

PLEXURE

Using IoT driven CRM
to personalize retail
experiences and
optimize transactions





IoT-Driven CRM
A new strategy for connecting
brands with customers

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IoT-driven CRM: a new strategy for connecting brands with customers

Traditional CRM systems define customer journeys.



An IoT-driven CRM connects with customers with brands across channels in real time.



Creating dynamic, reactive customer journeys:



Tim uses the app, and receives a push message reminding him of an offer he favorited before visiting the store.



Tina is a new in-store customer with web activity. She gets an offer on a product from her wish list.



Trish is an unknown visitor. She receives a welcome offer and an invitation to download the app.



Tony is a frequent customer. He gets a loyalty status update, price and availability on his favorite items.



Four customers walk into a store...

The IoT is already a big deal for retailers

72% of retailers have IoT-related projects underway



50%

retail & related industries use proximity tech in marketing

Retailers will spend on IoT by **2020**

\$2.5 billion



90% consumers use smartphones while in-store

73% shoppers more likely to buy in-store due to beacon-triggered content & offers



Beacon push messages are

10 times more effective than broadcasts

Beacon messages convinced as many consumers to **swipe** loyalty cards





Impact of IoT on retail spending by 2025

\$400bn - \$1.2 trillion

Today the reality is that the buying process is a series of engagements that take place in and out of the store with sales staff and via a range of connected devices. It's now very rare that a customer will only engage with brands via one touch point. Every different touch point and device used to interact with the brand is an opportunity to gain valuable information about what the customer is looking for, when they're going to buy, and the best manner in which to engage them. This is where an IoT Driven CRM solution, like Plexure, comes in.

Read more:

<http://bit.ly/iot-driven-crm-marketing>

<http://www.businessinsider.com/internet-of-things-ecommerce-retail-trends-2016-9/?r=AU&IR=T>

<http://www.swirl.com/swirl-releases-results-retail-store-beacon-marketing-campaigns/>

<http://www.emarketer.com/Article/How-Internet-of-Things-Changing-Retail/1013799#sthash.hmMez4al.dpuf>

<http://info.sessionm.com/retail-white-paper>

<http://www.mediapost.com/publications/article/268210/mobile-influence-on-store-sales-tops-1-trillion.html>

<https://www.emarketer.com/Article/More-Marketers-Use-Proximity-Tech-Beacons-Closer-Action/1014428#sthash.3W9HtayW.dpuf>

www.plexure.com

PLEXURE

Improved Retail
Personalization
through digital
insights



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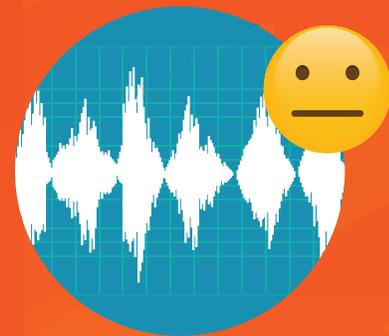


Intelligent drive-thru

Increasing the amount spent in a drive-thru purchase transaction.



1. Capture the audio of the customer's initial order.



2. Machine-based AI detects the customer's mood based on their voice.



3. The digital display in front of the car recommends the product the customer's most likely to add to their order based on their mood.



4. Combine this information with point of sale data to prove the value of optimized vs non-optimized transactions.



Connected store experience

The connected instore experience increases the conversion rate for a promoted product, proving the influence of optimization on revenue.



1. The customer clicks on a Lego Star Wars ad in the retailer's mobile app



2. When they visit the store the app triggers a beacon, sending an alert that the customer has walked close to a digital sign.



3. The digital sign retargets the customer, showing them an ad featuring the Lego Star Wars product



4. Anyone not in our target group (ie, who didn't click on the ad) won't trigger the beacon to display this ad



5. We can identify people who saw the ad and purchased the product, proving influence.

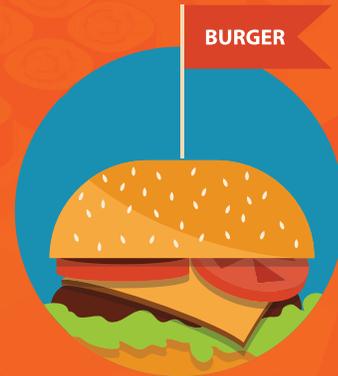


Optimized offers with MWT

Multi-world testing allows brands to adapt marketing to real-world conditions on the fly, optimizing campaigns in real time.



