

RETAIL

## Amid rapidly advancing technology, brands cannot lose sight of customer

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*Today's customers are more knowledgeable than ever before and brands must meet them halfway. Image credit: Cadillac*

By DANNY PARISI

NEW YORK Luxury consumers are willing to pay extra for the convenience of a premium customer service experience, and brands need to make sure they are putting customer service at the forefront of their strategies.

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At Luxury Interactive 2017, a panel of executives from brands experimenting with new customer models spoke about how consumers' demands and expectations should guide their strategy in the future. Looking at every aspect of the shopping process through the eyes of the customer will ensure that a brand's priorities are in order.

"Eighty-two percent of consumers are actually willing to pay more for better customer experience," said Joe DeMiero, management director of digital at **Team One** and moderator of the panel. "But in a different report, only 8 percent think that the companies they regularly interact with put customer service first."

### Customer first

In today's environment, customers are imbued with more confidence and more knowledge than ever before.

Thanks to mobile technology, customers can search for information whenever and wherever they want, and the prominence of ecommerce means that customers do not even have to enter a store anymore to get what they want.

Rather than shrinking away from this new world or stubbornly refusing to change with the times, it is of the utmost importance that luxury brands learn to lean in to what their customers want and what they will experience.

In a panel called "Keeping Your Customer Coming Back For More: Enhancing the Relationship With Your Brand," **Rockets of Awesome**'s Elizabeth Monson, **Design Within Reach**'s Mark Simmons, **Spring**'s Rob Willey and **Cadillac**'s Tara Branningan laid out the reality that brands need to put customer experience first.

The conversation ranged from staying flexible to keep up with rapidly transforming consumer trends to dealing with consumers who now come to the store with much more information backing them up than ever before.

Flashy technology is not always the answer, as Cadillac's Ms. Branningan said, and it is important to not lose sight of the customer amid all the latest tech trends and developments.

Ms. Brannigan spoke about her experience with Book by Cadillac, a new service started by the brand where customers can pay a monthly subscription fee to have constant access to a number of Cadillac vehicles.

Cadillac involved the customers and the customer experience by actually bringing them into the process of creating the brand.

"The idea came when we thought how would we recreate the auto transportation experience today?" Ms. Brannigan said. "Before we launched it in February, we brought in 20 aspirational customers into a three-month focus group where we brought them in and tested out a bunch of different things and created the brand from there.

"We went out and asked what they wanted instead of trying to guess," she said. "An industry like auto is quite old and quite entrenched, if you do everything internally you're stuck in this mold.

"We brought the customers in and managed to create something beyond what we could have imagined."

### Rapid changes

While there are many ways that brands can drive innovation, the common theme among them all is that they are focused on improving customer experience.

In a report on how innovation is driven in the fashion and beauty worlds, iVentures singles out product innovation, business model innovation and operational innovation as key to improving customer experience. This presents a helpful guide post for luxury brands as they develop their business models to deal with the changing tides of retail ([see story](#)).

Examples of this strategy can be seen throughout the luxury world.

For example, upending a decades-old business model, department store chain Nordstrom Inc. has switched to a point-of-sale system in the cloud by turning to software giant Infor's technology.

The Infor Rhythm for Commerce offering is part of Infor CloudSuite Retail that is designed to help retailers such as Nordstrom better manage and track information, offer consistency and accuracy across the retail network, and service customers quickly across channels. The cloud POS is mobile led ([see story](#)).

"You have to continue to evolve and change," Design Within Reach's Mr. Simmons said. "We changed our organization several times in the last five years.

"You think you have structure but the world is constantly changing," he said. "We've changed up our sales team as well and that's not chaos, it's just evolving and following what's happening by changing structure fluidly and flexibly."