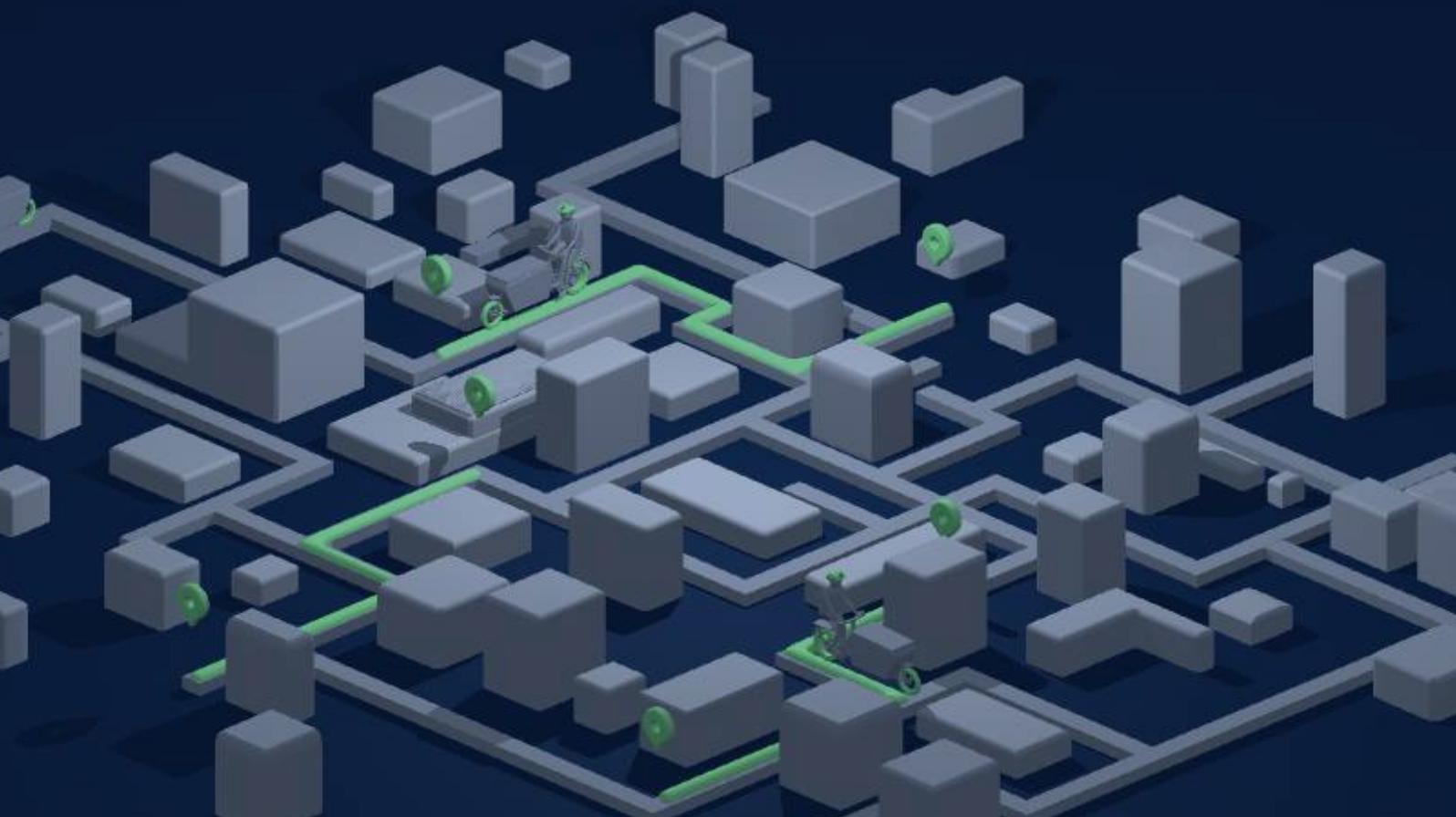


UK E-COMMERCE SHOPPING REPORT 2022



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UK ECOMMERCE SHOPPING REPORT 2022

Overview

This report provides an overview of the online shopping behaviours and post-purchase expectations of different consumer demographic groups as the retail industry continues to rise and the demand for online shopping and reliable delivery services continue to expand.

Survey Stats

Based on survey responses of more than 400 consumers aged 18-55+

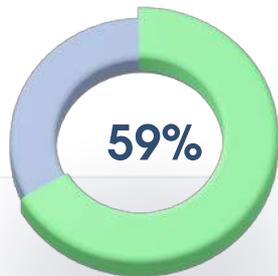
The report addresses every aspect of the consumer buying decisions and purchase cycle specifically looking deeper into the shift towards eCommerce, post purchase experience and expectations, delivering customer choices, omni-channel retail, delivery expectations and overall customer retail experience.

