

# The State of eCommerce Discovery in the New Normal

**An analysis of consumer shopping habits in the Fashion & Accessories industry in the wake of COVID-19**

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# Executive Summary

The last six months have marked an unprecedented surge in online shopping coupled with the rapid acceleration of eCommerce adoption among consumers who, for weeks at a time, had no other option but to change their consumption habits.

eCommerce growth had already been on a steady incline as purchasing power shifts to favor the digital native generations, but the outbreak of COVID-19 vaulted the process into hyperspeed. McKinsey & Co. called it “The Quickening,” – ten years’ worth of eCommerce growth packed into the first 90 days of 2020.

While physical retail is still reeling from the impact of COVID-19 closures, there is new opportunity to recover losses by embracing innovation and adopting the technologies that create differentiated and delightful experiences online.

Now, as the eCommerce and retail industries prepare for the uncharted territory that is the holiday season amid a global pandemic, understanding the habits of these new consumers is paramount to winning them over in both the short and long term.

How do they shop? Are they favoring desktop or mobile? How do they prefer to navigate, discover, and engage with new products on-site?

With nearly **50 million** eCommerce sessions analyzed over a four-week period, this report seeks to get to the bottom of these questions and more, offering a deep dive into the behavioral patterns, spending habits, and preferences of online fashion shoppers in the new normal.



**Lihi Pinto Fryman**  
Co-founder & CRO @ Syte



# Methodology

This report is based on an analysis of **47,606,885** eCommerce sessions from **27,793,116** fashion and jewelry shoppers around the world as recorded in Syte's database over four weeks in July and August 2020.

## Key Findings

one

### Mobile is (Still) King

Whether they're staying at home or cautiously moving back out into the world, shoppers in the COVID-19-era are decidedly on mobile. While there is some variance depending on product type and price point, both browsing and buying is overwhelmingly taking place on smartphones.

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### Smarter CX is Universal

Shoppers in every region engage with and respond well to innovative on-site technology that aids in product discovery. Some regions, like EMEA, are adopting new technology more readily than others, but it's clear that as shoppers move online, the tide is changing in favor of technology that simulates the assistance consumers receive in-store.

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### Early Adopters Spend More

Shoppers that use on-site technology to discover products tend to convert at a higher rate and spend more per session. Brands that have been quick to re-invent their eCommerce experience as COVID-19 sent consumers online en masse are now reaping the benefits of investing in innovation.



## Traffic & Transactions: A Critical Shift in Consumer Behavior

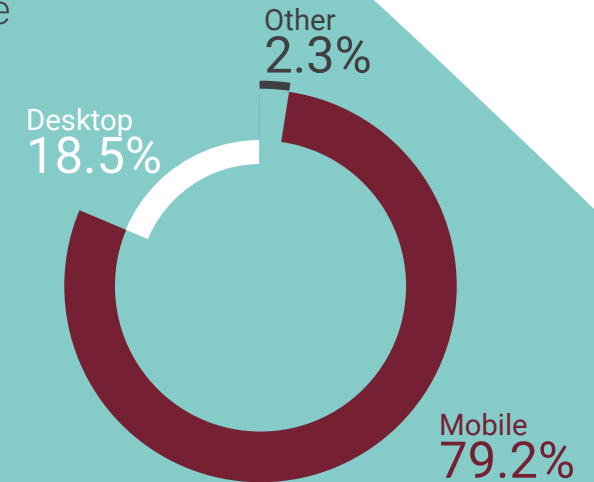
Before diving into the fashion-specific analyses, we must first address a fundamental change in shopper browsing and buying patterns across verticals: the steep rise of mobile commerce. Despite the fact that COVID-19 has much of the world relegated to their homes, where they can comfortably use laptops, desktops, and tablets, a cross-vertical (Fashion & Accessories, Home Decor, and Jewelry) analysis revealed that the overwhelming majority (**79.2%**) of online shopping sessions in July and August 2020 took place on mobile.

What's more, nearly as many (**70.6%**) transactions were made on mobile. Barely nine months ago, [Business Insider predicted](#) that mobile commerce would account for just **45%** of eCommerce sales by the end of 2021. If eCommerce adoption rates jumped by several years in a matter of a few months, so too did mCommerce adoption, and with it mobile purchase confidence.

