



10 Principles to Designing Amazing Digital Customer Experiences

Greg Randall
eStar Digital Strategist

Brand Experience. Delivered Together.

Contents

Introduction	3
Meeting Customer Expectations	3
The world of physical selling	4
The 10 Principles	5
1. Consumers are on a journey	5
2. Each journey comprises multiple steps	5
3. Dissecting the UX function	5
4. Respect the Fold	10
5. Let data do the decision making	10
6. Apply Best Practice (the “Science”)	11
7. Wireframing	12
8. Design Consumer First not Mobile First	13
9. Design experiences for intent driven “micro-moments”	16
Summary : How the 10 principles work together	19
Case Study	22

Introduction

Designing amazing customer experiences are important, but what do amazing customer experiences actually look like? That is a difficult question to answer, amazing customer experiences are different for every retailer, and for each retailer, amazing experiences are different for every consumer (a consumer being a person a retailer wants to turn into a customer).

So how can any business truly know what an amazing customer experience looks like?

To answer the question, we need to look at it from the perspective of the consumer. When consumers have a need (or intent) he/she wants to immediately find relevant information on the topic, product, or service they are looking for, on their device of choice. The consumer will choose the extent at which they continue this mission, and may complete it or pause it based on their immediate situation.

To meet this consumer requirement to a high standard is delivering amazing experiences. To create and establish a higher standard than your competitors is to build competitive advantage.

For retailers to deliver amazing online experiences they are essentially selling in the identical manner in which a consumer wants to purchase (and/or information gather).

Meeting Customer Expectations

The overlap seen in diagram 1. are the occurrences where retailers meet consumer expectation. This overlap represents the online conversion rate¹ (2.5% to 3.5% global average) (this conversion rate would be higher if retailers accounted for the digital channel supporting in-store purchases). But why is the conversion rate so low online compared to physical retail (arguably between 20% to 40% for general merchandise)?



1| Read: Where Bricks Beat Clicks

<http://www.newretailblog.com/where-bricks-beat-clicks/>

The world of physical selling

A good face to face sales person will begin a sales pitch and make the necessary adjustments to their selling approach based on the verbal and non-verbal cues coming from the consumer.

Not so successful face to face sales people are those who cannot read consumer signs and do not make the necessary changes at important times. What happens next? The consumer leaves the store.

The digital environment is no different.

Consumers will always respond favourably when dealing with a good face to face salesperson, and is why we crave this type of experience online.

Consumers expect retailers to digitally present relevant content when they need it. In a retail world obsessed with "Personalisation", the act of selling to how consumers want to buy (overlapping circles above) is creating personalised experiences.

In essence, personalisation and creating amazing customer experiences are the same thing.

These 10 principles build the foundation for lifting the standard of amazing online experiences and in doing so lifts the standard of personalisation.

It does not matter at what stage you are at with your digital channel.

These principles work if you are planning to replatform or you wish to improve existing experiences.

The 10 Principles

1. Consumers are on a journey

Consumers are on a journey and they are getting longer. In 2013, Google conducted a study² and found on average consumers referenced 12 sources of information online before buying online or in store. In 2010, the average was 5.

Design for journeys comprising multiple interactions.

2. Each journey comprises multiple steps

These are the actual steps consumers take on their journey. In the eyes of the consumer, a step occurs when he/she takes an action and new content is presented (or the same content appears differently).

If the retailer delivers a great experience the final step is the consumer completing their mission (purchase, form filled out, completed booking, jumping in car heading to store) or pausing the journey (because minimum requirements have been satisfied).

In order for the steps to seamlessly flow together the **right actions must appear at the right time**. Does your site do this? To find out, look at a highly trafficked page on your site and ask one question:

“What is the 1 (or 2) action(s) I want the consumer to take on this page?”

Once you know the answer, look to see how obvious the action is on the page. This helps you look at your pages through the eyes of a consumer.

Great experiences are filled with obvious actions for each step.

3. Dissecting the UX function

Some retailers may think they have the customer experience design process covered if they utilise “UX” (user experience) resource, however, as this white paper illustrates, designing experiences cannot be undertaken within a single activity and single resource.

2| Read: Holiday Is (Almost) Here: 5 Shopping Trends Marketers Should Watch in 2014

<https://www.thinkwithgoogle.com/articles/five-holiday-shopping-trends-marketers-should-watch.html>

There is no single customer experience design silver bullet.

The question then becomes, **what should UX specialists be doing to contribute to the customer experience design process?** Before answering, the UX function needs to be deconstructed and reconstructed.

Deconstructing UX

UX is broken down into two distinct principles:

1. Reducing Interaction Cost³
2. Building Value Design⁴

Interaction cost

Interaction cost is the **effort required of consumers** to undertake their steps within a journey. Interaction cost is made up of two forms of effort: physical and mental.

Examples of physical effort

- Clicking
- Scrolling
- Swiping
- Waiting for pages to load
- Typing

Examples of mental effort

- Confusion
- Looking for relevant information
- Avoiding visually strong irrelevant content (carousels)
- Dealing with attention switches (page refreshes)
- Dealing with content that was not requested (pop-ups)
- The need to memorise content in order to make a decision (cognitive load)

The goal for all retailers is to reduce both forms of effort as much as possible.

The term “usability” is more commonly used to describe the act of reducing consumer effort and improving a sites ease of use. Jakob Nielsen founder of the NN Group (the global leader in user experience research) says “interaction cost is a **direct measure of usability**”. Interaction cost was introduced back in the early days of “human-computer interaction” measurement used to **evaluate the usability** of new software systems.

The same process of usability evaluation is to be completed in customer experience design and is why interaction cost⁵ is a key part.

Value Design

Value Design is the act of creating and presenting content to build value in a consumer’s journey.

“Value Design” enhances experiences, by **contributing to a consumer’s decision making process**. By contributing, (or adding value) to the consumer’s journey the retailer simplifies the consumer’s next steps.

Value design is hard to achieve, to get it right means retailers need to have a firm grasp of a consumer’s needs at the right place and the right time of their journey.

3| Read: Interaction Cost

<https://www.nngroup.com/articles/interaction-cost-definition/>

4 & 5| Read: How are UX Principles Influencing Visual Design

<http://uxmag.com/articles/how-are-ux-principles-influencing-visual-design>

Though its hard to achieve, the benefits are significant. This value creation becomes a relationship enhancing mechanism creating an emotional connection between retailer and consumer, building brand affinity (the most durable kind of customer loyalty).

