Internet Retailing

MAKING CUSTOMER EXPERIENCE A REALITY

Delivering a new service culture for retail growth

barclaycard

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INTRODUCTION

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In today's highly competitive and volatile retail environment what it is to be a retailer is changing. Online and in-store, consumers want an experience. And they want convenience. And they want speed.

In short, they want service.

While some think the answer lies in making retail stores a 'destination' where shoppers can get a coffee and a bun, some free wifi and perhaps an expert to help them touch and feel the goods, what it really comes down to is the need to create a holistic service culture that can help the shopper choose, understand and buy – across in-store, online and mobile.

And that means looking at the retail business as a whole and assessing how each element therein needs to evolve to bring about a shift from the transactional model that is starting to falter today, toward a more service-orientated model that naturally brings together all channels – and which leverages the best of each.

In practice, delivering this involves a rethink of what stores are for; it involves how to turn staff into experts, as well as into 'internal customers'; and it encompasses how to manage and utilise the wider relationships retailers have with their suppliers and manufacturers.

In fact, it involves creating a 360-degree service-orientated environment that can be split into three vectors of service: front line customer service; internal staff-on-staff service; and ecosystem service among retailer and its suppliers, manufacturers and marketplaces.

In this white paper we will look at how to create a service culture within the retail environment using these three vectors to create and deliver a service culture that your customers will be delighted by.

Within this we shall look at:

- **The move to service culture** – what is service culture, why retailers need to implement it and what it can deliver in the age of personalisation. Not just 'service with a smile', or the customer's experience of service, but putting a service veneer across the jagged edges of systems, stock, store, technology and the gaps in between. It also involves customers being given a clear view across all channels, while allowing staff to be seen to be 'amplified and augmented' by corporate capability, not slave to it – no more "computer says no" and lots more "I can do that for you".
- **Delivering that culture** – The 'how': the systems, technology and process interoperation needed to start to make the move to service culture possible. Typically, this starts with making data available everywhere to improve decision-making. Of course, this involves the use of AI in expert systems – but it also means adding the human factor. Technology alone is not the answer to delivering a service-driven culture, it is merely a tool to arm people with so that they can help shoppers. Despite this being the internet age, retail is still a 'people' business.
- **Managing and enabling that culture** – So how do you make this all work in practice? Service isn't a problem to be solved once, but more one that is adaptive and evolving so needs to be managed on an on going basis. The need to listen is key: what are your customers doing and saying and what are consumers more generally doing and saying?

Understanding these are crucial to the on going evolution of business service, but what are the listening mechanisms? Tapping into data is clear, but also knowing what your staff, customers, competitors, the market and suppliers are all doing is also vital. And what you hear needs to be processed into mechanisms for change and adaptation, locking in new successes. This involves responding to changing demands, as well as adapting to changes in tech and external customer culture now and into the near future.

Drawing on a survey of Top500 retailers will give insight into where the industry is at currently, where its priorities lie and what the major challenges and pain points are in creating a service culture across each part of the culture change.

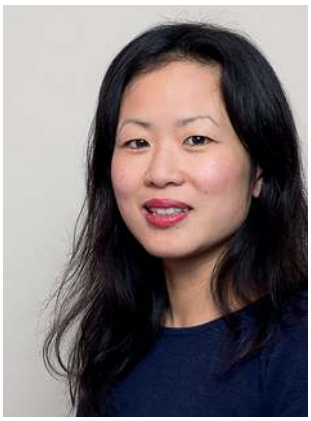
We will also hear from leading retailers and brands that are exemplars in service as to what their specific challenges were and how they overcame them.

To deliver the experience that consumers crave – and the experience that will not only help online and physical retailers survive, but also thrive – requires embracing this service culture. Let's show you how. ■

CONTENTS

04 Customer service evolution in context
06 Delivering service culture
10 Enabling and managing service culture
16 Survey results
20 Case Studies

SPONSOR'S INTRODUCTION



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It's no secret that retailers are facing difficult times. Footfall in UK stores in June fell 0.9% year-on-year according to the British Retail Consortium, while the volume of goods sold decreased by 0.5% in the same month.

But while things look quite flat on the high street, the in-store experience remains vital to the long-term health off the retail industry. Despite the continued growth of ecommerce, more than 80% of retail sales come from brick-and-mortar stores.

Clearly retailers are aware of this fact and there's been a lot of experimentation with different store layouts, smaller outlets, and new digital tech. But one element that's often overlooked is the importance of retail staff in creating a welcoming, comfortable atmosphere in-store.

As this white paper shows, service is a crucial part of the shopping experience. Retail staff set the tone for the in-store experience and the way they interact with customers can directly impact on revenue. More importantly, good service can encourage shoppers to become loyal, repeat customers, which is vital for the long-term health of retail brands.

But good customer service isn't a quick win. To create a service culture, retailers need to provide employees with the right training and technology.

I've recently seen some innovative uses of technology, such as smart mirrors, which have the potential to make real improvements to the in-store experience. There's also been a lot of hype about virtual reality (VR), and there have been some really interesting uses of the technology in a retail setting. Travel agent Thomas Cook uses VR in its 'Discovery' retail stores to let customers virtually experience a flyover of the Manhattan skyline. It has reported a 40% return on investment and a 190% increase in New York City excursions.

Clearly this technology can be a powerful sales tool when used in the right context, but tech can't replace the human touch. For things like smart mirrors and VR to work, it still relies on having employees who understand customers and can use digital tools to improve the service they offer.

And in-store tech doesn't need to be as forward-thinking as VR headsets. Something as simple as a tablet computer can enable employees to easily cross-sell other products, check stock, or take a payment. It means they can spend more time with the customer and less time doing admin tasks in the stock room or by the till.

The checkout experience, and payments in particular, is an area where technology can greatly enhance customer service. A long queue at the checkout is really frustrating and might even deter shoppers from entering the shop in the first place.

Contactless payments have become the norm for retailers, with Barclaycard research showing that the technology will save shoppers 141 million hours by 2019. But retailers should be looking for new and innovative ways to improve the payment experience, such as enabling staff to take payments from customers anywhere in-store, or even automating the payment process via a smartphone app.

Similarly, the omnichannel shopping experience needs to be as smooth as possible, which requires payment technology that works across in-store and online channels. Digital services like click and collect are popular because they're quick and convenient, but the experience suffers if retail staff don't have the right training and technology to fulfil orders in-store.

Ultimately, retailers that want to create a service culture need a long-term strategy that emphasises the importance of service in all interactions, both among employees and towards customers. It's not a quick win, but those retailers that recognise the importance of service culture and make the necessary investments put themselves in the best position for future success. ■

CUSTOMER SERVICE EVOLUTION IN CONTEXT

No one can deny that retail is changing. The role of the High Street store is the very public face of this change, but the increasing dominance of Amazon – and the encroachment of eBay, Google, Facebook and Instagram – is also putting the pressure on both pureplay online retailers and omnichannel. An evolution is happening.

For store owners and omnichannel retailers, the change is business-critical. While new entrants and the web have caused problems, the fundamental issue lies in changing consumer shopping habits.

Our own research among the InternetRetailing Top500 carried out for this report shows that an overwhelming 93% of retailers view service – values, behaviour, culture and customer experience – as vitally important. No one considers it 'not important' at all.

Interestingly, only 19% of them consider that they deliver it very well indeed, with 45% feeling they do it well, 28% that could do it better and a small but troubling 7% who believe they do it poorly.

So how does this translate to the real world?

IN-STORE

Traditionally, in-store retailing was based around a transactional model. The move to omni-channel is shifting this to being one of experience (and, done correctly, transactions too). Far from being irrelevant, the store is a vital part of the modern retail process – it just needs a change in emphasis in how it is used.