1. Using MWT brands track the behavior of customers under different conditions and adapt offers on the fly:



2. Offering cheeseburgers to students will usually result in good sales because that's what past data tells us will work: students buy cheeseburgers



3. But students will buy fewer cheeseburgers and more sundaes if it's hot. So when it's hot, we offer sundaes instead of cheeseburgers to this segment.



4. By adapting offers to reflect real-world, real-time conditions we optimize transactions and maximize sales.



Intelligent chat bot

Intelligent chatbots engage customers with real-time inventory information to increase the conversion rate of customer enquiry to store visit



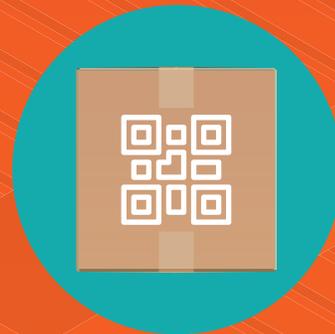
1. The customer posts a Facebook message asking about a specific product.



2. The chatbot engages the customer, providing an immediate response while working on the request:



3. Looking up the customer record in CRM to find the preferred store.



4. Checking the inventory database to see if the store has the product in stock.



5. Letting the customer know and asking if they'd like the product reserved for them.



6. Confirming the store details & telling the customer who the on-duty manager is.

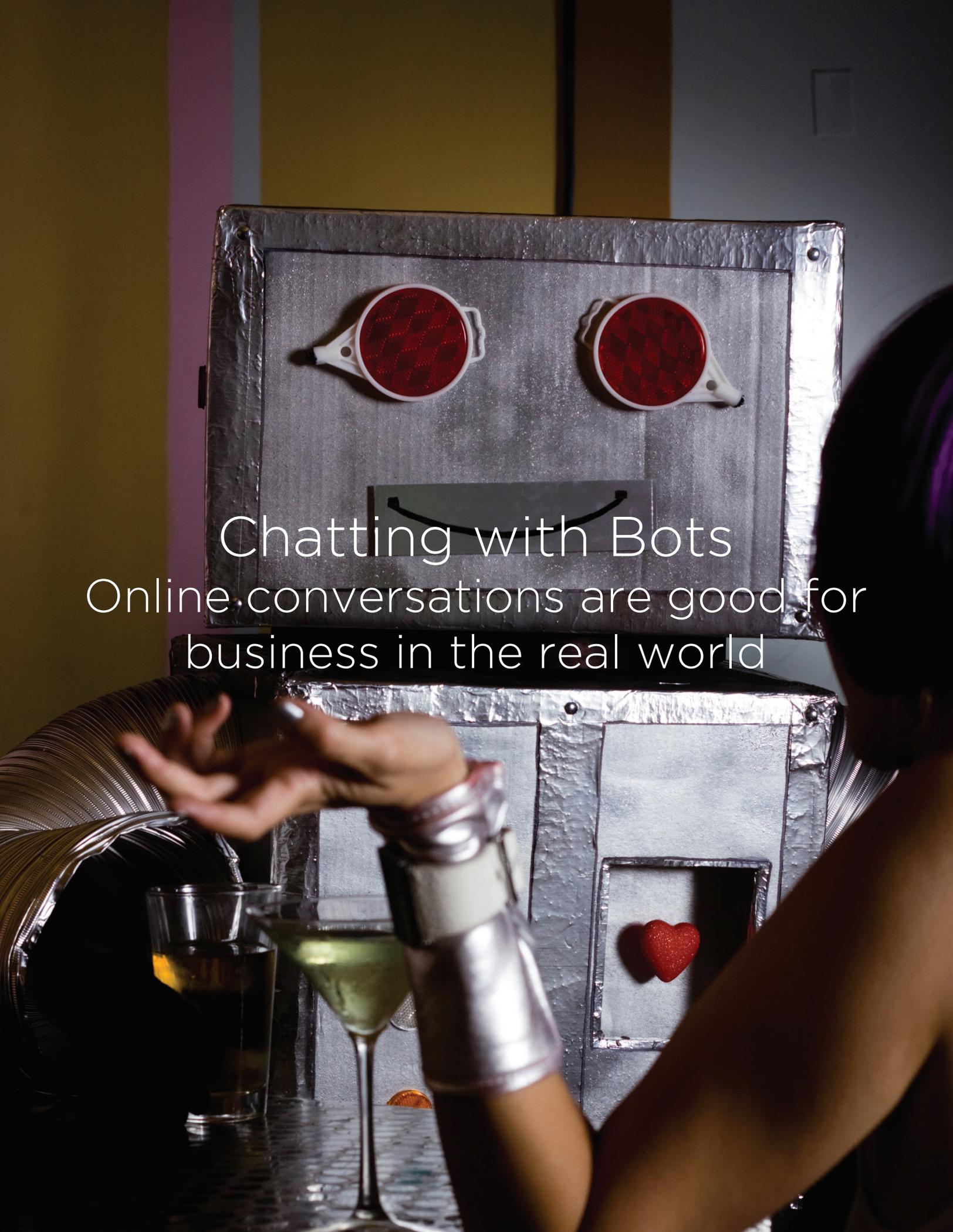


7. Letting the store manager know the customer's coming in for the product



8. Brands can then measure the conversion rate of this channel by seeing who's requested what info, and how many have been redirected to the store

To see these in action visit
plexure.com/product

A person is dressed as a robot, wearing a silver, textured costume that covers their head and torso. The robot's face is represented by two large, circular red eyes with white outlines and a simple black curved line for a smiling mouth. The person is sitting at a bar, and their hands are visible, wearing silver wristbands. In front of them are two glasses: one with a yellow drink and another with a green drink. The background is dark with some vertical light bands.

Chatting with Bots
Online conversations are good for
business in the real world

One of the hottest topics in the world of retail at the moment is conversational commerce, or “utilizing chat, messaging, or other natural language interfaces (i.e. voice) to interact with people, brands, or services and bots that heretofore have had no real place in the bidirectional, asynchronous messaging context.” according to Chris Messina.

