The New Consumer Mindset

How different generations
approach shopping
in 2024 and beyond.

September 2024

Preface

Is Age More Than Just a Number?
In Retail, Absolutely.

Understanding your customers is a basic tenet of marketing and customer experience design, and yet many brands struggle to maintain this focus.

This is partially due to recent global events and rapid technological change - both of which have reshaped the consumer landscape. Economic uncertainty has only made things worse, prompting consumers to tighten their purse strings and spend more cautiously.

As a result, marketing and CX teams are facing an immense amount of pressure. Rising customer acquisition costs and fading brand loyalty have led to lower conversion rates and sinking customer lifetime value.

About 35%—according to Total Retail—of these teams have already faced layoffs. Those who remain have been asked to take on more work with fewer resources.

Despite all this, the drive to achieve the vision of a completely personalized, omnichannel experience remains a top priority, but to get there, retailers must start by answering some fundamental questions about their customers: how are customers similar or different from eachother? And what data reveals these similarities and differences?

This report aims to tackle at least one of these gaps in understanding by delving into an obvious but mysterious nuance: age and the generational differences that define today's consumer shopping behaviors.

When it comes to understanding shopping and buying behaviors, age absolutely matters.

The distinctions among different generations of consumers have never been more pronounced. The ways in which each group approaches shopping–how they engage with brands, what motivates them at each stage of the customer journey, and what drives their loyalty–all vary significantly. Recognizing these differences isn't just useful; it's critical for crafting compelling marketing and CX strategies that resonate and drive value. The proceeding analysis categorizes responses across distinct age groups, offering a detailed exploration of their unique characteristics and shopping behaviors.

By examining these insights and trends, our hope is to equip brands with meaningful data to shape their strategies and create tailored experiences that align with the evolving needs of today's consumers. Understanding how each age group shops and engages is one key to building stronger connections, deeper loyalty as well as better experiences.

About the data in this report

In July 2024, Brooks Bell conducted a comprehensive survey of 700 individuals based in the US, aiming to uncover key insights across different age groups.

The survey sample was meticulously balanced, with 49.52% male and 49.79% female respondents, and 0.69% preferring not to disclose their gender. The geographical distribution of participants showed a predominance of suburban residents (42.09%), followed by rural (29.99%) and urban dwellers (27.92%).

Household income data revealed a diverse economic spectrum, with a notable portion of respondents in lower income brackets: 30% earned less than $25,000 annually, and 27% fell within the $25,000 to $49,999 range. Mid-range incomes were represented by 19% of respondents, earning between $50,000 and $74,999, while higher income categories had less representation, with only 3% of respondents earning over $150,000 annually.

Educationally, survey respondents demonstrated a range of academic achievement levels. No respondents reported having no formal education; however, 5% had some high school education without a diploma. A significant 29% had completed high school, and 25% had attended some college. Associate degrees were held by 13%, bachelor's degrees by 18%, master's degrees by 6%, professional degrees by 2%, and doctorates by 1%.

Age groups

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Baby Boomers (65 or older)

Baby Boomers are characterized by their experiences of post-World War II optimism, economic growth, and significant cultural shifts. This generation grew up during a time of expanding opportunities, and largely benefitted from the rise of the middle class and the advent of television.

As consumers, Baby Boomers are known for their strong loyalty to brands that offer quality and service. Their purchasing decisions are often influenced by a preference for face-to-face interactions and a desire for reliable, high-quality products.

Generation Jones (55-64)

This is an often-overlooked group between Baby Boomers and Generation X. The term "Generation Jones" reflects their experience of the American Dream, and the pursuit of material success. This group was largely shaped by the Watergate scandal, the 1970s oil crisis, and later, the HIV/AIDS crisis.

Generation Jones combines the optimism and consumerism of Baby Boomers with the skepticism and practicality of Gen-X. They value stability and seek quality over novelty in purchasing decisions.

Generation-X (45-54)

Often referred to as the latchkey generation, Gen-Xers grew up during a time of economic uncertainty and cultural transformation. They witnessed the transition from analog to digital technology and experienced the early days of personal computers and the Internet.

Gen-X value practicality, efficiency, and authenticity in products and services, making them discerning consumers.

Millennials (35-44 & 25-34)

Millennials are the first generation to grow up with the Internet. This age group has faced unique economic challenges, including slowed growth and multiple recessions, which impacted career prospects and financial stability.

Millennials generally value flexibility, experiences over material goods, and authenticity in brand interactions. Their communication and consumer habits are heavily influenced by digital and social media platforms.

Gen-Z (18-24)

Also true digital natives, Gen Z has grown up with smartphones which means they've always had instant access to information. Gen Z grew up in a world shaped by the aftermath of the September 11 attacks and the global financial crisis, and many reached adulthood during the COVID-19 pandemic.

With deep familiarity with technology and a preference for digital communication, Gen Z values authenticity and transparency in both personal interactions and brand engagements.

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Insight #1: Across all generations, people are shopping in stores more often than they're shopping online.

(Figure 1) Think of the last 3-5 times you shopped. Was it mostly in-store, online, or via mobile device?

65 or over
- Shopping on a mobile device: 5%
- Shopping in-store: 77%
- Online shopping: 18%

55 to 64
- Shopping on a mobile device: 16%
- Shopping in-store: 69%
- Online shopping: 16%

45 to 54
- Shopping on a mobile device: 15%
- Shopping in-store: 62%
- Online shopping: 23%

35 to 44
- Shopping on a mobile device: 18%
- Shopping in-store: 60%
- Online shopping: 22%

25 to 34
- Shopping on a mobile device: 16%
- Shopping in-store: 59%
- Online shopping: 25%

18 to 24
- Shopping on a mobile device: 17%
- Shopping in-store: 60%
- Online shopping: 23%

Legend:
- Shopping on a mobile device (phone or tablet)
- Shopping in-store
- Online shopping (using a computer)

(Figure 2) What was the reason for your preference selected in the previous question?

