



Norrelle Goldring
Head of Shopper
Experience & Retail
Performance

Norrelle specialises in improving shopping experiences by understanding how and why people buy things. She is a channel, category and shopper specialist with 20 years' experience in FMCG and retail across manufacturer, retailer and agency roles with companies such as Diageo, Coca-Cola, Goodman Fielder and Vodafone. Norrelle is a national thought leader in shopper marketing and has 14 years' experience in shopper research. For more information, contact: M: +61 437 335 686 E: Norrelle.goldring@gfk.com W: gfk.com/au.

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Physical stores important to the omnichannel generation

Young people are not exclusively virtual shoppers glued to their screens. This new generation of digital natives loves the environment of the store, and values the interaction it offers.

GfK's Global Young Shopper survey questioned shoppers aged 16-21 in 10 markets around the world. Here's what they told us about their online and offline shopping experiences:

More young people say they will only buy from retailers that have a physical presence.

Younger shoppers are slightly more likely than older people to shun shopping online altogether, yet only a small percentage of 16-21 year olds never shop online.

We found that in every single retail category, shoppers aged 16-21 were significantly more likely to say they only buy online from shops that have a physical store.

The gulf is widest in the personal electronics category, where 12 percentage points separate younger and older shoppers (26 per cent and 18 per cent, respectively, said they would only buy online from shops that have a bricks-and-mortar presence).

Our research confirms that young shoppers are an omnichannel generation, expecting a seamless experience between the two environments. Two-thirds think that retailers should provide customer support in stores, even if they have bought online.

This means retailers must offer a fully integrated service, with products and information available across all channels. Young people expect to be able to go online to check stock in a physical store, to return their online purchases to physical stores, and to access customer support wherever and whenever they need it.

Experiencing the product is important for high-ticket items.

For more expensive and high-involvement categories, young shoppers expect to be able to buy in-store. For instance, in

seven of the 10 markets we surveyed, 16-21 year olds were more likely to shop exclusively in stores for mobile phones. Clearly, for this age group to fully appreciate which phone is the right one, a visit to a store to see and handle the products and to talk to sales staff in person is essential.

Summary

Our research shows that for young people, online shopping is not the default option, and retail markets are not, as some may have predicted, progressing relentlessly towards 100 per cent e-commerce.

Instead, physical stores and virtual shopping are likely to co-exist with improved synergy, supported by solutions such as virtual fitting rooms and click and collect.

While they are completely at ease shopping on mobile phones and tablets, 16-21 year olds continue to value visiting a physical store, particularly when they are buying more expensive and higher-engagement items. They also see a shop as the place to go for customer support, regardless of where an item was bought.

It's essential that retailers understand these attitudes and the nuances within each category if they are to meet the demands of the next generation of customers.

About Global Young Shopper

GfK Global Young Shopper is a survey of a total sample of 7,266 shoppers across 10 countries. Of the sample, 5,000 are 16-21 year olds. ♦

THE SHOPPER OF THE FUTURE: WHY YOUNG SHOPPERS WON'T TURN THEIR BACKS ON PHYSICAL STORES



When deciding which shops to buy from online which of the following statements would you agree with?

