

A man and a woman are shown from the chest up, both wearing face masks. The man, on the left, has short dark hair, wears glasses, a white surgical mask, a grey scarf, and a light orange blazer. He is holding a gift wrapped in clear plastic with a white ribbon and a white gift bag. The woman, on the right, has dark curly hair, wears a black face mask, a grey fur-trimmed coat, and a black handbag. She is holding a stack of three gifts wrapped in orange and gold paper. In the background, a Christmas tree is decorated with warm white lights and orange and white ornaments. The overall scene is festive and holiday-themed.

CUSTOMER EXPERIENCE HOLIDAY GUIDE

# 5 Ways to Take the Retail Experience to the Next Level

**Medallia**

## INTRODUCTION

The 2021 holiday season will mark another year of incredible change. The pandemic has not only changed the way people shop and buy but it has forced retailers to make quick pivots to the changing macro-environment and evolving consumer demands.

Despite these changes, the way in which consumers engage with retail brands will not go back to the way they were pre-pandemic.

During this past year, 77% of consumers tried new shopping behaviors, primarily driven by a need for value, convenience, and availability.<sup>1</sup> As consumers have grown accustomed to convenient, frictionless, omnichannel experiences this past year, their expectations for these experiences have only increased. And it's those behaviors and expectations that will impact the areas of focus for retailers this year and beyond.

The 2021 Holiday Guide focuses on five ways to quickly and easily enhance the retail experience this holiday season:

- 01 Deliver connected digital experiences
- 02 Create the ultimate hybrid experience
- 03 Optimize the last mile of fulfillment
- 04 Turn contact center insights into action
- 05 Unlock the power of your people



# 01 Deliver connected digital experiences

As the pandemic heads into its second year, the priority has shifted to understanding how digital acceleration will continue to evolve and how retailers will use digital to add key capabilities to increase customer value.<sup>2</sup> With 47% of consumers abandon websites after seeing only one page,<sup>3</sup> organizations need to quickly identify and resolve issues in real-time. By leveraging data and analytics, organizations can build and refine connected experiences so that customers can enjoy great experiences whenever, wherever, and however they choose.

By taking a data-driven approach to optimizing digital channels, retailers can get a clearer overall picture of the consumer to understand the "why" behind their behaviors and prioritize the improvements needed to hit Q4 revenue goals.

With online consumer spending consistently increasing year-over-year,<sup>4</sup> now is a perfect time for retailers to start integrating data insights into their digital strategies to win new customers and build long lasting loyalty.

## Narrow your focus

Due to the accelerated rate of change in 2021, brands need to be agile in their approach to delivering digital

experiences. With limited resources, it will be key to use customer insights and feedback to prioritize your teams' time and focus.

## Personalize the experience

Curate comparable online experience to those delivered in-store by creating a 360-degree view of your customers. By integrating all of your data into one platform, your teams can use those insights to quickly deliver thoughtful, personalized digital experiences for different consumer segments.

## Quickly discover whether you're delivering excellent experiences with these tools:

[Digital Solution Suite](#) provides a unified 360° view of the customer digital journey by collecting, integrating, and enriching real-time experience and behavioral data across web, mobile, and in-app channels.

[Decibel by Medallia](#) uses AI to identify key patterns of online behavior to easily prioritize the most urgent experience issues impacting conversion, engagement, and loyalty across websites, apps, and devices.



## CASE STUDY

# Using deeper insights to drive online customer conversions

With the current impetus to move consumers in and out of stores as fast as possible, [Dick's Sporting Goods](#) has learned how to increase digital dwell time and online conversions. Once Dick's started integrating targeted feedback from [Medallia Digital](#) with performance and conversion metrics from [Adobe Analytics](#), they were able to see and quickly fix the issues causing consumers to leave. The brand has successfully decreased bounce rates by 50% and exit rates by 40 basis points. This strategy also worked on driving conversions, as Dick's saw a 21% increase on high-value exercise equipment conversions. And what's more, they deployed over 60 surveys with a one-man customer experience team, proving that personalization can be achieved at scale even with limited resources.



Thanks to the voice of customer data captured by Medallia, we are able to identify and eliminate bottlenecks in our digital customer journeys.

