

Retail Customer Experience

Improving advocacy and retention



Introduction

Inspiring authentic customer advocacy and improving loyalty is a top priority and long term trend as retailers strive to keep a competitive edge. **Research** by **BzzAgent** found that advocates are 50% more likely to influence a purchasing decision than a regular customer. Delighted customers that have an affinity with your brand will help create new customers, new advocates even.

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Advocacy has to be earned. It's a two-way street and the internal conversation for retailers should focus on what's best for the people who buy from you. And all customers are not created equal. The most successful organisations prioritise customers who are - or have the potential to be - 'fans' of your brand.

Differentiate on experience

Delivering an experience that makes you stand out from your competitors is one of the most effective ways to inspire word of mouth advocacy and social sharing. Think beyond your sector too. Consumers shine a light on any business that provides an exceptional experience. They won't really tolerate poor experiences elsewhere. Don't rest on your laurels. Establish a point of difference that will create a hard-to-break bond with your target customers. And don't just rely on improving levels of customer satisfaction. While customer satisfaction levels are an important KPI, this doesn't mean that 'satisfied' customers will stick with you. Instant retail is one of the most competitive markets and only 'very satisfied' customers are likely to become super fans.



Create emotional connections

Creating powerful emotional connections with customers will help businesses differentiate on value and therefore boost advocacy and retention. An **IBM / Ogilvy BrandZ** survey found that companies that successfully created both functional and emotional bonding had higher retention ratios (**84%** vs **30%**) and cross-sell ratios (**82%** vs **16%**) compared with those that did not. The potential impact on the bottom line is tantalising. However, brands need to work out how to tap into the often opaque needs and wants of valuable customers.

The appliance of science

Your people, products and messages can maximise emotional connections. But, how do you work out the best way to leverage these? Guesswork will probably only help you pick low hanging financial fruits. Research from **Harvard Business Review** (HBR) used the appliance of science to show that organisations can both measure and strategically target the emotions underpinning customer behaviours. In its **New Science of Customer Emotions** study, HBR came up with a top ten list of ‘emotional motivators’. And these, it argued, were a better gauge of a customer’s future value to a business than brand awareness and customer satisfaction. (Read the full research [here](#) for some great tips on how to establish the motivators for your most valuable customers).

Meanwhile, here’s a helpful list of the top ten ‘emotional motivators’ that HBR found had the biggest impact on customer value across all the categories that it studied:

- > Stand out from the crowd
- > Have confidence in the future
- > Enjoy a sense of well being
- > Feel a sense of freedom
- > Feel a sense of thrill
- > Feel a sense of belonging
- > Protect the environment
- > Be the person I want to be
- > Feel secure
- > Succeed in life

Create experiences worth talking about

Creating experiences that are worth talking about, immersive and memorable will inspire more people to share ‘wow’ moments. Memorable will always trump effective. Being consistent is important. However, if customers are let down on the basics too often they will probably defect to a competitor with a more reliable offer. Also, delivering against basic, functional requirements doesn’t inspire customers to talk positively about a brand. If your business simply does what it says on the tin, you may be hampering opportunities to create experiences that people want to talk about. Staging memorable experiences can help make your business stand out from the crowd.

Best practice example

John Lewis is a great example here of a retailer staging a ‘wow’ experience for customers to experience its products in a new, and exciting way. The Residence, a pop-up apartment for overnight stays in stores in London, Liverpool and Cambridge, showcased products in its regular range. **Peter Cross**, Customer Experience Director at John Lewis told **Campaign** that while The Residence was about profiling its products, it did so by *“presenting it in a different way, making it more immersive - your view of it is different, you do shop it in a different way. You might shop it across the channels, you might put it in your social media.”*

Make the experience easy

Trust is essential for sustaining loyalty and retailers that make it easy for customers to contact them will improve advocacy and retention. Let’s look at this through the prism of the omnichannel experience. Reducing effort and making the experience as seamless as possible will go a long way in minimising churn. This is backed up by research by **Aberdeen Group** which found that brands with effective omnichannel engagement programmes kept **89%** of customers. While research by **Salesforce** found that around three-quarters of consumers expect a consistent experience wherever they engage - social networks, in-person, online or by phone. One thing’s certain, poor or disconnected customer service will negatively impact buying decisions and erode trust.

Just 2.5% of UK retailers provide a consistent service on email, the web, Twitter and Facebook

To help you assess your omnichannel customer experience programme and identify potential gaps, here are a few points to consider:

Does your brand have:

- > Existing solutions that are fit for purpose to provide a blended customer experience across multiple channels?
- > Processes for support teams to switch between channels as conversations develop or become more complex?
- > Capability for help teams to access to conversation histories on all channels so responses can be informed?
- > Clearly defined service KPIs (including response times) for the priority channels that matter most to your customers?
- > Empowered employees doing what's best for the customer?
- > A reward culture for high levels of customer care?

Discover more

This 'mini guide' includes extracts from our new **Customer Experience Playbook for Retailers**. **Download** your copy to learn how, why and where customer experience adds the most value for your organisation. Discover:

- > Why retail customer experience leaders outperform CX laggards
- > Why most retailers are facing a digital dilemma
- > How to create experience by design
- > Why hyper personalisation matters
- > How the pioneers are experimenting with value-add technology
- > The value in embedding a data-centric approach
- > How to measure the return on experience





About cp2experience

cp2experience is a specialist customer experience consulting and training company. We help clients improve their customer experience in ways that drive profitable growth. We know that organisations which put customers and their people at the heart of their business outperform the competition. These enlightened companies create better places to buy for customers, better places to work for employees and better places to invest for shareholders. We are committed to sharing our knowledge, experience and insight with clients, friends and partners. To that end we hope you find this guide of value.

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