

‘You have to do more with less.’ Microsoft offers a case study in marketing

Article



“The customer journey is constantly evolving and it's not linear.” Ram Iyer, worldwide director of digital strategy and ecommerce at Microsoft, advised on our [“Behind the Numbers: Reimagining Retail”](#) podcast.

Think beyond a strictly digital or in-store consumer and meet customers where they are through an omnichannel and cross-platform approach, he said.

Look at the shopping journey “through the eyes of the consumer,” said Iyer, who noted the pandemic accelerated consumers’ comfort with digital shopping.

- In 2020, the number of US digital buyers grew by 5.4%, according to our forecast, before settling at 1.6% growth in 2021.
- Those digital buyers stuck around, and this year, 84.2% of US internet users will buy online.

Think about those shoppers through an omnichannel lens. “Digital can really become the glue that can help us connect across all these channels,” Iyer said.

- Some 60% of Windows PC consumers shop both in-store and online before making their final purchases, he said.
- Iyer stressed the importance of personalizing content to shoppers at the point of purchase, either through QR codes, augmented reality (AR) features, or live demonstrations that turn the store into a “digital storytelling” space.

Social commerce provides another storytelling opportunity.

- Social is “the new playground for shoppers,” specifically Gen Z and millennial consumers, noted Iyer.
- Social isn’t only important for discovery (although that remains vital). “What we are clearly seeing is this evolution from just being a medium for driving awareness to really enabling some of those commerce transactions,” Iyer said.
- TikTok is, unsurprisingly, a key platform for Microsoft. “It’s kind of replaced TV for me from an entertainment perspective,” he said.
- Move away from programmatic content calendars and follow the trends, he suggested. This approach has paid **off for Xbox** in particular, which leverages trends to push timely, and occasionally risky, marketing campaigns.

The Amazon effect: Microsoft leverages its sometimes rival for product discovery. “[Amazon is] not just a sales engine. It’s a sales and marketing engine for us,” said Iyer, noting that 63% of customers start their PC searches on the retail giant’s site.

Microsoft sweet spot: Microsoft’s approach reinforces the fact that the digital shopper is, in reality, an omnichannel shopper. And with each shopper taking a unique journey, what’s most

important is reaching and engaging those consumers where they are. Microsoft does this in several ways.

- The company uses an omnichannel and experiential approach with in-store shoppers, leveraging AR, QR codes, and demos to push purchases.
- Microsoft takes advantage of social trends as a point of discovery and, increasingly, uses social platforms as a point of purchase.
- And it understands the importance of a healthy Amazon presence.

“The holy grail of marketing for us has always been all about attribution and incrementality,” Iyer said.

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