



LEEDS BECKETT UNIVERSITY
LEEDS BUSINESS SCHOOL

NOVEMBER 2024

SHOPPING & SOCIAL CHANGE

RETAIL TRENDS AND CONSUMER BEHAVIOUR

FUTURE OF RETAIL ANNUAL REPORT 2024

BY DR BEN MITCHELL, DR ALAN SHAW & DR ESTHER PUGH

THE RETAIL INSTITUTE



Contents

	Page
Chapter 1. Current retail trends – the evolving relationship between online and physical stores	3
Introduction	3
Patterns of growth online	4
The state of the high street	6
Omni-channel shoppers	9
Need recognition	9
Information search and evaluation of alternatives	11
Purchase and post-purchase evaluation	13
Chapter 2. Social norms and shopping	14
Introduction	14
Social norms	14
Social and cultural factors	15
Influencers, social media and global trends.	16
Global trends	18
Generational differences	18
Circular shopping, especially in fashion	19
Retail technology and AI	19
Social shopping in the current landscape – a charity shop case study.	20
Observations of an Oxfam pop-up shop	21
Chapter 3. Social Commerce – how social media is being used to promote and sell.	23
Introduction.	23
The Rise of e-WOM.	23
The three types of online influence.	25
The psychology behind online influence.	25
Conclusion.	26
Chapter 4. Buying for Selling: A new decision-making model for circular fashion buyers and sellers.	27
Decision making process	28
Resale decision-making process	28
Conclusion	30
References	32

Chapter 1: Current Retail Trends

The evolving relationship between online and physical stores

Introduction

The current era of retail will be seen as the transition from physical stores to online shopping. This phenomenon has been happening for years, with accelerations and slowdowns of the pace of change determined by technological developments, economic fluctuations and the occasional pandemic. As each year passes, the future balance of online and in-store shopping becomes a little clearer. In the early years of e-commerce, it might have seemed that it would be limited to categories that are easy to search online and transport to customers. The acceleration into all retail sectors, including grocery during the pandemic, indicated that a more complete transition to internet-based shopping was possible or even likely. The closure of many household name retailers during the last decade has enhanced that view, as it appears to be increasingly difficult to sustain bricks and mortar retail. However, many businesses are successfully providing an omni-channel offer to combine the best of both worlds.

Consumers are now accustomed to adjusting to new ways of shopping, including automated checkouts, click and collect, mobile payments and same day deliveries.

These adjustments change expectations and behaviours and lead to shopping habits becoming embedded. This report is focused on understanding that process. The first chapter uses recent retail trends data to assess the contemporary landscape of online, high street and omni-channel shopping. Chapter 2 discusses the social factors influencing changing shopping habits in this context. The third and fourth chapters, by Dr Alan Shaw and Dr Esther Pugh respectively, focus on the specific trends of social commerce and buying for resale. The report concludes with some thoughts on the changing relationship between consumers and brands.

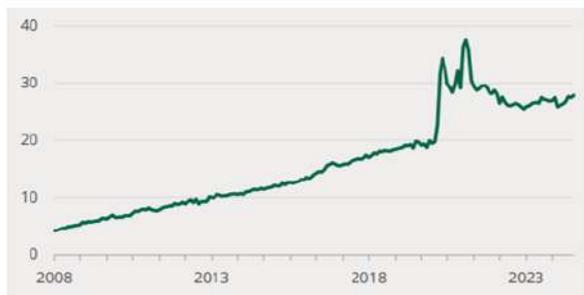
Contemporary trends occur at different levels of focus. A global perspective considers economic developments and their impact on demographic change, lifestyles and attitudes. Another important approach is to consider how access to technology enables consumers to purchase a wide range of goods at any time or place. Finally, social and cultural influences lead to the rise and fall of personal interests and different expectations of retailers and brands. In this chapter, a range of indicators are used to appreciate how different trends overlap and influence each other, and to consider their possible effects for consumers and retailers.

Consumers are now accustomed to adjusting to new ways of shopping, including automated checkouts, click and collect, mobile payments and same day deliveries.



Patterns of Growth Online

The recent pattern of online retail sales will be familiar to many. After steady growth for more than a decade up to 2020, the pandemic created a huge spike caused by shoppers' inability or reluctance to visit physical stores. From just below 20% of all sales just before Covid-19 hit, internet sales peaked at 37% in February 2021 (figure 1)[1]. The Office for National Statistics states that online sales were at 27.7% in September 2024[2]. Growth in the proportion of all sales is expected to continue for the rest of the decade, albeit relatively slowly[3]. In addition, the penetration rate (the proportion of the population conducting online shopping) of the e-commerce market will see significant growth, from 72% in 2021 and 81% in 2024, to 97% by 2029[4]. This means that even if online sales only grow modestly, a far greater number of people will be shopping that way by the end of the decade. Rather than being a normal activity for most people, it will be normal for almost everyone.



Source: Ward (2024); ONS

Figure 1: Internet sales as a proportion of all retail sales (% , seasonally adjusted, Great Britain)

Although the growth in internet sales is a global trend, it contributes a significantly higher proportion of retail sales in the UK compared with many other major economies (table 1). Figures from the Centre for Retail Research show that the UK's proportion of online sales (27%) is significantly greater than the (geographically much larger) United States (19%) and the average for Europe's larger economies (15%)[5].

Country	2012	2022
United Kingdom	10.6%	26.5%
Germany	5.9%	19.6%
USA	9.7%	18.8%
Europe Average (11 countries)	4.8%	15.4%
France	5.4%	14.9%
Spain	2.0%	10.4%
Italy	1.5%	10.2%

Source: Centre for Retail Research

Table 1: Online shares of total retail trade, 2012-2022 (selected countries).



Younger generations, especially Millennials (currently in their late-20s to early 40s) are more likely to shop for groceries online, a trend that usually suggests further growth in the future.

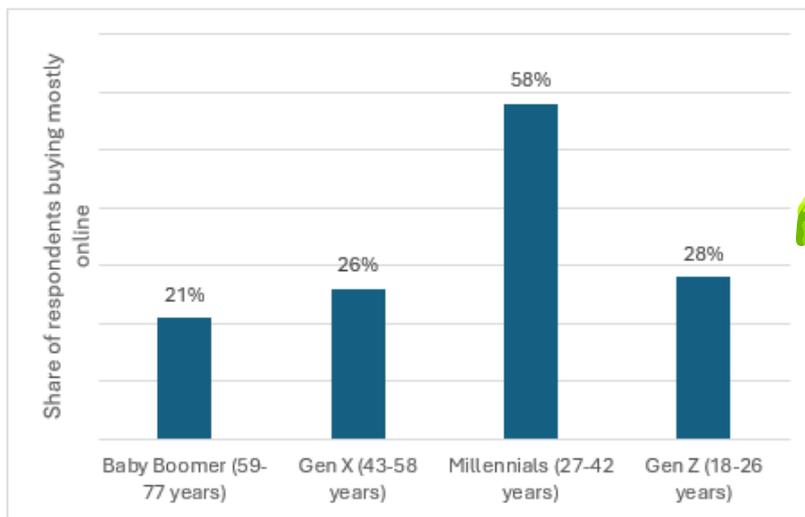
The recent online growth pattern applies to all sectors, with food, clothing and household goods all peaking as a proportion of all sales in 2021 and currently still well above 2019 levels[6]. Despite this, online food purchasing remains much lower than other sectors. The recent online growth pattern applies to all sectors, with food, clothing and household goods all peaking as a proportion of all sales in 2021 and currently still well above 2019 levels[6].

Despite this, online food purchasing remains much lower than other sectors. Internet sales as a proportion of all food sales has been consistently around 9% since mid-2022, although this is much higher than the pre-pandemic proportion of around 5.5%[7] and suggests a significant number of people were converted to grocery shopping online during the lockdowns.

Indeed, around 46% of British consumers are reported as shopping for groceries both online and in-store. Among the rest, 45% shop in-store only and 8% shop only online for groceries[8]. This means that more than half the population do grocery shopping online at least occasionally. Younger generations, especially Millennials (currently in their late-20s to early 40s) are more likely to shop for groceries online (figure 2), a trend that usually suggests further growth in the future.

These trends indicate a major behaviour shift during the last two decades. While it was initially by technological innovation and businesses creating new retail models, the engagement of the public has in turn transformed the retail landscape. The British Retail Consortium states that "the retail industry has adopted new technologies at much faster pace than other industries" and the shift online has boosted productivity in the sector[9]. The cycle of retailer-consumer-retailer influence is likely to continue and create further behavioural shifts among shoppers. However, it is also important to appreciate the impact of these trends on high street shopping.

Figure 2: Share of shoppers buying groceries mostly online in the UK in 2nd quarter 2023, by generation



Source: Statista; Klarna (2023)



The British Retail Consortium states that “the retail industry has adopted new technologies at much faster pace than other industries” and the shift online has boosted productivity in the sector.

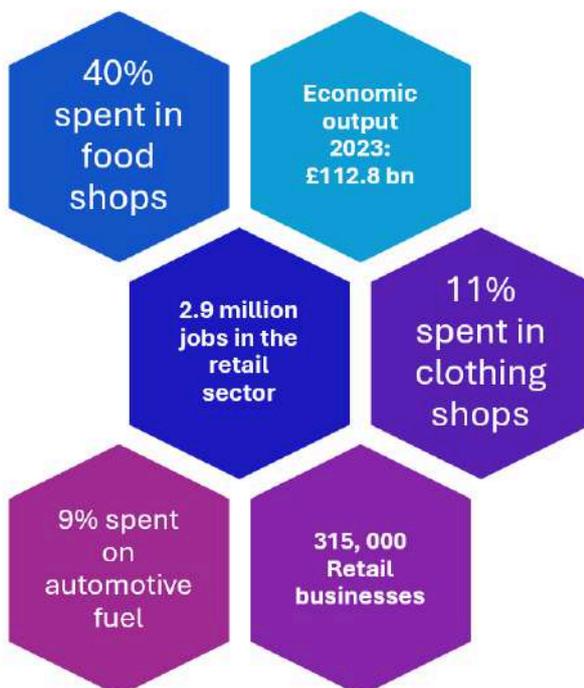


The State of the High Street

It is understandable why some people might perceive high street shopping to be in permanent decline. Shopping online offers greater choice and the convenience of not having to leave home.

