



2024 Benchmark

Unified Commerce for Specialty Retail in Japan



A Mosaic of Consumerism: Embracing Diverse Retail Realities

Cultural and Demographic Nuances

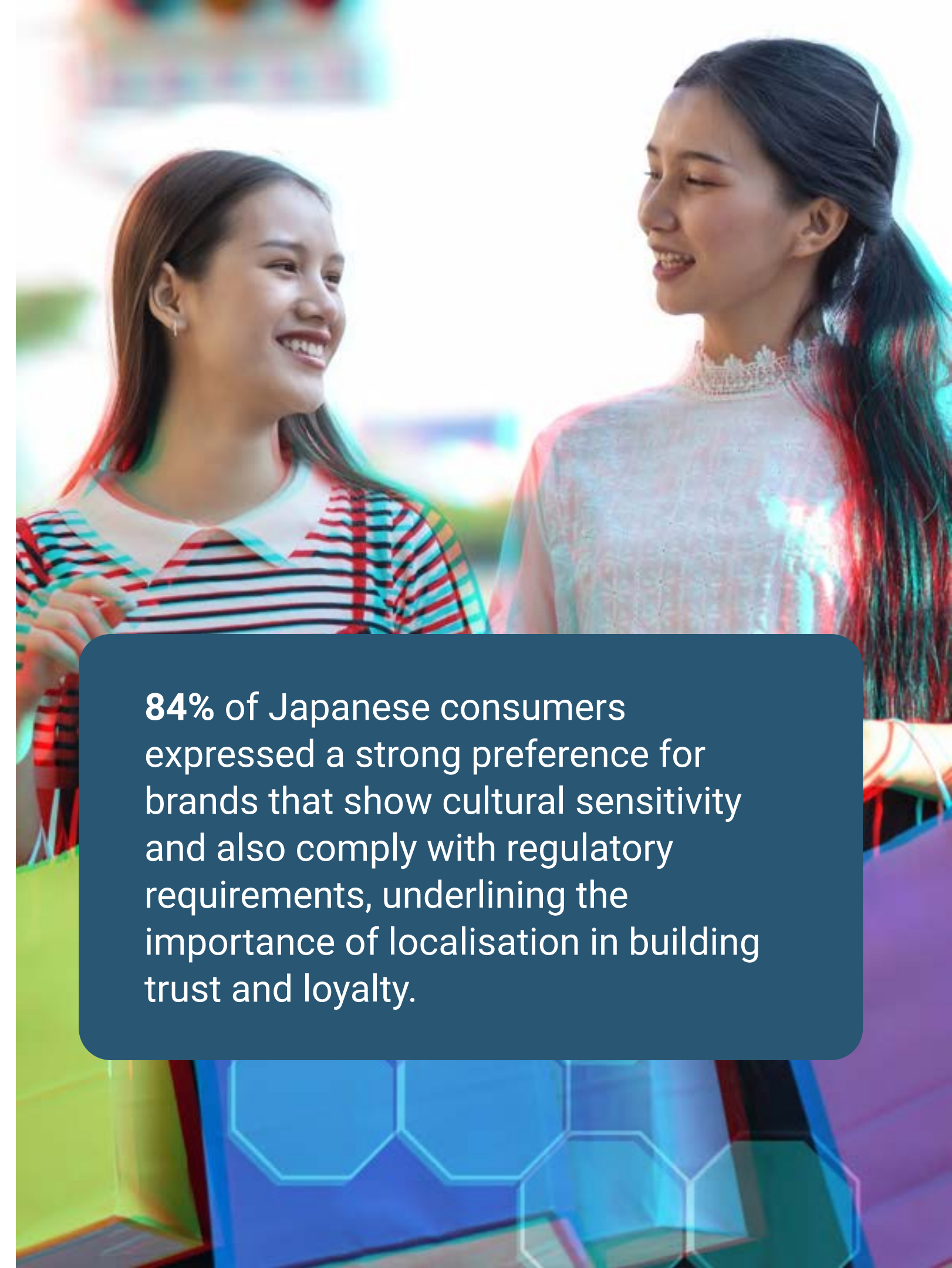
Japanese consumers exhibit distinct shopping behaviors influenced by regional cultural and demographic factors. Retailers must navigate the varying preferences between urban centers like Tokyo, where innovation and convenience are prized, and rural areas, where tradition and community values are paramount. Understanding and adapting to these regional differences is essential for success in Japan's diverse retail landscape, forming the bedrock of a robust Unified Commerce strategy.

Balancing Compliance and Customer Experience

In Japan, the intersection of strict regulatory frameworks such as the Act on the Protection of Personal Information (APPI) and evolving customer expectations around ethical practices and transparency presents a unique challenge. Retailers must weave compliance seamlessly into their customer experience design. This involves creating engaging, personalized shopping experiences that also uphold high standards of privacy and sustainability, thereby meeting the dual demands of regulation and consumer trust.

Economic Factors Influencing Retail in Europe

Japan's economic landscape, characterized by a blend of mature markets and evolving consumer behaviors, requires retailers to be highly adaptable. In affluent areas, there is a growing appetite for premium products and services that emphasize quality and exclusivity. Conversely, in areas facing economic challenges, there is a stronger demand for value-oriented offerings. Retailers must keenly align their strategies with these economic realities to thrive, ensuring their Unified Commerce approach is both responsive and resilient



84% of Japanese consumers expressed a strong preference for brands that show cultural sensitivity and also comply with regulatory requirements, underlining the importance of localisation in building trust and loyalty.

Redefining Retail Convenience: From Speed to Experience

Seamless Integration of Digital and Physical


Modern Japanese retail thrives on integrating digital options with physical stores. This seamless blending ensures customers can smoothly transition between online browsing and in-store experiences, a key aspect of Unified Commerce. Such integration, powered by advanced technology, not only enhances customer satisfaction but also positions retailers at the forefront of Japan's evolving retail landscape.

Convenience is a Many-Splendoured Thing

In Japan, convenience goes beyond speed, reflecting regional preferences such as advanced mobile payment systems and efficient logistics services. Retailers are also adopting omnichannel customer service and personalised shopping experiences, catering to local tastes and setting new benchmarks in convenience. The popularity of services like 'click and collect' and automated stores highlights the unique facets of convenience valued by Japanese consumers.

Sustainability as a Core Element of Value-Based Retailing

Sustainability in Japanese retail is increasingly becoming a core consumer expectation. Retailers are embedding eco-friendly practices in all operations, from sourcing to logistics. This commitment aligns with the values of an environmentally conscious consumer base, differentiating retailers in a competitive market. Initiatives such as reducing plastic usage, promoting recyclable packaging, and supporting local sustainable products are pivotal in capturing the loyalty of Japanese shoppers.



61% of Japanese consumers are more likely to shop with retailers offering integrated online and in-store experiences.

Unified Commerce: Japan's Retail Evolution

Essential Strategy for Diverse Markets

Successful Japanese retailers excel at integrating digital platforms with physical stores, offering customers a seamless transition between online browsing and in-store shopping. This integration, driven by sophisticated technology, enhances customer satisfaction and ensures that retailers remain competitive in Japan's ever-evolving retail market.

Navigating the Polarisation of Value in Retail

Japan's retail industry shows a clear divide in consumer values. Premium digital-native brands focus on quality and innovative experiences, while larger retailers emphasize affordability. Unified Commerce enables Japanese retailers to identify and cater to their unique market positions, excelling in areas that matter most to their target customers.

Evolving Through Adaptation and Innovation

The Japanese retail market demands constant innovation and adaptation. Retailers must embrace advanced technologies like AI and IoT to enhance the customer journey. Leading the market requires not just keeping pace with changes but anticipating them, ensuring the retail experience continually evolves to meet the shifting needs and preferences of Japanese consumers. Implementing these technologies helps retailers better understand and serve their customers, ultimately driving success in a competitive landscape.



eCommerce sales in Japan are expected to grow at a CAGR of 9.1%, highlighting the importance of focusing on unified commerce to capture this market.

