

From: gap intelligence
Sent: Tue, 16 May 2023 06:57:07 +0000
To: chatty@google.com
Subject: gap intelligence: Smartphones (US) Market Intelligence Report - May 15, 2023



MARKET INTELLIGENCE REPORT



Smartphone

S

May 15, 2023



Scott Peterson

Smartphones Analyst

Smartphones@gapintelligence.com

PRODUCT UPDATES

- gapSnapshot: Top Brands Show Mix of Market Segment Involvement
- Google Announces Pixel 7a & Pixel Fold Smartphones
- Sony Introduces Premium Xperia 1 V Smartphone



Visit the gap intelligence
Dashboard

Interact with our data online



Connect with us on LinkedIn

INDUSTRY REPORTS

- Asus Reports Q4 2023 Financials, Revenue Down 20% YoY
- LG Display Reports Q1 2023 Revenue of \$3.3 Billion, Down 32% YoY
- Best Buy Unveils New & Improved Membership Program
- Amazon Opens Regional Fulfillment Center Leveraging Robotic Technologies
- Google Implementing Generative AI into Search Experience
- Adobe: Online Prices Continue to Drop April 2023
- US Imports Forecasted to Trail 2022 Levels

- Survey: Consumers Likely to be Drawn by Deals this Memorial Day
- Survey: Gen Z Values Social Media Input & Sustainable Brands
- Survey: US E-Commerce Shoppers Desire Affordable Sustainability
- Survey: Online Shoppers Want Accessible & Anonymous Deals

PRODUCT UPDATES

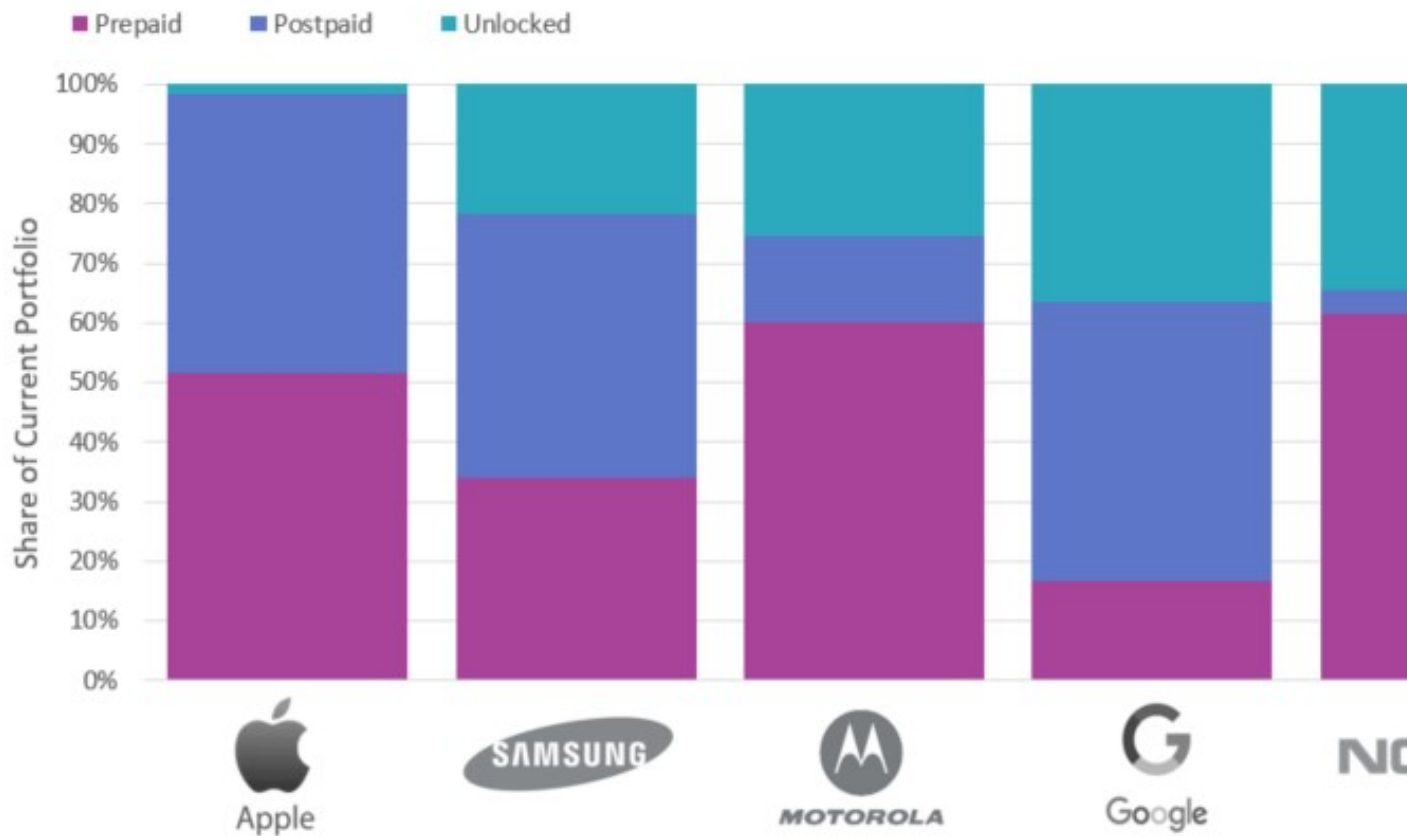
gapSnapshot: Top Brands Show Mix of Market Segment Involvement

