



**User** Testing®

# Excelling at the Omnichannel Retail Customer Experience

Understanding the Complete Customer Journey Through User Research

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# Understanding the complete customer journey through user research

Omnichannel customers have a 30% higher Lifetime Value (LTV)

As omnichannel shopping continues to pick up steam, driven by an increasingly digital-savvy consumer, retailers are finding that every channel is their most important channel.

The new retail buyer's journey is anything but linear. The 10 million online adults in the US possess, on average, 4.4 connected devices, and have a 70% chance of owning a smartphone, per [Forrester Research](#). In any given day, 98% of them switch between devices, often using multiple screens to complete a task of any kind, including shopping. Fifteen years ago, they used two touchpoints before making a purchase; [now they use six](#).

For retailers that can master a consistent and compelling omnichannel experience, there's significant upside. Why? Because customers who engage with a retailer through multiple methods are arguably more valuable than those whose interactions are limited to in-store or online.

## Omnichannel customers:



Have a [30% higher LTV](#)



[Spend 9% more](#) on average



[Are 23% more loyal](#)

However, it's no longer merely a competitive advantage to have a strong omnichannel presence. When [90% of shoppers](#) expect a consistent experience across channels and devices, omnichannel excellence is a necessity for organizations that want to remain relevant.

**Retailers with strong omnichannel strategies achieve:**



[9.5% year-over-year increases  
in annual revenue](#)



[89% customer retention](#)



[7.5% year-over-year decrease  
in cost per contact](#)

So how does your organization master the delivery of a connected customer experience (CX) in an increasingly complex retail landscape?

By taking a verifiable approach to understanding customers' path to purchase.

The key to succeeding in omnichannel is understanding and connecting customers' behaviors and motivations at every step of their customer journey. The most reliable way to gain this understanding is through frequent, rapid, and thorough user research across all touchpoints.

In this eBook, you'll get an overview of:

- Why user research is crucial for a consistent customer experience
- How to conduct initial user research on your CX
- How to test your omnichannel CX with your target audience
- How to turn insights into action for an improved CX

“Our goal is to provide our shopper with the best experience in whatever way they choose to interact with us: mobile, desktop, store, or all of them together.”

—R.B. Harrison, Chief Omnichannel Officer, Macy's ([Source](#))

# Why user research is crucial for a consistent customer experience

With all this evidence pointing to the importance of the customer experience to a successful omnichannel strategy—it's no surprise that [69% of retailers](#) with an online presence list redesigning the user experience as their top digital investment priority, according to Forrester. And yet, [Gartner claims](#) that 90% are still struggling to seamlessly connect three or more channels.