65 or over
- Having access to a variety of choices: 55%
- Social interactions: 15%
- Saving time: 40%
- Ease of comparing prices: 46%
- Convenience: 70%
- Avoiding crowds: 17%
- Ability to physically see/touch the products: 63%

55 to 64
- Having access to a variety of choices: 44%
- Social interactions: 11%
- Saving time: 42%
- Ease of comparing prices: 45%
- Convenience: 66%
- Avoiding crowds: 21%
- Ability to physically see/touch the products: 50%

45 to 54
- Having access to a variety of choices: 44%
- Social interactions: 15%
- Saving time: 42%
- Ease of comparing prices: 45%
- Convenience: 68%
- Avoiding crowds: 28%
- Ability to physically see/touch the products: 46%

35 to 44
- Having access to a variety of choices: 49%
- Social interactions: 8%
- Saving time: 36%
- Ease of comparing prices: 42%
- Convenience: 66%
- Avoiding crowds: 33%
- Ability to physically see/touch the products: 42%

25 to 34
- Having access to a variety of choices: 33%
- Social interactions: 11%
- Saving time: 53%
- Ease of comparing prices: 36%
- Convenience: 70%
- Avoiding crowds: 21%
- Ability to physically see/touch the products: 39%

18 to 24
- Having access to a variety of choices: 45%
- Social interactions: 19%
- Saving time: 55%
- Ease of comparing prices: 40%
- Convenience: 66%
- Avoiding crowds: 23%
- Ability to physically see/touch the products: 38%

Legend:
- Having access to a variety of choices
- Social interactions (*with staff or other shoppers*)
- Saving time
- Ease of comparing prices
- Convenience
- Avoiding crowds
- Ability to physically see/touch the products

(Figure 3) What are the main drawbacks of in-store shopping for you?

Legend:
- Pressure from sales staff
- Parking/commuting
- Limited store hours
- Limited inventory or stock available
- Difficulty finding products
- Crowds/long lines

65 or over
- 9%
- 41%
- 15%
- 32%
- 27%
- 58%

55 to 64
- 11%
- 41%
- 19%
- 36%
- 30%
- 71%

45 to 54
- 15%
- 46%
- 32%
- 41%
- 28%
- 80%

35 to 44
- 16%
- 49%
- 31%
- 47%
- 28%
- 76%

25 to 34
- 16%
- 48%
- 42%
- 47%
- 29%
- 67%

18 to 24
- 28%
- 40%
- 38%
- 53%
- 45%
- 81%

Interpretation

Despite the growth of e-commerce, all generations continue to shop in-person more often than online (Figure 1). This preference is driven by factors such as perceived convenience, ease of comparing prices, saving time, and access to a wide variety of choices (Figure 2).

For retail brands, this underscores the importance of maintaining a strategic investment in their brick-and-mortar presence and ensuring a positive store experience.

But what exactly defines a "positive in-store experience?"

Ultimately, the answer to this question is brand dependent. However, the commonly-cited drawbacks of in-store shopping, such as crowds, long lines, parking, and commuting, suggest that while consumers value the benefits of physical stores, they are also sensitive to the inconveniences (Figure 3).

These concerns may be heightened due to the lingering effects of the COVID-19 pandemic which made people more conscious of crowded spaces and less willing to tolerate inefficiencies. Retailers should focus on strategies to streamline the shopping experience, such as better crowd management, efficient checkout processes, and convenient parking options.

More than the older age groups, 18 - 24 year olds (53%), 25 - 34 year olds (47%) and 35 - 44 year olds (47%) were all more concerned with limited stock and inventory (Figure 3).

This indicates that these age groups are likely seeking specific products and expect a certain level of inventory management. Retail brands should prioritize real-time inventory updates, both online and in-store, and consider options like buy-online-pickup-in-store (BOPIS) or store-to-door delivery to ensure product availability.
Additionally, the concern about pressure from sales staff increases as age decreases, with younger shoppers feeling more uncomfortable with assertive sales tactics (Figure 3).

This suggests that retail brands should train their staff to provide assistance without being overbearing, focusing on a more consultative and supportive approach rather than aggressive sales techniques.

Offering self-service or customer-led options and digital assistance can also help cater to this preference.

What this means for retail brands

Enhanced in-store experience

Given the continued preference for in-person shopping, retail brands must focus on creating an engaging, convenient, and comfortable in-store experience. This could involve improving store layouts, reducing wait times, and offering personalized services that add value without being intrusive.

Omnichannel integration

The emphasis on ease of price comparison and concerns about inventory highlight the need for a seamless omnichannel strategy. Retailers should ensure that their online and in-store experiences are well-integrated, with consistent pricing, promotions, and product availability.

Adaptability to consumer preferences

Understanding the specific concerns of different age groups allows retailers to tailor their approaches accordingly. For example, they can create a welcoming environment for younger shoppers by minimizing high-pressure sales tactics and focusing on transparency and authenticity.

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This resonates with what I've seen in my experience, particularly that...all generations still prefer in-store shopping over online. This aligns with our data, where high-consideration purchases are more likely to happen in-store. The physical experience adds a layer of trust and validation, which is harder to replicate online."

Senior Executive, Global Retail Brand

Insight #2: Different generations of customers value different parts of the online shopping experience.

(Figure 4) Think of the last 3 - 5 times you shopped online.
What aspects of online shopping did you enjoy the most?

65 or over
- No crowds or lines: 55%
- Convenience of shopping from home: 61%
- Availability of customer reviews: 27%
- Access to wide range of products: 42%
- Ability to shop at any time of day: 63%
- Ability to compare prices easily: 33%

55 to 64
- 59%
- 64%
- 29%
- 46%
- 58%
- 41%

45 to 54
- 64%
- 65%
- 33%
- 54%
- 65%
- 48%

35 to 44
- 59%
- 66%
- 37%
- 49%
- 60%
- 45%

25 to 34
- 61%
- 58%
- 40%
- 47%
- 58%
- 50%

18 to 24
- 66%
- 66%
- 40%
- 53%
- 66%
- 40%

Legend:
- No crowds or lines
- Convenience of shopping from home
- Availability of customer reviews
- Access to wide range of products
- Ability to shop at any time of day
- Ability to compare prices easily

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(Figure 5) Think of the last 3 - 5 times you shopped online.
What were the main drawbacks?

Legend:
- None
- Waiting for delivery
- Shipping costs
- Security concerns (e.g. fraud or data breaches)
- Lack of personalized assistance
- Inability to see, touch or try on products
- Difficulty in returning or exchanging items

65 or over: None 4%, Waiting for delivery 43%, Shipping costs 42%, Security concerns 32%, Lack of personalized assistance 20%, Inability to see/touch/try 58%, Difficulty returning 30%

55 to 64: None 1%, Waiting for delivery 54%, Shipping costs 44%, Security concerns 29%, Lack of personalized assistance 12%, Inability to see/touch/try 54%, Difficulty returning 27%

45 to 54: None 1%, Waiting for delivery 64%, Shipping costs 45%, Security concerns 27%, Lack of personalized assistance 13%, Inability to see/touch/try 55%, Difficulty returning 27%

35 to 44: None 0, Waiting for delivery 64%, Shipping costs 46%, Security concerns 21%, Lack of personalized assistance 14%, Inability to see/touch/try 51%, Difficulty returning 34%

25 to 34: None 0, Waiting for delivery 73%, Shipping costs 58%, Security concerns 26%, Lack of personalized assistance 15%, Inability to see/touch/try 40%, Difficulty returning 28%

18 to 24: None 0, Waiting for delivery 77%, Shipping costs 60%, Security concerns 26%, Lack of personalized assistance 32%, Inability to see/touch/try 55%, Difficulty returning 36%

Interpretation

Across all generations, the primary appeal of online shopping lies in its convenience.

