State of Adaptive Retail

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2024

State of Adaptive Retail: Key Trends

TREND #1: Next-Gen Conveniences Powered by Curated Choices

TREND #2: Multi-taskers Drive Everywhere Shopping

TREND #3: Moving Beyond the Blend

TREND #4: Channel Indifference Starts with Value

TREND #1:

Next-Gen Conveniences Powered by Curated Choices

We're entering a new era of retail where customers expect to be advised and guided throughout their shopping journeys. Shoppers want **retailers to be ready for them** – ready with hyper-specific recommendations, ready to adapt offerings to match needs, ready to deliver.

These **next-gen conveniences foster loyalty** in an industry with ever-evolving customer expectations. Retailers that curate personalized experiences for their customers – such as restocking their homes automatically and pre-filling their carts with favorites, at exactly the right time – will win.

FINDINGS

Next-Gen Conveniences Powered by Curated Choices

MORE THAN HALF OF SHOPPERS

want a tool that recommends the best products for them based on their actual space or body.

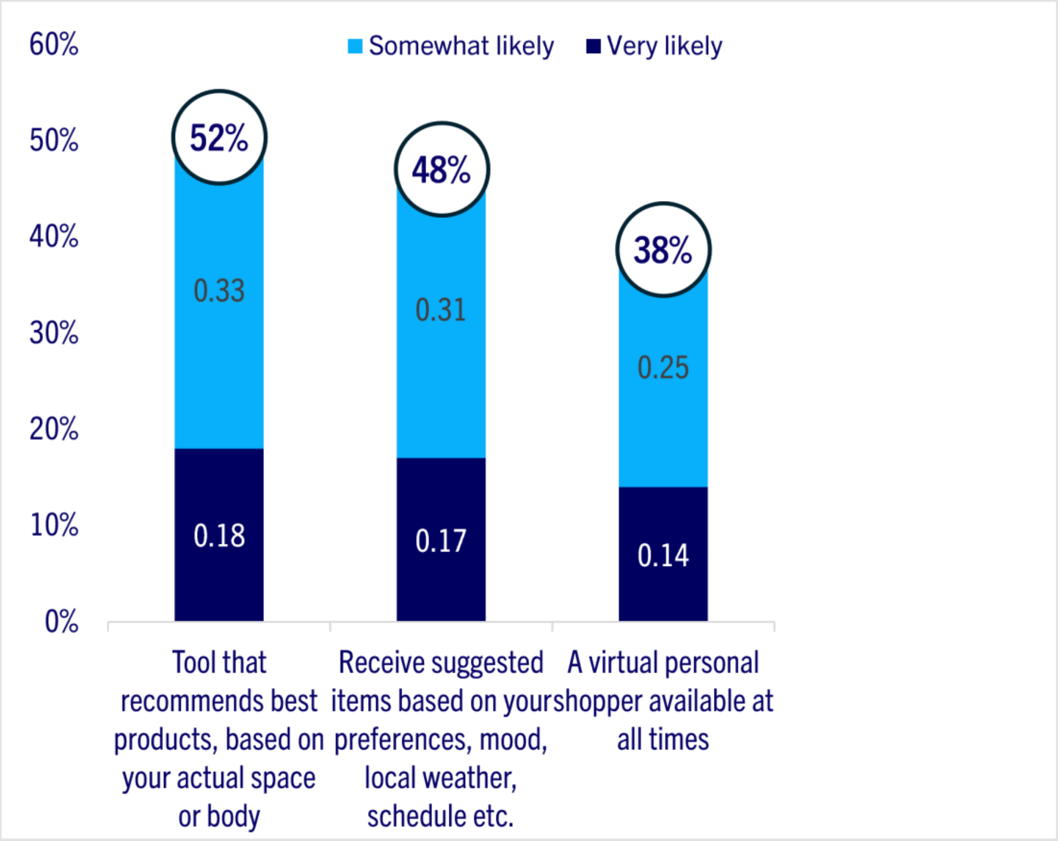
NEARLY HALF OF SHOPPERS WANT

to receive suggested items based on their preferences, mood, local weather, schedule, etc.

