Retail's Great Mobile Engagement Opportunity
Four Strategies To Help Retailers **Win**, **Engage** And **Keep** Customers

retail
TouchPoints®

White Paper

INTRODUCTION

It's almost impossible to overstate the extent to which smart mobile technology has radically reshaped consumers' shopping journeys. Consumers' ability to respond immediately to a mobile, print or TV ad, using a device that's nearby at virtually every waking moment, has changed the rules of the game and the speed at which it's played.

Because today's shoppers can begin product research almost immediately, retailers need to act quickly to engage them in real time. Mobile technology provides a vehicle for instant engagement, but it also creates new challenges in terms of communication and coordination across multiple channels.

"Because digital devices put everything at consumers' fingertips, new digital channels give today's shoppers the opportunity to know more and to do more — and they are expecting more from retailers," said Brian Manusama, Research Director for CRM and Customer Service at Gartner. "That puts a lot of pressure on retailers."

Mobile devices also are complicit in the "data bombardment" many consumers now deal with on a daily basis, fielding messages delivered on multiple screens from advertisers, social networks, friends and colleagues. To cut through the clutter, retailers need to optimize their increasingly important mobile advertising campaigns by delivering engaging, relevant content.

But this is only the start of what needs to be a comprehensive customer engagement process. Once initial contact is made, retailers must focus on continuing the conversation throughout the journey, to post-purchase and beyond.

Technology that provides a clearer path to engagement can make these efforts more effective and impactful. This white paper identifies four steps retailers can use to win, engage and keep customers throughout their shopping journey. The steps include:

1. Reach and engage potential customers in their living room;

2. Integrate mobile with traditional advertising platforms;

3. Embrace a mobile device strategy for maximum impact; and

4. Keep the conversation going post-purchase.

ONE

REACH AND ENGAGE POTENTIAL CUSTOMERS IN THEIR LIVING ROOM

> "WITHIN ANY ENGAGEMENT, YOU WANT TO MAKE SURE YOU'RE PROVIDING VALUE AT EVERY TOUCH POINT. THAT MEANS YOU NEED TO ENSURE THAT YOU'RE LEARNING ABOUT CUSTOMER BEHAVIOR AT EVERY STEP."
>
> **–Brian Manusama, Gartner**

The impact of digital interactions on consumer purchase patterns is well documented. These interactions are expected to influence 64 cents of every dollar spent in retail stores by the end of 2015, for a total of $2.2 trillion, according to the Deloitte Digital study *Navigating the New Digital Divide*. The report also noted that 76% of consumers interact with brands and products long before they step into a brick-and-mortar store, meaning they are making digitally influenced decisions early in their shopping journeys.

The task for retailers and brands is to ride this digital tsunami. A key first step is to take advantage of the multiple-screen phenomenon. Today's consumers no longer just watch TV, check their smartphone or use their tablet; they interact with all of these screens, in sequence or simultaneously, moving from one to the other as they surf social networks or something catches their eye (or ear).

Marketers can leverage today's distracted multi-screen media consumption patterns by building in a variety of consumer response mechanisms. For example, providing a number to text for more information within a TV ad provides consumers with more information, while helping the brand weed out the uninterested segment of the ad's audience and focus on those with an active interest.

CALL NOW!

The use of SMS text messaging allows the retailer to capture the consumer's phone number, which can be used as his/her ID for all future communications. Establishing this type of gateway for personalizing interactions and gathering individual customer data is vital.

By sending a link with more product information back to the phone, and then offering proactive live chat to answer additional questions, marketers can further nurture the customer's interest, increasing the likelihood of a future purchase — whether this takes place online or later, in a brick-and-mortar store.

"Within any engagement, you want to make sure you're providing value at every touch point," said Manusama. "That means you need to ensure that you're learning about customer behavior at every step. You need to set up a customer journey; have technology behind it that captures key customer data; analyze that data; and learn from it so that you can provide the customer with an attractive offer."

Combine Technology And Marketing To Engage Shoppers

Using TouchMedia solution from TouchCommerce retailers can enrich marketing campaigns by integrating a strong call-to-action, such as text messaging or QR codes, and adding personalized engagement tools. The following three examples show how retailers can maximize these engagement opportunities with TouchMedia solution from TouchCommerce:

1. A customer sees an ad for a tablet while watching television. The ad includes a call-to-action that prompts viewers to send a text message for more information. This captures the customer's phone number and becomes his ID through all subsequent interactions, which could include live chat.

2. A shopper spots an ad on a billboard for a product he is interested in while waiting in an airport lounge. That ad contains a QR code that the shopper can scan for additional information, including rich content such as product demo videos.

