

POLLING REPORT

Self-Checkout

**What do consumers
really think?**



TruRating.

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Executive Summary

While originally a grocery innovation, self-checkout stations are now commonly found in stores of all sizes and verticals. These machines are now so ubiquitous a part of the modern retail experience, that few seem to challenge the thinking behind them – in fact, the global market for self-checkout is projected to grow from [\\$4.51 Billion in 2022 to \\$12.01 billion in 2029](#).

For retailers, self-checkout provides an obvious cost-saving incentive – labor is one of the most expensive retail costs and in times of increased costs across the board and a growth in online shopping, the self-checkout terminal provides an immediate cost-cutting attraction. According to the Bureau of Labor Statistics, the number of cashiers employed is expected to drop by [10% over the next decade](#) - at least in part due to self-checkout.

From a customer perspective, the perception that self-checkout provides a faster and more convenient experience is not simply a myth – many of us do enjoy the sense of speed and convenience that comes with a self-checkout experience. Yet it's by no means a perfect solution. Reporting by [Retailer Customer Experience](#) showed that in a survey of 1,000 consumers, up to 67% had experienced a 'failure' in a self-checkout lane.

[Studies](#) have shown that customers who use both self-checkout stations and staffed checkout lanes consistently have the highest rates for retention and customer experience – suggesting the ever sensible 'middle way' of a hybrid approach may be best for retailers and shoppers both. Indeed what we mean by 'self-checkout' continues to evolve in the modern retail environment as new forms of 'assisted checkout' or even 'checkout free' stores blur the established lines.

While grocery continues to lead the way as a focal point for self-checkout use and innovation, in this report we will look at the growing impact of the technology in the convenience and general retail sectors, based on sample data from over 40,000 consumers collected earlier this year.

Ease of Use

"Was it easy to checkout today?"

As an initial win for the both verticals, overall 94% of customers we surveyed were happy to report that their checkout experience was easy.

When we broke down the data by store type (General Retail vs. Convenience) and by whether the customer was using a staffed till, a self-checkout terminal or a 'hybrid' assisted self-checkout model - we started to observe some interesting trends.

