

RETAIL

Digital-meets-human approach aids customer-centric ecommerce: report

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Automotive is one of the top categories where consumers want guided selling. Image credit: BMW

By SARAH JONES

While ecommerce has streamlined some aspects of the purchase process, the overwhelming number of product choices available online is making consumers' buying decisions more complicated.

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According to a report commissioned by SmartAssistant, 42 percent of consumers have abandoned plans to make a significant purchase after becoming overwhelmed with too many options. Retailers that provide a frictionless ecommerce experience will win consumers' business, as shoppers are liable to switch to a competitor in search of an easier product finding process.

"With the rise of ecommerce, consumers now have access to a myriad of choices and options," said Markus Linder, founder and president at **SmartAssistant**, Vienna, Austria. "While consumers love the idea of choice, what has been proven by research and scientific experiments is that having too many options causes people difficulty in making decisions. This is the paradox of choice.

"People regardless of whether they are optimizers or satisfiers want the product option that's best for them, and having more choice doesn't necessary mean that they will find it," he said. "In fact, it makes it harder to find that perfect product without having the necessary expert product knowledge to evaluate options. It causes many consumers, especially those that do not know the product domain well enough to quickly feel overwhelmed, anxious and frustrated.

"The result is that these shoppers either defer their purchase, make no purchase at all or pick a product that they might not be happy with, causing buyer's remorse which may fall back on the brand that sold the product. The challenge for luxury brands in this digital age is to help consumers find just the right product for them personally. They have to become their customer's trusted advisor."

"Humanizing Digital 2020," conducted by Researchscape International for SmartAssistant, is based on 1,077 responses from consumers in the United States, United Kingdom and Germany between the ages of 17 and 69.

Guided selling

Product selection online is a balancing act. Along with consumers abandoning purchases after facing too many options, about six in 10 shoppers have abandoned their carts after struggling to find a desired item due to too few product choices.

Around half of consumers also report moving away from Web sites that make it difficult to locate products they are looking for.

Along with removing friction in the ecommerce experience, retailers should focus on building trust. Seventy-two percent of consumers seek out retailers they can trust, and 68 percent are looking for honest, personalized advice.

Another piece of the puzzle is support, with two-thirds of consumers wanting retailers to address and solve issues quickly.



Retailers should help guide consumers to the right product. Image credit: SmartAssistant

The report suggests that brands offer a more human touch in the ecommerce environment to reduce friction.

One of the ways retailers can accomplish this is through guidance. Eighty-six percent of customers are looking for expert opinions or recommendations on products, and the majority of shoppers are looking for brands to offer proactive advice.

Brands can also give consumers tools for do-it-yourself customer service. For instance, consumers are frequently using self-service options such as frequently asked questions and product filters.

The ecommerce service feature deemed most helpful by consumers is digital assistants, artificially intelligent sales associates that offer conversational guidance. These tools can make shopping more personalized by asking questions about users' preferences, naturally developing product suggestions.

This is followed by live chat and support from a nearby store.

"The success of luxury brands is tightly linked to how well they appeal to the consumer's emotions and feelings," Mr. Linder said. "It's all about connecting with consumers on a personal level.

"If you look at the physical retail space where you meet a trained sales assistants who takes an interest in you, you already have a boilerplate of where ecommerce needs to move towards," he said. "They ask the right questions, explain, educate and guide you to the right product that's just right for you.

"This personal service and customer experience is what people are willing to pay a higher price for, and this is why luxury brands seldomly have to compete on price. More than other brands, they compete on the value and the experience they deliver, but the experience they have nailed in the offline world is largely missing online."

Conversational commerce

Personalizing consumers' retail experiences can lead to loyalty and increased spending, according to a report from Boston Retail Partners.

Today consumers expect more individualized communications and interactions with retailers, with 59 percent saying that personalization impacts their purchasing decisions. Identifying and appealing to shoppers with relevant offers or communications can help to establish a relationship between consumer and brand ([see story](#)).

Artificial intelligence can play a role in personalizing the shopping experience, but brands need to ensure that these digital assistants are kept up to date.

Chatbots are becoming invaluable to customer service departments, but brands must be aware that virtual assistants need to be maintained, updated and not left stagnant.

The use of chatbots can be a valuable addition to any brand's ability to interact with customers, which is why so many marketers have embraced them since their inception. But marketers need to understand that chatbots should evolve with consumers and with the new services and items that brands offer ([see story](#)).

"The first thing to remember is 'be human,'" Mr. Linder said. "It's hard to sell to humans when you're not being a human yourself.

"Ultimately, being human is crucial to converting consumers into buyers," he said. "Try walking in the shoes of your customers, understand their pain points. Aim at giving online shoppers an experience they're having in the physical world."

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