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# Australian Retail Industry leaders are behind the curve on technology adoption

From online shopping to price comparison sites, mobile sales alerts to 'tap and pay' functions, technology is fast changing consumers' shopping preferences and habits—but more of the people making tech-related decisions in the Retail industry are among the slowest to adopt new technologies themselves, Roy Morgan Research shows.

3.5 million Australians are involved in making decisions about their organisation's expenditure during the year, including 1.8 million who decide on investments in computers and software, telecommunications, online programming, and website and app development. Business decision-makers are also, of course, individuals with their own attitudes, interests, media habits—and pace of technology adoption.

Technology Adoption Segments

Across the whole Australian population (aged 14+), 19% of people are Technology Early Adopters and 18% are Professional Technology Mainstream—people classified by Roy Morgan's Technology Adoption Segments as being among the first to adopt new technologies for personal or professional use respectively. At the other end of the curve, 24% of the population are Technology Traditionalists and 16% are Technophobes.

The Technology Adoption Curve – Australians aged 14+
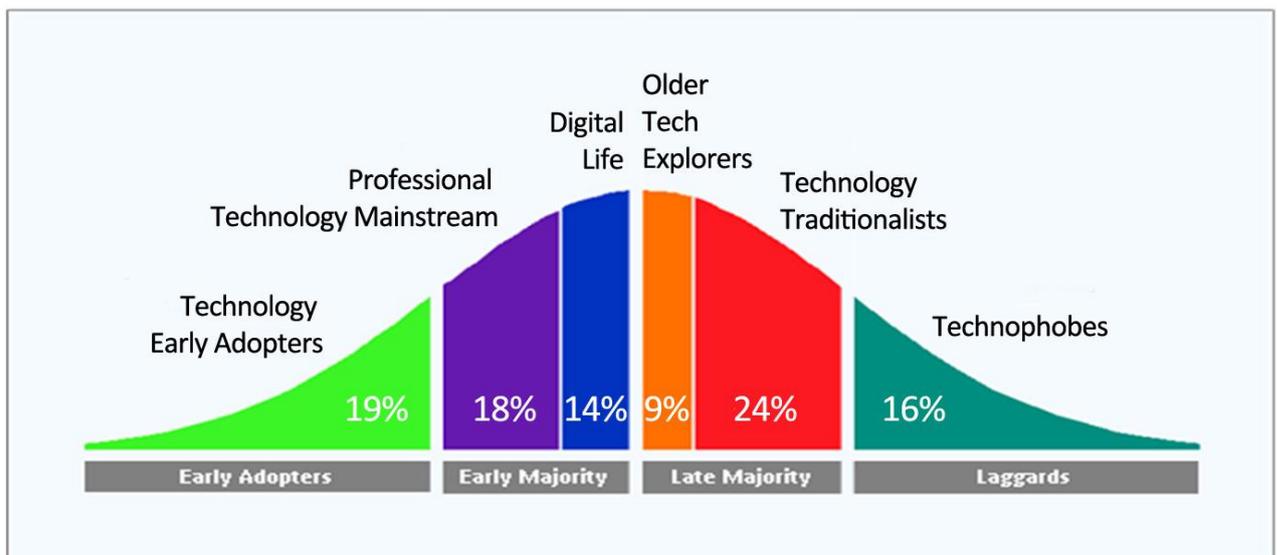
Technology Decision-Makers and Technology Adoption

People whose job includes making business decisions about their organisation's technology-related expenditure are understandably more inclined to be tech-savvy themselves. Almost three in five business technology decision-makers are Technology Early Adopters (31%) or Professional Technology Mainstream (28%). Conversely, less than one in four are Technology Traditionalists (16%) or Technophobes (8%).

Although this clearly shows that decision-makers for technology are 'ahead of the curve' overall, there is wide variation between industries*.

The Retail Industry's Technology Decision-Makers

Less than half the Retail Industry's decision-makers for technology-related expenditure are themselves early (24%) or professional (22%) adopters of new technology. Instead, they are somewhat more likely than their peers in other industries to be Digital Life (11%) or Older Tech Explorers (12%)—and over *twice* as likely to be Technophobes (15%).