This week's Snapshot compares the product portfolios of the top five smartphone brands by market segment. This week's Snapshot includes the brands with the most prepaid, postpaid, and unlocked smartphone models offered in-store and online during the week of May 7, 2023 through merchants including Amazon, AT&T, Best Buy, Boost Mobile, Cingular, Cricket Wireless, MetroPCS, Sam's Club, Target, T-Mobile, US Cellular, Verizon, and Walmart.

gap impact summary

- Apple has heavily invested in prepaid & postpaid segments, which make up respective 51% & 47% of its current omni-channel product assortment
 - Unlocked iPhones found only at Best Buy, Costco, & Target, representing 2% of Apple's portfolio
- Samsung is 2nd most abundant brand in prepaid & postpaid, & leads unlocked segment product count
- Among top brands, Motorola & Nokia devote largest portions of portfolios to prepaid (60% & 61% of omni-channel assortments), smallest to postpaid (4% & 14% of omni-channel assortments)
- Google & Motorola are distributed equally in unlocked segment with 66 SKUs each; a smaller portfolio for Google, but that 36% of Google's exposure is unlocked, the highest proportion among top brands
- Google devotes roughly half of its omni-channel portfolio to postpaid (47%) while growing its prepaid involvement (17%)

Smartphones: Omni-Channel Product Portfolios



**week of May 7, 2023; includes prepaid, postpaid, & unlocked smartphones listed in-store and/or online through: Amazon, AT&T, Best Buy, Boost Mobile, Costco, Cricket Wireless, MetroPCS, Sam's Club, Target, T-Mobile, US Cellular, Verizon, Walmart*

gap g

Source: "Merchant Pricing Trends" tab within the May 14 2023 Pricing & Promotions Report in [Dashboard Reports](#).

[Top](#)

Google Announces Pixel 7a & Pixel Fold Smartphones

During Google I/O 2023, the company officially announced its value-focused Pixel 7a and the Pixel Fold a foldable smartphone. The Pixel 7a refreshes the entry-level position in Google's product line with an emphasis on improved display and wireless charging, but at a higher price than previous years. The Pixel Fold will serve

technology showcase for the brand upon its release in June 2023, bringing added competition to the emerging segment.

The Pixel 7a is available unlocked for \$499.99 at Amazon, Best Buy, and direct from Google, along with providers AT&T, T-Mobile, and Verizon. Amazon and Best Buy are currently offering \$50 gift cards, and the latter has a \$50 discount on the model with activation. The Google Store is offering a free case and a \$100 credit applied toward Pixel Buds. The Pixel 7a is free after bill credits on T-Mobile and Verizon, with a Verizon Unlimited plan qualifying buyers for a 50% discount on Pixel Buds A-Series headphones. Meanwhile, the Pixel Fold is pre-order for \$1,799.99 through the Google Store in 256GB capacity or 512GB for \$1,919.99, which each includes a free Pixel Watch (a \$349.99 to \$399.99 value).

gap impact summary

- Google announces Pixel 7a for \$499, reveals first foldable smartphone
- Pre-orders for Pixel Fold active ahead of June 2023 launch
- Pixel 7a showcases custom Tensor chipset like higher-positioned siblings



Pixel 7a

Google's \$499 Pixel 7a is positioned as a step-down to the Pixel 7 and Pixel 7 Pro that debuted [in October 2022](#) launching with a \$50 premium over last year's similarly positioned 6a while bringing several improvements. The model incorporates the same Google Tensor G2 chip found in the Pixel 7 and 7 Pro and gains a 90Hz-refresh rate display along with wireless charging (7.5W), both of which are firsts for an "a" designated Pixel smartphone. While the Pixel 7a is compatible with sub-6GHz 5G like other smartphones sold by Verizon, an additional \$50 is added to include mmWave 5G support, placing the new generation at \$549 at the carrier. Features of the Pixel 7a include:

- 6.1" OLED (1080p, 90Hz refresh rate) w/ built-in fingerprint reader
- 64MP main rear camera w/ OIS, 13MP ultra-wide
- 4K/60p video recording
- 4,385mAh battery (18W wired charging)
- IP67 dust & water resistance
- Aluminum frame with Gorilla Glass 3 front

The Pixel 7a is a direct update to Google's base smartphone model that stands to appeal to an audience of value-conscious Android users. The phone will benefit from established carrier channel support in addition to unlocked segment exposure through Google itself and important accounts like Best Buy. Features such as its in-display fingerprint sensor and Tensor chipset will help differentiate the model from other Android options in the price tier, including Samsung's Galaxy A-series, which is the market segment's most formidable force.



Pixel Fold

The Pixel Fold emerges as Google's foray into the foldable smartphone segment after years of rumor and [speculation](#). The model is positioned as the thinnest foldable phone on the market and is based around a 7.6" inner OLED (1,080 x 2,092; 1,550 nits) with a 5.8" external OLED (2,208 x 1,840; 1,450 nits), both with 120Hz refresh rates. Like other current foldables, the Pixel Fold's inner screen is covered in ultra-thin glass and sealed under a protective film, and although it still has a visible crease, Google has worked to eliminate the gap between its screens when closed through the use of a stainless steel hinge that folds completely flat and is rated for up to 200,000 open/close actions. When closed, the Pixel Fold measures ~12mm, which is slightly more than typical smartphones but in line with the brand positioning. Other features include:

- Google Tensor 2 processor
- 12GB of RAM
- Up to 512GB internal storage
- Triple rear camera system: 48MP with OIS, 10.8MP ultra-wide, 10.8MP telephoto (5x)
- 8.3MP outer & inner cameras
- 4,800mAh battery (30W charging)
- IPX8 weather resistance

□ USB-C

New Android features will lend themselves to Google's Pixel Fold, including hinge-activated wallpaper and automatic adjustments for apps when shifting across the device's small and large screens. Other dual screen include an interpreter mode that shows translations on the side of the Pixel Fold facing the other person, plus keyboard and split screen functionalities.

Google's Pixel Fold is poised to face Samsung's Galaxy Z Fold4 directly in the US foldables market, targeting a mix of tech-enthusiast and status-seeking buyers. Android users eager for Google's foldable entrance will buoy the model, but as a first-generation device, it faces challenges from a well-established Samsung line already in its second generation.

[Top](#)

Sony Introduces Premium Xperia 1 V Smartphone

Sony announced its latest premium smartphone, the Xperia 1 V, which like its predecessors, is headlined by imaging-centric features. The Xperia 1 V aligns with Sony's professional audience through its continued focus on video capture and livestreaming capabilities, enabled by the latest Snapdragon 8 Gen 2 mobile platform, and like its predecessors, it can be used as a companion to the Sony cameras in content creators' toolkits. The model is available for pre-order and expected to ship July 28, 2023 with a \$1,399, notably under the launch price of [the Xperia 1 V](#) (\$1,599). Sony's established merchant partners like B&H Photo, along with Amazon and Best Buy are likely to carry the Xperia 1 V, although like before it is not expected to be offered by any US postpaid carriers.

gap impact summary

- Sony announces flagship Xperia 1 V smartphone
- Imaging features align w/ pros, \$1,399 price tag is lower than predecessor
- Unlocked segment exposure expected online



Key features of the latest Xperia smartphone remain tied to imaging prowess and professional capabilities in line with Sony's legacy in the digital camera market. Its features are led by a new "Exmor T for mobile" image sensor for the main 18-125mm camera, which is a "2-layer Transistor Pixel stacked CMOS image sensor" that Sony says is 2x larger than the sensor in last year's model. This achieves 2x the low-light performance compared to last year's already high-end Xperia 1 IV. The main camera has an effective 48MP resolution and is designed to output 12MP stills, like the telephoto and ultra-wide cameras that accompany it.

