Ipsos iris

Exploring Digital Retail: Unlocking the Online Opportunity

September 2023

Ipsos iris
The UK industry standard for
online audience measurement

1

Shoppers moving online

Size of retail sales in Great Britain in 2022.

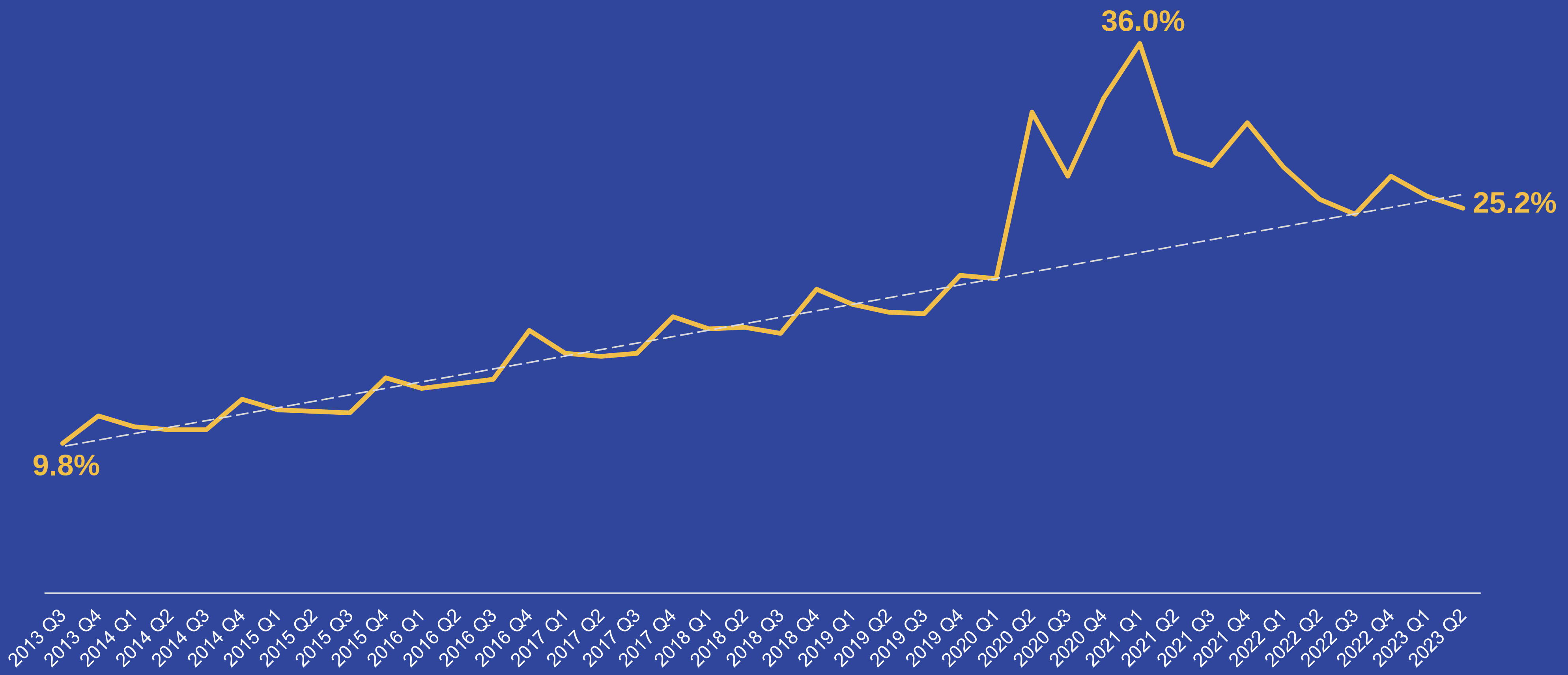
£103 bn

Source: ONS - Retail sales, Great Britain 2022

Online’s share of retail sales in Great Britain in 2022

Source: ONS - Retail sales, Great Britain 2022

One quarter of purchases are made online – and rising fast



Source: ONS - Retail sales, Great Britain 2013-2023

Ipsos iris' view of visitors to online retail…

49.1m

people per month

98%

of internet users

8%

of our time online is
on shopping sites

8 hrs
43 mins

per month

17 mins

per day

2

The breadth of retail is expanding

Ipsos iris measures across...

