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The click and collect consumer

Convenience is likely to drive global retail's digitization

Some pandemic-induced shopping changes are likely to stick

With more vaccinations administered each day in many countries, consumers are looking forward to a post-pandemic world. The collective experiences shoppers have gone through over the past year have prompted new behavioral patterns, many of which may become a permanent part of consumers' daily lives going forward.

In the world of retail, consumers' personal health concerns accelerated the digitization of the consumer journey. As a result, relatively new conveniences like click and collect (whereby consumers place their orders online and physically pick-up their purchases) were widely adopted, and are likely to continue well beyond the pandemic.

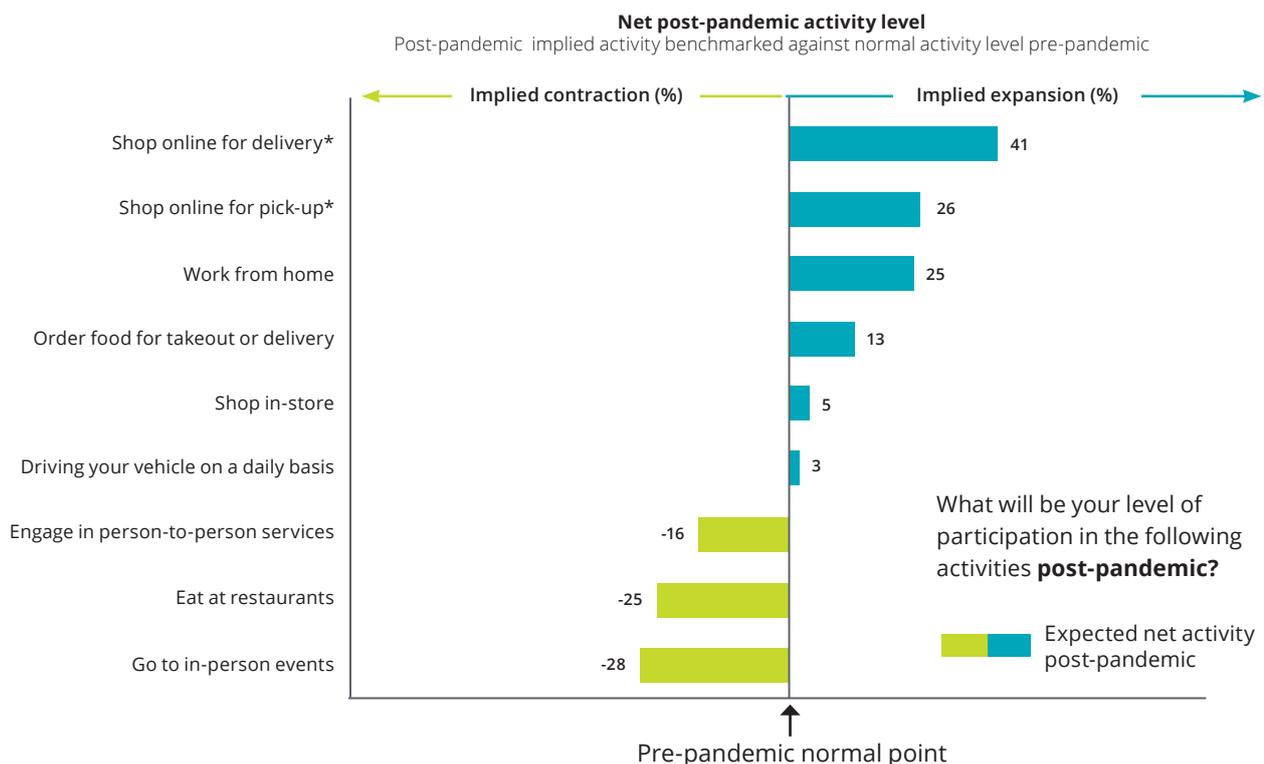
The cocooning consumer

A year after the start of the pandemic, vaccines offer a path to 'normalcy.' More than half of the world's consumers (54%) expect to be fully vaccinated by September 2021.¹ Despite this optimism, safety concerns remain—and are likely to remain—for the foreseeable future. Just over half of global consumers (54%) say they feel safe shopping in-store.² This statement would have been unimaginable just over a year ago in January 2020.

