

FORRESTER®

CHALLENGE THINKING. LEAD CHANGE.

We work with business and technology leaders to develop customer-obsessed strategies that drive growth.





The Future of Retail: Trends, Market Evolution, And Harnessing Digital To Delight Your Empowered Customer

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October 11, 2018



Retail is a hub of innovation

Meet Your Empowered Customer

Willingness to experiment:

consumers are comfortable with new brands and products

Self-efficacy:

consumers want to ensure the best possible experience for themselves

Device Usage:

consumers rely on devices to accomplish everyday tasks

Information Savviness:

consumers are sharp when finding and sharing brand or product information

Digital/physical integration:

consumers expect digital seamlessness



Forrester's Empowered Customer Segmentation



**Progressive
Pioneers**



**Savvy
Seekers**



**Convenience
Conformers**



**Settled
Survivors**



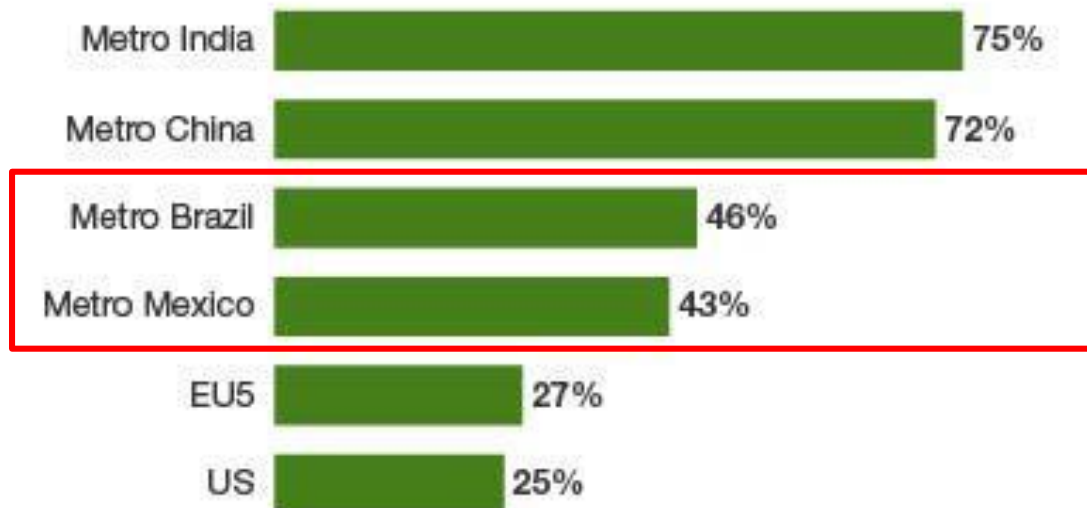
**Reserved
Resisters**

Most Empowered
Least Forgiving
Highest Churn

Least Empowered
Most Forgiving
More Loyal

Progressive Pioneers

lead the demand for product and experience innovation.



Base: 1,996 to 83,152 online adults

Source: Forrester Analytics Consumer Technographics Global Online Benchmark Survey (Part 1), 2018



The expectation that
I can get what I want
in my immediate **context**
and **moments** of need.

The Future of the Store: It's a Digital / Physical Experience



Each time a customer is exposed to an
improved shopping experience,
their shopping expectations are reset to a
new higher level.

