Understanding Online Purchases
GEN ZERS

August 2020

This report precedes our deliverable about "Gren Zers' shifts in purchase habits" by making an emphasis on online purchases which before the pandemic were very important for this generation.

We all know that COVID-19 dismantled how purchases were made, this is also true for online purchases.

Even thought, we might think that things were much better for online companies the true is that Gen Zers are very pragmatic and evaluate a broad range of information before purchases so if the company didn't fulfil their requirements they will not complete the purchase.

Here you will discover the online retail purchase pathway that Gen Zers follow in order to decide which product to buy and where to buy it. The purchase pathway where we will focus on doesn't take into consideration the purchase of products that satisfy their basic needs such as food or beverages.

How Consumption Has Changed?

It was predictable that with COVID-19 Gen Zers were more connected than ever before, so currently they have more time to decide about the products they want to buy.

Connected hours per day

62%
More than 10 hrs per day

26%
From 8 to 10 hrs per day

12%
Less than 8 hrs per day

Outside basic products we discovered that during COVID-19 Gen Zers have purchased the following categories:
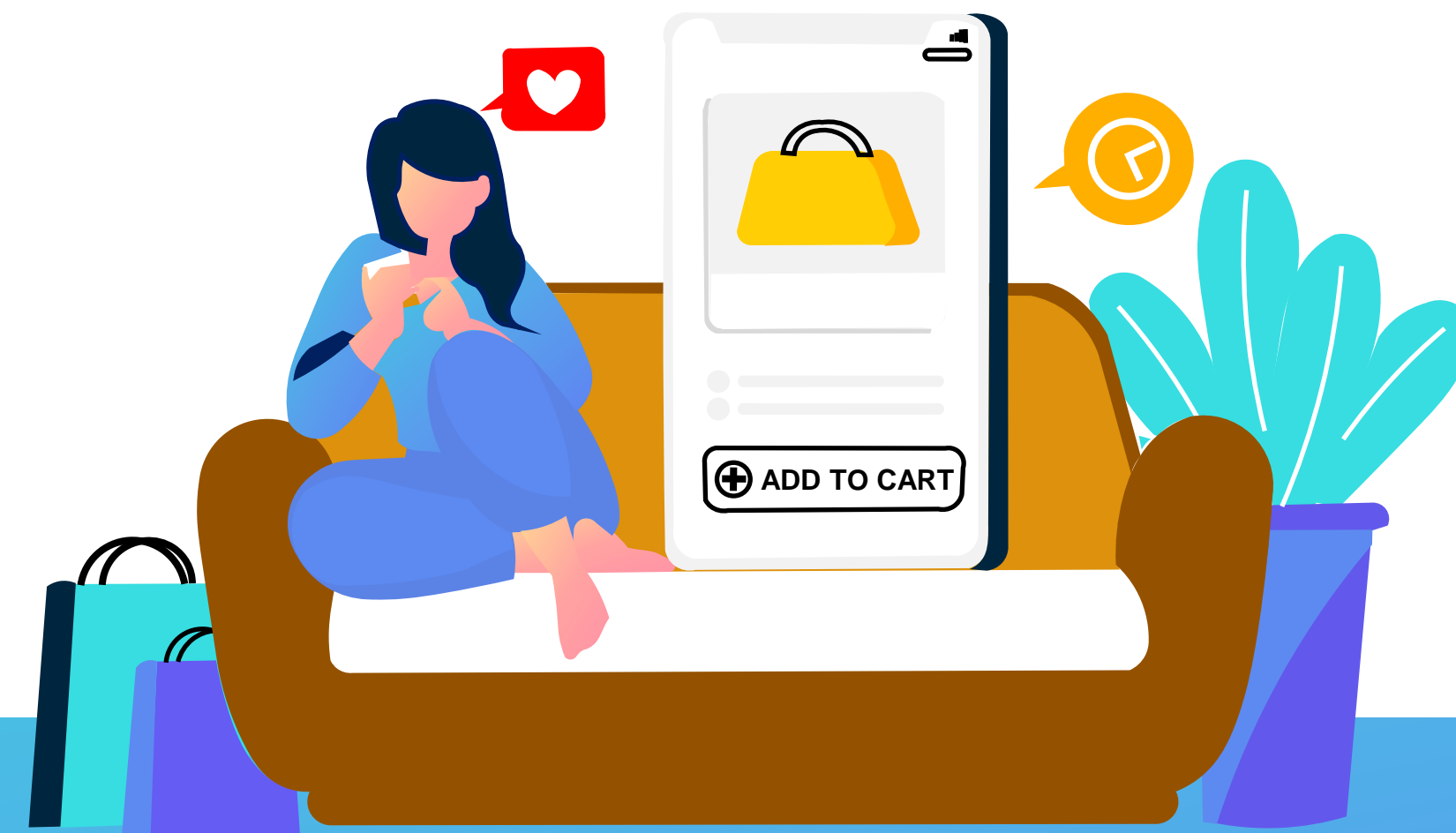
53%
Clothes & Shoes