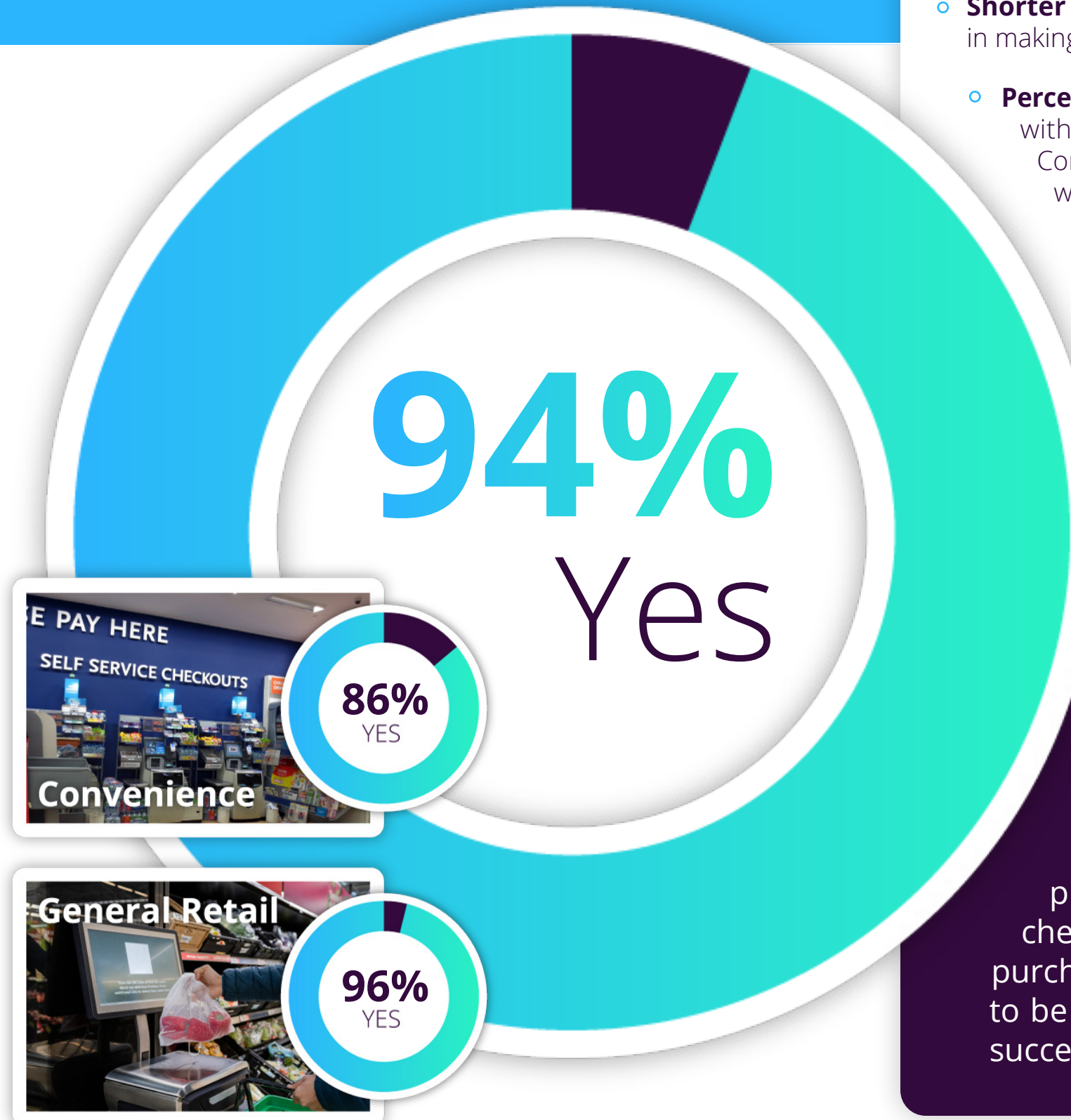
Customers who used a manned checkout reported a better experience than those who used a self-checkout or assisted self-checkout station. While customers shopping our general retailers reported a difference in experience, the gap was much bigger in the fast paced convenience store environment.

For convenience consumers the perception of 'ease' of purchase drops most for those using the self-checkout environment with as many as 1 in 5 of these customers scoring their checkout experience negatively.

It is important to note that wait time for both methods of checkout appears to be the key driver of whether a purchase was viewed as 'easy' or not.

Customers view the checkout journey as starting the second they join the line - ease of checkout is therefore influenced by the overall time spent trying to checkout more so than just the time interacting with the terminal or cashier.

For self-checkout this suggests there is little point investing in ever better technology to shave a few seconds off checkout time if customers are then spending several minutes in the line waiting to get to that technically advanced terminal. For retailers this means that alongside investing in new technology they should consider the right number of self-checkout terminals on a store-by-store basis - and just as importantly minimize the number of tills that are not switched on and ready for customers to use at any given time.



KEY TAKEAWAYS

- Shorter wait time is the most important driver in making any type of check out experience 'easy.'
- Perceptions of checkout ease vary by sector, with manned checkouts often preferred. Considerations beyond technology, such as wait times and active terminal count, can affect these perceptions.
- Retailers need to **balance tech advancements with operational efficiency** to truly enhance the checkout experience.



RETAILER TIP

While customers are mostly happy with the ease of the checkout experience, there are a wide range of factors that influence preference for manned vs. self-checkout, including sector, type of purchase, and queue time. All need to be considered when evaluating a successful purchasing journey.

Preferred Checkout

“Which checkout experience do you generally prefer?”

While customers may broadly appear to be happy with the ‘ease’ of making a purchase, dig into the data and you start to see a variable picture emerge. Self-checkout has evolved since its initial introduction – and we can see many influences at play when customers evaluate the type of experience most suitable to their needs at any given moment.

