Retail CX insights:

Trends and strategies to win customer loyalty in 2025

About HappyOrNot:
Delivering data-driven retail insights

At HappyOrNot, we empower businesses with real-time customer feedback to enhance experiences and drive growth. Since 2009, we've partnered with thousands of clients across 135 countries, analyzing billions of feedback responses.

This report is built on our extensive dataset, enriched with industry insights and market perspectives from our partner Sensormatic Solutions, as well as expert commentary from thought leaders Shep Hyken and DeAnn Campbell, offering informed guidance on the evolving retail landscape.

As a trusted authority in CX metrics, we combine our vast analytics with external insights to provide a comprehensive view of key retail trends, challenges, and opportunities for 2025— helping businesses stay ahead in an evolving market.

2B+
feedback data points collected and reported

67K+
Smiley products capturing real-time feedback

32K+
industry professionals relying on our insights

Table of contents

Welcome to the future of retail CX

As customer expectations evolve, retailers face increasing pressure to deliver seamless, personalized, and data-driven experiences. Understanding what drives customer satisfaction—and where retailers fall short—is essential for staying competitive in 2025.

This report, powered by over 57 million customer feedback responses in the retail industry across the globe, provides retail leaders with data-backed insights, benchmarks, and best practices to help optimize CX strategies.

By analyzing millions of customer feedback points, this report reveals what worked, what didn't, and where retailers should focus their efforts next to drive higher satisfaction, loyalty, and revenue growth in the year ahead.

What you'll learn:

1 How customer satisfaction scores vary across retail categories, and what high performers are doing right.

2 The top pain points impacting in-store shopping, with strategies to turn them into opportunities.

3 Emerging CX trends, from AI and automation to real-time feedback loops, and how they impact retail success.

4 Lessons from leading retailers: their real-world cases on optimizing CX for better business results.

Global retail customer experience, YoY

Retailers worldwide continue to elevate the in-store shopping experience, with customer satisfaction scores showing steady year-over-year improvement. This positive trend reflects ongoing investments in service quality, operational efficiency, and shopper-centric enhancements, reinforcing the industry's commitment to creating a frictionless retail environment.

As consumer expectations continue to evolve, maintaining this upward trajectory in 2025 will require a focus on personalized service, real-time feedback utilization, and deeper alignment between customer needs and in-store execution. Retailers who prioritize these elements will gain a competitive edge in driving loyalty, repeat visits, and sales.

Key drivers behind this sustained growth include:

- Improved staffing strategies, ensuring better customer assistance and reduced wait times.

- Store operations optimization, with enhancements in checkout efficiency, inventory management, and cleanliness.

- Technology-driven experiences, including self-service tools, real-time feedback systems, and AI-enabled insights.
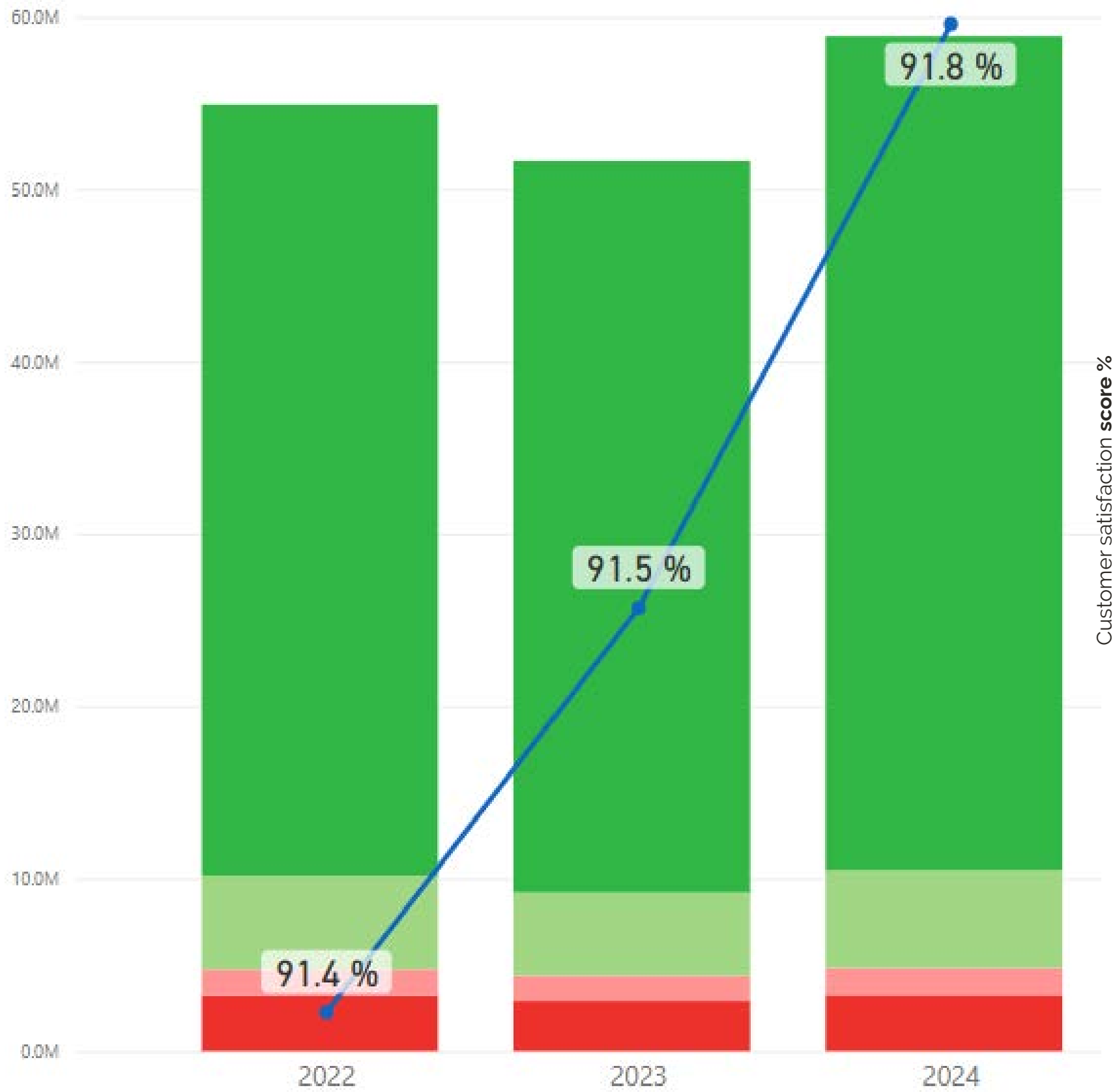
HappyOrNot CX scores x feedback volume & rating distribution

Strategies shaping the future of retail CX

Retail leaders face an evolving landscape where customer expectations, technological advancements, and operational challenges continue to reshape the in-store experience. In this chapter, industry thought leaders share their expert perspectives on where retail CX is headed, what's driving customer satisfaction, and how businesses can stay ahead in 2025.

From leveraging real-time feedback to scaling AI-driven decision-making, these insights will help retailers understand the key trends defining success, and the strategies needed to optimize the customer journey at every touchpoint.

How physical retail can evolve in 2025 to meet shifting customer expectations

Although underappreciated by some retailers, brick and mortar stores are still the heart and soul of retail, not to mention earning exponentially larger profit margins than their e-commerce sibling. But today shoppers fold all channels into their buying journey, using e-commerce as a search tool to narrow down choices before heading to a store to buy. With this in mind, retailers should ensure the shopper's trip to the store is successful.

A good place to start is ensuring the mobile app UX works well. Too many apps, including major retailers who should know better, have apps that are glitch plagued and downright anger inducing to shoppers. Include QR code access to product info to allow app use while in the store, and enable in-store navigation and personalized offers.

Technology is another area where retailers need to evolve. Self check-out was initially adopted as a tool to reduce staff, but it created as many, if not more, problems than it solved. Creating a better balance between staff and technology will be a trend going forward – assisted check-out to offer just the right amount of help rather than a self or full service solution will be the sweet spot to ensure the shoppers last experience in the store is a great experience.

Enhancing the store environment will also be a growing trend, including the rise of more "third places". Even stores who don't have the real estate for full cafe or lounge areas will at least look at adding in-store seating and phone charging to encourage shoppers to hang out longer and promote multi-generational shopping.

More personalized store formats to better match the size, layout and product selections of the store to the community will also become more common as the ability to gather, analyze and interpret data through AI tools becomes more affordable and accessible, allowing real time supply chain management.

By embracing these strategies, physical retailers will create compelling experiences that attract and retain customers in an increasingly digital world.

DeAnn Campbell
Head of Strategy and Insights
AAG Consulting Group

The evolving role of service in shaping retail loyalty in 2025

Customer service and experience drive repeat business, but what defines an experience that makes customers say, "I'll be back"? One in four customers who experience an average or "satisfactory" experience may not return.

Customer service and customer experience has never been more important to a retailer. A great experience builds trust, creates an emotional connection, makes price less relevant, and, overall, helps make the retailer stand out in a very competitive marketplace.

