



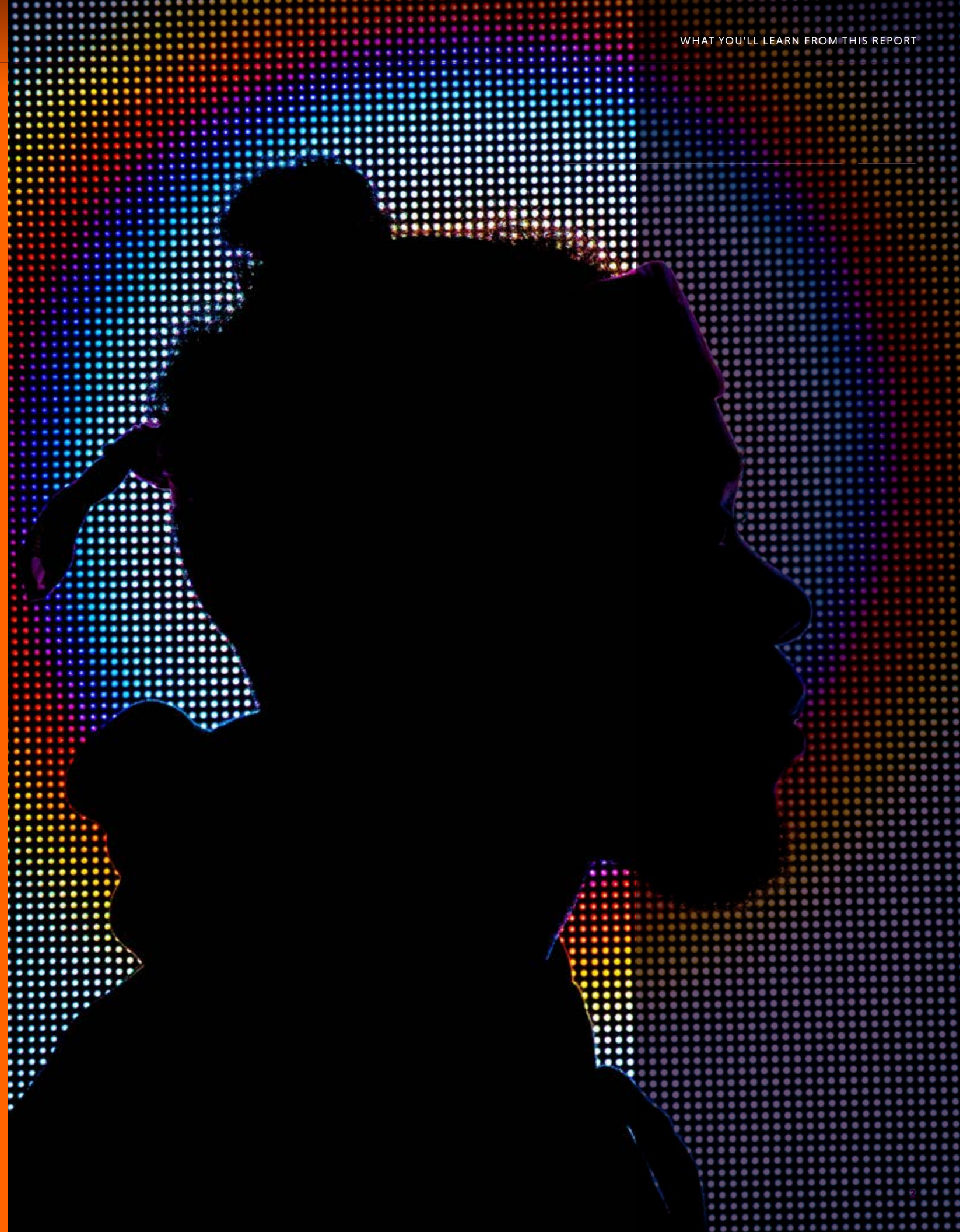
# Unboxing the global retail consumer

Reach the right audience, the right way



## WHAT YOU'LL LEARN FROM THIS REPORT

- How consumer shopping habits keep evolving and the trends to know
- How consumer research journeys are shaping advertising
- Ways to elevate consumer experience across their shopping journey
- How marketers can plan with margins allowing for disruptions
- How to future-proof for the cookieless world







A NOTE ON OUR METHODOLOGY


Where is the data in this report from? We pulled the numbers from digital devices, such as PCs and laptops, and viewing data from connected TVs with location data from mobile devices. We compared user activities from last year to see how behaviors changed. Then we combined it with critical insights from a survey of over 8000 global consumers across North America, Europe, Australia, Southeast Asia, China, and the Middle East. And the results show big changes in consumer attitudes towards retail. Read on to find out all the details.

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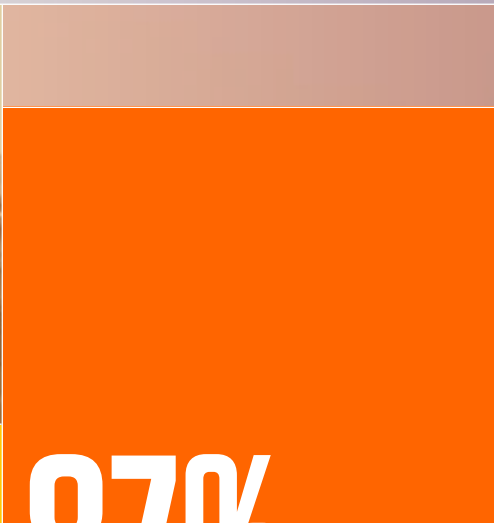


KEY TAKEAWAYS



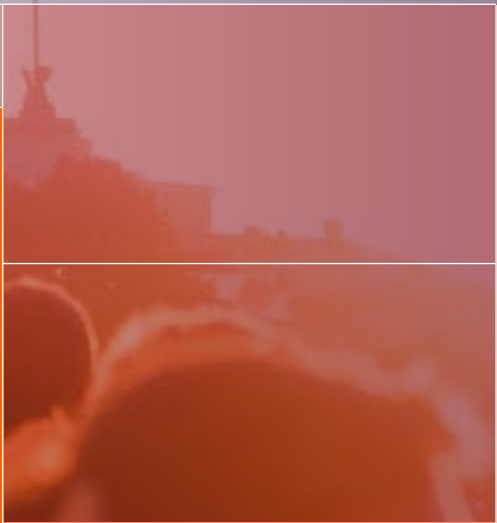
46%

of audiences around the globe are looking to **increase retail spending** compared to last year.




87%


**Shopping is going hybrid** - 87 percent of people globally are adopting hybrid shopping.



1/3

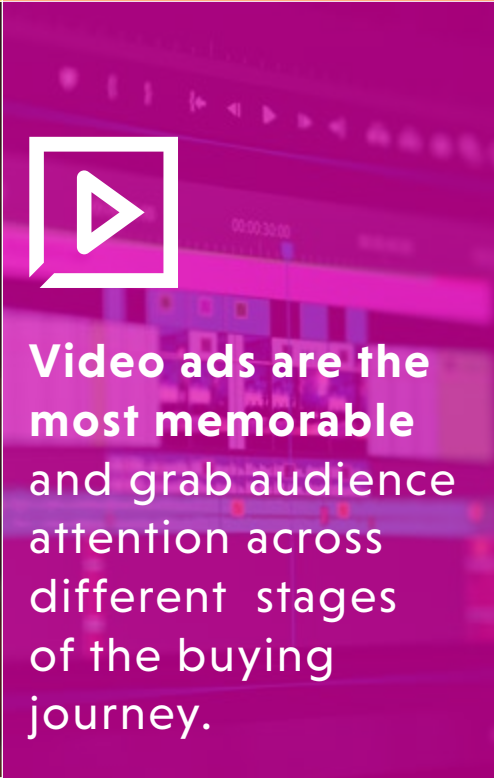
One in three people almost always compare and **research products online before buying.**







6/10


Online shopping is becoming **more regular** - six in ten consumers globally shop online.





**Video ads are the most memorable** and grab audience attention across different stages of the buying journey.





**Seasonal demand for inventory can cause significant surges in inventory costs** without offering a good return on investments.

INTRODUCTION

Brands and marketers have been very busy trying to adapt to evolving consumer habits, supply chain disruptions and geopolitical shifts worldwide. The evolution of shopping behaviors has not made it easy, leaving marketers with the task of going the extra mile to not only find, but keep consumers that are smarter than ever. It's not as scary as it looks and actually opens the door for marketers to use complex data intelligence to understand consumers better, plus drive successful programmatic campaigns. This report will help you to unbox changing consumer behaviors to create effective, engaging marketing campaigns.

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# Examine the new specimen of shopper



Shopping looks incredibly different since the pandemic changed the way people all over the world buy things.

Alternate shopping behaviors have become the norm, with more people exploring new ways to get products compared to 2021. And that is not going to stop, as more than 87% of people said that

they will continue doing so in the future.

The sharp economic recovery last year jumped consumer spending potential back to high levels. These spending attitudes are still fairly strong, even with the recent macroeconomic changes and stress on consumer spending.

