

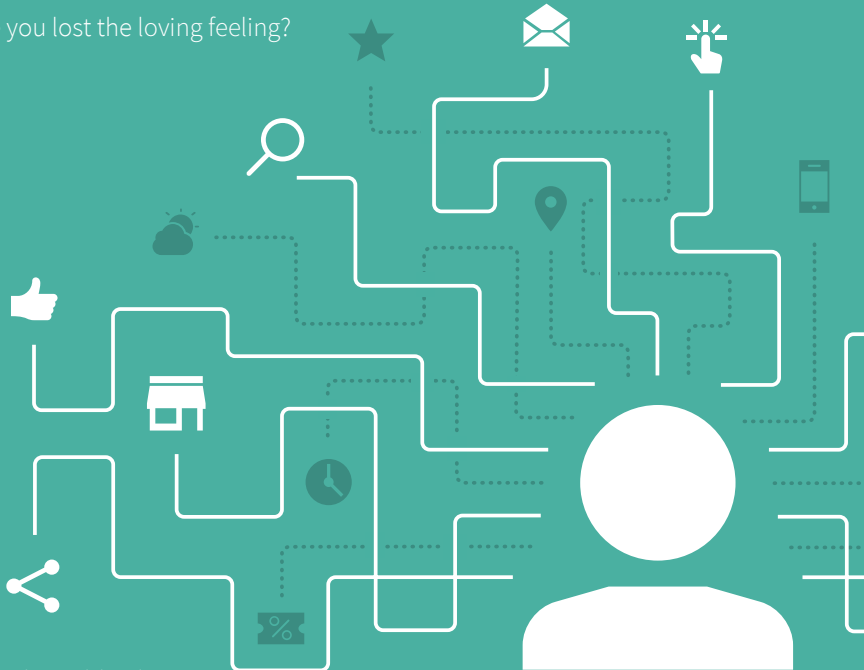


Insight Report.

"Have you lost that loving feeling !"

Customer experience - this time it's personal

In the Age of the Customer a highly personalised experience is no longer a luxury, it's an essential. Have you lost the loving feeling?



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“Customer experience is the last source of sustainable differentiation and the new competitive battleground.”

— Tiffani Bova, Gartner Vice President

Call it what you will, the effects are the same

It seems as though every report we read has been written by someone with a different name for this business era that we're in right now. We're sticking with Forrester's 2011 term, the Age of the Customer. However, terms such as the Digital Age, the Social Media Age, the Age of Recommendation, the SMART Age, all seem to be interchangeable.

Whatever we choose to call it though, each name relates to the explosion of technology in society, how it is affecting businesses, and how businesses are being forced to adapt to the new demands of this high-tech era. They refer to the effects that technology, social media, and efficient information exchange are having on product development and marketing. In particular, they refer to a period in which businesses are transitioning to become more agile and customer-obsessed than ever before.

We've known for a few years now that relevant content is far more successful than generic offerings; and we've seen countless reports telling us that emails that are personalised **garner far better results** than batch and blast campaigns. What seems to have come as a surprise however, is the extent to which customers have come to demand personalisation and relevance at every single stage of the buying process.

In fact, more recent reports seem to show that a tipping point has been reached. A **study** revealed that 74% of online customers get frustrated with websites that show content that has nothing to do with their interests. Consumers feel as though they have been pretty clear and consistent with their feedback about what they want from businesses; personalised content, delivered in a relevant way, and their data to be used responsibly and transparently. Choose to ignore this feedback and risk alienating your customers.

The tail is now wagging the dog

People buy from people, as the old saying goes; but the digital revolution, and the meteoric rise of ecommerce, has led to a situation where we have lost the personal touch. As marketers, we've been trained to communicate in the languages of B2B and B2C, but this has caused us to lose sight of how to talk to customers like human beings.

The good news is that we now recognise the need for change and H2H (human to human) communication is replacing B2B and B2C across organisations worldwide. And nowhere demands this change happens faster than the world of commerce.

Since brand loyalty is no longer a given, if you don't delight your customers, they will find somebody that will. In today's connected world, brand loyalty only lasts until something better comes along; and once a customer is lost, research shows that **68% won't return**.



