

Retail Smart Guide

Tips for delivering smarter shopping experiences



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Foreword

Economies are built on shopping. Whether it's indulging in a bit of retail therapy or popping out for the weekly food shop, competition over where to go and who to buy from has never been so high.

The Covid-19 pandemic saw almost everything in-store go online. It gave rise to a digital economy only talked about at industry conferences and in marketing materials prior. It even saw online giant Amazon go against the grain and enter the physical shopping world with its cashless, till-free stores. What is clear is this uncertain period has paved the way for newer, faster and bolder innovation – and retailers must stay ahead of the curve to ensure they retain customers and profits in the long-term.

The research and market trends discussed in this guide reveal a clear requirement from shoppers for retailers to deliver more accessible, personalised, and intuitive customer experiences both in-store or online. A “one-size-fits-all” approach to customer services simply won't cut it anymore.

Now more than ever, retailers have an opportunity to differentiate themselves from the competition by delivering smarter customer interactions. As we move beyond the pandemic, lines will blur between online and in-store, and shoppers will grow to expect the same level of attention and care from both.

This guide shines a light on these changing expectations from consumers and shares our tips for navigating such a dynamic and fast-moving space. We hope it will provide you with an insightful take on the state of the retail customer experience today and assist you on your digital transformation journey.

State of the retail market

Covid-19 has radically changed how people shop and interact with brands. In the UK, online sales grew by 40% during the pandemic and are predicted to remain strong as customers become more confident online and retailers enhance their digital offering. Customers are also taking more notice of the role companies play in society, and increasingly looking for immersive retail experiences.

58%

of British consumers plan to do most or all of their shopping online after the pandemic – up from 33% pre-pandemic. Source: [Shopify](#)



Categories predicted to see the highest sustained shift to online include: apparel, toys, consumer electronics, pet supplies, entertainment, vitamins and medicines. Source: [McKinsey](#)



Window shopping has moved online, with consumers finding inspiration and assistance on YouTube, social media, Google search, retailer apps, blogs, online marketplaces and price comparison sites. Source: [Google](#)

71%

of consumers pay more attention to a company's values than they did a year ago. Source: [Salesforce](#)



By 2030, consumers will have seamless shopping experiences through social platforms. Source: [Raconteur](#)

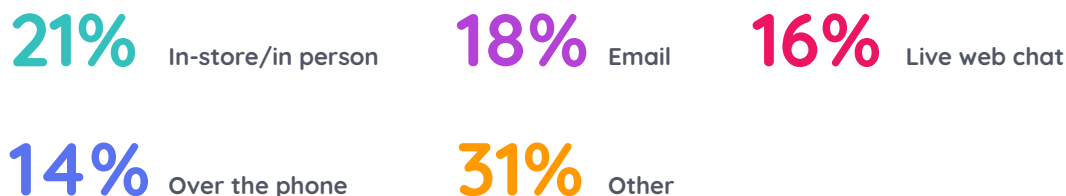


Experiential retail will drive traffic to destination retail locations. In contrast, the high street will see growing demand for authenticity, sustainability, responsible supply chains and locally sourced products. Source: [Deloitte UK](#)

Customer expectations around the availability, speed and personalisation of customer services have also shifted. In July 2021, Puzzel conducted a survey of 1,000 UK consumers that revealed:

There is no longer a clear preferred channel for customer service

British consumers are most likely to seek customer support from a brand or retailer via the following channels:



However, more than a third (35%) trust in-store customer service more than that received online and over the phone.

Speed is more important than ever

On average, Brits are happy to spend 6.81 minutes on hold before they become frustrated and dissatisfied that nobody has attended to them. 40% would only spend 5 minutes on hold before becoming frustrated.

62% would be open to speaking to an automated customer service agent if it meant their query was resolved faster.

