



HOW DATA CAN POWER YOUR OMNICHANNEL CUSTOMER EXPERIENCE

A guide for
business leaders

vincit

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**WANT TO CREATE
A CONSISTENT
OMNICHANNEL
CUSTOMER
EXPERIENCE?**

WE DO.



Today, most companies engage in multi-channel sales, offering products both online and offline. However, multi-channel sales tend to be fragmented, with different teams focusing on developing customer experiences for specific channels. This leads to an inconsistent customer experience, including:

- ✗ customers can't see the availability of products in other channels
- ✗ loyalty programs or campaigns may not seamlessly translate across physical stores and online platforms
- ✗ customers aren't sure if it is possible to pick up or return products purchased from the online store in brick-and-mortar stores

Sound familiar? It's challenges like this that hinder the creation of a unified and comprehensive customer experience.

The solution is to move beyond multichannel to omnichannel sales, which offers a better experience for customers. But in order to make this happen, you need to start with a deep understanding of customer expectations, needs, and behavior. In other words, you need a lot of data and advanced analytics.

By harnessing customer data effectively, you can personalize the customer experience across physical and digital channels that meet the customer's wishes before, during, and after the visit. Customers receive products, offers, and communications that are unique to them as individuals. The end result is better customer lifetime value.

Feedback, inquiries, ideas, or questions about the guide?
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WHAT DO WE MEAN BY OMNICHANNEL?

The prefix “omni” means “all,” and “channel” is a reference to the many ways customers might interact with a company – in physical stores, by surfing the web, on social media, and in emails, apps, SMS, and other digital spaces. The omnichannel approach is a powerful way to meet your customers where they are, providing them with service in line with their preferences and needs.

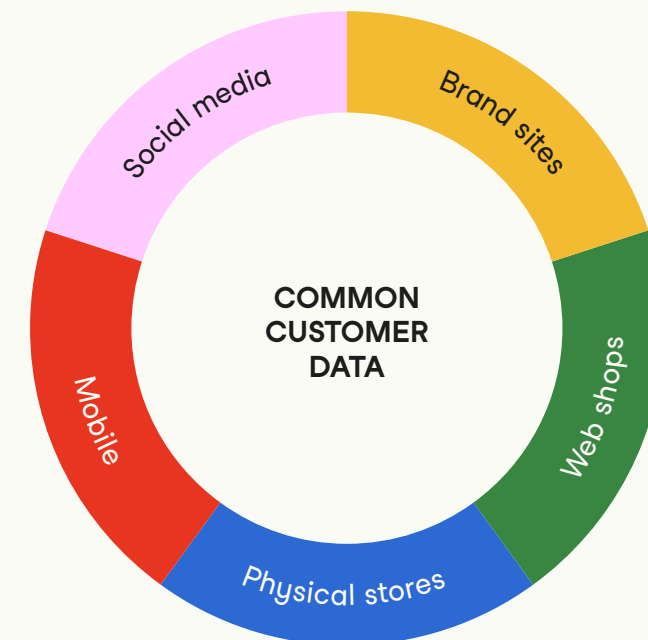
Multichannel revolves around products instead of customers. It aims to inform as many people as possible about the product or brand. The channels aren’t linked, meaning the customer experience is often different for each channel.

Omnichannel is a customer-centric approach in which all channels are integrated so the customer has a unified and consistent experience whether they’re at a physical store, using an app, or on a webshop.

