

The 2022 Global Digital Shopping Index

Australia edition 

The 2022 Global Digital Shopping Index, a PYMNTS and Cybersource collaboration, examines the behaviors of 13,114 consumers and 3,100 merchants across Australia, Brazil, Mexico, the UAE, the U.K. and the U.S. This second year of this global study examines the factors that influence how and where consumers shop, how they pay for what they purchase and the features that establish merchant preference.

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MAY 2022

The 2022 Global Digital Shopping Index

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The 2022 Global Digital Shopping Index was produced in collaboration with Cybersource, and PYMNTS is grateful for the company's support and insight. [PYMNTS.com](https://pymnts.com) retains full editorial control over the following findings, methodology and data analysis.

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Introduction

Inflation rates in Australia reached a 20-year high in May, stoking fears about reduced consumer spending.

As the rising prices of daily essentials such as food and gas continue to take a significant chunk out of local consumers' paychecks, Australian mainstay retailers are grappling with how local shoppers' spending patterns stand to impact their future sales—and they are not alone.^{1,2}

Australian merchants, large and small, are taking active measures to reduce their prices to attract more local shoppers. PYMNTS' latest research shows that 64% more Australian merchants offered sales, discounts and coupons and 10% more offered price-match guarantees in 2021 than in 2020. This rise underscores how

many Australian merchants now believe that lowering prices is the best way to drive sales in the future.

For all of this hyper-focus on sales, coupons and discounts, however, many Australian merchants overlook something arguably more important to their long-term success: digital feature innovation.

PYMNTS' recent survey of 13,114 consumers and 3,100 merchants across six countries shows that international consumers' appetite for digital and cross-channel shopping features like curbside and in-store pickup options for eCommerce orders, in-store navigation apps and digital profiles that consumers can access across purchasing channels is rapidly increasing. Most merchants around the globe are adopt-

ing more of these features to meet this rising demand, but Australian merchants are actually cutting back on them. Thirty-six percent fewer Australian businesses offered buy online, pickup in-store, or click-and-collect, options in 2021 than in 2020, for example, and 23% fewer offered the ability to set up cross-channel capable digital profiles.

That is only one of the findings PYMNTS uncovered for The 2022 Global Digital Shopping Index: Australia Edition. We asked 2,076 Australian consumers how their shopping habits have changed in the past year and how easy and seamless they believed their most recent shopping experiences were to gain a firsthand account of how well local merchants are responding to customers' heightened demand for digitally integrated, cross-channel shopping experiences. We also asked the 603

Australian businesses we surveyed which features they adopted or removed in 2021 to learn which features have the greatest impact on shopper satisfaction.

By combining this wealth of data, we calculated a unique Global Digital Shopping Index score for each country. This score provides a quantitative measurement of the friction that consumers encounter throughout their retail shopping experiences. Higher Index scores represent more frictionless shopping experiences. This Index uses our in-depth research to detail how Australian merchants' focus on sales and other deals impacts customer satisfaction and reveals which digital innovations can help merchants drive conversion and boost their bottom lines.

This is what we learned.

¹ Cole, W. Australian inflation hits 20-yr high, May rate rise seen in play. Reuters. 2022. <https://www.reuters.com/business/australian-inflation-hits-20-year-high-brings-rate-rises-near-2022-04-27/>. Accessed May 2022.

² Author unknown. Australia's central bank drastically raises inflation forecasts, flags more rate hikes. 2022. <https://www.cnn.com/2022/05/06/australias-central-bank-dramatically-raises-inflation-forecasts-flags-more-rate-hikes.html>. Accessed May 2022.

01

One million more Australian consumers used their mobile phones for shopping in 2021 than in 2020. Most used their phones to find product information, compare prices, earn rewards and checkout using an app.

This usage suggests that an estimated 1.5 million Australian consumers—32% of local brick-and-mortar shoppers—used their smartphones to enhance their 2021 in-store shopping experiences. Those who used their phones did so chiefly to earn loyalty points online, such as by accessing digital vouchers on their phones. They also used smartphones to look up product information and compare prices.

Smartphone-assisted in-store shopping is not the only way Australian consumers integrate digital tools into their brick-and-mortar shopping journeys. Forty-three percent of Australian consumers—a projected 3.4 million shoppers—used smartphones during their most recent retail visits, whether to purchase products via an app, pay using a mobile wallet at the brick-and-mortar point of sale or otherwise. This means that an estimated one million more local shoppers used smartphones at one point during their most recent retail experiences in 2021 than in 2020—a 47% increase.

02

Roughly three in 10 Australian shoppers now use click-and-collect. Nearly four in 10 Australian shoppers who use click-and-collect buy more from those stores when they do.

In-store pickup options are a must for Australian merchants, as the country's consumer demand for these options is growing faster than in any other country we studied. Sixty-nine percent more Australian eCommerce shoppers—a projected 301,700 more consumers—picked up their most recent eCommerce orders in-store in 2021 than in 2020.

This pickup method has implications that extend beyond convenience and customer service: 38% of the eCommerce shoppers in Australia who picked up their most recent eCommerce purchases in-store often or always bought more products while picking up in-store. Providing in-store pickup options can thus help Australian merchants drive brick-and-mortar sales.



03

Australian merchants use deals, promotions and voice-assisted shopping to attract consumers to their stores.

As inflation rises and reduces the value of shoppers' paychecks, an increasing number of Australian merchants are aiming to use sales and other promotions to attract cost-conscious shoppers. Not only did 64% more Australian merchants offer promotions, coupons and other deals in 2021 than in 2020, but 10% more merchants promised to price-match competitors.

04

Australian merchants are removing the digital features that consumers value, such as real-time inventory and digital profiles, and they are losing shoppers as a result.

Australian merchants are behind those in other countries when it comes to providing the digital and cross-channel shopping features that local shoppers want most, and they are in the midst of removing even more. Our research shows that 23% fewer Australian merchants offered cross-channel-capable digital profiles and 40% fewer offered real-time inventory updates in 2021 than in 2020.

