



Retailers are not prepared to address demands of tomorrow's consumers

A Demandware Point of View



Demandware Research Approach

- Demandware conducted research to determine the shopping behavior of tomorrow's consumer and retailers' ability to deliver to the changing behavior
- Demandware surveyed 500 consumers globally
 - 90% of all respondents were Smartphone owners
 - With Smartphone adoption growing at a geometric rate, research shows that a majority of consumers will own a Smartphone within the next 3 years
 - 10% non-Smartphone owners, control group, were also surveyed for comparison
- Demandware surveyed 192 retailers globally
- Demandware commissioned Forrester Research to conduct the survey



Data Highlights Consumer Experiential Gaps

Current retailers unable to fulfill web-centric “Smart Consumer” expectations

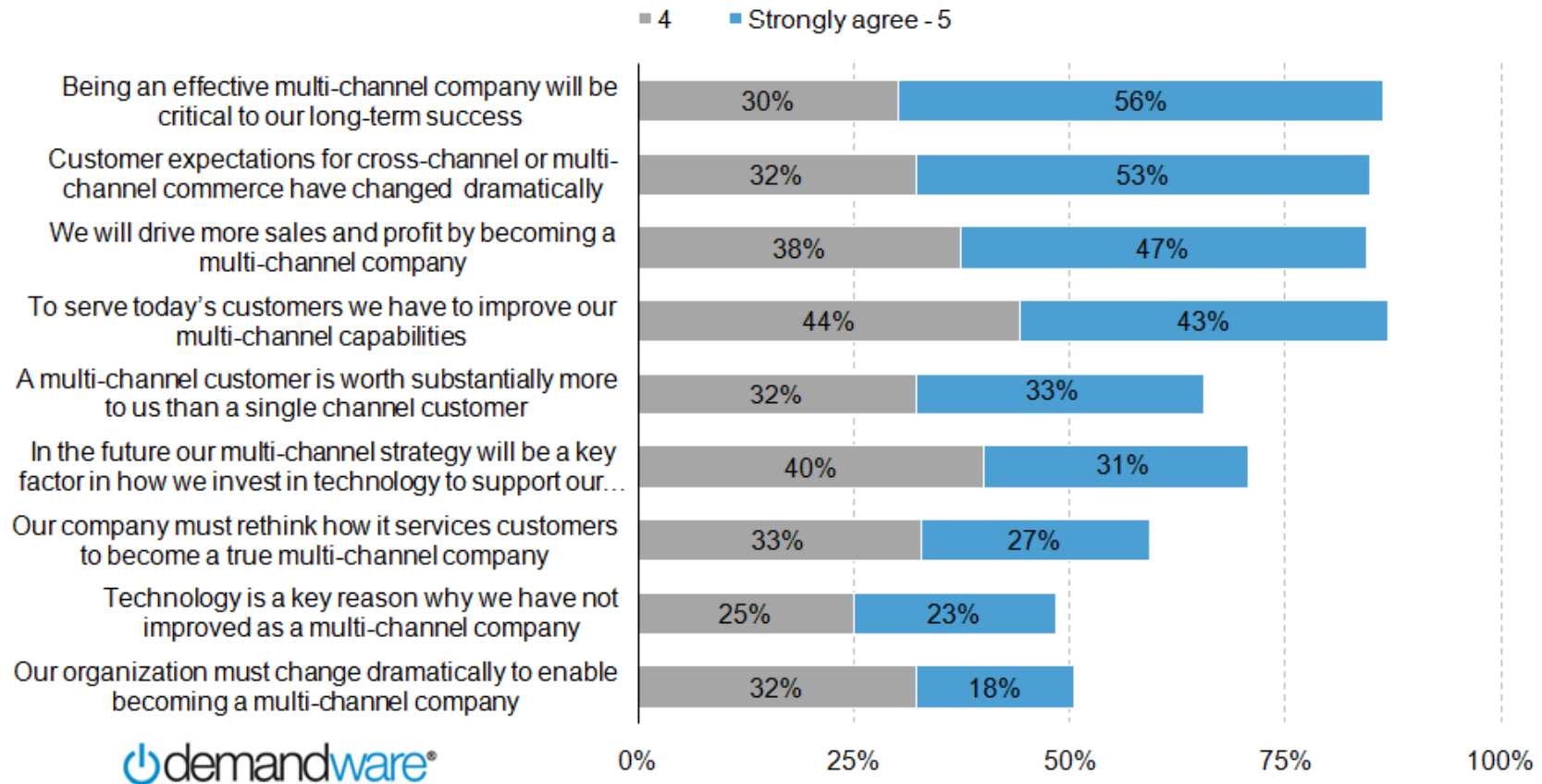
Experiential Gaps

- 23 percent of consumers download a brand shopping application, 50 percent plan to do it in the future
 - 12 percent of retailers allow consumers to do it
- 54 percent of consumers would like the ability to click on barcodes or smart tags in magazines or catalogs that link to websites
 - 12 percent of the retailers surveyed currently offer this feature
- 62 percent of consumers say they intend to purchase products or services on mobile websites or apps
 - 32 percent of retailers currently enable this
- 38 percent of shoppers allow consumers use their mobile phones to check in-store product availability and 52 percent expect to do it in the future
 - 29 percent of retailers provide this to consumers now
- 51 percent of consumers would like add items to their carts via mobile phones and complete the transaction later on computer or tablet
 - 23 percent of retailers allow consumers to do this



Retailers think it's essential to be multichannel, but only half see a need for substantial changes

“To what extent do you agree or disagree with the following statements?”
Rate on a scale of 1-5 where 1=“Completely disagree” and 5=“Completely agree”.
Ratings of 4+5 shown