Examples of building extra value

- Product video
- Product configurators (asks the consumer a few questions then recommends the right products)
- Buyers guides
- How to guides
- Guided selling content and tools

Patrick Newberry, co-author of “Experience Design: A Framework for Integrating Brand, Experience, and Value” (2013) says

“Businesses make the mistake of assuming superficial design efforts can fix the problems of inefficient communication”.

Newberry goes on to say the key for businesses is to understand “engaging customers in experiences they find value in”.

Value Design : Sephora Example⁶

	KAT VON D	STILA	URBAN DECAY	SEPHORA COLLECTION
FORMAT	LIQUID PEN	LIQUID PEN	PENCIL	PENCIL
WHY WE LOVE IT	Metallic finish with precision brush tip	Marker-like tip is perfect for beginners	Creamy texture and powerful, vibrant color	Silky, longwearing formula that resists the elements
EXTRA BENEFITS	Free of sulfates and parabens	Waterproof	Lasts all day	12-hour wear
	SHOP ALL SHADES >	SHOP ALL SHADES >	SHOP ALL SHADES >	SHOP ALL SHADES >

Diagram 2

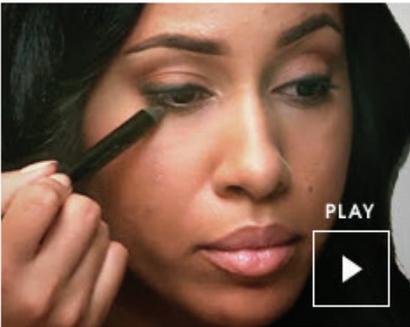
6| Read: Experience Design Innovation Isnt Enough

<http://www.wired.com/insights/2014/03/experience-design-innovation-isnt-enough/>

The screenshot in Diagram 2. is found in the Sephora “Eyeliner” category. As a consumer scrolls down the list of products they are presented with a wide variety of looks she can achieve through the use of different eyeliner products.

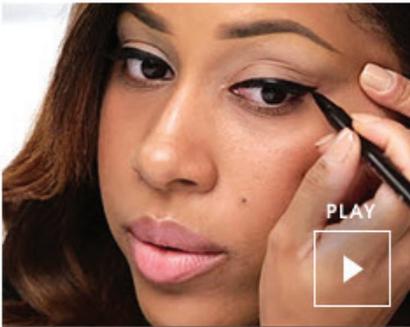
WATCH AND LEARN

HOW TO APPLY EYELINER THREE WAYS



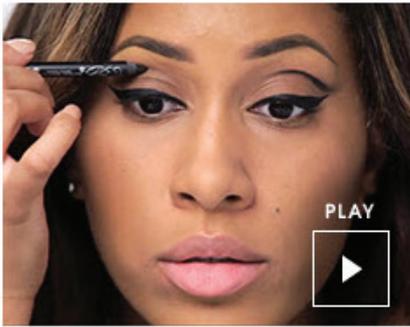
Learn the basic products, tools, and techniques for applying precision, smudged, and winged liner. ▶

HOW TO APPLY LIQUID EYELINER



Customize the size, shape, color, and intensity of the line. ▶

HOW TO APPLY GRAPHIC LINER



Take winged liner to the next level by adding this advanced graphic twist, paired with bold red lips. ▶

The bottom of the eyeliner category presents “How To” videos Diagram 3. providing guidance to those who need more information on applying certain looks.

Diagram 3

In isolation these two disciplines (interaction cost and value design) do not deliver great experiences.

1. You can reduce interaction cost, but no extra value is being added.
2. You can create selling tools but if the experience is confusing and/or hard to use, consumers will not endure the process.

Reducing interaction cost is like a desert highway..... It is very efficient in getting you from A to B but it is boring. Value design is like a coastal mountain highway. The scenery is beautiful but it takes 10 times longer to get from A to B.



Diagram 4



Diagram 5

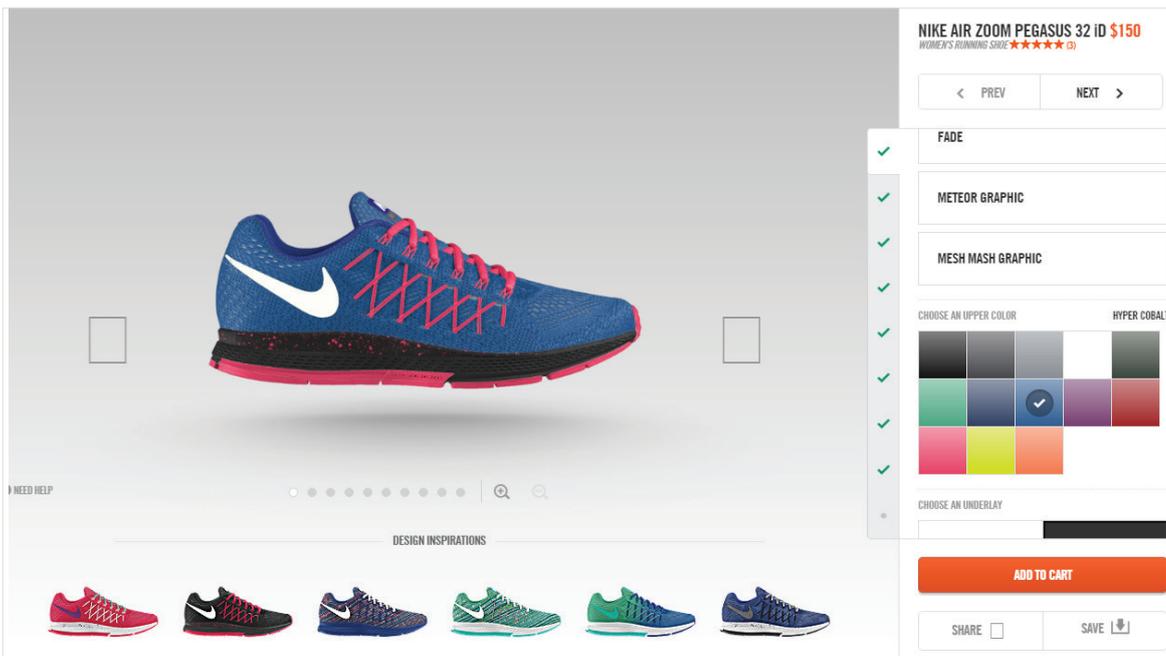


Diagram 6

To effectively contribute to customer experience design, these two functions must work together. An example of these two disciplines not working that well together is Nike's "Custom Shoe builder":

Nike has invested heavily into their customisation engine allowing consumers to create their own style of shoe Diagram 6⁷ (value design). However, the process of creating the shoe, the steps involved, and the amount of customisation available is all unclear, contributing to an increased interaction cost.

