



Online Holiday Shopping Survey 2007

(Sponsored by buySafe)

2007 Online Holiday Shopping Survey

OBJECTIVE

Gauge opinions of online shoppers at the start of the 2007 holiday shopping season.

WHY CONDUCT THIS STUDY NOW?

As the 2007 holiday shopping season approaches, consumers will continue the trend towards increased reliance on online shopping. While continued growth in online holiday shopping is expected, what's especially interesting is how important the issue of merchant trust and integrity is for consumers who plan to shop online this season. This study is designed to determine how consumers plan to shop this holiday season, as well as what factors will affect these plans. The study also looks at what factors contribute to the perceptions of risk and trust that determine which *shoppers* are sufficiently confident to become *buyers*.

METHODOLOGY

The survey was conducted by Vizu via the Vizu Answers online research network between November 5 and November 13, 2007. Each question was presented on more than forty English language Web sites.

EXECUTIVE SUMMARY

With Jupiter Research expecting more than 126 million Americans to buy products online this year (a 6% increase from last year) and more than \$39 billion in sales anticipated (a 20% increase from 2006)*, the online market has never been more important to the retail industry. Understanding the mind of the online shopper is critical for merchants to sell into that increased demand. buySAFE, Inc. (www.buysafe.com), the leading trust and safety company for e-commerce transactions, sponsored this study to gauge the opinions of shoppers heading into the 2007 winter holiday season. The survey reveals several key insights into consumer behavior:

- 34.7% of shoppers plan to do more shopping online this season compared to their normal retail patterns; one-third (33%) of respondents plan to do more online shopping this year than last year.
- 50% of respondents report they have had one or more serious problems when making an online purchase; merchant performance is now the #1 factor for shoppers to consider when deciding WHICH MERCHANTS to buy from online.
- Over 48% of shoppers cite merchant performance (e.g., will the item arrive as promised; will the merchant honor stated policies) as the most important factor to them, followed by 37.5% citing price, 8.7% citing amount of selection, and 5.8% citing ease of transaction.

Trust in the merchant emerges as the leading factor in a shopper's decision about which merchants to buy from, and how much will be purchased. The market is split: consumers will reward merchants they can trust, and will steer clear of the rest. This theme is evident in the survey data presented below.

* [US Online Retail Holiday Forecast, 2007](#) Patti Freeman Evans Retail October 19, 2007 - Concept Report

