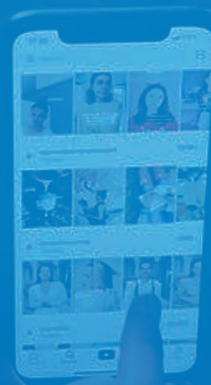


# DIGITAL COMMERCE PLAYBOOK

How Tomorrow's Ecommerce Leaders  
Deliver Exceptional Customer Experience



Provided by **Avalara**

**psfk**

# Introduction

As the path to purchase becomes increasingly digital-first, retailers' mobile and ecommerce capabilities are taking on greater precedence within the customer experience. At the same time, consumer expectations have never been greater within today's digital commerce landscape. Simply having the right product actively available through the right channels is no longer enough for retailers, as uncertainty drives consumers to demand real-time transparency, accuracy and seamlessness throughout each stage of the purchase journey.

Fast, flexible, and reliable fulfillment. Personalization at scale. Seamless, accurate checkout. Each of these amplified needs has created an unprecedented requirement for a true omnichannel experience, where consumers are able to interact with retailers through their preferred digital channel and have the same, 'tailored to me' experience each time. The new retail reality is one that is digital-first, fluid, and agile.

Leading brands and marketplaces are responding to this new reality in varying degrees, as the divide between tech-enhanced retailers and lagging counterparts grows wider. Those armed with the agile digital infrastructure

needed to efficiently support and process an influx of online traffic and purchases, as well as the smart supply chains capable of seamlessly shifting operations to match real-time product and delivery demands, are positioned to earn longstanding consumer trust and loyalty.

To deliver an exceptional customer experience at scale, from discovery through checkout to post-purchase support, retailers must optimize each facet of their offering, layering automation and intelligent solutions into each point of the digital journey. Within the discovery phase, this means dynamic outreach, and adaptive, personalized curation. At checkout, simplicity reigns, as frictionless, accurate and instant calculations bolster consumer trust, and flexible delivery options ensure consumer affinity. And to create a closed-loop customer experience that goes beyond final checkout, retailers coupling products with relevant services and post-purchase support stand to not only match but actually exceed the expectations of today's consumer within all digital commerce platforms.

## About This Report

The Digital Commerce Playbook is a report by business intelligence platform PSFK in partnership with tax compliance software firm Avalara. We present key trends and technologies across 5 stages in the purchase journey that retailers, brands and businesses should adopt to deliver best-in-class customer experiences that drive engagement and loyalty. These insights can help companies understand the changing expectations of today's consumers, explore leading-edge CX innovations and prioritize their software and solutions investment roadmap.

# Foreword



**Megan Higgins,**  
Vice President,  
Ecommerce and Marketplaces  
Avalara

Over the past decade, consumers have experienced a radical shift in how they think and go about their day-to-day shopping – a shift that has only been accelerated by COVID-19. It is expected that by 2040, 95% of all purchases will be via ecommerce. The rise of ecommerce platforms and online marketplaces like Amazon, Etsy, as well as Facebook and Instagram has significantly changed the digital shopping experience and elevated the expectations of consumers, which has created next-generation experiences driven by convenience. Consumers expect to search for products and services from anywhere, anytime, then receive those goods within days with real-time visibility on the entire shipment process. And, as the COVID-19 pandemic has worn on, the need for a robust digital commerce strategy has increased exponentially. As such, ecommerce retailers of every size must make this shift to digitally enabling multiple online channels while maintaining a personalized and secure shopping experience.

The result of a shift in consumer expectations combined with the impact of COVID-19 and a race toward an online-first holiday season has forced nearly every retailer vertical to evolve their online experience and emerging small businesses work to grow their businesses rapidly with an ecommerce-first and direct-to-consumer approach. Fortunately, the technology to make all this happen exists today, enabling anyone to set up an online storefront and begin selling to customers in a few simple steps.

However, for online retailers to succeed and consistently provide an optimal experience, they must constantly improve their commerce strategy by considering how each of their channels works together to serve consumers from initial

touchpoint to delivery. To do so, retailers of all sizes must turn to technology and tools to ensure consumer expectations for seamlessness, personalization, transparency, support, and security are met at each step of the purchasing journey – without getting buried in manual processes.

There's no doubt more retailers will focus on the customer-facing aspect of their commerce operations to make shopping experiences more personalized and efficient. The real winners of the new digital commerce paradigm are those that go beyond the shopping experience and enlist tools to streamline and secure backend checkout processes while improving overall customer experience, thereby converting browsers to buyers. Often overlooked, mandated processes like accurate tax calculation have a direct impact on the entire experience and can make or break purchases for consumers. Businesses that optimize their front-end operation yet fail to offer ample payment options or account for the added costs of tax compliance ultimately face increased cart abandonment and avoidable downstream back-office issues.

When it comes to expectations, consumers will continue to raise the bar, creating a new normal for commerce in which retailers provide shopping options flexible enough to let consumers control their entire digital retail experience. The ability to offer innovation begins with the refinement of backend processes so well-designed front-end operations can deliver experiences that match consumer expectations for the long term. Essentially, the most effective commerce experiences are completely seamless, increase convenience, and become a natural extension of each consumer's everyday life.

# Today's Digital Commerce Landscape



## Commerce is increasingly digital-first...

Ecommerce in 2019 reached all-time highs, accounting for 14% of US retail sales, while worldwide online sales totaled more than \$3.5 trillion in 2019.

[Ecommerce Sales Worldwide. Statista, 2019](#)

US retail ecommerce sales are expected to total \$668.5 billion in 2020 and grow to \$969.7 billion by 2023.

[US Ecommerce 2019. eMarketer, 2019](#)

Globally, online sales are expected to reach \$4.8 trillion USD by 2021, while nearly 85% of the world's purchasing power exists outside the U.S.

[The Global Ecommerce Playbook. Shopify, 2020](#)

“In 2020, e-commerce is expected to represent 12% of total retail sales, however, a change in consumer behavior in the first quarter of this year due to the coronavirus can impact the future quarters for 2020. As the consumer's comfort with online shopping becomes higher and technology is more intuitive and ubiquitous, the digital side of the retail business may be stepped up at a faster rate than previous projections.”

[Shelley E. Kohan. Forbes Contributor, 2020](#)

## ...and it's happening at consumers' fingertips.

In 2019 mobile commerce comprised over a quarter of total ecommerce—more than doubling since 2015, and is estimated to represent \$488.0 billion, or 44% of e-commerce, in 2024.

[Rise of M-Commerce: Mobile Ecommerce Shopping Stats & Trends 2020. Business Intelligence, 2019](#)

Retailers are generating 42% of their online sales from mobile devices such as smartphones, with 65% saying that mobile technology has increased revenue.

[Retail Mobile Trends Report. Quiq, 2020](#)

27% of online consumers have used a mobile payment service such as Apple Pay, rising to 33% in Asia-Pacific.

[2019 Commerce Report. Global Web Index, 2019](#)

## Consumer behaviors are shifting.

25% of consumers say they're now shopping more online in light of COVID-19. Millennials (39%) are much more likely than any other generation to say this, followed by Gen Xers (29%). Higher income individuals are also significantly more likely than lower earners to say this (48% vs. 15%, respectively).

[Coronavirus Findings March 2020. Global Web Index, 2020](#)

Those in the U.S. are more likely than their UK counterparts to be turning more to online shopping in light of the virus. Even many of those who say they're worried about the impact of the virus on their personal finances say they're shopping more online in the wake of the spread of the virus (46% do).

[Coronavirus Findings March 2020. Global Web Index, 2020](#)

As of February, 2020, nearly half (47.2%) of US internet users said they are currently avoiding shopping centers and malls. If the outbreak worsens, roughly three-quarters (74.6%) said they will steer away from shopping centers altogether.

[US Internet Users Avoiding Public Spaces. eMarketer, 2020](#)

“People are gradually moving from offline shopping to online and the habit won't disappear when the epidemic is over. This will have a very positive impact on the whole eCommerce industry.”

[Zhong Zhenshan. Vice-president of emerging technology research, IDC](#)

## Retailers are preparing for new customer experience platforms and expectations.

Almost half (51%) of U.S. consumers said they're “very comfortable” shopping with voice-enabled assistants like Apple's Siri, Amazon Alexa or Google Assistant.

[State of Mobility in Retail Report. SOTI, 2020](#)

Almost 60% of Generation Z and Millennials have used private social messaging for customer service. In contrast, 38% of Gen X, 19% of Baby Boomers and 16% of Silent Generation have done so.

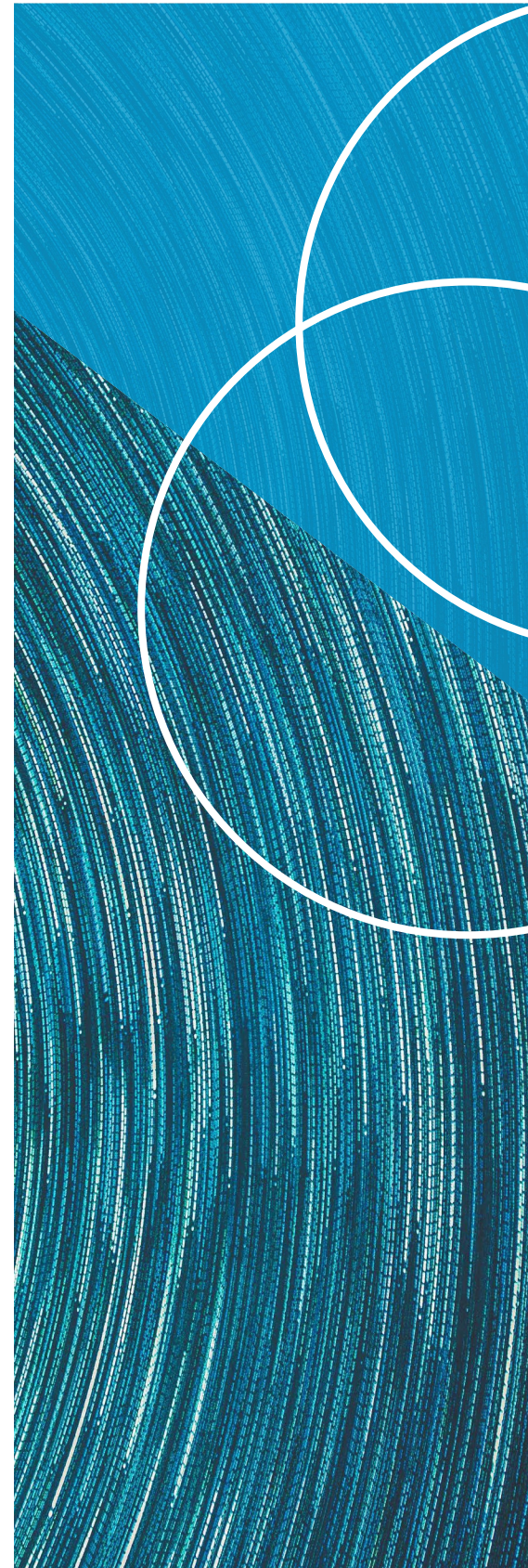
[CX Transformation Benchmark. NICE In Contact, 2020](#)

58% of consumers are comfortable with buying goods via social media rather than a company's website.

[2020 Social Commerce Report. Poshmark, 2020](#)

The percentage of retailers in North America using social media as a source of ecommerce nearly doubled in a year's time—from 17% in 2017 to 33% in 2018.

[Social Commerce 2019. eMarketer, 2019](#)



# What Does Digital CX Look Like in 2020 and Beyond?

## Frictionless Expectations

“We are in an entirely new era of customer expectations to such an extent that service can make or break a company. To build a loyal customer base and truly differentiate themselves, companies of all sizes across industries and geographies must provide an easy and frictionless customer experience, earning and re-earning a customer’s business with every interaction.”

[Elisabeth Zornes, Chief Customer Officer, Zendesk.](#)

Only 10% of consumers agree that most brands meet their expectations for what they consider a ‘good experience.’ 82% of marketers believe that they are meeting customer expectations with regard to customer experience.

[Deliver The CX They Expect. Acquia, 2019](#)

## Convenience Culture

90% of consumers say when they interact with a brand online, they want a convenient experience.

[Deliver The CX They Expect. Acquia, 2019](#)

At 52%, slightly more than half of shoppers say that at least half of their purchases are influenced by convenience, while 93% of shoppers say they are more likely to choose a retailer based on convenience.

[Convenience And The Consumer. NRF, 2020](#)

61% of online shoppers used in-store pickup at least once over the past year, however fewer than one in three retailers have optimized seamless processes such as BOPIS.

[Customer Service & Delivery Experiences Retail Shoppers Want. Radial, 2019](#)

## Value In Transparency

27% of US marketers agreed that ‘trusting relationships’ are more important to customers now than ‘excellent service.’

[CMO Survey. Deloitte, 2020](#)

The portion of consumers who said they’re willing to share more data when brands are transparent rose to 73% in 2019 from 66% in 2018.