2024 Unified Commerce Benchmark for Specialty Retail

The industry's first Unified Commerce benchmark with real purchases, real returns, and **real customer journeys across digital and physical channels.**



40

retailers benchmarked
in Japan



290

customer experience
capabilities tested across
4 capability areas

Jump to a Section:

Methodology & Approach



Leaders in Unified Commerce



Search & Discovery



Cart & Checkout



Promising & Fulfilment



Service & Support



Retailers Assessed

Apparel & Footwear

ABC-Mart
Adidas
American Eagle
Dot-St.
GAP
GU
H&M
Hender Scheme
Honeys
Levi's
Moonstar
NANO Universe
Nike
Onward Crosset
PAL
Puma
Shimamura
Sketchers
Suicoke
Takeo Kikuchi
Tommy Hilfiger
Uniqlo
United Arrows Ltd.

Zara
ZOZOTOWN

Department Stores

Daimaru Matsuzakaya
Matsuya
Takashimaya

Home & DIY

Cainz
Francfranc
IKEA
Lowya
Nitori

Luxury

Burberry
Chanel
Dior
Gucci
Louis Vuitton
Prada
TSUTSUMI



Methodology & Approach



Meticulous Benchmarking Methodology



Unified Commerce Assessment Framework

Incisiv first developed a detailed parameterised list of Unified Commerce customer experience capabilities.

Then, based on shopper insights, retailer executive surveys, retailer digital and store performance data, and segment-level KPI benchmarks, we organised key capabilities into **Table Stakes** and **Differentiating Experiences**.

Unless mentioned otherwise, all data in this report is from Incisiv's in-market shopper and executive research and from aggregate data analysis of the retailers that were assessed as part of the benchmark.



Store & Digital Experience Audits

Incisiv developed an objective list of 40 retailers across 4 specialty retail segments. We chose a mix of top omnichannel retailers by revenue across Apparel & Footwear, Department Stores, Home & DIY, and Luxury. All retailers had to be in good financial health, as determined by a combination of factors, including their debt rating and rate of store closures.

Incisiv's team of customer experience analysts then conducted comprehensive shopping journeys, including **real purchases and returns**, across both digital and store channels.



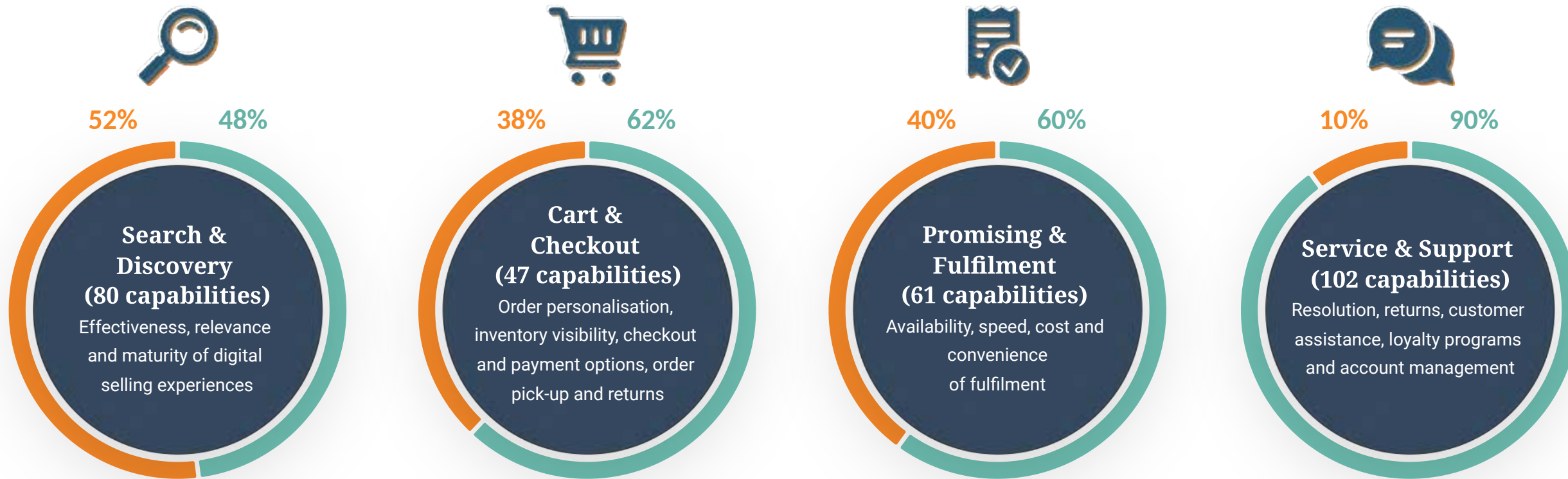
Rating Categories for Assessed Retailers

Assessed retailers were then scored based on the adoption of customer experience capabilities, the efficacy of each capability, and the consistency and the quality of experience.

Based on their score, brands were organised into one of 4 performance categories - **Leaders, Challengers, Followers, or Laggards** - each with a statistically significant difference in capability maturity and impact on performance.

Unified Commerce Assessment Framework

Incisiv's Unified Commerce Assessment Framework spans **290 customer experience capabilities** across the following four functional areas. The number of attributes assessed in each area is provided in parentheses.



DE: % Differentiating Experiences, TS: % Table Stakes Experiences

Capabilities are categorised as **Table Stakes** or **Differentiating Experiences** based on their impact on key performance metrics such as average order value (AOV) and conversion.

Table Stakes are foundational capabilities required to address key shopper expectations today. The absence of these capabilities has a negative impact on digital performance KPIs.

Differentiating Experiences are advanced capabilities that address important, emerging shopper expectations. The presence of these capabilities has a positive impact on digital performance KPIs.

For instance, in Search & Discovery, the ability to show store inventory online is table stakes, whereas the ability to filter search results based on available fulfilment types is a differentiating experience.

Each capability is mapped either as Table Stakes or as a Differentiating Experience. Incisiv's framework also takes into account the variance in the relative importance of a capability across various specialty retail segments.

Store & Digital Experience Audits

Incisiv developed an objective list of 40 retailers across **4 specialty retail segments**. We chose a mix of top omnichannel retailers by revenue: Apparel & Footwear (25), Department Stores (3), Home & DIY (5) and Luxury (7). All retailers had to be in good financial health, as determined by a combination of factors, including their debt rating and rate of store closures.

For each retailer included in the benchmark, Incisiv's team of customer experience analysts conducted real, in-store and digital shopping journeys, including purchases and returns. The team used the retailer's eCommerce site, visited their brick and mortar stores, including interacting with in-store staff, spoke with call centre agents, interacted with virtual agents via chat, and used the retailer's mobile app.

The benchmark assessment was conducted between March 2024 and April 2024. Customer experience analysts conducted 5 online visits at different times of day and visited 3 different stores across urban and sub-urban areas (where available).

The number of omnichannel retailers selected per segment was based on the relative penetration and market share within each segment. Omnichannel retailers were selected based on their annual revenue. The specialty retail segments covered are:

- Apparel & Footwear (25)
- Department Stores (3)
- Home & DIY (5)
- Luxury (7)

Rating Categories for Assessed Retailers



Laggards

Laggards offer a severely lacking Unified Commerce experience, missing even some basic table-stakes functionality.



Followers

Followers offer a basic Unified Commerce experience, addressing most table-stake capabilities. Their experiences lack depth and are light on the adoption of differentiated capabilities.



Challengers

Challengers offer a seamless Unified Commerce experience built on a solid foundation of capabilities. They offer some differentiated experiences but lack the depth and coverage of leaders.



Leaders

Leaders offer the richest Unified Commerce experience within and across retail segments. They lead in the adoption of differentiated experiences and are functionally mature across most assessment areas.