**Miche Dwenger,**

VP Ecommerce Experience, DICK'S Sporting Goods

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## 02 Create the ultimate hybrid experience

With digital channels providing more connection and excitement and in-stores implementing new services and technologies for greater efficiency, retailers are now looking to blend the best of online and in-store to create the ideal hybrid shopping experience.

Online shopping is evolving into more immersive and experiential formats. With 61% of online shoppers wanting to virtually try on products from the comfort of their own home, new digital formats are emerging to recreate the benefits of offline shopping in a virtual environment.<sup>5</sup> At the same time, increased digital experiences have driven the demand for expedited in-store visits, forcing consumers to use digital channels to plan their in-store trips. In fact, luxury shoppers globally are 1.7 times more likely to research products online before buying them in-store.<sup>6</sup>

With this new hybrid reality, retailers need to continually engage customers to ensure they are delivering the right blended experiences.

### Check in with your customers

With customer needs and expectations constantly changing, organizations should engage customers

quickly and often with a micropulse, or in-the-moment with text, video, or voice enabled post-visit surveys to ensure you are meeting their expectations.

### Engage customers on their channel of choice

Two-way text messaging quickly became a hero of the COVID-19 world, from powering contactless payments to providing real-time delivery updates. By using an AI-powered, two-way messaging platform, you can automate personalized responses at scale, which frees employees from tedious tasks like having to reply directly to every text while maintaining the high-touch feel of human interactions.

### Involve your customers throughout the process

Your customers and employees can offer a wealth of ideas on how to improve digital experiences. Lean into their expertise by challenging them to share and vote on ideas that make experiences better for everyone involved.



Did you know that text messaging can transform 80% of face-to-face interactions into personalized, contactless engagements?<sup>7</sup>

CASE STUDY

## Enhance omnichannel shopping experiences by meeting customers in their channel of choice

When stores temporarily closed and the world moved online, Aaron's Inc., a leading American lease-to-own retailer, needed to accelerate its digital transformation strategy. As customers flooded into their digital channels, Medallia enabled Aaron's to engage customers online and improve its web chat functionality. As customers' questions ranged from simple to complex, Aaron's needed a web chat solution that could both automate answers and escalate complex issues to live agents. With Medallia Zingle's web chat solution enabled them to do just that, not only improving the customer's experience by answering questions quickly but also helping support agent work more efficiently.



As we focus on digitizing the customer experience at Aaron's, it is critical to understand and humanize our data with customer feedback, including deeper insights from our chat logs. Also, connecting to our customers in their communication channel of choice is a priority as well.

**William Folsom**

Omni-Retail Experience and Strategy Leader

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**Start optimizing in-person experiences today with solutions that don't require IT involvement:**

[Quickstart Customer Micropulse](#) helps you better prepare for the future by engaging targeted customer segments about their evolving needs with simple two to three-question surveys using Text Analytics and optional video capture and analysis.

[Medallia Zingle](#) and Conversations delivers in-the-moment, personalized experiences and empowers frontline employees to respond quickly via two-way mobile messaging.

[Medallia Crowdcity](#) helps organizations crowdsource ideas quickly, drive a culture of innovation, and increase employee engagement.

[Medallia LivingLens](#) brings the voice of the employee to life by capturing actionable, real-time sentiment through our video platform.



## 03 Optimize the last mile of fulfillment

The delivery process, or also known as the last mile of fulfillment, is often the most challenging to coordinate for a number of reasons. Between fuel, vehicle, and labor costs — as well as associated fulfillment and technology costs — the price of last-mile delivery can really add up. In fact, the last mile of fulfillment accounts for 53% of the total cost of shipping and 41% of total supply chain costs.<sup>8</sup>

At the same time the last mile of fulfillment impacts the overall customer experience as 59% of consumers say that they buy more and more frequently from retailers that offer fast, easy, and transparent delivery.<sup>9</sup>

To ensure you are providing your customers with an exceptional end-to-end experience, engage them at every stage of the journey.

### Listen, learn, and improve

Follow up with customers immediately after goods and services are delivered via text, audio, or video with a three-to-five question survey. Real-time insights into these experiences also help frontline teams learn and adjust their approach in the moment.

