globalwebindex

GWI Commerce

GlobalWebIndex's bi-annual report on the latest trends in online commerce

SUMMARY

FLAGSHIP REPORT Q3 2017

www.globalwebindex.net

Introduction

GWI Commerce presents GlobalWebIndex's very latest figures for online commerce behaviors and engagement levels. Among other topics, this report covers:

- The countries and demographics that are driving online commerce
- The role that PCs, laptops, mobiles and tablets are playing in online purchasing
- The changing dynamics of how people are paying for products
- The potential and current impact of social commerce
- Purchasing behaviors in specific categories
- How and why online purchases are being completed

In this summary version, we highlight key insights and figures from our research. To read the full version of this report, start a free trial with GlobalWebIndex **HERE.**

Contents

Notes on Methodology

ALL FIGURES IN THIS REPORT ARE DRAWN FROM **GLOBALWEBINDEX'S ONLINE RESEARCH AMONG INTERNET USERS AGED 16-64.**

PLEASE NOTE THAT WE ONLY INTERVIEW RESPONDENTS AGED 16-64 AND OUR FIGURES ARE REPRESENTATIVE OF THE **ONLINE POPULATION** OF EACH MARKET, NOT ITS TOTAL POPULATION.

OUR RESEARCH

Each year, GWI interviews over 350,000 internet users aged 16-64. Respondents complete an **online questionnaire** that asks them a wide range of questions about their lives, lifestyles and digital behaviors. **We source these respondents in partnership with a number of industry-leading panel providers.** Each respondent who takes a GWI survey is assigned a unique and persistent identifier regardless of the site/panel to which they belong and **no respondent can participate in our survey more than once a year** (with the exception of internet users in Egypt, Saudi Arabia and the UAE, where respondents are allowed to complete the survey at 6-month intervals).

OUR QUOTAS

To ensure that **our research is reflective of the online population in each market**, we set appropriate quotas on **age, gender and education** – meaning that we interview representative numbers of men vs women, of 16-24s, 25-34s, 35-44s, 45-54s and 55-64s, and of people with secondary vs tertiary education.

To do this, we conduct research across a range of international and national sources, including the World Bank, the ITU, the International Labour Organization, the CIA Factbook, Eurostat, the US Bureau of Labor Statistics as well as a range of national statistics sources, government departments and other credible and robust third-party sources.

This research is also used to calculate the 'weight' of each respondent; that is, approximately how many people (of the same gender, age and educational attainment) are represented by their responses.

MOBILE SURVEY RESPONDENTS

From Q1 2017 on, GlobalWebIndex has offered our Core survey on mobile. This allows us to survey internet users who prefer using a mobile or are mobile-only (who use a mobile to get online but do not use or own any other device). Mobile respondents complete a shorter version of our Core survey, answering 50 questions, all carefully adapted to be compatible with mobile screens.

Please note that the sample sizes presented in the charts throughout this report may differ as some will include both mobile and PC/laptop/tablet respondents and others will include **only** respondents who completed GWI's Core survey via PC/laptop/tablet. For more details on our methodology for mobile surveys and the questions asked to mobile respondents, please **download this document.**

INTERNET PENETRATION RATES ACROSS GWI'S MARKETS

GlobalWebIndex's research focuses exclusively on the internet population and because internet penetration rates can vary significantly between countries (from a high of 90%+ in parts of Europe to lows of c.20% in parts of APAC), the nature of our samples is impacted accordingly.

Where a market has a high internet penetration rate, its online population will be relatively similar to its total population and hence we will see good representation across all age, gender and education breaks. This is typically the case across North America, Western Europe and parts of Asia Pacific such as Japan, Australia and New Zealand. Where a market has a medium to low internet penetration, its online population can be very different to its total population; broadly speaking, **the lower the country's overall internet penetration rate, the more likely it is that its internet users will be young, urban, affluent and educated.** This is the case throughout much of LatAm, MEA and Asia Pacific.

SAMPLE SIZE

This report draws insights from GlobalWebIndex's Q2 2017 wave of research with a global sample size of 89,029.

