

let's make
payment
happen



Love Local

What Makes
Consumers Shop Local?

#LoveLocal

Exclusive
Consumer Trends
Report





Every time

a consumer

buys from

a small **local business,**

an actual person

does a

little dance.



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Spreading the Local Love

Independent local businesses like yours, are the **heart of the economy and the **soul** of the community.**

They can make towns into destinations, create jobs and bring greater diversity and personality to our streets.

But your local business not only enhances the fabric of the community. Every €1 spent at your independent business returns three times more to the local economy than if it was spent in a chain. (And almost 50 times more than buying from an online chain). It's called the Multiplier Effect.



Put very simply, when local businesses like yours are thriving, it is good for everyone.

But while we know how important independent local businesses are for a multitude of reasons, one question remains unanswered:

**What
really
makes
consumers
shop local?**





To find out the answer CCV commissioned new research* offering key insights into consumer behaviour across Europe. The result is Love Local, a report to help CCV's small business customers like you, make the most of your local opportunities.

At CCV we really care about local business and want you to strive. We are experts in online and offline payments for local shops around Europe (with over 200 000 merchants). We always try to learn more about what makes people love local shopping – as much as we do.

We know that your local business wants to stand on its own merits and earn local support, not for your size, but because of who you are and what you stand for.

You can still compete with the big boys as smart solutions (like those from CCV) are available to support you in making the most of being a local business and becoming even more loveable.

Read on to discover the key insights from our research and join us in spreading the Love Local message.

#LoveLocal

* CCV commissioned an online survey with a representative sample of consumers with the purpose to understand the habits, attitudes and drivers towards shopping locally. In total, we interviewed:

- n=1100 in Belgium (between 16 and 70 y.o.)
- n=1099 in The Netherlands (between 16 and 70 y.o.)
- n=1089 in Germany (between 16 and 70 y.o.)
- n=1001 Switzerland (between 18 and 65 y.o.)

The survey was conducted by research agency Ipsos and was carried out between 28th of June and 4th of July 2019.



Consumers show their love in store

**When you love your local business as much as you do,
it's good to know that customers do too.**

Online shopping has been steadily gaining favour over the last decade. But growth is not equal in all categories. CCV discovers where consumers actually shopped for products and where they would prefer to shop.



FRESH FOOD

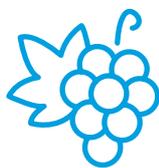
It may come as no surprise to you that retail chains are the most popular choice for fresh food grocery shopping across the countries surveyed with 81% of people shopping in chains (compared to 47% shopping at local independent stores).

What is surprising however is, that despite the major growth in online shopping worldwide, there are still relatively small numbers shopping for groceries online.

Our research shows that local grocery webshops were shopped just as much as online chains with each attracting 5% of consumers. This suggests, there are still opportunities for local grocery retailers to develop an online shop and compete with the larger chains.

OTHER FOOD & DRINKS

When it comes to shopping other food and drinks the numbers are marginally higher with 84% shopping in a brick & mortar chain and 38% frequenting their independent local store.





I got my groceries from...



Local shop
47 %



Local webshop
5 %



Chain
81 %



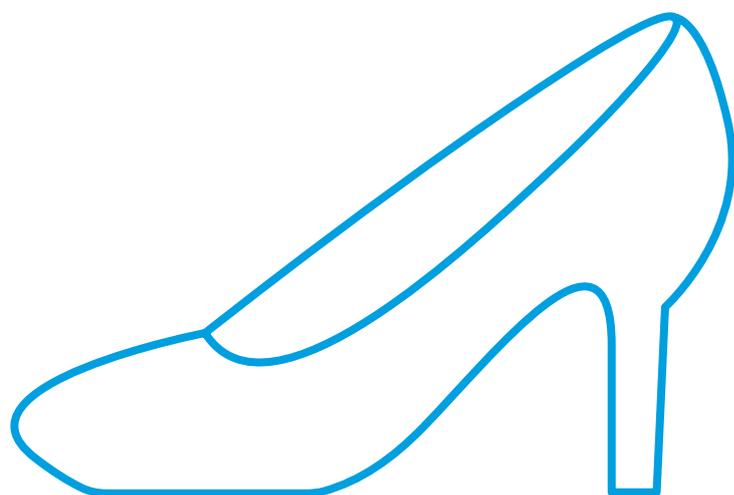
Chain webshop
5 %



FASHION & JEWELLERY

Clothing, shoes (including sports apparel) and jewellery were the most popular items shopped online from a chain, with 42% of customers shopping. This compares to 21% shopping these items at a local webshop.