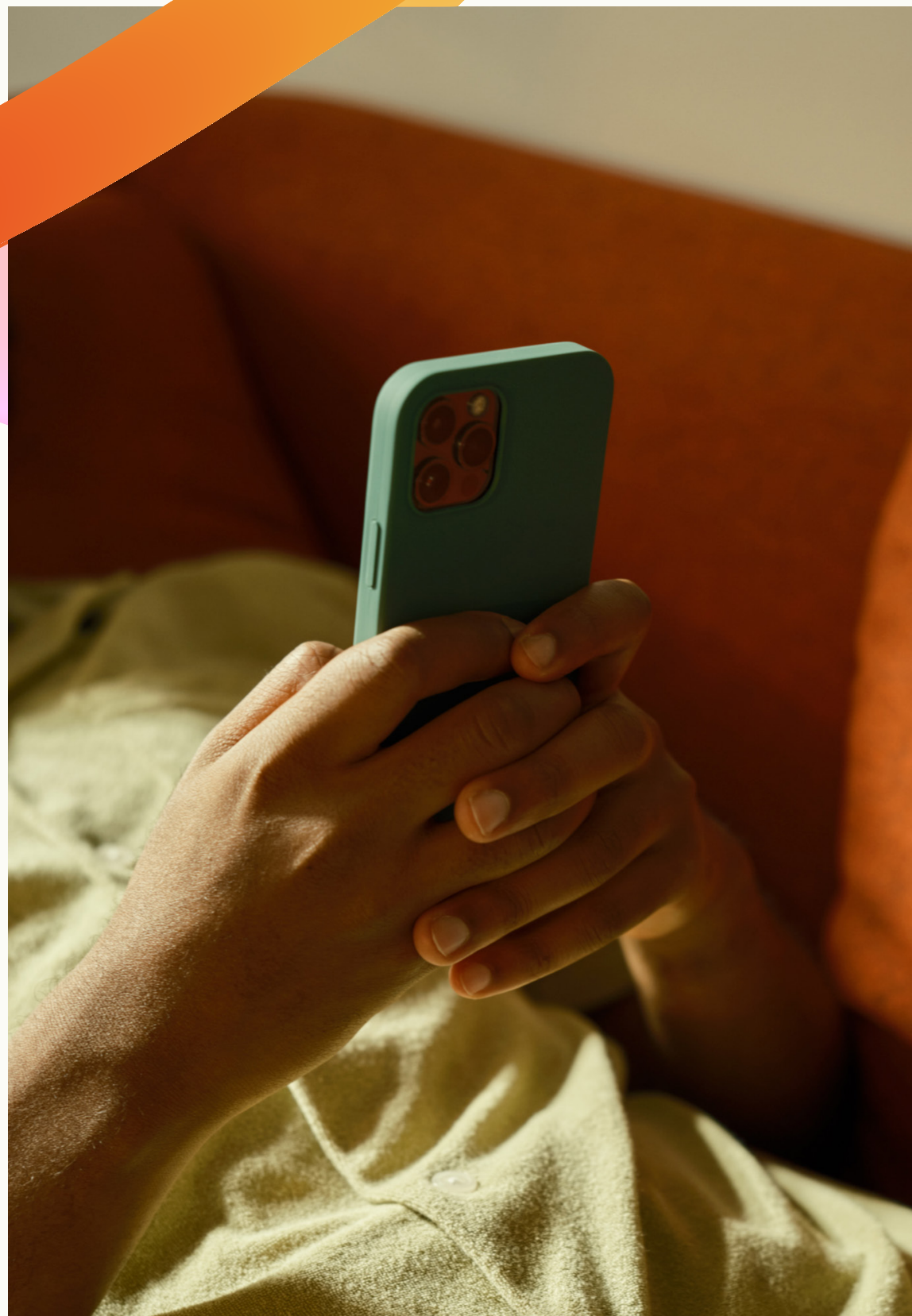
Differences between multichannel & omnichannel sales



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CUSTOMERS WANT PERSONALIZATION

Customers expect brands to understand their preferences and tailor interactions accordingly. Businesses are leveraging data, advanced analytics, and AI to deliver highly targeted and relevant experiences across various touchpoints.

According to McKinsey & Company, 71% of customers expect companies to deliver personalized interactions. And 76% get frustrated when this doesn't happen.

Personalization in business aims to move away from a one-size-fits-all approach and instead focuses on creating individualized experiences that address customers' unique requirements and preferences.

This means better tailoring products, services, experiences, and communications to meet individual customers' or target segments' specific needs and preferences. By using data and technology better, customers can be offered personalized encounters that are more relevant.

