EUROPEAN (+) DIGITAL BEHAVIOUR STUDY 2015

A STUDY OF DIGITAL USER BEHAVIOUR

SUMMARY

1 CONTACTLAB EXPERTISE

2 THE RESEARCH PROJECT

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DIGITAL PIONEERS

- ContactLab is a **PaaS (Platform as a Service)** technology provider for **digital messaging** and direct **customer engagement**
- We have expanded our proprietary platform to a complete offer specialized in **Integrated Marketing Services**, turning digital direct marketing into a strategic lever for business.
- Our goal is to make an impact on **sales** and **revenues**

FACTS AND FIGURES

+1000 global customers in key vertical markets

99% loyal customers

25 languages to engage customers

+150 in over 150 countries

THE STUDY IN BRIEF

An innovative study of internet users and e-commerce across 10 market areas in Europe, US and China.

- **Several countries compared:**
  - **6 European countries**: France, Germany, Italy, Spain, Switzerland and the UK
  - **2 US metropolitan areas**: New York and Los Angeles (new in 2015)
  - **2 Chinese metropolitan areas**: Shanghai and Guangzhou (new in 2015)

- Featuring a **methodology consolidated** during the four previous editions of the Study, made by ContactLab: over 20,000 users interviewed in the 2014 European edition (6 countries) thanks to the involvement of +20 merchants.

- **An opportunity** for merchants:
  - **free:** by helping to generate project involvement among their customer bases, merchants obtain free drill-down analysis on the answers provided by their own users
  - **useful:** by involving their own customer bases, merchants gain insight into the specific behaviours of their own users
  - **strategic**: by comparing these to internet universes

A BIT OF HISTORY

- **2009**

In 2009 we released the first European research project entitled **Email Marketing Consumer Report**, aimed at analyzing the behaviours and habits surrounding emails and newsletters in 5 countries (Italy, France, Germany, Spain and the UK).

- **2010**

In 2010 we launched the **E-Commerce Consumer Behaviour Report** in Italy, in collaboration with Netcomm.
For the first time, merchants were involved and actively engaged their customer bases to take part in the study.

- **2012**

In 2012 the new e-commerce research project profiled over **75,000 users** belonging to merchants' databases; 25,000 of which were used as statistical sample cases.

- **2013**

In 2013 the **European Digital Behaviour Study** was launched, a new European research project on digital users' behaviours with more than 61,000 case studies.

- **2014**

In 2014 we announced the second edition of the **European Digital Behaviour Study**. The collection of data throughout April and May 2014 involved over 25,000 interviews.
Our research project has been taken up by **Netcomm Suisse** as a tool to investigate e-commerce in Switzerland, thanks to the creation of a dedicated Observatory.
As part of the partnership with **hybris**, we produced a special drill-down focused on e-commerce & fashion.

- **2015**

The new edition of these research projects, widened to include **non-EU countries**, has been completed this year and it is now available for purchase.

THE STUDY – WHY IS IT DIFFERENT?

- Each year numerous studies into the web and online purchasing behaviour are published. These tend to be very generalized in nature and focused on macro-trends.

EDBS 2015 is not intended to replace these surveys, but instead to
offer a specific contribution
aimed at measuring the **relationship between users and digital channels**;
outlining the **ecosystem** that encompasses those firms which make digital and e-commerce a strategic lever for their business.

THE STUDY – WHY IT IS RELEVANT?

- For the first time, the 2015 edition has been extended to **2+ non-European countries**: the US, with a focus on NY and LA, and China, looking at Shanghai and Guangzhou.

- The new edition has been updated and widened to **further investigate the behaviour of internet users**: e.g. include an area dedicated to cross-border online purchase habits.

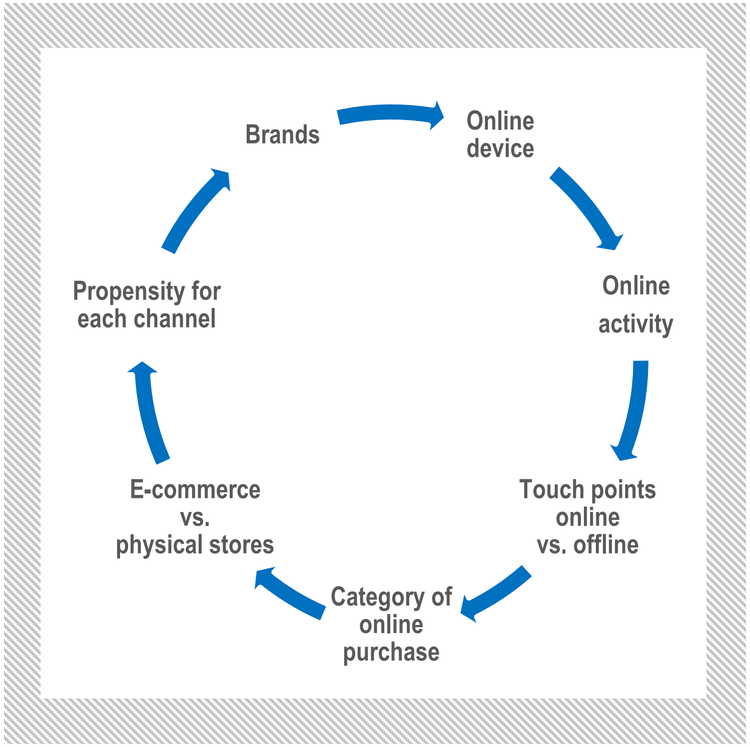
- The new study reveals the **evolution of digital behaviours** across different (27) product categories

