

Shopping in the Digital Age



Introduction

With the emergence of smart devices and allied technologies, there is a marked difference in the way people are shopping. Today's shoppers want superior shopping experiences and are not as easily impressed or influenced as the shoppers of the past. A growing number of shoppers are using internet and smart phones for their shopping. These technology savvy consumers are fast changing the rules of shopping in general and e-commerce in particular.

Customers also want to use multiple channels for their shopping and this behaviour is constantly evolving. A 2012 PwC survey¹ reveals that a majority of the shoppers want to research their products online before purchase. Online research is not only critical for their online purchase, but also for physical shopping later on.

For instance, a consumer planning to purchase an LED TV is likely to first research online, read numerous expert reviews or user blogs, and compare prices before narrowing down on a size and brand and even the place of purchase. Until few years back, a consumer would pop into a store and purchase a gadget based on the sales persons' recommendation; but, it is becoming increasingly less likely these days. The trend doesn't stop at just electronics or big luxury items. Rather, pre-shopping has become a huge part of modern consumer behaviour and encompasses all kinds of shopping categories. With information available right at one's fingertips, it is difficult not to check-out reviews of a new restaurant or movie. Google has termed this online decision making moment the Zero Moment of Truth, or ZMOT. In this paper we will examine the concept of ZMOT and delve into how enterprises can focus their energies on winning the on ZMOT. This has proven to deliver very high ROI metric

Understanding ZMOT

The traditional marketing approach has long since been based on the three phases shoppers undergo prior to making a purchase. This decision-making process typically included the following steps -

1. The stimulus – usually a commercial or word of mouth or an advertisement on TV showing the key features of the product
2. The First Moment of Truth – the key juncture at which a consumer decides to purchase the product. At this point, the customer goes to a store to know more about the product, learn about the product features in detail and the available substitutes.
3. Second Moment of Truth – the actual customer experience of the product. In this example, the actual usage of the TV and the customer experience from it.

In recent years, however, the buzz around ZMOT has been growing and it is now considered as the new phase between the stimulus and FMOT.

“ZMOT is that moment when you grab your laptop, mobile phone or some other wired device and start learning about a product or service you're thinking about trying or buying.” - Lecinski

¹PricewaterhouseCoopers. (2012). Understanding how US online shoppers are reshaping the retail experience, http://www.pwc.com/en_US/us/retail-consumer/publications/assets/pwc-us-multichannel-shopping-survey.pdf



Which brings us to the ultimate question - What does ZMOT mean for businesses? As Jim Lecinski says, "Are you prepared to win the Zero Moment of Truth?"

Winning the ZMOT Challenge

The modern consumer is highly demanding and fickle and this is amply reflected in a high shopping cart abandonment rate of 65%. These consumers want the best deal and experience and they are no longer hesitant to switch to another brand with a better offering. So what can companies do to succeed in this world of the savvy consumer? The answer is to seal the deal by starting early in the shopping process, and provide as much information as possible in the shortest span of time.

4 key ways to win ZMOT:

1. Understand your buyers

It is necessary to track and analyse the huge volumes of data to understand what your customers are looking for and how they find the products before purchasing them. The goal is to give your buyers what they want through targeted campaigns. A major advantage of digital commerce is that everything is measurable now – be it through page views, clicks, time spent, etc. With customer predictive analytics at hand, companies can capitalize on this information to create a comprehensive repository of their customers' shopping behaviour and buying patterns

