Challenges and trends of creating value through superior 'product experience' in 2021

✳ Sales Layer

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Sales Layer: a commitment to the future of ecommerce

Your goal is to design and expand an online strategy through different channels and marketplaces that reach distributors, sellers, and digital consumers on multiple markets. Our mission is to provide you with agile tools and add more and more services that automate and enrich your daily work and your catalog. This ebook tells you how to improve your product experience to get more sales and customers and face all the future challenges for commerce.

If you would like to discover other materials related to the management and quality of product and catalog content, visit Sales Layer's **resource center**, or request a **personalized session** with our team.

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Introduction

> **"**
>
> **It is no longer enough to build the next generation car, music player, crane or plane to satisfy customers. Companies need to provide a superior experience to their rivals, from the point a customer shows interest in a product, through the research and purchase, to long after they own the item, with a series of services to keep the customer delighted**
>
> Richard Holman, managing director, Accenture Strategy.

Customers no longer base their loyalty on price or product. They stay loyal with companies due to the product experience they receive. The effects of COVID 19 plus has accelerated customers towards the expectation and desire for a new lifestyle behaviour based on convenience, health, mobility and the smart home. Now how products provide purpose and function are driving the value customers get to further engage and stay loyal with brands.

Product Experience has been previously defined as: "the awareness of the psychological effects elicited by the interaction with a product, including the degree to which our senses are stimulated, the meanings and values we attach to the product, and the feelings and emotions that are elicited" (Schifferstein and Hekkert, 2008:) However the term is now being used by some to define how organizations are leveraging new technologies in a fast-moving digital environment to deliver distinct, personalised and engaging customer experiences—based on contextualized and enriched product content—as they research, shop for, and buy products.

When organizations are able to combine product information with actionable customer insights, they are able to deliver exceptional product experiences across all channels to increase customer loyalty, sales and margins.

However If you cannot keep up with their increasing demands, or that inconsistencies appear in the information or experience provided, your customers will leave you.
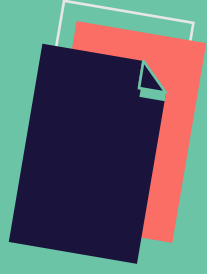
For this reason many B2C and B2B brands are using sophisticated tools like enterprise Product Information Management (PIM) systems to match enriched product information with customer insights. In this way brands can develop a superior 'product experience' in a consistent and engaging manner throughout the omnichannel ecosystem.

The systems manage copious amounts of product data and help speed up time to market for new products, improve operational efficiencies by automating workflows in highly competitive markets. By centrally managing the product data, enriched by customer insights, purchasing behaviour and usage patterns, personalised information is supplied accurately and efficiently across all touchpoints.

As new technologies like 5G network roll-out or IoT applications embedded in products, become commonplace, so new consumer centric interfaces such as AR/VR, robotics and voice activation will provide more engaging product experience to improve the customer journey.

However there remains many challenges for brands to continually deliver a superior 'product experience' as challengers enter the market with new ideas. At the heart must be their ability to deliver product 'value' through customer-centric thinking.

What is Product Experience and how does it differ from Customer Experience?

Product Experience is a subset of User Experience and is a combination of customer journey and engagement with the product.

It focuses on the total of the customer journey that takes place within the product itself. It's from the first time a customer logs in until the final time they quit using an application. As SaaS becomes the primary software delivery model, more of the customer's engagement with a vendor takes place within the product. It's where users get onboarded, where they learn about new features, and where they ultimately realize value. Everything occurring within the digital "four walls" of a product contributes to the product experience.

However to make a product standout for a customer, it's never about the product or its features. It has always been the value it and the overall product experience it delivers.

One of the biggest challenges for brands today is recognising and using customer data or try to understand how they are using the product, why they are using it to bring real value for the customer. In some organisations product management and the development teams are often too close to the product, it's common to see them get obsessed with the product features.

Customer experience by comparison is the impression customers have of a brand as a whole throughout all aspects of the buyer's journey. It results in their view of the brand and impacts factors related to your bottom line including revenue. The two primary touch points that create the customer experience are people and product.

Is the performance of the product as specified?

Is the buying journey quick and easy to follow and seamless?

Was the website clear provided the right information?

