

Consumers Interact with Retailers' Facebook Pages More Than Brands' Own Websites – New Retail Study from Infosys

New York – January 14, 2014: Consumers engage with retailers on Facebook more than they do on the retailer websites. Nine in ten consumers say how much they spend is impacted by their social media engagement with a brand. And FourSquare has virtually no impact on consumer purchasing.

These are some of the core findings of an independent study released today by Infosys, a global leader in consulting, technology and outsourcing. **'Rethinking Retail'** is a detailed report on interviews with 1,000 consumers and 50 retailers across the United States. In addition to the impact of social media on spend, the study reveals how retailers are struggling to create the kind of consistent and personalized experience online and in stores that drives increased sales.

Key findings of the study

- **Social media matters**
 - Consumers interact with retailers' Facebook pages (38 percent) more than the brands' own websites (36 percent); a difference that is significantly more pronounced for younger consumers
 - 89 percent of those who interact with a retailer online through any social media outlet say that the interaction has an impact on their purchase
 - Women are twice as likely as men to be influenced by Pinterest; YouTube influences twice as many men as women
 - Only 2 percent of all people polled say that FourSquare has any influence on their purchase
- **Brand consistency across channels significantly impacts consumer spend**
 - Nearly two-thirds of consumers say that consistency plays a role in their tendency to spend with a brand (63 percent)
 - A third (34 percent) say high consistency across a brand's channels would mean a greater spend, while a lack of consistency results in a reduction in their spending (39 percent)
- **Consumers see far fewer in-store personalized offers than retailers claim they offer; retailers losing out**
 - 59 percent of consumers who have experienced personalization believe it has a noticeable influence on their spending
 - Though 62 percent of retailers reported that they offer personalized offers in store, only 20 percent of consumers report seeing 'in-store only' personalized offers
- **Online shoppers are regularly targeted with more personalized perks than those who shop in-store**
 - 39 percent of brands offer product recommendations based on customers' previous purchases online, versus only 10 percent in-store. A minority (45 percent) have offers both online and in-store

- 48 percent of organizations offer personalized offers / promotions based on customers' previous purchases only online, just 3 percent do so only in-store. A minority (45 percent) have offers both online and in-store
- Consumers are three times more likely to impulse-buy in a store than online
- **Lack of technology limits retailers who want to offer superior customer experience**
 - 96 percent of consumers expect retailers to inform them of new products. Only 34 percent of retailers, however, can track consumer trends in real time, reducing their ability to rollout appropriate offers which can drive sales
 - Lack of technology is the most common factor (38 percent) preventing retailers from creating a more integrated customer experience within their organization

Quote

Sandeep Dadlani, Senior Vice President and Regional Head (Americas) – Retail, CPG and Logistics at Infosys:

“Creating a consistent experience across all physical and digital touch-points has a direct impact on sales. However with the dominance of social media, creating a consistent and personalized relationship with consumers is now much harder. Retailers and brands need to arm themselves with the technology that can ensure their fans and brand advocates receive the same personalized service across channels to increase sales.”

Additional resources

- [Rethinking Retail microsite](#)
- [2014 retail trends](#)
- [Infosys Consumer Genome Project](#)

Research methodology

Infosys commissioned an independent technology market research specialist Vanson Bourne to undertake the research upon which this report is based. Two sets of interviews were conducted in December 2013, the first consisted of 1000 interviews with US consumers and the second consisted of 50 interviews with marketing decision-makers in retailers with more than 300 physical stores. Interviews were conducted online and by telephone using a rigorous multi-level screening process to ensure that only suitable candidates were given the opportunity to participate.

About Infosys Ltd

Infosys is a global leader in consulting, technology and outsourcing solutions. We enable clients, in more than 30 countries, to stay a step ahead of emerging business trends and outperform the competition. We help them transform and thrive in a changing world by co-creating breakthrough solutions that combine strategic insights and execution excellence.

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Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, fluctuations in foreign exchange rates, our ability to manage growth, intense competition in IT services including those factors which may affect our cost advantage,

wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, industry segment concentration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks or system failures, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which Infosys has made strategic investments, withdrawal or expiration of governmental fiscal incentives, political instability and regional conflicts, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry. Additional risks that could affect our future operating results are more fully described in our United States Securities and Exchange Commission filings including our Annual Report on Form 20-F for the fiscal year ended March 31, 2013 and on Form 6-K for the quarter ended September 30, 2013. These filings are available at www.sec.gov. Infosys may, from time to time, make additional written and oral forward-looking statements, including statements contained in the company's filings with the Securities and Exchange Commission and our reports to shareholders. The company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the company unless it is required by law.

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