

From Bags to Parcels – Illawarra Shopping Behaviour



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#VOXPOP

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From Bags to Parcels.

Leading regional market researcher IRIS Research asked people of the Illawarra about their attitudes, behaviours and intentions regarding on-line shopping. We do a lot; we like it; and we intend to do more...

Shop 'til You Drop? Most of us do some shopping on-line. Of nearly 250 respondents to the IRIS Research VoxPop, almost half (46%) conducted around 10% of their shopping on-line, with a staggering one-in-ten conducting half of all their shopping on-line. When asked about our on-line shopping behaviour 43% said their level of on-line shopping had increased in the past 12 months and 42% expect to increase their level of on-line shopping in the next 12 months.

And it's Illawarra's women across all ages, occupational categories and locations that are leading this change in shopping behaviour. The VoxPop did not seek to determine the level of control males and females exercise over their household budgets, but the implications of this are significant.

Why On-Line? We asked people to rate the importance of convenience of on-line shopping and almost half (47%) agreed or strongly agreed with the statement that on-line shopping was more convenient than in-store shopping. It's the convenience of online shopping that is the driving force behind the expected increase online shopping behaviour. "With our increasingly busy lives, juggling work, family and friends, anything that makes life easier will be attractive and mobile technology is enabling it," said Michael Di Leo, Research Director, IRIS Research.

Despite our experiences with delays and returning wrong goods and services bought on-line it is not enough to deter us from continuing to do it. 42% agreed or strongly agreed with the statement that complication and delays put them off on-line shopping; but we seem to be ready for overlook these experiences.

Despite the convenience on-line shopping appears to bring into our lives, 53% of respondents told us that they find the in-store shopping experience more satisfying.

This is encouraging news for bricks and mortar retailers who can compete with on-line competition when all things are equal if they provide the right experience for their customers. Part of this challenge is to have deep knowledge and understanding of their customer and deliver goods and services that delight.

Impact on Retail Spending. When considered against the IRIS Research Consumer Sentiment Monitor June 2015 results which revealed a 12 point contraction below the long term quarter average, with declines in household spending across six categories, this suggests traditional retailers' share of a shrinking purse is declining in an increasingly competitive market.

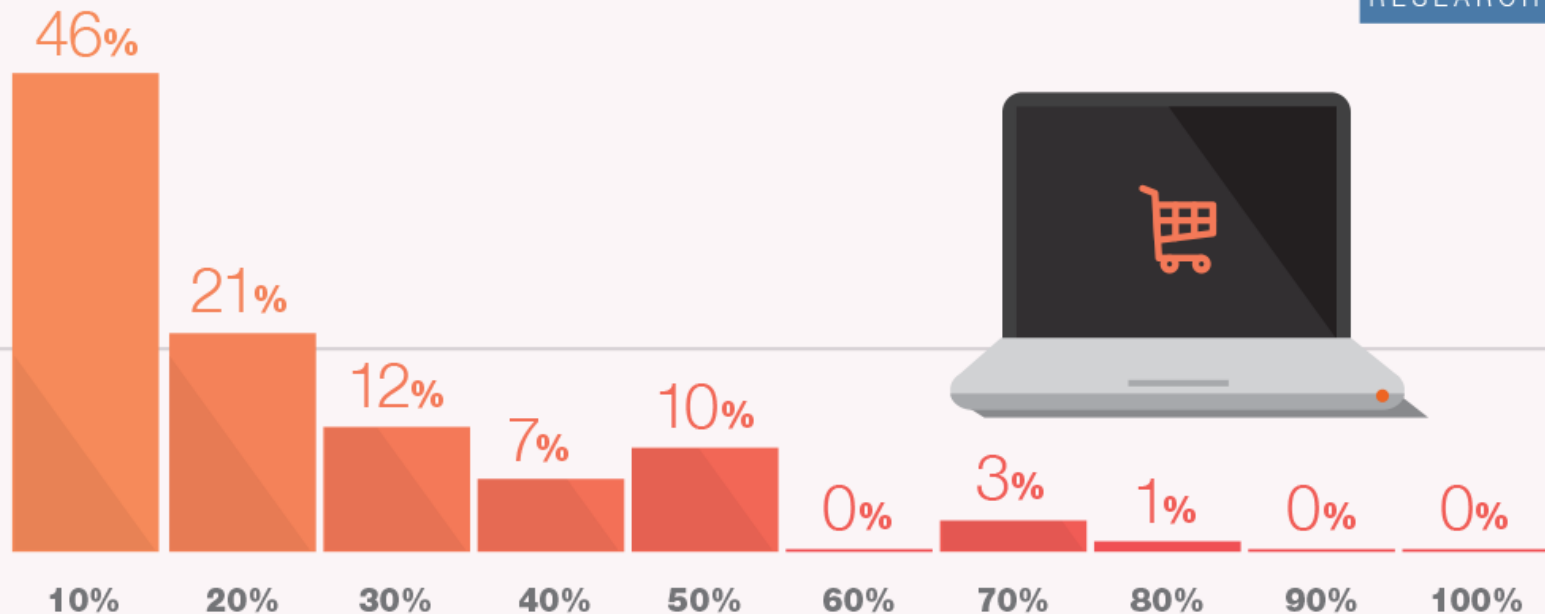
"According to the latest NAB Online Retail Sales Index, sales accelerated in September and increased by 5.7% compared to a year ago. They estimate Australians spent \$17.6billion on on-line retail in the past twelve months, equivalent to 7.1% of spending at traditional bricks-and-mortar retailers as measured by the ABS," said Michael Di Leo, Research Director, IRIS Research today.

