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Current State of Retail Customers

UK Market Research Report 2025

A Resonate commissioned Market Study | 2025

About Resonate CX

Resonate CX is a global Voice of the Customer (VoC) platform disrupting the Customer Experience Management (CXM) space. With rapidly growing success in retail, we are turning raw customer insights into decisive business actions.
Our native AI-driven experience analytics deliver real-time business results. Driving conversions, helping grow basket sizes, and power charging customer lifetime value.
We are re-defining CX the be the most powerful growth engine for a company.

Research

A statistically significant market study of 600 respondents was conducted in January 2025, with a 95% confidence level and a margin of error of less than ±4%.

The biggest names in retail swear by Resonate CX

★★★★★

Highly recommend Resonate for their CX knowledge and expertise.

Beck Davis
Customer Experience Lead | Bluescope

★★★★★

Resonate allows us to learn, adapt and best serve our customer in a changing retail environment.

Madeline Harris
National Customer & Communications Manager | Rebel Sports

★★★★★

A key enabler for my business. Enabled to bring the cultural shift in my organization to be more customer focused.

Samuel Mathew Krishnamoorthy
Head B2B - Country Head UK | brillen.de

★★★★★

Valuable tool to harness the voice of customer.

Dave Hallewell
Retail Customer Experience Specialist | Super Cheap Auto

★★★★★

Easy to navigate. Great for deep diving for strategy planning.

Rob Mason
Store Manager | BCF

★★★★★

Resonate allows us to see the drivers that customers are happy and unhappy with.

Jennifer Karcz
Store Manager | Super Cheap Auto

★★★★★

Resonate is giving me feedback on the service my customers experience, and what they are unhappy with.

Jo-Anne Nel
Retail Manager | Rebel Sports

★★★★★

Resonate has been extremely helpful and insightful in my stores.

Matt Steinbergs
Area Manager | Super Retail Group


Forbes
42% of UK consumers feel customer service is no longer a priority for retailers
RetailCX
Success through customer experience
Service issues cost UK retailers £7.3 billion monthly, with 64% of staff spending 4 days a month resolving complaints.
Reputation
The Reputation Data Science team analysed thousands of customer reviews on Google across more than 2,300 locations of the UK's biggest retail brands.
95% of customer reviews on Google go unanswered by retailers

AGENDA

Growth focused Customer Experience (CX) insights

1. What is the primary reason(s) shoppers are coming in-store?
2. What do shoppers value the most during their in-store experience?
3. What is friction and churn during in-store customer experiences?
4. What are the opportunities to increase unplanned purchases in-store?
5. What CX drivers are key to high-value customer segments?
6. Which experiences create advocates?
7. Dream experiences that bring more shoppers in get them to stay longer?

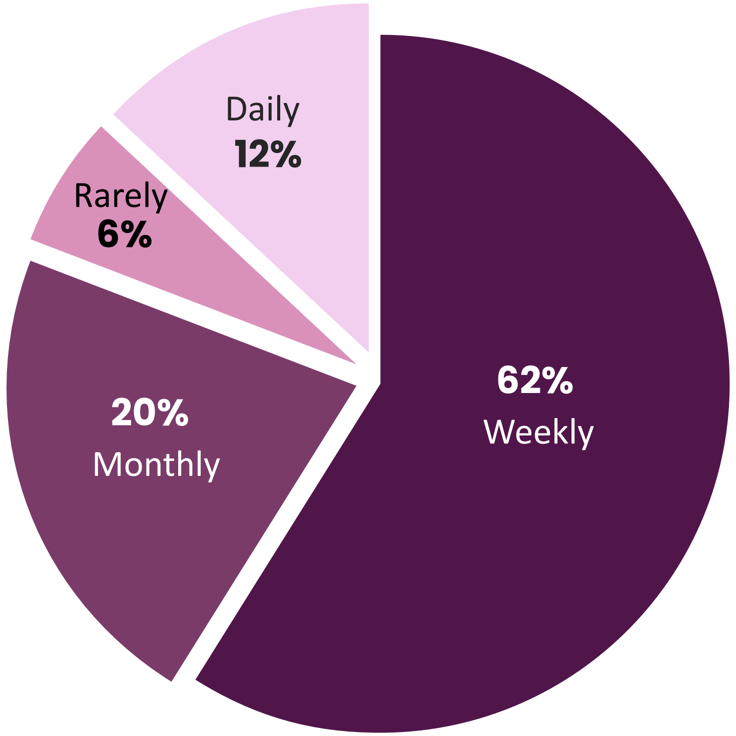
PART 1

Understanding CX Drivers

- *Analyse* trends in shopping frequency and delivery preferences.
- *Determine* key factors shaping purchase decisions.
- *Identify* frequent frustrations and churn factors.

HOW FREQUENTLY CONSUMERS SHOP IN-STORE

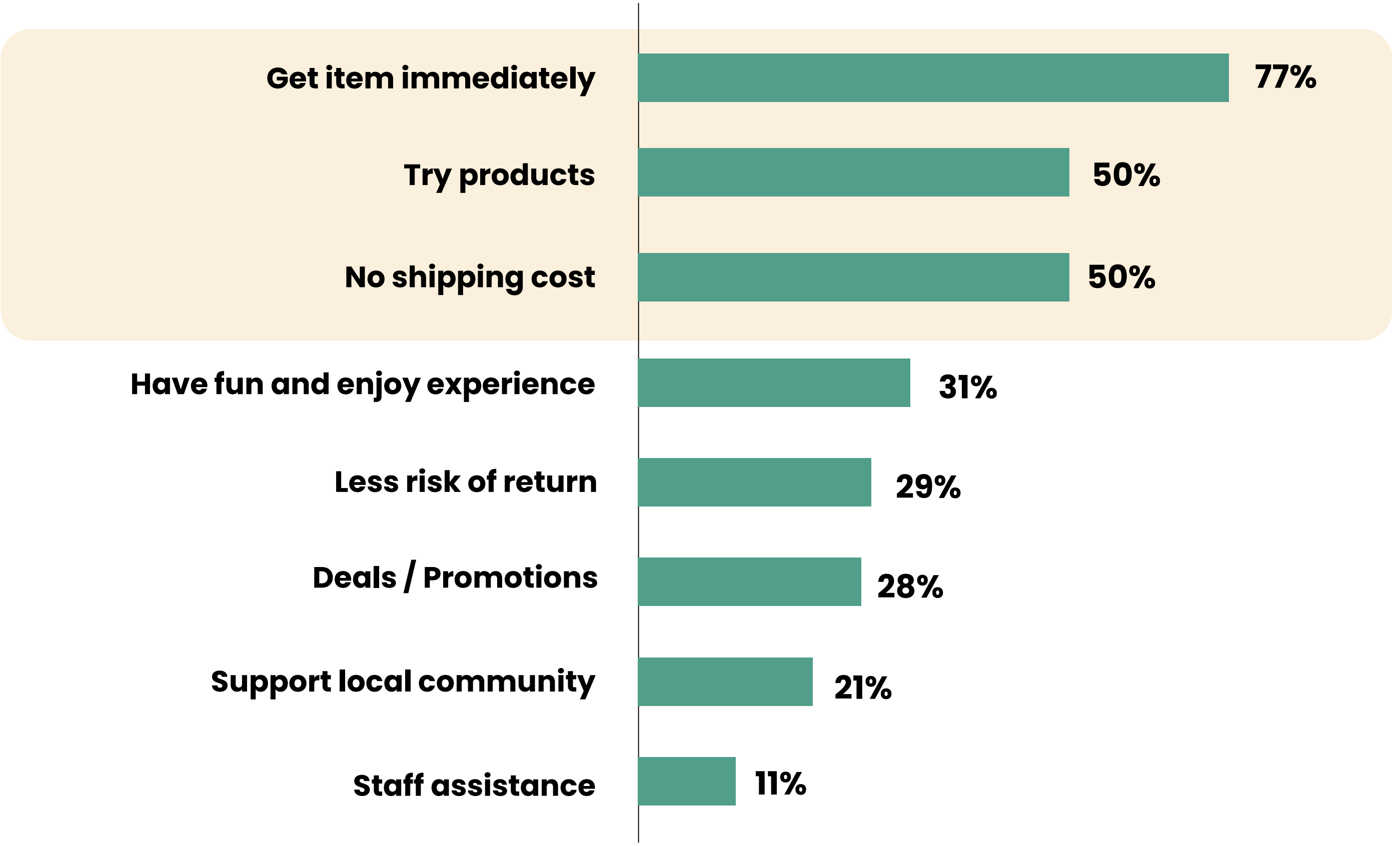
It was expected that COVID would shift consumer trends entirely toward online shopping, but this has not been the case. ***62% still go weekly, and 12% visit daily.*** Figures are higher than online shopping, where monthly visits are more dominant



WHY DO SHOPPERS COME IN-STORE

Immediacy drives in-store visits, followed by avoiding shipping costs and the need to try products before buying. For discretionary items, in-person evaluation is often essential. The ability to ***experience products*** and take them home instantly adds significant value to physical retail.

Top reasons customers prefer to shop at a physical store

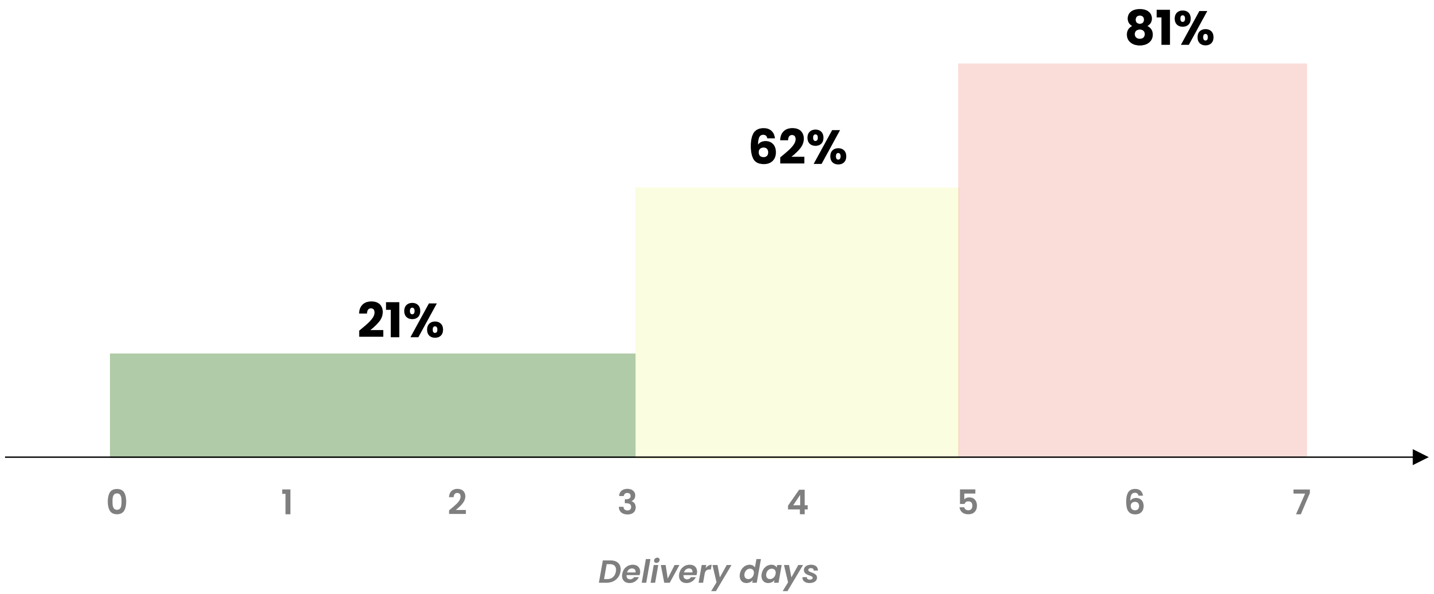


IMPATIENCE IN DELIVERY MAKES IN-STORE VALUABLE

18%

Delivery is generally not a concern

Delivery speed impacts customer choice. Retailers with both in-store and online options may compete with themselves if delivery is too slow. 21% prefer in-store over a 1-3 day wait, rising to 62% for 4-5 days and 81% for over 5 days. Faster in-store availability can be a key advantage, especially for multi-category products where competitors struggle to meet quick delivery times.



