

FROM SURVIVING TO THRIVING

# 3 Ways to Accelerate Towards Agility

**Medallia**



## ACCELERATE TOWARDS AGILITY

Seventy-five percent of U.S. consumers have tried new shopping behaviors in response to the economic pressures, store closings, and changing priorities brought on by the pandemic.<sup>1</sup>

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- 02 Adapt faster by engaging customers and cross-functional teams in the moment
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## Introduction

2020 accelerated the disruptive trends that have distressed the retail industry over the past decade, amplifying existing customer experience challenges, and growing the divide between industry leaders and followers. The surge of new shopping experiences has reinvented the retail landscape for everyone. Seventy-five percent of U.S. consumers have tried new shopping behaviors in response to the economic pressures, store closings, and changing priorities brought on by the pandemic.<sup>1</sup> As digital initiatives became overnight imperatives, retail brands struggled to stay connected to their customers.

How have some brands been able to outpace and outperform the market, while others have not? Today's leading retailers have capitalized on the unprecedented opportunity to use customer experience to propel the momentum of their innovations forward. Big, trusted brands, like Walmart, Target and The Home Depot have used customer experience to their competitive advantage, and as a result, have seen outsized growth during the crisis, even stealing market share from Amazon's ecommerce stronghold.<sup>2</sup> The insights and practices that experience management provides retailers can hasten their ability to steer, adapt and scale the solutions that keep customers coming back.

The flywheel effect of experience management can also propel retailers ahead of competitors and consumer trends. Every retailer has the ability to use customer experience management to accelerate enterprise agility; they simply need to know how to activate it. Furthermore, many of today's most impactful customer experience tools can be implemented quickly and easily, helping retailers overcome disruptions sooner.

## 01 Speed decision making with real time customer feedback and AI-powered insights

Since the onset of the pandemic, many retailers have been left without a playbook to know where to focus their efforts. However, retailers that continuously capture real-time customer engagements across chatbots, support calls, social media, and surveys have been able to quickly charge ahead, thanks to artificial intelligence (AI). With AI-powered customer insights, retail organizations can answer key customer questions at a fraction of the cost and fast enough to turn those insights into relevant and timely actions — improving customer experiences and the bottom line. By 2022, Gartner predicts 70 percent of customer interactions will involve emerging technologies such as AI and machine learning applications, up from 15 percent in 2018.<sup>3</sup>

To make better decisions faster, it's critical now more than ever for you to use AI to quickly understand what really matters, who needs attention, and what you can do to have the biggest impact on your bottom line.

- **Understand changing shopping journeys to help reprioritize resources.** With 36 percent of customers having tried a new brand since the pandemic started,<sup>1</sup> retailers need to know what's driving them away and where they are going. Thanks to AI, brands can now make sense of massive amounts of consumer foot traffic, transactional and experience data to understand changes in demographics, traffic patterns and trip drivers.
- **Determine customer needs by analyzing the noise and surfacing insight.** Customers broadcast valuable feedback about your business through surveys, social media, review sites and countless other channels. The problem is that much of this feedback is in written form. It's unstructured, disorganized and hard to analyze at scale. AI-powered

### CASE STUDY

## DICK'S Sporting Goods streamlines eCommerce with CX insights

As DICK'S Sporting Goods set out to expand its e-commerce solution, company leaders knew they would optimize experiences faster with real-time customer experience insights. By soliciting targeted feedback through intercept surveys, DICK'S asked shoppers questions, like what's working or what's holding them up. Certain behaviors would trigger the survey, — for instance, if they visited certain pages, added certain items to their cart, or scrolled over certain sections of the site.

Then, to further qualify where to focus their attention, DICK'S ties Medallia's customer voice data back into Adobe Analytics to quantify the impact of their decisions. For example, DICK'S can measure how customer experience impacts click-through rates and conversions in Adobe Analytics.

DICK'S took this approach when evaluating recent offers and promotions. In the case of price match, for example, DICK'S used a Medallia abandon survey to assess shoppers' understanding of the company's price match guarantee and one-hour in-store pickup option.

This helped DICK'S decrease exit rates by 40 basis points and bounce rates by 50 percent while increasing add-to-cart rates.



text analytics uses machine and human learning to automatically analyze text feedback, so you can understand what matters most to your customers and what you can do about it.

- **Make every support call a gold mine of insights you can act on.** With ecommerce transactions on the rise, retailers are facing an influx in customer inquiries across chat, mobile, and support centers. The contact center has become retail's most critical channel today, especially for brands that know how to optimize it. AI-powered speech analytics provide fast transcriptions and powerful insights on 100 percent of support calls to help surface customer pain points so retailers can decide where to focus their efforts to have the greatest impact faster.

“ When it comes to new launches or changing existing processes, we're generally acting out of an understanding of what our customer wants and needs. So, we just ask, then we adjust and improve accordingly.

