

The European Ecommerce Report

Consumer expectations in a post-pandemic world.

mollie



We asked 3,000 consumers across Europe about how they shop and what retailers need to offer to increase sales, reduce cart abandonments, and build brand loyalty.



Introduction

Let's go back to the recent past, to a stop-start world experiencing lockdowns and the other seismic effects of a global pandemic. Trapped at home, the digital world offered an escape for people. The result? They moved online; ecommerce thrived.

Now, let's take a look at where we are. The boom is over and times are tougher. Ecommerce businesses have stepped up their offering to meet changing expectations and capitalise on new trends, but spending is down, and there's more competition.

In this changing economy, ecommerce business owners need a laser-sharp focus to succeed. But it's also vital that they understand the landscape they now find themselves in – including what consumers expect when shopping online, their changing behaviour, and their future expectations.

By reading this, here's what you can learn:

- European consumers' economic outlook
- The latest shopping trends
- How to exceed consumer expectations
- The reason 60% of shoppers abandon carts
- The main drivers of customer loyalty
- An in-depth analysis of key European markets

You'll also discover tips to level up your business and ensure you're future-ready, so you can exceed expectations and never miss out on a sale.

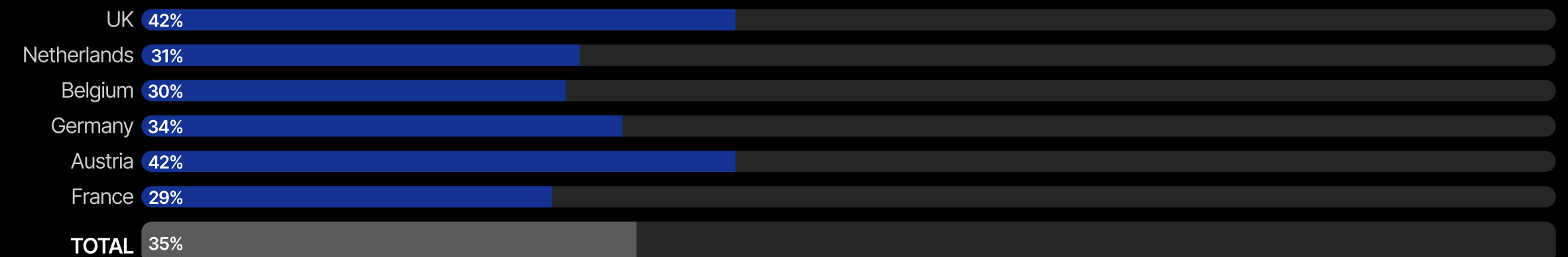
All of the findings you discover here are based on research conducted with 3,000 European consumers from six European countries (Belgium, the Netherlands, Germany, Austria, the UK, and France).

What's changed? And what will change?

The ecommerce boom caused by the coronavirus has been well documented. But as we move into a post-pandemic world, retail behaviour is again shifting. We asked European consumers about their current and future shopping habits to get a better picture of where we are and where we are headed.

The data shows just how much of an impact COVID-19 had. **More than a third (35%) of consumers now shop online more than before the pandemic, with just 17% shopping in-store more.**

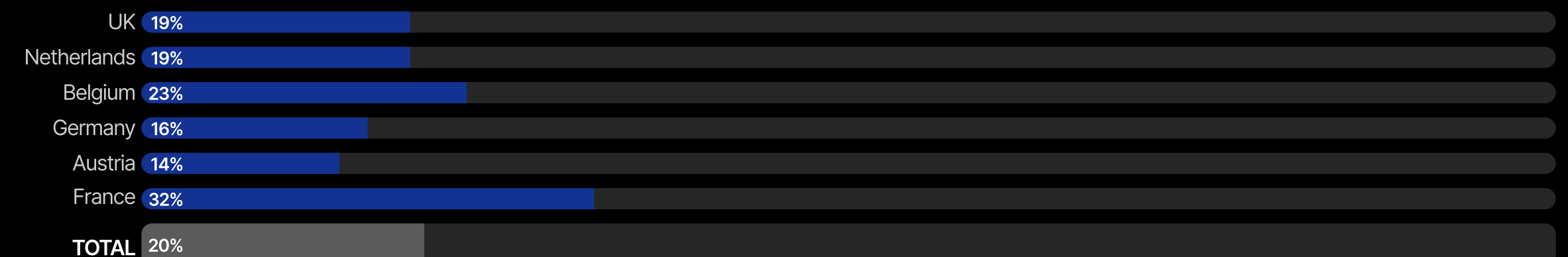
I shop online more now compared with before the pandemic



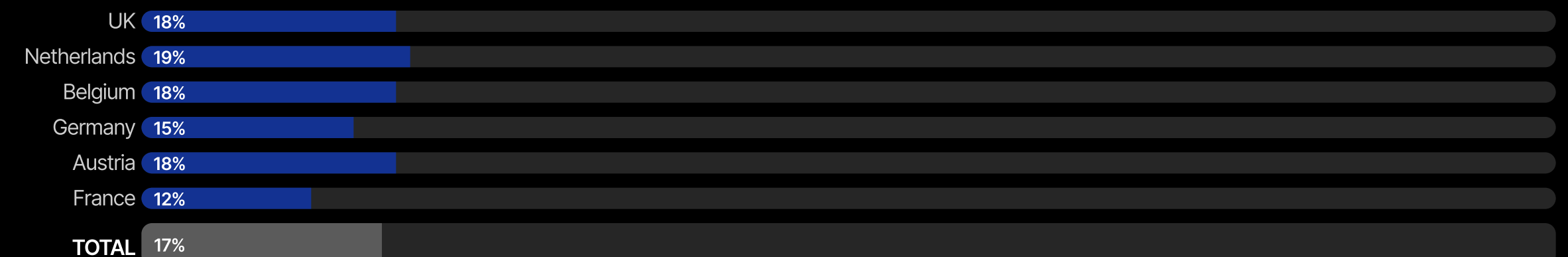
I did not change my shopping behaviour during the pandemic



There only was a difference during the pandemic. Now it is the same as before



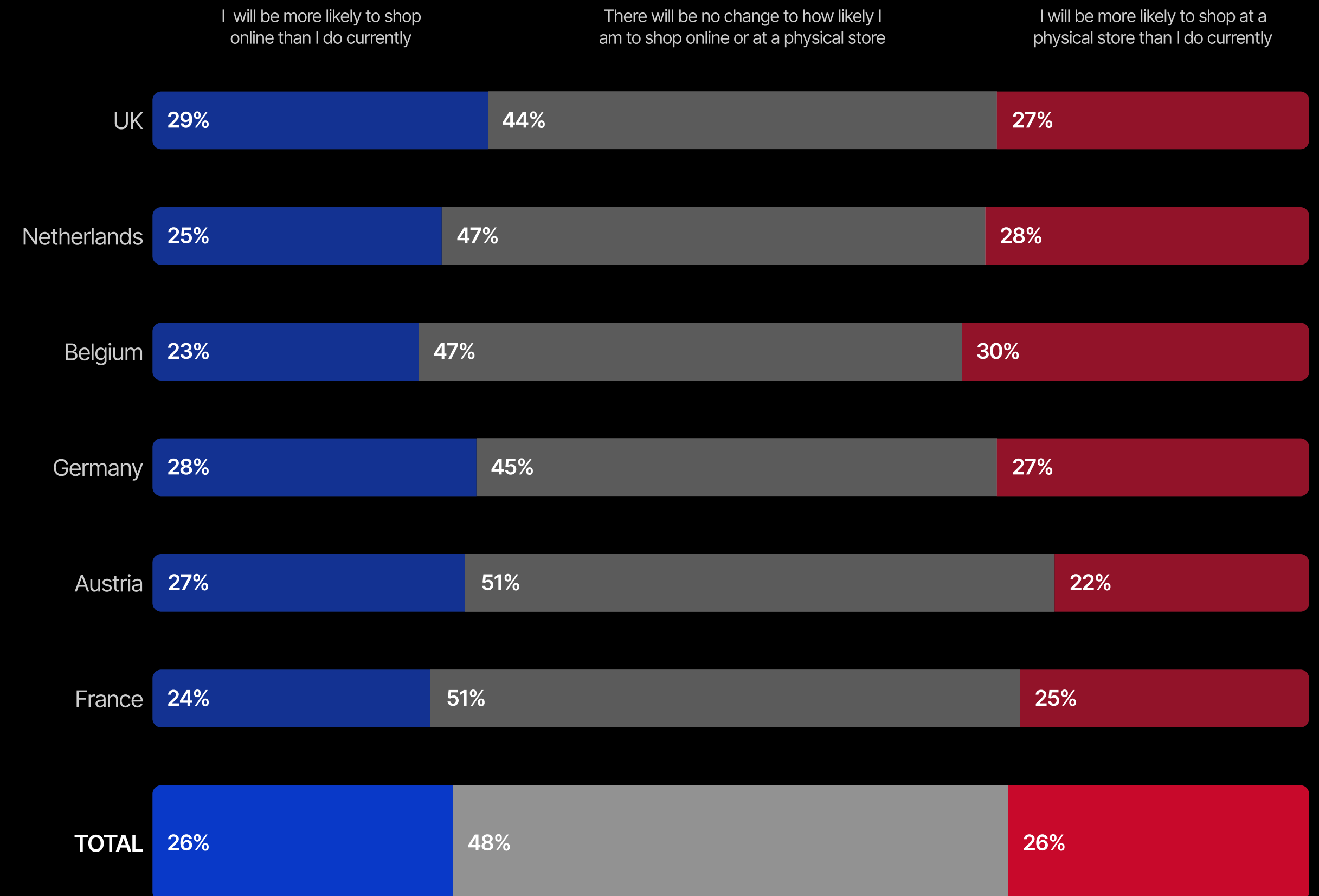
I shop in-store more now compared with before the pandemic



How do consumers plan to shop in the next 12 months?

Are consumers eager to get back to brick-and-mortar stores to shop? Our research suggests not. Instead, **48% of consumers say they plan to shop online as much as they currently do in the next 12 months**, with the remainder split on whether they will shop more or less online.

Views on shopping behaviour changes in the next 12 months



How consumers shop online

We’ve seen the changes in shopping behaviour pre- and post-pandemic, but it’s also vital to understand how people now shop online – and the journey that leads to a purchase.

Almost half (48%) of consumers say they use international retail wholesalers as their default choice for online purchases.

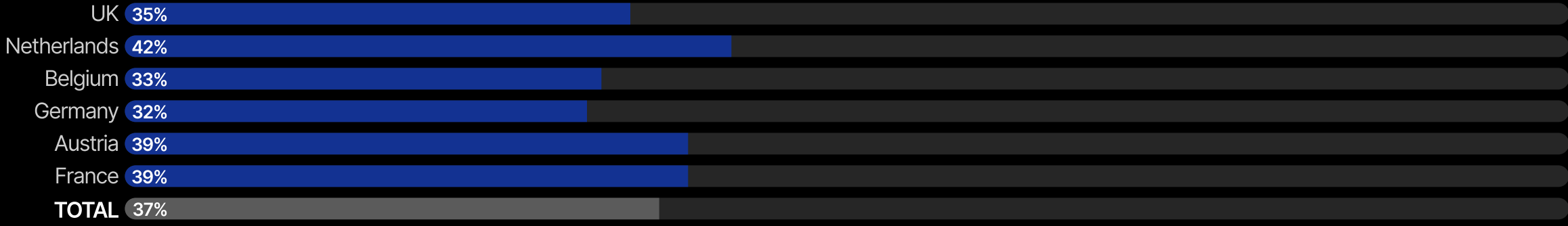
Just under 2 in 5 (37%) go directly to a brand’s online store to purchase an item (such as Nike.com to buy new footwear).

Just under a third of online shoppers (31%) use search engines to find the product they want and around a quarter (24%) use comparison sites when buying goods online.

I go to an international retailer like Amazon or eBay and search for the product there



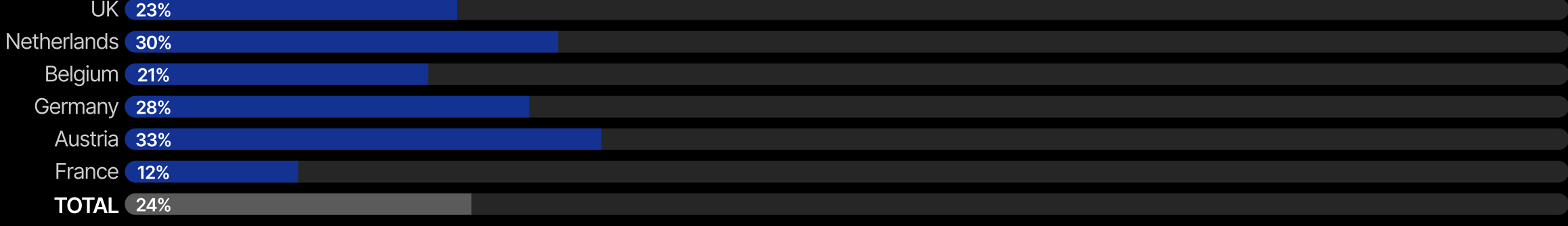
I go directly to item’s primary retailer’s online store to purchase the item



I use an online search engine to find sellers



I go to comparison websites

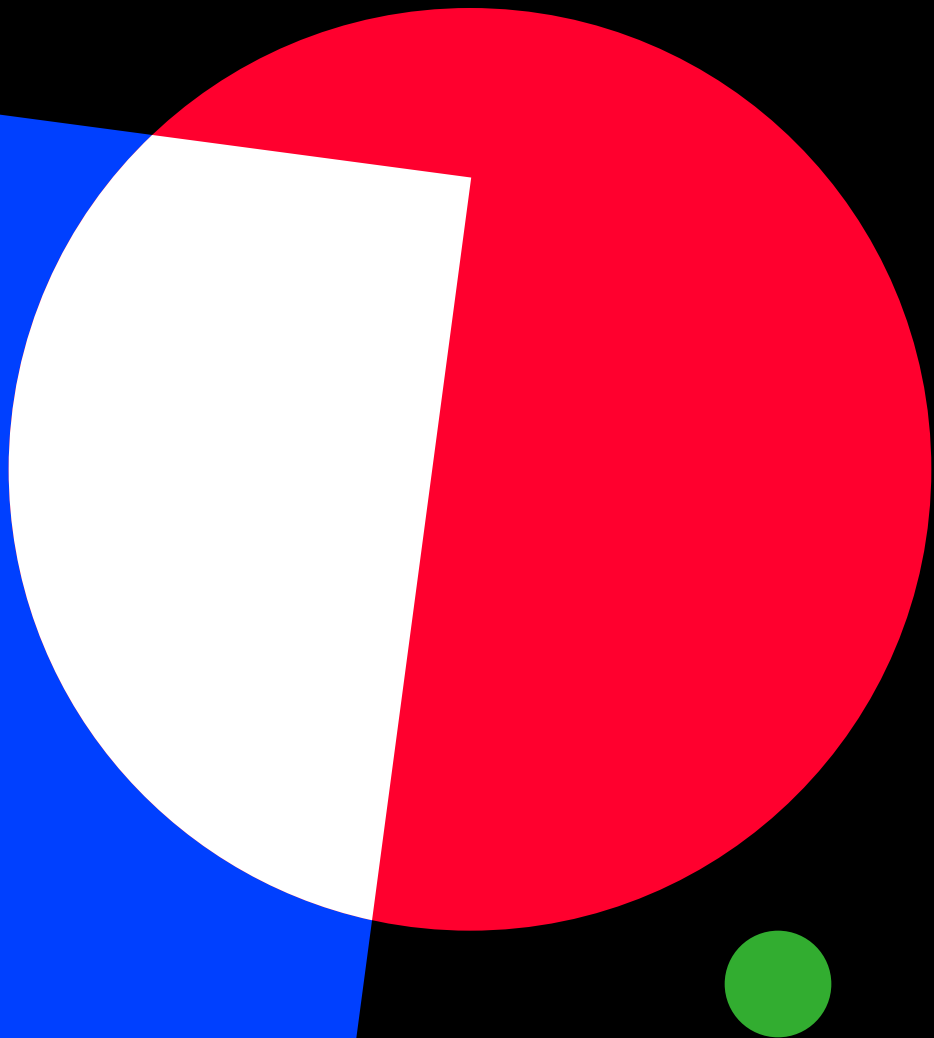


I search and find a product online, go to a physical store to experience it, then buy online

