

The Digital Divide in Retail Customer Service: **Pain Points, Risks & Opportunities for Modern CX**



Executive Summary

The smartphone is the most transformative innovation since the internet. But when it comes to retail customer experiences (CX), businesses are stuck in the landline era.

As a result, retail customer service is notorious for long wait times and outdated workflows that don't account for the modern way people communicate. This leads to fragmented experiences and angry customers that tarnish brand reputation and spend money elsewhere. At the same time, customer service agents aren't empowered with the right AI-powered mobile features, hindering them from supporting customers efficiently.

UJET surveyed nearly 200 CX technology decision makers in retail to understand why brands haven't entered the mobile phone era. **The data found that smartphone-optimized experiences ranked as the top customer service factor poised to drive consumer purchasing decisions in 2025.** This surpasses the impact of AI integration, reduced wait times, and even empathetic agent interactions.

UJET's report shows retailers who strategically prioritize the implementation of modern, mobile-first CX technology will be best positioned to capture market share and accelerate revenue growth in the evolving consumer landscape.



Smartphone-Friendly Experiences Fuel Modern CX

Modern CX technology understands customers' evolving needs, anticipates their questions and provides seamless service across their preferred communication channels. Learn more about what it takes to deliver modern CX for the modern consumer:

<https://ujet.cx/blog/modern-consumers-want-modern-cx-what-it-takes-to-deliver>

Mobile phone usage is central to consumers' lives. As a result, tapping into mobile phone technology and features is essential to deliver a modern customer experience (CX) in retail.

Retail CX technology leaders believe that smartphone friendly experiences (46%) is the customer service factor that will most impact consumer buying behavior in 2025. Other important factors include:

38%

Hyper-personalized experiences (e.g. special deals for a product that was abandoned in the customer's cart)

36%

AI-driven customer service (e.g. chatbot-based issue resolution)

34%

Predictive issue resolution (e.g. anticipating customer needs based on purchase history)

32%

Empathetic human agents that can connect with customers

24%

Agentic AI agents that can solve 100% of customer problems

20%

Shorter wait times

Given that nearly half of retailers now generate over 50% of their revenue through online channels, aligning customer service strategies with consumers' mobile-centric behavior is no longer optional; it is a fundamental driver of business success and revenue growth. Yet most brands are falling behind.

The Mobile Phone Adoption Conundrum

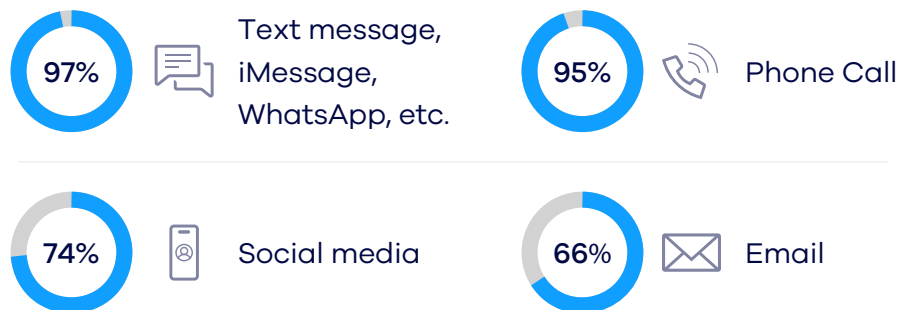
Create seamless experiences across mobile channels with a contact center solution designed to centralize your entire customer journey in your mobile app. UJET's Mobile SDK (Software Development Kit) provides everything you need for an in-app, cloud, and mobile-native customer service experience.

Communicate via text, picture, or video depending on the situation and your customers' preferences. Blend multiple forms of communication into one efficient conversation without losing context, or collect information via chat before transitioning to a phone call, so your customers quickly get the help they need.

<https://ujet.cx/mobile-sdk>

An alarming 67% of retailers are not digitizing customer service for the mobile phone era – despite retail business leaders overwhelmingly favoring mobile communication channels in their personal lives.

When communicating with friends and family on their mobile phones, retail business leaders use the following channels:



But brands are not providing these same channel opportunities when it comes to delivering customer service. **When retailers communicate with customers, email (96%) is the number one channel offered – followed by phone calls (94%), social media (79%), and text message, iMessage, WhatsApp, etc. (73%).**

There are concerning gaps at play. **Text messaging is most commonly used in everyday life, but is not offered enough in customer service. Secondly, email is used far less often in everyday life, but is the #1 channel used for communication by retailers.** In fact, 18% of leaders acknowledge that email slows down crucial customer interactions, with vital messages often lost within unmonitored generic inboxes.

