



Retail eBook:

Moving towards
Omnichannel
Customer Experience



resonate

Resonate Solutions' Customer Experience Management Platform

Putting your customers at the centre of everything that you do:

- ▶ **Listen** - to what your customers are saying
- ▶ **Act** - on customer feedback in real time
- ▶ **Discover** - customer insights
- ▶ **Improve** - the experience

Get a **FREE** CX Health Check

The CX Health Check, is a 45 min workshop that will show you how to:

- Identify the *Critical Factors* for your customers
- Understand the *Root Cause* of your issues with the 5 Why's approach
- Brainstorm options and put together a business transformation action plan

IN ADDITION:

We will provide you with a CX Health Check Report Card covering:

- Channel coverage
- Research methodologies
- Customer engagement
- Actionable insights
- Return on Investment

Request a health check today.

Call us on **02 9957 9400** or email us at info@resonatesolutions.com.au

Offer available until 31 October 2016 only.

Introduction

Consumers today are the most empowered generation we have ever seen.

Today's Consumers:

- ✓ Can leverage both local retailers and the infinite number of eCommerce channels across the globe.
- ✓ Have an ever increasing variety of devices to browse e.g. laptop, smartphone, tablet, Smart TV; and they expect to be able to research and purchase across any channel in a flexible way.
- ✓ Are highly engaged with Social Media and user-generated content (e.g. blogs, product ratings and reviews). This has shifted consumer behaviour toward being influenced more by peers and less by traditional marketing.

Multichannel vs Omnichannel

Multichannel is defined as having a presence across multiple channels – online, call center, social media, bricks-and-mortar stores and catalogues to name a few.

How is Omnichannel different?

Omnichannel is about an integrated customer experience that breaks down channel silos.

All Omnichannel experiences will use multiple channels, but not all multichannel experiences are Omnichannel. Essentially the difference comes down to the depth of the integration and how the channels work together to deliver a unified, integrated customer experience.

Multichannel is what most businesses invest in today, and it is through these channels that businesses engage and connect with customers. However, if these channels are not working together seamlessly and delivering a consistent and fluid experience, then the experience is still multichannel. This involves not just having the marketing department on board to deliver consistent messages, but all departments working together to deliver the desired customer experience.

Omnichannel can sound daunting and prompt concerns about resources, budgets and ROI. However, creating an Omnichannel customer experience doesn't have to be overwhelming.

This eBook will help you to gain some context around what Omnichannel is and how you can begin to move your business closer to the Omnichannel approach to customer experience.

Specifically you will learn:

- Why Omnichannel customer experience matters
- The ROI of customer experience
- Practical ways to audit your current Omnichannel experience
- How to take the Omnichannel experience to the next level
- How to use results to improve the customer experience

Why Omnichannel CX Matters in Retail

For years we have heard about the exponential growth of digital channels and speculation around traditional bricks-and-mortar stores being overtaken by online-only retailers who can cut costs by eliminating overheads. Traditional retailers have therefore been under immense pressure to create their own eCommerce channels including *Click and Collect* that facilitate both research and purchasing in a way that is both useful to the consumer and profitable for the retailer.

Let's have a look at some key facts and figures from the Omnichannel Shopping Preferences Study published by A.T. Kearney in 2014:

- 95% of all retail sales are captured by retailers with a brick-and-mortar presence
- Two-thirds of consumers who purchase online use the store before or after the transaction
- Physical stores help retailers drive online sales

Now think about your own behaviour when researching or purchasing products. Are you looking

at a product on your iPad whilst watching TV, then resuming the research on your phone on the train the next day, then maybe doing some more research at work on the computer?

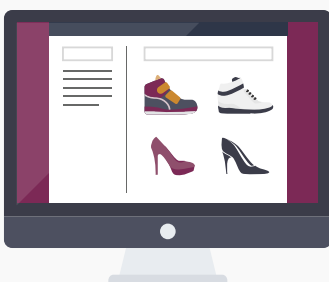
Think about your expectations for these kind of interactions in each channel. If a site took too long to load, or didn't display well on a specific device, would you continue to research that company? If you experienced different product ranges, pricing or specials in each channel, how would you feel? If you visited in store and spoke to a staff member who provided you with a really amazing experience and then visited another branch where the staff ignored you, would that impact your purchasing decision?

