

See now, buy now

Kurt Salmon examines how retailers are being challenged to meet 'See Now, Buy Now' consumer expectations.

A STUDY WHICH explored the shopping habits of 2,000 UK consumers when it comes to fashion buying and engagement with fashion brands, conducted by Kurt Salmon, part of Accenture Strategy, reveals considerable growth in a 'see now, buy now, wear now' attitude towards purchasing.

"Managing consumer expectations around 'fast fashion' is creating a fresh challenge for retailers, particularly around selling to younger customers who buy online and through a variety of social channels," says Helen Mountney, Managing Director, Kurt Salmon, part of Accenture Strategy.

"These shoppers want the latest fashion, but are also conscious about value and quality. It is no longer enough to add new fashion items when the seasons change. Shoppers expect to see catwalk styles for sale on their local high street within days. Likewise, they immediately want to buy the latest styles worn by celebrities

– not only to wear, but to pose for a selfie which they will share with their friends and followers on Instagram, Snapchat or Facebook. This gives rise to another challenge: constant newness.

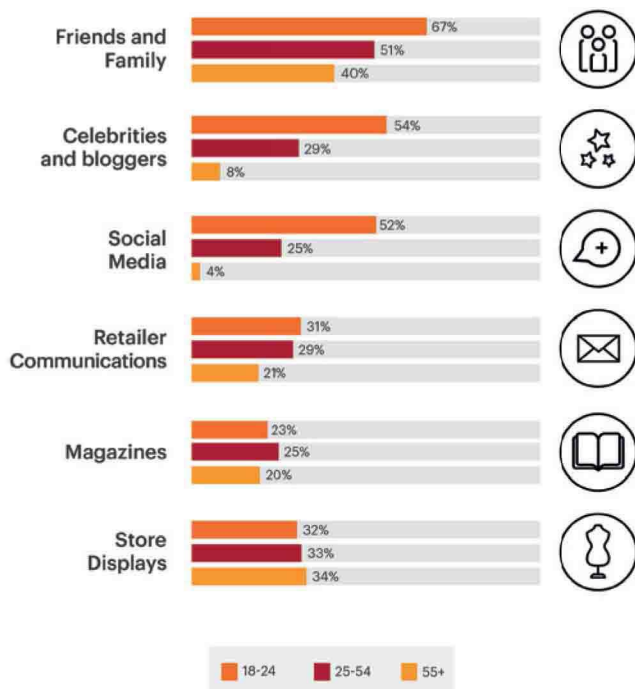
"Retailers are being challenged to deliver more product, and faster, to meet the needs of the 'see now, buy now, wear now' consumer. While the retail fashion leaders have a customer-led culture, with a focus on ownership and rapid decision making, many of the retail fashion followers are struggling to transform from the traditional model."

While young consumers also expect retailers to advise and inform them of trends, their friends and family currently remain the main source of style inspiration. According to the Kurt Salmon survey, a hefty 52% of 18-24 year-olds use social media to inform their decision making on what to buy and wear.

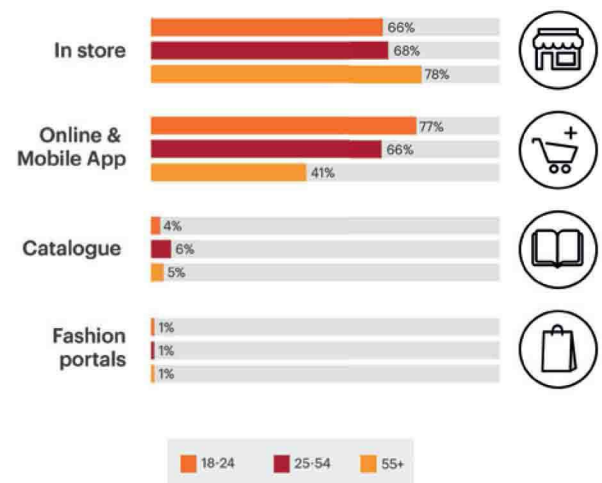
When it comes to preferred shopping location, two-thirds of 18-24 year-olds choose to buy online, and nearly half prefer to shop with pureplay fashion retailers. The over 55s still prefer to shop on the high street, while 25-54 year-olds prefer to shop online or via mobile.