As demonstrated above, consumers clearly value this and other features such as ease of searching, reviews and recommendations. High streets have changed visibly during the growth of e-commerce, with major brands closing and a range of services and specialist shops taking their place. Although the retail sector will always be a powerful part of the economy, there is a sense of 'permacrisis', as described by the Centre for Retail Research, driven by low profitability due to high costs and lack of preparation by businesses for the new retail landscape. The pandemic, cost-of-living crisis and a switch in consumer spending to leisure pursuits have all piled on further pressure[10]. It is not just about the growth of online retail; there are some localities where shops have closed and there has been no correlating rise in shopping online.

Figure 3: Current UK Retail Data



Source: Ward (2024); Retail Economics[11]

Despite this, at least seventy per cent of sales happen in stores. Rather than a permacrisis, the current situation could be described as a 'period of flux' in which the sector makes a long transition from bricks and mortar to omni-channel provision. Many businesses have successfully made that alteration and the concept of retail experiences to inspire online consumerism is well established. A report from Deloitte has suggested that "the upheaval facing retail still has some distance to run" with things likely to get worse before they get better[12]. This will involve retailers overcoming the challenge of understanding the role and profitability of individual stores as it can be difficult to quantify the value of interplay between physical and online channels.

Curry's 'Beyond Techpectations' advertising campaign



Retailers are learning more about what channel works best for different categories. The flipped analysis of the grocery shopping figures noted above is that 92% are at least sometimes shopping in stores. The Clear Channel survey also found that most shoppers prefer to shop for groceries in-store because they can assess food quality (63%) and for the immediate availability of the product (53%)[13]. It is also interesting to note that the new Curry's 'Beyond Techpectations' advertising campaign provides a fun take on encouraging online shoppers back into stores, noting the opportunity to see products up close and take home on the same day[14].

The expectation is that spaces previously dedicated to retail are becoming multi-purpose centres to better reflect and serve changing consumer behaviours. The Grimsey Review, published in 2013, identified the need for visionary change to high streets. The follow-up report five years later, stated that:

“There is a need for all towns to develop plans that are business-like and focused on transforming the place into a complete community hub incorporating health, housing, arts, education, entertainment, leisure, business/office space, as well as some shops, while developing a unique selling proposition (USP).”[15]

Making the community hub idea become a reality is likely to take time due to financial constraints for businesses and local government. However, a recent House of Commons report on the UK Retail Sector notes the increase in the number of mixed-use malls that include shops, cinemas and food and drink outlets.

Businesses are also sharing spaces, using 'concession' models such as the partnership between Argos and Sainsburys for click and collect purposes



There has been a growth in personal beauty services such as barbers and beauty salons, and hospitality such as cafes and coffee shops.

and more recently, the return of the Toys R Us brand within WH Smith stores.

Finally, there is a clear shift in the types of shops in retail centres. There has been a growth in personal beauty services such as barbers and beauty salons, and hospitality such as cafes and coffee shops. Meanwhile, the number of banks, post offices and estate agents is falling as people increasingly prefer to engage with these services online (table 2).

Table 2: Top Growing and Declining Retail Subcategories

Top 10 growing	Top 10 declining
Barbers	Banks & Other Financial Institutions
Beauty salons	Public Houses & Inns
Vaping stores and tobacconists	Clothes – Women
Café and Tearoom	Newsagents
Nail Salons	Post Office Services
Restaurant & Bar	Estate Agents
Coffee Shops	Fashion Shops
Pizza Takeaway	Travel Agents
Hair & Beauty Salons	Bookmakers
Health Clubs	Chemists/Toiletries

Source: Deloitte (2021)

The longer-term impact on consumer behaviour could be significant. If high streets and shopping centres evolve further into multi-purpose retail, leisure, events and dining locations, the nature and purpose of consumer visits will alter accordingly. In addition, the growth of convenience stores is part of a pattern of shoppers preferring local shops for smaller and more frequent visits.

Two crises a decade apart – the 2008 financial crisis and the cost-of-living crisis following the pandemic – have boosted the market share of discount supermarkets significantly and the commensurate shift in consumer behaviour is also entrenched. Therefore, short, functional and convenient grocery shopping is normalised, leaving room for more experiential visits in other categories.

Deloitte's report on the potential for high street revival suggests that there are several shopping trends that are opportunities for shopping locations[16]. These include the greater commitment among consumers to smaller independent businesses that have a greater emphasis on localism and provenance of goods. In addition, recommerce, ethical consumerism and independent fashion add to the mix of a revitalised vision for the high street.

Finally, the future of physical shops could have less emphasis on the purchases made and more on the personal benefits and experience of the trip plus social motivations and interactions. In this context, the desires and habits of shoppers, and the way that they simultaneously interact with online and physical stores, reveal much about the current and future state of retail.



An emerging retail trend shows a greater commitment among consumers to smaller independent businesses that have a greater emphasis on localism and provenance of goods.



Omni-Channel Shoppers



The changes outlined above represent fundamental social change as well as being transformative for businesses. Technology has enabled greater convenience and connectivity, altering lifestyles and relationships between people and retailers. It applies to every part of the consumer decision-making process, which is classically defined by five steps: need recognition, information search, evaluation of alternatives, purchase decision and post-purchase evaluation.

Need recognition

Recognition of the need to purchase a product can be as simple as observing that there's no more milk in the fridge or as complex as weighing up when is the right time to move house. Our needs are both hedonic and functional. In other words, the desire for pleasure or a rational need for necessities. A change in circumstances creates new needs, whether that might be starting a family or changing job. Some products, of course, are designed to fulfil a need that consumers might not know that they have. Therefore, businesses have a role in creating need recognition. There is also a profoundly social aspect to need recognition, with consumers inspired to purchase items they see others using and enjoying.

The large rise in home working generated by the pandemic and facilitated by technology for meeting online, not only met a short-term need; it changed habits and working patterns for the long-term. This trend affects meal consumption, such as demand for food-on-the-go, public and private transport usage, purchases of home office supplies and choice of clothing. Table 3 presents survey findings from Attest, which shows that working from home declined slightly between 2023 and 2024, indicating a gradual return to the workplace. Most notable are the falls in the percentage of people working at home for 3-4 days a week (a fall of 6.5%) and 5 days or more (a fall of 3.1%). Many are still working flexibly, which in turn means that consumers will expect greater flexibility from retailers.

Table 3: How many people work from home

	2023	2024
0 days	29.1%	30.8%
1-2 days	14.4%	16.7%
3-4 days	22.8%	16.3%
5 days or more	12.1%	9.0%
Variable	3.9%	5.0%
Don't work	21.9%	22.2%

Source: Attest (2024)[17]



Post-pandemic many are still working flexibly, which in turn means that consumers will expect greater flexibility from retailers.

Need recognition also applies to the way consumers interact with retailers and brands. Attest's research found a significant fall between 2023 and 2024 in people wanting brand messaging to be 'reassuring' (a fall from 45.2% to 40.5%), suggesting that fewer people seeking help with the high cost-of-living. Another apparent response to recent difficulties is more people wanting messaging to be humorous (up from 49% to 55.4%) and motivational (40.4% to 42.7%). Thus, short- to medium-term trends affect consumer interactions and adjustments to communication styles are needed to engage with their needs. Many interactions happen on social media – research in the US suggests that 50% of online consumers in the US use social media to discover products[18] - and, interestingly, Attest found that the two fastest growing channels are the video-oriented YouTube and TikTok. The latter saw a leap from 21% of users interacting with brands in 2023 to 33% in 2024. With around 63% of 18–24-year-olds on TikTok, it seems on a course to become the most important social media channel for brand engagement. YouTube reaches across all age groups and the increase in brand interaction from 41% to 45.5% is also significant.

Table 4: Where consumers interact with brands on social media, 2024

Facebook	51.6%
Instagram	50.3%
You Tube	45.5%
TikTok	33.1%
X/Twitter	25.6%
Snapchat	17.6%
Pinterest	13.6%
Twitch	6.1%

Source: Attest (2024)

Sustainable product choices are an aspect of need recognition that reflect changing social values. Through increasing awareness of environmental problems and their causes, a significant proportion of people feel a need to reduce their personal impact through their consumption choices. The cost-of-living crisis appeared to have dampened some enthusiasm for sustainable consumption as price was clearly the priority. However, there are indications that people are once again willing to pay more for environmentally friendly or ethical products – a 12.2 percentage point increase from 2023 according to Attest's survey.

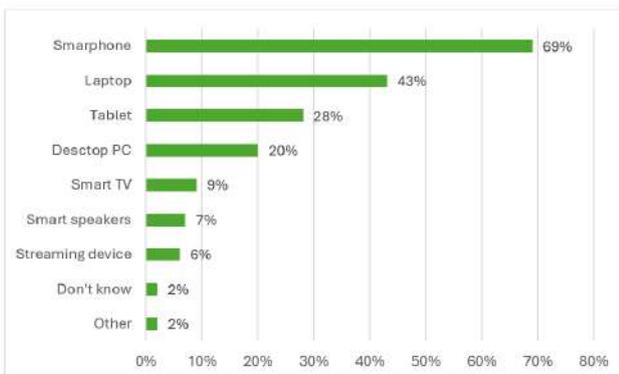
Sustainable product choices are an aspect of need recognition that reflect changing social values. Through increasing awareness of environmental problems and their causes, a significant proportion of people feel a need to reduce their personal impact through their consumption choices.



