Insights into Buying Behaviour Attitudes

Internet & eCommerce
Use by Consumers Survey
2021

Contents

Objective & Research Methodology

The study assesses the population's approach to **digital,** in terms of Internet and eCommerce use, and **explores attitudes** and buying behaviour preferences amongst consumers in Malta & Gozo.

A total of 772 potential customers across Malta and Gozo were interviewed. The sample population was stratified proportionately according to the actual population by gender and age, based on the NSO demographic data.

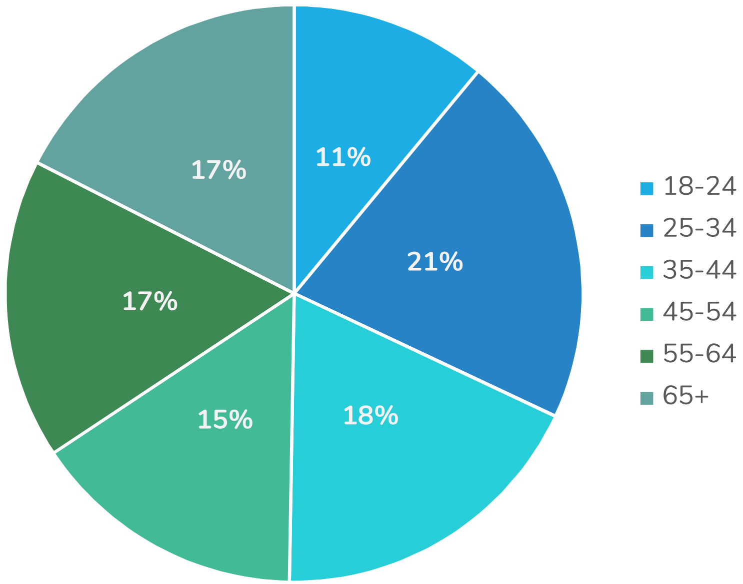
The sample represents a 95% confidence level and a confidence interval of 3.52%.

In terms of gender, the split is 53% female and 47% male.

The quantitative research survey was conducted by telephone interviews.

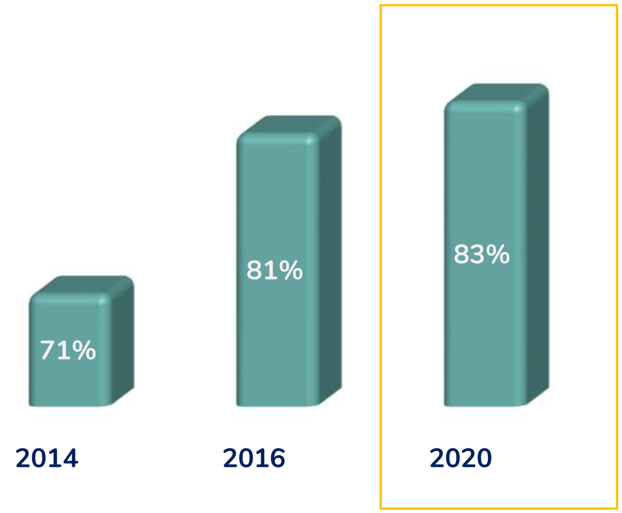
Data was collected during the months of **August and September 2020.**

For the purpose of this study, eCommerce Users refers to respondents that purchased online in the last year.



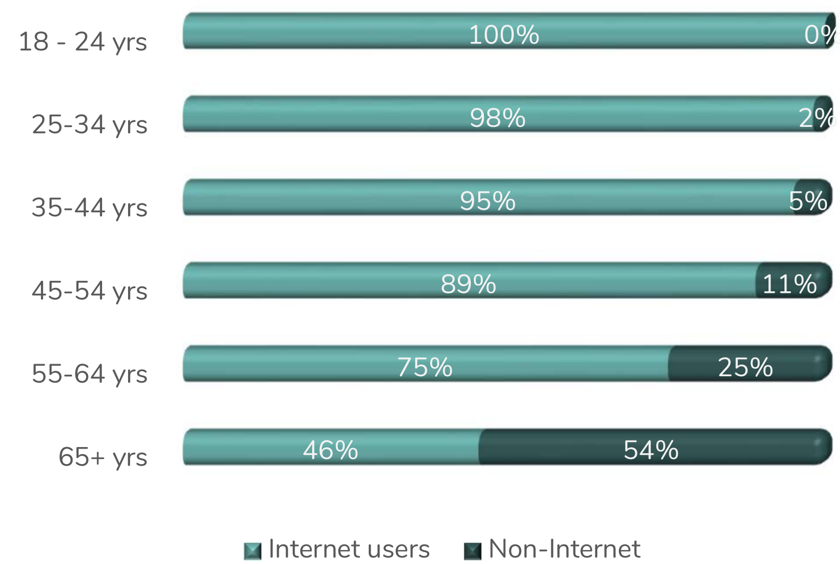
Digital Users (Internet Users)

Base: All respondents



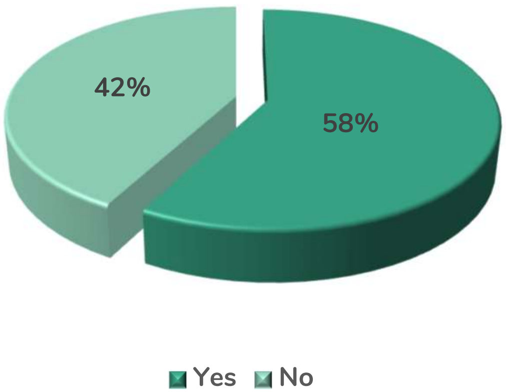
Digital Users by Age

Base: All respondents



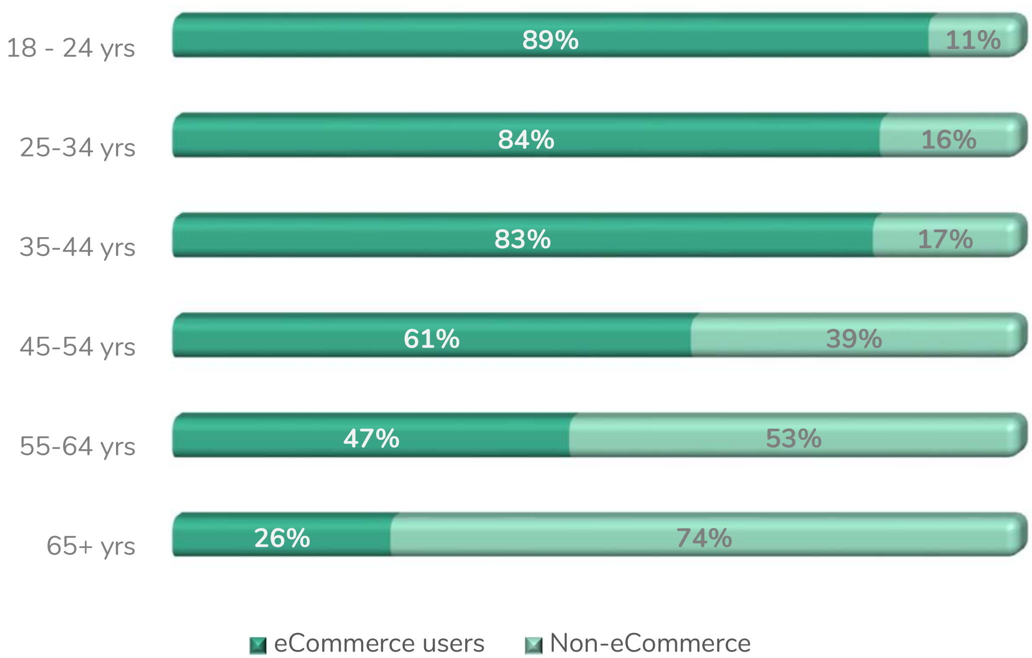
Digital Buyers (eCommerce Users)

