# Assessment: Individual Case Study Analysis (3000 words)

Study the following case study carefully and answer the questions at the end of it in a **report** format.

# A case on personalisation in retail. How it helps to deliver unique customer experience and a boost to retail sales.

Great customer experience is about putting the customer at the centre of everything you do. It's about giving them what they want quickly and making them feel special in the process. But when you're faced with thousands of customers, it can be hard to put your best intentions into practice. Personalisation changes this.

#### Does personalisation in retail matter?

Personalisation tends to be seen as a buzzword. People tell you it's important without sharing the facts. But there's hard proof that personalisation counts when it comes to sales.

Remember the 'Share a Coke' campaign with people's names plastered across the packaging? This personal approach was credited with growing Coke's sales for the first time in 10 years.

The research shows Coke's experience isn't an isolated one. 75% of consumers are more likely to buy products from retailers that use their name, provide personal recommendations and know their preferences, according to a study by Accenture.

Research at Pure360 found that half of consumers are likely to engage with retailers that send relevant personalised offers.

Then, of course, there are the risks of not personalising. Research by Salesforce revealed that over 52% of consumers would switch away from brands that don't personalise communications.

# Retailers' resistance to personalisation

Despite the evidence, retailers still seem reluctant to invest in personalisation.

In fact a <u>recent survey by Retail Week</u> revealed only 14% of retailers think personalisation is essential. Shockingly it's all down to a simple knowledge gap between retailers and their ability to make full use of the technology available to them.

The general perception is that personalisation is difficult to implement and even more difficult to get right.

Retailers now have multiple customer touchpoints to manage: eCommerce, social, CRM, email, offline marketing, and of course, brick-and-mortar.

Today's omnichannel landscape gives even more reason to implement personalisation. These multiple touchpoints all play a part in the modern customer journey. Personalisation helps make sense of this complexity and translates it into coherent and relevant experiences for customers.

The technologies available today let you bring all the data together in <u>one single customer view</u>. They let you join the dots between your data and see how customers are interacting with your different channels and campaigns.

#### Bringing data to life

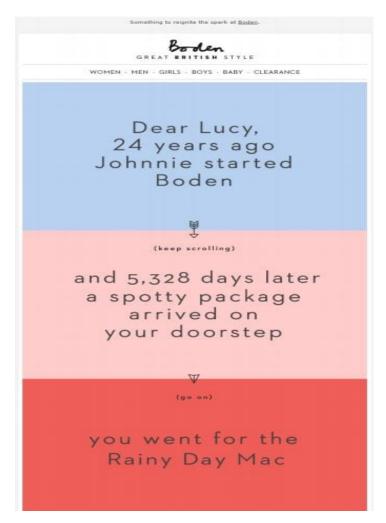
Having the data is one thing but how do you use it to create personalised experiences in retail?

Well it's easier than you might think. Here are just a few examples of how you can deliver unique customer experience which increase sales:

#### Personalised email content

Personalisation in retail has gone way beyond simply sticking the customer's name in the email. If you really want to strike up a relationship you've got to show that you really know them. And you don't have to stalk them to do this.

We love the personalised approach to Boden's emails. It goes to show how personalisation can help enhance brand affinity.



#### Personalised automations

Content is only half the battle in retail personalisation. Timing is key to being relevant.

Landing in the inbox at a time that's relevant to the recipient is vital when trying to implement automations.

One of the most common examples of a personalised automation is the basket abandonment email. However, many retailers are still not implementing this must-have automation.

Research by Barclaycard revealed that UK consumers leave £18 billion worth of products in online baskets every year. What's more, 59% of retailers are unaware of their own abandonment rate.

Basket abandonment emails are an obvious quick win for any retailer looking to grow eCommerce revenue. We see it first hand with our own customers—they recover 12% of revenue lost to basket abandonment when implementing our technology.

Debenhams show that timely abandonment emails are key to making the customer take a second look. They are triggered shortly after the individual has visited the site and their content and timing is unique to each customer's actions.

#### Personalised recommendations

Product recommendations are fairly common on most eCommerce sites. However, recommendation engines have come on leaps and bounds in recent years.

This is thanks to machine learning which analyses real-time behaviours, previous transactions and recent browsing behaviour to ensure the right products are recommended to the right person.