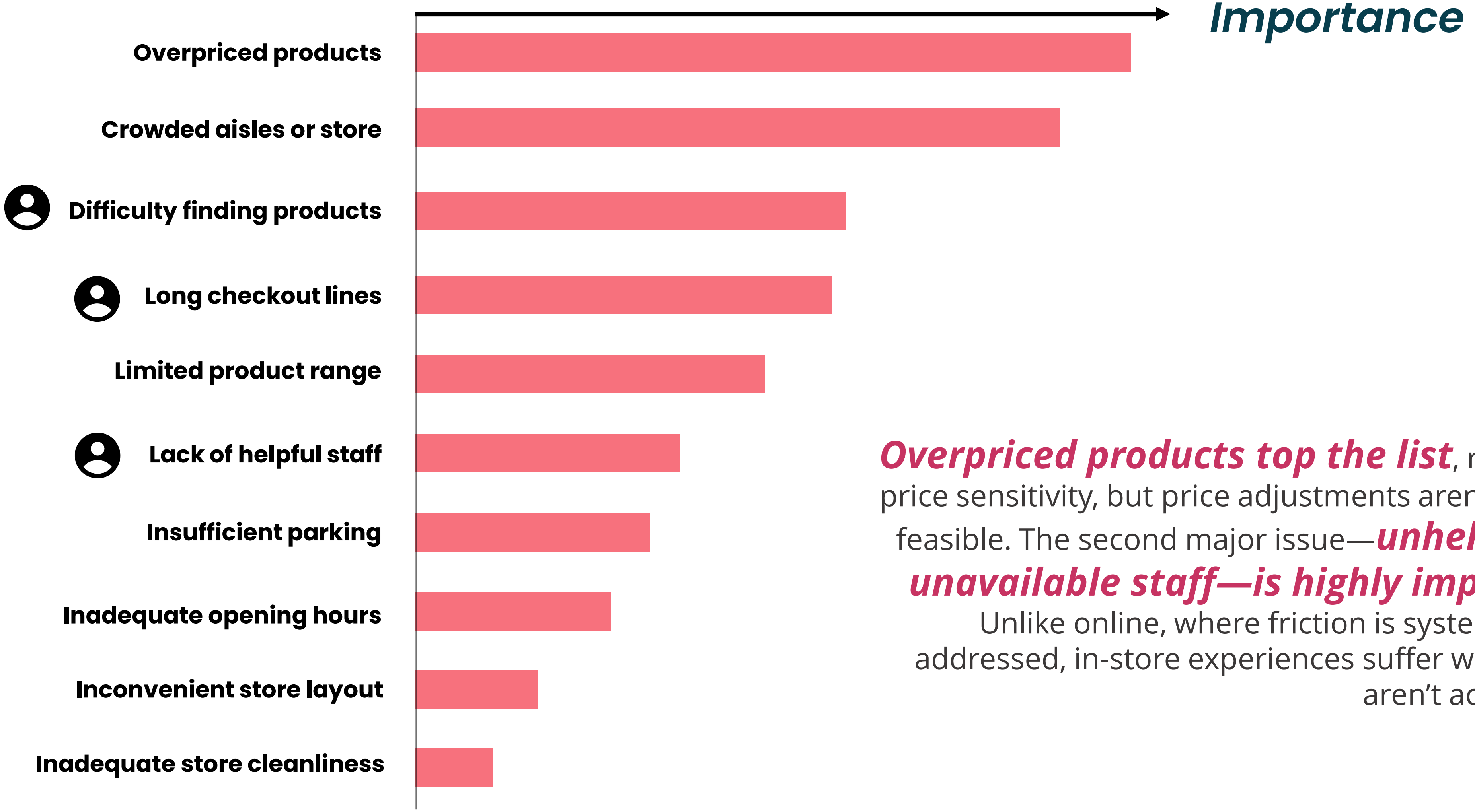
Will switch to in-store shopping if delivery days exceeds

Cumulative percentages for those flexible on delivery time.

WHAT CX FACTORS INFLUENCE PURCHASE ONCE IN STORE

Maximizing conversion is key. While price matters, three other factors are just as critical: product availability / range, brand reputation , and customer service. Among them, customer service is the most actionable, offering a quick way to boost overall effectiveness.

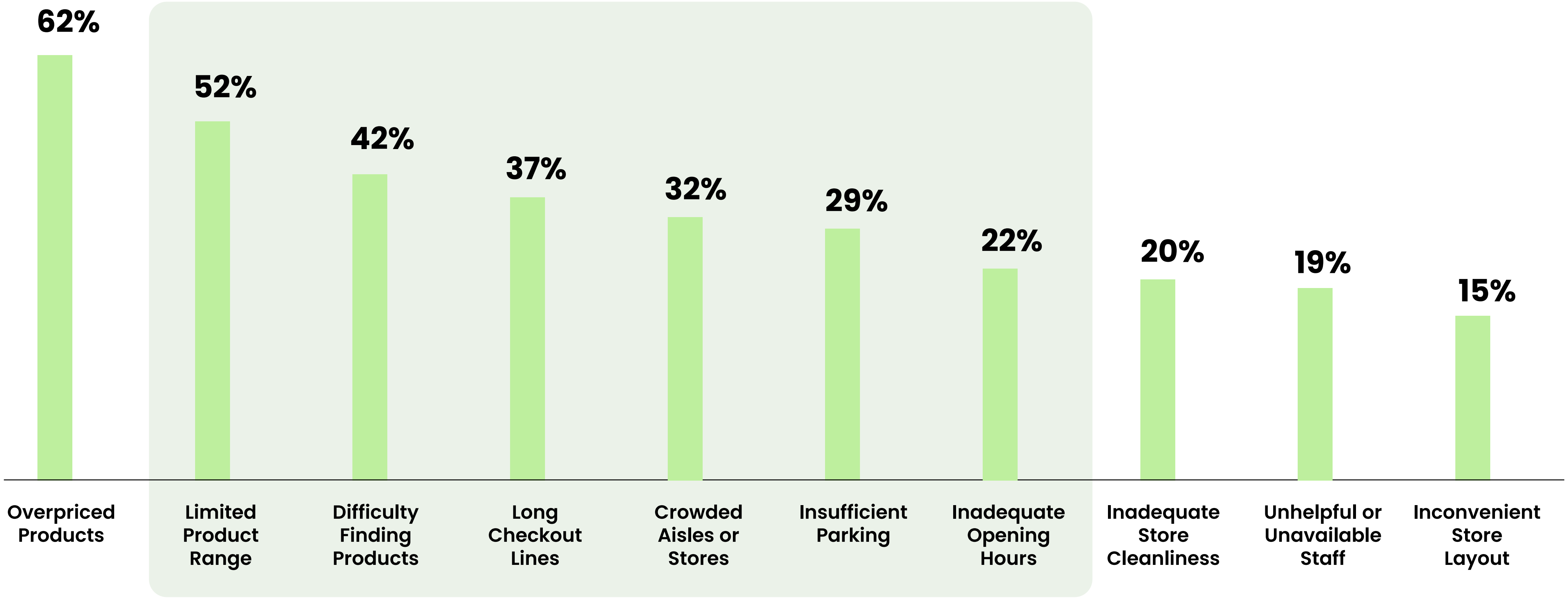
KEY CX PAIN POINTS



Overpriced products top the list, reflecting price sensitivity, but price adjustments aren't always feasible. The second major issue—***unhelpful or unavailable staff—is highly impactful.*** Unlike online, where friction is systematically addressed, in-store experiences suffer when staff aren't accessible.

WHICH PAIN POINTS WILL MAKE THEM SWITCH (CHURN)

Overpriced products and a limited range are the top concerns. While addressing these may be challenging and slow, ***factors like difficulty finding products and unhelpful or unavailable staff can be improved more readily***. As office returns and busy schedules increase, quick and efficient shopping options become even more essential.



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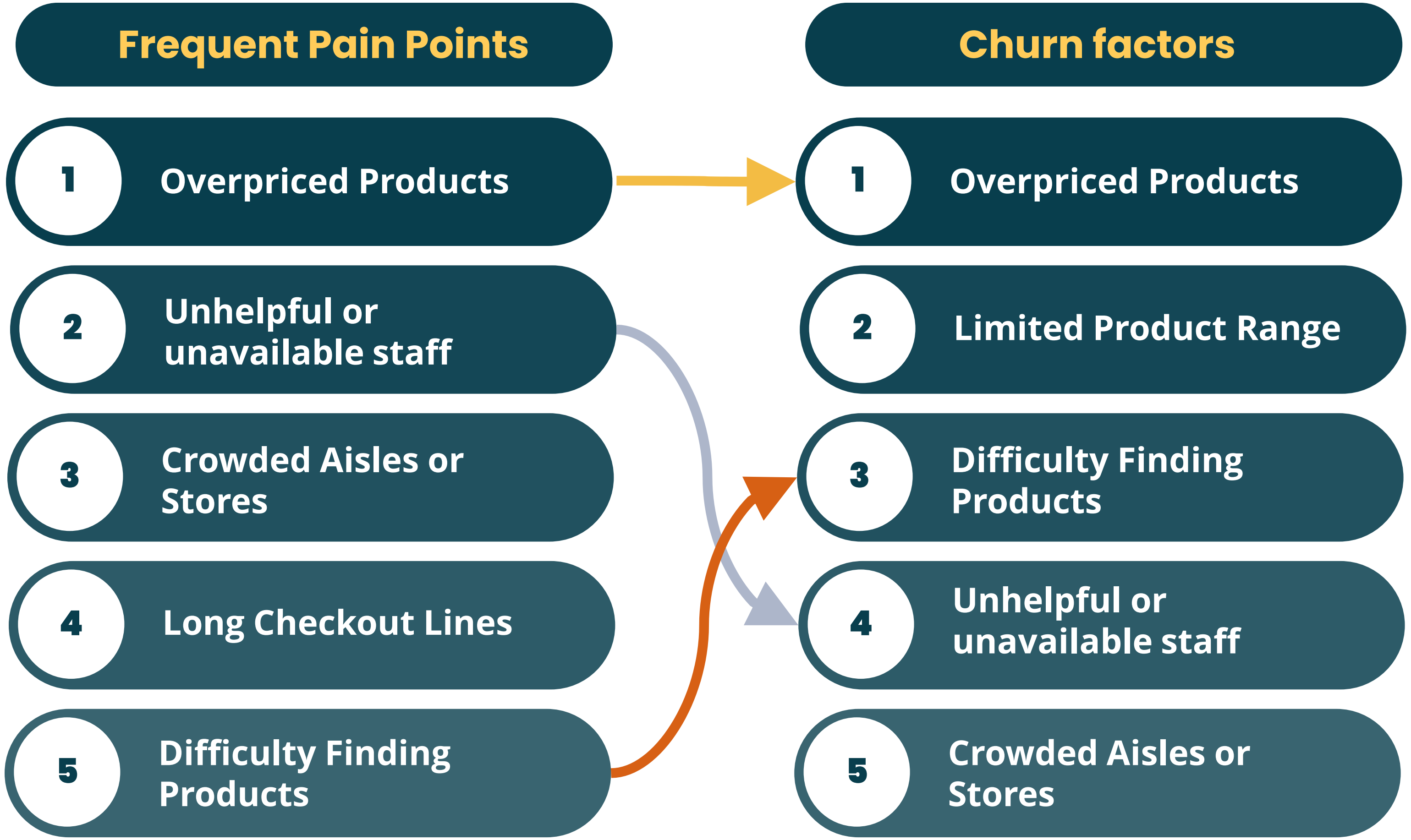
CORE CX FACTORS DRIVE SHOPPERS TO SWITCH STORES

While ***long checkout lines*** ***are a frequent complaint***, they ***don't strongly drive churn***, suggesting customers tolerate them. Conversely, a ***limited product range***, though ***less frequently mentioned*** as a pain point, is a ***significant churn driver.***



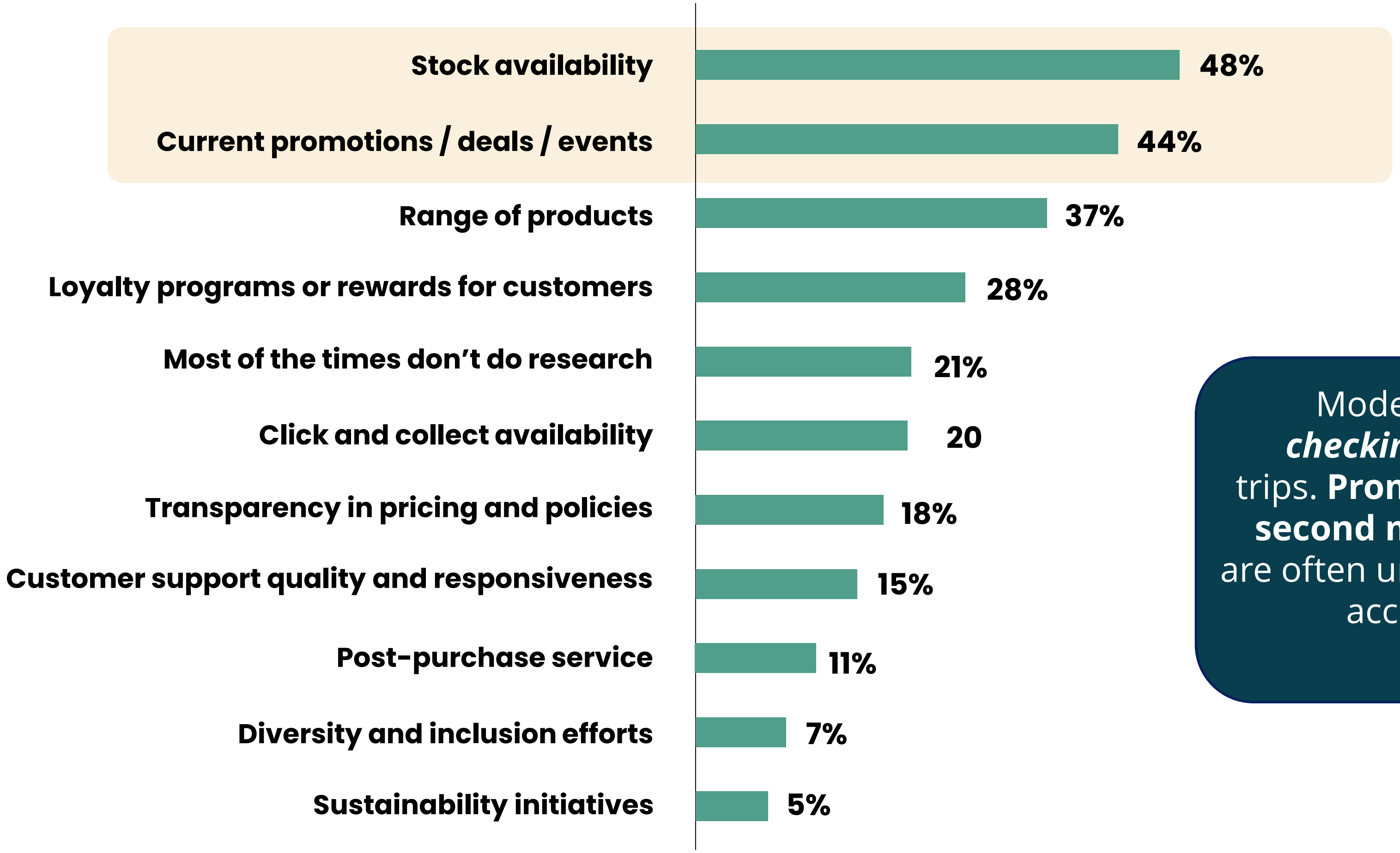
PART 2

Opportunity to Maximize In-store CX & Revenue

- *Identify* key drivers of unplanned purchases and ways to increase basket sizes.
- *Determine* the most important factors in research and where the customer prioritizes the use of staff.

