

# Score's *PARTNERS IN SUCCESS* Newsletter

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Welcome to **SCORE's** monthly *Partners In Success* Newsletter

**Dear Reader:**

SCORE's *Partners In Success* is a monthly newsletter dedicated to business owners in any industry and market sector. Its purpose is to provide insight to business owners/managers looking for a practical, innovative and a bottom line approach on how to better manage their finances, access SBA loans, leverage social media marketing, better manage human resources and access a variety of digital resources. Each issue of the newsletter will address a different topic. **This issue will discuss The factors that influence consumers' purchasing decisions how they have changed over the years.** . As always, your feedback and input are welcome and encouraged.

## Consumer Behavior Statistics You Should Know in 2022

The pandemic has shifted the shopping experience exclusively online for many. In recent years, there has also been a push for more transparent and sustainable practices in brands. But what else is there? Well, In this newsletter will you'll learn some interesting statistics regarding consumer behavior that you should know in 2022 and what that means for your marketing strategy.

### Consumers buy more online

According to a 2022 GWI Commerce Report (*GWI—Global Workforce Intelligence— is the consumer data research and marketing company, helping you understand what your consumers want and how to target them,*) there has been a 36% increase in the number of Americans doing most of their household or grocery shopping online.

During the 2021 holiday season, 46% of consumers shopped exclusively online according to a **Jungle Scout report** .

Why? The top reasons are lower prices, low-cost shipping, and convenience.

Back in 2020, 83% of shoppers say convenience while shopping is more important compared to five years ago. That was before the pandemic, so that percentage has likely increased.

## Inside this issue

### Consumer Behavior Stats For 2022

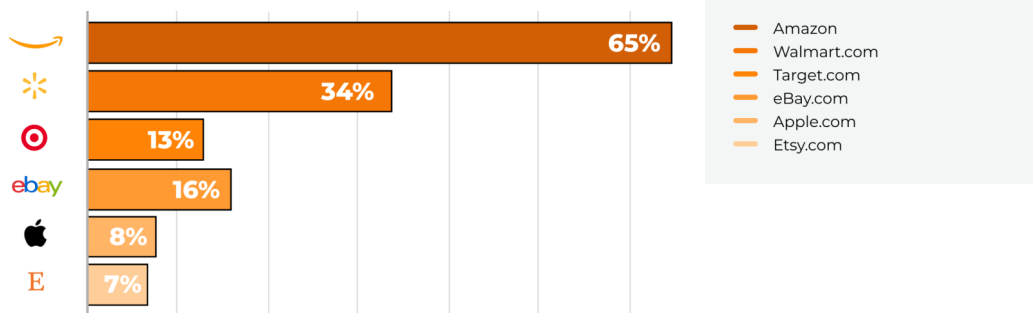
- ◆ *Online purchases*
- ◆ *User generated content*
- ◆ *Personalization*
- ◆ *Gen Z buying habits*
- ◆ *Demand for sustainability*

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### Where consumers are shopping:



This shift has forced some brick-and-mortar stores to consider how to implement an ecommerce strategy, whether it's launching their own online stores or partnering with third-party platforms. There's also a bigger need for a robust online presence. While this was always recommended for brands, nowadays, it's vital for long-term growth of medium and small businesses as well.

## **Reviews and user-generated content (UGC) are more influential than ever**

Today, it seems like everyone is talking about influencer marketing.

According to a survey of over 1,000 global marketers in 2021, 61% of B2C marketers said they planned to increase their investment in influencer marketing, compared to only 44% in UGC.

However, some studies suggest that the opposite strategy may be more effective.

According to a [2021 Stackla report](#), UGC is 8.7 times more impactful than influencer content and 6.6 times more than branded content.

In fact, when it comes to sourcing gift ideas on social media, the [Jungle Scout](#) revealed that 56% of consumers are influenced by posts shared by friends and family – more than branded content and ads.

From a marketing perspective, this is a signal to brands that consumers want to hear more from other buyers. Consider implementing this into your social strategy by sharing customer reviews and promoting UGC through giveaways and other promotional tactics.