Customers will pay more for a higher quality service

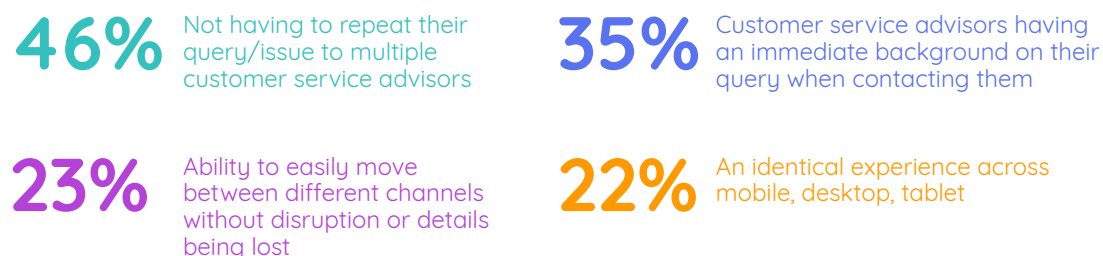
Brits would be willing to spend 8.44% more money, on average, on a product with a brand that they know will provide great customer service.

25% of Brits have switched to a different brand based on poor customer service or customer experience.

Customers want personalisation but are still hesitant to hand over their data

76% of consumers now expect a personalised customer experience, connected across all channels.

The aspects of a personalised online retail experience that interest Brits the most are:



However, 55% of Brits are not comfortable with granting brands and retailers permission to collect their data.

Source: OnePoll survey, commissioned by Puzzel, of 1,000 consumers over the ages of 18 in the UK between July 8-14, 2021.

Building a digital brand

In this new retail landscape, digital experiences matter. Google research shows just 12% of customers now shop entirely offline [1]. That means at least one touchpoint in your customers' path to purchase now likely takes place online.

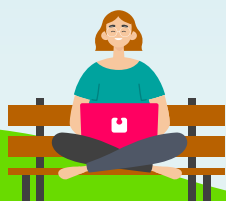


During product discovery, customers may visit your website, read online reviews, watch an online video, consult a comparison site, browse your social media or interact with your chatbot. Once they've decided to buy, they may visit your e-commerce store or download your app. After making a purchase, they may then subscribe to your email newsletter, enquire about delivery times via web chat, or post a review on social media.

The good news is: these new digital behaviours have made it easier than ever for customers from all over the world to discover, learn about and engage with your brand. The challenge is ensuring every interaction is positive to keep customers interested and eager to buy. With technology moving so fast, even the smallest amount of friction can turn customers off and convince them to shop elsewhere.

The average UK customer

- Has a social media profile
- Owns a smart phone
- Uses their mobile, computer and/or tablet to go online
- Uses messaging and chat apps
- Uses the internet for:
 - Communications (e.g. video calls)
 - Email
 - Government services
 - Shopping
 - Banking
 - Finding information
 - News and entertainment
- Uses at least three social media apps





Tips for delivering smarter omnichannel shopping experiences

1. Serve a mix of channels

Customers want to be able to contact you on the channels most convenient to them. The most popular channels for customer service today are email, voice and web chat, however younger generations are increasingly using chatbots, social media and messaging apps to engage with stores. In short, there is no one-size-fits-all channel for customer service. Retailers need to know which channels their customers prefer to use and ensure each can deliver a seamless and consistent shopping experience.

2. Implement skills-based routing

If your contact centre handles multiple customer service channels, we recommend implementing skills-based routing. Skills-based routing will ensure every customer interaction is routed to the first available agent with the right skills to assist with their enquiry. This could be specialist knowledge in a particular product, channel or customer type. This reduces friction for your customers and improves your first call resolution rate, creating more positive brand experiences.

3. Take advantage of third-party apps and integrations

From chatbots to payment solutions, speech analytics and surveys – there are hundreds of tools available today to help retailers deliver seamless shopping experiences. Puzzel integrates with a wide variety of third-party apps so you can create rich customer journeys and workflows that work for you. Puzzel also seamlessly integrates with leading CRMs, such as [Salesforce](#) and [Microsoft Dynamics](#), so your agents can connect with customers across all channels within your existing CRM system. That means no more having to switch between multiple screens during customer calls.

