



Global Shopper Study 2023

Meeting Retail's Modern-Day Mandate

New Fundamentals for Tomorrow's Priorities



Future retail success hinges on technology integration, inventory visibility, a robust supply chain and environmental sustainability. Empowered associates with the right tools and training further shape enhanced omnichannel experiences, ensuring adaptability to ever-evolving market dynamics.

Delve into the strategic pillars anchoring retail excellence and reshaping the industry landscape.

Market Watch

Retailers are impacted by the aftershocks of global events and socioeconomic tensions. Among the challenges are supply chain disruptions, which have increased costs and complicated inventory management processes. Retailers are working to overcome challenges to profitability, including shrinkage, fraud and rising returns. However, shifting shopper sentiment gives reason for optimism. Compared to last year, shoppers increasingly trust retailers to protect their data and provide staffing needed to deliver exceptional customer service.

Decision-Makers Address Retail's Headwinds



85%
of shoppers are spending less due to inflation



Global disruptions have placed more focus on supply chain operations

Confronting Significant Challenges



84%
Maintaining real-time visibility of out-of-stocks



82%
Minimizing fraud and shrinkage



81%
Accepting and managing returns of online orders

Balancing Profitability with Associate Expectations

85%

of retailers report that maintaining profit margins while balancing workforce expectations for wages and benefits is difficult



Food Retailers
87%



Mass Merchandisers
84%



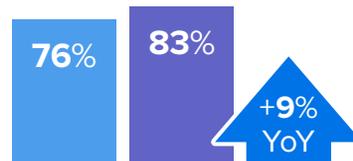
Drug Retailers
86%



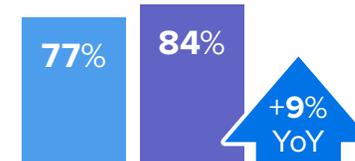
General Merchandisers
84%

Growing Optimism: Trust in Retailers Ascends to New Heights

% of shoppers completely trust/somewhat trust retailers



Protect shoppers' data (such as credit cards, banking info, location data)