What are the numbers showing? Globally, 46% of shoppers are likely to spend

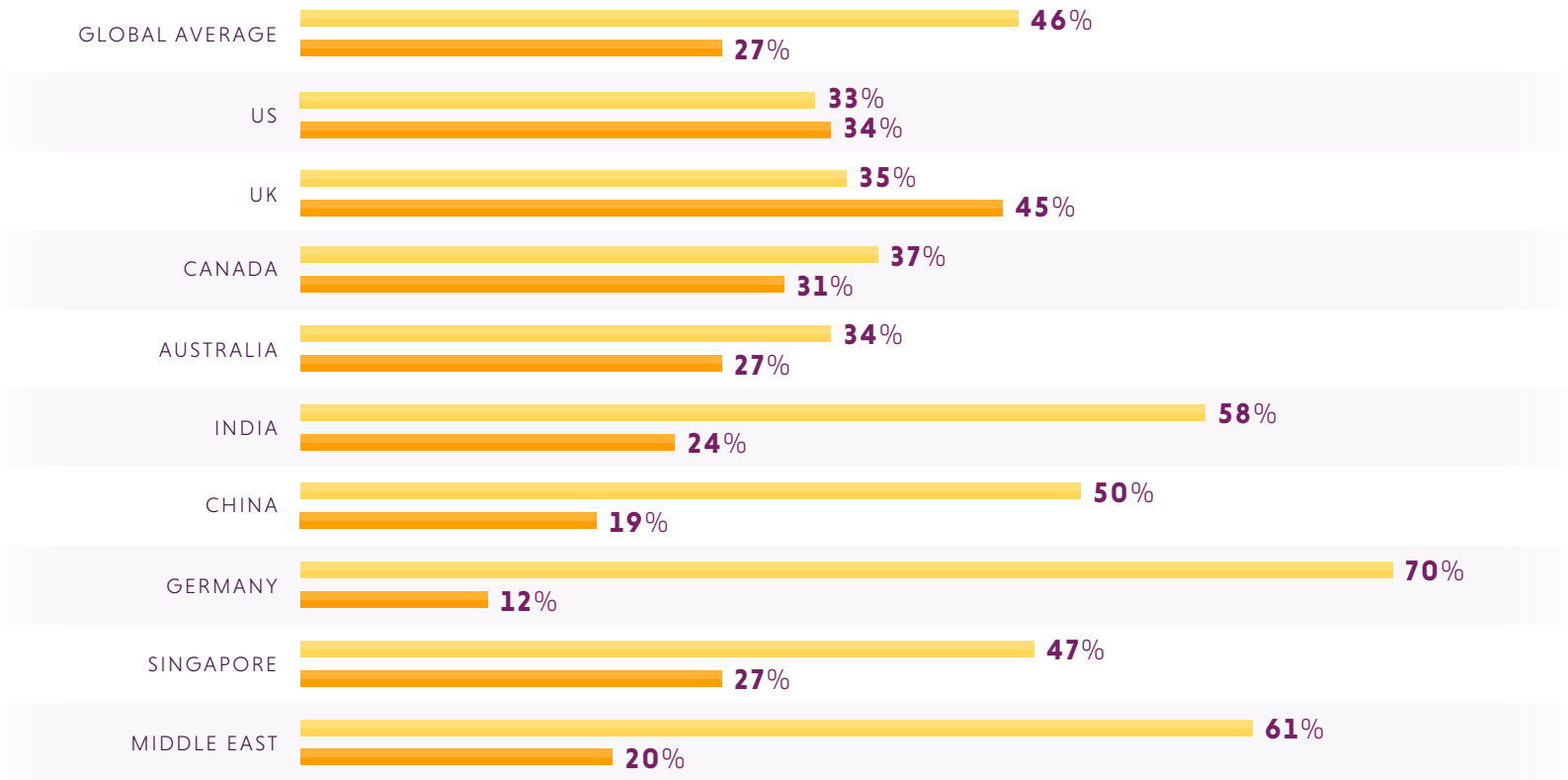
more on retail purchases compared to last year. The projections are more positive among Asian and German audiences. American and European consumers are more cautious. It is important to note that inflation could be playing a role here and that the higher spending may not translate into actually buying more.

## CHANGE TO RETAIL SPENDING INTENT, 2022 VS 2021

% SPEND MORE % SPEND LESS

PERCENTAGE OF RESPONDENTS

Source: MiQ -SAPIO Global Consumer Survey, May 2022, n = 8011





Here’s the breakdown: older consumers cut down on their non-essential spending and did more pre-purchase research. The younger customers switched mostly to online shopping. Middle-aged shoppers are no longer sticking with one brand and are comparing features of different products before buying.

CONTINUED ADOPTION OF ALTERNATE CONSUMER HABITS

PERCENTAGE OF RESPONDENTS

Source: MiQ -SAPIO Global Consumer Survey, May 2022, n = 8011

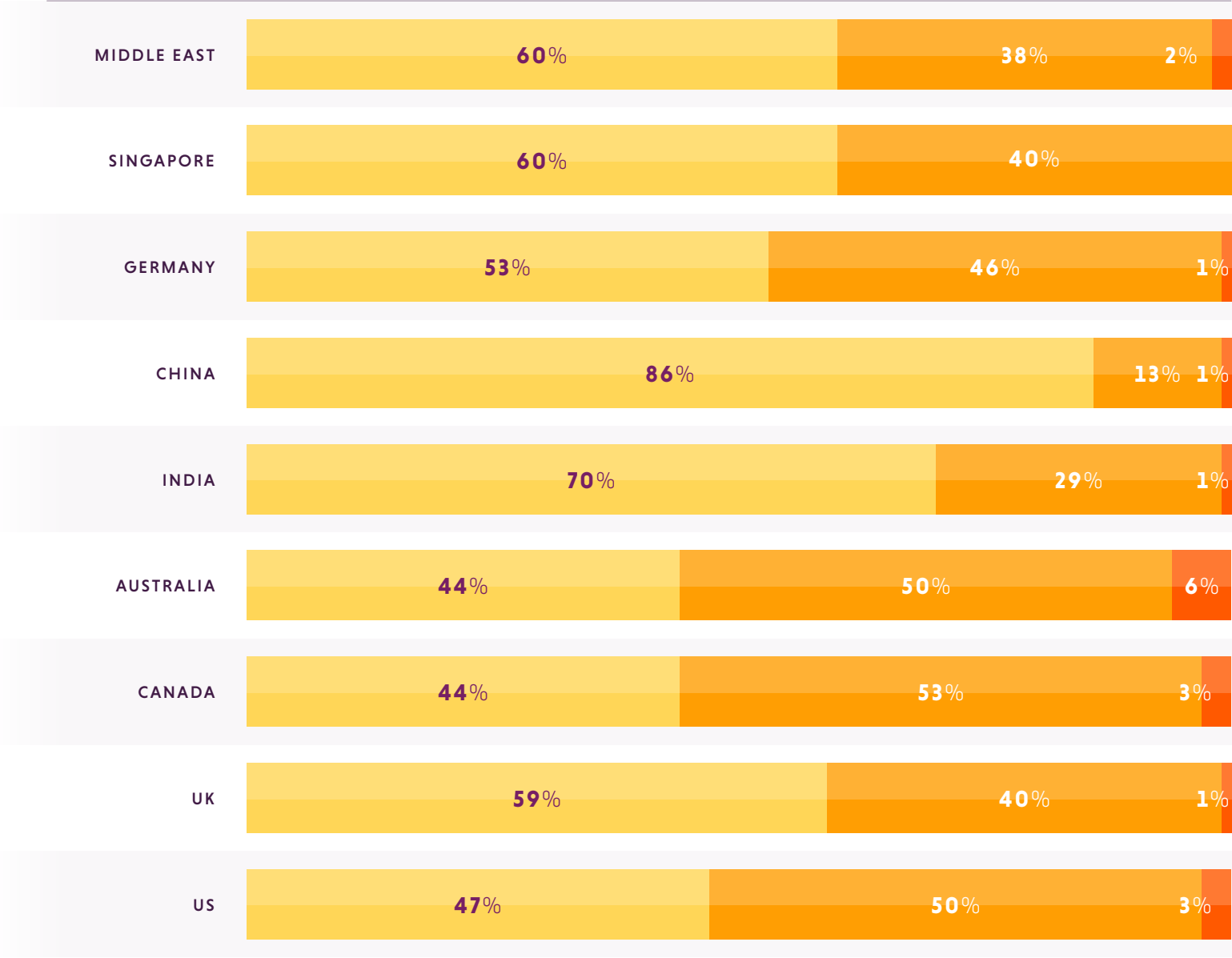


HOW OFTEN ARE PEOPLE ONLINE SHOPPING?

