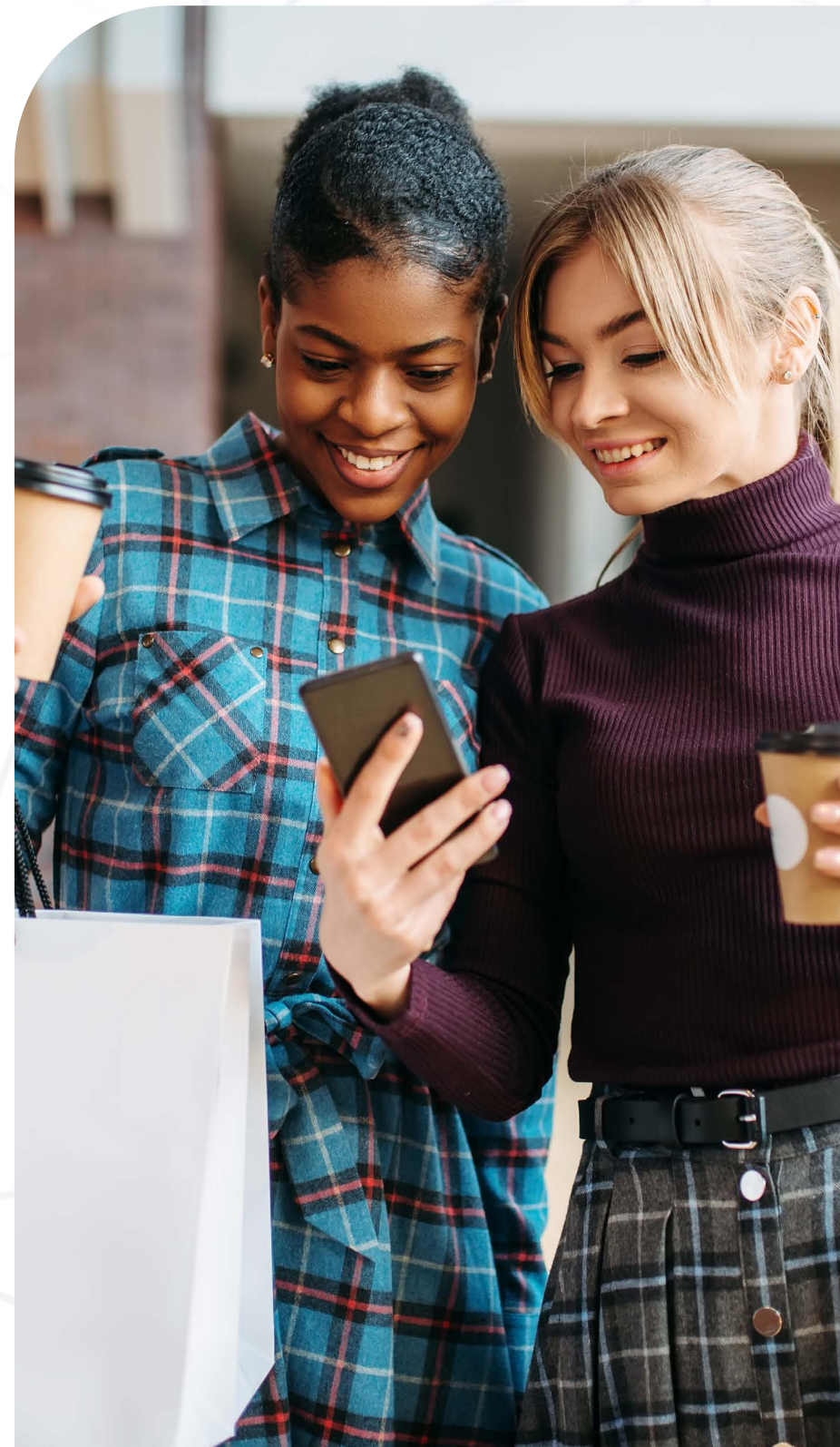


AFTER THE SALE ENDS

Retail Shoppers Speak Out About
Their Communication Preferences.

RETAIL INDUSTRY REPORT





Our Approach

First Orion surveyed 5,000 U.S. mobile phone subscribers in late 2021 about their experiences with calls from retail businesses to their mobile phones. People were asked about call activity, type, brands they interact with, their perceptions of those brands based on calling behavior, and their preferences in relation to those experiences. We conducted a similar survey in early 2020.

