Evolving Digital Commerce

Defining the focus for eCommerce brands in 2022

January 2022

KPS

Contents

Introduction

The pandemic has changed consumer behaviours forever. Overnight, generations that had favoured in-store shopping had to get their goods differently. While consumers became sofa shoppers, businesses that make up the UK's supply chain also adapted to the ever-changing landscape by embracing digital solutions. Geography became less relevant for everyone and with many stores and trade counters closed, those who had good digital commerce strategies weathered the storm.

The consumer experience has evolved rapidly from the transactional in-store shopping process to one that's rooted in deep, ongoing digital relationships. Leading retailers are constantly striving to deliver a better customer experience than their competitors, and as consumers, we're very used to finely honed checkout experiences, excellent communication, and speedy delivery.

With the constant threat of the Amazon giant entering their arenas, our B2B clients have also experienced a step change in how they approach their digital commerce propositions. Although somewhat behind its retail counterparts, the B2B sector has realised the value of positioning its customer at the centre of its strategy. Almost every user of a B2B website is also a consumer in their own lives and expects a certain level of customer experience. This has given rise to a new B2B digital profile built around a B2C style customer experience.

At KPS, our mission is to provide our clients with the tools to facilitate quicker, smoother, hyper-personalised buying journeys.

Having worked with many of the best-known retail brands throughout the past twenty years, our team is perfectly positioned to understand the culture change that this shift has realised and help brands understand how to overcome the challenges they may face when transforming their customer experience.

In October 2021, we engaged WBR Insights to survey 100 heads of eCommerce and digital across the UK to find out what are the 2022 focuses are for companies in terms of online customer experience, digital solutions, data management, and fulfilment services. The results were compiled and anonymised by WBR and are presented here with analysis and commentary from KPS's eCommerce and Digital Consultancy team.

Focusing our questions on what we recognise as the primary areas of commerce development, we have taken the key findings to identify the challenges facing brands when implementing connected customer experiences.

About KPS

About KPS

With over two decades of experience creating digital solutions that span across all customer touchpoints and deliver exceptional customer experience, KPS is known for implementing best-of-breed, agile technology using rapid methodology that increases conversion, customer loyalty, and revenue for our clients.

At the forefront of modern architecture, KPS is an expert in headless and cloud-based commerce implementations. With the mission to simplify buying journeys and develop first-class customer experience, KPS's unified commerce approach delivers a consistent customer experience across all touchpoints, providing intelligent, integrated, and scalable platforms for managing all customer interactions that will propel digital growth and set you apart from the competition.

Also well versed in digital enterprise and back-end solutions, KPS helps companies throughout every step of their digital journey. From full end-to-end business transformations to targeted uplifts, KPS guides its customers on all aspects, from strategy and customer interaction to core business operations.

/ Get in touch

Interested in finding out more about creating meaningful customer experiences that deliver brand loyalty? Say hello today! We'd love to chat.

Get in touch to find out more!

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Key Findings

Key Findings

Speed and simplicity are winning strategies at checkout

Distracting your customer right at the point of purchase is a clear point of friction in the customer journey. The longer it takes to complete the checkout, the more chance they will reconsider their purchase. Responses highlight that making checkout a painless, speedy process for visitors will undoubtedly translate into higher conversion rates.

59% 59 of our surveyed respondents from retail and B2B commerce believe that removing forced customer account registrations and allowing quicker checkout options are important to focus on this year.

Protecting customers is a high priority

Trust builds loyalty in both the retail and B2B eCommerce industries. But with the rapid acceleration of digital transactions, security and privacy concerns are still playing on everyone's minds and are cited as a key area for focus in checkout optimisation strategies for 2022.

78% 78 of businesses surveyed are investing in robust and cutting-edge security solutions, ensuring customers can trust retailers to store their customers' personal data safely.

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Key Findings

Fulfilling customer needs

Unsurprisingly, free delivery was top of both our B2B and B2C respondents priorities, with both sectors hitting percentages in the high 90s. Speed (82%) and convenience (66%) followed closely as the next two most important things their customers care about when choosing how they receive their products.

However, in terms of the types of delivery that companies are interested in implementing, weekend and Sunday deliveries come in last, which could be a reflection on the new ways of working the country has adopted, with a large number of people working from home throughout the week.

60% A prime focus for brands looking to implement new fulfilment services is same-day delivery, with 60% of all brands surveyed sourcing same-day solutions in 2022.

Know your customer, know the limits

Personalisation is universally acknowledged as a great way to build an emotional connection with your customer.

74% of respondents across both the retail and B2B industries said their organisations offer a personalised website and mobile app experience but acknowledged that implementing a good strategy is not without challenges.

The top three personalisation challenges brands face in 2022 are as follows:

- Delivering personalisation that customers value
- Measuring tangible ROI from personalisation
- High costs associated with higher content volume

/ Don't underestimate the power of the people

You can throw money at marketing campaigns, but good reviews help ramp up your brand reputation and secure more sales. **67% of our respondents' organisations are already using product ratings as alternative customer-created content.**

Creating relatable, real-life brand ambassadors through exceptional service and meeting your customers' needs is a guaranteed winning strategy.

Checkout Optimisation

Convenience and experience are everything

In this digital-rich and time-poor world, customers expect their transactional experiences to be as seamless, friction-free, and fast as possible. As the rates of customers using eCommerce surged in the past two years, so did their expectations for a faultless online customer experience.

eCommerce leaders are acutely aware that even a small percentage increase in checkout conversion rates can translate into a significant improvement in their Return On Investment (ROI). A critical step in enhancing the customer's online journey (from product research right the way through to delivery options, payment, and post-purchase care), checkout optimisation can realise real, tangible benefits for the retailer.

According to our survey, **the top three areas brands will be looking at to improve their conversion rates during the checkout process are forced account creation, security concerns, and inadequate return options.** These areas are of particular importance to customers for their favourite retail brands to get right to help make their user experience much easier and more enjoyable.

