

National Consumer Agency

Market Research Findings: Online Discount Sites



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July 2012

Research Conducted by


amárach
research

Table of Contents



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- **Key Findings**
- **Main Findings: Online Discount Sites**
- **Research Methodology and Sample Profile**

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Key Findings

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Key Findings - I



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- **61%** of consumers have signed up to an online discount site.
- Of those who have signed up, **61%** have purchased a product or service from an online discount site which is equivalent to **37%** of the adult population - an increase of 5 percentage points from the figure (32%) recorded in November 2011.
- **One in three (33%)** of those who purchased from an online discount site have had reason to be dissatisfied with a purchase, up 5 percentage points since November 2011.

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Key Findings - II



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- The main reasons cited for the dissatisfaction were:
 - Poor service delivery/Poor product quality (34%)
 - Retailer could not provide service when required/delivery delayed (18%).
- **Just over half (52%)** of those who were dissatisfied complained
 - 70% complained to the online discount site company and
 - 43% complained to the actual provider of the product or service.
- **Over 3 in 5 (61%)** of those who complained had their complaint resolved.

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Main Findings: Online Discount Sites

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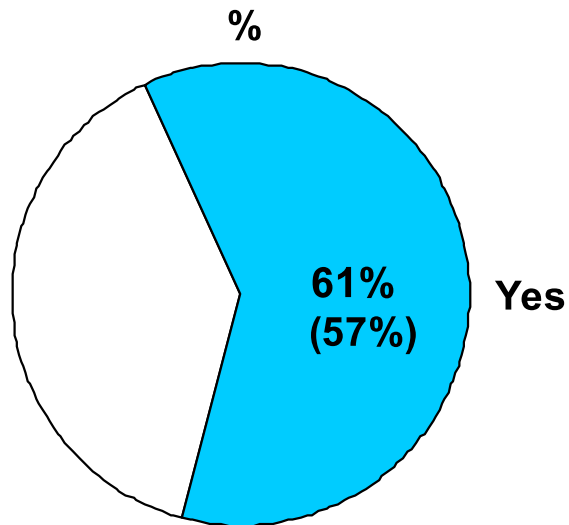
Interaction with Online Discount Sites



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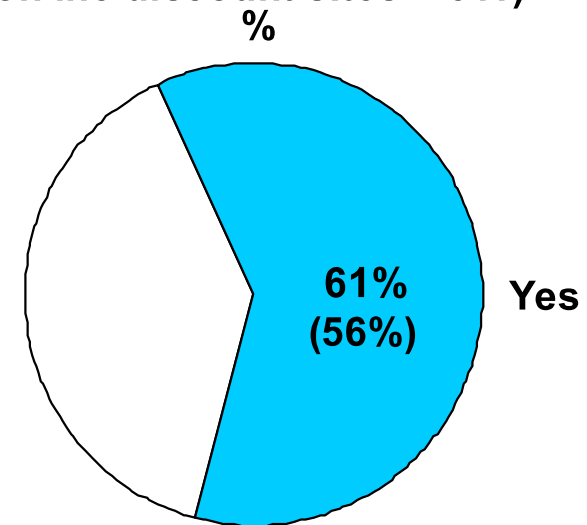
**Signed Up/Registered
with an Online Discount Site**

(Base: All adults aged 16+ – 1,004)



**Purchased a Product and/or
Service from an Online Discount Site**

(Base: All who have signed up/registered with
online discount sites – 611)



Over 3 in 5 Irish adults have registered/signed up with online discount sites. Of these a further 61% state to have purchased something from these sites which equates to 37% of Irish adults. Levels of registration and usage have increased since November 2011.