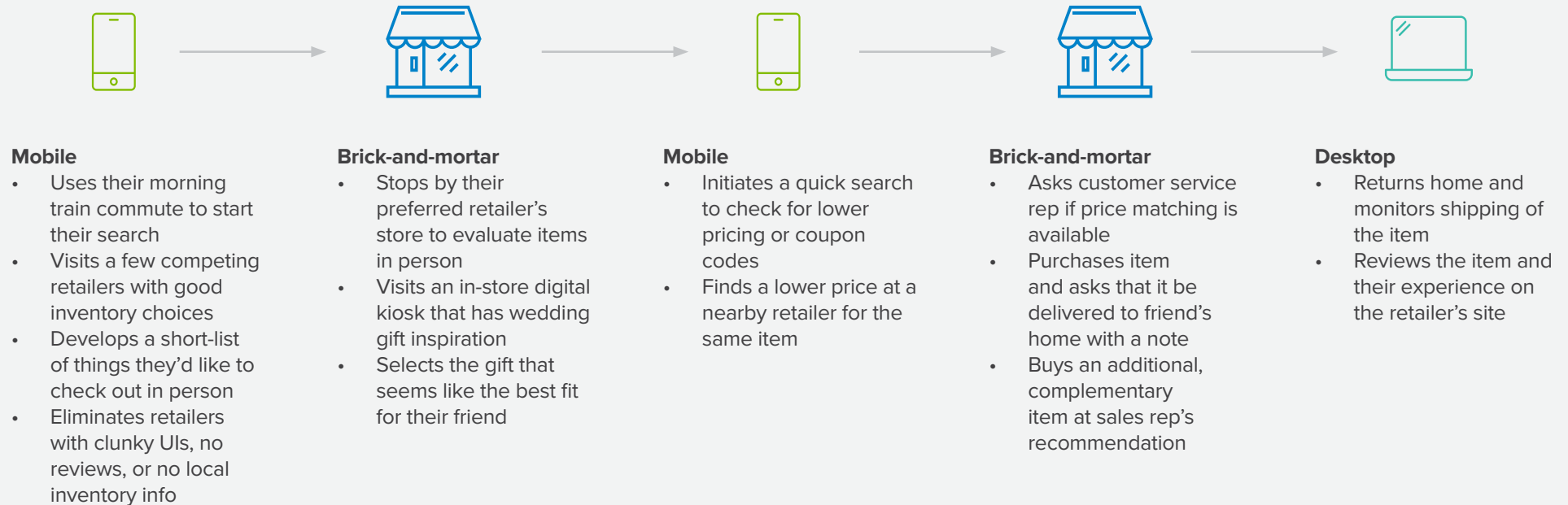
From web analytics to revenue numbers, retail organizations have a wealth of data at their disposal detailing customer behavior. So what's the missing piece of the puzzle? A thorough understanding of the customer journey across all touchpoints: why customers behave the way they do, how they think and feel about the company, and which factors cause them to buy (or not buy).

89% of companies believe customer experience will be their primary basis for competition —Gartner ([Source](#))



# Research opportunities in today's omnichannel buyer's journey

Let's imagine a user who needs to buy a wedding gift for a long-distance friend:



In this scenario, the buyer makes a purchasing decision fairly quickly. After all, they have a wedding date to consider. But this process can go on for weeks, even months, particularly for more expensive purchases, with the customer engaging with multiple retailers during that span. This is where the rubber hits the road with customer experience.

Each one of those touches is an opportunity not just to win a sale, but to win a customer and their recommendation. However, if the experience is negative in any of these interactions, the customer could abandon the brand for good. In order to deliver a positive experience throughout the journey, the organization needs to understand the customer's mindset, intent, and challenges at each touchpoint. Each interaction is an opportunity to gain customer insights through research.

“We had to rethink fundamentally how we design the guest experience. It’s not a store experience or an online experience; it’s a mobile-first experience.”

—Casey Carl,  
Chief Strategy and  
Innovation Officer,  
Target ([Source](#))

## Mobile as the entry point for purchases—and optimization

For many retail companies, mobile has become the entry point for the majority of customer shopping experiences. Target recently found that 98% of their customers are shopping digitally, and a whopping [75% are starting their experience on a mobile device](#), resulting in a complete realignment of their digital strategy.

Unfortunately, the misconception that mobile doesn’t convert has kept retailers from fully investing in developing excellent mobile shopping experiences. While mobile still trails behind desktop, with [\\$22.6M in Q4 ‘16 purchases versus \\$86.5M](#), that number represents a 45% YoY change, compared to 13% for desktop growth. Mobile is definitely gaining in share, but that’s not the only reason mobile experience should be on your radar.

Retailers have known for some time that smartphone research drives sales in other channels. Now, as consumers have adopted smartphones as a native method of shopping, they are showing an increased intent to purchase on mobile. However, they have a low tolerance for difficult or unwieldy mobile interactions. That means that organizations that have mastered mobile are getting ahead while others are falling behind.

For organizations looking to optimize their omnichannel CX, conducting user research on the mobile experience should be a top priority.

[A Harvard Business Review Analytic Services](#) report sums it up well: “Most executives will have their hands full optimizing and integrating their channels, but one thing is for sure: Mobile is the place to begin.”