Overall Leaders



Overall: Japan Leaders vs Non-Leaders

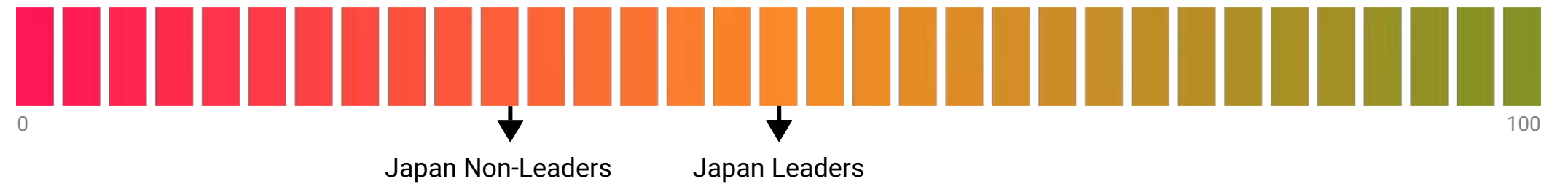
Japan Highlights:

Retailers are diligently addressing table stake capabilities such as streamlining search, offering nuanced filtering options, consistent promotions and improving fulfilment services. However, they are lagging behind in adopting many high-impact differentiating capabilities like flexible payment methods, expedited fulfilment options and comprehensive customer service.

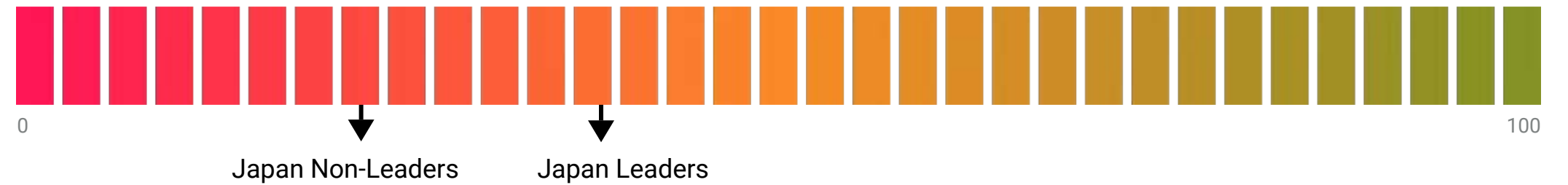
Outlook:

Unified commerce adoption remains relatively low, even among retail leaders, with differentiating experiences adoption at only 25%. To achieve success in the future, retailers must maintain their strong focus on execution while reevaluating their strategy.

Search & Discovery



Cart & Checkout



Promising & Fulfilment



Service & Support






Overall Leaders

Incisiv recognises these 5 brands as 2024 Unified Commerce Leaders.


Retailers listed in alphabetical order.




Apparel & Footwear




Apparel & Footwear



Home & DIY



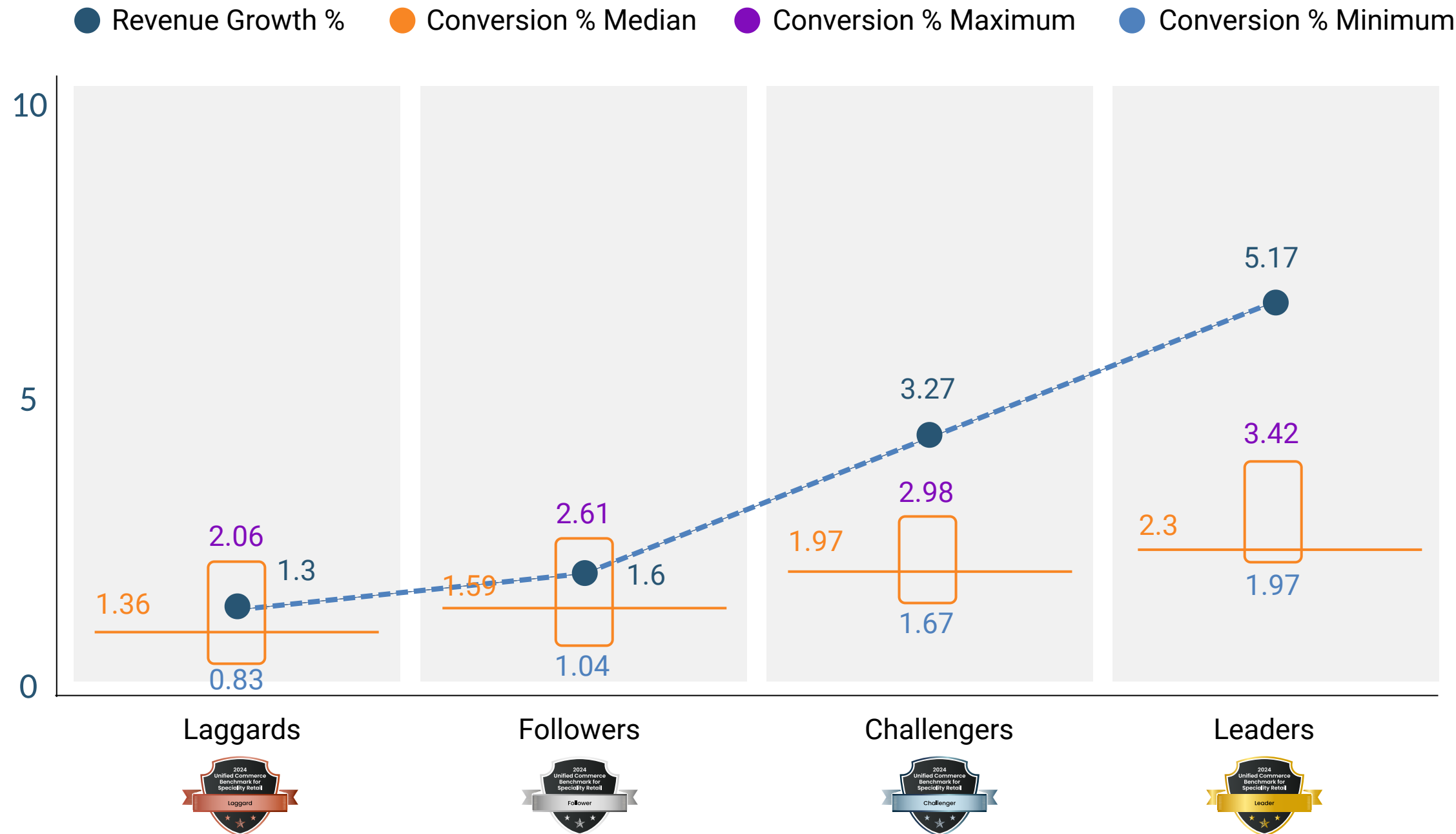
Apparel & Footwear



Apparel & Footwear

Unified Commerce Leaders' revenue growth outperforms Non-Leaders 2X - 3X

Average revenue growth rate for retailers by rating category



A specialty retailer currently rated a Challenger would stand to gain \$19M per billion dollars in annual revenue by improving its Unified Commerce maturity to a Leader.

Navigating From Basic to Nuanced Retail Experiences

Shifting from the basic to the nuanced, retailers are recognising the need to transcend conventional offerings.

Differentiation now thrives on in-depth capabilities, where retailers embrace advanced technologies and services. The evolution from basic to nuanced retail experience necessitates a steadfast commitment to comprehending and proactively addressing diverse customer needs.

Differentiation is shifting from simply offering a customer experience capability to offering it with depth, nuance, and a personalised context.



Leaders in Search & Discovery

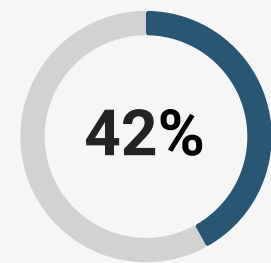


Search & Discovery: Overview

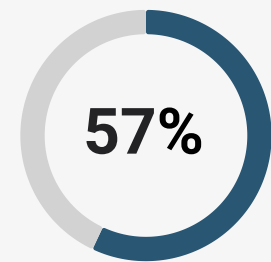
Search & Discovery refers to the set of retailer capabilities and experiences that help shoppers find the most meaningful products and services for their needs.

To do so, a retailer must be able to curate a personalised experience based on shopper intent. Are they looking for a specific item that they need urgently? Are they exploring the brand for the first time and need to understand how it can fit their lifestyle? Are they shopping for an occasion and are willing to be led and inspired?

