



The Digitally Influenced Shopper

Defining the true cost of underinvesting in the digital shelf



DE version



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Executive summary

Consumers are more empowered than ever before. And when it comes to their purchasing decisions, they want the **power of choice**.



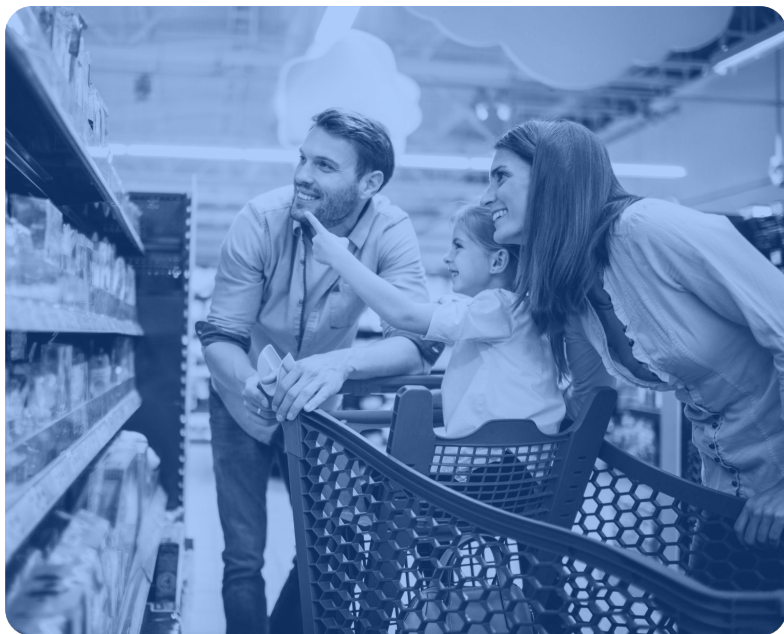
However, brands have traditionally placed shoppers in a box — in-store or online. It's simpler for budgeting and staffing to keep the consumer in a linear path.

But tension exists because the **DNA of the shopper has changed**. Years of uncertainty — covid, inflation, supply issues — have born a consumer who relies heavily on digital validation before making a purchase decision (whether in-store or online) and even when standing in the store.

Profitero surveyed German consumers on their online and in-store shopping habits in an effort to better understand how digital touchpoints **influence the path to purchase** and to uncover the true cost of underinvesting in the digital shelf.

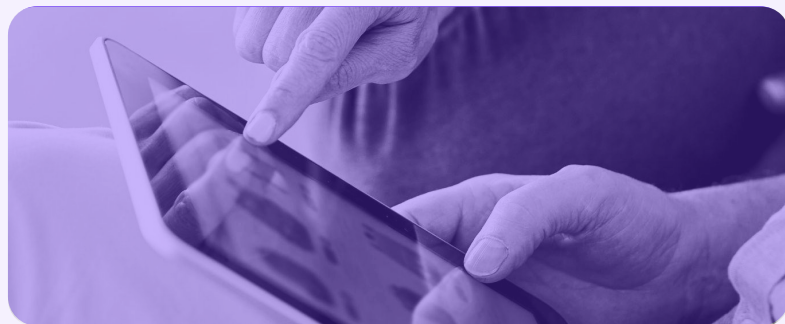
What we assume:

The consumer purchased in-store and made the decision in-store



What's really happening:

- Consulted the retailer's website before shopping in-store to check in-stock status;
- then changed their product choice based on ratings & reviews;
- while in-store, checked a different retailer's website to confirm competitive pricing;
- finally, purchased the product in-store.



1

There are more digitally influenced shoppers than you think

5 in 10

shoppers say retail purchases are influenced by digital touchpoints



So what?

Typical brand investment models underestimate the full impact of digital across the online & offline shopping experience, holding back growth. Redress this balance by setting digital shelf & retail budgets based on the lens of shopper influence vs. channel penetration.

2

Failing to show up online =
failing to acquire new buyers

5 in 10

shoppers are more likely to
discover new products when
browsing online than
shopping in-store



So what?

Pre-purchase online research is all about **discovery**, whether shoppers end up buying in-store or online. Failing to invest enough in digital shelf content & retail media will hinder product discovery, resulting in a failure to attract new buyers and grow.

3

If you over-invest in in-store marketing, you will lose sales to competitors

5 in 10

shoppers are more likely to buy a product because of its online content or reviews than in-store signage & displays



So what?