UX Mag (.com) published an article in May 2016 titled "How are UX principles influencing visual design"⁸, in this article they discuss how "the richness of new design methods, (best) practices and tools are turning the graphic and visual design industry on its head".

The article then goes on to quote Ivan Chermayeff, from globally renowned Chermayeff & Geismar & Haviv (New York based agency):

"Design is directed toward human beings. To design is to solve human problems by identifying them, examining alternate solutions to them, choosing and executing the best solution."

The UX function is a part of customer experience design, not the whole. UX specialists focus on reducing interaction cost and work with the retailer to dig deeper to better understand consumer pain points. This understanding will allow for the creation of extra value which must then be seamlessly woven into journeys much like the Sephora example.

7| Try: Nike Customize

http://store.nike.com/us/en_us/product/air-presto-id/?piid=42315&pbid=911843395#?pbid=911843395

8| Read: How are UX Principles Influencing Visual Design?

<http://uxmag.com/articles/how-are-ux-principles-influencing-visual-design>

4. Respect the Fold

The Fold is as important as it was many years ago, but the dynamic has changed. See diagram 7⁹.

Though consumers are more prone to scrolling thanks to mobile devices, consumers will not exert unnecessary effort if they think the content below the fold will not add value to their journey.

If they view meaningful content within the active window, they are more likely to scroll.

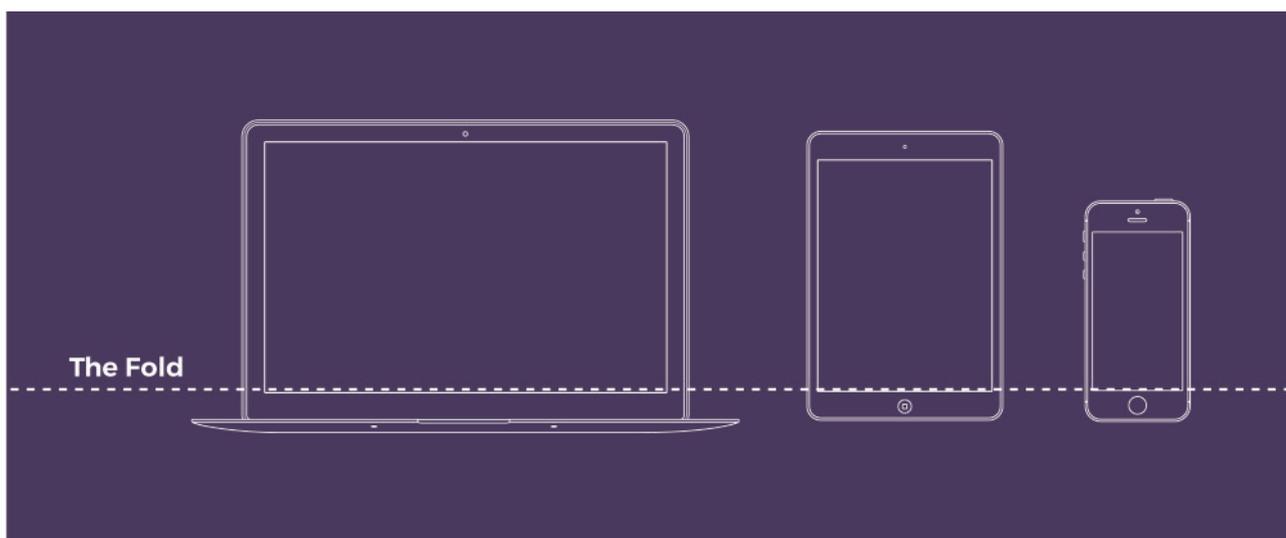


Diagram 7

The content hierarchy is critical in experience design. Make sure meaningful relevant content is presented above the fold to prompt scrolling behaviour.

5. Let data do the decision making

The data uncovers and identifies the unique elements to your business and your brand which makes you successful.

The data tells retailers

- What is working that turns consumers into customers.
- What you are doing to keep your customers.
- Your knowledge of your customers, their pain points, and their needs.
- Why are consumers not turning into customers. Why are you driving people away.
- Your brand reputation.

9| Read: The Fold Manifesto - Why the Page Fold Still Matters

<https://www.nngroup.com/articles/page-fold-manifesto/>

Examples of valuable data sources

- Site analytics to explain consumer behaviours.
- Call centre data to identify consumer pain points.
- “Chat” data to identify consumer pain points and missing content on the site.
- Survey data to explain consumer pain points and potential needs.
- Consumer demand research. This explains what consumers are looking for (intent) and the phrases they use to find them.
- Working with front-line employees to provide insight into consumer pain points and their needs.
- Customer comments via Social to identify consumer pain points and potential needs.

The depth and understanding of the data translates to a retailer’s ability to deliver the right experiences at the right times and drives “value design” creation.

Focus on the right data to build your understanding of consumer pain points and how they want to buy from you.

6. Apply Best Practice (the “Science”)

In 2015, the Harvard Business Review (HBR)¹⁰ conducted research on the future of growth in business and found the key was to **apply and leverage best practices...**

“Slow growth comes from a failure by many firms to adopt best practices.”

There has been an incorrect assumption among businesses around the availability of digital best practices to leverage. Now 20 years on there are best practice methodologies, principles and processes for eCommerce, digital strategy, and digital conduct.

To show an example of the absence of best practice and how it can hurt experiences, look again at Nike’s “Custom Shoe Builder” Diagram 8.

This is a good tool, and years of data has come together to build this engine, however, it can be confusing to use. If Nike looked to apply a higher standard of best practice it could become a far more effective tool for consumers.