Local shoppers notice that merchants are removing digital shopping features and are responding by taking their business elsewhere. Our research shows that 44% more Australian shoppers picked up their eCommerce purchases in-store from an employee in 2021 than in 2020, even though 36% fewer local merchants are offering this service. We also saw that 27% more Australian consumers shopped from merchants that provided an app for delivery or pickup, even though 15% fewer local merchants offered such apps. This signals that many local merchants are losing customers to their more digitally innovative competitors.

05

Australian shopper satisfaction is high with merchants that have invested in digital shopping experiences. Those that allow shoppers to shop and pay via voice-recognition technology or pick up mobile orders in-store have reduced consumers' shopping friction by 89% and 11% year over year in 2021, respectively.

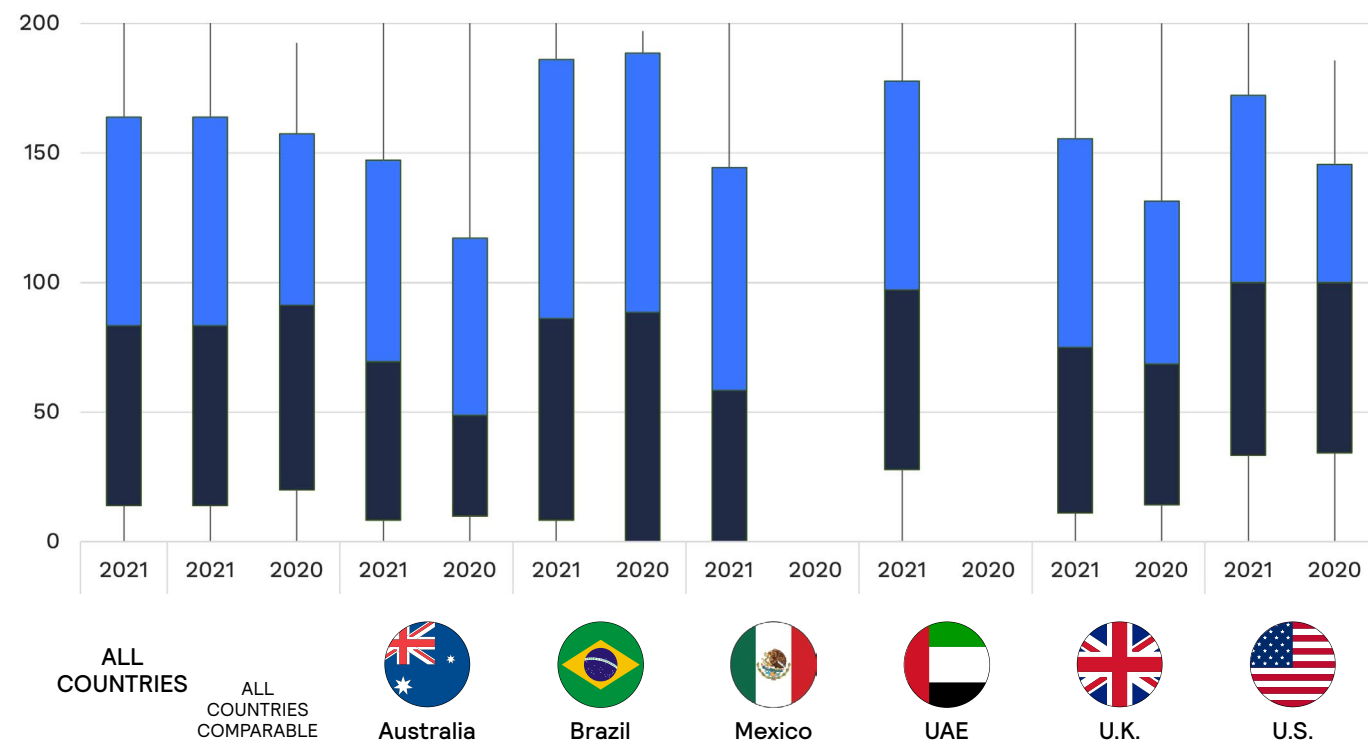
Cutting prices and offering deals may temporarily boost sales, but it is no substitute for enabling digitally integrated cross-channel shopping options. Australian merchants that allow consumers to shop via smartphone and pick up items in-store or via curbside pickup, for example, earn an average Index score of 116. This score represents a more than twofold improvement in frictionless shopping experiences from Australian merchants that do not allow shoppers to use smartphones in-store.

Australian merchants that allow shoppers to make purchases via voice-recognition technology offer the most frictionless voice-enabled shopping experiences of any country we studied, earning an average Index score of 144. Only United States merchants come close to Australian merchants regarding frictionless voice-enabled commerce. It is therefore clear that integrating voice-enabled commerce and mobile-based cross-channel capabilities can help Australian merchants future-proof their businesses for the increasingly connected global economy.

AUSTRALIA: Moving forward, but still behind

Australian merchants are behind those in all other countries in our study regarding digital feature innovation, earning an average Index score of 81.1 in 2021. This score is roughly 9% higher than the score for Australian merchants in 2020 but is still lower than the average Index score of every other country in our study. Last year marks the second consecutive year in which Australia ranked last in overall shopping experience.

FIGURE 1:
How Index scores compare across countries
Median Index score and distribution of merchants' overall shopping experiences, by country



N = 13,114: Complete responses
Source: PYMNTS | Cybersource
The 2022 Global Digital Shopping Index

Playing catch-up

Australian merchants provided the most friction-laden shopping experience for the second consecutive year in 2021.

- Australian consumers' report experiencing more shopping friction than consumers in any other country we studied.
- Australian merchants are among the least likely to offer integrated cross-channel shopping features.
- Adding these shopping features has helped many Australian merchants demonstrably reduce their shopping frictions.

