



# Unlocking Decisions: Winning the Consumer Experience

NORTH AMERICA

# Introduction

This whitepaper provides some of the most important, actionable insights from ***The Experience Opportunity – North America***, a study from KINESSO Commerce in partnership with Google and conducted by Kantar in April 2023 .

The full report, based on a quantitative survey of 12,000 people’s online shopping habits, provides a deep dive into Commerce with a focus on the eCommerce experience, helping ground brands’ strategies in real consumer behaviors and shape their ability to acquire and retain online customers.

In this paper, we break down three key areas where brands must excel to win the eCommerce (and consumer) experience: **Operational Excellence**, **Experience** and **Brand**.



# Convenience is King

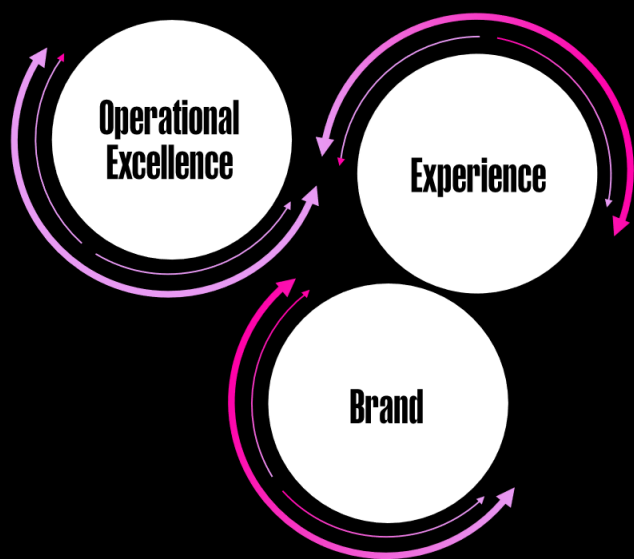
Almost two-thirds (63%) of respondents to our North American survey name convenience as a prime motivator for choosing eCommerce channels. More than any other factor, this is why they opt to purchase digitally.

But what exactly do we mean by 'convenience', and how does this translate into deliverable shopping environments?

The teams applied advanced analytics to our survey data to determine the underlying drivers of a positive eCommerce shopping experience. This included both conscious drivers (what customers say influences them) and unconscious drivers (what's really influencing them whether they know it or not). This powerful combination of indicators highlights what matters to shoppers and what brands can do to aid conversion.

We identified the key components of convenience, producing a framework that brands and retailers can tailor to create optimized experiences for their individual categories, channels and audiences.

**In short, we built a blueprint for winning the eCommerce experience.**



# The Key Components of Convenience

Our research shows that the key components of convenience are operational excellence, experience and brand. We uncover all the elements, dimensions and criteria that feed into these key components.

## 1 Operational Excellence

This is the bedrock of the eCommerce experience. A convenient shopping experience provides an intuitive flow that is easy to navigate.

The process is friction-free, designed to help shoppers find the right product for them at an affordable price. Operational excellence means having efficient payment, delivery, returns and service processes in place.

- Payment**
  - Different payment options
  - Secure payment systems
  - Quick and intuitive payment/checkout
- Delivery**
  - Free delivery
  - Delivery speed & reliability (e.g. tracking)
  - Variety of delivery locations
- Returns**
  - Easy returns policy
  - Free returns
- Performance**
  - Website or app loads quickly
  - Easy to find products with a good filter and search function
  - App or mobile website runs well
- Assortment**
  - Offers products in other categories
  - Affordable prices
  - Early access to new products
  - Large and varied range of products
  - High quality products

## 2 Experience

Experience in this context is the *feeling* a brand or retailer conveys at each stage of the customer journey – each interaction conveying a positive or negative experience.

Satisfaction or a positive experience means providing clear and accurate information, personalized content, detailed descriptions, videos or images, product and price alternatives, ratings, reviews or recommendations.

