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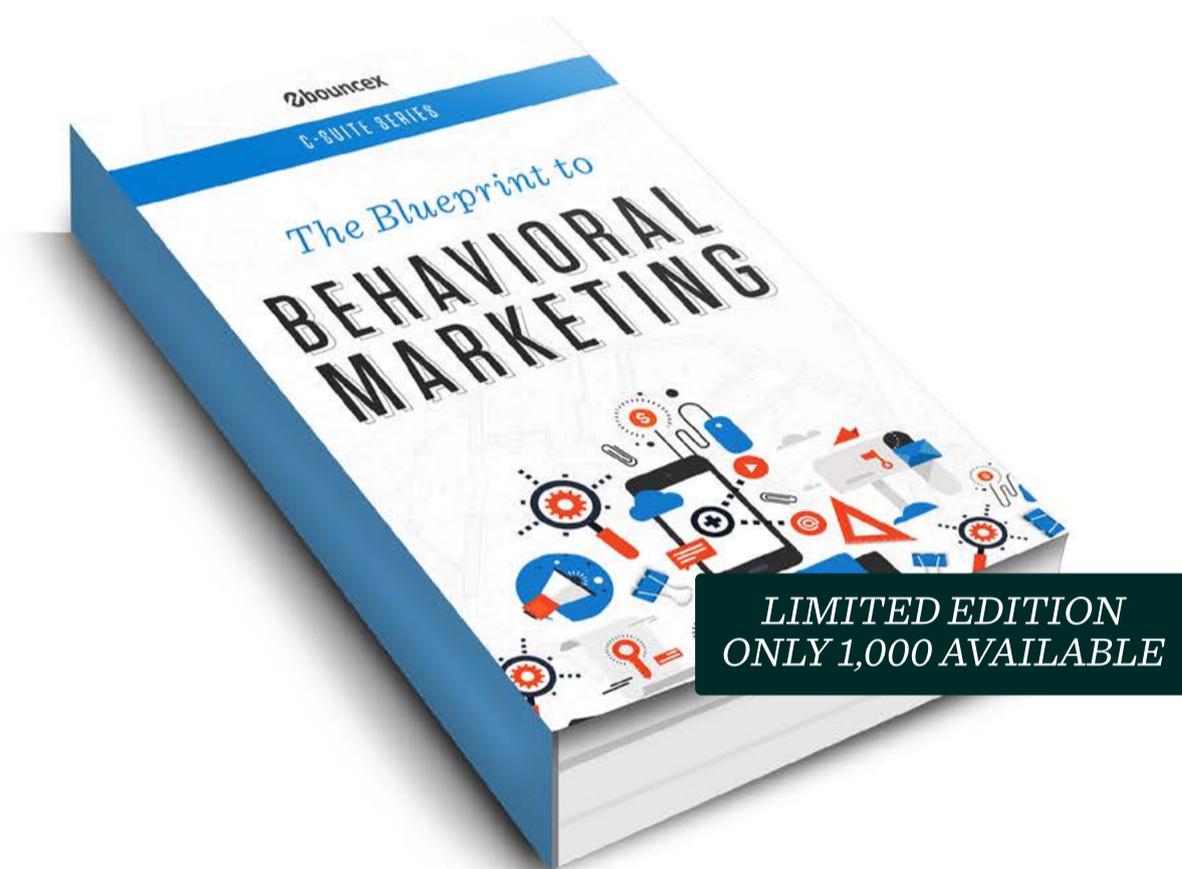
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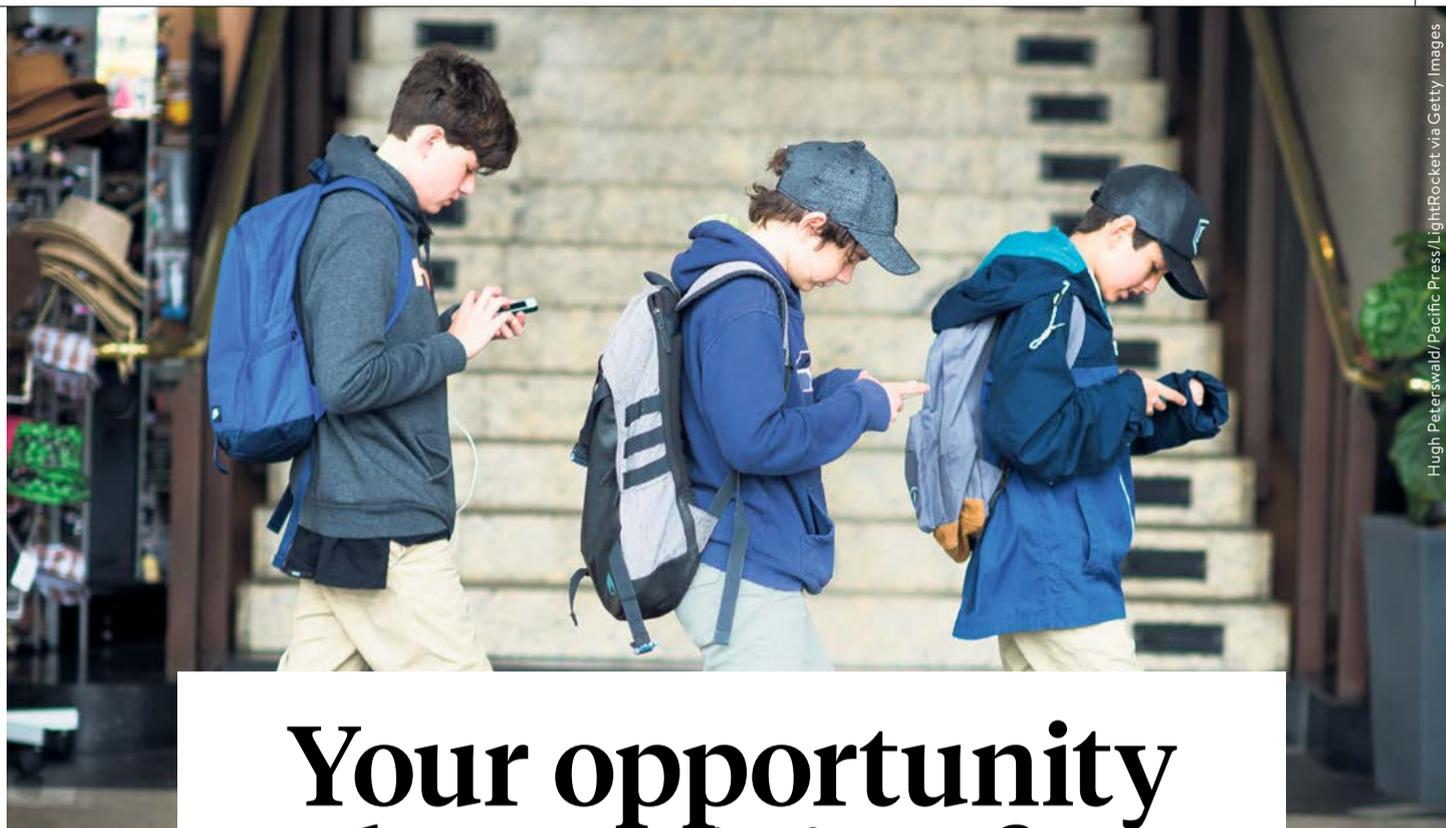
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Your opportunity to be a driving force

In today's digital world where the only constant is change itself, businesses that stand still risk being left behind in the slow lane

OVERVIEW

THOMAS BROWN

When it comes to digital, you're never really finished. In fact, the launch of a website, an app, a campaign or other digital initiative marks the beginning, not the end, of the hard work.

Why? Technology doesn't stand still. Consumer demands and behaviours keep evolving. The competitive environment is turbulent and full of disruption. And every day and every interaction your customers have with your brand, you learn a little bit more. Consider each of these ideas for a moment.

Right now there are people all around the world dreaming up new ways to do and improve things. These could be micro-innovations, such as the development of a new tool for measuring social data. Or they could be bigger innovations, as we're seeing with augmented reality, virtual reality and artificial intelligence. It could involve advances in cognitive computing and machine-learning or breakthroughs in connected living and the internet of things. Or it could be a minor search algorithm change by Google or advertising algorithm change by Facebook, with major ramifications for marketers.

These changes are real and they're going on all around us, all the time. The question is what will they mean for your business and its digital endeavours? Even if you don't think the rise of chatbots on Facebook messenger – more than 11,000 of them within

three months of launching earlier this year – has a role to play for your business, do you know how it will affect consumer behaviour and expectations?

As digital innovations continue to permeate the world we live and work in, at pace, the more consumers experience the art of the possible. Encounters with a brand, even one in a completely different sector to your own, shape people's understanding of technology in our digital world, and how they choose to use and interact with it.

Amazon is perhaps one of the best examples of this effect, where experiencing the online retailer's data-driven approach to personalisation, targeting and recommendations often left consumers wondering why it was so hard to receive the same relevant content and engagement from other businesses with rich data, such as their bank, grocery retailer, telecoms or utility providers.

One of the biggest impacts of digital advancement has been competitive disruption. From sector to sector, established businesses have been upended by new entrants leveraging digital to innovate business models. Even if you don't believe that your sector or category could fall victim to an Uber or Airbnb equivalent, no business is immune to the industry-agnostic force that

is digital technology or the ripple effects of competitors' actions.

The post-millennial "iGeneration" are the first group to have been brought up as true digital natives and they're now entering the workforce. Many will have had the chance to learn to code in school and some will already be thinking of "hacks" to the establishment that could impact your business or your value chain from out of nowhere. Then there's the known competition. Digital often favours the first or the fast-mover, and if your competitors are more agile and pacy than your business, you risk being left in their wake or, in the very least, suffering from the knock-on effects of their actions.

Lastly, consider one of the much-lauded benefits of digital – its real-time nature and rich pool of data on which to base your decisions. In theory, every interaction your customers have with your brand, from navigating your website to engaging with social media content to opening an e-mail, and much more, is telling you something. In reality, businesses need to be ready and resourced to listen, and to act on it.

Fundamentally, there's nothing static about digital. Constant fine-tuning, tweaking, adapting and optimisation of your digital pres-

ence and digital strategy are essential. To launch a digital initiative, from a website to an app or beyond, and then walk away in the hope the prevailing forces won't apply to your business is risky at best and foolish at worst. There's simply too much change and too many forces at play.

The notion of continuously reviewing and iterating plans and activities may spark concerns about the level of resources needed to do them justice, but in reality the importance of digital optimisation isn't rooted in the risk of getting it wrong and falling behind, but in the upside potential for getting it right.

Operating in an agile, responsive way to the signals that you know to look out for, be they from customers, competitors or digital leaders, can yield tremendous value. Having a finger on the digital pulse of your organisation and the ability to make course-corrections, however subtle, based on real intelligence can unlock significant improvements in performance.

The more attuned you are to customer behaviour and expectations, the more likely you'll be to engender their favour and loyalty. The more sensitive you are to competitive pressures and market forces, the better placed you'll be to respond appropriately and not get outmanoeuvred. Ultimately, digital optimisation is your opportunity to get behind the wheel of your digital investments, rather than simply be a passenger.



