

Critizr.

The New Retail Journey Revealed

Survey results from European retail leaders on what the customer journey will look like in a post-pandemic world



What has been the real impact of COVID-19 on retail? In this white paper, we ask the people who are best placed to answer this question: retailers themselves. Our survey of over 100 leading retailers in the UK and France delves deep behind the headlines to offer fresh statistics, essential insight and real-life examples from people working across the sector – from Grocery and DIY to Fashion and Health & Beauty.

All our contributors have taken the time to provide honest, astute answers to the urgent questions on the minds of today's retail professionals, on every aspect of customer experience. We asked them to reflect on the remarkable challenges of 2020 and share their predictions for the year ahead.

What are the big changes to the customer journey? What role do surveys and the voice of the customer now play? How have businesses adapted to meet new customer needs, and will these changes be in play for the long term? What has been the impact on loyalty and the way brands connect with shoppers?

Our survey provides a fresh perspective on some of these issues and the biggest trends in retail today - including the rise of online and omnichannel shopping. But it also uncovers less visible shifts in consumer expectations and behaviour that will be invaluable for everyone working in retail in 2021 and beyond.

Critizr.

Intro

At Critizr, we believe that when it comes to retail the experience is everything. From the second a customer enters a store it's the retailer's responsibility to deliver an exceptional experience. But it's also an opportunity for them to create lifelong customer loyalty.

There's no denying that in 2020 the retail sector and customer experience have been completely turned upside down. COVID-19 has brought with it the largest wave of change in human behaviour at scale to date. Additionally, technology continues to surge at an incredible rate and alter the way we interact with each other. We have officially entered a new world of retail.

In the face of adversity, retailers have shown real strength and resilience to the crisis, adapting to the 'new normal' of retail and adjusting to these changing consumer needs and behaviours. Social distancing, mandatory face masks, acceleration in contactless payments: COVID-19 has undoubtedly changed the way we shop and interact in-store, that we know. But which changes are temporary and which are here to stay? Do any of them come with advantages? And how big a part does customer feedback play when crafting out this new retail journey?

We wanted answers to these questions and more. So we surveyed over 100 key retail customer experience leaders, including CX trailblazers from Tesco, Marks and Spencers, and Sainsbury's, to get their expert opinion on where the retail journey is headed as we push past the pandemic.

Here's how some of Europe's leading retail brands are adapting and what the future of retail might look like...

Including respondents from:

Sainsbury's

TESCO

M&S

OP

Dixons
Carphone

HOBBS
LONDON

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The COVID-19 Effect



Has COVID-19 impacted your customer journey and customer experience?



The COVID-19 Effect



Has COVID-19 impacted your customer journey?

Each and every retailer, from small independent brands to large multi-store businesses, has felt the effects of the pandemic in some way, whether that's less in-store shoppers or an overwhelming rush of panic buyers - the pace and scale of change has been staggering.

But how many of these changes have had an impact on the customer journey?

When asked, as you can imagine, **the majority of retailers (91%) confirmed it has impacted their customer journey. With 96% of UK retailers and 87% of French retailers stating it has had an impact.**

100% of all Grocery, Consumer electronics, DIY, Fashion, Furniture, Health and Beauty, and Restaurant industry respondents also confirmed the impact on their customer journey.



How has COVID impacted the customer experience?

When asked exactly how the customer experience has been impacted, the overwhelming top answer across retail as a whole was an increase in online sales, coupled with a decrease in store visitors. The two exceptions to this were Grocery and DIY stores, who both stated they've seen an increase in store visitors as well as an increase in online sales and new collection methods such as click and collect - an ideal for any multichannel retailer.

91%

of retailers state COVID-19 has impacted their customer journey.

38%

of Grocery retailers have seen an increase in visitors to stores and 85% have seen an increase in online sales.

83%

of DIY retailers have seen an increase in store visitors as well as 100% stating they've seen an increase in online sales.

