



The Future of Online Shopping

As more UK consumers are relying on online retail, what does the future hold for commerce both physical and digital?

By Georgia Harding

Online shopping. By now, this is a term well known by many UK consumers. Having been launched in 1979, online shopping has allowed consumers to buy from home and have purchases be delivered directly to them. As internet culture and technology has evolved, so has ecommerce; 2013 showed a 186 percent rise in sales made using smartphones, compared to 2012.

“57 percent of UK consumers now report that they have bought groceries online – compared to 51 percent in 2011”

However, sales figures for online shopping are widely varied. Depending on the type of item being sold, online shopping has proven to have a wavering degree of popularity, with some customers claiming that there are times they would never buy online. Despite this, current figures show that online sales are set to continue

growing over the coming years, as more consumers are begin to embrace the format.

In this article, we aim to examine the results of a YouGov study commissioned by VoucherCodes.co.uk last year. The study looked into the attitudes and shopping habits of UK consumers as of now, and their plans for shopping in the future. This was compared to a similar survey taken two years prior, showing a clear correlation

– with the attitude of UK customers gradually beginning to favour online shopping over time.

The survey also compared how the popularity of different items has changed over time. Electronics and entertainment remained as popular as they were two years ago, but online purchases of groceries have shown a large increase this year. 57 percent of UK consumers now report that they have bought groceries online

– compared to 51 percent in 2011. The least popular category was furniture, with 26 percent claiming that they never plan on buying furniture in the future either.

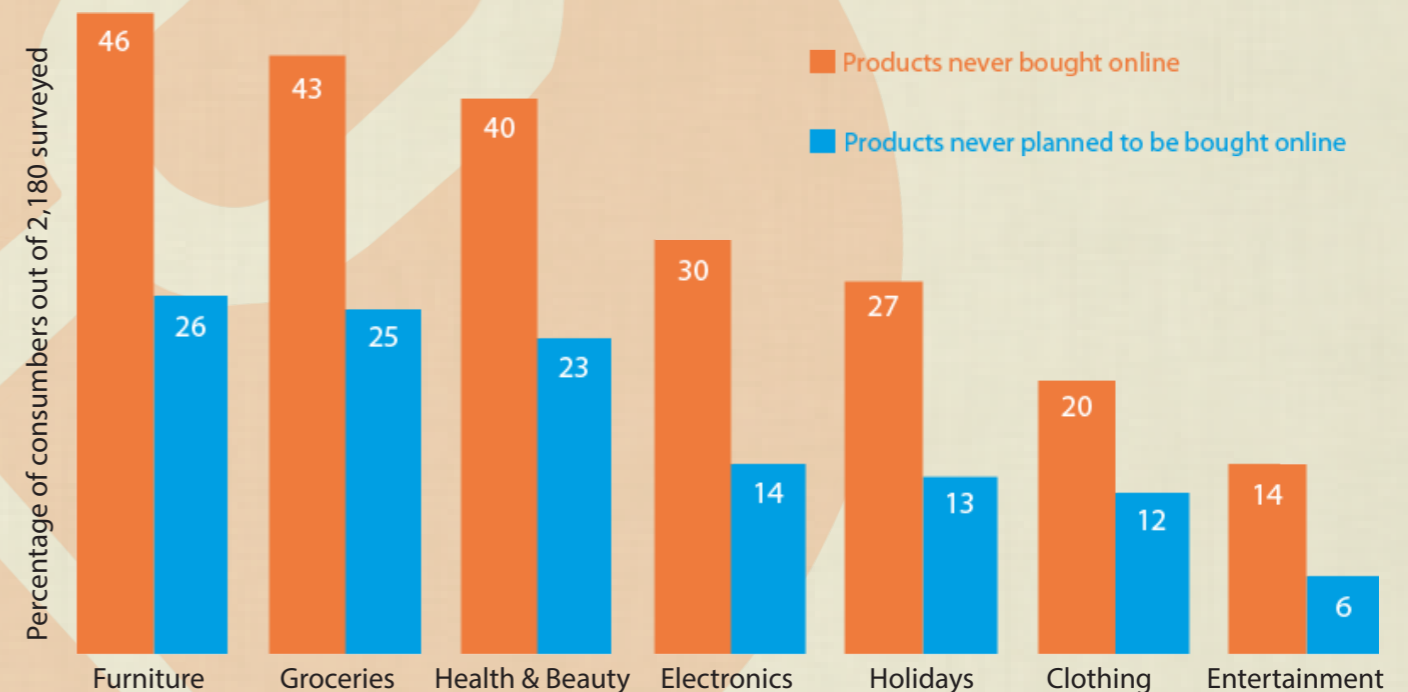
It should be noted that many UK consumers still have a variety of problems with online shopping. Being unable to see the actual product for themselves is one of the largest turn offs from buying online, with 30 percent of those surveyed saying that this was an issue for them. This valid reasoning, as issues can range from receiving the wrong item, a faulty product, or the product being inaccurately described on the website.

The relationship between online and offline shopping is ever prevalent. Even with online sales having risen over the past year, many retailers have reported a gradual

drop in offline sales. It has been predicted that there will be 22 percent less high street stores in 2018, whilst online shopping figures are predicted to increase by almost 70 percent. Despite the correlation between the increase in online sales and decrease in offline sales, it is

possible to use one to improve the other. It is believed that with the increase in online sales, techniques such as Geo-fencing will show an increase. The technique has proved successful in the USA, involving marketing offline shops with technology. McDonalds trialled Geo-fencing in Sweden in 2011, commissioning a digital

billboard that smartphone users could connect to, allowing them to play a game. Those who played longer than 30 seconds received a digital coupon for free food at local McDonalds restaurants. This embrace of technology and offline shopping saw great success in attracting potential customers to their door.



the % of shoppers who say that unsuitable delivery times stop them from shopping online

18%



The UK's Top Three Online Retailers

the % of shoppers who admit they will use their mobile to compare prices in the future

25%