State of Retail CX
2023

zendesk

The retail industry is under enormous pressure to change.

Over the past few years, shoppers have moved from in-store to online and are now somewhere in-between. They love shopping online but they also love shopping in their favourite 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 — especially as it impacts almost every area of operation.

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

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

01

Connected CX is the new normal in retail

Now more than ever, retailers are competing on more than just price, product range and quality. The real battle now lies in 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 work it out over time. Retailers that rise to the challenge reap the rewards — higher CSAT, improved customer loyalty and healthy ROI.

The data is clear: customers and retailers want more seamless digital and physical shopping experiences. But there's a big gap between this desire and reality.
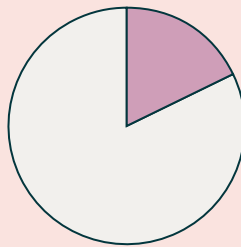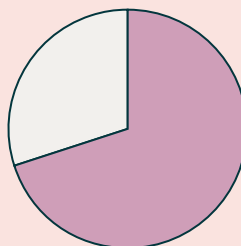
Only 22%
of retail leaders strongly agree that they have the tools and systems in place to bridge online and in-store CX
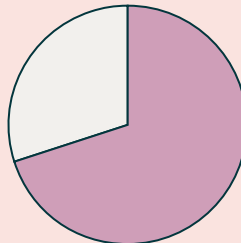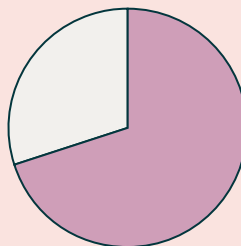
69%
of consumers wish it were as easy to find items in-store as it is online

70%
of consumers expect all retail employees to have easy access to 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 features that create connected, conversational and personalised 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 — in addition to having helpful employees — customers will be able to get help, make purchases and have better experiences on their 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. But because the system collects data and makes it available in a form that's clean and easy to analyse, I've been able to prove 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 centre 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 revolutionising the way we shop and offer something traditional e-commerce 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 e-commerce 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 personalisation 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 e-commerce

✔ 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 with a simple plug-in."

Brian Durney
Chief Technology Officer
at Chupi

chupi

98%
CSAT

<20 hours
Full resolution time

300%
Increase in care-based sales

03 Create more personalised customer experiences

It's clear that shoppers expect more personalised experiences. And even though brands are sitting on mountains of customer data, 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 personalised 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 creating data-driven AI experiences

67% say they're seeing disorganised, 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 both 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.

Salling Group →

"We've integrated all 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

04 How Zendesk can help

Power workflows

Intelligent triage allows you to 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 it 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 personalised communications. Help centre and community forum features can serve as your first line of defence, especially when it comes to deflecting common issues.

Show agents AI-powered insights → on customers

Customer intent, language and soon customer sentiment – not to mention recommendations on what to do next.
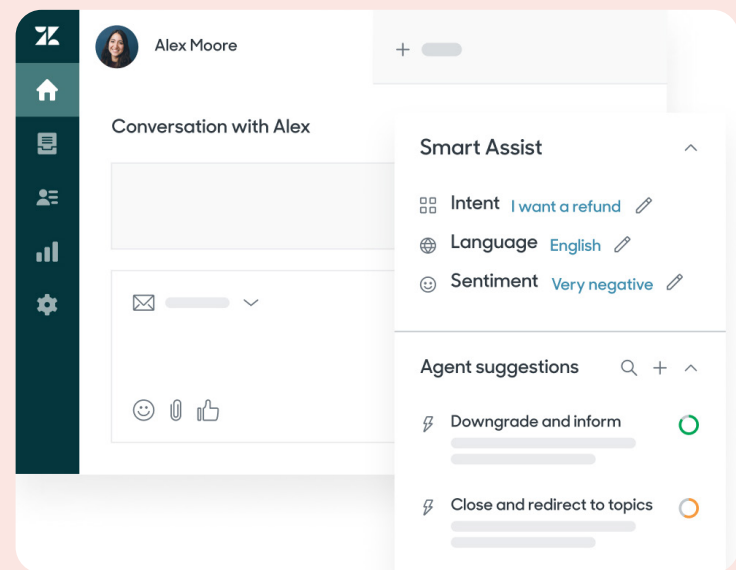
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Keeping retail customers happy means every interaction matters.With Zendesk, you can make sure your customers get the support they need – wherever they're interacting with your brand.

Because satisfied shoppers keep coming back.

[Get your free demo today](#)

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