- Accuracy**
  - All product info is clear and accurate
  - Detailed product descriptions (well-written text, good pictures, product videos etc.)
  - Information about product availability
- Transparency**
  - Easy comparison of products and prices
  - Access to relevant ratings, reviews or recommendations
- Personalization**
  - The website or app recognizes my preferences
  - Recommendations are relevant to me
  - Product personalization available
- Service**
  - Service or support hotline or chat function

## 3 Brand

Convenience is also a function of the trust and sense of alignment a shopper has with a brand or retailer. Minds can be put at ease during the purchase process by a brand's reputation, stated values, policies, programs or content (such as a strong data privacy program, support for the environment, loyalty programs, inspiring content or store layouts).

- Values**
  - Shared personal values and beliefs
  - Supports the environment as a brand
  - Trusted data privacy
- Loyalty**
  - Good loyalty offers (e.g. loyalty cards or programs)
- Inspiration**
  - Appealing store layout
  - Website offers inspiring content (new trends, product recommendations, videos etc.)

# Decoding what influences consumers' platform choice

With the parameters in place, we can decode the shopping experience – both in terms of what shoppers *say* influences their choice of eCommerce site and what *actually* influences their choices. We produced two simple matrices to help understand and prioritize the drivers of eCommerce preference, plotting the components of convenience (operational excellence, experience and brand) into one of four driver categories, (ranked in terms of importance): 1. Core eCommerce drivers, 2. Unconscious drivers, 3. Basic drivers, 4. Potential future drivers.

The first matrix enables us to categorize the real, “data-evidenced” drivers of preference and the customer perception driving their choices.



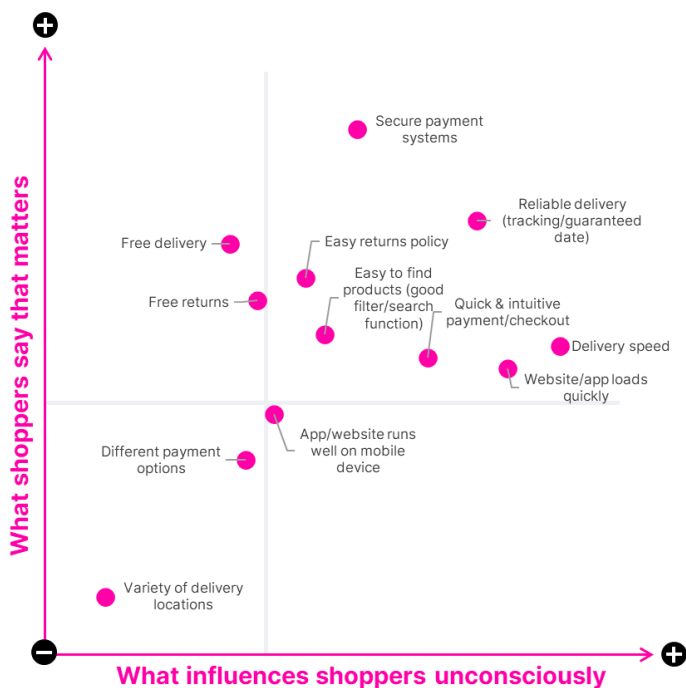
The second matrix translates those categories into a prioritized action plan.



# Decoding Operational Excellence

As the foundation of the eCommerce experience, almost every aspect of **operational excellence** has either a conscious or subconscious influence on consumer choice.

This first diagram covers Payment, Delivery, Returns, and Performance aspects. Here, the majority of operational excellence elements reside in the upper-right 'Core Ecommerce Drivers' quadrant. This gives marketers and brand managers plenty to aim for when it comes to improving the shopping experience.



## Prioritized action areas by category:

### Payment

- Security of payment trumps the variety of payment options in terms of importance in the minds of consumers.

