

A guide from DigitalSignageToday.com

Shaping the Customer Experience with Digital Signage



INSIDE: It is no longer enough to merely sell products and services — today, successful businesses engage their customers on both intellectual and emotional levels. Learn how digital signage can accomplish both goals while invigorating the bottom line.

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About the sponsors



From digital signage to kiosks to in-store audio and mobile applications, Nanonation's software creates powerful ways to impact the customer experience. Nanonation solutions deliver powerful messaging and integrated marketing services seamlessly across an enterprise with online tools to monitor, measure and manage each customer interaction.



DigitalSignageToday.com, operated by Louisville, Ky.-based NetWorld Alliance, is the leading online publisher of news and information on the emerging world of digital signage, dynamic messaging and cutting-edge business communication technologies. The content, which is updated every business day and read by professionals around the world, is provided free of charge to readers.

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Introduction

Good experiences linger in our minds for days, weeks, sometimes even months. Bad experiences can linger for a lifetime. If I were to ask you about the last time you got terrible service in a restaurant, you probably wouldn't have to think about it for very long — I'm guessing that, even now, you're recalling the last waiter who botched your order, was rude to you or took too long getting you the bill. On the other hand, what if I asked you for the last time you got extraordinary service in a restaurant? Odds are you'll have to think about it for a little while longer.

The psychology of the customer experience says that we notice right away when things are bad; but when things are good, they often go unnoticed, simply because that's the way we expect them to be. The waiter was nice to you. The store had exactly what you were looking for. The new car drove like a dream.

Well, why should we notice these things — isn't that what they're supposed to do? For those of us in the business of providing great customer experiences — which, we would maintain, is all of us — this is an opportunity. There is a concept in sales that says, it doesn't matter what you do for your clients; what matters is what you do for them that they realize.

This may sound cynical on the surface, but dig deeper and you'll see that it is not. Business is complex, far too complex to rely on the once-innocent assumption that

customers will take notice of the good things you do for them. The days of the attentive mother sending a "thank-you" card to the people at Sears & Roebuck for shipping her daughter's new school clothes on time are, sadly, long gone. People expect not only that you will do for them what you say you will, but that you will do more, because they deserve it.



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When it comes to planning a customer experience using technology, the goal is two-fold: Accomplish the task at hand, and make the customer feel good about how it was accomplished. Perhaps the task is to speed up a transaction; perhaps it is to solve a problem; or perhaps it is just to give the customer a great time. No matter the reason for the technology, it is not enough to meet the goal — you have to convey to the customer the way in which the goal is accomplished, make them feel a part of the process and make them glad they took part. I'd like to thank Nanonation for its sponsorship of this guide, which enables us to provide it to you at no charge.

Chapter 1 Understanding the drivers behind the customer experience

Why do your customers do business with you?

That seems like a very basic question, but it is overlooked with surprising regularity. It is no longer enough to offer a product or service — there are plenty of those to go around, after all, and plenty of competitors eager to offer the same products and services for a penny or two less than the prevailing rate.

Customers do want those products and services, of course, but they are increasingly aware of the physical and emotional context in which they are delivered. This is the customer experience, and it is something businesses ignore at their own peril. As Starbucks has demonstrated, customers are willing to pay a little bit more for something if the act of purchasing it makes them feel good.

“It’s all about the experience, and technology is a tool to create experiences,” said Brian Ardinger, senior vice president and chief marketing officer for Nanonation. “Whether it’s a one-to-one interaction to provide information or make the trip quicker, or it’s a one-to-many experience where you’re giving people a great feeling about being in your store, it’s all about how you use technology to create customer experiences.”

That emphasis on the customer underscores one of the biggest mistakes businesses make when deploying technology: focusing on the technology itself rather than on the customer. Ardinger says technology and its specific implementations should be the very last things considered in the planning process, while too often it is tackled first.

Customers are increasingly aware of the physical and emotional context in which products and services are delivered. This is the customer experience, and it is something businesses ignore at their own peril.

So what should be tackled first? Start with a clear understanding of why customers are interacting with your business in the first place. What do they want out of the relationship?