38% OF SHOPPERS WOULD ALWAYS WANT

a virtual personal shopper available to them; for both Gen Z and parents, that number jumps to 50%.

How likely would you be to try the following, if available?



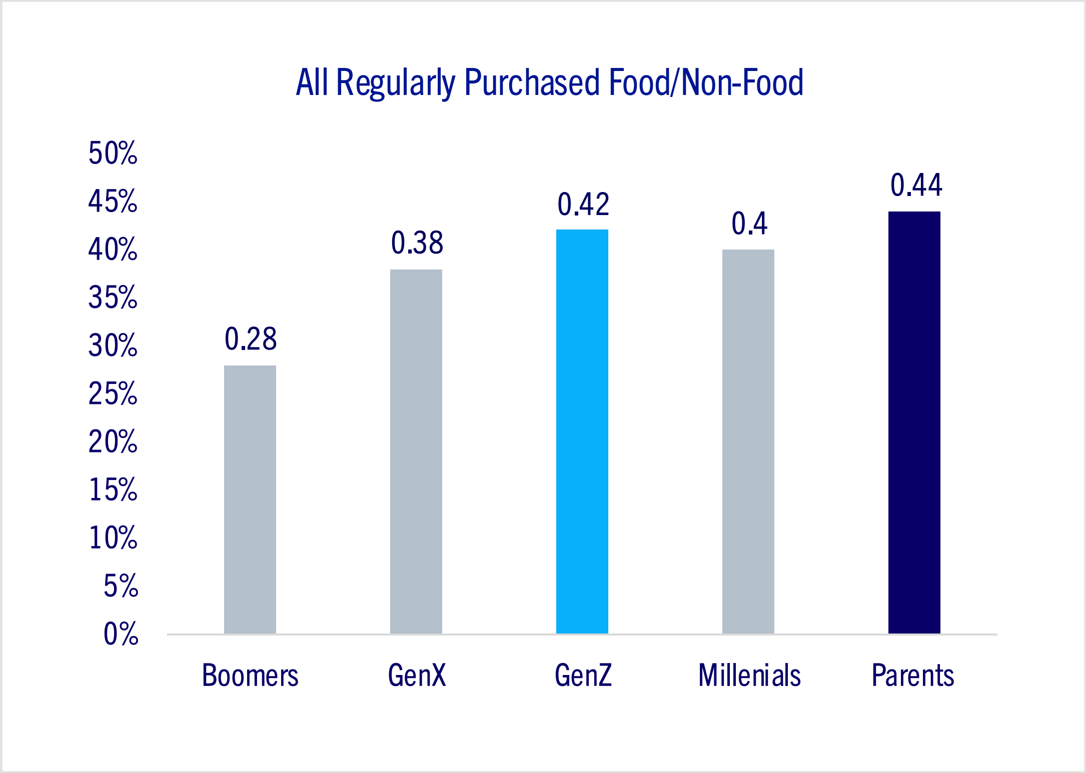
FINDINGS

Next-Gen Conveniences Powered by Curated Choices

42% of Gen Z and **44%** of Parents

are **INTERESTED** in receiving any regularly purchased items *(food and non-food)* through a **SUBSCRIPTION** or **AUTO-DELIVERY** service.

If offered, which of the following types of items would you be interested in receiving through a subscription or auto-delivery service?



TREND #2:

Multi-taskers Drive Everywhere Shopping

Shopping has evolved from being a singular, focused activity to one that is **done while multi-tasking.** In the past six months, nearly 8 in 10 shoppers have made an online purchase while also focused on another task.

