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**eStar CTO Matt Neale** discusses improving the overall customer experience – is tech enough?

# A real *e-xperience*

**I T COULD BE** easily assumed that most retailers know what customer experience means. However, it is unclear whether all retailers are aware of the increasing importance of it in light of the dynamic, developing retail landscape in Australia. Despite most successful companies being committed to improving the experiences of their customers – whether it be online or offline – it's unavoidable that a better experience means happier customers who subsequently engage and spend more.

It could be argued that online customer experience hasn't fundamentally changed in recent years despite the rise of new and recycled offerings in Artificial Intelligence (AI), Machine Learning, Augmented Reality, Virtual Reality, and whole lot more 'virtual' components. Why have retailers on the whole neglected to incorporate new technology? Is it because customers don't want to interact and purchase through these technologies? Or is it a case of a missed opportunity for Australian retailers?

## Utilise technology to better understand your customer

Merit could be given to a need for retailers to strip down 'virtual' technologies into the components that make an 'actual', positive difference to their customers and their experience. By using technology to gain a better, more unified view of the customer, along with advanced customer behaviour analysis, companies will be able to vastly improve the overall experience. It's not the buzzword technologies that are the differentiator, it's the application and combination of them that drives the next major changes to in-store and online experiences.

## Technology that adds value to the customer

Transactional channels (in-store and online) are becoming unified, providing a single view of customers, full breadth of product range and improvements around returns, extended ranges, aisle functions and click and collect capabilities. Future capability will see 'commerce systems' replace the current separate POS and eCommerce systems, allowing analysis of the buying history of online customers and influencing the future experience for shoppers.

All of this adds value to the customer journey, allowing customers to choose how they want to interact, providing a multitude of online and in-store methods along the way from first interaction through to purchase and delivery.

## Artificial Intelligence to enhance the customer experience

Artificial Intelligence has been around for some time – trend identification, insight generation and reporting – and more exciting applications include facial recognition, visual search and customer behaviour analysis. These features, as applied to retail, have the ability to vastly enhance the customer experience. Customers will be able to shop in a store environment that changes in accordance with their preferences.

Retailers are pioneering such changes, for example introducing the ability for customers to use image searches when shopping online. The feature uses technology developed in partnership with the cloud-computing arm of Alibaba Group, and applies machine learning to allow shoppers to simply take a picture, or upload an image, of something they want to purchase, and the system returns similar products, irrespective of any text descriptions or classifications. This removes the need to try and describe what you are looking for or understand how a retailer might tag or characterise a product.

## How to choose the 'next' technology – hint: it's about your customers

As the retail market continues to be influenced by technology advancements, the overall customer experience will continue to be improved both online and in-store.

With the vast amount of new technologies retailers can choose from, it becomes a budget and resource issue, for even the largest of retailers, of which technology to implement.

The key is to focus on customer impact. In order to work out potential impact you need to understand who your customer is and how they want to interact with your brand. Armed with this knowledge you can determine what technology has the biggest impact on your customers and, by extension, your business – what makes the process easier for your customers and improves the customer journey. ■