

State of Retail CX 2023



The retail industry is under enormous pressure to change.

Over the past few years, shoppers moved from in-store to online, and are now somewhere in-between. They love shopping online, but they also love shopping in their favorite stores—and they want the same great experience no matter where they are.

That creates big challenges and golden opportunities for retailers to stand out from the competition with connected experiences.

Savvy brands around the world have reacted to this change by accelerating omnichannel CX. It's no simple task—and impacts almost every area of operation.

Retail brands that take advantage of this exciting shift—and invest in CX—see tangible results. Our research illuminates the urgent need for connected customer experiences.



In this guide, you'll get actionable insights tailored to retailers in today's ultra-competitive environment.

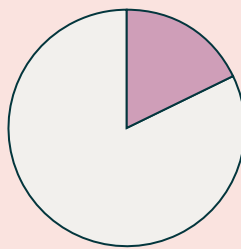
D1

Connected CX is the new normal in retail

Now more than ever, retailers are competing on more than price, product assortment, and the quality of their merchandise. The real battlefield is on the excellence of their customer experience. In fact, our research found that retailers increasingly believe CX is the primary differentiator in the industry.

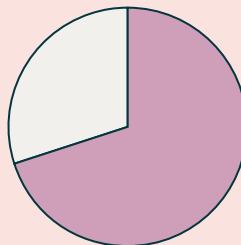
That means it's not enough to simply meet expectations. Shoppers expect frictionless omnichannel experiences, and they're not willing to wait for retail brands to figure it out over time. Retailers that rise to the challenge reap the rewards—higher CSAT, deeper customer loyalty, and solid ROI.

The data is clear: customers and retailers want more seamless digital and physical shopping experiences. But there's a big gap between the desire and the reality.



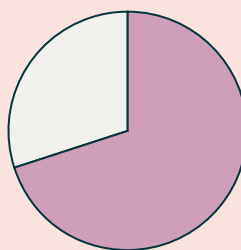
Only 22%

of retail leaders strongly agree they have the tools and systems in place to bridge online and in-store CX



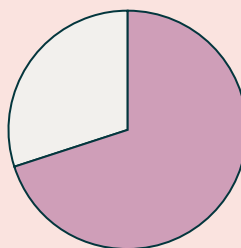
69%

of consumers wish it was as easy to find items in-store as it is online



70%

of consumers expect all retail employees to have easy access their customer data to create more fluid interactions



70%

of retail leaders agree that digital and in-store experiences will increasingly merge over the next few years

Tips for creating more connected retail customer experiences:



Stay ahead of your competition by investing in tools and capabilities that create connected, conversational, and personalized experiences.



Give customers what they want, when they want it. That means connecting the dots between in-store and online shopping experiences across all touchpoints.



By expanding AI and mobile wayfinding—as well as ensuring any employee a customer interacts with can handle any task they need—customers can get help, make purchases, and have better experiences on their own terms.

CUSTOMER STORY

Liberty London →

“When I first suggested using a system like Zendesk, people were worried that it was something our customers wouldn’t like. They thought they’d always want to speak to someone on the phone. Because the system collects data and makes it available in a form that’s clean and easy to analyze, I have been able to prove that that’s not the case.”

Ian Hunt

Director of Customer Services
at Liberty London



-73%

Decrease in first response time

+9%

Increase in CSAT

\$19,616

Annual help center savings

02

True loyalty means meeting customers where they are—on new commerce channels

It's no secret that social media is a huge opportunity for retailers. Social commerce is on the rise, according to the [National Retail Federation](#) →.

New retail channels like social media storefronts, shoppable live-streaming, and Instagram shops are revolutionizing the way we shop and offers something traditional ecommerce can't—a sense of community. Social media gives retailers the opportunity to build 1:1 connections with their shoppers, ensure their retail brand stays top of mind, and a key sales channel to drive their business forward. And many brands are already jumping on the trend. In fact, social commerce is set to reach \$1.2 trillion by 2025 (according to a report by Accenture titled “Why Shopping’s Set for a Social Revolution”).

Livestreaming commerce started in China, but it's taking off worldwide—[TikTok is now the most shopped social channel in the UK](#) →.

But livestream ecommerce is just one facet of a cutting-edge CX strategy. To win in this increasingly competitive environment, retailers need to be where their customers are.

Many retailers are falling short on delivering quality experiences on emerging commerce channels.



27%

say increasing personalization is the top CX priority this year



52%

say employees can easily access customer conversations and respond across channels



74%

rate the quality of their social media storefront CX as the lowest

Customers are hungry for more immersive shopping experiences.

88%

rate in-store shopping experiences the highest

67%

think live-stream commerce experiences are excellent

62%

of consumers say they're okay with using their mobile while in-store to access additional services or information from the retailer

Tips for winning in the new era of ecommerce



Create cross-channel experiences that feel like magic by leveraging connected data.