Nearly half of Americans wish for the ability to purchase an item within seconds of seeing it. **They want the immediate satisfaction of seeing a coveted item while fully immersed in other activities** – such as using social media, watching TV and gaming – and the ability to buy at the spot of inspiration, **without the friction of moving to a different channel.**

FINDINGS

Multi-taskers Drive Everywhere Shopping

A MAJORITY OF CONSUMERS (56%)

have made purchases **while watching TV** in the past 6 months.

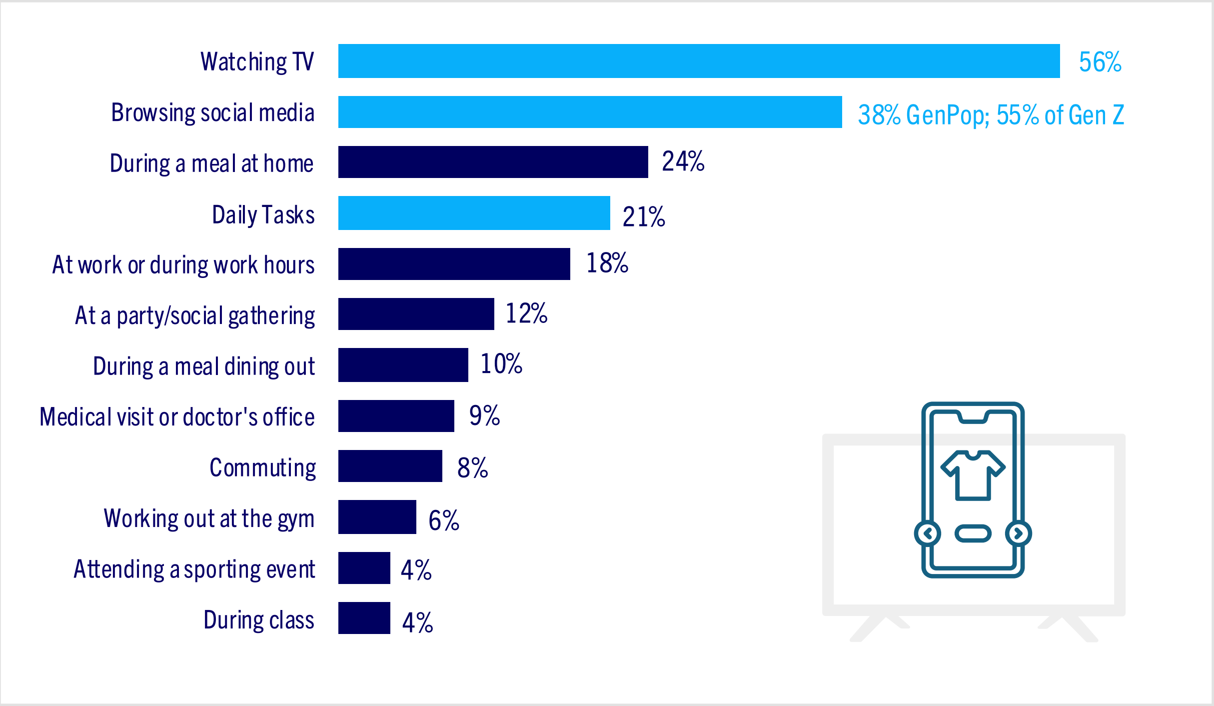
21% OF PEOPLE ADMIT

to shopping online **while doing daily tasks.**

55% OF GEN Z

have made a purchase **while browsing social media** in the past 6 months.

In the past 6 months, have you made an online purchase while doing any of the following? Select all that apply.