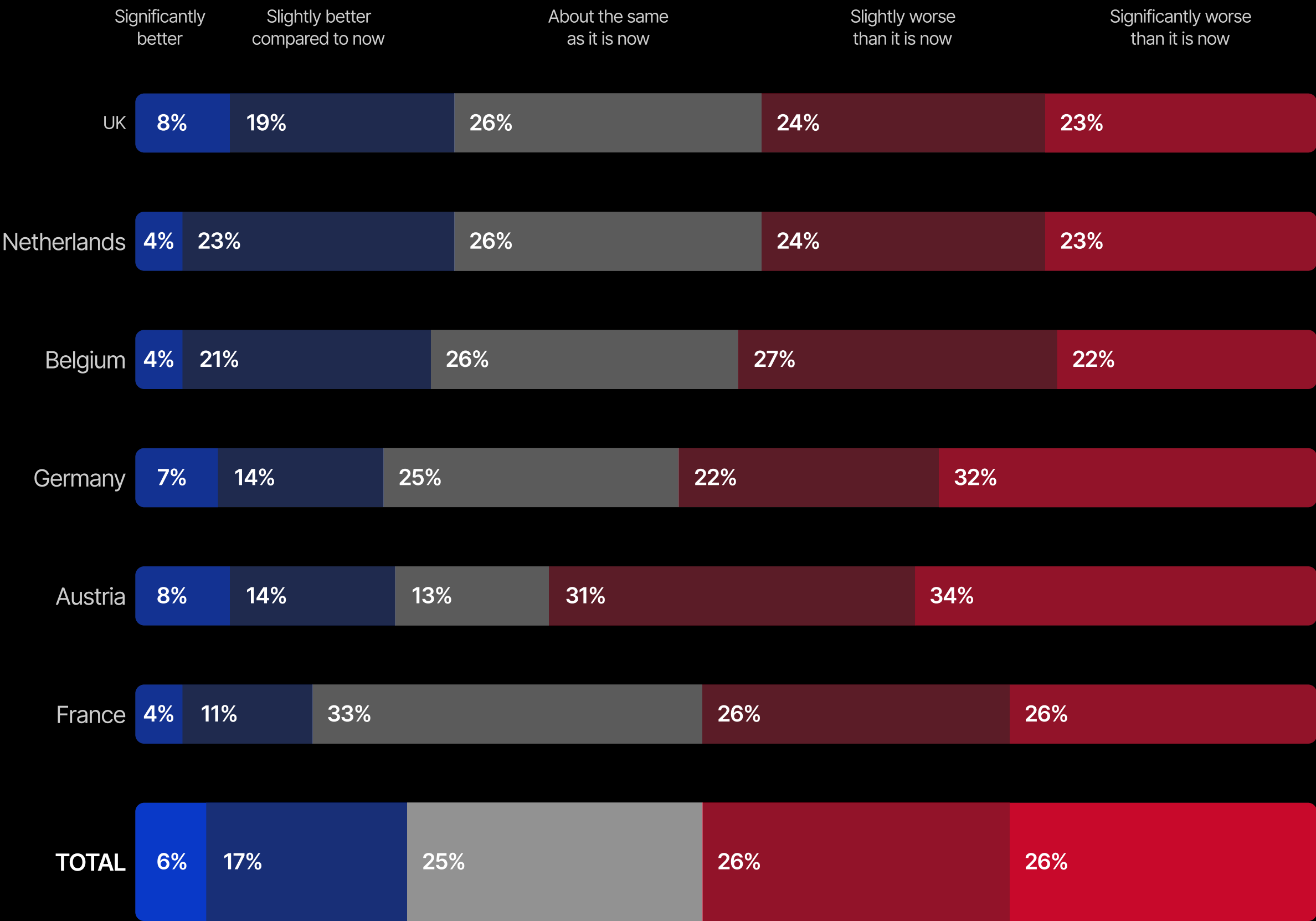


The economic outlook

To better understand what the future holds, we also asked European consumers to share their thoughts on the economy. **More than half (53%) say they think their country's economic situation will worsen over the next 12 months**, with 27% saying they believe it will significantly decline during that period.



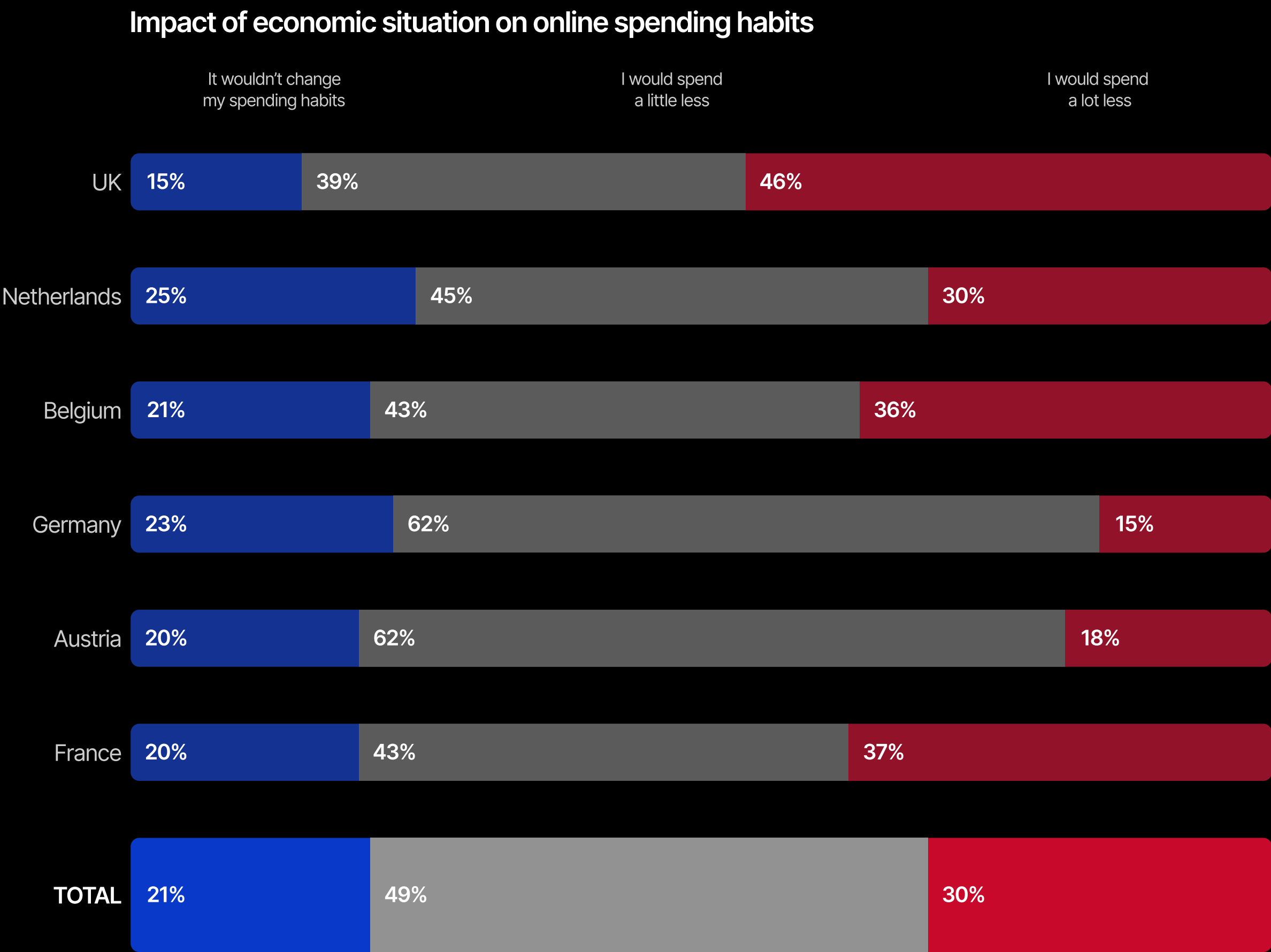
What do you think the economic situation in your country will be like in the next 12 months?



How the economic situation could affect online spending habits

Following that, we asked how their online spending would be affected if the economic situation significantly worsened. **Almost 4 in 5 (79%) say they will spend less, with 30% of consumers saying they would spend a lot less.**

In a worst-case scenario for online businesses, consumers will spend significantly less online in the coming 12 months (and likely beyond). So, to keep your business healthy, you need to do more with less, refining processes and utilising every tool at your disposal to drive sales. But to do this, you need to meet and then exceed consumer expectations. We'll explore what they are in the next section.



Changing consumer expectations

Buying decisions

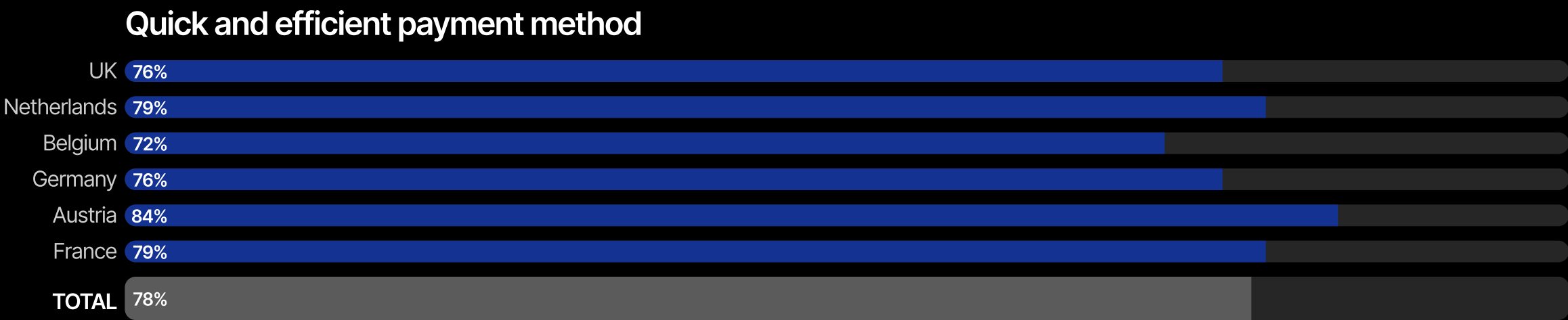
We’ve now seen how the last few years impacted ecommerce. But the pandemic isn’t the only factor accelerating change – there’s also the continued evolution of technology, the rise of mobile commerce, and more. In this new world, it’s more important than ever to understand the levers you can use to delight shoppers and convince them to buy.

So, what are the key things you can do to increase sales?

Across Europe, offering a quick and efficient payment method is the main factor in convincing consumers to buy from a retailer. In total, **78% of consumers say that a quick and efficient payment method is important to them when shopping online.**

The next thing retailers need to offer is efficient shipping times, with 76% of consumers saying it is ‘important’ to be offered this. The third most important capability is an option for free returns (73%).

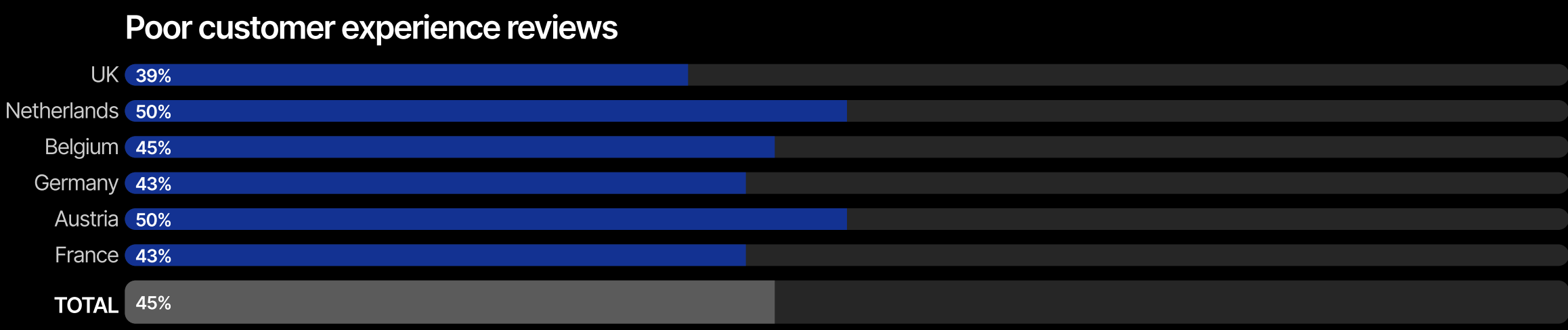
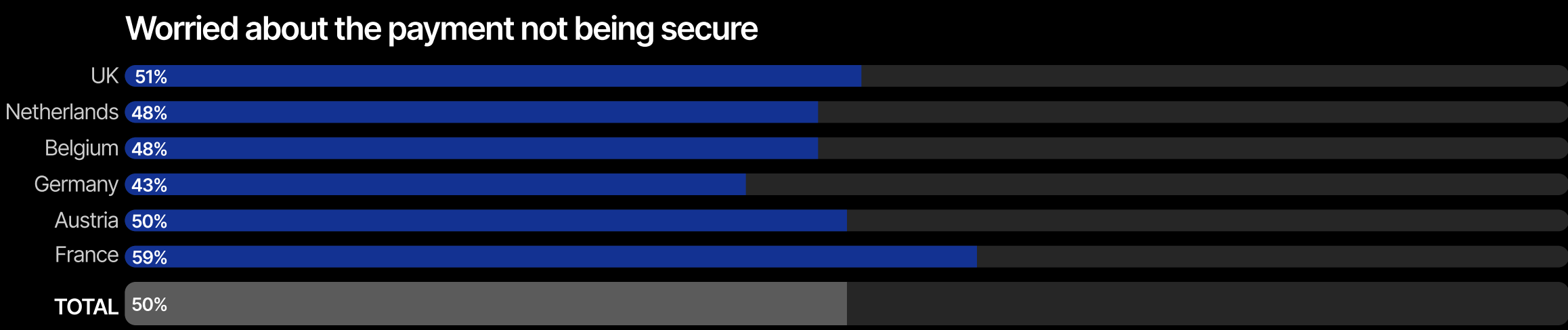
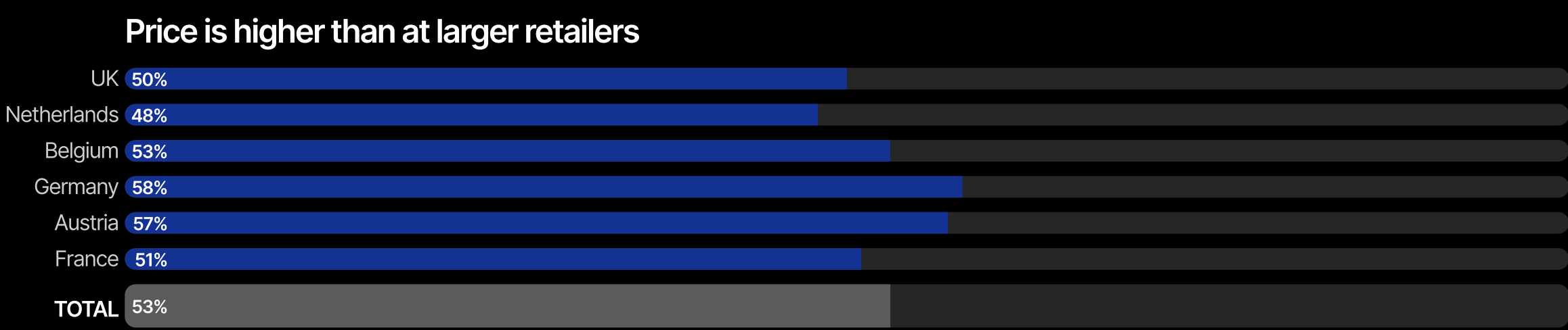
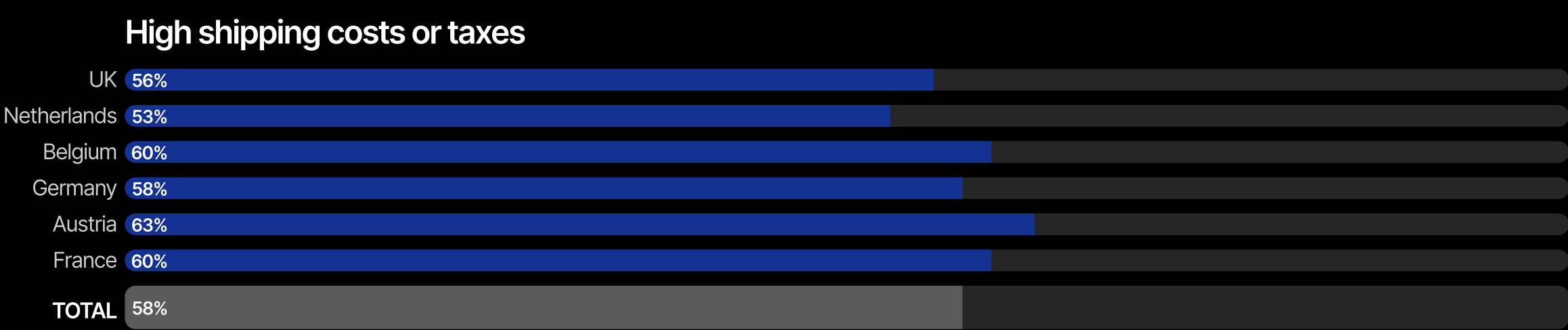
Importance of capabilities offered by online retailers