It also highlights opportunities for retailers in the new decade with the rise of eCommerce, as well as customer concerns related to online post purchase experience, selling online or offer omni-channel services.

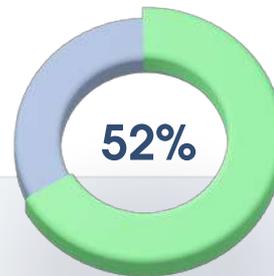


Rise of E-Commerce Demand

The demand for online shopping and eCommerce has been increasing enormously post-covid with 59% of the consumers claiming to have observed an increase in their online shopping spend. On an average, 52% of the consumers shop online 4+ times monthly .



**consumers increased their
online shopping spend**



**consumers shop online
4+ times monthly .**

Leading retailers saw a rapid growth as a result of growth in e-commerce. According to the survey, brands as such were able to pivot to omni-channel services, and focus increasingly on providing online and post purchase services to match the in-store experience and meet the ever increasing expectations of the digital savvy customers.



**67% of the consumers made most of their fashion purchases
from fast fashion brands such as Primark, Zara and H&M.**

While fast fashion brands had held leading market shares, the 39,820 small and medium independent retailers in the UK have the potential to significantly contribute to fulfil the rising e-commerce demand. Expanding on capabilities like post purchase, delivery, returns and customer service can help the SME's meet the rising expectations of consumers.

39,820

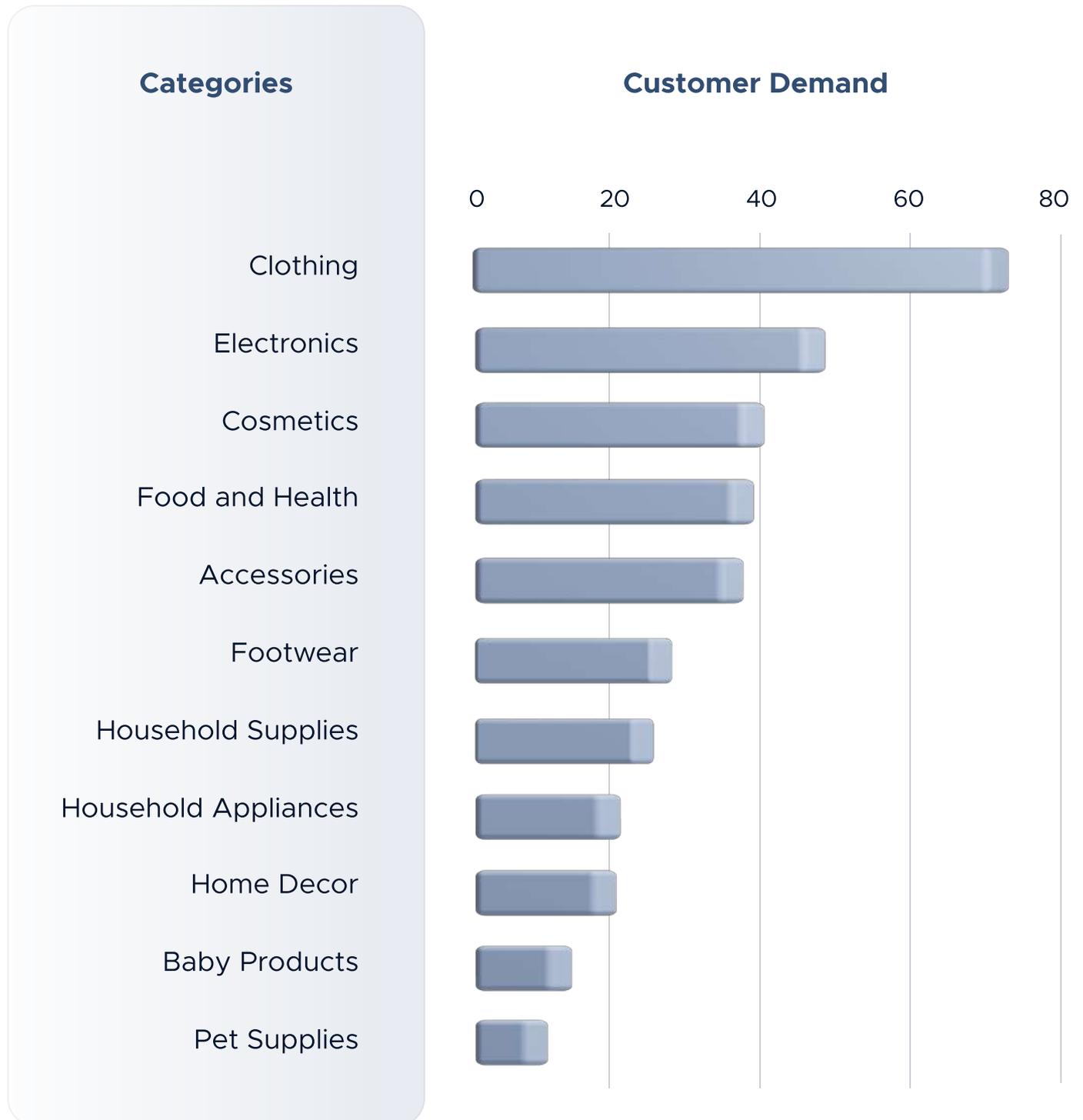
**businessses to gain
advantage over fast
fashion brands**



