

## Bricks & mortar vs. clicks & mobile: Canadians prefer physical stores, but increasingly shop online

*Entertainment media is by far the commodity Canadians most prefer to buy online*

**December 11, 2017** – It's been a rough couple of years for retail giants. Even as the economy booms, [Sears Canada](#) and other large chains are going bust.

The culprit? [There are several](#), but the biggest one by far is the continued growth of online shopping.

“Ecommerce” – as economists often call it – has been [up significantly](#) in Canada this year, and new polling data from the Angus Reid Institute suggests that most Canadians expect this trend to continue.

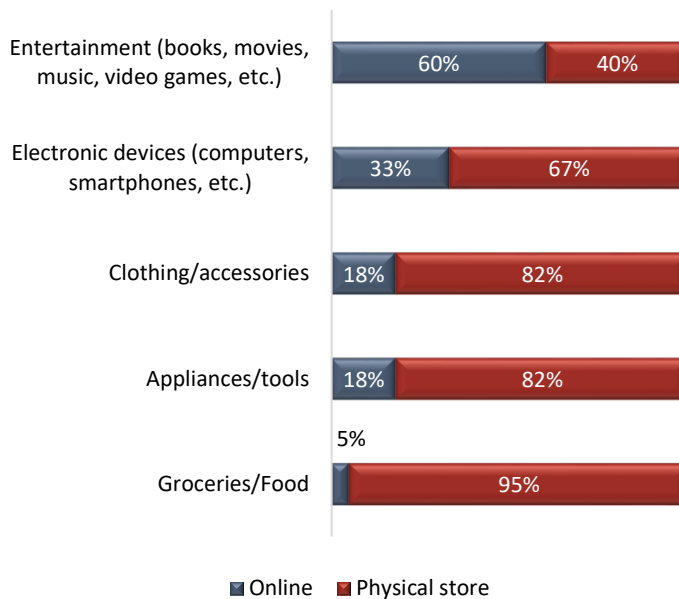
Two-in-three Canadians (65%) say they expect to do a greater proportion of their shopping online in the next year or two, and one-in-five (19%) expect to soon be making the majority of their non-food purchases on the internet – if they aren't already.

That said, three-in-four Canadians (74%) say they still prefer to shop in brick-and-mortar stores if given the choice, a preference that extends to every product category canvassed except entertainment media.

### More Key Findings:

- Roughly half of all Canadians (48%) report making purchases online at least once per month, including one-in-ten (11%) who do so once a week or more. The rest buy online less often (46%) or not at all (7%)
- Age is a significant driver of online shopping behaviour. Younger respondents are more likely than other age groups to shop online and more likely to express a preference for web-based stores over physical ones

### If given the choice, would you prefer to get each one online or from a physical store?



### METHODOLOGY:

The Angus Reid Institute conducted an online survey from October 24 – 27, 2017, among a representative randomized sample of 1,504 Canadian adults who are members of the [Angus Reid Forum](#). For comparison purposes only, a probability sample of this size would carry a margin of error of +/- 2.5 percentage points, 19 times out of 20. Discrepancies in or between totals are due to rounding. The survey was self-commissioned and paid for by ARI. Detailed tables are found at the end of this release.

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- Six-in-ten (60%) prefer to buy their entertainment (books, music, movies, etc.) on the internet, but even larger majorities prefer to buy electronics (67%), clothing (82%), and tools (82%) in physical stores

## INDEX:

- **The internet vs. physical stores**
- **Half shop online at least monthly**
- **Most see themselves buying online more often in the next year or two**