Base: total respondents



Digital Buyers by Age

Base: Internet users

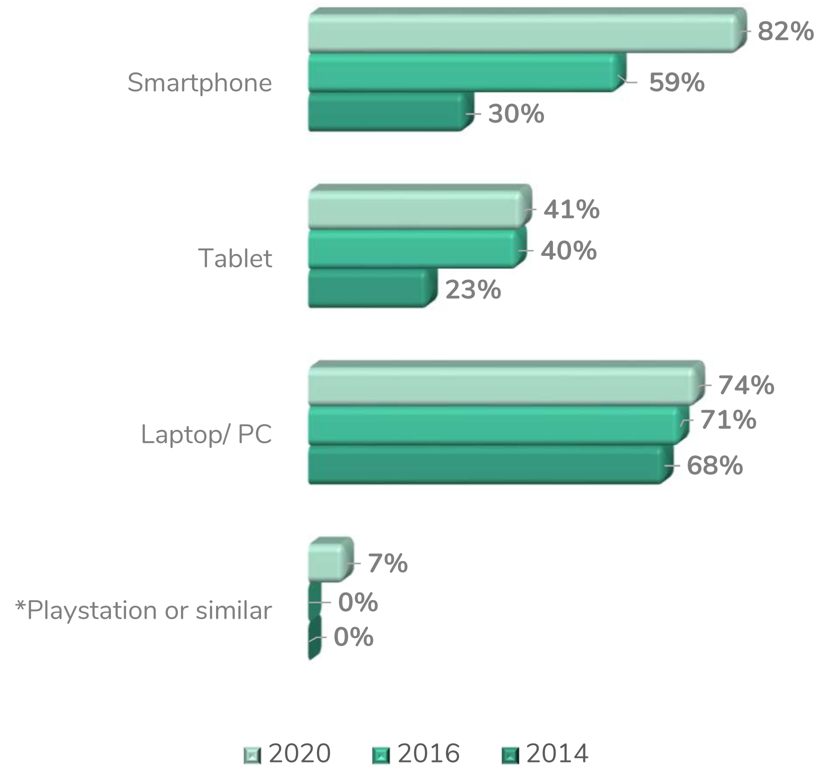


Devices used to access the Internet Multiple response

Base: Internet users

The use of smartphones for accessing the internet continues to grow unabated.

The tablet, laptop and PC retain more or less same usage level reported in previous survey.

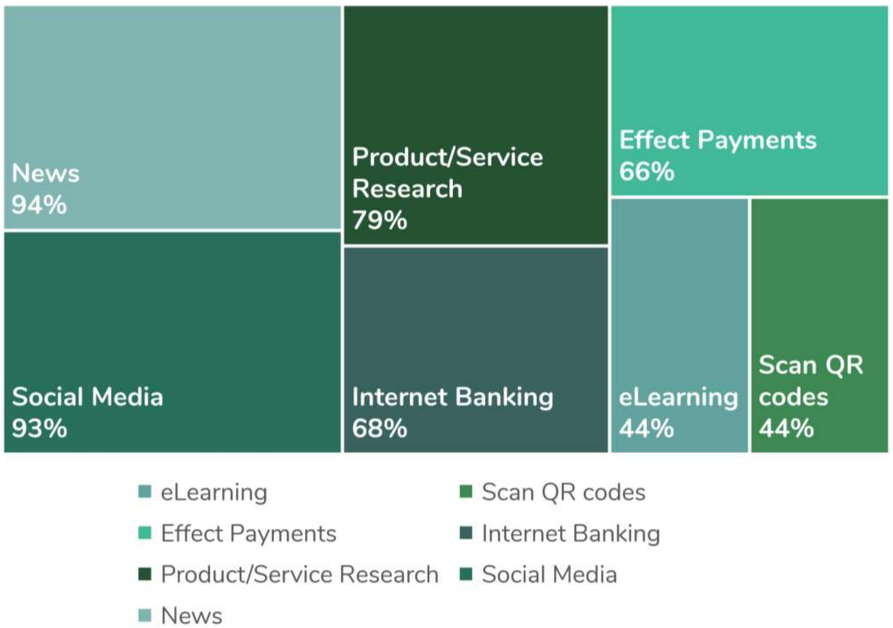


*not included in 2014 & 2016

Activities carried out on the Internet Multiple response

Base: Internet users (mobile/tablet, laptop or both)

The Internet retains its popularity as a reference point for internet users (79%) during their purchasing journey.

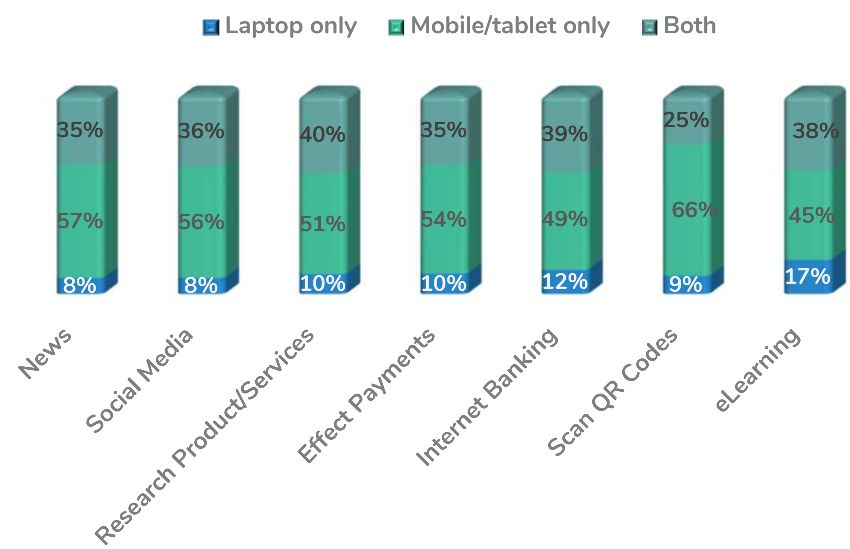


Preferred Devices by Activity

Base: Internet users (mobile/tablet, laptop or both) by activity

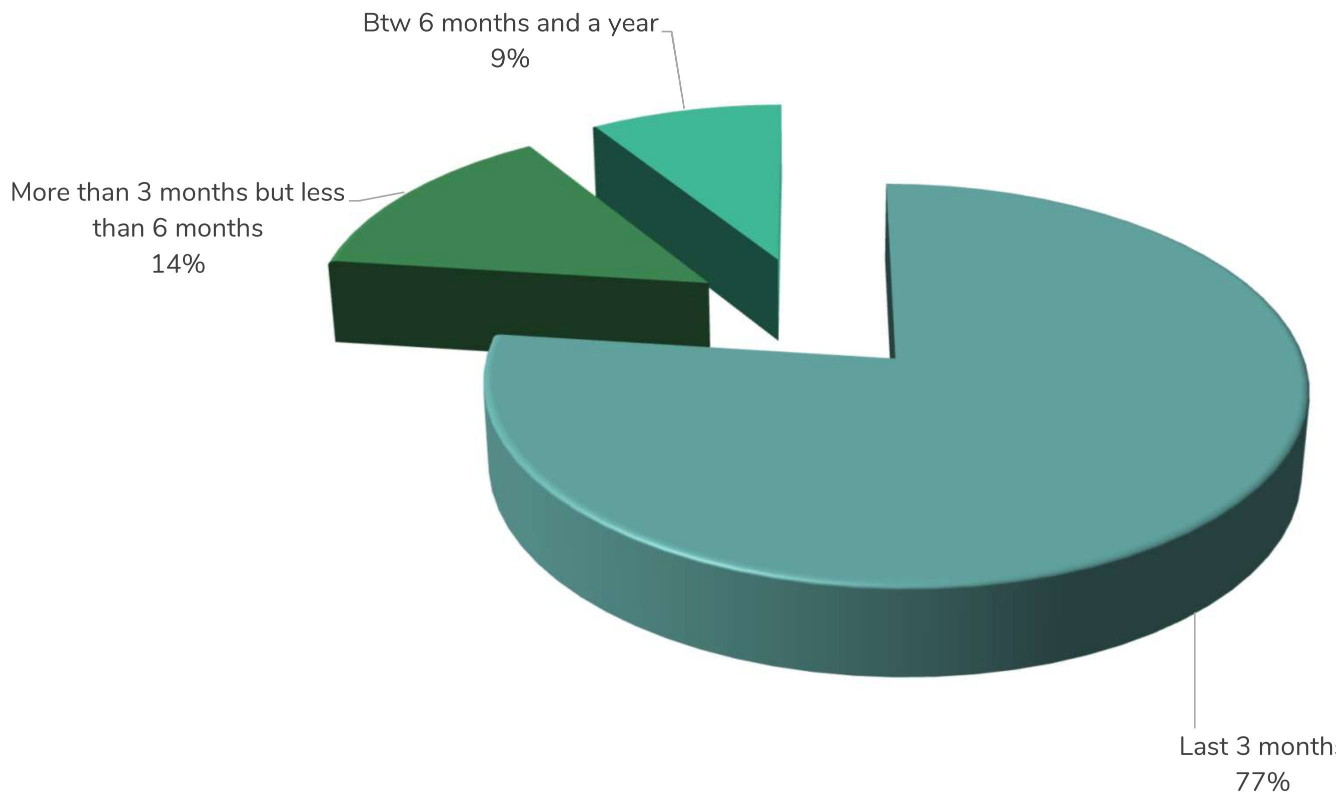
Mobile and/or tablet are the devices mostly used to carry out activities on the Internet.

