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The connected customer journey

Technology developments, environmental concerns and other issues have all had an impact on retailers. While the current health crisis has seen a surge in grocery sales, as shoppers stock up on items, other retailers have seen sales drop and have had to change tack when it comes to reaching them.

As a result, brands know they need to work harder than ever to understand their customers and what they need from retailers.

Better connected, better fulfilment

To help you, new research from O₂ and Retail Economics examines what the evolving connected customer journey means for understanding your audience. And how the appreciation that people have for connectivity influences their behaviour at every stage – from awareness through to customer service and returns.

As part of our research, we've explored the mounting pressures facing retailers as shoppers demand faster, easier and often more affordable deliveries. Expectations have been raised by technology giants like Amazon, Deliveroo and Uber, offering near-seamless fulfilment of goods and services.

We've identified that cost and speed are two main areas that matter to online shoppers (Fig. 1), as well as free and easy returns – so getting this right is key to attracting shoppers and retaining their business.

The big names have been so successful though, that many smaller retailers are struggling to compete and grow.

But while digital disruption has introduced new challenges, retailers of all sizes can find plenty of opportunities to engage with a more connected audience and grow sales.



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Connecting online to bring customers in-store

Services that can connect online shoppers to physical environments are providing customers more reasons to visit shops. Faster and cheaper click-and-collect and returns options attract significantly more under 35s to physical stores than any other age group.

In response, more retailers are joining forces. For instance, Next recently partnered with Amazon to trial a click-and-collect service called Counter to get more shoppers through their doors.

And other retailers are starting to see how robust in-store connectivity can help keep shoppers attracted to their physical spaces. Like, for example, when they can easily flick from browsing in-store products to sharing moments on their social media profiles.

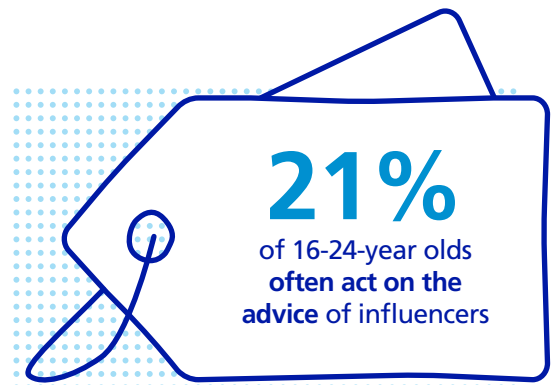


The role of influencers

The research also identifies a relationship between connectivity and the growing relevance of social media, with product sales increasingly being driven by individuals and influencers rather than just brand reputation.

People that identified as connectivity assumptive – perceiving less importance in being connected online – are the most likely to follow and trust social media influencers. Around a fifth (21%) of 16-24 year olds often act on the advice of influencers, while more than a third (35%) sometimes do.

This contrasts to more than two thirds (69%) of the connectivity appreciative audiences, who are less likely to follow influencers on social media. In fact, even though they do appreciate connectivity with brands online, almost a quarter (24%) of them say they don't trust influencers' advice.



69% of 'connectivity spellbound' audiences do not follow influencers on social media

Social media during lockdown

With people increasingly housebound during the coronavirus outbreak, social media has also become more important than ever as a way to stay connected.

25% of connectivity assumptive respondents consider social media as the most effective form of communication used by retailers. They may not 'like' or comment on posts, but they do read updates around restrictions and availability during lockdown.

For retailers, it's a vital time to drive growth online and reinvigorate stores. Generating awareness on social media platforms and looking into more convenient delivery and returns processes is a key starting point. Attracting connected customers means understanding how to integrate touchpoints across digital and physical environments. And how connectivity can be best used to engage their different customer types.



The big picture

If you found this article useful, you might be interested in our full research report, [The Big Ask](#), [which you can download here](#).

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