Most likely.

This is why being Omnichannel is important. You need to have a unified and integrated experience in order to make it easy for customers to transition from device to store to device in order to keep them engaged.

Let's explore what a customer journey may look like

1



Customer gets a newsletter about new season clothing from Store A and clicks on the links to the website.

2



Customer views new collection of clothes online at Store A then goes to website of Store B and C looks at those clothes online.

- Compares prices
- Compares products
- Find local stores
- Saves favourite items to favourite list

3



Customer goes to Store A, B and C and looks at clothes in store.

- Compares quality
- Compares fit
- Compares price
- Compares experience
- Perhaps compares all of the above online vs in store via mobile phone

4



Makes a decision and purchases online, in store or maybe via an app.

- Conduct cost/benefit analysis of shipping costs with online retailer, versus the immediate gratification of purchasing the same day, but possibly paying a bit more, as well as the overall customer experience.

The ROI of Customer Experience

What is a great customer experience really worth to a company?

Here is some compelling data for you:

Watermark Consulting compared the stock performance of a group of companies that provided excellent customer experiences versus another group that wasn't focused on the customer experience. Their 2015 study looked at the stock performance of those companies between 2007 and 2014.

This study found that the Customer Experience Leaders continue to outperform the Customer Experience Laggards.

Key facts from the Watermark Consulting Study:

- Leaders outperformed the broader market, generating a total return that was 35 points higher than the S&P 500 Index.

- Laggards trailed far behind, posting a total return that was 45 points lower than that of the broader market.

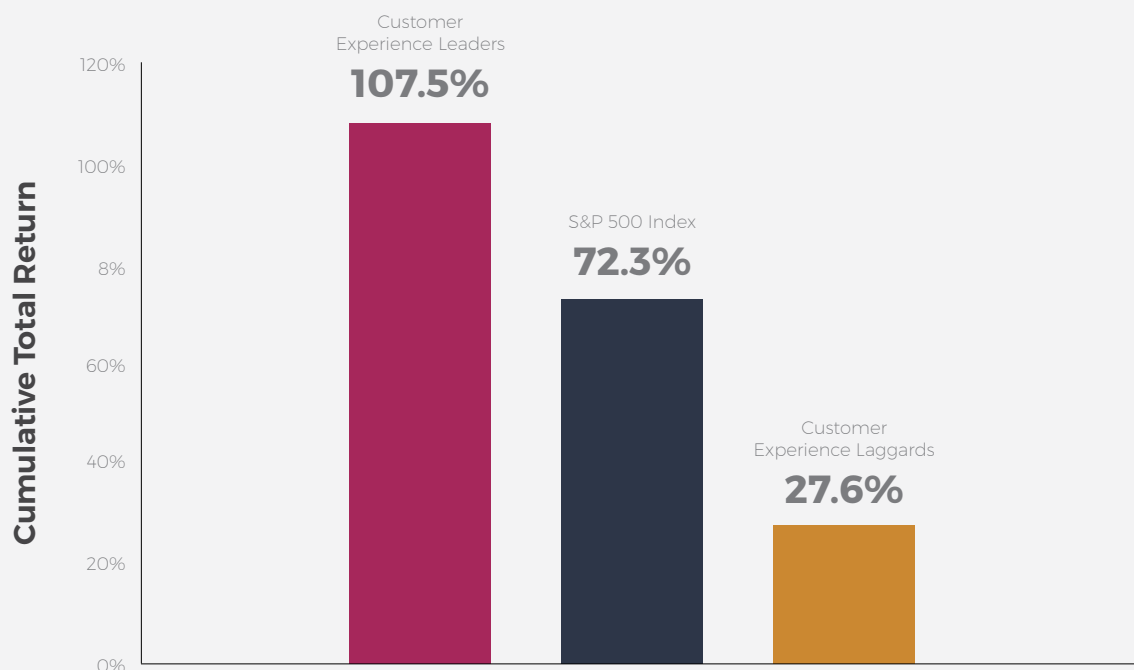
In case you are a visual learner below is a table that shows the stock performances of the leaders, laggards and the S&P 500 index.