In this category 59% of people shopped in the brick & mortar chain store compared to 30% shopping at a local store. This tells us that local clothing stores appear to be competing but do have room for growth.



fashion & Jewellery



Local shop
30 %



Local webshop
21 %



Chain
59 %

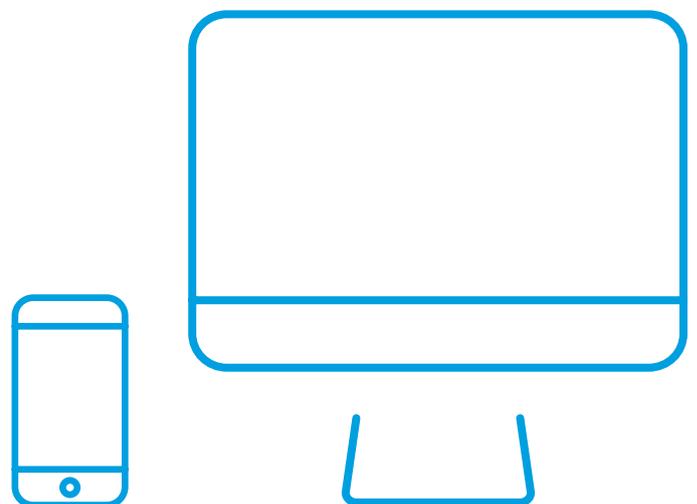


Chain webshop
42 %



HOUSEHOLD APPLIANCES, COMPUTERS AND PHONES

When it comes to white goods and technology our report reveals some interesting findings. 55% of consumers surveyed shopped in a chain while 35% shopped the webshop of a chain. This category has one of the lowest 'Shop Local' figures at 20% shopping at an independent store, and, 20% shopping a local independent webshop.



Household appliances, computers & phones



Local shop
20 %



Local webshop
20 %



Chain
55 %

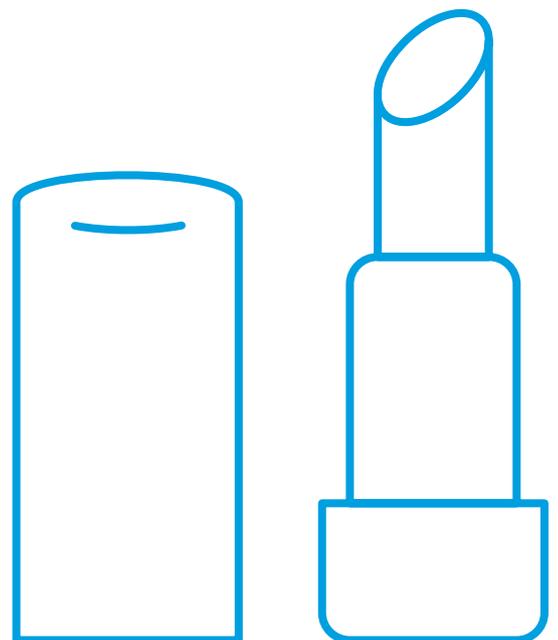


Chain webshop
35 %



BEAUTY, PERSONAL CARE, MEDICAL

In the beauty, personal care and medical products category, chain stores are very popular with 73% of shoppers while just 27% shop local in brick & mortar stores. When it comes to online the gap in local versus chain is not as pronounced, highlighting possible opportunities for local Beauty, Personal Care and Medical businesses. They already attract 13% of consumers compared to 18% for the webshop of the chains.



Beauty, personal care, & medical products



Local shop
27 %



Local webshop
13 %



Chain
73 %



Chain webshop
18 %



Local services the most loved of all

European consumers are **madly in love** with local services

According to CCV's research which found that local companies are adept at winning the hearts of customers. They're also beating the big chains in many service categories.

