Executive summary
This White Paper outlines the four major challenges facing online retailers looking to address customer service and support:

1. the rise of the Omnichannel and how customers’ expectations of a single, consistent shopping experience has become the norm;
2. how the perception of the Customer Experience you offer is formed by the first encounter with your online shopping channel, and why it is therefore vital to make sure it is a good one;
3. how the Connected Customer expects to be able to shop how, when and where they want to – not how you want them to;
4. how having access to the Big Data generated by your customers can generate a significant commercial advantage for you.

It then looks at how a unified help and support strategy can cut costs, reduce basket abandonment and increase sales per customer.
Managing the Omnichannel experience

It has been said that, “shopping online no longer exists. It’s just shopping”. With customers buying across multiple screens and channels to suit their specific goals each time, a seamless, consistent shopping experience is essential – from the way each channel looks, to the technology used to power them – customers must be free to choose their own route through your website, and feel as if it is all one cohesive brand. Customers must not be expected to sacrifice functionality simply for moving from their desktop to a different device.

Secondly, online retailers must service each channel in line with the customers’ expectations; and only offer those channels they can manage accordingly. Customers are generally willing to communicate with you on new channels, but it is important to be sure you will be able to competently manage them before you start. This is particularly relevant in the world of Social Media, where timescales are much shorter and immediate than more traditional channels, and where it
Teneo for Retail
Key Challenges Facing Retailers in The Online World

has rapidly become the new “trusted advisor”. For example, offering a Twitter-based support mechanism during office hours only completely contradicts the immediate and near-real time nature of the platform. Tweets that go unread and unanswered for hours or even days are effectively a purchasing death knell, as your potential customers will go and get their answers and products from your competition instead.

Furthermore, the staff manning the Social Media channels like Twitter and Facebook must be able to respond with some authority. They must be empowered to ‘own’ the customer query and respond accordingly, not just be a message-taker or faceless corporate entity, as customers will be unhappy if you can’t treat them as an individual and deal with their issue first time, every time. When this falls down, the public opinion and loss of trust can be devastating to your brand reputation, as a number of high profile brands have found out the hard way when experiencing IT issues and outages.

Timeline of a major global financial organisation’s IT outage

20 June
A customer posts on a high-profile, heavily-trafficked consumer forum, querying the possibility of online service issues at the financial organisation.

21 June
Over 24 hours later, the organisation Tweets its first comment on the problem, with a generic message. This is repeated every few hours with more equally non-specific Tweets, despite a surge in inbound Tweets from their customers.

22 June
The organisation announces that its branches will extend their opening hours to evenings and weekends to cope with customers needing assistance. At the same time, their Twitter feed shuts down for the weekend but, disastrously for their brand, their automated schedule of general weekend Tweets is not cancelled. Customers are left reading marketing messages instead of replies to their cries for help.

26 June
The organisation finally begins responding to their customers with individual replies and personalised assistance, some 6 days after it was first mentioned on a social media channel.
Key Challenges Facing Retailers in The Online World

Customer Experience

As the old saying goes, you never get a second chance to make a first impression. This is as true for your website as it is for meeting people. The experience they receive the first time they visit your site will inform all their future decisions about shopping with you.

Around half of your site visitors will go directly to the search box on your website, entering terms they think will find what they are looking for. If the search does not deliver (or delivers garbage results), you will probably lose them to another retailer. At this point, bear in mind that (a) the terms your customers use may be completely different to the terms you have indexed your site with; and (b) customers will not put effort into trying to second-guess your terminology or into sorting through dozens of irrelevant so-called “search results”. You need a search functionality that can learn and adapt, understanding that when a customer searches for xyz, that is also the same as abc, but not def.

