Our Perspective –

Influencing Shopper Behaviour
Dalziel and Pow are pleased to present our first research paper – Influencing Shopper Behaviour – an evolution from our previous “Thoughts on” features. Providing more in-depth analysis of shopper behaviour and purchasing psychology, this paper will serve as the foundation when challenging design innovation and the true meaning of shopper satisfaction in UK retail today.

Methodology: The paper presents the UK shopper findings polled from 1000 online questionnaire participants and in-depth focus groups. Both forms of primary research undertaken by Dalziel and Pow were conducted with UK females aged 16 and over, split into three age groups: 16-24, 25-44 and 45+, across five socio-economic groups (ABCDE).

In order to qualify for the research, participants had shopped for clothing, electronics, health and beauty and/or small household items within the last three months.
Findings

Our research findings surprise, challenge and inform our existing thoughts on how shoppers behave – subsequently influencing our latest approach to retail design.

As an introduction to our key insight topics, we firstly want to share the behavioural research findings which incorporate shopper habits such as: time spent instore, impulse shopping, store browsing and putting the shopper back in control.

**Time**

We asked shoppers about the time they spend instore, giving them a scale which spans from; 'getting in and out as quickly as possible', up to 'shop until I drop'. Over a quarter of them told us that they look to complete their shopping as quickly as possible, with a further 42% across all age groups stating that they complete their shopping in 1-3 hours.

Over 75% of the 25+ demographic will complete their shopping trip in less than three hours.

Over 40% of 16-24 year-olds confess taking up to six hours to complete a single shopping trip.

**Impulse**

Sales and promotions are unsurprisingly the most common grounds for shoppers making unplanned impulse purchases, with clothing items being the most likely to be bought on impulse when compared with health and beauty, household or electronic items.

Over half of the shoppers told us that they were actively looking to make a clothing purchase prior to a store visit, but will often buy from a different retailer than originally intended due to impulse.

The 45+ are the least likely of the shopper demographics to make impulse purchases, with only 30% of these shoppers experiencing guilt when making unplanned purchases – compared with over 50% in both 16-24 and 25-44 shopper segments.

57% of shoppers enjoy making unplanned clothing purchases.
Browse

Browsing instore is a specific process undertaken by 16-24 year-olds, and classed as a specific shopping mission for the 45+. The older shopper practices browsing so often that they factor-in additional time to do this with most shopping trips.

Our findings revealed that shoppers aged between 25-44 are the least likely to browse a store, due to time constraints and a fear that they will see items they want to buy but cannot afford.

“...before I had kids I'd go for a look around, but not so much now.”
25-44 shopper

Control

Retail control is closely linked to shopping motivated by stress, otherwise known as “retail therapy”, and the alleviation of sadness. The Journal of Consumer Psychology recently published a respected study, concluding ‘that making shopping choices can help to restore a sense of personal control over one’s environment and reduce sadness’.

Our research found that shoppers are actively seeking retail control when shopping, wanting retailers to help complete their shopping agenda rather than interrupting, complicating or extending their search which can lead to frustration.

‘Shopping stress’ is particularly visible among the 25-44 shopper. This demographic generally have the busiest lifestyles, juggling finances, family and career. As a shopper group, their shopping time is split into two clear controlled missions – pre-planned category purchases and short windows of “me-time” which are created out of frustration and stress; a key driver within impulse shopping.

Reasons for enjoying a retail store

- Range of products: 80%
- Value for money: 59%
- Quality of products: 54%
- Store ambiance: 41%
- Friendliness of staff: 30%
- Customer service: 25%
Shopper Life Stages

The analysis of our research findings produced an understanding of shoppers that retailers should be engaging with but commonly ignore.

Each of the three demographics surveyed and interviewed are at a particular stage in their life, all with very different needs and experience. These ‘Shopper Life Stages’ have an undoubted subconscious effect on retail behaviour, impacting on how consumers browse and purchase.

16-24 / TEACH ME...
Still within close proximity to education and learning, the 16-24 year-olds are just starting to learn how to shop – navigating and investing what little money they have in products. Shopping is a task for this demographic. They lack experience, which results in doubt and uncertainty when making purchase decisions.

This observation is supported by their need to shop with friends to gain peer approval. The interviewees we spoke to told us they still require the ability to touch products instore despite being classified as digital natives.

25-44 / VALUE ME...
At a life stage where shoppers are starting to build and invest – whether that is a family, paying a mortgage or developing their dream career, 25-44 year-olds are familiar with making sacrifices and this impacts greatly on their shopping psychology and behaviour.