[Global Research Survey. Accenture, 2019](#)

More than ever, shoppers want to understand the supply chain, with complete transparency from farm to factory to distribution, and they want details of the measures being taken to assure their safety.

[“Covid 19: Tracking The Impact On FMCG, Media & Retail.” Nielsen, 2020](#)

## Prioritizing The Checkout Experience

95% of buyers expect to see all shipping fees and taxes totaled before they’ll complete a purchase.

[2019 UPS Pulse of the Online Shopper. UPS, 2019](#)

44% of ecommerce companies are looking to implement, change or improve payment technologies in 2020.

[Ecommerce Trends 2020. Searchnode, 2019](#)

Choosing the right technology remains the top challenge for 40% of ecommerce companies, while 48% report site cart and mobile optimization as top areas of focus going forward.

[2020 Merchant Survey. 2checkout, 2019](#)

# Your Action Plan For A Next Gen Ecommerce Experience

Digital retail has evolved from “online shopping” or traditional ecommerce to “omnichannel,” where consumers expected a seamlessly blended digital store experience—and now, to “channel-agnostic,” with customers anticipating that retailers will provide a consistent, seamless, and transparent experience across all points of sale. Merchants are turning to a new class of automated platforms and intelligent software to ensure that transactions remain convenient and secure for customers in any location. In any technical decision, the following values should drive your company’s digital commerce strategy.

## Seamlessness

A truly seamless customer experience requires retailers to connect their customer-facing interfaces (desktop, mobile, social, voice and live) with their backend operations (data management, logistics, pricing, and tax). When combined with intelligent solutions and automation, these platforms ensure that customers receive the same level of experience across any retail channel, powering moments like purchase recollection, automatic tax calculation, and one-click checkout.

## Personalization

Within an increasingly crowded retail landscape, personalization is a competitive advantage. With a flexible service and supply chain, retailers can customize everything from product design to packaging, delivery, and customer support. AI-based retail personalization tools can power operational efficiencies while learning and addressing individual customer preferences.

## Transparency

Transparency, privacy, and security have become top concerns for consumers and businesses alike. GDPR, CCPA, and other privacy regulations are changing the way that retailers collect and apply shopper data. Consumers want to know how their data is being applied in each retail transaction and to have control over its storage and application. Further, they expect their data to add value to their experience, whether through personalizing recommendations or estimating taxes and fees for their purchase instantaneously.

## 1:1 Support

Customers want to shop from anywhere and alongside that, they expect to receive exceptional customer service as well. Retailers are investing in digital tools to alleviate pressure points in the customer support journey. These tools can be fully digital customer interfaces, such as machine-learning chatbots, or they can be tools that help customer support agents do their job by offering a 360-degree view of a shopper’s past interactions and preferences.

## Responsive Operations

No matter how complex your supply chain, customers expect inventory availability across channels, and for their purchases to be delivered quickly, efficiently, and responsibly. From asset-tracking AI to delivery route optimization, retailers are tapping into intelligent tools to streamline end-to-end operations and fulfillment.

## Loyalty Incentives

Companies are realizing the inherent opportunity to extend customer relationships beyond the point of transaction. Top retailers are building customer loyalty by offering lifetime support, creating closed-loop retail cycles, and offering post-purchase touchpoints that keep customers engaged after the sale.

# 5 CX Stages In The Digital Path To Purchase

1

## Shopper Marketing & Discovery

- Dynamic Outreach
- Shoppable Content
- Visual Search Streams

2

## 'Store' Experience & Design

- Adaptive Homepage
- Augmented Retail
- Social Shopping

3

## Shopper Education & Experience

- Guided Selection
- 1:1 Support
- Trusted Authentication

4

## Transactions, Payments & Tax

- One-Click POS
- Digital Layaway
- Borderless Transactions
- In-Cart Optimization

5

## Fulfillment & Post-Purchase Support

- Frictionless Logistics
- Elevated Onboarding
- 360-Degree Loyalty



# Shopper Marketing & Discovery

**Delivering in-the-moment, actionable outreach that inspires shoppers to enter into a new shopping cycle.**

In today's hyper-connected world, consumers expect their everyday digital environments—social feeds, mobile applications, even wearables and home technologies—to act as shopping platforms. Retailers are launching multi-pronged marketing strategies to meet customers wherever they are, incorporating AI, AR, and contextual targeting tools that push tailored messaging and promotions to the right channels for in-the-moment engagement. These new, hyper-relevant digital market approaches lay the groundwork for the future of always-on search and discovery.

“To meet consumers’ rising demands, marketers need to start using the data that’s available to them—across every channel and every interaction. Right now, their personalization approaches are good, but they need to be great to win with today’s consumers.”



**Matt Seely. Service Line Lead, Merkle**

# Dynamic Outreach

Retailers are leveraging advanced CRM and marketing systems to unite customer data into detailed, cross-channel profiles. These CRM systems automatically generate and publish proactive and personalized messaging to shoppers, on the right channel and in the right moment. Dynamic CRM profiles can also empower brand experts, concierges, and stylists with product recommendations as they work directly with shoppers.

## Supporting Data:

**63% of online shoppers are more open to sharing personal information if it means brands and retailers can better anticipate their needs.**

Shoppers Demand Superior eCommerce Experiences: Consumer Expectations in 2019. Avionos, 2019

**“People will need to understand that they will have ads anyway, but the only question they need to answer is: Will they allow the ads to be relevant to them in a certain context and that includes location, or would they prefer any ad because they want to keep pretty much all their data to themselves?”**

Stan Coignard. Co-founder and Americas CEO, S4M

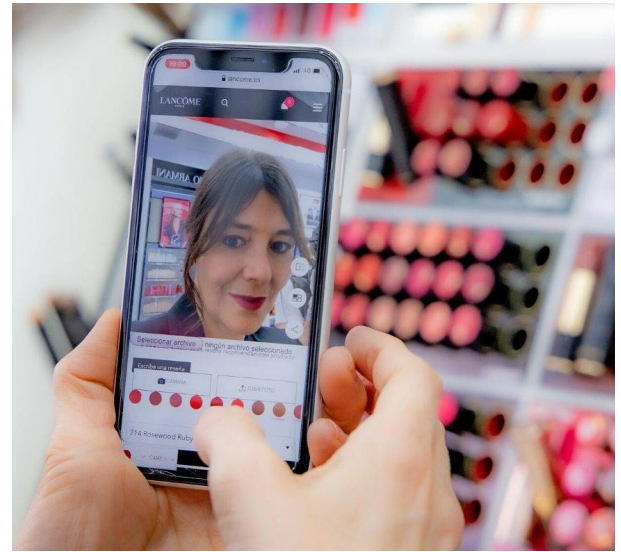
# How This Manifests:

## L'Oréal

Personal care conglomerate powers personalized customer service through synced data platform

Personal care company L'Oréal's cloud-based customer data platform is able to sync aggregated information from across the company's websites, apps, open web and commerce for its 35-plus brands. By centralizing its first-party data, the company's service agents are able to provide a better customer experience, while internal teams, from development to sales and marketing are each able to access and work off real-time customer data and insights, making for business decisions that better reflect and align with the L'Oréal consumer's preferences and needs.

[lorealparisusa.com](http://lorealparisusa.com)

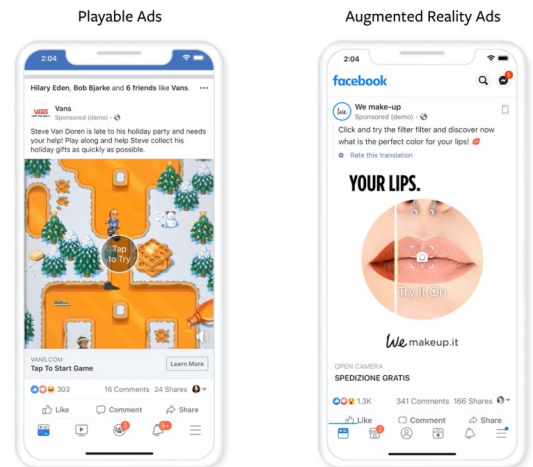


## Facebook

Interactive ad format turns marketing into opportunity for deeper engagement

Social media platform Facebook's interactive ad format allows potential customers to virtually try on products and participate in brand-led polls and games. To deliver more guided, personalized advertisements, Facebook's interactive ads present an opportunity for consumers to share their preferences through integrated polls, which allow audiences to choose one of two options presented within the ad.

[facebook.com](http://facebook.com)

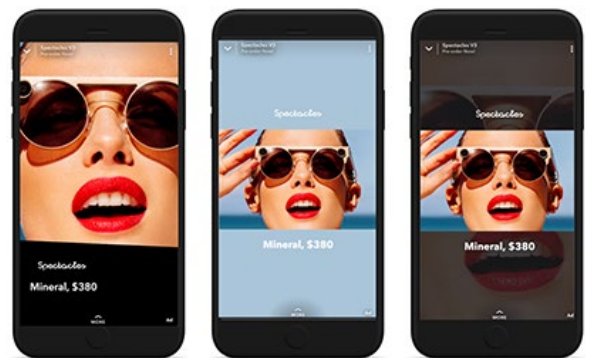


## Snapchat Dynamic Ads

AI-targeted ads automatically update based on a consumer's interactions

Social media network Snapchat's dynamic ads are continuously updated to reflect current product catalogs and automatically target users based on their past behaviors. Launched just before the 2019 holiday season, the ad program automatically selects different items from the brand's retail catalog to be shown, in-ad, to targeted groups of consumers. This dynamic advertising format helps marketers automatically optimize their ad buys and speak to shoppers' interests in real time.

[snapchat.com](http://snapchat.com)



A single product image can be used in five unique templates

# Shoppable Content

Social and digital platforms are blurring the line between retail and media channels by integrating commerce capabilities into their user content. By blending powerful content with shopping access, retailers can simultaneously encourage customers to browse and discover products, and then seamlessly purchase.

## Supporting Data:

**1 in 4 internet users now discover brands through recommendations or comments on social media.**

Commerce Report. Global Web Index, 2019

**The percentage of internet users who had bought a product directly through social media channels grew each quarter between Q4 2018 and Q3 2019, rising from 13% to 21%.**

US Social Trends 2020. eMarketer, 2019

# How This Manifests:

## Walmart x HGTV

Partnership between retailer and network creates shoppable television show

Big box retailer Walmart signed a deal with Discovery-owned home and garden improvement network HGTV to promote its line of home goods used within the eight-episode series “Design At Your Door” via shoppable articles and ads. Shot by participants, the show follows homeowners as they makeover rooms during quarantine with the help of remote professionals. Pieces from Walmart’s home goods line that are used throughout each of the program’s home improvement projects will be made available to purchase through highlights on HGTV’s social channels as well as shoppable articles on HGTV.com along with Walmart.com.

[walmart.com](http://walmart.com)

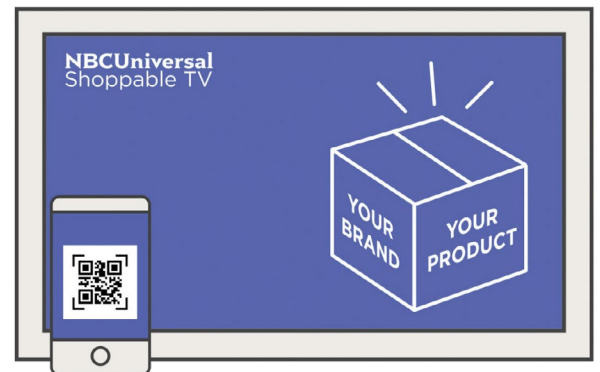


## NBCUniversal

Media company creates shoppable moments within its editorial, streaming and TV content

In an effort to modernize their advertising system, media powerhouse NBCUniversal has created a system to allow consumers to buy directly from the content on their platforms (such as videos, articles, and certain TV advertisements). NBCU Checkout allows consumers to purchase a product they encounter through the media conglomerate’s content, instead of being redirected to a seller’s page — allowing brands and businesses direct-to-consumer capabilities, and increasing efficiency for everyone involved.

[nbcuniversal.com](http://nbcuniversal.com)



## League of Legends

Gamers awarded for their video engagement through limited-time offers

Within Riot Games-owned League of Legends broadcasts, logged in fans are able to access limited time offers and rewards in the form of Drops. When live viewers see an on screen notification, they’re able to click the provided link to access each Drop. Should viewers miss a Drop, but were logged in and watching live, they are able to also access their reward after the gaming match. Along with game-specific prizes, Riot is exploring the possibility of also offering third-party Drop rewards as well for live viewers.

[olesports.com](http://olesports.com)



# Visual Search Streams

Product discovery doesn't always happen online; consumers can run across new items or brands during their commute, on the street, or out with friends. Companies are connecting these real-life moments with digital commerce by layering image-recognition capabilities onto the search process, giving shoppers a one-click way to find the products they're after.