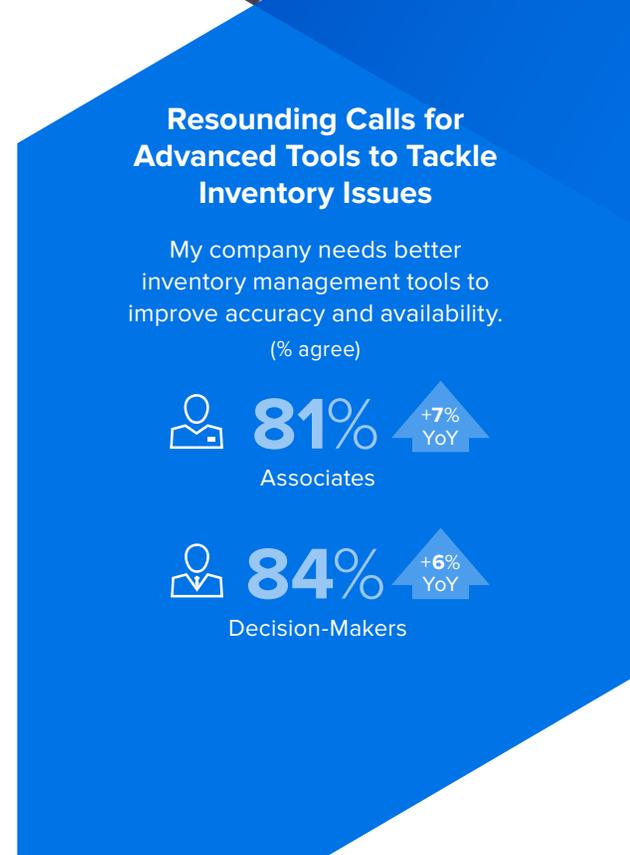
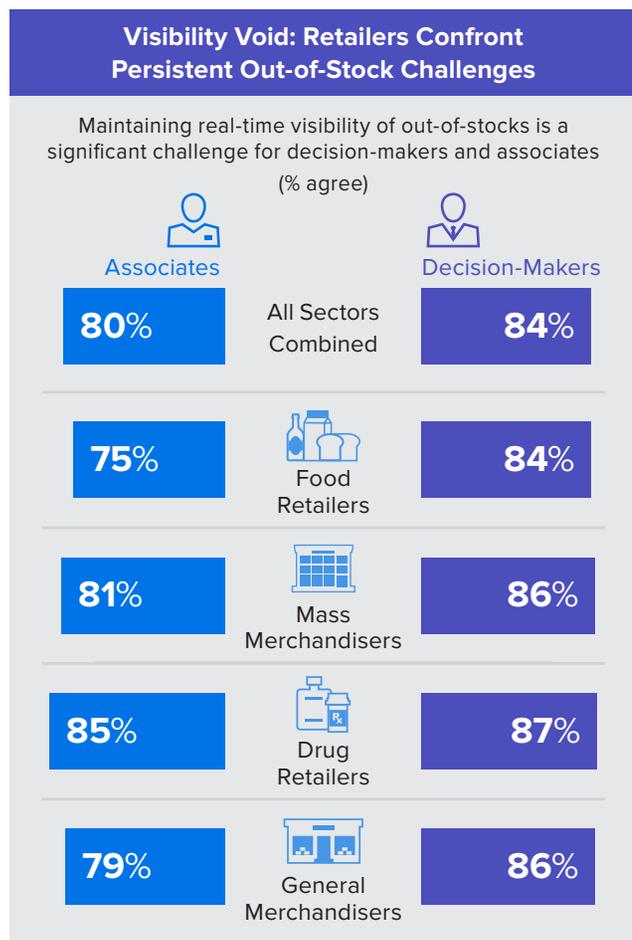
Provide enough associates who are trained and equipped to help customers

2022 2023

Retail Refresh: Smart Inventory Tech Helps Boost Shopper Satisfaction

In response to ongoing supply chain disruptions, retailers are discovering innovative solutions to tackle inventory hurdles and better fulfill shopper expectations. Fewer shoppers are leaving stores without the items they came in to buy compared to previous years and overall shopper satisfaction is on the rise. However, a notable concern persists regarding product out-of-stocks, which continues to be the top reason shoppers leave stores without what they intended to purchase.

Retailers acknowledge the challenge of maintaining real-time visibility of out-of-stocks and decision-makers are proactively preparing to fortify their supply chain technologies. In the near and long term, an increasing number of decision-makers anticipate investing in supply technology upgrades for real-time inventory tracking, returns management and advanced analytics.



Channeling the Future: Elevating Loyalty and Omnichannel Excellence

In the evolving retail landscape, shopper expectations are central to future trends. In 2024, decision-makers are zeroing in on customer loyalty and the overall shopping experience while keenly focusing on refining inventory management and streamlining omnichannel fulfillment.

The rise in consumers gravitating towards innovative technologies and diverse shopping channels underscores their desire for convenience and personalized interactions. This trend compels retailers to enhance their fulfillment strategies and further integrate seamless omnichannel practices. To address these shifts, many decision-makers are bolstering in-store features, predictive demand analytics, reverse logistics and mobile workstations to cater seamlessly to discerning omnichannel shoppers.



