



Insights into Consumer Buying Behaviour Attitudes

Internet & eCommerce Use by Consumers Survey 2017

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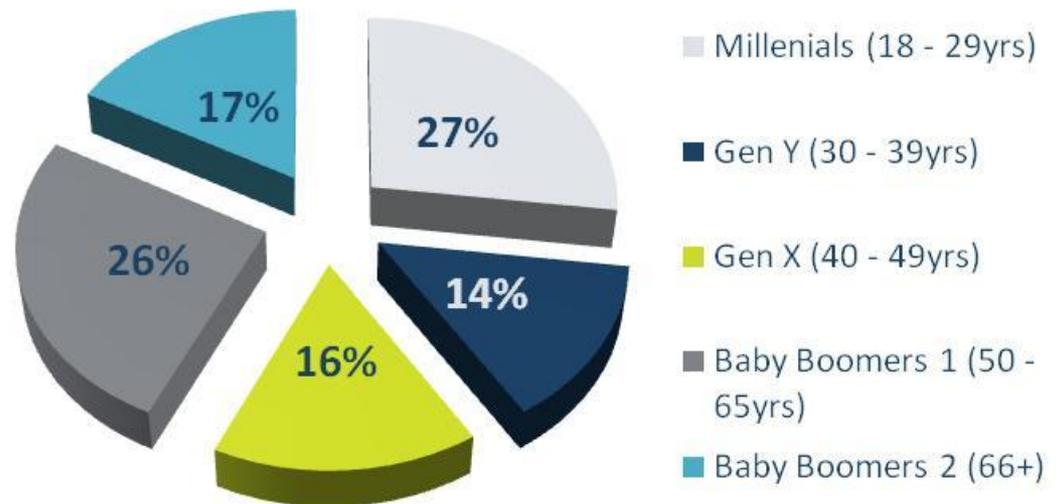
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The study assesses the **digital competencies of the population**, in terms of internet and eCommerce use, and **explores attitudes** and buying behaviour preferences amongst consumers in Malta & Gozo.

A total of 800 potential customers across Malta and Gozo were interviewed. The sample population was stratified proportionately according to the actual population by gender and age, based on the NSO demographic data.

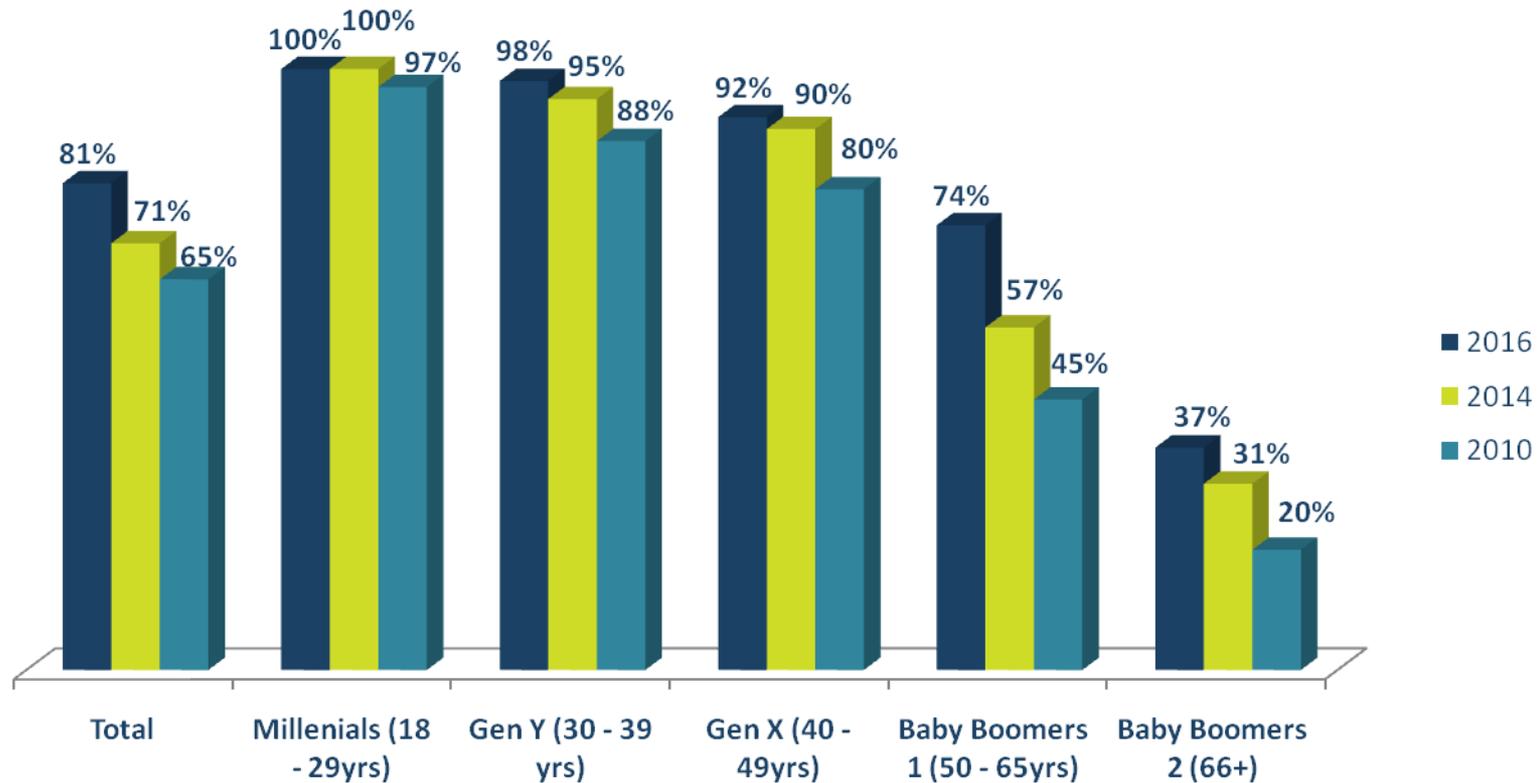
The quantitative research survey was conducted by way of CATI (computer-assisted telephone interview) interviews.

Data was collected in July 2016.



Internet Users (i)

Increase registered across all age cohorts.



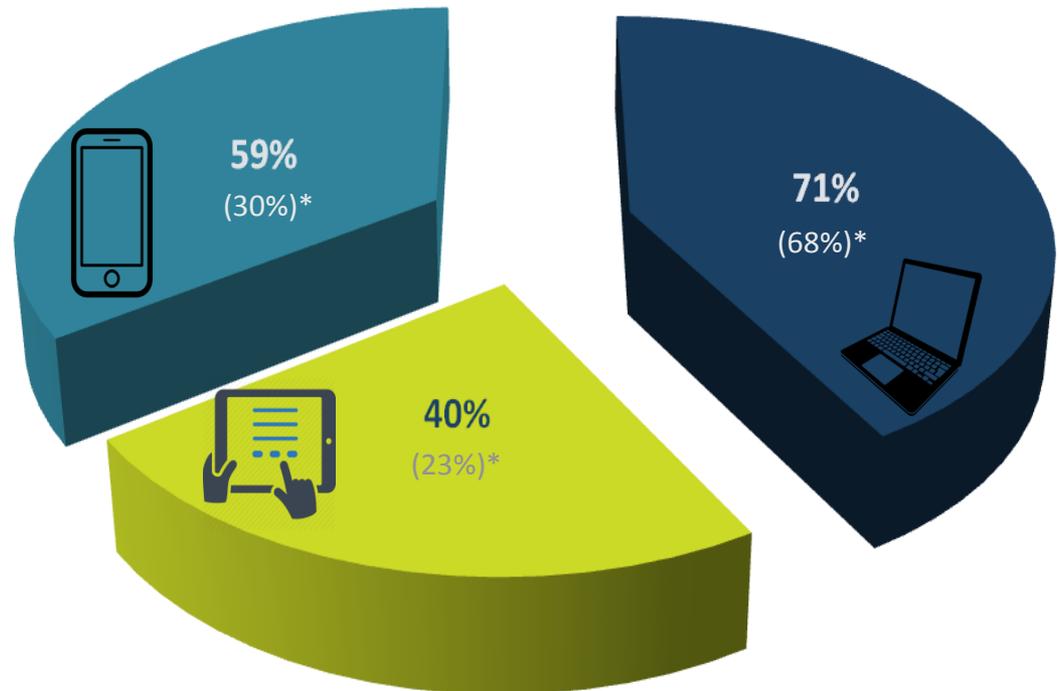
Internet Users (ii)

Mobile devices (smartphone & tablet) are growing in popularity amongst consumers for accessing the internet.

Males use the internet more than females (87% vs. 75%).

The use of laptop & mobile is more prevalent amongst males, whilst tablet is equally used by both genders.

