

THE CHANGING WORLD OF RETAIL:

THRIVING IN TODAY'S NEW LANDSCAPE



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INTRODUCTION

Consumer habits and expectations have changed dramatically in recent years, and many of these new trends are here to stay.

Retailers that are surviving—and thriving—under these challenges have one thing in common: resilience. Many are embracing the power of data and technology to ensure their business is agile and able to evolve with the rapid pace of today's ever-changing retail industry.

This guide explores these new trends, how they affect the retail landscape, and what companies can do to thrive in today's reality.



4 INDUSTRY CONDITIONS

A CHANGING RETAIL LANDSCAPE

The global pandemic has disrupted the retail industry like never before, with many brick-and-mortar retailers, deemed non-essential, forced into a seemingly endless cycle of closing and reopening. Coupled with the fact that travel and entertainment were more or less off limits in 2020 and into 2021, consumers had fewer opportunities to spend, and many have extra cash in their bank accounts and a pent-up desire to shop.

Retailers who want to take advantage of this opportunity need to understand which consumer trends are here to stay so that they can meet—and exceed—customer expectations in today’s retail landscape.



Top consumer trends that will persist in the coming years:

Online is here to stay.

In recent years, consumers have embraced online shopping like never before and that trend isn’t going anywhere. “Before setting foot in a physical store, 82% of shoppers begin their customer journey online.” – Salesforce

New consumer expectations.

Consumers, now accustomed to supply chain disruptions, want to ensure in-stock availability; fast, reliable, and cheap, if not free delivery; and a good return policy before they make a purchase.

A willingness to trade personal data for convenience.

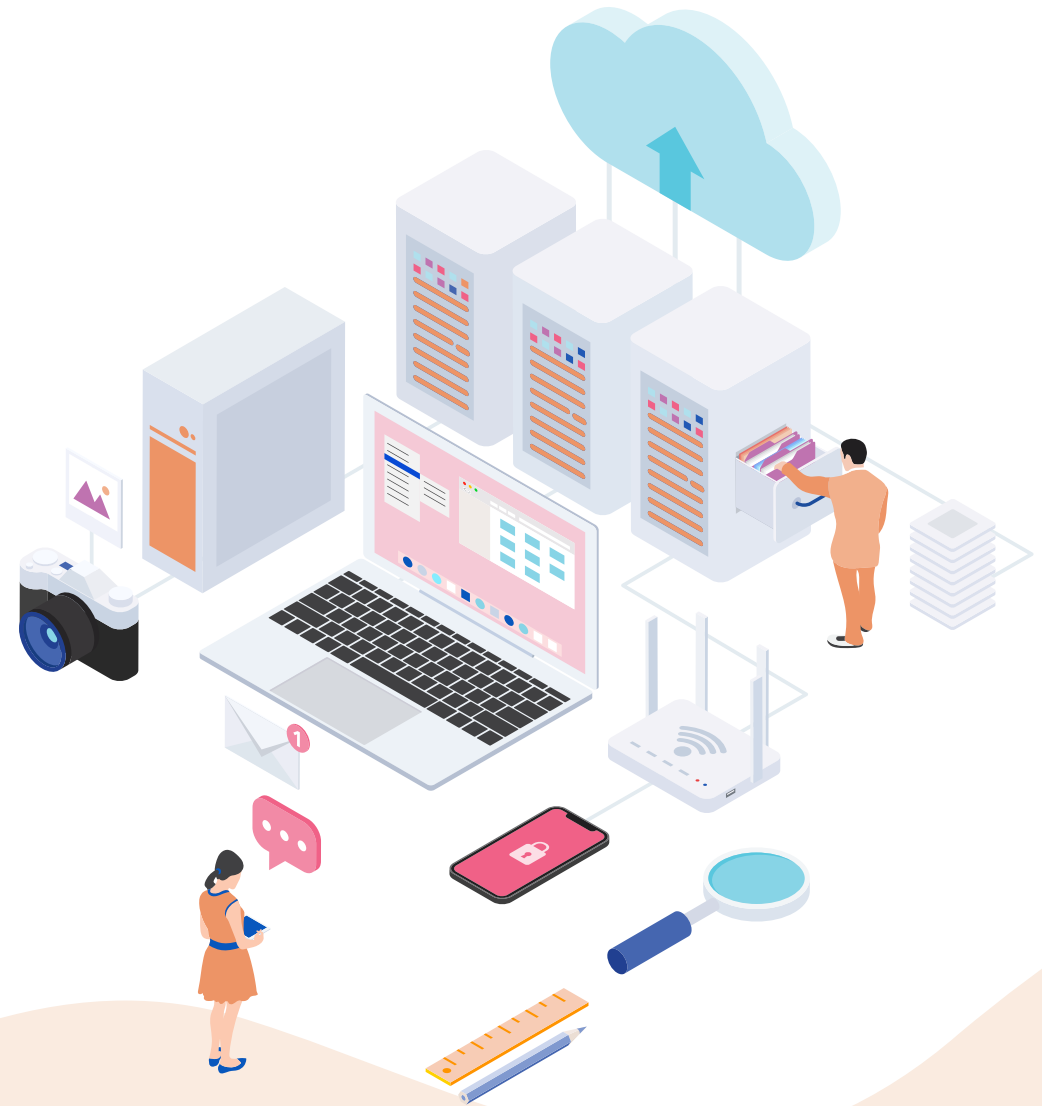
Today’s consumers are more data-conscious and concerned about how their private information is being used. They seek transparency when it comes to how companies are handling their online data. That said, many are willing to share their personal data if it will make their lives easier.