3. A print ad in the Sunday paper captures a customer's attention. That ad also contains a QR code. When the potential customer scans the code, he is directed to a page that includes a product guide.

TWO

INTEGRATE MOBILE WITH TRADITIONAL ADVERTISING PLATFORMS

> "NOT ALL CUSTOMERS WILL WANT THE SAME THING IN A MOBILE OFFERING, AND 'WINNERS' KNOW THAT FIGURING OUT HOW DIFFERENT SEGMENTS OF SHOPPERS WANT TO ENGAGE WITH THEIR BRAND IS KEY TO UNDERSTANDING ANY FURTHER ACTION."
>
> **– Paula Rosenblum and Steve Rowen, Retail Systems Research**

Today's technologies provide many ways to connect traditional media to smartphones and tablets. QR codes in print ads or on billboards allow customers to scan the codes with their phones or tablets, taking them to a web page with deeper information about the product or service.

These pages can be equipped with rich media such as videos, and also can include interactive elements such as product guide questions to help determine which item (or model) will best fit the customer's needs. Live chat options can be used to answer questions and help guide the customer to the next step on the shopping journey.

Each interaction adds to the retailer's database about the customer and his/her requirements, and further tests the customer's interest level in the product. This is valuable information, particularly for retailers selling items with high price points or a wide range of features, such as computers and other consumer electronics.

But learning more about what customers want by tying traditional media to mobile isn't just for high-end or specialty retailers; it has applications across many segments of the industry. "Not all customers will want the same thing in a mobile offering, and 'Winners' know that figuring out how different segments of shoppers want to engage with their brand is key to understanding any further action," wrote Paula Rosenblum and Steve Rowen in the Retail Systems Research report *Mobile Retail Finds New Purpose*. "We no longer live in a world with one-size-fits-all challenges — or solutions."

SCAN CODE TO LEARN MORE!

TouchCommerce

THREE

EMBRACE A MOBILE DEVICE STRATEGY FOR MAXIMUM IMPACT

34% OF SHOPPERS ALREADY USE DIGITAL WHILE IN STORES.

– Deloitte Digital, Navigating the New Digital Divide

The "always on, always with you" aspect of today's mobile devices is prompting retailers to integrate mobile into engagement strategies. This includes interacting with shoppers using mobile devices within the brick-and-mortar store, where nearly 90% of all transactions still take place.

Location-based technologies such as geofencing and in-store beacons allow retailers to send alerts to customers when they are in the proximity of a store, or inside the store and near the aisle where a specific product is located. Because shoppers will need to opt-in to receive these messages, retailers can individually identify these customers and target coupons, promotions or even pricing based on factors such as past purchases and lifetime value.

Other options for interactivity include providing QR codes in stores themselves, on banners or other signage, or numbers to which customers can send an SMS text message. These can be used for a variety of functions, such as providing deeper, more extensive product information than what can be contained on in-store signage, including rich media such as audio and video.

Engage Shoppers In The Store

Even though shoppers have more purchasing options than ever before, they still prefer to purchase items in the store. By implementing the latest digital technologies and solutions in a strategic way, retailers can engage customers in a more relevant and compelling way as they browse in-store aisles.

Retailers can give customers quick and easy access to product guides, demonstration videos or an in-store live chat tool with TouchStore solution from TouchCommerce by placing QR codes on shelf labels or product displays. These QR codes could also prompt shoppers to send SMS messages to specific staff members, which can help ensure prompt service from the most qualified employee.

For example, a customer interested in purchasing a new phone walks into a busy store. He has spotted a phone he would like to learn more about, but employees on the

QR Code to TouchChat to Purchase

store floor are too busy to offer immediate assistance. Luckily, the shelf label for the phone includes a QR code, which the shopper scans. The shopper is then connected with a brand representative qualified to answer questions specific to that product and to assist the customer on his purchasing journey.

Using TouchStore solution from TouchCommerce consumers can be connected to a live voice or chat agent who can answer their questions. This can be useful at busy times, when in-store personnel are less available to answer customer questions. Another advantage is that such agents will have access to a full range of product specifications, giving them the information they will need to answer customer queries.

QR codes or SMS options can also be used as gateways for shoppers to enter contests or participate in online games, making the in-store shopping experience more fun and interesting and further engaging them to the retailer and the brand.

Indeed, the Deloitte Digital report identifies "[putting] digital at the core of your in-store shopping experience" as one of three critical actions for retailers, noting that 34% of shoppers already use digital while in stores. "Many consumers have already decided what to buy by the time they reach your front door, fueled by sources of information they trust that are often not controlled by the retailer," according to the report.