77%

of chief executives said technological advances were among the top-three trends most likely to transform businesses over the next five years

Source: PwC 2016

ACCESSIBILITY

SIMON BROOKE

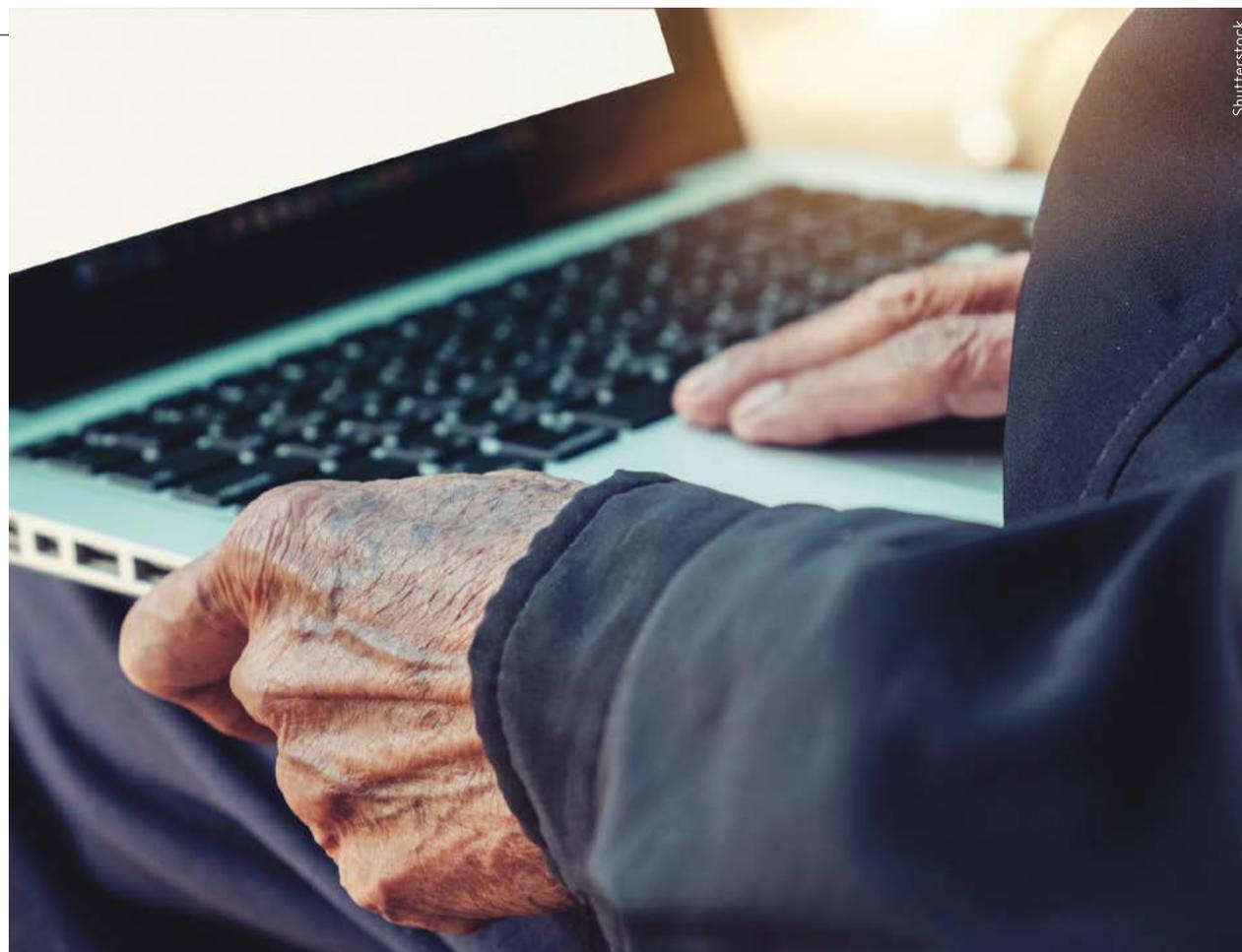
When she stood in Downing Street to make her first speech as prime minister, Theresa May gave an impassioned vision of a more inclusive nation. “We believe in a Union not just of the nations of the United Kingdom, but between all of our citizens. Every one of us, whoever we are and wherever we are from,” she said, talking about, “the mission to make Britain a country that works for everyone.”

Mrs May didn't actually mention the internet, but given that it affects every aspect of our lives these days, the issue was perhaps implicit. Certainly, in recent years efforts have been made to open up the digital world to those from poorer backgrounds, and people with disabilities and educational difficulties. The Web Content Accessibility Guidelines are part of a series of advice published by the Web Accessibility Initiative, which is part of the World Wide Web Consortium, the main international standards organisation for the internet.

These guidelines specify how companies, organisations and government should make content accessible, primarily for people with disabilities. In the UK the last government launched its Digital Inclusion Strategy in 2014 with the aim of partnering with the public, private and voluntary sectors to reduce the number of people without basic digital skills and capabilities by a quarter.

The strategy identified four main obstacles. The first is access, in other words the ability to actually go online and connect to the internet. Online skills are second, followed by motivation or understanding why using the internet can be a good thing and, finally, trust or in other words concerns about cyber crime and safety. The success of the project will be reviewed this year.

The initiative aims to counter what is known as the “digital divide”. Al-



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While more and more people might be online these days, the internet clearly benefits those with a higher social status

are not intentionally excluding these customers – some have just not explicitly considered their needs,” says Adam Rowse, head of business banking at Barclays Bank. “Unlike a shop where it's obvious to see the challenges that disabled or older customers face entering, getting around and paying for stuff, it's less obvious for an online shop.”

He cites new research from the *Click-Away Pound Survey*, which is designed to explore the online shopping experience of people with disabilities, showing that 71 per cent of disabled people with access needs who shop online chose to click-away from a site that presented barriers in favour of finding a more accessible one.

“Technology has provided massive opportunities for people with disability and massive opportunities for companies, service providers and government to serve them,” says Steve Tyler, head of solutions, strategy and planning at the Royal National Institute of Blind People (RNIB).

Blind himself, Mr Tyler controls his music system at home through an app on his iPhone. He shops on Amazon, Ocado and John Lewis through an accessible app or website, as well as buying coffee with an app that delivers an accessible receipt. “Today websites can be written in such a way that specialist technologies like screen-readers that render websites into speech or magnify the site can access them,” he says.

The charity runs a project called Online Today, which aims to provide digital skills to 125,000 people with sight or hearing loss, or both. Internet use by those who need enhanced accessibility mirrors that by the wider public, except that the age difference is even more pronounced. According to recent survey by the RNIB, while almost two thirds of those aged 75 did not use a computer, the internet, a tablet or a smartphone, 86 per cent of 18 to 29 year olds said they could make the most of new technology. The majority of people who do not currently use technology, the survey reported, would like to use it if obstacles were removed.

The trend implied by these findings is positive – the challenge for companies, government bodies and other organisations is to take a long hard look at their online presence and make sure they're playing their part.

Digital access is a right and not a privilege

The UK is in danger of witnessing a digital underclass where disadvantaged people fail to benefit from the internet

though this phrase is often used to refer to physical access to the net and broadband skills, campaigners also apply it to inequality of internet skills. You can have super-fast cable, but if you don't how to search

for a good local dentist or where to find the necessary information for a job application, then megabytes per second are irrelevant.

Recent research by the BBC revealed that around one in five (21 per cent) of the UK population lack the basic digital skills necessary to benefit from the internet. According to a study by Dr Ellen Helsper of the London School of Economics (LSE) and Dutch researcher Dr Alexander van Deursen, educated people on high incomes derive the greatest benefits from using the internet, getting better deals online for products and holidays, using the internet more successfully to expand their social life and becoming more informed.

In contrast, low-income people from socially deprived backgrounds do not receive the same benefits, regardless of access. The study of more than 1,100 people was conducted in the Netherlands, a country with a well-developed digital infrastructure and near-universal access. Disabled people, along with retired and unemployed individuals and care-givers, receive the fewest benefits overall by being

online. According to the LSE research, 12 per cent of people don't know how to go back to the previous page.

“Governments and others have focused too much on pipes and infrastructure, and have taken the ‘build them and they will come’ approach, but that's not the case. There is a risk of a digital underclass. Access to and use of the internet might exacerbate existing inequalities offline,” says Dr Helsper. “While more and more people might be online these days, the internet clearly benefits those with a higher social status.”

In the United States there have been a growing number of high-profile court cases in which large organisations have been successfully sued for millions of dollars because their sites are deemed to be inaccessible and therefore contrary to US law.

Small and medium-sized enterprises (SMEs) are most at risk of either being subject to legal action or simply losing business from what the Department for Work and Pensions calculates is a disability market worth £212 billion. “SMEs

ABOVE

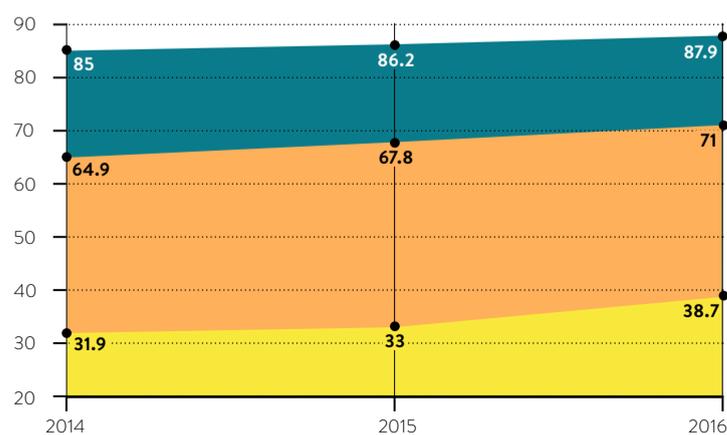
Some 38.7 per cent of UK adults aged over 75 regularly use the internet, according to recent data

INTERNET USERS IN THE UK (%)

PERCENTAGE WHO HAD USED THE INTERNET IN THE LAST THREE MONTHS

● UK average ● Disabled* ● Aged 75+

*Those who self-assess that they have a disability in line with the Equality Act definition of disability



Source: Office for National Statistics 2016



21%

of the UK population lack the basic digital skills necessary to benefit from the internet

Source: Office for National Statistics 2016

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COMMERCIAL FEATURE

WEB ACCESSIBILITY: NOW IT'S BUSINESS CRITICAL

Once regarded as merely a useful add-on to a website, today accessibility is required not only by UK law, but by an increasingly vocal and demanding public. Organisations need to develop an accessibility policy and act now to avoid legal action – and to prove they value all their customers



The last few years have seen increasing legal action on web accessibility. Since the first litigation was initiated around 2000 in the United States against high-profile brands such as Target and Netflix, the threat of private legal action and the imperative to address disability discrimination is relevant to companies of all sizes across all industries.

In the UK, the 2010 Equality Act and its statutory code, in force since April 2011, explicitly states that websites are included within the ambit of the legislation. There are 12 million disabled people in the UK, representing annual spending power of £212 billion. To compound the importance of accessibility, the digital needs of an ageing population should also be taken into consideration. Some 50 per cent of the UK population will be over 50 in 2020 and there are currently more than 2,250,000 people in the UK living with a visual impairment.

As one of the most web-enabled societies in the world with an active disability rights lobby, the UK is experiencing an increase in pressure to comply with the WCAG 2.0 (Web Content Accessibility Guidelines) standard published by the World Wide Web Consortium, the main international standards organisation for the internet.