### The internet vs. physical stores

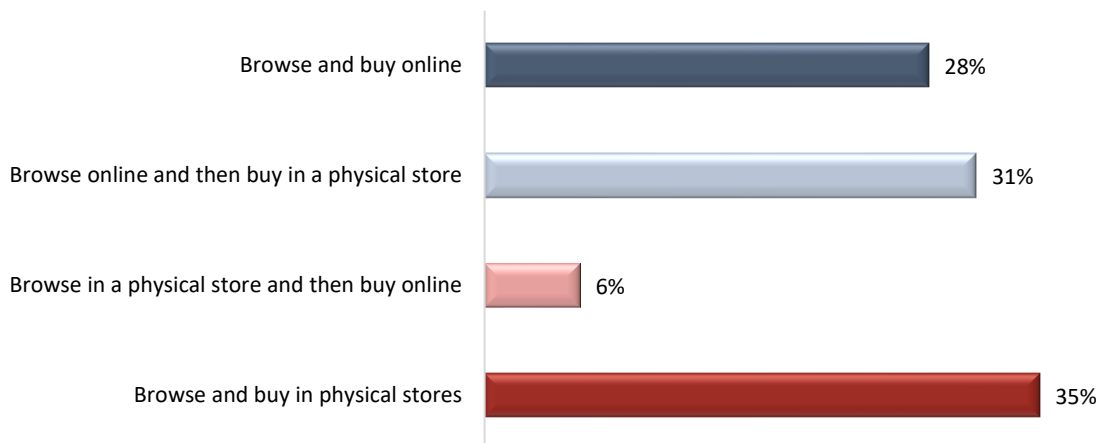
As a percentage of the total retail sector, ecommerce is still a relatively small – though rapidly growing – force in Canada today. Online sales made up an estimated 6.5 per cent of all retail sales in the country in 2016, but that proportion is projected to reach 10 per cent by 2020.

The growth of online retail is rooted in convenience – online stores are always open, rarely out of stock, and easy to access from anywhere. That said, physical stores have their strengths as well: they make it easier for customers to try products before buying, and they can facilitate personal connections with the people who made a product – or at least have expert knowledge about it.

At some level, decisions about where and how to shop come down to personal preference.

There is no dominant approach to shopping in Canada today. Roughly three-in-ten say they “browse and buy online” (28%), and a similar number (31%) “browse online, then buy in a physical store.” A slightly higher percentage (35%) prefer to shop for non-food items in an entirely analog fashion, while only 6 per cent say they browse in physical stores before making their purchases online:

### What is your overall approach to shopping for non-food items these days? Do you typically:

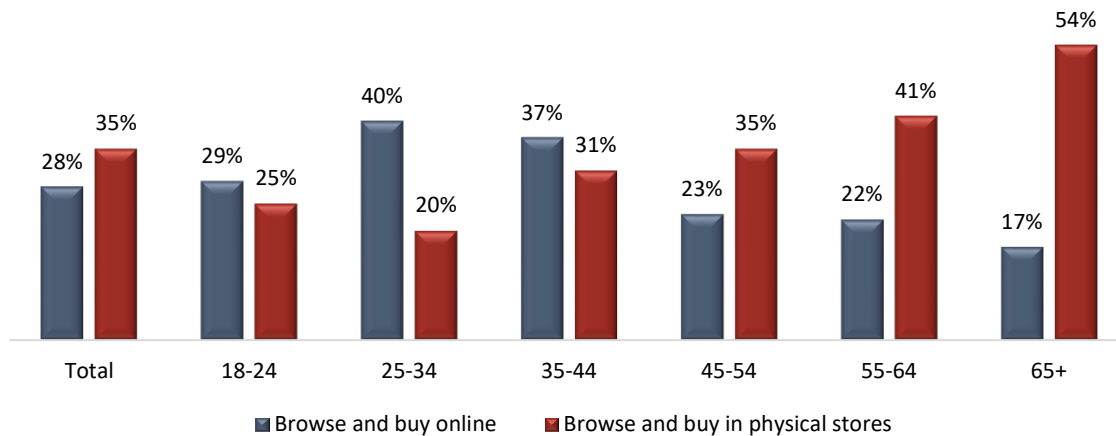


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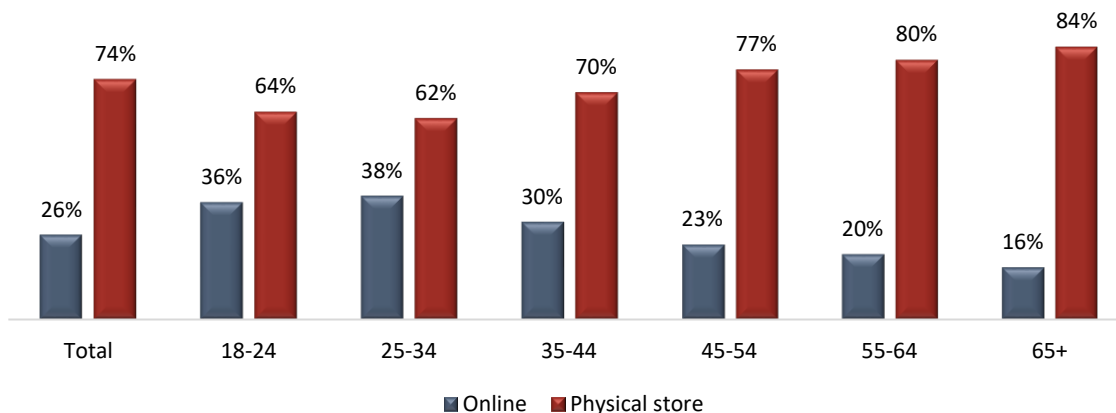
The uptake of these behaviours varies noticeably by age. Respondents under age 45 are more apt to say they browse and buy online than to do their shopping and buying in the physical world. Meanwhile, a full majority (54%) of those in the 65-plus age group prefer to both browse and buy at brick-and-mortar establishments, as seen in the graph that follows.

### What is your overall approach to shopping for non-food items these days? Do you typically:



While most Canadians don't do their shopping exclusively in brick-and-mortar stores, three-quarters (74%) still express a preference for buying things in the physical world, rather than the digital one. Even among those under-45 age groups that are more likely to do their shopping online, at least six-in-ten say they prefer to buy from physical stores when given the chance:

### If given the choice, do you generally prefer to buy online or from a physical store?

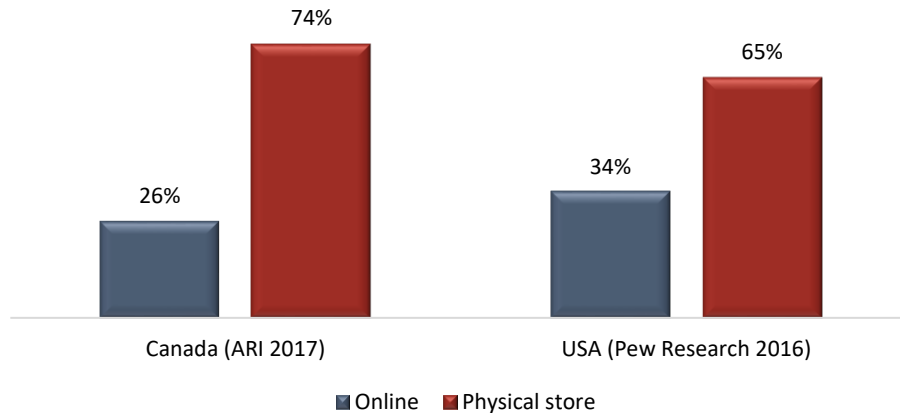


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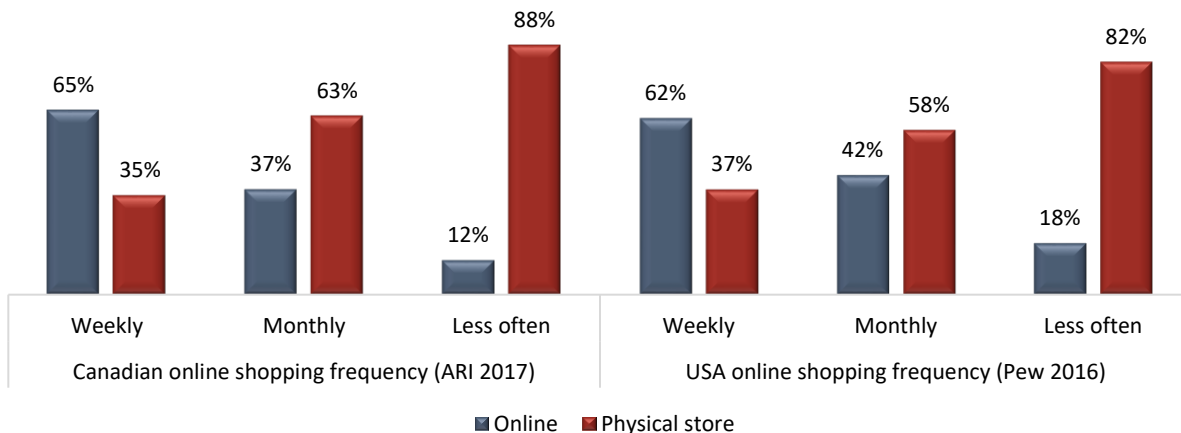
Canadians are not alone in preferring a more tangible retail experience when it's available. [A 2016 survey](#) by Pew Research asked this same question of Americans, and found two-thirds (65%) expressing a preference for physical stores.

