

# RETAIL 2020 CONNECTED SHOPPER AND EMPLOYEE COMMUNICATIONS REPORT



A guide to understanding the communications expectations of today's shoppers and the employees that serve them.

# TABLE OF CONTENTS

<b>INTRODUCTION</b>	<b>3</b>
<b>1. SHOPPER COMMUNICATION TODAY</b>	<b>4</b>
SHOPPERS AT THEIR LIMIT	4
COMMUNICATION OPTIONS IMPACT LOYALTY	5
DIRECT COMMUNICATION RULES, FOR NOW	6
WHEN COMMUNICATION FRAYS, RETAILERS PAY	8
<b>2. RETAIL WORKER COMMUNICATION TODAY</b>	<b>9</b>
WORKER COMMUNICATION MIMICS SHOPPER BEHAVIOR	9
<b>3. COMMUNICATION DISRUPTIONS AND SOLUTIONS</b>	<b>11</b>
COMMUNICATION CHAOS INHIBITS PRODUCTIVITY	11
WORKERS WANT FEWER APPS AND MORE CONTROL	12
<b>4. AUTOMATION PERCEPTIONS AND BENEFITS</b>	<b>13</b>
AUTOMATION SAVES TIME, IMPROVES EXPERIENCE	13
<b>SURVEY DEMOGRAPHICS</b>	<b>15</b>
UNITED STATES	16
CANADA	19
UNITED KINGDOM	22
AUSTRALIA	25

# INTRODUCTION

For this inaugural edition of the **Connected Shopper and Employee Communications Report**, RingCentral Research surveyed over **2,501 shoppers** and **1,000 retail employees** worldwide to discover:



UNITED STATES



CANADA, UNITED KINGDOM, AUSTRALIA



**Frontline workers** directly interact with customers (e.g., store associates and managers, customer care agents, field service agents, delivery personnel).

**Corporate employees** have little-to-no customer interaction but provide indirect customer support through functions such as executive and administrative staff, merchandising, marketing, and others.

- Shopper preferences for communicating with retailers throughout their shopping journey
- Shopper perceptions with regard to how retailers meet their expectations for effortless experiences
- Retail employee perceptions with regard to challenges faced communicating with shoppers and the impact on their shopping experience
- Retail employee preferences for communicating and collaborating with one another

Data from this report is from a blind survey conducted in February 2020, in the United States, Canada, the United Kingdom, and Australia. All respondents are third-party panelists (not limited to RingCentral customers). See [page 15](#) for detailed respondent demographics.

Due to rounding, not all percentage totals in this report equal 100%. All comparisons are made from rounded numbers.

Throughout this report, we examine survey results across four generations of shoppers:

- **Baby Boomers/Silent Generation:** born before 1964
- **Gen Xers:** born 1965–1980
- **Millennials:** born 1981–1996
- **Gen Zers:** born 1997–2001

We also examine responses from two classes of retail employees: frontline workers and corporate employees.

# 1. SHOPPER COMMUNICATION TODAY

Long wait time



Having to repeat my information to every person I speak to



Feelings of frustration



A sense I have wasted my time



Unable to get question answered



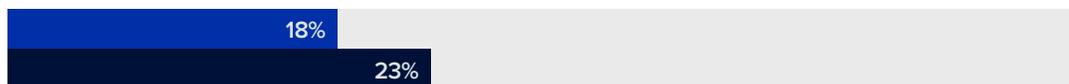
Unable to be connected to the right person



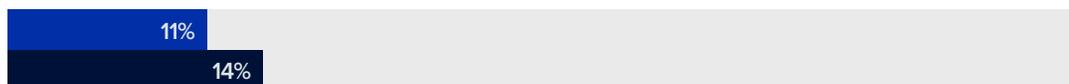
Inconsistent experience across people I interact with



Feelings of anger



Difficulty switching between methods of communications



## SHOPPERS AT THEIR LIMIT

Communication issues drive shopper frustration

Shoppers in 2020 are more frustrated than ever. Consumers are facing a wide range of difficulties when interacting and transacting with retailers. And retail employees feel their customers' pain—a whopping **89% of retail employees believe their customers face issues when trying to communicate with their organization.** From experiencing **longer-than-expected wait times (58%)** to **downright frustration (41%)** and **actual anger (21%)**, there is no shortage of challenges in today's shopping experience.

Another issue is the sizable gap between retail employees' perceptions of these customer angsts and the actual depth of the frustration customers are feeling. For instance, **45%** of employees feel that their customers experience **long wait times**, but **58%** of customers report having to wait—a **13-point gap**. There is also a **seven-point perception gap** with the issue of **customers having to repeat themselves**. Clearly, underplaying customer anxiety will only lead to larger problems.

### Perception vs reality

Shoppers are more frustrated than frontline workers realize

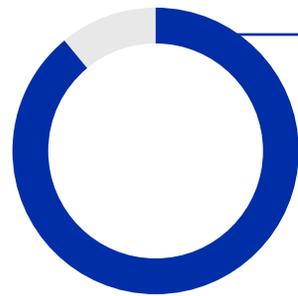
● Shoppers ● Frontline workers

## COMMUNICATION OPTIONS IMPACT LOYALTY

### Available methods influence shopper behavior

Not being able to communicate via their preferred channel further compounds shopper frustration, playing a more significant role in consumer behavior than retailers probably realize. By far, the majority of consumers **(89%)** say their purchase decisions are influenced by whether retailers offer their preferred communication methods, with most **(72%)** indicating they would be likely to switch retailers if their preferred channel wasn't offered.

#### Communication channel choice is influencing buying behavior



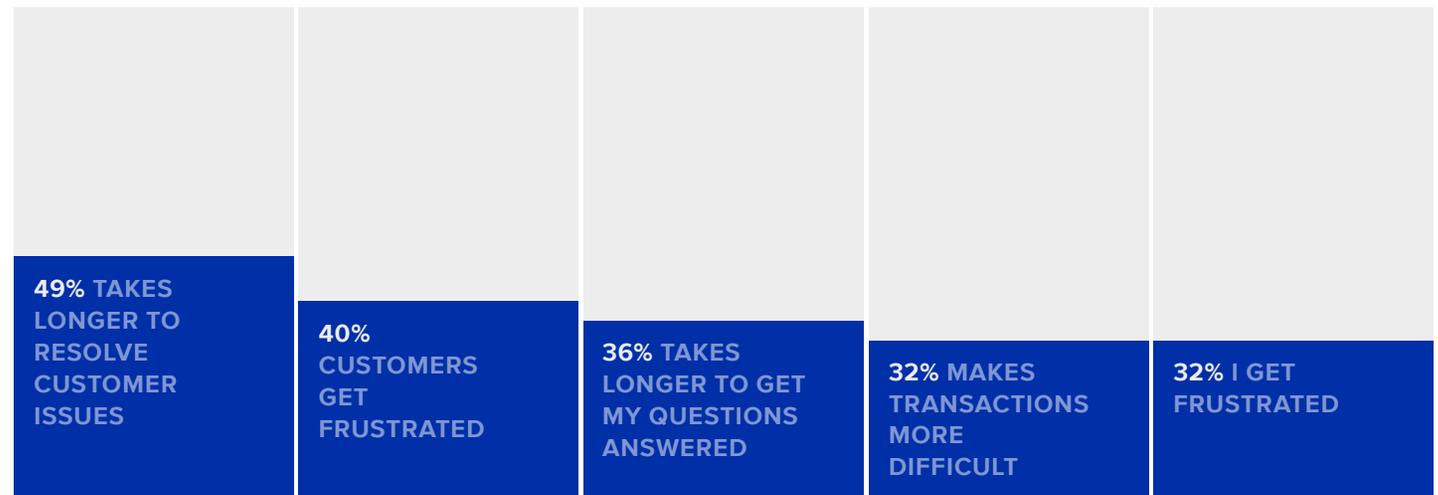
**89%** of consumers say offering their preferred methods of communication **influences** on choosing where to make their purchase.



**72%** of shoppers say they would be likely to **switch retailers** if that retailer did not offer their preferred method.

#### The inability for employees to use their preferred communication channel also negatively impacts frontline workers

Nearly half say it takes longer to resolve customer issues while a third say it makes transactions more difficult.



## DIRECT COMMUNICATION RULES, FOR NOW

### In-person/phone lead, with digital on the upswing

The majority of retail transactions have historically touched physical brick-and-mortar experiences, so it is no surprise that **shoppers (66%)** and **frontline workers (95%)** prefer **in-person communications** over other methods. However, the significant gap between the two preferences highlights the extent to which shoppers increasingly engage with retailers online.