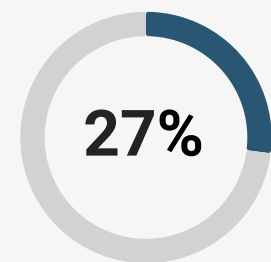
Why it matters



higher conversion rate for shoppers who initiate engagement with a retailer with a product search.



of shoppers will shop at another retailer if their desired product is out-of-stock.



of shoppers are satisfied with their preferred retailer's sustainability practices.

What we assess

We assessed 80 capabilities in this area, covering important themes such as:

- How easy a retailer makes it for shoppers to find relevant products based on their needs through deep search and rich filtering capabilities
- How a retailer educates, informs and inspires the shopper about the latest style trends in the shopper's tribe
- How transparent a retailer is around important sustainability considerations such as materials used, fair wage practices of its manufacturing partners, and supply chain carbon footprint
- How a retailer handles out-of-stock scenarios, both in-store and online, including the ability to back-order or pre-order and the consistency of information about when an item is expected to be back in stock

Key findings in this section

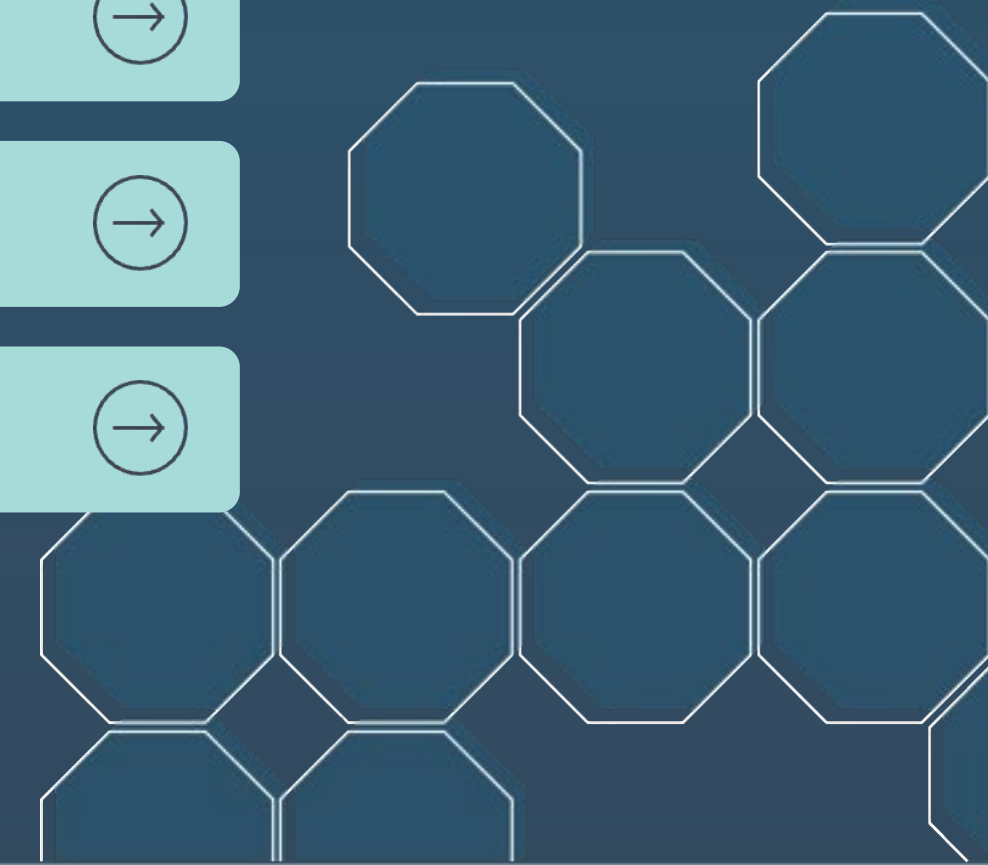
Guided Inspiration



Rich Findability



Immersive Storytelling







Leaders in Search & Discovery

Incisiv recognises these 5 brands as Leaders in Search & Discovery.

Retailers listed in alphabetical order.




Apparel & Footwear




Apparel & Footwear



Apparel & Footwear



Home & DIY



Apparel & Footwear

Guided Inspiration

Leaders help shoppers discover meaningful products - whether they are looking to fulfil an immediate need or simply in need of inspiration. They strive to go beyond being a place to find products to becoming a lifestyle hack for their shoppers. They do so through advanced digital personalisation, best-in-class, in-store assisted selling, and excellent online and in-store merchandising.



Inventory visibility on product pages

100%

Leaders



91%

Non-Leaders



Bundled product offerings (suggestions to buy the look or set)

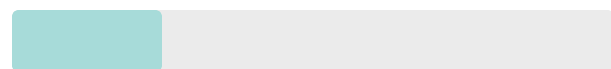
80%

Leaders



29%

Non-Leaders



Product recommendations based on shopper activity

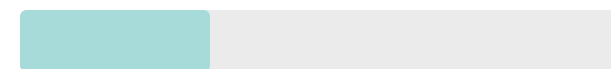
60%

Leaders



36%

Non-Leaders



Personalised product exploration and inventory visibility.

60% of shoppers are likely to make repeat purchases with a brand after a personalised shopping experience. Personalisation, along with inventory visibility, simplifies the purchasing process, customises discoveries, and nurtures loyalty.

GAP provides inventory visibility on the Product Detail Page (PDP) and offers product recommendations, including suggestions based on past purchases. Additionally, it offers category-specific and bundled product recommendations on the PDP.

Rich Findability

Leaders understand the broader context of a shopper's purchase intent, and assist them through deeply contextual search and filtering capabilities online and similarly guided assistance in-store, e.g. How soon can it be delivered? Does it have a specific product characteristic or feature they are looking for? Can they back-order their preferred size and colour if it is out-of-stock?



Product inventory availability at store level

80%

Leaders



51%

Non-Leaders



Option to opt for back-in-stock notifications on PDP

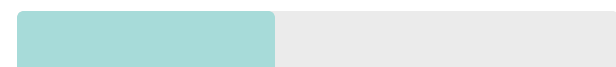
80%

Leaders



46%

Non-Leaders



Filter product by industry nuances and availability

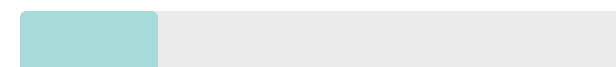
60%

Leaders



32%

Non-Leaders



Enhancing online shopping experience with in-store inventory visibility.

37% of shoppers tend to switch to another brand if they encounter a stockout during their buying journey. Additionally, stock filters enable shoppers to exclude out-of-stock items. This not only enhances transparency during the search process but also significantly streamlines product discovery and reduces abandonment rates.

GU provides insight into the availability of products at specific store locations and an extensive list of stock filters that enable shoppers to exclude items that are unavailable both in-store and online.

Immersive Storytelling

Leaders make shoppers feel good about their purchase decisions: what they're buying and who they're buying from. They go beyond product features and immerse the shopper in the brand's ethos. They storytell their greater purpose and have shoppers buy into their vision for why their way is good for the shopper, good for business, and good for the world.



Publish content on sustainability and social initiatives

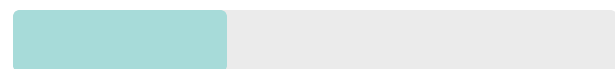
100%

Leaders



43%

Non-Leaders



Responsible sourcing information and brand ESG practices

100%

Leaders



49%

Non-Leaders



Ratings and reviews for specific product dimensions (size or fit)

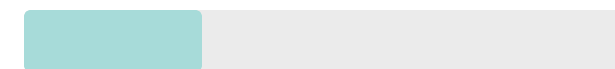
80%

Leaders



34%

Non-Leaders



Purposeful commerce integrates cohesive experiences with sustainability.

24% of shoppers believe that their purchasing decisions have an environmental impact. By highlighting items made from sustainable materials and detailing the measures taken to use these improved materials, brands can instill a sense of satisfaction in shoppers with their purchases.

