

It's time for retailers to up their personalisation game

Here's how

The art and science of the CX



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The last 12 months have been characterised by lightning-fast digital transformation as retailers were forced to adapt to a revolution in buying habits in order to keep pace.

Despite the rapidly evolving marketplace, CX remains key to consumers and brands alike. The assumption however that your customer journey should now be packed with cutting-edge technology at every touchpoint is a misconception.

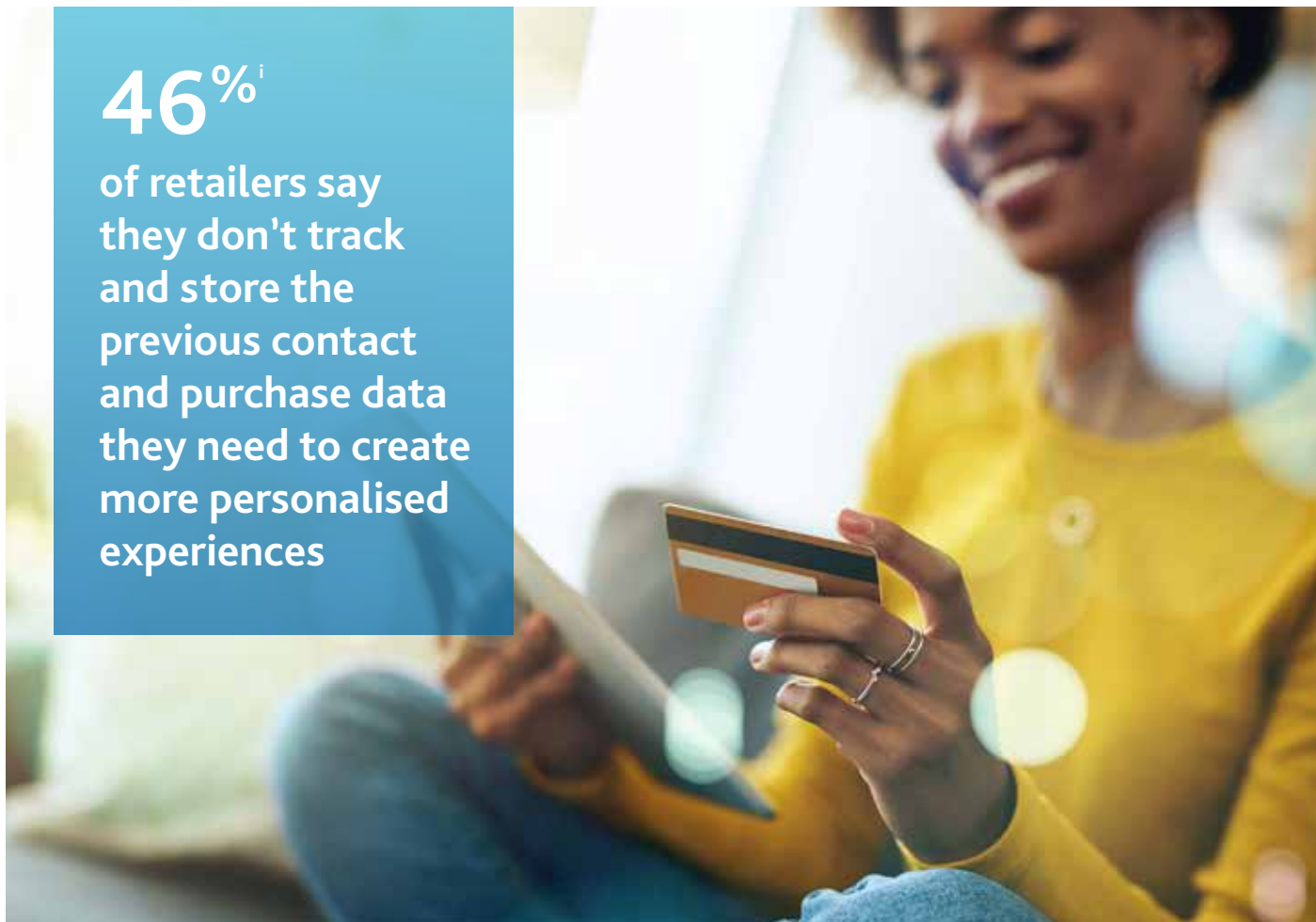
During the webinar that we recently ran in partnership with Retail Week to discuss this challenge, panellist Simon Leesley, UK Managing Director at AI-driven online clothing retailer Stitch Fix, described creating an excellent experience as both a science and an art.

