ENGAGE WITH TODAY'S CUSTOMERS

4 WAYS RETAIL CAN REIMAGINE BUSINESS

salesforce

Reimagining Retail

There's a new business model in play across industries. Everywhere you look, technology is disrupting how customers interact with companies and brands. At the centre of these interactions are speed and instant gratification. Decisions are now just a swipe away.

Accessing functions with a touch and signaling opinions with a swipe are now integral to millions of apps. Touch has revolutionised gaming, transformed the turning of a book's page and made sharing tastes a breeze. Streaming app Periscope enables you to see the world through someone else's eyes at a touch. In a world where people can signal their likes and dislikes with a swipe to left or right, travel the world and make decisions via the slightest tap, what are the implications for how they choose groceries, clothing or homeware?

Consider a world in which retailers could create a shopper decision-making process for its products that was as simple and seamless as Periscope. For retailers who want to compete and thrive in this new landscape, it's not a matter of if, but when.

On the following pages, we will take a look at four of the big ways retail can reimagine the consumer shopping experience. Each chapter will also feature a major retailer that has redefined its customer experience, plus examples on how this was accomplished.

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Chapter 1

Digical

Mobile tools and social media are now a huge part of the shopping experience. All signals point to the buying process being about personalisation and engagement. There is a blurring of lines between the digital and physical experience.

Digital + Physical = Digical

Digital devices are changing how customers discover, evaluate, purchase, receive, use, and return products. These include smartphones, tablets, and phablets. And while more and more customer interactions take place entirely online, brick and mortar retailers still control 94-97 percent of total retail sales.

This all points to one conclusion: omnichannel retailers – those that seamlessly integrate the best of both digital and physical worlds at each step of the customer experience – are likely to enjoy significant advantages over retailers that try to pursue either one alone or both independently.

To get there, retailers, whether luxury, specialty, big box, department or e-commerce stores, need to reimagine websites and mobile apps as not just e-commerce ordering platforms, but as front doors to their physical stores. If a product is out of stock on-site, a shopper should be able to order it from another location and have it sent to their home.

At the same time, stores should no longer be viewed simply as showrooms. They are now digitally-enabled inspiration sites, testing labs, purchase points, instantaneous pick-up places, help desks, and shipping centres.

Modern technology is ready and waiting for retailers that want to transform. Social tools allow brands to participate in the buying experience with customers. Mobile puts them where their clients are, while cloud gives companies the flexibility and speed to do both at the new pace the industry demands.

> " Over 90% of UK consumers surveyed this year said they had shopped across more than one channel with at least one retailer. In fact, over 60% have developed what is in effect, a 'portfolio' of between two and five favoured retailers. "

PwC Pick 'n' Mix 2015

Retailer Spotlight
ALDO

ALDO, a leading fashion footwear and accessory brand, started using Salesforce to gain better insight into its customers' preferences to be able to serve them better. This increase in customer knowledge helps ALDO better anticipate the customers' needs and expectations and select the best channels to engage with them more effectively.

Salesforce now allows ALDO to have a 360-degree vision of its customers. As part of its cross-channel strategy, ALDO is also building a suite of mobile apps with the Salesforce1 Platform. Not only are the apps fun to use, but they also help ALDO increase its knowledge of customers, which will, ultimately, allow the company to provide a better service.

In the future, the company will be able to use information from Salesforce to create synergies between physical and digital channels, allowing them to interact in a fluid and personalised manner with customers anywhere in the world.

Chapter 2
In-Store Experiences

Another thing today's retailers need to do to reimagine the customer experience is to make sales more personal and relevant. A great example is the country store that knew everything about its customers, including their recent purchases, their financial situation, and their children's birthdays.

Clienteling

Clienteling uses the old idea of a retail associate's 'little black book', but digitising it to create relevant customer journeys. Customers want stores to make their visit worthwhile. If they've browsed something, but their size or preference is out of stock, stores should make it easy for the client and ship the right product to them.

Connected Operations

The second part of reimagining the customer experience involves treating employees as customers too. These staff members are already social and mobile in their everyday lives. It makes sense to bring that same experience to their workplace, instead of forcing them to reference paper-based binders and training manuals.

Larger retail operations should connect siloed systems and devices so employees have everything they need at their fingertips, keeping in mind that the majority of them never sit behind a desk. Simple, bite-sized updates help to improve sales assistants' productivity and engagement.

Mobile tools should include product information, training, and legal and regulatory updates so store employees are empowered to do their jobs. They should also feature customer history and preferences. This will help employees better coordinate operations so customer service is improved and personalised.