WHAT INFORMATION THEY VALUE BEFORE HEADING IN-STORE

Information researched before heading to the store



Modern consumers start their journey by ***checking stock availability*** to plan efficient trips. **Promotions, deals, and events are the second most sought-after information** but are often unclear. Providing clear, detailed, and accessible information on these factors enhances the customer journey.

WHERE CUSTOMER WANT MORE SERVICE

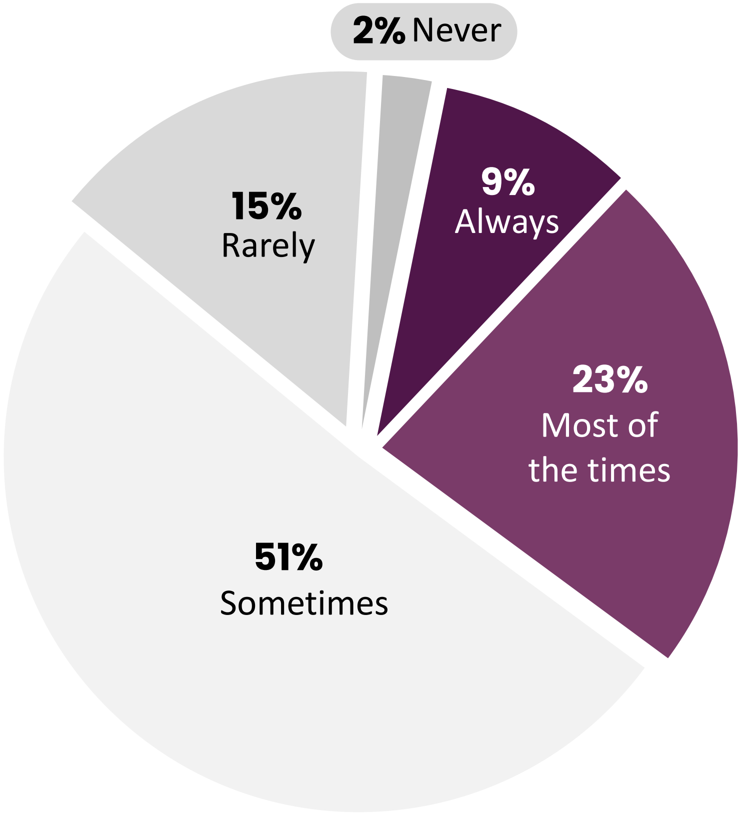
Staff Allocation

Check out	Return and exchange	Product advisor	Fitting room attendant	Shopping assistance	Product demonstrator	Greeter	Post purchase support
58%	41%	36%	25%	22%	21%	19%	17%

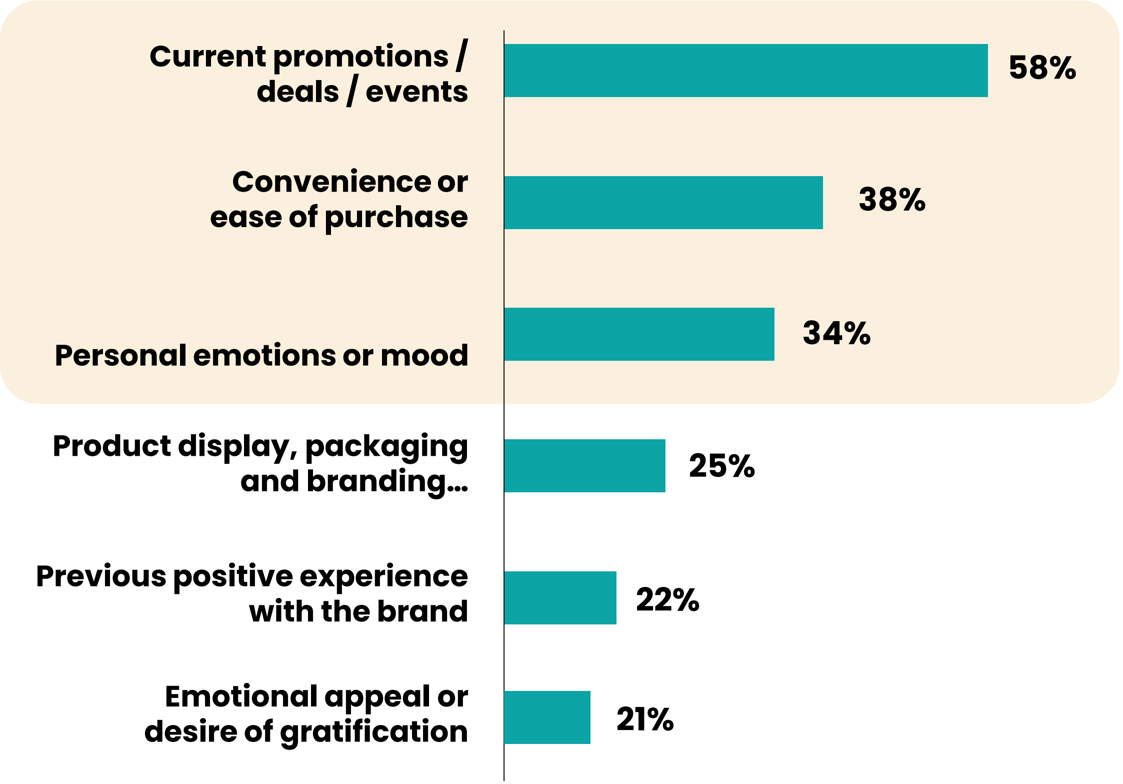
Checkout support is the top priority, as a smoother process reduces friction and lost revenue. **Returns and exchanges** enhance shopping confidence, while **product advisors** also play a key role in improving the in-store experience.

KEY FACTORS FOR INCREASING UNPLANNED PURCHASES IN-STORE

Frequency of unplanned purchases



Ranking of factors influencing unplanned purchases



Driving margins with impulse buys. **Most customers make impulse purchases, driven by promotions, convenience, and mood.** Good service enhances this behavior, increasing basket size and profitability.

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PART 3

Understanding Different Mindsets

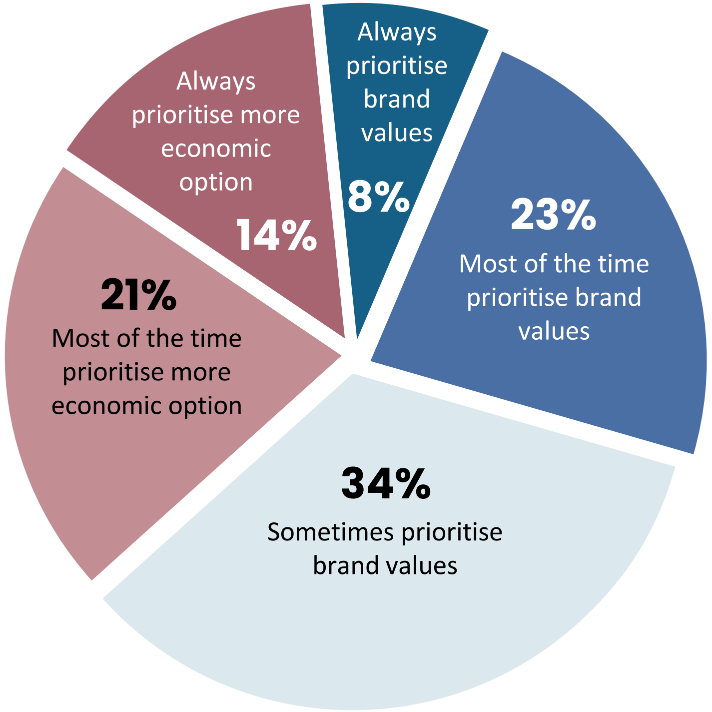
CONSUMER ANALYSIS – NEO VS. TRADITIONAL PROFILES

- *Explore* how consumer mindsets differ and the impact this can have on store consumption.

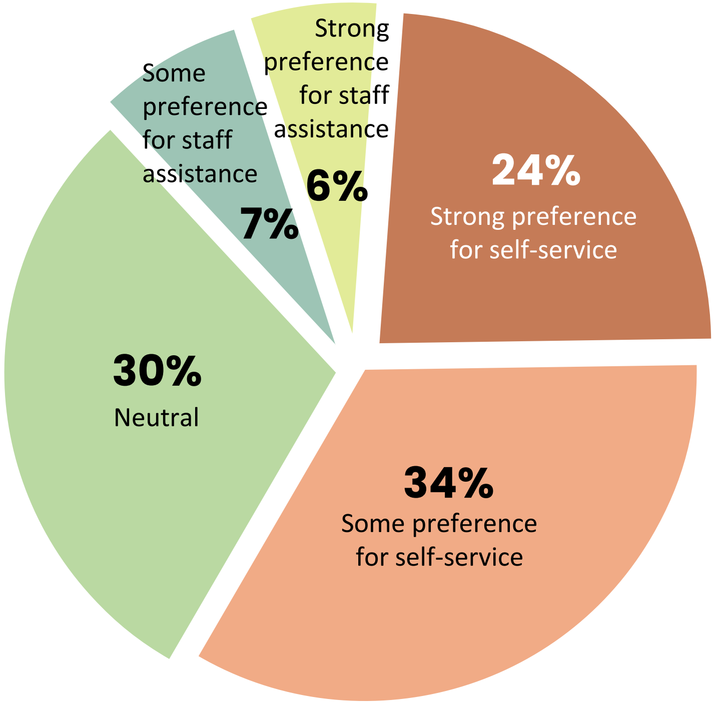
DIFFERING MINDSETS

Shopping experience or deals and discounts?

Brand values or more economical optional?



Self-service or staff assistance?



There are significant mindset differences that help identify distinct types of customers. A growing segment prioritizes overall experience over discounts, values brand principles over economic options, and prefers technology and self-service over staff assistance.

THE MINDSETS

Each group is significant and impossible to ignore. NEO mindset stays constant over time, leading them to shop more often and spend three times as much as Traditionals. Aspiring NEOs share this mindset but currently lack disposable income.

45%

TRADITIONAL

Reluctant spends, although many are wealthy, price sensitive and are always looking for a discount. They value routine and prefer staff-assisted service.

35%

ASPIRING NEO

A blend of both, valuing innovation, personalized service, competitive pricing, and exceptional customer experiences. They have lower spending capacity but aspire to become NEOs.

20%

NEO

High-value customers with disposable income who value innovation, premium experiences, and excellent customer service, and willingness to try new technologies.

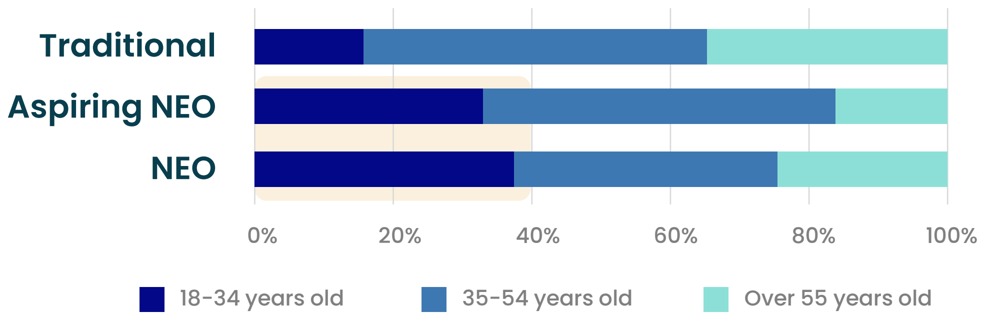
*The **NEO consumer typology** was created by and is the property of **Dr. Ross Honeywill**.*

**Percentages are based on this market research; actual market figures may differ slightly.*

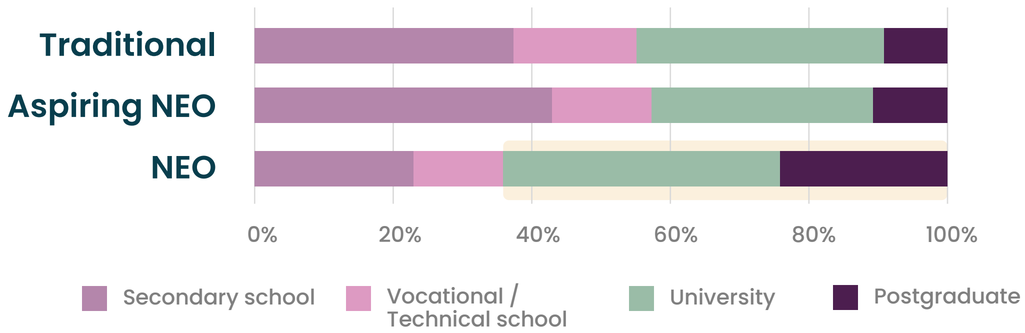
DEMOGRAPHIC BREAKDOWN

While their core difference lies in their opposing perspectives, there are also clear demographic distinctions. **NEOs tend to be younger, have higher education levels, and earn more**—not because of their income, but as a result of their NEO mindset.

