

# Using customer data to exceed expectations

---



## Table of contents:

Introduction .....	1
What a data-driven customer experience actually entails .....	2
Our three keys to exceeding customer expectations.....	2
More data leads to better segmentation choices.....	2
Customers' expectations are being set by leading vendors .....	2
The pace of life and technology is accelerating .....	3
Be prepared for consumers' in-the-moment moments .....	3
Be agile—think rapid data access .....	4
Be authentic—retailers must get real.....	5
Be seamless—not the online food ordering services.....	6
Challenges to using customer data to exceed expectations.....	7
Shifting from data hoarding to data sharing .....	7
Regular upkeep of data collected from disparate channels.....	8
Wrangling the single customer view beast.....	10
Conclusion .....	11

## Introduction

Welcome to our retail marketer's guide to using customer data in exceeding expectations, thanks for stopping by. If we were to ask marketers 10 years ago how integrated data was to their marketing initiatives, the answer would most likely be: Not very; it was a simpler time.

The channels that brands used to reach out to consumers were fewer, less complicated, and most significantly, they did not require consumer-to-retailer interaction. There was no reciprocal communication between the two parties; one simply marketed and the other was marketed to. This lack of give-and-take meant that retailers lost out on valuable consumer information and feedback—they might not have even been aware that they weren't meeting basic customer expectations.

But fast forward to today, and you'll find that the advancement of mobile technology and increase in the points of interaction has propelled the importance of data to an unprecedented degree. The embracement of social media platforms and mobile devices into our day-to-day life means that we not only have numerous digital identities, but that we expect retailers to engage with us accordingly and keep careful track of our likes, preferences, and interests.

Retail marketers must be prepared for all the "micro-moments," (as coined by Google), that consumers are experiencing during their shopping

journeys. Micro-moments are the moments where consumers are highly intent on completing a precise goal during that precise moment. And it's only the marketers savvy enough to address those needs and expectations that create good brand impressions and lasting loyalties.

So—you're a retail marketer; and, you know that data is a key part of creating those great customer experiences and exceeding those expectations. The marketing technologies available have mushroomed incredibly, but somehow that has made your job both easier and harder to manage.

There has always been data for use. What's changed is simply the amount of data available. Apart from the typical sales and product information, marketers now have access to demographic and psychographic information as well as knowing when, how, and what consumers buy. The forward-thinking marketers realize that good data is the answer to the challenges surrounding greater customer engagement, knowing which products trigger which additional purchases, which technologies they should use, and what the average lifetime value is of each category of shopper.

The key lies in marketers not just knowing how to use their data successfully, but being able to manage their data so that they'll be able to use it successfully in the future, too. They are, you guessed it, data-driven marketers.

## What a data-driven customer experience actually entails

Retailers have access to a wealth of consumer data that most of the time is willingly volunteered by shoppers. But what do consumers expect to get out of volunteering their information?

If it's their first time on your website and they supply emails through a targeted pop-up, they may expect a first-time shopper incentive in return. When they purchase a product, they certainly expect delivery to the specified location and within the specified time frame. They also expect timely emails communicating their order and shipment information with product recommendations or upcoming sales. After they receive their purchase, they're waiting for an email asking for the quality of their experience with the brand, the products, or the customer service with a call to action directing them to future sales or to site content.

So when we talk about what a data-driven customer experience entails, we're talking about creating and meeting customer expectations. We're talking about connecting with customers during the awareness and decision phases of their buyer's journeys and afterward when we're still fresh in their minds. Connecting through their preferred channels, and leveraging the data we have on them to personalize their experience is what they expect.

A data-driven customer experience relies on accurate and up-to-date information on consumer habits, preferences, and contact details. Brand leaders have an intense focus on customer experience, being creative, and continuously optimizing. They start by organizing their internally- and externally-collected data, and from there, continuously analyze and segment their customer information to keep pace with rapidly changing consumer preferences.

This dynamic, data-driven environment requires an agile approach to marketing, messaging, campaign development,

brand deployment, purchasing, logistics, and many other aspects of a retailer's business—it requires retail agility. Success also depends heavily on having a robust data management strategy that can ensure a high degree of data quality.

## Our three keys to exceeding customer expectations

With all the new possibilities of using customer data emerging, it is crucial to keep in mind that:

### **More data leads to better segmentation choices**

Having detailed segments built out—for your email lists, for your campaigns, for your content, for your entire business strategy—is how you differentiate between a retailer who truly knows their customer base and a retailer who just “wings it” based on observed generalities.