REGULARS OCCASSIONALS NEVER

Source: MiQ -SAPIO Global Consumer Survey, May 2022, n = 8011

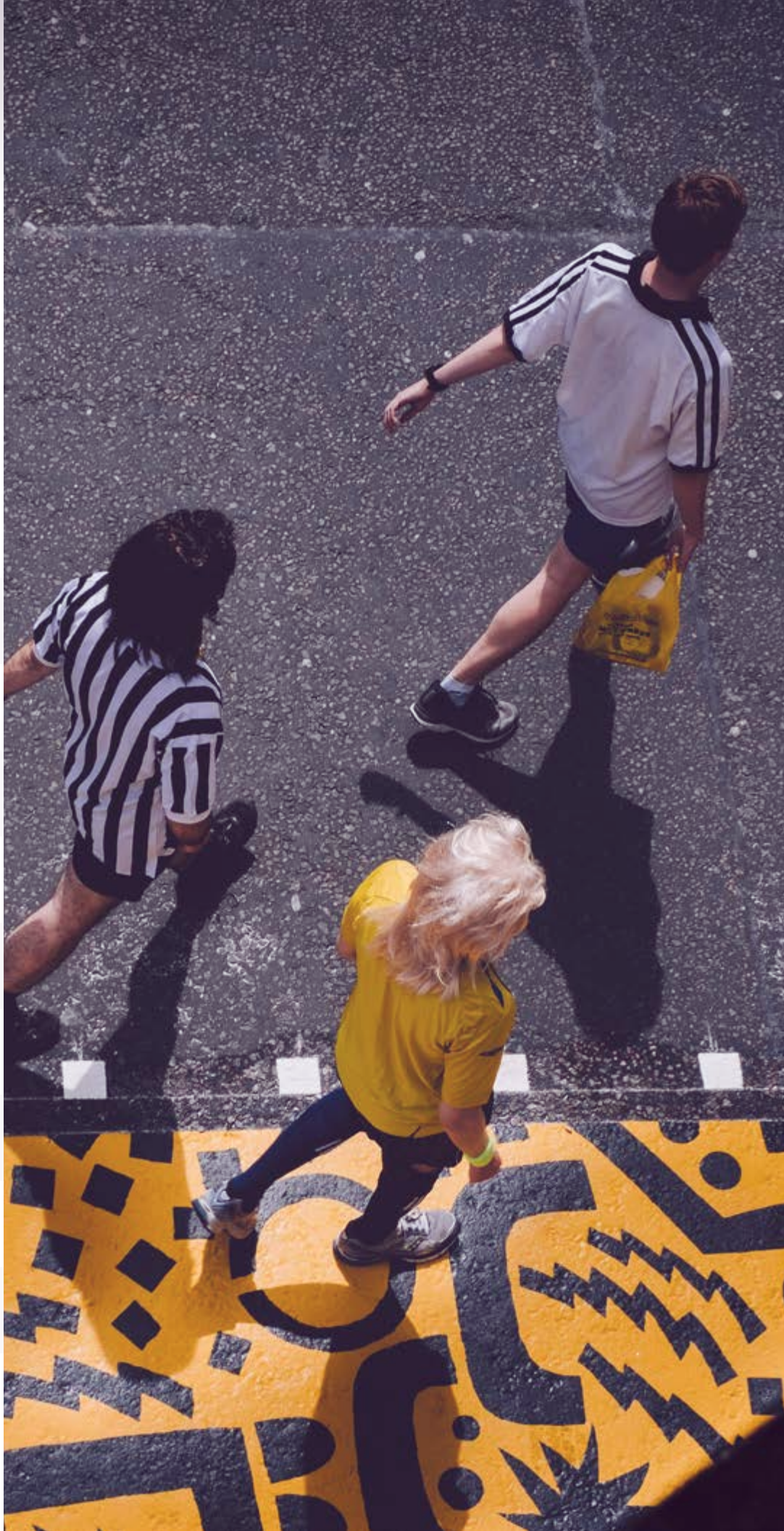
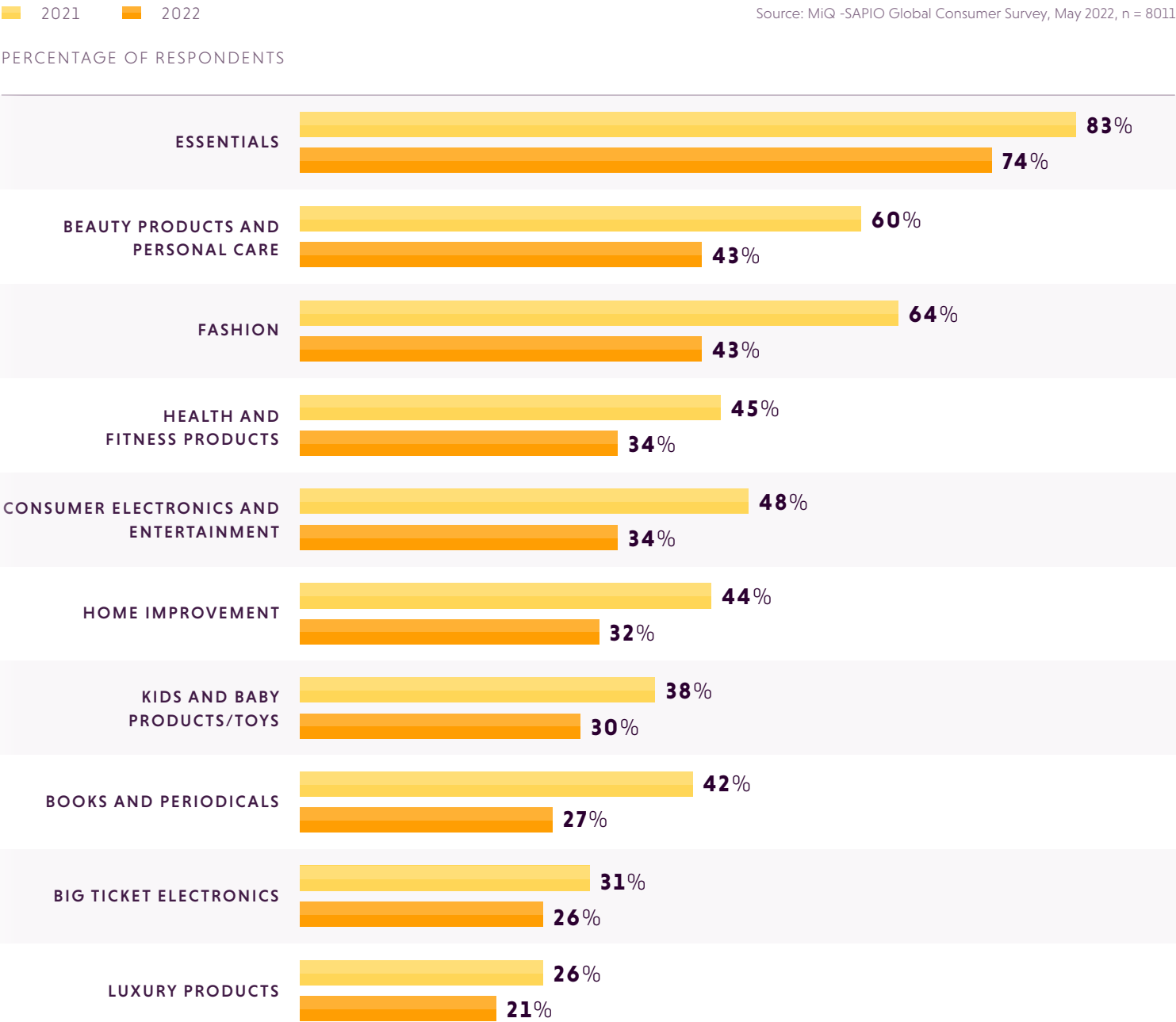
PERCENTAGE OF RESPONDENTS



No one is surprised that online shopping is a regular occurrence for one in two people at least once a month - you probably have some items in a virtual shopping cart right now. But where you are in the world and your age affects the stats. We found that more people in China and India are using online platforms to shop and most of them are in the younger demographic, ages 24 to 45. They look to shop more during retail sales events, which is different from people in North America and Europe.

Looking at last year’s survey, we saw that people were excited to buy fashion and beauty items to get back out in the world while looking their best. But, now we see these numbers have fallen pretty drastically in these categories. The reason could be inflation and we can expect basket sizes to shrink more in both essential and non-essential categories. Of course, we predict that the sales of luxury products will remain consistent since affluent consumers won’t be as affected by inflation rates.

WHAT PEOPLE WILL HAVE IN THEIR BASKETS DURING MAJOR RETAIL EVENTS



CASE STUDY:  
IDENTIFYING AUDIENCE

Discover how we leveraged smarter audience discovery and helped JLAB turn a **50% ACOS** goal into **150% ROAS**, in just three months.

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# Shop here, there, and everywhere

Everyone wants shopping options. This is why online shopping and brick-and-mortar stores will continue to operate side by side. In-person shopping has even jumped back up to 80% of the pre-pandemic levels in the US and Canada.

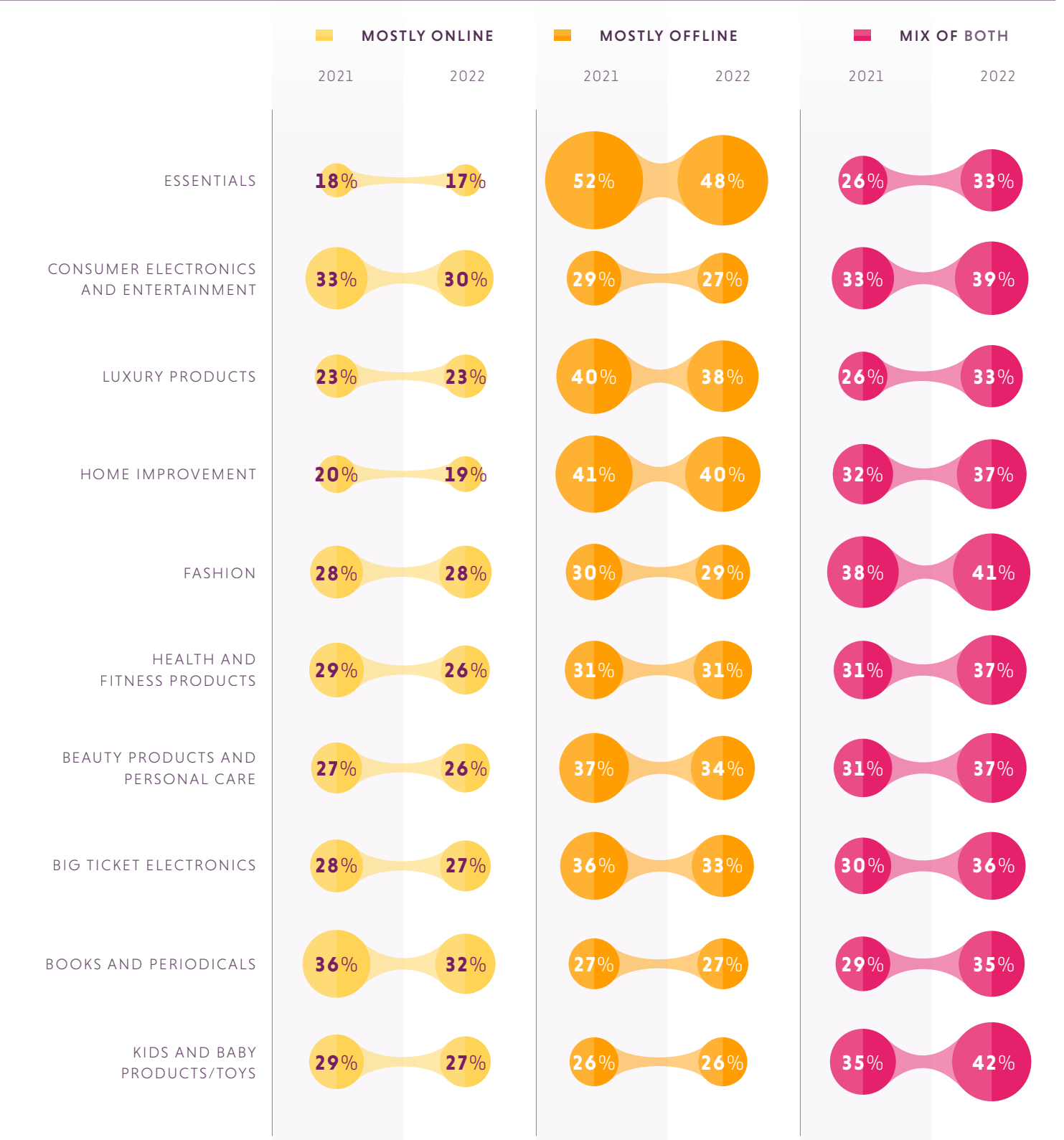
Let's explore where shoppers are buying specific items. Daily essentials, luxury products, and home improvement products will continue to be bought offline, while online platforms will be a major source for consumer electronics and fashion. If you factor in the research done prior to buying, that's where the hybrid model comes in.



## WHERE DO SHOPPERS BUY DIFFERENT ITEMS?

PERCENTAGE OF RESPONDENTS

Source: MiQ -SAPIO Global Consumer Survey, May 2022, n = 8011





Most will start their research journey online and make the final purchase in a store.

Why would someone choose to shop in a brick-and-mortar store instead of online? The urgent need for a product and the ability to try products before buying rank high on the list. For online purchases, people love convenience, availability, competitive pricing, and variety. Interestingly, we found that despite more spending, brand loyalty continues to

suffer. Germany is the only exception to the rule. There are other shopping trends that came as a result of the pandemic, such as click and collect, research online - buy in-store, and try first then buy. These are still holding strong globally with consumers aged 25 to 44. Consumers in the UK, Australia, and China lead the race in adopting these hybrid behaviors, while consumers in India, the US, and Germany lag a bit behind.