Positive predisposition towards the use of mobile for effecting payments and carrying out internet banking activities. Of those that claim to access the internet on their smartphone, 65% carry out internet banking activities and effect payments online (these figures stood at 42% and 35% respectively in 2016).



Last time bought online

Base: eCommerce users

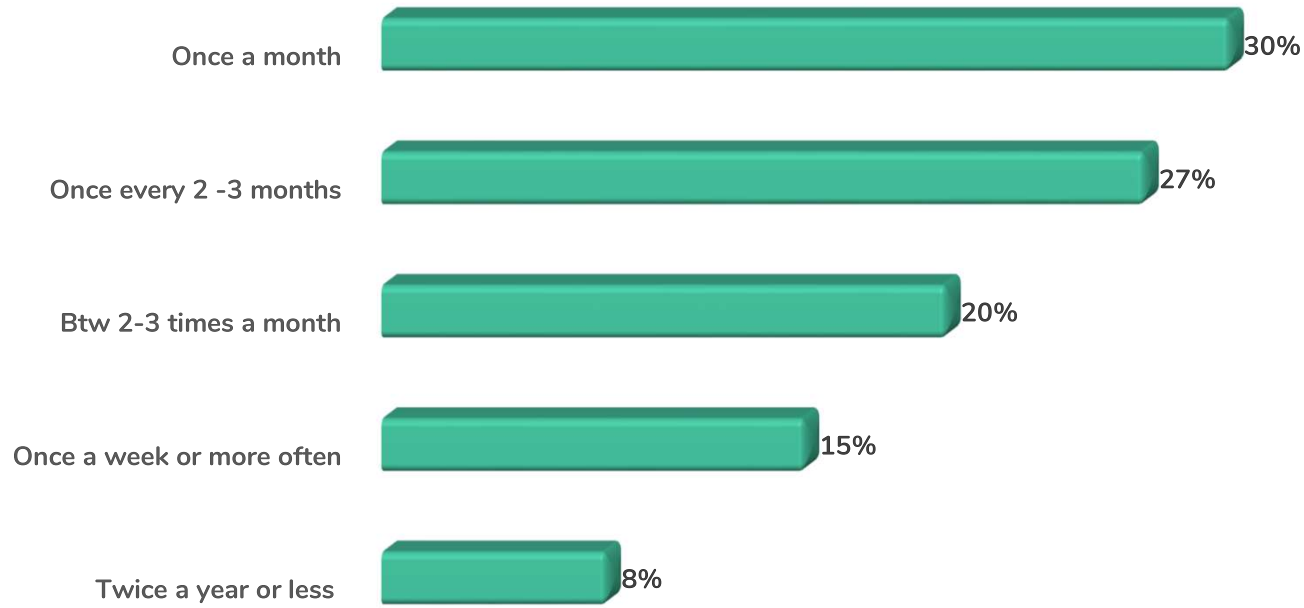


Frequency of purchases

Base: eCommerce users

The age groups most likely to engage in **monthly online purchases** are the 18 to 24 year olds (38%), the 25 to 34 year olds (35%) and the 55 to 64% year olds (37%).

Interestingly, the age cohort with the highest percentage points when it comes to **weekly online shopping** is the 65+ at 19%. However, all the other age groups except for the 55 to 64 year olds, follow closely.



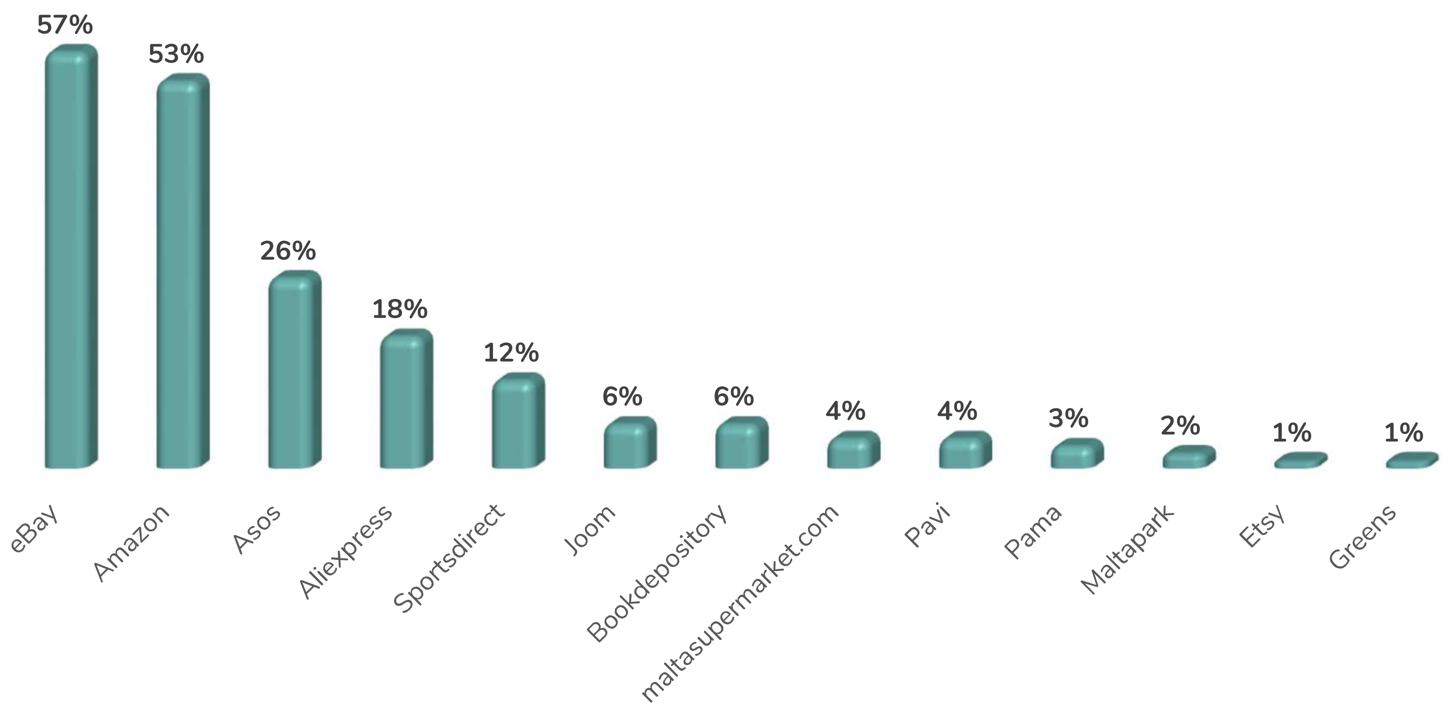
Websites/platforms used most often

Multiple response

Base: eCommerce users

The vast majority of digital buyers prefer to make online purchases directly from eCommerce platforms and websites that offer multiple brands.