77% of the customers shopped clothing online regularly followed by cosmetics and electronics.



Top Online Retail Categories



Changing Customer Preference

Going Local

A considerable shift has been observed with consumers preferring to shop locally (25%), increasing the overall demand for the small independent stores and retailers. While, the major fashion and apparel retailers such as Zara, H&M, Primark continue to hold the leading market shares.

25% ↑

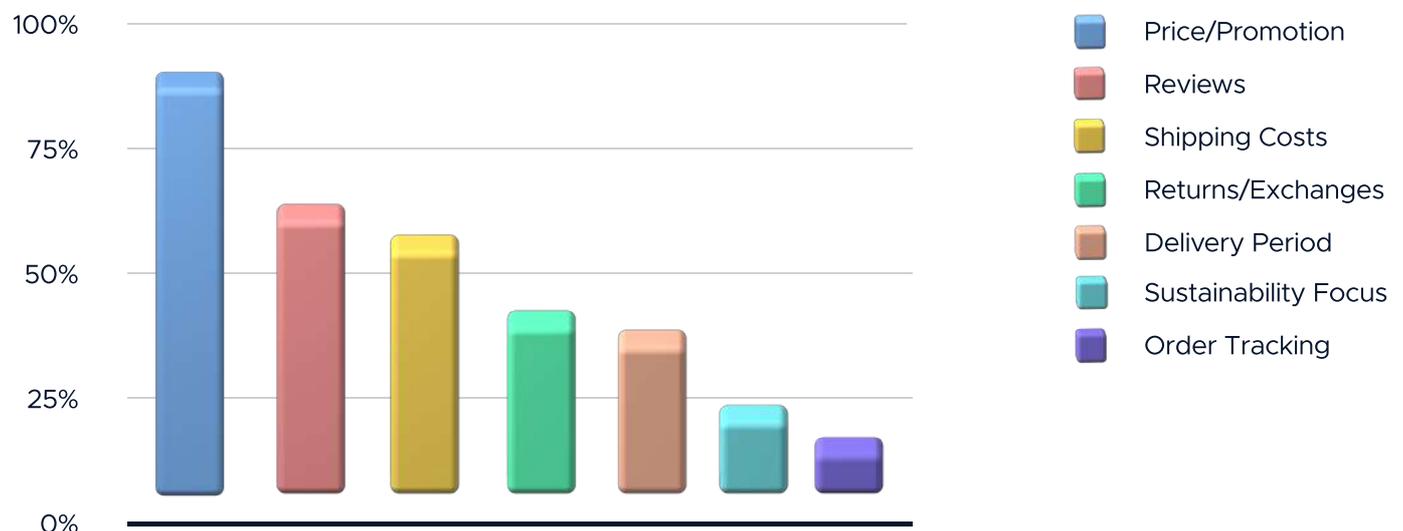
Local Shopping

54%

shopped from a direct retailer online store such as that on Shopify, BigCommerce or WooCommerce.



The main motivating factor has been to support the small and local businesses (35%) and have access to a unique, artisanal and a wider choice of products (14%). When buying online, price/promotions is the primary deciding factor for the consumers, other factors such as reviews, quality, delivery service, wider choice, returns/exchange play an equally vital role in influencing the purchase decision.



Sustainability

The pandemic has further accelerated the notion of conscious consumerism. There has also been a major shift of consumers towards brands that are focussed on sustainability and positive impact with 53% of consumers willing to spend more on such products when shopping and 31.9% willing to repurchase.