> **"** The influence of digital devices on in-store purchase behaviour has grown by 175% in two years. **"**
>
> **Deloitte**
> **Digital Influence in UK Retail 2014**

> **"** The brands that are using technology to create opportunities and provide the optimum experience for customers, are evolving with the consumer. **"**
>
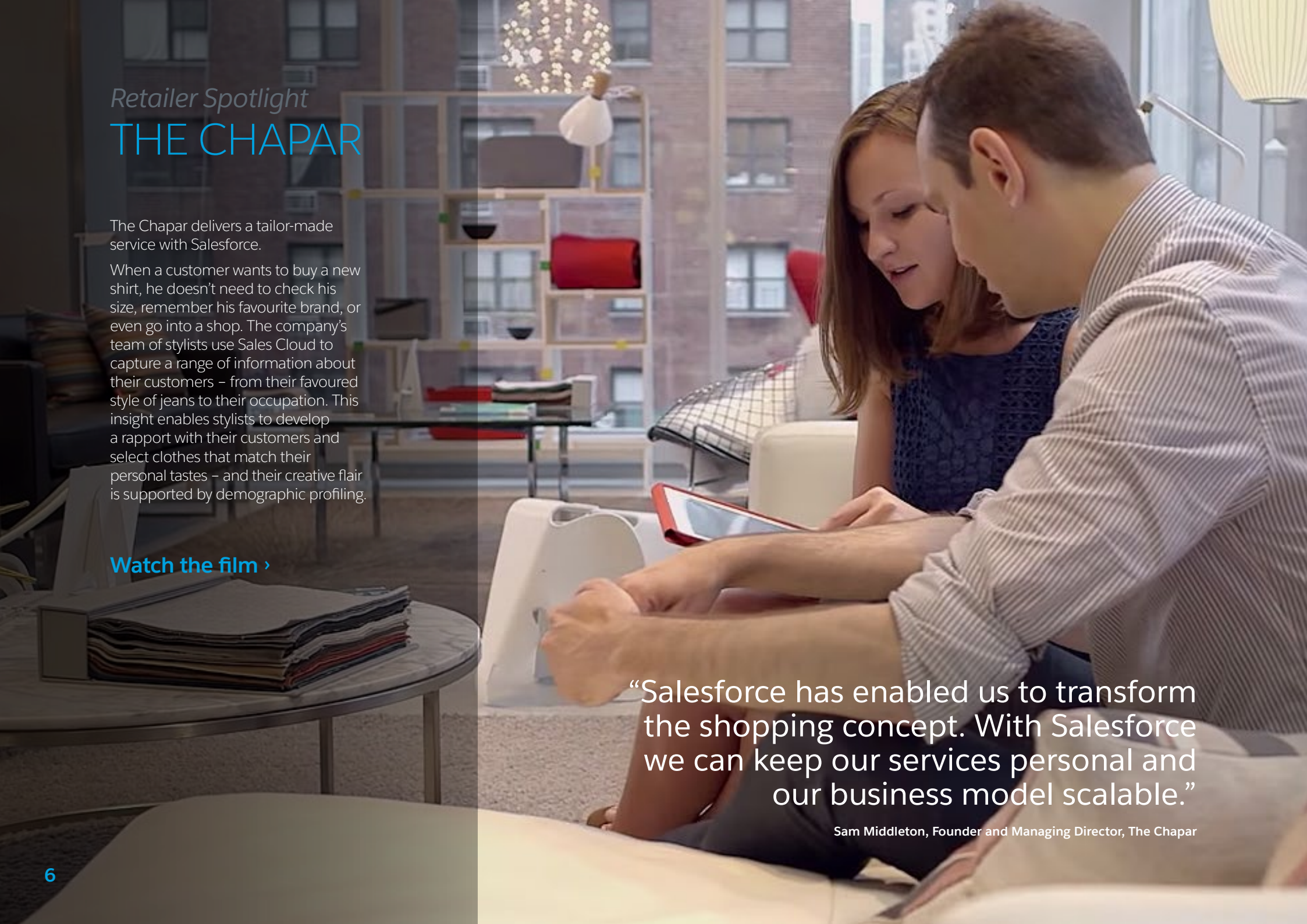> **Retail Gazette**

THE CHAPAR

The Chapar delivers a tailor-made service with Salesforce.

When a customer wants to buy a new shirt, he doesn't need to check his size, remember his favourite brand, or even go into a shop. The company's team of stylists use Sales Cloud to capture a range of information about their customers – from their favoured style of jeans to their occupation. This insight enables stylists to develop a rapport with their customers and select clothes that match their personal tastes – and their creative flair is supported by demographic profiling.

Watch the film ›

"Salesforce has enabled us to transform the shopping concept. With Salesforce we can keep our services personal and our business model scalable."

Sam Middleton, Founder and Managing Director, The Chapar

Customer Engagement

Modern technology is ready and waiting for retailers that want to transform. Social tools allow brands to participate in the buying experience with customers. Mobile puts them where their clients are, while cloud gives companies the flexibility and speed to do both at the new pace the industry demands.

