# UserTesting®

# Measuring and Evaluating Your Omnichannel Customer Experience

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# Introduction

When you hear the word "omnichannel," a lot of definitions may come to mind, especially for retailers. Some say that it defines how we connect with customers across multiple channels, like desktop, mobile, and even advertising and marketing campaigns. Others view omnichannel as the interaction that customers have with a brand using various devices, locations, or methodologies.

At UserTesting, we believe that omnichannel encompasses all of those things, but it goes a bit further to emphasize the heart of it all: the customer.

Although the definition of the term is evolving, we think that the marketing automation provider Marketo sums it up nicely:

*"The term 'omnichannel' may be a marketing buzzword, but it refers to a significant shift: marketers now need to provide a seamless experience, regardless of channel or device. Consumers can now engage with a company in a physical store, on an online website or mobile app, through a catalog, or through social media. They can access products and services by calling a company on the phone, by using an app on their mobile smartphone, or with a tablet, a laptop, or a desktop computer. Each piece of the consumer's experience should be consistent and complementary."*

The term alone, "omnichannel," sounds daunting, as if a company is expected to know all things all the time about all its customers—past, present, and future. That's a tall order. In many organizations, the mere mention of customers' omnichannel experience elicits groans about budgetary restraints, impossible metrics, and questionable ROI.

But creating an excellent omnichannel customer experience doesn't have to be intimidating. This eBook will help you understand the challenges that companies face with the modern consumer and offer actionable solutions to help you start moving in a direction that brings the omnichannel customer experience to the forefront of your company's mission.

Whether you already recognize the importance of approaching the customer experience wholistically or you're just starting to learn about it, this eBook is for you.

In it, you'll learn:

- Why the omnichannel customer experience matters

- How to research the omnichannel customer experience using analytics, surveys, and user testing

- How to use your results to improve the omnichannel customer experience

# Why Omnichannel CX Matters

The customer-company relationship has changed. In the past, companies controlled how, when, and where customers interacted with them. Now the tables have turned, and customers are dictating how that relationship develops.
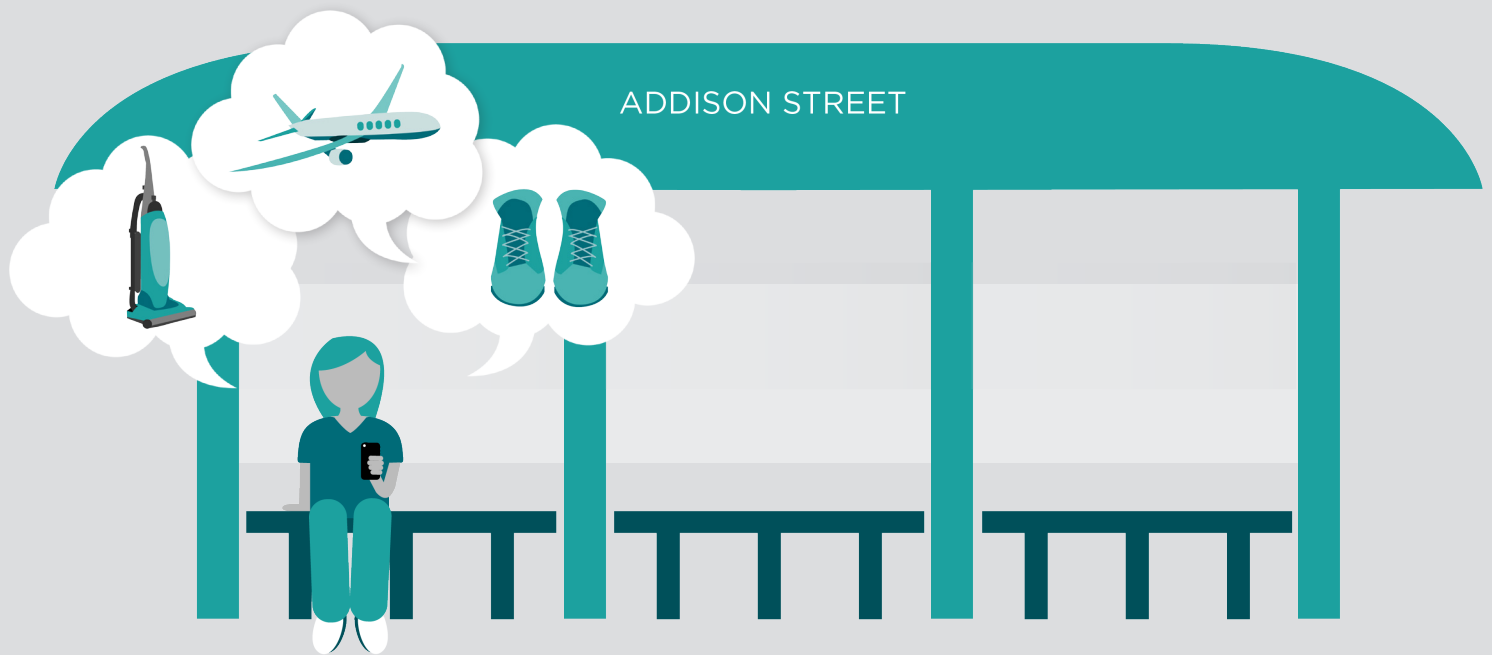