FINDINGS

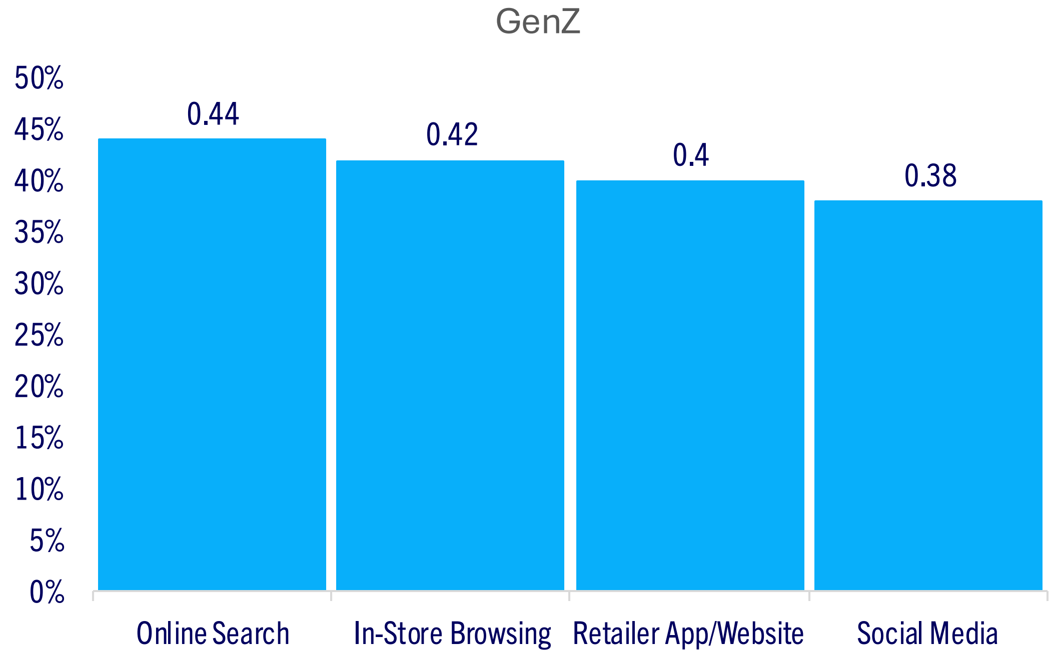
Multi-taskers Drive Everywhere Shopping

SOCIAL MEDIA IS BECOMING A KEY PLATFORM FOR PRODUCT DISCOVERY, especially among Gen Z, who start their shopping journey on social media (38%) nearly as much as on retailer apps/websites (40%), in-store browsing (42%), and online searches (44%).

20% OF GEN Z SHOPPERS

and nearly a quarter of early adopters believe shopping primarily through entertainment and social media platforms will make their shopping experience more convenient and enjoyable.

When you're shopping for a general merchandise / non-food item, where do you prefer to begin your search?



TREND #3:

Moving Beyond the Blend

There is a growing demand for online retail to mirror the in-store experience, and vice versa. Specifically, **shoppers want retailers to create a shopping experience that does more than combine the broad product range and convenience of online shopping** with the accessibility, tangibility and immediacy of in-store shopping.

Retailers must eliminate the need for shoppers to pick between online and in-store while creating new experiences that create a fluid journey across all channels and provide customers with faster, more convenient access to goods.

FINDINGS

Moving Beyond the Blend

IN-STORE EXPERIENCES SHOPPERS WANT TO EXPERIENCE ONLINE

- Immediately get the item (48%)
- Browsing with the ability to touch and feel items (47%)
- Preview or try the product before buying (41%)

ONLINE EXPERIENCES SHOPPERS WANT TO EXPERIENCE IN-STORE

- No checkout lines (45%)
- 24/7 shopping availability (42%)
- Easily search for all available items or inventory (28%)