■ Laptop ■ Tablet ■ Mobile

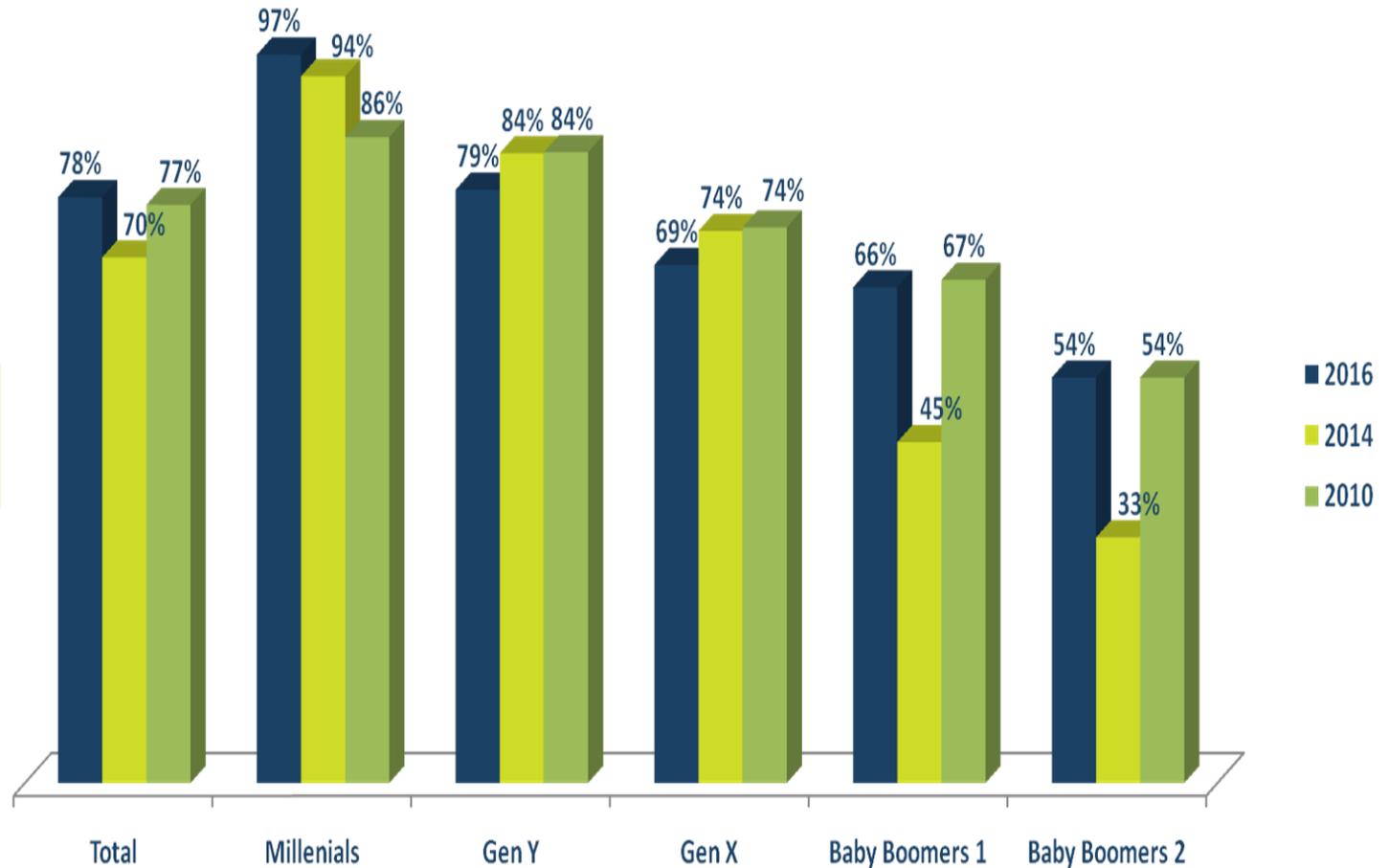


59%
(30%)*

71%
(68%)*

40%
(23%)*

Digital Buyers



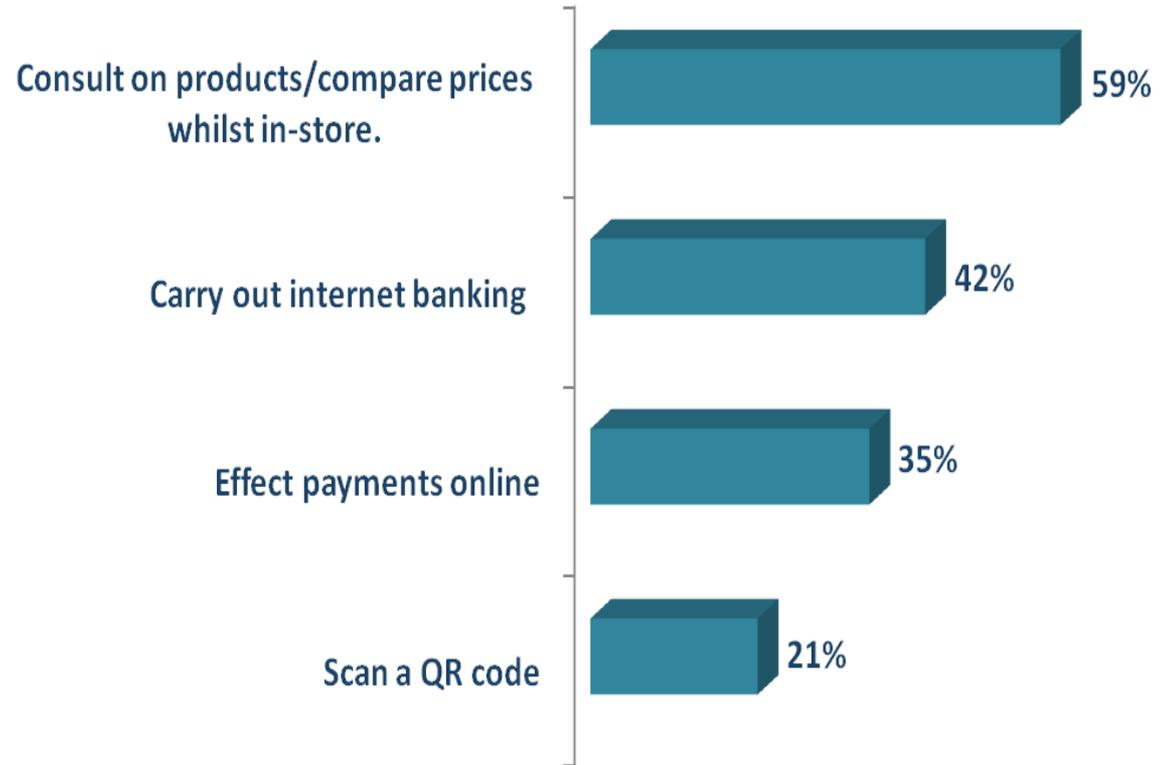
Online buying more popular with females than males (82% vs. 75%).



Activities Carried Out on Mobile

Millenials are most likely to use their mobiles, whilst shopping at brick 'n' mortar shops, to compare products/prices on the internet (66%), and for scanning QR codes (32%).

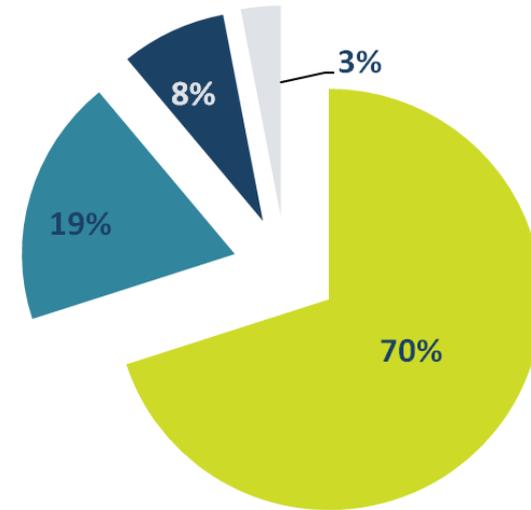
Gen Y are most likely to use their mobiles for carrying out banking transactions online (51%) and to effect payments (40%).



Research Channels Used by Consumers (Digital & non-Digital shoppers)

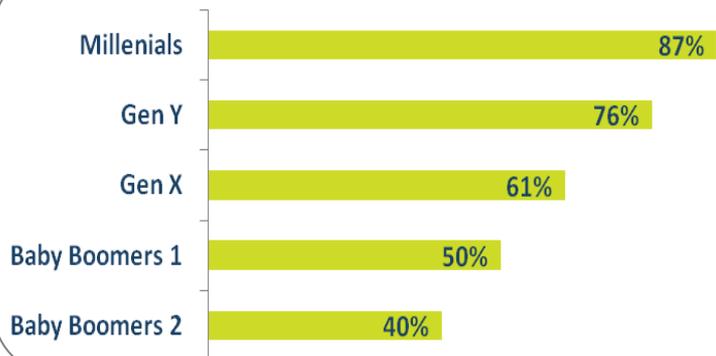
70% of internet users turn to the Web **before** buying a product or booking a service (whether in-store or online).

Only 19% claim to visit the shops to obtain information about a product or service before making a purchase. Another mere 8% use their mobile to call or text the retailer.



■ Internet ■ Visit shop ■ Phone ■ No specific channel

Internet users resorting to the Internet during their shopping journey, by age.



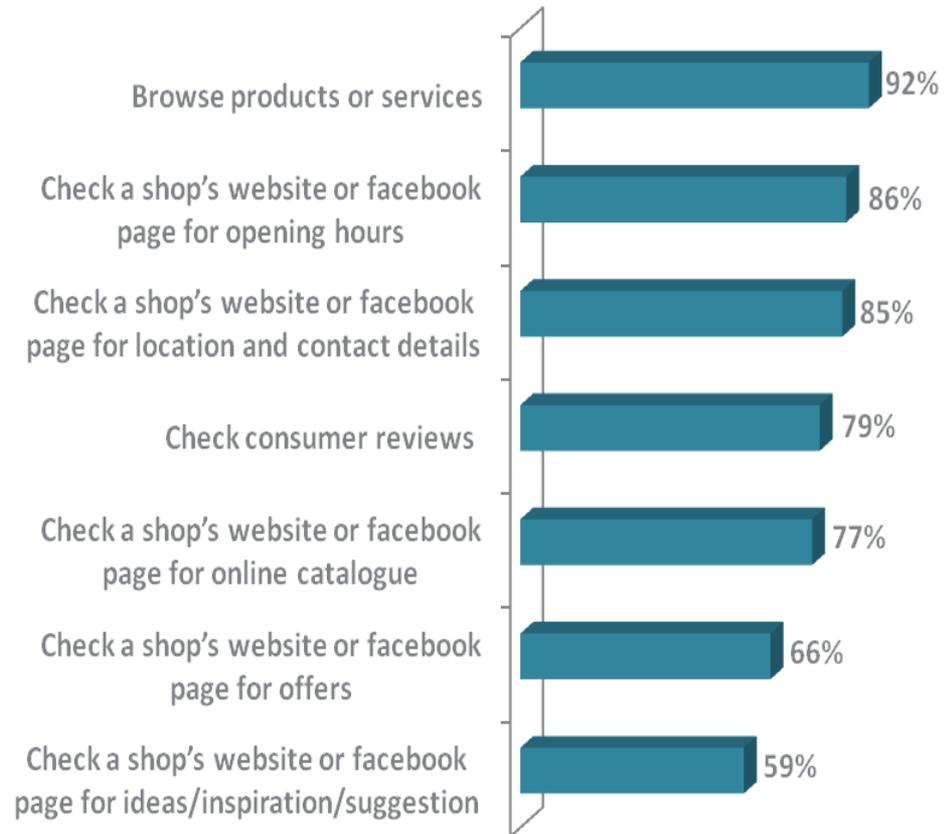
The Internet as the Main Research Channel for Consumers (Digital & non-Digital shoppers)

Carrying out a general search on the internet before making a purchase is more or less favoured by all ages. However, the older Baby Boomers prefer to browse for products/services using search engines, rather than accessing a shop's website or Facebook page.

Millenials (81%) and Gen Y (80%) are most likely to look-up consumer reviews, however, they are closely followed by Gen Xers (78%) and the young Baby Boomers (76%).

Baby Boomers are least likely to look for offers on a shop's website or Facebook page, or to check for ideas/inspirations on the internet .