A smooth, speedy checkout experience
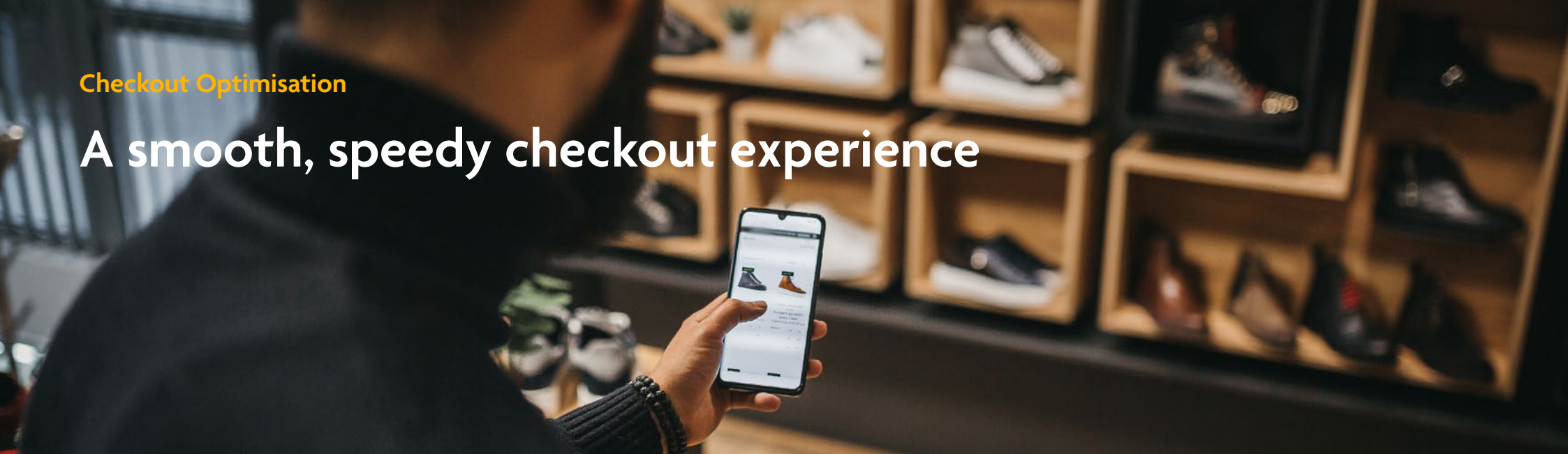
Successful retailers can provide their customers with a smooth checkout experience by creating separate guest checkout options, and in some cases, B2C brands have created a 'lite' account option for new customers, which helps to speed up the process.

For those customers who wish to create an account, brands must review their forms and reduce their length. There needs to be a balance between capturing essential transactional information and building the marketing profile of the consumer.

Shorter forms also create better user experiences and reduce the time a customer spends during the checkout process. The benefits of registering for an account should also be shared with the customer, such as loyalty offers, a personalised experience, and the ability to reorder quickly.

Retailers could consider allowing customers to create 'lite' accounts, requiring just an email, a password, and consent to move forward. To build their profile, 'progressive profiling' could be applied each time they log in.

Where a guest account option is offered, the customer should always be encouraged to complete their profile after placing their first order, either by displaying it on the order confirmation screen or sending a personalised email to complete their account profile. In B2B, account creation is a must for registering VAT and company details and is often not positioned at the end of a buying journey. This makes it far less of a priority than security and offering different payment methods for this sector.

Building trust and confidence

As fast and sophisticated as digitised businesses get, cyber threats evolve to match. A clear focus in both retail and B2B organisations is investing in robust and up-to-date security solutions, ensuring that companies are well-equipped to store their customers' personal data. This is the top priority for 78% of the decision makers surveyed.

What do you feel your brand should focus on to improve its conversion rate regarding checkout optimisation?

	Important	Moderately important	Not important
Complicated, time-consuming checkout	53%	23%	24%
Forced account creation/no guest checkout	59%	18%	23%
High additional costs (taxes, shipping, and other fees)	46%	25%	29%
Inadequate return options/policy	56%	24%	20%
Lack of payment methods	56%	23%	21%
Security or trust concerns	78%	18%	4%
Slow delivery and/or limited shipping options	51%	23%	26%
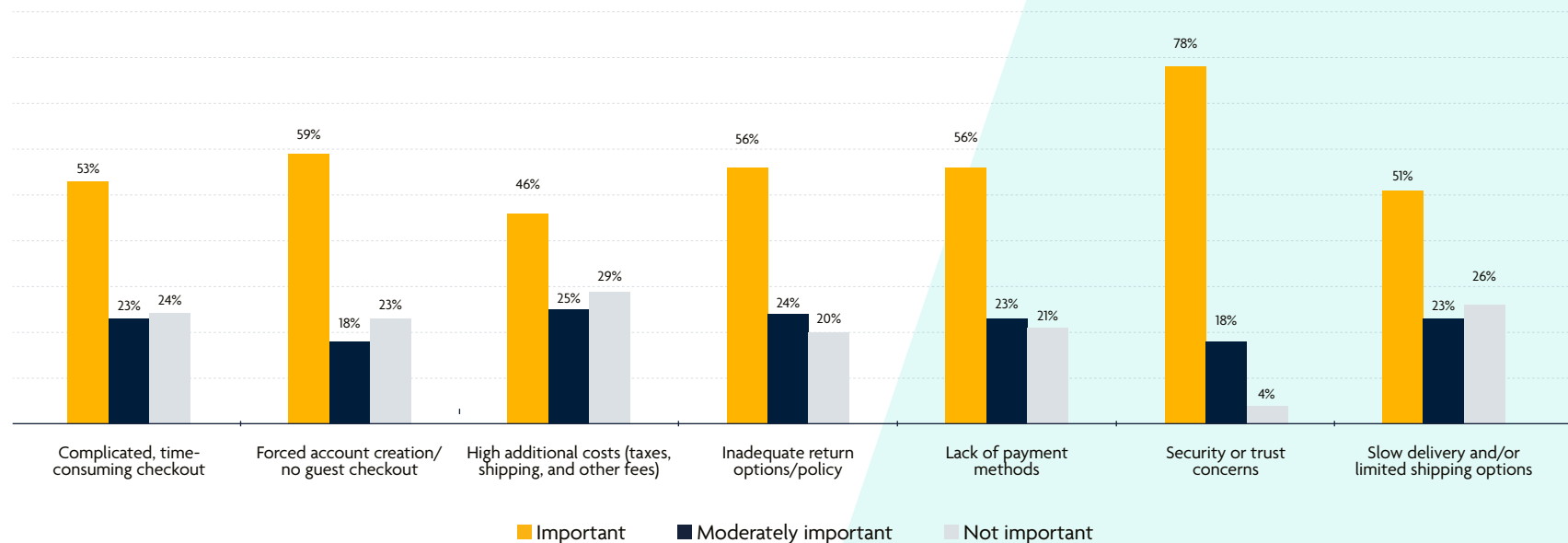
Investing in powerful security technology can also protect their brand and customers from being targeted by cybercriminals for eCommerce fraud purposes. By clearly displaying the security badges and seals from their cybersecurity providers during the checkout process, retailers can help build confidence with their customers when shopping with them online.

