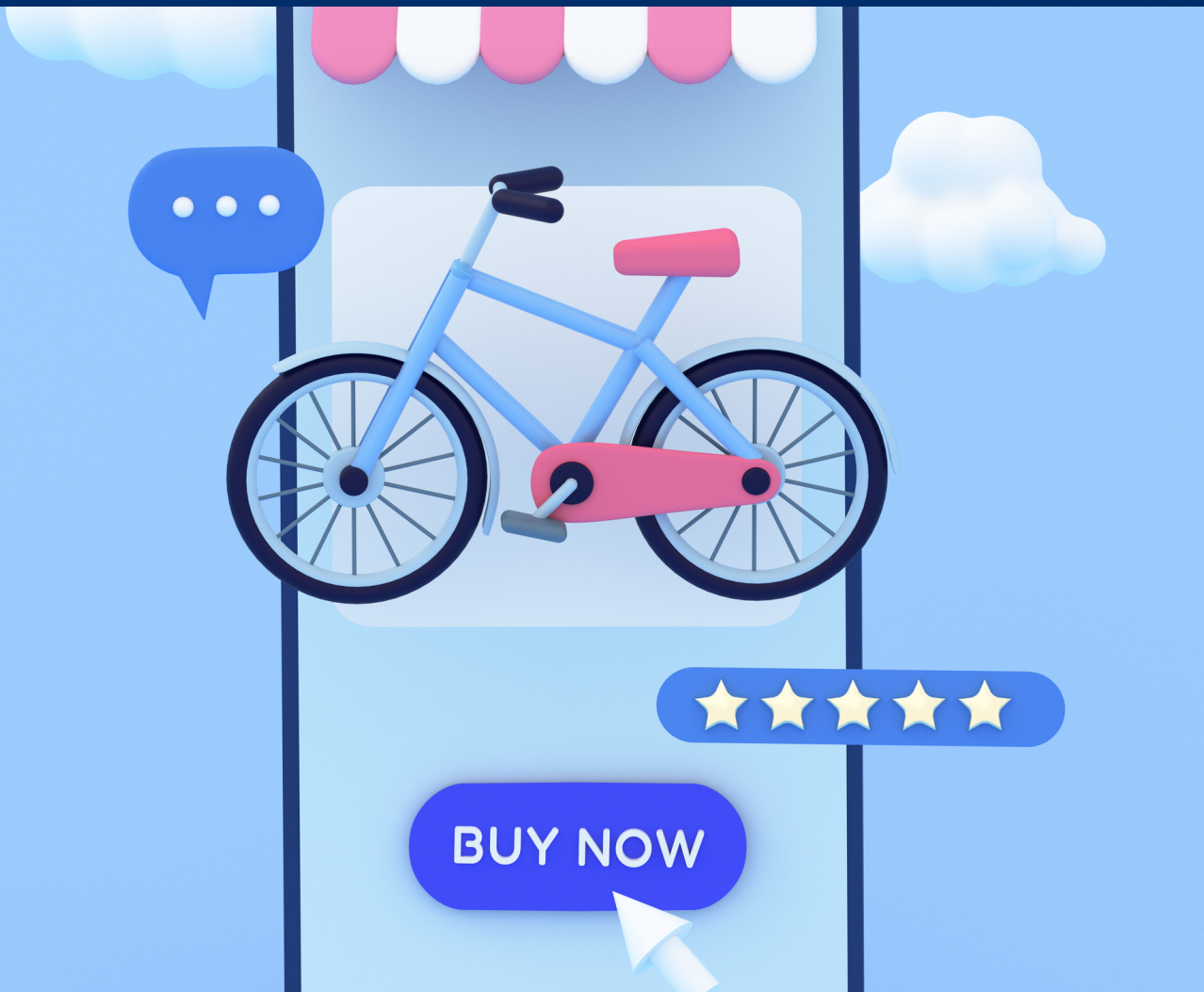


How to Adapt New Era of CX



Customer Experience: A Key to Success

Retail is undergoing a profound evolution, reshaping itself in ways unseen for generations. This evolution goes beyond just e-commerce or physical stores; it encompasses all channels that connect brands with their customers.