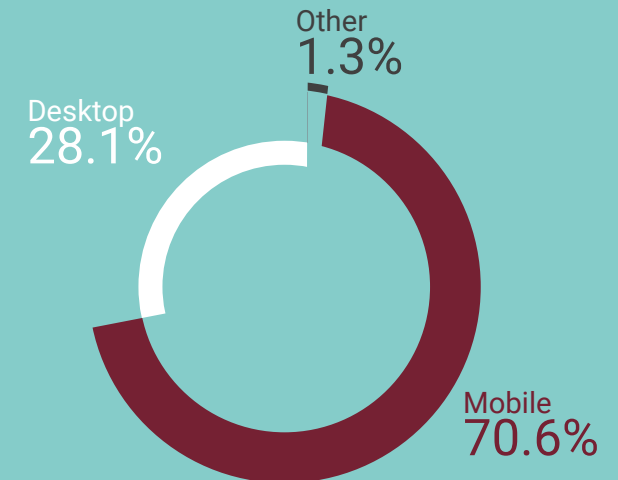
**Consumers are no longer simply browsing on mobile while on the go, prior to checking out; they are beginning and ending shopping journeys entirely on their phones.**

Brands and retailers that prioritize their mobile shopping experience -- from intuitive, mobile-optimized product discovery to a user-friendly checkout page -- are positioned to benefit from this surge. And conversely, those that provide anything less than an optimal mobile customer journey risk losing revenue to [shopper drop-off](#).

Sessions by Device



Transactions by Device



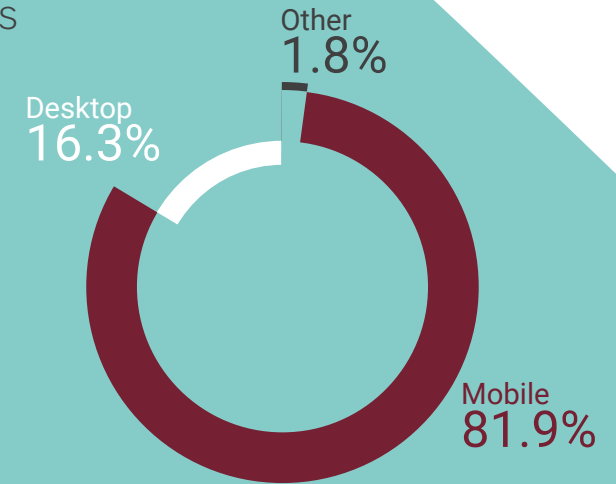
# Browsing & Buying by Device: How Shopper Habits Influence the Customer Journey

In keeping with cross-vertical trends, fashion shoppers in early-mid Q3 2020 show a strong preference for mobile browsing (**81.9%** of sessions) and buying (**74.9%** of transactions). In a vertical where discovery is deeply influenced by social media, it's only logical that consumers who would've browsed Instagram for inspiration on their commute to work are remaining device-loyal -- whether by habit or by design -- even while at home, contributing to more mobile browsing and purchasing.

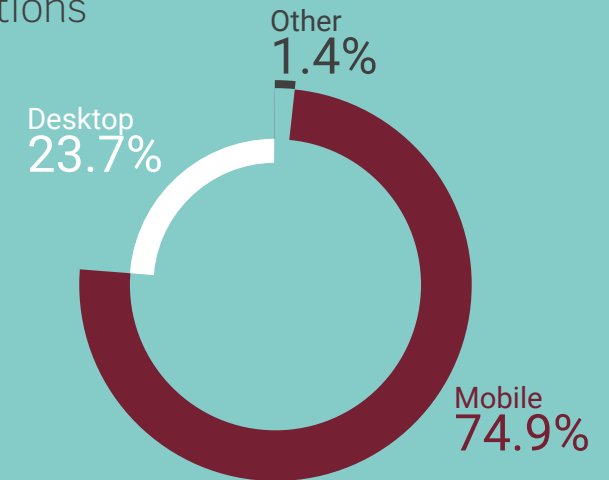
The slight increase (**7.4%**) between desktop sessions and transactions indicates that there is still a certain affinity for checkout on desktop. Conversely, the similar drop (**7%**) between mobile sessions and transactions shows there's still work to be done to build trust and improve the checkout experience on mobile. Brands and retailers that succeed in flipping this trend by building smoother checkout experiences will be able to move high-intent social shoppers along the path to purchase before the moment of initial inspiration wears off.

