Superior Customer Engagement: Must for Today's eCommerce Brands

By Ajay Kaul, Managing Partner, AgreeYa Solutions

Online shopping has continued to see a sharp rise following the pandemic. In fact, digital channels saw an increase of 36% between 2019 and 2021, according to Salesforce. Despite the option to resume shopping in person, the trend towards online shopping has held strong because of its convenience. However, the challenge for brands becomes how can they improve customer engagement without in person interactions.

Millennials, followed closely by Gen Z, are the primary demographics for online brands. These groups turn to the internet to fulfill nearly every basic need, from shopping for groceries to lifestyle purchases and electronics. When this was done through brick-and-mortar shops, customers established loyalty with the brands and stores near them that delivered high quality products and customer experiences. But now with so many options at their fingertips, online shopping has made it is easy for them to switch brands and try new products. While there are several reasons behind customers switching brands, one which every organization knows and can control is customer engagement. Eighty-eight percent of executives agree that customer engagement significantly impacts its organization's bottom line – and poor customer engagement can cost businesses billions annually.

The importance of a customer engagement strategy

Customer engagement is not focused on turning prospects into customers but rather providing existing customers with a personalized experience to make them feel valued, and consequently make them loyal to the brand. Therefore, to keep customers coming back, e-commerce brands need to invest in a strategy that reaches their customers both online and offline. This can include various tactics such as sending personalized emails, special offers/discounts and asking for and sharing customer testimonials. Beyond just a product, creating a unique experience can be critical to a brand's bottom line. Here are four reasons investing in a customer engagement strategy needs to be top of mind for e-commerce brands.

Customer engagement strategy needs to be top of mind for ecommerce brands. Providing existing customers with a personalized experience and make them feel valued, and consequently make them loyal to the brand is critical to a brand's bottom line.

#1: Customer retention is the key to sustaining business

Invesp Research Report found that acquiring a new customer is <u>five</u> times as expensive as retaining an existing customer. E-commerce has increased competition for brands in the market as customers can easily compare price, read reviews and purchase products from all over the world in the comfort of their home. Therefore, brands need to find innovative ways to ensure a positive experience from the first touch point through the last. Because a website is often the first touch point, it is important to ensure your software and application development is modernized and meets your customers' needs. Some technology solution providers can help brands identify primary customer and employee needs and work backwards to create feature-rich, purpose-driven applications to support the goals. Once engaged with the brand, sending emails or mailed reminders when the shopper might need a refill product or when new, seasonal products are available is one way e-commerce brands can keep customers coming back.

#2: Personalization makes customers feel seen and heard

Customers want brands to show them exactly what they want to see and how they want to see it. Up to 80% of shoppers are more likely to buy from a company that offers a personalized experience, according to Epsilon Research Report. As consumers expect brands to understand their preferences and provide products and services accordingly, e-commerce companies must invest in customer engagement strategies to fulfill the need. To reach this goal, some brands are looking at artificial intelligence (AI) and business intelligence (BI) solutions. Implementing AI and BI helps companies collect insights that they can leverage to provide better service and personalized offerings. This can include sending a personalized text or email notifications highlighting a similar or complementary

product. It could also include showing a list of other products a shopper might want before they finalize a purchase.

#3: Create consistent experience across an omni-channel approach

Today's consumers want to interact and shop with their favorite brands across multiple platforms such as phone, email and social media. In fact, more than 60% of customers interact through multiple channels, and irrespective of time, place, device or medium, they expect consistency. Therefore, organizations need to create a seamless experience for customers across all platforms. This also should include consistent customer service and timely responses. Customers always expect a response to questions or concerns, and brands need a solution to support them 24/7. Leveraging AI-powered chatbots is one solution to enable customers to interact with your brand and receive support even outside of business hours.

#4: Build trust in your product and brand

In today's competitive pricing environment, brands need customers to trust them. Any mishap and you can lose a customer forever. Brands need to build trust throughout every touch point of the customer journey. One critical area to build and maintain trust is through user experience on the website. Any downtime, glitches on the website such as delays in loading time or wrong domains, or security issues can severely impact a customer's trust in the brand. Some e-commerce brands are investing in testing services that can streamline the process for the development team and ensure there are no issues with a new application. Another element of trust is helping customers feel confident that the products they provide are of good quality and worth the cost. Part of building trust can be clearly communicating shipping details, being transparent with pricing and being available to answer questions or concerns. Intelligent automation is helping automate mundane tasks on the back end of the sales cycle to free up employee time to support all other aspects of the business.

Creating an exceptional customer experience involves everyone in the organization. Harvard Business Review Analytic Services Research reported that 56% of organizations will be encouraging greater cross-functional team collaboration over the next 18 months with the express purpose of improving customer engagement. From product development to marketing to information technology, it is important to work together to understand your customers' needs and create solutions to meet them. In fact, many of the big e-commerce brands have started leveraging the power of AI and conversational e-commerce to analyze available data and predictive analysis to better understand customers and create a more seamless experience from start to finish.