Scope of Conversation

Online crawling of social data using using Ipsos' social listening tool, **Synthesio** to provide objectively measured, modelled and mapped consumer perspectives.

Topic
E-Commerce

Region
GCC Countries

Timeframe
Jan – Dec 2020

Languages
Arabic & English

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Prelude

The acceptance and usage of e-commerce platforms is rising in the GCC as the world continues to shift towards digital. E-retailers are no longer the only significant players in the field, as brands are opening online shopping channels and the rise of social media platforms are allowing people to set up small online businesses that they can run from their homes.

Adding on to that is the onset of the coronavirus pandemic, which boosted trial for e-commerce platforms as a means to purchase items amidst lockdowns, curfews and safety regulations.

Therefore, it is imperative to understand people's perceptions towards online shopping platforms, the journey they experience as well as the pain points faced along the way. Moreover, it is vital to understand the impact that Covid-19 had on the online shopping landscape and the longevity of these changes.

Using social listening data, this report looks at how attitudes towards and conversations around e-commerce have evolved during the last year, the key concerns of online shoppers, and the factors that companies should take note of in order to leverage growth in this area.

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Key Takeaways

Sudden Increase in E-Commerce Adoption Results in Mostly Negative Customer Experiences

Covid-19 drove more people to try e-commerce platforms, yet e-commerce channels were **not able to handle the increase in demand** right away. Packages were late and some not even being delivered at all, orders were being cancelled without the knowledge of customers, customer support could not keep up and many refunds were not being processed in due time.

This led to a **spike in negative sentiment** towards e-commerce platforms and drove some customers to file official complaints with the relevant authorities as well as advise others against shopping from specific platforms. However, as the second half of the year came around, e-commerce channels **began to adapt.** While complaints and grievances eventually settled back to previous levels, the **negative experiences continued to outweigh positive ones.**

Exploration Phase Makes Up the Bulk of Online E-Commerce Conversations

Most online conversations are for customers exploring their options; making **inquiries** about the price or specificities of a product or **tagging their friends** on interesting products they find. With some people being **new to e-commerce**, they have some **basic questions** regarding the procedures, setting up accounts and expected delivery times. Platforms need to ensure that **key information is easy to find** to allow new entrants a smooth transition into online shopping.

The Remainder of the Shopping Journey is Seeped in Negativity

Pain points arise during the **in-transit and post-purchase phases** when issues are faced. The **in-transit** phase is particularly plagued by **a lot of anger** as it's only mentioned when an issue arises and makes up a third of the conversation. Different pain points evoke varying degrees of anger, with **broken or empty promises** in package delivery and customer support being the **key drivers of overt anger**.

In some instances, this leads to customers **vowing against using the platform** ever again, advising others to do the same, and in some cases, filing an **official complaint**. As such, it is crucial to meet communicated expectations as people are **less willing to give second chances** and are **more vocal** about their displeasure.

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Covid-19 Onset Leads to Temporary Increased Negative Sentiments

During the onset of the pandemic, the conversations around online shopping increased as more people turned to e-commerce to make their purchases. The surge of new adopters to e-commerce led to a spike in negative sentiment. However, this behavior didn't last, and conversations went back to previous levels. That said, online sentiment towards e-commerce experiences remains mostly negative.

Evolution of Mentions

Legend: ■ Volume of Mentions ● Negative Sentiment ● Positive Sentiment

Volume of Mentions (left axis): 40,000 / 35,000 / 30,000 / 25,000 / 20,000 / 15,000 / 10,000 / 5,000 / -

Percentage of Sentiment (right axis): 100% / 90% / 80% / 70% / 60% / 50% / 40% / 30% / 20% / 10% / 0%

	Q1'20 Pre-Covid	Q2'20 Covid Shock	Q3'20 Acclimatization	Q4'20 New Normal
Volume of Mentions	17,781	33,645	15,463	13,493
Negative Sentiment	41.2%	62.7%	37.5%	37.1%
Positive Sentiment	22.4%	8.9%	17.5%	8.1%

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With Pain Points Compromising the Majority of Conversations

Regardless of which point in the journey consumers are at, there are many complaints about not being able to reach customer service, which is most pronounced when packages are in transit. Many customers felt that customer service was very unhelpful, offering empty promises but never actually solving the issue.

As people explore options of online platforms, most of the conversation revolved around inquires regarding price, overall online shopping procedures, delivery times, shipping coverage as well as info on specific products of interest.

A chief issue is the delivery process, whereby packages are late, some don't even get delivered and packages are cancelled without the customers consent or knowledge. Additionally, when orders are cancelled, undelivered or arrive damaged, refunds aren't given. This leads to many accusing the platforms of deceiving customers, driving shoppers to advise others against shopping with those specific brands, and in some cases, even filing official complaints with the relevant authorities.