The 2022
Global
Digital
Shopping
Playbook

Australia edition 

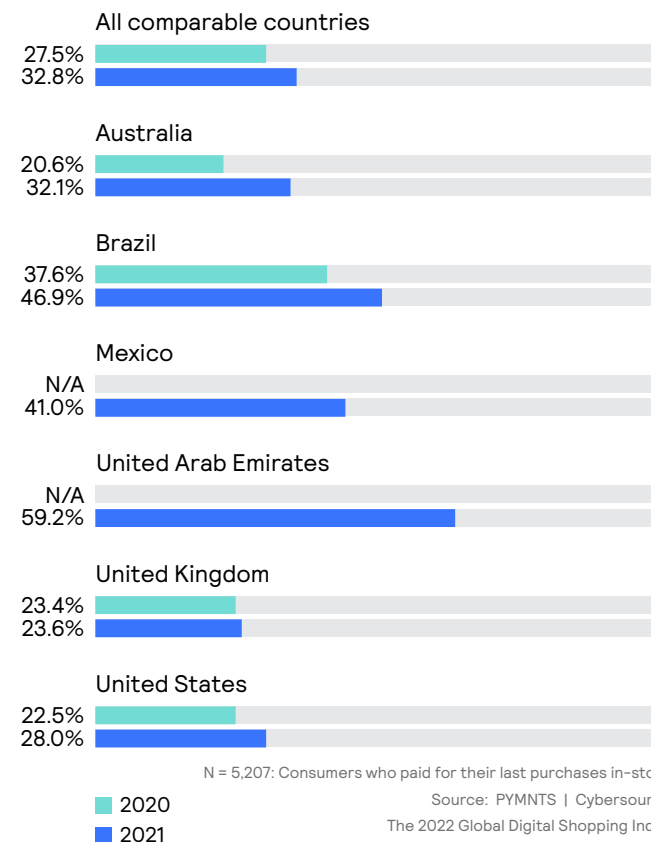
The 2022 Global Digital Shopping Playbook

Smartphones take center stage

FIGURE 2:

Consumers' smartphone usage while shopping in stores

Average share of in-store shoppers using smartphones to assist their in-store shopping experiences



Consumers around the globe are more regularly using their smartphones to enhance their in-store shopping journeys, and Australian consumers are no exception. Our research shows that 32% of all brick-and-mortar shoppers in Australia in 2021 used their smartphones while making their most recent in-store purchases. This means that 56% more local shoppers—a projected 550,000 individuals—used their smartphones in this manner year over year, making for the most significant increase in smartphone-assisted in-store shopping seen among any of the four countries we studied in both 2020 and 2021.

Even though many Australian consumers use their smartphones in-store, most other countries outnumber them on this count. Consumers in both Brazil and Mexico were far more likely than Australian consumers to have used smartphones during their most recent in-store shopping journeys, for example, with 47% and 41% having done so, respectively. Among brick-and-mortar shoppers in the United Arab Emirates, 59% use their phones to enhance their in-store shopping experiences.

The only two countries where in-store smartphone usage is less common are the



11%
of brick-and-mortar shoppers in Australia used their smartphones to access loyalty programs on-site the last time they shopped in-store.

U.S. and the United Kingdom, where 28% and 24% of brick-and-mortar shoppers use their smartphones in-store, respectively.

Australian brick-and-mortar shoppers who use their smartphones in-store use







them chiefly to gain loyalty credit and other rewards, but they have learned to use their phones to enhance their retail journeys in several ways. Eleven percent of Australian brick-and-mortar shoppers used their smartphones to access rewards in-store, for example, but 10% used them to look up product information in-store.

Many others used their smartphones to access coupons and discounts, search for

product reviews, use in-store navigation apps and more.

This smartphone-assisted in-store shopping culture is still nascent in Australia compared to countries like Brazil, Mexico and the UAE, however. Far more consumers in those countries use their smartphones for nearly every imaginable function while shopping in-store.

TABLE 1:
Consumers' in-store smartphone usage
Share of in-store shoppers in select countries using their smartphones at brick-and-mortar stores, by function

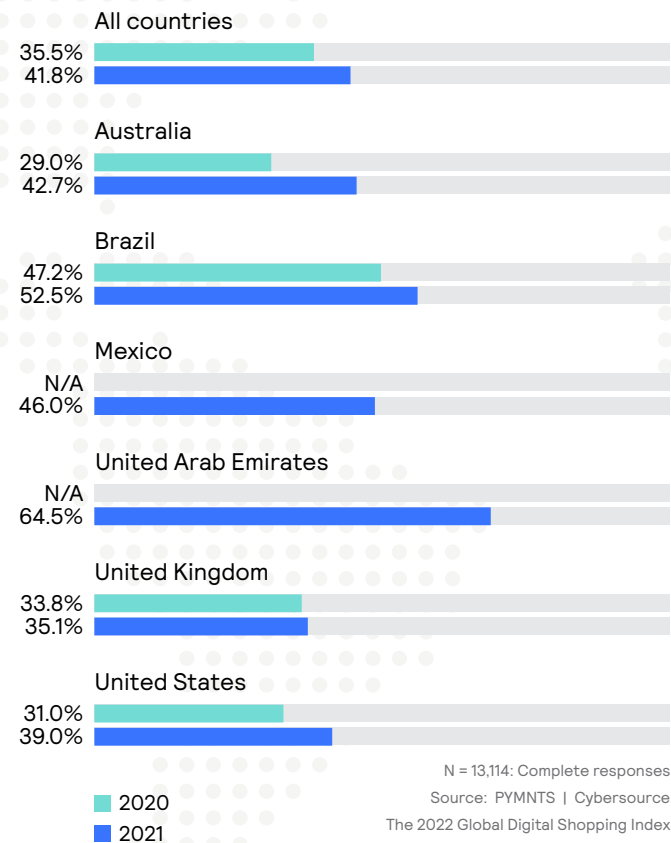
| | ALL COUNTRIES |  Australia |  Brazil |  Mexico |  UAE |  U.K. |  U.S. |
|-----------------------------------|---------------|--|---|---|--|---|---|
| • Compare prices | 14.7% | 9.3% | 24.1% | 24.2% | 24.7% | 5.9% | 9.0% |
| • Search for offers and discounts | 14.1% | 6.6% | 22.7% | 11.9% | 19.9% | 8.0% | 12.2% |
| • Find product information | 14.0% | 10.3% | 20.3% | 21.1% | 24.8% | 5.7% | 10.2% |
| • Read product reviews | 10.0% | 5.2% | 9.7% | 14.0% | 17.3% | 4.9% | 9.8% |
| • Locate product in-store | 8.2% | 4.8% | 9.0% | 9.0% | 12.0% | 2.5% | 8.7% |
| • Confirm product is in stock | 8.1% | 9.1% | 6.7% | 11.5% | 17.4% | 4.6% | 8.1% |
| • Build loyalty credit | 7.9% | 10.9% | 12.4% | 2.3% | 20.7% | 9.2% | 7.1% |
| • Look up product ratings | 7.4% | 5.8% | 8.3% | 8.7% | 16.5% | 4.0% | 7.0% |
| • Other | 2.1% | 3.9% | 2.2% | 1.4% | 5.3% | 2.3% | 2.1% |