Shep Hyken
Customer Service/CX Expert

Retail resilience in times of economic uncertainty

The global retail landscape in 2025 is filled with exciting growth opportunities that retailers can seize. Building on the momentum from a positive holiday season, economic indicators suggest a cautiously optimistic outlook, with global retail markets projected to expand. This is an ideal time for retailers to leverage technological advancements to enhance the consumer experience and improve operational efficiencies.

By listening to their customers and effectively integrating technology to meet customer expectations, adopting sustainable practices, and remaining agile to changing economic conditions, retailers will be well-positioned to succeed.

While the retail landscape is constantly evolving, it is important to recognize the challenges that come with it. Economic uncertainties, like inflationary pressures and geopolitical tensions, may influence consumer spending and supply chain stability. It is important for retailers to keep an eye on trade policies that may have an impact on product costs and supply chain decisions.

However, these challenges also present an opportunity for retailers to innovate and adapt. By proactively navigating these complexities, retailers can implement strategies that not only mitigate risks but also enhance pricing and inventory management. In this ever-changing retail environment, those who embrace flexibility and focus on their customers will find paths to profitability and success.

Key trends

- **Technological integration and AI adoption:** Retailers are increasingly leveraging technology to enhance the customer experience and operational efficiency. Generative AI is enabling hyper-personalized shopping experiences, dynamic content creation, and AI-powered virtual assistants that engage customers in real time.

- **Omnichannel strategies:** The seamless integration of online and offline channels has become essential. Retailers investing and refining their omnichannel strategies are experiencing increased customer loyalty and higher sales by enhancing the shopping experience and meeting their customers where and when they want to shop.

- **Sustainability and ethical practices:** Consumers are increasingly favoring brands that prioritize sustainability. Retailers adopting eco-friendly practices, offering sustainable products, and maintaining transparent supply chains are gaining market share. This shift is driven by growing consumers' growing preference for environmentally responsible brands.

- **The Evolution of physical stores:** Despite the growth of e-commerce, physical retail stores remain vital. Retailers need to continue investing in enhancing their brick-and-mortar stores by creating meaningful in-store experiences, delivering on brand expectations, and listening to customer feedback and addressing customer pain points will attract new shoppers and improve customer retention.

2025 presents a dynamic environment for the retail industry, characterized by technological advancements, evolving consumer preferences, and a complex economic landscape. Retailers adjust in times of economic uncertainty by implementing a range of strategies to mitigate risk and continue meeting customer needs.

Grant Gustafson
Head of Consulting & Analytics
Sensormatic Solutions

Sensormatic
by Johnson Controls

When customer satisfaction peaks and why it matters

Customer satisfaction isn't fixed—it rises and falls based on factors like time of day, day of week, season, and region. Knowing when customers are most and least satisfied helps retail operations management fine-tune staffing, inventory, and service strategies to meet demand with precision.

This chapter explores global satisfaction timing trends and dives into regional spotlights for North America and Europe. By understanding how CX trends alongside shopper traffic patterns, retail leaders can take smarter action to maintain consistency, boost loyalty, and increase conversion rates.

Timing trends:
Global customer satisfaction in 2024

Best-performing periods

Hour: 7–8 AM
A quieter environment contributes to smooth, efficient shopping.

Weekdays: Tuesday & Wednesday
Balanced footfall supports consistent service.

Month: November
Pre-holiday planning likely drives better execution.

Quarter: Q4
Seasonal focus and staffing improvements contribute to strong results.

Most challenging periods

Hour: 6–8 PM
Late-day congestion and fatigue strain service quality.

Weekday: Sunday
Limited staffing and restocking struggles are common.

Month: August
Vacation periods can stretch resources thin.

Quarter: Q3
Operational consistency often dips in late summer.
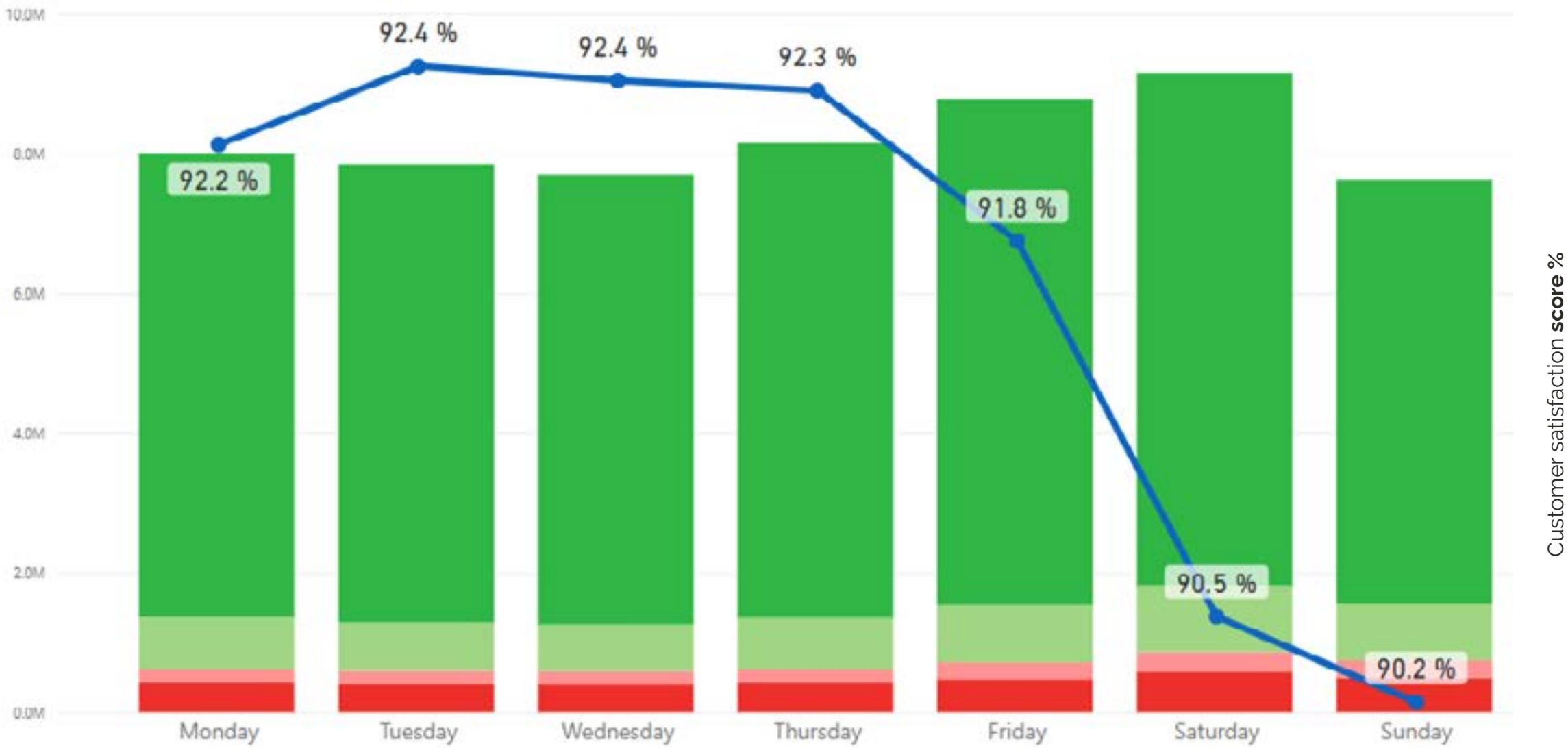
HappyOrNot CX scores x feedback volume & rating distribution 2024
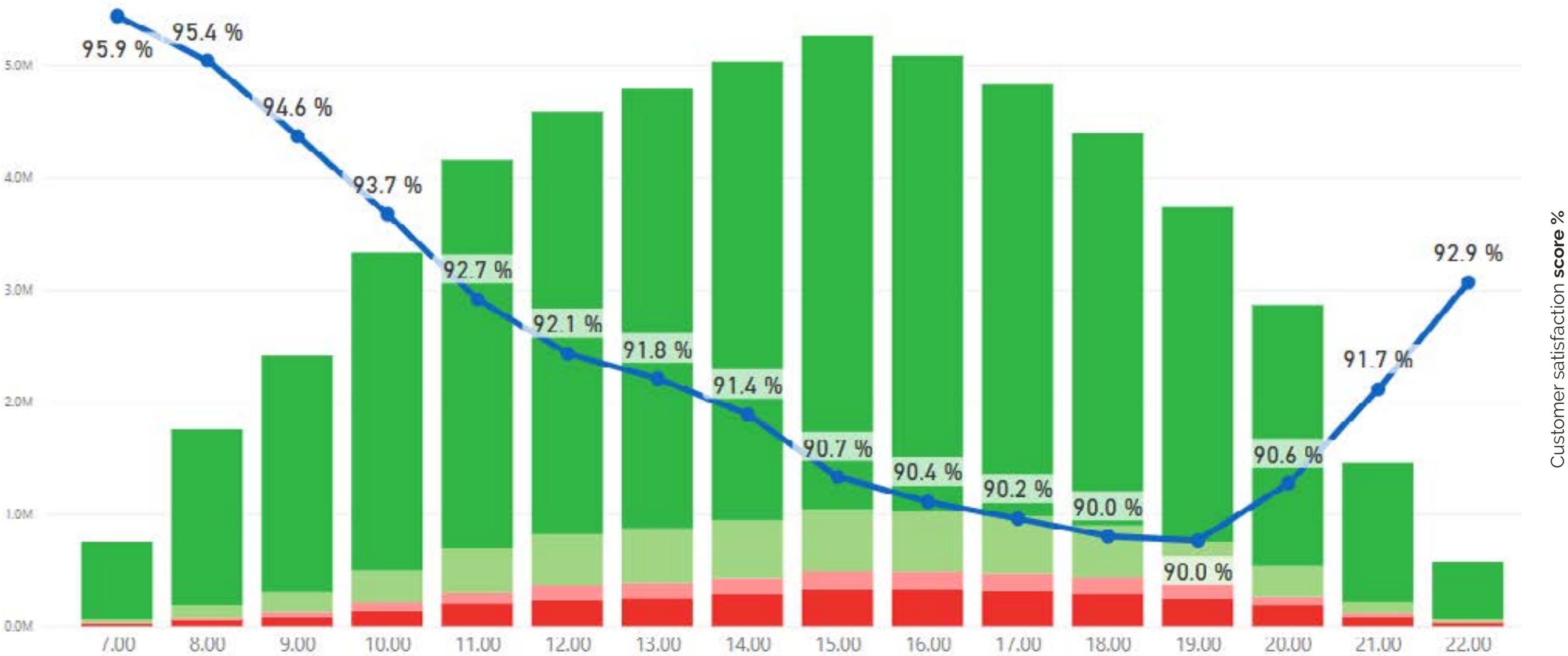
North America's retail rhythm:
Aligning CX with shopper trends