The preference for self-checkout differs considerably by sector – while convenience customers are less likely to report their checkout experience as easy, 70% would still prefer to use self-checkout. For retailers in apparel, this preference for self-checkout dropped to just 25%.

It is perhaps not surprising that the fewer the number of items in the basket the higher the preference for self-

checkout. But what is interesting is that the tipping point at which more than 50% of customers prefer assistance was in one convenience retailer as low as just 4 items in the basket.

This is especially pertinent for grocery where retailers need to focus on ensuring that at the very least, self-checkout tills are a viable and preferred channel for at least a full basket of shopping.

In general retail – where transactions tend to be more service orientated and speed of checkout is less important – we see that staffed checkout is the preferred option overall. What is interesting is that even for customers who end up using a self-checkout option in this vertical, 40% still report a preference for staffed checkout lanes.

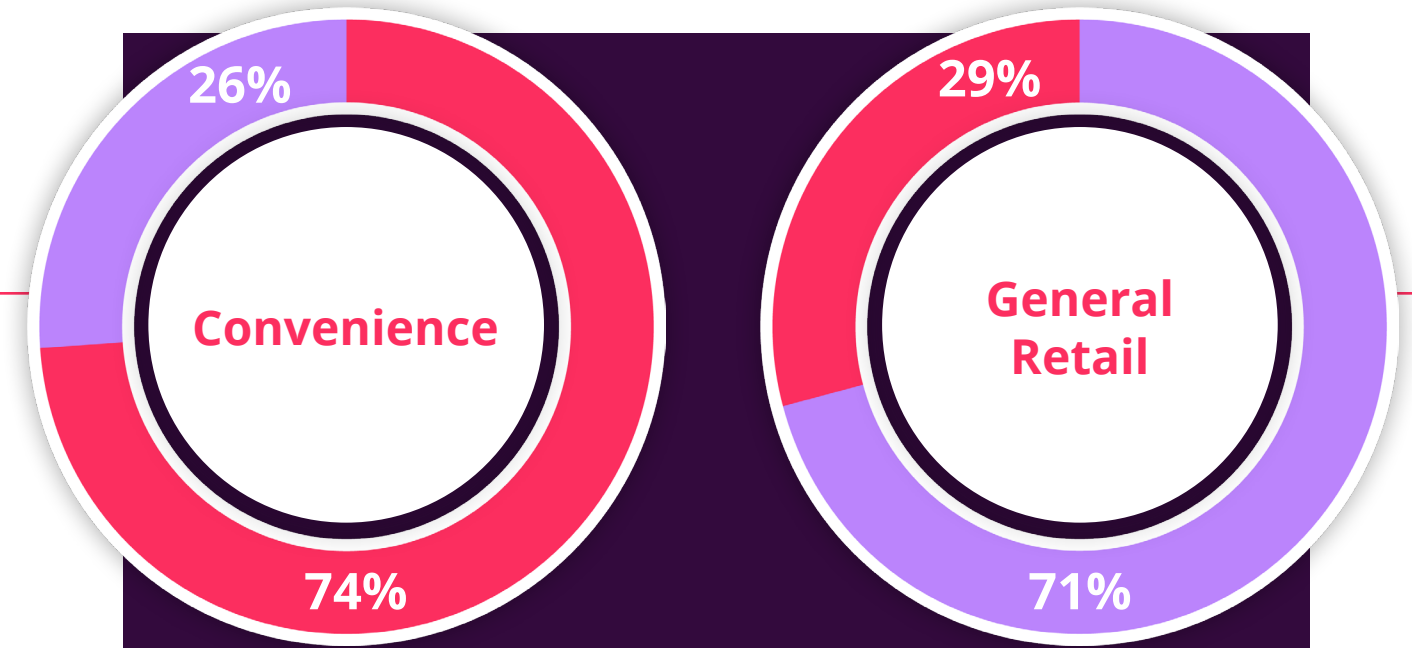


KEY TAKEAWAYS

- Self-checkout rules in the **convenience sector**.
- Number of items in the basket have a direct impact on lane selection – **know your tipping point**.
- Retailers need to ensure that self-checkout supports at least a **full basket of shopping with room for growth**.

