Delivering Effortless Customer Engagement in Retail

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Executive summary

Today, the retail customer journey is a continuous, iterative cycle. There is no singular, linear path that customers follow to the point of purchase, especially as the distinction between e-commerce and in-store retail increasingly fades away. For brands, this circuitous reality requires a personalized omnichannel engagement that caters to customers' channel preferences throughout their entire journey. A challenge retailers face is that **94% of consumers are annoyed by communications they receive from businesses**; the key reasons being that

they are receiving irrelevant content, they did not opt-in for communications, or they are contacted through the wrong channel. These miscommunications represent a massive opportunity for brands to innovate

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and focus on differentiating themselves by excelling at customer engagement. In this guide, we share what it means to deliver innovative and effortless customer experiences at scale. You will learn how delivering engagement at each step of the retail customer journey increases marketing conversions, sales opportunities, revenue, loyalty, and employee satisfaction.

The state of retail

There's been a misleading narrative pitting brick-and-mortar against online retail. Headlines spreading the idea of a "retail apocalypse" ignore that **for each company closing stores, five are opening stores.** And while brick-and-mortar retailers seem to be losing ground as consumers increasingly migrate to online shopping, consider that by 2021, online sales are projected to grow to ~26% of retail with stores involved in 81% of all retail fulfillment. In the age of Amazon, a company whose success is based on fulfillment and delivery, retail stores must now support a wide array of services to meet customer expectations including receiving personalized communications throughout marketing, sales, fulfillment, and service stages. Consumers want a frictionless and consistent experience whether they are purchasing online or in-store.

When it comes to customer loyalty, physical and online shopping are not at odds with each other — they're mutually reinforcing. A study from the International Council of Shopping Center (ICSC) found that opening a new store increases traffic to that retailer's website by an average of 37% and drives up the share of web traffic within that market by 27%. The interdependence of digital and in-person shopping means brands need to focus on connecting their customer experience between e-commerce and retail. Case in point, "buy-online-pickup-instore" (BOPIS) and click-and-collect are two areas of e-commerce that are growing five times the speed of overall e-commerce. More important than simply the number of engagement channels is the seamless connection between online and in-person shopping experiences.

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The standard for delivering a differentiated customer experience

Customers are becoming increasingly accustomed to the impact of data analytics, artificial intelligence (AI), and automation technologies that provide them with everything from product alerts to customized recommendations. Their expectations are only getting higher and with this, every stage of the retail journey, from order fulfillment to customer service, is dramatically changing. It used to be common practice for brands to build their own app to track orders or contact support, but today, **only 12% of consumers prefer a company's mobile app for communications.**

Because consumers are already using SMS, WhatsApp, Facebook Messenger and the like to communicate with family and friends, it's convenient to connect with brands in similar ways. Research shows that nine out of ten global consumers want to communicate with businesses via messaging and more than two-thirds prefer messaging over any other channel. In fact, Millennials prefer to receive messages from businesses through social media, mobile apps, and messaging apps at more than twice the rate of older customers. However, **only 48% of businesses are equipped with SMS, and the percentage is even lower for other messaging channels.**

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Brands that are winning the hearts and wallets of their customers prioritize customer experience across both their physical and digital stores with omnichannel communications. To meet customers on the channels of their choice to support the entire customer journey across marketing, sales, fulfillment, and service, brands need omnichannel communication capabilities that align with the customer engagement lifecycle. Companies that align service and marketing programs around customer experience see their sales teams experience a 41% annual growth in quota attainment, according to Aberdeen. By understanding the customer engagement lifecycle, brands can identify where and how to implement automation to provide personalized customer experience at scale.

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Start with marketing

Marketers need visibility into customer journeys across all channels of engagement to leverage event-based triggers and respond to customer activity with timely and personalized interactions in real-time. As brands develop their communication engagement strategies, they need to take advantage of new analytics capabilities that will gather interaction data from each customer touchpoint — and each message — to ensure informed and insightful conversations every time.

Make your **acquisition campaigns** more effective and grow your audience at scale by advertising using phone numbers, short codes, or 1-800 numbers. They allow you to measure the performance of your large scale advertisements by tracking interaction data and opt-in rates.

Turn **social media channels** into points of purchase and reach your customers around the world on any channel like Facebook Messenger, WhatsApp, SMS, Voice, Email.

Send **customers reminders** on what they left in their carts, or notify them that their much sought after items are back in stock via their preferred channel.

Convert prospects faster by sharing creative videos, photo contests, polls, and trace interactions across platforms.

Enable sales

Nearly three out of every five consumers are frustrated by being unable to access the information they want in their communication method of choice. Typically, customers are interacting with your employees at multiple touchpoints, from pre-sale research to point-of-sale to customer service inquiries. Sales teams need to be able to pivot between channels, and more importantly, to understand what's been covered from one conversation to the next.

Critical for this stage is to:

Qualify leads faster without human intervention to free up a salesperson's time for higher-value communications.

Automate lead alerts and preserve the context of chatbot conversations that lead to salespeople.

Help **vet leads** with Interactive Voice Response (IVR) systems and "conversation assistants" prior to engagement.

Provide dashboards that offer **comprehensive customer views** and the intelligence that sales teams need to fuel insightful conversations.

Boost fulfillment & operations

Nowadays, every customer is a connected customer. Whether it's via email, SMS, or a call, customers expect to receive communications from brands — subsequent to a purchase, inquiry, fulfillment, and online and in-store activities — without delay. For example, 56% of consumers want to receive delivery or arrival notifications immediately and 48% want order confirmation notifications in real-time.