4. Connect in-store, voice and digital experiences

Customers don't see each of your customer service channels as separate experiences – they see every interaction as part of your full brand experience. As such, customers expect to be able to begin a conversation on your website and then hop to your app, social media, or even in-store without having to repeat their enquiry. Puzzel's Contact Centre for Retail and E-Commerce makes this possible with all channels and customer data consolidated into one platform. From email to web chat, voice to video, agents always have the full picture with a complete interaction history for every customer.

[1] Think with Google





Data, self-service & AI

Customers now expect personalised shopping experiences, delivered in-store and online. They expect retailers to know exactly what they want, when they want it, where it needs to be delivered and how. And yet, our research shows 55% of UK shoppers are not comfortable granting brands and retailers permission to collect their data.

To build trust in your brand, you need to offer your customers transparency, security and value. They need to know exactly how their data is being used, how it's being protected, and experience the value that it can bring to their shopping experience.

Tips for delivering more secure and personalised shopping experiences

1. Ensure your contact centre solution meets ISO standards

If you use a cloud contact centre solution to manage your customer interactions, ensure that it meets both ISO 27001 and ISO 9001 standards. Solutions that meet these standards can be trusted to deliver the highest quality service for customers and manage the information security and privacy of their data. It's also important to consider the security standards of any third-party integrations you use.

2. Use a secure payments solution

When it comes to facilitating secure payments, we recommend retailers use [PCI Pal's Agent Assist solution](#). This solution seamlessly integrates with Puzzel's omnichannel cloud contact centre, enabling agents to take card details securely over the phone. When a payment is required, the agent simply opens the PCI Pal application and asks the customer to enter their card details using the telephone keypad. Asterisks are displayed to the agent with a counter showing the number of digits entered. The PCI Pal platform captures the keypad tones and masks them as a monotone beep, preventing them from reaching the contact centre. The customer's voice is still allowed should they need to communicate directly with the agent. This ensures a fast, smooth, and PCI compliant transaction all without interrupting conversation with the customer.



“PCI Pal provides secure payment solutions to some of the largest retail brands across the world. With our specialist payment technology and Puzzel's market-leading contact centre solution, you can guarantee seamless, safe and secure transactions for your customers every time.”

Phil Jude, Director of Channel Sales, PCI Pal



3. Implement a virtual agent

Retail chatbots provide online shoppers with a fast and convenient way to self-service. They can act as first responders on your e-tail store, greeting customers and answering simple enquiries at all hours of the day, freeing your human agents to focus on more complex tasks.

For more advanced and personalised self-service, retailers can consider a virtual agent. Virtual agents – also known as virtual customer assistants or VCAs – are highly sophisticated chatbots capable of serving customers in a human-like way. Unlike rule-based chatbots that follow strict scripts and decision trees, they are powered by conversational artificial intelligence (AI). This enables them to understand a wider variety of customer enquiries using natural language processing (NLP), understanding (NLU) and automatic semantic understanding (ASU). For example, virtual agents can recognise and understand the intent behind “Are these pants available in a medium?” and “Do thez pants comme in a M”. This provides a more human-like experience for your customers and a higher first-time resolution rate.