RESEARCH AREAS

The study is designed to offer concrete answers to the questions that merchants ask during the creation of their own online communication and sales strategies.

Key areas included in the questionnaire:

- Device usage: PCs, smartphones, tablets, smart-TV, etc.
- Being connected: at home, on the move, in store, etc.
- Use of email, socials, e-commerce, gaming, etc.
- Information sources for online purchasing journey (13)
- Relationship with digital direct communications (email usership / interaction, reliability, effectiveness, etc.)
- The e-commerce channel's usership and recommendability (8): brand online stores, e-commerce platform, retailers with e-commerce, price comparison websites, etc.
- Products and services purchased online in the last 12 months (27)
- Drill down on online expenditure, information sources, etc. (full drill down on 7 cat.)
- Online payment preferences
- Online shopping across or within domestic borders / the value of "sold / delivered from"
- Brand recognition, brand attractiveness through online channels (optional)



METHODOLOGY

The Study has been carried out by **C.A.W.I.** (Computer Aided Web Interviews) through a multilingual **questionnaire**.

Two sample bases have been run in parallel:

- the national samples of 8000 total cases, leveraging a panel of international providers

	IT	UK	DE	FR	ES	CH	US -NY	US -LA	CN - SH	CN - GU	TOT
Universe * (internet penetration on nat. pop.)	36 million (59%)	57 million (90%)	72 million (89%)	55 million (83%)	36 million (75%)	7 million (89%)	8 million** (90%)	3 million** (87%)	11 million** (45%)	6 million** (45%)	**291 million**
EDBS samples	1.000	1.000	1.000	1.000	1.000	1.000	500	500	500	500	**8.000**

- the over boost sample, carried out from databases of participating merchants

generating an extremely wide combined sample base, weighted according to Eurostat and national statistics bureau profiles to enable drill down analysis of the single phenomena under investigation and across relevant sub-segments.

* Source: Internet World Stats 'internet users'
** estimated values

MEDIA RESONANCE

Strong media resonance throughout Europe.

Over 12,000 downloads

of complete study.

FEEDBACK FROM MERCHANTS WHO TOOK PART IN STUDY

ticketone.it

"TicketOne took part in the project to gain a deeper understanding of its own consumers and users and also to contribute to the development of e-commerce, particularly through the sharing of knowledge with other firms working online. The high levels of participation we saw, including the proactivity of users and the prospects of enhancing the propensity to purchase online are among the most interesting results."

Giorgio Aretino, Head of New Media - Online Sales & Marketing (2014)

STAPLES Direct MondOffice

"We were very enthusiastic about being involved in the project, as we strongly believe that market research is a fundamental tool for marketing traction.
As it happens, the results gained through the survey have enabled us to have a clearer vision of our users and their buying habits and thus to identify new strategies for our business."

Cristina Bocca, Web Manager (2010)

unieuro

"We took part in the study with the aim of gaining detailed insight into the behaviour of Italian and European users regarding e-commerce and we are very satisfied with the results: having information on real user habits has provided us with practical ways to optimize business development."

Simone Munzone, E-commerce Web Marketing/CRM (2011)

What’s inside the study?

A SINGLE SOURCE STUDY

PROFILE & ATTITUDE

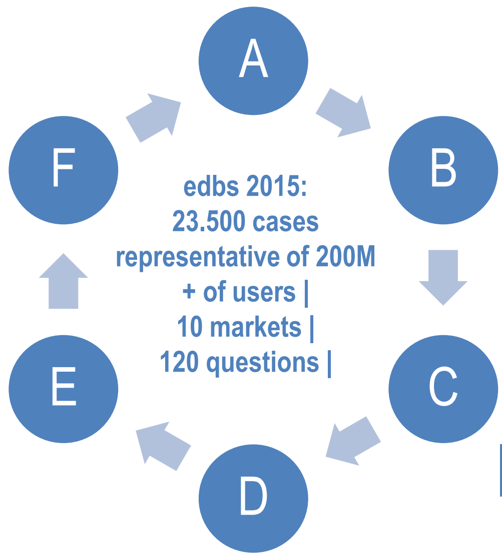
- *[Q110//114.] Sociodemographic profile (gender, age, area, occupation, education, children at home)*
- *[Q108.] Decision makers (financial arena, food, tech, car)*
- *[Q109.] Financial products owned (account, stocks, insurance, etc.)*
- *[Q107.] Internet service provider/ carrier subscription*
- *[Q18//21] Offline buyer of: clothing/ footwear, cosmetics, tech products, holidays (for each: offline pre-purchase source of info)*