### If given the choice, do you generally prefer to buy online or from a physical store?



As Pew found in the U.S., this ARI study finds the most dedicated online shoppers – those who make purchases on the internet on a weekly basis – to be far more likely to prefer a digital shopping experience:

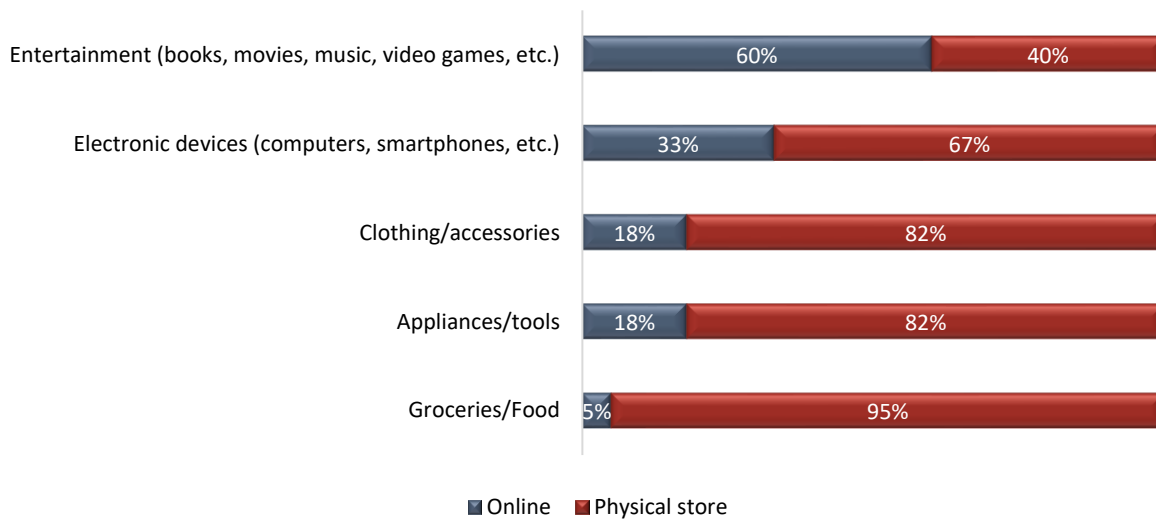
### If given the choice, do you generally prefer to buy online or from a physical store?



This Angus Reid Institute survey took this exercise a step farther, asking Canadians about specific product categories in order to determine whether the preference for physical stores is at all dependent on the type of item being purchased.

As it turns out, this preference *is* somewhat subjective. While most Canadians give the overall nod to physical stores, the opposite is true when they are asked specifically about purchasing entertainment media, as seen in the graph that follows.

**If given the choice, would you prefer to get each one online or from a physical store?**



Again, the most frequent online shoppers are more likely to say they prefer to make purchases digitally, though it's worth noting that even in this group, there are certain categories that are seen as better to buy in physical stores:

If given the choice, would you prefer to get each one online or from a physical store? (Those saying "online" shown)				
(weighted sample sizes)	Total (1504)	Frequency of online shopping		
		Weekly (160)	Monthly (555)	Less often (687)
Entertainment (books, movies, music, video games, etc.)	60%	86%	77%	48%
Electronic devices (computers, smartphones, etc.)	33%	61%	46%	21%
Appliances/tools	18%	38%	26%	9%
Clothing/accessories	18%	43%	25%	9%
Groceries/Food	5%	15%	7%	2%

Interestingly, while Canadians overwhelmingly say they *prefer* to buy apparel in a physical store, this product category makes up the largest percentage of online purchases, [according to Canada Post](#).

Some of this divide may be attributable to a combination of the two modes of shopping: Customers trying on an item in-store, then going home to order it online in a preferred colour or style that was sold out. Many retail outlets encourage this behaviour, with sales associates steering customers to the company's website if they can't find what they're looking for in the store.