Nearly 1 in 3 consumers

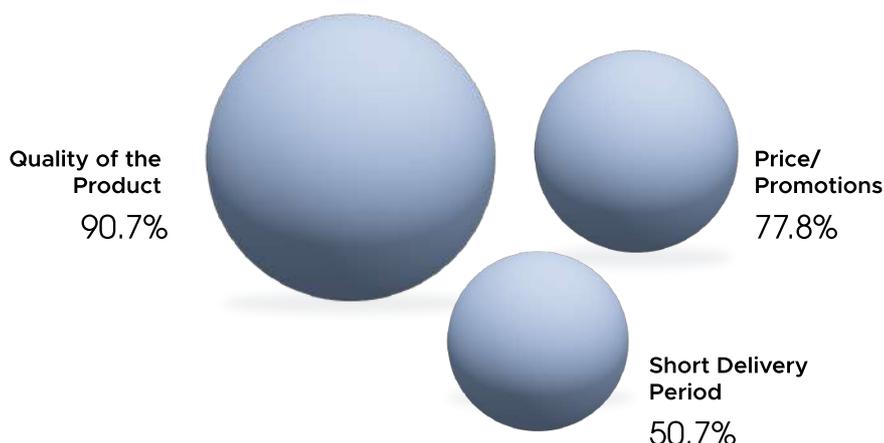
stopped purchasing from brands and products that have sustainability related concerns about them.

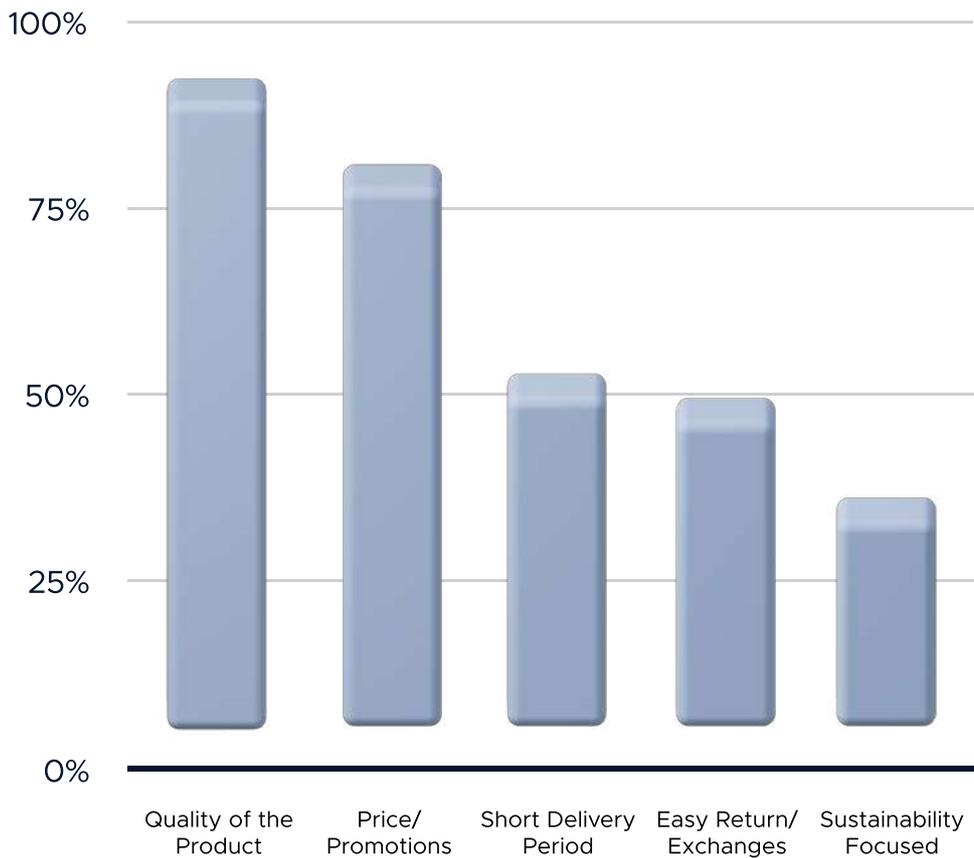
Read more- [Shifting sands: Are consumers still embracing sustainability](#)

Customers are demanding more sustainable products and services, and want the businesses to help them adopt a sustainable lifestyle by taking the lead. Therefore, it is critical for the e-commerce pure players and omni-channel retailers today to incorporate the ethical and sustainable procedures and practices, build accountability in their value chain as well as promote it prominently online.

Repurchase

Loyalty and retention is one of the key factors for the retailers in today's competitive landscape. The customer repurchase decisions rely mainly on the quality of the product (90.7%), price (77.8%) and the delivery period (50.7%).





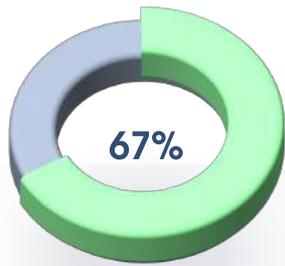
Customers also place a very high importance on the return/exchange policy offered by the retailers with nearly half of the consumers citing it as a reason to repurchase. A report by shippo further suggests that whilst 44% will swap retailers if they're unsatisfied with the return service, more significantly 67% stopped shopping from the retailer post a negative return experience.