Conversational commerce makes sense for the always-connected crowd. How many chat or messaging apps do you have on your PC or phone right now? If you want to connect with friends or colleagues chances are you'll hit them up over Messenger, Whatsapp, Kik, Slack or Skype. In fact, according to ComScore, your preferred messaging app is probably one of the three most used apps on your phone. For most of us engaging with brands via chat is evolutionary rather than revolutionary.

Broadly speaking, conversational commerce runs the gamut from the more traditional human-led (store associates, personal shoppers and concierge) experiences to purely computer-driven, and the latter is really starting to pick up speed. Chatbots are a conversational AI, capable of interfacing with both humans and other technology - in retail applications usually drawing data from connected systems including PoS, CRM and inventory. They're also a potential answer to the not-quite-age-old question - does our brand need a mobile app?

A lot has been said about consumers' fickle relationships with retail brand apps: some get used regularly, most don't, and it's doubtful even Starbucks could claim to have one of the top 3 apps on any given customer's phone. If instead of forcing people into an app, we allow customers to connect with brands without leaving whichever messaging app they're already using, it's not a stretch to imagine they may do so more often. This also allows brands without the budget or means to develop a custom app to engage in connected commerce simply by not-coding a bot or hooking up an existing AI - of which there are many: Pandorabots, msg.ai, Conversable, Shopify, orat.io, Converse.ai and all of these guys.

So how might a conversational transaction with a chatbot play out? Obviously you'd be aiming for a human-ish conversation; if you didn't need that level of back and forth you could get away with a way less clever technology.

There's not much point being somewhere your customers aren't. (Marketing 101). Luckily for marketers, chatbots as a tech are fairly equal opportunity and can be deployed on most popular social platforms.