N = 3,115: Consumers who used mobile devices to aid their in-store shopping experiences
Source: PYMNTS | Cybersource
The 2022 Global Digital Shopping Index

SMARTPHONES:

The ultimate integrated shopping tool

FIGURE 3:
Consumers' usage of smartphones to assist some aspects of their retail journeys
 Share of consumers in different nations who used smartphones at least once during their shopping journeys, by year



Smartphones' mobility makes them an ideal shopping tool for consumers living in an increasingly connected global economy. They provide consumers with an easy way to connect to the internet not just from home or work but also at countless other locations, transforming the brick-and-mortar world into an interactive eCommerce experience. An increasing number of consumers worldwide are using smartphones to shop: using mobile apps to shop on digital marketplaces, accessing eCommerce order statuses via tracking apps or even using mobile wallets at the brick-and-mortar point of sale, to name a few examples. Forty-two percent of the consumers across the four countries we have studied since 2020 reported using their smartphones at least once throughout their most recent shopping experiences, representing a year-over-year increase of 18%.

Forty-two percent of the consumers across the six countries we studied in 2021 reported using their smartphones at least once throughout their most recent shopping experience. That figure is poised to increase as the global economy continues to grow more digitally connected.

43%
 of Australian shoppers used their smartphones at least once throughout their most recent shopping journeys.



The 2022 Global Digital Shopping Playbook

Breaking boundaries:

In-store pickup drives
cross-channel commerce

A rapidly increasing number of Australian consumers are opting to pick up their eCommerce purchases in-store, making in-store pickup options “must-haves” for Australian merchants. Our research shows that the share of Australian consumers who picked up their most recent eCommerce purchases in-store increased 69% year over year in 2021. This increase marks the most significant year-over-year gain for in-store pickup observed in any country we studied.

In total, 24% of Australian consumers picked up their most recent eCommerce orders in-store, and 7% picked up curbside in 2021. This suggests that there could be one million local shoppers picking up their online orders at brick-and-mortar locations at any given time, underscoring how integral in-store and curbside pickup options have become to the broader Australian retail ecosystem.

The UAE is the only country where shoppers are more likely to pick up their eCommerce purchases at a brick-and-mortar store. Twenty-eight percent of UAE eCommerce shoppers picked up their most recent purchases in-store, and 12% picked them up curbside.







Australian eCommerce
shoppers' appetite for
**click-and-collect
shopping**
is second only to the UAE.



7%
of Australian
eCommerce
shoppers
picked up their
most recent orders
via curbside.

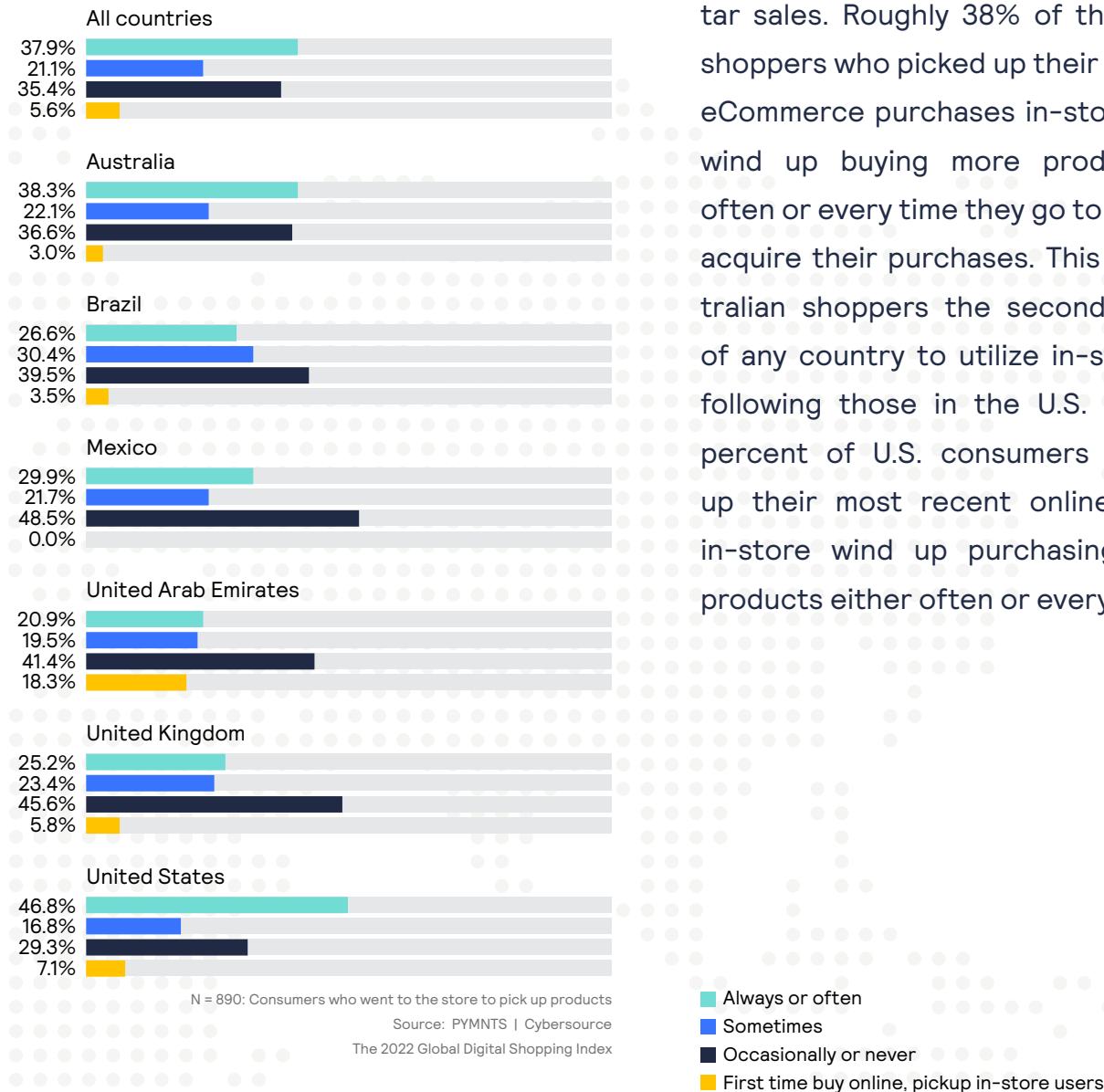
24%
of Australian eCommerce shoppers
picked up their most recent
orders in-store.