ITU INTERNET PENETRATION METRIC 2016

Argentina	70.2	Hong Kong	87.3	Netherlands	90.4	South Korea	92.7
Australia	86.5	Kenya	26.0	New Zealand	88.5	Spain	80.6
Belgium	86.5	India	29.5	Nigeria	25.7	Sweden	91.5
Brazil	59.7	Indonesia	25.4	Philippines	55.5	Taiwan	79.7
Canada	89.8	Ireland	82.2	Poland	73.3	Thailand	47.5
China	53.2	Italy	61.3	Portugal	70.4	Turkey	58.3
Egypt	39.2	Japan	92.0	Russia	76.4	UAE	90.6
France	85.6	Malaysia	78.8	Saudi Arabia	73.8	United Kingdom	94.8
Germany	89.6	Mexico	59.5	Singapore	81.0	United States	76.2
Ghana	34.7	Morocco	58.3	South Africa	54.0	Vietnam	46.5

This table provides the latest estimates on internet penetration (defined as the number of internet users per 100 people) from the International Telecommunication Union. Please note that this will reflect internet penetration among the total population, and that the figure among 16-64s is likely to be higher.

Topline Trends & Demographics

Which internet users are shopping online and what stores are they visiting?

KEY HEADLINES

- **More than 7 in 10 online adults are purchasing products online each month,** with slightly more visiting online retail sites such as Amazon.

- **24-44s are the most likely to be buying online,** but figures remain high across all the demographic breaks.

- **APAC is the top region for buying online.** Online adults in China are the most avid online shoppers, but with rapidly growing online populations like India, Indonesia and Thailand also in the top 10 countries here there's still significant room for growth in this region.

- As connectivity improves in these populous fast growth markets, **major competing commerce brands are looking to gain a foothold.** Amazon's global expansion has already pit it against Alibaba in China, but Alibaba's investments outside of China will also see it compete directly with Amazon in these regions too.

DEMOGRAPHICS OF ONLINE SHOPPING

% of internet users aged 16-64 who have purchased a product online in the last month

GENDER

MALE	74%
FEMALE	76%

INCOME

BOTTOM 25%	71%
MID 50%	77%
TOP 25%	79%

AGE

16-24	74%
25-34	78%
35-44	76%
45-54	72%
55-64	70%

Question: In the past month, which of the following things have you done on the internet via any device? Purchased a product online | **Source:** GlobalWebIndex Q2 2017 | **Base:** 72,529 Internet Users aged 16-64

Platform:
Online Activities and Behaviors
> Activities via Any Device

EXPLORE THE DATA

Engagement by Device

What devices and apps are online shoppers using?

KEY HEADLINES

- **In a major milestone, online shopping is now a mobile-first activity,** younger groups and internet users in fast-growth markets have shown a particular enthusiasm for buying online via mobile.

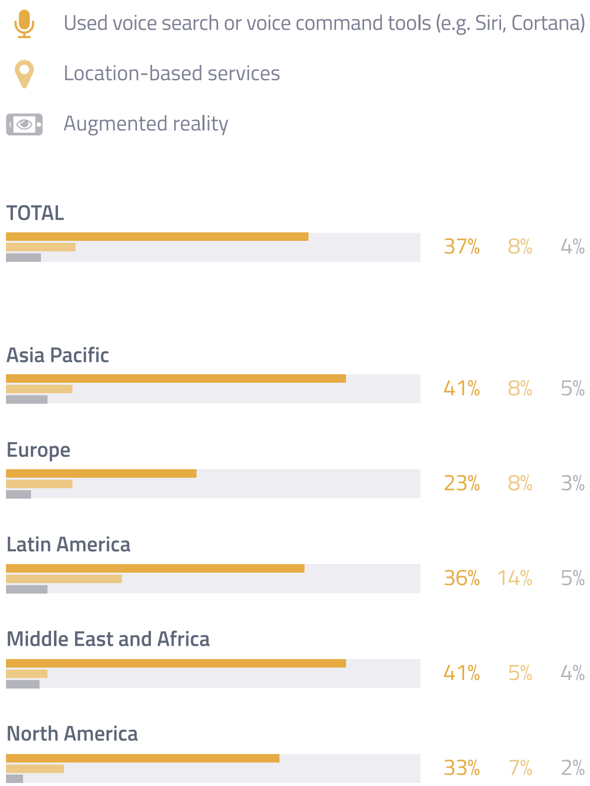
- **PCs and laptops will remain important devices for commerce activities,** thanks to older consumers in mature markets having a stronger attachment to more "traditional" devices.