CASE STUDY:  
PERFORMANCE

How did we help a global luxury brand achieve record online sales?  
**By unlocking high-value customer segments.**

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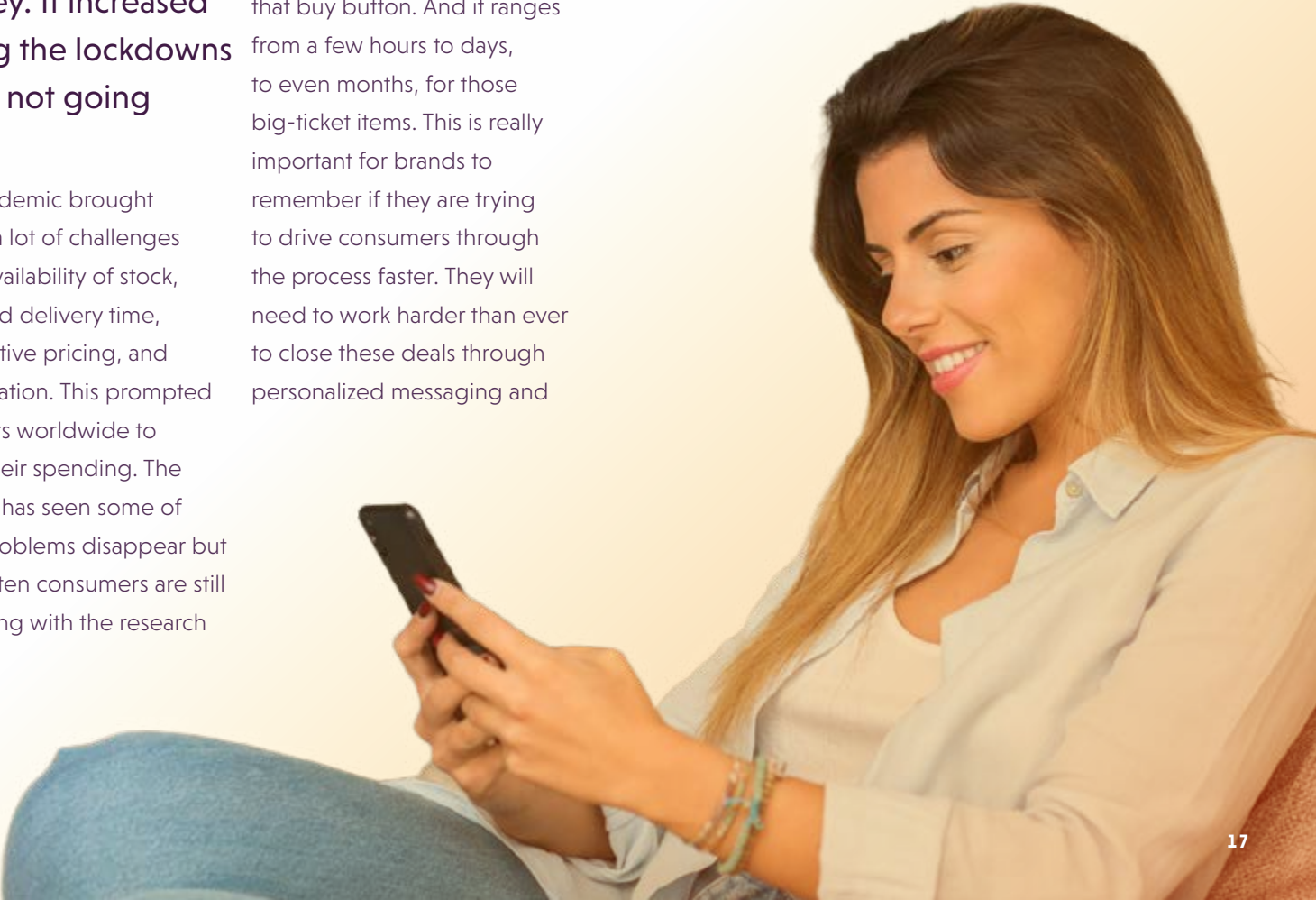
# The research conundrum

**Pre-purchase research is an integral part of the shopping journey. It increased during the lockdowns and is not going away.**

The pandemic brought to light a lot of challenges like unavailability of stock, increased delivery time, competitive pricing, and high inflation. This prompted shoppers worldwide to watch their spending. The last year has seen some of these problems disappear but eight in ten consumers are still continuing with the research

habits they adopted. We took a look at how long people are spending doing the research before clicking that buy button. And it ranges from a few hours to days, to even months, for those big-ticket items. This is really important for brands to remember if they are trying to drive consumers through the process faster. They will need to work harder than ever to close these deals through personalized messaging and

constant reinforcement of the brand. It could also cause marketers to put undue stress on the return on ad spending.

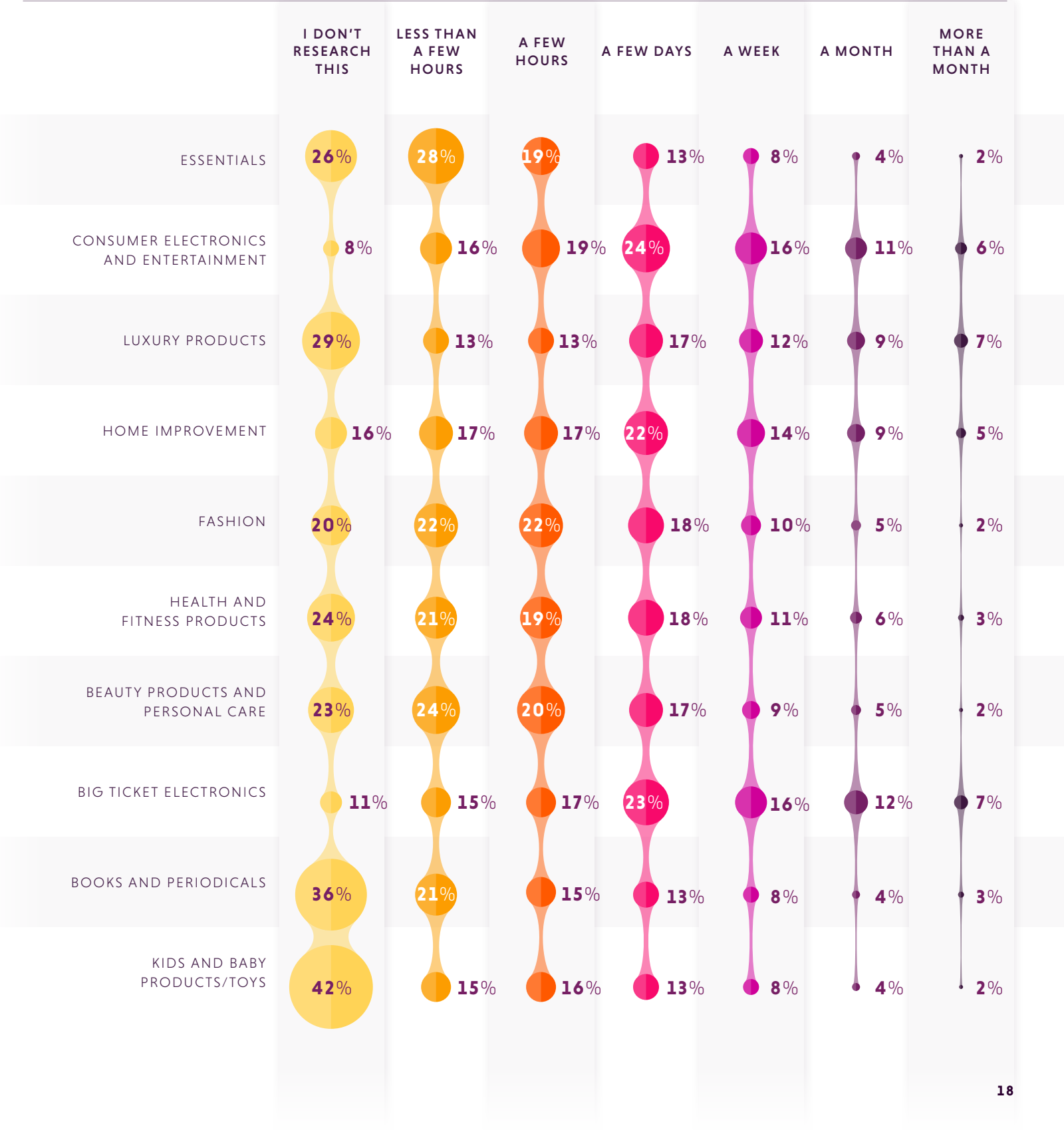




HOW LONG ARE PEOPLE DOING THEIR ONLINE PRODUCT RESEARCH?

PERCENTAGE OF RESPONDENTS

Source: MiQ -SAPIO Global Consumer Survey, May 2022, n = 8011



But where there is a challenge, there is also an opportunity. Using the increased engagement across brands' websites and the open internet, marketers can model consumer intent more aptly and close these deals more effectively. Hence the proper use of brand's first party data in a privacy compliant manner becomes imperative. The brand can personalize campaign elements like

messaging, positioning, offers, CTA's that will resonate with the individual consumers. While mobile and app based platforms remain central through the research and purchase journey, desktops/ laptops and tablets also find their use across the earlier stages of the purchase journey. The journey also moves around the bounds of the open and closed web

