



**SOMETHING** FOR  
**SOMETHING**

LISTEN: A MAGENTO 'MEANINGFUL CX' SERIES

## Brand Utility:

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Listening To Customer  
Feedback, Responding With  
Better Experiences

# Foreword

Since the birth of the customer experience (CX) concept, brands and digital experts have been discussing and experimenting on the right strategies for it. Countless reviews, studies, and reports that talk about the concept are available out there. Brands have an avalanche of information and data to refer to.

Yes, it's great to be aware of the industry trends and best practices. But sometimes, brands forget to pause and ask: "What is this data telling us, particularly from a customer perspective? How can we incorporate these insights into our day-to-day interactions with customers?"

To find a deeper meaning behind the numbers, brands need to listen more intently to what customers say. Customers must feel their thoughts are heard, and better experiences await following their feedback.

This is why we came up with Listen: A Magento 'Meaningful CX' Series to provide some practical takeaways on how brands can improve experiences based on customer preferences. We've asked consumers questions to understand the factors affecting their retail choices whilst shopping online and get their take on data sharing and new technologies.

As part of the survey, we received feedback from 7,000 respondents across Asia Pacific (APAC) including Australia, China, India, Japan, Malaysia, Thailand, and Singapore. This range of consumers from different countries provided us with powerful insights and direction in terms of CX and branding strategies. They expect brands to prioritise seamless experience across all touchpoints, protect their data, and explore eco-conscious initiatives.

While going through the whitepaper series, we hope that brands will also feel the need to listen more to customers, to start two-way conversations with them, and to build a stronger relationship founded on trust.

All these will begin from a habit of effective listening.



**Nicholas Kontopoulos**  
Head of APAC Commercial DX Marketing

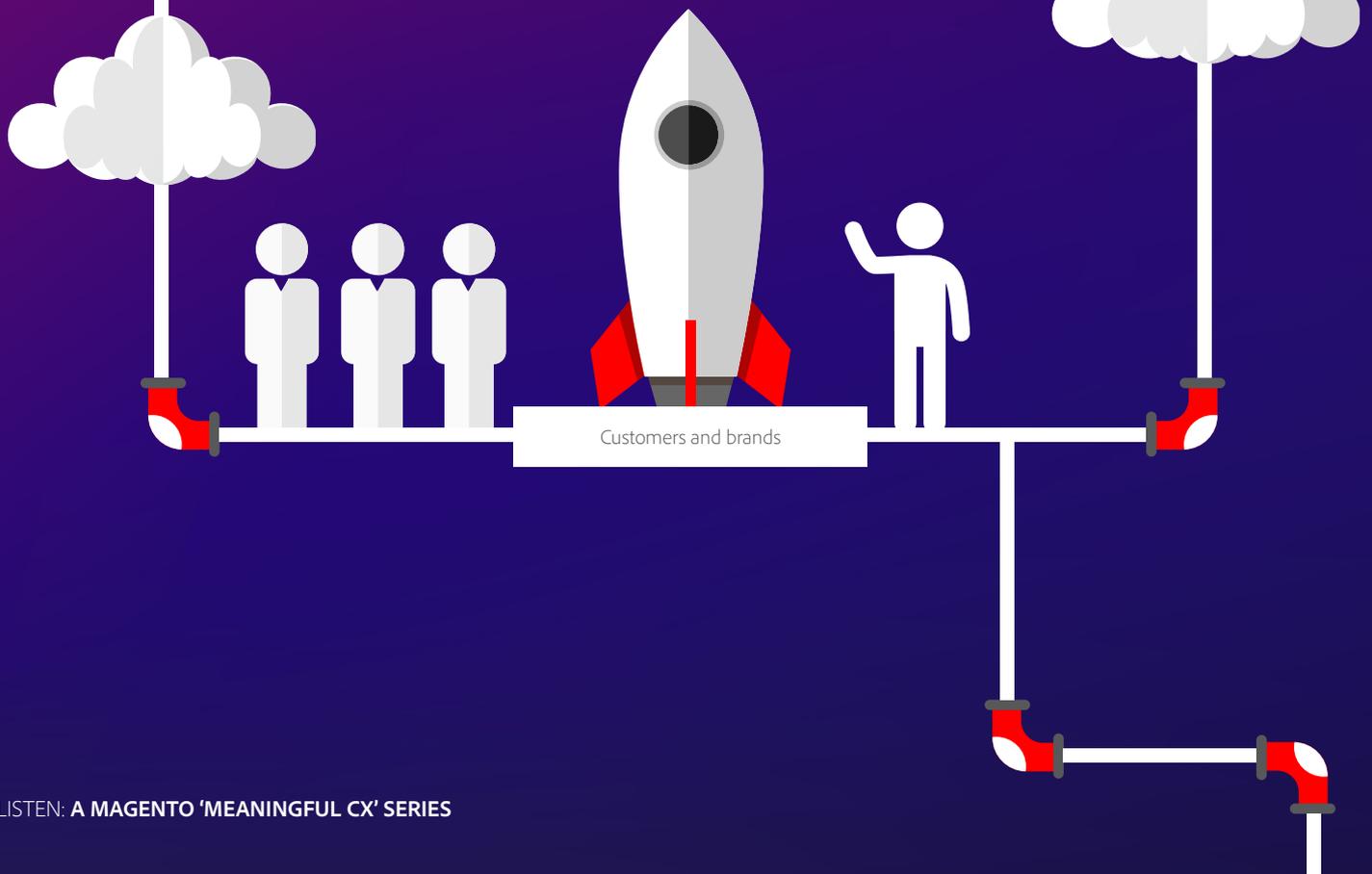


The Oxford dictionary defines listening as, “to give attention to sound or action. When listening, one is hearing what others are saying, and trying to understand what it means.”

