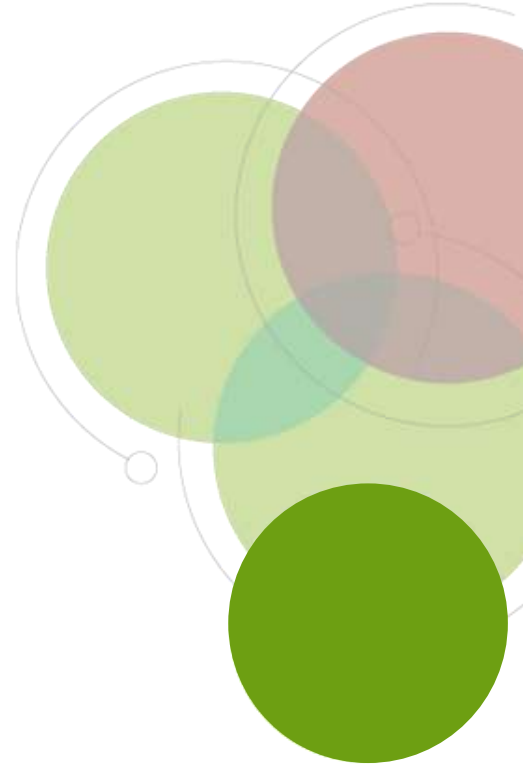


Smartshoppers take off

Digital touchpoints usage is increasing in P2P process

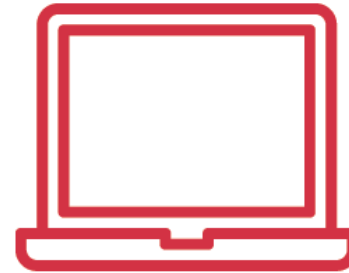
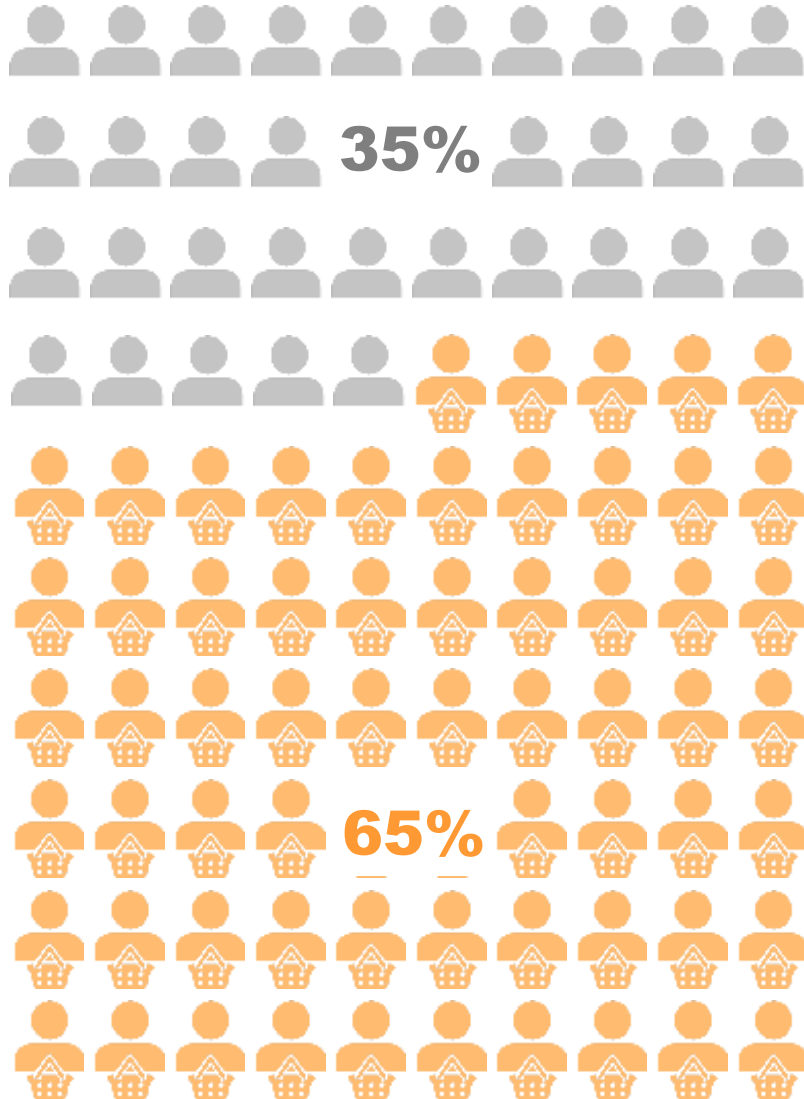