## Browsing & Buying by Device FASHION

### Sessions



### Transactions





## Spotlight on Jewelry

While browsing habits among jewelry shoppers closely mirror those seen in the fashion vertical as a whole (81.1% of all jewelry sessions were on mobile), the picture changes when it comes to purchases.

**Just 59.1% of jewelry purchases took place on mobile as compared to nearly 75% of fashion purchases -- a staggering 39.7% of jewelry shoppers chose to check out on desktop.**

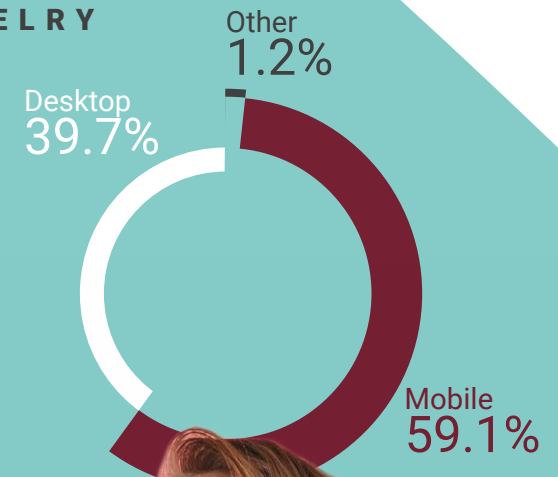
Despite their overall preference for mobile transactions, many jewelry shoppers are likely switching to desktop to check out due to the price point and extensive consideration that goes into a fine jewelry purchase. Not only is it still easier to do research and comparative shopping on desktop than on mobile, but it's also easier to see the fine details of a piece of jewelry or a gemstone on a larger screen.

Tasked with bridging a significant trust gap, jewelry brands are already making a name for themselves as some of the most innovative in the eCommerce space, with 3D-imagery tools, interactive UGC galleries, and more. As shoppers continue to favor mobile, jewelry brands will need to begin implementing technologies that not only make shoppers comfortable buying a high-ticket item online, but also on their phones.



### Transactions by Device

#### JEWELRY



# The Vanguard of Visual AI: Regional Adoption of Next-Generation eCommerce Discovery Technology

The COVID-19-induced surge in online shopping amounts to more than just a rise in eCommerce traffic. It represents a greater shift in consumer behavior: Suddenly, people who might've otherwise never ventured online to shop are adopting new technologies and shopping behaviors. They are considering whether they want next-day delivery, or would prefer to buy online and pick up in-store. They are reading and writing reviews, browsing through user-generated images, using sizing and fit apps, choosing payment options, and clicking on email promotions. The mandatory move to shopping online merely broke the dam, unleashing a flood of digital adoption in retail.

Add to this supply chain disruptions that have forced even seasoned online shoppers to switch brands, and

**retailers are facing a wave of new consumers who both want and need help navigating their websites to find the products they're looking for.**

This has accelerated the demand for another category of eCommerce technology: on-site product discovery solutions.

The fashion shopping sessions analyzed in this report include consumers who interacted with four visual-AI-powered technologies designed to promote intuitive product discovery at each point in the buyer journey.

This is how the technologies work:



## Camera Search

*A visual search solution that allows users to upload or select images and see visually similar results for the items pictured.*



## Discovery Button

*Pinterest-like navigation that enables shoppers to click on any product image on product display and listing pages and to search for visually similar items to the ones shown.*



## Shop Similar

*A carousel of images that recommends visually similar items to the featured product on a PDP.*



## Shop the Look

*A carousel of images that displays items from a product image other than the featured piece of clothing.*



# >The Vanguard of Visual AI: Regional Adoption of Next-Generation eCommerce Discovery Technology

**A regional analysis revealed that fashion shoppers around the world -- without exception-- readily engaged with each technology,**

indicating that the new wave of openness to innovative online shopping experiences is a global phenomenon.