It no longer makes sense to look at the customer experience on each channel independently because customers aren't using just one channel to interact with a company. The customer experience includes anything and everything that touches your customers. **This means that wherever, whenever, and however customers interact with your brand, they'll be expecting a seamless experience that has the same look and feel, level of service, and brand consistency.** Every interaction either adds or subtracts from their relationship with your company.

# Mobile, conversions, and CX

Customers know what they want, and they're looking for it on their mobile devices. Studies show that 45% of all mobile searches are goal-oriented and help customers make a decision. Yet even with such convincing statistics, many companies cut back on mobile development because their data shows that "mobile doesn't convert." This is a huge mistake for two reasons:

1.  Many customers begin their initial research on a product on their smartphone but make their purchases elsewhere (e.g., on desktop or in a store). As a result, mobile will appear not to convert as well as other channels when, in reality, it was an important part of the purchasing process.

2.  Regardless of conversion rates, it's important to provide an excellent mobile experience for your customers since smartphone interactions are likely to be a customer's first encounter with your company. A great first impression will make visitors more likely to convert, either immediately or on a different device (or even in person) in the future.

Conversion is no longer the best indicator of success. With the omnichannel experience, the conversion isn't necessarily what motivates a customer to buy. Everything leading up to that purchase is seen as one experience by the customer, and mobile is a major factor in that journey.

# An example of a common omnichannel buyer journey

Let's imagine a user in the market to buy a new vacuum cleaner. Here's how that process looks today:

**Vacuum breaks—user initiates initial search for new vacuums via Google.**

## Desktop

- Scan for top three to five brands that come up in search results
- Review each of the top results for reviews, check websites, evaluate legitimacy of each company
- Eliminate companies with terrible websites or bad user experiences (e.g. "If I can't figure out how much a model costs, or how to get it shipped, I'm out.)

## Mobile

- Resume search on mobile on the train to work
- Eliminate non-responsive sites
- Find local stores where the product is sold
- Compare pricing

## Brick-and-mortar

- Check out product in stores that were mentioned on desktop or mobile site
- Compare prices using mobile phone in-store
- Hold off on buying decision to do more research

## Desktop

- Do additional price and customer satisfaction reviews
- Conduct cost/benefit analysis of shipping costs with online retailer, versus the immediate gratification of taking the vacuum home that same day, but possibly paying a bit more

This process could go on—and often does—for weeks or even months, making a consistently excellent customer experience crucial. If a company falls short at any one stage of this process, it's not just a single sale that was sacrificed; it's the future business of that customer, and the potential and future business of all his friends and family.

## The ROI of a great customer experience

*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. Price is no longer the key influencer of purchasing decisions. According to Defaqto Research, 55% of consumers would be willing to spend more money with a company that provides excellent customer service.

There's also a direct link between customer satisfaction and a company's performance. Watermark Consulting compared the stock performance of a group of companies that provided excellent customer experiences versus another group that wasn't focused on the customer experience. During a five-year period, between 2007 and 2011, the CX leaders not only outperformed the broader stock market (27% better than the S&P 500) but performed 128% better than the companies not focused on CX. In fact, the CX laggards' returns showed a loss of 46.3%.

The omnichannel customer experience is anything but a straight line. Conducting thorough research and testing every step of the way ensures that you capture the whole of your customer's experience and empowers you to design a solution that meets your customer's—and your company's—unique needs.

In the next section, we'll walk you through how to conduct preliminary research on the omnichannel customer experience.