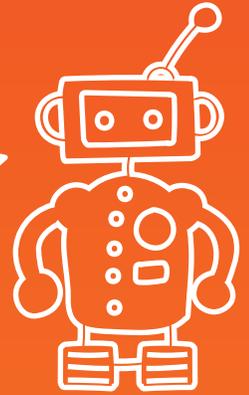
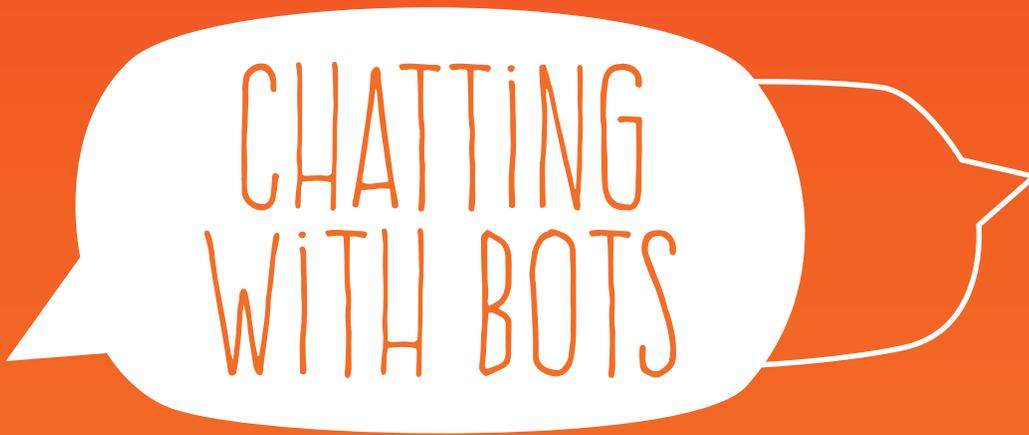
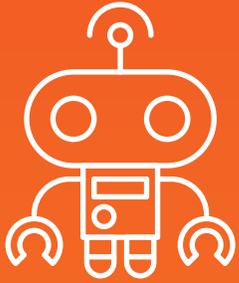
Recently Pizza Hut announced it will start taking orders via Twitter and FB Messenger, while TacoBell has opted for Slack delivery for its awesomely named not-quite-launched TacoBot. In China the chat app of choice is WeChat, where conversational commerce is likely to rely less on bots and more on human assistance (check this extensive commentary out). Wherever and however your demographic is chatting, that's where you need to be.

Bots should be able to respond immediately; to engage the customer while doing the behind-the-scenes heavy lifting. This isn't always possible with human brand ambassadors – they may have several requests to deal with at once, might be out to lunch or in a meeting or generally otherwise occupied when a query comes through. While it still makes sense to route sensitive, complex or high value requests to a human assistant, the ability of bots to near- instantaneously assist hundreds of shoppers introduces some serious efficiencies. Especially if some queries are just that; unlikely to ultimately result in a sale but still a good opportunity for a positive brand experience.

Bots need to respond differently to repeat customers vs people you have no data on (many of whom may become repeat customers if you play your cards right...) So the bot will need to check the CRM for customer data: personal information, previous purchases, sizing information, favourite pizza toppings, preferred store, loyalty program enrolment and status. In the same way we're taught to pre-populate emails and forms with already known details, bots should be able to respond with a customer's basic information without having to repeatedly ask for it.

Finally, your stores need to be connected so your bot can return accurate information on inventory levels at each location, staff on duty, current promotions, opening hours. You also need to be able to push back from the bot to stores in order to reserve stock and notify staff once a customer's placed an order.

Because our focus is on retailers with a physical presence, this ability to direct customers from a digital channel into a store is of particular interest. We know that almost 2/3 of customers who opt to click and collect purchase additional items once they come to store, and we know every visit gives us additional data points that we can potentially use to personalize future interactions. By using technology to support and enhance the in-store experience we get the best of both worlds; customers who get what they want via a frictionless experience, and stores getting visitors through the doors.

