

5 lessons learned from a Black Friday customer experience fail

By Catherine Murray 7 Nov 2019

Black November is upon us and retailers, both online and offline, are gearing up for the biggest shopping event of the year.



Catherine Murray

Originally a Thanksgiving holiday sales ploy imported from the US, Black Friday and Cyber Monday are now reshaping consumer behaviour in South Africa. With 30% growth on 2018 sales predicted, and promotions extending days and weeks earlier into November, the shopping marathon is set to be bigger than ever in 2019.

When retailers get it right, Black Friday can provide a major revenue boost from both e-commerce and brick-and-mortar sales. <u>Takealot reported</u> record sales for the day in 2018, at R196m – a 125% year-on-year growth. The group sold R11.5m in merchandise before 01:00am that day, a major boost up from the R1m generated from Black Friday in 2015.

If companies get it wrong however, it can result in major reputational damage on top of crippling revenue losses. <u>HubSpot</u> research found that 80% of consumers would stop doing business with a company because of a poor customer experience.

To avoid this, it is absolutely critical to focus not just on making sales on the day, but on the entire journey customers experience throughout the period.

A Black Friday customer experience disaster

Last year my iron broke a week before Black Friday. I tend to avoid big sales events as I find the marketing noise and shopping chaos overwhelming, but on this occasion I thought I would likely get a good deal on a grudge purchase. Like most customers, I spent the days leading up to Black Friday comparing models and prices between major e-commerce stores, before settling on a couple of options.

Retailer A is my go-to e-commerce store and offered the model I wanted with overnight delivery at a higher price. Retailer B offered a similar model at a lower price but displayed a warning on their site stating that deliveries on Black Friday orders may take longer than usual.



Big, bigger, biggest: Black Friday, Cyber Monday and Singles Day Norman Shaw 29 Nov 2018

Č

I'd already had a frustrating experience with Retailer B, as the UX on their site was poor, it was slow, and they provided no useful product descriptions. I wanted to give them a chance however and decided I could wait a bit longer to save some money, so opted to purchase from them anyway.

After waiting over 7 days with no order status communication from Retailer B, I called the customer service centre, which was difficult to get hold of and only offered scripted responses that my order was being processed. At this point, I was irritated and starting to really need the iron. I gave them another couple of days, and after hearing nothing went back to

Retailer A and purchased the more expensive iron which I received the next day.

When I eventually received the product from Retailer B, nearly 3 weeks after the purchase date, I headed to the nearest branch to return the iron. After experiencing further incompetent service in-store, I vowed never to purchase anything from them ever again.

The outcomes of this customer experience failure are that the transaction likely cost Retailer B more than they made on it, and my loyalty to their competitor was only reinforced.



©kittaya mangruan via 123RF

5 ways to improve your Black Friday customer experience

Here are 5 key lessons e-commerce retailers can learn from Retailer B's mistakes to ensure that they have a solid customer experience strategy in place for Black Friday and Cyber Monday.

1. Don't skimp on infrastructure

The most critical place to start is the reliability of your online shopping experience. Increased website and app traffic loads on Black Friday and Cyber Monday put pressure on retailers to keep infrastructure stable, operational and error-free.

Website downtime and slow page speeds can result in major revenue losses as users abandon ship and shop elsewhere. Amazon's July 2018 'Prime Day' started with several hours of site outages, costing the e-commerce giant over \$72 million in lost sales and thousands of unhappy customers complaining on social media and support channels.

Retailers can prepare for this by optimising technical infrastructure to cope with excessive demand:

- Load test all aspects of the online experience well ahead of time
- Review checkout page and mobile load times Google's research shows that 53% of mobile visits are abandoned if a page takes longer than 3 seconds to load (in reality the average page load time on 3G connections is 19 seconds)
- Put technical checks and alerts in place to monitor performance so that remedial action can be taken in real time
- SaaS e-commerce platforms and cloud hosting solutions offer more agile infrastructure that scales up and down with traffic fluctuations
- Know when to expect traffic spikes data from <u>Black-Friday.global</u> and <u>BankservAfrica</u> shows that the intensity of shopping was at its peak between 8am and 11 am in 2018.

2. Optimise the user experience

There are two main types of shopper: 1) Those who know what they want, and just want to get in and out as fast as possible, and 2) Spontaneous shoppers without a plan, browsing for something that catches their eye. Streamlining the experience of both user types browsing your site and apps during both research and purchase stages can massively improve your chances of making a sale.

