

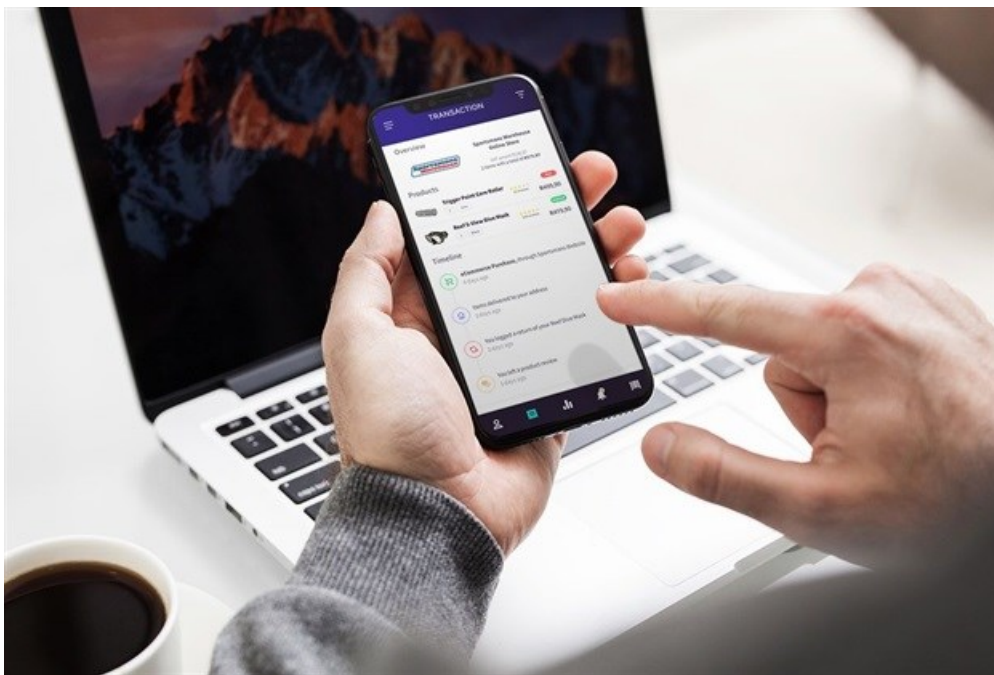
The hidden customer engagement tool lying dormant at every retailer

By [Daniel Logan](#)

8 Nov 2018

With two prime shopping periods ahead - Black Friday and the Festive Season shopping extravaganza - retailers are preparing for a bumper sales season to mitigate the slow retail sales growth experienced during much of the year.

Consumers have been under pressure from Vat hikes, petrol price increases and a stagnant economy. Spending has slowed and retailers have had to quickly adapt to ensure they can compete for share of wallet. There is great hope that the upcoming shopping period will restore some semblance of profitability and growth in these tough times.



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Customer engagement - a retailer's ability to capture and keep its customers' attention in order to sell more products more effectively - has emerged as a vital tool for retailers. Engaged customers not only spend more, but they are more satisfied with the overall customer experience and display greater loyalty than less engaged customers.

The bottom line impact is unquestionable: fully engaged customers represent a 23% premium in terms of revenue, relationship growth and share of wallet compared to the average customer. In a global study by Edelman, customers that continue to support a company or brand over time spent 67% more than new customers, raising the stakes for effective customer engagement strategies to maintain customers' attention and interest.

The great challenge of effective engagement

But this task of building strong customer engagement strategies is made all the more difficult by the confluence of several factors. The average human attention span has plummeted from 12 seconds in 2,000 to less than 8 seconds today. In fact, a Facebook study found users interacted with a single piece of content on the platform via their mobile phones for as little as 1.7 seconds before moving on to the next.

Part of the reason is consumers' unlimited choice: technology has made it possible for consumers to personalise vast parts of their lives by choosing from a virtually endless range of products, information, options and customisations. Any engagement activity that requires this type of customer to change their habits in a fundamental way is doomed to fail: the convenience of modern life simply makes it too easy to find a less demanding alternative.

To increase their customer engagement capabilities, retailers are investing in a range of technologies to better understand their customers based on accurate data, and then to introduce a variety of offers and other value-adding services based on this data.

The modern customer engagement toolkit includes loyalty, rewards, discounts, mobile payments, data and analytics, and advanced business intelligence capabilities that assist retailers with creating individual customer profiles for improved engagement. By digitising their customers' preferences and purchasing habits, retailers gain access to a goldmine of data. But having the data is not enough: the true value lies in mining that data for actionable insights that drive revenue and profit.

The unifying (and vastly underused) customer engagement tool

The challenge with these tools is that different types of customers - whether by age, cultural background, lifestyle choice, need-state or geographic area - want their engagement to take different forms, whether it's loyalty, mobile payments, discounts, improved marketing communications, or value-adds that fall outside the retailer's product offering (think Kauai smoothies for Vitality members, for example).

Research backs this: according to Gallup, 25% of millennial shoppers are fully engaged customers, but their engagement is highly dependent on technology. Having a proper omnichannel strategy in place that incorporates all the various forms of customer engagement can be prohibitively expensive and highly complex to implement.

However, a dormant and often overlooked tool is within reach of every single retailer with a card or cash payment facility (which, let's face it, is every retailer). The humble receipt has quietly evolved into an accessible digital tool that creates a direct and seamless channel for cost-effective customer engagement. Digital receipts, sent to a customer's smartphone via SMS, MMS or email, contains all the information needed for proof of purchase, warranty and insurance purposes, but offers so much more in terms of engagement.

Through a single once-off on-boarding, retailers start gaining deep insights into the purchasing habits of customers whether they're paying by cash or card, and with every purchase, a digital receipt can be sent that contains value-adding information or offers linked to that customer's purchasing habits. It's a non-invasive means of opting customers into a retailer's customer engagement activities that delivers on-going value to both retailer and customer.

With the peak shopping period at our doorstep, retailers are understandably focused on ensuring they make hay while the sun still shines. But it's an opportune time to also start thinking of how to improve their competitiveness once things inevitably quiet down in January. Digital receipting may just be the tool that retailers need to start engaging more effectively with customers in a cost-effective, non-invasive way. What are you waiting for?

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