But it's not just about having more data to use for segmentation; it's having more accurate data for tighter segmentation. Only then should you definitively link preferences and behaviors to specific customers, group those commonalities into segments and personas, and have your business internalize that information for precision in marketing.

### **Customers' expectations are being set by leading vendors**

Good data is essential to meeting and exceeding customer expectations. Marketers are being pressured to deliver what their customers want at any given time. Doing this well requires a thorough understanding of when a customer would interact with your business and through what medium (e.g. on mobile while shopping in-store to read customer reviews, using an app to check out locations are closest to them, etc.). And doing that well requires marketers being able to organize, sift through, and quickly use good data.

---

When we talk about what a data-driven customer experience entails, we're talking about creating and meeting customer expectations.

---

### **The pace of life and technology is accelerating**

You can't react in an agile way to the customer's buyer journey with poor or inaccurate data. A good customer experience relies on the immediacy of fulfillment and relevance of message. When people reach for devices with an intention in mind, they expect their goal to be fulfilled in that moment—and moments don't last forever.

Not only does this mean having good UX practices like instantaneous page load time and auto-complete suggestions in place, but also having your operating hours up to date, having customer representatives online at exactly the times they say they'll be available, and having content across all your mediums be easily consumable.

Not all customer-to-brand interactions will result in a purchase; in fact, the majority doesn't. However, what Google has clearly defined is the importance of "micro-moments" to the consumer journey. These moments of definite purpose and immediacy demand the best of what retailers today are capable of because consumers, with their mobile devices and mindsets geared towards instant gratification, expect nothing less. And to disappoint consumers during their micro-moments of need is to send them into the arms of a business that will meet their expectations.

### **Be prepared for consumers' in-the-moment moments**

Where retail marketers should strive to be competitively different is in the increasing need to be prepared for these micro-moments. The combination of automation, real-time advertising, and location-aware technology not only provides an opportunity for retail marketers to address consumers at the purchase-decision point in their buyer's journey, it also creates the customer expectation that retailers will attempt to meet or exceed their expectations at these times.

Retailers that fail to do this will be increasingly seen as uncompetitive or unworthy, especially by those segments of the market (e.g. millennials), where "technology-assisted purchasing" is the norm. One of the things that frustrate consumers most is providing personal data and not receiving the expected value for doing so. Consumers voluntarily provide their information, up to a reasonable point, but will expect value in return.

Whether that's giving their email to make a pop-up ad disperse as they search your website for information in that moment, or giving their phone number to sign up for text alerts notifying them when they can pick up their prescription, brands must use that information in a way that fulfills the need precisely.

Let's take a look at the ways retail marketers can prepare to fulfill their customers' in-the-moment needs.

---

Retailers that fail to prepare for micro-moments will be seen as uncompetitive or unworthy, especially by market segments where technology-assisted purchasing is the norm.

---

## Be agile – think rapid data access

As Ecommerce and digital influence grows, many aspects of retail are becoming more agile to address the quickly-changing landscape. Whether it's identifying a new customer need and pumping out a solution to address it or compiling data across the multiple interaction points that your customer has touched, business planning cycles that used to take months or longer are being compressed to near real time.

Retailers must aim to deliver value to these micro-moments. Because the world is becoming so dynamic, getting yesterday's analysis may not be enough to meet, let alone exceed, customer expectations. Retail marketers will

want, and soon need, up-to-the-minute data access, which means not waiting for BI or IT for analysis and predictive information to aid decision making.

Ease of access and ease of manipulation (complete data, correct formats, accurate matching, etc.) are very important. Agile marketing—being heavily dependent on data quality and speed of availability—can also allow retailers to intercept customers motivated by competitive offers. (This can pay double dividends; increasing sales while negating competitive investments.) Rapidly accessing data, therefore, is going to be an increasing imperative for retail marketers.

## Who's being 'agile' now?

Fast-fashion retailer, Zara, takes the cake. The term agile supply chain management refers to the use of market data and information sharing between businesses to drive a flexible and dynamic production cycle. In clothing retail, Zara was the most successful in acting on the expectations of today's multi-channel customer. Their success stems from an efficient supply chain, effective organizational management, and a strong company orientation around the desires of their customers. It can be argued that their focus on the customer is what drives the implementation and success of their supply chain and management.

But how do they do it? Zara takes their feedback seriously. Sales floor associates are given direct customer feedback daily; after hours, store managers relay the successes and failures of the inventory to recovery teams, which, from there, can be relayed to the design team. This raw data is then incorporated back to the marketers and buyers to adjust future prototypes, order allocation, and campaigns. Zara thus creates value for their customers and sets the standard for other clothing retailers to follow by constantly offering new products based on data.