Information search and evaluation of alternatives

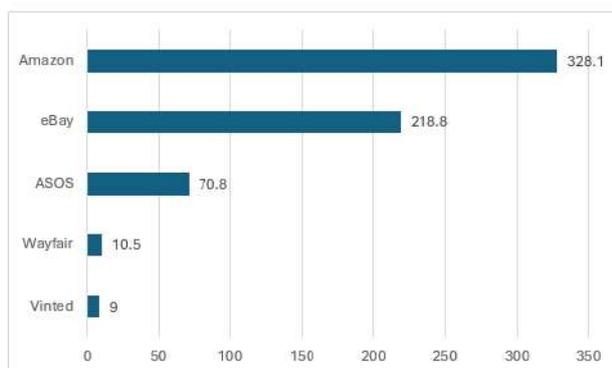
Once a need has been recognised, consumers can begin their information search. There is a huge choice in how people can search, and most people now take it for granted that they can find information whenever they need to do so. The smartphone is now the most used device for online purchases (69% in 2022, see figure 4)[19]. This follows a pandemic-inspired boost that increased mobile usage for shopping across all age groups[20]. Around 30% of UK consumers report that they usually make major new purchases using their smartphone or tablet, while 22% say they use their devices for habitual and recurrent orders[21].

Figure 4: Most common devices for online purchases - UK 2023



Source: Statista, 2023

Figure 5: Leading online marketplaces in the UK, April 2023 (monthly visits, in millions) UK visits in millions



Source: SimilarWeb/WebRetailer; Statista

Source: SimilarWeb/WebRetailer; Statista

69% of consumers use their smartphone for online purchases.

Amazon still dominates online activities, both as an inspiration source and as a marketplace. A 2022 survey found that Amazon was the leading inspiration source for 47% of online shoppers, followed by search engines (32%) and retailer sites (22%). According to one source, in April 2023, Amazon was estimated as receiving over 300 million visits from UK customers per month (figure 5). Other leading sites included eBay (over 200 million visits), ASOS (around 70 million), Wayfair (10.5 million) and Vinted (9 million)[22]. However, definitions of online marketplace vary, and other sources include Etsy, with over 50 million visits per month, and honourable mentions for OnBuy, Zalando, ManoMano and the rapidly growing Temu[23].

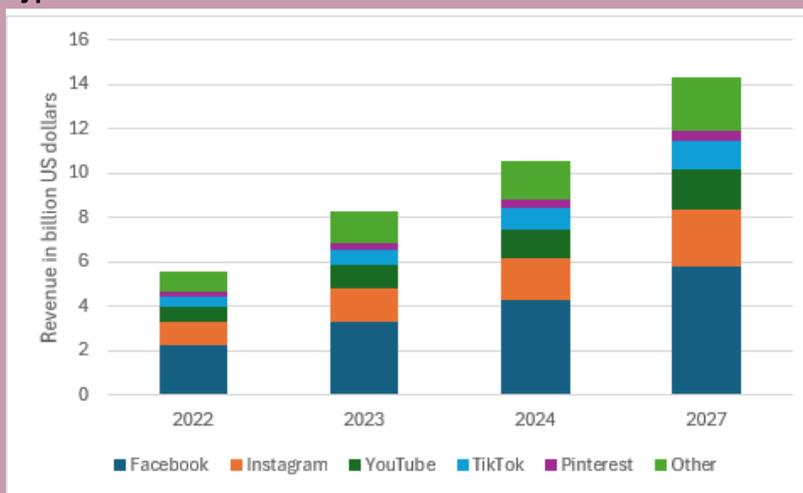


While some retailers have a general offer across many categories, others specialise in areas such as furniture, DIY or fashion. Statista data[24] suggests that just over a third (37%) of shoppers prefer to purchase goods from multiple sellers through the same online marketplace. However, the specialists might have an advantage in the third part of the decision-making process – evaluation of alternatives – by offering more options in a single product category and perhaps being more trusted in their area of specialism. The evaluation process can be determined by perceptions of the retailer.

For example, a Barclays survey found that more consumers (24%) were hesitant to buy from online-only brands than those that also have physical stores (13%)[25], supporting the idea that the high street still has a strong role to play.

With trust a key aspect of shopping online, customer reviews and sharing on social media are popular sources that aid the decision-making process. Half of UK consumers say that they find consumer reviews on the internet to be very helpful[26]. There has also been a significant growth in visits to e-commerce websites that come from social media referrals[27]. In addition, sales directly from social media sites, i.e., social commerce, have seen significant growth, which is expected to continue for the next few years, from around 5.6 billion US dollars' worth in 2022 to an estimated \$14.6 billion by 2027 (figure 6). Current estimates suggest that Facebook will continue to pull in the largest revenue, although it is likely that other sites, such as TikTok, could see faster growth, especially in categories like health and beauty care[28].

Figure 6: Social commerce revenue in the United Kingdom (UK), selected years, by platform



Source: Statista (2023)[29]



Sales directly from social media sites, i.e., social commerce, have seen significant growth, which is expected to continue for the next few years

Social media and influencers are possibly driving a fragmentation of the decision-making process. Autonomous information sources for need recognition, searching and product evaluation help to diminish customer loyalty by offering perspectives that are mostly independent from brand and retailer messaging. This feeds into another key trend; the expectation for meeting personal needs[30].

Digital technology has helped to shift personalisation from a novelty to an expectation. Innovations such as augmented reality can aid that process and evidence from the United States suggest that many consumers (71%) would shop more frequently from a retailer if they could use AR apps[31].

Purchase and Post-Purchase Evaluation

The growth of omni-channel shopping has also changed the final two phases of the decision-making process. People have more choice in how to pay, how they want the product delivered and can influence retailers through reviews and social media interactions. Consequently, consumers are more entrenched in a retail system that emphasises convenience along with constant communications on brand values, latest offers and other purchase inspirations.

While many of the trends mentioned in this chapter are well-established aspects of daily life, it is worth reflecting on how much these developments have altered consumer expectations and purchase behaviours. The rest of this report focuses on some trends that help characterise the modern consumer through social commerce, buying for resale and, firstly, the social aspect of retail.



People have more choice in how to pay, how they want the product delivered and can influence retailers through reviews and social media interactions.

Consequently, consumers are more entrenched in a retail system that emphasises convenience along with constant communications on brand values, latest offers and other purchase inspirations.

Chapter 2: Social norms and shopping



Introduction

Social, economic and cultural events shift the demand for products and the way that they are consumed. The previous chapter demonstrated that these factors are evolving constantly, driven by technological advancements, economic necessity, cultural influences and other significant global events. This chapter looks at how social factors affect consumer behaviour within the contemporary retail landscape.

Explanations for consumer behaviour often focus on individuals' emotional and rational responses to commercial stimuli. Consumers use their tastes, preferences, past purchases and beliefs about what makes a good product to make decisions. Some salespeople believe all purchase decisions to be made emotionally and then justified later using logic[1]. Our future intentions are formed by an emotional appraisal of past experiences[2].

Anticipated emotion – the feelings consumers expect to have after making a purchase – could have a greater influence than the emotion felt at the time of purchase. These may differ according to the beliefs that shoppers have about the benefits of buying a product, based on differences in taste and experience but also ethical and environmental orientations. Some attitudes change over time. Recent global events are likely to have had an impact on values and beliefs, generating new consumer behaviour trends[3]. Individual perceptions of the attitudes of others, especially those closest to us, are important in the retail setting because the feeling that someone else might approve or disapprove of a purchase could influence consumer decisions. These attitudes are likely to be influenced by wider social norms.

Social Norms

Social norms are the unwritten standards of behaviour that are shaped by culture and society[4]. Consumers will often align their actions with what they perceive to be acceptable or typical within their social reference group. It is linked to the need for a sense of belonging and can lead to choices that do not actually match an individual's own preferences. An example is the need to conform to current fashions, even if it does not fit a person's own style. Social norms can have positive impacts, like inspiring people towards healthier lifestyles or raising awareness of useful products.

As with individual values and beliefs, sustainable shopping is a good example of how changing social norms influence consumer behaviour. Greater availability of environmentally friendly products increases consumption and subsequently awareness of sustainability as a socially acceptable or typical behaviour.

Retailers sometimes leverage such norms with statements about how many people are choosing to buy the sustainable option and by providing extra product information to emphasise their own compliance with new social standards. Creating a bandwagon effect is akin to tapping into social norms, as is the use of relatable advocates or influencers, to which targeted segments of consumers can align themselves.



Social norms vary across time and sub-cultures. This is apparent in the way that values have changed and have become more polarised as social media has reinforced attitudes among like-minded groups. This could mean that social norms are dispersing according to different lifestyles. A study into social norms and consumer behaviour has found that the expectation of social disapproval more influential on behaviour than approval[5]. People were less likely to react against a social norm when they perceived that society disapproves of a particular behaviour. In contrast, people are more likely to resist being encouraged to engage in a socially approved behaviour as they might perceive this as a restriction on their freedom.

The distinction also applies to difference in cultures, notably in public health communications. In some countries, for example, it would be more effective to say that wearing a mask is socially approved in western countries whereas in societies with lower expectations of personal freedoms it would be better to state that not wearing a mask is socially disapproved. Finally, the research suggests that social norms are more powerful when associated with people who are closer to us. Therefore, micro- or nano-influencers with a loyal but niche following could be more influential than higher profile celebrity influencers.

Social and Cultural Factors

The interest in consumer behaviour among sociologists comes from the insights it provides on relationships between people and themes like politics, economics and power. For example, an article in the journal *Consumption and Society* focuses on the value of studying 'everyday life' or 'everyday consumption'[6]. These demonstrate how the social world is experienced, in terms of places, moments and routines. Identifying the relationship between everyday consumption and social dynamics helps in understanding how social change will alter consumer preferences and habits.

