

THE UX REVOLUTION

*HOW ANALYTICS ARE POWERING A REVOLUTION
IN CUSTOMER UNDERSTANDING*



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FOREWORD

Welcome to the Age of Experience, where soon a brand's biggest advantage will not be price or product – but customer experience.

Technology has facilitated the on-demand customer, who is setting the bar high for online experiences. No longer is it enough to have a great product or great price, today it's the whole experience that counts. It's why, by 2020, Walker Research predicts that customer experience will be more important than price or product as a brand's key differentiator.

This report examines how brands and consumers alike can benefit from better user experience. It explores how analytics are powering a revolution in customer understanding and offers insights and advice from ecommerce industry leaders.

It has been created by **The Drum** in partnership with **ContentSquare**, a leading UX analytics and optimisation platform that helps businesses understand how and why users are interacting with their mobile, apps and websites.

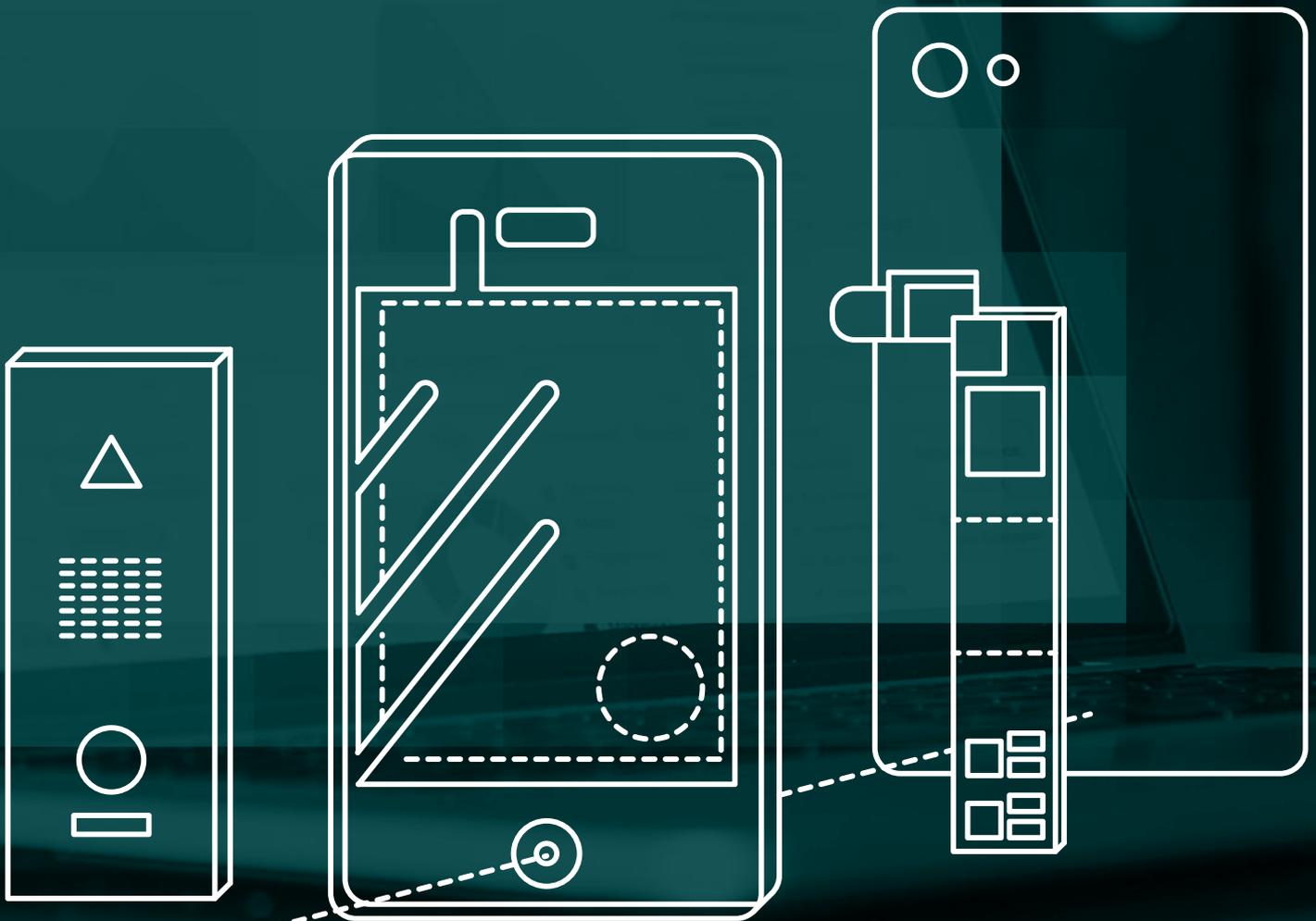
INTRO- DUCTION

As advances in big data and artificial intelligence take centre stage, as consumers adopt and adapt to an 'always-on' sharing culture fuelled by near-universal internet connectivity, there has rarely been a better time for ecommerce brands to deliver superior experiences. Doing so will lead to higher revenues. But are they doing enough to understand just how and why their customers are buying, or why they abandon their shopping carts before purchase?

Around £133bn was spent online with UK retailers in 2016, £18bn higher than the previous year, according to **IMRG** and **Capgemini** forecasts. Factor in mainland Europe and that translates to a whopping half-trillion Euro industry. In the States, ecommerce is expected to boom yet further with **Statista** estimating it will grow from 396.7bn US dollars in 2016 to over 684bn US dollars in 2020.

Savvy businesses know they must invest to increase conversion – be that sales, or otherwise. Online and user experience (or UX) is at the heart of that process. Great UX can be the difference between a sale or no sale, between whether a consumer becomes a loyal customer and brand advocate...or not. Little wonder that **Forrester** predicts the user experience industry will be worth \$3bn+ in just a year's time.





PART 1: THE IMPORTANCE OF USER EXPERIENCE

“Ecommerce and retail change at a very quick pace and it’s important to keep up with it all and keep ahead of the pack. The creation of good UX can sometimes be a fairly painstaking process so it’s important to adopt a fairly agile approach to achieve the balance of brilliant functionality with minimum viable product, and learn fast.”

- Jennie Blythe, head of ecommerce and customer service at Whistles.com

