



Fifth Annual Major Purchase Consumer Study



By studying the journey consumers make when deciding on major purchases of \$500 or more, Synchrony Financial measures and reports on behavioral and attitudinal trends. For the fifth year in a row, Synchrony Financial has collected data from shoppers across these 14 different product categories:



EYEWEAR



JEWELRY



POWERSPORTS



FURNITURE



APPLIANCES



HOME IMPROVEMENT



OUTDOOR POWER EQUIPMENT



AUTO PARTS, SERVICE & TIRE



FITNESS EQUIPMENT



FLOORING



ELECTRONICS



SPORTING GOODS



MUSIC EQUIPMENT



SEWING

Sample size: 2,776

1,629 Synchrony Bank Cardholders

1,000 Non-Cardholders (Major purchase shoppers who are not Synchrony Bank cardholders)

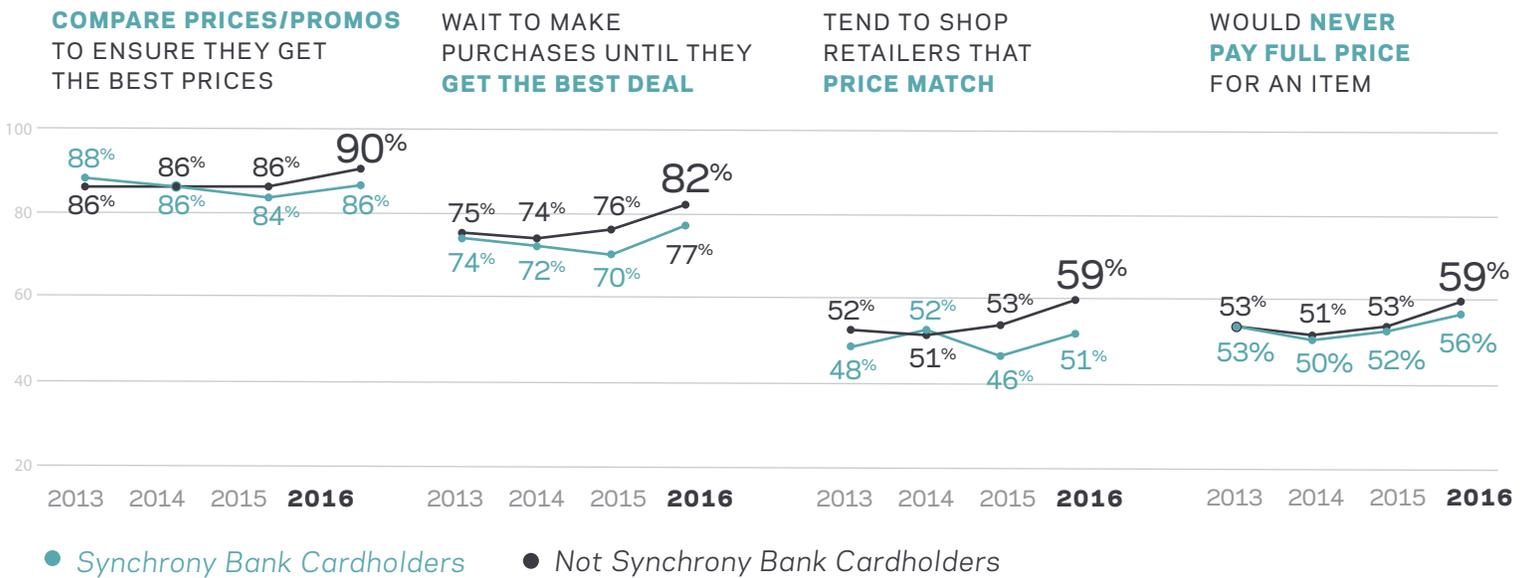
The study was conducted by Rothstein Tauber, Inc. on behalf of Synchrony Financial.



CONSUMER ATTITUDES

Deal orientation continues to increase.

- Deal orientation was higher in 2016.
- The prevalence of online content and information is one key driver of this change.



Shoppers remain cautious about how they spend their money but see value in financing their purchase.

90% of Synchrony Bank cardholders feel **financing makes their large purchases affordable.**

88% of Synchrony Bank cardholders are **comfortable financing through a retailer credit card.**

PATH TO MAJOR PURCHASE

1



85%

START RESEARCH **ONLINE**

More started online this year
(up from 80%)

2



70%

IN-STORE RESEARCH

3

SOCIAL MEDIA & REVIEWS

56%

Consult with Friends



38%

Check online reviews

4



28%

BACK **IN-STORE**

Mobile research while in-store

5



33%

RESEARCH **FINANCING OPTIONS**

49% used mobile device during purchase process

6



82%

PURCHASE IN-STORE

18% purchased online this year



CONSUMER BEHAVIOR

Online shopping and online buying have significantly increased this year.