40% of consumers
buy more from retailers
who personalise the
shopping experience across
channels

Source: MyBuys



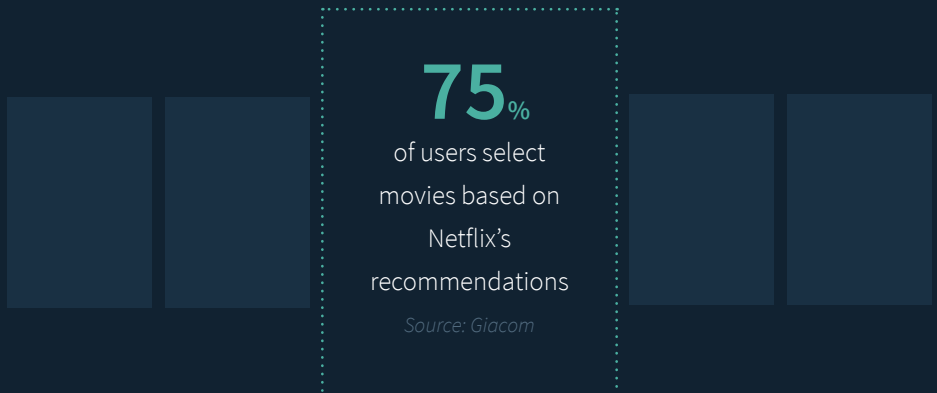
66% of consumers said
they saw “no evidence” that
the stores they visit regularly
know them as a consumer

Source: Giacom

As we discussed in the **last article**, a seamless customer experience is no longer a ‘nice to have’; it is critical to a brand’s survival. The age of the customer means that brand loyalty is more competitive than ever, and **54% of B2B marketers** said making customers more loyal was a leading business challenge, a 10% increase from last year.



In the B2C world, companies like Amazon and Netflix have led the charge and trained their customers to assume they will receive a personalised browsing and purchasing journey. This assumption is spreading across B2C and into B2B. Now it seems as though customers no longer notice when you deliver personalisation, they notice when you don’t!



Is it worth the effort?

We know from the **previous article** that business transformation is costly; some businesses are stuck with legacy systems that would take resource and cross-functional cooperation to integrate. So is this all worth the effort?

Well let's break down the numbers.

UK retailers took £114 billion online in 2015 with **77% of internet users** making a purchase, and an average order value of £78.74; and this figure was set to rise to £126 billion by the end of 2016. This figure equates to 27% of all retail sales. Considering that, at the end of 2014, there were an estimated 650,000 retailers online globally (only counting the ones that are generating more than \$1,000 pa in sales), a figure that is rising sharply year-on-year, competition for each and every pound off a customer has never been more fierce.

This growth is driven first and foremost by the rise of mobile, or m-commerce, which grew by a whopping 42% in 2015, with **60% of UK retailers** having mobile channels.

So, if customers are buying from machines, but expect the human touch, how are successful businesses delivering that? What can you do to stand out from the crowd and make sure that the customer chooses to spend their money with you instead of your competitor?



of marketing executives plan to develop a process to map rich media content to buyer journey stage

Source: Aberdeen

If you liked that, you might also like...!

We've all seen this kind of email appear after we've purchased; recommendations for upselling and cross-selling have been part of email marketing strategy for years now - and the tactic still works. So how are businesses capitalising on the success of email personalisation into the rest of their customer experience?

Web and email personalisation topped the list of tech investment in 2016, potentially due to the research showing that in-house marketers who are personalising their web experiences see, on average, a **19% uplift** in sales.

When asked by Forrester in their 2016 survey, "What parts of the experience are you personalising?", **75% of respondents** cited website content as their top priority, with promotions and product recommendations being a priority for 55% and 49% respectively.



53% of companies use email marketing to support their personalisation goals

Source: Forrester



Yet only **39%** of retailers send personalised product recommendations via email

Source: CMO.com

Real time, not rear view

A sizeable 69% of marketers believe **real-time web personalisation** is crucial, with 80% feeling the same way about **real-time email**. Marketers are definitely seeing the benefits of integrating these technologies with their available data sources to harvest deeper insights that allow them to create engaging and relevant communications in real-time, rather than after the interaction has passed. These campaigns then feel more like conversations and can be far more contextual; just like an interaction that actual humans would have!

