

Customer Data Is Transforming Retail

TRUE DIGITAL TRANSFORMATION IS COMPLETE WHEN RETAILERS HAVE A 360-DEGREE VIEW OF THE CONSUMER AND CAN PERSONALIZE THAT SHOPPER'S EXPERIENCE AT THE RIGHT TIME IN THE RIGHT CHANNEL

82%

Retail executives believe digital demographics are becoming a more powerful way to understand consumers ⁽¹⁾

65%

Retailers say advanced analytic technologies are a major factor in optimizing personalization efforts to improve margins ⁽³⁾

22%

Retailers **DISAGREE** their company has visibility into customer behaviors across channels ⁽⁴⁾

3%

Few retailers have embedded advanced analytic engines in "most retail functions," and just 30% have them in "many retail functions." ⁽³⁾

53%

Retailers believe the role artificial intelligence plays is a major factor or extremely important to maximizing personalization success ⁽²⁾

Retailer Personalization Strategies⁽⁴⁾

- 44% Recommendation engine on site website
- 40% Personalized messages to customers in stores
- 37% Personalized discounts offered via e-mail or in-store
- 9% In-store clienteling solutions for store associates

Primary Challenges to Personalization Strategies⁽⁴⁾

42%

Inability to track targeted customers through entire journey

32%

Creating a single view of the customer with other marketing channels

12%

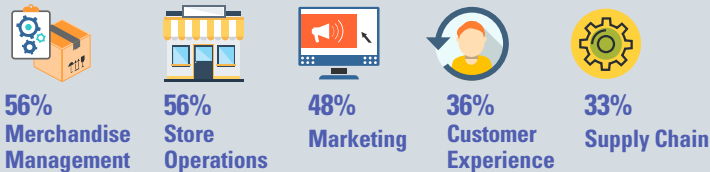
Siloed data

Retailers' Analytic Tech Investment Plans ⁽⁵⁾

(started or planning an upgrade within two years)

- 55% Multi-channel frequent shopper or loyalty tracking technology
- 47% Multi-channel customer behavioral segmentation within next two years
- 43% In-store shopper tracking analytics

Departments That Can Benefit From Advanced Analytics ⁽³⁾



48%

Customers are likely to prefer a retailer offering proximity-triggered mobile coupons while in the store,

YET JUST 10% OF RETAILERS OFFER THIS ⁽⁶⁾

“Retailers can use artificial intelligence to pinpoint the most convenient time of day to reach out to consumers with products they would be willing to purchase based on past clicks and website traffic data. ⁽⁶⁾”

Source: 1- Accenture Consulting, "The Future of Retail is Closer than You Think;" 2- RIS, "The Future of AI-Driven Merchandising;" 3- RIS, "2019 Advanced Retail Analytics Study: Data-Driven Clarity Minimizes Risks and Optimizes Opportunities;" 4- Forrester, "The State Of Retailing Online 2019: Omnichannel, Marketing, And Personalization;" 5- RIS, "29th Annual Retail Technology Study: Retail Accelerates;" 6-BRP, "2019 Special Report: The Future of Retail"

SPONSORED BY

arm TREASURE DATA

Using Data to Get Ahead

Gain a competitive edge with insights from holistic customer data



THOMAS KURIAN
Director, Strategic
Market Development
- Retail and Logistics
Market
ARM TREASURE DATA

Q What is digital transformation in retail?
It's essentially a three-step initiative:

1 Get a true 360-degree view of customers from digital and physical channels so you can start using high-value strategies such as personalization, segmentation, and AI-driven behavior modeling. This means unifying the data from your stores, such as POS and loyalty info, with all the other data you collect, like online browsing and purchases, customer service data, and even in-store sensor data.

2 Make all customer data available throughout your operations. Make sure that data is updated constantly—fresh, persistent data is the foundation for timely business insights.

3 Secure, administer and ensure that customer data is compliant with privacy regulations and customer expectations, to preserve trust.

Q How can retailers get a personalized view of the shopper across all channels?
Retailers already collect and manage customer data from physical and digital touchpoints throughout the shopper journey. But these data often reside in dozens of systems—CRMs, data warehouses, spreadsheets and mainframe software.

Competitive retailers manage data using a Customer Data Platform (CDP), a packaged software that creates a persistent, unified customer database that is accessible to other systems. A CDP collects customer data across channels and touchpoints, and centralizes it into a single platform, so you can use analytics for greater insights. A CDP also helps get data and insights to your teams—such as store operations, merchandising and supply chain personnel—so they can use it effectively and in real time.

Q What benefits will retailers reap when they can use customer data across the company?
Making customer data accessible across the organization helps retailers bridge organizational silos and deliver superior customer experiences in every touchpoint, including in-store

interactions, which still account for 85% of total revenues.

Merchandising teams especially benefit from customer insights. They can hyperlocalize store assortments based on local trend data.

Q How does the customer and retailer benefit from data-enabled personalization?

You can turn a retail mobile app into a new loyalty program, for a great personalized in-store shopper experience. For instance, with unified customer data, H&M delivers a personalized mobile experience when the shopper is in the store. The H&M mobile app activates in-store mode as the shopper enters the store. This helps customers search for assortments that are only available in the store, highlighting the ones most likely to be appealing to them.

And by using geo-location technology in the mobile app and using a CDP to analyze each customer's browsing history, Home Depot helps its most valuable customers not only check stock ahead of time, but also navigate quickly to wanted items and even check out with the mobile app.

Arm Treasure Data enterprise Customer Data Platform (CDP) unifies data from multiple sources — online, offline, and IoT device generated data — and empowers enterprises to disrupt markets with superior customer experiences. Our clients are creating transformational customer relationships by connecting the data dots, achieving more profitable business results.

THOMAS KURIAN • TK.KURIAN@ARM.COM • LINKEDIN AT [HTTPS://WWW.LINKEDIN.COM/IN/THKURIAN/](https://www.linkedin.com/in/thkurian/)

arm TREASURE DATA