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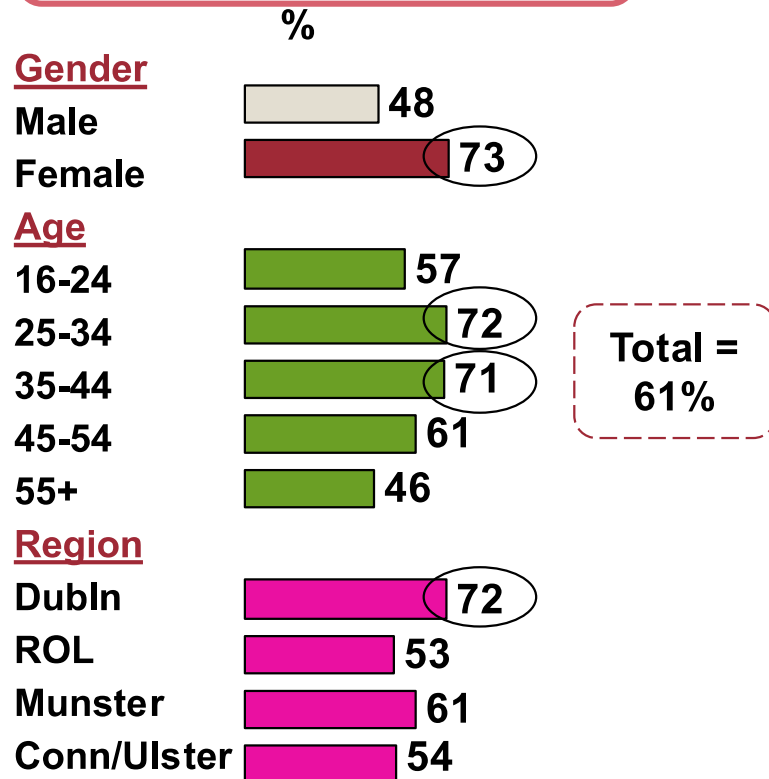
Profile of Discount Site Users



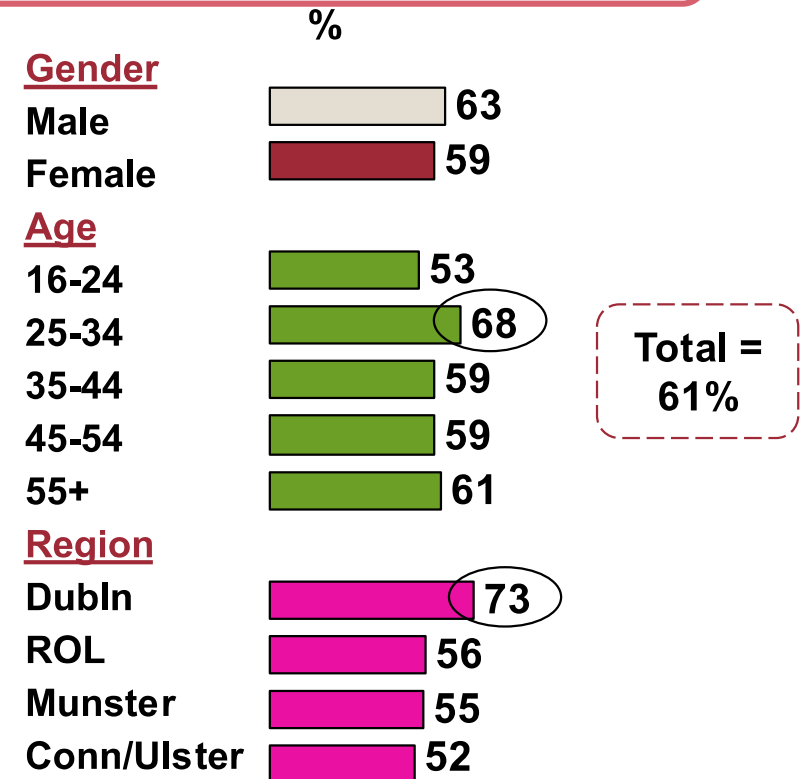
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(Base: All adults aged 16+ – 1,004)

Signed Up/Registered with an Online Discount Site



Purchased a product and/or service from the Online Discount Site



Females, those aged between 25-44 and those resident in Dublin are more likely to have signed up to a online discount site. Levels of actual usage suggest that males and those in the 25-34 age group who have signed up are more likely to have purchased from the discount site

