

RETAIL

## Ecommerce experience heightening consumers' retail expectations

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Consumers are researching online before hitting stores. Image credit: Bloomingdale's

By SARAH JONES

Consumers' shopping habits are increasingly cross-channel, but new research finds retailers are putting more emphasis on consistency of experience rather than the convergence of their digital and physical channels.

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According to a report from Boston Retail Partners, 82 percent of consumers have browsed or researched online before heading to a store to make a purchase. The more educated, ecommerce-connected consumer has raised expectations for retailers, calling for brands to ramp up their offerings to remain competitive.

"Ecommerce and mobile commerce has put additional information and enhanced functionality into the hands of both customers and associates," said David Naumann, vice president of marketing at **Boston Retail Partners**, Boston. "This, in turn, has increased customer expectations as she now has more shopping options than ever before with access to competitive pricing, greater merchandise assortments and faster delivery.

"This makes the customer journey more complicated and competitive than ever before," he said.

### Omnichannel opportunity

Retailers surveyed show the greatest expectation of revenue increase from ecommerce, with 74 percent anticipating growth. Comparatively, only 38 percent are projecting that their bricks-and-mortar revenues will rise.

This fits with what consumers are saying about their behavior. Eight in 10 self-report that they shop frequently or occasionally online, and 39 percent plan to up their ecommerce purchasing within the next two years.

Courtesy of ecommerce, today's consumer can more easily compare prices and plan a purchase before ever visiting a store. Fifty-three percent of consumers create bricks-and-mortar shopping lists online.

Shoppers also typically research across a number of retailers, heightening competition over aspects such as pricing and availability.

In this highly competitive environment, one way to stand out is through loyalty. However, only 41 percent of retailers enable consumers to check their loyalty accounts online.

Other ecommerce features are designed to cater to both online and omnichannel shoppers.



*Retailers are making their ecommerce sites more consistent with the in-store experience. Image credit: Saks Fifth Avenue*

Looking to help consumers pick up where they left off, more than half of retailers show shoppers their browsing history.

About two-thirds also offer product suggestions. Comparatively, only 52 percent of retailers use suggestive selling in stores.

Despite the importance that consumers place on user reviews ([see story](#)), only 55 percent of retailers have review capabilities on their ecommerce sites.

There is also an opportunity for more retailers to incorporate live chat. While only 30 percent have chatting features in place today, 41 percent plan to incorporate it over the next two years.

Most consumers fluidly move across channels, starting their journey in one place and transacting in another. Fifty-nine percent of retailers identified that creating a consistent experience across channels was a key goal, while only 18 percent said they are focused on bringing their channels closer together.

"Ninety-two percent of consumers research products or stores online prior to a store visit, and 63 percent conduct product research on mobile phone while they are in the store," Mr. Naumann said. "In-store research on mobile phones is most prevalent with younger shoppers.

"Since consumers use digital devices throughout the shopping journey to research product information, compare prices and read consumer reviews, providing as much relevant information via the retailer's Web site helps keep customers loyal to the brand," he said. "Retailers can further enhance personalization through the use of user reviews, suggestive selling and product comparisons on their branded sites."

### Crossing channels

Affluents are increasingly drawn to online shopping because of convenience, but omnichannel shoppers spend more on luxury items than the average on- or offline consumer.

According to Forrester Analytics' Luxury Retail Forecast, nearly 60 percent of luxury sales growth will originate from ecommerce by 2023. More than 90 percent of affluents worldwide purchase luxury goods and services, but only 5 percent are responsible for a third of luxury spend ([see story](#)).

Consumers' luxury ecommerce expectations are partly driven by unexpected competitors.

Luxury brands may not think of retailers and brands such as Target, Walmart and Kohl's as competition, but they have the platforms that are setting the standards for the shopping experience.

Convenience, quality and trust are some of the most important aspects affluent consumers consider when choosing a retailer or brand to shop with today, according to a Forrester analyst during a keynote at Women in Luxury 2019 on May 9. Luxury marketers often look to their competitors to see what they are up against, but many brands often forget that their affluent consumers are also shopping at mass retailers and marketers, whose experiential offerings are extremely advanced ([see story](#)).

"Consumers now start and stop their shopping journey in different channels and frequently shop for the same product across different retailers, via mobile, online or in-store," Mr. Naumann said. "As ecommerce continues to

represent a greater share of retailers' revenue mix, it is imperative that retailers continue to enhance their online capabilities to keep up with their competitors that are just a click away."

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