Increasing visibility

A key frustration for customers during the checkout process is discovering any hidden costs or low stock levels involved during their buying journey. Retailers that can clearly display any items that are running low on stock or are out of stock completely before a customer starts the checkout process will help alleviate the potential for customer frustration during the checkout process.

Communicating a clear and concise picture of pricing, refund and return policies, fulfilment, and payment options at each stage of the checkout process should now be standard across retail sites. Those retailers who can take the added step of offering a delivery promise and commitment will convey a message of confidence to the customer at checkout.

For B2B customers, for whom buying is not a pleasure but part of their day job, providing as much information as possible about additional charges, applicable taxes, and/or shipping fees that make up the final total will help to increase transparency and bolster their confidence.

Order Fulfilment

From the click of the order to box in hand

Order fulfilment continues to be a major strategic priority for online retailers. In the near term, heads of eCommerce must negotiate a way through global supply chains that are still undergoing severe disruption. Consumers are being advised to shop early, expect higher prices and fewer deals, and be prepared for delays in receiving their goods.

Yet, at the individual consumer level, their expectations are still high for rapid delivery and speedy resolution of refund and return issues.

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From the click of the order to box in hand

What do you think your customers care about the most when choosing how they receive their products?

Convenience (collection, delivery, or drop-off location): Important 67%, Moderately important 19%, Not important 14%

Price of fulfilment/delivery: Important 50%, Moderately important 23%, Not important 27%

Specified date and time: Important 55%, Moderately important 18%, Not important 27%

Speed of delivery: Important 82%, Moderately important 13%, Not important 5%

Sustainable/green delivery options: Important 44%, Moderately important 14%, Not important 42%

Legend: Important · Moderately important · Not important

Cost of delivery

Respondents said that speed of delivery and convenience are the most important factors for their customers when choosing how they receive their products.

Nearly two-thirds of our respondents have already implemented free delivery as part of their fulfilment services.

Retail Brands: What fulfilment services are you already using or interested in using?

Legend: ■ Already using ■ Interested in using ■ Not interested

Service	Already using	Interested in using	Not interested
Free delivery	63%	2%	35%
Same-day delivery	42%	15%	42%
Next-day delivery	28%	32%	41%
Nominated-day delivery	48%	27%	25%
Weekend/Sunday delivery	35%	35%	30%
Collection point (e.g. Amazon Lockers, Collect+)	36%	30%	34%
Kerbside collection service (text and drop to car)	29%	33%	38%
Click and collect (using warehouse stock)	28%	38%	34%
Consolidation delivery (stock from multiple locations consolidated for single delivery rather than multiple shipments)	30%	31%	39%
Reserve and collect (using store stock)	35%	24%	41%
Dispatched from store	34%	19%	47%

Cost of delivery

For retailers, click and collect and dispatch from store have been options for some time. But for B2B, this option is of less interest, and instead, the focus is clearly on offering as many options as possible to get a timely and convenient delivery for the customer.

B2B Brands: What fulfilment services are you already using or interested in using?

Bar chart data:

Service	Already using	Interested in using	Not interested
Free delivery	47%	47%	7%
Same-day delivery	13%	60%	27%
Next-day delivery	13%	73%	13%
Nominated-day delivery	73%	13%	13%
Weekend/Sunday delivery	60%	13%	27%
Collection point (e.g. Amazon Lockers, Collect+)	47%	33%	20%
Kerbside collection service (text and drop to car)	27%	33%	40%
Click and collect (using warehouse stock)	7%	33%	60%
Consolidation delivery (stock from multiple locations consolidated for single delivery rather than multiple shipments)	33%	40%	27%
Reserve and collect (using store stock)	47%	27%	27%
Dispatched from store	47%	27%	27%

Legend: Already using, Interested in using, Not interested

Overcoming fulfilment challenges

We also asked our respondents to identify what challenges their organisations are facing when implementing new fulfilment services. The key challenges included being able to report and forecast the demand of the different services, solving problems with integration and changing business processes across all areas, avoiding operational issues and errors that impact the customer, and communicating these changes internally and with suppliers.

To overcome order management and integration challenges, retailers can look to their third-party fulfilment service providers and ensure that they are fully integrated with their sales channels. The online dashboard provides retailers with real-time data analytics and billing information to help them gain transparency over their customers' orders, enabling them to spot potential delays or disruptions much quicker.

