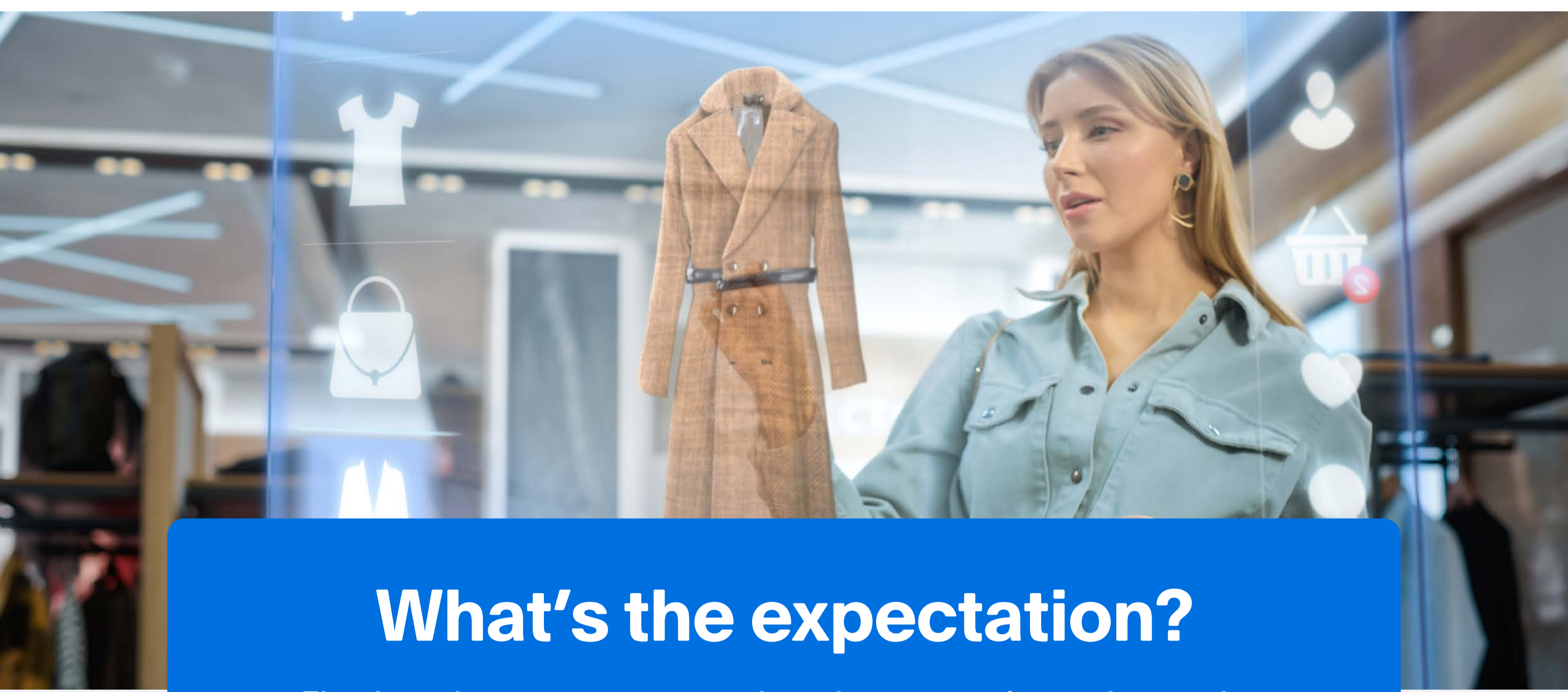


Expectation Economy: The Evolving Consumer

As technology continues to advance, consumer expectations continue to rise. Shoppers are seeking dynamic retail experiences that match their values, budget, and need for convenience.

Enter the expectation economy.



What's the expectation?

That brands put customer needs at the centre of every interaction with the latest offerings in technological advancements.

Every channel can be a shopping channel.

Move over, omnichannel commerce. As brand and product discovery journeys shift, consumers are shopping on an ever-growing range of platforms. From social e-commerce to the metaverse, distinctions between channels are blurring.