Self-Checkout

Cashier



Preference for Staffed Checkout



RETAILER TIP

Understanding what pushes a consumer’s checkout preference is critical. Be sure to take into account a variety of factors including basket size, checkout space accommodations, and average queue times to name a few.

Why SCO?

"Why did you use self-checkout today?"

No single option for checkout will be right for every customer in every situation and this is why it is so important that customers know that they have a choice when it comes to how they checkout.

It's the reason why in each of the stores in which we asked customers why they chose self-checkout, the retailers confirmed that there is always the option for a staffed checkout. And yet, while staffed checkout may always be a possibility, a significant proportion of customers don't believe they are being given that choice. Over 45% of the customers using self-checkout said their main reason for choosing to self-checkout was because they felt they had no other option. If retailers view a staffed checkout as a fall back option to be offered reactively and only when a customer first fails at self-checkout, this isn't really offering customers a choice and customers have noticed.

One other way in which choice of checkout experience is being removed from customers is the move to 'blurred' assisted checkout experiences. The problem here is that it's the staff choosing the level of assistance the customer will receive rather than the customer.



KEY TAKEAWAYS

- **One size does not fit all.** Customers value having a choice in their checkout options.
- Concern is increasing over **'blurred' assisted checkouts** where staff, instead of customers, dictate the assistance level.
- Despite retailers providing both self-checkout and staffed options, **many customers feel self-checkout is their only choice**, revealing a disconnect.

RETAILER TIP

If your customers are spending just as long in line to use a self-checkout machine as they are checking out, you may be losing out on the perceived benefits of the solution. If technology serves retailer first and customers second – it serves no one.



45% of customers used self-checkout because they felt they had no other option





Perceived Benefits

“What do you like best about self-checkout?”

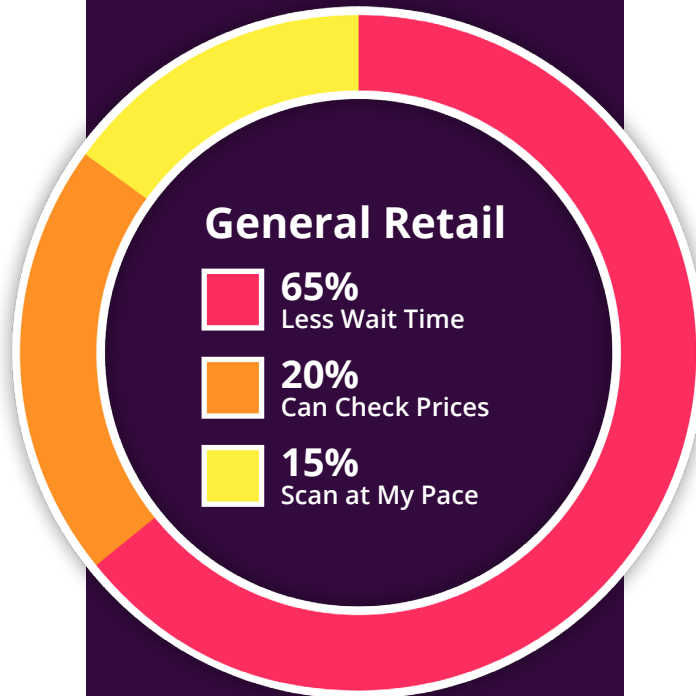
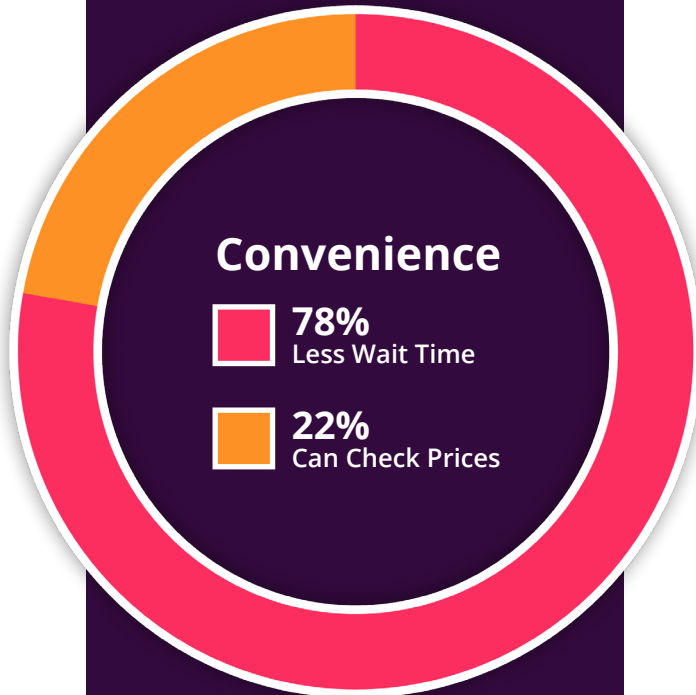
In both Convenience and General retail, the majority of customers responded that less wait time was the key immediate benefit of using a self-checkout terminal. Whilst having the ability to check prices & discounts and pack at their own pace took a third of the customers' vote, the data shows that when it comes to self-checkout, speed is key.

