comeos
for commerce and services

InSites Consulting
taking research forward

E-commerce Belgium 2013

Introduction

Without commerce, e is just a letter

For the third year in a row, we have conducted the most comprehensive online survey of its kind. And year after year, we have seen how online business is steadily growing. I don't believe in the e-commerce revolution – some devastating shock that will destroy our shopping landscape, that will close all physical shops and turn shopping malls into ghost cities.

Our survey shows that e-commerce is a process. Online shopping is growing, we are convincing more and more people to try out the virtual shopping experience.

But you'll discover in this survey, just as we have, that there are some threats we need to take seriously. There are issues with trust, with security. And people turn to the brands they trust. Not only the household names that have always been around – pure players are able to gain trust and reputation very fast.

A new development is that for the first time, price has taken over the number 1 position as main driver for e-commerce, becoming more important than comfort and time. This could have a tremendous impact on the way retailers conduct their business.

Dominique Michel,
Ceo Comeos

Table of content

Download the full survey on www.comeos.be

Colophon

Editing: Peter Vandenberghe

Responsible editor: Dominique Michel

Graphic design: Apunta

Comeos vzw · E. Van Nieuwenhuyselaan 8 · 1160 Brussel
T 02 788 05 00 · F 02 788 05 01 · **www.comeos.be**

Prepared by:
Pieter De Vuyst, Research Manager, InSites Consulting
Dieter Thijs, Research Consultant, InSites Consulting

For:
Pieter Van Bastelaere

Objectives & methodology

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Objectives & methodology

Background

Comeos represents **Belgian commerce & services.**
Our members are active in 18 sectors and sell to companies or directly to consumers. Together they account for 11,2% of the gnp and employ 400.000 people, making them the biggest employer in the private sector. Comeos provides custom services for its members and wants to encourage dynamic businesses as a knowledge and networking platform.

Research questions

- What is the online buyer's profile?
- Which products are bought online?
- Which sectors have the highest potential?

Method
Online questionnaire via Talktochange research community
Fieldwork: april 3rd 2013 - april 15th 2013
Scope: Belgium

Sample
N = 1062

Sample screening
Age: 18-70
Online purchases experience in last 12 months

Sample quota
Region: 60% Dutch , 40% French
Gender: 50% Men, 50% Women
Age: Representative for Belgian population

Used symbols
Sig. Higher compared to other group (95%)

Sig. Higher/lower than average (95%)

Comparisons with Comeos 'E-commerce in België 2011' & 'E-commerce in Belgium 2012'
Same period of field (April 2011 & April 2012) and sample composition to optimize comparability

InSites Consulting
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Objectives & methodology

Used logo's for sectors

comeos electro

comeos telecom

comeos sports

comeos books

comeos interior

comeos for commerce and services

comeos DIY & garden

comeos fashion

comeos toys

comeos health & beauty

comeos entertainment

comeos food

E-commerce experience

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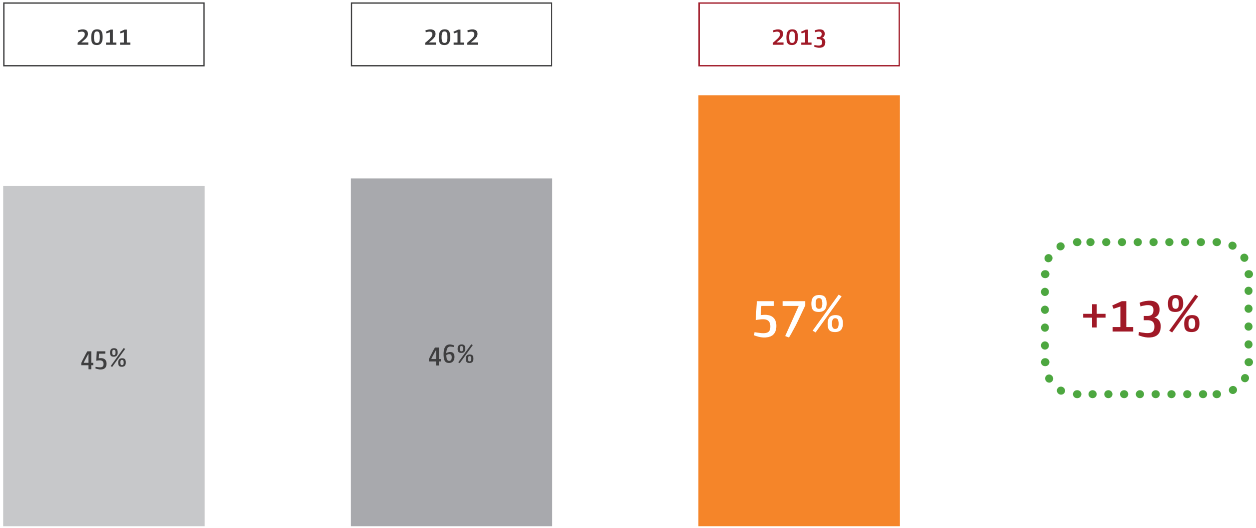
57% of the Belgian population has made an online purchase **in the last year.**

59% of the Belgian population has **ever** made an online purchase.

Q: Did you buy new products or services via the Internet for personal purposes in the past 12 months? We refer to ordering new, not second-hand, products or services via an e-commerce website of a company (not via e-mail)?

PAST 12 MONTHS



Of the Belgian population has made an online purchase in the last year

E-commerce experience

Penetration

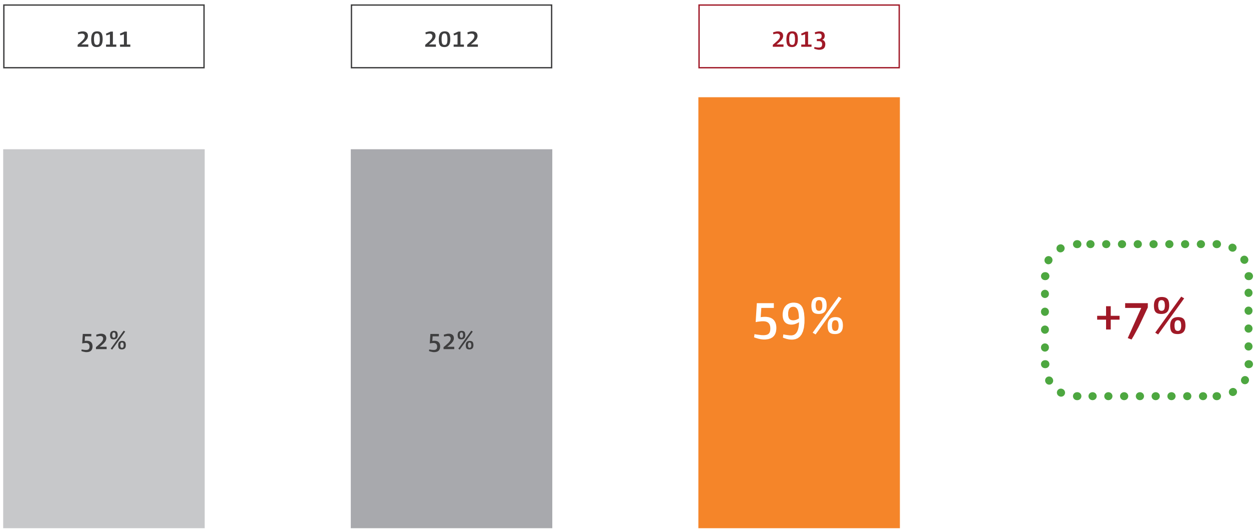
Q: Have you ever bought new products or services via the Internet for personal purposes? We refer to ordering new, not second-hand, products or services via an e-commerce website of a company (not via e-mail)?
Q: Did you buy new products or services via the Internet for personal purposes in the past 12 months? We refer to ordering new, not second-hand, products or services via an e-commerce website of a company (not via e-mail)?

	PURCHASED ONLINE LAST YEAR		
	2013	2012	2011
ONLINE POPULATION	70%	59%	58%
BELGIAN POPULATION*	57%	46%	45%

* Extrapolated to the Belgian population regarding the current internet-population (78%)

Q: Did you buy new products or services via the Internet for personal purposes in the past 12 months? We refer to ordering new, not second-hand, products or services via an e-commerce website of a company (not via e-mail)?

EVER



Of the Belgian population has ever made an online purchase

E-commerce experience

Penetration

Q: Have you ever bought new products or services via the Internet for personal purposes? We refer to ordering new, not second-hand, products or services via an e-commerce website of a company (not via e-mail)?
Q: Did you buy new products or services via the Internet for personal purposes in the past 12 months? We refer to ordering new, not second-hand, products or services via an e-commerce website of a company (not via e-mail)?

	EVER PURCHASED ONLINE			PURCHASED ONLINE LAST YEAR		
	2013	2012	2011	2013	2012	2011
ONLINE POPULATION	75%	67%	66%	70%	59%	58%
BELGIAN POPULATION*	59%	52%	52%	57%	46%	45%

* Extrapolated to the Belgian population regarding the current internet-population (78%)

E-commerce experience

Penetration (profile)

Q: Have you ever bought new products or services via the Internet for personal purposes? We refer to ordering new, not second-hand, products or services via an e-commerce website of a company (not via e-mail)?

			2012	2011
GENDER	Male	62% ★	55%	56%
	Female	56%	50%	48%
LANGUAGE	Dutch	61% ★	56%	53%
	French	55%	48%	46%
AGE	18-27	60%	57%	59%
	28-43	62% ★	59%	58%
	44-59	56%	49%	45%
	60+	55%	42%	43%
INCOME	Less than € 2500	58%	50%	48%
	€ 2500-3500	66% ★	57%	57%
	More than € 3500	72% ★	60%	73%

★ Sign. difference (95%)

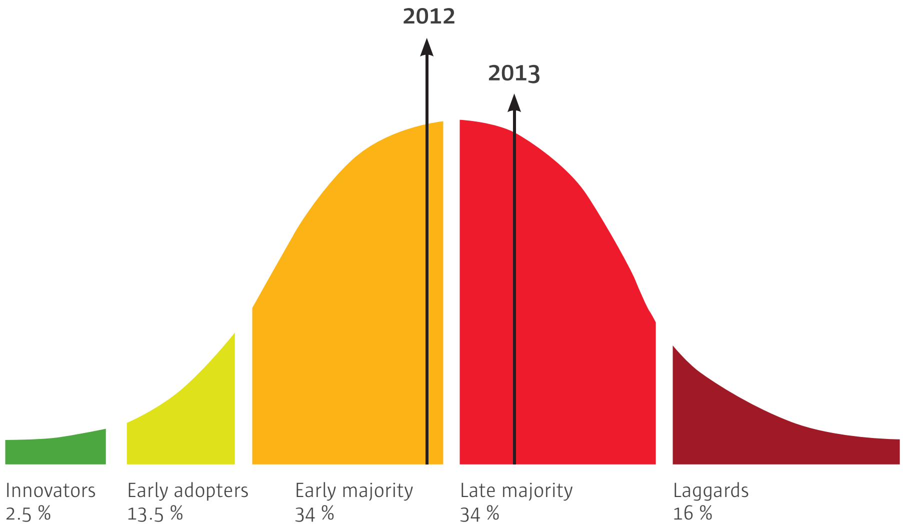
Share of 'older' online buyers increases – last ones to be convinced

Roger's Innovation Adoption Curve

"Trying to convince the mass of a new idea is useless. Convince innovators and early adopters first."

REMEMBER THIS SLIDE?

"The late majority is about to use e-commerce websites for purchasing 1st hand products and services. E-commerce becomes a worthy alternative for offline retail activities."



E-commerce experience

Barriers

Q: What are the 3 main reasons why you did not purchase products or services online?

	2013	2012	2011
Because I want to see it/try it before deciding to buy and that is not possible with e-commerce	37%	41%	37%
Because I have serious doubts concerning the security level of online purchases/orders	31%	30%	36%
Because I don't have or don't want to use a credit card	24%	29%	27%
Because I don't like to give my personal data on the Internet	22%	23%	31%
Because I want to talk to a shop assistant/dealer when I want more information on a product or service	20%	23%	22%
Because I want to see whether items are in stock in a physical shop	19%	15%	15%
Because I have to be home when the products are delivered	19%	16%	16%
Because I have access to all the products/services I need in physical shops	17%	23%	23%
Because I don't have sufficient Internet experience yet	11%	11%	8%
Because I have a wider selection of products/services in the real world	10%	9%	7%
Because prices aren't lower on the Internet	8%	7%	7%
Because there is more product information available in the real world	6%	9%	7%
Because I have experienced too many failed attempts to order/purchase something online	5%	3%	5%
Because purchasing/ordering online is something I prefer to do at home and I don't have a computer at home	2%	0%	2%
Other reason	3%	3%	4%

N = 456 / F = Only if never purchased online before

Current online shopping behaviour

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24% makes monthly purchases.

That is an 8% increase.

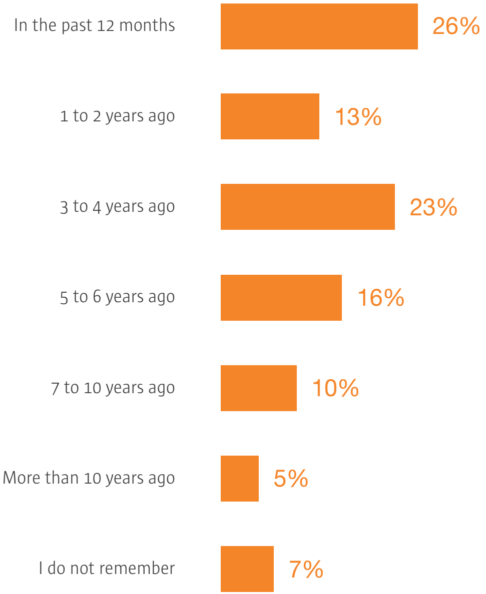
On average, we spend more than

2.000 euros a year - online.

E-commerce experience

Experience

Q: When did you first buy something via the Internet (for personal purposes)?



