

CCW Digital | Executive Research Report

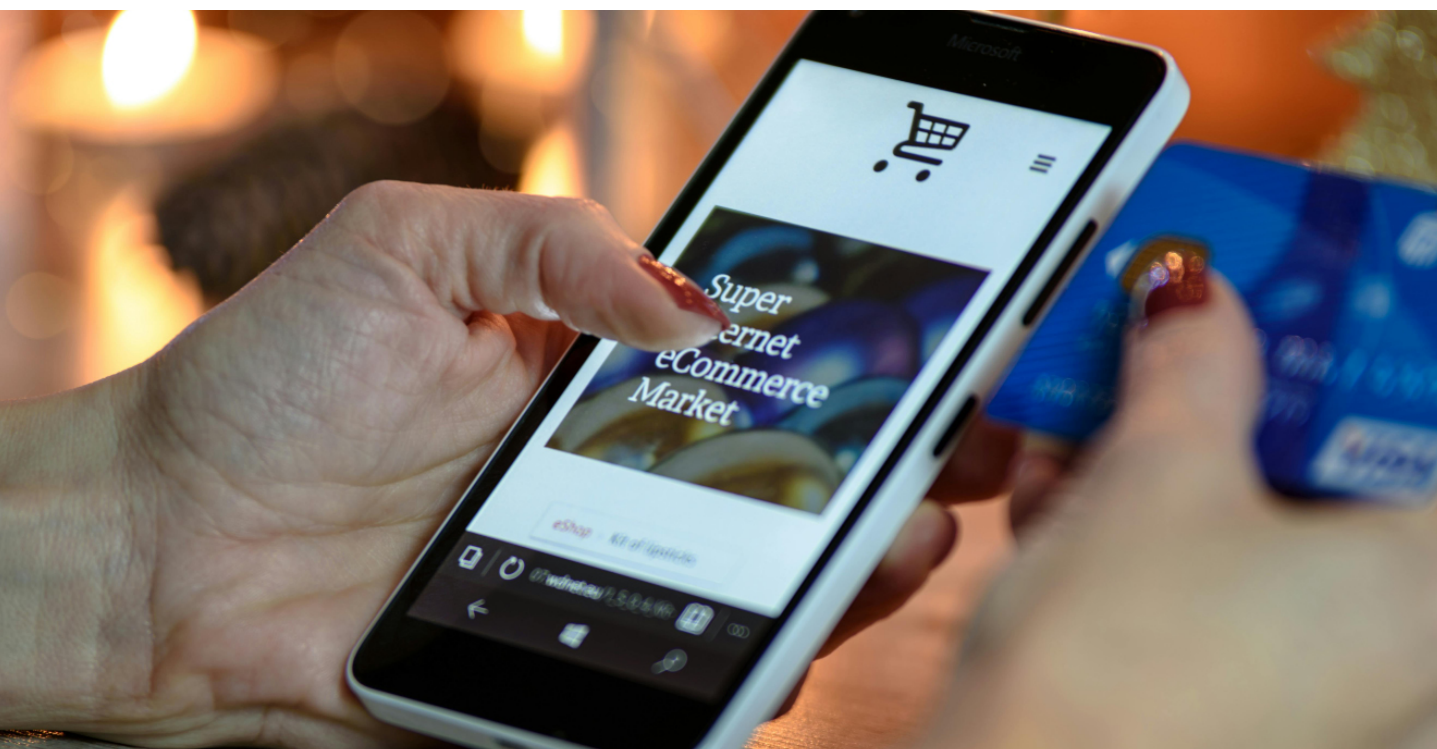
Elevating Retail CX & Brand Strategy

WRITTEN BY: BRIAN CANTOR



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Introduction

The e-commerce revolution. Digital support transformation. Omnichannel analytics. The rise of AI.

Technological innovation continues to revolutionize the retail space, with new solutions and initiatives constantly changing the way organizations engage with buyers.

But while technology may be changing where and how these interactions take place, it is not affecting *the why*. It is not diminishing the importance of forming lasting, meaningful human connections.

Retail brands are placing unparalleled importance on personalization and relationship building. They are also thinking critically about how to empower *human employees* to demonstrate empathy in their sales and support conversations.

Not simply focused on transforming shopping interactions, retailers are also evaluating the overarching humanity behind their brands. Many are rethinking marketing messaging, product selection, and operational strategy to become an organization customers do not simply *buy from* but believe in.

How exactly are retailers elevating humanity in the age of AI? What are they doing to cultivate an appealing brand identity? How will these initiatives turn one-time shoppers into *long-time advocates*?

To answer these questions, CCW Digital and Sutherland partnered on an exclusive survey in the summer of 2025. Insights from the survey, as well as actionable recommendations for brands inside and outside the retail and consumer packaged goods sectors, form this Executive Research Report.



Methodology & Demographics

Issued in the summer of 2025, CCW Digital and Sutherland's survey polled leaders responsible for customer experience, operations, information technology, digital strategy, marketing, and related functions in global retail organizations.

Respondent job seniorities included senior manager, director, functional head, vice president, and C-level. Brands of all sizes were reflected in the sample, ensuring an accurate portrait of modern-day and future retail goals, challenges, and opportunities.

In Pursuit of Personalization

As they work to cultivate lasting customer connections in an era of unprecedented competition, retail organizations are placing a significant emphasis on personalization.

More than 66% of such organizations, in fact, say personalization is a “more important” part of their strategy this year than it was last year. And this commitment to personalization is not simply an exercise in empty rhetoric. Organizations are working to operationalize personalization throughout many phases of the customer journey.

One particularly high-priority focus is follow-up communication; a whopping 66% say they are *very much* personalizing that phase of the experience.