Web management content software can usually handle a whole host of contextual information to feed into messaging, **offers** and recommendations, including location, age, gender, browsing history, buying behaviour, abandoned carts, even the weather! Customers are far more likely to be responsive to a promotion or recommendation if it is contextually relevant at the time they see it.

Of course, not every customer that visits a website has been before, so the browsing and purchase data would be a touch on the light side. On these occasions it's useful to have this type of software to show crowd sourced information, such as trending products and latest offers.

Another reason why real-time personalisation is critical for customer experience is when offers are time or stock sensitive. Customers don't have much patience for being shown an amazing offer or recommendation, only to discover that the offer has already ended or the product is now out of stock. These technologies ensure that everything that the customer sees is correct at time of viewing, rather than when the marketer sent the email/loaded the web page.

These super personalised experiences are what build relationships between you and your customers. Customers that are happy and engaged have higher lifetime values, they are **easier to retain** and be up- or cross-sold to, plus they are more likely to recommend your brand to others. The elusive brand advocate that every business dreams about!

Abandonment issues

Another rising trend within ecommerce is basket and browse abandonment, and there are myriad reasons why it happens, but poor customer experience is often a major contributing factor.

More than **60% of shoppers** find it appealing when an online store remembers their personal and payment information; and a whopping 81% of prospective buyers are **frustrated** by companies not making it easy to do business with them. Asking shoppers to re-enter details, mandatory registration, complicated or lengthy navigation, slow page loading, and unexpected costs at checkout are the top reasons for leaving items behind. Analysis can identify the root cause(s) and then these niggles can be ironed out; improving the buying journey as part of your ongoing customer centric strategy.

However, what about the customers who are shopping around, still in the early stages of the buying process, **new to your site**, or were interrupted before finishing the checkout process? These customers are definitely worth keeping in touch with in order to encourage them back to buy.

Triggering a series of emails to a customer that has abandoned a basket is a tactic that allows businesses to target customers with highly personalised and relevant content.

Commerce companies all over the world are demonstrating massive success rates using retargeting emails. But do the figures stack up to make it worth your while implementing this tactic for your business?

According to Business Insider, **£4 .8 trillion** was left in abandoned baskets in 2016, plus, taking an average of 34 analytics studies, from IBM to Forrester, the average basket abandonment rate (as of January 2017) is **69.23%**.

Just take a moment to consider that figure.

For every 100 potential customers that find **your** website amongst all of the others that they could have chosen; browsed **your** product or service selection; selected something of interest to them; added it to their basket; and then. ...?

69 of these 100 are leaving without completing the purchase. How much potential revenue are you losing for every 100 abandoned baskets? How much additional revenue do you stand to win if even 10% of these customers return to complete the purchase? What about 20%?

According to **eConsultancy**, 48.1% of basket abandonment emails were opened, and 33.3% of these went on to purchase. In addition, the AOV was 14.2% higher when purchases were triggered by an email, as opposed to direct sales. In fact, the **study** claims that every basket abandonment email sent delivers more than £7.2 m in revenue.

The first 12 hours offer the greatest opportunity to convert the sale, so your retargeting should start as soon as the shopper leaves the site. According to a survey by **SeeWhy**, the average time delay between first visit and purchase is just 19 hours.

Meaningful interactions deliver meaningful results

In summary, customers demand personalised, relevant experiences. They want you to show them that you know and understand them. They expect the offers and products that you show to them to match their needs and wants. They want you to make their lives easier. Which is why **78% of CMOs** think custom content is the future of marketing.

Countless studies show that personalised, real-time, cross channel content increases conversions, builds a passionate and loyal audience, improves lead nurturing, keeps your website dynamic, maximises marketing efforts, and **boosts revenue**.

You can be sure that if your competitors beat you to the punch with the delivery of this critical experience, your customers won't be **your** customers for much longer.

About the author



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With over 18 years of email and digital experience, Komal has a deep understanding of marketing strategy, a marketer's needs and how that translates into the use of marketing technology. Leading marketing teams with a focus on market positioning, market growth strategies and customer lifecycle marketing. Komal has worked with some leading brands including HSBC, Carphone Warehouse and Black & Decker, helping them get the best results from their email and digital marketing.



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