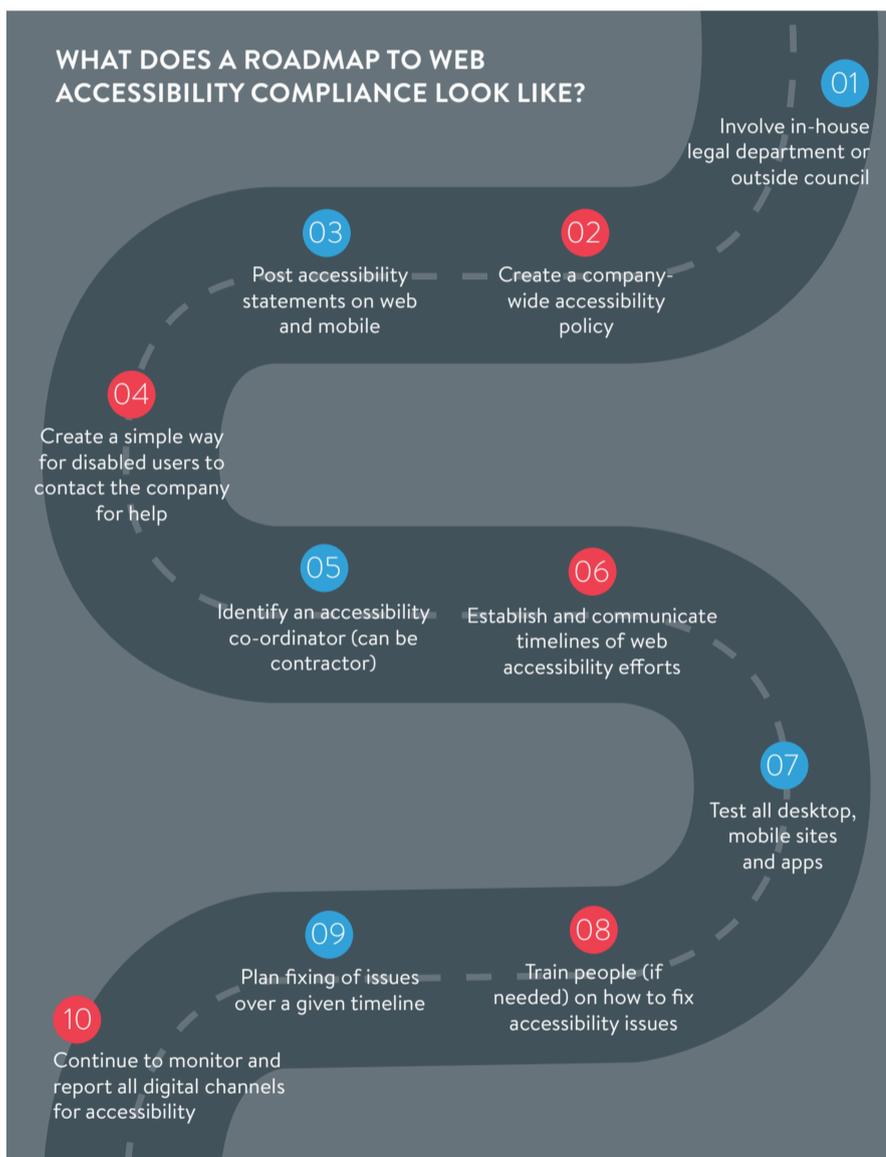
“Business is increasingly digital and access to digital content is recognised as a basic right. Web accessibility has become an important business consideration in light of stronger enforcement of accessibility regulation, ramped up discrimination litigation and the growing importance of smartphones as the gateway device

to access the internet,” says Carin Van Vuuren, chief marketing officer at Usablenet, a leading technology services company which has been focused on usability and web accessibility for the last 16 years, and whose clients include Topshop, Carphone Warehouse, The Ritz Carlton and FedEx.

Legal requirements aside, Ms Van Vuuren argues companies should consider the accessibility of their websites because it can have a positive effect on customer engagement and brand reputation.

“Companies should consider web accessibility because it can have a positive effect on customer engagement and brand reputation

“UK companies like Tesco and ASOS have demonstrated their commitment by putting good accessibility policies in place. In the US, retailers like The Container Store and travel companies such as Amtrak, have shown that a commitment to accessibility is not only good for your brand reputation, but can also affect the bottom line in a positive way,” she says. “But accessibility isn’t a destination, it’s a journey. You can’t just stop worrying about it once your site is web accessible. You need to build all sites and apps with accessibility in mind,



THE BUSINESS CASE FOR ACCESSIBILITY

15% of the world's population have some form of disability

212bn annual spending power from 12 million disabled people in the UK

75% of disabled people walk away from making a purchase because they are unable or unwilling to do so

Source: Business Disability Forum

and you should strive to constantly ensure and improve access and usability for users living with various forms of disability.”

Forward-thinking companies are taking the initiative rather than waiting for regulations to require them to take action, according to Ms Van Vuuren. “Users living with disability should not be left out, and companies have a social, legal and increasingly a business reason to ensure that their sites and apps are built with access in mind. In the end, an investment in accessibility improves the quality of an experience for everyone.”

The good news, says Ms Van Vuuren, is making online services accessible on desktop, tablet and mobile is relatively straightforward if organisations have a strategy that they're ready to put into place. She says: “Once they have an accessibility policy, companies find they gain competitive advantage and that which might have seemed like a nagging legal requirement can become a key marketing tool and deliver a positive return on investment.”

More information on how Usablenet supports organisations to develop and implement an accessibility policy can be found in their blog or at www.usablenet.com

TAKE ACTION: PUT YOUR ACCESSIBILITY POLICY IN PLACE NOW

Web accessibility is essential, but it doesn't need to be costly, distracting and time consuming to do. Here are the key steps to take:

01 Establish a company-wide accessibility policy that outlines roles, efforts and timelines for all those involved.

02 An accessibility policy should cover all public-facing digital channels including desktop and mobile sites, plus apps. It should be developed with legal advice so that it complies with appropriate regulation such as the Equality Act and its 2011 statutory code. All contracts with third-party developers should expressly

state that you require them to comply with your accessibility policy.

03 Add a page to all your sites showing your disability statement. This should include an e-mail address and free phone number offering support.

04 “Web accessibility is a board-level responsibility,” says Usablenet’s chief marketing officer Carin Van Vuuren. “The directors should discuss it, approve the company policy and establish reporting mechanisms to ensure that it’s being implemented.”

05 Having established the policy, companies need to recruit accessibility

team members from all areas of the organisation. An accessibility co-ordinator, who could be a contractor, should conduct a full accessibility audit of all digital channels for WCAG2.0 compliance. Once accessibility revisions and fixes are implemented, it could be appropriate to conduct research and testing with disabled users to validate the usability and accessibility of the channel.

06 Reports on accessibility, including documentation showing problems plus fixes and improvements, should be updated on a regular basis.

07 From its experience of working with companies, Usablenet calculates that establishing and implementing a policy can take between 12 and 24 months. “This will protect most organisations against the threat of legal action and will allow them to demonstrate to customers that they’re taking the issue seriously,” says Ms Van Vuuren. “Accessibility is a constantly evolving process not a one-off project. However, it can provide a business and commercial opportunity rather than simply protection against a legal threat for those who embrace it fully.”

Getting to know everything about you

Analysing big data to tailor bespoke offers to customers is a win-win for consumers who enjoy a personalised service and businesses that increase their sales

PERSONALISATION

HAZEL DAVIS

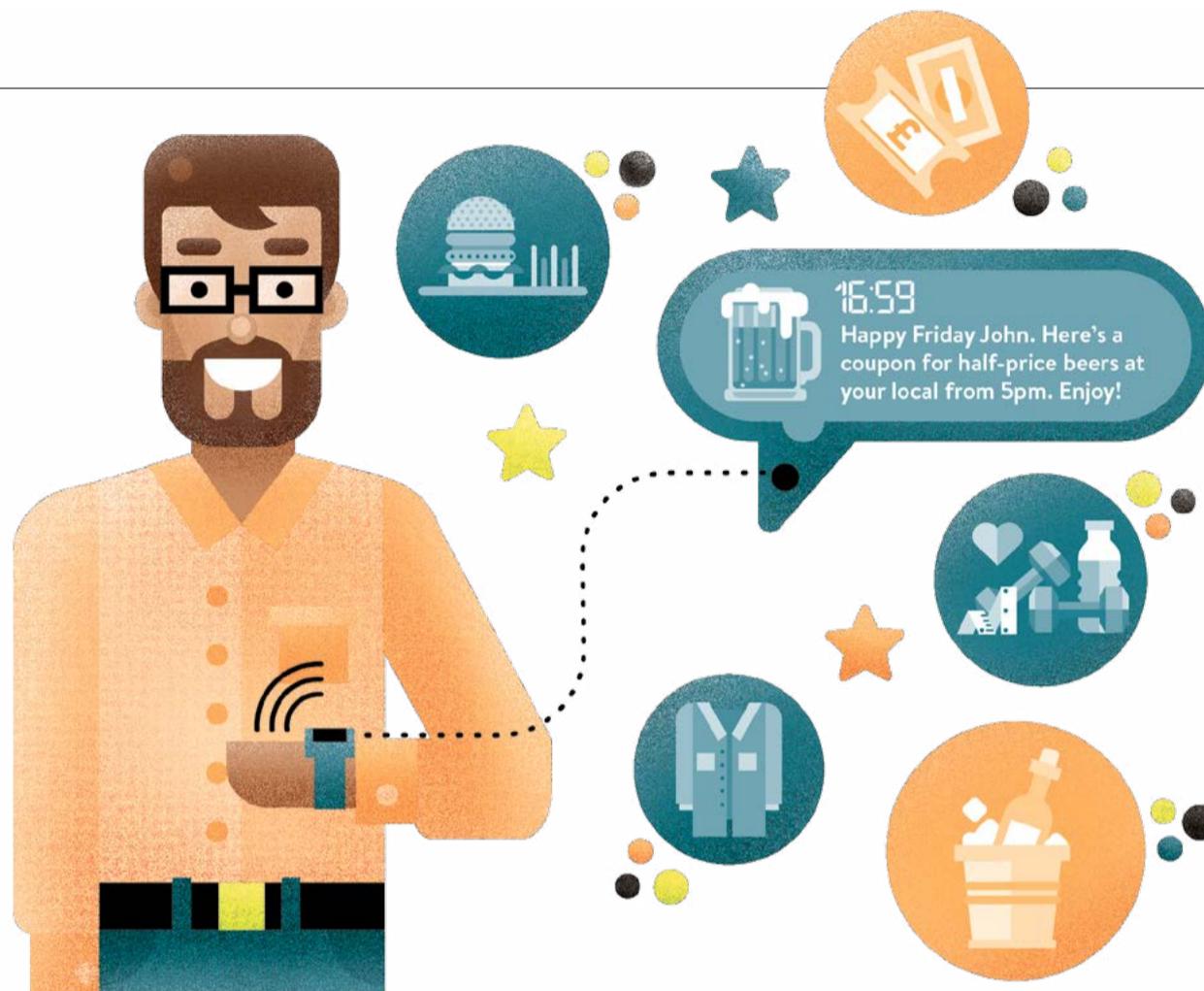
The new “expectation economy” is consumer-led and data driven. Customers these days demand as much of a personalised service from digital suppliers as they used to from the corner shop. But they also now expect to be able to control it.

Companies not offering personalised digital experiences are missing out, but those adopting too much of a Big Brother pose risk alienating consumers. It's a fine line and one that businesses are treading carefully.

Scott Symonds, managing director of media at ideas and innovation agency AKQA, says: “I think of personalisation as respecting the relationship we have with the consumer by recognising and honouring the level of investment they have made to our client brands. The attractive by-product of creating more relevant and respectful marketing moments is that it qualitatively builds brand consideration and enhances the business/revenue return on investment from a performance perspective.”

Some marketing is still stuck in the 20th century broadcast age, says Mr Symonds, “with overly generalised messaging shouted out to under-differentiated audiences. This limits consumer engagement,” he says.

Products have become increasingly commoditised, and “this requires organisations to shift their focus towards ensuring the customer experience becomes their biggest differentiator,” says Mike Blanchard, SAS's head of customer intelligence solutions for Northern Europe.



Brands need to serve up the right offers at the right time via the right channel

The Royal Shakespeare Company (RSC) operates three theatres at its Stratford-upon-Avon home. In 2014, the company decided to upgrade the RSC website and overall its digital brand in response to the growth of mobile and overall changing customer behaviour. This meant creating an all-new responsive website that would, in time, provide a completely unique and personalised experience for each customer.

It has done this using Progress's Sitefinity web content management system, which allows it to develop a complete picture of users and serve them with individual content based on past behaviour and individual profile. The platform has also allowed the RSC to track the return on investment on individual marketing assets and their effectiveness on different demographics, for example learning that video trailers are more effective on new customers than existing ones.

Richard Adams, RSC's digital programme manager, says: “Our customers come to the RSC and expect the world's best theatre, so the rest of our brand needs to reflect that. Working with Sitefinity has allowed us to make our digital presence more engaging and more personal.”

Personalisation is an art, says Rachel Barton, managing director of advanced customer strategy at Accenture Strategy. “There is a fine balance between knowing too much about your customers and acting on it – at which point the brand can feel ‘creepy’ – compared with knowing too little and spamming all customers with the same untailored offers and messages, which can also be frustrating,” she says.

Brands that successfully deliver personalised experiences already have a trusted relationship with their customers. Ms Barton adds: “When customers fully trust a company, they will impart huge amounts of personal and behavioural information, which can help brands build longer-term loyalty, as opposed to purely transactional relationships.”

Brands hold details such as your buying habits, your interests, your friends' interests, where you've been on holiday or where you might be going on holiday. But what matters, says Dr Mark K. Smith, chief executive of business communi-

Previously, the customer-experience journey was a string of static, one-dimensional encounters. But now, thanks to big data and the resulting innovations, customer experiences can be a seamless exchange over different channels between people and the organisations with which they choose to do business.