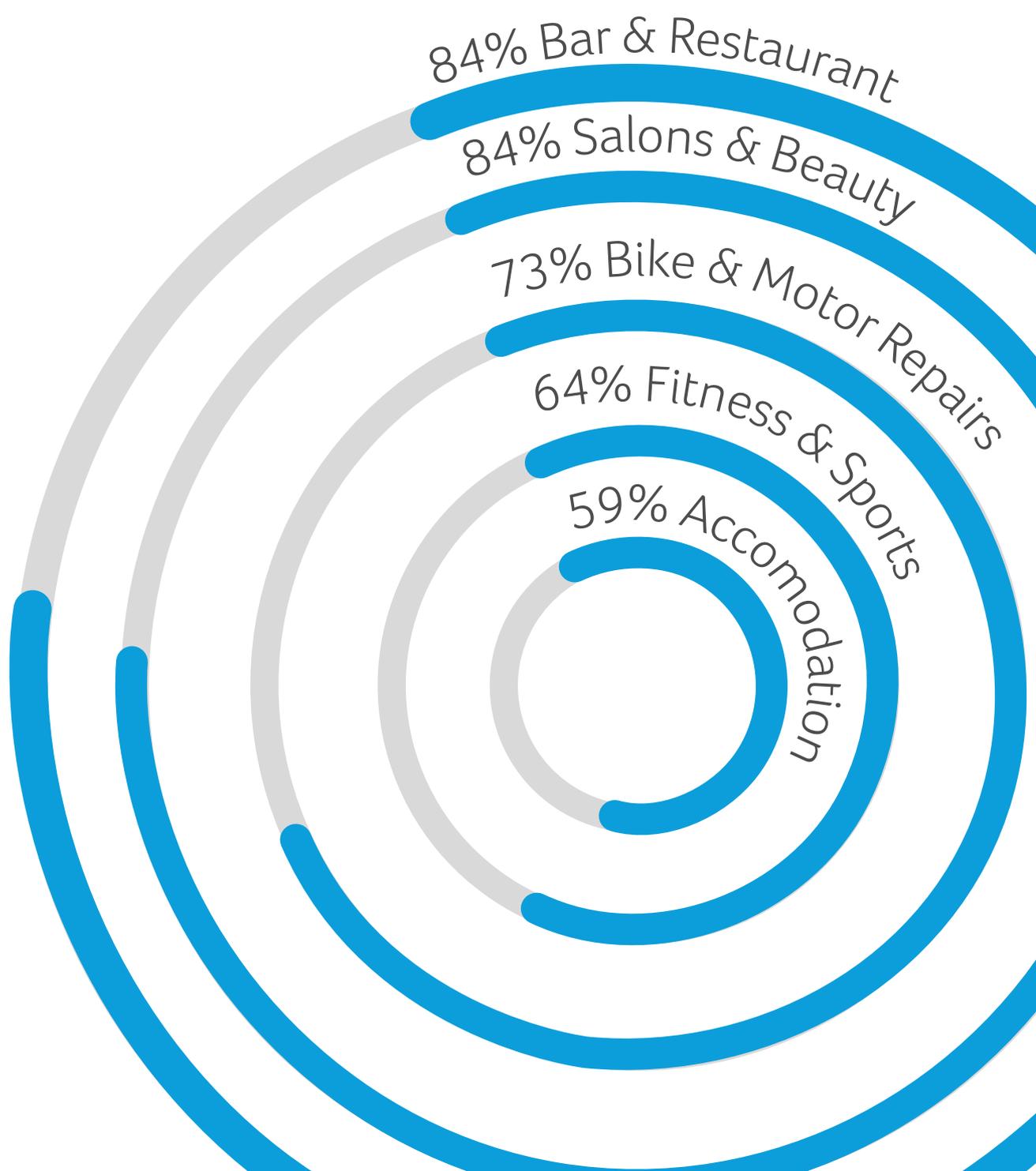
Services is the area in which consumers really love local.

More than twice as many consumers shopped locally for a range of services from beauty treatments, to restaurants and car maintenance. On average 73% shopped locally for services versus 35% shopping chains.

In fact there was no category surveyed in which consumers shopped more at chains than local independent places for services.



