



2019 Golden Quarter Consumer Survey:

Building Retail Loyalty
and Connections in the
Golden Quarter

aptos®

Introduction

While the shifts in consumer purchase journeys have been seismic in the past decade, the fundamentals of retail have largely remained the same. Retailers are still required to get the basics right: **right product, right place, right price, right time.**

But on top of these basic fundamentals, there is an increasing focus on the overall customer experience—taking into account how a retailer’s brand, products, staff, store and service make consumers feel.

At no time are the escalating demands on retailers more evident than during the Golden Quarter. The critical three-month period that includes Black Friday, Cyber Monday, Christmas and post-Christmas/Boxing Day sales is make or break for many retailers.

For retailers that get it right, you’ll hear the sweet music of cash tills ringing all the way to January.

Get it wrong and shoppers have the choice to go elsewhere—to choose other retailers, other products and other experiences. And the risk, of course, is not limited to just the Golden Quarter. The experiences that consumers have with retailers during the festive season will shape whether they stay or stray in the year ahead.





Increased Competition

There is no doubt that the competition for consumer time, attention and spend is higher than ever. Consumer behaviors have fundamentally changed, with disposable income and time spent shopping decreasing whilst at the same time consumers are spending more time on social media.

Technology refuses to sit still. Just as one wave of innovation comes in, the next is already on the horizon, whether it be augmented reality, progressive web apps, smart speakers or chatbots.

But behind all this lie the fundamental principles of retail.

If you provide the right product at the right price, treat customers as individuals, and provide them with a fun and fulfilling experience, they are more apt to remain loyal.





The key is to understand your shoppers' expectations and avoid the missteps that can create a gulf of disappointment between you and your customers. Common failures such as not providing a full omnichannel experience where the customer can seamlessly browse and buy online and in-store—just one example of such misalignment—**can result in customers shopping elsewhere.**

To better understand shoppers' expectations, specifically in the Golden Quarter, Aptos surveyed **4,000 consumers** in the United Kingdom and the United States to identify what would cause them to stay or stray. This is Aptos' second annual survey that seeks to identify consumer trends and expectations during the festive season.



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Shoppers Speak Their Minds on Out-of-Stocks, Messy Stores and Sales Assistants

Trends and fashions change quickly. This means speed to market is essential. Our research shows that retailers that are slow to market with new, on-trend merchandise **risk losing up to 83% of shoppers** (UK: 82%; US: 83%).

Beyond trends, shoppers are quick to abandon a favorite retailer if the store doesn't have the item they want. So if retailers run out of stock during

the Golden Quarter, **50% of shoppers** (UK: 52%; US: 47%) **will start looking elsewhere.**

Messy or overcrowded shops are a turnoff too. More than **four in 10 shoppers (42%)** will leave a messy store, a figure that increases with the age of the customer. A similar number of shoppers, **39%, would head elsewhere if they find a store is too crowded** (UK: 41%; US: 36%).



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Sales assistants play a vital role in ensuring customer satisfaction during the Golden Quarter.

Associates are the “value-add” between the brick-and-mortar and online channels and are essential in offering shoppers a more personalized experience that enhances loyalty.

Conversely, the risk of losing shopper loyalty is a real concern when sales assistants fail to engage or underwhelm. **More than half of the consumers we surveyed indicated that they would visit another retailer if they felt a sales assistant was unhelpful or unavailable** (UK: 52%; US: 49%).

It’s vital that retailers enable sales assistants to do their job effectively by providing them with the right training, motivation, customer insights and technology.



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EXIT





Sales Assistants Save the Sale!

When an item is out of stock in-store, the sales assistant has a critical role to play to ensure the sale is not lost and the customer leaves the store satisfied.



If an item is not immediately available in-store, most customers will look to the sales assistant for an alternative fulfillment option (**79% overall**: UK: 77%; US: 80%).



When turning to the associate for help, most consumers will request that the item be ordered and delivered to their home (**37% overall**: with similar figures in UK and US).



Additionally, many customers expect the sales assistant to find the closest store with the item available (**26% overall**: UK: 23%; US: 29%).



And almost a fifth of shoppers (**17% overall**: UK: 18%; US: 15%) want the associate to order the item and have it arrive in-store for future collection.

In-Store Shopping Is Still No. 1, In-Store Fulfillment Is on the Rise

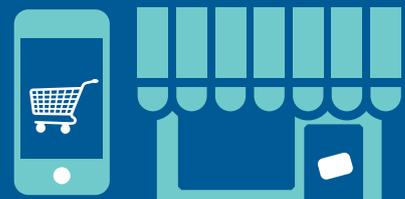
Today, customers want to shop in a way that is best suited to their lifestyles. They expect an omnichannel approach that creates an integrated and cohesive experience no matter where, when or how they engage with a brand.

The great news for brick-and-mortar retailers is that **customers overwhelmingly still prefer to shop in-store**. Beyond just the Golden Quarter, shoppers indicate that nearly three-fifths of their purchases (**58% overall**: UK: 57%; US: 58%) are made in physical stores.