Adidas uses materials made with innovative technology that focuses on renewable, recycled, and vegan resources. Additionally, each product includes comprehensive sustainability information on its product detail page.

Search & Discovery: Japan Leaders vs Non-Leaders

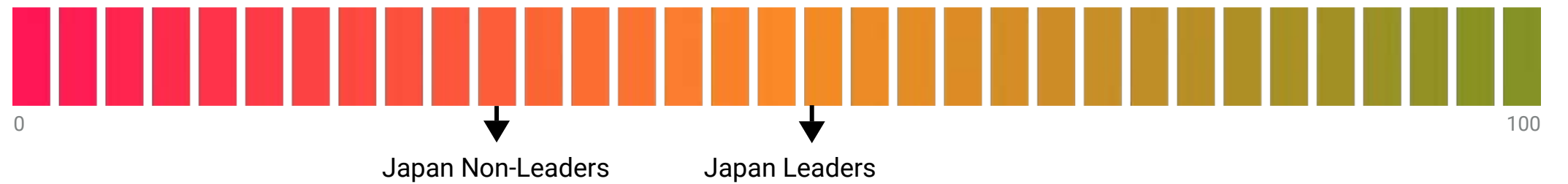
Japan Highlights

Leaders have a high adoption rate of customer experience capabilities like category-specific product recommendations, callouts for new arrivals, bestsellers, and sustainable products.

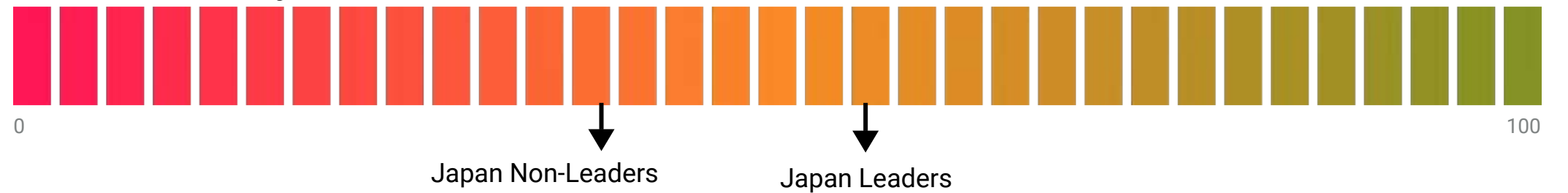
Key Gaps

The adoption of some high-impact capabilities like filters for fulfilment methods, callouts for inventory status, product demonstration videos and AR/VR integration, is still low.

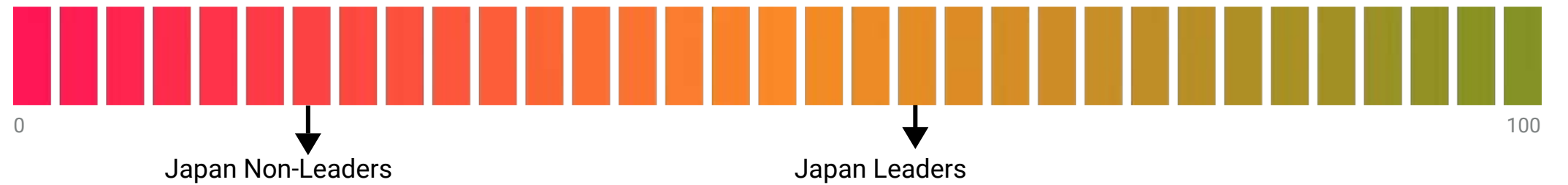
Search & Discovery



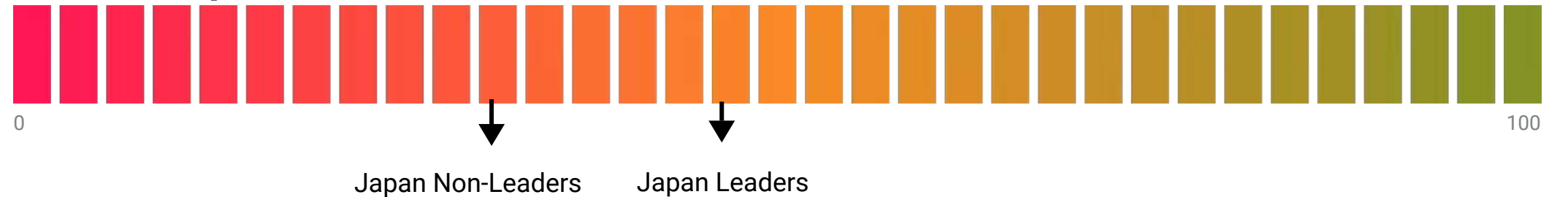
Rich Findability



Immersive Storytelling



Guided Inspiration



2024 Unified Commerce Benchmark
for Specialty Retail

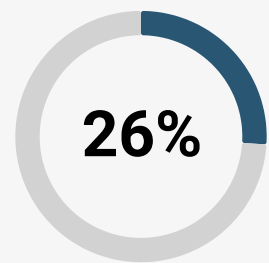
Leaders in Cart & Checkout



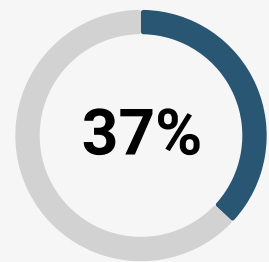
Cart & Checkout: Overview

Cart & Checkout refers to the set of retailer capabilities and experiences that help shoppers make a positive decision at the most critical point of conversion (or abandonment, if they don't get it right). Modern shopping journeys have a decidedly start-and-stop nature. Retailers must provide shoppers seamless continuity as shoppers switch between the physical and the digital, especially between their shopping cart and wishlist so the burden is not on shoppers to do all the work again.

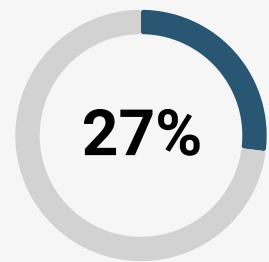
Why it matters



26% of shoppers say checkout is the #1 area retailers should fix to improve in-store experience.



37% of shoppers abandon their shopping cart as they perceive the checkout process to be too long.



27% of shoppers will not retry if they have to re-enter the payment or delivery details.

What we assess

We assessed 47 capabilities in this area, covering important themes such as:

- Whether a retailer is able to provide a unified view of a shopper's cart, wishlist, and purchase history across channels and devices
- How flexible a retailer is with payment options such as the ability to use multiple payment modes for an order
- How easy does a retailer make it for a shopper to pay however they prefer
- How simple does a retailer make it for shoppers to use promotions, store credit, and loyalty points flexibly at the point-of-purchase
- How efficient a retailer's checkout experience is, both online and in-store