### **So why is listening so important to a commerce business?**

Notice that the definition of listening now does not stop just at hearing. It is more about understanding the context/background to enable more personalized responses.

Take a moment and put yourself in your customers’ shoes.

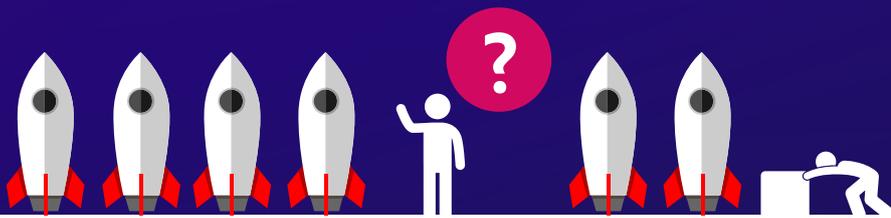
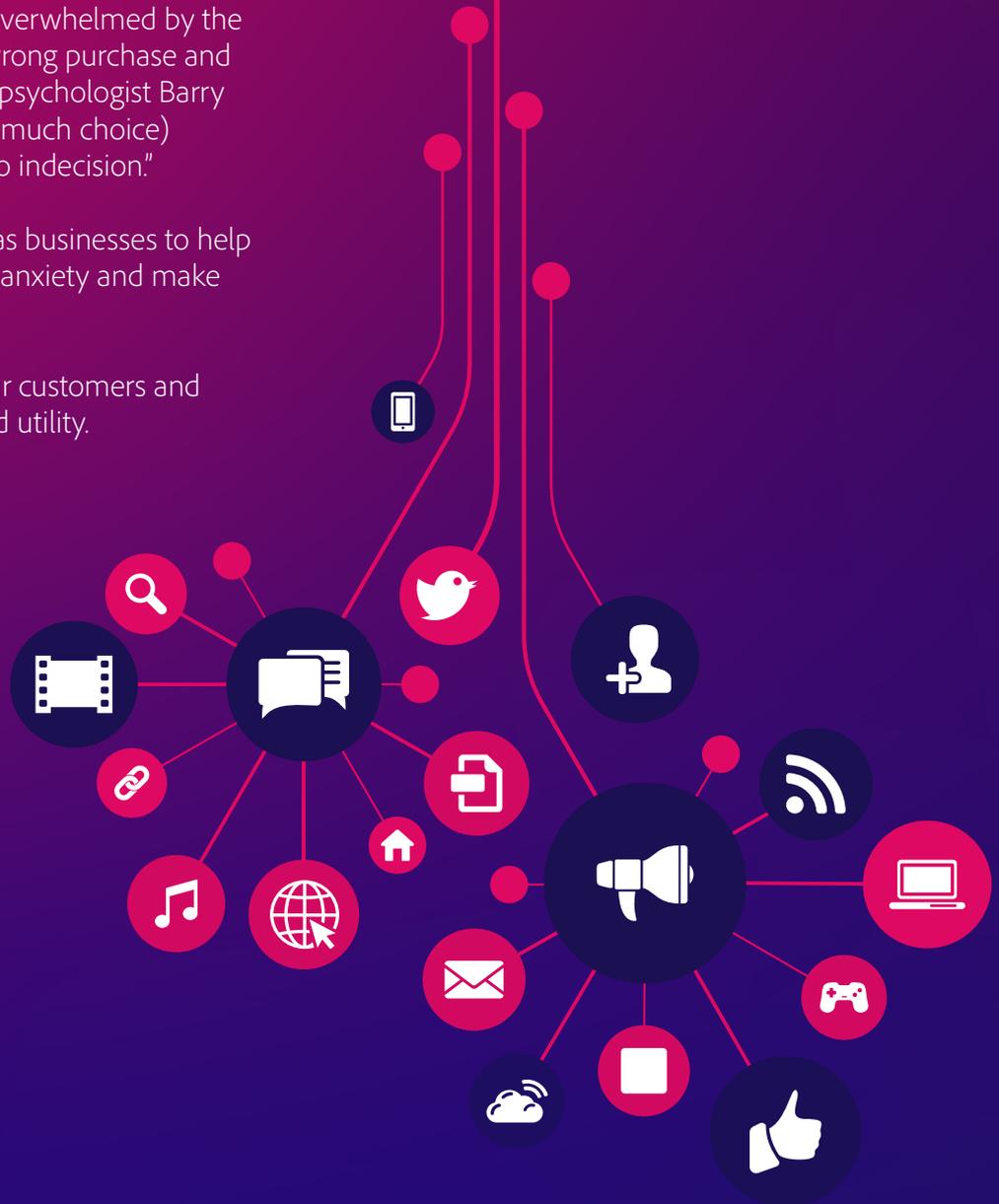