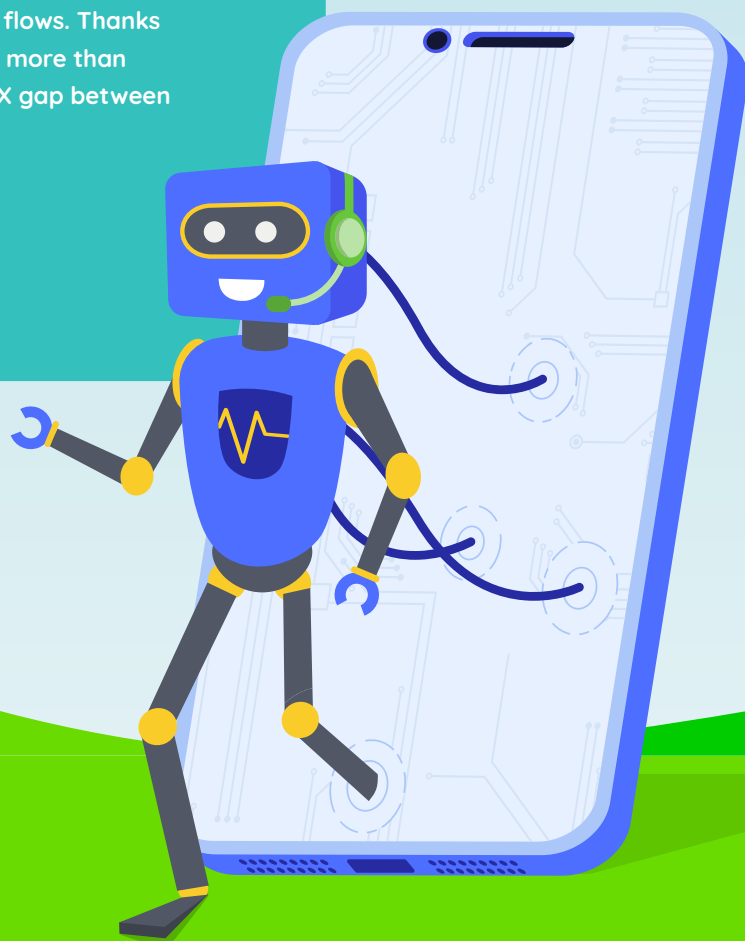
They can also perform a wider range of service tasks, such as offering personalised shopping advice and making targeted product recommendations, understand slang and dialects, and use machine learning to refine their responses over time.

Virtual agents can be seamlessly integrated into your contact centre solution to enable smooth handovers to live agents when needed. Puzzel partners with a range of market-leading bot providers, including Boost.ai.



“Conversational AI is a powerful tool in the retail space. It not only allows for instant and consistent customer service but can be used to introduce customers to new products and services via engaging and dynamic conversation flows. Thanks to AI, a virtual agent can do so much more than simply chat – helping to bridge the CX gap between businesses and their customers.”

Henry Vaage Iversen,
Co-Founder and Chief
Commercial Officer, [Boost.ai](#)



Tips for delivering more empathetic shopping experiences

1. Improve your Agent Experience

Agent Experience is to your agents what customer experience is to your customers: a measure of how happy they are with your business and how well you're serving them. The better your agent experience is, the happier your agents will be, and the more motivated and empowered they'll feel to deliver exceptional service for your customers.

One of the biggest challenges contact centres face when it comes to agent experience is poor workflows. For example, a survey of more than 2,000 frontline agents conducted by Gartner in 2018 found contact centre agents used an average of 8.2 different systems and tools every day to resolve customer enquiries. Not surprisingly, just 16 per cent said their tools actually helped them handle customer issues [2]. Gartner's VP, Peter Sleese, said: "Leaders have heavily invested in technology to boost the service experience, but have unwittingly hampered the rep experience by doing so. Reps find that the technology they're using to provide top-notch customer service is actually inhibiting their ability to deliver that outcome. Leaders should shift their attention from a laser-focus on improving the customer service experience to improving the rep experience, especially as it relates to the systems and tools that they use."

Multiple systems slow down agents, create silos, and frustrate customers. Instead, retailers should invest in a contact centre solution that is easy to use and provides everything agents need in one, unified application. A **Workforce Management** (WFM) solution can also help you improve your agent experience through more effective resource management. When contact centres are properly staffed – with the right number of agents, with the right skills, in the right place, at the right time – contact centre work becomes much more fun, productive and fulfilling.

2. Offer live video customer service

During the pandemic, millions of people used video every day to communicate with their colleagues, friends and family. Now it has become an essential communication channel for work and leisure.