- **As commerce activities are increasingly carried out on mobile, this will pave the way for new and innovative commerce solutions online.** Social commerce and 'new retail' will be primary benefactors here.

- **'New retail' will give brands unprecedented consumer data to streamline and personalize the path to purchase as part of a more customer-centric approach.** Not only will this help create loyal customer relationships and much-needed competitive advantages, **but in equal measure will also cause widespread privacy concerns.**

'NEW RETAIL' TECHNOLOGIES

% of Online Shoppers who used the following technologies/app types in the last month



Question: Thinking about mobile / tablet apps, which of the following categories have you used in the past month? // In the past month, which of the following things have you done on the internet via any device? | **Source:** GlobalWebIndex Q2 2017 | **Base:** 53,545 Online Shoppers aged 16-64

Platform: Apps > App Types Used

EXPLORE THE DATA

Fintech

How is financial technology driving uptake in online commerce, how are consumers making use of this technology, and what is the role of mobile in this arena?

KEY HEADLINES

▪ **Mobile payment usage continues to gain traction.** Fast-growth markets with relatively undeveloped financial infrastructures stand to benefit the most from mobile payments. **Markets like India and China have emerged as the biggest success stories of this tech so far, but more markets – especially in APAC – are beginning to make an impact too.**

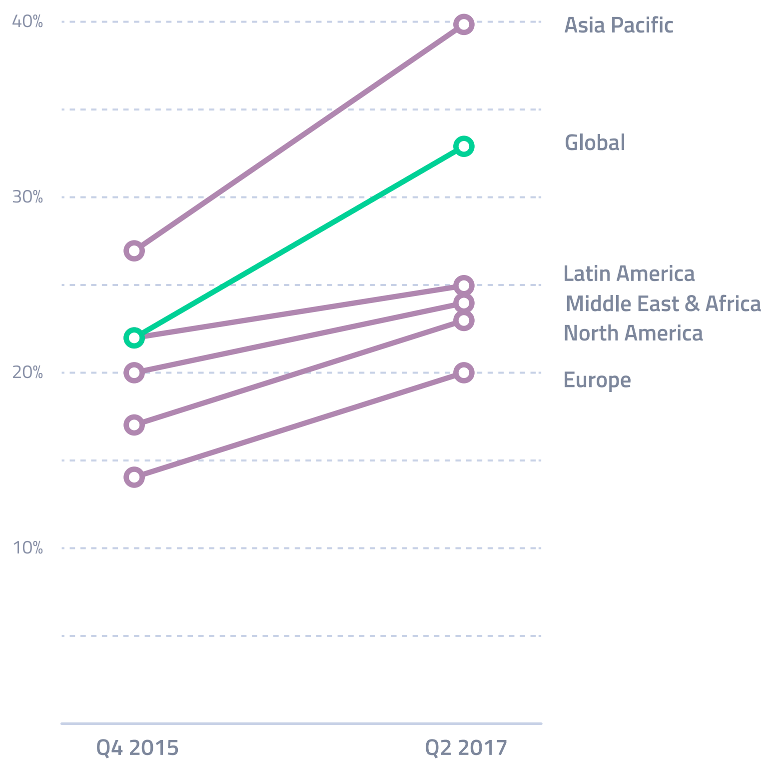
▪ **Some key mature markets are also displaying growth in mobile payments uptake,** with the UK and Sweden being notable examples here. For many other mature markets, strong attachments to credit or debit cards may be holding back consumer adoption.

▪ **Major payment providers are looking to build their presence in these emerging markets during this critical development period.** Just as it is increasingly squaring off with Amazon in the retail arena, so too will Alibaba compete with Apple and Samsung in the digital payments arena via its Alipay product as it increases its stakes abroad.

