Are you being **served?**

Do shoppers receive the same customer service when they buy online as they do in store? **Lindsay Clark** finds out how leading retailers are striving for unified customer services across channels

When ecommerce stormed the UK retail industry, retailers without an online presence sat up and took notice. But while the high street rushed to establish an online presence to compete with ecommerce upstarts such as Amazon, customer service struggled to keep up.

A lot of this was down to early ecommerce projects being viewed as minor experiments, kept separate from the main business and built with different teams on remote premises, claims Chris Donnelly, global retail strategy lead at Accenture.

"As a result, the customer has had a different experience according to the channel they are on," he claims. "Online, they would see different products, different prices and different promotions. The ecommerce site would keep different customer files and purchase history. I might go online and think this retailer understands me; they have got good product assortment and pricing. In store, they don't understand me, there's less product assortment and they don't know me."

While this may have been acceptable when online and mobile channels were a tiny fraction of sales, now they make a major difference. In 2014 and beyond, retailers need to have unified customer services across channels, Donnelly says. "You're at a large disadvantage if you don't have a seamless experience," he warns.

Reaping the benefits

One UK retailer leading the way is Screwfix. The DIY and home-improvement chain grew from a catalogue and call-centre retailer focused on tradesmen, to a firm that also caters for consumers who can shop online, on the phone, using a mobile app or in one of 337 warehouse-style stores. Consumers can return goods by post or in store, no matter what channel they bought through and they can check stock in an individual store from any channel.

Screwfix marketing director John Mewett says it is only after a multi-million pound ecommerce and warehouse platform upgrade that the business is able to offer this level of customer service.

"The real big step-change for us was when we re-platformed. Although we'd come from direct business with stores, we then looked at it as an omnichannel business, and put a platform in place that has a single view of the customer and a single view of stock," he says.

"A customer can shop wherever they want, start on one channel and finish on another. They can buy on a

> An Accenture survey of **15,000 people** in 20 countries found consumers' number one priority was the ability to go online and **check product availability in store in real time**

> However, only about **15% of major retailers** globally can meet that need
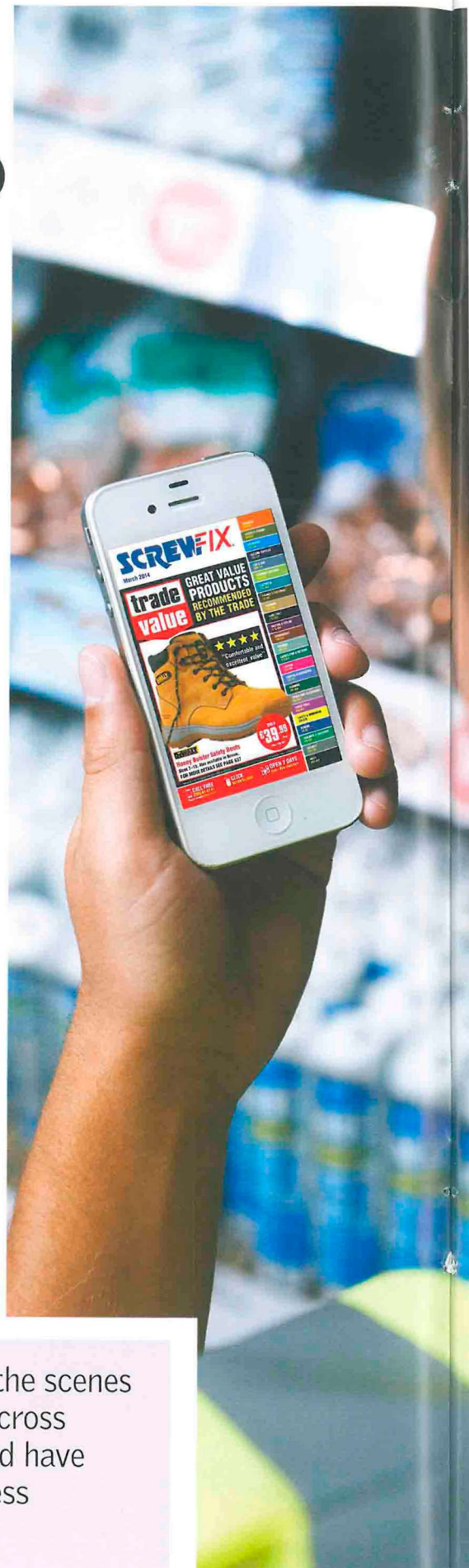
> **"** It is enormously hard to do. Behind the scenes you have to join inventory systems across stores, online distribution centres and have a tight inventory management process
>
> **Chris Donnelly, Accenture**

UK RETAILERS LAG BEHIND US IN MULTICHANNEL RETAIL

UK retailers are lagging behind their US counterparts in fully integrating customer service across all channels, according to research.

While many UK retailers may have an internet presence or ecommerce capability, only 27% are able to share customer and inventory data across all channels, a survey of 100 board directors in the UK and US found.

This compares with 43% of US retailers, says the study by market analyst Research Now, commissioned by LCP Consulting.

To meet customer expectations there is a pressing need for retailers to develop fulfilment and integrated IT systems across channels. In the US, respondents said this would happen in the next year or two, while the majority of those in the UK think change would happen in three to five years or more.

US retailers said omnichannel retail would make businesses explore new store formats, reducing stockholdings while at the same time training staff to improve customer service.