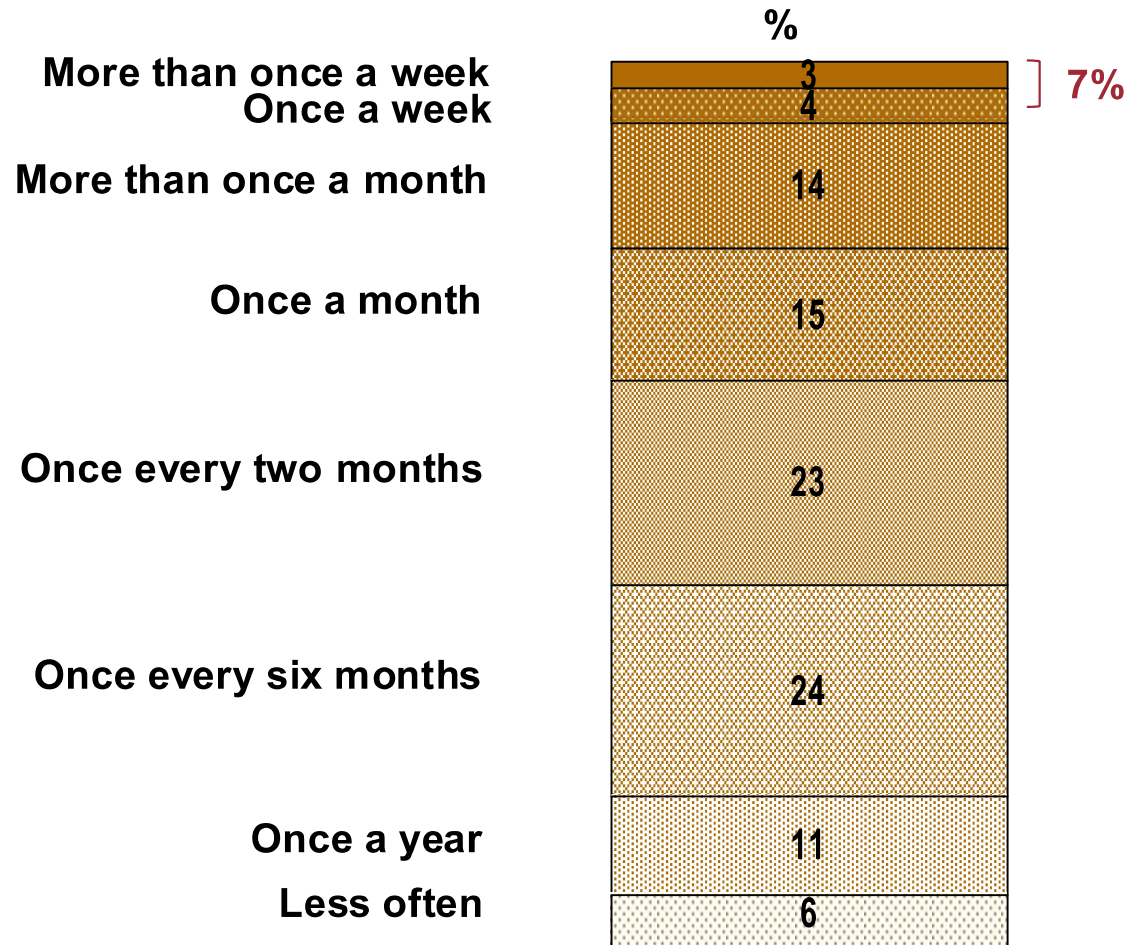
Frequency of Purchasing



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(Base: All who have purchased from an online discount site – 371)

Frequency of buying deals



7% of people purchased at least once a week from an online discount site, with over 1 in 3 (36%) of people purchasing at least once a month.