If you are interested, John Lewis is a great example of a retailer that is truly omnichannel. Here is a [link to an article that looks at their journey](#).

In the next chapter we look at practical ways that you can audit your existing omnichannel customer experience.

Customer Experience Leaders Outperform the Market

8-Year Stock Performance of Customer Experience Leaders vs. Laggards vs. S&P 500 (2007–2014)



Practical Ways to Audit Your Existing Omnichannel Customer Experience

Channel Audit

The first element of the audit is to review your customer touchpoints (store, website, blog, social media, apps) in terms of their content, tone of voice, branding, pricing, ranging and service support.

Importantly, review the way that these channels are integrated. Can customers easily change channel and continue on the path to purchase?

----- Channel Audit -----

This checklist is designed as a set of questions to prompt you to think critically about each element.

- Do your channels have the same pricing/specials structure?
- Do your channels have the same range?
- Do you have consistent navigation in your physical stores and eCommerce channels?
- Does your website work well on all devices? What functionality has been removed on mobiles/tablets?
- Do your channels have the same payment options? What payment options have been removed on mobiles/tablets?
- Do you provide integrated channels e.g. Click and Collect or home delivery for store purchases?
- Are your online and offline branding/messages consistent?
- Does your eCommerce channel support ratings and reviews and social media integration?
- What customer services and order tracking are available across each channel? Are they integrated in the back-end? Can a customer enquire about an online order in store and vice versa?
- Does your CRM system record behavior and support personalisation across all channels?
- How does your Omnichannel retail experience compare to the competition?

Practical Ways to Audit Your Existing Omnichannel Customer Experience

Customer Journey Audit

To expand on the evaluation of how channels are integrated, you can identify the different Customer Journeys that your customers take. For example, Showrooming (a customer journey that includes research within a store followed by a purchase online) or perhaps Webrooming (a visit to the website followed by a purchase in store).

Then you need to walk a mile in your customers' shoes and truly experience each of those Customer Journeys for yourself. What are the great parts of the experience and what are the pain points? How do the pain points reduce sales opportunities? What value has been lost?

This approach encompasses both quantitative research to understand behaviour and trends; and qualitative research to understand how customers feel and what emotions they are experiencing.

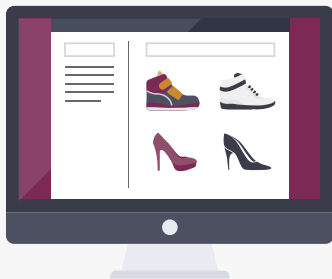
The audit process above will provide insights into the pain points in the Omnichannel experience and where you need to focus business improvements.

In order to track these pain points over time and evaluate how business improvements are working, you will need to create a customer feedback program that is designed to capture the right data at the right time.

WEBROOMING

VS.