They are focused on getting best price, best service and best products for their money, and are extremely informed in how to go about it.

45+ / KNOW ME...
With the luxury of time, a more disposable income and experience within retail, the 45+ shopper is looking for a greater depth in their shopping experiences. They are knowledgeable about most products and where to locate them, but their greatest pleasure comes with spending time browsing stores and gaining a greater depth of inspiration.

Shopping is a relaxing ‘hobby’ for the 45+; they are instore because they have chosen to be, without stress or pressure attached.
**Insights**

After conducting our research and carefully listening to what our research participants had to say, we observed five distinct insight topics that affect how shoppers spend their time and most importantly their money within bricks-and-mortar retail. We have named these insight topics: Senses, Service, Shopping, Social and Surprise.

**Senses**

Four of the five senses – sight, sound, touch and smell – were openly discussed during our research, with the addition of temperature. Across all age demographics, sound and touch were the most distinct and recurring senses within the retail environment, followed by sight, smell and temperature.

Shoppers actively dislike experiencing the extremities of their senses, but arguably only notice these emotive triggers when retailers are doing them badly.

Shoppers found loud and inconsistent store music obtrusive, especially within department stores becoming more inclined to “get as far away as possible” from the off-putting music. There was, however, a distinct need for ‘designing’ music within store environments at a frequency that compliments and entices the shopper rather than distract them from the products.

Instinctively, shoppers expressed a need to touch the products they consider purchasing. Specifically within the fashion category, touching items of clothing is the main reason they are standing instore rather than ordering online – therefore this sense is critical to increasing consumer spending, yet retailers are continuing to place items out of reach, resulting in shopper dissatisfaction.

**Viktor & Rolf**

Dutch fashion house designed an interior covered entirely in grey felt, aiming to create an unobtrusive store environment that made 650-square-metre space intimate, muffling the sound of browsing shoppers.

“You almost want to create a distinct subliminal sensory experience that goes unnoticed but provides retailers with clear differentiation amongst competitors.”

**David Dalziel**

Unsurprisingly shoppers are sensitive to temperature fluctuation, however our research uncovered that shoppers, across all demographics, are particularly sensitive to this within the fashion category. Claiming that temperature is more often than not “too hot” within store changing rooms, and would actively put them off trying items on instore.
Service

The importance of customer service is a consistent focus within retail strategy and a key insight topic within shopper studies. Two of the six proven persuasive principles* that relate directly to instore customer service, and have the ability to dramatically lift sales, were supported within our recent research: ‘Social Proof’ known as social validation and the principle of ‘Liking’ another human being are particularly strong influencing attributes when gaining shopper loyalty and increased spending.

![Social Proof Chart](chart1)

Social Proof
When uncertainty manifests itself in people, they tend to look to those around them as a guide to their subsequent decisions and actions – especially peers.

![Liking Chart](chart2)

Liking
People are much more likely to say ‘yes’ to those they know and like. People react positively to those who are physically attractive, similar to themselves, or those who give them compliments.

The majority of shoppers (25+) expressed a wish to be served instore by a person of a similar age, with the exception of the younger demographic who experience a great deal of retail intimidation and would rather trust an older sales assistant or rely on their peers when they are spending money instore.

The level of attentiveness is a balancing act instore. Shoppers get frustrated when they are approached too often, and equally when they cannot locate sales assistants. They require staff to be on-hand and visible, with the choice of approaching them – it’s about the shopper feeling in-control of their retail experience.

There are a number of stand-out retailers who are practicing ‘good customer service’, but this is often associated as an added extra or accompanied by an expensive price tag. Our research suggests that shoppers now expect service to be consistent across retailers regardless of product or price, yet bricks-and-mortar retailers are not utilising this key tool to increase sales instore.

* Robert Cialdini, Influence: The Psychology of Persuasion
Shopping

There is no denying that the contemporary retail landscape is ‘complex’, ‘splintered’ or any of the other current expressions. There is still a process of getting from ‘A’ to ‘B’; it has merely been revolutionised by technology and shopper expectations.

Analysis of our research suggests that generally, the internet is used as a seamless research tool by shopper demographics of 40 year-olds and younger. The 45+ however, behave in a much more divided manner – treating online and offline as separate shopping channels.

The older shoppers value the purchasing ceremony over a small saving, using online in three clear scenarios:
- **Convenience** – buying items that are classified as a “chore”.
- **Repeat buying** – locating and purchasing from known and trusted brands.
- **Third party recommendations** – locating items from a third party i.e. a dress suggested in a magazine.

