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New Guidance Survey Reveals: Consumers Will Return to Online Shopping Sites That Embrace Web 2.0

Drawn to the Social Web, Consumers Also Value Unique Shopping Experience, Opportunity to Give Feedback

MARINA DEL REY, Calif. – April 15th, 2008 – With consumers continuing to spend briskly online, and social websites aggregating ever-larger numbers of participants, the twain – online shopping and social networking -- may finally be meeting.

That's the main finding of a new nationwide survey from Guidance, a specialized technology advisor that envisions, builds and supports web technology solutions that help businesses thrive online. In the new survey, more than 60 percent of respondents report being drawn to online retailers that employ Web 2.0 tools and techniques.

In association with Chicago market researcher Synovate, Guidance asked 1,000 online consumers, "When thinking about shopping online, what is most likely to make you return to a given shopping website?"

According to the Guidance/Synovate eNation study, conducted in March, 35 percent of total respondents said they're most likely to return to a shopping website if it makes recommendations on products or services for sale – recommendations being among the most dominant activities in a Web 2.0 world. Another 26 percent want "a unique experience each time" they shop. Continually changing content is likewise a hallmark of Web 2.0.

Eighteen percent said they're more likely to return "if the site solicits their feedback" on its products and services – feedback being the flipside to product and service recommendations. Sixteen percent said "a welcome when they arrive" at the site is the factor most likely to make them return, while 6 percent said they're most likely to return "if the site makes them feel part of a community" with other shoppers/site visitors.

"The economy is fragile and the competition for the consumer dollar is fierce, but as these findings make abundantly clear, online commerce is now a two-way street – and retailers need to embrace that reality," said Jason Meugniot, Guidance president and CEO. "Online consumers and merchants are in dialogue as never before, and consumers are counting on each other for insights in making purchase decisions. Recommendations have become the new currency of online commerce, along with their corollary, the opportunity to give feedback to the e-Commerce site.

"Savvy e-Commerce retailers need to know how to leverage these connections to better serve their customers – to keep them coming back and spending money," he said. "It's especially telling that just 6 percent of respondents said they're most likely to return if the site makes them feel part of a community with other shoppers/site visitors. Community can't be contrived or manufactured -- that's top-down, Web 1.0 thinking. Consumers value peers as key to smart online shopping – especially as the economy teeters toward recession."



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Drilling Down: Social Shopping Online

- The highest percentage for any response fell in the age breakdown – with 41 percent of those 18-24, the prime demographic for the social Web, saying they're most likely to return to a site that makes recommendations. Only 29 percent of those 55-64 agreed.
- Women are far more likely to be influenced by a welcome greeting – with 20 percent saying it's the feature most likely to get them to return, compared with 12 percent of men who agreed.
- The older you are, the more you want to give feedback. The top three age groups were more likely than the bottom three to say that a site that solicits their feedback is most likely to make them return.
- A few groups went against the overall trend by not selecting "recommendations" as their No. 1 choice – non-whites (in fact, they chose both "unique experience" and "feedback" ahead of recommendations), those with post-grad education ("unique experience" was slightly higher), and those with incomes under \$25K (this group's first choice was the "welcome").
- There's a wide gap between the lowest income bracket and all others -- only 26 percent of those who earn less than \$25,000 per year chose "recommendations," 10 percentage points below all other income categories. Meanwhile, respondents in the lowest income bracket were far more likely to prefer a "welcome" -- 27 percent said it was the feature most likely to make them return, at least 13 percentage points higher than the other income categories (14 percent of those earning \$25K-\$50K and those earning \$75K+, and 12 percent of those earning \$50K-\$75K agreed).

The Guidance/Synovate survey has a margin of error of +/- 3 percent. For a full copy of the survey results and a graphic presentation of top-line data, email aespi@guidance.com.

About Guidance

Since 1993, Guidance (www.guidance.com) has helped companies seize opportunities and solve problems through the innovative and practical use of technology. Guidance designs, builds and maintains eCommerce websites for retailers that are pure-play online or multi-channel – creating captivating experiences so consumers will buy more, come back often and value greater engagement with the retailer. Guidance's systems facilitate \$500 million in online sales every year. Members of the Guidance team are seasoned professionals, passionately committed to providing technical leadership and powering ingenuity. Key clients include Foot Locker, GEARYS Beverly Hills, Relax the Back, Salvation Army, and many others. Partners include: Microsoft, AspDotNetStorefront, Mediachase and Telligent. Guidance is based in Marina del Rey, Calif.

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