10| Read: Productivity Is Soaring at Top Firms and Sluggish Everywhere Else

<https://hbr.org/2015/08/productivity-is-soaring-at-top-firms-and-sluggish-everywhere-else>

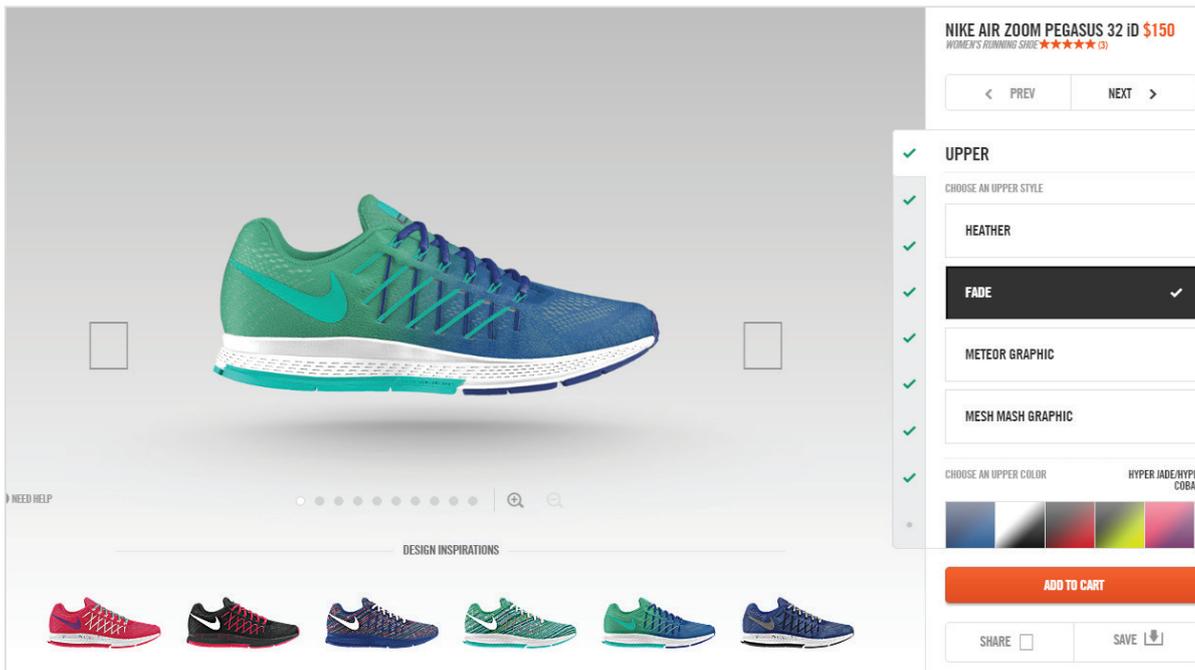


Diagram 8

The application of best practice sets the foundation for a retailer's digital evolution.

7. Wireframing

The first step to translating customer experience designs from planning to the actual touchpoints comes via the use of wireframes, Diagram 9.

Wireframes are “ugly” plain boxes guiding page element placement for all pages for all touchpoints. Wireframes ensure the integrity of the experience strategy by eliminating the subjective (decisions made by personal tastes and opinions) and emotional influences of look and feel.

Wireframes provide design teams the context they need to visually represent the brand's DNA and bring the plan to life.

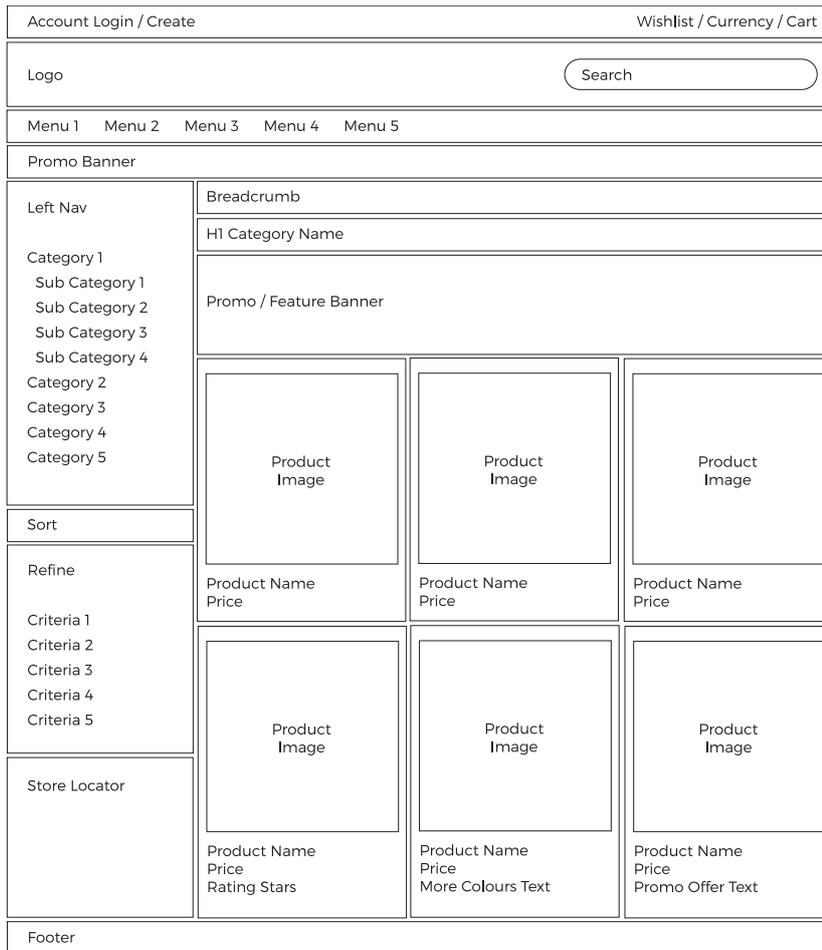


Diagram 9

Wireframes are a strategic tool protecting the customer experience design from personal tastes and opinions of stakeholders with influence.

8. Design Consumer First not Mobile First

Designing for a screen type (such as Mobile First) introduces two potential risks:

1. The design develops around the wrong focus making the screen the priority.
2. Limits the experience design to other touchpoints.

In 2014, House of Fraser moved to a Mobile First design approach¹¹. This from Andy Harding, executive director for multichannel at House of Fraser: “Consumer shopping habits are constantly evolving and given we now see more than 50% of our online traffic coming from mobile devices, we have changed our design strategy to ensure we provide the best possible experience for our online customers”.

11| Read: House of Fraser unveils new mobile-first website that taps into touch screens

<http://internetretailing.net/2014/02/house-of-fraser-unveils-new-mobile-first-website/>

The desktop design Diagram 10¹² could be better suited to display all main categories horizontally to capitalise on this common navigation convention. This one change would reduce interaction cost.

