

WAVESTONE

Modernize 1-to-1 Client Relationship

Luxury

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Modernize 1-to-1 client relationship to address new challenges

Luxury companies have understood the importance of putting the client **experience at the heart of their strategies**. We have indeed moved from a transactional economy to an experiential economy. Client relationship management is a key pillar of the sector, as it enables companies to meet the challenges of consumer loyalty and consequently increase the client lifetime value.

Challenges of personalized client experience



Seamless experience within the emergence of new models (online/offline, metaverse...) based on client's desires



Capture and capitalization on the client data with its constraints (ex: end of third-party cookies)



Constant internationalization with the increase of traveling clients and consideration of conformity/regulation aspects

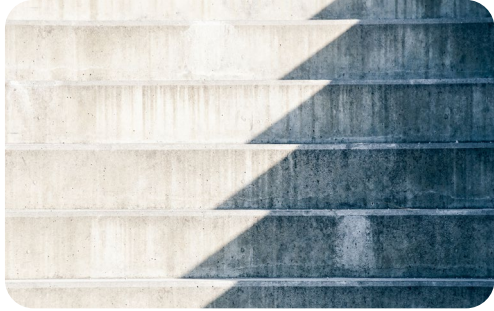


Rise of data privacy and compliance rules with inclusion of specificities of the markets (ex: China)

The aim in achieving these objectives is to create **longer-lasting relationships**. To do so, companies need to modernize client relations by **defining a clear, global strategy around an ideal client experience that considers all touch points** (online/offline, international, etc.).

Concrete use cases with clienteling

Here are some **use cases of the added value** of technologies, collected & analyzed client data supporting your customer 1-to-1 relationship.



Consumer tier upgrading

Thanks to your clienteling tool, identify clients that could potentially upgrade loyalty tiers (or segmentation) with a purchase or an experience. Contact your client through the tool to present the benefits of this upgrade and encourage them to take the step



Private event

To develop client loyalty, filter your point of sales client list based on their profile and history to identify and invite the right client to the right event (fashion shows, exclusive sales, new product releases, masterclass, etc.) based on their profile, history and preferences:

- Most purchased category of products
- Previously attended events
- Interests











Spontaneous interaction with a client on site

Sales representatives can initiate an exchange with the customer based on his most recent experience (product promotion, purchase, event attendance, etc.). This experience is known thanks to the capitalization of customer profile data. This knowledge can be used to guide the conversation and convert the experience into a sale.







Modernization of the relationship benefits all stakeholders

Modernizing the 1-to-1 client experience can benefit the clients, the sales advisors, and the brand.







FOR THE CLIENTS

-  Ownership of experience through omnicanality
-  Personalized products
-  Personalized events
-  Personalized services & unique experience
-  Access to exclusivities
-  Consistent quality of service
-  Feeling valued
-  Time saving

FOR THE SALES ADVISORS

-  Valued through the ambassador role
-  Maximized human potential
-  Improved well-being at work
-  Adapted resources
-  Better client relations
-  More time dedicated to client advisory

FOR THE BRAND

-  Increased client lifetime value
-  Better understanding of client's new expectations
-  Improved marketing offer
-  International client's follow-up
-  Brand image towards new generations
-  Sales advisors retention and improved expertise
-  Measure the ROI of the implemented strategies

Modernization is an agile and continuous process

DREAM BIG

Objective: Define a long-term strategy towards the client's ideal experience.

Key steps:

- Define the target client experience and the main objectives: what types of personalization, services, out of store animation for which type of client? How to connect the online and offline experience, etc.
- Identify the prerequisites and dependencies as well as the transformations required: new services, upskilling, organization & processes, data, tools, integrations, etc.
- Drive the ecosystem global transformation, including company inputs, service evolution, roll-out of annex projects, etc.

START SMALL

Objective: Launch a pilot as soon as possible with the existing resources and enrich it over time through an agile methodology.

Key steps:

- Launch a pilot on a target market or points of sale based on a minimum valuable personal client experience that capitalizes on the as-is.
- Roll-out the current experience progressively throughout the company by scaling up the pilot solution and setting up a support model.
- Build & enrich the model in parallel with new features, new services, new data based on feedback from the field and deliveries of the global transformation.

MESURE PERFORMANCE

Objective: Monitor the execution of the strategy (service availability, usage & adoption) and measure the impact on business performance to validate ROI.

Keys to define your ideal client target experience

5 questions to ask yourselves when defining your strategy:

1. What are the business objectives? What are we aiming to achieve in terms of performance? (loyalty, satisfaction, more sales/client...)
2. What are the targeted clients and their characteristics? (taste, expectations, buying behavior, preferred touch points...)
3. What perception of the experience do we want the clients to have? What vision? (exclusive, immersive, what emotions, what values...)
4. What client experiences do we need to provide in order to achieve our goals? (services, touch points, journeys...)
5. What are the required evolutions of the current client experience to reach the desired target experience? (technology, training, processes...)