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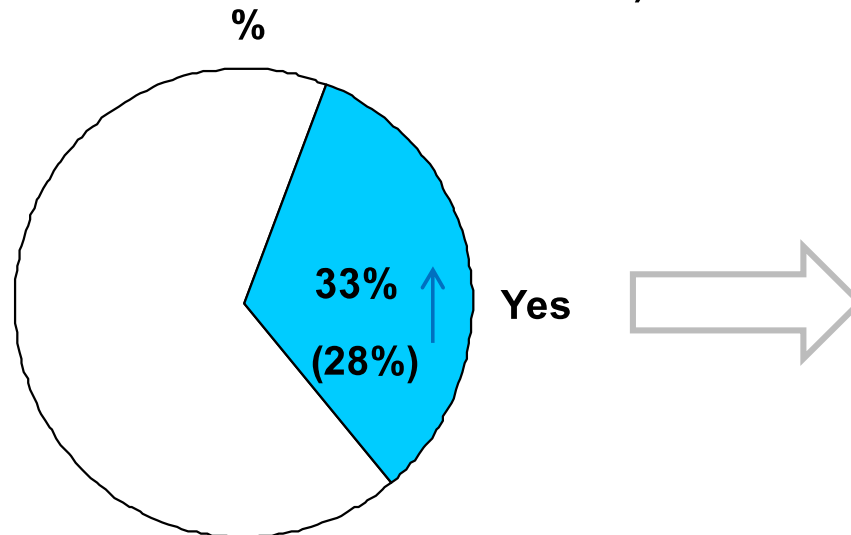
Satisfaction with Online Discount Sites



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Incidence of Being Dissatisfied with Purchase

(Base: All who have purchased a product and/or service from an online discount site - 371)

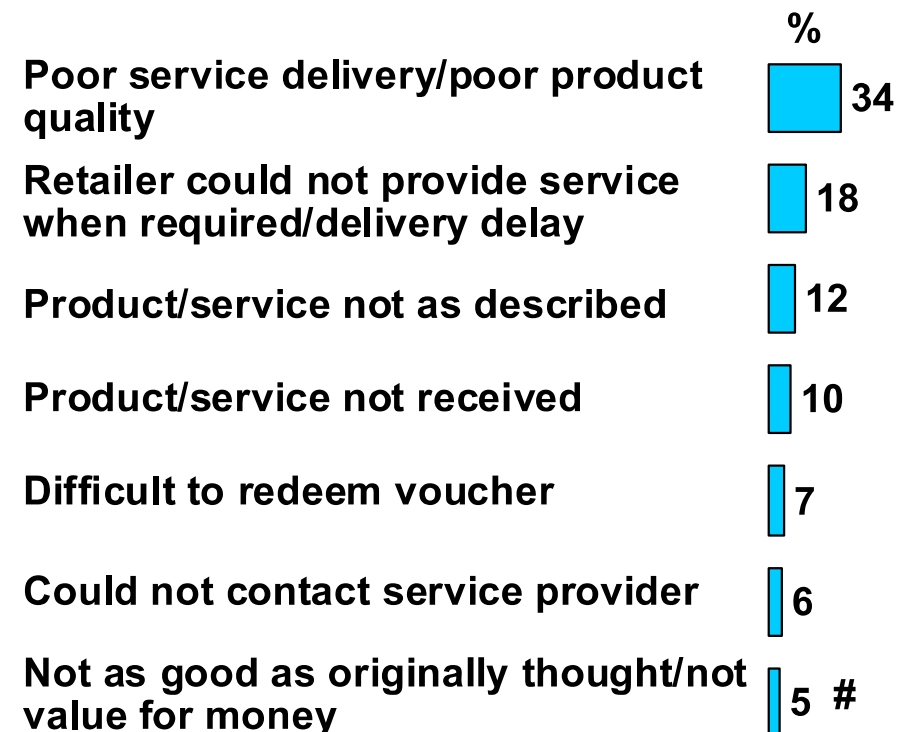


Highest Amongst

25-34's – 37%
45-54's – 37%
Dublin – 38%

Reasons for Being Dissatisfied

(Base: All who were dissatisfied - 123)



All others mentions 3% or less

Of those that have purchased from an online discount site; one third (33%) expressed their dissatisfaction with at least one purchase. This represents a marked increase in dissatisfaction levels. Primary reason for dissatisfaction was poor service delivery/product quality.

