

He Buys, She Shops: A Study Of Gender Differences In The Retail Experience Executive Summary



Introduction

1,205 telephone interviews were conducted nationally with American consumers between October 20 and November 4, 2007. The sample was skewed towards females, approximately 2:1.

All respondents were randomly selected and qualified if they had purchased products at a retail store in the past month. Respondents were asked to concentrate on items excluding liquor, beer, groceries, prescription drugs, or items valued at more than \$2,500.

Results were weighted by age and region to reflect the current US population distribution (based on census data).

Fieldwork was conducted by Elemental Data Collection, a field and tab company located in Ottawa, Ontario, Canada.

In the fall of 2007 The Verde Group, together with the Baker Retailing Initiative at Wharton and Women-Certified, conducted a study across the US to better understand how the retail shopping experience differs between females and males.

This study, which is the fourth in Verde/Wharton's series of retail experience studies, surveyed 1205 American shoppers to understand how gender influences the shopping experience. Specifically, it explored gender differences in the areas of:

- Shopper interaction with store employees
- Shopping habits and preferences
- What compels a shopper to return to a retailer
- What compels a shopper to recommend a retailer
- Which experiences drive shoppers away and create negative word-of-mouth
- How gender-specific shopper experiences vary by age and type of purchase

A summary of findings follows.

Women Are More Loyal Shoppers Than Men

Overall, women demonstrate greater loyalty than men in their shopping behaviors, particularly when the shopping experience is flawed.

HALF OF ALL SHOPPERS WILL EXPERIENCE A PROBLEM WHEN THEY SHOP

The study found – consistent with previous Verde/Wharton retail experience studies – that approximately half of all shoppers will encounter a problem in a given shopping trip. Specific findings with respect to problem experience:

- In general, women are more likely to encounter problems than men. This gender difference is particularly true for women over 40 years of age.
- When men and women do have problems, they have them at roughly the same rate – approximately 3.5 problems/ shopping trip.

PROBLEM EXPERIENCES MEAN LESS LOYAL SHOPPERS

When shoppers encounter problems, they become significantly less loyal. Shoppers with at least one problem are 35% less loyal than those shoppers who enjoy a problem-free shopping experience.

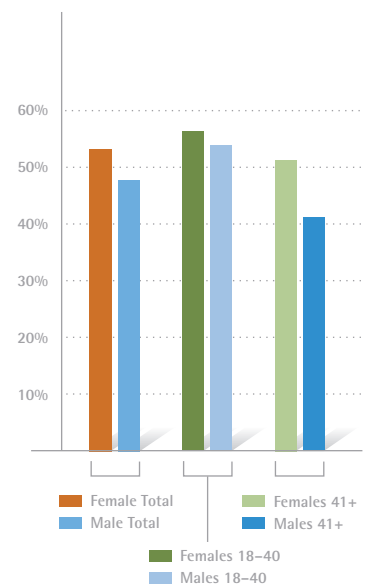
WHEN THE SHOPPING GETS TOUGH, MEN GET LESS LOYAL

In the absence of problems, male and female loyalty to a retailer is roughly equivalent. But male loyalty is significantly more fragile than female loyalty. When a woman encounters a problem while shopping, her loyalty falls by 25%. But a man's loyalty drops by nearly 40% when he encounters a problem.

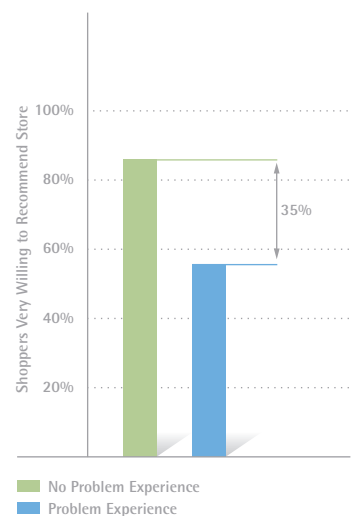
LOST CUSTOMERS USUALLY STAY LOST

In total, 67% of all shoppers have ceased to shop at a certain store because of a bad experience. When they stop shopping, most don't go back; only 30% of shoppers give the store a second chance. And if they do come back, don't expect them any time soon. The average time to return to a store after a bad experience is 14 months.

% Shoppers Encountering Problems



Problem Impact on Loyalty



Age Matters As Well As Gender

Gender differences in shopping experience are significant, and are even more pronounced when understood in conjunction with age.

YOUNG MALES REQUIRE MORE HELP WITH PRODUCT

Males 18 to 40 had more problems in the area of store navigation and item selection, particularly when compared to their younger female counterparts.