However, you will have a core of customers who choose to contact you rather than search, and you should remember that they will choose the communication channel that suits them, whether that’s phone, live chat or email. For instance, choosing to email you means that the customer prefers to send a query off and then access the reply at a convenient later date, rather than holding in a call queue there and then. But you must still be appropriately timely with your response. Your “currently experiencing high levels of email” is not the customer’s concern. If they can’t find their preferred contact option on your site, then they’ll likely defect to a retailer that does. To summarise, you have to let your customer access their preferred channel if you want to retain their business – forcing them into the contact strategy that only suits you is not a long-term moneymaker.

The Top 5 sources of assistance customers want to see on a website:

- 61% Customer Services phone number
- 60% Customer Services email address
- 57% Live chat
- 51% FAQs or Knowledgebase
- 34% “Call back” functionality
**Experience-led transactions**

The Connected Consumer is a modern phenomenon. Online more than offline, they can take the shop with them wherever they go. Commerce has departed the realm of the static PC and moved into the mobile world, and online retailers must accordingly meet that demand by providing the experience these consumers demand.

These digital natives have high standards about what they want from a mobile website and they will not be satisfied with an inferior interface, user experience or functionality. In fact, in some categories, bad digital is worse than no digital, so it’s more than just creating a “good enough” site starting with “m.”. A good rule of thumb is to prepare for the worst. Put yourself in your customers’ shoes and follow the paths they are led down when poor navigation or error handling leads to dead-ends. While you might assume they desire your product that much they will retrace their steps and try again, ask yourself “would I?”. These can be expensive mistakes to make.

However, those retailers who take mobile consumers seriously realise that moving from a transactional exchange to an experience will increase loyalty and engagement from a traditionally disloyal audience. To this fast-growing sector, out of stock is out of mind, so providing exemplary customer service all the time and interacting with customers on a personal basis will make them feel valued and individually appreciated, thus earning their respect and a front of mind position. And this is definitely possible on a massive scale – global leaders like Amazon are continually refining their customer service offering to suit the nature of the product, from offering customers easy access to multiple options to contact them directly (including a call me back feature), to their newest “Mayday” innovation, where customers can connect with a real agent, free of charge, any time of day if they need help with their Amazon Kindle product.
Big Data
Web analytics tools can give you all manner of cold, hard statistics about your site, all of which are useful and have a place in technical website optimisation. But the picture is incomplete without the far more useful qualitative opinions, thoughts and real questions asked by your customers. Understanding what your customers are saying and asking of you will enable you to answer questions like what are the known knowns (how many people have abandoned their baskets?), the known unknowns (why did they abandon their baskets?), the unknown knowns (What was that customer asking about right before they abandoned their basket?) and unknown unknowns (can we do anything to make the come back, and if they do, how will we know it’s them?)

And accessing and understanding this level of deeply personal insight means you will be able to create the most engaging and relevant website experience possible, based on actual customer behaviour. Much as if you asked an in-store assistant for a specific item, big data analysis can help you identify exactly what your customer is after, and retrieve that exact item, not something unrelated. Returning a customer’s search with the result that matches their exact request wording is a surefire way to increase engagement and propensity to buy.

Even using detailed search criteria is no guarantee of success
Furthermore, knowing what your customers are interested in, looking at and asking you for (via search terms and other enquiries) means you can identify trends and market developments very early on, allowing you order and manage stock at optimal levels. It is easy to see how data drives relevance; and relevance drives results, as not only can you ensure you have the right item in stock at the right time, big data analysis could also include – for example – promoting accessories or related items at the point of purchase, offering pop-up coupons or discounts to entice repeat browsers, or personalised referral bonuses to customers who introduce friends, based on their own spend.

However this level of analysis is only possible when you can listen to and understand the conversations happening on your website, and use analysis tools that can decipher the meaning, intent and sentiment contained within the data at your fingertips.
What next for online retailers?

Clearly online retailers must bend to the will of the customer now, rather than customers having to fit into the moulds made for them. This means making customer service and support channels available to the customer in the manner and style they demand, when and where they demand it.

