InternetRetailing
Selling in the digital age

The Customer
JOURNEY
RESEARCH REPORT MAY 2013

Editor's comment

The customer journey. Three words that to the customer are a simple process that they don't even think about. For the retailer however it's the path their customers take from desire, to buying and as such provides a number of steps and opportunities to engage with the customer throughout. Get the journey right and you will have a customer hungry for more. Get it wrong and the customer may not even reach that end point – the sale- let alone grace you with their presence, and spend, again.

Instore the customer journey has long been analysed to the finest detail but online retailers are still getting to grips with how to map out and understand the customer journey, as well as realising the benefits and wins that can bring them when they get it right.

Understanding and defining the different steps in the journey is the obvious place to start and as such it's where, following the introductory comments from our sponsors (pages 4-7 expert opinion) we begin our report – by identifying the steps and sticking points that retailers and customers currently encounter on the customer journey (pages 8-11 defining the customer journey).

Better connecting these steps then obviously means a slicker process that will give the retailer richer data and understanding. But how do we go about doing that? (pages 12-15 getting better connected).

Getting truly to the heart of the customer journey is a daunting prospect because it requires such an in-depth understanding of the customer, which in itself, is a hugely data centric task. The customer really does now take centre stage and the retailer – their audience in effect – must bow to their every need (pages 16-18 the customer at the heart).

But does this unbalance the relationship between retailer and customer and where do you define the line between what you are doing for the customer and what you are doing for your business? It can seem at times that we are simply adding complexity, or new components that compete with each other, rather than a level of elegant simplicity and focus. Have we simply overcomplicated what should just be a simple process? (page 19 the balance between the customer and the retailer).

Giving customers the right information to buy is also a key challenge for retailers. With so many competitors for every retail concept you can think of, standing out from the crowd is vital. Content plays a key role in differentiating yourself and improving the customer journey – the equivalent of a shopping assistant online as it were – but many retailers are struggling with how to get this balance of content right in what is after all a very limited space (page 20-22 the balance of content).

There is little doubt from our research that retailers are working hard to improve their customer journey through better consumer understanding and better planning of the touch points their customers encounter but they are only at the start of their own journeys towards achieving this goal. They want to get closer than ever to their customers and as such personalisation of the shopping experience is key. The better they know their customers and can tailor the journey to them the more profitable that journey will be (pages 23-25 the role of personalisation).

Retailers have a number of challenges they need to overcome. It's a complicated and long process but one that they know they need to overcome if they are to provide the best experience, and the best customer journey for their customers.
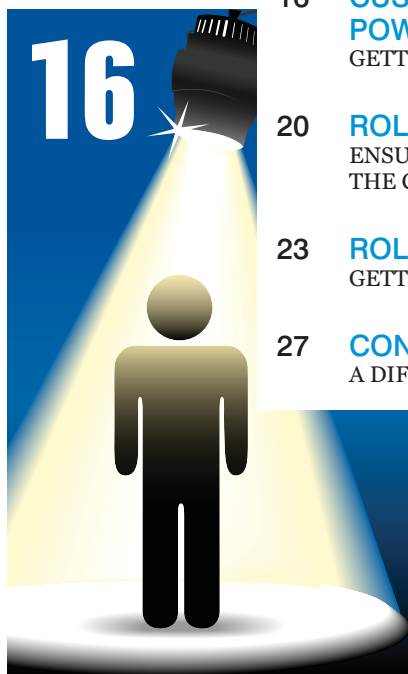
The customer journey – tough for the retailer but as simple as jumping on the bus for the shopper. Come and join Internet Retailing on the ride. ●

INTRODUCING OUR SUPPLEMENT EDITOR

Liz Morrell is an experienced retail and business news and features journalist who has more than 15 years' experience of writing about the retail sector. She is a former features editor of Retail Week where she spent more than 9 years as a full-timer. She loves all things retail but just wishes her "research" (insert shopaholic tendencies here) didn't cost her quite so much.

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How important is convenience as part of a successful customer journey?

RETAILERS SHARE A COMMON PURPOSE; CONVERTING BROWSERS INTO BUYERS. THIS MAKES THE CUSTOMER JOURNEY THE BACKBONE OF ONLINE RETAIL; FROM MERCHANDISING THROUGH TO DOORSTEP SATISFACTION, IT IS THE CRITICAL PATH THAT SHOPPERS FOLLOW TO SUCCESSFULLY COMPLETE A TRANSACTION. AND IT IS CONSTANTLY EVOLVING THROUGH OPTIMISATION; A PROCESS OF PERPETUAL ITERATION THAT ENABLES THE BUSINESS TO IDENTIFY AND RESOLVE POINTS OF ABANDONMENT OR IMPEDIMENTS TO THE SALE.

A great journey empowers customers to discover and buy what they want, when and how they want it. A great experience makes them feel good about buying and keeps them coming back for more.

The critical point of failure is where the online and offline worlds merge; delivery. People love to shop online because it is quick and convenient - two things that delivery is not.

Online retailers typically invest 5% of revenue into customer acquisition and retention. Yet inefficiencies within the customer journey – largely stemming from inconvenient fulfilment options – mean that the majority of this investment is wasted before it's even left the bank. Around 40% of marketing spend is wasted by delivery, costing UK retailers in excess of £1bn in 2012.

Delivery is the number one reason given by consumers for not shopping online with 90% of those that do shop online citing delivery as their top annoyance. Fulfilment is the final step in the online customer journey and, returns aside, the last interaction a retailer has with the customer. Beyond the product itself, delivery is the single greatest influencer as to whether that customer will buy more or less from you again in the future.

Amazon understands that there are 3 key reasons why consumers buy online: price, range and convenience. For price and range Amazon hold a clear structural advantage over traditional retailers - they don't have stores.

Amazon stocks 100+ times the range of Walmart because they simply aren't limited by what they can fit into their stores. Instead, they are only restricted by what they can fit into their warehouses, which are vast and located in the middle of nowhere where land is cheap. Bricks and mortar retailers, conversely, need physical stores to be close to shoppers, where land is expensive. They also require a far larger workforce. Not a surprise, therefore, that Amazon's second largest acquisition to date was Kiva - a warehouse robotics business. This more efficient cost base translates to a 20% price/margin advantage over Walmart. If the world's largest retailer cannot compete with Amazon on price/range, what chance is there for everyone else?

Hope exists in the form of convenience.

Amazon are the current leaders in convenience with their Prime service, and in the US are investing $billions in distributed warehouses so they can provide faster delivery - extending even to same day delivery in some markets. It's here, however, that multichannel retailers hold the structural advantage. They already have far better distributed stock. It's sitting in their stores…

eBay, Google and Walmart all understand this and have made considerable investment to provide retailers and consumers with an Amazon beating proposition. And they're not the only ones. Smart retailers realised the opportunity to turn stores from liability to asset five years ago. The fastest growing ecommerce trend in the UK and US over the period (in absolute $ terms) has been multichannel, and specifically click and collect. The success of click and collect is, in effect, the failure of delivery; most shoppers just don't consider traditional delivery to be sufficiently convenient.

At Shutl we believe that convenience is king, and that the solution to the fulfilment problem lies in offering customers delivery when they want it - be that in minutes or within a one-hour window of their choice. The resulting experience delights shoppers, and is proven to keep them coming back for more.

Tom Allason
Founder and CEO Shutl
www.shult.com ●

How individual should a customer's shopping experience be and how much time and effort should a retailer invest in developing this?

Today's online shopper has come to expect a quality experience when they shop online. Their expectations are that every site they use should be like the best experience they have had, or even better. Customers are increasingly demanding a personal, highly relevant and efficient shopping experience and if they don't get it, they go elsewhere.

If you're in online retailing this creates a challenge. Today's customers want it all: the price and convenience they get online, the shopping experience they get in store, the ease of home delivery and the one-to-one service of a boutique. They don't think about product exposure. They don't worry about 'the customer journey', and they don't care about your internal complexity. They just want to be able to buy the things they need in the way that's right for them, as an individual. Their needs aren't static, so their experiences on your website can't be either.

Traditional in-store merchandisers are constantly looking at new ways to improve the experience for their customers. They have the luxury of thousands of square feet, accessorized mannequins, attractive gondolas and showcase displays, and are able to create an environment that is conducive to driving sales. For their online counterparts however, working within the constraints of an inflexible eCommerce platform or with rule-based and point solutions, adds unnecessary complexity to an already complex issue. Equally importantly, they are unable to leverage key merchandising components like search, navigation, and recommendations to create a tailored and intuitive customer experience.