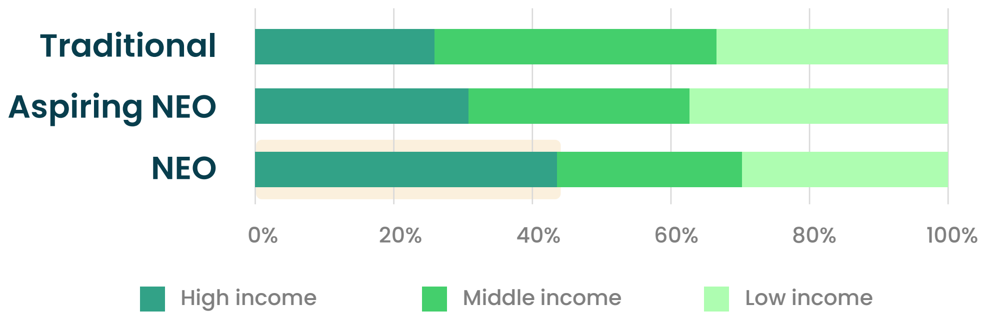
AGE



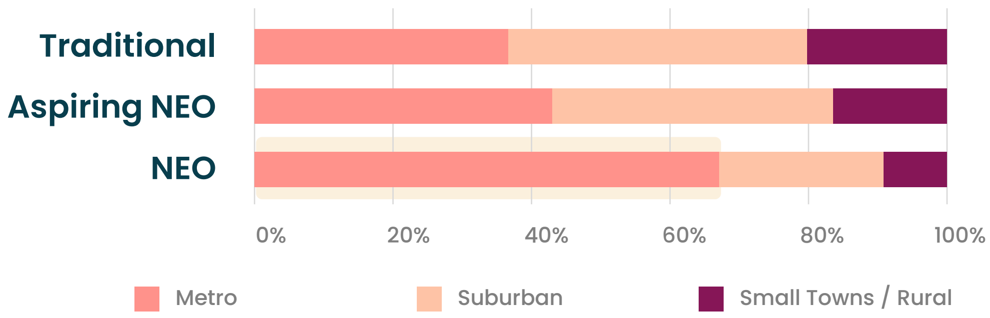
EDUCATION



INCOME



REGION



NEO CONSUMERS VS TRADITIONALS

By linking mindsets with demographics, we identify **three key groups**. This research goes beyond classification, **it explores strategies to bring them into the store.**



	TRADITIONAL	ASPIRING NEO	NEO
AGE	Broad appeal across all ages, slightly favoring the **55+** demographic.	Strong presence across all ranges, with a slight emphasis on the **younger 18-24** bracket	Strong presence across all ranges, with a slight emphasis on the **younger 18-24** bracket
INCOME	Mid-income	Mid / High income	High income
EDUCATION	Secondary School / Vocational Technical College	Secondary School / Vocational Technical College	University / Postgraduate
CONSUMPTION PRIORITIES	• Durable Product Quality • Minimal Brand Innovation • Practical Customer Experience • Fundamental Sustainability • Brand Authenticity	• Balances Disposable Income • Good Product Quality • Innovative Brand Offerings • Enhanced Customer Experience • Supportive of Sustainability • Embraces Brand Authenticity	• High product Quality • Cutting-edge Brand Innovation • Exceptional Customer Experience • Strong Sustainability Commitment • Genuine Brand Authenticity Technology
LOCATION	Metropolitan / Suburban	Metropolitan / Suburban	Metropolitan areas

PART 4

Leveraging In-Store experiences

- *Delve* deeper into differences in consumer thinking, priorities, interests, and pain points to uncover opportunities.

Opportunity

A large portion of the market is especially ***sensitive to deals and promotions***.

TRADITIONAL

45%
Market share

KEY FACTORS SHAPING THE TRADITIONAL PURCHASE DECISIONS

Price competitiveness is the main factor driving Traditional purchase decisions. ***Although it may reduce margins and profitability, it helps increase sales volume***. Traditional mindsets also value **product availability** and a **traditional brand reputation**.

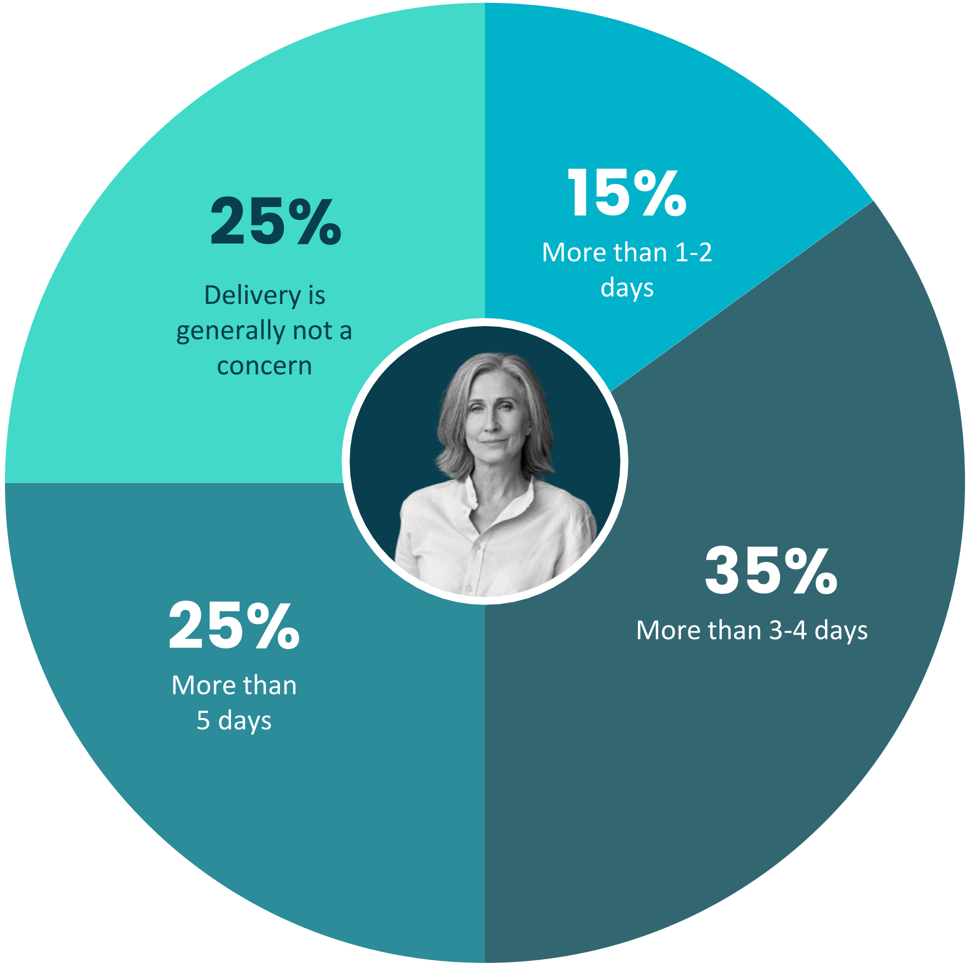
FREQUENT PAIN POINTS SHOPPERS FACE IN PHYSICAL STORES

1. Overpriced Products
2. Limited Product Range
3. Long Checkout Lines

Referring back to the previous results, the frequent issue of ***overpriced products is primarily noted by Traditional mindsets***, who are particularly sensitive to pricing, especially in recessionary environments. **Limited product range** is also a significant concern for them; they prefer larger and more varied stores. **Long checkout lines** are another major issue for these mindsets.

DELIVERY TIMES BREAK POINT

Traditionals are ***less sensitive to delivery issues***; their expectations are relatively low. For 25%, delivery is not a significant concern if they receive a good deal.



Delivery frame tolerance

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KEY INFORMATION CONSUMERS ARE LOOKING FOR

1. Stock availability
2. Current promotions / deals / events
3. Range of products

To attract Traditionals and boost revenue, **it's essential to provide clear, accessible information online or in catalogs about stock availability, promotions, deals, events, and product range**—the key factors they prioritize when choosing a store.

Summary

This customer is very price-sensitive, which narrows the focus for capturing their attention. Stock availability is crucial for them.

They will cost you margin but get you volumes

TRADITIONAL

Opportunity

High-value customers with disposable income

Value in-store experience and less price-sensitive

Value discretionary products and experiences

NEO — **20%** Market share

ASPIRING NEO — **35%** Market share

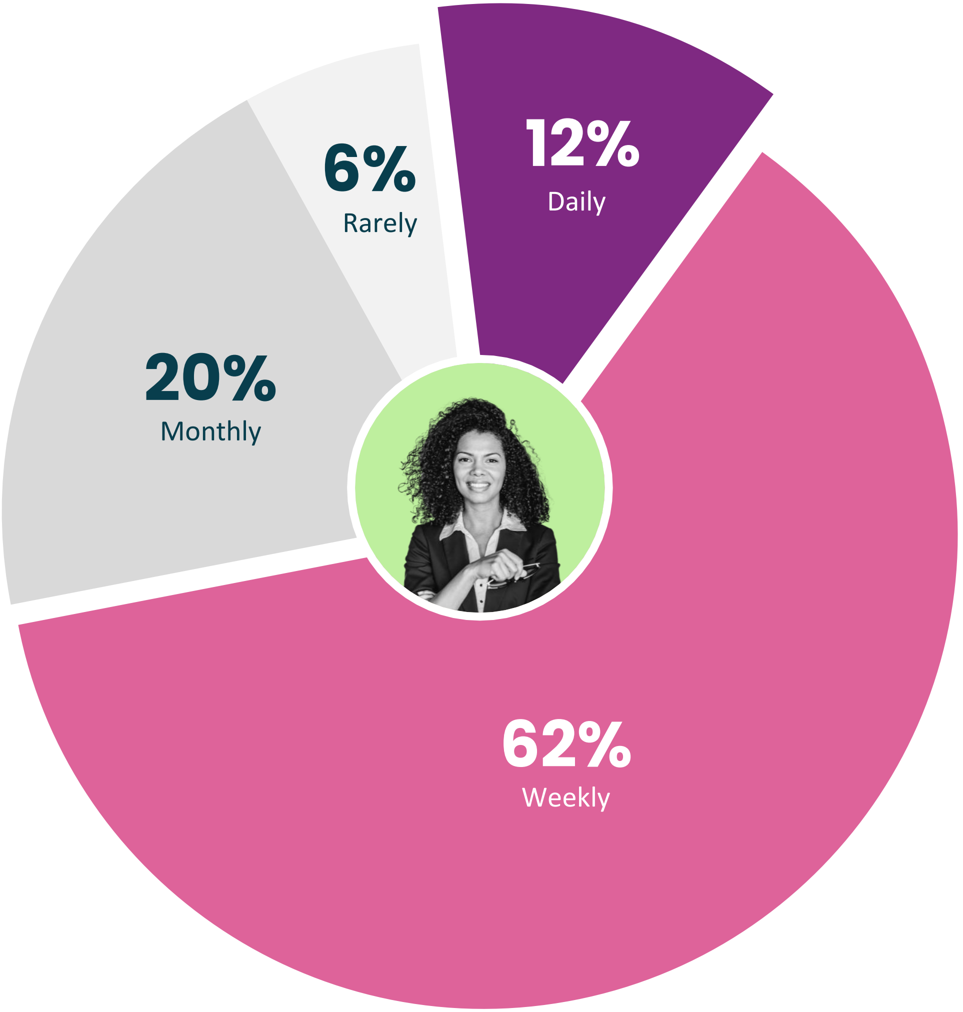
KEY FACTORS SHAPING THE NEO PURCHASE DECISIONS

NEOs prioritize brand reputation, valuing its story beyond the product. They seek a **seamless shopping experience**, making product accessibility key. **Less price-sensitive** than **Traditionals**, they blur the line between needs and wants, redefining 'discretionary' spending.

1. Brand reputation
2. Ease of finding product
3. Price competitiveness

PATTERNS IN PHYSICAL STORE

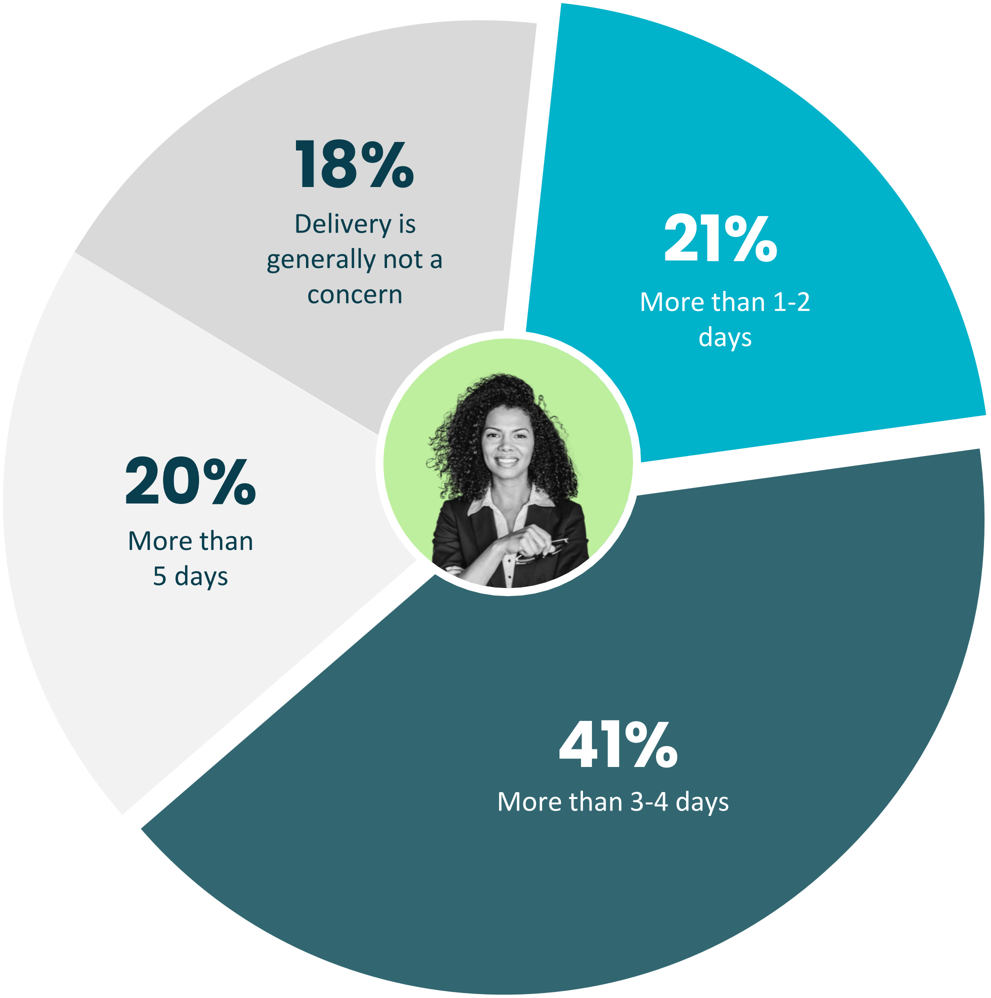
Shopping frequency



NEOs are frequent shoppers, 26% visit daily, 62% weekly. Though tech-savvy**, they value in-store experiences** and actively engage beyond online shopping.