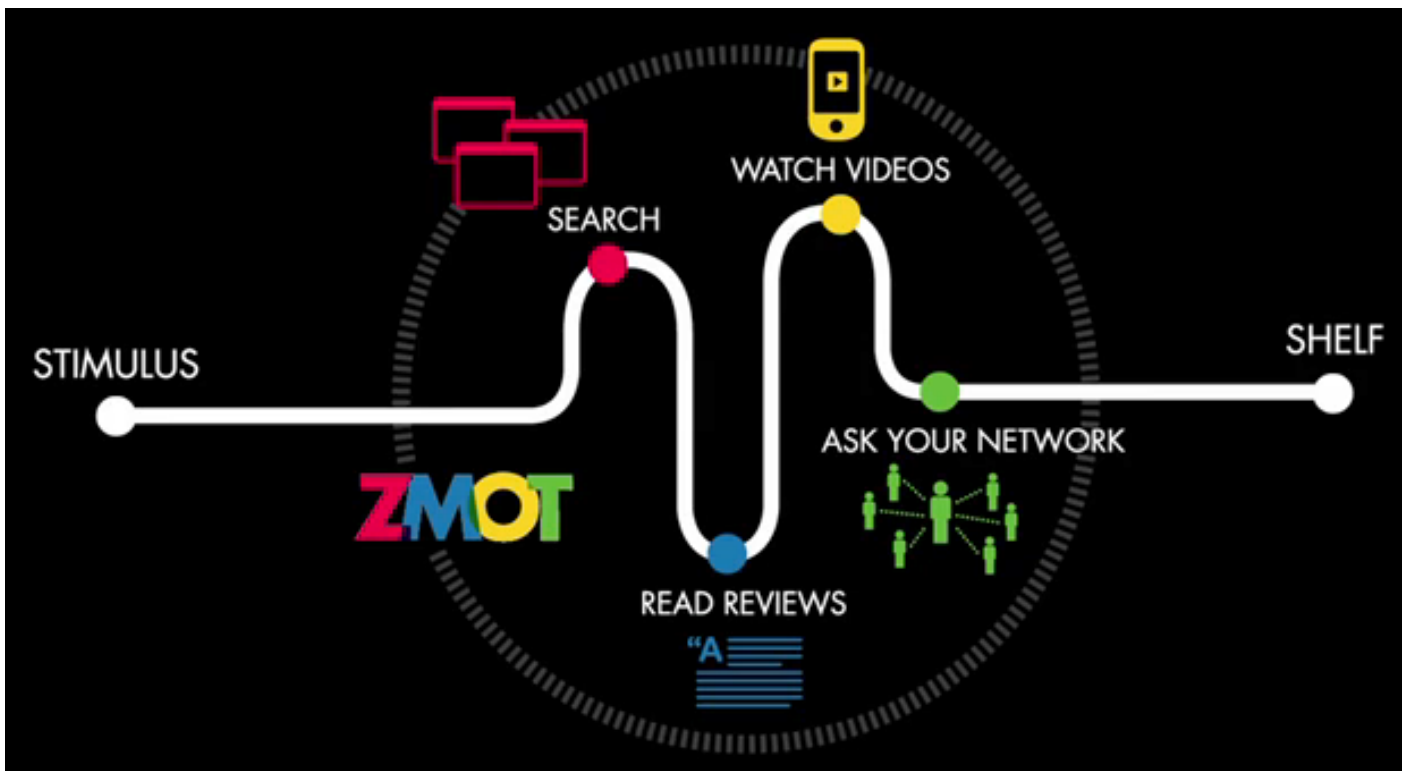
2. Keep your content relevant

Content is everything in ZMOT – the key is to make information easy to find for the modern consumer during research. As a key reference point, it is crucial to ensure that consumers have access to detailed information on your website, right from your product suite and shipping and payment charges to even comparative prices and products specs of competitors. It does not stop there though - with user generated content gaining significance, companies need to focus on generating and inspiring interactive and responsive content across all forums, including blogs and social media sites. This user generated content is not only important for customers but also for companies to develop relevant offerings.

The content should also go hand-in-hand with the customer's shopping behaviour, meaning, it is not only enough to have extensive content, but it should also be available at the right moment. For example, if there is an offer for a product that the customer is searching for, the offer should be available to him/her.

Optimizing content for the web can be the key to success - what does that mean?

- Web and search engine optimized product descriptions
- Web friendly product titles and headlines
- Easy to read product features



3. Search is an important tool

Search is at the heart of ZMOT and the key is to optimize your website's page titles and meta data to increase online visibility. While consumers are likely to initiate searches on popular search engines such as Google, Yahoo or Bing, a search engine within a website is equally important. An intuitive search function with filtering options enable customers to search on your online store easily thus improving the overall shopping experience and translating to higher sales conversions.