Customer Experience

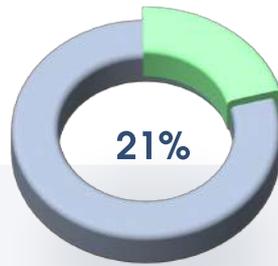
There has been a pragmatic shift towards e-commerce however according to the survey, 35% of the consumers still preferred to shop in-store. Such customers valued the in-store experience and placed a very high importance on try and buy, and had concerns regarding the delivery and returns.



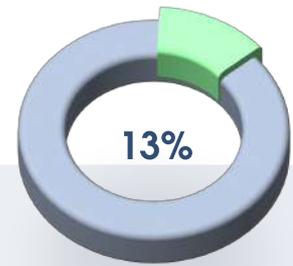
35% of the consumers overall still prefer to shop in-store



Prefer to Try and Buy

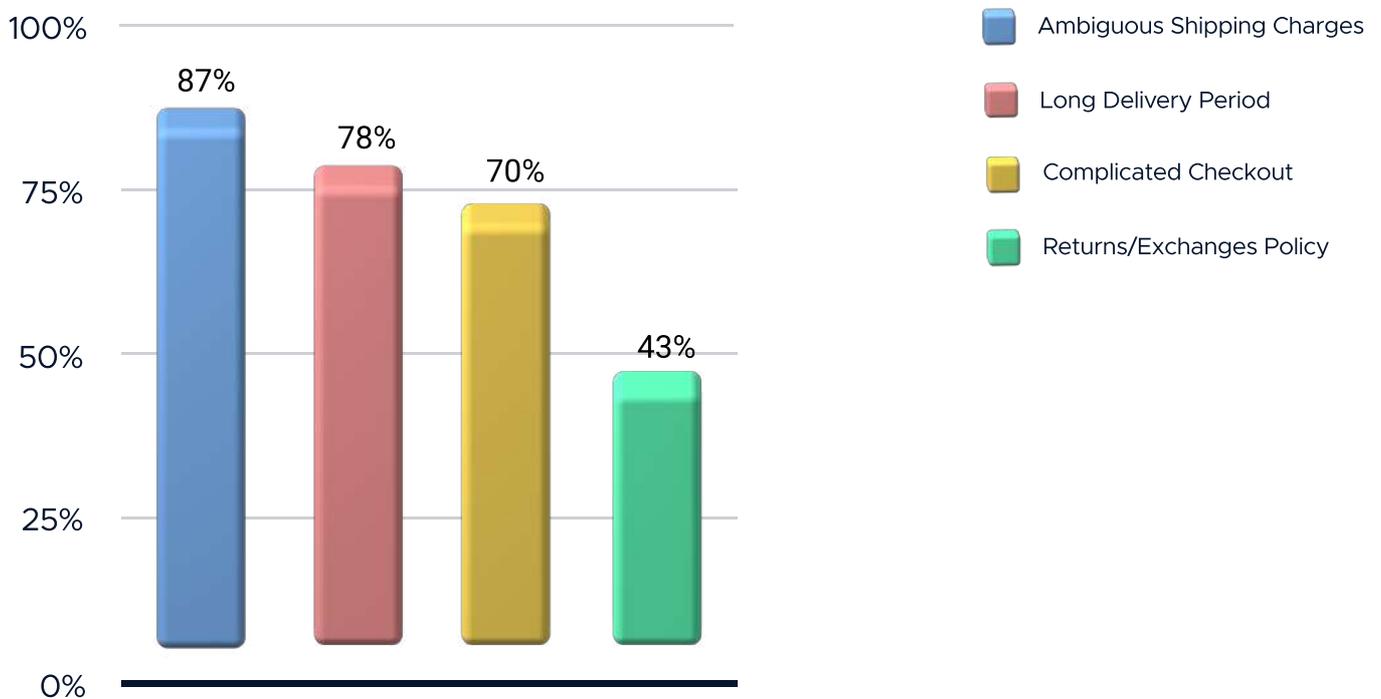


Value in-store Experience



Delivery-related Concern

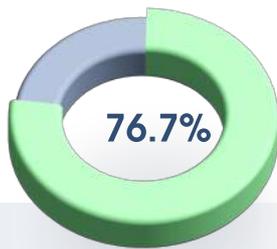
However as e-commerce demand expands, expectations of the digital savvy consumers are rising. Retailers lose their consumers as their expectations relating to the product and overall post purchase experience are not met. Based on our survey, shoppers abandon their carts corresponding to four main factors- ambiguous delivery charges, long delivery period, complicated checkout and returns, which all relate to the post purchase experience of the consumer.