The ability to shop at any time, from the comfort of home, and avoid crowds or lines are significant advantages (Figure 4). The good news is that the flexibility and ease of access provided by e-commerce are universally valued.

For retail brands, it's obvious that maintaining a user-friendly online experience that is accessible around the clock is essential. However, *how* that user-friendly online experience comes to life can differ based on the types of customers a brand is trying to attract.

All age groups are pretty much on the same page with difficulty in returning or exchanging items, inability to physically see or touch items, and shipping costs as their major drawbacks with shopping online.

Younger consumers, particularly those aged 18-24 and 25-34, place a higher value on accessing customer reviews (40% across both age groups). This preference highlights the importance of social proof and the role of peer opinions in their purchasing decisions.

The 25-34 age group also prioritizes the ability to compare prices, indicating their price sensitivity and desire for value. Retail brands targeting these age groups should ensure that customer reviews are
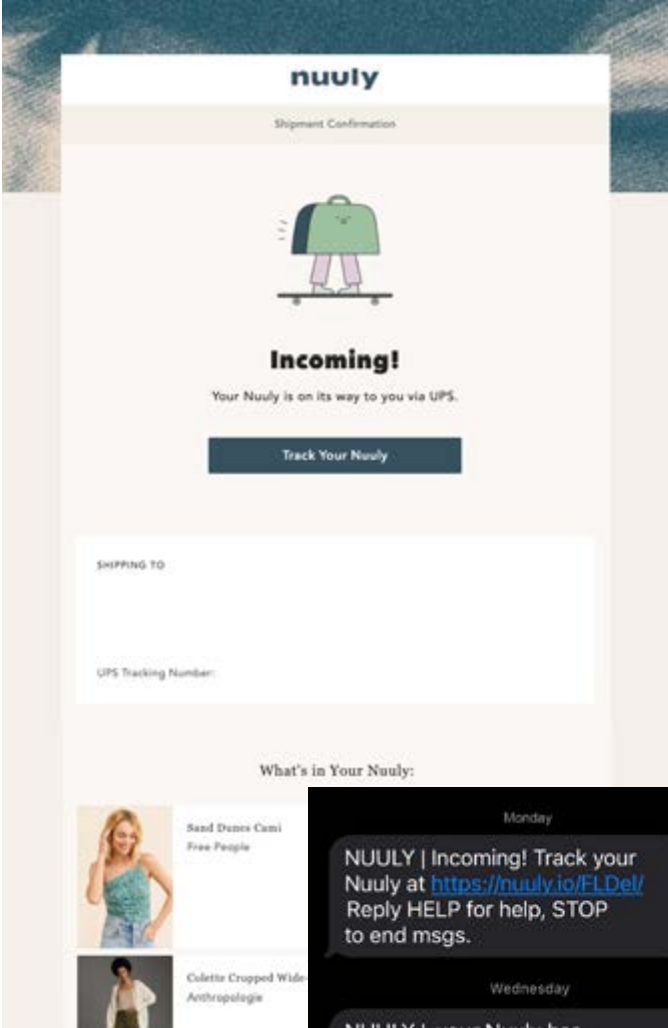
prominently displayed, and that comparison tools are easily accessible on their platforms.

Delivery wait times and sensory limitations are important considerations

The most commonly cited drawbacks of online shopping across most age groups included waiting for delivery and the inability to physically see, touch, or try on products (Figure 5). These concerns underscore

the challenges of replicating the experience of in-store shopping, online.

Many retail and ecommerce brands, such as Nuuly (pictured above), have tried to mitigate these drawbacks by offering things like fast and reliable shipping options, shipping notifications via email or SMS, along with detailed product descriptions, high-quality images, and virtual try-on features to enhance the online shopping experience.

Understanding sensitivity to shipping costs

Younger age groups–those in the 18-24, 25-34, and 35-44 age groups–were more likely to find shipping costs a major drawback than any other group (Figure 5). This sensitivity may be attributed to their financial considerations and life stages, with Gen-Z often having limited disposable income and millennials managing household expenses.

For these age groups, retail brands could consider offering free or discounted shipping, bundling items to reduce costs, or implementing high value loyalty programs to alleviate this concern.

Conflicting views on personalization

Surprisingly, the lack of 1:1 personalized assistance online was not a major concern for consumers across all age groups, which could contradict many industry-wide held beliefs surrounding the role of personalization in retail and ecommerce. However, this doesn't mean that brands should abandon their personalization strategies altogether.

Rather it speaks to consumers' understanding of personalization–which is different from those who work in marketing and CX.

Interestingly, 18-24 year olds were more frustrated with the lack of personalization (32%) than other age groups.

This could suggest that younger, more tech-savvy consumers view personalization as a convenience feature to help them with product research and discovery. In contrast, older shoppers may think of personalization as an expression of customer service that enables them to get more value from their purchases.

At Brooks Bell, we define personalization as any experience delivered to a customer based on data about that person.

By this definition, personalization exists on a spectrum - it can be one-to-one, one-to-few, and one-to-many.

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Personalization is often misunderstood in the retail space. It's not a one-size-fits-all solution, but rather a tool to make the shopping experience feel personal, relevant, and convenient for everyone; it's about delivering an experience that makes customers feel understood. "

Executive, Global Retail Brand

7 Strategies to Overcome Sensory Limitations Online

To overcome the challenge of not being able to physically see, touch, or try on products, consider testing the following strategies in your online experience.

High-Quality Images and Videos

Provide detailed images and videos from multiple angles, including zoom features and 360-degree views for a comprehensive visual representation of the product.

Detailed Product Descriptions, Comparisons, & FAQs

Offer thorough descriptions, including dimensions, materials, colors, and other relevant specifications for a better sense of the product. Similarly, detailed FAQs and product comparisons can help address common concerns and compare products side-by-side.

Customer Reviews and Ratings

Showcase reviews, ratings, and user-generated content (photos and videos) to provide social proof and insights into the product's quality and fit.

Size Guides and Fit Tools

Provide detailed size guides, measurement instructions, and fit tools to help customers choose the right size, especially for clothing and footwear.

Flexible Return and Exchange Policies

Offer hassle-free return and exchange policies to reassure customers that they can easily return items if they don't meet expectations.

Virtual Consultations

Provide live chat or video consultations with experts or customer service representatives who can answer questions and offer personalized recommendations.

