

Aligning Value With Key Capabilities To Drive Retail Success

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Executive Summary

Retailers have a disconnect with their consumers — there are significant gaps between the experiences retailers are delivering and customer expectations.

- › Thirty-eight percent of shoppers believe retailers are learning about their personal behaviors/preferences but infrequently use them to create personalized experiences.
- › Customers are predominantly shopping across channels, yet only 31% reported having consistently positive experiences.
- › On average, only 35% of shoppers actually use the various services that retailers provide.

These are just a few of the findings that highlight the significant gaps between retailers and shoppers. Retailers are collecting data, making investments, and introducing new services, but the demanding shoppers of today aren't seeing the benefits or value from these efforts. Customers are more empowered today than ever before thanks to digital technology, and their expectations have skyrocketed. Forrester defines this shift as the age of the customer, and this shift requires companies to play by new rules of engagement and work exponentially harder than before to win, serve, and retain customers. Retailers have responded to this change by making efforts to align their services and offerings to better meet shoppers' needs. However, the alignment of what shoppers want with what retailers are providing is not quite on track.

In June 2016, Cognizant commissioned Forrester Consulting to partner with it to test three key hypotheses related to retail shopping experiences: 1) There is a misalignment to what services retailers provide compared with what customers value and want from retailers; 2) retailers believe that they are close to optimizing omnichannel, but according to customers, the journey has just begun; and 3) customers want rich, relevant shopping experiences but feel they are not receiving them.

To test these hypotheses, Forrester conducted 4,500 online surveys of smartphone-owning shoppers along with online focus groups (i.e., discussion panels) with 100 shoppers.

KEY FINDINGS

Forrester's study yielded five key findings:

- › **Retailers are missing the mark with value-added services, but shoppers are willing to help.** Disconnects exist between the services retailers offer and the services shoppers are eager and willing to use. However, the study also revealed that shoppers are willing to provide relevant information about themselves, with the expectation that retailers continue to provide improved shopping experiences as a result.
- › **Traditional value-added services are failing to inspire today's digitally savvy shoppers.** Technology has changed the way in which shoppers expect to engage with retailers. As a result, traditional value-added services have suffered because shoppers' expectations have increased significantly to a level where greater simplicity, convenience, and faster service are fundamental in winning shoppers' attention.
- › **Shoppers are finding value with omnichannel, but retailers struggle with providing consistent cross-channel experiences.** Omnichannel services afford shoppers the best of online and in-store purchasing by providing the convenience and prices of online coupled with the immediate fulfillment and service of in store. However, negative and inconsistent parts of the customer journey with these services — such as poor in-store experiences — can reduce customer satisfaction, deterring future use of those services.
- › **Knowing and understanding the customer is key, but strategies for collecting and using customer data determine success.** In order to get customers what they want, where and when they need it, retailers must truly know and understand their customers. On the flipside, most shoppers understand that in order to receive the personalized experiences they want, they have to give a little and share their personal information. However, shoppers are often guarded with their information and desire greater transparency from retailers in understanding how their information will be used. This requires retailers to have a clear strategy for how customer data will be used so that they can clearly communicate to customers how sharing their data will be beneficial to their shopping experiences.
- › **Retailers must win customer loyalty during every customer engagement.** Shoppers consider each brand engagement to be a moment of truth, and as such, retailers must provide ongoing and consistently positive shopping experiences that will keep customers coming back time and time again.

Retailers Struggle To Show Added Value Through Services

Retailers continuously strive to provide new and useful services to shoppers to help augment their experiences both in store and online. These value-added services can take many forms, such as enabling more interactive shopping experiences; offering flexible checkout services, such as self-service or mobile phone payments; and providing greater in-store support. While 81% of shoppers believe value-added services would make them more likely to purchase from a retailer, over two-thirds of shoppers also said they don't need every shopping endeavor to include value-added services. Sometimes shoppers just want to make a simple, well-executed, traditional brick-and-mortar store purchase.

We asked shoppers which retailer services they have used, and found that nearly all services were used by less than 50% of shoppers. Even more telling is that only 26% of shoppers, on average, intended to use those services again