“With less footfall, the experience and journey has to be greater. We have more time to spend with the customer. We’ve added cleaning stations, improved the click and collect service, added door hosts and hosts across escalators to direct customers.”

Commenting on the in-store experience,
– Din Janu, Clothing and Home Manager at Marks and Spencer

M&S

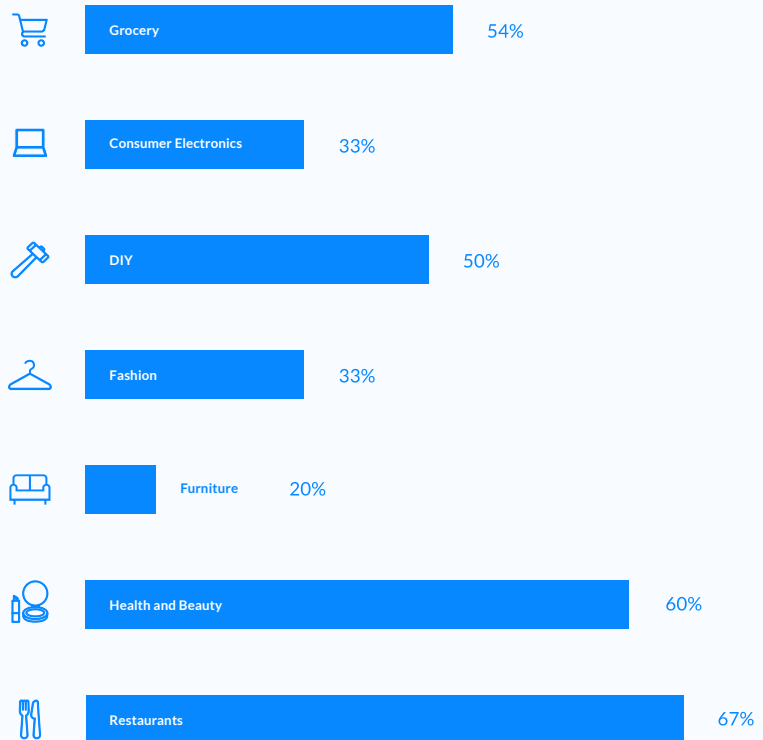
There's no denying that people have spent their time in lockdown upgrading their homes and gardens and exploring their creative sides. With the time and opportunity to undertake new projects and learn new skills there's been a rise in DIY purchasing and the industry has thrived - and this was very much reflected in our findings.

The restaurant industry led the way when it came to the set-up of new collection or delivery systems (67%), the use of QR codes (67%) and the introduction of new in-store traffic controls (100%) - as they reacted to changing restaurant guidelines set out by the government and innovate through delivery company partnerships such as Deliveroo.

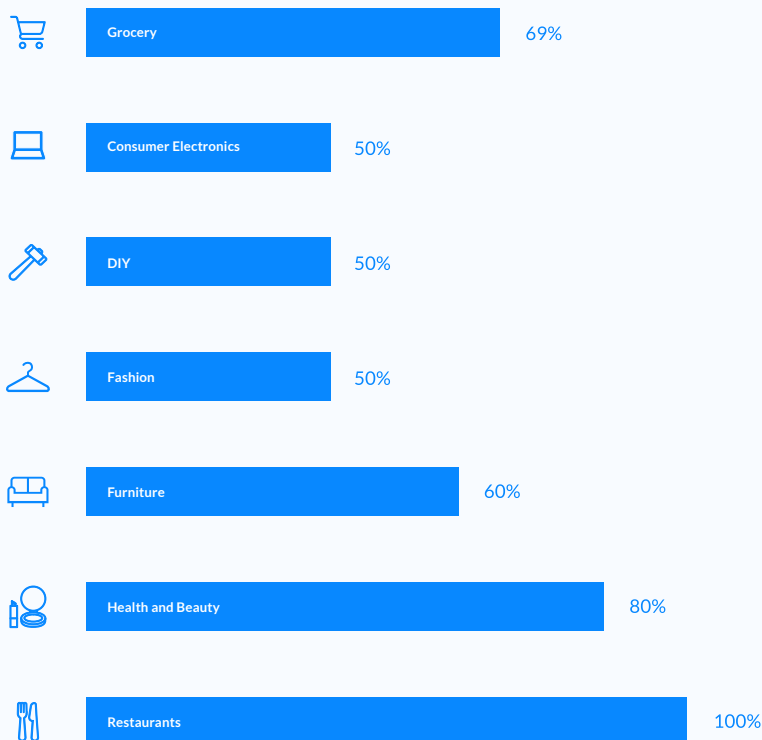
“Maintaining the restaurant entrance and welcome brings reassurance to customers. Along with keeping cutlery wrapped etc. Also, the importance of wearing facemasks, before and after it was compulsory, although the population was divided on this”