DELIVERY TIMES BREAK POINT

NEOs are highly sensitive to delivery times—41% find 3-4 days too long, and over 80% prefer in-store shopping if the wait is more than days. This gives brick-and-mortar retailers a strong advantage over online giants.



Delivery frame tolerance

NEO CX FRICTION POINTS AND CHURN DRIVERS

Frequent friction points

1. Insufficient Parking
2. Long Checkout Lines
3. Overpriced products

Churn drivers

1. Difficulty finding products
2. Limited Product Range
3. Overpriced products

NEOs demand a smooth shopping experience. **Parking difficulties and long checkout lines disrupt their journey**, making solutions like **smart parking and seamless payments key advantages**. While pricing is a concern, its impact may lessen as interest rates decline. **For churn risks, product accessibility is critical**. When finding items is a struggle or selection feels limited, NEOs are quick to look elsewhere. Ensuring ease and variety is essential to keeping them engaged.

FREQUENT PAIN POINTS FACED BY SHOPPERS IN PHYSICAL STORES

Traditional

1. Overpriced Products
2. Limited Product Range
3. Long Checkout Lines

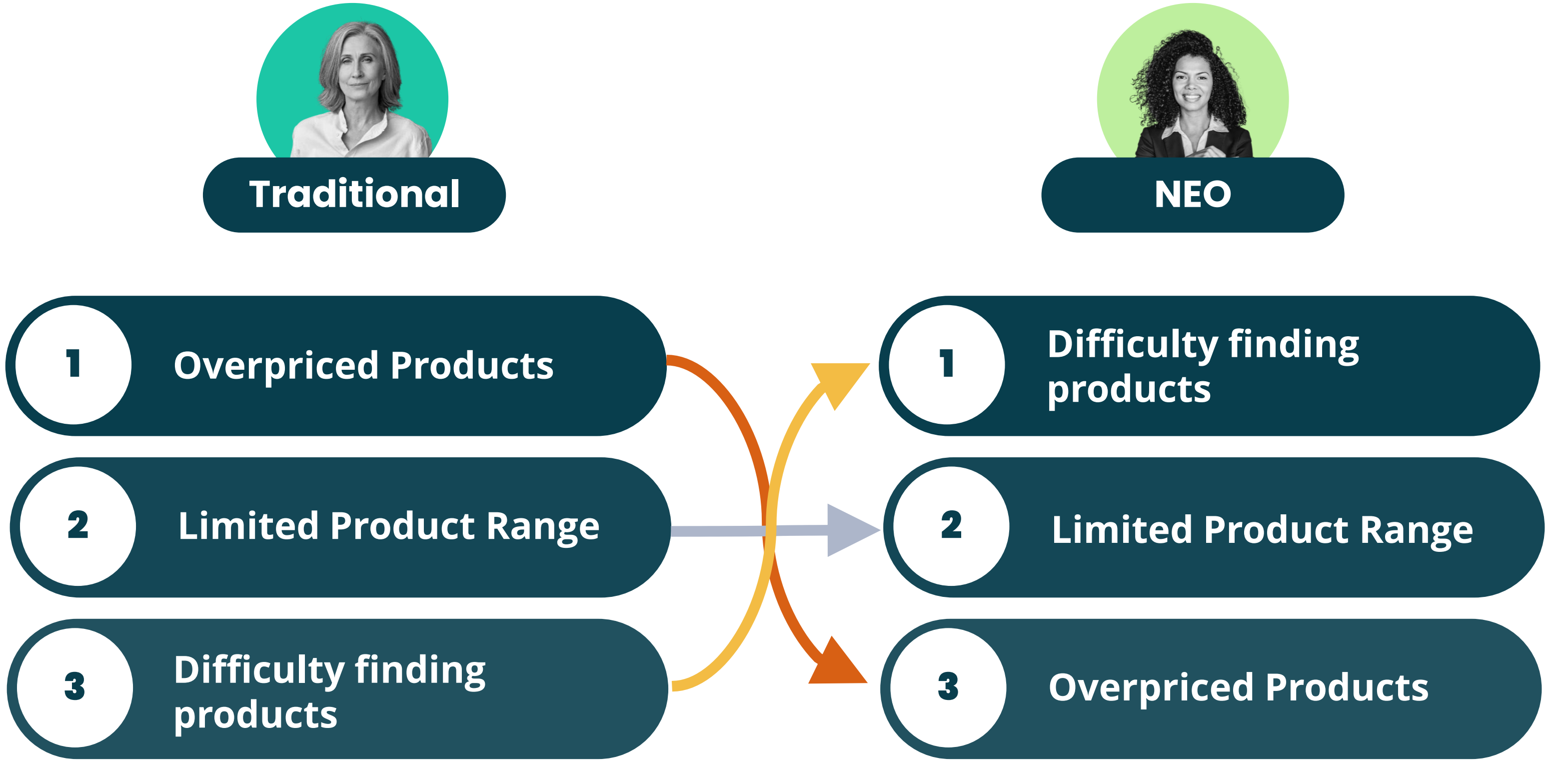
NEO

1. Insufficient Parking
2. Long Checkout Lines
3. Overpriced Products

Competing on price isn't the only strategy. Improving factors like **parking** can be a powerful way to **attract high-value customers without sacrificing margins.**

CORE FACTORS DRIVING SHOPPERS TO SWITCH STORES

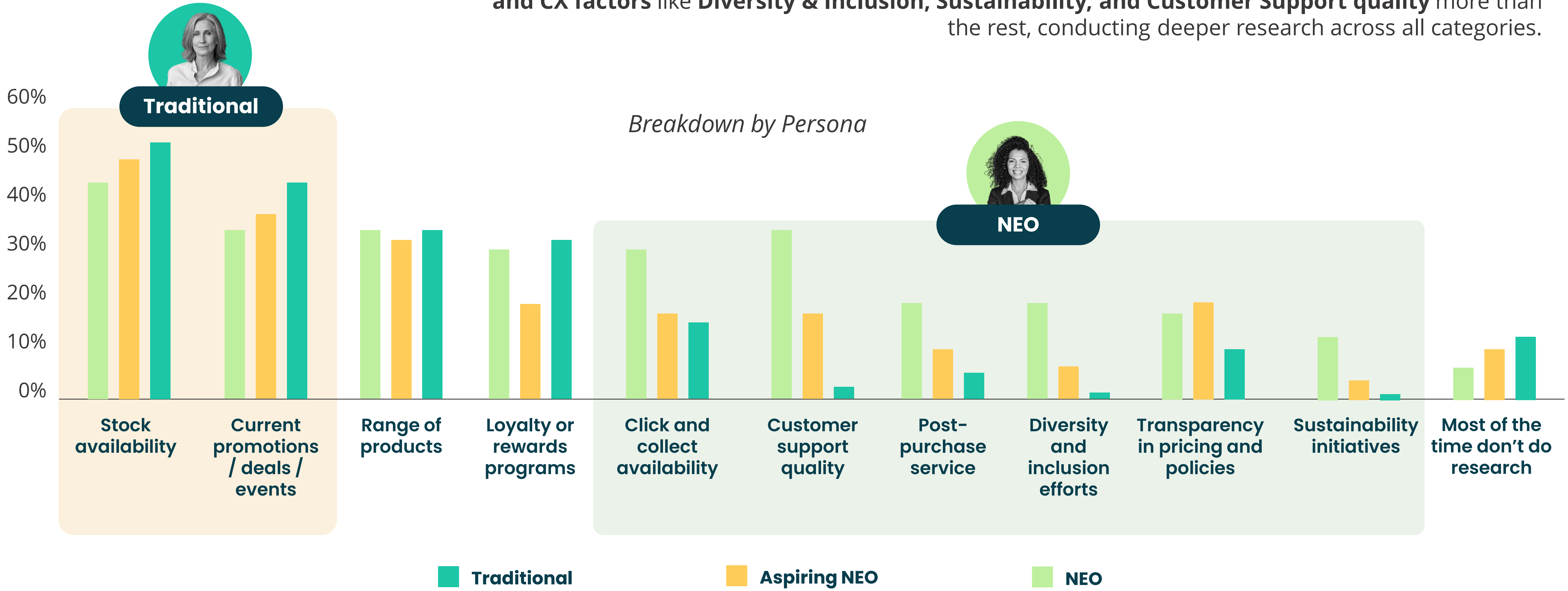
Varied Shopper Sensitivities



Churn factors are similar but vary in impact. **NEOs** are more **likely to leave if finding products is difficult**, while **Traditionals** are more **sensitive** to **overpriced products**.

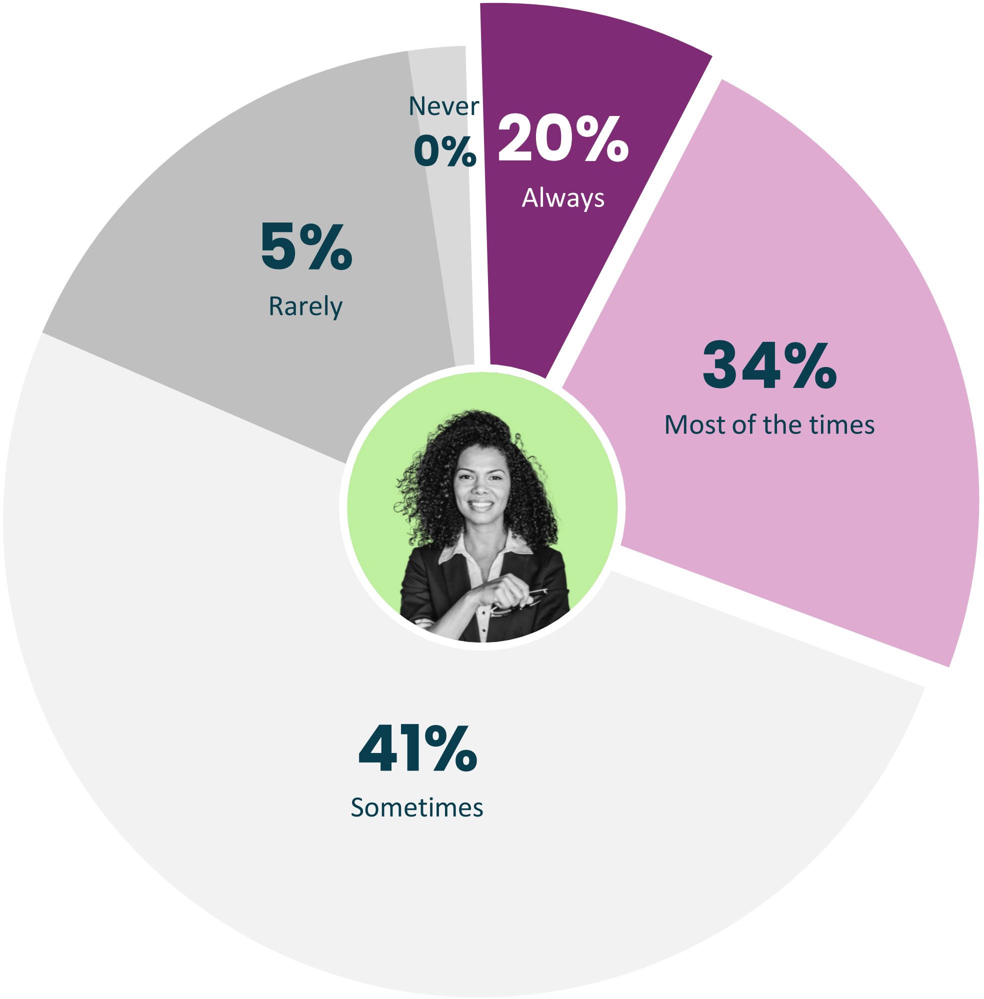
CX DRIVERS CUSTOMERS ARE LOOKING FOR

Stock availability and promotions matter for all, especially Traditionals. **NEOs, prioritize brand and CX factors** like **Diversity & Inclusion, Sustainability, and Customer Support quality** more than the rest, conducting deeper research across all categories.



UNPLANNED PURCHASE BY NEOS

NEOs visit stores more often and make more unplanned purchases. Nearly 54% buy impulsively either most of the time or always, with 20% falling into the 'always' category. This presents a major opportunity to enhance in-store experiences and drive larger baskets without hurting margins.