Reasons consumers choose not to shop with an online retailer

We have looked at the reasons why consumers choose to shop with a retailer, but what about the things you need to offer to keep them interested in buying? Our data shows that the main reason for a consumer to decide not to shop with an online retailer is additional costs, such as high shipping fees or taxes, being added to their order. In total, **58% of respondents say high additional costs would influence their decision not to shop with an online retailer.**

Finding a better price elsewhere is also a critical factor in a consumer's decision not to shop with a retailer (53%), as are worries about payment security, with half of the respondents citing that as a reason to not buy from a specific brand. So, low costs and high security are key factors in differentiating yourself from the competition.



Reasons to make online purchases vs physical store

Price is the leading factor for consumers when they're debating whether to shop online or offline, with 25% of respondents listing it as the top reason for them to purchase online. Other reasons include convenient delivery options (13%), free returns (12%), and stock availability (10%).

Offer best price



Convenient delivery



Free returns



Stock availability



Convenient browsing/ordering vs. going to a store



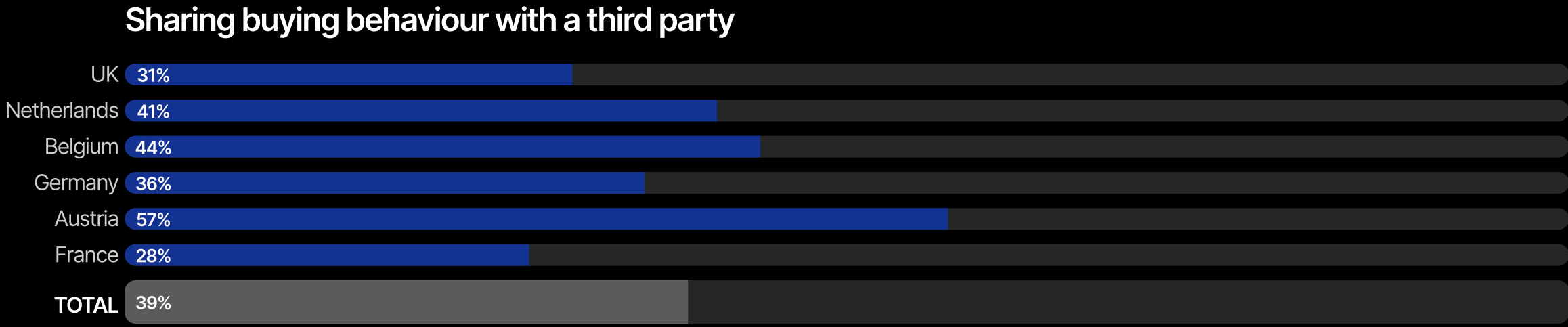
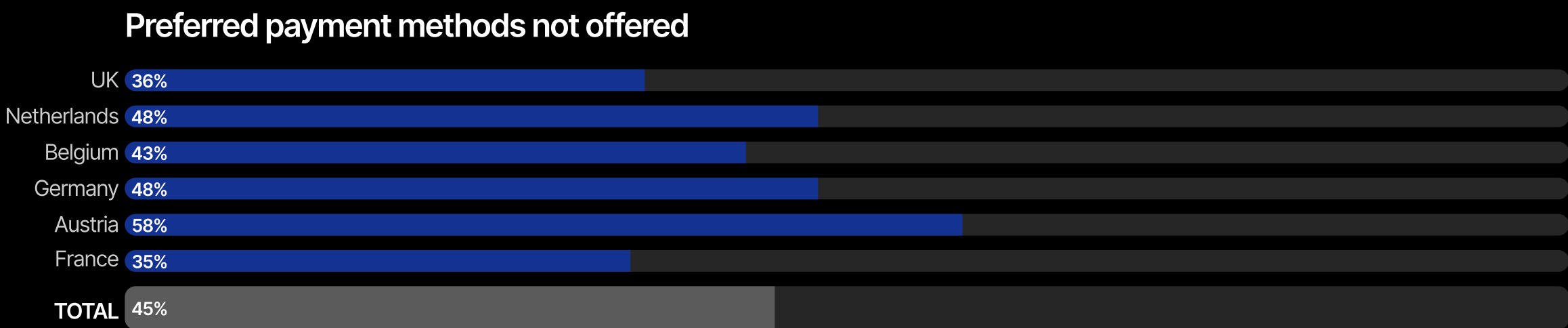
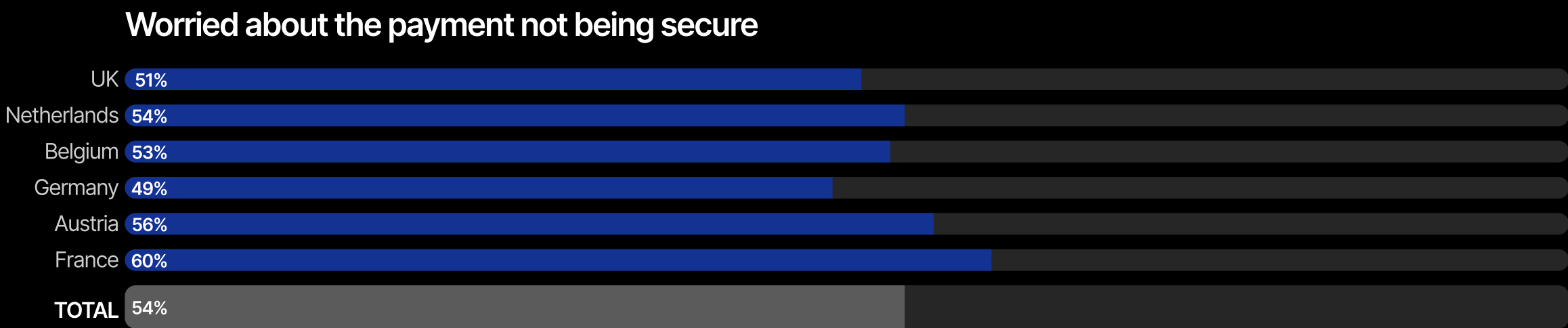
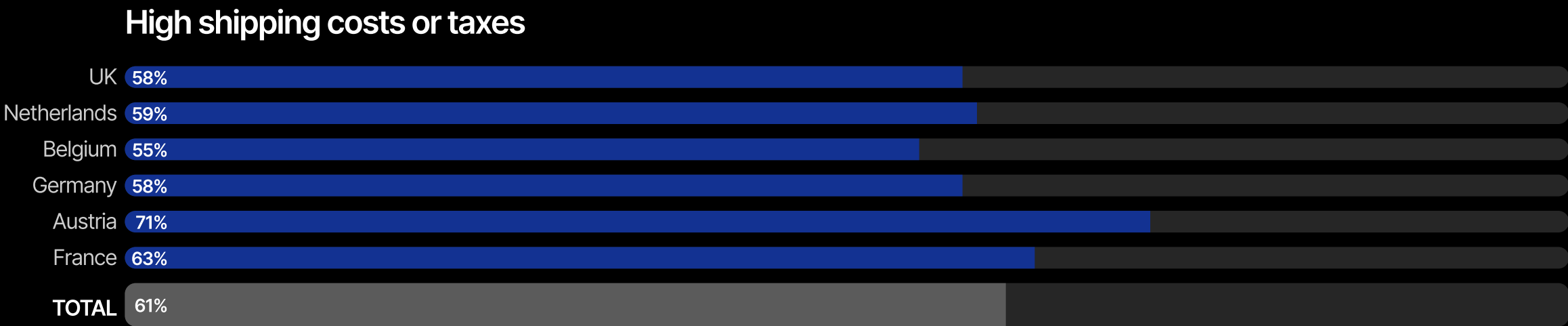
Reasons for cart abandonment

This year alone, online shoppers are expected to leave behind more than €4.5 trillion worth of products in digital shopping carts. But the triggers that cause these cart abandonments aren't always clear. Knowing them and taking action to prevent shoppers from dropping out of making a purchase is crucial to increasing your conversion rate.

So, what are the biggest drivers of cart abandonment during the checkout process?

The data shows that the main reason consumers abandon their cart during checkout is high shipping costs or taxes, with more than 3 in 5 consumers (61%) saying it would be the reason they left a sale before paying.

Payments and security are also top of mind for online shoppers. 54% of consumers say they would abandon a purchase if they didn't feel the payment was secure. The third-biggest cart abandonment trigger is a retailer not offering consumers their preferred payment method.



Consumer loyalty: reasons to repurchase from an online retailer

Whether times are good or bad, gaining customer loyalty and trust is vital to keeping your business healthy. Building a community of loyal customers will increase your average order value and lower your customer acquisition cost. But what makes consumers feel happy to return to an online retailer?

Our data shows that payments are crucial to customer loyalty. **Almost 9 in 10 (88%) shoppers say that the retailer's offered payment methods influences their decision to buy from them again.** Again, shipping is also essential for consumers, with 79% saying shipping and returns would factor into their decision to return to a retailer, and 78% saying that the brand reputation influences that decision.

Available payment methods



Shipping/returns policy



Trusted brand (good reviews or have purchased previously)



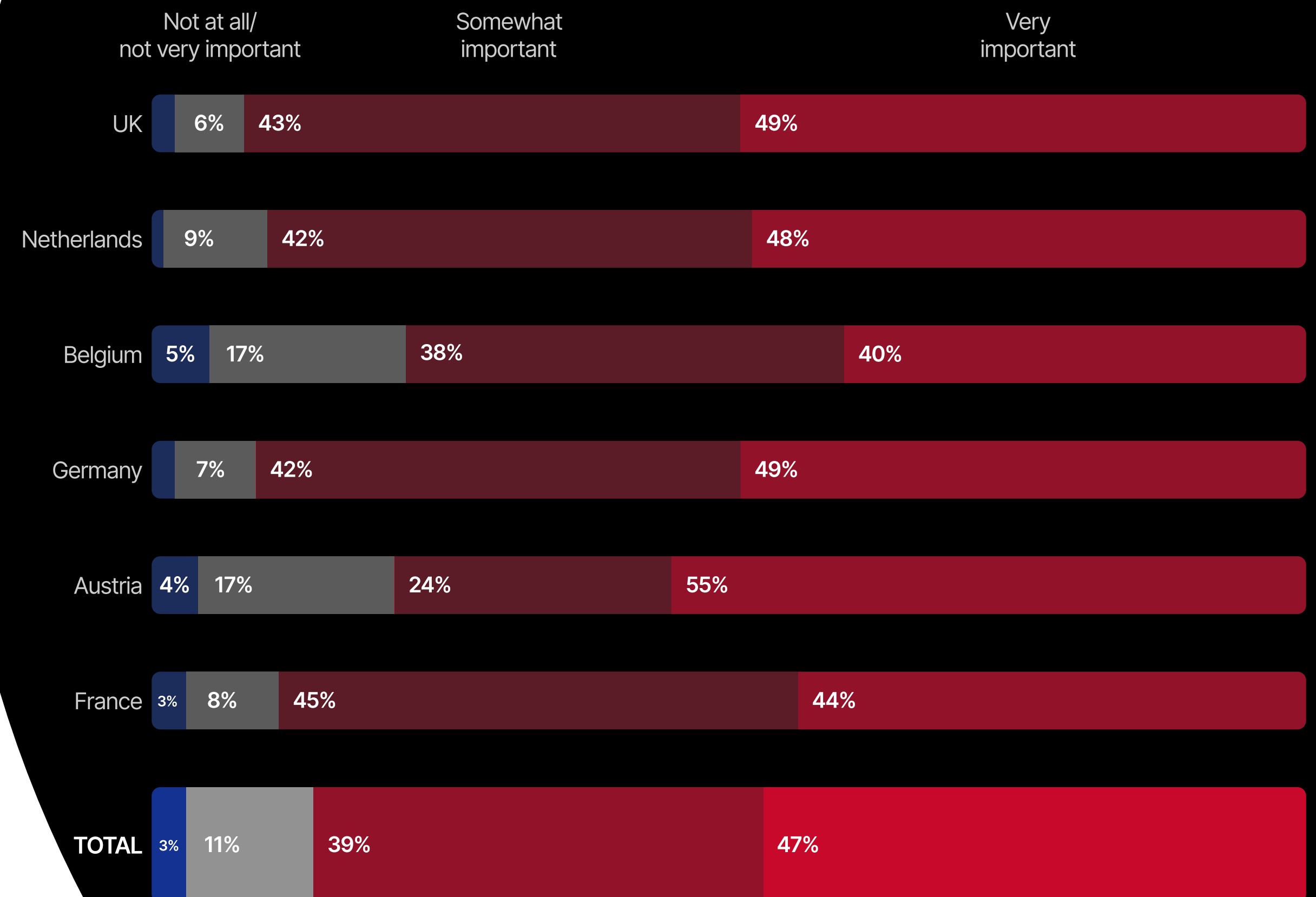
The importance of payments

If there's one theme that runs through this paper and connects the dots between consumers across Europe, it's the importance of payments. We've already seen that offering a quick and efficient payment method is the main factor that convinces consumers to buy from a retailer, and offering the right payment methods is the most significant factor driving customer loyalty. On the other hand, worries about payment security and not offering a shopper's preferred payment method is likely to increase cart abandonments.