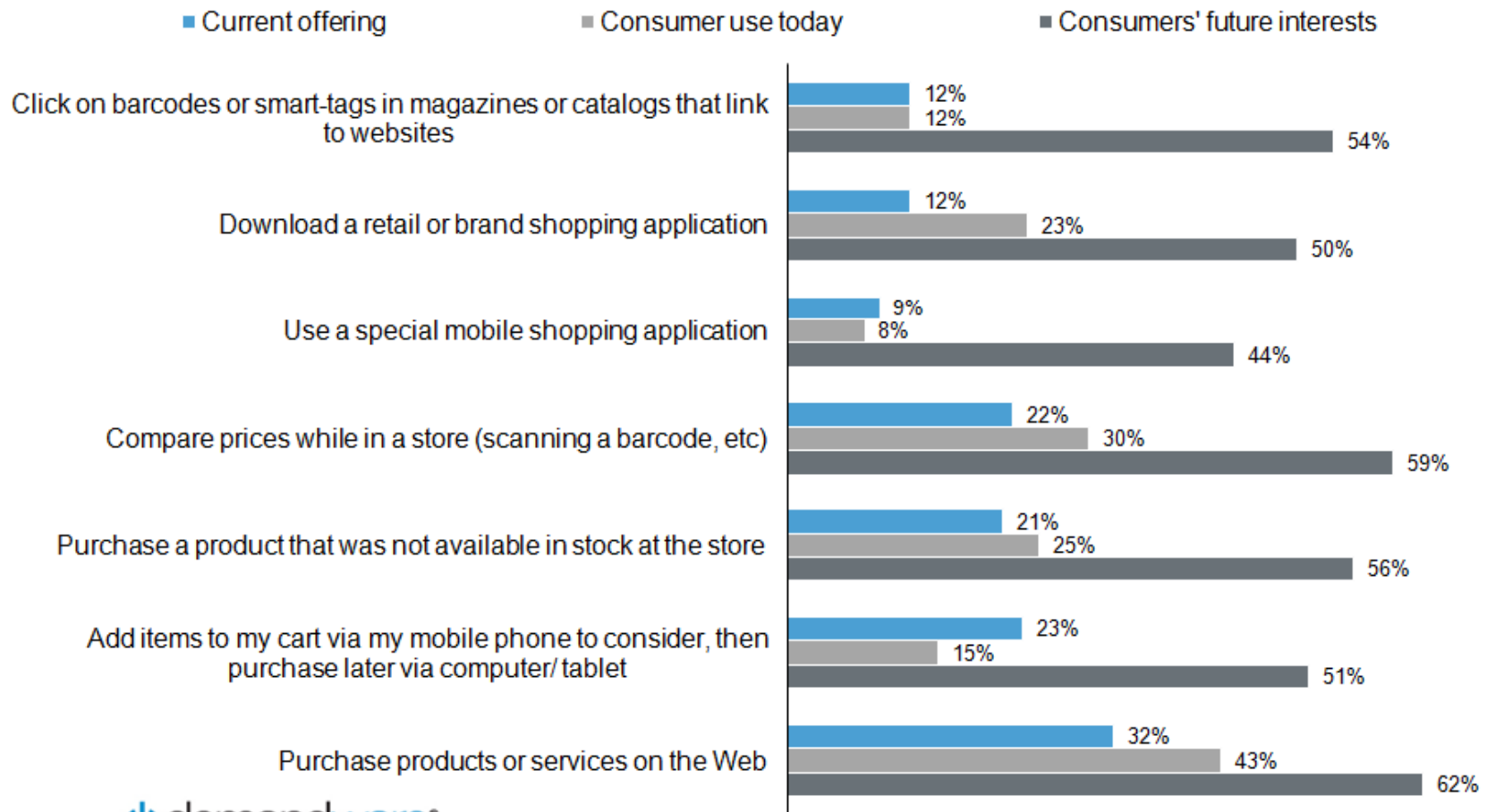


Base: 192 Global Multi-channel Retailers

Source: A commissioned study conducted by Forrester Consulting on behalf of