Looking up online catalogues & checking offers online are more popular amongst females (82% & 73% resp.), males (72% & 61% resp.).

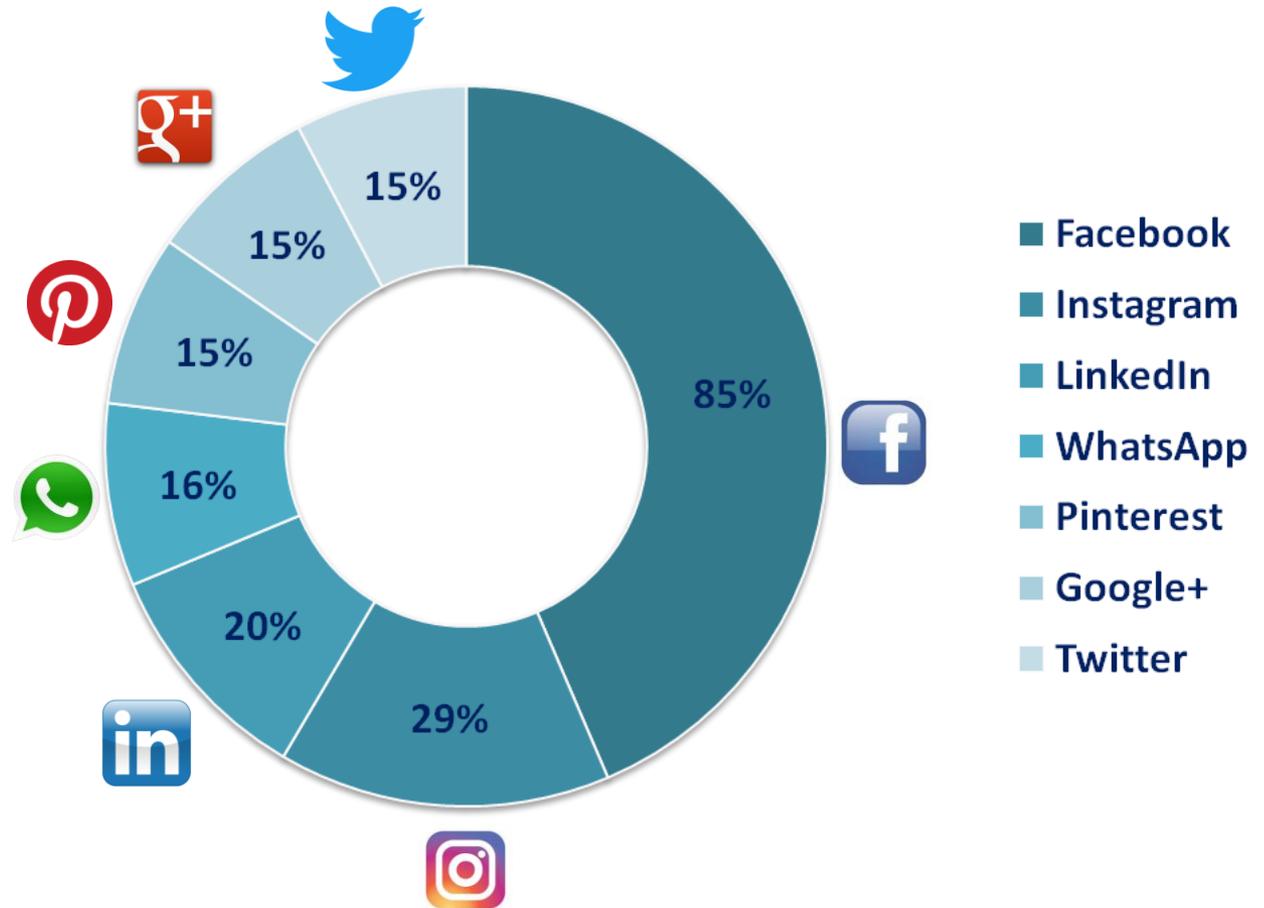


Use of Social Media by Consumers (i)

87% of internet users are **active on social media**.

Facebook is popular with all age cohorts.

The older Baby Boomers are the least likely to use social media.



Use of Social Media by Consumers (ii)

Consumers carry out a number of activities during their shopping journey.

The most popular activity is following favourite brands/retailers on social media, and is mostly carried out by Millennials and females.

Another popular activity is researching about a brand/retailer, including reading reviews & expert recommendations, which is mostly favoured by females than males (69% vs. 53%). Around three quarters of Millennials also engage in such an activity.

To like or share a brand/retailer is an activity practised more by females than males (62% vs. 50%). The least likely to engage in such an activity are the older Baby Boomers.

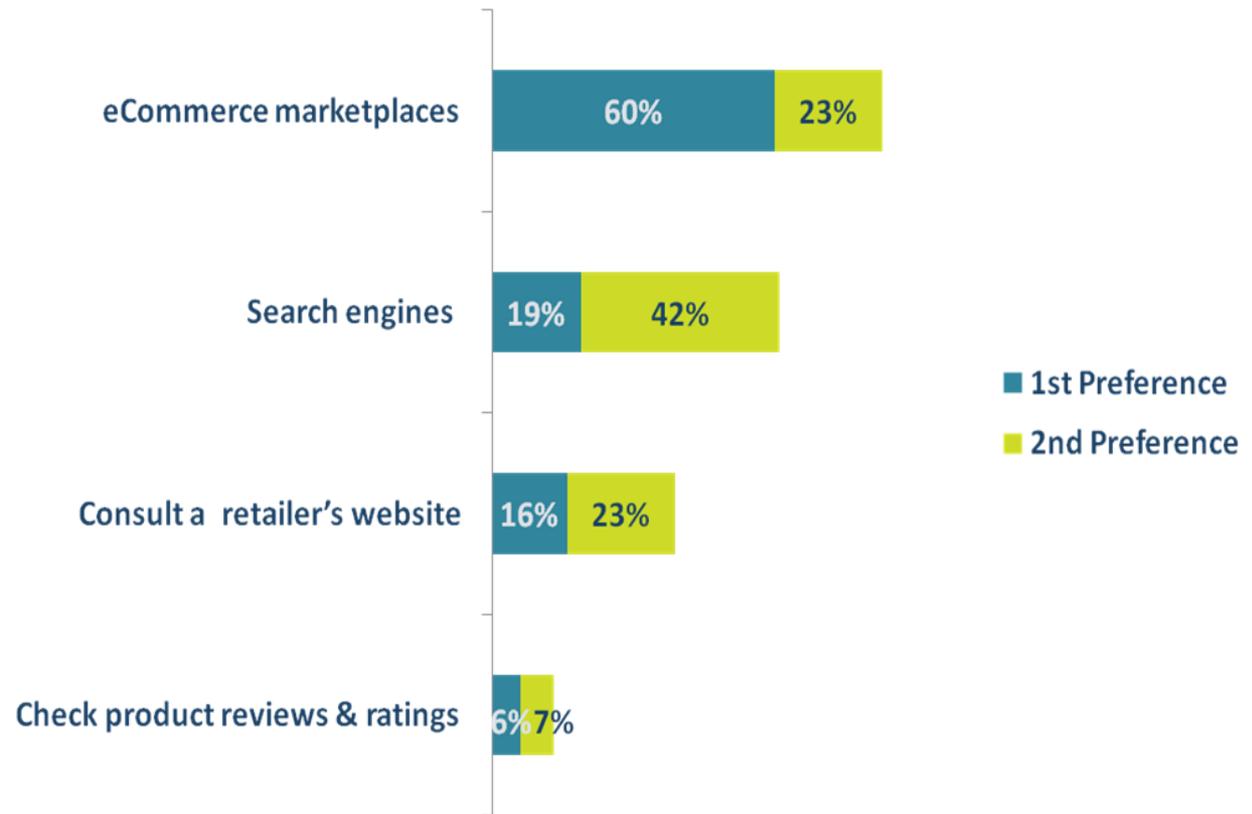


Research Channels Used by Digital Buyers

More than half of the digital buyers initiate their purchasing process by resorting to online marketplaces, followed by 19% who prefer search engines, for looking up products & comparing prices.

Only 16% will directly access a retailer's online shop during the initial stages of the purchasing process.

The older Baby Boomers are the ones most likely to prefer online marketplaces to search engines.



Factors Influencing Digital Buyers' Choice of Online Shop

Pricing is a key factor for digital buyers when selecting an online store, and this is evident across all age cohorts.

Ratings & reviews are most popular amongst the Gen Y (60%) & Gen X (58%). Millennials are less likely to engage in this activity at 47%.

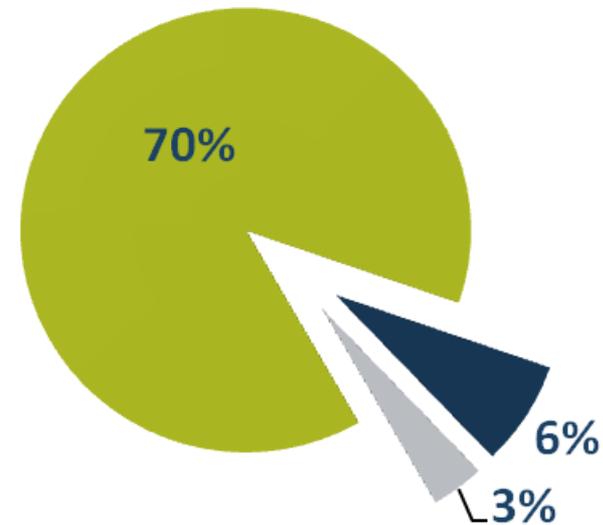
Gen Y is the most attentive to discounts at 13%, whilst the old Baby Boomers are the ones least affected by low or free shipping.