One of the most effective ways to optimize the cost of customer fulfillment is to automate the order-to-cash process, where no manual adjustment is required to fulfill the order. More than 40% of consumers say they would pay extra for same-day delivery. For Operations, omnichannel customer experiences require a cloud computing foundation to be successful. It's inherently easier and faster to launch digital communication solutions via the cloud than to do so with on-premise technologies. Cloud communication APIs empower enable developers to add real-time communications features into applications without having to build backend infrastructure and interfaces. And many include drag-and-drop capabilities to make integration even more straightforward.

Automate and **send instant notifications**, alerts, and appointment reminders via SMS or IVR.
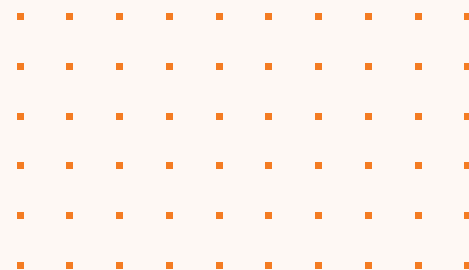
Provide **real-time delivery and tracking information** over multiple channels.

Allow customers to directly **connect with an individua**l delivery person.

Improve efficiency and process returns over SMS.

Retailers cannot choose whether to provide unparalleled customer experience in-store or only online.

Total e-commerce is anticipated to grow to 25.7% of retail by 2021, with digital shopping happening beyond a retailer's website. Even so, store sales will continue to play a vital role in a brand's growth. Sales associates need to be empowered with accurate, current, customer information for clienteling — 46% of all consumers will abandon a brand if the employees are not knowledgeable. Simultaneously, brands must turn retail locations into interactive extensions of their e-commerce business. Shoppers make ~60% of purchases at the stores of digitally native retailers.

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of consumers want to receive delivery or arrival notifications immediately.

Offer unparalleled customer satisfaction and increase loyalty

Traditionally, customer satisfaction (CSAT) has been regarded as the ultimate measure of customer loyalty. However, a more telling indicator of customer loyalty is customer effort, the ease of customer interaction and resolution during a request. In fact, customer effort is 40% more accurate at predicting customer loyalty than customer satisfaction. A brand's customer effort score (SEC) is determined by customers answering just one question, did the company make it easy for you to handle your issue? 96% of customers with a high-effort interaction become more disloyal compared to just 9% who have a low-effort experience, according to Gartner research.

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What customer effort goes to show is that the contact center proves to be a critical point where customer loyalty can either be lost or won entirely, with customer interactions often involving key drivers of disloyalty that include channel switching, repetition of information, generic service, and transfers. The keystone of customer experience that fosters customer loyalty is low-effort resolution through intelligent self-service.

Provide **proactive customer service** with alerts, notifications, and emails regarding order status, payments, and inventory.

Route callers to resolution and appropriate agents by infusing IVR with real-time contextual analytics.

Enable **business calendaring** to easily schedule events and business meetings by connecting SMS-based invitations directly to a recipient's digital organizer, like an Outlook or Google calendar.

Improve your service and **increase loyalty** by getting instant feedback using SMS / MMS surveys.
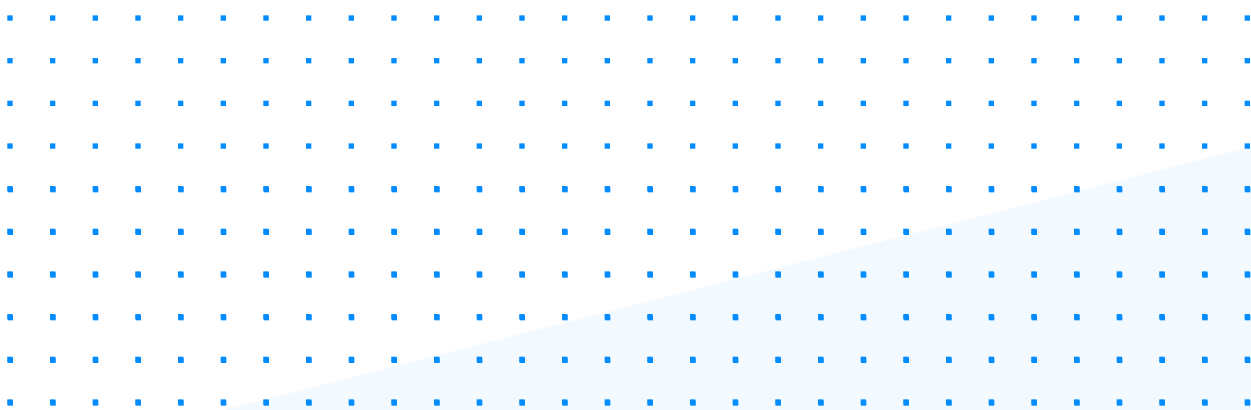
Embracing the future of retail

There are two options for brands seeking a competitive advantage: offer the lowest prices or superior customer experience. The advantage of the latter is that consumers are willing to pay up to 16% more for a better experience. Retailers are undergoing significant structural change to lower costs and retain and gain more customers. The best retailers see sales associates as assets to promoting a positive brand reputation with personalized customer service.

Customers today can be more intentional in their store visits, having done their research first online. And simultaneously, customers may visit a store for research purposes, only to buy the product later online. As BOPIS expands and more retailers accept online returns at their stores, brick-and-mortar locations play an increasingly significant role in operational efficiency. It's not only where sales are rung up, but also an opportunity for creating top-of-mind awareness and generating e-commerce sales.

For most brands, online activity drives offline sales, offline activity drives online sales, and most customers are interacting on multiple channels to buy. The key to engaging with them is to execute a channel-agnostic, omnichannel strategy — organizing the business around customers, not product categories or sales channels. Retailers cannot choose whether to provide unparalleled customer experience in-store or only online.

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Want to learn more about how your brand can deliver effortless retail customer experience?

Let's talk