2,010

websites

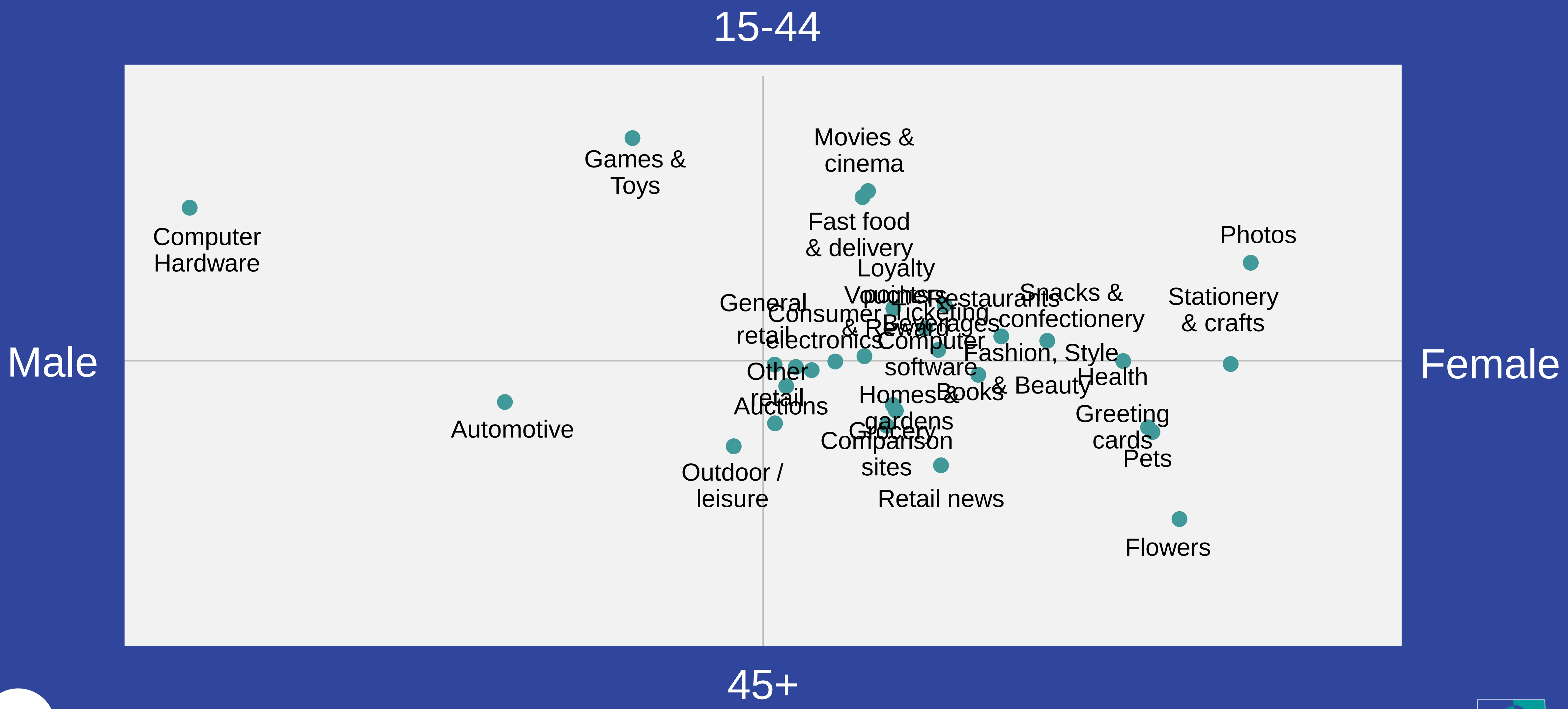
288

apps

29

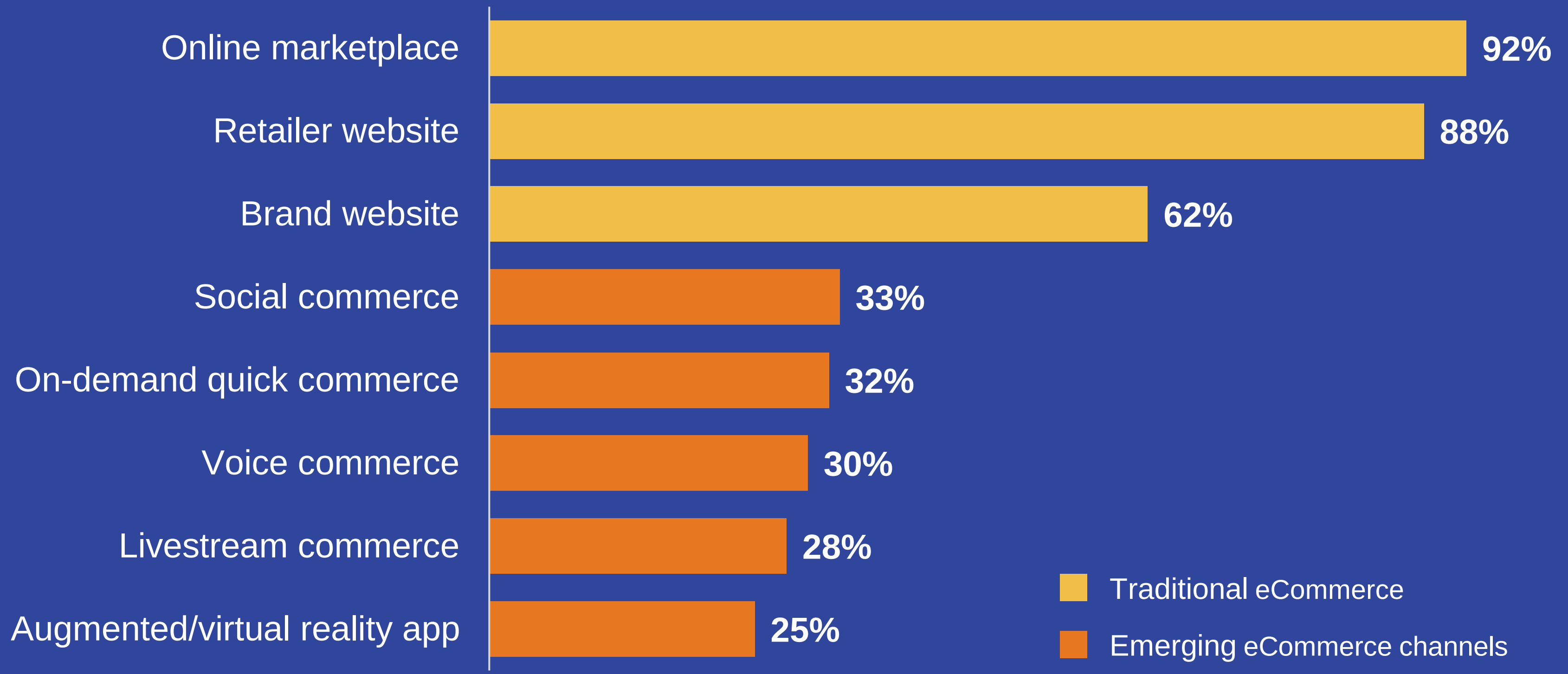
categories

Online retail is varied and crowded



Source: Ipsos iris Online Audience Measurement Service, July 2022-3, All aged 15+ using PC/laptop, smartphone or tablet device(s).

Use of digital commerce channels, past 6 months

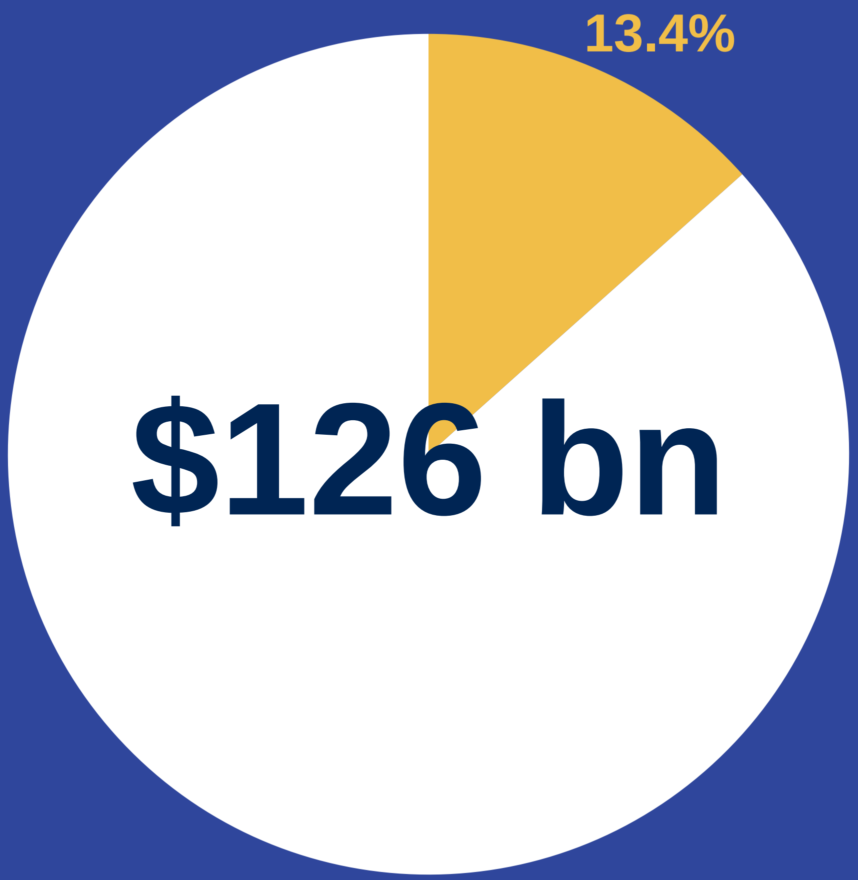


Source: Ipsos Essentials Wave 74, July 2023, Base UK: 1,000

3

Advertisers moving to Retail Media

Size of global Retail Media



1

Shoppers moving online

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The breadth of retail is expanding

3

Advertisers moving to retail media

INDUSTRY-WIDE	Visitation changes Appification
ESTABLISHED PLAYERS	Retail media Loyalty points and programmes
DISRUPTORS	Marketplaces New entrants from China

INDUSTRY-WIDE

Visitation changes

Appification

ESTABLISHED PLAYERS

Retail media

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New entrants from China

At an industry level audience and engagement is static

Retail: total audience

July 22

49.0m

July 23

48.9m

0%

Retail: total time spent (minutes)

