

5 retail engagement trends— and how to make the most of them

A hands-on guide to the latest trends and how your brand can keep pace.



Contents

- 3 Customer loyalty is difficult to build, and very easy to lose
- 4 TREND 1: Empower your contact centre with conversational AI
- 5 TREND 2: Omnichannel engagement steps up a gear to meet rising expectations
- 6 TREND 3: Authentication as an enabler— not a roadblock
- 7 TREND 4: The era of hyper-personalisation
- 8 TREND 5: Enhanced delivery, pickup and returns
- 9 The AI-driven digital contact centre revolution



Finding the best way to deliver these small-but-mighty experiences is trickier than ever.

Customer loyalty is difficult to build, and very easy to lose

It's won and lost in small interactions: when a customer asks a knowledgeable store associate which shampoo is best for dry hair, or you email a customer with a restock date for a hard-to-find pair of shoes they've wanted for months.

A single enquiry can hop between as many as 10 different touchpoints before your customer clicks "buy now". An omnichannel approach is the only way to service these highly complex customer journeys effectively, but that's a complex proposition all by itself.

In this guide, you'll explore five key omnichannel trends for retailers in 2023 and beyond. You'll find the industry evolutions our experts believe are most important to keep on your radar.

But just knowing what's coming isn't enough. It's also important to know what infrastructure and processes you need to really make

So, in addition to highlighting the challenges and opportunities ahead, we'll showcase useful solutions and help you shape your own roadmap with quick, effective exercises to assess your readiness.

TREND 1

Empower your contact centre with conversational AI

“The Great Resignation” saw record numbers of UK employees—most in public-facing hospitality, retail, and customer service roles—voluntarily leave their jobs.¹

The UK’s Labour Force Survey (LFS) in November 2021 showed that, of the 1.02 million people who moved jobs between July and September 2021, 391,000 of them had resigned – the highest spike ever recorded by the LFS.

Given their traditionally high attrition rate, even pre-pandemic, contact centre teams will likely have taken a significant hit. But customers won’t stop calling just because you don’t have the capacity to answer. So how can you make life easier for your agents, without compromising the high standard of support you provide for your customers?

Free up agents’ time with AI-powered self-service

With front-end AI solutions boosting your customer self-service, you can take more of the burden off your agents and meet your customers’ needs faster.

Put AI in your agents’ corner

AI can even support your agents during their interactions. As customers connect with your agents, an AI-driven tool can automatically surface relevant customer information, like their contact history and recent orders, to give agents the context they need for a personalised conversation.

For tricky situations—like handling an out-of-warranty return—the right agent assist tool should be able to recommend next best actions, and provide ready-to-use responses in line with your brand’s best practices.

Your exercise:

How engaged are your people?

Recent research by Gartner uncovered that just one in three customer service agents feel engaged in their role—and low engagement leads to high attrition.²

Start by surveying your customer service teams to gauge how they feel, whether they have the support they need, and what’s missing from their workflows. After an initial discussion, a brief quarterly survey can help you monitor the progress of your agent engagement efforts, while making your teams feel supported.

The solution:

25% increase in agent availability through agent efficiency

Give your team the support they need to deliver superior experiences with our agent efficiency solutions. Our AI-driven tools help your people answer customer queries faster, with more contextual knowledge at their fingertips—boosting satisfaction on both sides of the interaction.

[Learn more](#)

TREND 2

Omnichannel engagement steps up a gear to meet rising expectations

More than half of UK shoppers would do all their shopping online if they had to choose, as they see it as the place to get a better price, better choice, and save time.³

When customers can hop between apps, websites, and physical stores to shop, they expect to access customer service in the same way. They want the same experience whether they call or click the “chat” button on your website—and they expect support at the other end (whether it’s virtual or live) to have all the relevant information at hand.

This also extends to social media. As social shopping continues to grow in popularity, it’s becoming more of a lucrative extension of retailers’ traditional channels. And as customers shop for everything from small apparel purchases to bigger tech investments, they expect to be able to have the same engagements—and receive the same support—as they would on other channels.