Frequency of Purchases by Digital Buyers (i)

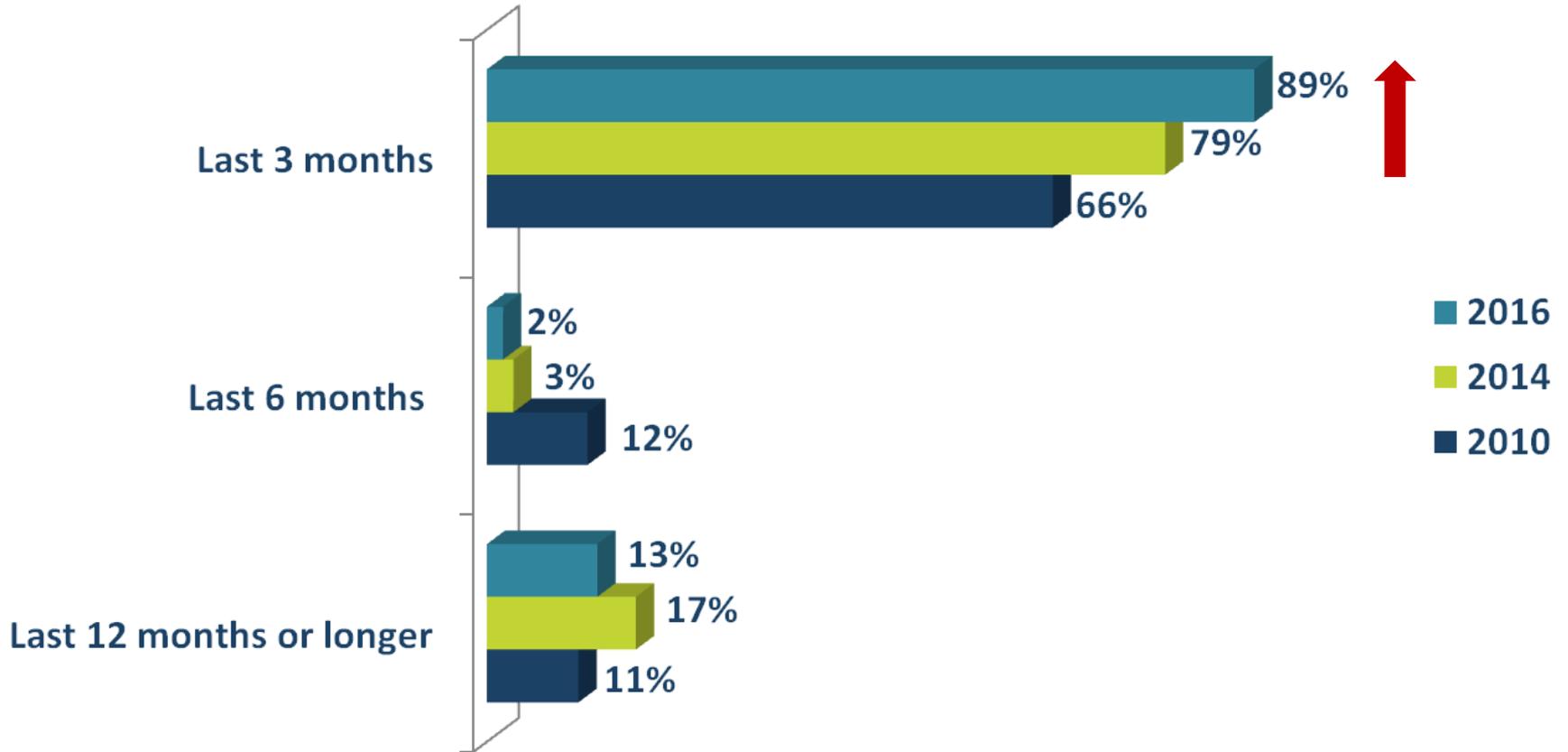
Digital buyers who bought online during the 3 months prior to the survey, by age:

- 89% of Millennials
- 72% of Gen Y
- 63% of Gen X
- 55% of Baby Boomers 1
- 42% of Baby Boomers 2



■ Last 3 months ■ Last 6 months ■ Last 12 months

Frequency of Purchases by Digital Buyers (ii)

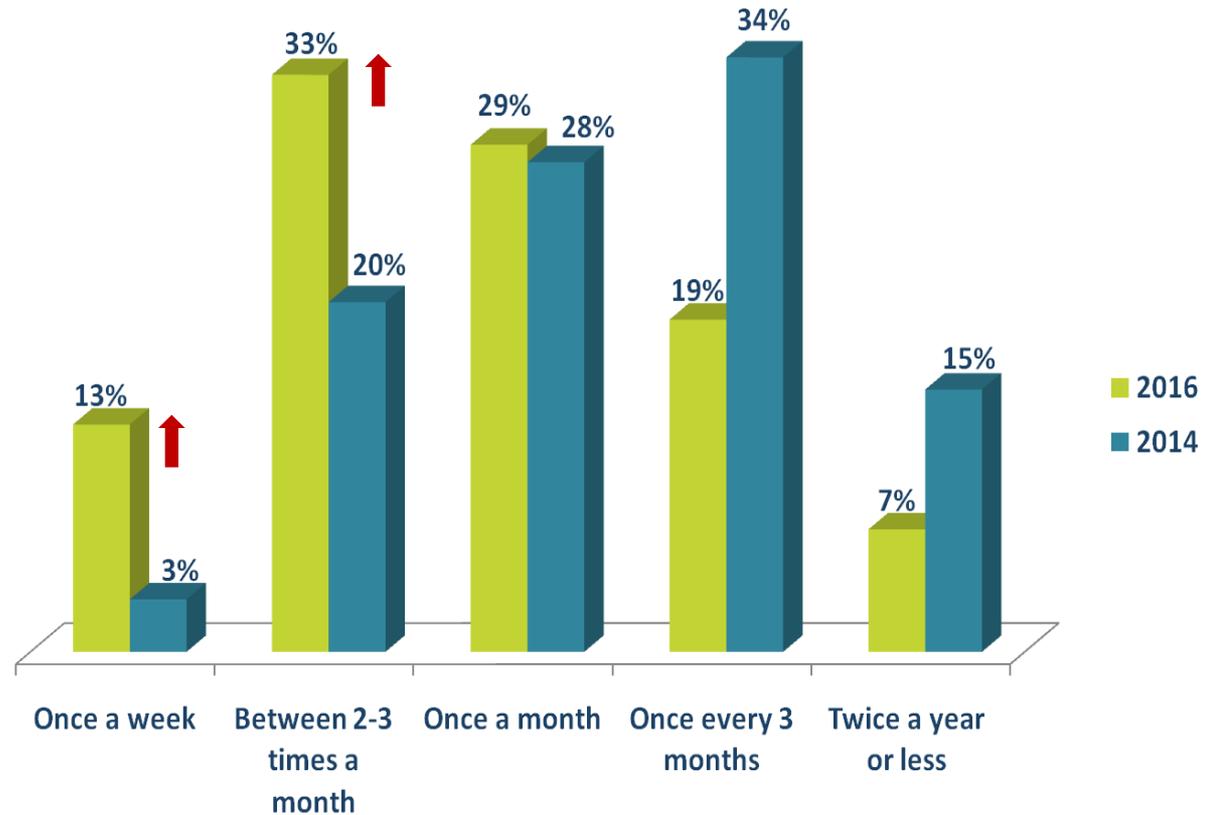


Frequency of Purchases by Digital Buyers (iii)

The digital buyers that mostly buy on a weekly basis are the Gen Y, closely followed by the older Baby Boomers.

41% of Millennials buy online more than once a month. This is also carried out by 38% of males, whilst 31% of females buy once a month.

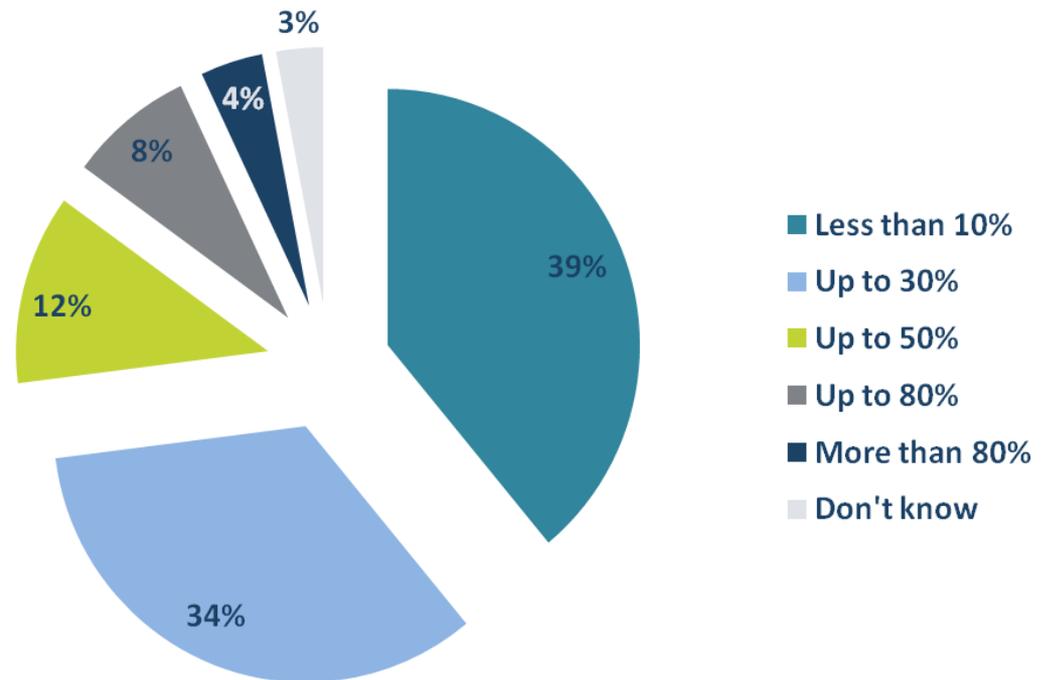
A third of the older Baby Boomers opt to purchase once every three months.



Share of Online Shopping of Frequent Digital Buyers

74% of digital buyers are frequent buyers, as they purchase online at least once a month.

54% of the older Baby Boomers carry out up to 30% of their purchases over the internet whilst 14% of the Millennials & Gen X conclude up to half of their purchasing needs online.



Devices used by Digital Buyers to Make a Purchase

80% of eCommerce users prefer to conclude their online purchases using a desktop or laptop computer. Whilst this is evident across all ages, it is especially true for the older Baby Boomers at 93% and the Millennials at 85%.

It is interesting to note that 57% of those that provided a second option, complete purchases on smartphones in the absence of a desktop/laptop and this is especially claimed by 66% of Millennials that use a secondary device.

Another 31% of those using a secondary device, use tablets in the absence of a desktop/laptop. The digital shoppers most likely to do so are the older Baby Boomers.