Sectors Dissatisfaction Relate to

(Base: All who were dissatisfied with their purchase – 123)



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Health & Beauty
34%



Food & Drink
33%



Retail & Services
33%



Accommodation
19%



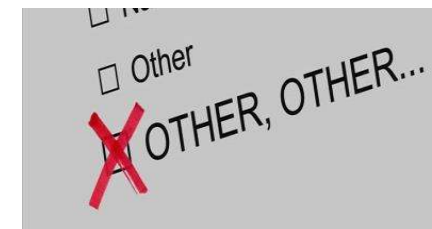
Electronics
18%



Activities
11%



Education
3%



Other
1%

Dissatisfaction is highest within the Health and Beauty Sector, with over 3 in 10 people unhappy with their purchase, closely followed by the Food & Drink and Retail & Services sector. It can be seen that dissatisfaction is not contained within one individual sector but evident across many.

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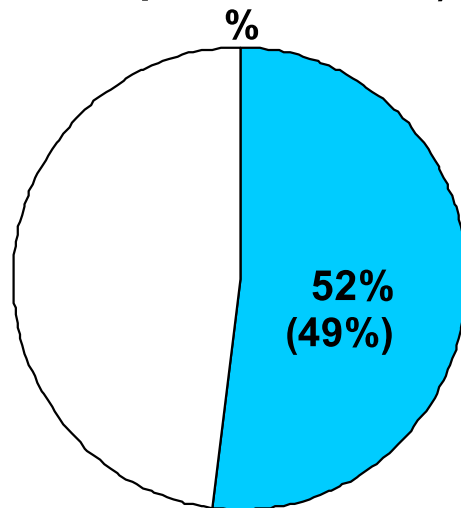
Incidence of Complaining when Dissatisfied



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Did you Complain?

(Base: All who were dissatisfied with their purchase – 123)

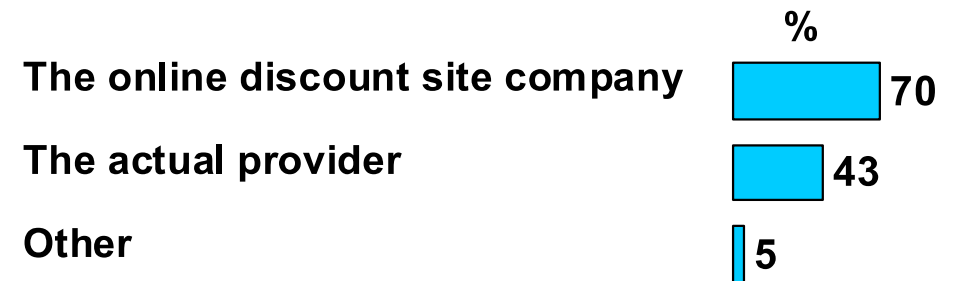


Yes



Who Did you Complain to?

(Base: All who complained – 63)



All others 2% or less

Half of all who were dissatisfied with their purchase complained, increase on November 2011 evident. 7 in 10 complained to the online discount site company while over 2 in 5 complained to the actual provider – this means that complaints directed at both for some. Encouragingly incidence of willingness to complain has increased.

