



COMMERCE
FUTURES

DIGITAL STYLE

INNOVATE TO DISRUPT

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In any race, knowing the prize is the single biggest incentive to do your best. For eCommerce, that prize is a share of a total market that, according to Statista, is predicted to be nearly £70 billion in the UK alone in 2019, out of a European market of £284 billion and a global market of £1.5 trillion.¹ And it's growing fast: the global compound annual growth rate over the next 5 years is expected to be 8.0%.

WHAT MAKES YOUR BRAND STAND OUT?

Clearly, a portion of this pot would be nice. But what's more compelling is that eCommerce user penetration in the UK is already just a whisker under 80%, changing 'nice' to 'crucial': no brand can afford not to succeed in the digital marketplace when it dominates the overall B2C environment so emphatically.

There are many things to consider when putting together or refining any eCommerce strategy. For each of these strands, innovation is key – whether that's innovating compared with anything your brand has done before or doing something that no other brand has ever done. But first, you need to ensure the brand itself is in the best condition to attract customers.

At our recent Digital Style conference in London, among the brand values that were universally agreed to be vital were authenticity, integrity and consistency. Other key values are being relatable, professional and relevant. All of these should inform your content and communications across all channels.

Your brand needs to reflect both your internal values and take account of the overall marketplace – and how that is changing. "It's easy to look inwards, but it's important to look at what's going on in the world, especially the four areas of culture, consumer, your category and then your own brand world," explains Andre Rickerby, Chief Marketing Officer at Moonpig. "These four worlds make a brand."



There is a necessary trade-off between assessing and refining your brand, and being consistent. “If you keep changing direction, people won’t recognise your brand or your products,” points out Emma Duff, Head of eCommerce at Astley Clarke. “In the crowded, competitive jewellery market, for example, honing and maintaining an original signature style is very important.”

That need for clear direction extends beyond the obvious aspects of image and content. “For us, the key to creating a brand style is consistency, bringing everything back to our values and what we stand for, and always bearing our customer in mind,” adds Duff. “When we’re looking at campaigns and partnerships, we ask ourselves whether she would rate this brand, does she follow this influencer or read this magazine... everything goes back to the customer.”

Brands need to consider their customers’ worlds and, where appropriate, tap into their emotions. The benefit is that a clear, consistent identity elicits consumer trust.

“Keeping the same tone of voice, being coherent and consistent across every single channel, is vital,” says Luca Calcamucchio, Global Store

Design and VM Director, Charlotte Tilbury. “With so many different routes to market, we keep our design strategy, our tone of voice, the same everywhere, online and offline, to make sure we have our point of differentiation versus other brands.”

Once established, your brand still needs regular assessment to ensure it matches how both consumers’ preferences and the market change, and also to ensure it doesn’t veer away from your original values.

On the one hand, as Guy Westbrook, Creative Director of True Vintage, notes: “You have to retain your authenticity as you continue to grow or people won’t buy into it, they won’t like it.” Additionally, however, he adds: “the world is changing, and changing really quickly.”

Moonpig’s Rickerby elucidates: “There are brands out there now that are refusing to play by the old rules and are turning the industry on its head. Even if you’re successful now, you can’t sit back... because customers are smart and they want a reason to buy – and they need a reason to buy from you rather than someone else.”

MERGING DIGITAL INNOVATION WITH BRICKS AND MORTAR

Having considered your brand, you then need to think about how that extends to your interface with your customers, whether you are a digital pure play or a multi-channel business. For the latter, stores have often been the poor cousin of digital in terms of focus and spend, as everyone rushes to keep up with the ever-changing online world.



“Stores were traditionally places where people went simply to buy products. Now we need to change and become less like ‘shopkeepers’ and more ‘customer keepers’.”

Luca Calcamucchio, Global Store Design and VM Director, Charlotte Tilbury



Mobile now represents the largest shopping channel for some businesses while for others it represents a smaller but still significant contributor to the bottom line. That’s in part because “customers are more comfortable shopping via mobile and social than ever before, so the shift to mobile-first continues,” observes Astley Clarke’s Duff.

However, there is potential huge value in looking at opportunities for innovation in bricks and mortar stores as well. “Stores can generate loyal customers that we may not capture otherwise, because of the way we can interact with them,” said Charlotte Della Rovere, Head of E-tail at Benefit Cosmetics, LVMH Moët Hennessy Louis Vuitton.

The potential varies according to the sector and may include areas where technology can itself support face-to-face interaction. “Stores allow you to have direct conversations with customers, and engage with them, which we struggle to do online, as well as demonstrating products that, in our case, are very new,” observes Chris Sheard, Head of Online Acquisition at CurrentBody.