July 22

25.8bn

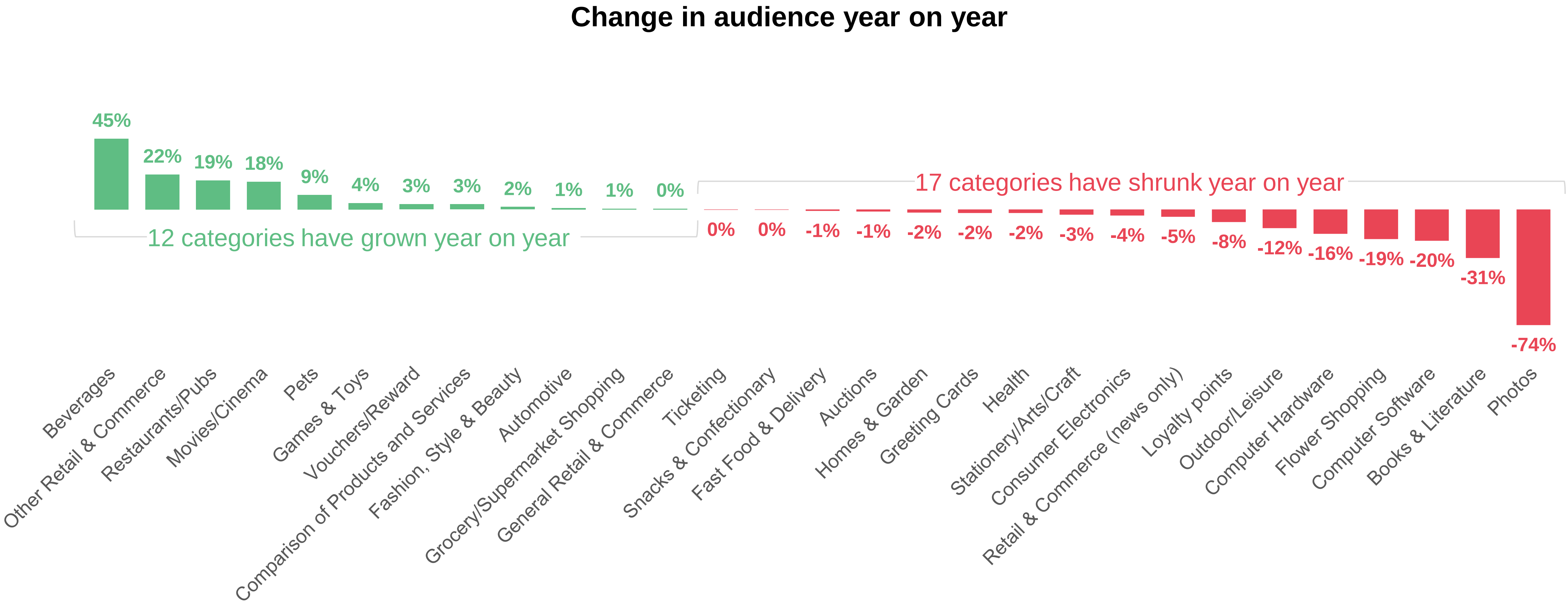
July 23

26.0bn

+1%

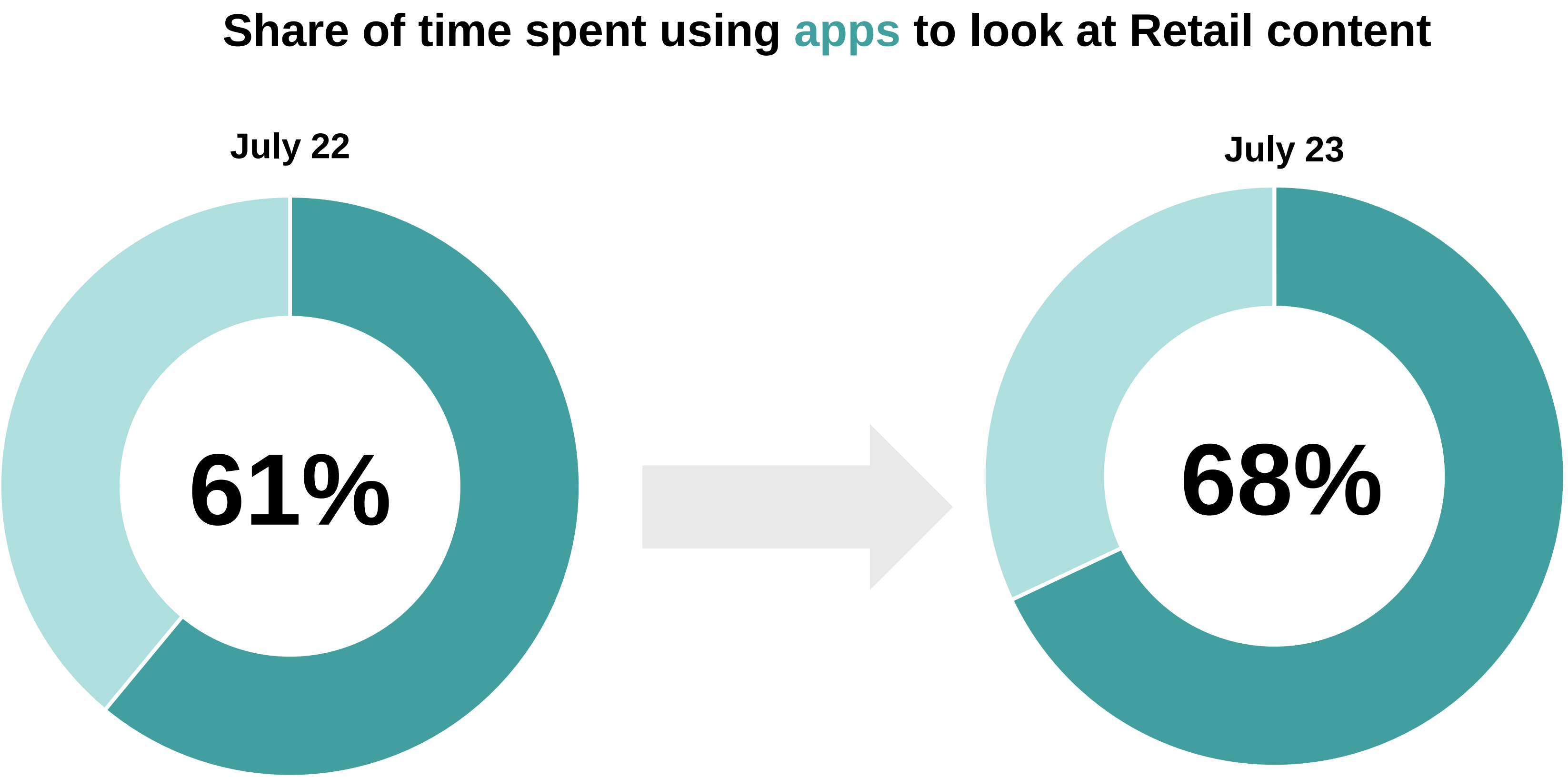
Source: Ipsos iris Online Audience Measurement Service, July 2022-3, All aged 15+ using PC/laptop, smartphone or tablet device(s).

But visitors have shifted between categories



Source: Ipsos iris Online Audience Measurement Service, July 2022-3, All aged 15+ using PC/laptop, smartphone or tablet device(s).

Apps are increasingly essential for retailers



Source: Ipsos iris Online Audience Measurement Service, July 2022-3, All aged 15+ using PC/laptop, smartphone or tablet device(s).

…especially in some of the top categories

Share of time spent using apps to look at Retail content

	July 22	July 23	
General Retail	**64%**	**61%**	-6%
Auction	**59%**	**67%**	+8%
Books	**94%**	**97%**	+3%

	July 22	July 23	
Fashion, Style & Beauty	**48%**	**75%**	**+27%**
Vouchers/Reward	**68%**	**78%**	+10%
Grocery	**42%**	**58%**	**+16%**

Source: Ipsos iris Online Audience Measurement Service, July 2022-3, All aged 15+ using PC/laptop, smartphone or tablet device(s).

There are more retail apps in the market, which is one of the reasons we're spending more time on them…

Number of retail apps

July 22

257

July 23

288

Source: Ipsos iris Online Audience Measurement Service, July 2022-3, All aged 15+ using PC/laptop, smartphone or tablet device(s).

But in fashion, style and beauty time spent on apps is rising faster or falling more slowly than browsers

Top 10 fashion, style and beauty apps: change in time spent year on year

		App	Web
1	**Vinted**	+155%	-3%
2	**Shein**	+764%	+21%
3	**Asos**	-33%	-32%
4	**Next**	-9%	-30%
5	**H&M**	+88%	-53%
6	**Depop**	+41%	+40%
7	**Very**	+12%	-44%
8	**Boohoo**	+16%	-57%
9	**Matalan**	-4%	+23%
10	**JD Sports**	+44%	-32%

Source: Ipsos iris Online Audience Measurement Service, July 2022-3, All aged 15+ using PC/laptop, smartphone or tablet device(s).

INDUSTRY-WIDE

Visitation changes

Appification

Brands that rely on non-essential categories will have to work harder to generate growth

Apps are essential to engaging visitors: Marketing and CX should drive app downloads and usage

INDUSTRY-WIDE

Visitation changes

Appification

ESTABLISHED PLAYERS

Retail media

Loyalty points and programmes

DISRUPTORS

Marketplaces

New entrants from China

Amazon is the biggest retail organisation in the UK

Top 10 Retail Organisations

1	amazon	44.0m
2	ebay	31.8m
3	J Sainsbury plc	22.7m
4	TEMU	22.0m
5		20.6m
6	TESCO	18.4m
7	ASDA	14.4m
8	Etsy	14.2m
9	Boots	13.2m
10	nectar	13.0m

UKOM

Source: Ipsos iris Online Audience Measurement Service, July 2023, All aged 15+ using PC/laptop, smartphone or tablet device(s).