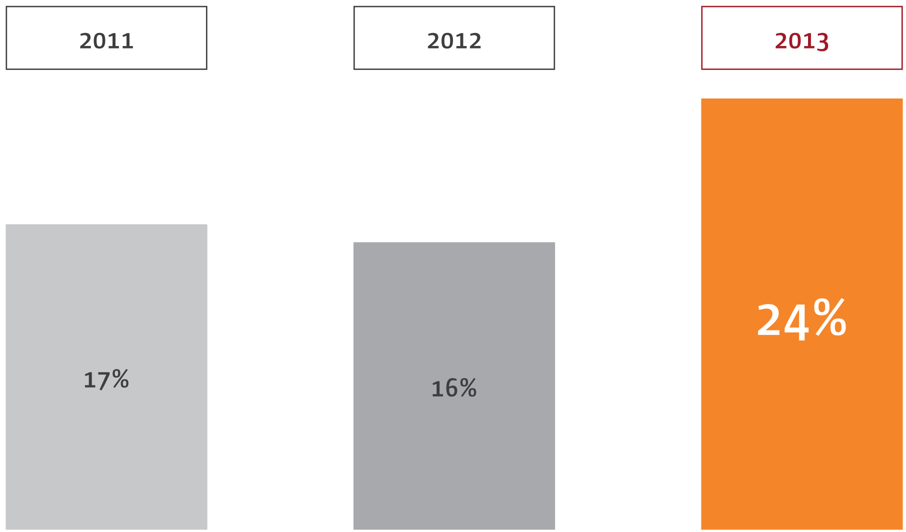
	2012	2011
In the past 12 months	21%	26%
1 to 2 years ago	12%	14%
3 to 4 years ago	22%	24%
5 to 6 years ago	18%	19%
7 to 10 years ago	11%	8%
More than 10 years ago	6%	4%
I do not remember	9%	6%

1 out of 4 online buyers made the first purchase in the last 12 months

N = 1062 / F = None

Q: How frequently do you buy something via the Internet (for personal purposes)?

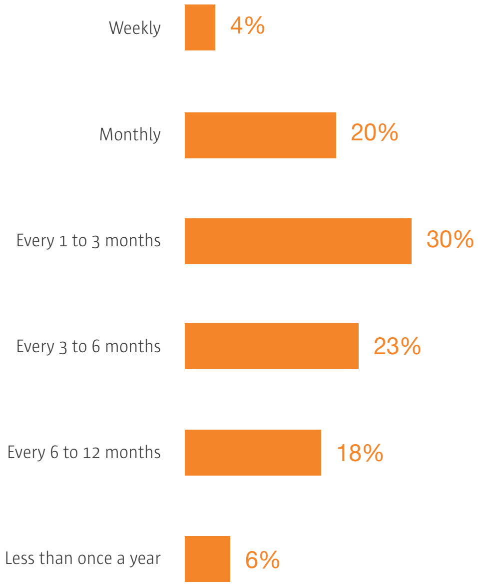
MONTHLY PURCHASES



E-commerce experience

Frequence

Q: How frequently do you buy something via the Internet (for personal purposes)?



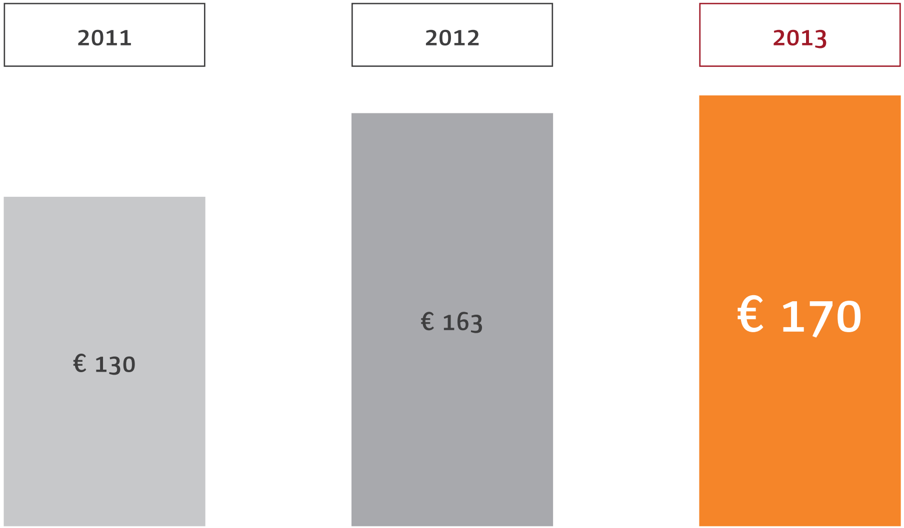
	2012	2011
Weekly	2%	2%
Monthly	14%	15%
Every 1 to 3 months	30%	31%
Every 3 to 6 months	24%	22%
Every 6 to 12 months	23%	20%
Less than once a year	7%	10%

The frequency of online purchases increases

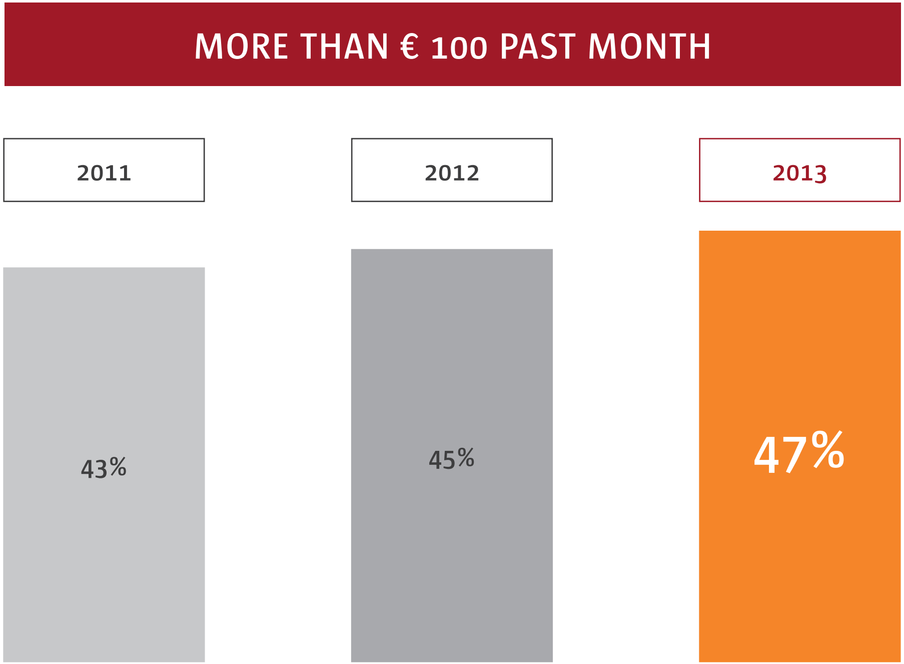
N = 1062 / F = None

Q: How much did you spend online in the past month?

AVERAGE SPENDING PER MONTH



Q: How much did you spend online in the past month?



E-commerce experience

Current online shopping behaviour

Q: How much did you spend online in the past month?

Average 2013
€ 170 / month
(€ 2.040 / year)

Average 2012
€ 163 / month
(€ 1.944 / year)

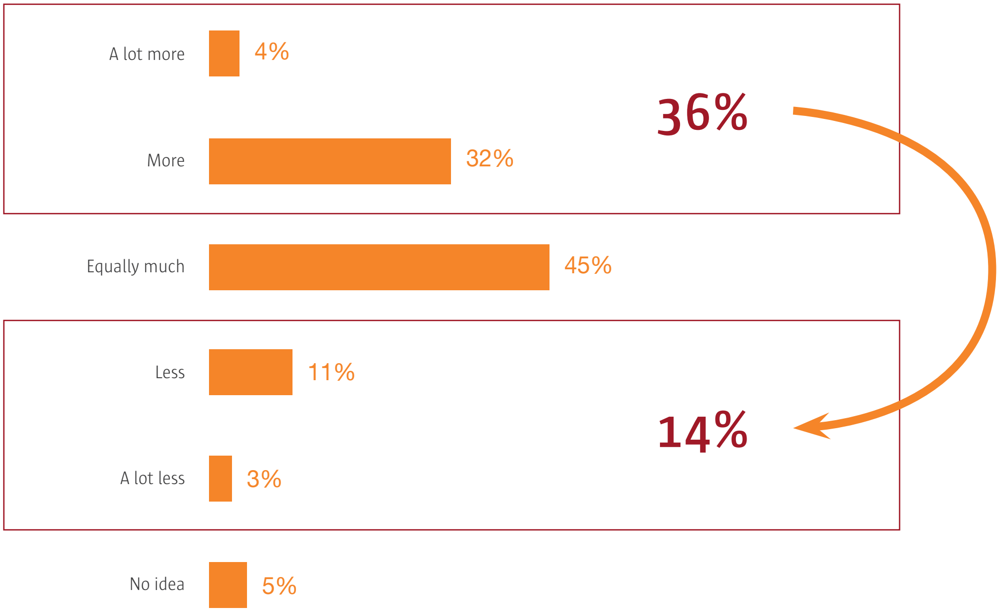
Average 2011
€ 130 / month
(€ 1.560 / year)

		2012	2011
Less than € 20	16%	26%	19%
Between € 20 and € 49	17%	10%	16%
Between € 50 and € 99	20%	19%	22%
Between € 100 and € 149	12%	13%	13%
More than € 150	35%	32%	30%

N = 1062 / F = None

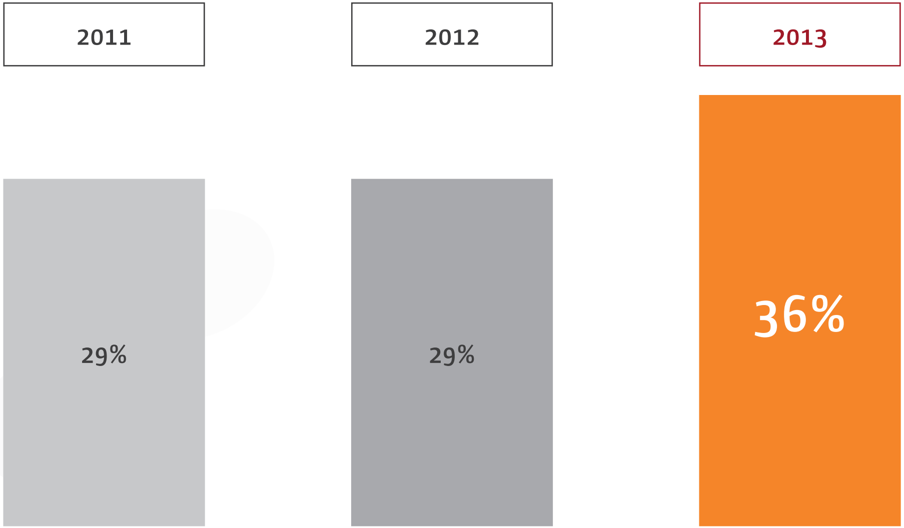
Q: Do you spend less or more now than you did 1 year ago?

SPENDING BEHAVIOUR COMPARED TO LAST YEAR



Q: Do you spend less or more now than you did 1 year ago?

SPENDING BEHAVIOUR COMPARED TO LAST YEAR

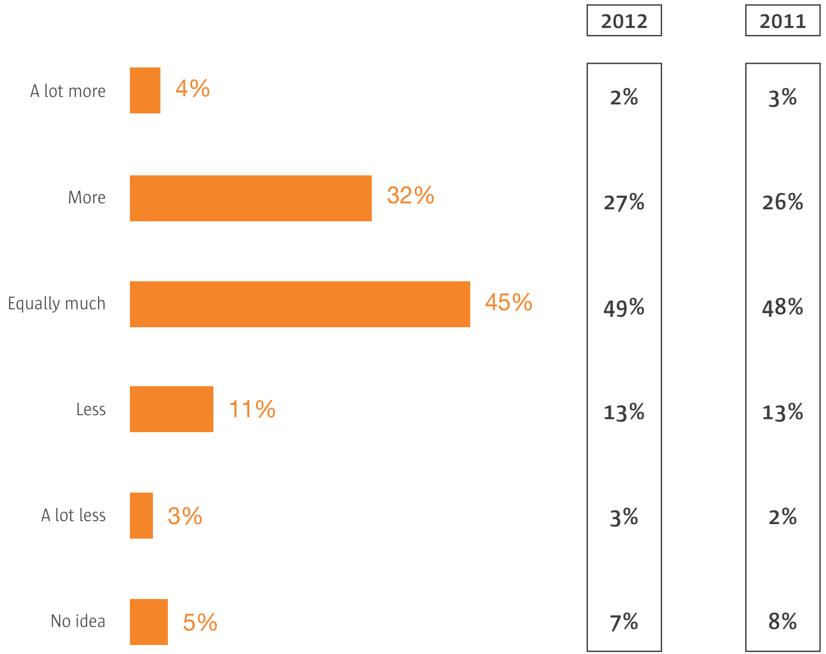


13% spends more online

E-commerce experience

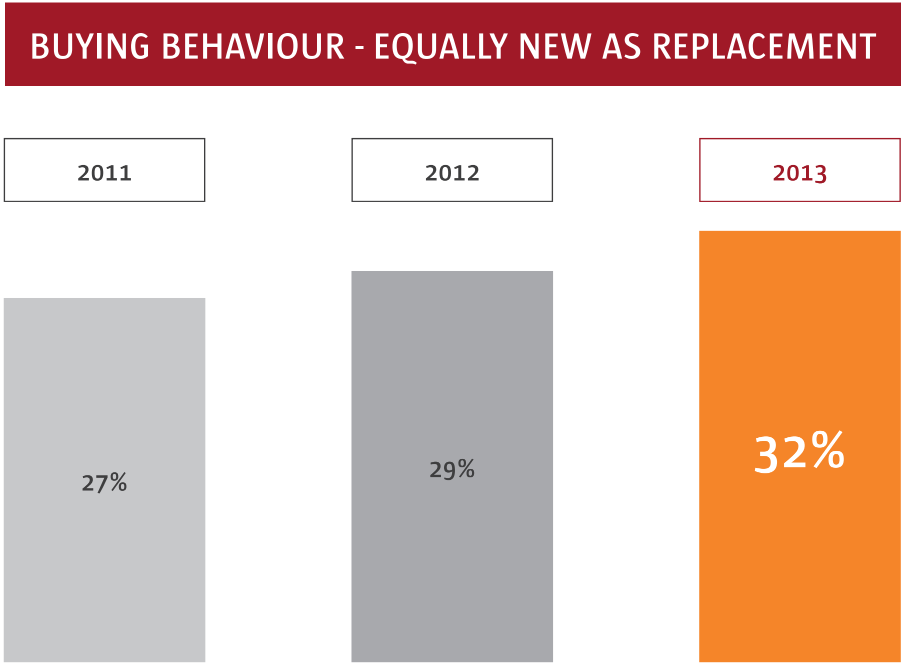
Evolution budget

Q: Do you spend less or more now than you did 1 year ago?