Again, age differences are also evident, with younger respondents generally more likely to favour online purchasing:

If given the choice, would you prefer to get each one online or from a physical store?							
(weighted sample sizes)	Total (1504)	Age					
		18 – 24 (178)	25 – 34 (258)	35 – 44 (248)	45 – 54 (277)	55 – 64 (249)	65+ (295)
<b>Entertainment (books, movies, music, video games, etc.)</b>							
Online	60%	61%	69%	68%	62%	55%	48%
Physical store	40%	39%	31%	32%	38%	45%	52%
<b>Electronic devices (computers, smartphones, etc.)</b>							
Online	33%	37%	47%	37%	31%	26%	24%
Physical store	67%	63%	53%	63%	69%	74%	76%
<b>Clothing/accessories</b>							
Online	18%	24%	25%	24%	15%	12%	11%
Physical store	82%	76%	75%	76%	85%	88%	89%
<b>Appliances/tools</b>							
Online	18%	22%	29%	19%	13%	15%	13%
Physical store	82%	78%	71%	81%	87%	85%	87%
<b>Groceries/food</b>							
Online	5%	6%	10%	9%	1%	3%	2%
Physical store	95%	94%	90%	91%	99%	97%	98%

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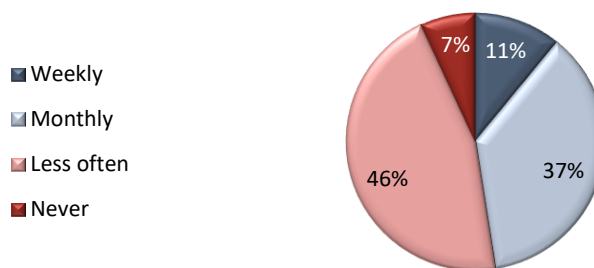
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## Half shop online at least monthly

By nearly any measure – number of shoppers, number of purchases, amount spent, growth in retailers' profits – Canada's digital commerce sector is surging.

The vast majority of Canadians (93%) report having made a purchase online at some point in their lives, and nearly half (48%) say they do so at least once per month. Roughly one-in-ten (11%) buy from digital retailers on a weekly basis:

### How often, if at all, do you make purchases online?

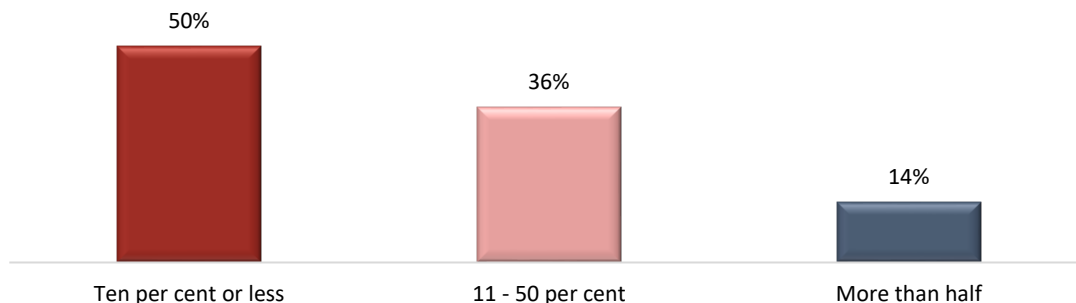


The high rate at which Canadians engage in ecommerce is only part of the story, however. While the vast majority of Canadians buy things online, and a sizeable portion of the population does so regularly, relatively few could be described as “reliant” on web-based sources for their shopping needs.

Asked to estimate what percentage of their non-food purchases over the last three months were made online, most online shoppers say they made fewer than half in this manner.

Indeed, half of all Canadians who buy things online (50%) say their web-based purchases make up only a small fraction of their total shopping haul in recent months:

### Thinking about all of the non-food purchases you made in the last three months, what percentage of them would you say you made online? (Question asked of those who make online purchases, N=1403)