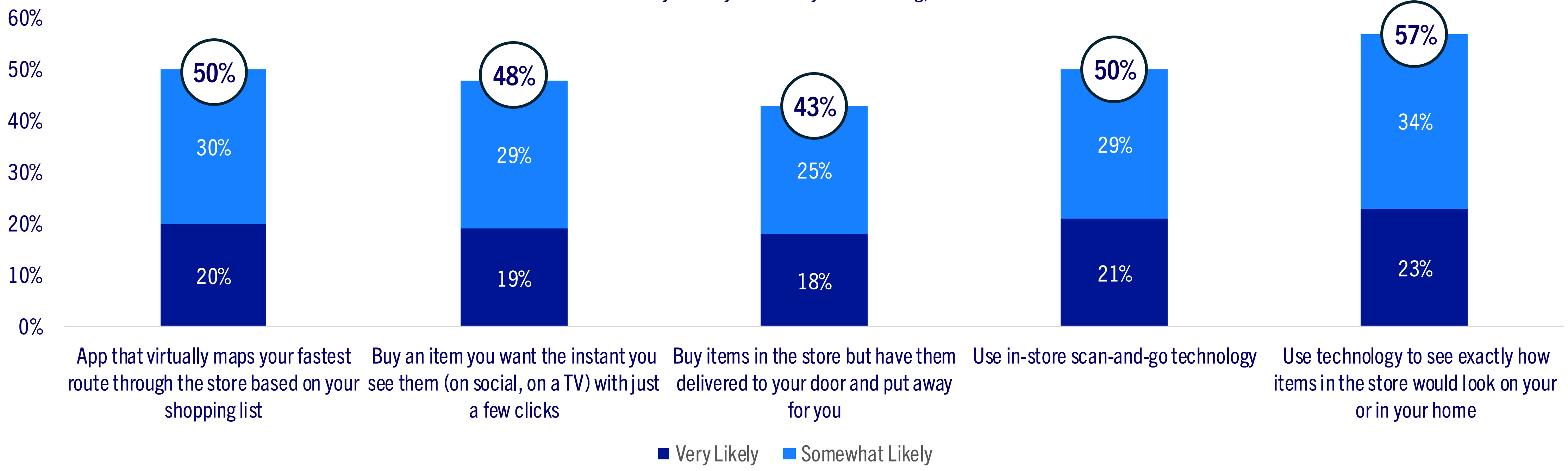
FINDINGS

Moving Beyond the Blend

SHOPPERS WANT TECH SOLUTIONS FOR EFFICIENCY: 49% desire a store-path mapping app, and 50% are interested in phone-based self-checkout, in store.

3 in 5 PARENTS, more than half of Gen Z, and 43% of all shoppers, want to buy products in-store, but have the retailer deliver and put the items directly in their homes.

How likely would you be to try the following, if available?



