EMERGE
SMARTER
eBOOK INSIGHTS

e-Commerce Shopper Essentials

Aligning your e-Commerce strategy with shopper insights to help you navigate the digital space in today's omnishopper universe.
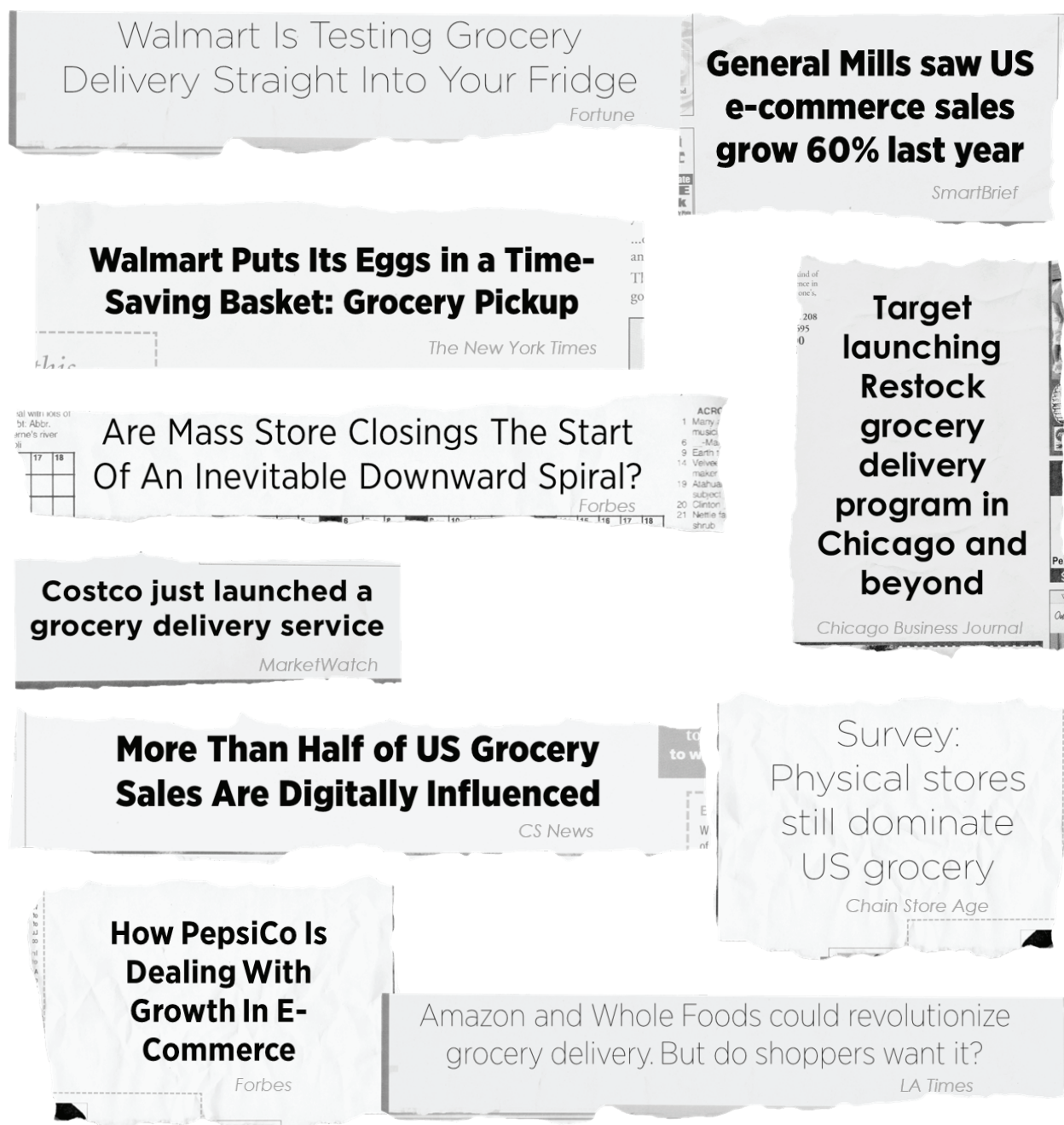
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C+R
R E S E A R C H

LIKE YOU, C+R RESEARCH HAS BEEN MONITORING DEVELOPMENTS IN THE ONLINE AND BRICK-AND-MORTAR GROCERY SPACE.

Daily headlines announcing a seismic shift in the industry drive home the urgency of understanding omnishoppers and managing touchpoints that will drive their decision-making now and in the future.