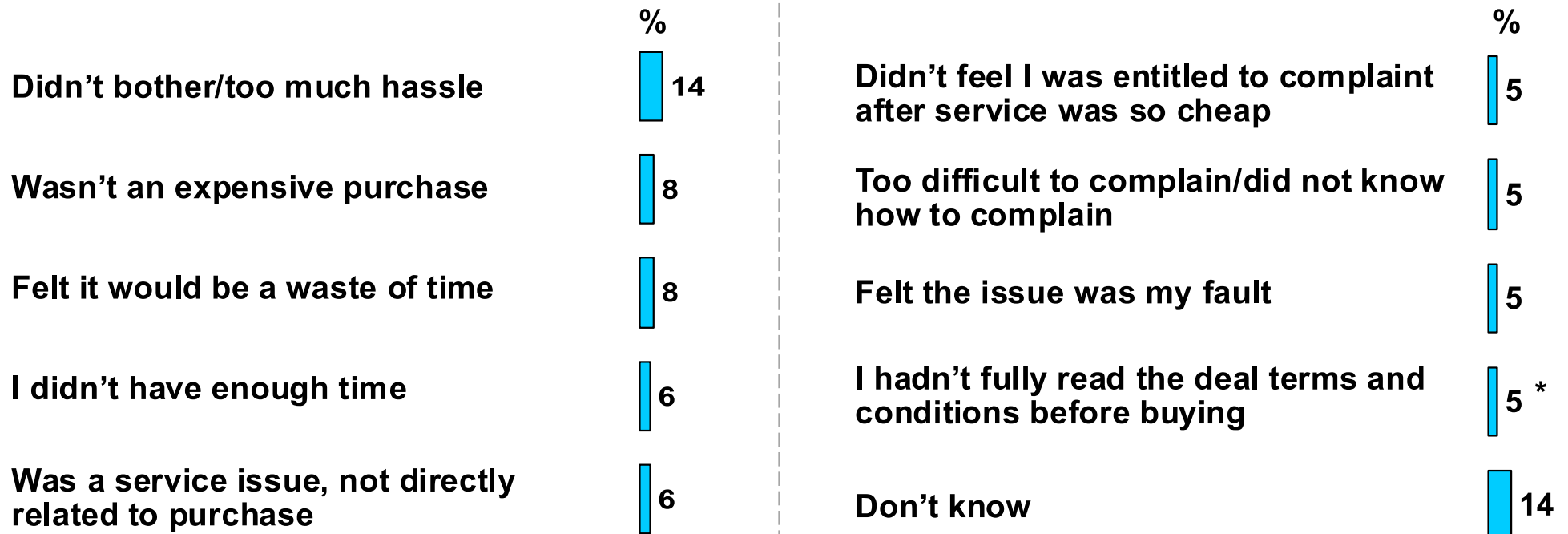
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Factors behind lack of Complaints



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(Base: All who did not complain – 59)



The top reason for not complaining was the perceived bother/hassle it would cause, closely followed by the fact that people felt that the purchase wasn't expensive enough to warrant a complaint or that it would be a waste of time.

* All others 3% or less

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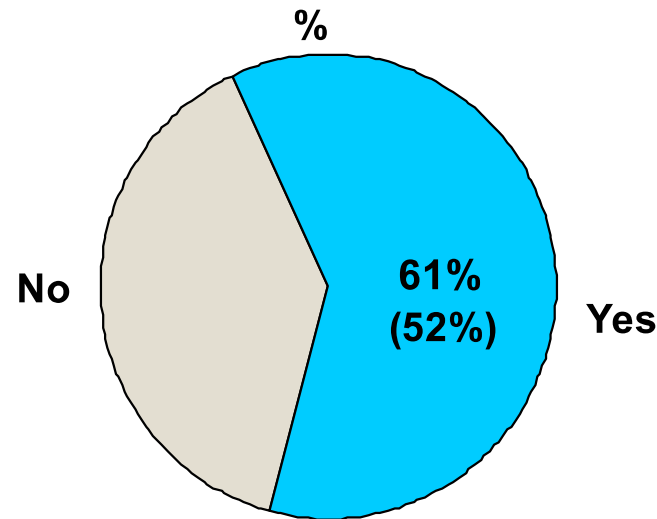
Complaint Resolution

(Base: All who complained when dissatisfied – 63)



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Was the Complaint Resolved?



3 in 5 of those who complained had their complaint resolved – an encouraging increase on November 2011 figures.