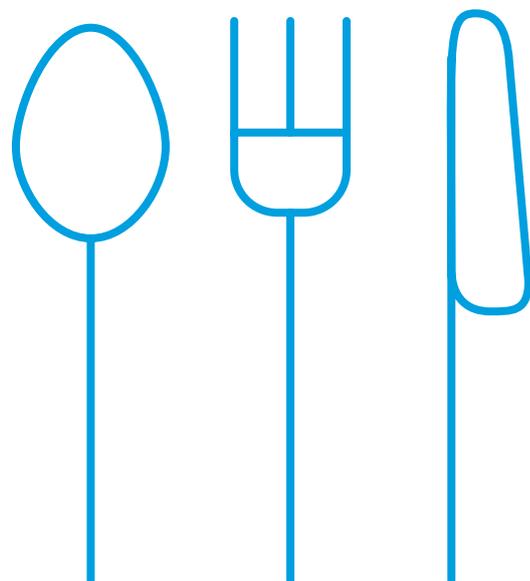
Shopping local for Services





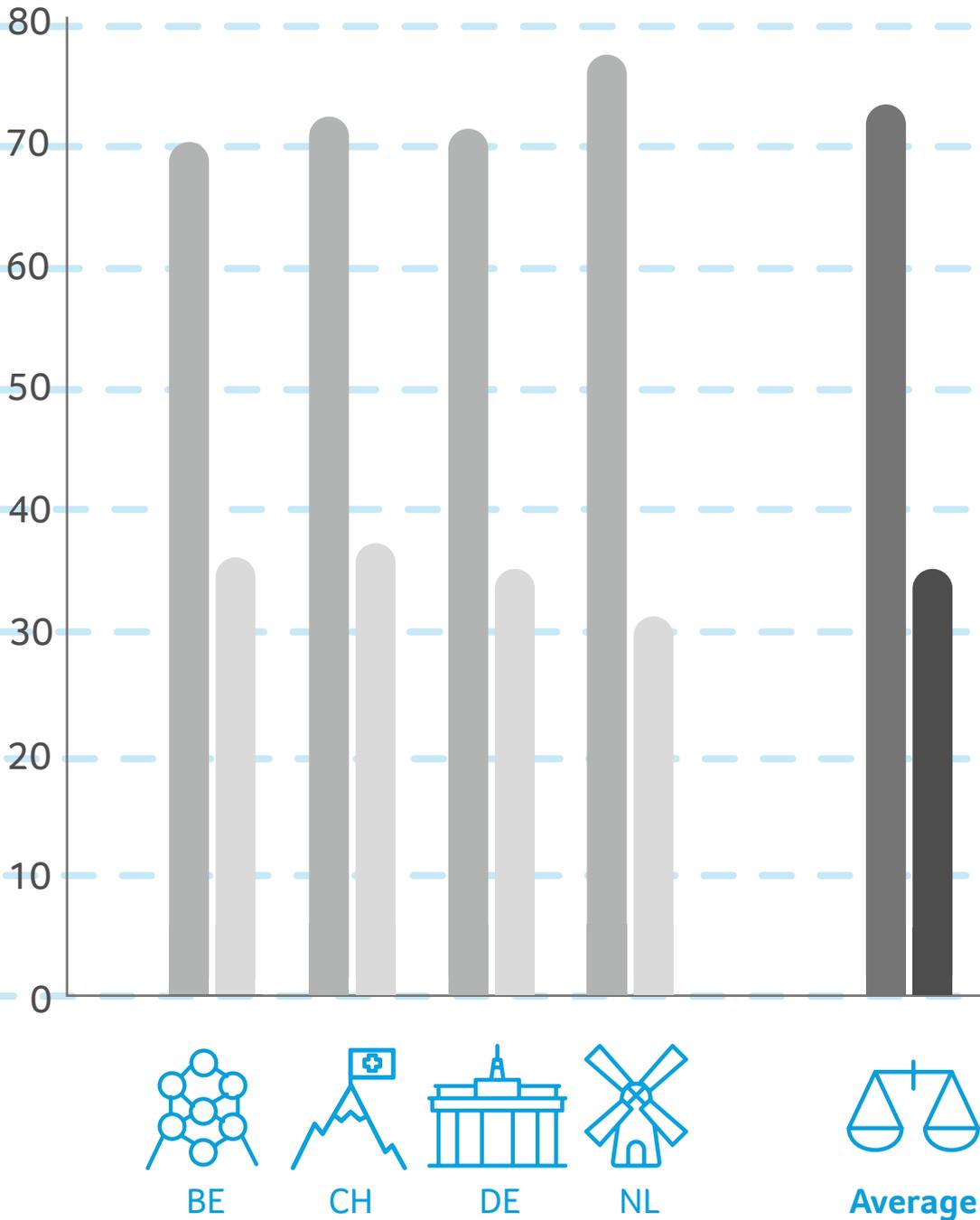
Local restaurants, bars and cafes were much more popular than chains with 84% of consumers enjoying them, compared to 34%. Local salons were more than four times as popular with 84% versus 18%. When it comes to fitness and sport local independents also beat the chains at 64% versus 41%, while for car and bike repairs local trumped chain with 73% versus 31%. Finally, for accommodation in hotels and B&Bs local triumphed with 59% against 51%.

Clearly, when it comes to services, consumers much prefer to use local independent places and they are voting with their wallets in the support of local service providers. This holds true across all the countries surveyed with nearly double the love for local independents compared to chains.