February–March: Early-year momentum builds

Following a predictable January dip, both shopper traffic and CX scores climbed in February and March. This dual rise points to a successful ramp-up period as retailers transitioned from post-holiday recovery to spring season readiness—strengthening staff performance, store execution, and customer sentiment early in the year.

August: Traffic up, CX dips

CX scores dropped to their lowest levels of the year during June-August, despite traffic remaining relatively stable with an August peak. This disconnect suggests that service consistency weakened over the summer months, highlighting the need for stronger mid-year planning and workforce optimization.

September–October: Operational stability ahead of Q4

After bottoming out in August, CX scores began to rebound in September and October, even as traffic remained moderate. This upward trend signals improved operational alignment and readiness leading into the holiday season.

December: Sustained CX strength through holiday peaks

Following a November surge in shopper traffic, December maintained elevated footfall alongside the highest quarter of CX scores. This steady performance indicates that retailers successfully carried strong execution through the full peak season, keeping service levels high even as operational pressure continued.

Sensormatic shopper traffic: YoY change from 2023 to 2024

HappyOrNot CX scores x feedback volume & rating distribution 2024

Europe's balancing act:
Stabilizing CX amid shifting footfall patterns

March: High traffic, flat CX

Shopper traffic peaked in March, yet CX scores showed no lift—signaling missed opportunities to convert demand into satisfaction, likely due to early-year resourcing or service delivery gaps.

April–July: Falling traffic and low CX

As shopper traffic took a heavy dip in April with moderate, yet declining trend through to July, CX steadily declined—bottoming out in July. This trend suggests unresolved service inefficiencies and operational fatigue during off-peak periods.

August–October: CX recovery amid modest traffic gains

CX scores began to rebound in late summer and continued to improve through October, even as traffic gains remained modest. This points to gradual improvements in execution and a focus on pre-holiday preparation.

November–December: Strong year end

With traffic holding steady, CX scores peaked in November and remained strong in December—indicating retailers successfully matched seasonal demand with stronger in-store execution and service quality.

Sensormatic shopper traffic: YoY change from 2023 to 2024
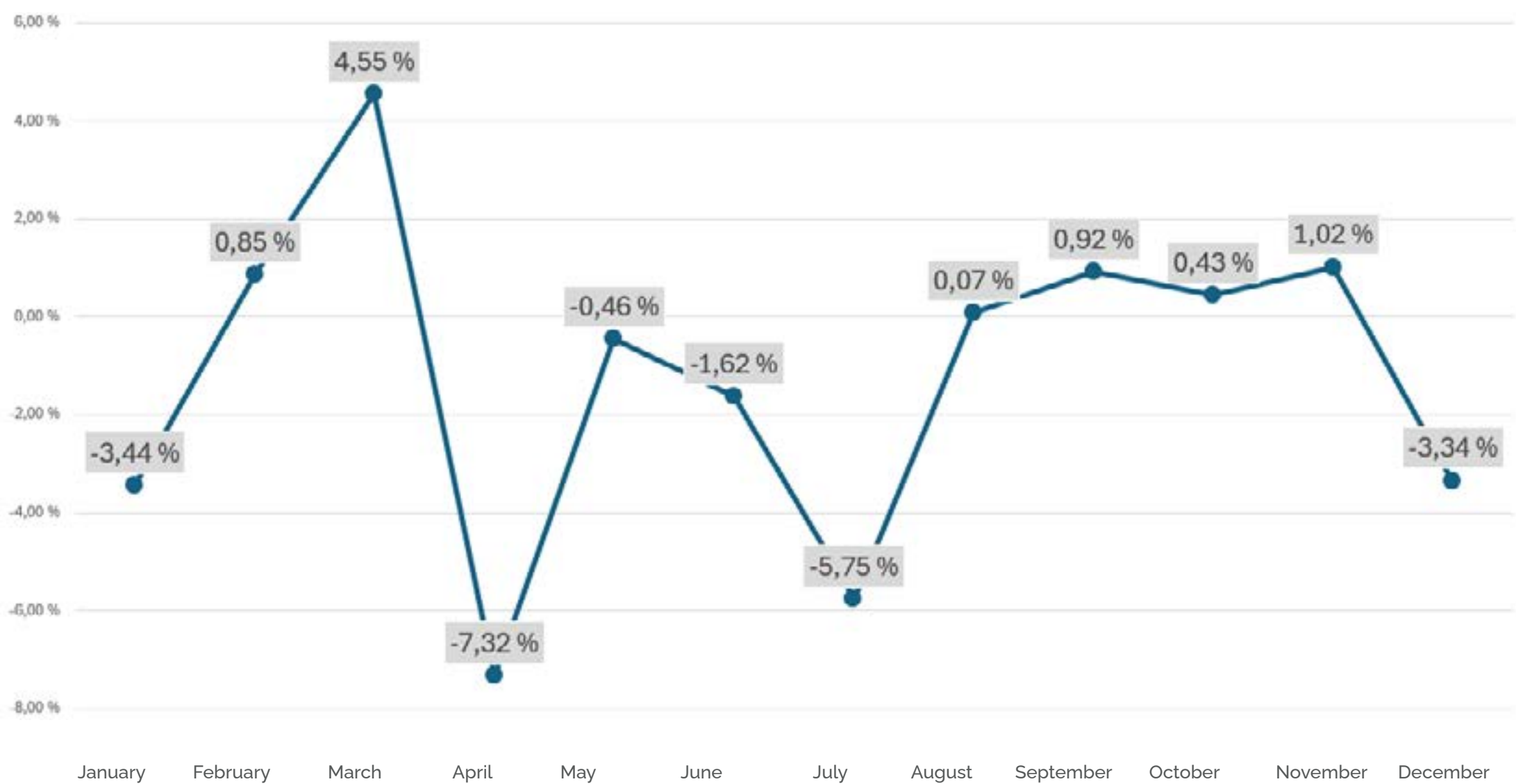
HappyOrNot CX scores x feedback volume & rating distribution 2024