Witness research by Barclaycard[1], which finds that staging events in stores has a very real effect on income. It says that they answer customers' desires for more engaging high street experiences and that people who attend them spend more.

It questioned 2,002 shoppers and found a marked enthusiasm for in-store events among younger shoppers. In the 18 to 24-year-old range, 15% say that in-store events after hours would encourage them to choose one retailer over another.

At the same time, its analysis found that UK retailers who stage in-store events and experiences have seen their annual turnover increase by, on average, 14% this year. Barclaycard has seen consumer spending on entertainment grow by 10.5% during the year, compared to last year.

Halfords and John Lewis have both benefitted from holding in-store events, which have driven growth and mark a change in retail philosophy for these two brands.

Halfords, for example, showed in recent half-year results that its focus on in-store services was paying off. Some 2 million in-store fitting and repair jobs, such as replacing windscreen wipers or fitting new registration plates, took place in its store during the six months to 9 November. Service-related retail revenues grew by 19.3% compared to the same time last year.

This is part of an overall strategy to bring shoppers into the store and it seems to be working: 85% of Halfords.com orders were collected in the store during the half, while online sales grew by 10.8% in total and overall retail revenues grew by 1.9% to £511 million.

InternetRetailing Top500 Elite retailer John Lewis, meanwhile, is devoting a fifth of floorspace at its flagship Oxford Street store in London to services and experiences, rather than just products.

Ranging from eye tests and nail bars to car seat fitting advice and technology training, these experiences are coordinated centrally through an experience desk, run by a brand experience manager, where staff offer a hotel-style concierge service to help customers plan their day, book them into a workshop, match them with a style or home design adviser, or find them a table in the rooftop restaurant.

Staff have been specially trained in voice and body language skills by the Oxford Playhouse and there are further parallels with the luxury hotel experience in the tours of the store that staff now offer.

The move to a more experience-led customer service culture is clearly underway in stores.

ONLINE

Online retailers – and the online elements of omni-channel retail – haven't been unaffected by this shift in consumer shopping habits nor the need for customer experience.

A study by PushOn[2] carried out this Summer found that 82% of shoppers want to view and touch a product before buying online, with 45% of them seeking physical reassurance of the goods they are buying before committing.

For many this has meant looking at how to create a physical presence, a place where shoppers can see, hear, smell, touch, taste the goods. Amazon, for instance, has been a fan of the pop-up store for some time and many other online retailers are starting to follow suit.

For others it has meant investment in technologies such as virtual (VR) and augmented reality (AR) to be able to overlay virtual goods into the real world.

According to a study by OnBuy of Mindshare data[3], as many as 78% of UK shoppers want to use AR on their smartphones to assist with everything from basic tasks to social media to retail. The PushOn study found that 40% of consumers see AR as a highly desirable feature that would increase their trust in online brands.

And several retailers have obliged. In the run up the World Cup, Argos introduced a new AR experience on its iOS app, enabling customers to view a variety of TV models in situ via their iPhone and iPad before they purchased them.

This built on an earlier project undertaken by Argos in conjunction with LEGO to use the Argos app to bring to life 100 full scale, animated, 3D versions of the best-selling LEGO sets.

Spanish fashion giant Zara is also using AR and apps to bring together its online and in-store worlds. Zara's AR app allows shoppers in-store and online to hold the app over certain signs and see models wearing the clothes appear and move about on the screen in front of them. They can (and do) even talk about the clothes. Plus, naturally, all of the outfits can be purchased via a single tap of the app.

The app and the signage had a two-week initial run, and this all marks a big move in Zara's attempts to take on fashion powerhouse Asos. It also marks out Zara as one of the first retailers actively to invest in AR and put it out there.

OVER TO YOU

These brief examples show just how important customer service and customer experience are becoming to the online, in-store and omni-channel retail industry. Those retailers that have clocked the changes in consumer behaviour and have moved to try and meet it are not only innovating, but also profiting from the innovation.

The external research outlined shows just how shopper views are changing and how their expectations of retailers have shifted. The bespoke research conducted for this white paper shows that many retailers understand the issue and know that they need to act. The examples of these leading retailers gives an indication as to how retailers need to think to tap into these changes.

However, getting from paper examples to real world models that work is the hard part and what the following chapters will start to give you an insight into. ■

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DELIVERING SERVICE CULTURE

With consumer shopping habits changing – driven by many factors, not just the internet – the need to offer customer experience and a shift in retail culture from transactional to service-based has never been clearer.

Some early adopters are already tentatively making it part of their retail craft, but as we have seen in the previous section, this is largely confined to pilot programmes in flagship stores – to meet consumer demand and match their changing habits, it has to be more widespread.

It is also important to recall at this juncture that this service culture, while primarily customer facing, is also increasingly facilitated across the whole organisation: taking in both 'staff-to-staff' service culture and the way in which the retail business interacts with its suppliers and other businesses.

CUSTOMER-FACING SERVICE CULTURE

In the customer-facing arena, service and experience need to be applied at any touchpoint: anywhere that the consumer interacts with the brand needs to see your service culture in action to the best of its ability.

Of course, technology has a key role to play and, as we have seen, events, experts and a general up-skilling of staff lie at the core of in-store service culture. However, there is a need, too, for a rethink of basic retail processes and craft: a mind-shift away from traditional ways of approaching the role of the store, the staff, the product and even the customer, to create a new way of doing business.

In-store, the principle of retail is still around engagement – with both the goods and the staff – but today consumers are more driven by trying, testing and comparing goods, talking to staff about them and using their own devices to compare and contrast when buying items.

Typically, this is seen as the preserve of the bigger ticket items, such as washing machines, computers, TVs and so on – however, increasingly the same principles are being seen in fast fashion, with shoppers keen to check out even the bargains they have seen online and on social media. Many of them also want to show themselves off checking things out in store or trying on garments.

But this is just the in-store element. Retailers need to look at how service culture impacts on the 'before store' and 'after store' experience, as well as where the internet also drives the need for stores.

The true impact of omni-channel retailing has been to extend retail beyond the confines of both time and space. The shift in the purchase funnel from a pretty linear route from discovery to purchase has yielded a complex web of customer journeys taking in a variety of channels, devices and business entities – shoppers don't just go to a retailer website, they go to Google first, then Amazon, then, if you are lucky, the retailer. This has also extended 'opening hours' from 9-5 to 24x7, with shoppers choosing to research, purchase, or more at any time of the day or night.

This non-linear purchase approach means that customer service needs to be considered across all these boundaries at once.

Take, for instance, click and collect services. On paper they shouldn't be attractive to consumers, combining both online retail with having to also go to a physical store. Yet they are still hugely popular.

Figures from 2016 show that 72% of consumers use click and collect[1] at some point with 21% of them using it for at least half of their purchases. By 2025 as much as 10% of all sales will be fulfilled by click and collect. In-store purchases will decline to 60%[2].

For retailers, however, click and collect is an ideal customer service tool. It allows shoppers the convenience of shopping online and it brings them into the store – and once they are in the store they can be cross and up-sold.

In fact, click and collect shoppers tend to spend 24% more in-store when they visit to pick up a click and collect order[3]. Retailers that have made particular use of click and collect include John Lewis and Argos. eBay even partnered with Argos to offer click and collect services in Argos stores, before Argos became part of Sainsbury's Group.

A further survey[4] of European shoppers shows that not only is click and collect popular with shoppers, but it also offers genuine benefits to in-store sales too. 42% of consumers from France, Germany, the United Kingdom and Sweden surveyed have used it in some form in the past year. And a quarter of those then bought something else in store when they were collecting the goods.

Payment is another area of consumer-facing retail where service culture can be changed. Payments is a pain point – both on and offline. Not only do consumers never like actually parting with their hard-earned cash – who does? – the process of doing it has to be as seamless, slick and, in an ideal world, invisible as possible.