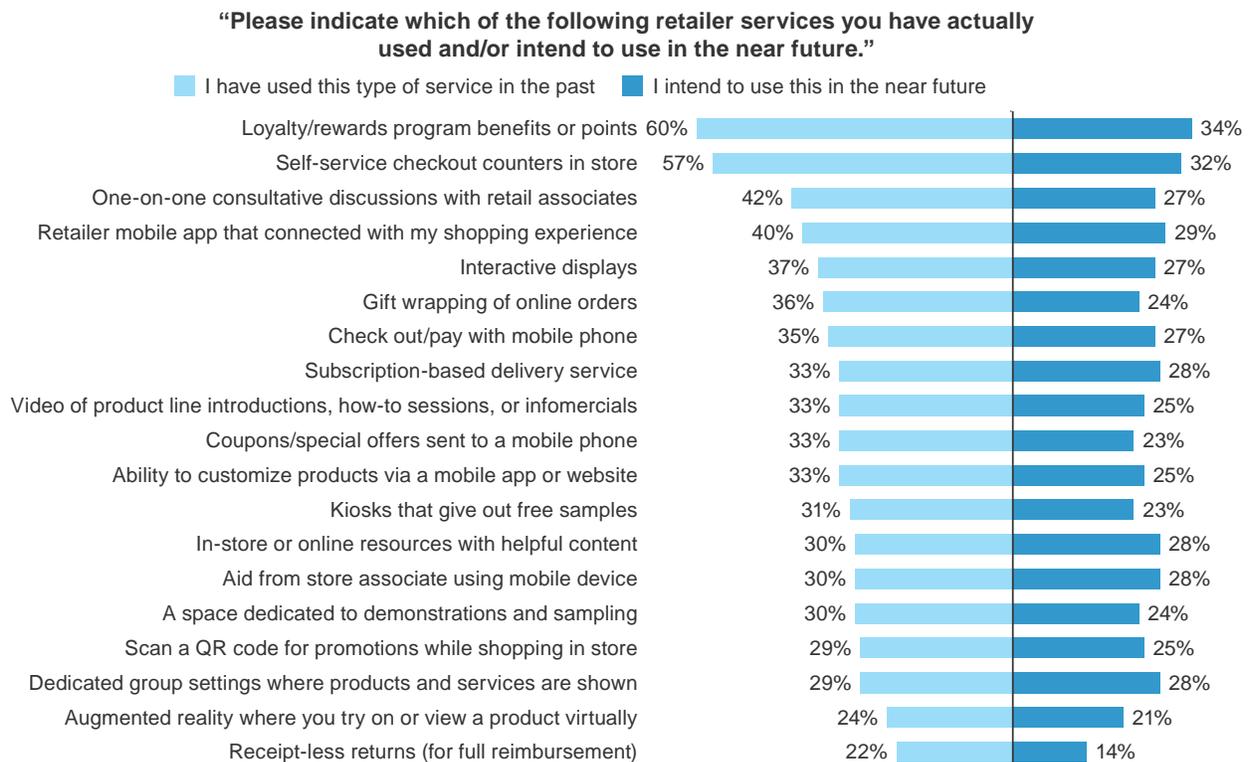
in the near future (see Figure 1). The only two services that more than 50% of shoppers have used are loyalty/rewards programs and self-service checkout counters in stores. Both of these also had the highest intended reuse at 34% and 32%, respectively. Low adoption for value-added services may make prioritizing investments difficult for retailers, as they need to serve customers across all types of shopping journeys.

CHALLENGES

Because shoppers indicated that retailer services could potentially have a positive impact on them, it is surprising to find a low rate of customer adoption for most of these services. This raises the question of why shoppers are not currently utilizing these services more. Retailers are certainly putting significant effort into providing these services — such as interactive in-store displays and checkout/payments with mobile phones — for shoppers, but somewhere along the line there is a disconnect happening.

FIGURE 1

Actual Use And Intended Reuse Of Retailer Services Are Below 50% For Nearly All Services



Base: 4,500 shoppers age 18+ who own a smartphone (global)

Source: A commissioned study conducted by Forrester Consulting on behalf of Cognizant, July 2016

From our survey, shoppers highlighted three key factors that deter greater use of value-added retail services:

- › **Additional services add cost.** Shoppers are very conscientious when it comes to cost. Shoppers may see value in added retailer services, but they are not willing to pay a premium to receive them. When we asked shoppers if they would prefer value-added services over the lowest price, less than a quarter of them said they would prefer that.
- › **Additional services require sharing personal information.** Shoppers prefer not to share more about themselves than they need to. The more information a value-added service requires from shoppers, the less shoppers find value in it, due to the extra hassle it creates.
- › **In-store technology doesn't work properly.** A value-added service enabled by technology that isn't working properly becomes more of a purchase inhibitor and a prolonged negative experience than an added service. Our survey found that for nearly one in four shoppers, the in-store technology associated with value-added service does not work properly.

These challenges highlight the fact that shoppers are looking for services that simplify, rather than complicate, their shopping experience. When we asked shoppers how they make decisions between different retailers to shop with, 74% of shoppers said they are more influenced by factors that create convenience, ease, and availability of options to shop how and where they want, compared with the 26% who are primarily motivated by price.

For nearly one in four shoppers, the in-store technology associated with value-added services does not work properly.

Seventy-four percent of shoppers are more influenced by factors that create convenience, ease, and availability of options to shop how and where they want, compared with the 26% who are primarily motivated by price.

