

VERINT®

The Digital Holiday Survival Guide



Welcome to The Digital Holiday Survival Guide. Within, we will cover utilizing conversational elements and digital channels as a way to solve for increased demand for engagement, with limited capacity.

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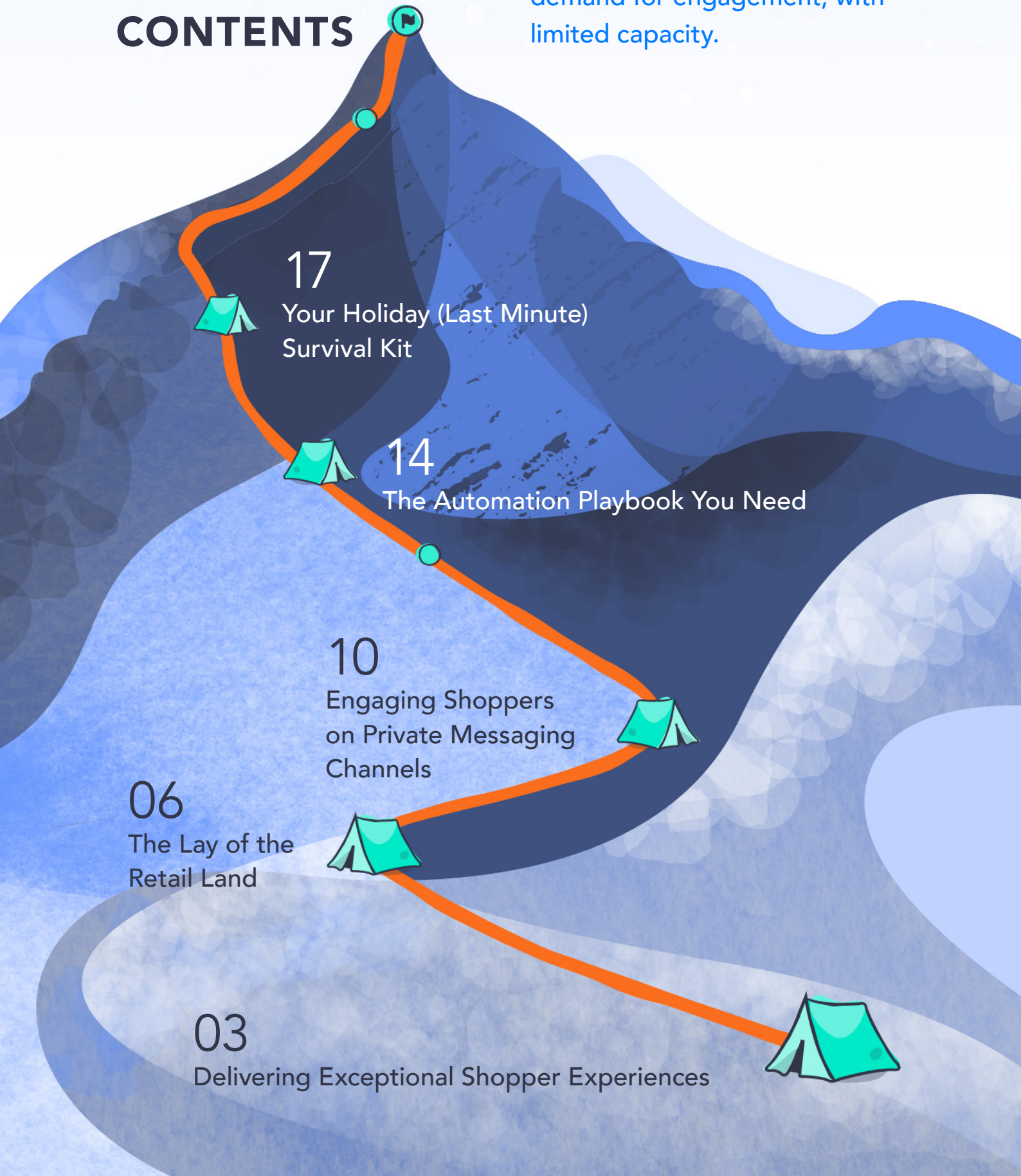
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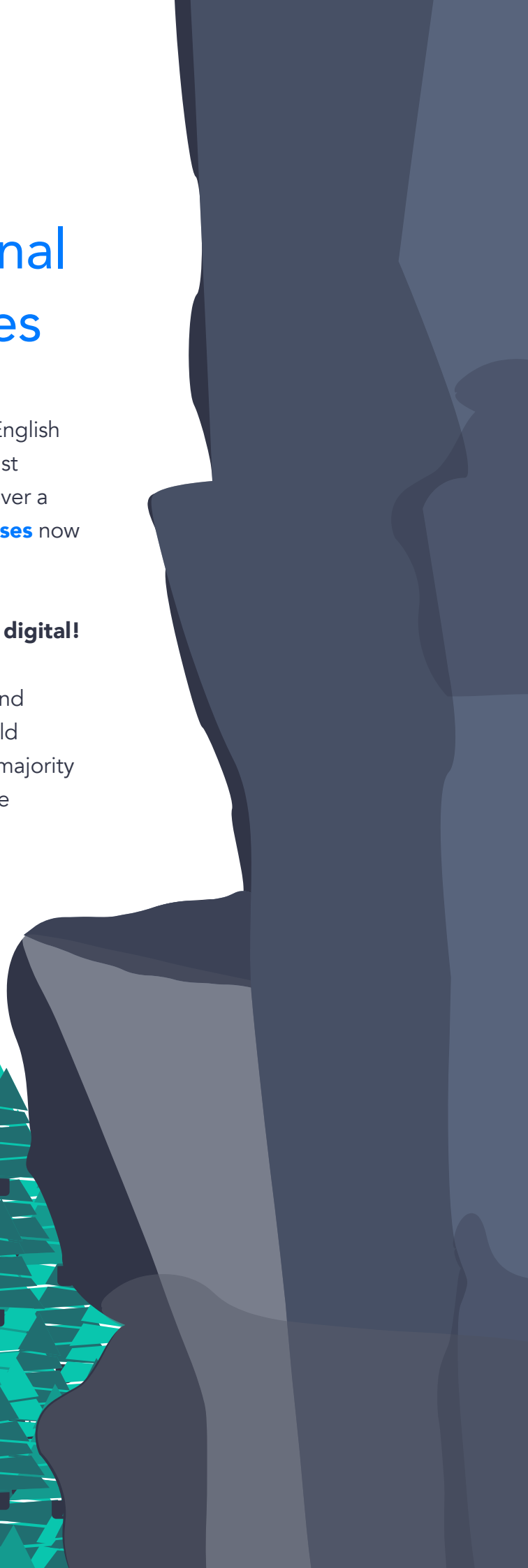
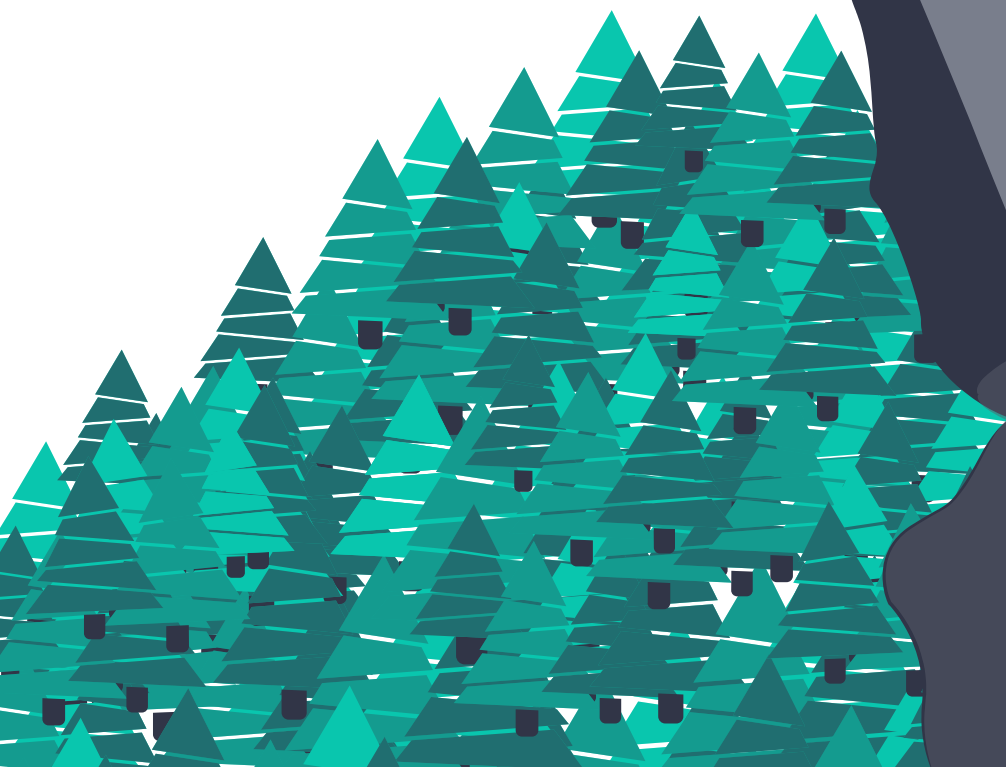