Think of the new and established disruptors such as **Uber**, **Apple** and **Amazon** to see the power of great user experience in action – how they reduce and resolve customer friction points both online and in the real world. Customers don't care 'how' it works – they just want to know it works for them.

Or recall draughtsman Harry Beck's London Underground Tube Map, now a design classic, but considered 'radical' when it rejected geographical accuracy in favour of simplicity in 1933. After initially being rejected internally, a successful trial print-run showed that it was just what the public wanted.

It's an example of what Alex Musson, lead UX at agency **Fetch** believes is user experience, something that should be "invisible, except when it's being magical".

"User experience as a concept is how positive or negative the interaction is between a digital product or service," says Conor Ward, head of UX and design at **British Gas**. As a discipline, however, he believes it is about keeping every possible business process and conversation acutely focused on the user need. This involves gaining true empathy for users and ensuring every effort is made towards helping them either solve a problem or achieve a goal in the real world – in the most positive manner possible.

Xavier Perret, **Orange** chief digital officer B2B, says creating the emotional experience goes beyond simple ergonomic issues, explaining: "Mastering UX means being competent in all components of an experience, whether digital or not [such as interactions in physical stores, mail shipments, telephone interactions] to attain a single purpose, creating satisfaction and desire from the user for the brand."

“User experience is a universal spectrum between frustration and delight that every user ranks your brand on, whether consciously or not.”

- Josh Payton, VP of UX at Huga, Europe

Yet while a lot of businesses are talking about user experience, **Wickes'** ecommerce director Lee Faetz says they will then invest heavily in other areas, such as driving traffic onto their websites. "However, once a visitor gets there, there is not often much investment in terms of the user experience, or improving efficiency within the website," he adds.

Improving its UX was central to **LinkedIn** as it recently rolled out a redesign across its digital and mobile platforms and apps in a project hugely influenced by user experience design. "As user experience designers at **LinkedIn**, our goal is to create simple, elegant and efficient products that help our members connect with opportunity," says Amy Parnell, senior UX designer, **LinkedIn**

ContentSquare founder and CEO Jonathan Cherki points to **Uber** as a brand that has innovation in hand, but chooses to take the consumer along at the pace right for them, rather than allow technology to frighten them. Although **Uber** gathers enough information to be able to predict a user's actions before they press the button, it chooses not to do so – as yet. "In tomorrow's world we will accept that a taxi will simply come. It will be the same with the online experience," he suggests.

