



The Emergence of the Hybrid Shopper in a Post-Pandemic Retail World



The New “Normal” in Retail Shopping

In 2020, COVID-19 shut the world down, shifting entire industries in unimaginable ways. As everyone was pushed inside, demand for hybrid options including work and school schedules and online appointments increased. The retail industry was no different, with retailers forced to adapt and offer a variety of options in order to meet the changing demands and expectations of consumers.

During a time when consumers were uneasy about shopping in stores and turned more to online options, retailers increased their omnichannel investments in the digital space. Safety and convenience were top priorities that led retailers to invest in their apps, ensure reliable web ordering, and expand support for alternative shopping options. Buy Online, Pickup In-Store (BOPIS), curbside pickup, and same-day delivery companies like Instacart, Shipt, and Doordash became more popular and further accelerated the shift to omnichannel service offerings.

Consumers have grown used to the optionality, testing these alternative choices to meet their various needs, resulting in the creation of the Hybrid Shopper.

As the pandemic subsides, the focus is now on a diversified shopping experience where brands need to be ready to serve and fulfill consumers’ needs on every channel, meeting the demands of Hybrid Shoppers.

Consumer confidence and comfort with in-store shopping is increasing—**63% of shoppers say fear of COVID-19 doesn’t impact their willingness to shop in-stores**—but now, new challenges have emerged. Despite shoppers’ willingness to return to in-store shopping, supply chain issues have led to out-of-stock inventory and shipping delays, while inflation has pushed consumers to change their shopping behaviors, providing additional challenges to brands and retailers.

Radial commissioned a survey in March 2022 of 1,000 U.S. respondents to understand consumer sentiment as the pandemic eases, obtain insight into evolving behaviors and expectations from 2020, and gauge consumer reactions and impact on purchasing decisions.



The Hybrid Shopper

Who is the Hybrid Shopper?

The Hybrid Shopper seeks out convenience, flexibility, price, and speed of delivery when making purchases, utilizing omnichannel fulfillment options. This shopper is also more willing to try new brands or products due to out-of-stocks or extended delivery timelines, creating new challenges in customer loyalty for brands. The emergence of the Hybrid Shopper has eliminated any previous one-size-fits-all shopping profiles for brands.