Shifting away from checkouts and queues, modern retailers are starting to see that making it easier to either 'scan and go' with a smartphone, paying invisibly inside an app, or arming their staff with mobile POS equipment to help inform consumers on the shop floor, check stock, order goods and take payments.

'Grab and go' tech, such as that rolled out by Barclaycard in 2017[5] is proving popular among convenience stores and supermarkets with Sainsbury's, Tesco, Co-op and Budgens all trialling various technologies and this approach.

For example, using the Sainsbury's SmartShop app, shoppers at Sainsbury's Clapham North Station store in South London can now scan the goods they want and leave, paying for what they have scanned via Apple Pay in the app.

Customers can already use SmartShop in 68 Sainsbury's supermarkets, but the 'scan, pay & go' trial in Clapham will take this technology to the next level, says the retailer. Instead of paying for your shopping at a designated till point, Clapham customers can pay for their basket even faster and from anywhere in the store.

The key driver for improved customer-facing service culture lies in making the store a useful place to visit and to make that visit as smooth as possible. The shortcomings of the store format has always been limited stock availability, crowds and queues. On the plus side, stores offer the chance for consumers to see, touch and interact with goods and find more information.

Online, too, payments are a pain point for consumers just as much as they are in-store. While many merchants and retailers have managed to start to move away from each transaction requiring entire card details to be entered – opting instead for stored card payment solution – checkout and payment can still be a problem.

Solution such as Barclaycard's Smartpay[6] are aimed at removing the pain of paying online – the biggest contributor to abandoned carts – by offering a seamless and slick customer experience at the point of payment by allowing retailers to be more flexible about how shoppers can pay.

For instance, fashion store Psyche was one of the pioneers of online retail, launching Psyche.co.uk in 1997. When the retailer upgraded its platform it looked for a more dependable and seamlessly integrated payment tool. Working with Visualsoft, it opted for Barclaycard's Smartpay and is still reaping the rewards today.

Making payments seamless and smooth online is as vital to commerce – especially to omnichannel retailers – as it is to revamping in-store and it too plays a vital role in customer-facing service culture.

STAFF-TO-STAFF SERVICE CULTURE

At the heart of improving and evolving customer service culture lie the staff. It is

portrayed as something of a new idea, but personalisation in retail is nothing new and, in many cases, the most personalised experience comes from interaction with people. This is why staff are key to customer service culture – both in-store and, where you can, online.

How staff interact with customers, however, is just part of it. How they are able to deliver service internally – from the board to IT to the warehouse and on to the shop floor is also pivotal in developing a customer service culture.

It all starts with recruiting the right kind of people: those that are interested in what you do and want to help consumers and grow the business. Training them in the details of product, process and technology is then built on this foundation.

Of course, no matter how well-trained or how enthused by your brand, no one can know everything and so technology again plays a vital role but as an augmentation to staff. While there is a growing trend for many retailers to invest heavily in technology at the expense of staff – with two thirds (64%) of the largest retailers highlighted tech as a focus, according to Hitachi Capital[7] – technology should be viewed through the prism of helping deliver a customer service culture, not its bedrock.

With both consumer wants and retailer strategies increasingly driven by a move to personalisation, it is important to remember that there isn't anything more personal than a person. Shoppers that do visit stores do so for the interaction with goods – but they also go to interact with expert staff.

Online, this too can be brought to bear in the quest for a more personalised experience, using store 'experts' to handle online enquiries – either asynchronously or, if you are feeling ambitious, via live chat.

In both these instances, technology is vital, however it is there to augment the role of the agent or sales person, not replace it.

The same can be true around payments and mobile POS systems, as well as access to stock information.

The need to establish a customer service culture extends back from the customer right through the business. While staff need to be armed with tech to handle customers, the whole business needs to be predicated on this service culture reaching into all facets of operations.

To enable – with or without tech – the customer-facing elements of the business, the areas of the business those staff interface with must also be delivering a service. And this is perhaps the hardest part of the puzzle to create and manage. It requires a culture change across the business, not least from IT reaching into and connecting every facet of the company, but also from, say, the warehouse manager to the department heads of myriad stores, as well as to any 'experts' out in call centres and online.

This internal customer service element is oft-overlooked, but is as essential to delivering a customer-centric service culture as any technology you may arm your in-store staff with. According to our research, 52% of retailers in the Top500 see creating this culture as vitally important to customer service, with 40% seeing it as important. Just 2% see it as not important at all.

B2B SERVICE CULTURE

The natural extension of taking customer service culture company-wide is in reaching out to suppliers and other providers in the business-to-business (B2B) chain. Having a good relationship and offering 'customer service' between a retailer and its suppliers makes good business sense: keep things sweet to keep things moving.

According to our survey, retailers in the Top500 already understand this. 40% see service culture as a key part of dealing with their ecosystem and 50% see it as important.

Separate research by PushOn[8] in the B2B ecommerce space finds that almost one hundred percent of people procuring business products, including computer software, furniture and office supplies, value customer service above all else.

This could present an opportunity for B2B retailers who are struggling to compete with the likes of marketplace giants Amazon or eBay on cost. In fact, the research found that 52% of business customers would buy from a smaller retailer if they offer a good level of service.

Similarly, 40% would buy from a smaller B2B retailer if they felt they were experts in their field and could provide specialist advice and support.

The report also highlights that B2B customers value customer service more when buying big ticket items such as computer hardware or furniture – 87% stated this as 'really important'.

Adding technology to the mix changes things, further. B2B ecommerce is one of the areas most under-technologically served. Anecdotally, retailers from the Top500 told this report that there is very little in the way of technology brought to bear on supply chains, other than data-based tools and order management systems.

Why? There is an air of "if it ain't broke, don't fix it" around partner and supplier ecosystems, along with a reluctance to spend already limited technology budget on this, rather than the customer-facing side.

But the problem with supply-side customer service lies deeper than this: it is a product of suppliers having different efficiencies than their retailers. Take, for example, furniture sales. Typically, these are made to order and, while the consumer knows there will be a time lag between order and delivery, it is in everyone's interest bar the supplier to do that rapidly. For the retailer, speed of delivery is an arch customer service plus. For the consumer it has clear benefits. But for the supplier, it often means hiring more staff to put through more orders in a shorter time.

This efficiency mismatch also crops up in other, less made-to-order businesses too. The suppliers don't gain the efficiencies that the retailer does from enhancing, automating and changing the culture of the supply-side relationship.

However, that is not to say that it doesn't – or indeed won't – happen. Retailers are constantly in a battle to save money and attract more customers: once the customer facing and internal service culture has been fully aligned to achieve this, then the supply chain will be next. ■

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ENABLING AND MANAGING SERVICE CULTURE

So how do you make this all work in practice? Service isn't a problem to be solved once, but more one that is adaptive and evolving – so needs to be managed on an on-going basis. The need to listen is key: what are your customers doing and saying and what are consumers more generally doing and saying?

Turning this into data and, more pressingly, how you then use that data is also key to evolving service culture – and this can manifest itself in many ways, as we shall see.

So how do you stay on top of changing habits and evolve your service culture?

LISTENING

Knowing what is going on is essential to developing and evolving a business-wide, omni-channel service culture. From customer-facing, through internal, to B2B, the whole business needs to be attenuated to hearing what is going on, not just in the sphere of the business, but also in the wider industry and world.

This can be achieved by looking at internal data – sales patterns, returns and so on – as well as by tapping into the growing cacophony of social media noise around retail.

Marks & Spencer has become an early adopter of using social listening to shape its collections, using technology from First Insight to make design, buying and pricing decisions across more than 50 departments, including apparel, footwear, accessories, home and beauty. The solution allows M&S to evaluate a significant number of products to directly reflect shoppers' input in their buying decisions.