To understand how crucial payments are to consumers, we went one further – asking just how important it was that retailers offer their preferred payment method when shopping online.

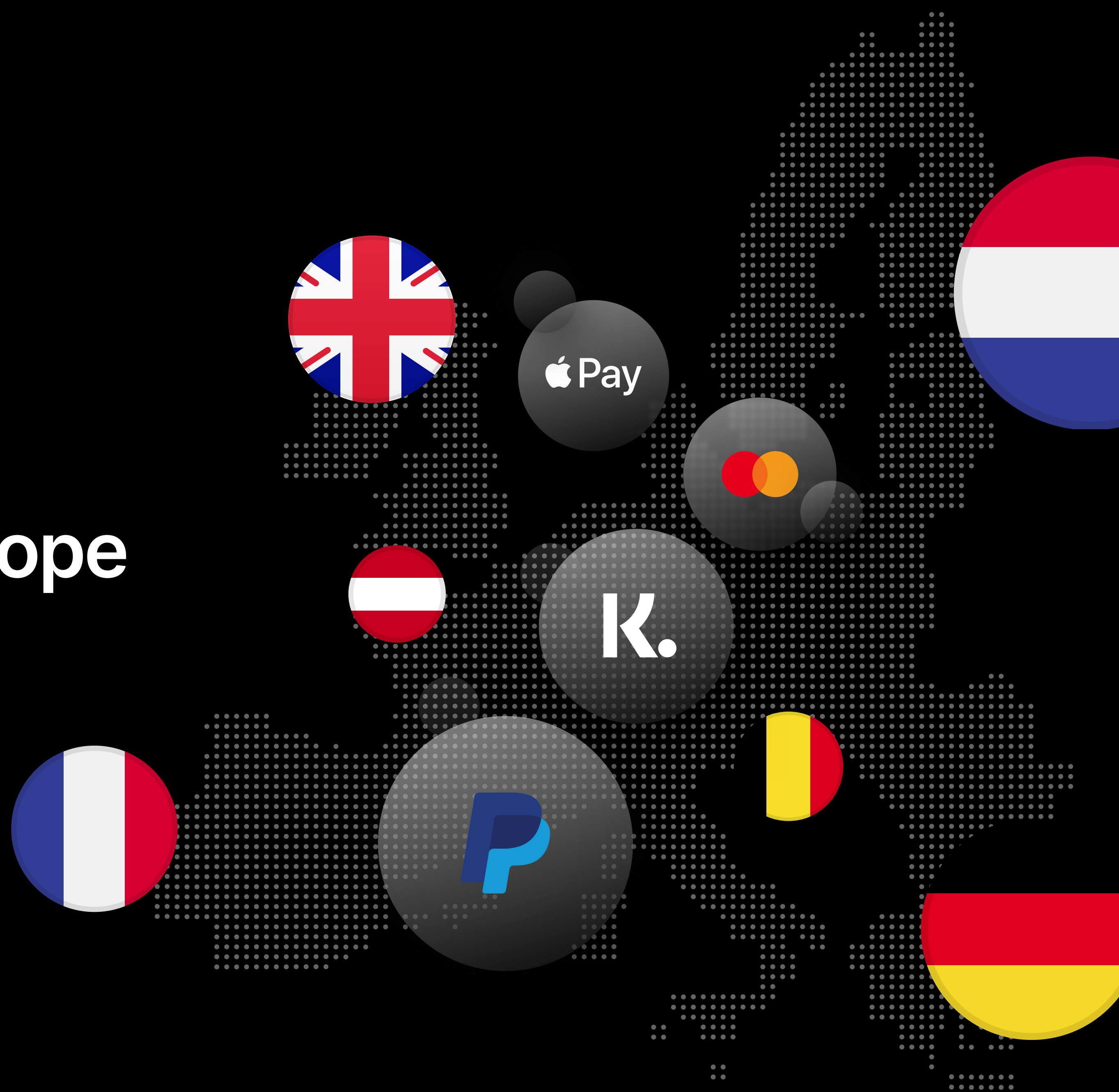
The results speak for themselves: **87% of consumers say it's important that retailers offer the payment methods they prefer to use when shopping online** – and almost half (47%) cite it as 'very important'.

How important or unimportant is having your preferred payment method(s) to you when shopping online domestically and internationally?



Ecommerce across Europe – a market overview

We've seen how consumer behaviour and expectations are changing across Europe. But to make sure you're set for success in each market you operate in, you also need to have an understanding of the consumers within them. Here we'll explore the different ecommerce markets covered in our research – and detail just what their consumers want when shopping online.





The UK

The United Kingdom is one of the most advanced European ecommerce markets, with only a minority of the population being non-digital buyers.

Mobile commerce, particularly in-app shopping, is becoming the norm in the UK. eBay, Amazon, and ASOS are among the UK's most popular online-shopping sites. More and more products are now being sold through social media apps as well.

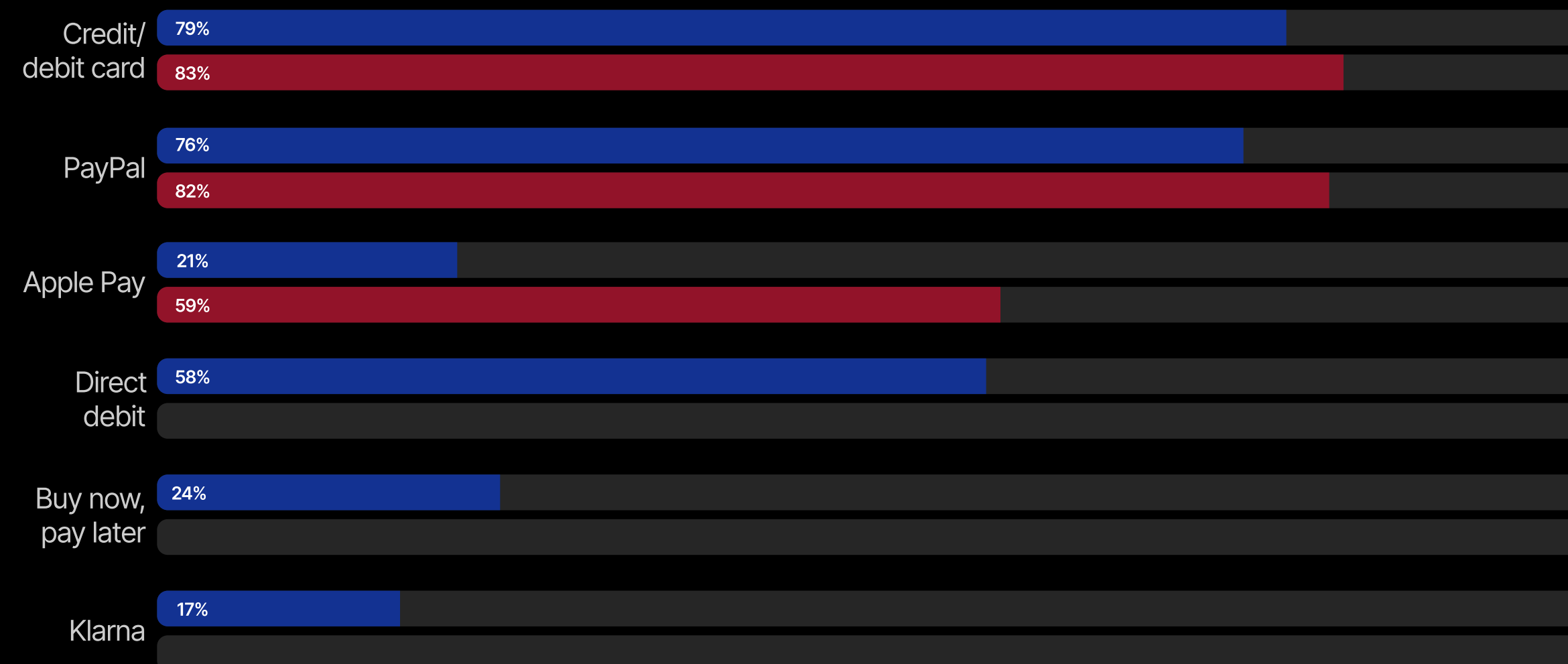
Rising app usage, the rapid growth of digital wallets, and the convenience of one-click checkouts all offer retailers plenty of opportunities to boost conversion if you can hone your mobile-first strategy.

Favourite ways to pay

Card payments and PayPal are the preferred payment methods when purchasing from both domestic and international online retailers.

Thinking about online purchases made to online retailers both inside and outside of your own country, please rank the following methods by how much you prefer to use them (Rank 1/2/3)

- Within the UK
- At online retailers outside the UK





The outlook

35% of UK consumers shop online more now than they did pre-pandemic. Consumers in the UK are the most likely to reduce their online spending if the economic situation worsens in the next 12 months – 46% would spend a lot less (compared with a 30% European average). Their favourite items to buy online are electronics, clothing, and furniture.

How to delight UK consumers

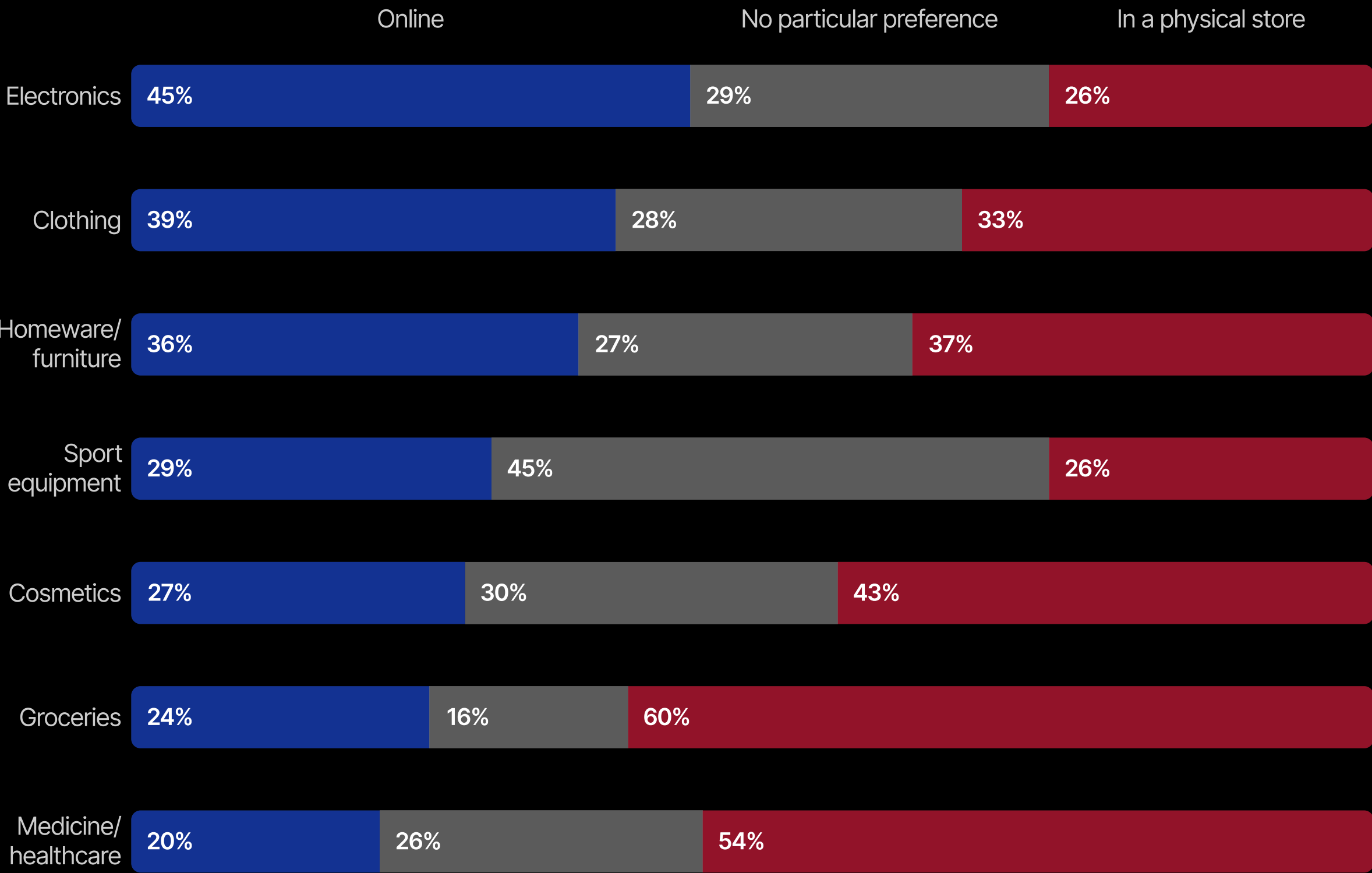
Trust matters

81% of consumers say seeing good reviews or previously buying from a brand would entice them to make another purchase from a retailer.

Make sure your website is in English

Almost 4 out of 5 UK consumers (79%) say being shown their chosen language influences their decision to repurchase from an online retailer.

Preferred place to buy certain items





The Netherlands

No other European country has a higher number of online shops per capita than the Netherlands. That means the competition is stiff.

The largest local online retailers are Bol.com and Coolblue.