Sony improved its Photo Pro and Video Pro apps with a new vertical UI, and support for manual focus peaking. The new model has eye-tracking autofocus and a continuous shooting rate of up to 30 frames per second to improve

predecessor (20fps). There's also a new microphone placed near the rear camera that is placed in order to keep audio audible even when in noisy environments. Other features include:

- ❑ 6.5" OLED w/ 120Hz refresh rate (tall 21:9 aspect ratio)
- ❑ Qualcomm Snapdragon 8 Gen 2 processor
- ❑ 12GB RAM
- ❑ 256GB internal storage
- ❑ 3.5mm headphone jack
- ❑ 5,000mAh battery (30W wired, 15W wireless charging)
- ❑ MicroSD card slot
- ❑ Dedicated camera shutter button
- ❑ Dual stereo speakers
- ❑ Gorilla Glass Victus 2 on the front and back

Without presence in any carrier's device portfolio, Sony models remain largely available on demand at online retailers like Amazon and B&H Photo, with the latter account likely proving a successful sales channel due to its photographer clientele. The new model is expected to perform similar to the Xperia 1 IV that preceded it among the US market's highest priced smartphones this season. This places the new Xperia in direct range of technology-rich foldables, to be a standout option for serious consumers and content creators not interested in a folding form factor.

[Top](#)

INDUSTRY REPORTS

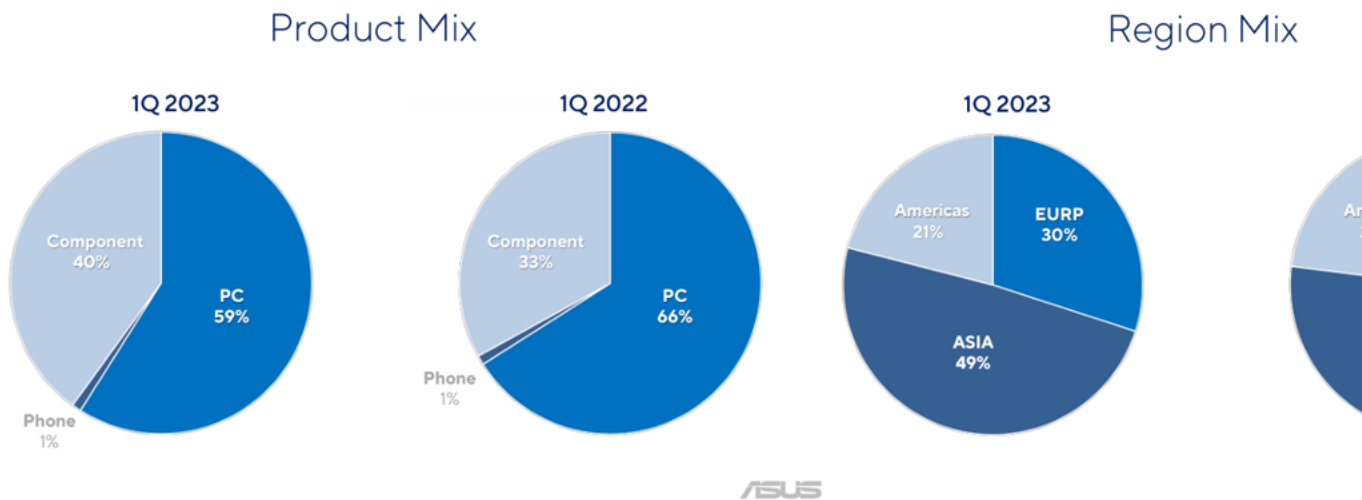
Asus Reports Q4 2023 Financials, Revenue Down 20% YoY

Asus recently announced its Q4 FY 2023 financials, reporting a 20% decrease in revenue year-over-year (YoY) and a 16% decrease month-over-month (MoM) to NT\$102.4 billion (\$3.3 billion). Operating profit also saw a steep decrease of 56% MoM to NT\$3.6 billion (\$116 million), along with net profit dropping 116% YoY and 56% MoM to NT\$1.1 billion (\$36 million).

Note: Q1 2023 US Dollar (\$) conversions are estimates based on historical exchange rates from the ended 12 months. All percentages are based on Taiwan New Dollar (NT\$) comparisons.

gap impact summary

- Q4 2023 revenue down 20% YoY to NT\$102.4 billion (\$3.3 billion)
- Operating profit down 136% YoY to NT\$3.7 billion (\$116 million)
- Net profit down 116% YoY to NT\$1.7 billion (\$51.9 million)
- Product Mix: PC 59%, Component 40%, & Phone 1%
 - Asus' product mix saw a 7ppt increase for components YoY, a 7ppt decrease in PCs, and Phone stayed stable at 1%.
- Region Mix: Asia 49%, EURP 30%, & Americas 21%
 - Asia saw an increase of 2ppt, while the Americas decreased by 2ppt, and EURP stayed stable at 30%.