Other noteworthy areas of emphasis include the website and/or in-store shopping experience (56% trumpet significant levels of personalization), loyalty and rewards programs (56%), and product and technical support (55%).

In an era where there are *so many options* for buying products, savvy brands understand the importance of building relationships of trust and value. Personalizing follow-up communication, loyalty programs, and product and technical support help cultivate such relationships.

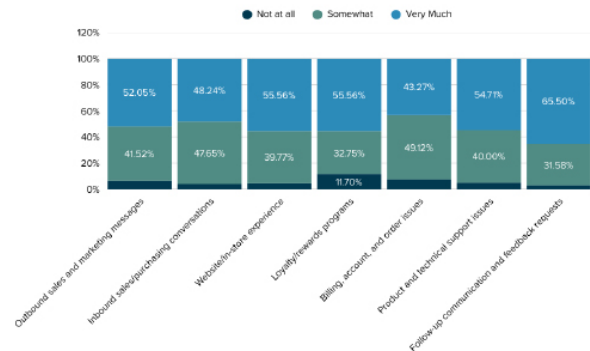
Upon hearing from a brand after making a purchase, customers will gain confidence that the organization actually cares about their lasting satisfaction – and not just making the sale. The same applies to customer support; when brands deliver personalized, empathetic service, they open the door to greater loyalty and advocacy. They ensure the support operation functions as a “value center” rather than a “cost center.”

Personalized rewards programs, meanwhile, demonstrate the brand’s commitment to crafting future experiences – and increasing value – based on the customer’s actual behaviors and preferences.

While surely increasing the rate at which *shoppers* become buyers, personalized store experiences demonstrate an attentiveness to the customer’s unique persona, as well as a respect for their time. In an era where powerhouses like Netflix and Spotify can intelligently direct customers to their next favorite watch

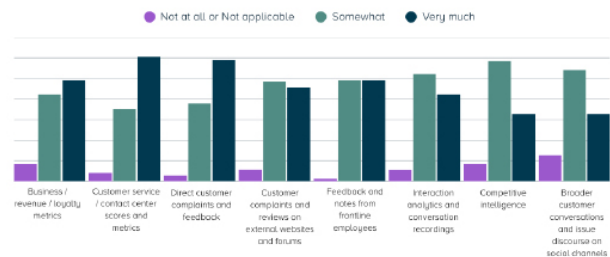
FUTURE TRENDS IN RETAIL CX AND BRAND STRATEGY

Rate the extent to which you personalize the following facets of your customer experience.



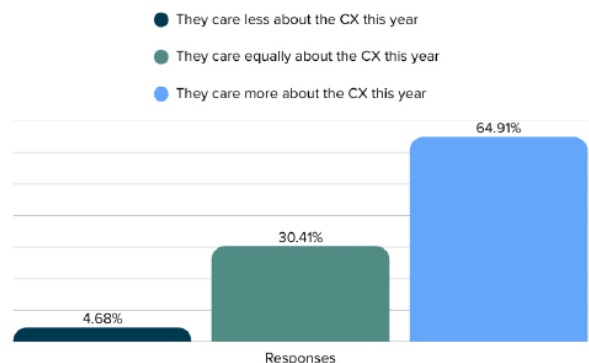
FUTURE TRENDS IN RETAIL CX AND BRAND STRATEGY

In order to best understand and engage your past, present, and prospective customers, to what extent do you consider the following?



FUTURE TRENDS IN RETAIL CX AND BRAND STRATEGY

In comparison to last year, do you feel shoppers have become more or less demanding when it comes to the quality of the customer experience (CX)?

