COVID-19: the CX Impact.

Retail

Industry Snapshot

The disruption COVID-19 has created would have been unthinkable, even several months ago. It's forcibly changing consumer behavior and buying habits, causing companies to totally reimagine their traditional approach to work and has led governments around the globe to introduce extraordinary measures to protect their people, their economies and their countries. The retail industry has been especially impacted due to lack of spending and financial uncertainty around the globe.
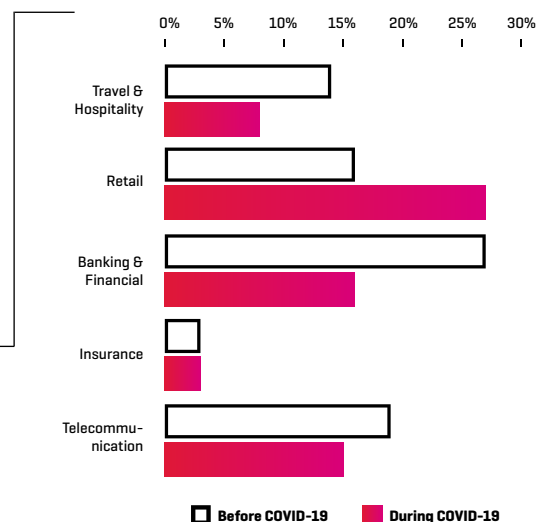
However, even in the midst of a pandemic, consumers are focused on and value emotional connection. They are seeking out brands that understand and can cater to their needs and are actively avoiding those that are judged to have fallen short.
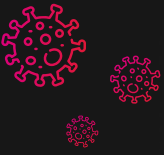
As the immediate threat of coronavirus begins to recede, and consumers begin to return to a semblance of normality, the businesses that prioritize customer experience management will be the ones that thrive, rather than survive in the new normal.

But where should those in the retail industry begin?

Prior to the pandemic, the retail industry was highlighted by 16% of consumers as being the most innovative when it came to the use of technology in providing customer experiences. During the pandemic, this number shot up to 27%. Consumers have valued the retail industry's quick implementation of practical solutions such as Click and Collect solutions.

Which industry is the most innovative when it comes to leveraging technology?

Chart: Which industry is the most innovative when it comes to leveraging technology? (x-axis: 0% to 30%)

- Travel & Hospitality — Before COVID-19; During COVID-19
- Retail — Before COVID-19; During COVID-19
- Banking & Financial — Before COVID-19; During COVID-19
- Insurance — Before COVID-19; During COVID-19
- Telecommunication — Before COVID-19; During COVID-19

Legend: ☐ Before COVID-19   ▮ During COVID-19

Even in the midst of a pandemic 43% of consumers are still prepared to sever ties with a brand after a single poor experience, and this number is expected to return to pre-pandemic levels (74%) as customers' patience wears thin. During the pandemic, 35% of consumers also indicated a preference for resolving issues or answering questions for themselves. Those in retail should look to technology to provide consumers with self-service solutions.

Some in the industry have already made innovative use of artificial intelligence (AI) to support customers through the pandemic, for example implementing FAQ bots to answer customers' COVID-19-related questions. These solutions can be implemented quickly supporting customers in response to unforeseen peaks in demand, such as a global pandemic, and also work to deflect customers from other channels, driving efficiencies and enabling live agents to better support the customers who need their support most.

We asked consumers what technology they believed retail brands could leverage to create the most compelling customer experiences, and virtual reality (VR) came out far ahead, augmented reality (AR) came in second place. Retail consumers are clearly signaling they want brands to build experiences that enable to them

virtually try products from the comfort of their own homes. This technology has applications throughout the buying cycle. Enabling consumers to virtually view products in their homes before purchase may be the use that springs immediately to mind but AR also has tangible benefits in after sales care, for example supporting customers with product troubleshooting. Voice assistants came in third place, narrowly beating digital assistants.

Those in the retail industry should explore combining AI and VR to create more personalized, immersive experiences that can seamlessly support consumers through discovery and purchase and on to after-sales care 24/7.

Which technology makes the most positive experience in retail?
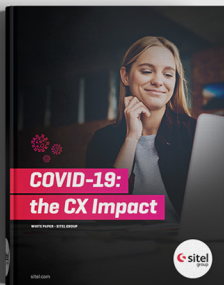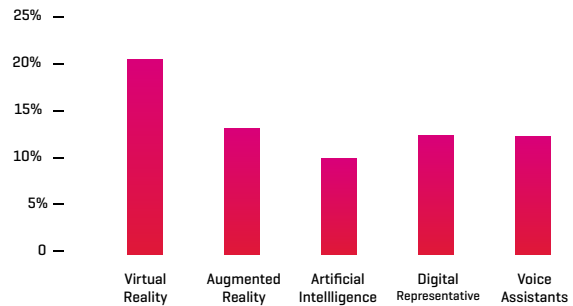
Sitel Group's COVID-19: the CX Impact study explores how COVID-19 is changing consumer's expectations and helps brand to explore how they can keep pace.

The COVID-19: the CX Impact white paper is available to download at sitel.group/2020_cximpact_study

Learn More

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