
E-BOOK

Creating Consumer Impact in Retail





INTRODUCTION

Digital trends shaping the future of retail

The distinction between e-commerce and retail is increasingly blurring, particularly in the current moment as interactions between consumers and companies increasingly shift online. Whether it's online or in-store, consumers' expectations for customer experience are at an all-time high. The customer-brand relationship has evolved from standalone interactions on distinct channels to curated, personalized moments across digital channels.

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Consumers increasingly want to interact with retailers in the same way — and on the same channels — that they interact with friends and family.

A personalized experience, highly interactive engagement, and convenience in all shapes and forms require superior digital capabilities coming to life. In this guide, we share the digital engagement trends shaping the future of retail and how brands can stand out in the age of Amazon.



Conversations before clicks or bricks

The retail industry is rapidly growing with the emergence of new entrants and business models where online drives offline and vice-versa. Consumers are overwhelmed with choice — exposed to 10,000+ brands every day.

The reality is that it is no longer enough to market product and price alone. The real differentiation between retailers is the relationships they're building with their customers — interactions with one-to-one personalization based on consumer behavior and preferences.

Messaging apps command over 5 billion monthly users worldwide and **7 in 10 consumers prefer receiving marketing messaging once a week or more.** Leading brands leverage this preference for messaging, in combination with AI, to “humanize” engagement with consumers.

While the majority of messages sent to consumers from businesses today are still one-way, consumers are increasingly looking for the ability to reply back. Market leaders are letting consumers engage with intelligent assistants or humans, in the same message thread, across channels, without losing context.

Personal conversations at scale with 1-800-Flowers.com

We all know online shoppers today want to know if their order was successful and can be tracked — especially when the order is perishable and time-sensitive. 1-800-Flowers.com decided to make the buying journey even more personal by allowing customers to respond to brand communications. With Twilio SMS and Twilio's AI platform, as well as integrations with Facebook Messenger and WhatsApp,

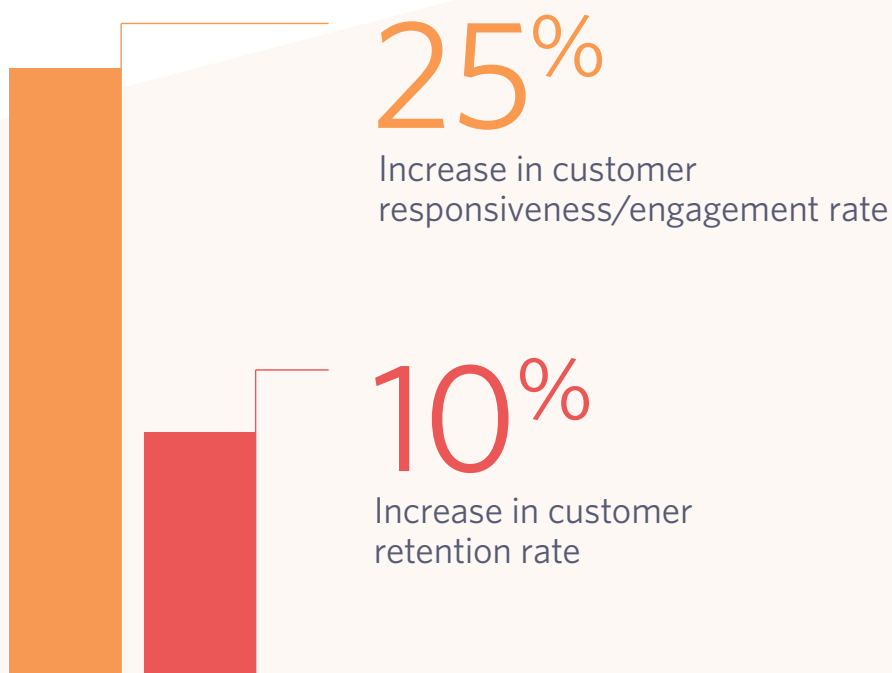


1-800-Flowers.com's customers receive order confirmations, modify their orders, track shipments, and place additional orders all within the same two-way messaging thread. Read the [1-800-Flowers.com](#) customer story.

"Communication, then, on all platforms and the way customers want — with context, history, and a personal approach — is at the core of every successful order with the company."

Amit Shah
Chief Marketing Officer at 1-800-Flowers.com

Businesses using Twilio for marketing messaging experience an average of:



* Aggregated survey data from 82 responses indicating the use of Twilio for promotional messaging. Percentages are an average of those provided by respondents who have quantified this improvement.