**DICK'S Sporting Goods, VP Ecommerce**

## 02 Adapt faster by engaging customers and cross-functional teams in the moment

Innovation frequently excels at the ideation phase and falls apart in execution. With 88 percent of customers expecting organizations to accelerate their digital transformation efforts,<sup>4</sup> retailers no longer have the luxury of months of planning and testing to implement new solutions.

We saw this transition firsthand as brands nationwide launched buy-online-pickup-in-store (BOPIS) and curbside pickup services to keep up with ecommerce demands. For some customers these initial experiences were far from convenient, as many struggled to understand where to park or were left waiting long after notifying retailers of their arrival. Brands equipped with real-time customer feedback and insights are able to adapt faster than those without, ultimately winning customers' trust and business.<sup>5</sup>

Every retail organization can adapt faster to customers' evolving demands by continuously engaging them throughout new shopping journeys. Whether you are updating your online checkout process, launching contactless checkout kiosks, or working with a new delivery partner, you need to ensure that new solutions you are implementing actually improve the customers' experiences.

- **Identify optimizations faster by engaging customers in the moment.** As shopping journeys disseminate across channels and can breakdown at any given moment, you need a more exact understanding of where friction lies. For example, if you recently updated your website's search functionality and checkout process, you'll need to engage customers separately to understand what is driving success or not. With no time to waste on a

phased rollout, retailers can use micro-engagements to understand specific parts of a shopper's journey. In this example, a retailer can easily target consumers for search and checkout separately via digital intercept surveys. This gives retailers real-time insight into the success of their latest investments without having to slow down.

- **Adapt experiences in real-time with two-way engagements.** Today's shoppers want to share, not just read and listen. Stop using communication channels as broadcasting platforms, inundating shoppers with what you think is important. Rather, engage with shoppers along the lines of what they think is important, with the intent to listen and better understand shoppers, and then respond appropriately. By using communication channels and tools to truly communicate and engage in two-way dialogue you can influence experiences as they are happening.