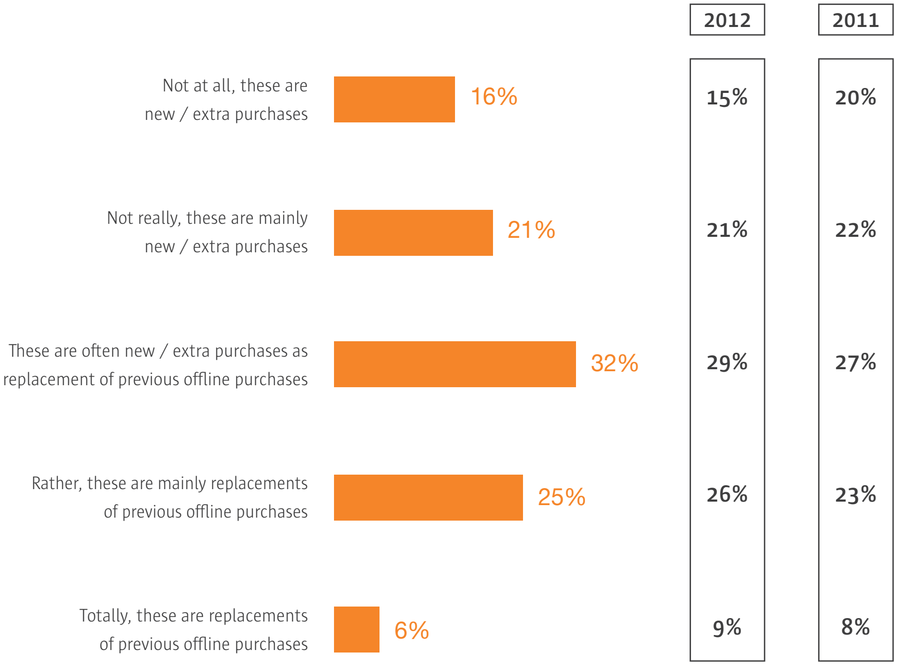
N = 1062 / F = None

Q: To what extent do these purchases via the Internet replace offline purchases?



E-commerce experience
Substitution offline purchases

Q: To what extent do these purchases via the Internet replace offline purchases?



Online still doesn't replace offline purchases

N = 1062 / F = None

Online purchases

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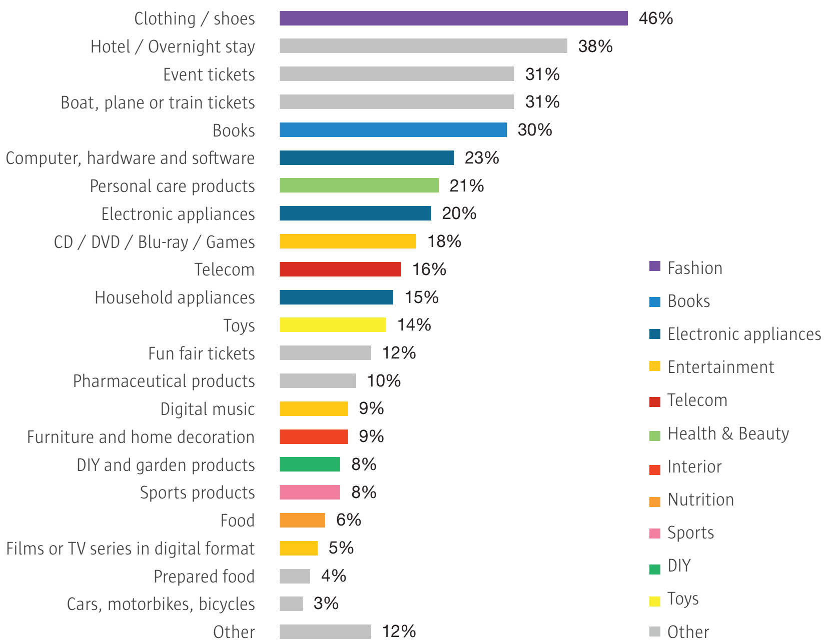
52% bought food more than 5 times.

89% of buyers will buy again in the next 12 months.

Online purchases
Current purchase new products

Q: Which new products or services did you buy via the Internet (for personal purposes) in the past 12 months?



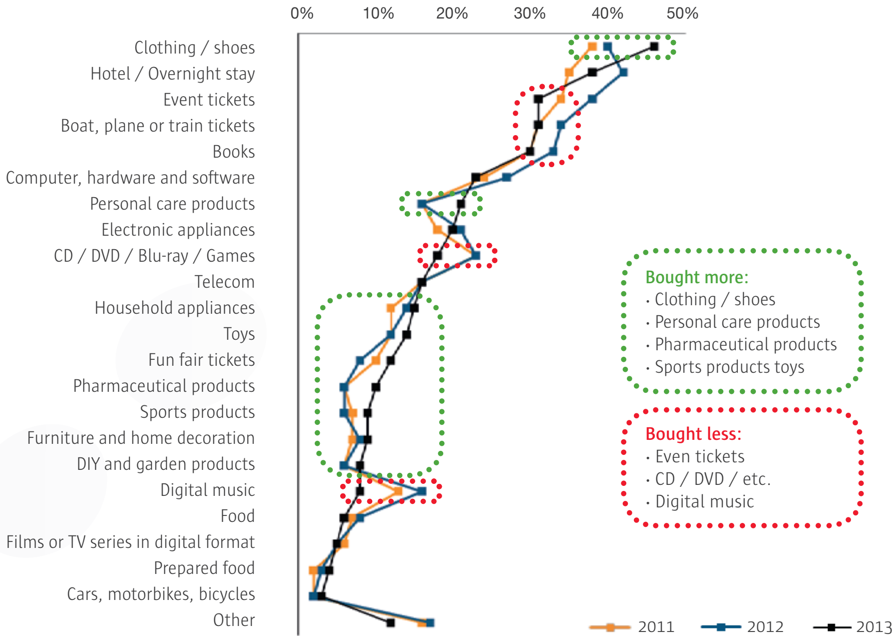
N = 1062 / F = None

Clothing & shoes most popular item – for the first time!

Online purchases

Current purchase new products - Evolution

Q: Which new products or services did you buy via the Internet (for personal purposes) in the past 12 months?



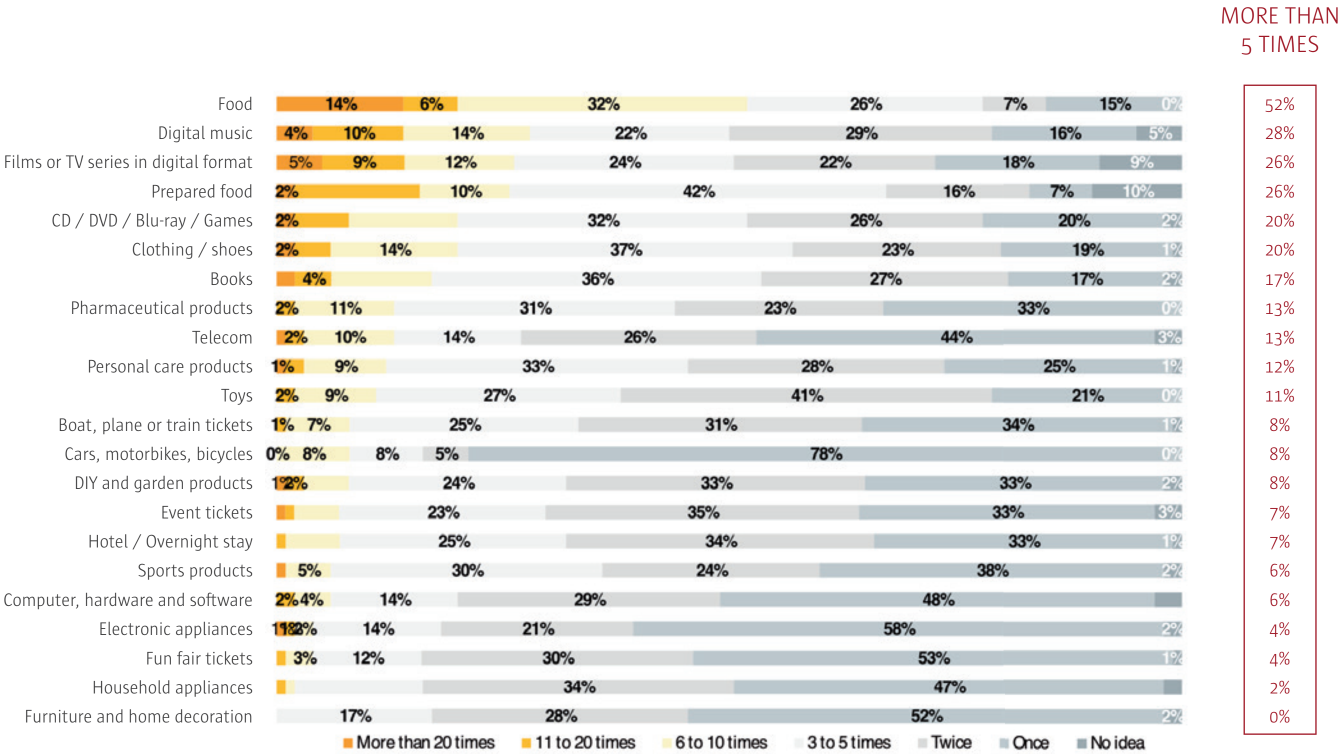
This is an evolution, no revolution: minor shifts in shopping behaviour

N = 1062 / F = None

Online purchases

Frequence current online purchases

Q: Please indicate how often you bought the following new products via the Internet (for personal purposes) in the past 12 months.

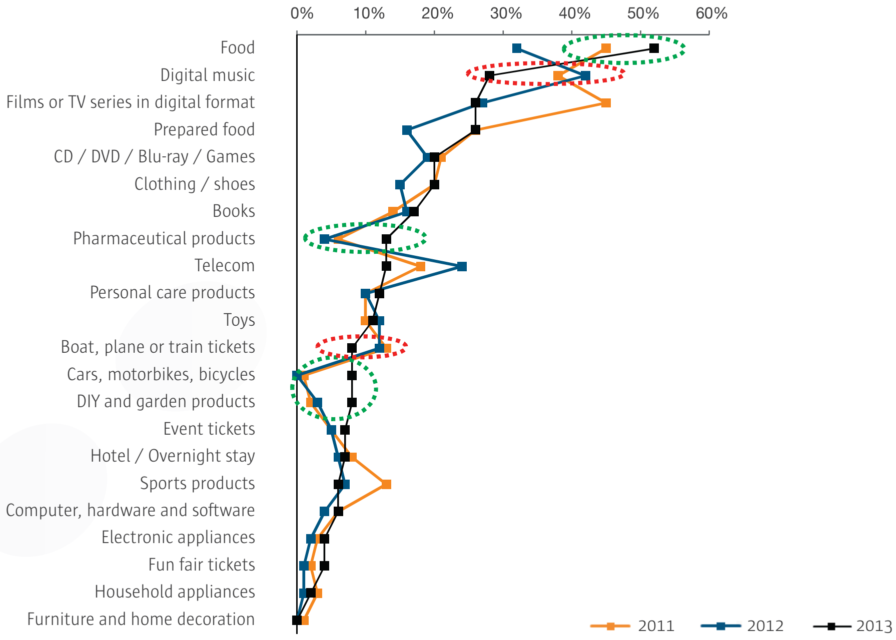


N = min 33 (cars, motorbikes/bikes) / F = if purchased online

Online purchases

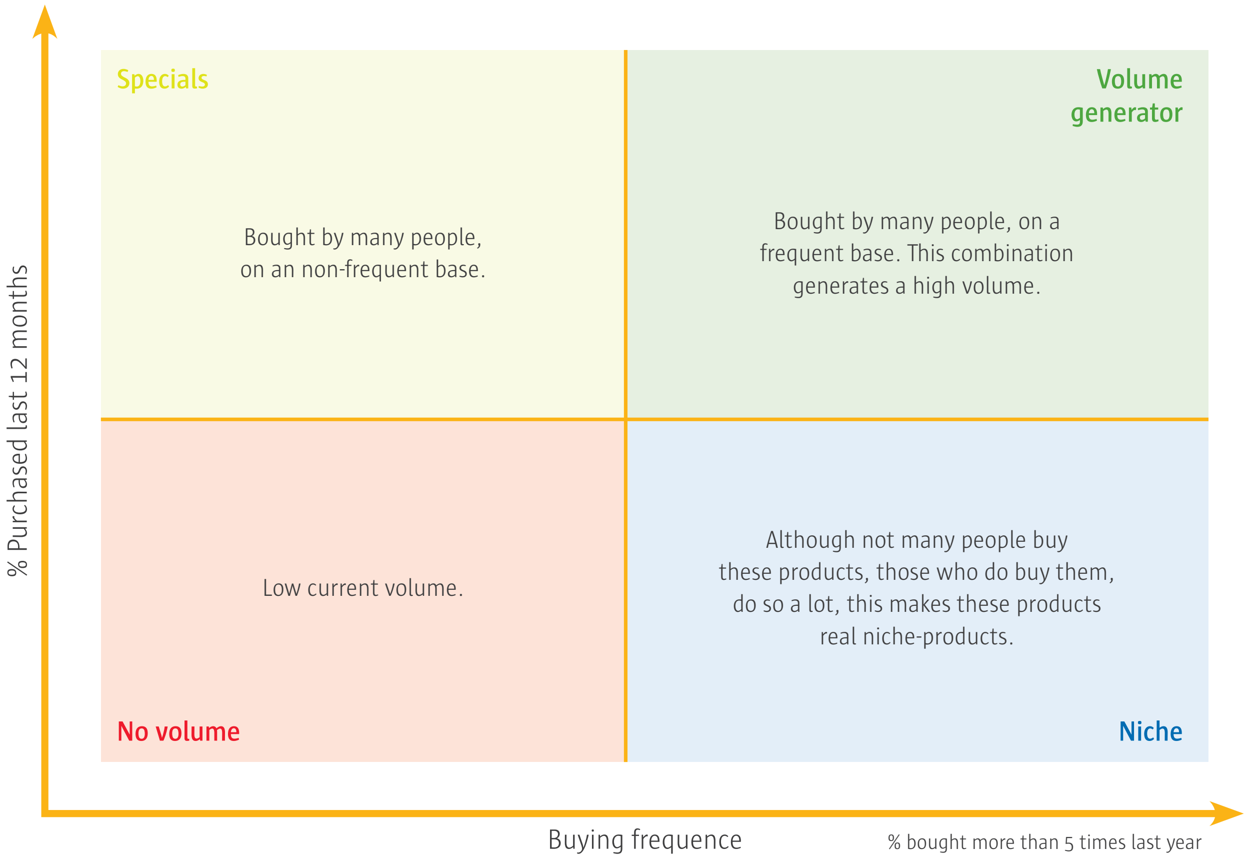
Frequence current online purchases - Evolution

Q: Please indicate how often you bought the following new products via the Internet (for personal purposes) in the past 12 months (more than 5 times).