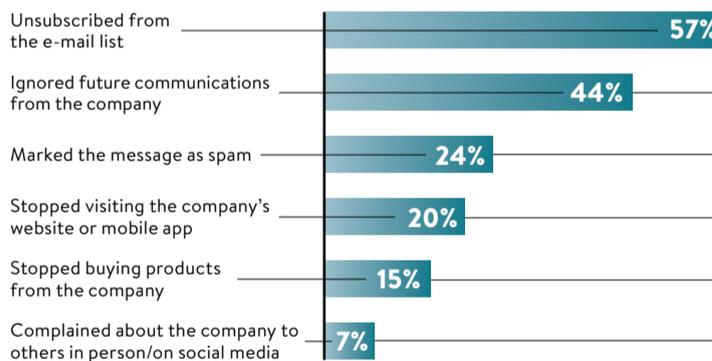
At the heart of this approach, says Mr Blanchard, “is using data to understand what drives the customer and what doesn't through holistic customer intelligence”.

But delivering a data-driven customer experience doesn't happen overnight. It requires a mix of activities and competencies, from data integration to technology implementations, to training and rethinking processes.

“What is becoming clear is demand from the always-on consumer for more personal and relevant communications,” says Mr Blanchard. “Brands need to serve up the right offers at the right time via the right channel.” This could be an offer for a product that is highly targeted and appears straightaway on a smartphone screen, without the need for endless scrolling to find a more suitable item.

Today's customer journey requires a combination of individualised insights and connected interactions, as well as an agile approach. It's not enough to be doing the same things via new channels.

UK CONSUMER RESPONSE TO IRRELEVANT INFORMATION OR PRODUCT RECOMMENDATIONS



Source: Gigya 2015

With consumer data flooding in across mobile, social, e-mail and wearable technologies, it can be difficult for businesses to navigate the big data landscape and use it effectively to personalise messaging.

Gigya's 2015 *State of Consumer Privacy & Personalisation* survey found that 44 per cent of UK consumers ignore all future communications from brands that do not target them correctly.

“To manage data effectively and gain customer loyalty, organisations must move beyond anonymous and siloed user data to create known, unified profiles that power one-to-one customer relationships,” says Richard Lack, Gigya's Europe, Middle East and Africa director of sales. “The answer is

seeing people, not just numbers, all based on digital identity. By identifying site visitors at the point of site entry via registration and social authentication, businesses can tie demographic, interest and behavioural data to individual user identities.”

The benefit of properly collecting, organising and leveraging consumer data is simple, says Mr Lack. “Brands that use actionable, permission-based data to provide personalised, relevant offers and experiences will develop an in-depth understanding of their respective customer bases and be rewarded with significantly higher conversion rates and longer-lasting customer relationships,” he says.



LEFT The Royal Shakespeare Company upgraded its website to serve customers with individual content based on past behaviour and individual profiles

CASE STUDY: FIAT



To celebrate Valentine's Day, car-maker Fiat commissioned Mullen Lowe and KR Media to develop a fun, tongue-in-cheek digital brand campaign to launch the new Fiat 500 in France.

The campaign began by initially targeting women who had shown an interest in the Fiat 500 ahead of the launch. These women were shown ads which encouraged them to visit the Fiat 500 website where they could find further information. With Valentine's Day approaching, on visiting the website, each woman was invited to enlist Fiat's help persuading their partners to buy them a new car.

Participants were invited to enter their partner's e-mail address, a pet nickname that was personal to their relationship, another personal

message and also a picture of themselves. This additional information was then used to deliver a creative, personalised campaign to each of the women's partners.

Each partner was sent an e-mail so they could provide consent to be involved in the campaign. Using ADventori technology, the men were targeted with personalised ads, including images of their partner and pet names.

"With such a personalised campaign, it's vital to protect consumers' privacy, so for this reason, the campaign was done as a strictly opt-in exercise," says Will Bishop, ADventori's country manager. "The ADventori technology ensured privacy by storing all the personal information belonging to each consumer in a cookie stored on their device. It also gave the consumer full control to opt out of the campaign as they could delete the cookie at any time."

The campaign drove 237 consumers to the Fiat 500 website and secured an incredible 26 car pre-orders from men who were tracked in just the first week of the campaign.

ation company ContactEngine, is: "Organisations hold one 'single you' where all your data is held in one place, not fractured across different silos.

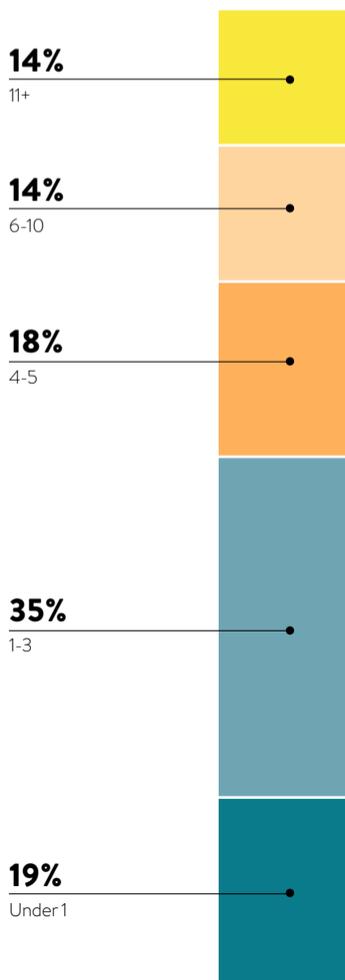
"When that happens then communications can be both reactive, instantly resolving customer issues with the minimum of fuss, and proactive where organisations can begin to predict what you might want from a relevant product or to warn you of an outcome that you won't like, such as a large bill."

It's also about not abusing the information exchange. According to Accenture Strategy's 11th annual *Global Consumer Pulse Research*, just 9 per cent of UK consumers strongly trust the companies they do business with to do the right thing with their personal information. However, 36 per cent would be willing to share personal information if it resulted in more tailored, personalised experiences.

AKQA's Mr Symonds concludes: "Personalisation should feel like concierge service, not creepy. We like it when our local restaurant remembers our name and favourite dish. We like it when Amazon recommends something that we actually do have interest in. We do not like it when we see a banner 100 times in a week for an item we left in an online shopping cart because we did not want it after all."

IRRELEVANT COMMUNICATIONS

Number of brand messages UK consumers usually receive a day



Source: Giga 2015



COMMERCIAL FEATURE



BEHAVIOURAL MARKETING: THE PEOPLE-BASED APPROACH

*Few businesses have a clear idea of each web visitor's intention or historical behaviour. Such factors are essential in effectively converting them into customers, says **Ryan Urban**, chief executive at BounceX*



If you walked into a particular clothing store for the first time and a salesperson immediately asked you for your e-mail address before you could continue browsing, you would be likely to leave.

This person is not only interrupting your shopping experience, but they also have no idea what you want. It would probably be better for them to leave you alone, let you browse, get some insight into what you're looking for and then approach.

So, if businesses are not supposed to make such mistakes in the real world, why are they doing it in the digital space? The answer is that it is really hard to know what people want online.

Any good marketer knows that to be successful they need to pay attention to the cues of the customer. They need to find them, attract them and get to know them, so they can give them what they want. But how do they give them what they want, if they don't know who they are?

They can use behavioural marketing. This is a new channel based around the principle of identifying previously unidentifiable website traffic and

enabling businesses to target their traffic on a people-based level.

With behavioural software, businesses can identify and address the friction points in the conversion funnel as visitors experience them in real time, both on and off a website, ultimately driving incremental revenue and increasing return across all marketing channels.

The primary objective, and the key function of behavioural marketing, boils down to identifying all website traffic, particularly anonymous prospects. This can be accomplished with a single, but very powerful, identifier and the best one is the e-mail address.

Through this, people-based behavioural profiles can be created and linked to a specific e-mail address, allowing businesses to track consumer behaviour across any device and channel, and at any moment in time.

Each behavioural profile is a representation of how an individual has interacted with the business - the actions they took while on the website and their method of engagement with e-mails and advertisements, including opens, clicks, browsing patterns, disengagement reviews read and so on.

This empowers marketers with the ability to create customised experiences that are reflective of the individual and their preferences, rather than having a one-size-fits-all approach.

Finally, businesses have the ability to decode the intention of customers. Whether they are just browsing, have a high intention to

convert or are returning customers, behavioural marketing and people-based marketing allow businesses to adapt digital experiences based on what each customer wants.

As a result, marketers are able to reduce the friction points that exist on the path to conversion and execute true one-to-one communications that are based on customer intention. This approach creates a ubiquitous marketing command centre for any marketer looking to enhance their digital spending and truly impact their bottom line.

All this is possible with the technology from behavioural marketing companies such as BounceX. Recently named the fastest-growing software company in the United States by *Inc. magazine*, BounceX has been able to create the behavioural marketing blueprint that has proven to be a top-performing channel for some of the largest enterprises in the world, including Lufthansa, Comcast and Hearst Magazines.

According to a study conducted by Forrester Consulting on behalf of BounceX, businesses that have adopted behavioural marketing see returns of more than 11 times their investment.

People-based behavioural marketing is the evolution of technologies that enables marketers to capitalise on and monetise the customer experience. It is essential to the future of online commerce.

To get started with behavioural marketing, visit BounceX.com/Raconteur

It's value, not volume that counts

Video is a fast-growing and powerful storytelling tool, but understanding true business impact means looking beyond views alone

VIDEO
THOMAS BROWN

Video is hot property these days. It's one of the fastest-growing types of online content and that growth comes on an already strong foundation. There's no shortage of statistics supporting the meteoric rise of video as a tool for individuals and businesses to communicate, from Facebook's reported eight billion daily video views to the hundreds of hours of content uploaded to YouTube every minute.

What's more, this growth is set to continue, with Cisco predicting that video will account for more than 80 per cent of consumer internet traffic by 2020, at which point it would take you more than five million years to watch the amount of video that will cross global IP networks every month.

Why wouldn't businesses want to capitalise on this? The power of storytelling, informing and entertaining is at the heart of how brands can connect with their customers, and the social nature of video offers opportunities not just to reach the customers you know, but to have them share your content with audiences you don't.

What's more, production costs have fallen as new tools and technologies make the process of video creation, editing and publishing ever simpler, while the platforms to ensure your content reaches its intended audience have increased dramatically. Today's marketer has a wealth of options at their disposal, from video platforms such as YouTube and Vimeo, to social networks such as Facebook, LinkedIn and Instagram, and new live broadcasting platforms such as Periscope, Vine and Facebook Live.

"The most successful brands are those that can be great publishers and content creators, and provide innovative, relevant content for their audiences to consume," says Thierry Campet, global head of marketing communications at UBS Wealth Management. "At UBS we have created a new thought-leadership platform called UNLIMITED*, designed to create compelling content that echoes with our clients' daily priorities in life, beyond investment. Video has played a significant role in helping us achieve this, extending our reach and allowing us to broach innovative topics like Iceland's new digital currency, Auroracoin, in a beautifully engaging and creative way."

While few would question the volume of video content being created and consumed, many remain uncertain of how to assess the value of this medium for businesses.

Yes, most of us will have heard of viral video hits such as Evian's dancing baby, Jean-Claude Van Damme and Volvo Trucks or Volkswagen's Darth Vader commercial. Most of us can acknowledge that they are entertaining and their audience figures are impressive. But not every business wants or needs millions of video views, nor is it realistic to

expect every business to be able to leverage video content to achieve viral success or social fame.

In the quest to reach new audiences, views and shares have often been used as a proxy for success and return on investment (ROI), yet in many cases these figures alone don't tell the whole story. Video views on their own may be impressive, but if they're based on the wrong people watching your content, or not enough of them taking the desired action afterwards, the investment won't deliver the desired outcome.