**1. Build and learn from your
customer insights organization**

**2. Differentiate with smart – not
flashy – digital tools to save your
customers time**

3. Empower your store associates

THE PLAN

Three common traits of digital improvements to improve CX



**Eliminate
pain**



**Increase
control**



**Anticipate
needs**

Eliminating pain is often the simplest place to start



**Eliminate
pain**



**Increase
control**



**Anticipate
needs**

**Warby
Parker
invests in
stores to
engage with
and learn
from
customers**



Increasing control takes real nuance



**Eliminate
pain**

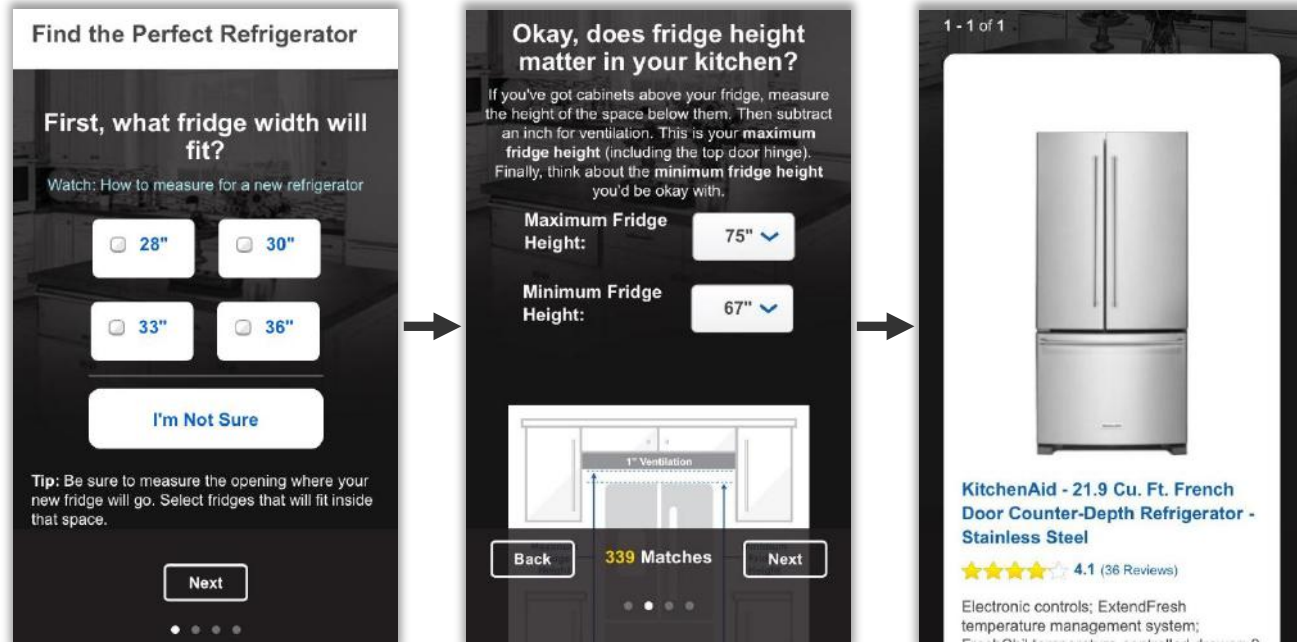


**Increase
control**

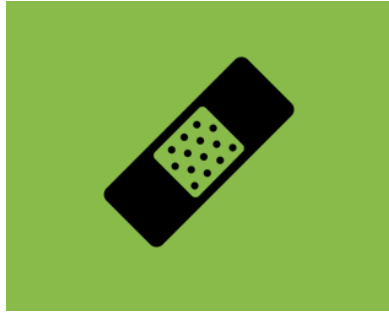


**Anticipate
needs**

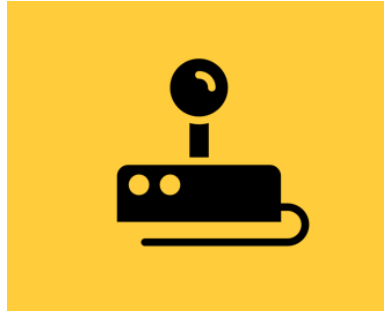
Retail Mobile Web Best Practice: Best Buy's appliance selection tool



Anticipating needs requires context awareness



**Eliminate
pain**



**Increase
control**

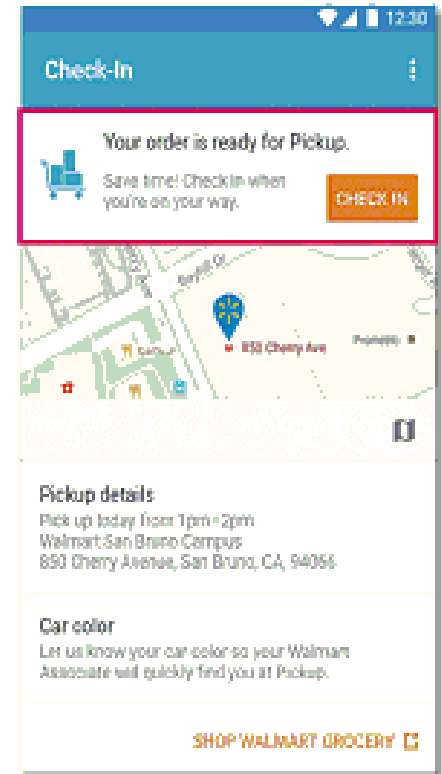
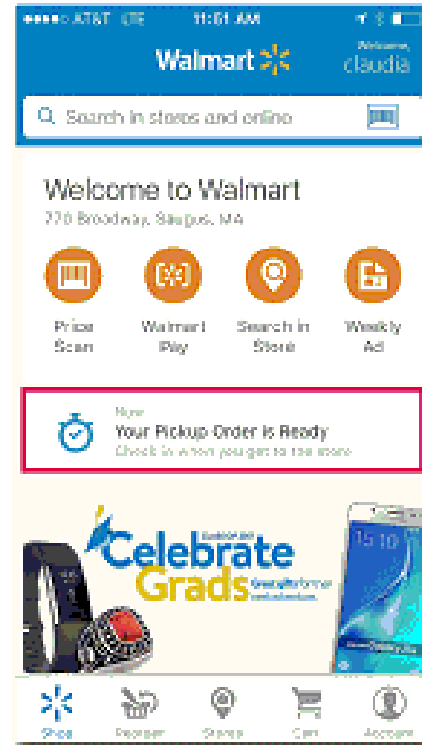


**Anticipate
needs**

Walmart eases in-store collection with mobile check in



Source: Forrester's "Keep Experimenting With Digital Enablement Technology In-Store"



How the Starbucks experience succeeds



**Eliminates
the line**



**Estimates
time**



**Displays past
orders, directions,
and available items**



Starbucks thinks about the **entire purchase journey** from ordering to paying to tipping the barista

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72% of digital business pros
believe that **personalizing
the customer experience**
will improve store CX.