Delivering Exceptional Shopper Experiences

The first item **ever sold online** was an album by English rock artist Sting, Ten Summoner's Tales, sold for just \$12.48 plus shipping back in 1994. Fast forward over a quarter of a century, and **63% of all retail purchases** now begin online.

A lot has changed in 27 years. We have gone digital!

Whilst developments in platform functionality – and brands' willingness to embrace the changing world around them – have no doubt played a role, the majority of this dynamic change has been driven by us, the consumers.



Changing Modern Consumer Habits

Everything we are seeing from our own data at Verint® and reports from key industry voices like Forrester and McKinsey, is pointing towards the digital shift in consumer habits being here to stay.

For retailers the evolution of shoppers moving from brick and mortar stores was already here. The largest growth has been in the use of mobile devices, both as an integral part of everyone's lives and as a means for buying things. In fact, it's predicted that m-commerce (mobile commerce) will account for **54% of total eCommerce by the end of 2021**.

But it's not just the growth of mobile device usage that's most interesting, it's how your customers are using them. **80% of all time spent on mobile** is using private digital channels.

This trend is perhaps best illustrated by Generation Z – who make up around **40% of global consumers**. Gen Z – defined loosely as people born from 1995 to 2010 – are true digital natives. From their youth, they have been exposed to the internet, social networks, and cell phones. This early exposure has produced a cognitive generation that influences people of all ages and incomes, as well as the way we relate to and consume from brands.

Gen Z has fundamentally disrupted how brands will deliver customer experience through:

- **Connectivity:** Gen Z is digitally savvy, and as a result is constantly connected and shun traditional channels.
- **Socioeconomic influence:** Gen Z is driven by unique customer experiences – not generic ones – valuing brands who provide this.

Customers are able to dictate their own buyer journeys, so it makes sense to engage them and provide the most seamless experience from browsing a product to purchasing it. Brands need to embrace these new customer habits, combining the growth in m-commerce with the use of private messaging channels.

Digital-First Engagement

Most retailers today understand that they have to engage with their customers over digital channels. And that providing great customer experiences has a substantial impact when it comes to customer retention and increased revenue.

When managed properly, a great customer experience via digital channels will be effortless, in-the-moment, and personalized. For retailers, digital channels can be both more efficient and ROI positive than their traditional engagement channel counterparts.

But knowing and doing are two completely different things.

The Holidays Are Coming...

Love it or hate it, the Holidays are almost upon us (we hope you love it like us :)). This means marketing teams are in overdrive, all looking to out-market the other with above-the-line campaigns. With all this marketing spend allocated, a very important aspect often gets overlooked: how to deal with the increase in the volume of digital customer interactions.

So with your marketing teams gearing up to push out promotional sales-led messaging, have you considered how to handle the increase in digital conversations also?



The Lay of the Retail Land

After 18 months of adjustments and adaptation in the retail industry, businesses might have hoped that the world slowly reopening, with **more than 7 billion Covid vaccines** already administered, would ease some of the pressure they've been facing. But no such luck, because, at the time of writing (October 2021), there's a global supply chain crisis which makes the Ever Given blocking the Suez Canal seem like 'the good old days'.

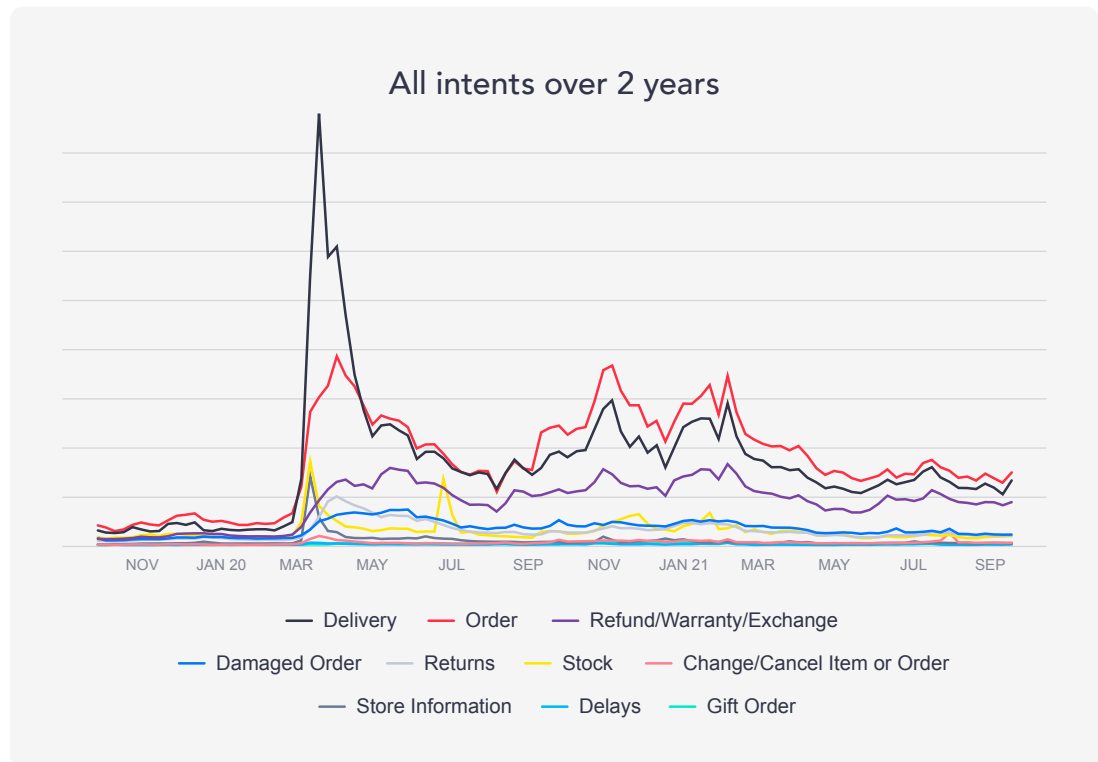
The issues affecting the supply chain aren't all directly Covid related, but many are a knock-on effect from the pandemic. Border restrictions, distancing requirements, and factory closures, alongside a shortage of transport workers, are squeezing traditional supply chains. Freight shipping costs are rising and ports are congested, so deliveries are delayed and it's not expected to get better any time soon.

You may wonder what this has got to do with digital customer engagement. Well, if there's one thing we know about customers, it's that if their products start to cost more, take forever to arrive, or aren't even in stock, they will have legitimate cause to get in touch and let brands know they're not happy about it.

