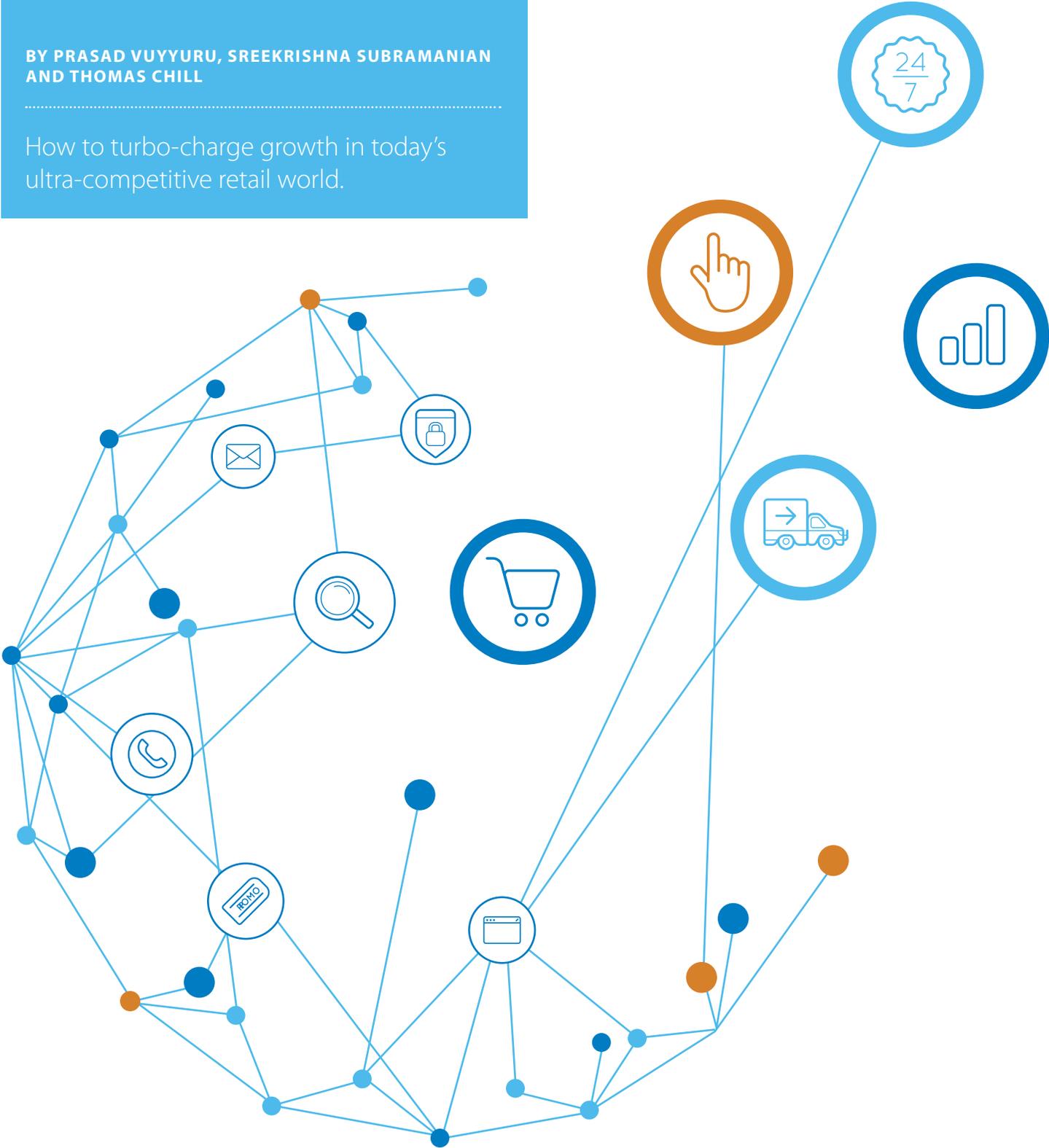


# Customer Experience Insights

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How to turbo-charge growth in today's ultra-competitive retail world.



Retailers have been investing for years in digital transformation programs to reinvent their offerings and deliver superior customer experiences.

Yet, many are still far from meeting the personalization expectations of today's tech-savvy customer. And, thus limiting their organization's economic potential and growth as the market becomes even more digitally advanced.

In a world of hyper-adoption – and hyper-abandonment – successful retailing comes down to obsessing about your customer's experience. It's a tall order: digital and physical touch-points now must work together flawlessly – yet also do what each touch-point does best on its own. And organizations must remove silo shackles to unify disparate data to develop deep customer insights.

