

*Retail Executives Share:*

# 5 Key Ingredients for a More Connected Customer Experience



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Brands that use omnichannel marketing see 91% greater year-over-year [customer retention](#) rates compared to businesses that don't (Aspect Software).

But to take “omnichannel” beyond merely a buzzword, we have to peel back the layers... what does it look like... what does it *feel* like?

For every company, the answer varies. However, among all our clients successfully driving revenue with omnichannel marketing, five key similarities exist – these brands:

- ▶ Leverage first-party data for better insights
- ▶ Focus on loyalty and retention with lifecycle marketing
- ▶ Use an omnichannel strategy through their martech investment
- ▶ Market on a 1:1 level... whether in-store or online
- ▶ Understanding and catering to the entire customer journey

We compiled some of the best insights, stories, and tips that our clients shared at Retail Revival 2021 so you can learn from these hidden gems.

# 1. Unlock The Power of First-Party Data

Online commerce is at the precipice of a new dawn — spurred by tracking concerns and new data privacy legislation across the world. Emergent privacy laws and browser restrictions are also diminishing the precision and measurability of digital advertising while cluttering web experience with burdensome consent notices.

Companies like Facebook, Google, and others have been swapping data for use of their services forever. Now, these brands are announcing they'll be removing third-party data (goodbye pixel tracking) and will not be using cookies. The shift to using first-party data throughout all marketing channels is now unavoidable. Customers expect brands to have made the shift to privacy-centric strategies.

*“On-site personalization that you can do through session-based data – through simple product history collected through their purchase – helps us be far more relevant and in-tune with the customer. That is far better to have and deliver to customers than to switch things off, turn off tracking, and present completely irrelevant information... we have to be careful as a general market to be mindful about what we’re turning off, but also how we’re helping customers understand that most retailers aren’t trying to do scary things with their data, they’re just trying to help convert the customers but also help make the experience more rewarding.”*



Stuart Freer, CTO

STRANDBAGS

Customers will need to be given choice and control over how their data is handled. To comply, marketers need to collect their own personal data, know where it's located in the business, how it's used, who can access it, and much more.

It's only via first-party data that brands can confidently link various touchpoints, connect the dots between numerous disparate interactions, events, and instances, and create that illuminous "360-degree view" to really understand who customers are. As third-party cookies are phased out, marketers must place first-party data at the heart of all marketing initiatives, from acquisition to loyalty.

Good first-party data contains insights about customers' buying patterns, preferences, location, level of engagement, content preferences, and more. Success in today's busy retail landscape is predicated on a brand's use of first-party data to create 1:1 marketing that drives business outcomes.

*"The biggest differentiator we've found is there needs to be value for a consumer when they're in a "data-sharing moment." What's in it for them? Recommendations? Save them time? Give them a personalized tip or trick? Unlock an exclusive benefit tailored to something they're shopping for? Value is a big driver."*



Alexia Phipps, Senior Client Partner

jebbit

## 2. Move to Retention-Based Lifecycle Marketing

[Customer lifecycle](#) marketing is one of the most undervalued overarching strategies for e-commerce companies. Modern retailers capitalize on opportunities across each lifecycle stage: acquisition, growth, retention, and win back.

*“We're a very seasonal business. The majority of our products get purchased three to four months out of the year, and then it's usually a very long life cycle. You're talking five to seven years of a life cycle on a product. So there is a very long window in regards to a post purchase engagement that we have to drive. Email is a great way for us to be able to do that. We really wanted to invest in a personalized series to educate consumers on the product, from registration to assembling the grill, letting them know what they can cook and how to cook it.*

*[Grills] are one of those larger investments. And you want to ensure that [customers] have a successful experience afterwards. To allow them to be successful, we have to give them the content that teaches them how to season their product when they first get it. Then once they get the product set up, what are some things that they can start exploring and discovering and trying? So we... built out a series of four emails that include that subject matter from recipes and how-to articles with video content...”*



Leandi McMurphy, Marketing Director



As you've heard, acquiring new customers is more costly than growing existing business. More marketers are beginning to recognize that the cost of acquisition is simply not economical nor worthwhile. In their pursuit for value over volume, they're turning toward their existing database with a renewed focus on retention.