Retailers can also offer customers a choice of fulfilment options during the checkout process. This can include free shipping within certain geographical locations or beyond a certain price threshold and 'Buy Online, Pick Up In Store (BOPIS). Software-based inventory management systems and automated picking and packaging can assist retailers in meeting the demand for fast turnaround times.

Building strong supplier partnerships

Knowing your target customer is key in getting your fulfilment strategies right. Commentators have been quick to identify new consumer behaviours emerging from a country in lockdown. Retailers need to hit the mark when it comes to greener, value-added, and speedy fulfilment services.

As awareness of the impacts of climate change is becoming more widespread in communities across the globe, consumers are more conscious about their carbon footprint and what their retailers are doing to reduce their CO_2 emissions. Choosing packaging and transport providers that specialise in environmentally friendly materials and shipping methods can help retailers meet their sustainability goals and encourage the new breed of ethical shoppers created by the pandemic. For example, resealable bags or boxes with labels that can be reused for returns could be a good idea, not only for sustainability but also for customer convenience.

For B2B, this can also add weight to supplier selection from those businesses with a more explicit interest in their environmental, social, and governance (ESG) positioning.

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Challenges: Executing seamless fulfilment

We asked our respondents what top three challenges their organisations face when implementing new fulfilment services.

Challenge 1: Operational reporting

> *"Generating long-term visibility of the fulfilment services."*

> *"Planning and implementation don't usually align, and that is a common challenge we always face."*

> *"End-to-end visibility."*

Challenges: Executing seamless fulfilment

Challenge 2: Avoiding operational issues and errors that will impact the customer

"Meeting the delivery expectations after implementing the new fulfilment services."

"Making new fulfilment services error free."

"Not every new solution contributes positively from the start."

Challenges: Executing seamless fulfilment

Challenge 3: Communicating change around the business, suppliers, and partners

"*Communicating* the changes up and down the fulfilment chain."

"*Aligning* and *co-ordinating* internal and external resources."

"*Finding a balance* between automated and manual processes."

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Fulfilment Summary: Nick Mason

Implementing new fulfilment methods isn't as simple as giving customers new delivery options. These types of changes generally have significant operational implications and require well-coordinated business change. There's no 'one-size-fits-all' solution and if new fulfilment services aren't adopted by customers, it can be very costly.

Retail customers expect free delivery for orders over a certain threshold; this is applicable to many B2B businesses. There is little operational impact other than the postage costs, but these should be offset by increased conversion rates.

All other direct/home delivery services introduce operational impacts on warehousing and logistics teams. Offering same/next/ nominated-day delivery will impact warehouse staffing, processes, and task allocation and require well-integrated systems to facilitate real-time data flow.

Same-day orders need to flow through to the warehouse management system in real time to allow stock to be released and resources managed appropriately for immediate picking. Operational reports are required to hit pick-and-pack deadlines for different delivery services and carrier collection times.

Operational issues are highlighted as a barrier to implementing new fulfilment services; however, this can be avoided with comprehensive testing, better communication, training, and sufficient operational reporting.

We also see that retail respondents reported an interest in implementing a reserve-and-collect solution – perfect for customers who need products quickly. Ultimately, you should provide customers access to your virtual stock pool (often split across multiple locations) with flexible fulfilment options from any store. A centralised view of enterprise inventory with perpetual stock checking will maintain accuracy. Store-specific search capability, which pairs well with reserve-and-collect solutions, gives customers confidence the stock will be held.

Another option is a dispatch-from-store service, once customers are connected to products across the entire estate, seamless dispatch-from-store delivery makes the physical location of the stock inconsequential to the customer experience.

Investing in these omnichannel services will help businesses make their distributed inventory work harder, reducing the number of products that need to be heavily discounted in-store during clearance and perhaps even reducing end-of-season store-to-warehouse returns.

Nick Mason
Head of CX Consulting, KPS UK

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Ratings and Reviews
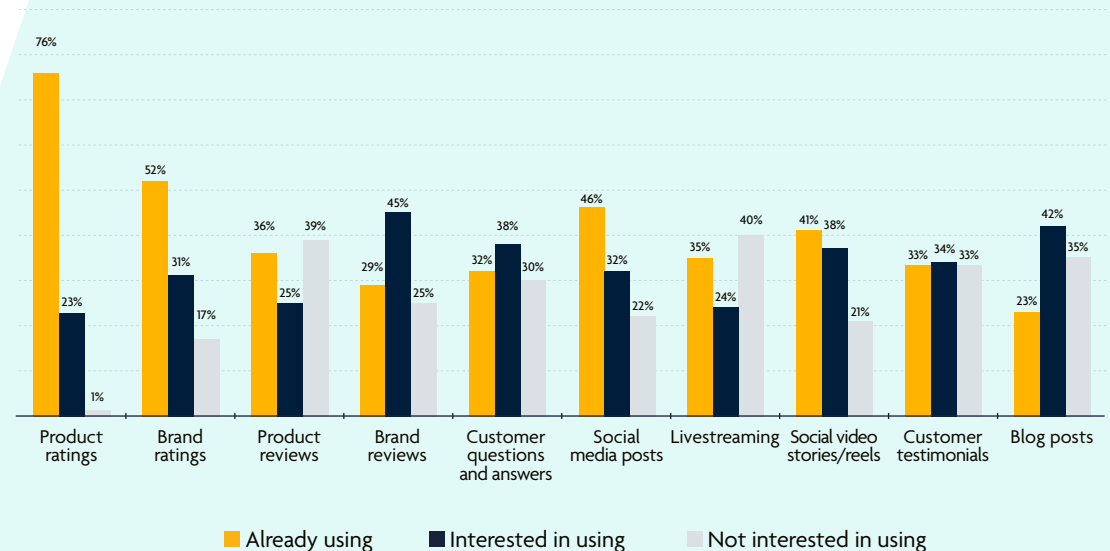
The voice of the customer

Today, consumers consult product reviews and ratings when making purchase decisions. If organisations don't show this content on their product pages, they are more likely to lose business to sites that do.