## The ROI of a great customer experience

The customer journey may start with mobile, but it doesn't necessarily end there. A poor customer experience—on any channel—is a costly mistake.

As technology makes our world smaller, the same happens with the competitive landscape. The customer experience, across all channels, is now what will differentiate a company from its competitors. And the stakes will be high. A [comparison of the stock performance](#) of companies with excellent customer experiences over a five-year period, versus those without, found that CX leaders not only outperformed the broader stock market (27% better than the S&P 500), but outperformed their competitors who did not invest in CX by 128%. In fact, the “CX laggards” returns were at a loss of 46.3%.

Organizations are learning that investing in researching and optimizing the customer experience pays off. Conducting thorough research and testing every step of the way ensures that you understand your CX, empowering your team to architect a solution that meets your buyer's (and company's) unique needs.

CX leaders' stock  
outperforms CX  
laggards' by 128%





# Conducting initial research on the omnichannel customer experience

Understanding the customer experience across touchpoints requires both quantitative and qualitative data.

Having both types of data will help your organization dial in what needs to be tested as you dig deeper into the user experience to identify areas of opportunity for improvement. And, once those opportunities are identified, it will give your team the proof points needed to make a case for change (as well as budget and/or resources) to upper management. Beyond that, having both ensures there's no understanding gap. If you only gather quantitative data, you'll be missing the human insight. Alternatively, if you rely strictly on human insight, you won't have any tangible data on the overall impact on performance. Your team needs both in order to make qualified suggestions for optimization.

## Quantitative Data

- |               |                                                      |
|---------------|------------------------------------------------------|
| <b>What?</b>  | • Mobile users are exiting your site before purchase |
| <b>When?</b>  | • They bounce at the 2:25 minute mark                |
| <b>Where?</b> | • On the second page of the process                  |

## Qualitative Data

- |             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Why?</b> | <ul style="list-style-type: none"><li>• Users find the purchase process confusing</li><li>• They are unclear on how to edit the items in the cart</li><li>• There are too many pages and fields to complete easily</li><li>• They can't use PayPal to check out, which they prefer</li><li>• The field for the coupon code is not where they expect it</li><li>• Unable to use their coupon code, they abandon their cart rather than paying full price</li></ul> |
|-------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

## Quantitative: pinpoint areas of concern with analytics

Quantitative research is indispensable to pinpointing where and when customers are dropping off in the shopping process:

- How often are shopping carts abandoned on desktop, tablet, and smartphone?
- Which pages have the highest bounce rates?
- Do any pages have an unusually high or low time on page?
- Are metrics lower on one operating system or device model than on others?

When it comes to gathering quantitative data on your omnichannel customer experience, web analytics are one of your most valuable tools.

Comparing conversion rates across different device types is a great place to start. If one channel stands out as being less successful than the others, then it's time to investigate further.

One important thing to remember is that correlation doesn't necessarily imply causation. For example, it's well known that mobile conversions often lag behind desktop conversions, partially due to the fact that consumers use mobile heavily in the research phase of their journey. For that reason, many retailers accept that mobile doesn't convert as well, and they don't invest any time investigating the issue. However, low mobile conversions can also be a symptom of underlying usability problems preventing customers from making a purchase—and endangering the customer journey. Therefore, you'll need to go past the surface of the data and look for causation.

If your company has a brick-and-mortar presence, your team will also want to compare web analytics with in-store analytics to get a full picture of the omnichannel experience. Don't expect it to be an apples-to-apples comparison. That's not the point of this exercise. The point is to look for any data that seems strange. Anomalies provide a great foundation for structuring your qualitative research.

Sharing your research findings will help your company stay focused on the user experience.



## Qualitative: gauge customer opinions with satisfaction surveys

Qualitative: gauge customer opinions with satisfaction surveys  
Net Promoter Scores (NPS) have become the industry gold standard for evaluating customer satisfaction with a simple question:

“How likely is it that you would recommend Company X [or Product X] to a friend or colleague?”