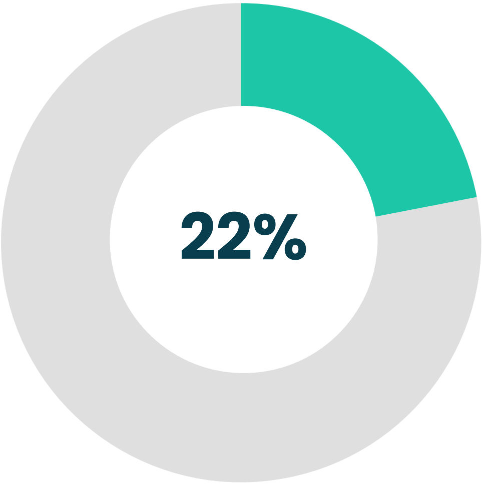


Frequency of unplanned purchases

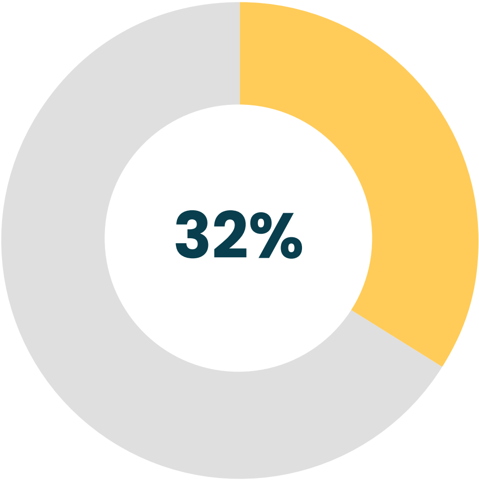
UNPACKING UNPLANNED SHOPPING AT THE STORE

*Figures of making impulse purchases **most of the time / always***

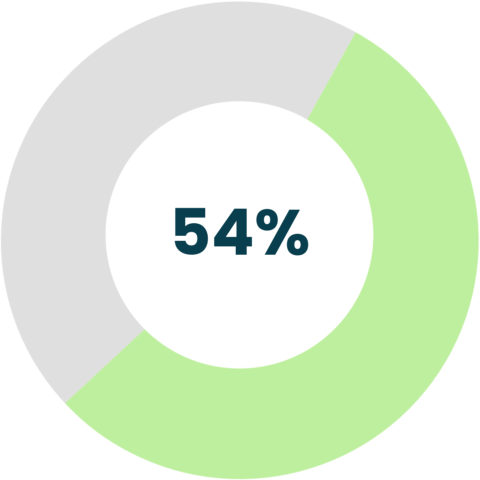
Traditional



Aspiring NEO



NEO

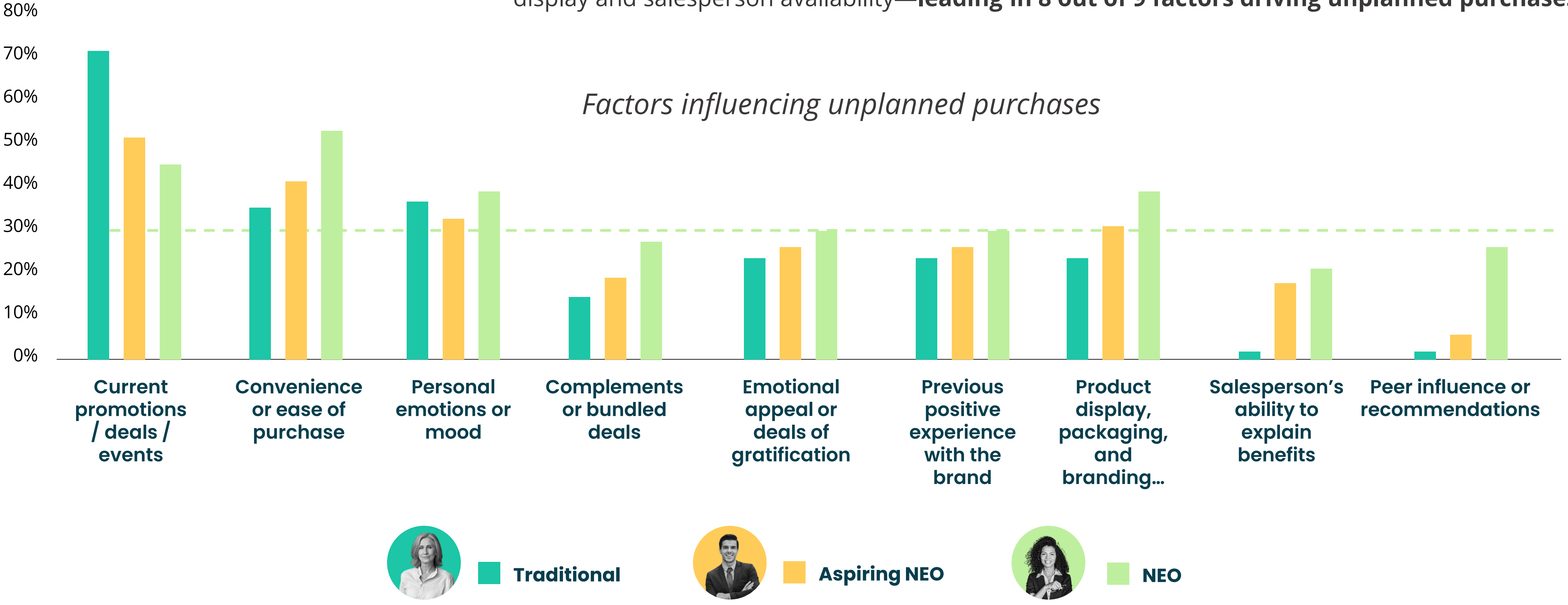


NEOs make more than double unplanned purchases than Traditionals. This gap, especially in a shifting economy, presents a key opportunity for customer teams.

CX DRIVERS FOR UNPLANNED PURCHASE

Traditionals prioritize a lot **promotions and deals**, while NEOs value them less. **What sets NEOs apart** is their **strong focus on convenience and ease of purchase**, along with a heightened sensitivity to product display and salesperson availability—**leading in 8 out of 9 factors driving unplanned purchases**.

Factors influencing unplanned purchases



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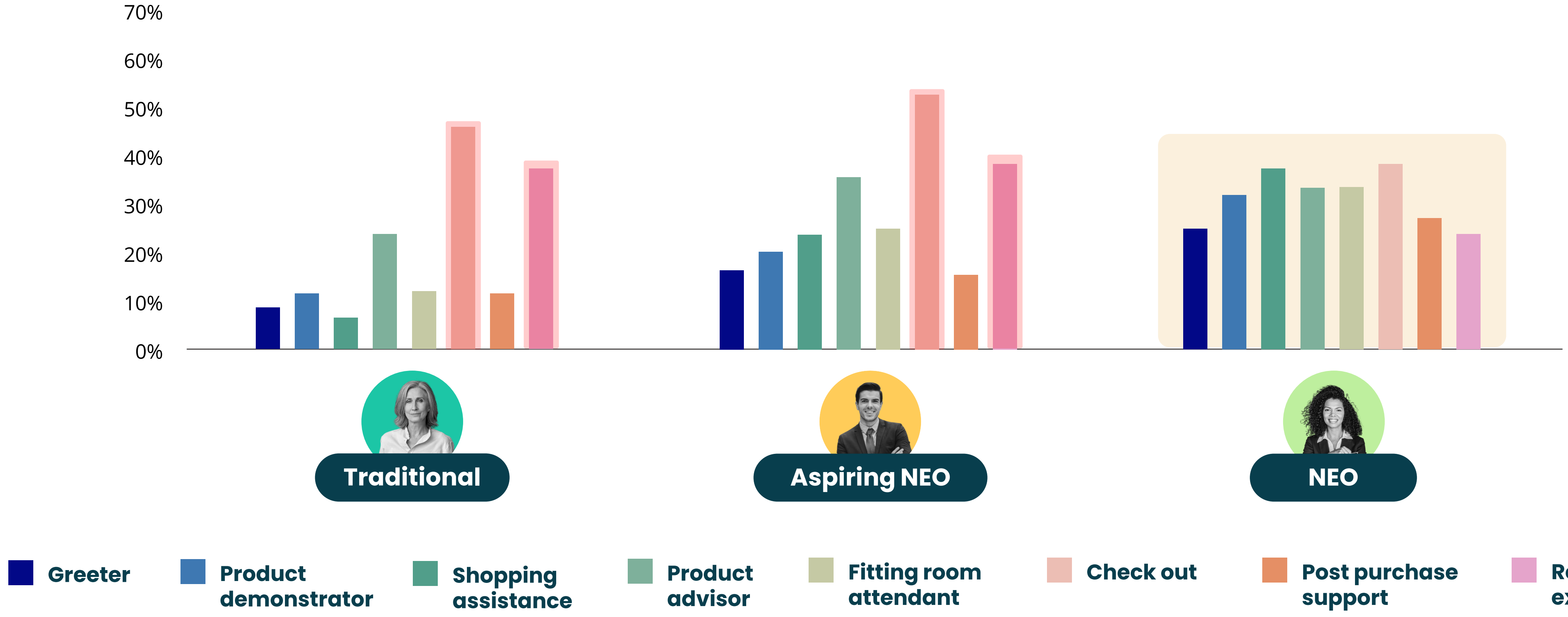
PREFERENCE OF SELF-SERVICE OVER STAFF ASSISTANCE

	 Traditional	 Aspiring NEO	 NEO
Strong preference *for self-service over staff assistance*	16%	19%	20%
Some preference *for self-service over staff assistance*	34%	40%	52%

The **rise of self-service** reflects a clear **preference shift**. **NEOs strongly favor it**, appreciating control and innovation, while **Aspiring NEOs are following suit**. **Traditionals**, though **open to self-service at times**, generally **lean towards staff assistance.**

WHICH CX TOUCHPOINT IS CRITICAL

Beyond self-service, we explored where staff presence matters most. ***NEOs seek a seamless journey***, valuing **support from greeting to post-purchase**, while ***Traditionals focus on practical touchpoints*** like **checkout and returns**, making their needs easier to meet. ***Aspirational NEOs***, however, **blend both behaviors**—seeking efficiency like NEOs but still valuing key service moments like Traditionals.



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Summary

NEOs are the more complex customers.

- They are less price-sensitive
- More Frequent Shoppers
- Greater propensity to impulse shop (3X)
- Have higher expectations for their end-to-end experience
- prefer self-service and demand extensive information before visiting a store.
- Most impatient with delivery times

NEO

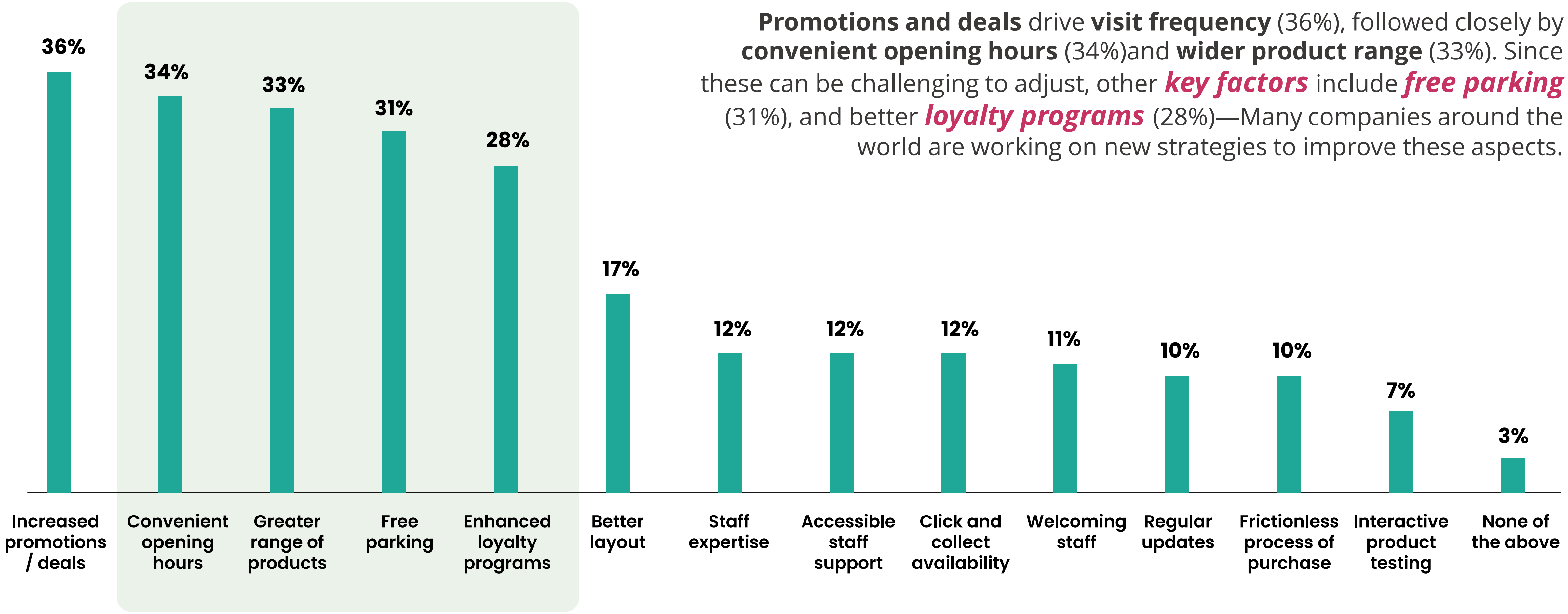
PART 5

Driving greater in-store revenue through Dream experiences

- *Determine* modern shoppers' expectations to boost repeat visits and time spent in-store.
- *Define* technological enhancements that would improve the in-store experience.
- *Identify* elements that would make customers recommend a store to friends and family.