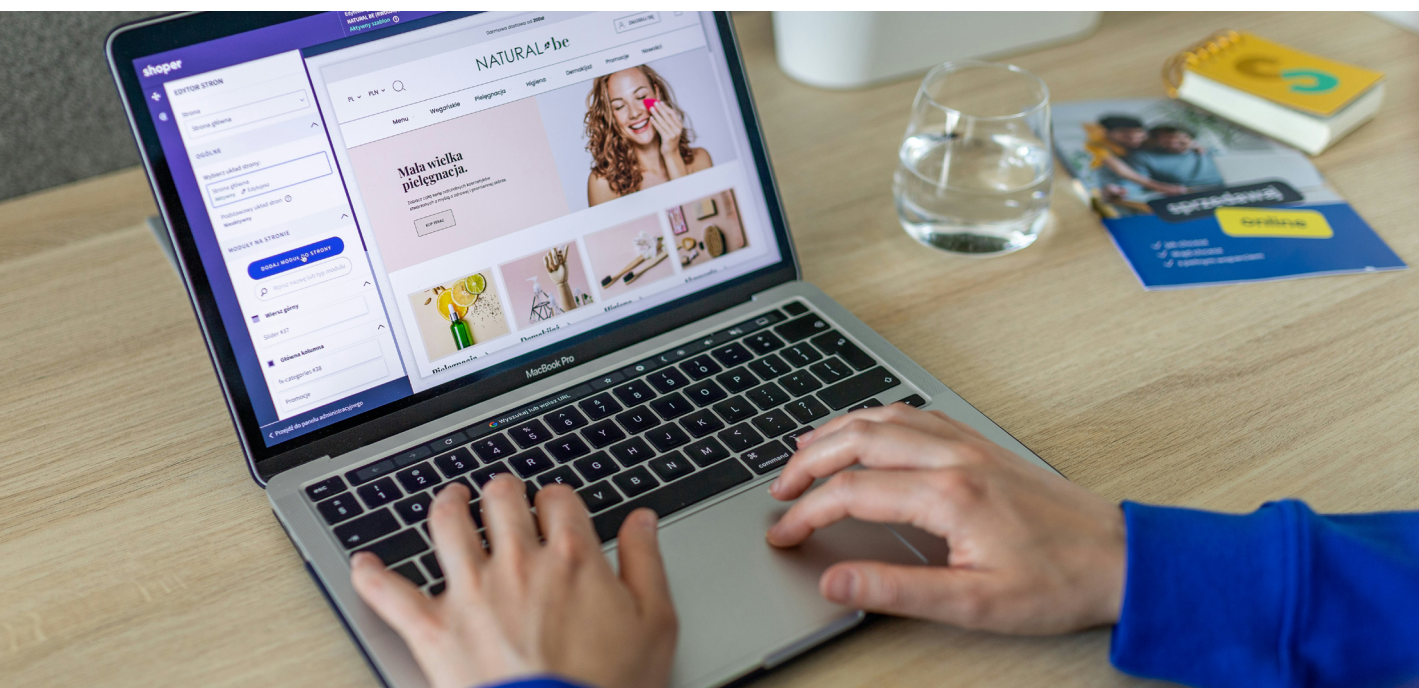


or listen, savvy retailers are using personalization to make their own shopping journeys similarly effortless.

This emphasis on personalization – especially *productive personalization* that is tied to actual customer behaviors and sentiments and not just “niceties” – hinges on better data. If organizations are to adapt to real-time sentiment, anticipate future needs, and tailor proactive communication, they need robust, 360-degree insight into who their customers are, what they want to achieve, and how they prefer to navigate the shopping and support journeys.

To gain access to this intelligence, organizations must continue to refine their data management strategies. Whereas customer service metrics and direct customer complaints and feedback, the current top priorities, will remain crucial, savvy retailers will also place a greater spotlight on interaction analytics, external customer comments, and feedback from frontline employees. These will provide a more robust understanding of exactly what is happening at critical shopping touch points – and *how* those experiences positively or negatively impact more traditional customer success and business metrics.

Over time, they can also understand how changes to the experience directly impact customer lifetime value. In an era with so much competition, elevating potential long-term value is a certain priority for all retail organizations.



The Rise of AI in Retail

Retailers are enthusiastically pursuing meaningful connections, but they will not exclusively rely on *humans* to make those connections. Like all segments of the business community, retailers are increasingly leveraging on artificial intelligence to automate (and, ideally, elevate) key facets of the customer experience.

More than 73% have already made significant investments into AI, and 48% have begun to see modest improvements to their customer and employee experiences. Just over 14% report significant improvements to CX but not EX, while 3% claim the opposite. Upwards of 8% have seen significant improvements to both.

In their quest to build upon those results, retailers have trust that AI-powered self-service can *successfully* automate numerous aspects of the retail journey.

Nearly 96% would trust AI to provide automated sales updates, with 48% already expressing significant confidence. They are similarly confident in AI's ability to handle post-sales feedback collection (95% trust, 55% significant trust), customer onboarding (94% trust, 41% significant trust), completing sales (92% trust, 47% significant trust), and follow-up and renewal communication (92% trust, 44% significant trust).

When relying exclusively on human employees, retailers may lack the resources needed to deliver the optimal volume of sales updates, onboarding messages, and renewal pitches. In these cases, AI thus represents a way to introduce new touch points between brand and customer – and grow relationships.

This is arguably a more value-driven approach to AI than merely automating “simple issues,” which may be more about deflecting work than elevating connections.

Entrusting AI to handle payments and deal completion is intuitive, as technology should be both the more efficient and secure option.

Retailers' confidence in AI transformation is, of course, only one side of the discussion. The other dimension of the conversation – one that is *especially important* given the overarching objective of forming personalized connections with customers – is how consumers will respond.

Insofar as only 22% feel they have a say over *where* interactions take place, and only 26% feel today's experiences are quick and easy, AI's ability to make service faster and more accessible is understandably resonant – in theory.

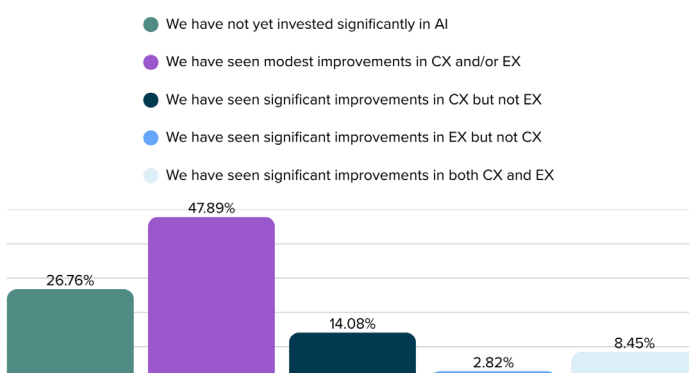
More than 60% of consumers say they would even embrace AI for complex issues.

The challenge, however, has been matching practical execution to the theoretical promise. Having dealt with AI that was impersonal, irresolute, or otherwise ineffective, only 29% feel AI is presently adding value to customer experiences. Only 15% trust AI-based virtual assistants to solve problems, and nearly half of consumers identify “ineffective technology” as a *frequent* experiential pain point.

A challenge across all demographics, AI resistance is *particularly* prominent among older demographics. Only 1% of consumers over 60, for example, trust chatbots and virtual assistants to solve their problems.