Convenience is king

While companies treat their apps as self-contained ecosystems for communicating with their customers, the customers don't see it that way. Our [research](#) found that **only 12% of consumers prefer a company's mobile app for receiving communications from businesses.**

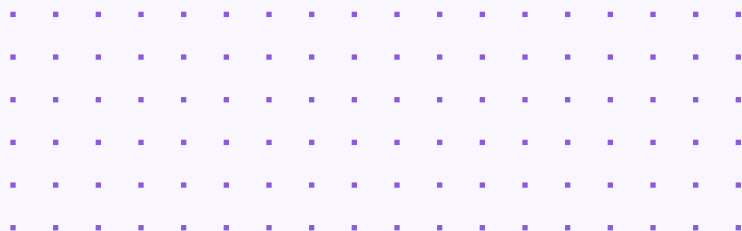
Consumers are now busier than ever. Whether in-store or online, customers want a friction-free, seamless experience, from product research to purchase, order management, and brand advocacy. To be successful, organizations need to constantly evaluate what "convenience" means to their customers. That feeling of ease translates into business growth and customer loyalty.

Today, convenience means more than just free shipping or fast delivery. Consumers want an overall customer experience characterized by real-time communication on their preferred channels delivered at the right time at every stage of the customer journey.

Businesses that follow this principle enjoy higher consumer goodwill — on surveying 2,500 global consumers, more than one third have made a purchase from a business that has communicated with them in their preferred way.

Delivering a simple communication experience with Deliveroo

Many of Deliveroo's regular customers use the Deliveroo app to order their favorite meals. However, almost half of the company's first-time customers place their first order through Deliveroo's website. Deliveroo's team realized they needed a way to get delivery and order notifications to those users, but couldn't do so with the app. With WhatsApp fueling 60 billion messages from more than 1.5 billion users worldwide, Deliveroo saw an immediate opportunity to integrate the Twilio



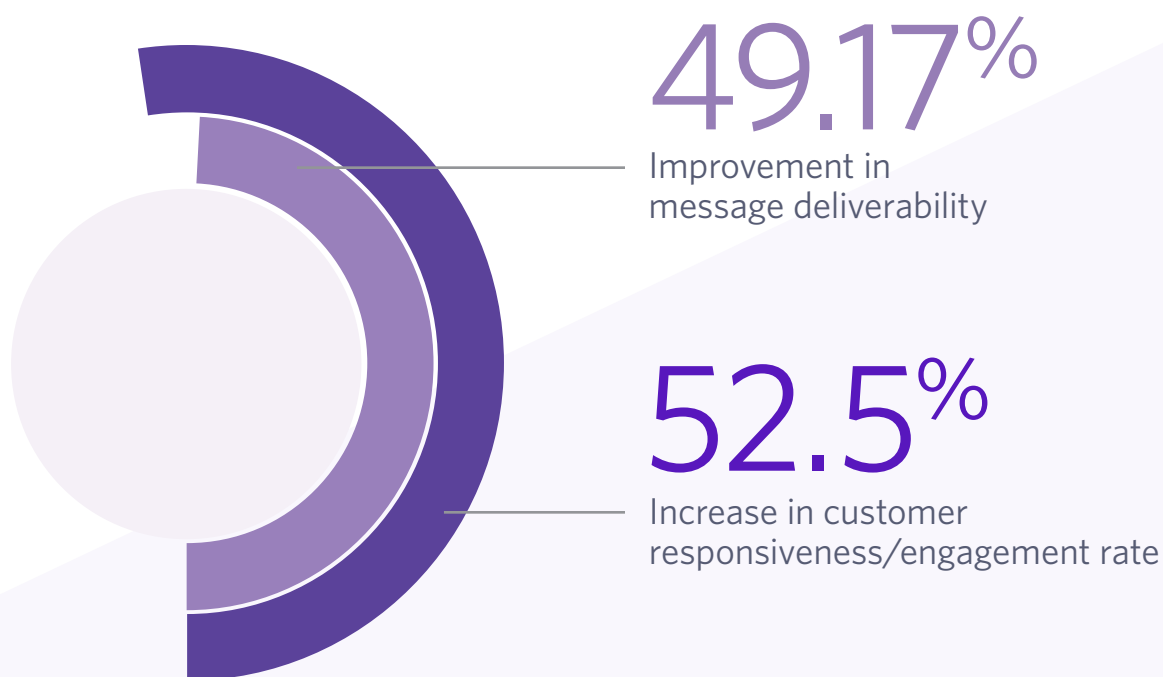


API into its existing architecture of Twilio APIs for SMS and Voice to communicate with web-based, first-time customers quickly and on a platform they were already using. Read the [Deliveroo](#) customer story.