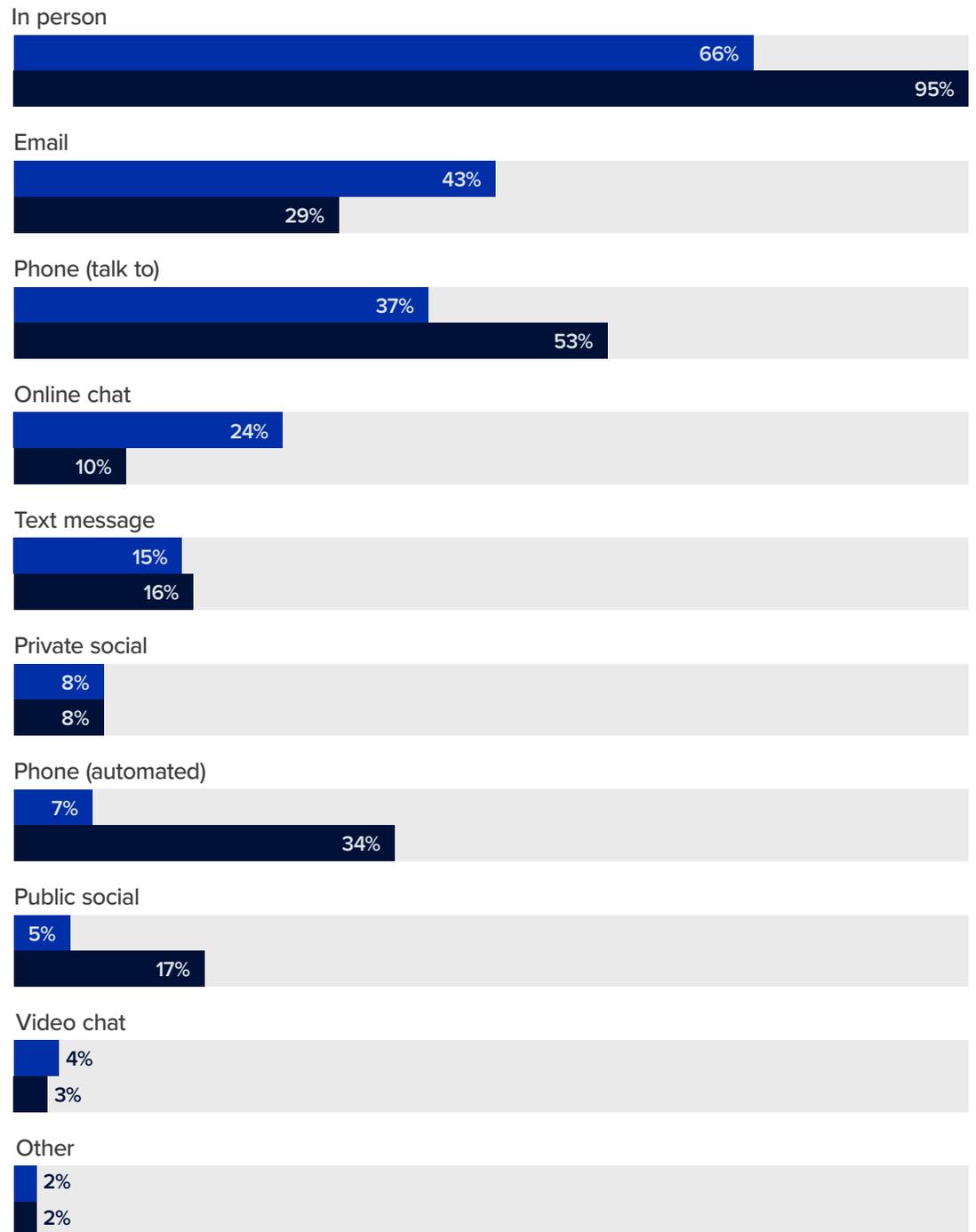
For example, **half of the top four methods preferred by shoppers are digital channels**: email (**43%**) and online chat (**24%**). While phone remains a preferred communication method for both shoppers (**37%**) and frontline workers (**53%**), workers also strongly prefer the use of automated phone capabilities as a means of serving customers, a topic explored later in this report.

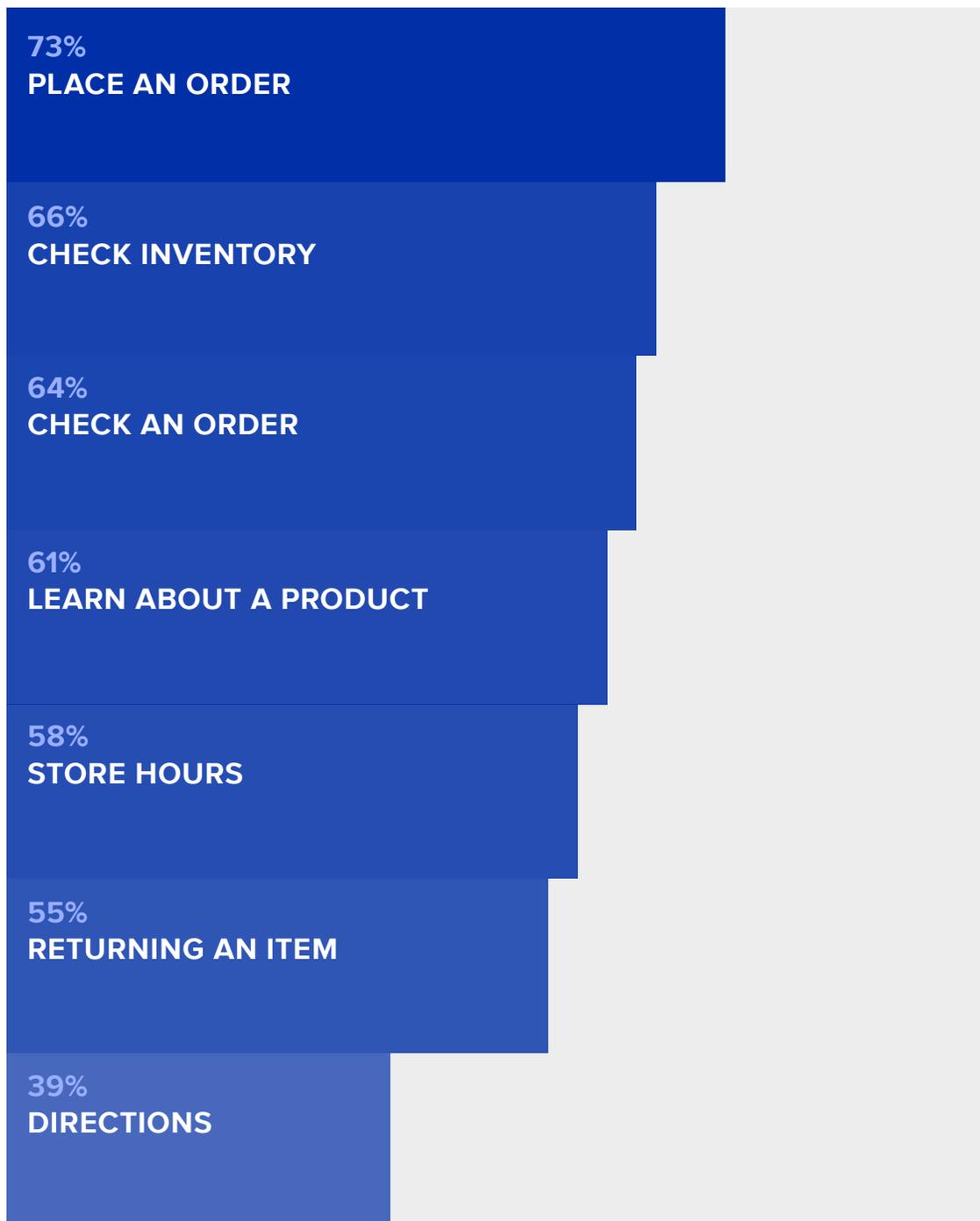
### Retailers and shoppers agree

Both groups say in-person, email, and phone are their top three preferred channels.

Retailers' preferred method of communicating with customers

- Shoppers
- Frontline workers





## Why do shoppers call retailers?

Consumers often opt for human interaction, which makes sense when they're **placing an order (73%)** or **checking inventory (66%)**. But they're also calling to check order status (**64%**), ask for store hours (**58%**), or get directions (**39%**), all actions that can easily be satisfied through self-service methods. What's worse, these unnecessary calls are contributing to long wait times for on-hold customers and can delay or prevent an employee from helping a customer solve a more nuanced or complex problem. Using more advanced technology solutions can help retailers eliminate this problem by routing customer calls appropriately.

## Generational preferences

Those retailers looking to better serve generational preferences and differences should take note that each generation has its own preferred communication methods, with older generations preferring those methods with which they have had the longest familiarity.

### Generation most likely to want to interact:

- In person: Boomers/Silent Generation
- By phone: Boomers/Silent Generation
- Online chat/messaging: Millennials
- Via text: Millennials

### Generation least likely to want to interact:

- In person: Millennials
- By phone: Gen Z
- Via text: Boomers/Silent Generation

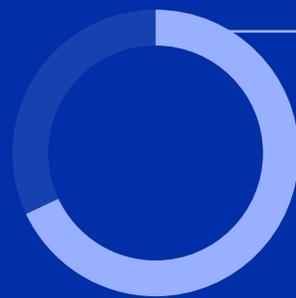
## WHEN COMMUNICATION FRAYS, RETAILERS PAY

### Shoppers will not tolerate poor communications

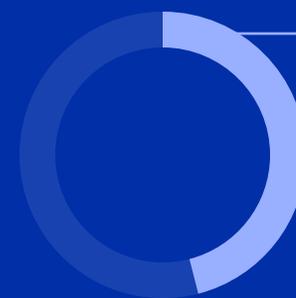
Shoppers will not accept poor communications with retailers, and unfortunately, **over two-thirds (68%)** of the consumers surveyed said they have been **unable to reach an associate** during a shopping experience, with devastating results. From **abandoning a purchase (46%)** to **taking their business to another store (35%)**, a good number of consumers are willing to walk away if they can't connect with a retailer in an acceptable amount of time.

Critically, in this social-media-savvy era, detractors are all too willing to amplify their frustrations across their online networks and communities by **writing a negative review (17%) when they cannot connect with an associate**, an outcome that only rises among Millennials (**19%**) and Gen Z (**20%**).