The ABS reports that seasonally adjusted, Australian's retail spending rose 0.4% over Q3 2015, worth an estimated \$24.5billion, with NSW at 0.3% growth. "We look forward to seeing this result reflected in the next IRIS Research Consumer Sentiment Monitor to be conducted next month," Michael said.

In considering these important findings, Michael said that this research posed serious questions about successful competitive strategies for the retail and transport industries and what it means for the development of Illawarra's retail precincts and civic spaces.

Almost 250 locals responded to the On-line Shopping #IRISVoxPop run on 16-17 December 2015. As always, we are grateful to the people of the Illawarra for being willing to share their views with us through the #IRISVoxPop series.

How much of your shopping for goods and services do you do online?



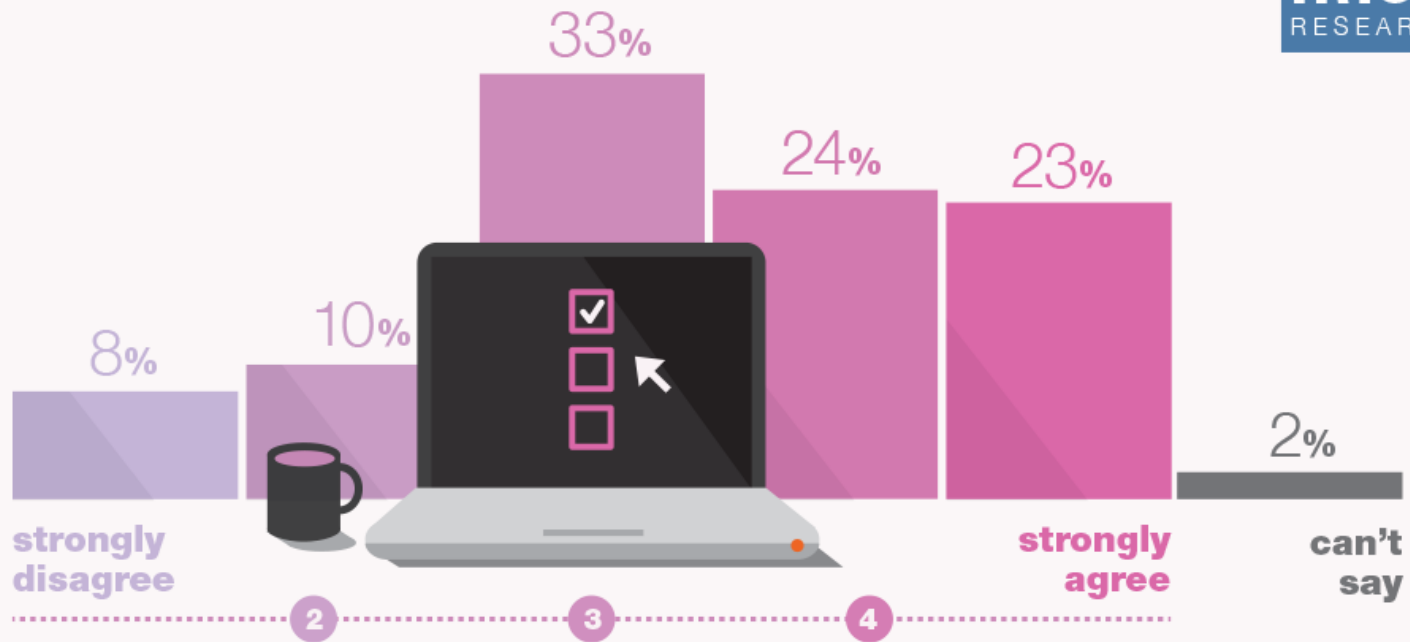
I do more online shopping now than I did 12 months ago



