

Constantly connected

Discover more at
connect.o2.co.uk/the-big-ask-download-report



What digitalisation means for modern retail

Today's customer journey is barely recognisable from that of a decade ago – its many shifts have only been accelerated and distorted further by COVID-19. It's also infinitely more complex. Formerly a predominantly physical path, today's journey seamlessly incorporates both the physical and digital environments – becoming multi-platform, multichannel and multi-device.

And in a retail industry inundated with disruptive technologies and business practices, the customer journey continues to evolve, empowered by online connectivity.

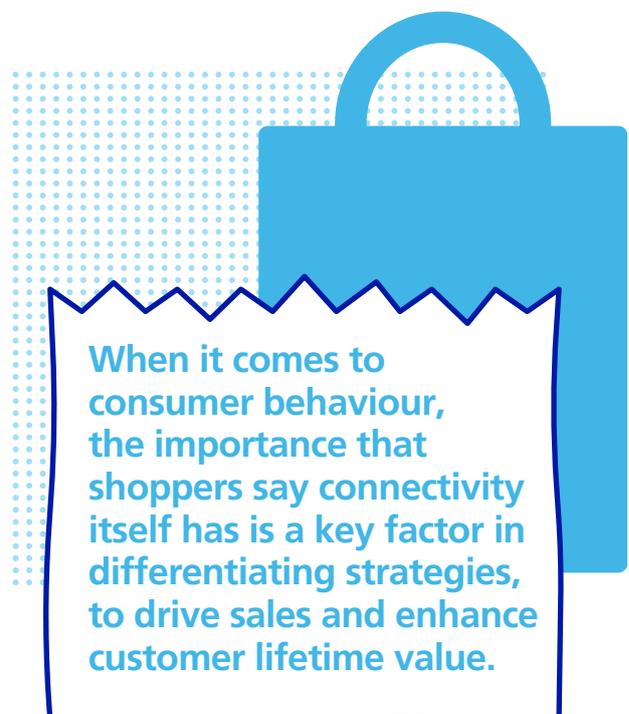
New research from O₂, in partnership with Retail Economics, gives insight into how connectivity influences behaviour at every touchpoint. These insights cover both retailers and consumers – the modern customer journey, from both sides of the till.

The game has changed

The research identifies three different types of consumer based on the extent to which they say they appreciate connectivity. It highlights differences in their behaviour and sentiments throughout their retail journeys, and the distinctive roles of physical and digital channels within them.

The research also shares how retailers are reacting to this and what opportunities will emerge in a new pattern for the industry. One where 'constantly connected consumers' have gained more influence over retailers' tactics and channels.

As online connectivity supports a novel 'connected customer journey', retailers must anticipate, and defend against, new angles of disruption. Understanding the role of technology, the main drivers of consumer behaviour and how these affect the 'bottom line' is crucial.



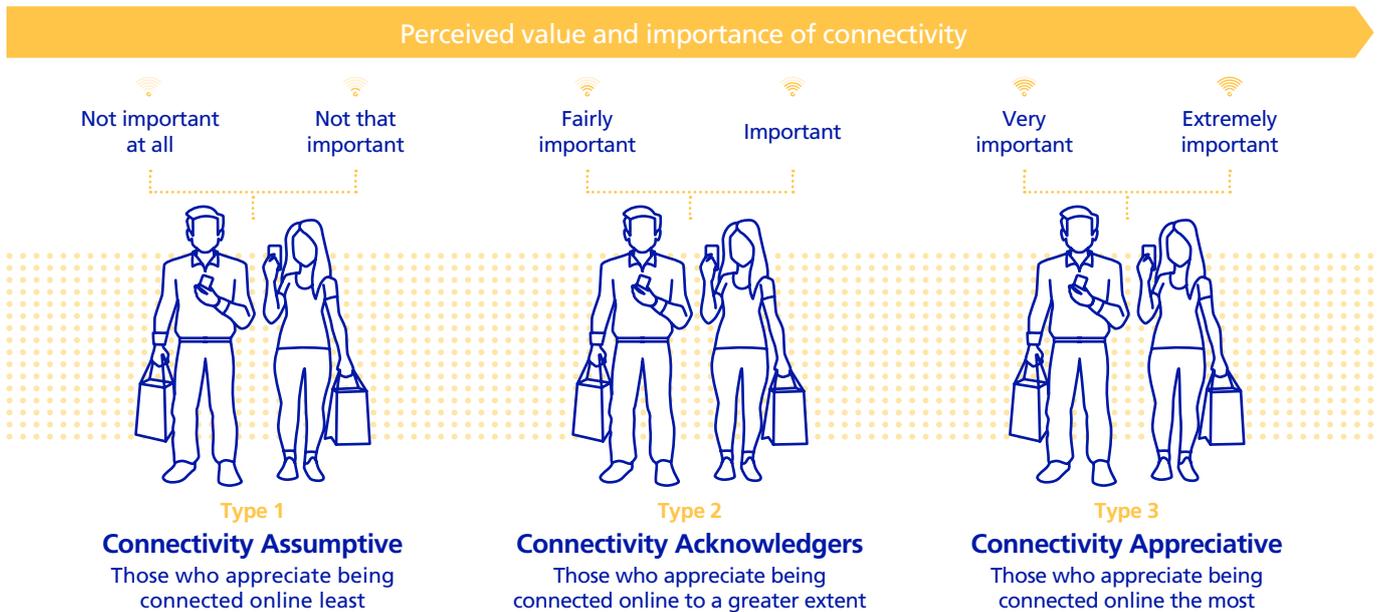
When it comes to consumer behaviour, the importance that shoppers say connectivity itself has is a key factor in differentiating strategies, to drive sales and enhance customer lifetime value.

In partnership with **Retail Economics**

O₂
business

A brand-new way to segment

The research identifies three types of connected consumer:



Different customer groups appreciate being connected online differently. Behind these groupings, we can see several more complex trends, which retailers can use to both segment and personalise.

This group takes connectivity for granted, relatively, so appreciate it less. This doesn't mean, however, that they don't use digital channels, as we'll explore later on.

The connectivity assumptives accounts for about **10%** of shoppers. They are more likely to be aged between 16 and 24, with a slight male bias.

The connectivity appreciative account for about **60%** of shoppers. The largest group is the connectivity appreciative, who place the highest importance on connectedness. They are more likely to be over the age of 45, from affluent households, and mostly female. This consumer group state that being connected is 'very' or 'extremely' important.

The connectivity acknowledgers account for about **30%** of shoppers. They are more likely to be Millennials, have a more even gender split and tend to be in full-time employment.

Awareness of these variations means an increased urgency for retailers to segment and engage different customer groups in a profitable way. That's combined with other striking findings, like the fact over a third of consumers say that they 'can't live without their smartphone' – viewing it as indispensable for their social lives and retail.



Insight into action

This research addresses all kinds of questions for retailers:



But as well as insights, **The Big Ask** is about helping you. We've used the research to identify how retailers can augment and discover new solutions to these challenges, to help you to differentiate and personalise your engagements. Retailers who recognise the risks and opportunities in the industry early will be best placed to do so.

If you'd like to find out more about the research, you can **download the full report here**.



Discover more at connect.o2.co.uk/the-big-ask-download-report

In partnership with Retail Economics

O₂
business