18% make their major purchase **online** (up from 13% in 2015)

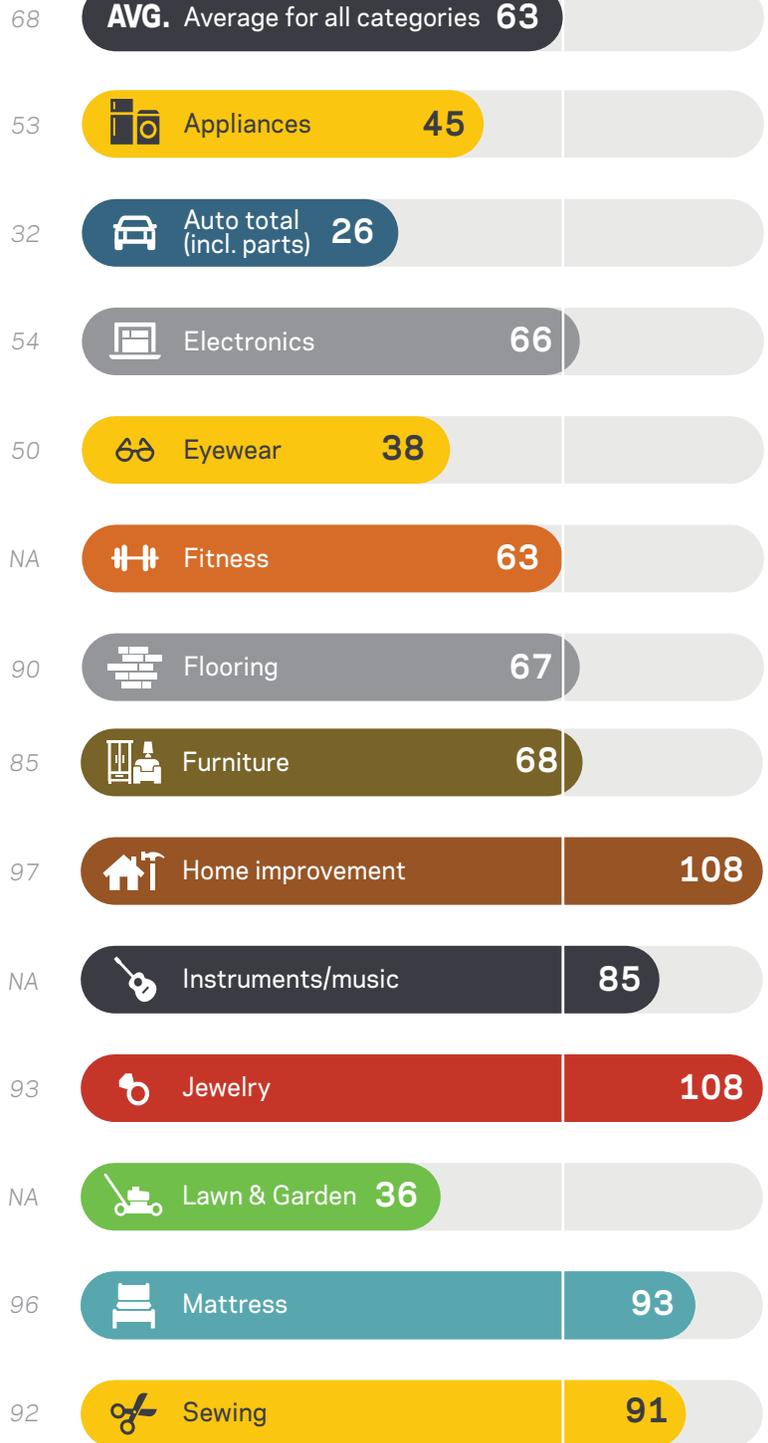
85% started their **research online** (up from 80% in 2015)



MEAN NUMBER OF DAYS CATEGORY SHOPPERS SPENT RESEARCHING THEIR RECENT MAJOR PURCHASE

2015
of
days

OF DAYS SPENT RESEARCHING IN 2016



Shoppers are being more decisive.



The number of **days spent researching** their purchase **dropped** from 68 to 63 days.



PRIMARY DECISION DRIVERS

Retailers did a better job in 2016 of making shoppers aware of financing options.

43% of random shoppers were **aware** that **financing was available** (36% in 2015)

47% of SYF cardholders say they might **not have made a purchase or shopped at a competitor if financing was not available.**

Synchrony Bank cardholders reported spending **\$513 more**, on average, than non-cardholders.



Synchrony Bank cardholders choose retailers that:

- ✓ Have the product(s) they want (75%).
- ✓ Offer promotional financing options (71%).
- ✓ Stand behind the products they sell (78%).

Key Trends Summary:

1 Deal orientation continues to rise.

2 Online shopping and online buying have significantly increased.

3 Shoppers are being more decisive.

Recommendation:

The consumer value equation includes much more than just price. Value includes price comparisons, consumer reviews, and cost of shipping/delivery/installation, as well as quality. Retailers need to ensure their communications include a total view of value.

As the digital channel continues to play a more prominent role in the shopping journey, retailers should consider strategies that increase their online presence, through search engine marketing and website optimization. Shoppers are looking for a seamless shopping experience where they can research and purchase through the retail website.

As shoppers become more decisive, they are visiting fewer retailers before making their purchase. Because of this it is even more important that retailers demonstrate value early in the sales process and serve up detailed information through both online and offline channels.

Focus on what really matters.

Synchrony Financial is one of the premier consumer financial services companies in the United States. Our roots in consumer financing trace back to 1932, and today we are the largest provider of private label credit cards in the United States, based on purchase volume and receivables.



About Synchrony Connect

Synchrony Connect is a value-added program that lets Synchrony Financial partners tap into our expertise in noncredit areas. It offers knowledge and tools that can help you grow, lead and operate your business.

Grow

Marketing, analytics and research expertise to help you drive business growth

Lead

Tools for leading your organization and developing yourself as a leader

Operate

Best practice around business strategy and optimizing cost

Contact your Synchrony Financial representative or visit us at SynchronyFinancial.com or SynchronyBusiness.com to discover how we can help you grow your business.

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