*"The biggest win was shifting our focus from short-term ROAS goals to long-term retention goals by working out customer lifetime value. This meant not just focusing on single transactions but focusing on engaging customers with the City Beach brand over a longer lifecycle."*



Michael Doyle, Head of Marketing



Customer loyalty is the key to executing a lucrative retention marketing strategy, but re-engaging inactive or one-time buyers is the best way to get people to that point.

*"Last year we saw +66% new consumers to our brand. So what does that mean? It meant that we really needed to ensure that we can keep those consumers... beyond just COVID. So we invested heavily last year (and we're going to continue to invest heavily in the next couple of years) in our CRM stack. That includes anything from a CDP all the way through, anything that we need to do for our loyalty program to make it the best loyalty program in [the] beauty [industry], as well as improving our personalization capabilities when it comes to email, SMS and everything else. That's really one of the biggest pillars we're investing in."*



Ekta Chopra, Chief Digital Officer

**E.L.F. BEAUTY**

Retention and loyalty marketing is a major shift in focus that recognizes the value of your team's work to your existing customer base rather than constantly trying to grow it.

You have only a 27% chance of a customer returning after one purchase, but a 54% chance of them returning after a second or third purchase. Another study by Gartner revealed that 80% of a company's future revenue will come from just 20% of their existing customers.

Retention (through loyalty programs) truly represents the most lucrative investment for modern e-commerce teams looking to break away from the accepted status quo.



## 3. Committing to Adopting Omnichannel Marketing

Omnichannel marketing places the customer at the core to ensure a consistent, unified experience at every touch point (as opposed to simply *enabling* that touch point).

Omnichannel CX, on the other hand, is about putting the customer at the center of your marketing efforts and reaching the customer wherever they prefer and are most likely to engage in response.

Consumers around the world are growing to expect this high level of personalized omnichannel marketing

*“Each day you're hearing about new technology, new platforms, a lot of vendors trying to sell you solutions or whatever. And it's overwhelming. I think having a dedicated team, project management initiatives, and a strategy team just for this omnichannel journey would have helped me a lot – to prioritize initiatives, [but also] not losing time in [all] of the different areas that you need to consider. So... have a dedicated team, because that will give you a lot of time to focus on the [more] important long-term strategy.”*



Carlos Roberto López, Marketing + eCommerce Director



*“When we talk about a 'single view of customer' and 'single view of inventory' across all channels, that helps [attain a true] omnichannel perspective. We've seen our business evolve from what was a single channel into multi-channel and then to omnichannel to provide that consistent experience – then to where we are today which we call 'unified commerce.' [For customers, omnichannel] will feel like we're [always able to] have a consistent conversation with them.”*



Shane Lenton, CIO

**CUE<sup>®</sup>**

An omnichannel approach ensures your audience has a wonderful experience with your brand on each and every channel. The focus is on building a stronger relationship between consumers and your brand through whatever channel the customer happens to be using at any given moment.

To get omnichannel CX right, you need to not only have the breadth of channels available, but you need to have all your data centralized and fully integrated throughout your omnichannel marketing mix so it's accessible from every touchpoint.

Did you know that 98% of Americans switch between devices on the same day (Google Research)? Meeting them and measuring success becomes a lot easier with an omnichannel strategy.

## 4. Deliver Personalized Customer Experiences In-Store or Online

Changes in consumer shopping trends during the pandemic show that e-commerce and online retail channels are here to stay. To succeed, your brand must be able to deliver customer experiences online and offline — true omnichannel customer engagement. This starts with identifying more customers at the store level.

Due to similarly-situated companies in a given market — and the over-saturation, variation, and choice of products — personalization is the de facto “X factor” that may be the difference between a loyal customer and no customer.

Of course, one increasingly-important aspect of personalization includes its close cousin: experiences. Where a mid-sized retail brand might lack in sheer size, reach, or mindshare, it can compensate by creating differentiated experiences (particularly in-store) in a way competitors likely can't.

