

Don't settle for the best customer experience in your industry, deliver the best one—period

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In an environment of rapidly changing customer expectations, if your team isn't testing and learning daily to improve the customer experience, then you're likely already behind. Change is no longer happening over months or even years—it's happening now. Customers expect to be "wowed" from the moment they start shopping on their mobile device to when they step foot in your stores.

The auto industry, like most other verticals, has seen a drastic change in shopper behavior. Ten years ago, the average used-car buyer visited five to seven dealerships before selecting a car. Now, with online research, the average buyer doesn't even make it to two. While nine out of 10 CarMax customers start their experience online, almost all of them finish in store.

As an omnichannel retailer, we are focused on interacting with customers whenever and however they want to shop.



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think with **Google**

Held to new standards

People don't evaluate their experiences by vertical anymore. It used to be, "I'll compare CarMax against all other used car dealers," or "I'll compare Nordstrom against all other clothing retailers." Now customers are taking the best experiences from one industry and demanding a similar or better experience in others.

At CarMax, this means we're not competing against the best experience consumers have ever had buying a car, we're competing against the best experience they've ever had—period. A customer can order a very personalized cup of coffee every morning. Why can't she have an experience that's customized for her when she buys a car?

That means everything must be personalized, from the mobile marketing messages to the in-store experience. For us, that requires anticipating customer needs. Is her priority researching the best car for her needs? Is it speed or convenience? Is financing the first step in her car buying process?

Use search to identify needs

Search and user data are great identifiers to discover unique needs. Based on their behavior on CarMax.com, we can use anonymized visitor-level data to determine whether a customer will be more suited for standard messaging related to CarMax's customer offers, or messaging related to financing. Then we can personalize accordingly.

Connect the online and in-store experience

Customers expect a seamless shopping experience, and we see the mobile device as the bridge between the digital and physical. Synchronized browsing will be an important part of the CarMax shopping experience of the future.

Let's say a customer is coming into the store to check out a Toyota Camry, but we also know that she did a lot of searching for other Japanese sedans. With that in mind, the Toyota Camry would be ready at her appointment, but the Nissan Altima and a Honda Accord would also be available and ready for test drives. By knowing more about the customer and her pre-purchase research, we believe it's possible to develop a better informed and seamless car buying experience.

Another way synchronized browsing could come to life is through pairing mobile devices with iBeacon solutions on our lots. If a customer has her mobile device in hand as she's walking and browsing, it can become her guide to inventory as mobile alerts pop up with guidance.

Test for better results

Providing stellar experiences requires testing and constant iteration.

We conduct experiments incessantly, with discovery and delivery going on concurrently. Having a constant cadence of little discoveries is not only a faster way to deliver new experiences to the consumer, but it's actually a much lower-risk way to deliver innovation to market.

A few years ago, we realized that we weren't meeting rising customer expectations for car photos. Google Analytics data showed that fewer than half of the photos for individual cars were being viewed. Our employees often took many photographs of the vehicle, but not necessarily the photographs customers cared most about. To solve this issue, we surveyed customers and began tagging photo types to learn more, then tested and refined a new photo-capture process to improve the images for a consistent experience.

Analytics also help us see which photos customers clicked, in what order, and for how long of a duration. This allows us to tell which pictures are most engaging for the consumer. For example, when people are buying

an SUV, they want to look at a photo of the trunk of the vehicle so they can see how much storage space there is. Now we can make sure that SUV listings have clear photos of the storage areas.

As a result of our improvements to our photo capture and display process, 20% more customers now look at a dozen or more photos in a series, making them better informed and more likely to purchase.

Empower your teams

Whatever vertical you're in, the more you can anticipate customers' needs every step of the way, the happier they'll be. To achieve this, it's critical to empower your teams to analyze and learn as well as test and fail.

At the core of each of our product teams is a product manager, a lead UX designer, a business analyst/data scientist, and a lead developer. We never tell these teams how to solve a particular problem—just what to solve, providing them KPIs to work toward and empowering them to solve for customer needs. The teams develop a hypothesis, run an experiment, analyze the results, and identify if their solution will improve the customer experience while delivering business results. They are constantly iterating as they work toward their goal.

We're willing to try almost anything. If it improves the experience, we'll implement it, and if it doesn't improve it, then we move on to the next experiment.

Who cares if you tried and failed? As long as you've learned something, then you're always getting smarter about your customers and how to meet their needs.

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