FINDINGS

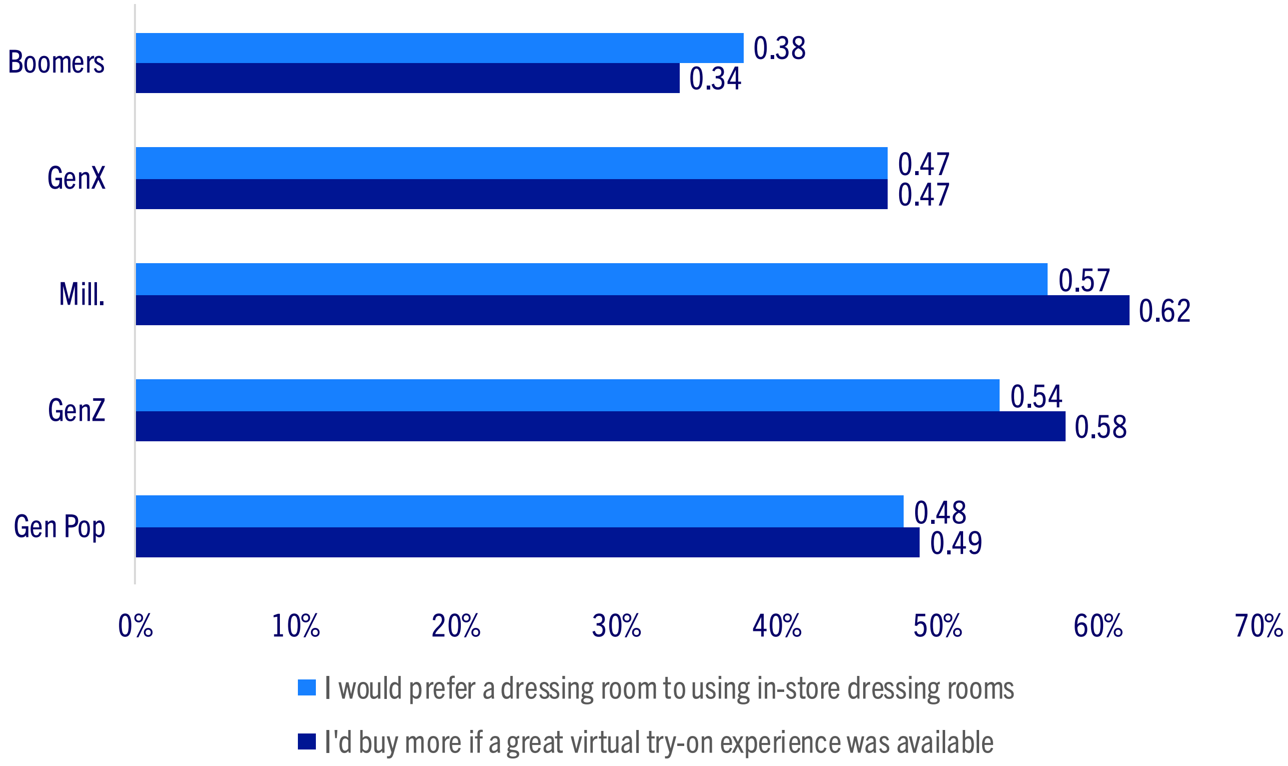
Moving Beyond the Blend

NEARLY HALF OF AMERICANS

favor trying on clothes virtually over trying on clothes in a traditional dressing room.

THE SAME PROPORTION (49%) SAID THEY'D BUY MORE CLOTHES if a great virtual try-on experience were available.

Virtual try-on/out allows shoppers try on clothes, makeup, accessories and other products virtually before purchasing. Do you agree or disagree with the following?



FINDINGS

Moving Beyond the Blend

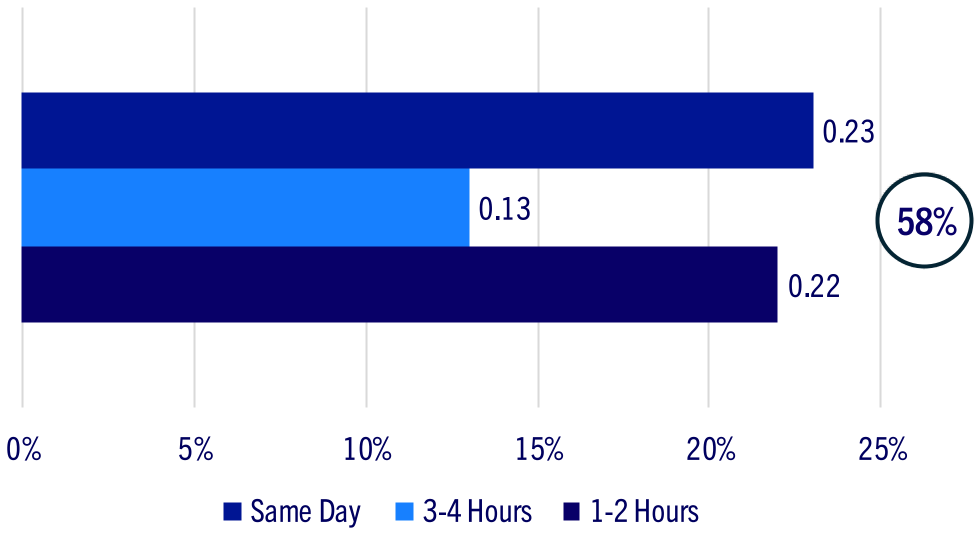
58% OF SHOPPERS ARE NOT WILLING

to wait more than a day for grocery delivery.