39%

of Europeans are interested in shopping in virtual spaces, like the metaverse or streaming platforms.¹

In action:

TV streaming platform Roku partnered with Shopify to allow direct in-app purchases from TV screens. When an ad from a Shopify merchant appears, viewers can easily select to learn more and make their purchase, allowing conversions to happen with ease.²

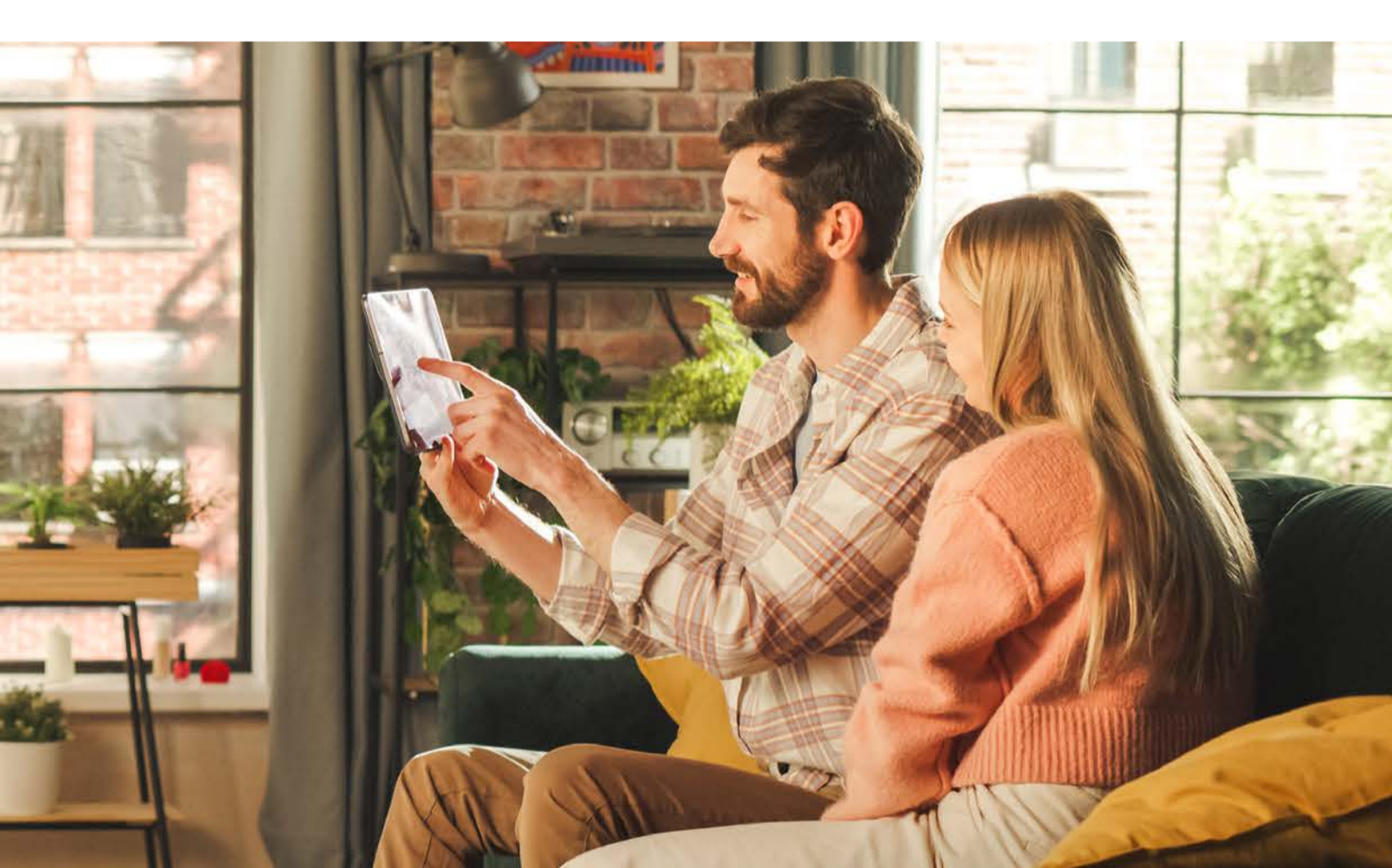


AR/VR retail experiences are capturing attention.

Familiarity with augmented and virtual reality technologies is on the rise with people recognising the value they add to their retail experience. Virtual try-ons, self-service, and product discovery are just some of the AR/VR applications growing in demand.

79%

are interested in using AR to interact with a product before buying.³



In action:

Acknowledging the shift towards enhanced online shopping experiences, IKEA launched IKEA Kreativ, allowing shoppers to create 3D replicas of their own spaces to see how the brand's furnishings gel with their current décor.⁴

Sustainability made simple.

Sustainability is rightly on the minds of many, but the high cost of ethical products and lack of eco-incentives are roadblocks to significant behaviour change. Businesses can encourage sustainability by making such options more affordable and accessible to consumers.