In the world of eCommerce, we've moved on from selling to facilitating the customer's buying process. eCommerce Directors and online merchandisers need to optimise the customer experience, by delivering what their customers care about.

First, retailers can only meet customer expectations by achieving excellence in customer understanding, powered by both qualitative and quantitative, historic and current data that provides the context that's critical to taking relevant actions.

Second, customers' needs aren't static or compartmentalised, so their experiences on your website can't be either. To provide a tailored, intuitive and dynamic customer experience requires a unified, real-time approach across all of the key elements in the merchandising toolset.

Take this typical scenario, for example: Busy working mum Alexandra runs a business and a household. She might visit your site to order a new business suit and designer laptop sleeve during the day, children's clothes and toys in the evening and make-up, her husband's holiday clothes and a new vase for the home at the weekend.

By gaining an in-depth understanding of Alexandra's online behaviour and importantly her non-behaviour, retailers are now able to take advantage of highly scientific and mathematical algorithms specifically designed to predict shopping behaviour, to provide a more personal, tailored and optimised shopping experience, in real-time.

More than this, retailers should also be leveraging the data from the thousands of other people who shop with them, and similarly to Alexandra. Her counterpart Sarah for example, has similar buying patterns and provides great insight into her future purchases so you can tailor her visit the next time. You have the data, use it.

But why should retailers invest time and money in developing and delivering a better online customer journey that is individualised?

Primarily because if they don't, their customers will go elsewhere. Analysing data and providing an optimised and personal experience for online shoppers enables retailers to truly differentiate themselves - delighting their customers which builds loyalty and drives revenue.

Successful brands understand their online potential and customers, and those that don't will fail.

Your online customer wants to feel valued. Yes, delighting your customers online is a challenge, but cutting-edge retailers are re-defining personalisation, taking a unified approach to traditional point solutions so that they can guide, advise and inspire their online customers with instant content, in context increasing their lifetime value. Remember, customers don't care about the complexity of your site. They care about getting exactly what they want, easily and quickly.

Andrew Fowler
UK country manager
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How can you learn lessons from social media to improve your business and why is listening to your customers so important?

Consumers are in control – they are driving how brands interact with them. Social media is just another way that consumers 'talk' to brands. So, if you are listening to the feedback or chatter across social media sites, you can gather a great deal of data about your customers, what they like about your brand, how they feel about your products and service or what they would like to see you do differently. This insight is valuable in helping brands improve process or strategy across the organization.

Businesses are getting feedback from their customers all the time. They gather customer reaction to marketing campaigns and whether they were opened, responded to or simply ignored; visits to the website and what products people spend time looking at; or purchase data and whether items were on promotion, at full price, or offered at a discount. Companies might also directly ask customers for feedback through surveys as well.

These methods all contribute to gathering a rich source of data on customers. However, they don't give the full picture, and that is where social media can help to enhance listening for your customers. Everyday more than 550 million users comment or post on Facebook and nearly 7 million people tweet through their Twitter accounts. People write about your brand in their blogs and rate your products on consumer review sites. The likelihood of your brand being included in one or many of these posts is high and can provide valuable information about how individuals feel about your brand and how they feel about your products or services. What you do with that data is just as valuable.

Social media is a great listening tool. It provides a wealth of data on people's attitudes and perceptions. It can really help to understand the attitudes of customers to a retailer, and identify if there are likely to be challenges, for instance a delivery issue flagged up via social media comment may suggest that a retailer might have to work harder to keep potentially dissatisfied customers from not buying again. By pulling in data from social media monitoring tools, such as SDL SM2, directly from key social media such as Twitter, or from social media engagement specialists, such as EngageSciences, gives a valuable extra dimension to a customer database, and helps to refine marketing strategy.

While social media data on its own can give you useful insight, it becomes even more valuable when you can combine it with all your other customer data as well. By being able to directly link your social and customer data, either through fuzzy matching, using social log-ons, or by a match key such as email address, you suddenly open up the potential for more detailed insight.

One of the big advantages of social media monitoring is also that you can get real insight on your competitors and your customers' views and opinions of your competitors. For instance by listening to whether your higher value customers seem more engaged with your or your competitor could give you clues on the share of wallet you have with them. If your high spending customers seem also to be spending heavily with a competitor, then you might well be able to initiate strategies encouraging more spend with you.

With social being one of the newer channels, it is easy to be tempted to forget the other channels available. For instance while you can speak to your customers via social media, you can also use what you learn about them through your website, email, SMS or traditional channels as well. By building omni-channel automated campaigns you can trigger activity to customers at the right time, about the right products, to drive your customers to buy through the channels they prefer.

Just as you want to move customers through a successful journey with your brand - from acquisition, to repeat purchaser, to regular purchaser, to advocate, we find most companies are on a journey in their usage of social media. We see the successful retailers managing their customer journey communications effectively, and believe the same will be true when using social media. Many companies are social media active, but often quite tactical and disjointed in the way they use it. The ones who succeed will be those who integrate listening, link social data with their customer data, and then use it as a communication channel alongside all of their other channels.

Emma Axam
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How have customer management strategies changed in the last couple of years and what more is there to be done?

I grew up in the belief that the best retailers (or shops as I used to call them) operated a 'the customer is always right!' policy. When you are standing in front of a customer that you know absolutely nothing about, other than what they look like and what they are telling you that is a good policy. In the information rich world that we operate in today it seems a bit old fashioned. A 'the customer is always right!' policy ensures that all customer complaints are treated seriously and that is absolutely correct, but it does not prevent the complaint from happening in the first place.

The best retailers today are adopting a new policy, the 'customer at the centre of everything' policy, which is driving a key change to customer management. Retailers are becoming better acquainted with their customers, tailoring the experience to the shopper's personal taste and focussing energy on delivering good service instead of servicing customers only when things go wrong.

The enabler in this change in customer management strategy, from 'the customer is always right!' to the 'customer is at the centre of everything', is technology. Multichannel retail is enabling retailers to understand much more about what their customers want, think they want and how they actually behave than ever before.

Most people in the world can presently access all kinds of information that is made widely available through the internet and that has huge implications in the way people behave and shop. For retailers, the effects of online social media has been far reaching and the opportunities are vast, enabling better understanding of customers through the collection of profile information and new ways of interacting with customers both individually and en masse. Social media is not a quick win though and customers have high expectations from brands.

Technology-centric solutions are helping to solve business problems in an innovative way. Much of this is evolutionary innovation and not disruptive innovation. Reserve or collect in store, sometimes called Click & Collect, is a good example of evolutionary innovation. It has been around for some time but only recently has the service reached a tipping point and become ubiquitous. Technology products and services have improved over time enabling many retailers to implement solutions in a cost effective way.

The power belongs to the individual and that is what will spur innovation in the near future. Google, Facebook, Twitter and tablets are technologies that have originated in the consumer space and are now reshaping the way companies interact with customers, partners, suppliers and employees. It is difficult to predict what the next catalyst for change will be, but the Google Glass project may well be a strong contender.

The move to an increasingly mobile world is creating new players and new opportunities across the industry. At the moment the question is not whether to build a mobile commerce experience, but whether to prioritise mobile over a traditional PC-targeted ecommerce website. Customers tend to carry their mobile phones with them all the time and technologies like Near Field Communication (NFC), similar to contactless payment card technology, is becoming increasingly popular with numerous services launching.

The growing number of customer touch points and the hunger for information within retailers is generating enormous quantities of data. IDC, a market research firm, suggests that by 2020, businesses will require 44 times more data storage than in 2009. Personally I believe that it will be more than that. Organisations are looking to improve performance and mitigate risk with actionable insights provided through business intelligence. In other words, "the customer (information) is at the centre of everything".

Nigel Atkinson
Director
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One step at a time

MANAGING THE CUSTOMER JOURNEY FOR A RETAILER IS A TOUGH JOB THAT REQUIRES THEM TO CONSIDER A NUMBER OF STEPS THAT THE CUSTOMER JUST DOESN'T EVEN THINK ABOUT. SO HOW DO WE DEFINE THAT JOURNEY AND WHAT ARE THE POINTS A RETAILER MUST CONSIDER?

Retailing used to be an easy game. Customer reach was limited and competition therefore came only from your neighbouring stores. In such instances the customer journey began with a customer need or a glance in your window and the jangling of the shop bell as the customer came in, and ended with them walking out with their goods. Your only influence as a retailer on their customer journey was how their experience in your shop was. It really was as simple as that!

Today retailers can only hanker after such simplistic retailing because the current customer journey is a complicated and lengthy route that requires expertise and skill to navigate if retailers are to win sales and thrive, and is only set to get more complicated. And it's an area retailers struggle with, as a survey of retailers carried out as part of this report showed that most retailers rate themselves simply as average when it comes to delivering the customer journey.