Click and Collect

Shoppers that enjoy the click and collect service were primarily 45+, using it as a convenience tool when they do not want to browse instore. Whereas, the younger demographic (16-24) rarely use this service as there is a greater delay between paying for the product and touching it; preferring instead to simply “just go instore and get it”.

Seamless Deals

Shoppers seek seamless product deals – online and instore. The majority do not view them as separate shopping channels and therefore expect to see retailers providing the same online special offers translated instore, and vice-versa.

The Role of the Internet

The internet is a fundamental part of shopping today, with its role and involvement varying with each demographic:

- **16-24 / INFORMATION SOURCE**
  Use the internet primarily as a research tool for products, teaching them how to navigate products instore.

- **25-44 / PRICE**
  Use the internet as a more specialised information source – to check prices and find the best deal.

- **45+ / CONVENIENCE**
  Use the internet as a tool to make convenient purchases when they do not want to browse instore.

Waitrose Click & Collect

Giving shoppers “what they want, when they want it”, Waitrose, amongst other grocers have planned to install click & collect facilities at six London Underground stations.

- 89% of shoppers use the internet to research clothing, health and beauty, electronics and small household items before visiting a physical store.

- 85% of shoppers use the internet to research clothing, health and beauty, electronics and small household items before visiting a physical store.

- 65% of shoppers are over three times more likely to have them delivered than collect instore.

- 18% of shoppers use the internet to research clothing, health and beauty, electronics and small household items before visiting a physical store.
**Social**

Instore shopping promotes sociability amongst consumers, with 60% of those that we spoke to visiting retailers for more than ‘just shopping’. Whether shoppers are browsing with friends and/or taking the family out, shopping is still a social event shared by all demographics regardless of income, age or lifestyle.

Both the 16-24 and 45+ shoppers discussed the social aspect of shopping at length, having more time to spend instore than the 25-44 year-olds. As for the younger shoppers, they are learning and developing their retail experience alongside their friends as a form of security; retailers’ reaction to this behaviour is highly influential as to whether they come back with their parent/guardian to complete their purchase.

Given the opportunity, 25-44 year-olds enjoy shopping with friends but treat these rare moments of ‘down-time’ as a special day out and a way of “catching-up”, rather than a defined purchase mission which would be completed alone. Whereas, the 45+ shoppers discussed visiting retailers with friends and partners regularly, relishing the social shopping experience.

**Hospitality**

Stopping for a coffee or a bite to eat is treated as a ritual for the older shopper who “would always sit and have a coffee”, reviewing what they have bought and contemplating what they’re going to go back for. For those younger shoppers, stopping is a luxury of time and/or money, preferring instead to pick something up and consume on the move.

59% of shoppers state bricks-and-mortar retail allows them to socialise with friends and "catch-up with a quick coffee".

**Adidas Neo**

AdidasNeo’s interactive social media mirror allows shoppers to take a photo of themselves wearing an item instore, and share it directly on Facebook or Twitter.

**Stella & Dot**

Launching their UK division two years ago, Stella & Dot sell products directly to shoppers via engaging social gatherings or demonstrations.

“It’s the whole thing of having a coffee with a girlfriend, the shopping experience.”

25-44 shopper
Surprise

Shoppers across all age demographics look to be inspired while browsing and shopping instore. Four clear points relating to an enjoyable store experience emerged:

1. Access all areas
Shoppers want to touch and handle products instore. This is something online retailers cannot generally compete with at the moment.

2. Clear product presentation
Shoppers found that their overall retail experience was hindered by messy presentation and poor store navigation. Unclear product presentation deters shoppers from spending time instore, browsing and buying goods.

3. Simplify choice
Too much choice and unclear shopping environments will confuse and delay shoppers’ path to purchase. They’re seeking a simplified product choice, which is more accurate to their needs.

4. Purchasing ceremony
As a key part of the instore shopping experience, shoppers exuded pride when handed a shopping bag, acting as a strong emotive trigger.

45+ shopper

“…love big bags. The feel of them. You don’t get that online.”

45+ shopper

Paris
Dalziel and Pow

A concept based around adventure, Paris Kids offers shoppers in Santiago an urban, playful and interactive space to purchase products. This high level of experience, a first within this market, is created through theatrical sets resembling miniature houses, fun-fairs, beach holidays and hide-and-seek.

Selfridges ‘The Imaginarium’
London department store Selfridges has turned its basement space into an amphitheatre titled the ‘The Imaginarium’, hosting lectures and debates as part of the 6 week Festival of Imagination.