47%
Online subscriptions (Netflix, Spotify, etc.)

14%
Others

DISCOVERY

At this stage what Gen Zers need is get inspired by retailers so they visit as many sites as possible. The average time they invest per day is of 44 minutes and ¼ of that time is invested in social media by reading products reviews.

Besides, web browsers, the places where Gen Zers tend to look for more information are (In order of importance):

mercado libre   amazon   Liverpool®   ebay™   AliExpress™   wish   privalia

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EVALUATION

The consideration stage for Gen Zers evolve as they do a deep evaluation of products. Similarly to other generations, they want all online pages to give a clear and detailed explanation of all the products they are selling. However, **Gen Zers** are more demanding than other Generations they also request the following:

360° Views of products. If this is not possible, they demand at least 5 images per product;

Clear explanation of the return protocol;

Free shipping;

Real reviews about the product.
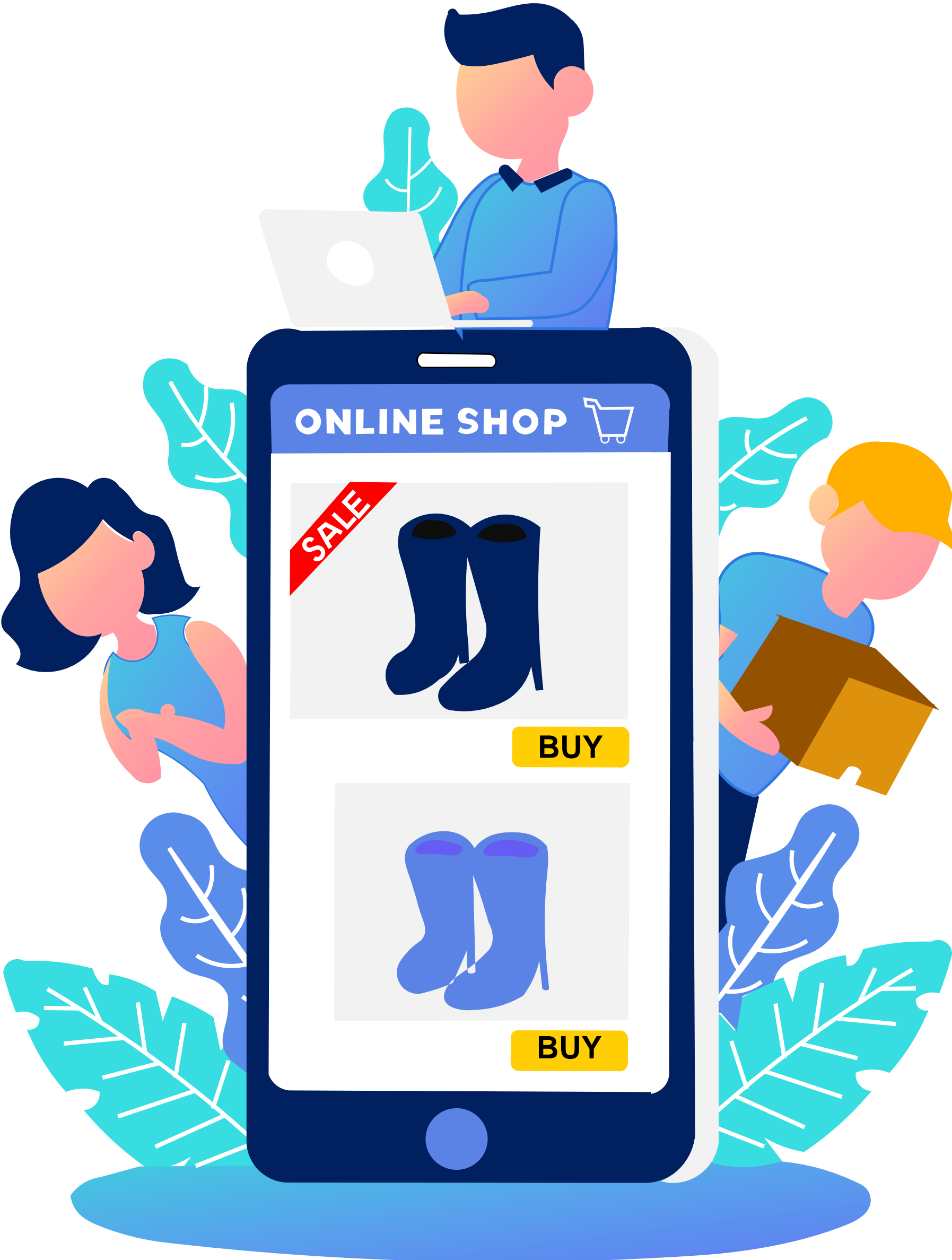
"I don't know why Mercado Libre does not have 360° view of products if they have that, I will only search for products on that site".

