



Fourth Annual Major Purchase Consumer Study



“This year’s results show us how important the **in-store experience** can be in **influencing shopper behavior**. Even though we can’t take our eyes off the enormous digital opportunities ahead, we must also **focus** on the role that associates, in-store signage and experiential factors play in **driving major purchases**.”

Toni White, Synchrony Financial, Chief Marketing Officer

BACKGROUND

This white paper will share the results of Synchrony Financial's Fourth Annual Major Purchase Consumer Study.

This annual study looks at the consumers' shopping journey for major purchases of \$500 or more.

Collecting four years of data has allowed Synchrony to measure behavioral and attitudinal trends across 14 different product categories, which include...



EYEWEAR



JEWELRY



POWERSPORTS



FURNITURE



APPLIANCES



HOME IMPROVEMENT



OUTDOOR POWER EQUIPMENT



AUTO PARTS, SERVICE & TIRE



FITNESS EQUIPMENT



FLOORING



ELECTRONICS



SPORTING GOODS



MUSIC EQUIPMENT



SEWING



METHODOLOGY

Consumers surveyed in this May 2015 online survey spent at least \$500 on a single transaction in one of the 14 major purchase categories in the preceding six months.



2,405 Synchrony Bank Cardholders
+ 1,005 Random Major Purchase Shoppers

3,410 Total Sample of Respondents

Study conducted by Rothstein Tauber, Inc. on behalf of Synchrony Financial.

Synchrony Bank Major Purchase Cardholders: used a Synchrony Bank credit card to make their most recent major purchase over \$500

Random Major Purchase Shoppers: Did not use a Synchrony credit card to make their recent major purchase over \$500

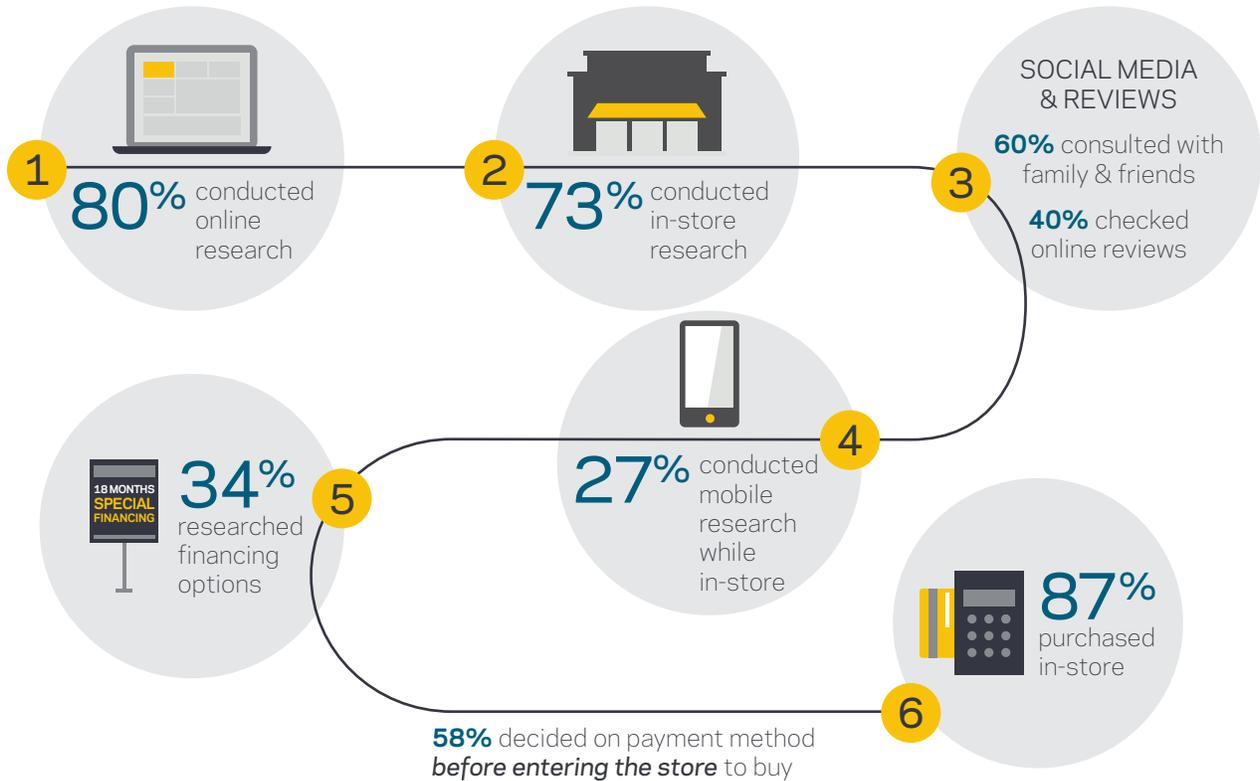
Major Purchase Shoppers: all respondents combined

At Synchrony Financial, we engage with our customers through advanced analytics and insights, bringing a deeper level of understanding and relevance to retailers.

EVOLUTION OF THE PATH TO A MAJOR PURCHASE

The following graphic illustrates how consumers behave and engage with various tools throughout the major purchase journey.

The major purchase journey is getting shorter, digital behavior has stabilized and the in-store experience matters more than ever.