A. DEVICES AND MOBILE EVOLUTION

- *[Q5.] In the last four weeks, have you connected to the Internet for personal reasons (i.e. excluding professional or business reasons)? [Q9.] How much time do you spend online?*
- *[Q10.] Do you ever connect to the Internet with a smartphone in the following situations? [Q14.] Thinking about the use of a smart TV, which of the following statements is true for you?*
- *etc.*

B. DIGITAL ACTIVITIES AND LEVEL OF INTERACTIVITY

- *[Q15.] Which of the following activities did you carry out over the last 12 months, whether they are through a fixed Internet connection or mobile? How often?*
  - *Email*
  - *Social networking*
  - *Online shopping*
  - *Learning about products, services or merchandise*
  - *Home-banking/ e-finance*
  - *E-leaning*
  - *Multimedia entertainment*
  - *Online games*
  - *….*
- *[Q25.] Now you will see a list of specific activities that can be performed online...: pay an invoice/ bill, make a donation, place an online ad, visit dating site, etc.*



F. E-CROSSBORDER AND EXPORT POTENTIAL

- *[Q95.] Considering all different online purchases you made over the last 12 months, have you ever completed an online purchase through a foreign e-commerce site, i.e. with a supplier not physically based in your country …?*
- *[Q96.] Which of the following products/ services …? [Q97.] From which country …?*
- *[Q98.] Considering "100%"of your total online … how much …on foreign sites?*
- *[Q99.] Why did you choose to buy online through foreign e-commerce…?*
- *[Q100.] Nowadays it is possible to buy products online from different countries, … which of the following characteristics would you associate to …?*
- *[Q102.] How strongly would you recommend buying a product online from a site based in that country? (8)*

FOCUS ON «MOBILE»

- *[Q16.] In which of these activities do you use a smartphone? How often? [Q17.] In which of these activities do you tend to use a tablet? How often?*
- *[Q25.] Now you will see a list of specific activities that can be performed online...: use a QR code, etc.*

E. ECOMMERCE

- *[Q40.] In the last 12 months, have you purchased any product (including subscriptions to any kind of service) from one of the following categories of merchandise? (29 cat)*
- *[Q41. ss] Now for some categories purchased online in the past 12 months, we ask:*
  - *How much have you spent altogether?*
  - *When did you make your last purchase?*
  - *Which channels have you used for these purchases …? (8)*
  - *What influenced your decision of what to buy? (13)*
- *[Q92.] How strongly would you recommend online shopping via…? (nps * 8 channels)*
- *[Q93.] what modes of payment do you prefer to use? (11)*

C. SOCIAL NETWORK AND BRAND INFLUENCE

- *[Q36.] On which of the following sites do you have an account?*
- *[Q37.] In reference to brands on social networks, do you ever perform the following actions? (follow a brand …, republish …., become a fan …, use my account to subscribe …)*
- *Etc.*

FOCUS ON «CLICK & COLLECT»

- *[Q94.] Nowadays it is possible to make a purchase through the "click & collect" method.. Would you be interested in buying in this way for the following categories? (5)*

D. DIGITAL DIRECT MARKETING AND EFFECTIVENESS

- *[Q26.] How many different email addresses do you use on a regular basis?*
- *[Q27.] Which email provider do you use?*
- *[Q30.] Thinking about all of the email you receive. How many different newsletters are you subscribed to?*
- *[Q31.] How did you subscribe to these newsletters ? [Q33.] Thinking about newsletters, in which of the following situations do you recognize yourself? To what degree? (I share on social …, I buy online after having …, … I go to the store …., I delete …)*
- *[Q39.] Today, brands, companies and organizations have different ways of communicating and keeping in touch with their users: … how useful do you personally find these communication methods? (email, chat, social, app)*
- *Etc.*

FOCUS ON BRAND POSITIONING

- *[Q115.] Please look at a list of brands and businesses (28). For each one we ask you to tell us how confident in or attracted you feel towards buying their products or services online.*