Sociological research tends to focus on social 'institutions' such as the family, culture, peer groups (those with similar interests and likely to be of a similar age) and reference groups (those who an individual relates themselves to psychologically or aspires to be part of). Studies on fashion have found that all these groups have a significant influence on consumer buying behaviour. Culture was the most significant, followed by family, reference group and peer group[7].

Figure 1: Sociological factors in consumer buying behaviour (Adapted from: Etuk et al., 2022[8])



The relationship between culture and consumer behaviour has many nuances. Research that used a global perspective on the topic[9] highlighted the impact of globalisation on aspects of culture such as values, language, rituals, and norms. Global economic developments facilitate the spread of ideas, brands and products between cultures. There are also countertrends such as the protection of cultural identities that are threatened by globalisation and greater divergence of cultural interests within countries, driven by the ability to connect with reference groups around the world. Despite these developments, there are continuing differences in the way different cultures assess and value product attributes such as quality, authenticity and craftsmanship. Cultural norms can still dictate choices of clothing or entertainment, based on ideas relating to modesty or conservatism, or conversely more liberal attitudes.

Global economic developments facilitate the spread of ideas, brands and products between cultures.

Outside more academic sociological discussions, blogs on business-focused websites also note that social trends such as technology acceptance, demographics and changing attitudes and habits all influence outcomes for retail businesses[10]. Social influence is acknowledged as one of the most prominent factors affecting consumer behaviour, manifested through reference groups, subcultures, social class and social norms[11]. These articles recommend that businesses understand how social and cultural factors interact with psychology, personal profile, technology and economic factors to determine consumer behaviour[12].



Influencers, Social Media and Global Trends

The recognition of social influences on consumers is why influencers are seen as so important by contemporary marketers. Celebrities have been engaged to endorse products because they are effective proxies for the lifestyles with which brands wish to associate. The rise of non-celebrity influencers has happened because they are seen by consumers as more authentic than celebrities. It is easier for people to associate them with their own lifestyle aspirations and as they can see elements of a common culture, class or interest group.

Influencers both reflect and help to trigger social change. Their popularity is determined by their ability to tap into people's current interests but by doing so they also generate new interests and ideas. A recent trend is for influencers to become even more specialised, with many consequently seeing higher engagement rates[13]. This includes sharing information on food trends, with consumers increasingly interested in products for nutrition and digestive health and food with lower environmental impact.

Social commerce builds on social media's ability to connect with target markets and provide authentic content (see also the following chapter by Dr Alan Shaw). Customers now buy directly from social media sites. It offers retailers extensive reach and the ability to tailor marketing to targeted segments. It is also cost-effective, and the interactivity enables businesses to gather insights from customers[14]. Social commerce platforms like Instagram shopping and the TikTok shop have streamlined the journey from the usual social media role of raising awareness to brand engagement and purchases all from the same online location. It enables connections with other marketplaces like Spotify and brands will increasingly link user-generated content to their products. The creativity of content creation on TikTok also generates a seamless link with advertising[15].

According to Shopify, 60% of Gen Z TikTok-ers follow brands on the platform and more than half search or shop for products on the app. Many users say the app has inspired them to shop even when they were not consciously searching. They report a deeper connection with brands on TikTok, with the best ones seen as those that work on ideas with customers. This represents a new type of relationship between consumers and brands or retail. It has been enabled by technological innovation that is based on an understanding of the importance of forming a close connection that is based on shared interests and values.

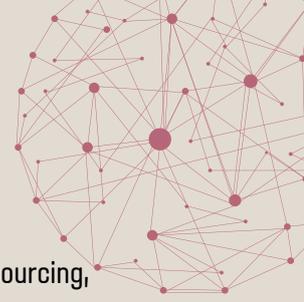
In addition to social media, four other issues that are frequently discussed in research are illustrative of social trends associated with the contemporary retail landscape:

1. Global trends
2. Generational differences
3. Circular shopping, especially in fashion
4. Technological innovation, including artificial intelligence



Social commerce builds on social media's ability to connect with target markets and provide authentic content.

Customers now buy directly from social media sites. It offers retailers extensive reach and the ability to tailor marketing to targeted segments.



Global Trends

There are plenty of examples of global trends that affect social attitudes and consumer behaviour. Recent wars have had a significant impact on the supply of commodities and products, with further implications for prices and the cost of living. Climate change also has multiple impacts. These include reduced food supplies due to significant unprecedented weather events or changes by businesses and governments to reduce the reliance on imports and make national economies less vulnerable to external change. Awareness of environmental issues has also become important for many people and purchasing sustainably is becoming a social norm in some categories or consumer groups.

This is leading to innovations in product sourcing, sustainable packaging and communications on this issue. Finally, changes to trade arrangements will also affect the price and availability of goods from abroad. The United States Government is set to increase tariffs on imports, a move which is especially critical for the UK since it has left free trade arrangements with the European Union. These issues could alter the availability of goods that consumers have come to expect. Short-term changes in shopping priorities can lead to longer-term habits as individual strategies become normalised.

Generational Differences

Generational analysis is attractive because it both shows how different age groups influence social change and reflects how social change applies to different age groups. It is easy to exaggerate age differences as the oldest of one generation is likely to have more in common with the youngest of the previous generation compared to the youngest of their own age category. Nonetheless, it is useful to consider differences in shopping habits between the four main generations. A survey of US consumers by market experts Hubspot helps to characterise each segment[16]. Baby boomers (aged 55+) and Generation X (35-54) differ in that the younger group are much more likely to use social media to discover new products. Boomers are still drawn to TV adverts and physical stores, although they do plenty of internet searching. Neither of these older age groups tend to use in-shop apps, which are popular among Millennials (25-34) and Gen Z (18-24). The two younger generations are similar in their use of influencers for product searching. Gen Z are more likely to be reached through adverts on streaming services whereas Millennials still slightly favour cable TV in this regard.

Over the four generations, the younger consumers are more likely than older groups to expect that companies take a stance on social issues such as racial and gender inequality or climate. These observations demonstrate that although all generations are fully digitally engaged, there are differences in how they do it and that is likely to be influenced by the technologies and services that were available in their early lives. Attitudes to social issues are not generation specific although the actions of businesses in recent years is likely to be behind the differences in expectations.



Circular Shopping, Especially in Fashion

As already discussed, the demand for sustainable products and services is rising. The fashion sector has seen the growth of two conflicting trends – fast and slow fashion, which have quite different reputations for sustainability. Fast fashion encourages short-term use of items, which arguably encourages a throwaway culture in which clothing with low value is imported long distances and replaced after just a few weeks. Slow fashion is in some ways a reaction to this, with clothes designed for long-term use and a growing segment valuing the opportunity to buy second hand goods, either in charity shops or, increasingly on resale apps (see Esther Pugh's chapter on buying for resale). Brands are also embracing this trend. Levi's, for example have a resale section for revitalising its lightly worn merchandise[17].

Those aware of the environmental impact of the fashion industry can reduce their personal environmental footprint through changes in purchasing behaviour towards reusable goods with greater durability. However, sustainability is not the only motivation to buy second-hand goods. Others include saving money, nostalgia and style-consciousness[18]. Each of these interacting trends can be linked to social norms. The greater acceptance and normalisation of sustainable shopping will mean that fewer people will be reluctant to buy second-hand or nostalgic clothing. The continuing cost-of-living pressures also make frugality more fashionable, further driving sales of second-hand goods. Frugality also maintains the success of fast fashion, however, and businesses like Shein and Temu will continue to succeed with competitive offerings on price, customer experience and speed[19].

The greater acceptance and normalisation of sustainable shopping will mean that fewer people will be reluctant to buy second-hand or nostalgic clothing.

The continuing cost-of-living pressures also make frugality more fashionable, further driving sales of second-hand goods.



Retail Technology and AI

Technology drives social change, and innovations are often first experienced through retail, either in new products or in the way they are purchased. Augmented reality and virtual reality techniques are likely to boost retailers' capacity to connect with customer needs, especially online. By helping people try products virtually, these applications can combine convenience with the in-store experience[20].

Artificial intelligence is the current area of greatest innovation and retailers are still working on the best way to use it. Customer service is one way, with customers now accustomed to using chatbots and benefitting from the personalisation of products and services. This includes AI-powered assistants in the DIY sector to help customers with their home improvement projects [21].

The social impact of the normalisation of human interaction with AI, is still to be ascertained. However, the examples of other technologies tend to suggest that people will adjust quickly and learn to use AI-powered retail to their advantage. The greater insight into their customers that retailers can glean from AI analytics could also be a crucial change driver. Anticipating demand improves supply efficiency, which is already being boosted by AI in streamlining operations[22].



Social shopping in the current landscape: A charity shop case study

In the fashion retail setting, there is arguably a stronger social element to shopping behaviour than in other sectors such as groceries. The social aspect is a key component of the enjoyment that shoppers experience. Research indicates that companions have a positive impact on shoppers on the experience and on purchase decisions[23]. The positive effects of shopping with a companion include engendering a positive mood and increasing satisfaction with the shopping experience, which in turn increases the likelihood of word of mouth and repurchase intentions[24] [25]. Couples shopping and making purchase decisions together also increases the number of items purchased and purchase value (quantities selected multiplied by the corresponding willingness to pay)[26]. Such findings suggest that there is value for retailers in encouraging couples to shop together.

The shopping mission – whether or not the shopper has a specific objective – is known to determine part of the relationship between the positive emotions engendered by companions and satisfaction with the shopping experience. Although shopping without an objective might be a more positive social experience, companions also can have a positive role in enabling shopping to achieve a specific shopping goal by 'providing assistance and supporting the purchase decision'.



Couples shopping and making purchase decisions together also increases the number of items purchased and purchase value. Such findings suggest that there is value for retailers in encouraging couples to shop together.

Companions are just one potential social influence on shoppers. There are various types of shopper journeys and potential for diverse and extended processes towards the purchase decision[27]. An individual's willingness to be influenced by others, including the use of social networks for validation, is a key aspect of such journeys. Considering such complexities, researchers have attempted to categorise the roles of companion shoppers[28]. Active social influences include direct interactions with third parties, including salespeople or friends shopping together. A passive social influence is a one-way social experience in which a customer is influenced by social information present in the retail environment, such as the mere presence of other customers.