Agile retailers like Zara handle tremendous amounts of data on a daily basis to provide the level of service and satisfaction their shoppers expect. From collecting customer preference, in-store device, sales, and market data, all from different sources, Zara must be able to have confidence that the information they receive is accurate and usable. The main drivers of success are their ability to act on data quickly and their adaptability to change. As a result of their dedication to exceed expectations using customer data, Zara is ranked among the world's most valuable brands.

## Be authentic – retailers must get real

Engaging consumers on a personal level, respecting their desire for a seamless shopping experience without distorting their expectations—those are what engender loyalty, positive recommendations, and keeps them coming back. Consumers are demanding more honesty and transparency in the way brands they know and use communicate with them. Successful retail marketers grasp the essence of what their brand means to their target market; using the data collected about preferences, points of engagement, and keywords used when searching is essential in providing that authenticity that consumers crave.

Consumers realize that retailers must generate creative for promotions and copy for ads on a frequent basis and that at a certain point, quantity will overtake quality. However,

hypothesizing this theory and having it sent to your inbox are two entirely different experiences. The quality of data is important in this area; when mistakes with customer emails are made, for instance, it becomes instantly obvious to recipients what was supposed to be personalized content is actually automated and impersonal.

Authenticity in communications and offers are what customers appreciate most. Retailers who can reign in their impulse to batch-and-blast and target consumers in their moments of need with a strong brand presence are the ones who are successful.

## Who's being 'authentic' now?

It's no surprise that java giant, Starbucks, is one of the most recognized brands out there. Their distinction, incredibly, has rarely been owed to traditional advertising. Starbucks makes incredible use of their customer data in combination with their employees and ambassadors to develop an extremely successful loyalty program and a clear image of what their brand represents.

Their company profile reveals a commitment to be transparent and communicative to their customers, listing not only their partners, number of stores, and products, but investor information and social responsibility activities as well. Starbucks funnels this integrity and authenticity further into their web copy, email communications, and mobile loyalty program.

The result of this attention to detail is granular visibility into customer desires and needs, as shown in their recent revamp of the loyalty program based on customer feedback, showing a list of the most popular searches on their blog, and bringing back drinks that were crowd favorites. The coffee company is so devoted to a uniquely-Starbucks experience that they've even partnered with music streaming service, Spotify, and ride-sharing startup, Lyft, to bring more people into their java-loving culture.

## Be seamless – not the online food ordering service

Today's shoppers expect consistent experiences online and in-store, and for transactions to be as quick, easy, and personal as some of their favorite non-retail experiences. Forward-thinking merchants set the bar high for their customers' experiences and eliminate friction in everyday interactions, like buying and returning products, across all channels and moments.

In order to create a seamless experience, retailers must incorporate both digital and physical interactions into an omnichannel marketing strategy. From having their data collected in-store, through beacon or POS technology;

online, through shopping cart preferences or product recommendations; mobile, through mobile apps, consumers have some incredible expectations for retailers in exchange.

Consumers don't necessarily distinguish between the use of digital or physical channels when accomplishing a goal; what they care about is the ability for retailers to do it well. They prize efficiency, simplicity, near-instant tracking, and ability for retailers to provide the necessary information across channels above all else. And the way retailers must do this successfully is through incorporating rich, accurate customer data across all interaction points.

### Who's being 'seamless' now?

Disney isn't just known for their world-renowned theme parks; the conglomerate is also one of the leaders in delivering superb customer experiences. The Walt Disney Parks and Resorts came up with their MagicBands idea to start the 'magical' experience before visitors even step inside a resort.

Their branded MagicBands then become park-goers' bus passes, hotel keys, mobile payment devices, park admission tickets, and ride reservation systems once they arrive on Disney park property. And once they leave, visitors continue to experience the Disney way with thank-you emails, photos taken from rides, invitations to share on social media, and reminders of future events.

The Disney Parks collect an impressive amount of customer data, from travel and lodging information, contact information, meal preferences, stored pictures, visitor feedback, and park tickets. What's even more impressive, however, is their ability to use it in creating an unbroken experience where control and accessibility is placed in visitors' hands. Park-goers can interact with Disney through digital means, and whenever they want, can switch to physical mediums and trust that they'll receive the same level of insight into their personal profile.