Addressing the root causes of customer dissatisfaction

Even as customer experience strategies mature across retail, persistent pain points continue to undermine satisfaction and loyalty. These operational challenges—ranging from p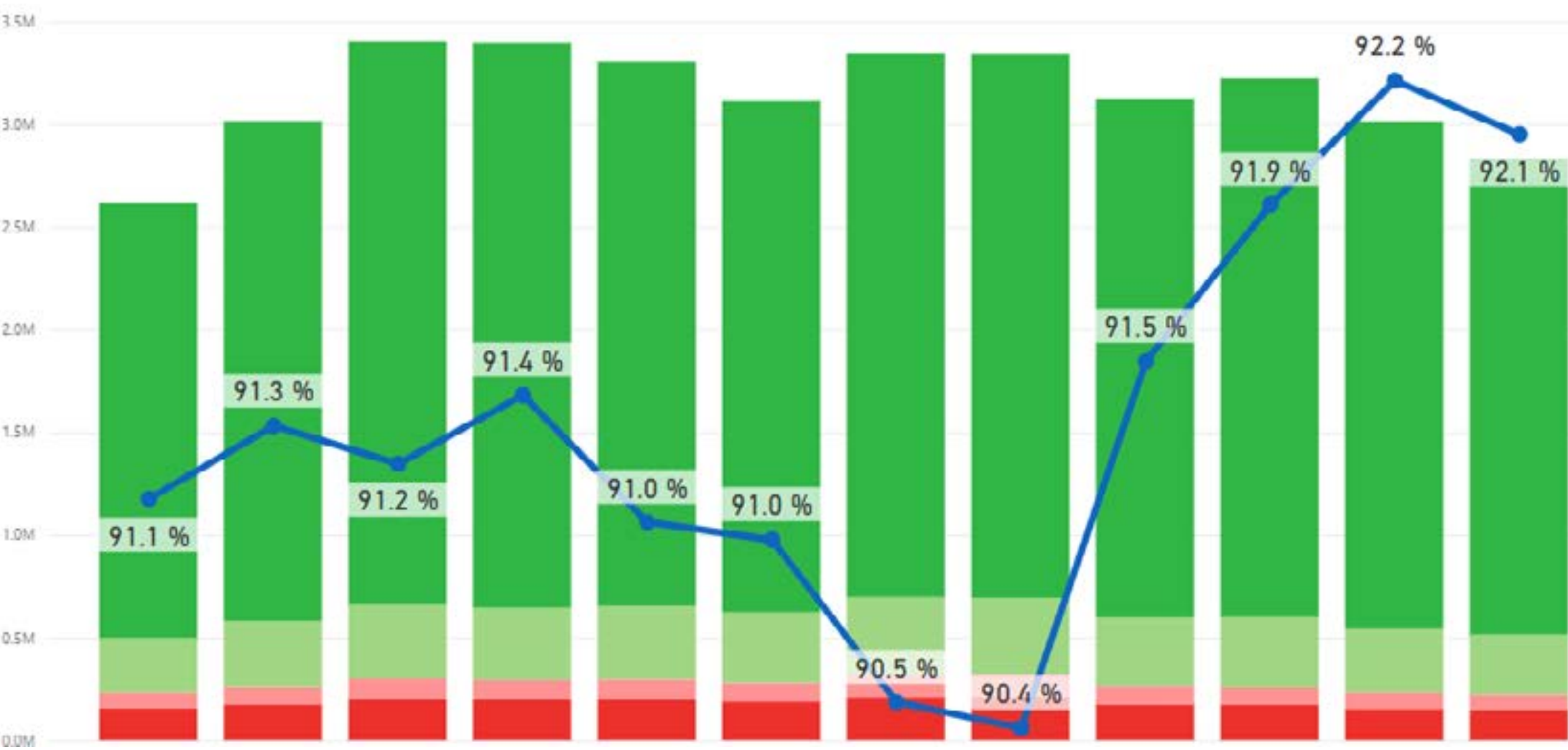roduct availability and pricing to checkout experience—often prevent even strong-performing retailers from reaching their full potential.

This chapter explores the top in-store CX challenges surfaced through millions of retail customer feedback points globally. It reveals how operational bottlenecks vary by issue and industry, and highlights actions taken by successful retailers to overcome them and outperform expectations.
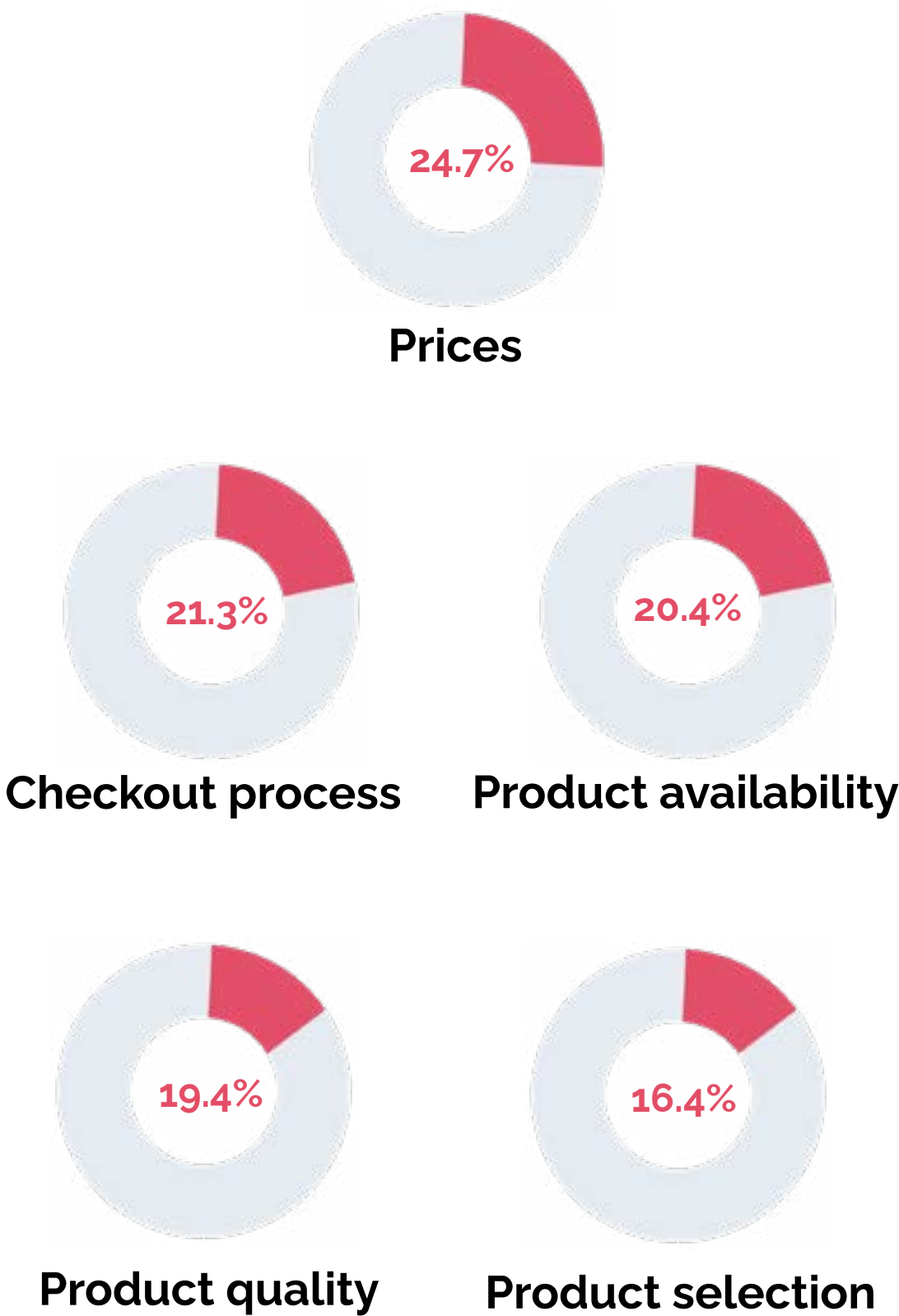
Top CX challenges:
Focus areas for retailers

Retailers are continuously evolving, but challenges persist in delivering top-tier customer experiences. Understanding these challenges allows brands to create targeted solutions that improve efficiency, engagement, and sales.

Price, ranked as the top pain point, plays a critical role in customer decision-making, directly impacting both sales and brand loyalty. Studies show that improving price perception can drive sales growth of 2–5% and increase margins by 5–10%, while also boosting customer satisfaction (McKinsey). As consumers become more price-conscious, retailers must focus on competitive pricing strategies, personalized promotions, and clear value messaging to attract and retain customers.

Product availability is another critical factor in customer retention and revenue generation, yet many retailers underestimate its financial impact. 39% of consumers abandon purchases due to out-of-stock items (Retail Dive), leading to significant lost sales.

24.7%

Prices

21.3%

Checkout process

20.4%

Product availability

19.4%

Product quality

16.4%

Product selection

SPAR

Customer spotlight: Connolly SPAR

Connolly SPAR, a UK-based convenience retailer, turned to HappyOrNot to pinpoint and resolve in-store experience issues that were impacting satisfaction and loyalty. With real-time visibility into customer sentiment, the team could quickly take action where it mattered most.

Challenge

Connolly SPAR needed a fast, reliable way to uncover and address issues like long checkout times and inconsistent service, which were impacting customer experience across locations.

Approach

• Installed real-time feedback terminals in every store
• Monitored daily insights to catch issues early
• Used data to guide staff training and improve store operations

Results

96 Happy Index
above benchmark

Product availability
satisfaction increased

1,500 feedback
responses per week

" **It [HappyOrNot] enhances the shopping experience, highlights issues in stores, and brings ways to fix them. It's one of those things that simply work.**

Susan Connolly, Director

CX performance by retail sector:
Highlights and challenges

Customer satisfaction isn't one-size-fits-all. Each retail sector faces distinct service challenges and opportunities based on the nature of its offering, store environment, and customer expectations. This analysis breaks down CX performance by sector—highlighting where operational strengths are driving positive sentiment, and where pain points like pricing or product availability continue to impact satisfaction.

Sector	CX Score	Top Highlight	Main challenge
Pharmacies	96.7%	Staff friendliness	Staff availability
C-stores	93.9%	Staff friendliness	Prices
Home & Electronics	92.4%	Staff friendliness	Product availability
Sporting Goods	92.0%	Product range	Product availability
Grocery & Supermarkets	91.7%	Product availability	Shopping experience
DIY (Home Improvement)	89.2%	Staff friendliness	Speed (service/visit)
Fashion & Apparel	81.8%	Shopping experience	Product availability

Adapting CX strategies to sector dynamics

There are clear strengths and vulnerabilities across different retail sectors, pinpointing where customer expectations are being met and where gaps remain. To outperform industry CX score benchmarks in 2025, retailers should tailor their strategies based on their sector's unique dynamics:

For sectors where staff interaction drives satisfaction:

- Prioritize staff availability and training to sustain high satisfaction levels.
- Use real-time feedback to recognize top performers and identify coaching needs.