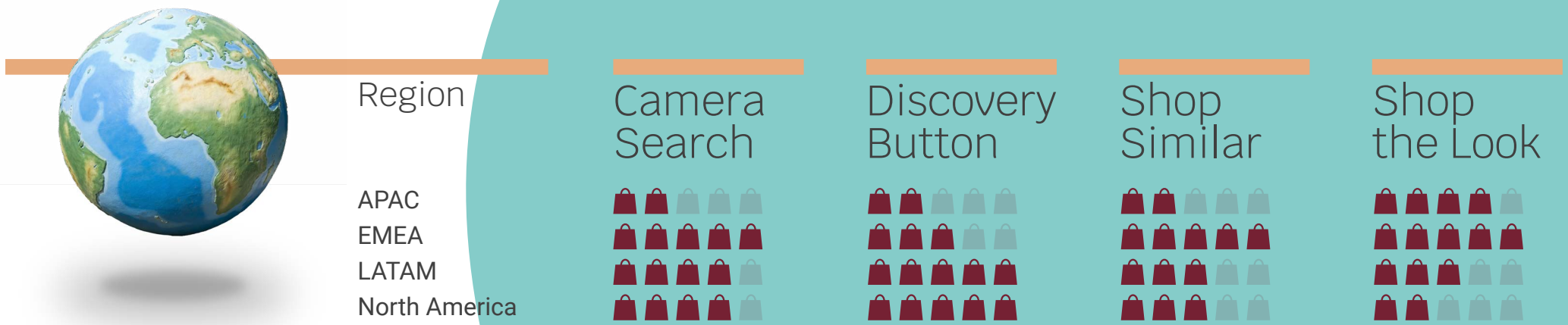
If in the past, shoppers would evaluate a physical store by its service, its convenience (location, product selection, etc.), and its pricing, those evaluations are moving online -- and best-in-class eCommerce experiences, including smart and intuitive product discovery, are the new criteria.

Shoppers in EMEA proved to be the most open to the product discovery widgets, adopting all of them with enthusiasm, followed closely by LATAM and North America.

Interestingly, despite being the most active region on social media platforms, APAC shoppers are still catching up with other parts of the world when it comes to adopting product discovery technology. However, as innovative shopping platforms in APAC, like T-Mall, Taobao, and Zozo, continue implementing the latest eCommerce technology, this gap is set to close imminently.

Additionally, with nearly 50% of Pinterest traffic coming from the United States followed by a further 10% from Brazil, it's natural that North American and LATAM shoppers have been quicker to adopt Camera Search and the Discovery Button, whereas APAC shoppers have been more open to recommendation engines, like the Shop the Look carousel.

As shoppers continue to move online, we're set to see adoption grow worldwide, making innovative and intuitive buyer journeys table stakes for acquiring new customers.



## Fashion's Early Adopter: The Dollars and Cents

Brands and retailers are already scrambling to update their online customer experience just to remain competitive in our new normal, but what they don't yet realize is that the benefits of prioritizing change are far more tangible. Even in these relatively early days of the eCommerce rush brought on by COVID-19, we're seeing that shoppers who engage with each of the on-site product discovery technologies -- the early adopters, if you will -- are dramatically higher spenders.

They convert at a rate **840.6%** higher than shoppers who don't use the on-site aids, spend on average **6.7x** more per session, and bring in **451.2%** higher average revenue per user than non-adopters.

These numbers are particularly pertinent now, as consumers -- those shopping online for the first time as well as those facing the fallout of supply chain and fulfillment issues with their go-to brands -- are trying out new brands at an unprecedented rate.