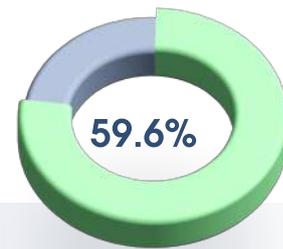
Why Delivery Matters

The above assessment of the customer preferences shows that delivery makes a very pivotal aspect of the overall purchase cycle of the digital consumers and hence there has been an ever increasing pressure on the eCommerce providers to meet the delivery and post purchase expectations of the consumers and get the end-to-end online shopping experience right.

Impact of Delivery on the merchants revenue



6.7% of the consumers will choose one retailer over the other based on delivery options provided.



Consumers are price sensitive, with 59.6% placing the highest priority on a low cost delivery.

The online purchasing decisions of today's consumers are directly influenced by the post purchase experience and the delivery and return services offered by the merchant. As suggested by the survey responses delivery related concerns increasingly lead to card abandonments impacting the customer conversion rates.

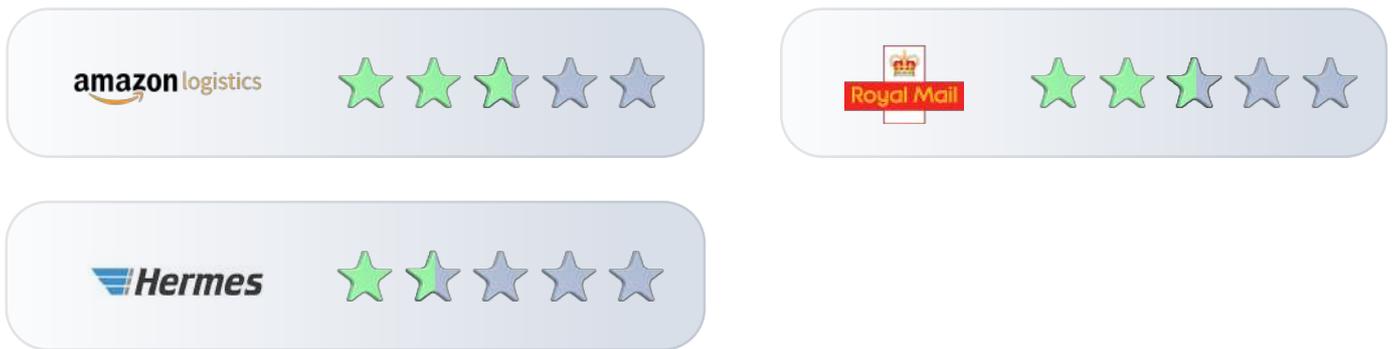


43% consumers decided not to repurchase due to difficult returns.

While consumers are price sensitive and place a high importance on low cost delivery, there is a demand and willingness to pay for faster deliveries, with an expectation to receive exceptional post-purchase experience.

Unreliability of the existing delivery systems

The existing national delivery systems such as Royal Mail, DPD and Hermes are failing to keep up with the ever rising customer expectations. According to a survey by Citizens Advice (CA), while Amazon logistics and Royal Mail topped the customer satisfaction ratings with 2.75 and 2.5 respectively, they failed to deliver on accessibility and customer service. Hermes was ranked the lowest with a 1.5 star rating lacking in the core aspects of customer service, accessibility and trust exposing a significant scale of problems the company faces and the potential room for improvement.



78% of the consumers abandon their cart due to long delivery periods and unsatisfactory delivery options.

Delivery is a key driver for future repurchase by a consumer as it shapes the overall post purchase experience. Delivery networks of DPD and hermes have clearly been successful in managing demand for larger retailers such as H&M, Zara, however in order to drive growth, the small and medium size e-commerce pure players and omni-channel retailers will need to develop and incorporate capabilities that are reliable and meet the service expectations of todays consumers



23% of the consumers altogether complained about the post-purchase experience offered by the retailers.

