The 2022 State of Ecommerce | ANZ

The Essential Retail Benchmarks, Growth Levers and The Power of Customer-First UX







Introduction

This is the third edition of BigCommerce's State of Ecommerce Report. This means that we can not only look at the latest data and look at consumer behaviour in real-time, but also look over the last year and see what's changed (and therefore, where we are headed as an industry).

We can see, for example, that **Buy Now, Pay Later** has remained fairly steady (around 11% of last payments made) as has Fashion and Electronics as most popular categories for online (21% and 20% respectively).

Retention and loyalty are a massive focus for online retailers, after two years of supercharged growth pushed consumers online. Now, the question is: How do we keep shoppers online? Almost all shoppers (95%) say that it's free delivery that would encourage them to shop with a brand again. And what would prevent future purchase behaviour? **Expensive shipping (92%)**. This (along with other insights from section 3 of this report) gives online retailers the information they need to strategise effectively and drive growth and retention.

On a similar theme, **58% now say high shipping costs lead them to abandon cart** (48% very likely and 10% likely) with 51% again saying that communicating the cost of delivery too late in the process would lead them to abandon cart (24% very likely and 27% likely). Slow delivery is still an issue for 41% of consumers, with 27% saying they would be likely to abandon cart and 14% saying they would be very likely. The fact we have seen little to no shift in these responses generally shows exactly where retailers need to focus their delivery efforts.

This report gives practical and actionable recommendations so retailers can respond to customer wants and needs. For example, the majority of purchases made after receiving a marketing prompt came from email (42.1%) and the proportion of survey respondents who continued through to make a purchase after receiving an abandoned cart email has doubled (up from 16% to 32% from the last survey). Are you making the most of email as a conversion tool?

We take a deep dive into payment options, purchase behaviour & user experience, delivery, marketing, BNPL, cart abandonment, loyalty programs, product reviews and more, so that retailers of all shapes and sizes can ensure they stay ahead of the competition, delivering exactly what consumers want (perhaps before they even know it).

All data in this report is sourced from surveys with approximately 5,692 respondents, from randomly selected Australian and New Zealand online shoppers



Payment Options

"Has the Buy Now, Pay Later juggernaut slowed? The latest data would indicate so, as credit card usage is back on the rise as consumers emerge from the uncertainty of the pandemic, to the detriment of BNPL and PayPal usage."

- Grant Arnott, Power Retail



Payment Options

Credit Card Payments Are Up

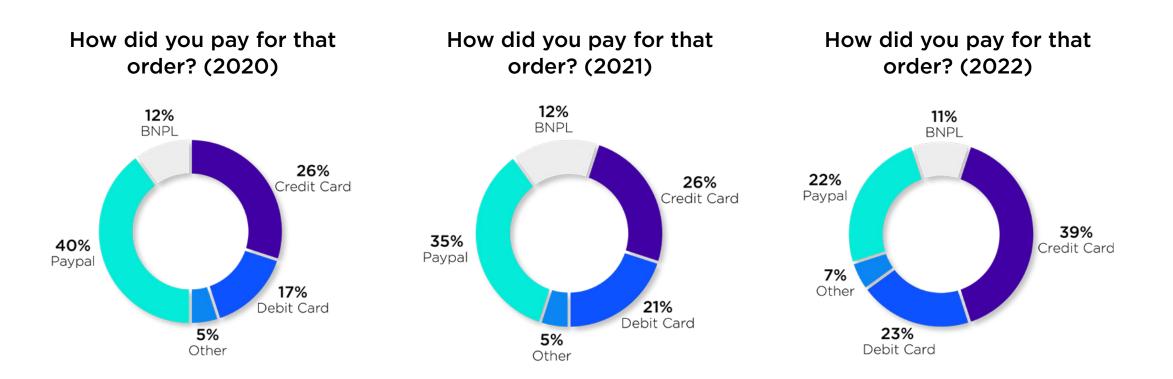
We can see that year-on-year, credit card as a proportion of last payments made has increased: from 26% in 2020 and 2021, to 39% in 2022.

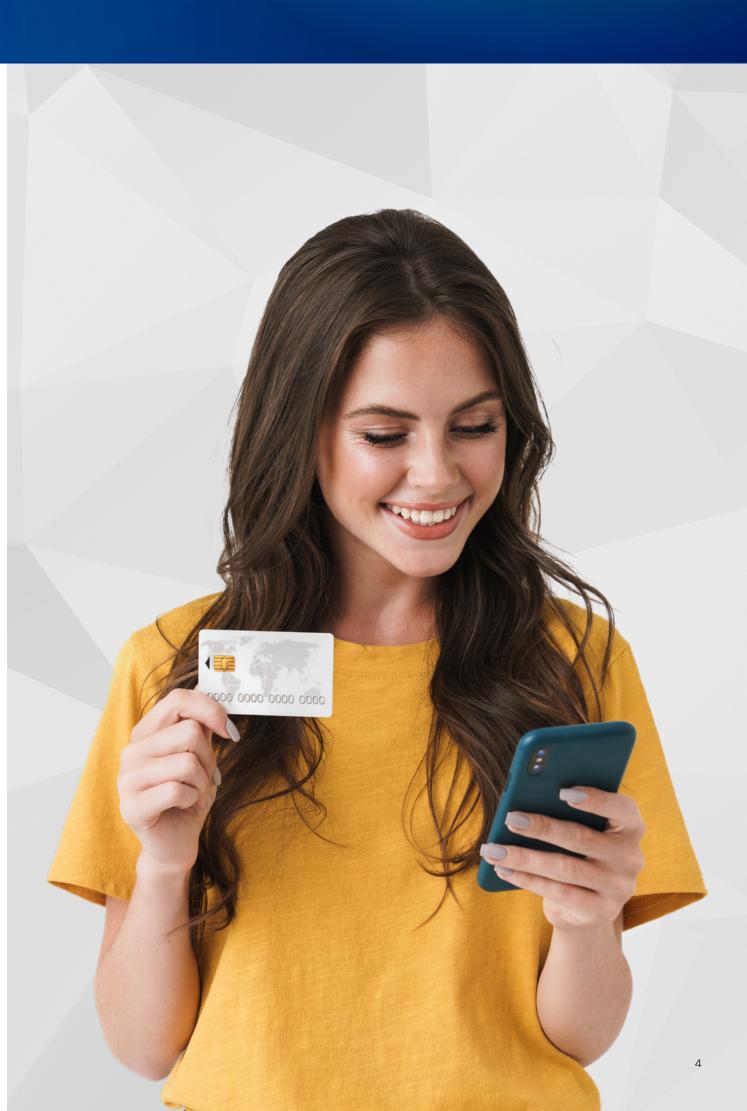
PayPal has usually been a more popular payment method. However, we're seeing some clear movement, dropping from 40% in 2020 to 35% in 2021, and now to 22% at the start of 2022.

The fact that shoppers are relying heavily on credit cards may be related to the pandemic, or simply because reliance on online is up and therefore so too is the need for credit card usage.

While some expected a massive shift in BNPL, we can see this is actually quite steady, now at 11% (compared to 12% last year).

We can also see debit as a last form of payment growing slightly with each survey, from 17% in 2020, to 21% in 2021 and now at 23%. While it's not the massive leap like we see in credit card, it's interesting to see debit is on the up while PayPal shifts down.







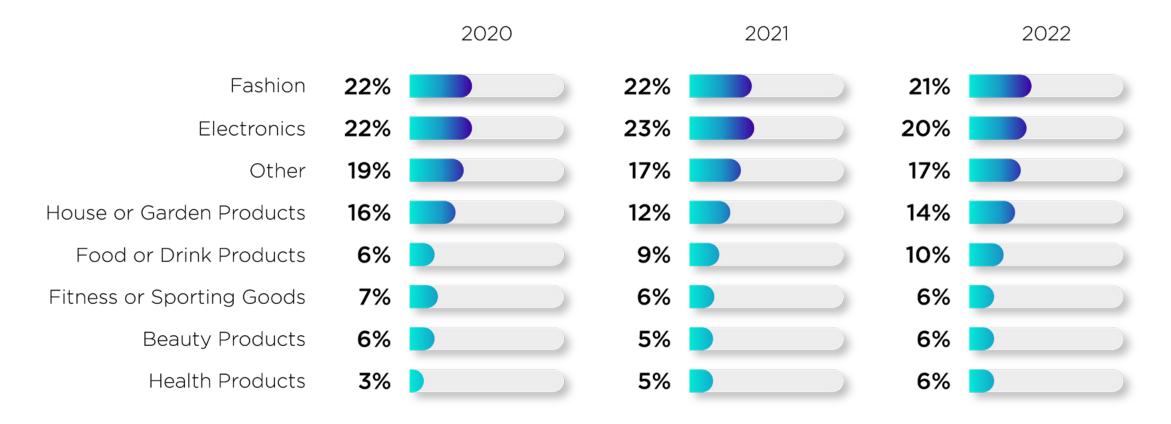
"Social proof is the must-have feature for your site - this data indicates that showing customers who else is purchasing in real time is a highly significant factor in driving conversion."

- Grant Arnott, Power Retail





Fashion And Electrical Most Popular Purchase Categories



What category were most of the items in your last online order?

In previous years, we've noted that Fashion and Electronics are the most popular purchase categories and the general trends here remain. Fashion is now the most popular category at 21% of last purchases made, followed very closely by Electronics at 20%. (A very close margin and a flip on what we saw last year). House or Garden at 14% is the next most popular category.

Perhaps one noticeable jump is that Health Products as a proportion of last purchases made have doubled (from 3% in 2020 to 6% in 2022). It will be interesting to see whether this category continues to grow, and how the pandemic has influenced what shoppers are now buying online.





Website Speed Remains Important

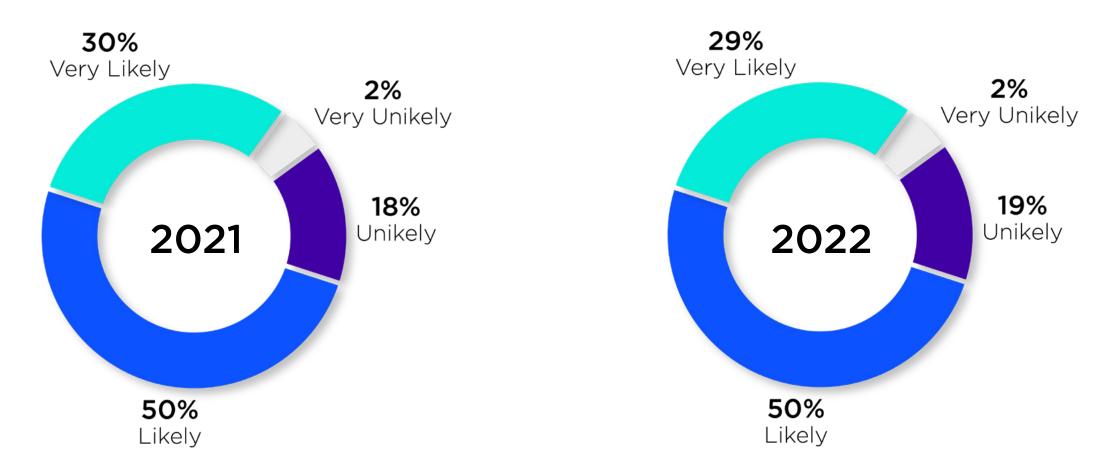
Consumers are not very forgiving when it comes to slow page load times! Both in 2021 and 2022, the majority of online shoppers (~ 79%) would be likely or very likely to leave a website and purchase elsewhere if a website is too slow.