Key findings in this section

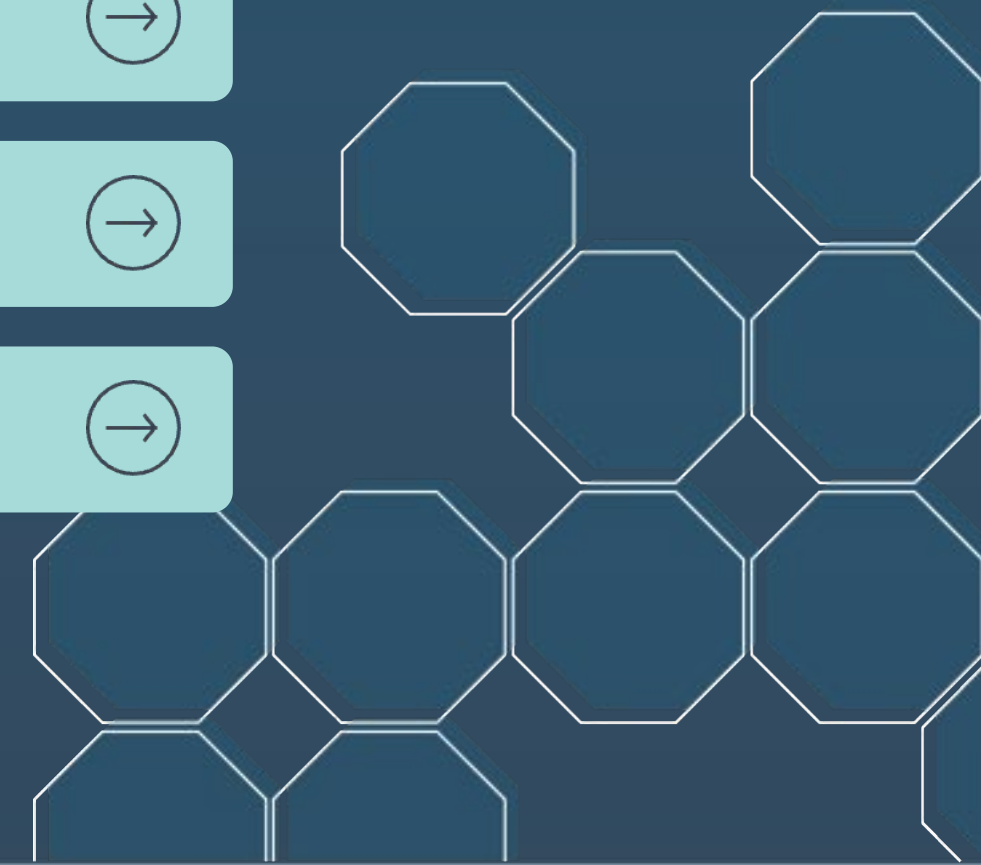
Unified Basket



Payment Flexibility



Frictionless Checkout







Leaders in Cart & Checkout

Incisiv recognises these 4 brands as Leaders in Cart & Checkout.


Retailers listed in alphabetical order.




Apparel & Footwear



Home & DIY



Apparel & Footwear



Apparel & Footwear

Unified Basket

The biggest point of friction in today's retail customer experience is due to the loss of context when transitioning between the physical and the digital. A unified cart or basket is a foundational capability to provide that critical connective tissue across channels. Even though a truly unified basket remains elusive, Leaders have made the most progress.



Move items from cart to wishlist and back

100%

Leaders



61%

Non-Leaders



View and apply promotions and offers in cart

50%

Leaders



47%

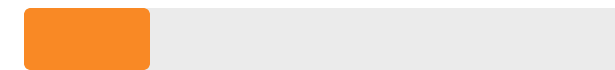
Non-Leaders



View inventory change/out-of-stock details in cart

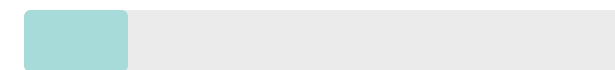
25%

Leaders



17%

Non-Leaders



Ability to apply promo codes in cart along with member specific offers.

43% of online shoppers, after browsing products, deals, and discounts, ultimately make a purchase when they find personalised offers and promotions tailored specifically for them. Promo codes act as potent incentives, enticing shoppers with discounts and perks, while also creating a sense of urgency and exclusivity.

GU, incorporates applicable promo codes and personalised offers directly into the shopping cart, ensuring shoppers don't miss out on eligible promotions and discounts.

Payment Flexibility

Leaders offer shoppers the widest choice of payment types, both online and in-store, providing that extra bit of flexibility that makes their purchase decision easier. They make it simple and convenient for shoppers to pay however they prefer, including through gift cards, loyalty points, store credit, mobile wallets, pay-later apps, store credit cards, and any combination thereof.



“Buy now, pay later”
and “gift card” payment
methods

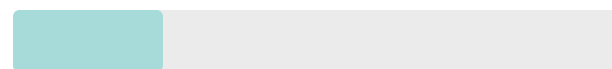
75%

Leaders



32%

Non-Leaders



Loyalty points
redemption for payments

50%

Leaders



47%

Non-Leaders



Ability to use mixed
payment methods for
same order

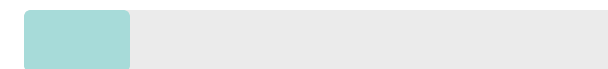
50%

Leaders



22%

Non-Leaders



Facilitate flexibility by
integrating multiple payment
methods into one order.

Shoppers appreciate having a range of payment options available, allowing them to tailor their method to suit their preferences and circumstances. This flexibility includes traditional methods like credit cards and cash, along with newer options such as digital wallets and buy-now-pay-later services, as well as gift cards. By offering multiple payment options, retailers can accommodate a diverse range of shopper needs, making the checkout process more convenient and efficient.

Uniqlo enables shoppers to use a combination of gift cards, credit cards, or mobile wallets to pay for their orders.

Frictionless Checkout

Addressing in-store and online cart abandonment is a huge revenue opportunity for retailers. A majority of cart abandonment occurs due to a less-than-ideal shopper experience at checkout - long wait times in-store or multi-step checkout online, for instance. Leaders provide seamless checkout experiences that reduce unnecessary friction at the point of conversion.



Ability to use regional mobile wallets such as PayPay

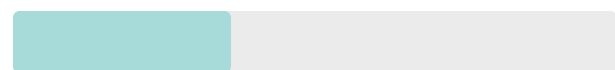
75%

Leaders



44%

Non-Leaders



Expedited (one-screen or guest) checkout

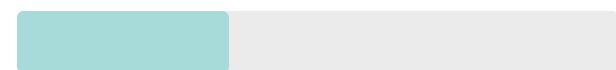
50%

Leaders



42%

Non-Leaders



Ability to checkout using Apple Pay or PayPal

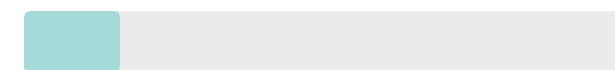
50%

Leaders



14%

Non-Leaders



Expedited one-screen checkout for shopper convenience.

33% of shoppers prefer swift and convenient checkout options while shopping online. Shoppers may abandon their carts if the checkout procedure requires numerous steps and lengthy form submissions.

Puma provides a single-step checkout option where shipping details are pre-populated and all payment-related information can be entered in a single step.

Cart & Checkout: Japan Leaders vs Non-Leaders

Japan Highlights

Leaders have a high adoption rate of customer experience capabilities like promo code activation in the shopping cart and providing diverse payment options like PayPal, gift cards, credit/debit cards or buy now, pay later.

Key Gaps

The adoption of some high-impact capabilities like paying through closed-loop wallets, offering clickable promo codes and reserve online pay at store (ROPIS), as well as trade-in and product recycling, is still low.

Cart & Checkout



Unified Basket



Frictionless Checkout



Payment Flexibility



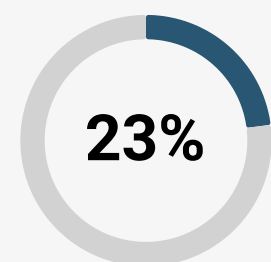
Leaders in Promising & Fulfilment



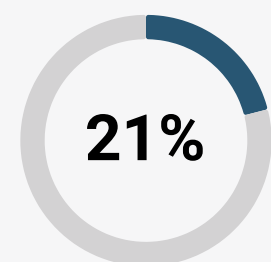
Promising & Fulfilment: Overview

Promising & Fulfilment refers to the set of retailer capabilities and experiences related to offering shoppers the choice, confidence and clarity of how and when they can receive the products they want to order. If retailers can assist shoppers with important ordering and delivery-related information across the shopping journey, they increase their probability of conversion. What is the earliest I could get this item and how? Can I order an item for in-store pick-up and another for delivery as part of the same order? Can a store associate help me back-order an item currently out-of-stock in my preferred colour or size?

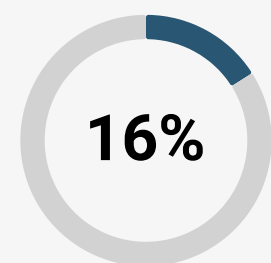
Why it matters



23% of shoppers value expedited delivery (same business day), but are only willing to pay < \$ 3 as extra fee.



21% of shoppers would opt for eco friendly delivery options even if it takes more time.



16% of shoppers want a self-service option to be able to edit orders after placing them.