## Challenges to using customer data to exceed expectations

What are the things that consumers expect from retailers today? A frictionless experience between channels, control over their buyer's journeys, and feeling that their needs and wants are understood by the retailers they interact with.

According to a 2014 survey conducted by The Economist Intelligence Unit, consumers' idea of an optimal customer experience included fast response to inquiries or complaints (47%), simple purchasing processes (47%), ability to track orders in real time (34%), clarity and simplicity of product information across channels (25%), ability to interact with the company over multiple channels (22%), and a more personalized experience with relevant offers and recommendations based on their interests (12%).

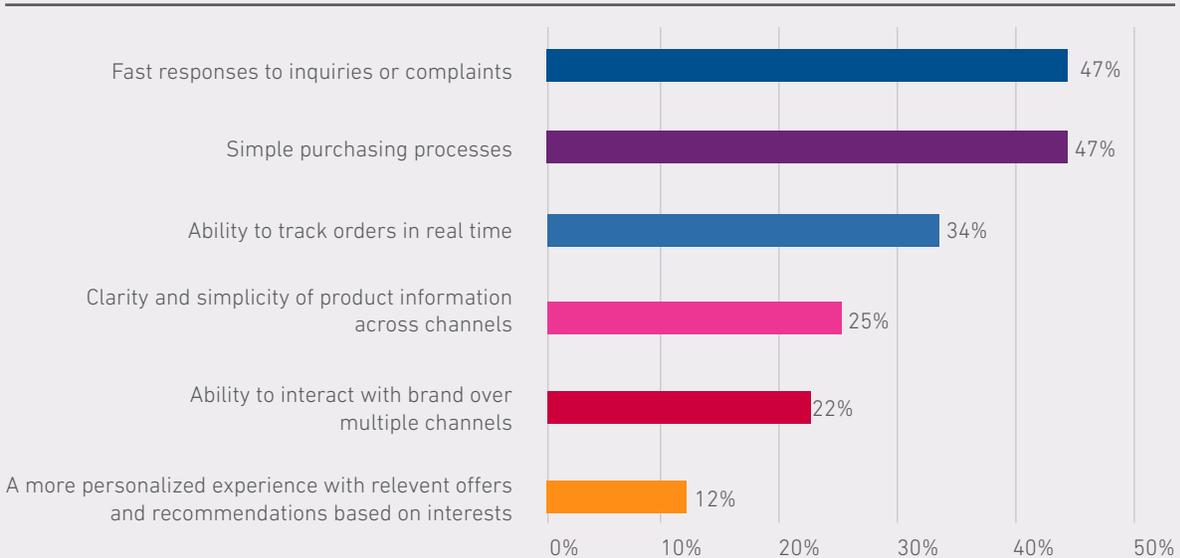
But it's these expectations that are difficult for retailers, especially those with decades behind them, to fulfill. They

must update legacy technologies, train staff on what a superior customer experience actually entails, and that all stems from having complete, accurate, accessible data. These are some challenges that obstruct retail marketers from accomplishing their tasks of exceeding expectations.

### Shifting from data hoarding to data sharing

A way to exceed customer expectations is to hand the reins of control to consumers and make the switch between self-service and human interaction virtually indiscernible. Thanks to mobile devices, they are already used to, and prefer, having control, immediacy, and a wealth of information at their disposal so that they can complete everything themselves. The trouble, however, is that not many retailers can implement a frictionless handoff between channels.

Chart 1  
Consumer ideas of optimal customer experiences



Source: [Experian Marketing Services, The 2016 Digital Marketer](#)

There are growing pains related to shifting organizational mindsets from traditional, siloed data hoarding to holistic, inclusive data sharing. Because data responsibility and accessibility today lies with multiple stakeholders in multiple departments, there are numerous variations in the definition, standardization, and whereabouts of information that make it hard for an entire retailer to band insights together to make that a smooth experience.

A number of internal challenges stand in their own way of success. Organizational information silos and lack of integrated systems hamper the effective communication necessary to make sure all departments are wholly invested in providing excellence in service and exceeding expectations.

No retailer has got it completely right, yet. But looking at the leaders in customer experience can show a thing or two about how to head in the right direction. Retail marketers should be one of the loudest proponents of a holistic approach to data management. As the voice of the brand, it's crucial that they have the data they need to craft the messages consumers expect.