Other emerging channels like FaceTime and various video call applications are also rising in everyday preference – but brands are yet to catch on. **Leaders must recognize that personal communication preferences -- even theirs -- are changing, and brands should adapt quickly.** The failure to do so represents a growing gap between brand interaction and customer reality.

The Overconfidence Trap

Despite the lag in mobile technology adoption, retail leaders show a surprisingly high level of confidence in their brands' CX.

In fact, 78% of leaders would be satisfied or very satisfied contacting their own customer service department. This self-assessment may stem from the fact that 82% report significant or moderate investments in digitizing customer service, enhancing communication channels, and improving customer satisfaction.

However, this internal confidence stands in stark contrast to the realities faced by their customers, who frequently encounter significant pain points, including:

53% Poor, fragmented service across channels

44% Agents struggle to quickly solve the customer's unique problem

43% Customers must repeat their problem or re-identify themselves

40% Agents have no context from previous interactions

37% Customers struggle to speak with a live agent

28% Confusing phone trees or "doom loops"

27% Long wait times

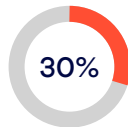
Many of these challenges arise from a failure to deliver modern, mobile-first CX. Tellingly, **33% of retail leaders themselves acknowledge a major pain point they would face as customers:** the need to navigate multiple days and various channels simply to obtain an answer.

The time has come for decision-makers – who readily embrace the benefits of seamless mobile experiences in their own lives – to prioritize the integration of these same capabilities for their customers and agents alike.

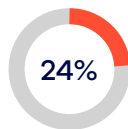
Empowering Agents for Modern CX Enablement

Failure to provide modern communication technology is hurting agents' ability to help customers – further hindering CX.

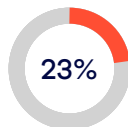
Retail leaders identified several problems they would face as agents at their own company, such as:



Agents can't use biometrics like fingerprinting or facial recognition to efficiently log into accounts or validate customer identity



Agents can't use generative AI assistants to synthesize meeting notes, search internal systems for information, and more



Agents can't use modern tools to help find answers to colleagues or customer's questions, and provide contextual knowledge of past problems or interactions

Given their own personal smartphone usage, leaders identified the following mobile features that would be most useful for agents at work:

- Multi-modality (the ability to communicate through a variety of methods simultaneously including messaging, video calls, etc.) **(90%)**
- Generative AI assistants (i.e. Apple Intelligence) **(51%)**
- Video call capabilities (i.e. FaceTime) **(34%)**
- Messaging capabilities (i.e. Texting, iMessage) **(34%)**
- Fingerprint or facial recognition **(26%)**

Support Your Agents With Intelligent Omnichannel Features from UJET

Communicate as naturally with your customers as you would with friends and family. Effortlessly blend channels and allow customers to share pictures, videos, and voice calls depending on the situation. UJET's customer support software features the industry's only real-time data exchange for the CRM, providing your agents with everything they need to know about the customer right in front of them.

<https://ujet.cx/intelligent-omnichannel>

Leaders acknowledge that if agents were empowered with technology mirroring their personal communication habits, the organization and its agents would realize significant benefits, including:



There's a long way to go before agents can become key contributors to revenue generation through mobile tech implementation. **Despite 26% of retailers reporting they've invested significantly to modernize customer service, 55% have AI tools that are only somewhat mature. 10% have immature AI tools.**



Further Reading

[AI Maturity Benchmark Report](#) ►

Technology is lacking in maturity because retailers are delaying customer service digitization projects for the following reasons:

- Their internal tech stack cannot handle rapid AI/mobile tech advancement **(37%)**
- They cannot prove the ROI of investment **(27%)**
- They cannot keep up with changing consumer preferences around communication style **(25%)**
- They are constrained by decades worth of old technology and workflows **(25%)**

Retailers are also developing a strategy of cost avoidance (linking AI initiatives with workforce reductions) which is impacting agents and CX. **22% are reducing agent headcount this year to show the value of current AI investments. 26% are delaying hiring new agents in 2025 as they test the success of new AI tools.**

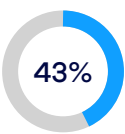
Here's how AI + agents make a dream team:

1. Virtual Agents deflect repetitive inquiries, giving human agents time to breathe.
2. AI-powered IVRs route smarter and faster — no more "Press 7 if you're already frustrated".
3. Real-time suggestions and sentiment analysis keep agents sharp, supported, and ready to deliver!

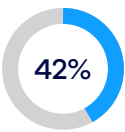
Because AI isn't about removing people — it's about amplifying them.