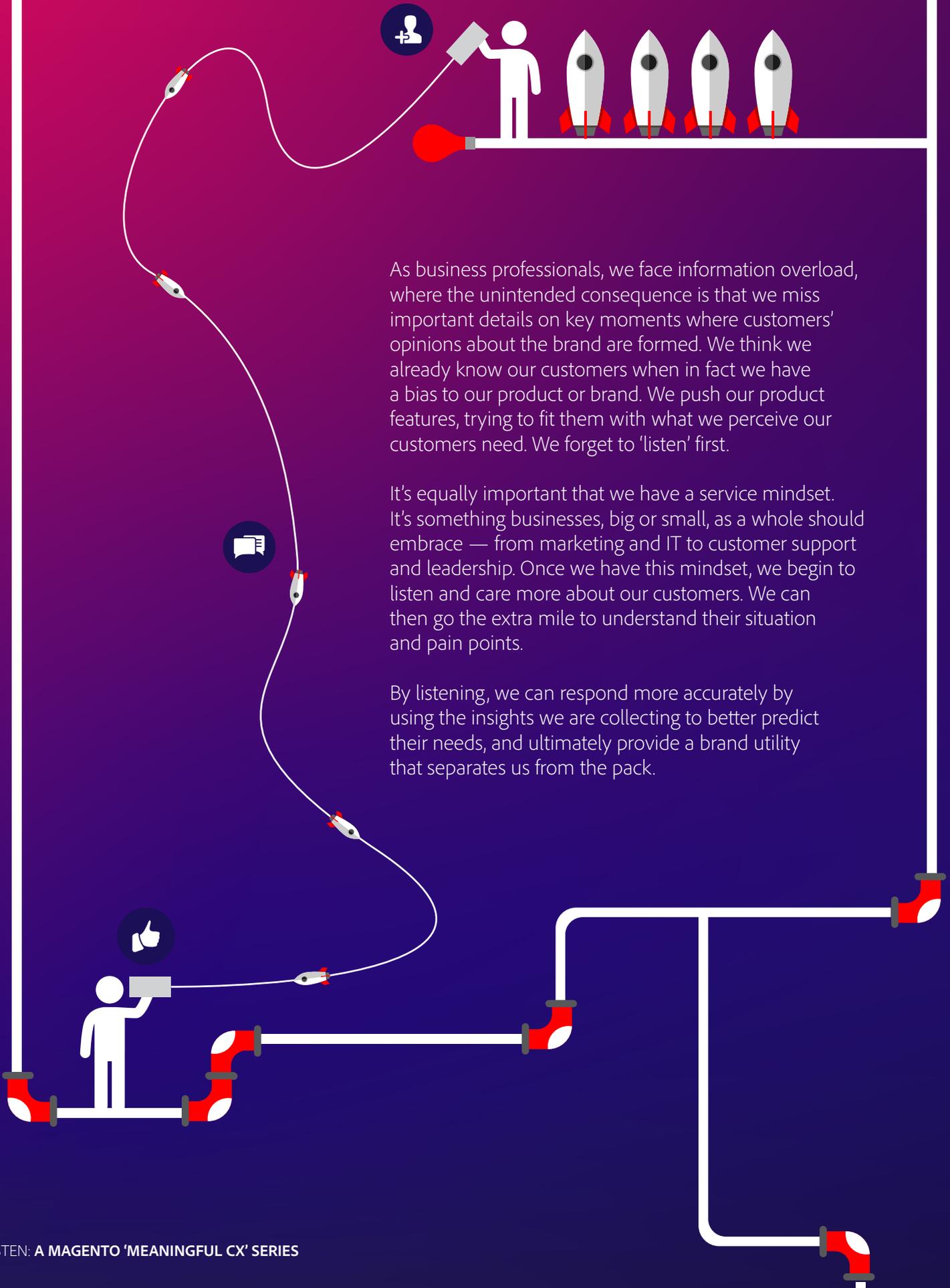
Every day, you are bombarded with email, social media, and push notifications from different brands trying to get your attention. You do a quick Google search to try and find a product, and are flooded with similar offerings.

Sometimes, you're overwhelmed by the fear of making the wrong purchase and regretting it later. As psychologist Barry Schwartz says, "(too much choice) paralyses people into indecision."

So what can we do as businesses to help ease our customers' anxiety and make their lives easier?

A hint? Listen to your customers and create relevant brand utility.





As business professionals, we face information overload, where the unintended consequence is that we miss important details on key moments where customers' opinions about the brand are formed. We think we already know our customers when in fact we have a bias to our product or brand. We push our product features, trying to fit them with what we perceive our customers need. We forget to 'listen' first.

It's equally important that we have a service mindset. It's something businesses, big or small, as a whole should embrace — from marketing and IT to customer support and leadership. Once we have this mindset, we begin to listen and care more about our customers. We can then go the extra mile to understand their situation and pain points.

By listening, we can respond more accurately by using the insights we are collecting to better predict their needs, and ultimately provide a brand utility that separates us from the pack.

# Let's hear from customers



What makes customers want your offerings?



What makes them come back?



What are the usual pain points they experience with you?



What are they willing to exchange with you?

These are the questions Magento aimed to answer when it commissioned its research with YouGov for an India survey in 2019. We've asked 1,405 respondents from India to discover the factors that affect their online retailer preferences and viewpoint on data sharing and new technologies.

By "listening" to customers better, we hope you can keep the connection evolving into something more valuable: a leveled up purchasing experience built on customer's confidence in you.

1,405  
respondents



India  
Survey in 2019

# Starting with a purpose

Brand utility as a concept is deeply rooted at the core of brand purpose — the very reason your brand exists. The bottom line why you're doing what you do for your customers.

This sense of brand purpose has to be solid for you to apply it in a more practical approach: your brand utility. If your brand purpose is clear to you, its use will be too. No matter the twists and turns in this highly competitive commerce market, you've already built an unshakeable foundation.

Yes, the commerce market isn't a walk in the park, especially now that it's shifting from physical to digital. In India, a little over half (51%) of the surveyed respondents say that when they compare multiple brands, a retailer's competitive pricing is the deal-breaker.

Additionally, almost half (47%) of them spend much time just to check all the best prices available online. And for retailers who continue to offer lower prices than competitors, 53% of the respondents would willingly buy from them again after one transaction.

**67%**

of Indian consumers will likely shop with you again if you offer free delivery.