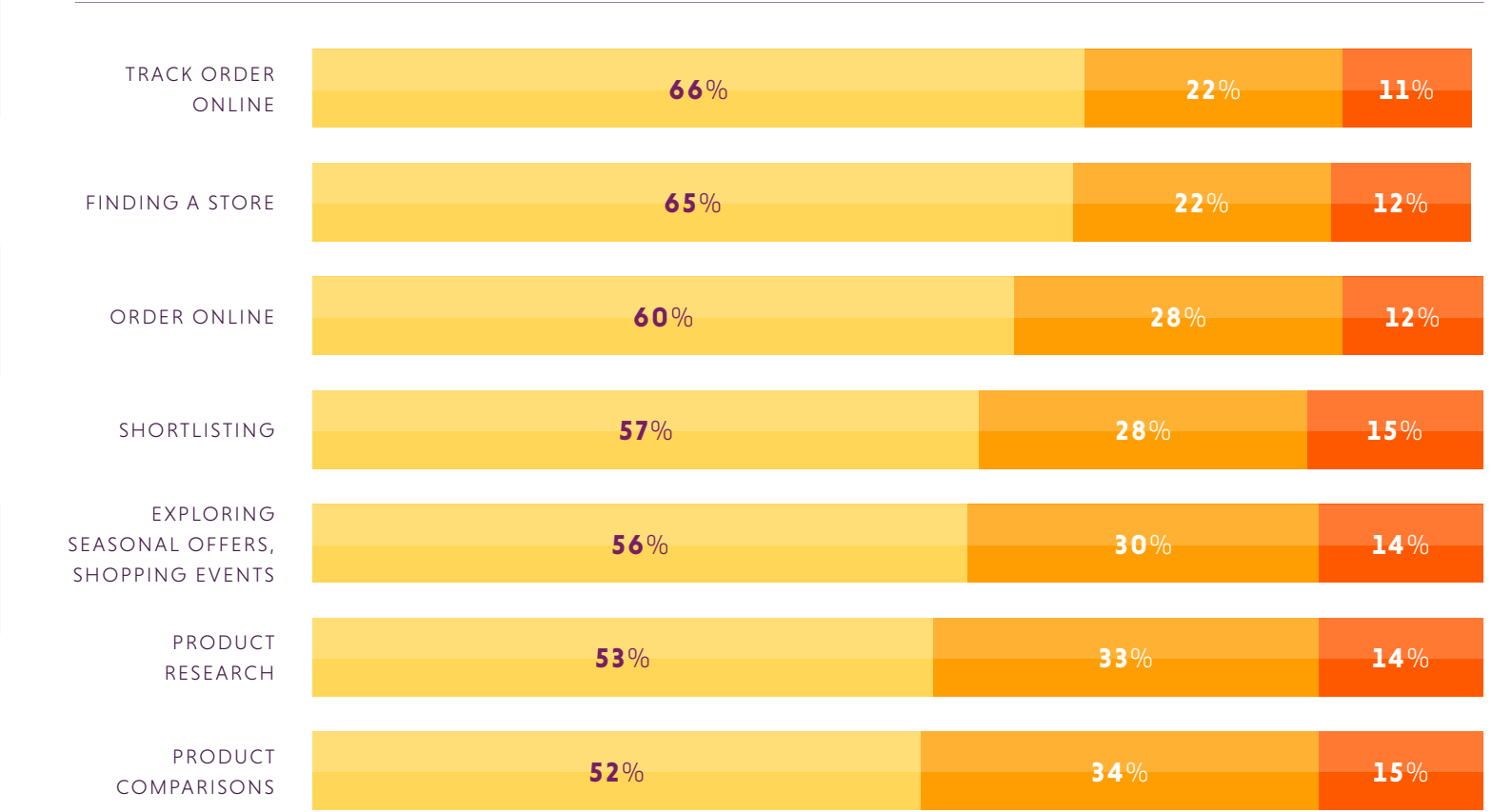
with one in four shoppers starting research at online marketplaces, like Amazon, and two in five heading to retailer websites or addressable shopping platforms as they go deeper through their research. Brands need to invest in identifying the varied paths and reaching shoppers at the right place, at the right stage of their journey.

WHAT DEVICES ARE BEHIND THE SEARCH, FIND AND BUY JOURNEY?

MOBILE/APP-BASED DESKTOP/LAPTOP TABLET

Source: MiQ -SAPIO Global Consumer Survey, May 2022, n = 8011

PERCENTAGE OF RESPONDENTS





Everyone shops and searches differently. We've got people searching on their preferred devices, reading product reviews on social channels, engaging with a TV commercial, comparing products and pricing on aggregator apps, and trying products offline. With the plethora of channels and engagement behaviors, finding the right mix might sound challenging. But, building holistic omnichannel plans offers marketers the best chance to arrive at the perfect outreach strategy maximizing the return on ad spends.



CASE STUDY:  
OMNICHANNEL

Find out how our omnichannel campaign helped a global coffeehouse chain drive more in-store visits.

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# Elevating the consumer experience

Brands are trying to raise the consumer experience level to new heights and it's not only about personalization.

We are seeing big investments in product development, feature enhancements, and cutting-edge technologies like AR/ VR, and virtual shopping guides (fancy chatbots).

While it may seem that everyone is shopping online now, there are people that have given up online shopping or are afraid to buy

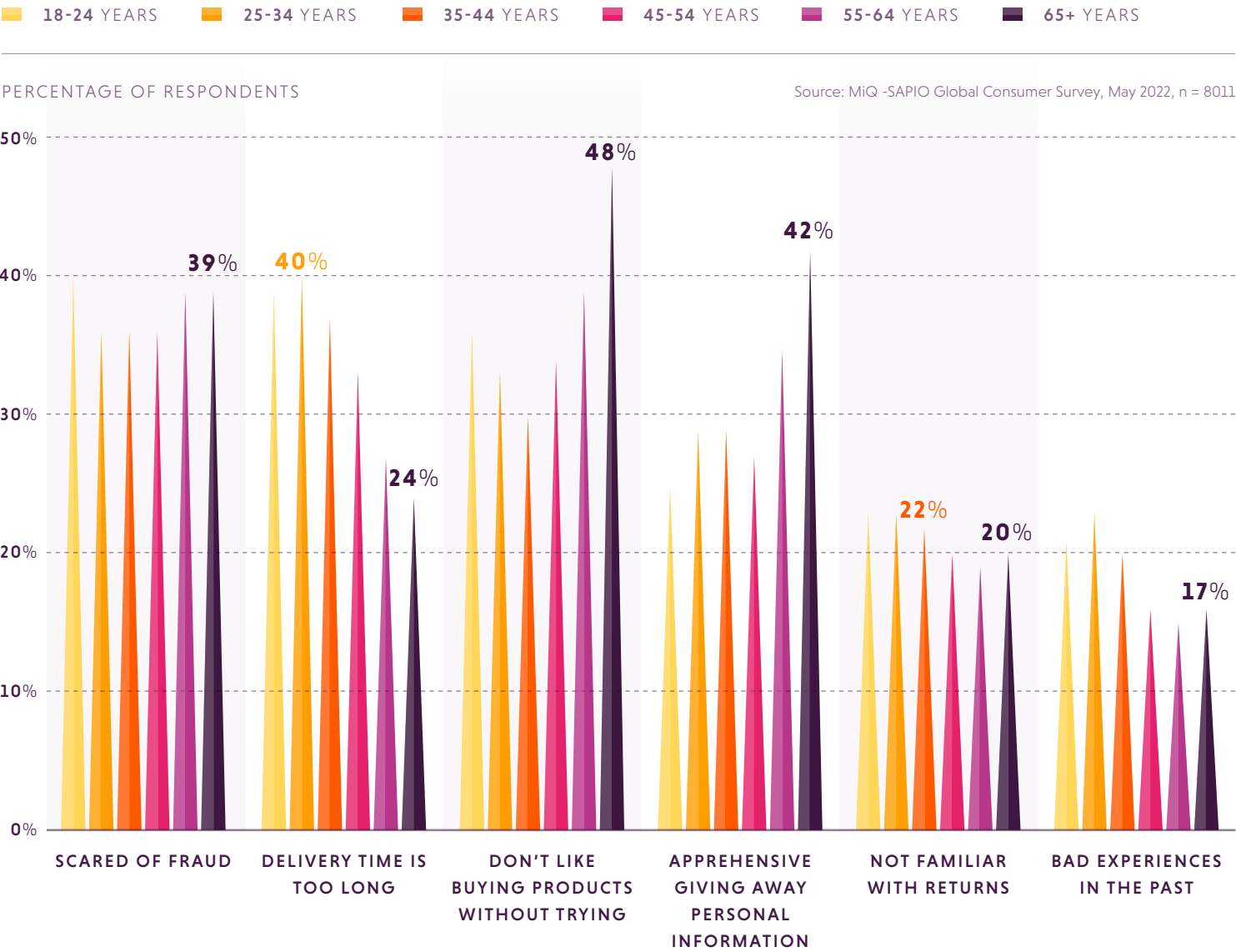
outside of a physical store. What are they worried about? Fear of fraud (37%) is the biggest roadblock, followed by being unable to try the product and long delivery times (both 35%). Mature conservative consumers worry about buying without trying

while the younger consumers close their browsers due to a personal bad experience or unfamiliarity with the return process, especially with D2C brands.