SHOWROOMING



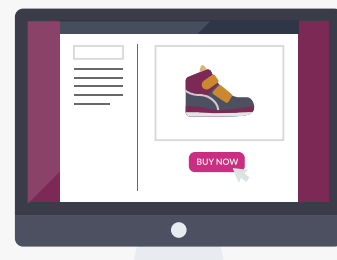
BROWSE ONLINE



BUY IN-STORES



BROWSE IN-STORES



BUY ONLINE

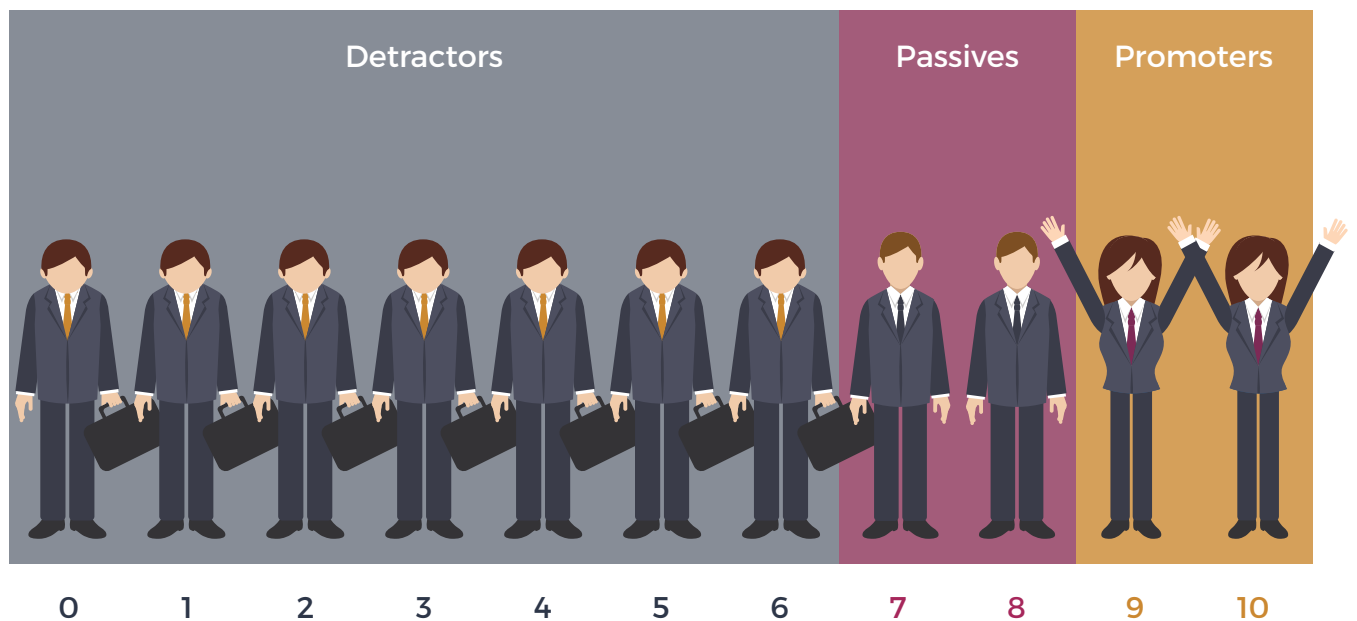
Practical Ways to Audit Your Existing Omnichannel Customer Experience

Closed Loop Feedback

One of the most popular methods for customer feedback today is using NPS™ (Net Promoter Score). NPS is a customer advocacy metric based from one question – “how likely are you to recommend [brand] to a friend or colleague?”

The response is captured on a scale of 0 to 10 and customers are grouped into “buckets” called detractors, passives and promoters. This customer categorisation enables retailers to identify where they can improve their customer experience in order to create more promoters and reduce detractors.

An example of this is through text mining and analytical data. Good customer experience programs incorporate text mining and analytical tools that allow you to view themes and topics that customers are talking about. In turn this provides you with details on where you can improve, and where you can duplicate positive experiences.



Anyone who responds to the NPS question with a score of 0-6 are categorised as detractors, those who respond with a 7-8 are passives and those who respond with a 9 or 10 are promoters.

Taking Omnichannel Experiences to the Next Level

This research is only one aspect of the Net Promoter System and focusing on NPS reporting isn't going to lead to improved scores. It is what you do with the feedback that counts.

A closed loop feedback program should include a process for identifying the Omnichannel *pain points* and *delightful moments*. Drilling down to understand the underlying reasons for why these pain points exist and what allows the delightful moments to happen is crucial. Once you have these insights, you can put together a strategic plan for business improvements.

This is where you can take omnichannel experiences to the next level. Measuring and improving customer experience is how businesses can:

- Create advocates
- Drive business outcomes
- Reduce negative word of mouth
- Drive competitive advantage, and
- Increase revenue

Setting up a closed loop feedback system is complex and it is advisable to use a specialist consultancy to design a system that systematically improves the Omnichannel customer experience based on Customer Journey Mapping and the voice of the customer.