KEY CX FACTORS FOR BOOSTING VISIT FREQUENCY

Promotions and deals drive **visit frequency** (36%), followed closely by **convenient opening hours** (34%)and **wider product range** (33%). Since these can be challenging to adjust, other ***key factors*** include ***free parking*** (31%), and better ***loyalty programs*** (28%)—Many companies around the world are working on new strategies to improve these aspects.



KEY FACTORS FOR BOOSTING VISIT FREQUENCY

Top 5 factors by persona

Traditional

Respond strongly to promotions and deals, reinforcing their impact on sales.

1. Increased promotions/deals
2. Greater range of products
3. Free parking
4. Convenient / extended opening hours
5. Enhanced loyalty programs

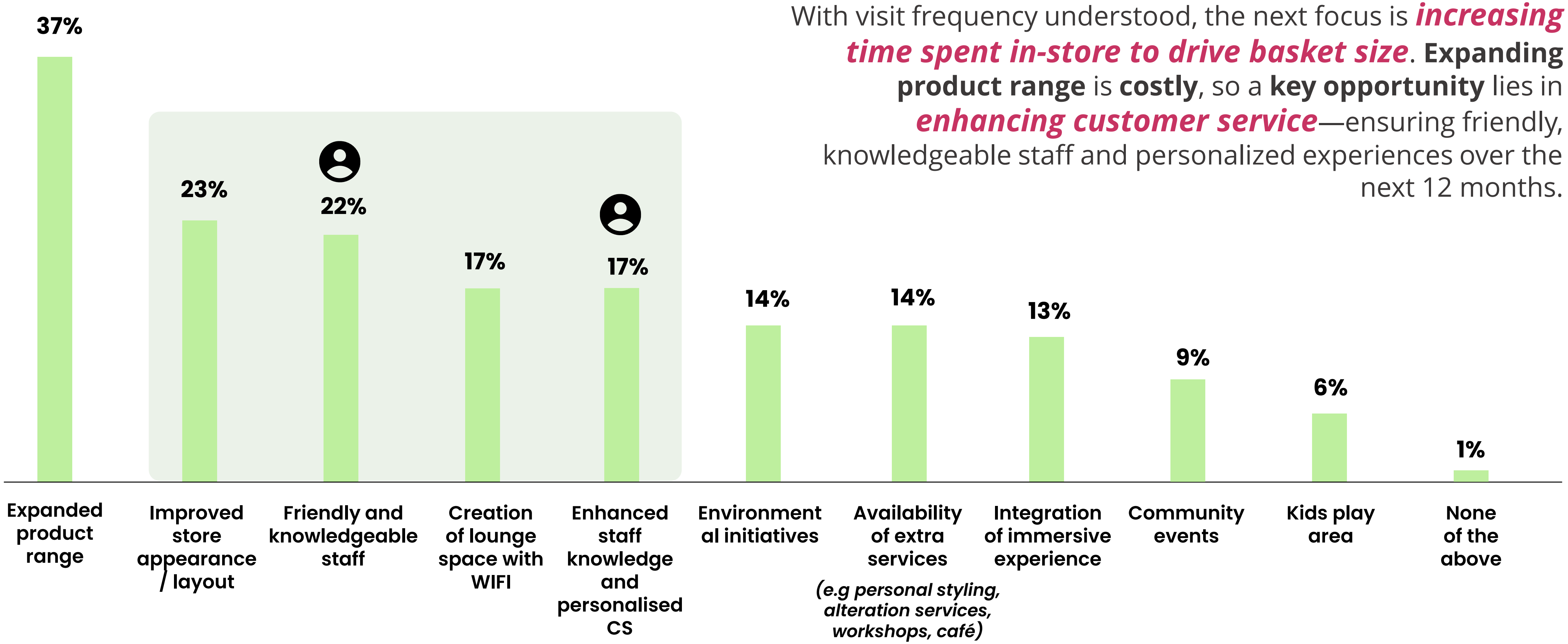
NEO

Less driven by promotions, creating opportunities to attract them through extended hours and loyalty programs.

1. Convenient / extended opening hours
2. Enhanced loyalty programs
3. Greater range of products
4. Better layout
5. Free parking

USING CX TO MAXIMIZE TIME SPENT IN STORE

With visit frequency understood, the next focus is ***increasing time spent in-store to drive basket size***. **Expanding product range** is **costly**, so a **key opportunity** lies in ***enhancing customer service***—ensuring friendly, knowledgeable staff and personalized experiences over the next 12 months.



MAXIMIZING TIME SPENT IN STORE

Top 5 factors by persona

Traditional

are less responsive, with many stating they wouldn't stay longer regardless of improvements.

1. Expanded product range
2. Improved store appearance and layout
3. Friendly and knowledgeable staff
4. Wouldn't spend more time in a store
5. Creation of a lounge space (with wifi)

NEO

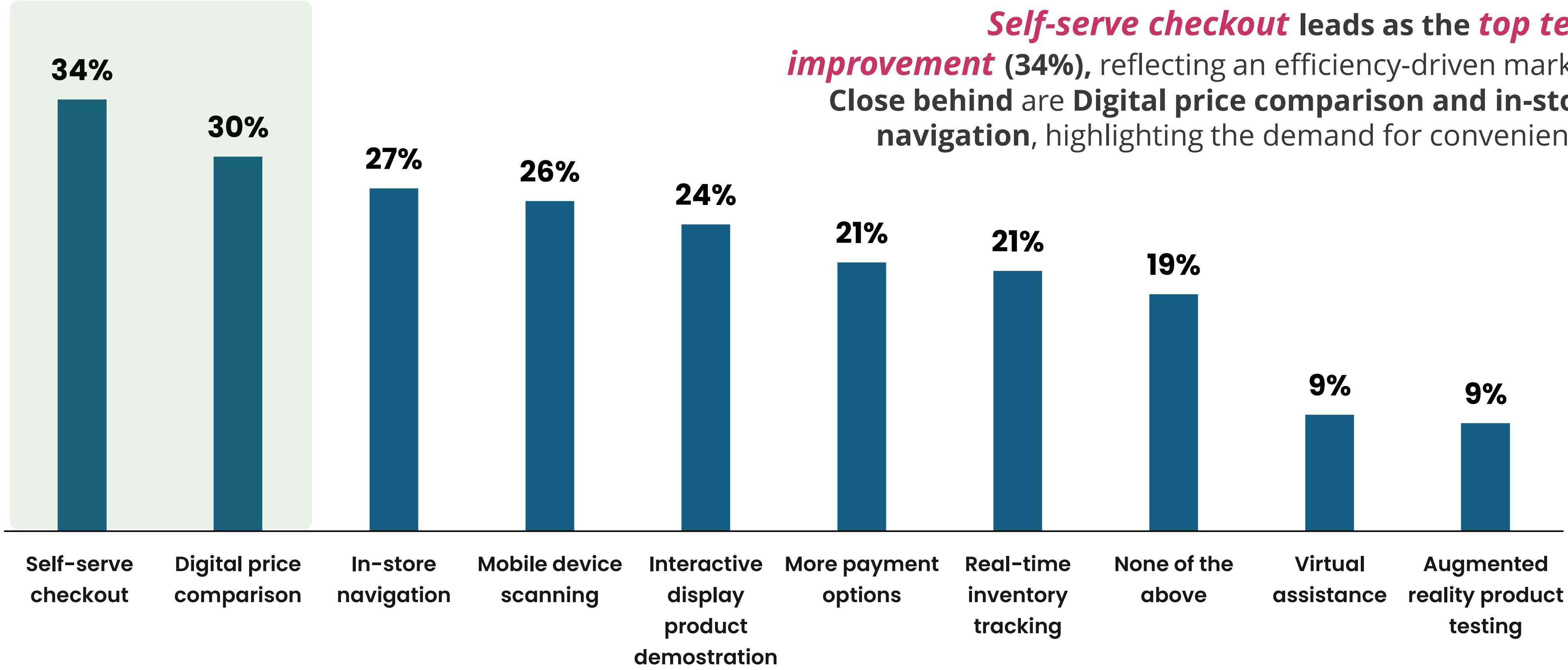
though harder to please, offer a strong opportunity for stores. With the right incentives—friendly staff, extra services, and sustainability efforts—they are more likely to extend their visits.

1. Friendly and knowledgeable staff
2. Expanded product range
3. Improved store appearance and layout
4. Personalised customer service
5. Environmental initiatives

DREAM EXPERIENCE POWERED BY TECHNOLOGY

Score of more attractive technological improvements

Self-serve checkout **leads as the** ***top tech improvement*** **(34%),** reflecting an efficiency-driven market. **Close behind** are **Digital price comparison and in-store navigation**, highlighting the demand for convenience.



DREAM EXPERIENCE POWERED BY TECHNOLOGY

Top 5 technological experience by persona

Traditional

Their top choice for improvement is self-service checkout, likely because it's already common and familiar. They are not drawn to more advanced technologies, and a significant percentage isn't interested in any tech improvements at all.

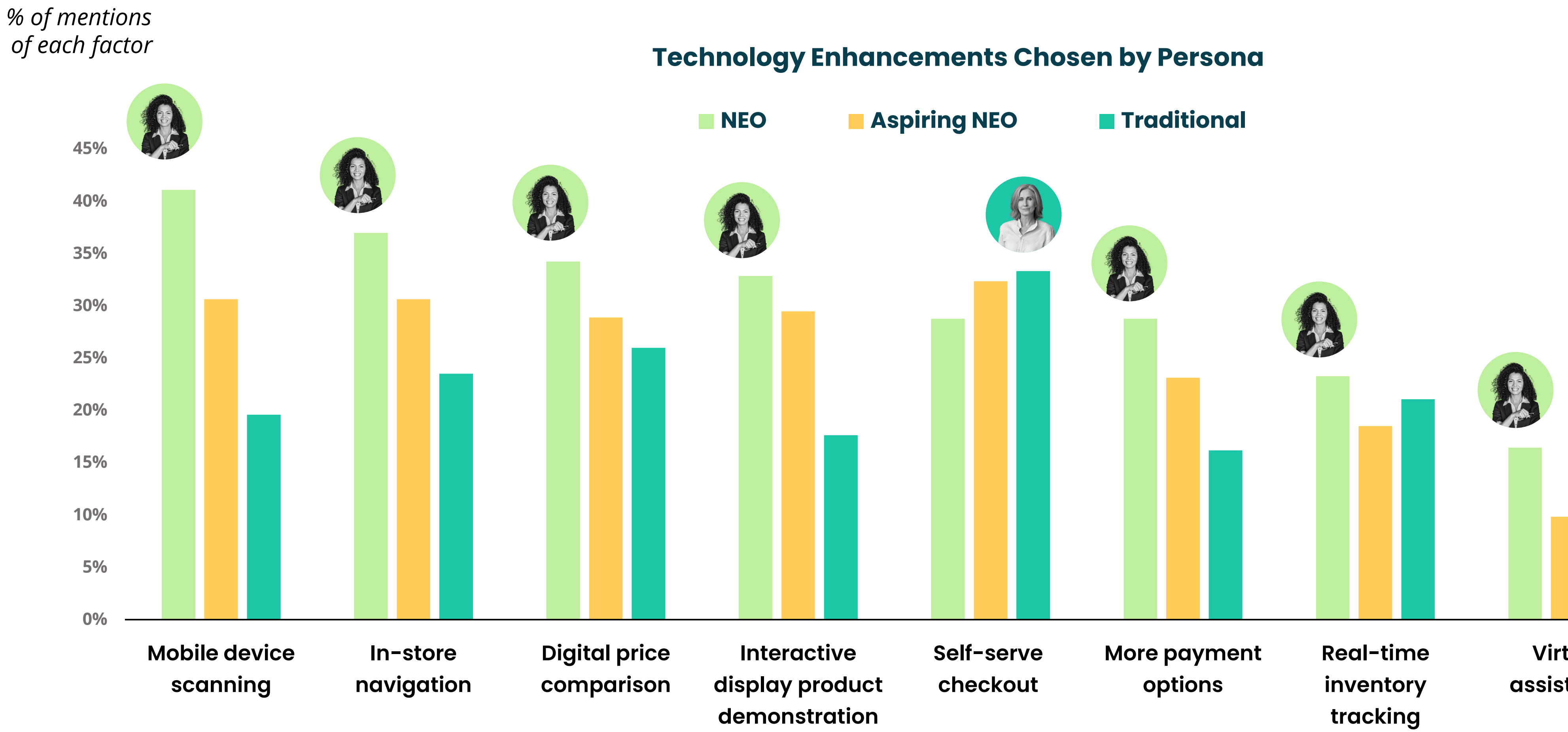
1. Self-serve checkout
2. Digital price comparison
3. Not interested
4. In-store navigation
5. Real-time inventory tracking

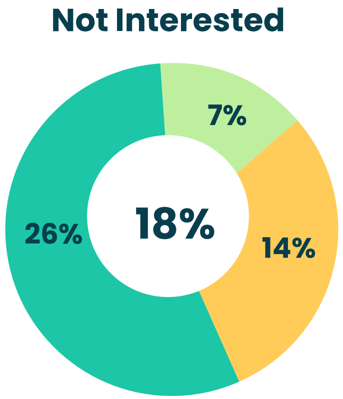
NEO

as early tech adopters, prioritize digital price comparison and innovative features like interactive displays over self-checkout, which is already widespread

1. Mobile device scanning
2. In-store navigation
3. Digital price comparison
4. Interactive display product demonstration
5. Self-serve checkout