64% OF SHOPPERS WANT

to use a service where orders are delivered in 30 minutes, without an extra delivery cost.

When shopping online, what is the maximum amount of time you are willing to wait for delivery in each of the following product categories?



TREND #4:

Channel Indifference Starts with Value

Customers are embracing new retail channels at varying speeds, across categories. Apparel is experiencing the highest level of mixed online/in-store shopping, while purchases of most food/grocery, furniture and outdoor items still occur in-store only. **Regardless of the channel, shoppers' fundamental values of price, quality and trust continue to hold significant importance.**

As consumers become increasingly comfortable with tech-powered choices, **customers will become more channel agnostic.** Early tech adopters and Gen Z – bellwethers of innovative offerings – are already shopping relatively equally across all channels for general merchandise.

FINDINGS

Channel Indifference Starts with Value

1. COMPETITIVE FAIR PRICING
2. HIGH-QUALITY ITEMS
3. SECURITY OF PERSONAL DATA

are **most important** to consumers when shopping, regardless of if they are online or in-store.

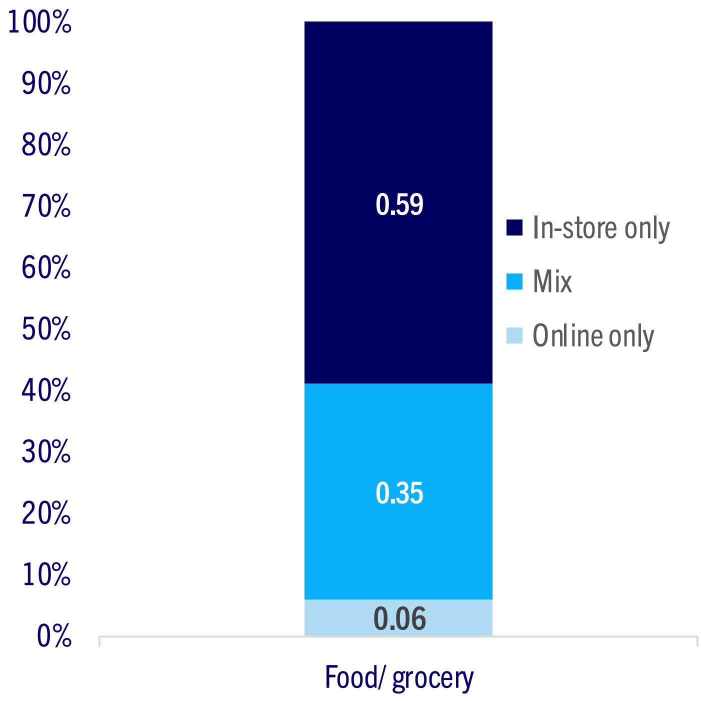
FINDINGS

Channel Indifference Starts with Value

WHILE 35% OF SHOPPERS EXPRESS A PREFERENCE

to blend online and offline channels for food shopping, only about a quarter are currently doing so.

When shopping for items in each of the following categories, is your preference to use:



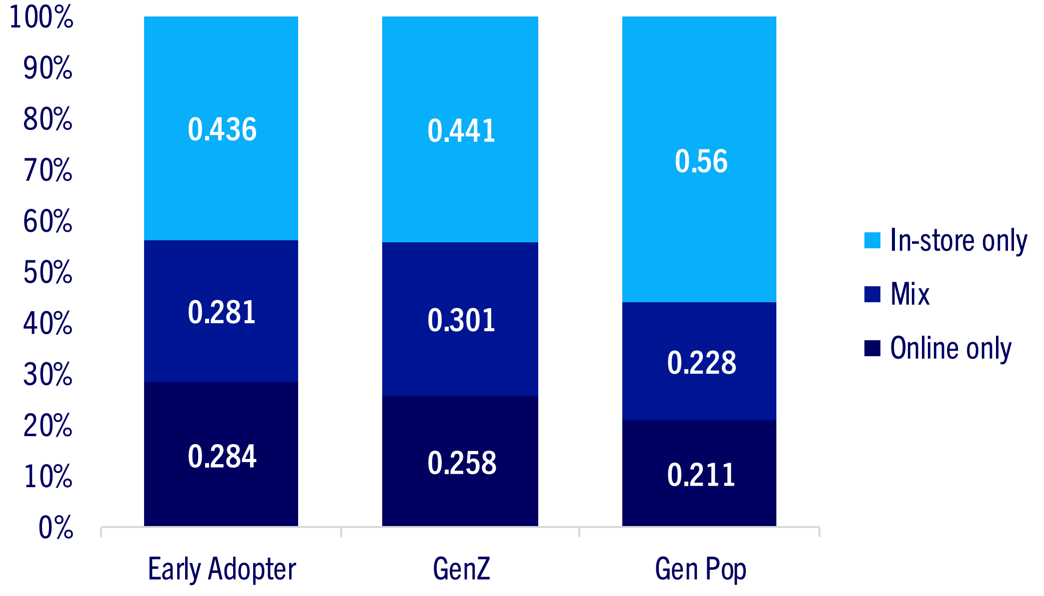
FINDINGS

Channel Indifference Starts with Value

MORE THAN HALF OF EARLY TECH ADOPTERS AND GEN Z

are now shopping for food either entirely online (54%) or using a mix of online and in-store shopping (58%).

Estimate the percentage distribution of your shopping experiences for food items / general merchandise across online, in-store and both. (Showing averages)



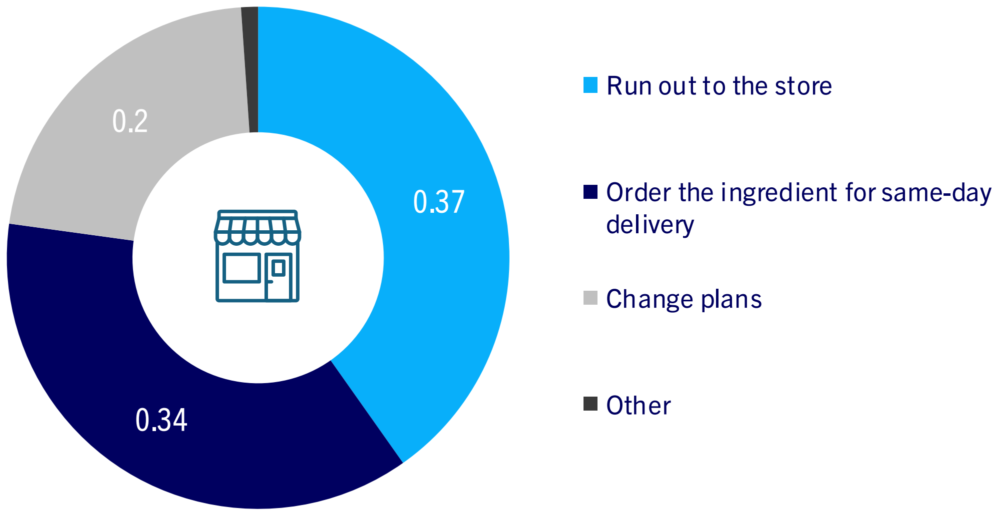
FINDINGS

Channel Indifference Starts with Value

WHEN GEN Z SHOPPERS RUN OUT OF AN ITEM,

they are almost as likely to order for same-day delivery as they are to make a quick run to the store.

What are you most likely to do if you run out of an item you need right away, like an ingredient for a recipe?



Methodology

Data in this report were collected from May 16 – 22, 2024 among a national sample of approximately 2,233 U.S. Adults. The interviews were conducted online and the data were weighted to approximate a target sample of Adults based on age, race/ethnicity, gender, educational attainment, and region. Results from the full survey have a margin of error of +/- 2 pp.