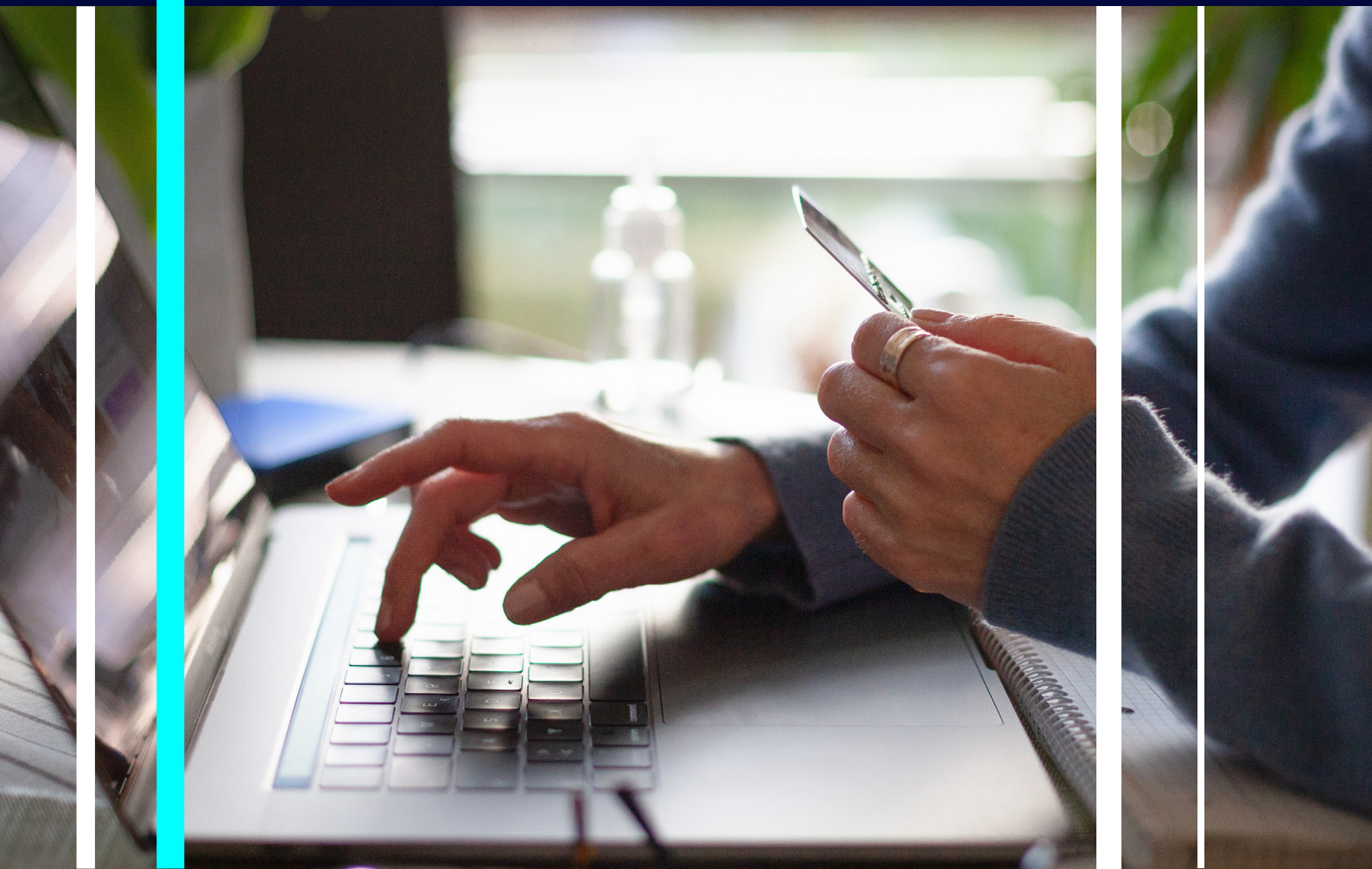


**Customers aren't
waiting patiently for
retailers to catch up
with their digital offerings**



Capita

Retailers need to stop expecting business to return to “normal”. There’s no going back to how it was anytime soon.

The latest research* shows that in 2021 consumers are likely to keep the behaviours they’ve adopted amid stay-at-home orders, such as more online shopping and fewer shop visits. Therefore, retailers can’t afford to be in a wait-and-see mode. First, they need to reimagine their baseline requirements and then turn their attention to taking their customer experience to the next level.

Alan Linter, Capita’s Innovation Director, explains why agility and adaptability aren’t nice-to-haves these days but prerequisites for success and are easier to achieve than you may think.

The pandemic didn’t create the shift from in-store to online shopping - that journey was already well underway. But it has certainly accelerated the shift away from physical stores to digital shopping by roughly five years**.

While no retailer could have anticipated this surge, many thrived, relishing the opportunity to showcase the benefits of a digital lifestyle and convert previously reluctant or occasional consumers.

However, this doesn’t mean that customers are sitting patiently waiting for laggard retailers to get their act together or that they’re prepared to wait for online customer service and support during busy periods.

