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# 5 Keys to Unlocking a Personalized In-Store Customer Experience

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# Introduction

Online shoppers give retailers the opportunity to learn about their buying habits and engage them in new ways.

Such online experiences are now possible in a physical retail store thanks to the widespread adoption of mobile devices and personalization technologies. Brick-and-mortar retailers have a chance to digitize their businesses–and understand their customers in new ways as they shop.

In this e-book, discover the 5 keys to unlocking a personalized in-store customer experience.

# Table of Contents

# 1 Understand the Customers in Your Store

When a customer walks into your store, do you know what she is interested in buying? Is this the first time she has visited your store?

If you don't know the answer to these questions, you aren't alone. But just think if you did know the answers, you could personalize her in-store experience.

The latest innovative data gathering tools help retailers gather valuable insights about a customer's activity as soon as the shopper registers on a store's Wi-Fi network. This includes shopping tendencies and which paths the customer takes within the store. And this can all lead to an improved shopper experience–which ultimately contributes to their desire to keep coming back to the store and helps drive brand loyalty.

**70%**

of buying experiences are based on how the customer feels they are being treated

*(McKinsey, 2015)*

It is
**6x to 7x**
**more**
**expensive**
to acquire a new customer than it is to retain one

(White House Office of Consumer Affairs, 2015-2016)

The key to success is being able to extract historical and real-time information about customers to make timely, contextual decisions based on their personal information.

With a wireless network, retailers can access their customers and make the unknown known. Creating incentives and personalized experiences can help stores engage with these unknown shoppers and lead to increased brand loyalty and revenue opportunities.

By using wireless networks, the proliferation of mobile devices, and the latest data gathering and analytics capabilities, any retailer–from the largest department stores to the smallest boutiques–can get to know each customer in a more intimate way.

## 5 Things You Can Know About Your Customers

Who are they?

Where are they in store?

Where are they moving?

How long they stay in an area (dwell time)?

How they are engaging with store via mobile device?

# 2  Personalize the Experience

Merchandisers today can personalize a customer's experiences based on his location within their stores.

Personalizing customer experience has become a hallmark of online commerce. But retailers fall short when it comes to using location data when customers are in their physical stores.

Once users are engaged, retailers can gain valuable insights about their customers and their behavior patterns.

## Use Location Data For A Competitive Advantage

A good example of leveraging location data comes from a leading shopping mall developer that was looking for a competitive advantage. They wanted to create a unique shopping experience by providing relevant personalized services to shoppers on their mobile devices.

Using a mobile platform and wireless network, the developer created a context-aware captive portal through which it pushed promotions and special offers based on a shopper's purchase history, preferences, and location in the mall. The benefits included reinforced customer loyalty by providing personalized mobile experiences, increased number of items purchased, and improved mall layout and promotions placement using location data analytics information.

As companies look to develop a strategic digital vision of their brand across all channels worldwide, they need to understand how to use a customer's location in the store in real time, including where customers have been within the store, how long they have stayed there, and their buying behaviors. For instance, if a shopper spends lots of time in the footwear department, a retailer can proactively send the shopper promotional information about shoes.

By offering free Wi-Fi, retail stores can attract new shoppers, increase customer loyalty, and improve the effectiveness of on-site interactions. Free Wi-Fi access also allows retailers to capture important data such as the customer's name, email address, phone number, gender, age, and with location services shopping behavior in the store.

Learning where and what customers are doing in a retail location can help improve the shopping experience, drive higher levels of customer engagement and ultimately lead to more purchases.

The key is reaching customers through a variety of mobile technologies to understand how they interact in location:

Number of people by venue and zones

Peak time in venue

New versus repeat visitors

Common traffic patterns

Where people spend time

Reward Customers to Gain and Retain Them

Who doesn't like rewards? One of the best ways retailers can create and retain customer loyalty is by rewarding customers who are regular shoppers at their stores. But to be truly effective, reward programs need to be aimed at specific customers through the use of data intelligence.

As retailers gather data about customers' behavior and shopping activity within stores, they can determine which types of rewards are most suitable for individual customers. When shoppers enter a store, their mobile devices are recognized, allowing retailers to offer personalized welcome messages.

# 5 Ways
## to Reward Customers

1. **Next best offers**
2. **Exclusive promotions**
3. **Reward them for referring customers**
4. **In-store discounts**
5. **Tier rewards**

**86% of consumers will pay up to 25% more for a better customer experience**
(RightNow Customer Impact Report, 2011)

Through the portal, store promotions and special offers can be pushed to their mobile devices. Among the targeted rewards merchandisers can offer to their loyal customers are tiered rewards, next-best offers, and exclusive deals.

Customers are also rewarded by the special treatment they receive, because the store understands their particular needs and preferences based on gathered data.