After a year of collective quarantining, many consumers still expect to cocoon at home post-pandemic (see figure 1). Global consumers plan to stay closer to home³ for a variety of reasons, like saving money, staying safe, and exercising lifestyle choices. This means cutting back on in-person services, eating and shopping out less, and relying more on delivery and services like click and collect compared to pre-pandemic behaviors.

Figure 1. Consumers expected post-pandemic activity benchmarked against pre-pandemic levels

Post-pandemic consumers expect they will continue to avoid exposure to strangers, thus furthering their shift toward the click and collect channel



Source: Deloitte Global State of the Consumer Tracker 2020-2021
% of respondents indicating more activity minus those indicating less activity post-pandemic
* Newly added to this wave

Click and collect is on the rise

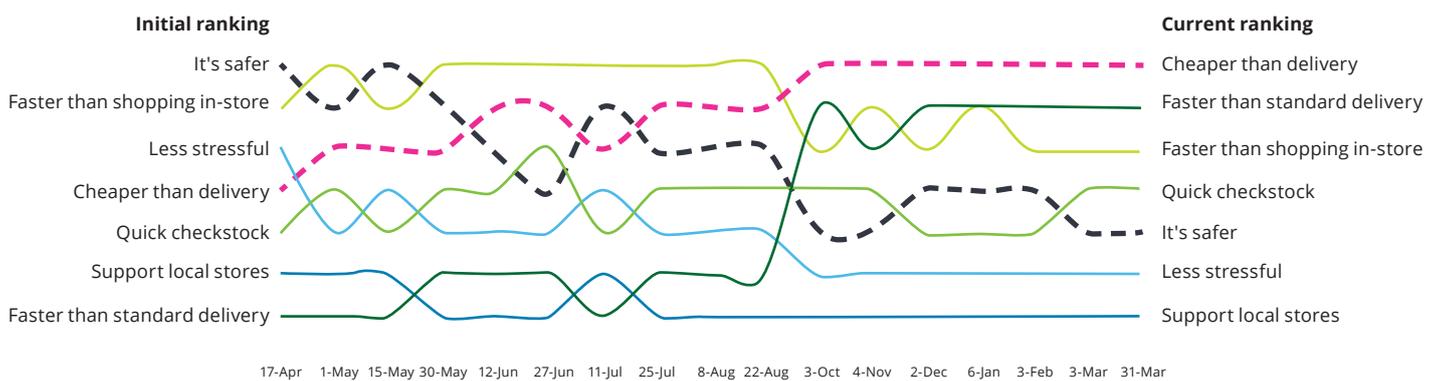
The COVID-19 pandemic acted as a forcing function for consumers—especially among the older cohorts—to try out new shopping formats and obtain essential goods during lockdown periods. Click and collect is not a new service, and is in fact well established in the United Kingdom and continental Europe—but it became an essential channel offering for retailers during the pandemic. Initially, its adoption was accelerated due to safety concerns, but it has evolved into a convenience factor for many shoppers. With the advantages of being faster and cheaper than delivery service, click and collect

is overtaking in-store shopping as well as online delivery shopping—this favors retailers with a local physical presence.

In the United Kingdom, improved online capability and click and collect purchases helped to lessen the impact of declining non-essential retail sales during the second lockdown when compared to the first one, and food retailers suggested that click and collect orders had boosted their online sales.⁴

Figure 2. Drivers of global click and collect adoption

Perceived as cheaper and faster, click and collect is a consumer trend that will likely stick post-pandemic



Source: Deloitte Global State of the Consumer Tracker 2020-2021

This model is finding increased traction in the Americas and Asia Pacific regions, where post-pandemic shoppers say they plan to use click and collect 1.4 to 1.5 times compared to pre-pandemic levels.

At the onset of the pandemic in the United States, click and collect increased from 15% of orders to 25%, a 65% share increase.⁵ **Adobe**

The click and collect consumer

In light of these findings, it is unlikely that traditional retail channels will return to 'normal' after the pandemic is over. So, what will this mean for retailers? They will need to continue to keep up with evolving consumer preferences and invest in areas such as:

- Physical presence: store layout and parking space configuration
- Human capital: hours and staffing changes
- Operational strategies: fulfillment and digital capabilities

It is clear that retailers will need to continue to develop their digital capabilities as shoppers increasingly rely on omni-channel services. Understanding consumers' motivations for safer, more convenient, and affordable solutions will be of paramount importance in order to innovate for the post-pandemic future.



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