## Supporting Data:

**Visual search users are 50% more likely to make a purchase decision.**

Visual Search: A Disruptor For Retail, Social & Beyond In 2020. National Research Group, 2019

**41% of consumers find visual information very helpful when making product comparisons throughout the shopper journey.**

Visual Search Report. Intent Labs, 2019

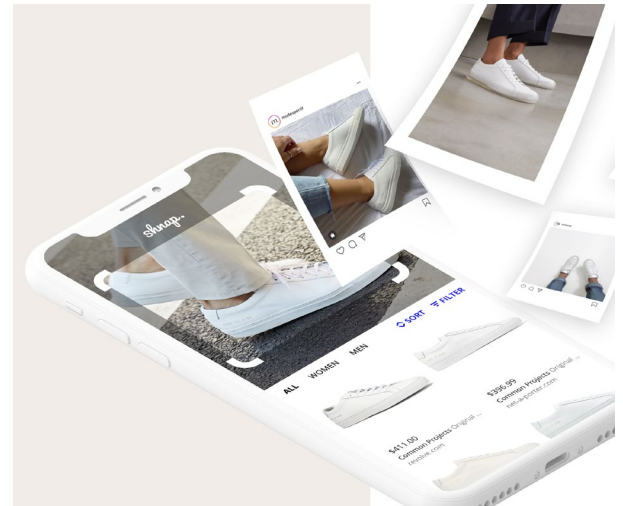
# How This Manifests:

## Snap

Web extension compares prices and locates similar options to online products

Web-based startup Schnap is a visual search engine that compares and connects consumers to shoppable products based on a selected image. Once Schnap is installed as a browser extension, shoppers can visit any website and hover over a desired product to select the Schnap icon. Schnap is then able to locate the desired product on various websites via AI by matching the picture to items of similar styles and traits, while also ensuring product authenticity and providing shoppers with the best price.

[getshnap.com](http://getshnap.com)

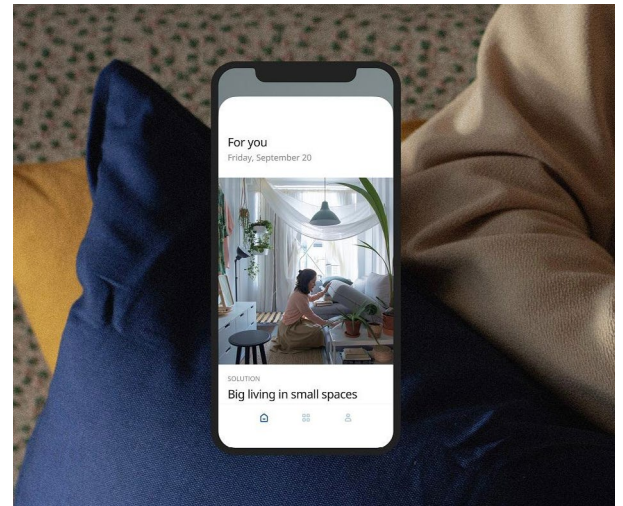


## IKEA

Home goods retailer's mobile app provides product suggestions based on uploaded images

By integrating AI and AR capabilities into its Ikea Place mobile app, Swedish home furnishings retailer Ikea is able to help customers discover new products by offering tailored interior design advice. Once customers define the area they're looking to furnish, the app will suggest possible Ikea products based on each user's behavior within the app. Additionally, users are able to scan pieces of furniture within the app to find similar Ikea pieces to purchase.

[apps.apple.com](http://apps.apple.com)

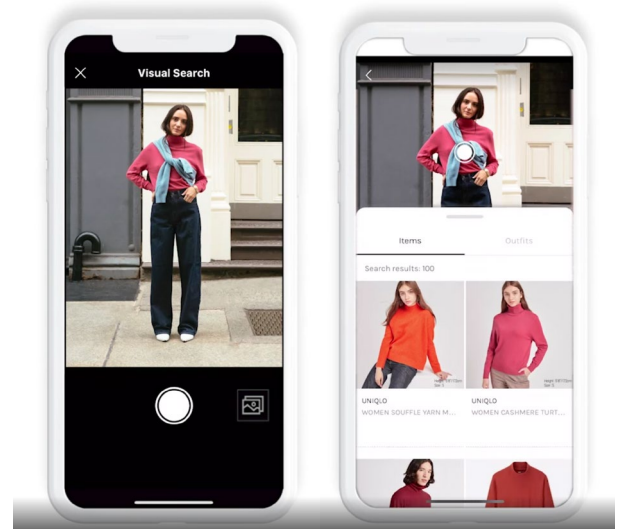


## Uniqlo StyleHint

Product recommendations based on a consumer's own photos

Apparel brand Uniqlo and design firm I&Co collaborated to create a mobile app, StyleHint, that allows Uniqlo shoppers to upload clothes or styles from Instagram or IRL and receive recommendations for similar looks available for purchase. To develop this technology, Uniqlo partnered with Google's Cloud Vision image analysis, which allows companies to apply and train the visual recognition software against their product inventory. Functioning as a shoppable social media platform, StyleHint users are able to follow others and share favorite looks, as well as shop directly through the app.

[stylehint.com](http://stylehint.com)



# What This Means For Key Decision Makers

- Barriers no longer exist between media, retail, and checkout platforms. Understand where your shoppers are spending their time outside of the retail cycle and partner with platforms that integrate these social and content platforms into your purchase path.
- Marketing remains a push-and-pull relationship. Leverage CRM tools to deliver tailored, in-moment messaging to customers. Make sure that evergreen content also contains resources for customers to learn (and shop) more.
- The nature of product discovery is changing—customers aren't searching only by text, but also by visuals and voice. Ensure that your products are reaching audiences through each of these sensory channels.
- Even more than content, a customer data strategy is critical to marketing success. Invest in effective CRM systems and strategies that develop engaging and seamless experiences across any consumer channel.



# ‘Store’ Experience & Design

**Designing an effective, compelling digital shopping environment that welcomes customers into a seamless and personalized end-to-end experience.**

In ecommerce, customers expect each digital touchpoint to offer the benefits of a store experience; interactions and environments should be personalized to each shopper’s needs, preferences, and style. Retailers are now expected to design digital commerce to mirror the luxury of in-store, virtually immersing customers in product offerings, tailoring products and messaging to individual interests, and offering shoppers in-the-moment insight from other brand fans. By incorporating these retail features into their online storefronts, brands are translating the high caliber of IRL shopping to the digital environment.

“My wish for you one day is to feel that you have your very own personal store curated for you on our app experiences.”



Heidi O'Neill, President, Nike Direct

# Adaptive Homepage

Mobile and digital portals are personalizing a shopper’s online browsing experience to reflect their current context, previous purchases and shopping behavior. AI-based curation systems are constantly evolving a user’s digital interfaces to create hyper-relevant displays for each interaction.

## Supporting Data:

**Greater personalization in retail leads to a 40% increase in average value order and a 110% increase in number of items purchased.**

Level of Personalization in Retail. Boston Consulting Group, 2019

**78% of consumers are more likely to shop at retailers and brands providing a personalized experience, and 73% of online shoppers are likely to avoid brands and retailers after just one bad experience.**

Shoppers Demand Superior eCommerce Experiences: Consumer Expectations in 2019. Avionos, 2019

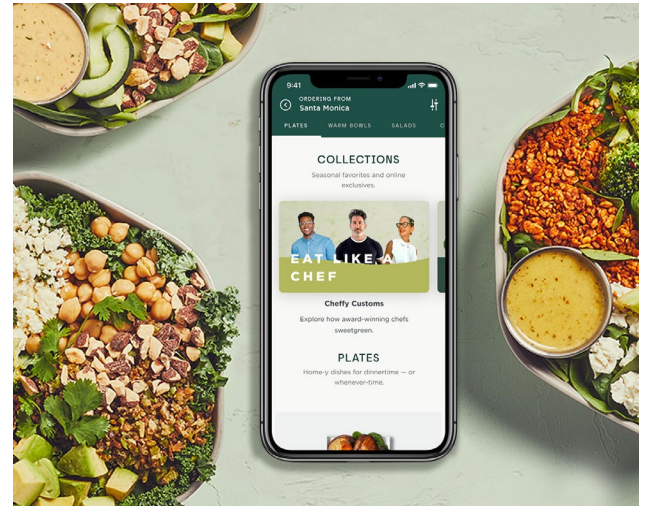
# How This Manifests:

## Sweetgreen

QSR generates personalized suggestions based on past orders and preferences

Fast casual restaurant Sweetgreen created a number of limited-edition, seasonal meals for guests, that are only accessible through its mobile app. Called “Collections,” the digital menu platform of curated options was designed to encourage customers to try new options as well as provide a more personalized ordering experience. When customers place an online order, Collections is able to generate meal suggestions based on their usual go-tos, taking into account dietary restrictions or other needs based on their past orders.

[bwnews.pr/3kePyTk](http://bwnews.pr/3kePyTk)

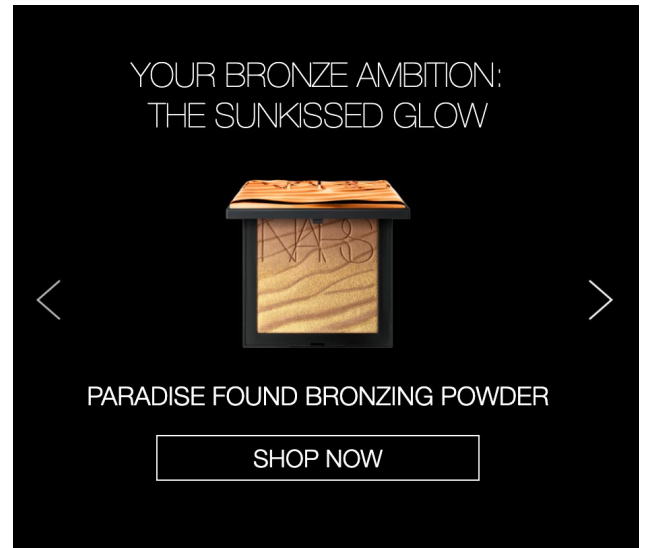


## Nars

Retailer delivers predictive product recommendations

To gather consumer data that could be leveraged as insights across its sales, marketing and product development teams, makeup brand Nars partnered with marketing software company Jebbit to create gamified quizzes that would then provide product recommendations. Currently only available under the Discover tab on Nars.com, the brand's next step is to connect quizzes across its website, social media channels and emails to its CRM platform and website, where once consumers inform the brand of a personal preference, all future website interactions would feature products to match, thanks to a fully connected customer relationship management solution.

[narscosmetics.com/find-the-best-bronzer-quiz](http://narscosmetics.com/find-the-best-bronzer-quiz)

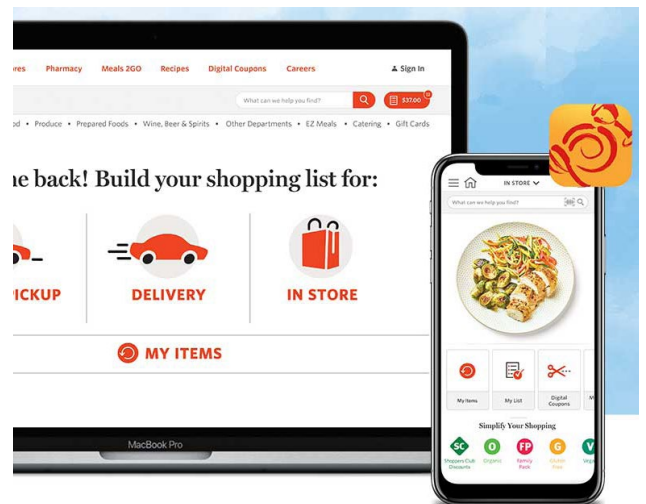


## Wegmans

Past purchases and favorites inform personalized online grocery shopping

New York-based grocer Wegmans Food Market has updated its website and mobile app to provide grocery shoppers personalized product recommendations and search results based on past purchases. As shoppers build their personalized shopping list either via the Wegmans app or website, they'll receive digital promotions tailored to them. Additionally, shoppers will experience more personalized search results when they use the grocer's digital tools, as the integrated machine-learning technology takes preferences and past orders into account.

[wegmans.com](http://wegmans.com)



# Augmented Retail

For many shoppers, digital commerce still presents the barrier of not fully explaining how a product might fit or work within a customer’s home or lifestyle. Retailers are bringing their digital content to life by partnering with VR and AR platforms to create immersive online shopping environments and allow customers to view products in 3D and virtually try them before purchasing.

## Supporting Data:

“Consumers like being able to visually try on shoes or makeup with the camera. I think it’s really reached a tipping point now where people are just willing to experiment with it and the outcome is so positive that people will see it as an expected feature. They expect the retailers to be able to support it.”