Yet understanding the customer journey allows retailers the chance to not only influence individual customer behaviour but also to understand shoppers of a similar mind-set or character and therefore influence a wider range of their customers than they have ever been able to before. Today it needs to be considered by retailers at both strategic and operational levels.

In theory it shouldn't be anything new because retailers have long been tracking the customer journey instore. "Through years of research and scientific analysis retailers that sell their products through physical stores or catalogues have perfected ways of guiding, advising and inspiring their customers by using such tactics as attractive and appealing window displays, in-store merchandising techniques and in the case of catalogues the use of rich photography and product positioning," says Andrew Fowler, UK country manager for self-learning search and recommendation personalisation specialists Apptus. "All of these techniques are ultimately about presenting products and information about offers and promotions to their customers in a relevant and appealing manner," he says.

The challenge of course is now about how to do the same job online and it's an area that retailers have been focussed heavily on in the last couple of years as they fight to meet the expectations of an ever more demanding customer who is better informed and better connected than they have ever been, and who demand an experience that matches or exceeds other customer journeys they have made.

"They expect an online retail experience on every site that is as good as the best experience that they have ever had," says Fowler. "They don't think about product exposure. They don't worry about "the customer journey", and they don't care about your internal complexity. They just want to be able to buy the things they need in the way that's right for them, as an individual. Their needs aren't static, so their experiences on your website can't be either. Today's customer journey should be less about selling and more about facilitating the customer's buying processes," says Fowler.

Who controls the customer journey is arguable – some suggest it is the retailer – others the customer and that a retailer's job is simply to adapt to make it as easy as possible for would be shoppers to convert. Nigel Atkinson, director of multichannel ecommerce solutions provider Neoworks (who works closely with the Hybris multichannel suite), says retailers can only guide customers along a journey – trying to predict their behaviour along the way. "The challenge is to understand whether a journey is working for customers or not," says Atkinson.

Others say it is not a customer journey at all but a relationship which must be nurtured and carefully managed if sales are to be maximised.

Where the journey begins and ends also differs amongst retailers and experts. Our survey showed that a small proportion of retailers still believe the journey only starts with the customer's entry to their shop or site and concludes with the sale. In reality this is a somewhat short-sighted view and it was therefore encouraging to see that the vast majority of retailers felt the customer journey was a longer process than that and should include every possible step at which they had the chance

to interact with the customer, whilst the more advanced of retailers viewed it as a lifelong interaction that they had to do their best to maintain.

Richard Weaver, ecommerce director at Majestic Wine Warehouses, is a retailer who believes the journey is infinite. "The customer journey starts the moment a customer becomes aware of your existence and, unless you get something horribly wrong it shouldn't ever end," he says.

Tom Allason, founder and CEO of delivery company Shutl, says that customers actually go on two different journeys – one that ends after a satisfied purchase and another that begins with the relationship established between retailer and customer.

Whatever the definition is one thing is certain – that the journey includes a number of steps, each of which should present the customer with the relevant information they need to make their buying decisions.

It's a treacherous path because unless each step is followed correctly the end goal – the sale – won't be reached. "Every time a customer has to take a step along their journey is an opportunity for them to step away," points out Majestic Wine's Weaver. "The key is to keep the barrier at each stage as low as possible," he says.

STEP 1 - MARKETING

In truth retailers can influence customers even before they have decided what they want, according to Raphaël Mazoyer, digital marketing manager at sports equipment retailer ASICS Corporation. "It's the evolution of a consumer's mind-set and activities over time, and the consumer's interactions with all brand touch points," he says.

But more likely the journey begins with a desire, suggests Heinz Meyer, online marketing manager of shelving specialist Big Dug. "It begins with the potential customer realising the need for a product which we stock," he says.

The customer then begins their research. "We define the customer journey as starting when a customer first sees the entry point for our site. This may be a Google Search result link, an online ad, a printed ad, a newsletter or a printed catalogue," says Johan Sävenstrand, CIO

of Ginza AB, one of Sweden's foremost media mail order and online specialists.

How a brand is therefore portrayed – in everything from its search engine optimisation strategy to its above and below the line advertising – is key. Capturing the attention of customers has to be cleverly done and the more personal that step of the journey is the better. "Social media and marketing has to feel personal and special – generic mailouts are not the way forward," says Emma Allen, managing director of Style Sequel, a fashion etailer for second hand designer clothes and accessories.

Our survey identified this as a current sticking point with retailers with around half saying that their marketing communications to customers was an area that currently required the most improvement within their business.

STEP 2 – THE EXPERIENCE

Once the marketing has worked to raise awareness of the brand and get them onto your site comes the moment of truth for the customer – how they actually fare on the customer shopping experience and the first impressions they gain of you. Our survey showed that providing a great experience online was the highest priority for the vast majority of retailers and therefore has to be the most important step in the journey. However around half of the retailers that responded said this was an area that still needed further improvement in their business, suggesting that there is much work to yet be done.

This need applies both online and instore, says Weaver. "Online we can see that single-page bounces are the most frequent type of visitor loss, but even in-store it's important that the first impression is inviting and welcoming," he says.

The flow must be continuous and the site designed for a seamless experience according to Niklas Jarl, sales manager at Swedish online toy retailer Lekmer. se. "It is important to avoid dead ends at important landing pages such as search page and product pages," says Jarl. "Every landing page is an entrance to the store. To be more relevant and specific on that page is the key to success. And of course, always be clear about price, availability

and delivery time," he says.

Andy Saw, head of IT at the Perfume Shop, says has he has focussed on a number of improvements to his site recently to improve the experience of customers – such as introducing its Store to Door service- which allows shoppers to buy from the company's full catalogue of products for delivery, and adding SLI search online to improve the customer experience but also give greater visibility of what its customers want. "This will help us to adapt our offering to give our customers even greater satisfaction," says Saw. The company, along with many of its counterparts, has also launched a full mobile site to improve usability for those customers on the move.

At this point in the customer journey whilst less is more in terms of the stages to purchase the retailer has to carefully consider how to best inform the customer both at category and product stage. "It's the ease of information flow - ie giving them enough but not too much info," says Allen.

STEP 3 – THE CHECKOUT

Perhaps the most crucial part of the experience online – and one that has been notorious for abandoned baskets in the past -- is the checkout process. Getting this stage wrong can undo all the good work at all other stages of the customer journey because whilst a customer may endure a queue or a clunky checkout process in a physical store online it's a mouse click process to losing the customer.

Atkinson says this has long proved a sticking point. "The transaction or conversion itself is the most important part of the journey. It is the purpose of the journey both for the customer and the merchant. It is also often the most complex both in terms of the processes, decisions and systems involved for both customer and merchant," he says.

As a result retailers put huge efforts into making the checkout process as slick as possible and Amazon's 1-Click Ordering facility – where users literally click to buy and don't have to re-enter any of their payment details – has long been used by the likes of Apple and Marks and Spencer.

Meyer says getting it right is vital: "If the checkout process is lengthy, over

complicated, doesn't follow a logical design or is slow, customers may drop off once they have already initiated the intent to purchase," he points out.

Although notorious as a basket loser in the past the experience has improved greatly and only a tiny proportion of those retailers who responded to our survey said it was a high priority for improvement in their business, suggesting that most of the work in this area has been done.

STEP 4 – DELIVERY

Instead attentions have turned to another step of the journey as being the most likely to result in abandoned purchases – that of delivery of goods ordered. Multichannel retailer Argos' recent television advertising campaign – where its alien shopper family gets bored of waiting for their latest online purchase from a rival and click and collect instead – perhaps best illustrates the frustrations that customers face.

For far too long delivery was an afterthought by retailers because it was the one part of the journey they couldn't control. "The problem with delivery for many companies is that once the courier has the product, it's out of the retailer's hands. The problem with this is that the courier becomes a representative of your service and if they are unfriendly, unwilling to help, or careless with the products it reflects badly on the retailer," says Meyer. He says the majority of poor reviews and complaints he receives as a retailer are because of an inconsiderate courier, or because goods have been damaged by a courier.

Allason says this has to change because it leaves a lasting impression on the customer that can turn them off for good. "Today's online shopper can find and purchase anything in seconds, however, just like the first online transaction 19 years ago, they must still wait days for delivery - then on delivery day be at home from 9am-6pm to take receipt," he says.

"Delivery is one of the last interactions in the customer journey and, beyond the product itself, the single most important factor in determining whether or not that customer will shop more or less with you in the future," he says. As such Allason says delivery is the single greatest inhibiter

to online conversion and the greatest challenge facing online retailers today.