TECHNOLOGY IS KEY

While the recent recession has been challenging for the retail sector, businesses that are able to deliver on these new customer expectations and trends are rebounding. As consumers look to unleash their pent-up demand, companies that are rethinking and updating how they do business by leveraging data and technology to improve the customer experience and stay ahead of customer expectations are coming out on top. And with an increasing selection of solutions coming on the market, it's easier, faster, and more affordable for them to get a quick return on their investments.

“One thing is crystal clear: for businesses to be resilient no matter what comes their way, they really need a strong technology backbone.”

Laurie McCabe, Partner at SMB Group



THE CUSTOMER EXPERIENCE

As consumer expectations continue to evolve, many companies are asking themselves: Where do we go from here? One of the major changes facing the retail sector today is the growing importance of the customer experience.

With 80% of customers now considering their experience with a company to be as important as its products, many businesses are rethinking their entire approach to the customer experience.

Customer expectations are changing fast, and the one-size-fits-all experience of yesterday no longer cuts it with today's savvy and engaged consumers, who are now using up to 10 channels to communicate with companies. So how can businesses adapt and stay competitive?

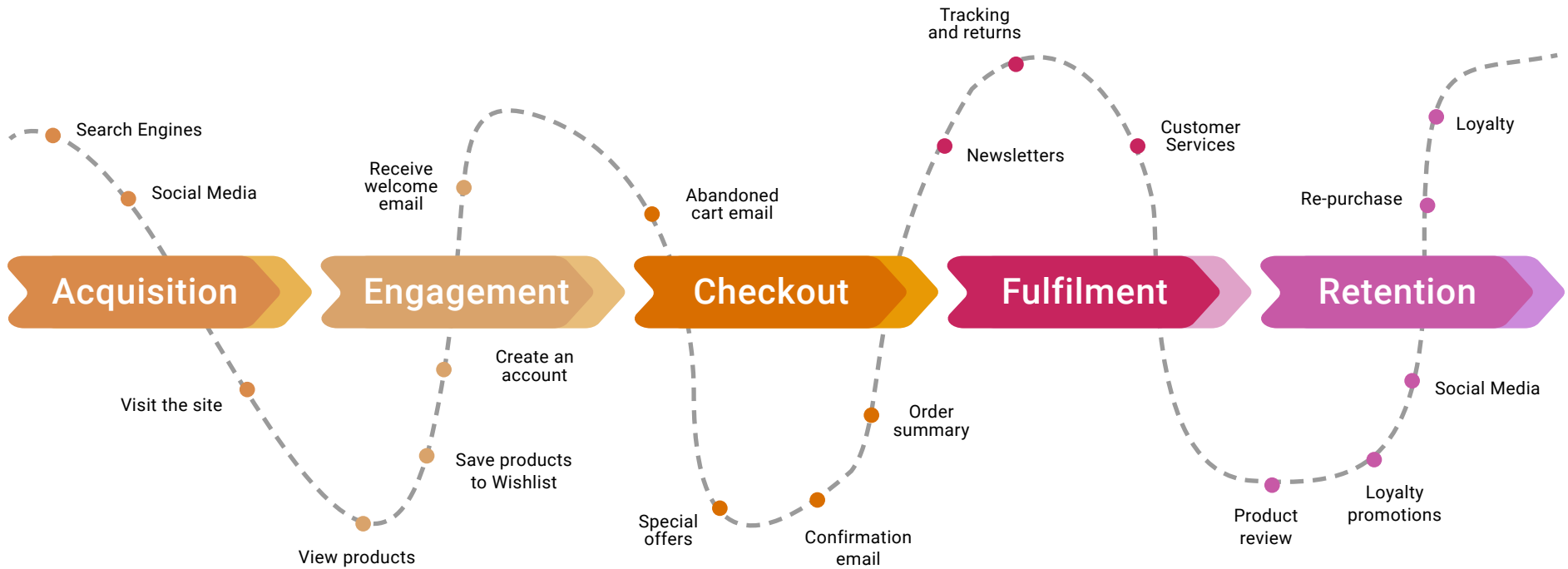


To improve the customer experience, you need to know where your business is currently at, where you want to go, and how you plan to get there. For that, you need a road map. In marketing, that's called the customer journey. It's a tool that your company can use with your marketing experts to figure out how to get to where you want to be.

Then you can use this map to determine your pain points, uncover hidden opportunities, streamline processes, and personalize the customer experience.

First, you map out every possible touchpoint a customer could come into contact with, such as your:

- Website
- Email
- Social Media
- Live Chat
- Customer Service Rep
- Brick-and-mortar Store



PERSONALIZATION

Like the customer experience, personalization is a key component of today's retail landscape. Customers are inundated with products and options — and while this may be exciting, it can also take a lot of time and effort to sift through. At the same time, they're bombarded with messages from all companies, so if yours isn't relevant, isn't personalized to them, they will tune it out.

The key to personalization is not making your customer work—rather, doing some of the work for them so they don't get frustrated and go elsewhere. In recent years, customers have gotten very comfortable with handing over a certain amount of personal data in exchange for convenience and making their lives easier.

“Over 80% of customers are willing to give a company relevant personal information in order to bridge the connection between their online and in-person experiences.”

Salesforce

Personalization can take the form of AI-generated recommendations, targeted emails, a Facebook update on a new product, or a text message letting a customer know their package has arrived. The more relevant data you have at your fingertips, the more targeted your approach, the better the results: take, for instance, Gap, which leveraged segmentation data and retail personalization to increase its online sales by 60%.