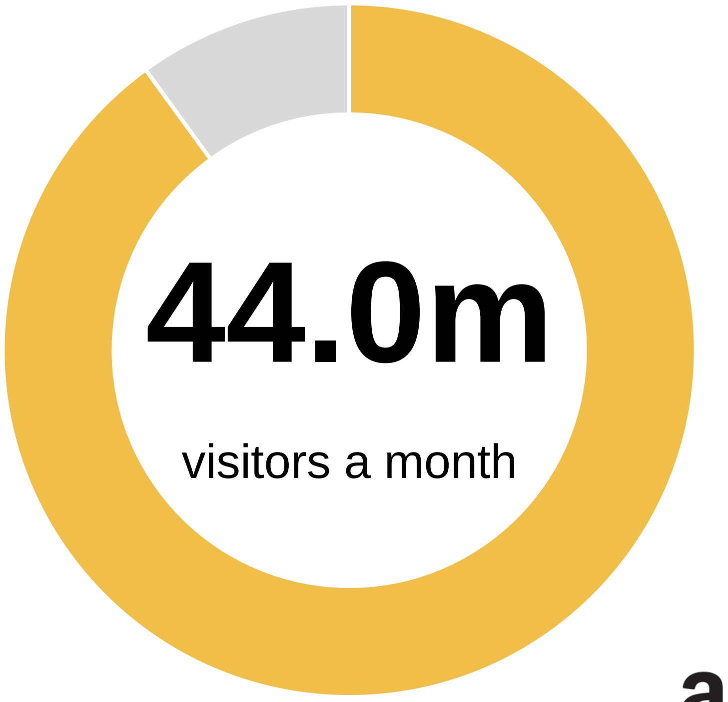
Ipsos

Many of the biggest organisations are also the biggest names in retail media in the UK

Top 10 Retail Organisations

Source: Ipsos iris Online Audience Measurement Service, July 2023, All aged 15+ using PC/laptop, smartphone or tablet device(s).

Amazon has a huge share of time spent



44.0m

visitors a month

Accounts for

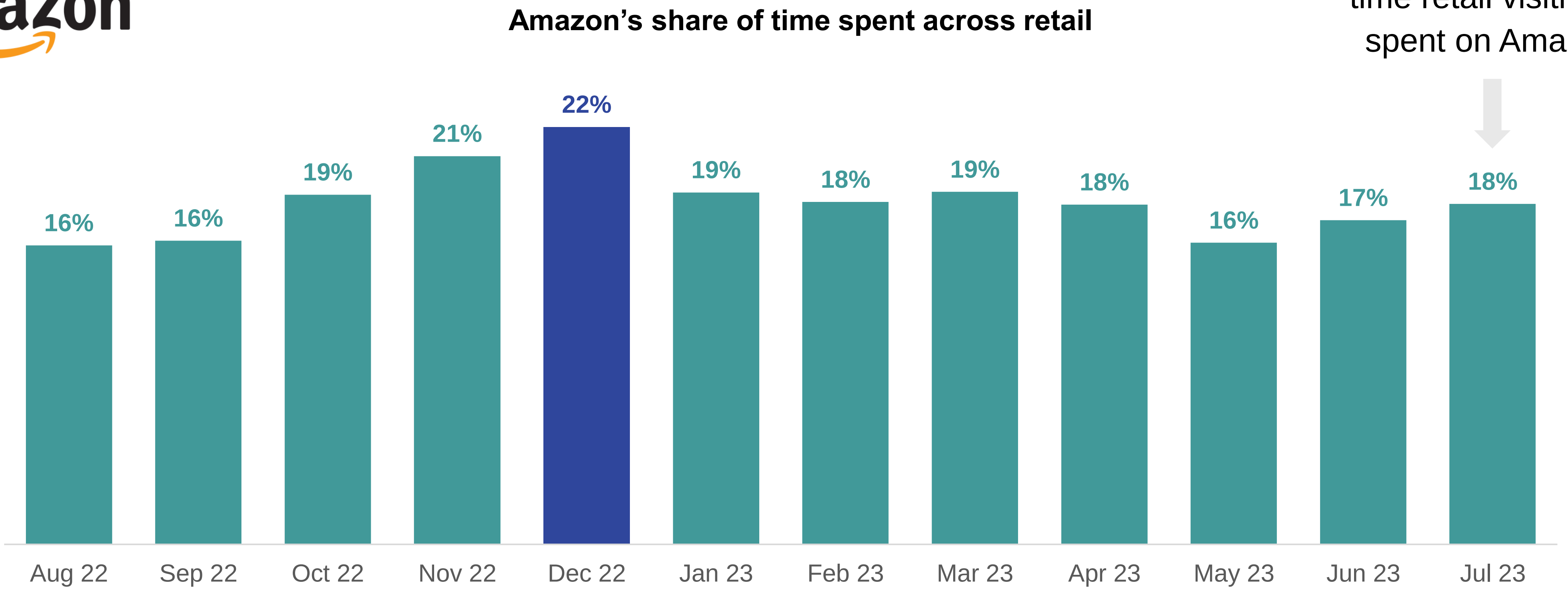
18%

of all time
visiting retail

Source: Ipsos iris Online Audience Measurement Service, July 2023, All aged 15+ using PC/laptop, smartphone or tablet device(s).

Amazon’s share of time spent peaks in December

Prime day - 11th & 12th July: 34% of all time retail visiting is spent on Amazon



Source: Ipsos iris Online Audience Measurement Service, Aug 2022 - July 2023, All aged 15+ using PC/laptop, smartphone or tablet device(s).