Key problem areas:

- There was not enough information near where the product was displayed
- It was difficult to find the item sought because the store was so cluttered with products

YOUNG FEMALES ARE MORE PRONE TO SALES ASSOCIATE “DISRESPECT”

When it comes to Sales Associates who don't demonstrate sufficient shopper respect, young female shoppers have their antennae up – they experience a disproportionate percentage of these problems. Specifically:

- The Sales Associate was insensitive to your time
- The Sales Associate was not particularly polite or courteous
- The Sales Associate seemed annoyed when you needed help

MEN REQUIRE MORE CONSULTATION THAN WOMEN

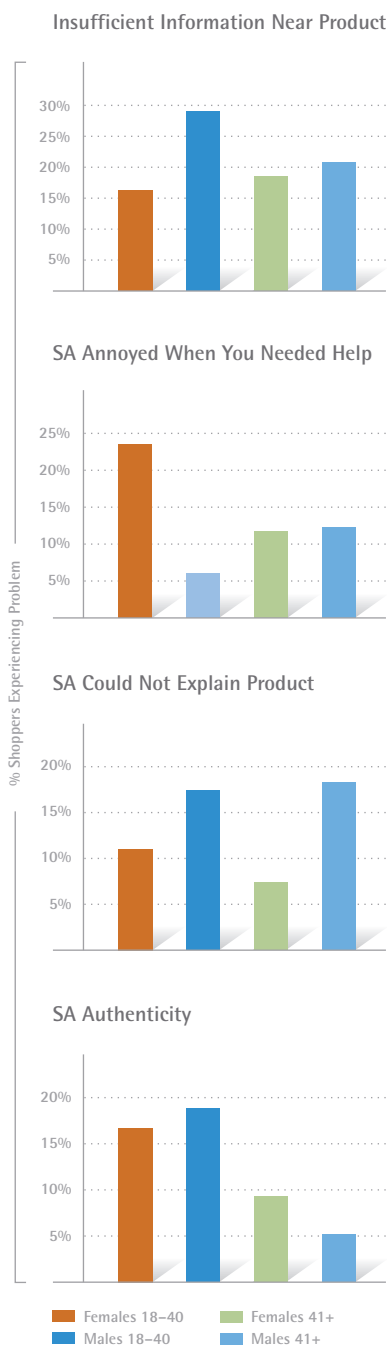
Males, in particular those ages 18 to 40, require more help from a Sales Associate, as illustrated by higher problem incidence in these areas:

- The Sales Associate did not offer advice or choices to you
- The Sales Associate could not properly explain the product to you

YOUNGER SHOPPERS WANT AUTHENTICITY

Male and female shoppers 18 to 40 are far more attuned to insincerity than their older counterparts. They are roughly twice as likely to say:

- The Sales Associate seemed “phony”, simply trying to make a sale



Great Shopping Experiences Have Great Impact... When They Occur

"WOW" shopping experiences – those that are surprisingly great – have the potential to significantly enhance a retailer's market reputation.

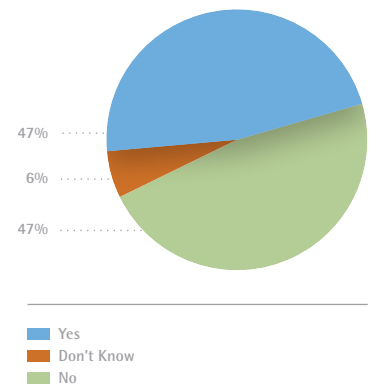
NEARLY HALF OF ALL SHOPPERS HAVE HAD A "WOW" EXPERIENCE AT SOME POINT IN TIME

47% of all shoppers indicated that at some point in their past they enjoyed a "WOW" shopping experience. Notably, women are more likely than men to encounter a "WOW" shopping experience.

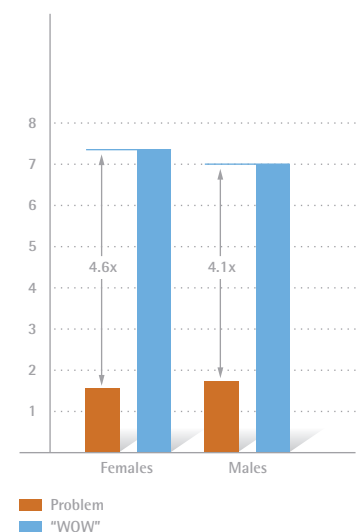
WHEN "WOW" HAPPENS, PEOPLE TALK ABOUT IT

When "WOW" shopping experiences happen, they create tremendous word-of-mouth impact. Overall, men and women share their stories about unexpectedly great shopping experiences at the same rate, which is over 4x the rate at which they share stories about their problem experiences.