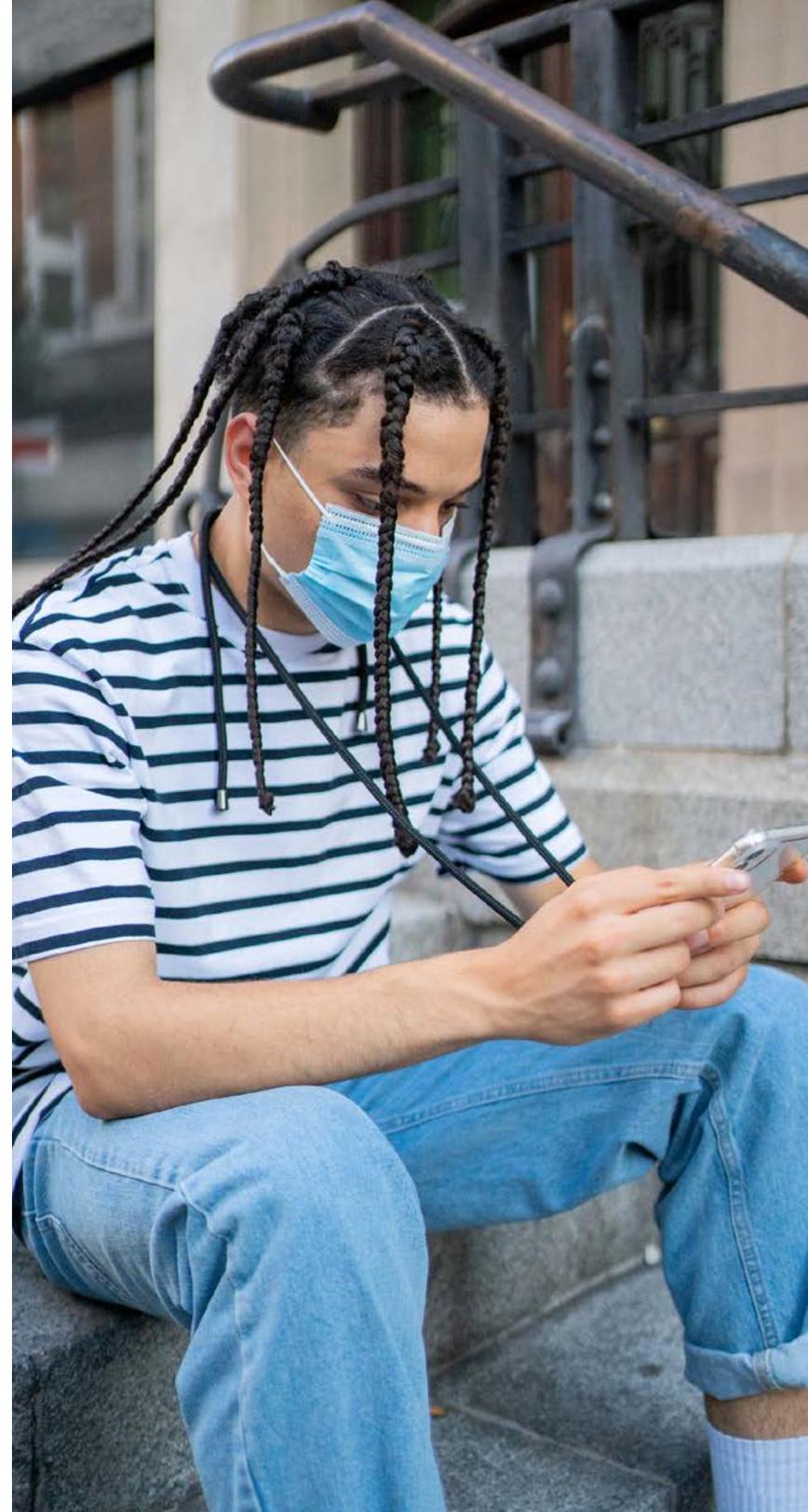
## CASE STUDY

# 7-Eleven implements efficient case routing by prioritizing customer feedback

As technology redefines how customers shop, 7-Eleven's customer experience team needed to ensure they remained two steps ahead. The team manages both customer feedback and case management, but had been managing the two separately for years. With more than 9,000 franchised and corporate U.S. stores, customer escalations are expected, and 7-Eleven needed to better digitize its customer experience to improve operations for quicker resolutions.

By integrating Medallia Experience Cloud (MEC) with ServiceNow® Customer Service Management, 7-Eleven now optimizes case resolution and shares customer experience insights. Alerts and signals from the Medallia Experience Cloud create new cases in Customer Service Management with priority and severity present in real-time. Experience issues can be triaged and assigned to the correct team, so that the entire company can meet their deadlines and SLA obligations. This enables 7-Eleven to move quickly and take feedback-to-action in a targeted way. Through this integration, 7-Eleven website visitors who click on "Contact Us" are greeted with "Do you need help?" or "Do you want to give feedback?" Customers are able to self-select their answers, and Medallia Text Analytics helps prioritize incoming feedback. Feedback is filtered into one queue, with problems categorized so they can be addressed more quickly.

The customer experience team is now more credible in driving change that would not have happened otherwise. 7-Eleven can measure and influence positive change and deliver exceptional experiences, powered by Medallia and ServiceNow.



## CASE STUDY

### Global retailer quickly gains leadership buy-in thanks to customer video reels

The authentic, human insights that video feedback provides can change your organization's ability to understand how people experience your brand, products and services. One global retailer quickly learned the power of video after socializing video feedback reels across its entire organization. Everyone from the frontline to the C-suite loved the opportunity to see firsthand customer feedback about a new solution the brand was testing. Hearing customer verbatims and seeing the overwhelming improvement the new solution brought to customers, executive leadership immediately gave the greenlight to scale the project across all locations. Moreover, every functional leader wanted to start using video to gather feedback on their area of responsibility. The video feedback reels were so powerful that new audiences from throughout the organization renewed their appreciation for customer feedback.

## 03 Effectively scale solutions by sharing feedback throughout your organization

Due to a lack of time and operational maturity, much of the innovation brought on by the pandemic has been implemented with brute force. Retailers must now wrestle with which advancements to keep, and thus scale, and which they will jettison. But, according to recent PwC research, as many as two-thirds of enterprise firms that have launched agile efforts have struggled to scale them across their organizations.<sup>6</sup>

Multi-location, enterprise retail organizations can use experience management practices to operationalize recently implemented solutions at scale. To speed this process, retail brands need to share customer feedback and insights throughout their organization automatically and openly. The more individuals with access to real-time customer feedback insights, the faster new solutions will scale throughout your organization and across locations.

- **Rally executive support with powerful vignettes and video reels.** Thanks to the explosion of video communications, retailers can showcase customer pain points from a safe distance. Combining video reels with quantitative data helps executives empathize with customers and often leads to immediate buy-in to scaling new solutions.
- **Improve employee performance in real-time by automating personalized coaching.** Help frontline employees pivot fluidly with direct access to personalized customer feedback and insights. Via configurable alerts, store and support managers can review feedback on the go to personally coach employees on how to do better in the future.

## CONCLUSION

As we look to the year ahead, retail brands will continue to grapple with the new normal. From updating return models to welcoming customers back to stores, 2021 will continue to disrupt the shopping experience. Retail organizations that can use customer experience insights and practices to innovate will be more agile and adapt and scale solutions faster than those without, ultimately winning customers' business and loyalty.

# Sources

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## About Medallia

Medallia is the pioneer and market leader in Experience Management. Medallia's award-winning SaaS platform, the Medallia Experience Cloud, leads the market in the understanding and management of experience for customers, employees and citizens. Medallia captures experience signals created on daily journeys in person, digital and IoT interactions and applies proprietary AI technology to reveal personalized and predictive insights that can drive action with tremendous business results. Using Medallia Experience Cloud, customers can reduce churn, turn detractors into promoters and buyers and create in-the-moment cross-sell and up-sell opportunities, providing clear and potent returns on investment. [www.medallia.com](http://www.medallia.com)

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