

Relevance

The Secret Weapon
for eCommerce Brands



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Relevance:

The Secret Weapon eCommerce Brands Need to Succeed

Customers have needs that occur in the moment. And, established eCommerce brands that aren't meeting those needs are risking their bottom line. **Lack of relevance** drives nearly three-quarters of consumer switching, otherwise known as customers moving to another brand. This means that millions and even billions of dollars of potential revenue are in jeopardy every year. In this new era of relevance, brands can grow by adjusting their marketing frameworks and focusing on a new set of principles – that are possibly beyond their comfort zone.

Until now, many eCommerce brands retained customers by buying their loyalty using a combination of rewards, discounts and rebates. But, if you continue to do this, you might be sacrificing your relevance.

That's because throughout much of the world, the loyalty marketing era is coming to an end. Businesses can no longer expect that their customers will be motivated to keep paying for their products and services just because of incentives like points or miles. The era of brand relevance is upon us, and it will require a major shift in the mindsets of every brand.

Customers today want personalisation in everything, whether it is products, services or experiences. They want to feel confident, and even pride, in their choices. They want eCommerce brands who evolve along with them to meet their needs, moving beyond the everyday offerings in order to make it easier for them to do the things they're interested in.

For some customers, that might mean giving them an uncomplicated way to compare the real-time prices of the products they're interested in buying. For others, it might be wanting to be able to connect to live customer support no matter the place or time. Some customers may want a credit card that is attuned to their lifestyle and that offers them

features and benefits that make pursuing the specific mix of their favourite activities much easier.

Business clients of eCommerce brands want the same thing. In B2B relationships, companies can no longer focus just on what the procurement department or senior leadership of their business customers want. Now they need to consider the end-to-end digital experience of every buyer they might have.

What those buyers experience in their everyday lives as average consumers has changed what is required in business interactions as well. eCommerce brands selling to businesses now need to deliver the same content, features and experiences that consumers have come to enjoy. Building campaigns and programs that create resonant and relevant experiences is the way to go if eCommerce brands want to acquire new customers and keep them coming back for more.



What Sets the Relevance Era Apart

eCommerce brands in this new era need to offer their customers more than just affordability and convenience. They need to allow themselves to evolve and adapt to their customers' needs so they become hyper-relevant, not just relevant.

In order to start making the necessary changes, executives need to develop a deeper understanding of what sets the relevance era apart from the era of loyalty.

- In the relevance era, the objective is to create a lasting and constant attraction to an eCommerce brand by satisfying every relevant need they have, whenever they have it and across every possible channel. Weigh this against the era of loyalty, where eCommerce brands relied on incentives in order to turn customers into loyal members of their brand.
- In the relevance era, eCommerce brands have accepted that their customers are mobile-enabled and digitally savvy. As such, they will constantly re-evaluate their options simply because it is easy to do so. However, in the loyalty era eCommerce brands did everything they could to dissuade customers from doing this.
- The relevance era is focused on the future and based in the immediate present, whereas the loyalty era was focused on common history and based in the past.
- The relevance era is shaped by the economy of why, which is linked to evaluation. Why should I buy this product and not that one? The loyalty era is shaped by the economy of what, which is linked to making a purchase. What does this product offer me?
- In the relevance era, the technology that makes the whole system of buying, marketing and building relationships relies on the digitisation of every aspect. In the loyalty era, the only technology enabler eCommerce brands relied on was Customer Relationship Management (CRM) software.

The Shift to Hyper-Relevance

The move to eCommerce brands that are more relevant to the customer is already impacting the bottom lines of companies around the world. **A NewVoice Media survey** found that 42 per cent of consumers in the UK had switched brands due to inadequate customer service. Furthermore, a **global report by Accenture** found that 61 per cent of customers switched companies due to poor service.

This is just one metric related to customer switching that is causing millions and even billions of dollars' worth of losses in potential revenue. So eCommerce brands are probably asking themselves what it means to be hyper-relevant. And the truth is that the definition will evolve along with the needs and habits of customers.

But what companies should strive for is to be meaningful, transparent, dedicated, dynamic, inspirational, revolutionary, omnipresent and accountable. There are of course other attributes customers have come to expect from their chosen



eCommerce brands in the relevance era. But the simple fact is that relevance is a moving target and always will be.

For eCommerce brands that have already established themselves, trying to achieve hyper-relevance might seem like an impossible task. This is especially when you consider an economy that has suffered a great deal over the last decade and a variety of other factors contributing to less consumer confidence and weaker business.

But the time to lay the groundwork is now. It is up to business leaders to make the shift to the relevance era by changing their processes, their organisation and how they think about both the world and their target market.

Acquiring and retaining customers have always had many challenges. But in today's world where the internet is literally at the customer's fingertips all the time, many factors are making this an increasingly challenging task. Those challenges need to be overcome if an eCommerce brand wants to cultivate long-lasting relationships that ensure the continued success of their business.

Hyper-Relevance in An Online World

Digital technology and the Internet of Things (IoT) are more pervasive than ever. And this is having a huge impact on what customers expect, as well as the customer journey. Many companies have made progress in expanding their online and digital capabilities, but customers are still not always satisfied. This means they have a lot more to do.