He says that of the 67% of shoppers that abandon their cart at checkout, two thirds cite delivery as the reason because it's too slow, too inconvenient or too expensive. "Offering a delivery proposition centred around customer convenience, such as Shutl, has a huge positive impact upon conversion," he says. "23% of people using Shutl delivery would otherwise not have purchased from the retailer – this is simply because they can get what they want, when they want it," says Allason.

The Perfume Shop is just about to introduce the Shutl 90 minute delivery or hour of choice service to improve the convenience of its customer journey but Saw admits this can be a Catch 22 situation because you can't be seen to fail on promises made to the customer. "Faster delivery means greater expectations from the customer and we have spent a lot of time working together with the team at Shutl to create a service capable of delivering this to our customers," says Saw.

Retailers have also been working hard to tie in the delivery experience with the rest of the journey on the site – particularly with regards to click and collect services which are now being more heavily promoted by retailers. Toy retailer The Entertainer relaunched its website in conjunction with Neoworks last year and a part of that was a redefinition of the journey around delivery. "The journey on the site is now a lot clearer – for example every page says products are available for click and collect which has risen from 10% to 30%," says Rob Wood, online content and trading manager at The Entertainer. The retailer also promises on immediacy too – with the aim of having click and collect products available in 30 minutes instore where possible.

However the very basics of click and collect can interrupt the flow of the customer journey itself according to Wood because it depends on the availability of product in individual stores – a factor that can be hard to portray online. "You are trying to present complicated information to the customer as simply as possible and there are a lot of variables you are trying to

get across," points out Wood.

STEP 4 – AFTERSALES

Some see delivery as being the point where the journey ends and it was the end point cited by a small number of respondents in our survey. But in truth the after sales experience – whether returns or the continuing relationship building with the customer that should take place post sale – is also vital in the customer journey.

Meyer says that the aftersales service can dictate further business. "We ensure that we provide a positive customer service experience and after sales service, hopefully prolonging the customer journey to multiple conversions thereafter," he says.

Emma Axam, business development manager for campaign management and social media analytics specialist SDL, says that influencing the customer experience after that first purchase is key. "Successful retailers follow-up straight after a customer's first purchase to build and strengthen the relationship. Using a mix of relevant offers and friendly communications, this can be a critical phase in the relationship. Get it right and you can generate a long-term rewarding relationship; get it wrong, or just not actively communicate and you risk a mass of single purchase customers in your database," she says.

The first part of the journey may have ended at this point but, suggests Fiona Harrison, head of ecommerce at fashion retailer Warehouse, the next stage has only just begun. "A relationship starts then, so they might come back and rate a product, or they might post on Facebook or suggest to a friend or create a pinterest board," she says. "It's not so much of a journey as there really isn't a destination - it's more about building trust and an on-going relationship," she says. And it is also this point that makes the last impression and therefore is the most important step in the journey according to Harrison. "Whatever taste is left in the customer's mouth is what they will share with friends and use to decide whether they come back to shop," she says. Retailers must work towards leaving a good one. ●

Getting better connected

HAVING IDENTIFIED THE STEPS OF THE CUSTOMER JOURNEY WHAT ARE THE STICKING POINTS AND HOW CAN RETAILERS BETTER CONNECT THE STEPS?

Once a retailer has identified the steps of its own customer journey and decided where its journey will start and end comes the difficult part- ensuring it all flows together seamlessly.

At this point retailers may start either laughing or crying at the simplicity of the above statement because sadly it's a dream many retailers can only hanker after currently because of the challenges delivering a seamless experience brings. But as we have already said the customer doesn't care about the technical challenges and simply wants to shop and retailers have to meet that need. Retailers already know they need to do better as our survey showed.

At the heart of a good customer journey of course is data and insight into how the customer is behaving, and that requires cohesive planning at all the different steps, according to Raphaël Mazoyer, digital marketing manager at ASICS Corporation. "It requires better understanding of consumer context and motivations at the different touch points, and more deliberate planning of the brand manifestations in relation to one another

(as opposed to their standalone existence, which is by far the easier focus)," he says.

But it's a challenge that is overwhelming many retailers. Our survey of retailers showed that many retailers had lots of data about their customers but didn't know how to make best use of it to maximise their business.

The survey also showed that retailers are struggling to join up their own businesses internally – meaning that linking their customer journey is always going to be a challenge. The survey showed that around two thirds are still struggling with disjointed internal departments.

The challenge therefore is to improve the connections between the different parts of the journey to enable the retailer to make the best use of the most data potentially available to them, and this means re-examining the business. "Most organisations have some deficiencies in their management of the customer journey," explains Nigel Atkinson, director of Neoworks. "These can be due to logistics processes, disjointed systems, siloed channels and lack of information about customers' journeys. Movement between different channels, such as in

store and online, are often the cause of disjointed experiences," he says.

Essential to this can be something as simple, in theory, as ensuring departments within a business work together rather than separately to each other. With retailers having grown up with a culture of 'them and us' between stores and online it's a tough habit to break, but break it a retailer must.

Because ecommerce had an initial false start departments have historically grown separately with siloed ecommerce teams working away in the background of the business as the focus remained on the store portfolio. Ecommerce was considered 'just another store'. It was therefore the case in some businesses that departments such as ecommerce and marketing existed independently of each other and the ROI between the action of each was considered separately rather than jointly.

Our survey showed that whilst some retailers had closely integrated the departments there was still a disconnect between the two departments for around half of those surveyed and a small proportion admitted that both departments still feel as though they do

very different jobs in their businesses even though the world has moved way past that.

In today's multichannel world retailers can no longer afford such blinkered thinking – John Lewis' revelation earlier this year that it had hit £1 billion of online sales a year earlier than expected is evidence of that. If the business can't flow together properly then how can the customer journey?

Atkinson says retailers must make this a priority because more closely linking businesses makes it far easier to identify where problems lie. "Co-operation between departments and teams can help to surface problems with the customer journey and inform effective customer management strategy," he points out.

At The Entertainer online content and trading manager Rob Wood says working closely together is at the heart of the 80 store strong business. "The buying team are the next banks of desks along from me and the marketing team are the bank of desks behind me. Everyone is working together for a common purpose because ecommerce and retail are really the same thing," he says.

At Majestic Wine Warehouses ecommerce director Richard Weaver says he is literally a desk away from his marketing director. "Our teams interact and cross pollinate ideas every day," he says.

Getting cultures and departments to physically and mentally work together is one thing and a challenge in its own right, but the greater challenge comes from linking up the technical components behind the scenes that allow a retailer to maximise their customer journeys.

Many retailers admit that their internal ecommerce and IT infrastructures are not up to scratch when it comes to the Holy Grail of delivering the very best customer journey. It's not hard to see why. The market has exploded to not only customers increasingly buying online but combining this with other channels such as mobile and traditional stores, with an expectation again from customers that all channels should work together seamlessly and they should neither see the joins or the work that has gone on behind the scenes to connect them.

Keeping up with this growth has been a challenge for even the biggest retailers.

John Lewis, as mentioned earlier, have just invested in a whole new platform for their business that will add additional functionality to the customer experience but other smaller retailers are having to bolt systems together and effectively hope for the best as they struggle to keep up.

Andy Saw, head of IT at The Perfume Shop, admits this is a challenge for many retailers but says it's one that can't be ignored. "This is not only a technical challenge, but is also a structural challenge internally where IT and ecommerce strategies have not always been as tightly aligned as they should have been. Many businesses have invested a lot of time and money in separate ecommerce and in store EPOS systems and whilst the Nirvana may now be a single platform, this is going to take some time to achieve," says Saw.

But thanks to the changing nature of the consumer change retailers must: "Our customers today have more knowledge and opportunities to facilitate a purchase than they have ever had before," says Saw. "Easy access to product knowledge and pricing is then naturally driving a desire for convenience in purchasing. To deliver this your data has to be live and available to all parts of the process instantly," he says.

This means bringing disparate back-end systems together to work as one for many retailers if they are to deliver a seamless customer facing experience for their omni channel strategies.

The ideal is to integrate such systems so closely so as to deliver a single view of the customer and stock across all channels. It's a target many retailers are aiming for to enable them to take a customer centric view of their business and be more effective in influencing the customer journey.

Our survey showed however that only a handful of retailers have so far managed to achieve a single view of customers, with around half instead planning to do it in the next 12 months. Worryingly however was the proportion of retailers – around one fifth - who said that although they may invest in a single view longer term it wasn't a priority currently.