Supermarkets are also well represented in the top ten

Top 10 Retail Organisations

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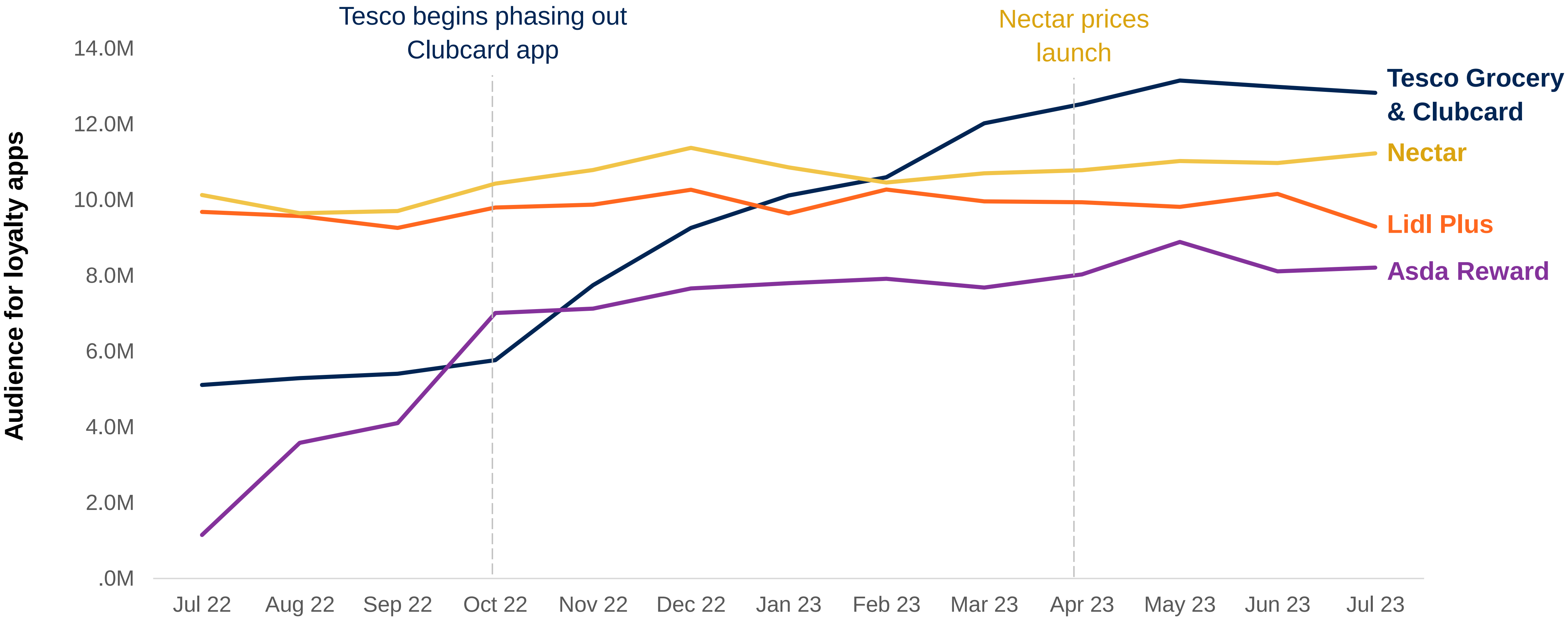
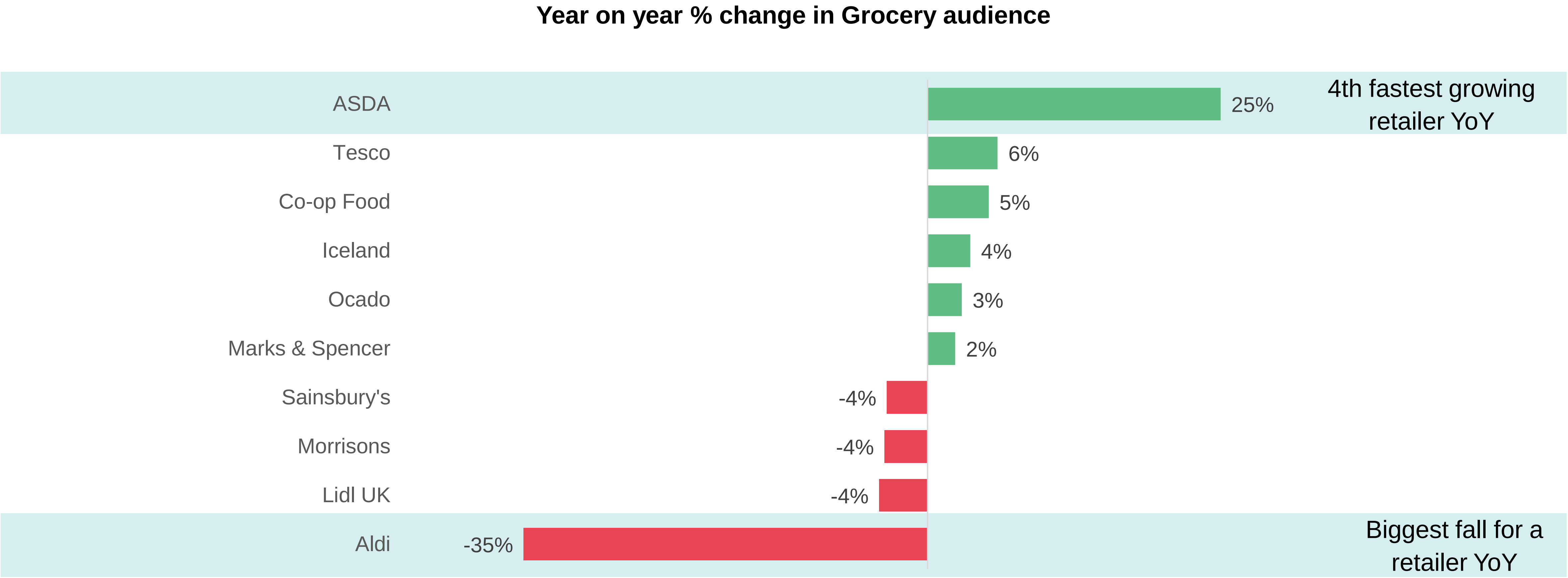
Source: Ipsos iris Online Audience Measurement Service, July 2023, All aged 15+ using PC/laptop, smartphone or tablet device(s).

Supermarket loyalty has grown and evolved



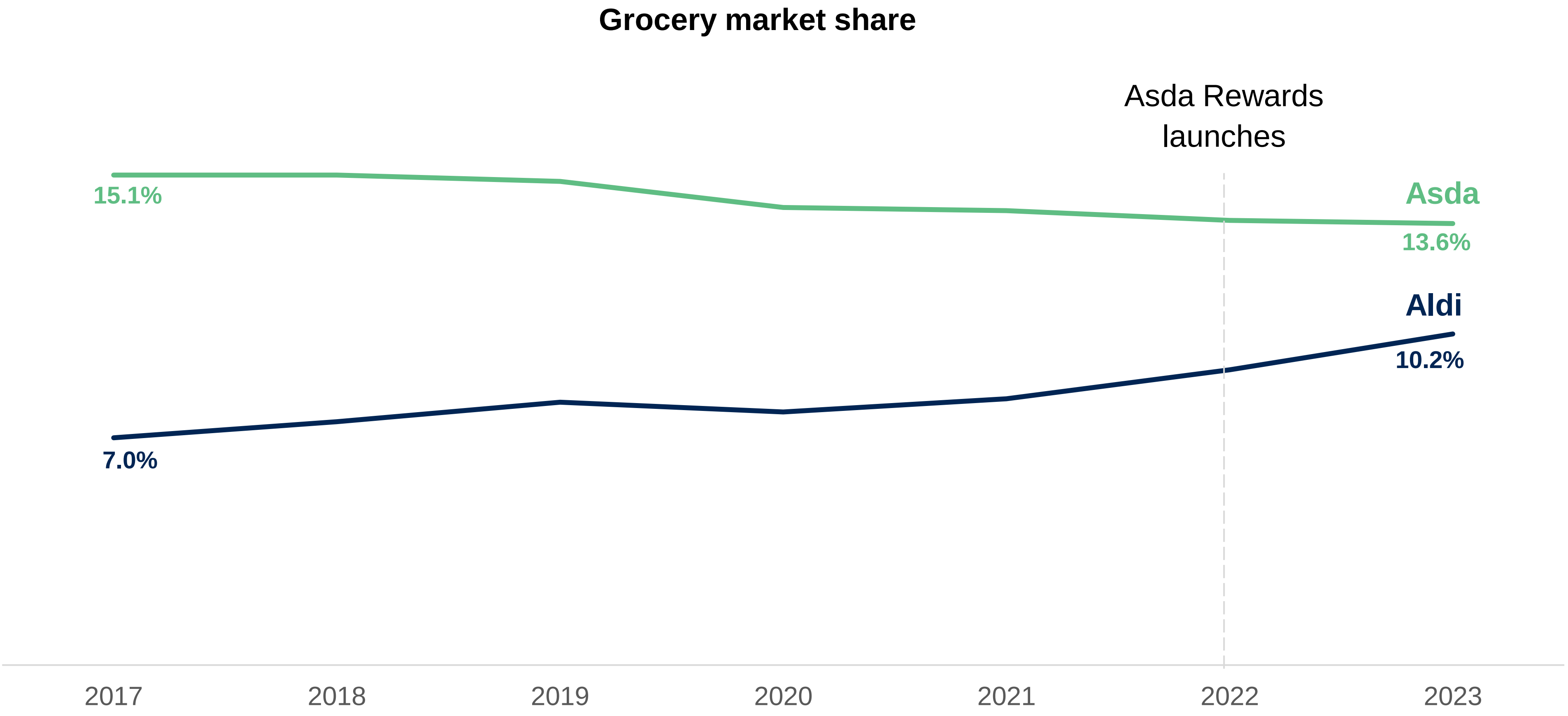
Source: Ipsos iris Online Audience Measurement Service, July 2022-3, All aged 15+ using PC/laptop, smartphone or tablet device(s).