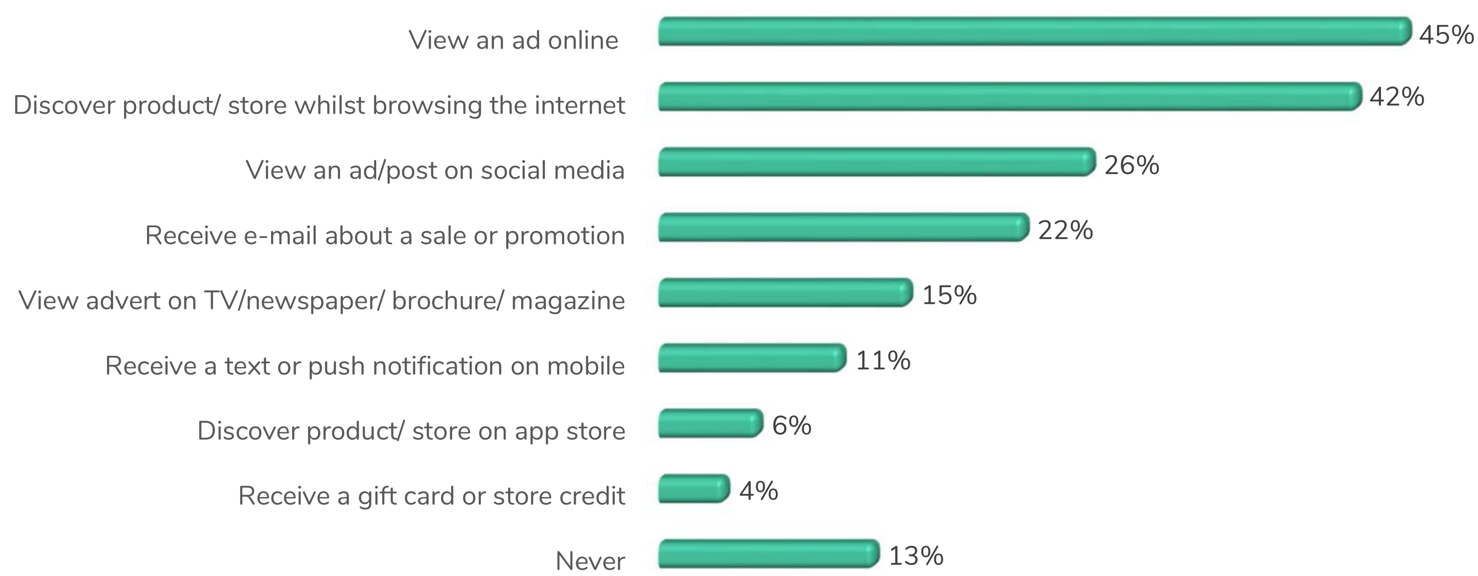
2% claim to have bought online via messaging apps whilst another 2% through e-mail.



Complete an online purchase after... Multiple response

Base: eCommerce users

Digital buyers are more reactive to online ads than to ads on traditional media.

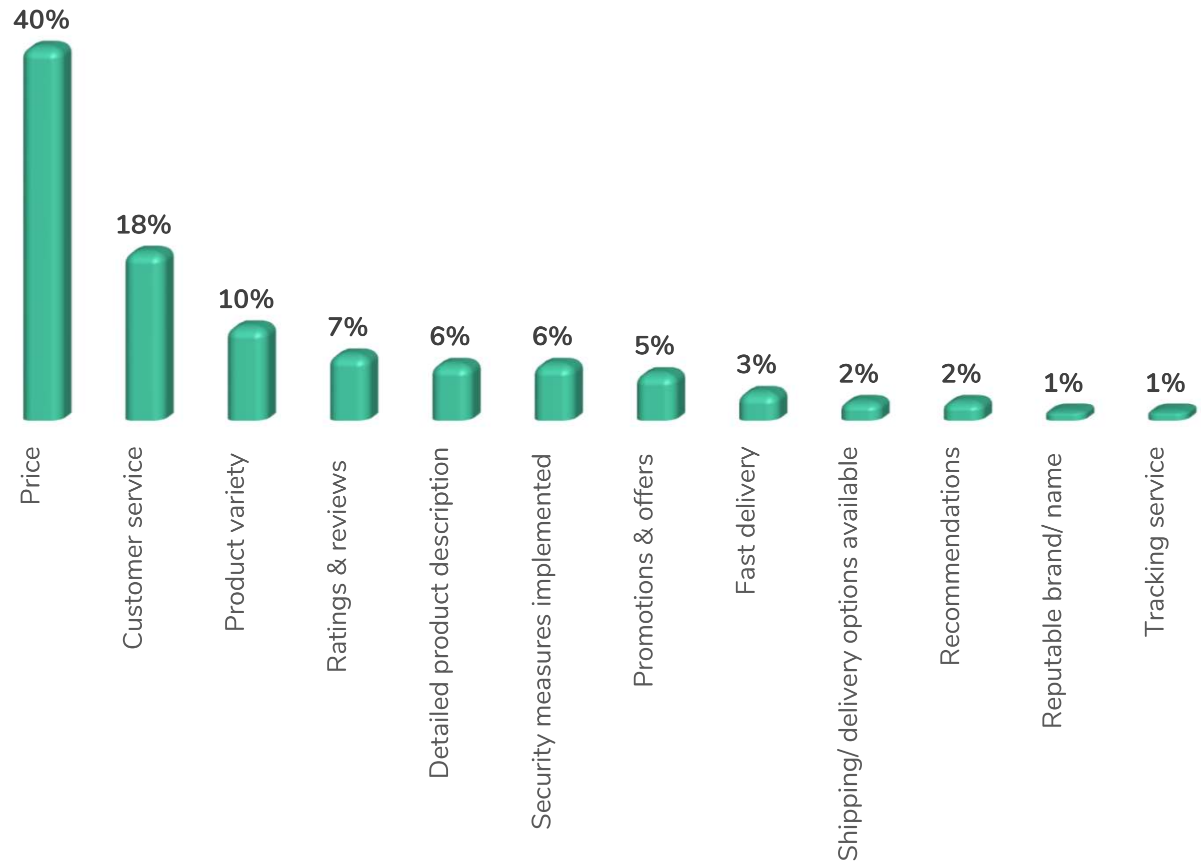


Main factors considered when deciding whether to shop online

Respondents were asked to select **top 3 factors** and responses were weighted accordingly. The graph illustrates the average weighted scores.

Base: eCommerce users

Price remains unchallenged as the main motivator when deciding from where to buy a product/ service.



Mostly sought promotional offers

Multiple response

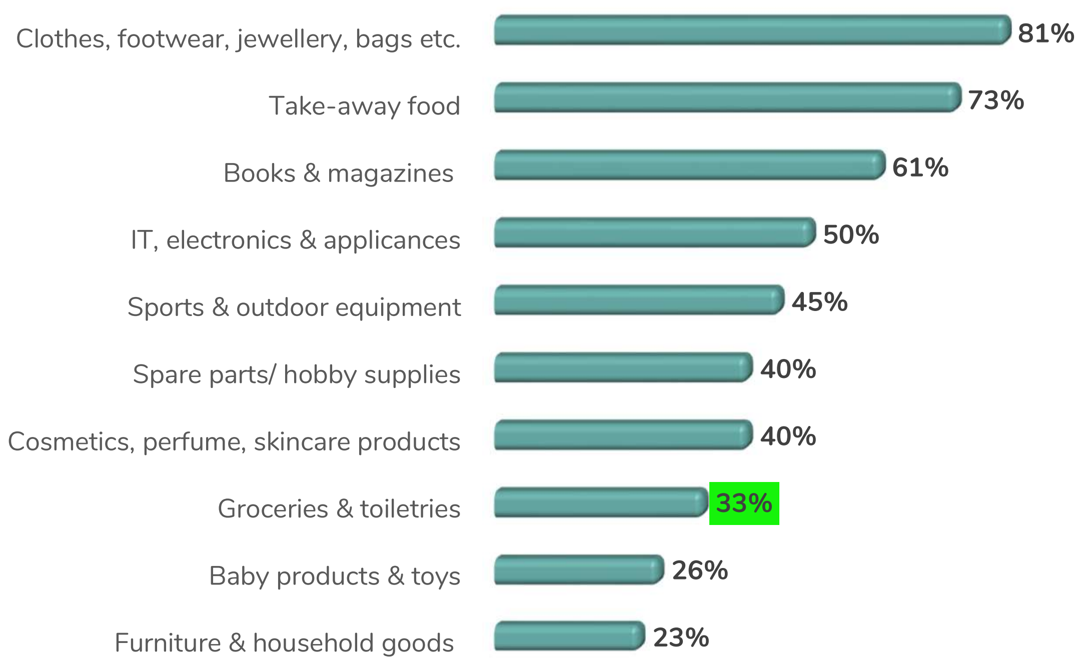
Base: eCommerce users

Products bought online in last 6 months

Multiple response

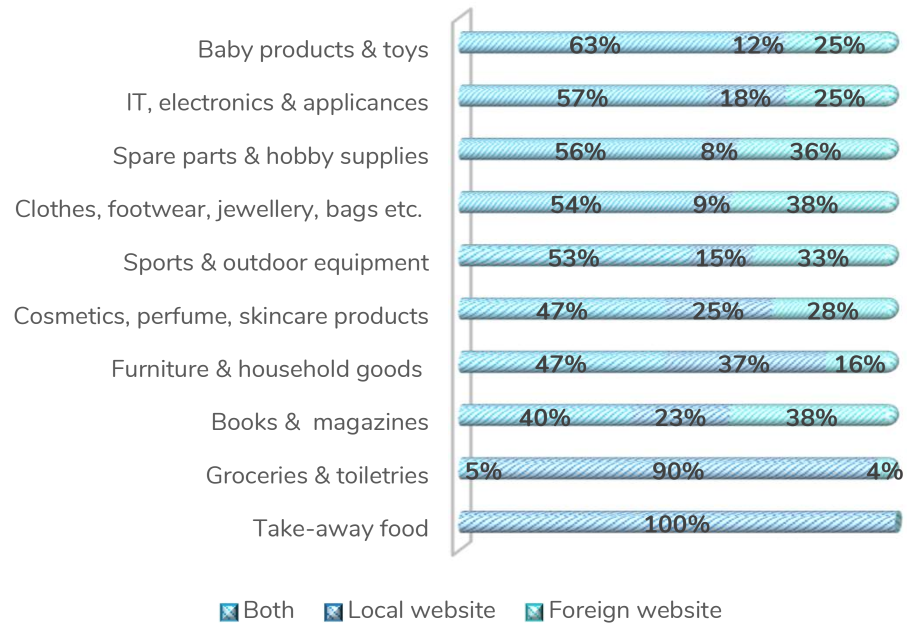
Base: eCommerce users bought online in last 6months