PART 2: THE ECOMMERCE INDUSTRY'S DIRTY LITTLE SECRET

Most ecommerce teams have no clue about how their customers are behaving – and why

“One of the challenges facing UX in general is being able to work in a more agile way. UX should be in-built in every marketer’s mind. Is it a sales journey, [or] a journey of engagement of your brand [where] at some point they will transact? How will they experience things along the way? How are people jumping out of that process because they hadn’t had the experience they wanted or expected?”

- Paul Featherstone,
group head of website and ecommerce at financial services brand Benenden.

The majority of ecommerce teams would struggle to understand why conversion increased or decreased on a certain day in the last week.

Conventional analytics provide companies with only a limited picture of what is happening on their websites, how many users are visiting certain pages, clicking or tapping on certain offers, or dropping out before purchasing. AND, they too often don’t explain ‘why’ that is, (especially being able to establish this for specific user personas across specific devices). Without such deeper understanding it is impossible to create an effective UX.

For instance, according to data from **ContentSquare** from over 300 million mobile sessions across 80 m-commerce brands, mobile users take 21% less time to interact with the first page than desktop users. But why exactly do they take less time, and what can be done about it?

Businesses must find the right UX technology solution to enable such agility, and for many traditional solutions such as **Google** Analytics

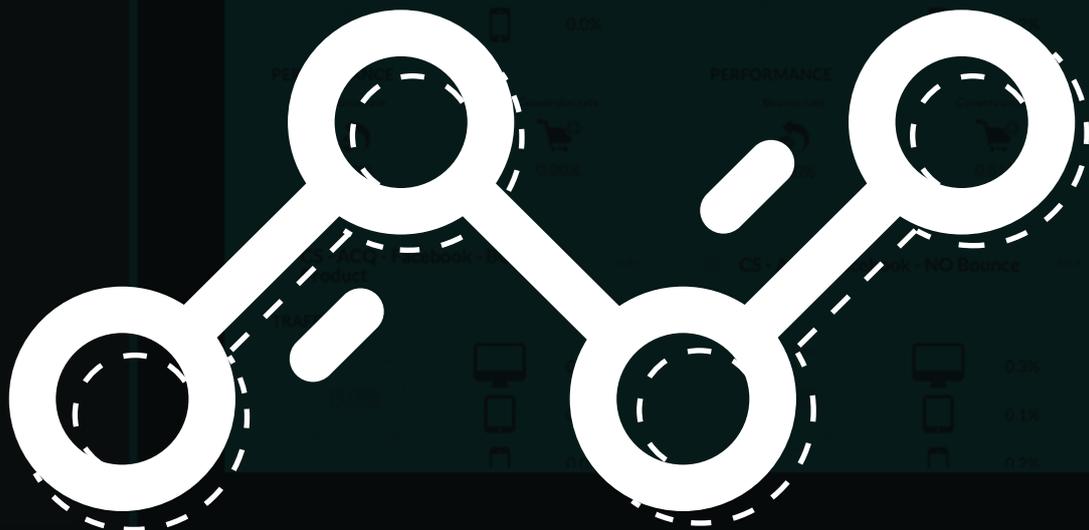
aren’t enough on their own. Any analytic or optimisation solution for a website or mobile device should be reliable, operate across all of a company’s websites and mobile devices and marry seamlessly with their tech stacks. It should be able to be managed by people with a variety of job titles – not just engineers, but content marketers to ecommerce directors and product managers to conversion rate optimisation specialists, for example.

This need for a new breed of analytics has led to the rise of next-gen solutions such as **ContentSquare**, who are able to capture every customer interaction, screen touch and mouse movement with just one tag, and convert that into visual data that every team member can understand and act on.

Today, only the smartest companies who have embedded UX in their business can analyse data to understand how and why customers are interacting with their digital platforms. They achieve this through navigation paths, zone analysis and behavioural measurements using big data and artificial intelligence, leading to a more optimised journey.

“KPIs are important in helping understand what the intent of the customer was. So, 97% might not actually purchase on your site. You can’t convert all of that 97% but you need to understand what was their intent and how efficient were you at serving that intent.”

- Lee Faetz, ecommerce director, Wickes



Martin Francis from **WoolOvers'** top priority is ensuring his teams are empowered with faster routes to insights, displayed in a visual and easy to interpret fashion.' "I'm really excited about 'actionable insight' – knowing not just how many new customers are converting, but why they are doing it and how we can make it an even better experience," he says.