Samples and Swatches

For products like cosmetics or home decor, offer samples or swatches to allow customers to test colors and textures before committing to a purchase.
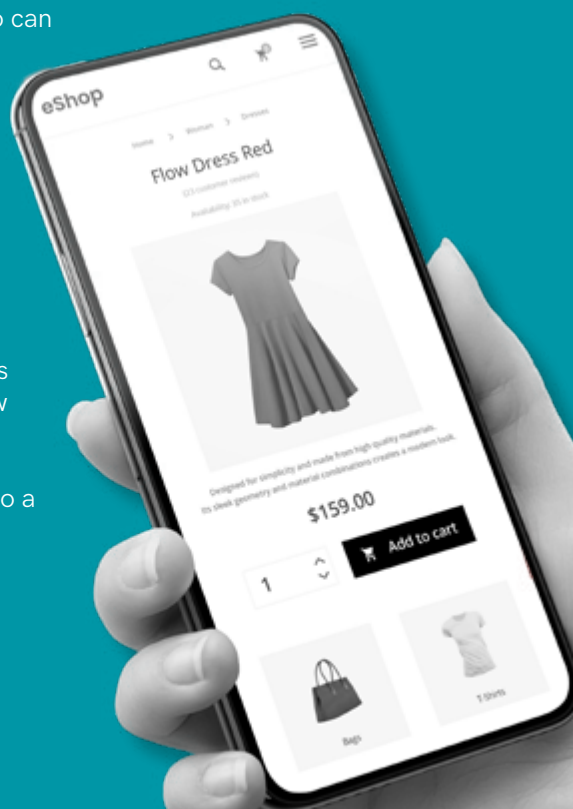
Looking to uncover more strategies like these for your brand?
Request a free consultation at brooksbell.com/contact-us

Insight #3: For younger consumers, the distinction between online and offline shopping is blurred.

(Figure 6) Think of the last 3 - 5 times you shopped for something. How often did you switch between shopping in-store and online?

65 or over
- Very often: 2%
- Somewhat often: 12%
- Rarely: 32%
- Never: 33%
- Neutral: 21%

55 to 64
- Very often: 7%
- Somewhat often: 16%
- Rarely: 31%
- Never: 19%
- Neutral: 27%

45 to 54
- Very often: 6%
- Somewhat often: 15%
- Rarely: 33%
- Never: 14%
- Neutral: 32%

35 to 44
- Very often: 5%
- Somewhat often: 23%
- Rarely: 29%
- Never: 8%
- Neutral: 35%

25 to 34
- Very often: 20%
- Somewhat often: 30%
- Rarely: 15%
- Never: 7%
- Neutral: 28%

18 to 24
- Very often: 13%
- Somewhat often: 26%
- Rarely: 13%
- Never: 15%
- Neutral: 34%

Legend:
- Very often
- Somewhat often
- Rarely
- Never
- Neutral

Interpretation

Our survey found that 18-24 year olds (39%) and 25-34 year olds (50%) were more likely to switch between shopping online and in-store than any other age group. (Figure 6)

Based on the qualitative research we've conducted on behalf of our retail clients, we've identified a few potential reasons for this trend that are worth exploring.

First, both age groups, and particularly 18-24 year olds, have grown up with technology and are highly comfortable using various digital platforms.

Younger consumers also have shown that they appreciate the ability to research products online, check stock availability, and then choose the most convenient method of purchase, whether it's buy-online-pick-up -in-store, or home delivery.

Additionally, this age group is often more budget-conscious and skilled at comparing prices across different channels to find the best deals. They may browse in-store to physically examine products and then purchase online if they find a better price or vice versa.

Overall, both age groups tend to value flexibility, convenience, and an informed shopping experience, making them more likely to participate in omnichannel shopping.

Brands that cater to these expectations can better attract and retain this demographic of shoppers.

More importantly, retailers that can integrate and track between in-store and online shopping can gain valuable insights into how online browsing impacts in-store sales and vice versa, and a better measurement of channel ROI and attribution.
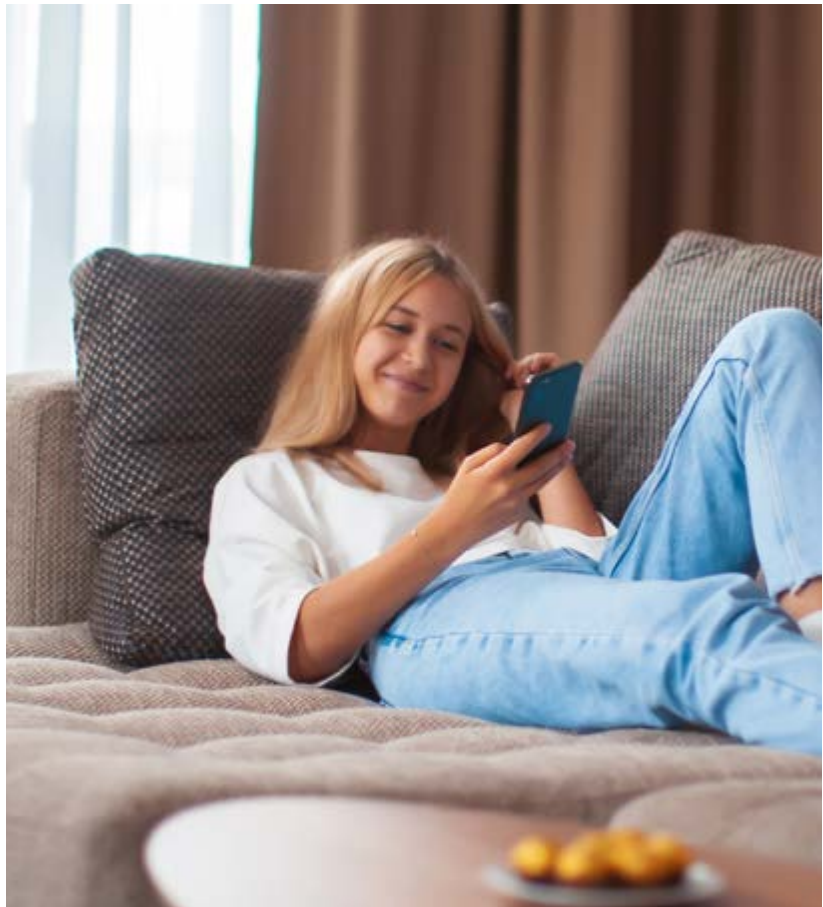
Insight #4: Flash sales and promotions are key drivers of impulse purchases.

(Figure 7) Think of the last 3 - 5 times you shopped.
How often did you find yourself making impulse purchases?