"Whilst all of these retailers [who don't yet have a single view] are still marketing to their customers, they are doing so with one hand tied behind their back, as they aren't able to fully understand if and

how customers are interacting in other channels," says Emma Axam, business development manager at SDL.

It is essential that retailers do prioritise this if they are to improve the customer journey, according to Fowler. "Good data is necessary to understand real customer journeys and how best to interact with customers throughout the journey," he says. "The ultimate set of data is a single view of the customer across all touch points. It is very difficult to achieve because of a variety of commercial and technical issues, but retailers should be looking to improve this view continuously," he says.

Weaver says at Majestic Wine Warehouses investment has focussed in the past 12 months on technology that helps it better understand customers' cross-channel behaviours. "It's been more challenging that we'd hoped but we're beginning to learn lots, and in particular the ability to select micro-segments for emails based on offline purchases is helping us make our email communications more relevant," he says.

Saw also has this high on his priority list as he strives to deliver the best customer journey he can. "We are in the process of upgrading our CRM system as a first step to delivering this and giving us a single view of our customer. The single view will be central to delivering the customer an experience that meets their expectations," he says.

At The Entertainer a site relaunch has been a crucial part of ensuring a single view with a single view of the stock system now managing stock across the warehouse and instore and a till portal that checks availability on the web too. Later this year the retailer is also planning on dispatching home delivery items from store to further improve stock availability for customers.

At Swedish film and music specialist CDON chief technology officer Christofer Gordon says it will be vital to delivering a more targeted experience in the future. "Force feeding the customer with offers based on statistical facts does work. That's more or less a marketer's job and they have huge CRM, BI and data mining tools at their assistance," he says. "I think it works because of the brute force we can deliver through our systems. People who already have developed an intention (or a need) will respond to this fury of

Managing the Journey for Empowered Consumers – the SDL Intelligent Marketing Suite

Digital has disrupted traditional marketing techniques, where once brands had control over almost all communications, now they have to learn to interact with individuals, to listen, understand and engage with them. The empowered consumer represents a fundamental shift in the expectations of people who desire that brands treat them as individuals while collaborating with them to offer relevant, engaging experiences that are mutually beneficial. The empowered consumer expects easy and consistent access to goods and services, based on personal preferences for both channels and purchase criteria.

Providing a positive and profitable customer journey for these consumers' demands that today's retailers leverage digital technologies to create meaningful relationships with individual customers. SDL enables brands to create a compelling customer experience through technology and at the same time, build a relationship with the customer that will result in repeat purchases, long-term loyalty and customer advocacy.

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Listen.
Consolidating and analyzing all of the information gathered from customer touch points is important in fully understanding customers and their interactions with a brand. SDL's Customer Analytics helps retailers listen and analyze customer behavior. Implementing solid analytics into campaign strategies ensures a more positive experience for the customer and a more profitable one for the brand.

Understand.
Understanding expectations is critical to customer acquisition, retention and development but can't be done without insight-driven campaigns. SDL Campaign Manager enables direct marketers, marketing services providers and customer engagement agencies to leverage analytics and deploy insight-driven campaigns. It provides the overall orchestration necessary for retail marketers to map campaign strategies to individual customer journeys. From straightforward, automated campaigns to complex multi-step, multi-channel campaigns, which adapt to customer behavior, SDL Campaign Manager drives transactions, regardless of the channel preferences.

Engage.
Using advanced customer analytics, retailers can further ensure their communications are relevant, engaging and structured to create more profitable campaigns. With the increase of social, mobile and digital interactions, marketers can further optimize the relevance of messages and drive the creation of more targeted and engaging campaigns. SDL Email Manager is fully integrated with the analytics and campaign modules, to ensure seamless execution across the most leveraged digital marketing channel. SDL Email Manager provides integration points and optional components for executing campaigns via web, multi-media, mobile and social media channels.

The fundamental shifts in both customer behavior and marketing strategy underscore what brands must accomplish to be successful – deliver a compelling customer experience. SDL enables global businesses to enrich their customers' experience through the entire customer journey. SDL's technology and services help brands predict what their customers want and engage with them across multiple languages, cultures, channels and devices.

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marketing. All other potential customers simply hit the mute button. Creating the single view and putting the model to work as the customer starts to interact is the true challenge. If we succeed I believe the upside is fantastic," he says.

The more singular a view the retailer can have of the customer the more they know how they are interacting between channels. However this also requires retailers to better understand and use their data, according to Axam.

"Many retail marketers haven't been truly data savvy, and simply don't feel as comfortable with segmentation, profiles and predictive models as they do with creative messaging, product positioning or strategy," she says. "There is a real need for retailers to make data directly available to marketers as front-line decision makers, in a form that makes it easy for them to understand and derive actionable insights," she says. Her company's SDL Intelligent Marketing Suite for Retail aims to do this by answering key retail marketing questions, she says.

To achieve further success retailers need to join offline and online data so that they can ensure they are able to leverage a holistic view of customer needs and behaviour to build individual personas that will drive engagement.

With this in mind retailers need to consider how they not only collect data on individuals across all the different touch points but also which channels individuals are most likely to utilise when interacting with the brand. "This is an important element in securing brand loyalty as many customers will disengage if brands do not communicate via the most appropriate channel at an appropriate point in the customer journey," says Axam.

Joining offline and online is often one of the biggest challenges retailers face but there are many ways that this can now be achieved and many retailers are using store transaction data to inform and drive recommendations via the web or email, whilst others are encouraging shoppers to buy online and collect instore – then upselling to them with an instore offer to increase spend.

The checkout experience has been a bugbear for many as explained earlier but retailers know this needs to change. The next step in payment technology may itself help to improve the customer journey, believes The Perfume Shop's Saw, because innovations such as paying by mobile and mobile wallets will help retailers get closer to their customers and therefore improve the journey. "Not only will loyalty and payments be part of the same service, but how we recognise our customers will change dramatically adding to the potential to customise their experience," he says.

The delivery experience will also become better connected, according to Tom Allason, CEO and founder of Shutl, with companies like his delivering the innovations that are forcing the delivery providers to change and improve the service they offer to customers dramatically. "Our vision is to make the online shopping experience more convenient and rewarding than a visit to the high street by delivering what people want, when and where they want it. We believe this is a proposition so compelling that in time it will become core to a retailer's overall value proposition and multichannel strategy," says Allason.

"For this to happen, however, it requires UK retailers to change the way they currently perceive delivery – something that is beginning to happen now that some of the industry's biggest players (Amazon, Google, EBay, Walmart, etc.) are pioneering same-day services in the US and seeing incredible results," he says.

Retailers are working hard to try to remove the barriers or challenges that customers face in their customer journeys because they know there will be rich rewards by better connecting the customer journey. "Removing turnstiles from the customer journey makes the journey easier and is likely to result in better conversion and satisfaction rates" says Neoworks' Atkinson. "Each time that the customer is forced to think or take action there is a chance that they will not proceed any further," he says.

It's no easy task to achieve and therefore requires retailers to focus, points out Allason: "It's not that retailers don't do enough, it's that their efforts often lack necessary focus. The major challenge that many retailers face is that there are so many points of the customer journey that require improvement and attention - many concerning multiple different stakeholders across the business - that prioritisation becomes very hard," he says. Getting better connected really is at the heart of improving the customer journey online. ●

How retailers are creating the single view

Our survey showed that retailers are taking a mix of approaches to creating a single view of the customer. Worryingly it also showed some respondents didn't understand what a single view should actually encompass. Here are some of the responses from those that are making the change:

"Through customer data gained through loyalty programmes and better use of CRM"

"Via an attribution modelling dashboard"

"We're busy building an internal platform"

"Aligning customer interaction through one central site, linked to our online and retail outlets – one site, one promise".

"By creating flow charts that detail the steps required to make an online purchase."

"By updating our systems and technology to more intelligently track and thus map our customer."

"By implementing a CRM and bringing data in from multiple channels."

"By putting the customer at the centre of the organisation and building systems and promotions around him or her. There can only be one view of the customer so generic billing and no multiple accounts etc."

The customer now takes central stage

IN TODAY'S CUSTOMER JOURNEY THE CUSTOMER IS NO LONGER THE SECONDARY PERSON RESPONDING TO WHAT, WHEN, WHERE AND AT WHAT PRICE A RETAILER WANTS TO SELL THEM AN ITEM. TODAY THEY ARE THE CENTRAL COG IN THE RETAIL PROCESS AND THE RETAILER MUST DO EVERYTHING TO MAKE THEM HAPPY.