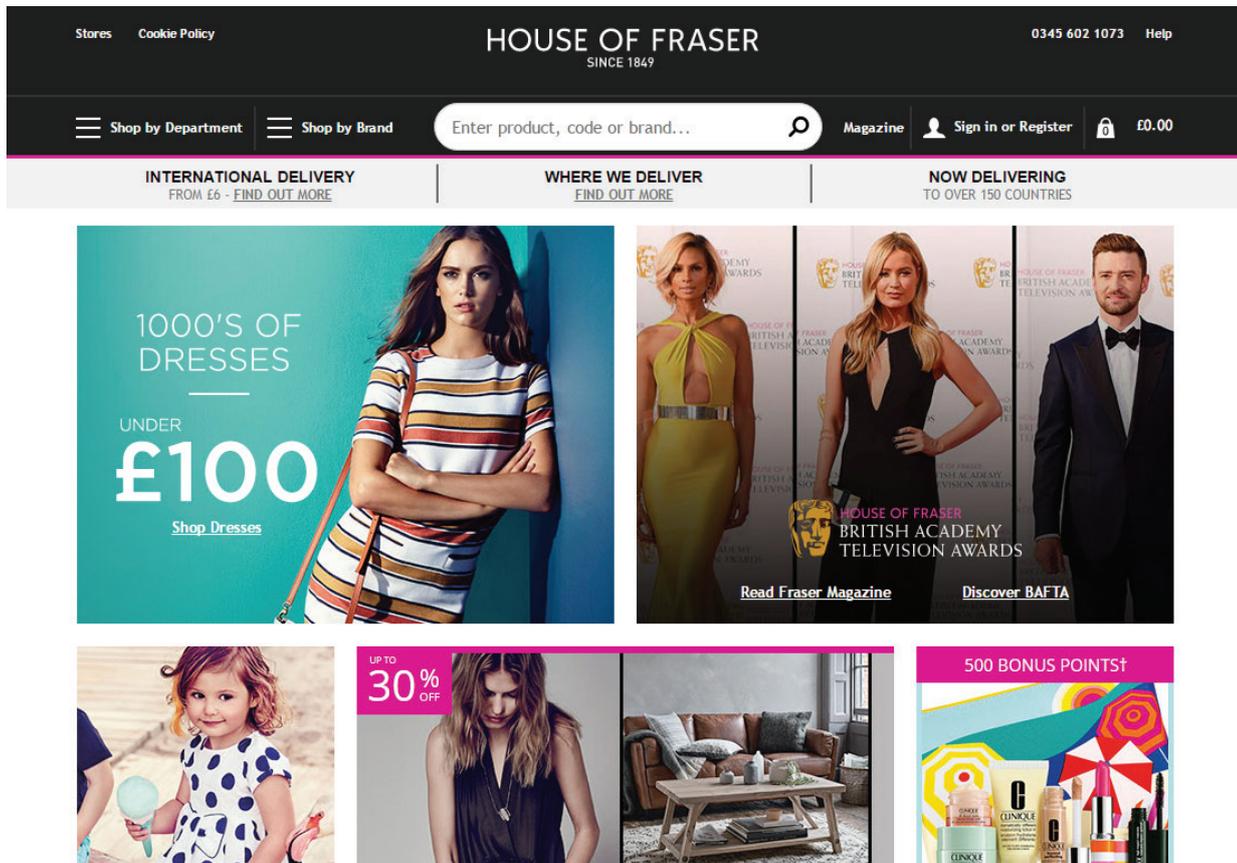


Diagram 10

Retailers who conduct a Mobile First design approach will debate consumers who come from mobile and move to desktop (and visa versa) will enjoy the use of the same visual navigation treatment. This approach assumes the way a consumer conduct's his/her steps within a journey are the same across devices.

A recent study was completed by Baymard Institute¹³ specifically analysing the different ways consumers use navigation across devices. They tested successful online retailers who use hidden menu systems on the mobile site and standard horizontal main navigation systems with mega menus ("mega menus" are menus which appear when consumers mouse over main categories in the horizontal main navigation).

Baymard Institute found clear trends when consumers wish to take back steps, they....

1. Use the browser "Back" button on mobile screens, and
2. Use the main navigation and the mega menu on desktop screens.

12| View: House of Fraser

<http://www.houseoffraser.co.uk/>

13| Read: Back Button Expectations

<http://baymard.com/blog/back-button-expectations>

The qualitative data confirms this change in behaviour is because the desktop main navigation and the mega menu is more visually accessible and is used throughout a consumer's journey.

The customer experience design plan initially sits above all touchpoints. The process of translating the experience design to touchpoints does not begin until the plan is completed.

Instead of applying the customer experience design plan to the mobile screens and scale up, simultaneously create wireframes for all touchpoints.

This enhances experiences by:

1. Allowing the retailer to emphasise design elements specific to each touchpoint (for example highlight inventory availability in-store for mobile product pages).
2. Providing a greater standard of functionality control per touchpoint (for example using different navigation systems for each touchpoint).
3. Visual design elements can be treated differently (better utilisation of mouse-over effects on desktop).

“New” Future Proofing

This principle of designing for consumers, not screens, also prepares retailers for “New” touchpoints.