SHORT EXECUTIVE SUMMARY FOR ITALY

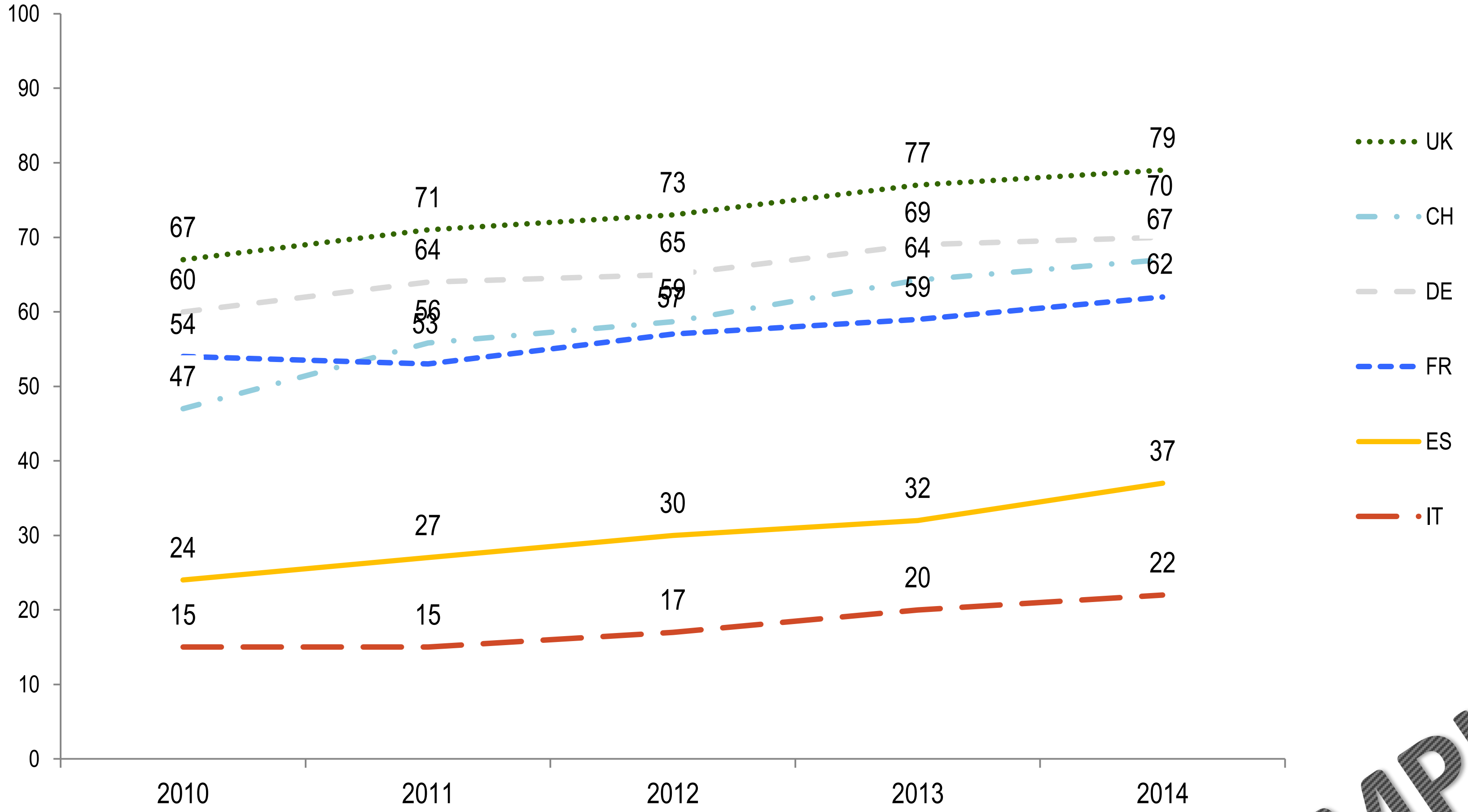
KEY FINDINGS

- In the past 12 months two million users were added who used the internet at least weekly.
- An increase in users has resulted mainly from smartphone use, which has led to users connecting to the internet with rising frequency, tending towards a default position of ‘always on’.
- 62% of the total sample are mobile users, although the desktop PC remains for now the standard primary device.
- If trends from the past 24 months continue and the behavioural tendencies of users who are not already mobile users are further consolidated, the smartphone will be the standard primary device by 2018.
- Among online activities, a significant growth in home banking (+11% in 24 months) and online shopping (+26% in 24 months) has been observed; internet use has nonetheless remained ‘basic’ in Italy in comparison to other countries.
- E-Commerce has increased in absolute terms by 2 million new buyers compared to last year, even though this remains below its potential.