While it's a great brand discovery tool, it also works well to reel in consumers at the consideration stage of the buyer's journey.



## **Consumers seek personalization**

According to the [Stackla report](#), 70 percent of consumers say it's important for brands to offer a personalized experience – up from 67 percent in 2019.

HubSpot Blog Research from 2021 found that 53% of marketers leverage message personalization in their email marketing strategy. Of that percentage, 72% say it's been one of the most effective tactics, more than subscriber segmentation, email automation, and dynamic content.

However, there are many more ways to personalize a user's experience beyond personalization tokens – from product recommendations and usage recaps to smart content and 360 customer views.

With so many channels to reach audiences, marketers have a many options when it comes to personalization. It's just a matter of narrowing down the ones that offer the best ROI.

## **Gen Z leads the charge in social buying**

In May 2021, [eMarketer](#) found that Gen Zers are more likely to engage in social commerce than older generations.

The report found that roughly 56% of consumers between 18 and 24 years old and 47.5% of 14- to 17-year old have made at least one purchase on a social platform.

These figures are considerably higher than other generations, with only a third of consumers between 45 to 65 years of age making at least one purchase on social media in the year.

Which platforms is Gen Z mostly on? TikTok and Instagram.

A [2022 GWI Gen Z report](#) found that 46% of Gen Zers use TikTok to find information about products and brands while 69% use Instagram.

This is likely because Instagram has slowly transitioned to an ecommerce platform with advanced shopping tools while TikTok has kept its focus as a short-form video platform.

So, [what are Gen Z buyers looking for](#)? On social media, the GWI report found that most are looking for content that's:

- Lighthearted and funny
- Inspirational
- Informational and helpful

As for their purchasing journey, the number one way Gen Z discovers and researches products is through vlogs (video blogs), according to the GWI report. Once they've made a purchase, they become most loyal to brands that offer access to exclusive content or services.

So, if your target audience includes Gen Z, your social media presence will be more important than ever.

### **Shoppers expect BNPL (Buy Now Pay Later) options**

Buy-now-pay-later is a payment service that allows customers to spread out their purchase payments into interest-free installments. The topic started rising in popularity around mid-year in 2020 but peaked in September 2021, according to [Google Trends](#).

In 2020, PayPal launched its own payment installment plan and during the 2021 Black Friday, they had a nearly 400% increase in BNPL transactions year-over-year.

Although one [CNBC report](#) found that only 7% of shoppers planned to use BNPL this past holiday season, experts expect that figure to double or triple in 2022.

It's particularly popular with Gen Z – a population that is only now starting to join the workforce. The 2022 [GWI report](#) found that one in five Gen Z shoppers in the Asia-Pacific region used a BNPL service in the last month.

Payment is often not something marketers think about when advertising a brand's products and/or services. However, this data suggests it may be helpful to highlight this as it's becoming a stronger purchasing consideration for consumers.

### **There's more demand for sustainable brands**

In 2019, the [Harvard Business Review](#) reported that sustainable products are five times more successful in average sales growth compared to brands that aren't marketed as such. Today, that trend continues to grow.

A [Global Sustainability Study 2021 report](#) found that one third of consumers are willing to pay a premium for sustainable products.

In fact, 61% of Gen Z say they pay more for eco-friendly products than those that aren't, according to the [GWI report](#). Specifically, online shoppers are looking for:

- The use of natural, organic materials
- Recycled or recyclable items
- Brands in which part of the proceeds go to eco-friendly causes
- No harmful chemicals
- Durability

**One third**  
of consumers are willing to  
pay a premium  
for sustainable products.

Global Sustainability Study 2021



Many brands may offer one or more of these but fail to advertise them. However, this is what can help set you apart from the competition, as [sustainability](#) becomes a growing purchasing factor for consumers.

Now that you know what's influencing consumer behavior, you can begin to craft a marketing strategy that appeals to your audience's most pressing needs.