- French Restaurant chain.

01. Set up new collection and/or delivery



02. Introduction of new in store traffic controls



Restaurants, along with Health and Beauty retailers, were the highest in stating COVID-19 has impacted the training of in-store teams.

This comes after big changes to the Health and Beauty in-store journey with many brands such as Monoprix and Sephora no longer allowing makeup testers in-store for hygiene reasons. One solution brands have been looking at is to offer buyers individual product samples to try either in-store or at home, or investment in more apps that have a 'shade-finder' for customers.

The rise of contactless payments has become more and more prominent over recent years, but COVID-19 has undoubtedly accelerated the innovation - with 38% of retailers overall stating an increase or introduction of contactless payments. Particularly grocery, in which 85% agreed.

85%

Of grocery retailers have seen an increase or introduction of contactless payments as an impact of COVID-19.

Some takeaways when it comes to how COVID-19 has impacted retailers customer journey:

- Grocery and DIY retailers have seen the biggest increase in both in-store visitors and online sales.
- A high majority of restaurants, Health and Beauty, and Grocery retailers have introduced new in-store traffic controls.
- All industries have introduced or increased contactless payments, with Grocery being the highest.
- 13% of retailers have increased the volume of customer feedback collected.

Are Retailers Listening?



How does the voice of the customer help you improve the customer experience you deliver?



Are Retailers Listening?



How does the voice of the customer help you improve the customer experience you deliver?

As part of this survey, we reached out to both clients and non-clients of Critizr, to gain a real understanding of how all retailers are listening to shoppers and how the voice of the customer currently helps improve their customer experience. Here are some of the highlights across various retail industries.

Adaptability during uncertainty:

"With a health situation that changes by the day, collecting the customer's feedback faster is essential and makes it possible to adapt the customer experience and our actions immediately, according to their concerns" - **Regional Director, French Grocery Retailer.**

More conscious of online reputation:

"We're aware of how quickly bad practices and comments get onto social media, so we're therefore far more attentive to get things right. When errors occur we correct them quickly to avoid 'keyboard warrior types' whipping up bad press" - **Financial Director, UK Grocery Retailer.**

Making customers feel comfortable:

"We need to understand how their views have changed for us to provide an environment where they are comfortable and happy to shop." - **Customer Experience Manager, UK Consumer Electronics Retailer.**

The Human Touch:

"The voice of the customer is important because it allows us to best respond to requests and to keep a little humanity". - **French Fashion Retailer**

Impactful insights:

"It is important to adapt sales behaviour using the customer feedback that we collect from different Critizr journeys. The comments and processes we put in place are more impactful when they follow a qualitative analysis of customer reviews" - **French Fashion Retailer (Critizr Client).**

Communicating across store teams:

"Debriefing with store teams on all customer feedback related to covid helps us improve what can be improved." - **Commercial Director, French Health and Beauty Retailer**

The backbone of the business:

"They are the most important element in us staying in business! Without them we don't survive..." - **Francesca Elliot, Hobbs Store Manager**

"It allows us to identify critical points (in the customer journey) and correct them to better respond to customers." - **Sylvie, Rohart Laymet, Category Manager, Auchen**

Many retailers spoke of the value of having 'ears on the ground' with the ability to listen to both staff and customers. Listening to both is key since both are intrinsically linked when it comes to delivering an exceptional customer experience - especially during times of rapid change.