System Business Group

- System Group revenue was down ~25-30% YoY
- Asus gaming shipments increased 6% YoY, while the market saw a 9% decrease YoY
 - Asus estimates a ~3% gaming market share increase YoY
- Asus claims >60% of premium PCs in Q1 2023
- Asus states number 1 OLED and creator PC brand with OLED PCs accounting for >25% of regular PCs

Open Platform Business Group

- Open Platform group revenue was down ~5-10% YoY
- Both Motherboard shipments and Graphics Card ASP increased ~5-10% YoY
- Gaming motherboard revenue increased 40% YoY, with workstation motherboard revenue up 55% YoY

AIoT Business Group

- AIoT group revenue up 45% YoY
- Asus' Blood Pressure App was certified by TFDA, a wearable blood pressure application software
- Asus will continue to invest in IoT technologies with its embedded portfolio, including Tinker V Series computers

Anticipated Asus ROG Ally

- **Asus ROG Ally: \$599**
 - o AMD Z1: 6 cores/12 threads, with 4 RDNA 3 compute units
 - o 256GB SSD
- **Asus ROG Ally (with Z1 Extreme): \$699**
 - o AMD Z1 Extreme: 8 cores/16 threads, with 12 RDNA 3 compute units
 - o 512GB SSD
- The two models otherwise share specs, such as a 7-inch, 120 Hz touchscreen display and 16GB of LPDDR5X

The handheld unit is looking to enter the market and compete with Valve's Steam Deck. The ROG Ally is priced at an aggressive pricing, of \$599 and \$699 making them enter as competition to the Steam Deck. With the pricing, Asus is willing to sell the ROG Ally as a loss leader to gain a consumer base for the model and handheld segment. More information is available in the gap intelligence sponsored, gaming-focused "[the gaming tap](#)".

Outlook

With little information given out on future plans by Asus, the company did state that it expects to see a QoQ increase in PCs and a 5% QoQ decrease in components moving into Q2 2023.

See Also:

[Asus Reports Q4 2022 Financials, Revenue Down 17% YoY](#)

[Top](#)

LG Display Reports Q1 2023 Revenue of \$3.3 Billion, Down 32% YoY

LG Display [reported](#) its financial results for Q1 2023, the quarter period ended March 31, with revenue of 4.4 trillion (\$3.3 billion), down 32% year-over-year (YoY) and 40% quarter-over-quarter (QoQ). The company cited weak consumer demand amid sluggish macroeconomic conditions, but mentioned growth opportunities such as ultra-high-end gaming TVs and portable products.

gap impact summary

- Total revenue of KRW 4.4 trillion (\$3.3 billion), down 32% YoY
- Operating loss of KRW 1.1 trillion (\$822 million) compared to a Q1 2022 operating profit of KRW 1.1 trillion (\$28 million)
- Revenue consists of: 18% TV Panels, 38% IT, 32% Mobile, and 11% Auto

Q1 2023 Business

LG Display saw shifts in its revenue mix for Q1 2023. It shipped 4.24 million square meters of displays in Q1 2023, up 19% QoQ, but average sale price (ASP) per square meter was \$850, up 20% QoQ. By display type, Q1 was 19% IT, 32% Mobile, 18% TV Panels, and 31% Auto. The LCD TV business continues to shrink; IT panels increased to 38%, with mobile down 2ppt QoQ and auto up 1ppt. Overall, demand for high-end products was noticeably sluggish, with LG Display responding with inventory reduction. Looking ahead, the company said it is "difficult to predict the exact timing of recovery or normalization of semiconductor demand."

Outlook

For Q2, LG Display expects a pickup in seasonal demand, with roughly a 10% increase in shipment volume and a single digit percent decline in ASP per square meter QoQ. The company also plans to maintain its goal of increasing its order-based business from 40% to over 70%, which would be a major shift from its traditional business model.

[See also: Q4 2022 LG Display Financials, Revenue down 17% YoY](#)

[Top](#)

Best Buy Unveils New & Improved Membership Program

Best Buy is revamping its existing membership program, Totaltech, into a multitiered program called My Best Buy Memberships. Effective June 27, 2023, three new membership options will be offered: My Best Buy, My Best Buy Total, and My Best Buy Total as the highest tier. Members will be able to transition between the different levels, at any point. Totaltech was [first rolled out](#) in 2021 and worked as the foundation for the new program. Current members will continue to receive their existing benefits throughout the duration of membership periods, and My Best Buy credit card holders will receive extra benefits such as 5% back in rewards or financing options on any Best Buy purchase, plus automatic enrollment in the My Best Buy (free) membership benefits.