Digital technology and the evolution of the internet have made customers of every imaginable type more demanding and more discerning. This means the pressure is on eCommerce brands to be more relevant. While some parts of the world still have a long way to go in terms of the growth of eCommerce and mobile adoption, there has still been a profound impact on customer expectations.

According to Statista, user penetration in the Australian eCommerce market will be at 71.7 per cent in 2020. And if we go by the customer experience statistic shared earlier, the one thing that is obvious is that customers want multiple digital options for service and support than they ever have before.

Not only that, but more and more customers are also developing their opinions about brands based on what they see about that brand on social media – whether it is from content that was created by the eCommerce brand in question or from a customer review or opinion shared by someone they follow. They're also spending more time checking review websites or ones that offer side-by-side comparisons of different products and services.

This is a far cry from the days of customers walking into a store and hoping they find something that might suit their needs.



Not All Online Customers Are the Same

The one thing every eCommerce brand has to keep in mind is the fact that their customer base is made up of people with very different digital profiles. There are four in total, and each of them moves along the online purchasing funnel at a very different digital frequency.

Digital frequency in this context refers to how quickly an individual adopts digital behaviours, how frequently they interact with online platforms and their preference for digital versus physical.

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Experimental

These are customers who actively leverage online tools and platforms but still turn to traditional channels almost as often. They're flexible in their approach and will most likely choose the option that happens to be the most convenient in that instant.

Digitally Savvy

These are customers who are fully mobile-enabled and have made digital technology a core part of their lives. From smart appliances and services like Alexa, Siri or Google Assistant – they've firmly embraced digital technology and avoid traditional channels whenever possible.

The problem here is that when it comes to digital relevance, eCommerce brands are often not fully achieving what customers expect from them. The internet today gives customers the ability to control their experience, and that is a huge part of what defines how relevant an eCommerce brand is to them.

What this means is that companies need to leverage data analytics so not only do they see these fluctuations occurring as they do, but they can also act on what they're seeing. Every interaction and every transaction gives eCommerce brands important information that they need to learn to use when making future marketing decisions if they want to become more relevant to their customers.



How Relevance Is Defined

Changes to what the average customer journey looks like show eCommerce brands the way to continue satisfying their customers' needs. And what it relies on is the creation of a new framework developed with the era of relevance in mind. They are called the 5 P's, and these five pillars serve as the guidelines for the type of needs that customers are expecting eCommerce brands to fulfil.

Purpose

Customers need to feel that an eCommerce brand shares their values and actively advances those values.

Pride

Customers need to feel inspired when they use a company's products and services. They also need to feel proud of the fact that they do.

Partnership

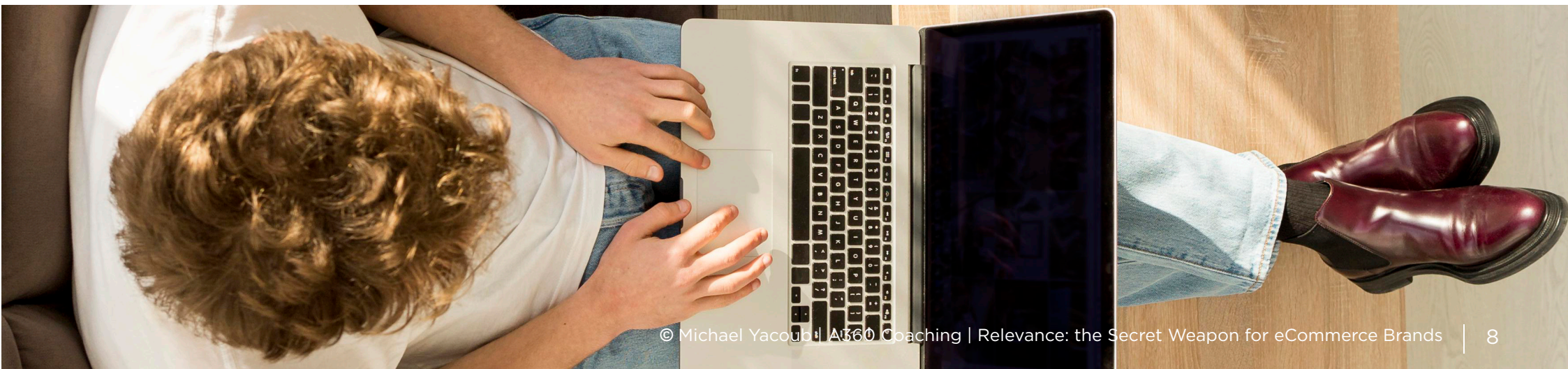
Customers need to feel as though a company relates to them and actively tries to work with them.

Protection

Customers need to feel secure when doing business with a company and feel like that company will actively protect their personal interests.

Personalisation

Customers need the personal touch that makes them feel like every experience they have with an eCommerce brand has been tailored to suit their specific needs and priorities.



How to Improve Your Relevance

Go Beyond Your Comfort Zone

In an eCommerce brand's efforts to become hyper-relevant, they need to learn to extend themselves into new areas. While keeping the 5 P's of hyper-relevance in mind, they need to find new ways to position their brands.

