The changing customer expectation: are businesses leaving themselves exposed to poison arrows?

We're over a year on since the lockdown came into force and we're now, again, in the process of unlocking the nation for more of the normality we used to know. But there's a lot we should have learnt about operational tactics throughout this whirlwind 14-month period.

Even the most powerful of fortune tellers would've struggled to predict what 2020 had in store for business worldwide as COVID-19 spread like wildfire. As we remember all too well, the UK went into full lockdown in March, but when would it end was the question? Now, through the current easing of the third lockdown with retail shops and hospitality events now open, the restrictions (all being well) are set to end entirely on Monday 21st June.

However, these restrictions have become something we've acclimatised to in our personal and professional lives. The retail industry, especially, has experienced an unrelenting impact that has seen non-essential stores closed for much of the year. This further damaged the already challenged high street, which has faced significant closures over the years. The most recent

demonstration of this had Boohoo acquiring Debenhams and ASOS buying Arcadia, with both parties focusing on ecommerce instead.

The changing face of retail

It's easy to see why. Consumers, like high street retailers, have also focused on ecommerce as global online retail sales grew 27.6% in 2020 to reach \$4.28T, according to eMarketer. In the UK, online consumer spend was recorded at £141.33B in 2020 – a 34.7% spike from 2019.

The rapid shift to online has caught many out, with the increased demand needing increased supply. Our own findings have shown transactions requiring customer support increased from one-in-eight to one-in-six.

The pandemic was unforeseen but after the past year, we should all recognise that we absolutely need to prepare for the unexpected the best we can. With one-in-six of ecommerce transactions now needing customer support, there's an increased risk in the consequences of failing to satisfy consumers if their needs aren't met appropriately.

Not only have shoppers adapted, a year of this pattern has dramatically shifted habits and people's expectations from ecommerce businesses. Customer service should always be at the forefront of any business, but letting it slip in online retail can present deeper challenges than many retailers recognise.

How has customer service shifted?

In <u>ecommerce</u>, the poisonous arrows from unhappy customers can be particularly damaging. Everyone knows that mistakes happen – delivery issues, payment problems, wrong sizes and so forth – and many consumers will give retailers the benefit of the doubt if the issue is fixed and done so quickly. The damage comes if retailers don't resolve those issues, as consumers are more empowered than ever, and are able to leave reviews on their experience.

Every single transaction truly matters too. Consumers increasingly rely on them to avoid weak products or retailers with poor reputations, while marketplaces use those ratings in their algorithms to decide in which order to list retailers and products.

If this one-in-six Achilles heel is left exposed on an ongoing basis, how will companies be able to deflect the most poisonous of arrows aimed in their direction? The simple answer is they won't, which is why customer service shouldn't and can't fall to the wayside given the consequences it could have.

A consistent approach to customers through the good and bad times, and in moments beyond our control, means shoppers know what they'll get from a business. Whatever the issue, staff must be on point when handling these matters. It will result in better satisfaction, positive outcomes and, ultimately, more sales. This will also lead to prevention of bad online reviews – an area that has seen companies paying for five-star feedback, highlighting the significance.

The blocking of the Suez Canal by the 400m-long Ever Given container ship causing an unthinkable bottleneck is another example. Nobody saw it coming, and why should they have? Unlike the pandemic, the blockage was rectified inside of a week, but its impact is set to cause a domino effect with many deliveries delayed for weeks to come. Where will this lead to? The customer service department.

Supporting customers is an unfortunate weakness companies won't always realise they have until it's too late. While growth, hiring and revenue are all up there on the list of business priorities, dig a little deeper and, like the Suez Canal, you may quickly notice a chain reaction.

Today's consumers won't sit idly by without having their expectations met and businesses shouldn't wait for those moments to arise. Whether through a technological approach, placing faith in people power, or a combination of both, the focus on customers should grow as a business does – so the unexpected doesn't usurp everything.

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