Food is the most important recurrent purchase

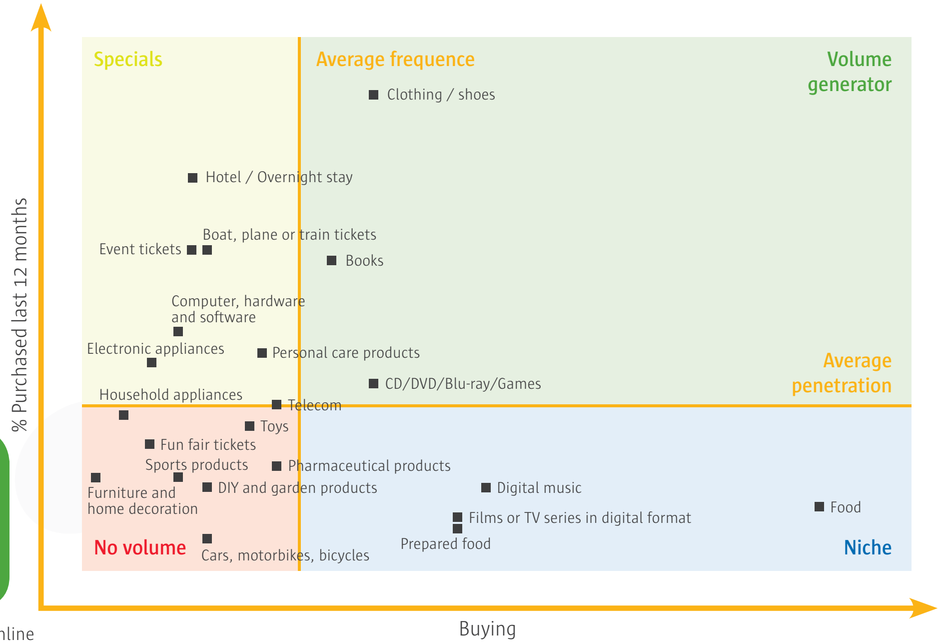
N = 1062 / F = None



Specials
Bought by many people, on an non-frequent base.
Volume generator
Bought by many people, on a frequent base. This combination generates a high volume.
Low current volume.
No volume
Although not many people buy these products, those who do buy them, do so a lot, this makes these products real niche-products.
Niche
% Purchased last 12 months
Buying frequence
% bought more than 5 times last year

Online purchases
Quadrant

Q: Which new products or services did you buy via the Internet (for personal purposes) in the past 12 months?
Q: Please indicate how often you bought the following new products via the Internet (for personal purposes) in the past 12 months.



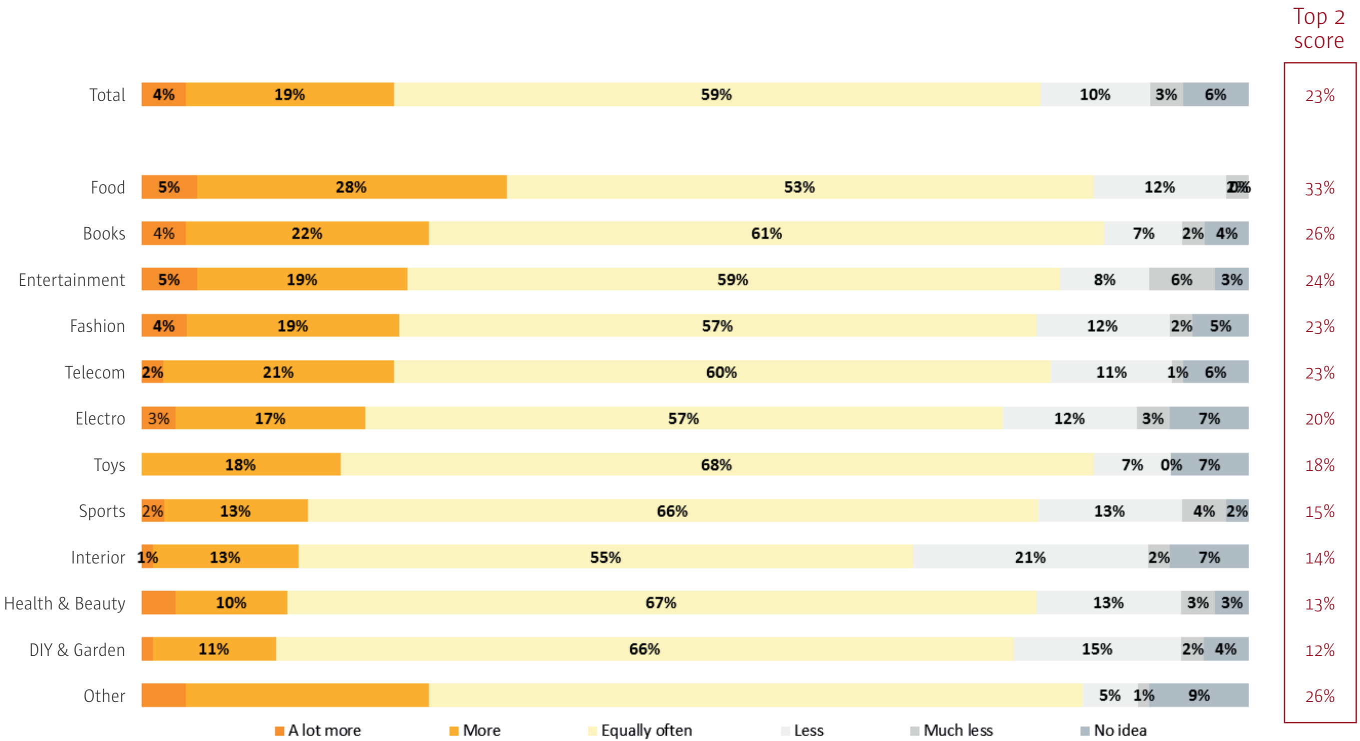
Books and Clothing & Shoes are the major volume generators

N = min 33 (cars, motorbikes/bikes) / F = if purchased online

Online purchases

Future intention to buy

Q: Do you expect to buy the following products more or less in the future?

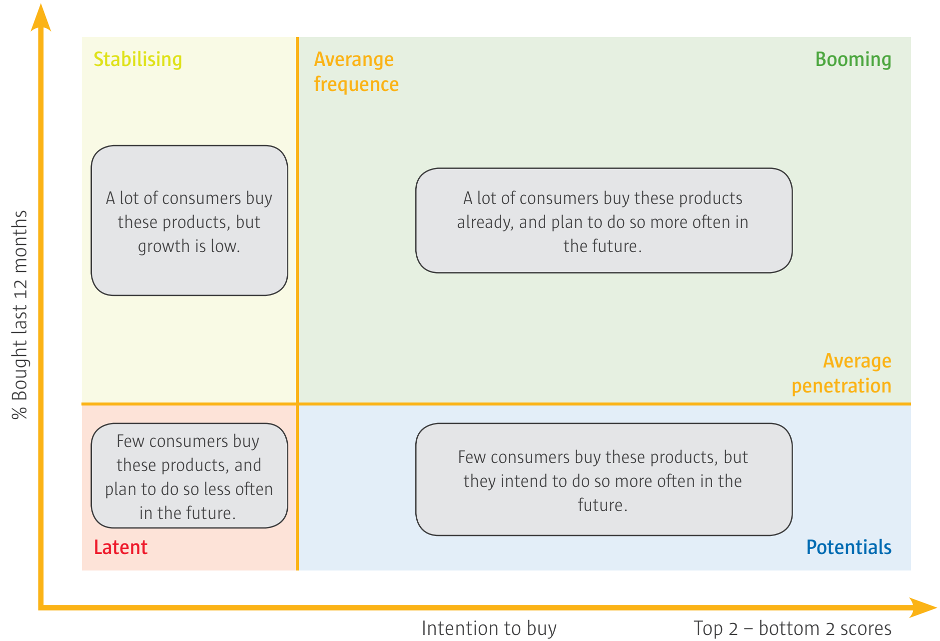


N = min 44 (Toys) / F = if purchased online

Online purchases

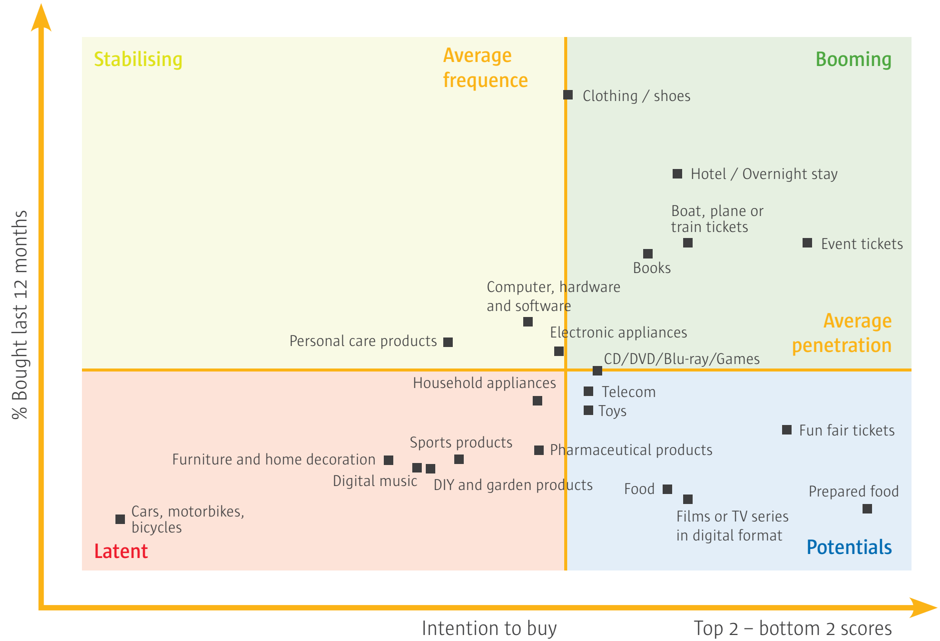
Quadrant methodology

Q: Which new products or services did you buy via the Internet (for personal purposes) in the past 12 months?
Q: Do you expect to buy the following products more or less in the future?



Online purchases
Quadrant methodology

Q: Which new products or services did you buy via the Internet (for personal purposes) in the past 12 months?
Q: Do you expect to buy the following products more or less in the future?



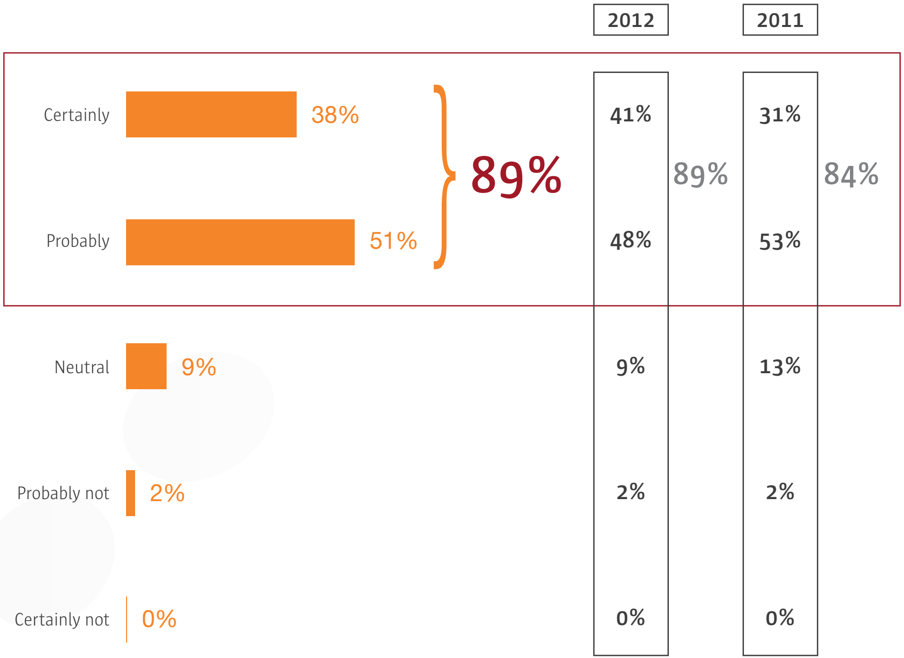
Telecom, Toys and Fun fair tickets are high potentials

N = min 33 (cars, motorbikes/bikes) / F = if purchased online

Online purchases

Future intention to buy

Q: How likely are you to purchase other new products or services on the Internet in the future?



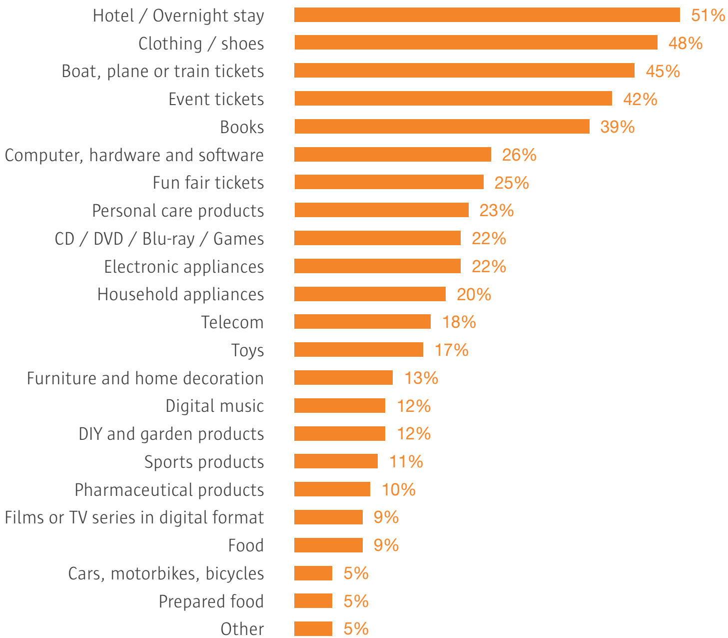
Online buyers remain loyal to e-commerce

N = 1062 / F = None

Online purchases

Intention to buy next 12 months

Q: Which of the following products would you consider purchasing online in the coming 12 months?