# Where to Begin?
# Initial Research on the Omnichannel Experience

To get an idea of how a customer interacts with your company throughout every touchpoint, you'll need to gather both quantitative and qualitative data. Quantitative data will indicate what's happening and where customers are dropping off. Qualitative research will explain how customers feel about their experience with your company.

This information will help you identify areas of the customer experience that might need improving. Then, you can run user tests on those areas to find out what customers are thinking so you can start making improvements.

## Quantitative: pinpoint areas of concern with analytics

To begin measuring your omnichannel customer experience and finding ways to improve it, your web analytics are going to be one of your most valuable tools.

One of the best places to start will be to compare your conversion rates across different device types. If one channel stands out as less successful than the others, then it may be time to investigate further.

You may also pinpoint certain places in the shopping process where customers drop off.

- How often are shopping carts abandoned on desktops, tablets, and smartphones?

- 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?

If your company has a brick-and-mortar presence, you'll also want to compare web analytics with in-store retail analytics to get a full picture of the omnichannel experience. It's highly likely that the two channels will show very different numbers, and that's okay! At this point, you're just trying to spot any data that seem strange.

Inspecting your analytics for any concerning data is an excellent place to start, but it's just that: a starting place. Just the fact that something appears strange or negative in your data doesn't explain what's going through the customer's head—or give you any clues on how to make improvements. For those answers, you'll need to do some qualitative research, and that means listening to your customers through surveys and user tests.

# Qualitative: gauge customer opinions with satisfaction surveys

Net Promoter Score and customer satisfaction surveys are great for measuring customers' opinion of your brand. In fact, many companies rely on these methods as their primary measurement of success.

Net Promoter Score (NPS) asks customers how likely they would be, on a scale of 0 to 10, to recommend a company to a friend.

0  1  2  3  4  5  6  7  8  9  10

Not likely
to recommend

Extremely likely
to recommend
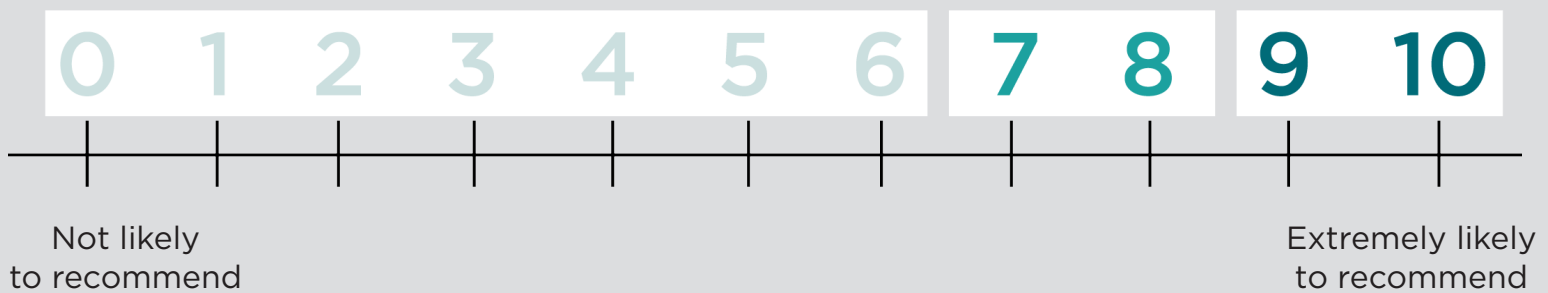
Other types of customer surveys might ask customers to rate their level of satisfaction with a recent purchase, an interaction with an employee, or the company overall.

Companies often ask customers to complete a satisfaction survey shortly after a purchase or other key interaction, when the experience is still fresh in the customer's mind.

## Where to Begin?

To get the most meaningful results from your surveys, it's important to keep them short so that customers will be more likely to give their feedback. If your surveys are too long, only the customers who are very happy or very unhappy will take take the time to complete them. Shorter surveys will give you a more representative mix of responses.

Although Net Promoter Score and surveys are good for uncovering trends in the customer experience, they don't necessarily give the context behind the opinion. While you could always ask survey participants to explain the reason behind the answer, you may not get the complete picture. Companies that rely solely on NPS and surveys to find out what's happening with their customer experience will miss out on a big part of the customer story.

This is where user testing comes in, which we'll cover in the next chapter.

# User Testing the Omnichannel Customer Experience

To get a realistic picture of your customers' contextual experience, you'll need to observe customers interacting with your company using different devices, preferably in their natural setting.