How to plan for the Shopper of tomorrow



New segmentation variables

The two souls of internet users



=



+



31.5mio
Internet Users

11mio
infoShoppers

20.5mio
e-Shoppers



Different approaches to the online P2P

eShoppers use internet all along their online journey

PRE

Search for Info

96%
(+23pp)



73%

Price Comparison

92%
(+32pp)



60%



eShoppers

POST

Feedbacks

52%
(+31pp)



21%

Post Sale

54%
(+42pp)



12%

InfoShoppers



InfoShopper (5,5 mio)



Shopping habits

Shopping is a daily task
Needs to **see/touch** the products
Appreciates the sales people help
Prefers classical payment methods
Low trusts in Private Label (food)
Low promo sensitivity



47%



53%

	%	Idx*
MILLENNIALS	29	94
GENERATION X	39	84
BABY BOOMERS	32	140
RA	39	77

*Concentration index, base Internet Users



Lifestyle

Culturally rooted
Tied to local habits
Family and home grooming
Low level of education



Tech profile

Technological equipment below average of internet users

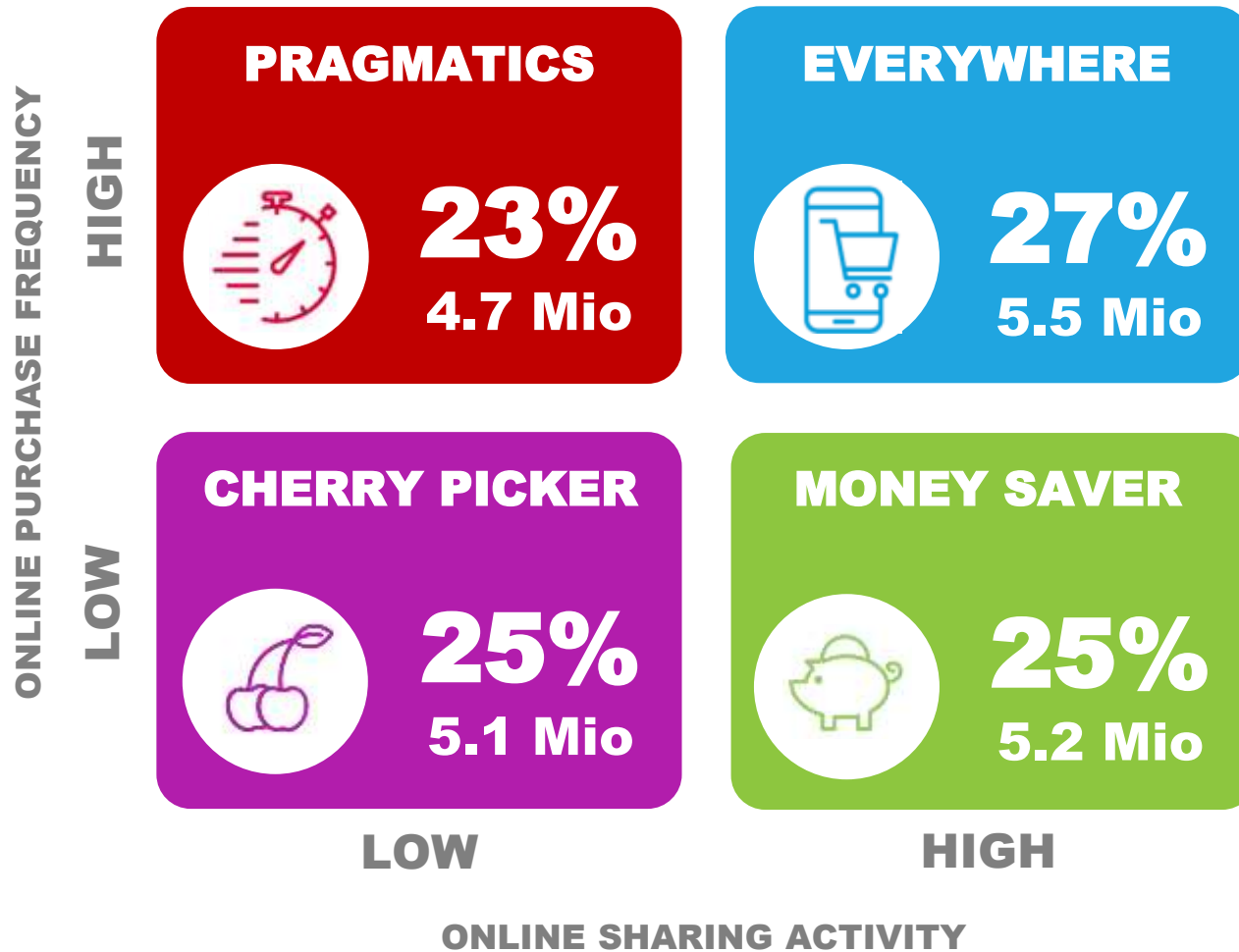


Touchpoint in P2P

Internet for searching info and comparing prices
Surfs on Brand and Banner websites
Traditional word of mouth
Low sharing propensity

The new OM16 map

e-Shoppers can't be considered as one homogeneous cluster



The new OM16 map

The new clusters in a nutshell



Cherry Picker (5,1 mio)



Shopping habits

«**Auto pilot**» purchasing mode
 Can be influenced in **the point of sale**
 Wants direct **relation with sales staff**
 Needs to **see/touch the products**
 Shows **loyalty to the brand/banner**
Low attention to prices and promos
Doesn't trust on PL & Discount



48%



52%

	%	Idx*
MILLENNIALS	26	82
GENERATION X	47	94
BABY BOOMERS	27	149
RA	57	99

*Concentration index, base eShopper



Lifestyle

Conservative
Indoor style
Daily routine and traditions
Tied to family values
Availability of leisure time