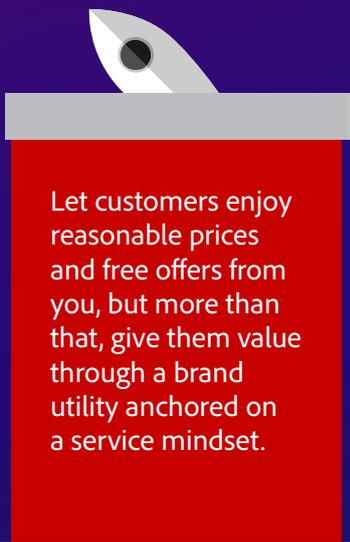
Apart from low prices, who wouldn't love free offers, cashback, and rewards points? More than half of the Indian consumers (67%) we've surveyed would likely shop again on a retailer that offers free delivery, 57% would come back because of free returns policy, and 46% because of loyalty schemes like cashback offers and points.

But there's more than just the price tags and freebies. We should be investing more in the long-term. While pricing is likely to be one of the make-or-break factors for customer purchase decisions, based on the above stats, one of the other factors that is emerging is brand perception and loyalty.

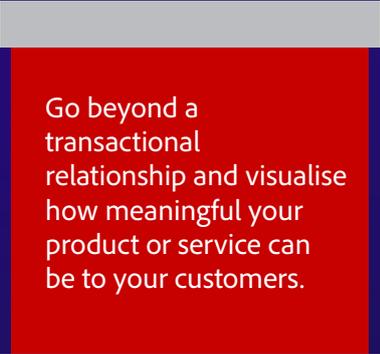
Brand utility stemming from brand purpose — it's the one that will be your biggest differentiator in a highly competitive commerce market.



**57%**  
of Indian consumers  
will be return shoppers  
if you offer a free  
returns policy.



Let customers enjoy reasonable prices and free offers from you, but more than that, give them value through a brand utility anchored on a service mindset.



Go beyond a transactional relationship and visualise how meaningful your product or service can be to your customers.

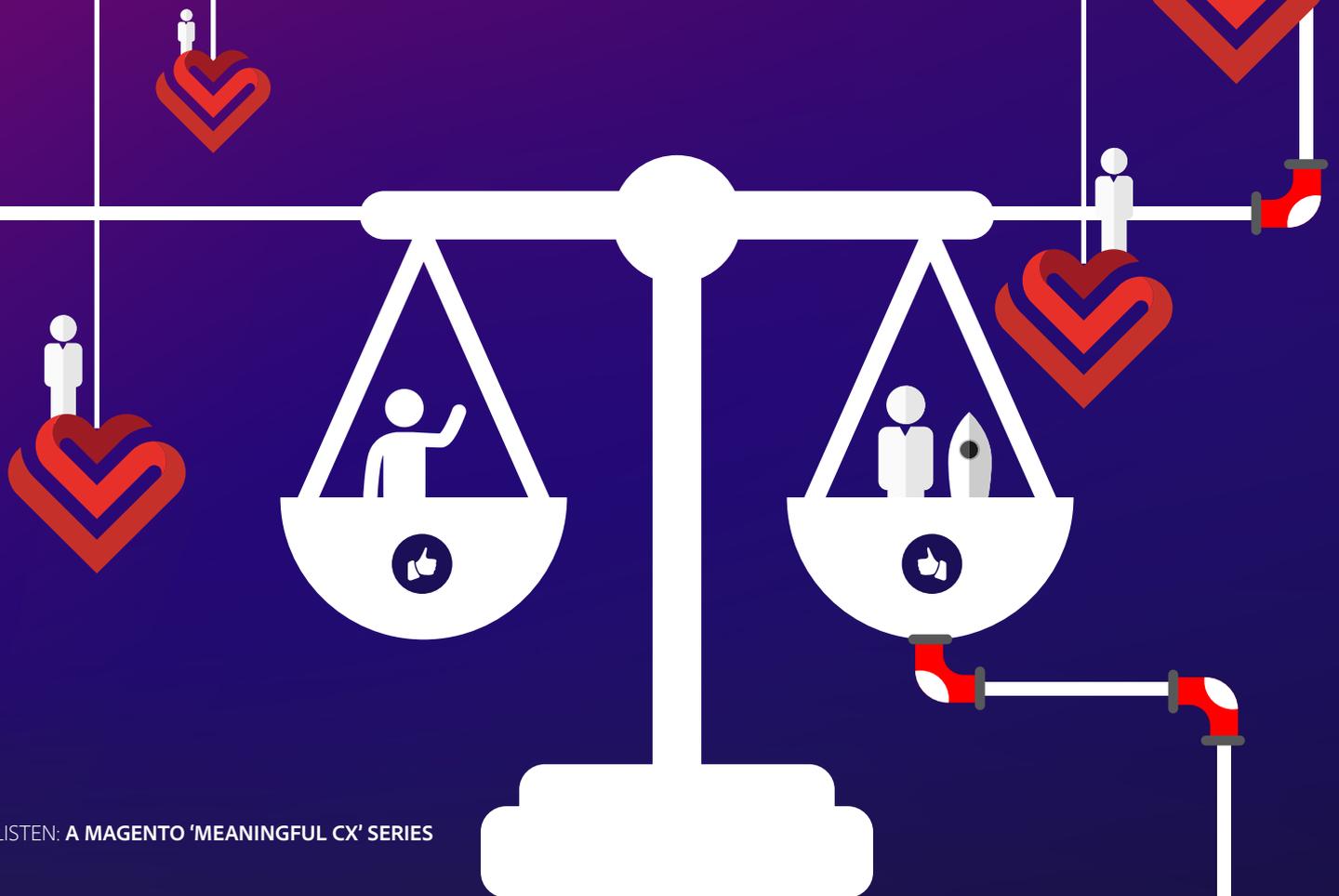
# Staying true to your promise

Once you get clarity on your brand purpose and brand utility, you'll be better at communicating your "brand promise."

