

THE NEW CHANGE AGENTS
HOW TOP IT AND MARKETING TEAMS CAN
MOVE FROM CUSTOMER EXPERIENCE TO
EXPERIENCE INNOVATION





INTRODUCTION

Customer experience (CX) has historically been a marketing team mandate to innovate across sales, service and commerce. But retail teams have increasingly realized that leading-edge CX is a holistic proposition, requiring every department to work in unison toward a greater mission: customer obsession.

To get there, teams are leaning on a robust technology stack powered by enormous amounts of rich data. They also need a highly informed gatekeeper with cross-functional visibility who understands the big picture and can pull it all together in a way that makes it actionable.

That's where IT comes in. CIOs and CTOs play a pivotal role in the digital innovation that powers leading CX. In many cases, they hold the keys to creating successful CX campaigns and must therefore be involved at all phases.

CIOs agree: A recent **IDG report** found that **53%** of CIOs expect to increase their involvement in CX in the future. In addition, CX is among the initiatives that will drive the most technology investment, say CIOs, because of its direct impact on revenue and overall business goals.

Research shows that companies that excel at CX can achieve revenue growth that's **4% to 8%** above their competitors. What's more, **62%** of leaders in customer-obsessed companies say their company's omnichannel strategy has yielded higher margins for them, according to **research from Forrester**, **commissioned by SAP Emarsys**.

IT leaders are the ones that can bring it all together by empowering the business with emerging tactics needed to drive CX success — all while putting the customer at the center of their business objectives. CIOs and other tech leaders are the conductors of data orchestration that creates personalized experiences at all points of the shopper's journey with your brand.

This white paper explores how IT leaders can serve as change agents and are uniquely positioned to collaborate with marketing to more effectively create CX strategies that drive business results faster than ever before.



BRING YOUR CUSTOMER-CENTRIC VISION TO LIFE

Marketing's role is to first, understand consumers, and then to shape the brand's mission and products into go-to-market strategies that drive demand. Yet marketing teams often lack the integration requirements and cross-functional visibility to implement new initiatives on their own. They look to their colleagues in IT to make the customer-centric experience a reality.

For their part, IT leaders should immerse themselves in their organization's CX vision so they can dive in quickly to implement the technology needed to make that vision a reality.



50% OF GLOBAL CONSUMERS SAY THEY'VE MOVED TOWARD ONLINE SHOPPING OVER THE PAST THREE YEARS.

Source: Emarsys Consumer Survey Research



Innovasport Grows Loyal Fans With Winning CX

As a fast-growing sporting goods and clothing retailer in Mexico, Innovasport promotes a healthy, active lifestyle through its products and brands. To become a segment leader, the brand had to embrace unified commerce so it could share insights and help its customers make better buying decisions.

Led by a customer-centric vision between IT and marketing, Innovasport instituted a corporate culture shift centered on CX and used automation to put the right product in the right channel at the right time for the right customer. "We are now able to personalize the customer experience during and after the purchasing process," says Gustavo Gutiérrez, Chief Technology Officer.

With a cloud-based solution, Innovasport used automated processes to gain analytics and insights from live data on product availability and sourcing in fulfillment locations. Moving away from manual processes freed up staff for higher-impact activities.

The results: The number of customers in Innovasport's loyalty program grew **30%**, from **1.4 to 2 million**, and the average number of items in baskets increased from **1.2 to 1.8**. Next up: boosting average basket size from **1.8 to 2** items by leveraging upselling and cross-selling opportunities in digital channels.

Next Steps

- 1. **Transform your culture:** As an IT leader, you already have a seat at the table. Now it's time to showcase what IT can do for CX. Make sure all members of your team are immersed in CX and see how central their roles are to it.
- 2. **Accelerate customer understanding:** Marketing's role relies on understanding what customers need so they can create personalized shopping journeys. Show marketing how much more powerful their insights can be with the smart use of Al.
- 3. **Start at the beginning:** IT shouldn't be an afterthought. Marketing should bring IT to the table when they conduct customer journey audits so both functions understand where tech is working and where it's not. Align on training and onboarding as you introduce new tools and bring in new teammates to make sure you're maximizing the use of your technology stack.



BE A STRATEGIC PARTNER TO DRIVE EFFICIENCIES

IT leaders are in the position to see the efficiencies and savings that modern martech enables. They also know how to make the case for bigger tech budgets, and they can elevate that message to their CFOs.