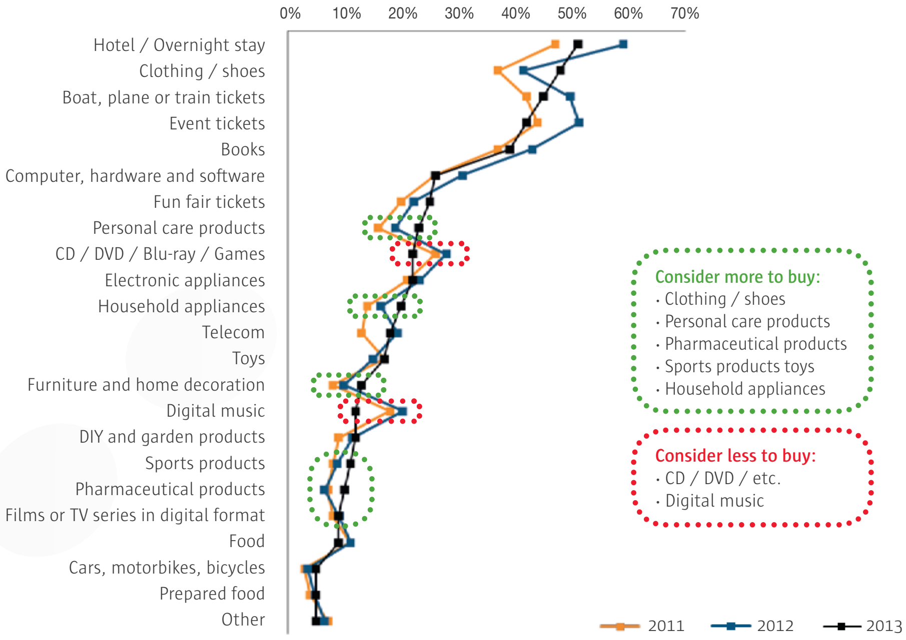
N = 1062 / F = None

It can be expected that clothing/shoes will become even more popular in the future

Online purchases

Intention to buy next 12 months - Evolution

Q: Which of the following products would you consider purchasing online in the coming 12 months?



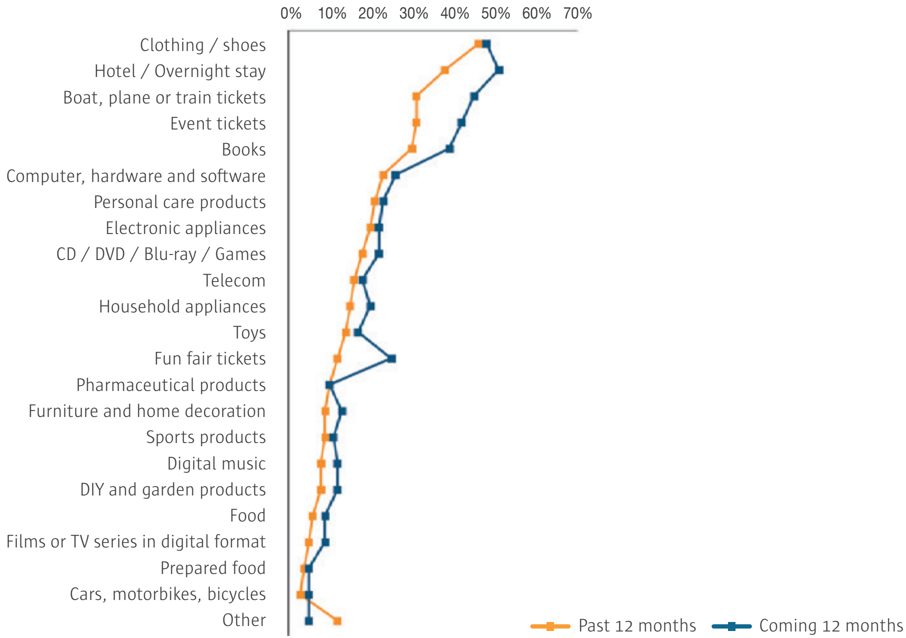
CD/DVD and digital music less considered

N = 1062 / F = None

Online purchases

Evolution new products

Q: Which new products or services did you buy via the Internet (for personal purposes) in the past 12 months?
Q: Which of the following products would you consider purchasing online in the coming 12 months?

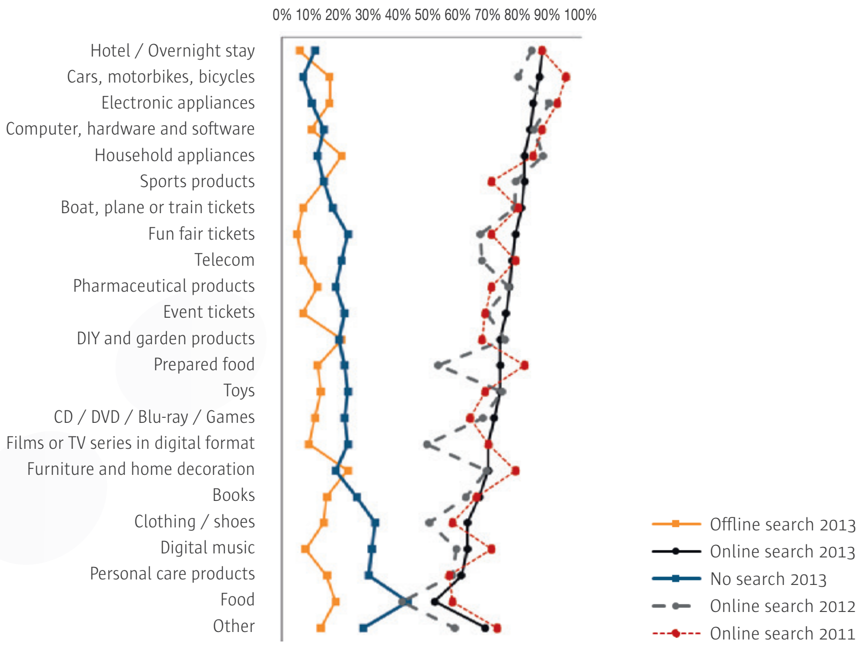


N = 1062 / F = None

Online shoppers don't change their behaviour

Online purchases
Information search

Q: To what extent have you looked for information before buying the following products online?



People keep looking for information online, even when they don't purchase the item

N = 1062 / F = None

Sector focus

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Price has become the most important motivator for online shoppers

... but not for all sectors.

For **Food,** the 24/7 availability and time-saving are the main drivers.

Sector focus

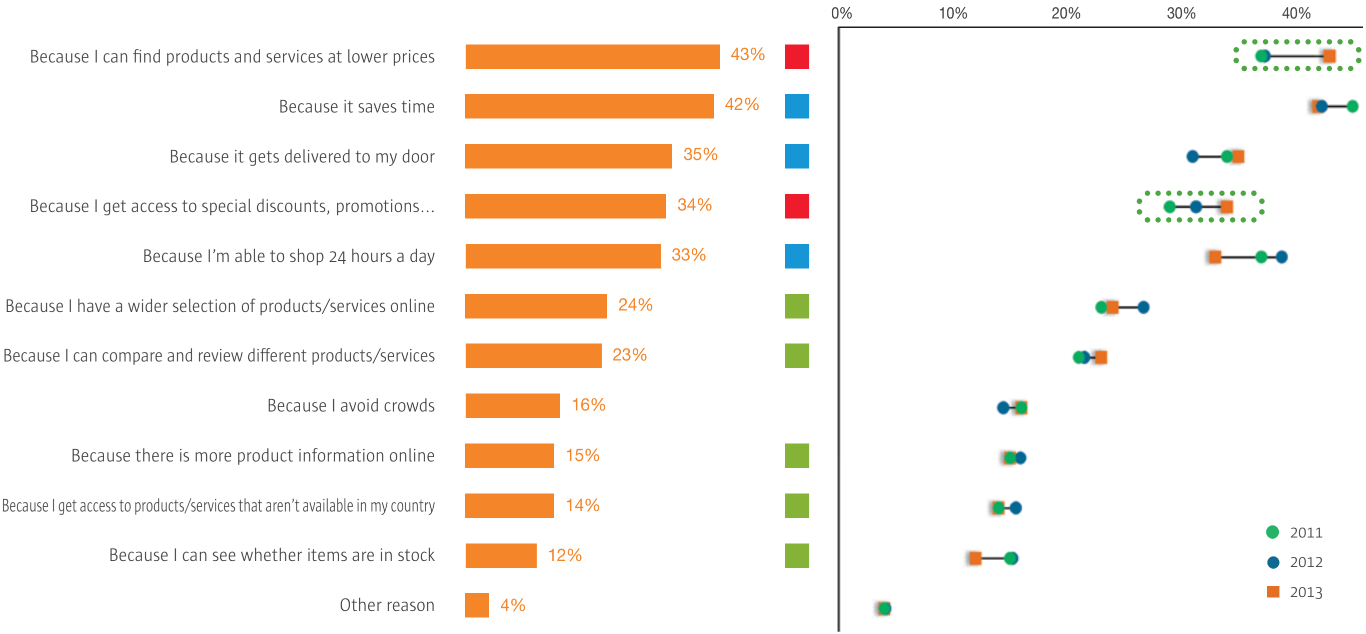
Drivers for E-commerce - Evolutions

Q: What are the 3 main reasons why you bought this product online?

Time & Convenience
Money
Purchase Management

PERCEIVED AS IMPORTANT

% CONSUMERS WHO INDICATE THIS AS A TOP 3 DRIVER



F = Have bought before

Electro & entertainment:
low prices become main drivers

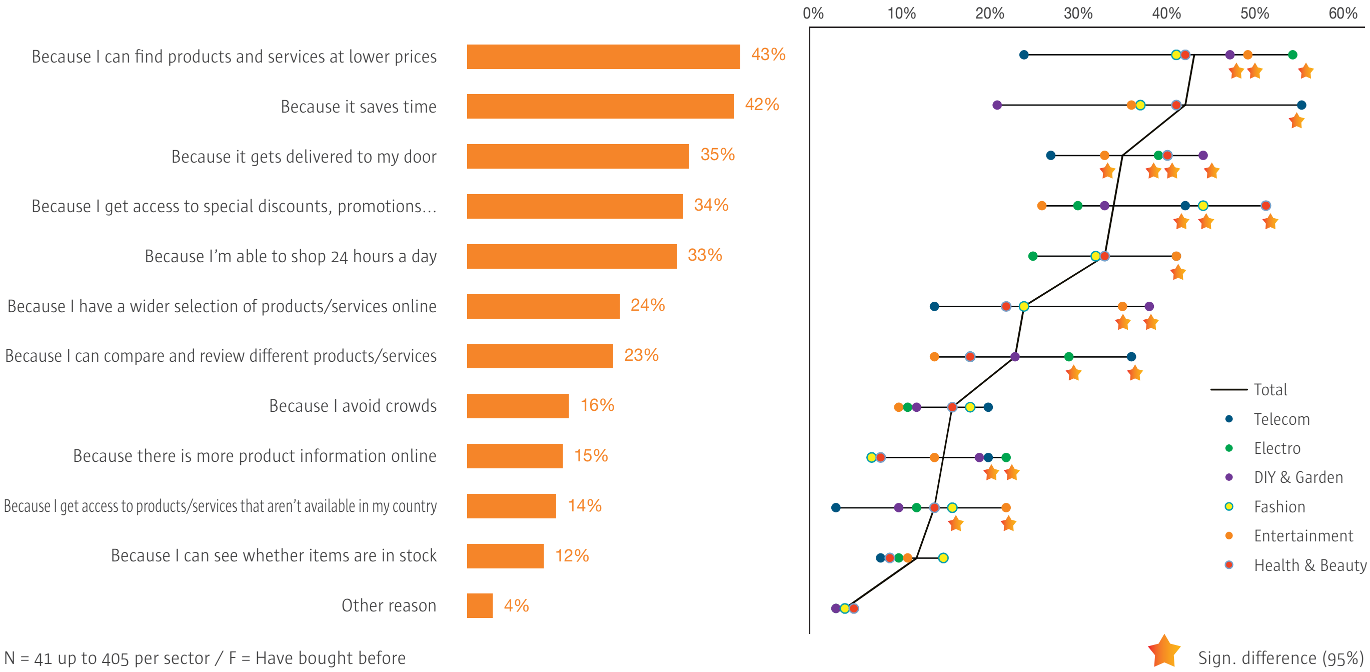
Sector focus

Drivers for E-commerce (details 1/2)

Q: What are the 3 main reasons why you bought this product online?