Digital assets tend to be an afterthought, particularly for product launches. Think digitally first — ensure your creative teams have digital shelf assets baked into their new product release checklists. Find ways to work online reviews into physical marketing assets to bridge the omnichannel gap.

4

Your Amazon budget must increase to grow your omnichannel sales

Up to

4 in 10

shoppers research on Amazon before visiting a physical store

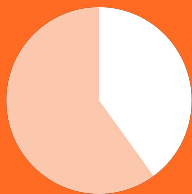


So what?

Amazon is both a conversion destination and a top of funnel research tool for other retailers, much like Google. Factor this into your Amazon media, content and review syndication budget considerations. Invest in attribution modeling to help quantify Amazon's larger halo effect on your brick & mortar sales.

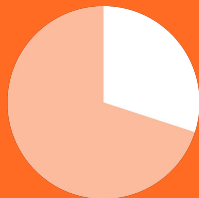
5

Expect to lose buyers if you don't nail the basics of digital shelf execution



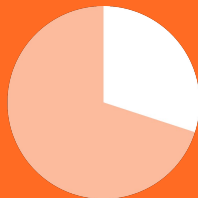
4 in 10

consumers will switch brands if a product is OOS



3 in 10

consumers will switch if there are bad ratings & reviews



3 in 10

consumers will switch if it's not findable in search

So what?

Use the digital shelf to play great offense and defense. You can seize the opportunity by using retail media budgets to conquest competitors when they fail across these areas. Implement digital shelf monitoring and issue alerts to avoid your own brands being conquered.

Now that we know the digital shelf's true influence on shopper decisions, it's time to act



Brand executives

Ensure your organisation mirrors the needs of the digitally-influenced shopper. Incentivise all business teams to prioritise the digital shelf, not just eComm. Evolve org structures, roles & responsibilities and joint business planning to focus on the entire digital and physical shopper journey. Democratise digital shelf insights to everyone.



Brand eComm leaders

To prevent short-sighted thinking, help leaders appreciate the full “Cost of Missing Out.” Quantify the impact of digital shelf spend on market share, which affects company valuation and bonuses. Use competitive benchmarks to show where your brands are falling behind in areas like search and the financial gains to be won by closing gaps.



Retail executives

Fully monetise your digital shelf's massive influence on both the digital AND physical shopper journey. Take stock of your current digital merchandising, retail media and shopper targeting capabilities for brand suppliers. If they lag behind competitors, you won't realise the big investments you expect from brands.

DIVING DEEPER

Who is the digitally
influenced shopper?

A WORD FROM THE EXPERTS

Digitally-influenced shoppers are disrupting well-established paths to purchase in their pursuit of **better value & good deals**. A strategy for growth and effectiveness must put insights into their purchase & consumption drivers at its heart, or risk **losing the race for resilience** to the competition.



Ananda Roy

Senior VP, Global Thought Leadership & Strategic Insights,
Circana

Digitally influenced shoppers skew young and male, but are prevalent across **all ages and genders**

% of shoppers who say retail purchases begin with research online

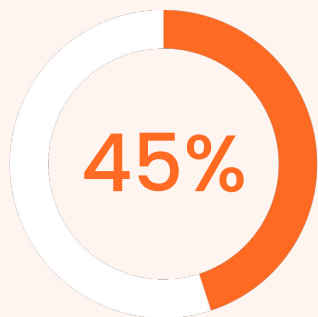


Digitally influenced shoppers tend to have **higher incomes**, but not dramatically

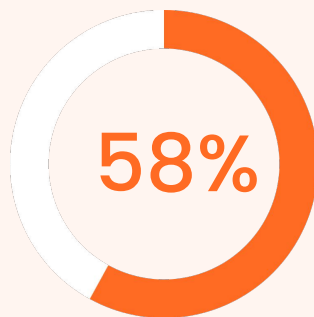
% of shoppers who say retail purchases begin with research online

Household
income

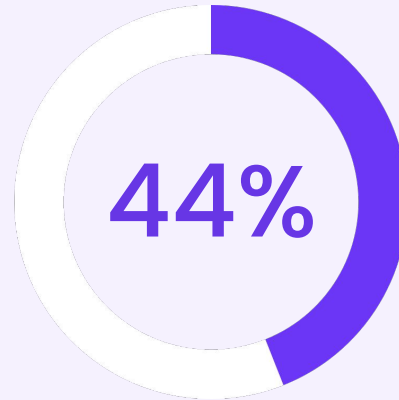
≤49.9k €



>=50k €



Digitally influenced shoppers will continue to **increase shopping online**



expect their online shopping to increase over the next 5 years

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How digital touchpoints influence shoppers

Consumers have become reliant on retailer websites for **confidence, social validation and certainty**

About 30% of consumers regularly consult a retailer's website or app **before shopping in-store**. Checking price & reviews are the leading reasons why they are consulting online first.