These influences are more in the sub-conscious and characterized as a background or atmospheric influence. In addition, a qualitative study of the shopping experience found that companions typically fulfil three roles – protecting the consumer from decision-making risks; providing services for the consumer while in the store; and acting in the interests of a retail salesperson[29]. They do this by giving their opinions on products, helping companions find alternative products for comparison and narrow down their choices or encouraging them to try clothes on or make a purchase decision. These observations suggest a potentially significant amount of influence from shopping companions, especially in the fashion setting in which views of others, either current or anticipated, plays an important role.

Observations of an Oxfam Pop-Up Shop

The Retail Institute took the opportunity to observe this kind of shopping behaviour during a pop-up Oxfam charity shop that was open in Leeds Business School over two days in early 2024. The observations taken during the time of the pop-up shop recorded types of social interaction – general chatting and enjoyment, and interactions over clothing and other goods. A few examples were recorded of pairs or groups 'chatting and laughing'. This of course suggests a positive mood indicating that shoppers were enjoying the pop-up shop. There were also several noted discussions over items on sale in the shop, as the following observations show.



One of the pairs who were interviewed had been observed having similar discussions about clothes as they went around the shop. They were asked to reveal what they talked about. The response provided insight into the way companions might influence and aid decisions:

“[We were] just deciding if ... I actually like it or do I just like it because it's slightly cheaper. Do I need it, more to the point? And I got convinced I don't need it. So, I mean, we both know each other's preferences very well. So, coming in today, we knew we'd buy something because she saw that jacket. She's like, Yeah, that's you. And then when she was looking at things [that] she was torn between, I'm just like, 'You look nice, and I will get it for you instead'.”

- Trying on jackets; looking at the books - picking some up and talking about them; casual browsing; briefly split into 2 pairs; looking at trousers - labels for sizes, pulled out and looking together; moved to another part of the shop and back again
- Pulling out items, showing to friends; interaction with staff, generally cheerful; looking at prices; chatting and laughing together; taking photos holding garments; carrying quite a few items then putting some back - sorting choices (which to buy or put back), discussing with friend; going to changing rooms to try things on
- Working through each rack, looked at each item before moving on; asked to try on jacket, discussed with friend in mirror what they thought; went on to try on shorts, brought friend with them

Others valued having the opinion of a friend to call upon when deciding what to buy:

“I’m going on holiday in the summer and I was [looking at] what sunglasses look nice. So I was just sharing sunglasses do I suit and asking [my friend]. Because you didn’t really know how it looks like really on you [so you need] someone else’s opinion really. Yeah, just like does that suit me, is it worth the money, things like that.”

“I think it helps going with a friend just to be like, ‘Oh, do you think I look good in this’ and [my friend] was like, ‘Oh, I don’t know if I should’ and then we were like, ‘Oh no, you definitely you’re gonna walk away and regret it’ so I just I was thinking about buying one thing and I ended up buying three ... I think going with friends definitely influences [you].”

Some of these interactions could happen in any shop. Friends provide reassurance, encouragement and, sometimes, a check on impulses that might be regretted later. There is also a specific charity shop element to the discussion, with recognition of the uniqueness of the items adding some anticipation of future feelings or the knowledge that the product is cheap, and the money goes to charity tilting the decision in favour of a purchase.

It was also noticeable how much browsing the stock involved the use of mobile phones. This included taking photos of items, calling friends about meeting at the shop and looking up prices of the goods online to make a comparison. This demonstrates both the social aspect of shopping and the embeddedness of the internet in all shopping behaviours. Photographs have multiple purposes in this setting. Customers can use them as a reminder of items they have seen or tried on so that they can compare them with other items elsewhere or to give them more time to make the purchase decision. They are also likely to share things they have seen on social media, which, as noted above, is increasingly important to the retail ecosystem. Sharing pictures online is part of shoppers' process of developing a personal image through raising awareness of different styles and getting feedback from their peer groups; in other words, seeking social approval.



Finally, looking up items online is now a standard shopping method, especially in sectors like fashion. It is an example of how consumer behaviour has developed from shopping around only in physical stores, to looking things up online before or after shopping trips, to shopping online and in-store simultaneously. The social aspect of these practices is now fully integrated into the process. The following two chapters look at two more growing consumer practices that are becoming embedded in common shopping patterns.



Sharing pictures online is part of shoppers’ process of developing a personal image through raising awareness of different styles and getting feedback from their peer groups; in other words, seeking social approval.

Chapter 3: Social Commerce

How social media is being used to promote and sell

By Dr Alan Shaw



Introduction

In the contemporary, rapidly evolving, and digitally-driven global landscape, enterprises are confronted with novel challenges and opportunities, particularly concerning how consumers make purchasing decisions. The modality by which individuals procure products has undergone a profound transformation, propelled by what scholars term "electronic word of mouth" (e-WOM), or the phenomenon of online influence. This paradigm shift has given rise to social selling or social commerce. It is a potent strategy that empowers businesses to forge connections with consumers and cultivate trust entirely through online social media interactions.

e-WOM can have a profound effect on purchasing decisions. There are underlying psychological mechanisms at play, which this article will elucidate. It will also demonstrate how enterprises can harness the power of social selling to amplify their online influence and augment sales: I demonstrate this with examples from the charity that I ran. By analysing these factors comprehensively, I hope to provide valuable insights that can inform strategic decision-making and contribute to the ongoing discourse surrounding the evolving landscape of consumer behaviour in the digital age.

The Rise of e-WOM

Word-of-mouth selling has long been recognised as a formidable marketing instrument; however, with the advent of the internet, it has metamorphosed into a significantly more influential force. In the present day, online reviews, social media posts, and even casual remarks on forums or blogs possess the capacity to sway purchasing decisions, often extending far beyond the realm of traditional face-to-face interactions. This digital manifestation of word of mouth, colloquially referred to as e-WOM, is remarkably potent. Scholarly research dating back to 2004, such as Hennig-Thurau et al.'s [1] seminal study, demonstrates that online recommendations exert a direct influence on consumer choices. For instance, consider the most recent occasion on which you procured an item online. Did you peruse the reviews prior to making your purchase? If so, you are not alone. According to empirical studies, a single positive review has the potential to sway the decisions of hundreds, if not thousands, of prospective buyers.

In the present day, online reviews, social media posts, and even casual remarks on forums or blogs possess the capacity to sway purchasing decisions, often extending far beyond the realm of traditional face-to-face interactions.



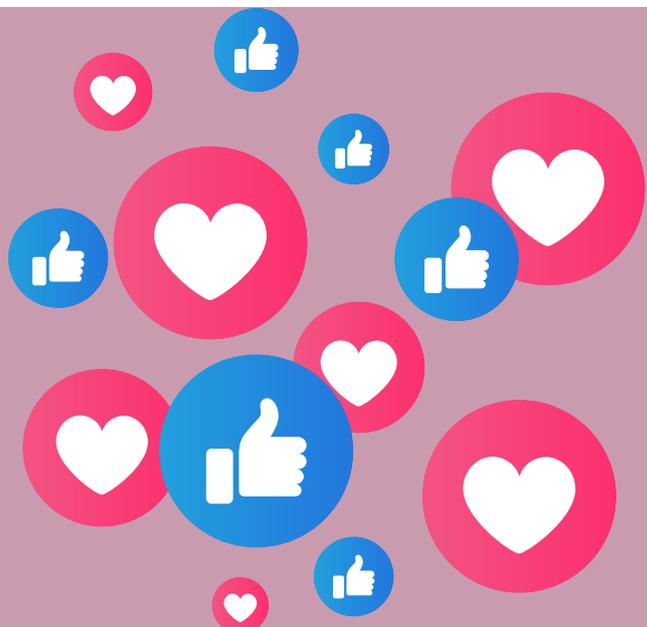
Conversely, a negative review can prove equally detrimental. The efficacy of e-WOM can be attributed to its rapid dissemination. A comment or review posted online has the potential to be viewed by thousands of individuals within a matter of hours. This has engendered an environment in which customer feedback wields immense power. For enterprises, this can prove to be a double-edged sword; while positive reviews are tantamount to striking the marketing jackpot, negative feedback can swiftly escalate into a public relations catastrophe.

Figure 1 shows examples of electronic word-of-mouth (e-WOM) marketing in action. The image is a collage of LinkedIn posts made by Dr Trudi Deakin, the CEO of X-PERT Health, a UK-based diabetes charity that I chair. Her post illustrates her activities to support diabetes education in the United Kingdom. The concept of e-WOM selling (or social selling) is a powerful tool for small charities to expand their reach, build trust, engage supporters, and maximize their impact with limited resources. When an individual or organisation has a strong online influence, their e-WOM can have a significant impact on the purchasing decisions and perceptions of others. But what is online influence? The next section will explain this in detail.

Figure 1: Examples of e-WOM from X-PERT Health.



e-WOM examples from X-PERT Health



The concept of e-WOM selling (or social selling) is a powerful tool for small charities to expand their reach, build trust, engage supporters, and maximize their impact with limited resources.

The Three Types of Online Influence

Online influence manifests in three primary forms: expert opinions, direct referrals, and online consumer reviews. Expert opinions (as illustrated in Figure 1) are endorsements from recognised authorities in a particular field. These endorsements can wield considerable influence over consumer choices. Direct referrals occur when an individual within one's network recommends a product or service.

This might arise from a friend sharing a post about something they discovered on one of the many social network platforms you both frequent. Personal referrals carry substantial weight due to their origin from trusted sources.

Finally, online consumer reviews are the feedback one encounters on platforms such as TripAdvisor or Amazon.