Ted Mann, CEO, Slyce

**Overall, shoppers find 3D shopping experiences to be 38% more engaging than traditional 2D photos.**

How Web-based 3D, AR Tools Enhance The Customer Shopping Experience. Retail Customer Experience, 2020

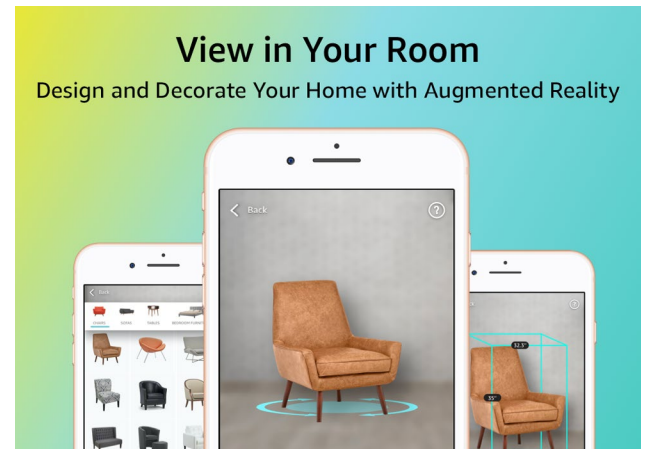
# How This Manifests:

## Room Decorator by Amazon

Digital tool allows shoppers to visualize multiple items within their homes through AR

E-tailer Amazon's AR shopping tool, Room Decorator, allows shoppers to visualize multiple pieces of furniture and home decor from both Amazon and third-party sellers within their space at the same time. While shopping, consumers simply select the View in Your Room button shown under eligible items, to be able to add the item into their living space. While using the AR feature, consumers are presented with complementary products, which can be added to the room or saved to their Amazon account and have a link emailed to them. Should a customer wish to purchase an item, they'll be able to checkout directly within the AR Room Decorator feature.

[amazon.com/arview](https://amazon.com/arview)

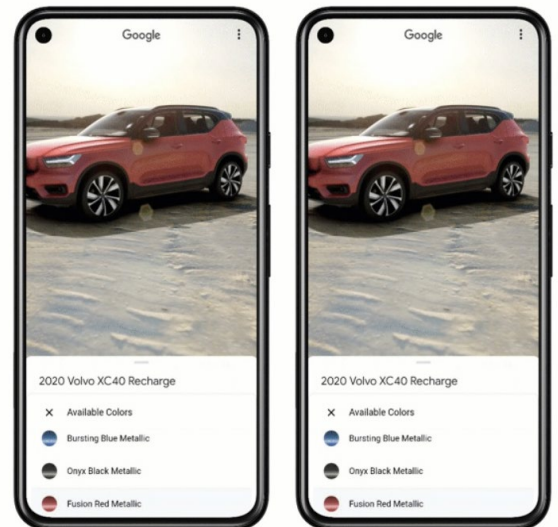


## Google x Volvo/Porsche

Search capabilities add an AR component to deliver greater product visualization

Google is teaming up with car brands Volvo and Porsche to offer augmented reality options for consumers searching for the right vehicle for them. By using the new technology on their phones, users will be able to view the practical dimensions of the cars, in the context of their own garages and yards, all within Google Search. Consumers will even be able to customize the color of the car, zoom in to see nuances of the interior and even 'walk around' the vehicle.

[blog.google/products/search](https://blog.google/products/search)



## ASOS

Ecommerce platform integrates AR into the digital shopping experience

Fashion ecommerce marketplace ASOS' See My Fit AR tool lets shoppers see what dresses would look like IRL for sizes 4-18. Available for 800 dress styles featured on the retailer's website, the See My Fit tool allows users to better visualize how an item will fit, enabling shoppers to make more informed digital purchases. To use the See My Fit tool, a customer first selects the model that most closely resembles themselves. Once selected, the tool is able to map the product onto the model while taking size, cut and individual garment fit into account to create a more realistic experience.

[asos.com](https://asos.com)



# Social Shopping

Digital commerce isn't always a personal endeavor. Increasingly, consumers are connecting with friends or brand experts and fans to discover new products, share perspectives, and make a purchase. Retailers are tapping into live streaming platforms that allow consumers to shop directly in real time and have two-way conversations with a community of consumers, taking online shopping from a solitary experience to a shared one.

## Supporting Data:

**16-24-year-olds are 1.4x more likely than the global average to discover brands through vlogs.**

Commerce Report. Global Web Index, 2019

**One in every five customers that click to view a product landing page through live streaming ends up buying—a conversion rate of 20%.**

Alibaba Stock Will Benefit From Strong Consumer Spending In China.”  
Barrons, 2019

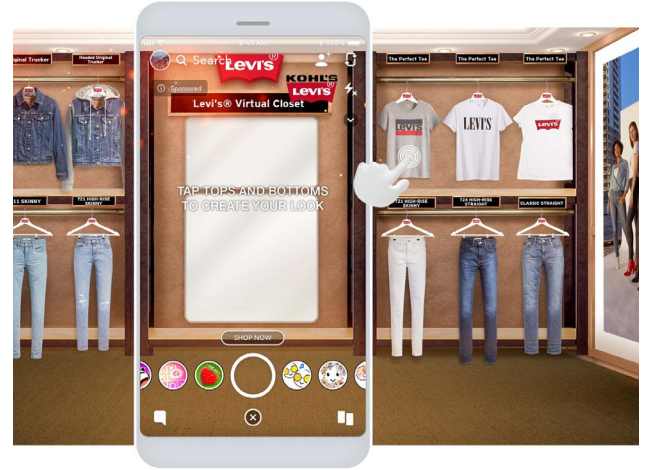
# How This Manifests:

## Levi's x Squad

Fashion brand translates the social browsing experience online

Fashion brand Levi's has partnered with online co-watching video app Squad for its back to school shopping campaign. To replicate the social aspect of the in-store experience, Levi's hosted virtual styling and shopping events for small groups of friends via Squad, where a Levi's stylist offered advice and recommendations while the group browsed items together online. By using Squad, groups of friends were able to join a private video chat while simultaneously sharing screens to view the same content together.

[levistrauss.levis.com](http://levistrauss.levis.com)



## Shopify x Spin Live

Digital marketplace integrates live streaming capabilities into its merchants' offering

Ecommerce marketplace Shopify has created a live sales channel through its partnership with livestream platform Spin Live. The first app to be listed in the Shopify App Store, Spin Live allows merchants to sell products directly through live videos that are created by leading influencers. Merchants are able to sync product information, inventory and fulfillment to Spin Live video content, allowing consumers direct access to goods without the need to ever leave the livestream video.

[shopify.com](http://shopify.com) | [spin.live](http://spin.live)

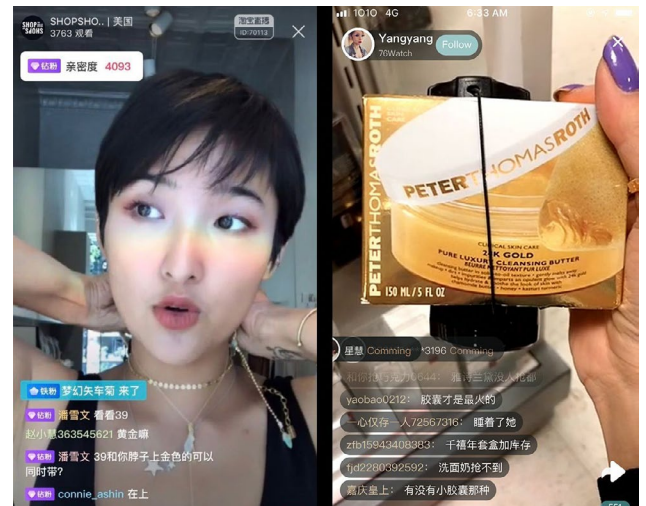


## ShopShops

US retailers can connect with Chinese shoppers via live-streamed shopping events

ShopShops is an interactive, live-streamed global marketplace that connects US brick-and-mortar retailers and brands directly with cross-border Chinese shoppers via their mobile device. Stores host two-hour live events to "open doors" to thousands of global customers who can tune in via the app. ShopShops hosts manage the events, acting as stylists and translators, modeling items and answering any questions viewers may have about the items.

[shopshops.com](http://shopshops.com)



# What This Means For Key Decision Makers

- Customized digital retail doesn't need to start from scratch. Develop a foundational digital storefront and digital inventory. Then, layer AI-based CRM and personalization tools or systems to create customized homepages and catalogs that tailor the customer experience.
- Don't limit e-retail to a mobile phone or laptop screen. Consider how an entire ecosystem of devices and platforms, from wearables to VR/AR, can be incorporated to enrich the experience.
- With all the push for personalization, it can be easy to assume retail happens in an individual silo. However, shopping is inherently a social activity. Connect digital consumers to brand fans, influencers, or experts via live-streaming tools for a new shopping perspective.

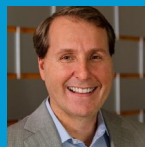


# Shopper Education & Assistance

**Providing personalized support at key moments on the purchase path, in order to help shoppers understand product information and make confident choices.**

Customers value brands that can support their shopping journey by providing clear information, well-timed input, and expert opinions. Companies must design their digital platforms to help customers find the products that match their personal needs and offer assistive tools that step in when shoppers hit a roadblock. Retailers are investing in AI-powered chatbots, authentication tools, and curation services to help customers navigate the ins and outs of the product catalog—while routing to human experts as soon as a shopper requires more detailed assistance.

“Understanding 1) the nuances of what consumers expect, 2) how they actually engage with brands via a myriad of digital channels, and 3) integrating these in-demand channels seamlessly to deliver digital-first omnichannel experiences, are the keys to sustainable growth.”



Paul Jarman. CEO, NICE inContact

# Guided Selection

When navigating a full product catalog, customers can feel overwhelmed or unsure of how to choose (or customize) products to fit their needs. Retailers are offering AI-enabled decision support that asks customers questions about their preferences and requirements and helps to narrow down choices. Guided selection systems support customers in finding the best product fit, boosting shopper confidence.

## Supporting Data:

**58% of Millennials will share personal data to power product recommendations that match their needs.**

Consumer Expectations Hit All Time High. Salesforce, 2019

**36% of customers consider a company's ability to provide relevant recommendations for additional products and services after a single purchase to be a basic standard.**

Proving The Value In CX. Forbes Insight, 2020

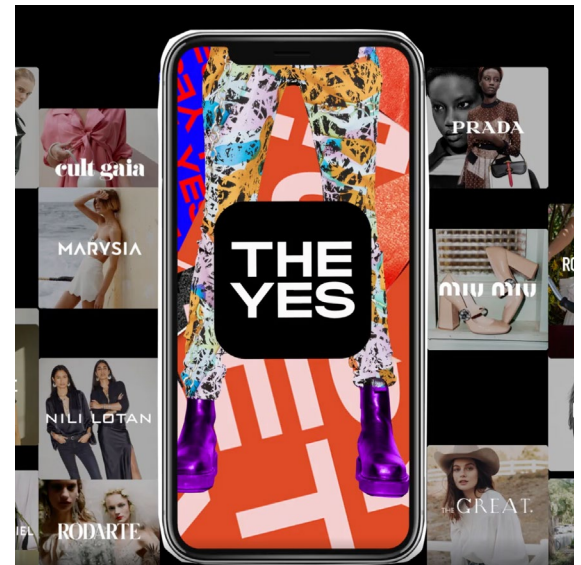
# How This Manifests:

## The Yes

Intelligent platform suggests personalized recommendations based on continued engagement

App-based shopping platform The Yes creates tailor-made experiences for users through its machine learning capabilities. The Yes app uses algorithms to create each user's style and shopping preferences based on simple "yes" or "no" answers to fashion related questions. Results are based on replies and the "yes" items go directly into your personal, curated feed on the app. Items that appear within a users feed will depend on their answers as well as what they're looking at and buying. Additionally, users will see items that similar shoppers have been liking, as well as their own friends' finds within the app should they choose.

[theyes.com](http://theyes.com)

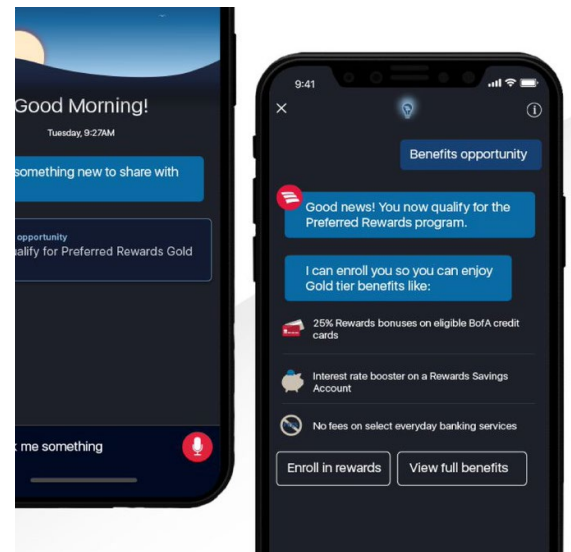


## Erica by Bank Of America

AI-powered assistant preemptively provides personalized offers

Financial institute Bank of America incorporated its consumer-facing chatbot, Erica, into its newly launched mobile banking app. The AI-powered banking assistant takes a proactive approach to sending customers personalized offers and services that best suit their current needs. Within the mobile app, banking customers preemptively receive personalized recommendations from Erica. Should they choose to learn more, the chatbot is able to share detailed advice on potential savings customers could realize through specific Bank of America services and promotions.