Proactive companies are looking at layering newer analytics such as behavioural and UX onto conventional analytics to help UX and insight teams surface data and identify where frictions are in the journey – why the visitor leaves the website and how each visitor is browsing in the page. Increasingly, brands are employing 'journey managers' to oversee particular personas or groups of users. These 'journey managers' are using customer behaviour and user types in favour of traditional demographic segmentation. They are employing advanced journey analytics allowing brands to instantly visualise all user journeys across any date range, device or user segment, and compare them.

Dan Baird, **Hotels.com** design and UX lead, says: "Young families looking for child-friendly properties have very different shopping behaviours to a business person needing a hotel near his conference – designing for so many intents and behaviours can prove a challenge."

Another industry-specific challenge is the frequency at which the average customer books: "Holidays are not an everyday occurrence so making sure they have a good, dependable first booking experience is key to getting customers back for their next adventure," Baird adds.

British Gas measures UX on a daily, weekly, monthly, quarterly and annual basis, using different types of quantitative, qualitative, behavioural science and cognitive science data using a multitude of different tools and methods.' "We value evidence enormously and do everything we can to make data-informed decisions," the company's Conor Ward says.

"The next generation of analytics coming to us all is around improving the join-up of the quant with the qual directly, which is a very exciting place to be heading. You get the 'what' immediately followed by a linked and fully automated 'why' every time for every user interaction. This huge improvement on the current attempt to manually link these together is very exciting for the near future."

Isabelle Baas from **Starcom**, points to the innovation and investment in artificial intelligence (AI) allowing businesses to make data-based decisions faster and more accurately. "Use cases such as next best action, frequency optimisation, channel choice and creative messaging will be powered by AI to some degree soon."

“Placing a more specific focus on problems that we encounter will directly help us to establish better priorities.”

- Charles Daumas, head of ecommerce, Rail Europe

PART 3: POWER TO THE PEOPLE

“Like any good craftsman, you need good tools, but you also need to know how to use them correctly. Digital management teams must have an appropriate tool. It’s essential that the tool is designed to be used intuitively by project managers without needing to be coached for months.”

- Xavier Perret, chief digital officer (B2B), Orange

“We’ve got brand managers, designers, marketers, data analysts and customer insight researchers all working together, looking at different tools and technologies to find out what’s happening online. ContentSquare’s solution is used by all those teams, enabling us to be faster and more flexible in our approach to questions some tools just can’t answer. We’re always operating with finite resources, and so having a tool that gives us the big picture and helps us prioritise big wins is really important.”

- Martin Francis, chief customer officer, WoolOvers

“The best way of increasing revenue is to increase the efficiency of your workers,” says Jonathan Cherki, **ContentSquare** founder and CEO. He believes that the inherent silos in organisations have made it hard for different, but converging parts of a business – the IT, data scientists, marketers and sales teams – to get precisely the information they need at the right time. Reorganising marketing around analytics is not about creating a single team but consists of many functions within a marketing organisation.

With employees’ time an organisation’s ultimate resource, and data ever more plentiful but too often fragmented, being able to arm your teams with tools that increase efficiency and insight is key. If 2016 showcased the need for data scientists and mathematicians in order to make sense of the big data, then today it is time to cascade such information into the hands of all of an organisation’s teams. The democratisation of data, if you will.

Successful ecommerce businesses are building entire teams dedicated to improving UX, which they realise can help their brand gain significant competitive advantages. Faster, more efficient processing of data

and insights by the teams directly working on conversion will certainly encourage a better user experience by feeding the ‘why’ and ‘how’ back into the loop, so these teams can surface insights faster and truly understand user behaviour to make smarter testing and optimisation decisions.

Lee Faetz, ecommerce director at **Wickes** says: “We have invested in a team of people who work in parallel with each other, so the traditional UX designers will sit alongside the conversion team.”

Yet according to **Starcom**’s Isabelle Baas, most marketing organisations are yet to integrate specialist channel teams or tools to harness full user insights enabling UX omni-channel optimisation. “Job roles containing the word ‘experience’ are also still rare outside of customer service teams,” she adds.

Orange’s Xavier Perret explains why: “If the tool is not easy for a digital project manager, if the tool is not clear and requires months of training it can’t be used. It’s as simple as that. Therefore, it’s essential that the tool is designed to be used intuitively by project managers without needing to be coached for months.”

PART 4: UX VS PROFITABILITY – AND THE NEED FOR NEXT-GEN KPIS

“The key is establishing a virtuous circle. Good UX means you’ll get more conversions, and more conversions means you can spend more money on user acquisition.”