"Some sites charge a lot for shipping so even if the product cost is cheaper when adding the shipping cost is much more expensive that in other sites"

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PURCHASE

The moment when the shopper decides where to purchase and the delivery type. During COVID-19 all deliveries were at home (96% at shoppers home 4% at a friend home).

Making savings was a significant factor for Gen Zers to decide the purchase (47%) but during COVID they believe brands don't make reductions.
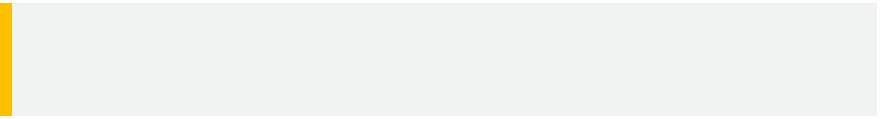
"Before COVID-19 I believed that purchasing online was less expensive but now, with COVID I don't see real discounts, I believe brands are also struggling with sales so they cannot make any reductions"

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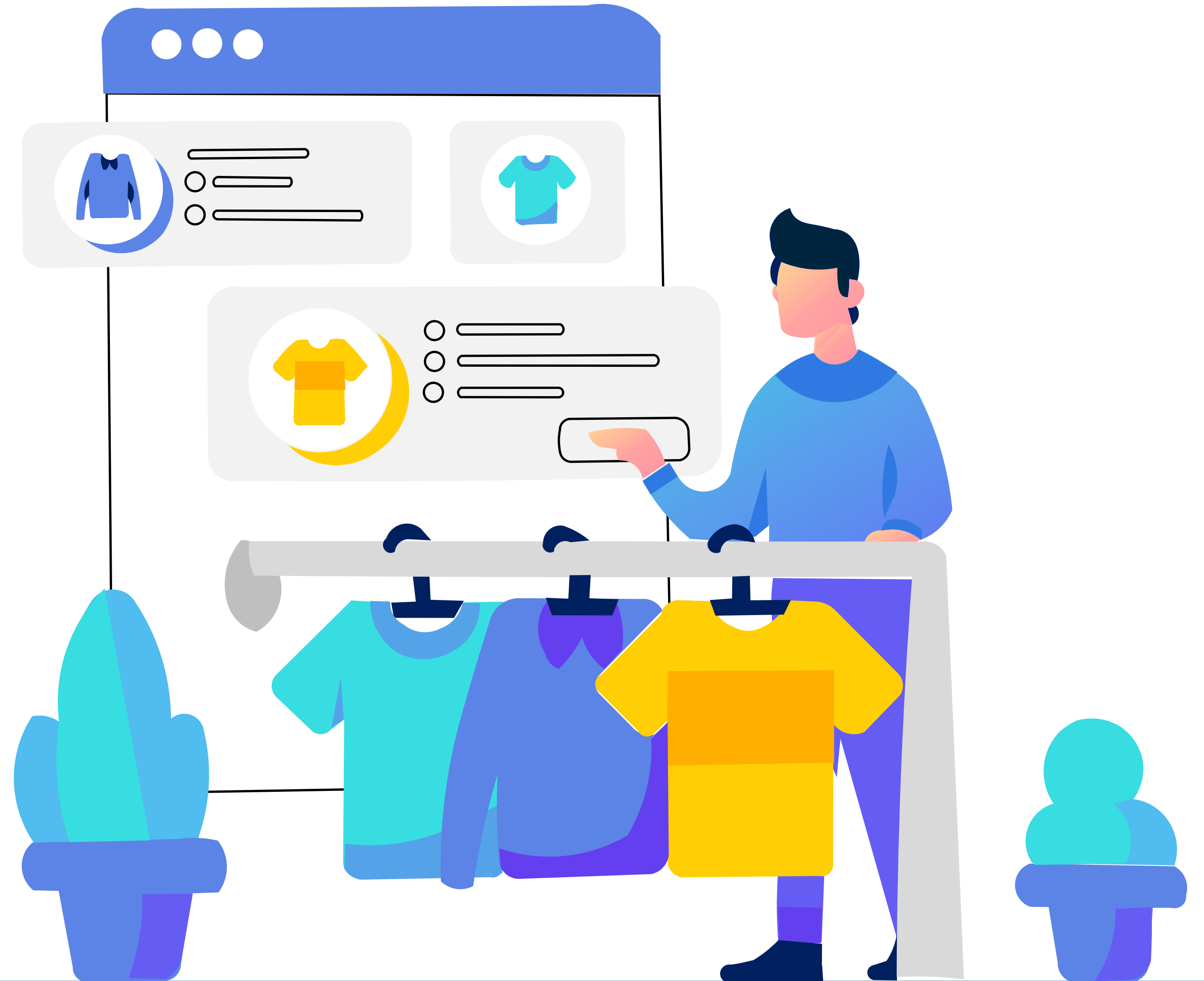
Devices used during purchase