So retailers have been listening, but did they then modify their feedback processes during COVID-19? Let's find out.

Proactive vs Reactive



Did you modify your customer satisfaction surveys during COVID-19?



Proactive vs Reactive



Did you modify your customer satisfaction surveys during COVID-19?

Just under half of all the retailers we surveyed (35%) made modifications to their customer satisfaction surveys during COVID-19. However, French retailers made more steps than the UK to assess and modify, with 41% of French retailers making modifications but only 27% of UK retailers.

Out of the retailers who have modified their customer satisfaction surveys 80% have seen an impact on customer loyalty - a great illustration of how proactively listening to customer feedback can result in an enhanced customer experience.

80%

of retailers who made changes to customer surveys saw an impact on customer loyalty

Making these changes can also help to connect local teams with customers.

75%

of retailers who made modifications to their customer satisfaction surveys stated that their local teams have a better connection with customers

From all the industries that participated, Grocery was the leader in making modifications to their feedback process, with 46% confirming modifications, closely followed by the Furniture industry at 40%.

From Critizr client respondents who made modifications to their surveys, 62% stated they have a stronger connection with customers.

When it comes to customer feedback, we believe that being proactive rather than reactive is the best approach to gain the most valuable information at the most crucial time. Remember, only 1 in 26 unhappy customers actually complain* - the rest just leave. Not only this, but 13% of them* will then share their dissatisfied experience with 15 people or more! So it pays to be actively collecting feedback so that your business can deal with unhappy customers before they switch brands.

Footnote:

**Customer Experience for Executives, Topics, Issues, and Ideas on How to do Customer Experiences Better (September 3rd 2020).*

Great Customer Expectations



Did you make changes based on customer feedback?



Great Customer Expectations

As revealed earlier, the impact of COVID-19 on the retail customer journey has been huge. So what have retailers been doing to meet the new customer expectations that have accompanied the pandemic?

Our survey revealed that just under half of all the retailers (48%) made changes based on customer feedback. Again, France was slightly ahead at 52%, with UK retailers at 43%.

Interestingly, we also saw a correlation between the retailers who made changes to the customer journey based on feedback and an increase in online sales, loyalty, and connection to customers.

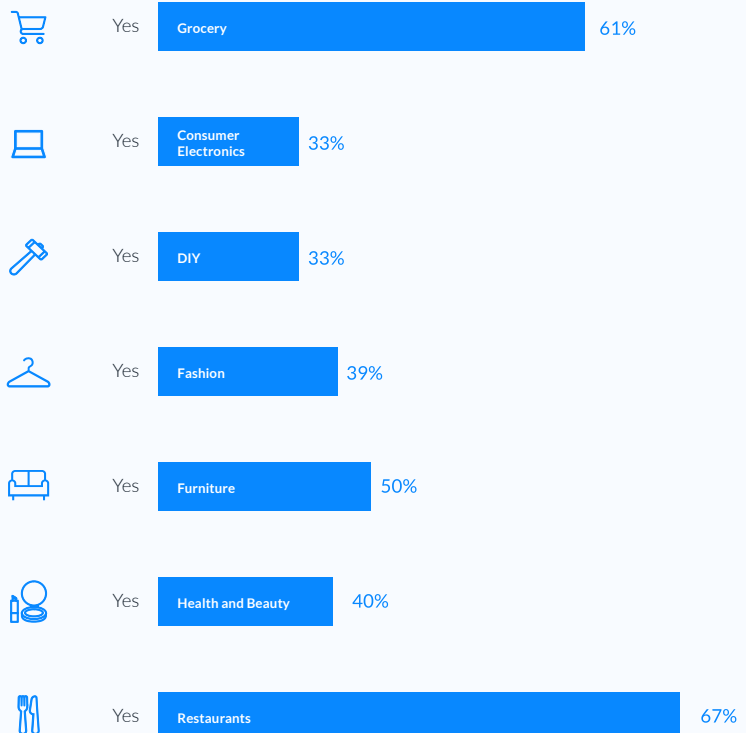
From the retailers who have made changes to the customer journey based on feedback,

75%

have seen an increase in online sales, 84% have seen an impact on customer loyalty, and 69% think their local teams have a better connection with customers.

