Creating a Seamless Retail Experience

Why Your Customer Is the Only Channel That Matters

Table of Contents

Introduction

"Omnichannel selling." "Unified commerce." "Phygital retail." These buzzwords capture the new challenges retailers face, but all too often the valuable lessons get lost behind the jargon. Instead of learning business-altering insights, you're more likely to reach a state of mental exhaustion.

But whether you run an outdoor apparel store in Boulder or a jewelry brand in Buffalo, your ultimate goal is the same: You're trying to build a brand that has a meaningful impact and an engaged customer base.

And here's the thing: Those retail buzzwords don't mean anything to your customers. They don't think about channels or brand interactions. All they care about is their overall experience with a given brand.

The rush to build "a seamless, multi-channel shopping experience" through technology can totally miss the point. Successful retail isn't about the number of retail channels you can show up in. It's about providing the right blend of experiences that cater to shoppers' rising expectations.

Customers see one brand, one relationship. It doesn't matter whether they're shopping online or in your store; what matters is that wherever they engage with your brand, their experience is consistently "you."

Prioritizing a seamless customer experience takes some focus and some strategy. In this guide, we'll look at the reasons why a customer-centric approach is critical to modern retail success. We'll also provide steps any retailer can take to build a seamless customer experience that can go toe to toe with the big retail brands.

Growing Demand for a Better Customer Experience

Technology offers incredible opportunities to enhance the shopping experience and better serve your customers, whether in-store or online. And nobody knows this better than customers. Through their own personal devices, they've experienced firsthand the ability to use technology to cash physical checks online, navigate the world, and even track and improve their sleep habits.

As retailers have embraced digital transformation, it has been the customers who are pushing those brands to do better. Their expectations are rising. Retailers who don't meet those expectations simply won't survive.

To reinvent your retail strategy to embrace a customer-centric approach, the first step is to examine the biggest factors shaping the modern customer experience.

Here are three big customer-centric trends reshaping the retail landscape.

1 **Shoppers have more choice and flexibility than ever before.**

Shopping is now an all-access, full-contact sport. Customers can choose to shop at their desk at work, in the comfort of their bed, from the stands at the game, or while waiting in line for coffee, in addition to your store. This isn't an either/or proposition—your customers want all of these options at their disposal. Over 70 percent of shoppers choose to shop across multiple channels, compared to 20 percent who prefer brick-and-mortar stores, and just 7 percent who shop online.[1]

And they want it to be great. Recent research shows that 51 percent of customers will stop shopping at a retail business after just one or two poor experiences.[2] In other words, your business is on a short leash when new customers enter your store or visit your website. Each interaction could make or break your relationship with that customer.

To satisfy these demands, retailers must deliver a consistently great experience as customers crisscross online, mobile, and in-store channels. Shoppers won't be happy to learn that the jacket they tried on in-store isn't available online, and they're likely to go crazy if they come into your store to touch and feel the hottest new item only to learn that you have no inventory. Providing multiple retail channels is nice, but it's the consistency of experience that matters most.

"**Recent research shows that 51 percent of customers will stop shopping at a retail business after just one or two poor experiences.**"

2 Customers expect zero friction in the shopping experience.

Giants like Netflix and Amazon have changed the game when it comes to delivering a personalized, frictionless experience. Whether shoppers decide to purchase an item in-store and opt for home delivery, buy it online for in-store pickup, or redeem an online discount code at a brick-and-mortar store, they have been conditioned to expect "magical convenience" without even knowing it.

For retailers, the customer experience isn't a negotiation. From your customers' perspective, the shopping experience should just work for them—plain and simple. Whether it's pricing, product availability, purchases, or returns, every aspect of the experience should be cleared of obstacles that might "be a pain" and prompt the shopper to consider a visit to your competitors.[3]

"From your customers' perspective, the shopping experience should just work for them—plain and simple."

3 Retailers are harnessing the power of customer data to distinguish themselves from competing brands.

New tech can facilitate unique, valuable experiences for your customers. But understanding your customer is the key to growing your business. Customer data increases your audience knowledge and allows your teams to better personalize the experience of your brand.

Personalization and engagement are all about understanding a customer's context. Their shopping history with your business, as well as demographic data, behavioral insights, and demonstrated preferences, can be combined to deliver more relevant, personalized interactions—even within targeted micro-moments.[4]

A clothing retailer, for example, might segment its customers into three or four personas based on enriched customer data. With this info, you can more accurately target new customers who meet the same profile through social or advertising. Want more evangelists who tell everyone they meet about you? You can identify and target the type of customer who is most likely to promote their experiences with your brand. The brands you hear about the most are using these strategies every day.

Data capture of in-store traffic should be a top priority for every retailer; although online shopper activity can be closely tracked and engaged through automation, more than 80 percent of retail sales still occur in physical stores.[5] If you're not able to retarget those shoppers, you're ignoring a large segment of potential returning customers.

As you envision a customer-centric approach to retail strategy, identifying these areas of need is a crucial step. As soon as you understand the goals of improving the customer experience, the next step is creating a plan to turn this strategy into action.

"**Although online shopper activity can be closely tracked and engaged through automation, more than 80 percent of retail sales still occur in physical stores. If you're not able to retarget those shoppers, you're ignoring a large segment of potential returning customers.**"

The Nuts and Bolts of Creating a Seamless Customer Experience

There are countless solutions for creating the dream shopping experience for your customers. When developing your own strategy, start by identifying the needs that are unique to your business. What is the main appeal of your top competition, and where are the gaps in their customer experience? What retail pain points does your own business struggle with?