Tech leaders' cross-department visibility allows them to understand where departmental goals are aligned and where they diverge. But only revenue-driven CIOs see how essential they are to bridging the business "what" with the technology "how."

More companies recognize the power of synergies between tech and marketing. Marketing can help enhance visibility into the customer journey and identify content and data gaps that can solve customer problems.

Living in a digital world, marketing teams understand that even brands with a strong brick-and-mortar presence know they must rely on digital channels to build brand loyalty and create a cohesive customer experience across every touch point, whether through social media and email campaigns, service engagements or how-to videos on their websites.



ONLINE SALES WILL MAKE UP 30% OF THE \$5.5 TRILLION RETAIL MARKET BY 2027.

Source: Forrester Research

Strong technology capabilities are marketing must-haves for most modern brands to help identify where they should be spending their time, budget and resources. In fact, today's CMOs have become functional CTOs in many ways, according to **Forbes**.



LK Bennett Creates the 'Perfect Fit' for Luxury CX

When new owners acquired LK Bennett — the British fashion label favored by the Princess of Wales — they saw a glaring weakness in the brand's otherwise stellar reputation: ecommerce. Its website was dated and lacked key functionality.

To position its brand for online growth, LK Bennett relied on a tight relationship between marketing and IT to fully embrace CX. It created a comprehensive digital commerce functionality embedded in the cloud, including workflow-based order management, product content management and personalization tools.

With a new omnichannel mindset, LK Bennett also expanded its payment options to let shoppers pay by whichever method worked for them. These new solutions helped the brand personalize recommendations, build trust and drive more sales.

The results: A **35%** increase in website sales and a **20%** uplift in conversion rate over the last two years. "By moving to the cloud, we reduced the time and cost needed to maintain our IT infrastructure, giving our IT team more time to focus on business initiatives that put the customer first," says Zoe Donovan, LK Bennett's Digital and Marketing Director.

Next Steps

- 1. **Make the case:** As gatekeepers of tech procurement, IT leaders can help marketing make the case for additional martech spending or budget reallocation with point solutions to improve CX and drive profitability. They know how to get higher budgets approved by leadership.
- 2. **Talk the talk:** Understand that tech is a language marketing may not understand. Take time to explain the jargon and highly technical concepts to colleagues who aren't steeped in tech. Then, you will be able to speak with one voice across the organization.
- 3. **Become a marketing evangelist:** Most organizations have the CIO and CMO as two separate roles, but these leaders should be aligned on strategic priorities and operate from a single charter. Work together to delegate collectively down to other members of the organization.



TURNING ACTIONABLE DATA INTO PROFITABLE PERSONALIZATION

Profitability is all about creating exceptional experiences that keep customers coming back. To do this at scale, brands are increasingly turning to data insights.

But data often lives in siloed repositories and isn't shared between organization leaders, hampering the decision-making that's needed to drive profits. Marketing needs IT to champion the process of breaking down these walls to create even better CX, the underpinning of profitability.

Brands must fine-tune their long-term CX roadmap to know exactly how to set up their data so it's easy to activate and consume. And they must be mindful of the responsibility that handling data carries by using the proper compliance, storage and security protocols.



48% OF MARKETERS WORLDWIDE SAW HIGHER CONVERSIONS DUE TO INCREASED PERSONALIZATION.

Source: Insider Intelligence / eMarketer



Maui Jim Says 'Aloha' to CX Success

Maui Jim, Inc. knows a thing or two about sun protection. The brand started selling its premium eyewear on the beaches of Lahaina to help customers deal with the harsh Hawaii sun.

As its fan base grew beyond the islands, Maui Jim wanted to ensure that all customers got a taste of its unique aloha culture (along with high-end lenses and stylish frames).

To get there, IT and marketing came together to take a complex data structure and make it accessible to consumers with a cloud-based commerce solution. Now the retailer's ecommerce strategy targets both wholesale and direct-to-consumer channels, with embedded support for multiple languages, currencies and regional regulatory compliance.

Maui Jim also supports personalized mobile shopping experiences with intuitive mobile browsing and single-click purchase options. And the company uses texts to manage the complex repair process and drive CX. Customers can text repair technicians, approve repairs with a single click and receive updates.