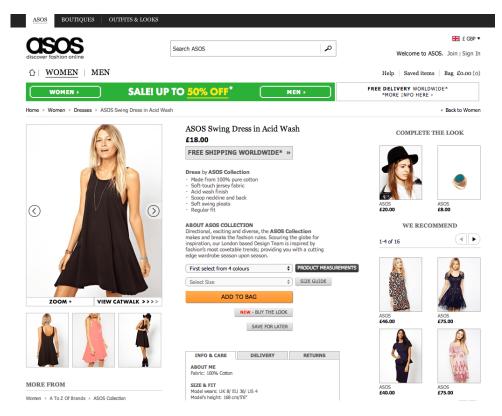
Machine learning also draws upon the wisdom of the crowd to determine recommendations. It looks at the behaviour shown by an individual and compares it to actions taken by people who showed similar behaviours

The people like you bought...' and 'items you might like..' tactic works wonders for Amazon (and now so many other online retailers). These personal recommendations are what reportedly generated 35% of Amazon's income in the not so distant past!

#### Personalised cross-selling and upselling

Upselling and cross-selling are some of the best opportunities you have to deliver personalisation that increases revenue. After all you know what the customer has browsed or purchased, so it's easy to present similar or complementary items to their potential purchase.

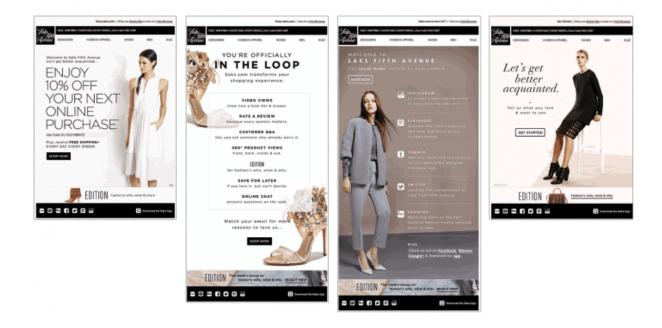
We really like the way ASOS invite browsers on their website to 'complete the look' with additional items. It's a great way to build the value of the customer's potential order with relevant suggestions.



#### Personalised customer journeys

Creating a robust series of personalised lifecycle automations helps build up a connection with the customer. And because the information is drip-fed, it appears like a more natural and personal conversation.

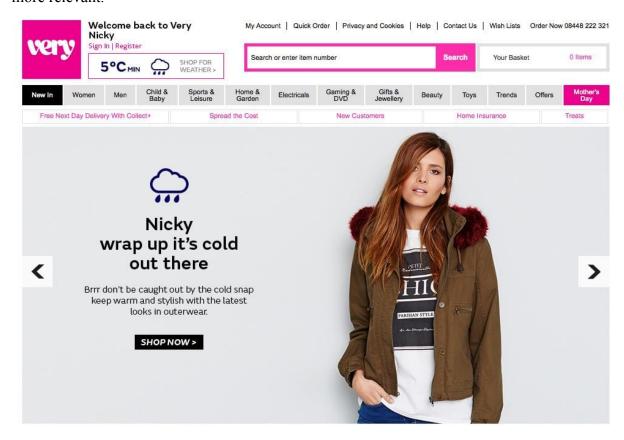
Saks Fifth Avenue shows us that you don't have to throw everything into one welcome email. They space out the messages and tailor the send times to make it appear more like a one-to-one dialogue.



### **Contextual personalisation**

Personalisation in retail doesn't even need to be about customer behaviour. You can use contextual data such as their location or the weather (or both!) to personalise your website experience.

We really love how Very.co.uk incorporates real-time weather updates into their homepage. They're specific to the browser's location and make the products they are promoting much more relevant



#### Personalised promotions

Don't just focus on product - look at your customer's spending habits too. Look at what other brands they like or the amount they tend to spend.

Birchbox is very upfront about its use of machine learning technology to generate personalised promotions. It's a great way to ensure your promotions always appeal.

# LET'S GET Personal

We peeked at your sample and purchase history, and then used our supercomputers to find these great offers—tailored just for you.



#### **Harvey Prince:**

Get 30% off all Harvey Prince products with code HARVEYPRINCE30.

SHOP NOW



#### Benefit:

Spend \$25+ on Benefit Cosmetics, get a free deluxe sample duo of It's Potent! Eye Cream and Lollitint Cheek & Lip Stain with code BENEFITOFFER.

SHOP NOW

#### **Personalised prompts**

It's easy to use what you know about the customer to encourage them to choose your brand above your competitors. If you sell consumable products like cosmetics or health supplements, replenishment emails are a must.

A timely email that makes it easy to buy again is a win-win between you and your customer.

MyProtein shows how you can keep a customer coming back by offering convenience with replenishment emails.



#### Hi Adam,

We've noticed that you may be running low on Impact Whey Protein - Chocolate Smooth - 1kg so we thought a reminder to order may be useful.



Impact Whey Protein - Chocolate Smooth - 1kg

£15.79

SHOP NOW

#### The business case for personalisation

There are many statistics that support the need for personalisation from a business perspective.

