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Title

Welcome to the Guided Economy

Subtitle:

How Ignoring the Demands of Today's Online Consumer Will Cost You (And Why Getting It Right Can Pay Off)

Section I: Welcome to the Guided Economy

You've already heard of the Information Age we now live in.

New technology allowed the shift from a manufacturing-based economy. Now we're in a knowledge-based economy. **How people live their lives and the standard of what's expected has changed.** The shift was natural — it wasn't decided. And it's still changing every day.

Part of that change is how we interact online. But there's no more 'going online'. We are always there; always connected via our devices and apps. We don't 'log on' to check the weather or calendar. Instead we get push notifications or Alexa or Google Home alerts. **We're receiving information without looking for it, before we even know we needed it.** It's useful. It's easy. And it's influencing how we interact and what we expect.

We've entered into the Guided Economy.

It's A Brave New World...

Heavyweights like Netflix, Google, and Amazon are raising the digital experience standard daily. The more time and money consumers spend interacting with those brands, the more consumers demand from their experience. Speed and convenience is the main reason nearly two-thirds of people use online channels.¹ Over half of those same people admit they've become more impatient and **want the buying process to be quick and effortless**.²

That could be why **87% of online shoppers abandon their carts if the checkout process is long or complicated**.³ Quick and effortless means if consumers have to look for help, it's already too late.

There's a need for **guidance**. As brick-and-mortars disappear, we're recognizing that there's no longer stores with sales people — but customers still need help. A guiding hand that knows when and where to step in. That's the key to a digital experience that's quick and effortless.

That experience is the buyer's journey— how the consumer interacts with you from start to finish. It's not the same for everyone. So the response needs to be unique. One-size fits all thinking doesn't work anymore.

Businesses that still have that mentality are being left behind.

Consumer Loyalty? Not Anymore.

"Mobile is super important. Obviously, like most of you, this is the fastest device for us. This is also where we have the most competitors."

- (name removed), Customer Experience Director for (name removed)

¹ ["Customer 2020: Are You Future-Ready or Reliving the Past?"](#), Accenture. 2014

² ["Customer 2020: Are You Future-Ready or Reliving the Past?"](#), Accenture. 2014

³ ["Retailers Beware: 87% of Online Shoppers Will Abandon Cart If Checkout Process Lengthy or Complicated"](#), Splitit. 2018

As easy as it is to access your brand digitally, it's just as easy to access your competitors. Jumping ship is painless compared to how it used to be in the brick-and-mortar days.

And evidence shows that sluggish companies are paying the price. Over 10 years of research surveys, Accenture's Global Consumer Pulse Research has seen a '**distinct lack of customer loyalty**'. Consumers are willing to switch providers across ANY industry — including banking and insurance, where the barrier to switching is high. Accenture noticed this trend was so consistent that they coined their own phrase for this phenomena: The Switching Economy.⁴

Any disruption large enough can lose consumers. In that 2014 study, they noticed **two-thirds (64%) of consumers said that poor customer service led to a switch in provider in at least one industry**. And compared to 10 years prior, 60% said they're more likely to make the jump to another provider now.

Even more alarming: Over half who abandon their cart won't ever come back to the site.⁵

⁴ ["Customer 2020: Are You Future-Ready or Reliving the Past?"](#), Accenture. 2014

⁵ [Retailers Beware: 87% of Online Shoppers Will Abandon Cart If Checkout Process Lengthy or Complicated](#)", Splitit. 2018

Are You Being Affected Right Now?

If your company has digital consumers, ignore proactive guidance at your own peril.

High abandonment rates across industries reflect this: Cart abandonment for retail is 77.3%.⁶ **Financial services tops the list for the industry with the highest abandonment rate: 83.7%.**⁷ Following closely behind is the travel industry at 82.2%.⁸

Here's some of the symptoms to check for:

Retailers: You might be seeing high traffic, but your conversion rates are way behind in-store. Or you're spending a lot of money on ads and social but your bounce rates are still too high.

If you're in financial services, such as **banking or insurance**, it's a bit different. You may be losing too many potential customers during the acquisition and quote process. Or you're not seeing enough products sold per customer.

And across all industries, a major symptom of lacking guidance is high contact center expenses. You'll see overwhelming customer contact that eats up resources and multiplies headcount.

Guidance:

Proactive or Reactive?

Reactive guidance waits until the consumer is experiencing difficulty before attempting to fix it. The consumer has to suffer a problem first, then find the answer themselves. That action might be searching the FAQ or initiating a support contact. Reactive guidance can lead to constantly putting out fires and high support costs.