Top 3 reasons shoppers consult a retailer's website **before shopping in-store**:

49%



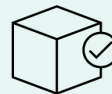
Research deals and prices

33%



Check product reviews

30%



Check in-stock status

The same behaviours continue **in-store**

1 in 4 consumers regularly consult a retailer's website or app **while shopping in-store**. Price is still top of mind with consumers checking in-store to make sure they are getting the best deal.

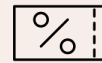
Top 3 reasons shoppers consult a retailer's website **while shopping in-store**:

49%



Research deals and prices

29%



Manage loyalty account / coupons

28%



Check in-stock status

A WORD FROM THE EXPERTS

The digital shelf influences your shoppers' purchases wherever they happen. Your execution and investment must reflect this to follow the shopper throughout their journey. Failing to invest fully in the digital shelf removes your shopper's source of inspiration and education and **will ultimately benefit your competitors.**



Andrew Pearl
VP, Industry Insights,
Profitero

The digital shelf is supplementing in-store marketing

50% of consumers report content & reviews on a retailer's website as **more influential** than in-store signage and displays.

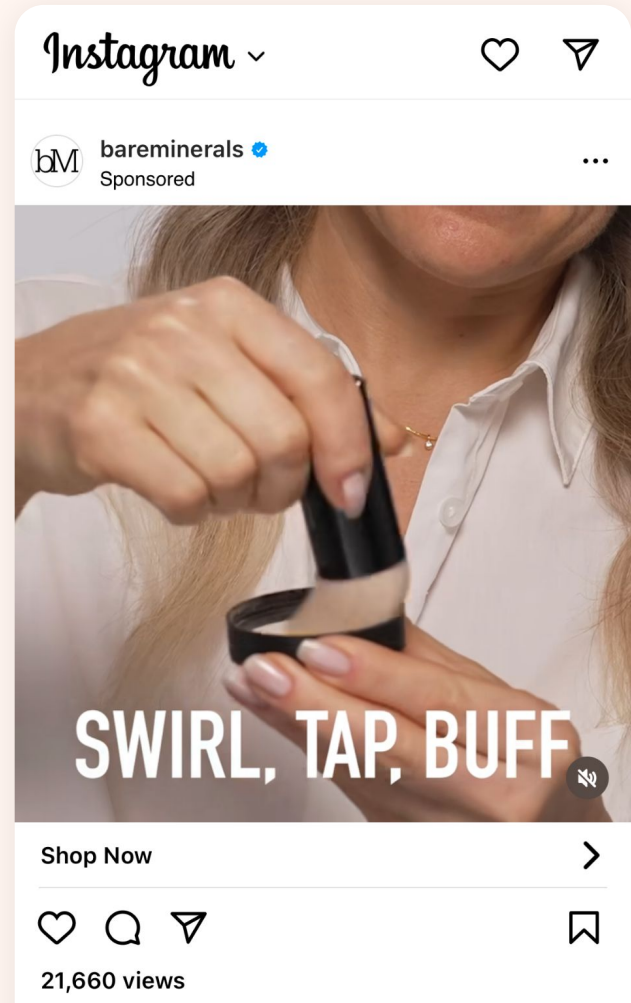
% of consumers using retailer website / apps more than a year ago

(average across all categories)



There's no denying the **power** of social media

1 in 3 consumers report they would try a new product they saw advertised on social media



However, it's more than Tiktok and Instagram – **retail media influences purchases** in the planning moment

Consumers reported that their purchases online are influenced by the retailer website

