

## Key findings

The .IE Tipping Point report survey, carried out in January and February 2022, assessed the attitudes of 1,000 Irish consumers and 502 **retail and consumer-facing professional services SMEs** to e-commerce and digital business during the Covid pandemic. It is the concluding part of a trilogy of reports, whose previous editions were published in 2020 and 2021.

For some questions, respondents were asked to compare their current situation or opinion to 2019 (pre-Covid), 2021, or to anticipate their future behaviour in 2022 or over the coming years. In this report, to measure shifts in behaviours and attitudes over the past year, some 2022 data is compared with data from the 2021 and 2020 reports.

The 2022 .IE Tipping Point report shows **a clear and sustained adaptation to e-commerce and digital business by both consumers and SMEs**. These eight findings highlight some of the most interesting trends.



## CONSUMER FINDINGS

- 45% of consumers plan to do most of their shopping in-store this year, although this figure drops to 29% among Millennials. 16% of all consumers say they plan to do most of their shopping online, rising to 33% among Gen Z. **SMEs need to be cognisant of different shopping preferences and trends among digital natives.**
- Consumers continue to view international retailers as more competitive on price and range of products, but Irish businesses are viewed as more trustworthy, more reliable and with better delivery services. **SMEs should concentrate on leveraging these USPs.**
- Most consumers are highly cybersecurity conscious. 75% are 'very' or 'somewhat concerned' about the security of their personal information when shopping online. **However, as many as 6 in 10 SMEs either do not take any precautions to protect sensitive customer data or do not know how to.**
- When considering future online shopping innovations, consumers are most interested in **paying for goods and services via a digital wallet** (30%), followed by subscriptions to preferred retailers (24%) and deeper augmented reality (AR) experiences (19%).

## SME FINDINGS

- SMEs increasingly view websites as dynamic sales enablers or points of sale, not just static information pages. **72% said their website was important in generating sales, up from 66% in 2021.**
- Half of SMEs have invested in their online presence since the start of the pandemic, resulting in improved sales. Among investing SMEs, **30% are busier than they were before the pandemic and 36% have been able to maintain the same level of business.**
- A quarter of all SMEs and just over a third of businesses with 1-5 employees still accept cash payments only. However, 62% of consumers say they are using cash less since the pandemic began. **Nearly 2 in 10 consumers do not use cash at all.**
- Just over half (54%) of SMEs are planning a significant digital investment in the next 5 years, **with most focusing on launching a new website, improving their existing one, or building a dedicated app.**