

RETAIL

Half of US consumers find personalized digital experiences vital

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Missoni is among the luxury brands investing in more personalized digital offerings. Image credit: Missoni

By KATIE TAMOLA

Amid the exponential growth of ecommerce resulting from the COVID-19 pandemic, consumers are increasingly valuing digitalization and personal customer experiences.

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According to a new survey from information software company [OpenText](#), the COVID-19 pandemic has irrevocably affected consumers' digital expectations. Nearly two-thirds of U.S. consumers, 62 percent, said the pandemic has changed their expectations of what a brand's digital offering should be.

"After a year of engaging with brands digitally instead of face-to-face, customers are increasingly expecting more from a company's digital offerings," said Guy Hellier, vice president of product management at OpenText. "Brand must prioritize creating a more connected and frictionless digital experience that allows each individual customer to move seamlessly from one point of engagementbe that the web, contact center, social, or real-world to another, based on their need and preference."

"Investing in technology that allows brands to leverage customer data to create a 360-degree customer view enables brands to offer products and services that customers want," he said. "Digital experience platforms also make it easier for brands to listen and respond customer feedback across channels and devices, helping ensure positive customer interaction."

The report is based on an April 2021 survey of 27,000 anonymous consumers across several key markets, including 3,000 U.S. consumers, about customer experience, the role of digital and how the pandemic has impacted their expectations.

What the consumer requires

When pondering a world beyond COVID-19, brands are continuing to recognize that personalization is a priority.

More than half, 53 percent, of U.S. consumers report only buying from brands that make them feel as though their preferences are understood. Brands can communicate their understandings of consumer preference through favorite channels and tailored deals.



When buying products or services online, 72 percent of U.S. consumers said that an easy search is immensely important to them. Image credit: Unsplash

Thirty-four percent of U.S. consumers "completely agree" that they are more likely to buy from brands that treat them as individuals rather than an interchangeable customer. Twenty-four percent of U.S. consumers are also likely to return to brands that personalize the digital experience.

High-quality digital experiences are increasingly important as 54 percent of U.S. consumers are now more comfortable with digital-only businesses as a result of the pandemic.

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Consumers are looking for certain things, including personalization and convenience, but are not willing to sacrifice certain aspects of online buying that they feel are necessary.

While 55 percent of consumers prefer to shop with brands that auto-fill and remember their details for their next purchase, 65 percent would be willing to pay more to do business with a brand that is committed to protecting their personal data.

Consumers are also not quick to forget a negative shopping experience.

More than half, 56 percent, of U.S. consumers would be less likely to buy again from a brand after a bad experience. One-third, 32 percent, will not return to brands if their experience is not excellent when buying online.

Fifty-five percent also said they do not believe there is such a concept as "customer for life" in 2021, suggesting that brands cannot rely completely on loyalty to assuage bad experiences.



Personalization is key, especially for younger consumers. Image credit: Shutterstock

As habits introduced during the pandemic appear likely to remain in the ecommerce landscape, brands must continue to prioritize and highlight the ways they cater to and support consumers.

The U.S. ranked only second to Brazil, at 22 percent and 26 percent, respectively, with the number of respondents indicating that the pandemic had changed the way they interacted with a brand digitally "to a large extent."

What will remain

As habits and preferences introduced during the pandemic appear to be here to stay, brands must continue adapting with accessible, personalized offerings particularly to reach younger shoppers.

Consumers under 35 are consistently seeking digitization, personalization and brand authenticity. Speaking at the FT Business of Luxury Summit on May 19, experts discussed the landscape of millennial and Gen Z spending, how brands are heeding new preferences and what the experts believe will always remain ([see story](#)).

COVID-19 also accelerated luxury brands' adoption of connective tech tools.

French luxury goods conglomerate LVMH Mot Hennessy Louis Vuitton is partnering with the Google Cloud platform in its latest push for innovation.

The partnership aims to fuel LVMH's maisons in creating new and personalized consumer experiences that foster long-term growth. It combines both organizations' creativity, assets, technological capabilities and quest for innovation in their respective markets ([see story](#)).

One truth remains: customer experience has always been important in all its aspects and, in such an innovative landscape, consumers will not stop seeking or expecting positive, seamless experiences.

"Creating a positive customer experience is all about removing friction and increasing relevance: the easier something is to do and the more relevant it is to each customer, the better the experience," Mr. Hellier said. "Today, customers expect their journey, from researching products to tracking orders, to transition seamlessly from one digital platform to another while retaining a consistent personalized feel delivered across any device, at any time."

"For brands, this means investing in a digital experience platform which enables them to integrate data, information, and assets seamlessly across different environments," he said. "Without this in place, brands will struggle to create and deliver the cohesive and personalized experiences needed to win and retain customers."

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