Legend:
- Very often
- Somewhat often
- Rarely
- Never
- Neutral

65 or over
- Very often: 2%
- Somewhat often: 11%
- Rarely: 45%
- Never: 25%
- Neutral: 17%

55 to 64
- Very often: 8%
- Somewhat often: 23%
- Rarely: 34%
- Never: 19%
- Neutral: 16%

45 to 54
- Very often: 6%
- Somewhat often: 25%
- Rarely: 33%
- Never: 12%
- Neutral: 24%

35 to 44
- Very often: 10%
- Somewhat often: 32%
- Rarely: 13%
- Never: 10%
- Neutral: 34%

25 to 34
- Very often: 18%
- Somewhat often: 31%
- Rarely: 16%
- Never: 7%
- Neutral: 29%

18 to 24
- Very often: 23%
- Somewhat often: 30%
- Rarely: 13%
- Never: 11%
- Neutral: 23%

(Figure 8) If you've made impulse purchases while shopping online, what typically triggered that purchase(s)?

Legend:
- Social media ads
- Personalized recommendations
- Limited-time deals or flash sales
- Influencer endorsements
- Fear of missing out (FOMO)

65 or over
- Personalized recommendations: 6%
- Limited-time deals or flash sales: 20%
- Influencer endorsements: 4%
- Fear of missing out (FOMO): 4%

55 to 64
- Social media ads: 6%
- Personalized recommendations: 6%
- Limited-time deals or flash sales: 32%
- Influencer endorsements: 4%
- Fear of missing out (FOMO): 7%

45 to 54
- Social media ads: 11%
- Personalized recommendations: 14%
- Limited-time deals or flash sales: 31%
- Influencer endorsements: 5%
- Fear of missing out (FOMO): 2%

35 to 44
- Social media ads: 18%
- Personalized recommendations: 25%
- Limited-time deals or flash sales: 48%
- Influencer endorsements: 10%
- Fear of missing out (FOMO): 13%

25 to 34
- Social media ads: 24%
- Personalized recommendations: 28%
- Limited-time deals or flash sales: 52%
- Influencer endorsements: 16%
- Fear of missing out (FOMO): 19%

18 to 24
- Social media ads: 21%
- Personalized recommendations: 30%
- Limited-time deals or flash sales: 45%
- Influencer endorsements: 9%
- Fear of missing out (FOMO): 28%

Interpretation

In general, younger consumers, particularly those aged 18-24, 25-34 and 35 - 44, are more prone to impulse buying compared to older generations (Figure 7).

This increased propensity can be attributed to a multitude of factors - among them their relatively higher engagement with digital platforms and online shopping. (Figure 1).

Online, younger consumers frequently encounter targeted ads, promotions, and influencer endorsements, which also significantly influence their impulse purchasing decisions (Figure 8).

Although a smaller percentage overall, millennials proved more likely to make impulse purchases due to influencer endorsements and social media ads than any other age group.

Personalization also plays a crucial role, with younger consumers broadly responding more positively to personalized recommendations than older age groups (Figure 8).

Limited time deals and flash sales are working

Across all age groups, shoppers were more likely to make an impulse purchase in response to a limited time or flash promotion than any other tactic.

Related to this, FOMO was more of a motivating factor particularly in younger generations, 18 - 24 and 25 - 34. Limited quantity drops are particularly effective for these demographics as they leverage the behavioral economics concept of scarcity. Depending on the products, they can also positively influence shoppers' perception of value and premium attributes.

Based on this information, retailers seeking to target impulse both online and in-store buyers more effectively should consider these approaches and strategies in addition to limited-time offers.

Online Strategies

• Create a sense of urgency with low stock or back-in-stock alerts to encourage immediate purchases.

• Leverage social proof by showcasing customer reviews and user-generated content to build trust and desirability.

• Offer personalized recommendations based on browsing history and previous purchases can further drive spontaneous buying. Retailers should invest in algorithmic personalization and recommendation engines to provide tailored suggestions.

• Similarly, prompt last minute cart additions by surfacing personalized recommendations and discounted add-on products.

• Leverage retargeting ads and re-engagement emails to keep potential buyers engaged and encourage add-on products based on previous purchase and browsing behavior.

• Use interactive elements like quizzes and surveys to make the shopping experience more engaging and provide an amazing source of first-party data to use for future personalization.

• Offer incentives such as discounts, coupons, and free shipping

In-Store Strategies

• Strategic product placement is key. Position impulse-buy items near checkout areas and high-traffic locations.

•Enhance the shopping experience with interactive displays, sensory engagement, and appealing atmospheres to stimulate impulse buying.

• Offer limited-time in-store promotions, such as flash sales and exclusive discounts, create urgency and attract customers.

• Train staff to suggest additional items and engage with customers can further drive spontaneous spending, however remember that younger generations tend to not value employee interactions in-store as much as older customer groups (Figure 3) so it's important

that these interactions are authentic and avoid pushiness.

• Host in-store events like exclusive previews and interactive workshops creates excitement and draws customers into the store.

• Incorporate loyalty programs that reward impulse purchases can increase customer visits and spending.

For example, loyalty programs that offer members points for every purchase. To incentivize impulse buying, retailers can provide double or bonus points on certain items or categories during limited-time promotions.
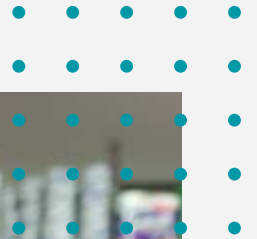
Insight #5: Customers are more likely to spend more in-store than online, especially those aged 35 -44.

(Figure 9) Think of your last 3-5 in-store shopping experiences.
On average, how much did you spend?

65 or over
- More than $500: 1%
- Less than $50: 31%
- $50-$100: 43%
- $200-$500: 4%
- $100-$200: 20%

55 to 64
- More than $500: 2%
- Less than $50: 24%
- $50-$100: 44%
- $200-$500: 6%
- $100-$200: 24%

45 to 54
- More than $500: 3%
- Less than $50: 20%
- $50-$100: 42%
- $200-$500: 10%
- $100-$200: 25%

35 to 44
- More than $500: 3%
- Less than $50: 20%
- $50-$100: 34%
- $200-$500: 13%
- $100-$200: 30%

25 to 34
- More than $500: 6%
- Less than $50: 29%
- $50-$100: 39%
- $200-$500: 9%
- $100-$200: 17%

18 to 24
- More than $500: 4%
- Less than $50: 32%
- $50-$100: 38%
- $200-$500: 11%
- $100-$200: 15%

Legend:
- More than $500
- Less than $50
- $50-$100
- $200-$500
- $100-$200

(Figure 10) Think of your last 3-5 online shopping experiences.
On average, how much did you spend?