TABLE 2:
How consumers acquire their online purchases
Share of consumers who received their most recent orders in select ways, by country

| | ALL COUNTRIES |  Australia |  Brazil |  Mexico |  UAE |  U.K. |  U.S. |
|---------------------------------|---------------|---|--|--|---|--|--|
| 2020 | | | | | | | |
| • Deliver to home | 69.1% | 62.6% | 71.5% | — | — | 71.0% | 69.8% |
| • Pick up in-store | 13.3% | 14.3% | 20.3% | — | — | 11.8% | 8.9% |
| • Ship to a location to pick up | 9.8% | 14.9% | 6.5% | — | — | 11.1% | 7.3% |
| • Pick up curbside | 7.9% | 8.1% | 1.8% | — | — | 6.1% | 14.0% |
| 2021 | | | | | | | |
| • Deliver to home | 71.2% | 60.6% | 74.8% | 73.8% | 55.6% | 78.4% | 69.0% |
| • Pick up in-store | 13.7% | 24.2% | 17.4% | 17.8% | 24.8% | 10.4% | 12.3% |
| • Ship to a location to pick up | 7.6% | 8.1% | 7.2% | 5.5% | 12.0% | 7.6% | 7.9% |
| • Pick up curbside | 7.4% | 7.1% | 0.6% | 2.9% | 7.7% | 3.6% | 10.8% |

N = 5,243: Consumers who paid for their last purchases online, via mobile or via voice
Source: PYMNTS | Cybersource
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FIGURE 4:
Extra purchasing frequency for eCommerce shoppers
 Share of consumers who buy additional products when picking up their online orders



This increased demand for in-store and curbside pickup options also provides a significant opportunity for Australian merchants to drive more brick-and-mortar sales. Roughly 38% of the Australian shoppers who picked up their most recent eCommerce purchases in-store said they wind up buying more products either often or every time they go to the store to acquire their purchases. This makes Australian shoppers the second-most likely of any country to utilize in-store pickup, following those in the U.S. Forty-seven percent of U.S. consumers who picked up their most recent online purchases in-store wind up purchasing additional products either often or every time.

The taxonomy of digital features

We examined consumers' use of and interest in nearly three dozen digital shopping features, which can be categorized into five groups.



Know me

Features that allow merchants to determine customers' preferences regardless of whether they are shopping in-store, online or over the phone, including cross-channel-capable digital profiles and access to users' shipping histories



Value me

Features that enable merchants to offer information, rewards or coupons to loyal customers, including promotional codes, coupons, rewards and suggestions based on users' browsing histories



Do you have what I want?

Features that allow merchants to provide the products consumers want at the prices they want, including real-time inventory status updates and price matching guarantees



Make it easy for me

Features that enable merchants to provide information and easy purchasing across orders made in-store, online and over the phone, including free shipping and curbside and in-store pickup options



Protect me

Features that relate to how well merchants address purchase issues and how well they secure consumers' personal and payments-related data, including guaranteed refunds for fraudulent charges and secure payment storage

Sales versus features:

What Australian merchants
get right—and wrong—
about innovation

Australian consumers' growing appetite for integrated shopping experiences is going unheeded by many local merchants, which appear far more focused on reducing prices by offering more sales, discounts and coupons. Eighty-four percent of Australian merchants offered promotions, coupons and other deals designed to lower their prices in 2021—64% more than did so in 2020. We also found that 62% of merchants in Australia promised to price-match competitors in 2021, marking a 10% increase from the year prior.

For all the emphasis Australian merchants are placing on sales and promotions, many overlook the importance of digital feature innovation. Our research identified 34 key features, including cross-channel-capable digital profiles, real-time inventory updates, mobile apps and in-store pickup options, that can enhance merchants' end-user shopping experiences. The trouble is that Australian merchants are not providing enough of these.



64%
more Australian
merchants offered
promotions, sales
and other deals
in 2021 than
one year prior.

Glossary: Shopping features that improve the user experience



Know me

- **Profile:** I can set up a digital profile with this retailer.
- **Information sharing (shipping):** The retailer has access to my shipping information.
- **Information sharing (history):** The retailer has access to my order history.



Value me

- **Marketing opt-in:** I can opt-in to personalized marketing communications with special offers.
- **Rewards, coupons and promo:** The retailer has reward programs or coupons that I can use in the store, online and on my mobile devices or sends me promo codes targeted to my specific interests.
- **Recommendations:** I receive suggestions about things that I might like based on past purchases or my browsing history.



Do you have what I want?

- **Inventory:** The available inventory is updated digitally in real time.
- **Price matching:** The merchant will match the prices of other merchants selling the same products.



Make it easy for me

- **Product details:** Product details are available digitally.
- **Product reviews:** Reviews are available digitally.
- **Product recommendations:** Recommendations are available digitally.
- **Free shipping:** Free shipping is available for digital orders.
- **Buy online, pickup in-store:** I can buy online and pick up my purchase in-store from an employee at a customer service desk or have an employee deliver the product to my car.
- **Buy online, pickup from a kiosk:** I can use an automated method to receive the product.
- **Mobile order-ahead:** The retailer offers a mobile app I can use to make purchases for delivery or pickup.
- **Mobile product finding:** I can use a mobile device to locate a product when in a physical store.