SURVEY QUESTIONS

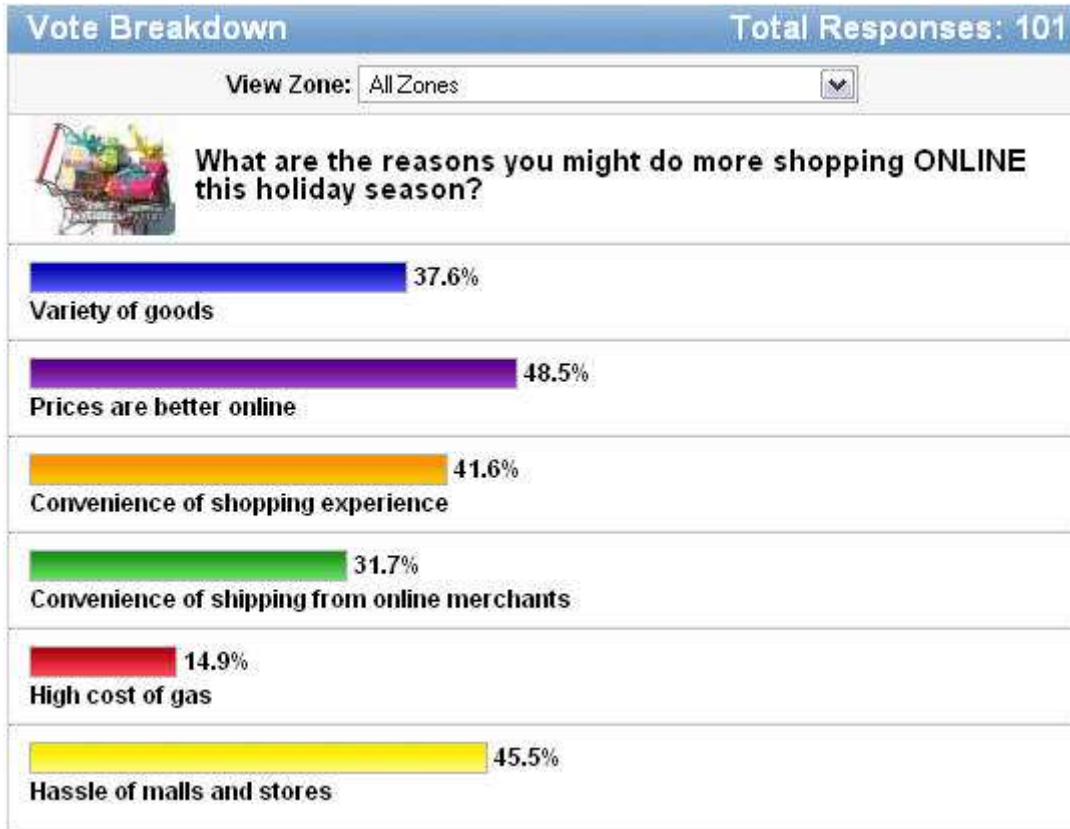
Question 1



Question 2



Question 3



Question 4



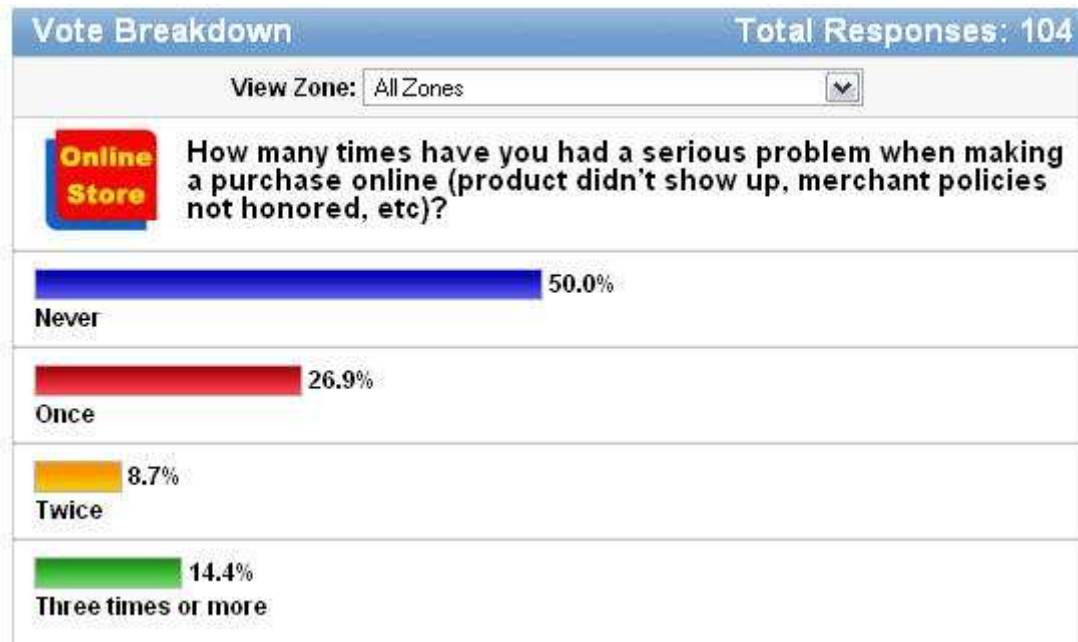
Question 5



Question 6



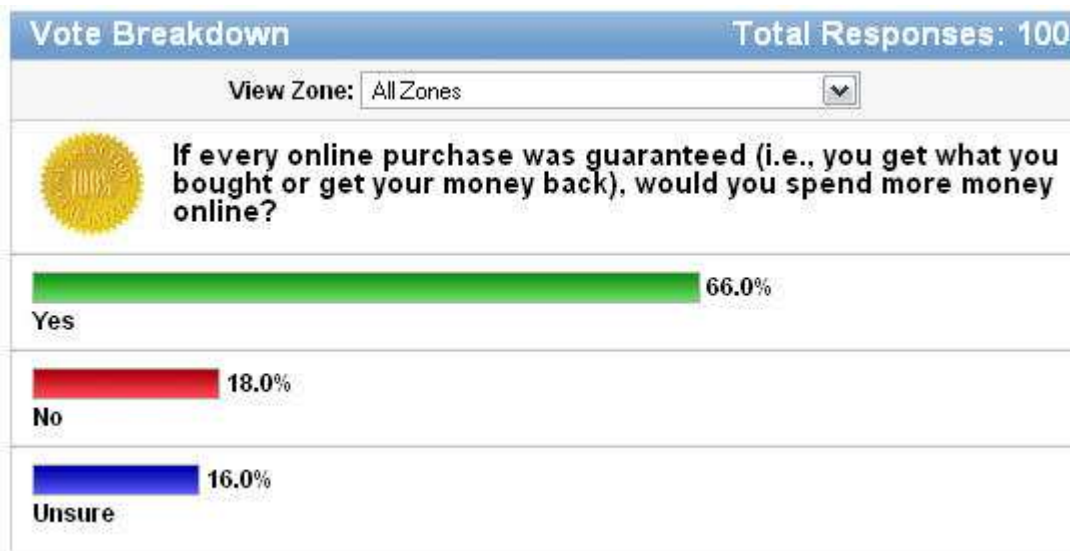
Question 7



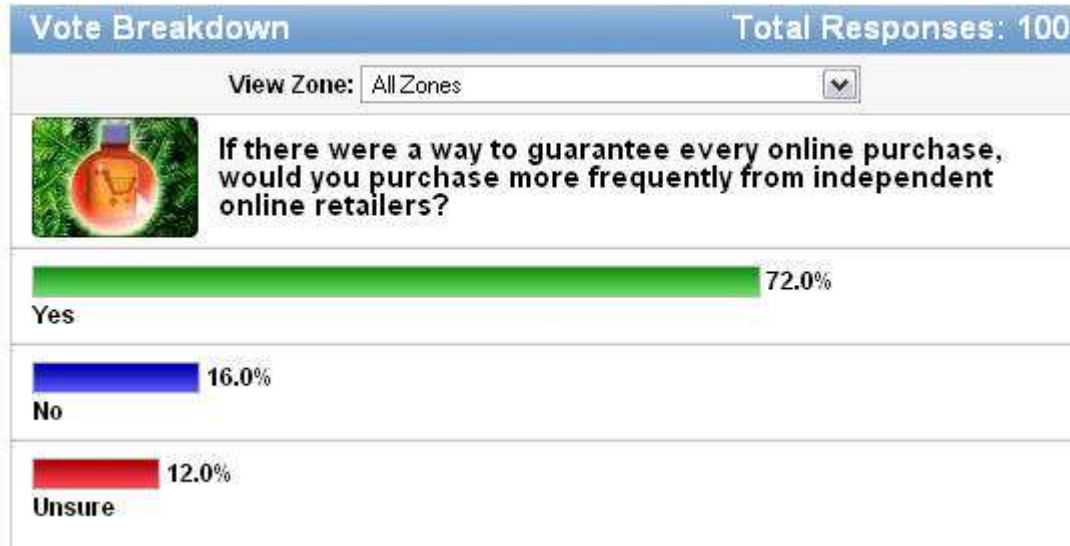
Question 8



Question 9



Question 10



Key Takeaways:

- 66% of respondents said they would be more willing to buy online if every purchase was guaranteed.
- The positives of shopping online are strong: better prices (48%) and increased convenience (41%) each score well. The negatives of off-line shopping included the hassles of the mall, which are cited by 45%
- 64% said they would feel more comfortable if a merchant were bonded.

This suggests that a shopper without confidence in an online merchant's ability to deliver on its promises is NOT a likely buyer. One might, therefore, infer that the online merchants who address and meet this customer need up-front, removing all doubts and generating consumer confidence to hit the BUY button, will generate more sales.