

CX, disloyalty and lessons from the ice-cream shop

 By [Amanda Reekie](#), issued by [imagineNATION Alliance](#)

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It is a bold person these days who attempts to see into the future. If the last two years have taught us anything, it is probably that predicting trends in retail or elsewhere is an extreme sport.



Amanda Reekie, founding director of Ovatoyou and imagineNATION Alliance. Source: Supplied

And besides, what we call a trend is very rarely something completely new but a shift that has now been observed and named by an analyst in an opinion piece. Trends are manifestations of underlying movements in consumers' attitudes, needs and behaviours and are often a long time coming, but of course can be accelerated by many things, a global pandemic being one of them.

So then, some observations from me about retail and about some shifts in consumers' needs, attitudes and behaviours that will likely have an impact on retail.

1. Forget the channel, focus on the experience

“ Creating a seamless shopping experience is now much less about the channels themselves and much more about understanding consumers' movements through those channels. ”

When we launched one of the first online grocers in the late 90's, our ambition was quite simply to give consumers the option of another channel to shop for groceries. We ran as a separate unit and there was no thought of integration with the mothership and not a lot of thought about the shoppers' journey. It was a full 10 years later that the term omnichannel was coined and the notion of a seamless customer experience cross-channel was touted.

These days retailers need to plan this seamless experience as their customers crisscross between mobile, online and real-world in their path to purchasing a product regardless of where they end up making their purchase.

We know that the customer often conducts research online either on social media or through the retailers' online channel.

Once this research has been conducted, there are multiple possibilities both in terms of the channel that they purchase in and in terms of fulfilment. People purchase online for home delivery but sometimes they click and collect; they also go into the store to view the product and if it's heavy or hard to handle, they might get it delivered to their homes.

In addition, to make this even more complex, US retailer Target's CEO Brian Cornell reported that on the previous Black Friday, 10% of their iPhone app revenue was from shoppers purchasing on their phone while they were simultaneously shopping in their stores.

Retailers aren't always structured to deliver a seamless omnichannel experience, many still have siloed internal structures with different call centres for the different shopfronts (app, online, instore). Focus needs to be on the customer as they crisscross through channels and not on the channels in isolation.



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2. Covid has changed retail forever

“ Some of the changes in behaviour sparked by Covid and lockdowns will fall away, but there is no going back on others and retailers and the malls that house them, will need to adapt. ”

The forces of Covid and online have conspired and the impact has been felt both here and internationally. In the UK, some iconic high street stores have shut down, while locally we see that there are fewer shopping trips, smaller retail repertoires and shorter dwell times when in malls or in-store. We have also seen that fewer trips are made to larger malls and that baskets, especially online, are larger.

There is a thought that there will be a surge of real-world activity including shopping post-pandemic, but I believe that there is a good chance that some categories, especially less experiential categories, continue to grow online at the expense of instore. Retailers are going to have to re-imagine themselves as theatres or at least experiential hubs to entice shoppers to get off their couches to shop.

3. Shoppers are deeply disloyal

“ Stated differently, they are loyal first to themselves and their families. ”

The other day, I was in a queue in a grocery retailer and watched as a woman presented a loyalty card for the store's main competitor. On average, according to [the 2021 Truth & BrandMapp South African Loyalty Whitepaper](#), people in SA belong to 8.7 loyalty programmes, so it is not surprising that she giggled and was able to dip into her handbag and swap out the offending competitor card for the correct card.

Observing this made me contemplate the role of loyalty programmes in customer switching and retention. Of course, people love rewards points and have their favoured rewards programme, but retailers need to consider whether these cards are inducing loyal behaviour or rewarding behaviour that was going to happen regardless. Or are they now a tablestake that no retailer can risk not having?

On the point of loyalty, shoppers are disloyal when it comes to a deal, expanding their repertoires over Black Friday to include stores with deeper discounts. Online as a channel makes it easy to conduct research and then to switch to a site with a deeper discount.



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4. Ice-cream is hot

“ Some businesses are thriving, and we need to learn from what they are getting right. ”

I've been strong-armed by a 10-year-old to do extensive research on ice-cream shops and what emerges is that they are completely packed. I walk past empty restaurants and mostly empty stores and come to a long queue at an ice cream parlour.

The easy insight is people are after affordable, luxurious treats, which makes sense, but I think it is more than that. It is also about people yearning for an outing and experience that takes them out of their currently monotonous existence. And these ice-cream shops deliver by going way beyond the rum and raisin and chocolate of our youth to Horlicks and cookie dough flavours, with handcrafted wafers dipped in your choice of chocolate.

The important takeout for me is that there are opportunities for those that can work out what people want and can deliver an amazing experience. But before this comes from having deep insight into what people are thinking and feeling and what they are longing for.

ABOUT AMANDA REEKIE

Amanda Reekie is founding director of ovatoyou and imagineNATION Alliance, and has spent the large majority of her 31-year career in retail and working with retailers. The ovatoyou research platform has a panel of 23,000+ respondents in SA and more in Africa. The technology allows video, photo and audio sharing so that communication can be tested. It also allows for photo-upload so that a textured view of consumers' worlds is possible.
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