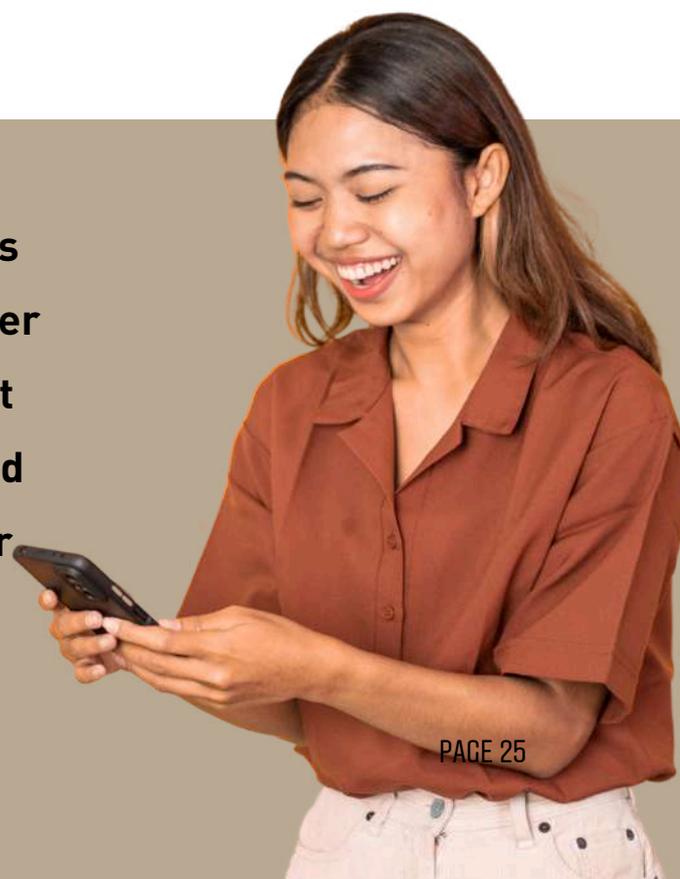
These reviews are left by individuals with whom you have no personal acquaintance. Trust in these reviews is garnered by virtue of their sheer volume and visibility. The greater the number of positive reviews a product receives, the more likely individuals are to place their confidence in it, even if they lack a personal connection to the reviewers.

The Psychology Behind Online Influence

Online reviews and recommendations significantly impact consumer behaviour, a phenomenon that can be explained by psychological theories such as the Elaboration Likelihood Model (ELM) and the Information Adoption Model. ELM posits that information is processed either centrally, through careful analysis, or peripherally, based on emotions and gut feelings [2].

The Information Adoption Model emphasises the importance of source credibility, with influencers playing a pivotal role in shaping opinions [3]. Influencers, or "opinion leaders," are a modern manifestation of Katz and Lazarsfeld's Two-Step Flow Theory [4], which suggests that information flows from the media to opinion leaders, who then disseminate it to the general public.

Successful social selling strategies hinge on understanding the customer and creating engaging content that seamlessly integrates products and services with the overall customer experience.



In the context of social selling, companies leverage influencers to build trust and long-term relationships with target audiences, ultimately driving sales. Successful social selling strategies hinge on understanding the customer and creating engaging content that seamlessly integrates products and services with the overall customer experience. Measuring success requires focusing on meaningful metrics such as engagement rates, website click-throughs, and conversion rates.

The global e-commerce market is expected to reach \$6.3 trillion in 2024, up from \$5.8 trillion in 2023. This represents a significant 8.76% year-over-year increase. Looking ahead, projections indicate the market will expand to approximately \$8 trillion by 2027, growing at a compound annual growth rate (CAGR) of 7.8% between 2024 and 2027 [5].



Direct referrals occur when an individual within one's network recommends a product or service. This might arise from a friend sharing a post about something they discovered on one of the many social network platforms you both frequent. Personal referrals carry substantial weight due to their origin from trusted sources.

Conclusion

Social commerce and electronic word-of-mouth (e-WOM) have become increasingly important in the digital landscape. The rise of e-WOM, which includes online reviews, social media posts, and expert opinions, has a significant impact on consumer purchasing decisions. This influence can be explained by psychological theories such as the Elaboration Likelihood Model (ELM) and the Information Adoption Model.

Companies can leverage social selling strategies to build trust and long-term relationships with their target audiences, ultimately driving sales. Successful social selling involves understanding the customer, creating engaging content, and measuring success through meaningful metrics like engagement rates and conversion rates.



Chapter 4: Buying for Selling

A new decision-making model for circular fashion buyers and sellers

By Dr Esther Pugh

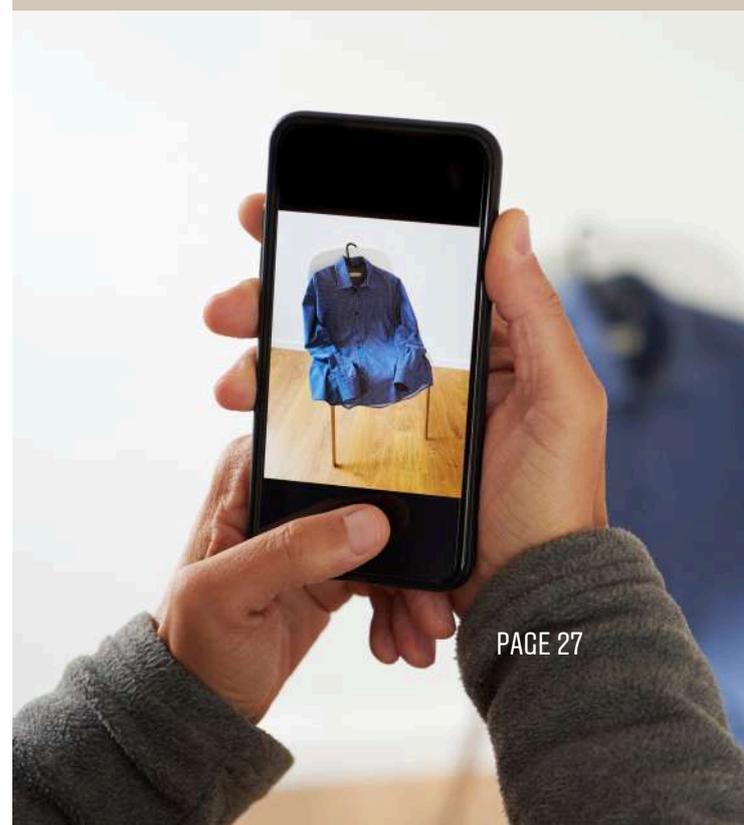
With the sustainability impacts of the global textiles and apparel supply chain being well documented, both industry and individuals are making changes to reduce their environmental and social footprint [1]. Clothing take-back programmes, the development of new yarns and fibres using recycled plastics, repurposing of unwanted garments, and consumer education regarding clothing sustainability have become more prevalent [2]. Despite these efforts, overconsumption has continued to prevail [3]. However, a major shift is occurring in fashion consumption today. Disposition is becoming just the start of a garment's journey through multiple cycles, and the end of a garment's first life with its first wearer, leads on to multiple future lives. Rising living costs and increasing environmental awareness are fuelling this, so that peer-to-peer selling is fast-accelerating.

This chapter explores the shifting dynamics affecting clothing consumption decisions, which in recent years have led to increasing numbers of consumers selling their own discarded garments online. Influenced by easy and convenient resale apps, awareness of sustainability, and excessive over-consumption, people with too many clothes, now sell items easily for personal gain but also to pursue entrepreneurship and become semi-professional buyers and sellers of second-hand products. The Thredup Resale Report [4] predicts that the second-hand market will more than double by 2025, and a large part of this is peer-to-peer resale. Platforms like Depop, Vinted, Vestiaire, and eBay have revolutionized the second-hand market, enabling fashion buyers to become fashion sellers.

The clothes they sell are either used and discarded, or never worn, new with tags. In this booming market, there are two types of sellers, the serious leisure fashionistas [5], who approach purchase with resale profit in mind, and the casual seller who buys to wear, but knows they will have the option to sell later, after enjoying their garment.

It is widely established that consumers travel on complex journeys when engaging with product and service offerings [6] [7].

It is predicted that the second-hand market will more than double by 2025, and a large part of this is peer-to-peer resale.



These are traditionally mapped out in chronological stages of pre, during and post purchase, in a largely linear fashion, such as the Consumer Proposition Acquisition Process Model [8]. Social media has made the internet like a digital coffee shop, where experiences and stories are shared between people. This poses challenges for brands, who must embrace the new reality that their identity is co-produced by people rather than by marketing strategies alone [9].

Today this includes the fact that branded clothing, some never worn, is being sold on Instagram or TikTok, or via third-party apps such as Vinted, eBay and Reliked, instead of from their original retail stores. The huge volume of clothing consumed today, especially in Western countries makes it a primary example of a material culture [10]. Buyers often have excess, and a constant supply of clothes to sell. From the buyers' perspective too, rare items, garments that have already sold out in store, designer brands at affordable prices, or vintage apparel from particular eras, can be sought via reselling platforms.

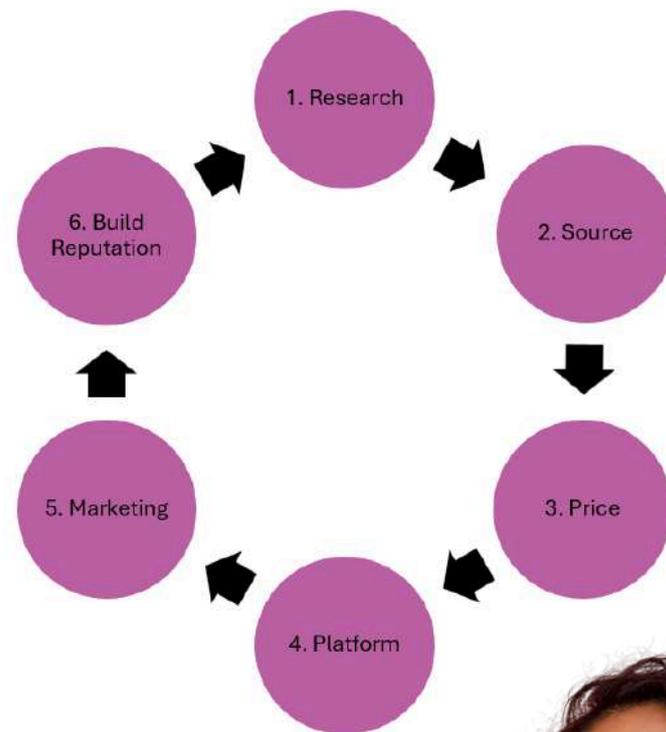
The linear decision-making process assumes a single step-by-step process, leading to ownership.