Asda has seen by far the biggest change in visitors year on year



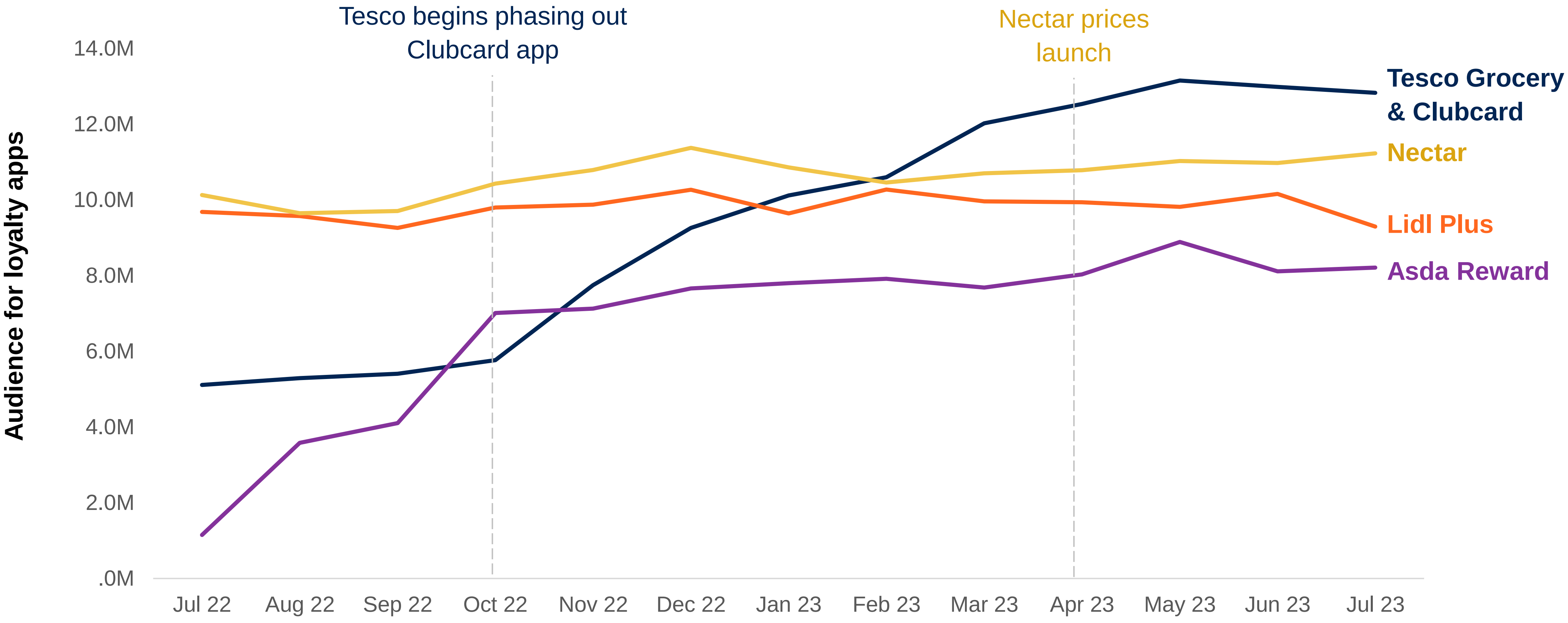
Source: Ipsos iris Online Audience Measurement Service, July 2022-23, All aged 15+ using PC/laptop, smartphone or tablet device(s).

Aldi has rapidly gaining market share



Source: Kantar Worldpanel Grocery Market Share, 12 weeks ending 16/07/2017 to 09/07/2023

Supermarket loyalty has grown and evolved



Source: Ipsos iris Online Audience Measurement Service, July 2022-3, All aged 15+ using PC/laptop, smartphone or tablet device(s).

Sainsburys and Tesco have significant reach across their retail networks

TESCO

dunnhumby

21.3m

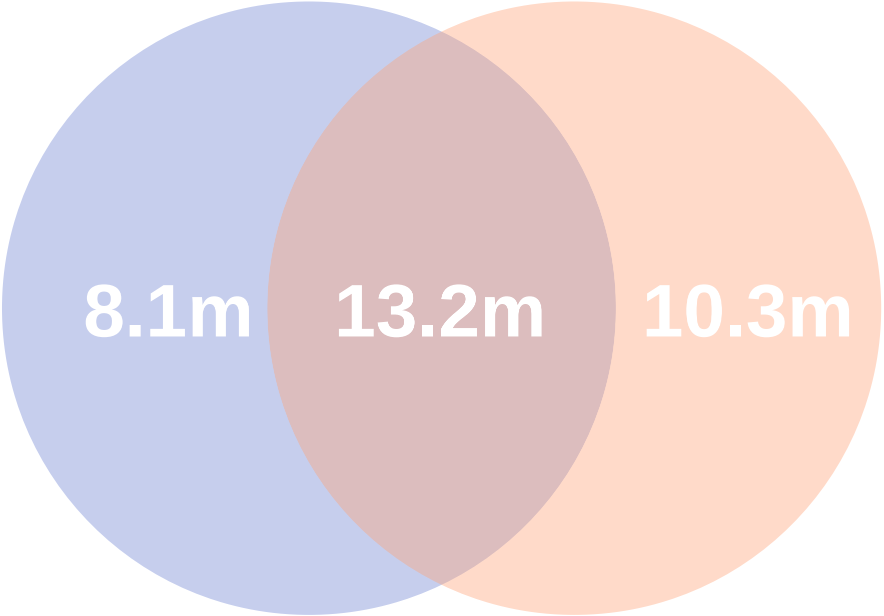
23.6m

J Sainsbury plc

NECTAR 360

Source: Ipsos iris Online Audience Measurement Service, July 2023, All aged 15+ using PC/laptop, smartphone or tablet device(s).