ROADBLOCKS TO ONLINE SHOPPING

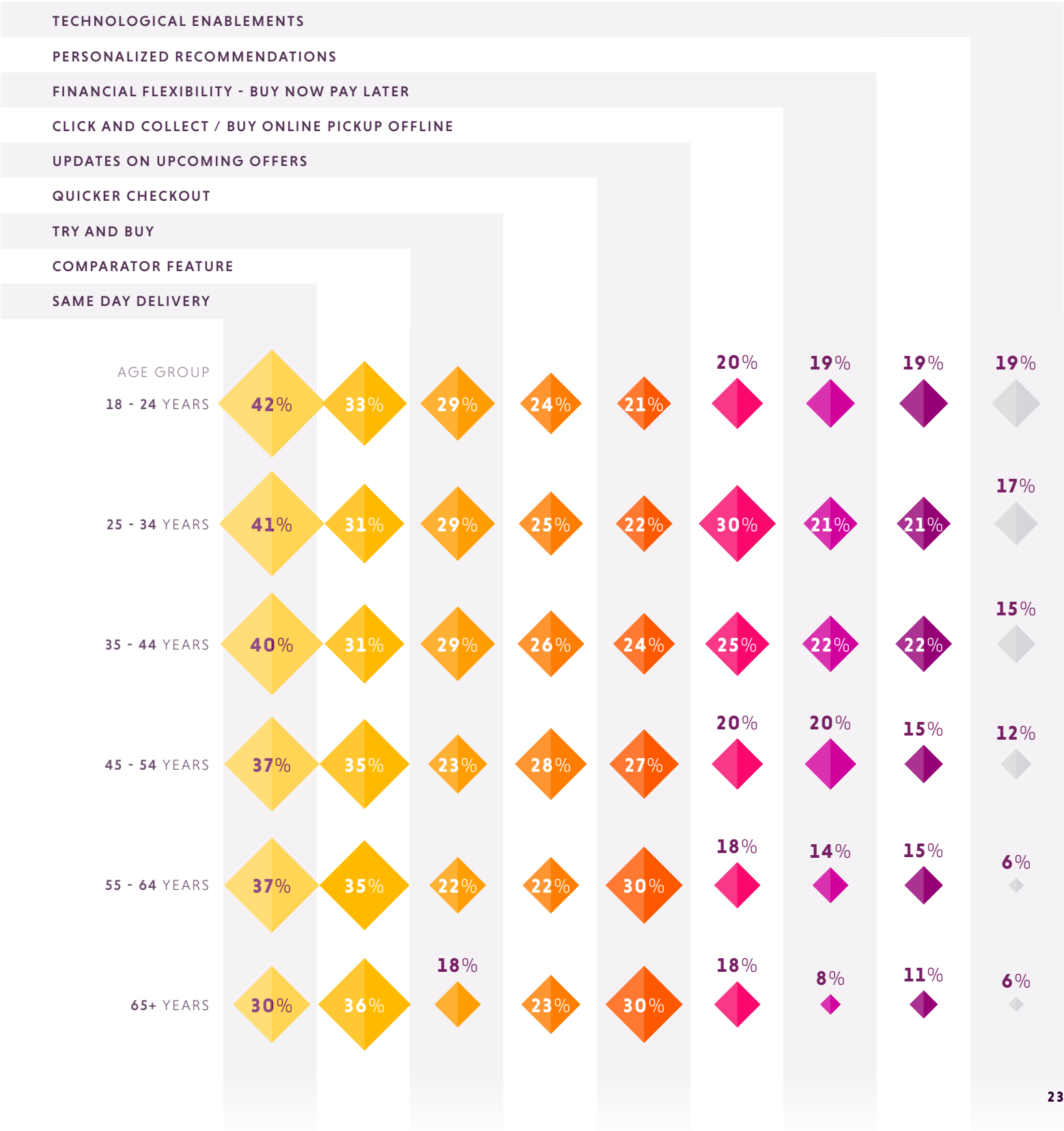


There are simple ways to draw in your audiences and give them a great experience, although it varies by age range. Younger customers are drawn to brands that offer same-day delivery, easy returns, and try and buy. Older shoppers want the ability to simultaneously compare products and get updates on upcoming offers. Students and affluent consumer segments want technology enablements and personalization but those with constricted budgets are looking for financial flexibility.

WAYS TO IMPROVE CONSUMER EXPERIENCE WHILE SHOPPING ONLINE

PERCENTAGE OF RESPONDENTS

Source: MiQ -SAPIO Global Consumer Survey, May 2022, n = 8011



How do you make an impact and build the best online consumer shopping experience? It's not by making changes to platforms and service models, since that is not easy, specifically for brands with relatively new online offerings. But there's no single trick, instead, it's a constant process of experimentation. Market research and data intelligence can help brands choose the smallest changes with the biggest business impacts.

Elevating consumer experience is not a problem that only affects platform optimization but must trickle down to brand advertising plans. How can you pick the right audiences or choose the

right KPI to connect business goals? Brands can benefit from some outside help to build and execute campaigns that deliver a higher return on ad spending. Transparency and trust are significant factors among four in five brands when considering media partnerships. Maybe you have thought about building capabilities in-house as an alternative to the challenge. But most brands lack the technical know-how or the infrastructure to leverage the full potential of their data. That's where MiQ can step in to help brands deliver state-of-the-art programmatic campaigns while enabling teams to build these capabilities in-house over time.

CASE STUDY:  
IN-HOUSING/ ANALYTICS

Using our custom analytics and dashboarding solutions, we helped a billion-dollar brand monitor the real-time impact of their marketing spend.

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# Get eyes on your brand's ads

Did you know that an average person is subjected to anywhere between 6,000 to 10,000 ads a day?

That's a huge number, yet most people don't register them unless it is incredibly relevant to them. Capturing attention is not easy. The old days of inundating consumers with tons of irrelevant ads are gone. This leaves brands with the need for a more personalized outreach approach.

Reaching the right audiences across the right platform with the right messaging

is the bare minimum that advertisers need to be able to do. Once the user is able to get there, agility is the key for brands. What's the next step? Brands have to stand out amongst all their research by tailoring campaigns to user preferences.

Now it's time to decide, where should this ad go and what is it going to look like? We see that video streaming platforms have a growing audience, are able to establish incremental reach and have more substantial measurement frameworks in place. That's a great option. You shouldn't forget about traditional online platforms like mobile, desktop, and tablet which

can offer augmented scale, or even digital billboards that offer the chance for creative outreach options.

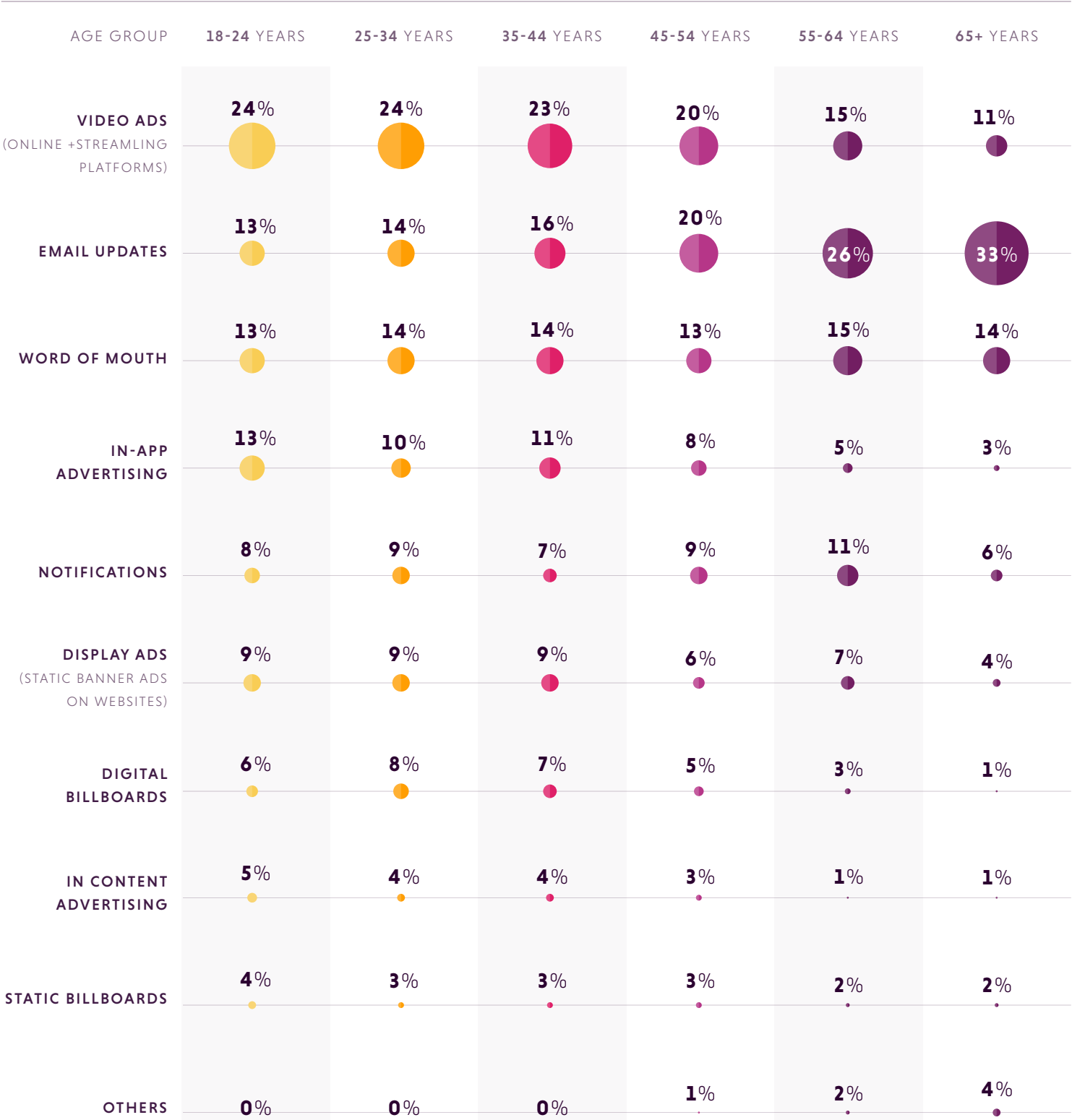
With so many ads running across our eyes every day, which ones do we actually remember? For younger and middle-aged audiences, video ads are the most memorable. Email updates stick in the minds of older audiences while in mobile-first markets (APAC and Germany), in-app advertising and personalized notifications are resonating. Interestingly, only one in ten have any recall for ads on display platforms.



WHAT KIND OF ADS DO PEOPLE REMEMBER?

● PERCENTAGE OF RESPONDENTS

Source: MiQ -SAPIO Global Consumer Survey, May 2022, n = 8011



The creative asset is really important to cut through all that online clutter. High impact creative assets, like shoppable creatives, have had success in recent years. Data-based learnings play a big role in optimizing and personalizing creatives for viewers. Dynamic creative optimization has also shown significant improvement in garnering and retaining user attention across different contextual settings.



CASE STUDY:  
HIGH IMPACT BRANDING

How did we help a major e-commerce platform in Germany to increase sales?  
Through our high-impact creative and precise targeting capabilities.

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# Planning for everything and anything to happen

Supply chain disruptions, chip shortages, on-and-off restrictions, evolving consumer habits along with developing geopolitical challenges have caused quite an upheaval in shopping behaviors.

Throw in inventory changes, seasonal fluctuations, privacy, and partnership developments, and marketers might want to shed a few tears. This is where agility comes in not only for marketers but for strategies, too.