Decision making process (Source: Lemon and Verhoef 2016)[11].

- Stage 1: Problem or a need: Desire for something new to wear.**
- Stage 2: Information search: Visit stores, or look online.**
- Stage 3: Evaluation of Alternatives: Compare products side by side.**
- Stage 4: Purchasing Decision: Decision to buy, followed by payment and delivery choices.**
- Stage 5: Post-Purchase Evaluation: Am I satisfied? Will I keep it, or return?
Writing reviews and sharing experience via word of mouth and electronic word of mouth.**

Now that clothing resale opportunities exist; this process has become cyclical and iterative and includes numerous decisions based on potential resale.

Resale Decision-Making Process



Step 1: Research

Research the market such as climate, seasonality and current trend

Step 2: Source

Source garments in sales, or buy large sizes that are less commonly available, use charity shops to find. Adopt a commercial attitude to quality, rarity, age, brand and style, in order to acquire garments likely to sell.

Step 3: Price

Decide margins. Does the price you are paying for it, leave enough room for a healthy profit? When pricing garments ensure you are setting the price at an optimum level so it will sell. Allow room for buyers to make offers. Some garments improve with age, such as leather jackets, and some brands are considered more beautiful when they have the patina of age, such as Barbour and Burberry [12], and should be priced accordingly. Other brands like Shein, Temu and Primark epitomise Fast Fashion and have little value in the second cycle of life, due to the poor quality of the fabrics and stitching. If you have already worn the garment, you should expect not to make money on it, just recoup some, whereas if it is unworn and in its original packaging it will probably make a profit.

Step 4: Platform

Platforms. Choosing the right platforms for sale is key. Some platforms are better for high street, others for premium and luxury fashion.

Step 5: Marketing

Market the garments with well-written detailed descriptions and photographs. Ensure garments are clean and in good repair.

Step 6: Build Reputation

Build a positive reputation by packaging items well, sending promptly, writing feedback and responding to messages.

As shown above, fashion buyers are approaching purchase with resale in mind, either as professional sellers or simply to make room for new clothes in their wardrobes. At every stage of the customer decision-making journey this affects their choices.

Victims of this trend could be charity shops, who may no longer benefit from quality donations, because these have been sold instead. Advantages include that the clothes, instead of going into landfill, will enter new lives in other wardrobes and may be sold multiple times, increasing their longevity.

Victims of this trend could be charity shops, who may no longer benefit from quality donations, because these have been sold instead.

Into the future, it seems likely that clothing resale apps will continue to innovate, improving their user experience further by incorporating artificial intelligence and delivering improvements in virtual try-ons and visual search for example [13]. Ardent fashion consumers struggle to buy less, so they will continue to exercise buying with selling in mind, fundamentally changing many consumers approach to shopping.



Report Conclusions

For any business producing or selling products for consumers, understanding how their attitudes and behaviour are formed is vital for maintaining a successful operation. This report has focused on how the changing retail landscape, in combination with broader social, economic and technological trends, changes consumer behaviour. Of particular interest is how shoppers firstly transition, either due to a change in circumstances or through the availability of new products or services. Whether that new action becomes a habit depends on its value to the individual. However, social mechanisms are significant in normalising or standardising new behaviours.

These patterns have been especially prevalent in recent years. The first chapter demonstrated that the shift to online retailing has been uneven and meandering. While some sectors have adapted swiftly to e-commerce, in others, including grocery, consumers are more reticent to make the change. While events such as the pandemic or the cost-of-living crisis accelerate change, many shoppers revert to old practices when the crisis passes. Nonetheless, more people have become omni-channel shoppers, choosing different methods depending on the shopping mission. Physical shops will continue to have a role, but retailers are still adjusting the purpose of their stores, based on the preferences and needs of their customers. The changes in the retail landscape happen within the context of, and contribute to, social change.

Chapter 2 looked at social influences on shopping in recognition of the influence of social norms on consumer motivations. Evidence of this comes from differences across time and cultures. Everyday life is a manifestation of social change as lifestyles evolve and daily routines reflect new circumstances. Consumers are most influenced by people to whom they can relate most easily, whether that is peer groups, family or micro-influencers with shared interests. This is acknowledged in the greater priority retailers give to social media. As the most effective way of interacting with target segments, social commerce could now offer the fastest route to transactions. It is also important to remember that retail innovation takes place within global trends that affect the price and supply of goods. Shoppers have had to make many adjustments in response, and this makes it harder to pursue other goals like ethical and sustainable consumption or healthier lifestyles. Despite the challenges, greater awareness and social normalisation is helping to drive continuing growth in these areas.

Consumers are most influenced by people to whom they can relate most easily, whether that is peer groups, family or micro-influencers with shared interests.

This is acknowledged in the greater priority retailers give to social media.



Chapter 2 also highlighted the important role of companions in the shopping experience. A shopping trip with a friend adds enjoyment and satisfaction and boosts the likelihood of purchases. The online version of this is electronic word of mouth (e-WOM) and in Chapter 3 Dr Alan Shaw explained its significance as a marketing instrument and showed that its value is as great for charities as it is for retailers and brands. He explained the psychological aspect of online influence and the factors behind a successful social selling strategy. A large aspect of society now exists online, and appreciating the journey through social media interactions, relationships with brands and purchase decisions can inform effective strategies for digital marketing.

The relationship between consumers and brands/retailers is changing fundamentally. It has already become significantly more interactive through online engagements and the omni-channel shopper is now accustomed to using physical shopping experiences and online marketplaces in tandem.

Consumers are now evolving further into micro-retailers themselves and in Chapter 4 Dr Esther Pugh explained the growth of buying for resale practices. She presented a new decision-making model for circular fashion buyers and considered its impact for both brands and charity shops.

While these practices are at present mostly limited to fashion retail, such a profound change in relationship could generate a new shopper mindset that challenges traditional retail models and has a much stronger appreciation of both the price and the value of goods. As with the other trends discussed in this report, it might start with consumers experimenting with a new way of shopping, which then becomes normalised through sharing online and retailers diverting their service to the new approach. Shopping behaviour will never be the same as it was in the past and it will change again. By considering the impact on consumers of global, social, commercial and technological forces, we can anticipate new behaviours and their own contribution to social change.



The relationship between consumers and brands/retailers is changing fundamentally. It has already become significantly more interactive through online engagements and the omni-channel shopper is now accustomed to using physical shopping experiences and online marketplaces in tandem.

References

Chapter 1 - Current Retail trends – the evolving relationship between online and physical stores

- [1] Ward, M. (2024) Retail Sector in the UK. House of Commons Library.
- [2] ONS (2024) Retail sales, Great Britain: September 2024. Statistical Bulletin. Office for National Statistics.
- [3] Statista (2024) eCommerce Worldwide.
- [4] Statista. (May 14, 2024). Penetration rate of the e-commerce market in the United Kingdom from 2020 to 2029
- [5] Ward (2024); Centre for Retail Research (2024) Online Trends and Statistics for UK, Europe and N.America, 2022-2023. <https://www.retailresearch.org/online-retail.html>
- [6] Ward (2024); ONS Retail sales index: Internet sales
- [7] Statista (2024) Internet sales as a proportion of all food retail sales in Great Britain from January 2018 to August 2024; Office for National Statistics.
- [8] <https://www.clearchannel.co.uk/latest/consumer-shopping-behaviour-in-the-uk-and-how-to-influence-it>
- [9] BRC (2022) Retail Jobs Report. British Retail Consortium. <https://brc.org.uk/media/680620/rjr32022.pdf>
- [10] Ward (2024)
- [11] UK Retail Stats & Facts | Retail Economics
- [12] Deloitte (2021) What next for the high street? Part one: The way things are now. <https://www.deloitte.com/content/dam/assets-zone2/uk/en/docs/industries/consumer/2023/deloitte-uk-what-next-for-the-high-street-part1.pdf>
- [13] <https://www.clearchannel.co.uk/latest/consumer-shopping-behaviour-in-the-uk-and-how-to-influence-it>
- [14] <https://www.thedrum.com/news/2024/10/10/ad-the-day-currys-die-hard-online-shoppers-confused-irl-experience>
- [15] <http://www.vanishinghighstreet.com/wp-content/uploads/2018/07/GrimseyReview2.pdf>
- [16] Deloitte (2021) What Next for the High Street? Part Two: Revival.
- [17] Attest (2024) UK Consumer Trends Report: Essential Insight for the Year Ahead. [2024-UK-Consumer-trends-report.pdf](https://www.attest.com/uk-consumer-trends-report-2024)
- [18] <https://www.insiderintelligence.com/content/social-media-top-channel-shoppers-worldwide-discover-buy-products>
- [19] Statista (2023) Online shopping behavior in the United Kingdom (UK)
- [20] <https://www.chargedretail.co.uk/2022/03/16/mobile-shopping-uk-klarna/>
- [21] Statista Consumer Insights (2024) Attitudes towards online shopping in the UK as of June 2024
- [22] <https://www.webretailer.com/marketplaces-worldwide/online-marketplaces/>
- [23] <https://blog.getbyrd.com/en-gb/online-marketplaces-uk>
- [24] Statista Consumer Insights (2024)
- [25] [Click-and-collect economy worth over £42bn as 'hybrid' shopping grows | Barclays](https://www.barclays.com/uk/retail/click-and-collect-economy-worth-over-42bn-as-hybrid-shopping-grows)
- [26] Statista Consumer Insights (2024)
- [27] Statista (2024); Salesforce Research
- [28] Statista (2024) Gen Z and the beauty industry in the United States
- [29] <https://www-statista-com.leedsbeckett.idm.oclc.org/statistics/1394812/social-commerce-revenue-by-platform-uk/>
- [30] Commercetools.com (2024) 'Reimagining Retail Commerce in 2024. Why your strategic plan needs to start with composable commerce'.
- [31] Commercetools.com (2024)