PERCEIVED AS IMPORTANT

% CONSUMERS WHO INDICATE THIS AS A TOP 3 DRIVER



N = 41 up to 405 per sector / F = Have bought before

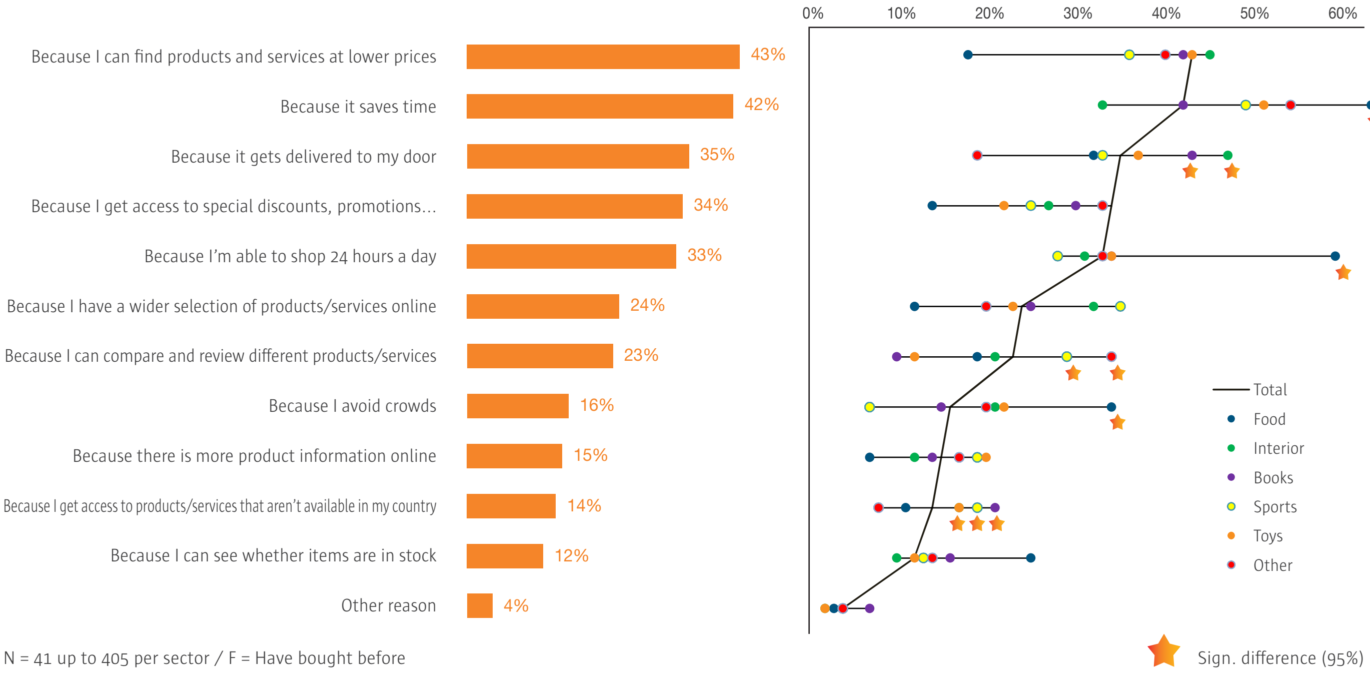
Sector focus

Drivers for E-commerce (details 2/2)

Q: What are the 3 main reasons why you bought this product online?

PERCEIVED AS IMPORTANT

% CONSUMERS WHO INDICATE THIS AS A TOP 3 DRIVER

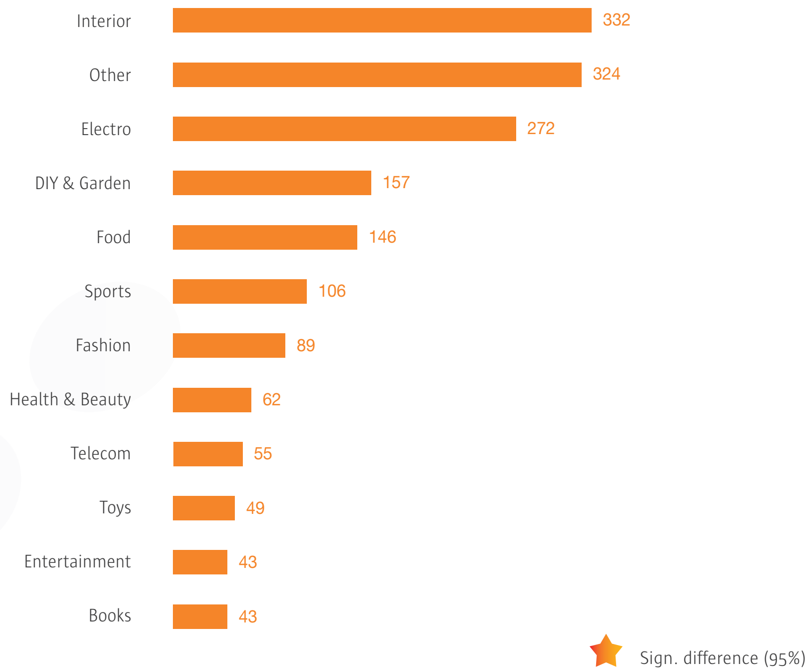


N = 41 up to 405 per sector / F = Have bought before

Sector focus
Purchase amount

Q: How much money did you spend at your most recent online purchase?

ON AVERAGE ONLINE SHOPPERS SPEND € 165 (PREVIOUS WAVE = € 187)



Highest spending for Interior and Electro

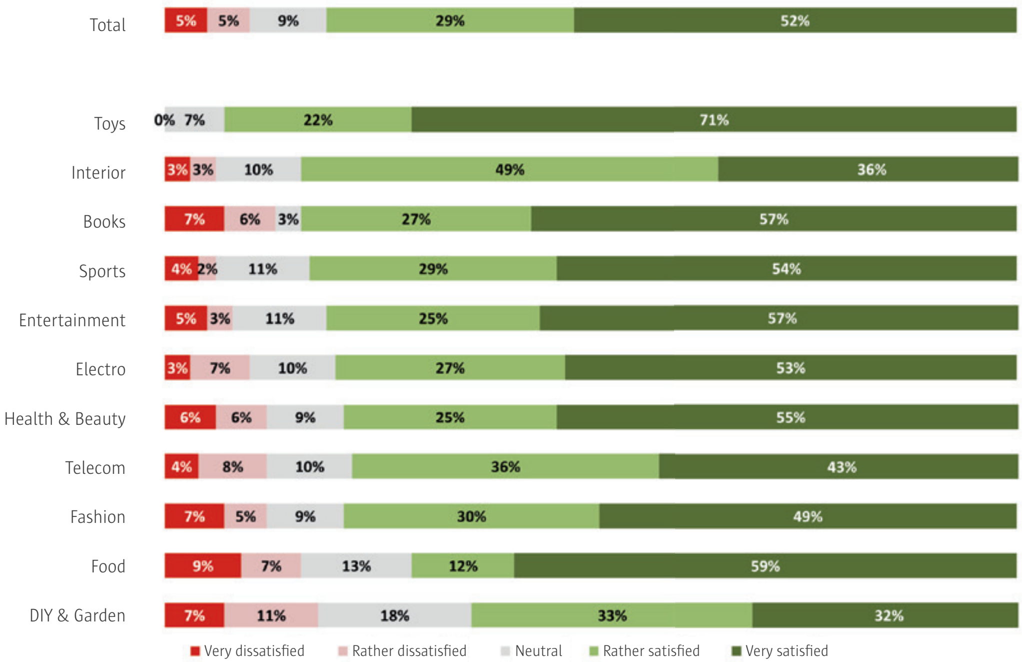
N = 41 up to 405 per sector / F = Have bought before

Sector focus

Website satisfaction

Customers become less satisfied with online shops. Biggest drops in satisfaction for Food, Fashion, Entertainment and DIY & Garden

Q: How satisfied were you with using the e-commerce website after your most recent online purchase?



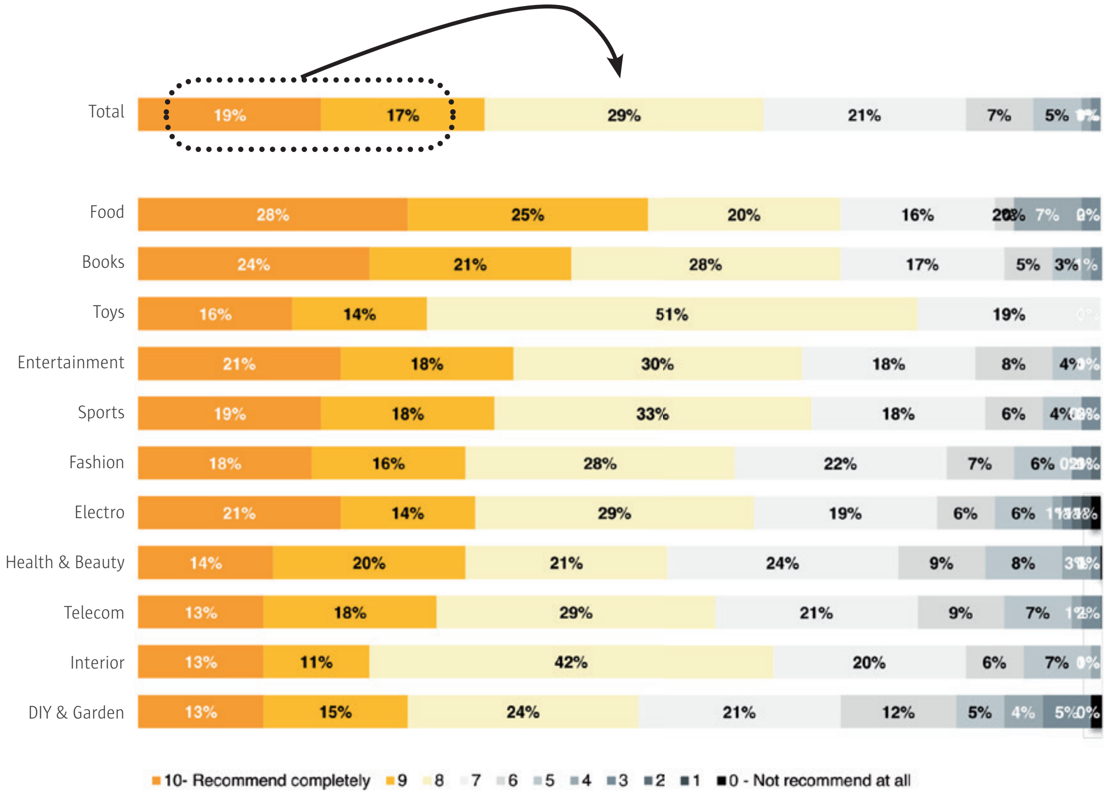
	Top 2 score 2013	Top 2 score 2012	Top 2 score 2011
Total	81%	85%	82%
Toys	93%	91%	Not measured
Interior	85%	80%	78%
Books	84%	88%	88%
Sports	83%	75%	72%
Entertainment	82%	87%	81%
Electro	80%	84%	83%
Health & Beauty	80%	83%	83%
Telecom	79%	71%	72%
Fashion	79%	87%	83%
Food	71%	87%	84%
DIY & Garden	65%	82%	73%

N = 41 up to 405 per sector / F = Have bought before

Sector focus

Website Recommendation

Q: How likely are you to recommend 'website' to a friend, on a scale from 0 to 10?



	NPS 2013	NPS 2012	NPS 2011
Total	22	34	21
Food	42	40	41
Books	34	39	24
Toys	30	40	Not measured
Entertainment	26	42	24
Sports	25	52	2
Fashion	18	25	18
Electro	18	37	25
Health & Beauty	12	39	37
Telecom	11	9	3
Interior	10	5	6
DIY & Garden	0	41	9

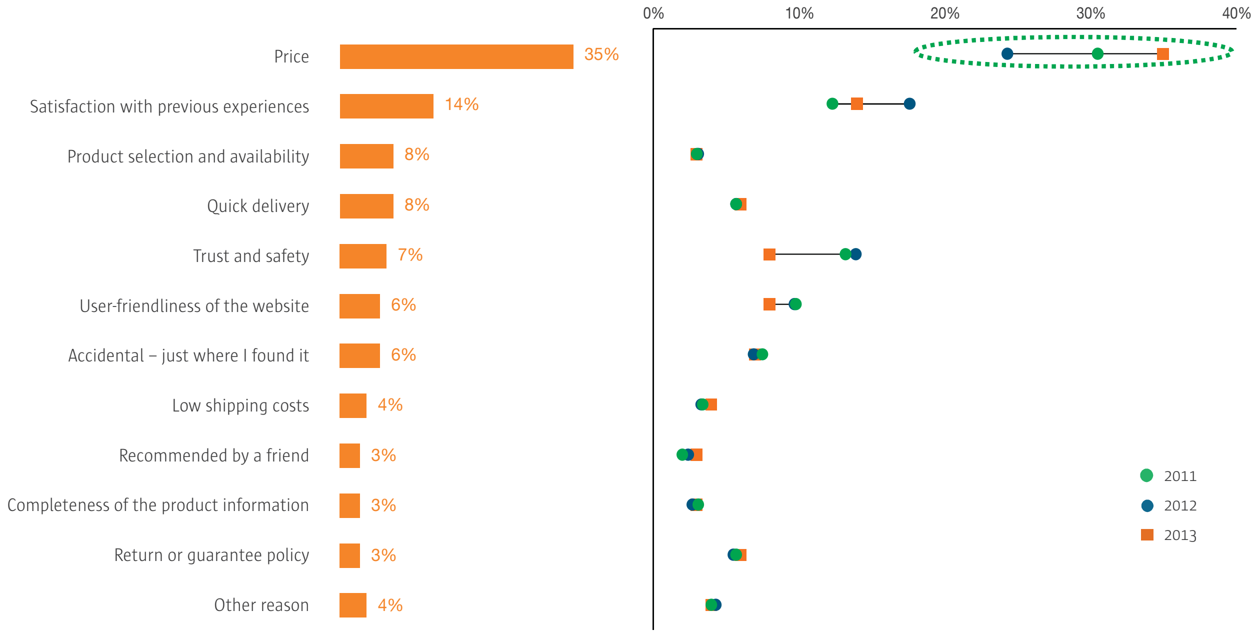
Sector focus

Drivers website - Evolutions

Q: Why did you use 'website' for your online purchase?