Walmart Is Testing Grocery Delivery Straight Into Your Fridge
Fortune

General Mills saw US e-commerce sales grow 60% last year
SmartBrief

Walmart Puts Its Eggs in a Time-Saving Basket: Grocery Pickup
The New York Times

Are Mass Store Closings The Start Of An Inevitable Downward Spiral?
Forbes

Target launching Restock grocery delivery program in Chicago and beyond
Chicago Business Journal

Costco just launched a grocery delivery service
MarketWatch

More Than Half of US Grocery Sales Are Digitally Influenced
CS News

Survey: Physical stores still dominate US grocery
Chain Store Age

How PepsiCo Is Dealing With Growth In E-Commerce
Forbes

Amazon and Whole Foods could revolutionize grocery delivery. But do shoppers want it?
LA Times

Retailers and manufacturers must stay ahead of the online adoption curve to ensure they get their share of the tens of billions at stake.

While grocery dollars have been the slowest category to shift online, compared to categories like electronics and apparel, consumer demand for online grocery options has led to a notable decline in brick-and-mortar sales.

The linear path to purchase was radically changed with online shopping. This new path to purchase is far more circuitous. The addition of two fulfillment methods to the grocery category—delivery and pickup—demands that we understand the digital and offline touchpoints along the way.

We developed three personas to truly understand and illustrate the real reasons omnishoppers choose brick-and-mortar grocery shopping, online grocery delivery, or grocery pickup.

We utilized a receipt-based panel that gave us access to actual purchase behavior. To elevate our understanding of our omnishoppers, we then divided them into three groups: brick-and-mortar, online delivery, and pickup. Finally, we sent a survey to these folks to further segment them based on their food values.

This hybrid approach led us to rich, tangible behavioral and attitudinal data that allowed us to flesh out who they are, and why they choose each fulfillment method.

BRICK-AND-MORTAR

ONLINE DELIVERY

FREE

ONLINE PICKUP

THIS IS BROCK.

He's a brick-and-mortar-only kind of guy.

Brock is pretty satisfied with his in-store experience. He knows all about his online options. He isn't out of touch with technology, but he is definitely in touch with his produce. He's tactile, and he enjoys the hunt for in-store deals. In fact, we saw that he overindexed on 'value' as one of his chief values when we broke out our grocery shopper segments.

He feels that going into the store allows him to discover specials or deals. He finds it much easier to use coupons and price-match in-store—plus there are no shipping fees.

He often pops into his local grocery store to fulfill an immediate need. He wants to grab just a few specific items, and he feels gratified instantly.

MEET DOREEN.

She likes groceries delivered straight to her door—especially bulky items like dog food for her little friend, Tina Spay.

Doreen shares some characteristics with Brock. She skews gen pop, and she does most of her grocery shopping at brick-and-mortar stores—93%. However, she has still shifted 7% of her dollars to online.

But why? Well, she's not digging the whole in-store experience. Her satisfaction level there is about 57%. We asked her why she shifted her shopping online. While skipping the crowds and checkout lines are a bonus, Doreen is more focused on the benefits of online—like saving money and locating hard-to-find items. She also likes to place her order anytime, 24/7.

She's overindexed on two segments: label-checker and socially conscious nurturer. This means she likes organic, minimally processed foods with short ingredient lists. She cares about fair trade, and she likes being able to find vegan and vegetarian items.
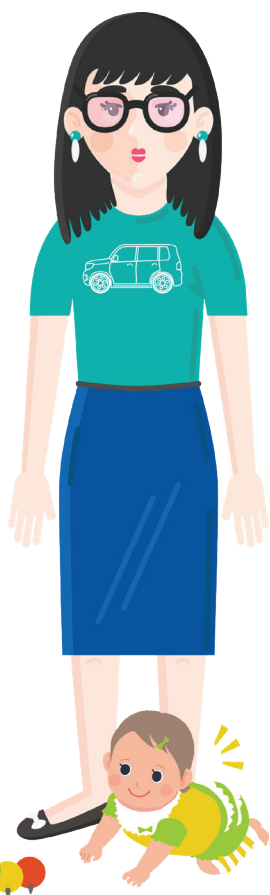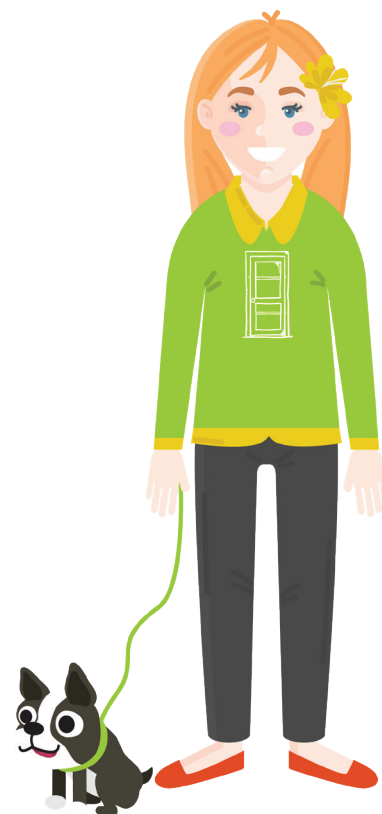
AND HERE'S KARA.