Video enables people to interact in real time, face-to-face, regardless of location, and with visual aids, making it a highly effective channel for modern customer service. Not only does it provide a friendlier and more empathetic experience than a phone or web chat interaction, but agents can also offer live demonstrations of products. Take buying a new set of kitchen utensils, for example. Instead of trying to describe the product over the phone or send stock images to a customer via email, agents can simply video chat with a customer and demonstrate the product in real-time.

Video also offers additional benefits for retailers, including the ability to serve customers who are deaf via sign language.

3. Offer screen sharing

Screen sharing enables agents to share a web session with customers to assist with complex tasks. For example, if a customer becomes lost or stuck on your e-commerce store, agents can share their screens and demonstrate exactly where they can find the products or information they're looking for. If the customer needs help making a transaction, all sensitive details such as passwords or payment details can be obscured for their security. In a world where most customers feel treated like a number, providing this extra level of hyper-personalised service could make all the difference.



4. Speech Analytics

Speech Analytics enables contact centres to collect valuable feedback from thousands, even millions of customer calls, that can be used to assess the perception, performance and potential pain points of your products and services. It works by transcribing and analysing 100 per cent of your recorded calls to identify important keywords, phrases, categories and themes. The frequency and use of these can then be monitored over time by agents and supervisors via a dashboard within your contact centre solution.

Retailers can use Speech Analytics to spot opportunities for campaigns and giveaways, for example if customers are asking a lot of questions about a specific product. It can also be used to spot potential problems before they escalate, such as a product defect, or barriers to purchase, such as customers being unable to find your delivery times or returns information. Speech Analytics can also help you identify the key drivers behind your customers' loyalty and the differentiators you should be promoting to reduce customer churn.

5. Sentiment Analysis

Sentiment Analysis enables contact centre agents to measure and track customer happiness during live web chat interactions. It analyses conversations in real-time, picking up emotional cues from the customer's natural language to determine if they are feeling positive, negative or neutral. This information is then displayed to the agent so they can better understand the customers' emotive needs and determine the next best action. This information can help agents pre-empt when an enquiry may need to be escalated to a supervisor.

Sentiment Analysis scores can be recorded in a customer's interaction history so you can track their relationship with your brand over time. This can help predict if and when a customer is likely to churn and when may be a good time to offer a discount or promotion.

[1] [Salesforce State of the Customer report](#)

[2] [Smartcustomerservice.com](#)

Summary

The Covid-19 pandemic has accelerated key retail trends, including omnichannel shopping, the hybridisation of retail, hyper-personalisation and AI-powered self-service. Customer expectations around the availability, speed and personalisation of customer services are also higher than ever.

To meet these new customer demands, retailers will need to develop new strategies and invest in technology to help them deliver smarter experiences fit for the future.

With more than 20 years' experience building tailored customer service solutions and helping retailers migrate to cloud-based platforms, Puzzle is the technology partner you can trust to guide and support you on this digital transformation journey. Whether you're a brick-and-mortar store ready to take on the online market, or an experienced online retailer looking for the next big innovation, our expert team is ready to help.

▶ Find out more

About Puzzle

Puzzle is the leading European Contact Centre as a Service (CCaaS) provider. Our award-winning Customer Service Platform consists of three fully integrated, cloud-based solutions, including an omnichannel and AI-enabled Contact Centre, advanced email and Ticketing and Workforce Management, which are easy to use, quick to set-up and scalable for contact centres of all sizes. Customers can also customise the platform with dozens of third-party integrations available through our Puzzle Marketplace.

Puzzle was recognised as a Challenger in the 2019 Gartner Magic Quadrant report for Contact Centre as a Service in Western Europe and ranked in the top three European CCaaS providers for 2020 by Frost & Sullivan. Based in Norway, and with offices across Scandinavia, Europe, the UK and Asia, we work with more than 1,000 customers across 40 different countries, helping businesses to achieve success beyond voice, connected experiences and empowered employees.

For more information, please visit www.puzzle.com.