---

**21% of companies globally feel that a lack of internal communication between departments causes contact data inaccuracy.**

---

---

**81% of retailers believe data is managed at a department-by-department level, with multiple stakeholders, rather than by a single data specialist.**

---

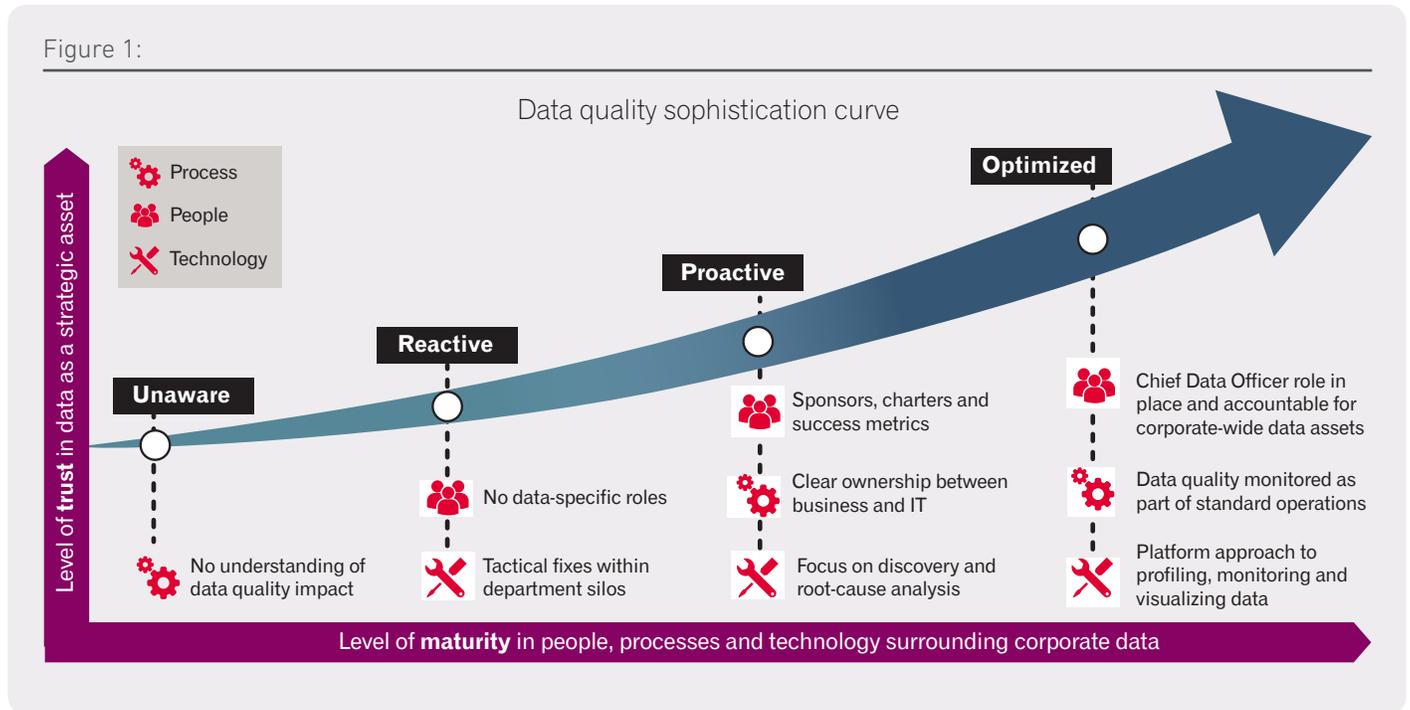
#### **Regular upkeep of data collected from disparate channels**

Retailers will employ at least three channels to collect customer data, the most popular of which are email (67%), websites (66%), and point of sale (56%).

Over the next five years, data collection through digital channels is expected to increase the most. This trend is only logical considering the complete embracement of technology into consumers' lives. When technology allows consumers to sync different aspects of their lives into one continuous experience, retailers must follow suit.

However, not all data collected is usable data. Because more data is being created and collected, there are higher chances of errors occurring. Some organizations are well-enough equipped to handle these problems; but, most companies either don't have the proper data quality technology or central data owner in place to regularly manage data.

Figure 1 below depicts our data quality sophistication curve. It shows the four stages of an organization's approach to data quality: unaware, reactive, proactive, and optimized.



Not all retail marketers will think about the sophistication of their data quality strategy; however, as they move towards delivering better value to their customers, they must move to better the way they prioritize good data within the brand. Good data should not just be an afterthought, to be managed or held by a non-traditional provider of data quality.