Nor are they prepared to make allowances for a lesser experience than they would have had in store, whether that’s a confusing layout, inappropriate product suggestions, a clumsy online check-out process or a lack of support for refunds and returns. It is worth noting that, according to the UK Customer Satisfaction Index (UKCSI) report, customer satisfaction in the retail sector has been declining, with 2020 marking the lowest score in the last 10 years*. In addition, the retail sector has seen an increasing number of consumers reporting problems with organisations, with 13.9% of customers experiencing a problem with a food retailer and 12.1% with a non-food retailer. The same report highlights how website navigation is the top issue retailers should improve together with availability of products/service range and making it easier to contact the right person for help.

Today’s retailers also need to offer a simple and seamless e-commerce experience — from browsing to researching, selecting, purchasing, and returning/exchanging. Customers will no longer tolerate sub-par digital shopping experiences such as they may have before the crisis. Retailers have to make sure their sites are mobile-responsive, offer integrated services such as “buy online, pick up in store” and deliver a consistent, reliable digital experience across devices and channels. Customer expectations are rising for digital channels along measures such as site speed, stability, and delivery times.



Catch-up time is over

After spending 2020 in a relative state of chaos, retailers have been more focused on stopping the bleeding than looking ahead. Few companies have had the ability to make investments for the future in the past twelve months, and that will impact the space going forward.

Nevertheless, demanding customers are now expecting the best of both worlds: the personal service and immersive experience of in-store and a clockwork, low-click digital experience.

They want to be able check out in a single click, view a virtual sofa in their own living room and track the progress of their delivery right to their door.

As a result, a retailer’s digital offering is only as strong as the weakest link in whatever journey a customer is expecting to make.

But it’s not too late for retailers to turn market instability into instant agility and be prepared for a range of potential scenarios.

Even at the last minute, it’s possible to be able to instantly provide whatever information customers might need about their order or delivery, be responsive to social media and ensure that, even in peak times, customer experience remains at a consistently high quality.

*McKinsey 2020 | **IBM Retail index | ***UKCSI report July 2020 www.instituteofcustomerservice.com/research-insight/ukcsi/



Digital transformation is within your grasp - and doesn't cost the earth

Retailers will have to re-evaluate their overall tech infrastructure and leverage advanced analytics and artificial intelligence to gain real-time digital insights into shifting customer needs to better respond to them.

With the trend of working from home showing no sign of abating, organisations must digitally transform to incorporate customer experience (CX) agility into the fabric of their business to drive success in the face of uncertainty. This agility will have to be incorporated into at least 2 key areas.



Digital channels as the primary point of contact

Social distancing measures have contributed to the wider adoption of digital channels such as chatbots and social media messaging across all generations, rather than just millennials and Generation Z. These days when interacting with customers, retailers must be equipped with a solution that allows seamless integration of voice and digital channels, and that supports multiple digital service options, self-help and chatbot. The reliance on digital channels has never been higher – and will continue growing in 2021. It's therefore vital that businesses ensure they can keep pace with customer expectations through innovation and interact with them on their preferred channels. This will be key to retaining customers long-term.



Real time insights and visibility

While the changes that have characterised 2020 start to show signs of relenting, real-time insights and visibility driven by advanced analytics and AI will become key requirements for businesses in 2021.

Businesses will have to use the power of analytics and AI to make sense of real-time data, and learn the actions they should take to make sure that customer service levels remain high.

All of this might sound like a logistical and budgetary nightmare. However, many retailers have been pleasantly surprised to discover that, thanks to new technology from virtual customer contact centres and conversational AI, they can quickly and cost-effectively rise to the challenge of the forthcoming months while being readier and more resilient for whatever surprises 2021 brings.

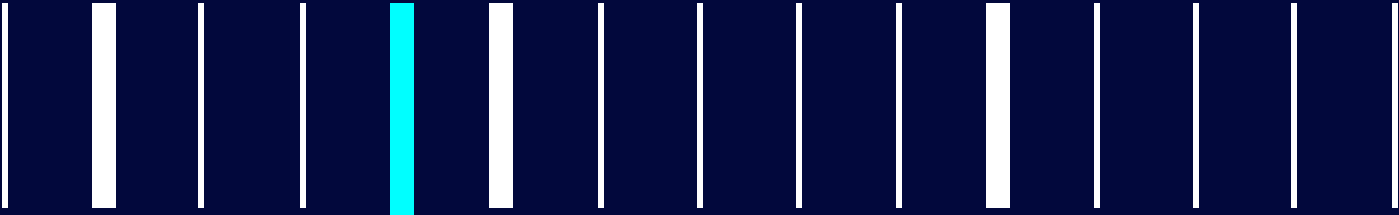
Advanced enterprise AI systems enable retailers to aggregate and analyse the data of individual consumers in order to implement ultra-personalised and timely messages.

For example, virtual contact centre solutions can flex around unpredictable trading patterns. They can harness data and analytics to empower agents with prompts that allow them to protect vital revenues by having more productive, empathetic conversations.

Websites can be brought to life with augmented reality to make them more immersive and exciting and drive more conversions. Conversational AI can ensure that questions are answered quickly and accurately and contact centre resources deployed where they're needed most.

With the right tools and technologies, good customer experience is not only seamless but looks and feels effortless.





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