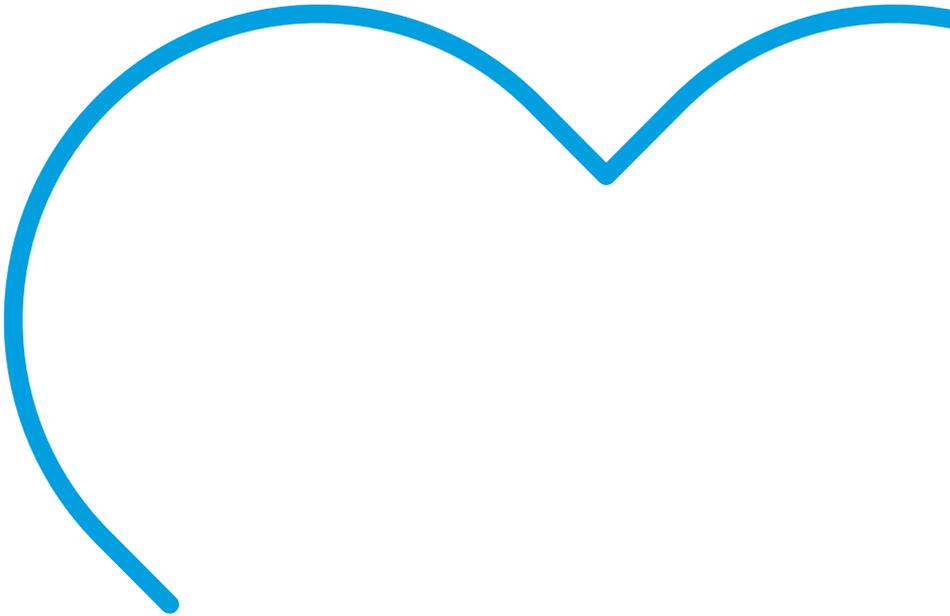


Where Consumers Bought Services

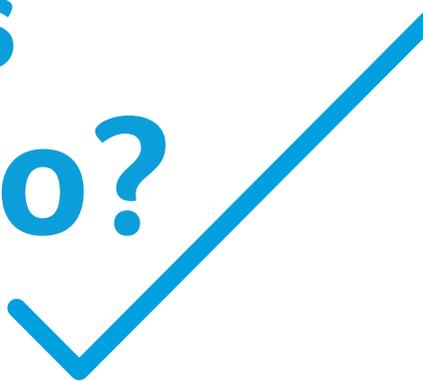


- Local independent*
- Places part of chain*

* All Categories, having a beauty treatment, eating/drinking out of home, spending the night, eg. hotel, B&B, doing fitness/sport, having a bike/car service or repair done.



Why do shoppers love you so?



**What are the main reasons consumers love to frequent their local stores and services?
CCV reveals the secret law of local attraction.**

European consumers have many reasons for shopping local but convenience, and the ability to park nearby, ranks number one, with 53% of customers across Belgium, Switzerland, Germany and The Netherlands.

Service comes in at No. 2 (14%) underpinning the need for local businesses like your to offer stellar service to attract and retain their customers. Interestingly a desire to support the local economy and employment in general is the third most important reason given for shopping local (9%), while a friendly, familiar face comes in fourth on average.



Reasons consumers shop in local stores



Location
53%

Service
14%

**Supporting
local economy**
9%

2

1

3

4 Seeing friendly / familiar face (5%)

5 Ecological aspect (4%)

6 The urgency (4%)



Falling in love with Local webshops

Online shopping is having a moment. But why do consumers love it so much, and what will make them fall in love with your local webshop?

Price is more than twice as important as service in motivating consumers to shop from your local webshop. You also need to maintain a unique assortment of goods as this ranks the third biggest motivator for consumers buy from a local independent webshop.

Customers also ranked the ecological aspect as the fourth most important ranking factor.

Interestingly online shoppers rated the webshop's loyalty system and having higher trust than in the big chains jointly as the fifth most important ranking factors.



What motivates consumers to shop at local webshops?



Pricing
44%

Service
18%

Unique Assortment
14%

2

1

3

4 Ecological aspect (5%)

5 Loyalty system (4%)

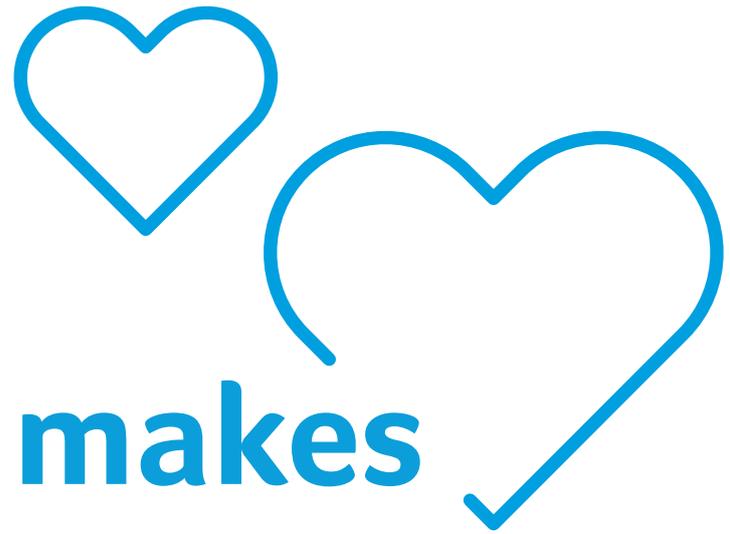
6 Higher trust than in big chains (4%)



As with the ranking factors given for the reasons to shop local products, the top three most important factors when it comes to buying from local webshops were the same across all the countries surveyed (with just some slight variations).

Supporting the local economy and employment in general also ranked across all the countries. A loyalty system was important in Switzerland and Germany, ranking fifth and fourth respectively, while the ecological aspect was ranked fourth and fifth in all bar Germany.





What really makes your customers love you?