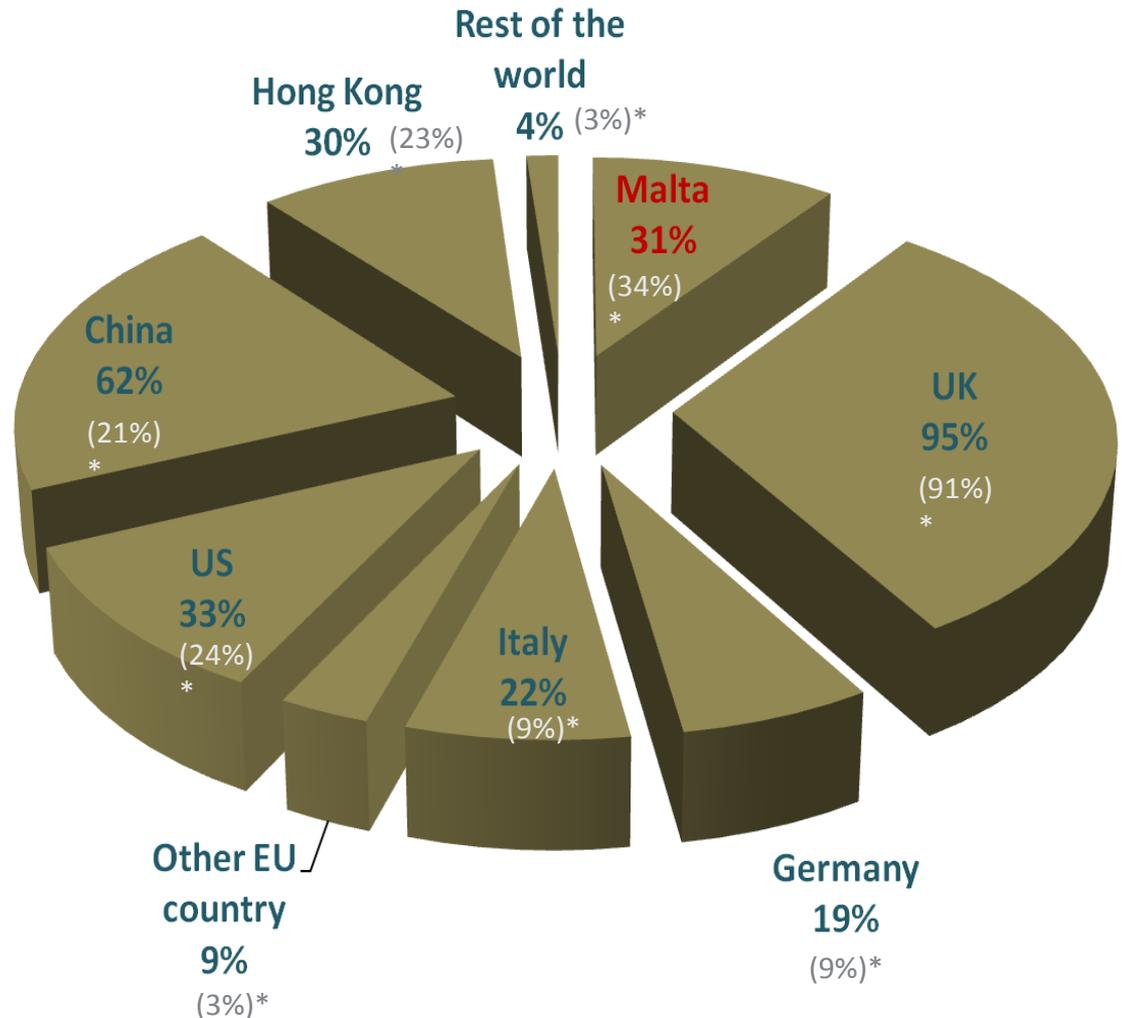


Countries Digital Buyers Purchase From

The digital shoppers most likely to buy locally, are the Gen Y & Gen X at 38% and 36% respectively, whilst the Baby Boomers are the least likely to buy from websites in Malta.

The country most popular with all digital shoppers is the UK, followed by China .

Germany seems to be significantly more popular with males than females at 25% & 14% resp. Other digital shoppers most likely to buy from this country are the Gen Y and the older Baby Boomers, at 30% and 22% resp.

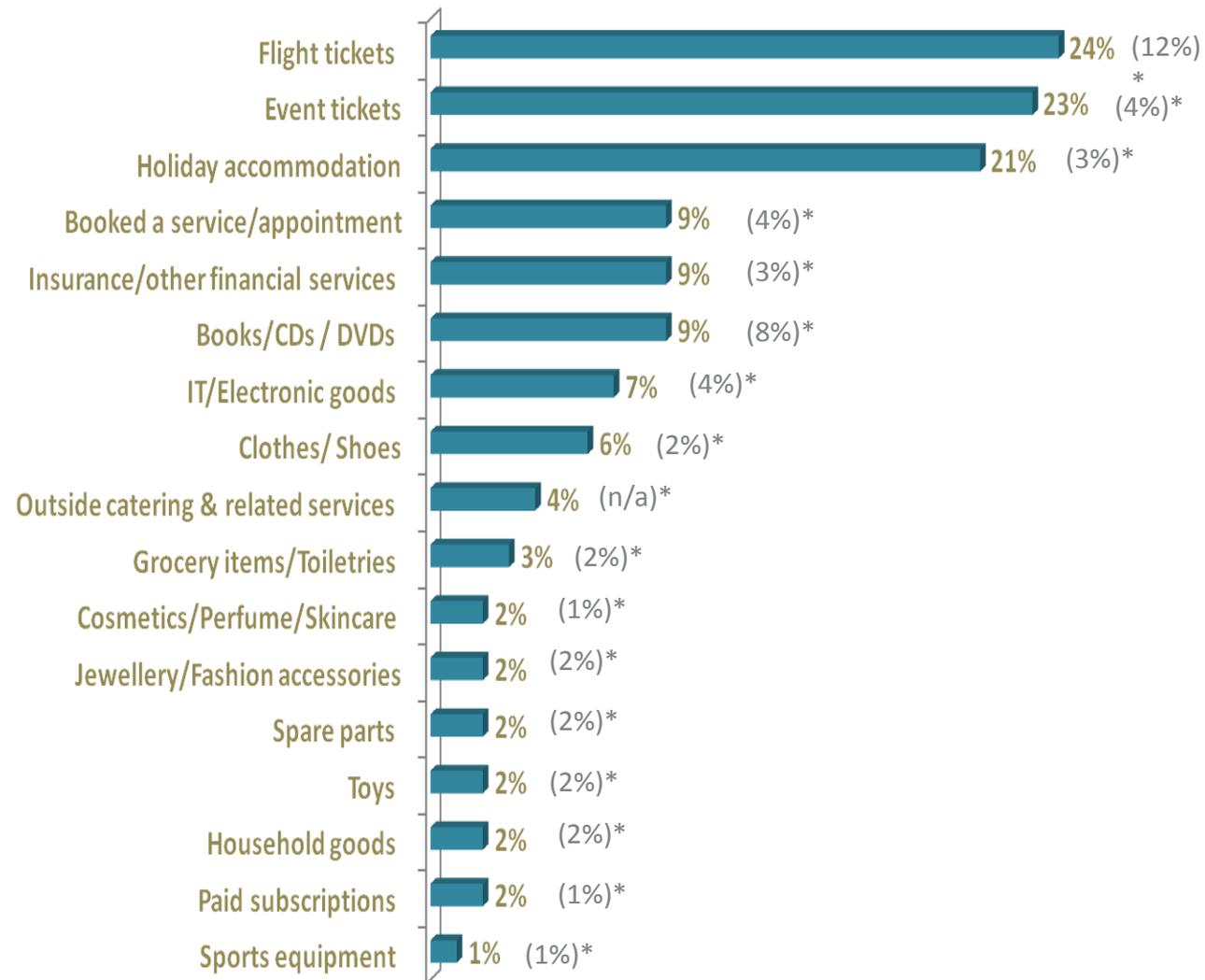


*(2014)

Products/Services Bought Online from Local Websites

The digital buyers most active in the local scene are the Gen X - mostly purchasing flight tickets (32%), event tickets (25%) and holiday accommodation (24%).

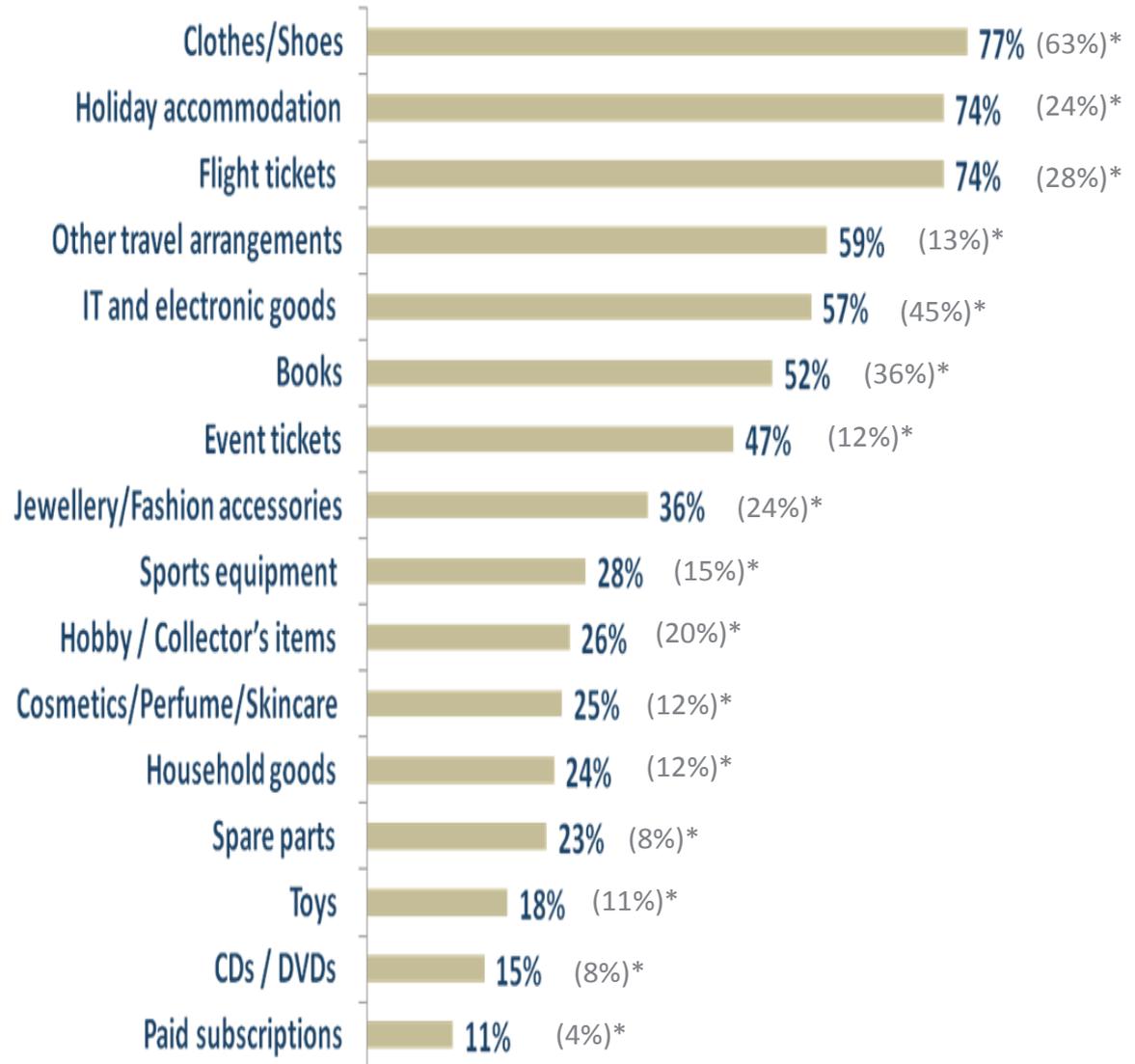
Besides, males tend to buy from local sites more than females.