While the store is still the most popular place to shop for all consumers, change is

STYLE INSPIRATION



PREFERRED SHOPPING LOCATIONS



in the air. “We expect to see more older consumers following the trend the under 25 year-olds are setting by purchasing more online and via mobile, which presents new opportunities for brands focusing on this demographic,” adds Mountney.

Speed of fulfilment is also a key battleground for retailers. While lead-times can be trimmed by faster decision making and near-shoring production for ‘see now, buy now’ shoppers, the final time challenge often comes in delivery of online orders.

Impatience is a characteristic of the youngest post-millennials. The Generation Z (18-20s) shopper typically has a mindset of “I want it and I want it now”; up to one in five would opt for same-day delivery with a further 13% wanting delivery in less than half a day. Older millennials (21-37 year olds) are slightly more relaxed with almost a third happy for their orders to arrive the next day.

Rapid fulfilment is a challenge for the high street where click and collect orders are often only available next day. Almost two-thirds of senior managers surveyed expect their cost-to-serve to increase as customers demand faster fulfilment. More than half of them (58%) also believe that shoppers are reluctant to pay the full economic cost of home delivery.

Some 80% of under 34 year-olds tend to over order to claim free delivery. This results in a higher percentage of purchases being returned by the younger generation. The survey found that 18-24 year-olds return 17% of orders compared to only 7% for over 55s.


With new garment technologies available, retailers can sell clothing relatively cheaply and this has engendered a disposable attitude

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among customers with a prerogative to only wear an item a few times. However, with an eye on sustainability, the younger generation want to do the right thing. Around 60% take unwanted clothes to a charity shop, but only 1% admitted to shopping in charity shops. Only 7% said that an ethical brand was important, while 82% stated prices are most important to buying consideration.

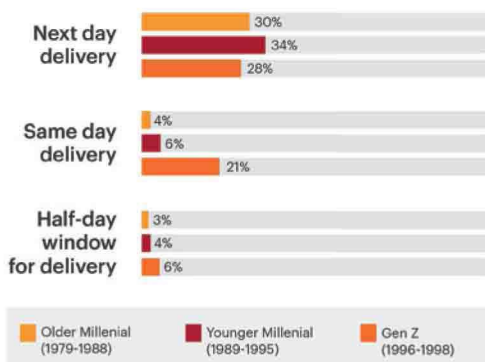
While retailers know that becoming customer-centric is key, they are still exploring how to best engage with their customers. The survey revealed under 34 year-olds want more interaction with brands online and through social media, and would like more information on trends and products. Around 50% of over 55 year-olds are more interested in offers.

“Understanding a customer’s preferred social media activity is the easiest way to increase engagement, gain insights into developing trends, encourage brand advocacy and drive revenue growth,” says Mountney.

“As the rate of change is unlikely to slow, the future fashion retailing model needs to be all about agility to remain responsive through listening to the customer, understanding needs and expectations, providing excellent customer engagement and a presence in as many channels as the target customer chooses to visit.” 

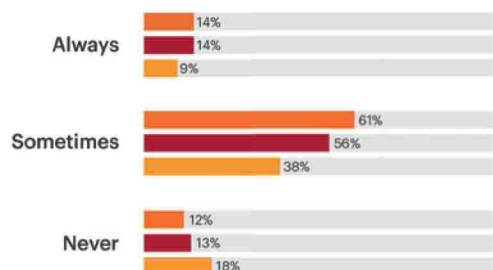
SPEED OF FULFILLMENT

MOST IMPORTANT DELIVERY OPTIONS



RETURNS CHALLENGES

TENDENCY TO OVER ORDER FOR FREE DELIVERY



PROPORTION OF ORDER RETURNED