Perhaps the most compelling is that according to <u>Econsultancy</u>, 93 percent of companies see an uplift in conversion rates using personalisation. There aren't many marketing initiatives that are likely to see success 93% percent of the time they're implemented.

At Pure360, we believe that the strongest business case for personalisation is that consumers are demanding it.

Consumers places huge value on their own time. By delivering the most personalised content people can find what they want, faster. You're making their lives easier and increasing the chances they'll come to you before the competition. It's the very reason that <u>retailers who deliver a personalised experience reportedly grow two-to-three times faster than retailers who don't.</u>

When investing in personalisation, you're investing in a better customer experience. It just so happens that more revenue is a by-product of that.

#### **Takeaway**

When it comes to personalisation there's nothing holding retailers back. The technology, insight and ability to pick off tactics one stage at a time means it's within everyone's reach (and budget).

So, if people ask you what your big win for 2020 will be then tell them it's personalisation. Used well it's the secret to standing out, beating off the competition and achieving growth.

Interested in learning more? Read Pure 360's best practice guide to website personalisation.

Kristian Bannister is a Senior Marketing Manager at Pure360. <u>Pure360</u> helps brands deliver email marketing, cross-channel personalisation and behavioural targeting from a single easy-to-use platform.

Source: Smart Insights. 2020. *Personalisation In Retail: How To Create Unique Experiences And Increase Sales*. [online] Available at: <a href="https://www.smartinsights.com/lead-generation/marketing-automation/personalisation-in-retail-how-to-create-unique-experiences-and-increase-sales/">https://www.smartinsights.com/lead-generation/marketing-automation/personalisation-in-retail-how-to-create-unique-experiences-and-increase-sales/</a> [Accessed 11 June 2020].

## **Answer the following questions:**

#### **Question 1: LO1**

Critically discuss the key trends, advantages and disadvantages of managing virtual business in the global environment.

Discuss the importance of technology and it impacts on businesses such as ASOS, Birchbox, SaksFifthAvenue or Very etc in the above case scenario.

#### **Ouestion 2: LO4**

Compare and contrast Situation and SWOT analysis. Perform a situation analysis for any one business in the above cases focusing on personalisation.

#### **Ouestion 3: LO2**

Critically evaluate emerging digital business models and challenges associated with information security threats and ethics in general. Perform a critical analysis with respect to the case study scenario.

#### **Question 4: LO3**

Critically evaluate the importance of new collaborative relationships and strategic alliances through digital technology for implementing personalisation.

#### **Question 5: LO5**

Compare and contrast digital business and e-commerce. What are the E-Commerce principles and discuss how they could be applied to digital businesses?

The following Learning Objectives have been indicated against each question:

**LO1**: Understand the key trends and advantages of digital technology and implications for managing virtual business in the global environment

**LO2**: Critically evaluate new and emerging digital business models and key business issues such as cyber security and ethics etc. in managing effective e-business

**LO3**: Evaluate the impact of new collaborative relationships and strategic alliances through digital technology.

**LO4**: Understand and apply relevant digital business theoretical concepts in practical contexts **LO5**: Use a multi-disciplinary approach to apply E-Commerce principles in a business/public/voluntary sector organisation.

# Further points:

• It is expected that you use current peer-reviewed journals and articles to ensure that you have an in-depth understanding of your topic particularly for the Literature Review.

- There must be sufficient linkage between theory and practice.
- Harvard style of references should be used.

# Length Required

3000 words

# **Formatting and Layout**

Please note the following when completing your written project:

- 1. Writing: Written in English in an appropriate business/academic style
- 2. **Focus:** Focus only on the tasks set in the assignment.
- 3. **Length:** 3000 words [with +/- of 10%]
- 4. **Document format:** Report
- 5. Ensure a clear title, course, and ID number is on a cover/title slide

**Research:** Research should use reliable and relevant sources of information on the Internet or other forms of sources. At least FIVE references must be provided.

