

The commerce world used to function using a different strategy, where businesses controlled which products they sold. They used to select and publish the information they thought would keep consumers interested and engaged, mainly through generic campaigns and advertising. Consumers, having little choice back then, bought into whatever businesses were offering.

All this changed when the digital era began.

Today, consumers have a world of resources at their fingertips. With a slew of new tools brought by the internet at their disposal, they are no longer passive, voiceless bystanders, waiting for a brand to hand them products they don't need. This means that today's brands face challenges beyond satisfying the demands of their consumers. They also compete for the fleeting attention of these modern shoppers—shoppers always on the lookout for something different or new.

Consumers now hold more power than ever before; they have started to transform the commerce world with demands for tailor-made, personalized content based on their unique needs and preferences. Furthermore, in the past, consumers were bound to availability, now it's mostly a matter of choice, especially when they are no longer bound by geographic location or logistics. In this age of consumers, what sets apart a brand is the experiences they can provide.

But what is customer experience?

Customer experience is the overall quality of a consumer's encounter with a brand. From product discovery, onsite and online interactions, packaging and fulfillment, each touchpoint is part of their experience journey.

*Many brands have made the disruptive decision to shift their business strategy—from door to desktop, from a salesperson to social media, and now from product to experience. Since **86%** of shoppers are willing to pay for great experiences, it is the right time for brands to pay close attention to why customer experience matters more than ever.*

Five Reasons Why Customer Experience Matters

*1. Customer expectations keep rising. Modern customers are willing to grant brands access to a wealth of personal information. At the same time, with a multitude of options readily available with a click or a swipe, consumers can easily switch loyalties. A **Walker** study found that customer experience will overtake price and product as a key brand differentiator. Additionally, a PWC report found that **80%** of consumers believe speed, convenience and knowledgeable support are the most critical expectations that brands should meet.*

2. It sets a brand apart from its competition. With many available options, customers can easily find and purchase a product anywhere, using any device, anytime. According to Genesys, [83%](#) of consumers want an omnichannel experience from a brand. Omnichannel delivery provides consumers with a consistent experience at every touchpoint. A consumer finding a brand on social media and finishing the purchase using their mobile device makes a brand stand out to consumers. Additionally, as brands get ahead of their competition, they also reap their rewards. A report by [Adobe](#) found that brands with the most robust omnichannel strategies enjoy a:

- 10% year-on-year growth
- 10% in average order value
- 25% increase in close rates

3. It generates repeat shoppers and brand ambassadors. Brands need to note that [1 out of 3 consumers](#) will leave a brand after one bad experience, while [92%](#) would completely abandon a brand after two to three negative interactions. However, when provided great experiences, consumers stay with a brand and become repeat buyers. In fact, [87%](#) of customers make another purchase from the company that provides the unique experiences they crave. Additionally, [73%](#) of consumers say a good experience is vital in influencing their brand loyalties. Consumers appreciate great experiences, and they pay it back by recommending their favorite brands to others.

4. It is the new battlefield. According to Gartner, [81%](#) of companies are competing primarily based on customer experience. It means brands are recognizing the importance of delivering an experience to build genuine connections with their customers. However, brands must act quickly, as [62%](#) of companies are already steadily shifting their focus on customer experience. The competitive advantage is huge, and customer experience is the new arena to win over customers and stand out.

5. High impact. To become an experience-driven business, brands need to have the right strategy in place. It also involves having the [right tool, the right process and the best people](#), and when executed the right way, the rewards are high. The [Temkin Group](#) found that companies that earn \$1 billion annually can expect to earn, on average, an additional \$700 million within three years of investing in customer experience. Other powerful statistics that show the impact of investing in customer experience are:

- *73% of companies with above-average customer experience perform better than their competition*
- *83% of companies that believe it's important to prioritize customer experience revenue growth*
- *Customer-centric brands generate revenue 5.7 times more than competitors*
- *Brands that excel at customer experience are 60% more profitable than their competition*

Owning the customer experience

Today, brands that are thriving take proactive measures to provide their customers with the most unique and engaging experiences they can offer. They embark on a journey to be more customer-centric, and they build their strategy around their customers. Customer centricity comes in many forms—from building relationships, getting customer feedback or adopting new technologies. It is a proven strategy to drive long-term business success, but it is hard work. However, it can become less complicated by having the right solutions that can facilitate the personalization and contextualization of consumer experiences.