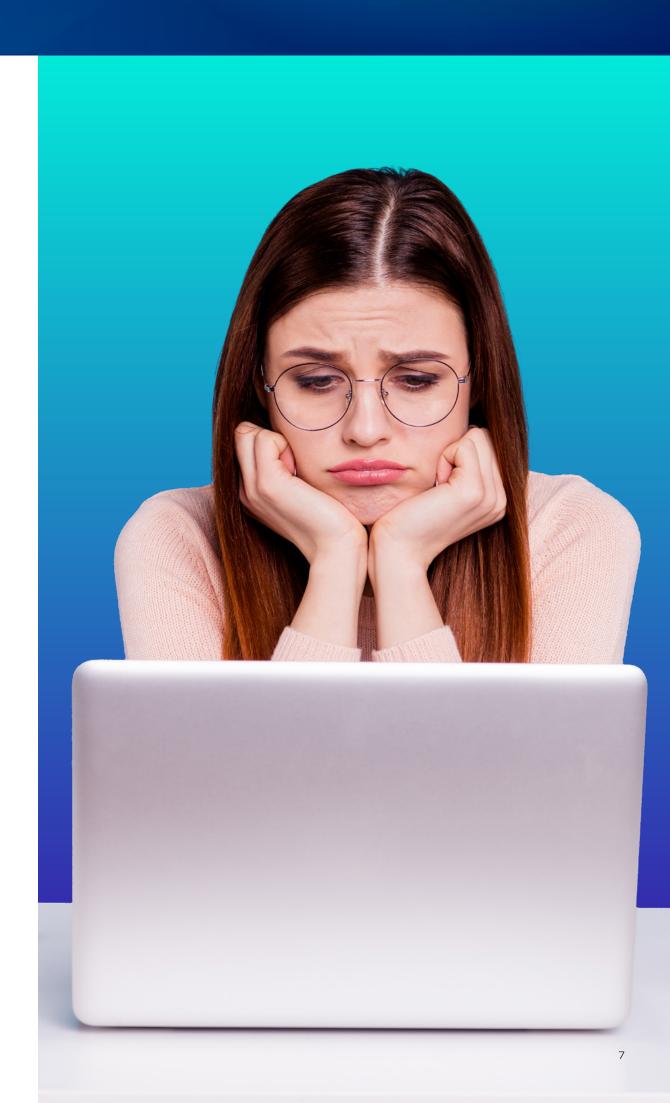
The fact that these numbers haven't shifted shows website speed is something that should be at the forefront of retailer strategy.

Only a small minority (now 21%) are unlikely or very unlikely to leave and purchase elsewhere if a website is too slow.

Essentially, there is a connection between website page load times and conversion rate.

How likely are you to leave a retailer's website and purchase elsewhere if the website is too slow??







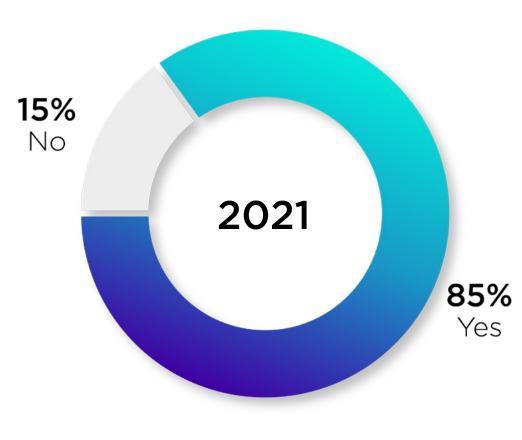
How Effective Are Real-Time Pop Ups?

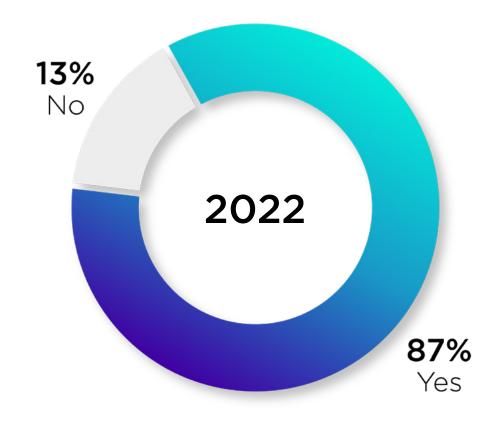
Around 87% of consumers have noticed real-time shopping updates while browsing online, a figure which has remained consistent year-on-year (up from 85%).

So....do they work?

90% of participants say that these pop-ups do not encourage purchase behaviour. The tiny percentage who say this does encourage them to purchase has dropped from 14% in 2021 to 10% in 2022.

Given this overwhelming response, retailers who use this as part of their strategy could possibly consider a more impactful means of engaging consumers on their path to purchase. When browsing a retailer website, have you ever noticed a feature that shows what other customers are buying in real time? (For example, Sally from SUBURB just purchased... Or 5 people in Sydney are currently looking at this item...)



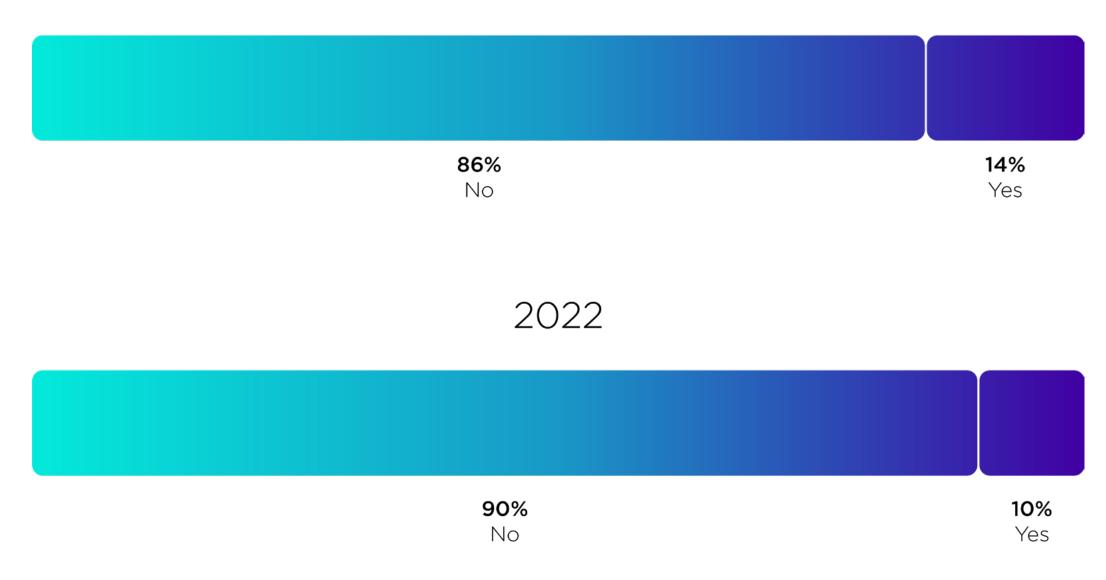


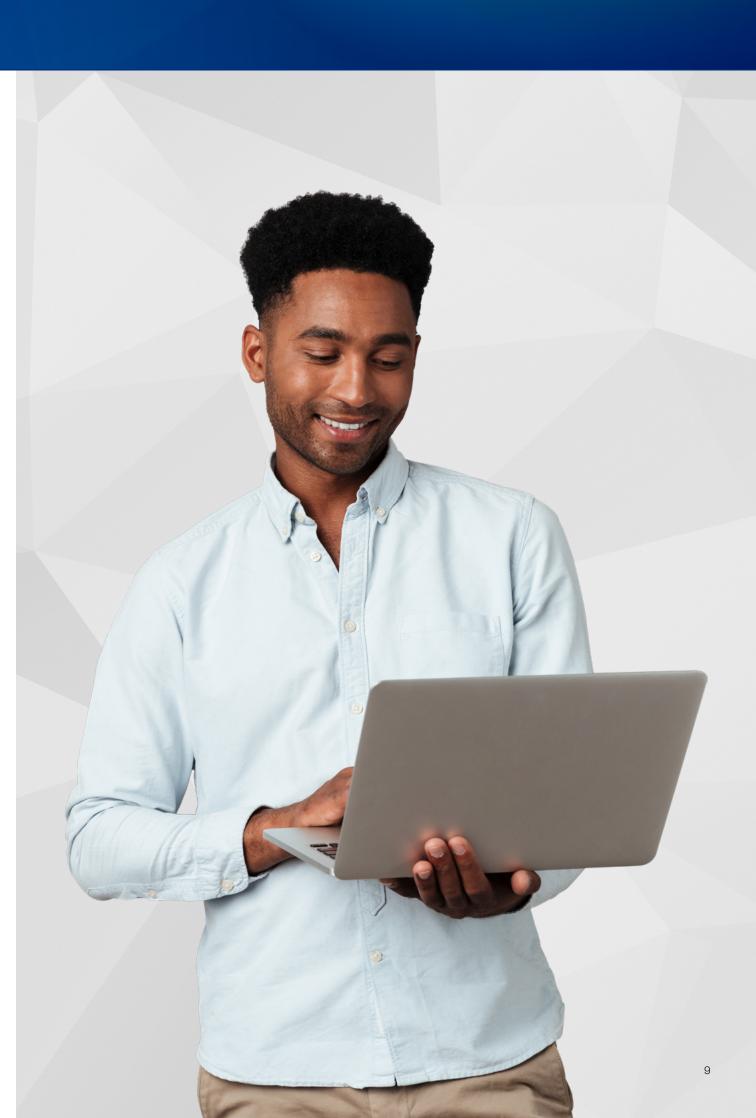


How Effective Are Real-Time Pop Ups?

Did that feature encourage you to make a purchase?

2021







Delivery

"Logistics and supply chain issues during the pandemic have made delivery even more critical for customers, and signs are many shoppers have been deterred from online due to delivery delays."

- Grant Arnott, Power Retail

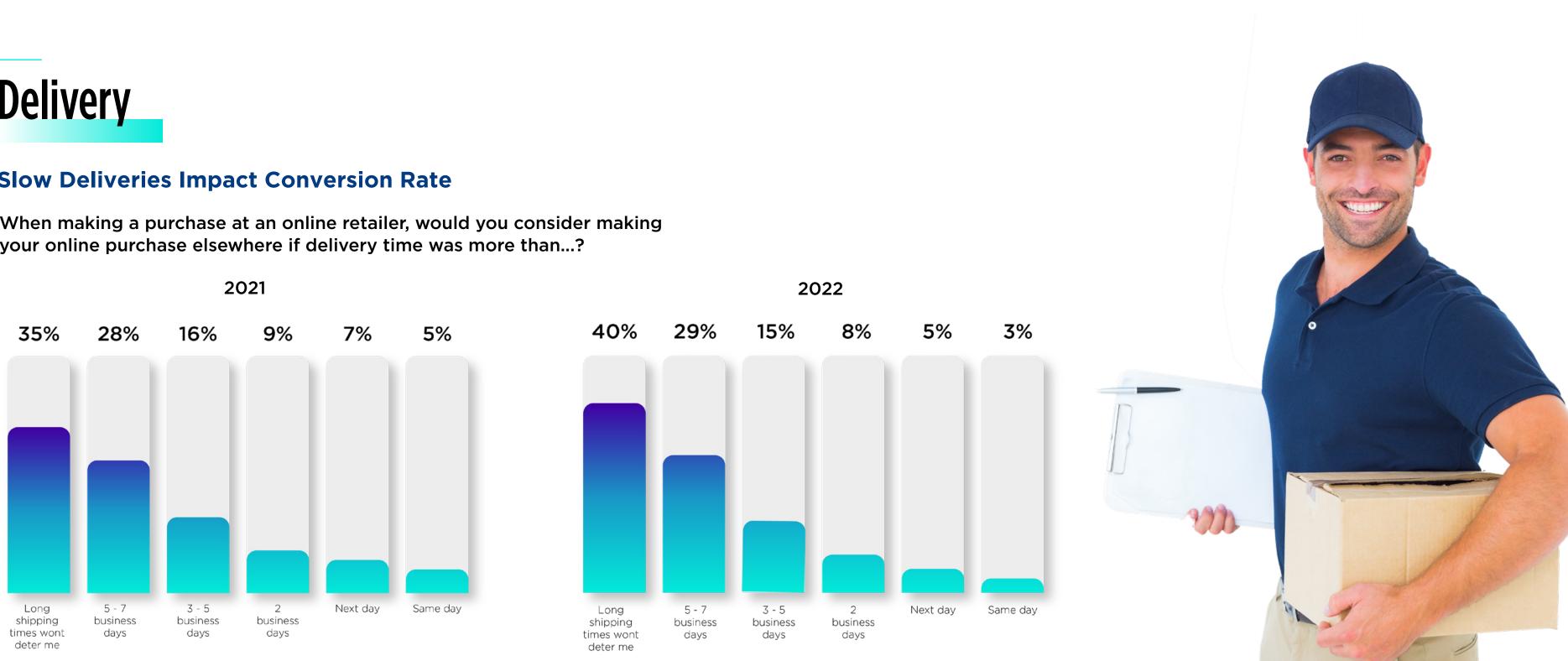




Delivery

Slow Deliveries Impact Conversion Rate

When making a purchase at an online retailer, would you consider making your online purchase elsewhere if delivery time was more than...?



It could be said that the pandemic and related fulfilment challenges have made shoppers more understanding, with 40% saying that longer shipping times wouldn't deter a purchase (an increase from 35% in 2021).

Looking at general trends, the tipping point does seem to be 5 to 7 business days, with almost a third (29%) saying that they would consider purchasing elsewhere if the delivery was outside this timeframe.

their purchase.

The trends have remained fairly steady year-on-year, which shows that those with expected delivery of more than 7 days should look to expedite delivery times, or at least consider offering multiple shipping options such as express delivery where possible.