Retailers Have More Opportunities To Offer Value Through Omnichannel Services

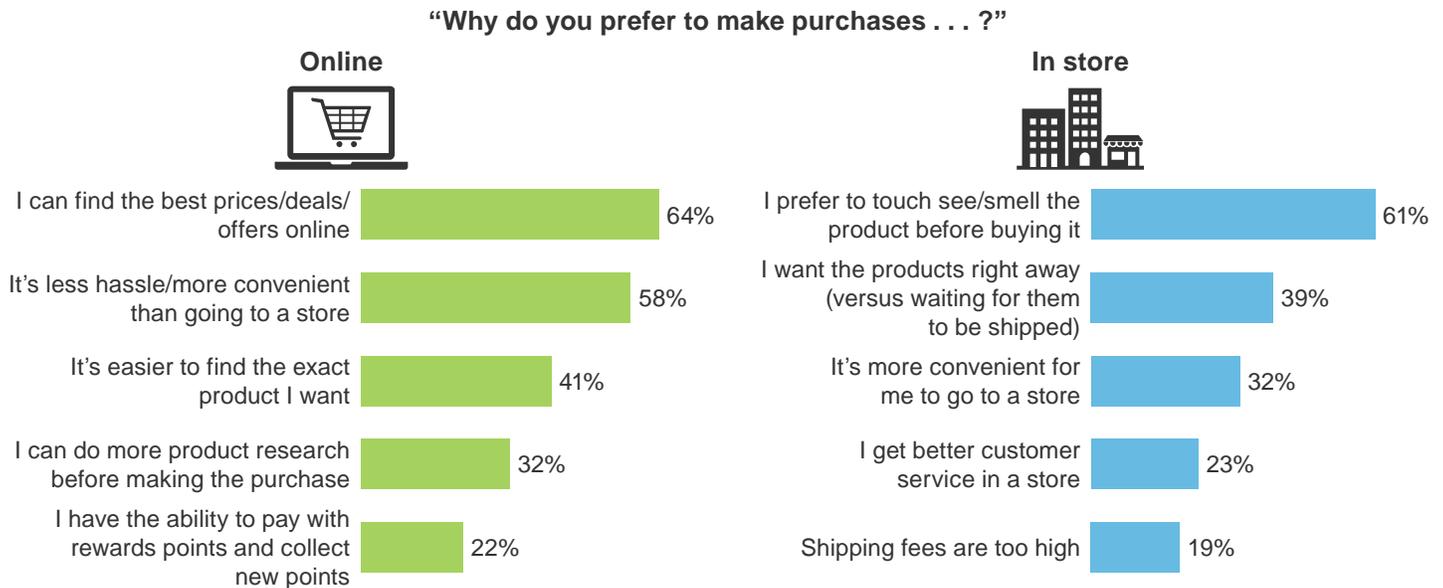
Shoppers seek out retail experiences that are easy, effective, enjoyable, and serve a particular need or motive. From our online focus group discussions, we learned that some of the most important retail innovations are the simplest. These include online shopping, a simple return process, and the ability to order items in store and have them delivered to one's home or to the store.

Shoppers are looking for shopping experiences that are easy, effective, and enjoyable, but their rationale differs for shopping online versus in stores (see Figure 2). Retailers must recognize that each shopper is likely engaging with them within each channel for different reasons:

- › **Online shoppers are looking for the best price and convenience.** The survey found that shoppers consider the online channel to be attractive because they believe they can find the best price online. It also provides them more information for research and the ability to find exactly the products they want. Online accessibility is so valuable that even when shopping in a store, 37% of shoppers will use their mobile phone to go online to check prices or look up product information.
- › **In-store shoppers prefer to physically interact and see the product, and they like the immediacy of same-day fulfillment.** For certain shoppers, the need to touch and experience the product is still valued. Said one middle-aged male: "I like to shop in store to evaluate the quality of products I am looking to buy, especially with clothing and shoes. This allows me to judge quality, ensure fit, etc." Shopping in store also allows shoppers to order or pick up items in a store, or ship orders from a store, both of which are valuable innovations because they provide convenience and can seamlessly connect with online services.

FIGURE 2

Shoppers See Distinct Advantages To Shopping Online And In Store



Base: 4,500 shoppers age 18+ who own a smartphone (global)

Source: A commissioned study conducted by Forrester Consulting on behalf of Cognizant, July 2016

With the distinct benefits that online and in-store shopping can provide, it is clear why many retailers sell across multiple channels in order to provide shoppers more options and allow more avenues to capture sales. However, regardless of whether in store or online, retailers risk frustrating shoppers when they fail to consistently execute on providing a positive customer experience.

“I think online shopping has been the most important innovation to me because it is so convenient.”

— Female, age 45-54

THE VALUE OF OMNICHANNEL

Despite most shoppers ultimately choosing to purchase within a store, stores alone are not providing enough value to satisfy every shopper's needs. For example, shoppers are not seeing high value in store associates, as 51% of shoppers don't agree that the store associates they interact with are reasonably knowledgeable about the retailer's products. As a result, only 31% of shoppers depend on

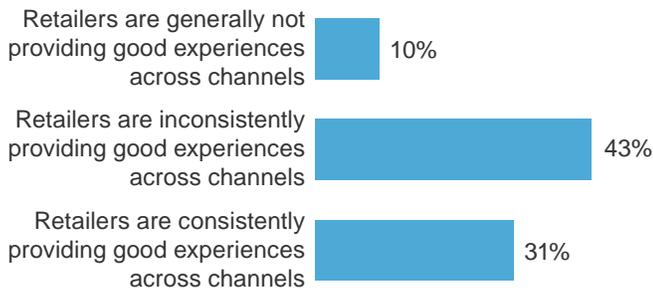
store associates to find the right product to purchase. Indeed, many shoppers prefer to stick with online and self-help options for researching and finding the products they need. In fact, 76% of shoppers prefer to conduct research online prior to making a purchase (online or in a store), and 77% seek out information from as many sources as possible prior to making a purchase. These preferences underscore the need for retailers to reevaluate their store strategy in an omnichannel world, to deliver on the preferences of both online and in-store shoppers as they shop and engage across channels.

Shoppers depend on omnichannel services to meet their needs as part of their overall shopping experience. We found that 67% of today's shoppers, on average, have utilized at least one omnichannel fulfillment option, which could include, but is not limited to: buy in store/ship to home; buy online/ship to store; buy online/pick up and pay in store; and buy online/return to store. However, we also found that only 31% of shoppers are seeing consistently positive omnichannel experiences when making a purchase via multiple channels (see Figure 3).

Today's shoppers already have high expectations for omnichannel fulfillment, and retailers must meet those expectations or risk creating negative customer

FIGURE 3
Retailers Struggle To Provide Consistent Experiences Across Channels

“In your experience, how well do you feel retailers are able to provide a consistently good shopping experience when shopping across channels?”