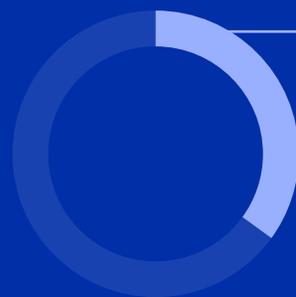
When shoppers can't reach associates, it leads to devastating results



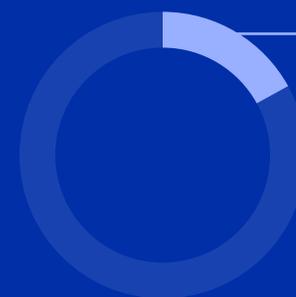
68%  
of consumers have been  
unable to reach an associate.



46%  
of consumers unable to reach an associate **do not purchase the product they intended to**, leading to missed sales opportunities.



35%  
switch to another retailer to make their purchase when unable to reach an associate.



17%  
write a negative review when unable to reach an associate.

## 2. RETAIL WORKER COMMUNICATION TODAY

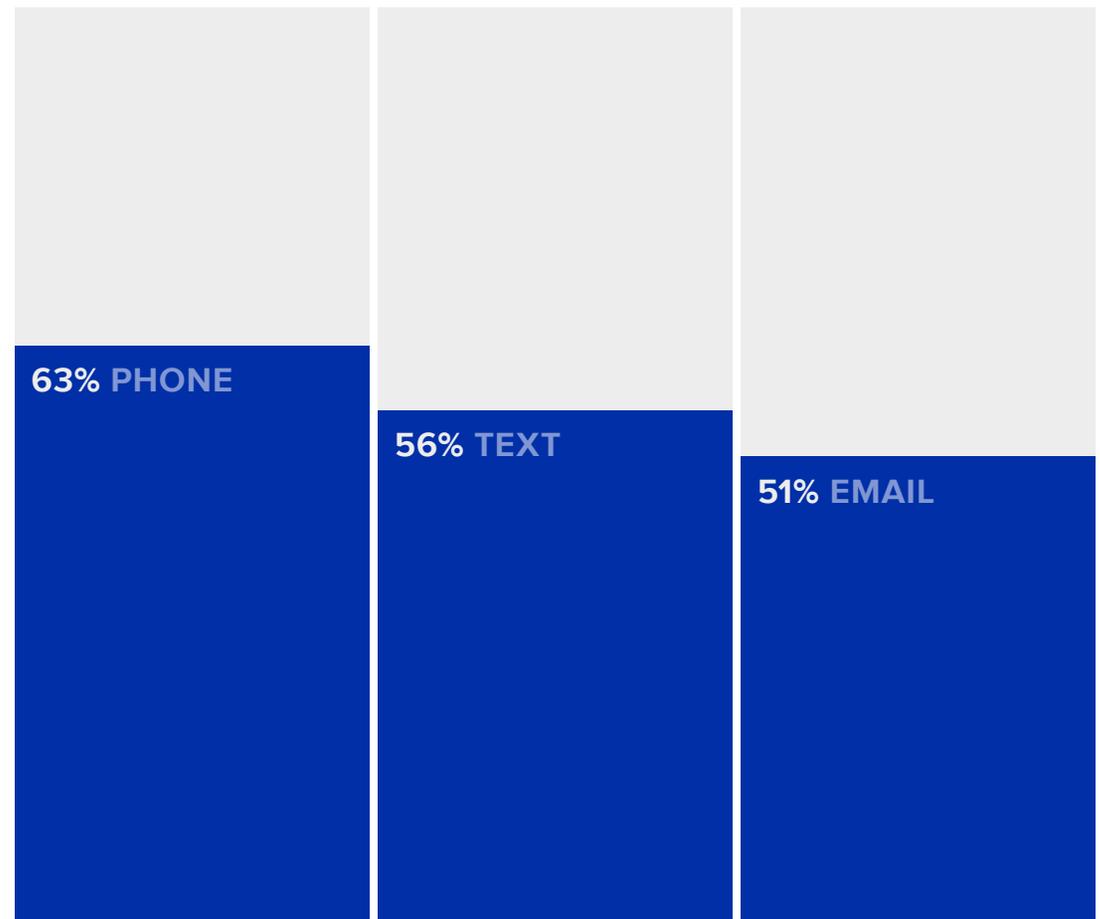
### WORKER COMMUNICATION MIMICS SHOPPER BEHAVIOR

Millennial and Gen Z on the chat bandwagon

Nearly as important as communication between shoppers and retailers is the communication between retail employees throughout the enterprise, whether on the frontline or in support functions. Overall, retail employees use a wider variety of communication methods to communicate with their colleagues compared to those they use with customers. While four out of five retail employees prefer in-person coworker communication, the majority use phone (63%), text (56%), or email (51%).

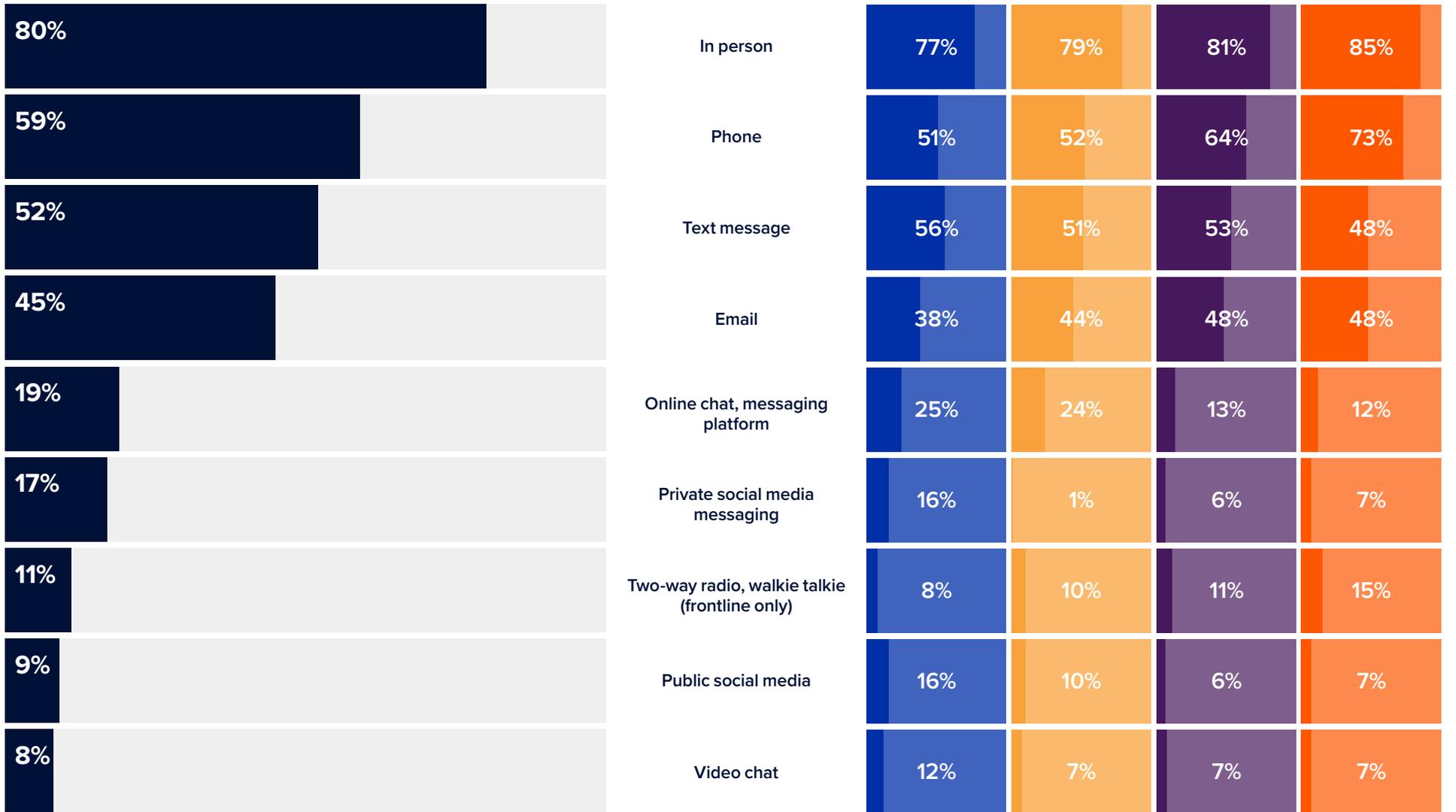
Unsurprisingly, when it comes to employee communication channel preference, older generations much prefer phone, email, in-person, and even text interaction with each other. And while the **younger generations** prefer these methods as well, **they have a much stronger interest in emerging digital interaction channels** such as messaging applications and private social media engagement.

