How Enrichment Supports Customers in their Shopping Journey During COVID-19

BUSINESS TRANSFORMATION
Introduction

Retailers have been going through a process of business transformation for many years, in order to become more customer centric. This is essentially all about creating a great customer journey. However, the pace of change has always lagged behind customers' shopping behaviour and expectations. Over the past 20 years the accountability for the transformation has shifted from Marketing to IT until it has escalated to become part of the CEO's remit. **As the pandemic struck earlier this year, many retailers found themselves in a position whereby they had to accelerate their plans for transformation almost overnight.**

While some retailers have not been able to adapt quickly enough, others were able to not only readjust, but also outperform their competitors in similar categories. The impact of the pandemic varied across categories, with food and DIY being in high demand; however there were also clear differences in performance between retailers. It was evident that retailers who have already invested in business transformation and focussed on creating a rich and seamless customer journey were able to outperform those who were lagging behind in the transformation journey.

This paper outlines challenges in the customer's journey, which were amplified during the pandemic and demonstrates how product enrichment can be used to deal with these chronic challenges.
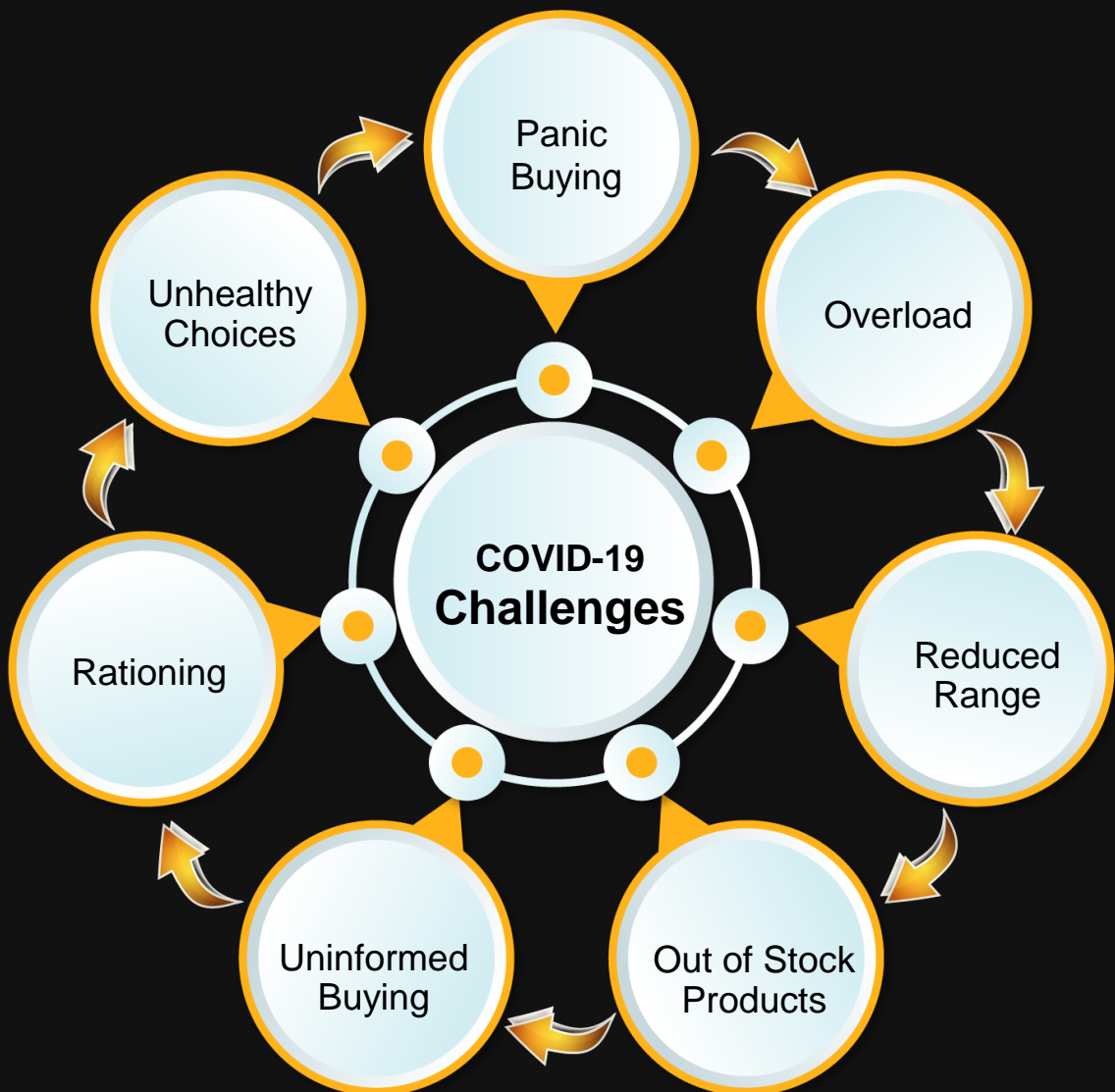
COVID-19
Challenges

COVID-19 has accelerated the pace and demand for retail transformation and highlighted the need for a more personalised and targeted customer shopping journey.

