



'ZERO UI' FINDS ITS VOICE AS
FRICTIONLESS COMMERCE TAKES OFF



More than a third of online shoppers are using AI-driven smart assistants like Amazon's Alexa and Apple's Siri to support their online shopping – and another quarter expect to do so in the next couple of years.

New figures from Salmon, a Wunderman Commerce company, reveal that so-called voice commerce has fast established itself as part of the digital retail mainstream, finding favour with shoppers looking for ever more convenient and intuitive ways to buy online. As such we would argue that vCommerce should form an important new part of every company's multichannel eCommerce strategy.

For its latest report into eCommerce trends, *The Future Shopper: 2018 and Beyond*, Salmon commissioned a survey of regular online shoppers in the US and UK to find out about their priorities and preferences today and in the future. The study found that 29% of respondents currently used smart assistants to shop online, while another 11% said they had done in the past. A further 23% said they expected to use the technology within two years.

This fits into a broader picture of consumers increasingly favouring brands and retailers who are prepared to innovate with technology to make the retail experience simpler and more convenient. The study found that almost three quarters (72%) of online shoppers show a preference for outlets that are digitally innovative, while the same proportion wish more brands and retailers were making use of disruptive technologies.

Zero UI – Pros and Cons

The growth of the voice commerce market coincides with the increasing popularity of voice-activated smart speakers like Amazon's Echo range and Google Home. An estimated 76.5 million of these AI-powered voice-activated devices are predicted to be shipped by 2020, with a CAGR of 48% since 2016.

Voice interaction changes the game in consumer technology. To date, the overwhelming majority of internet-ready digital devices have followed the decades-old PC model of having a screen as the main user interface.

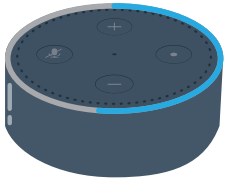
Smart speakers remove the screen altogether – hence the term 'zero UI'. Instead of a physical interface you use to initiate actions via type or touch, you simply speak to the device. This is also referred to as a 'frictionless' form of interface because you do not have to stop what you are

doing to use the device (i.e. with your hands), you can just talk as you carry on with other things.

This has a lot of resonance with retail where convenience is a big factor in improving the commerce experience. Wunderman Commerce's Head of Innovation, Naji El-Arifi, adds ***"With the rise of zero UI comes greater convenience for the consumer. Adding items to your basket is as easy as it can be, with users just having to speak to a smart assistant. The more barriers you can remove from the process of making a purchase, the more people will buy. First eCommerce removed the need to physically visit a store. Now voice commerce removes the need to stop and interact with a screen."***

Indications are that consumers are ready for the convenience that zero UI in digital commerce offers. When asked if they were comfortable with the idea of the shopping experience taking place entirely through a

device like Amazon Echo or Google Home, with no store or website involved, 55% either agreed or strongly agreed. Similarly, 57% said they would trust the AI software which powered these devices to offer the goods or services they needed.



55%
*of online consumers would be comfortable using a voice device, with no store or website involvement**

There are, however, still some concerns which brands and retailers looking to enter the voice retail market should bear in mind. Security features highly, with 83% of digital shoppers saying they would worry about smart speakers ordering items without permission, and 73% expressing concern about privacy issues such as devices “listening in to conversations”.

And despite more than half saying they would be happy with a retail experience that involved no stores or sites, 89% said they would prefer to see an item before they make a purchase. Anticipating this already, Amazon has backed off from the zero UI concept slightly with the introduction of the Echo Show, a smart speaker that also incorporates a screen.

And for Amazon’s biggest rivals in the smart assistant market – Google Assistant, Microsoft Cortana, Apple Siri and Samsung’s Bixby – they are already largely deployed on devices with screens, such as laptops and smartphones.

89%
*aren't ready to use zero UI, preferring to see an item before purchasing**

Strengthening the hand of Amazon?

Although Amazon is not the only major player in the smart assistant market, it does appear poised to reap the most reward from the developing trend for voice commerce.

Figures for the use of virtual assistants on smartphones in the US show that Alexa trails a way behind Siri and Google Assistant. The Amazon Echo range, however, dominates the global smart speaker market, although Google Home has started to make inroads in past couple of years.