Tech profile

Technological equipment **below average**



Touchpoint in P2P

Information need through **classical sources**
 Highly driven by the **physical store**

Money Saver (5,2 mio)



Shopping habits

Rational shopper marked by efficacy
Does carefully the **shopping list**
Seeks **value for money**
Prefers «**cutting ticket**» promo



58%



42%

	%	Idx*
MILLENNIALS	34	108
GENERATION X	49	98
BABY BOOMERS	17	93
RA	52	91

*Concentration index, base eShopper



Lifestyle

Planner
Driven by **need/desire of saving**
Outdoor life, newness lover



Tech profile

Smartphone addicted



Touchpoint in P2P

Internet satisfies the desire of **infocommerce**
Price benchmarking and **folder online**
Digital WOM necessary in the planning process
Social networks fulfill the information need

Pragmatic (4,7 mio)



Shopping habits

Efficient shopper
 Looks for **quick & easy buying process**
Short time spent in the store
Wide brand consideration set (also PL)
 Promo = **instant & customized saving**



	%	Idx*
MILLENNIALS	24	75
GENERATION X	56	110
BABY BOOMERS	21	116
RA	61	106

*Concentration index, base eShopper




Lifestyle

Highly educated
Rational and planner
 Loves **innovation & technology**
 Driven by **time-saving need**



Tech profile

Technologically evolved



Touchpoint in P2P

Use of internet as a service
Not interested in sharing/checking feedbacks

Everywhere Shopper (5,5 mio)



Shopping habits

Grocery shopping = **pleasing moment**
 Careful about **packaging and store design**
Trusts Discount and Private Label
 Sensitive to **loyalty promo type**



59%



41%

	%	Idx*
MILLENNIALS	41	131
GENERATION X	50	99
BABY BOOMERS	9	48
RA	60	104

*Concentration index, base eShopper



Lifestyle

Loves **novelty & new products**
Green soul
Instinctive and sensory
 Looks for **new stimuli**
 Lover of **aesthetics**
 Internet as a **sociality tool**



