

Retail Technology and the CX Question

How Personalized Messaging, Text-Based Payments, Video
and More are Impacting the Retail Shopping Experience



Introduction

The retail industry was making slow-but-steady progress toward mobile becoming a dominant — if not the dominant — digital commerce mode. Experts warned that for this business model to work, however, retailers would need to provide a truly seamless omnichannel experience, complete with strong customer support. But until COVID-19 hit, most retailers felt that incremental changes in this direction would remain sufficient for meeting customer demands.

Then 2020 showed up and sent the retail industry playbook into overdrive. Ecommerce growth skyrocketed [from the typical 2% - 3% per year to 32%](#).

Retailers responded by adding curbside pickup, contactless payments and other BOPIS practices to meet consumer expectations. Simultaneously, consumers bypassed in-store experiences and ordered home delivery of food and other non-perishables from their favorite merchants online.

This acceleration of digital transformation for retail and consumer shopping came early, and these changes are likely [here to stay](#) — which means retailers must meet these new demands head-on by upgrading their customer experience (CX). Read on to learn four CX truths retailers must embrace post-pandemic, along with the technologies that will help support them.

01 Stay on Message

Consumers like the speed and efficiency of SMS to communicate with their favorite brands. In fact, texts have a [98% open rate](#), which shows how effective this channel is when trying to reach consumers.

As consumers experienced texting's convenience in 2020, those retailers who used texting to boost CX found success. The rise of curbside pickup — when a customer arrives in the parking lot, sends a text message and gets their product delivered right to their car — speaks to this rising trend.





An effective messaging strategy can help retailers meet consumers' expectations. Let's look at the three types of messaging:

Automated Messaging:

This includes using chatbots to help consumers answer frequently asked questions such as store hours. Automated messaging reduces call volume, freeing store staff for other tasks. However, it doesn't allow for deeper online communication. This could frustrate customers who then need to make a call or send an email for further help. And if it's after hours, or if their email gets lost in the shuffle, customer frustration can grow deeper.

Assistive Messaging:

This adds AI capabilities to the chatbot so customers can have deeper online discussions. For example, the chatbot can ask which items a customer wants and then display the available merchandise. Then, once they're ready to buy, shoppers can click on a link within the chatbot and go right to the online checkout.

Asynchronous Messaging:

This creates the highest level of messaging personalization. With asynchronous messaging, consumers can start the conversation on a laptop, pick it up again on a mobile device and complete the interaction the next day while on a flight. The conversation always fits around the consumer's schedule; it doesn't matter whether that consumer is interacting with an agent, AI, or both. When implemented at the highest level, asynchronous messaging delivers the promise of more personalized experiences by driving consumers to products and following up with them after the purchase to make sure they like the product. It also can be set up to suggest complementary products or provide information unrelated to the sale. For instance, a person who buys new running shoes might receive running tips or information about local 5k races through asynchronous messaging.



Maintaining consistent brand messaging is critical to standing out in the vast omnichannel environment, and that's what asynchronous messaging does. The goal is to connect with shoppers, interact with them at the moment they're interested in the product, and to re-engage them to help build a relationship with the brand. That could mean starting the conversation over web chat, then seamlessly shifting it to SMS text as the customer moves through their day.

Retailers can tailor various messaging platforms to their customer's specific needs. For example, Lululemon launched a ["virtual waitlist"](#) in the wake of pandemic capacity limits for brick-and-mortar stores.

Texting is shown to be an effective and accepted communication channel for retailers.

They used SMS to text shoppers when it was their turn to enter the store, allowing consumers to walk around outside or complete other errands while waiting for their turn.

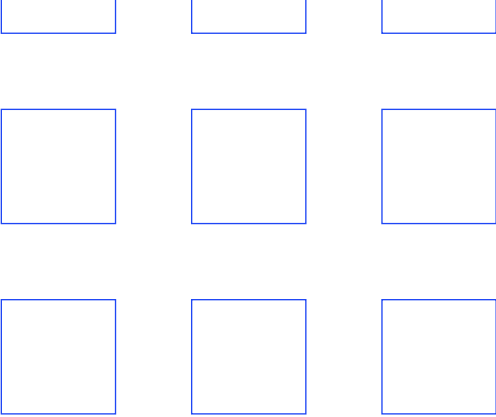
Other brands use text messaging to discuss damaged items with customers and handle returns. The customer texts a picture of the product and their complaint, and the retailer completes the entire exchange process through SMS.