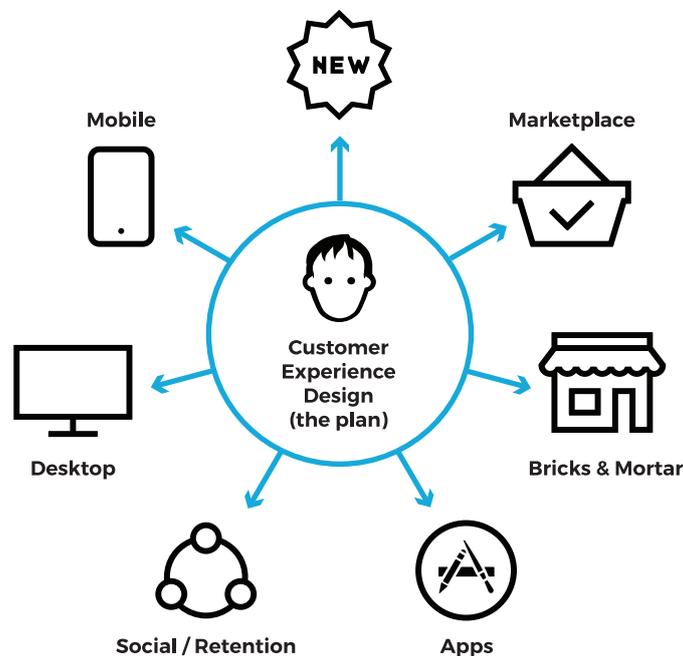


Diagram 11

Global Internet Device Installed Base Forecast

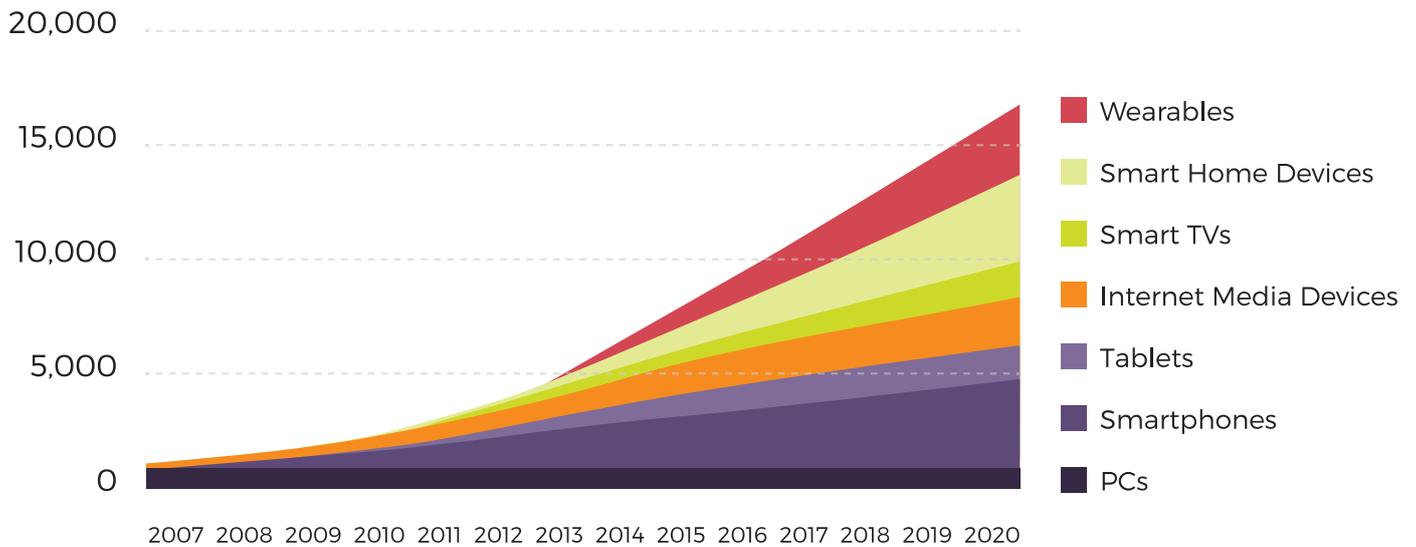


Diagram 12

The rise in new mobile touchpoints continues to gain momentum. The graph in Diagram 12¹⁴ shows the forecast of accessible internet devices and the mix by 2020:

Our current “go to” devices will comprise 50% (approximately) of all digital touchpoints by 2020. The “internet of things” (IoT) has been intentionally excluded due to the engagement limitations available with smart fridges and thermostats (as an example)

By keeping a Consumer First design philosophy, the infusion of future touchpoints is made easier. You (the retailer) know the experiences to convey, the effort comes in how to apply it to the device.

Screen first design philosophies are prone to siloed experiences across touchpoints. Keep the customer experience design plan intact, above touchpoints and simultaneously design across all touchpoints when translating.

9. Design experiences for intent driven “micro-moments”

Design for intent driven moments¹⁵, not fictional characters. The use of demographics as a proxy for people is not an overly effective approach for designing experiences.

Designing for intent aligns to Google’s “micro moments”, a term used to describe a consumer’s moment of high intent and need for engagement. These moments are fuelled by smartphones.

14| Read: Battleground Mobile - Why (& How) to Prepare for the Future

<https://moz.com/blog/battleground-mobile>

15| Read: Google’s Micro-Moment: Why It’s A Game Changer For CMOs

<http://www.forbes.com/sites/onmarketing/2015/04/09/googles-micro-moment-why-its-a-game-changer-for-cmos/2/#4b2c99c92d85>

In today's world where consumers are in complete control, time poor, and bombarded with various stimuli throughout the day, it is nearly impossible to predict where the intent has come from and when it starts.

This makes the world of the retailer that much more complicated and is why demographics cannot predict this consumer motivation. For example, demographics can make consumer groups look like this:

Susanne is a married mother of 2, who drives an SUV, never takes it off-road and lives in a Melbourne city suburb.

To capitalise on this "micro moment" principle, a Beauty retailer would be better positioned to focus on when Susanne runs out of eyeliner and goes online searching for "eyeliner" products.

1. Is that retailer visible where Susanne is looking?
2. What type of "eyeliner journey" is the retailer delivering across touchpoints?

"Eyeliner" related product searches in Google occur approximately 7,500 times each month in Australia.

The reason for the demographic construction in the first place is to help retailers **predict** intent. By designing for intent, retailers can skip the use of a proxy and deliver relevant, value driven experiences.

The eye liner example from Sephora helps to illustrate this in action.

Forbes calls Google's "micro moments" a "game changer" for CMO's and goes on to say:

"If you aren't competing for attention where its focused, you are not competing to win"

Micro-moments are not replacing persona development, its revolutionising it.

Still not convinced?

Millward Brown, a US research company conducted a survey¹⁶ in conjunction with Google and found:

1. 31% of mobile searchers of video games are men ages 18 to 34
2. 56% of sporting goods searchers on mobile are female
3. 45% of home improvement searchers on mobile are women
4. 40% of all baby product purchasers live in households without children

Design customer experiences for intent driven moments.

16| Read: Why Consumer Intent Is More Powerful Than Demographics

<https://www.thinkwithgoogle.com/articles/why-consumer-intent-more-powerful-than-demographics.html>

10. Be Iterative (Continuous Improvement)

Avoid approaching the customer experience design process thinking it's a "one-off". The iterative "continuous improvement" discipline comes in two parts:

1. **Data mining, insight gathering and hypothesis creation.** This is the part everyone talks about and is crucial. Over time, with the right foundation in place, data-driven decision-making becomes the norm.
2. **Iterative and agile development programming.** This is the part no one talks about. The inability to become agile in a development context is one of the largest barriers to retailer evolution globally. This from Econsultancy's 2015 Technology for eCommerce report (300 top UK and US retailers surveyed):

"What are the main barriers preventing you from growing your eCommerce business as fast as you would like?:"

1. Lack of budget/resources - 51%
2. **Siloed organisation and lack of coordination - 29%**
3. **IT Blockages - 29%**
4. **Too many systems and technologies - 25%**
5. Lack of strategy - 24%
6. **Poor technology - 20%**
7. Lack of technological understanding - 19%
8. Lack of senior buy-in - 19%

Of the top eight, four issues relate to technology. All the issues listed above come from poor technology vendor relationships, inflexible technology, and/or old/outdated technology. These issues are the common characteristics of retailers who are slow in their digital evolution.

An example of this in action is Target.com who is planning to spend \$1.8 billion in technology in 2016/2017¹⁷. The first time in the retailer's history it is spending more on technology than on bricks and mortar improvements. The investment will focus on improving customer experiences as well as what they call "the unsexy but essential parts of Target's operations". Target's technology systems were built in a time when merchandise moved from distribution center to stores. In today's age of utilising stores as fulfillment centers legacy systems cannot cope.