The customer has, of course, always been important. After all without them you aren't going to get a sale and good retail has always been about delivering what people want, when they want it and in a way that leaves them hungry for more.

But gone are the days of limited competition and reach – when it didn't matter so much what price you offered or what customer experience you gave because the customer only had a limited pool of retailers from which to buy.

With retail competition now extending from single spare room retailers on eBay to international retail powerhouses it means that price, experience and indeed the whole customer journey has to be geared towards pleasing and satisfying the customer.

Few retailers would argue against the fact that the customer is now more powerful than they have ever been in retailing history and retailers have to work harder than ever to meet the challenges they provide, and to better promote their USPs if they are to stand out from the competition.

Whether they like it or not it is the customer that drives what retailers do in today's world. "Customers are shaping retail and making us sit up and listen, and take action," explains Fiona Harrison, ecommerce director at Warehouse. "They drive the direction, the pace, the expectation. They publicise their views - they drive service levels," she says.

Customers now demand excellence in all areas of the customer journey and if they don't get it the answer is simple – they will walk.

Christofer Gordon, chief technology officer of CDON, says retailers should be making the customer feel special. "The simple answer would be that 'Customer is king'. But I don't believe we really feel like royalty when walking the same dirty red carpet as everybody else," he says. Instead he advocates a view of simplicity – that the customer always comes first.

Retailers of today won't survive if they don't adopt a customer centric approach to doing business online as well as in store. "The customer is still the most important factor in any retail business," says Heinz Meyer, online marketing manager of Big Dug. "The fact that we profile customers, personalise messages to them and ensure that their experience is always a good one makes me believe that the customer is still the most important factor in retailing today. The customer dictates the medium through which we sell and they also dictate the means by which we communicate with them," he says.

As a result at Big Dug Meyer says the retailer has absolutely adopted a customer centric approach with a business model that best enables that, by conducting in-depth analytics to understand how its customers interact with its marketing and sales channels and making changes where appropriate to better meet the needs of the customer.

This has included improving delivery and, most importantly for his business, ensuring the retailer's customer services team match the business needs too by employing a team that is technically trained. "A better trained customer services team means more customer questions are answered faster and more accurately," says Meyer. He points out that the customer service call centres are also based in the UK and part of the call centre is based in the company's actual head office, meaning the retailer really does know what its customer is thinking. "That means that the customer services team have their fingers on the pulse of the company. They know the products intimately and if there are any questions they can't answer then a product manager is literally on the other side of the room. This provides a positive customer experience over the phone or email and means that our online reviews are outstanding," says Meyer.

With a customer centric business customer service becomes vital to success. "It doesn't matter how you attract people, what they then experience will be the deciding factor," says Andy Saw, head of IT at The Perfume Shop.

This is an experience that needs to be consistent across all touch points however – another big challenge for retailers to embrace.

Richard Weaver, ecommerce director of Majestic Wine Warehouses, says this can be a tough challenge online – especially taking into consideration that every customer is different and needs to be treated as an individual: "When marketing to large customer bases a degree of segmentation is always necessary, but wherever possible the 'segment of one' should be the ideal. In-store this is all about staff - at Majestic we have a culture of service and knowledge which comes from recruiting well and training. Online it's a more technological challenge," he says.

This need to put the customer first also means retailers have to work hard to adapt their model to offer greater value and services to the customer that improve their convenience of shopping either online or instore. "Our store-based running clinics and the introduction of the ASICS Running Lab are examples of activities we've done based on our understanding of runners' needs," says Raphaël Mazoyer, digital marketing manager at ASICS Corporation.

Similarly at The Entertainer the company's online toy finder is another example of putting the customers' needs first. The Entertainer has also launched 90 minute deliveries with Shutl to improve convenience for customers.

The need for customer centricity means retailers have to think more laterally and provide a more unique experience and customer journey than ever before in order to stand out from the crowd. "We always try and engage people and give them something they don't get elsewhere," says Emma Allen, managing director of Style Sequel, a fashion etailer for second hand designer clothes and accessories.

But Tom Allason, founder and CEO of Shutl, says it can be done with the right data: "Data has transformed a retailer's ability to understand their customer. It is through understanding the customer that you can tailor a journey around their needs. Delighting your customer and exceeding their expectations is the only sure way to earn loyalty in today's retailing environment. A retailer's customer experience is what defines them and is their key point of differentiation," he says. ●

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A fine balancing act

IN THIS NEW CUSTOMER CENTRIC WORLD HOW DO YOU GET THE BALANCE BETWEEN WHAT IS RIGHT FOR PROVIDING A GREAT CUSTOMER JOURNEY AND EXPERIENCE AND WHAT WILL ACTUALLY MAKE MONEY? HAS THE CUSTOMER JOURNEY BECOME OVER COMPLICATED AND DOES THAT RUN THE RISK OF RETAILERS LOSING FOCUS?

The new, all important role of the customer in the customer journey itself leaves a tough challenge for retailers to meet. They must do all they can to satisfy the consumer but at what cost to their business?

Our survey showed that the vast majority of retailers admitted the customer had got more powerful than ever but said that by answering their needs they were able to retain their loyalty and win the sale – obviously good news for them. What wasn't such great news was the small proportion of retailers (around one fifth) who admitted that they often had to make loss leading decisions in order to try to make a sale – making surviving as a business very tough in today's market.

Retailers are focussing on a number of areas to improve the customer journey and in addition are maximising their routes to market – for example by multiple marketplaces such as own stores, EBay and auction sites to even white labelling goods for some retailers.

Most retailers will argue that whatever is right for the customer is ultimately right for the retailer given they are often playing a longer game than simply a single sale. "I believe if you put the customer first then the business will benefit," says Fiona Harrison, ecommerce director at Warehouse.

But our survey showed that whilst some retailers believed they were very customer focussed the vast majority rated themselves as simply average in this respect.

There is no doubt customers are hard to please and indeed that they are growing ever more unforgiving. This is partly because their expectations have been raised by retailers stealing a march on the market with new innovations, and partly because they themselves are often naive to the challenges and complexity of providing a smooth customer journey for retailers.

The customer, their needs, wants and shopping habits are changing all the time – even between shopping visits, which means that retailers have to ensure they change and adapt with them, accompanying them on the journey rather than just following them.

The danger is that retailers over complicate the customer journey as a result and in particular in today's increasingly mobile world that is not the right tactic, according to Niklaus Jarl, sales manager at Lekmer.se. "At times the journey has got too complicated. With less time, smaller screens and as a part of the mobile commerce world, we have to simplify the customer journey," he says.

Yet again simplifying the customer journey goes back to the basics of understanding the customer – their wants, needs and desires. Andrew Fowler, UK country manager for Apptus, says it cannot be ignored. "Today's customers are more informed and better connected than ever before and they demand a level of service regardless of channel. Retailers need to consider how best to respond to this demanding customer. The most successful retailers are those that really understand the needs of their customers, the way they want to be treated (sold to) and the types of products and services that interest them. Only by building a detailed understanding of their customers will they be able to deliver the products and services they require. This is a massive challenge and retailers needs to invest in more scientific solutions to help them firstly glean the information they need and secondly, to act on that information," says Fowler.

With a limited pot for investment however it can be a challenge for retailers to push forward innovation but if they are to continue to improve the customer journey and put the customer first then innovate – or at least closely follow the innovators – they must.

Harrison says this should be done whether the immediate ROI is evident or not, because the retailer needs to be playing a longer game. "I am mindful of taking risks and investing in innovation that may not pay off right now, but as the world changes at some point this will kick in. For example, we have PayPal in store - frankly not many customers choose to use this right now. That's ok, they will soon," she points out.

And why not? Investment by retailers in mobile has followed a similar pattern – a fairly static, non-moving market in terms of customer usage followed quickly by an explosive growth. "Two years ago we had nominal traffic from mobile devices. Now around 30 to 40% of our traffic comes to our mobile site. That's rapid change and we invested in a decent mobile site which is paying off now. Of course (as my trading director keeps reminding me!) we have to look at how much this costs the business. But we also need to look at how much it will cost us in the future to have not done these things," she says.

It's a point that otherwise could come back to haunt retailers. ●

Avoiding the information overload

IT'S INEVITABLE THAT SHOPPING ONLINE REQUIRES MORE AND MORE CONTENT WHEN RETAILERS ARE TRYING TO WIN HEARTS AND MINDS AMONGST SO MANY COMPETITORS BUT HOW DO YOU AVOID INFORMATION OVERLOAD ON THE CUSTOMER JOURNEY WHEN YOU ARE TRYING TO STAND OUT FROM THE CROWD?