One less obvious and indirect benefit for customers from the move to more automation at checkout should be the ability for retailers to redeploy staff members to focus on other factors that improve the overall customer experience. This could be having staff more available to assist customers on the shop floor; ensuring the store is kept clean; or that shelves are stocked and merchandise is always properly presented and priced.

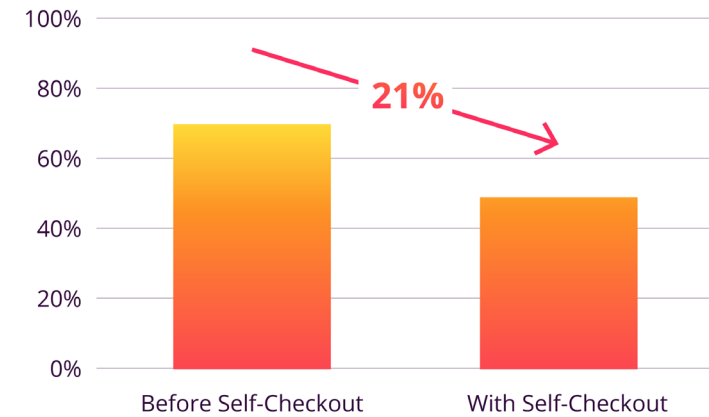
While this is an indirect and less obvious benefit of checkout automation it is one that customers at one of the retailers that use TruRating have still noticed. Perception of these other factors in the stores that rolled out self-checkout terminals was considerably higher than stores without self-checkout. These differences were however limited to the busy shopping period between Black Friday and Christmas when stores with staff on checkout duty struggled to complete these other tasks.

While this example shows there are positive benefits to checkout automation, the removal of a guaranteed staff interaction with customers can potentially have a negative impact. One retailer we work with saw that the move to automated checkout reduced the likelihood that customers were greeted by staff from 70% to less than 50%. For most retailers we work with we have proven greeting customers not only provides an improvement in the customers' overall experience but correlates to an increase in the average number of items in the shopping basket.

While self-checkout may allow staff to delegate tasks at checkout to automation this does not mean they should abdicate their duty to serve customers more generally within the store.



Were you greeted in store?



KEY TAKEAWAYS

- Two thirds of customers choose self checkout because **they think it will be the quickest way** to complete checkout.
- Deploying self-checkout can free up staff** to spend more time on the shop floor improving other parts of the shopping experience for customers.
- Self checkout can remove the only piece of interaction with staff for many customers and have a **knock on impact on their spend and basket size**.



RETAILER TIP

When implementing self checkout don't just look at the impact on transaction throughput or total staff costs. Consider the impact on the overall retail experience (both positive and negative) and remind staff of the benefits of engaging customers when they enter the store.