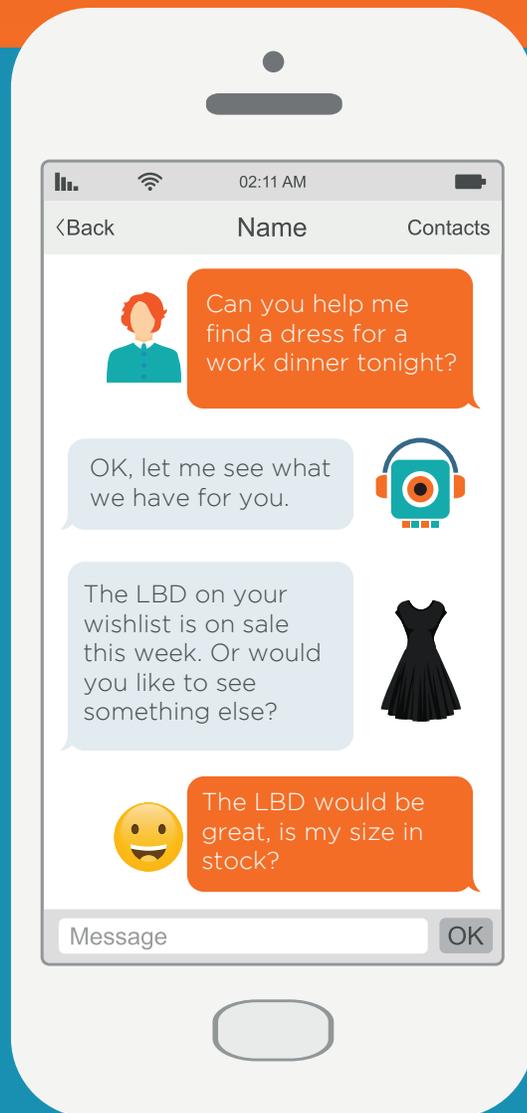


Online conversations are good for business in the real world

Jane contacts the brand via messaging app with a request for assistance.

The chat bot responds immediately, while getting to work in the background.

The chat bot looks up Jane's information, discovering products she's previously purchased and items she's checked out in-store and online. It also queries prices and current promotions so it can present Jane with enough information to make a decision.



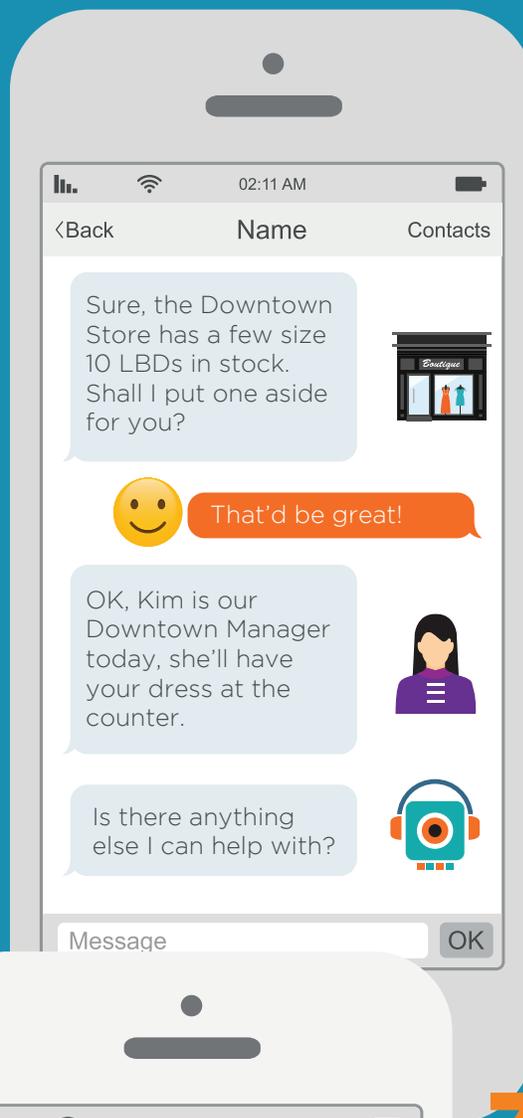
56%  Of customers are more likely to buy if the experience is personalized.

36c/\$1  Digital interactions influence over 1/3 of every dollar spent in a brick & mortar store

>80%  Of U.S. shoppers want the ability to check for nearby product availability.

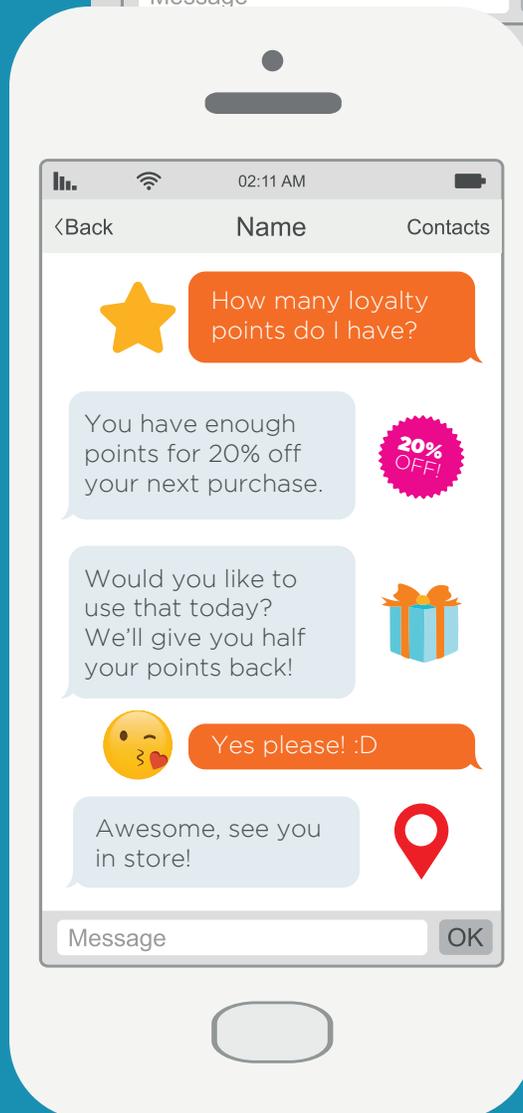
Jane has bought items before, so the brand has a record of both her preferred store and her sizing information. The bot looks up inventory information for Jane's preferred store and provides real-time feedback on stock levels.