User testing involves watching real people attempting to complete various tasks speaking their thoughts aloud. This allows you to get inside the head of your customers, seeing where they get frustrated or confused and finding opportunities to improve their experience. You can run user tests in person in a usability lab or online using a remote user testing tool.

## User testing basics

If you're new to user testing, here's what you need to know before you start running tests. If you're already a pro, feel free to skip ahead to the next section!

1. **Decide what you're testing.** Set clear objectives for your research. What do you hope to learn? (See the section below for some ideas.) Discuss these objectives with your team to get everyone on the same page, and keep them handy when you write your test plan.

2.  **Choose your demographics and devices.** Who is your target audience? If you have a niche market, make sure that you recruit test participants from your ideal customer base. Consider age, gender, income, and any other requirements of your choosing before you create your test plan. Make sure to specify which devices your participants will need to use for the test.

3.  **Write your test plan.** Your test plan is the script that your test participants will follow as they take your test. A test plan consists of tasks you'd like to watch users complete and questions you'd like them to answer. Be careful to keep your language neutral and avoid asking leading questions.

4.  **Run the test!** If you're using a remote testing solution, simply place your order and wait for your test results to come back. If you're testing in-house, set up all of the necessary devices and recording equipment, and make sure that you have a test moderator who can facilitate the test.

5.  **Analyze the results.** Watch the videos and make note of any moments where test participants become frustrated, confused, or stuck. Investigate the responses to your questions, and keep an eye out for anything unusual. Gather any interesting findings into a report to share with your team.

For more tactical tips on how to set up, run, and analyze user tests, head on over to our eBook, <u>A Complete Guide to User Testing Your Next Project.</u>

# Testing methods and ideas to try

## 1. Omnichannel testing: observing one process that involves multiple touchpoints



This type of test is meant to mimic how shoppers often behave in real life: **completing different objectives (discovery, comparison, and purchase) on different devices** as they go throughout their day.

For example, in your test, you could instruct your test participants to research an item on a smartphone, answering questions and speaking their thoughts aloud as they go. Then, you could ask them to 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, you could choose to watch them complete checkout on a tablet.

Throughout the study, you can ask users to indicate when they would want to switch to a different device and why.

To keep your test consistent, you'll want to make sure that you have the same people complete each of the objectives in the same order.

*Pro tip: Lengthy omnichannel tests can become tiring for test participants, and fatigued test participants may give less insightful feedback. To make sure that you're not fatiguing your users, keep each section of the test short and to the point, or break the study up into multiple sessions that take place over the course of a few days.*

## 2. Multi-channel testing: studying the same process on each device type

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

For this type of study, 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, smartphone, tablet, and desktop, and on each different operating system. In this case, you'll have different test participants for each device. You can use any unusual data you found when you inspected your analytics to guide your test plan. (For example, if you found that conversions were much lower on iPhones than on any other device, make sure to investigate that in your study.)

Using a single test script for all of these tests will ensure that your test results are consistent and comparable.

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

Using in-the-wild testing methods, like UserTesting's mobile recorder, you can observe how users interact with a company in specific locations or contexts, like shopping in a brick-and-mortar store.

You can see how customers use your digital properties, like your mobile site or app, while they're physically in the store. For example, ask your test participants to open up their wish list on their phone, find one of the products from the wish list in the store, and talk about how the item in real life compares with the item description and photos on the mobile site. Or, you could ask test participants to find an item they like in the store and then search online for that product to compare prices with those of your competitors.

You can find out what (if any) apps your customers typically use to find deals or accrue loyalty rewards while they're in the store.

You can also ask questions about how the experience of shopping in the store compares with the experience of shopping on your website. What are the advantages and disadvantages of shopping with your company in person? Does it feel like the same company to them? Why or why not?

Finally, you can run remote user tests to find out how customers unbox, set up, assemble, or install their purchased products at home.

# Using Results to Improve Your CX

Once you've completed your research, you can start to make improvements to your customer experience.

## Making omnichannel improvements

When you run your user tests, you'll undoubtedly uncover some problems that your customers encounter as they try to make a purchase. Now it's time to make a plan to fix the pain points you uncovered in your research.

Maybe you found that users had trouble with the search functionality on tablets, or that they were frustrated that the wish list they created on desktop didn't show up on a mobile device.

Make a list of all of the problems that your users encountered, and then work with your team to prioritize them. We've found that it's helpful to plot all of your optimization ideas on a chart like the one below, accounting for the complexity and the impact of each idea.