Nearly 50%

of people around the world believe their actions contribute to the exacerbation of climate change.⁵

In action:

Carrefour became the first French retailer to be awarded the national 'anti-food waste' label for its Montesson hypermarket. The award recognises the retailer's commitment towards eliminating food waste which includes anti-waste areas where products are sold at a discount of 30 to 50%.⁶

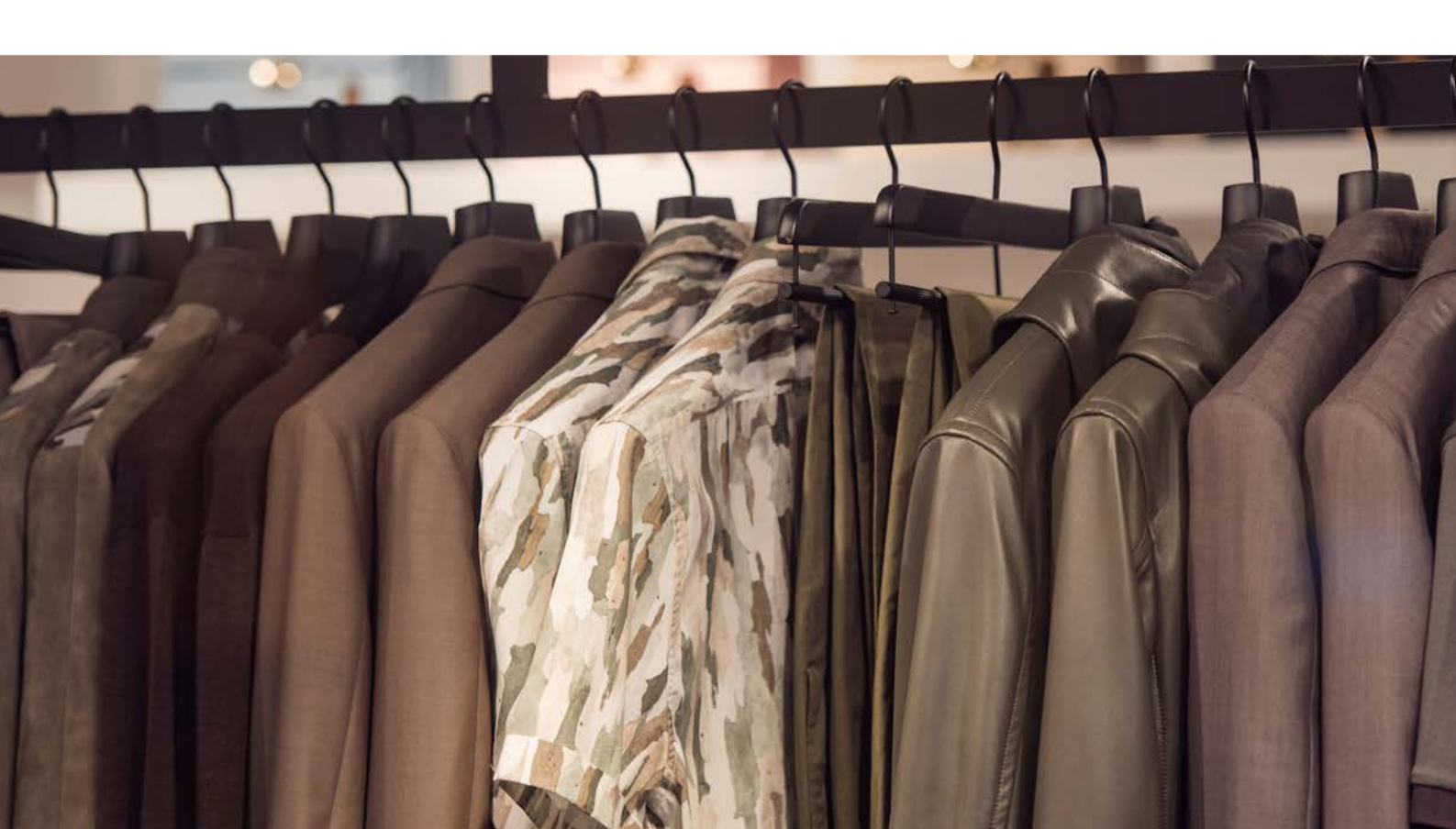


The repair and reuse revolution.

Budget and sustainability conscious consumers are actively looking for services that help revive their possessions. This behaviour shift is helping propel a circular economy.

67%

of consumers worldwide prefer to repair products rather than replace them.⁷



In action:

Zara launched a service in key markets where shoppers can make an online or in-store appointment to repair their clothing. They also have options to donate or resell their Zara items.⁸

Learn more about the new expectation economy and the latest shifts in consumer behaviour in Issue Two of our Think Forward with PayPal series.

Download