In fact, retailers who understand customers at a deep and intimate level - and personalize their experience based on individual preferences, tastes and situations - are far more likely to win in today's hyper-competitive retail world.

In our expert view, having worked with a number of leading retailers across all ends of the maturity spectrum, organizations should consider supplementing their investments in digital with a capability around "Customer Experience Insights."

Such investments can develop deeper knowledge of customer behavior across their journey with a brand – and can ultimately help



Millennials expect a **personalized shopping experience** two and half times more than the average customer (Sales Force.com)



Of retailers say that personalization of **customer experience is their top engagement priority** (2018 Retail Touch Points)



**Personalization initiatives** can drive up to 10% incremental revenue growth (Boston Consulting Group)

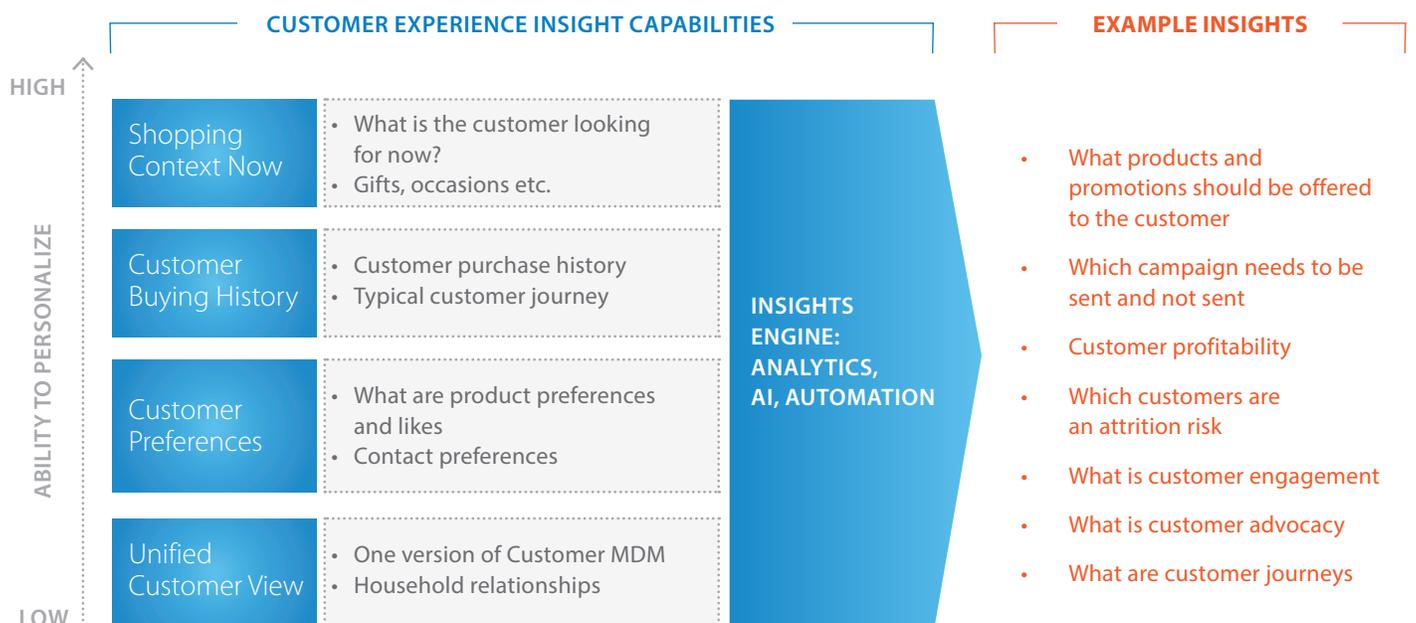
create a stronger personalization experience. This magic formula can help a retailer turbo-charge revenue growth and customer satisfaction in an era where choice is vast and loyalty can change instantaneously.

## A Portfolio of Business Capabilities

Customer experience insights is not a technology platform but a broader portfolio of business capabilities that deliver actionable insights for measuring and improving customer experiences. Each firm needs to focus on the highest impact capabilities relevant to their business imperatives to drive the best opportunities forward.

**Unified Customer View** - The foundation for a customer experience insights capability is a unified view of the customer across the enterprise. Typically, customer master data is silo'ed across an organization and is the first bottleneck to develop a unified view.

### Consumer Insights Framework



**Catalog of Customer Preferences** - The next step is to develop a deep catalog of customer preferences and likes. Today, retailers need to know what categories and sub-categories a customer is interested in. The “likes” need to be understood at a detailed level like colors, styles, brands, products and other affiliations.

**Customer Buying History** – Customer history with the firm needs to be well-understood. What kind of products did they buy, when did they buy, why did they buy, and what channels (online, in-store, etc.) did they purchase through? These insights become critical in building a 360-degree view of the customer.