Ipsos iris can help understand the exclusive reach that different brands offer



TESCO

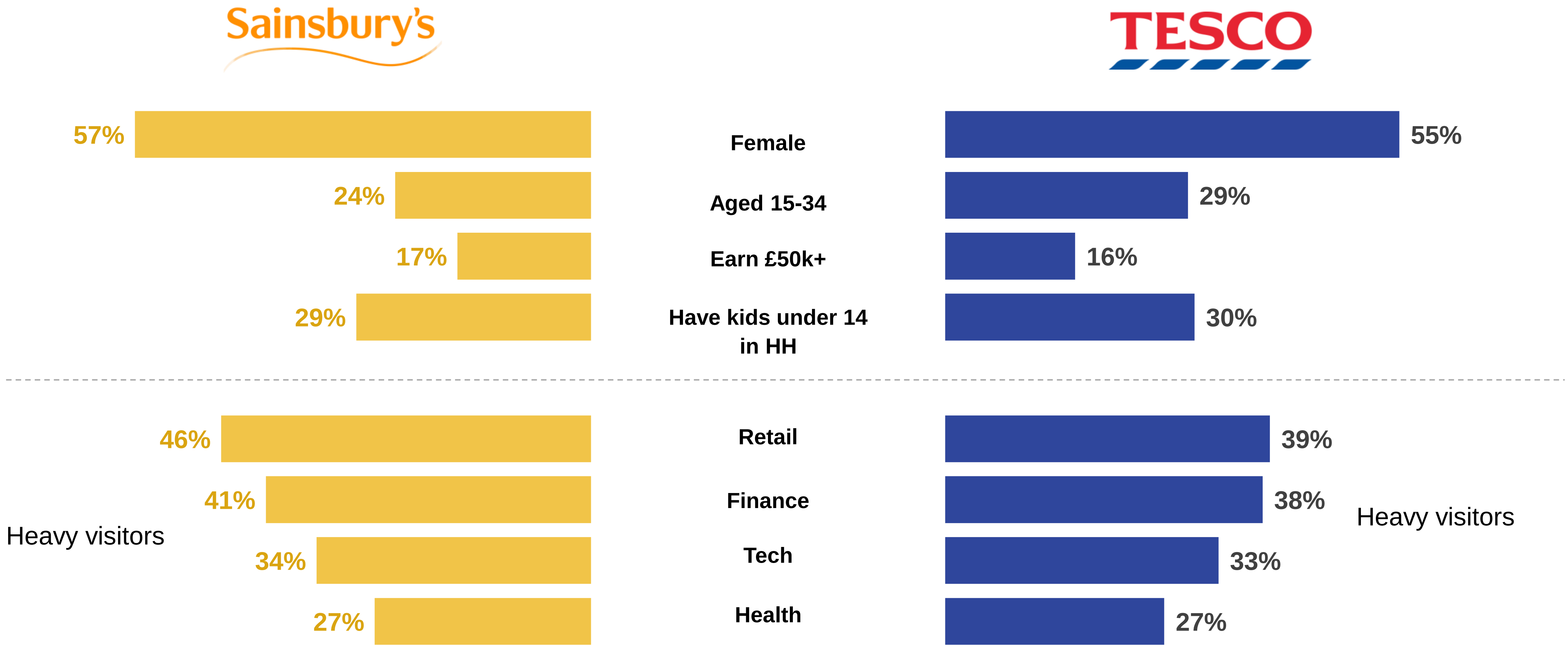
dunnhumby

J Sainsbury plc

NECTAR 360

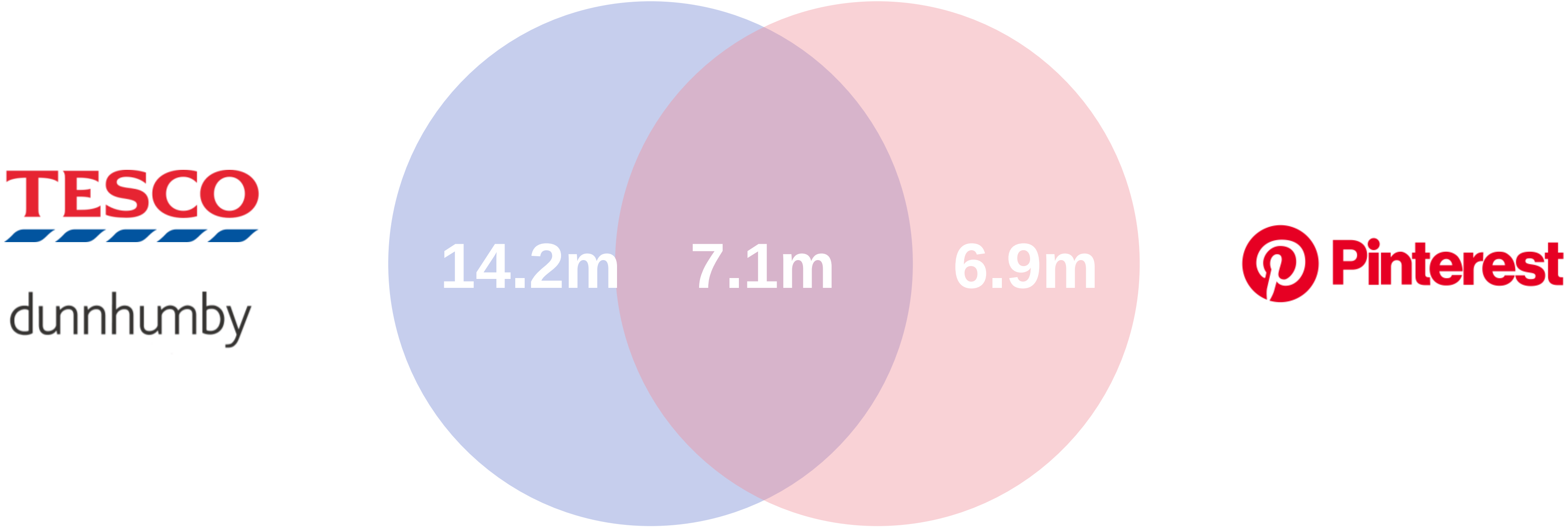
Source: Ipsos iris Online Audience Measurement Service, July 2023, All aged 15+ using PC/laptop, smartphone or tablet device(s).

And how their profiles differ



Source: Ipsos iris Online Audience Measurement Service, July 2023, All aged 15+ using PC/laptop, smartphone or tablet device(s).

And the opportunity for partnership



Source: Ipsos iris Online Audience Measurement Service, July 2023, All aged 15+ using PC/laptop, smartphone or tablet device(s).

ESTABLISHED PLAYERS

Loyalty points and programmes

Retail media

There is a race to build and evolve loyalty programmes to increase engagement and market share

Ensure you compare and profile retail media on a level playing field to make the right investment choices

INDUSTRY-WIDE	Visitation changes Appification
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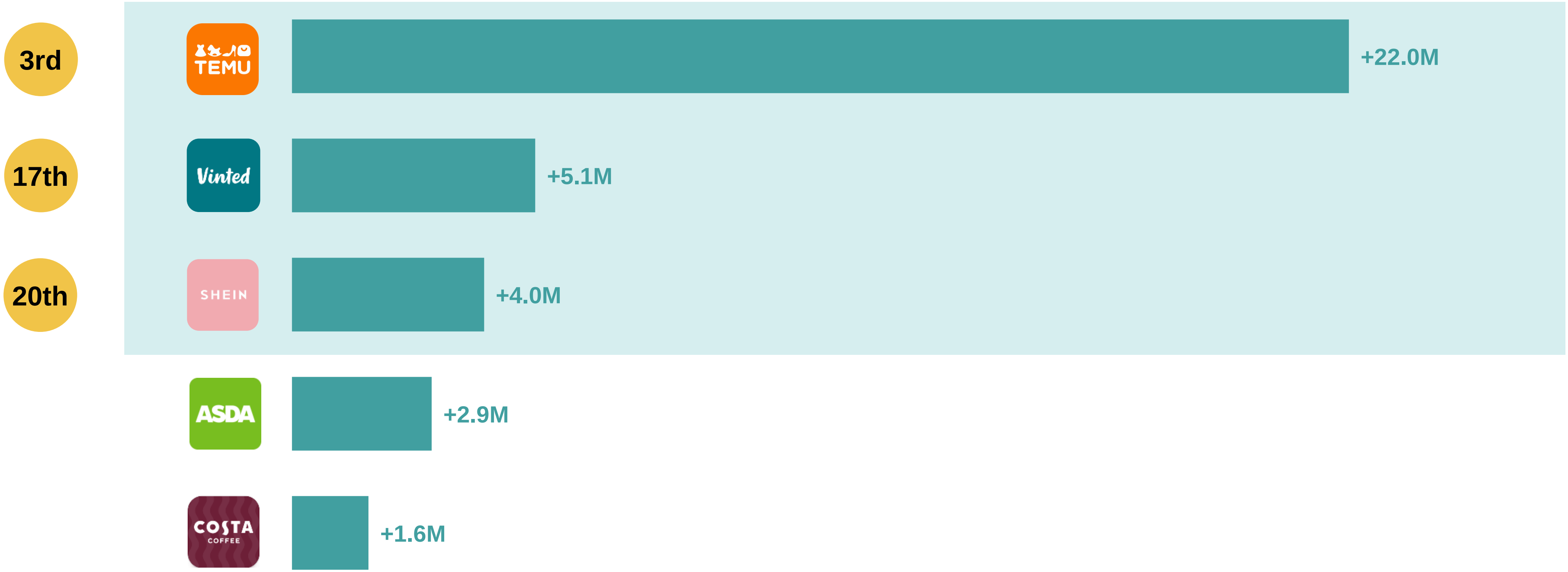
DISRUPTORS	Marketplaces New entrants from China

The fastest growing retailers are disruptors

Retail ranking

Fastest growing retail brands by audience in the last 12 months



Source: Ipsos iris Online Audience Measurement Service, July 2022-3, All aged 15+ using PC/laptop, smartphone or tablet device(s).

Shein and Vinted have similar profiles, but Temu visitors are older

	Female	Aged 15-34	Income £50k+	ABC1	LGBO+
Temu	**58%**	**28%**	**15%**	**59%**	**10%**
Shein	**80%**	**41%**	**15%**	**55%**	**11%**
Vinted	**79%**	**44%**	**15%**	**66%**	**14%**
Total internet users	**50%**	**32%**	**17%**	**64%**	**10%**

Source: Ipsos iris Online Audience Measurement Service, July 2023, All aged 15+ using PC/laptop, smartphone or tablet device(s).