Offerings of each tier include:

My Best Buy - free membership plan

- Free shipping with no minimum purchase
- Access to purchase history, online order tracking, & up-to-date shipping information
- Quick checkout
- Wish lists

My Best Buy Plus - for \$49.99/year, includes everything in previous tier as well as the following

- Exclusive member-only prices on thousands of items
- Exclusive access to sales, events, & highly anticipated products
- Free 2-day shipping with no minimum purchase
- Extended 60-day return & exchange window on most products

My Best Buy Total - for \$179.99/year, includes everything in previous two tiers as well as the following

- Geek Squad 24/7/365 tech support for all tech—no matter where it was bought
- VIP priority support any time/access to specially trained team for advice, customer service, & coordination phone or chat
- Up to two years of product protection, including AppleCare+, on most new Best Buy purchases
- 20% off repairs
- Promotional service offers, like discounted in-home installation & haul away

[Top](#)

Amazon Opens Regional Fulfillment Center Leveraging Robotic Technologies

Amazon is [opening](#) its next fulfillment center in Windsor, Connecticut, a 3.8.-million-square-foot facility equipped with advanced robotics technologies already being utilized within the company's other supply chain facilities, some of which are located in major air hubs around the world. The location will eventually employ more than 2,000 people and it began processing and delivering customer orders in November 2022. The added fulfillment center aligns with Amazon's newly implemented regionalized network model. By expanding with additional nodes, the company hopes to cut costs and decrease delivery times, and these regional facilities still have the ability to ship nationally if required.

The technologies that Amazon is implementing aim to streamline processes and take the demanding work off the shoulders of center employees. The following robots, or robotic systems have been introduced by Amazon via fulfillment centers:

- "Proteus" – first fully autonomous mobile robot
 - o Moves through supply chain facilities using perception, navigation, & safety tech that was developed by Amazon
- Containerized Storage System – designed to deliver products to employees without the strain of reaching high shelves or climbing
 - o Determines where the product is location, how to get container to the employee, & how to pick up the product so the employee has it
- Cloostermans – Belgian robotic technology acquired by Amazon

- o Will work to move heavy palettes & package products for delivery
- “Sparrow” – intelligent robotics system
 - o Currently in the testing stage, will be able to detect, find, & handle product in fulfillment center

[Top](#)

Google Implementing Generative AI into Search Experience

At its I/O event [last week](#), Google announced that it is integrating generative artificial intelligence (AI) into Search, which will help consumers conduct online searches by asking conversational questions. Google is launching its generative AI search initiative with a pilot called Search Generative Experience (SGE) in Search Labs which is available on Chrome desktop and the Google Android and iOS app in the US (English-only at launch). Search Labs is a program that lets consumers test new products and ideas Google is working on and provide feedback.

The enhancement to search technology is built on its Shopping Graph, a real-time, AI-based dataset with billions of product listings. SGE will use context carried over from question to question, to help consumers more naturally conduct search. Search results will also provide alternate links to web content and different perspectives. Generative AI will provide a variety of factors to consider and will include product descriptions that include up-to-date reviews, prices, and product images for shopping-related searches. Search ads will continue to appear in ad slots throughout the results page and will be distinguishable from organic search results.

[Top](#)

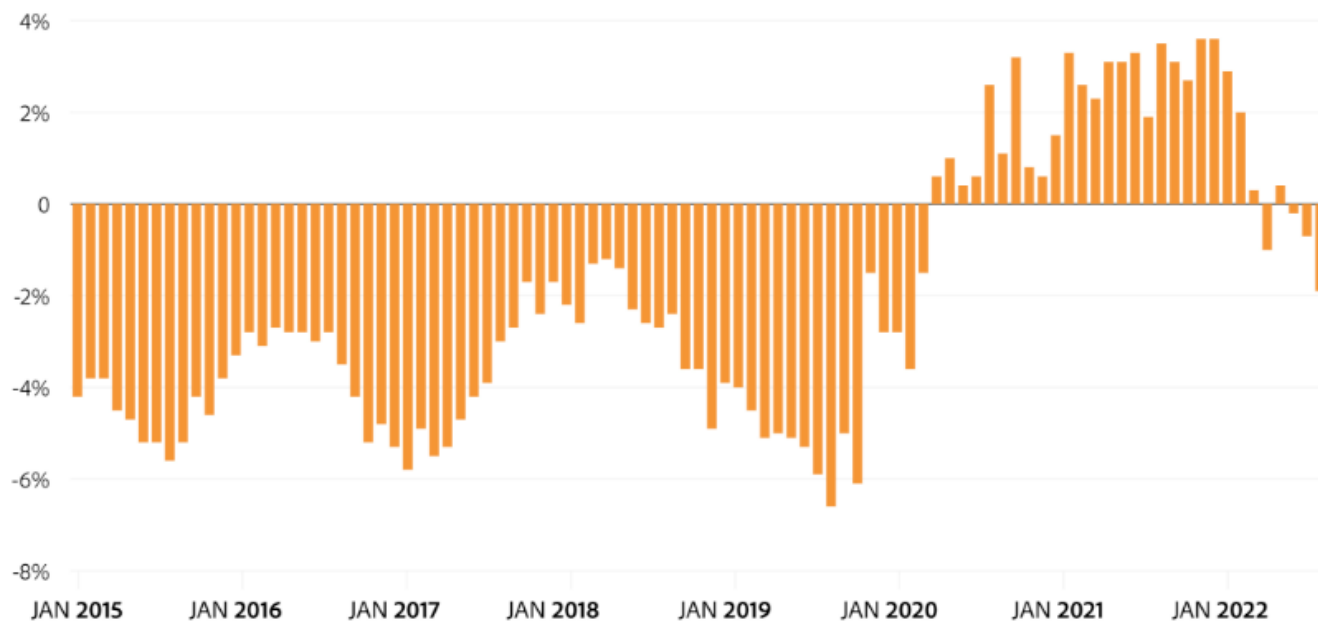
Adobe: Online Prices Continue to Drop April 2023