Your brand promise (or mission statement) is based on your brand purpose. It is a commitment you give your customers and employees to fulfil your purpose.

Keeping promises is the bedrock of trust and central to delivering delightful customer experiences.

This is where brand utility also comes in. It's the catalyst that will help you keep your promise. It's how you ensure that the value you offer is experienced by customers.



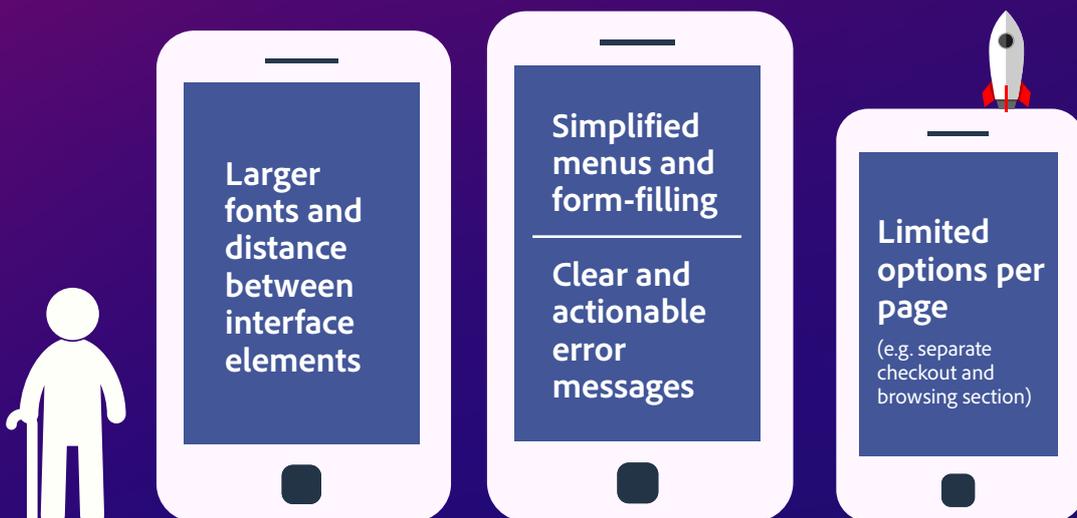
# Rejuvenating the eCommerce Website Experience

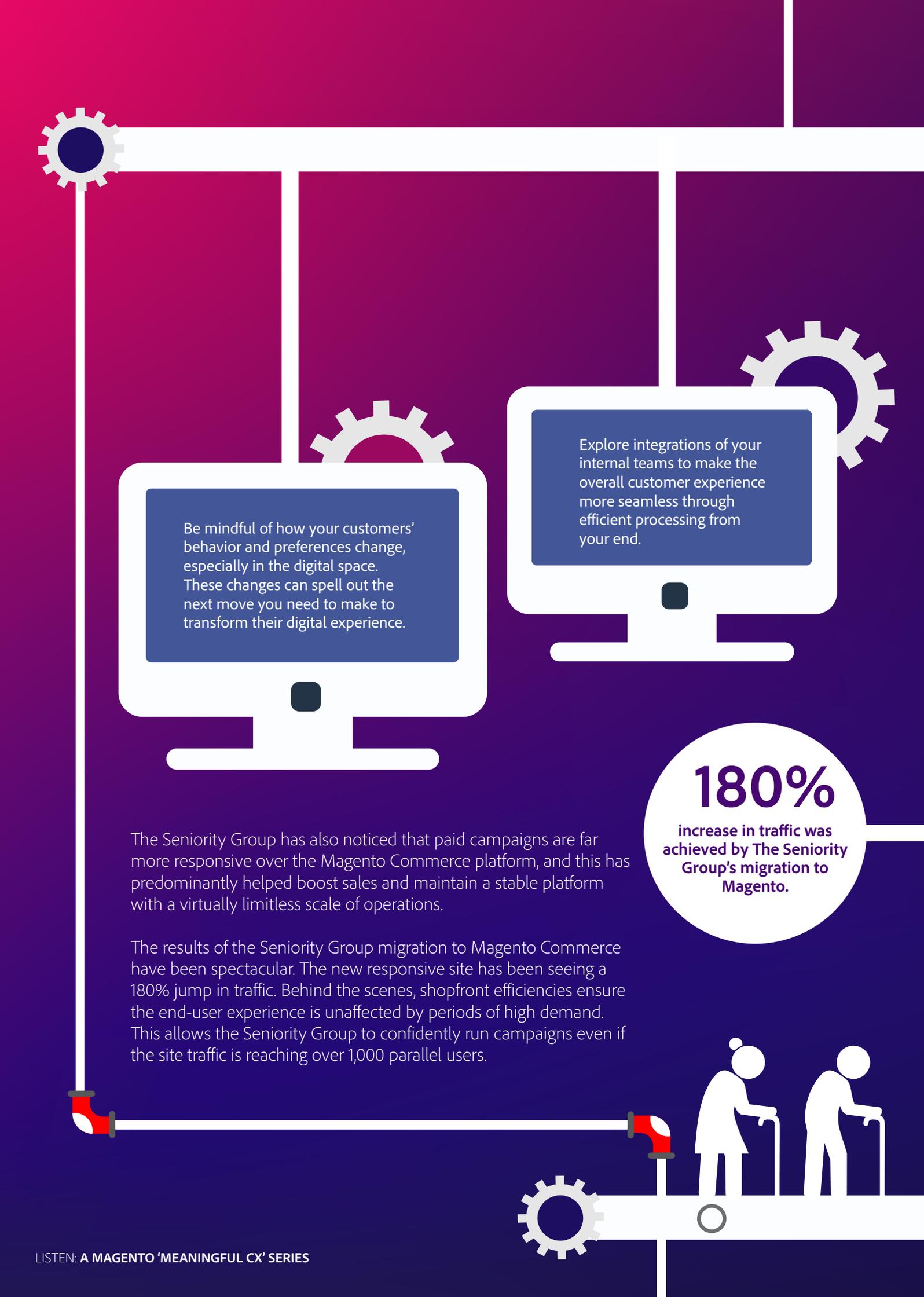
Let's take the Seniority Group, for instance. It is an omnichannel retailer offering a one-stop destination featuring a range of products that help seniors retain their independence and get the most enjoyment possible.