We also conducted a follow-up survey with an additional 1,000 respondents in the same targeted demographics, in order to understand consumer preferences in more detail.

Where applicable, comparisons to the 2020 survey will be included.

Key Findings

Over

1/2

of people prefer a phone call for urgent issues related to an order from a brand/store

Approximately

43%

prefer speaking with a live person over the phone when trying to resolve a shopping issue remotely

A Significant Majority

64%

of customers are willing to switch to a different brand for one that could properly identify itself on a phone call

Retail Customer Service and Communications in the Digital Age

The reality of 21st century commerce is that people have seemingly infinite options. For retailers, that means increased competition both at their brick-and-mortar locations and online. Yes, some people still like to shop in-store, though a growing number of people shop via their computers or mobile devices, choosing delivery or curbside pick-up.

In 2021, there were an estimated 230.5 million digital shoppers* in the United States (growing from nearly 210 million in 2016).

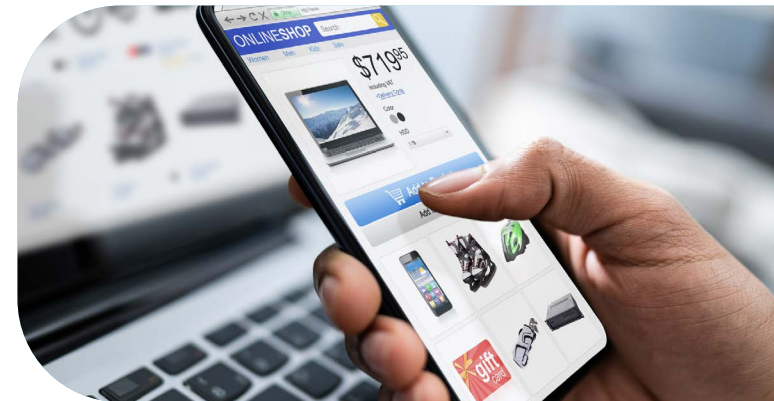
For companies, how do you deliver a top-notch experience that builds brand loyalty for a group of people that may never step foot inside your actual store (if you have one)?

Communications and customer service go hand-in-hand, regardless of the customers' location. People expect a great experience – anything less and they might find another place to spend their money.

So, what types of communication do people prefer? Well, it often depends on the situation.

The following looks at what consumers are saying about their communication preferences with retail brands and what those brands should consider in their communications plan.

*Statista





Spreading the Word ...

General communications – updates, advertisements, deals, offers, etc. – could be considered “general” business matters. People get it – you’re doing your job, spreading the word, and creating awareness.

Retailers have options – but two methods stand much higher than the other.

People show a strong preference for email/mobile app or phone calls, but text/SMS is not well-liked for this purpose.

For General Communications

- **Email or Mobile App — 40%**
- **Phone Call — 37%**
- **Text/SMS — 24%**

Communication is key – the more info you can provide up front, the better. Especially if it isn’t urgent (from the customer’s perspective).

However, once a customer has made a purchase, then the game changes.



Help! I Need Somebody...

But not just anybody. People want to talk to a living, breathing person who can assist.

After the purchase, customers want phone calls more than email/mobile app messaging or text/SMS for most customer service scenarios.

For **non-urgent**, customer service-related issues:

- **Phone call - 43%**
- **Email or mobile app message - 35%**
- **Text/SMS - 22%**

The gap gets even wider for **urgent issues** (late/missing deliveries, incorrect items, driver needs directions, etc.):

- **Phone call - 55% (up from 30% in 2020)**
- **Text/SMS - 30% (27% in 2020)**
- **Email or mobile app message - 15% (32% in 2020)**

Live, personal interaction has become the new preference. **BUT WHY?**



The 2 E's (Ease and Efficiency)

For those who prefer speaking to a person over the phone for urgent issues, they were asked to select every reason why. Here are the top 4 reasons:

- **Phone calls are more efficient than messaging options**
- **I can better explain what I need help with over the phone**
- **It is easier for me to ask questions on a phone call**
- **Chat solutions rarely work for me**

The Cost of a Missed Connection

What happens when retailers call their customers, for sales, customer service, or other reasons?

If you aren't using branded communications, it could have a detrimental effect on customer loyalty.

Three out of five people surveyed (60%) said they missed a call from a retail/brand store because they didn't recognize the number that was calling.

And that could be a costly mistake. Nearly two-thirds of people (64%) said they'd consider switching brands to a business that could properly identify itself on the incoming call screen (the same in 2020).