17| Read: Target Lays Out Multi-Billion Dollar E-Commerce Plan

<http://fortune.com/2016/03/02/target-ecommerce-2>

Question to retailers...."How many phases does it typically take to implement a new eCommerce technology?":

1. One Phase - 4%
2. Two Phases - 28%
3. Three Phases - 26%
4. **More than three phases - 42%**

The more successful retailers understand, technology needs to be iterative in nature. There is no such thing as a "one-off" build.

Partner with an eCommerce technology vendor who shares the same agile development philosophy.

Summary : How the 10 principles work together

It starts with the micro-moment : Eyeliner

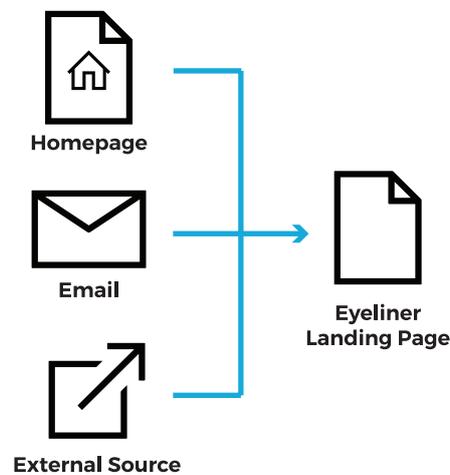


Diagram 13

The consumer has identified a need (eyeliner) and has come to a retailer's site to begin their journey. Keep in mind, from the consumer's perspective their journey has already begun. They have come from an array of sources, some examples: search engines, home page, email, marketplaces, referral network.

The appreciation and recognition of the possible journeys

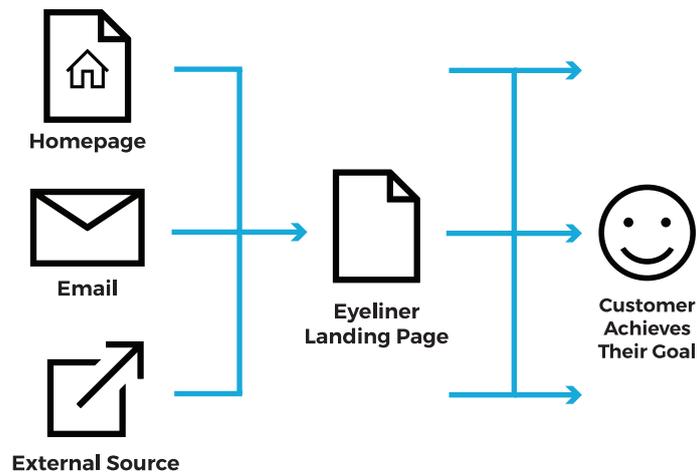


Diagram 14

Through the data analysis process there is recognition of the possible journeys consumers can take to achieve their goal of selecting the right eyeliner product.

Identification of each step for each journey.

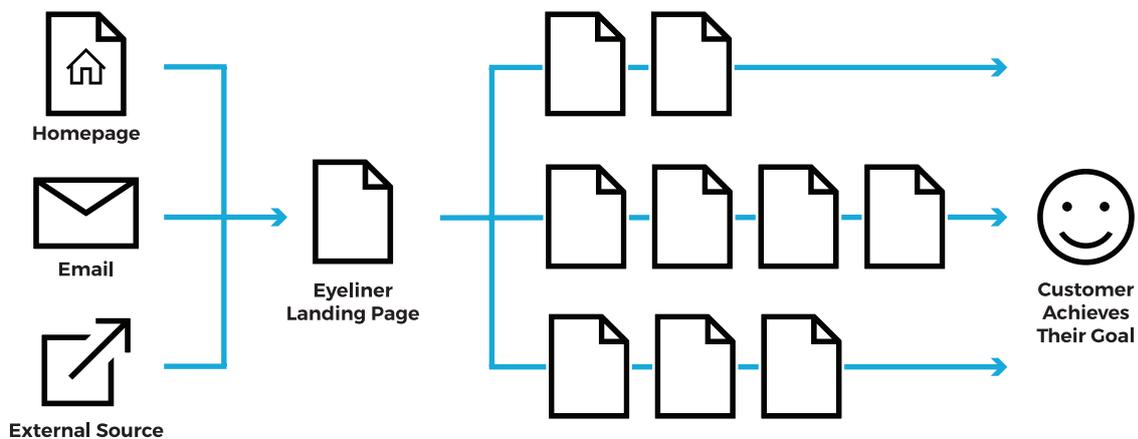


Diagram 15

At this stage of the experience design...

- Both data and best practice have contributed to the ordering of the steps.
- Interaction cost management is applied to every step.
- Value driven content (“value design”) is built and placed strategically at the right steps.
- Content is prioritised and the most relevant is positioned above the fold.
- The above steps are translated to relevant touchpoints through the simultaneously building of wireframes, then given to design teams to overlay look/feel and brand DNA.

This diagram is the new “Retailer’s Circle” (how a retailer plans on selling eyeliner products).

Continuous Improvement

This is real life and is why the continuous improvement discipline is crucial.