**Shopping Context** - The magic that brings everything together is understanding the current context of the customer. What are they shopping for and why? Is it for a birthday or special event, or part of a routine purchase cycle?

The more comprehensively a retailer can develop this capability, the more impact one can have on elevating the experience that is delivered. The key is to package all these capabilities in an integrated fashion, at any customer touch point across the enterprise.

## Driving Real Benefits

Deep insights can deliver significant benefits to the enterprise. Let's explore a few...



### Miriam and Black Boots

Miriam is looking for a pair of “tall black boots”. She searches on “ABC” retailer web site. Identifies a couple of options but does not buy

#### Typical Experience

- A Day later the “ABC” retailer emailed her with offers of **25% off on dresses**

**RESULT:** Annoyed customer / *Actual story from Wall Street Journal*

#### Experience powered by CX insights

- In real time she gets a **pop-up promotion** on boots, if she buys them within the next hour
- In addition she receives **suggestions** for what dress may go well with her boots and gets the **25% off coupon for dresses**

**RESULT:** Better customer satisfaction from receiving relevant promotional offers.



### John and Special Occasion

John just returned the T-shirt he bought online at the store

#### Typical Experience

**Result:** Opportunity to engage with customer lost

#### Experience powered by CX insights

- The **customer service agent** realizes that the item was bought by John's wife.
- Asks if there is a **special occasion**
- When the agent realizes it is for his birthday, gives **promo coupon** for the same product category

**RESULT:** Opportunity to extend engagement



### Sally's Birthday Gift

Sally is a high-spending and loyal customer. Sally just ordered a designer shoe online. This was to be a birthday gift to arrive 1 week later. Unfortunately the item was back ordered due to its high demand.

#### Typical Experience

- The item arrived in the warehouse **3 days later** and was shipped thereafter **arriving 3 days after the birthday**

**RESULT:** Annoyed customer

#### Experience powered by CX insights

- The item arrived in the warehouse **3 days later**
- Order Fulfillment immediately **recognized Sally** was a high spend customer and it was for a birthday
- The **shipment mode was immediately changed to priority** from regular and shipped to arrive on the original date Sally wanted

**RESULT:** Better customer satisfaction

## How Ready Are You?

Pose the following 5 questions. If your response is “yes” to three or more, then you’re in a great place. If not, consider the need to develop a more robust customer experience insights foundation capability for your enterprise.

- 1. Targeting** - Can you make targeted, relevant, real-time offers and promotions to visitors on your web site? (Your offer should be tied to the searches being currently made, with consideration for their buying history and preferences).
- 2. Customer Profile** - Are you able to put a comprehensive customer profile together that shows who they are, their buying history and product preferences across multiple channels?
- 3. Conversion Tracking** - Can you trace the journeys of customers from “prospect” to “consider” to “customer” phase, and analyze conversion rates and root causes at each step?
- 4. Supply Chain & Fulfillment** - Is it tightly linked to customer experience? For example, can you re-prioritize a shipment to positively impact their brand experience (e.g., ship priority vs. regular due to a birthday)?
- 5. Customer Returns** - Are you able to provide full visibility to customers on their returns? Where is the returned product in the journey back to retailer? What is the status of a refund or replacement product? (most retailers under estimate impact of returns process on customer experience / satisfaction).

When defining a program, establish a cross-functional, executive sponsorship team. Since the customer experience journey transcends typical functional silos in an organization, a cross-functional and customer-centric view is critical to success. Typical functions to play a key role here would include marketing, sales, customer service, IT and supply chain.

In our view, a number of retailers today struggle with delivering the level of personalization that can optimize and maximize revenue growth. Investing in an integrated capability can help retailers of all sizes develop a deep understanding of customers and their unique preferences – and thus becomes a foundation for providing an elevated customer experience. This is the anchor which can enhance a firm’s growth potential in 2018 and beyond.

## Our Enterprise Insights Team

At Infosys Consulting, our team of experts believes that data is the key to unlocking an organization’s full potential in today’s digitally-centric world. Our consultants focus on helping companies see new opportunities by analyzing insights across the enterprise, and creating turn-key solutions for them to drive growth and competitive advantage. To learn more, contact our North American consulting leaders, Prasad Vuyyuru at [prasad\\_vuyyuru@infosys.com](mailto:prasad_vuyyuru@infosys.com), Sreekrishna Subramanian at [Sreekrishna\\_S@infosys.com](mailto:Sreekrishna_S@infosys.com) or Thomas Chill at [Thomas\\_Chill01@infosys.com](mailto:Thomas_Chill01@infosys.com)

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