Technology Adoption Segments of Business Decision-Makers for Technology Expenditure
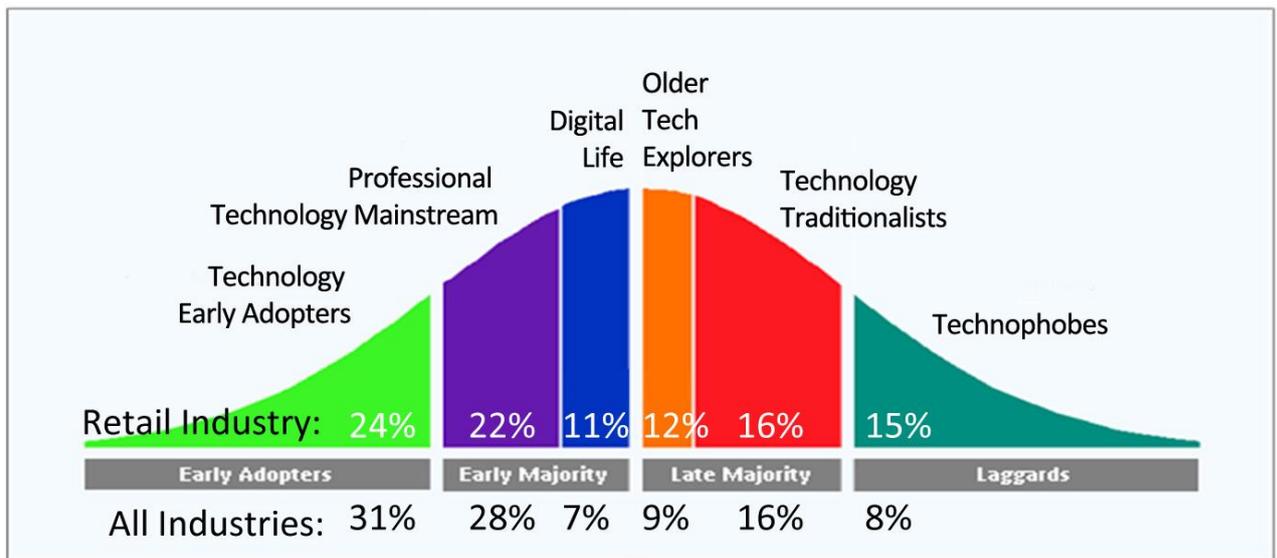
*Source: Roy Morgan Single Source, July 2014 to June 2016, sample n = 8,296 Australians 14+ involved in making decisions about business expenditure in the last 12 months. * Industries are defined using the latest Australian and New Zealand Standard Industrial Classification (ANZSIC) codes.*

To put this in perspective, the people making decisions about what new technology to adopt in the Australian Retail Industry are actually only as tech-savvy as their counterparts working in Agriculture, Forestry and Fishing, Transport, Postal and Warehousing, and Construction.

The most 'ahead of the curve' when it comes to adopting new technologies are decision-makers in Information Media and Telecommunications, Public Administration and Safety, Education and Training, and Arts and Recreation.

Michele Levine, CEO – Roy Morgan Research, says:

> *"Roy Morgan estimates over 160,000 Australians in the Retail Industry are involved in business expenditure decisions such as computers, telecommunications, digital programming and online services. However over half of the industry's decisions on such matters are being made by people who aren't themselves particularly interested in learning about or implementing the latest technologies until they become mainstream.*

> *"There is no doubt that technological change has dramatically impacted the Retail industry over the past decade—as it has many other industries. However in areas including Information Media and*

Telecommunications, Financial and Insurance Services, Education and Training, and even Mining, two-thirds or more of technology decision-makers are themselves early or professional adopters.

"As a group, decision-makers in Retail are only marginally more tech-savvy than their own customers. In fact, they are even less likely than the average Australian to use online payment or money transfer systems such as PayPal, POLi, or BPAY.

This may help explain why the Retail industry has—some might say—been slower to adapt to (and adopt) new technologies. From major department stores to local bricks-and-mortar boutiques, it's taken many retailers a while to acclimatise to the new world—one in which consumers expect everything at their fingertips, with globally competitive pricing and simple, frictionless payment systems.

"It's vital that Business-to-Business (B2B) operators understand their decision-makers are also individual consumers. Personal attitudes and product preferences, what we do online, and the media we consume all play some part in informing the decisions made on behalf of businesses.

"Technology Adoption Segments are an ideal tool for B2B technology companies to get a handle on their target markets. Technophobes, for example, aren't so much scared of new technology as simply uninterested. Older Tech Explorers are interested in theory but in no rush to spend money on it, and Technology Traditionalists will wait until the old way of doing things is not even an option anymore."

To learn more about Roy Morgan's Business Decision Maker data or Technology Adoption Segments call (+61) (3) 9224 5309 or email askroymorgan@roymorgan.com

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About Roy Morgan Research

Roy Morgan Research is the largest independent Australian research company, with offices throughout Australia, as well as in Indonesia, the United States and the United Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan Research has over 70 years' experience in collecting objective, independent information on consumers.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
5,000	±1.4	±1.2	±0.8	±0.6
7,500	±1.1	±1.0	±0.7	±0.5
10,000	±1.0	±0.9	±0.6	±0.4
20,000	±0.7	±0.6	±0.4	±0.3
50,000	±0.4	±0.4	±0.3	±0.2