The ideal closed loop feedback system will be integrated into all customer touchpoints and operational systems because you don't want any issues to slip between the cracks. For you to get the most from a customer experience program and improve your Omnichannel experience, programs need to have the following characteristics.

Closed Loop Feedback

The most important element of the closed loop feedback program is that you are willing (and able) to act on the feedback and not just run reports. Ideally, you need to develop a process of reviewing feedback regularly and tracking how it changes over time so you can continually improve and exceed customers' expectations.

This is difficult to do with spreadsheets and the survey platforms out there are not designed as a platform for the quick interaction needed in a closed loop feedback program.

This is where our Resonate Pulse Frontline Portal (Pulse Portal) can really make a difference. The Pulse Portal is not just a central hub or database where all your customer feedback is stored, it is much more than that. It is a web-based platform that displays customer feedback visually and through text analytics you can quickly view themes and topics based on the feedback provided. Available also as a mobile app, you can call back clients directly, which means you are able to close the loop faster and recover lost experiences. Learn more about the Pulse Portal [here](#).

Technology to Easily Operationalise Customer Experience

You need the technology to mine, sort and analyse masses of customer feedback data so that you can understand customer pain points and discover trends and ways to improve the customer experience.

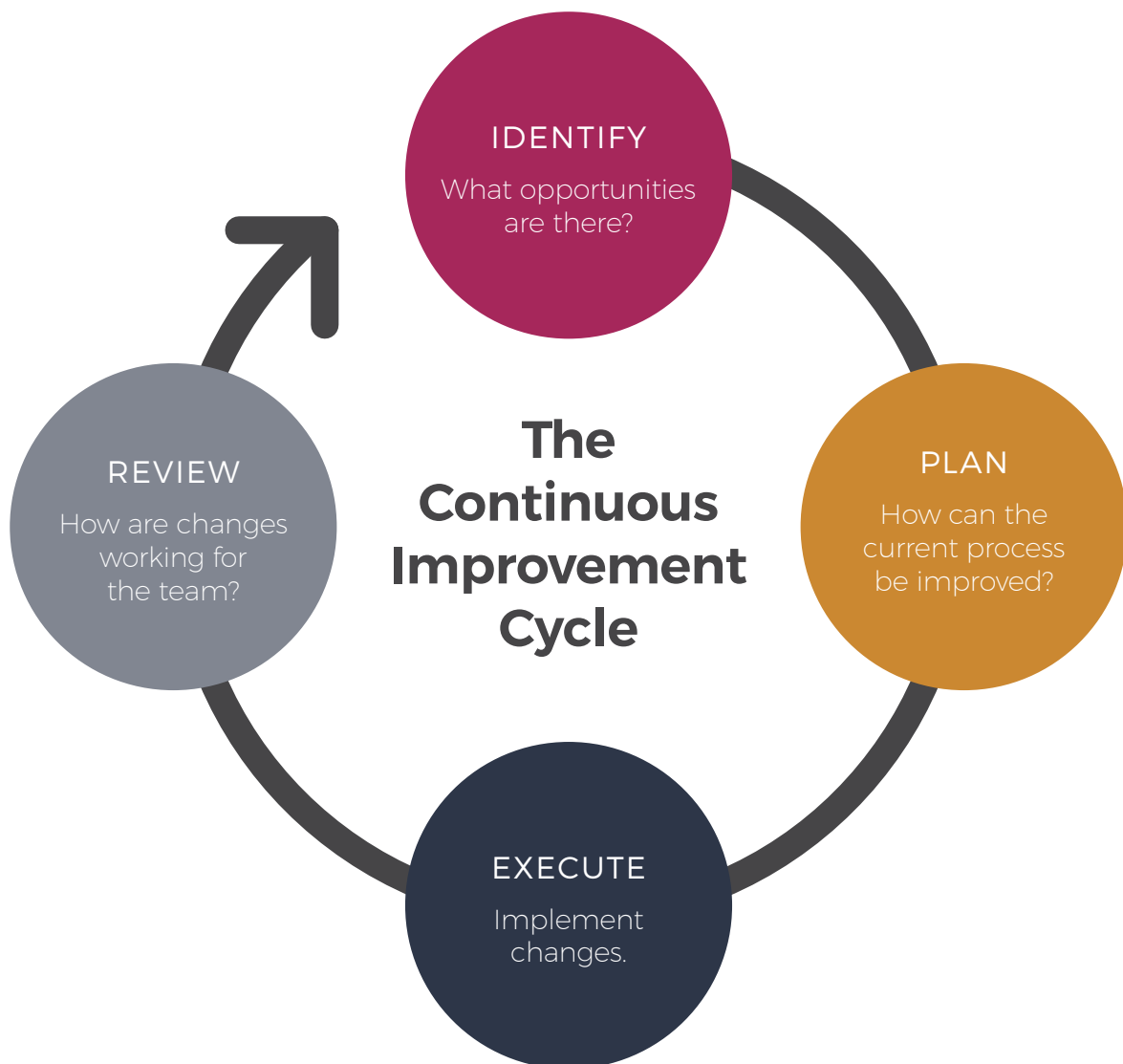
Our Pulse Analytics Module enables you to drive customer experience based on customer feedback. If you are thinking that is another one of those data display dashboards you are wrong. The Pulse Analytics Module is a visually mind-blowing experience in itself. It allows you to drill-down on the entire customer feedback data set via a data cube (OLAP technology). The highly visual interface can be used to investigate feedback further on summarised cards filled with transactional and customer feedback data. Learn more about Pulse Analytics [here](#).