High-touch businesses, such as **Jerome's Furniture**, use text to enhance their customer experience and fulfill consumers' desire to see products before they purchase. "We've arranged it so that a customer is texting a sales associate in a store rather than someone in a social media center," said Scott Perry, EVP of Digital at Jerome's. "The sales associate finds what they're looking for and sends them pictures. When that person comes to the store, they have someone they've been interacting with, so it creates a warm lead."





Ideally, retailers meet the customer in the communications channel they prefer, whether that's SMS, Facebook Messenger, Instagram Direct Messenger, or whatever channel with which the consumer is comfortable communicating. Of course, managing multiple types of messaging can be complicated, which is why many retailers use a technology solution to funnel all communication channels into one platform or inbox, making these conversations manageable and productive.



We saw people really enjoyed that experience and now it's easy to move to video from web chat or SMS.

Scott Perry, EVP of Digital, Jerome's Furniture



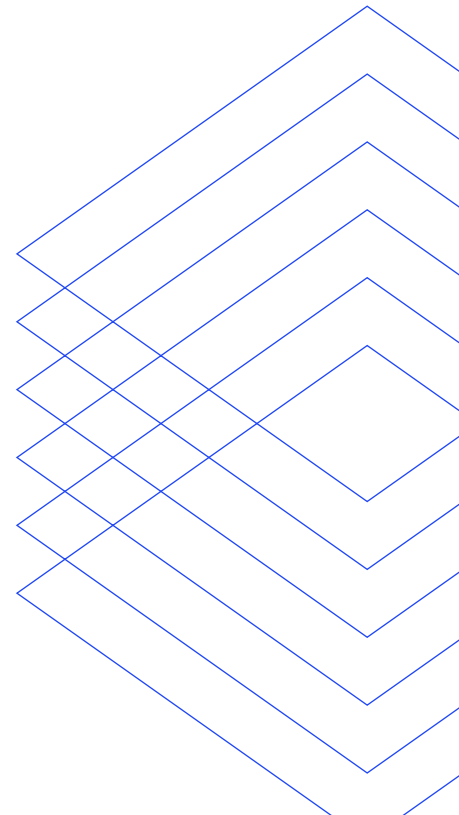
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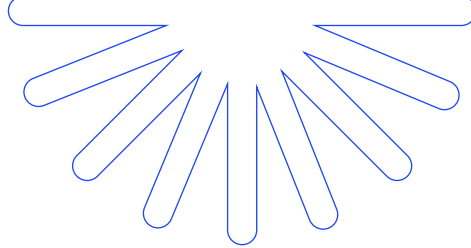
Embrace Text-Based Payments

With text-to-pay, shoppers avoid checkout lines in the store. The retailer supplies a link in the text that takes shoppers to a payment portal where they review the purchase, enter payment information or link to their mobile wallet, and the purchase is complete. The shopper doesn't have to switch from text to the website; they simply follow the text links.

Mathis Furniture is just one retailer successfully using text payments. Since April 2020, the company has processed [\\$9 million in sales](#) through Podium Payments from customers completing sales through text after shopping online or completing a virtual showroom appointment with an associate.

Speed and simplicity are hallmarks of great modern-day customer service. Adding an SMS payment option is one of the goals of meeting consumers where they are on their channel of choice.





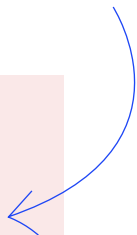
03 Make the Jump to Video

The pandemic accelerated the use of and preference for video chat among retailers and shoppers. Businesses that shuttered their offices were able to keep connected with employees and customers through Zoom and other video chat programs. Consumers became comfortable with video chat for nearly every interaction, including business meetings, school, and connections with friends and family.

+354%

Increase in Zoom usage from 2019 to 2020

Source: CNN





The most logical use for video chat in a retail setting? Personal video consultations. Customers seeking that personal touch can receive it at the time and place of their choosing, without driving to a physical storefront.

Most consumers are familiar with receiving a link, clicking on it, and entering a video portal. When communicating with a customer about a product over SMS or web chat, the employee can suggest a video chat experience so the shopper can view a new product. A link will appear on the text screen taking the customer to the employee's device as they show off the merchandise. And for customers concerned about privacy, video can be adjusted to one-way (turning off the customer's camera) for enhanced privacy.