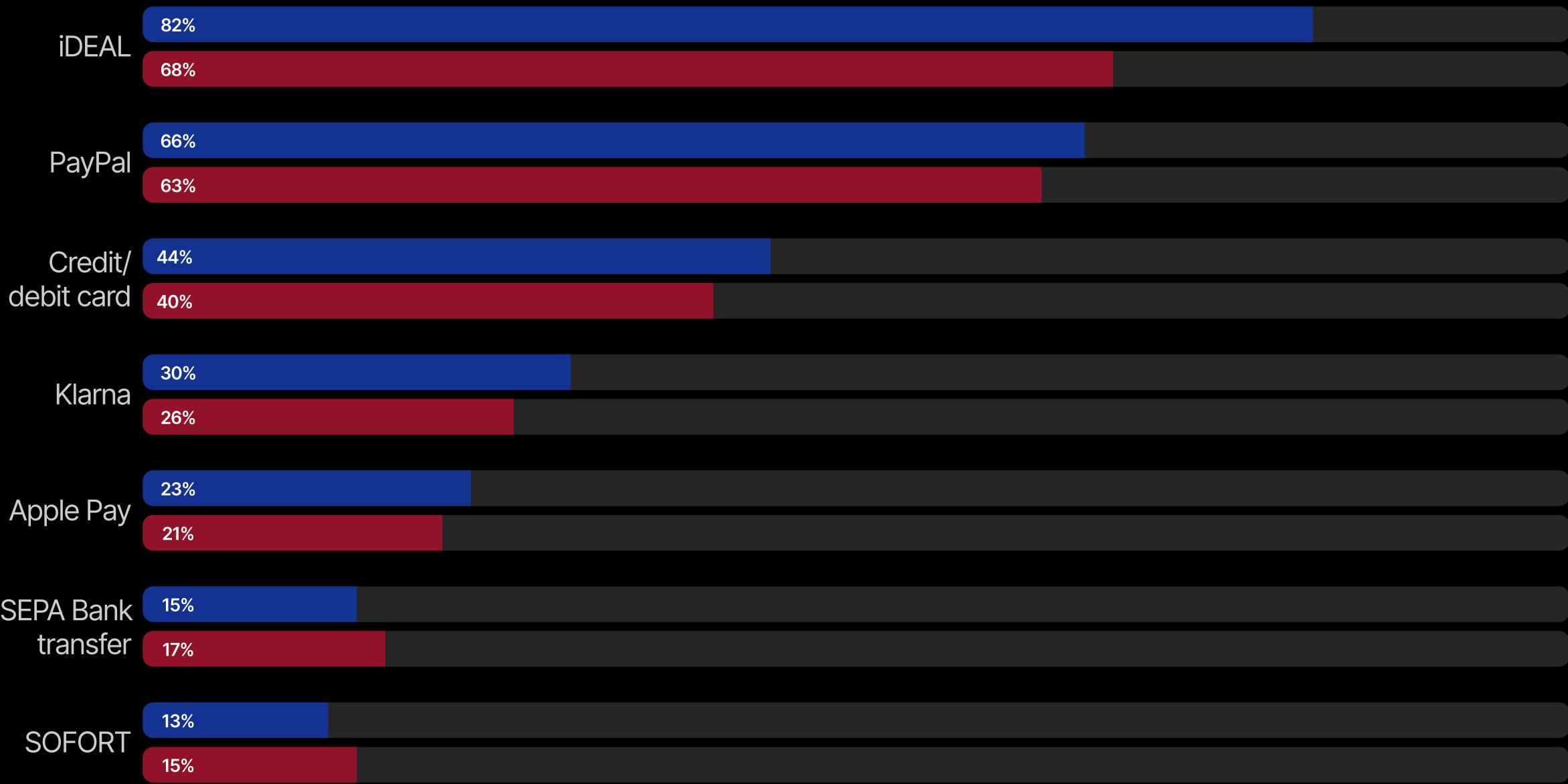
While the Netherlands lagged behind many other advanced European economies in adopting mobile commerce, it is now on the rise.

Favourite ways to pay

Dutch consumers love to use iDEAL to pay, with PayPal and card payments the next most popular payment methods when purchasing from both domestic and international online retailers.

Thinking about online purchases made to online retailers both inside and outside of your own country, please rank the following methods by how much you prefer to use them (Rank 1/2/3)

- Within the Netherlands
- At online retailers outside the Netherlands





The outlook

31% of Dutch consumers shop more online now than they did before the pandemic. Dutch consumers are more likely to go to a brand's online store than their European counterparts to purchase goods. They're less likely to use international retail wholesalers. Their favourite items to buy online are electronics and clothing.

How to delight Dutch consumers

Offer the right payment methods to drive loyalty

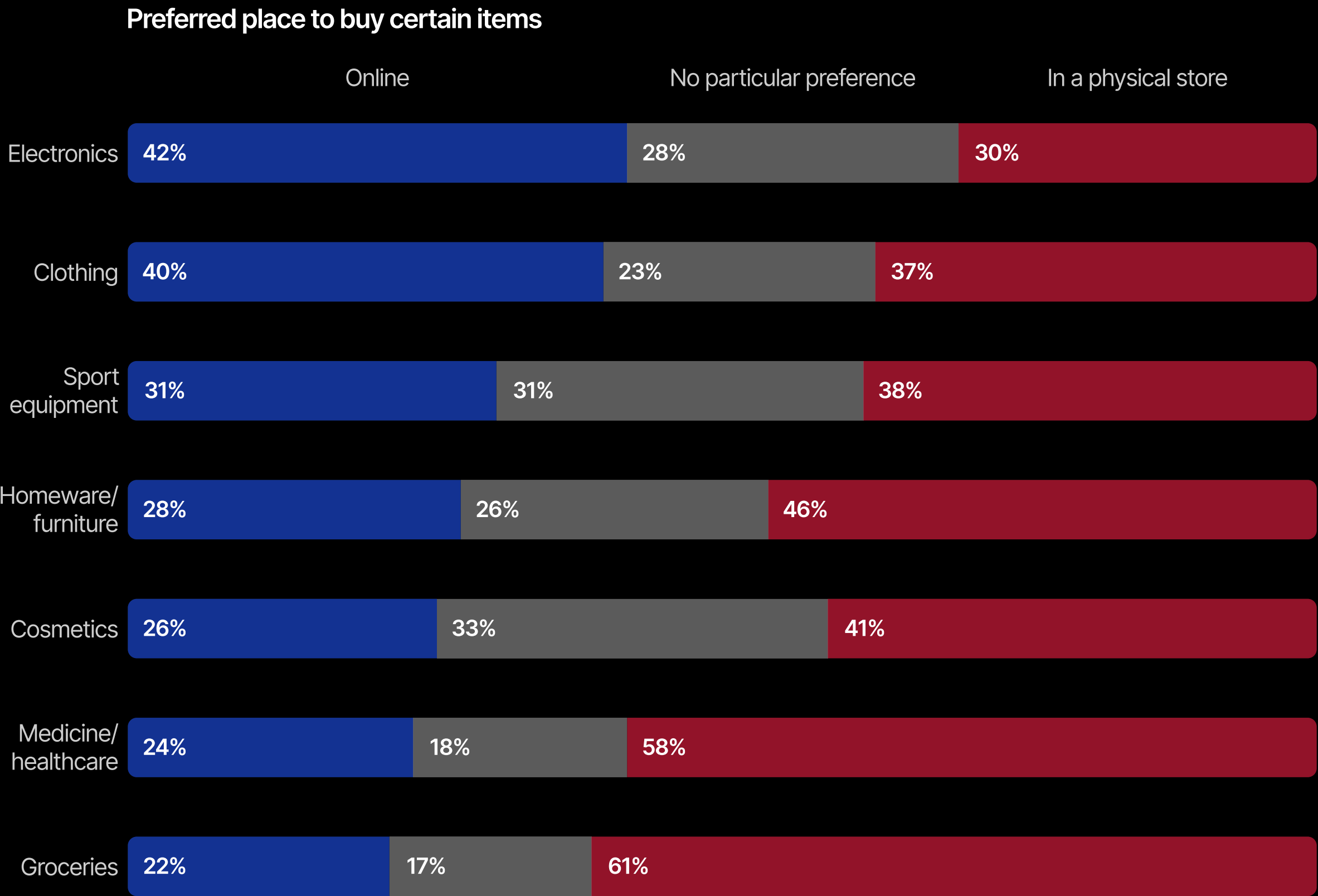
91% of consumers say having their preferred payment methods would entice them to repurchase from an online retailer.

Price is also key to loyalty

80% of Dutch consumers say that being offered the best price will influence their decision to repurchase from a retailer.

Service matters

71% of consumers say that being offered good service and support influences their buying decision when shopping online.





Belgium

Currently, international ecommerce giants define the online retail landscape in Belgium, with Coolblue, Bol.com, Zalando, and MediaMarkt all leading the Belgium market.

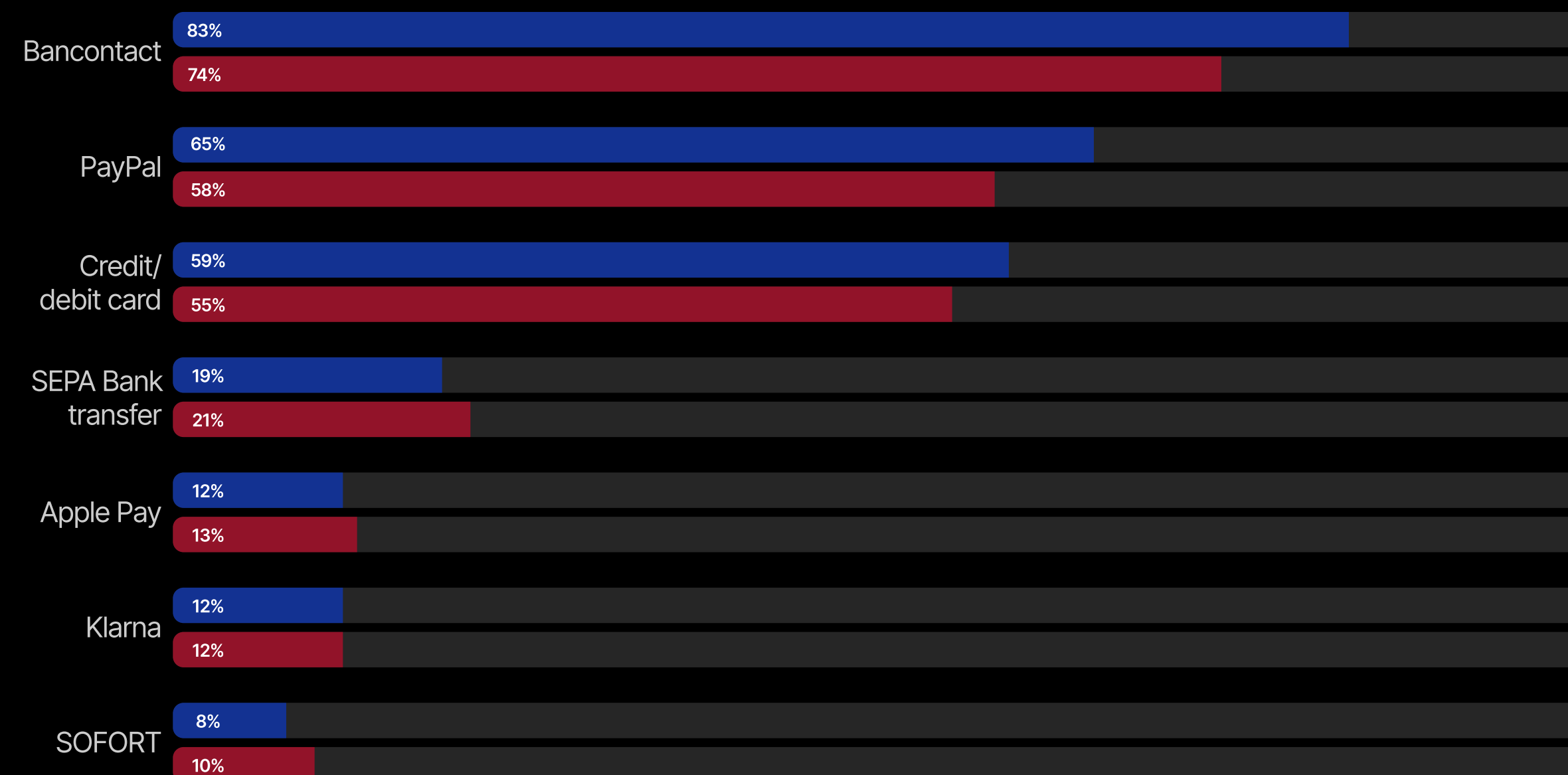
If you're selling to Belgian customers, consider localising your website to win over both Dutch- and French-speaking Belgians.

Favourite ways to pay

Bancontact is the preferred payment method when purchasing from both domestic and international online retailers. Like the Netherlands, this is followed by PayPal and card payments.

Thinking about online purchases made to online retailers both inside and outside of your own country, please rank the following methods by how much you prefer to use them (Rank 1/2/3)

- Within Belgium
- At online retailers outside Belgium





The outlook

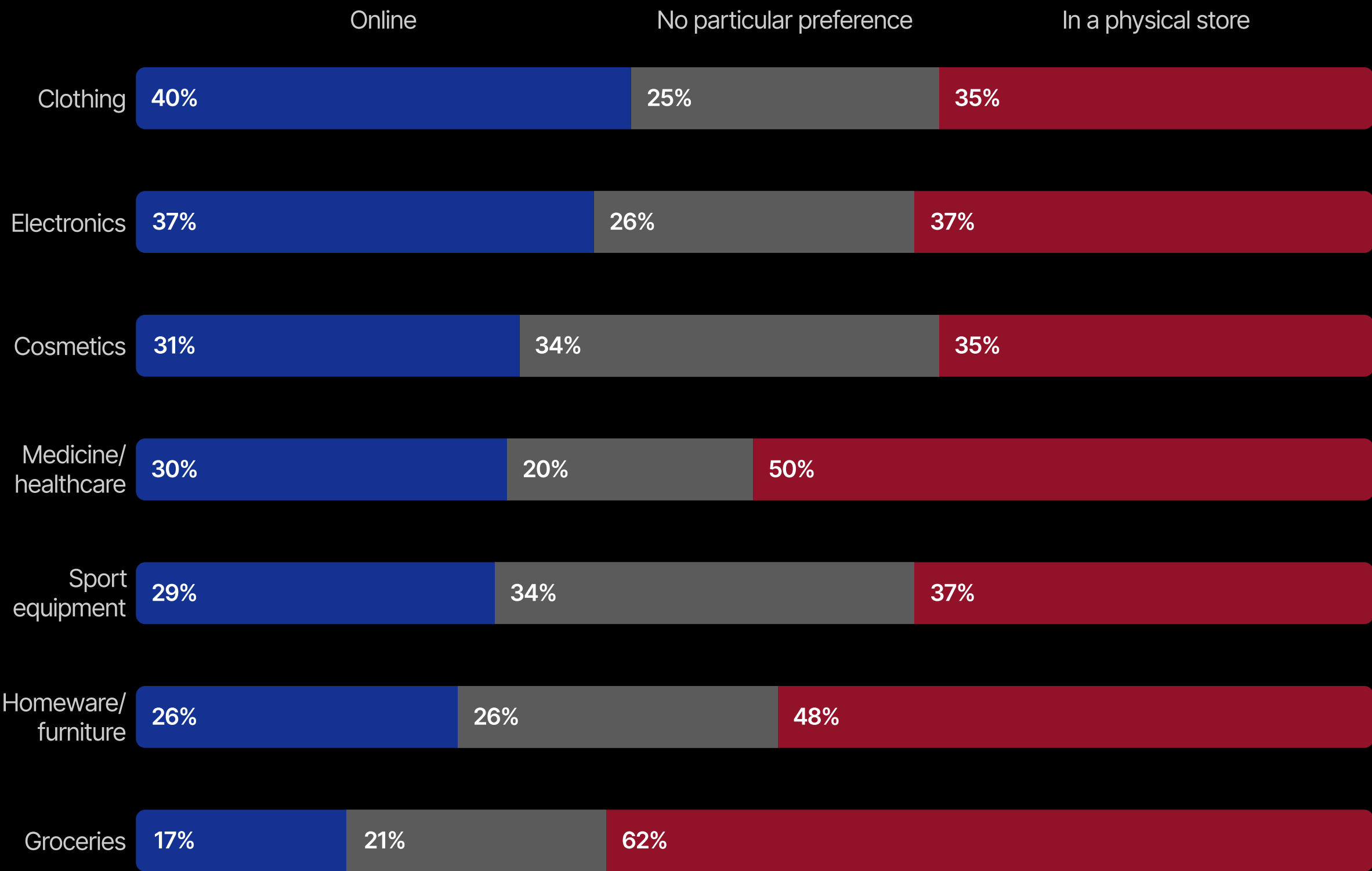
30% of Belgian consumers shop online more now than they did before the pandemic. Belgium is the only country covered in this research where consumers believe they'll shop more in-store than online in the next 12 months (30% in-store versus 23% online). Belgian consumers prefer to buy electronics and clothing online rather than in-store.

How to delight Belgian consumers

Shipping is key in Belgium

73% of consumers say that being offered free delivery is important to them when choosing where to shop online, and 63% say free returns also factors into that decision. 77% say the shipping and returns policy influences their decision to repurchase from a brand.