M&S analyses tens of thousands of products via the software that uses a range of social engagement tools to gather real-time preferences and pricing sentiment data on potential product offerings. First Insight filters through customers' choices via its predictive analytics model to determine which products present the biggest selling opportunity.

This listening can then be turned into engagement with consumers, directly starting the process of customer service, based around what customers and potential customers are actually doing.

N Brown – parent of JD Williams, Simply Be and Jacamo – has seen a 12% uplift in new visitor conversion by doing just this. Working with eCommerce software platforms Monetate and Taggstar, the online retailer has been using the testing, segmentation and geo-location capabilities of Monetate to tailor the real-time Taggstar messages on its brands since 2017.

Taggstar's social proof software pulls crowd-sourced real-time data about product popularity and other trends derived from N Brown customers' browsing history. The messages include the number of people viewing an item, product reviews and ratings, top-trending items and product scarcity.

Using Monetate's segmentation and personalisation tool, N Brown can change the look and feel of the messages, their style, the text and the colour, according to different customer groups. New customers and returning customers, male or female shoppers and customers buying a one-off item, for example, will see different social proof messages.

During a three-month trial, N Brown tracked additional revenue of around £2 million using this set up, with Simply Be's conversion rates rising by up to 2.7%.

While social offers an excellent listening mechanism, it isn't the only way to garner feedback of what is going on among the customer base, however. Customer reviews are another way to not only up sales, but to directly tap into what people think about you and your products, allowing retailers to shift their culture accordingly.

Similarly, good old-fashioned customer surveys still have significant cache. If you want to know what people think of your service and how to improve it? Ask them.

While social, reviews and surveys offer the necessary insight into what consumers think, the same applies to your staff and your suppliers and others in the value chain in which you operate. Ask them where the pain points are and what may soothe that pain, both in terms of process and in terms of technology.

DATA

While listening is the bedrock of understanding not just what your customers want, but also the needs of staff and suppliers in delivering customer service culture evolution, what you hear and what you do with what you hear is the trigger that fires the gun.

Today retail is driven by data and delivering a premier customer experience – and knowing what that experience should be – is all based on what you know. As we have seen, tapping into social media can show you what consumers are saying and doing, but metrics around your own business are going to drive what experiences and customer service offerings may work.

Store inventory, neighbouring store inventory and typical customer behaviour data are all used today in retail. Applying them in a customer-centric way, as well as a business-centric manner can help leverage what you hear on social and elsewhere into strategy that can service customers.

Knowing that a particular item is being talked about on Instagram, say, should alert you to the need to perhaps stock up on that item. You may also see that one item is trending in one region, while another is popular in another. This can then help move stock around to service that need.

Data on footfall and other metrics is also vital to understanding consumer patterns and habits and, using artificial intelligence, this data can be understood and extrapolated with increasing accuracy as you garner more data.

Data is also the life-blood of the B2B supply chain. As we shall come to, connection of stock data to warehousing to shipping to suppliers (and those suppliers to their material suppliers) is what makes omnichannel tick.

STOCK MANAGEMENT

Stock data is one of the essential data points that retailers need to manage and more effectively leverage as a part of an evolving customer service culture. Consumers increasingly want to know what is in stock and what isn't – and having 'infinite stock' is one of the key reasons why many choose to shop online rather than in-store.

In fact, 75% of consumers claim to be frustrated by not receiving real-time stock visibility alerts on their smartphones when in stores – not helped by around a third of stores generally running out of stock, according to a study by HSO[1].

Some 42% of shoppers say that they wish to be notified via their mobile when a selected item will be restocked or made available, while 44% say they would like real-time visibility of an item's stock levels, says the study.

The problem also lurks online too, with some expressing frustration with filling up an online basket only to get to the checkout page to find that some of the items are out of stock. Many also want to know if an item would be in stock in-store, or if an item wasn't in stock, when it would be coming in.

Having full visibility of stock – and moreover sharing this with customers through the channels they want to access it through – is one of the key areas of creating and managing a service culture. Retail, after all, is about selling goods, so keeping customers and inventory in contact with one another is crucial.

Proper – and real time – understanding of inventory and stock availability across the company is also a vital tool for staff. They need to be on top of what is in stock and moreover what is in stock in other stores.

The key to inculcating a customer service experience in store rests around replicating the 'infinite aisle' idea of the web. Mostly, when consumers shop on the web, they don't encounter stock problems – not as readily as they do in store, at least – as there is access to the whole inventory rather than what a single store may have in stock.

Understanding which other stores nearby have stock can help to make the in-store experience better. Not only do shoppers want to know what is in stock before they turn up, once there, staff need to be able to tell them what is in stock and what stock is nearby.

In an ideal world, web-enabled and fully informed staff will be able to get hold of the right inventory for their own or a neighbouring store while the shopper browses or grabs a coffee.

This move to linking the online and real world is at the heart of solving one of the biggest bugbears with in-store shopping and is something that can be achieved with today's technology.

RETURNS

The flip-side of stock data and its application are returns. For both in-store and online retail, returns are becoming a bigger part of their business – and costs – than ever before. Online, shoppers are looking at buying several variants of an item (especially in apparel) and keeping the one that fits, sending back the others.

In-store, a similar thing is happening. Time-poor shoppers are buying relatively cheap pieces to try on at home then returning the ones they don't want.

This makes for a costly problem: large amounts of stock are in flux at any one time – making it much harder to understand stock availability.

But this 'try before you buy' (TBYB) culture is now so prevalent that retailers have no choice but to factor it in. Consumers demand it as part of what they consider to be a good service culture.

Retailers have to accept TBYB as it is the price paid for buying sight-unseen online and is culturally now part of the in-store modus operandi too. It also yields incremental sales thanks to the goodwill that it generates. But how to manage it?

ASOS introduced its try-before-you-buy scheme late in 2017 and chief executive Nick Beighton highlighted the plan as enhancing the customer proposition when the retailer reported a 23% rise in UK sales for the four months to the end of 2017.

Also, a recent report from Mintel highlighted that more than a third of all clothing shoppers would like the option to order clothes online but only pay once they decide to keep them, rising to half of the young people aged 16-24[2].

For fashion retailers to keep up with the juggernaut that is ASOS, they will have to consider launching similar try-before-you-buy services. Retailers outside of fashion also need to take heed as TBYB options are increasing in other sectors, with online businesses including Casper Mattresses and GhD launching similar services.

This is no surprise, as almost one-fifth of shoppers across all age ranges say they would buy more items per month if 'try before you buy' was an option, according to Mintel.

But how can retailers capitalise on TBYB without cannibalising margins? According to research by Brightpearl[3], to truly capitalise on TBYB, businesses must have active warehouse systems in place which ensure end-to-end visibility over the returns process, ideally from a single platform.

This allows retailers to glean better information around customer returns, for example, information about items that have been kept or returned in the past, or enhanced insight into the performance of various product categories - which can help improve accuracy with inventory forecasting.

Investment in back-office automation, such as automated shipping, could also help to reduce the number of human errors as well as freeing warehouse workers from time-consuming administrative tasks, enabling them to focus on getting a product back out to market quicker.

IN-STORE TECHNOLOGY

For bricks and mortar retailers, one of the imperatives for survival now lies in deploying the right in-store technologies to bring the online and offline worlds into alignment. Free wifi is a given: let shoppers do their showrooming in your store (and aid your staff to help them, as we shall see).

However, other mobile-centric technologies are also ripe for delivering an in-store service and experience that will delight. Shoppers are keen to see applications of the latest tech, with 46% believing augmented reality (AR) will have a positive impact on retail and 22% pointing to virtual reality (VR), according to a wide-ranging study by Fujitisu[4].

However, it's not about using technology for its own sake, but to enhance and amplify the parts of the shopping experience that customers value.