While four out of five retail employees prefer in-person coworker communication, the majority use:



While traditional channels still rule, younger generational communication preferences show the future of employee interaction

OVERALL PREFERENCES ACROSS ALL GENERATIONS



# 3. COMMUNICATION DISRUPTIONS AND SOLUTIONS

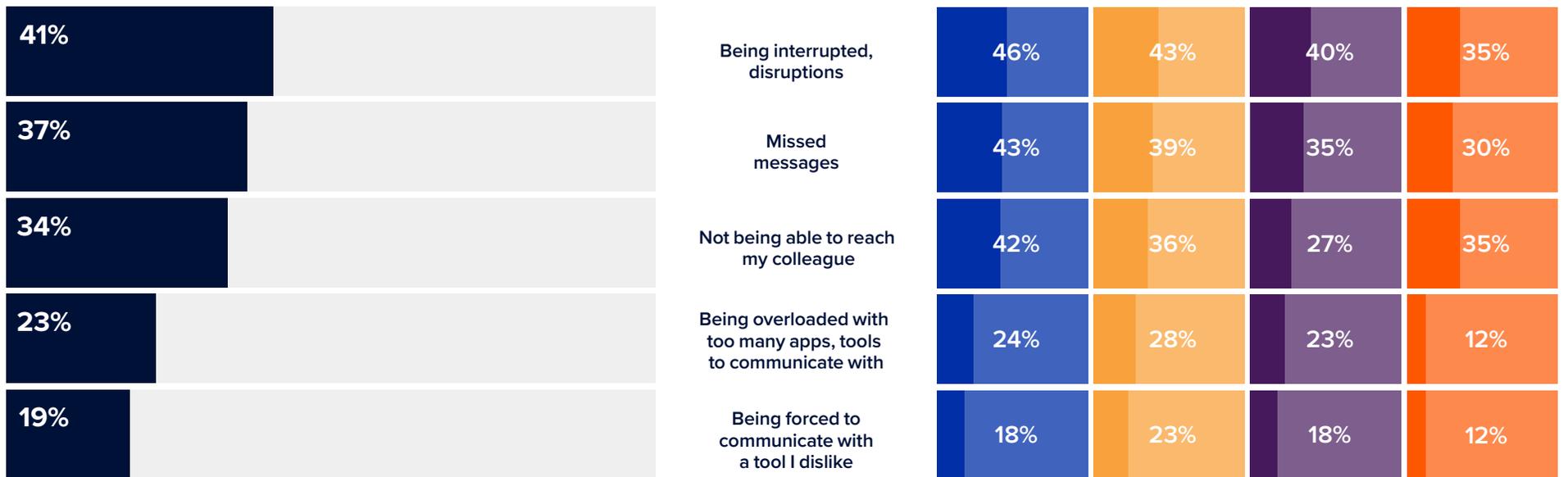
## COMMUNICATION CHAOS INHIBITS PRODUCTIVITY

Four in five workers experience communication issues

In the course of doing their jobs, four out of five (82%) retail employees face some type of issue with their colleague communications. Specifically, one-third or more retail employees complain of being interrupted (41%), missing messages (37%), and not being able to reach a colleague (34%) when trying to communicate with coworkers. Ironically, as the number of communications applications has risen with the proliferation of communication methods, communication has become harder, not easier. Among the most digitally savvy, Millennials see app overload (28%) as a communications issue.

### Issues with colleague communications

#### OVERALL ISSUES ACROSS ALL GENERATIONS



## WORKERS WANT FEWER APPS AND MORE CONTROL

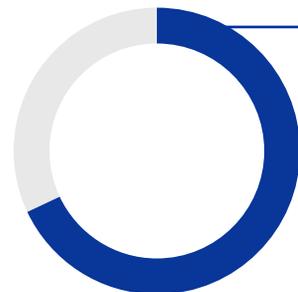
Single app highly appealing

A common desire across all retail employees is a reduction in the number of applications used for communicating with both customers and colleagues.

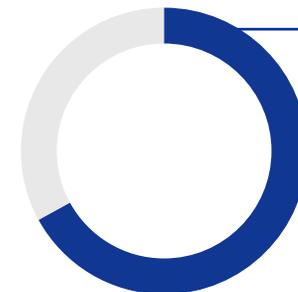


A clear majority of retail employees say a single application would make both customer communication (**68%**) and employee communication (**67%**) easier. This sentiment is even stronger amongst younger generations, with Gen Zers (**79%**) and Millennials (**73%**) feeling a single app will make customer communication easier, and Gen Zers (**78%**) feeling a single app would make coworker communication easier.

**Solution: Single application for customer and colleague communications**



**68%** of retail employees say a single application would make **customer communication** easier.



**67%** of retail employees say a single application would make **employee communication** easier.

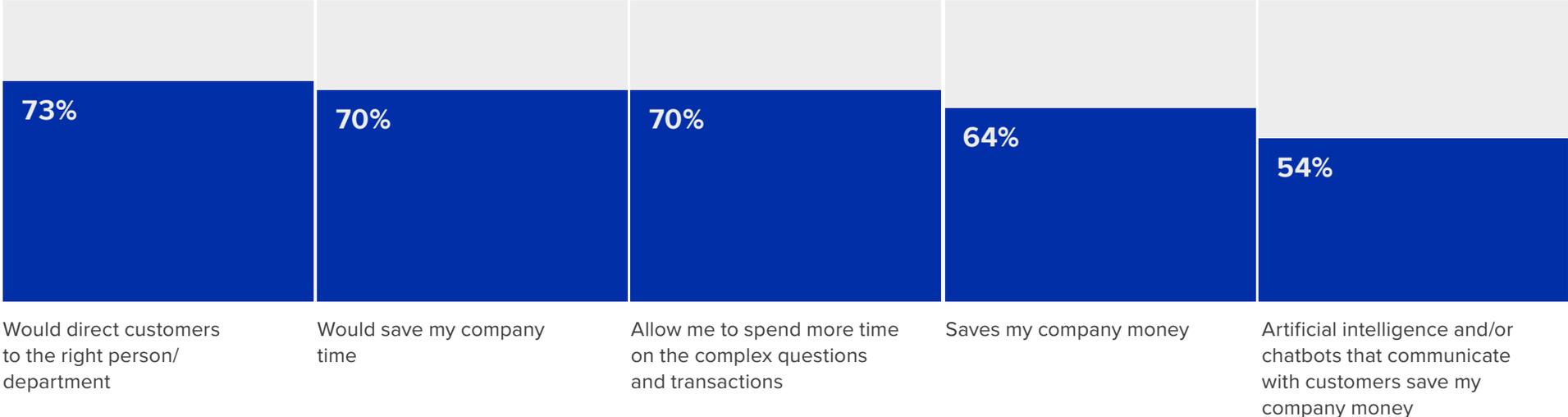
# 4. AUTOMATION PERCEPTIONS AND BENEFITS

## AUTOMATION SAVES TIME, IMPROVES EXPERIENCE

Relieves shopper and employee communication issues

Retail workers see potential time savings and improved work experience through automation for both customers and themselves. Most **(73%)** workers agree that automated interaction would direct customers to the right person or department, and most **(70%)** believe that automation would also save the company time. Importantly, most **(70%)** workers say that automation of frequently asked questions and tasks would provide more time for them to handle complex questions and transactions. And, in particular, automation may help address a dilemma expressed by frontline workers, many **(35%)** of which indicated they were not able to properly serve an in-store shopper while they were on the phone with a shopper who had called in.

### Automation offers communication solutions



## Automation improves job satisfaction

### OVERALL SENTIMENT ACROSS ALL GENERATIONS



Going further, not only might automation help relieve customer and employee communication issues, it may improve overall worker productivity and satisfaction. Most **(78%)** retail employees feel that automation would have some type of **positive** impact on their job, nearly half **(46%)** indicate they would be able to focus on tasks they enjoy more, and many **(36%)** indicate they would be more satisfied with their job.

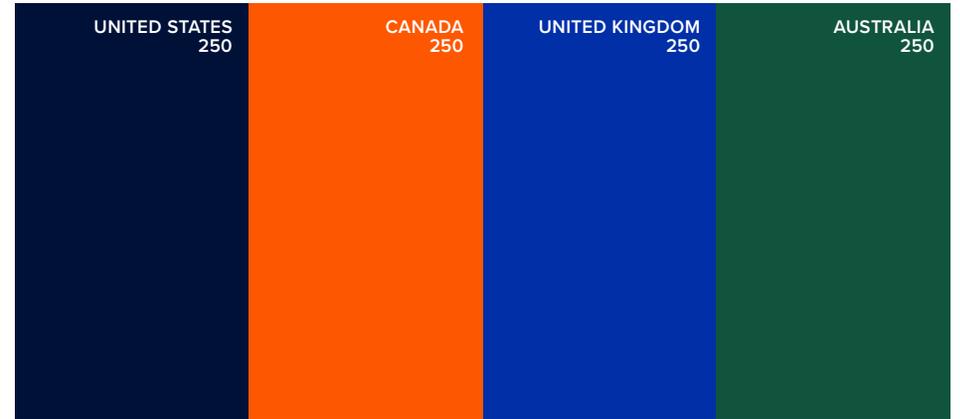
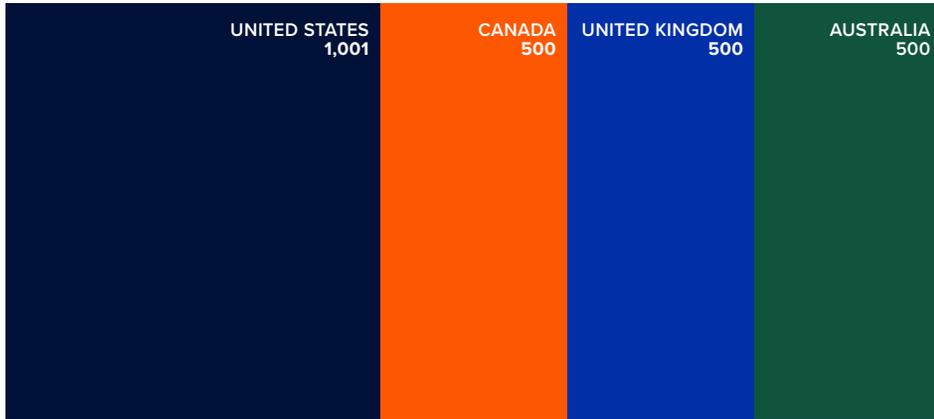
The positive impacts of automating frequently asked questions such as directions and store hours are seen across generations, but most acutely felt with Gen Z and

Millennial employees. While nearly half of all employees **(46%)** said they would be able to focus on tasks they enjoy more if automation took easily answered questions off their plates, over half **(52%)** of Gen Z employees and **40%** of Millennials said they would be more satisfied in their jobs. Gen Z respondents also felt far more optimistic than other generations that automated customer interaction would make employees more committed to the company **(25%)** and would improve their prospects of moving up **(33%)**.