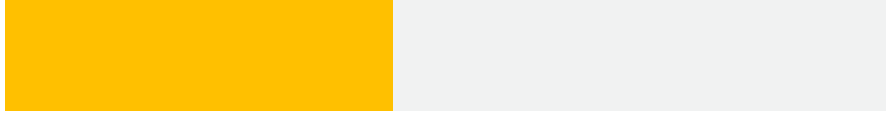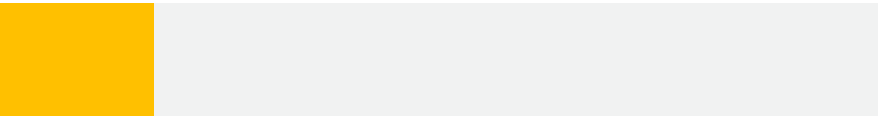It is important to mention that most Gen Zers prefer to search and finish the purchase using their mobile.

DEVICE	Used for searching	Used for making the purchase
Mobile	83%	79%
Personal computer (Laptop)	67%	54%
Desktop	51%	44%
Tablet	18%	2%

1.7x times more likely that customers will make a purchase after watching a retail video.

EXPERIENCE

Almost half of Gen Zers affirmed they write reviews of the product they purchase.

43%
Write reviews on the site they purchase

32%
Write comments on social media

56%
Leave positive comments

3%
Have returned the product - 100% of them have left a comment about the returning process

Business Fishers

LOYALTY

During this research we found 3 differentiators that make this Generation loyal to a brand:

Safety: 100%

"Safety not only about how 'safe' is the site but about what brands are doing, if they care about the environment about their employees etc."

"Safety is also about predictability; I know that if I buy this product or service it will always get the same quality"

Respect: 73%

"I want brands to be humanized, I don't like shopping knowing that I am just a number, I like the personalized messages, I like to chat with someone; not a BOT, and if possible, a phone number just to confirm some things".

"I can´t trust a brand that sees me as another client, I am not another client I have special needs and requests"
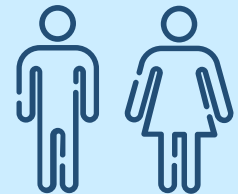
Personal growth/Fulfilment: 55%

"Outside COVID-19 when I decide to purchase or not a brand I always consider if that product or service will fulfil my needs and in what extend, for instance if I want a new online game, I will read a lot of comments to see if the game will really satisfy me or if it is just another game"

Don't miss our next report where we will show the results of our OBB METHODOLOGY

METHODOLOGY

ONLINE SURVEY		
DONE IN MAY-JUNE 2020		
2500 CASES	95% CONFIDENCE LEVEL	+/- 3.5% ERROR
IN – DEPTH INTERVIEWS		
30 RESPONDENTS	60 MINUTES	ONLINE

	Between 16 – 24 years old All SELs	Nationwide distribution