But offering high-quality support across all these channels only works if you have four things in place:

- 1 A consistent level of investment across channels, to ensure every touchpoint provides the same level of experience
- 2 A single approach to designing interactions across all channels, so your brand voice is preserved in every interaction
- 3 A way of connecting your channels into a central platform for total control and oversight
- 4 The ability to connect your touchpoints to social platforms, and enable customers to browse, buy, and engage in-app

Currys (formerly Dixons Carphone Group) rapidly expands digital service offering

The challenge: With just 25 live chat agents, this electronics retailer needed to rapidly scale its service channels to handle a massive spike in demand as the UK went into COVID-19 lockdown and its stores closed.

The solution: Currys introduced Nuance Live Assist to support over 100 new chat agents, and deployed a Nuance Virtual Assistant within just a few weeks.

The results: The virtual assistant now handles over 10,000 interactions weekly, with 35,000 managed by the expanded live agent team, supporting nearly £3M in sales every week.

[Read the full case study](#)

Your exercise:

Put yourself in your customers’ shoes

Approach your contact centre as if you were a customer. How easy is it to find the answers you’re looking for? Does the virtual assistant give personalised support? Can you escalate from an FAQ to a live agent easily? Does the agent have the information they need to help you? Are there channels that are easier to use than others?

The solution:

3x improvement in upsells with omnichannel customer engagement

Meet your customers wherever they are with intelligent, AI-powered customer engagement in every channel. We work with 75 of the Fortune 100 to deliver connected omnichannel experiences across voice channels, IVR, virtual assistants, live chat, asynchronous messaging, and more.

[Learn more](#)

TREND 3

Authentication as an enabler— not a roadblock

During the pandemic, retail fraudsters have thrived amid the uncertainty caused by lockdowns and a surge in online shopping.⁴

In recent years, many retailers have also resisted implementing strong authentication processes to weed out fraud attempts. They've been worried about introducing additional friction to customers' transactions—something which could be putting their brand at even higher risk.

But security no longer has to compromise the convenience and speed of the customer experience. In fact, with the right solutions, strong security measures can actually make transactions and service interactions faster and easier.

Biometric authentication can identify a customer—or a would-be fraudster—in seconds using their voice, conversation pattern, and other indicators. And because biometric security cuts out clunky knowledge-based authentication methods, legitimate customers can access their accounts or verify their identity to an agent faster, improving satisfaction and cutting average handle times.



Your exercise:

What's causing friction for your customers?

Take some time to assess your current authentication or verification model—highlight areas that introduce friction and, if you have the data, where fraudsters like to target.

- Do your customers need to remember a PIN, password, or secret answer to access their account or support?
- What's the average handle time when customers contact you?
- Are there areas that lack security?
- Have you already implemented a biometrics solution?

The solution:

92% fraud loss reduction through authentication and fraud prevention

Protect and personalise every customer interaction—and keep fraudsters at bay—with our intelligent fraud protection solutions, which use advanced biometric authentication to verify identity through voice and conversation.

[Learn more](#)

TREND 4

The era of hyper-personalisation

According to Accenture, 91% of consumers are more likely to shop with brands that recognise and remember them, and provide relevant offers and recommendations.⁵

Retailers have always been among the leaders in personalised experiences, but we're now entering the era of hyper-personalisation. Hyper-personalisation goes beyond "you bought this, now try that" recommendations and uses the wealth of customer data available to pre-empt what customers are looking for when they shop on your website.

Hyper-personalisation isn't just about selling—it's about being able to greet a customer in your virtual assistant with a message like, "Hi Zach, would you like to register your warranty for the new vacuum cleaner we just delivered?"

Personalisation on this scale requires a powerful underlying structure. You need to connect all your channels and centralise customer data to ensure your agents—whether they're real or virtual—have access to the latest information. And then, predictive analytics can help you use all this data to your advantage, anticipating customer needs as soon as they contact you.

Top global retailer creates personalised experiences across contact channels

"We've completely transformed our customer care centre. Our agents are much better equipped to provide unique customer experiences, and our virtual assistant is helping us deal with rising contact volumes."

The challenge: Update its legacy customer care centre to handle over 11 million annual contacts and integrate new digital channels to offer automated self-service options 24/7.

The solution: With Nuance omnichannel customer engagement tools, the retailer deployed a virtual assistant to triage incoming enquiries. Agents then have access to AI-powered support which provides contextual information and proactively recommends next best actions.