Significant increase in online grocery shopping (2% and 3% reported in 2014 & 2016 respectively)



Local vs foreign websites

Base: eCommerce users bought online in last 6months per item category



Services bought online Multiple response

Base: eCommerce users

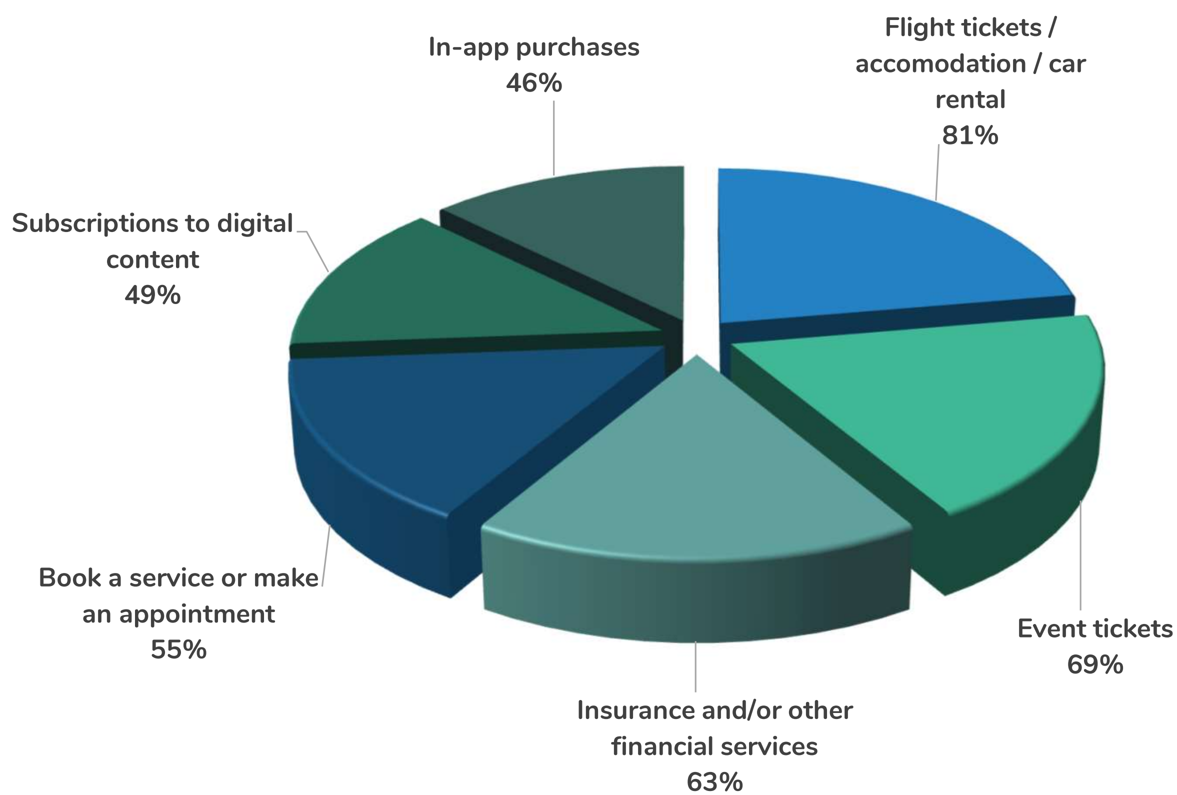
Paying for insurance & other financial services, as well as, **booking of services** such as restaurants, dry cleaning, hairdressers, etc. are predominantly done on local sites.

Slightly more than half of digital buyers tend to prefer foreign sites when **subscribing to digital content** such as online music, newspapers, films, etc. whilst 35% do so on both local & foreign sites. Only 12% select local sites only.

Slightly more than half of digital buyers purchase **event tickets** from local sites whilst 43% do so from both local & foreign sites. Only 4% use foreign sites only.

51% of digital buyers use both local & foreign sites to purchase **flight tickets, accommodation, car rental**, whilst 33% do so from local sites only. 16% prefer to use foreign sites for such an activity.

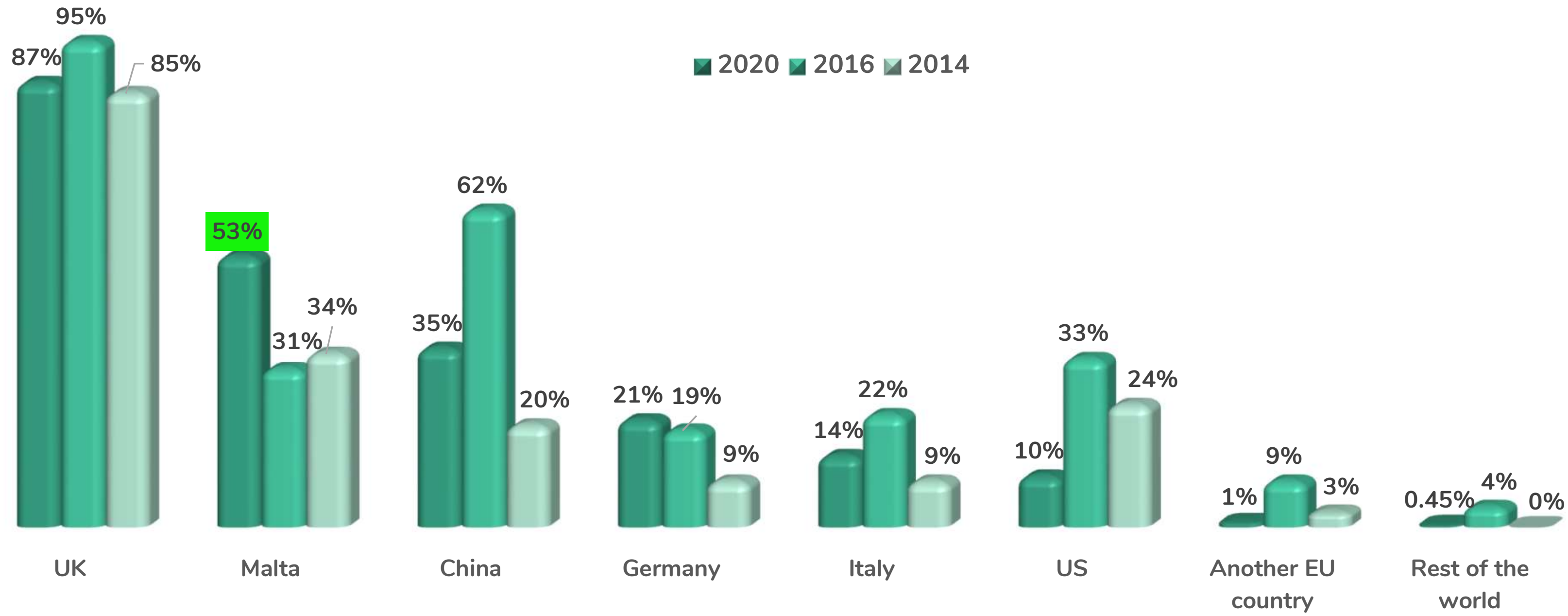
For **in-app purchases** 42% opt to do so from foreign sites only, 41% from both local & foreign sites, whilst 18% do so from local sites only.