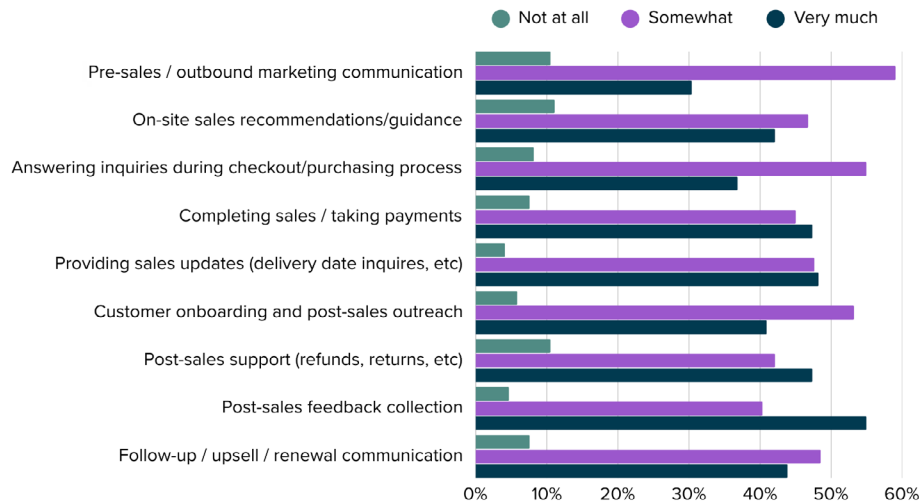
FUTURE TRENDS IN RETAIL CX AND BRAND STRATEGY

Thus far, how has artificial intelligence improved your customer and/or employee experiences?



FUTURE TRENDS IN RETAIL CX AND BRAND STRATEGY

Consider self-service offerings, such as chatbots, AI agents, self-service, and automated voice menus/IVRs. How much do you / would you trust them to perform the following tasks?



Only 10% of these older consumers feel like AI has been beneficial in any capacity.

Nearly 75% of this demographic, moreover, cites a concern that it would be difficult to explain their issue in an automated environment. This fear drops to 50% for consumers between 30-60 and 41% for adults under 30.

Still, given the vast opportunity and upside associated with the technology, this resistance cannot *thwart* investment and innovation in the AI space. Instead, it has to be a driver to make AI more conversational, intuitive, and adaptive. It also underscores the importance of providing seamless escalation to a human when the AI falls short.



The Role of Humans in the Age of AI

Clearly, the rise of AI will not mean the fall of human employees. Like their cross-industry peers, retail leaders expect humans to play a major role in designing and delivering future experiences.

But while it may not be *eliminating* the human touch, AI is surely transforming it. All but 17% of retail leaders say they are modifying staffing in the age of AI.

Nearly 41% of retail leaders say they are changing their approach to hiring; 13% will make across-the-board changes while 28% will focus on reimagining their outsourcing partnerships. An additional 42% will not necessarily change their *hiring* strategy but will overhaul their approach to training in an era where the human-technology balance continues to evolve.

Skills for the customer-facing employee of the future

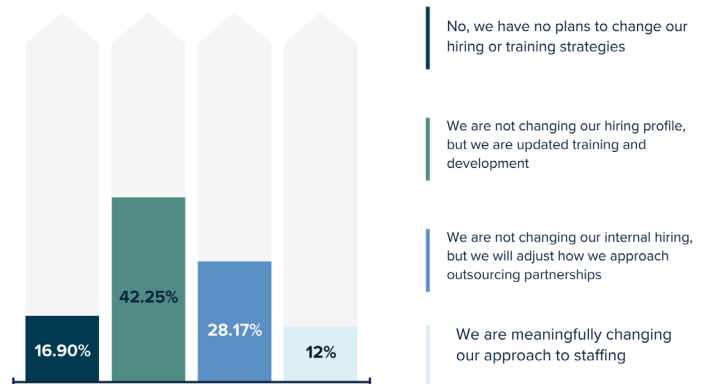
Regardless of whether they prioritize new hiring practices or new training curricula, retail leaders know they need to cultivate new competencies among their personnel.

Among these new competencies, the ability to cultivate customer relationships ranks as the most noteworthy priority. A significant 68% of retail leaders say that this talent will become more important over the next year.

Other priority competencies include fluency with AI

FUTURE TRENDS IN RETAIL CX AND BRAND STRATEGY

Amid the digital and AI transformations, are you rethinking (or do you plan to rethink) the way you staff your customer experience teams?



platforms and other new technology (65% say it will be more important), the ability to sell and generate revenue (61%), and fluency in different contact channels (59%).

The focuses make sense for a retail landscape that is undergoing digital and AI transformations. With brands increasingly automating simple transactions, there will be fewer opportunities to demonstrate the “human touch.” Employees who have the ability to build customer relationships and generate sales will be most capable of seizing those opportunities.

Those who know how to make the most of AI tools – such as knowing how to properly prompt an AI assistant or

or reframe AI-generated language in a more human way – will be able to further maximize that opportunity. They will be ready for success in a world where “AI handles efficiency so that humans can demonstrate empathy.”

Fluency in the cross-channel ecosystem will also empower success. Different channels attract different types of customers, behaviors, and issues; those capable of organically adapting to those nuances will be able to build relationships regardless of who they are supporting or where the interaction is taking place.

Attracting and Empowering the Next-Generation Employee

Cultivating higher-caliber employees requires more than simply adjusting workflows and optimizing training. It also involves rethinking company culture, ensuring that the brand is capable of attracting, motivating, and retaining next-generation talent.

Retail leaders believe *flexibility* will play a big role in developing this culture. Nearly 65% plan to emphasize more flexible work arrangements and schedules over the next 1-2 years.

Other priority initiatives include rethinking outsourcing partnerships based on employee standards (53%), increasing base pay for frontline workers (52%), introducing additional benefits and rewards (51%), and investing in employee wellness initiatives (50%).