By understanding and using customer data, companies can create more targeted and effective marketing and sales strategies, enhance customer engagement and satisfaction, and ultimately drive better business outcomes.

We understand that delivering personalized and consistent customer experiences across multiple channels is both challenging and rewarding. Companies can find it challenging to manage and protect customer data, ensure seamless integration of enabling technologies, and scale personalization efforts across multiple channels.

Leveraging AI and other best-of-breed technologies, we can help businesses to transform these obstacles into opportunities by simplifying the complexity of data management and technology integration, scaling-up personalization hand-in-hand with your growth, and balancing the fine line between personalization and privacy.

How to personalize in B2B

In B2B commerce, personalization involves understanding each business customer's unique needs, preferences, and behaviors and delivering a customized buying experience to enhance customer satisfaction and drive sales.

Dynamic and granular customer segmentation: Companies can segment their B2B customers in real-time, based on evolving behaviors and market conditions, predict future behaviors and preferences, and establish specific and granular customer segments.

Customized product catalogs: Companies can personalize their product catalogs by displaying relevant products and services based on the customer's industry, past purchases, or browsing history.

Tailored pricing and discounts: Personalization allows companies to offer pricing and values based on a customer's order history, the volume of purchases, loyalty, or negotiated contracts.

Account-specific portals and tools: Companies can create personalized portals for each business customer, providing a tailored interface and sales configuration tools (CPQ – configure, price, quote) that display their order history, customized pricing, contract terms, and preferred products.

Targeted content and recommendations: Companies can use personalization to provide targeted content, such as relevant articles, case studies, or product recommendations based on a customer's industry, role, or previous interactions.

Predictive insights and recommendations: By analyzing customer data and industry trends, companies can offer proactive recommendations, suggest new products or services, or alert customers to potential risks or opportunities in their business operations.

Customized order workflows: Personalization allows B2B companies to offer flexible order workflows that align with each customer's unique requirements. This may include specific approval processes, custom order forms, or customer procurement systems integration.

Personalized customer support: B2B companies can leverage personalization to provide tailored customer support, assigning dedicated account managers or customer service representatives to individual customers.

How to personalize in B2C

In B2C commerce, personalization refers to tailoring the online experience to meet consumers' needs, preferences, and behaviors. It has become a top trend in eCommerce development as businesses strive to deliver more relevant and engaging customer experiences.

Dynamic and granular customer segmentation: Companies can analyze and categorize their consumers in real-time, adapting to their changing behaviors and preferences as market conditions evolve. This approach enables the prediction of future consumer trends and the creation of highly specific segments.

Customized product recommendations: By collecting and analyzing customer data such as browsing history, purchase patterns, and demographic information, you can provide personalized content and product recommendations. These recommendations help customers discover products they are likely interested in, increasing the chances of conversion and upselling.

Targeted promotions and offers: Personalization enables businesses to deliver targeted promotions and offers to individual customers based on their preferences, purchase history, and behavior. This can include personalized discounts, coupons, or exclusive deals tailored to each customer's interests.

Dynamic UI and content personalization: B2C commerce can dynamically personalize the content and layout based on individual customer data. This includes displaying relevant products, customized landing

pages, and personalized messaging to create a more tailored and engaging shopping experience.

Individualized pricing and discounts: Personalization allows businesses to offer individualized pricing and discounts based on customer loyalty, order history, or specific customer segments.

Personalized customer service: B2C companies can leverage personalization to enhance their customer service by providing personalized support and assistance. This can include AI chatbots, live chat features, or dedicated customer service representatives with virtual assistants.

Streamlined checkout and account management: B2C eCommerce platforms can personalize the checkout process by pre-filling customer information, providing one-click purchasing options, and offering personalized shipping and payment preferences.

User-specific content and recommendations: Personalization enables B2C companies to deliver user-specific content such as blog articles, videos, or product guides based on a customer's interests, preferences, or previous interactions.

Personalized Communication: B2C companies can leverage AI to personalize communication with customers. By understanding each customer's history and preferences, AI-powered systems can adapt their language, tone, and content to match the customer's profile, enhancing the customer's experience and satisfaction.