▪ **Over 7 in 10 internet users are now banking online,** and with smartphones the top device here, many banking brands are rushing to pivot to mobile to keep pace with changing banking habits and stay competitive

MOBILE PAYMENTS

% who have used their phone to pay for an item / service in the past month



Question: Which of the following have you done on your mobile phone in the past month? Used your phone to pay for an item / service
Source: GlobalWebIndex Q2 2017 | **Base:** 89,029 Internet Users aged 16-64

Platform: Device Ownership and Access > Mobile Actions in the Last Month

EXPLORE THE DATA

Social Commerce

What is the potential for online commerce via social networks?

KEY HEADLINES

- Social media engagement is now heavily tied to mobile. **As such, social commerce will benefit directly from online shopping's transition into a mobile-first activity.** But in order to overcome lingering consumer reservations in the West, platforms need to adhere to the lessen of ad-blocking and approach the consumer in a non-intrusive manner on their terms

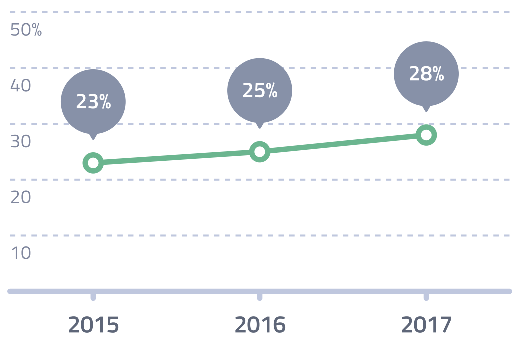
- **The role of social platforms is becoming less centered around personal sharing, and more geared towards fulfilling purposeful activities** such as buying online or catching up on news. As people spend longer on social media with each passing year primarily on mobile, we'll inevitably see more and more people incorporating social into the buying behaviors.

- **Convenience is one of the main strengths of social commerce,** and using social platforms as a brand-consumer touchpoint is proving effective in improving customer experiences.

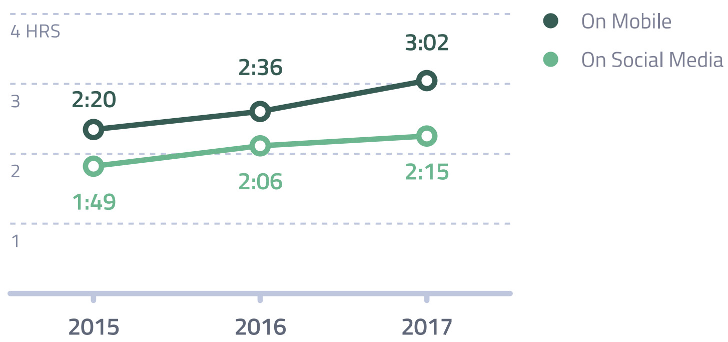
SOCIAL MEDIA IN THE PURCHASE JOURNEY

ONLINE PRODUCT RESEARCH

% who say they use social media to research / find products to buy



Time Spent Per Day in hh:mm



Question: What are your main reasons for using social networking services? // Which of the following online sources do you mainly use when you are actively looking for more information about brands, products, or services? | **Source:** GlobalWebIndex Q2 2017 | **Base:** 197,734 (2015), 211,023 (2016) & 178,421 (2017) internet users aged 16-64

Platform: Social Media > Reasons for Using Social Media

EXPLORE THE DATA

From Research, to Purchase, to Advocacy

What motivates online shoppers to make a purchase?

KEY HEADLINES

▪ **Search engines and consumer reviews remain central** to online product research. But led by younger – more smartphone-centric – users, **alternative routes like social networks and online video sites are becoming ever more important.**

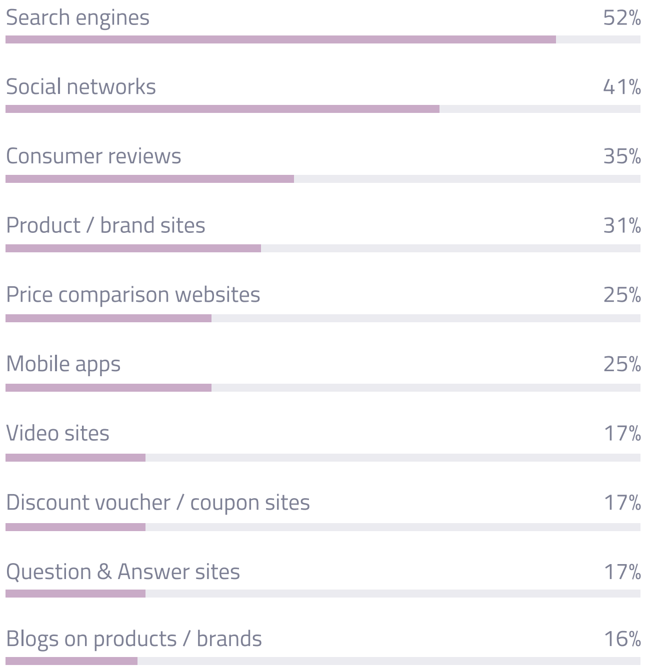
▪ **Free-delivery is crucial in encouraging buyers to make a purchase.** Outside of this, younger groups value entertainment content giveaways, and older groups favor service and convenience.