Supply chains are expensive to fix and it's not an overnight process, so understanding where and when you're going to be dealing with customer queries and complaints is vital. To do it effectively, you first have to map consumer trends and how they've changed since Covid hit.

A Preference, No Longer the Necessity

The graph shows all conversations with Conversocial's retail partners over the two-year period between September 2019 - 2021. Analyzing the trends tells us three main things:



- The March 2020 spike, especially in delivery intents (black line), was unprecedented.
- The UK Lockdown's Digital Christmas in 2020 saw customer conversations about orders (purple line) and deliveries at the same level as when the pandemic first hit.
- Conversational volume around the three biggest intents (orders, deliveries and refunds) is now 3x higher than in September 2019 – way before Covid-19 was a global event.

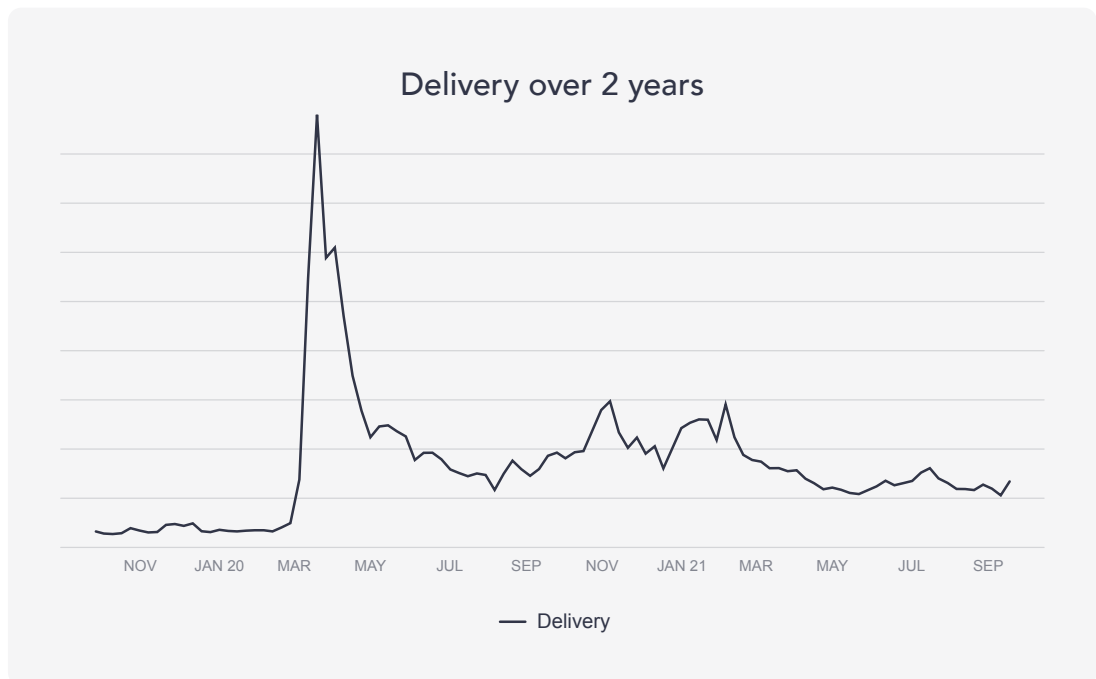
And we can dig a little deeper into that final point as we look at changing customer habits.

Knowing that there's been an increase in customer conversations with your company doesn't provide insight into a customer's mindset – it's only half the battle. You need to know what they're actually saying (customer intent data) in order to deliver great customer experiences.



Intent: Deliveries

This was the conversational intent that was most prevalent at the start of the pandemic, with by far the biggest spike in March 2020. It was so big that it actually distorts the rest of the data to the point that it's difficult to see the full story.



The volume leveled off around June 2020, before another big surge around the Holidays, when much of the UK and US (where most of our retail partners are based) were still locked down and had no choice but to have a 'digital Christmas'. But as of September this year, with Covid having a lower impact on customers' habits, the volume is still **3x** that of the same period in 2019.

It's easier to illustrate this with a different conversational intent.



Intent: Orders

This follows a similar pattern to delivery, but the two spikes in 2020 were of similar magnitude, so we can get a better perspective on the change in consumer habits over the past two years.



There were understandable surges twice in 2020, but it's the last six months after the trends have leveled out which give us the most telling data. Being locked down at Christmas would mean customers getting in touch about orders through messaging channels was always going to happen, but since May 2021, it's hard to ignore that conversations are still way above pre-pandemic levels.

In the lead-up to the holidays – at a time when digital volumes are already high – retailers are being hit with even further challenges.

The Automation Playbook You Need

How can retailers meet the increased digital conversation?
By building automation flows for your top conversational intents.