While NPS surveys are generally used for gauging the overall customer experience, they can also be used to evaluate a customer’s interactions with a specific channel, store, employee, purchase, and more.

Beyond NPS, many companies also employ website surveys to ask questions like, “Did you find what you were looking for?” or “What, if anything, would prevent you from making a purchase today?”

Whether you choose to use NPS or another form of customer survey, here are a few tips to get the best results:

- Serve it up immediately after the interaction for the freshest data
- Keep it as short as possible to avoid drop off and responder’s bias
- Measure and then manage with quick action

Although Net Promoter Scores and surveys are good for uncovering trends in the customer experience, they don’t necessarily give the full context behind the opinion. For example, a customer may tell you that your mobile UI is difficult to navigate, but that still won’t tell you what they mean by that. Difficult how? Is it too busy and visually confusing? Are there too many steps to complete?

That’s where user testing comes in.

Tip: Ask users to indicate when they would want to switch to a different device during their process.

# User testing the omnichannel customer experience

User testing is the only way to get a realistic picture of your customers' contextual experience with the depth of detail you need to enact meaningful change. It allows you to watch real people interacting with your brand, across various channels, using different devices, ideally in their natural setting.

Following directions you specify, user test participants attempt to complete various shopping-related tasks while speaking their thoughts aloud. This allows you to get inside the mind of your customer, understanding what they think, feel, like, and dislike about the interaction. You can run user tests in a usability lab or online using a remote tool.

## Testing methods

### 1. Observe multiple touchpoints throughout an omnichannel process

This type of testing is a series of studies on different aspects of an omnichannel buyer's journey.

For example, your first study could involve test participants researching an item on a smartphone, answering questions and speaking their thoughts aloud as they go. A second study could have a different set of test participants do some price checking against competitors on a desktop computer, where it's easy to switch back and forth between multiple tabs in a browser window. Finally, your third study could have yet another group add an item from their wish list to their shopping cart and complete checkout on a tablet.

Alternatively, you could choose tasks that appear to be problematic on particular device types in your web analytics. This will help you zero in on any usability problems that may be impacting your conversion rates on that type of device.

Throughout each study, you can ask users to indicate any point at which they would want to switch to a different device and why.

## 2. Study the same workflow on each device type and compare usability

This type of testing is great for pinpointing user experience problems on each device and understanding why some device types convert better than others.

For these studies, you'll want to write one test plan and have users attempt to complete the same set of tasks and questions on each different device type and on each different operating system. Again, you can use any unusual data uncovered when you inspected your analytics to guide your test plan. (For example, if you found that conversions varied dramatically from device to device on certain pages, make sure to investigate those pages in your study.)

## 3. In-the-wild testing: investigating the customer experience with physical products and locations

This type of testing allows you to observe how users interact with your business in specific locations or contexts, like shopping in-store. Some examples of in-the-wild testing objectives include:

- Observing how customers use your digital properties, like your mobile site or app, while they're physically in the store
- Comparing prices online for an item found in-store
- Watching customers order an item online and pick it up in-store

This is also an opportunity to ask questions about how the in-store shopping experience compares with online. Again, the end goal is to ensure that the customer experience is consistent and positive across channels.

**Tip: Use a single test plan across devices and platforms to ensure your results are consistent and comparable.**





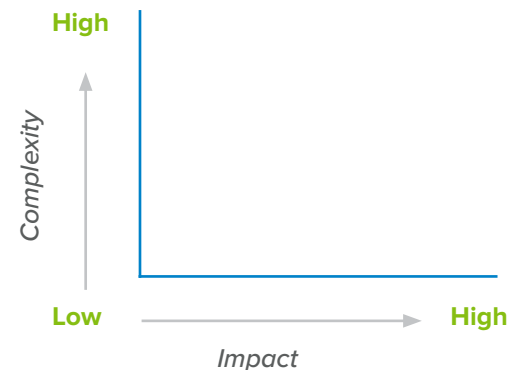
# Turning insights into CX improvements

Once you've completed your research, it's time to turn insight into action.