56%

of shoppers look to be inspired and allow themselves to dream when shopping instore.
Our recommendations

We have analysed and distilled our research findings with a series of five recommendations for retailers who are as intrigued about a world of user-centred retail as we are.

Curation

Today’s overwhelming product offer and volume of information have left the shopper seeking refuge in a curated shopping experience. Curation gives the shopper the ability to locate and browse products in an unusual manner that they wouldn’t have considered prior to visiting a store, thus creating increased impulse purchasing across categories.

Similar to strategic product presentation, curation for retailers means creating collections of complementary products that are relevant to shoppers without compromising on the amount of products available instore. By offering this increased product clarity and confidence, retailers will gain the trust and loyalty of the shopper for years to come.

16-24 / EDUCATE
Curation educates 16-24 shopper to purchase and explore across a number of categories previously unconsidered, which allows retailers to educate and influence, building confidence within their purchases.

25-44 / VALUE
For the more educated shopper who is pressed for time, curation allows consumers to feel valued – putting their locating needs at the centre of the shopping mission, while offering quick inspiration.

45+ / DEPTH
Curation allows 45+ shoppers to locate and browse products that are not normally found together, creating a more provocative way to discover and explore an ‘idea’ in depth.

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Accessibility

Identifying and understanding how and why shoppers would like to access products, regardless of whether they are browsing or buying, should be a key driver in retailers’ strategy today.

Online retailers, challenged by the time delay between a shopper placing an order and receiving it are taking shopper accessibility seriously: nothing says it more than Amazon patenting “Anticipatory Shipping” – shipping products based on prediction algorithm to local shipping hubs before the order has even been placed. But how are traditional retailers combating this?

Instead of offering endless possibilities and avenues of access, our research suggests retailers should be crafting accessibility around the lifestyle of their target market and resonating with their values, needs and wants – not a one-size-fits-all omni-channel prescription. This means understanding the ‘shopper lifestages’ and listening to shoppers.

16-24 / EDUCATE
Tech-savvy, digital natives crave access to products, but are torn between online purchases taking too long to arrive and instore price. Shoppers are learning as they touch and need both online and human interaction to help them navigate the world of retail.

25-44 / VALUE
The importance of time has a massive impact on shopper accessibility, retailers need to ease the stress and create linear transactions without losing customer experience.

45+ / DEPTH
Looking for depth and an inspirational experience, retailers need to focus on the 45+ habitual behaviours where browsing is a massive part of shopping.

Our stores, website and mobile devices are all working in unison to the benefit of the customer.
We are driving store customers online and online customers into the stores.

Macy’s Inc.

Colette
This temporary ‘Art drive-thru’ allows shoppers to literally drive up to a window and order from a virtual menu of curated design items; pushing the boundaries of the typical pop-up shop.

Sneakerboy
Catering for the next generation of luxury consumers, Sneakerboy carries no stock and has no fixed point-of-sale. The shop instead acts as a showroom, allowing customers to touch, scan and purchase products instore via a Sneakerboy app or store ipads, with delivery to their home within 3 days.

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Trust

Retailers and brands are at the mercy of shoppers and their opinions, with their ability to voice them on countless platforms to influence current and potential consumer spending.

Through numerous PR disasters, retailers have learnt that shopper opinion counts, and more importantly – that it influences; they won’t leave any stone unturned and retailers should expect an uprising when they aren’t impressed.

Retail trust is created and enhanced through brand transparency and allows the shopper to engage with the retailer at any point in the product journey, feeding their curiosity. Retail transparency is no longer a choice, the power of shopper trust has the ability to increase their spending and win loyalty.

16-24 / EDUCATE
Sceptical about brands and concerned about sustainability; retailers need to educate the 16-24 year-olds about their sourcing and manufacturing processes to build trust and increase shopper investment.

25-44 / VALUE
Value their opinion and intelligence. They’ve lived through Gap’s infamous sweatshop disaster and are a more complex shopper to convince since they lack time – "why should retailers be worthy of my trust?"

45+ / DEPTH
Allow them to explore, and importantly share the depth of retailer’s transparency; showcase and impress the 45+ and this will instil trust.

Growing Underground
A carbon-neutral subterranean farm within the dark and disused tunnels of the London Underground uses special low-energy LED bulbs and an integrated hydroponics system to grow herbs, shoots, and mini-vegetables.

John Lewis
‘Never Knowingly Undersold’ acts as the backbone to this successful department store, instilling trust within shoppers based on all aspects of quality, price and service.

