

Retail Industry Reshapes with Hybrid Cloud and AI to Help Meet Shifting Consumer Shopping and Sustainability Preferences

2022 IBM/NRF global consumer study finds:

- 'Hybrid shopping' is the method of choice for over one in four consumers surveyed

- 62% of consumers surveyed are willing to change their purchasing habits to reduce environmental impact, but intention/action gap remains



ARMONK, N.Y., Jan. 13, 2022 /PRNewswire/ -- At NRF 2022: Retail's 'Big Show', the IBM (NYSE:IBM) Institute for Business Value, in association with the National Retail Federation, the world's largest retail trade association, released their second global study*, "[Consumers want it all](#)," which reveals rising consumer preferences for sustainability and shopping journeys splintered across multiple digital, physical, and mobile touchpoints.

The new global study of over 19,000 surveyed consumers shows hybrid shopping – mixing physical and digital channels in shopping journeys – is on the rise as shopping habits consumers adopted out of necessity during the COVID-19 pandemic are becoming routine. Retailers must become more agile to meet customers where they are, integrating digital and in-store experiences.

- 72% of respondents say they use the store as all or part of their primary purchase method.
- Top reasons respondents choose to visit a store include touching and feeling products before buying them (50%), picking and choosing their own products (47%) and getting products right away (43%), though what in-store shoppers are looking for varies by product category.
- 27% of respondents report hybrid shopping is their method of choice, and Gen Z consumers surveyed are most likely to be a 'hybrid shopper' compared to other age groups.

The study also shows that sustainability has become increasingly important to surveyed consumers' purchase decisions and brand preferences since 2020.

- Purpose-driven consumers, who choose products/brands based on their values like sustainability, are now the largest segment of consumers surveyed (44%).
- 62% of respondents are willing to change their purchasing habits to reduce environmental impact, up from 57% two years ago.
- Half of respondents say they're willing to pay a premium for sustainability – an average premium of 70%. This is roughly double the premium from 2020.
- However, there's a gap between intention and action – only 31% of respondents say that sustainable products made up most or all of their last purchase.

"While many surveyed consumers still place high value on the traditional in-store shopping experience, they also now expect the flexibility to build their own shopping journey – according to the behaviors prevalent to their age range, available tools and the product category they are looking to purchase," said Mark Mathews, Vice President of Research Development and Industry Analysis at the National Retail Federation. "This 'hybrid' approach is a fundamental shift in consumer behavior."

"The survey shows over the last year, sustainability became increasingly important to consumers, though there's still a gap between their intentions and actions due to lack of information in the buying process. Increasingly, it's becoming essential that retail brands demonstrate sustainable choices and options in each step of the customer experience. At the same time, hybrid shopping has taken hold in most categories, particularly in home goods and apparel; and while stores continue to play the predominant role in grocery, hybrid shopping is growing in these categories too," said Luq Niazi, Global Managing Director IBM Consumer Industries.

He added, "Despite the impact of COVID-19, our experience with clients shows many leading retail brands are continuing to rapidly transform operations, customer experience and supply chains with technologies like AI, hybrid cloud and blockchain to help serve these multiple customer preferences."

On Sunday, January 16, the opening day of NRF's 112th annual convention, IBM Chairman and CEO Arvind Krishna plans to deliver a keynote session on '[Reshaping retail with technology](#)' at 4:00pm ET on the main stage. Visitors can connect with IBM Industry professionals at *Booth # 3620* and follow social updates on [#NRF2022](#).

* **About the IBM/NRF study**

The IBM IBV, in association with the National Retail Federation, conducted a global survey of more than 19,000 respondents across 28 countries in September 2021 to better understand the new normal of customer behavior. The full study "Consumers want it all: Hybrid shopping, sustainability, and purpose-driven brands" is available at <https://www.ibm.com/thought-leadership/institute-business-value/report/2022-consumer-study>

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