Base: 4,500 shoppers age 18+ who own a smartphone (global)
(not all responses shown)

Source: A commissioned study conducted by Forrester Consulting on behalf of Cognizant, July 2016

experiences. In effect, you're not being compared with your last service opportunity but with the best in class. Particular areas where shoppers see the most challenges with omnichannel include: shipping takes too long (31%); inventory is not listed properly (23%); and operational

issues, such as pickup lines are too long or service fees are high (21%).

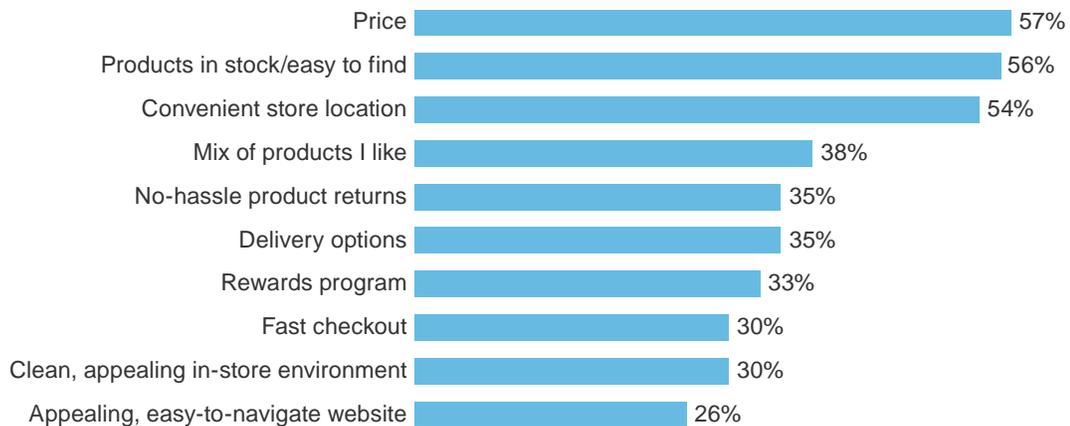
We asked shoppers to indicate what the top factors were that made them purchase from one retailer over another. Not surprisingly, the top response was price, but it was closely followed by having products easy to find and in stock and convenient store locations (see Figure 4). These top factors, along with the understanding that shoppers prefer self-service options, highlight the importance of an omnichannel strategy focused on optimizing digital experiences and bringing digital technologies into stores to help shoppers find products they need and order what they want on the spot. Ultimately, it comes down to retailers' ability to provide shoppers what they want, when they want it, how they want it, and at the right price.

Leverage Consumer Data To Create Personalized Experiences

Being able to answer the what, when, and how shoppers like to shop requires retailers to understand their shoppers more personally. Most retailers already collect some amount of shopper data to support personalization, but despite having this data collected, only 38% of shoppers surveyed believe retailers are using it frequently to create personalized shopping experiences. And even though they say personalized experiences influence their decision to

FIGURE 4
Price Just Barely Claims Top Motivator For Choosing A Retailer

“Thinking about the retailers you prefer to shop with, what are the top factors that drive your decision to purchase from those retailers instead of others?”