Protect me

- **Disputes:** It is easy to resolve issues with the merchant.
- **Fraud purchase refunds:** The retailer will refund fraudulent charges.
- **Digital purchase refunds:** The retailer will refund my digital purchases either online or at the store.
- **Protect data:** I am able to securely store my card details.
- **Purchase returns:** I can return purchases either by mail or to a store location.
- **Online returns:** I can make free returns using printable shipping labels.
- **Live help:** I can get live help via a phone call, online chat or another method when I am not in the store.

TABLE 3:

How Australian merchants' feature offerings have changed

Share of merchants offering select features, by year

| | YEAR | |
|-----------------------------------|-------|-------|
| | 2020 | 2021 |
| • Profile | 57.9% | 44.6% |
| • Information sharing (shipping) | 71.1% | 56.2% |
| • Information sharing (history) | 72.0% | 45.1% |
| • Marketing opt-in | 70.4% | 47.4% |
| • Rewards, coupons and promos | 50.9% | 83.7% |
| • Recommendations | 68.0% | 48.4% |
| • Inventory | 69.9% | 41.6% |
| • Price matching | 56.6% | 62.4% |
| • Product details | 81.5% | 41.8% |
| • Product reviews | 74.9% | 59.2% |
| • Product recommendations | 68.5% | 49.1% |
| • Free shipping | 64.1% | 50.6% |
| • Buy online, pickup in-store | 72.8% | 46.4% |
| • Buy online, pickup from a kiosk | 54.0% | 50.4% |
| • Mobile order-ahead | 62.9% | 53.6% |
| • Mobile product finding | 54.7% | 55.6% |
| • Disputes | 85.5% | 40.5% |
| • Fraud purchase refunds | 83.2% | 54.1% |
| • Digital purchase refunds | 80.7% | 42.6% |
| • Protect data | 62.7% | 49.8% |
| • Purchase returns | 79.3% | 50.7% |
| • Online returns | 57.3% | 49.4% |
| • Live help | 75.4% | 47.1% |

N = 603: Complete Australian merchant responses
 Source: PYMNTS | Cybersource
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62%
of Australian
merchants
promise to
price match
competitors.




Among the six countries we studied in 2021, Australian merchants rank last in terms of digital and cross-channel feature offerings. Just 45% of all Australian merchants provided their customers with digital profiles that could be accessed across shopping channels that year, for example, whereas the sample average was 63%. Additionally, 42% of Australian merchants allowed customers to check their inventories in real time, yet 56% of merchants across all six countries provided real-time inventory updates.

Even more troubling is that Australian merchants are not adding new features to make up for this gap. Instead, they are removing features. The share of Australian merchants offering cross-channel digital profiles and real-time inventory updates decreased 23% and 40% year over year in 2021, respectively. We also found that fewer Australian merchants offered easy-to-resolve dispute policies, in-store pickup options and digitally accessible product details in 2021 than had just one year prior.

TABLE 4:

How Australian merchants' feature offerings compare to other countries
Share of merchants offering select digital and cross-channel capabilities

| | ALL COUNTRIES | AUSTRALIA |
|-----------------------------------|---------------|---|
| | |  |
| | | ■ Higher ■ Lower |
| • Profile | 63.5% | 44.6% |
| • Information sharing (shipping) | 58.8% | 56.2% |
| • Information sharing (history) | 53.2% | 45.1% |
| • Marketing opt-in | 57.5% | 47.4% |
| • Rewards, coupons and promos | 86.1% | 83.7% |
| • Recommendations | 54.8% | 48.4% |
| • Inventory | 56.1% | 41.6% |
| • Price matching | 64.0% | 62.4% |
| • Product details | 49.3% | 41.8% |
| • Product reviews | 56.4% | 59.2% |
| • Product recommendations | 52.3% | 49.1% |
| • Free shipping | 55.6% | 50.6% |
| • Buy online, pickup in-store | 54.9% | 46.4% |
| • Buy online, pickup from a kiosk | 58.9% | 50.4% |
| • Mobile order-ahead | 58.5% | 53.6% |
| • Mobile product finding | 60.7% | 55.6% |
| • Disputes | 49.6% | 40.5% |
| • Fraud purchase refunds | 52.2% | 54.1% |
| • Digital purchase refunds | 48.9% | 42.6% |
| • Protect data | 50.6% | 49.8% |
| • Purchase returns | 51.7% | 50.7% |
| • Online returns | 55.4% | 49.4% |
| • Live help | 50.7% | 47.1% |

N = 3,100: Complete merchant responses
Source: PYMNTS | Cybersource
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Sales, discounts and coupons:

A short-term answer to
a long-term problem

Australian merchants' efforts to attract customers and boost conversion by providing as many deals as possible have been successful thus far, even though that they are also removing many of the digital and cross-channel shopping features that consumers expect. According to the 2,076 Australian consumers we surveyed in 2021, local merchants' shopping experiences are roughly 9% smoother than they were in 2020. Australian merchants earned an average Index score of 81.1 that year—far higher than the average score of 74.1 earned in 2020.



Australian merchants

reduced their overall
shopping friction by 9% in 2021, but
that may be about to change.






There is no guarantee that these merchants will be able to maintain this winning streak going forward, however. Sales, coupons, discount codes and price-match guarantees are only part of what should ideally be a more holistic, well-rounded customer engagement strategy. Low prices may pique consumers' interest, but that interest cannot drive sales if it takes too long or requires too much hassle to complete a purchase. Merchants must therefore be able to offer shoppers a quick, seamless shopping experience to maximize their chances of conversion—or risk losing customers to competitors who offer both discounts and a more seamless shopping experience.

We are already beginning to witness this same event unfold in real time. As Australian merchants cut back on their feature offerings, local shoppers are increasingly taking their business elsewhere. Our research shows that 36% fewer Australian merchants allowed shoppers to pick up their eCommerce purchases in-store in 2021, but 44% more Australian shoppers picked up their eCommerce purchases in-store from an employee that year. This strongly suggests that these consumers are increasingly shopping with merchants that allow them to pick their eCommerce purchases up in-store.