### Build strong connections

During the pandemic, consumers have turned to video as a platform to gather, connect, and provide feedback in your post-fulfillment engagements. Powerful video transcription and AI-powered sentiment analysis can be used to help build empathy and strong connections between your customers or employees by humanizing feedback.







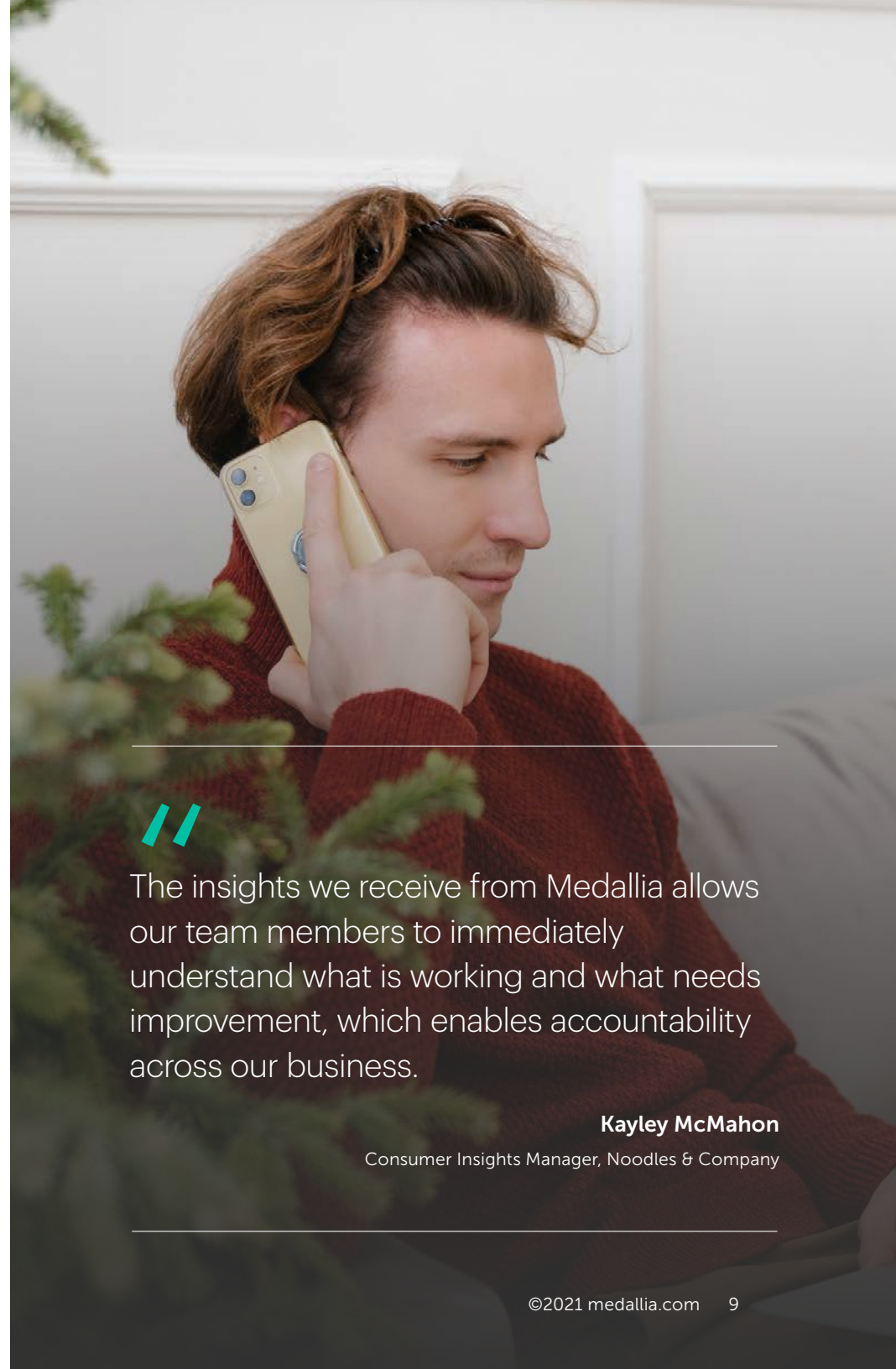
CASE STUDY

## Humanize contactless off-premise experiences to increase repeat visits

When COVID-19 forced the overnight acceleration to digital and offsite dining experiences, Noodles & Company turned to the data they received from Medallia to ensure guests' experiences remained positive. Once an order is fulfilled via delivery, curbside, or shelf pickup, Noodles can quickly identify any areas of improvement from guest feedback. Key to their success has been the addition of email based post-visit surveys, on top of receipt-based surveys, to their customer engagement methods. Email based engagements have increased response rates by 97%, which enables their team to better understand how guests feel about their off-premise experiences.



Email based engagements have increased response rates by 97%.



The insights we receive from Medallia allows our team members to immediately understand what is working and what needs improvement, which enables accountability across our business.

**Kayley McMahan**

Consumer Insights Manager, Noodles & Company

## Tools to help you get started:

**Quickstart Fulfillment** enables faster fulfillment process improvements by seeing customer text or video feedback of where breakdowns occur.

**Medallia Zingle** delivers in-the-moment, personalized experiences and empowers frontline employees to respond quickly via two-way mobile SMS messaging.

**Medallia LivingLens** helps frontline teams empathize with consumers at scale through faster, richer video feedback. LivingLens capabilities are included in both the [Quickstart Fulfillment](#) and [Quickstart Customer Micropulse](#) solutions.

**Medallia Conversations** enables your customers to provide real-time feedback through chatbots, virtual assistants, SMS, and popular messaging apps.

## 04 Turn contact center insights into action

Contact centers continue to be one of the most common ways people interact with brands to share issues, feedback, and frustrations. As consumers flooded digital channels this past year, new friction points in the digital journey emerged prompting a spike in calls to the contact center.

But because contact center agents are trained to focus on resolving these calls as quickly as possible, the primary call driver is addressed while the root cause of the issue often goes undetected and unresolved. Even worse, future requests to the contact center will continue until organizations proactively leverage insights to anticipate and get ahead of these new issues.

