

THE MAGAZINE FOR FRANCHISEES

BUSINESS

VOL. 14 ISSUE 10 JAN/FEB 2013

Franchise

AUSTRALIA and NEW ZEALAND



BEDSHED
AN INCLUSIVE
APPROACH TO
FRANCHISING

6 MYTHS
ABOUT HAVING
AN ABN

**SHOULD YOU
SWEAR IN YOUR
MARKETING?**

SPECIAL FEATURE
RETAIL FRANCHISING



YOUR CUSTOMERS HAVE CHANGED— BUT HAVE YOU?

In the early days of e-commerce and online shopping, businesses were asking the question, “How can we make our website customer experience as good as the ‘real world’ experience?”

Now it’s precisely the other way around. In the world of smartphones, social media, free shipping, online reviews, and a global marketplace, businesses are now facing the opposite challenge: How can you make your in-person experience as good as the online experience?

The fact is, your customers have changed. The question is: Have you?



“In the world of smartphones, social media, free shipping, online reviews, and a global marketplace, businesses are now facing the opposite challenge: How can you make your in-person experience as good as the online experience?”

Gihan Perera | Business Futurist, Speaker & Author

Here are five key things customers do differently now.

1 They do more online research

Your customers’ buying journey doesn’t start with you. You might be one of the last steps on the journey after they have researched, reviewed, filtered, and finally narrowed it down to their shortlist. It shouldn’t come as a surprise that most customers (81 per cent,

according to SupplyChainBrain) now start their product search online.

Moreover, just because they reach you, don’t assume they are a captive market. Yes, marketing suggests that 57 per cent of customers use their smartphones in-store to continue researching the products they want to buy.

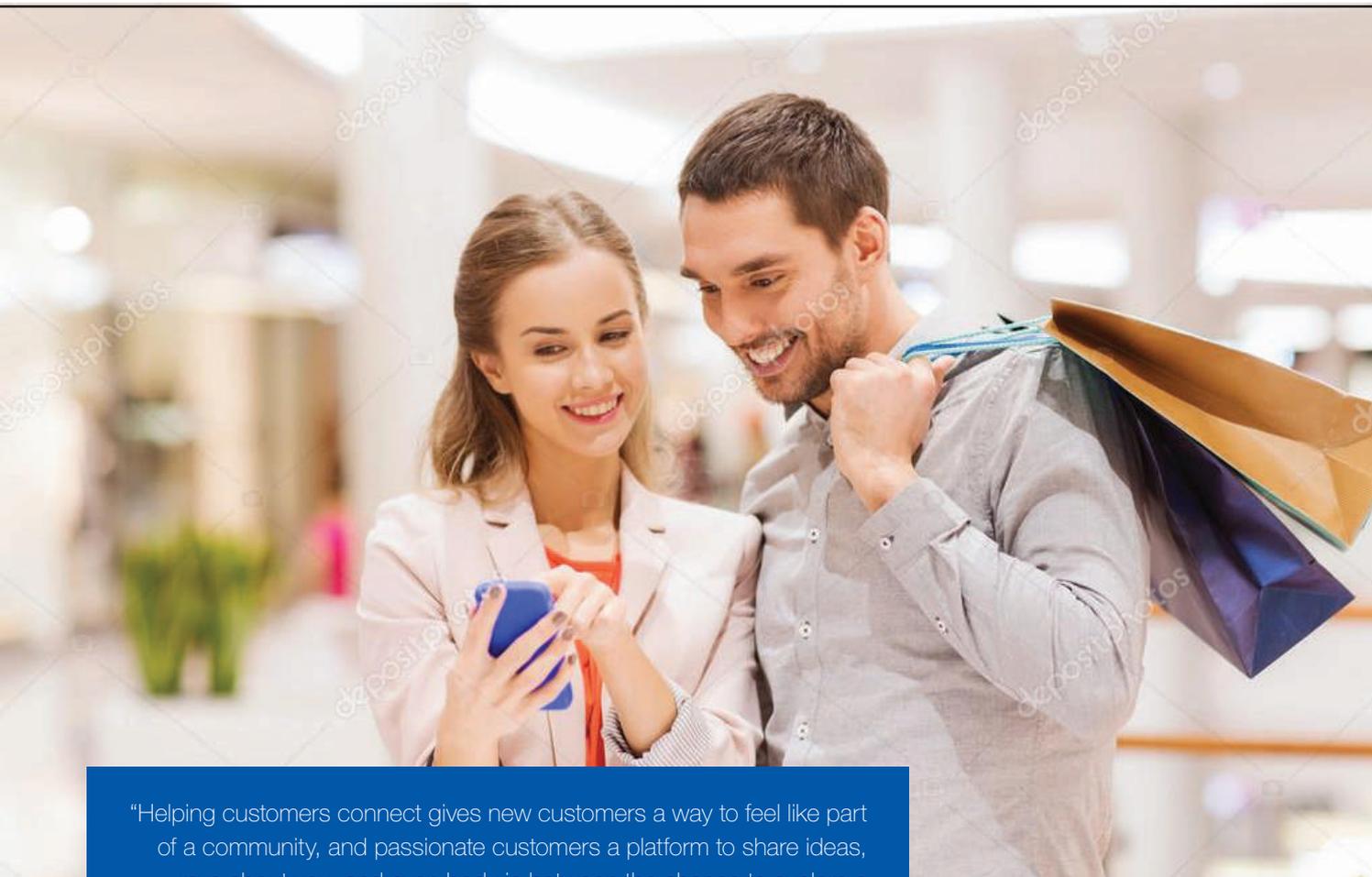
This means that investing in your online experience – and more specifically, your mobile online experience – is a must. This will pay off, not just by keeping up with the competition, but by increasing loyalty: research by Google suggests frequent mobile shoppers spend 25 per cent more in stores.