Where Amazon really stands out is the direct link it has made between its smart assistant technology and its

enormous online retail and marketplace ecosystem. In the UK, for example, Alexa is the only virtual assistant that links directly to an eCommerce platform.

As things stand, Salmon’s study found that 51% of online shoppers are most likely to start their purchasing journey through Amazon, compared to 16% on Google. Despite Google’s dominance of search, for online retail, Amazon is the go-to platform. The way it has got the jump on its rivals in making voice commerce a viable option is only likely to strengthen its hand.

Just under half of Amazon Prime members (44%) are also actively using voice commerce, suggesting Amazon is doing a good job selling the solution to its customer base. So, if businesses can create an eCommerce customer experience replicating that of Amazon’s, this could lead to greater conversion rates.

Who is using voice commerce?

Salmon’s research found some interesting demographic differences in the use of smart assistants to shop online. First and foremost, this is a much more developed trend in the US, where 60% of online consumers do use or have used voice commerce, compared to just 25% in the UK.

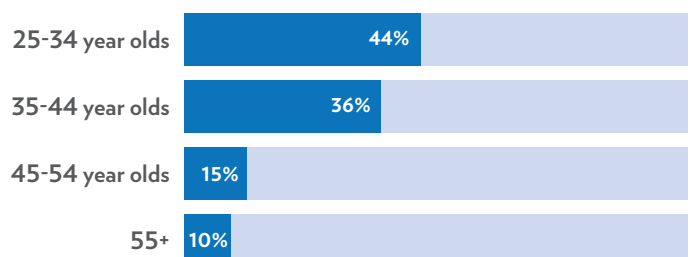
There may be an interesting correlation here between preferences for using Amazon versus Google to start online shopping journeys in the two countries. In the US, 68% of eCommerce journeys start on Amazon compared to just 10% on Google. In the UK, this narrows to 38% preferring Amazon and 20% preferring Google.

So although Alexa is the only voice assistant that links directly to purchasing in the UK, it has yet to push Amazon to the position of dominance it enjoys in the US.

Overall, Salmon found that male shoppers are markedly more likely to use voice commerce than female shoppers. Just under half (49%) of men surveyed said they did use or had used smart assistants to shop, compared to just 30% of women.

Not surprisingly, the study also found a clear line of demarcation in the age of voice commerce users, although perhaps the cut-off was older than you might expect. Just under half (44%) of 25 to 34 years currently use voice to shop, with 36% of 35 to 44 years olds also active users. This drops suddenly to just 15% in the 45 to 54 year old group, and 10% for the over 55s.

Voice device users by age*



*Source: “The Future Shopper” survey, April 2018, based on 3,516 online shoppers.

Key takeaways for brands and retailers

- Digital consumers increasingly make purchasing decisions based on convenience, and look for technologies which make the retail experience as frictionless as possible.
- Smart assistant technology is growing in popularity in digital commerce, reflecting rapid growth of the smart speaker market.
- Voice is another reason to engage with, rather than try to battle, Amazon. Amazon has helped pioneer the voice commerce concept and is the first to build a comprehensive end-to-end ecosystem for it. Listings with Amazon are now a prudent means of entering the voice market.
- Although voice offers convenience, seeing is still believing in retail. The 89% of shoppers who say they would still prefer to see a product while using voice assistants suggest screens still have a role to play. Perhaps eventually the use of smart assistants on mobile devices will become the key trend in voice commerce.

Wunderman Commerce's Head of Innovation, Naji El-Arifi posits a final thought: ***"Brands need to be thinking about what their offering is going to be in the next couple of years when voice becomes a major interface. You have to have a plan of how customers are going to interact with your brand using voice, especially as it will completely change how brands and customers interact."***

Salmon, a Wunderman Commerce company, has a team of eCommerce multichannel experts who are working with leading brands to address both the opportunities and challenges addressed within this article. These are explored amongst other key themes in its ground-breaking, new report "The Future Shopper". [Download your full copy here.](#)

In this report, we asked over 3,500 consumers from the US and UK aged between 18-64, and who shop online at least once a month, about everything from automated purchasing and the dominance of Amazon, to the rise of voice-activated devices and the shifting shopper priorities.

[Read the full report](#) "The Future Shopper – 2018 and beyond"

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