REACHING YOUR CUSTOMERS AT THE RIGHT MOMENT




Want to engage with your customers as they browse, while they're doing research, once they're ready to make a purchase, or during peak periods, like the holidays?

Another important aspect of personalization is reaching your customers at the right moment. Whether it's a password reset, a shipping reminder, or a geo-targeted discount, AI-powered technology can help you get your personalized messages to your customers at the right time.



PROVIDING A SEAMLESS OMNICHANNEL CUSTOMER EXPERIENCE

Once you have mapped the customer journey for your business, you'll have a clear picture of every touchpoint that your customer could encounter and how they all work together. From the customer's perspective, every time they interact with your company, every touchpoint should be part of a simple, seamless experience, not fragmented or repetitive. This is the omnichannel customer experience that consumers have come to expect, where all channels work together to deliver the best possible experience, such as:

-  Seeing your full inventory across all locations
-  Receiving a promotional text when browsing in your physical store
-  Getting an email regarding an abandoned cart

But to make this happen, you need data, from how your customer prefers to interact with your company to their user persona to what they'd like to see in your product line. Then you pull it all together to create your own omnichannel universe, with all channels and technology working, not in silos, but together to deliver the optimum customer experience that you can then measure to fine-tune and assess your results.







PERFORMANCE AND SUCCESS METRICS: IT'S ALL ABOUT THE DATA

Your customer journey may be seamless, but if your marketing analytics experience is fragmented, how can you be sure you're making the right data-driven decisions?

As the number of touchpoints increases in the customer journey, along with the number of digital features available to users, and the number of tools on the market that can be used to analyze and leverage all this data, marketers are increasingly faced with a series of fragmented data views that don't provide a big picture of what's really going on.

The solution? [An integrated marketing analytics approach](#) that can provide:

-  A comprehensive view of all your channels and how they affect one another
-  Access to any KPIs you need at any time
-  Unified data from various silos
-  Metrics amalgamated into a single visualization

This kind of integrated approach will allow you to monitor, measure, and manage all your marketing investments, performance, and outcomes with ease.

According to a new study by Forrester and Datorama, companies that use an integrated marketing analytics approach can free up 15% to 20% of marketing spend, improve analytics efficiency by 90%, and boost campaign conversions by 25%.

A cross-platform marketing intelligence and analytics platform will let you get the most out of your data and make smarter decisions based on a big-picture view of all your marketing data, investments, and KPIs.



QUICK WINS VS. TOTAL OVERHAULS

There's no doubt the retail landscape has changed, and businesses need to adapt to stay in the game. But, for most companies, that doesn't mean scrapping everything and starting from scratch. To stay nimble and evolve alongside customer needs and expectations, often a series of small changes is all it takes.