In order to demonstrate how a company can reach beyond their traditional boundaries in order to make themselves more relevant to customers, we'll use the example of a major bank. Over the last decade, banks around the world have seen a significant change in their customer base. Suddenly, they found themselves confronted with young, digitally savvy people who didn't quite trust traditional banking.

So, in response, they blazed a trail to customer relevance that many others have followed – whether intentionally or not. This major bank launched an online banking platform, developed a mobile banking service and built a mobile app. Then they started adding a variety of digital tools they believed their customers wanted and needed most.

Some of these tools include things like secure interactive messaging, incorporating biometrics into their products and one-touch fraud reporting. These were all revolutionary when they first appeared. But by making these features available, major banks gave their customers protection, a feeling of partnership and the feeling that they were personally cared about by the bank.

Another tactic this bank could have used is to give their customers a feeling of purpose by launching tools and ad campaigns aimed at helping their customers help themselves. By giving people this sense of control over their financial lives, the idea is that they'll feel more in control of the rest of their lives.



This campaign could go one step further. They could promote a sense of community by showing how those customers who helped themselves then went on to help others. Or, they could provide tools that allow their customers to help and connect with other customers.

Get Creative with Personalisation

One of the key components of becoming a hyper-relevant eCommerce brand is learning how to convey exactly the right message, experience or offer at just the right moment and in just the right way. Few companies ever attain this level of personalisation, though. Because the truth is that what might be hyper-relevant today could be completely irrelevant tomorrow. What some online retailers have done to address this is to develop an omnichannel approach that delivers highly personalised offers across every channel. Therefore, those customers are getting the benefit of this personal touch whether they're in-store, using a mobile app or visiting the brand's website.

eCommerce brands need to understand that a promotion can only be as profitable as a customer's willingness to take advantage of it allows. And a customer who is unwilling to take advantage of these promotions for any reason is a lost opportunity and lost revenue.

So, in order to improve engagement with these personalised promotions, they're partnering with software providers who give them analytics and marketing tools that allow them to review real-time data, analyse that data and then leverage that data to engage directly with their customers across whichever channel they currently prefer.

By using predictive data analytics, these eCommerce brands can suggest deals based on a customer's likelihood of accepting that type of offer. One of the important aspects of this though is that these personalised offers are shared across all the channels a customer might encounter a brand on. Alongside these carefully customised offers, eCommerce brands can also offer loyalty benefits if they wish.



Because while the loyalty era may be coming to an end, brands are still able to reinforce their relevance to customers by rewarding their loyalty to the brand with personalised loyalty benefits.

Don't Get Attached to the Old Way

If eCommerce brands want to succeed in the relevance era, they need to learn that getting attached to the same old things is counterintuitive in the long run. New technology is constantly changing the customer journey and their expectations. But while doing this, technology should also make it easier for companies to engage with those customers in the most relevant way.

Often, one of the biggest roadblocks a company faces is the fact that they're unwilling to change their processes, organisation, mindset and even product offerings in order to adapt to the changes within their environment or their ideal market. Doing something like shifting from a product and service-focused model to one that focuses on platforms is a way to overcome this barrier.

a telecoms provider. With the advancement of internet-based calling and the move to mobile technology, the telecommunications industry is finding that its core telephonic based business is decreasing. They could stubbornly insist on offering only those types of products and slowly lose even more business as their market matures.

Or, they could, like some telecoms companies have done, start developing mobile platforms designed to make health and education more accessible. With these platforms, they're providing their customers with personalised tools that also happen to be customisable. These are tools that give their customers a direct link to healthcare services and providers they need and that connect students to educators.

What they're designed to do is improve the users' quality of life by making it possible to increase their level of healthcare and the effectiveness of basic education. On top of this, telecoms companies can invest in things like big data analytics, machine learning and artificial intelligence. At the end of the day, they are evolving their business in order to stay relevant to their customer base – be it individuals or businesses.

Hyper-Relevance Is the eCommerce Secret Weapon

As many eCommerce brands are finding, competing in the era of relevance is a challenge that never gets easier. Customers today are re-evaluating their buying decisions almost constantly. They are choosing the brands that are most relevant to them in that very moment, and brand loyalty is more fluid than it has ever been. But when a customer finds that most relevant product – they're willing to pay premium prices for it.

If eCommerce brands can maintain a high degree of relevance, more often than not then they'll not only drive repeat purchases, but they'll also have the power to price their products higher. But even when eCommerce brands achieve higher relevance, their success is not guaranteed. Because as we know, what's relevant today might not be relevant tomorrow.

eCommerce brands need solutions that are both flexible and scalable. These solutions also need to make it possible for vital insights and information to be collected and then shared with all of the teams involved in ensuring the best customer experience. These different teams might speak different 'languages' and have different metrics by which they measure their success.

Therefore, an eCommerce brand's final solution needs to unite the separate groups in order to form a cohesive unit – a unit that can prioritise the most important improvements and adapt them to suit what is relevant at the moment. By doing this, they will be providing their customers with an experience that is not only highly customised but is also the most satisfying one possible.



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