Current attempts to offer this holistic service have, perversely, led to ever-more fragmented silos of service – one team managing the call center, another dealing with email and yet another covering the Social Media channels, all independent of each other, and all with differing levels of skill, interest and compatibility to their role. Some of these teams may not be in the same continent, let alone country, which adds both literal and metaphorical distance from the customer – this may have reduced costs, but at what expense?

How can this looming crisis be averted?
Centralising expert service with intelligent natural language assistants

Imagine a scenario where your customers can flock to your site and ask as many questions as they want, yet it costs you practically nothing, takes none of your staff’s time, AND your sales figures rise. With Teneo for Retail, you can dovetail all your contact channels into one user-friendly, intelligent and capable interface that will answer the majority of user questions immediately with real, personalised responses, not unhelpful generic statements.

A Teneo for Retail solution gives you the ability to offer your customers a clearly identified, single point of contact for all their queries. The use of Natural Language Interaction (NLI) means you can offer an intelligent self-service customer help facility that will automate many of your customers’ sales and service queries at low cost.

NLI means it understands what your customers are saying – even when they speak using everyday, conversational language. Where necessary, Teneo for Retail will request more information or ask clarifying questions before providing accurate, consistent answers, all without the need to refer to a live adviser. Although, naturally, it can be configured to divert to live advisers according to any required parameters – keywords, business rules or even the time of day! Teneo for Retail gives you the complete flexibility your business requires.

But the benefits don’t stop there, because Teneo for Retail also helps you better understand your customers. Their likes, dislikes and interests. What they think about your business, key trends and much more.

It does this by using powerful algorithms to interpret the information that until now was locked within email conversations, live chat transcripts or search terms that your customers have used on your website. By accessing and understanding this wealth of hidden knowledge, Teneo for Retail is able to identify groups, trends, sentiments and more to help you better understand your customers.

The NLI technology powering Teneo for Retail is also applied to the data generated by the conversations had. Teneo Insight, the analysis tool for the Teneo platform, can take all the conversation logs from your Teneo Virtual Assistant, as well as data captured by live chat transcripts, emails and contact forms, even back-end database notes, and transform it into highly accessible graphs and charts showing you live trends and patterns as they emerge (and of course historically). These graphs can be dynamically modelled and manipulated on the fly, to show you exactly the answers you need, right down to searching individual conversation log files if necessary.

Teneo for Retail gives you the power to offer immediate, accurate and appropriate customer service 24/7, while simultaneously unlocking the rich seam of actionable insight generated by your customers’ interactions across your entire communications platform.
Summary
The four challenges facing online retailers are unavoidable. But Teneo for Retail from Artificial Solutions offers a proven method to address them in a cost-effective and usable manner, unifying your siloed contact channels into a measurable, data-driven single communication interface. Your customers will find the answers they want straight away, which will drive transactions, buying behaviour and confidence in your site (which ultimately leads to loyalty and advocacy); you will be able to predict trends and stock accordingly; and you can optimise each user's experience to ensure the highest possible basket value is converted and not abandoned.

It’s time to address the challenges of online retail before your competitors do.
About Artificial Solutions

Artificial Solutions is the leading specialist in Natural Language Interaction (NLI). The company’s patented technology enables people to hold two-way meaningful conversations with applications and services running on computers, mobile technology and other electronic devices in a humanlike, intelligent manner.

Delivered through its Teneo platform that allows non-technical, non-computational linguists to build highly sophisticated, speech-enabled, natural language user interfaces and applications, Artificial Solutions’ technology is typically deployed by Connected Consumer Device (CCD) manufacturers and app developers, and by enterprise-clients seeking to improve their customer experience. Operating system and device independent, Teneo is available in 21 languages and includes powerful analytics that deliver valuable insight into customers’ needs and behavior.

With development centers in Barcelona, Hamburg, London and Stockholm and offices across Europe, USA, Asia-Pacific and South America, Artificial Solutions’ technology is deployed by hundreds of public and private sector organizations and used by millions of people. For more information, visit www.artificial-solutions.com