She's more likely to pick up her groceries. Her daughter, Ceecee, is adorable—but it's not a whole lot of fun to bring her to the store.

Kara does skew younger, but it's really her child(ren) who have led her to click and collect. Her satisfaction with the in-store experience is 48%, which is pretty weak compared to her online satisfaction of 67%.
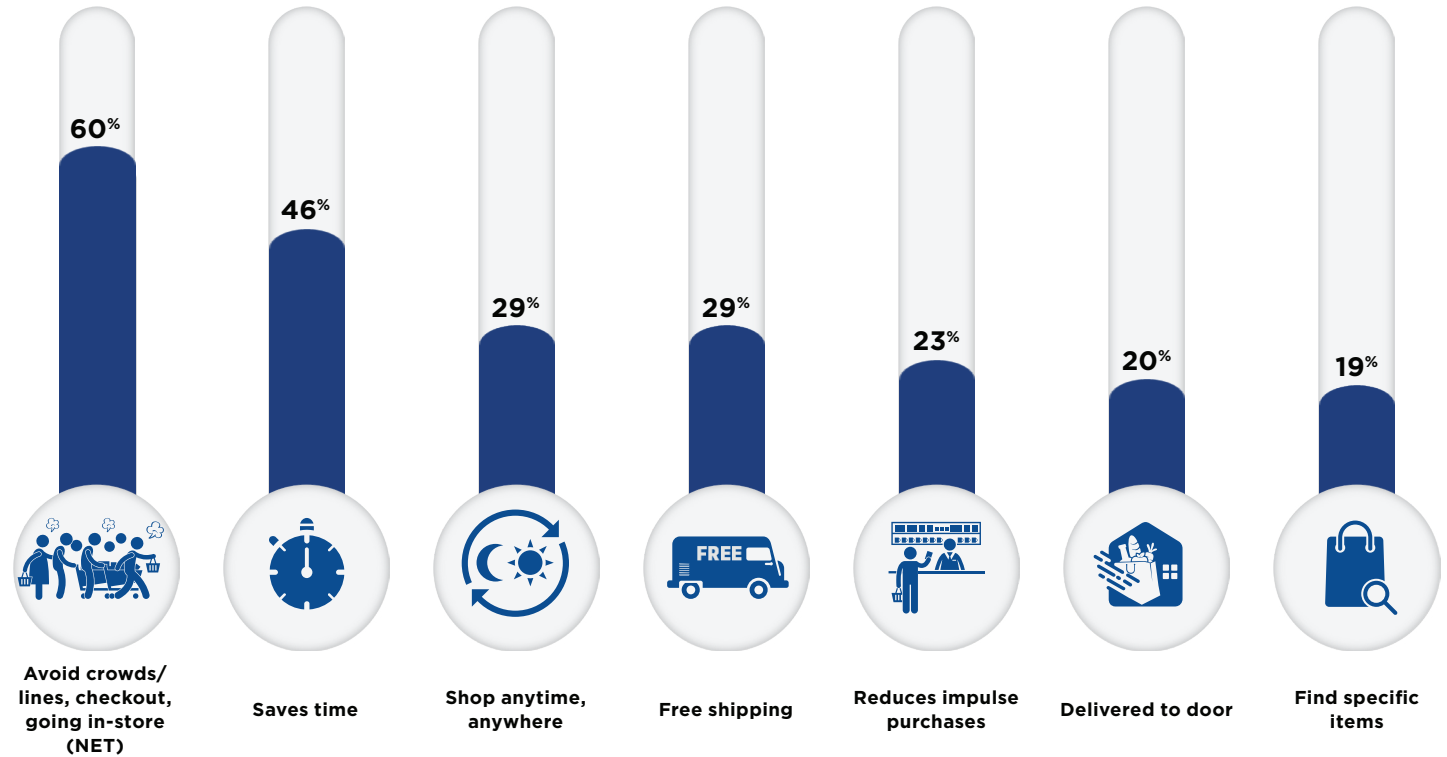
Naturally, she wants to limit the time shopping in-store with her children. Not only is it a time and energy saver, it also reduces the number of unplanned purchases for products requested by her children.