Top 10 Topics of Conversation

16.4%
Customer Service - No Response

12.5%
Late Package

11.2%
No Refund Given

9.9%
General Positive Sentiments

9.6%
Sharing/Recommending Products

7.8%
Package not Delivered

7.0%
Price Inquiry

7.0%
Process Inquiry

7.0%
Swindling Platforms

6.6%
Advising Others Against Platform

Evolution of Topics

Q1 Q2 Q3 Q4

Customer Service - No Response
- 20.0% (Q1)
- 22.2% (Q2)
- 8.8% (Q3)
- 6.5% (Q4)

Late Package
- 11.8% (Q1)
- 15.2% (Q2)
- 12.5% (Q3)
- 6.5% (Q4)

No Refund Given
- 10.6% (Q1)
- 15.2% (Q2)
- 8.8% (Q3)
- 4.8% (Q4)

Sharing/Recommending Products
- 15.3% (Q1)
- 3.8% (Q2)
- 15.0% (Q3)
- 9.7% (Q4)

Package not Delivered
- 7.1% (Q1)
- 13.3% (Q2)
- 3.8% (Q3)
- 0.0% (Q4)

Inquries (Grouped)
- 18.8% (Q1)
- 20.3% (Q2)
- 26.3% (Q3)
- 43.5% (Q4)

Advising Others Against Platform
- 0.0% (Q1)
- 8.9% (Q2)
- 8.8% (Q3)
- 6.5% (Q4)

Promotions
- 9.4% (Q1)
- 2.5% (Q2)
- 5.0% (Q3)
- 3.2% (Q4)

Official Complaints Filed
- 3.5% (Q1)
- 8.2% (Q2)
- 1.3% (Q3)
- 0.0% (Q4)

General Positive Sentiments
- 15.3% (Q1)
- 7.0% (Q2)
- 13.8% (Q3)
- 4.8% (Q4)

However, Platforms Adapted

As the year progressed, the conversations started to shift. At the onset of the pandemic, e-commerce channels faced difficulties in meeting the sudden rise in demand levels, resulting in many complaints about servicing and delivery timelines.

By the second half of the year, as ecommerce platforms adapted, the number of issues customers faced dropped significantly, and official complaints all but disappeared.

But with more experience under their belt, shoppers became more vocal about their experiences, advising fellow online shoppers against using specific platforms they've had bad experiences with. Furthermore, the business of sharing information and recommendations about products online resumed, while conversations on promotions, significant prior to the pandemic, never returned to pre-pandemic levels.

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Exploration Phase Makes Up the Bulk of E-Commerce Conversations

Explore Options

The largest share of conversations revolve around inquires and questions across a number of topics.

The most common types of inquiries were about the prices of items being displayed.

Moreover, quarter on quarter, there were more questions on how to order online as new users were still getting used to the process.

Other questions were regarding delivery timelines, possible delivery locations and specific aspects of the products of interest.

One of the most common themes in this phase is exploring products with friends and checking out the new promotions.

52%

In-Transit

No issues come up

Contact customer support

Issue is resolved

Issue arises (mainly package is delivered late, package is not delivered, or refund is not given)

No response from customer support or issue is not resolved even with support involvement

Vow to never use the platform again and advise others to do the same.

File an official compliant with the appropriate authorities

33%

Post-Purchase

No issues upon delivery

Those with no past negative experiences share gratitude

Contact customer support

Issue is resolved

Issue arises (includes damaged goods or wrong items delivered)

No response from customer support or issue is not resolved even with support involvement

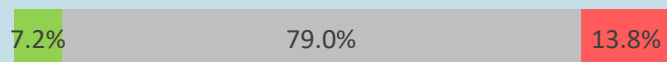Advice others not to use the platform or to outright boycott it.

15%

Percentage of Conversation
(out of 69% where journey stage can be noted)

Better Communication and Support Throughout the Journey is Vital

Explore Options

Legend: ■ Positive ■ Neutral ■ Negative

| 7.2% | 79.0% | 13.8% |

The main sentiment during this phase is neutral as people are either asking questions or tagging their friends to share products and ask for their opinions.

From time to time, technical issues crop up. One such prevalent issue which inhibits exploration is the inability to open the picture of an item. Some report issues with broken links. These issues need to be solved as they could lead to lost sales.

Another element that could be improved upon during the exploration phase is providing customers with all the information they need. People want to know the expected date of delivery and contact information in case of questions or issues. Others are also asking for websites in Arabic to be available for non-English speakers.

