

Having It My Way

Technology has resulted in the transformation of consumer behaviour and the possibilities available in consumer experience as never before. Customization and Personalization, which used to be niche in the past, have become a necessity to build defensible competitive advantages. This trend has impacted the way many brands and retailers are designing their customer experiences at their retail touch points.

Both Customization and Personalization at customer touch points demonstrate and assist a company to be more responsive to market changes and hence push them to be more viably nimble. Often the two concepts, personalization and customization, are used interchangeably but are clearly different. Personalization is a goal and customization is the means to accomplish that goal. Customization, referred to as 'mass customization' or 'custom-mass-ation' is about building methods and processes by a brand or retailers to cater to its customers' personal needs resulting in a 'personalized offering'.

The idea of mass customization has been around for a long time. Remember Levi Strauss offered custom jeans for 10 years starting in 1993? But for some reason this never caught on. But in the recent years, some fantastic advancements in technology have made it easier for retailers to offer services of co-creation of products and offer efficient and timely fulfilment of the customized product. Availability of Big Data in online retail, which captures a wealth of customers' personal data, has made the concept of 'custom-mass-ation' as a hygiene need in its online UX (user experience) design. A 2013 Bain & Company survey of more than 1,000 shoppers online found that while less than 10% of shoppers had yet to try personalized products, up to 30% were interested in doing so and this is steadily increasing. In the physical shopping channel the trust for this concept is much higher owing to the advantage of touch and feel. Many brands and retailer in this channel have used this to create traction for customer preference and nudge up willingness-to-pay price points hence making businesses become more survivable in the battlefield of price wars across shopping channels.

Proof of Concepts in custom-mass-ation has shown that shoppers who have the ability to personalize their products are more engaged, purchase more frequently, and spend more per visit and hence push up retail parameters of footfall, ticket size and loyalty. The Bain survey also reveals that compared to customers who purchased non-personalized products, these shoppers visited sites 67% more and spent 15% more time, made purchases 22% more often with an average purchase price that was 28% higher.

Sellers of everything from fashion accessories to dress shirts, consumer packaged goods to food offerings are discovering the value of letting customers create their own unique products. This is being built into the store experience using technology, store design and presentation more often in flagship stores and also across all their customer touch points. Let's take a quick look at some global brands across completely different categories who have successfully used this in their stores to differentiate and be relevant to the new age shopper.

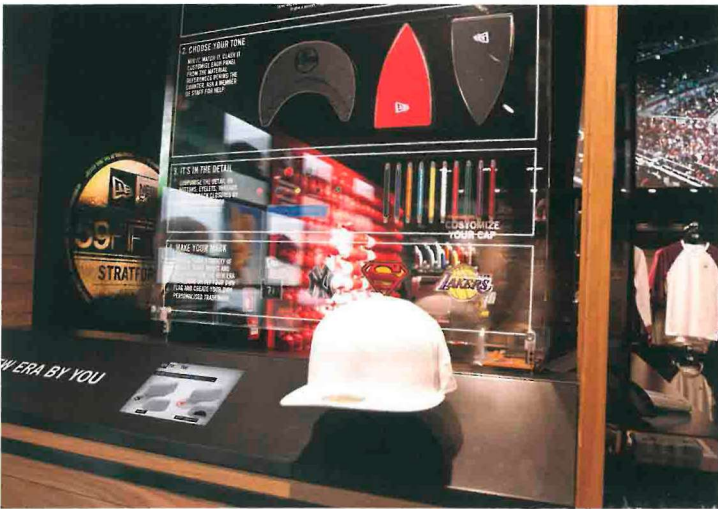
Sephora, The French beauty retailer owned by the LVMH group, has 1700 stores in 30 countries serving a diverse variation of consumer profiles. They have used the concept of custom-mass-ation to create a clear advantage in their category by offering services of seamlessly enabling a more personalized customer experience of matching shade to products with 110 skin tones in the Sephora's universe of offerings! They have found that It takes about seven tries to find the right foundation and with its ColorIQ personalization this is reduced significantly to find the right match to the skin tone. As part of the Beauty Insider program, a profile is created that can be accessed through mobile and

in-store digital device which is a boon for both shoppers and sales staff, who can recommend suitable products with deeper relevance.



(Pic source: www.isabellekringnes.com)

Mc Donald's the global QSR giant joined the custom-mass-ation club with its 'Create Your Taste™' concept which is all about making your very own gourmet burger with over 30 delicious ingredients to choose from. Customers place their orders on a touch-screen kiosk and then take a seat while their creations are made in the kitchen at the store. In about 10 minutes the bespoke burger is served directly to the customers. This has changed the perception of the mass QSR across the markets where this service has been launched to being a brand that is updated to times and the needs of the new age consumer.



New Era, the US international lifestyle brand with a history dating back over 90 years is best known for being the official on-field cap for Major League Baseball and the National Football League. The brand, worn as an attitude of self-expression differentiates with its key brand proposition 'Fly Your Own Flag™' by expressing one's personal style through their customized offerings. Store design features a special headgear power wall placed strategically to educate customers on the ten silhouettes (styles) of New Era caps with graphic call-outs explaining the function and fit of each cap. The 'New Era By You' service allows consumers to create unique personalized headgear right from scratch by selecting the materials, threads and elements and design the product with a user friendly digital application, that would give instructions for production and home delivery. ●

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