

5 factors to build a superior customer experience



The Harvard Business Review¹ found a direct link between customer experience and revenue: **customers who have a great experience spend 140% more than those who don't.**

For that reason alone, as a mid-market or independent retailer, setting up your business to deliver an easy, enjoyable, and memorable experience is crucial.

Here are five key areas to focus on when looking to improve the customer experience.



Consistency

Three retailers account for **28%** of Canadian non-auto retail sales: **Weston, Walmart, and Costco.**² Their bricks and mortar stores all feel the same and the feeling carries over digitally. For shoppers, that familiarity is comforting.



ACTION ITEM:

Do an experiential audit. Look at everything from average transaction speed, to brand colours and tone of voice. Get as much customer feedback as you can. Sometimes they'll see things you won't.



Technology

Global retail sector technology spending will grow **3.6%** this year to over **US\$203 billion.**³ These investments include:

- ▶ AI to improve the customer experience with quicker paths to information, a practice that has been shown to increase average order values by **14%.**⁴
- ▶ Mobile pay, to make checkout more convenient. Studies show that **44%** of smartphone users aged 35-44 have digital wallets.⁵
- ▶ Digital marketing, which **49%** of retailers have made significant investments in.⁶



ACTION ITEM:

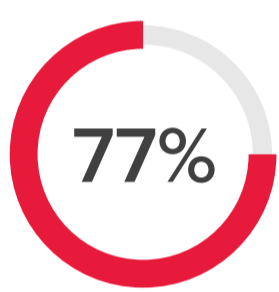
Take an inventory of your experiential pain points and inefficiencies, and look for technologies to help solve them.



Staff

The average retail job pays **\$24.12 per hour.**⁷ At 30 hours per week, that comes to \$37,627.20 annually; not a lot of incentive to go above and beyond.

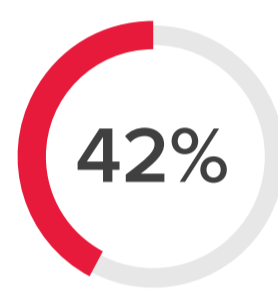
Pay your people a little more and you'll get more out of them. If you think you can't afford it, remember:



of customers would recommend you if you gave them a positive experience.⁸



would never shop with you again after one negative experience.⁹



would post a negative online review or share their negativity on social media.⁹



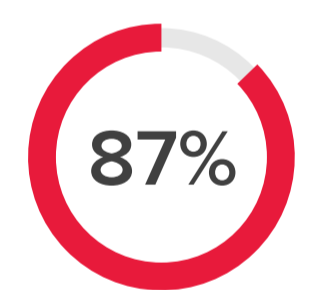
ACTION ITEM:

Look for operational efficiencies that let you direct more money towards staff. This will allow you to be more discerning when hiring as well.

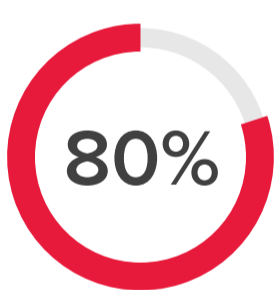


Logistics

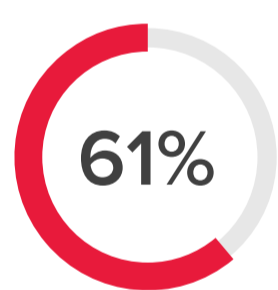
The fastest way to ruin a customer experience is by falling short on two basic promises: you can buy what you want and get it quickly. The numbers back this up:



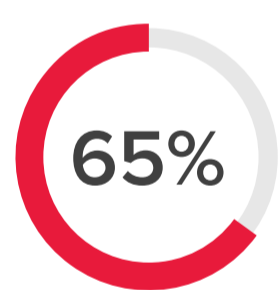
of customers will abandon their online purchases if the checkout process is too difficult.¹⁰



of shoppers surveyed want same-day shipping.¹¹



want their purchases within 1-3 hours of ordering.¹¹



of retailers are expected to provide same-day delivery services by the end of 2019.¹²



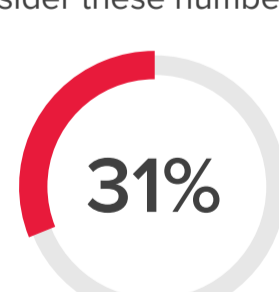
ACTION ITEM:

Evaluate your in-store, online, and shipping efficiencies. Are there investments you can make to improve any of these areas? Examine the relationship you have with your fulfillment provider. If they don't offer same-day delivery, it may be time to find a provider that can.

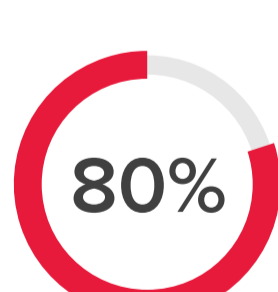


Customer Data Capture

Consider these numbers:



of consumers would like a more personalized shopping experience.¹³



of consumers are more likely to purchase from a company that offers personalized experiences.¹⁴

With the right data-capturing mechanisms, you can find out everything you need to know about individual customers and deliver an experience they want. Considering that **64%** of consumers complain retailers don't truly know them,¹⁵ even a little bit of knowledge can go a long way.



ACTION ITEM:

Use every available opportunity to collect data. Personalized offers are a good place to start: **57%** of consumers are willing to share their personal information if that gives them personalized offers.¹⁶

What can retailers do next?

Anyone can sell what you sell, but your customer experience is unique to you. In today's retail world, that's what can set you apart.

A BDO strategic review can help you start on the five action items above, elevate the customer experience, and grow your retail business.

Contact our Retail & Consumer Business team for a consultation.

Sources

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