Products/Services Bought Online from Foreign Websites

The digital shoppers most likely to buy clothes/shoes online are the Millennials at 90%, followed by the Gen X & Gen Y, at 79% & 76% resp. This is also more prevalent amongst females than males (83% vs. 71%).

Holiday accommodation, flight tickets, IT & electronic goods, hobby items, sports equipment, other travel arrangements, spare parts and paid subscriptions to online content, are purchased more by males than females. On the other hand, females favour items such as books, jewellery & accessories, cosmetics/skincare and toys.



*(2014)

Reasons For Not Buying From Local Websites

The main reason for not buying online from local websites is, more or less, equally upheld by all age cohorts.

The idea that better deals are found on foreign websites is mostly perceived by Gen Y (45%), whilst 35% of Millennials feel that the lack of choice drives them towards foreign sites.

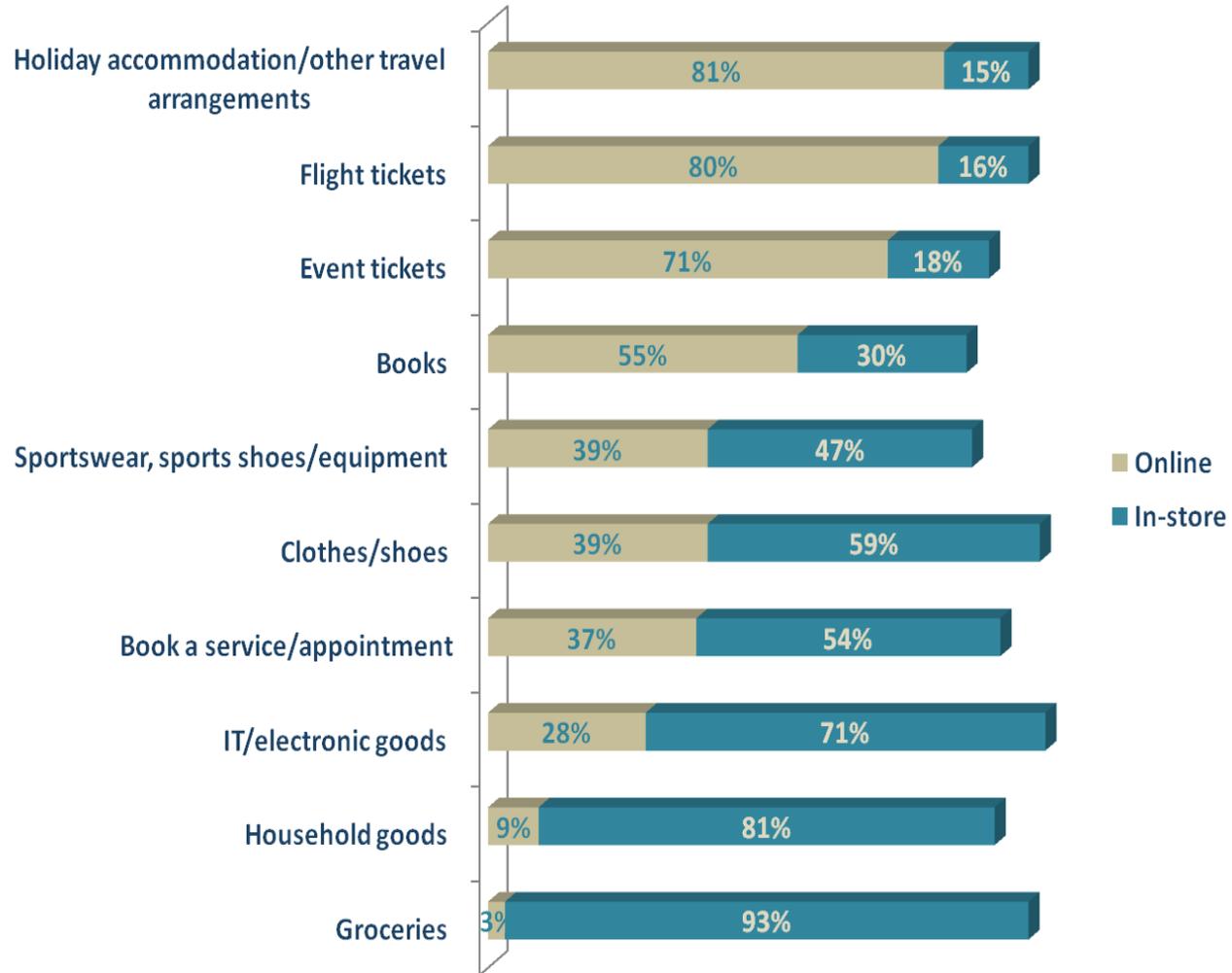


Preferred Shopping Channel digital vs. in-store buying

The preferred channel for the majority of digital buyers for purchasing holiday-related products and event tickets is, without doubt, online, and this is, more or less, reflected across all age cohorts, especially the younger generations.

Notwithstanding, more than half of digital shoppers prefer to purchase books over the internet and this is essentially upheld by all age cohorts.

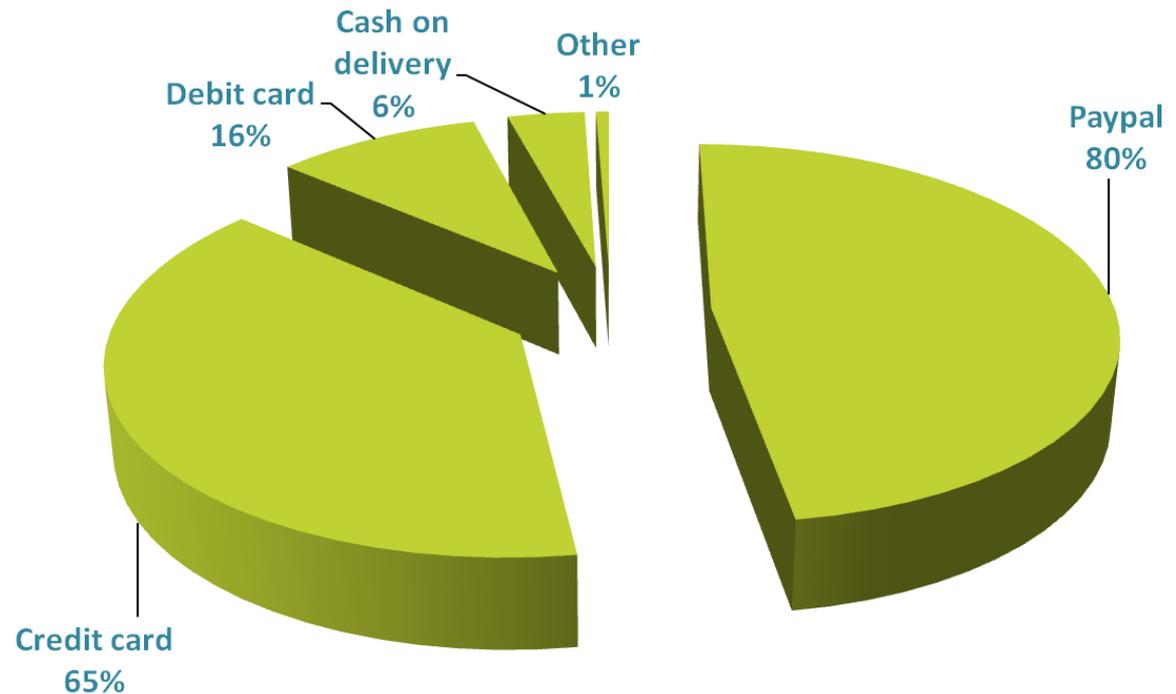
Whilst males tend to prefer using the internet for their holiday arrangements more than females, the latter are more inclined than males at buying books online. With event tickets, there is no distinction between genders.



Preferred Method of Payment by Digital Buyers

The older Baby Boomers is the age cohort less inclined to use Paypal or credit cards than the younger generations. Nevertheless, almost two thirds of these Baby Boomers do use Paypal whilst slightly more than half also use credit cards.

Gen Y and Millenials are the age cohorts that tend to opt for Paypal, whilst the younger Baby Boomers are the ones more likely to use a credit card when completing a purchase over the internet.

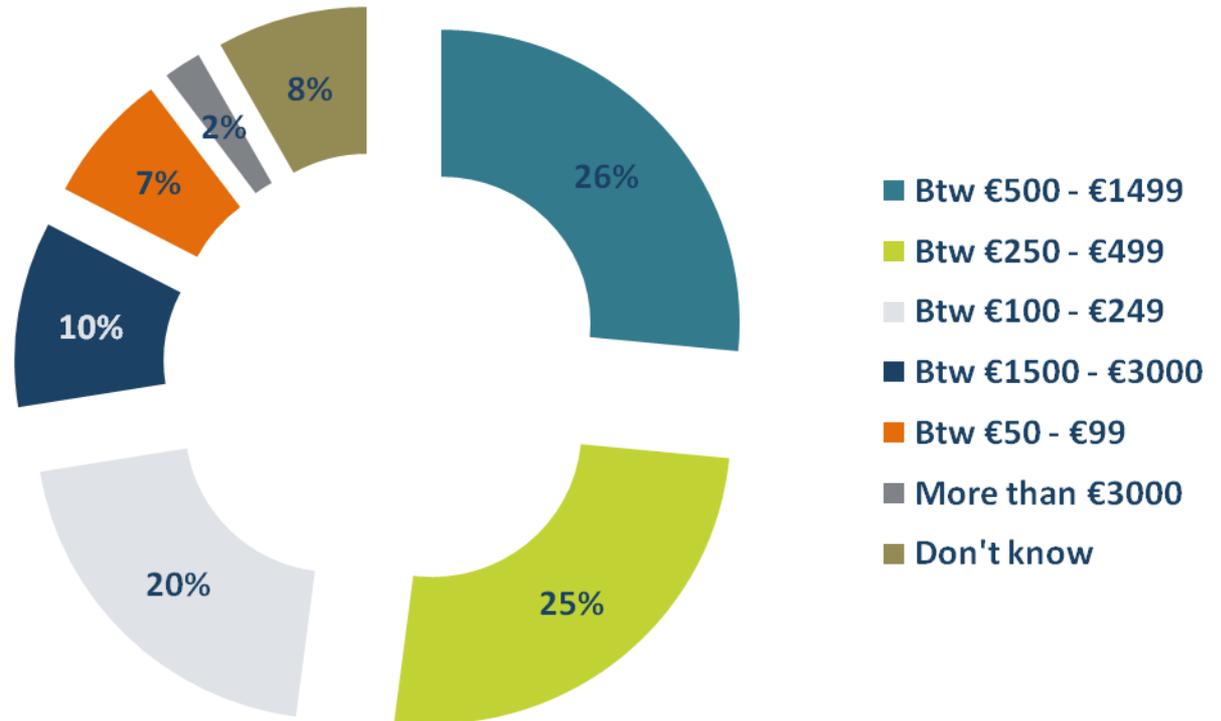


Amount Spent by Digital Buyers in a Year

16% of Gen Y claim to spend between €1500 and €3000 in a year with another 3% claiming to spend more than €3000 yearly.