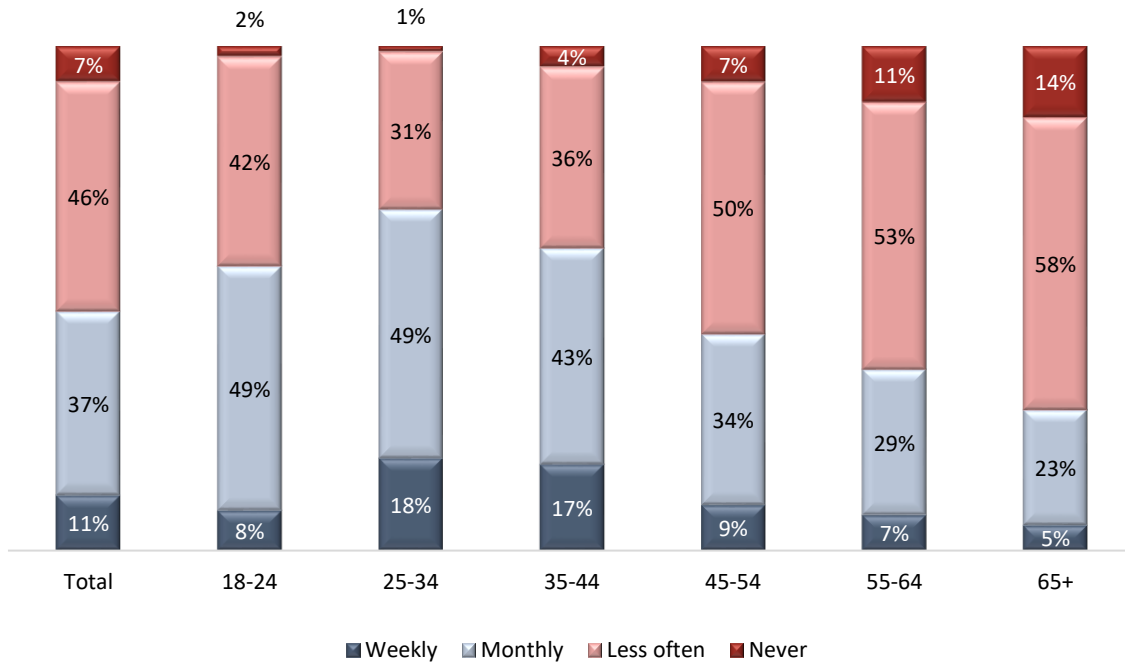


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Younger Canadians – who are [more likely than older generations](#) to use the internet, and do so more frequently – lead the way in making purchases online as well. More than one-in-six in the 25-34 and 35-44 age groups say they buy things online on a weekly basis, as seen in the following graph.

## How often, if at all, do you make purchases online?



Notably, the relatively lower frequency with which the youngest respondents (those ages 18-24) report shopping on the internet may be attributable to a lower overall number of purchases these individuals make.

Many 18-24-year-olds are university students with only part-time income, and many others live with parents or other guardians, rather than on their own. These living situations may contribute to a lesser need to buy non-food items.

When considering what percentage of their purchases they make online, 18-24-year-olds look more like their fellow millennials, with one-in-five (21%) saying they turned to the internet for more than half of the purchases they made in the last three months ([see comprehensive tables](#))

## Most see themselves buying online more often in the next year or two

While online shopping currently makes up a relatively small percentage of most Canadians' total purchases, respondents to this survey mostly expect that percentage to be increasing in the coming years.

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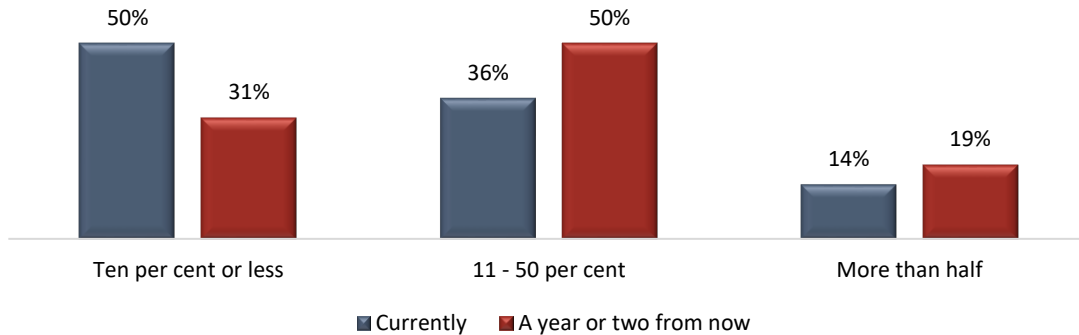
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Asked what proportion of their purchases they expect to be making online in a year or two, half of shoppers (50%) locate themselves somewhere between 11 and 50 per cent, a significant change from the current situation, as seen in the following graph:

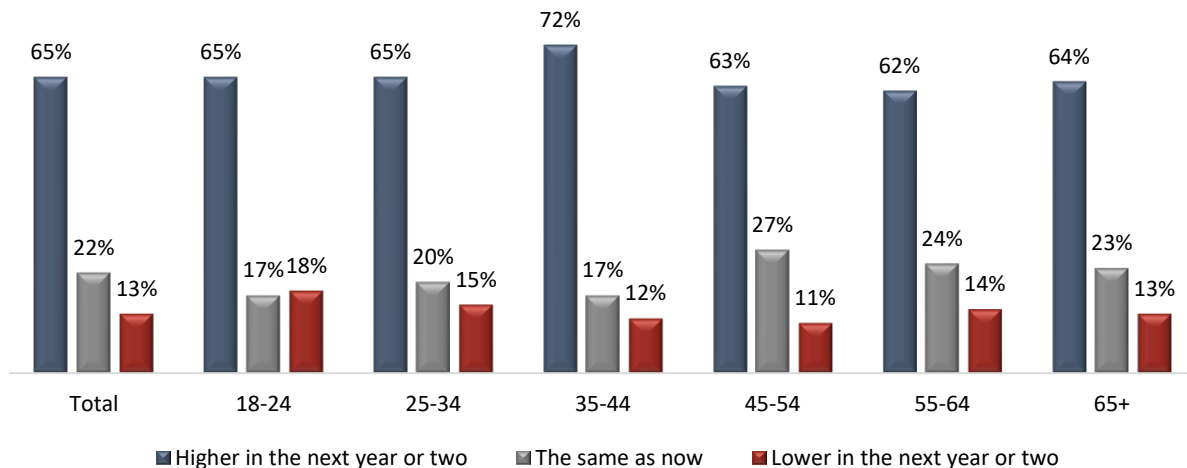
### Proportion of their total purchases Canadians make/expect to make online ...



Looking at this data another way, the trend becomes even clearer. Two-thirds of respondents (65%) offer a higher number on the second question – about their expected future online purchases – than on the first one about their current behaviour. Fewer than one-in-seven (13%) expect to be making a smaller proportion of their purchases online in the coming years.

Interestingly, age differences on this measure are minimal. While millennials are more likely to shop online and do so with greater frequency, they're in line with all other age groups in predicting that they will do a higher proportion of their shopping online in the future. If anyone, it is those in the 35-44 age group who are most inclined to expect their online purchasing to increase – though only marginally so:

### Percentage who expect the proportion of purchases they make online to be ...



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The **Angus Reid Institute (ARI)** was founded in October 2014 by pollster and sociologist, Dr. Angus Reid. ARI is a national, not-for-profit, non-partisan public opinion research foundation established to advance education by commissioning, conducting and disseminating to the public accessible and impartial statistical data, research and policy analysis on economics, political science, philanthropy, public administration, domestic and international affairs and other socio-economic issues of importance to Canada and its world.

Summary tables follow. For detailed results by age, gender, region, education, and other demographics, [click here](#).

If given the choice, do you generally prefer to buy online from a physical store?					
(weighted sample sizes)	Total (1504)	Frequency of online shopping			
		Weekly (160)	Monthly (555)	Less often (687)	Never (101)
Online	26%	65%	37%	12%	1%
Physical store	74%	35%	63%	88%	99%

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If given the choice, would you prefer to get each one online or from a physical store?					
(weighted sample sizes)	Total (1504)	Frequency of online shopping			
		Weekly (160)	Monthly (555)	Less often (687)	Never (101)
<b>Entertainment (books, movies, music, video games, etc.)</b>					
Online	60%	86%	77%	48%	8%
Physical store	40%	14%	23%	52%	92%
<b>Electronic devices (computers, smartphones, etc.)</b>					
Online	33%	61%	46%	21%	3%
Physical store	67%	39%	54%	79%	97%
<b>Clothing/accessories</b>					
Online	18%	43%	25%	9%	
Physical store	82%	57%	75%	91%	100%
<b>Appliances/tools</b>					
Online	18%	38%	26%	9%	4%
Physical store	82%	62%	74%	91%	96%
<b>Groceries/Food</b>					
Online	5%	15%	7%	2%	
Physical store	95%	85%	93%	98%	100%

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