DON'T

- Consider the personalized experience as the goal itself
- Limit yourself to what is existing and the current constraints (Human, data, technologies...)
- Make decisions without consulting your field teams
- Consider the project as only building an application for the sales advisors & clients
- Think only about the client

DO

- Define the expected business benefits
- Consider the offline & online client journey as one experience
- Ask yourself how to measure & evaluate the efficiency of the new strategy
- Allow your strategy to be adaptive to maintain an exclusive & trendy edge
- Consider the project as releasing a new service with business goals
- Consider both the client & sales advisor experience

The 4 key pillars of ecosystem transformation

The modern client experience is supported by 4 main pillars that will require transformation to reach your established ideal experience.

Establish common tools

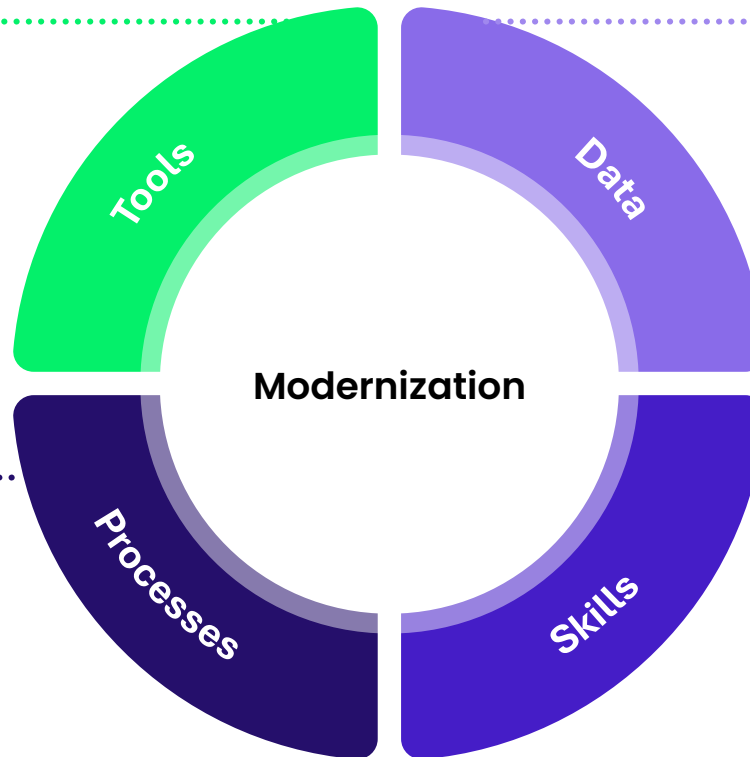
Offer a personalized experience based on the client's profile, while retaining the same reference points whatever the channel used.

- Optimize access to key client information
- Deliver a knowledge-driven experience
- Rationalize tools and facilitate sales advisor activities

Align processes

Align processes at company level to ensure continuity in the relationship with each client.

- Define cross channel processes to support the omnichannel client experience
- Ensure consistency of experience regardless of channel, sales advisors or country
- Set up the Target Operating Model that will ensure performance and business continuity



Capture client data with intent

Setup & improve data collection and processing based on business use cases.

- Optimize data collection & sources
- Set up data governance
- Ensure data privacy & consent

Enhance skills

Highlight sales advisor values and train them on the positive aspects of modernization.

- Train to new models, process and tools
- Develop new behaviours
- Capture and capitalize on client information within the scope of the law

Continuous evolution of the 1-to-1 Client relationship service



*Minimum viable product

Measuring the success of a modernized 1-to-1 relationship

To ensure the viability of the client relationship personalization, it's important to define and monitor the key indicators that represent the business success of this initiative.

Monitoring the performance

Business impact KPIs examples

Conversion rate improvement:

- Percentage of Clienteling tool sessions that led to a purchase (offline or online) vs normal conversion rate on the same population

Average Order Value (AOV) increase with Clienteling:

- AOV with Clienteling vs AOV without Clienteling
- Measure the impact of the intensity of the relationship with the brand

Purchase frequency improvement:

- Purchase frequency of customers with Clienteling sessions vs Purchase frequency without Clienteling

Omnichannel services adoption rate:

- Percentage of consumers with Clienteling sessions that had at least 1 service online & 1 service offline

Monitoring the service availability

Stability & Adherence KPIs examples

Monitor the adoption rate of the sales advisors:

- Number of Clienteling sessions initiated / total store visits
- Number of customers contacted vs number of target customer

Monitor detailed usage of clienteling:

- Most used features
- Least used features

Monitor the service availability:

- Number of application incidents
- Average down time

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