With that in mind, here are some of our favorite elements to incorporate into the dream shopping experience:

Consistent product information. Should a product be one price in-store and another online? Of course not. Solutions that simplify product information management (PIM) make sure product info and pricing are automatically displayed on every retail channel. This makes life easier for your staff and gives shoppers confidence in your brand.

Online inventory listings. Maximize your inventory by listing both your warehouse and in-store inventories online. This simple change increases the amount of inventory available for purchase, resulting in larger ticket sizes, higher sell-through, and fewer abandoned carts.

"Since starting a pilot program to accept Amazon online returns at its stores, Kohl's has seen its participating pilot program stores generate double the revenue growth of other Kohl's stores."

In-store pickup and ship from store. Most brands have a higher concentration of online shoppers in cities where they have retail locations. Give your customers the choice of how and when they want to receive their order. Expanded shipping options provide customers with the flexibility they now expect from retail giants.

Easy in-store returns for online orders. Regardless of where customers place an order, they appreciate the convenience of returning those items at a nearby store. Amazon and Nordstrom have set the bar in this regard, providing multiple options for easy returns that don't require repackaging products or visiting a shipping store.

- To understand the value of flexible returns options, it's worth looking at Amazon's partnership with Kohl's. Since starting a pilot program to accept Amazon online returns at its stores, Kohl's has seen its participating pilot program stores generate double the revenue growth of other Kohl's stores, while its percentage of new customers in 2019 has hit 9 percent—compared to just 1 percent for non-participating stores.[6]

- Although the partnership benefits Amazon by reducing friction in its online shopping experience, Kohl's is using the partnership to improve its brick-and-mortar business. Retailers of any size should keep these benefits in mind when developing their system for returns and exchanges.

In-store inventory availability. Help customers find the products they want in their local store by displaying in-store inventory by size and color on your website. Fifty-five percent of shoppers appreciate having real-time access to this information. Ultimately, it can drive more traffic both online and off, and increase sales by an average of 20 percent.

Omnichannel discounts and gift cards. Your goal is to sell more, and 73 percent of shoppers are "channel-surfing," so why limit a discount or gift card to only one channel?[7] Special events are still great ways to drive channel-specific sales, but consider honoring discounts and gift cards across channels to increase the lifetime value of your customers.

Product release drops and preorders. Preorders and new release drops are tactics that many retailers overlook. These selling strategies can work hand in hand to drive regular interest and maximize sales, especially in the social realm where scarcity and exclusivity are status signs. Preorders allow you to fund new inventory and market-test new styles without a huge investment up front. Release drops build excitement for limited inventory of new or exclusive styles by creating a focused event around the product. The anticipation and "FOMO" (fear of missing out) these two strategies create can be thrilling for shoppers. Here's a powerful tactic that utilizes both strategies for driving sales and engagement, even when you don't have inventory on hand:

- When a hot item sells out during a new release drop, use a "Notify Me" button on the product to capture interest right then. Instead of waiting until you are restocked, reach out in 12-48 hours to offer preorder of the item's next run while interest is peaked.

- Preorder sales help you understand demand so you can plan the size of your next run of the item, and they let you capture sales you might otherwise lose to other retailers while waiting for inventory. Ultimately, preorder sales strengthen your reputation as a go-to destination for customer satisfaction.

Through a mix of retail technology and forward-thinking, customer-centric strategy, even startup retail brands can build the kind of seamless experience that today's customers expect.

Conclusion

If you want to expand your customer base, increase brand loyalty, and build a successful retail business, it all starts with putting the customer at the center of everything you do. Each element of your shopping experience should be filtered through the customer's perspective, allowing you to see firsthand how your retail strategy is affecting customer engagement—for better or for worse.

Remember: No matter how intricate you get in attempting to create a dynamic, omnichannel experience, shoppers only see one brand and one relationship. The more you're able to blur the lines between channels, the happier your customers will be—regardless of where and how they like to shop.

Ready to learn more about how data can improve your customer relationships and accelerate your business? **Contact Accumula today** to see how our solutions support your customer experience.

About accumu/a

Accumula unites in-store, online, and backoffice operations so that retailers can focus on their Customers, not their software. By seamlessly integrating Point of Sale, Ecommerce, Digital Marketing, ERP, and custom applications, SME and DTC retailers can get closer to their Customers and create brand-defining experiences across every channel.

Want to learn more?

GET IN TOUCH WITH OUR TEAM

Sources

1. https://hbr.org/2017/01/a-study-of-46000-shoppers-shows-that-omnichannel-retailing-works

2. https://brpconsulting.com/download/2018-unified-commerce-survey/

3. http://www.oracle.com/us/industries/retail/pursuit-seamless-retail-2756025.pdf

4. https://www.redpointglobal.com/blog/get-right-customer-data-omnichannel-retailing/

5. https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/the-future-of-retail-how-to-make-your-bricks-click

6. https://medium.com/earnest-research/amazon-partnership-delivers-for-kohls-4d59207ee9a1

7. https://www.retaildive.com/news/tech-has-made-shopping-easier-but-consumers-still-face-basic-hurdles/558061/