Base: 61 Digital Business and Channel Strategy professionals

Source: Forrester's Q2 2016 Global eBusiness And Channel Strategy Professional Online Survey



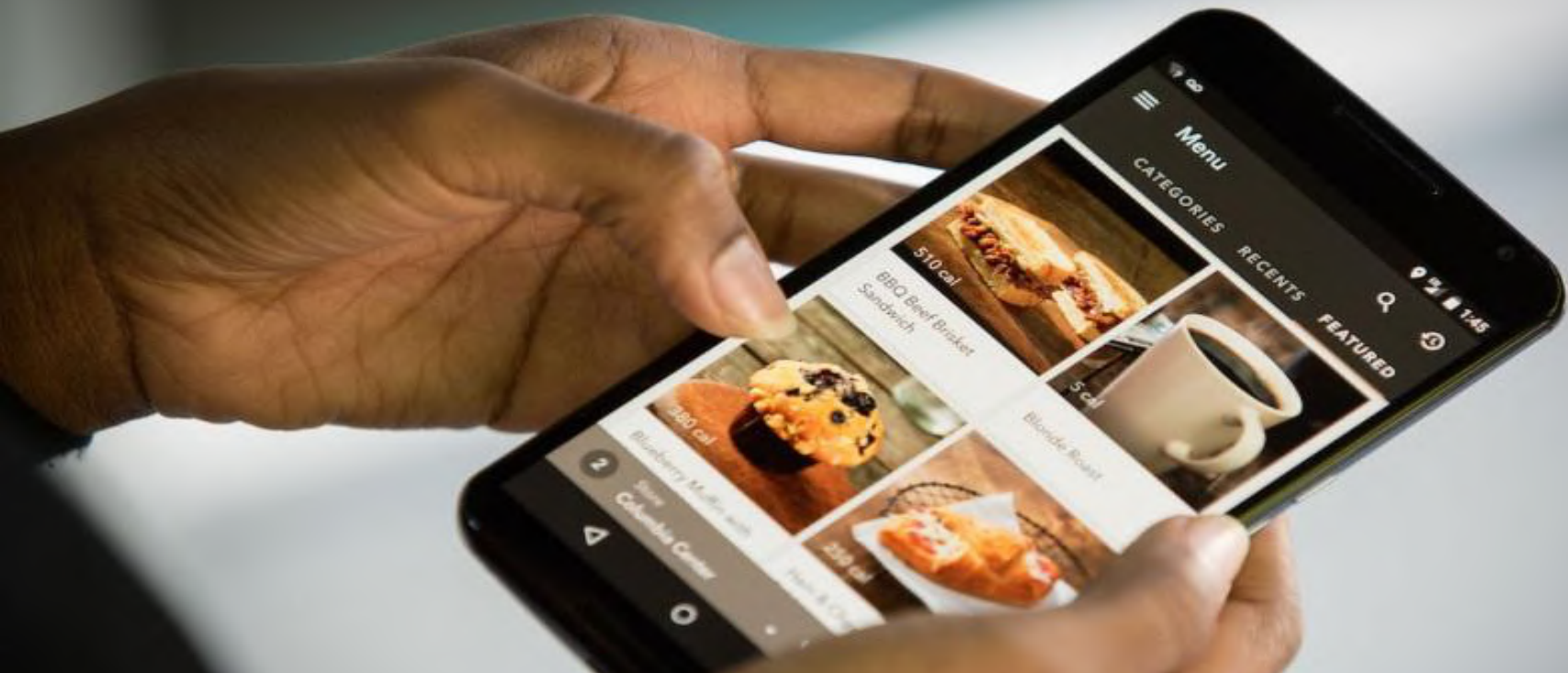
Sephora

Masters personalization through
connected experiences

52%

Digital executives who say
**“Insufficient customer data
for refined segmentation”** is
the top challenge to mature
personalization at their firm

Base: 109 digital executives. Source: Q1 2018 Digital Business And Experience Panel Survey



Starbucks — a customer data capturing machine, not just a payments app

- 1. Build and learn from your customer insights organization**
- 2. Differentiate with smart – not flashy – digital tools to save your customers time**
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THE PLAN

Store associates must be smarter than the customer's own device

- **56%** of retail executives are investing in or upgrading **check out and payment technology**
- **45%** are upgrading or investing in focused on **associate engagement devices**



Source: Source: Forrester's Q2 2016 Global eBusiness And Channel Strategy Professional Online Survey

Digital price tags show dynamic price changes



Bringing all of this together

A person wearing a red jacket and a backpack stands on a rocky mountain peak, looking out over a vast, hazy landscape of mountains and valleys under a blue sky with scattered clouds. A dark circular overlay is positioned on the left side of the image, containing the text 'The Goal'.

The Goal

Seamless and consistent customer experiences



The Path

**Coordination of channels and touchpoints
using tech AND people, processes, metrics**

Reinvent leadership

CEO: Innovator

- › CFO: Venture capitalist
- › CIO: Rainmaker
- › COO: Change agent
- › CXO: Disrupter

**Obsess about your customer
experience**

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Thank you

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