65 or over
- More than $500: 1%
- Less than $50: 35%
- $50-$100: 40%
- $200-$500: 2%
- $100-$200: 22%

55 to 64
- More than $500: 1%
- Less than $50: 29%
- $50-$100: 43%
- $200-$500: 6%
- $100-$200: 21%

45 to 54
- More than $500: 1%
- Less than $50: 25%
- $50-$100: 46%
- $200-$500: 5%
- $100-$200: 22%

35 to 44
- More than $500: 2%
- Less than $50: 25%
- $50-$100: 35%
- $200-$500: 12%
- $100-$200: 26%

25 to 34
- More than $500: 9%
- Less than $50: 27%
- $50-$100: 38%
- $200-$500: 6%
- $100-$200: 20%

18 to 24
- More than $500: 4%
- Less than $50: 36%
- $50-$100: 34%
- $200-$500: 11%
- $100-$200: 15%

Legend:
- More than $500
- Less than $50
- $50-$100
- $200-$500
- $100-$200

Interpretation

For all generations, the effort involved in traveling to a physical store often results in higher spending, as shoppers aim to justify their trip. Our survey data supports this, showing that all age groups are more likely to spend between $50 and $100 in-store (Figure 9).

However, individuals aged 35-44 are more likely to spend between $100 and $500. This aligns with external data, which highlights the significant buying power of Millennials who spend approximately $1.3 trillion annually in the United States according to AWS.

"

Millennials spend approximately $1.3 trillion annually in the US.

AWS, 2023

What this means for retailers

In-Store Enhancements

Because shoppers are shopping in-store more often and inclined to spend more while there, retailers should focus on creating an engaging, memorable and most importantly - measurable in-store experience. This could include using interactive displays, exclusive in-store promotions, or personalized customer service to enhance the overall shopping experience.

Targeting High-Spending Demographics

Since individuals aged 35-44 are more likely to spend between $100 and $500 in-store, retailers should tailor their marketing and promotional efforts to this high-spending group.

Consider offering premium products, upscale services, or exclusive deals catering to this demographic's preferences and spending habits. For example, Nordstrom is a retail brand known for its high level of service. The retailer offers a range of concierge-level services for shoppers that can be booked online and experienced in-store. Customers can schedule pick up or delivery, book styling help, alterations, and more.

However, while these features offer tremendous opportunities to brands seeking to extend the online experience into the store, the challenge lies in getting visitors to engage with the service and take that next step.

"This is where personalization plays a critical role," said one retail executive when presented with this analysis. "By identifying visitors most likely to benefit from these services, we can create targeted, relevant prompts to encourage them to take action. For example, showing appointment booking options to users who have spent a significant amount of time browsing items can nudge them toward using this tool in a way that feels natural and convenient."

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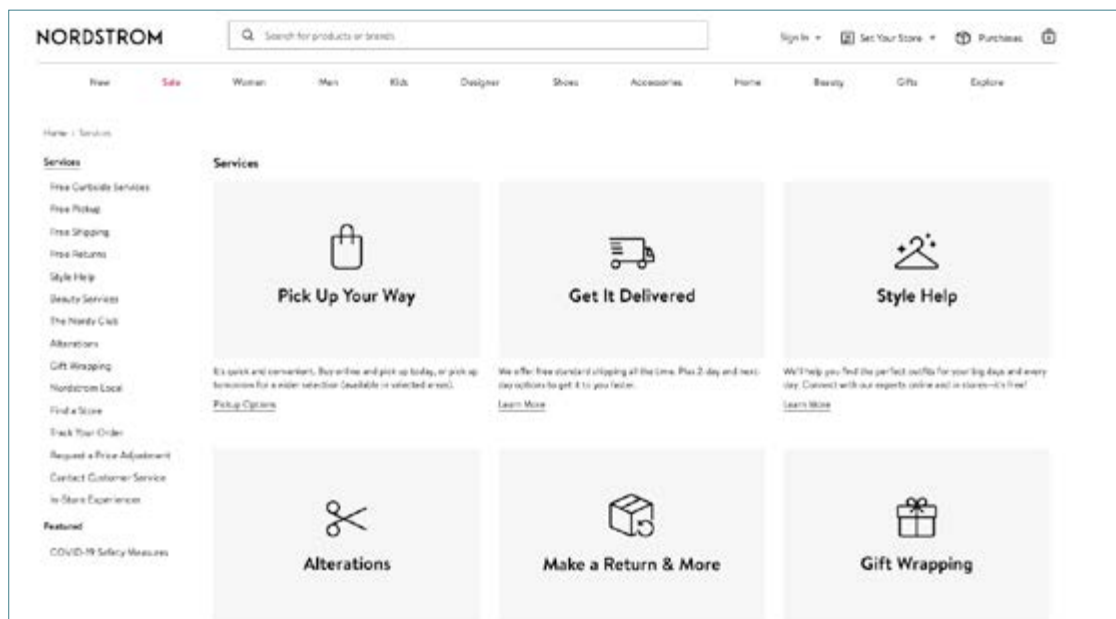
Leverage omnichannel

To capitalize on the higher spending associated with in-store visits, integrate omnichannel strategies that drive foot traffic to physical stores.

Like this example from Rothy's (pictured right), brands can use online channels to promote in-store events, special offers, or product exclusives, encouraging online shoppers to visit the store and make higher-value purchases.

Optimize store layout

Design store layouts to highlight high-margin or premium products prominently, particularly in areas where shoppers are likely to browse or spend more time.

Personalized marketing & loyalty programs

Implement personalized marketing campaigns and loyalty promotions targeting the 35-44 age group.

Use data to provide tailored offers and recommendations that align with their purchasing behavior and preferences, fostering greater engagement and repeat visits.

$20 off your first purchase!?
You read that right. Use code _____ at checkout.*
USE YOUR CODE

ROTHY'S

IN STORES ONLY
A *free* wristlet!

Free wristlet!
It's true. Spend $175+ and get a free wristlet in stores only.*

Keep it—or surprise someone you're celebrating this weekend (it looks great at brunch). Ends Sunday!

FIND A STORE

Insight #6: When customers need something specific, they shop online. When customers need something now, they shop in-store.

Before diving into the analysis, we should first examine the key questions posed to survey respondents.

First, we asked participants to identify the product categories they are most likely to purchase online versus in-store. Following this, we explored the factors that influenced their purchasing decisions for each channel.

As you review the insights, you might notice some variations in which product categories are shown. This is intentional. For clearer interpretation, we've limited the display to the Top 7 responses, but in the subsequent analysis we've included a list of the excluded categories for reference.

It's also important to note that respondents could select multiple responses for online and in-store purchases, which means the totals for each age group may exceed 100%.