What's key is to be bold and visionary to create a novel experience that delivers real benefits. Specsavers' Frame Styler[5] is a great recent example, offering an in-store AR service to help shoppers find the glasses that suit them before they start trying on different pairs.

Heal's, meanwhile, is looking the other way around, using its highly-trained, in-store specialists to also handle live chat from the website[6] (see Case Study on page 20).

This isn't just a 'nice to have'. Heal's has seen average order value (AOV) go up by 57% on online orders from people who have carried out a live chat. Having the technology in-store to facilitate this is vital to good service and the improved sales therein.

Technology can create an in-store experience that's memorable, distinctive and ultimately drives customer loyalty, regardless of whether final purchases are made in-store or online. From travel agents offering VR tasters of holiday destinations to bars with voice-assisted drinks orders at the table – the retailers who win will be the ones to give consumers what they want, before they know they want it.

PAYMENTS

The final area where technology and service collide – both on and offline – is payments. No one likes to part with their money and making the process of handing over cash as painless as possible is not only part of increasing sales, but also a simple but effective way to offer a good experience.

The simple thing is that payments need to be easy and, where possible, invisible. Online, payments are the biggest impediment to conversion, with 87% of consumers saying that a "complicated" checkout process will make them abandon their shopping, according to research in the US by Splitit, conducted in partnership with the Google consumer survey[7].

In fact, 55% of polled consumers say that will not only abandon their carts but also will "never return" to a retailer's website if payments are too lengthy or tricky.

And this is pretty much true across different age groups: 90% of those aged 55+ and 12% of millennials say that they will not "follow through" with a lengthy purchasing process.

In-store has similar issues. A study by retail tech company Jisp finds that almost half of shoppers in stores have ditched a purchase because of long checkout

queues, with 24% calling for retailers to adopt more modern and tech-based payment tools, such as mobile PoS[8].

But the need for a rethink on payments as part of the customer service and experience mix goes deeper than just changing the checkout. While, arming shop workers with devices to help locate goods, check and order stock and take payments is vital, the very nature of how people pay needs to be reviewed.

Payments need to be made as invisible as possible, but they also need to be done before, during or even after 'purchase'. This creates unprecedented flexibility for shoppers, letting them pay online then get, or pay on receipt of, as is becoming more trendy as we have seen, 'try before you buy' (TBYB).

TBYB allows shoppers to order or collect a range of items, send back the ones they don't want and only get billed for those that they keep. Asos is pioneering this in fast fashion, letting its customers buy several items and have them delivered then billing them – 'invisibly on their pre-registered card – for what they don't send back within 30 days.

Young people love this and it is starting to attract interest across retail as we have already seen. It is also leading to new phenomenon of 'buy, hashtag, return', where people order often high-end goods, take a selfie with them/wearing it which they post, and they return – all without paying[9].

This is just one of the downsides – along with stock issues as discussed earlier – but there is an unstoppable move towards this model for less obtrusive and more flexible payments on and offline as retailers look to offer the services that shoppers want.

STAFF

All these in-store and online service and experience changes – and the inherent technology changes that come with them – have a huge impact on staff. As service culture shifts, so too does the job of being a shop worker.

There is a Catch 22 at the heart of in-store staffing in that as footfall falls, so staff levels are cut, which leads to poor in-store customer service, which in turn drives a fall in footfall. The only way to arrest this part of the High Street's decline is to invest, not necessarily in more staff, but in better trained and equipped staff.

Newer technology is costly, but really it should be looked at in terms of how well it can augment what you already have. In the case of staff, it requires arming them with some technology – such as smart devices, AR and VR and access to perhaps more detailed stock information – but more arming them with the training and insight to use that more effectively.

This is a true cultural change for many retailers, but one that is essential. The true value lies in how people interact with people and the tech is there to help that, not replace it.

As seen at Heal's, its expert staff, highly-trained in designer furniture, not only help the in-store customers, but are also at the end of the line when online customers conduct a live chat – with stupendous up-sale results.

B2B SUPPLIER ECOSYSTEM

As the third vector of our look at customer service and experience culture, B2B is the poor relation to both customer-facing and internal staff culture. B2B ecommerce in general is woefully under-resourced technically and supply chain management – while a massive subject in itself – is an area that has yet to catch up with the consumer market.

However, cloud-based SaaS is helping link retailers and their supply chains more closely, while increasingly sophisticated data systems and the use of AI

to analyse and understand that data is delivering efficiency gains. While this isn't pure customer service as a retailer would know it, it offers the chance to streamline and connect, which are beneficial to any relationship.

Cost savings in warehousing and management of stock and delivery are one thing, but making customers, staff and suppliers more interconnected is what lies at the heart of creating a cross-business service culture. You can't have one without the other and, being so interlinked, the changes at the customer-facing front end will drive changes internally. These changes, in turn, will change how suppliers and retailers interact. ■

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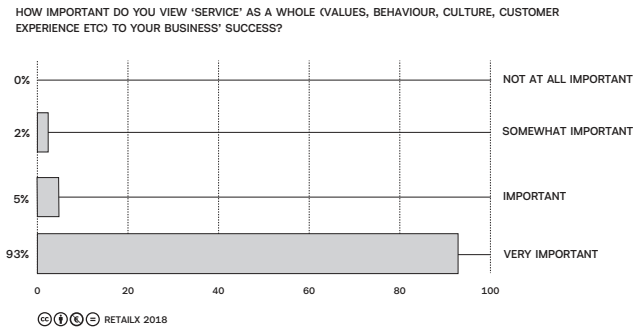
SURVEY RESULTS

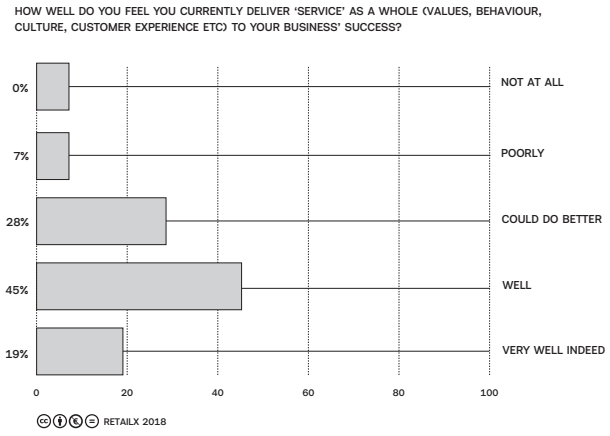
To understand what retailers are thinking and doing when it comes to customer service culture across omni-channel retail, we surveyed the InternetRetailing Top 500 companies to gauge the industry's view on where service fits into their customer-facing, internal and B2B strategies. Here are the results.

HOW IMPORTANT IS SERVICE AS A WHOLE – COVERING VALUES, BEHAVIOUR, CULTURE AND CUSTOMER EXPERIENCE – TO YOUR BUSINESS SUCCESS?