"We want customers to be in channels that work for them and not to force them down certain channels."

Aimee Ruddy
Product Manager at Deliveroo

Businesses using Twilio for customer notifications and reminders experience an average of:



* Aggregated survey data from 213 responses indicating the use of Twilio for customer account notifications and reminders. Percentages are an average of those provided by respondents who have quantified this improvement.



Consumers are investing in experiences

Consumers are moving away from “consumerism,” focusing on service over product. A recent [study](#) shows that subsequent to a poor communication experience, 38% of customers will switch to a competitor or cancel orders or services, 66% will tell a friend about their negative experience, and 41% will stop doing business with the company altogether.

Companies are now realizing they have to reimagine their business practices to deepen connections through services and customer experiences. **Consumer research shows that 67% of customers will give more business to a company as a result of positive communication experiences.**

It’s no secret that the majority of customers prefer self-service. And yet, the common perception is that great customer service requires huge customer service teams and intensive live agent support. [Gartner predicts](#) that customer preferences for independence and self-service automation will likely rise to 85% by the end of 2020.

As a key self-service channel, an interactive voice response (IVR) system represents one of the biggest opportunities for brands to leverage as both a customer engagement tool and a cost-saving mechanism. A modern IVR offers personalization at scale and operational efficiency that allows agents to focus on resolving complex issues and selling to qualified buyers.

A Smarter IVR for Marks & Spencer

U.K. retail giant Marks & Spencer built a Twilio-powered modern IVR system. With natural language processing (NLP) and customer intent analysis, Marks & Spencer can now fully understand why customers are calling, which department to route



them to, and present relevant self-serve opportunities to the customer. This new communication solution now lets them handle more than one million inbound telephone calls every month. Read the [Marks & Spencer](#) customer story.

“The new solution has given Marks & Spencer an improved ability to have more direct and meaningful conversations with our customers.”

Chris McGrath
IT Program Manager

Using Twilio for a modern IVR system, Marks & Spencer experiences an average of :



98%

Caller response and engagement



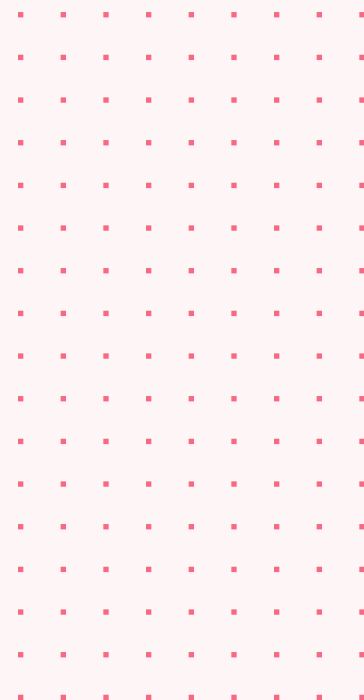
90%

Call routing accuracy



10 seconds

Saved on contact center calls



CONCLUSION

Creating impact with personalized engagement

Convenience and customization are the main attributes customers look for when engaging with brands. Today, leading retailers are providing consumers with targeted communication on the channels of their choice at each stage of the customer journey — from brand awareness, onto point-of-sale, fulfillment, service and loyalty programs. As global circumstances rapidly change in these unprecedented times, the brands that are establishing strong relationships with their customers have the necessary communications infrastructure to ensure deliverability, omnichannel communications to increase engagement, and personalization at scale to foster loyalty.

The growing number of touchpoints have made the customer journey more complex, requiring companies to act on patterns and behaviors exhibited across all mediums — not just online but anywhere — to deliver a positive customer experience. Retailers are now moving away from developing discrete communication channels to consolidating them on a cohesive platform that unifies the communication approach and builds operational efficiencies. With programmable applications, businesses have the flexibility to link these channels and integrate them with existing systems to deliver personalized experiences at scale. This programmability has enabled retailers to automate communication whilst maintaining the “human” nature of engagement with customers.

In today’s hyperconnected world with evolving consumer expectations, a flexible yet one-to-one communication strategy is the foundation for long-term customer impact.



Questions?

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