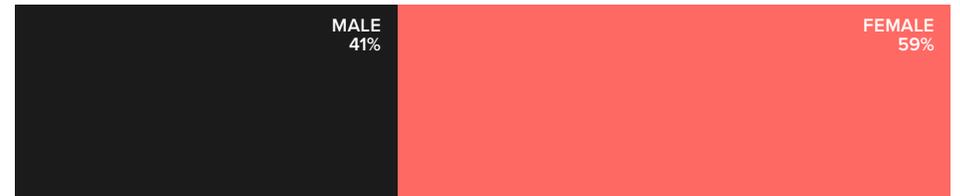
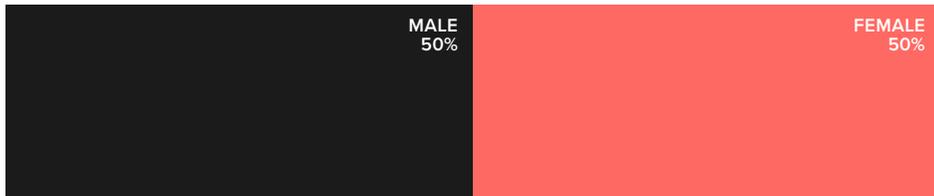
## Survey demographics: Shoppers

## Survey demographics: Retail employees

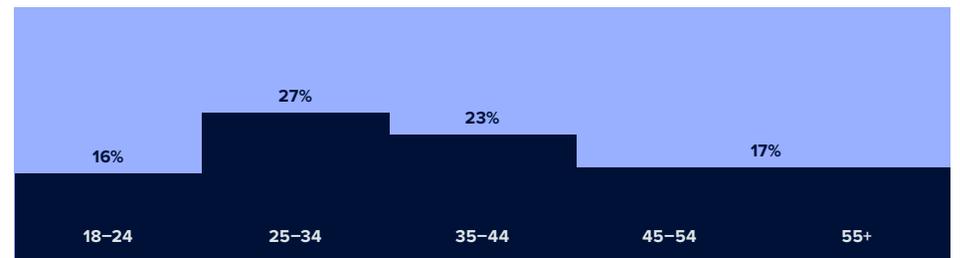
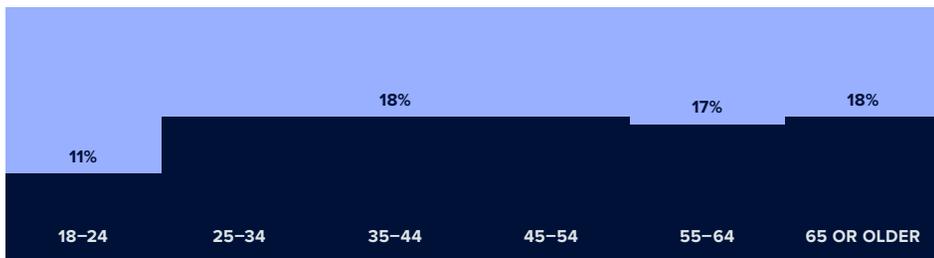
### COUNTRY



### GENDER



### AGE

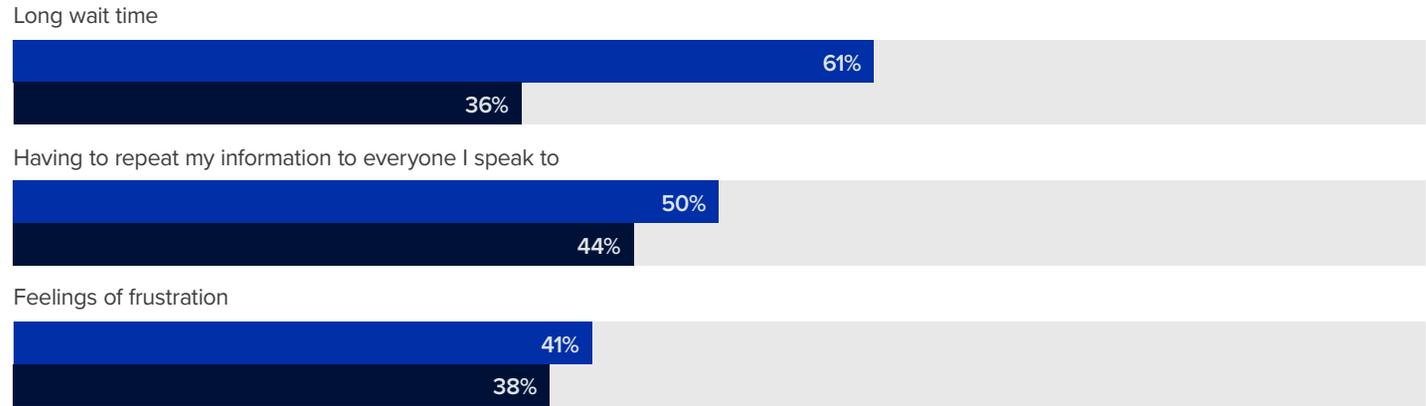


**Shoppers at their limit:**

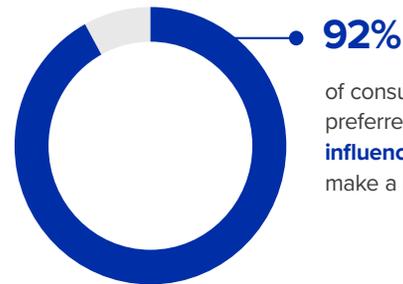
Communication issues drive shopper frustration.

Top issues faced by shoppers when communicating with retailers

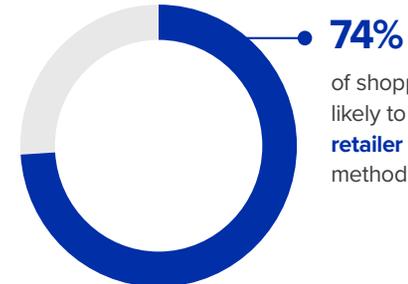
- Shopper perspective
- Worker perspective



**Communication channel choice is influencing buying behavior**



of consumers say offering their preferred methods of communication **influences** their choice of where to make a purchase.



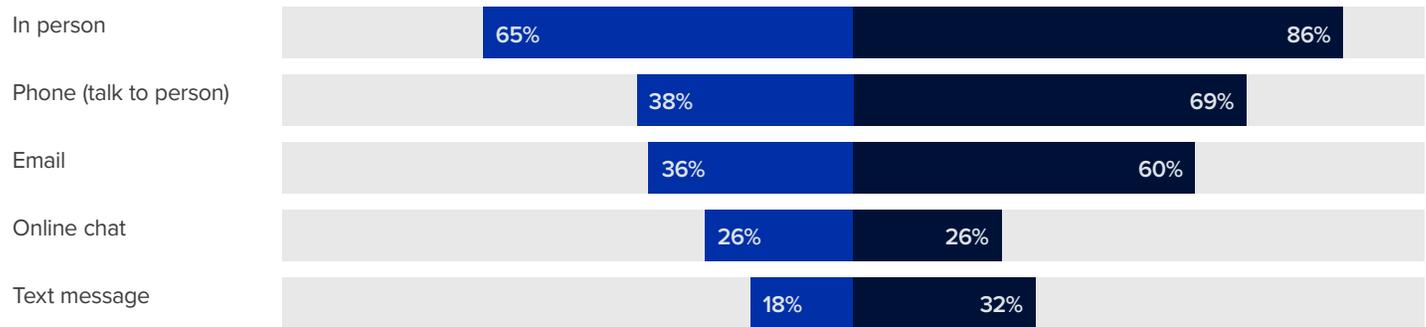
of shoppers say they would be likely to **switch retailers** if that **retailer** did not offer their preferred method.

**Direct communication rules, for now:**

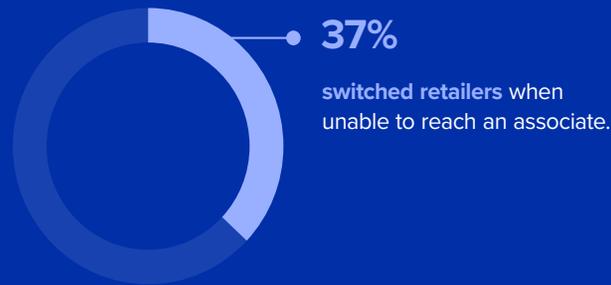
In-person/phone lead with digital on the upswing.