(Figure 11) Which of the following product categories are you most likely to purchase in-store?

65 or over
- Pet care: 26%
- Household items: 49%
- Health and wellness: 47%
- Furniture and decor: 36%
- Food and beverage: 80%
- Cosmetics and body care: 41%
- Apparel: 46%

55 to 64
- Pet care: 29%
- Household items: 49%
- Health and wellness: 29%
- Furniture and decor: 34%
- Food and beverage: 80%
- Cosmetics and body care: 39%
- Apparel: 42%

45 to 54
- Pet care: 29%
- Household items: 42%
- Health and wellness: 32%
- Furniture and decor: 28%
- Food and beverage: 74%
- Cosmetics and body care: 34%
- Apparel: 42%

35 to 44
- Pet care: 34%
- Household items: 45%
- Health and wellness: 29%
- Furniture and decor: 26%
- Food and beverage: 84%
- Cosmetics and body care: 45%
- Apparel: 41%

25 to 34
- Pet care: 36%
- Household items: 46%
- Health and wellness: 32%
- Furniture and decor: 36%
- Food and beverage: 73%
- Cosmetics and body care: 33%
- Apparel: 50%

18 to 24
- Pet care: 26%
- Household items: 38%
- Health and wellness: 36%
- Furniture and decor: 32%
- Food and beverage: 68%
- Cosmetics and body care: 43%
- Apparel: 45%

Legend:
- Pet care
- Household items
- Health and wellness
- Furniture and decor
- Food and beverage
- Cosmetics and body care
- Apparel

(Figure 12) What factors influenced your decision to purchase these categories in-store?

65 or over
- Preference for a specific brand or store: 36%
- No time to wait for delivery: 52%
- Need to see/touch/try the product: 59%
- Enjoyment of the in-store shopping experience: 29%
- Confidence in the product's quality or authenticity: 32%
- Ability to immediately obtain the product: 72%

55 to 64
- Preference for a specific brand or store: 31%
- No time to wait for delivery: 49%
- Need to see/touch/try the product: 54%
- Enjoyment of the in-store shopping experience: 34%
- Confidence in the product's quality or authenticity: 39%
- Ability to immediately obtain the product: 67%

45 to 54
- Preference for a specific brand or store: 21%
- No time to wait for delivery: 50%
- Need to see/touch/try the product: 50%
- Enjoyment of the in-store shopping experience: 22%
- Confidence in the product's quality or authenticity: 24%
- Ability to immediately obtain the product: 65%

35 to 44
- Preference for a specific brand or store: 21%
- No time to wait for delivery: 61%
- Need to see/touch/try the product: 55%
- Enjoyment of the in-store shopping experience: 22%
- Confidence in the product's quality or authenticity: 29%
- Ability to immediately obtain the product: 63%

25 to 34
- Preference for a specific brand or store: 31%
- No time to wait for delivery: 50%
- Need to see/touch/try the product: 52%
- Enjoyment of the in-store shopping experience: 27%
- Confidence in the product's quality or authenticity: 35%
- Ability to immediately obtain the product: 60%

18 to 24
- Preference for a specific brand or store: 28%
- No time to wait for delivery: 60%
- Need to see/touch/try the product: 47%
- Enjoyment of the in-store shopping experience: 23%
- Confidence in the product's quality or authenticity: 45%
- Ability to immediately obtain the product: 47%

Legend:
- Preference for a specific brand or store
- No time to wait for delivery
- Need to see/touch/try the product
- Enjoyment of the in-store shopping experience
- Confidence in the product's quality or authenticity
- Ability to immediately obtain the product

(Figure 13) Which of the following product categories are you most likely to purchase online?

Legend:
- Media
- Household items
- Health and wellness
- Digital services
- Cosmetics and body care
- Books, movies, music, and games
- Apparel

65 or over
- Media: 15%
- Household items: 23%
- Health and wellness: 28%
- Digital services: 15%
- Cosmetics and body care: 15%
- Books, movies, music, and games: 42%
- Apparel: 28%

55 to 64
- Media: 17%
- Household items: 34%
- Health and wellness: 24%
- Digital services: 26%
- Cosmetics and body care: 23%
- Books, movies, music, and games: 38%
- Apparel: 39%

45 to 54
- Media: 22%
- Household items: 32%
- Health and wellness: 25%
- Digital services: 20%
- Cosmetics and body care: 22%
- Books, movies, music, and games: 39%
- Apparel: 43%

35 to 44
- Media: 30%
- Household items: 32%
- Health and wellness: 23%
- Digital services: 30%
- Cosmetics and body care: 29%
- Books, movies, music, and games: 43%
- Apparel: 42%

25 to 34
- Media: 30%
- Household items: 30%
- Health and wellness: 28%
- Digital services: 39%
- Cosmetics and body care: 24%
- Books, movies, music, and games: 41%
- Apparel: 30%

18 to 24
- Media: 38%
- Household items: 23%
- Health and wellness: 17%
- Digital services: 32%
- Cosmetics and body care: 21%
- Books, movies, music, and games: 38%
- Apparel: 38%

(Figure 14) What factors influenced your decision to purchase these categories online?

65 or over
- Convience of online shipping: 61%
- Availability of online/mobile exclusive deals or discounts: 20%
- Access to a wider variety of products and options: 44%
- Ability to read product reviews: 36%
- Ability to leverage free or discounted shipping: 27%
- Ability to easily compare prices: 33%
- Ability to access faster shipping: 17%

55 to 64
- Convience of online shipping: 65%
- Availability of online/mobile exclusive deals or discounts: 29%
- Access to a wider variety of products and options: 40%
- Ability to read product reviews: 36%
- Ability to leverage free or discounted shipping: 28%
- Ability to easily compare prices: 37%
- Ability to access faster shipping: 29%

45 to 54
- Convience of online shipping: 66%
- Availability of online/mobile exclusive deals or discounts: 22%
- Access to a wider variety of products and options: 45%
- Ability to read product reviews: 35%
- Ability to leverage free or discounted shipping: 33%
- Ability to easily compare prices: 35%
- Ability to access faster shipping: 21%

35 to 44
- Convience of online shipping: 60%
- Availability of online/mobile exclusive deals or discounts: 24%
- Access to a wider variety of products and options: 39%
- Ability to read product reviews: 42%
- Ability to leverage free or discounted shipping: 34%
- Ability to easily compare prices: 46%
- Ability to access faster shipping: 29%

25 to 34
- Convience of online shipping: 54%
- Availability of online/mobile exclusive deals or discounts: 31%
- Access to a wider variety of products and options: 30%
- Ability to read product reviews: 36%
- Ability to leverage free or discounted shipping: 25%
- Ability to easily compare prices: 39%
- Ability to access faster shipping: 36%

18 to 24
- Convience of online shipping: 62%
- Availability of online/mobile exclusive deals or discounts: 36%
- Access to a wider variety of products and options: 49%
- Ability to read product reviews: 45%
- Ability to leverage free or discounted shipping: 34%
- Ability to easily compare prices: 43%
- Ability to access faster shipping: 30%

Legend:
- Convience of online shipping
- Availability of online/mobile exclusive deals or discounts
- Access to a wider variety of products and options
- Ability to read product reviews
- Ability to leverage free or discounted shipping
- Ability to easily compare prices
- Ability to access faster shipping

What Drives In-Store Shopping?