Retailers Prioritize Delivery Choices and Efficiency

(% of decision-makers indicating high pressure/top priority)

84%



Offering a variety of delivery options and speeds

78%



Reducing expenses of online orders

74%



Managing online returns more efficiently

73%



Increasing efficiency of processing/fulfilling online orders

Decision-Makers Eye Tech Advancements to Streamline Fulfillment

(% planning to implement within five years)

72%

Mobile/hybrid stations for pickup/returns

68%

Reverse logistics

64%

Predictive demand

61%

Stores enabled to ship to warehouses or directly to consumers

55%

Stores enabled to transfer product between store locations

47%

Stores enabled to fulfill web orders

Digital Cart Craze: Shoppers Online Activities

(of shoppers within the past three months)

54%

Placed an order for delivery

31%

Placed an order for pick up inside of store

29%

Placed an order for pick up at the curbside or another location

27%

Returned or exchanged an item bought online

Powering the Quest for Profitability

Retailers are under intense pressure to boost revenue, even as industry-wide challenges, such as inflation, labor and shrinkage, threaten profitability. Decision-makers are increasingly embracing digital solutions to navigate these hurdles. Predictive analytics and inventory demand forecasting tools are becoming their go-to solutions, helping to keep up with customer demands and minimizing unsold stock losses. Loss prevention is another primary focus for today's decision-makers, who are turning to digital transformation to enhance security, safeguard their assets and maintain customer trust. This digital shift is not just a trend but a necessity in the modern retail era.



For Retailers, Investment in Digital Intelligence and Analytics Is a Near Certainty

(% planning to implement within five years)

Mastering Decision Making in Every Business Sphere

66% Labor management

62% Demand planning/replenishment

56% Store operations

55% Merchandising

51% Loss prevention

50% Supply chain

Charting the Course for Business Intelligence

67% Digital twins

66% Prescriptive analytics

64% Contextualized real-time pricing

59% Inventory demand forecasting

55% Market basket analysis

AI Adoption in Pricing and Planning Set to Surge

(% of decision-makers planning to implement within five years)

73%

AI for demand planning/replenishment

69%

AI for pricing and assortment decisions

AI Transforms the Retail Landscape: Innovation, Efficiency and Personalization at the Forefront

Decision-makers agree artificial intelligence will enhance retail operations.

85%

All Sectors Combined

81%

Food Retailers

87%

Mass Merchandisers

79%

Drug Retailers

90%

General Merchandisers

Retail's New Rulebook: Innovate, Personalize and Digitize or Risk Falling Behind

With the speed of innovation on overdrive, new mandates for retail success have emerged. Customer-centricity stands as a cornerstone, focused on delivering personalized experiences and exceptional service that meets the evolving demands of today's savvy shoppers. Digital transformation is no longer optional but imperative. Data-driven insights empower retailers to make informed decisions and adapt quickly to changing market dynamics. This ability can positively impact the bottom line, particularly at a time when inflation has significantly altered consumer spending. Retailers must embrace these new fundamentals to survive and thrive in a highly competitive industry while remaining agile and adaptable to ever-changing market dynamics.

About the Study

Zebra Technologies commissioned a global research study among adult shoppers (age 18+), decision-makers and associates to analyze the trends and technologies transforming the retail sector. Administered online by Azure Knowledge Corporation, this year's study includes over 4,200 respondents across topics of shopper experience, device and technology usage, delivery and fulfillment in store and online. Zebra's 2023 Global Shopper Study reports on the attitudes, opinions and expectations shaping the industry's future. The series focuses on three key themes:



Beyond the Basket
What Shoppers Really Want
in Their Retail Experiences



Elevating Retail Experiences
Empowering Associates to
Enrich Customer Interactions



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To view the entire 2023 Global Shopper Study series, visit zebra.com/shopperstudy

About Zebra Technologies

Zebra (NASDAQ: ZBRA) empowers retail organizations and their associates to thrive in the on-demand economy by making every front-line worker and asset at the edge visible, connected and fully optimized. With an ecosystem of more than 10,000 partners across more than 100 countries, Zebra serves customers of all sizes, including 94% of the Fortune 100, with an award-winning portfolio of hardware, software, services and solutions that digitize and automate workflows.

Explore how Zebra can assist retailers in enhancing profitability while elevating shopper and associate experiences. Visit zebra.com/retail



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