Here are some of the most valuable ways retailers can use these technologies to better engage with customers and transform the customer experience:

Omnichannel

Because customer journeys of today span multiple channels, retailers need to offer a solution that provides the same personalised customer experience across all channels, regardless of where customers are and which channel they move to.

Journeys

A recent McKinsey survey found that 50 percent of customer interactions happen during a multi-event, multichannel journey. Customer journeys are about capturing each significant moment during a customer lifecycle. They also define how a brand communicates with customers across all touchpoints and marketing channels.

Service

Today's customers want service on every channel and every device, anytime, anywhere. And they want their service experience with retailers to be seamless. Customers now expect your company to solve their issues quickly and give them the capability to find solutions easily on their own, 24/7, anywhere, and on every device.

Communities

In the same way 'digical' is the blending of the digital and the physical, retailers can leverage communities to blend people into a single place, with a single voice. This group of internal employees and customers serve as brand ambassadors, and engage with each other in a helpful and social way.

> " Social media plays an important role for shoppers, with 26% following retailers on social media. Significantly, 32% of UK shoppers use social media platforms to seek advice or leave an opinion about a product or brand. "
>
> **Future Thinking 2015 Shopping Barometer**

TOMS

For each product the company sells, it gives to a person in need – One for One. Since the company was founded in 2006, sales and giving activities have sky-rocketed. To maintain personal connections with consumers as it continues to grow, TOMS uses Salesforce.

The company started by implementing Service Cloud to help call centres in the U.S. and Europe manage phone calls and enquiries on social media. "We aren't measuring ourselves by the traditional service metrics of call volume or resolution times," explains Chief Digital Officer Zita Cassizzi. "We care about customer happiness, satisfaction, and long-term relationships." Service Cloud helps agents see full views of customers – including their social media profiles.

It's not just consumers that are important to TOMS. The company also needs to stay connected with its giving partners including organisations that deliver donated shoes or eye services to those in need. The company plans to add partners to its Salesforce implementation and bring every aspect of its business together.

Mobile Strategy

In recent years, we've seen more and more companies using mobile to disrupt traditional business models. Think of what Uber and Hailo have done to taxi services, or how Airbnb and Late Rooms have changed the way people book overnight lodging.

Even with all of the innovation out there, it's no secret that many retailers struggle with a mobile strategy. The first step is to reimagine a business model where retailers not only think outside the box, but also move fast enough to disrupt their industry.

The Sharing Economy

Traditionally, the retail industry encompasses any company that is selling goods to a consumer, from a brick-and-mortar luxury, specialty, big box or department store, to e-commerce, to mobile.

In spite of all that, one recent shift on the mobile front has been from shoppers owning products outright, to sharing them instead. While consumers might not want to rent a produce item, other items such as clothes, jewellery, bags, cars, and even electronics are fair game. This new social model allows for more consumer choice and better interaction with brands.

For example, founded in 2009, the UK's largest designer wear hire concern Girl Meets Dress was described by Forbes magazine as taking dress hire to the internet to create a 'universally accessible' designer wardrobe for hire at a fraction of the price of purchase. Meanwhile, handbags worth over £40,000 are available in a similar manner from The Handbag Rental.

4 out of 5 consumers
use smartphones to shop.
**comScore**

Retailer Spotlight

MACY'S

Retail giant Macy's has been in business for over 150 years. With 800+ stores globally and 170,000+ employees, this iconic retailer has aggressively pursued a localisation and omni-channel strategy to integrate brick and mortar stores with their digital experience through their online Macys.com, Bloomingdales.com, and mobile sales channels.

Macy's ultimately replaced its outdated IT technology with a flexible developer cloud platform. This way, the company could move faster and handle large customer loads, while keeping their innovation secure. First up was a social sharing app that allows shoppers to select items from the Macy's website and instantly create a Facebook poll where their friends can vote on what they should buy.

Since the success of the social sharing app, Macy's has launched over 40 additional applications, including apps for gift card registration, customer journeys and personalisation, and real-time inventory and search. Additional mission-critical apps continue to be launched by Macy's online business to deepen customer engagement and drive more revenue.

