The Retail Imperative Mind Shift:
Rethinking And Reinventing CX Value Through Data-Led, Individualized, Omni-channel Strategies

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What is the value of a shopping cart?

What is the value of getting an experience “right”?
Digital sameness is pervasive.

The Distribution of US CX Index Scores, 2019

Source: Forrester, The US Customer Experience Index, 2019
“Good is the enemy of great.”
- Jim Collins “Good To Great”
Each time a consumer is exposed to an improved digital experience, their expectations for all experiences are reset to a new higher level.
“What’s the one thing we should be doing now?”
So, you’re doing personalization... but are you really?

89%
“We are investing in personalizing the customer experience.”
- Digital Professionals

40%
“Information I get from brands is relevant to my tastes and interests.”
- Consumers
consumers agree that companies should do more to offer personalization
Do you have a data strategy?
Data Storage  

Data Security  

Data Sharing  

Data Strategy
2016 Strategy

“We need to be customer-obsessed...
“We want...” company-obsessed is a very different statement than “Our customers want...” customer-obsessed
“Without data, you’re just another person with an opinion.”

– W. Edwards Deming
Think for a moment: how many parts of your business are being run by opinions?
2021 Strategy

“We need to be customer-obsessed…

…which requires us to be data-led.”
Where companies stand today…

**DATA-LED:** We avoid preconceived notions about the customer and our business and executives usually use data to guide strategic decisions before making them.  

**DATA-DRIVEN:** We use data for tactical decision making, and often to support strategic decisions that executives have already made.

**DATA-AWARE:** We use data for tactical decision making but are just getting started at the executive level using data to support our strategic decision making.

**DATA-AVERSE:** Although we use data at tactical levels, executives generally rely on experience, intuition, and opinions - more than data - for strategic decision making.
Great Customer Experiences

Ability To Effectively And Efficiently Operationalize Data
Data is sexy.
What does a 360-degree view of a customer look like?
Customers must receive perceivable value in exchange for their information.
of consumers would share information for a more personalized experience
Golden Rule Of Personalization: Be overt when collecting data, but covert in using data to deliver personalization.
Hudson Bay captures personal info in exchange for value without being creepy
Personalization 2.0: Individualization
Segmentation will most often get you a lift, but what does it also do to your file?

Strategies based on segmentation provide the “wrong” experience for most of your customers.
Knowing one thing about the customer doesn’t mean knowing everything about the customer.
It is a waste of everyone’s time to personalize experiences that provide no real value to a customer’s journey.
Tier 4: Individualization
Masters engage customers as segments of one in real time by listening, capturing, measuring, assessing, and addressing intent across every enterprise touchpoint.

Tier 3: Advanced segmentation
Professionals use a mix of order history, browse patterns, and customer data to engage smaller, targeted customer segments.

Tier 2: Basic segmentation
Amateurs engage large customer segments with content based on single data points such as gender, age, and/or last purchase.

Tier 1: No personalization
Laggards fail to personalize at major touchpoints, resulting in all customers receiving the same brand experience.
Next-Gen Personalization: Individualization

<table>
<thead>
<tr>
<th></th>
<th>Customization</th>
<th>Segmentation</th>
<th>Individualization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intent</td>
<td>Tailor products to use</td>
<td>Drive desirable actions/behaviors</td>
<td>Improve customer experience</td>
</tr>
<tr>
<td>Outcomes</td>
<td>Improved productivity, improved usability</td>
<td>Higher response/conversion rates, increased sales, increased retention</td>
<td>Higher customer satisfaction, reduced effort, increased relevance</td>
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<tr>
<td>Unit of analysis</td>
<td>None (everyone)</td>
<td>Segments or cohorts</td>
<td>Individuals</td>
</tr>
<tr>
<td>Area of focus</td>
<td>Application interface</td>
<td>Customer life cycle</td>
<td>Customer experience</td>
</tr>
<tr>
<td>What is affected</td>
<td>Functionality</td>
<td>Offers, recommendations, messages</td>
<td>Functionality, content, interaction</td>
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</tbody>
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Customers are identified and treated as **individuals** using rich customer profiles.
Customer data is assessed in real-time and dynamically calculates intent.
There are three, not two, walls broken down across the customer journey.
Content strategy is actively managed to align with the customer strategy.
What does a 360-degree view of content look like?
Omnichannel and personalization are seen as two parts of the same initiative.
Will it get easier?

Umm...No.
Alexa, order me Triple-A Batteries.

Based on your order history, I found Amazon Basic’s Triple-A Batteries 36-pack for $10.99. It will arrive tomorrow. I have added it to your Amazon cart for review. To purchase, say ‘Buy Now’.

Buy now.

Your order has been confirmed.
Who’s doing it well?
Not a revolution . . . but rather an evolution
Starbucks doesn’t have a payments app, they have a customer data capturing machine.
Fabletics builds offline customer journeys specifically for capturing data.
True & Co. uses data to move from company-obsessed to customer-obsessed.
Sephora reaches personalization mastery by connecting visual experiences...
…offering personalized engagement through multiple in-store digital touchpoints…
…leveraging rich functionality of the app & optimizing experiences for mobile web…
…digitalizing the in-store experience through in-store tech and mobile…
...while creating online tools that enable an understanding of customers across channels.
Where to start?
CHECKLIST

• Culture ✔
• Organization ✔
• Technology ❌
• Metrics ✔
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› Use omnichannel personalization to solve customer pain points before focusing on moments that surprise and delight.
Thank You.

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