For sectors challenged by product availability and pricing:

- Use feedback insights to flag stock issues and product gaps quickly.
- Align pricing strategies with customer sentiment to reduce dissatisfaction.

For sectors where efficiency is key:

- Streamline service flow and checkout processes with feedback-guided adjustments.
- Leverage feedback to adjust staffing and reduce bottlenecks at peak times.

Regardless of the sector, real-time customer feedback can serve as an early warning system, as well as a strategic advantage, for retailers aiming to improve satisfaction, build loyalty, and stay competitive.

Mastering peak-season execution

The final quarter of the year is retail's most critical window for revenue generation, and a true test of operational excellence. With shopper traffic and spending spiking in Q4, retailers face intense pressure to perform under heightened expectations. Maintaining high customer satisfaction during this period isn't just a CX achievement, it's a direct contributor to revenue outcomes.

This chapter explores how customer experience evolved during the 2024 holiday season, starting with a global view before diving into region-specific performance in North America and Europe. The data reveals what leading retailers got right—from staffing and inventory to checkout flow— and how those decisions translated into better customer satisfaction and stronger sales conversion.

Q4 golden quarter:
Turning customer satisfaction into peak-season revenue

The 4th Quarter remains the undisputed high-stakes period for retail, with global shopper traffic and consumer spending surging in the lead-up to the holidays. According to Sensormatic Solution's 2024 Holiday Shopper Sentiment report, over 80% of consumers plan to shop during the holiday season, with nearly half of all seasonal purchases occurring in November alone. These traffic and purchase intent peaks make CX performance during Q4 a direct lever for revenue impact.

With consumers shopping more frequently and spending more per visit, any operational breakdown, such as long queues, stock shortages, or poor service, risks missed conversions and lower loyalty.

In 2024, retailers rose to the challenge. HappyOrNot's global CX data shows Q4 customer satisfaction surged to 92.2%—the strongest quarterly performance of the year, even amid high seasonal demand.

These elevated scores reflect more than just resilience—they highlight the effectiveness of targeted operational planning. Retailers that invested early in staffing strategies, real-time feedback loops, and service optimization were able to deliver consistently smooth shopping experiences when it mattered most.

The ability to maintain and even elevate satisfaction during Q4 underscores how CX maturity directly supports revenue growth. Well-timed adjustments to staffing levels, in-store flow, and promotional execution helped mitigate pressure points that often derail performance under peak load.

Looking ahead, Q4 offers a powerful template for year-round CX excellence. Retailers that treat peak-season learnings as blueprints—rather than exceptions—can build more adaptive, experience-driven operations that convert traffic into lasting loyalty and sales growth.
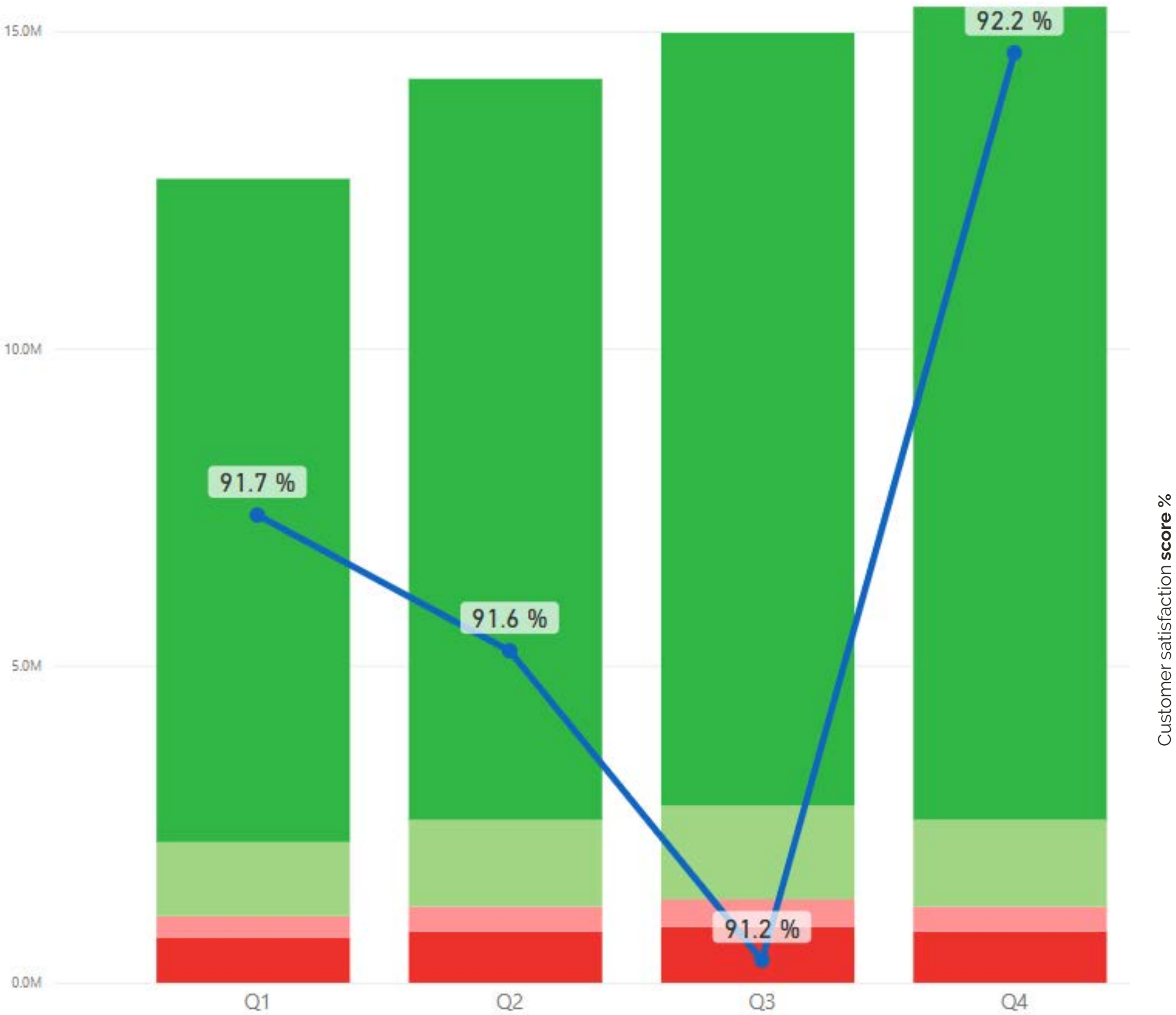
HappyOrNot CX scores x feedback volume & rating distribution 2024

North America's Q4 surge:
Delivering peak CX when it matters most

Q4 is the make-or-break season for North American retail, and in 2024, the data shows a powerful story. While footfall across the year showed an upward trend, Q4 customer satisfaction soared, reaching the highest score of the year at 92.5%.

According to Sensormatic Solutions' 2024 holiday data, 54% of North American consumers planned to shop in-store during the holidays, and intend to spend up to 48% more than the previous year. This surge in demand is also anticipated for 2025, raising the stakes to make operational excellence non-negotiable.

HappyOrNot's data shows that North American retailers rose to the Q4 challenge, turning higher seasonal expectations into a showcase of strong execution.

When peak traffic hits, service excellence must follow. North America's Q4 results highlight how well-prepared retailers can meet increased volume without sacrificing customer satisfaction. High CX scores during the busiest quarter reflect optimized labor strategies, efficient in-store service, and frictionless shopper journeys—all crucial for converting traffic into loyalty and revenue.