Proactive guidance anticipates consumer struggle points at different stages of the customer journey. It then guides the consumer at exactly the right time — before they even know they have a problem. The experience feels quick and effortless. Plus the consumer self-serves. Both of these takeaways help meet demands in the Guided Economy.

⁶ "[Online shopping cart abandonment rate in selected industries in 2017](#)" Statista via [Moosend](#). 2017.

⁷ "[Online shopping cart abandonment rate in selected industries in 2017](#)" Statista via [Moosend](#). 2017.

⁸ "[Online shopping cart abandonment rate in selected industries in 2017](#)" Statista via [Moosend](#). 2017.

"Our goal is to make it easy for a customer to do business with us. And having them hang on the end of the phone line – or send an email and wait for a response – isn't a particularly slick way of operating." - (name removed), Head of Customer Support Centres at (name removed)

What Proper Guidance Can Achieve

Companies that use guidance in a proactive way – rather than reactive – see a reduction in costs, increased customer satisfaction, and reach new customers. Consumer loyalty goes up, 'switching' providers goes down.

Those companies are also better at scaling to demand. Peak periods like holidays aren't the brutal affair they once were. That's because there's a reduction in low-value customer contact; allowing contact centers to focus on unique and high-value issues. With less contacts, they also can respond faster now. Increased customer satisfaction is almost always a byproduct.

And best of all, these companies see improved conversion rates with faster growth.

Box Area

Real results from implementing proactive guidance:

Large National Houseware Retailer

3x
online conversion

+135%
average order value

Digital Photo Retailer

£75,000 - £100,000
(~\$93,500 - \$125,000 USD)
calculated yearly savings

2%
order increase

Online Insurance Carrier

70% form completion rate	3x increase in channel purchase
<u>Large Apparel Retailer</u>	
96% customer support satisfaction	73–83% reduction in SLA email response time

Section II: How to Thrive in the Guided Economy

"It's important for us to let our customers know we're available to assist when needed. We utilize proactive chat to assist the customer through her digital journey."

- (name removed), Vice President of Contact Center Operations at (name removed)

Here's the overarching strategy for guided digital commerce:

Set up **automatic** proactive guidance for the majority of your contacts. Save human contact channels for difficult and high-value situations. Base your guidance on behavior and context — not only keeping the buyer's journey frictionless, but also unique to the individual.

What Should Be In Your Toolbox?

You'll need a tool that presents targeted engagements to customers. It should trigger based on their behavior on the site. That's the key to relevant guidance and a unique buyer journey. Ideally your guided engagement solution is integrated with your email, live chat, and knowledge base. Then you can analyze them all together to compare performance.

But to optimize your results, there's two critical features you'll want to have: First, the ability to implement guidance yourself – without tech group support. Second, a seamless experience across mobile, tablet, and desktop.

Being Able to Work Directly from the Business Team

There is a common thread among companies that use successful proactive engagement:

*They put guidance in place themselves – **directly from the customer management team**. No need for the tech group, IT, or any other departments.*

Why's that important? **Quick iteration.**

Placing a request to another department becomes one more task on an expanding list that never gets done. When you can do it yourself, you're testing fast: seeing what works, what doesn't, and fixing it right away. You'll also be able to show the ROI faster – improving buy-in for your initiative.

"We manage this without having any other tech support from the group. We found that when you have to rely on other departments, your priority in the queue is always last. So we do it ourselves to be sure it's going to be done."

- (name removed), Customer Experience Director for (name removed), on using contextual proactive engagement successfully.

Whatever tool you use needs to be user-friendly and not technical. It can be as simple as adding Javascript on a page. That way you or a team member can implement it yourself in minutes.

Seamless Across Mobile, Tablet, & Desktop

Mobile is evolving fast. Having 'support' for mobile & tablets isn't enough. The tool needs to automatically work the same way you set it up on desktop – and vice-versa. This also helps with quick iteration. **You can test changes without having to re-create them on other channels over and over again.**

It also keeps the experience consistent for your consumers across all devices. They know that how ever they interact with you, they're supported.

Common Problems and Guided Solutions

Have a look at guided solutions for common pain points during the buyer's journey:

(Include corresponding blog images)

1. Awareness Stage Problem: High Bounce Rate

In the awareness stage, the thinking should be to replicate the in-store experience online — starting the moment a visitor lands on your site. With the average bounce rate for eCommerce retailers hovering close to 60%, you need to use everything you know about your visitors to keep them engaged.

Knowing how people are landing on your site is key: you'll be able to put the right level of engagement to keep them there and guide them towards a purchase. If it's clear how someone got to your site, you already know their interest. Then you can provide relevant content that encourages them to explore the site further.