## Making omnichannel improvements

Your user tests will undoubtedly uncover some pain points in your customer's purchase process. Maybe they had a hard time searching for items on tablets, or they found the wish list they created on their desktop wasn't available on the mobile site.

Create a list of all the uncovered issues and prioritize it. Plotting these on a graph similar to the one to the right will help you determine where to start.



### Low-complexity improvements

Start your optimization efforts with any easy fixes that could make a big impact (like an order form that doesn't display right on older iPhones). Quick wins like this can make an immediate impact on conversions, boost team morale, and get your team ready for longer-term improvements. Look for things that can be accomplished quickly, with limited resources and budget, and with minimal impact to other systems or teams.

### Higher-complexity improvements

Focus next on bigger changes that will require a coordinated effort (like aligning the brand look/feel across mobile and desktop). Items to consider are those that will require more planning time; cross-organization collaboration; layers of budget or resource approvals; technical support, or executive signoff. You can use clips from your test videos to make a case for what your team needs. There's nothing quite like watching a customer struggle to mobilize an organization around change.

# Championing change in your company

## Illustrating the impact of one channel on another

The results from your testing efforts can serve as proof of the impact of each channel on the company's overall success.

Many retail companies still take a siloed approach to assessing the performance of brick-and-mortar, desktop, and mobile channels. Yet, each channel makes up an important part of the overall customer experience with a company. If one channel provides a poor experience, it affects the entire business.

A good way to illustrate how each channel fits into the overall experience is to combine omnichannel user tests with post-purchase surveys, asking how they first began shopping for those items. Showcasing how many customer journeys begin on one channel and end on another can help you overcome objections about investing in mediums that “don’t convert.”

## Making larger, company-wide changes

Beyond fixing the problems that lie within your immediate control, you can also use the findings from your research to build support for bigger organizational improvements. Many large retail companies struggle to unify their e-commerce and brick-and-mortar channels because of backend operational challenges. While systems integration can be expensive, complex, and time consuming, it can also be a key factor in fully understanding the omnichannel customer experience. The findings from your research, and from any quick wins your team has already taken action on, can help motivate the company to make the needed operational improvements. Make sure that you track KPIs before and after any improvement to help demonstrate impact and ROI as your group moves on to more complex updates. Scorecards are particularly helpful for this purpose. For a complete guide to navigating this process, read our whitepaper, [Developing a Business Case for Customer Experience Insights](#).

Finally, sharing the results of your tests with the rest of your company can encourage other teams to get on board with building a unified (and excellent) customer experience. Remember, CX involves the entire customer journey, so it's every department's job. If you can share meaningful customer stories across marketing, customer support, ecommerce, fulfillment, and other departments, you'll build empathy for the customer throughout the company. A customer-centric culture doesn't happen overnight, but by encouraging different teams within your company to place themselves in the customer's shoes, you'll be creating long-term positive change. And that's a win for your customers and your bottom line.





## Conclusion

There's no doubt about it: [companies that invest in improving their omnichannel experience are rewarded with happier, more loyal customers with a higher lifetime value](#). Customers have grown to expect, and even demand better experiences, but they're also willing to reward brands that have mastered the omnichannel process.

That kind of fierce loyalty is the reason that [customer experience will be the main battleground for competing companies over the next two years](#). If you want to remain competitive in the new landscape, now is the time to focus on making improvements to your customer experience across all channels and devices.

Listening to your customers and finding out how they interact with your brand at each point in the omnichannel journey will be the key to success. UserTesting can help you gather rich insights about your customer, from your customer, to inform the development of an exceptional user experience that builds customer satisfaction and brand loyalty.



## Create great experiences

UserTesting is the fastest and most advanced user experience research platform on the market. We enable product managers, UX researchers and designers, and digital executives to create better customer experiences.

More than 35,000 companies leverage UserTesting to deploy actionable customer insights throughout the design and development of prototypes, websites, mobile apps, and more.

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