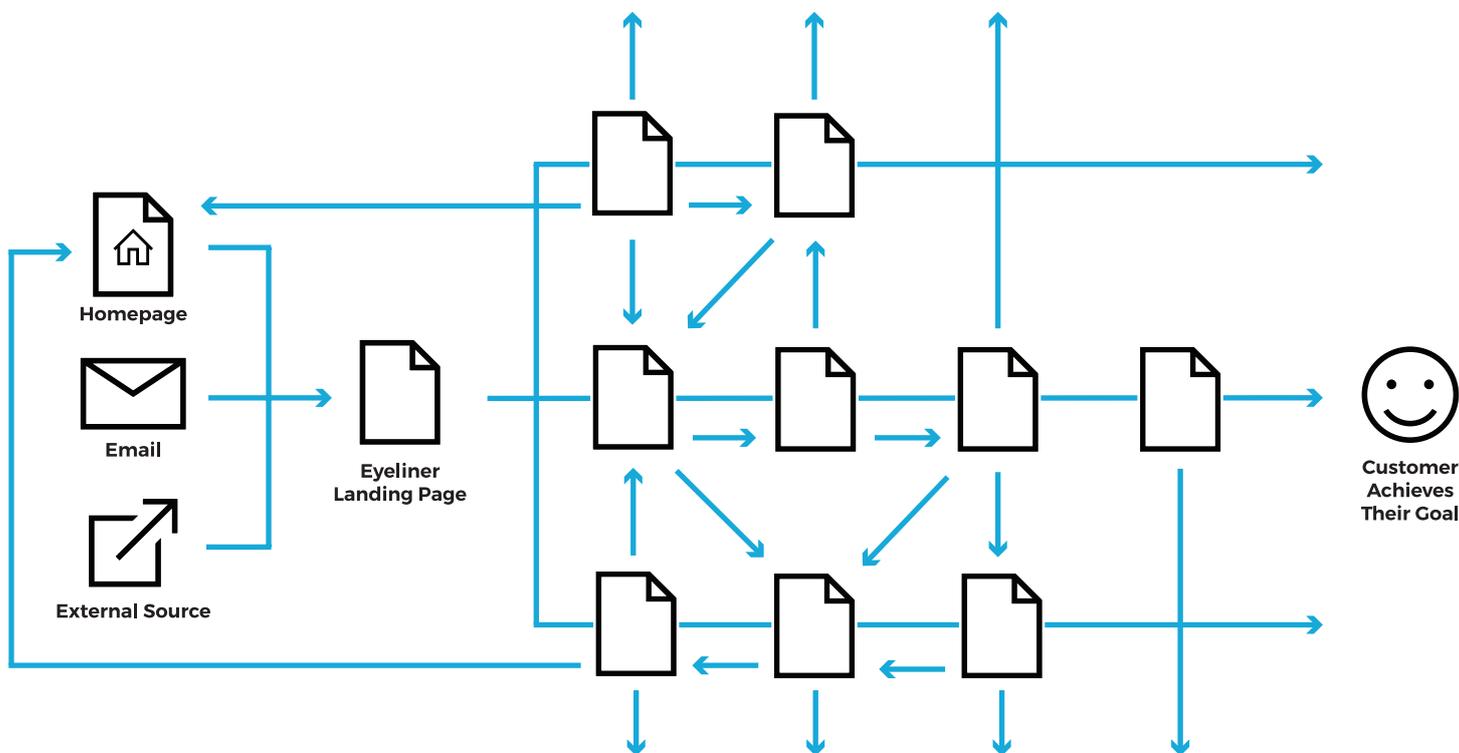


Diagram 16

The new arrows in this diagram are the paths the consumer actually takes in his/her journey to find the right product. This diagram is a true representation of the “Retailer’s Circle” and the “Consumer’s Circle” presented in the Introduction section of this WhitePaper.

The continuous improvement discipline focuses on the arrows (consumer paths) which do not take the consumer to his/her goal being achieved. In particular, the paths where consumers leave the site and move in a backwards direction (not towards the goal) are of high interest.

“Consumer Achieves His/Her Goal” is the consumer finding the product/service to fulfil their need. They have not yet undertaken the checkout process. The checkout process is a separate journey requiring the same amount of focus and effort to get right.

Case Study

Swanndri

An example of a retailer undertaking the above principles and applying it to their digital channel and brand is Swanndri, an iconic 100 year old outdoor apparel brand.

Swanndri's model has been that of a designer and wholesaler during their entire 100 year history. Approximately 10 years ago they developed a direct to consumer channel to grow their connection to their target market. Two years ago they decided to undertake the customer experience design process and with it, work through the 10 principles. To date their results are:

Consumer engagement grew by 107%

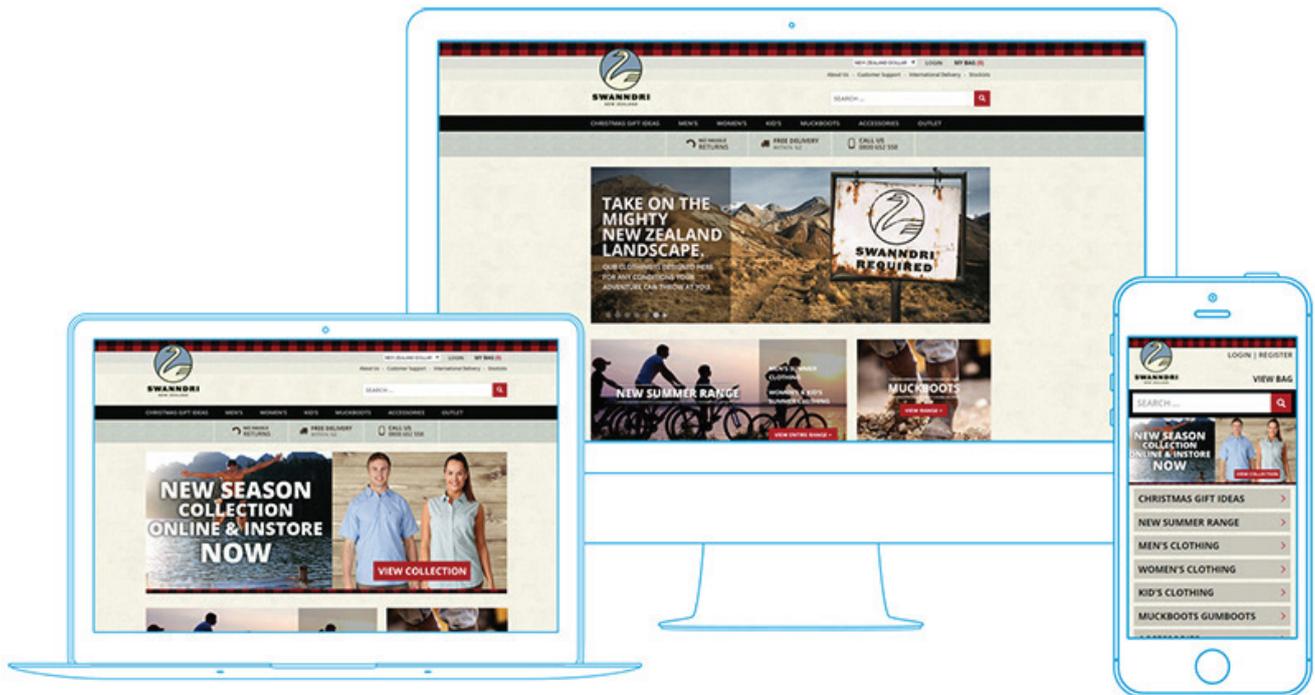
Transactions grew by 135%

Online revenue grew by 160%

Mobile revenue grew by 2,000%

Mobile conversion rates grew by 200%

To read the full Swanndri Case Study please go to www.estaronline.com > Resources



Brand Experience. Delivered Together.

www.estaronline.com
sales@estaronline.com

AU 1800 503 891
NZ 0800 151 655

