

RETAIL

Consumer majority feels ecommerce lacks personalized attention: report

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Boss On Demand

By JEN KING

Sales associates are an integral part of in-store experiences, with 87 percent of consumers basing purchase decisions off the advice of a retail employee, according to a new report by Salesfloor.

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While in-store interactions are vital to a consumer's purchasing journey, more than half of surveyed consumers say the same personalized synergy is lacking online. Salesfloor's "2016 Omnichannel Retail Associate" study identifies the service gaps in online and bricks-and-mortar shopping experiences, a chasm that needs to be remedied for retailers to present consumers with seamless, omnichannel retailing.

"The biggest takeaway from this study is the significant gap we were able to identify between the online and bricks-and-mortar shopping experiences, including the growing demand for improved service from retailers," said Oscar Sachs, CEO and co-founder of **Salesfloor**. "We found that 87 percent of shoppers say their in-store purchase decisions are influenced by store associates.

"In contrast, more than half of shoppers feel that service is lacking online," he said. "Shoppers are looking for personalized recommendations and guidance on products from their local store associates while shopping online, just like they would in a store.

"Retailers must help associates build relationships at scale and make them available beyond the physical store in order to serve personalized service and market directly to customers."

For the 2016 Omnichannel Retail Associate study, Salesfloor surveyed 500 consumers in the United States regarding their online and in-store shopping habits. Respondents were between the ages of 18 and 65 years of age, with male and female shoppers equally represented.

A little help from my friend

Based on the survey responses, Salesfloor found that 58 percent of consumers feel online shopping lacks the personalized attention one would receive when visiting a bricks-and-mortar storefront.

When at a physical retailer, 84 percent of consumers choose to interact with sales associates. By doing so, a

relationship is created and the consumer benefits from sales associates' recommendations and guidance.

Sales associates have a deep impact on purchasing behavior. Eighty-seven percent of Salesfloor's respondents answered that they are more likely to buy an item that has been recommended by a sales associate, and 77 percent of consumers will shop with an employee who has offered assistances in the past.



Image courtesy of Printemps

More so, 73 percent of shoppers said whether a sales associate remembers their personal preferences or style has an impact on how much they will buy from a given brand.

Consumers are even more likely to be comfortable sharing personal contact details with a trusted sales associate. Also, if branded communication is addressed from an in-store associate, consumers are more willing to review the received content.

Nearly 60 percent of respondents are relaxed in knowing that if their personal contact information is shared, only a known sales associate would have access. Salesfloor also found that 62 percent of consumers would welcome personalized marketing emails from a known associate rather than a mass message sent by the retailer.

If a customer opts to shop online, she still expects the same sense of personalized recommendations and service, but ecommerce platforms inadequately offer these kind of touchpoints. Also lacking on brand Web sites are detailed product information and a section on style and fit, both of which are typically provided by in-store sales associates.



Photo courtesy of Westfield London

Salesfloor survey discovered that 53 percent of consumers would take advantage of shopping online while being digitally guided by a sales associate. Likewise, 58 percent feel seeing a sales associates recommendations and insights online would be helpful.

Saks Fifth Avenue, a client of Salesfloor, has taken these sales associate-driven findings and turned them into practice.

Earlier this year, the department store chain personalizing its online shopping experience to transfer the service

received in-store to anywhere consumers wish to shop.

In recent months, omnichannel strategy has taken hold over retailing, with brands coming to execute programs that enhance the relationship between in-store shopping and that conducted online. As such, the luxury industry will benefit from increasing personalized interaction online as a reflection, and continuation, of the experience while in a physical store location, thus offering its consumers a consistent presentation and level of service regardless of the platform.

Saks' latest endeavor introduces a consumer offering that brings the retailer's in-store experience directly to its online shoppers. Through the initiative, consumers can connect with Saks Associates around the clock, every day of the week, to reap the benefits of its personalized services ([see story](#)).

"Saks Fifth Avenue is a great example of a luxury retailer doing a remarkable job at improving the omnichannel experience," Mr. Sachs said. "Saks associates are using Salesfloor to create storefronts, which is their own personalized version of the Saks' ecommerce site with merchandise selected by in-store associates.

"Through Salesfloor's platform, online shoppers can directly connect with the local associate and shop on his or her personal site," he said. "This strategy is proven to see a 10x lift in online conversions and 50 percent increase in average order values."

Best of both worlds

As ecommerce popularity surged due to the ease and convenience of online shopping, it seemed that the role of traditional bricks-and-mortar stores would fade. But, as consumers have embraced omnichannel as a marriage of the two retail formats, sales associates have emerged as an indispensable piece of a retailer's formula.

Many retailers, to close the gap between online and in-store, have adopted strategies that leverage a sales associate's expertise and brand insight with mobile and digital touchpoints.

For example, German fashion label Hugo Boss is going on demand with the help of a feted player in the new economy.

With the help of Uber, Hugo Boss is debuting Boss On Demand, a multichannel shopping experience designed to combine the diverging strengths of in-store and online shopping. As bricks-and-mortar revenue decreases and ecommerce grows, an omnichannel approach will allow Hugo Boss to maintain both channels and stand out from competitors ([see story](#)).



Image courtesy of Hugo Boss

Also, department store chain Barneys New York is offering its consumers an elevated shopping experience by embracing in-store technologies at its newly opened Chelsea flagship.

According to the retailer, it is the first luxury department store to launch iBeacon technology within a bricks-and-mortar space. Barneys plans to use iBeacons to share rich multimedia content such as videos, look books and interviews with designers to inform and entertain its consumers while creating a seamless and efficient in-store experience.

The Chelsea flagship also features a custom clienteling system using customer-centric personalization to connect

the online and offline behavior and preferences of Barneys' core consumer base. Mining available data for use by sales associates will help Barneys better serve consumers on a daily basis ([see story](#)).

"Sales associates shouldn't be overlooked as a key asset to help bridge the in-store and online experience, customers should be allowed to shop online with their local sales associates," Mr. Sachs said. "In turn, retailers should empower associates to do so with the appropriate tools and strategies.

"For example, associates should be able to market directly to their customers online so shoppers can receive personalized marketing messages to better build omnichannel relationships," he said. "Additionally, retailers should focus on developing personalized service across all channels.

"Sales associates are the ones providing that personalized service in store, but few retailers have given associates the ability to mimic that same type of service and experience to shoppers online."

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