

THE 5 PILLARS of Customer Engagement

Consumers have made a statement. They want tailored, personalized experiences, and they're willing to take their business elsewhere if a merchant can't deliver.

Research shows more than half (51%) of consumers are willing to switch to a competitor just *for a chance* at a better experience. So what do today's savvy consumers want?

Consumers want customized service, the ability to interact with merchants on multiple channels, and the opportunity to provide feedback that's actually listened to, according to a global survey conducted by <u>Accenture</u>.

How can merchants meet these demands? The answer: <u>customer</u> engagement.

By engaging customers, merchants connect with consumers on a meaningful level. The keyword here is *meaningful*. Customers don't want to feel like a faceless buyer, they want you to know who they are, what they buy, and why.

By doing so, you'll create a loyal customer base, grow your revenue, and have a competitive edge that puts you ahead of others in the offline market. To get a closer look at how customer engagement can help your business, let's look at how it works. In this guide, we'll explore the five pillars that make customer engagement a strong, successful tactic for growing businesses.



1. Understand your customers

The concept of "understanding customers" has become a marketing buzzword, but what do you really know about the consumers who visit your restaurant, car wash, or coffee shop?

Customer engagement helps you understand who your customers are by capturing valuable data that gives you a complete 360-degree view of each customer. You'll go from unknown, anonymous customers to a detailed picture of who they are and how they behave.



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When customers scurry through your store, grab what they want, and dash out, it might not seem like they want to get personal. But, they do. Customers are willing to share details with you, as long as you're willing to use them to improve their experience.

Data gives you all of the details needed to <u>create personalized</u> experiences.

Plus, research shows companies that rely on data are more successful. Sales growth and ROI also reach impressive levels when data is the backbone of a company.

Learn more about understanding your customers better.

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Merchants using data generate

93%

more profits and see 82% more sales.

2. Build lasting customer loyalty

Every merchant wants hordes of loyal customers. Why? Loyal customers hold a lot of power and have the ability to impact your bottom line. Here's a look at just how important loyal customers are:

- Customers who are willing to promote your business spend at least 21% more each year are 8% less likely to churn and account for 80-90% of all referrals.
- A loyal customer who "adores" your brand is more than 11 times as likely to buy more, 17 times as likely to recommend the company, 9 times as likely to try new offerings, 6 times as likely to forgive the company if it makes a mistake, and 10 times as likely to trust the company.

Give their importance, it's easy to see why merchants are working hard to convert customers into loyal ones, but how? Again, the solution is customer engagement.

By reaching out to customers and engaging them, you <u>build a</u> relationship that lasts.

Armed with customer data, you can create personalized campaigns that engage, delight, and most importantly, <u>retain loyal customers</u>.

Learn more about customer engagement and loyalty.



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If a consumer is loyal to your business, he or she will spend an average of

66%

more than customers who aren't loyal.



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3. Create personalized and targeted campaigns

What kinds of campaigns keep customers coming back? Relevant ones. When a cappuccino connoisseur gets an offer to upgrade his drink, he'll do it. When a lunch lover gets a promo for a free dessert, she'll redeem it and often spend more just to do so.

Personalized, relevant campaigns are key to customer engagement and retention.

Right person, right time, right channel

Personalized messaging all starts with data. A powerful customer engagement platform can segment customers for you based on attributes to group your patrons into smart segments.

From there, you can create and send hyper-targeted, personalized messages to the right person at the right time. From messages about a new location to incentives to try new products — you name it, you can send it right from your customer engagement platform.

However, personalized messages are just the beginning. You want to optimize your message so it's delivered to the customer at the right time on a channel they prefer.



Why is all of this important? Research shows almost

80%

of consumers are only willing to engage with promotions that are personalized to reflect previous interactions with a company.

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In other words, you want Pam to get an invitation to an extended happy hour via text message, her preferred form of communication, during a time she's most likely to read it.

A customer engagement platform gives you the ability to send messages via email, text, or push notification.

Use automated campaigns

Sending personalized messages and offers to customers can sound hard and time-consuming but the good news is it's not. Enter <u>automated campaigns</u>.

You could set up rewards for your best, VIP customers, or <u>automate birthday rewards</u> that get delivered to your customers to celebrate their special day.

You can even <u>winback customers</u> who were visiting regularly but then seemed to stop. When a customer's purchase frequency slows, an automated "We Miss You" campaign can be sent. Pacific Catch, a West Coast Fish House, used automated winback campaigns with great success. <u>The restaurant won back</u> 2,000 <u>customers and generated</u> \$180,000 in incremental revenue from these campaigns alone.





Change customer behavior

You can also use personalized campaigns to change customer behavior.

Let's say you want to drive more weekend traffic to your bakery, but most customers stop in during the weekdays. How do you encourage them to come in for your Saturday brunch?

Consider <u>a "day shift" offer</u>, which encourages customers to shift their usual visit to a different day.

Elephants Delicatessen, a delicatessen and catering company in Portland, sent its weekday customers a 20% off coupon for their weekend brunch and saw amazing results. The "day shift" promotion resulted in a 43% increase in month over month weekend traffic.

Learn more about Campaigns.

4. Get real-time customer feedback

How do your customers feel about your product or service? Are they happy? Do they plan to return? What could you do better?

To create a business that caters to customers, you need to ask them what they think. Sounds straightforward, right? However, some merchants don't actively seek feedback from customers.

You need honest feedback that you can use to improve your business.

Imagine asking customers one question after every purchase: "How likely are you to refer our business to family or friends?" This question, known as <u>Net Promoter Score</u>, or NPS, is an instant gauge of customer satisfaction.

A customer engagement platform can automatically send this question to customers after every purchase. And businesses can respond to the feedback they receive, personally, in real-time. The simple act of <u>replying to</u> feedback grows sales by 22%.





If a customer responds with a high NPS and a charming review of your product or service, you can use that to help your online reputation by automatically asking the customer if he or she would like to publish a review on Google Reviews.

Collecting feedback via a customer engagement platform rocks because you:

- Collect feedback in private
- Get honest opinions delivered in real time
- Have the opportunity to thank customers for their kind words or address any issues
- Can send a reward to bring customers back to your business
- Can use the feedback to make improvements

Learn more about <u>customer feedback</u>.





5. Measure success in revenue

How do you currently measure your customer engagement, loyalty, and satisfaction? Some merchants simply can't or don't but many turn to analytics provided by a <u>patchwork</u> <u>of marketing tools</u>. They sift through <u>open and click rates</u> <u>from their email service provider</u> and try to manually piece together metrics from a variety of sources that all measure things differently. It's a time-consuming, cumbersome, unreliable process.

With a customer engagement platform, you get real metrics — metrics that measure your marketing impact in terms of what really matters — revenue.

Forget vanity metrics like opens and clicks. These surface metrics don't tell you what you really want to know. You want to know how much money you made as a result of a message or offer you sent to your VIPs, or the profits generated from a well-timed push notification to lunchgoers. These customer engagement <u>metrics</u> provide merchants with real-time decision-making data. Eighty percent of companies that rely on customer analytics make decisions faster, according to a <u>report</u> from KPMG, and believe their decisions are not only more accurate but less risky.

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And these benefits are all a result of hyper-personalized customer engagement.

Learn more about measuring your success and proving the value of every dollar spent.



Today's customers have high expectations. Failure to meet those expectations can result in customer churn. But, eighty-one percent of customers who switched said they wouldn't have left if the business made efforts to keep them engaged and happy.

You can provide a personalized and meaningful experience for every customer and drive measurable success and there's no better time to get started.



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Customer Engagement Made Easy.

Request a demo