15% now say that delivery times of more than 3 to 5 business days might make them rethink



Delivery

Free Delivery Drives Loyalty

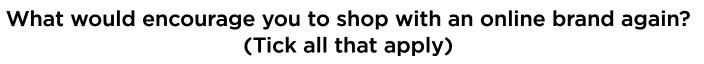
As we see time and time again, free delivery is a massive driver of sales. In this case, we can see that almost all respondents (95%) would be encouraged to return to a website for a future purchase if free delivery is offered.

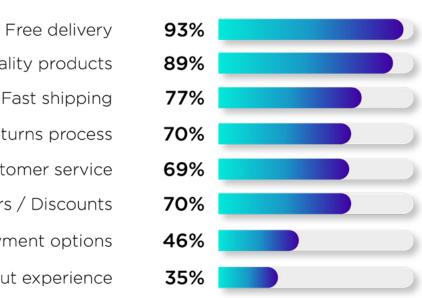
This is even more important than the quality of the product itself (though still high at 89%). Fast shipping encourages repeat purchase behaviour for 76%, and interestingly, returns, customer service and personalised offers sit at a similar level (around 69%).

There is very little movement year-onyear, meaning what drives retention remains unchanged.

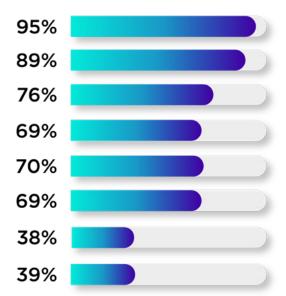


Good quality products Fast shipping Easy returns process Good customer service Personalised offers / Discounts Flexible payment options Personalised checkout experience





2021



2022





Expensive Shipping Prevents Future Purchases

On the flip side, we can see that while free delivery encourages future purchase behaviour, expensive shipping prevents consumers shopping with an online retailer again (for a massive 92% of respondents). This was the number one option for survey respondents for two years running.

If product quality doesn't meet expectations, 83% would be discouraged from shopping with that online retailer again.

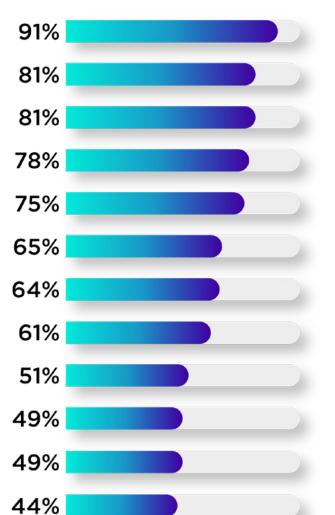
Negative customer experience (80%), receiving damaged items (77%) or a difficult / no returns process are also a deal-breakers for a vast majority.

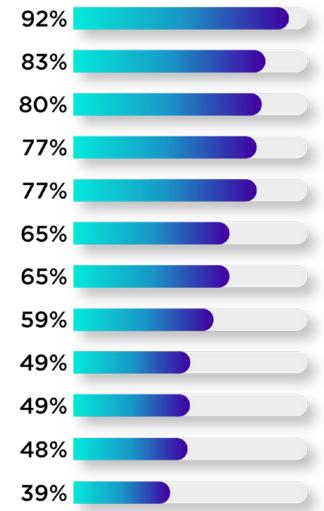
Trend-wise, there has been no shift year-on-year, meaning what drives retention or prevents future purchase behaviour remains unchanged.



What would prevent you from shopping with an online retailer again? (Tick all that apply)

Expensive shipping Product quality Negative customer service experience Receiving damaged items Difficult or no returns process Poor checkout experience Unsuitable delivery options Poor display of products on website Poor user experience browsing on mobile Too many promotion emails Slow site speed Failed payment





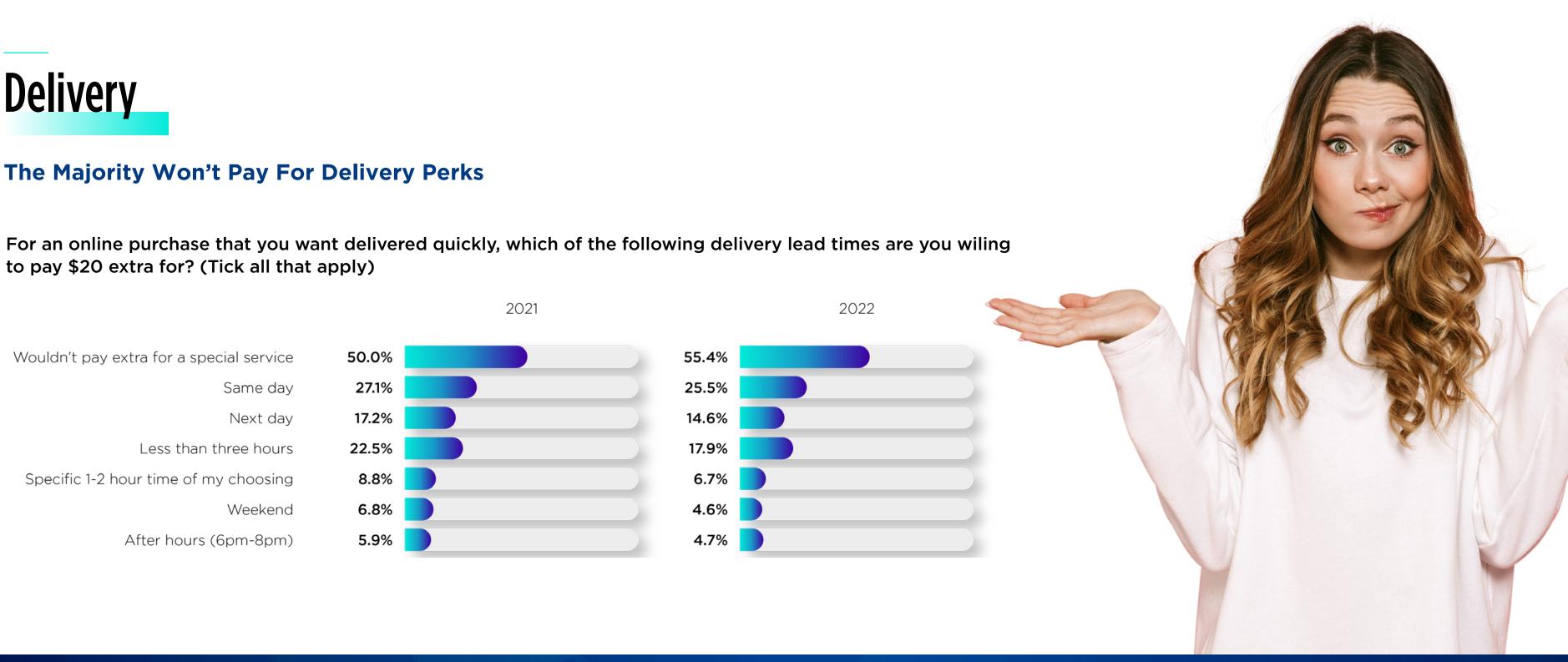
2021

2022



Delivery

The Majority Won't Pay For Delivery Perks



While we know that slow deliveries impact conversion rate, 55.4% Of respondents say that they wouldn't be willing to pay extra for faster or more flexible delivery options.

A quarter of respondents (25.5%) However do say that they would pay for same day delivery and immediate (less than three hours) is something almost 18% would pay for.

Other options like weekend or after hours aren't particularly valuable for most shoppers.



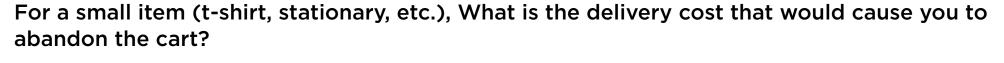


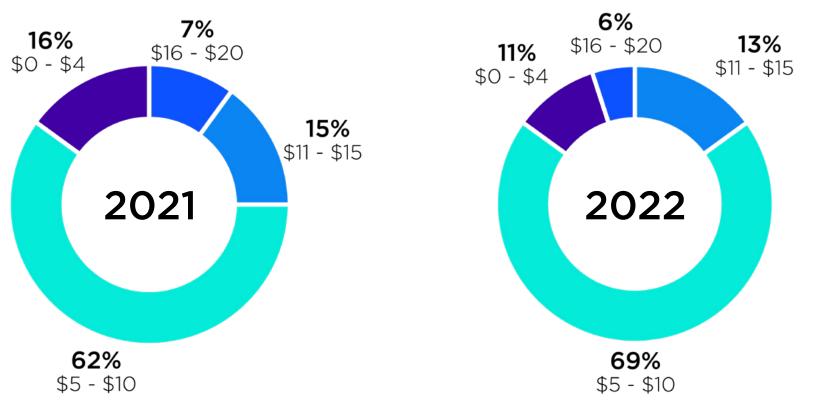
For Small Items, Consumers Don't Want To Pay \$10 Shipping

But what does 'high shipping costs' actually mean?

In 2021, the average amount that would cause consumers to abandon cart was \$8.58, Compared to \$8.50 In 2022. This is presumably because the cost of shipping would make the cost of the item not particularly worthwhile.

This is fairly steady year-on-year, giving retailers an indication of the point at which shipping costs would lead shoppers to abandon their purchase.











For Large Items, The Amount That Leads To Abandonment Less Clear

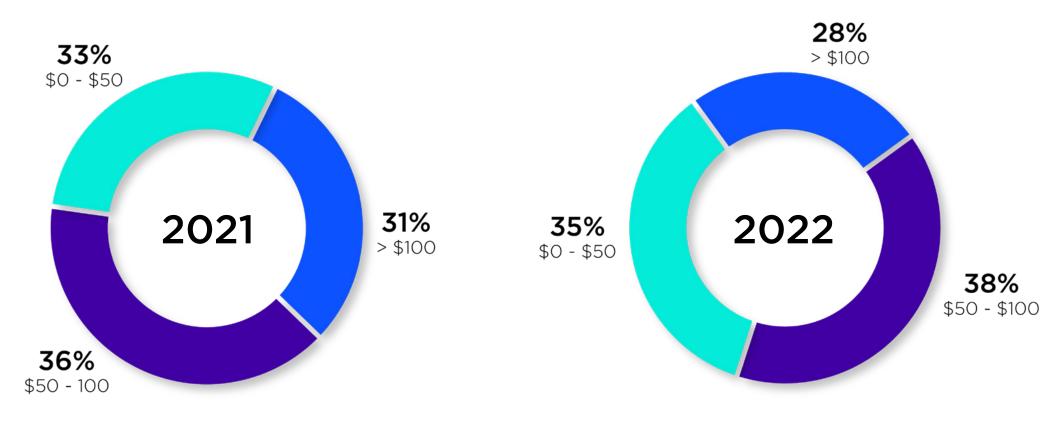
Just over a third of consumers (35%) said up to \$50 was their tipping point when it came to cart abandonment and shipping costs for a large item.

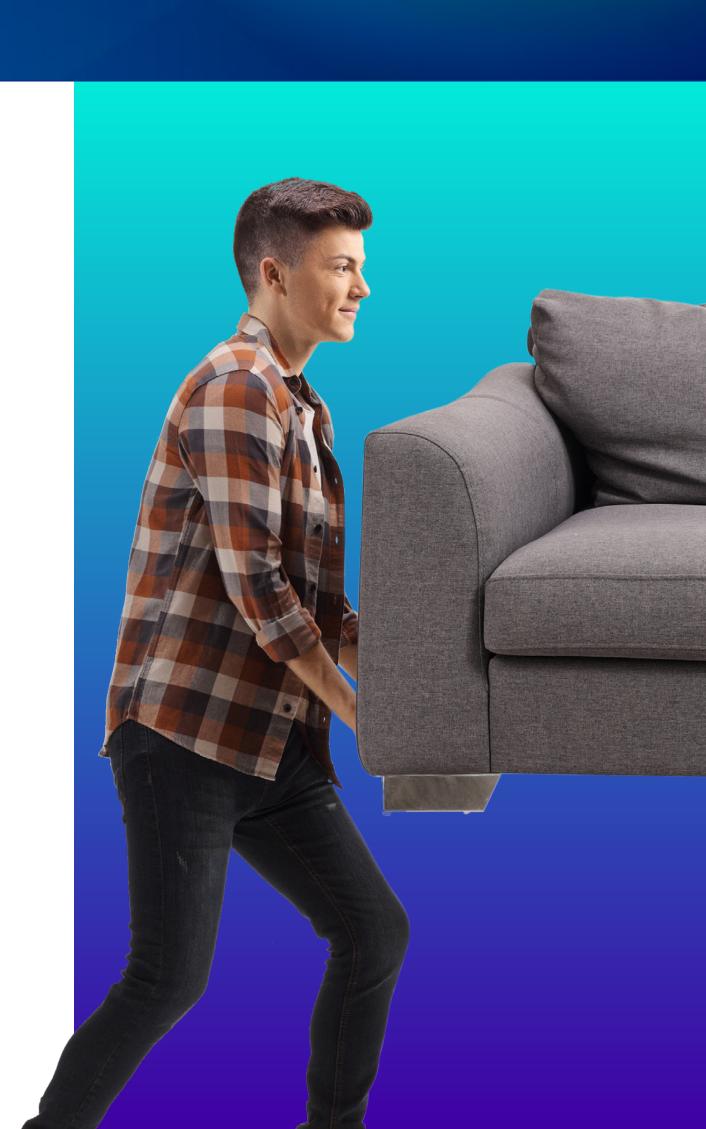
Around another third (38%) said up to \$100 would be the point that would cause them to abandon their purchase, while just under a third (28%) said \$100+ was the point at which they'd abandon cart.