% Shoppers Experiencing a "WOW" Shopping Experience (at some point in time)

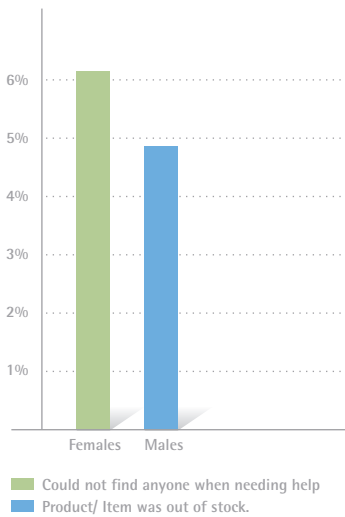


% of People Told About Shopping Experience



Men Buy, Women Shop

Most Damaging Problems:
% of Shoppers not Returning



The research draws a clear distinction between the motivations and attitudes of male and female shoppers.

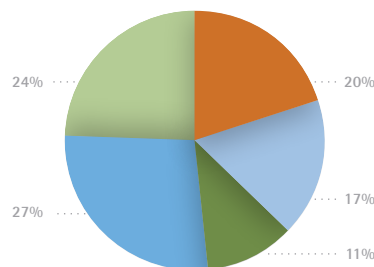
**FEMALE SHOPPERS DEFECT WHEN THEY CAN'T GET SALES ASSISTANCE.
MALE SHOPPERS DEFECT WHEN THEY CAN'T GET THEIR PRODUCT**

When problem experiences are ranked according to the damage they inflict – as measured by the number of shoppers who will not return to a retailer because of the problem – gender differences are clear. Women walk away from a retailer because of unavailable sales associates; men walk away because of unavailable product.

WOMEN HAVE MORE COMPLEX LOYALTY REQUIREMENTS THAN MEN

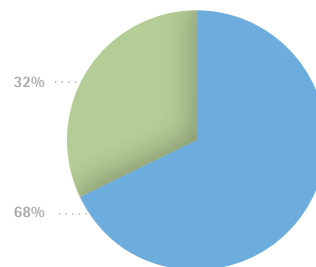
When looking at the Sales Associate attributes that drive shopper loyalty, it becomes apparent that female shopper loyalty depends on satisfaction with a range of operational, consultative and emotional factors. Male shopper loyalty, on the other hand, depends primarily on the ability of a Sales Associate to get them in and out of the store quickly.

Sales Associate Loyalty Drivers:
Women



- Familiarity with products and where to find them
- Ability to determine products that best meet your needs
- Politeness and Courtesy
- Ability to make you feel important
- Effort getting you through check-out quickly

Sales Associate Loyalty Drivers:
Men



- Effort in getting you through check-out quickly
- Interest in helping you find the item you were looking for

About

ABOUT THE VERDE GROUP

The Verde Group specializes in helping North American organizations measure the cost of customer dissatisfaction, prioritize the issues based on ROI, and quickly fix them for improved retention, spend and profitability. With offices in Canada and the United States, The Verde Group has consulted internationally to clients including Wal-Mart, Toyota, Levi Strauss, Allstate Insurance, HSBC and Eli Lilly. Visit www.verdegroupp.ca for more information.



ABOUT THE JAY H. BAKER RETAILING INITIATIVE

The Jay H. Baker Retailing Initiative at the Wharton School of the University of Pennsylvania is an education "industry center" created with a \$10 million gift from Patty and Jay H. Baker, Wharton Undergraduate 1956, and former president of Kohl's, with the sole focus of exposing students to the dynamic opportunities of a retail career. Visit bakerretail.wharton.upenn.edu for more information.



ABOUT WOMENCERTIFIED

WomenCertified is a consumer advocacy resource that empowers women to make better buying decisions by offering tips that will help enhance her overall customer experience, as well as providing a robust database of sales representatives in local communities who have been trained to meet her shopping needs. For sales and service professionals interested in enhancing the consumer experience, WomenCertified is a proven training and certification program rich with resources to help professionals increase sales through more effective communication and customer appreciation. For more information please visit WomenCertified.com.



ABOUT THE VERDE/WHARTON RETAIL EXPERIENCE RESEARCH SERIES

"He Buys, She Shops" is the fourth installment in an annual study of the state of shopper satisfaction in American retail. For full study findings, or to view the findings of Verde/Wharton's previous three retail experience studies, please visit the Verde Group's website at www.verdegroupp.ca.