Q1 to Q2: Traffic rises, CX softens
Shopper traffic increases,but CX scores dipped slightly from 92.2% to 91.9%. This signals that while demand was building, in-store operations may not have scaled in parallel, highlighting a need to adjust staffing, flow, or service focus as momentum grows.
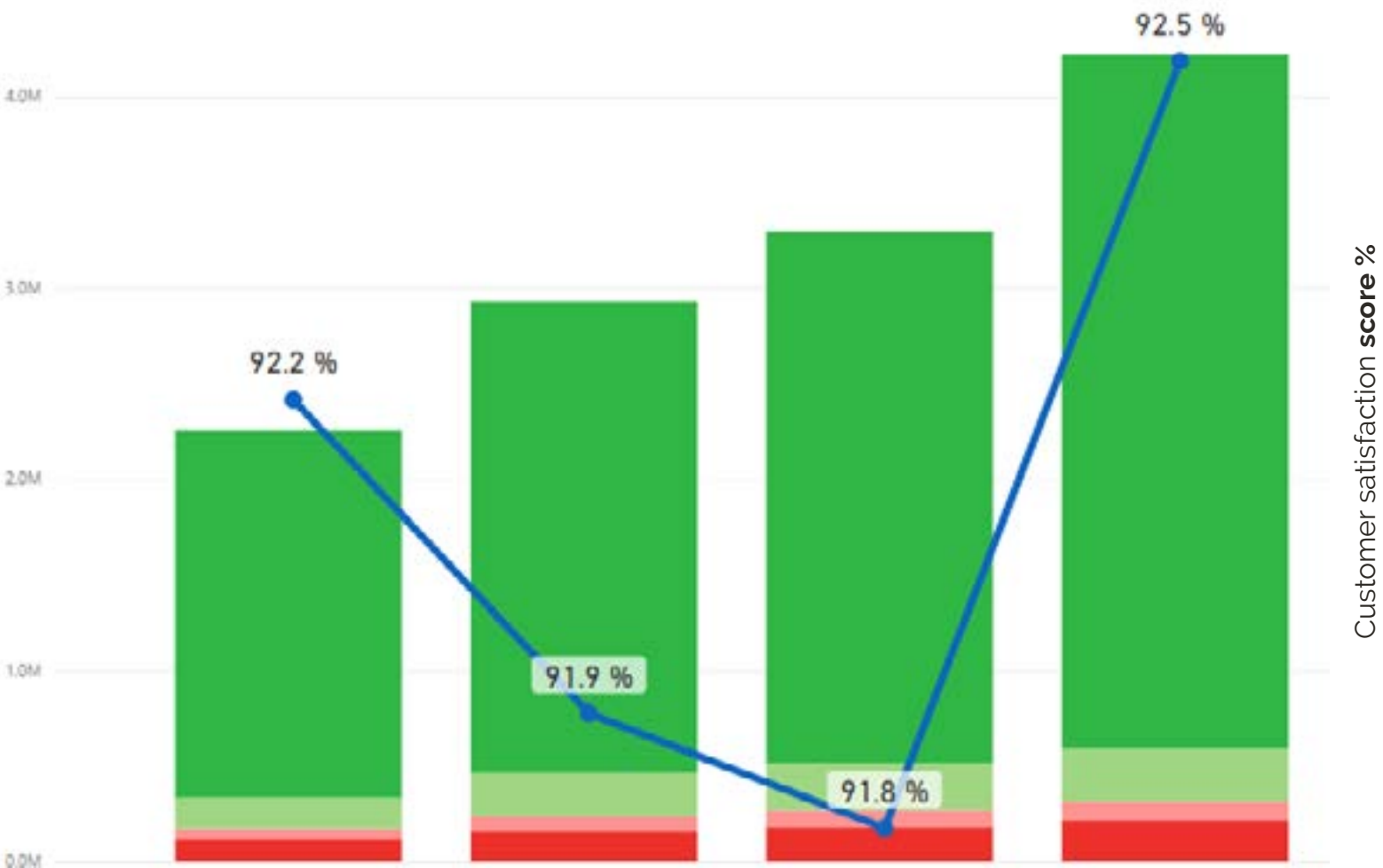
Q3 to Q4 rebound signals readiness
After dipping to its lowest point in Q3 (91.8%), CX rebounded strongly in Q4. The sharp rise highlights retailers' ability to recover under pressure, suggesting improved planning, staffing, and in-store delivery heading into peak season.

Q4 satisfaction surged, traffic steady
CX soared to 92.5% in Q4—the highest quarterly score of the year—while shopper traffic held steady. This indicates that CX performance was driven by the successful seasonal strategy and service execution.

Sensormatic shopper traffic: YoY change from 2023 to 2024

Quarterly Traffic Change, North America

Shopper traffic change %

0,00 %	
-0,50 %	
	-0,83 %
-0,95 %	
-1,00 %	
-1,50 %	
	-1,73 %
-2,00 %	
-2,50 %	
-3,00 %	
-3,45 %	

Q1   Q2   Q3   Q4

Customer satisfaction score %

92.5 %
92.2 %
91.9 %
91.8 %
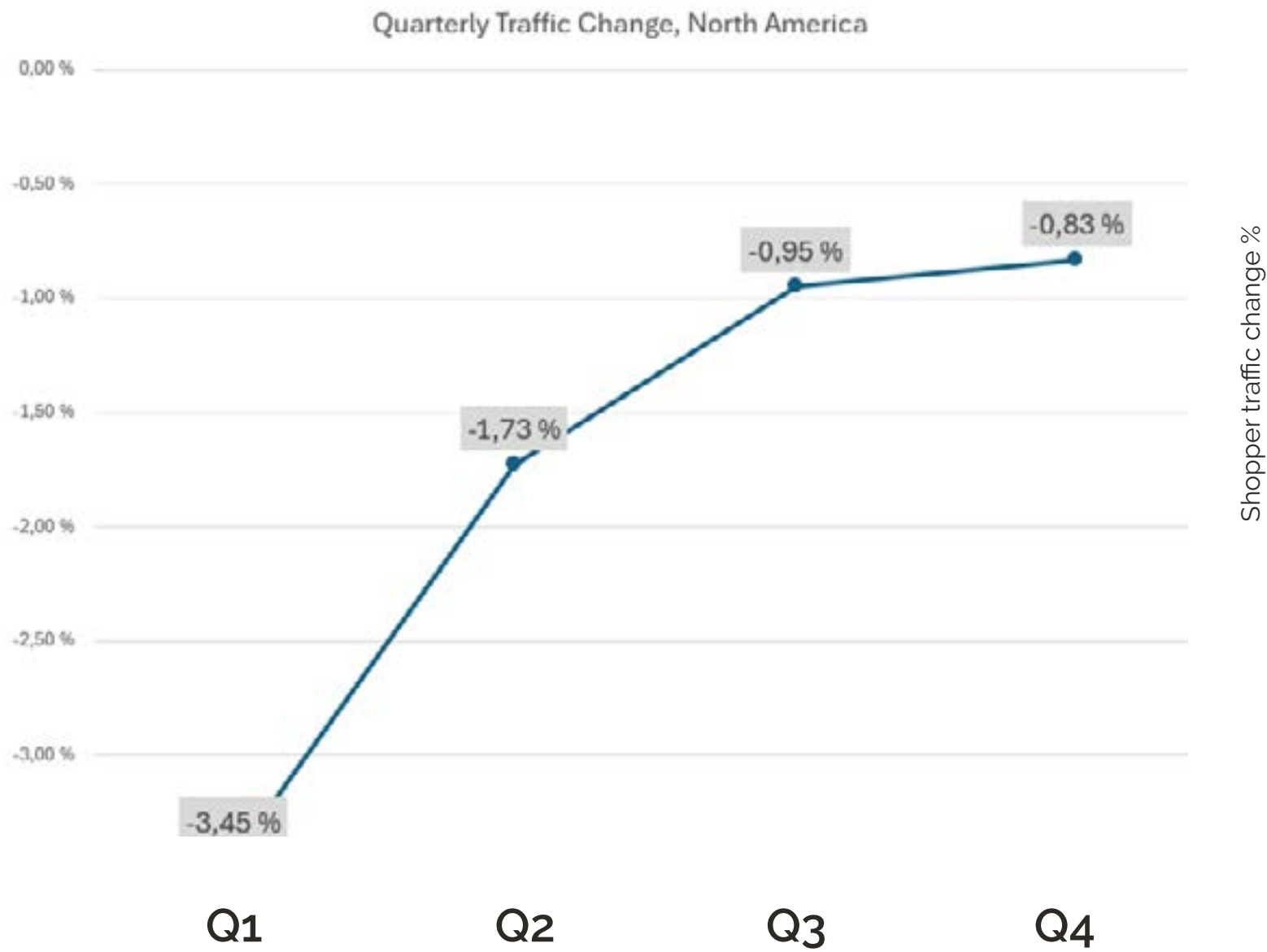
HappyOrNot CX scores x feedback volume & rating distribution

Europe's Q4 comeback:
Turning peak season pressure into CX performance

The final quarter of the year presents immense pressure and opportunity for European retailers, and in 2024, many proved ready. Despite a sharp traffic decline from Q1-Q2, Q4 marked a pivotal turnaround. According to Sensormatic's 2024 UK Shopper Sentiment report, 75% of respondents planned to shop in-store over the holidays, but 49% aimed to spend less. With more cautious spending, retailers must focus on delivering standout service to convert intent into actual purchases.

HappyOrNot's Q4 data reveals a notable rebound in satisfaction levels, indicating that many retailers executed timely operational improvements to meet peak-season expectations.

Even in a challenging market, retailers can regain momentum when execution aligns with demand. Europe's sharp rise in Q4 CX performance signals that retailers are learning from earlier quarters by adjusting staffing, addressing product availability issues, and elevating the in-store journey to capture the revenue potential of holiday footfall.