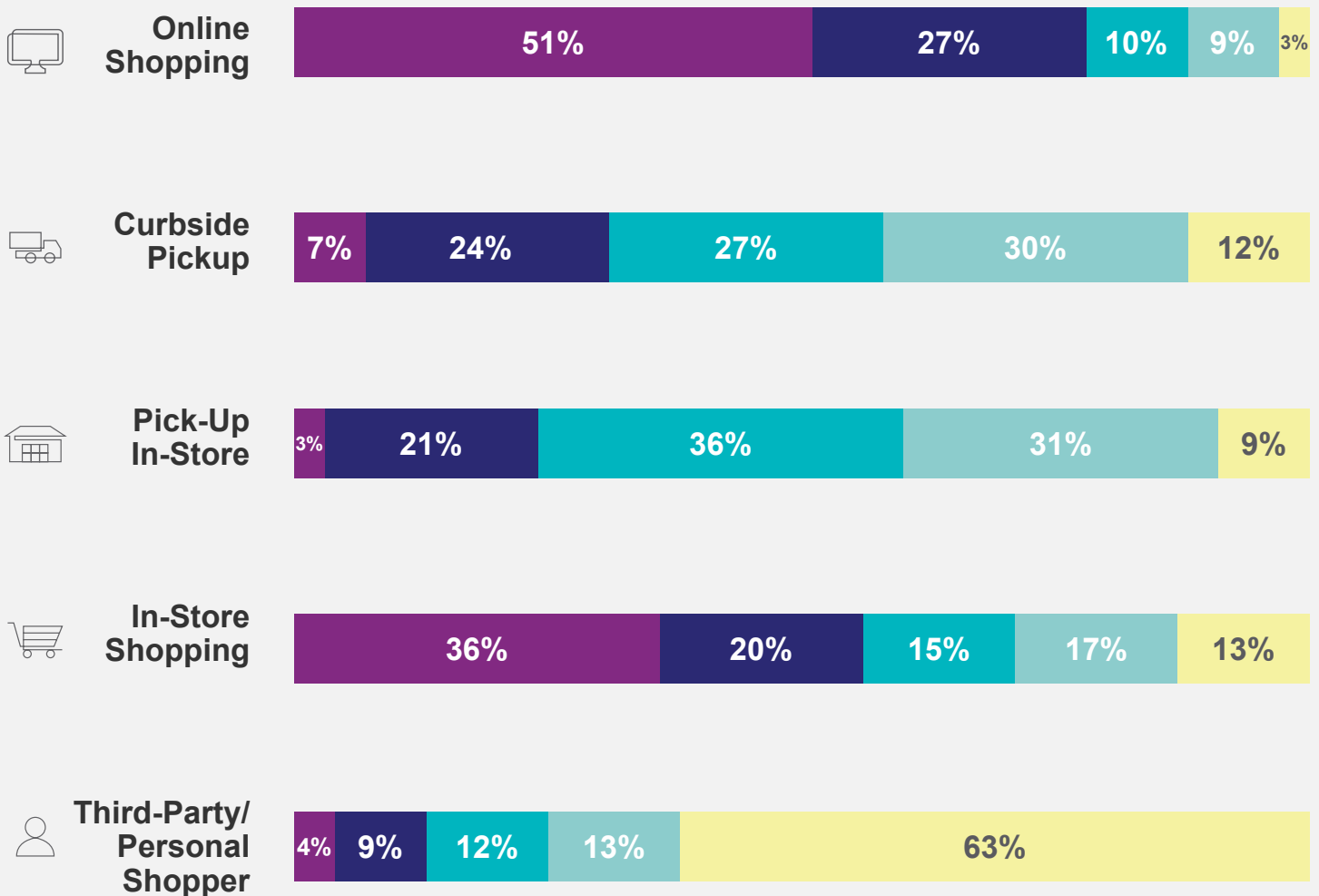
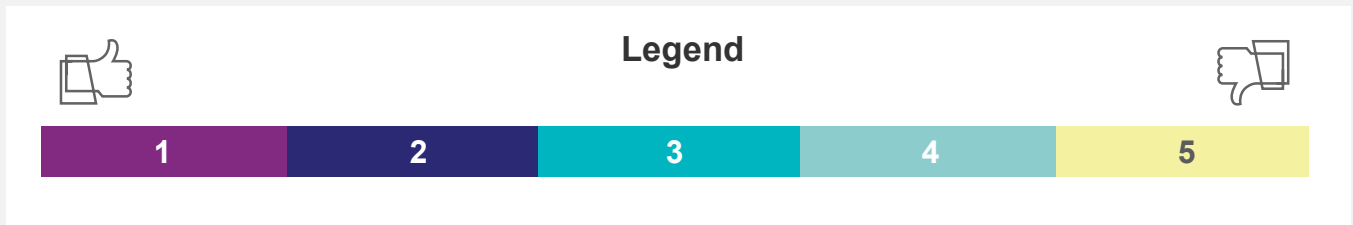
More than half (54%) of Americans shop more online today than in 2020, showing that adapted behaviors during the pandemic are becoming routine. Moreover, as a result of the last two years, consumers are now shopping across multiple channels at once.

The survey showed a variety of preferences for how consumers shop today. While 51% of consumers prefer online shopping, reaffirming the importance for brands' investments in eCommerce operations, brick-and-mortar shopping is still alive with 36% of consumers choosing in-store shopping as their first preference.