What we assess

We assessed 61 capabilities in this area, covering important themes such as:

- What types of delivery and pick-up options does a retailer offer, and how easy does it make it for shoppers to pick different delivery or pick-up types within the same order
- How early in the shopping journey does a retailer begin to make delivery promises, and how consistently and accurately does it keep them through the order and fulfilment process
- How a retailer handles out-of-stock scenarios, both in-store and online
- How a retailer helps a shopper remain informed about their order, including any issues if they arise
- How does a retailer promote and incentivise sustainable delivery and pick-up choices

Key findings in this section

Ordering Flywheel



Dynamic Promising



Flawless Fulfilment





Leaders in Promising & Fulfilment

Incisiv recognises these 4 brands as Leaders in Promising & Fulfilment.

Retailers listed in alphabetical order.

CAINZ
Home & DIY

GU
Apparel & Footwear

MATSUYA
Department Stores

ZARA
Apparel & Footwear

Ordering Flywheel

Leaders offer shoppers a comprehensive set of delivery and pick-up options, focusing not just on speed but on flexibility to fit busy lifestyles. They accommodate ordering complexity without compromising checkout convenience, allowing shoppers to select different delivery options for products within the same order, for instance.



Delivery Scheduling

100%

Leaders



61%

Non-Leaders



Option to pick-up orders from preferred stores

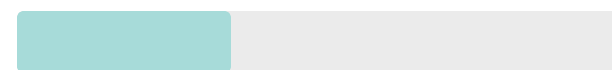
100%

Leaders



42%

Non-Leaders



Split delivery for same order/ ship to store capability

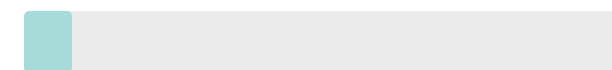
50%

Leaders



6%

Non-Leaders



Split fulfilment and delivery scheduling capability.

42% of shoppers emphasise that the delivery and fulfilment experience significantly influence their choice of retailer's digital channel. Certain retailers offer the option for shoppers to split their orders across various fulfilment methods and even schedule delivery by selecting convenient time slots. This not only enhances efficiency but also contributes to higher retention rates and promotes repeat purchases.

Cainz provides split-shipping options (store pick-up and home delivery) for a single-order transaction.

Dynamic Promising

Leaders understand that simply exposing available inventory to shoppers is no longer good enough. They provide early, narrow, consistent and accurate delivery estimates throughout the shopper journey. And they clearly communicate with shoppers in case a delivery estimate changes during the order process, helping build a higher degree of shopper confidence and trust.



Order tracking via brands own digital channel

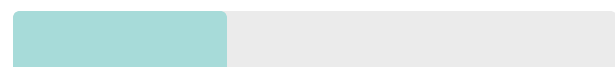
75%

Leaders



42%

Non-Leaders



Order cancellations post purchase

75%

Leaders



50%

Non-Leaders



Displaying product fulfilment options in the cart

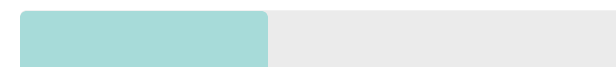
75%

Leaders



47%

Non-Leaders



Seamless order tracking and modifications.

Permitting order cancellations gives shoppers flexibility in their purchasing decisions. This can enhance customer satisfaction, improve the retailer's reputation and demonstrate adaptability. Shoppers also anticipate retailers to offer immediate updates on order status and to proactively communicate any issues or delays, while also providing convenient means for tracking their orders.

Zara offers shoppers the capability to monitor their order status in real-time through website/app, email/text platforms. It also allows users to contact customer support for cancellations.

Flawless Fulfilment

Leaders make sure shoppers' product pick-up or delivery experience is as good as their shopping journey. Not only do leaders meet or beat their delivery promises consistently, they do so while being more environmentally friendly. They also offer shoppers greater post-order flexibility, such as complete or partial cancellations, item modifications and change of delivery or pick-up method.



Sustainable product packaging and delivery initiatives

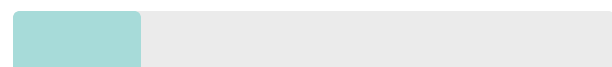
75%

Leaders



25%

Non-Leaders



Real-time order pick-up notifications/alerts by store

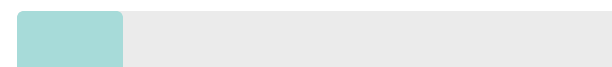
75%

Leaders



39%

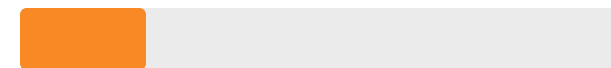
Non-Leaders



Order pick-up at designated locker collection points

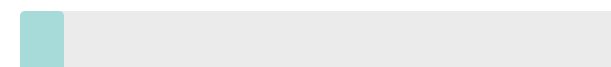
25%

Leaders



3%

Non-Leaders



Sustainable fulfilment and packaging options.

A significant majority of consumers, approximately 80%, have expressed interest in purchasing products packaged in eco-friendly materials to lessen their environmental footprint. Providing shoppers with visibility into the environmental consequences of their shipping choices not only enhances brand trust but also fosters a sense of accountability, ultimately bolstering brand loyalty.

GU encourages its shoppers to opt for their green delivery and packaging options as it creates the least negative impact on the environment.

Promising & Fulfilment: Japan Leaders vs Non-Leaders

Japan Highlights

Leaders have a high adoption rate of customer experience capabilities like delivery scheduling, BOPIS (Buy Online, Pick Up In Store), order tracking via multiple channels and order modification.

Key Gaps

The adoption of some high-impact capabilities like the ability to compare delivery dates for shortlisted products, order modifications and the ability to ship an order to different addresses, is still low.

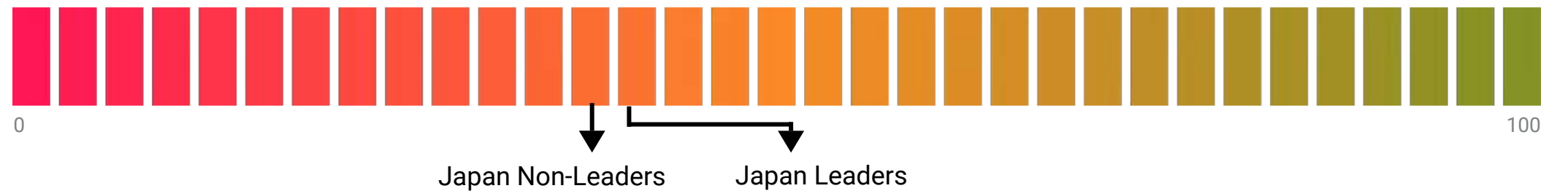
Promising & Fulfilment



Ordering Flywheel



Dynamic Promising



Flawless Fulfilment



2024 Unified Commerce Benchmark
for Specialty Retail

Leaders in Service & Support

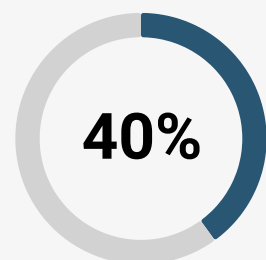


Service & Support: Overview

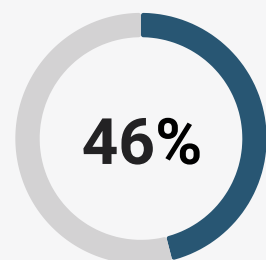
Service & Support refers to the set of retailer capabilities and experiences related to offering shoppers personalised assistance across their relationship lifecycle.

Shoppers are pushing retailers to two extremes of service: “give me service options that don’t interrupt the natural flow of my day” and “make me feel special through high-touch, personal service.” Retailers can balance the two by using digital tools to improve service efficiency and the human empathy of their store and call centre associates to deliver authenticity.

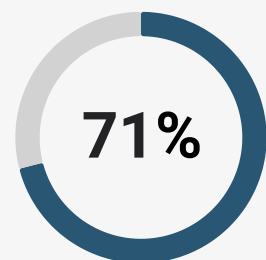
Why it matters



40% of shoppers say that retailers offer them a personalised shopping experience.