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Research Methodology and Sample Profile

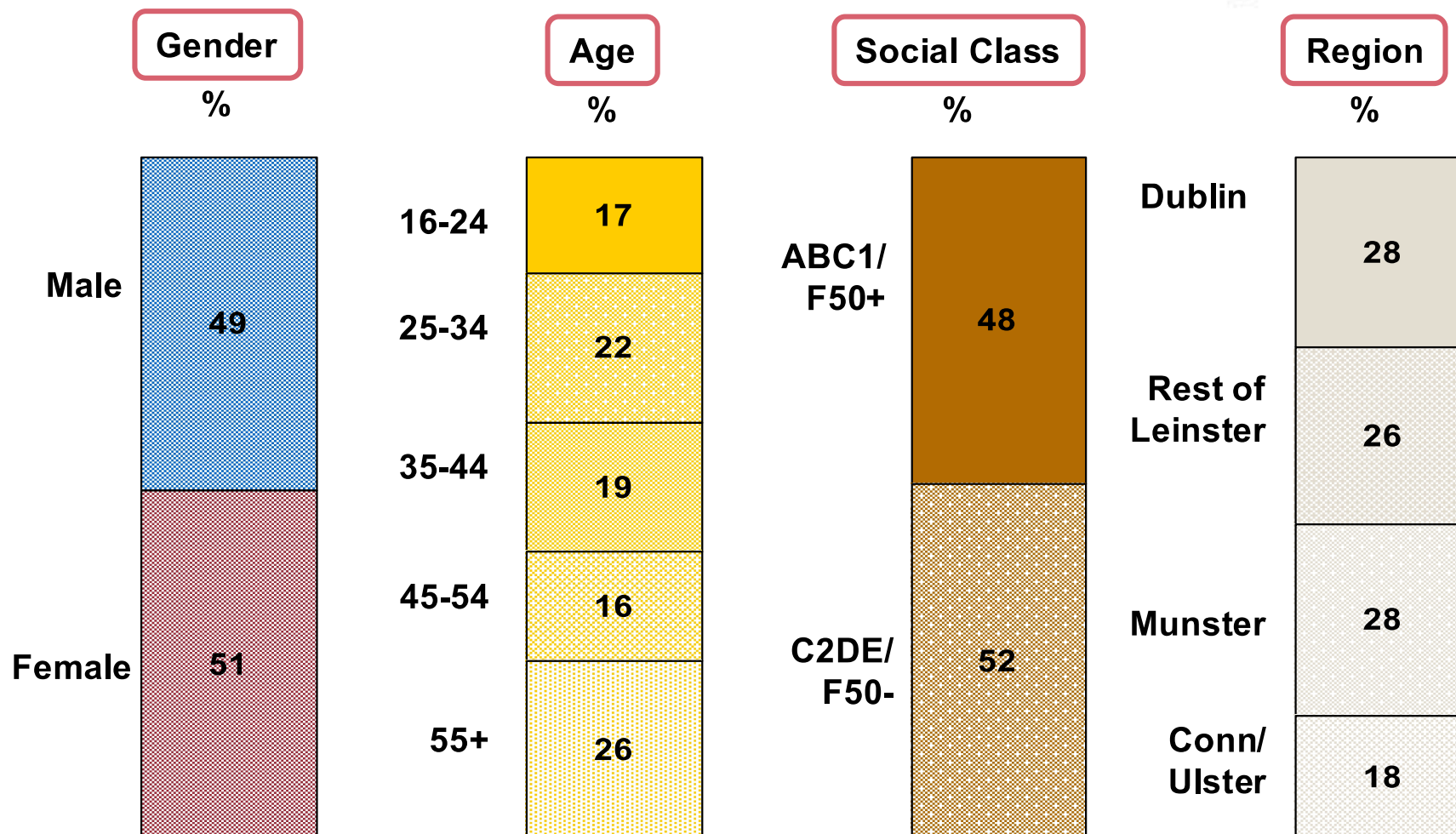
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Profile of Sample and Research Methodology



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(Base: All adults aged 16+ – 1,004)



- A nationally representative sample of 1,004 adults aged 16+ was achieved via means of an online omnibus.
- Fieldwork was conducted between 7th – 14th May 2012.
- Please Note: All figures in brackets relate to a previous study undertaken in November 2011.