The profile of the Hybrid Shopper becomes even clearer when analyzing additional fulfillment options. While options like BOPIS and curbside pickup have been around for some time, they're increasingly becoming a favorite among consumers. When looking at other fulfillment channels, curbside pickup (24%), pickup in-store (21%), and in-store shopping (20%) were cited as the second-most preferred fulfillment option. This shows how blended the experience has become for shoppers and proves that as brands continue to invest in omnichannel, the popularity amongst these options also increases. It's better to provide more options for consumers, especially as they adopt more hybrid shopping tactics.

Consumers Rank their Shopping Preferences

Consumers ranked their types of shopping preferences from one to five with **one being the most preferred** shopping experience and **five being the least preferred**.



When looking at the evolved behaviors of today's consumers, the differences among generations tell an interesting story. The generational divide continues even in the retail space with Generation X (ages 42-57) and millennials (ages 26-41) shopping online more now compared to pre-pandemic times—50% of Generation X consumers and 61% of millennial consumers. Surprisingly, although known for being one of the most adaptive generations, 24% of Generation Z (ages 18-25) consumers shop online less now than in 2020, showing the importance for brands to have a diversified approach when targeting different demographics.

Continuing the comparison among generations, results show millennials are the most active online shoppers as 19% shop daily and 44% shop several times per week. Unsurprisingly, baby boomers utilize online shopping the least with 49% of consumers aged 58-76 shopping online just once per month.

Compared to pre-pandemic times...



61% Millennials

50% Generation X

Shop **more** online

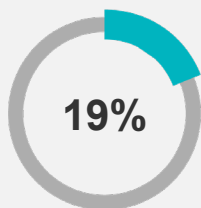


24% Generation Z

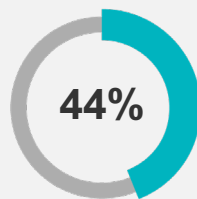
Shop **less** online

It is important for brands to have a diversified approach when targeting different demographics.

Millennials are the most active online shoppers.

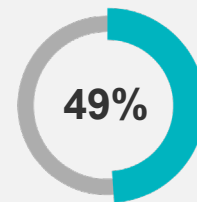


Shop daily



Shop several times per week

Baby boomers are the least active online shoppers.