MAKING THE MOVE FROM ACQUISITION TO CUSTOMER LIFETIME VALUE THINKING

Customer lifetime can be described as follows:

Awareness: the first step is to help people find your product.

Evaluation: the next step is to provide information so potential customers can understand your offering.

Purchase: here people become your customers by actually buying the product.

Use: in this phase, customers use the product.

Care: during the care phase, companies nurture the customer relationship.

Service: if the product needs servicing, that's taken care of in this phase.

Too much attention is usually paid to the first three about how to acquire new customers. Instead of that, we should consider how to get customers to buy more and more often. This requires creating customer loyalty.

Why focus on customer lifetime value?

It's at least 6 times more costly to acquire a new customer than keeping the ones you already have.

According to the Harvard Business Review, a 5% increase in customer retention can increase company revenue by 25-95%.

Your goal should be to maximize customer lifetime value. An omnichannel approach that offers a great and consistent customer experience is key to making this happen.

But oftentimes, an omnichannel might not perform as expected. Why is this? There are several potential reasons:

- ✗ The customer journey lacks consistency
- ✗ The product information is poor
- ✗ Customer data is not used to increase purchasing
- ✗ The timing of communication is wrong
- ✗ Loyalty programs are unclear
- ✗ Pricing is not transparent
- ✗ Communication is lacking or poorly targeted
- ✗ The customer is not sufficiently motivated to return
- ✗ The full potential of existing technologies cannot be fully harnessed to achieve optimal performance
- ✗ Shared goals and measures of success are missing

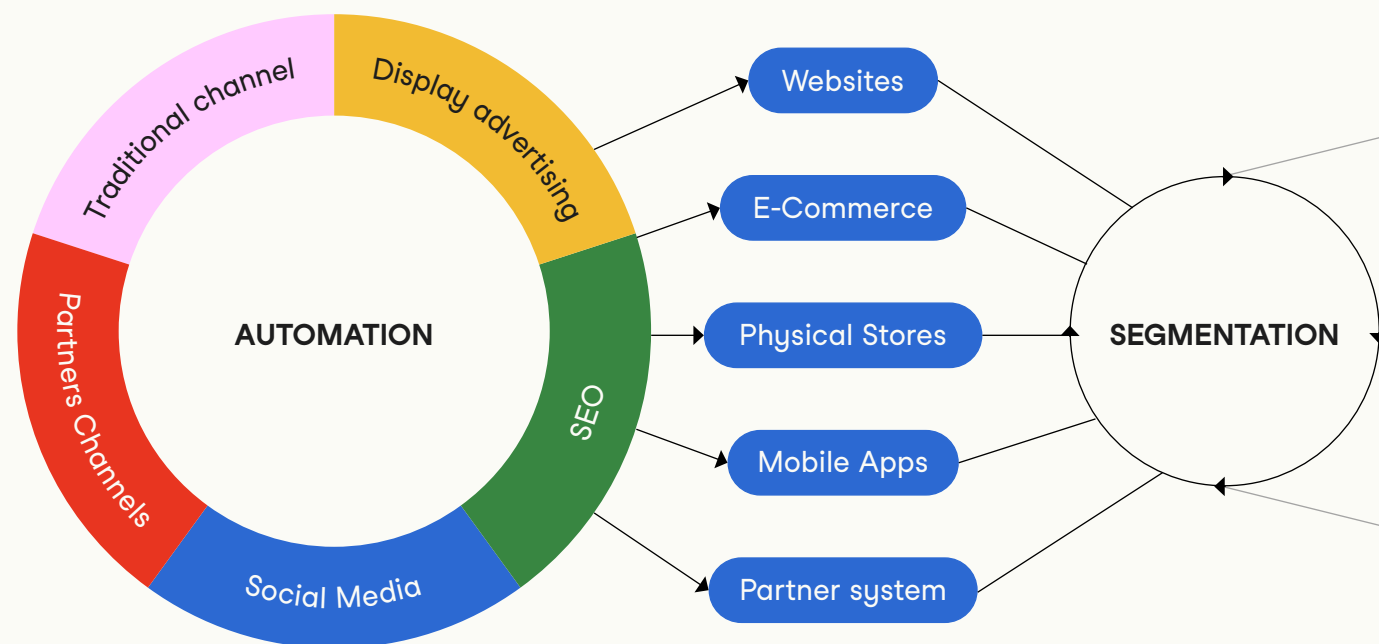
Customer data, advanced analytics, and AI are key enablers for fixing these problems. When you have quality data about your customers, you can offer personalized customer experiences pre-visit, during the visit, and post-visit – as well as offer targeted marketing and campaigns. There's a better potential for upselling and cross-selling and the ability to enable advanced demand forecasting and inventory management. Finally, you can improve customer support and service to enhance customer retention and loyalty.