He's exactly right. Today, delivering an outstanding experience for customers is about striking the right balance – between automation and the human touch; between hyper-personalisation and well-modelled standardised options; between tried-and-tested ways of working and innovation.

For any brand wanting to achieve this balance, this how-to guide is here to walk you through the journey towards an efficient, hyper-personalised CX that will delight customers and keep them coming back time and again.

46%ⁱ

of retailers say they don't track and store the previous contact and purchase data they need to create more personalised experiences



CX in 2022: Five key takeaways

1. The acceptance of digital technology has transformed



The existential changes of the last 18 months have had a profound effect on customers' willingness to engage with digital retail in ways they never had before.

2020 was the year that millions of people first got to grips with the benefits of technologies like chatbots, QR codes, virtual showrooms and video calls with advisors. Augmented reality (AR) and virtual reality (VR) experiences have also risen in popularity as access to the high street has been limited.

“As so many more customers have made the transition to online, the art of the possible for digital interactions has shifted dramatically. Brands have now seen what can be achieved when you give customers the opportunity to engage digitally.”

James Brewer, Digital and Brand Director at furniture giant DFS



2. And so have expectations



Now that consumers have made these discoveries and become accustomed to interacting online from the comfort of their sofas, the effect will be lasting. Brands will be expected to continue to deliver the same level of convenience.

“New CX technologies, when successfully implemented, become accepted very quickly. What is state-of-the art today will be standard practice tomorrow, and those that neglect to evolve their offering risk being left behind.”

David Morton, Sales and Solutions Director at Arvato CRM Solutions

3. As technological innovation continues...



Brands are continuing to develop ever more advanced ways of allowing consumers to explore products online.

“In fashion, virtual fitting room technology is on the horizon that will truly let customers understand how garments will look on their body, and that will be the final piece in the puzzle in terms of replicating the physical shopping experience online.”

Simon Leesley, Managing Director at Stitch Fix UK



4. But the customer still comes first



The first question to ask before implementing any new technology is what customer outcomes are you hoping to achieve?

The end goal is always to reduce customer effort. That means being proactive and creating a seamless journey across every channel, whether that's the more traditional routes, VR, AR or social media.

The only way to do that is by creating a 360-degree view of the customer and mapping their journeys across every touch point. These are the fundamentals, and the tech that allows richer online engagement must always be built on these foundations.

52%
of retailers think they could expand their channels for customersⁱⁱ

5. Automation is the key to unlocking hyper-personalisation



The drive to create a seamless customer journey across the ever-expanding number of sales channels – and the wealth of customer data these interactions generate – means automation has become indispensable. By providing agents with ‘next best’ actions based on holistic customer knowledge, it means retailers can ensure they’re always talking insightfully to the right customer about the right product at the right time. This is what will allow brands to meet their individual wants and needs at every stage.

32%
of retailers have the processes in place to deliver hyper-personalisationⁱⁱⁱ

How to: Build a 360-degree, single view of the customer

This is the foundation of any personalised experience. Being able to refer to all previous touchpoints a customer has had with your brand will allow your agents to meet their needs more quickly and effectively.

It means queries don't get passed from department to department and the customer doesn't have to keep repeating themselves – they just get the resolution they need.

It also unlocks the possibility of applying predictive analytics to move beyond simply reacting to queries as they arise, and instead anticipate customer requirements and actively address them with appropriate offers or recommendations.

Here are the steps you need to take:

Step 1: Mapping systems and processes

When it comes to implementing a single view of the customer, the first step involves auditing and mapping the systems and, critically, your processes that underpin your customer service and deliver experience. And this needs to cover your procedures and employees as well as your systems.

Once this has been done, you can identify areas for improvement and optimisation.

Step 2: Integrate your customer data

It's vital to collate and consolidate all your customer data from every touchpoint into one easily accessible place – your CRM system.

This can be a complex process, especially for businesses that store information in different departments like sales, marketing and technical support working in silos.

At Arvato, we use intelligent automation to continually extract and process the data collated through structured data capture forms. We also use it to retrieve, cleanse, manipulate, normalise and consolidate this data from disparate systems into the CRM.

Creating a true single view of the customer depends on bringing all of this insight into one place and structuring it in a way that makes it easy to use.

Step 3: Integrate social channels

As people share ever more on public social media channels, the data you can gather on your customer is no longer limited to interactions they have with your brand.