The user's path to purchase needs to be as frictionless as possible. Ensure that:

- Products are properly categorised and tagged in detail, and users have quick access to navigation menus, filters and keyword search functions
- You invest in third-party user testing across your site ahead of time to obtain an honest, objective view of your online shopping experience sometimes just small tweaks can make a huge difference
- You do everything you can to prevent shopping cart abandonment. The most common reasons this happens are:
- Product out of stock after adding to cart
- Long load times
- · Inability to access user account
- · Losing spot on page after adding item to cart
- · Search doesn't deliver items user is looking for

Historically, the most <u>popular categories</u> of products among South African Black Friday shoppers are clothing, shoes, groceries, electronics, and home appliances, in that order. Think about how to surface these products and categories more prominently on the day.

Also, consider that the sale is not complete once the customer completes and pays for the order – you also need to ensure that they keep the item and don't return it.

Providing detailed product descriptions and customer reviews that help customers compare products effectively, understand exactly what they're getting, and judge fit, can really make a difference here, especially for clothing and shoes. Superbalist does this particularly well by providing size conversion charts and measurements of the clothing model pictured.



E-tailers, fix your glitches before the festive shopping frenzy

imagineNATION Alliance 17 Oct 2019



3. Take a long, hard look at order fulfilment

In the age of instant gratification, taking more than 7 days to deliver online orders just doesn't cut it anymore. Even with an optimised online experience, competition is fierce and inefficient supply chain management and order fulfilment processes will put retailers at a severe disadvantage.

- Using specialist e-commerce predictive analytics software to monitor user behaviour in the lead-up to Black Friday can help you understand which products customers are interested in purchasing and plan ahead of time. Track which products they search for, view, compare and add to wish lists in advance, and ask your customers for input on what they want
- Spread the load by offering promotions days or weeks ahead of Black Friday and Cyber Monday to encourage purchasing in more manageable chunks and secure the sale before your competitors do
- Consider click-and-collect as an option for order fulfilment it not only takes the pressure off your delivery system, but also gets consumers into your stores where you have the chance to make another sale

• Don't over promise and under deliver – if you are likely to experience delivery delays over the Black Friday period, warn your consumers but stick to the deadline extension and don't leave them wondering by being uncommunicative

4. Prepare customer service staff

Emotions run high on Black Friday and Cyber Monday, consumers are stressed and expect hassles, and generally don't have much time to waste. Angry, tired, and impatient consumers demanding unreasonable things will also take their toll on employee morale, and you need to make sure your staff are adequately experienced and prepared.

- Ensure customers feel that you care address them by name, personalise communication, pay attention and show that you have listened and understand what their issue is
- · Take responsibility and consider offering incentives to return when things go wrong
- Offer VIP treatment to loyal customers access to exclusive flash sales, extra discounts, or early access to promotions are all great examples
- Empathise with customers and understand the emotional need states that drive their behaviour in order to surprise and delight them consumers are increasingly <u>placing more value</u> on their time and pleasant experiences than on simply getting what they paid for no matter what
- Provide prominent and easily accessible customer service channels

Excellent customer experience 100% starts with your employees. Their attitude toward customers both online and offline is a major factor in how they perceive your business, especially if it's the first time they're engaging with your brand. Prioritising a short-term growth in sales at the expense of customer happiness during Black Friday will ensure you'll be investing money into the business just to stay in preservation mode.

5. Make automation your friend

Utilising the right technology to elevate customer experience and save money is imperative in the age of digital transformation. Advances in automation and artificial intelligence (AI) can offer e-commerce retailers significant competitive advantages.

<u>Predictive personalisation software</u> uses AI technology to provide a layer of personalisation to an e-commerce site by tailoring each user's visit using their unique preferences and real-time purchase intent. The software ensures customers return for the experience, not just pricing or products alone, and customers now expect it from their online shopping experience.

<u>Automated merchandising</u> uses AI to help businesses put the right product in the right place at the right time. Algorithms map complex relationships between products, and consumer behaviour is monitored through site-search tools and added to the algorithm through machine learning. This automates website search processing, creating a self-operating, consistent, accurate, scalable and efficient system that gets more intelligent with time.

Consider investing in marketing and CRM software that enables an <u>omnichannel customer experience</u>. Hubspot defines this as a multi-channel approach to marketing, selling, and serving customers in a way that creates an integrated and cohesive customer experience no matter how or where a customer reaches out.

ABOUT THE AUTHOR

Catherine Murray is the Head of Digital Transformation at Enlight Strategic.

For more, visit: https://www.bizcommunity.com