Preferred methods of communication

- Shopper perspective
- Worker perspective



**When communication frays, retailers pay:**  
Shoppers will not tolerate poor communications



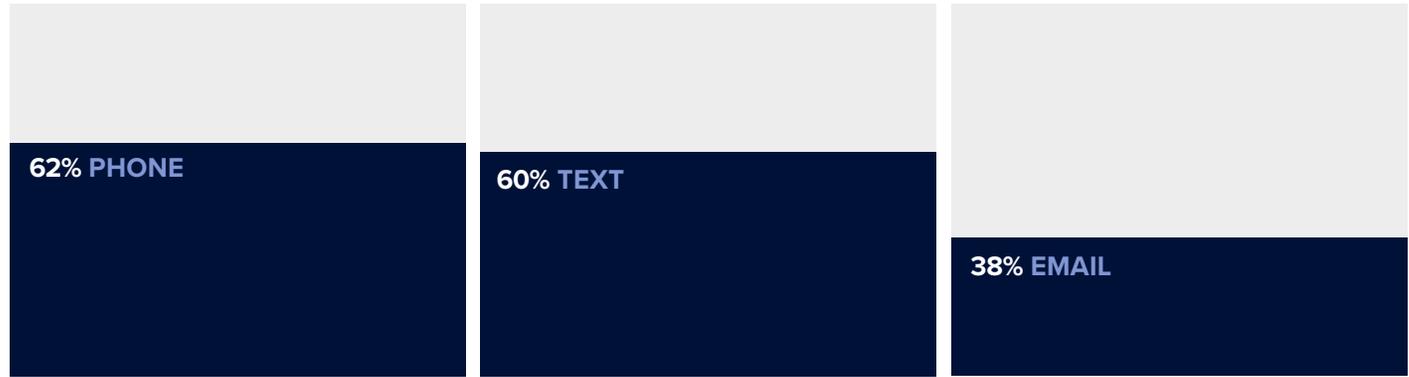
**Communication chaos inhibits productivity:**  
Four in five workers experience communication issues

### TOP ISSUES WITH COLLEAGUE COMMUNICATIONS



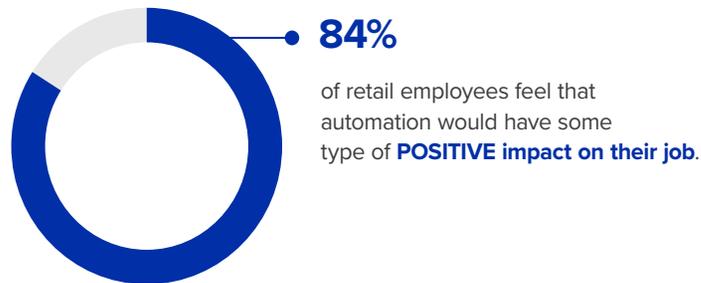
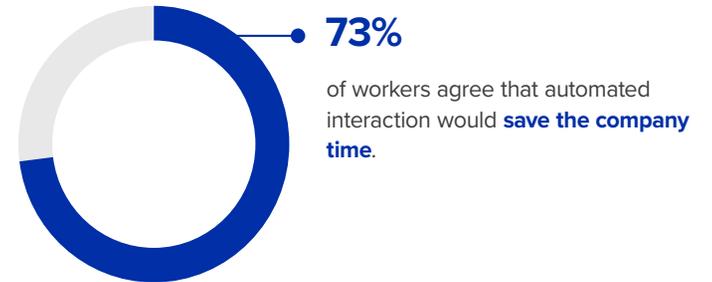
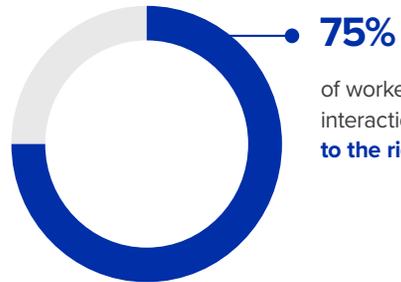
## Worker communication mimics shopper behavior

Preferred communication methods with colleagues



## Automation saves time, improves experience:

Relieves shopper and employee communication issues



### Shoppers at their limit:

Communication issues drive shopper frustration.

Top issues faced by shoppers when communicating with retailers

- Shopper perspective
- Worker perspective

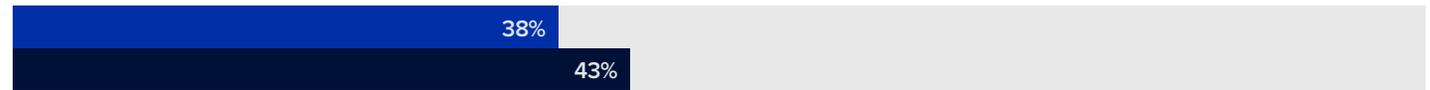
Long wait time



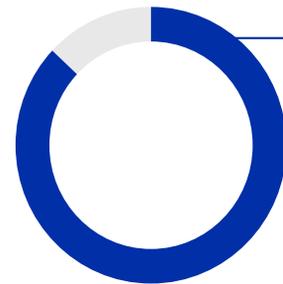
Having to repeat my information to everyone I speak to



Feelings of frustration

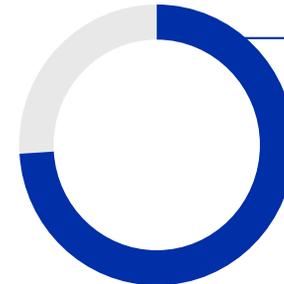


### Communication channel choice is influencing buying behavior



**87%**

of consumers say offering their preferred methods of communication **influences** their choice of where to make a purchase.



**74%**

of shoppers say they would be likely to **switch retailers** if that **retailer** did not offer their preferred method.

### Direct communication rules, for now:

In-person/phone lead with digital on the upswing.

Preferred methods of communication

- Shopper perspective
- Worker perspective

In person



Email



Phone (talk to person)



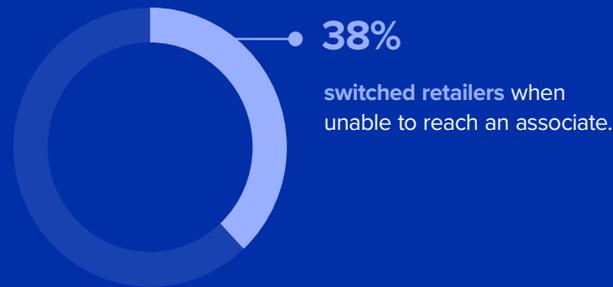
Online chat



Text message



**When communication frays, retailers pay:**  
Shoppers will not tolerate poor communications



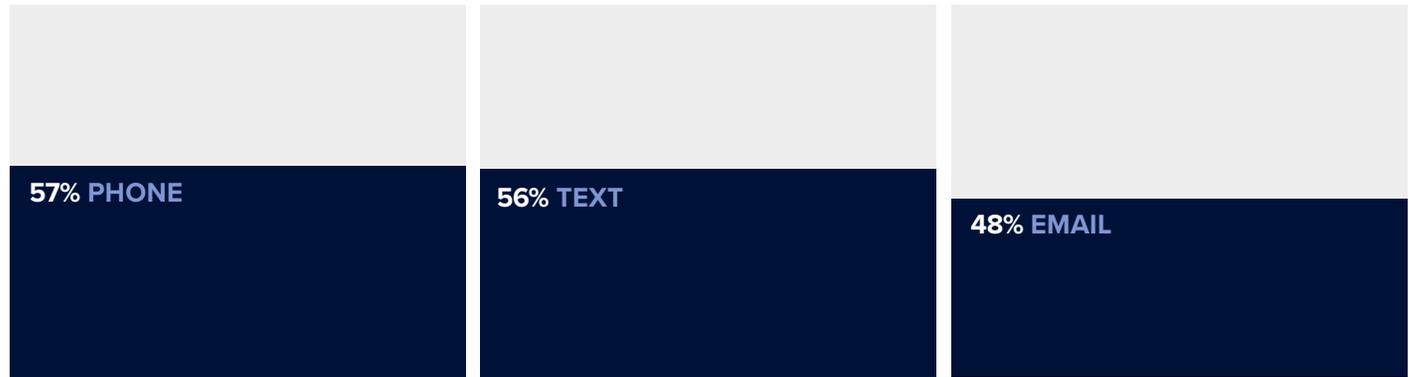
**Communication chaos inhibits productivity:**  
Four in five workers experience communication issues

### TOP ISSUES WITH COLLEAGUE COMMUNICATIONS



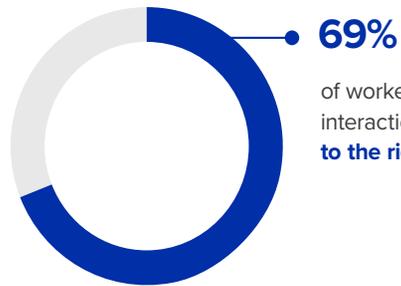
## Worker communication mimics shopper behavior

Preferred communication methods with colleagues

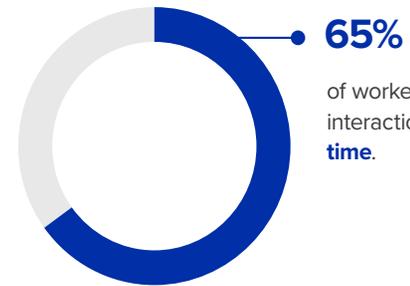


## Automation saves time, improves experience:

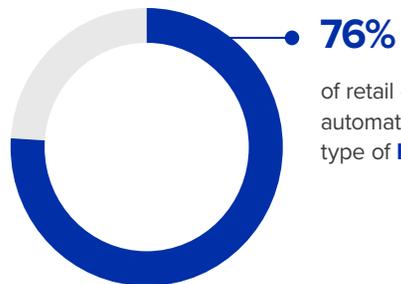
Relieves shopper and employee communication issues