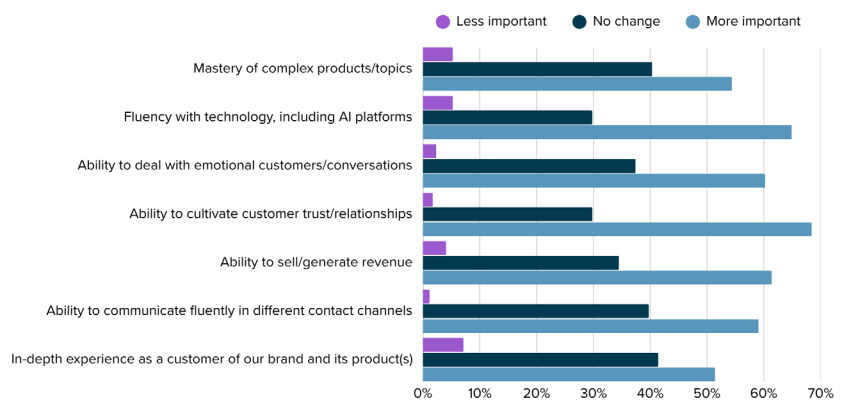
By eliminating the simplest work, the rise of AI will pivot human employees to more complex, emotionally draining tasks. It will enable them to make a more valuable contribution to the business and its customer experience.

These initiatives befit that reality. Flexibility and better compensation will attract a stronger pool of talent that has all of the vital next-generation competencies. Wellness initiatives will keep these employees engaged, confident, and happy even as they deal with more challenging work.

By more closely evaluating outsourcing partners based on their employee experience principles, organizations ensure a consistently strong culture – and consistently high standard of performance – across every facet of their operation.

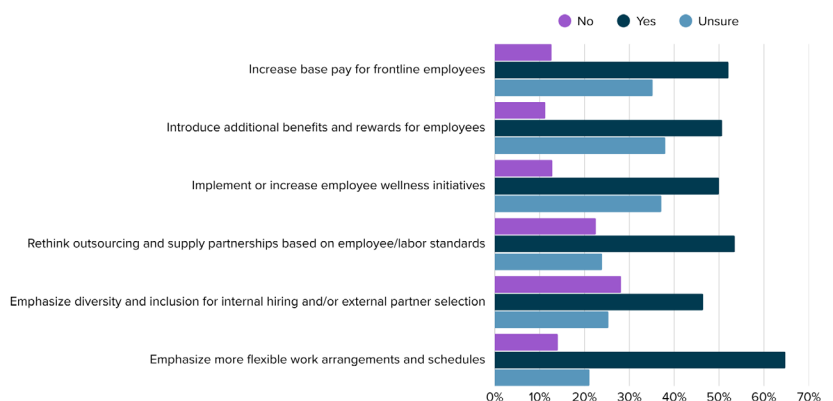
FUTURE TRENDS IN RETAIL CX AND BRAND STRATEGY

Consider your human customer experience, customer service, and sales representatives. Will the following skills become more or less important over the next year?



FUTURE TRENDS IN RETAIL CX AND BRAND STRATEGY

Over the next 1-2 years, will you adopt (or increasingly focus on) any of the following labor employment practices within the customer experience function?



Where Technology Meets Humanity: Next-Generation Retail Initiatives

In today's global, digital economy, consumers have near-instant access to a plethora of purchasing options. This has greatly intensified competition, pressuring retailers to consistently innovate in pursuit of greater visibility – and stronger customer loyalty.

Thanks to this culture of innovation, numerous shopping enhancements are gaining traction.

Among these next-generation retail initiatives, the push to provide seamless access to product and price research ranks as a major focus. More than 69% of organizations plan to weave this capability into their shopping experiences over the next two years.

Other key focuses include an emphasis on omnichannel shopping (a focus for 67%), the use of AI shopping assistants (65%), flexible payment plans (63%), and access to dedicated product specialists (63%).

Providing product and price research achieves numerous strategic benefits. First, it demonstrates a commitment to transparency, which goes a long way in elevating customer trust. It also helps keep the customer in the store or on the website, reducing the risk that they will look (and then ultimately purchase) elsewhere.

Finally, it can serve as an effective sales driver. If the available research confirms that the store is offering a well-reviewed product at a good price, it should increase the likelihood that the customer makes the purchase.

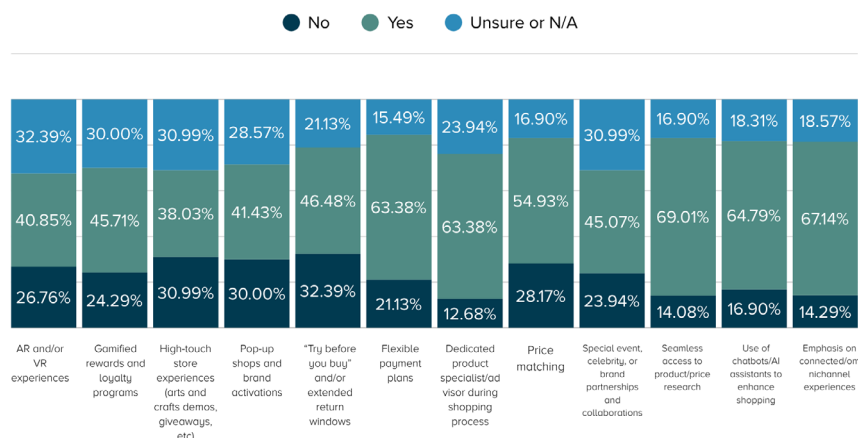
Flexible payment plans are becoming a core customer expectation, so it makes sense that retailers are increasingly leaning into the offering. In doing so, retailers will effectively be increasing each customer's theoretical purchasing power and thus expanding their target audience.