How can you encourage consumers to shop more at your local business? While some of the answers are expected, there's a few surprises in the data you need to know about.

We've seen earlier in this report that a third of consumers would prefer to shop local for products and an overwhelming 73% would prefer to shop local for services. But how can you encourage them to do this?

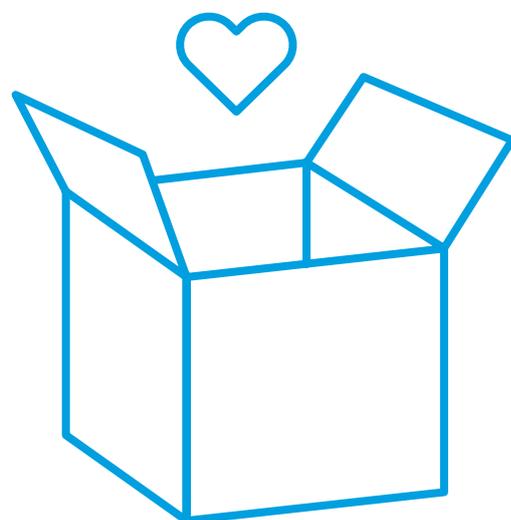
If you thought that consumers were weary of special offers and discounts, think again.

The top thing local businesses can do to encourage customers to shop local is to run special events in store and offer deals and promotions.



Of course, opening at hours to suit your customers, goes without saying (and clocks in at the second best way to encourage local custom), but it's interesting to note that a friendly shop owner or assistant is the third most important way to encourage consumers to shop local. This shows how important it is to be yourself in your business and to train your staff to pay close (and friendly) attention to your customers.

An attractive loyalty system also got a mention, ranking seventh, while the possibility to pay electronically was considered even more important than good interior design in encouraging more local shopping.





10 Ways to Make Your Customers Shop and Buy Locally More Often



BE



CH



DE



NL

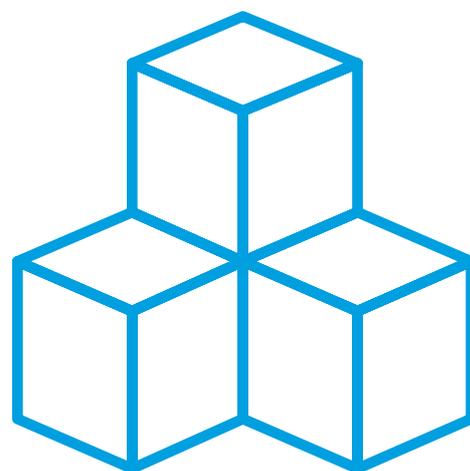
		BE	CH	DE	NL
1	Discounts, promotions, special events in store	53%	46%	49%	58%
2	Convenient opening hours	48%	54%	53%	33%
3	A friendly shop owner/assistant	40%	46%	37%	37%
4	Parking space close to the store	34%	40%	45%	29%
5	If the products are produced locally	33%	48%	38%	19%
6	A larger assortment/offer	27%	31%	38%	32%
7	An attractive loyalty system	32%	40%	31%	15%
8	A more unique assortment/offer	30%	24%	24%	15%
9	Possibility to pay electronically	28%	23%	18%	18%
10	An attractive shop/interior design	16%	15%	18%	15%



Earlier in this report we also saw that the gap in popularity between online shopping at chains and local webshops is quite narrow in some categories. This suggests there are opportunities for local businesses like yours to exploit if you can move fast to meet consumer demand. But what can your online business do to encourage customers to shop more on your local webshop?

The two most important factors are discounts and promotions ranking first followed by free delivery and returns. Consumers also want the ability to pay by their preferred method, showing how important it is for you to support all the major payment options in your webshop. This ranked fifth in importance followed by an attractive webshop and loyalty system which shared sixth position.

Clearly the more of these boxes your local webshop business can tick the more attractive you will be to local customers. When you read on to the next section you will also see just how important having a webshop is for customers to keep up to date with your local business.





What will make your customers order more often from your local webshop?



BE



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AVERAGE

		BE	CH	DE	NL	AVERAGE
1	Discounts/ Promotions	58%	55%	55%	51%	55%
2	Free Delivery & Returns	45%	45%	49%	41%	45%
3	Larger Assortment	32%	34%	39%	41%	37%
4	More unique Assortment	32%	29%	29%	30%	30%
5	Able to pay by preferred method	23%	31%	35%	27%	29%
6	Attractive Loyalty System	17%	28%	34%	28%	27%
7	Attractive webshop	15%	19%	39%	34%	27%
8	If Products produced locally	16%	26%	32%	27%	25%



Communication ✓ is key in building the love

A majority of customers actually want you to communicate with them.

But how? We have the answers.

We know that independent local stores like yours, are an important part of our communities. So, it's good to confirm that a majority of consumers surveyed want to keep in touch with what's going on with your business.