Customer acquisition

Customer identification & segmentation

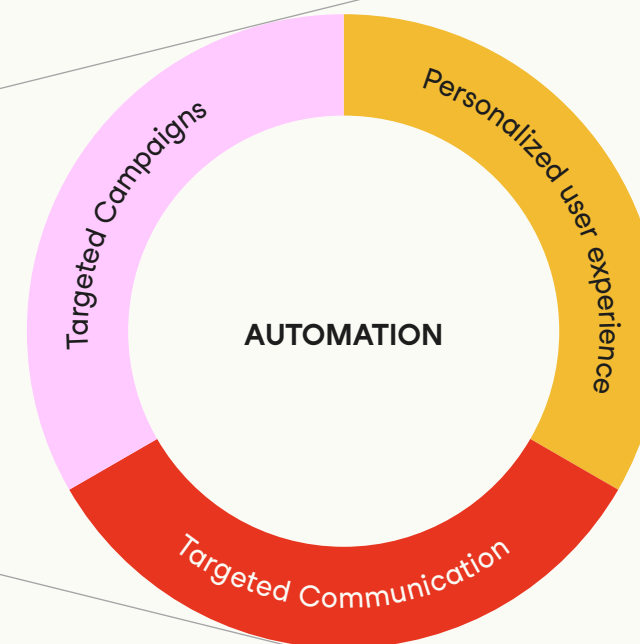
Personalized customer experience

Happy customers



Focus your marketing efforts on the most effective and efficient channels.

Identify your customers and gather data about their interests and buying habits.



Use customer data and build delightful customer experiences.

- Recommendations
- Prices and discounts
- Benefits & Gifts
- Loyalty Programs

Engage your customers with interesting loyalty programs.

THE 4 LEVELS OF DATA MATURITY

When trying to create an omnichannel experience based on data, an important step is to understand where your company is on the data maturity scale. Broadly speaking, this can be divided into four levels:

REACTIVE

Companies recognize the importance of customer data and begin to collect it more consistently. However, data is often stored in silos, lacks standardization, and isn't effectively used for decision-making or customer-centric initiatives.

PROACTIVE

Data is collected across various touchpoints and channels, both online and offline. Data collection is systematic and centralized, ensuring accuracy and consistency. Basic analytics and reporting capabilities are introduced, enabling insights into customer behavior and preferences.

ADVANCED

In the advanced stage, organizations have a comprehensive customer data management strategy. Advanced analytics techniques, such as segmentation, predictive modeling, and machine learning, are employed to derive actionable insights and support personalized customer experiences.

OPTIMIZED

Data is leveraged in real-time to deliver dynamic and personalized experiences across all customer interactions. This stage's key characteristics are continuous improvement and innovation in data management practices.

At Vincit, we'll help you understand where you are and how to move along to the next level.



HOW DO YOU CHOOSE THE RIGHT DATA TECHNOLOGIES?

The customer engagement tech landscape is full of acronyms and bold promises. It can be difficult to differentiate customer engagement-related technologies from each other. At a glance, they all tend to look similar.

Many times there are a lot of overlapping features in technologies, but at the same time a lot of differences, that you need to understand. And the worst thing is that every technology has come up with its own acronym.