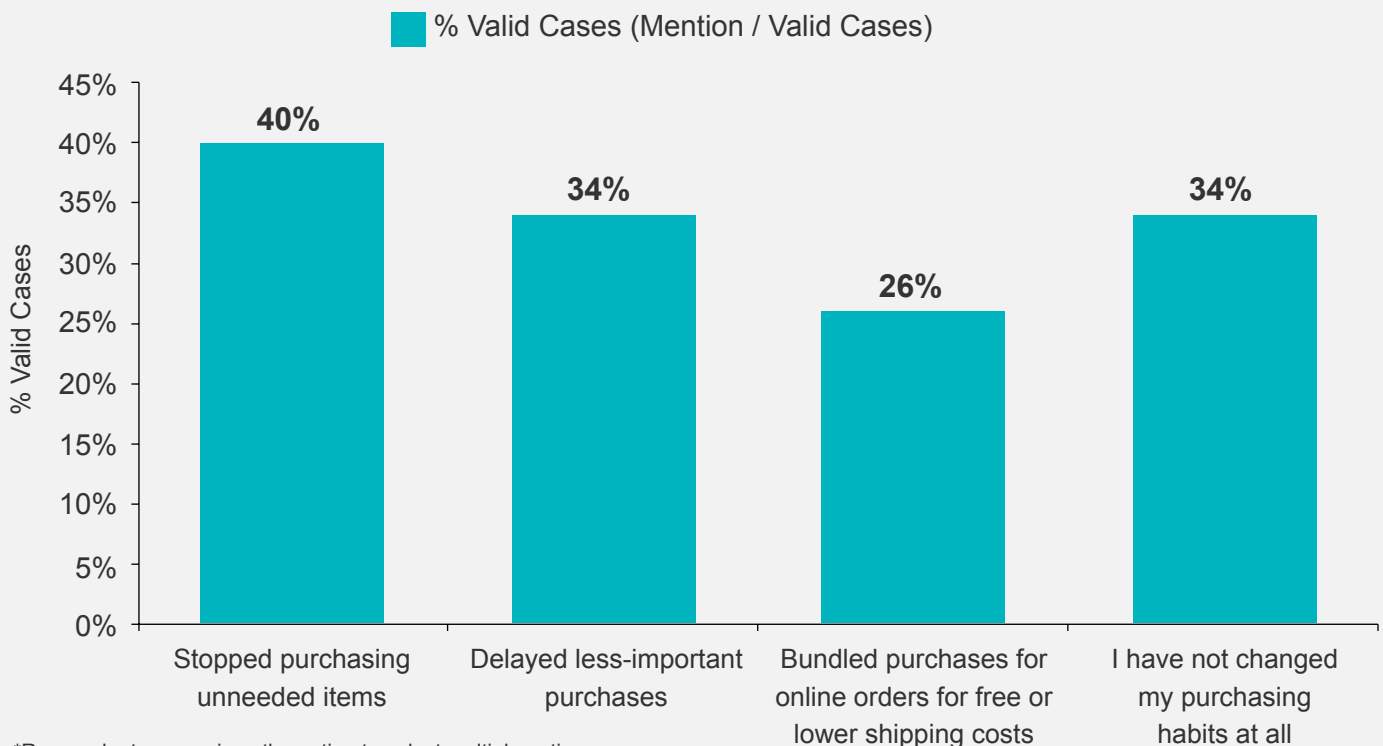
Once per month

Impact of Inflation

Despite the largest increase in inflation since 1981, retail sales are maintaining an upward trend month-to-month. Although inflation influences purchasing decisions across a wide range of retail verticals, consumers are still eager to spend, finding workarounds in order to cut costs.

Survey findings highlight that 40% of consumers stopped purchasing unnecessary items. About one-third (34%) delayed less-important purchases, and 26% noted that they bundled purchases for online orders to decrease fees or shipping costs. Consumers are undoubtedly being mindful of how they spend their money.

As a result of recent inflation and supply chain delays, what changes have you made in your purchasing habits?



*Respondents were given the option to select multiple options

When taking a closer look at the data, consumers with a gross income of \$50K - \$74,999K per year were most likely to change their purchasing habits in some form or another compared to other salary brackets. While consumers in higher income brackets have yet to exercise caution when spending, consumers who made less than \$25K per year were the third least likely to change current spending habits. This could signify that lower-income brackets never adjusted their spending habits from the start of the pandemic.

Despite consumer willingness to adjust spending, the survey indicated that food and beverage as well as health and beauty rank number one and two respectively for consumers' essential expenses. Regardless of income, age, or employment status, consumers prioritized themselves and focused on health and well-being.

Delivery & Service

The past two years were a pivotal turning point for brands and retailers in the acceleration of eCommerce. To meet the insatiable demand for online shopping, brands strove to maintain proper inventory levels, meet reasonable delivery times, and reduce out-of-stocks in order to reduce customer attrition.

“Supply chain and inventory visibility hold the power to shape customer loyalty and expectations, and amid economic volatility, loyalty is supreme, especially as peak season nears. Consumers have felt the impacts from the supply chain constraints and even eased their expectations on fast shipping. Nevertheless, customer demand continues to grow, and it is paramount brands prioritize diversifying and upgrading their supply chains to acquire and retain consumers.”

– Laura Ritchey, VP and COO of Radial, Inc.

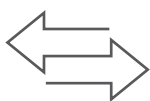
With supply chain constraints and rising inflation, customer loyalty is hanging in the balance. It's critical for brands to prioritize the customer experience at every point in the shopping journey. **Today, longer delivery times and out-of-stock messages are having an impact with 59% of consumers saying they have sought out different brands to receive products faster.**

Taking a closer look at the stats shows that baby boomers are the most brand-loyal with 62% willing to stick to their favorite items despite delays, while millennials (69%) are the most likely to switch brands should their items be out-of-stock or delayed.