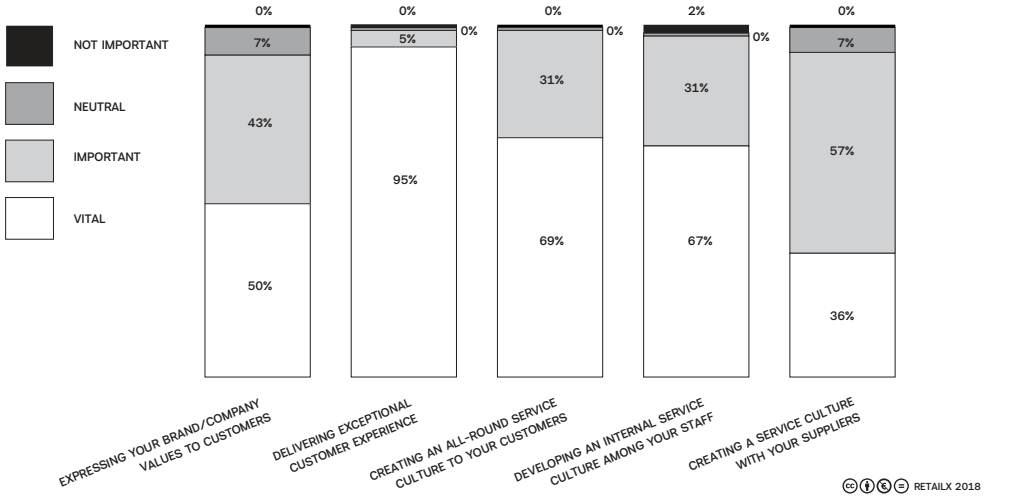
The idea of service is entrenched in retailing from its very earliest days and so it comes as no surprise that the vast majority of retailers (93%) rate service as very important, with 5% rating it important. With changing circumstances out on the High Street and the ever-present changes wrought by the internet, service still remains one of the core retail craft skills that underpin success. However, in the changing retail landscape it is what constitutes 'service' that is changing and how to get there.

HOW WELL DO YOU FEEL THAT YOU DELIVER SERVICE AS A WHOLE?



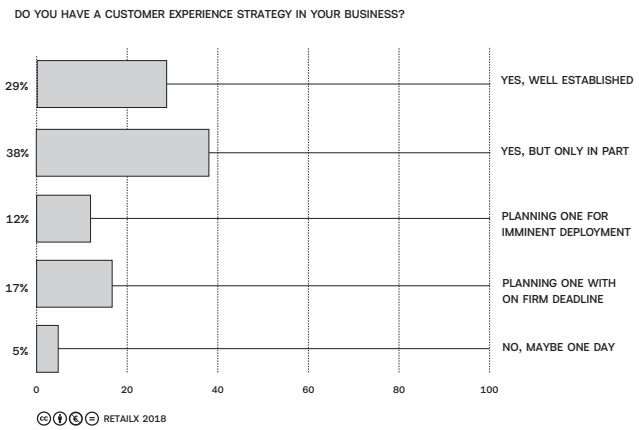
With retailers all aware of the vital role of service in business success, it is interesting to note that, while 64% feel they deliver it well or very well already, nearly a third (28%) feel they could do better and 7% feel they do it poorly. This may mark out modesty on behalf of our retailers, or it could suggest that everyone knows they can always do better – but it could also be an indication that, in a changing retail landscape, the service levels and techniques that have worked to date are no longer fit for purpose.

CONSIDERING EACH OF THESE AREAS OF SERVICE AND THE POTENTIAL BENEFITS THEY CAN DELIVER TO YOUR BUSINESS, WHICH IS MOST IMPORTANT TO YOUR ORGANISATION?



Breaking down how service plays out across the three metrics of customer-facing, internal and B2B strategies, we can see that the majority of retailers consider service levels to be of utmost importance to brand values, customer experience and customer service levels, with 50%, 95% and 69% respectively rating it as vital. Two thirds (67%) rate it as important internally as well. However, when it comes to creating a service culture within the supply chain, only a third rate it as vital – the majority (57%) seeing it as important. This backs up the anecdotal findings across this white paper that retailers understand the need to deliver customer service to customers and, to some extent, their staff. However, when it comes to B2B, the mores of modern retailing are yet to make any in-roads.

DO YOU HAVE A CUSTOMER EXPERIENCE STRATEGY IN YOUR BUSINESS?

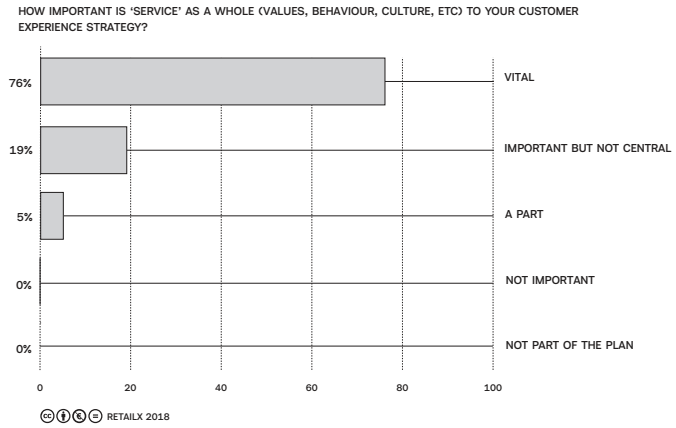


Getting to the heart of how retailers need to evolve, we questioned the Top500 as to their current customer experience strategy and found that 29% have a well-

SURVEY RESULTS

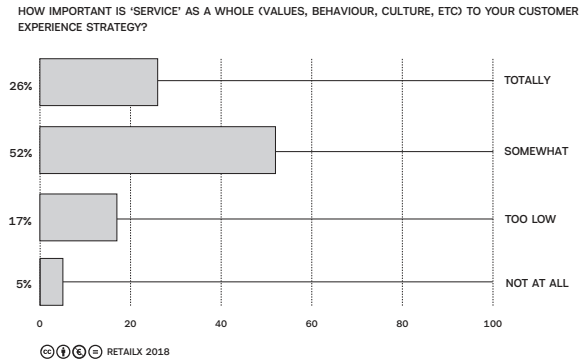
established strategy, while a further 38% do, but only in part. A further third (29%) are planning one that is soon or eventually to be deployed. This chimes with the earlier result that retailers are more than aware of the need for customer experience, but that many don't feel that they are doing it as well as they could. These results also reveal that there is still some way to go for many retailers when it comes to evolving to meet the new demands of the experience-seeking consumer.

HOW IMPORTANT IS 'SERVICE' AS A WHOLE TO YOUR CUSTOMER EXPERIENCE STRATEGY?



Here we see how retailers are attempting to join the dots, with 76% of those that do have a customer experience strategy (in place or in the making) seeing service ideas as the cornerstone of building an experience strategy. Here we see the link between needing to dedicate resources and tactics to developing the kind of service that will produce an experience that is desirable to the customer.

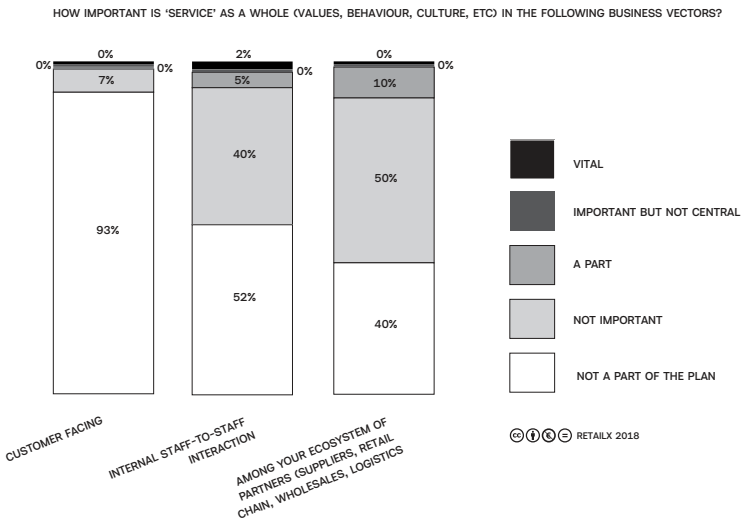
DOES YOUR INVESTMENT IN 'SERVICE' AS A WHOLE MATCH YOUR AMBITIONS?



The ambitions to deliver customer service to produce the kind of experience that will drive footfall and clicks are largely being backed by investment – however, the majority (52%) feel they don't have the resources they fully need. They will be competing with 26% that feel fully financially resourced who, one would like to assume, are going to be the retailers that are at the forefront of transforming

internal and customer-facing service culture to deliver the kind of retail experience that today's shoppers demand.