Selling online has never been an easy task. Without the touchy feely senses to help sell a product, retailers online have to find the right way to stand out from the competition and give their customer all the information they need whilst evoking the same emotional attachment to a product that happens instore.

From technical product information to product reviews, from fashion product walk throughs to the latest fashion shows posted on a retailer's website, the volume of content appearing on retailers' websites has increased dramatically in recent months as retailers try to gain their customers' hearts and minds online in the same way as they do offline, and has become an increasingly important part of making the customer journey easier.

But it's also one of the areas that our research identified as being one that retailers are struggling with, and is also evident with new shopping behaviours such as showrooming where shoppers are comparing prices whilst instore and buying elsewhere. Give too much information away and you're almost handing information to your competitors to outclass you even though you may be improving the journey of the customer along the way. Portray too little however and you risk letting your customers down and having them go elsewhere anyway.

As well as the quality of the information you provide getting the balance of content right is also tough - especially in the limited space available and especially when it comes to presenting the right products to the right customers at the right time on their first visit.

"Given the space available on a website and an even smaller amount of space on a mobile device, one of the biggest challenges faced by retailers is product exposure," says Andrew Fowler, UK country manager of Apptus. "With product ranges often numbering in the thousands selecting the most relevant product or products or other information to present to a customer is a massive challenge," he says.

Products can literally get lost- either because they aren't linked properly in the different parts of the searches across the webpage or because information isn't displayed correctly. "If information isn't displayed appropriately on the product pages, the customer will go elsewhere to find what they are looking for (even if what you are selling is what they are looking for, but they just would not have known it)," points out Heinz Meyer, online marketing manager of Big Dug.

This is a challenge for all retailers and as such they have developed a number of ways of trying to deal with this particular part of the customer journey to better understand how to present the most relevant products and content that will persuade the customer to buy without overloading them.

This also applies to promotional content. Our survey showed however that whilst around two thirds of retailers are using analytics to help analyse the success of their promotional content others are simply judging its effectiveness by sales.

Cutting through the confusion some retailers are segmenting customers to experience a different customer journey or presenting a list of "top sellers" to prospective shoppers. Showing products that have been viewed by other customers considering the same products also helps to guide shoppers to what they should be buying.

Fowler says this assistance along the buying path is crucial. "A critical element of a good online customer journey is the presentation of relevant products and other useful information to guide, advise and inspire customers," he says. "In an online environment this has to be done very early in the customer journey given that the average visitor may only view 6 or 7 pages," he says.

Ideally that journey of content should then continue with the content most relevant to that customer through personalisation – a tactic we discuss in more detail in the next part of this report. "However a customer decides to navigate the website, for example via the use of search facilities or browsing using the menu structure, they should be presented with content and products that are relevant for this visit, bearing in mind each visitor is likely to have a different

agenda for each visit," continues Fowler.

At Big Dug Meyer says the site has to be content rich because its customers have a lot of questions that need answering. "We stock technical products and it's hard to present the different variations with a lot of detail on one page without making the product look overly complicated or confusing," he says. "We have a large number of customers who, whilst browsing the website for a product, pick up the phone for advice. This creates an additional step in the purchasing journey which might deter some customers, or make them lose interest," says Meyer. The challenge therefore is to manage the balance between the two so that the retailer becomes more than just an information hub for a prospective shopper.

For smaller retailers however content also plays a vital role in reinforcing the credibility of the business and therefore again there is a fine line between getting the balance right and overwhelming the customer with so much information that they get distracted from the very purpose of their journey.

Emma Allen, managing director of second hand designer clothes and accessories etailer Style Sequel, says this is something she tries to get right. "We have a lot of non-sales content on our site which is there to enhance the customer experience, and to reassure people of our expertise but we always need to ensure this is not distracting, as ultimately we want people to buy. It's the engagement with a product and a sale. There is a lot of information we need to get across in one page. With the advent of more and more editorial on the retail space it is a challenge to ensure conversion but then brand building and building authenticity is also key," she says.

As Allen points out relevant, targeted content helps a business to differentiate itself as a specialist as well as improve the journey for the customer – a useful tool in a competitive market where discounters and the supermarkets have also infringed upon pretty much every product category. "In our case the biggest challenge in creating a customer journey as a specialist is the fact that our customers visit other places where it's possible to buy wine on a regular basis, as virtually everyone shops

in supermarkets," explains Majestic Wine Warehouses ecommerce director Richard Weaver. "We need to create a big enough impression for customers to shop with us as a specialist initially, and maintain that interest over time," says Weaver.

At The Entertainer a core part of differentiating itself from its supermarket rivals is exploiting its product expertise and knowledge and again working out how to portray this online so the customer enjoys the same journey and advice as they would from a member of staff instore.

The company has a Present Finder tool on its site which allows shoppers to input age, gender and budget which then prompts the site to suggest gifts suitable for specific children. However the retailer has moved beyond that with its content too – so for example on its baby and preschool page has different tabs for each age group coupled with tips from mums and information about what children of different age groups will be doing developmentally. "We've tried to put all that information within the customer journey and are trying to do that in a way you can skip through if not needed," explains Rob Wood, online content and trading manager at The Entertainer. "The idea is it replicates what happens in a shop when you would say to staff 'I've got to buy a present for a six month old – what would suit,'" he explains.

In addition the retailer also works closely with its suppliers to craft specialised content on the site in order to reinforce its positioning as a leader in the toy market. "Part of our strategy is to become a destination so we work with our suppliers to create mini shops, videos and games for them, trying to find reasons why people would come to us first rather than rivals such as Amazon," says Wood.

Fashion retailer Warehouse meanwhile is looking at how it can present digital information in stores and use customer feedback to promote its service proposition. "Who cares if a company says 'hey we offer click and collect aren't

we great'? Customer's take notice of what other customers say so if a customer tweets 'hey these guys have a click and collect service that I've used and it's great' then that's worth listening to as it's authentic and credible," says Fiona Harrison, ecommerce director of Warehouse.

Targeted content however can also be used as part of a personalised pre-sale marketing campaign with customers targeted with a "how to choose the right jeans feature" if they for example have browsed the denim category of a fashion retailer but not gone through to purchase.

It is obvious that personalisation is key to creating the customer experience that leads on to a full customer journey and we will explore that next. The best content is personalised content sent in a relevant and timely manner to grab the attention of the customer rather than be lost amongst all the other online noise they are confronted with on a daily basis. "The biggest opportunity is to deliver an experience that really resonates with the individual shopper and makes them feel as though the retailer's site is presenting them with the type of information and products that meet their expectations for that particular visit, i.e. relevant products and content based on "me" and my needs as opposed to a general group called customers," explains Fowler.

Content is important but overwhelming customers with content is a challenge retailers must ensure they get right. ●

Getting up close and personal

RETAILERS TODAY HAVE TO KNOW THEIR CUSTOMERS INSIDE OUT. SO JUST HOW CAN THEY GET CLOSER TO THEIR CUSTOMERS AND BECOME AN INTEGRAL PART OF THEIR CUSTOMER JOURNEY AND WHAT ROLE DOES PERSONALISATION PLAY IN THAT?

As mentioned at the start of this research report the customer journey used to be a simple one that literally just involved walking in and out of your local store. The one advantage of this was that being so close to the customer, and having a limited and very local customer catchment, store owners were able to get to know their customers well. They chatted and got to hear about their lives, their likes and dislikes and the kind of things they liked to buy. The customer felt that could trust the retailer to both know what they were like as a person and

what products they would like to buy – a closeness that led to the development of a loyalty which in itself drove sales for the retailer that took the time to understand this very basic customer journey.

In today's busy world, where we are no longer restricted to our local stores but literally have the whole world at our fingertips online, getting to know a customer in the physical world so well is no longer so easy. There are still benefits to a physical experience of course – a member of staff can make informed judgements about the likely behaviour of a customer simply by looking at them and assessing their mood, how they are

dressed, how they act and who they are with for example. All this will influence how the customer is approached and dealt with instore.

Online however there isn't that human interaction and therefore online retailers need their software to do the same job as staff would to ensure they deliver the most relevant content in the context of that particular visit.

Personalisation plays a huge role in improving the customer experience, according to Andrew Fowler, UK country manager for Apptus. "Even though human behaviour is remarkably

predictable we all like to feel special and to feel as though our needs are slightly different to our neighbours. Having the ability to treat people as individuals is a compliment because it demonstrates that we have made an effort to consider someone's individual needs instead of treating all consumers as one audience," he says.

At Apptus his company's software helps recognise not only the patterns and behaviours that shoppers do collectively respond to but also the ones they don't – which can also help the retailer learn more about their customer. Fowler calls it a universe of non-actions and says the learnings from it can be as important as the learnings from a traditional retail interaction instore.