Q1–Q2: CX holds steady, traffic declines
Despite continued declines in traffic throughout the first half of the year, CX scores in Q1 and Q2 remained stable. This consistency highlights retailers' ability to deliver baseline service quality even in a softer trading environment.
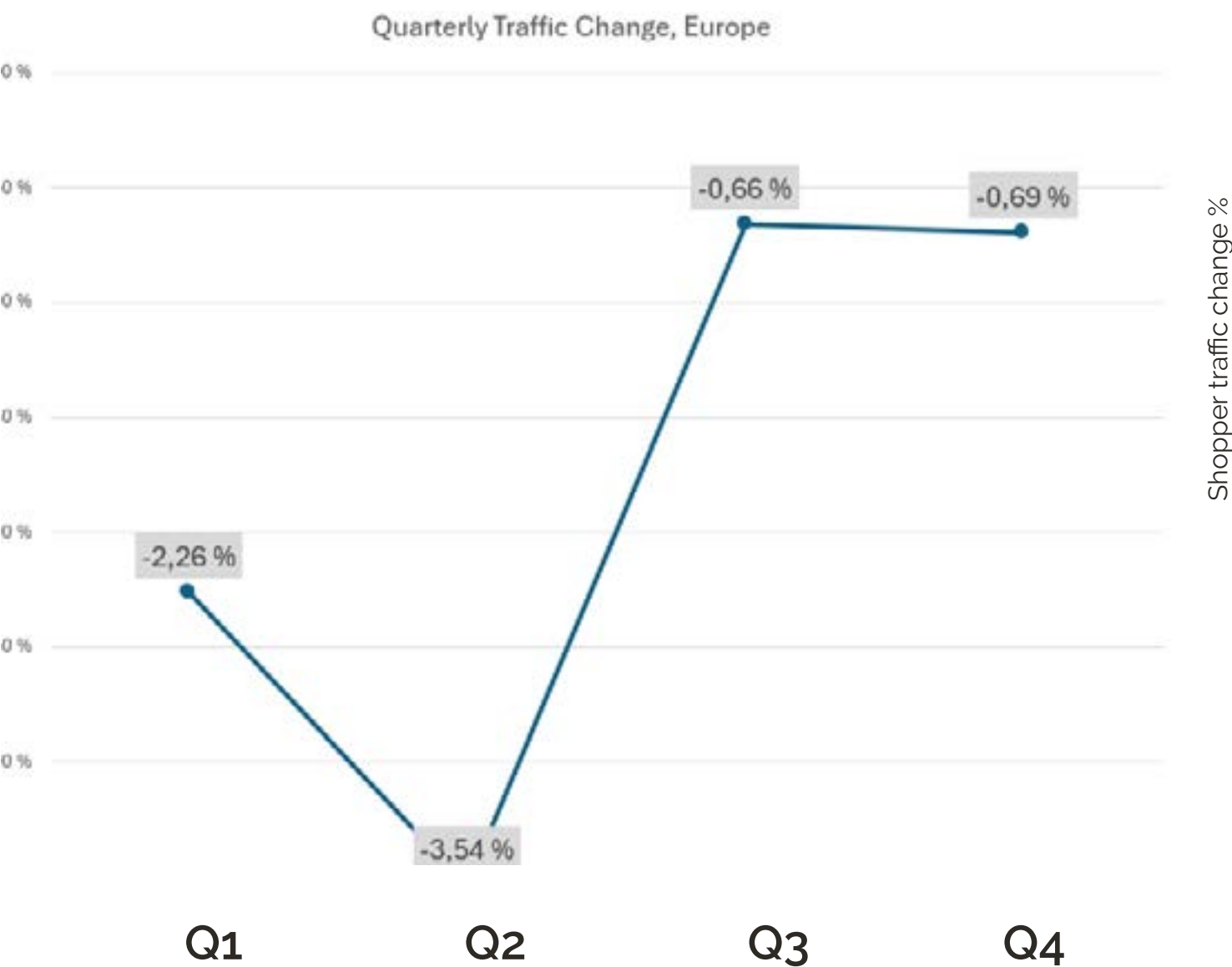
Q3 to Q4 recovery
Following a drop to the lowest satisfaction score of the year in Q3 (90.8%), Q4 marked a strong rebound to 92.1%. This shift indicates improved seasonal preparation, particularly in labor planning and in-store service delivery..

Q4 satisfaction rebounded
CX rose to 92.1% in Q4—the highest quarterly score of the year—even as traffic levels declined. This suggests that European retailers delivered stronger operational execution during the critical holiday period, with strategies focused on staffing, service delivery, and store presentation proving effective.

Sensormatic shopper traffic: YoY change from 2023 to 2024

Quarterly Traffic Change, Europe

-0,66 % -0,69 % -2,26 % -3,54 %

Shopper traffic change %

Q1   Q2   Q3   Q4

92.1 % 91.2 % 91.1 % 90.8 %

Customer satisfaction **score** %

HappyOrNot CX scores x feedback volume & rating distribution 2024

Driving operational efficiency while protecting CX performance

Retailers face mounting pressure to streamline operations without compromising the quality of customer experience. From staffing gaps and inconsistent store conditions to long checkout lines, operational inefficiencies can quietly erode satisfaction and sales.

This chapter explores how leading retailers use real-time insights to identify and resolve service bottlenecks, optimize workforce management, and adapt store execution. By addressing the root causes of dissatisfaction, retail teams can not only improve CX but also drive measurable efficiency and revenue growth.

Tackling key pain points:
Closing gaps in execution and service delivery

Retailers faced ongoing pressure in 2024 to enhance operational efficiency while maintaining high-quality customer experiences. Delays at checkout, inconsistent store presentation, and staffing challenges can erode customer satisfaction and reduce sales. However, retailers leveraging real-time operational insights can see up to a 20% increase (McKinsey) in efficiency without compromising CX. According to HappyOrNot's retail data insights, these were the top 3 operational pain points in retail last year:

21.3%

15.8%

5.5%

Checkout process

Store presentation

Staff availability
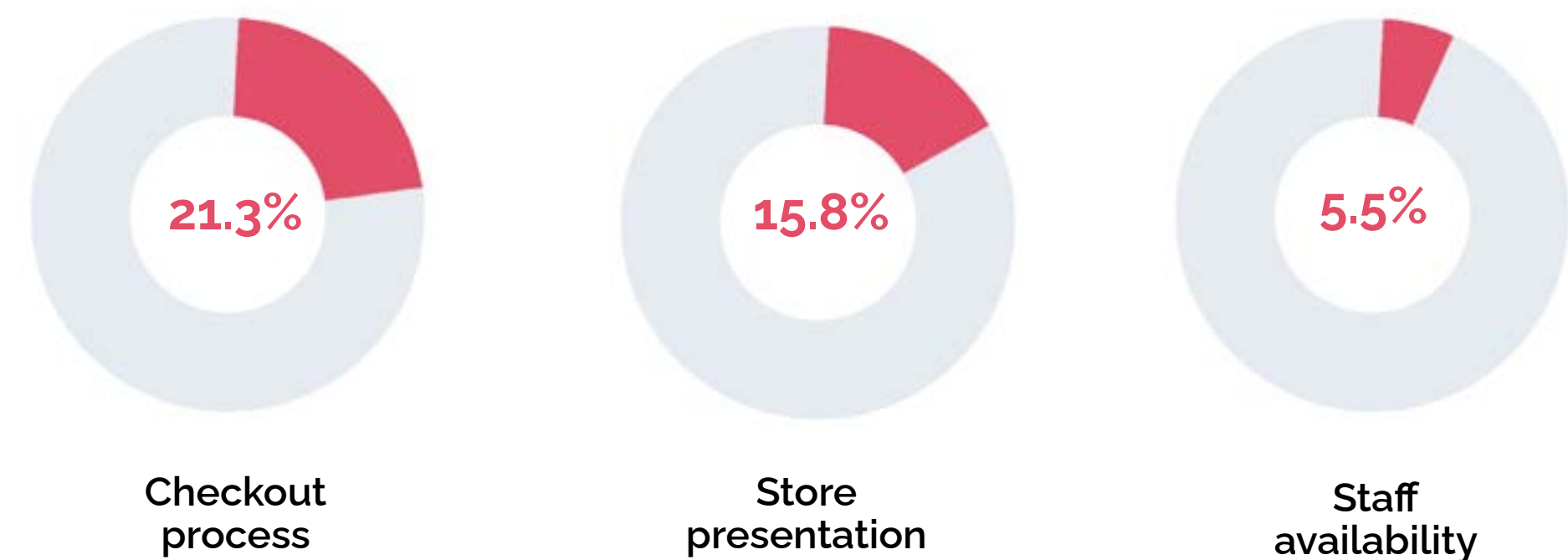
Addressing these pain points requires strategic operational adjustments that enhance efficiency without negatively impacting customer experience. Real-time customer feedback data provides retailers the needed insight to know when and where to adjust staffing, optimize store layouts, and streamline checkout processes to create a more seamless and engaging shopping journey.

Feedback insights as an operational advantage

Aggregated customer feedback provides more than just visibility into service gaps. It offers a continuous data stream to inform smarter decisions at every level of retail operations. By correlating dissatisfaction patterns with time of day, location, store layout, or staffing levels, retailers can move from reactive problem-solving to proactive performance tuning that protects CX and drives efficiency gains.

Turn CX pain points into brand loyalty opportunities

Complaints can be a gift. When a customer has a problem or a complaint, the way the retailer manages the issue can make or break the relationship. Complaints handled well not only make customers happy but also can create a stronger relationship than if the complaint or problem never happened at all. Pay attention to what your customers complain about either in person or online (reviews, ratings, etc.) and be sure to manage them to show you care and want the customer to return.

Shep Hyken
Customer Service/CX Expert

Operational responsiveness:
A driver of CX and sales

Retailers that invest in improving customer experience outperform competitors in revenue growth. The link between high customer satisfaction scores and increased sales is clear. CX-driven growth strategies for retailers include:

- Optimizing the customer journey to reduce friction and drive repeat visits.
- Increasing investment in employee training to enhance customer interactions.
- Using AI-driven analytics to understand shopping behaviors and tailor promotions.