Vinted users stand out across a range of statements

	Difficult to balance work, children & social life	Like to go to trendy places to eat and drink	Spend a lot of money on toiletries and cosmetics for personal use	Try to keep up with developments in technology	Prepared to make lifestyle compromises to benefit the environment
Temu	26%	20%	20%	47%	53%
Shein	29%	24%	27%	40%	53%
Vinted	33%	27%	26%	39%	58%
Total internet users	26%	22%	18%	48%	55%

Source: Ipsos iris Online Audience Measurement Service, July 2023, All aged 15+ using PC/laptop, smartphone or tablet device(s).

Disruptors could be a bigger threat to brands with shared visitors

Brands with the highest share of visitors going to each disruptor

SHEIN

Boohoo	59%
PrettyLittleThing	58%
Simply Be	51%
New Look	50%
Primark	49%

TEMU

Wowcher	72%
Shein	70%
Very.co.uk	68%
The Range	68%
AliExpress	67%

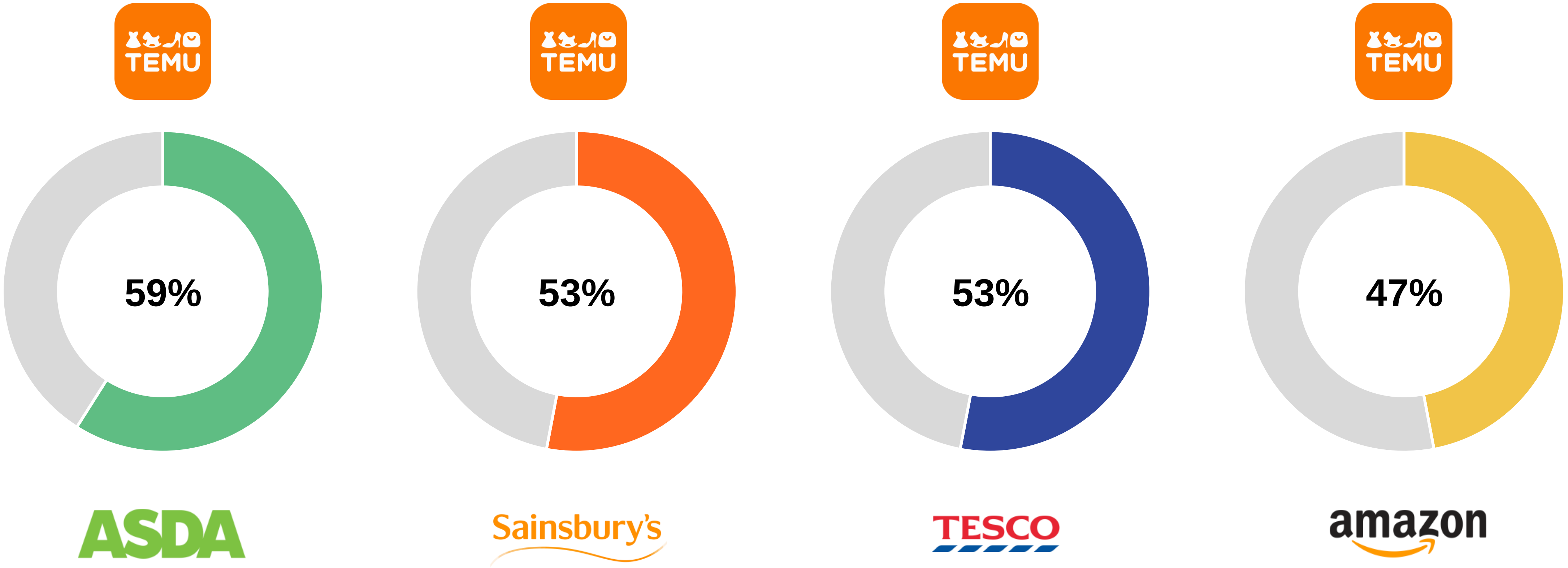
Vinted

Depop	60%
Zara	52%
H&M	50%
LookFantastic	47%
New Look	47%

Source: Ipsos iris Online Audience Measurement Service, July 2023, All aged 15+ using PC/laptop, smartphone or tablet device(s).

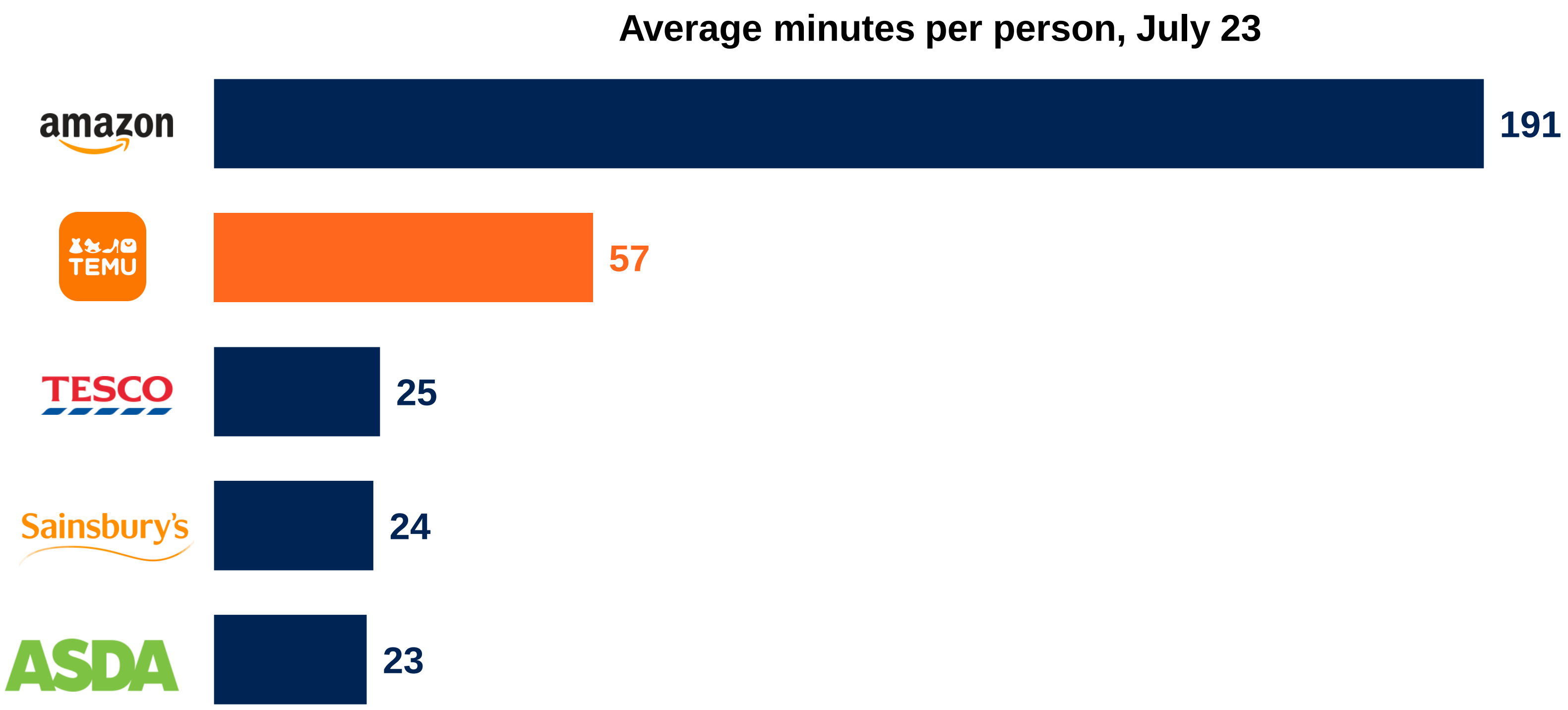
Established brands with the largest share of visitors going to disruptor sites

Share of audience visiting Temu



Source: Ipsos iris Online Audience Measurement Service, July 2023, All aged 15+ using PC/laptop, smartphone or tablet device(s).

The average person is spending longer on Temu than other established players



Source: Ipsos iris Online Audience Measurement Service, July 2023, All aged 15+ using PC/laptop, smartphone or tablet device(s).

DISRUPTORS

Marketplaces

New entrants from China

Online has accelerated the opportunity for disruption:

Competing on price alone leaves you vulnerable – how do you differentiate on proposition or service

1 **Maximise engagement and data capture with apps**

2 **Move up the funnel in retail media**

3 **Price vs loyalty**

For more information

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