By deploying AI assistants throughout the journey, retailers are able to deliver personalized recommendations and support at scale. They also gain an understanding of – and an ability to remedy – issues that may cause customers to abandon a purchase.

AI-driven efficiency gains will, of course, enable brands to rethink how they allocate their resources. Clearly, one focus will be leveraging employees as dedicated advisors who can provide more personalized, consultative support, recommendations, and sales guidance at moments of truth. Customer trust and conversion rates should both rise.

FUTURE TRENDS IN RETAIL CX AND BRAND STRATEGY

Over the next 1-2 years, will you prioritize incorporating any of the following into your customer experience(s)?



Although they did not rank quite as high on the priority list, augmented reality experiences are on the radar for a significant number of retailers. Whether to improve the tangibility of digital experiences (allowing people to try on new clothes or envision a kitchen overhaul that they purchase online) or to elevate in-person experiences (by letting them see the personalized impact of an in-store product), AR represents an example of technology making retail more personal.

Another emerging focus will be the use of digital twins in retail experience design. With so many aspects of the retail journey becoming commoditized, opportunities to truly test and assess the impact of incremental changes will help brands zero-in on what really matters to individual customers and personas. It will help them design experiences that add substantive value and not just superficial vanity.

With the very nature of retail changing so dramatically, this consistent ability to model, analyze, and navigate the impact of those changes on *real people* will be the key to success.

Beyond modeling *people*, digital twins also enable brands to model the overall product supply chain.

When incorporating them into a broader push toward digital engineering, brands will gain the ability to improve inventory forecasting and management, anticipate future support issues, strengthen supply chain opportunities, and optimize product development. All are not only critical to financial success but imperative for understanding how consumers will look to interact – and whether or not the brand will be equipped to respond in the most efficient, empathetic, and supportive manner.

Ultimately, they eliminate all forms of “waste” and inefficiency from the retail experience. With optimized digital and brick-and-mortar store experiences, the time customers spend shopping will be more fruitful – and more likely to drive purchases. With streamlined supply and inventory processes, organizations will simultaneously reduce unsellable inventory and increase the ability of in-demand products. Insight into the support journey, moreover, will ensure that humans conversations with customers in today’s increasingly automated world are predicated on building forward-looking relationships – not correcting yesterday’s frustrations.



Beyond The Buy: Cultivating Lasting Customer Trust

When it comes to achieving trust in their brands, retail organizations know they have to sell a good product. They know they have to provide simple, safe, tasteful, and convenient shopping experiences. They know they have to demonstrate positive cultural values.

Above all, they know they have to deliver exceptional support.

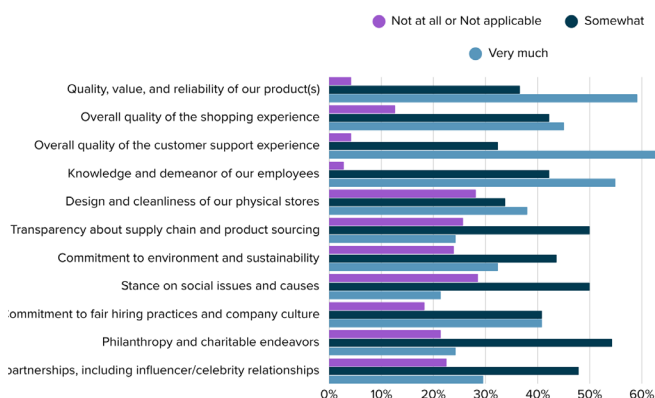
A whopping 63% of retailers say the quality of the customer support experience “very much” dictates brand reputation, making it the #1 trust driver.

Granted, factors like product quality and value (59%), knowledge and demeanor of employees (55%), satisfying shopping experiences (45%), and commitment to fair hiring and a strong company culture (41%) still matter greatly.

To put it simply, there is no shortcut to brand trust. If retailers want to emerge as an organization customers want to support, they must simultaneously excel at every phase of the customer journey *and* espouse strong brand values. They must be an organization that customers can trust to consistently deliver the right experience *and* do the right thing.

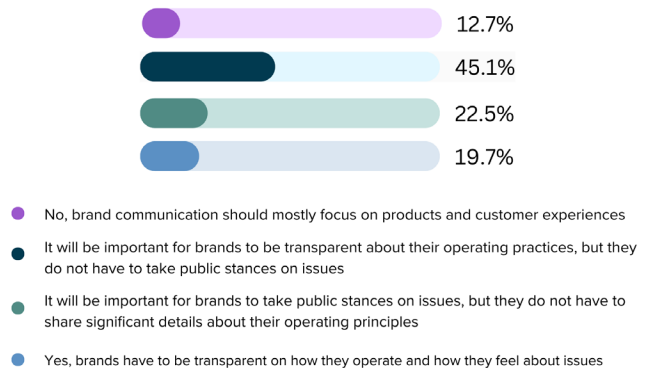
FUTURE TRENDS IN RETAIL CX AND BRAND STRATEGY

To what extent do the following factors impact customer trust and brand reputation in your organization/industry?



FUTURE TRENDS IN RETAIL CX AND BRAND STRATEGY

Moving forward, do you believe it will be important for brands to actively and transparently communicate their views, stances, and operating principles?



Is Silence Still a Virtue?

In establishing themselves not only as a reliable merchant but as a credible brand, retail brands will of course have to address an important question: when, if ever, should they take a stand?

Conventional wisdom has historically discouraged publicly addressing anything remotely controversial or polarizing. Why risk offending a segment of the population and closing the door on their future spending?