2 They want to try before they buy

Augmented reality (AR) – where digital information is overlaid on the physical world – is playing a more significant role in the shopping experience. IKEA was a pioneer in this space, with its phone app allowing customers to ‘project’ IKEA furniture into their homes so they could see how it would fit in. Similarly, Sephora uses AR to help customers digitally ‘try on’ make-up in their stores.

AR is not yet mainstream, but that’s all the more reason to invest in it now because its novelty will attract customers. Besides, it might not be as far away as you think. According to Digital Bridge, nearly 70





“Helping customers connect gives new customers a way to feel like part of a community, and passionate customers a platform to share ideas, rave about you, and everybody in between the chance to explore a stronger connection with your brand and organisation.”

per cent of consumers expect retailers to launch an AR app soon, so it could be a very effective way to stay ahead of the game.

3 They want the personal touch

In the good old days, the owner of the corner store knew all his customers by name and knew their quirks, preferences, and buying behaviours. Big data, artificial intelligence (AI) and predictive analytics are bringing that kind of personalisation back into the customer experience – and your customers value that personal touch. Deloitte research suggests over half of consumers like personalised products and services, and one in four will pay more for them.

Personalised service relies on collecting personal data (This is why Facebook is so powerful because its algorithms know so much about your life). However, customers – particularly younger customers – are more willing than ever to disclose that personal data. Research from both Accenture and Salesforce suggests that 55-60 per cent of customers will share personal data in exchange for rewards or exclusive deals.

Whatever you're doing to collect personal data from your customers, do even more. Even if it costs money now, it's an invaluable

investment in your future customer relationships.

4 They want you to be helpful - but not pushy

Your customers want to buy, and value your help and advice, provided you do it appropriately. Many of them don't like it when your advertising follows them around on social media after you visit their site, but they would welcome your tailored recommendations.

The pioneer in this area, of course, is Amazon.com, with its powerful recommendation engine. Amazon, through its Amazon Personalize service, has now released the powerful AI behind this service to any business.

5 They want to connect

Your customers already connect and engage with each other on Facebook, Instagram, and Twitter. However, few companies give their customers a way to communicate with each other. Sure, you might be making it easier for them to engage with you, and that's an integral part of creating a better customer experience. However, do you help them connect as well?

You could do this with an online customer forum, a Facebook page, a support forum for customers to share ideas and insights, or networking events for your top-tier customers.

Helping customers connect gives new customers a way to feel like part of a community, and passionate customers a platform to share ideas, rave about you, and everybody in between the chance to explore a stronger connection with your brand and organisation.

Invest in your future customer

The best businesses have always understood their customer's journey and created superior experiences at every touchpoint. However, don't forget that your customers ~~have changed, so their customer journey has~~ changed. To stay ahead of the game, invest in your future customer's journey, and you'll be investing in your future as well.

Gihan Perera is a business futurist, speaker, and author who works with business leaders to help them lead and succeed in an uncertain but exciting future. He is the author of “Disruption By Design: Leading the change in a fast-changing world” (RRP \$33).

For more about how Gihan can work with your leaders and teams, visit GihanPerera.com