[bankofamerica/erica.com](http://bankofamerica/erica.com)

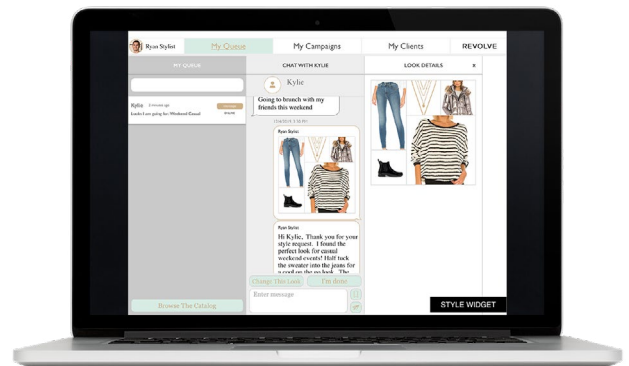


## REVOLVE x Snap+Style Business

Online stylists access customer profiles during shopping interactions

Online fashion retailer Revolve partnered with technology platform Snap+Style Business to create a personalized digital shopping CRM tool to inform online conversations between stylists and customers. Using the S+SB's StyleWidget, Revolve's fashion stylists can review customers' past purchases and automated recommendations to suggest new products for buyers. According to the Revolve team, this partnership accelerated the turnaround time for online product and style recommendations by stylists by almost 50%.

[revolve.com](http://revolve.com) | [snapandstylebusiness.com](http://snapandstylebusiness.com)



# 1-to-1 Support

At big-box retailers and online stores, customers aren't used to receiving one-to-one service. However, new digital tools are helping to scale the reach and ability of personal stylists and brand experts to offer on-demand consults and advice to digital shoppers.

## Supporting Data:

When asked about customer support preferences, 72% of consumers ages 18-64 said having the ability to text with a live agent in real-time would improve their overall customer service experience.

Optimizing Channels for Customer Support. UJET, 2020

53% of consumers cite "my personal experience" with a brand as a competitive advantage.

Proving The Value In CX. Forbes Insight, 2020

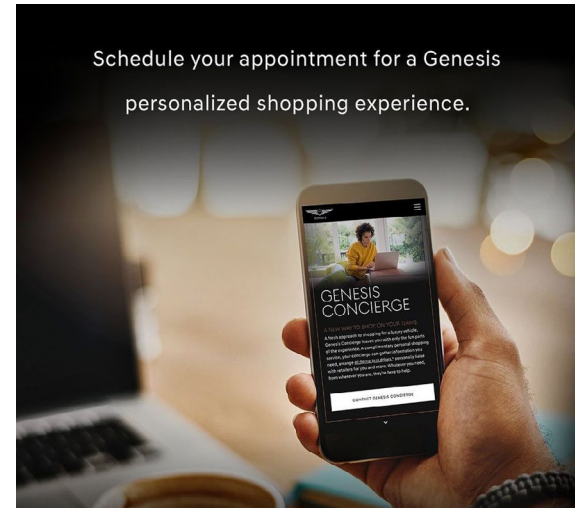
# How This Manifests:

## Genesis Concierge

Automaker provides tailored support from the consideration stage through ownership

The Genesis Concierge is a new 1:1 shopping experience that extends across the entire customer journey from interest to onboarding. The service begins when a potential buyer expresses interest in a vehicle online. A host will then contact that person and answer any questions they may have via phone, email, or text. The host will act as a guide through the experience and can schedule an at-home test drive if that's what the buyer wants. If all goes to plan, the vehicle can be delivered to the new owner's chosen location. After delivery, the same concierge is available to answer questions or tackle any concerns the new owner may have.

[genesis.com](https://genesis.com)

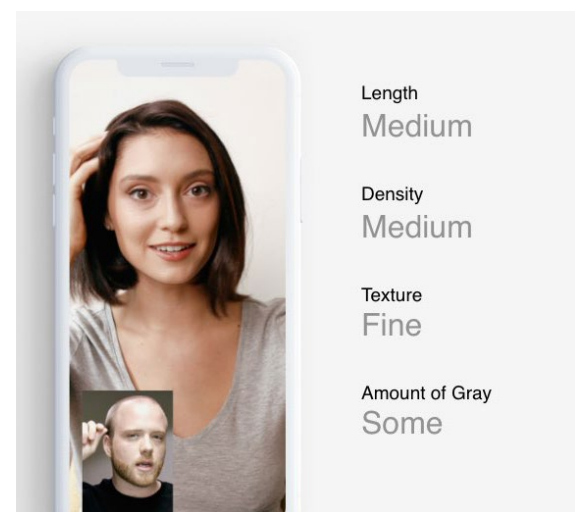


## L'Oréal Color&Co

Video consultations bring salon experience to at-home hair coloring

Beauty and personal care company L'Oréal launched Color&Co, a direct-to-consumer brand for at-home hair coloring that comes with expert advice. The brand provides each consumer with an online quiz, as well as a consultation with a salon colorist, in order to develop personalized recommendations and customized color formulations. Customers receive written instructions and a personalized tutorial video on how to apply the product; these resources are uploaded to the customer's online account to guide them through the color application process once they've received their orders.

[colorandco.com](https://colorandco.com)

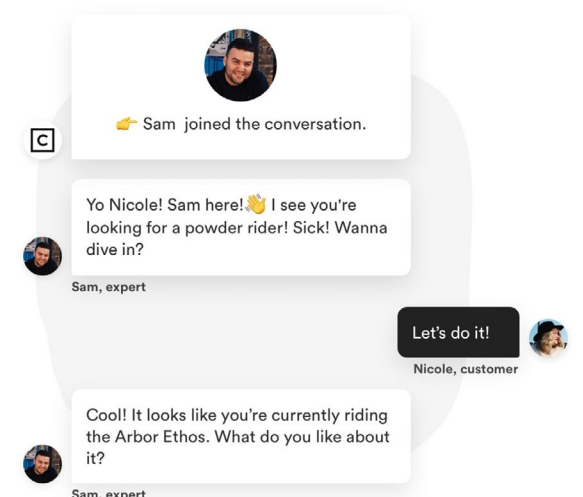


## Curated

On-demand experts provide personalized recommendations for sports and luxury travel enthusiasts

Curated is an online platform that connects consumers with a community of luxury travel experts, who offer personalized product and experience recommendations for winter sports, golf, cycling and yacht charters. Customers get started by answering a couple of basic questions about their trip interests and are matched with the appropriate expert. Users can discuss their preferences and budgets with their experts via email, video chat, text or a portal on Curated's website. The expert then sends a list of personalized recommendations to their client, comparing different products and prices, along with insider tips. Curated's services are free to use, but customers are asked to send feedback and share experiences in order to improve the service.

[curated.com](https://curated.com)



# Trusted Authentication

As more consumers shop through third party and resale marketplaces, there is growing shopper concern around counterfeit products. Customers are looking to retailers to foster shopping confidence and product trust. In response, ecommerce platforms are leveraging different technological solutions, from AI verification to blockchain tracking, to guarantee product quality and authenticity.

## Supporting Data:

**Consumers spend about half a trillion dollars annually on counterfeit products and more than 70% of counterfeit products are purchased from online marketplaces.**

The Issue Of Identifying Counterfeit Goods Online. Mondaq, 2018.

**Worldwide sales of knockoff goods exceeded \$520 billion in 2018, representing 3.3% of all global trade.**

“Counterfeit and pirated goods represent 3.3% of global trade: report”  
France24, 2019

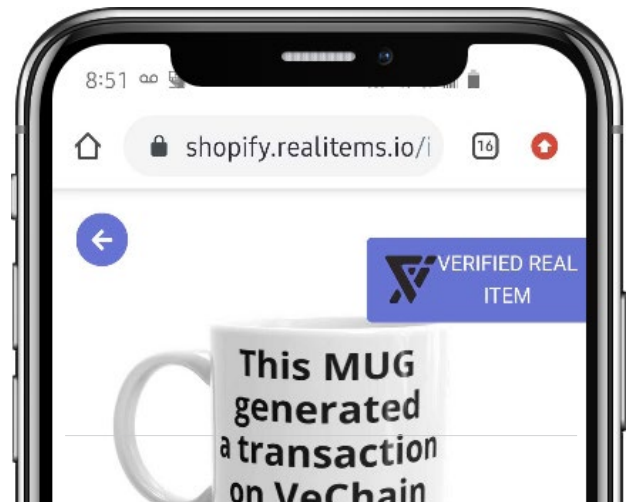
# How This Manifests:

## Shopify x Real Items Foundation

Ecommerce plugin guarantees product authentication across all product categories

Ecommerce marketplace Shopify is working with San Francisco-based startup Real Items Foundation to beta test a website plugin that verifies the authenticity of items that are being sold to online shoppers. The plugin, powered by a combination of blockchain technology and a cloud-based application called “TAM,” enables brands to generate non-fungible tokens (NFTs) that are attached to physical products. Consumers who purchase a product containing an NFT can scan that item to verify its authenticity, providing a transparent view of a product’s original source.

[shopify.com](https://shopify.com) | [realitems.io](https://realitems.io)

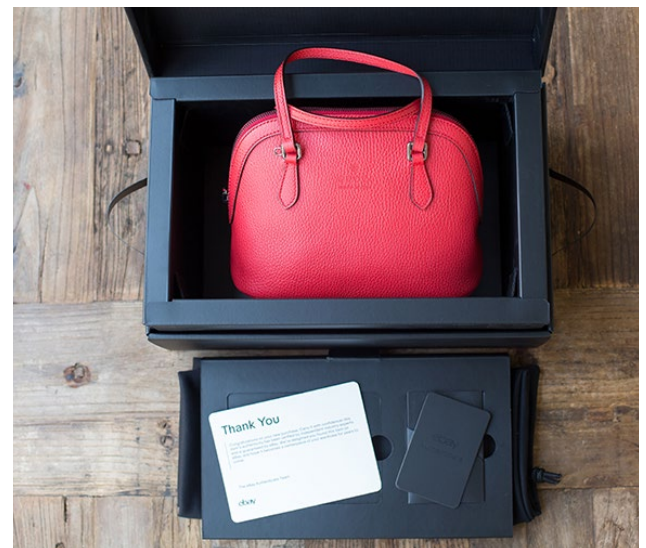


## eBay Authenticate

Verification service delivers buyer confidence on ecommerce platform

Developed to inspire both seller and buyer confidence, ecommerce platform eBay launched eBay Authenticate, a product verification service for peer-to-peer sales of luxury goods, such as watches, handbags, and collectives. To participate in eBay Authenticate, sellers mail their items to eBay for expert certification, which verifies its condition, rarity, and current market value. The eBay Authenticate team then lists the product for sale and manages fulfillment once a product is purchased, offering peace of mind for the buyer and the seller.

[ebay.com](https://ebay.com)

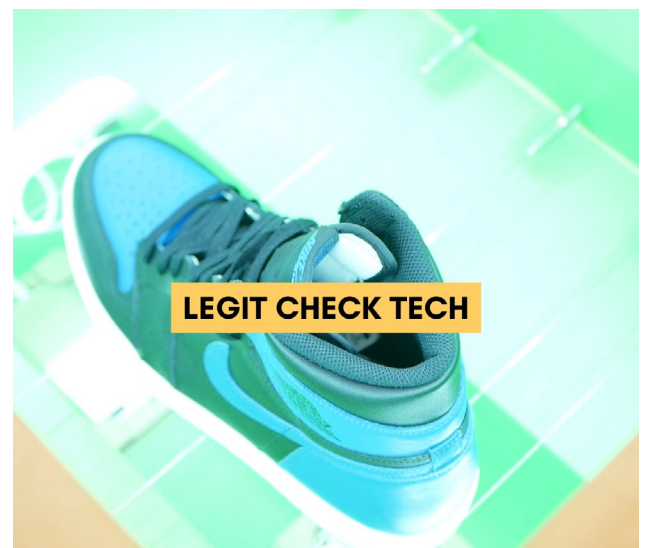


## Entrupy

AI-powered scanning systems protects against counterfeits

With its “Legit Check Tech” solution, startup Entrupy uses a combination of hardware and software to accurately and efficiently identify fake sneakers. Entrupy’s system consists of eight cameras that live inside an LCT box, and are connected to a companion app. Once sneakers are placed inside the LCT box, they are photographed from each angle, while LCT simultaneously uses artificial intelligence to compare the hundreds of data points created from the sneaker’s images to a database of authentic pairs Entrupy has built.