Wow customers on every shopping channel—whether traditional or emerging—to foster deeper connections.



Jump on new e-commerce channels to gain an edge—don't wait until it's too late to compete.

CUSTOMER STORY

Chupi →

"One of the key things we needed was to pull our Instagram DMs into the same place as all our calls and emails. Zendesk can do it through a simple plug-in."

Brian Durney

Chief Technology Office
at Chupi



chupi

98%

CSAT

< 20 hours

Full resolution time

300%

Increase in care-based sales

03

Create more personalized customer experiences

It's clear that shoppers expect more personalized experiences. And brands are sitting on mountains of customer data, but most have yet to leverage it to even a fraction of its full potential.

Strategic application of customer data can create the same level of personalized clienteling typically reserved for luxury brands. But there's a gap between potential and reality.

Most retailers point to challenges with disconnected customer data



18%

rate their brand as excellent at sharing customer data across the business



53%

think siloed data is a barrier to instituting data-driven AI experiences



67%

say they're seeing disorganized, reactive efforts to use customer data

Tips for creating more data-driven CX:



Use the right data to keep shoppers coming back. Customers are willing to give you information, if you use it to create better experiences for them.



Leverage the power of AI to boost time-to-resolution and customer self-service.



Share customer data to inform every facet of your business strategy—from product development to marketing and everything in between.

CUSTOMER STORY

Salling Group →

"We have integrated all of our customer platforms and order management systems into Zendesk. That means we have created two Zendesk apps, which provide all the necessary information and guidance to our agents right inside Zendesk.

Additionally, having this 360-degree view of all the information increases efficiency, as the agent only needs to work in one workspace, instead of having several systems open."

Simon Bjerre
Product Owner
at Salling Group



salling group

200+
Agents

90%
CSAT

10%
Live chat increase

10%
Calls decrease

D4 How Zendesk can help

Power workflows

With intelligent triage and route incoming requests with ease. You can automatically classify customer service conversations based on customer intent, language and customer sentiment (coming soon).

Leverage AI to work alongside your team

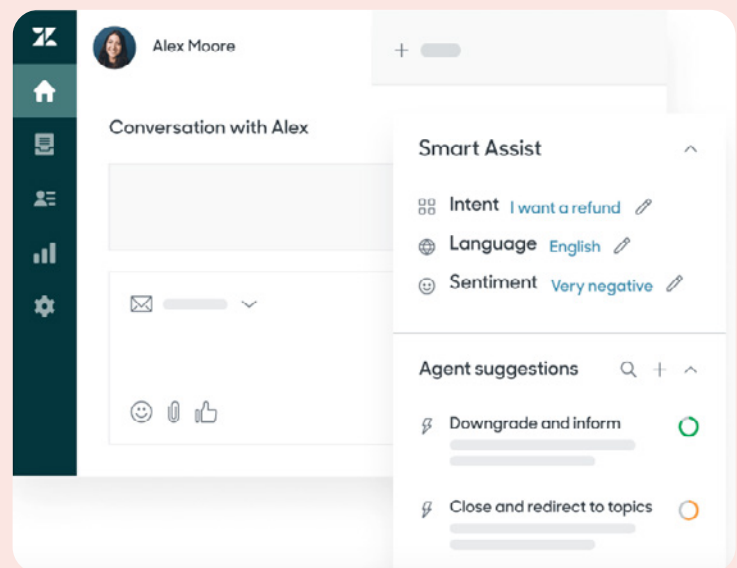
By using machine learning to help answer your customers' questions. When an agent is required, the AI-powered bot collects relevant customer information up front and intelligently routes to the right agent with all the context they need to jump in and resolve issues quickly.

No more screen toggling

A single ticket interface for all channels empowers all employees with a single source of truth for relevant and real-time customer data. With quick-to-configure automations and triggers, you can ensure every customer receives timely personalized communications. help center and community forum capabilities can serve as your first line of defense, especially for deflecting common issues.

Show agents AI-powered insights → on customers

Customer intent, language, and later, customer sentiment—and recommendations on what to do next.



Join these retailers

Accent Group

HARRY'S



LIBERTY.

LUSH



[Read more of our retail customers stories](#) →

Try Zendesk for Retail

Keeping retail customers happy means every interaction matters. With Zendesk, you can make sure customers get the support they need, wherever they interact with you.

Because satisfied shoppers return again and again.

[Get a free demo today](#) →

Methodology

We surveyed more than 1400 global retail leaders, agents, and technology buyers from 20 countries and organizations ranging from small business to enterprise during July and August 2022. Results from each survey were weighted to remove bias from the survey samples.

Countries surveyed include: Australia, Belgium, Brazil, Canada, Denmark, Finland, France, Germany, India, Italy, Japan, Mexico, the Netherlands, Norway, Singapore, South Korea, Spain, Sweden, the United Kingdom, and the United States. there's a gap between potential and reality.

