

MARKETING

## Brands must find new services to deliver: Forrester

April 8, 2019



*Consumers prefer sales associates who are armed with technology. Image credit: Hugo Boss*

By SARAH RAMIREZ

NEW YORK Marketing products and core values are not enough for modern brands to stand out, as consumers increasingly turn to labels that provide thoughtful experiences.

Subscribe to **Luxury Daily**  
Plus: Just released  
State of Luxury 2019 **Save \$246 ▶**

During the "Brand Innovation In The Experience Economy" presentation at the Forrester Consumer Marketing Forum on April 3, a Forrester analyst explained that improving experiences whether online or in-store is a way for brands to compete when they cannot not change their prices or products. Exclusive experiences are at the heart of many luxury brands who are trying to compete with premium upstarts.

"Core values and product values are too easy to compete on," said Jennifer Wise, principal analyst at **Forrester**. "Instead, you have an opportunity to compete on experiential values this is the differentiator."

### Competitive edge

Luxury brands are rarely, if ever, in a position to offer discounts to draw in shoppers.

Since they cannot engage in price wars, luxury brands should focus on experiences and services that can better serve the customer, Ms. Wise explained.

Implementing new strategies can also lead to more satisfied consumers and better sales.

Listening to customer feedback is vital to finding weaknesses in service and experiences. Most consumers want services and products that make their lives easier or cater to their specific needs.



*Spence Diamonds revamped its in-store experiences. Image credit: Spence Diamonds*

For instance, Canadian jeweler Spence Diamonds noticed that many shoppers were overwhelmed when buying expensive engagement rings. As a result, the brand shifted its retail experience to be more educational and informative.

All store associates receive updates and more thorough scripts to better and more consistently answer shoppers' questions. Additionally, in-store improvements include more comfortable seating, alcoholic beverage options and private consultation rooms so consumers can review diamonds in a more peaceful setting.

Musgrave Marketplace, a leading grocery store chain in Ireland, found that many of its shoppers were parents with strained schedules.

The retailer implemented designated shopping hours for parents, with additional store associates on-hand to help parents manage their young children while they shop. Parking spaces for parents were also reserved near store entrances, eliminating another persistent source of stress when grocery shopping.



*Shoppers have up to a week to review their potential purchases. Image courtesy of Net-A-Porter*

Similarly, many affluents are time poor and view free time as one of the ultimate luxuries. Upscale brands are served well by offering efficient services that make their clients' lives easier.

For instance, online retailers Net-A-Porter and Mr Porter launched an updated "try-before-you-buy" service, featuring curated at-home shopping consultations for their most loyal customers. The extended trial period offers consumers more convenience and less pressure to quickly decide on their order ([see story](#)).

#### Lessons from DTC

Other ecommerce, direct-to-consumer brands have also found other ways to improve customer experiences.

Teledentistry company Smile Direct Club offers 3D printed aligners at a lower cost than traditional dentist offices. However, consumers were still frustrated by the production times and lack of communication from the company.

Unable to shorten production times average turnaround time is five weeks Smile Direct Club instead introduced email updates to keep consumers informed on their orders. This reassured consumers that their aligners were being

worked on and not neglected.

Regarding online customer service as an integral part of the customer experience, rather than an add-on, helps to improve the overall customer relationship. In fact, customers who abandon online portals in favor of customer service over the phone or in-person often arrive with a negative impression of the brand ([see story](#)).

Although consumers are fairly self-sufficient when researching products and don't want to be bombarded with branded suggestions and messages, they also want immediate and helpful feedback when they have a question.

A well-trained and informed live agent can increase the potential of a sale, provide relevant follow-up information, and reassure customers that their interests are prioritized. Surveys have found that customers prefer speaking to live agents over bots ([see story](#)).

"Experience design and mapping the physical, digital and intangible aspects of the customer service experience can help deliver experiential value," Ms. Wise said.

---

© 2020 Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your [feedback](#) is welcome.