The results: Customers can now make online transactions across **150 countries**. In addition, the brand completes repairs **36 hours faster**.

Next Steps

- Center your data strategy around CX: When IT gets involved in the process early, teams can
 avoid technology duplication and budget waste to ensure that compliant data is shared across
 the brand and that your martech platforms are consolidated. Help your colleagues in marketing
 shape their data strategy for CX from the start.
- 2. **Unify your data:** A cloud-based data infrastructure gives all decision-makers access to customer data and a single source of truth. Help departments see the insights they can glean even when data doesn't live in their silo.
- 3. **Automate data:** Brands' data repositories are too vast for marketing teams to analyze manually. Deploy artificial intelligence (AI), machine learning (ML) and the Internet of Things (IoT) for real-time data collection and analytics to assist with understanding consumer trends, inventory demands and supply chain stresses. Facilitate training for colleagues in other departments to understand the full breadth of what automation can help them achieve.



BUILD YOUR TECH STACK FOR CX

By unifying front and back offices through the intelligent use of enterprise resource planning (ERP) solutions, brands can achieve full visibility and control of customer-facing touch points as well as operations.

An optimized tech stack can help you achieve your CX goals by collecting, analyzing and acting on customer data. Auditing your current tech stack can help you assess whether it is supporting CX and where areas of opportunity may exist.

Covetrus®, a company that partners with veterinarians to host their own dedicated online pharmacy, used integrated technology and marketing collaboration to help it understand its two unique audiences: veterinarians who prescribe the medications or treatments and pet owners. To speak to both and keep up with growing demand, the brand built highly sophisticated omnichannel automation to power a more personalized and optimized campaign program.

Using ML, Covetrus' small but mighty consumer marketing team is able to deliver an omnichannel discount strategy that uses voucher management to update voucher details one time, then automatically pushes the update everywhere it's listed — creating a one-to-one personalized experience as customers navigate its website.

Covetrus applies ML to data such as buyer status, engagement, and veterinary practice information and accelerates advanced personalization. "We have the power to drive hyper one-to-one personalization in a scalable way without having to ask for support from other teams [like IT]," says Greg Holmes, Covetrus' Director of Email and SMS Marketing. "It really gives that power back to the marketing team and allows us to be more independent."



Moen Makes CX Flow Faster Than Ever

Moen's high-end faucets are mainstays of modern bathroom and kitchen design. But the company's paper-based processes prevented its customers from accessing smooth customer journeys that could build long-term brand loyalty. With an understanding that customers were less inclined to visit showrooms in favor of online shopping, Moen invested in cloud-based solutions to digitize and streamline its sales, service and marketing operations.

With a cloud-based sales solution, Moen now has rich functionality for automated sales processes. An advanced call-handling solution and self-service digital knowledge base accelerates inquiry response. A cloud-based marketing solution optimizes loyalty programs and empowers users to create bespoke landing pages that include rewards earned and personalized product options.

The results: With a consolidated tech stack built for speed, Moen improved first-call resolution rates and reduced waiting times. In addition, marketing teams can launch pages to support new campaigns faster and improve sales and marketing operations.

Next Steps

- 1. Understand the pain points: Work with your marketing team to recognize how customers want to engage and what might be preventing them from doing so. Turn these into CX opportunities with tech-enabled, personalized shopper journeys, helping teams spend less time on campaign logistics and more time on creativity that solves customer problems.
- 2. **Set it and test it:** Once your tech stack is set, assume you'll need to build upon what's working and identify new ways to improve over time. Make time-to-value your KPI. In today's evolving consumer landscape, the faster your customers get value from your brand, the greater your competitive edge will be.
- 3. **Favor shorter development cycles:** Encourage business agility and experiment by deploying new initiatives quickly. Some programs may not pan out, but others will have the potential to differentiate your brand with stellar CX. You can identify the most effective programs quickly and surge resources to them, making your tech budget efficient and cost-effective.

GET ON BOARD

Technology is a primary lever to amplify CX at scale, and CIOs control the technology that customers are demanding from brands. It's what makes great CX possible, delights consumers and creates brand loyalty.

Marketing understands consumers, and CIOs understand the technological requirements needed to drive CX innovation and how to build the business case for it. Working together, these two departments can craft the vision and the tactics to build out world-class CX. This will cement IT's role as a trusted, strategic partner that can recession-proof your brand and drive greater profitability.

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