A Final Word from Gareth Johns, Chief Data Officer

We all know that the direction of travel for the retail industry, particularly in high volume sectors like grocery, is going to be towards more and more automation. The aim of providing a quicker and more frictionless checkout experience for the customer, in a way that is also cost effective for retailers – should be a win-win.

However exactly how this journey evolves towards an increasingly automated future is one that will be a key concern for customers.

Retailers need to think holistically about making the full end-to-end shopping experience as enjoyable and as easy as possible. This includes everything from the minute the customer enters the store. It certainly includes the time that customers spend waiting to get to checkout - and then of course the time spent at that till actually checking out.

They'll need to think about the types of customer in a given store and the number of items they are likely purchasing in a single trip. Are self-checkout terminals set up to meet those customer needs? What message does it send to customers if they have to wait to receive assistance or stand in line while self-checkout terminals remain out of order or turned off.

The checkout is almost always the final experience the customer has before leaving the store. It is the thing they are most likely to remember and it can leave a lasting impression.

Self-checkout is not for everyone – the best retailers will make sure they proactively offer an alternative checkout experience and that all customers are aware those options are available.

Provide an appropriate choice of checkout experience for every shopper type and shopper journey – and customers will leave happy.



The Retail Community on Self-Checkout



“The success of SCO in Convenience is both a testament to the technology and also the fact that consumers are almost always starved for time when entering a Convenience Store. Self-Checkout provides significant advantages to consumers as they are not stuck behind other consumers buying age-restricted merchandise or lottery tickets in some states. It brings a known transaction time for these rushed consumers who are not purchasing these restricted items, and thus leads to increased sales due to the fact that consumers know they will not have to wait. Convenience Store sales are heavily focused on drive-times, with huge peaks during those times. SCO additionally helps process more customers in less time. Finally, the Convenience Store industry has the highest turnover rates in all of retail. Because of that turnover, consumers are often more knowledgeable than the associate. Rarely do consumers move 3x a year, yet most Convenience Store operators experience turnover of staff at those levels.”

Greg Buzek
President, IHL Group



“The choice isn't about traditional checkout (human supported) versus self-checkout. It's about what's more convenient. And in this case convenience can be defined, not as much as what's easier, but what is faster. Anytime you save the customer time, however you do it, will be the customer's choice.”

Shep Hyken
Customer Service / CX Expert & Author of “The Convenience Revolution”



“We were thinking about getting self-checkouts. Before we made that investment, we weren't sure if our guests would embrace it or not. We decided to use a TruRating custom question to investigate. The custom question was, “If we were to get self-checkouts, would you use them?”. Sure enough, the overwhelming response was yes. So, that really gave us the confidence to proceed with the self-checkouts.”

John Distefano
Director of Operations,
Longo's

“At this point, we are still learning and using the feedback from both the shoppers and the store associates to improve the process (we have four stores installed). We try to make it as simple and self-explanatory as possible. While it's a learning curve for some of our older shoppers, our store associates can spend more time assisting our shoppers on the floor than behind the cash register, which is a clear benefit in our overall shopping experience. In terms of measurements, 85%+ of our transactions go through SCO. On average, transaction time is a little longer for SCO (between 9s to 1'10”), and we saw a slight decrease in our Trurating scores, but we believe they are balanced by the improved shopping experience in store.”

Francois Vaurie
Director of Guest Strategy,
Loyalty & Credit at Bealls Inc.





About TruRating

TruRating is on a mission to change the way retailers operationalize their customer experience data to drive real-time, meaningful improvements. Founded in 2014 by consumer rights lawyer Georgina Nelson, TruRating captures consumer feedback via a patented system that delivers micro-survey questions at the point-of-sale to deliver industry-leading response rates – 80% in-store and 50% online.

By combining payment-validated responses with transactional data, TruRating helps retailers understand how each area of their customer experience impacts spend, sentiment and loyalty.

TruRating's data also fuels an online recommendations platform designed to challenge a broken model for online consumer reviews, combatting unrepresentative and inauthentic data, by ensuring every rating we publish is tied to a genuine transaction.