Why not try a diversified omnichannel strategy? It can help mitigate some risks by avoiding over-dependency across a single platform and establish incremental reach in segments that weren't historically reached through traditional channels. OTT

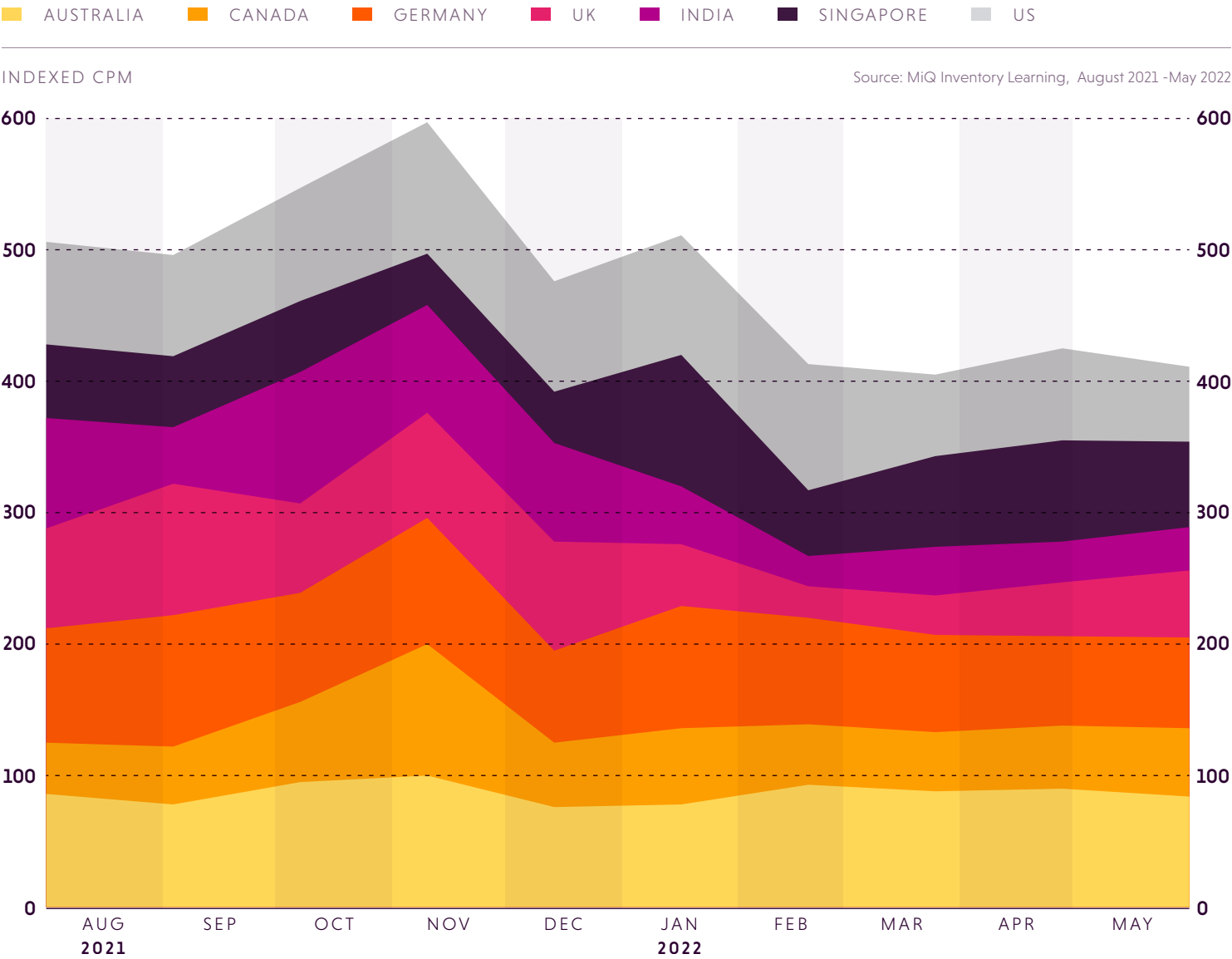
platform engagement is growing making CTV a go-to choice for marketers to use high-impact ads across both performance and branding campaigns. Now that people are back to shopping offline, DOOH is another great option to reach audiences.

Inventory and seasonal influences in different markets across 'traditional' digital supply types don't need to hurt marketers. Instead, if you consult with experienced programmatic partners to understand the historical trends and forecasts, you can learn how to distribute

marketing spend more effectively. Experienced programmatic traders and AI-enabled bidding algorithms can help to optimize campaign spending. High inventory demand can cause inventory costs to inflate by 12 percent to 30 percent.

The variations can be more severe across certain supply types in certain regions. That's a lot of extra money that may not translate into better performance. We found that the increase across mobile web and in-app inventories are worse in the

SEASONAL CPM VARIATIONS ACROSS THE GLOBE





UK, CA, and APAC, while desktop inventories can jump in the US and Germany. For example, during the holidays there was a severe increase in CPM across in-app inventories in Canada but the cost per action saw a reasonable improvement. Now if you look at the desktop inventory in the US around BF/CM, where a marginal increase in cost is met with a significant decline in performance constraints.

Planning for all possible situations is extremely important to continually optimizing campaign spending across the marketing mix. Another way to have success is to sync campaigns with other macro and primary data sources like social media, inventory availability, and consumer spending indicators.



CASE STUDY:  
CUSTOM PLANNING TOOLS

A media agency needed to increase campaign reach and conversions. So **we connected their online and offline datasets through a custom planning platform.**

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# It's time for measurement

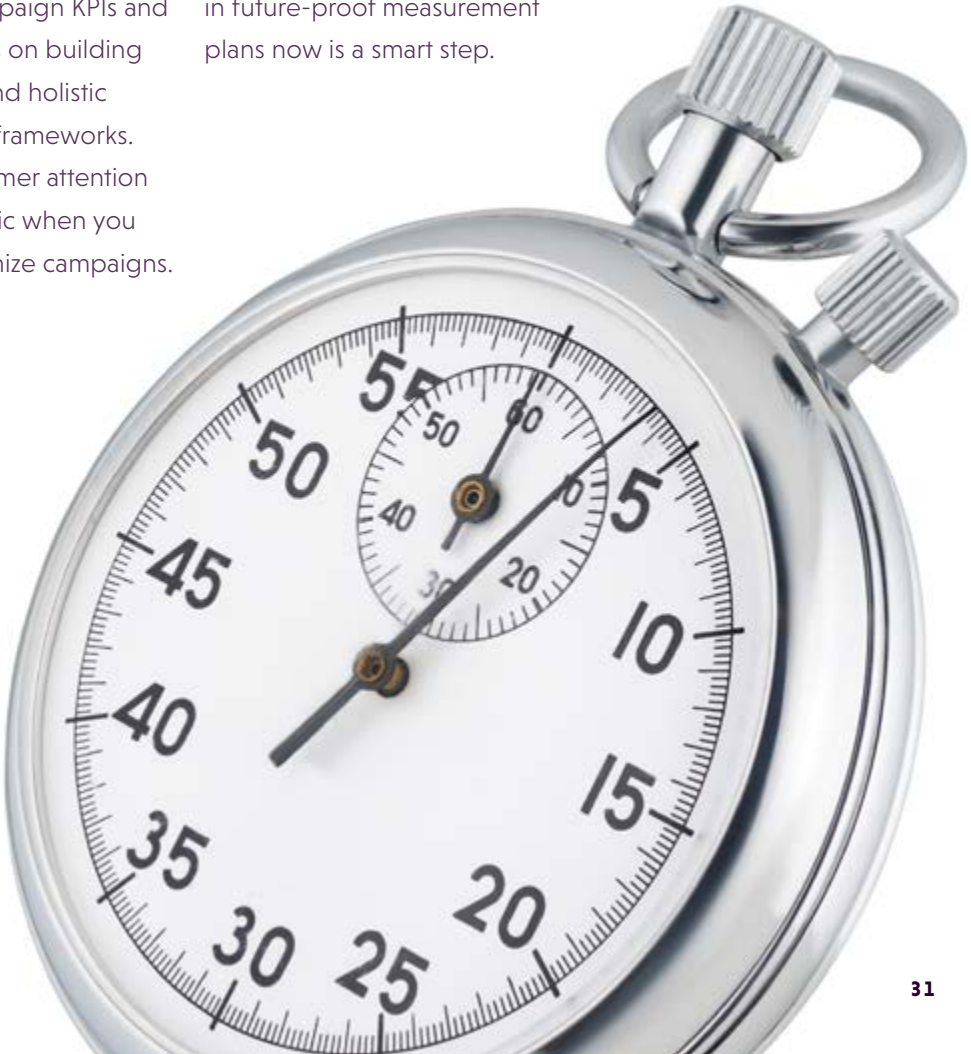
Measurement. It's complex, oh so very important and marketers struggle with it.

About six in ten marketers identify the inability to map campaign KPIs to actual business outcomes as their biggest challenge. Not too far behind are omnichannel measurement and measurement in the cookieless age.

There are no right answers to how brands approach the

measurement problem. We suggest exploring beyond the traditional campaign KPIs and putting a focus on building more robust and holistic measurement frameworks. Think of consumer attention as a finite metric when you plan and optimize campaigns.

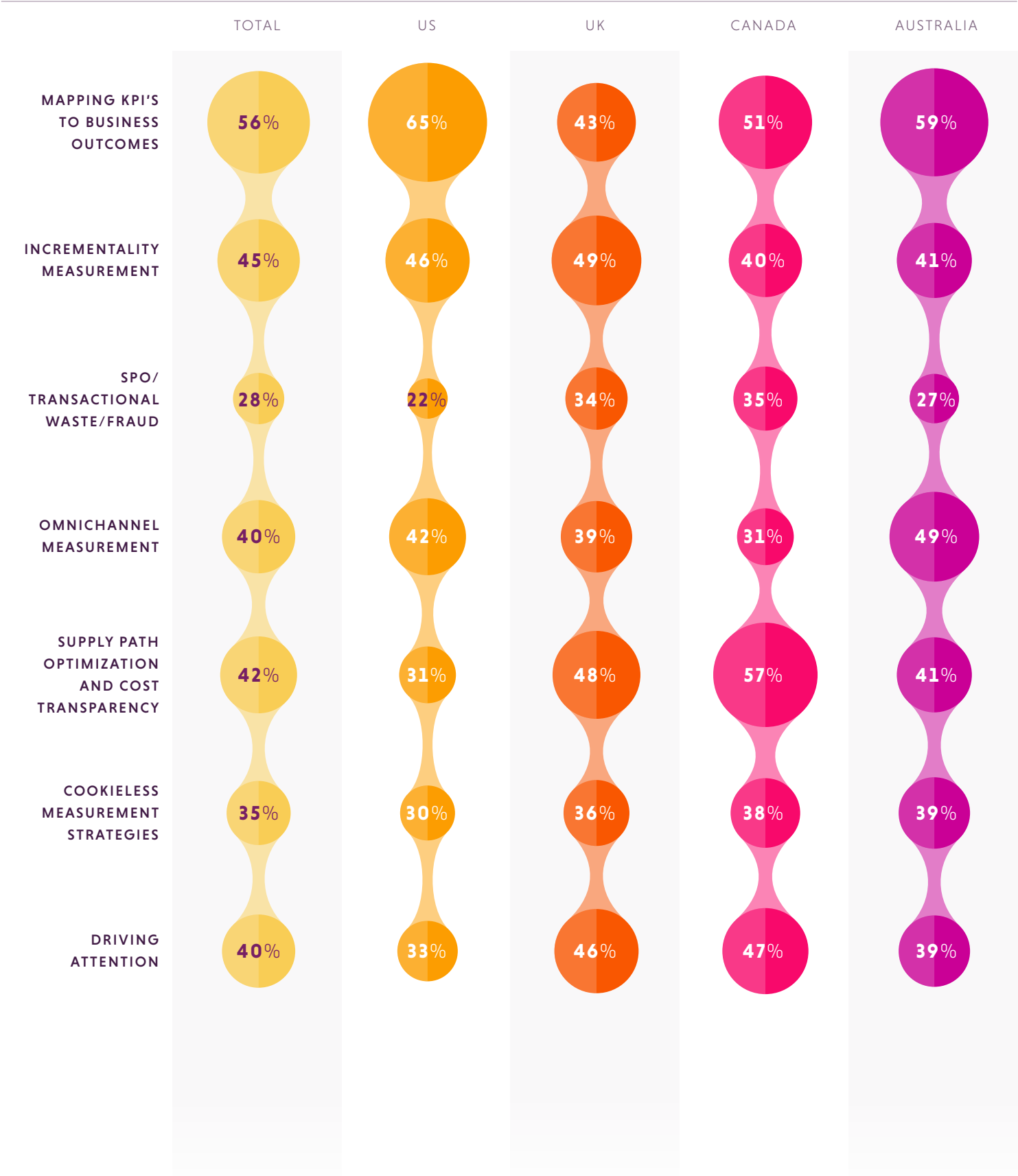
We also can't forget about the cookieless future so investing in future-proof measurement plans now is a smart step.