Tips To Maximize The Impact Of Mobile Strategies

Design interactions for smaller screen sizes: Using an interface designed for a desktop on a smartphone or tablet screen creates a poor user experience. Investigate responsive design and think in terms of the limited "real estate" of a mobile device.

Take advantage of in-store connected technology: Providing avenues that connect shoppers' smart mobile devices with detailed product information as well as live support/sales help opens up new opportunities within the store environment. Retailers can place QR codes on banners or other signage, or invitations to send a text to a specific number. Interactive options can be as basic as the brand's product web page. For brands seeking a more personalized approach, and with TouchStore solution, customers could be connected to a live chat agent who could answer questions while determining the shopper's actual level of interest in the product. Customer interest can also be gauged using automated qualification guides. By tracking the customer's responses to these guides, the call center operator can provide more targeted assistance to the shopper, helping to close the sale.

Make the mobile experience engaging: Engagement tools such as chat can encourage greater use of mobile apps. The TouchCommerce mobile app combines the "must-have" elements of mobile design while integrating the best-practice chat engagement experience with a minimized state option that shows the number of messages in the queue and scrolls the last message across the bottom of the screen.

Avoid becoming intrusive: Remember that in-store interactions should, by nature, be targeted to the individual needs of each customer. "Retailers have to carefully build up their data about each customer and his/her history, and also use algorithms so that they know with a high degree of certainty that a particular message will resonate with that customer," said Gartner's Manusama. "We still see too many companies operating with too little information about their customers. In a sense, they are still doing ineffective mass marketing."

FOUR

KEEP THE CONVERSATION GOING POST-PURCHASE

POST-PURCHASE INTERACTIONS CAN IMPROVE CUSTOMER SATISFACTION AND BUILD GREATER LOYALTY TO THE RETAILER AND THE BRAND. THEY ALSO PROVIDE RETAILERS WITH CROSS-SELL AND UPSELL OPPORTUNITIES.

Just as a customer journey now often starts well before a shopper steps into a store (or reaches the checkout page on a web site), it also extends beyond the transaction itself. When managed well, these post-purchase interactions can improve customer satisfaction and build greater loyalty to the retailer and the brand. They also provide retailers with cross-sell and upsell opportunities, along with additional insights into shopper behavior both on an individual basis and at group/segment levels.

An increasing number of companies are deploying customer/client success teams tasked with post-sales communications with customers, according to Manusama. These might include phone calls taking place a few weeks after the installation of an appliance or a piece of consumer electronics to make sure the item is working up to expectations. He added: "There are also 'success teams' that can come up with suggestions after you've bought a computer or even a certain dress, such as accessories that will go well with the outfit."

Retailers have a wealth of choices in designing their post-purchase communications, particularly with regard to mobile devices. An email or text message follow-up is a simple way to keep in contact with all purchasers. Such communications also should include vehicles for dissatisfied customers to contact the retailer and address problems quickly and effectively.

Other options include customer satisfaction surveys, sent electronically or conducted over the phone. Retailers can provide incentives in the form of additional loyalty points to encourage greater participation in such surveys by time-strapped consumers.

Retailers and brands can use Interactive Voice Response (IVR) technology to provide post-purchase assistance to consumers, while leading them to self-service, such as that required to set up new smartphones or consumer electronics, while also creating avenues for further engagement if needed with TouchConnect solution from TouchCommerce. An IVR system can direct customers to online pages for activating a new smartphone, for example, providing a session-specific ID that allows the system to track each customer's progress through the process. When the activation is completed, the page can offer additional options (e.g., automated billing or service agreement enhancements) as well as the option to talk directly to a call center operator or online chat agent. Combining all of these post-purchase activities into one connected set of interactions aligns with tech-savvy consumers' increased willingness to use self-service options, while improving the brand's Next Call Prevention (NCP) metrics.
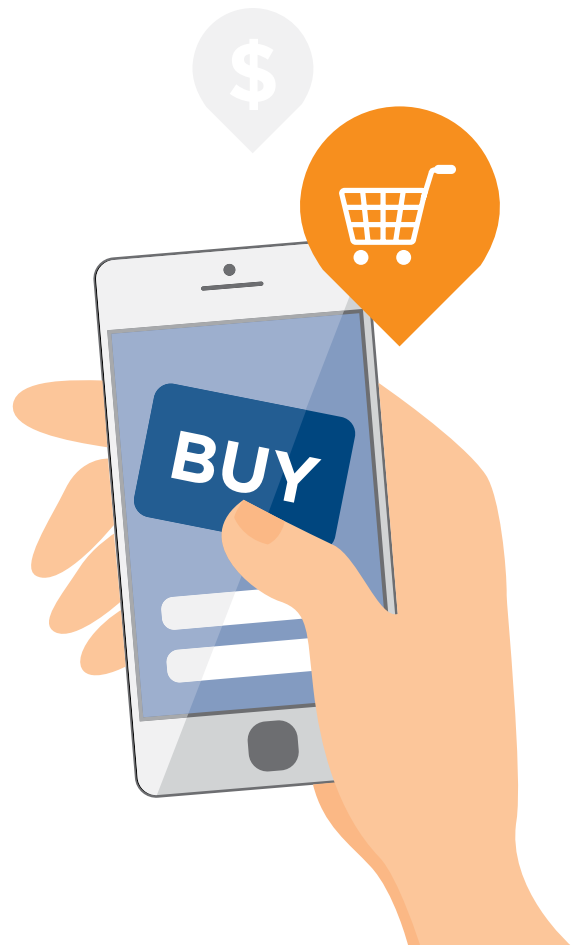
Keep The Customer Engaged Post-Purchase