Stuart Higgins, LCP Consulting retail partner, says: "This difference highlights the importance that US retailers place on store colleagues as a critical part of delivering a seamless retailing experience, and presents a very strong call to UK employers in the early stages of this transition to consider re-evaluation of their employment culture."

mobile phone app and pick up in store. Or a customer might put an item in the basket online and call the contact centre, who can see it in the basket."

Customers might come to each channel with different expectations, but it is also important to provide a consistent service, Mewett claims.

"It manifests itself in different ways. You need to answer the phone quickly in a call centre or acknowledge someone fast in store. But at the end of the day they expect us to have what they want in stock, fulfil the order quickly and do that in a friendly way. We focus on having consistent service levels where customers can get what they need, when they need it, fast. All our investment in IT is fundamentally focused around that convenience."

The Screwfix ecommerce and inventory platforms were finalised four years ago and rely on Oracle technology. This allows customers to order from any channel and collect in store within five minutes.

"Tradesmen sit in the car park outside the store eating lunch and ordering an item using the mobile app. When they've finished the sandwich, they pick up the product in store," Mewett says.

Screwfix, which won the Financo Speciality Retailer of the Year Award at the Oracle Retail Week Awards 2014, uses social media to enhance customer service, answering queries about products and services. Its fan base, which includes 98,000 Facebook and 20,000 Twitter followers, also helps answer customer queries. This is an extension of Screwfix's active website discussion forum, which launched in 2004.

"One of our most important metrics in the business is how many customers would recommend us to a friend and 94% would. That is key in what we do," Mewett says.

Cross-channel experience

But not all retailers have the opportunity to start over in the way Screwfix has. Those who maintain existing supply chain, ecommerce, customer relationship management and point-of-sale systems will have to allow them to connect in a way that provides a seamless experience for consumers crossing channels, says Steve Thomas, chief technology ➘

Improvements to Screwfix's ecommerce platform has enabled the retailer to offer customers a better level of service

WHAT WOULD eBay DO?

The consumer of today is able to shop on the global high street 24 hours a day, seamlessly accessing any number of touchpoints, comparing prices, and picking and choosing a wealth of products. Marty Ellis, head of retail customer experience at eBay, offers his tips for customer service in multichannel retail.

MAKE SHOPPING TRULY SEAMLESS

An omnichannel strategy is crucial to connecting with customers, wherever they are. Our recent omnichannel report showed that 34% of people use online channels before making a purchase in store, while 31% have shopped the other way around, visiting the store before purchasing online. Mobile is the glue that brings online and offline experiences together, so consider the combination of stores, websites, apps, catalogues, marketplaces, call centres, click-and-collect, home delivery and social media.

LOOK TO LOCAL

Building a convenient, local shopping experience is vital. Buyers across the UK have become more and more accustomed to the click-and-collect concept, which offers consumers convenience, no extra postage costs and no risk of not receiving goods. It's estimated that by 2018 as much as 50% of online sales will be click-and-collect. Retailers can take advantage of this significant buyer trend to build a trusted shopping experience.

CREATE A CONVERSATION

Finally, facilitating a constant dialogue with customers is also important. Good customer service has always been a mantra for leading retailers and the advent of new technology doesn't change this – it's just that the parameters of customer service have shifted. From live chat to Twitter, customers should be able to engage anywhere, any time. Businesses can in turn use this data to drive and improve the effectiveness of marketing, search functions, website creation and online personalisation.

> " A customer can shop wherever they want, start on one channel and finish on another
>
> **John Mewett, Screwfix**

officer for Omnico, an expert in omnichannel customer service technology which has worked with retailers including Waitrose.

"In the technicalities of it, it is quite a difficult thing to do. There are some fairly complicated systems involved. Retailers have to join all these things that sit at head office to offer that consistent experience," Thomas says.

"When someone is engaging with customer service they are not always happy; there may be an issue. If they have to identify themselves and give all their details when they have already done it across three channels previously, then that is not a joined-up experience.

"If you can take on the personality of that shopper and empathise with them when they are in a stressed or unhappy state then you answer their questions and issues in a more meaningful way."

While many retailers have made steps into multichannel, the solutions often isolate the customer journey to single channel, says Steve Insley, senior architect at Tryzens, a technology firm which has worked with Tesco, Mothercare and JD Sports.

This can create "gaps where customers are forced into one channel or another because of the action they want to perform", he says.

But retailers with a history of physical outlets need to be careful about how much they invest in multichannel retail at the expense of the in-store experience. They may have investors and the stockmarket to please and cannot prioritise growth over profit in the same way online start-ups can, says Accenture's Donnelly.

"They do have to be more thoughtful. Online retailers can do everything at once. But traditional retailers must decide, 'What do I want to do well, verses expanding in every area at the same time?' You could throw too much money at it," he says.

At the same time, traditional retailers could do more with in-store customer service, even without technology. Accenture found that, of US stores that had systems in place to accept returns of goods bought online, only 15% of staff offer the service to customers. While in stores that did not have the technology in place, but had an excellent culture of customer service, 40% of staff were willing to solve the problem by picking up the phone.

"We can get hung up on technology because it makes all of this easier. If employees don't have that service culture and don't know the capability of the organisation, it's pointless," Donnelly says. "That human need around service has not gone away."