The bulk of positive sentiments are attributed to reactions to appealing offers and promotions.

In-Transit

Legend: ■ Positive ■ Neutral ■ Negative

| 8.1% | 91.9% |
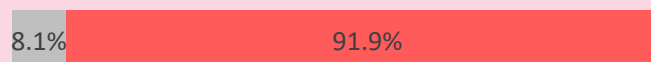
The in-transit phase is the most detrimental to the online shopping experience. People do not post during this phase unless there is an issue that comes up.

Furthermore, only the minority do not show outward annoyance when they face issues, as attributed by the low neutral sentiment.

The key issues brought up are late package deliveries, lack of response from customer support, packages not being delivered and failure to receive refunds.

There are also complaints coming in due to orders being cancelled without customers' discretion or changes in the status of a product's shipment details without any communication.

In fact, some customers were looking forward to the product so much so that they stated they would prefer having the option of waiting instead of getting a refund.

Post-Purchase

Legend: ■ Positive ■ Neutral ■ Negative

| 22.5% | 7.5% | 70.0% |
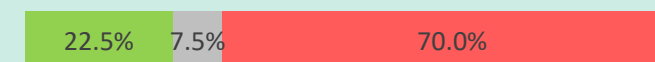
People are less likely to share a positive experience than a negative experience, however, some customers have a very positive experience that they take to social media to show gratitude to the platform. Some key elements brought up include helpful customer service and product satisfaction.

Some of the negative issues people bring up during the post-purchase phase include damaged goods and wrong or lower quantity of goods being delivered. When these issues occur, and customers are not able to reach after sales support or have to jump through hoops to get a refund, then it causes a lot of frustration. In these instances, customers demand refunds and accuse platforms of being deceptive.
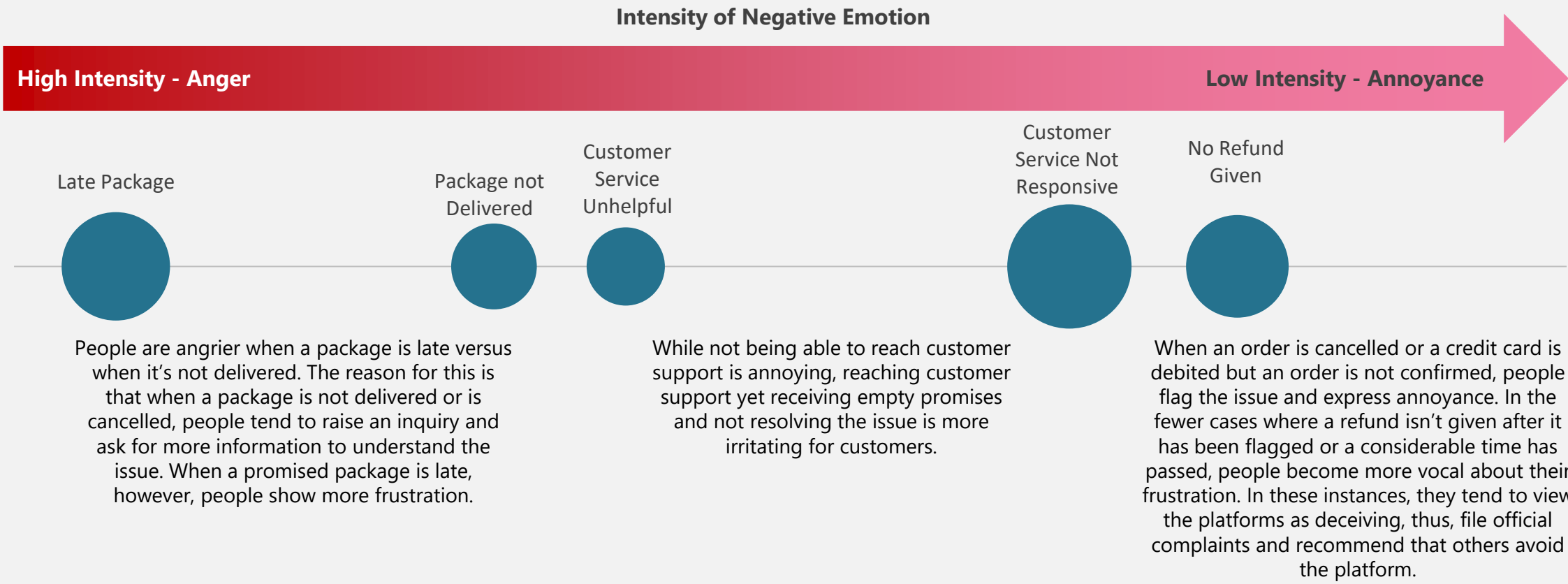
While some people advise others against a platform when they face issues in transit, this behavior is more common during the post-purchase phase. After going through the full experience and facing issues at any point in the journey, they are unwilling to give the platform another chance.