Her preferences are reflected in her values. She leans toward being a 'convenient taste habitualist,' which just means, "Hey, I need things that I know my family is going to love that are quick and easy. Hit repeat." That's why online works so well for her. Once she has built her online basket just how she likes it—BOOM! Subsequent orders are a breeze.

One of the verbatims that captured the essence of Kara's cohort was, "I needed diapers, but I didn't want to take the baby shopping or stand in long lines. My oldest child had practice later, and I didn't have time to do everything."

TOP REASONS FOR SHIFTING TO ONLINE GROCERY.

Not surprisingly, when directly asked why they have switched online, we see similar reasons people do most things (convenience, stress reduction, ease, saving money, etc.). These are not unique to making the switch from brick-and-mortar to online. What's more revealing is understanding the particular moment online became more convenient, faster, easier, etc., that pushed people to overcome the key hurdle of initial setup.

60%	46%	29%	29%	23%	20%	19%
Avoid crowds/ lines, checkout, going in-store (NET)	Saves time	Shop anytime, anywhere	Free shipping	Reduces impulse purchases	Delivered to door	Find specific items

Source: InfoScout e-Commerce Survey (B&M: n=572, Delivery: n=849, Pickup=214)

LIFE CHANGES OFTEN LEAD TO THE TRIGGER MOMENT FOR THE SHIFT.

When asked to recall what led them online, we expected most people to mention a gift card or offer that encouraged them to try online. While promotions were a big driver, we were floored by how well people remembered the time in their lives where online became more advantageous than brick-and-mortar.

Single parenthood   Job change   Celebrations   Moving

Getting married   Having a baby   Working more hours/traveling   Going off to college   Health changes

SO HOW DO WE CAPTURE THEM? LET'S BREAK DOWN HOW WE MIGHT CAPITALIZE ON THEIR TRIGGER MOMENT.

1. Overlay shopper personas on your receipt-based data.

Divide and segment your category and brand buyers to understand the nuances driving what, how, and why they are shopping online. Build your conversion and retention strategy based on your e-Commerce shoppers' path to purchase.

2. Link to relevant life events.

Identify key life events—marriage, having children, going off to college, etc.—that have the vstrongest link to both shifting online and your brand and category.

3. Build a predictive model to identify your target/s.

Take what you know about your brand and category and overlay the personas and relevant life events to create a model that will predict when your consumers will make the shift from brick-and-mortar to online. Then, use a tool like receipt-based tracking to test prediction accuracy.

4. Create a plan to capture your prospects.

Now that you've identified when your target will shift to online and why, utilize a mixture of quant and qual to test different messaging, innovation, and merchandising ideas to capitalize on the shift and ensure your brand and category are in the basket.

Want to know more?

Visit **crresearch.com** to check out the webinar on this subject and more information on our Shopper Insights Research.

Jennifer Casey
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Jen Casey is a Senior Research Director on our ShopperEyes team and has over 15 years of CPG experience working across the consumer-shopper spectrum. She focuses on utilizing hybrid approaches (e.g., quant+qual, behavioral+attitudinal) to tell actionable insight stories. Ask Jen about her passion for utilizing emerging technologies to develop innovative research methods and desire to uncover shopper truths.

At C+R, Jen consults with retailers and CPG manufacturers to develop strategies focused on increasing trips and building baskets, as well as driving category and item conversion. She specializes in building and evaluating retailer-tailored shopper marketing events and plans, showcasing the shopper viewpoint in category growth strategies and supporting sales and insights teams with shopper journey, empathy-building, trend and opportunity sizing information, to bring them closer to their consumer. She is also one of the experts on InfoScout, the industry's largest consumer purchase panel, which gives C+R the ability to provide a more accurate and holistic view of the omnishopper.

Jen graduated from The University of Iowa with a B.B.A. in Marketing and a M.B.A. in Global Management from Thunderbird.

shoppereyes®

C+R's ShopperEyes® division is dedicated to understanding the shopper experience and journey. We examine it from a 360-degree perspective. Our job is to help you answer the tough questions at each stage of your shopper's path to purchase.

C + R RESEARCH

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