The Seniority Group initially thought that the elderly community would prefer traditional physical interaction with a brick-and-mortar retail outlet. However, the management soon realised that they had underestimated the senior community's desire for online purchases and the large customer base who want to buy for their parents, grandparents, in-laws, and other elders in the family. Eventually, the organization's e-commerce requirements outgrew the capability of the initial Magento Open Source store, with 500% sales growth in 2017.

Considering this rapid growth in customer base and market presence, the Seniority Group needed to expand its capabilities and provide a better shopping experience. However, the capacity and functionality of the existing platform no longer met the evolved business requirements — integration across functions like sales, warehousing, and others — or the growing customer demands such as mobile experience and product searchability.

**TO HELP ELDERLY CUSTOMERS QUICKLY FIND WHAT THEY WANT, THE TEAM MADE NOTABLE DESIGN UPDATES:**





Be mindful of how your customers' behavior and preferences change, especially in the digital space. These changes can spell out the next move you need to make to transform their digital experience.

Explore integrations of your internal teams to make the overall customer experience more seamless through efficient processing from your end.

The Seniority Group has also noticed that paid campaigns are far more responsive over the Magento Commerce platform, and this has predominantly helped boost sales and maintain a stable platform with a virtually limitless scale of operations.

The results of the Seniority Group migration to Magento Commerce have been spectacular. The new responsive site has been seeing a 180% jump in traffic. Behind the scenes, shopfront efficiencies ensure the end-user experience is unaffected by periods of high demand. This allows the Seniority Group to confidently run campaigns even if the site traffic is reaching over 1,000 parallel users.

**180%**

increase in traffic was achieved by The Seniority Group's migration to Magento.

A seamless experience should be non-negotiable when building or enhancing your website.

# Seamless and Smartphone-Friendly

Some of the major touchpoints where your customers can reach you will be through your website and other online channels. Customers check your online presence and factor it into whether they'll buy from you or not.

In India, 41% of our surveyed customers would keep coming back to a retailer that has a good reputation, and 42% would also do because of lots of positive reviews.

So, to elevate this reputation and positive reviews and win repeat customers, retailers must ensure that they are consistently giving value and good experience across all touchpoints.

For instance, our survey respondents from India said that these experiences are important to their buying decision: 50% would buy if it's easy to use and navigate, 51% would do so if it works well on smartphones, and 47% would do if it loads quickly.

Adopt the latest technologies like Progressive Web Apps for a seamless and fast native app-like experience

**50%**

of Indian consumers will be encouraged to buy if your site is easy to use and mobile friendly.

# Data Safety First, Suggestions Second

A sense of security. It's one of the best experiences you can give to anyone. If someone feels safe in your company, that person will be confident that he or she can rely on you.

Our survey results show that the same applies to commerce. It's important to 48% of our Indian respondents for personal data to be secured when buying online.

If the website's AI algorithms use profile data (e.g. age, gender, location etc.) and other data (e.g. purchase, transaction, and activity history) to suggest products customers might like, more than a third (39%) of our survey respondents are good with it. This means that some Indian customers are open to sharing their information, if they get a more personalized shopping experience.



Be transparent and let customers know how their data is collected and processed.

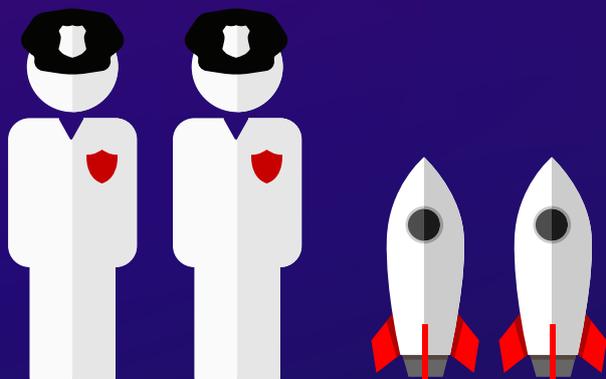


Analyze and identify the right set of information that you would need to make the right recommendations



**39%**

of Indian consumers are comfortable with retailers using personal data for relevant recommendations.



# Traditional or Digital Payments? Let Customers Freely Choose.



So, the customer has decided to buy, selected all the products they like, then finally proceeded to checkout. They expect their preferred payment method to be accepted but what happens if it's not? It could result in missed sales and brand relationship opportunity for retailers.

Our India survey reveals this missed opportunity as well: 48% avoids shopping with an online retailer if cash on delivery wasn't accepted, 42% if debit card, and 36% if e-Wallet payments.

**48%**

of consumers avoid shopping with an online retailer if cash on delivery isn't accepted.

Surprisingly, even though India is already initiating a lot of digital payments because of its banknotes demonetisation since 2016, the top payment mode in our survey still involves cash. Next to this traditional payment method is debit, and the youngest form of payment, eWallets, come third only. But this doesn't mean that other payment options should be neglected.

As much as possible, provide all payment modes that customers will look for. If it's not feasible yet for your brand, prioritise those payments that the majority of your customers use.