HOW IMPORTANT IS 'SERVICE' AS A WHOLE IN THE THREE BUSINESS VECTORS?



Looking at how retailers view service as part of creating customer experience and reshaping the in-store and online retailing paradigm, we see that customer-facing strategies are heavily reliant on service, with a 100% of retailers saying it is vital or very important. The picture changes when we look at the other two vectors of internal staff-to-staff service and the B2B ecosystem. Internally, 93% of retailers see service as vital or important – but split 52% to 40% respectively. 2% don't see it as important at all internally. When it comes to the B2B ecosystem, again we see less enthusiasm for service but more emphasis on it than other answers have suggested: 40% vital, 50% important and 10% a part. This brings in the idea that, while B2B ecommerce is under resourced technologically currently, it is ripe for improvement and that changes may yet come.

CONCLUSIONS

So what do the results tell us? Broadly, they back up what all retailers (should) know: customer experience is the key to transforming business success – especially in the in-store and omni-channel environment – and that creating a service culture around that is one of the keys to delivering it.

Interestingly, retailers unanimously understand this in the customer-facing vector. However, when it comes to how extending these ideas into the business and the supply chain, enthusiasm is lower. Taken together, the figures point to retailers seeing the potential gains in doing so, but lack or time, resources and the need to capture the customer-facing side first all push this lower down the business agenda.

Internal customer service plays, however, can pay off – witness Heal's using its in-store experts to handle online live chat enquiries – shows how investment in staff and technology can actually also play a significant part in winning the sale.

The supply ecosystem – as with all areas of B2B ecommerce – is woefully lacking in actual service and technology and, while the research points to their being a desire to rectify that, there are many other tasks retailers deem more vital and so it looks to be, for now, parked. ■

CASE STUDIES

JOHN LEWIS: CUSTOMER SERVICE STARTS WITH STAFF

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For department store John Lewis, the future lies in differentiation from its competitors and that means a rethink of what stores are for and what 'service' means.

This Summer, the John Lewis Partnership – which owns the John Lewis department store business, a Leading retailer in IRUK Top500 research and the Waitrose supermarket chain, ranked Top50 – changed its name to John Lewis & Partners and Waitrose & Partners to reflect the fact that staff are at the heart of a change that will see it "sharpen" its points of difference and that it would invest upwards of £400m to £500m a year to focus the business on competing through differentiation and innovation rather than scale.

So what does this mean in practice?

From now, John Lewis will focus on unique products– with a "curated and targeted assortment which is increasingly unique to John Lewis" – on personal service and on expanding into new services, as recently seen through its acquisition of home project organisation business Opun, which builds on its shift to a concierge-style customer service model at some of its stores.

Last year John Lewis introduced online booking for home trade services, and since then has launched two stores, in Oxford and at Westfield London, with a focus on concierge-style services for customers, organising their in-store experience as if a concierge in a hotel.

That might mean booking a place in a workshop on lighting, a table in the restaurant or a session with a personal stylist. At the time of the Oxford store opening, John Lewis managing director Paula Nickolds, said: "As part of our plans to differentiate the John Lewis brand and to reinvent the department store for the 21st century, our shops continue to be a place where customers come and experience our brand - the physical manifestation of what we stand for. More than a route to selling things, our Oxford shop is a place that aims to inspire and delight our customers and is entirely focused on customer experience."

With the acquisition of Opun, the department store continues its emphasis on customer service.

The name change drives home how the partnership is focussing on customer service as its key transformation tactic – and that staff are the key to this. According to the partnership, staff are the partnership's "point of difference and its competitive advantage", and that it would continue to invest in them. ■

HEAL'S: HEROES OF CUSTOMER SERVICE ON AND OFFLINE

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Leading designer furniture store Heal's is famed not just for its cool furniture, but also for its expert in-store staff. The retailer, with several stores dotted around the UK, has long taken pride in its store staff knowing what they are talking about – and it has been a successful sales tactic in-store for many years.

While many retailers are (rightly) focused on trying to add the best bits of the web to the store, Heal's is going the other way. Now it is pulling that expertise onto the web.

It is working with technology company Hero, so that online shoppers on Heal's website can connect with expert advisors working in six stores across the UK at the tap of a button.

Once connected via Live Chat, in-store advisors can answer questions and offer advice, but they can also send recommendations, send photos of the goods, or even do live video broadcasts to the client.

Since Heal's started the service about a year ago, the average order value (AOV) at Heal's online has increased by 57%, while online shoppers are now 14 times more likely to make a purchase, says Heal's ecommerce director David Kohn.

"Hero is helping us remain at the forefront of retail, enabling our online customers to access in real-time the knowledge and passion of our in-store experts. This not only reinforces what makes the Heal's brand and experience special, but is also very successful," Kohn says.

"It also adds a huge dimension of personalisation to what we do and builds on our belief that P2P interactions are the heart of retailing," he continues. "It also makes perfect business sense: we get about 10 times more visitors to our site than our stores, but like all retailers online conversions are lower. So this makes sense as it helps lift online sales thanks to our in-store experts." ■

PANDORA: AN OMNICHANNEL JEWEL IN THE CROWN?

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Earlier this year Danish jewellery retailer Pandora announced a new five-year strategy, focusing on creating a "digitalised brand experience" and "winning in omnichannel retail". The strategy has already seen the introduction of a new dedicated digital team, the establishment of its own in-house design capability and the building of a new analytics function focused on eCommerce.

In August this year it announced it would reduce its staff by around 400 and implement new organisational changes in order to shift more resources to digital.

The company's first Chief Digital Officer and SVP for digital consumer experience & eCommerce, Karl Walsh, says that the move has been "a natural evolution" for the 36-year-old brand rather than a dramatic shift in thinking.

"We've not diminished our retail capabilities but we're thinking in terms of omnichannel ," he says. "You'll never hear the store talked about separately to the online experience. We need to be where the consumer wants to be, when they want to be there."

On the one hand, this means providing online-only customers with a strong brand experience on the website, helping them to understand dimensions, colours, and the look and feel of products.

On the other, it means offering the same capabilities to customers in-store as they can get online.

"If you're in a store and you want to buy something but don't want to take it home that day for whatever reason we can ship to you from our online eSTORE even if you buy in-store.," he expands. "That's a service we are rolling out this year."

In essence, the channels need to be "in lockstep", with neither channel being short-changed. This means presenting the consumer with a consistent journey across these different touch-points.

For Pandora, this has meant breaking down silos within organisations. Marketing owns the brand, so everything online has to be done in accordance with the brand guidelines. The customer's path to the site via marketing channels needs to link them seamlessly with the purchasing journey on the page itself.

Walsh, who has founded retail technology companies and worked in consultancies for the industry, believes that retailers should fill their teams with proven innovators in retail itself and ensure the structures are in place for them to deliver change.

"Any big company that has grown this fast ends up with redundancy and duplication of efforts," he says. "So, we have cleaned up how we deliver, reallocated resources to digital and made mandates clearer. It's a buzzword but we have become more agile, moving faster at satisfying the consumer. Who are the consumers and what are their pain points, what motivates them, what energises them? The tech matches that." ■

HOLLAND & BARRETT: FOCUSING ON TALKING TO CUSTOMERS

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Talking to customers is a real focus for health food retailer Holland & Barrett. The business trains its staff to take an expert approach to advising shoppers in store.

Staff go through its in-house Holland & Barrett Natural Health Academy, on courses that last an average of a year, in order to gain qualifications that equip them to advise customers in-store about products such as dietary supplements.

It's an approach that the retailer prides itself on and it's no surprise that it features prominently on its website as well. The site is home to The Health Hub blog, populated with recipes, advice, explanations of different supplements and how eating foods from carrots to golden flax seeds can help to improve health.