Growing your customer love is no different to any other relationship. The secret lies in mastering communication and increasing your knowledge of your partner (customer!). The most popular way for consumers to keep in touch with what's happening in your business is by talking to you and your staff. Once again, as we found in an earlier part of this report, this underlines how important friendliness and a personal touch is to encouraging local consumers. Personal care can keep your customers coming back time and again.



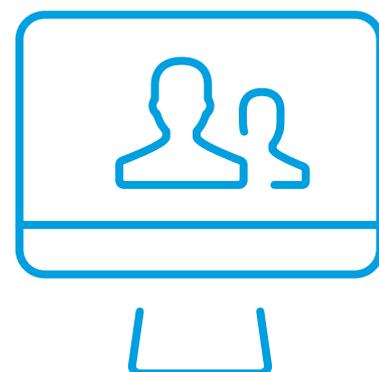
Apart from personal updates your store's website is even more important with 67%% of consumers checking it for information.

Our research also tells us that consumers want to support local webshops with 55% wanting local stores to have an online shop so they can shop there whenever they want. (This also plays into the importance of convenience highlighted earlier in this report).

50% of customers also prefer to stay up to date with your local businesses on email so it is clearly important for you to build a customer database, ensure it is GDPR compliant, and then communicate regularly with relevant and interesting emails and promotions.

Finally, nearly half of all consumers (48%) follow local stores on social media to stay up to date on what's happening. This highlights how important social media and social commerce is becoming across Europe and why your business needs to have an active presence on channels like Facebook and Instagram. In fact, according to Facebook at least once a week, nearly two in three people on Facebook visit the page of a local business or event.

Ultimately what we can see from these findings is that a digital first, agile local business which can bring real personality to bear (with the emphasis on the personal touch), will build stronger connections with customers.





BE



CH



DE



NL



Average

I like to check my local store's website for information (e.g. opening hours, special events, ...)

71%

68%

58%

72%

67%

I keep myself updated by visiting the shop or talking face to face with the shop staff

57%

62%

59%

62%

60%

Local stores should also have a webshop so I can shop whenever I want and/or don't need to go there

57%

59%

52%

52%

55%

I prefer to get updates from local stores via e-mail

59%

55%

41%

43%

50%

I follow some local stores on social media, to stay up to date on what is happening (e.g. special offers, new products, events, ...)

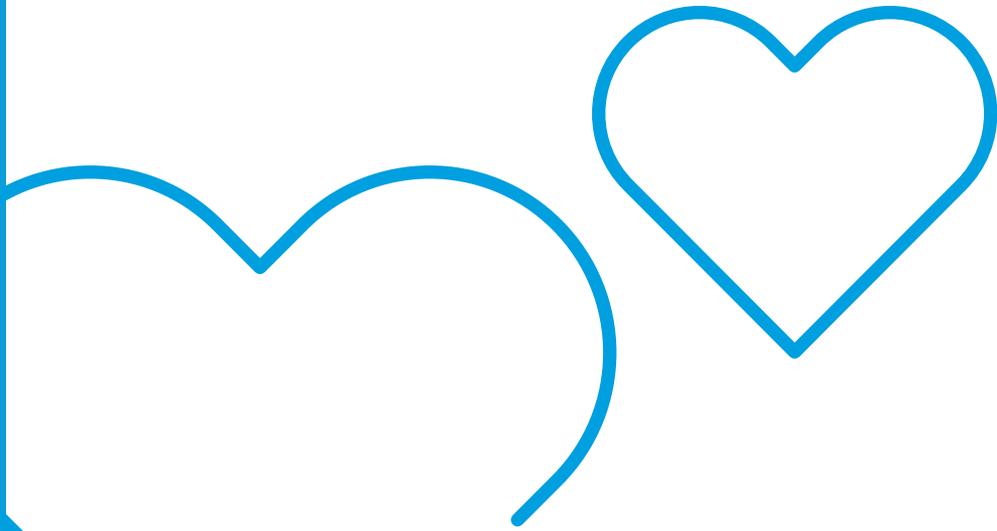
51%

50%

41%

50%

48%



5 ways to make Yourself

more lovable

There's clearly a lot of love for local businesses across Europe as consumers vote with their feet (and clicks) to support their local stores and webshops. **But how can you make your business even more lovable?** Here are some ideas to get you started.



Open your doors as a local meeting point

While we have seen the importance of a social media presence in keeping in touch with your customers, we've also discovered that events in store rank highly with customers. Human experience is even rivaling customer experience so it's the perfect time to introduce a different type of social networking into your business.

Use your premises to host local groups, or sample new products. You can also join forces with other local shops to create events, like a street party celebrating local, for example, or a series of customer evenings in a different local store each week.

