

Retailers who want to think like their customers **need actionable insights**

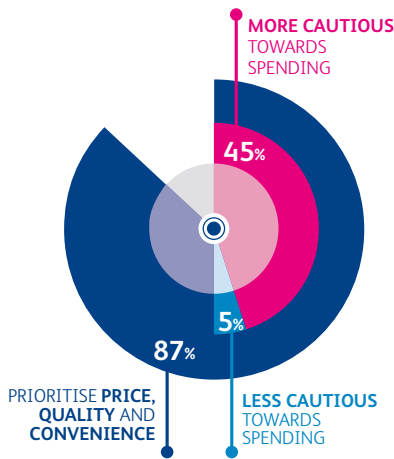


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45% of customers say they are more cautious now than pre-Covid if and what to spend their money on. Retailers will need to work harder to engage and capture their spend.

Research conducted by Baringa Partners highlights how important it is for commercial teams to **‘Think like a customer’** and differentiate from the competition.

CONSUMER SPENDING



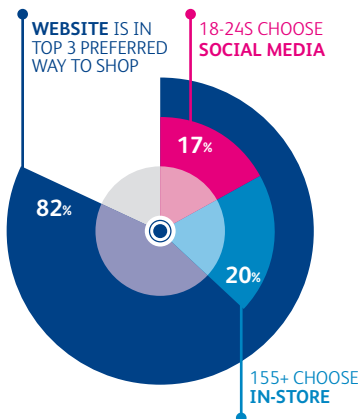
In the aftermath of the pandemic, it's unsurprising that 87% of customers prioritise price, quality and convenience above loyalty when deciding where to buy. For commercial teams, these three dimensions are often in tension with each other and there are inevitable trade-offs to deliver the right products in the right place at the right price. This is where understanding and responding to your specific customers' needs – at pace – becomes a critical factor.

numerous chances to capture data which – if used effectively – can give commercial teams the insights they need to be truly responsive to customer needs.

How well do retailers understand their customers' engagement across channels and use this information to feed into their commercial decisions?

Our survey showed that 40% of adults feel comfortable or very comfortable with sharing their data with retailers, and a further 35% are neutral. But are the customers who are willingly sharing their data getting something in return? We believe retailers aren't necessarily making the best use of this data. Frequently, this data will only be leveraged by Marketing & CRM teams to drive basic product recommendations or segmented marketing materials. Data becomes truly impactful if it is used to inform curated range planning, personalised offerings and drives those crucial commercial decisions around the price vs quality vs convenience conundrum.

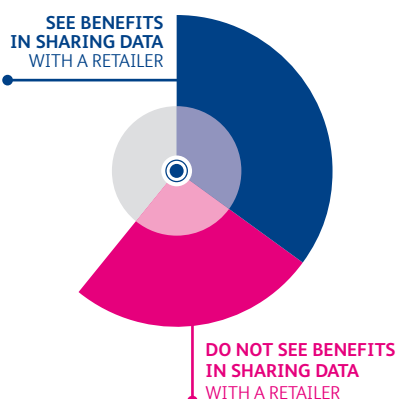
PREFERRED WAY TO SHOP



Looking to the way major grocers responded to the pandemic provides clear examples of how to get it right. Many were able to adapt quickly to their pivotal role as essential retailers and met immediate customer needs for supply and no-contact delivery. Morrisons, for example, managed to launch their food box proposition as the UK went into lockdown in March 2020 and were able to ramp up weekly production from 10,000 to 100,000 within weeks. Others were able to capitalise on changing consumer habits during lockdown: whilst there was significant rationalisation of product ranges across the sector, Tesco overhauled their craft beer offering in April, enticing customers whilst their favourite bars were closed.

When it comes to thinking like a customer, there is much more that commercial teams can do. Take personalisation as an example: only 35% of respondents agreed that when they share their data with a retailer, they see better personalisation offered to them. 26% did not see any personalisation as a benefit after sharing personal data.

BENEFITS OF DATA SHARING



A major shift felt across the high street was the impact that store closures had in expediting retailers' digital agendas. 82% of surveyed customers said that the website was one of their top three preferred ways of engaging with their favourite retailers, with nearly half (42%) choosing it as their first preference. In the digital natives age group (18-24), 17% chose social media as their preferred way to stay in touch with their favourite brands and retailers. Engaging digitally across channels with their customers provides retailers with

Imagine a scenario where commercial teams and buyers have enough customer data points and insights to provide them with the confidence to back their interpretation of forward-looking market trends, enabling them to curate a range tailored to their target customers' needs. This is when 'thinking like a customer' provides real competitive advantage.