One of the main stumbling blocks in creating video content is start-



of consumer internet traffic will come from video by 2020

Source: Cisco



of all online activity is spent watching video

Source: Insivia



videos are viewed on Facebook every day

Source: Facebook



increase in click-through rates experienced by including video in an e-mail

Source: Forrester



increase in conversion rates reported by including video on a landing page

Source: Unbounce



of video is uploaded to YouTube every minute

Source: YouTube



Videos shorter than 15 seconds are shared 37 per cent more than those between 30 and 60 seconds

Source: Jun Group



more likely to get a front-page Google search result by adding video to your website

Source: Convince and Convert



boost in e-mail open rates by using the word "video" in the e-mail subject line

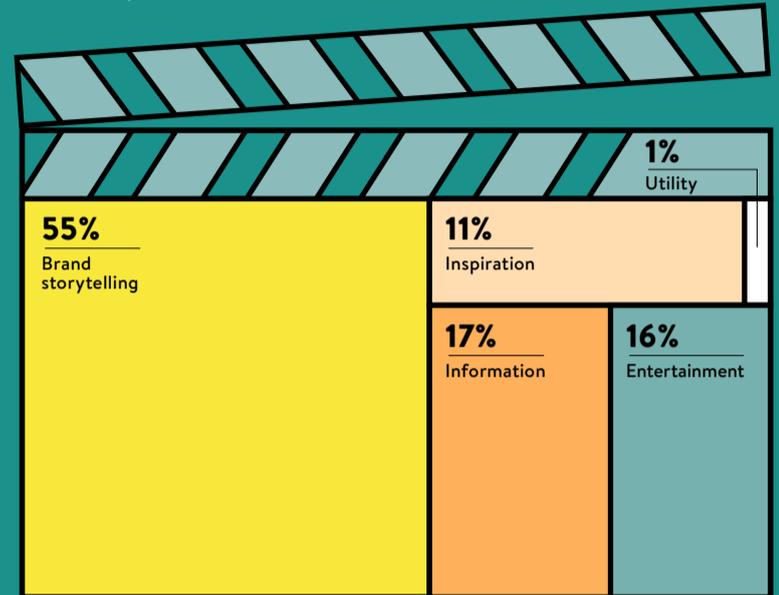
Source: Syndacast

THE WORLD OF ONLINE

With four fifths of all consumer internet traffic expected to come from mobile devices, marketers are capitalising on this growing area of opportunity by creating engaging content. However, the pursuit of "viral" status remains the Holy Grail in social media.

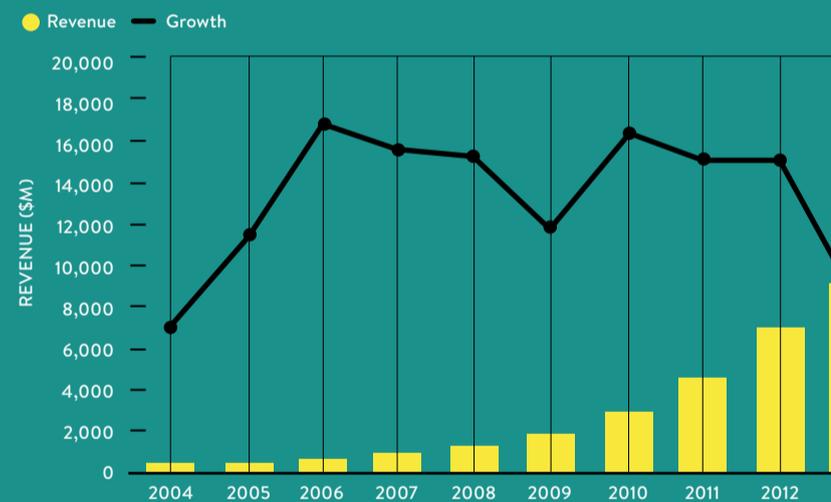
MAIN PURPOSE OF VIDEO IN CONTENT MARKETING

Global survey of marketers



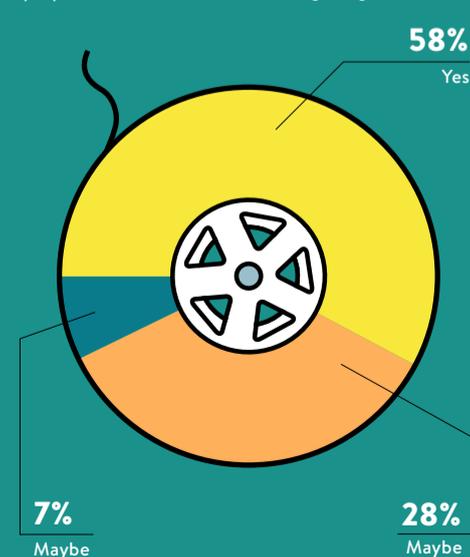
Source: CMA 2016

GLOBAL ONLINE VIDEO ADVERTISING REVENUES

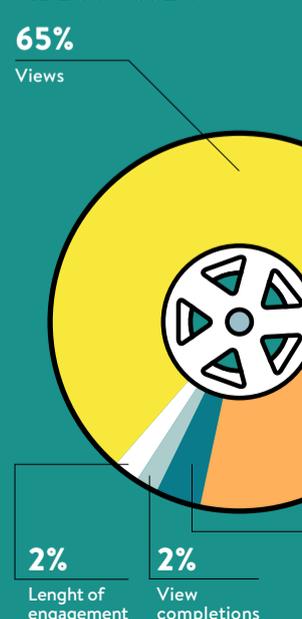


MARKETING SPENDING ON VIDEO

Are you planning on increasing spending on video content over the next year in terms of the proportion of the overall marketing budget?



KEY METRICS USED TO MEASURE VIDEO SUCCESS

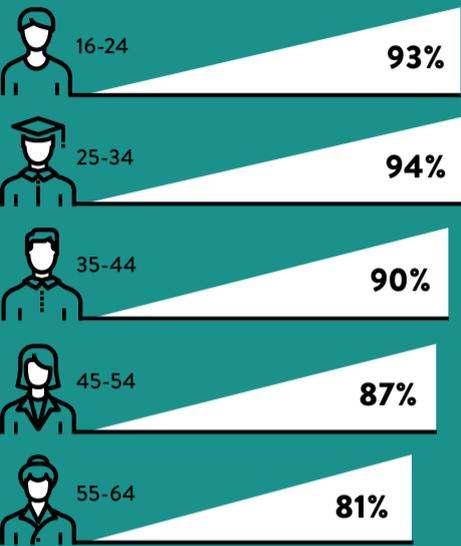


LINE VIDEO

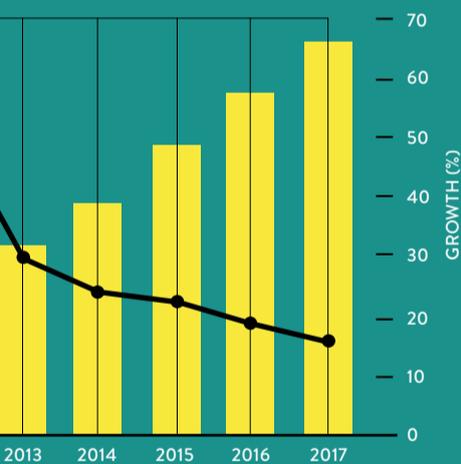
From video by 2020, companies entertaining and shareable content. Such a saturated and expansive market

PERCENTAGE OF INTERNET USERS WHO WATCH VIDEO, BY AGE

Number of shares by UK internet users, June 2015



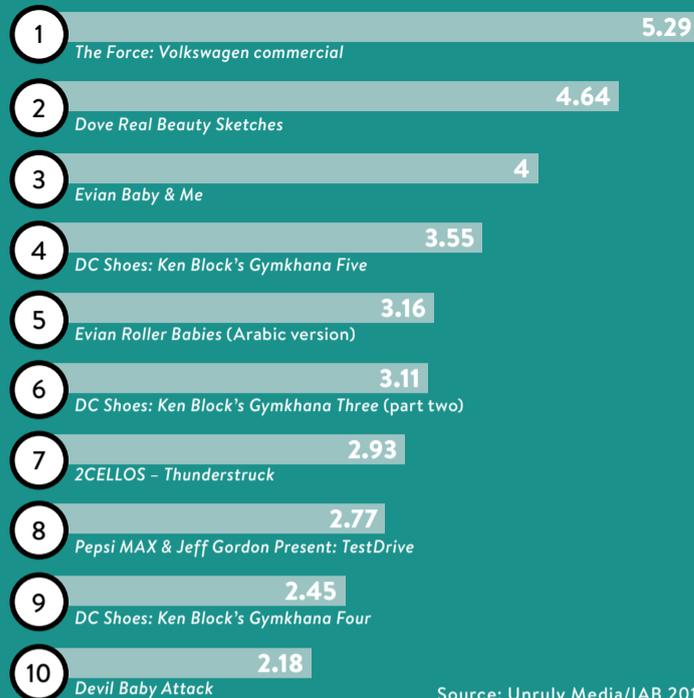
Source: GlobalWebIndex 2016



Source: IHS 2015

TOP VIRAL VIDEO ADS OF ALL TIME

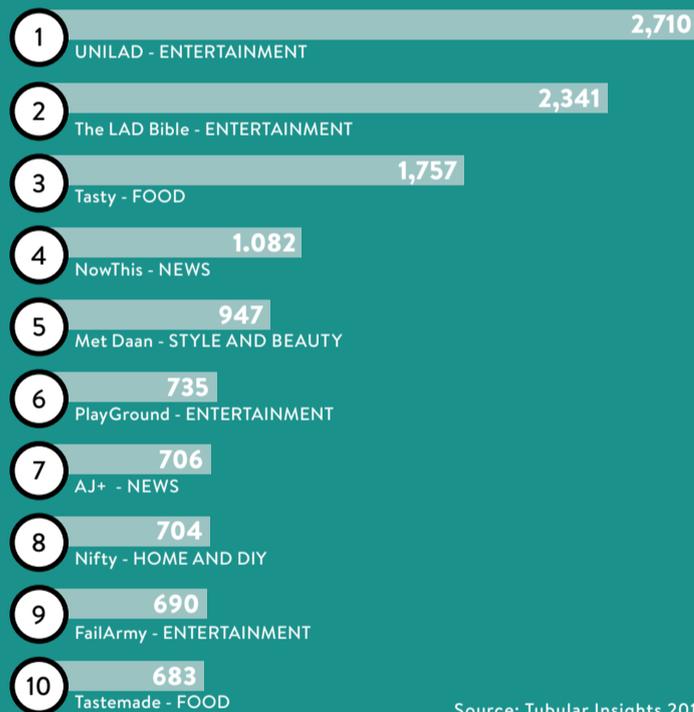
Number of shares by UK internet users, June 2015 (m)



Source: Unruly Media/IAB 2015

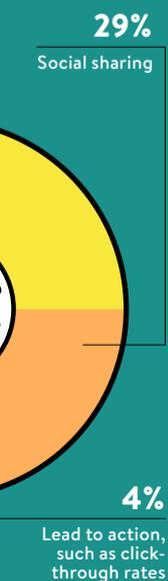
TOP ONLINE VIDEO CREATORS ON SOCIAL MEDIA IN JULY 2016

Almost 383 billion video views were generated across the four major social video platforms in July 2016 alone. These platforms are YouTube, Facebook, Vine and Instagram

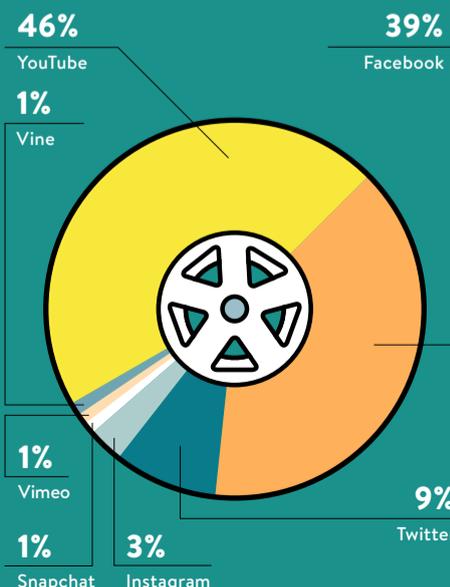


Source: Tubular Insights 2016

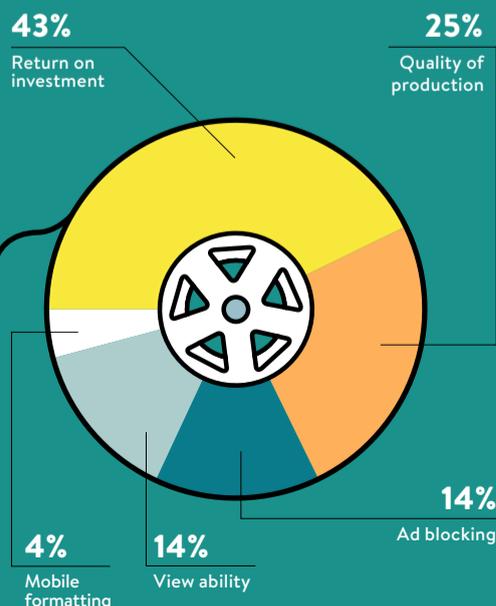
MEASURE



MOST IMPORTANT PLATFORM FOR BRANDED VIDEO CONTENT



BIGGEST BARRIERS TO THE GROWTH OF VIDEO



Source: CMA 2016



One of the most powerful uses of video in recent years has been customer support and customer service

ing with the idea first, rather than the business challenge you're trying to solve. Businesses can often be tempted into investing in online video content because competitors have done so, because an internal stakeholder is keen on it or simply because it's considered in vogue. Video may indeed be part of the right solution, but starting with the business issue at hand will ensure you set the right key performance indicators for your video investments and connect them back to the challenge they are designed to address.