Countries bought from Multiple response

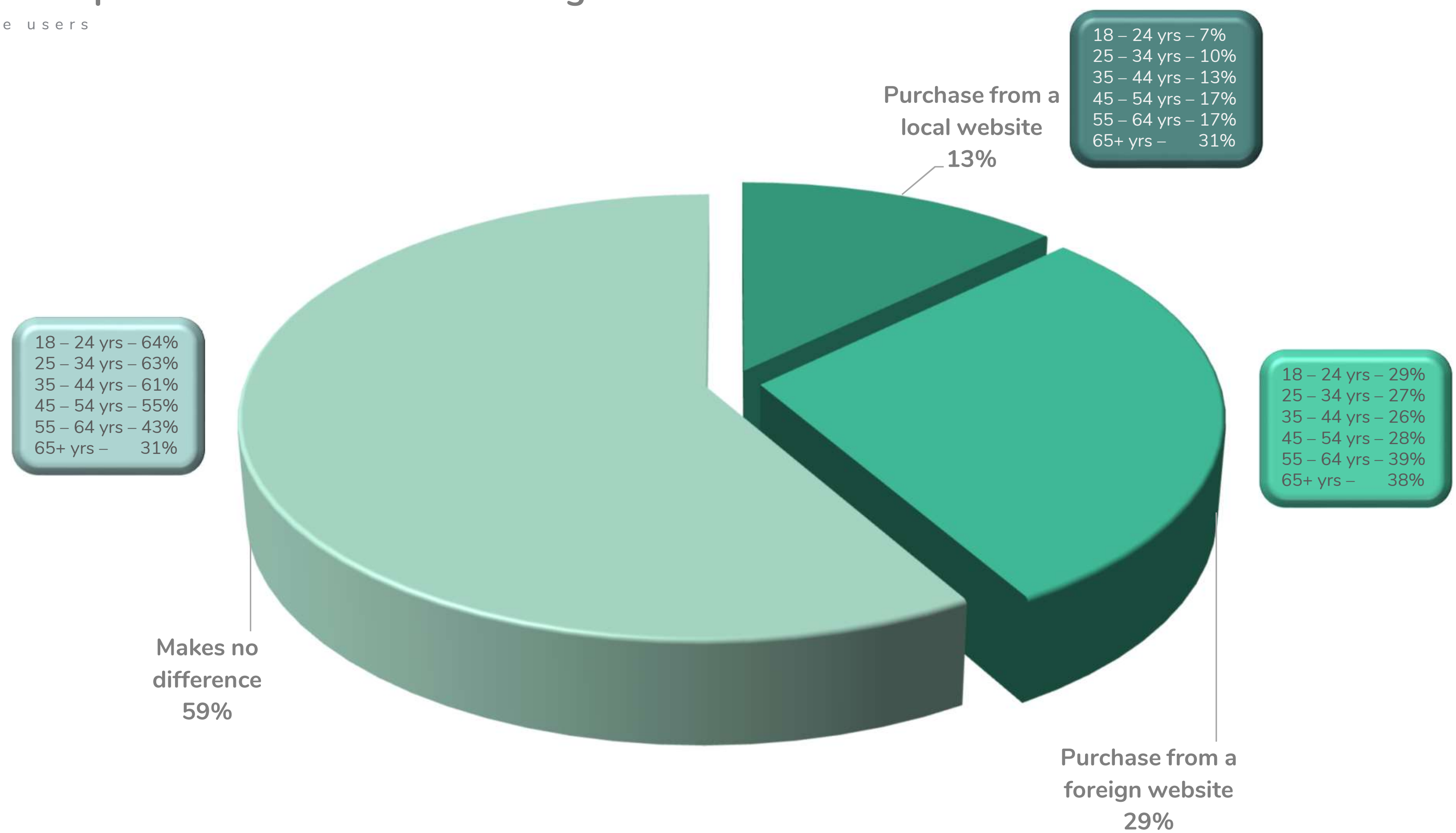
Base: eCommerce users

Significant increase in the number of digital buyers purchasing from local sites.



Would you rather purchase from... local or foreign website?

Base: eCommerce users



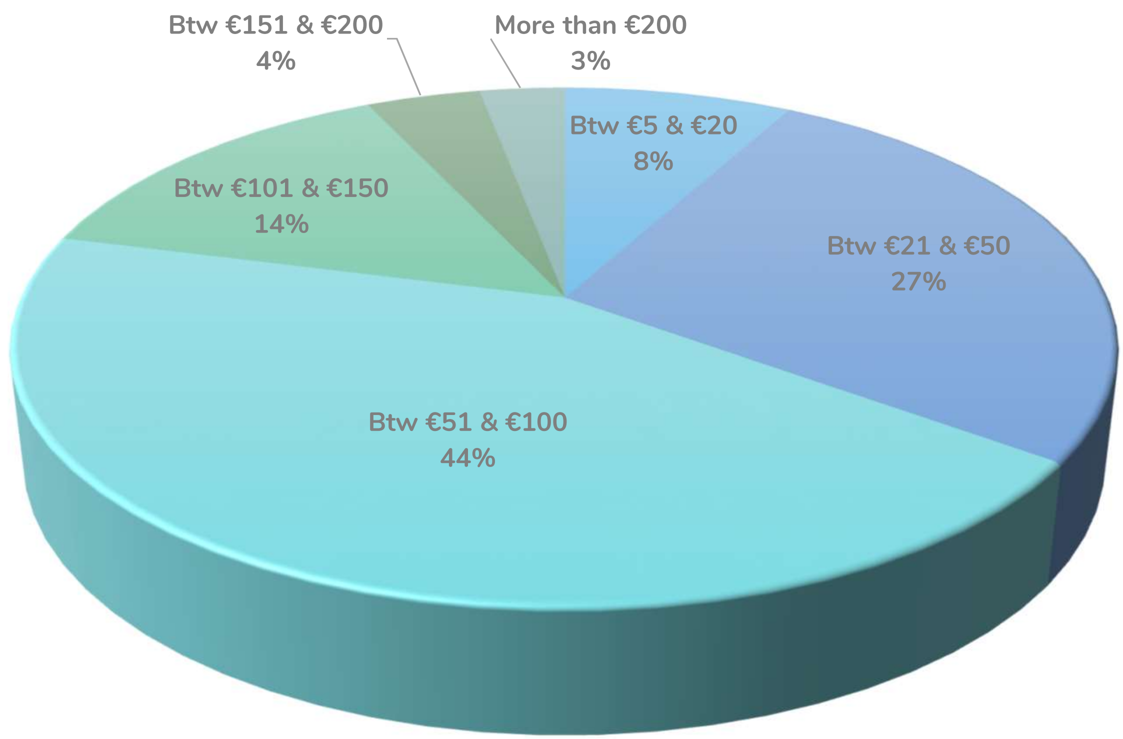
Average amount spent per online purchase in last 6 months

Base: eCommerce users bought online in last 6months

The age cohort most likely to spend the most each purchase is the 45 to 54 years old – 24% spend on average btw €101 and €150 whilst 31% spend on average btw €51 and €100 each time.

More than half (58%) the 25 to 34 year olds spend, on average, btw €51 and €100 each time they shop online whilst another 14% spend on average btw €101 and €150 each time.

The 65+ are the most cautious when it comes to the amount spent online per transaction, as slightly less than half (46%) prefer to spend on average btw €21 and €50.