When used strategically, customer product ratings and reviews can serve as powerful examples to increase purchases from both new and existing customers. Significantly, 76% of our respondents' organisations already use product ratings, which is well represented across both retail and B2B organisations.

However, more interestingly, brands have less interest in written reviews and blogs; the core focus for eCommerce brands is quick visual star ratings rather than lengthy typed reviews. This is reflected equally in both the B2C and B2B industries.

What alternative types of customer-created/-generated content is your organisation interested in implementing?

	Already using	Interested in using	Not interested in using
Product ratings	76%	23%	1%
Brand ratings	52%	31%	17%
Product reviews	36%	25%	39%
Brand reviews	29%	45%	25%
Customer questions and answers	32%	38%	30%
Social media posts	46%	32%	22%
Livestreaming	35%	24%	40%
Social video stories/reels	41%	38%	21%
Customer testimonials	33%	34%	33%
Blog posts	23%	42%	35%

The power of a positive review

The subjective opinions expressed in customer reviews and ratings can provide a clearer impression of how products perform in real-life use. This commentary from buyers with first-hand experience of a product can bridge knowledge gaps and answer questions that would otherwise have to be fielded via customer support.

Numerical and visual scale ratings such as 1*, 2*, 3*, 4*, and 5* star systems give both frequent and occasional visitors to an eCommerce site a quick indication of the product's overall quality. This handy, highly visual metric can be influential in driving faster conversions and purchases.

A well-organised and succinct customer ratings guide can also help streamline the customer's journey through the site and, ultimately, to the checkout. Some rating and review tools can also help by analysing the reviews and summarising trend info – allowing retailers to see product pros and cons easily.

/ **This is particularly apparent for B2B commerce, where ratings help busy buyers make quick decisions that are more likely to be well received by their own customers.**

Taking lessons from the negatives

Negative reviews can play a positive role for online retailers in managing their supply chain and quality assurance. By highlighting quality deficits and monitoring complaints that customers frequently mention, retailers can quickly pull lines from their shelves or use this information to improve their goods and services.

Allowing different elements of the customer journey to be rated can help a customer and the retailer sees exactly where the pain points lie. This data can be vital in assisting retailers in streamlining their fulfilment plans, as they are often the only after-sales forum where customers can highlight delivery, packaging, and care issues.

The important thing here is to be seen to respond to the negative feedback, proving that customer experience and satisfaction lie at the heart of the business.

/ Making the aspirational, real

In conjunction with descriptive commentary, images provided by customers are becoming more frequently published on retailers' websites. Seeing a product in real life displayed in various settings is an influential tool that guides purchasing decisions.

Our survey revealed that 47% of our respondents agree that community photography is important to their customers for product inspiration and reassurance when purchasing.
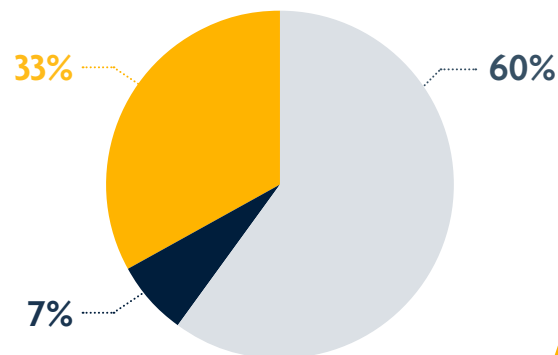
Making the aspirational, real

Do you think community/customer photography is important to your customers for product inspiration and reassurance when making a purchase decision?

Retail

24%
50%
26%

B2B

33%
60%
7%
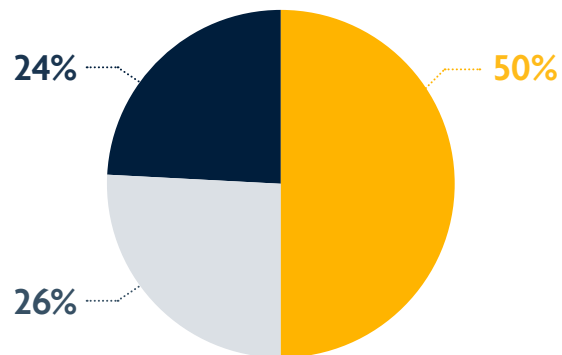
■ Agree ■ Neither agree or disagree ■ Disagree

This is more prolific for B2C retailers (50% vs 33% in B2B) due to a more interactive customer base following them on social media and sharing their personal content.

To harness this real-world content, retailers should provide tools and facilities for customers to easily upload or submit their product images and reviews in desktop/browser and mobile formats. User-generated content (UGC) can also be sourced from social media posts that have used a UGC tag shared by the brand.

/ **Retailers could also investigate offering discounts, first looks at new goods, and other special offers as incentives to encourage a continuous flow of UGC.**

Customer Personalisation
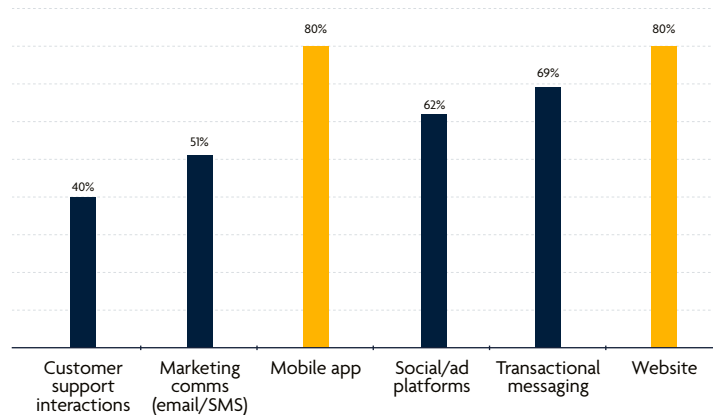and Data

Retail and B2B personalisation focuses

Personalisation remains very much at the heart of the online retail environment. True personalisation extends beyond greeting customers by name and targeting promotions based on their demographics, past web activity, and previous transactions.