According to Adobe's latest [Digital Price Index](#) (DPI), which is modeled after the Consumer Price Index (CPI) published by the US Bureau of Labor Statistics and uses Fisher Price Index to track online prices, April 2023 marks the eighth consecutive month of year-over-year (YoY) price decreases. Online prices in the US dropped 1.8% YoY while [month-over-month](#) (MoM) they dropped at 0.7%. In April 2023, 11 of the 18 categories that Adobe tracks

drop in their online pricing on an annual basis. The largest drop comes from appliances, which decreased 7.1%, the greatest decrease since Adobe started tracking the category in 2014. While consistent drops are coming from categories like electronics and computers, some have continued to rise, like grocery, although these price upticks have slowed over the last seven months.



Adobe Digital Price Index: US Year-Over-Year Change in Online Prices by Month Across All 18 Product Categories
Source: Adobe Analytics



Notable category results for April 2023 in Adobe's DPI:

- **Flowers & Related Gifts** - down 27% YoY
- **Electronics** - down 11.6% YoY, up 0.5% MoM
- **Appliances** - down 7.1% YoY, down 2.1% MoM
- **Toys** - down 5.9% YoY, down 0.2% MoM
- **Home & Garden** - down 5.6% YoY, down 0.8% MoM
- **Furniture & Bedding** - down 1.3% YoY, down 0.6% MoM
- **Personal Care** - up 3% YoY, down 1.1% MoM
- **Apparel** - up 6.1% YoY, down 2.1% MoM

- **Grocery** - up 9.3% YoY, up 0.4% MoM

[Top](#)

US Imports Forecasted to Trail 2022 Levels

In a 5% increase from the three-year low logged in [February](#), the Global Port Tracker for National Retail Federation (NRF) and Hackett Associates handled 1.62 million twenty-foot equivalent units (TEU) in March 2023, which is down 30.6% from the same month last year (YoY). The Global Port Tracker shows that while port congestion has faded, other supply chain challenges remain, and import cargo volumes are expected to remain under last year's levels heading into the fall.

Although April numbers have not been reported, the Global Port Tracker projects 1.73 million TEU, which represents a 6.2% increase from March, but is still down 23.4% YoY. Looking ahead, the previous forecast for H1 has shifted from 10.8 million TEU to 10.5 million TEU, with Q3 expected to bring a total 6 million TEU.

Other notable forecasts for the future:

- June - 1.9 million TEU
 - Down 15.9% YoY
- July - 2.01 million TEU
 - Down 7.9%
- August - 2.04 million TEU
 - Down 9.9%
- September - 1.96 million TEU
 - Down 3.4%

[Top](#)

Survey: Consumers Likely to be Drawn by Deals this Memorial Day

In a recent survey from market researchers Vibenomics and Suzy, which polled 1,000 adults in the US, 51% of respondents indicated that they did not foresee themselves shopping during the Memorial Day holiday this year. Of those planning to shop, 74% stated that they will look for deals, while inflation is causing 53% to spend less overall this holiday. The survey also revealed that 81% of shoppers have already started their Memorial Day shopping, waiting for the holiday week/weekend.