The results: From the first day of deployment, over 85% of customers' queries were resolved by the virtual assistant—giving live agents more time to work with people who have more complex requests.

[Read the full case study](#)

Your exercise:

What data do you have?

The first step towards hyper-personalisation is understanding how much data you have access to, and how easy it is to repurpose.

- Does data from every customer interaction feed into the same record—even when they're across different channels?
- Can live agents access information from virtual assistant interactions? How about conversations in asynchronous messaging channels?
- Are agents provided with tailored "next best action" recommendations that include dialogue?
- Is there a machine learning loop built into these interactions, to improve them over time?

The solution:

96% agent satisfaction with Agent Coach

Help your agents serve customers more effectively with real-time, AI-driven recommendations for next best actions, brand-approved messages, and personalised upsell opportunities—so every agent can be your best agent.

[Learn more](#)

TREND 5

Enhanced delivery, pickup and returns

In retail, transactions never really end. Once you've shipped an order, the transaction turns into a nurturing opportunity where there's always the potential to make another sale—if you play your cards right.

But there are three areas where customer service often falters, and they can damage your long-term customer relationship: delivery, pickup, and returns.

For some customers, the time between their purchase shipping and finally receiving it is a black hole where information should be. It's hard to keep track of where their package is on its journey, and how to adjust that journey if they need to.

With proactive asynchronous messaging, you can keep customers updated at every major milestone—and give them ample opportunity to respond in the same channel, using a simple text or social message to redirect their package.

For example, a customer could simply respond to a delivery notification with a message such as, "I need to pick up this microwave in-store". And because it's all connected, you have the perfect opportunity to say, "We can change this order to be picked up at our London store on March 14th. Does that work?"

This gives customers more flexibility, but it also offers convenience. They no longer need to visit your website armed with their order confirmation to reschedule a delivery or switch to in-store pickup. They get what they need faster—and they're less likely to call your contact centre for help.

Online returns alone cost UK retailers an estimated £5.2bn a year; they're an unavoidable part of retail.⁶ Adding return requests to the same channel you use for delivery updates means customers can follow up a delivery notification with a message saying, "I need to return this microwave". And, as with the pickup example, you have an opportunity to respond with additional options, such as, "We're sorry you're not happy with your microwave. Would you like to browse other models?"

Your exercise:

What does the average delivery and return look like?

- How long does it take to ship an item out from your store or warehouse?
- Is your fulfillment process flexible enough to accommodate changes to delivery and pickup? To what degree?
- How much information do you share about the delivery process?
- What's your range of delivery options? Can customers change their mind after their package has shipped?
- How easy is it to request a return?
- Are you able to convert a return into an exchange, or a new purchase?

The solution:

80% NPS increase with proactive engagement

Start a two-way conversation with your customers, keeping them up to date with everything from order status to review reminders once they've received their purchase. It's ideal for boosting engagement and satisfaction—and cutting down on operational costs.

[Learn more](#)

The AI-driven digital contact centre revolution

All the trends outlined here depend on one thing for success: a centralised approach to customer engagement that threads AI throughout the customer journey.

In the digital contact centre, AI supports everything, from the greeting your customer sees when they open a live chat window to the back-office systems your agents use to reply.

However, adopting an AI-driven digital contact centre doesn't have to be all or nothing from day one. The exercises in this guide are question-heavy by design. To understand where your brand sits in the readiness scale—whether you're new to omnichannel engagement or ready to take your place as an industry leader—you need to start by casting a critical eye over your customer interactions.

Once you have your baseline, it should be easy to work out which of these trends are most relevant for your customers and agents, and which you should pursue first.

Whether it's securing a quick win by expanding your self-service tools with AI, or delivering cutting-edge, hyper-personalised experiences that exceed customers' expectations, the opportunities today are limitless.



Ready to start thinking about the next step?

If you'd like to discuss any of the opportunities we've highlighted in this guide, or learn more about how we can help, get in touch with us at cxexperts@nuance.com.

Endnotes

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About Nuance Communications, Inc.

[Nuance Communications](#) is a technology pioneer with market leadership in conversational AI and ambient intelligence. A full-service partner trusted by 77 percent of U.S. hospitals and more than 75 percent of the Fortune 100 companies worldwide, Nuance creates intuitive solutions that amplify people's ability to help others. Nuance is a Microsoft company.