PERCEIVED AS IMPORTANT IN THEIR EXPERIENCE

% CONSUMERS WHO INDICATE THIS AS A TOP 3 DRIVER



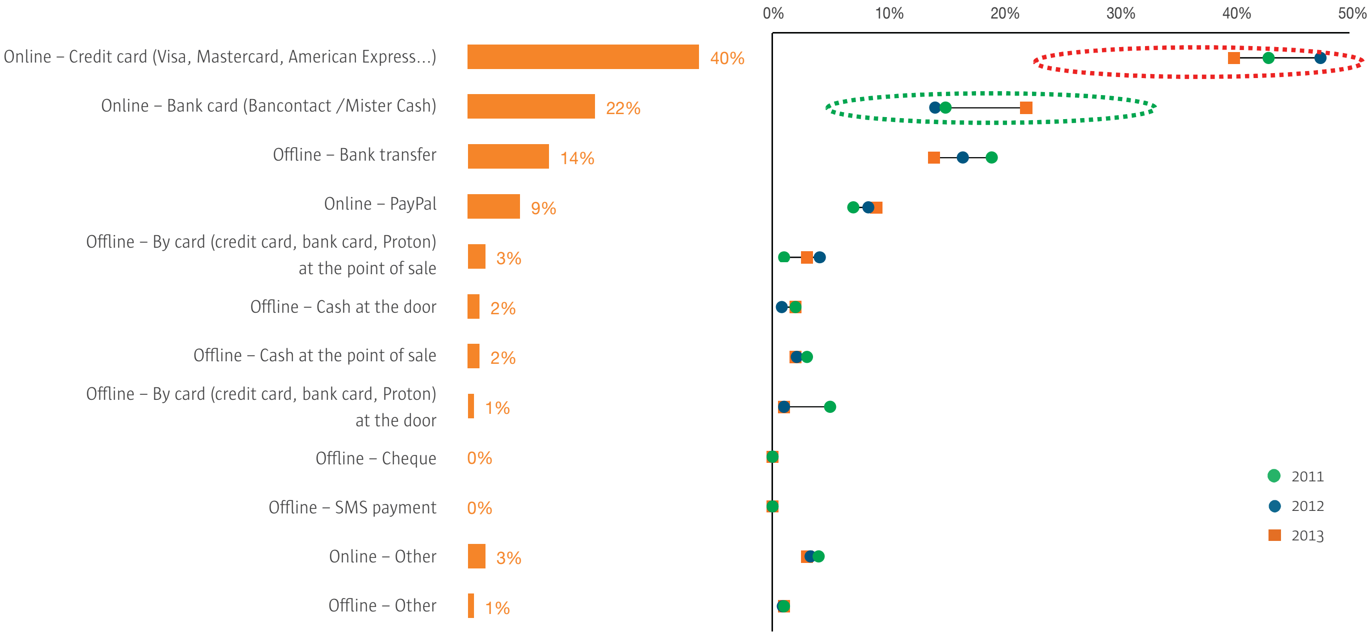
Sector focus

Payment method - Evolutions

Q: How did you pay for it?

Credit cards still most popular payment – but it loses importance to Bank cards

TRANSACTION PAYMENT METHOD



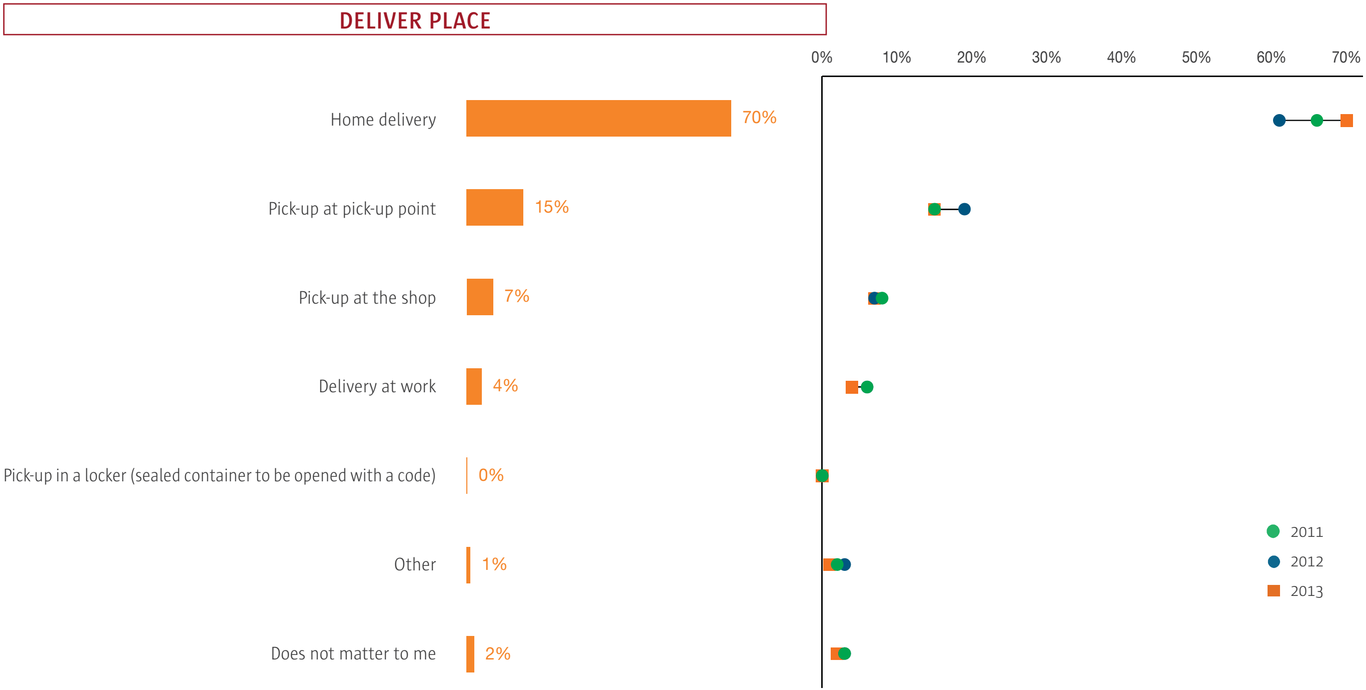
N = 41 up to 405 per sector / F = Have bought before

Sector focus

Delivery preference - Evolutions

Q: How do you prefer your online purchases 'product sector' to be delivered?

70 % of customers want home delivery

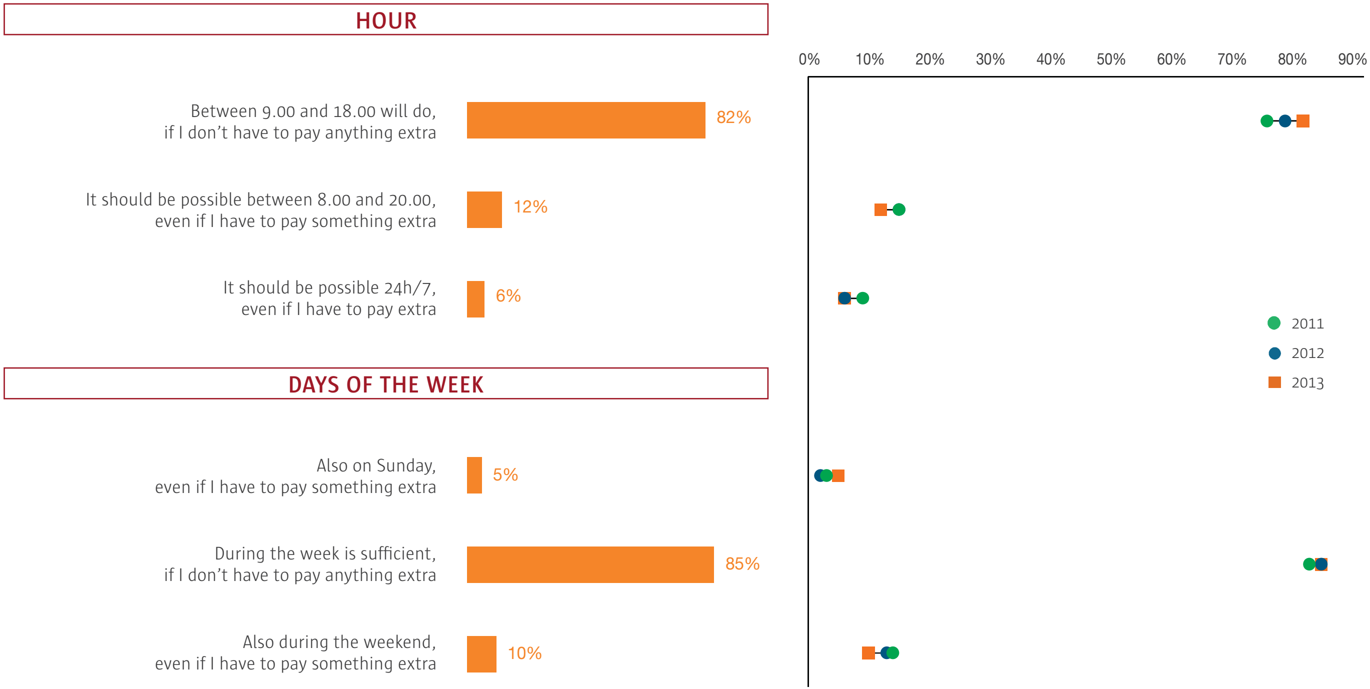


Sector focus

Delivery time - Evolutions

Q: When should it be possible to have 'product' delivered?

... and they don't want to pay for delivery convenience



N = 41 up to 405 per sector/ F = Have bought before

Sector focus

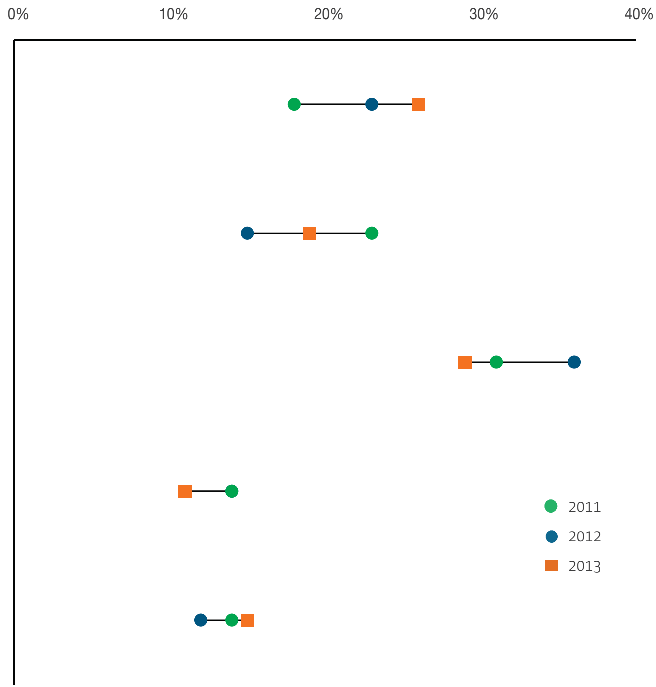
Delivery price - Evolutions

Q: How much are you willing to pay for the delivery of the 'product' you buy online?

1 out of 4 expects free delivery

COST OF DELIVERY

Free shipping	26%
Less than 4 Euros	19%
Between 4 and 7.5 Euros	29%
Between 7.5 and 10 Euros	11%
More than 10 Euros	15%



N = 41 up to 405 per sector/ F = Have bought before

E-commerce trust & attitude

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Trust might become an issue: 60% has faith in e-commerce, that is a 6% drop.

Consumers prefer Belgian websites

‘they know’.

E-commerce trust

Q: To what extent do you agree with the following statements? (Top 2 scores)

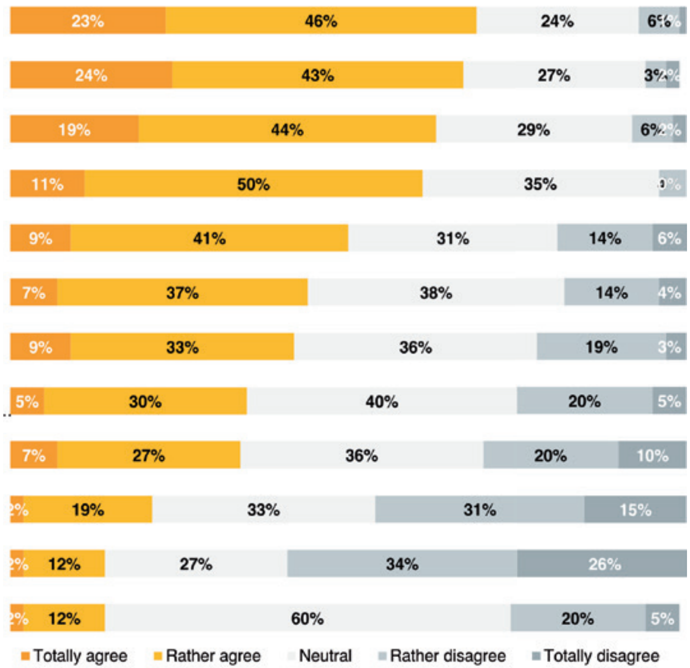
		2012	2011
I would only purchase products and/or services on familiar and reliable sites	69%	77%	74%
I find it important for an e-commerce website to be certified by an independent body	68%	74%	69%
I find a transfer a reliable method of payment for an online purchase	63%	68%	62%
I have faith in e-commerce	60%	66%	59%
I find it safe to pay for an online purchase with a credit card (VISA, MasterCard...)	49%	57%	48%
I am open to purchasing a broad range of products and/or services online	45%	52%	46%
I frequently purchase products and/or services online	42%	39%	39%
I am open to purchasing products from other Internet users on the Internet (e.g. on classified websites...)	35%	30%	29%
I have no inhibitions when it comes to buying products and/or services online	34%	37%	31%
I would also buy products and/or services on websites I do not know	21%	20%	19%
I would also buy expensive, risky products and/or services online	14%	11%	13%

N = 1062 / F = None

Faith in e-commerce decreases by 6%; trust in credit card payment by 8%

E-commerce trust
(detail)

Q: To what extent do you agree with the following statements? (Top 2 scores)

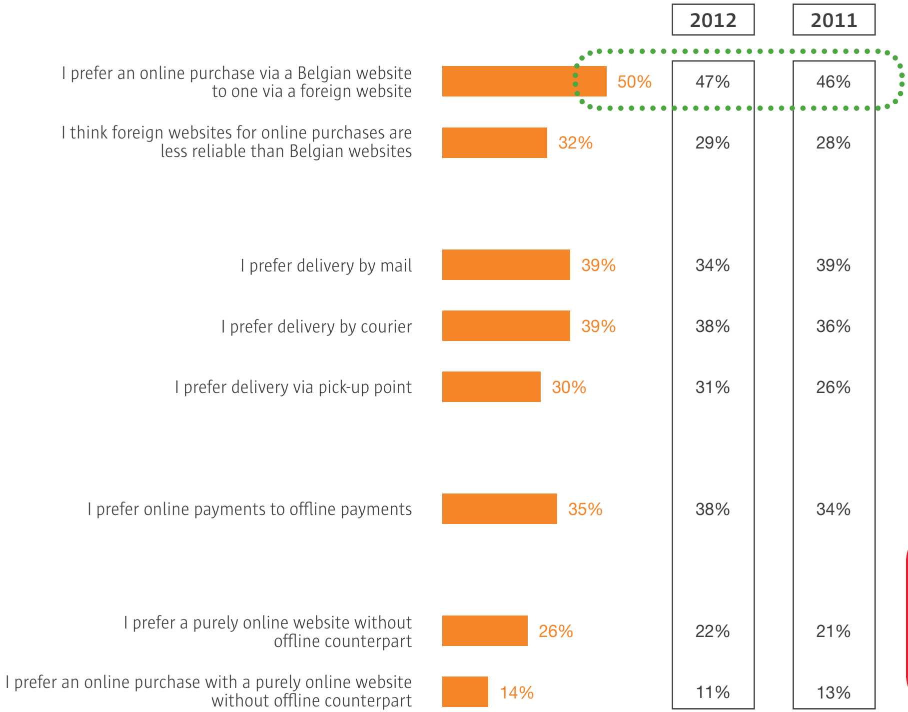


	2013	2012	Evolution 2012-2013
I would only purchase products and/or services on familiar and reliable sites	69%	77%	-8%
I find it important for an e-commerce website to be certified by an independent body	68%	74%	-6%
I find a transfer a reliable method of payment for an online purchase	63%	68%	-5%
I have faith in e-commerce	60%	66%	-6%
I find it safe to pay for an online purchase with a credit card (VISA, MasterCard...)	49%	57%	-8%
I am open to purchasing a broad range of products and/or services online	45%	52%	-7%
I frequently purchase products and/or services online	42%	39%	3%
I am open to purchasing products from other Internet users on the Internet (e.g. on classified websites...)	35%	30%	5%
I have no inhibitions when it comes to buying products and/or services online	34%	37%	-3%
I would also buy products and/or services on websites I do not know	21%	20%	1%
I would also buy expensive, risky products and/or services online	14%	11%	3%
I prefer an online purchase with a purely online website without offline counterpart	14%		