**Any influx of new shoppers brings with it early adopters who have the potential to convert at more than 8x the rate of regular customers when interacting with the right technology.**

Uplift Among  
Early Adopters  
in Fashion

**840.6%**

**Higher CVR**

**6.7x**

**Higher average revenue per session**

**451.2%**

**Higher average revenue per user**



## Spotlight on Jewelry

In jewelry, while the threshold for trust is higher and purchases are less frequent, shoppers are willing to pay a premium to find the perfect item. This makes product discovery technology particularly impactful on average order value. A shopper will not typically buy a diamond necklace, for example, every week, every month, or even every year. However, if by using Camera Search, the Discovery Button, or the Shop Similar carousel, she's able to find a necklace that truly inspires her, she's more likely to stretch her budget for this "once in a lifetime" purchase.

**Accordingly, early adopters of product discovery technology in the jewelry vertical converted at a rate 689.6% higher and had an average order value 9.3% higher than shoppers who did not use the on-site tools.**

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# 689.6%

Higher CVR

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# 9.3%

Higher AOV





*This is a pivotal moment for eCommerce.  
For what may be the first time ever, we're seeing both brands and consumers  
equally embrace the centrality of technology in customer experience.*

*And as customer experience rapidly becomes the differentiator  
between brands that can attract and retain loyal customers in the long term and  
those that can't, the response brands have now will be recalled in the future as the  
make-or-break moment for their business.*



**Lihi Pinto Fryman**  
Co-founder & CRO @ Syte



# A Case Study in Camera Search: PrettyLittleThing

Founded in the UK in 2012, [PrettyLittleThing](#) is a global fashion destination, with presence in the US, Ireland, Australia, and France. Its clientele is predominantly women aged 16 to 24, and it's known for standout collaborations with influencers.

With more than **12.4** million followers on Instagram and 2 million likes on its Facebook page, PLT already had the advantage of a massive social media presence. However, they were looking for new and innovative ways to capture the momentum of mobile traffic, to leverage social assets to increase mobile web conversion, and to improve product discoverability.

PLT implemented a camera search funnel featuring social media images to inspire shoppers, and invested in educating site visitors to increase adoption of the discovery tool. With that alone, the brand quickly saw **130%** higher CVR and a **2.3%** uplift in revenue per session.



**130%**  
Higher Conversion Rate

**2.3%**  
Uplift in Revenue Per Session

## Top Takeaways & Predictions for the Future

COVID-19 has been a trial for the retail industry, forcing store closures and staff furloughs at rates our ecosystem has never seen before. However, along with the pain of those losses, the global pandemic has also introduced era-defining change, taking eCommerce innovation from a roadmap goalpost to an immediate necessity.

As this report revealed, fashion shoppers around the globe are increasingly browsing and checking out on mobile, where they prefer to navigate using on-site tools that enable instant and intuitive product discovery. Investing in these solutions pays back severalfold, earning as much as 8x higher conversion and increasing average order value by upwards of 9%. What's more, we're merely in the embryonic phase of this change in consumer behavior:

**The shoppers now seen as early adopters of on-site technology will, in a few months' time, become the norm, unlocking incredible potential for brands and retailers.**

Going forward, the brands that truly understand this call to innovate will focus on driving change on an omnichannel scale. They will continue to bring the in-store experience online, offering personalized, multisensory experiences via technologies including AI, AR, and VR. At the same time, as physical retail gradually re-opens, they will upgrade the in-store experience to meet a new bar for speed, safety, and convenience by adopting versions of the technology used online to quickly connect shoppers with the products they're looking for.

This period is a test: The brands and retailers that come out on top will benefit from the long-term patronage of the new consumers acquired during COVID-19. Retention, now more than ever, is a reflection of excellence in customer experience -- with product discovery as its gateway.



## About Syte

Syte is the world's first product discovery platform. Powered by visual AI, we're spearheading the evolution of eCommerce by enabling brands and retailers to seamlessly connect shoppers with products they love.

Our solutions, including camera search, augmented site search, personalization engines, and smart in-store tools, empower shoppers to discover and purchase products in the same way they live their lives -- instant, intuitive, visual.

Leading brands and retailers, like Farfetch, PrettyLittleThing, Conforama, Shane Co., and Zozo, partner with Syte to provide on-demand, hyper-personalized experiences that drive conversion, increase average order value, and spark lifelong loyalty.

To learn more about Syte's solutions, products, technology, patents, and trademarks, visit [www.syte.ai](http://www.syte.ai)