Our survey revealed that **80% of respondents in retail** said their organisations offer a personalised website and mobile app experience, with only **40% of respondents in B2B** offering web and app personalisation.

Retail brand focus

Which of the following customer touchpoints are you currently providing a personalised experience for?

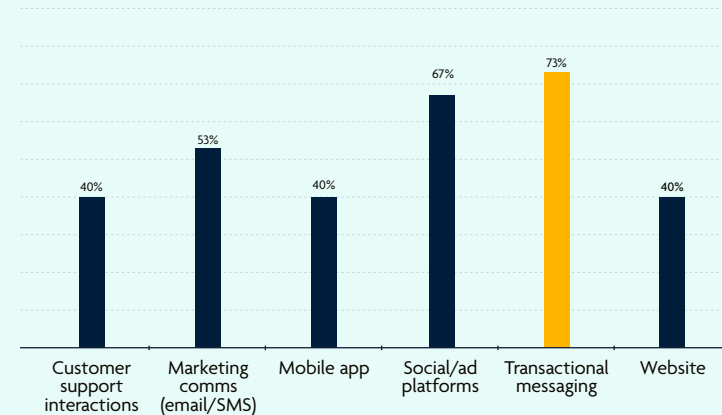| Customer support interactions	Marketing comms (email/SMS)	Mobile app	Social/ad platforms	Transactional messaging	Website
40%	51%	80%	62%	69%	80%

B2B brand focus

Which of the following customer touchpoints are you currently providing a personalised experience for?

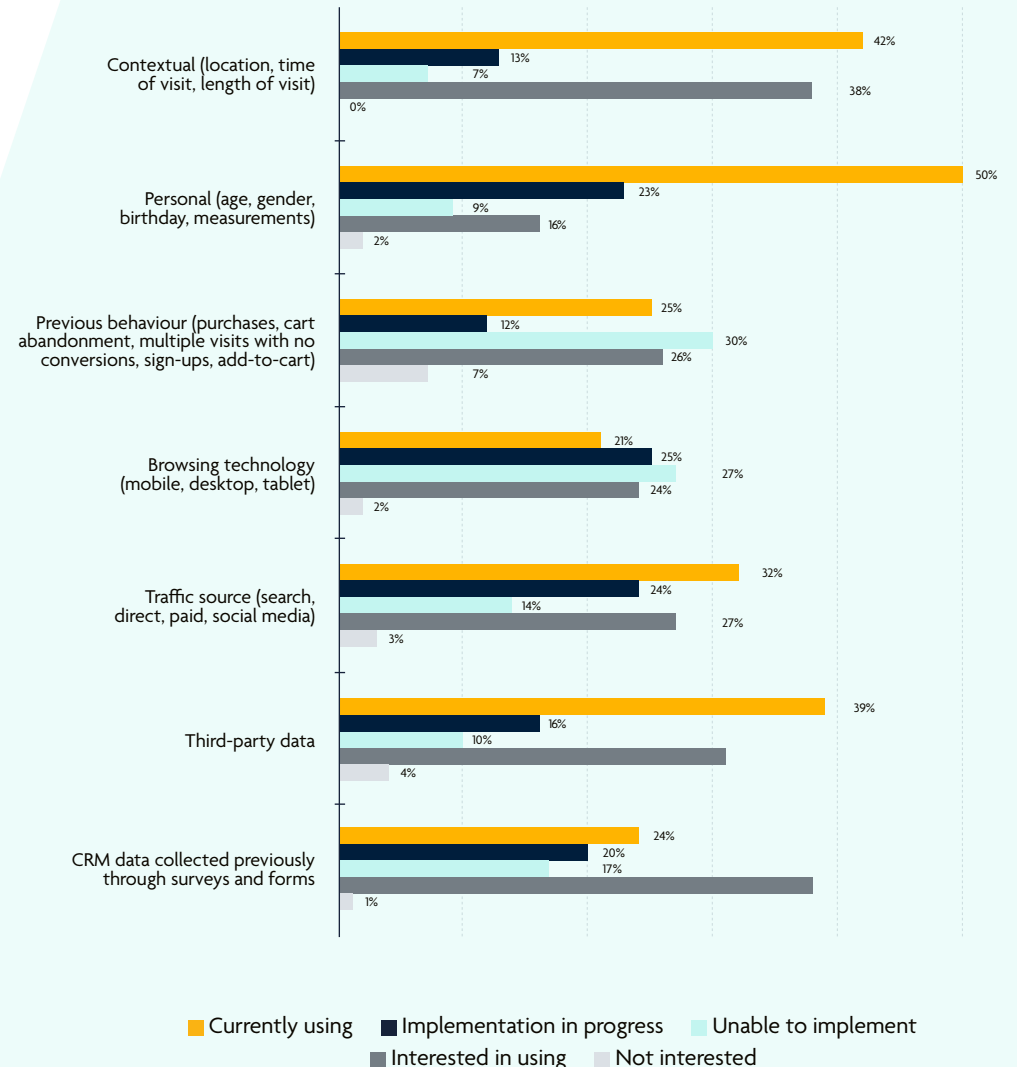| Customer support interactions	Marketing comms (email/SMS)	Mobile app	Social/ad platforms	Transactional messaging	Website
40%	53%	40%	67%	73%	40%

Difference in data inputs

According to our survey, the majority of our respondents' organisations use their customers' personal and contextual data to help drive personalisation across the online customer journey.

55%

55 of those offering personalised experience include pre-selected delivery preferences and personalised website landing pages among their tactics.