Restaurants (67%) and Grocery (61%) retailers were leading the way when it came to adaptations based on customer feedback.

03. Did you make changes based on customer feedback?



We set out to discover more about these changes to see what is having the most impact.

Virtual meetings:

"An increase in the number of requests for video meetings during the first lockdown, development of a video meeting tutorial with specifications for connection solutions in June for deployment in July."

- Head of Animation and Network development, Automotive Industry

"The use of video calling to see your advisor at a distance promotes satisfaction and gives a modern image of the bank."

- Edouard Delemme, Marketing, Crédit Mutuel Nord Europe

Increased customer feedback capture:

"Introduced three types of systematic customer reviews: product breakage, waiting at the checkout, price difference between the label and the price paid at the checkout."

- Jerome Bonzi, Commercial Director, Carrefour

"We did online tests with small groups before opening to all."

- Business Owner, French Pet Store

"The decision to have more customer feedback and systematisation of signage in digitalised stores."

- Customer Research Manager, French Fashion Retailer

Updating the in-store experience to meet health regulations:

"More visible cleaning during trading hours and procedures for colleague health screening in service departments."

- UK Board member, Hypermarket

"Implementation of an organisation within the store, zoning to respect the covid norms. We also accept fewer customers and each salesperson really takes the time with the customer."

- Store Manager, French Fashion Retailer

The role customer surveys play in implementing operational changes:

"We have introduced self-service online tools that have been completely shaped by customer feedback"

- Head of Digital Customer Experience, UK

"With the need for reassurance and safety around PPE and Covid situations, we changed our survey questions to capture how important these are to customers in order to provide the right level of reassurance."

- Customer Experience Manager, UK Telecoms industry

"The surveys our company sends out are emails and it is vitally important that our customers have timely help with their problems in order to gain good (NPS) scores."

- Relationship Manager, UK Banking Industry

We can clearly see that retailers in both the UK and France are making substantial changes to the customer journey. It was also reassuring to see how feedback was helping to shape their customer experience strategy moving forward.

Loyalty Isn't Built In a Day



Have changes in the customer journey and experience had an impact on customer loyalty?



Loyalty Isn't Built In A Day



Have changes in the customer journey and experience had an impact on customer loyalty?

The old trends of customer retention and loyalty no longer apply, with nearly a quarter of consumers shopping with a retailer they hadn't used before and a similar percentage shopping with a previous favourite. Many retailers in our survey echoed this. Competition is now fiercer than ever as more customers shop around for the best price and experience, as well as the most convenient location.

"We've seen traditionally less loyal customers become more loyal, and vice versa - as customers shop around to achieve the most convenient shopping experience" - Product Owner, UK Department Store.

How do these changes in the customer journey and in-store experience impact customer loyalty?

Our survey revealed a similar approach between French and UK retailers, with 43% of UK respondents and 37% of French ones stating yes.

Overall

58%

of retailers stated the changes to the customer journey have had an impact on customer loyalty

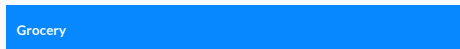
Grocery and restaurant chains have seen the highest impact on customer loyalty, with consumer electronics the lowest.

04.

Have the changes in the customer journey and customer experience in-store had an impact on customer loyalty?



Yes



69%



Yes



15%



Yes



50%



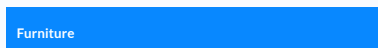
Yes



33%



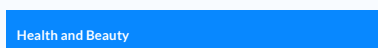
Yes



60%



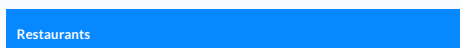
Yes



60%



Yes



67%

Footnote:

* RetailX Coronavirus Consumer Confidence Tracker (April 2020)

Were these changes positive or negative? It was a mixed bag, but for the majority it was positive.