The more you can make your business a focus of local life the better. CCV believes so strongly in this kind of collaboration they are happy to put you in touch with local entrepreneurs who might be interested in partnering with (no strings attached).

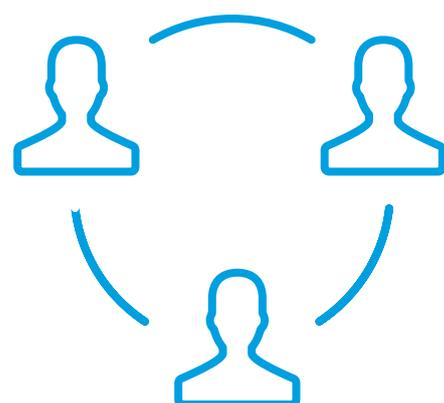




Use technology to get even closer to your customers

Local stores like yours can now enjoy technology to rival the big boys, without the big capital investment.

You can use a host of free tools to help with your sales and marketing. Manage your client data base with a CRM tool and stay in touch with prospects and clients with an email marketing tool. Start to manage your social media and schedule posts in advance with one of the many social media tools. Create great designs for your marketing and communications with an online easy-to-use graphic design tool. Finally see what visitors are doing on your website and how they interact with your content with a website tracking tool.



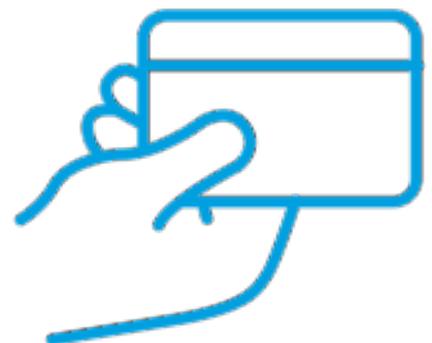


Give your customers payment options

By 2030 three out of four people will own a connected device. Our research shows the importance of offering multiple payment systems to your customers and it goes without saying they also want a smooth, fast checkout process.

At a minimum you will need a payment partner who can support local payments like Postfinance and Twint in Switzerland or Payconiq and Bancontact in Belgium and the Netherlands. (Check out CCV solutions to find out how a flexible payment partner can grow with your local business or just support the services you need along the way).

Offer your customers a user-friendly gift card, with very little administration. You can use these to offer a discount on a subsequent purchase or as an offer in its own right so that your loyal customers can spread the Love Local message to a friend or family member.



4

Spread the love with a webshop

We've seen in this report that there's an opportunity for local businesses to close the small lead the chains have in certain webshop categories. We've also seen that a vast majority of customers want their local stores to have an online presence so they can shop when they want.

Clearly, thinking offline as well as online is a bit of a no brainer. So, it's good to know that you can get up and running with your webshop in your lunch hour with a fast and easy webshop solution from CCV.

CCV webshop is an all-in-one solution for a set monthly fee. The webshop can also facilitate delivery or collection options (which were ranked as an important factor in shopping local by consumers).





Reward customer love with a loyalty programme

Staying really connected to your customers both online and in store will really help to build your business. Our research shows that having a loyalty programme can be an important reason for customers to shop with their local webshop. We've also seen that customers like to be kept up to date on your offers and promotions.

You can make a simple start by asking your customers to sign up for your mailing list and sending them special 'customer only' offers. As you build your webshop you will also be building a valuable database of customers, who, depending on where they live, may also be interested in shopping in store. Cross promote both stores where you have different customer groups by promoting your webshop to existing instore customers and vice versa.

Reward loyal customers for sharing your content and building Local Love on your social media channels like Instagram and Facebook.

And finally, let everyone know you are local. Tell your local story on social media, celebrate how local you are with your signage, sing it from the rooftops and soon your customers will Love Local, as much as you (and we at CCV) do.



It's about the Relationship

CCV Group started as a local business over sixty years ago and is still as passionate about supporting local independent businesses like yours as it was back then.

While a lot has changed for your local business over the years, particularly with the emergence of digital commerce and social media, one thing remains the same: the need for a truly 'local' partner to support you on your entrepreneurs' journey.

CCV understands the challenges you face in attracting customers and growing your business and has built a portfolio of flexible solutions, from payments, to webshops, to meet them. It really is all about the relationship.

Our report shows that when given the option a majority of consumers will opt to Love Local. It also shows there are opportunities for local businesses like yours to extend your reach online with webshops and bring your customers even closer.



Being successful in your local business brings a huge array of benefits to your local economy and community. As we said from the very outset, independent businesses like yours are the heart and soul of our towns and cities.

To find out more about how **CCV can help you grow and strengthen your local business**, whether through the perfect payment solution, no-fuss, intelligent point of sale systems, or easy to use webshops just contact **+31 (0)88 228 9911**. or send us an email with your question to **info@ccv.eu**

We would love to hear from you!





www.ccv.eu