Watch the film ›
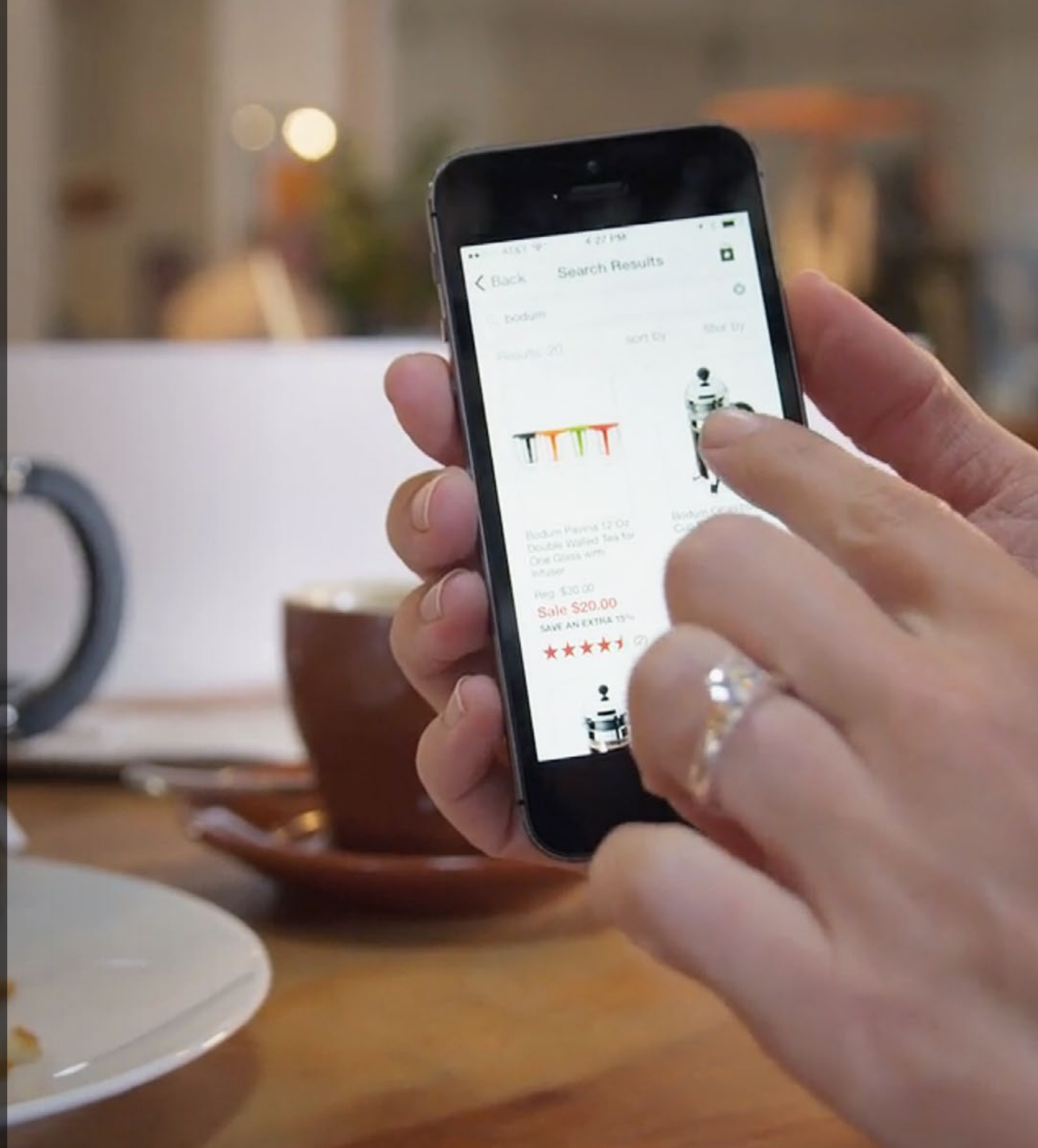
Conclusion

Disruption Time

According to Shelley Bransten, Salesforce SVP, Industry Solutions, and former Gap Inc. executive, the retail industry will change more in the next three years than it did in the last five decades. The playing field has been leveled. To survive, retailers need to think big about the possibilities that the future holds.

While many large retailers took decades to go global, Manchester-based online fashion retailer Missguided reached 160 countries and over £50m turnover within just 6 years, plus a place in the top ten of the Sunday Times Fast-Track 2014. There's a new industry clockspeed at play. Traditional technology projects that take 18 months to roll out no longer cut it. Retailers need a tech infrastructure in place that allows them to experiment, fail, and make improvements, fast.

In addition, consumers want a shopping experience that is more relevant and personal. To meet these expectations, retailers need to blend the digital and physical world by transitioning from a system of record to a system of engagement. Retailers must now either disrupt themselves, or be disrupted.

SALESFORCE SOLUTIONS FOR YOUR INDUSTRY.

While every industry has its unique challenges, building stronger connections with customers and employees– and everyone that matters to your business–is vital for all industries today. Let us show you how Salesforce solutions can transform your business, and enable your entire organisation to work together to engage with each other, and with customers, like never before.

THE CUSTOMER SUCCESS PLATFORM

THE CUSTOMER SUCCESS PLATFORM