This is a trend we've seen for two years running. The cost of the item must be taken into account when it's a larger or more expensive purchase and shoppers are far more varied to the point at which they'd abandon cart -which makes it hard for retailers to strategise.

Essentially, know your target market and go from there!

For large items (furniture, tv, etc.), What is the delivery cost that would cause you to abandon the cart?







Sales and discounts are table stakes for consumers now – the new differentiator for sustained growth is building your online community. Engagement is critical to avoid commoditisation and the race to the bottom.

Grant Arnott, Power Retail



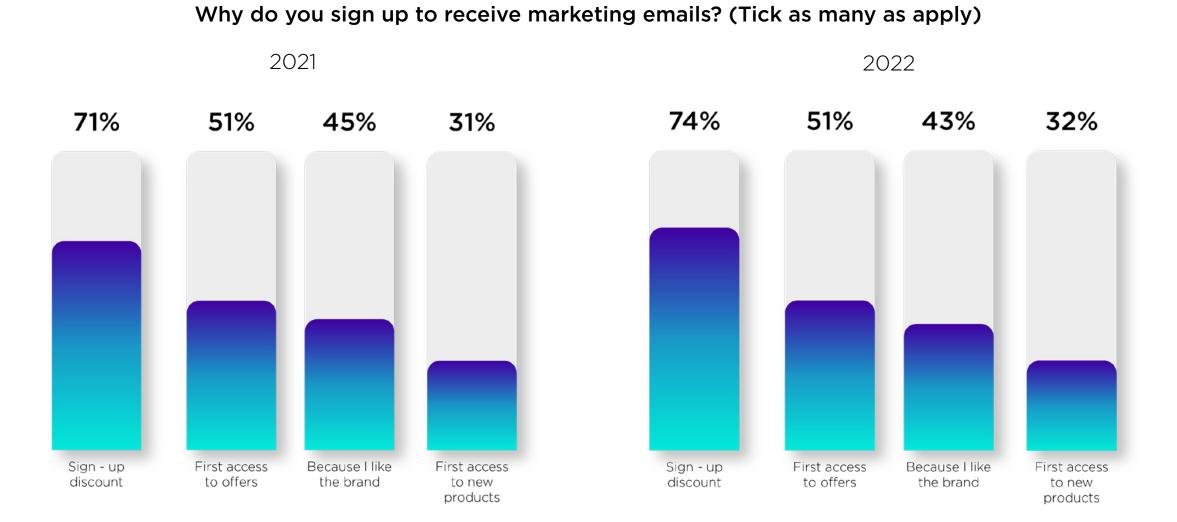


Discounts Are Important, But Community Is Key

Again, general trends remain steady year-on-year when it comes to marketing emails. The most common incentive? A sign-up discount for almost three quarters of shoppers (71%).

First access to offers is in second position (FOMO works) at 51% for two years running.

Simply liking the brand though, rates highly. 45% say this is why they receive marketing emails, showing that there should be a focus on connection and community (and not just discounting and deals).

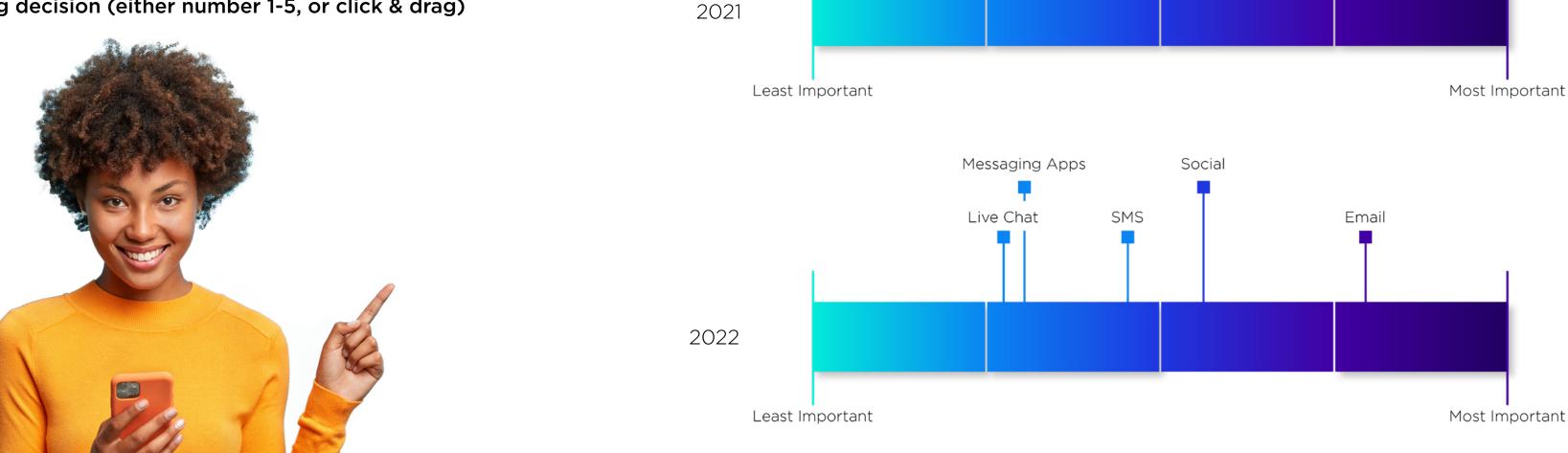






Email Is The Most Important Marketing Channel

In order of priority (from highest to lowest, 1 being the most important, 5 being the least), which marketing channels help you make a purchasing decision (either number 1-5, or click & drag)

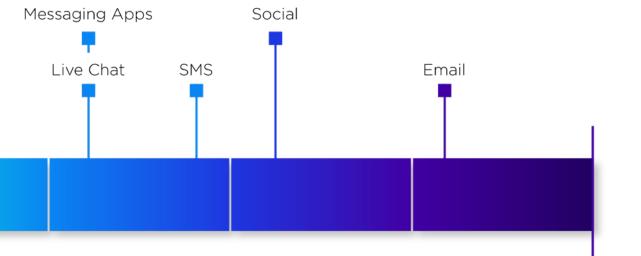


We asked shoppers to rank what was important to them when it came to marketing channels that help with their online purchases.

Email is the most important marketing channel in terms of impact, and this is a trend that has remained strong year-on-year. Social media comes in at second place and SMS in third with no movement year-on-year.

While sponsored posts and ensuring brands and retailers are on top of social is important, EDMs are extremely effective and should remain a focus.

Messaging apps and live chat rank at the bottom.



Most Important



Email Works

While 47.1% made their most recent purchase online without any form of marketing message, the majority of purchases made after receiving a marketing prompt came from email (42.1%).

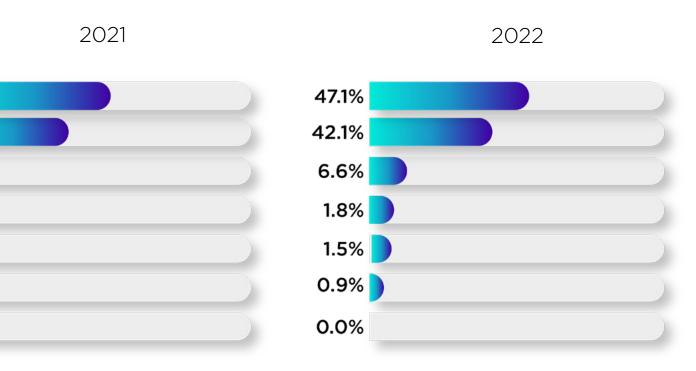
Email is by far the most effective form of marketing messaging compared to social media messaging (6.6%) and SMS (1.8%).

The fact that email is so far ahead of SMS in terms of effective conversion is not isolated to this year alone. A similar trend emerged last year with a purchase after receiving an email at 35.3% and a purchase after receiving an SMS at 3.7%.

This gives retailers insight into how marketing budgets should be allocated and which messaging formats yield the greatest ROI.

Thinking about your most recent online purchase, did you purchase the product after receiving a message via:

49.6%	None of the above, i made my purchase without receiving a message
35.3%	Email
8.1%	Social media
3.7%	SMS
2.2%	Messaging apps (Facebook or WhatsApp)
1.1%	Live chat
0.0%	Other



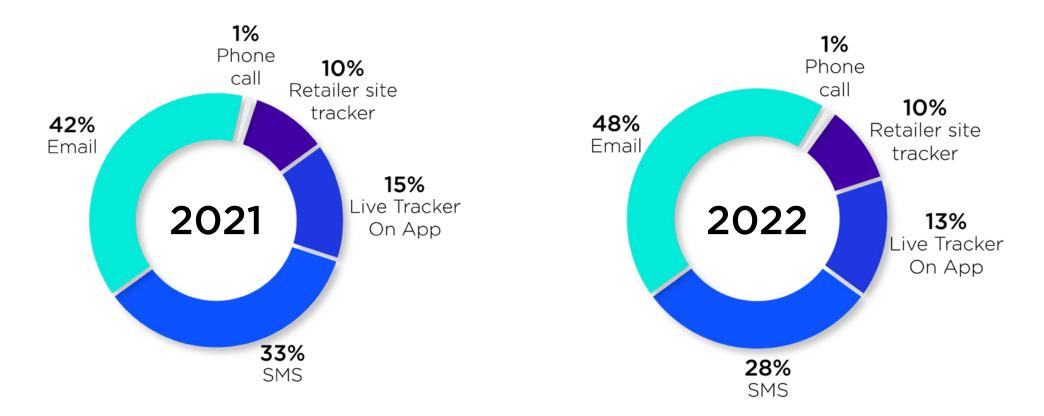


Email Preference For Delivery Updates

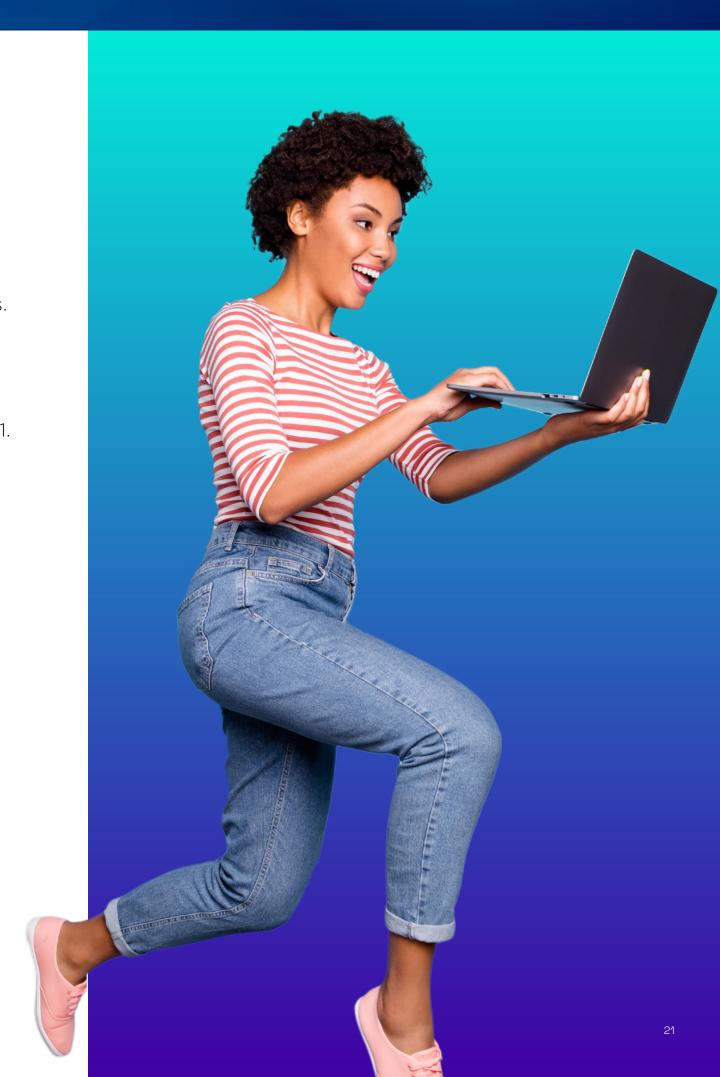
Again, it may be assumed that SMS would be the preferred method of communication for online shopping delivery updates. And yet, for two years in a row, consumers say that they prefer to receive delivery updates via email.