Retailers know the key to a truly great customer journey is personalisation because they have already seen how useful it is to target the customer experience instore through the shop assistant and the customer service they offer, yet our survey showed that only around half of respondents are currently personalising the experience for their customers, although the majority realise it is hugely important for them to do so.

The trick is to emulate that experience online with a different set of resources. "The challenge is to find out as much information as possible about the target group to know what requirements and wishes each individual has," says Niklas Jarl, sales manager at Lekmer.se. "When you know that, it is easier to develop the customer journey," he says.

Christofer Gordon, chief technology officer of CDON, says there are other questions to be asked first before a truly personalised experience can begin. "The most central question is to understand the intentions of the customer, is he or she just passing by accident, or looking for a specific item or just browsing to see what's available. In order to give a truly personalised experience we need to understand and act on the customers intentions as we would as a personal shopper. Doing that without human interaction is hard. Doing it on a mass scale is very hard," he says.

Once the data on the customer has been collated the retailer can start personalising the offer to better target the customer. For some sites this goes little beyond 'other customers who have looked at X have also looked at Y'. Although this is basic personalisation it does at least help the customer identify other things they may not have chosen to look at – sharing as it does the shopping journey of one customer with another.

For those that want increasing sophistication however more advanced personalisation can drill down to whatever levels retailers are willing, need or – budgets allowing – able to go – from segmented emails to personalised landing pages or increasingly relevant and personalised product recommendations.

"It's about identifying what products potential customers are looking for on our website as quickly as possible in order to present them with those products and any accessories they may need which will shorten their customer journey and save them time," says Heinz Meyer, online marketing manager of Big Dug.

Indeed presenting the right products at the right time is the aim of many retailers. "We are looking at making improvements to our tills – which may help personalise the experience for actual shoppers, but how about browsers?" says Fiona Harrison, ecommerce director of Warehouse. "That's a bigger challenge. And unless we microchip customers or go the Tesco route of an intense loyalty scheme that's tough to do. A customer isn't going to carry 20 loyalty cards. I have four and they take up too much room in my purse! Good staff interaction with customers helps but we need to crack good experience with browsers in store to turn them into shoppers. In the digital space it's easier – not easy - but easier," she says.

At The Entertainer, Rob Wood says that true personalisation would hold the key to differentiating between very

different customer bases for its products. "For us being a toy shop it's very easy to just be interested in a small element of our stores – such as our Star Wars collections. It would be great if we could identify for example who the Stars Wars collectors are and could show them a Star Wars site – cutting out irrelevance for them," says Wood.

As we have already alluded to in essence the aim of retailers online today is to get back to a more personal shopping experience – more closely reflecting the experience instore.

This means that social media is therefore yet another vital tool for retailers to get closer to their customer- both reacting to customer service queries via social media but also using the medium to promote the retailer or brand's personality in a way that often gets lost within a more corporate message in many companies, as well as using it to

improve the customer journey by learning about where it could do better.

"Social media can form the basis for great listening tools and effective engagement channels," says Emma Axam, business development manager of SDL. "Social media can provide a wealth of data on people's attitudes and perceptions, really helping to understand the attitudes of customers to a retailer, and in particular, identifying if there are likely to be challenges. For instance a delivery issue flagged up via social media commentary may suggest that a retailer must work harder to prevent operational problems leading to potentially dissatisfied customers. However, social media feedback goes far beyond customer satisfaction issues. Analysing data from social media monitoring tools, such as SDL SM2, facilitates a better understanding of customer commitment across a framework that includes product commitment, brand commitment and a retailer's relevancy to individual customer segments," she says. "Managed appropriately, social media engagement can provide a wealth of information on individual customers, adding a valuable extra dimension to a customer database, and ultimately helping to refine marketing strategy," she says.

This is already an ambition of Warehouse's Harrison who says she would like to integrate this type of facility instore as well as online, in order to get closer to customers and make the shopping experience even easier. "I'd like to look at better ways of getting closer to customers. Instead of surveys and focus groups (although they have their place and serve a purpose) a digital feedback system in stores to give a customer an easy way of saying Yes I'm satisfied and here's why or no I'm not and here's why. We need to capture them at the moment of truth in a way that's easy rather than asking them to fill in an online form about their experience last month (by which time they'll have shopped in 10 other places!)," says Harrison.

The ideal for retailers will see them truly personalise the customer journey but many believe the complexity of this is underestimated. "We can make perfect maps of customer journeys and improve all systems and processes to give a very nice and smooth experience. This is just business process reengineering repackaged and it works, conversion rates will rise," says Gordon. "The purpose of a personalised experience would usually (at least for me as a retailer) be to sell a product. That's ultimately why our customer journeys are created. But in order to be really personal our maps needs to be three dimensional. We need to include state-of-mind as a variable in the path we provide our visitor. In real life stores much of the customer journey is set-up to alter the visitor's state of mind. Online we can't control the visitor's movement, what they hear or provide other sensations for our senses," he says.

So will customers ever have a truly unique experience online or will their journey remain one that is segmented rather than completely personalised. Fowler believes one day we may: "We are starting to find ways of doing that – we all walk through shops in a different way," he points out; therefore such a unique experience needs to be the aim online too.

However doing so without being intrusive into customers lives will be the challenge. It's easy to assess whether a customer wants or needs help choosing in a store. Online it isn't and marketing messages that appear too Big Brother-like could simply scare off some customers. "As technology becomes more and more part of our everyday lives, which includes our shopping experience, retailers will be able to obtain more and more information about their customers. The challenge is to find ways of using that information in a way that is will not be viewed as being intrusive, rather use it to provide more enjoyable experiences. Retailers should aim to use that data to provide a more positive experience. That way customers will themselves be willing to be more transparent and share their information willingly," says Fowler.

He believes retailers can't afford to ignore the advantages personalisation brings, in terms of encouraging the customer to return: "A great experience results in a delighted customer and a delighted customer is a returning customer. Ultimately a personalised journey will translate to an increase in the lifetime value of each individual customer. Providing a personalised service online will encourage the customer to visit your brand more frequently across a variety of channels," says Fowler.

And as Tom Allason, founder and CEO of Shutl, points out a returning customer is an easy customer. "The simplest customer journey is that of a repeat customer – they are familiar with your experience and know how to shop with you so no education is required," he says. ●

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Conclusion...

So there we are. We've completed our own trip on the customer journey, analysed the steps retailers have to cover to convert and then keep a customer, and the hurdles they face in doing so and the increasingly important roles of content and personalisation within that.

It isn't an easy thing to deliver. As retailers already know customers are now more demanding, and less forgiving than ever and the customer journey to them needs to be as best connected and as smoothly delivered as possible otherwise there is no doubt they will shop elsewhere.

The challenge is perhaps best summed up by a quote from one of the retailers who took part in our online survey who said: "Designing a good experience is often compromised by many factors – time, money or legacy systems, naming but three."

Retailers are required to not only better connect their physical departments in head offices to provide a more cohesive experience for the customer online but integrate constantly advancing and increasingly complicated technology systems too – often adding functionality to ecommerce platforms that are already creaking under the demands placed on them with a market that has grown so hugely in recent years and that, with the rapid advancement of mobile, is still ever changing.

New experiences online are increasing customers' expectations and therefore the pressure on retailers to deliver. Understanding and reacting to the different parts of the customer journey is the aim of many retailers who would like to be able to more closely integrate all customer journeys across whatever device they may be using, or whatever channel they are shopping.

The role of specialist companies in this area – dedicated to helping retailers improve their customer journey – can only help them in their analysis, dissection, and thereby improvement of the customer journey. It's data heavy, it requires more touch points, more data capture and quicker reactions than ever if retailers are to win but predicting and reacting to behaviour triggers is of course the ultimate goal.

As we have seen areas such as content and personalisation offer huge potential in further shaping and improving the customer journey, saving time and increasing sales potential. Other traditional sticking points – such as delivery – are also now being improved more quickly than ever before.

The customer journey is a tricky one and can be likened to a young child taking their first steps. You want to be there for the customer, support, guide and encourage them to purchase whilst making sure you don't overstep the line and put them off for good. You can handhold but not push. The role of the retailer is to aid and assist, not control the customer journey which is after all still – and always will be – in the hands of the customer themselves.

* Each of Internet Retailing's series of supplements aims to explore the key questions and topics that retailers face today, with retailer research coupled with expert comment and analysis. We welcome your suggestions for future themes so if you have any burning issues you would like answers on please email editor@internetretailing.net

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