28% of Millennials claim to spend between €500 and €1499. in a year.

The digital shoppers that mostly avoid spending more than €1500 within a given year, are the older Baby Boomers.



Use of Social Media by Consumers After Purchase

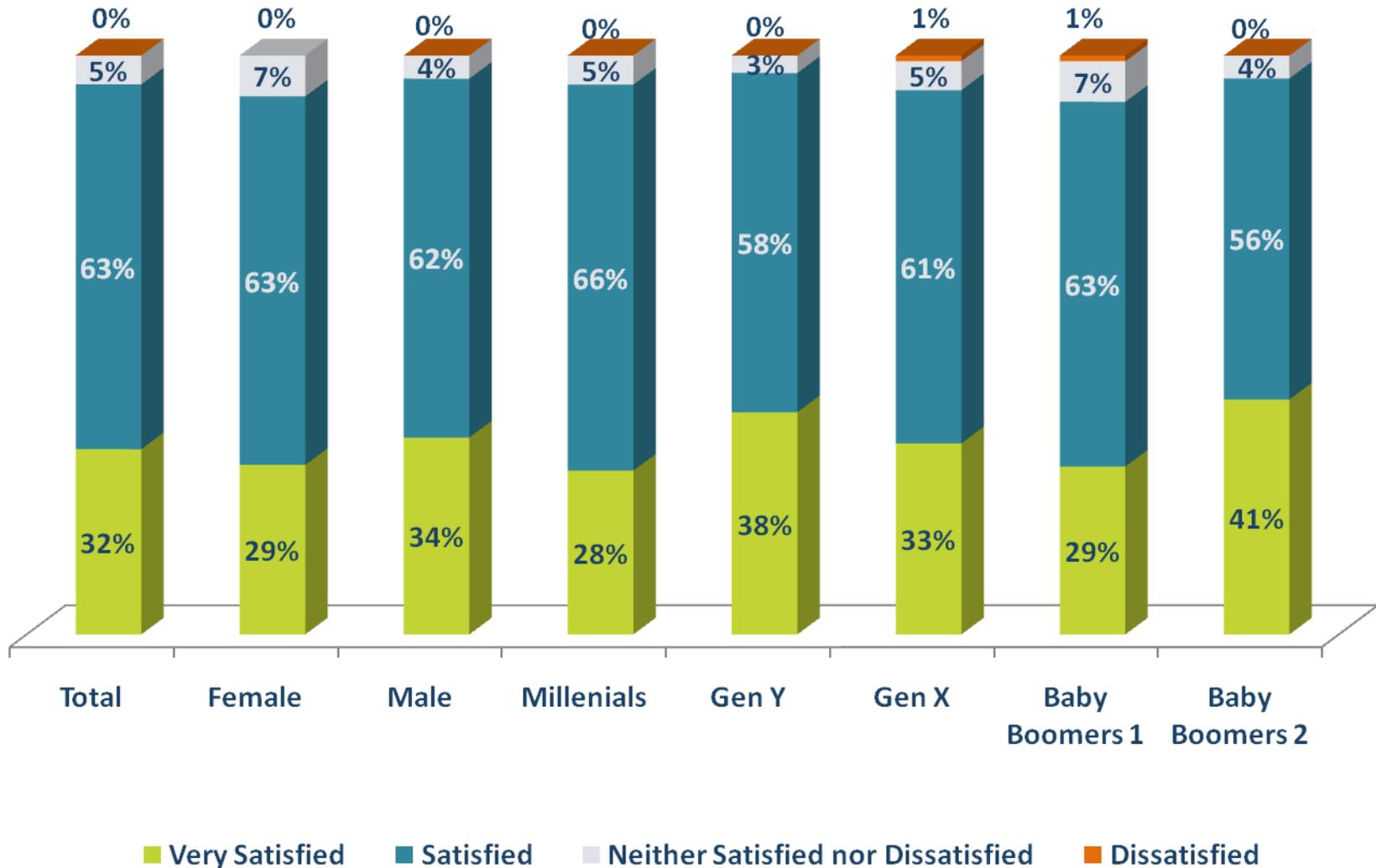
31%

Write positive or negative comments about their experience with a product/brand

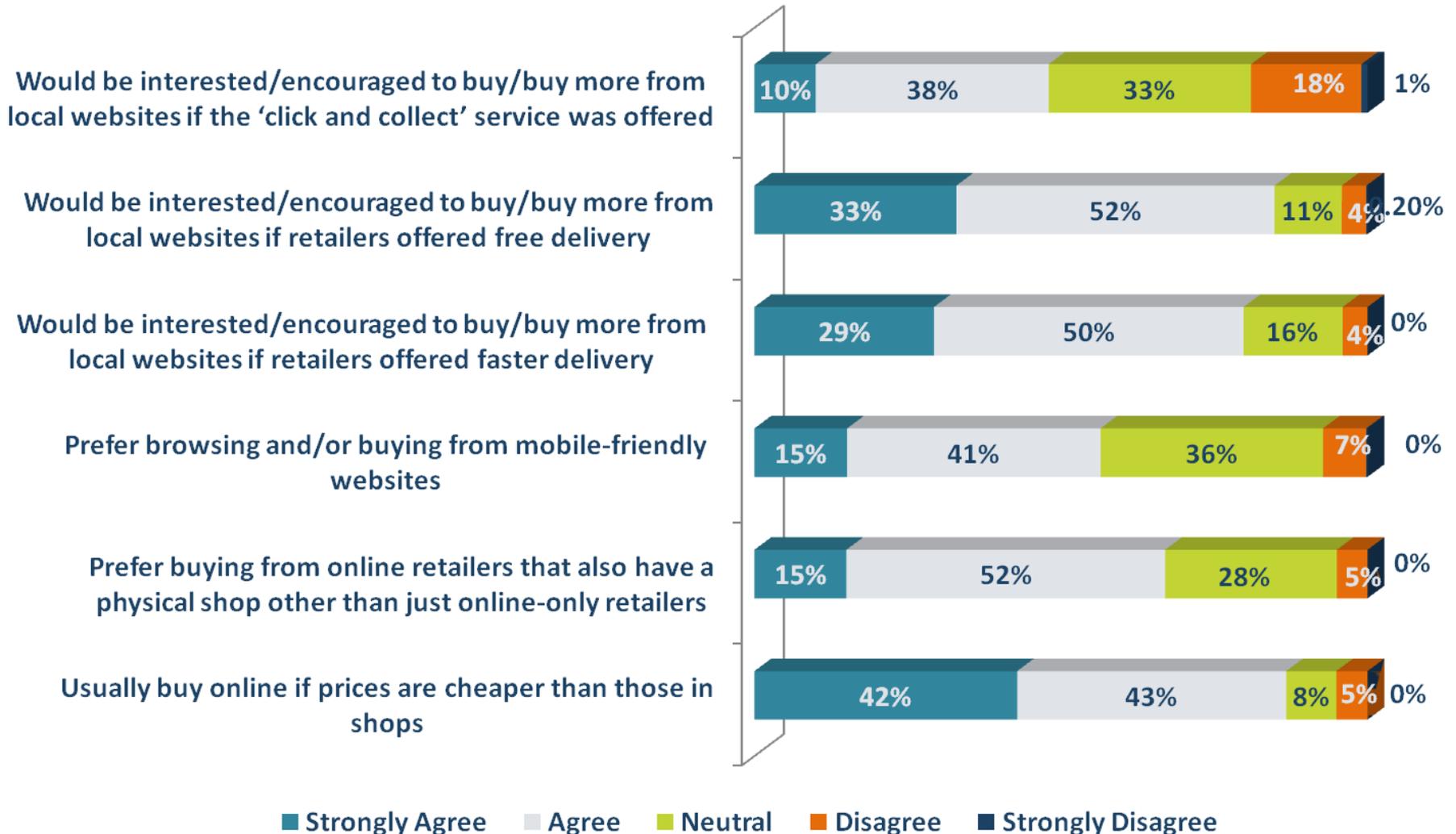
Mostly carried out by Gen X whilst it is least undertaken by the older Baby Boomers.