When the pandemic forced its stores to close, the executive team at **Jerome's Furniture** huddled together on video to come up with ideas and developed a plan to give shoppers an in-store

experience during the lockdown. "In three stores, we had some of our associates interact with interested customers on FaceTime, showing them products they were looking for," said Perry. "We saw people really enjoyed that experience, and now it's easy to move to video from web chat or SMS."

Gucci also made the most of video during the pandemic. The shutdown of brick-and-mortar outlets combined with economic upheaval and consumers' concerns about health and safety led to a general drop in interest in high-end brands. So Gucci got creative. It found ways for customers to communicate with a sales associate through text, chat, or phone, and then schedule a personal video session. Users interacted with an associate who displayed the merchandise for the camera and could check out through a link.

Video's ease of use will likely make it a mainstay channel long after the pandemic is over.



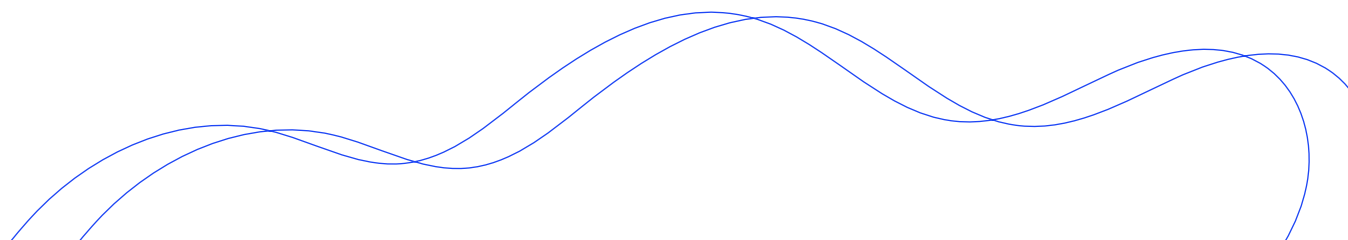


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Maximize Customer Reviews

Most retailers understand the impact of a good review. And many feel the pain of how difficult it is to increase the number of reviews from happy customers. When customers are asked to review the product purchased and the customer experience, they must click over to a website or app, navigate their way to the correct review field, and finally, click “done.” The process of leaving reviews can be clunky, which usually means the only consumers willing to go through the process are those that have had a poor experience with a product or retailer.

The good news? Retailers can increase good reviews through SMS and chat links. A productive way to start is through [Google My Business](#) links. Shoppers regularly use Google to begin a product search — so it’s familiar — and it provides them with specific information about each of a retailer’s outlets. Customers are invited to write a review of their experience with the retailer. The more positive reviews your business receives, the higher it’s ranked in Google searches.





Traditional social media reviews on Yelp, Facebook, etc., also are critical, but getting the customer to move over to another platform can create a bottleneck. But not with texting. After a successful interaction over SMS (when a text conversation leads to a sale), include a review link for the customer's preferred social media channel.

For example, the 17-unit **Coast Appliances** chain received [1,000 more reviews](#) in 2020 compared to 2019 after implementing review-invitation messaging. By managing it through a central Podium portal, the company could see consumer reaction trends and make instant changes to increase its ratings.

Simplifying the review process is the key to receiving more reviews. The **Mattress Firm** chain had been encouraging customer reviews for a few years without a clear uptick in positive responses. "We switched to an SMS program where the customer would get a review invitation via text right after the sale," said Steve Barnes, Senior Manager of Omnichannel Integration. "During our test of this technology we saw a 100% increase in reviews over a short period of time."



Your Next Steps to Embrace the Future of Retail CX

To keep up with customer demands, successful retailers will feature asynchronous messaging, text-based payment options, text-to-video and simplified review links. But with all of this technology, it's easy to see that many retailers are hesitant to adjust based on a perceived increase in staffing and other resources.

Not with Podium.

With an interactive management platform like Podium, you can manage all of these interactions from a single inbox. Whether your customer service team is centralized in one location or spread across different stores, staff can easily respond to customer inquiries and add more personalization to your CX.

[Learn more](#) ↗





Podium is redefining the way customers interact with local businesses. Podium's Interaction Management platform uses messaging to make it convenient to interact with your leads, customers, and teams along every customer touch point.

With Podium, you can message your leads and customers, get reviews and feedback, and communicate easily with your team, all in one easy-to-use inbox. It powers the conversations that matter most to your business, putting you miles ahead of the competition.

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