I intend to do more of my shopping online in the future



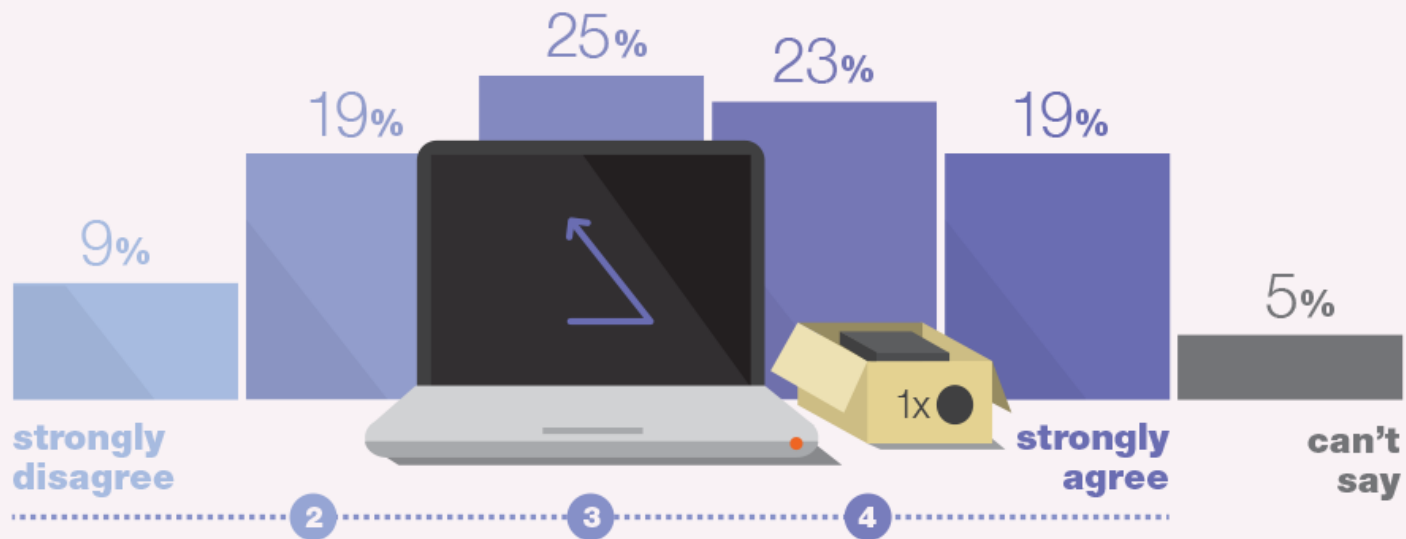
Online shopping is more convenient than in store shopping



I find the in-store shopping experience more fun and satisfactory than online shopping



Complications and delays with returning wrong goods put me off online shopping





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