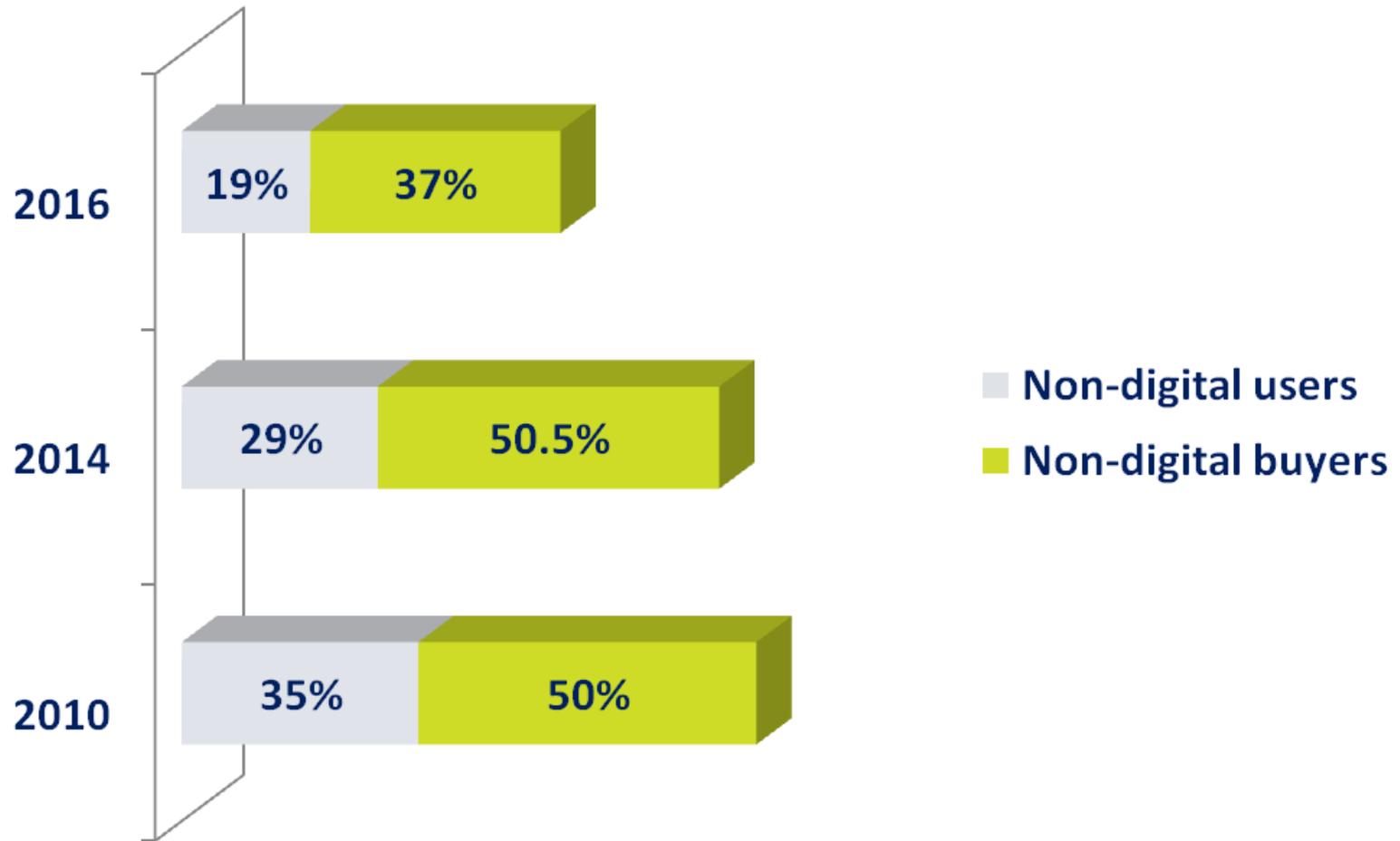
Satisfaction with Online Shopping



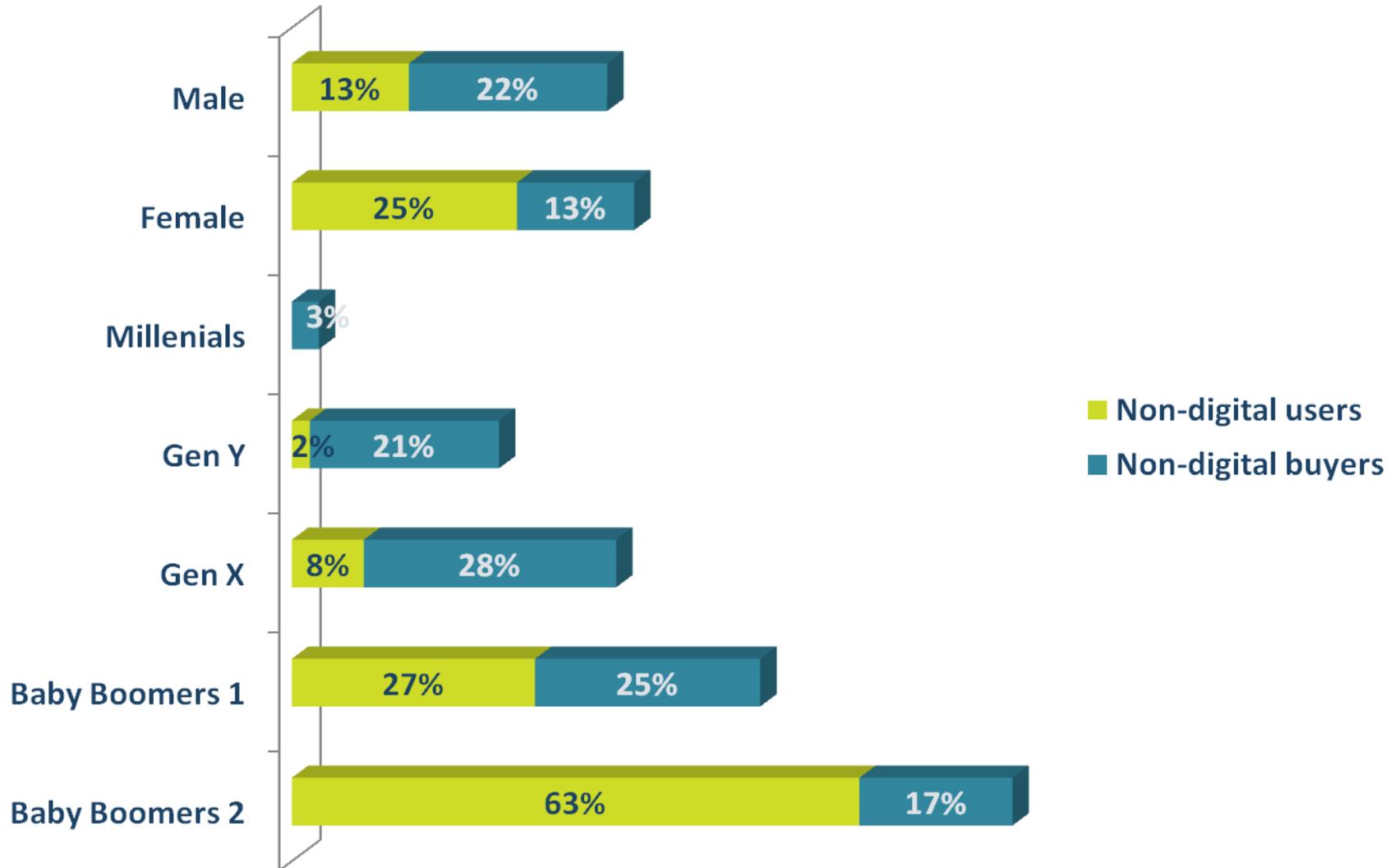
Perceptions about Online Shopping



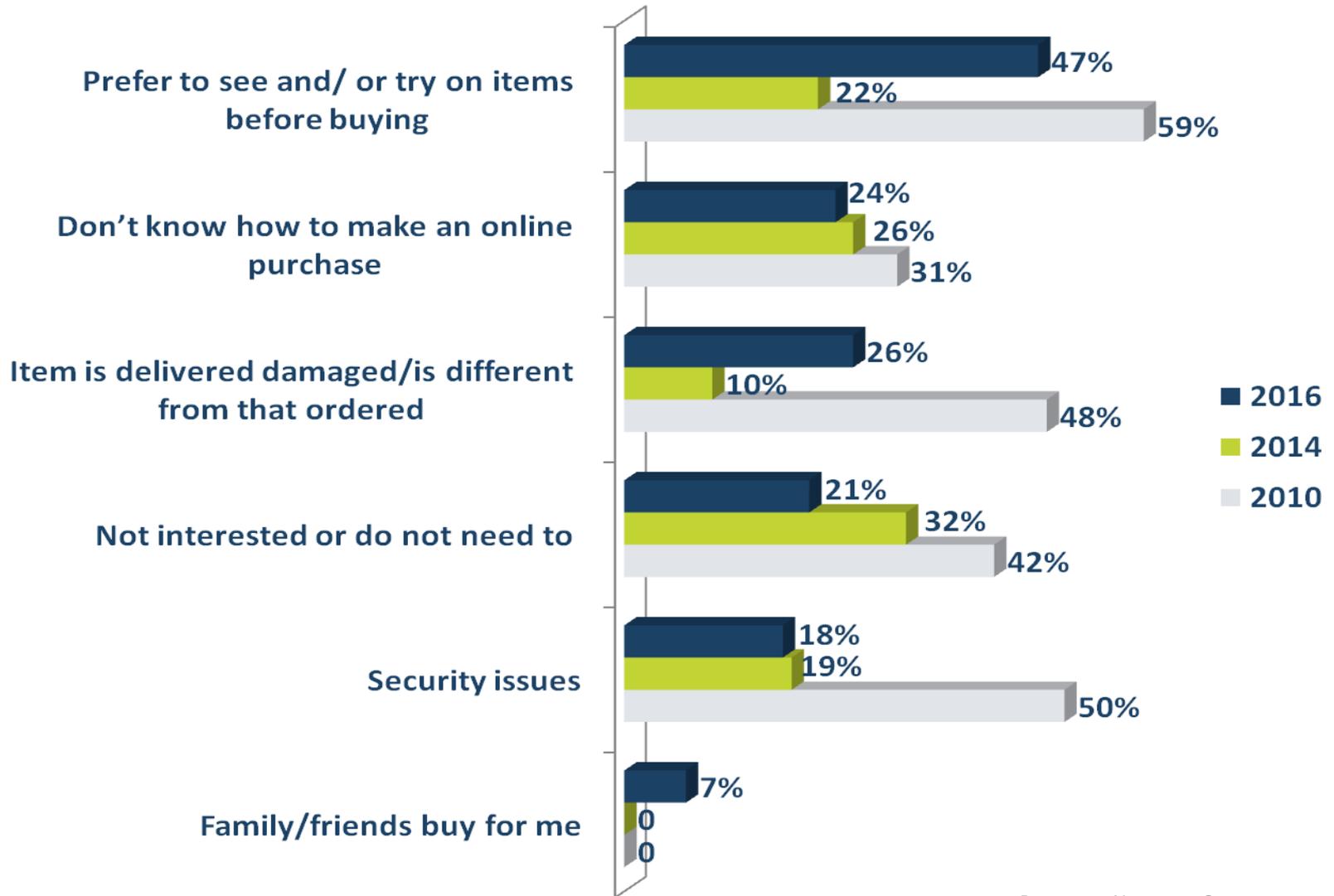
Non-internet & non-eCommerce Use



Non-internet & non-eCommerce Use



Reasons for Not Buying Online



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