Demandware, February 2011



Retailers fall short of consumer mobile desires



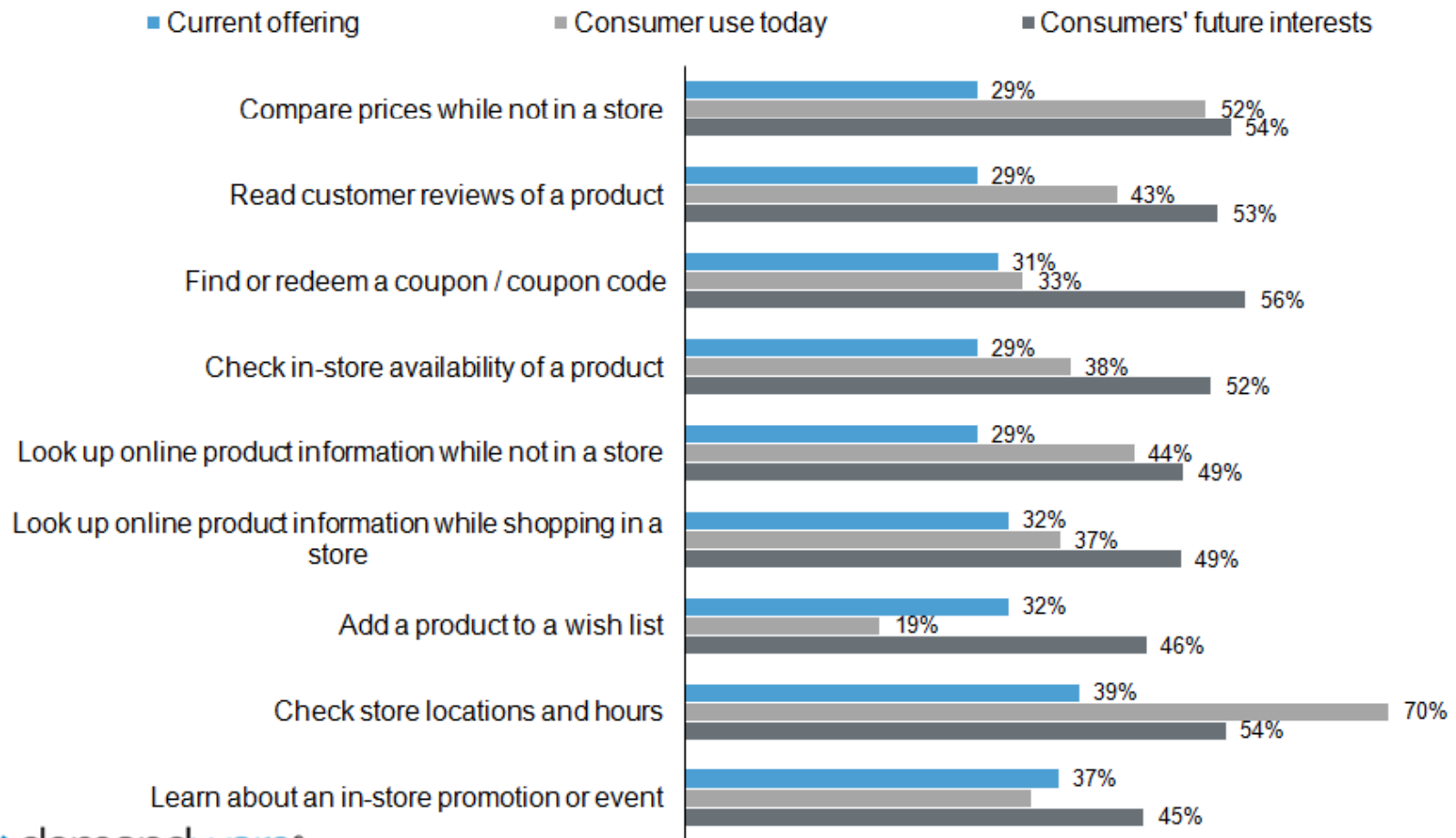
Base: 409 Global multi-channel consumers