Honest By
Providing shoppers with supply chain transparency, Honest By divulges 100% of its manufacturing details and production costs to shoppers.

Nike Inc.
Nike’s interactive Global Manufacturing Map lists the number of current countries, factories, and workers involved in their garment production, allowing shoppers to filter this down through brand, product type or event.
Personalisation

Retailers need to actively engage with shoppers, connect to their personal needs and diversify products and services to meet a shopper-centric store experience. Personalisation avoids the previously one-size-fits-all concept, instead talking to the individual shopper through instore workshops or localised store concepts.

Local knowledge truly does equate to retail power.

Co-create.

Shoppers can’t get enough of access-all-areas stores functioning as experimental product playgrounds. Co-creation between the retailer and shopper facilitates self-expression while gaining a greater understanding of your customer.

Be local.

Retailers who are moulding their brand to meet regional needs demonstrate the ability to connect and importantly understand the local shoppers’ needs and wants. Mass localisation, a form of personalisation, captures the shopper’s loyalty through connecting the brand with the local communities and the surrounding areas.

16-24 / EDUCATE
Invite young shoppers to personalise and get involved in the creation of products; they are eager to learn about the process and want to give retailers their feedback along the way.

24-40 / VALUE
Engaging and empathising with shopper’s wants is critical when talking to this age group. Retailers need to make them feel valued and understood, putting them in control and at the centre of the shopping experience.

45+ / DEPTH
Personalisation allows the older shopper to explore and emotionally engage with products or services, connecting them to a more relevant offering and increasing the likelihood that they will complete their purchase.

Converse
Design Your Own by All Star
Converse allows the shopper to customise their sneaker from top to bottom with their choice of colours or prints.

Starbucks
After studying the local market of tea-drinkers for 6 years, Seattle-based coffee giant Starbucks opened a localised branch in Mumbai; its first within India. A year later, it celebrated with the introduction of a specially sourced, roasted and packaged India Estates Blend of coffee bean.

iBeacon
The latest piece of revolutionary tech from Apple – iBeacon – is a low-energy Bluetooth variant, allowing retailers to set up transmitters sending personalised push-notifications to nearby smartphone-holding shoppers. Offering real-time discounts, speedy purchasing and shopping list reminders.
Diversify

Diversification allows retailers to broaden and extend their offering with the ability to tap into previously untouched markets, or shoppers, while boosting their current sales.

A clearer understanding of the shopper’s lifestyle allows retailers to design more efficient spaces that will support their main retail offer, but provide convenience to the customer. To diversify means giving shoppers more reasons to socialise, dwell or explore instore, rather than the shopper locating items, purchasing and leaving straight away.

16-24 / EDUCATE
Spending longer in stores than any other demographic and travelling in packs with a hunger to learn. Retailers should offer this age group enhanced service to facilitate exploration and education.

25-44 / VALUE
Understand their time and value it. If you can combine the correct services that complement the lifestyle of the 25-44 year-olds they are more likely to spend greater amounts of time and money instore.

45+ / DEPTH
Offer the 45+ a greater reason to stay instore and dwell; these shoppers take time browsing the depth of a store and what it has to offer them.
Summary

Our research, the backbone to ‘Influencing Shopper Behaviour’, has uncovered numerous behavioural findings and provides key insights into current UK shoppers’ browsing and purchasing habits. Listening to shoppers and discussing their retail experiences first-hand has given us the unique ability to understand their needs and wants and decipher what this means for retailers today.

The careful crafting of our ‘Shopper Life Stages’ has provided us with an essential framework that is applicable to all sectors and repositions their basic needs as the focus within retail design. Its application within Our Recommendations: Curation, Accessibility, Trust, Personalisation, and Diversity, demonstrates the strength of this simple yet versatile thinking, the implementation of which doesn’t mean overhauling your product offering, workforce or company structure.

‘Influencing Shopper Behaviour’ has gone beyond behavioural observations, bringing the shopper front-of-stage, listening and understanding their needs – a retailer who is willing to go the extra-mile to educate, value or know them, while delivering a content rich, exclusively tailored and authentic retail experience will have a deeper and more meaningful relationship with their customers.
Let’s talk…

Dalziel and Pow are a London-based agency, creating unique brand and retail experiences through our integrated approach to design. We travel, observe, listen, create and experiment, designing brands and defining them. We assess the latest trends and how consumers are reacting to them – the good and the bad. Our brief is to interpret these insights for our clients and create unique and engaging experiences. We’re always keen to talk.

Please get in touch if you’d like to discuss any of these thoughts further, we’d love to hear from you.

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