Australian consumers still experience 19% more shopping friction than our sample average.

TABLE 5:
How Index scores have changed over time
The average Index scores different countries earned, by year

| | ALL COUNTRIES | | ALL COUNTRIES COMPARABLE | |  Australia | |  Brazil | |  Mexico | |  UAE | |  U.K. | |  U.S. | |
|-----------|---------------|-------|--------------------------|-------|---|-------|--|------|--|------|---|-------|--|-------|--|--|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | |
| • Minimum | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | — | 0.0 | — | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| • Median | 83.3 | 91.3 | 83.3 | 48.9 | 69.4 | 88.6 | 86.1 | — | 58.3 | — | 97.2 | 68.6 | 75.0 | 100.0 | 100.0 | |
| • Maximum | 277.8 | 192.5 | 277.8 | 236.8 | 277.8 | 197.1 | 277.8 | — | 277.8 | — | 277.8 | 200.0 | 277.8 | 185.7 | 277.8 | |
| • Average | 100.7 | 101.8 | 103.2 | 74.1 | 81.1 | 97.2 | 100.1 | — | 83.0 | — | 103.7 | 83.9 | 89.4 | 109.8 | 108.1 | |

N = 3,100: Complete merchant responses
Source: PYMNTS | Cybersource
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TABLE 6A:

How consumer awareness of merchants' feature offerings have changed over time

Share of Australian merchants offering select features versus the share of consumers who are aware of said offerings

| | Consumers | Merchants |
|-------------------------------------|-----------|-----------|
| • Profile | 38.3% | 44.6% |
| • Information sharing (shipping) | 46.0% | 56.2% |
| • Information sharing (history) | 49.9% | 45.1% |
| • Information sharing (payments) | 45.7% | 52.6% |
| • Profiles among different channels | 35.7% | 43.8% |
| • Promo codes | 47.9% | 42.6% |
| • Coupons | 43.9% | 56.2% |
| • Marketing opt-in | 46.7% | 47.4% |
| • Rewards | 61.6% | 48.4% |
| • Recommendations | 53.1% | 48.4% |
| • Inventory | 43.2% | 41.6% |
| • Price matching | 34.3% | 62.4% |
| • Easy to navigate | 56.0% | 47.6% |
| • Mobile app | 49.1% | 53.6% |
| • Buy now, pay later | 42.3% | 53.1% |
| • Preferred payment method | 69.2% | 41.1% |
| • Product details | 58.8% | 41.8% |
| • Product reviews | 51.0% | 59.2% |
| • Product recommendations | 51.4% | 49.1% |
| • Free shipping | 45.8% | 50.6% |
| • Buy online, pickup in-store | 56.1% | 46.4% |
| • Buy online, pickup from a kiosk | 46.8% | 50.4% |
| • Mobile order-ahead | 49.4% | 49.4% |
| • Mobile product-finding | 40.2% | 55.6% |
| • Voice | 28.4% | 56.2% |
| • Disputes | 56.7% | 40.5% |
| • Fraud purchase refunds | 48.5% | 54.1% |
| • Digital purchase refunds | 55.2% | 42.6% |
| • Protect data | 47.2% | 49.8% |
| • Purchase returns | 54.9% | 50.7% |
| • Online returns | 40.5% | 49.4% |
| • Live help | 45.0% | 47.1% |
| • Two-factor authentication | 40.1% | 55.4% |
| • Online purchase returns | 49.5% | 43.3% |

■ Highest percentage among the same feature group

N = 2,076: Complete Australian consumer responses
 N = 603: Complete Australian merchant responses
 Source: PYMNTS | Cybersource
 The 2022 Global Digital Shopping Index

TABLE 6B:

How consumer awareness of merchants' feature offerings have changed over time

Average size of the consumer awareness gap for select features, by year

| | 2020 | 2021 |
|-------------------------------------|-------|--------|
| • Profile | 20.5% | 6.4% |
| • Information sharing (shipping) | 27.9% | 10.3% |
| • Information sharing (history) | 26.5% | -4.8% |
| • Information sharing (payments) | 21.2% | 6.8% |
| • Profiles among different channels | — | 8.1% |
| • Promo codes | 18.6% | -5.3% |
| • Coupons | 19.9% | 12.3% |
| • Marketing opt-in | 24.7% | 0.7% |
| • Rewards | 12.9% | -13.2% |
| • Recommendations | 16.2% | -4.7% |
| • Inventory | 33.1% | -1.6% |
| • Price matching | 27.3% | 28.1% |
| • Easy to navigate | — | -8.4% |
| • Mobile app | 18.2% | 4.5% |
| • Buy now, pay later | — | — |
| • Preferred payment method | — | -28.0% |
| • Product details | 25.9% | -17.0% |
| • Product reviews | 28.6% | 8.2% |
| • Product recommendations | 22.5% | -2.3% |
| • Free shipping | 21.8% | 4.8% |
| • Buy online, pickup in-store | 21.8% | -9.6% |
| • Buy online, pickup from a kiosk | 16.9% | 3.6% |
| • Mobile order-ahead | — | 0.1% |
| • Mobile product-finding | 23.9% | 15.4% |
| • Voice | 22.0% | 27.8% |
| • Disputes | 37.3% | -16.2% |
| • Fraud purchase refunds | 39.8% | 5.5% |
| • Digital purchase refunds | 33.1% | -12.6% |
| • Protect data | 23.4% | 2.6% |
| • Purchase returns | 30.4% | -4.2% |
| • Online returns | — | 9.0% |
| • Live help | 33.3% | 2.1% |
| • Two-factor authentication | — | 15.3% |
| • Online purchase returns | 24.6% | -6.3% |

■ Positive change
 ■ Negative change

N = 2,076: Complete Australian consumer responses
 N = 603: Complete Australian merchant responses
 Source: PYMNTS | Cybersource
 The 2022 Global Digital Shopping Index



Failing to offer enough digital features is costing Australian merchants business.