Examples of these challenges include:

- Panic buying leading to overloaded websites struggling to scale due to elevated customer demand. During the earlier weeks of the pandemic, retailers had to enforce queuing systems and at times even refuse new customers.

- The overwhelmed supply chain caused stock outages forcing customers to buy products that they were unfamiliar with and without the information they needed to decide if these alternative products met their health and diet criteria.

- Customers had difficulties finding the right products and verifying if they meet their allergen, diet and lifestyle needs. In many cases, customers were presented with inaccurate and inconsistent results that varied based on the method they used to search. While this has been a recurrent challenge for many retailers, it was amplified significantly during COVID-19 given the higher demands for searching and validating products.

- Limited capability to select healthier alternatives, especially given the high interest in identifying immunity-boosting products. There were other pressing demands to have accurate information relating to storage due to bulk buying. This challenge is a reflection of the increased interest amongst customers to understand more about the products they are purchasing.

- Limited capability to respond to an increased demand for inspirational recipes, such as world cuisine, as customers had more free time at home during lockdown. In addition, customers were also interested in creative meal and diet plans for themselves and their family. Choices for such personalised offerings were quite limited.

COVID-19
Responding to the Challenges

Some of the challenges encountered during COVID-19 are quite complex with significant implications on supply chain optimisation. However, other challenges relating to the customer journey can be addressed by adopting an approach that delivers:

- A clear and visual user interface to provide a consistent and rich set of cues to help customers quickly find and verify products. Such an interface needs to be available across the full customer journey including product list, product detail and checkout.

- Comprehensive, transparent and accurate product descriptions written in a language that customers understand and designed to empower them during the entire shopping journey. The objective being to provide enough information to the customer so they can make informed decisions.

- Allowing customers to make product comparisons based on their profile and preferences. This capability is particularly helpful at times when they are having to make decisions on products they are unfamiliar with.

- The ability to easily select healthier alternatives and to receive personalised recommendations in areas of high interest to customers such as immunity boosting and other healthy lifestyle factors.

- Tools that make the shopping journey more engaging and exciting including personalised recipes, meal/diet plans and storage & waste management. These tools provide transacting capabilities to create meal and diet plans for a family based on specific profiles and aim to reduce waste. They also help to transform the relationship with customers to be based on a continuous dialogue that responds to the needs of the individual, such as providing personalised recipes.

Extensive Product Information

Clear & Visual User Interface

Storage & Waste Management

COVID-19
Opportunities

Product Comparison

Personalised Meal & Diet Plans

Customised Recipes

Healthier Swaps

Product Enrichment

Before discussing product enrichment in more depth, it is perhaps useful to touch on the basic concepts of enrichment and how it relates to the customer journey.

Product enrichment is the process of providing additional information and services over and above the base level product data provided by suppliers and retailers such as product description, ingredients and nutrition. Typically, such data tends to be more focussed on supply chain and B2B rather than targeting customers.

Product enrichment transforms base data into comprehensive information relating to customers' shopping drivers.
As shown in the diagram below, these drivers include: Food Reactions and Allergens, Diets, Values, Lifestyle, Life Stage, Inspiration and Usage.
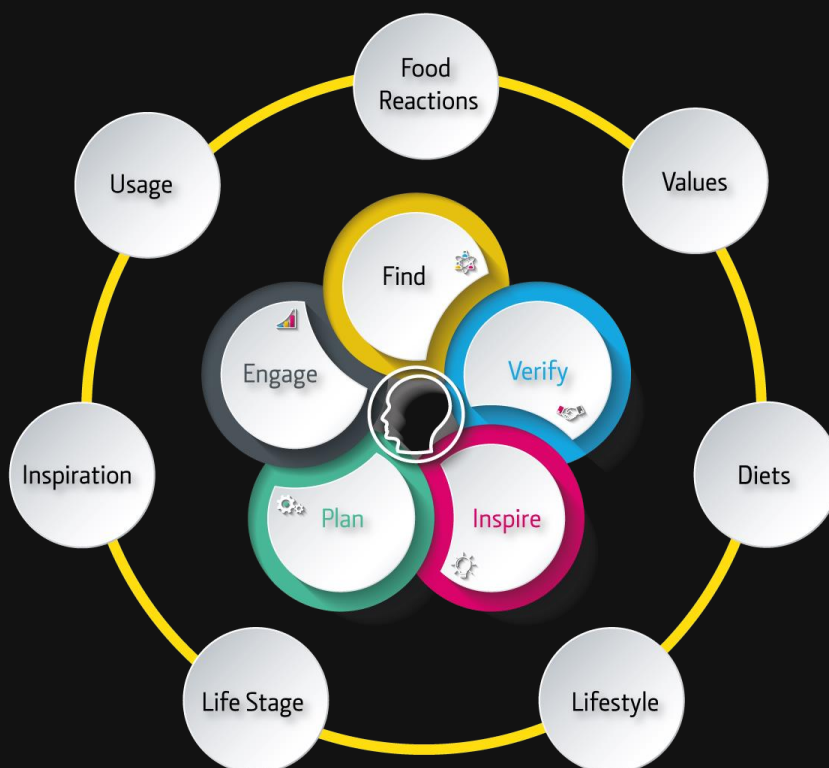
The objective of enrichment is to empower customers across all touch points in the shopping journey as shown in the diagram, to enable them to: Find, Verify, be Inspired, Plan and Engage with their peers.