- Alex Francis, founder and chief executive of [Loveholidays.com](https://www.loveholidays.com)

Josh Payton of **Huge** says that improving user experience will always improve business performance. “Dialling in the best solution is always an effort in fine-tuning, but positive user experience and optimal business performance should never be in conflict. Anyone who thinks otherwise probably won’t be in business 10 years from now,” he says.’

For instance, brands will intuitively know if a store is performing successfully and how variables such as operating costs, rents and promotions fit in, but too few know the reality of how their website – and each particular element of it – performs. Different elements on a site have different goals, for example, conversion or account registration, but how do they perform? Having a link between those who interacted with an element and whether this led to the desired action is vital today.

Hotel.com’s Dan Baird agrees: “Design is baked into everything we do which means we also pay close attention to the outcomes of every product – we quickly see the real value of our work for the business and it’s a treat as a designer to see it clearly affecting the bottom line.”

For **Whistles.com** head of ecommerce Jennie Blythe good UX is the “marriage of business strategy with customer ease of use”. She says: “UX can be disruptive or in flow – an easy experience doesn’t mean it can’t make money. By rights it should make more.”

That’s also the experience of Charles Daumas, head of ecommerce at **Rail Europe**, whose customer base is international, with differing knowledge of the brand and different product expectations across it.

He needed to better understand customer behaviour and also create a mix of new key performance indicators to interpret the problems that they see in standard web

analysis. “For instance, metrics that are readily available in an analysis tool, such as scroll length, page load time (for the customer), hesitation on particular spots – all these allow us to focus our thoughts and solutions on a problem identified by web analysis.” Doing so has saved the business both time and money and helped it fine-tune its conversion strategy, he says. “Also, we are working to simplify planning a journey and travelling to Europe in an international context and by using several devices.”

It’s because, according to **ContentSquare**’s Jonathan Cherki, brands who are able to read what people are doing on a website can understand them better – and it is why content is so important. “We’re measuring the impact of browsing to the revenue,” he says. “For example, what if a company could prove that if someone viewed a particular video they would buy, or that the ratio of people viewing another piece of content who then quit the site is X or Y?”

He urges companies to focus on next-gen KPIs such as hesitation, the time between hover and click; scroll depth – or how far down a page a user scrolls; hover – time spent hovering with no click; the ROI of content, or the ratio of people clicking that ended up purchasing a specific product and content contribution – how much engagement on a particular page element ends up contributing towards that product being purchased.

“It’s easy to forget how simple ecommerce is. You’ve got one goal: to convert the customer.”

- Alex Francis, founder and chief executive of Loveholidays.com

Traditional analytics are not enough to understand how and why users do what they do. Today's world calls for new usage metrics that use behavioural data, AI and big data to enable ecommerce teams and marketers to make strong, data-driven optimisation decisions.

With traditional analytics many marketing and product development teams are making A/B tests based either on just best practice or their intuition rather than actual insight into their customers' behaviours.

Simple metrics like conversion rates, bounce rates, session duration and page views are essential information points and generate KPIs that are important baselines of website performance. But why stop there? On the right are four next-gen KPIs designed with UX in mind:





1. CLICK REPETITION

Click repetition is the number of clicks users make in a row on the same page element. When users are frustrated at something that's not working, they'll click on it repeatedly, either because an element is technically malfunctioning, the call to action is unclear or another misconception with the design of the element. Free tools such as **Google Analytics** cannot give you that depth of insight, which is vital for keeping track of potential annoyances for your visitors.

2. ACTIVITY RATE

Many businesses already measure time spent on page, which can form a key metric for determining how well each page is inspiring an intent to buy. Activity rate, which measures the time spent interacting with elements within that page, is less often measured – but can tell you so much. Measuring the time that users take to complete tasks on a web page is far more useful than simply the time spent on the page from entry to exit, where the user could have opened another tab, or left the computer, for example.

3. ENGAGEMENT RATE

This is the percentage of visitors that click on a particular call to action (CTA) after hovering on that element. By monitoring the CTA engagement rate over time you're able to ascertain how sought after this element is, and whether increasing its exposure would lead to higher interaction. When a CTA engagement rate is tracked as a KPI it is easier to optimise and reorganise both menus and CTAs.

4. TIME BEFORE FIRST CLICK

The time between landing on a page and clicking on something is a key time for the user – it is when that person is forming an impression of a brand, processing the information they're being presented with and deciding what action to take. A short time before that first click, combined with messy user journeys, could imply that users are being led down the wrong path, or that a hero image is too attention-grabbing. Conversely, a long time could mean the opposite – are the forms or tools on page too complex to use, and driving users away?