Customer experience (CX) has become the absolute foundation for a retailer's success, more so than ever before.

It's no longer just about the products; it's about shaping a comprehensive, positive customer journey. This transformation signifies a pivotal change in the approach retailers must take toward their business strategies.

This insight explores 5 trends driving a customer-centric future in retail, offering guidance for adapting in this new era.



81% of global retail executives see customer experience as a key competitive differentiator



67% of customer loyalty is driven by CX, outperforming brand and price combined.



33% of customers will abandon a beloved brand after just a single negative experience

D1 Hyper Personalization



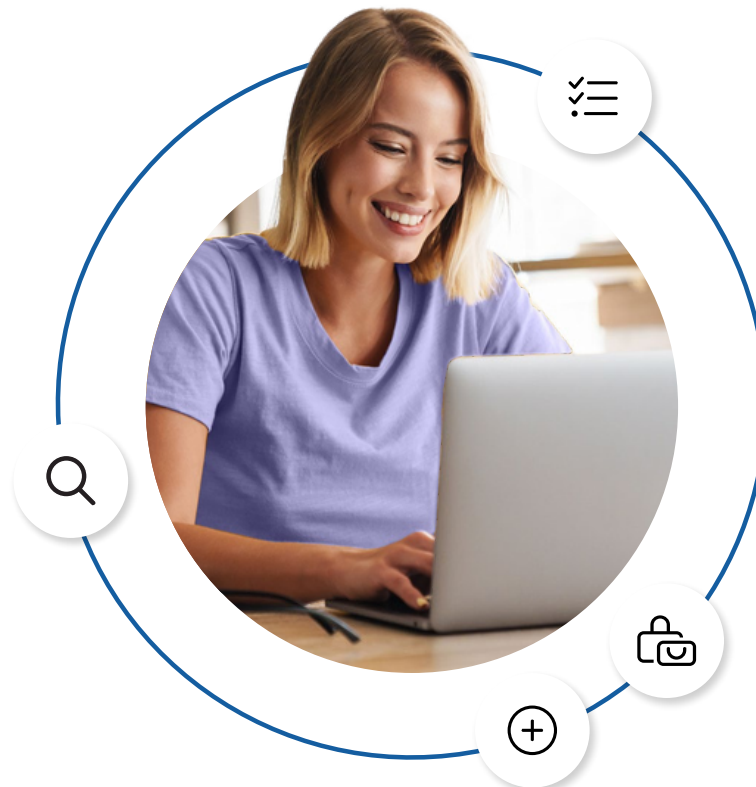
Retailers saw a 25% increase in revenue consistently due to their advance personalization capabilities



80% of consumers are more likely to make a purchase when brands offer personalized experiences

Customers crave experiences tailored specifically to their preferences and needs. Hyper personalization goes beyond traditional segmentation techniques.

By harnessing the power of hyper personalization, retailers can create unique and highly targeted shopping experiences for each customer. From personalized product recommendations and customized promotions to tailored communication channels, hyper personalization enables retailers to engage with customers in meaningful ways, fostering stronger brand loyalty and driving increased sales.



02 Frictionless Omnichannel Journey



enterprises see increased customer lifetime value due to the depth of omnichannel customer engagement. 11



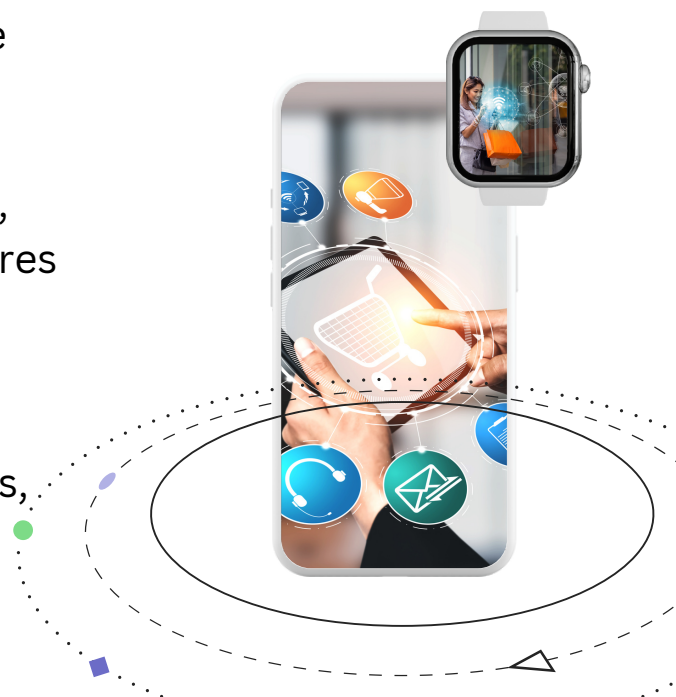
of consumers are somewhat or very likely to buy from a company based entirely on their omnichannel experience – regardless of the price or product. 12