Cash on delivery is still a preferred payment option for Indian shoppers. Check your options on secure and digital tracking for this type of payment, so you won't lose any money along the way.

# Make The Shift To A Greener Brand

Eco-conscious efforts — these are just one of the many recent strategies that brands explore, particularly now that most customers are better aware of environmental challenges.

Adding to that the opportunities that an online market gives, retailers can actually be in a stronger position to build an eco-friendly brand. Take India for example, 34% of our survey respondents think that online shopping is better for the environment than in-store shopping.

Not only do they believe that online shopping is more eco-friendly, more than a third of customers also look for brands that continuously adopt greener practices into their business. These percentages of our survey respondents are likely to buy from a retailer that:

- Donates a percentage of revenues to environmental causes - 39%
- Doesn't sell any products made from single-use plastics - 35%
- Evaluates its supply chain to minimize overall emissions (i.e. from production, transport etc.), excluding air miles - 35%
- Minimizes the air miles of their products (i.e. the distance goods need to travel by plane) - 30%

On the other hand, almost half of our respondents would likely choose to buy from a brand over another if:

- A retailer is transparent where it sources its products (47%)
- The brand reduces its non-eco-friendly packaging materials (46%)

If you haven't started yet, find ways to make sustainability and eco-friendly initiatives part of your brand utility.

Provide information about your product sources and eco-friendly packaging. These could also be part of your unique selling proposition.

Always ensure your compliance with [India's environmental policies](#).

**34%**

of Indian consumers think online shopping is more environmentally friendly than in-store shopping.

# Positive Take on AI

Promises made, plus promises kept: a formula resulting in trust.

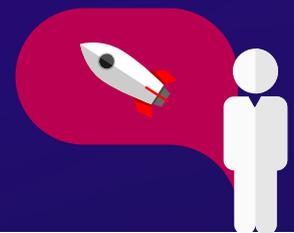
Now that you've established trust, what next? Perhaps leverage new tools and technologies to provide a better experience.

India already has a headstart on realising its new technology efforts as customers well-receives experimentation. In our survey, 67% are "fairly" and "very" comfortable with retailers employing new technologies, such as artificial intelligence (AI). Moreover, 56% of them are more likely to buy from retailers using AI capabilities so long as they offer low prices, excellent customer service, and online experience.

Since the market is comfortable about AI, now's the time to be more bullish about explorations on how new technologies can create better customer experiences. For example, you could experiment with augmented reality (AR) to allow customers to digitally 'try on' items before they buy.



Let AI help improve your brand utility and forge stronger ties with customers by analysing user behavior, preferences, feedback, and characteristics to predict behavior and deliver unique, personalised experiences. This helps you increase engagement and offer dynamic, one-to-one touchpoints with ease.



**67%**

of Indian consumers are "fairly" and "very" comfortable with retailers employing new technologies, such as AI.

# The value of two-way investment in relationships

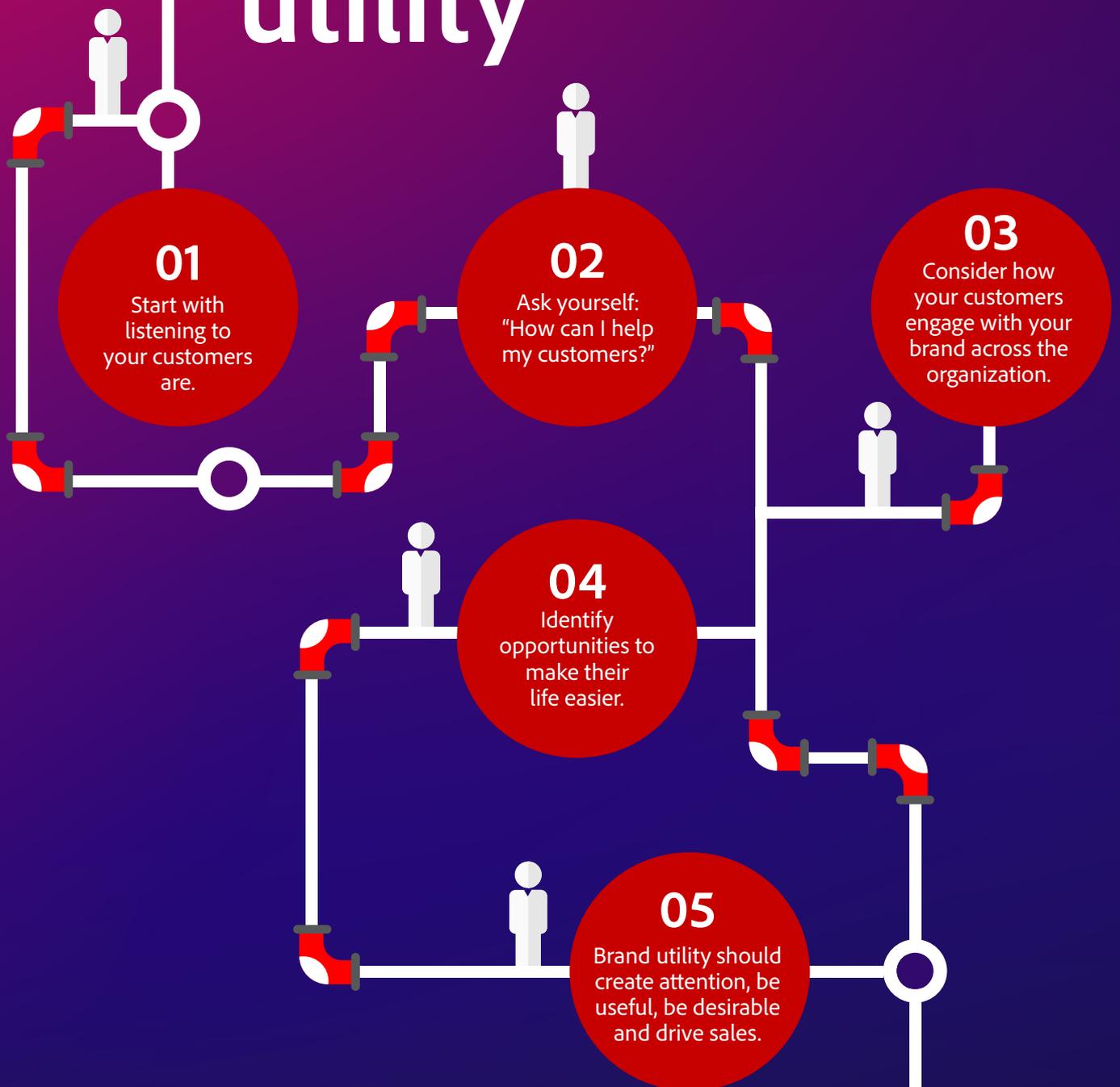
A promise realised through utility; it leads to rock-solid trust. This is the time your customer also becomes more open to investing time, effort, and honest feedback with you. They trust you enough that you'll do better things for them.

