

COLUMNS

Do not fetishize technology without consideration to consumer behavior

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By **Tom Goodwin**

Retail and fashion brands have rightly fallen in love with the latest technology and the opportunities it brings, from products such as wearables to new advertising platforms and ways to connect with and target consumers including iBeacons.

Technology is empowering a generation of marketers and retailers to get ahead: Local retailers are going global, small brands are launched into the stratosphere, and new business models abound.

Yet, in this world of unbound possibilities, we seem to fetishize technology, rather than use it to design products and experiences that cater to new and emerging consumer behavior.

Brand new approach

As brands and as marketers our approach should be consumer-centric, focusing on the problems they face, the delights they crave, and identifying ways to address those needs and not producing gimmicks.

As an industry we are pushing smartwatches, iBeacons, drones, 3D printing, QR codes and smart changing rooms, with scant regard for what consumers show signs of wanting. It is not that these technologies are not exciting, but we are applying them with few insights or empathy.

What new technology has really generated is new behavior, whether it is sharing pictures of food, curating our Instagram to reflect who we are, pinning products for shopping and styling inspiration, or buying clothes on our mobile phones.

Yet as an industry we have focused on ourselves and technology, not consumers and how they shop and decide.

While the "purchase funnel" was never a particularly accurate model, it provided a sense of order in a chaotic landscape, and it facilitated the creation of marketing and retailing strategies. Yet the smartphone and a generation of people who have grown up with no concept of an offline world have totally destroyed that.

Now purchases meander between brand ads and impulse buys, influencers can be 15-year-olds, online and offline blend into one augmented world, in-store and mobile become supplementary experiences.

That said, we have made little attempts to change.

Funnel vision

We are still forcing people into decision-making funnels that make no sense. If I want to make an Apple Genius bar appointment in New York, I care about urgency far more than location. Why cannot I return online items to stores?

We need to re-evaluate and rebuild retail from scratch, rethinking everything, and we cannot merely apply "digital" thinking as garnish to "non-digital" plans.

We need to reassess current "digital" or "omnichannel" strategies not around what technology we can employ or what our Web teams' targets are or how we have made investments, but focusing on how these elements can best work together with the sole goal of serving the customer in the context of the modern age.

We need to re-evaluate what online commerce can be.

Collectively, the retail industry has incredible amounts of information about how consumers behave in-store, how to attract them to stores, how to convert purchases, how to suggest complimentary items, what customer experience should feel like, how shopping should be entertaining and it is a world of insights, creativity and superb application of psychology and behavioral economics.

So why is it that every retailer site feels like a thinly veiled content management system? Why is the shop window a mere exercise in Google AdWords buying?

We have boiled the joy of shopping into a transactional experience of drop-down boxes, inevitably ending with the boredom of typing in credit card details and hoping for free shipping. Why not reimagine what shopping should feel like online?

We need to re-imagine in-store experiences.

The role of physical stores has been clear for years: they were to do everything. But in the omnichannel world, we need to reconsider their role: Could we use online as the default fulfillment mechanism? Do we need to keep piles of stock? Could stores become showrooms to attract people, inspire, check sizing and become brand experiences, while the online does the hard work?

Why does finding a size take forever? Why cannot I see similar items more quickly? Why is seeing the price so hard?

Online shopping has created more demanding, hurried customers than ever, so how about serving their evolved needs?

We need to consider how these elements need to feed each other.

Above all else, we need to consider the complex wandering journey between online and offline, we need to end the last-touch attribution model and re-evaluate metrics and success.

We need to create real-life store experiences that blend seamlessly between the online and offline experiences.

Why cannot I order items online in the store and pay at the till? Why cannot mobile applications help drive traffic in store by publishing events?

People-oriented marketing

We have made a lazy assumption about privacy. We assume that consumers fear personal data when, in fact, they care about a value exchange.

Special offers and events deepen the relationship with brands. Retailers need to think about what they can do in exchange for this data to make people want to share more.

Apps should offer unique personal value, recommendations, special pre-bookings and consultations. Marketers will be amazed with the data they can gather in return and then use to help perfect service.

We need to re-evaluate what excellent customer experience is.

Stores have always been zones of many touch points. From music to scent, window dressing to service, most stores spend vast sums of money and time thinking it all through, yet in the digital world new touch points occur.

Clever retailers will now see that packaging counts. Unboxing should be a delight. That courier service chosen is of incredible importance.

Consider all the ways to improve parcel tracking, provide real-time delivery information, accurate delivery windows and better return policies as a way to extend your brand's feel across touch points. The customer will count all these aspects as she forms her perception of the overall brand experience.

WE NEED TO consider the new role of advertising in retail.

Advertising is not just about brand building and what used to be upper-funnel activities now offer a chance for many

Advertising is not just about brand building, and what used to be upper funnel activities now offer a chance for many new transactions.

Indeed, advertising will soon offer "buy now" buttons aided by frictionless purchase thanks to Google or Apple wallets and Touch ID technology.

From Twitter to Facebook to Flipboard to Pinterest, ads will soon be direct links to fast, easy shopping.

Ads can link out, and image recognition technology such as Blippar or RFID codes will allow ads to take consumers to rich, immersive places or even custom-built homepages from which to shop. We need to stop thinking of adverts as a small piece in the jigsaw and think of them as the gateway to a world of actions.

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