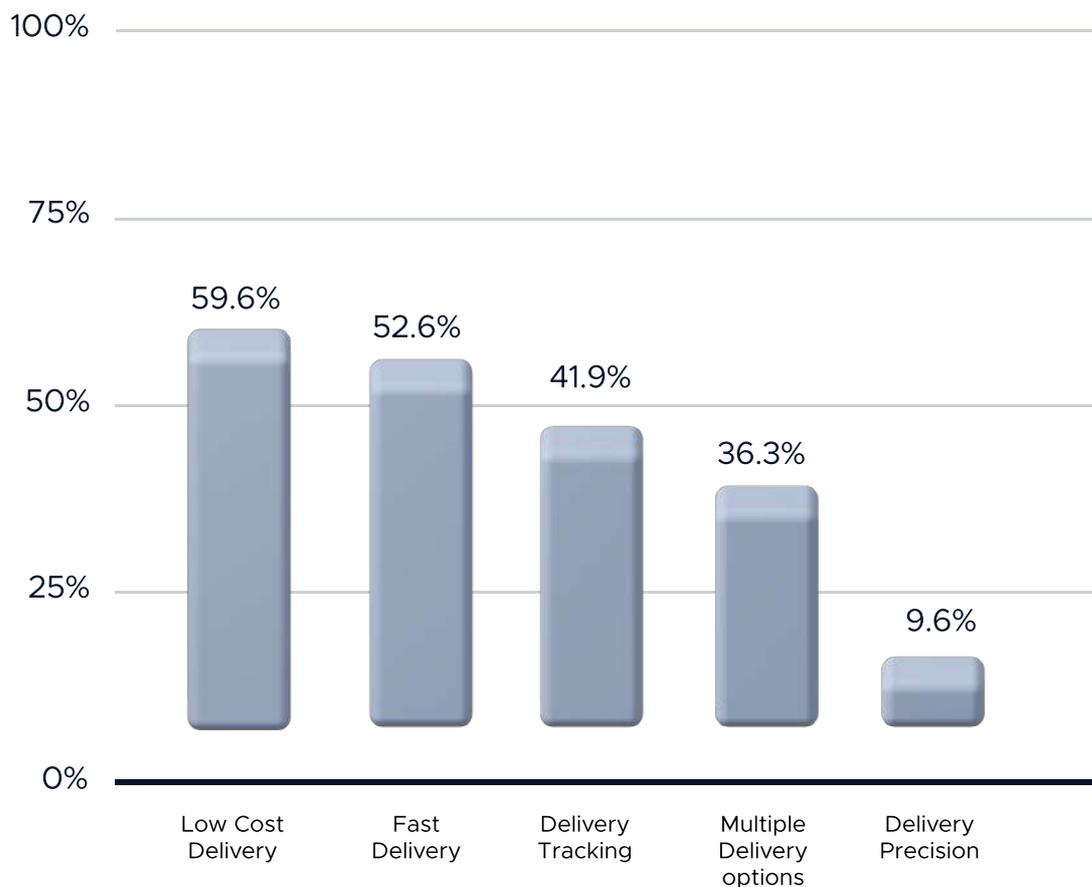
Consumers expect high levels of convenience and seamless processes to receive their online purchases.

41.9%

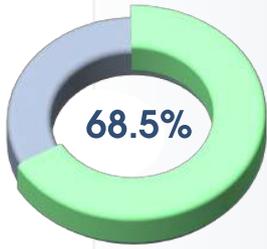
want to have the ability to track delivery live

59.6%

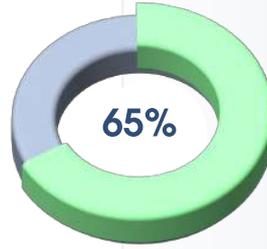
place highest priority on a low cost delivery



Towards Faster Deliveries



68.5% of consumers still shop in-store for urgent items



More than 65% of consumers find online shopping is more convenient.

The time-pressed digital savvy consumers of today want faster deliveries. Beyond the usual shopping trips, consumers want their online purchases to be delivered on demand. E-commerce has paved the way for Quick commerce and its commitment to be hyperlocal. There has been a significant increase in the use of quick commerce platforms post covid, with customers appreciating the quick resolution and reaction times .



87 %

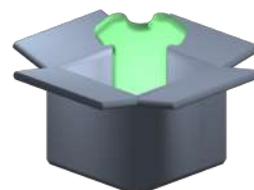
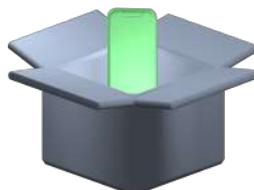
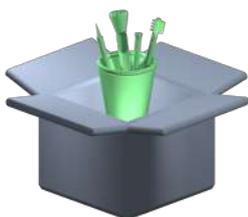


Other Quick Services

31 %



While the initial demand has been restricted to convenience goods, 49% consumers are increasingly demanding hyperlocal services and faster deliveries for comparison goods such as apparel, cosmetics and electronics



While customers balked about the cost of delivery during the early inception of quick commerce and same hour/day deliveries, paying a nominal delivery fee has now become the norm with an increasing segment becoming less price sensitive.

82.1%

**preferred Same Day
Delivery**

33.7%

**willing to pay extra
for service**

The eCommerce retailers will need to develop delivery capabilities that are fast, reliable and flexible for the consumers in order to remain competitive and relevant as the demand soars. The consumers are becoming more impatient with rising expectations of receiving their purchases in no more than a few hours driving the eDelivery market and last mile industry ultimately towards 15-minute cities.

Written and Researched by:

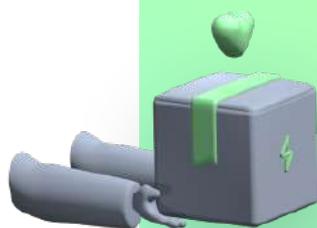
Amal Jolly

Founder -
Hyperr

Harkirat Rainu

Last mile Operations,
Strategy - Hyperr

At Hyperr, we power Post-Purchase experiences for eCommerce brands.



