

RETAIL

## Online shopping expected to surge as stores reopen: Qubit

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*Qubit finds that more than 85 percent of consumers plan to online shop just as much if not more even as store locations reopen. Image credit: Rupixen.com*

By KATIE TAMOLA

While several brands and retailers are reopening their physical locations after a year of limited in-person shopping availability due to COVID-19, some consumers are sticking solely to online shopping.

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In a new survey, personalization software platform Qubit found that 85.9 percent of consumers plan to continue shopping the same or more online, even as most stores are reopening around the world. With the study also finding that the 2021 holiday season could be the biggest online shopping stretch yet, luxury brands must continue to make their ecommerce experiences seamless and personalized to maintain consumers and expand their audiences.

"By making the customer experience smooth and contextual the browser is more likely to find what they are looking for and become a customer," said Sergio Iacobucci, director of marketing & partnerships at Qubit. "There are numerous ways in which a business can drive relevance, it starts with the product offering and matching the taste and trends of today's consumer.

"Then it trickles all the way through to the end customer experience, with the first key problem - [asking if these consumers] can they find these great products," he said. "They're buried deep in your catalog somewhere and it's important to bring them into the limelight at the right moment for the right customer getting product discovery right with relevancy is key."

Qubit surveyed 1,500 U.S. and U.K. consumers in July 2021.

### Staying online

Ecommerce has a lot to offer including convenience, product range, payment methods and plans, delivery options and more. As most stores were closed due to the pandemic, ecommerce also became habitual and commonplace for many.

The COVID-19 pandemic fueled a 27.7 percent surge in online retail globally in 2020, with **eMarketer** estimating sales during that time at \$4.2 trillion.



*The ongoing COVID-19 pandemic has accelerated adoption of e-commerce, and it looks like people plan to continue their reliance on e-commerce. Image credit: Canva Studio from Pexels*

Qubit predicts continued reliance on e-commerce, with 54.5 percent of U.S. and U.K. consumers saying they plan to shop online as much as they did during the last peak period. Thirty-two percent of respondents in the U.S. also note that they expect to shop more online than during last year's holidays.

Luxury brands will have to be cognizant of how customers experience their online offerings, as 87.6 percent of shoppers say they are faced with an overwhelming amount of product choices some, always or most of the time.

Brands are being urged to prioritize excellent customer service and safety procedures to ensure continued sales and consumer loyalty.

During a webinar on Feb. 10, an executive from Forrester discussed how improvements in customer experience encourage consumers to purchase more from competent brands. As purchasing methods installed during COVID-19 become more commonplace, brands are being urged to note what works and to continue innovating to ensure continued consumer satisfaction ([see story](#)).

Seventy percent of U.S. and U.K. shoppers say they have increased their online shopping frequency as compared to before the pandemic.

When asked which specific areas consumers were shopping in, 64.1 percent said fashion, 63 percent said consumer electronics and nearly half of respondents said they plan to continue shopping online for groceries, home and garden and beauty.

Regarding brand loyalty, 80 percent of shoppers reported that loyalty to their top two to three brands stayed the same or increased during the COVID-19 pandemic. About 31 percent of shoppers said they now shop with more brands overall than they did before the pandemic.

In comparing e-commerce and in-store shopping experiences, 54.9 percent of consumers noted that they typically need more convincing to make a purchase online than they do when they are in-store.

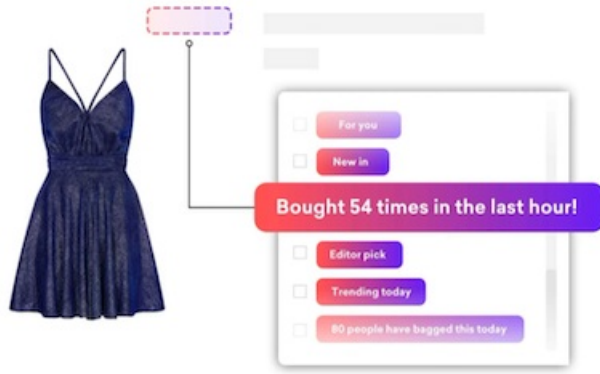
E-commerce maintains the spotlight

Although many consumers are excited to return to in-store shopping, e-commerce also remains a wildly popular option. To keep consumers satisfied online, brands must continue to learn and adapt.

With such a clear reverence for online shopping, it is of crucial importance for brands to continue fostering positive customer experiences.

Online marketplaces are progressing in quite a few different directions, but despite each organization's disparate offerings, they all remain dedicated to observing consumer behavior, adapting to trends and needs and to enhancing the customer experience. During a virtual session on March 18 at the Vogue Business and TikTok inaugural Technology Forum, Lacey Maguire, trends editor for Vogue Business spoke with leaders of four online marketplaces about business models, reaching Gen Z and how to keep their businesses moving forward.

Throughout the session, marketplace leaders reverberated the point of prioritizing the consumer. Marketplaces are aiming to land consumers and to keep them coming back by offering unique experiences and fostering loyalty ([see story](#)).



*Qubit CommerceAI uses AI to glean consumer data and improve personalized experiences. Image credit: Qubit*

With consumers' ecommerce habits continuing to surge, more luxury brands are turning to software platforms and artificial intelligence to better inform decisions about merchandise, inventory, campaigns and more.

Qubit which counts Diane von Furstenberg and Kurt Geiger among its many luxury and high-end clients recently unveiled a new engine that uses artificial intelligence, deep learning and machine learning to help brands improve one-to-one personalization techniques. Qubit CommerceAI helps boost brand loyalty and conversion rates through several different strategies, or modules, including product recommendations, personalized content and replenishment ([see story](#)).

Whether it is a loyalty program, seamless website transitions or deep learning, brands have to keep their eyes on the prize: maintaining the ecommerce audience.

"Brands need to build that 1:1 relationship with customers, especially your VIPs, whom you can define in various ways but a good place to start is with your loyalty scheme or by using total lifetime value," Mr. Iacobucci said. "Once you know who your top customers are then ensure you show them you know them – personalize the experience with onsite prompts about what you offer above and beyond other customers and make them feel valued and wanted.

"When it comes to customers that fall outside of your top spending brackets or loyalty program, one best practice is to set up programmatic experiences that speak to the customer 1:1. such as onsite replenishment prompts or messaging layers that detail their next best products."

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