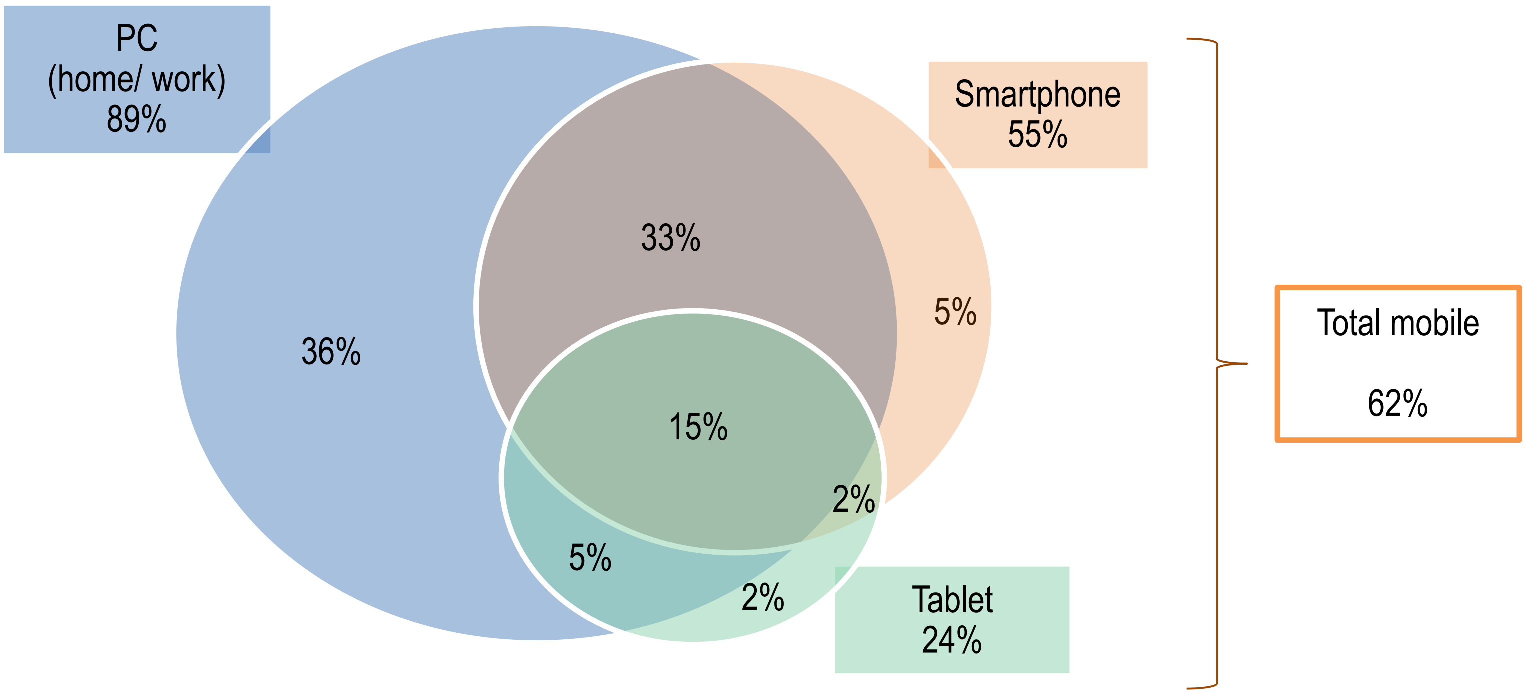
RECOMMENDATIONS FOR TARGETING

- **Be mindful of the fact that online customer relationships are still a new kind of customer relationship which has yet to be consolidated, since it depends on the overarching development of internet relations.**
- **Expect an increase in quality expectations reflected in the user profiles and online behaviour, resulting from the advancement of mobile internet technology.**
- **Monitor the (dynamic) status of the customer relationship, due to it being the primary criterion of segmentation.**
- **Design contents and services to be adaptable to new forms of interactive and mobile technology.**
- **Remember that in the present day, the main cluster of the internet users is still ‘passive’, which denotes users seeking ease and immediacy of use.**