[entrupy.com](https://entrupy.com)



# What This Means For Key Decision Makers

- Shoppers gravitate to retailers that make life easier for them, and they keep helpful brands top-of-mind. Create an intelligent digital experience across all sales (powered by humans and software solutions) to deliver expert assistance whenever the customer needs it.
- Assistance isn't just a reactive service. Consider how you can help customers proactively by authenticating products and offerings, anticipating questions, or curating selections to their interests.
- Support is only as helpful as it is timely. Empower your customer service agents to respond with the immediateness that consumers expect by enlisting chatbots and avatars to field questions and alert agents to more in-depth concerns.
- Help customers throughout their journey by incorporating tools, such as blockchain technology and conversational AI, that track or recall customer history for in-the-moment support.



# Transactions, Payments & Tax

## Enlisting digital tools to ensure a streamlined and secure checkout and payment experience for purchases, bookings, or sign-ups.

Creating a simple, smooth checkout process is critical to delivering a positive digital experience. Consumers expect their payment information to be automatically provided across all channels, and they trust that their private data is being tokenized or stored on blockchain systems for security. Companies of all sizes are exploring how to improve the convenience and safety of their checkout process: They are updating their POS systems to improve and provide a consistent, accurate experience across all sales channels, responding to international adjustments, and offering alternate payment plans such as a micro-credit and layaway. By innovating at the point of sale, brands stand to build trust and loyalty with today's online shoppers.

“We’re seeing organizations move [beyond] digital transformation, which is revamping websites and marketing automation and sales productivity tools. Now they’re also looking at financial software and back-end processes and supply chain, and how those things combine with the front office to provide for better experiences.”



Des Cahill. CMO, Oracle

# One-Click POS

In an effort to streamline the checkout process, retailers are partnering with both traditional and digital payments providers to integrate one-click purchase options into their online commerce platforms. The underlying transactional infrastructure of these solutions ensures a consistent, convenient and secure experience.

## Supporting Data:

**87% of online shoppers will abandon their carts if checkout is complex—and 55% will abandon the retailer.**

Hindsight Is 2020. Accenture, 2020

**Almost 1 in 3 internet users say a quick and easy checkout process would most motivate them to buy a product online.**

Commerce. Global Web Index, 2019

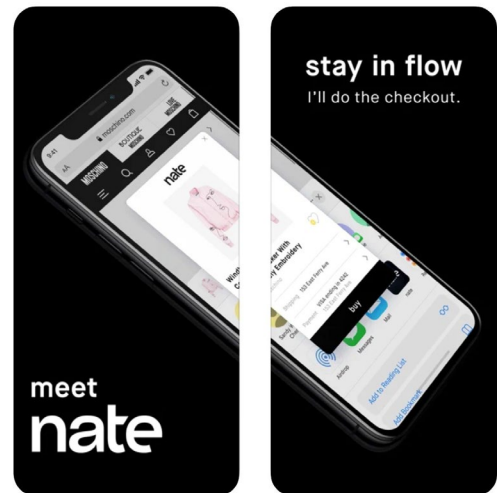
# How This Manifests:

## Nate

Intelligent platform automatically sources, processes and fulfills digital orders

AI-powered app Nate takes the heavy lifting out of online shopping by executing purchases for the consumer. Shoppers search, discover and share with Nate the item they want to buy, or save for later, and Nate handles the details of visiting websites, filling in necessary information and ultimately checking out upon receiving the command button “buy.” Once the item is purchased, consumers receive a confirmation email. App users are also able to share gifts from any store with their contacts via text, as Nate instantly handles both checkout and delivery.

[nate.tech](http://nate.tech)

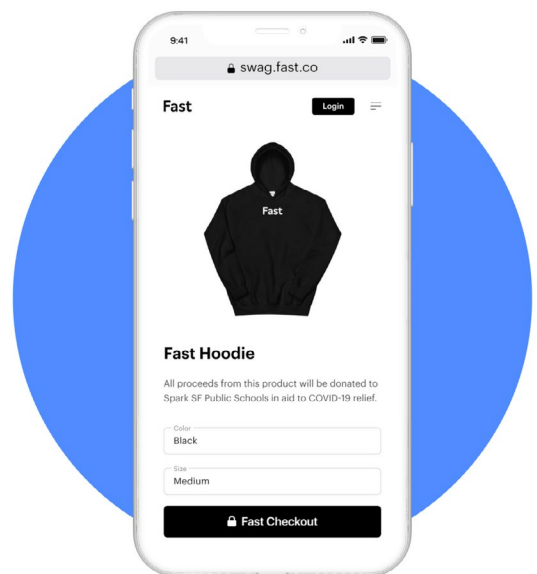


## Fast Checkout

Opt-in service manages consumer data to power one-click digital checkout

Checkout services startup Fast expedites and simplifies the digital checkout experience by providing one-click login, one-click payments, and one-click data access for consumers who choose to opt in to its Fast Checkout service. Once a consumer creates an account with Fast, which involves sharing their email, name, phone, address and credit card number, their information is securely saved for future online purchases. Consumers are then able to access Fast’s one-click to buy capabilities across all of the platform’s partner websites for a streamlined checkout process.

[fast.co](http://fast.co)

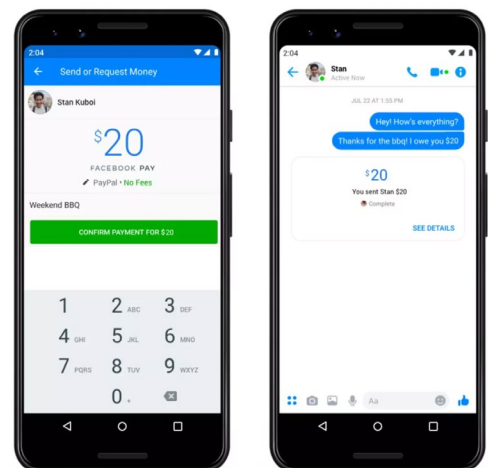


## Facebook Pay

Instant checkout and money transfers within social and messaging apps

Payment system Facebook Pay is an instant payments platform that will be integrated into social and messaging apps including Facebook, Instagram and WhatsApp. Users will be able to simply and securely shop for goods, transfer money to friends, make in-game purchases or donate to fundraisers as well as track past transactions, all within their preferred app.

[pay.facebook.com](http://pay.facebook.com)



# Digital Layaway

As a way to reach a wider audience, retailers and brands are partnering with next-generation payments providers to give customers a wider range of options to buy now and pay later. Financial products such as split payments and low or no-interest financing plans are increasingly available to customers who don't have the interest or ability to pay for their entire purchase right away.

## Supporting Data:

**IOU apps surged in 2019, growing 162% last year to nearly 6 million downloads.**

Shopping Report Q4 2019. Apptopia, 2020

**Flexible payment plans increase average order value by 58% for users, while checkout conversion rates also jump 30% for retail partners.**

Klarna Financing

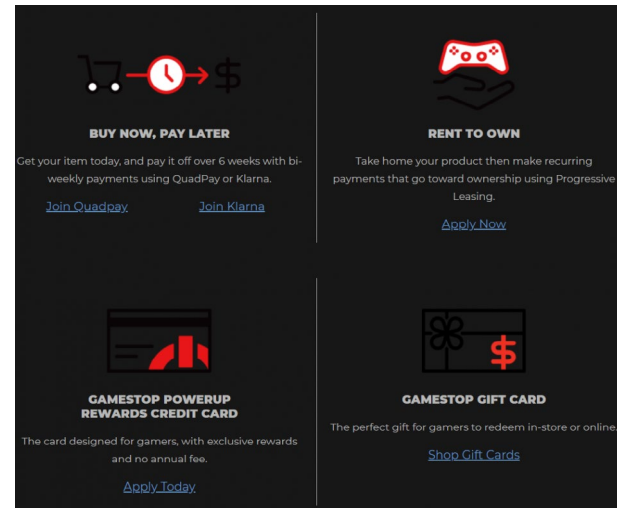
# How This Manifests:

## Gamestop x Quadpay

Gaming retailer and payment platform collaborate for greater accessibility

Leading up to the holiday shopping season, GameStop, the largest global video game retailer, has partnered with QuadPay, the payment financing platform that allows shoppers to make interest-free installments on a purchase over a six week period. Available to consumers both online and in-store, the buy-now, pay-later service offers greater payment flexibility as well as accessibility to typically higher-ticket consoles.

[bwnews.pr/3kGCrKj](http://bwnews.pr/3kGCrKj)



## Samsung x Klarna

Flexible payment program for high-price mobile devices

Technology brand Samsung teamed up with financing platform Klarna to offer its shoppers different payment plans to pay for their mobile and electronics purchases. At checkout, customers can choose from three alternative payment plans, including “buy now, pay in 30 days,” “buy now, pay in three monthly payments,” or “spread the cost up to four years.” Customers can also use Klarna to pay for their mobile upgrades.

[samsung.com/uk/klarna](http://samsung.com/uk/klarna)

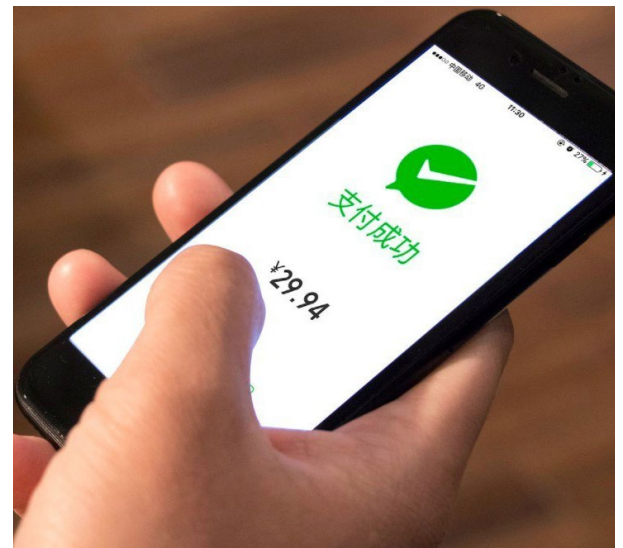


## Tencent

App-based layaway feature blends social media and mobile commerce

China-based multinational technology and investment conglomerate Tencent debuted a buy-now, pay-later feature on WeChat, its multi-purpose messaging, social media and mobile payment app. The embedded layaway option now allows WeChat’s one billion-plus community to utilize its deferred payment plan, allowing the app’s users to purchase items in installments while shopping with WeChat-supported stores. To use the new feature, shoppers simply select the microloan option when checking out via WeChat. Additionally, these microloans can be fully repaid at any point.

[tencent.com](http://tencent.com)



# Borderless Payments

Digital commerce has created a truly global marketplace, transforming shopping from a local or even regional activity into a process that happens from any location around the world. While it has increased options for consumers, global commerce has also generated new layers of complexity for retailers, from currency conversion to accurate tax and customs calculations based on HS classification, region and beyond. In order to serve an international audience of customers, inspire confidence, and ensure there are no hidden costs as a purchase crosses borders to get to customers' front door, retailers need to have an intelligent suite of transaction solutions in place to enable consistent rates in addition to accuracy, transparency and security.

## Supporting Data:

57% of online shoppers worldwide are making cross-border purchases from overseas retailers. Global ecommerce sales are expected to reach \$4.8 trillion USD by 2021, while nearly 85% of the world's purchasing power exists outside the U.S.

Global Ecommerce Playbook. Shopify, 2019

“HS classification is really important because you have to know which goods you're shipping and what a country defines them as so that you and your customers understand how much it's going to cost to ship it across the border.”

Craig Reed, SVP of Global Trade, Avalara

# How This Manifests:

## WeChat Pay

Payment platform and app syncs international payment providers with local currency

Chinese payment platform WeChat Pay can now be used by foreign visitors to pay for goods and services in China. The Chinese payments giant has partnered with Visa, MasterCard, American Express, Discover Global Network, and JCB to allow foreign visitors to link their credit cards to WeChat Pay. Previously, WeChat Pay only supported users who had mainland China-based bank cards, savings cards, and credit cards. To sign up for the newly-expanded service, WeChat Pay users can add international credit cards directly to their digital wallets on the WeChat app.

[pay.weixin.qq.com](https://pay.weixin.qq.com)

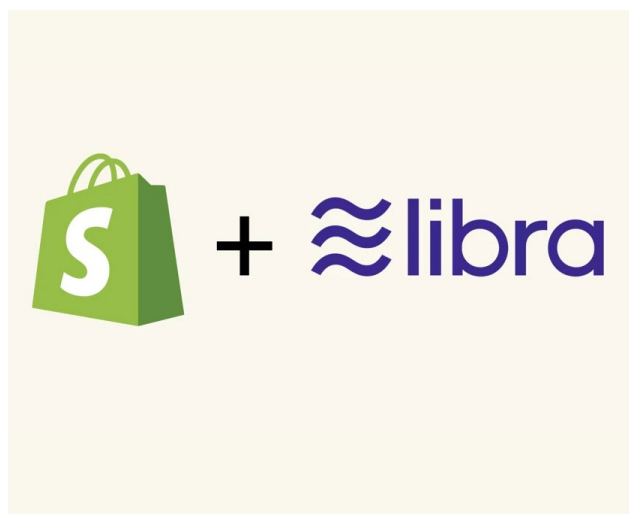


## Shopify x Libra

Global ecommerce provider leverages blockchain technology to power transparent transactions

Ecommerce platform provider Shopify joined the Libra Association, the cryptocurrency platform by Facebook, that allows for zero to no-fee commerce worldwide. A multinational commerce platform with over one million businesses in approximately 175 countries, Shopify's partnership with Libra allows Shopify to provide its customers with a safe, transparent, and user-friendly global payment system that breaks down financial barriers, allowing for more seamless cross-border transactions.

