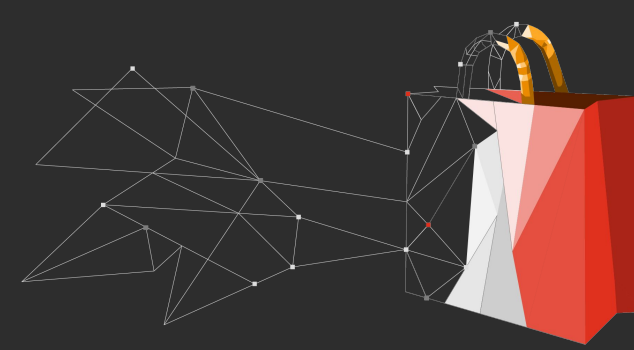




Retail in a 1.5-meter society: Reach more customers by switching channels



The COVID-19 situation has deeply affected consumer behavior and spending patterns. Consumer confidence – before the crisis – was high, leading to positive expectations on consumer spending power and behavioral patterns. While an omni-channel approach enabled customers to determine how they interact with retail suppliers – no sudden significant changes in channel usage were seen – now, however, adequate adjustments in channel strategy are needed to reach more customers and to keep building trust and loyalty.

Key trends impacting channel interaction

The Starting Point: Before COVID-19

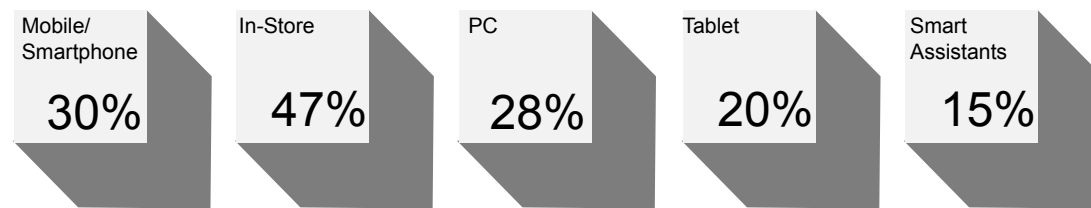


Figure 1: 2019 GCIS Survey. Question: How often do you buy products using the following shopping channels

In our 2020 PwC Global Consumer Insights Survey, we compared the shopping behavior of global consumers, both before and after the outbreak of the COVID-19 pandemic. The data reveal that compared to the previous years, the various online channels keep showing an upward trend.

Staying relevant

In a volatile market, acquiring and retaining customer attention remains crucial to success; creating trust, offering convenience and relevant interaction are seen as essential building blocks for a relevant customer experience.

Many successful companies in this domain have adopted a customer centric approach, leveraging different tactics such as:

- omni-channel integrations; to drive *personalized journeys*
- eCommerce portals with unique service propositions for *creating trust*
- leveraging social media and influencers to *raise awareness*
- utilizing partner ecosystems; *to expand customer reach*.

The Tipping Point: After COVID-19

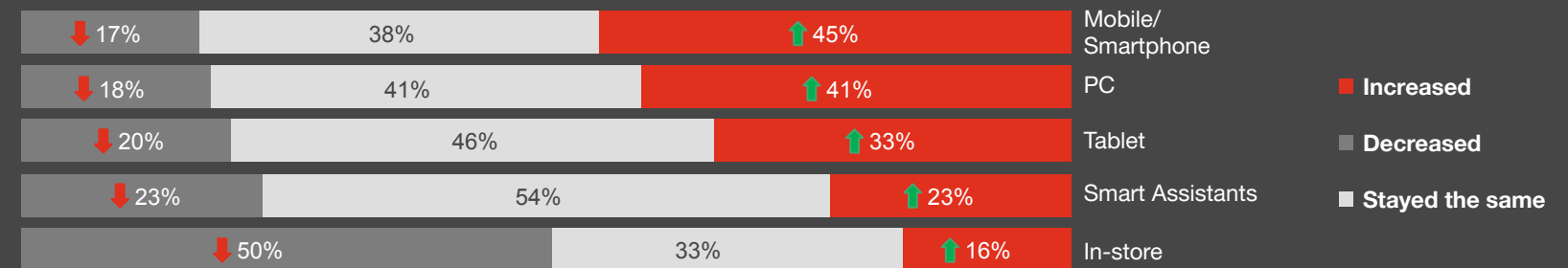


Figure 2: Expected changes to channel usage in retail (after COVID-19)