ONLINE SHOPPERS LAST 12 MONTHS IN EUROPE – LAST 5 YEARS



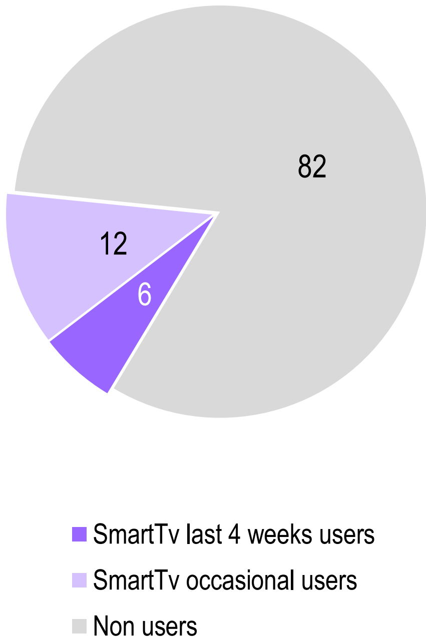
ITALY: DEVICE OVERLAPPING & MOBILE SEGMENTS – LAST 4 WEEKS

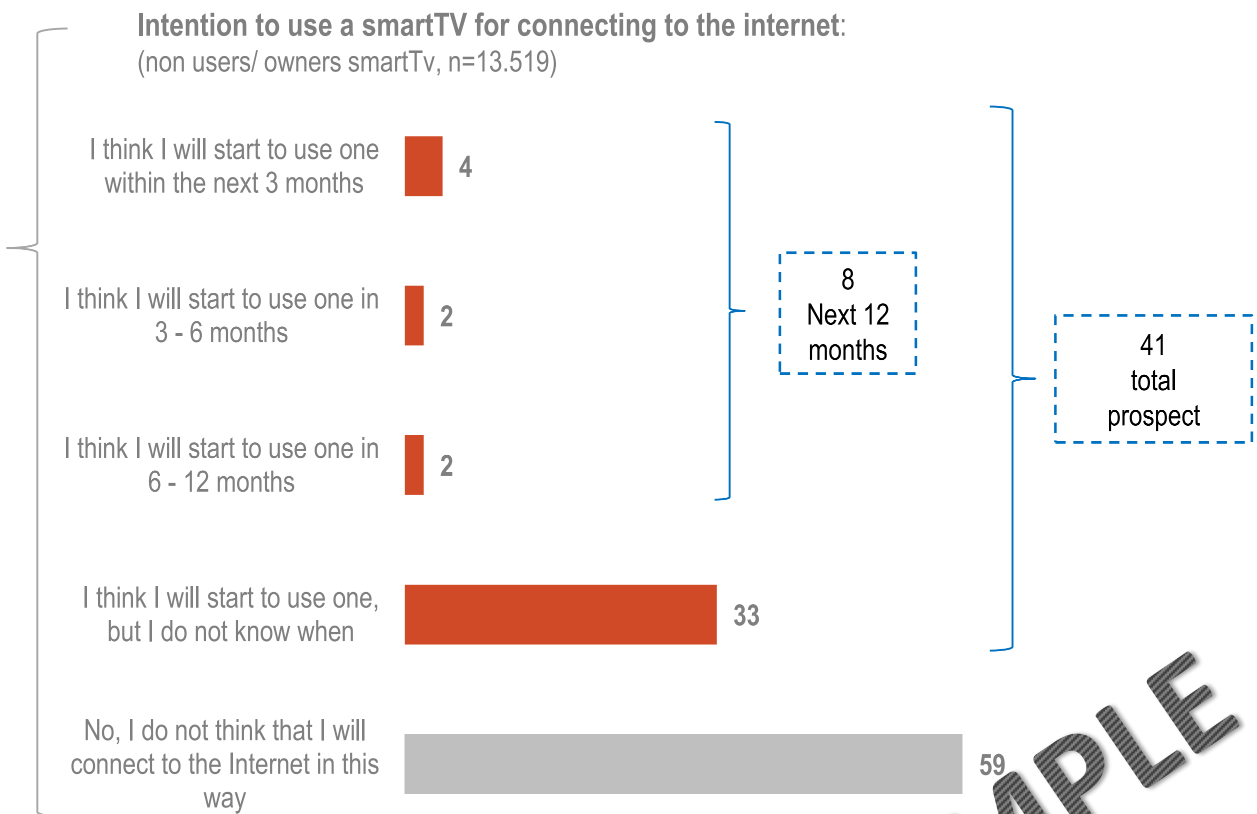


	2015		2014		2013	
	Users	**Universe (.000)**	Users	Universe (.000)	Users	Universe (.000)
▪ **Total Mobile**	**62%**	**17.800**	50%	13.300	[illegible]	8.500
▪ **Pc only**	**36%**	**10.300**	50%	13.300	66%	16.500
▪ **Triple player**	**15%**	**4.300**	10%	2.700	6%	1.500
▪ **Smartphone only**	**5%**	**1.400**	6%	1.600	3%	750
▪ **Tablet only**	**2%**	**600**	3%	800	3%	750

