

## Nine Ways Master Data Management Can Help Retailers Enhance the Customer Experience

Retail has undergone tremendous transformation in the past few years. Consumer expectations are changing, pushing retailers to reevaluate how well their current playbook is working in an increasingly competitive market. Retailers must identify any customer experience gaps relative to these new expectations – and work quickly to close them – if they want to avoid customer churn and lost sales.

Some of the most drastic shifts in customer expectations are tied to digital experience. A recent survey of more than 20,000 European consumers by McKinsey & Company shows an **increase in digital activity across all industries** in early 2020. Specifically, 51% of grocery consumers use digital services now compared to 29% before, a growth rate of more than 76%.

Digital shopping for apparel also grew from 32% to 48%, a 50% gain. Most significantly, 70% of the consumers surveyed say they will continue to use digital services going forward – a stark contrast to those in the industry who may have thought this digital uptick was only a temporary behavior change.

One thing is clear: This historic shift in consumer behavior offers retailers insight into future growth strategies, and highlights how important digital touchpoints are to an exceptional customer experience.

### Delivering the experience customers expect

Many retailers are adding new services such as click and collect to improve the digital experience. But a recent Impact Research study suggests those initiatives are missing the mark, noting **88% of retailers fail to create a convincing value proposition** on their ecommerce product pages. This can be a result of several factors such as incomplete, inaccurate or irrelevant information on product pages, a lack of product reviews, or an inability to integrate click-and-collect services at the product level.

Customers also want personalized and consistent experiences across all channels and will not hesitate to buy products from a competitor if an experience falls short of their expectations. Retailers need to examine digital experience and identify areas of improvement. Are you able to deliver a personalized experience across emails,

apps and websites? Is navigation confusing or do product pages load slowly? Are there any inconvenient steps in the shopping/checkout process?

Many of these less than optimal experiences may be due to foundational data management problems such as inefficient systems or bad data.

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Kimberly Collins, Gartner

It’s important to keep in mind that as consumers rely more on ecommerce, they will be more selective when visiting physical stores. Leading retailers are already adapting their sites in response, providing more in-depth information about store locations such as the types of products and services offered, hours of operation, latest promotions, product pick-up options and safety details like contactless payment offerings. Managing this type and combination of detailed information on an ongoing basis may be a challenge without a good data management system in place.

Complex data infrastructures can also make it difficult for companies to adapt to market changes or when customers need different information to make decisions. That’s why many leading retailers are turning to master data management (MDM) to connect data from CRM, ERP, ecommerce and other systems to create a foundation of high-quality enterprise data that can be used to fuel all aspects of their customer experience (CX) initiatives.

MDM consolidates master data from various internal and external data sources into a single version of the truth, providing retailers with a way to meet consumers' demands for more personalized experiences.

The growing importance of MDM to delivering an exceptional experience has not gone unnoticed by industry analysts. According to Gartner's Kimberly Collins, "Master data management is a critical success factor in constructing and executing optimal customer experience management processes."

Following are nine ways MDM can help retailers improve the customer experience.

**1**

**Improve accuracy of product listings**

Consumers trust retailers to provide accurate information about the products they are researching and buying. Ensuring information about sizes, colors and ingredients are correct can help improve the customer experience, increase loyalty and prevent product returns.

**Stibo Systems Product MDM** can help by providing a centralized and systematic approach to product information management (PIM), identifying product data gaps and ensuring product data meets standards for quality before it's approved and published online.

**2**

**Enhance the depth and transparency of product information**

While price and convenience are still a key part of the product experience, consumers are making more purchase decisions based on their values. Consumers are increasingly looking for retailers to provide information about sustainability, social benefits and manufacturing processes and origins.

**Product MDM** can help by allowing retailers to see their data in a more transparent way, providing more flexibility than an ERP system. It enables retailers to add new, relevant product attribution customized by category, as well as bring in more supply chain and manufacturing details based on what information is most important to the customer.

**3**

**Increase customer engagement with lifestyle pictures and other rich content**

Most consumers are not reading the entire product description, so it's imperative to provide a product image in every listing. Multiple images providing a 360° perspective convey more product detail and are faster to consume than lines of product copy and can help remove any barriers along the path to purchase.

**Product MDM with embedded digital asset management (DAM) capabilities**

can help by ensuring all products have multiple images that conform to the quality standards set by the brand/category. Rich content and imagery generates greater consumer trust, a better CX and higher product conversion. Built-in DAM increases the consistency, discoverability and control of all digital assets, making it easy to locate the right images and share them internally and with third parties.

**4**

**Onboard product data quickly, efficiently and consistently**

For retailers that have thousands of SKUs and suppliers, how well the onboarding process is managed can be the difference between a product's success and failure. Without effective onboarding rules and processes, product listings can be incomplete, inconsistent, and even worse, erroneous.