Customer using three or more channels in an automation workflow earned an 18.96% engagement rate, while their single-channel counterparts earned a just 5.4% engagement rate. 10

An omnichannel strategy aims to harmonize consumer experiences across various channels. This integration encompasses platforms such as social media, mobile web, and push notifications. Additionally, it ensures seamless connectivity between sales, marketing, and service platforms.

By aligning different channels and platforms, an omnichannel strategy seeks to create a cohesive and consistent journey for consumers, regardless of how they interact with a brand.



03 Convenience and Speed



Public research shows a dramatic shift in expectations – today's customers want a response to their inquiries within 10 minutes, a stark contrast to previous generations who were comfortable waiting 10 days.



For online stores, smooth and speedy websites are crucial. A 1-second delay can slash conversions by 7%, and a slow site can damage your reputation, leading to lost sales and unhappy customers.

Technology has fundamentally changed the way we shop and interact with businesses. This has fostered a generation of impatient consumers.

Furthermore, rapid delivery services, such as same-day or two-hour deliveries, have become increasingly popular among consumers who value fast turnaround times. Retailers like Amazon, Walmart, and Target have invested heavily in building out their logistics networks to meet these demands.



04 Loyalty and Trust

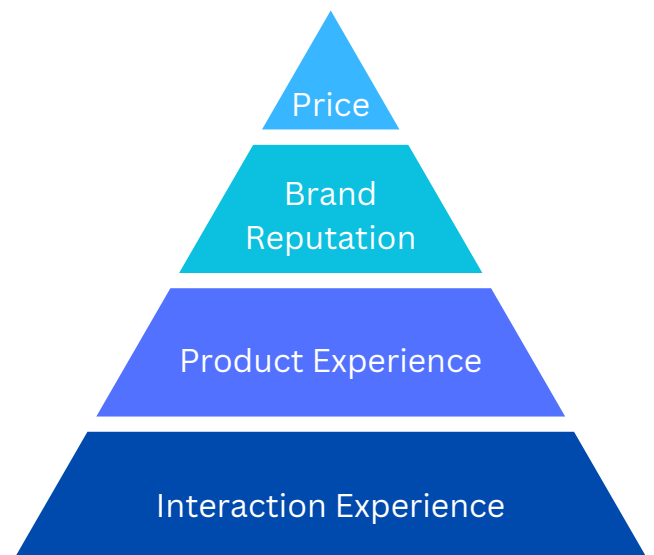


of global customers feel loyalty towards at least one brand or company



of the retail executives expect consumers to prioritize price over loyalty this year

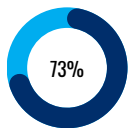
In this era of multi-touchpoint brand interactions, consistency is paramount for fostering loyalty. Omnichannel loyalty guarantees uniform experiences and rewards across in-store, online, and mobile interactions, recognizing and valuing every engagement to ensure customers feel appreciated and acknowledged regardless of the channel used.



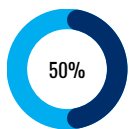
4 pillars where loyalty matters

05

Sustainability



Consumer Industry CXOs have increased investments in sustainability over the last year 14



of enterprises thinking to build climate friendly product and services



of shoppers across generations are now saying that sustainability is more important to them than brand names. 15

Sustainability and ethical practices are no longer just buzzwords in retail, they're driving forces. Consumers are increasingly eco-conscious and socially responsible, demanding transparency and action from the brands they support. This means retailers are focusing on eco-friendly packaging, sustainable materials, and ethical sourcing to minimize environmental impact.