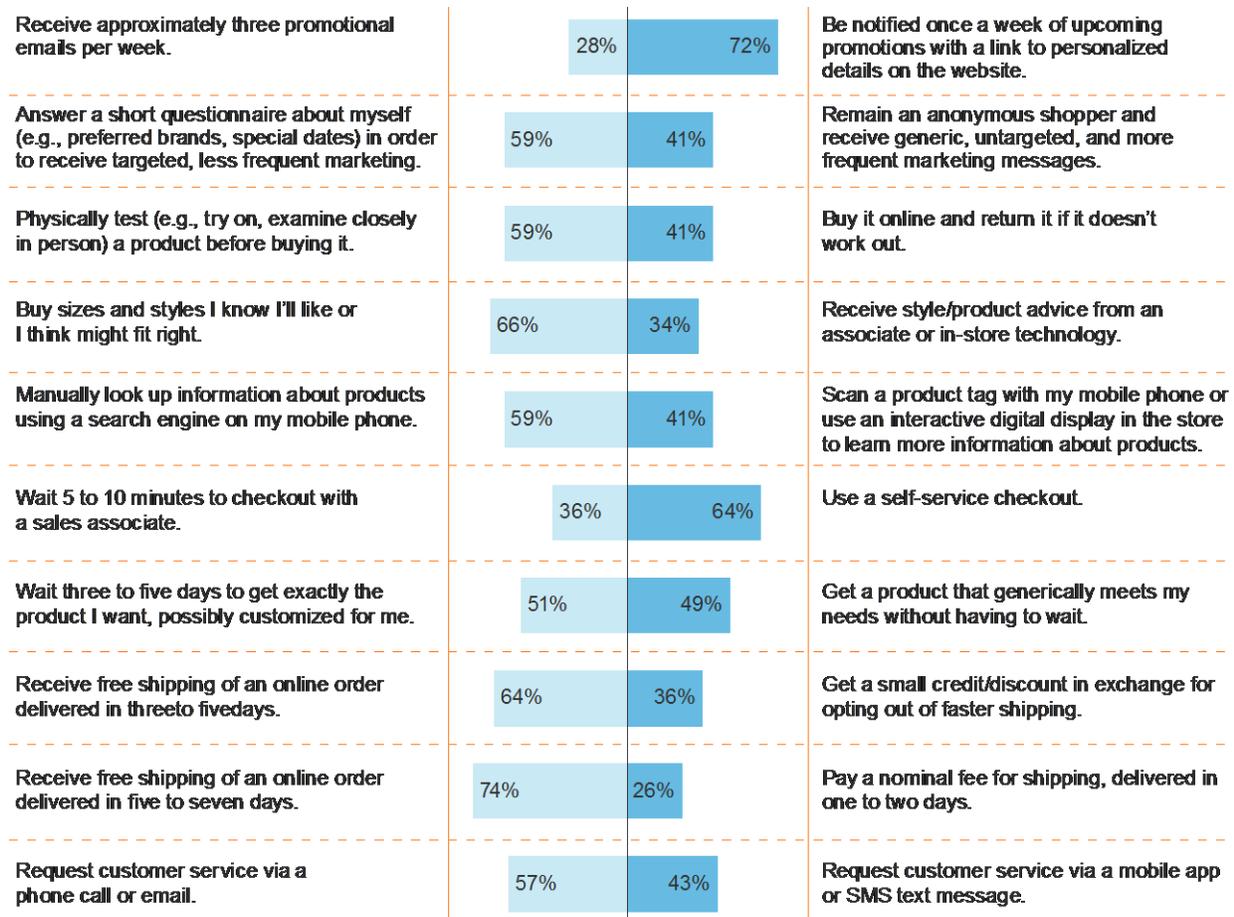


Base: 4,500 shoppers age 18+ who own a smartphone (global)

Source: A commissioned study conducted by Forrester Consulting on behalf of Cognizant, July 2016

FIGURE 5
Shoppers Are Willing To Accept Tradeoffs To Meet Their Specific Needs

“For each of the following tradeoffs, which option would you prefer?”



Base: 4,500 shoppers age 18+ who own a smartphone (global)

Source: A commissioned study conducted by Forrester Consulting on behalf of Cognizant, July 2016

buy, many shoppers give retailers low marks in delivering personalized messages and offers. Forty-three percent of shoppers also said they've heard that retailers are making investments to know them better, but they just don't see it.

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SHOPPERS SEE VALUE IN PERSONALIZED EXPERIENCES

Personalization plays an important role in engaging customers when it's done correctly. Most customers say that the key to personalization is simplicity. When

discussing definitions and perceptions of personalization in our online groups, the majority of participants revealed that personalization is ultimately about simplifying shopping experiences. Said one middle-aged respondent: "I would like automatic coupons for the things I buy, without having to look them up. The item I search for should automatically show the lowest price available, and the cart should automatically apply coupons or discounts." Our survey revealed the following regarding the value that successful personalization can provide:

- › Over two-thirds (66%) of shoppers said they are more likely to respond to a personalized offer.
- › Fifty-four percent of shoppers are more likely to establish loyalty with a retailer they feel knows them.

- › Fifty-three percent of shoppers agreed they are likely to spend more time with a retailer they feel understands them.
- › Fifty percent of shoppers agreed that feeling a retailer knows them is important to their shopping experience.

“[Personalization] means tracking my previous purchases, watching my browsing history, and allowing for a wish list. Offline shopping should be similar. . . . When asking for my email, send me only promotions and sales that are relevant to my previous shopping.”

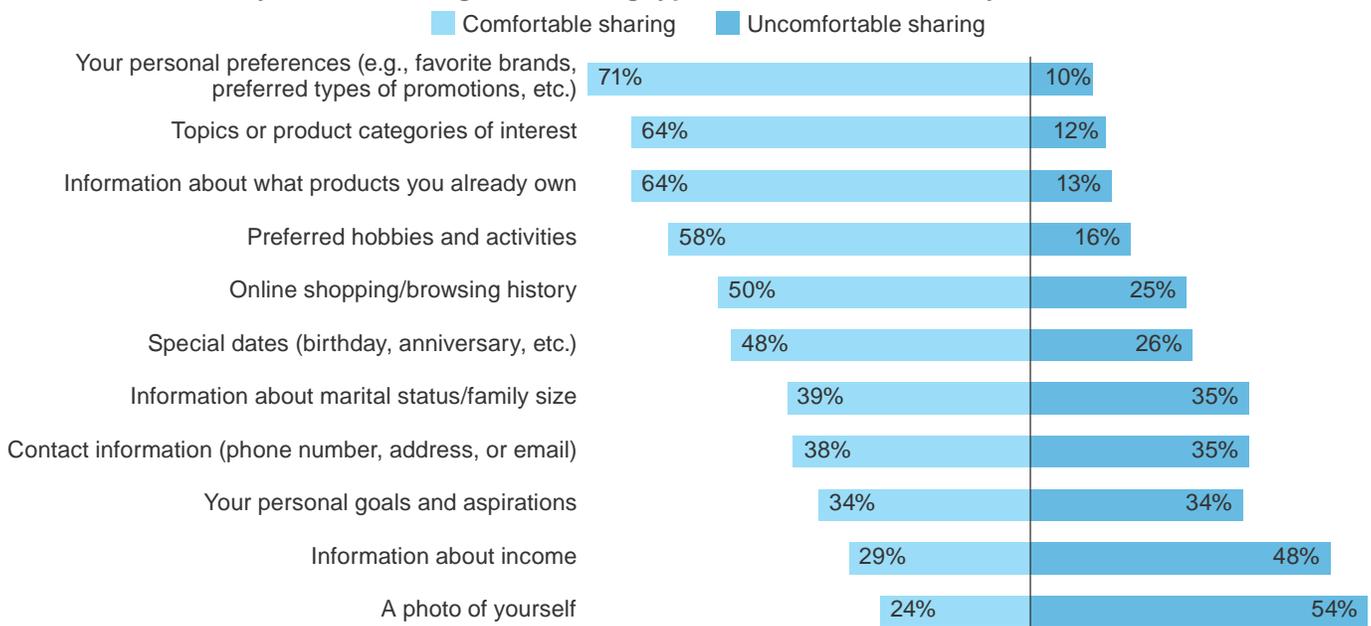
— Female, age 45-54

The majority of participants revealed that personalization is ultimately about simplifying shopping experiences.