These are just some of the aspects that make up Customer Experience.
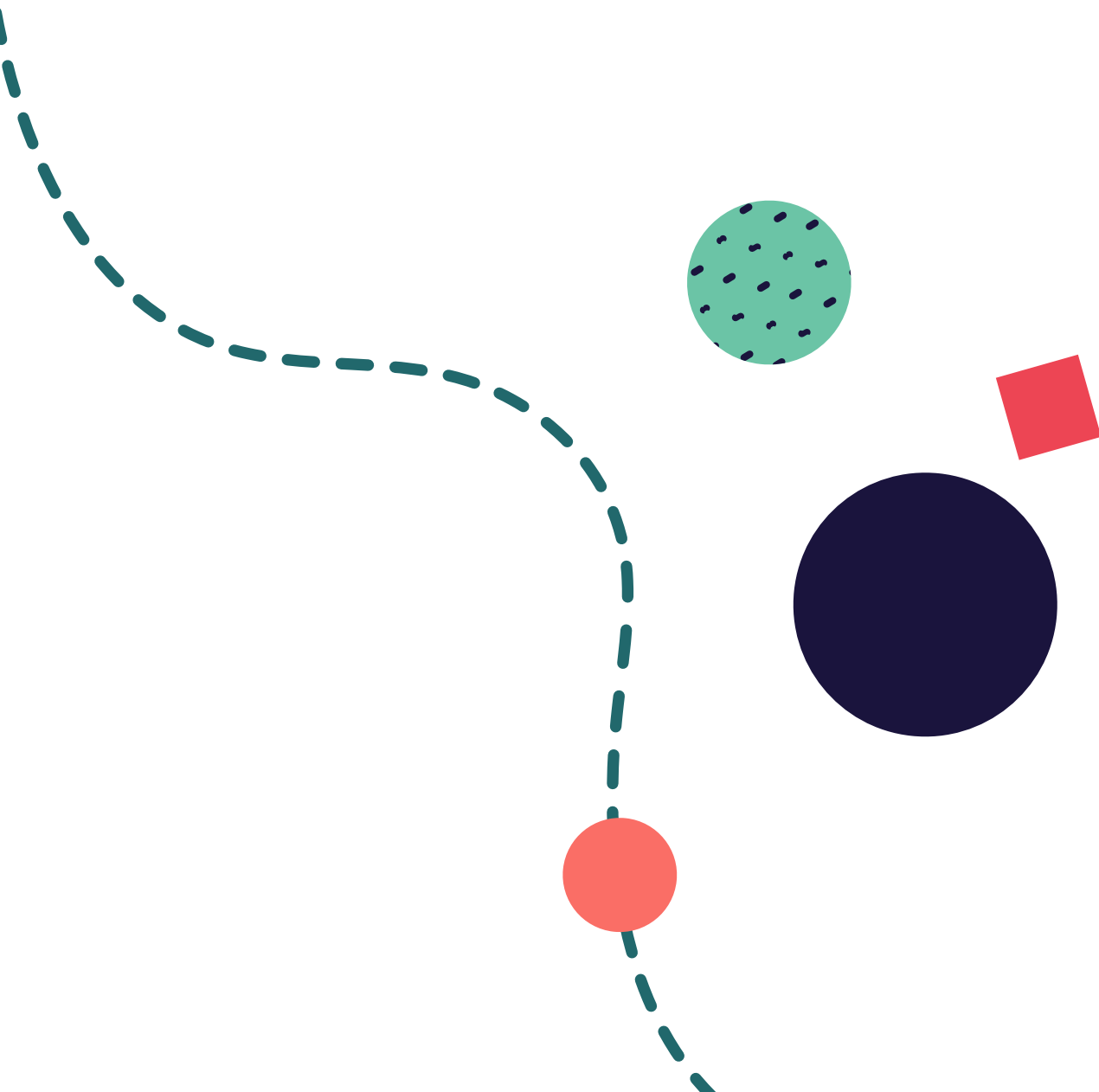
Why should it matter and to whom

Successful companies who are creating and producing competitive products, are the ones placing customer centricity at the heart of their product development. In this way true 'value' can be incorporated into product experience at the heart of product development. Customers will be the first recipients of where 'product value' can be experienced and enjoyed. New product development teams will need to assimilate customer insights and product data to ensure continuous value to stay ahead of the competition.

Today's consumers expect a quality experience. And one of the ways they seek a quality experience is in new ideas and fresh innovation. Companies that can deliver smarter, more user-friendly, more personalized answers to the challenges consumers face are doing so by developing new products.