The reasons are not that surprising. Shoppers tell us they prefer to **touch, feel and try on goods before they buy (71% overall**: UK: 72%; US: 70%). They also cite the benefit of receiving goods instantly (**59%** in both the UK and US) and the opportunity to discover new items (**42% overall**: UK: 41%; US: 43%).

Another key driver of in-store traffic is **buy online, pick up in store (BOPIS)/click-and-collect**. The ability to select and pay for goods online prior to retrieving them in-store is increasingly popular. It offers a convenience shoppers appreciate.



Generally, more than two in five shoppers (**UK: 41%; US: 47%**) choose this fulfillment option throughout the year. **This number rises in both the UK and US during the festive season**, particularly in the US, with approximately half of consumers (**UK: 43%; US: 53%**) indicating they would utilize BOPIS/click-and-collect.



What Compels Shoppers In-Store During the Golden Quarter?



In-store offers topped the list of what encourages shoppers in-store. UK consumers were more likely to be drawn in by special offers compared with their US counterparts (**UK: 84%; US: 80%**).



Pop-up shops ranked second for increasing customers' in-store interest (**60% overall**: UK: 61%; US: 58%). For pop-ups to be successful, stores need to ensure they have the right assortments and technology in place to support them.



Personalized services also ranked highly. Personal shopping and gift suggestions were particularly popular in the US, where **40%** of respondents said it would attract them in-store compared with **25%** of UK respondents.



Tech experiences, such as virtual reality, ranked fairly low on customers' wish lists for in-store experiences (**23% overall**: UK: 21%; US: 24%).

Golden Quarter Survey Reveals 5 P's of Satisfying CX

As retailers start planning their 2020 strategies, they need to better understand—and mitigate—what causes shoppers to stray. Based on our 2019 Golden Quarter Consumer Survey, we can suggest that retailers focus their efforts on optimizing the 5 P's—price, presentation, promotions, promptness and personalization.

1 Price

While trying to win shoppers purely based on price is a surefire race to the bottom, it's no surprise that price is still a deciding factor for many consumers. Nearly two-thirds of shoppers (63%) would abandon their purchase if they could find an item cheaper elsewhere (UK: 66%; US: 60%).



63% of shoppers will leave a store for a better price

2 Presentation

A tidy store is a happy store. A messy store, on the other hand, will drive customers away. More than two in five survey respondents (UK: 40%; US: 44%) said they would shop elsewhere when presented with a disorderly store.



42% of shoppers will leave a messy store

3 Promotions

Keep it relevant, keep it local. In-store offers are hugely popular, particularly in the Golden Quarter, with **82%** of survey respondents saying it encourages them into the physical store. Assortments and promotions need to take into account the nuances of each customer segment, market, channel and location. It means you have to get your marketing, merchandising and stock levels just right.

4 Promptness

Flexible and fast fulfillment is imperative. Near-instant gratification is retail table stakes. Shoppers expect omnichannel fulfillment options such as BOPIS/click-and-collect.

5 Personalization

Store assistants are one of a retailer's biggest investments and potential differentiators. While personalization has long been associated with e-commerce, retailers can empower their associates to deliver personalized experiences in-store. With the right training and technology, sales assistants can offer the individualized service that omnichannel shoppers now expect.



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Golden Quarter Consumer Survey: A Blueprint for Retailers' 2020 Investments

Ultimately, with the abundance of brands and shopping channels, today's consumers have the option to shop around and, as a result, can be unpredictable in their choices. Any number of factors may cause them to stray—from failing to stock the latest trends to the lack of omnichannel capabilities. Retailers need to be on their toes when it comes to understanding their customers and creating an unbeatable customer experience.





As highlighted by Aptos' 2019 Golden Quarter Consumer Survey, retailers cannot ignore the basics.

Our survey respondents reinforced the importance of best-in-class customer engagement (personalization and a positive shopping environment), merchandise management (making sure the right product is in stock, at the right location, at the right price) and omnichannel strategies (empowering customers to purchase and receive products at a time and location that best suits their lifestyle).

Although e-commerce continues to gain in popularity, it will never replace the experiential value and tactile immediacy of stores. The Golden Quarter, in particular, presents a potential surge in footfall and unlimited opportunity to win customer loyalty and build meaningful connections that will benefit retailers in the years ahead.

If retailers consistently excel in their customer engagement, merchandising and omnichannel strategies, they can secure customer loyalty in the Golden Quarter—and for a lifetime.

Research Methodology

This independent research was performed on Aptos' behalf by global market research firm 3GEM, which surveyed **4,000 consumers (2,000 in the UK and 2,000 in the US)** in October 2019.





About

Aptos: Engaging Customers Differently

Aptos is the largest provider of enterprise software focused exclusively on retail. Our cloud-based Singular Retail™ solutions are trusted by over 1,000 retail brands in over 65 countries. With industry-leading omni-channel commerce and merchandise lifecycle management solutions, we help retailers develop dynamic and responsive assortments, streamline operations and deliver integrated, seamless experiences...wherever shoppers choose to engage. More than 1,300 colleagues share our collective passion for engaging customers differently, and we are committed to developing relationships built on trust and tangible value by partnering with our clients to create agile retail enterprises that are built to thrive in an era of constant change. Learn more: www.aptos.com.

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