Shoppers also recognize that receiving personalized experiences means having to provide information about themselves. However, most shoppers are guarded when it comes to sharing some kinds of personal information. This includes income status, contact information, and family status — many of the elements marketers use today to deliver personalization. Shoppers are, however, more interested in sharing information they find less private, such as brands they like, products they own, and interests/hobbies (see Figure 6). Retailers must be overt about why they are asking for information, regardless of the type, in order to instill confidence in consumers that sharing their information can be beneficial. Even more, many shoppers stated they'd prefer to initiate requests for personalization rather than have retailers perceptibly manipulate their shopping experience via unsolicited attempts at personalization. Described one respondent, “The bottom line is that I am not a fan of personalized

FIGURE 6
Shoppers Are More Willing To Share Information About Preferences And Interests Over Demographics

“Assuming you were influenced to share your information with a retailer, how comfortable would you be in sharing the following types of information about yourself?”



Base: 3,859 global shoppers age 18+ who own a smartphone (global)

Source: A commissioned study conducted by Forrester Consulting on behalf of Cognizant, July 2016

shopping experiences unless I have a big say in who is doing it, and that it is not intrusive to what I am doing.”

Shoppers will share info if they believe it will lead to better experiences, but they must trust and feel secure about the relationship first. When asked what would be most influential in making them share their personal information with retailers, 38% of respondents indicated that getting a good deal or discount is important. However, price came secondary to security, trust, and reputation in making people feel comfortable with sharing their information.

“I am not a fan of personalized shopping experiences unless I have a big say in who is doing it.”

— Male, age 65+

RETAILERS EXPERIENCE PITFALLS IN DELIVERING PERSONALIZED EXPERIENCES

For shoppers, personalization is shown by providing relevant content at the right place and time. To do this, retailers must understand their customers. As a start, retailers must be good at understanding shopper preferences for communication — 67% of shoppers believe that retailers already know enough about them to provide communication via preferred channels. However, sending communication via the right channels is table stakes, as the content of the communication is what is most important — and, according to shoppers, that content is where retailers are missing the mark in providing personalized, tailored, and relevant offers. One middle-aged female shopper said, “Retailers are not close to the ideal when it comes to personalization.” Said another: “I would take surveys to let the stores know what I want. Most retailers don’t have a clue.” This is consistent with the survey results. Sixty-three percent of shoppers would be willing to answer a short questionnaire about themselves if it meant they would only be sent relevant offers afterwards.

We asked shoppers to highlight the main challenges they faced in utilizing personalized offers from retailers and found the most common challenges were:

› Offers are not specific to the products shoppers want.

As mentioned earlier, shoppers are willing to share their information in order to get offers that provide them value and savings. However, 52% of shoppers reported issues with not getting offers specific to the products they are interested in. We asked shoppers what they feel are some of the mistakes that retailers still make in efforts to improve shopping experiences and personalization (despite having more information and technology available than ever before). The top mistake, cited by 38% of respondents, was that retailers are sending shoppers emails or physical mail that they don’t want (see Figure 7). Even though email is still the No. 1 preferred communication channel (nearly four times higher than the next preferred options, post mail and text messages), if the services and products being offered are not of interest to the shoppers, then the offer becomes another piece of junk mail for the consumer to deal with. Said one middle-aged female: “Most stores with online shopping try to make experiences personal but are actually too pushy. If I order from some of these companies, I am spammed with emails that are not even relevant to me and do not come close to what I have previously ordered.”

- › **Offers expire quickly and/or are not provided at the right time.** A personalized offer provided via the wrong channel or at the wrong moment has no value to a consumer, and this is the top challenge with personalized offers, affecting 53% of shoppers. In reality, the lack of offer relevance suggests that no personalization is taking place at all. Customers from our online groups emphasize that a simple, effective personalized shopping experience needs to be accurate and relevant. Further, 34% of shoppers believe that retailers can truly demonstrate they know their customers by providing timely, relevant offers.