Preferred place to buy certain items





Germany

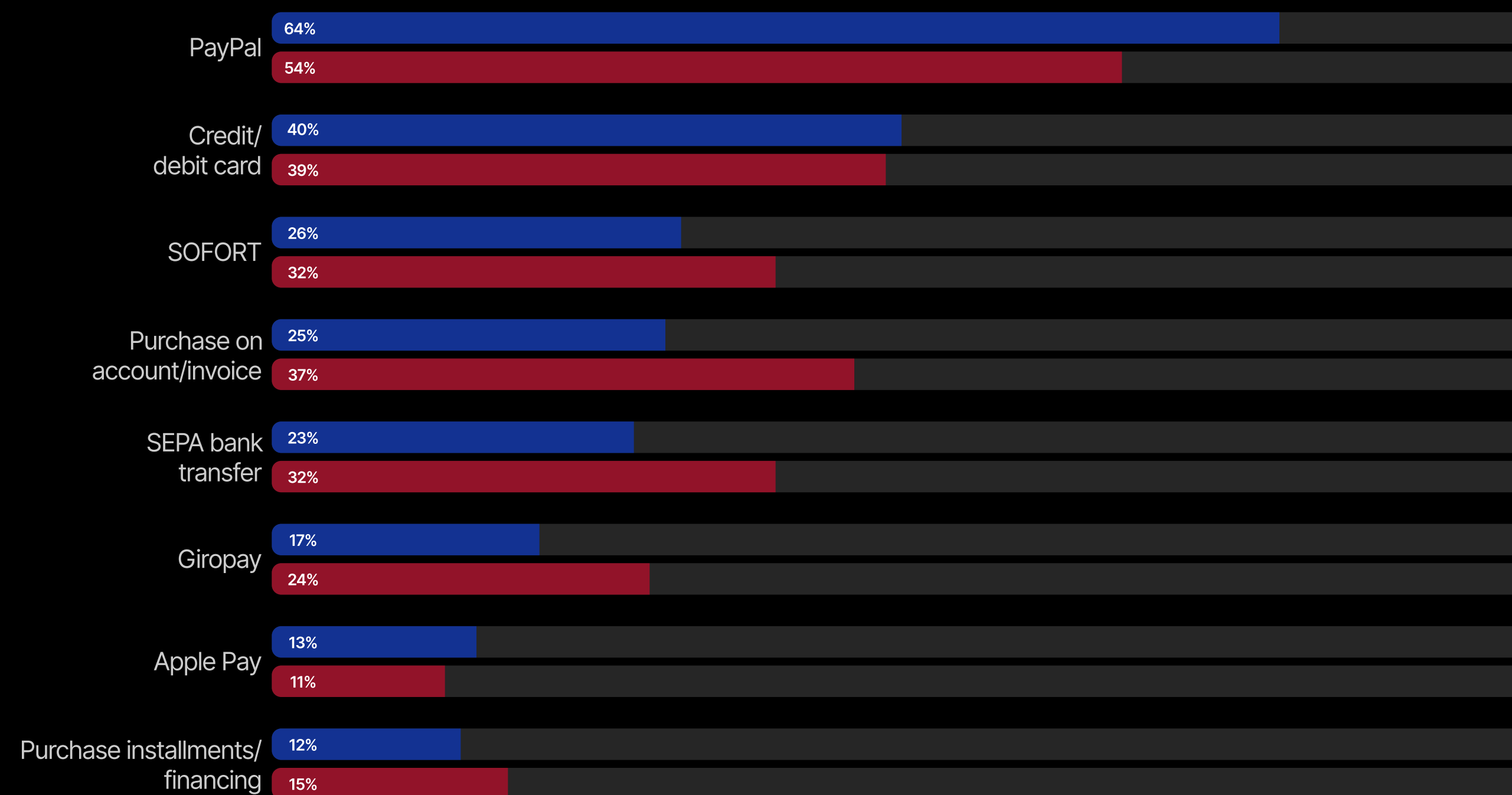
Mail-order companies were once enormously popular in Germany, and their legacy means many Germans prefer to use buy now, pay later methods when shopping. German consumers also really value security: they are more likely to read the terms and conditions and greatly value a trusting relationship with their favourite retailers. Once you've won over a German customer they tend to remain loyal.

Favourite ways to pay

PayPal, card payments, SOFORT Bank Transfer, SEPA Bank Transfers, and purchasing on account or financing are the preferred payment methods when buying from domestic and international retailers.

Thinking about online purchases made to online retailers both inside and outside of your own country, please rank the following methods by how much you prefer to use them (Rank 1/2/3)

- Within Germany
- At online retailers outside Germany





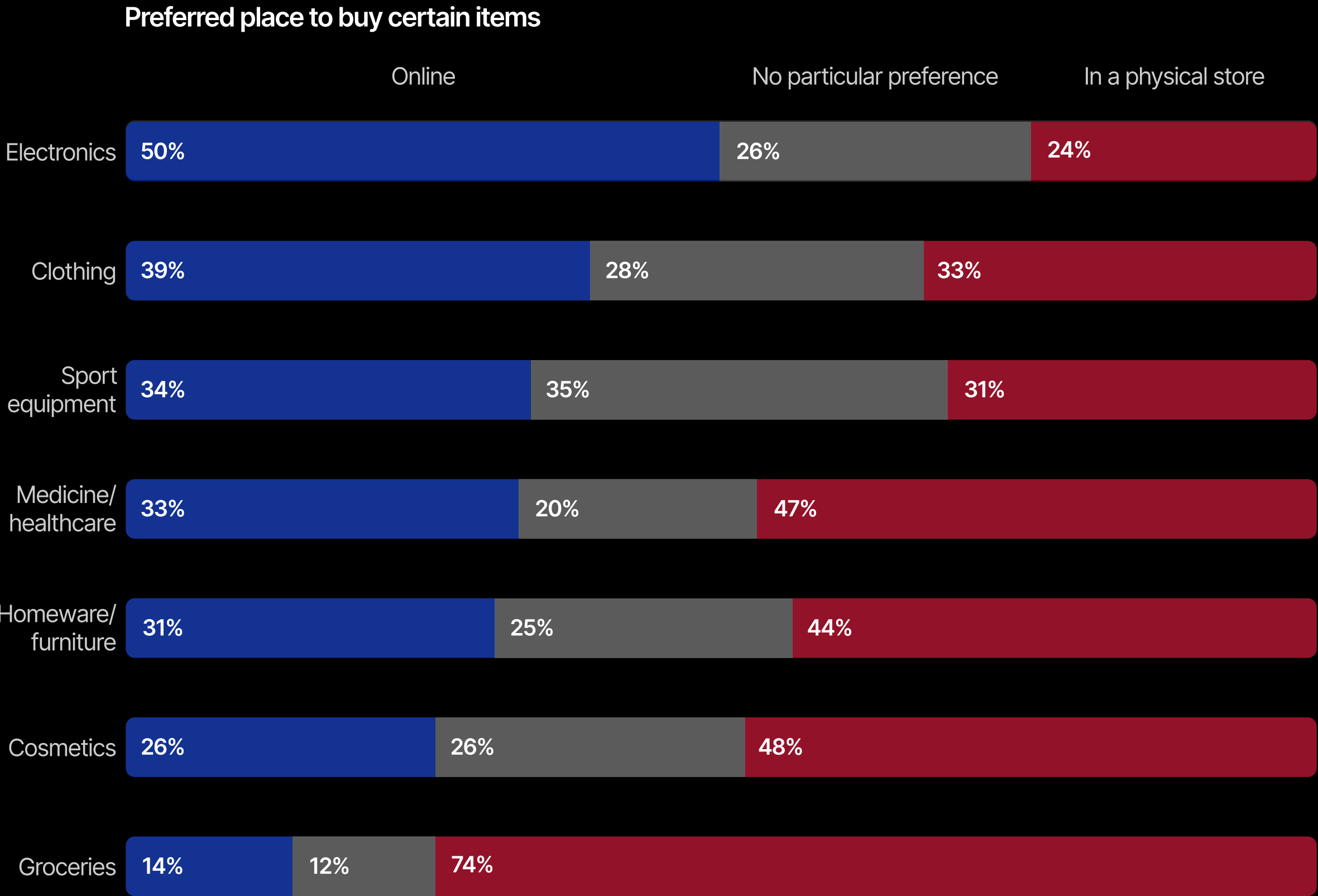
The outlook

34% of German consumers shop online more now than they did pre-pandemic. Electronics, clothing, and sports equipment are more likely to be bought online than in a physical store in Germany.

How to delight German consumers

Payment methods matter

46% of German consumers say they are more likely to shop elsewhere if their preferred payment methods are not offered by an online retailer (vs a 37% European average).





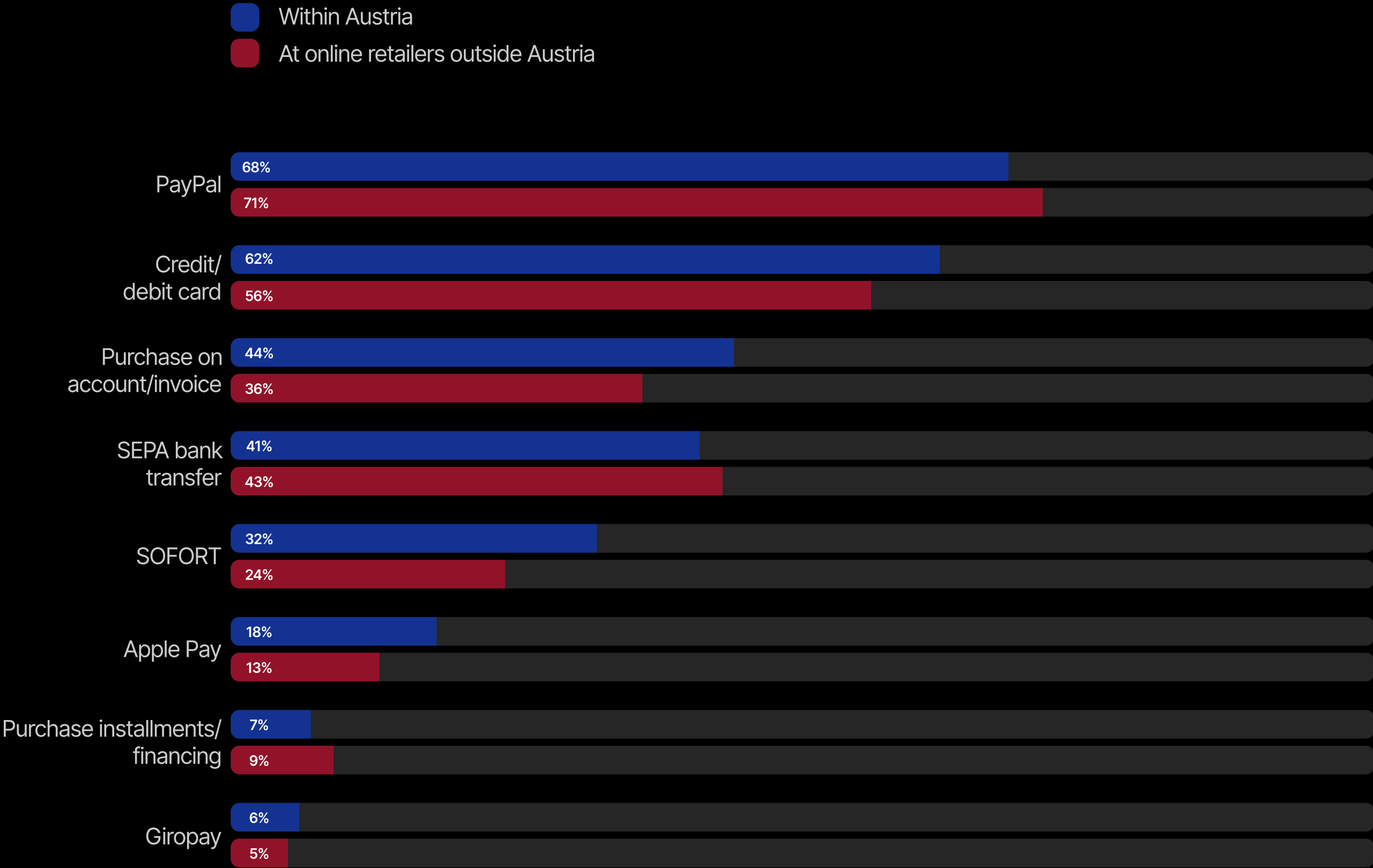
Austria

Like Germany, Austrian consumers love to use buy now, pay later when shopping online. They are also very comfortable with shopping from international retailers, and Amazon is extremely popular with shoppers, largely due to third-party sellers who sell on its marketplace. The number of Austrian online retailers has boomed in recent years. Many online shops make the mistake of failing to cater their payment options specifically to the Austrian market. Taking Austrian preferences into account will give you an advantage over your competitors.

Favourite ways to pay

PayPal, card payments, SEPA Bank Transfers and purchasing on account or financing are the preferred payment methods for Austrian consumers when buying from both domestic and international retailers.

Thinking about online purchases made to online retailers both inside and outside of your own country, please rank the following methods by how much you prefer to use them (Rank 1/2/3)





The outlook

42% of Austrian consumers now shop online more now than they did before the pandemic. 27% of Austrian consumers think they'll shop more online in the next 12 months. They prefer to buy electronics and clothing online rather than in a physical store.