Late Deliveries and Lack of Proper Customer Service are Key Issues

A large part of what causes pain points to shift from annoyance to intensity of anger is time. People exhibit more patience in the beginning when an issue first comes up, but they are not as forgiving when their issues aren't solved promptly. People are even less patient when they receive an expected shipping date but do not receive their package at that time. In these instances of a broken promise, most people do not ask for more information and instead express a lot of anger online towards the brands or platforms.
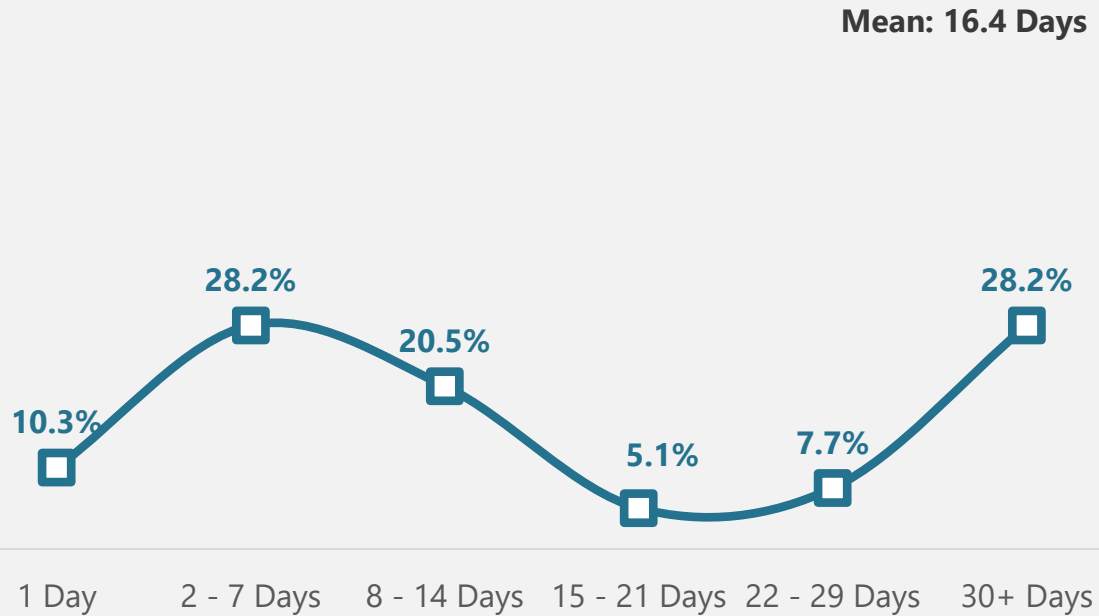
E-Commerce Pain Points Mapping*

Size of bubble: represents volume of conversations on pain point

Intensity of Negative Emotion

High Intensity - Anger   **Low Intensity - Annoyance**

Late Package

Package not Delivered

Customer Service Unhelpful

Customer Service Not Responsive

No Refund Given

People are angrier when a package is late versus when it's not delivered. The reason for this is that when a package is not delivered or is cancelled, people tend to raise an inquiry and ask for more information to understand the issue. When a promised package is late, however, people show more frustration.

While not being able to reach customer support is annoying, reaching customer support yet receiving empty promises and not resolving the issue is more irritating for customers.

When an order is cancelled or a credit card is debited but an order is not confirmed, people flag the issue and express annoyance. In the fewer cases where a refund isn't given after it has been flagged or a considerable time has passed, people become more vocal about their frustration. In these instances, they tend to view the platforms as deceiving, thus, file official complaints and recommend that others avoid the platform.

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How Late is Late? It Depends...

Days Package is Late

Mean: 16.4 Days

10.3%	28.2%	20.5%	5.1%	7.7%	28.2%
1 Day	2 - 7 Days	8 - 14 Days	15 - 21 Days	22 - 29 Days	30+ Days

When it comes to groceries, one day delay is too much delay. People purchase groceries for plans they have in the short-term: a dinner party the next day, daily groceries that have run out, and for immediate needs.

Looking beyond one day delays, the grievances for late packages pick up 1-2 weeks after a delay or beyond one month. However, there are two days of delay in particular that are key thresholds for people, beyond which they start to complain about a late package:

12.8% complain at the **10-day** mark

23.1% complain at the **30-day** mark

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Ipsos Social Talks

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