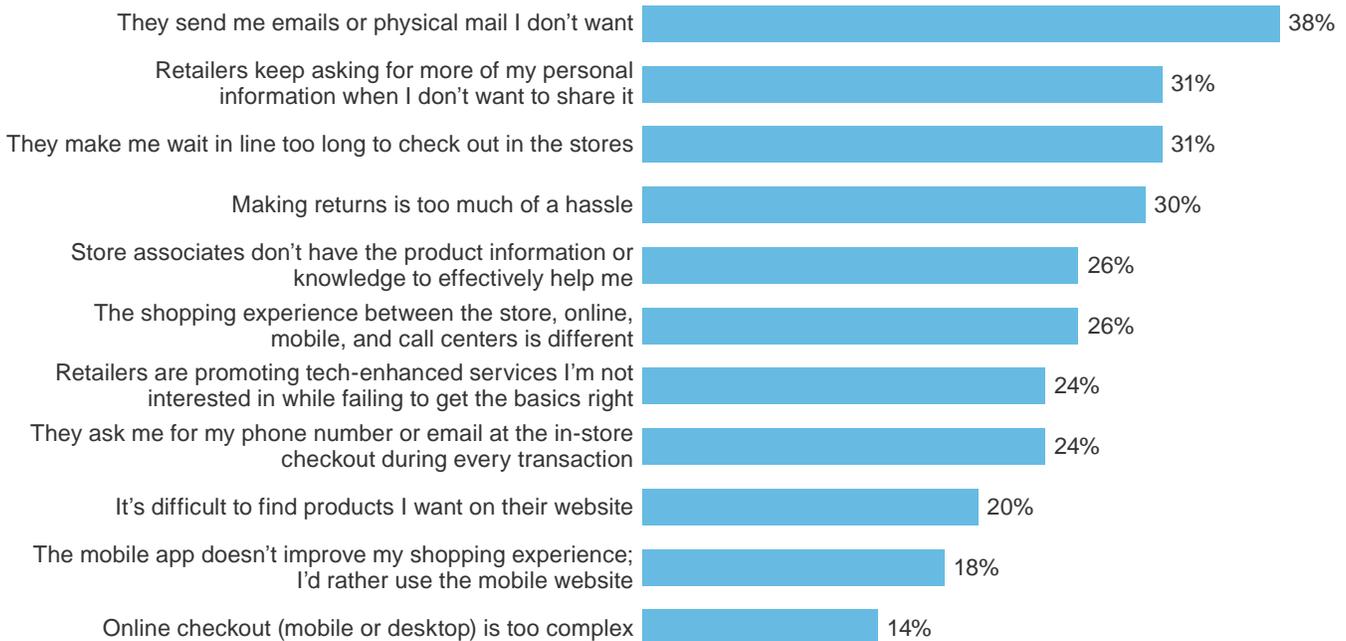
“I would take surveys to let the stores know what I want. Most retailers don’t have a clue.”

— Male, age 35-44

FIGURE 7

Mistakes Retailers are Still Making

“Given all the ways retailers have tried to improve shopping experiences through information and technology, what mistakes do you think they are still making?”



Base: 4,500 shoppers age 18+ who own a smartphone (global)

Source: A commissioned study conducted by Forrester Consulting on behalf of Cognizant, July 2016

› **Offers don't provide significant savings or value.**

Shoppers are willing to share personal information under the premise that it will reciprocate back to them some significant value or savings. Half of shoppers don't feel that personalized offers are providing this type of value.

› **Retailers require too much information for personalized offers.**

Thirty-one percent of shoppers said that repetitively asking for personal information (that they don't want to share) is one of the key mistakes retailers keep making. As mentioned earlier, shoppers will proactively share their information when they have a specific benefit in mind, but they don't like repetitive questioning and expect that the information they provide once (or multiple times) will actually be stored and used.

› **Offers don't truly connect with customer needs.** For some shoppers, personalization isn't about a retailer knowing them but that they feel emotionally connected to the brand. For those shoppers, personalization means empathy, respect, and cordiality. Commented one female

shopper, age 25 to 34: “In my world, ‘personalized’ means catered to me — making me feel like the store and products were made just for me. I wish I could answer around three questions and immediately be led to something that I would love to purchase.”

For some shoppers, personalization means empathy, respect, and cordiality.

“In my world, ‘personalized’ means catered to me — making me feel like the store and products were made just for me. I wish I could answer around three questions and immediately be led to something that I would love to purchase.”

— Female, age 25-34

Successful Retail Experiences Drive Loyalty

Although customers admit that they frequently shop for select brands, shoppers from our online focus groups said they are also extremely hesitant to commit their loyalty to certain companies indefinitely. This is because shoppers consider each brand engagement to be a moment of truth, and they remain keenly aware of retail alternatives when brands begin to fall short of expectations. As one shopper put it: “I would not commit to a brand for life. As long as a company continues to meet my qualifications, then I will buy its products. But a company has to win me over every time I look to buy a product.”

While lifetime loyalty is the nirvana that retailers hope for, what brands should focus on today is building long-term loyalty. Retailers can do this by providing consistency, offering choices, building emotional connections with customers, and distributing cash rewards and customer experience-related benefits (see Figure 8).

“I would not commit to a brand for life . . . a company has to win me over every time I look to buy a product.”