With the holiday season experiencing contact center spikes up to 10x of average volumes,<sup>10</sup> the focus should be on uncovering the root cause of issues so your teams can deflect and better triage calls. In fact, one of Medallia's retail customers says 70% of calls to their contact center are a direct result of digital self-service issues. To begin:

### Listen to every inquiry

Manually sampling calls will fail to give you the insights you need to quickly train seasonal staff or manage increasing customer dissatisfaction. You need to



pay attention to every call, chat, and tweet to truly understand what is causing consumer frustration. Modern speech and text analytics technologies can help quickly uncover issues with order times, processing issues, inventory uncertainty, or employee soft skills by using powerful-AI to transcribe and analyze unstructured data from calls, chats, emails, and cases.

### **Turn calls into action**

Now that you've uncovered a gold mine of insights, make it easy for teams throughout the enterprise to use them to improve the customer experience. By parsing feedback like improvements to digital self-service tools, curbside pickup logistics, or confusing marketing messaging with AI-powered text analytics, your entire organization can take action on the consumer insights discovered in the call center.

### **Create a culture of continuous improvement**

Leverage insights from your contact center to empower agents to continue to learn and grow in their role through personalized coaching and performance management. Keep your teams connected and engaged to deliver a better agent experience by motivating them through rewards and recognition programs.



86% of consumers say that they would be more likely to leave feedback regarding a positive customer service interaction if they knew the agent would directly benefit from it.<sup>11</sup>

### Tools to help you get started:

**Medallia's Contact Center Suite** captures 100% of customer and agent interactions, leverages AI and deep learning to provide more in-depth analysis than ever before, and drives integrated learning via real time coaching to front-line agents.

**Medallia Speech** reveals powerful insights from voice interactions with speech-to-text processing and AI-powered acoustic emotional analysis.

**Stella Connect** empowers your frontline teams with real-time feedback, coaching, and quality assurance.

**Text Analytics** turns every word into insight and action by leveraging AI and machine learning to unlock the rich potential of unstructured data.