KEY INSIGHTS

Major purchase shoppers becoming more decisive

68 days of research
(down from 80 days in 2014)

Research starts online and ends in-store.

Consumers research four unique retailers

In-store vs. Online

64% of shoppers who conducted both online and in-store research at some point in their journey said **in-store research had a greater influence** on their purchase decision.

Role of Digital

50% used a mobile device at some point during the purchase process

13% make their major purchase online (flat to last year)

Category Differences*

Electronics, Music and Fitness Equipment are more likely to be purchased online

Fine Jewelry shoppers took twice as long to research their purchase this year (93 days, up from 45 days in 2014)

*Category specific reports and insights available upon request



Top reasons for purchasing in-store:

- Take home product the same day
- See or feel the product in-person
- Like shopping at the retailer
- Interact with store associates and ask questions

IMPORTANCE OF IN-STORE EXPERIENCE

73% of major purchase shoppers conducted **in-store research**

41% of major purchase buyers say they made **3+ trips** to the retailer before buying

64% of shoppers who conducted both online and in-store research at some point in their journey said **in-store research had a greater influence** on their purchase decision.

68% of Synchrony Bank Cardholders researched their financing options in-store with the associate and **81% applied in-store with the associate**

VALUE OF FINANCING



75%

of Synchrony Bank Cardholders always seek promotional financing options when making a major purchase



89%

of Synchrony Bank Cardholders feel promotional financing makes their large purchases more affordable



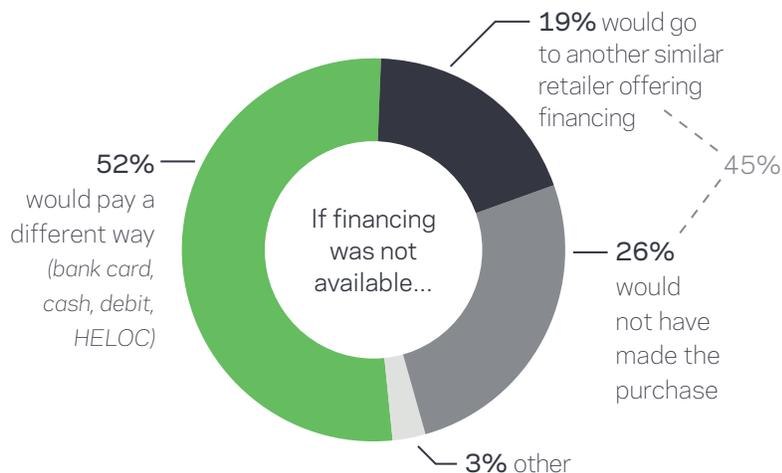
53%

of random major purchase shoppers say they would consider financing if it meant they could bring the product home the same day

Synchrony Bank Cardholders reported spending **\$547 more** (35% higher) on average than random shoppers.

FINANCING DRIVES INCREMENTAL SALES

Without the availability of financing retailers could lose sales and market share. Survey results show that **45%** of Synchrony Bank Cardholders said they wouldn't have made the purchase or would have gone to another retailer if financing was not available.



Only 36% of random shoppers on average were aware that **financing was available** at the time of their recent purchase.

This demonstrates tremendous opportunity to drive awareness of financing and as a result, increase sales.



KEY TRENDS & RECOMMENDATIONS

1 Shoppers are taking less time to shop for major purchases.

Recommendation: Consider grabbing the opportunity to drive more traffic to your store by implementing targeted online advertising and real-time responsive marketing efforts. Consider messaging around “the time is now” or communicate price matching opportunities to help close the sale.

2 Digital behavior has stabilized in many big ticket categories.

Recommendation: Develop an omni-channel strategy that would allow shoppers to experience the product in-store but then make it easy for them to order and buy online. Advertise financing options on your website and use in-store mobile behavior to your advantage by offering quick item look-up options on tablets throughout the store.

3 The in-store experience matters more than ever.

Recommendation: Ensure you are hiring the best talent and that employees are trained on the latest product offerings and promotions. Having experts who are knowledgeable is critical to a good experience. Also consider adding an experiential element in-store that will help you differentiate your business from the competition down the street.

Focus on what really matters.

Synchrony Financial is one of the premier consumer financial services companies in the United States. Our roots in consumer financing trace back to 1932, and today we are the largest provider of private label credit cards in the United States, based on purchase volume and receivables.



About Synchrony Connect

Synchrony Connect is a value-added program that lets Synchrony Financial partners tap into our expertise in noncredit areas. It offers knowledge and tools that can help you grow, lead and operate your business.

Grow

Marketing, analytics and research expertise to help you drive business growth

Lead

Tools for leading your organization and developing yourself as a leader

Operate

Best practice around business strategy and optimizing cost

Contact your Synchrony Financial representative or visit us at SynchronyFinancial.com or SynchronyBusiness.com to discover how we can help you grow your business.

Author: Ronda Slaven—Market Research & Competitive Intelligence Leader

Contributors: Toni White—Chief Marketing Officer



Engage with us.

©2015 Synchrony Financial. All rights reserved. No reuse without express written consent from Synchrony Financial.

This content is subject to change without notice and offered for information use only. You are urged to consult with individual attorney, financial or other advisors with respect to any advice presented. Nothing contained herein shall be construed as legal advice or a legal opinion.