Tech profile

Owens everything that's **high-tech and brand new**

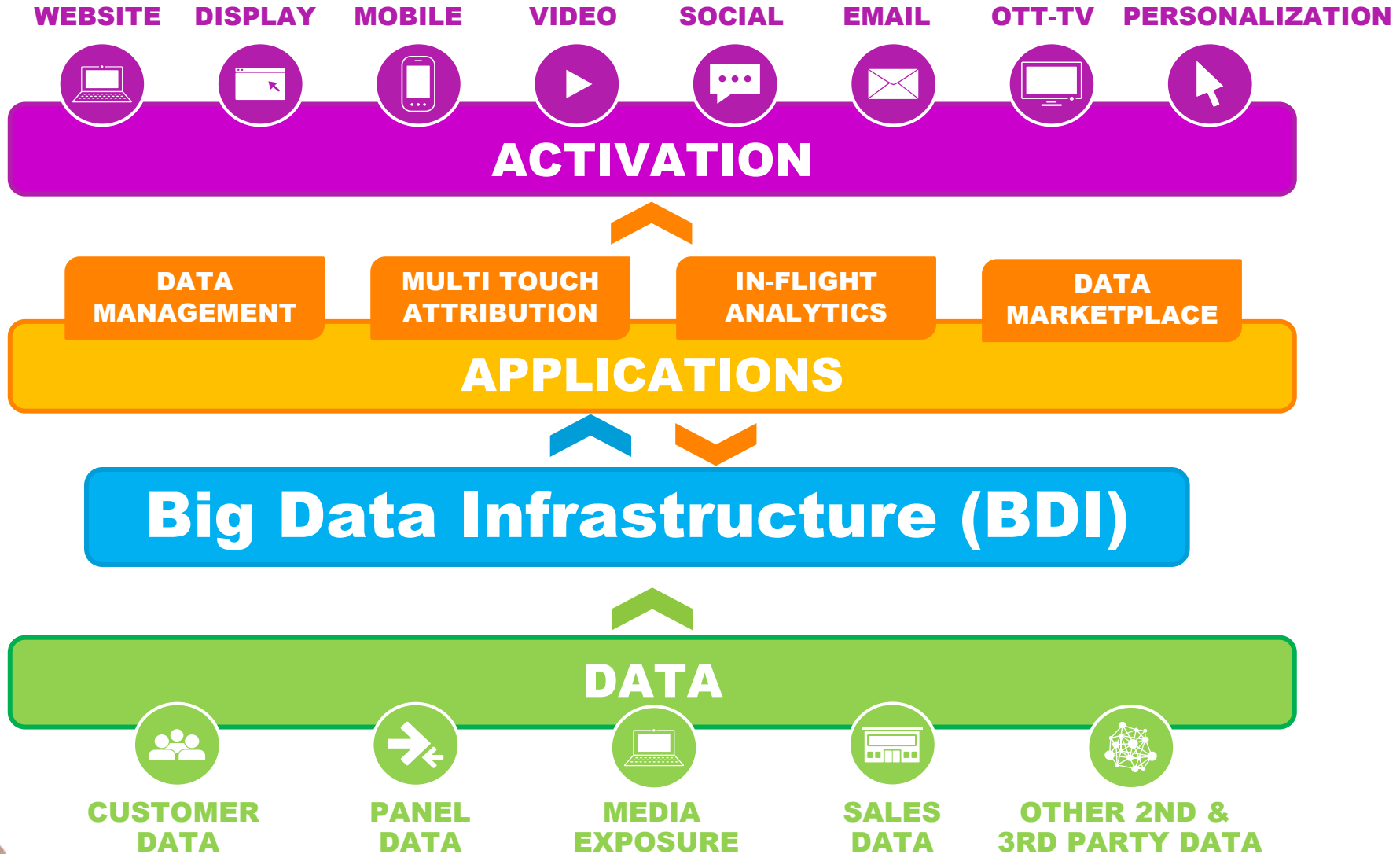


Touchpoint in P2P

Internet = entry point in the searching process
 Attentive to **digital advertising**
 Compares prices and **folders online**
 Decision-making influenced by **users feedbacks**
 Tends to **share online his personal opinions**

Technology = first problem and then solution

From disruption to solutions through Innovation



Do. Or do not.
There is no try.

~Yoda