NEW PRODUCTS ═ NEW VALUE

Understanding product experiences inside and out will benefit customers and new product delivery. By not keeping in-tune with customer needs and expectations as far as product experience is concerned will quickly result in lost sales.

Some of the biggest challenges arise however is through the lengthy process of product development. In consumer electronics for instance most products are at least 18 months in development before being seen on the shelf. In that time customer insights, behaviours and desirable product experience may have changed.productos se encuentran en fase de desarrollo durante al menos 18 meses antes de aterrizar en las estanterías. Durante ese tiempo, los datos, el comportamiento y la experiencia de producto deseada por el cliente podrían haber cambiado.

How to bring 'value' through product experience

FIT FOR PURPOSE

"Fit-for-purpose" is the very simple concept in which a product or service is adequate for the purpose for which the consumer selected the product.

Achieving fit-for-purpose in each context can be difficult. Business owners and creators of products and services need a system for understanding their customers' "why."

The approach is based on the notion that fitness-for-purpose has a direct influence on customer satisfaction. Once it is understood what people care about, and the threshold levels that represent "good enough", then it is possible to establish metrics and measures to drive improvement within the organization.

However another big challenge is that some customer need or purpose can be quite far from obvious and very difficult to achieve. Customers' purpose can itself be elusive. Customers also choose intuitively from their options. That is why continuous research and insights can help define what the next 'purpose' can be.

IoT connectivity through sensors in products can help transmit product data and usage between consumers and manufacturers to help improve and personalize the 'value' a product offers.

SENSORY DESIGN

During user–product interactions, all human sensory modalities are open to receive information. Therefore, sensory impressions obtained through hearing, seeing, touching, tasting and smelling may all contribute to the user's product experience.

In an article by Greg Parth, he talks of the most memorable experiences we have are always multi-sensorial. He argues that in this age of digital interactions, designers are forgetting to use senses to their advantage in creating memorable interactions with products and services. Product designers should analyse discoveries to get a greater understanding of the senses in the design process to predict the desired effect of the design and the desired experience.

By assessing triggers to sensations and perceptions or even personality traits that a product relates to, will determine the ultimate product experience and value. For digital products being able to trigger the right in-app experience to the right persona at the right stage of the user journey can increase product adoption.

USABILITY AND DESIRABILITY

Data collection on usability and user experience can manifest a better product. It is always best to gather inputs from the actual users and align all technical teams to deliver the requirements.

Usability was often mistaken for the user experience until fairly recently. The assumption, that a product which solved a problem (e.g. it had utility) and was easy to use (e.g. it had usability) was enough for users, was a sensible idea but it turns out that this is not enough.

> The user expects more from a user experience and products that go beyond the usability phase are those that compete best in their marketplace.

Answers to questions such as:

- Is the product easy and intuitive to use? (A user only has so much time, if they can't quickly get to grips with using a product – they will abandon it and move on.)
- Does the user like the way that this product looks and feels?
- Does the user want this product more than similar products?

In order to meet these problems manufacturers can use methods such as trialling or testing to deliver the necessary insights.

In any category of product, there are many competitors. Assuming that the market for the product is established; it's likely that almost all products within the marketplace pass both the utility and usability tests. It is the desirability of the product which separates market leaders from the pack.

SPEED, PERFORMANCE AND QUALITY

Satisfying customer needs can say much about the 'value' that a product brings in certain circumstances. Doing 'what it says on the tin' through characteristics such as speed, performance and quality can do much to make a product or brand stand out from the competition. As much as feel and form do in terms of sensory triggers these aspects provide a necessary function in terms of 'purpose' which provides value in the product experience.

CONVENIENCE

Whilst many products are built for convenience, the concept has much to do with a Customer's Buying experience for a product or service rather than product experience itself. Achieving convenience lies not just in reducing the barriers to the service, but in raising its inherent value.

According to Smart Insights the expectation of convenience now means that more than nine out of ten consumers are more likely to choose a retailer based on the convenience it offers. A third (33%) are significantly more likely to do so, showing that talking about convenient options throughout the customer journey is key. The restrictions imposed by Covid 19 meant many shoppers moved online for convenience.

> Customer's expectations are now far higher and product experience must be as compelling as possible as buyers are no longer able to see the physical product before purchase.

But how to deliver value by convenience through Product experience? Research techniques based on customer experience principles are a key to meeting this critical challenge, but once that challenge is addressed, how do you move to a point where enjoyment and desire to engage is a stronger draw than convenience?