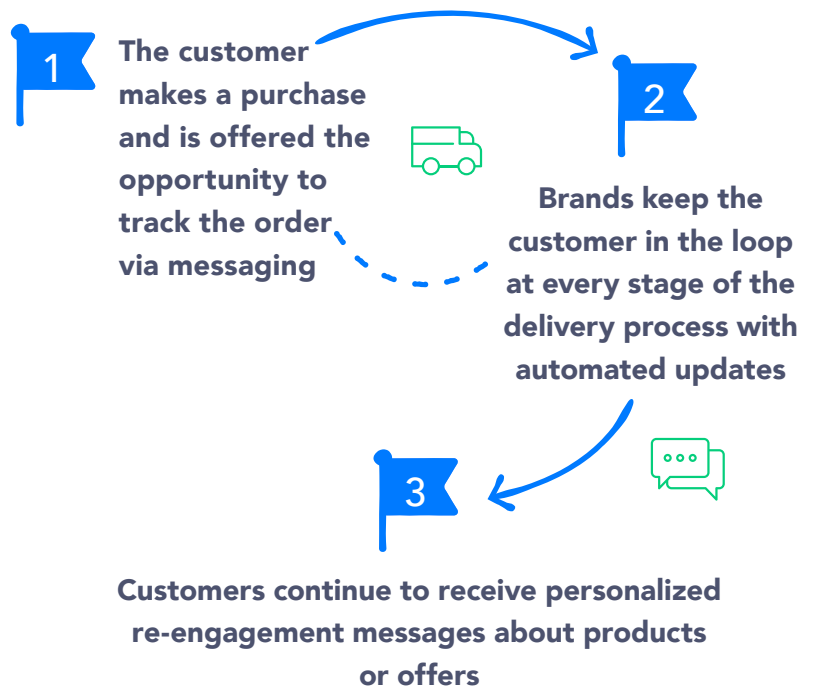
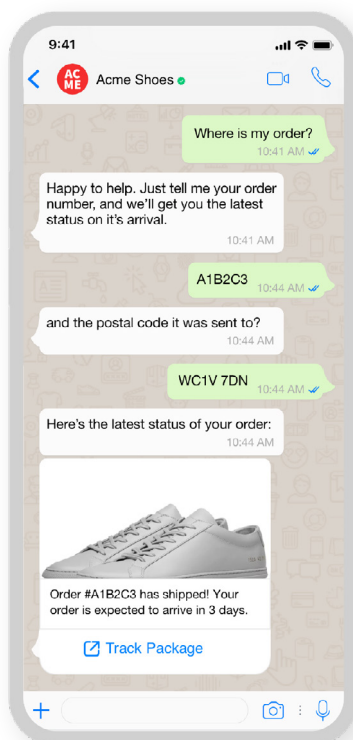


"Where is my order?"

The most common query that retailers receive is "Where's my order?". It's ripe for automation as a bot can simply ask for an order number and then pull customer data from a CRM.

TOP TIP: After the excitement that accompanies an online purchase comes the inevitable toe-tapping and update checks waiting for its arrival. From tracking it at the warehouse to following the delivery truck's progress, consumers are subconsciously incredibly invested at this stage of the purchase. Brands can use the power of messaging channels to capitalize on this period of high engagement.

The play



Why it works

Existing customers are 70% more likely to make repeated purchases

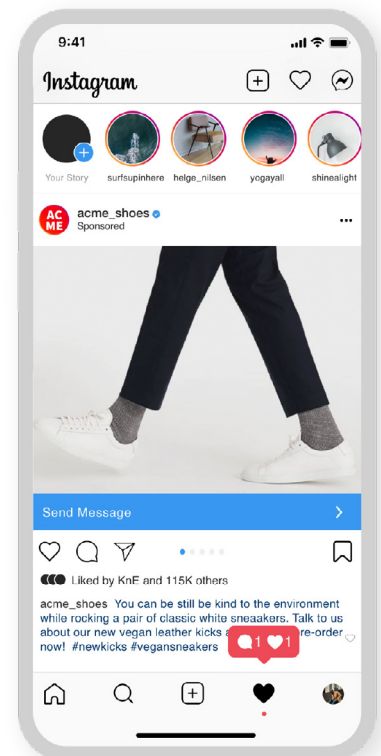
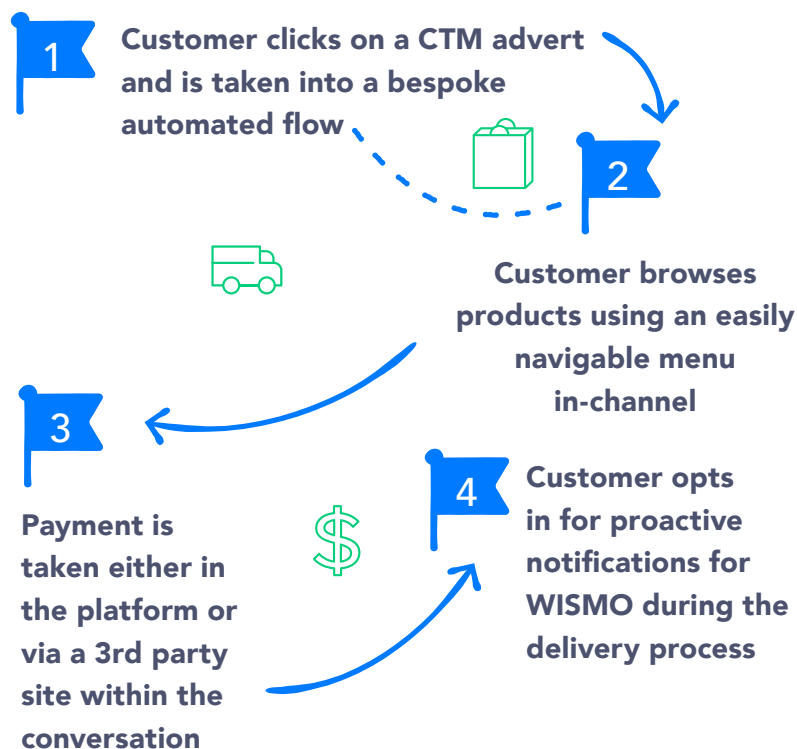
Brands have the time between purchase and delivery, otherwise known as the 'experience gap', to deepen relationships with their customers. Existing customers are **60-70% more likely to buy from you again**, and it's 6x more cost-effective to retain them, than acquiring new ones. Moreover, because **80% of customers** want brands to communicate with them directly after a sale, it's up to brands to make the 'experience gap' period count and extend the CLV after each purchase.