# 77%
of customers use checkpoint optimization to receive estimated wait times

("Winning the new digital customer with hyper-relevance," Cisco white paper, 2015)

# 4 Monetize Customer Loyalty

Successful loyalty programs help retailers understand who their best customers are and what incentives will encourage them to make additional purchases.

Mobile solutions are critical to the future of monetizing customer loyalty when customers are in the store. The most valuable real estate associated with customer loyalty is the cell phone screen. Win that screen and you'll win the heart and mind of the customer who will spend more, more often. In an effort to drive higher engagement, retailers are turning to more personalized approaches to drive innovation when customers are in their stores. For many retailers, this represents the greatest opportunity and the biggest challenge when it comes to "winning the screen."

On average,
loyal customers are worth
up to 10 times as much
as their first purchase
(White House Office of Consumer Affairs, 2015-2016)

It is important to keep in mind that the growing population of digitally-savvy consumers demand solutions that are both personal and agile. A mobile platform allows you to:

▪ Discover who they are–individually and similar group recognition

▪ Recognize customer in-store dwell and traffic patterns

▪ Determine spending patterns by date and time, including seasonal preferences

▪ Use incentive activation rates

▪ Offer payment preferences

▪ Combine insights when possible from multi-site retail locations

▪ Analyze promotions and build targeting models.

Keep in mind that customers who are fully engaged represent a 23 percent premium regarding wallet share, profitability, revenue, and relationship growth compared with the average customer.

Knowledge is power. Such customer insights help you unlock ways to monetize customer loyalty. After all, at the end of the day the goal is increased sales.

Customers who are
fully engaged represent
23% premium
in terms of wallet share,
profitability, revenue
and relationship growth
compared with the
average customer
(Gallup, 2014)

Smartphone users are 14% more likely than non-smartphone users to convert in store
(Deloitte Digital research, 2012)

# 5 Make Your Mobile App In-Store-Ready

Mobile is a fundamental component for retailers in their evolution and digital transformation. Consider that 85 percent of consumers between the ages of 18 and 49 own smartphones. In fact, 2015 was the first year online searches via smartphones surpassed search activity on desktops, according to Google Research. If retailers are going to thrive in the digital economy, they have to address the needs of this growing population of digitally-savvy consumers.

However, as many retailers have found, engaging smartphone users is often easier said than done. Many don't download a retailer's app, and others don't have their BlueTooth Low Energy (BLE) turned on, making it impossible for retailers to engage with them. Retailers need to strike the right balance between using powerful, smart technologies creating significant consumer user experiences through incentives and loyalty programs.

Retailers using
easy-to-use in-store
mobile solutions see
up to a 15% increase of
in-store activities where
consumers are conducting
smartphone searches
about a product
(The Sepharim Group, February 2016)

## Define mobile app success in 3 ways:

### 1. Think Beyond the App
What matters most to consumers visiting retail locations is the products available and their experience. Get this right and customers will keep coming back. The same is true when we think about designing a mobile, in-store solution. The mobile experience must be contextual, relevant, and easy to use. Remember: the end goal is to create positive user experiences that increase revenue.

### 2. Make it Easy to Use
Retailers who demonstrate leadership and maximize their ability to leverage their most underutilized asset–in-store customer engagement– understand that complex technologies like analytics, security, cloud services and databases must remain hidden in the back office, not in the face of the customer.

To be successful, retailers not only need to broker a business relationship with shoppers, but also simplify and automate the login process with single sign on and employ analytics to help personalize customer preferences to enhance the experience.

### 3. Experience Matters Most
Building and deploying mobile is the starting line, not the finish line. Customer preferences change. What you learn about your customers through analytics–whether it's about store entry/exit patterns, in-store dwell times, purchasing habits, loyalty and incentive engagements, and other people demographics–can only come by way of measurement and time. Updating your mobile in-store app to accommodate more refined preferences as you learn more about your customers will define the difference between customer engagement and disappointment.

# Transform Customer Engagement Using Cisco Enterprise Mobility Services Platform

Acquire customers, discover new insights, and deliver personalized engagement across all your locations. The Cisco **Enterprise Mobility Services Platform (EMSP)** is cloud software that uses your wireless infrastructure to create mobile experiences. Engage customers in their journey from Wi-Fi on-boarding, personalized engagement to post-visit surveys.

EMSP can help retailers:

- ✓ **Acquire** customers via WiFi on-boarding. Visitors are no longer unidentifiable–they are known customers to you.
- ✓ **Gain actionable insights.** Who they are, what they do, where they go, and how long they stay.
- ✓ **Personalize customer engagement** based on insights and location. Deliver content and promotions that are most relevant across multiple channels.
- ✓ **Create loyal customer relationships** by rewarding repeat customers with superior experience and offers.
- ✓ **Differentiate your brand** with compelling experiences.

**Put Cisco Enterprise Mobility Services Platform to work today. Acquire and engage with customers in-store like never before. Learn more: http://www.cisco.com/go/emsp**

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