Base: 192 global multi-channel retailers who have enabled some kind of mobile application or website

Source: A commissioned study conducted by Forrester Consulting on behalf of Demandware, February 2011



Retailers fall short of consumer mobile desires cont.



Base: 409 Global multi-channel consumers

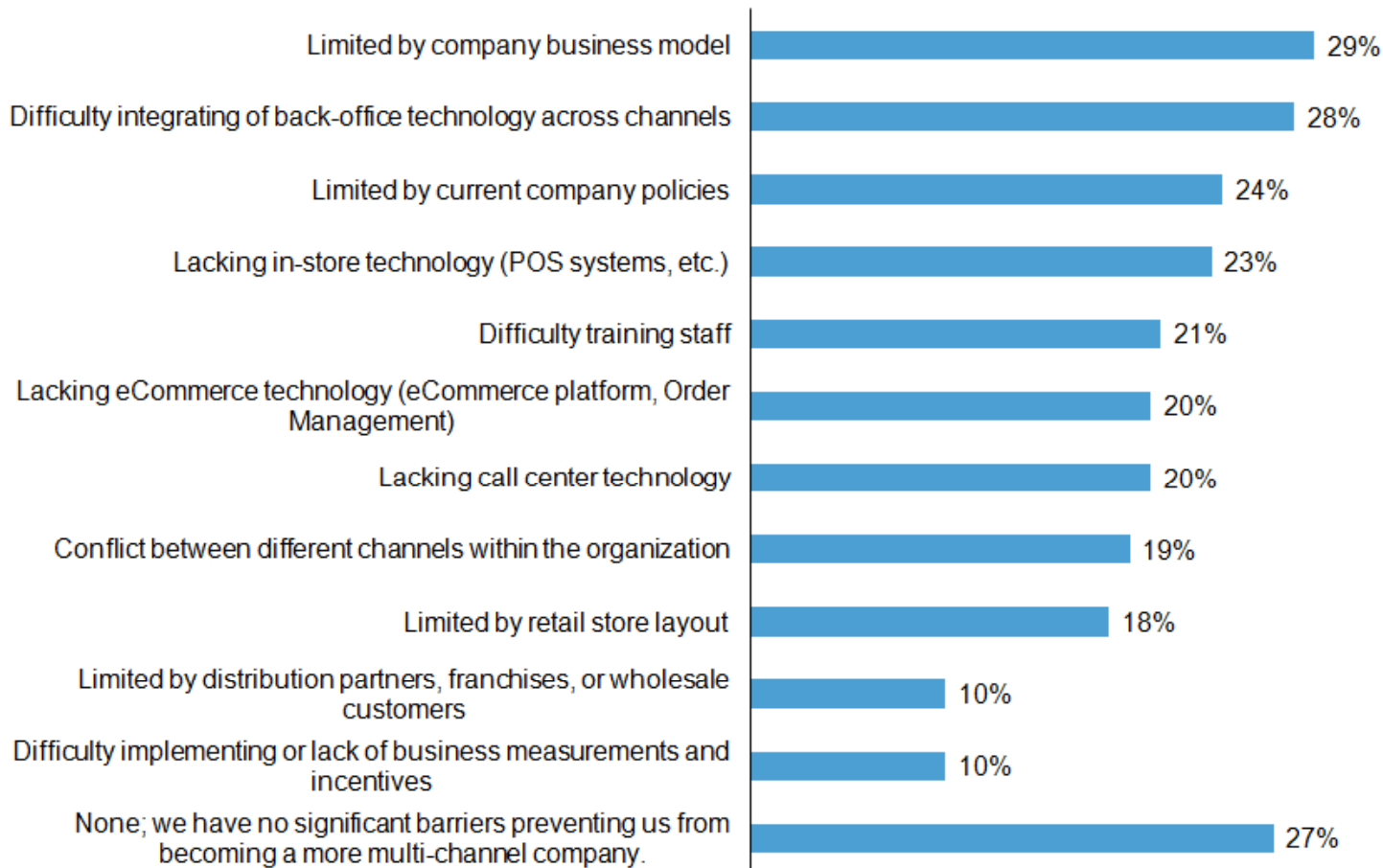
Base: 192 global multi-channel retailers who have enabled some kind of mobile application or website