The more valuable a potential outcome, the greater the need for data accuracy, quality, and up-to-date information. Ninety-one percent of retailers see data as an integral part of forming a successful and competitive business strategy—that includes aligning marketing and sales goals, creating and tracking performance metrics, and keeping customer experience at the center of a digital strategy. The bad news is that while retailers know the value of good data, they aren't always able to obtain it—nineteen percent

of retailers have trouble justifying a data quality investment. Eighty percent of retailers believe inaccurate data to be undermining the potential for an exceptional customer experience. What's more, retailers believe thirty-four percent of customer and prospect data to be inaccurate!

Retail marketers need to leverage as much accurate and rich customer data as possible to improve results of marketing efforts. Think about the implications of poor quality data.

Get more in-depth insights from our annual data management benchmark report.

[Download](#)

Information could be entered incorrectly or formatted differently by consumers or store clerks, different departments may have different identifiers so it's not always possible to aggregate data when needed, there are also various kinds of data being collected across the organization.

At the end of the day, customers expect that retailers to just "get" them, that their needs and wants will be understood without them having to say it more than once. This expectation can only be filled if retailers are collecting accurate data, across channels, within their databases, and are regularly maintaining data quality over time.

### **Wrangling the single customer view beast**

The best customers—the people who spend more—are the most informed ones. They do research on the web or via catalog and know exactly what they want when they step into a brick-and-mortar store. These customers look for friendly, efficient service, not for product expertise; they want to interact with sales staff who help them buy, not who want to sell. In short, these customers want a disruption-free experience between self-service and live-service.

---

The biggest drivers for getting to a single customer view are to increase loyalty **(67%)**, increase revenue **(62%)**, improve strategic decision making **(40%)**, and improving customer experience **(34%)**.

---

---

Over a quarter of retailers **(26%)** suffer from underperforming data quality tools that obstruct better data quality.

---

However, these customers also expect the most from you. In exchange for their loyalty and spending, these multi-channel shoppers expect a disruption-free experience—one where the first time they interact with your brand through a certain channel is the only time they expect to have to enter in their preferences and information.

Many retailers are decades old and have only recently added digital channels that they often treat as separate entities. Not only does this obstruct the level of service consumers demand, it makes creating a single customer view that much more difficult.

Retailers need to rethink their entire approach to data and the ways in which they govern and manage it. For Ecommerce and brick-and-mortar retailers alike, there needs to be heavy investment in unifying data systems and creating a single repository for customer information spanning their stores, websites, and mobile devices.

An organizational shift needs to happen where data quality is viewed as a company goal and where data responsibility needs to be assigned to a central owner. Creating a single customer view is necessary in creating a great customer experience, but can only be done successfully through accurate data.

## Conclusion

It's important to recognize that while exceeding expectations is a job and a half, it isn't thankless. Consumers know when they're being placed first. It requires complete investment and wholehearted conviction but your efforts will pay off. When you stop thinking about maximizing ROI and start focusing on providing value to your customers—through every moment and every interaction in their journey to purchase—brand loyalty and positive word of mouth will do the rest.

Using customer data successfully will allow you to come up with ways to personalize conversations as you've never done before. Better personalization leads to greater

engagement, improved satisfaction and experience, and better business outcomes. It's up to the marketers—who are the voice of their brand—to lead the charge in creating consistent messaging, UI elements, and clean segues from one medium to another.

Accurate and rich customer data helps retail marketers identify the opportunities and segments to sell into. The caveat here is, of course, that poor data management and data quality can result in a lack of response or inaccurate messaging, or even creep customers out with unintentionally intimate details.

Want to learn more? Read our retail marketer's guide to find out how to best manage your customer data.

[Check it out](#)

## About Experian

Experian is a global leader in providing data quality software and services to organizations of all sizes. We help our clients to proactively manage the quality of their data through world-class validation, matching, enrichment, and profiling capabilities. With flexible software-as-a-service and on-premise deployment models, Experian's data quality software allows organizations around the world to truly connect with their customers by delivering intelligent interactions, every time.

Established in 1990 with offices throughout the United States, Europe, and Asia Pacific, Experian's data quality business has more than 13,500 clients worldwide in retail, finance, education, insurance, government, healthcare, and other sectors.

For more information, please visit: [www.edq.com](http://www.edq.com).



---

Experian  
53 State Street  
Boston, MA 02110  
T: 1 888 727 8822  
[www.edq.com](http://www.edq.com)

© 2016 Experian Information Solutions, Inc. • All rights reserved  
Experian and the Experian marks used herein are trademarks or registered trademarks of Experian Information Solutions, Inc. Other product and company names mentioned herein are the property of their respective owners.