

**UñCROWD**

THE 7 SECRETS OF MODERN RETAIL

SECRET #6

# LOCATIONS, NOT CHANNELS

HOW A CUSTOMER-CENTRIC APPROACH CAN FIX  
FRAGMENTED CUSTOMER JOURNEYS



# CREATING A TRANSFORMATIONAL CUSTOMER EXPERIENCE

In today's rapidly changing retail landscape, omnichannel often dominates the discourse on customer experience.

But just implementing a new platform doesn't automatically create a transformational customer experience.

Transforming CX has to start from another angle. As unified commerce becomes the expectation, our approach to designing where and how we reach customers needs rethinking.



**A paradigm shift is required, away from channels and towards locations.**

Every touchpoint, whether in a bricks-and-mortar store, online, on a digital billboard, in an app, or a QR code on a sign, is a store in a specific location, somewhere a customer interacts with a brand and might be persuaded to buy.

When we start to view these touchpoints as locations instead of channels, we tap more easily into the traditional skills that define successful retailing. The result is a more aligned customer experience and better fulfilment of customer needs.



**Location-agnosticism (delivering your brand experience seamlessly wherever the customer encounters you) can solve some of the inherent issues of omnichannel retail:**

- Fragmented customer experiences with insight data siloed across channels
- Too much strategic focus on tech instead of customer experience
- Creation of invisible barriers between retailer and customer

**A shift to location-agnostic thinking can help you design low-friction, high-reward retail experiences, and ultimately help join up your insight on a unified, cross-platform CX.**

# RISK OF OMNI- CHANNEL THINKING

Thinking of your retail business in terms of the channels you interact through can cause issues.

## **1. Too much focus tech interfaces instead of what customers want**

Omnichannel thinking encourages the view that a business should exist on every available channel, ready and waiting at any conceivable place a customer might be.

Focusing on platforms instead of looking at where customers actually are when they want to buy can lead to strategic mistakes: investment in expensive new apps, websites or digital interfaces that customers don't actually use.

Teams can fall into the trap of launching new channels without considering the most profitable Customer Stories they need to fulfil. This can lead to missing crucial additional retailing impulses and techniques – curation, retail theatre, wayfinding, inspiration or discovery.

## **2. Creation of invisible barrier (the channel') between customer and retailer**

Channel thinking inserts an imagined barrier between customer and retailer, the platform as a 'thing' that stands between the two, whether that's an app interface or a social media platform. In reality, whether a customer shops in-store, opens an app or clicks a link, they are directly interacting with the retailer.

The problem with this thinking is that the channel can become more important internally than the customer.

### 3. Fragmented customer insight

Many retailers are currently struggling to unite their insight across disparate channels. Customer feedback or mystery shop data from an app or website is often siloed from feedback gained in a physical store, which leaves Insight teams with no way to map customer journeys across channels.

Are customers getting a unified brand experience? It's hard to tell when feedback doesn't join up.

## INDUSTRY TALKING POINT

From gathering more robust data to adopting new technologies to creating better maps, businesses are looking for new ways to accurately view the customer journey.

"We need better data and analytics to support measurement of customer experience and journey mapping. Improvement in this area would help us provide customers with the best possible experience when shopping our brand."

Head of Customer Experience, UK Retail Chain



"Our customer experience is an underinvested part of the business – we need a better library of customer journey mapping so we can use accurate journey maps to build our strategy."

Customer Experience Lead, UK Grocery Chain



# LOGISTIC-AGNOSTIC THINKING

Shifting thinking in your business from channels to locations can be transformational. A location is any place that your business can interact with a customer, and ultimately sell to them.

Crucially, instead of starting from channels - "Which channels should we operate in?" - it starts from the customer - "Where are our customers located?"

This is not just a geographical location – a customer might be located on their phone on the way to work, or at home on a computer, or in a physical setting related to your business.

A location is simply a place where a customer can be interacted with and sold to



A store on Main Street is a location



A digital poster is a location

think 'Charlotte Tilbury', you probably think of the iconic Pillow Talk Cream – everyone's beauty ride-or-dies. But what if your best-selling moisturiser and makeup base just got a brand-new upgrade? Yep, our (perfectly moisturised) jaws were on the floor, too, for the new Magic Water Cream, a lighter-weight, gel-cream texture. Scroll for all the skin-drenching deets 💧



A transactional link in a blog is a location

All of your locations should be:

- Engaging
- Low friction (easy to shop)
- High reward (great to shop)

Just as with traditional physical stores in different neighbourhoods, different locations require various formats to achieve these three elements, possibly with different ranges and services, different IT and different staff requirements.

# DESIGNING LOCATIONS USING CUSTOMER STORY

The decision to open a store at a new location, and how to design the store at that location, whether it's physical or digital, should start with your most profitable and relevant Customer Stories.

A Customer Story is a way to group customers by what they're trying to achieve when they shop with you, and the particular set of circumstances and mind-sets they're in at the time.



Locations, both physical or digital, should be relevant to the Customer Stories that people are in at that location.

If you have a profitable group of Customer Stories that can be most effectively served by a smartphone app, then that specific Story (what those customers are trying to achieve and their mind-set and circumstances at the time) guides the design and functionality of the app.

Which app functionality helps them fulfil that Story with the least possible friction?

What other functionality, beyond being able to buy, might increase reward in the shopping experience?



# LOCATION AND EXPERIENCE ANALYTICS

Ensuring all your locations work to the best combination of low friction and high reward requires Experience Analytics – an approach to customer analytics that objectively observes the customer experience across all locations and compares them directly.

Experience analytics can help you deliver a seamless customer experience because it uses the same metric for every location, and observes the same set of variables. For example, how do online returns compare to instore? How do stock levels compare online and offline, or payment methods, or the brand experience as a whole?



When you can directly compare your customer experience on your app (for example) to your customer experience in a physical store, you can spot gaps, places where one location falls down compared to another.

Closing these CX gaps is the best way to achieve consistency across the customer journey.

# WHAT YOU CAN DO RIGHT NOW

**1.**

Look at how you map different customer journeys across your locations (physical and digital) – can your analytics effectively compare the customer experience between locations? Does it show how well those locations fulfil different Customer Stories?



**2.**

Match each location to your most profitable Customer Stories – does this location fulfil a Customer Story to the point it leads to a transaction, either immediately or delayed? If delayed, where does the customer go to fulfil the rest of the Story?



**3.**

Are there profitable Customer Stories in your sector that you don't currently fulfil? Where are those customers when they are in those Story states? Why don't your current locations fulfil those stories?



# WHAT UNCROWD DOES

Uncrowd's experience analytics platform tells you how to be your customer's first choice across any shopper mission.

We collect objective data on friction and reward in your customer experience, and in your competitors' customer experience.

The Uncrowd platform automatically identifies gaps and opportunities for improvement that show you exactly how to beat the competition.

You see instant action plans, make real-world changes to your customer experience and track progress.

# UNCROWD

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