### Delivery

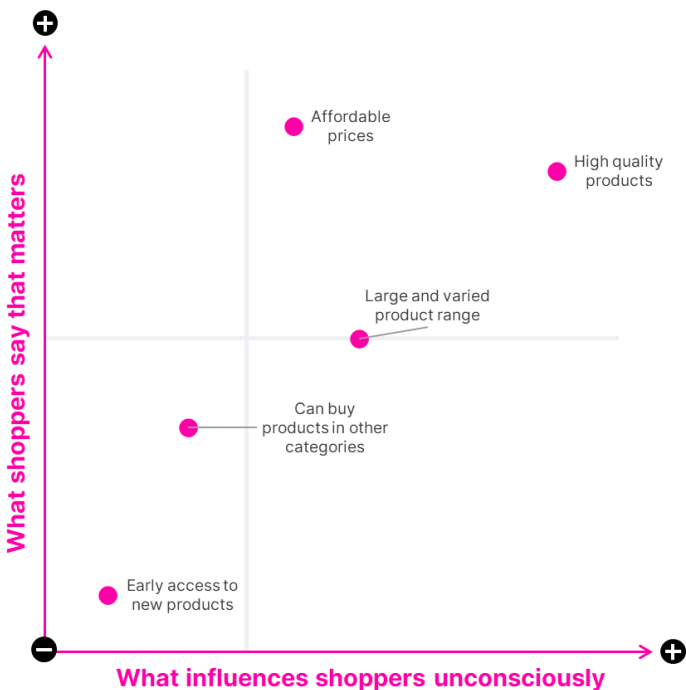
- The reliability and speed of product delivery both exert a strong influence on peoples' selection of eCommerce channels. Fast and safe delivery is far more important than free delivery, which has much lower incremental driving power.

### Returns

- Easy, intuitive product returns processes are particularly important to customers. Ease and convenience are more important than free returns.

### Performance (speed & simplicity)

- Customers are drawn to sites that make finding products easy and check-outs fast.
- Interestingly, while not front of mind, quick loading websites or apps is a strong subconscious key driver of eCommerce success.
- Mobile-first design is an emerging unconscious driver that will likely become more relevant in the future.



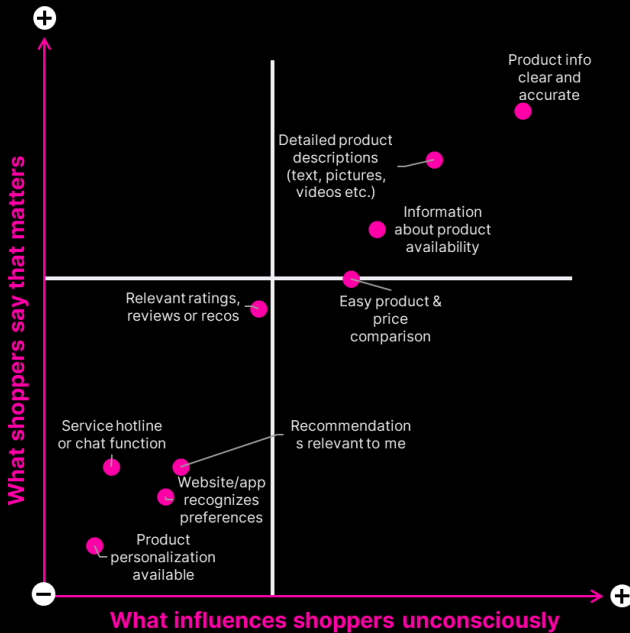
The final aspect of operational excellence is **Assortment**. In this diagram we see an interesting contrast between what customers say is most important – price – and the stronger underlying driver – product quality.

### Assortment

- Price has the highest claimed relevance, but product quality is the stronger underlying driver
- A large range is also a key driver, but it is less pronounced on a conscious level and its relevance will heavily depend on the sales channel or brand and should be further evaluated in that context
- The ability to buy products from other categories as well as early access to new products might become potential future opportunities

# Decoding Experience

The most influential drivers of a great shopper experience (where each step of the path to purchase reinforces the customer-seller bond) are accuracy and transparency. Customers expect to make fast, informed decisions fueled by easily accessible, relevant information.



## Accuracy

- Clear and accurate product information is the standout driver of eCommerce preference – both consciously and unconsciously. Detailed elements such as text, images, or videos that inform selection also rank highly alongside clear indications of product availability.