These new KPIs are behaviours that marketers and product teams should track on an ongoing basis and lead to real data-led decisions for their websites.

PART 5: THE FUTURE OF UX

“We’ll learn more and more about data. Big data, smart data, easy data – and more people will be able to access and understand that data.”

- Jonathan Cherki, chief executive and founder of ContentSquare

Perhaps the biggest opportunity for ecommerce businesses and UX lie in the very near future. Jonathan Cherki of **ContentSquare** predicts several mini revolutions happening in the industry in content, data and the impact of AI. “Content is driving a lot of emotion,” he says, and emotion is at the heart of great marketing and customer experience.

Data, too, will continue to grow in importance across this space – and the wider digital industry. “We’ll learn more and more about data. Big data, smart data, easy data – and more people will be able to access and understand that data,” says Jonathan Cherki, chief executive and founder of **ContentSquare**.

The rise of artificial intelligence in applications and solutions will also continue apace. Cherki points to this year’s Consumer Electronics Show for evidence of this, saying: “Artificial intelligence will be everywhere in our personal and professional lives.” Already used with big data to provide automatic recommendations, the technology will grow and drive deeper insights and more connected journeys. **British Gas**’s Conor Ward agrees: “AI is undoubtedly the future of digital UX. It has

already been billed as the new industrial revolution. We had the digital revolution with the invention of the internet, now we will have the cognitive revolution as AI grows.”

Thus the time is now, says Alastair Cole, chief innovation officer at **Partners Andrews Aldridge**, for UX practitioners to unlearn design practices and to master voice and gestures. “Voice and gesture-controlled interfaces are so different to the screen-based ones we’ve become used to. Designing for them requires a completely different mindset and set of skills.”

Yet brands constantly face the task of having to offer compelling and relevant experiences to their target audiences. As Xavier Perret, from **Orange**, says: “We need to remember that our customers are always changing, their habits are evolving and we need to change along with them.”

The Age of Experience promises to bring benefits consumers never even knew they wanted – and the companies that can power those positive experiences stand to be rewarded as a result. Great UX affords a virtuous, seamless circle of benefits to business and consumer alike.

ABOUT: CONTENTSQUARE

ContentSquare is a user experience (UX) analytics and optimisation platform that helps businesses understand how and why users are interacting with their app, mobile and web sites. We compute billions of touch and mouse movements and transform this knowledge into profitable actions that increase engagement, reduce operational costs and maximise conversion rates.

Using behavioral data, artificial intelligence and big data to provide automatic recommendations, ContentSquare empowers every digital team member to easily measure the impact of their actions and make fast and productive data-driven decisions to optimise the customer journey.

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WHAT WE DO

CAPTURE: We capture every customer interaction, screen touch and mouse movement with only one tag, and convert it into visual data that every team member can understand and act on.

ANALYSE: Our clients analyse the data to understand how and why customers are interacting with their digital platforms through navigation paths, zone analysis and behavioural measurements using big data and AI.

OPTIMISE: The end users enjoy an optimised journey that is an accurately intuitive user experience that feels natural, increases conversion rates and impacts company goals.

WHY US

- **DEMOCRATISATION OF DATA:** We empower every team member with the knowledge they need to value the impact of every action they take on the mobile/website/app because we believe that the best way to improve the company's performance is to improve the performance of each team member.
- **INNOVATION:** We continuously develop a new generation of behaviour and user analytics, a UX optimisation platform involving artificial intelligence and big data that identifies problems, offers solutions and predicts their impact.
- **DEDICATION:** We are committed to a close and meaningful relationship with our customers. Our priority is to offer the best service with our unique methodology and our expert team of leaders.
- **EASE OF USE:** We allow users to quickly and easily gain tactical insights to apply strategic actionability. This creates fast productivity and frees dependencies from other departments, such as IT and data analysts.

ABOUT: THE DRUM STUDIOS

The Drum is a global media platform and the biggest marketing website in Europe.

Every day we share industry news from around the globe, and every fortnight we showcase world-changing marketing in our magazine.

With bases in Glasgow, London, New York and Singapore, our award-winning journalists inform and inspire our global readership, delivering first-class content across all mediums.

Drum Studios is the branded content arm of The Drum, working in collaboration with our commercial clients to deliver content their customers love.

We use unrivalled audience understanding and editorial expertise to create compelling brand stories that help drive more business.

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