Customers Are Using More Channels than Ever to Interact with Retailers
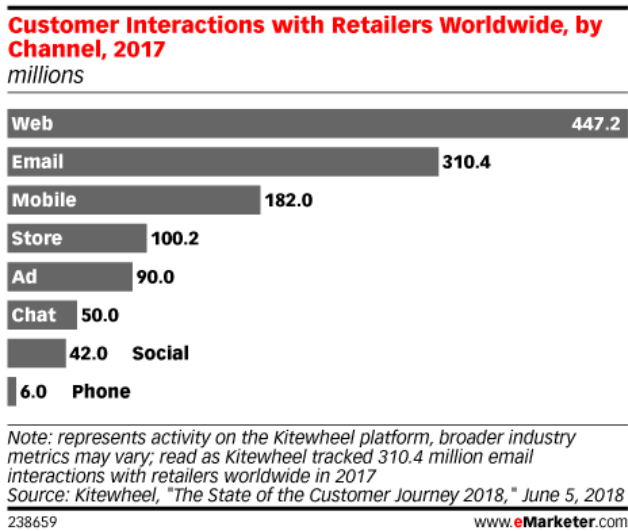
Article

Understanding the customer journey has always been paramount for marketers—especially in the retail industry—and the ability to assign attribution is becoming more fine-tuned. At the same time, though, consumers are interacting with more channels than ever.

According to a June 2018 report from customer analytics platform Kitewheel, the number of customer interactions climbs each year. Interactions for all industries across its platforms

more than tripled from 2014 to 2017—surpassing 3 billion—and retail specifically grew 93% between 2016 and 2017. The highest retail channel growth rates between 2016 and 2017 were ad tech (350%) and in-store (116%).

Retail relies on one of the most diverse blends of channels compared with other industries. Websites, where conversions happen, are the biggest source of interactions, followed by email, a tool for re-engagement and retention.

Customer Interactions with Retailers Worldwide, by Channel, 2017
millions

Channel	Value
Web	447.2
Email	310.4
Mobile	182.0
Store	100.2
Ad	90.0
Chat	50.0
Social	42.0
Phone	6.0

Note: represents activity on the Kitewheel platform, broader industry metrics may vary; read as Kitewheel tracked 310.4 million email interactions with retailers worldwide in 2017
Source: Kitewheel, "The State of the Customer Journey 2018," June 5, 2018
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Interactions using social media and mobile phones shrunk 58% and 50%, respectively. One takeaway from this data is that marketers are shifting from channels like social, with return on investment (ROI) that's hard to measure, to owned channels because they are richer sources of data that can ideally be used to create better customer experiences.

Since the customer has always been central to retail, that industry is further along in measuring the customer journey than others, according to the study. Telecom, travel and finance are still starting and piloting programs, while 37% of retailers are actively rolling them out and 21% have moved on to scaling them.

Rolf Olsen, chief data officer at advertising agency Mindshare North America, explained in an eMarketer interview why it's important to have measurable customer experience metrics. "The role of marketing is often to drive people somewhere. 'I want you to be aware of my brand,' or 'I want you to go to my store.' Typically, these things are ignored from the attribution modeling exercise, but they're important. If someone goes to a store and the staff

is rude or the product is displayed weirdly, it will diminish your ability to convert that consumer into a sale," he said.

Optimizing the customer journey across multiple touchpoints was an area of utmost importance to client-side marketers worldwide surveyed by Econsultancy and Adobe in January 2018. In North America, 77% of respondents said future digital plans involving the customer journey would be "very important" over the next few years.

Important Areas for Their Future Digital Marketing Plans According to Client-Side Marketers Worldwide, by Region, Jan 2018

% of respondents

	North America	Asia-Pacific	Europe
Optimizing the customer journey across multiple touchpoints	77%	69%	68%
Ensuring consistency of message across channels	66%	63%	61%
Training teams in new techniques, channels and disciplines	56%	62%	58%
Understanding how mobile users research/buy products	45%	53%	46%
Using online data to optimize the offline experience	44%	51%	44%
Understanding when and where customers use different devices	40%	47%	38%
Using offline data to optimize the online experience	40%	46%	36%

Note: n=3,110; "very important"; over the next few years
Source: Econsultancy and Adobe, "Digital Intelligence Briefing: 2018 Digital Trends," Feb 13, 2018

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This is easier said than done, though. A leading technical challenge of building an integrated view of the customer journey, according to a September 2017 IBM and Econsultancy survey of client-side marketers worldwide, was the complexity of the number of customer touchpoints (46%). Difficulty in unifying different data sources was also a prominent challenge, cited by 43% of respondents.

The number of US companies using multichannel attribution models is on the rise. We forecast that model became a majority (53.5%) last year and will increase to 62.0% in 2018.