To achieve convenience, some or all of the physical and cognitive barriers that make using a product or service difficult must be removed. Related services need to be placed in the context of others. And perception, how to deliver expectations to enhance how customers perceive a product or service control, and giving customers the ability to manage their own experiences?
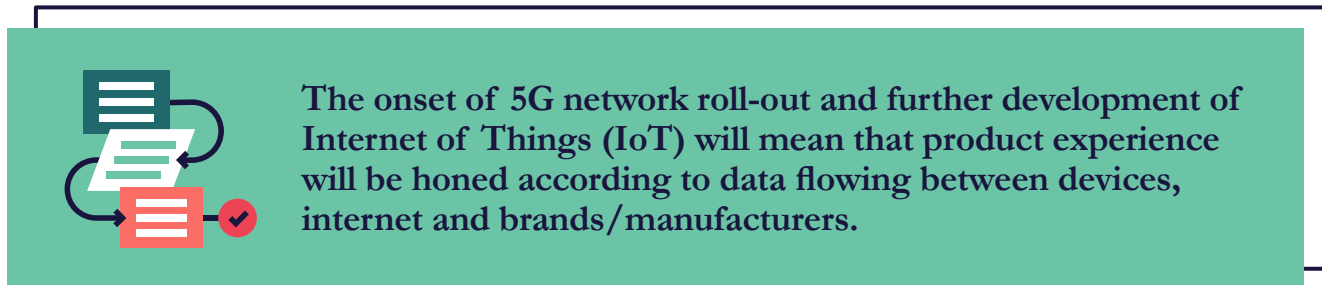
CONNECTIVITY

The potential of connected appliances to both consumers and business is huge: Organizations create the opportunity for deeper relationships with customers and more profitable business models than when selling hardware alone. And consumers like connectivity, when done well, because it can deliver more meaningful and useful experiences.

In order to win in the connected market, however, companies must shift the way they inherently think about their products. The key focus must be on the essence of what a product delivers–as opposed to the mere function it serves–and then use the power of connectivity to enhance that value.

Value through connectivity to the internet can be achieved with strong customer benefits, such as the Samsung SmartHome WiFi Washer and Dryer. It allows customers to control their dryer from the phone.

The real value is a notification that indicates when your wash cycle is over and has a de-wrinkle cycle for the dryer. So for work, a customer steps out of the shower, hits the de-wrinkle cycle on the phone, and by the time they get downstairs, clothes are ready to go.

The onset of 5G network roll-out and further development of Internet of Things (IoT) will mean that product experience will be honed according to data flowing between devices, internet and brands/manufacturers.

Sensors placed in devices will ensure 'smart' categories for home, appliances and wearables, all to deliver a 'valued' product experience.

PERSONALISATION

Personalising products doesn't just help increase sales, it also keeps your customers satisfied, which promotes loyalty and word-of-mouth recommendations.

When it is possible to personalise products according to customer tastes, customers get exactly what they want, and their satisfaction level goes up. They see the product as a unique item, with added value and designed to meet their specific needs. Having a strong process to analyse customer data, consumer trends and buying habits will determine what the next thing is to keep products personalised ahead of the competition.

Data collection from IoT applications are providing the required insights of how a customer is using a product new for product development in line with customer needs and desires.

RISK, QUALITY AND SAFETY

Risk and Quality go hand in hand. When you reduce the risk, the product quality will rise. And higher quality triggers stronger brands, lower total costs, and increases in demand.

In order to always ensure Product Safety, Risk Management plays a significant part whether food, consumables, durable goods, financial services, or any other commodity is purchased.

The challenges are whether the company is capable of putting the products through a rigorous process to identify the risk, understand the risk, reduce/mitigate the risk, implement the key learnings in its Quality Management System. These steps are to be followed before the product is on the market.

Of course the end-user or consumer makes an assumption based on the information provided that a product has passed an amount of testing to make it safe. However it is how a consumer values that information that will influence the product experience.

In a competitive market time to market is important and product development has to speed up making it more prone to errors or mistakes. A preventive, rather than reactive, approach to risk is therefore crucial. A good analysis of customer complaints can therefore be essential for improving product quality and experience for the future.

SUSTAINBILITY AND DURABILITY

Consumers are willing to spend more for sustainable products, in research carried out by CGS:

66% of Americans said they consider sustainability when making a purchase

68% of Gen Z shoppers had made an eco-friendly purchase in the past year

However it has been argued the 'green' or 'sustainable' tags tend to be defined by socially aware consumers who will pay a premium or to be 'valued' as socially accepted rather than defining the product experience through 'purpose'.