In recent years, however, the opposing perspective has been developing momentum. Rather than focusing on the risk of alienating some customers, this perspective focuses on the *reward* of humanizing the brand in an era of intense competition. As differentiating based on product or price becomes increasingly challenging, demonstrating *shared values* may be the surest ticket to customer connections.

Social media has also changed the game. When engaging with brands in social networks, many customers are not simply looking for new product announcements or coupon codes. They are looking to learn about the humans *behind* the brand. In turn, they are expecting the brand to be raw, transparent, and authentic in its outbound communication.



Acknowledging these trends, the overwhelming majority of brands acknowledge a growing need to publicly communicate at least some of their stances and values.

Although they do not feel retailers have to comment on hot-button issues, 45% do believe in transparency about operating principles. Just shy of 23% have the reverse perspective; they believe brands *must* comment on critical issues but can be more guarded about their operations.

Nearly 20% say retailers have to be open and honest about *both*, leaving just 13% who believe organizations can restrict communication to their products and customer experiences.

Issue Spotlight: The Impact of Sustainability

Although they acknowledge the need to be *more* transparent, retail leaders may not feel obligated to address every conceivable hot-button issue.

There are, however, certain topics that seem uniquely and significantly relevant to retail and closely associated industries. These topics include ethical sourcing, fair labor, and sustainability.

When determining which products they sell – and how they go about selling them – retailers will have to confront numerous questions. How was the product manufactured? How will it be transported? What steps can be taken to minimize potential waste? Can any of the end products or raw materials be reused?

They will also have to consider how publicly they need to *answer* these questions. Can sustainability practices be kept fairly close to the vest? Or should they be a core part of the brand's outbound communication?

The overwhelming majority of retail leaders know these issues are important; 76%, in fact, say that “commitment to environment and sustainability” impacts customer trust and brand reputation.

Sustainability and Ethical Labor Practices as Core Values

It may not be a *universal priority*, but sustainability is definitely not a fringe pursuit for retail leaders.

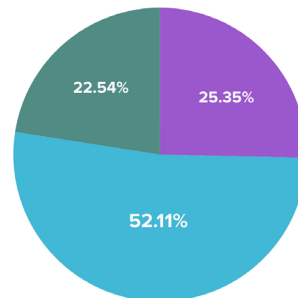
More than 47% say sustainability is an important issue for their organization, and 17% have already taken significant action.

Support for the issue may very well rise in the months and years ahead. Although they are not currently focused on sustainability, more than 32% say it could become more important in the future. Only 20% doubt they will ever make sustainability an operational focus.

Not simply an internal topic of conversation, sustainability factors heavily into outbound communication. Nearly 23% actively trumpet their commitments to sustainability and ethical labor practices, while another 52% publicly disclose this

information in a more passive sense.

- No, we do not communicate these to our customers...
- We do make this available to our customers via of...
- Yes, these initiatives are important to our brand, a...



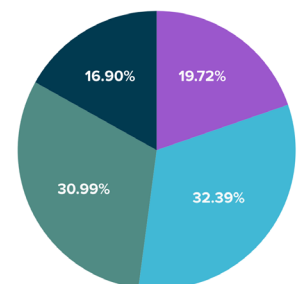
FUTURE TRENDS IN RETAIL CX AND BRAND STRATEGY

When engaging with customers (such as in a sales, marketing, or service context), do you actively communicate any aspects of your commitment to environmental sustainability and/or ethical labor practices?

FUTURE TRENDS IN RETAIL CX AND BRAND STRATEGY

Does ethical sourcing and sustainability rank as an operational priority for your organization?

- No, it is not a priority for us and unlikely to become...
- It is not a priority right now, but it could become more...
- The issue is important to us, but we have not mea...
- The issue is important to us, and we have already...



From Vision to Action: How Retailers Are Transforming Their Supply Chains

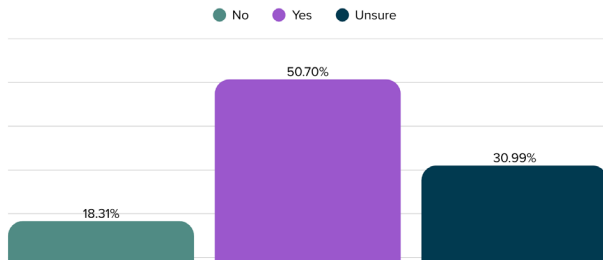
Many retailers have already taken steps to become more sustainable, and that trend will continue in the years ahead.

More than 51% say they plan to take steps to achieve a more circular supply chain in the next 1-2 years, while another 31% are unsure. Only 18%, therefore, feel certain they will not be taking significant action toward this objective.

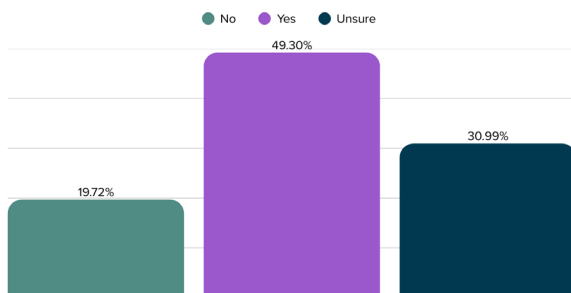
The data is similar for investing in supply chain traceability technologies; 49% are certain they will, 31% are unsure, and 20% are certain they will not.

FUTURE TRENDS IN RETAIL CX AND BRAND STRATEGY

Over the next 1-2 years, will your organization make any changes to support a circular supply chain, such as selecting more sustainable suppliers and manufacturers, offering refurbished products, overhauling shipping practices, or implementing more sustainable return and buy-back programs?