[shopify.com](https://shopify.com) | [libra.org](https://libra.org)

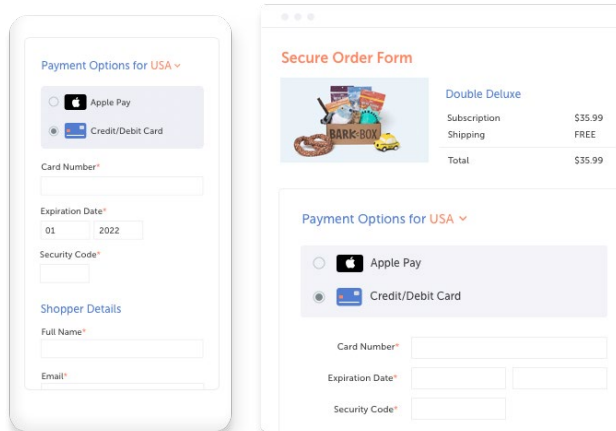


## BlueSnap

Payment platform creates localized cross-border checkout experience

Online payments solutions platform BlueSnap simplifies online checkouts with personalized customer service and fraud prevention by supporting local currencies and languages, providing customers with a seamless experience no matter where they are. To enable mobile-friendly checkout, BlueSnap offers multiple eWallets as well as secure, seamless, one-click checkout and stored payment information capabilities to facilitate greater conversion rates.

[home.bluesnap.com](https://home.bluesnap.com)



# In-Cart Optimization

An important process within the end-to-end digital commerce experience, accurate and automatic tax calculations for online carts represent an opportunity for retailers to consistently inspire confidence in their customers through transparency, and deliver the seamless checkout customers now expect across all points of sale. Looking at the checkout process, from tax calculations to shipping estimates, retailers that leverage automation within this step stand to improve not only their customer relationships at scale, but also their back-end operations through increased accuracy and productivity.

## Supporting Data:

The average cart abandonment rate as of 2019 was 69.57%, with 53% of shoppers citing unexpected costs (shipping, tax, and fees) as the main cause.

Reason For Abandonments During Checkout. Baymard Institute, 2019

If we look at the combined e-commerce sales of \$738 billion in the US and EU, the potential for a 35.26% increase in conversion rate translates to \$260 billion worth of lost orders which are recoverable solely through a better checkout flow & design.

Reason For Abandonments During Checkout. Baymard Institute, 2019



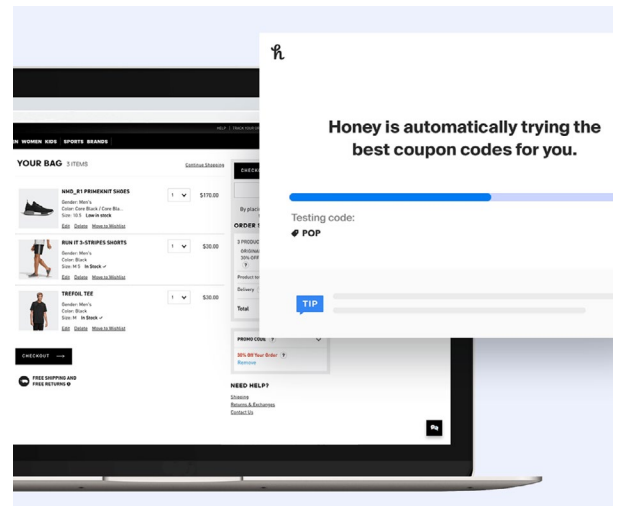
# How This Manifests:

## PayPal x Honey

Online payments system leverages deal browsing software to improve the checkout experience

Online payments system PayPal acquired deal-finding browser add-on and mobile app Honey in order to take the functionality Honey now offers — which is product discovery, price tracking, offers and loyalty — and build that into the PayPal checkout experience. Automatically sourcing and applying coupons and savings to online carts, Honey is able to help PayPal deliver an affordable, easy-to-use shopping experience to its millions of users.

[joinhoney.com/paypal](http://joinhoney.com/paypal)

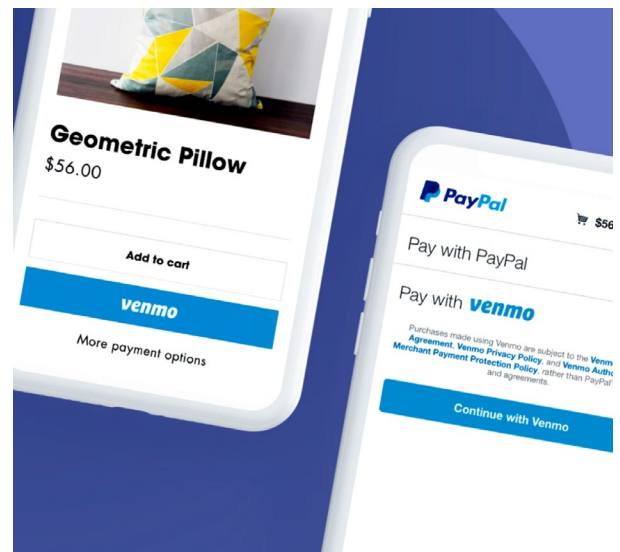


## Shopify x Venmo

Ecommerce marketplace adds mobile payment service as checkout option

Ecommerce marketplace Shopify added PayPal-owned mobile payment service Venmo as a checkout method for its merchants. Venmo is a popular peer-to-peer (P2P) payment method that allows the retailers integrating it into their offering to provide customers with a direct payment option. Providing its merchants with a new checkout feature that resonates with buyers, Shopify's rollout of Venmo offers businesses a way to reach more consumers. By integrating Venmo in their online store, merchants can allow their customers to complete their purchases in just a few clicks, while giving users a familiar way to check out contributes to reduced levels of cart abandonment.

[shopify.com/pay-with-venmo](http://shopify.com/pay-with-venmo)



## Clarks

Retailer leverages customer insights to improve cart abandonment rates

In order to improve cart abandonment rates and online conversion, footwear brand Clarks implemented a new email system with a larger number of behavior triggers. Rather than receive a generic follow-up email after abandoning their cart, Clarks shoppers can now get a more personalized response based on their specific behaviors on the site. Now, unique triggers and follow-up emails are tied to a product left in a cart dropping in price or close to being out of stock. Since starting the strategy, traffic from cart abandonment follow-up emails has increased 13 times, driving 5.5 times more revenue from email.

[clarksusa.com](http://clarksusa.com)



# What This Means For Key Decision Makers

- Consider modular solutions that plug into existing transactional architecture to enable greater control and flexibility over the end-to-end customer experience, particularly at the critical stage of checkout and tax calculation.
- Automation can improve not only the customer experience, but also back-end operations. Improve accuracy and increase productivity by reducing manual entry through automated payments, conversion, and taxation systems.
- Customers expect checkout to be seamless, no matter their digital channel or geographic location. Invest in software solutions that are easy to plug-in, scale up, and have global back-end capabilities, including currency conversion and tax compliance.
- While shoppers may browse on different channels, purchase should be available on any platform, at any moment. Optimize data entry points through intelligent automation to ensure that one-click checkout is a universal possibility.
- Like their browsing behavior, customers expect flexibility when choosing how to purchase their items. Consider how different payment systems such as IOU, micro-credit, cryptocurrency, and social payment platforms can figure into your checkout process.

# Fulfillment & Post-Purchase Support

**Building a flexible back-end ecosystem to ensure that customers get the most out of their purchase, managing fulfillment, onboarding, returns, and on-demand support.**

For consumers, the post-purchase experience is no longer an afterthought, but a crucial component of the customer experience. Customers expect near-instantaneous last-mile fulfillment, with different delivery options to suit their lifestyles. Companies are responding by applying AI and ML to streamline logistics, reducing costs associated with customs and brokerage fees, and reducing the headache associated with making returns at any (physical or digital) location. After checkout, retailers are going above and beyond to extend the relationship by offering how-to classes, expert advice, and convenient replenishment services for their valued shoppers.

“The dilemma facing retailers is to provide last-mile delivery services that customers value without damaging their own profitability. If done right, and their last-mile experience can win over customer satisfaction, retailers stand to gain loyalty, increased purchase value and frequency, while mitigating profitability risk through automation and optimization of fulfillment locations.”



Tim Bridges. Global Sector Leader, Consumer Products, Retail & Distribution, Capgemini

# Frictionless Logistics

Customers are often buying not only a product, but also the promise that it will be manufactured and delivered quickly and conveniently. Retailers are responding by giving consumers greater control over how, when, and where they can receive purchases and return orders by providing the tools necessary to digitally process and track deliveries and ensure that back-end operations, from location-specific tax to delivery charges, are accurately applied throughout the delivery process. By improving backend logistics, retailers make a direct impact on the customer experience.

## Supporting Data:

Despite 55% of customers expressing that offering 2-hour deliveries would increase loyalty, only 19% of firms currently provide this compared to 59% of firms that offer a delivery time frame of over 3 days.

The Last Mile Delivery Challenge. Capgemini Research Institute, 2019

Of the 63% of millennials who purchase items online, 76% prefer to make returns in-store, and 76% of them stay and shop after making a return in-store

Millennial Survey. Roth, 2020

# How This Manifests:

## Uber Direct & Uber Connect

On-demand delivery service allows for same-day fulfillment

To better meet new consumer needs within social distancing guidelines, ride sharing platform Uber's extended delivery programs Uber Direct and Uber Connect leverage the app's fleet of drivers. Helping retailers to provide on-demand delivery services, Uber Direct provides localized fulfillment capabilities. Meanwhile, Uber Connect acts as a peer-to-peer delivery service, allowing consumers to enlist Uber drivers to deliver packages to friends and family members similarly to how they would schedule a ride.

[uber.com](http://uber.com)

## Tanger Factory Outlet Centers

Digital concierge service provides consumers flexible fulfillment options

Tanger Factory Outlet Centers offers consumers a remote shopping experience thanks to its virtual shopper service, which functions as a personal shopper for consumers. The digital tool lets customers shop across the outlet's retailers for the best value, providing shoppers access to inventory at all the centers' locations, where they can select their favorite styles and brands online to share with onsite stylists and specialists who then do the shopping for them. Items can be picked up via curbside or delivered directly to the shopper's home.

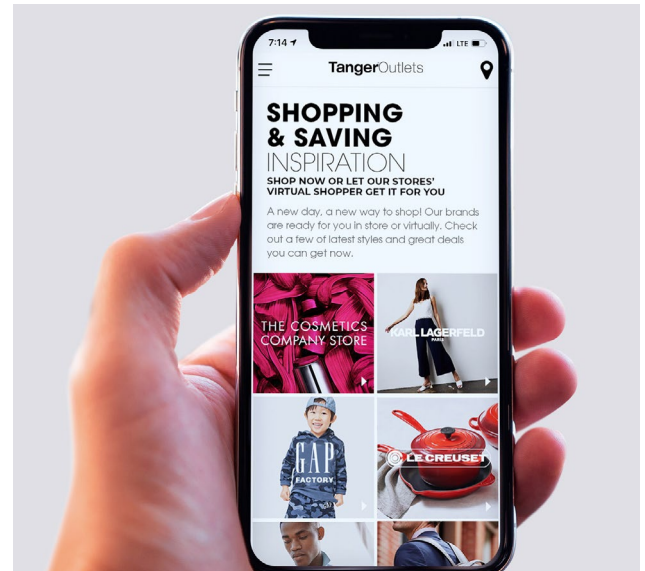
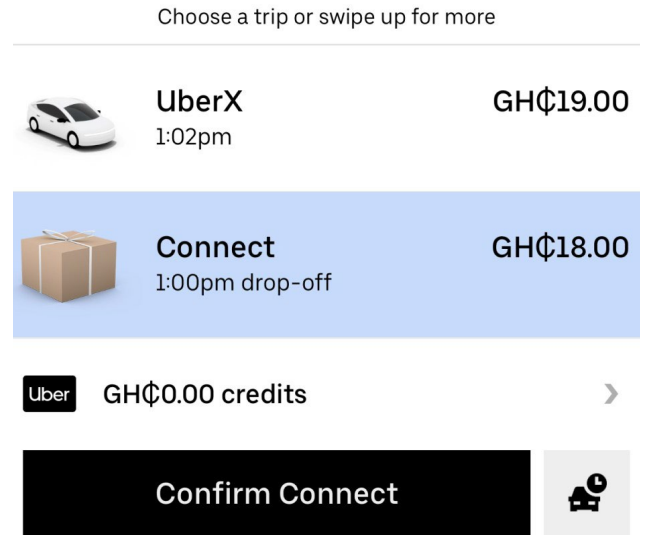
[tangeroutlet.com/virtualshopper](http://tangeroutlet.com/virtualshopper)

## Kroger

Shoppers pick up online grocery orders at the pharmacy

Knowing that consumers are often rushing to complete all of their orders, grocery chain Kroger is reconfiguring its supply chain to centralize customers' needs. Kroger is piloting a collaboration with pharmacy chain Walgreens to enable shoppers to order groceries online and then pick them up at select Walgreens locations near them. Similarly, Kroger also launched a two-level urban format store in Cincinnati, Ohio, featuring the grocer's first-ever food hall and a walk-up window for beverage orders. All of these updates are part of Kroger's larger strategy to help customers cross multiple tasks off their to-do lists through a branded experience.