Consumers sometimes have negative associations with sustainable product options, viewing them as being of lower quality, less aesthetically pleasing, and more expensive. To offset such negative associations is to highlight the product's positively viewed attributes—such as innovativeness, novelty, and safety.

It has also been revealed that using a green (vs. conventional) product enhances the enjoyment of the accompanying consumption experience, referred to as the green-consumption effect. Merely using a green product makes consumers perceive an increase in the extent to which they are valued as individuals by society, which leads to warm glow feelings, and consequently enhances the enjoyment of the accompanying consumption experience. The research identifies instances where brands can benefit from going green and encourages marketers to promote green products in a consumption situation.

Elements of sustainability can also be built into the use and disposal of products Some companies such as Eileen Fisher and Patagonia have won customers over by offering to recycle products after use. They encourage customers to buy high-quality pieces of their clothing, wear them as long as possible, and then return them to the company to be refurbished and resold.

We live in a society in which products are too easily disposed of, thereby generating an unnecessary amount of waste. Improving product durability is one of the key issues toward creating a sustainable future. Product durability not only depends on physical durability but just as much on the semantic meaning that the product evokes.

The value through the product experience is not only about the lifetime of the product.

As products in general become more intelligent through IoT they will continue to show a certain 'behaviour', which shapes the relationship to the product's user. This will need to be monitored and upgraded as well as the physical form to remain durable and provide 'purpose'.

What are the challenges

NEW PRODUCT INNOVATION

Product Innovation includes the conceptualization, design, development, validation, and commercialization of new products for customers and markets in concert with the prevailing conditions and trends to meet the needs and expectations of customers and market. The biggest challenges arise from the complexities of the business environment, the changing needs of customers and markets, the effects of competition, and the difficulties associated with understanding the present and forecasting the future. Whilst brands may have a robust product development process in place often the biggest problem is choosing the next best product.

MANAGING THE BALANCE BETWEEN PRODUCT DESIGN AND PRODUCT EXPERIENCE

Companies succeed in developing products exhibiting the best product experience when there is a synergy between design and development departments. If each team member understands that a beautiful product means nothing if it doesn't align with your business goals and objectives – or delight your end-user. By eliminating silos.a collaborative effort can promote the sharing of ideas between cross-functional teams.

There has never been a time where designing for product experience has been more important. Consumers have become extremely savvy, and have well-articulated opinions on the design of everything from everyday commodities to specialized tools. With the explosion of social media, they now have a platform to voice their opinions and influence the buying decisions of millions of people – instantly. Every touch point must be factored in to make each product experience more meaningful.

The interaction an end-user has with the product is critical. If that experience is unfulfilling, they may never return. The challenge is how to focus on product experiences, personalization and the analysis of real-time behavioral data.

PRODUCT CONTENT

The importance of product content in defining the creation of product experience cannot be diminished.

The complex use of images, assets, videos and compelling text must be accurately tailored according to locate, language, cultural norms, sales channel, and more. The context of your content matters just as much as its quality.

Contextualized content marketing is a more in-depth look at the importance of relevance. Content can't just be informative, useful, and engaging, it has to play a significant role in the consumer's life at that moment in time that it is consumed. That's the only way your message in a bottle is going to be opened.

That customer journey starts at the search and continues into post-sales phases. At each customer touch-point the ability to provide clear, contextualised content will provide a way to improve the product experience and add value. It also lets companies continuously test and optimize experiences in real time.