— Male, age 35-44

FIGURE 8

Brands Can Build Long-Term Loyalty In Four Primary Ways

Being consistent	When reflecting on why they buy most frequently from specific brands, shoppers reveal that consistency in product quality, brand promise, and customer service is key, because consistency cultivates trust and a sense of reliability.	<i>“I am loyal to brands that perform as expected because they can be trusted.”</i> — Male, age 35-44
Offering choice	Shoppers like to have options and want to feel in control of their decisions. At a basic level, having options pertains to offering a variety of products to choose from, but it also extends to personalization, loyalty or rewards programs, and omnichannel services. Giving shoppers the ability to customize how or where they shop, as well as customizing the level of personalization they receive (based on how much personal information they choose to share), will keep shoppers interested and coming back for additional purchases — especially if coupled with a loyalty program that provides a choice of rewards.	<i>“The ideal loyalty program would give me a choice based on what kinds of rewards are available.”</i> — Male, age 45-54
Sharpening emotional facets of customer service	Shoppers illustrate that improved logistical or tactical elements of the shopping experience are not enough to secure loyalty. Consumers need to feel like retailers care about them and regard them as valued customers. Forrester’s Customer Experience Index (CX Index™) data reveals that emotion has a bigger impact on loyalty than effectiveness or ease of the retail experience. ¹ One emotion in particular — feeling like a brand values individual customers — proves especially critical. Therefore, retailers must prioritize superior customer service that makes shoppers feel appreciated.	<i>“I stay loyal to brands that give me comfort, trust, and satisfaction.”</i> — Female, age 45-54
Distributing cash rewards and customer experience-related benefits	To surprise and delight customers in a valuable way, customers note that cash rewards or discounts, along with loyalty program benefits like exclusive information or insight, can inspire retention. Customers note that these pieces have a small impact overall but can help to secure an emotional connection or validate a customer’s loyalty to the brand. Retailers that trigger positive customer emotions motivate customers to favor their brand; when customers feel happily surprised by unexpected delights, they become more likely to increase their spend with the company. For instance, customers pleasantly surprised by retailers are prepared to pay over \$150 more with that brand than the average consumer. ²	<i>“Loyalty programs should save me money and provide new insight into products.”</i> — Male, age 35-44

Base: Online community panel of 100 shoppers age 18+ who own a smartphone (global)

Source: A commissioned study conducted by Forrester Consulting on behalf of Cognizant, July 2016

Key Recommendations

Digital technology has ushered in a new era in terms of how shoppers can plan and make purchases, and shoppers today have higher expectations than ever before regarding their in-store and online shopping experiences. This has put added pressure on retailers to provide the experiences that shoppers now expect. To meet this need, retailers must adopt new strategies and objectives that focus on creating meaningful shopping experiences for customers, starting with the following:

- › **Become obsessed with delivering what customers want, not what you think they want.** Customers are generally interested in receiving value-added experiences while shopping, but that interest varies by product category and channel. Don't assume that every customer is interested in every service that you have to offer. Take stock of what services are being utilized or underutilized by formally reaching out to shoppers (via direct methods such as surveys and focus groups) to truly understand what experiences are valued and how they can result in optimal satisfaction. Our study found that customers are willing to share more information, as long as they know it's secure and how it will enhance their shopping experience. From these discussions with customers, retailers can better form the foundation of their customer experience strategy by translating those customer insights into opportunities for differentiation, improved engagement, loyalty, and competitive advantage. This understanding of customer needs will help set the right priorities and strategies for improvement based on direct customer input. Without them, disconnects will continue, as will suboptimal returns on investments, frustration, and customer attrition.
- › **Avoid checking the box on omnichannel until experiences are optimized.** Omnichannel services are still fairly immature and can require time to fine tune rather than being a one-and-done project. Other services, such as online shopping, have proven successful but only after nearly a decade of refining the experience. Being successful with omnichannel will take time and is about refining and honing value-added services so they meet customer expectations. Retailers must find ways to serve all of their customers across all of their different types of situations by continuing to experiment and refine value-added services to increase adoption, improve the benefits they're providing to customers, and reduce operating costs.
- › **Shift personalization from being about segmentation to individualization.** Shoppers want their experiences to be simple, hassle free, and about them. Personalization can provide those experiences, but you must first show your customers how sharing information will help personalize their experiences. Recognize that in the mind of the shopper, personalization is about his or her individual likes, interests, and preferences, rather than being targeted broadly as part of a demographic segment. Leverage data from customer profiles, brand interactions, and other sources to deliver what shoppers truly want and transform their experience. Retailers need to prove to their customers that they understand their needs and care about making their shopping experiences special.
- › **Shoppers will share personal information if they know it's secure and that it will actually be used.** Recognize that shoppers are uneasy about sharing personal information, so when they do decide to share, they are expecting it to yield benefits — to them. Don't ask for customer information unless you are able to use it in meaningful ways. Tell shoppers why you want their information; explain the value they will receive, such as more relevant offers or a simpler and friendlier experience; and confirm that their information will be kept secure.
- › **Win loyalty by making customers feel valued, rather than placing value on programs.** A rewards or loyalty program with great perks is likely to attract some shoppers and create loyalty, at least until another retailer introduces a program with better benefits. Longer-lasting loyalty is formed by delivering consistently great experiences to customers and demonstrating a true understanding of their needs. As well, shoppers see value in having choices. So, rather than forcing customers to be part of a one-size-fits all loyalty program, explore ways in which customers can elect their own benefits and feel in control of their experience. This will help build value for customers and establish more emotional connections, which are critical for building loyalty.

Appendix A: Methodology

In this study, Cognizant commissioned Forrester Consulting to conduct an online survey of 4,500 shoppers globally, including respondents from the US, the UK, Japan, India, Hong Kong, United Arab Emirates, Saudi Arabia, and Qatar. Respondents were both male and female, over the age of 18, and owned a smartphone. Survey respondents were offered a small incentive as a thank you for time spent on the survey. Forrester also engaged approximately 100 general population US online adults in a series of discussion-board-style questions through the Forrester Market Research Online Community (described in the study as online focus groups) to gauge opinions, expectations, and needs regarding digital retail experiences. The research began in June 2016 and was completed in July 2016.

Appendix B: Endnotes

¹ Source: "What Drives A Profitable Customer Experience," Forrester Research, Inc., June 27, 2014.

² Source: "The Customer Emotions Driving CX Success," Forrester Research, Inc., October 22, 2015.