[kroger.com](http://kroger.com)



# Elevated Onboarding

Like delivery, another opportunity area for retailers to improve the customer experience is in product setup and onboarding. Once a consumer receives their purchase, brands are delivering education, expertise and ongoing support through digital platforms and connected products in order to optimize the ownership experience and add value in the context of everyday life.

## Supporting Data:

“If you think about the acquisition funnel, you’re doing all this talking to get someone to purchase, then the only conversations you really have are either more marketing or customer service if something is wrong. With a coaching service, buying...is the start of the relationship.”

Emmett Shine. Co-Founder, Pattern

Customers find these aspects most difficult in the product onboarding process: **cabling/wiring (28%)**, **hardware configuration (16%)**, **component identification (12%)**.

TechSee. IoT Onboarding: The Challenges Businesses Face—and the Solutions, 2020

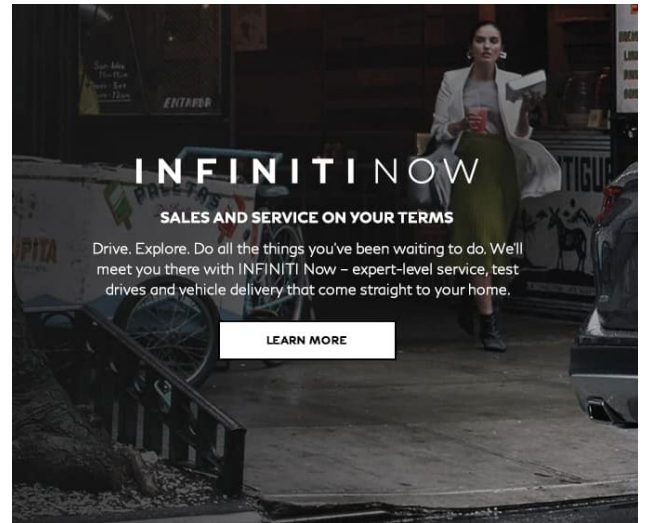
# How This Manifests:

## Infiniti Now

Automotive retailer provides support throughout the end-to-end purchase journey

Nissan-owned luxury vehicle retailer Infiniti offers potential customers a suite of digital services through its Infiniti Now online shopping experience. By guiding customers through their research phase and into the purchase stage, Infiniti Now allows potential buyers to converse with Infiniti personnel via text or video, schedule an at-home test drive and complete their paperwork, including financing, via Infiniti's digital shopping tool. Customers can even tailor their delivery experience with ICAR-X — a digital tool that allows them to select which features they'd like reviewed upon receipt of their new car or SUV.

[infinitiusa.com](http://infinitiusa.com)

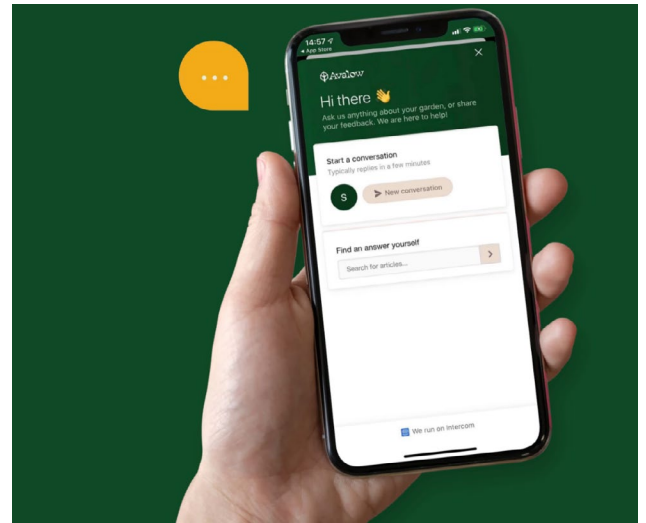


## Avalow

Plant nursery startup offers personalized gardening advice and troubleshooting

Direct-to-consumer plant nursery Avalow's on-demand direct chat feature promises plant owners continued support post-purchase. Gardeners who sign up for the Avalow and Coaching package receive a personalized seasonal plant selection based on location and level of commitment, along with a login to Avalow's mobile coaching app, where they can chat one-on-one with the company's Grow team. Within the app, plant parents are able to access exclusive content as well as a shared garden journal that provides trade advice for new gardeners.

[avalow.com](http://avalow.com)



## Equal Parts

Cookware purchases come with free access to a cooking coach

Cookware brand Equal Parts offers customers 8 weeks' worth of free access to a cooking coach with the purchase of any Equal Parts merch, in order to help them develop skills and confidence in the kitchen. Coaches are online from 4:00pm to midnight every weekday and from noon to midnight on the weekends to serve any on-demand needs. Owners can chat with them via text or Slack and get real-time answers to their cooking questions.

[equalparts.com](http://equalparts.com)



# 360-Degree Loyalty

As the consumer journey extends beyond the point of sale, companies are rethinking their loyalty programs to reward not only consumers' purchases, but also their broader activity—such as participation, social shares, and feedback. This comprehensive approach to loyalty is designed to foster a mutually beneficial relationship, where customers are rewarded for more of their behaviors and companies capture a broader understanding of customer behavior.

## Supporting Data:

**66% of consumers modify their brand spend to maximize loyalty benefits.**

Bond US. The Loyalty Report, 2019

**85% of consumers would like to select the benefits and rewards they receive by personalizing their loyalty program based on their specific purchases and individual preferences.**

2020 Loyalty Barometer Report. Merkle, 2020



# How This Manifests:

## Confirmed by Adidas

Dedicated app provides members early access to exclusive drops and content

Within its app Confirmed, street and activewear brand Adidas offers fans exclusive access to product drops and content from its community of designers and influencers, alerting them to release dates and times ahead of the general public. To ensure consumers are able to safely and quickly purchase limited-edition merchandise from both internal and collaborative collections, Confirmed features Adidas' most up-to-date release technology and state-of-the-art digital security.

[adidas.com](https://adidas.com)

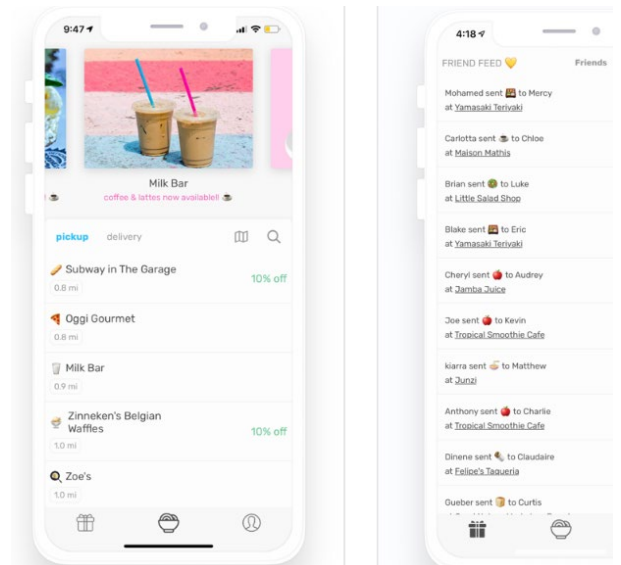


## Snackpass

Order-ahead meal app shares loyalty points among friends

Order-ahead restaurant app Snackpass lets consumers browse nearby restaurants from which they can order ahead, pay within the app and then skip the line at the restaurant when they pick up. Each time they use Snackpass, customers receive Snackpass rewards points, which can then be redeemed for free orders or sent (as virtual gift cards) to any of their friends via the app. By combining retail and social rewards of eating, Snackpass encourages frequent engagement from its users.

[snackpass.co](https://snackpass.co)

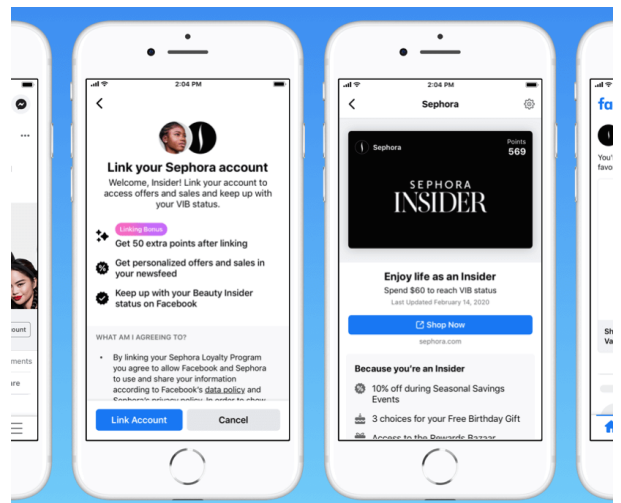


## Facebook

Social platform connects loyalty programs with consumers profiles

Social media platform Facebook piloted a new program that allows users to link brand loyalty accounts to earn and view rewards from within their personal feed. Once consumers link their rewards accounts, retailers can deliver personalized offers and products that are directly tied to a user's earned points and preferences, all within a user's feed. By incorporating machine learning, Facebook's loyalty program allows retailers to deliver more dynamic ads as customers engage, continuously updating their offers and advertisements to match consumers' profiles.

[facebook.com](https://facebook.com)



# What This Means For Key Decision Makers

- No matter how complex your supply and delivery chain, customers expect your products and services to be delivered seamlessly and according to their schedules. Recognize that customers will have individualized preferences for delivery and pickup, and offer multiple options that accommodate their possible needs.
- The customer experience doesn't end at the point of purchase. Focus on how consumers' moments such as delivery, unboxing, setup, and daily use can be supported and celebrated by your brand.
- Think about how one purchase can encourage or incentivize others. Create convenience-based refill, subscription, or pay-it-ahead services that schedule your customers' next purchases.
- If a customer has a post-purchase question, complaint, or return, ensure that your communications and logistics chains can offer the same standard of service that customers have come to expect pre-purchase.

# Key Takeaways For Digital Commerce Leaders

## Retailers provide the options, but the customer is in control.

Customers expect to control their full digital retail experiences, from choosing where they want to engage to selecting how they want their items delivered. Invest in procedural tools that allow your business to remain flexible and offer consumers options without directly impacting the scale of your business or your bottom line.

## Customers expect to be heard, remembered, and accommodated.

Thanks to digital platforms and social networks, customers understand the power of their data in ecommerce. Go above and beyond customer expectations by using the data they've provided to offer high-level support and responsive retail experiences. Customers don't want to start each retail experience from scratch, and expect you to know where they're shopping from, what they're shopping for, and how their purchases fit into their lifestyles.

## The most effective digital retail happens in-step with everyday life.

Rather than requiring customers to exit out of their everyday routines to interact with your brand, consider how your retail experiences and services can operate in lockstep with consumers. By allowing customers to browse, shop, and pick up on-the-go, your brand can form a valuable relationship with the consumer that removes stress from their lives.

## Balance consumer expectations with regulatory and responsibility commitments.

While customers do want the most diverse, flexible, and well-priced retail experience, their trust in you as a brand rests in your ability to deliver consistent, safe, and sustainable products and services. Invest in technology partners and the tools and infrastructure that support an excellent retail experience in a secure, consistent and seamless manner.

# About Avalara

Avalara helps businesses of all sizes get tax compliance right. In partnership with leading ERP, accounting, ecommerce and other financial management system providers, Avalara delivers cloud-based compliance solutions for various transaction taxes, including sales and use, VAT, excise, communications, and other indirect tax types. Headquartered in Seattle, Avalara has offices across the U.S. and around the world in Canada, the U.K., Belgium, Brazil, and India.

[avalara.com](http://avalara.com)

# About PSFK

PSFK is the world's leading business intelligence platform for innovation in retail. Across every major industry vertical, we help the most progressive brands identify and leverage new customer experience opportunities through a mix of trend reports, immersive events, insight-rich content, ideation workshops and on-demand research services.

[psfk.com](http://psfk.com)

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