We see similar patterns emerging among consumers using other digital shopping features. Twenty-seven percent more Australian consumers shopped from merchants that provided an app for delivery or pickup in 2021 than in 2020, even though 15% fewer local merchants offered such apps. Similarly, 28% more Australian shoppers shopped with merchants that allowed them to return purchases by mail or at an in-store location year over year in 2021, even though 36% fewer local merchants had this type of return option.

If Australian merchants do not reverse their cutting of digital shopping features, this mass migration away from their stores is likely to continue. The key to driving conversion going forward will be to take a two-pronged approach toward innovation. The most successful merchants will be those that not only provide their customers sales, discounts and other deals but also support the digital and cross-channel shopping features customers need to quickly and easily complete their purchases.

Flocking to digitally innovative merchants

Australian merchants that do not offer enough digital shopping features are losing business to competitors that do.

- **Twenty-seven percent** more Australian shoppers purchased from merchants that provided them apps to track items being delivered or picked up in 2021 than in 2020, for example.
- This is despite the fact that **15% fewer merchants** offered such apps in 2021 than the previous year.
- This widening usage gap strongly suggests local merchants that offer these types of apps—and other features—are **capturing an increasing share of the market.**

The **2022** Global Digital Shopping Playbook

Australia edition 

The 2022 Global Digital Shopping Playbook

Investing in digital:

The path to long-term growth

Most Australian merchants may be cutting back on their digital feature offerings, but the minority that adopted more of these features between 2020 and 2021 have seen marked improvements in their end-users' shopping experiences. These merchants illustrate how investing in digital and cross-channel shopping features can cut shopping frictions and maximize conversion.

Consider the merchants that have successfully integrated brick-and-mortar pickup points into their eCommerce shopping experiences. Australian merchants that allowed shoppers to pick up mobile eCommerce orders in-store or via curbside pickup reduced their overall checkout friction by 11% year over year in 2021, earning an average Index score of 116. This is more than twice the average Index score of 56 earned by Australian merchants when customers do not use mobile devices in-store to assist their brick-and-mortar shopping journeys.

Australian
merchants that
added in-store or
curbside pickup
options reduced
their shopping
friction by 11%
in 2021.









Australian merchants that integrate voice capabilities into their shopping experiences provide the smoothest shopping experiences across all six countries.

Similarly, Australian merchants that allow customers to shop using their mobile devices provide a far more seamless experience than average. These merchants earned an average Index score of 129 in 2021, meaning that they provide a roughly 57% more frictionless shopping experience than the average Australian merchant.

Even more impressive are the improvements visible among the small group of Australian merchants that have integrated voice-recognition technology into their shopping features.

The 56% of Australian merchants that allow their shoppers to shop and pay via voice-recognition technology provide the most frictionless shopping experiences seen among other types of merchants in any of the six countries in our 2021 study. Australian merchants that offer voice-enabled options earn an average Index score of 144.1. The only other merchants to even come close are U.S. merchants that allow consumers to order and pay via voice, as they earned an average Index score of 142.6 in 2021.

TABLE 7:
How Australian merchants' Index scores vary across channels
Average Index scores Australian merchants earned, by channel

| | ALL COUNTRIES |  Australia |  Brazil |  Mexico |  UAE |  U.K. |  U.S. |
|------------------------------------|---------------|--|---|---|--|---|---|
| • Online native | 146.8 | 120.8 | 157.2 | 123.9 | 138.6 | 122.7 | 154.5 |
| • Mobile native | 152.1 | 127.5 | 159.5 | 141.1 | 135.1 | 127.1 | 157.7 |
| • Brick-and-mortar mobile-assisted | 107.5 | 82.5 | 108.5 | 101.9 | 97.9 | 84.5 | 114.5 |
| • Brick-and-mortar | 73.0 | 56.1 | 75.5 | 70.3 | 88.8 | 60.0 | 75.5 |
| • Online cross-channel | 120.9 | 98.8 | 113.4 | 135.9 | 106.7 | 98.5 | 126.9 |
| • Mobile cross-channel | 129.0 | 115.8 | 125.9 | 109.4 | 83.4 | 89.1 | 139.1 |
| • Voice | 135.8 | 144.1 | 138.1 | 119.6 | 124.2 | 81.3 | 142.6 |

N = 13,114: Complete responses
Source: PYMNTS | Cybersource
The 2022 Global Digital Shopping Index

Conclusion

Australian merchants are offering more sales, discounts, coupons and price-match guarantees in the hope that it will help drive conversion—and they are right about the potential short-term impacts—but these actions are not enough to compensate for their lack of digital and cross-channel feature offerings. More local shoppers are avoiding merchants that do not offer the integrated shopping experiences they want, and if these merchants do not act fast to stop this mass migration, they risk being overtaken by their more digitally innovative competitors.

The 2022 Global Digital Shopping Index

Methodology

The Global Digital Shopping Index is based on census-balanced surveys of 13,114 consumers, with more than 2,000 consumers surveyed in each of the studied markets—Australia, Brazil, Mexico, the United Arab Emirates, the United Kingdom and the United States. It is also based on surveys of merchants from each of the markets—3,100 merchants in total.

We collected data on merchants generating annual revenues that are less than \$1 million, between \$1 million and \$50 million, between \$50 million and \$1 billion and \$1 billion or more,

and asked them about the digital methods and capabilities they use and offer. To evaluate consumers, we collected the names of the stores at which consumers most recently made purchases and manually reviewed every response to determine those that had large national footprints. The rest were defined as small to mid-sized businesses.

The consumer surveys consisted of 38 questions, and the merchant surveys had 28 questions. They were conducted between September 2021 and November 2021.

About

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At [Cybersource](#), we know payments. We helped kick start the eCommerce revolution in 1994 and haven’t looked back since. Through global reach, modern capabilities, and commerce insights, we create flexible, creative commerce solutions for everyday life—experiences that delight your customers and spur growth globally, all through the ease and simplicity of one digital platform to manage all your payment types, fraud strategies and more. Knowing we are part of Visa and their security-obsessed standards, you can trust that your business is well taken care of—wherever it may go.

We are interested in your feedback on this report. If you have questions, comments or would like to subscribe, please email us at feedback@pymnts.com.

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