This year, 48% of those surveyed say they prefer delivery updates via email compared to the 28% who prefer SMS. This is quite the jump compared to last year, where 42% preferred email and 33% preferred SMS.

Tracking via live tracker app or retailer website is a much lower 13% and 10% respectively, which was at similar levels in 2021.



What is your preferred method of receiving online shopping delivery updates?

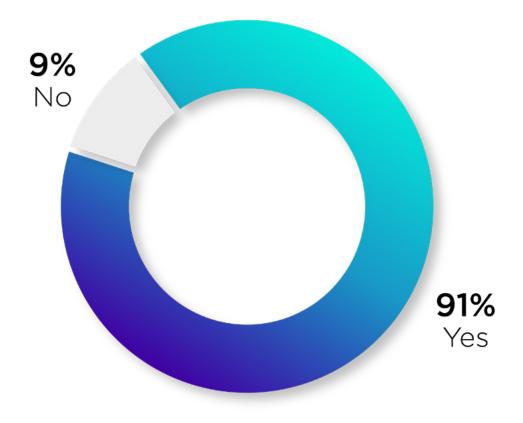


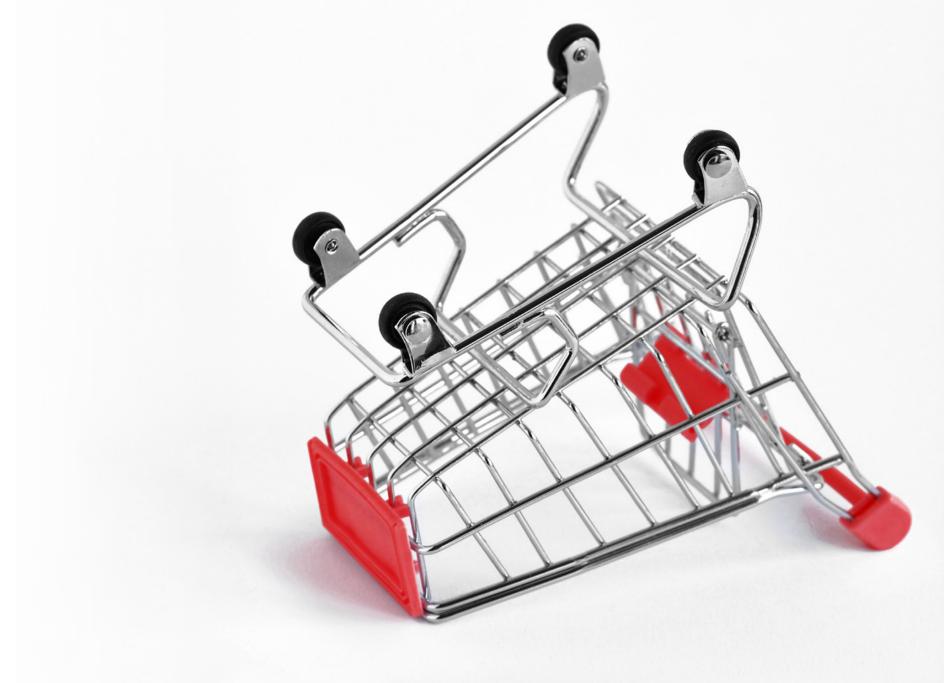


Marketing

Abandoned Cart Emails Becoming More Effective

Have you abandoned an online purchase and later received an email reminding you to complete the checkout and purchase the item?





A massive 91% of shoppers have received an email from the retailer after abandoning their cart. Of those who received an email, 35% said it contained a discount or another incentive to complete the purchase. This shows that abandoned cart emails are a widespread practice used by retailers but offering a discount incentive is not (although this is a figure growing year-on-year, up from 22%).

In 2021, abandoned cart emails led 16% of consumers to complete their purchase. This has doubled in 2022, with 32% of those surveyed saying that they completed their purchase after receiving an email prompt from the retailer.

This is a high conversion rate for consumers who may have purchased elsewhere or not at all.

So, do they work?

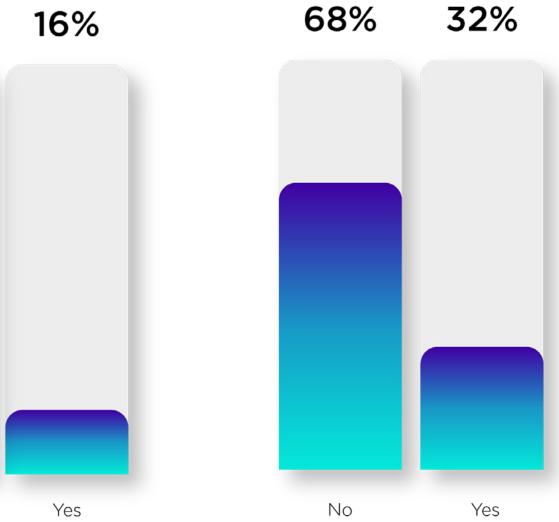


Abandoned Cart Emails Becoming More Effective

Did the email contain a discount code or voucher to encourage you Finally, did you to make the purchase?'							
	2021		202	22		202	
7	78%	22%	65%	35%		84%	
	No	Yes	No	Yes		No	

u complete the product purchase?







Marketing

Contests And Giveaways Boost Engagement

In order of priority (from highest to lowest, 1 being the most important, 8 being the least), when not actively making a product purchase, how much do you enjoy the following from a brand or retailer? (Either number 1-8, or click & drag) 2021

Least Important

2022

Least Important

When not actively making a purchase, what do shoppers want from brands and retailers?

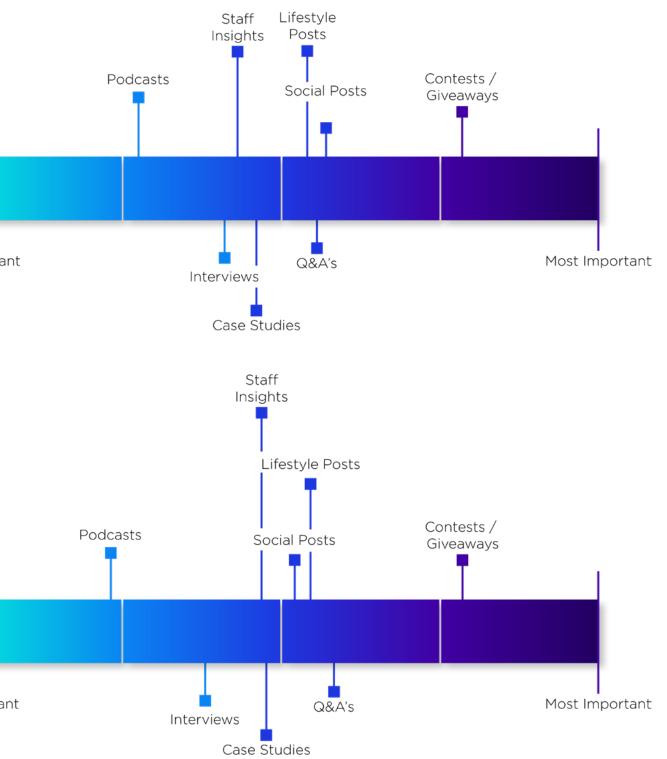
You guessed it: contests and giveaways!

This was ranked as the most enjoyable or most important aspect of brand engagement for two years in a row.

Last year, social posts came in second place, but this year, q&as and lifestyle posts came in second and third place respectively.

Interestingly, podcasts were ranked as the least important, showing that perhaps shoppers don't listen to podcasts as a way to connect with the brands they love.

In summary, if you want to stay front of mind, contests and giveaways work.





Facebook Engagement Is High

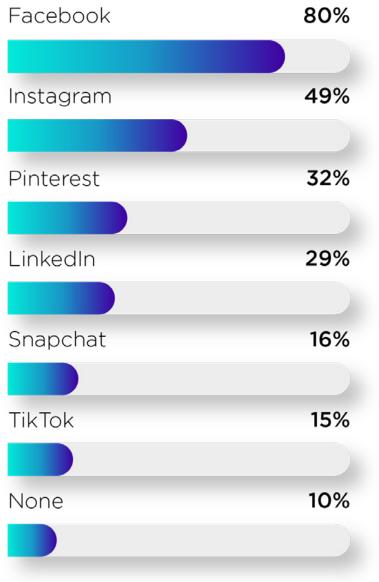
While many think that Facebook is being replaced by TikTok and Instagram, the reality is that across a broad demographic of thousands of shoppers, Facebook is the most popular platform.

80% of respondents said they engage with Facebook with Instagram coming in second at 49%.

TikTok was popular for 15% of online shoppers, meaning it targets a smaller cross-section.



Which of the following platforms do you engage with? (Tick all that apply)



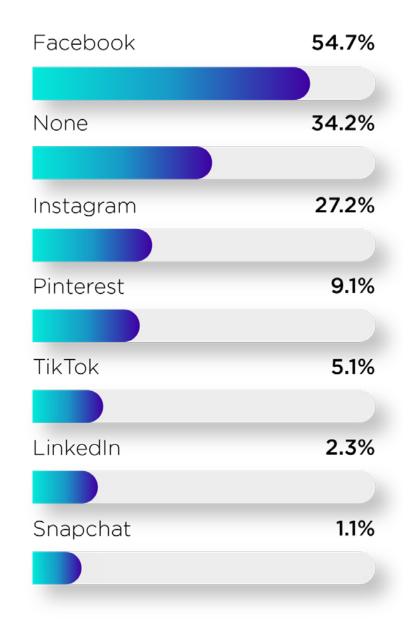


Facebook Leads To Conversions

More than half of those surveyed (54.7%) say that Facebook has encouraged them to make an online purchase. Instagram has a strong conversion rate too, with 27.2% of respondents saying they've made a purchase thanks to the social media platform.

More than a third (34.2%) say that no social media platforms had resulted in an online purchase for them, meaning it's not a strong conversion tool for all social media users.

However, given the high percentage of shoppers who have been encouraged to purchase from Instagram and Facebook, it's clear these should be a focus for retailers. Which of the following have encouraged you to make an online purchase? (Tick all that apply)

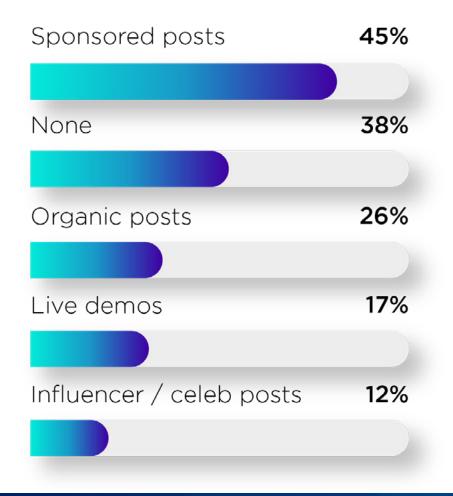






Sponsored Posts Work

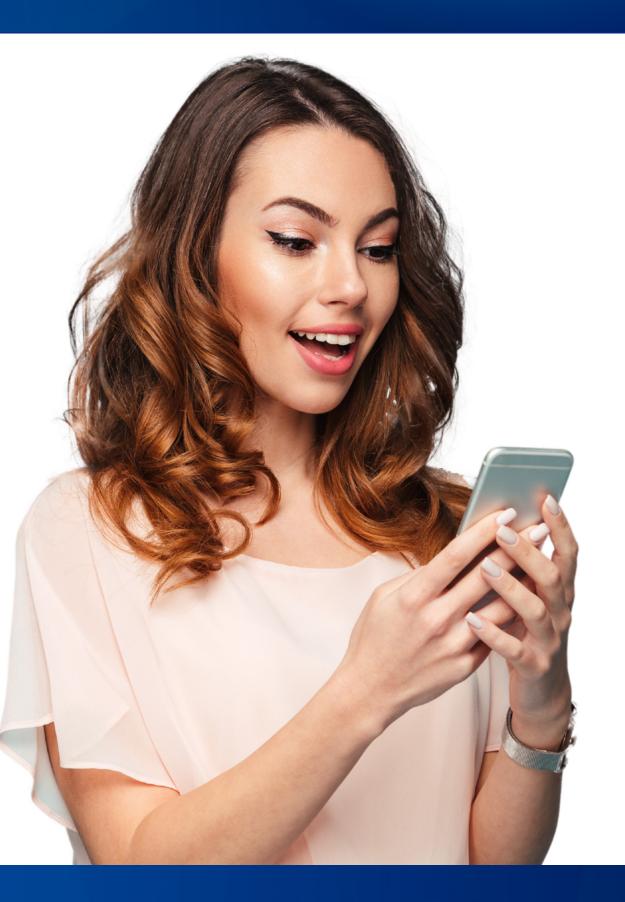
Which of the following have encouraged you to make an online purchase while scrolling social media? (Tick all that apply)



While scrolling, shoppers are actually encouraged to make an online purchase after seeing aThis showSponsored Post. Almost half (45%) say sponsored posts have encouraged them to add to cart.Posts. He

Organic Posts are also effective, with 26% saying they've made a purchase thanks to a post from a brand or retailer.