“What shoes do you have in a size 8?”

With **audiences like Messengers 1.3bn** users, private messaging platforms are in prime position to capitalize on the m-commerce boom. Facebook’s family of messaging platforms – Messenger, Instagram Messages and WhatsApp – are designed for automation from the very start of a customer journey using Click-to-Messenger adverts, which take customers directly from an advert on a Facebook platform into a one of the three messaging channels.

From there, automated flows through tools like WhatsApp ‘Catalogs’ and Facebook or Instagram Shops give brands a platform to showcase their products across their customer lifecycle, while keeping the entire brand/consumer relationship within the same channel.

The play



Why it works

A user-friendly process means an increased conversion rate

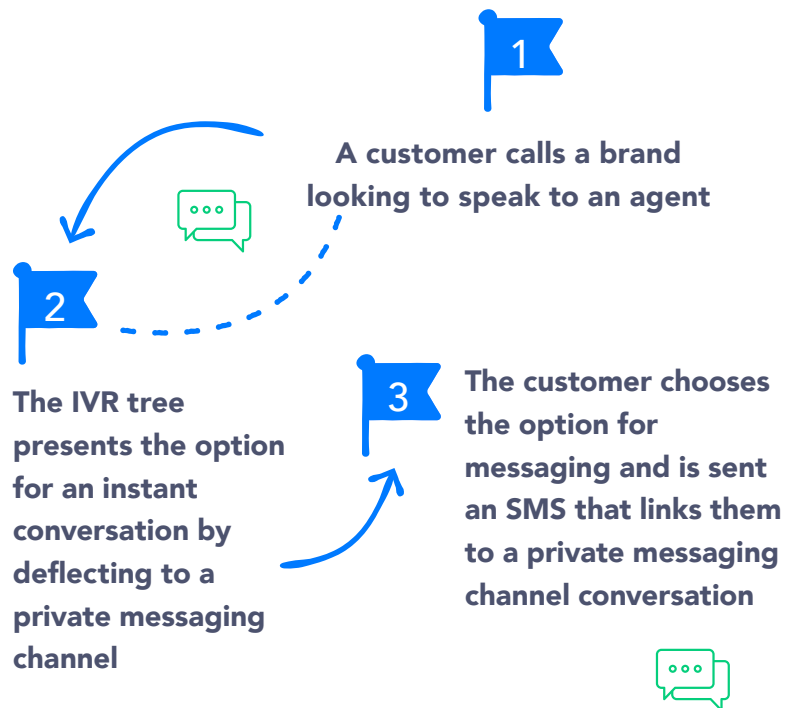
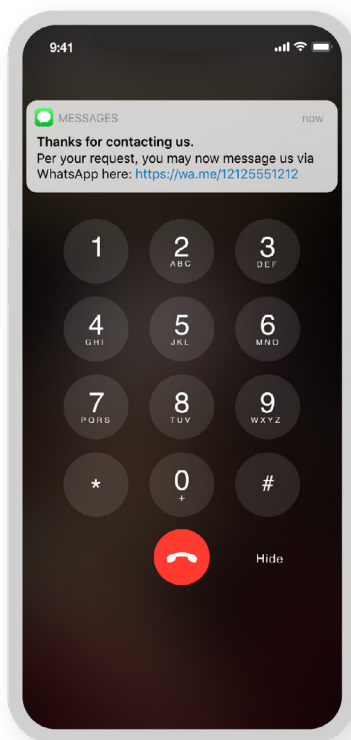
Traditionally mobile purchases have suffered poor conversion rates — **2.25% vs 4.81% for desktop**. Customers are frustrated by having to painstakingly fill their details into sites not designed for small screens every time on every purchase. Using Facebook’s messaging channels, customers can effortlessly navigate through various product categories for the specific item they want to buy. It’s a mobile shopping flow designed specifically to create seamless experiences that minimize the chance of cart abandonment.

"Speak to the FAQ bot"

Why not offer customers the chance to message vs stay on the phone with IVR deflection bots? Not only does this push the customer to a channel that is automated, but also means fewer inbound calls to handle.

TOP TIP: The universal reach of SMS is a huge advantage for brands who want to ensure they can contact virtually every customer, regardless of which cellular device they own. It opens up the chance for brands to deflect conversations to a messaging channel by providing consumers a personalized link and access to all the rich communication services that private messaging offers.