Concerns when shopping online
Multiple response

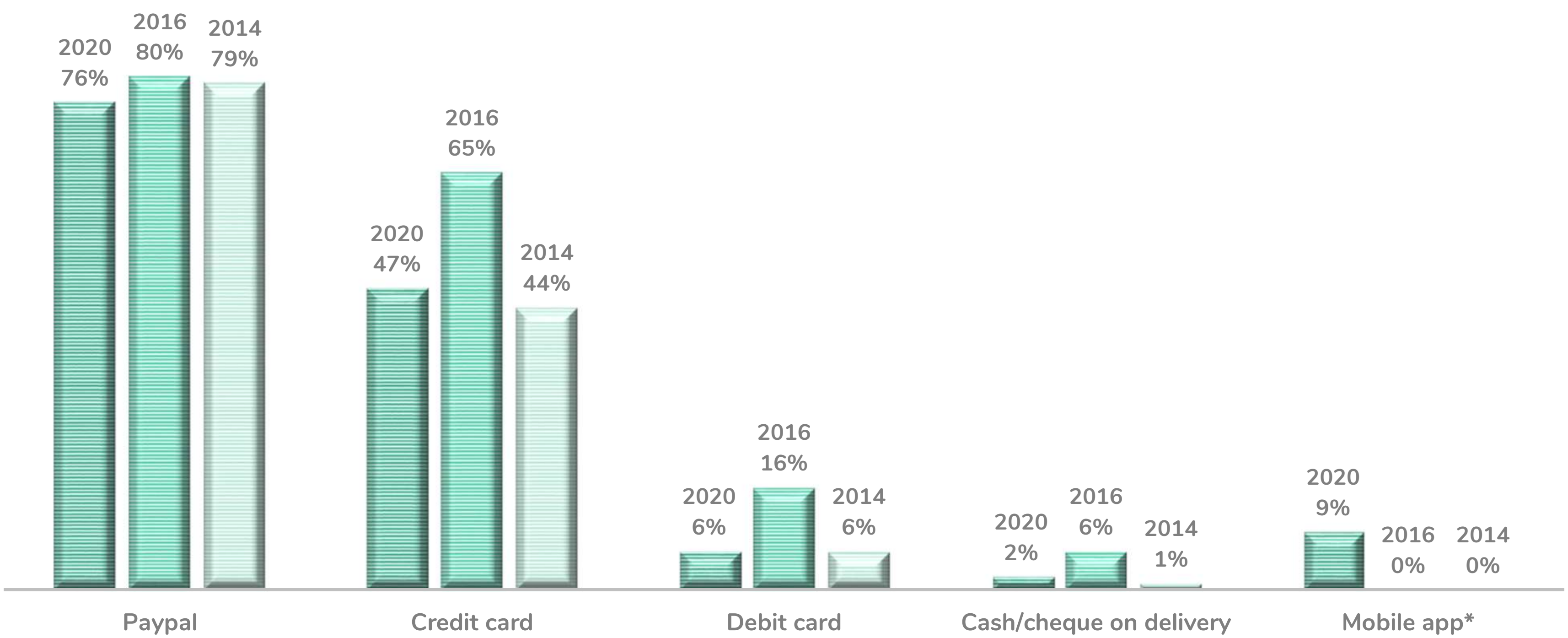
Base: eCommerce users

Security is the top concern across all age cohorts, with the 45 to 54 year olds displaying the most concern, at 42%.

The 25 to 34 year olds and the 55 to 64 year olds are most concerned with the lack of customer care at 25% and 24% respectively. The cohort least likely to be bothered with the level of customer care is the 65+ at 6%, and are instead more concerned with delivery issues, at 31%.

Preferred method of payment Multiple response

Base: eCommerce users



*This was not an option in 2014 & 2016

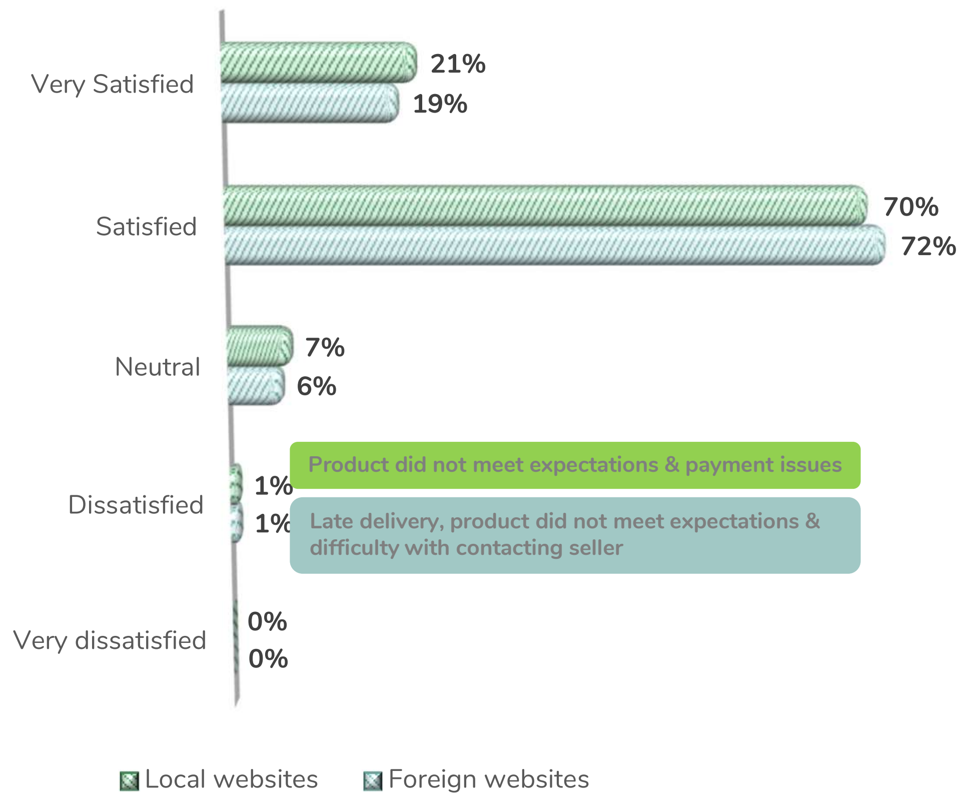
Satisfaction with local & foreign online shops

Base: eCommerce users that buy from local and/or foreign websites

The age cohort that is mostly satisfied with shopping online from local websites is the 65+ (respondents in this group claim to be 'very satisfied' or 'satisfied'). However, all the other cohorts trail very closely behind.

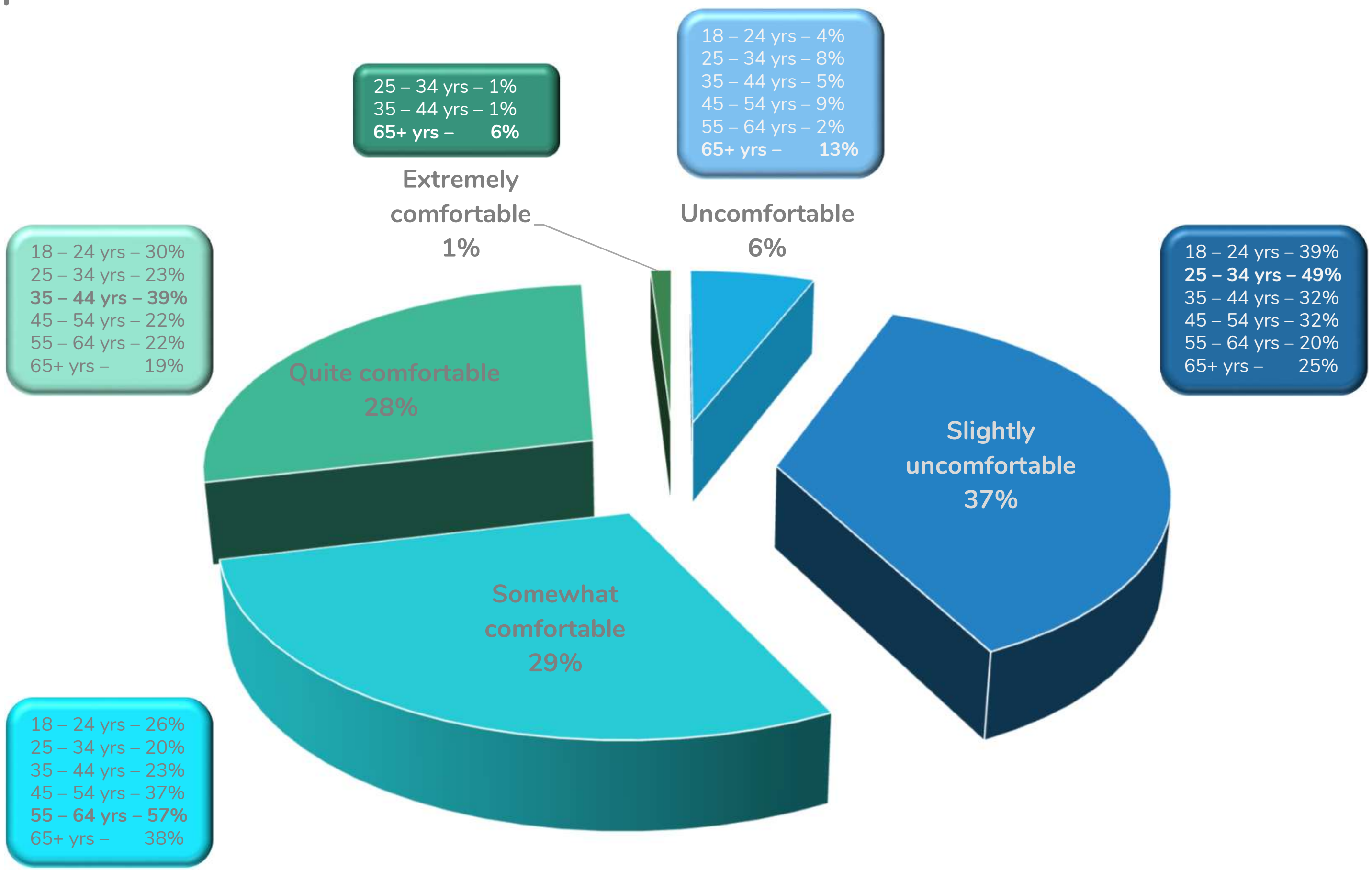
The respondents that mention some dissatisfaction with local purchases hail from the 35 to 44 and the 55 to 64 cohorts, with a mere 2% and 1% resp.