How to delight Austrian consumers

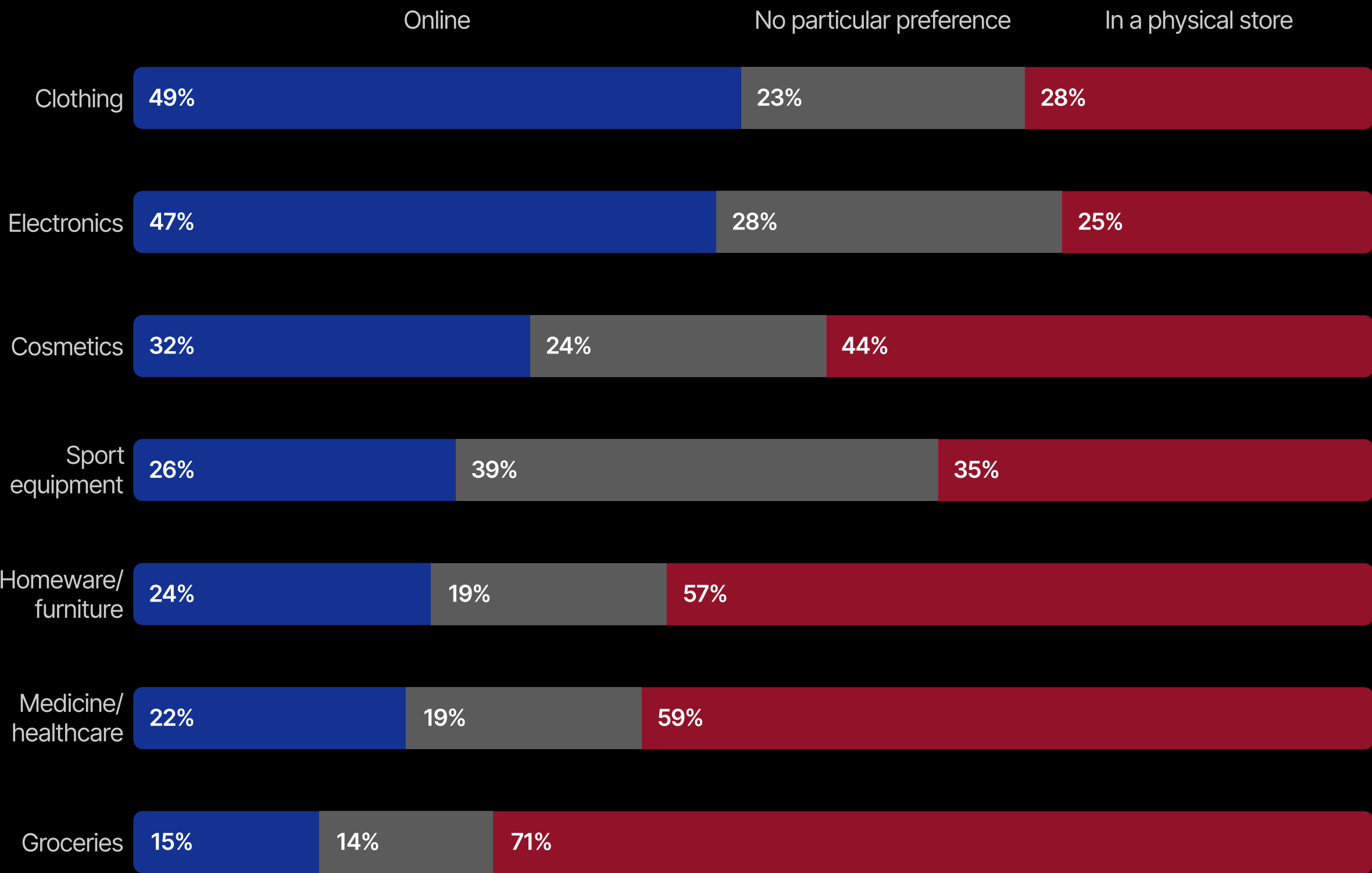
Offer the right payment methods

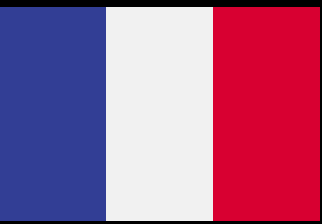
Austrian consumers place the most importance on having access to their preferred payment methods, with 55% saying it is ‘very important’ (vs. 47% European average).

Do the right things to make a sale

Cart abandonment is more easily triggered compared with other markets — 58% of consumers will abandon their cart if not offered their preferred payment methods, 71% abandon their cart due to high shipping costs or taxes, and 57% would do so if a website shares data with a third party.

Preferred place to buy certain items





France

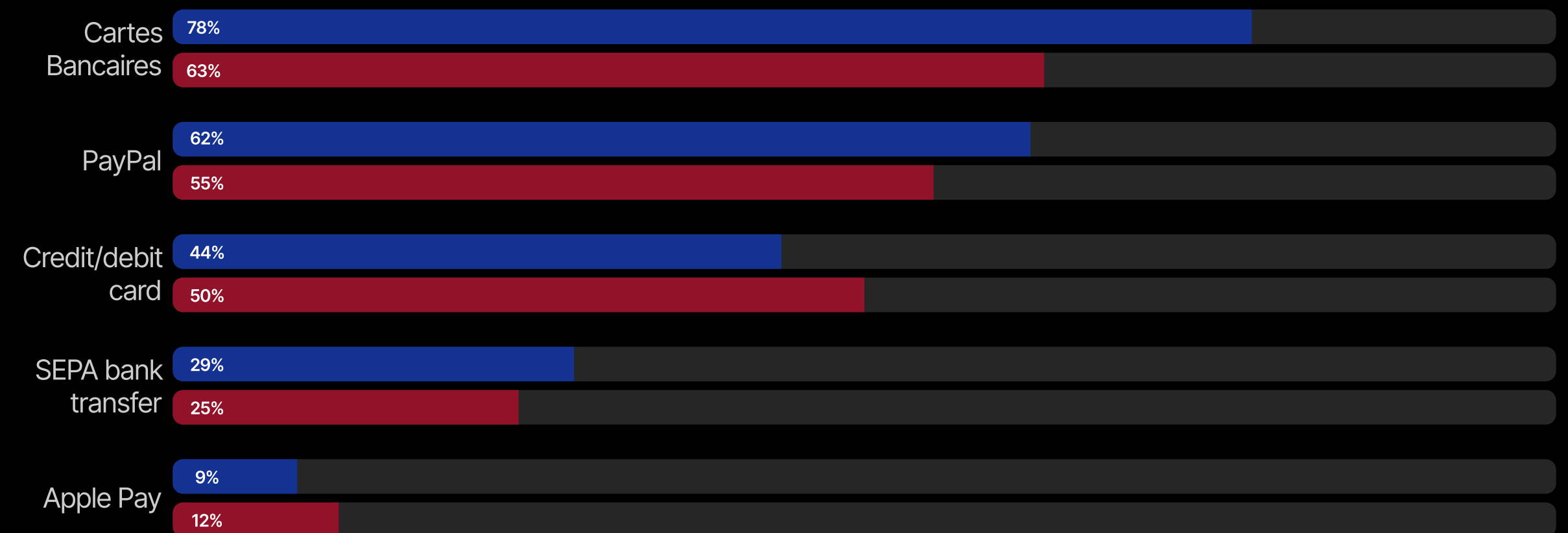
France is one of the leading ecommerce markets in Europe. Many retailers operate online, and it has an extensive 'click and collect' network which allows French consumers to order online and pick up their goods in-store or at a pick-up facility near them. That saves time and shipping costs. Amazon has installed pick-up lockers at local train stations. Supermarket chain E.Leclerc lets people pick up their groceries from refrigerated lockers on their way home from work..

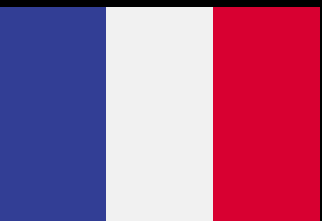
Favourite ways to pay

Cartes Bancaires, card payments, and PayPal are the most preferred payment methods when purchasing from both domestic and international online retailers.

Thinking about online purchases made to online retailers both inside and outside of your own country, please rank the following methods by how much you prefer to use them (Rank 1/2/3)

- Within France
- At online retailers outside France





The outlook

29% shop online more now than they did pre-pandemic, with 12% shopping more in-store. Electronics are the most popular item to buy online as opposed to in-store. In France, 32% of consumers say they have reverted to their pre-pandemic shopping habits (compared to an 18.5% European average).

How to delight French consumers

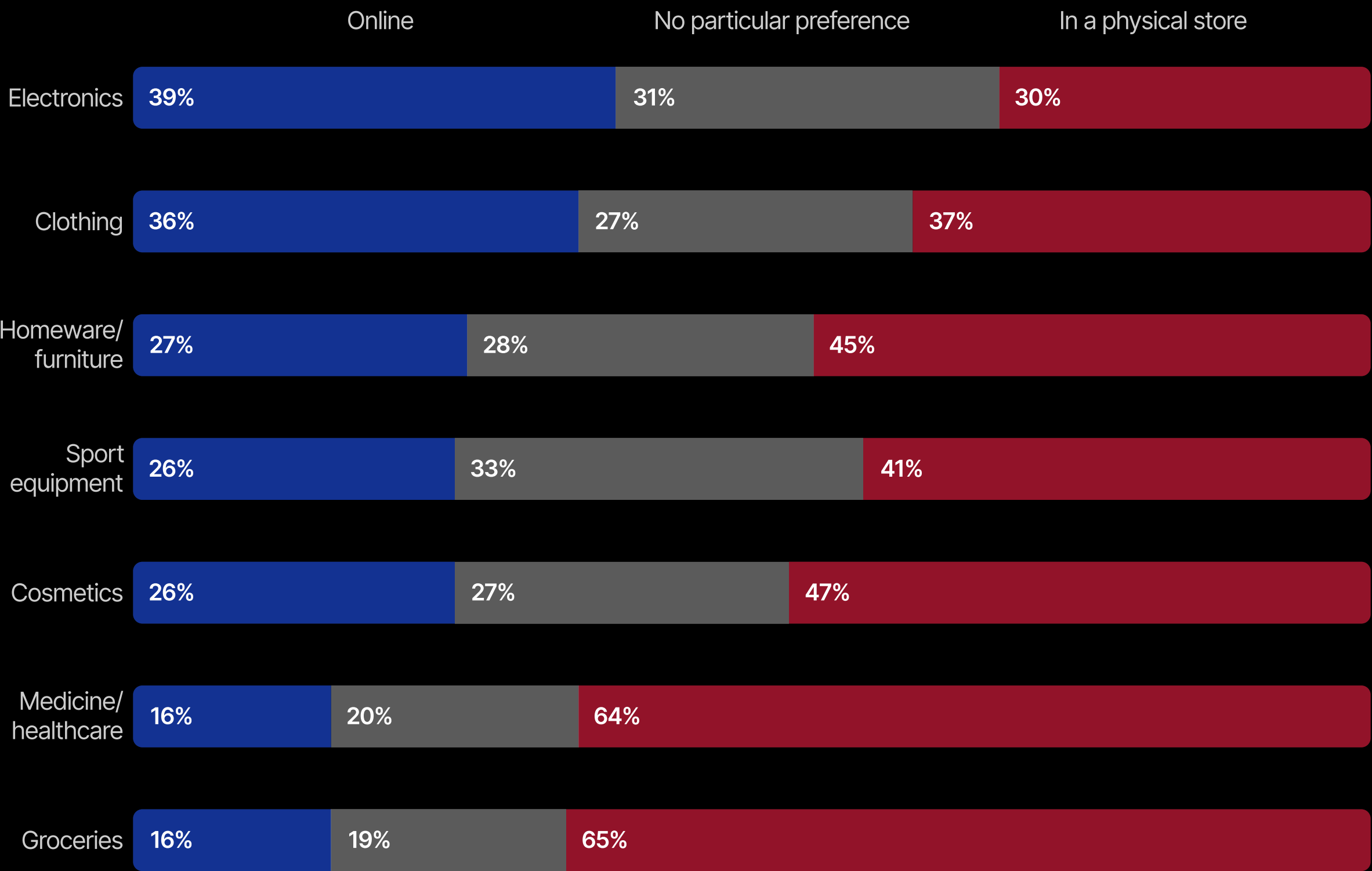
Payment security is key to conversion

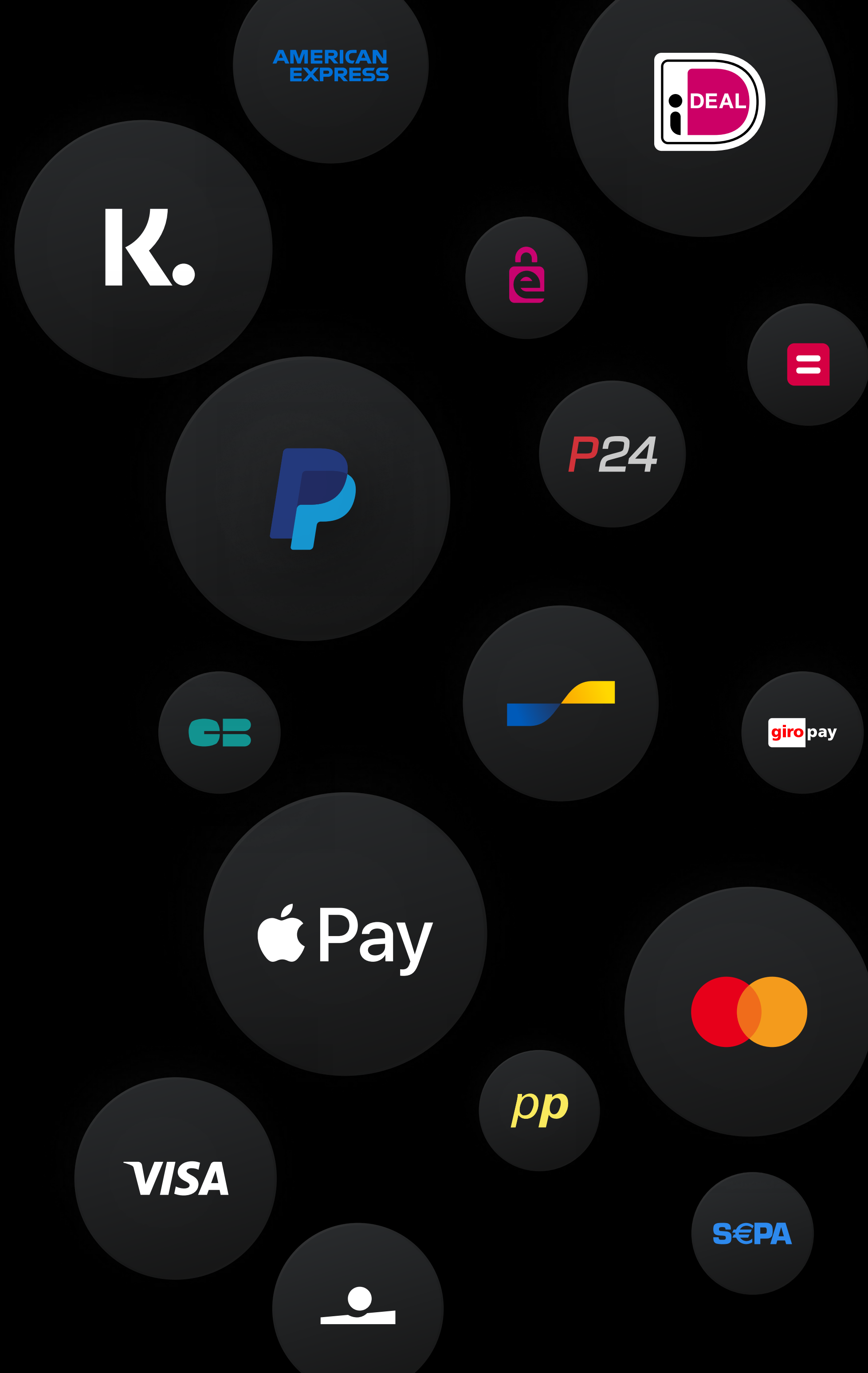
French consumers are more likely to have concerns about insecure online payments, with 60% saying it would lead them to abandon a purchase.

French consumers love subscriptions

62% of consumers say it is important that retailers offer the capability to store their card details for repeat purchases and subscriptions (compared to a 48% European average).

Preferred place to buy certain items





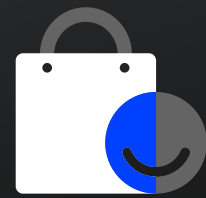
What have we learned?

During the pandemic, we lived through unprecedented times. After that, our definition of the new normal seems to have shifted with each passing day. Ecommerce boomed, but now times are tougher, and consumers are pessimistic about what's ahead.

All of this sounds ominous, but, actually, opportunities still exist. Consumers have moved online and plan to stay there. They might not all shop online the same way, but they all pay close attention to the finer details. To delight them, you need to offer them their favourite payment methods, a great payment experience, convenient (and low-cost or free) shipping, and your product at the right price. Doing all these things will attract new customers and build brand loyalty.

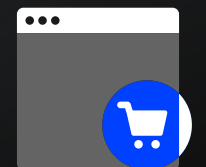
So, how can you turn these insights into actions to drive sales and growth? Here are the things you can do to:

Tempt shoppers to buy



Provide a seamless payment experience

A quick and efficient payment method is the most crucial capability you can offer consumers. Increase conversions by displaying badges early in the customer journey to let them know you offer their favourite payment methods and refine your checkout flow to reduce clicks and maximise sales.