Areas emerging as key focal points:

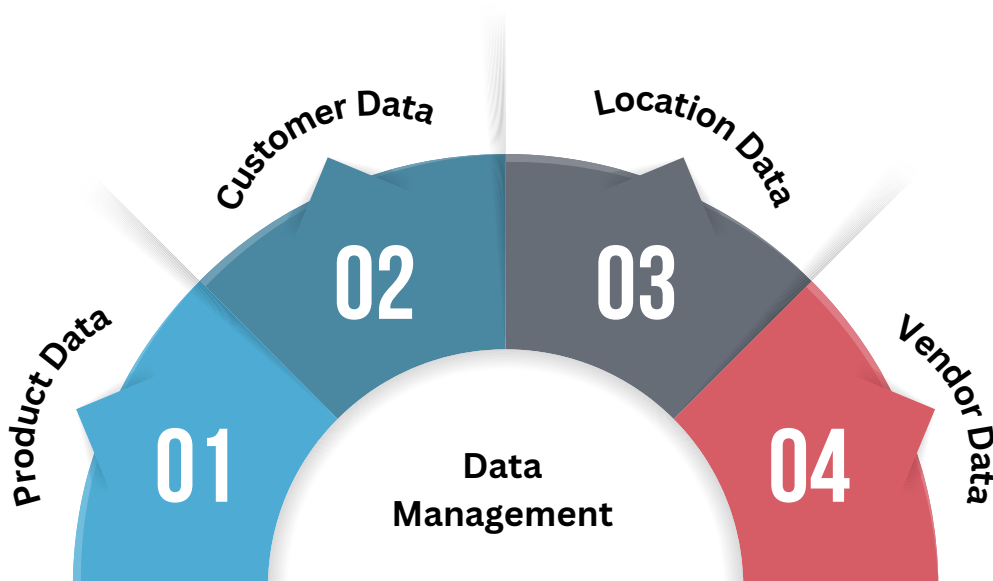
- 01 the importance of the resale market
- 02 the need to embed sustainability practices across supply chain operations;
- 03 the role of technology in sustainability
- 04 the adherence to ESG related regulations and frameworks

How to Adapt

Within the retail and consumer goods industry, the paramount role of customer experience (CX) cannot be understated. It serves as the primary engine for propelling growth and profitability.

However, achieving exceptional CX necessitates a broader perspective than the traditional "customer" archetype. Disruptive market players are capturing market share by implementing a data-driven digital experience strategy. This approach fosters one-to-one consumer engagement and leverages digital capabilities to deliver modern experiences.

The effective utilization of data is paramount in driving these experiences. A holistic data strategy is essential for CX. This strategy entails harnessing insights gleaned from a multitude of sources, including product data, customer data, location data, and vendor data. By meticulously analyzing this information, companies can translate these insights into contextually relevant activations that resonate with customers. Ultimately, when companies prioritize and excel in customer experience, all stakeholders benefit.



Conclusion

In the retail sector, customer experience stands as a cornerstone of success, shaping consumer perceptions, loyalty, and ultimately, business outcomes. Effective data management plays a pivotal role in realizing exceptional customer experiences. By meticulously collecting, analyzing, and leveraging customer data, retailers gain profound insights into individual preferences, behaviors, and purchasing patterns. This data-driven approach enables personalized interactions, tailored recommendations, and seamless omnichannel experiences, thereby enhancing engagement and satisfaction. Moreover, predictive analytics fueled by robust data management practices empowers retailers to anticipate customer needs, adapt strategies proactively, and innovate continuously to meet evolving expectations. By harnessing the power of data management, retailers can cultivate deeper customer relationships, drive loyalty, and differentiate themselves in a competitive landscape, ultimately leading to superior customer experiences and sustainable business success.

About Innowinds

Innowinds is a global digital transformation agency providing services such as strategic consulting, innovative technology solutions, comprehensive data management strategies, and continuous support for businesses navigating the digital landscape. With a focus on driving growth, efficiency, and customer engagement, Innowinds empowers companies to thrive in today's rapidly evolving digital ecosystem.

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