Popular categories this Memorial Day:

- ☐ Groceries (72%)
- ☐ Clothing (57%)
- ☐ Electronics (33%)
- ☐ Furniture/home décor (28%)
- ☐ Appliances (27%)
- ☐ Mattresses (16%)

Popular shopping locations:

- ☐ Grocery store (83%)
- ☐ Online retailer (47%)
- ☐ Box store (39%)
- ☐ Home improvement store (34%)

Most important shopping factors:

- ☐ Price (36%)
- ☐ Brand (26%)
- ☐ Sales/discount/coupon (13%)
- ☐ Variety (12%)

Most popular methods to save:

- In-store discounts, coupons, special offers (80%)
- Retailer membership programs (61%)
- Rewards programs (50%)
- Bulk or discount coupons (34%)

Top shopping influences:

- In-store promotion (70%)
- Coupon (57%)
- Recommendation (42%)
- Social media advertisement (37%)
- In-store display or advertisement (35%)

[Top](#)

Survey: Gen Z Values Social Media Input & Sustainable Brands

Separate surveys from [LTK](#) and Human8 reveal the particular preferences that Gen Z shoppers have toward engagement and brand selection.

LTK's research shows that 79% of Gen Z's shopping stems from social media and that 75% make purchases from creator recommendations, 21% higher than the general population. 77% of Gen Z survey respondents also mention that in-store shopping is influenced by these recommendations, making the age group 3.5x more likely to be motivated by social media influencers than online advertising or celebrities.

Human8's survey of 1,000 consumers including Gen Z, Millennials, Gen X, and Baby Boomers, shows that 75% of Gen Z respondents stated that they seek sustainable brands when shopping, with 34% choosing not to purchase from unsustainable brands. When Gen Z customers consider sustainability:

- 43% want brands to challenge societal issues
- 42% are more willing to buy from black-owned brands

- 41% are more willing to buy from female led brands
- 38% believe brands that don't communicate about sustainability aren't sustainable

Human8's survey uncovered additional practices that Gen Z respondents found important when shopping including:

- Treating employees/suppliers fairly (69%)
- Attempting to have a positive societal impact (66%)
- Practicing inclusivity (61%)
- Running business in a sustainable way (60%)
- Seeking to understand Gen Z (52%)
- Creating products that reflect Gen Z identities (51%)
- Personalizing & co-creation (50%)

[Top](#)

Survey: US E-Commerce Shoppers Desire Affordable Sustainability

A recent [study](#) by Asendia, "How to Sell Direct in the Age of the Conflicted Shopper", polled 8,000 shoppers in the US, UK, Canada, Germany, France, Spain, Switzerland, and Hong Kong about their e-commerce habits to find out what factors affect their purchasing decisions. Affordability and sustainability are key issues. 70% of US respondents will spend less in 2023 based on the uncertainty and 52% will consider price the most when making their purchases. Consumers are also wanting to shop more sustainably with 73% of US respondents considering themselves to be sustainable in their buying habits, but only 35% in an affordable way.

Sustainability findings from US respondents:

- 41% said the top factor when purchasing online from international fulfillment centers is understanding the distance (carbon footprint) it takes to get products to them
- 36% want reusable-only packaging internationally
 - 35% domestically

- 23% want 100% carbon-neutral deliveries on international orders
 - 21% on domestic deliveries
- 24% want the option for electric vehicles to provide domestic fulfillment
- 48% would pay for fast fulfillment
- 23% would pay more for greener fulfillment options, even if it took longer to arrive
- Sustainable grocery shopping is popular among respondents:
 - 47% are buying organically
 - 36% are buying eco-friendly products
 - 24% are choosing vegan foods

[Top](#)

Survey: Online Shoppers Want Accessible & Anonymous Deals

The [Coveo 2023 Ecommerce Relevance Report](#), a survey of 4,000 consumers in the US and UK, revealed that consumers expect online experiences to be better than/equal to in-store experiences. Privacy is also a concern when making purchases, with 57% of respondents signaling that they are sure of how much data they are actually sharing. Additionally, 31% of surveyed consumers have not followed through with a purchase when prompted to make an account, and 30% check out as a guest. On the opposing side, 52% state that if they receive discounts or deals by making an account, they will do so.

Key findings from the survey:

- 91% encounter problems online, most common found are:
 - 33% poor site performance
 - 32% lack of findability
 - 27% missing product info
 - 26% disorganized navigation
 - 25% not mobile friendly
 - 24% too much irrelevant recommendations
- 83% rely on more affordable sites/more private-store-label products

- o Baby boomers are more loyal to brands/retailers
- 79% research products online/via social media
- 37% research online/in-store
- 22% do not know if their local store has stock of the product they desire

[Top](#)

701 Island Avenue | San Diego, CA 92101 | www.gapintelligence.com | info@gapintelligence.com

gap intelligence is a values led company. We care about each other, our clients, and recognize that business plays a central role in our lives. We are driven to contribute to something bigger than ourselves and trust that our hard work will turn into something great and that we'll make a difference the way.

[PDF Version](#) | [Unsubscribe](#)