Even after a customer has purchased an item he has researched, there may still be lingering questions. For example, a shopper who has purchased a new phone might have concerns about the data plan. He places a call to the retailer's customer support number and is connected to an agent who not only answers the immediate question, but also shows the customer where to find answers to future questions.

In this scenario, the agent asks the caller to launch a co-browse session. This tool provides a unique link where the agent can collaborate with the customer and show him where he can find the answers he needs, thus eliminating the need to contact customer support to answer future questions. In this scenario, customers might also receive links to relevant content and the opportunity to have a follow-up live chat with an agent.

Solutions such as TouchConnect also allow customers to take advantage of self-service options. Instead of requiring customers to wait on hold for an agent to assist with a simple process, such as activating that new phone, IVR technology can direct callers to a web page that guides them through the process.
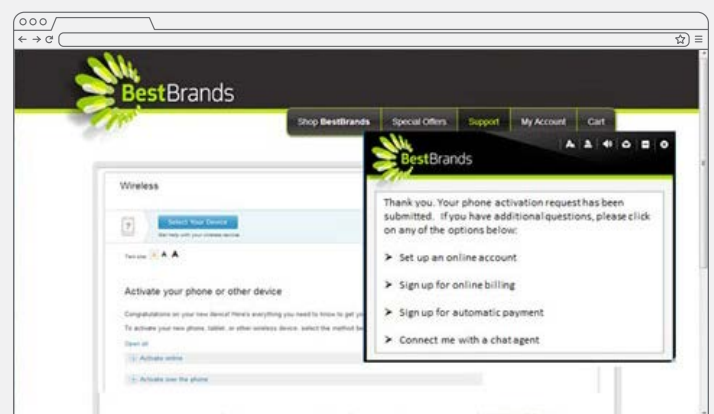
IVR to TouchGuides

CONCLUSION

It's clear that improving the level of customer engagement is already a business necessity in retail. Consumers have information, influencers and purchasing options at their fingertips almost all the time. They are becoming increasingly accustomed to deep product information and multiple choices and will quickly move on when these aren't available.

The good news is that improved customer engagement represents a tremendous opportunity for retailers and brands. By leveraging the multiple-screens phenomenon and building in customer contact vehicles at the start of the shopper's journey, retailers can more effectively identify truly interested shoppers — and provide them with the resources needed to inform and motivate their purchase. Mobile devices, in combination with the reach of traditional mass media, provide shoppers with access to relevant, contextual data and personalized offers from retailers, moving them further along in their journey.

Within stores, location-based solutions and technology that converges elements of online shopping in a brick-and-mortar environment allow retailers to interact in real time with prospective customers. And an expanded range of post-purchase communication options can cement the loyalty gains won from earlier improved interaction.

Throughout all of these phases, it's critical for retailers to continuously gather and analyze the data generated by these interactions. "For a retailer just starting out to improve customer engagement, it's important for them to examine what their customer's journey is like right now, to understand how customers are currently interacting with you," explained Manusama. "From that point, the retailer can either try to adjust the customer journey, or honor it as it is. But whatever you do, you have to start by knowing about the 'insides' of your customer before you can change anything at all."

A wide range of technology solutions that provide analysis of this vital customer data and effectively leverage the mobile technology, mass media communications, in-store and post-purchase elements of engagement are available today. Retailers can't take customer engagement for granted. It's too big a risk, while improving engagement represents an enormous opportunity.

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TouchCommerce delivers results for market-leading brands with innovative online engagement solutions that enhance customer experience, increase revenue and reduce support costs while using real-time customer data analytics. For more information, please visit www.touchcommerce.com.

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