Base: total internet users 16-65 y.o., n=16.344; %

SMART TV: USERS/ INTENTION TO ADOPT IN THE NEAR FUTURE



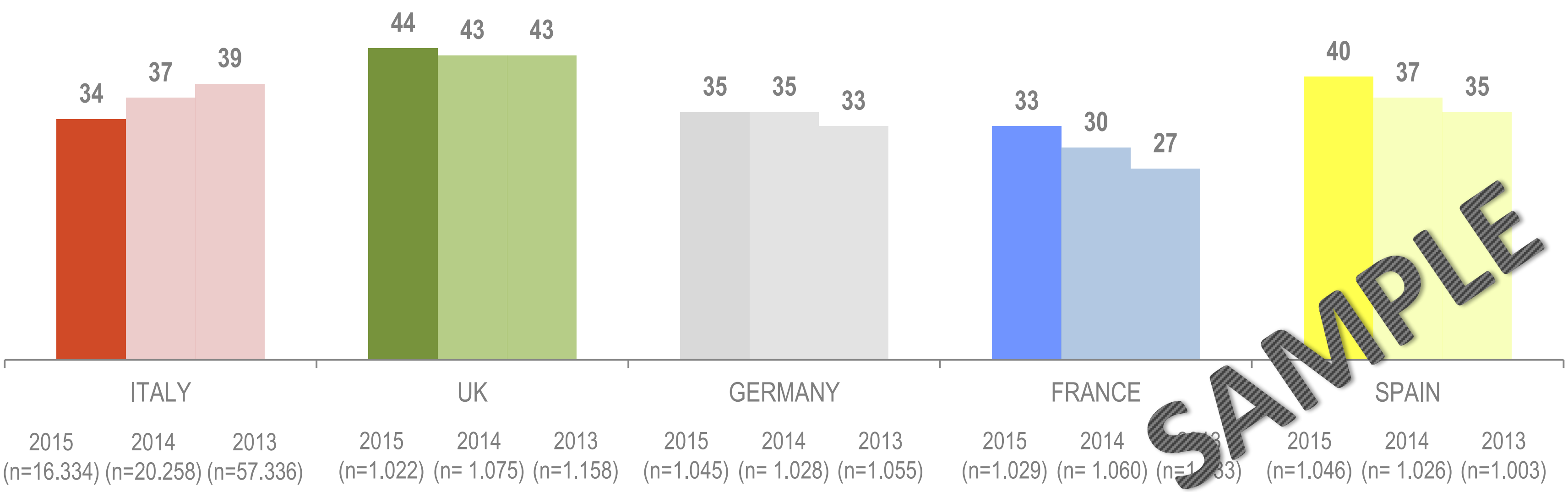


Base: total internet users 16-65 y.o., n=16.344; %

«TV SPOTS STIMULATING ONLINE SEARCHING» MONTHLY – LAST 24 MONTHS TREND

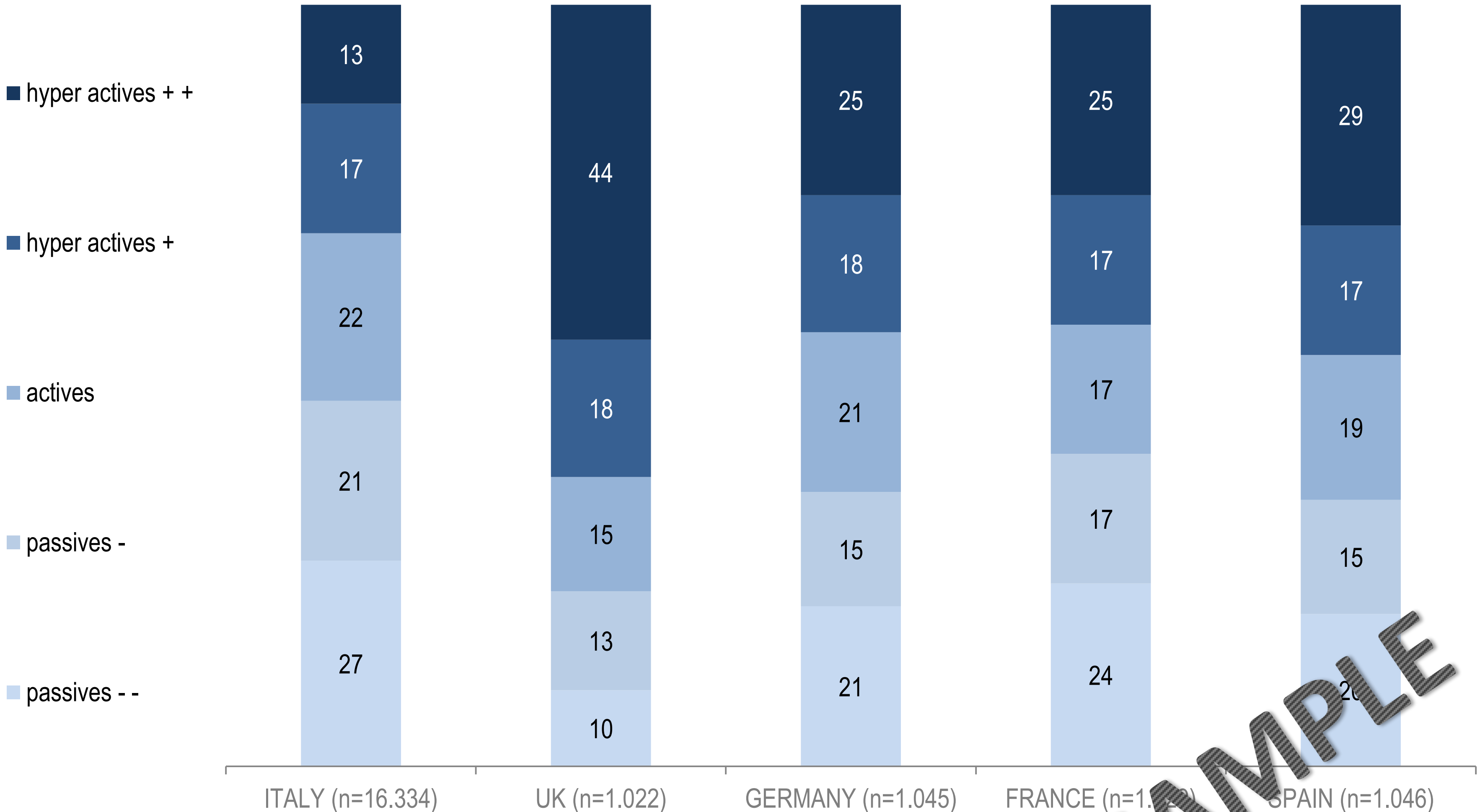
Base: total internet users 16-65 y.o., %