N = 1062 / F = None

E-commerce attitude

Q: To what extent do you agree with the following statements? (Top 2 scores)

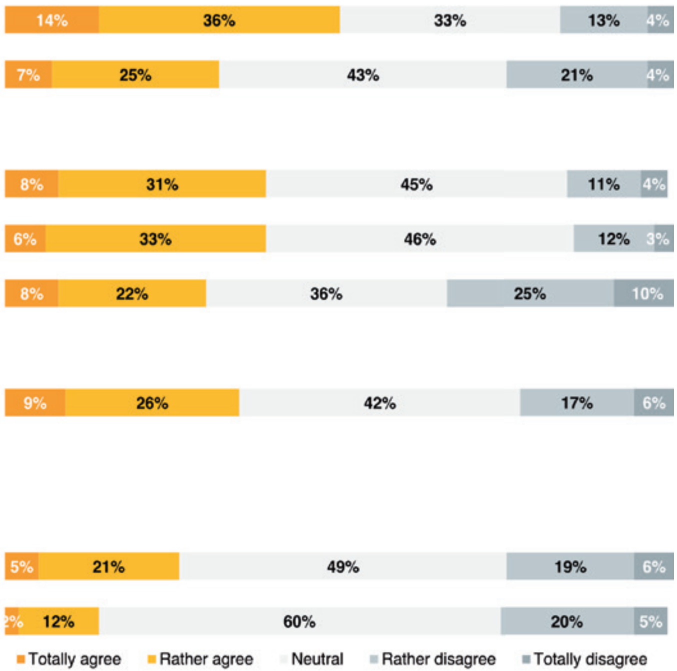


N = 1062 / F = None

50% of online consumers prefer Belgian websites

E-commerce attitude
(detail)

Q: To what extent do you agree with the following statements? (Top 2 scores)



	2013	2012	Evolution 2012-2013
I prefer an online purchase via a Belgian website to one via a foreign website	50%	47%	3%
I think foreign websites for online purchases are less reliable than Belgian websites	32%	29%	3%
I prefer delivery by mail	39%	34%	5%
I prefer delivery by courier	39%	38%	1%
I prefer delivery via pick-up point	30%	31%	−1%
I prefer online payments to offline payments	35%	38%	−3%
I prefer a purely online website without offline counterpart	26%	22%	4%
I prefer an online purchase with a purely online website without offline counterpart	14%	11%	3%

N = 1062 / F = None

Internet fraud

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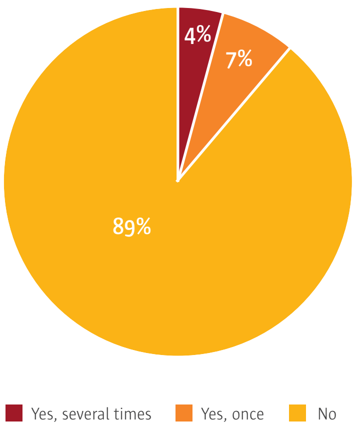
11% has been exposed to internet fraud.

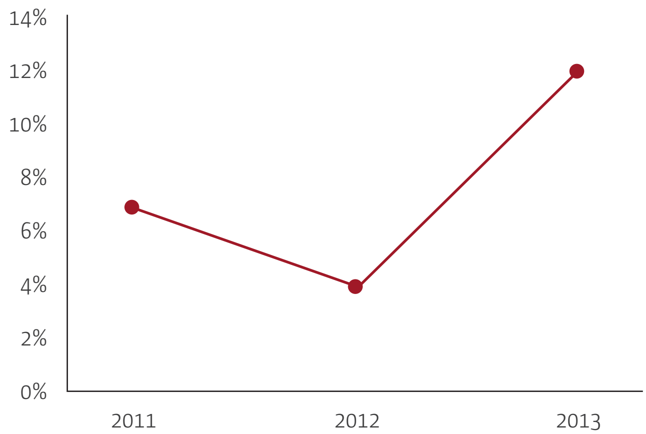
Internet fraud
Exposure

Q: Have you been confronted with Internet fraud related with your purchase of new products or services on the Internet in the past 12 months?

2013



EVOLUTION



N = 1062 / F = None

Internet fraud

Type of fraud

Q: What is the best description of this internet fraud?

		2012	2011
Payment fraud (e.g. hacked payment website)	34%	49%	40%
Conscious faulty information on the website	25%	17%	35%
Wrong / damaged / incomplete / missing delivery	20%	25%	28%
Fraud concerning return shipment	20%	7%	11%
Other	15%	24%	12%

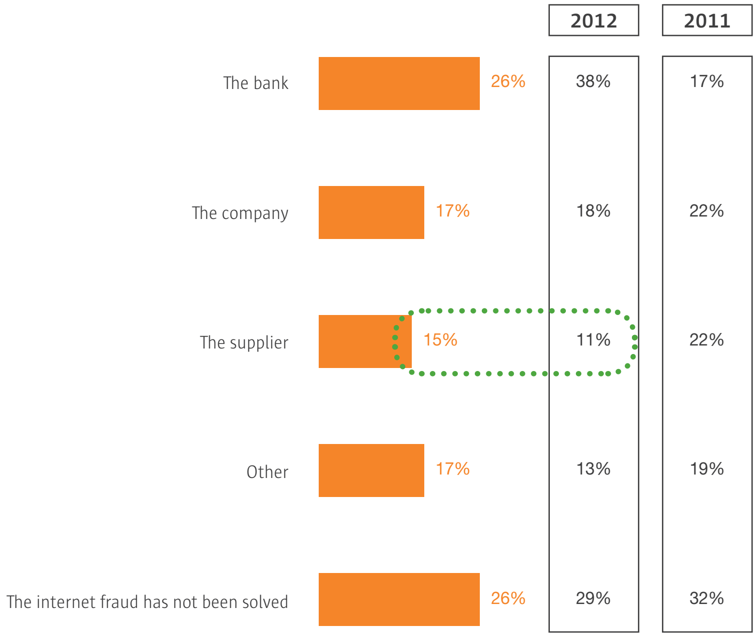
Main issues are: misguiding information on the website and 'fraud' concerning return shipments

N = 101 / F = Confronted with internet fraud in past 12 months

Internet fraud

Fraud handling

Q: Who solved this internet fraud?



N = 101 / F = Confronted with internet fraud in past 12 months

E-commerce trends & attitude

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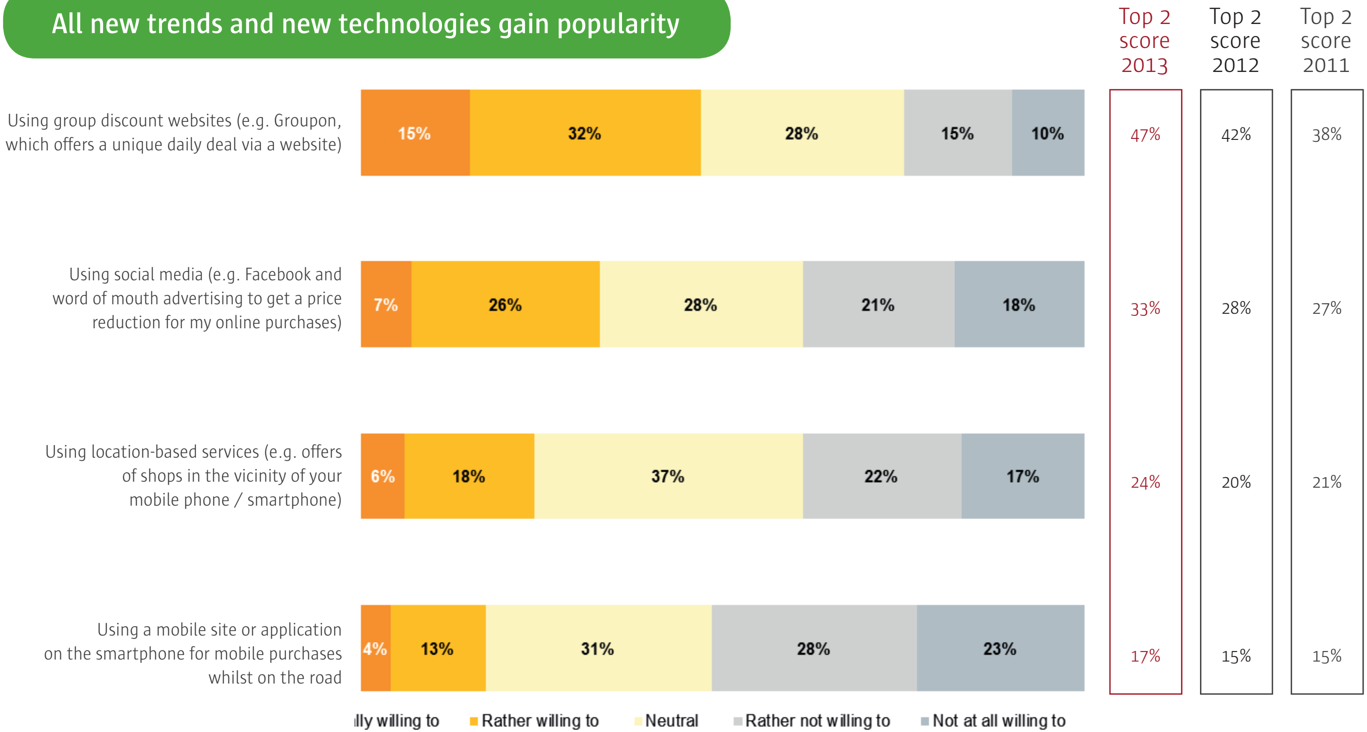
E-commerce trends & attitude

Q: To what extent are you willing to use the following new technologies in the coming 12 months?

All new trends and new technologies gain popularity

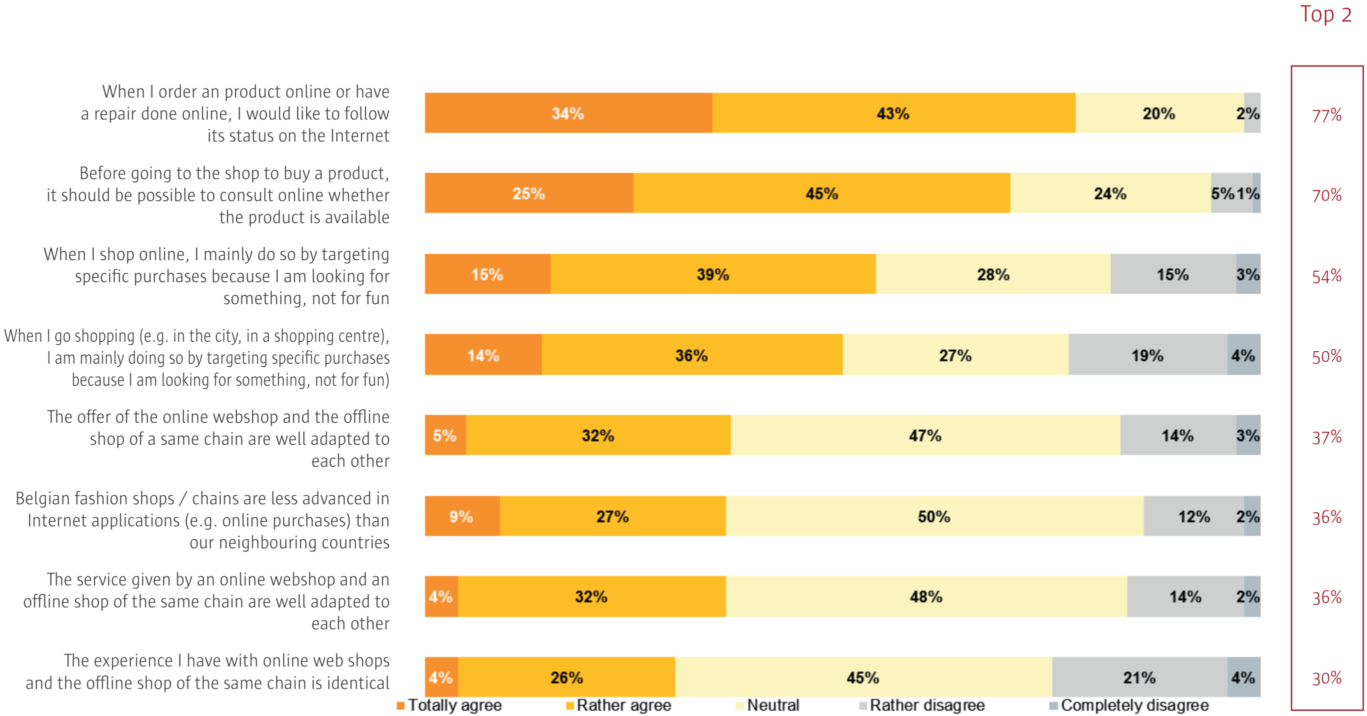


N = 1062 / F = None

E-commerce trends & attitude

Customers want access to back-office to check availability and tracking

Q: To what extent do you agree with each of the following statements?



N = 1062 / F = None

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