48% Suggested / sponsored posts appearing in search results

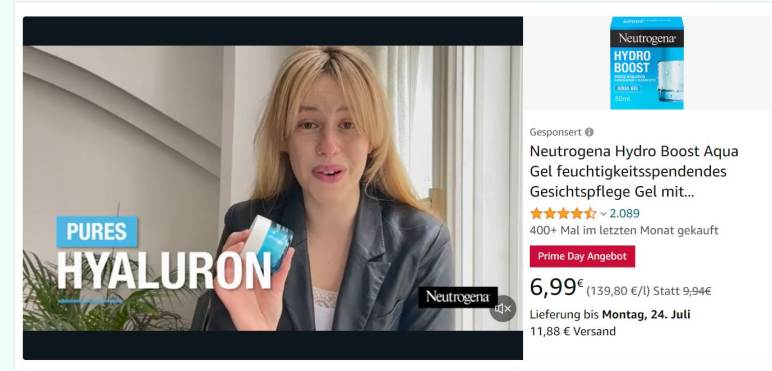


The screenshot shows two sponsored product listings on Amazon. The top listing is for 'The World Game', a geography board game, with a price of 31,90€ and a 4.5-star rating. The bottom listing is for 'Original Offizielles American Cornhole Game', with a price of 109,99€ and a 4.5-star rating. Both listings include product images and key details like delivery date and shipping location.

The World Game - Lustiges Geographie Brettspiel - Welt Lernspiel für Kinder & Erwachsene - Coole Geschenkidee für Jungen & Mädchen i...
★★★★☆ ~ 35
31,90€
Alter: Ab 7 Jahren
Lieferung bis **Montag, 24. Juli**
Für Versand nach Vereinigte Staaten von Amerika qualifiziert

Original Offizielles American Cornhole Game Blau und Rot | Offizielle Abmessungen | 100% Holz | Premium Qualität | 2 Bretter + 8 Tasche...
★★★★☆ ~ 407
200+ Mal im letzten Monat gekauft
109,99€

34% Advertising banners



The screenshot shows an Amazon advertising banner for Neutrogena Hydro Boost Aqua Gel. The banner features a video of a woman holding the product, with the text 'PURES HYALURON' overlaid. To the right, the product name and price are displayed, along with a 'Prime Day Angebot' badge and a 'tdx' logo.

Neutrogena Hydro Boost Aqua Gel feuchtigkeitsspendendes Gesichtspflege Gel mit...
★★★★☆ ~ 2.089
400+ Mal im letzten Monat gekauft
Prime Day Angebot
6,99€ (139,80 €/l) Statt 9,94€
Lieferung bis **Montag, 24. Juli**
11,88 € Versand

Shoppers are now **more likely** to make an impulse purchase online

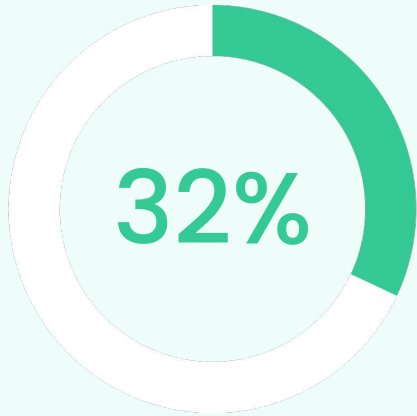
Where do you make more impulse shopping purchases?



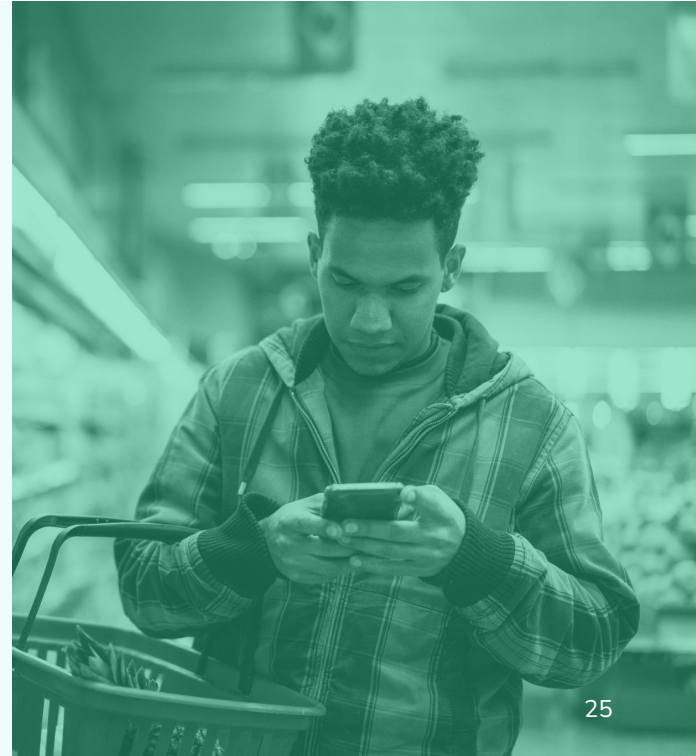
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How categories stack up
when it comes to the
digitally-influenced shopper

Consumers cross-check **other retailer websites** to validate their choices



On average, 32% of shoppers consult a different retailer website / app than the store where they're physically shopping.