Which of the following data inputs is your organisation currently using to drive (website and marketing) personalisation?

Data input	Currently using	Implementation in progress	Unable to implement	Interested in using	Not interested
Contextual (location, time of visit, length of visit)	42%	13%	7%	38%	0%
Personal (age, gender, birthday, measurements)	50%	23%	9%	16%	2%
Previous behaviour (purchases, cart abandonment, multiple visits with no conversions, sign-ups, add-to-cart)	25%	12%	30%	26%	7%
Browsing technology (mobile, desktop, tablet)	21%	25%	27%	24%	2%
Traffic source (search, direct, paid, social media)	32%	24%	14%	27%	3%
Third-party data	39%	16%	10%		4%
CRM data collected previously through surveys and forms	24%	20%	17%		1%

■ Currently using ■ Implementation in progress ■ Unable to implement
■ Interested in using ■ Not interested

Customer Personalisation and Data

The importance of data sources

Identifying and drawing upon the right data collection points is critical for successful eCommerce personalisation. Web traffic, search, email, on-site interaction, purchase data, and social media are all relevant sources for heads of eCommerce to capitalise on in addition to the personal information that customers provide themselves.

Across both the retail and B2B industries, we see the same strength of feeling. Both appear to be most interested in contextual data (location, time of visit, length of visit), although for B2B, third-party data is also of prime consideration.

In B2C, this is trumped by personal information (age, gender, birthday, measurements) – a lot of which just simply wouldn't need to be present in B2B interactions.

Most of the organisations we surveyed are not using a formal CRM, but many would be interested in doing so.

Personalisation platforms driven by artificial intelligence (AI) and machine learning (ML) can assist talented human designers in creating dynamic content.

This technology can monitor on-site interactions and customer data points in real time to help deliver a unique and personalised experience to each online visitor.

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Challenges: Implementing impactful personalisation

We asked our respondents what challenges their organisations are currently facing when implementing personalisation. The top three are delivering personalisation that customers value, proving ROI, and justifying the greater spend associated with delivering more content.

Challenge 1: Delivering personalisation that customers value

"Knowing that the personalisation is hitting the right notes."

"Knowing how much personalisation is enough."

"Doing enough to make customers enjoy every experience."

Challenges: Implementing impactful personalisation

Challenge 2: Unable to deliver or measure tangible benefits and ROI

"*Tracking the effective performance of personalisation.*"

"*We haven't been able to generate the level of response we have been seeking through personalisation.*"

"*We aren't achieving enough loyalty with the level of personalisation we are offering.*"

Challenge 3: Higher content volume and associated costs

"*Organising and developing content based on trends.*"

"*Developing and utilising dynamic content is a prominent challenge.*"

"*It's overwhelming from a content creation point of view.*"

Challenges: Achieving a single customer view

This is key to managing customer data and effectively utilising it for personalisation. 43% of our respondents said their organisations use a central data set to drive personalised experiences for marketing communications and transactional messaging. Half of our respondents said their organisations have a dashboard with a single customer view, while half of our respondents' organisations do not.

Challenge 1: Data quality or availability

"Data plays an important role in the implementation process, and with data quality a little below par, the challenges extend further in the implementation of a single view of customers."

"We don't have access to important additional data to help us implement a single customer view seamlessly."

"We haven't yet achieved a single view of customer because of ineffective data and multiple data sources."

"Data discovery and data fragmentation are big challenges we continue to face."

Challenges: Achieving a single customer view

Challenge 2: Selling and realising benefits of single customer view

Challenge 3: Making it omni-channel: online and offline linkage

"Locating dedicated opportunities for the use of a single customer view."

"Connecting online and offline data to achieve a single view of customer and then implementing."

"Trying to generate real value through it."

"Collecting data from across all channels and assuring its relativity."

"Maximising the impact of a single view of customer."

"Targeted customer services are still far away for us."

The critical role of data and intelligence

We asked our respondents what challenges their organisations currently face when implementing a single view of their customers. The top three challenges were poor data quality or availability, challenges selling and/or realising the benefits of a single customer view, and making it omnichannel, connecting the online and offline experiences.

How are your organisations' personalised experiences driven?

	Customer support interactions	Marketing comms (email/SMS)	Mobile app	Social/ad platforms	Website	Transactional messaging
Central data set	34%	19%	16%	27%	39%	17%
Not sure	31%	19%	25%	25%	22%	17%
On the road map	18%	43%	28%	27%	23%	41%
Single customer view	17%	19%	30%	21%	16%	24%