This shows that the targeted approach of Sponsored Posts is clearly more effective than Organic Posts. However, both play an important role.





BNPL

28



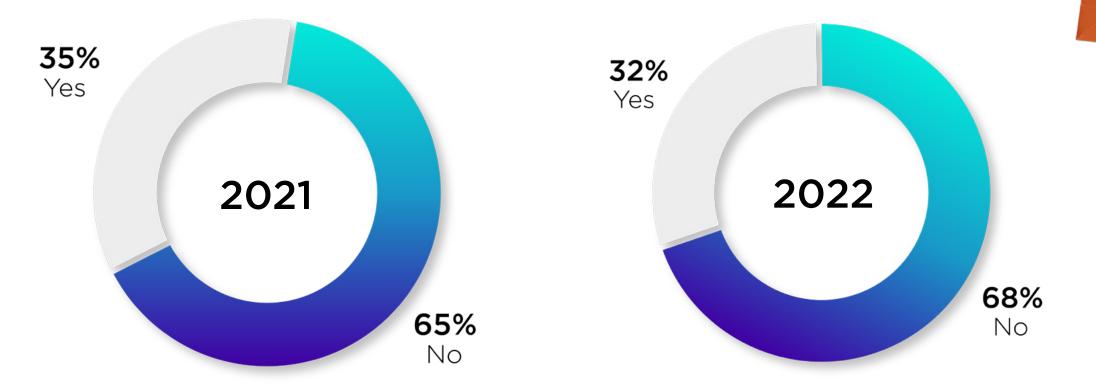
BNPL

BNPL Usage Steady, Not Massive Growth

While some predicted a steep rise in the uptake of BNPL, what we can see that usage has actually dipped slightly.

Just under a third of shoppers (32%) surveyed said they used BNPL to make a payment in the last 6 months, while just over a third (35%) said they had used BNPL last year.

While it's not a massive difference, this number's lack of growth shows that BNPL is levelling out despite it becoming far more familiar in 2022.



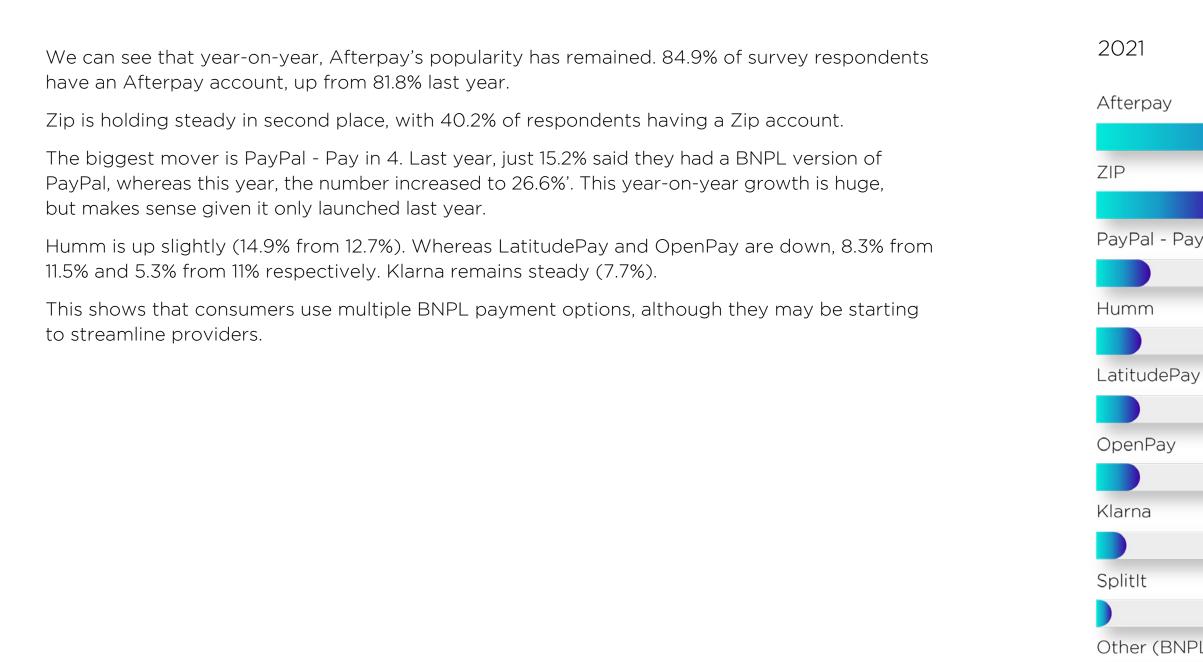
Have you used a Buy Now, Pay Later (BNPL) service provider in the last 6 months?





BNPL

Afterpay Remains The Most Popular BNPL Provider



Which of the following BNPL providers do you have an account with? (Tick all that apply)

2022

81.8%		
42.0%		
15.2%		
12.7%		
11.5%		
11.0%		
7.6%		
0.6%		
1.4%		

Afterpay	84.9%
ZIP	40.2%
PayPal - Pay in 4	26.6%
Humm	14.9%
LatitudePay	8.3%
OpenPay	5.3%
Klarna	7.7%
SplitIt	0.3%
Other (BNPL)	2.7%



BNPL

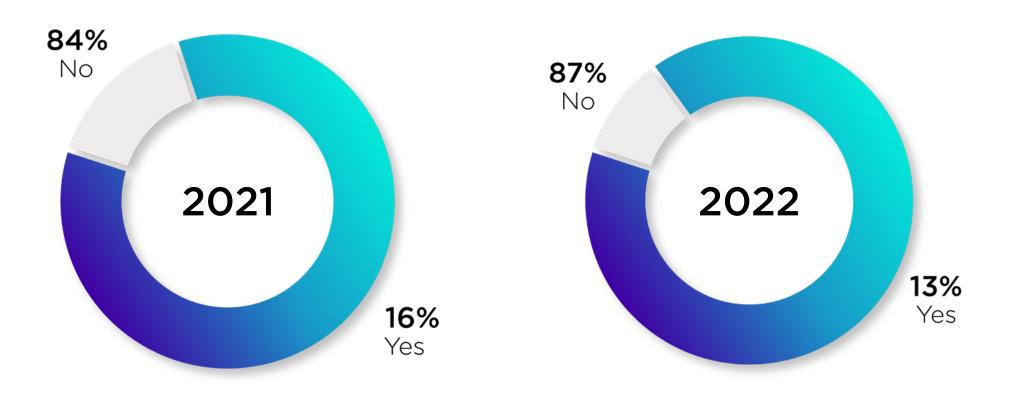
Late Fees Are Not Common In BNPL

When BNPL hit the scene, there was a concern that the business model would profit off late fees and consumers who couldn't afford their purchases.

We can see this never eventuated, with the majority (87%) of consumers never paying a late fee.

The number of respondents who have paid a late fee because of an overdue installment is actually dropping, now just 13%.

Have you ever had to pay a late free for overdue installment when using BNPL?







BNPL

BNPL Usage Static

decrease your spend using BNPL products?



Last year 14% planned to increase their BNPL usage. Now, just 11% plan to increase their BNPL spend moving forward.

A higher percentage (30%) plan to decrease BNPL spend, which is up from last year (24%).

The vast majority however (58%), plan for their BNPL payments to stay the same in the coming month. This is down from last year, where 62% said their BNPL payments would remain unchanged. Essentially, we saw a slight bump last year, and this has not grown again in 2022. While some predicted the explosion of BNPL payments as a preferred payment method, this never eventuated. Though it remains stable.



BNPL

BNPL Users Just Prefer It

So, for those that plan to increase their BNPL spend, what's driving the preference?

It's not that they do not have savings available or credit card as an option - it's simply because they prefer it (72%).

We see this is a trend that has remained steady year-on-year.

Again, there was a concern that BNPL would target those who couldn't afford purchases, yet this is not what we're seeing at all.

The convenience and general BNPL perks such as increased cash flow has lead to a shift in behaviour and consumer preference.

List the reasons you expect to increase your BNPL spend in the next month (Tick all that apply).

2021

or debit options

I prefer BNPL to credit or debit options 73% 72% Specific event (Moving house, wedding, birthdays, baby, etc.) 26% 17% I dont have enough saving to buy what i need 19% 16% My credit card interest is too high 13% 18% My credit cards are maxed out 6% 7%



is too high

I prefer BNPL to credit Specific event (Moving house, wedding, birthdays, baby, etc.) I dont have enough saving to buy what i need My credit card interest My credit cards are maxed out

2022



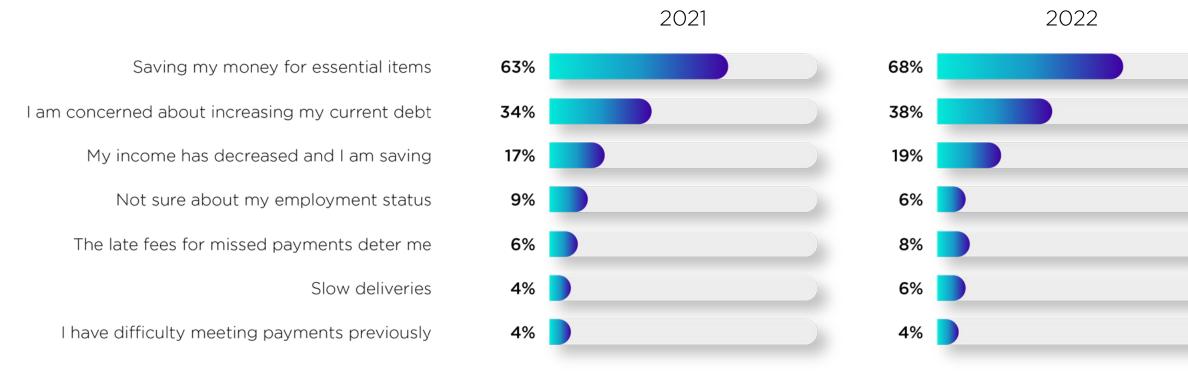
BNPL

A Decrease In BNPL Driven By Saving Money

Again, trends around why consumers are decreasing spend remains the same. The majority are reducing BNPL payments simply because they are saving money for essentials at the moment (68%).

This shows that a dip in BNPL is driven more by a dip in online purchasing generally, and not a dissatisfaction with the BNPL model specifically.

List the reasons you expect to decrease your BNPL spend in the next month (Tick all that apply)





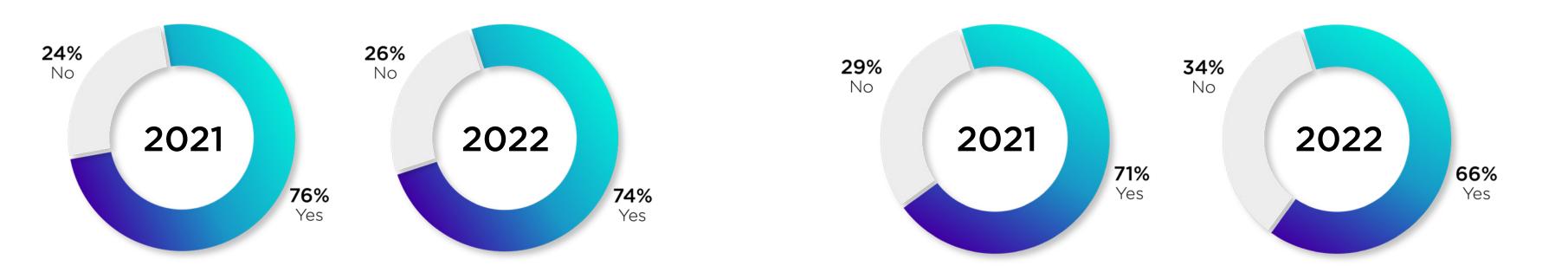


BNPL

BNPL Offerings Increase Conversion An Average Order Value (AOV)

Are you more likely to make an online purchase if the website offers a BNPL option?

website offers a BNPL option?



Are consumers more likely to convert if BNPL is offered? In short, yes.

Around three quarters (74%) of respondents said they are more likely to make a purchase if a website offers BNPL as an option. This is at similar levels to last year (76%).

Furthermore, BNPL as an offering increases AOV. Two thirds (66%) say that they are likely to spend more on a single purchase if a website offers BNPL. A comparable level (71%) said this last year too.