Social listening can be a powerful way to gain useful insight into customer tastes, buying habits and sentiments about your brand.

Integrating social listening capabilities into your CRM system will allow you to tailor your offering more accurately to individuals, and also to respond to any negative feedback you may be receiving on social media platforms.

Each customer has a profile that is updated whenever they make contact with you, so any agent from any department will always have the whole picture in front of them when handling a query.

How to: Augment your agents with intelligent automation

By placing this customer information at your agents' fingertips, it makes it possible for interactions to be more personal than ever before.

Implementing intelligent automation and AI can deliver this by drawing on customer data from systems across the business

– such as the CRM, order fulfilment and payments – as well as social media feeds, analysing it and presenting it quickly to help your people make the right decisions.

Here are the steps you should take:

Step 1: Start small

As with introducing any other new technology, the key to success is not to try to do too much at once. You might choose to trial an automation or AI module on a small channel first to test the system and see how it performs with limited risk of disruption.

This will allow you to stress test the process on live queries and measure the impact the system has. Once you have implemented it in a small area and your team is comfortable with the way it works, that gives you a firm foundation from which to expand.

Step 2: Get your team on board

The aim of automation and AI is not to replace your agents but to give them the intelligence they need to do the best possible job. Working closely with your teams throughout implementation to ensure that this is well understood is critical.

Freeing agents' time from the need to handle high volumes of simple interactions empowers them to focus on what they're best at: addressing enquiries that require more complex problem solving or a more empathetic or emotional response.

Step 3: Focus on integration

One of the key benefits of these technologies is that they allow you to track interactions across different platforms and make informed decisions based on every touchpoint – something that is particularly difficult for human agents to do effectively.

Therefore, your goal should be to implement the technology across every interaction in your CRM system. This is where the efforts to consistently collate customer data can really pay dividends and begin to deliver a CX that is truly omnichannel and personalised.

How to: Integrate the right technology into your CX approach

As a retailer, you have an ever-growing toolbox of technology available to you. With chatbots, social commerce, AR, VR and AI, to name just a few examples, the choice can be overwhelming.

The key is never to implement technology too quickly across the board, but to start with the most pressing customer needs and focus your investment on solving those problems first.

Step 1: Think from the end-user perspective and map all potential customer journeys

The starting point for any CX improvement initiative is to ask 'what would make my most valuable customers' lives easier?' The customer challenge should always come first, and their desired outcomes should be clearly established before you start considering technology-based solutions.

To do this, it's important to map out and understand your customer journey. By what means, currently, do most of them interact with your brand, in what order and why are they contacting you?

Step 2: Identify the pain points and where investment will have most impact

Once you have a clear picture of this, you need to overlay it with insight on the quality of experience your customers are having at each stage. This will allow you to see where the problems are arising and where you are not delivering the highest levels of satisfaction.

When it comes to gathering this insight, your customer-facing agents are a good place to start, as they are on the front line for feedback, both good and bad. It's vital that there is an open channel for this feedback so that it can inform ongoing decision-making.

More detailed analytics, including monitoring and analysing drop-out rates at different parts of the journey and directly surveying customers about their experience, can add further invaluable insight.

Step 3: Take a stage-by-stage approach to implementation

Don't try to do everything at once. Not only will this make it much harder to maintain quality as you implement changes, but it will also prevent you from analysing and understanding the impact of them.

Instead, create a roadmap of planned changes that tackles the biggest priorities first based on the insight gathered above.

For everything you change, understand what outcomes you wish to improve and what metrics you can use to measure performance. Monitor these for a period ahead of going live with the new technology so you have a benchmark for comparison as you measure the impact of the implementation. Complete a benefits realisation process in order to clearly understand what you have achieved, lessons learned and if you have delivered the desired business outcomes.

Build your CX transformation roadmap

Our people design and deliver innovative, bespoke CX solutions for some of the world's most respected retail brands.