The bot lets Jane know who to ask for in store, and the store manager also receives an alert to hold the dress for her.



55%  
Of online shoppers would prefer to buy from a merchant with a physical store presence over an online-only retailer.

44%  
Of shoppers are more likely to purchase online if they can pick up in the store.



75% 
Of consumers say loyalty programs are part of their brand relationship

73%  
Are more likely to recommend brands with good loyalty programs

77% 
Of smartphone users said surprise points or rewards positively impact brand loyalty

65% 
Of shoppers add to their orders when collecting in-store

Because Jane belongs to the brand's loyalty program, this information is tied to her profile in the database. The bot can return current information on her points balance and any rewards she can redeem.

The bot can continue to help, can be programmed to offer random (surprise and delight) rewards, offer to engage Jane's social network, give her an update on her order or loyalty status, or a number of other connected functions. The end result should be a frictionless (and awesome) conversational customer experience.

A close-up photograph of a woman with dark hair pulled back, wearing dark sunglasses and a white button-down shirt. She is sitting in the driver's seat of a car, smiling broadly while looking at a black smartphone held in both hands. The background shows the interior of the car and a view through the window of a building and trees. The lighting is bright, suggesting daytime.

Intelligent
drive-thru:
improving
spend per
transaction

The fact that mood influences buyer behavior is no surprise; we can probably all relate from personal experience and research has found that people spend more when they're sad. It makes sense then for brands to be able to establish (or even influence!) emotions to increase marketing's relevance to individual customers. With the explosion in popularity of the IoT in retail this has become a much easier proposition.

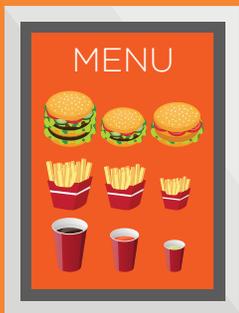
There is now an entire industry dedicated to analyzing customer emotion based on facial recognition, voice and biometric analysis via wearables and connected devices. This doesn't rely on sentiment analysis and has the benefit of being able to return emotion data in real-time, connecting emotion with context and allowing for more precise personalization.

PLEXURE

Intelligent drive-thru

The intelligent drive-thru experience helps brands increase the amount spent in a drive-through purchase transaction.

TRADITIONAL DRIVE-THRU



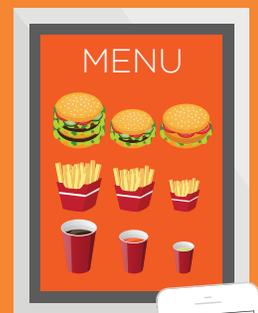
Display standard menu & deals at drive-thru

Recommending premium options to loyal customers who usually purchased value items increased

average check by 38%



THE INTELLIGENT DRIVE-THRU



Display standard menu & deals at drive-thru

Beacon triggers, customer identified



Capture audio & use AI to detect emotion



Connected devices collect contextual data



Send & display personalized up- or cross- sell based on context & emotion





Customer places order



Customer redeems offer, places order

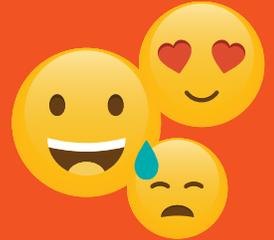
Using **real-time purchases, weather data and current location** we generated a

47%

increase

in average transaction value.

Record emotion data



Record context data, app & marketing interactions



Record POS data



Record POS data



Use data to report value of non-optimized transactions

Use data to report value of optimized transactions



See the intelligent drive-thru in action
<https://vimeo.com/172996869>

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