Source: A commissioned study conducted by Forrester Consulting on behalf of Demandware, February 2011



Multichannel hurdles remain many and varied

“In your opinion, what are the barriers/challenges preventing your organization from becoming a more multi-channel company?”



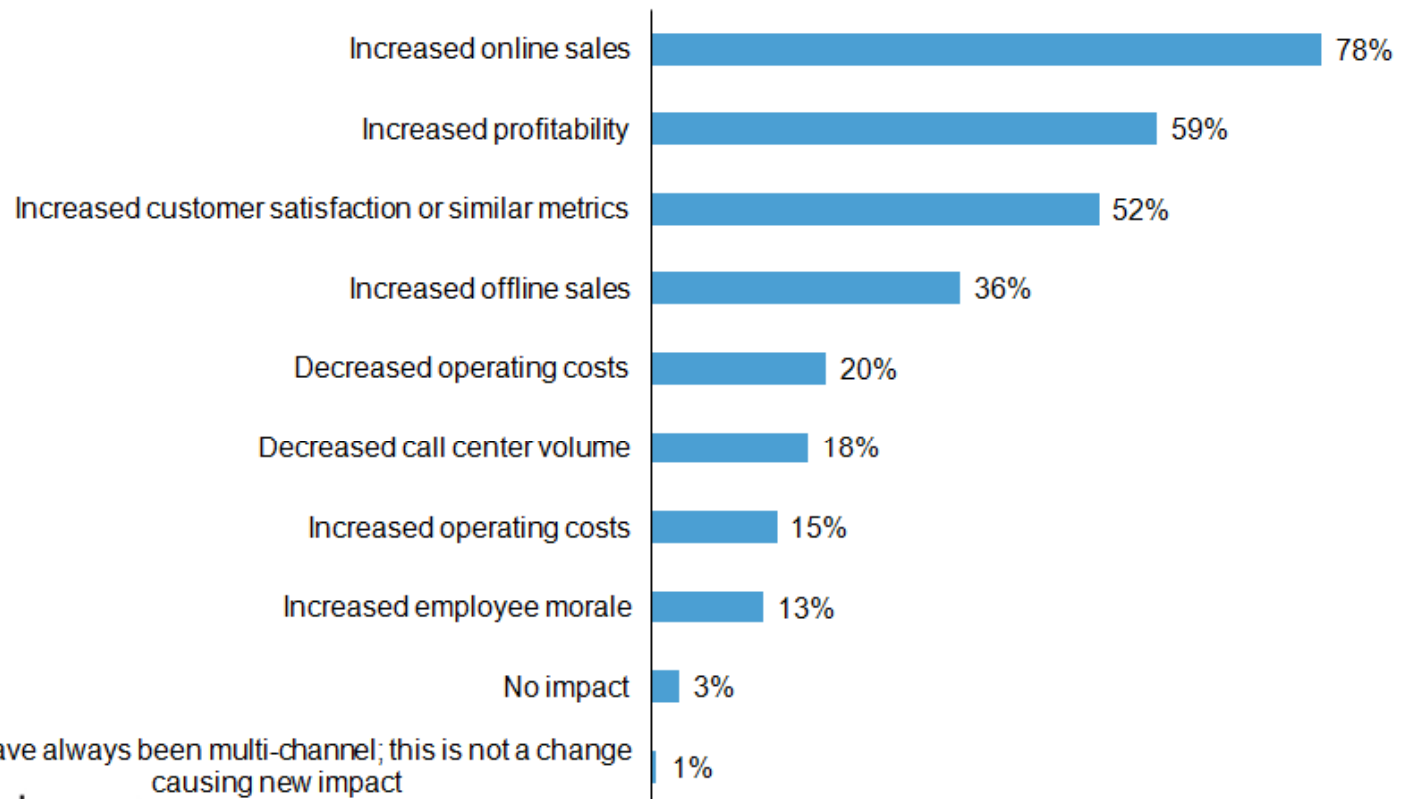
Base: 192 Global Multi-channel Retailers