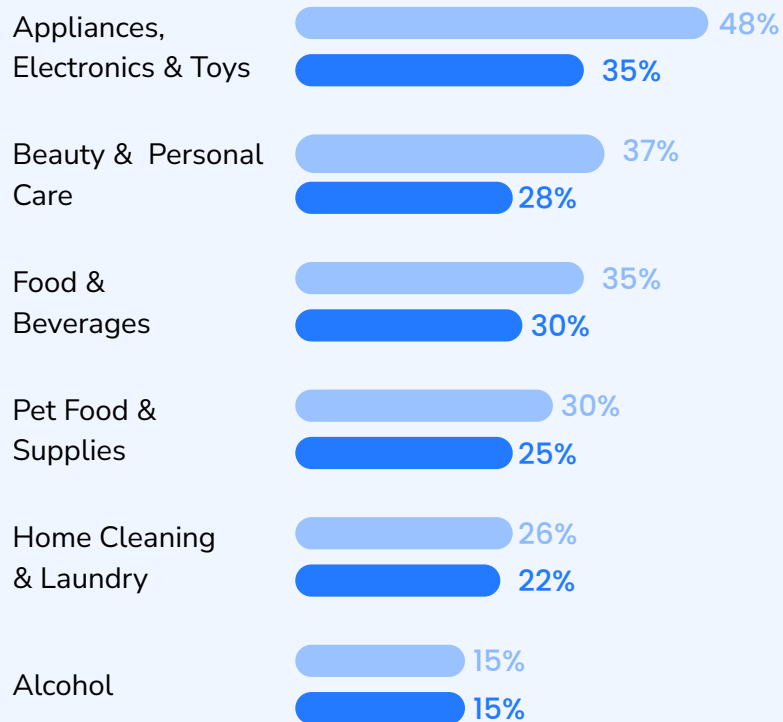
These behaviours are present **across every category**, not just high ticket purchases

These behaviours — pre-trip research and store price comparison — happen in every category. And pre-trip research is more common than price comparison across all categories.

How often do you consult a retailer's website or app before / while shopping in a physical store?

● = **Before** shopping in a physical store

● = **While** shopping in a physical store



A WORD FROM THE EXPERTS

“Because the digitally-influenced shopper is hard to measure, most CPGs are reluctant to change their traditional ways.

Shoppers are in control of their experience, not brands. We need to drive internal education on the role of all touchpoints. Whether you’re creating a TV ad, retail media or product development, every team needs to consider the impact of the digital shelf. It’s uncomfortable for many CPGs but it finally **puts the shopper at the heart of your business.**”



Charlotte Bailey-Sane
Digital & eCommerce Director,
ADM Protexin



ABOUT US

Profitero is the **leading commerce acceleration company** offering a flexible suite of intelligence-driven solutions so that brands can grow profitably. Our integrated digital shelf analytics, shelf-intelligent activation and advisory services empower brands to optimize product availability, discoverability and conversion across 1,000+ retailers in 50 countries.

For more information, email sales@profitero.com or visit profitero.com.

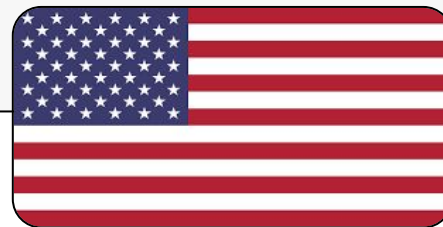
Explore our research across other regions



View the
U.K. report



View the
Canada report



View the U.S.
report



Research methodology

Respondents for these surveys included 500 Germany consumers aged 18+ with a margin of error of +/-4%. Respondents were selected if they were the “Primary Grocery Shopper” according to Survey Monkey Audience definitions. This survey was fielded in German & translated into English for this report

The data for this survey was collected using SurveyMonkey Audience 21st June, 2023. Information on how respondents are recruited to SurveyMonkey is available here: surveymonkey.com/mp/audience.

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