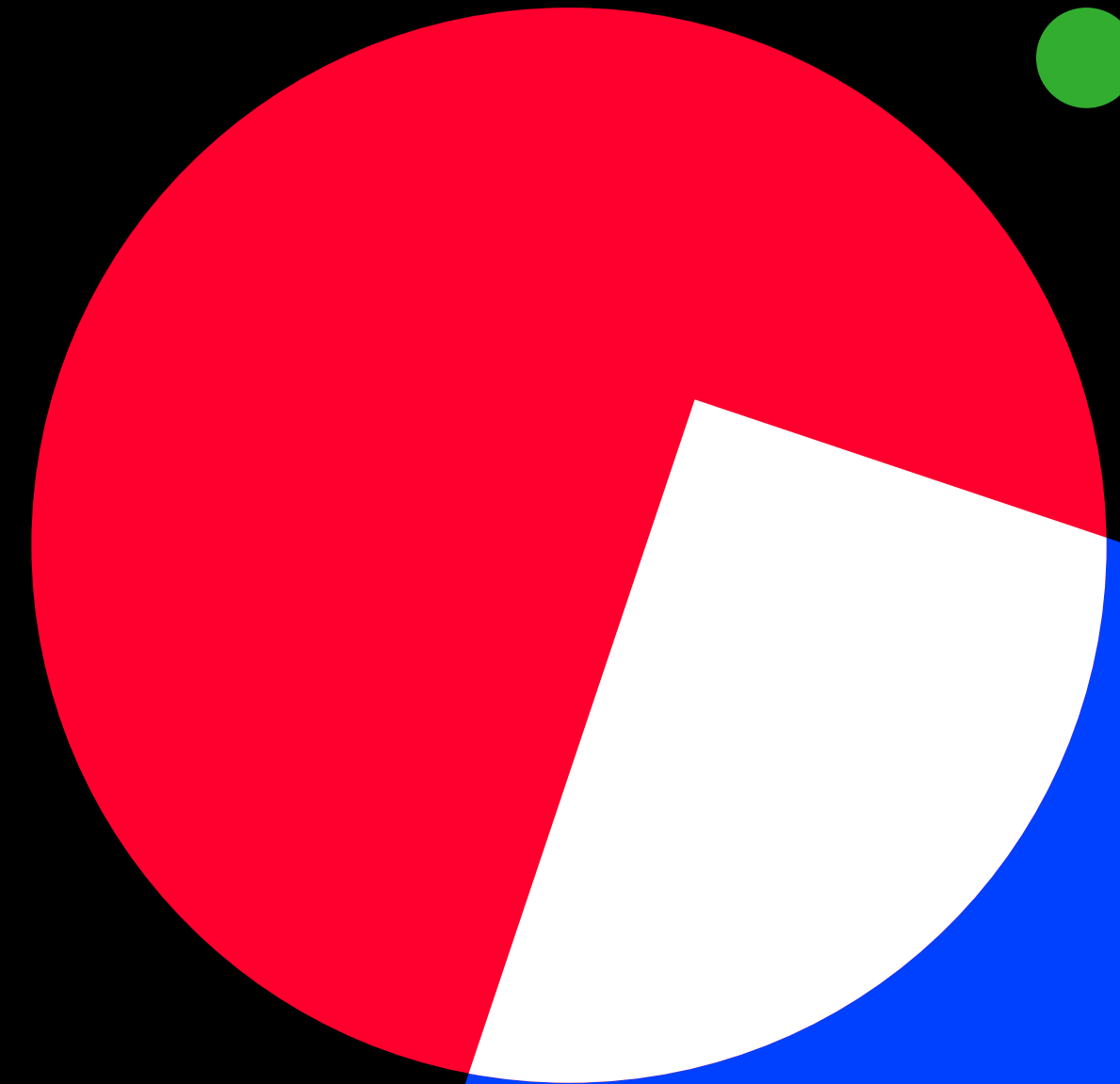
Optimise your shipping options

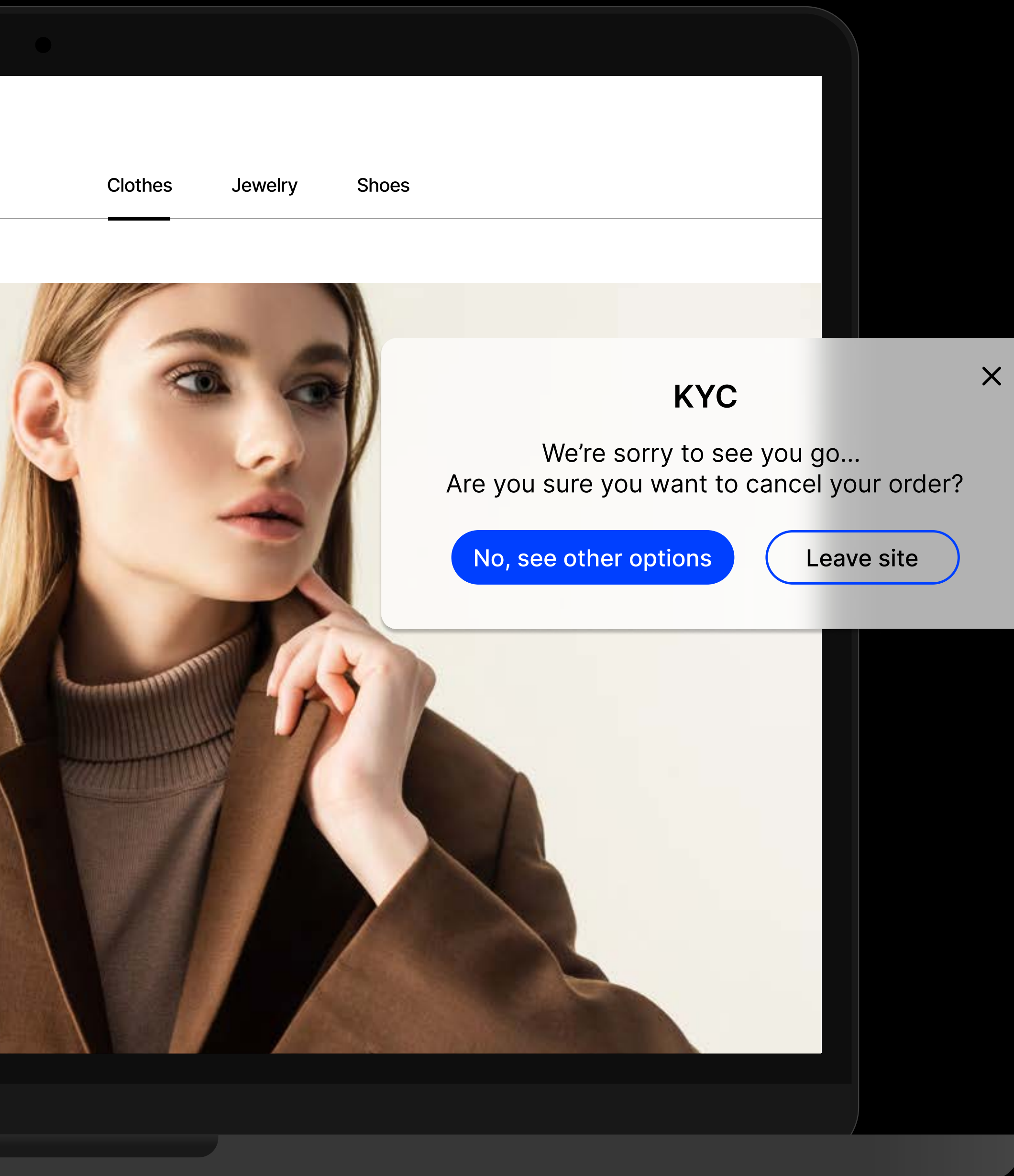
Payments are leading the way in online shopping, but shipping isn't far behind. Offer consumers efficient shipping options and delivery times to entice them to buy.



Compete on price

Consumers shop more online when they can find what they need for less. If you can offer a better deal than your brick-and-mortar competitors and other online retailers, you're more likely to make the sale.





Reduce abandonments

Keep costs low

Shoppers say high shipping costs or taxes are the main reason they would abandon their cart. Keep costs low (or offer free shipping) and display them early in the customer journey to increase conversions.

Offer advanced security

If consumers have concerns about payment security, they're likely to drop out of a sale. Display security badges and team up with a compliant payment partner who offers advanced security.

Offer the right payment methods

Every consumer has a favourite payment method, so it's vital to provide the ones they prefer – especially when selling internationally. Make sure you offer localised payment methods, currencies, and languages on your checkout. Think about teaming up with a payment specialist that offers expertise and guidance to help you keep up to date with the latest payment trends and offer new products and services.

Build customer loyalty

Show the customer love

Again, payments and shipping are vital to driving trust. But another thing that builds loyalty is showing off why your existing customers like what you do. How to do that? Add customer reviews to product pages, create testimonials or case studies, and display your business's score on review platforms like Trustpilot on your site.

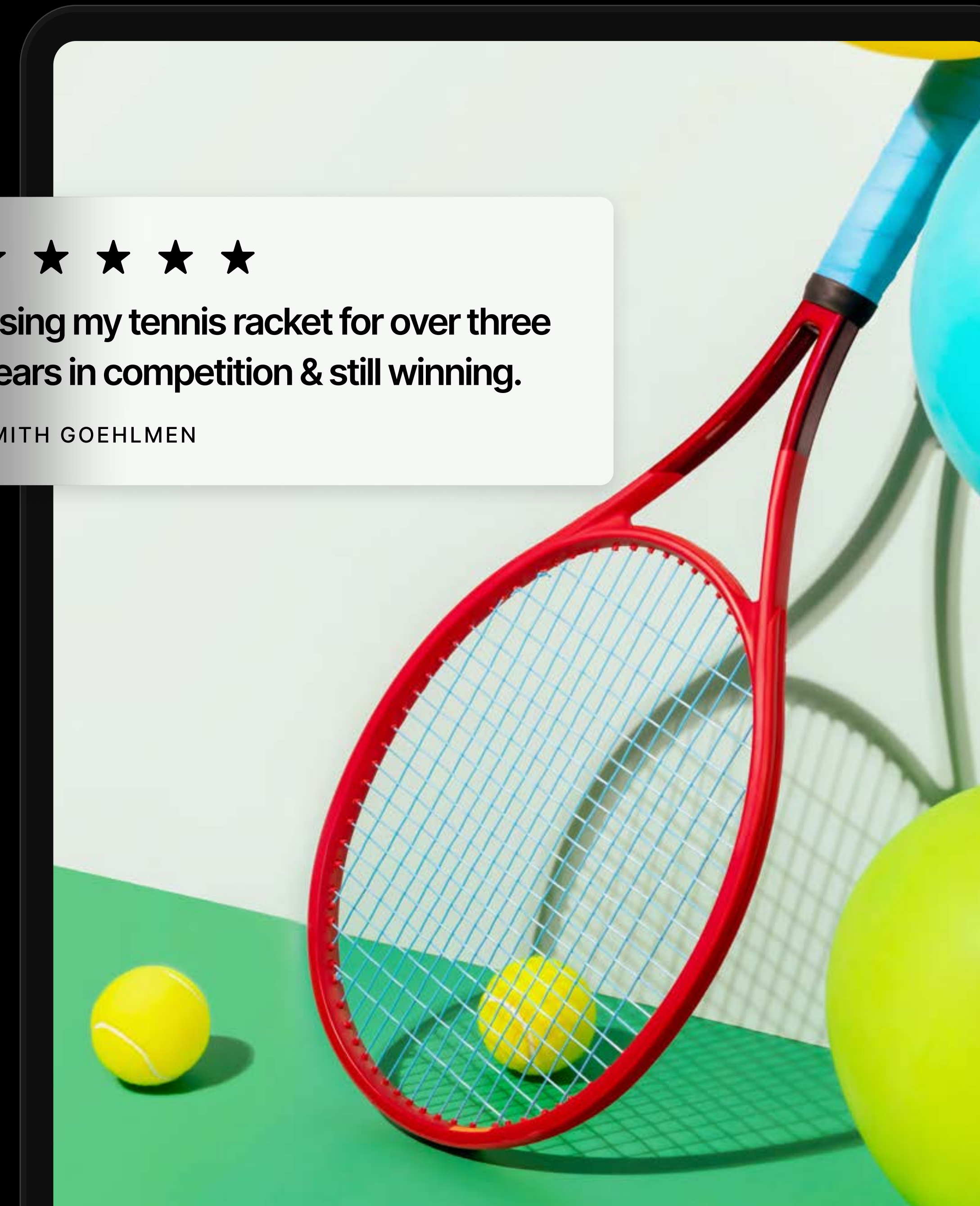
Price and service are also key

As well as being able to see reviews, consumers also say that being offered the best price and having a great customer experience are key factors in returning to a retailer. Ensure you're reviewing your pricing periodically, tailor your site experience to your shoppers (including offering their preferred language), and provide excellent support – chatbots, quick response times, and over-the-phone support when needed.



Using my tennis racket for over three years in competition & still winning.

SMITH GOEHLMEN



Effortless payments with Mollie

Here at Mollie, we offer an effortless payments solution that can boost your sales by helping you accept all leading European payment methods. We also help you offer your customers a seamless checkout experience that drives trust and increases conversions.

As well as allowing you to add all the payment methods your customers need, with Mollie you can also access a range of powerful integrations for your business – including accounting, data, and subscription tools. You can also easily manage your payments, send payment requests, and get real-time business reports in the Mollie Dashboard, and we provide a range of other benefits designed to drive your growth.

We offer all this with advanced security and fraud tooling, transparent pricing, and no hidden fees. We already work with more than 130,000 European businesses, and to ensure you have complete control while working with us, you can sign up today with no lock-in contract so you can leave whenever you want.

Find out more about payments with Mollie.

mollie.com



About the research

We commissioned Coleman Parkes to conduct primary research amongst 3,000 consumers who shop online (at least once in the last 3 months). The research was conducted online in July and August 2022.

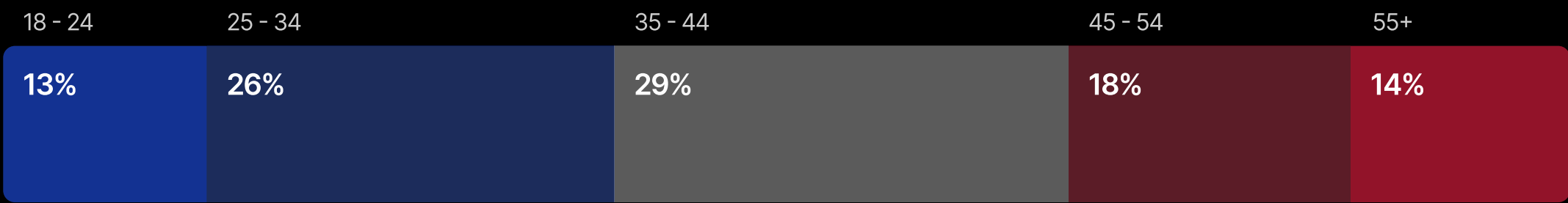
Research was conducted across the Netherlands, Belgium, the UK, Germany, Austria, and France, with 500 surveys conducted in each market. To get a true representation of consumers in the research sample, a mix of age ranges and income brackets was surveyed.

*For the questions related to preferred payment methods in Germany and Austria, we surveyed a separate sample of 200 consumers (100 in each country).

Online Purchase



Age (Average: 40)



Annual Income (Average €41,192)



>€150k = 1%

Gender