Using the Results to Improve the Omnichannel Customer Experience

The audit and research above will inform the business and ensure you are focusing on the right issues.

The most effective way to implement change is via a “test and learn” approach with iterative cycles of continuous improvement.

The closed loop feedback program will provide you with the data to evaluate whether the ideas for improvement have worked to enhance the Omnichannel Customer Experience and if not, how you can adapt the idea to try again.



Conclusion

Retail consumer behaviour is changing and becoming increasingly complex. Consumers expect retailers to deliver a consistent experience as they transition from one channel to another (and back again). Therefore, the number of ways that retailers can get it wrong has grown dramatically.

Customer Journey Mapping, channel audits and Customer feedback programs are all useful tools

and techniques for understanding what is working well and what needs to be improved to provide the customer with a perfect Omnichannel experience.

Once these systems are in place, retailers need to employ continuous improvements techniques to optimise their Omnichannel experience.

Take your Omnichannel Customer Experience to the next level with Resonate

We know that Customer Experience is the way of the future. We also know that closed loop feedback and great platforms makes customer experience management easy and effective. So we built the Resonate Pulse Platform.

With the platform you can:

- ▶ Gather feedback from your customers
- ▶ Visualise customer feedback
- ▶ Close the loop with customers
- ▶ Gain deep understanding of how you can improve your customer experience, and more

Request a Demo

Call **02 9957 9400** or email info@resonatesolutions.com.au



resonate

Through technology, our solutions help organisations to break down siloes and barriers in order to deliver exceptional customer experiences.

Resonate Solutions is experienced in end-to-end solutions management for customer experience and voice of customer programs.

Experienced in Customer Experience Management Programs



End-To-End Solutions Mangement

Experienced in rolling out and managing customer experience programs to leading global and local brands.



Deep Customer Advocacy Experience

As Globally Accredited NPS consultants, we pride ourselves in delivering expert advice and sharing our experience with your business.



Continual Growth And Innovation

The customer advocacy landscape is always evolving, and we are too. Our team is constantly adding leading edge functionality, growing with you and enabling you to better understand your customers.



Australian Based

We partner with businesses to deliver innovative customer experience management both locally and internationally.



On-Going Support

Our experienced team will work with you throughout the life of the project to manage and support you.



Fast And Agile

We will partner with you and work with you to deliver results fast, and in an agile manner.

Resonate Solutions

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