Positive:

- "The changes we have made have increased customer loyalty. Customers felt safe in our stores and because we had responded to their feedback, they felt their opinion was valued." - **Supervisor, UK DIY retailer.**
- "Increased penetration of loyal customers, a mix of real growth, and footfall reduction. The latter is offset by larger basket size and online growth." - **Board member, UK Hypermarket.**
- "Customers comment that they continue to use us because we've kept all necessary disciplines in place and they feel safe to shop with us." - **Financial Director, UK Grocery Retailer.**
- "Customers are very sensitive to the fact that we are adapting to their needs, rather than leaving them to adapt to the new context." - **Managing Director, Raison Home, French Furniture Store.**
- "They come back and thank us for our advice and the time we have given them." - **Store Manager, French Fashion Retailer.**

Neutral:

- "The relationship with our customers is becoming digital: even customers who are less inclined to use remote banking (app) are getting started." - **Edouard Delemme, Marketing, Crédit Mutuel Nord Europe, French Bank**
- "It is important for our customers to feel safe and reassured. The ones that have ventured out do appreciate the controls and give very positive feedback and are loyal. Some customers have chosen not to venture out and it is these customers that are not as loyal and may be lost". - **Customer Experience Manager, UK Telecoms Retailer.**

Negative:

- "An increase in more aggressive customers to some of the safety measures." - **Donated Strategy Clothing Lead, UK Charity**
- "The decrease in-store visits for fear of the virus but also the lack of efficiency of our online services." - **Store Director, French Fashion Retailer**
- "They come less into store and go directly on the internet." - **Store Manager, French Culture and Entertainment Retailer.**

Unfortunately, more than three-quarters of shopworkers have reported a rise in abuse against them during the COVID-19 pandemic. 85% of shopworkers have experienced verbal abuse, 57% were threatened by a customer and 9% were assaulted so far this year.*

Footnote:

*Abuse against shopworkers increases during pandemic (November 16th 2020).

USDAW (16-22 November 2020)

Let's Talk About The C-Word: Connection.



Do you think that your local teams have more or less of a connection to your customers since COVID-19?



Let's Talk About The C-Word: Connection.



Do you think that your local teams have more or less of a connection to your customers since COVID-19?

When it comes to discussing the effects of a pandemic on the retail industry, it's not all doom and gloom. One thing we've noticed is that during turbulent times, people can be brought closer together, even if not in a physical sense.

2020 has allowed retailers to better connect with customers and build stronger relationships, and this was also reflected in the survey - with 55% of UK retailers and 70% of French retailers stating they have more of a connection. This was even higher for users of the Critizr engagement solution.

89%

of Critizr clients stated they have more of a connection to their customers since COVID-19 ..That's an increase of 24% from non Critizr clients

When you look at the industry breakdown, Grocery stormed ahead. 92% stated that there was 'more' of a connection, followed by Fashion at 72% and DIY coming in lowest at 17%.

Overall

65%

of retailers believe their local teams have more of a connection to their customers since COVID-19

05.

Do you think that your local teams have more or less of a connection to your customers since COVID-19



More **Grocery** 92%

Less Grocery 8%



More **Consumer Electronics** 33%

Less Consumer Electronics 67%



More **DIY** 17%

Less DIY 83%



More **Fashion** 72%

Less Fashion 28%



More **Furniture** 40%

Less Furniture 60%



More **Health and Beauty** 60%

Less Health and Beauty 40%



More **Restaurants** 17%

Less Restaurants 83%

Looking To The Future



Do you think changes made as a result of the pandemic will remain in your organisation for the long term?



What do you think are the 3 key elements of the customer experience today?



Looking To The Future



Do you think changes made as a result of the pandemic will remain in your organisation for the long term?



What do you think are the 3 key elements of the customer experience today?