With the COVID-19 virus outbreak, the playing field has changed significantly. Brick & Mortar stores were the most important channel for shopping. Now, due to the pandemic, the role of Brick & Mortar stores in purchasing journeys has become a limited one.

From our after COVID-19 research results we see that our respondents indicate that they expect their online purchasing behavior via mobile phone to not only increase, but to significantly accelerate. Purchases done via computer or tablet show a similar expected growth (see figure 2).

Get ready for the new normal

It is expected that these changes will remain after COVID-19, requiring companies to adjust their channel strategy. Social media, messaging and chat-apps will play a greater role. Everything related to online experience and eCommerce will become increasingly important, offering a wide range of opportunities to differentiate in compelling ways.



What immediate actions can you take?

The pandemic has given way to five distinct customer archetypes that each face their own challenges related to COVID-19. Consequently each have different buying priorities. Understanding how the pandemic is shifting where, when and how consumers want to interact with your brand is crucial in adjusting your channel strategy. *More information on the archetypes is available in our article [“Adapting to changing consumer behavior”](#).*

Legend: Customer Archetypes (COVID-19 Era)



Customer Journey	Discover	Shop	Purchase	Use
Organizational Journey	Promote	Assist	Fulfil	Support
<p>The organizational journey is a translation of your customers' needs into retailer actions</p>	<p>Mobile is now more important than ever. Ensure that your digital footprint is optimized for mobile as this impacts your page's search ranking and visibility for new customers.</p> <p>Make it accessible for all. Identify how to engage with and enable those who are less digitally literate.</p> <p>Find new marketplaces. Establish partnerships to leverage other retailers' sites in order to reach new customers.</p>	<p>Keep it real. Consumers are looking for brands that align with their moral and social beliefs. Leverage your social media channels to deliver authentic and engaging content about what your brand represents.</p> <p>Integrate your online presence. The integration of your digital and physical channels is no longer optional. Customers expect a continuous experience regardless of channel, with bonus points if its personalized.</p>	<p>Websites are the new storefront. You need to evaluate which technologies will help you deliver the in-store experience online. For example, in-store assistance could be replaced with live chat.</p> <p>Build trust online. Trust is a key ingredient in online conversion. Displaying testimonials or reputable partnerships can go a long way to build customer confidence in the digital world.</p>	<p>Refocus customer care. With customers expecting their digital needs to be met quickly, you need to ensure that you have the tools and capacity to respond in a timely and personalized manner. Consider expanding your self-service offering to meet increasing demand.</p> <p>Reinvent yourself. Ask yourself; are there opportunities for me to use my existing channels for more? Recommerce, for example, is gaining traction in the fashion space.</p>

This article is part of the series 'Retail in a 1.5-meter society: Uncover opportunities in crisis'.

Get in touch with the authors of this article

Our broader Consumer Markets team is here to help as well

Looking to (re)evaluate your strategy? We can help.



Nina Kramer
Digital Marketing Expert
nina.k.kramer@pwc.com



Johan Knijtijzer
Digital Marketing Lead
johan.knijtijzer@pwc.com



Jennifer Nelen
IT innovation & Digital
jennifer.nelen@pwc.com



Milo Hartendorf
Industry Leader
milo.hartendorf@pwc.com



Peter Hoijtink
Consulting Partner
peter.hoijtink@pwc.com



Peter van Kampen
Retail Operations & Finance
peter.van.kampen@pwc.com



Future of Retail Game
Scenario-based gaming experience to simulate responses to COVID-19 -related challenges.



Retail future readiness scan
Capability assessment to evaluate your maturity within the retail value chain.