"Shared ownership is a complex subject matter," says Alice Turner, marketing and property events manager for housing association and Property Marketing Awards winner L&Q. "Before creating our PricedIn website, we found that a large proportion of our buyers were left feeling somewhat bamboozled by shared ownership and often none the wiser as to whether it was right for them.

"Video allows us to convey detailed information quickly and effectively through an engaging medium, ensuring viewers are fully clued up on the subject and know that they are eligible, prior to registering. Buying your first home is a very personal experience, it can also be overwhelming; being able to gather impartial hands-on information from a mortgage adviser through a video shared on Facebook, or hearing vox pops from real buyers on YouTube, really eases that process for our buyers.

"Visitors who watch video content spend three times longer on our website, demonstrating high engagement levels, and since incorporating video content, we've seen a significant increase in the quality of our leads. The majority of people who now register for shared ownership via our website are eligible for the scheme, purely as a result of our audience being better informed. Our video advert from March 2016, which was virally seeded and promoted via social media, contributed to an 11-fold increase in leads from our website compared to the previous year."

It's also important to remember that online video isn't just a medium that can be used to increase product or brand awareness, or generate sales leads and inquiries. One of the most powerful uses of video in recent years has been customer support and customer service.

Online survey software platform SurveyGizmo avoids the cost and operational complexity of telephone-based customer support by combining an online chat facility

with a bank of "how to" videos, designed to help customers to self-serve. This helps to focus contact with advisers on the more complex or technical queries and enables customers to get the answers to more straightforward questions without having to wait for advisers to be available during fixed office hours.

Starting with the business challenge that in the case of customer support may be reducing call or e-mail volumes or waiting times, a business can evaluate its investment in customer support video beyond volume-based metrics, such as views or likes, and look at whether this corresponds with an improvement in wider metrics, which is ultimately what the video content is there to achieve.

Whatever the business driver is for creating video content, however, there's one critical ingredient to generating ROI: integration. While businesses may look at channels and media in isolation, consumers rarely have the same perspective.

For most businesses, video content will be part of a campaign tapestry which might include website, digital advertising, paid and organic social media, as well as potential offline channels, such as a salesforce or events. Attempting to evaluate the ROI of any of these activities in isolation may yield distorted results and lead to ill-advised decisions about future investment because customers simply don't navigate campaigns in that way.

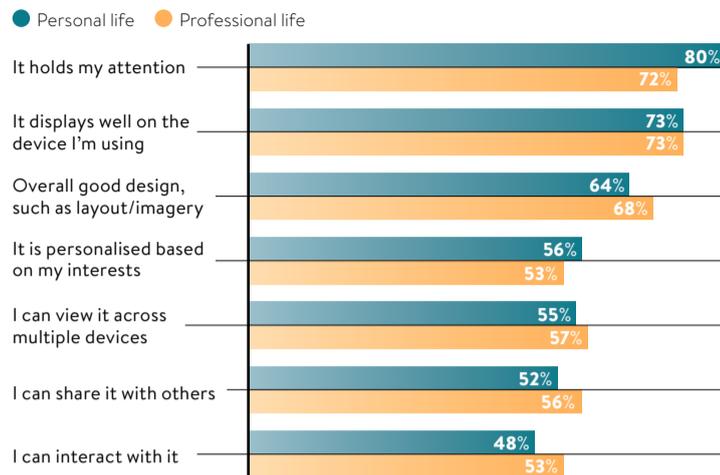
You may watch an online video seeded on Facebook, but navigate directly to that brand's website sometime later rather than through a promoted link or you may avoid the website and instead look up other social channels for the brand. You may not "like" a video on YouTube, but you may share it on Twitter or Facebook of your own accord.

While there may be common paths that consumers take through your content, it's important to recognise that different people will engage in different ways - and that creates a challenge for evaluating ROI on video alone. It's therefore essential to have a single, holistic view of how online video works in concert with other channels and media, to ensure you're seeing the full picture. After all, knowing I watched your video is one thing, but knowing what I did next is even more important.



CONSUMER EXPECTATIONS IN VIEWING CONTENT

Consumers prioritise display and design when viewing content across both personal and professional life



Source: Adobe 2015

How to make your website user friendly

No business wants a potential customer to click away from its website, so it's important to eliminate the online turn-offs

ONLINE TURN-OFFS

GRAHAM CHARLTON

A great online experience means visitors can find the information or products they need easily, whatever device they use and with the minimum of hassle.

This is also about retention. It can cost up to seven times more to acquire a new customer than to keep an existing one, so a focus on customer experience can pay off over time.

The flip side is that it can be very easy to deter website visitors with frustrating experiences. Sites still make some very obvious mistakes in this area.

As print advertising revenues have dropped, online advertising has not taken up the slack, leaving many publishers with a gap in their finances. This has led some sites to use evermore intrusive ad formats to increase revenues.

There's nothing wrong with advertising, but intrusive ads which take over the screen, videos that play audio automatically and low-rent content recommendations all have the potential to deter visitors.

Many users have responded to ads by installing ad-blocking software. According to the Interactive Advertising Bureau, 21 per cent of UK adults used an ad blocker in July 2016. Others will just leave the site if advertising annoys them.

Some sites have more ads than content and, with plenty of competition online, there's a real risk that chasing ad revenue will deter traffic in the long term.



Many companies are making basic errors which limit the accessibility of their sites

According to comScore, mobile devices now account for two of every three minutes spent online, so a mobile website is essential.

Many brands now have mobile sites, but some have yet to catch up. For example, Playmobil just has a desktop site, meaning mobile visitors will struggle to read and navigate through the site without a lot of effort.

People make snap decisions about a site once they arrive. They need to be able to trust it and find what they need easily. It's a subjective judgment, but if users feel the site looks unprofessional, then they'll just click away and find an alternative.

A survey from Adobe found that 38 per cent of people will stop engaging with a website if the content or layout is unattractive. Design matters.

Broadband speeds have improved in the last few years, as has mobile internet access, with 4G more common. There is now very little excuse for slow loading sites.

Slow sites frustrate users and lead directly to lost sales. Google says 40 per cent of consumers will leave a page that takes longer than three seconds to load.

Accessibility is about ensuring that your website can be used by disabled visitors.

The Global Economics of Disability Annual Report 2014 estimated the global population of people with disabilities at 1.3 billion. This equates to almost 18 per cent of the world's population or one in five people. With a combined disposable income of more than \$1.2 trillion, it's a significant market to exclude.

ABOVE

Online fashion retailer ASOS reduced checkout abandonment by 50 per cent by removing its registration option



21%

of UK adults used an ad blocker in July

Source: Interactive Advertising Bureau 2016

Many companies are making basic errors which limit the accessibility of their sites. For example, a recent travel accessibility report by Sigma claimed that both British Airways and Co-operative Travel had a lot to do to improve accessibility.

For e-commerce sites, the checkout process is the single biggest source of frustration for users and one particular potential barrier to purchase is registration.

According to statistics from UK firm SaleCycle, having to create an account is the second biggest reason for abandonment of shopping sessions.

Registration is a problem for many shoppers as it seems like extra work for them to do before making a purchase and represents a level of commitment that not all visitors want to take.

It used to be common practice for retailers to ask customers to register and create an account before going on to pay for items. Some, such as Boots, still insist that customers register, but the answer for many retailers has been the introduction of guest checkout. This encourages more people to go through the payment process, while the option of creating an account can be offered at a later stage.

For example, ASOS removed its registration option and reduced checkout abandonment rates by 50 per cent.

Online shoppers want to know the costs of their purchase upfront, so retailers should be very clear about total product and delivery charges before customers enter payment details.

Even Ryanair, infamous for the pre-ticked boxes on its website for extras such as insurance, has cleaned up its act online in response to user frustration. There are still sites that do this though, such as ticketing sites which add inexplicable processing fees on to the cost of tickets.

It's an approach which may increase revenues in the short term,

but if you are seen to be deceiving users, it's a poor long-term strategy for customer retention.

We've come a long way from the early days of online retail, when shoppers were yet to be convinced about the security of their payment details, but some customers are still wary.

There is no shortcut to earning customer trust. It comes from a mixture of brand recognition, the look and feel of a website, security reassurances and factors such as positive reviews.

Clear contact details also build confidence in users. KoMarketing found that 44 per cent of visitors will leave a company's website if there's no contact information or phone number.

Websites have a short time to convince visitors to stay, and a common problem for websites is a failure quickly to convey to visitors what their product or service does – the value proposition.

This can be more of an issue for business-to-business companies, where products and services are often more complex, requiring greater explanation. Visitors need to know how the product or service can help them, the value it delivers and what it offers compared to the competition.

A frustrating experience when completing forms online is a common reason for customers to abandon a website. Information such as address and payment details is required, and it's important to make data entry as easy as possible.

Common problems include asking for too much or unnecessary information, confusing form fields and unclear error messages. For example, Boots requires passwords in a certain format, but doesn't explain this until users make an attempt to create one.

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TOP REASONS CONSUMERS SWITCH DEVICES OR GIVE UP ON CONTENT ALTOGETHER

Source: Adobe 2015



01

IMAGES WON'T LOAD



02

TROUBLE INTERACTING WITH IT ON THE DEVICE



03

TAKES TOO LONG TO LOAD



04

NOT DISPLAYING WELL ON THE DEVICE



05

EXPERIENCE WOULD BE IMPROVED ON BIGGER DEVICE

WHAT MAKES WEBSITE VISITORS BECOME CUSTOMERS?

Would you **guess** or would you rather **find out**?



An end-to-end platform for businesses to **know** what changes to their website **will** lead to more sales and revenue.



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COMMERCIAL FEATURE



‘IT’S ABOUT SPOTTING OPPORTUNITIES’

Why would a global advertising and marketing agency with an impressive heritage of nearly 60 years behave as if it was the new kid on the block? Because it’s good for our clients, says **Mel Edwards**, Europe, Middle East and Africa chief executive at Wunderman



Q You’ve been in business for over half a century, you have around 7,000 employees in 60 countries and clients including Shell, Microsoft and EDF Energy, and yet you like to describe yourselves at Wunderman as an “underdog” or “a startup”. Why is this?

A It’s important to retain the sense of hunger, energy and fun, of wanting to break new ground and find smarter ways of doing things. By retaining an entrepreneurial mindset our eyes are always open to how marketing is changing and how new techniques could solve clients’ problems. It’s about spotting opportunities, like new data APIs [application programming interfaces], machine-learning, content and experience design-thinking, and making them part of how we work.

Q You’re also very keen on diversity. For many organisations this is still a box-ticking exercise for the human resources department. Why is it so important to you and how do you use it differently?

A It’s not only about fairness, though that’s of fundamental importance. It’s about ensuring a diversity of opinion too. Having a range of different viewpoints helps us to stay fresh and to keep evolving.

Making sure we keep these diverse perspectives in the business means two things: ensuring all existing staff feel comfortable speaking out and contributing; and making sure diversity is part of our recruitment process. We recruit based on skills, attitude and experience, not where someone is from or how they were educated.