46% of shoppers find the refund and return process to be very time consuming.



71% of shoppers prefer 24*7 availability of customer support.

What we assess

We assessed 102 capabilities in this area, covering important themes such as:

- How proactive a retailer is in offering assistance across the engagement lifecycle with the shopper
- How extensive is a retailer’s customer service and support offering
- How personalised and seamless is a retailer’s customer service across various digital and in-person touchpoints
- How a retailer helps shoppers resolve service issues with minimal disruption through self or silent service
- How available, responsive and efficient are a retailer’s service options, especially those that involve human interaction
- What value-added services, expertise and consultative service does a retailer provide
- How a retailer handles returns, refunds and exchanges

Key findings in this section

Total Transparency



Comprehensive Service



Consultative Expertise







Leaders in Service & Support

Incisiv recognises these 5 brands as Leaders in Service & Support.


Retailers listed in alphabetical order.




Apparel & Footwear




Apparel & Footwear



Luxury



Apparel & Footwear



Apparel & Footwear

Total Transparency

Leaders are more transparent with shoppers across a variety of relationship vectors - from orders to service requests, from data use to supply chain practices. They also ensure the drop-off in transparency between digital and physical channels isn't as steep by providing the necessary tools and training for store and call centre associates.



Support on order modifications, returns and exchanges while on chat/call

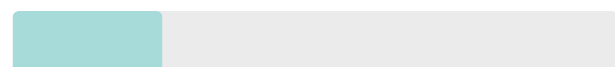
100%

Leaders



31%

Non-Leaders



Ability to initiate returns online

100%



63%

Non-Leaders



Tier based loyalty programs with exclusive benefits

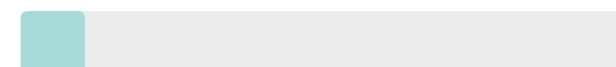
60%

Leaders



17%

Non-Leaders



Loyalty program benefits to drive value.

56% of shoppers who are more likely to purchase from brands that offer loyalty programs, access to key benefits, deals, discounts, and members-only experiences create a sense of exclusivity and belonging. This exclusivity not only fosters a stronger connection between the brand and the consumer but also encourages repeat purchases and long-term brand loyalty.

Adidas has an adiClub program with a range of rewards, that differ based on the four member tiers.

360-Degree Service

Leaders offer shoppers a wide variety of service options - from in-store assistance to call centres, social media support to live agents on their website and mobile app. Importantly though, they offer seamless continuity, consistent quality and always-on availability across their service portfolio. They empower shoppers to self-serve most of their service needs, offer 'silent' support options such as via text and ensure they don't have to wait long to talk to a human if they choose to.



Support via live chat

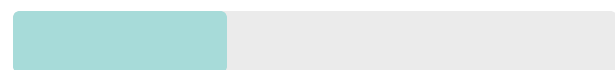
100%

Leaders



43%

Non-Leaders



Telephonic and email based support

100%

Leaders



77%

Non-Leaders



Ability to return purchases to drop-off locations

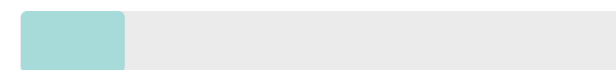
60%

Leaders



17%

Non-Leaders



UNITED ARROWS LTD.

●製品の材質は何ですか?

10:42

●素材は、表地：ポリエステル100%。裏生地：ポリエステル100%。

ユナイテッドアローズ カスタマーサービスデスク

●店内で利用できる支払いオプションには何がありますか?

11:13

●オンラインストアでは、代金引換・PayPay・クレジットカード

・Amazon Pay・楽天ペイ・払い・auかんたん決済・ソフトバンク・ワイモバイルまとめて支払い・コンビニ払いがご利用いただけます。

Customer support via live chat.

51% of shoppers in Japan expect a reply to their query within an hour. Live chat platforms provide retailers with the opportunity to speed up as well as personalize their interactions with shoppers. Moreover, they save time for shoppers seeking quick responses to their queries.

United Arrows Ltd. offers social media (WhatsApp, Twitter) support for order modifications, returns, exchanges and repair requests.

Consultative Expertise

Leaders don't just limit services to providing support. They offer value-added services such as customisations, style and fit guidance and in-store hospitality to turn service interactions into a secret sauce of brand stickiness. Leaders empower store and call centre associates with the tools and training needed to convert a moment of potential churn into one that builds feverish brand loyalty.



Guided purchase and product assistance by chat agents

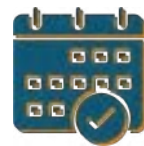
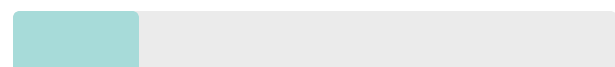
100%

Leaders



31%

Non-Leaders



In-store appointment scheduling and audio/video consultations

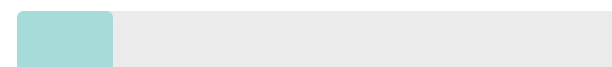
60%

Leaders



14%

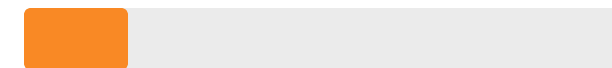
Non-Leaders



Initiating product repairs/alteration via brand's digital channel

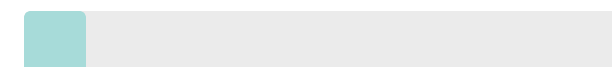
20%

Leaders



9%

Non-Leaders



GUCCI



Personalised interactions with brand experts.

Retailers are now providing tailor-made in-store encounters to link shoppers with their local store staff, allowing customers to reserve dedicated time slots for personalised shopping experiences. This ensures that shoppers receive focused attention and assistance from knowledgeable staff members during their visit.

Gucci goes above and beyond by allowing shoppers to book personalised appointments with experts.

Service & Support: Japan Leaders vs Non-Leaders

Japan Highlights

Leaders have a high adoption rate of customer experience capabilities like live chat, email and phone support and streamlined assistance for product inquiries.

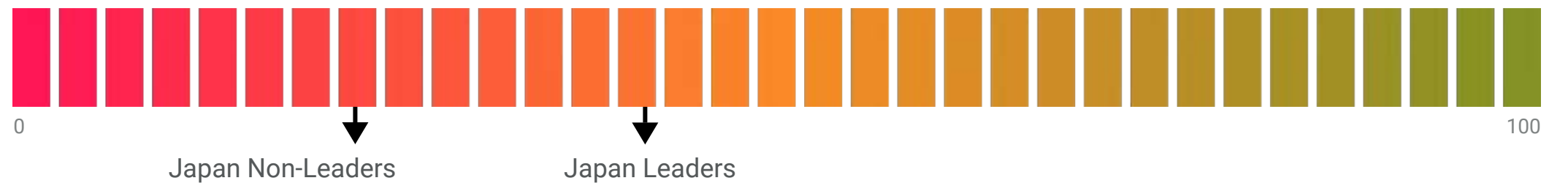
Key Gaps

The adoption of some high impact capabilities like 24x7 live chat assistance, return tracking and scheduling capabilities, feedback capture and store associates' ability to access inventory and omnichannel purchase history, is still low.

Service & Support



360 Service



Total Transparency



Consultative Expertise




2024 Unified Commerce Benchmark
for Specialty Retail

Leaderboard




2024 Unified Commerce Leaders




Apparel & Footwear




Apparel & Footwear



Home & DIY



Apparel & Footwear



Apparel & Footwear

Dive Deeper

Specialty retailers have the opportunity to learn from the findings of this exclusive benchmark.

Benchmark Your Unified Commerce Experience and Get a Custom Brand Assessment

Want to evaluate your operations?

Let's discuss how you can be part of the Unified Commerce Benchmark.

It includes a detailed brand assessment and a personalised walkthrough.



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Manhattan designs, builds and delivers innovative solutions for stores, transportation networks and fulfilment centres, eliminating silos created by legacy commerce, warehouse, and transportation systems to create seamless operations and optimal efficiency.

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