*“We’ve been focusing on offline [lately] as well as more traditional channels. I think that’s something that a lot of brands don’t really dive into enough (and with people being at home quite a lot). Direct mail has been massive for us and customers have responded to it really positively. That’s something that we’ll be [doing more of] in the future.”*



Sarah Brereton, Head of CRM



As the IoT and sphere of connected commerce continues to expand, the distinction among shopping, experiences, and gamification is blurring.

### **Balancing in-store and online**

It's the age of digitization and of data.

For brands with brick-and-mortar presences, it's crucial to connect online and offline transactions in a way that not only provides a holistic customer view, but that actually drives revenue, too.

*"Salling Group used their offline purchase data to drive online sales by using automated audiences when running omnichannel campaigns. This resulted in 25% revenue growth within five weeks."*

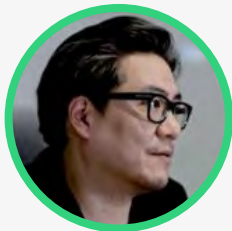


Jens Pytlich, Digital Marketing Manager



While you don't have to be perfect, investigating just a few ways to start generating in-store data will benefit your brand. Whether exploring in-store beacons, creating 'download our mobile app' signage/incentives, or simply asking customers to sign up for your rewards program at checkout, you can start creating opportunities – through interpersonal experiences – to connect the data dots.

*"We're forgetting the stores in the omnichannel vision ... What tends to happen when online comes into a retail business is everyone goes, 'Look, online is so shiny. We're just going to focus on online.' And then the [in-store approach] tends to look at online as '[They are] a separate bucket now ... online and offline – they're two separate entities.' But the actual fact is, they really should be combined because, let's face it, customers do shop in both places."*

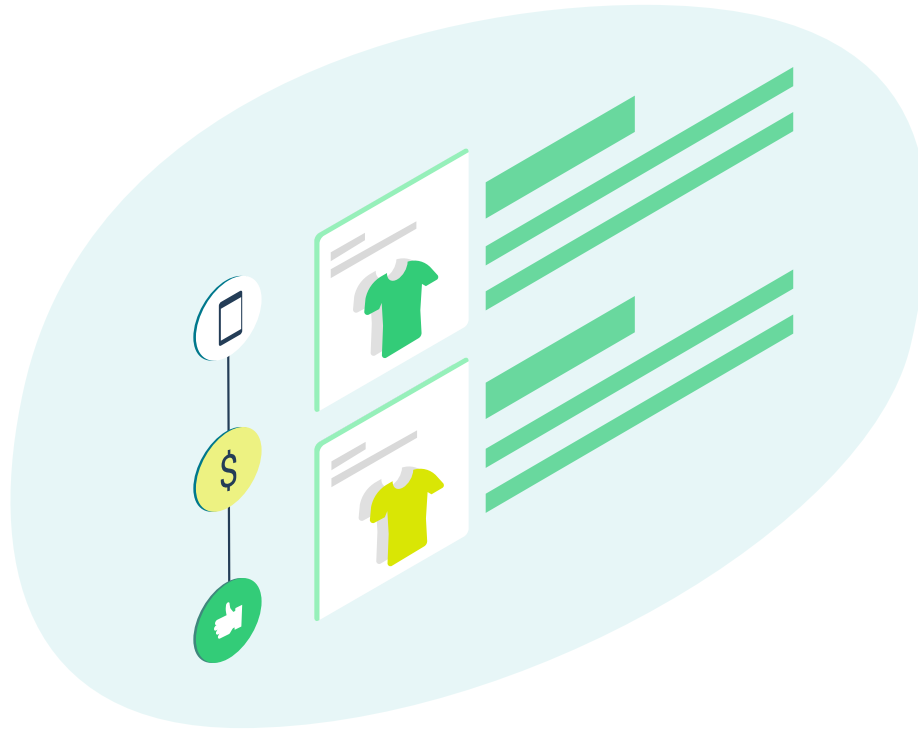


Mike Cheng, Head of Digital



While stores were closed down for much of 2020 and 2021, many brands acquired new and first-time buyers through their online channels. Some of these customers now want to shop in-store as places reopen.

