

## Global research reveals APAC online retailers leading in user experience (UX) but lagging in omnichannel capabilities

APAC ecommerce 2nd equal globally for user experience (UX) but only 14% of APAC online retailers offer omnichannel capabilities. Australian online fashion store, The Iconic is top omnichannel marketing brand in APAC. 19 November 2020, Sydney Australia: Digital retailers across the APAC region (Australia, New Zealand and Singapore) are offering shoppers a strong online user experience (UX), scoring 61% globally – second only to the UK (65%) and in-line with US brands, according to data from dotdigital, the leading omnichannel marketing automation platform. However, while UX performed well, online retailers still needed to improve their omnichannel marketing capabilities in order to capitalise on increased ecommerce revenues, which have been accelerated by Covid-19. Original research in the Hitting the Mark report, which benchmarks the digital marketing tactics adopted by 100 ecommerce brands around the world, shows while brands in Australia, New Zealand, and Singapore are making headway by tapping into customers' demands for easily accessible communication, they are missing the mark when it comes to the basics when it comes to data use, personalisation, and integrated marketing communications. This means retailers could be losing out on online revenues at a time when ecommerce demand is soaring; the disruption caused by Covid-19 has accelerated the uptake of ecommerce globally, with online sales in Australia up 41% YOY.<sup>1</sup>

Australian online retailers need to improve data consent process. Customer data is the oil that fuels excellent customer experience (CX) online, with demand for personalisation in online shopping journeys rising 123% in the last 6 months.<sup>2</sup> However, of the 100 global brands featured in the report, APAC scored the lowest when it came to clear data consent criteria. Retailers need to work harder to make their Terms of Use and privacy policies more obvious at the point of subscription to improve integrity and customer trust – if a subscriber is well informed at the point of sign-up, they're less likely to unsubscribe from marketing communications in the future. 80% of retailers in the region surveyed sent new customers a welcome email, but just 29% of brands optimised their welcome programme, meaning they are missing crucial opportunities to gather further customer information to power personalisation in future communications to drive conversions and improve sales. Omnichannel capabilities lagging. Despite omnichannel experience being recommended by KPMG as a key investment for Australian ecommerce businesses to benefit from the upswing in online sales post-Covid-19,<sup>3</sup> just 14% of businesses utilised omnichannel marketing tactics, 4% below the global average of 18%. Brands in APAC are still over-reliant on email to reach customers, with just 10% of businesses adopting SMS as a communication channel, with similarly low uptake of push notifications, missing the opportunity to communicate with the 24% of Australian shoppers who prefer to shop via mobile.<sup>4</sup> Australia's The Iconic leads the pack. One retailer bucking the omnichannel trend is previous Hitting the Mark winner, THE ICONIC, which was listed as one of five top global brands for marketing communications. As the most downloaded fashion app in Australia, its use of push notifications was commended for using compelling content to drive shoppers back to the app time and time again. However, the brand was called out for a lack of live chat function to communicate with customers in real time. The top marketing brands in APAC are 1. The Iconic; 2. HipVan; 3. Cotton On; 4. The Warehouse and 5. CHARLES & KEITH. While globally 71% of brands have bots or dedicated customer service teams manning social media channels, providing an 'always on' service for customer queries, these channels were not widely adopted or utilised to their full potential in APAC. Given customers spend an average 3.5 times more with brands when they are engaged on multiple channels, retailers that don't adopt a multichannel approach to their marketing campaigns will be missing out on substantial revenue. Aparna Gray, APAC Head of Marketing, at dotdigital commented: "It's great to see APAC brands making significant progress in improving customer experience, however, currently they aren't setting the bar high enough for a customer-centric strategy. The ultimate customer experience – the one that exceeds customers' expectations and drives sales – is created when brands combine customer data with omnichannel journeys and user experiences." "Brands are working hard to gain customer confidence and acquire data, but they're stumbling at the final hurdle. Data drives relevancy which improves experience and keeps shoppers engaged. Retailers need to review their marketing operations to ensure they aren't missing out on a large chunk of potential revenue in a market that is rapidly accelerating as a result of Covid-19," Aparna concluded. For more actionable insights on the strategies ecommerce professionals and marketers are utilising globally, and what this means for retailers and business leaders looking to build these capabilities into their operations, download the full report: Hitting the Mark, Global Ecommerce Benchmark Report 2020 -ENDS- Notes to Editors: Australia Post 2020 Ecommerce Industry Report True Fit 2020 KPMG Insights 2020 Coronavirus Retail Survival and Revival Deloitte Mobile Consumer Survey 2019 Report Methodology dotdigital's Hitting the Mark benchmarking report looks at the tactics ecommerce brands should be adopting to overcome key marketing challenges. Spanning across three continents and 12 countries, it scored 100 brands against criteria ranging from email best practice to omnichannel adoption and user experience. Every brand was randomly selected and objectively scored depending on their adoption of these tactics.

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