62%

of baby boomers are most brand-loyal despite delays



69%


of millennials are least brand-loyal in the case of delays or out-of-stock items


As Generation Z becomes the largest consumer group, they've also become a top focus for companies in terms of customer experience. Generation Z is the most undecided in terms of brand loyalty with 60% willing to switch brands if faced with longer delivery times or out-of-stock items. A study conducted by [SiteCore](#) found that 37% of Generation Z consumers were willing to abandon their cart or write a negative review over a poor digital experience, indicating customer happiness goes beyond expedited shipping times and well-stocked products.


At the same time, pandemic-induced shipping delays have become synonymous with the online shopping experience, and consumers are now used to extended delivery times. Where most had expected 1-2-day shipping timeframes in the past, 50% of Americans surveyed now consider 3-4 days a reasonable timeframe to expect online orders to be delivered.

The data also shows that free shipping is most important, and consumers would sacrifice speed of delivery for it. Only 23% of respondents said they would forego free shipping and pay for next-day shipping to receive products faster.

Further analysis shows that the generations known for their appreciation of instant gratification are willing to spend more to guarantee quicker delivery of their products: Millennials are very likely (40%) to pay more for faster delivery while 41% of Generation Z consumers are likely to upgrade their shipping. Baby boomers are the generation least likely to pay the price for faster delivery with 79% of consumers saying it's not likely.

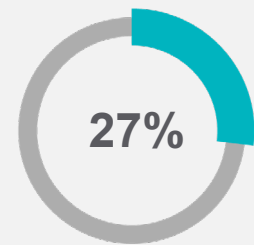
 **40%** of millennials are very likely to pay more for faster delivery

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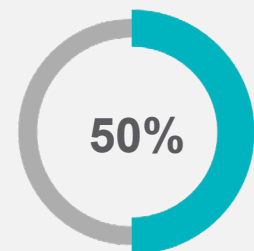
 **79%** of baby boomers are least likely to pay for faster delivery

Consumers View/Expectation on Delivery Timelines

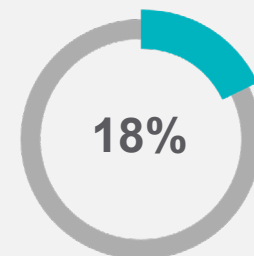
Consumers were asked when they expect to receive their delivery orders.



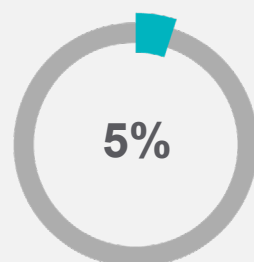
1-2 Days



3-4 Days



5-6 Days



< a Week



Conclusion

Today's Hybrid Shopper is changing the world of retail and compelling brands to adjust how they engage consumers and sell products. Expectations and preferences vary among demographics, requiring brands to be ready and able to fulfill those expectations across multiple channels.

The impact of supply chain constraints and inflation are further shaping what, how, and when consumers buy. Brands must be agile and ready to scale to meet demands, ensure product inventory is on target, and do their best to meet last-mile expectations. Doing this will improve brand loyalty, meet consumers' evolving needs, and provide a truly seamless experience for today's Hybrid Shopper.

About Radial

Radial, Inc., a bpost group company, is the leader in eCommerce solutions. Premier brands around the world confidently partner with Radial to deliver on their brand promises, anticipate and respond to industry disruption, and compete in a rapidly evolving market. Our expansive network of fulfillment centers, flexible transportation services, and advanced omnichannel technologies help clients meet increasing consumer expectations and maintain market competitiveness. With our personal customer care services and intelligent payment and fraud solutions, brands confidently deliver high-value customer experiences required today. We are flexible, scalable, and focused on our clients' business objectives. Learn how we deliver today's retail for you at radial.com and follow us on Twitter [@radialcorp](https://twitter.com/radialcorp).

Methodology

Radial conducted a survey with Dynata in March 2022, targeting 1,000 general U.S.-based consumers over 18 years of age.



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