As Charlotte Tilbury’s Calcamucchio explains: “Stores were traditionally places where people went simply to buy products. Now we need to change and become less like ‘shopkeepers’ and more ‘customer keepers’. This needs to be reflected in the store design – you have to give people a reason to go to your store because they can access your brand almost everywhere

now.” This is vital because if they aren’t accessing your brand, they may be quite happily looking at someone else’s.

“You need to change your store from a point of sale to a point of experience. So you need to think what you want to achieve with your store. For example, is it to build a community? Give people a reason to come to see you,” adds Calcamucchio. “In addition, ensure every physical space associated with your brand is ‘Instagrammable’ – we design everything through the lens of a mobile phone.”

For even more Instagrammable moments, and to engage even more senses, there are in-store ‘events’. “There isn’t a price you can put against a really good event – you shouldn’t even think about ROI; it’s more about getting brand awareness,” says Benefit’s Della Rovere.

“Customers go home after an event having had an experience, which leaves them with a memory,” adds Calcamucchio. And this is a great example of how digital and stores can support each other successfully. “Technology is functional and can’t offer this, but it can leave store staff with more time to engage with customers.” Both have their place: not every customer expects to take photographs when they go out shopping, but everyone responds positively to both well-designed stores and good service, be that a free makeover or really good shopping support enabled by technology.

IT'S ALL ABOUT THE CUSTOMER...

Beyond the digital versus stores debate, you need to consider how to gain customers through digital and how to keep them. After all, ultimately, it is all about the customer – and their expectations of online shopping are getting higher all the time.

“Customers expect convenience and choice, and to be able to place orders at the touch of a button and for it to arrive immediately,” says Astley Clarke’s Duff. “For example, as contactless cards, one-click checkouts and digital wallets become the norm, payments need to be fast and frictionless. We’ll look at anything that makes life easier for the customer.”

How you present products to the customer is vital. You should paint as clear a picture as possible, with really good imagery and all relevant details and measurements: height, width and depth aren’t always enough. Ask yourself what you would really like to know before buying a product (or, even better, ask your potential customers).

Mobile users will benefit from more thought around how you present products. “There’s a big difference in browsing behaviour on a mobile device than there is on a desktop,” notes Nick Stragnell, Head of Online Trade at Boden. “On a desktop you can have a nice big waterfall menu and people can move around and find where they want to go, and dive right into that category. On a mobile, using a little burger menu with a drop-down, people fundamentally don’t engage with it as much.”

“Instead, if you have some signposts on the home page, think about what the core categories and destinations are that you might want them to go to with their very first click, as this is helpful and saves them time – especially if you can make it relate to somewhere on your site they have

visited, bought from before or spent the most time on.”

There are other ways you can make it easier for customers to find the products they want. “We have a tool that uses artificial intelligence and machine learning to optimise product sort orders within categories – you can set rules and even go as far as giving each customer a personalised sort order, although currently we use it according to location,” says Stragnell.

Other tips are: to deliver personal support online, just as you do in store; and to keep checkout as easy as possible, with few screens to click through, so that you don’t lose the customer before they finish their transaction.



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“In the beauty industry, Instagram has become so important – it’s a sales channel in itself and so we make sure our posts and stories are 80-90% shoppable the entire time.” Isabelle Rogers, Group Head of Communications & Media, Shiseido Group

... SO ENSURE YOUR STAKEHOLDERS KNOW

Many of the things we’re talking about here appear to be easier for larger companies to address because of the investment that’s needed. However, the bigger the company, the harder it can be to get everyone to remember that the customer has to come first – and to know who that customer is.

“Before anything else, make sure people in your business understand who your customers are – they need to realise that everything stems from that,” stresses Steve Kato-Spyrou, UX Manager at John Lewis.

Moonpig’s Rickerby concurs, emphasising that you really need stakeholder agreement for anything you do from day one in order for it to be successful.

THE RISE AND RISE OF SOCIAL MEDIA

No online strategy can ignore social media, which continues to soar as a channel. It now has the ability to generate sales directly, as well as raising awareness of your brand and allowing users to interact with you.

“Social media is important as part of the bowtie funnel – as opposed to the traditional purchase funnel – in which you look all the way through from acquisition to retention of your consumers; from awareness, consideration and purchase, and then retention and advocacy,” explains Isabella Rogers, Group Head of Communications & Media, Shiseido Group. “Social media underpins the entire process, which not a lot of other channels do. It has become so important in terms of the 360 degree consumer purchase journey.”

Instagram in particular has risen to become the pre-eminent social media channel for retailers. “In the beauty industry, Instagram has become so important – it’s a sales channel in itself and so we make sure our posts and stories are 80-90% shoppable the entire time,” adds Rogers.

Sectors such as fashion are also finding Instagram a vital channel for sales and for brand awareness, via influencers and user-generated content. However, whereas once it was relatively easy to garner views, if not likes, the current algorithm used to determine who sees what on Instagram has been far harder to analyse and makes it trickier to reliably present your brand and products to your audience.