For true omnichannel customer engagement, new customers should be able to seamlessly move between your online and offline stores to continue engaging with your brand.



## 5. Understanding the Customer Journey

The digital customer journey refers to the process a customer goes through with your brand — from browsing to purchase to post-purchase.

For marketers, the key is being able to identify what stage a customer is at, and successfully curating the content they receive based on this stage as if it were served up manually and with great care (technology will automate the who, what, where, and when as you give it quality content and data).

With potentially thousands of customers on your website and even more SKUs, we can start to understand how the whole “right product, right person, right time” ethos comes into play.

The customer journey stages are as follows:



### **Browsing**

The prospective buyer has just begun their journey. During this stage, the customer likely isn't quite sure what they're looking for yet – the good news is, you've at least piqued their curiosity.



### **Building a cart**

The customer has found what they were looking for! However, they must still weigh their options – it's not a foregone conclusion that they'll move on to the next stage: purchase. In fact, 3/10 shopping carts are abandoned.



### **Purchase**

The final stage. The customer has committed to making a purchase... whether a first-time or repeat transaction. Now the question is how to turn this customer into a returning and loyal customer.



### **Post-purchase**

The majority of customers are “one and done,” and it's harder to acquire than retain. So, this stage is all about inspiring further purchases.

*“We learned everything there was to learn about our customer journey, how they were experiencing every touch point. We streamlined our brand messaging and personality. We used an automated platform to execute everything we needed along the customer journey. Then we needed to deliver on that promise to prioritize the customer along this journey so we streamlined a new customer journey. The first touch points were forever and always our ‘home.’ We got them into our email platform so that we could take them on [our] welcome journey. We were on the journey with the customers and helping them discover what they needed. And the purchase and experience part... we’re offering gifts with loyalty discounts and apps on-site with that help [like] countdown timers as an incentive and other incentives to purchase.”*



**Natalie Peat, Finance & E-Commerce Manager**

**ECO.**  
Modern essentials

Without technology in place to help supplement and scale, personalization — especially when manually done — is virtually impossible to achieve.

In cases where marketers (a) start with the tools or tech and not strategy, (b) attempt to manually personalize their marketing in real-time across the database, or (c) have expectations for immediate (meaning weeks) large-scale return, disappointment is a virtual certainty. True personalization can't be faked, and, as an investment, can't be rushed.



## Conclusion

Omnichannel businesses are diligent in ensuring their customers receive the same experience and messaging through each and every channel. A consistent brand image and message provide more than a heightened familiarity with your brand. They set the stage for:

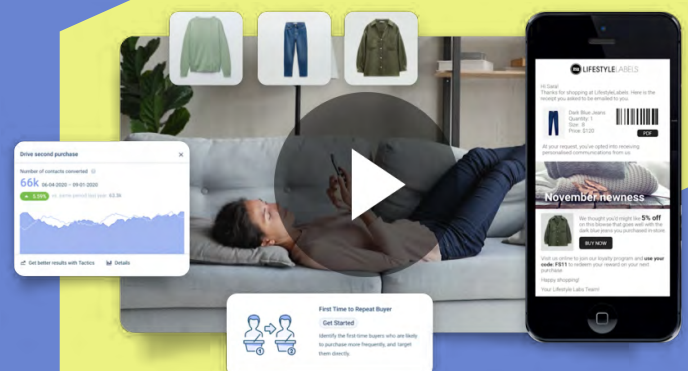
- ▶ Increased customer retention rates
- ▶ More first- to second-time buyers
- ▶ The ability to move churning or defecting segments back to active
- ▶ Proactive, predictive, personalized marketing
- ▶ Higher AOV and greater revenue over time

Many of the retail brands we work with set the bar for what omnichannel looks like. While no one is perfect, it's really just about getting started, finding the right channel balance for you, and remaining as flexible as you can to meet your buyers when, where, and however they desire – and that is what a connected customer experience looks like.

## Want to learn more?

Get a 3 minute demo and see how to take your omnichannel marketing to the next level

[Watch now](#)





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