Is there a link between BNPL, conversion rate and AOV? Are retailers who don't offer BNPL missing out? The results would suggest that the answer is yes to both these questions.

Are you likely to spend more on a single online purchase if the



Cart Abandonment



Cart Abandonment Driven By Difficult Checkout And Returns

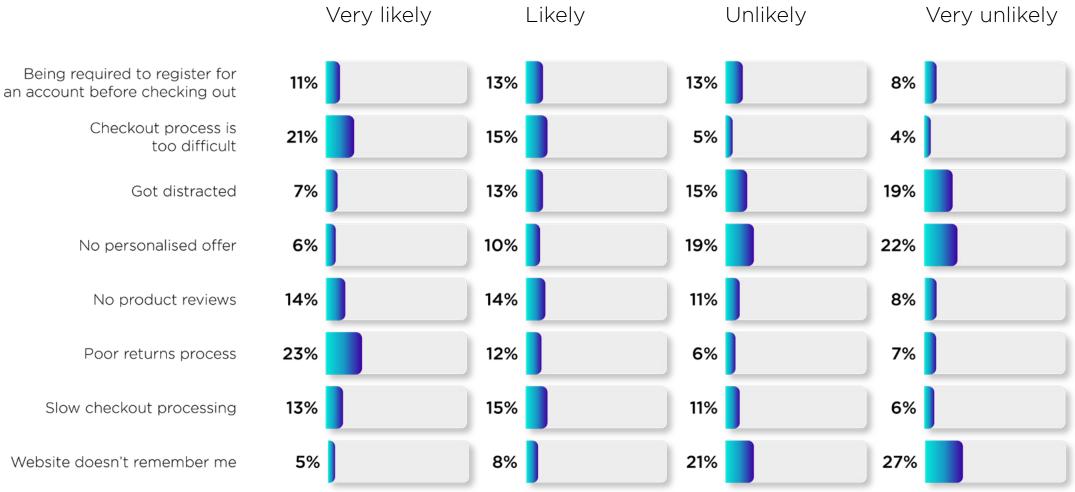
In 2021, 36% of consumers said a difficult checkout process was likely or very likely to cause them to abandon their purchase.

A similar proportion (35%) said a poor returns process was likely or very likely to lead them to abandon cart.

This shows that it's not just the immediacy of the inconvenience (ie. checkout) that causes cart abandonment. It's also the postpurchase process (returns) that are an issue for shoppers.

This year, while the trends are similar, there are other elements at play.

Thinking about the general user experience, how likely are you to abandon cart based on the following? (2021)





Cart Abandonment Driven By Security Concerns

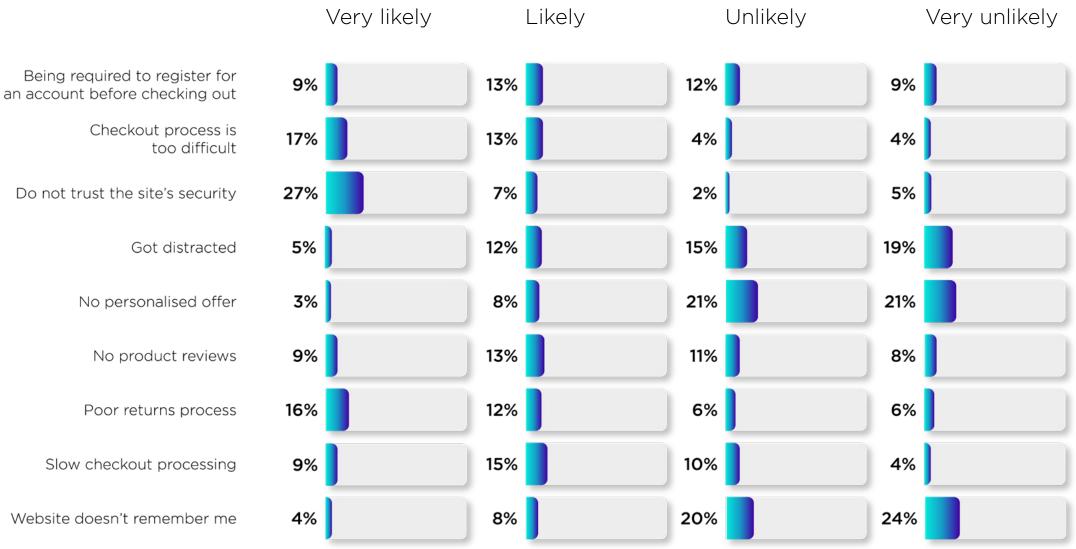
Retailers must ensure security markers are front and centre and the website looks trustworthy.

A massive 34% said they would abandon their purchase if they did not trust the site's security. This means at every point, from browsing to payments, ensuring shoppers feel their data is protected is vital.

As we saw in 2021, we're still seeing that difficult checkout process (30%) and poor returns process (28%) are strong drivers of cart abandonment.



Thinking about the general user experience, how likely are you to abandon cart based on the following? (2022)





High Shipping Costs Leading To Cart Abandonment

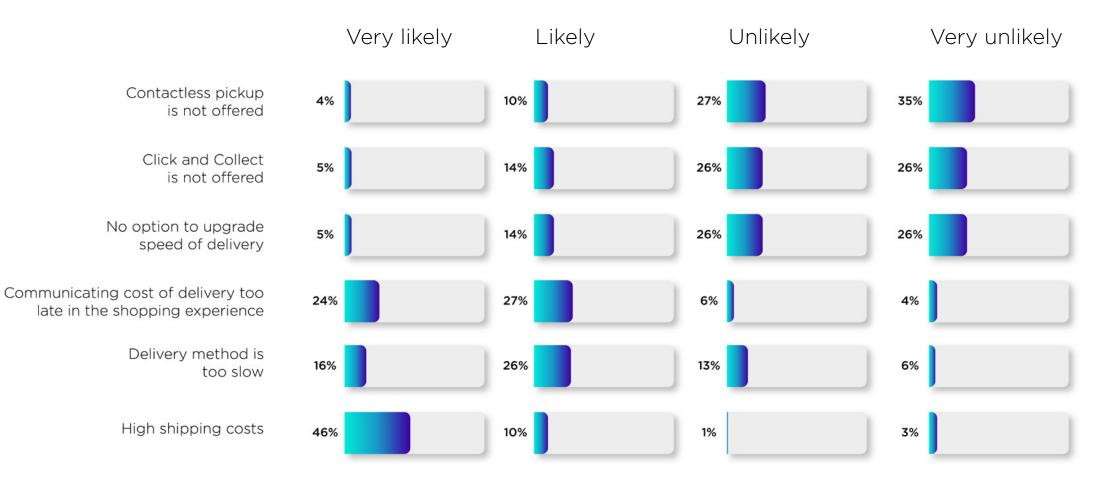
In 2021, more than half of all respondents (56%) said that if shipping costs were high, they would be likely (10%) or very likely (46%) to abandon cart.

Similarly, communicating cost of delivery too late in the shopping experience was an issue with more than half (51%) saying they would be likely (27%) or very likely (24%) to abandon cart when this occurred.

Slow delivery was also an issue, with 42% saying this would lead to a change of heart (16% very likely to abandon cart and 26% likely).

This hasn't changed much year-on-year.

When considering delivery, how likely are you to abandon a cart based on the following? (2021)





High Shipping Costs Leading To Cart Abandonment

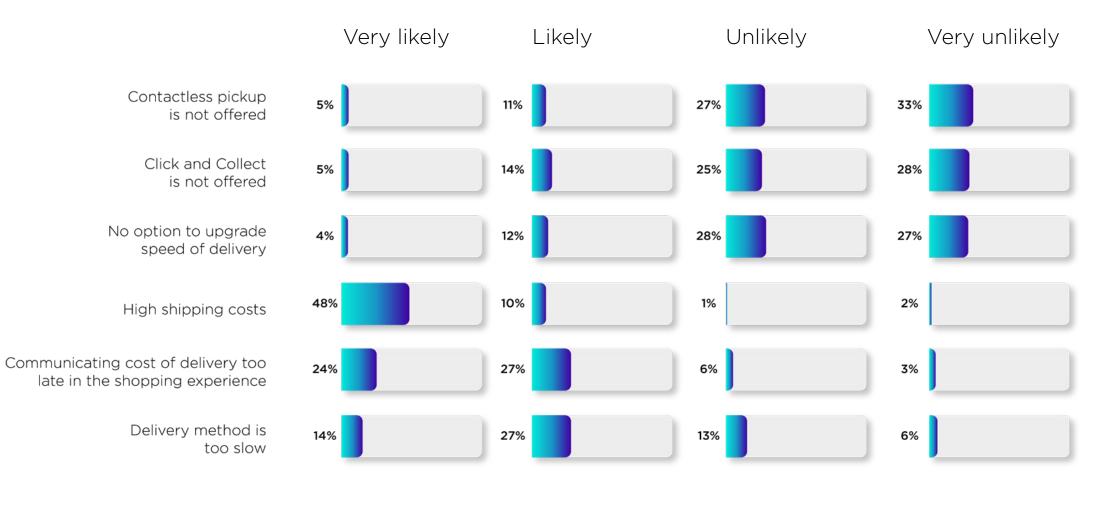
58% now say high shipping costs led them to abandon cart (48% very likely and 10% likely) with 51% again saying that communicating the cost of delivery too late in the process would lead them to abandon cart (24% very likely and 27% likely).

Slow delivery is still an issue for 41% of consumers, with 27% saying they would be likely and 14% saying they would be very likely.

The fact that we have seen little to no shift in these responses generally shows exactly where retailers need to focus their delivery efforts.

Elements like Click & Collect and no option to upgrade delivery speed are not particularly driving abandonment rates. High shipping costs, slow delivery and poor communication are still a huge issue for shoppers.

When considering delivery, how likely are you to abandon a cart based on the following? (2022)





Loyalty Programs

"Nothing can trump free shipping as the favourite loyalty program benefit for online shoppers. Loyalty programs are a major influencer of purchase decisions, with points and discounts the key drivers behind free shipping."

- Grant Arnott, Power Retail



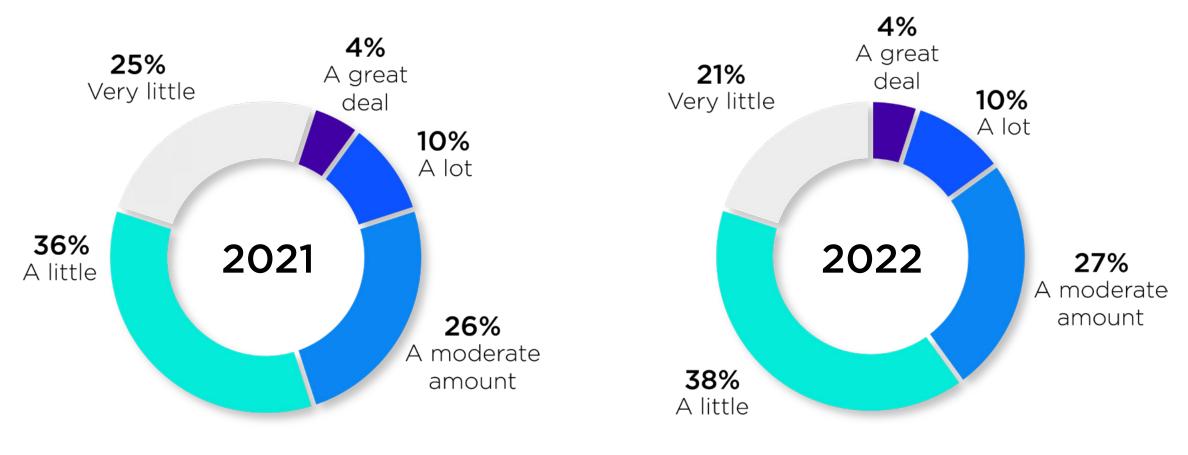
Loyalty Programs

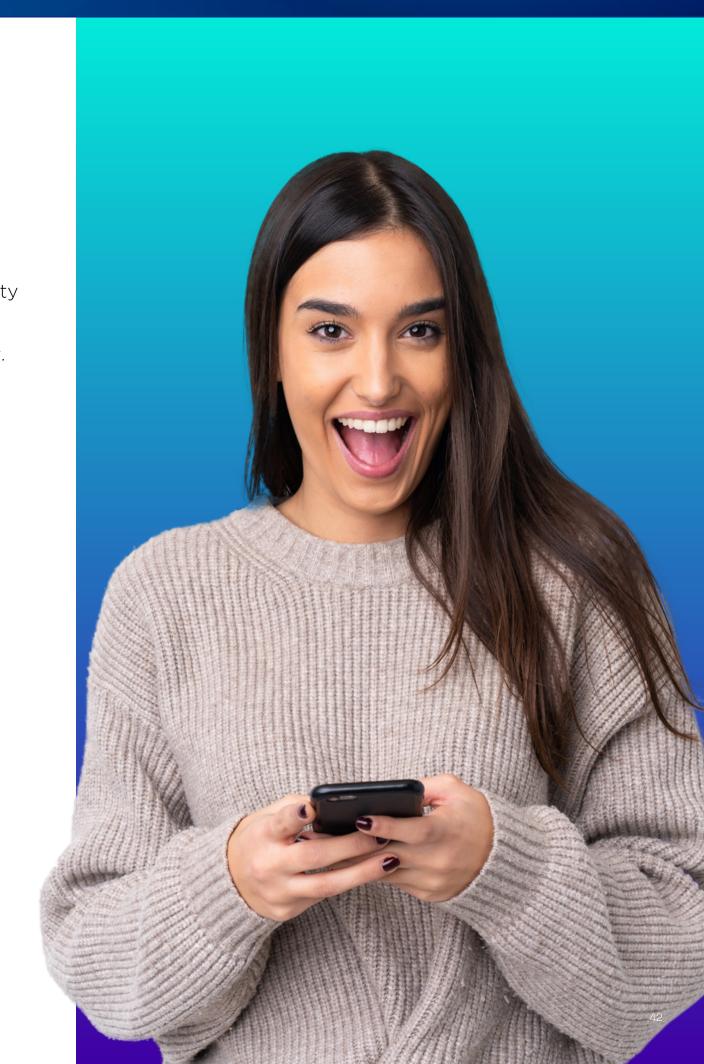
Loyalty Programs Influence Shopping Decisions

While not overwhelmingly, loyalty programs do influence shopping decisions 'a little' and 'a moderate amount' for the majority of shoppers (65%).