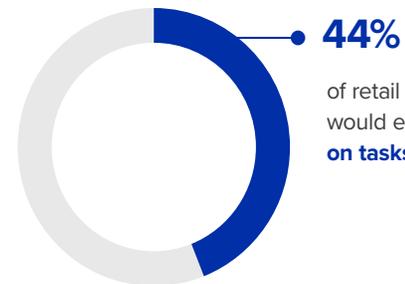
of workers agree that automated interaction would **direct customers to the right person or department.**



of workers agree that automated interaction would **save the company time.**



of retail employees feel that automation would have some type of **POSITIVE impact on their job.**



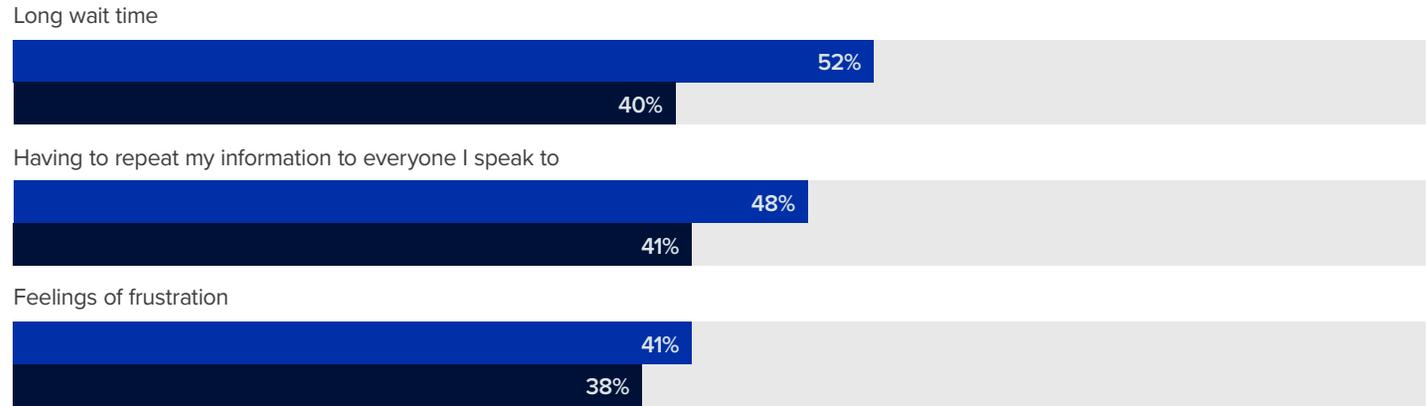
of retail employees feel automation would enable them to **focus on tasks they enjoy more.**

**Shoppers at their limit:**

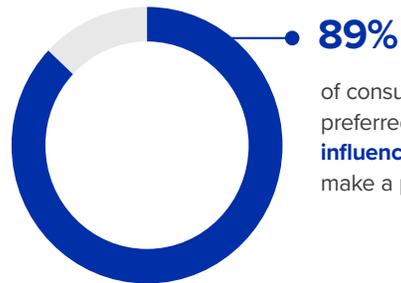
Communication issues drive shopper frustration.

Top issues faced by shoppers when communicating with retailers

- Shopper perspective
- Worker perspective



**Communication channel choice is influencing buying behavior**

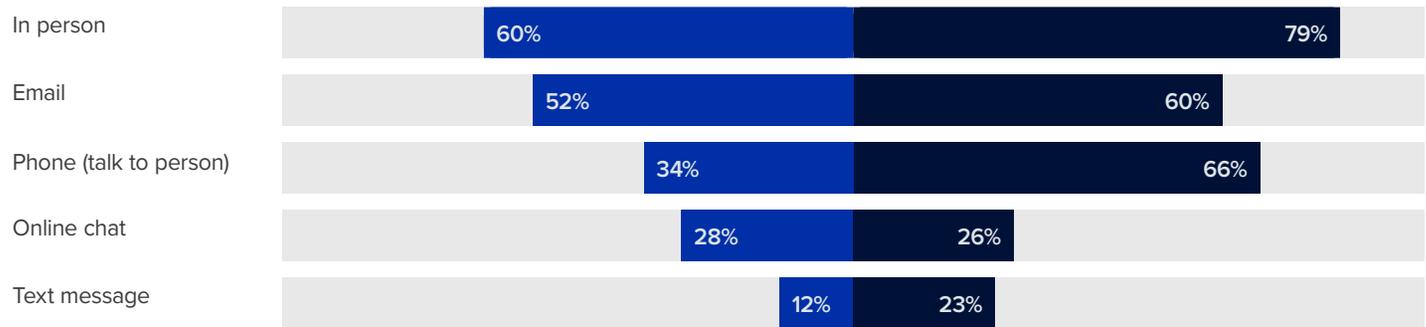


**Direct communication rules, for now:**

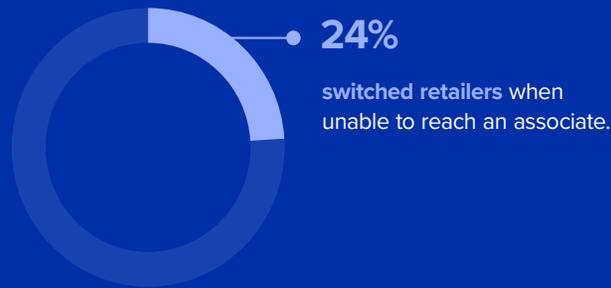
In-person/phone lead with digital on the upswing.

Preferred methods of communication

- Shopper perspective
- Worker perspective

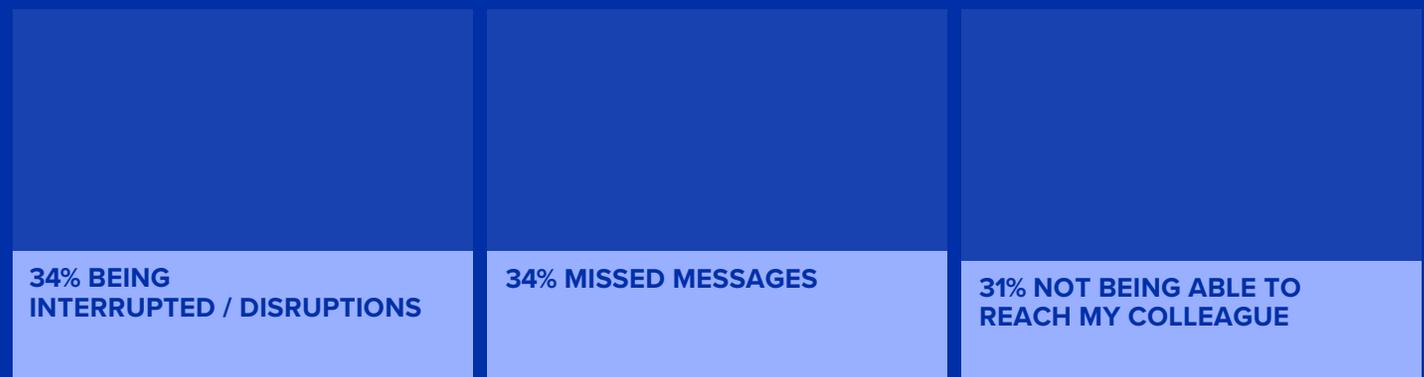


**When communication frays, retailers pay:**  
Shoppers will not tolerate poor communications



**Communication chaos inhibits productivity:**  
Four in five workers experience communication issues

### TOP ISSUES WITH COLLEAGUE COMMUNICATIONS



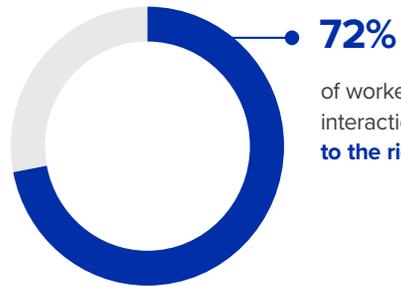
## Worker communication mimics shopper behavior

Preferred communication methods with colleagues

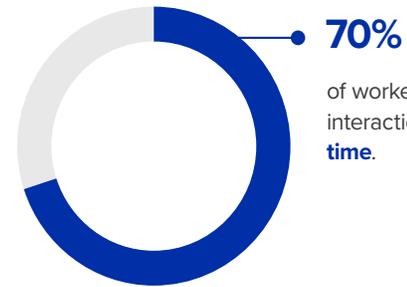


## Automation saves time, improves experience:

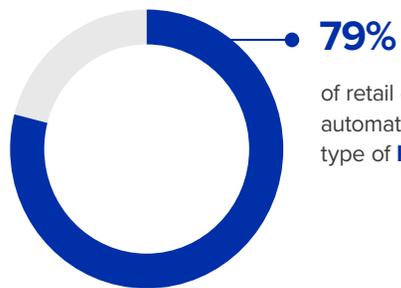
Relieves shopper and employee communication issues