When shopping from foreign websites, those aged between 25 & 44 are the ones most likely to report a positive experience at 94%, closely followed by the other age groups.



Ease with providing personal details

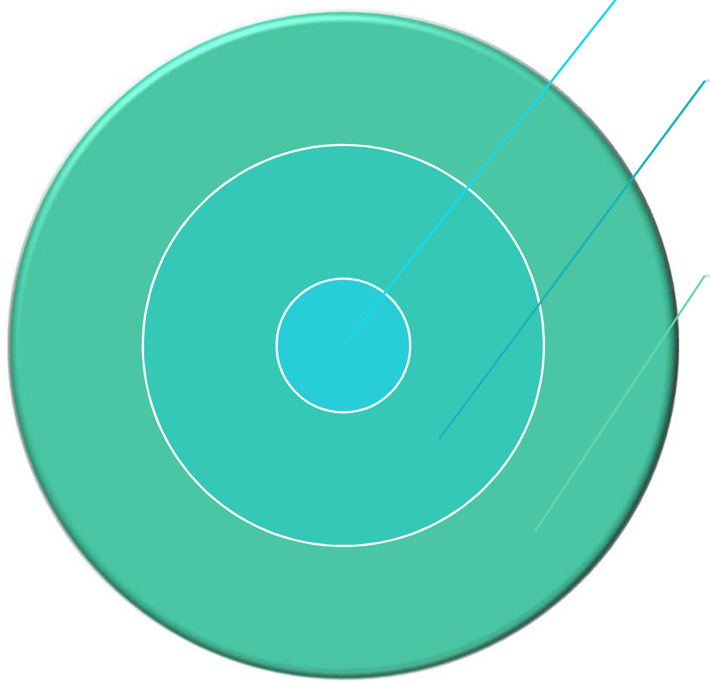
Base: eCommerce users



Preferences & expectations

Base: eCommerce users

Overall, online marketplaces are preferred to retailer websites across all age groups, especially the younger cohorts (btw 18 and 44 years).



68%

Wouldn't mind buying repeat products online the first time

69%

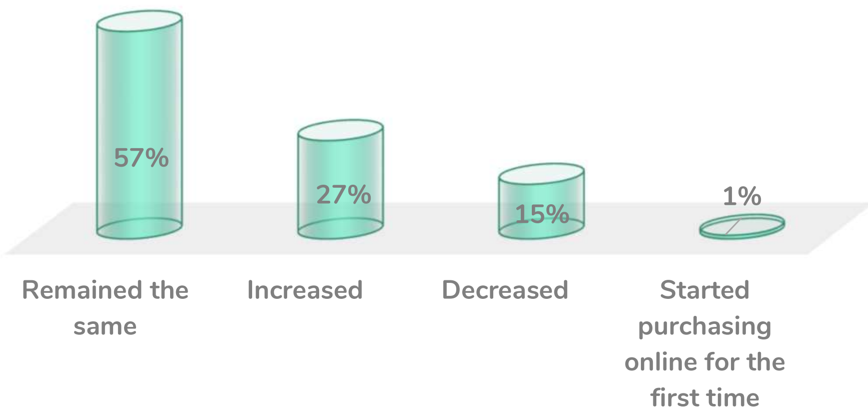
Prefer online marketplaces to retailers/brands websites

76%

expect item/s to be delivered within 1-2 days when purchasing from online websites in Malta

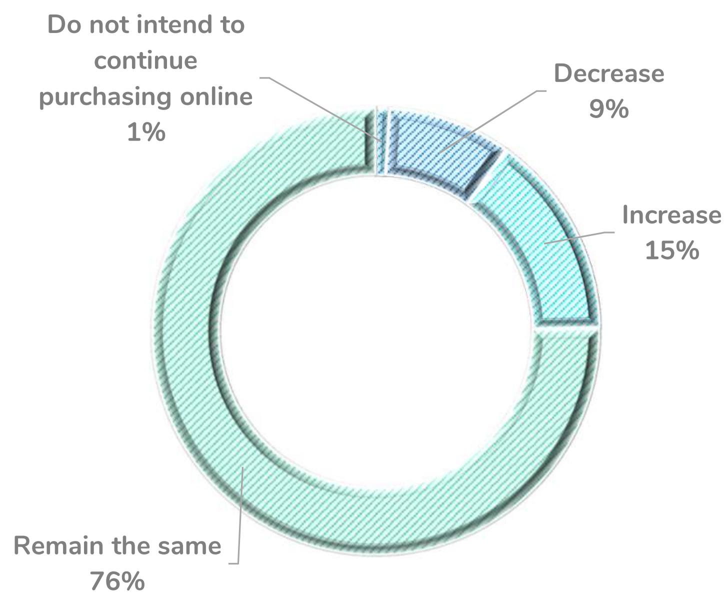
Impact on online shopping behaviour

Base: eCommerce users



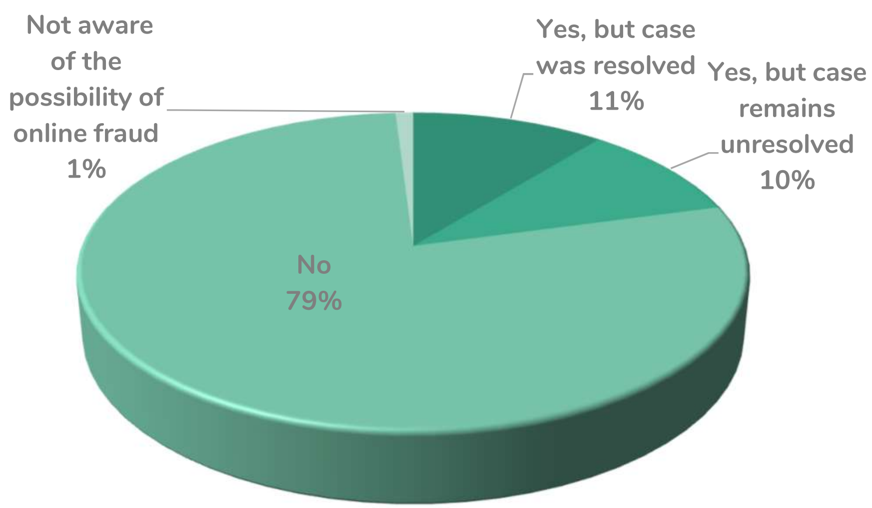
Future online shopping habits

Base: eCommerce users



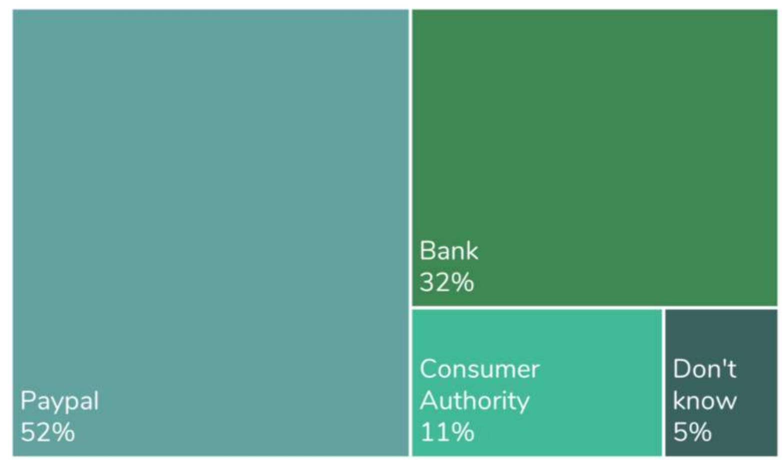
Fallen victim of fraud/ scams

Base: eCommerce users



Contact point for unresolved issues with retailer/ marketplace

Multiple response



Reasons for not buying online Multiple response

Base: Non-eCommerce users

Not interested/ do not need to is reiterated across all cohorts, mostly by those aged 65+ (70%) whilst it is the least cited by those aged btw 18 & 24 years (11%).

Of the 18 to 24yr-olds that do not shop online, 67% prefer **the overall experience offered by physical** shops whilst 44% prefer **to see and try on items before purchasing**.

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