If they arrived through a sale promotion, you might consider proactively engaging them with a prompt to some of your other deals. And if it's clear someone's visiting your site for the first time, a simple "Welcome, we're here to help!" will bring that in-store experience to your digital channels.

For example, [the retailer \(name removed\)](#) utilized chat transcripts, feedback from its internal team, and customer surveys to identify opportunities to improve engagement. After realizing visitors were accessing chat for topics that could be addressed without human assistance, Boscov's deployed a contextual guidance solution. **Bounce rate reduced 2% — and kept customers in the online journey without interruption.**

2. Consideration Stage Problem: Hesitation

Hesitation occurs most frequently during the consideration stage of a purchase. You don't want your visitor faced with too many options or too few answers to their questions.

But there's a challenge with decision hesitation: evidence of struggle is hard to see. Compare this to coupon code errors or order tracking, which are obvious. You have to look for more subtle clues. That could be as simple as a visitor searching for more information.

Once you've identified hesitation, you have a great opportunity to use a contextual guidance tool. You can provide relevant snippets of information — such as a sizing chart, buying guide or

other customized solution — if it seems like the consumer is unsure. They'll gently be guided towards making a positive purchasing decision.

3. Conversion Stage Problem: Low Conversion Rate

Converting is a critical stage. At this point, you've made it through two of the biggest obstacles: attracting visitors to your site and engaging them with a product or solution of enough value. The worst-case scenario is a potential customer leaves *now* due to frustration or confusion.

Your main goal is to remove all barriers that may keep the consumer from moving forward. For example, a customer misses a field when filling out a form. They're faced with an error message. If they don't abandon altogether, they may have to leave that channel to search for a solution — possibly looking for a way to contact an agent, or heading to Google search for a new coupon code. All of which postpone and put conversion at risk.

At these struggle points, you can present a customized solution that fits each and every customer. An error message can trigger a prompt that can provide the answer based on the customer's information you already have. These tailored snippets decrease abandonment rates.

If a customer has a question that requires an immediate answer before being able to move forward, an automated explanation can be shown instantly. Automation allows you to scale customer engagement by deflecting frequently asked questions. **Results show that automated engagement increases the conversion rate in retail by fivefold.**

Eliminating common struggle points at this stage of the journey can also increase digital insurance conversions. For example, Chill Insurance realized a high percentage of users were contacting agents with problems that could have been solved without human assistance. So they deployed a contextual guidance solution — identifying and addressing common pain points during the online quote process. The company saw a [30% increase in form conversion rates](#).

4. Service Stage Problem: High Support Contact

Research shows that customers prefer to self-serve when given the opportunity. Your clients don't want to wait or jump through hoops to get the support they need. Whether it's tracking an order or searching for answers to their questions, self-service options help them help themselves. A win-win for everyone.

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One of the main things that we always look at— in everything we do— is providing the customer with an effortless experience on our site. Self-service is the key to that effortless experience.”

- (name removed), Vice President of Contact Center Operations at (name removed)

For example: WISMO(Where Is My Order?) — may be the most common of all contact center questions. Tracking the status of an order is an ideal case for web self-service. But even if you’ve already offered several self-service solutions on your site, customers usually contact an agent. Why? Because it’s a high-urgency request and they want an immediate response.

Instead, you can bring the self-service options to the customer — at the *exact minute* they’re looking to contact an agent. First, use a pre-chat questionnaire when a chat session starts. You’ll know exactly what the customer needs. Then you can offer a contextual solution that not only resolves, but also encourages future self-service. Even better? You’ll also free up agent resources.

Relevant information through self-service is crucial for successful engagement with your business. In fact, Vitacost found that **instant self-service brought a 37% increase in usage — resulting in a 24% decrease in overall contacts to their support team**. Self-service options give customers control and immediate support, relieving user frustration and promoting customer delight.

A Perception Change: Recognizing the Shift

Try this: **Next time you are the digital consumer, notice how you interact with other businesses.**

See how you feel when things are difficult and take longer than expected. Do you catch yourself comparing this experience to other, smoother digital interactions? Have these expectations changed in the last year or two?

Noticing this yourself is the perception change you’ll need moving forward. That means you’re starting to see the need for guidance.

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You don't have to be the next Amazon or Google. But your customers are expecting a similar effortless experience, regardless of the industry. The bar is much higher now and it's still rising.

You can either thrive in the new guided economy or get left behind.

Where to Go Next: [Link/Asset TBD](#)

Get more tips and helpful free resources at [companysite.com](#).

About Mid-Sized Software Company:

(description removed)