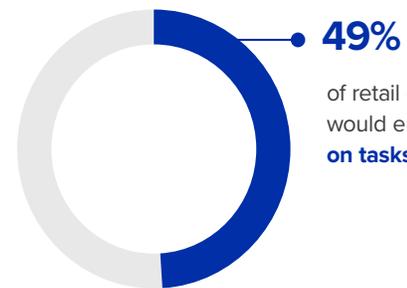
of workers agree that automated interaction would **direct customers to the right person or department.**



of workers agree that automated interaction would **save the company time.**



of retail employees feel that automation would have some type of **POSITIVE impact on their job.**



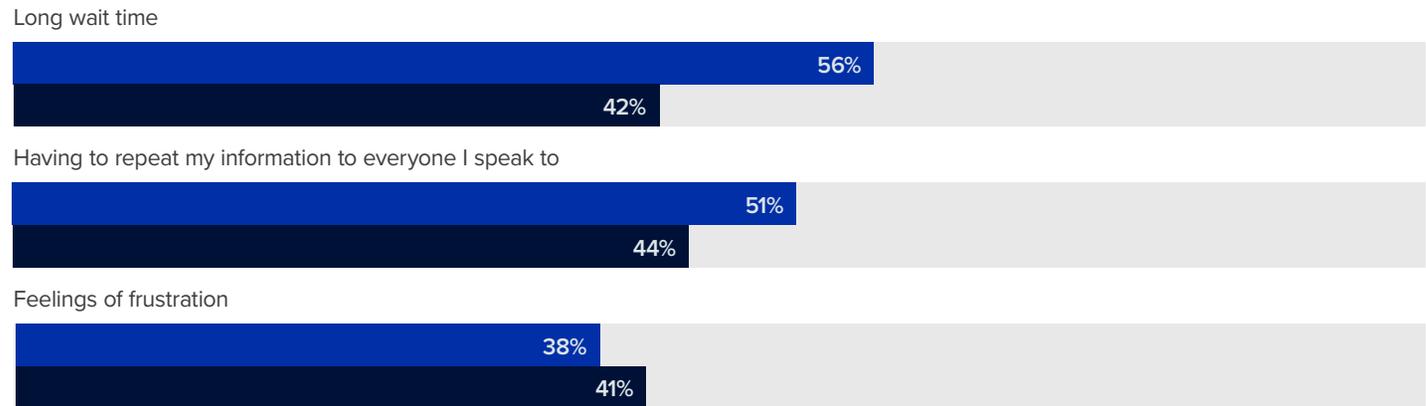
of retail employees feel automation would enable them to **focus on tasks they enjoy more.**

**Shoppers at their limit:**

Communication issues drive shopper frustration.

Top issues faced by shoppers when communicating with retailers

- Shopper perspective
- Worker perspective



**Communication channel choice is influencing buying behavior**

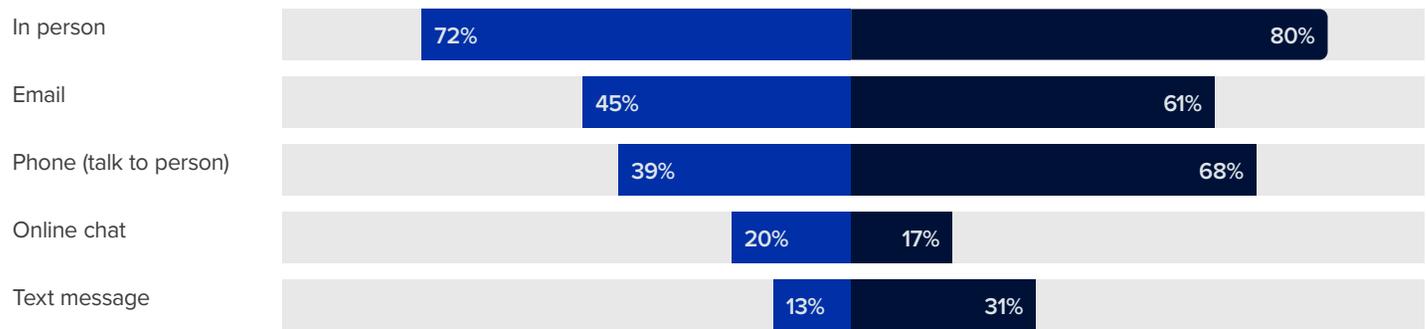


**Direct communication rules, for now:**

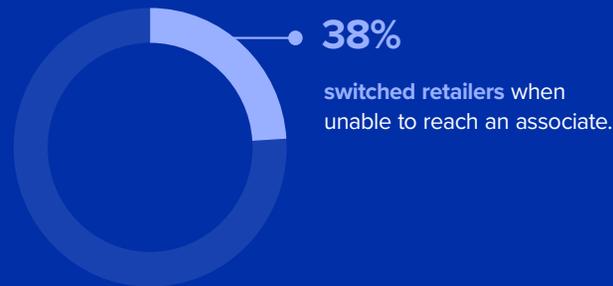
In-person/phone lead with digital on the upswing.

Preferred methods of communication

- Shopper perspective
- Worker perspective



**When communication frays, retailers pay:**  
Shoppers will not tolerate poor communications



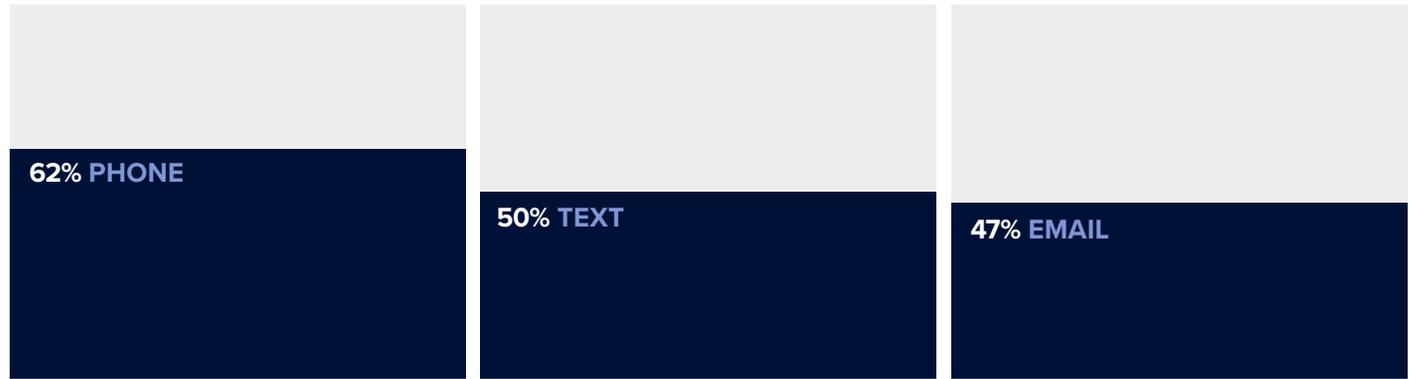
**Communication chaos inhibits productivity:**  
Four in five workers experience communication issues

### TOP ISSUES WITH COLLEAGUE COMMUNICATIONS



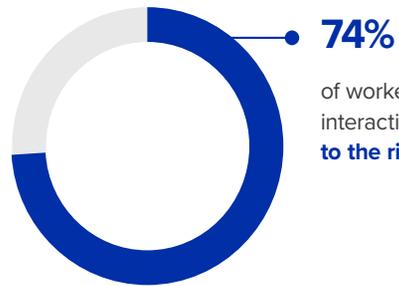
## Worker communication mimics shopper behavior

Preferred communication methods with colleagues

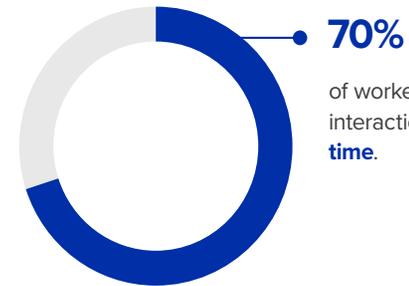


## Automation saves time, improves experience:

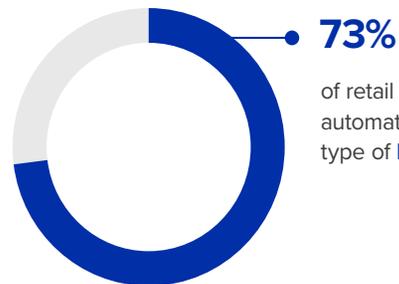
Relieves shopper and employee communication issues



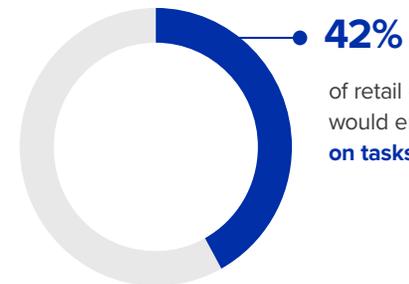
of workers agree that automated interaction would **direct customers to the right person or department.**



of workers agree that automated interaction would **save the company time.**



of retail employees feel that automation would have some type of **POSITIVE impact on their job.**



of retail employees feel automation would enable them to **focus on tasks they enjoy more.**

# ABOUT RINGCENTRAL

RingCentral, Inc. (NYSE: RNG) is a leading provider of cloud Message Video Phone (MVP), customer engagement and contact center solutions for businesses worldwide. More flexible and cost-effective than legacy on-premise PBX and video conferencing systems that it replaces, RingCentral empowers modern mobile and distributed workforces to

communicate, collaborate, and connect via any mode, any device, and any location. RingCentral's open platform integrates with leading third-party business applications and enables customers to easily customize business workflows. RingCentral is headquartered in Belmont, California, and has offices around the world.

Visit [ringcentral.com](https://ringcentral.com).