KEEPING UP WITH THW MONICHANNEL APPROACH

Of course with the onset of new advances in connectivity suddenly penetrating the market, so customer interfaces such AR/VR, wearables and other interactive devices must provide essential information to define purpose and value for the user.
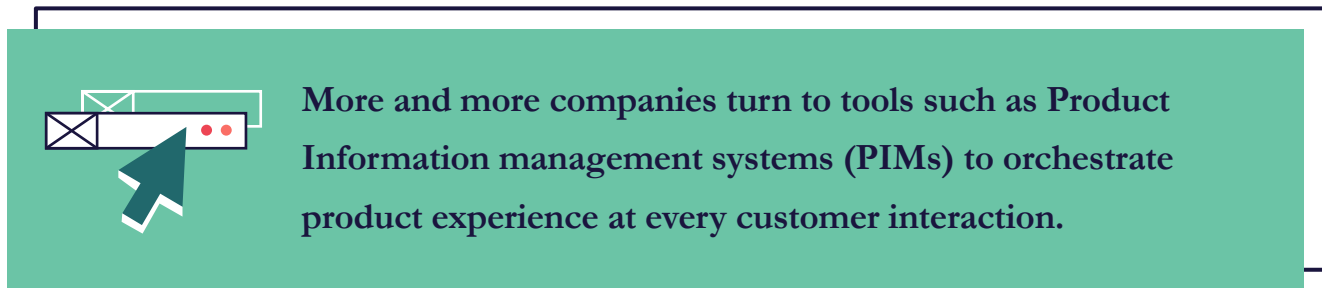
New channels are forever opening up along the customer buying journey which must be consistently applying relevant product information at that time. When you get the same kind of experience from a company, whether you communicate with them online, in a store or branch, on the phone or anywhere else it provides a natural connectivity with the company. It's imperative to have correctly sequenced and personalized experiences across all channels.

Without that investment from the brand, you'll have to find what you are looking for through complex searches, ask a store assistant to re-order, or more likely, just abandon the shopping cart.

MANAGING THE PRODUCT EXPERIENCE

Key to any successful product in terms of sales is how to manage the product experience.

The complexity of bringing together high quality product information which can then be personalised to provide a product 'value' through every single touch-point can be daunting.

More and more companies turn to tools such as Product Information management systems (PIMs) to orchestrate product experience at every customer interaction.

By harnessing product information management capabilities, companies can quickly manage product attributes, and deliver approved content for every channel. Data insights drive workflow tasks that will measurably speed time to market and improve sales.

By incorporating customer data on usage, purchasing behaviour and product accessory assortment product content becomes personalised which improves engagement and brand loyalty. For companies, PIMs can be used to simplify and break down information silos between departments and participants in the supply chain to increase speed and accuracy to get products and relevant information in the market more quickly.

The next big thing

NEW PRODUCT THINKING

The main reason why your product or any other product has value is that it can solve an issue for those people who have purchased it.

However, if you were to remove that issue altogether, your product, its design, and all its useful features would become worthless. Product thinking focuses on the core user experience of your product, because that is what gives your product value and why buyers decide to purchase it in the first place.

By asking the right questions and providing a meaningful experience, you can create a product that is both effective and packed with great features. That way, it will become something people will want to buy.

THE DISRUPTION OF ECOMMERCE

All "headless tech" means is that businesses are now able to separate their front-end presentation layer from their back-end data functionality to create custom shopping experiences.

This can be as simple as getting Amazon Alexa to replenish a favourite coffee or being able to make instant purchases off of social media. By moving beyond the omnichannel experience to connect everything from warehouses to storefronts to online services will streamline efficiencies.

Product information management will then become an even more important part of maintaining the product experience.

NEW TECHNOLOGIES

There has been an acceleration in the development of new technologies largely due to the COVID pandemic. The growth of IoT and AI developments will mean customer usage and purchasing data will enable personalised product experiences.

Final thoughts

Customers are changing the way they choose purchases. There is a move from pure product and price to products that can offer true purpose and value. Any engagement with that product is wrapped up in 'product experience' and it is this that brands must optimise to achieve advantage in highly competitive markets.

From developments in the smart home where convenience, utility and safety become a prerequisite to new technological developments in connectivity, mobility and automation in order to speed the product experience to whichever touchpoint necessary. What is clear is that brands will have to include ' product experience thinking' in all new areas of new product development and open departmental and supplier information blocks to get products to market quicker.

> **As more and more data can be collected from product usage and customer insights so the ability to create a personalised product experience will reap rewards through better engagement and loyalty.**

Whilst there are many challenges to define which product strategy and experience should be chosen, when, management of the Product experience will be key.

Sophisticated Product Information systems (PIMs) like **Sales Layer** help brands orchestrate their product experience through centralised coordination of product information and alignment of product assortments to provide a consistent view across any channel.

As new channels such as AR/VR , voice activation devices, wearables, and other developments in Mcommerce and ecommerce open up, so PIMs will be essential to cover the bandwidth to keep pace with new customer thinking and personalised product experience.

To find out more about what PIM can do for you and how to manage your Product Experience, ask for **a personalized demo** with Sales Layer now.

✳ Sales Layer

**Your catalog
control center**