CAPITALIZING ON CUSTOMER ENGAGEMENT

All the interactions you have with your customers: that's customer engagement. You can use [AI](#) to eliminate the guesswork and understand and gauge your customers' engagement and behaviour so that you can personalize every interaction, opening up new opportunities for quick wins.

Are you sending out too few messages? Or too many, leading to message burnout? Are your email subject lines driving—or driving away—customers?

TWEAKING YOUR DESIGN TO IMPROVE THE UX

The **user experience** (UX) can be summed up as how the customer feels when using your website: Are they happy? Frustrated? Confused? Are they searching for the checkout button? Often, the UX is overlooked in the design process in favour of creativity, which can result in accessibility issues, decreased customer engagement, and lower conversion rates.

Once you have mapped out your customer journey and determined your pain points, you can start making small but impactful changes right away, such as making your cart button easier to find, reducing the amount of text on your site since nobody reads it, choosing better images, making your site more mobile-friendly, or providing better accessibility options. Fixing these small pain points from a UX perspective, instead of designing and building a completely new site, leads to what we call a **quick win**.



UNCOVERING BLIND SPOTS

Blind spots are missed or overlooked opportunities that are revealed when mapping your customer journey. Take a classic example: a customer buys a product. You notice in your customer journey that the interaction ends there. So you decide to send them an email a week later, asking them what they thought of the product and to write a review on your website. Now you have live customer feedback and fresh user-generated content, which boosts your SEO. That's a quick win.

STREAMLINING PROCESSES

Once you've mapped out your customer journey, you'll also uncover overlaps in your processes.

- 🛒 Do your customers have to jump through multiple hoops before they can make a purchase?
- 👤 Is your self-service option convoluted and complicated?
- 📧 Is your system sending out too many messages to your customers?

When you can see it all laid out in front of you, it's easy to make small changes that will streamline your processes and improve the customer experience. That's another quick win!

MAKING SMALL CHANGES THAT ADD UP FAST

Instead of starting from scratch, which requires a lot of time and money, the name of the game today is multiple quick wins, optimizing what you're already doing, using the same budget, but getting bigger results.



SO WHAT NOW?

Every company is different, and some are more data-driven than others, but if you want to grow in today's ever-changing, fast-paced market, you need data. While the sky's the limit, it's important to keep in mind that you don't have to do it all on Day 1. You can start with a basic level, get your bearings, and then bring in more data and move up to the next level. It's a learning curve for everyone—but the good news is that you'll start seeing results right away.

WANT TO LEARN MORE ABOUT HARNESSING THE POWER OF DATA AND TECHNOLOGY?

We can help you understand how you can leverage data and technology to uncover missed opportunities, optimize the customer experience, and streamline your processes.

INTERESTED IN GETTING STARTED BUT NOT SURE WHERE TO BEGIN?

Let us help you get started in mapping your customer journey to determine your road map and pinpoint areas where you can make quick wins that will deliver results right away.

ARE YOU FULLY EQUIPPED BUT NEED HELP WITH TRAINING AND USER ADOPTION?

Our consultants can support your business where you need it most—whether that's filling a temporary gap, leading a special project, or determining your growth plan.

NOT USING YOUR SOLUTIONS TO THEIR FULL POTENTIAL?

We can support your digital transformation and enablement so that you get the most return on your digital investments.

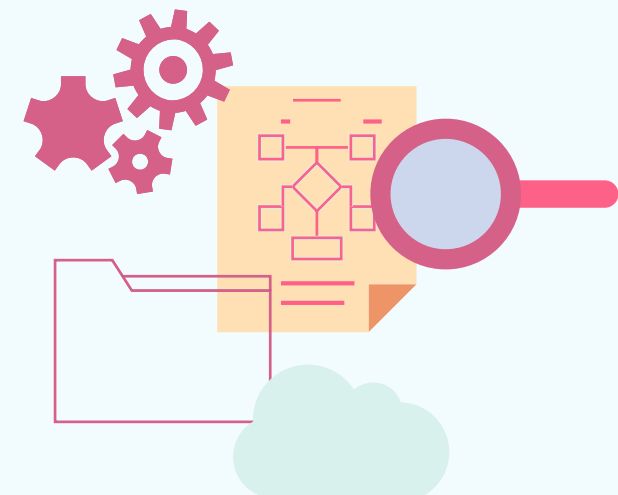
READY TO GO? TALK TO US!

Call us today and start achieving quick wins now!

GET STARTED

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