«... searching for information online about a product or brand immediately after seeing it on TV»



INTERACTIVITY LEVEL

Base: total internet users 16-65 y.o., %

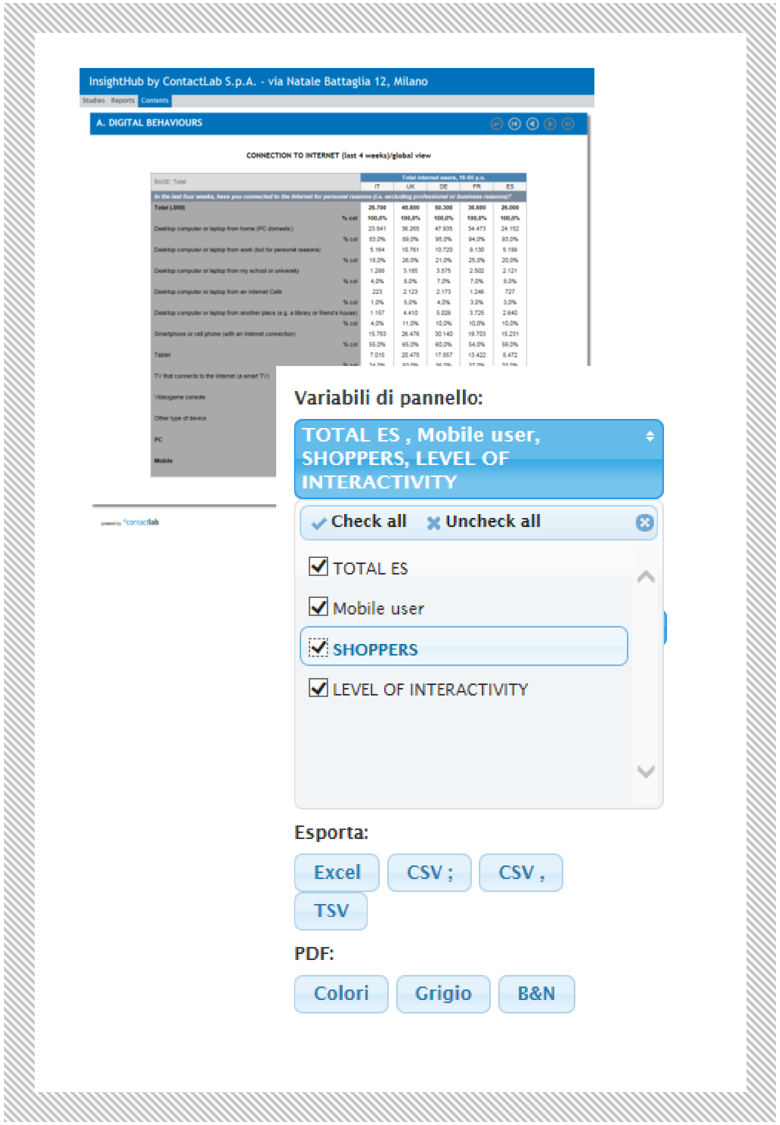


INTERACTIVITY INDEX (0-100)	ITALY	UK	GERMANY	FRANCE	SPAIN
	37	51	42	41	44

INSIGHT HUB

ContactLab's platform to boost your data analysis experience

- Web-based access
- Great functionalities
  - ✓ Navigate through the report contents
  - ✓ Consult single data sheets
  - ✓ Apply filters to refine your research
  - ✓ Choose the variables to display
  - ✓ Download in excel, csv, tsv or pdf



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