**A Product MDM or PIM system with integrated product data onboarding**

, such as Stibo Systems PDX Onboarding, can help by serving as a reliable, efficient method of capturing suppliers' new and existing product data. PDX Onboarding uses AI and rigorous processes and practices to ensure new items from suppliers meet retailers' unique data requirements, which can translate into faster product launches, as well as richer product experiences for customers.

**5**

**Improve accuracy of customer data and communicate key messages with confidence**

Retailers have an abundance of customer data, which is often housed in siloed systems such as CRM, ERP, websites, apps and various loyalty programs. It's important to have an integrated customer view to ensure communications are consistent, accurate and referencing the latest information.

**Stibo Systems Customer MDM** can help by integrating all customer data and deduplicating, cleansing and enriching the data to create a high-quality, 360° view of the customer. This not only improves data quality, but it also increases confidence and trust in the data that's being used for analytics and marketing activities.



*“To remain relevant in this changed environment, retailers should set a North Star to guide their aspirations for customer experience, with specific goals.”*

McKinsey & Company

6

### **Improve personalization through relevant customer communications**

It's a digital world, and retailers are adapting by expanding their customer touchpoints to include social media, apps, online loyalty programs and digital newsletters.

**Customer MDM** can help by synchronizing customer data into one single source that can be used across all channels. Integrating preferences such as communication frequency or favorite store location delivers a personalized approach that builds customer confidence and preference.

7

### **Govern and safeguard customer data to ensure it's used properly**

Retailers realize how important it is to protect customer data and properly manage privacy in accordance to the California Consumer Privacy Act (CCPA) and the General Data Protection Regulation (GDPR), as well as any future privacy laws. While retailers are trying to adhere to these laws and enforce compliance, the sheer number and regionality of different regulations makes it an arduous and risky proposition.

**Customer MDM** can help by monitoring, reporting and enforcing compliance through better customer data governance and consent management, which helps prevent legal, financial and other business risks. It also uses available reference tools such as Dun & Bradstreet to ensure customer information is verified and current.

8

### **Support dynamic and timely communications about store locations and relevant services**

Retailers have had to pivot many times, innovating fast and creating new services on the fly to meet customers' ever-changing needs such as providing ecommerce pick-up locations, electric vehicle charging stations and more. Maintaining this information in spreadsheets or rigid ERP systems does not provide the flexibility or connectivity necessary to deliver this information to apps and relevant websites.

**Stibo Systems Location MDM** can help by creating a central hub of all location and site information, which ensures timely and accurate information is available to share with consumers so they can make informed decisions.

9

### **Ensure consistency of information across stores, sales channels, markets and languages**

Leading retailers that operate globally want to offer a high-quality experience that's standardized across the stores and markets they serve, regardless of language.

**Stibo Systems Multidomain MDM** can help by creating a central data hub that controls the access and publication of data by market. It can connect data from across multiple domains, including product, location and customer data, for greater efficiencies and insight, as well as link to appropriate language translation services to ensure the best localized experience in a globally consistent way.

### Strategic next steps

While digital transformation was once viewed as a long-term strategic initiative, it has now become a short-term imperative. Pragmatic retailers recognize digital transformation as the means by which to meet customers' growing expectations for digital services.

The path to digital transformation will vary depending on the retailer's strategic needs for their customer experience. Developing a roadmap can help ensure the project stays on track and doesn't veer off path, wasting time and resources. McKinsey recommends that "to remain relevant in this changed environment, **retailers should set a North Star to guide their aspirations for customer experience, with specific goals.**"

Underpinning the success of any digital transformation initiative is a trustworthy data foundation that can be shared internally and externally with partners. A solution like Stibo Systems Multidomain MDM serves as the backbone of a more integrated omnichannel customer experience by enabling retailers to synchronize product, customer and location data across their digital and physical channels.

To learn more about how Stibo Systems helps retailers leverage the power of master data management to achieve success in complex and competitive environments, visit [stibosystems.com/retail](https://stibosystems.com/retail).



### About Stibo Systems

Stibo Systems, the master data management company, is the trusted enabler of data transparency. Our solutions are the driving force behind forward-thinking companies around the world that have unlocked the strategic value of their master data. We empower them to improve the customer experience, drive innovation and growth and create an essential foundation for digital transformation. This gives them the transparency they require and desire – a single, accurate view of their master data – so they can make informed decisions and achieve goals of scale, scope and ambition. Stibo Systems is a privately held subsidiary of the Stibo A/S group, founded in 1794, and is headquartered in Aarhus, Denmark. More at [stibosystems.com](https://stibosystems.com).