Over 50% of shoppers used search engines to research a product before purchase. This is probably the beginning of ZMOT for your customers. Search puts your information out there under the customer's purview and so it is essential for a business to get this right. Taking the example of our TV buyer, the purchaser is likely to take cues from the stimulus (which is the ad), and try typing those terms on a search engine. He/she is likely to type in "LED TV", "Best 52 inch LED TV" or "<Brand Name> LED TV". If the search results contain the product and your website selling the product, then it is more likely that the customer will have a stronger inclination towards purchasing your product.

The aim of the search should be to lead the customer to the right information. The bounce rate (the rate at which people just arrive at a page and leave) should also be watched closely. This will reveal if your site is optimized and also about the content of the site. It is advisable to optimize your website for ZMOT by adding the related keywords and meta tags which then lead to the killer content on your website.

Understand the search engine mechanism and design your SEO strategies accordingly. For instance most of the search engines would pick up unique and fresh content. So it would help to have unique and accurate product descriptions which must be constantly updated. This would direct more traffic to your online storefront. Apart from the keywords, think about the other means by which customers can reach your website. Be receptive to conversations on the internet about your website and also about your competitors.

Here are some of the areas to look out for while optimizing your site for ZMOT:

- Make sure your site loads faster. Faster and efficient websites are ranked higher than slow, heavy sites.
- Have a good site structure. This makes it easier for the search engines to crawl and index your site. Having a clear product hierarchies and sub categories is a must to improve your customer experience.
- Remove duplicate and old content. As explained earlier, having unique content will boost the ranking of your online store.
- Build backlinks with quality websites such as popular product blogs and forums. Remember, it is not the quantity of the links, but quality that matters. You can build links by tying up with popular blogs, submitting editorial content such as press releases etc.
- Finally, establish strong social media presence as newer search engine algorithms rank social media influence higher.

4. A multi-device approach

With consumers increasingly turning to their smart phones and tablets to get reliable information while on the move or even at the store, marketers can no longer afford to ignore this aspect. It has become common for consumers to initiate a search on a smartphone and close it on a tablet or a PC or even in-store. The onus is on delivering the same convenient web store experience across multiple channels and this can go a long way in influencing ZMOT.



Conclusion

Customer loyalty and retention are the cornerstones of a successful business in today's volatile economy. However, the importance of good customer service and creating quality experience has never been as closely scrutinized as it is today with consumers becoming increasingly empowered by the advent of social media and mobile technologies. ZMOT is all about connecting with the customer and truly understanding what they need and what they are looking for. As consumers enter a new era that is continually being transformed by digital media technologies, ZMOT is increasingly becoming the key make or break point. The retailers should now develop intuitive strategies that not only direct traffic to their web stores but also convert the undecided consumer into a buyer. And this can be achieved by being available at the right place at the right time and right at the ZMOT.



About Unilog

Unilog is a global technology and services company that specializes in Big Data Analytics and Product Data Management for e-commerce. Headquartered in Bangalore, Unilog is an ISO 9001:2008 and ISO 8000 certified company that employs over 300 people in its local offices at Mysore and Philadelphia. Unilog's comprehensive, end-to-end data management services cater to the requirements of leading brands across industry verticals including Retail, Telecom, IT, Manufacturing, MRO and Electrical & Electronics among others.

For more information, visit us at www.unilogcorp.com

Contact us

Corporate Office
Unilog Content Solutions Pvt. Ltd.,
#11, 15th Cross, 20th Main,
J P Nagar 5th Phase,
Bangalore – 560 078.
Tel: +91 80 2659 0721 – 22

Content Development and R&D Center
No.579/2, 1st, 2nd & 3rd Floor,
Gunamba Towers,
D.Subbaiah Road, Lakshmipuram,
Mysore - 570 004.
Tel: +91-821-309 2500

US Office
Unilog Content Solutions, LLC.
985, Old Eagle School Rd.,
Suite 510,
Wayne, PA 19087.
Tel: +1 484 580 8933