Legend: ■ Central data set   ■ Not sure   ■ On the road map   ■ Single customer view
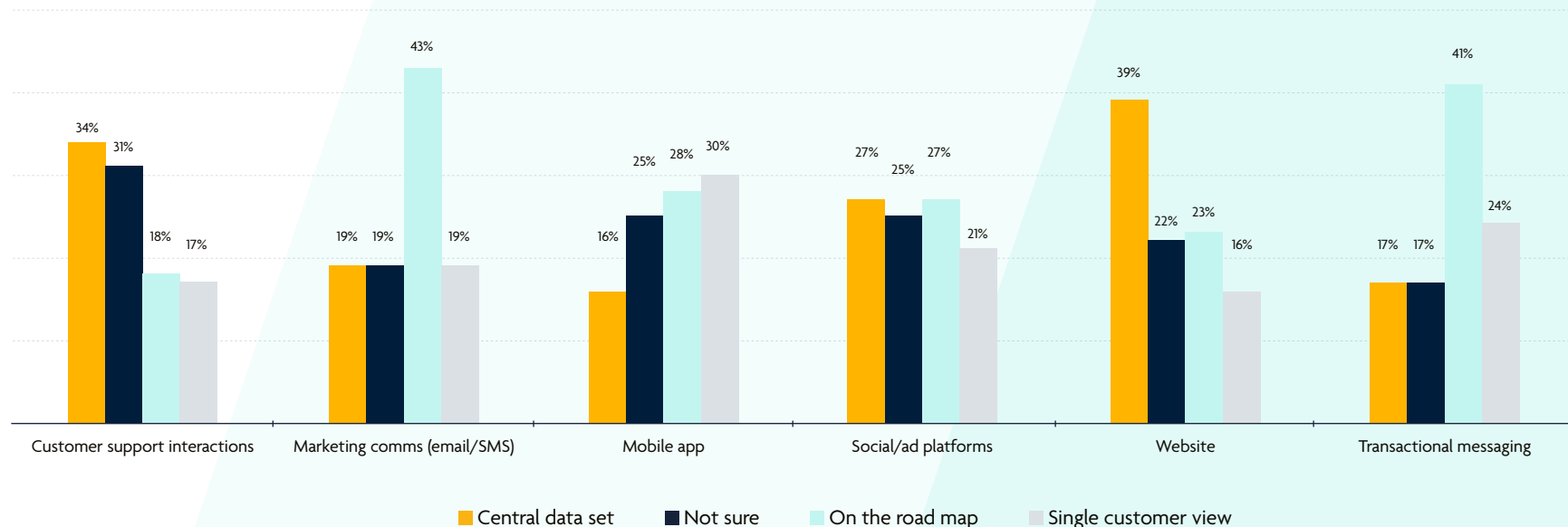
One way of overcoming these challenges is investing in personalisation platforms powered by AI technology. For example, machine learning and data mining tools can work at scale to process customer data efficiently, find patterns in the information, and provide intelligent suggestions or insights. Predictive analytics can also help predict what a new customer will do based on the data available from previous customers who are similar.

Personalisation Summary: Barnaby Moffat

The importance of customer experience and understanding how to optimise each stage of the customer journey have become critical to business success in an increasingly customer-centric, digital world.

The pre-Covid commerce world was already well on the path to seamless, integrated omnichannel offerings across both the retail and B2B industries. Still, some dramatic shifts in customer behaviours have changed strategic priorities in 2022 for even the most advanced eCommerce propositions. This can be clearly seen in the need to optimise the checkout experience and strengthen your fulfilment offering.

Consumers have become used to on-demand services with flexible and well-targeted offers that recreate the confidence-bolstering experience of making a physical selection in-store. The retail sector now understands that marketing, customer experience, and operations all need to work together to provide a smooth and engaging experience from casual browsing right through to doorstep delivery.

Throughout every stage of that seamless eCommerce proposition, there is also the complex but growing need to integrate personalisation and create a connection between you and your customer.

This, for me, is the difference between a satisfactory shopping experience and a truly great one.

But the biggest challenge we see is the need to bring these techniques and tools in at scale and with speed. To satisfy the needs of your customer base, you must create an experience that feels uniquely relevant to each customer, no matter where they are in their journey and across every channel available. Using data from multiple sources, you must ensure that you can access rich customer insights to deliver hyper-personalised experiences in real time – whether it be at checkout or after the sale has been made – and that the delivery is eagerly anticipated.

In a highly competitive marketplace, this personal, engaging customer experience can be what sets you apart and keeps your customers coming back for more.

Barnaby Moffat
Commercial Director, KPS UK

KPS

Conclusion

Stepping back and looking at how to refine the customer journey, the top strategic priorities for online retailers and eCommerce professionals in 2022 will be optimising the checkout process, improving order fulfilment, and improving personalisation across the customer journey.

These priorities have been reflected in our survey results; over three-quarters of our respondents' organisations are already using product ratings as alternative customer-created content and personal and contextual data inputs to drive personalisation.

Although there are distinctions in the priorities for the retail and B2B industries, respectively, both show a keen interest in ensuring the buying process is faster, smoother, and far more intelligent as we go forwards. Despite best intentions, challenges still present themselves with each strategic priority.

As the most important point in any buying journey, many of our respondents have highlighted areas of improvement regarding their checkout process.

Forced account creation, security concerns, and inadequate return policies are the most important areas for their organisations to improve conversion rates. Order fulfilment options also continue to be challenging for our respondents as their organisations are impacted by volatile supply chains coupled with high customer expectations for fast delivery and refund or return services – all areas that need to be driven by excellence to protect the brand's reputation.

Personalisation in the online customer journey is not a new concept to retail brands. It was unsurprising to see that the majority of our respondents' organisations offer a personalised website experience.

Almost three-quarters of respondents are currently providing personalised experiences on their websites and mobile apps. This adoption is less prolific with the B2B sector, as personalisation needs to consider both the needs of the company and those of the individual buyer – a tricky balance to get right.

But new technologies are allowing for dynamic content and sophisticated data management that can help underpin an intuitive personalisation strategy.

For both retail and B2B, when used in a strategic manner, product ratings and reviews can serve as powerful examples of social proof that persuade consumers to make purchases both online and in store.

However, again, this is prevalent primarily for the retail sector. While positive reviews and attractive community photography can drive sales, even customer-led criticism can provide vital information required to improve future iterations of goods and services. With personalisation very much at the heart of customer-centric and experience-oriented retail, this content will be invaluable for retailers in the future.

Methodology

Methodology

In October 2021, we surveyed 100 leaders in eCommerce and digital across the UK to find out what they thought of the future of customer behaviour, online customer experience, digital solutions, data management, and fulfilment services.

This report aims to better understand where retail and B2B eCommerce organisations see their strategic priorities lie as we emerge from the pandemic. Moreover, it will assess the ever-changing landscapes of eCommerce and customer experience over the next year.

This survey was conducted by telephone appointment by the WBR Insights team. The respondents originate from both retail and B2B eCommerce, giving a cross-section of opinions from multiple industries. The results were compiled and anonymised by WBR and are presented here with analysis and commentary from KPS's eCommerce and Digital Consultancy team.

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Get in touch to find out more!

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