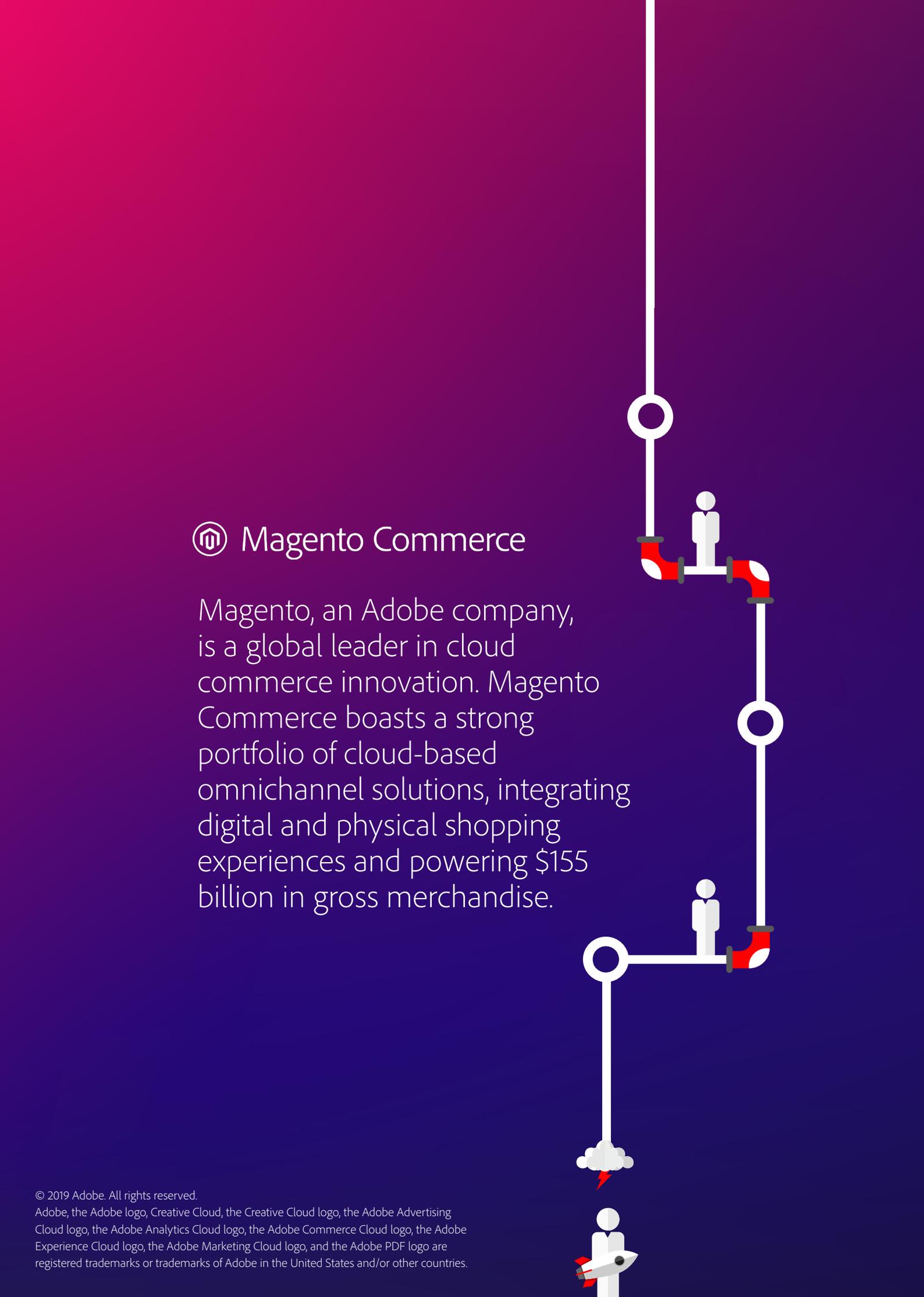
In return, customers rely on you to listen. To be humble enough in accepting feedback and doing something about it—doing it right this time, so you won't fail them.

Listening — it's one of the best ways to keep your commerce business evolving, and ultimately build more trust and stronger relationships with your customers.



# Tweetable takeaways for brand utility





## Magento Commerce

Magento, an Adobe company, is a global leader in cloud commerce innovation. Magento Commerce boasts a strong portfolio of cloud-based omnichannel solutions, integrating digital and physical shopping experiences and powering \$155 billion in gross merchandise.