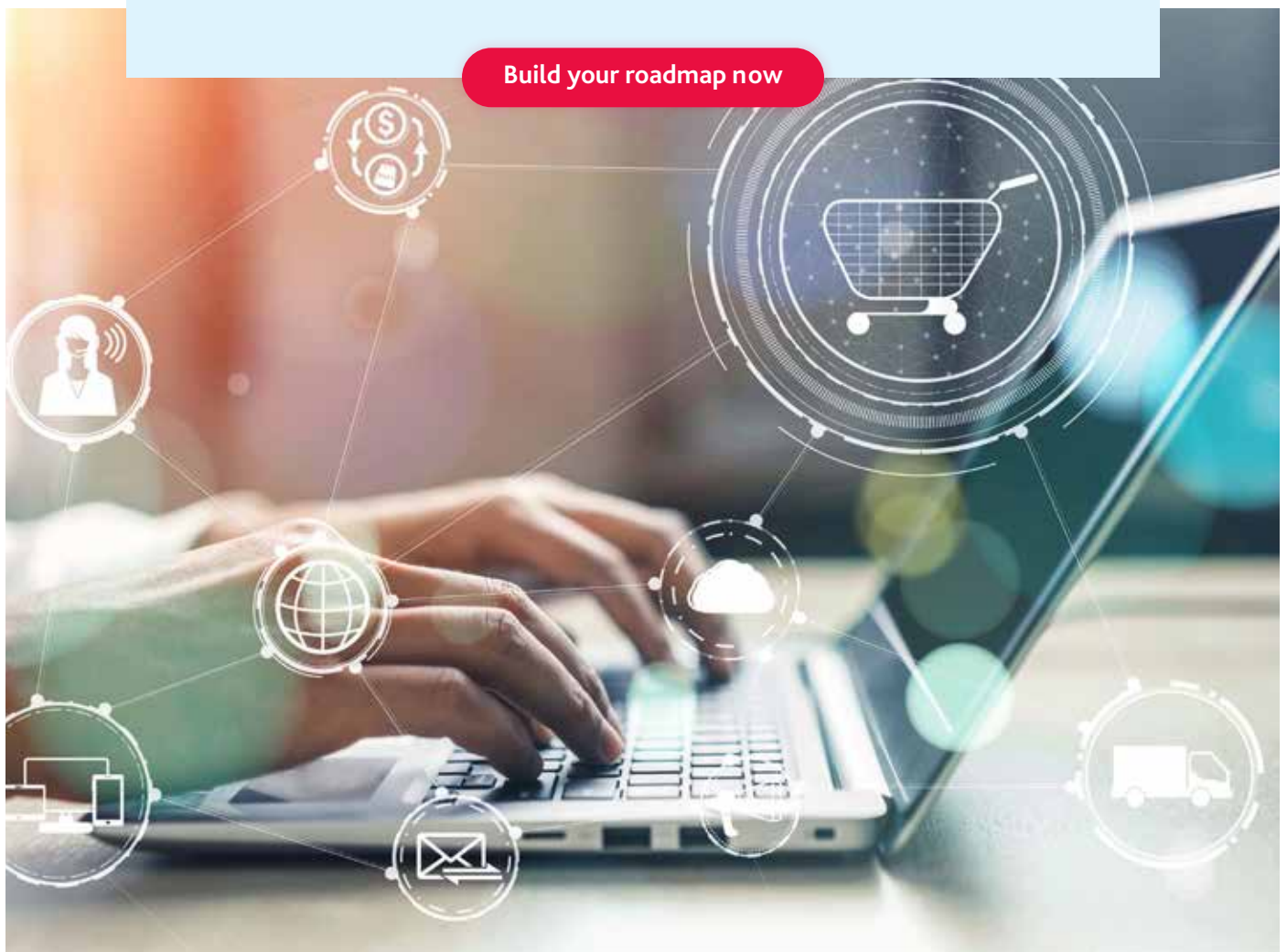
Take three minutes to build your CX transformation roadmap and find out how you can make changes to your proposition to boost sales, keep your costs low and drive brand-building experiences that delight your customers.

We will assess what solutions you already have in place and generate a free report with a personalised strategy for how you can transform your customer experience.

It will:

- Identify the best opportunities for cutting costs, increasing sales and improving service.
- Reveal how your business stacks up to competitors when it comes to your customer experience offering.
- Highlight which technologies, from automation to artificial intelligence, can deliver meaningful results for your business.
- Pinpoint your 'quick wins' from medium to long-term solutions.

[Build your roadmap now](#)



Speak to a specialist

No two businesses are the same and we understand that you have your own unique challenges and opportunities.

With 15 years' experience in partnering with leading global retail brands, we can help you assess your entire customer contact operation to identify improvements, develop new solutions and support you in transforming and future-proofing your CX strategy.

Just ask our experts

References

- i. Data Source : Arvato CX Retail Roadmap Builder 2021/22
- ii. Data Source : Arvato CX Retail Roadmap Builder 2021/22
- iii. Data Source : Arvato CX Retail Roadmap Builder 2021/22