Our motto is to carry love faster and sustainably.

We believe deliveries shouldn't cost customer's experience, time or the planet. We are committed to align brands to be sustainable and be known for customer experience. We promise to deliver consistency in great customer experiences while putting brands at the front and centre.

ECommerce Infrastructure Stack

E Commerce platforms



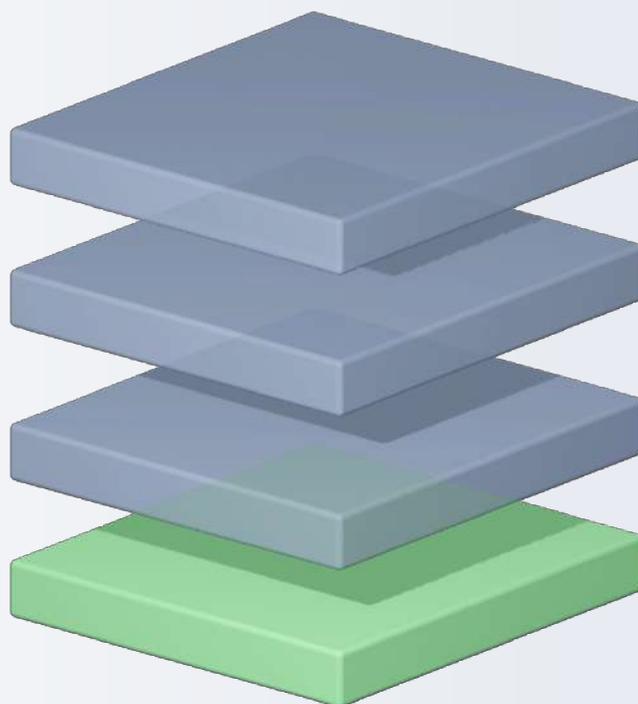
Marketing and Tech



Payments



Post Purchase



From helping brands offer faster deliveries and easy returns, to sustainable packaging and seamless product trials - Hyperr supports with tech and experience driven infrastructure that truly aligns them with sustainability.



Provide Seamless Deliveries And Easy Returns

Build trust and offer customers the convenience of seamless deliveries and door-to-store scheduled returns and increase conversion by up to 34%.



Drive Sustainability With Your Brand

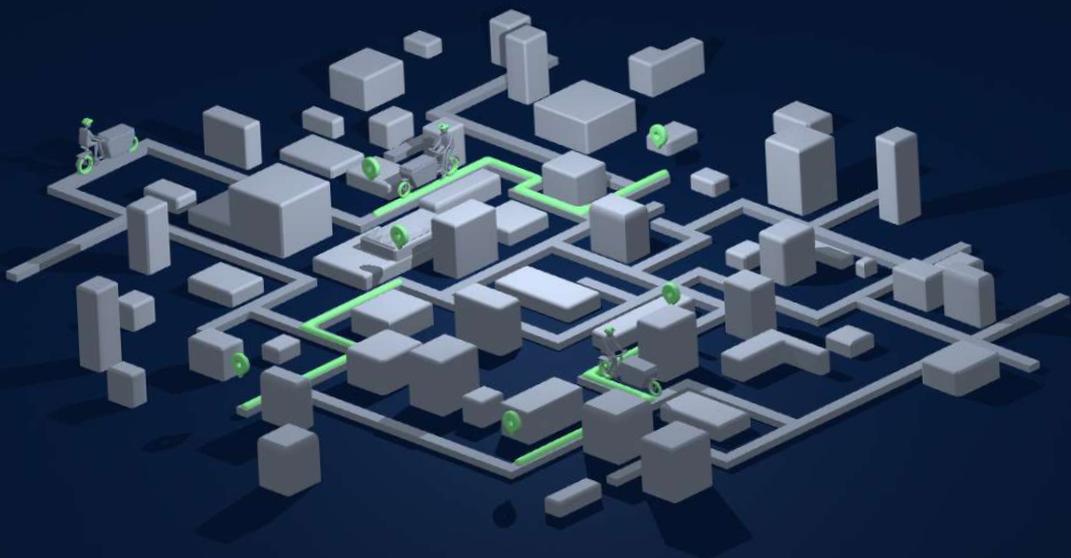
Take the lead in helping customers lead a more sustainable lifestyle. Hyperr helps cut down carbon emissions by 30% by making.



Enhance Post Purchase Experience

Make deliveries as enjoyable as the products. Hyperr guarantees customer focused services. Drive your repurchase rate by up to 22%.

info@hyperr.co.uk



We Carry Love.