The play



Why it works

Common queries can be easily automated

As discussed in the WISMO play, contact centers receive a high proportion of the same issues when customers get in contact. If retailers are able to recognize the highest volume intents that can clog up agents' time in customer service departments, then an automated flow over private messaging channels can be a scalable time-saving solution.




Engaging Shoppers on Digital Channels

The lead up to the Holidays, which in the US **makes up 19%** of total annual sales, is important every year, but with the disruption of the last 18+ months, it's perhaps even more significant.


Customers now expect a joined-up shopping experience – to provide this and build meaningful relationships, your brand needs to understand who your customers are. To achieve that, your team needs a joined-up view of the customer's entire relationship. For this to happen it means breaking down data silos that exist between different customer-facing teams in your organization. Your customer sees every interaction with you as a single digital relationship, so you should too.




Tools like Shopify Connect make businesses more efficient by providing a seamless end-to-end shopping experience over private messaging channels.

 Shopify

Back

 Pin to profile

 **Joe Cohen**

JCohen@conversocial.com

Total order count: 4

Total amount spent: \$280.90

[View account in Shopify](#)

● 2020-11-02 (THR1355) ▼

Created: 2020-11-02 11:59

\$106.00

Status: IN_PROGRESS

PAID

[View order in Shopify](#)

● 2020-11-02 (THR1352) ▶

The way to build better relationships with your customers is by offering end-to-end experiences on their preferred channels, without needing to deflect to phone or email, for instance, to handle any queries across the lifecycle.

It takes the combination of an agent with up to date information and intelligent automation providing order tracking updates or targeted notifications to create these exceptional conversational experiences. What your brand needs as we approach the busiest annual period for retailers is to be engaging across the lifecycle, with notifications and interactions that bring value and treat customers as an individual.

Maintaining Customer Loyalty In Challenging Times

To bring this full circle to the supply chain issues – when facing customer queries or complaints, being able to address them on a preferred channel and providing an experience that is satisfactory and straightforward will be hugely important for customer retention.

There's clearly a move towards digital channels as the preferred option for brand/consumer interaction. If we anticipate the types of issues and volume of customer conversations retailers are going to be experiencing in the run-up to their busiest period of the year, brands who don't already recognize both the popularity and power of digital channels don't have much time to change things to offset the potential fallout.

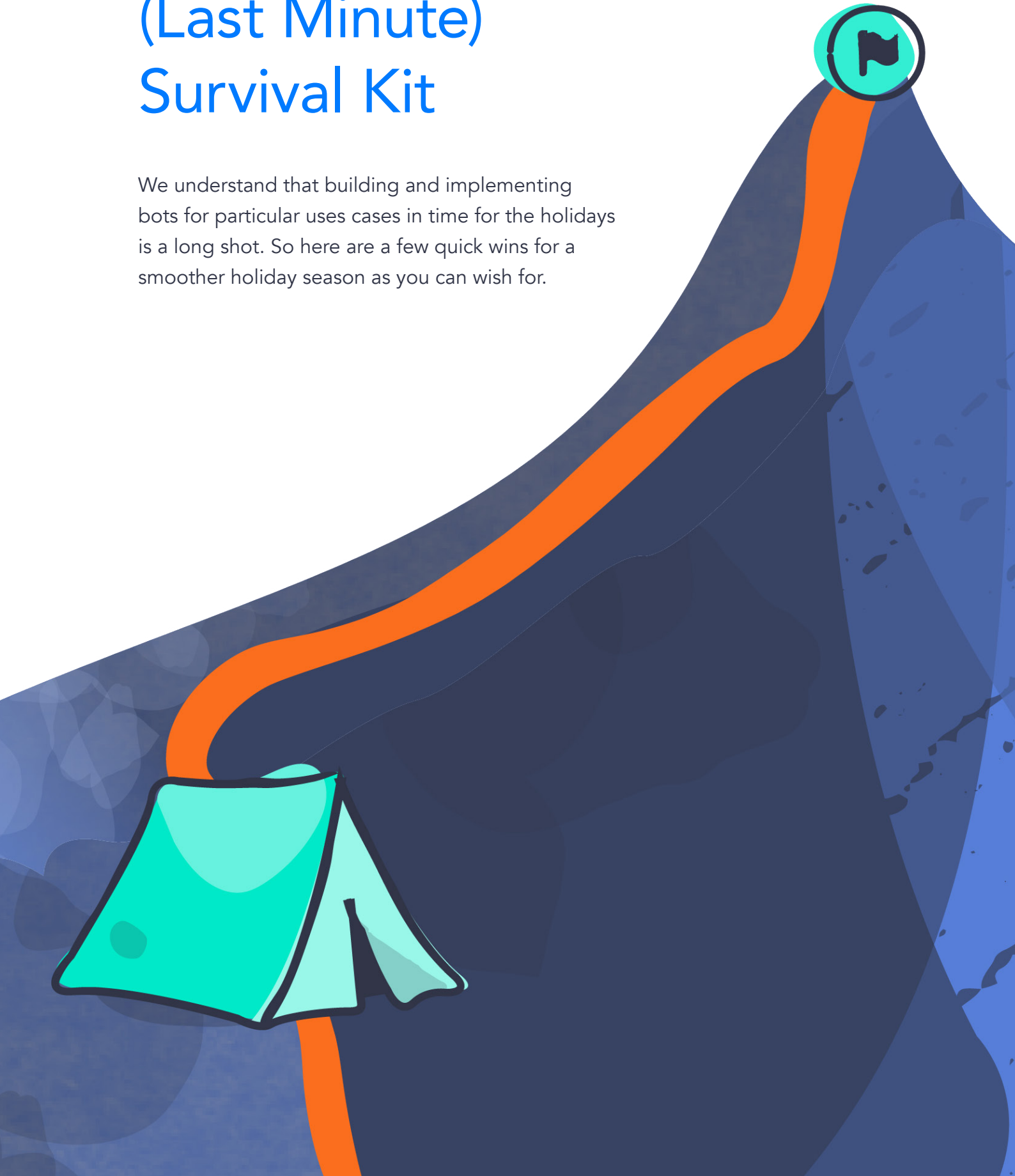
By analyzing the most common customer intents, both current and for previous holiday periods, and where potential problems could arise due to the global supply chain issues, brands can use intelligent automation to counteract the inevitable surge in customer conversations. It leaves human agents free to handle more complex queries and complaints. If bots are doing the heavy lifting, the empathy required from human interactions can be even more effective if your agents aren't overrun with customer conversations.