**FUTURE TRENDS IN RETAIL CX AND BRAND STRATEGY**

Over the next 1-2 years, do you expect to increase your investment into supply chain traceability technologies?



Inventory management and forecasting technology is even more prominently on the radar. More than 60% are certain they will increase their investment in the next 1-2 years, compared with 23% that are unsure and 17% that are certain they will not.

Admittedly, this technology has ramifications beyond sustainability (such as on direct costs). However, organizations that can more accurately forecast their inventory are able to dramatically reduce waste. The net outcome, therefore, is still a more sustainable retail landscape.

The Intention Behind Supply Chain Transformation

Indeed, as they transform their sourcing strategies and invest in supply chain technologies, retailers are not *solely* thinking about the impact on the environment. They are very much considering “what’s in it for me.”

The top priority for rethinking their supply chain, in fact, is to ingratiate their brand with customers. More than



90% expect their supply chain investments to improve brand reputation, with 54% calling it a major focus.

Other target outcomes, such as reducing costs (a focus for 90%, a top focus for 36%) and reducing customer support issues through higher-quality products (a focus for 83%, a top focus for 45%), are also self-serving, business-centric objectives.

However, many businesses do ascribe high importance to environmental considerations. More than 83% expect their initiatives to support more repurposing and reuse, and more than 70% are aiming to reduce their carbon footprint.

Demanding sustainability from partners

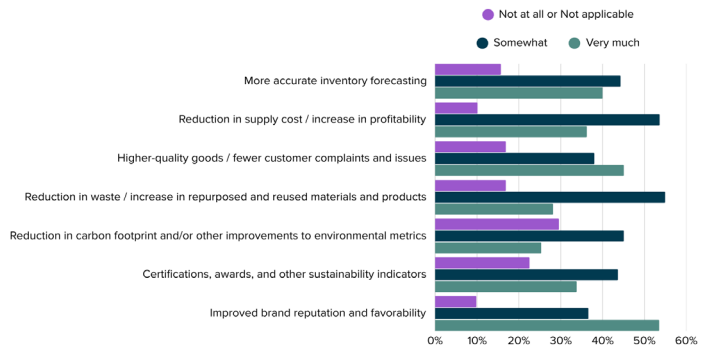
For most modern retailers, the notion of managing every facet of every end-to-end journey is completely impractical. They will instead turn to partners for functions ranging from manufacturing, to distribution, to support, to sales.

These partners, therefore, play a pivotal role in determining whether an organization achieves its commitment to principles like sustainability. Accordingly, some retail leaders will consider sustainability initiatives and labor practices when evaluating prospective partners.

Nearly 23%, in fact, say that sustainability and ethical labor practices are critical criteria during partner evaluation. Just under 48% consider them as secondary factors, while 30% say these have no impact on their partner decisions.

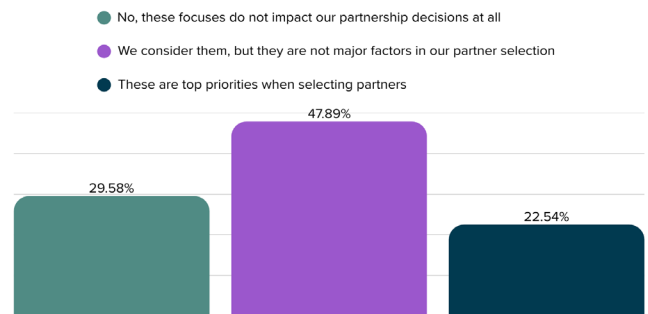
FUTURE TRENDS IN RETAIL CX AND BRAND STRATEGY

As you evaluate your supply chain strategies and technologies, to what extent will you consider the following outcomes?



FUTURE TRENDS IN RETAIL CX AND BRAND STRATEGY

Does your organization choose customer service and support partners based on their commitment to environmental sustainability and/or ethical labor practices?



In Retail, Humanity Is The Foundation

Thanks to the rise of digital communication, retail brands have never had an easier time *reaching* potential customers.

But the smartest retail organizations know that reaching customers with advertisements about compelling products or attractive prices is not enough. They know that real success comes from building an undeniably meaningful, unabashedly human connection with those customers.

It comes from being a brand customers want to support, and not simply shop.

Humanity has never been more important to the retail experience, and it therefore needs to be at the foundation of the entire operation.

Technology-driven experiences need to use robust customer intelligence and human-centric design to ensure all communication is *relevant and personalized*. Employees need emotional intelligence, product expertise, and creativity to ensure all human-led conversations are rich with empathy and resolve. Brand messaging needs to communicate authentic, transparent principles to ensure customers can be as excited about *who* they are supporting as they are what they are buying.

About Our Research Partner



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Website: <https://www.sutherlandglobal.com/>

About the Author



**Brian Cantor, Principal Analyst & Director,
CCW Digital**

Brian Cantor is the Managing Director of Customer Management Practice's Digital division. Driven by a passion for helping brands better empower their employees and more meaningfully connect with customers, Brian oversees research, product development, editorial vision, and commercial strategy for properties like CCW Digital and Customer Engagement Insider. Reaching a community of almost 200,000, these digital properties offer industry-leading commentary, research reports, and virtual event sessions.

Far from a "boardroom manager," Brian routinely speaks at leading customer contact events and directly engages with global enterprises and innovative start-ups via training and advisory services sessions.

Meet Our Analysts:



Brooke Lynch
Divisional Director, Principal
Analyst
CCW Digital



Audrey Steeves
Content Analyst
CCW Digital

Get involved:



Ben McClymont
Divisional Sales Director
E: ben.mcclymont@cmpteam.com



Simon Copcutt
Head of Strategic Accounts
E: simon.copcutt@cmpteam.com