Q At Wunderman you’ve got a wealth of data thanks to your many years as a leader in digital marketing. How do you optimise it in a way that others fail to? Can you give me an example?

A We connect it with a kind of creative thinking that benefits from the diversity that I mentioned. It might sound simple, but many businesses start with either data or creativity and fail to make them work together effectively. Wunderman has grown up with both since our very inception. We have a way of working, called Collision, which brings creative, strategic and data experts together as a team from the start of a project. A good example is our work with the Sun’s Dream Team fantasy football game. Data has helped us understand the most valuable players – those who recruit their friends into mini-leagues – has helped us define the creative story of the product – when it’s fantasy football it’s OK to “cheat” on your favourite team – and helped us connect it all together in super-smart data-informed creative

executions. Last year’s campaign targeted supporters of real-life clubs with stories of how much their fellow fans “cheated” on the club. This year’s campaign features cutting-edge personalised videos for every potential player. The videos pull in data on these players’ previous activity and get them to do the naughty on their club with the line “It pays to experiment”.

Q We’re seeing an ever-greater avalanche of data, an increasing number of devices and channels, and a more demanding, time-poor customer base. Can you identify some trends and offer some advice?

A The volume of data will get exponentially larger. With the internet of things and the non-stop barrage of sensor data around the corner, organisations must get in shape to handle it now. They need to use machine-learning plus humans together to unlock its potential. The power of machine-learning exemplified by IBM’s Watson and Apple’s Siri will help connect vast datasets and make them useable. But by itself it is just a way to find patterns. Pairing machine-learning’s analytical power with smart, creative data thinkers will help invent the usage cases, and create real value for businesses and brands.

For more information please visit www.wunderman.co.uk

Chatbots get a voice in online commerce

Shopping and doing business with a chatbot or an online digital assistant powered by artificial intelligence is a growing trend set to transform commerce

CONVERSATIONAL COMMERCE
FINBARR TOESLAND

It may not be long before any smartphone user will be able to type or say “I want a flight from London to New York this Thursday” in a messaging app and almost instantly a message showing a list of flight times, prices and carriers will be received, with buying tickets and checking-in all available within the conversation.

The convergence of highly popular messaging apps and advanced artificial intelligence (AI) is allowing businesses to interact with their customers in innovative new ways. Chris Messina of taxi disrupter app Uber popularised the phrase “conversational commerce” to describe the trend.

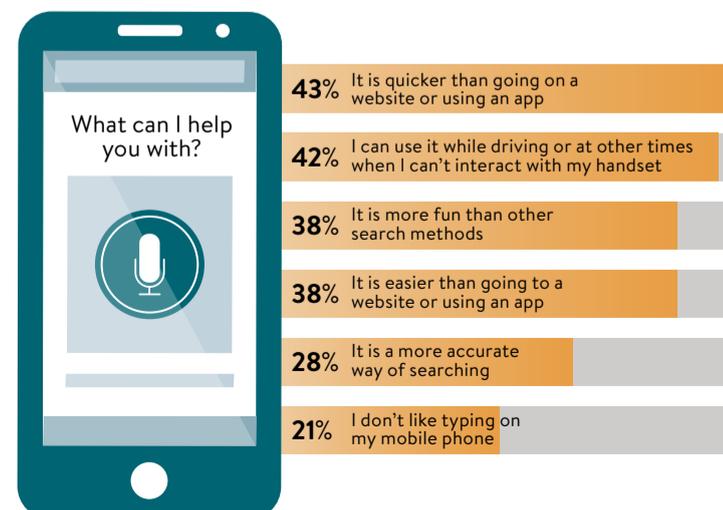
Messaging apps such as Facebook Messenger, Slack and WhatsApp have quickly become the most popular way to communicate, with more than 80 billion messages sent every day, providing the perfect environment for conversational commerce.

The Chinese messaging app WeChat has been at the forefront of conversational commerce with its more than 700 million users being able to do everything from ordering food, booking a flight or hailing a taxi, all in the app. Facebook recently made its move into conversational commerce by partnering with Uber in the United States to let users order taxis through its Messenger app.

In a sign that we are only seeing the very start of conversational commerce, Facebook’s director of platform partnerships Julien Codorniou said the Messenger app was just “1 per cent finished” and “one day there will be companies built on Messenger and we are at the beginning of that ecosystem”.

Conversational commerce has quickly become a major talking point, but will it be able to meet consumers’ ever-changing needs? Using chatbots and digital assistants to interact with businesses is by no means a new phenomenon, but their increasing popularity is attracting the attention of a wide range of small to medium-sized firms, as well as major listed companies. The ability of these technologies to deal with common

MAIN REASONS MOBILE USERS USE VOICE SEARCH



Source: GlobalWebIndex 2015



inquiries or assisting users to shop online whenever they want to is a key feature.

“Once an interaction has begun online, most people are reluctant to shift format, so digital assistants and chatbots come into their own when users run up against a problem, have a question or can’t find what they’re looking for,” says Stephen Long, executive vice president at systems integrations and unified communications provider KCOM. The conversational assistants of today can understand complex sentences and recognise abbreviations, so activities can be carried on seamlessly and digitally. But there may be a limit to the application of these technologies.

Although chatbots have made major advances in the past few years, they still have a somewhat patchy reputation. While these digital assistants could prove useful for relatively simplistic requests, when it comes to customers looking for personal recommendations or resolution to a specific problem, they offer a disappointing experience.

Adam Levene, founder and chief executive of London-based conversational commerce platform Hero, believes people are far better suited to providing support. “They offer far more responsive assistance to customers than a bot could. When it comes to artificial intelligence versus emotional intelligence, there is no substitute for the human touch,” says Mr Levene.

Voice search is also growing rapidly with the most recent *Google Mobile Voice Study* finding a 61 per cent growth in longer queries that start with “who”, “what”, “where” and “how”. Google analysts noted that one in five queries on the mobile Google app are voice-based and they get about 30 times more action queries by voice than by typing.

These changes in consumer behaviour will mean brands will need to optimise their content in order to appear in relevant results shown to users. More than half of US teens and 41 per cent of adults now use voice search on a daily basis, indicating

this functionality is already playing an important role in search queries.

There is no shortage of voice search services, such as Microsoft’s Cortana and Android’s Ok Google, available on both mobile and desktop devices. “The interesting thing about voice-recognition technology and conversational commerce is the level of intimacy it brings to interactions. There’s an immediate feeling of personalisation, but also humanness as you’re being given immediate verbal feedback, just like a live conversation,” says Lucie Greene, worldwide director of the Innovation Group, J. Walter Thompson’s trend-forecasting consultancy and innovation unit.



The growth of conversational commerce means that in the near future it will become a key part of most companies’ digital approaches

We are, of course, aware these exchanges are purely programmatic, but it feels more like a real chat than any other simulated conversation. “The two-way interaction in commerce and the fact that it’s an audio conversation also makes shopping feel more experiential,” adds Ms Greene.

This shift towards convenience and personalisation removes barriers that have traditionally hampered consumer engagement, as the need to physically interact with digital devices can be completely removed. Voice recognition allows users to multitask like never before.

“It makes infinite situations shoppable for the first time. Instances where you would be cooking and unable to shop or driving and unable to use a service are now connected to commerce. They essentially make

your life more shoppable,” says Ms Greene.

When speech-recognition software was initially released, it failed to meet many users’ high expectations, due to widespread problems around understanding even basic responses. Thanks to advancements in AI, voice-recognition technology has made good progress in just a few short years. “These systems have become much more sophisticated. They are now able to differentiate between regional accents or even detect if the customer has a cold. This level of accuracy means they can now offer fully automated services for common requests, simple applications and transactions,” says Mr Long at KCOM.

“Having technology that manages customer relationships securely, conveniently and efficiently in any language, with no extra effort from the customer, ticks a lot of boxes for multichannel retailers,” he says. Voice-recognition software may still have to deal with unresolved issues such as background noise disrupting speech and incorrectly interpreting the context of similar sounding words, but these difficulties are on course to be resolved within the next year.

The expansion of conversational commerce gives businesses access to massive amounts of consumer data, leading to more personalised user interfaces. Creation of an interface that reduces the user’s cognitive load – the amount of mental effort being used in the brain’s short-term working memory – is a common aim, but is a fully cognitive website now approaching reality?

Frank Palermo, executive vice president of global digital solutions at VirtusaPolaris, a leading provider of IT consulting and outsourcing services, thinks the introduction of cognitive websites will come sooner than expected. Mr Palermo is currently working with IBM on the Watson project and is deeply involved in cutting-edge AI technology, similar to that powering Alexa and Google Home.



41%
of US adults now use voice search on a daily basis

“Retailers can build an exceptional cognitive website, one that offers a deeply personalised and ambient experience to each customer as the brand gets to know them,” he says. “Creating such websites is no longer an unrealistic ambition, but if consumers are doing their purchasing via digital assistants, such as Amazon’s Alexa or Google Home, they will be rendered useless because digital assistants don’t behave like human shoppers.”

Whereas people can be influenced by past brand experiences and visual attraction when considering a purchase, for digital assistants this is irrelevant. “Businesses will need to adapt to a new generation of consumers who make purchases via a digital assistant, intermediating the customer experience,” says Mr Palermo.

Businesses need to adopt effective conversational commerce strategies if they want to capitalise on the opportunities this new market offers. The revenue generated by these platforms is no small change with research and advisory firm Gartner expecting a total of \$2 billion in sales will be driven by digital assistants this year alone. The growth of conversational commerce means that in the near future it will become

a key part of most companies’ digital approaches.

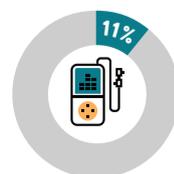
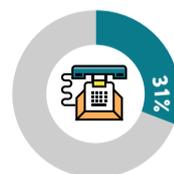
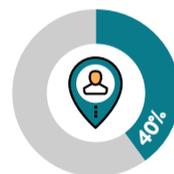
This movement can provide an opportunity for businesses to reset how they interact with customers, according to Hero’s Mr Levene. “For centuries, commerce was about relationships between people. With the birth of e-commerce in the late-1990s, businesses traded the human touch for unlimited choice. Conversational commerce is paving the way for a third wave of commerce, combining the human touch with the convenience of digital,” he says.

High-touch industries such as retail are expected to be the most impacted by this shift. “Conversational shopping reimagines the role of the store associate and empowers them with the tools to become digital personal shoppers,” says Mr Levene. These workers will be able to make immediate recommendations through chat and showcase products on live video, creating a hybrid between browsing in-store and shopping online. “Customers now have the best of both worlds, with shopping becoming as effortless as messaging a friend,” he concludes.

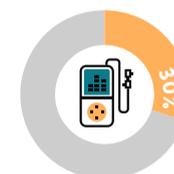
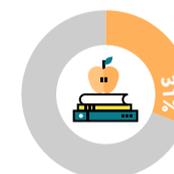
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WHAT PEOPLE USE VOICE SEARCH FOR

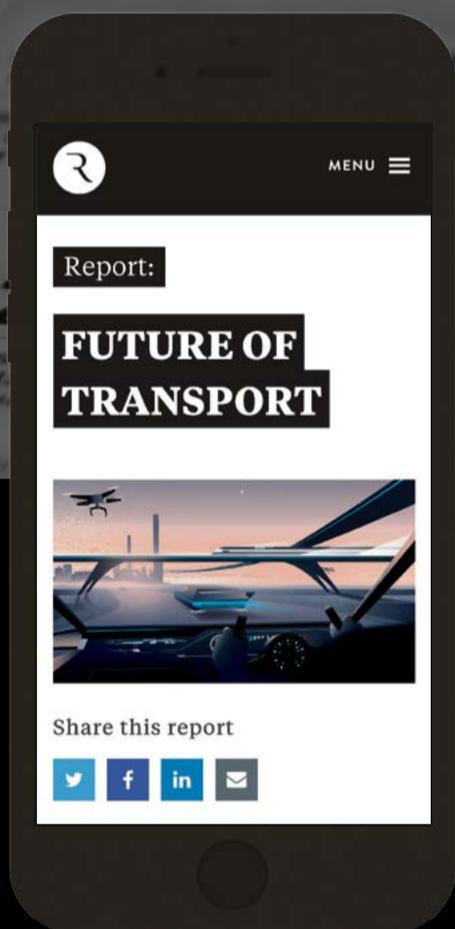
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Mobile-optimised

As younger generations lead the surge in smartphone usage, a n

MOBILE

GRAHAM CHARLTON

Mobile represents the future for any business with an online presence – it's that simple.