DREAM EXPERIENCE POWERED BY TECHNOLOGY

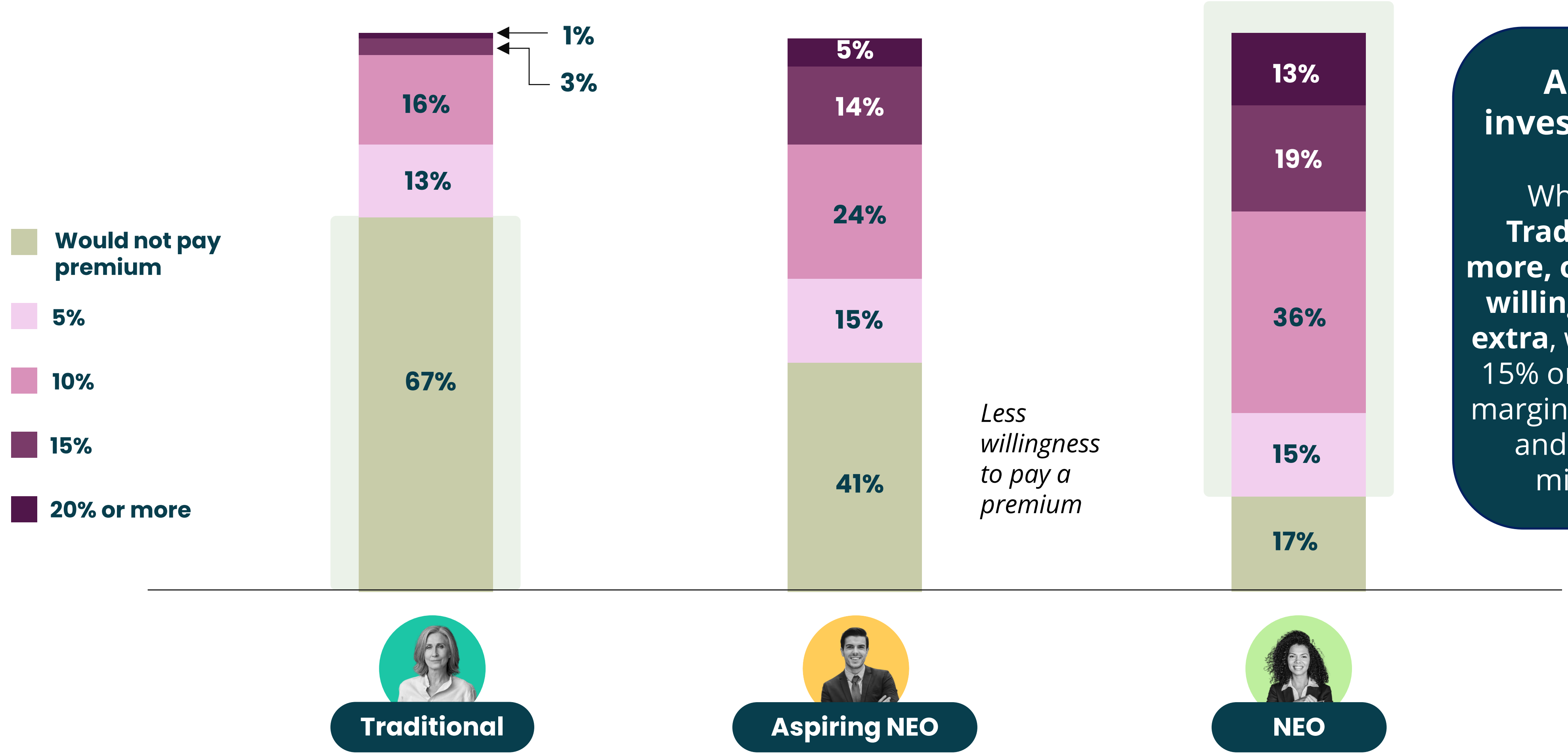




This chart clearly shows that ***NEOs are more attracted to 8 out 9 technologies***, while self-service checkout sees only a slight difference compared to **Traditionals**. Once again, **Aspirational NEOs naturally occupy the middle ground between both groups**.

UNLOCKING VALUE IN THE DREAM EXPERIENCE

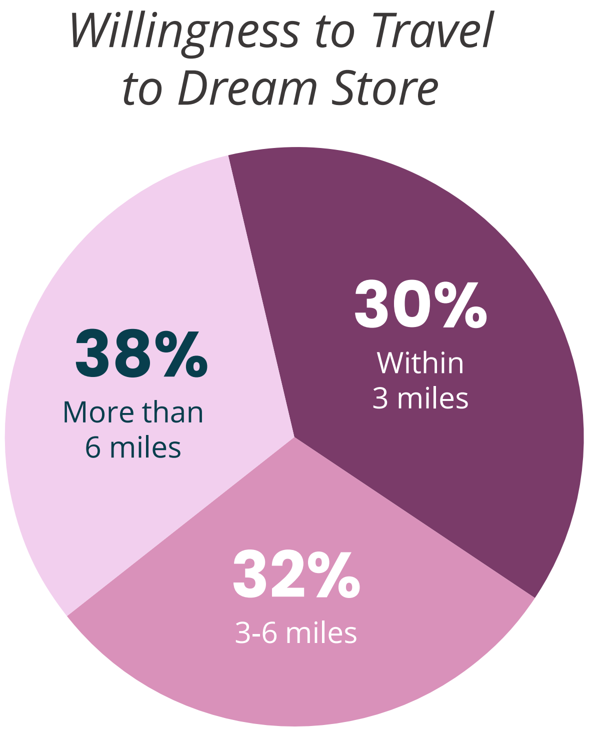
Willingness to pay a Premium by persona

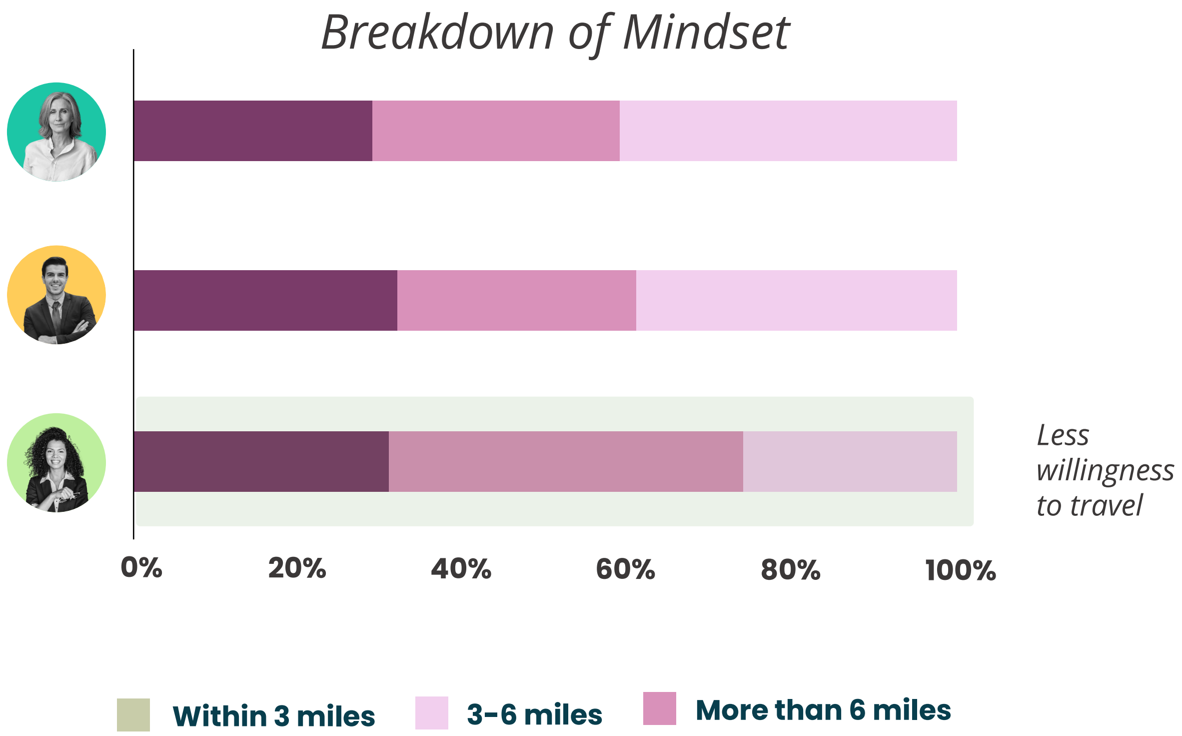


Are experience investments worth it?

While almost **70% of Traditionals won't pay more, over 80% of NEOs are willing to pay at least 5% extra**, with 30% ready to pay 15% or more. This presents margin growth opportunities and underscores a key mindset difference.

UNLOCKING VALUE IN THE DREAM EXPERIENCE





Customers travel significant distances for their ideal store: 32% go 5-10 km, while 38% exceed 10 km. **NEOs**, despite being willing to pay more, **prioritize convenience and travel less** than others, aligning with their overall behavior.

GROWTH OPPORTUNITY. WHAT FACTORS CREATE ADVOCATES (NPS)?

Customer advocacy drives higher margins than paid acquisition. **Peer recommendations** rely on **high-quality service and human interaction**, making memorable experiences crucial. **Price competitiveness also plays a key role** in **attracting new customers**.

GROWTH OPPORTUNITY. WHAT FACTORS CREATE ADVOCATES (NPS)

NEOs and Aspiring NEOs recommend stores based on customer service quality, while **Traditionals prioritize price**. NEOs also value experience, product quality, and extra services—key factors in attracting more high-value customers.

TRADITIONAL

1. Price competitiveness
2. Customer service quality
3. Product quality
4. Deals and promotions

"If they offered huge discounts and were quality products" ***Traditional***

"Good bargains and discounts and good staff." ***Traditional***

ASPIRING NEO

1. Customer service quality
2. Price competitiveness
3. Product range
4. Product quality

"Good customer service, friendly staff and having the stock in that I want." ***Aspiring NEO***

"A good range of quality products at competitive prices in a pleasant shopping environment." ***Aspiring NEO***

NEO

1. Customer service quality
2. Overall good experience
3. Product Quality
4. Extra services

"Wide range of products, reasonably priced items, helpful staff and exciting in store experience" ***NEO***

"Ease of shopping and something unique from the store." ***NEO***

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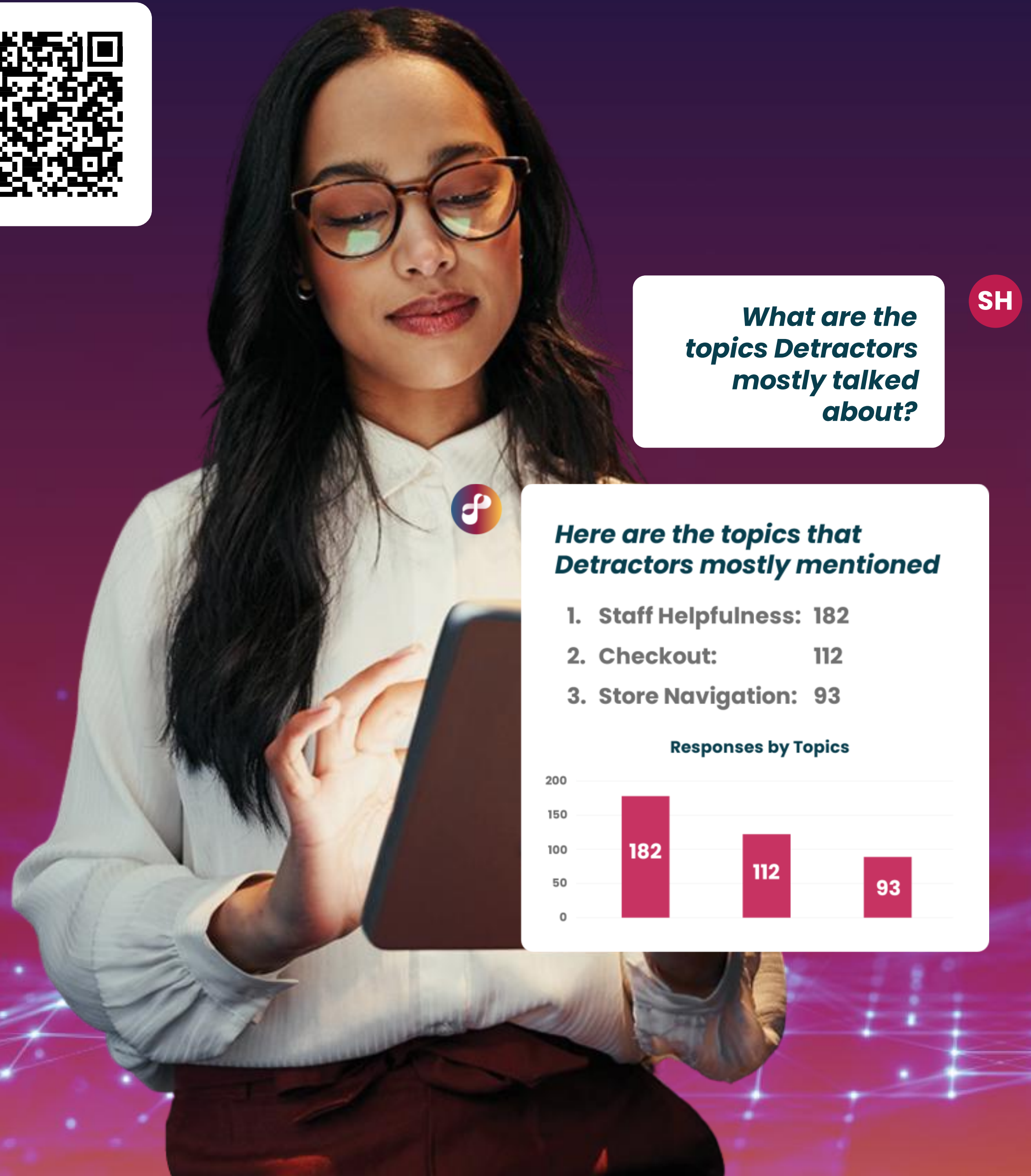

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