## Transparency

- North American consumers value having easy access to price and product comparisons. And while not positioned in the Core eCommerce Driver quadrant, consumers are drawn to sites offering relevant ratings, reviews or recommendations.

## Personalization

- Watch this space...that seems to be the message in terms of the importance of personalization as a key eCommerce driver. None of these elements were cited as most relevant; however -- and it is a big however -- the rapid spread of AI-based predictive analytics, tailored web experiences, and intelligent chatbots suggest that AI tools will become a key eCommerce differentiator in the near future.

# Decoding Brand

When there is little fundamental differentiation between rival brands' offerings or engagement, brand affiliation may turn out to be the deciding factor. While brand or loyalty aspects may at first appear lower in the driver hierarchy compared to operational excellence or experience aspects, it's important to remember that any incremental improvement to the overall shopping experience may represent the difference between winning a customer's business or losing it.

## Values

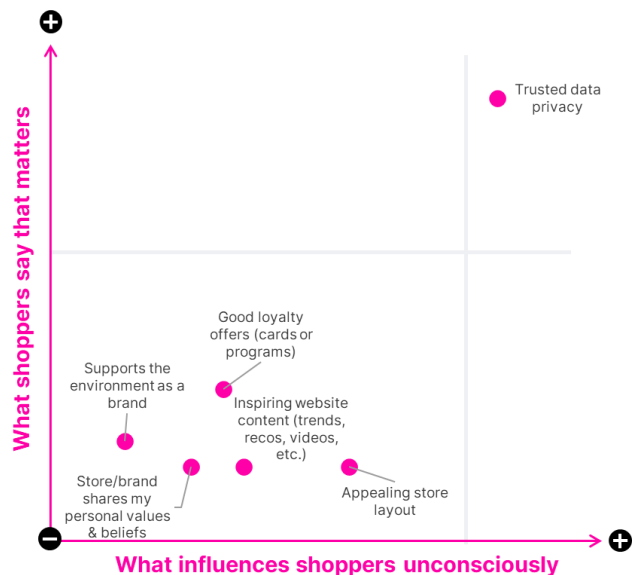
- Trust in the efforts made to keep PII data secure is extremely important
- The brand's purpose, such as reflecting consumers values and beliefs or environmental care, are not currently on the shoppers' radar – but given the increasing pressure of climate change, environmental, and societal concerns, it is likely that these will become future opportunities

## Inspiration

- Appealing store layout affects shoppers more at an unconscious level and is starting to drive their online purchases more than they realize

## Loyalty

- Loyalty programs, if designed well, are part of the experience shoppers value and recognize but this is not a key driver at an unconscious level





# Key Takeaways For Brands

This snapshot into consumer decision-making and buying habits reveals several important takeaways for brand strategists.



Winning the eCommerce experience requires a comprehensive, holistic strategy that embraces and activates all three core components of convenience: **Operational Excellence**, **Experience**, and **Brand**.

Consumers across North America are looking for easy, intuitive, efficient, reliable and secure online experiences. But they're also looking to be inspired, surprised and delighted by what eCommerce sites have to offer, and how they offer them.

**Operational Excellence** is the foundation of the eCommerce experience, without which all other aspects crumble to irrelevance. These are the brilliant basics, the table stakes for those wishing to compete online, the must-haves required to work without exception.

**When it comes to user Experience**, brands that prioritize making the online path to purchase easy to navigate, rich in relevant, accurate content and quick to complete will be rewarded with customer acquisition and loyalty. This is a continuous process of reviewing, renewing and reinvigorating content to keep the online experience fresh and up-to-date. AI-driven content or interface personalization may be in its relative infancy, but it's developing quickly and may soon be a key differentiator.

**Building Brand trust** is a vital driver of eCommerce preference – particularly with regards to security of PII – and authentic communication of values remains an important source of differentiation, relevance and loyalty.

Any brand that builds a coherent strategy that unlocks these elements will deliver the convenience customers crave and position themselves for eCommerce success.