Source: A commissioned study conducted by Forrester Consulting on behalf of Demandware, February 2011

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Retailers see positive results from multichannel strategies

“What impact has the transition from a single-channel focus to multi-channel strategy had on your company? ”(Select all that apply)



Base: 192 Global Multi-channel Retailers

Source: A commissioned study conducted by Forrester Consulting on behalf of Demandware, February 2011

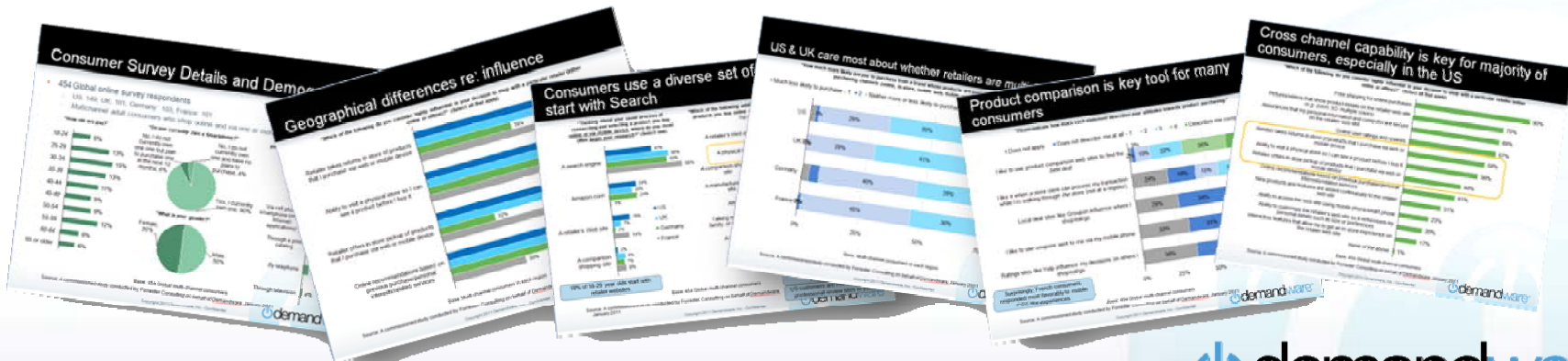
More Consumer and Retailer Data Available

Additional Data:

- Country specific retailer data for United States, United Kingdom, France, and Germany
- Consumer expectations and satisfaction for multi-channel shopping and in-store technology
- Retail latency in delivering in new age technologies
- Consumer purchasing attitude by gender and age

Events and References:

- Contact us for a private briefing where we will share our entire consumer research about the Experiential Gap – info@demandware.com
- Read our blog for our point of view – blog.demandware.com
- Read our Smart Consumer research and press release – [Click here](#)



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