Product Enrichment transforms how retailers view products and allows them to see the products from the customer's perspective.

Some retailers have already taken steps in providing filter-functionality on diets and intolerance. However, these capabilities are often limited and disconnected and do not go far enough to support the entire customer journey. Product Enrichment is not an add-on feature to provide filters for an online channel, it is a process that needs to be performed upstream as part of the product induction phase, so that the benefits cascade across all touchpoints.

The diagram below shows an example of a product before and after enrichment using rimaRetail® a suite of real-time and dynamic services that transform base product data into rich lifestyle information.

Customers are provided with a clean, clear and visually rich user interface, enabling them to navigate through their shopping journey efficiently and effectively. This interface reduces the time customers need to spend finding the products they want and to check if it meets their requirements. This leads to shorter time on the website and would minimise the impact of concurrent users impacting website availability.

In the example above, the scope of enrichment is extensive. Allergens are clearly identified and where relevant, the type of allergen is also displayed. There is also a clear distinction between allergen (Contains) shown in red and contamination (May contain) shown as amber. In addition, lifestyle icons are used to indicate if the product is suitable for vegetarians and it also provides cues on storage and product lifetime. Inspirational classifications are indicated, such as Back to School, together with additional labels such as Free From Gluten, High Calories, Refined Sugar and Ultra Processed Food.

Products are also scored based on health ranking to facilitate healthy decisions and to provide customers with the confidence to select the products that best match their needs.

In summary, **we have effectively redefined the product to look at it through the eyes of the customer**. Given we now have rich and extensive information which is consistent across all products, it is easy to see how we can implement additional capabilities such as product comparison, basket benchmark and perform healthy swaps.

These additional capabilities enable retailers to use Product Enrichment to transform their relationship with customers from product-retailing to Retailing as Continuous Dialogue.

FROM PRODUCTS TO LIFESTYLE
Conclusion

Retail today is going through a transition from product-retailing to lifestyle-retailing. This transition is all about changing the relationship with customers to make it more engaging and personal. **COVID-19 has increased the need to engage more directly with customers and support them as they navigate the challenges resulting from this new norm. It also presents an opportunity for retailers to demonstrate a greater understanding of customers' needs and to elevate healthier choices as part of their core value proposition.**

Many retailers are still describing products in a supply-chain language which does not take into account customers' needs for rich, comprehensive and personalised information based on their profiles. Customers are expecting a new language from retailers, that is based on education, inspiration and engagement that provides them with the necessary tools to compare, benchmark, plan and make alternative selections based on their requirements.

Customer-centred Product Enrichment empowers customers through their shopping journey and makes the vision of Identity Retailing - *Shopping the Way Customers Want* **- a reality.**

IVIS Group

IVIS Group is a retail solution provider and consulting specialist.

IVIS Group empowers clients through a combination of SaaS Product Enrichment & Cleansing Services, patented technology solutions and strategic retail consulting. This drives higher sales, profitability and greater brand penetration globally for the likes of **Tesco, Marks & Spencer and Carphone Warehouse**.

rimaRetail® is a unique suite of real-time and dynamic services driving the customer journey by transforming base product data into rich lifestyle information using a combination of XAI technology and extensive retail ontology. **Sonetto®** delivers international award-winning product experience and promotions management across physical and digital channels through patented technology that automates merchandising and enrichment to personalise the customer shopping journey. **(Cm)²® Customer-Centric Maturity Model** is a customer-centric proven methodology delivering a strategic consulting and operational business change framework to transform retailers and brand owners into Customer Centric businesses.

IVIS Group enables retailers to deliver the vision of **Identity Retailing** "*Shopping the Way Customers Want*" through making the transition from "**Product Retailing**" to "**Retailing as Continuous Dialogue**".

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Identity Retailing Partners