So, what's ahead for retail? Will we see changes formed in the pandemic slowly phased out? Or do retailers believe they're here to stay?

76%

of retailers think the changes made as a result of the pandemic will remain in their organisation in the long term

Our survey showed that retailers are split on this issue, with 61% of UK retailers and 89% of French retailers believing that changes are for the long haul - perhaps suggesting that retailers in France are slightly more conscious about the future.

85%

of Critizr clients believe that changes made will remain in the organisation.

Grocery and Furniture retailers were the highest in stating their belief in the changes being long term (61% and 60% respectively). It seems likely that innovations such as new collection and delivery systems, new modes of communication such as in-store apps, in-store traffic controls, and contactless payments could be here to stay.

06.

Do you think the changes made as a result of the pandemic will remain in your organisation in the long term?



Yes

Grocery

61%



Yes

Consumer Electronics

33%



Yes

DIY

33%



Yes

Fashion

39%



Yes

Furniture

60%



Yes

Health and Beauty

20%



Yes

Restaurants

50%

Lastly, we wanted to know what retailers believe are the three key elements of the customer experience today, as this will help plan for the future:

Unsurprisingly, the highest answer was health and safety, as shoppers continue to express their concern about the pandemic and the need to feel safe in stores. This was followed by omnichannel methods of purchase and a need to feel comfortable in-store.

Coming in at the bottom of our survey at just 18% was making appointments or reservations in advance.

71%

of retailers think health and safety is a key element of customer experience today.

58%

of retailers believe omnichannel methods to purchase is a key element of the customer experience today.

07.

What do you think are the 3 key elements of the customer experience today?



Conclusion: The Wrap Up

After a year of unimaginable challenge within the retail sector, 2021 will look a lot different from the norm.

The main takeaways from our findings are clear:

- **Online is growing rapidly:** without a doubt, COVID-19 has accelerated the use of eCommerce and click and collect. With more conversations moving online, retailers need to ensure they have the right tools at the ready to engage with customers at the right time.
- **Consumer behaviour is changing:** it's clear to see that shopping habits are evolving. The use of contactless payments has also been massively accelerated during this time, and it looks like we are heading closer and closer towards a cashless society.
- **Shoppers want to feel safe and listened to:** an overwhelming response from retailers was that health and safety are now key to the customer experience. Implementing these changes and adhering to safety guidelines has been, and will remain, a big priority. Making customers feel safe and comfortable in-store is now everyone's focus.
- **Stronger human connections are being formed:** our results illustrated the importance of creating connections between brands and consumers. The extra empathy and emotional bond that brands have forged with shoppers during the pandemic is now an expectation from customers.

Regardless of how the retail journey changes over the next 12 months, one thing is certain - it will be all about customers. Using technology to raise your CX game by actively listening, responding, and actioning customer feedback is key to becoming a customer-obsessed brand.

Building this culture of customer-obsession throughout your organisation can help to join the dots between online and in-store experiences, stay one step ahead of changing consumer behaviour and spark emotional connections that lead to happy, loyal customers - pandemic or not. **No matter what your business goals are for 2021, there's no-one better than your customers to keep you on the right track.**

Footnote:

**The Critizr November 2020 Customer Experience survey consisted of a sample of 114 retailers in both the UK and France and across various industries. All data was captured within the previous 6 weeks from publication. (19th October to 18th November).*

Discover More From Critizr



Download our eBook:
[Human conversations drive loyalty](#)



Download our eBook:
[Human centricity is key for physical retail in the new COVID-19 world](#)



Read the Critizr Blog:
[Turning customer feedback into conversations - a short guide](#)



Read the Critizr Blog:
[Conversations for lifelong loyalty - how to put your plan into action](#)

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Founded in 2012, the Critizr platform is today used in 25 countries by more than 80 of Europe's biggest companies, across 20 different sectors including retail, banking, travel, entertainment and hospitality.

It is transforming the way these businesses listen to and understand their customers, empowering their staff to take action and deliver a great customer experience every day.

