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THE REAL PROBLEM:

Getting and Keeping Customers

In today's Retail economy, buzz is constant. "How are you competing with Amazon?" "What are you doing to transform your business?" Retailers are comparing notes, and the swirl of questions makes it confusing as to which problems need solving.



The questions that are really important are: "What is your actual strategy to drive growth? How are you both attracting new clients and keeping them loyal to your brand?"

“What is your actual strategy to drive growth? How are you both attracting new Humans and keeping them loyal to your Brand?”

As a Retailer, in the past I needed segmented data to compete. Today, the more savvy Retailers know they need individual, human data views, across all of their functions. They also know they need to orchestrate that data, to drive and maintain the unique Human Experiences (HXs), throughout their customer's interaction with their brand. It's more than marketing messages. It's more than Customer Service. It's a carefully curated, synchronized flow of interaction between the brand and the human, at every step along the journey.

Retailers have information about their Customers. You may know what your Customer bought, when, how many, how often, and in which channel. You may know what geography your Customer lives in, their preferences based on segmentation and affinity groups, where they came from (online demand traffic and in the moment conversion trends), and what their Customer satisfaction score may be. You probably know what marketing and or pricing event can pop conversion and spike sales and/or conversion.

You most likely have a host of Customer attributions and characteristics to speak to your "knowledge" of your Customer. You may even be able to react to their online activities by putting a specific marketing message in front of them, at just the right time. Basically, you have a ton of data, and that makes us, as Retailers, really feel "good" that we know our Customers.

We want to challenge your thinking for a moment. Have you ever been in a personal relationship? You may know a lot of the information about your person, but how long and how often do you have to interact with that person, to really say you "know" them? Are you profiling your Customers, and interacting with them from that perspective? Or, are you treating them as a holistic human, whom ebbs and flows in their desires, passions, fears, and insights?

Translate that into Retail Business. How are you going to manage your Customer Attraction and Retention programs, across thousands or millions of potential humans, especially if you have to get to that level of knowledge with each one? Where do you begin?

Ask yourself, what is the goal? We believe you should focus your efforts on the Human Experiences (HXx), leveraging individual data about the human, contrasted with segment and insight trends. Use both structured and unstructured data to leverage compute power to analyze, in real-time, across your functional areas, for actionable results. Next, prioritize which of the functional areas you are going to tackle first, second and third. Finally, map out the future across your various functional areas, and take action.

Why is this a problem?

Many retailers invested in technology products to support the online Customer interactions over the past several years. This investment yielded an in the moment, curated, interaction with the online Customer. We see more often than not, that the underlying data used to support these online “personal” experiences is segmented data (e.g., “You bought X so you may like Y.” “Others who were looking at A also looked at B.” etc.). In these cases, it is important to understand if the segments are truly going to move the needle with the individual human and drive real value. Or, does the segment data simply make it easier for Management to manage?

Could you be driving additional growth if you really knew your Customer as human, and interacted with them from that data point?

As Executives, we need to make decisions based on data sets we can consume and understand. We are not computers. We cannot consume and process millions of data attributes and make in the moment decisions about our business based on each individual human characteristic or event. We have to plan, execute, and analyze our businesses, and that requires data sets that we, as humans, can understand, hence utilizing segmentation logic.

Historically, compute power made this problem manageable while compiling disparate data attributes and transaction based data sets, into segments. At the time, it was a radical step forward for Retail to use scientific data and analysis to provide reliable data and decision points that a business function can action and distribute. There are reams of data points about leveraging algometric formulas to identify the ideal in-stock rate, allocation and replenishment models, or marketing promotions, or pricing optimization formulas, and how in each case they can outperform the human decision every time (okay, let’s be honest. They can only be leveraged when they are implemented correctly and used by the business). The antiquated processes and tools that the historic brick and mortar retailers use are built on segmented data sets across the enterprise.

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Processes and reports were built around these segmentation data sets in order to leverage them inside the business. To this day, actions and decisions continue to be made based on what these functional data segments tell us.

There is good news and bad news about this approach. The good news is we can somewhat reliably forecast, plan, and run our business. We have trends and experience. This will continue to work, for now, but it is not sustainable in the new digital economy.

The bad news is the market has disruptors whom have entered into mix and do not follow these rules. Some of the biggest competitors leverage the modernized compute power and tools required to make decisions at a truly human level, across not only their marketing messages, but also their supply chain and customer touch. All three must operate together to solve the real problem, acquiring and retaining humans as customers, and interacting with them when and where the human individual wants.

Interacting with them when and where the human individual wants.

From finding the human, thru wooing, to converting, and continually engaging the human in your brand, retail has gotten complicated. Yesterday's technology and processes no longer work and make it very difficult for you to compete in the long haul.

Are you focused on the real problem, finding humans and retaining them for your brand? Do you have a clear vision about where you want to go to solve that problem? If you have a vision, have you operationalized it such that you are able to deliver upon what you set out to achieve? Is your plan holistic and will it really move the needle, or is it just another set of technology upgrades and implementations?

We challenge you to go beyond the current thinking. Challenge the status quo, and what and where individual data is more important than segmented data. Others are taking on the challenge. Are you?

Solving the problem

DARE TO DO BETTER.
BE BETTER.

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Managing Partner, Ashlee Aldridge, has over 20 years of experience as a CIO/COO leading business and technology teams for large-scale transformations. In her experience working with Fortune 500 companies, start-ups and privately held companies, Ashlee has managed to empower revenue growth, increase financial/regulatory process control, and radically improve the customer experience. Named one of the Top 10 Women in Technology in 2017 (Chain Store Age), Ashlee has a proven track record of creating, managing, and delivering more than 6 multi-year, cross-functional digital transformational strategies and programs. Managing teams of over 300 resources, and capital of over \$75M per project, Ashlee has demonstrated her ability to complete each undertaking on budget and on scope. She understands, first hand, the challenges and opportunities a leader faces when choosing, implementing and/or sustaining both technology and transformation initiatives, while driving innovative solutions that drive growth and promote efficiency.

