

Look who's talking? Why brands must focus on the e-commerce experience ahead of voice and visual search

April 2018

Convenience, simplicity and recommendation has become the maxim for modern consumers. A recent study suggested that global retail e-commerce sales amounted to 2.3 trillion US dollars in 2017, with that figure expected to double by 2021.¹ Additionally, mobile will account for 45% of the 632 billion dollars in total e-commerce sales by 2020², figures which reflect a new wave of tech-confident consumers. The rise of e-commerce has transformed the shopping experience; with a wealth of online marketplaces and apps available many brands are considering whether this is the time to integrate the latest technology to enhance customer experience and drive sales.

In this context, the growth in use of intelligent voice assistants are the latest hot conversation topic in retail technology with voice search being identified by some commentators as the upcoming trend. Visual search is another conversation gaining air-time where users scan objects with their smartphone camera and this reads the image to find similar products. According to one Gartner report, by 2021 early adopter brands that redesign their websites to support visual and voice-search will increase digital commerce revenue by 30 per cent.³ Yet before brands rush to invest in speech recognition platforms, it may be worth asking is this really the right time to act?

One of the main problems with the quoted figures in the conversations on voice and visual search is quantifiability. Voice and visual search cannot yet be tracked in any major analytics software and this suggests that there may be an argument not to rush into action. So, whilst voice (and visual) search is undoubtedly on the increase, there is very little hard evidence on the rate of increase as it impacts e-commerce.

In 2017 a very detailed survey of mobile voice search was conducted in the US on the use of voice search.⁴ Of the top 20 questions asked by those surveyed who used their voice assistant at least once a day, not one was about online shopping. The only question relevant to retail in any way was asked by the 6% who wanted to find a named local business and the 5% who wanted some information on a named local business. In the same survey over 50% of those questioned said they used their voice search whilst driving: quite possibly one of the least propitious times for retailers - unless you are selling car-parking!

I am not arguing that voice and visual search won't increase in importance as technology gets more sophisticated and machine learning programmes become more effective. I do think that marketers should look through the hype and think carefully as to whether they need to respond or keep their powder dry.

So, what should drive the decision to invest? The key criterion is probably relevance. As an example of an early adopter, in 2017 ASOS launched a visual search tool on its app which enables customers to upload photos of items they like and find similar products on the ASOS website. The combination of the scale of revenue attributed to their app⁵ and a target demographic that is more likely to be active on Snapchat and Instagram and the fact that ASOS offers both a marketplace as well as its own merchandise makes this an intelligent early move. Unless you are similar in scale and demographic, the cost of the investment and the potentially low level of use may push this type of investment outside of any standard 'hurdle' rate calculation.

¹ <https://www.statista.com/statistics/379046/worldwide-retail-e-commerce-sales/>

² <http://uk.businessinsider.com/mobile-sales-drive-unexpected-uk-e-commerce-growth-2017-1>

³ <https://www.gartner.com/newsroom/id/3811367>

⁴ <https://www.highvisibility.com/resource/research/how-popular-is-voice-search/>

⁵ <https://digiday.com/marketing/asos-gets-50-percent-customers-buy-mobile/>

Voice has greater ubiquity but it too is perhaps better suited to repeat purchases. Companies such as Amazon may experience greater success with the search method as it will enable customers to quickly re-order the same products and link this to frictionless payment. On the other hand, products which require detailed search terms will be harder to locate via voice. At least for now. Customers are probably less likely to order items which they cannot see, particularly for example in clothing and furniture products.

Ultimately as of now, brands should not become too fixated on optimising their execution and interface for voice search, rather they should be completely fixated on delivering an outstanding customer experience from initial touch to post-purchase service and ongoing interaction. This is still a rare achievement in e-commerce.

In our work for global media, retail, utilities, leisure and B2B brands the data on customer experience we have gathered shows a consistently average customer experience. Here are two key pieces of data:

- 45% of customers had difficulty finding products online
- 11% cited a poorly designed product page as a major frustration and 90% of users to product pages fail to buy

It doesn't matter how good your response to voice search is if what is presented to the customer doesn't work. By listening to their customers' expectations and identifying the technical obstacles hindering a smooth customer journey, online retailers can improve their customer experience. Over the last year in nearly 75 reviews of major UK and US e-commerce retailers we discovered that no more than 25% of them were doing this. If you are not doing this, investing the modest sums to enable you to do this should be a far greater priority than addressing voice/visual search.

Clarity and simplicity remain the byword for customers when shopping online and delivering on this will have the greatest impact on performance. Whilst it remains to be seen whether the majority of consumers will make the transition from conventional shopping modes to voice/visual engagement, the greatest commercial value remains in brands optimising their overall e-commerce experience for the customer.