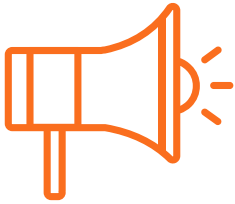
These supply chain issues won't be a quick fix, and every sign points to more problems between now and the start of 2022. But it creates an opportunity to solidify relationships with your customers, so they'll still be there when things start to feel less strained, and potentially more loyal than before. Regular and personalized communications will mean more when consumers are worried their presents might not arrive in time, than when the shelves are fully stocked and the world has a full complement of delivery drivers.

So, looking at the pattern, a surge is about to hit contact centers like the Coca-Cola Christmas convoy rolling into town – holidays are coming, holidays are coming...

Your Holiday (Last Minute) Survival Kit

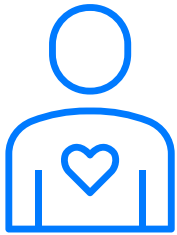
We understand that building and implementing bots for particular uses cases in time for the holidays is a long shot. So here are a few quick wins for a smoother holiday season as you can wish for.





Create an Internal Marketing and Product FAQ

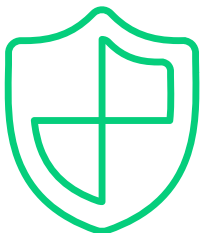
Customers will always have a whole host of questions for you. With volumes ever-increasing during the holiday season, creating FAQ sheets to answer the high volume, repetitive questions will improve response and resolution time. This kind of initiative involves both marketing and operations so you have a fully-stocked arsenal of replies regarding promotions, operating times, return policies, etc. Once this holiday knowledge base is created and approved, be sure to designate your internal workflows, and don't forget to format each response for digital channels (no one likes an essay).



Staff for Internal Success

Staffing is a never-ending conundrum (especially when employees are leaving the workforce in their droves). There are times where you know the spikes in volume are on the horizon and you better be sure that you are fully staffed. Be prepared to shift trained agents over from traditional channels to digital if volumes get overwhelming, or consider fully training a new set of dedicated agents to manage the volume.

It's also important to have the expertise internally within your physical outlets or stores. You need a clear line of communication to people on the ground so they can solve issues at scale in the most personal manner possible, face-to-face.



Have a Plan in Place for a Crisis

It's a very rare situation for companies to not have a crisis management plan in place. Luckily, it's even rarer to actually have to use this plan. It's important to "stress test" what happens when the crisis alarm goes off. What makes for a digital crisis? What is your first move?

It is imperative to clearly define internally when an issue needs to be escalated, and where it needs to be escalated. Your first response should be planned according to a multitude of scenarios and be approved by your PR team. It's not always possible to stop a social crisis from ensuing, but you can get ahead of it!



Still Bring Some Holiday Cheer

At the end of the day, it is the festive season and therefore a reason to be cheerful. Help self-promote your hard work by showcasing the great customer interactions and examples of your company doing digital engagement service well.

Give your team a Holiday budget to go the extra mile and make your customers feel special. It's the old surprise and delight maneuver – make them feel special with every interaction. That's the least you can do after they have braved the awful Black Friday sales lines. Deliver them a coffee in line, bring them a magazine to read, or for e-commerce build in a giveaway for your returning loyal customers

Prospering Beyond the Holidays

In the aftermath of the 2008 financial crisis, companies that prioritized CX **fared better than those that didn't** – and they had far fewer digital tools at their disposal.

Digital channels aren't just a way to provide a more personalized customer experience, they're channels to provide a complete, perpetual customer journey. In the short term, rescuing a difficult year with incredible Holiday sales is a good place to start, but what retailers must do is ensure there's a plan to meet changing consumer habits and create a digital infrastructure that benefits both their businesses and consumers.

If retailers are going to survive long-term, long after the pandemic has passed, understanding that shoppers may prefer a more convenient shopping experience and value 1:1 digital interactions with brands are vital, otherwise, there may not be a Holiday 2022 Survival Guide.

Wishing you and your family Happy Holidays from everyone here at Verint.

VERINT®

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