This is a similar trend to last year, which shows that there is a connection between loyalty programs and purchase behaviour.

In general, how much does being a member of a retailer loyalty program influence your shopping decisions?







Loyalty Programs

In the last 3 months, has a loyalty program offering caused you to choose one retailer over another?

Loyalty Programs Influence Shopping Decisions

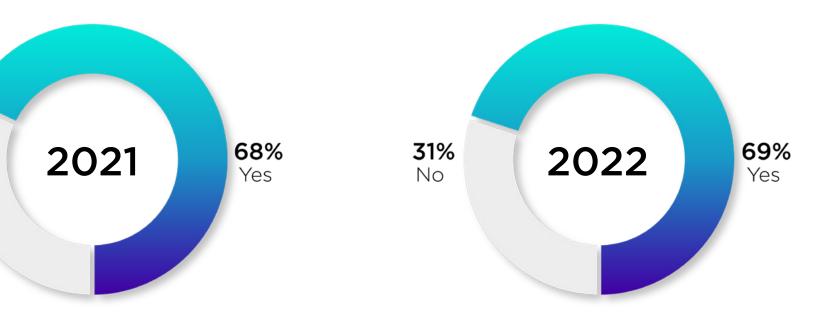
So, if there is a connection between loyalty programs and purchase decisions, how does it influence behaviour?

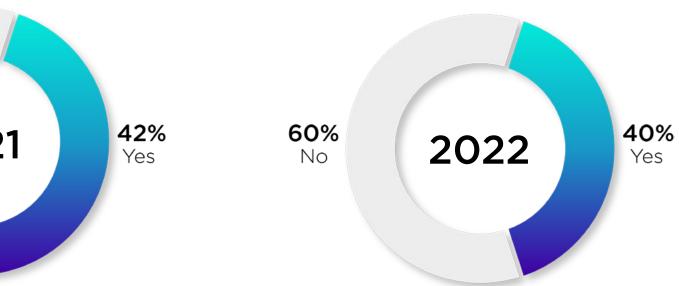
40% say that they have chosen one retailer over another because of a loyalty program offering.

69% say that they have used a loyalty program to claim a reward in the last three months. These trends have both remained stable year-on-year, showing that consumers are highly engaged with retailer loyalty programs.

58% 2021 No

32% No





In the last 3 months, have you used a loyalty program in order to receive a discount/coupon or other reward?



Loyalty Programs

Shoppers Want Free Shipping

Free shipping has appeared as a consumer preference throughout multiple elements of this report and loyalty programs are no different. So, what's the favourite perk when it comes to retailer loyalty programs? For over three quarters of respondents (77%) it's free shipping at number one.

Redeeming points for products (60%) and automatic discounts (57%) come in at second and third place respectively, with redeeming points for discounts a close fourth (55%).

While there is slight movement year-on-year, the general trends are very similar, meaning this should give retailers a clear idea of what shoppers want from retailer loyalty programs.

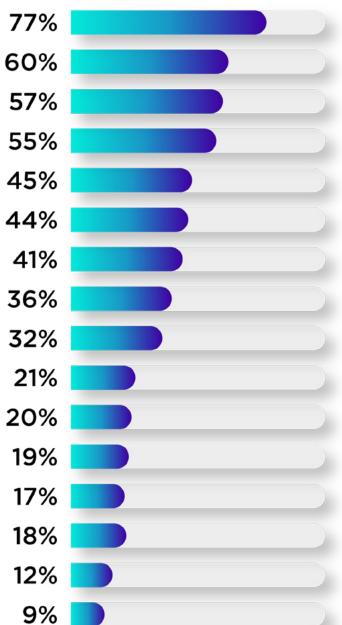


What is your favourite type of retailer loyalty program? (Tick all that apply).

Free shipping	78 %
Redeem points for products	56%
Automatic discount on all purchases	57%
Redeem points for discounts	53%
Exclusive members' only discounts	49 %
Free promotional products	49%
Express delivery	48%
Redeem points for cash	39%
Early access to sales events	38%
Exclusive members' only products	25%
Premium customer service	21%
Members' only competitions	22%
Exclusive members' only events	22%
Special members' only services	20%
Longer returns periods	14%
Personalisation options	11%







2022



Product Reviews

"As the pandemic drives more traditional shoppers into new retail channels, reviews and social proof are dramatically increasing in importance within the purchase funnel."

- Grant Arnott, Power Retail

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Product Reviews

Reviews Work, Shoppers Likely To Provide Reviews When Prompted

41% of shoppers said they had been prompted by an email from retailers to provide a review post purchase. Furthermore, 59% said they are more likely to review a product if they receive an email reminder to do so.

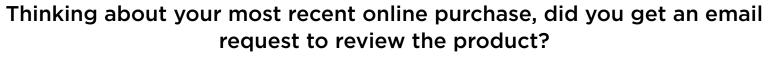
We can see general trends remain relatively unchanged year-on-year. The message to retailers here is that if they're not asking for reviews, they're missing out on receiving them!

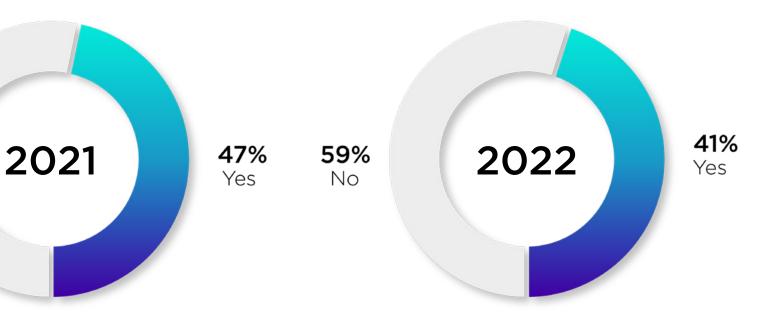
Is it important to actively request reviews? Yes, because shoppers look to them in the research phase of purchase.

53% No

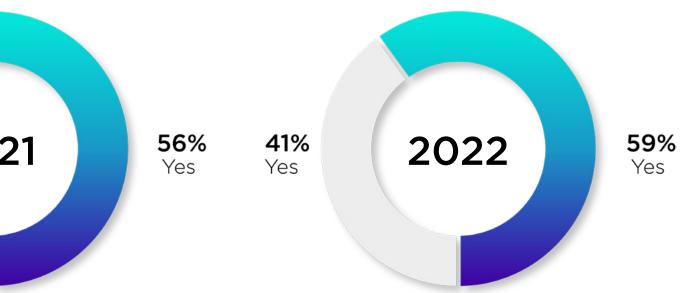
44% No

2021

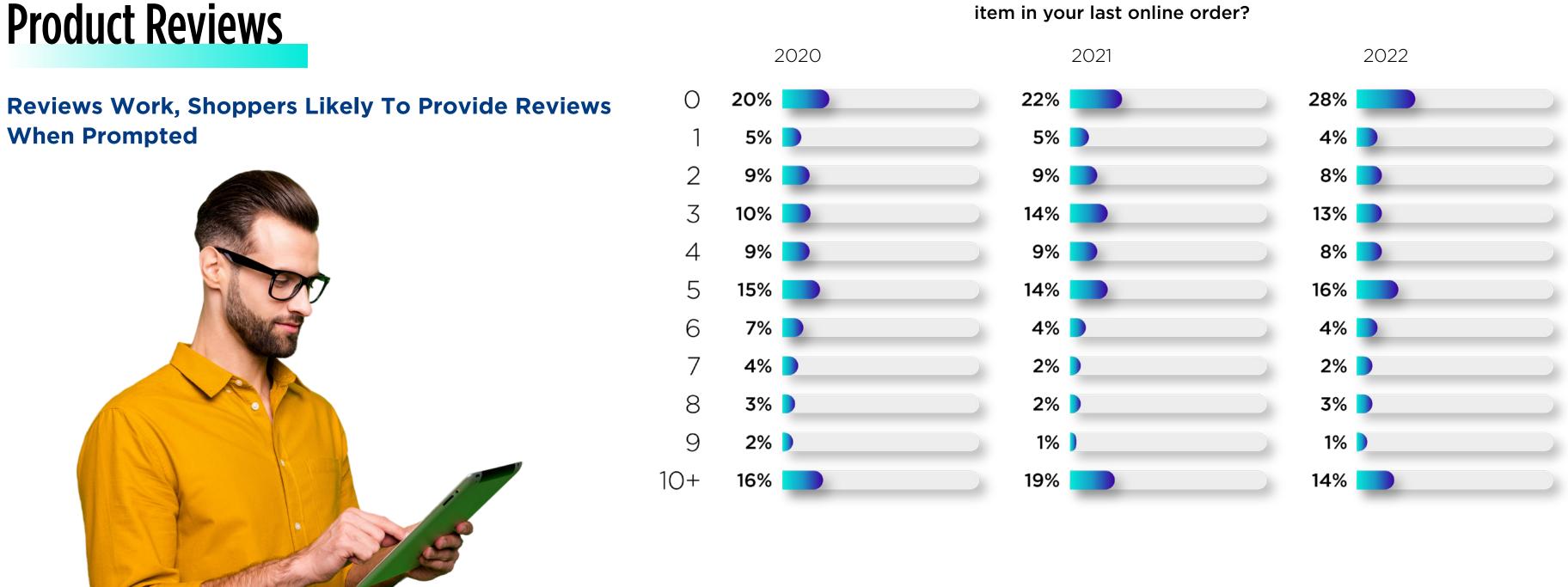




Are you more likely to review a product if you received an email reminder to do so?







While over a quarter of shoppers (28%) don't generally look at reviews prior to purchase, the flip side of this is that the majority (72%) looked at reviews prior to purchasing the most expensive item in their last online order.

This is a trend we saw in previous years as well, with 51% looking at one to five reviews and 19% looking at 10 or more reviews in July 2021.

Essentially, reviews work.

A massive 49% look at between one and five reviews prior to purchase, while a not insubstantial proportion (24%) look at between 6 to 10+. In fact, 14% actually look at 10 or more reviews.

How many product reviews did you check before purchasing the most expensive item in your last online order?



Product Reviews

Authentic Reviews Are Key

If retailers are worried that encouraging reviews would leave them open to negative product reviews, they need not worry.

Shoppers actually prefer a mix of positive and negative reviews to give them a full picture. In fact, 65% say that mixed reviews encourage them to purchase. This is in contrast to the minority (17%) that say only positive reviews encourage them to purchase.

Reviews with a lot of details and an average star rating of 4+ are encouraging too (for 65% and 58% of survey respondents respectively). Stars matter too though, with only 11% saying an average star rating of 3+ encourages them.

When looking at reviews, what most encourages you to make an online purchase. (Choose your top 3)

A mix of positive and negative reviews so I know they're authentic	65%	
Reviews that contain a lot of detail about the product	65%	
Average star rating on review is above 4 (out of 5)	58%	
A high volume of reviews	39%	
Only positive reviews	17%	
Average star rating on reviews is above 3 (out of 5)	11%	





Get in touch, we would love to chat.

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