MEASUREMENT CHALLENGES THAT KEEP MARKETERS AWAKE AT NIGHT

PERCENTAGE OF RESPONDENTS

Source: MiQ -Advertiser Perception, Marketers Survey, September 2021, n = 301



Hybrid campaigns would benefit from incrementality measures like sales lift as a primary metric when measuring campaign impact. Secondary and tertiary metrics are great to gauge campaign effectiveness across stages in the buyer's journey as they can show roadblocks and ways to optimize.



CASE STUDY: MEASUREMENT

Using our brand insights framework, we helped Co-Op Food (one of the biggest food retailers in the UK) measure its brand awareness.

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# The evolution of e-commerce

## - NFTs, the metaverse and Web3.0

New technology opens the door to opportunities for brands to interact with consumers and online communities in effective and creative ways.

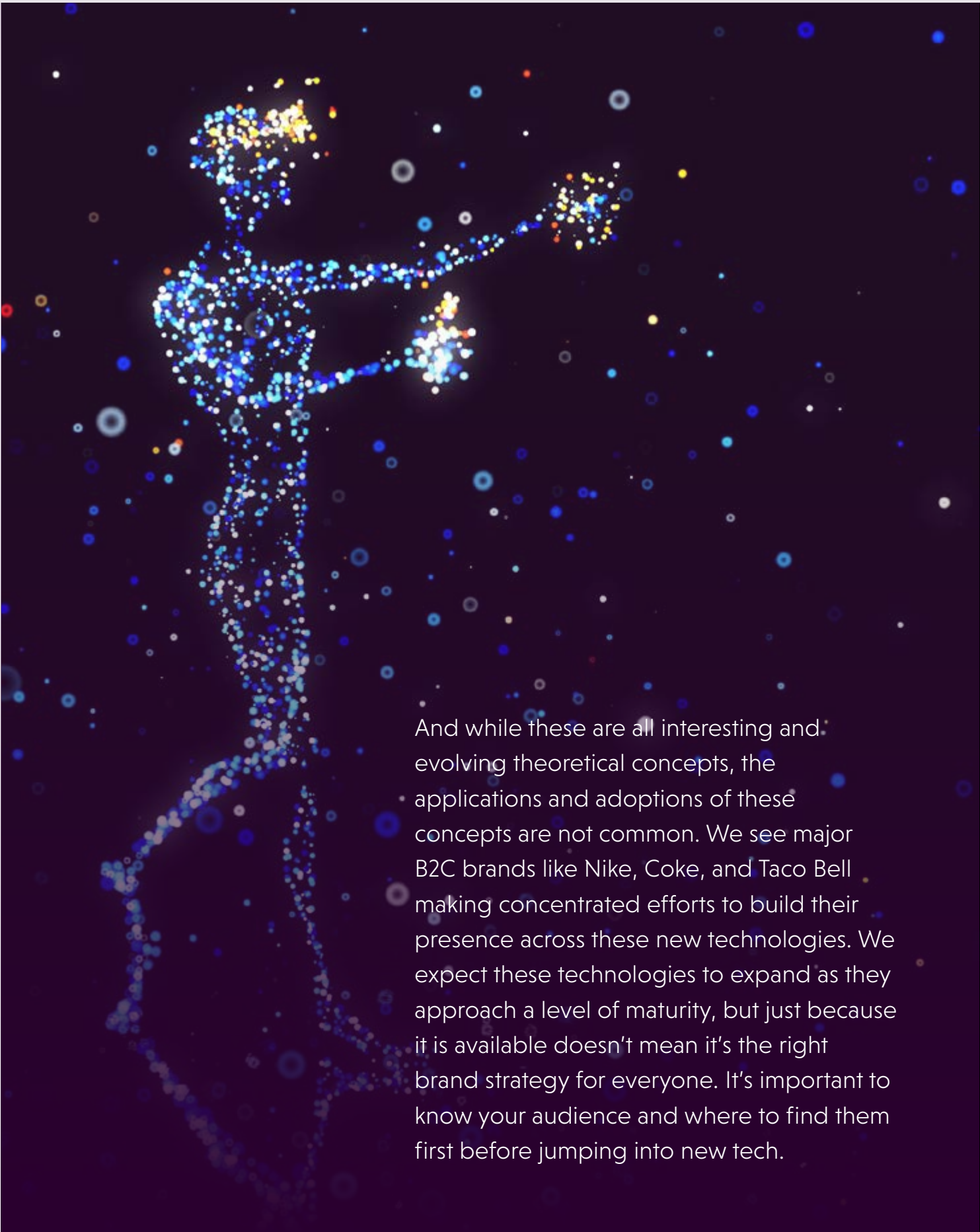
Experts predict that NFTs and Web3 transactions will most likely be commonplace in e-commerce within less than five years, so if you don't want to fall behind – it's time to start planning ahead.

The Web 2.0 evolution saw an explosion of centralized data influence across big tech. What is Web3? It is the potential evolution that will

be centered on blockchain concepts like decentralization and token-based economies. The appeal of Web3 lies in its decentralized nature, which removes Big Tech and any intermediaries from the equation.

The emergence of NFTs and the metaverse are other ways for brands to build and monetize online

communities while building strong hooks for customer loyalty. The metaverse is a combination and extension of many existing and emerging technologies, such as AR, VR, blockchain, crypto, and social commerce. Building customer experiences in the metaverse is an exciting challenge and opportunity for e-commerce brands today – and even more so in the future.



And while these are all interesting and evolving theoretical concepts, the applications and adoptions of these concepts are not common. We see major B2C brands like Nike, Coke, and Taco Bell making concentrated efforts to build their presence across these new technologies. We expect these technologies to expand as they approach a level of maturity, but just because it is available doesn't mean it's the right brand strategy for everyone. It's important to know your audience and where to find them first before jumping into new tech.

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# Let's future-proof your programmatic initiatives

Cookies will be gone soon so now is the perfect time to test cookieless solutions. With no one option, marketers have to find the mix that works best for their needs. What types of options are out there?

Reach versus accuracy is a major challenge that marketers might need to figure out to find the perfect balance for their branding and performance needs. Anonymous solutions like geo-contextual targeting can offer tremendous scale while identity-based solutions can offer significant omnichannel accuracy across campaigns. Combining first-party intelligence with a mix

of anonymous and identity solutions can help brands target audiences across the different levels within the purchase funnel. The choice between open and closed web solutions is another solution to be explored.



## Leveraging the full potential of first-party data

First-party data is full of potential, if used appropriately. From effectively segmenting audiences/converters to activating campaigns and measuring campaign efficacy, brands are sitting on a humongous amount of quality data. Finding effective ways to store, analyze and activate this data set can help brands with marketing campaigns. It can also be used for critical business decisions like inventory planning, feature optimization, product development, etc.



## Cookieless media planning help

Media planning is about to become harder. Cookieless media planning tools can help brands discover and activate audiences across different platforms. Using cookieless datasets discovering opportunity sizes, expected CPM levels, and forecasted performance metrics can be used for effective media planning by marketers and agencies.



## Building cookieless measurement frameworks

While cookieless measurement frameworks aren't on top of the modern marketers' consideration list today, we expect this to rise quickly to the top of the priority list as we approach the end of cookies. Experimenting with cookieless measurement frameworks can help marketers identify frameworks that can connect business objectives to campaign measurements.

## CASE STUDY: COOKIELESS

Find out how our cookieless campaign with Dell doubled the return on ad spend.

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# Making the most of retail opportunity

1

## Know your new audience

Consumers are constantly evolving so if you look at their new shopping plans and how their budgets have changed, you can reach them. Work with a partner who can identify your audience and conduct research for a campaign to optimize your buy before it starts.

2

## Connect your cross-media efforts

The future is cross-platform campaigns and now they are even easier to execute. Using current technology, you can identify your audiences across the different platforms and target them where it matters the most. Mapping consumer journeys across the hybrid space can help build efficient cross-media activation and measurement plans. A partner can help identify and activate omnichannel opportunities to deliver higher ROIs.



3

## Establish ROI and measurement strategies to align to business goals

Modern retailers need to become more sophisticated with their measurement plans. Working with a partner can measure incremental ROI to showcase the effectiveness of your campaigns.

4

## Use personalization and high-impact creative formatsalign to business goals

Modern retailers need to become more sophisticated with their measurement plans. Working with a partner can measure incremental ROI to showcase the effectiveness of your campaigns.

5

## Planning for the worst, hoping for the best

Global markets are still struggling with high inflation and stress on supply chains, so you have to be agile and plan for different situations. Planning in consultation with experienced programmatic experts can help marketers circumvent seasonal fluctuations and macroeconomic developments.

### ABOUT MiQ

We're MiQ, a programmatic media partner for marketers and agencies. We connect data from multiple sources to do interesting, exciting, business-problem-solving things for our clients. We're experts in data science, analytics and programmatic trading, and we're always ready to react and solve challenges quickly, to make sure you're always spending your media investments on the right things in the right places.

Please visit us [wearemiq.com](https://wearemiq.com)