Chapter 2: Social norms and shopping

- [1] Tracy, B. (1995) Advanced selling strategies: The Proven System Practiced by Top Salespeople. New York: Simon & Schuster.
- [2] Mitchell, B. and Emmerson, B. (2019) The Future Consumer: Emotions, Populism and the Environment. Retail Institute Consumer of the Future Report 2019.
- [3] Future of Consumer Behavior: Predictions & Trends For 2024 <https://determ.com/blog/future-of-consumer-behavior/>
- [4] <https://www.renaissance.io/journal/social-norms-influence-of-norms-on-customer-behavior>
- [5] Melnyk, V., Carrillat, F. A., & Melnyk, V. (2022). The Influence of Social Norms on Consumer Behavior: A Meta-Analysis. Journal of Marketing, 86(3), 98-120.
- [6] Yates, L. (2022). How everyday life matters: everyday politics, everyday consumption and social change. Consumption and Society, 1(1), 144-169.

- [7] <https://typeset.io/questions/what-are-the-sociological-factors-that-influence-consumer-3xdj9ot76b>
- [8] Etuk, A. et al. (2022) 'Sociological factors and consumer buying behaviour towards fashion clothing', *International Journal of Applied Research in Social Sciences*, 4(2)
- [9] Meena, B.S. (2023) 'The Effect of Cultural Factors on Consumer Behaviour: A Global Perspective', *International Journal for Multidisciplinary Research*, 5(6).
- [10] Shpak, S. (2024) Social Factors Affecting Retail Business. <https://smallbusiness.chron.com/social-factors-affecting-retail-business-71662.html>
- [11] Social Factors In Consumer Behavior (Blog) <https://fastercapital.com/topics/social-factors-in-consumer-behavior.html#:~:text=Socioeconomic%20factors%20play%20a%20significant,that%20target%20their%20desired%20audience>
- [12] Thakur, K. (2024) '6 Major Factors Influencing Consumer Buying Behaviour'. <https://www.nudgenow.com/blogs/factors-affecting-consumer-buying-behaviour-overview>
- [13] Social trends facing business in 2022 and beyond <https://www.vistage.com/research-center/business-financials/economic-trends/20211101-social-trends-facing-business-in-2022-and-beyond/>
- [14] The Influence of Social Media on the Retail Industry <https://osacommerce.com/blog/the-influence-of-social-media-on-the-retail-industry>.
- [15] <https://www.wemakewebsites.com/blog/social-commerce-shopify-plus#:~:text=To%20put%20things%20into%20perspective,whopping%20%243.37%20trillion%20by%202028>.
- [16] How Each Generation Shops in 2024 <https://blog.hubspot.com/marketing/how-each-generation-shops-differently#millennials>
- [17] Future of Consumer Behavior: Predictions & Trends For 2024 <https://determ.com/blog/future-of-consumer-behavior/>
- [18] Evans, F., Grimmer, L., Grimmer, M. (2022) 'Consumer orientations of secondhand fashion shoppers: The role of shopping frequency and store type', *Journal of Retailing and Consumer Services*, 67, 102991.
- [19] The State of Fashion 2024: Finding pockets of growth as uncertainty reigns <https://www.mckinsey.com/industries/retail/our-insights/state-of-fashion>
- [20] Determ.com, see above
- [21] Retail Trends: Navigating the Future of the UK Retail Industry. <https://www.mintel.com/insights/retail/retail-trends-navigating-future-of-uk-retail-industry/>
- [22] Global Retail Outlook 2024 <https://www.deloitte.com/global/en/Industries/consumer/analysis/global-retail-outlook.html>
- [23] Scholz, T.B., Pagel, S., Henseler, J. (2023) 'Shopping Companions and Their Diverse Impacts: A Systematic Annotated Bibliography', *SAGE Open*, 13(4).
- [24] Wenzel, S., Benkenstein, M. (2018) 'Together always better? The impact of shopping companions and shopping motivation on adolescents' shopping experience', *Journal of Retailing and Consumer Services*, 44, pp.118-126.
- [25] Argo, J.J., Dahl, D.W. (2020) 'Social Influence in the Retail Context: A Contemporary Review of the Literature', *Journal of Retailing*, 96(1), pp.25-39.
- [26] Wilken, R., Stimmer, E., Bürgin, D. (2022) 'Should retailers encourage couples to shop together?' *Journal of Retailing and Consumer Services*, 69, 103115.
- [27] Hall, A., Towers, N. (2017) 'Understanding how Millennial shoppers decide what to buy: Digitally connected unseen journeys', *International Journal of Retail and Distribution Management*, 45(5), pp.498-517.
- [28] Argo and Dahl (2020) see above
- [29] Lindsey-Mullikin, J., Munger Jeanne, L.M. (2011) 'Companion shoppers and the consumer shopping experience', *Journal of Relationship Marketing*, 10 (1), pp. 7-27.

Chapter 3. Social Commerce – how social media is being used to promote and sell.

- [1] Hennig-Thurau, T., Gwinner, K. P., Walsh, G., & Gremler, D. D. (2004). Electronic word-of-mouth via consumer-opinion platforms: what motivates consumers to articulate themselves on the internet?. *Journal of interactive marketing*, 18(1), 38-52
- [2] Petty, R. E., & Cacioppo, J. T. (1979). Effects of forwarning of persuasive intent and involvement on cognitive responses and persuasion. *Personality and Social Psychology Bulletin*, 5(2), 173-176.
- [3] Sussman, S. W., & Siegal, W. S. (2003). Informational influence in organizations: An integrated approach to knowledge adoption. *Information systems research*, 14(1), 47-65.
- [4] Katz, E. and Lazarsfeld, P. F. (1955). *Personal influence: The part played by people in the flow of mass communications: A report of the bureau of applied social research*, Columbia University. Free Press.
- [5] SellersCommerce, (2023). *Ecommerce Statistics for 2023: Data, Trends & Analysis*. [online] SellersCommerce. Available at: <https://www.sellerscommerce.com/blog/ecommerce-statistics/> [Accessed 15 October 2024]

Chapter 4 Buying for Selling: A new decision-making model for circular fashion buyers and sellers.

- [1] Ruoh-Nan Yan, Sonali Diddi, Brittany Bloodhart,(2021) Predicting clothing disposal: The moderating roles of clothing sustainability knowledge and self-enhancement values. *Cleaner and Responsible Consumption*, Volume 3,100029,ISSN 2666-7843,<https://doi.org/10.1016/j.clrc.2021.100029>.
- [2] Binotto, C and Payne, A (2017). The poetics of waste: contemporary fashion practice in the context of wastefulness. *Fashion Practice*. 9 (2017), pp. 5-29, 10.1080/17569370.2016.1226604
- [3] Yan, R. et al. (2021)
- [4] ThredUp Resale Report (2021) [online] Available at:← <https://www.thredup.com/resale/#resale-industry>→ [Accessed 21 January 2021].
- [5] Pugh, Esther (2020). *Serendipitously Ludic Spaces: Vintage fashion fairs through the Lens of Critical Spatial Theory*. Leeds Beckett University. Thesis. <https://doi.org/10.25448/lbu.20170790.v1>
- [6] Nakata, C., Izberk-Bilgin, E., Sharp, L., Spanjo, J., Cui, A. S., Crawford, S. Y., & Xiao, Y. (2019). Chronic illness medication compliance: a liminal and contextual consumer journey. *Journal of the Academy of Marketing Science*, 47(2). <https://doi.org/10.1007/s11747-018-0618-1>.
- [7]Hamilton, R., Price, L.L. Consumer journeys: developing consumer-based strategy. *J. of the Acad. Mark. Sci.* 47, 187–191 (2019). <https://doi.org/10.1007/s11747-019-00636-y>
- [8] Baines, P., Fill, C., Rosengren, S and Antonetti, p (2017) *Fundamentals of Marketing*. Oxford Blackwell.
- [9]Lund, Niels & Cohen, Scott & Scarles, Caroline. (2018). The power of social media storytelling in destination branding. *Journal of Destination Marketing and Management*. 8. 271-280. 10.1016/j.jdmm.2017.05.003.
- [10] Crane, D and Bovone,L (2006) *Approaches to material culture: The sociology of fashion and clothing*. *Poetics*, 34 (2006), pp. 319-333
- [11] Lemon, K. N., & Verhoef, P. C. (2016). Understanding Customer Experience Throughout the Customer Journey. *Journal of Marketing*, 80(6), 69-96. <https://doi.org/10.1509/jm.15.0420>
- [12] Turunen,L.L. and Poyry, E. 2018 Shopping with Resale Value in Mind: A Study on second-hand luxury consumers. *International Journal of Consumer Studies*. <https://doi.org/10.1111/ijcs.12539>
- [13]Baukh, O (2024) How Artificial Intelligence is Revolutionizing the Fashion Industry. Available at:← grin.co/blog/5-characteristics-of-a-good-influencer/#:~:text=Beyond cultivating their following%2C much, daily parts of the job.→. Accessed 20/11/24.



LEEDS BECKETT UNIVERSITY
THE RETAIL INSTITUTE

The Retail Institute
Leeds Beckett University
Leeds LS1 3HE
Tel: 0113 8123309
retailinstitute@leedsbeckett.ac.uk