High

**Complexity**

Low ⟶ High
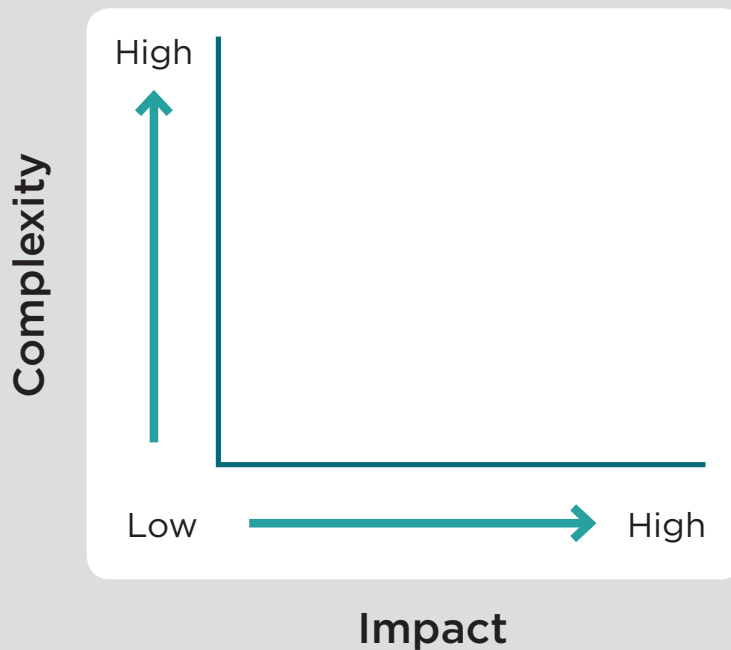
**Impact**

## Low-complexity improvements

If you found some relatively quick fixes that could make a big impact (like an order form that doesn't display right on older iPhones), you can start your optimization efforts off with a bang by focusing on those first. Quick wins like this can make an immediate impact on conversions, boost team morale, and get your team ready to invest in longer-term improvements.

## Higher-complexity improvements

For bigger changes (for example, if customers think that the mobile experience and the desktop experience feel like two completely different companies), you'll need to work with your team to set a roadmap for improvements. You can use clips from your test videos to make a case for increasing your budget or devoting more resources to optimization, if you need to. To convince executives to approve changes, there's nothing quite like watching a customer struggle.

# 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 judge the performance of the brick-and-mortar, desktop, and mobile channels independently of each other. But, as we know, each channel makes up an important part of the overall customer experience with a company. If one channel provides a lousy experience, it affects the entire business.

If you've ever struggled to justify the work you've done to improve a certain channel only to have team members say that the channel "doesn't convert," then you can let your users speak for you. To illustrate how each channel fits into the overall customer experience, you can run omnichannel user tests, and you can survey your customers after they make a purchase to see how they first began shopping for the items they purchased today. Your team might be surprised by how many customer journeys start on one channel and finish on another.

## 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 can help motivate the company to make the needed operational improvements.

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 every interaction that a customer has with your company, so it's every department's job. This includes the marketing team, the customer support team, the ecommerce team, and every other department. If you can share meaningful customer stories with different 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 customer experience are more likely to increase their revenue and customer retention. Plus, they'll notice improved customer engagement, loyalty, and happiness.

According to Gartner, CX will be the main battleground for competing companies over the next two years. This means that, if you want to remain competitive, 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 company at each point in the omnichannel journey will be the key to success.

A company is only as strong as its weakest channel. To provide an omnichannel customer experience that goes above and beyond, you'll need to measure, test, and optimize.

Whether you test your omnichannel experience in-house or use an online tool like UserTesting, we hope that you'll be able to gather rich insights about your customer behavior and then use your customer stories to promote a customer-centric company culture.

# Ready to start testing?

Our team would love to help you!

If you choose to test your omnichannel experience with UserTesting, our team of dedicated Client Success Managers and UX Researchers can help you set up user studies to get the most insightful, realistic feedback from your exact target market.

You'll receive findings reports and video recordings of real people's computer screens and mobile device screens as they speak their thoughts aloud. You can even observe how they interact with physical products and locations using our in-the-wild mobile recording technology. All of these testing options will give you the customer insights you need to start improving your omnichannel CX.

## About **User Testing**®

UserTesting is the fastest and most advanced user experience research platform on the market. The company gives marketers, product managers, and UX designers on-demand access to people in their target audience who deliver audio, video, and written feedback on websites, mobile apps, prototypes, and even physical products and locations.

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