“The new Instagram algorithm is complicated, but simplifying it somewhat, it looks at the number of interactions your post receives, how quickly your users engaged with your post, how long people have viewed it for, what time you’re posting and how often. And then as a result of that it will decide how many of your customers will get to view it,” explains Westbrook from True Vintage, which sells much of its stock via Instagram. With all of that, it’s estimated that around 10-20% of your customers will get to see your posts, “which is frustrating, given the time you spend creating them.”


Given that such posts are all about generating sales: “We’re looking for more comments, more likes, more interaction, which will hopefully lead to more followers and more sales,” says Westbrook. “But whatever you do, don’t sacrifice quality for quantity on Instagram. There’s a fine line between engaging and annoying your audience.”

Westbrook also advises posting Instagram stories, as these appear at the top of the page and thus “keep you top of mind”. Meanwhile Astley Clarke’s Duff advises that with so much content being posted online every day, consistency in content and style will actually help you stand out.

OTHER WAYS TO TEMPT BUYERS

Even if your products are beautifully presented and perfectly described, and you’ve made it easy for customers to navigate through your checkout, you still may not be getting all the customers you could. This is where digital really comes into its own, as it lets you segment and target customers in ways you never can with retail.

“Using our database, we managed to identify areas where we could target customers better.



“Don’t sacrifice quality for quantity. There’s a fine line between engaging and annoying your audience.”
Guy Westbrook, Creative Director, True Vintage

We analysed their lifecycle journeys, lifetime value trends and propensity, then looked at types of behaviours, such as what and when they were buying. From this we put together our personas and this let us identify areas we were missing,” says Depinder Sidhu, CRM Manager at Elemis.

One of the outcomes of such careful analysis is the ability to then target groups with relevant products and optimum calls to action, according to their profile. You can also use appropriate language according to the device they will be using. Sidhu gives an example: “If they open an email on their mobile, instead of having a CTA saying ‘Shop now’ it will say ‘Tap’ because they will be tapping instead of clicking.”

Such personalisation is increasingly possible with the software tools now on offer and can be used in many different ways, but it’s important to remember the point of the exercise. “Personalisation should be considered as a means of meeting the customers’ needs – it’s as simple as that. There are a million things you can do and a million wonderful bits of technology out there to help you personalise in lots of different ways, but ultimately it’s about meeting the customers’ needs and being helpful,” Boden’s Stragnell points out.

Personalisation needs to be used with care, however, to avoid appearing ‘creepy’. Tailored, helpful messages are great, but you need to consider very carefully how your outbound communications will seem to their recipients.



As for where to apply personalisation: “Everywhere that it’s helpful... but put a human lens on it and don’t do it for the sake of it. Make the customer journey as smooth as possible and they’ll like you, and trust you, and become your fans without even realising you’ve done anything,” adds Stragnell.

TESTING TIMES

Through all of these developments, you need to test. Some require testing before release whereas other aspects can be tested as they run, with A/B testing, for example. Developing personas can help, but they should be taken as a guide and not stuck to rigidly to the detriment of an otherwise good idea.

“We analyse our stats and reporting, but we also rely on gut instinct,” says Astley Clarke’s Duff. “It’s part art and part science.”

Elemis’s Sidhu concurs: “Have an overview of where your data is coming from and look at your personas, then feed in behavioural communications. However, give yourself time – test and learn, see what works and what doesn’t, because if you do everything in one go you’re likely to miss some gems in terms of what you can find out about your customers.”

Another potential trip point is how you measure the success of your digital strategy and of specific actions within it. True return on investment (ROI) is not always easily measured, and sometimes is not a relevant measure at all. “Some of our campaigns will be focussed on brand, rather than sales, and will be measured in terms of earned media value – that’s the return on investment we’re looking for in those cases,” notes Shiseido’s Rogers.

GETTING THE BALANCE RIGHT

Whether it’s online or in-store, it’s important that every customer’s experience matches your well-thought-out brand – and that the experience is consistent across all channels. It’s also vital to make it as easy as possible for people to find products they want and to buy them, avoiding abandoned baskets.

People want to buy from brands that align with their thinking and their values, and these change as the world changes. “Relevancy is more important the older a brand gets, so you need to keep moving, keep iterating and keep evolving to stay relevant,” says Astley Clarke’s Duff.

In addition, customers are increasingly expecting brands to integrate social commitment into their strategies, particularly younger people who are demanding more in terms of transparency, whether that’s regarding influencers, or provenance or your supply chain.

As Boden’s Stragnell remarks: “We can all do better at engaging our audience, turning them into customers and ultimately into fans.” The good news is that in 2019 there are plenty of tools to let you achieve this and build a successful, growing brand.

ⁱ Statista; <https://www.statista.com/outlook/243/100/ecommerce/worldwide>; accessed 1 February 2019