▪ **More consumers are posting reviews than consuming them.** It's younger groups in fast-growth markets are the most vocal online, whereas older groups are more likely to be using reviews to inform purchasing decisions, rather than posting themselves.

▪ After the purchase, **delivering on the wants and needs of a consumer is essential in winning them over as an advocate.** For younger groups, **this means improving their social status and providing entertaining content.** For older ones, **this means giving them the high-quality experience they expect when interacting with brands.**

TOP 10 PRODUCT RESEARCH CHANNELS

% of internet users aged 16-64 who use the following to research brands/products



More from GlobalWebIndex

REPORTS

FLAGSHIP REPORTS
Our flagship reports present insights and statistics on social networking, device usage, online purchasing and entertainment.

MARKET & REGION REPORTS
Tracking key digital behaviors and engagement rates at a national or regional level, providing the very latest headline figures as well as looking at trends over time and across demographics.

AUDIENCE REPORTS
In-depth examinations of particular groups, assessing their most important behaviors and motivations as well as what sets them apart from the wider online population.

INSIGHT REPORTS
Deep-dives into some of the most pressing topics for marketers, from traditional vs digital media consumption to audience measurement issues.

TREND REPORTS
Tracking the stories of the moment, from ad-blocking and live streaming to VPNs and multi-networking.

INFOGRAPHICS
One-page visual summaries of key services, behaviors & audiences.

To see all of our available reports

CLICK HERE

PLATFORM

The questions and data-points featured in this report are available to explore on our Platform. They can be analyzed by any audience, date range or selection of countries/regions, with users able to build bespoke audiences based on our wide range of demographic, attitudinal and behavioral variables.

Each chart is accompanied by a hyperlink which will take you to the appropriate section on our Platform; simply click on the relevant link to start exploring the data further.

CLICK HERE *To start a Platform free trial*

GWIQ

GWIQ offers clients the ability to create bespoke audiences on the platform by connecting the GWI panel and passively monitored visitation to their own websites/campaigns. Segment your visitors by the actions taken on your site then profile them utilizing the 100% declared data you already find in our Platform. Validate digital campaigns against rich targets far beyond demographics. Understand the impact of digital campaigns on brand perceptions by sending bespoke advertising effectiveness surveys to panelists using a control vs exposed methodology.

CLICK HERE *To find out more about GWIQ*

GWI CUSTOM

GlobalWebIndex can also offer a variety of custom solutions to suit all your data and insight needs. All projects are conducted in close consultation with clients and resulting data is available for analysis in our Platform.

Our Custom offerings include:

BRAND SOLUTIONS
Brand Health
Brand Tracker
Brand Profiling

PRODUCT SOLUTIONS
Usage and Attitudes
Price Point
Platform Testing
Concept Testing

CAMPAIGN & AUDIENCE SOLUTIONS
Segmentation
Campaign Measurement
Audience Profiling
Audience Targeting

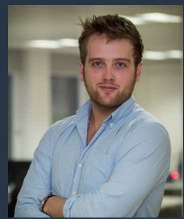
CLICK HERE *To find out more about GWI Custom*

Jason Mander

Chief Research Officer

E jason@globalwebindex.net

@thejasonmander



Chase Buckle

Senior Trends Analyst

E chase@globalwebindex.net

@Chase_Buckle

www.globalwebindex.net

T + 44 207 731 1614 /// E hello@globalwebindex.net

/// A 25 Farringdon St, London EC4A 4AB, UK