One interesting feature is the use of a 'trending' box next to the Health Hub search box. At the time of writing, immunity, vegan and sleep were all featured, pointing shoppers towards information that others were finding useful. The website also promotes the Healthbox scheme, which recommends products based on an interactive consultation, alongside personalised advice.

As well as offering advice and information, the Holland & Barrett website encourages shoppers to get in touch with their feedback through its website. There, the feedback link sits alongside a quick form enabling shoppers to sign up to email messages, and links to engagement channels including Instagram, Pinterest, Facebook and Twitter.

Online and store engagement are connected through in-store ordering. Shoppers can find out more through digital screens in the shop using an in-store app.

Holland & Barrett's cross-channel loyalty programme, Rewards for Life, enables customers to earn points towards discounts. Shoppers can sign into the scheme via the store's iOS app in order to activate a card, and can also create their loyalty account through the app. The app features a wish-list. Data from the scheme enables Holland & Barrett to understand its customers and their behaviour, enabling it to improve the way it engages with each one of them. ■

CASE STUDIES

GAME PUTS THE EMPHASIS ON THE CUSTOMER EXPERIENCE

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Games marketplace and store chain Game Digital has opened the first of two gaming arenas that aim to give online gamers a real-world location to experience, test and try all the latest gaming hardware and software.

The new Belong arena opened in the Westfield shopping centre in Shepherd's Bush in West London, and is the first new venture since Game formed a partnership with Sports Direct. A second Belong arena is scheduled to open in Thurrock on the eastern flank of London next month.

Each arena has space for 50 gamers to play the latest games on the latest hardware, marking a move by the online company to start to offer a real-world customer experience for its customers and prospects.

The company already has a number of much smaller Belong venues around the country, but this marks a significant step forward.

"The existing 19 Belong arenas continue to perform well with all key metrics advancing, a considerable affirmation of the offering," says Martyn Gibbs, chief executive, Game Digital. "Opening the first two arenas in collaboration with Sports Direct represents a significant step forward as we implement our strategy to increase the availability and scale of Belong, our experience-based gaming offer and e-sports activities. The UK and Spanish mint retail markets continue to show growth and we expect this momentum will continue into our new financial year and the peak trading period, driven by a strong line up of new software releases."

Research by Barclaycard suggests that staging events in stores has a very real effect on income. It says that they answer customers' desires for more engaging high street experiences and that people who attend them spend more.

It questioned 2,002 shoppers and found a marked enthusiasm for in-store events among younger shoppers. In the 18 to 24-year-old range, 15% say that in-store events after hours would encourage them to choose one retailer over another.

At the same time, its analysis found that UK retailers who stage in-store events and experiences have seen their annual turnover increase by, on average, 14% this year. Barclaycard has seen consumer spending on entertainment grow by 10.5% during the year, compared to last year. ■

CONCLUSIONS AND ACTIONS

There is an unstoppable drive to change how omnichannel retail delivers experiences to customers. While the in-store side of the business is most in need of evolution, the need for service culture to deliver that experience runs not just across stores and the web, but also internally and into the supply chain.

This white paper has looked at how those changes can be made and managed across the business. Here is what we have learned.

WEB-ONISE YOUR STORE

Stores are where transformation of experience is most obviously missing today – although it isn't an exclusive in-store problem – and it is here that the process can start. The reason the web is eating your lunch is because the experience is good. Let's qualify that: the web is fast and slick and so gets a lot of business. However, shoppers want interaction, they want to ask questions and they want to see, hear, feel, touch and taste the goods they have seen online and on social. This is where the store still as a role to play. Make it more like the web – better access to information and stock, easier ways to pay, better informed staff – and you are already winning.

MAKE YOUR STORE A DESTINATION

While adding technology to the store to make it more like the web is the starting point, the purpose of the store needs to be rethought: it needs to be a place to go and enjoy and linger, as well as shop. Yes, serve coffee, but also look at how to add fitting rooms, click and collect, experts giving talks and demos, open it up to offering customers a place to experience the merch 'in the flesh', in action and get hands-on with the goods.

EXTEND EXPERIENCE TO ALL CHANNELS

The true meaning of omni-channel retailing is becoming clear, defined by consumers as a complex web of discovery, search, research, experiences and purchase. All these elements are now part of the retail process, but no one is tied to a particular channel. Hence, retailers needs to be able to offer all these elements on all channels. We have seen how the store can play a part in that, but what of the web? Websites too are under pressure to change: only those that offer what shoppers really want are winning. Amazon is the big winner because it offers a vast selection in a very easy to find design – and with very simple one-click payment. You need to copy this.

ADD THE REAL WORLD TO YOUR WEB

The web experience can also gain from seeing what elements of the real world in-store experience chime with shoppers too. Access to information, experts and someone to answer questions is one of the key benefits of going to a retail store. So replicate this on the web. Use videos of demos and events to showcase products – filmed ideally in-store – offer the ability to connect to experts through Live Chat 24x7, even using your own store staff to do so. See what works for you.

MAKE PAYMENTS SIMPLE

One of the most upfront changes that retailers need to make to both their store and web presence is to make payments as invisible as possible. This means making them as slick and seamless as possible. Online this means opting for stored cards that autofill and allow one-click checkout. In store, it means rethinking POS: taking it from a place to making it a person. Arm staff with the tech to help and to take payments. This is what makes payments the link between customer and staff and is the starting point for developing a service culture that helps both.

AUGMENT YOUR STAFF AND YOUR CUSTOMERS

Technology isn't a win in its own right, but more a tool to be used to augment your staff and your store. Augmented reality (AR) and virtual reality (VR) are both technologies that are at home on a web-enabled mobile device: so use them. AR and VR can be used to help your staff and your customers to visualise things before they buy them. This can be used in-store to show products in the users home. It can also be used online to look at products overlaid on their own home or on themselves. Giving both staff and customers technology to augment what they do is key to delivering a great service.

APPLY SERVICE INTERNALLY

To make all this happen you not only have to look at changes to culture and technology in the consumer-facing parts of the business, but also at how to create an internal service culture. IT needs to be able to deliver what the store or the staff, the Live Chat agents or even the customer needs. This means that how your business is run needs to be scrutinised. Expect to see more posts for 'Customer Experience Manager' and permutations thereof in the job ads – retailers need to focus less on channels and more on service.

EXTEND TO YOUR SUPPLY CHAIN

As well as rolling this out to your staff, the idea of service culture must also be instilled across the supply chain. While B2B 'retail' is less technically advanced than the consumer world, it does have a lot of cloud-based and data driven systems. Sharing these and the data they are built on increases the understanding and responsiveness across the supply chain. Applying the ideas of service culture to the supply chain can reap savings and efficiencies that, while not directly linked to saving the High Street, ultimately have a very important role to play. ■

SUMMARY

The world of retail is driven today by experiences: online has been so successful because it offers a quick and easy experience; in-store has suffered because it seems dated and outmoded. But that can change.

In an omnichannel world, both online and in-store can benefit from a revamp to deliver the kinds of experience consumers want – and this has to be driven from a move to a more customer service focused culture across the business.

In this white paper we shall look at what is driving this change, how to deliver it and how to curate and manage it so that it evolves as customer tastes and demand evolve. The paper looks at how online and in-store need to work together – and steal the best bits of each other – to deliver the customer-facing culture that can deliver these experiences.

But it takes more than just a shake-up of the customer-facing parts of the business: this cultural shift goes across internal processes and technologies and out into the supply chain.

Drawing on real-world examples from the industry and using data from our bespoke survey of InternetRetailing's Top 500 retailers, this report builds a clear view of the why, what and how of customer service culture evolution for all retailers, large or small, pure-play or omni-channel. ■

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