PCs and laptops will still be significant for some time to come, but the growth of mobile means that businesses which fail to cater for this user group face losing half or more of their potential customer base.

Mobile web has now overtaken PC and laptop desktop use in much of the world. A recent UK Ofcom report found that since 2014 adults are less likely to access the internet using a computer (71 per cent compared with 81 per cent in 2014) and more likely to use a smartphone (65 per cent against 61 per cent) or tablet (45 per cent compared with 39 per cent).

Ofcom found that the 16 to 24 age group is primarily responsible for the growth in smartphone usage, so the direction of travel is clear: mobile internet usage is growing and will continue to do so.

The two major ways in which mobile optimisation matters are visibility in search engines and the conversion of visitors into customers. Search is the main acquisition channel for most online businesses. According to a Conductor study, 64 per cent of web traffic comes from search engines.

Mobile search is growing too. Last year Google announced that of the 100 billion searches it deals with monthly, more than half now come from mobile devices.

Google has been pushing mobile optimisation in a big way recently and its dominance of the search market means businesses must pay attention. Google is sending clear signals that visibility on mobile



search is dependent on optimising for mobile users.

The biggest such signal was the introduction of a mobile-friendly algorithm in April 2015, which uses factors such as whether text is easy to read and the speed of loading the site on mobile devices to rank mobile search results.

The drive towards mobile has continued and Google launched the Accelerated Mobile Pages (AMP) project that strips out elements which cause web pages to load more slowly on mobile, such as ads

from third-party servers. Sites that implement AMP will load faster and publishers using it are featured more prominently in mobile search results.

If businesses want to be found by mobile users on search engines, a mobile-optimised website is a must. A good starting point here is Google's Mobile Friendly search tool, which tests how your website performs on mobile devices and offers feedback on issues that may harm mobile rankings.

The other key factor is the ability to convert visitors into customers and this will depend on how well a site caters for different devices. Typically, conversion rates on mobile are lower than desktop, because it's often easier to carry out tasks such as completing forms and entering payment details on a larger screen.

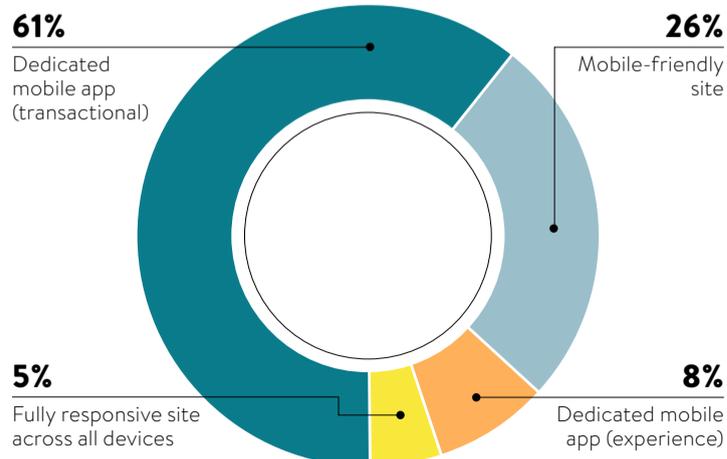
Businesses need to identify points of friction for mobile users and find solutions to make it easier to buy from mobile sites. Often the solutions can be found in mobile technology. For example, Booking.com allows users to scan card details using a phone's camera to take some of the work out of form filling.

User intent is very important here too. Effective mobile design doesn't simply seek to recreate the main website to fit a smaller screen, but looks at how and why people use a mobile site or app.

Brands need to find out about their users. Which mobile devices

HOW COMPANIES HAVE OPTIMISED THEIR E-COMMERCE OFFERING

Survey of UK and European retailers, travel and tourism operators, and retail banks



Source: Urban Airship 2016

Mobile websites are on the march...

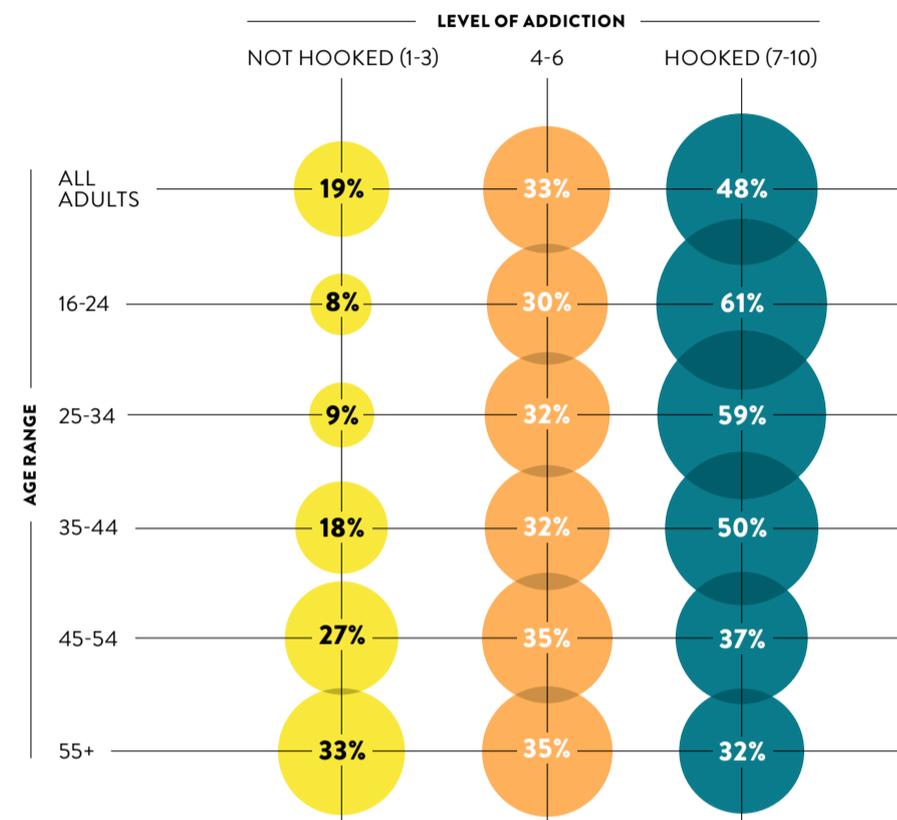
mobile site is now a must for any online business



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MOBILE ADDICTION IN THE UK

Survey of smartphone users, who self-assess on a scale of one (not at all hooked) to ten (completely hooked)



Source: Ofcom 2015

are they using? What is the target demographic? What is the context of their visit to your mobile site? Which tasks are they looking to carry out?

For example, banks provide apps and mobile sites to allow customers to check their balances and carry out key tasks on the move, while some retailers will optimise their sites according to the most common user requirements.

There's scope for increased sophistication in future too, as mobile users provide a lot of contextual cues which brands can respond to. These include location, time of day, and factors such as the type of connection: wi-fi or mobile internet.

Another example is a retailer could detect that a user is near their physical location and tailor content to them, showing local product availability, offers or directions and store information.

Many of the brands that are now seeing results from mobile spotted its potential a few years ago and invested time and resources into the technology required. Two such companies are Schuh and Domino's Pizza.

Domino's recognised the context in which many users ordered pizzas and the importance of mobile to this. It's about convenience and ease of use, and the company has invested in mobile sites and apps to provide this for customers.

These features include an "easy order" system, whereby users can

place a pre-defined order with one click, and the pizza tracker, which tells hungry customers when their order will arrive. Saved payment and address details take the work away from ordering and help to increase customer loyalty.

This mobile focus has paid off for Domino's. In the 26 weeks to June 2016, mobile sales grew by 35 per cent and mobile accounted for 62 per cent of total online sales.

Schuh has also thrived by en-

“
The two major ways in which mobile optimisation matters are visibility in search engines and the conversion of visitors into customers

sureing that the foundations of its mobile strategy are solid before adding more advanced features. Its deputy head of e-commerce Stuart McMillan says the biggest untapped potential in mobile is actually pretty obvious as many mobile-user experiences are broken and most sites are leaving money on the table through poor usability.

“Mobile web should be a shopping experience par excellence,” he says. “But it needs to start with the basics. Is the site well constructed, fast, accessible? Does it make sense? Can your granny use it?”

Schuh's mobile traffic has rocketed since around 2012 and now represents perhaps the most important single channel. Some 42 per cent of its transactions now come from mobile, while 89 per cent of mobile consumers have only shopped through their mobile devices.

However, no channel exists in isolation and mobile has a vital role to play in a multichannel experience. Mr McMillan refers to mobile as “multichannel glue”.

“While mobile conversions are generally lower than desktop, our data shows us that customers are carrying out a wider variety of tasks on mobile. They are more likely to look at the store locator, and more likely to use click-and-collect services. Mobile customers are on the move and their needs are often more urgent,” he says.

The oft-mentioned customer journey is key, though Schuh have found that the typical journey doesn't exist and the aim should be “a web experience that makes sense no matter what journey you take, connecting sessions across devices and across time”, says Mr McMillan.

He adds: “They want to browse on desktop at lunchtime, continue

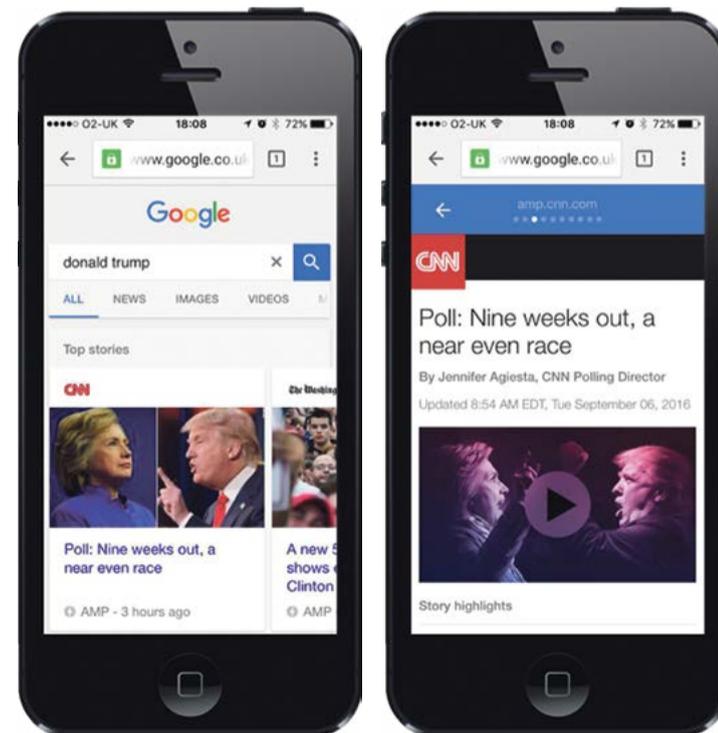
on the way home on mobile, then place a click-and-collect order at 9pm that night on their tablet and pick it up tomorrow lunchtime. And so on.”

The lesson here for online businesses is that mobile is no longer simply a box to be ticked. Instead mobile should be at the centre of any online strategy. A mobile site or app needs to be effective in converting visitors, but should

also work with other online and offline channels.

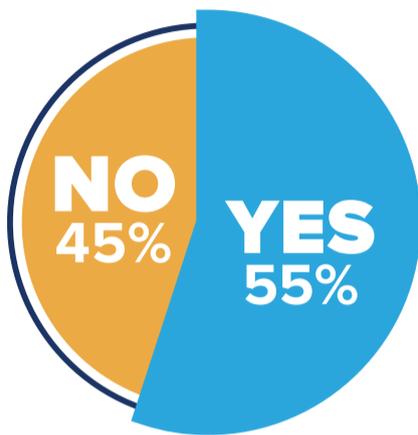
Companies such as Schuh and Domino's have spotted this, and are now in a position to improve the omnichannel experience further. At the same time, some of their rivals are still working on the basics.

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RIGHT Google has launched Accelerated Mobile Pages to improve load time for mobile news search results

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