# INDICATIVE PERFORMANCE INDICATORS (for reference)

An outstanding Distinction	90 - 100	Work which fulfils all the criteria of the grade below, but at an <b>exceptional</b> standard.	
A very strong distinction	80 - 89	Work of <b>distinguished</b> quality which is based on a rigorous and broad knowledge base, and demonstrating sustained ability to analyse, synthesise, evaluate and interpret concepts, principles and data within field of study, using defined principles, techniques and/or standard formats and applications. This will form the basis for the development of sound arguments and judgements appropriate to the field of study/ assessment task. There will be strong evidence of competence across a range of specialised skills, using them to plan, develop and evaluate problem solving strategies, and of the capability to operate autonomously and self-evaluate with guidance in varied structured contexts. Outputs will be communicated effectively, accurately and reliably.	
A clear Distinction	71 - 79	Work of <b>very good</b> quality which displays most but not all of the criteria for the grade above.	
A Distinction	70	Work of highly commendable quality which clearly fulfils the criteria for the grade below, but shows a <b>greater degree of capability</b> in relevant intellectual/subject/key skills.	
A very strong Merit	67 - 69	Work of <b>commendable</b> quality based on a strong factual/conceptual knowledge base for the field of study, including an assured grasp of concepts and principles, together with effective deployment of skills relevant to the discipline and assessment task. There will be clear evidence of analysis, synthesis, evaluation and application, and the ability to work effectively within defined guidelines to meet defined objectives. There will be consistent evidence of capability in all relevant subject based and key skills, including the ability to self-evaluate and work autonomously under guidance and to use effectively specified standard techniques in appropriate contexts.	
A strong merit	64 - 66	Work of <b>good</b> quality which contains most, but not all of the characteristics of the grade above.	
A clear Merit	61 - 63	Work which clearly fulfils all the criteria of the grade below, but shows a greater degree of capability in relevant intellectual/subject/key skills.	
Merit	60	Work of <b>sound</b> quality based on a firm factual/ conceptual knowledge base for the field of study, demonstrating a good grasp of relevant principles/concepts, together with the ability to organise and communicate effectively. The work may be rather standard, but will be mostly accurate and provide some evidence of the ability to analyse, synthesise, evaluate and apply standard methods/techniques, under guidance. There will be no serious omissions or inaccuracies. There will be good evidence of ability to take responsibility for own learning, to operate with limited autonomy in predictable defined contexts, selecting and using relevant techniques, and to demonstrate competence in relevant key skills.	
A very strong Pass	55 - 59	Work of <b>capable</b> quality which contains some of the characteristics of grade above.	
A strong Pass	50 - 54	Work of <b>satisfactory</b> quality demonstrating a reliable knowledge base and evidence of developed key skills and/or subject based skills, but containing limited evidence of analysis, synthesis, evaluation or application.	

A Pass	41 - 49	Work of <b>broadly satisfactory</b> quality covering adequately the factual and/or conceptual knowledge base of the field of study and appropriately presented and organised, but is primarily descriptive or derivative, with only occasional evidence of analysis, synthesis, evaluation or application. There may be some misunderstanding of key concepts/principles and limitations in the ability to select relevant material or techniques and/or in communication or other relevant skills, so that the work may include some errors, omissions or irrelevancies. There will be evidence of ability to operate with limited autonomy in predictable defined contexts, using standard techniques, and to meet threshold standards in relevant key skills.	
A bare Pass	40	Work of <b>bare pass</b> standard demonstrating some familiarity with and grasp of a factual/conceptual knowledge base for the field of study, together with evidence of some ability to employ specialist skills to solve problems within area of study, but only just meeting threshold standards in e.g. evaluation and interpretation of data and information, reasoning and soundness of judgment, communication, application, or quality of outputs. Work may be characterised by some significant errors, omissions or problems, but there will be sufficient evidence of development and competence to operate in specified contexts taking responsibility for the nature and quality of outputs.	
A marginal Fail	30 - 39	Work which indicates <b>some evidence of engagement</b> with area of study in relation to acquisition of knowledge and understanding of concepts and principles, and of specialist skills, but which is essentially misinterpreted, and misapplied and/or contains some significant omission or misunderstanding, or otherwise just fails to meet threshold standards in e.g. communication, application or quality of outputs.	
A Fail	20 - 29	Work that <b>falls well short of the threshold standards</b> in relation to one or more area of knowledge, intellectual, subject based or key skills. It may address the assessment task to some extent, or include evidence of successful engagement with some of the subject matter, but such satisfactory characteristics will be clearly outweighed by major deficiencies across remaining areas.	
A comprehensive Fail	0 - 19	Work of <b>poor quality</b> which is based on only minimal understanding, application or effort. It will offer only very limited evidence of familiarity with knowledge or skills appropriate to the field of study or task and/or demonstrate inadequate capability in key skills essential to the task concerned.	
Non-submission/Nil attempt	0	Nothing, or nothing of merit, presented.	

Marking Criteria	Marks		
1. Research-informed Literature			
Extent of research and/or own reading, selection of credible sources, application of appropriate referencing conventions.			
2. Knowledge and Understanding of Subject			
Extent of knowledge and understanding of concepts and underlying principles associated with the Internet			
3. Discussion	30		
Interpretation of the findings from secondary literature search, with examples, where appropriate.			
4. Skills for Professional Practice- Communication, ICT and Numeracy			
Attributes in professional practice: deployment of appropriate media; presentation and organisation.			
TOTAL	100		