**Medallia Conversations** enables your customers to provide real-time feedback through chatbots, virtual assistants, SMS, and popular messaging apps.



## 05 Unlock the power of your people

With retailers finding themselves shorthanded in stores, fulfillment and call centers this holiday season, they need to invest in employee programs to ensure employees stay engaged, feel productive, and can positively impact the customer experience. By listening, understanding, and responding to employees in real-time, organizations can reduce attrition and burnout, build trust and connection in the workplace, and can coach employees on ways to create stronger relationships with their customers.

### Share customer insights in real time

During this holiday, consumers will likely continue to share a wide range of feedback across different channels. Help each team focus on strategic solutions to address customer needs with real-time, role-based insights delivered directly to their phones.

### Recognize your employees

Staffing shortages coupled with increased consumer demand can put additional stress on an already overworked staff. To keep employees engaged, be sure to recognize those throughout the organization who stand out for their attention to customer experience.

### Tools to help you get started:

[Medallia Mobile](#) puts personalized dashboards, alerts, and workflows in the palm of every employee's hand.

[Medallia Voices](#) lets you access a stream of customer feedback from your phone to easily recognize employees for their hard work.

[Medallia Crowdicity](#) enables employees to share new ideas quickly, drive innovation faster, and increase employee engagement.

[Sense360 By Medallia](#) provides insights on millions of consumer activities to benchmark your programs and illuminate where, how, and why consumers spend their time and money - across your competitive set.

## CONCLUSION

# Make this holiday season a success.

Consumers' expectations of the shopping experience are greater now than ever before and retailers hoping to capitalize on the holiday season need to begin planning right now. By embracing an integrated omnichannel approach to customer experience, retailers can win new customers and build long lasting loyalty beyond the holidays.

Modern experience management technology can help your teams achieve cross-functional efficiency quickly and easily. Start optimizing your key commerce channels today so you can give customers the best holiday experiences this year.

To learn how you can enhance the retail experience this holiday season, visit [medallia.com/solutions/retail](https://medallia.com/solutions/retail).

<sup>1</sup><https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/accelerating-retail-transformation-to-win-digital-first-consumers>

<sup>2</sup><https://www.forbes.com/sites/briansolis/2021/05/13/the-new-trajectory-of-retail-innovation-is-guided-by-digital-first-customers/?sh=fba895d7992f>

<sup>3</sup><https://contentsquare.com/insights/digital-analytics-benchmarks/>

<sup>4</sup><https://www.digitalcommerce360.com/article/us-ecommerce-sales/>

<sup>5</sup><https://www.facebook.com/business/news/insights/reimagining-retail-how-shopping-is-entering-a-new-hybrid-reality>

<sup>6</sup><https://www.facebook.com/business/news/insights/reimagining-retail-how-shopping-is-entering-a-new-hybrid-reality>

<sup>7</sup>[https://f.hubspotusercontent20.net/hubfs/393073/2020%20eBooks/2020%20eBook%20-%20The%20Future%20of%20Hospitality/Med-Zing-2020-Hotel-Guide-COVID-FNL%20\(1\).pdf](https://f.hubspotusercontent20.net/hubfs/393073/2020%20eBooks/2020%20eBook%20-%20The%20Future%20of%20Hospitality/Med-Zing-2020-Hotel-Guide-COVID-FNL%20(1).pdf)

<sup>8</sup>[https://www.supplychain247.com/article/ecommerce\\_order\\_fulfillment\\_7\\_last\\_mile\\_delivery\\_trends](https://www.supplychain247.com/article/ecommerce_order_fulfillment_7_last_mile_delivery_trends)

<sup>9</sup>[https://cdn.nrf.com/sites/default/files/2018-10/Delivery%20Drives%20Business\\_FedEx\\_IR\\_Jan2018.pdf](https://cdn.nrf.com/sites/default/files/2018-10/Delivery%20Drives%20Business_FedEx_IR_Jan2018.pdf)

<sup>10</sup> <https://www.gartner.com/smarterwithgartner/are-you-prepared-for-call-center-spikes/>

<sup>11</sup>PwC & 2021 Stella Connect Study

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