Note: the categories that are not represented in the in-store responses include Auto Parts, Digital Services, Books, Movies and Games, Media and Office Equipment - meaning these categories received so few overall responses, it was not relevant to include them.

Food & beverage and apparel categories dominate in-store

Across all age groups, food and beverage and apparel emerged as the most preferred categories for in-store purchases (Figure 11).

This trend underscores the enduring value of physical stores, particularly for products where consumers seek immediate gratification.

Notably, as age increases, there is a marked rise in the preference for purchasing household items, furniture & decor, and cosmetics in-store.

Urgency and tangibility Are key drivers of in-store purchases

Two major factors driving in-store shopping are the urgency to obtain products immediately and the need to physically interact with items before purchasing.

These motivators were consistent across all age groups, indicating that consumers still value the ability to instantly acquire products, particularly where time is a critical factor, and to evaluate them in person.

For retail brands, this insight emphasizes the importance of maintaining a well-organized and efficient in-store environment that allows consumers to quickly find and purchase the items they need.

Additionally, replicating the tactile experience of in-store shopping online remains a significant challenge, which suggests that a hybrid approach, such as offering online reservations for in-store pickups or virtual try-ons, could bridge this gap.
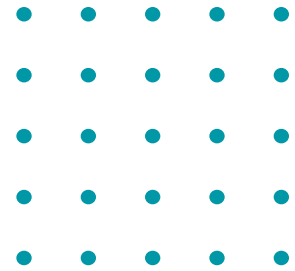
For young consumers, in-store shopping driven by confidence in quality and the impact of returns

Interestingly, younger consumers (ages 18-25) showed a stronger preference for in-store shopping when it came to their confidence in the quality or authenticity of the products they're buying.

Our additional qualitative research says this could be due to the trust customers have in a specific brand to deliver on these attributes, or their desire to avoid the hassle of returns.

This insight points to the potential for in-store shopping to reduce return rates, thereby increasing overall revenue. Retailers should consider conducting further research into return rates for in-store versus online purchases.

Brand loyalty is a key driver for older consumers

For the 55+ age group, brand preference plays a significant role in their decision to shop in-store. This demographic is more likely to seek out specific brands, suggesting that brand loyalty is a powerful motivator for this age group.

Retailers can capitalize on this by ensuring their in-store offerings include a wide range of trusted brands with personalized services that appeal to brand-loyal customers.

The declining enjoyment of in-store shopping

Across all age groups, enjoyment of the in-store shopping experience was notably low. This trend highlights an area of potential concern for retailers, as the appeal of in-store shopping – despite its perceived necessity – could be waning.

Brands need to reimagine the in-store experience, by focusing on creating a more engaging, enjoyable environment that attracts customers and encourages them to spend more time—and money— in-store.

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What drives online shopping?

Note: the categories that are not represented in the online purchase preferences responses include Food and Beverages, Furniture & Decor, Pet Care, Auto Care, and Office Equipment - again, meaning these categories received so few responses that it was not relevant to include them.

Digital services & media has a stronghold on young consumers

For online shopping, apparel, and entertainment products such as books, movies, music, and games, lead the way across all age groups. However, the data shows a significant divergence in preferences among different age groups.

Notably, younger consumers (18-24) exhibit a strong preference for purchasing media and digital services online. This age group, deeply entrenched in the digital ecosystem, seeks the convenience and instant access that online platforms provide.

Their significant disinterest in purchasing health and wellness products online may reflect a lesser concern with health-related issues at this stage of life.

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The universal appeal of online shopping? Convenience.

Convenience stands out as the most influential driver of online shopping across all age groups, highlighting the paramount importance of a seamless and efficient digital experience. Consumers value the ease of accessing a wide variety of products from the comfort of their homes, with responses showing that access to a broad product range of products is consistently appreciated across all demographics (Figure 14).

Deals, discounts & price comparisons: The magnet for younger consumers

Again, younger consumers are significantly more likely to be influenced by deals and discounts when shopping online, a trend that underscores their tech-savviness and ability to quickly find and capitalize on promotional offers (Figure 14). This behavior suggests that younger generations are highly responsive to price-driven incentives, making them prime targets for flash sales, discount codes, and limited-time offers.

Younger cohorts, particularly those aged 18-35, place a higher value on the ability to compare prices online compared to older generations.

This preference indicates a strategic approach to shopping, where younger consumers are more likely to seek out the best deals and make informed purchasing decisions. Many retailers leverage this behavior by offering price comparison tools on their websites, providing clear pricing information, and highlighting cost savings to appeal to these discerning shoppers.

Shipping factors are not as critical as you may think

Free or faster shipping, while cited as a pain point of online shopping, does not appear to be a primary motivator for the activity itself (Figure 5 and Figure 14). This finding suggests that while consumers appreciate these shipping benefits, they are not the key factors driving the decision to shop online.

Retailers should consider this insight when allocating resources to shipping promotions, ensuring that these efforts complement but do not overshadow the more impactful drivers like convenience and discounts.

Because shoppers go in-store more often and are inclined to spend more, retailers should focus on creating an engaging, memorable, and most importantly - measurable in-store experience. This could include using interactive displays, exclusive in-store promotions, or personalized customer service to enhance the shopping experience.

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Value is what wins at the
end of the day. Especially
for more thoughtful pur-
chases, the key is to speak
to the value in a way that
resonates. Sure, no one
is going to turn down a
good deal, but the man-
ner in which that deal is
presented is equally im-
portant."

Senior Executive,
Global Retail Brand

About Brooks Bell

Brooks Bell is a boutique consultancy with 20+ years of delivering results. We specialize in solving complex marketing and customer experience challenges through data-driven insights and innovation. Our expertise spans analytics, experimentation, UX research, and organizational effectiveness.

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Our clients choose us because they're ready to break away from the status quo. They value personalized, actionable solutions over cookie-cutter advice, and they want a partner who's as committed to their success as they are. Our mission is clear: transform organizations, drive growth, and empower teams to thrive. **Learn more at brooksbell.com**