3 in 5

missed a call because they didn't recognize the number

Nearly

2/3

said they'd consider changing brands for one that could properly identify itself

In Their Words — Why Do You Like the Phone Call?

We asked customers to share their personal experiences with brands and phone calls. Here's what they had to say:

"The last time a store/brand contacted me about an order I placed was when I bought my new phone 2 years ago. During this time, they called me to ask follow-up questions about the order because I had just signed up and this was my first time purchasing and they needed more info such as my address and to confirm those things. I was satisfied because they really listened to what I had to say and really seemed to care about the questions and how I was talking to them."

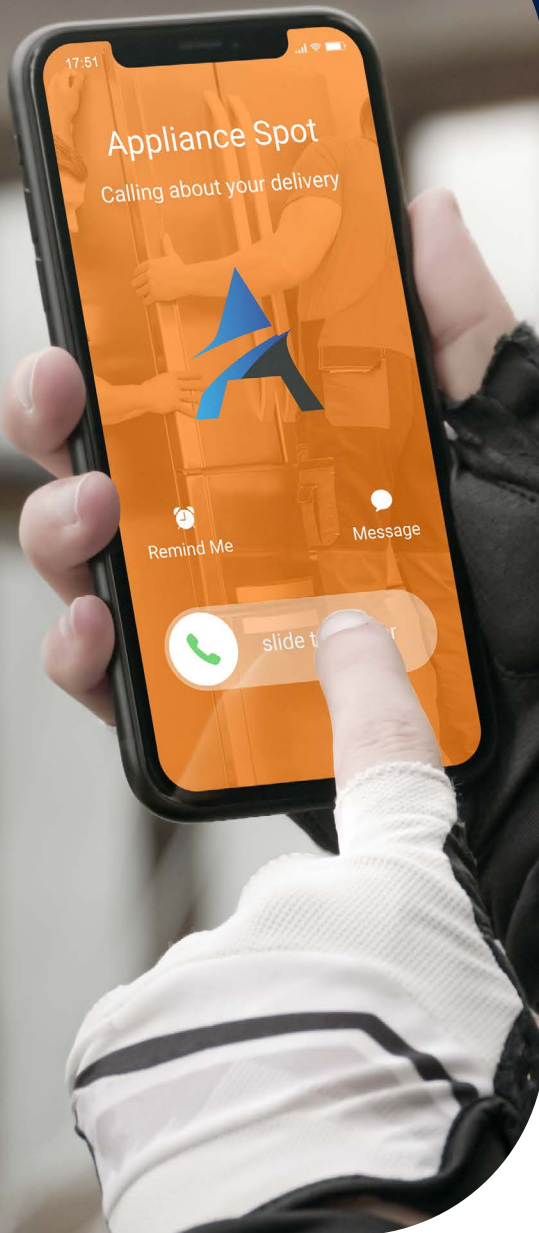
"I have to call for refills of my medication due to formulary requirements and my pharmacist was the one who answered. We started rocky but it has ultimately grown into a connection I enjoy and one day I hope to call her my friend. The process of getting the refills is stressful, she goes out of her way to provide me with extra customer service."

"The brand called me and confirmed my order then went ahead to give me a breakdown on how and where my package will be delivered. It was very satisfying since I got to ask questions and the process was so much faster."

The phone call is an integral part of the customer service experience.

Can Branded Communications Help You?

Here are two real-life case studies of branded communications success from First Orion clients:



EXAMPLE 1:

A premier home improvement chain sends after-purchase delivery reminders to its customers. Due to unwanted robocalls, fewer people were answering, resulting in missed deliveries.

Using branded communications, contact rates increased over 40% and decline rates dropped by nearly 55%.

40% ↑ **CONTACT RATE INCREASE**

50% ↓ **DROP IN DECLINE RATES**

EXAMPLE 2:

A large national retail chain offers store cards to build loyalty and earn revenue. They were having difficulty reaching customers with late and missed payments.

With branded communications, they saw an increase in talk rate by over 14% and a decline in calls per individual of nearly 11%.

14% ↑ **INCREASE IN TALK RATE**

11% ↓ **DECREASE IN DECLINED CALLS PER INDIVIDUAL**

First Orion's branded communication solutions empower businesses to deliver their name, number, and reason for calling. Increase answer rates, drive more revenue, improve customer satisfaction, and more.

Discover what branded calling can do for you. Request a demo at:

firstorion.com/demo



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