To navigate the customer engagement technology landscape it's crucial to understand the capabilities of each technology, the best use cases, and the "sweet spot" for each.

UNDERSTANDING THE CAPABILITIES YOU NEED

One great way to approach customer engagement technologies is to analyze your business and customer experience goals and map which customer engagement capabilities you need to succeed.

	TYPICAL CHARACTERISTICS OF THE TECHNOLOGY (CAPABILITIES)	WHAT IS IT CALLED? (ACRONYMS)	EXAMPLE TECHNOLOGIES
1	Platforms that are focused on traditional sales and marketing processes like customer relations, contacts, sales funnel, campaigns, and sometimes the customer support process as well.	Customer relationship management technologies (CRM)	HubSpot, SAP Sales Cloud, Salesforce Sales Cloud, Microsoft Dynamics 365
2	Platforms that are focused on digital marketing automation capabilities. Often connected closely with or built within a CRM solution.	Marketing automation platforms	HubSpot, Salesforce Marketing Cloud, ActiveCampaign, Klaviyo
3	Platforms focused on gathering customer data from different sources, segmenting and analyzing the data, and distributing it to different destinations where data is further used.	Customer data platforms (CDP)	SAP CDP, Tealium, Twilio Segment
4	Platforms that combine functionality from customer data management (CDP), marketing automation, and possibly loyalty/personalization.	Customer experience/ engagement platforms (CXP)	SAP Emarsys, Voyado, Custobar
5	Platforms that are focused on personalizing the content and doing product recommendations. Often integrates to content management and eCommerce platforms.	Personalization platforms	Dynamic Yield, Coveo, Nosto, Frosmo
6	"All-in-one suites" combining many capabilities of a unified system like content management, eCommerce, marketing automation, and personalization. Often evolves from a content management system.	Digital experience platform (DXP)	Sitecore, Liferay, Optimizely/Episerver
7	Platforms focused on customer loyalty programs and engaging customers.	Loyalty platforms	Yotpo
8	Platforms focused on enriching and personalizing the search functionality in websites and eCommerce.	Search engines	Algolia, Klevu, Loop54, Coveo

HOW VINCIT HELPS YOU GET STARTED ON THIS JOURNEY

Experience with customer projects has taught us that a competent partner is the best way forward to take advantage of data and improve overall customer lifetime value through an omnichannel approach.

The starting point is a current state analysis. The goal is to identify your business's latent ability to increase sales and improve customer experience. We also need to understand the guidelines and goals of your commercial strategy so that development can be directed to the most important targets.

CURRENT STATE

Commerce strategy and business goals

Digital channels and data consumers

Customer data model

Operating model and business processes
(marketing, sales, and customer service)

Identified opportunities, constraints, and pain points

Digital architecture, systems, and integrations

From there, we look at where you want to go. The target state becomes the Pole Star for the project to improve your use of data and develop an omnichannel sales experience.

TARGET STATE

Customer and ecosystem understanding
(pain points and opportunities)

Target of operating model and business processes

Needs of the enhanced customer data model and advanced analytics capabilities

Prioritization of future development needs

Finally, we do an analysis based on the info collected in the current and target state. We focus our work on understanding the key needs, challenges, and expectations of your business stakeholders, and we analyze customer data.

ANALYSIS

Gap analysis between current and target state

Development and operations capabilities and roles

Architecture vision and technology recommendations

High-level prioritized development roadmap

The goal of this is to recognize where the bottleneck is for improving customer lifetime value. Do you lack the right platforms or tech? Or is it the data side? Or is it processes? Or do key people lack the competence to use data and use your tools? Then we tackle these bottlenecks in a detailed strategy and implementation roadmap.



Vincit specializes in building B2B and B2C omnichannel sales engines whose success is boosted by first-class customer data.

We help leading brands identify their latent abilities to increase sales. We focus on customer insight and using it to achieve your business goals.

This means a better understanding of your customers' needs and interests and harnessing this critical data to build personalized and engaging customer experiences.

Thoughts, questions or help needed?
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