The Bottom-Line Imperative: Modern CX as a Revenue Generator

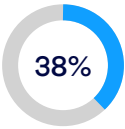
The number one factor reported to create lifelong, happy customers is offering text, video call, photo sharing, and other mobile features in customer service. Other factors include:



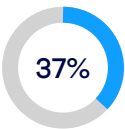
Receiving hyper-personalized service, such as deals based on previous interactions with your brand online



Escalating an issue to a human when AI doesn't solve the problem



Communicating with emotionally intelligent, human-like AI chatbots



Engaging with agentic AI chatbots that can handle 100% of customer inquiries

The imperative is clear: retailers that accelerate the adoption of customer service technology to align with prevailing mobile usage patterns will more effectively capture customer spending. In fact, retail leaders see certain customer service scenarios as most important to growing revenue in 2025, including:

- Shopping with a customer's personal AI bot which helps efficiently shop by knowing their preferences, sizes, seasonal needs, etc. **(53%)**

- Using metadata from mobile phone searches to personalize offers and deals **(45%)**
- Elevating more complex problems based on the emotions of the customer (i.e., chatbots recognize when customers raise their voice or use swear words and connect them to a human agent) **(43%)**
- Allowing customers to use their Face ID to confirm identification and streamline checkout **(42%)**
- Deploying an agentic AI bot to provide end-to-end customer service **(25%)**

These advanced, revenue-generating scenarios are only possible through modern technology that enables retailers to tap into mobile phone technology like biometric authentication, GPS location tracking and video call features.

Retailers like Dick's Sporting Goods and Tractor Supply have "store modes" for their apps, enabling consumers to access real-time inventory levels and locations in their preferred brick-and-mortar locations.

These scenarios are not science fiction, but a reality at forward looking retailers.

https://ujet.cx/resources/reports/taking-the-pain-out-of-customer-service-lp?utm_source=linkedin&utm_medium=social&cls=MKTG&clp=Social_Media

5 Steps for Adopting Modern CX

As digital retail overpowers brick and mortar, modern customer experiences will be a major factor in driving consumer buying behavior and competitive differentiation. Retail leaders should take the following steps to elevate CX for the modern consumer.

1. **Recognize the digital divide - and fix it.** Retail CX/tech leaders must see how their brands' customer service operations are not up to modern customer standards – even their own. If you can FaceTime your kids but not your agent, something is wrong.
2. **Shift mindset from customer service as a cost center to a value creator.** Sales and marketing are not the only ways retailers can increase revenue. Those who make a significant investment in CX to meet the demands of empowered, mobile-first consumers will drive value from customer support.
3. **Allocate budget to modern CX technology.** Modern CX technology requires a unified platform, context on customers for agents to provide personalized interactions, strategic use of automation and self-service, and robust analytics and reporting.
4. **Leverage advanced AI for insights and action:** Use AI to analyze data, identify trends, predict customer behavior and automate personalized interactions. [UJET's AI Maturity Benchmark Report](#) identifies the path to AI success.

5. **Empower agents to offer personalized, empathetic service.** With the right modern technology, agents are product experts, de-escalation pros and the main reason why customers don't churn after a bad moment. Make agents' lives easier by providing context, eliminating busywork and connecting the tools they rely on.

The chasm between consumers' mobile-centric lives and the antiquated customer service experiences offered by retailers represents a significant vulnerability. [This report underscores not only the growing demand for smartphone-optimized interactions but also the tangible business benefits – from enhanced customer loyalty and agent empowerment to increased revenue and market share.](#)

The future of retail belongs to those who meet their customers where they are: on their mobile devices.

About UJET

UJET leads the way in AI-powered contact center innovation, delivering a future-proof, cloud platform that redefines the customer experience with cutting-edge AI, true multimodality, and a mobile-first approach. We infuse AI across every aspect of your customer journey and contact center operations, to drive automation and efficiency. UJET's AI solutions empower agents, optimize customer journeys, and transform contact center operations for elevated experiences and actionable insights. Built on a cloud-native architecture with a unique CRM-first approach, UJET ensures unmatched security, scalability, and prioritized data insights (without storing PII). Designed for effortless use, UJET partners with businesses to deliver exceptional interactions, smarter decision-making, and accelerated growth in the AI-driven world.

www.ujet.cx

About this study

UJET surveyed 193 retail technology and CX decision makers across the US, UK and EU. Their job titles ranged from Chief Information Officers and Chief Experience Officers to contact center managers and IT leaders. These respondents were sourced from UJET's internal database.