Retailers that actively track and implement real-time customer feedback see significant improvements in customer retention, repeat business, and brand loyalty.

Most consumers say that their experience with a brand is a key factor in their purchasing decisions, and businesses that prioritize real-time feedback see a greater improvement in customer retention than those relying on periodic surveys.

Operational responsiveness is also key, as customers will abandon a purchase due to long wait times, while others leave stores without buying because of out-of-stock items. By using real-time feedback to optimize staff training, checkout processes, and inventory, retailers can reduce friction points and drive higher customer satisfaction and conversions.

XXL

XXL, one of the largest sports retailers in the Nordics, aimed to optimize in-store customer satisfaction and take targeted actions to reduce dissatisfaction and prevent revenue loss by capturing continuous real-time feedback across locations.

Challenge
With large-format store locations and wide product ranges, XXL needed a reliable way to identify customer pain points in real time, understand their root causes, and act quickly to protect satisfaction and sales performance.

Approach
- Used Smiley feedback kiosks to capture customer sentiment in real-time
- Compared store-level results to national averages to pinpoint outliers
- Engaged frontline staff in root-cause analysis and resolution planning

Results

+18pts on product
availability satisfaction

€84,000 in
prevented revenue loss

94% CX score
during peak season

" **HappyOrNot gives us the unique ability to consistently measure customer satisfaction at a completely elevated and statistically significant level than ever before. We can now see and have a clearer view on situations thanks to the data we're getting.**

Kenneth G. Sørensen, Operations and Business Development Manager

Real-time customer insights power operational success

In today's fast-paced retail environment, customer expectations are higher than ever. To stay competitive, retailers must act on live customer feedback, ensuring seamless operations, stronger employee performance, and an improved shopping experience.

Retailers leveraging real-time insights can proactively address issues before they escalate, leading to higher customer satisfaction, increased retention, and stronger brand loyalty.

By integrating real-time customer feedback into daily operations, retailers can create a more responsive, customer-centric shopping experience that drives long-term success

How real-time feedback improves retail operations

Identify and resolve service gaps quickly
Managers gain instant visibility into CX trends, allowing them to make data-driven decisions to refine processes, staffing, and store layouts.

Enhance employee performance
Real-time feedback serves as a direct coaching tool, aligning staff with customer expectations and improving service quality.

Increase operational efficiency
Automated feedback alerts and AI-driven insights enable proactive issue resolution, reducing negative customer experiences and improving store efficiency.

The competitive advantage of a strong feedback strategy

Faster issue resolution
Retailers using instant feedback experience a measurable reduction in customer dissatisfaction, up to a 20% reduction according to HappyOrNot's data, strengthening brand trust.

Data-driven decision-making
AI-powered analytics uncover trends and prevent recurring issues, giving retailers a competitive edge.

Higher retention and revenue
Retailers that act quickly on feedback see stronger customer loyalty, more repeat visits, and higher sales, proving that responsiveness is a key driver of long-term growth.

Strengthening CX foundations and steering what's next

Even in a shifting retail landscape, strong customer experiences remain a constant driver of loyalty and performance. The most successful retailers today aren't just reacting to challenges—they're delivering consistently on the fundamentals that matter most to shoppers, from friendly staff to fast service.

This chapter explores the key areas where retailers are excelling, and how those strengths provide a platform for forward-looking innovation. From real-time insights to AI-enabled personalization, we highlight how CX strategies are evolving to meet the demands of tomorrow's customer.

Where retailers shine:
Top strengths shaping CX

The top five areas in 2024 where retailers exceeded customer expectations in-store reflect strong frontline performance, effective service culture, and a clear commitment to consistent operational execution. This provides both validation of what works well and sets a benchmark for maintaining high-impact service delivery across locations.

Staff friendliness, the highest-performing area at 96.4%, continues to be a cornerstone of customer satisfaction, signaling not only effective hiring and onboarding practices, but also the success of ongoing training and employee recognition. Strong performance here affirms the importance of empowering frontline teams to create positive, human-centric experiences that drive loyalty.

Cleanliness, scoring 89.3%, stands out as a top strength that reflects day-to-day operational discipline. This result highlights how well retailers are managing routines like store upkeep, restroom maintenance, and merchandising standards, even under fluctuating traffic. It's a reminder that attention to detail in store presentation directly influences brand perception and return visits.

96.4%
Staff friendliness

95.9%
Customer service

94.5%
Staff availability

89.3%
Cleanliness

89.1%
Speed (service/ visit)

Rocket

Rocket Stores, a leading convenience store chain in the US, turned to HappyOrNot to enhance customer satisfaction, monitor service quality, and build loyalty across its West Coast locations by leveraging real-time feedback.

Challenge
With multiple locations, Rocket Stores faced difficulties in maintaining consistent service quality, identifying and addressing pain points in real time, and building long-term customer trust and loyalty.

Approach
- Implemented real-time feedback terminals across all 462 locations
- Leveraged immediate insights to refine operational performance
- Used data-driven decisions to optimize service quality

Results

4-point increase
in CX score

Measurable lift
in sales and revenue

Millions of feedback
insights collected

" **We recognize HappyOrNot as a brand differentiator and understand that this is a part of our natural progression as we continue to focus on understanding factors that impact loyalty and customer satisfaction at our stores.**

Bill Mullen, President of Retail

Meeting evolving expectations through innovation and empathy

73% of customers say friendly, helpful employees are a key factor in deciding whether to return to a store (PwC). While shoppers may forgive occasional delays or stock issues, consistent and considerate service remains a baseline expectation. In today's competitive landscape, customer experience is no longer just about efficiency—it's about how well retailers make people feel heard, understood, and valued.

Retailers that lead on CX are increasingly combining empathetic human interactions with smart innovation. From intuitive in-store technologies to AI-driven recommendations, the ability to anticipate needs and remove friction is reshaping what great service looks like. Empathy, when paired with real-time data and responsive systems, creates the foundation for customer trust and loyalty.

"

The most important innovation retailers should focus on to bridge CX gaps

It's more crucial than ever for retailers to help connect shoppers to their best product choices. By helping shoppers locate and understand how a product will work specifically for them avoids the disappointment of a bad purchase as well as the lost profit of a return.

To that end, retailers should focus on systems that both push and pull data in real time. Pulling data on traffic flow, dwell time, inventory, basket abandonment and other digital and physical touchpoints will help retailers ensure their business is successfully balanced. Pushing data out to employees, managers, vendors and shoppers will ensure the customer experience results in personalized product recommendations and operational efficiencies that ensure a successful outcome every time.

As more major retailers form their own proprietary marketplaces like Walmart and Amazon that sell almost every type of product, offering CX excellence and an elevated overall shopping experience will become one of the best ways for a retailer to compete. Developing data systems that pull and analyze data through AI, and push data and assist through agentic AI will be an essential tool for the retail industry.

DeAnn Campbell
Head of Strategy and Insights
AAG Consulting Group

Equipping retail for the next era of CX

Retailers that embrace technology and innovation see higher customer engagement, operational efficiency, and revenue growth. In 2025 and beyond, AI-driven automation, immersive shopping experiences, and predictive analytics will redefine customer interactions.

How retailers can prepare

- Invest in AI-powered CX tools to enhance service speed and personalization.

- Equip staff with data-driven insights to boost performance, motivation, and service quality.

- Upgrade real-time analytics capabilities to predict customer needs before they arise.

Operational strategies to strengthen future CX

- Adapt staffing dynamically. Use real-time traffic and feedback data to guide team scheduling and floor coverage—reducing wait times and improving service consistency without inflating costs.

- Embed CX insights into daily routines. Share daily or weekly customer feedback trends with store teams to encourage proactive adjustments and foster a culture of continuous improvement.

- Streamline experience touchpoints. Identify common operational friction—such as queue management, store layout, or unclear signage—and address them with low-effort, high-impact adjustments that improve flow and ease.

- Reinforce frontline accountability. Encourage ownership of customer experience by tying team goals to CX performance metrics and recognizing consistent delivery of standout service.

By taking small, data-informed steps today, retailers can set the groundwork for smarter, more responsive operations that meet rising customer expectations in 2025 and beyond.
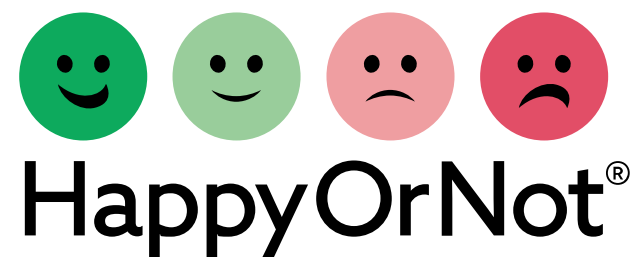
Take the next step in improving your retail CX

HappyOrNot helps retailers analyze real-time customer feedback, optimize operations, and enhance service quality to increase customer satisfaction and drive revenue growth

Get in touch with us today!

HappyOrNot®

Thank you to our expert contributors

Our sincere thanks to the industry leaders who shared their insights, perspectives, and data, reflecting real-world priorities in retail today.

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