A customer in a grocery store might want quality food at reasonable prices. If that’s the case, he’ll comparison shop and find the store with the best cost/value balance for his budget. On the other hand, if he’s an epicure who wants organically grown produce from local farmers, a boutique grocer will meet his needs.

A family shopping for a new car might be looking at a used car lot for a reasonably priced minivan. But if mom and dad both are recent recipients of big promotions, they’re likely to be on the lookout for a Lexus or Volvo SUV.

A bank patron wanting to open a new account might be in a hurry, with a few hundred dollars in his pocket and the desire for nothing more than a bare-bones savings account. Or he might have a check in his pocket with several zeroes on it, which he thinks should entitle him to a higher level of customer service.

A customer buying a lawnmower on a Sunday afternoon probably wants to look at a handful of models, try out the handles and read a little bit of info on gas efficiency and blade adjustment levels. That same

shopper out looking for an LCD television wants a different experience, a brighter and more technologically impressive one.

Even if a company feels it has a good assessment of what it offers to its customers, it is worth revisiting every few years — especially now, as consumers find themselves suddenly in control of a great deal of information that previously was out of their grasp.

“Certainly, consumers do a lot more comparative research on the products they’re planning to purchase, but the availability of different levels of product quality and price points matches their expectations with their purchasing decisions,” said Tony Turiello, group manager of solution sales for Panasonic System Solutions Company. “As far as customer service, much of it has been outsourced, and the experience is quite similar across different product lines. The change in attitude is that the consumer’s tolerance level for mediocrity is lower.”

No matter what the specific nature of a customer/business interaction, Nanonation’s Ardinger says it can be grouped into one of three basic categories:

Make it quick

Life is complicated, and consumers are always looking for ways to save time. The old stereotype of a leisurely day spent running errands has become quaint, as the people running those errands juggle work duties, cell phone calls, family activities, volunteer work and all of the other demands of adulthood.

Three customer experience goals

Most customer/business interactions can be grouped into three basic categories:

- 1.** Helping customers get in and out of the store quickly
- 2.** Helping customers solve a specific problem
- 3.** Differentiating your business from your competition with “Wow!”

Naturally, any business that promises to save some precious time will be appreciated — as long as it really works. For many retailers, self-service has become a powerful tool in getting customers in and out quickly. Self-checkout has been an unqualified success in the grocery segment, and informational kiosks and price look-up devices have largely eliminated the need to get live assistance from store staff.

“We talk about empowering the customer — give them the power to take control of their shopping experience,” Ardinger said. “We want them to be able to make it quick with self-service, or find something at the right time — getting them to their end goal as fast as possible, using technology.”

Solve a problem

Sometimes a customer enters a store for leisurely reasons — to spend some time (and perhaps a little money), interact with the things he enjoys or simply get out of the house.

These are pleasant respites for the shopper and valuable encounters for the retailer — there is nothing better than a happy customer, after all. But more often, the customer will enter a store or a bank or other business because he has a problem that needs solving.

Take the big-box home center, for instance. Most shoppers who enter one of these stores have a specific need — a nut that fits a certain bolt, a shower head to replace the one that cracked this morning, a new lawnmower to replace the one that gave up the ghost that afternoon.

Self-service and digital signage technology, when intelligently planned and deployed, can do much of the heavy lifting of solving these problems:

- A touchscreen kiosk can replace a weighty paper catalog of parts, allowing the shopper to quickly find the right bin for the needed bolt;
- An informational video, displayed on the front of a shelf, can educate the customer about the different types of shower heads available;
- Large-screen wayfinding signs can help the new arrival get straight to the lawn hardware department.

A retailer needs to provide the customer with an ability to take action, Ardinger says. The closer he or she can get to that personalized experience, the more the customer is going to interact with their brand and have a better feeling about it.

“A good example of this is Royal Caribbean,” he said. “On their ship, in the spa and health club areas, there’s a

65-inch touchscreen where the customer can actually go up, find out all of the information about what particular massages are there, or which facilities are available, and it gives a really immersive experience where the customer actually drives through and determines what they want to look at, when they want to look at it and why.”

Compare that with the old experience, where a customer would walk up to the one sales associate that they had, who was typically trying to take reservations, who would have to answer the same question 50 times for every single person that came up to the device.

“So, it’s empowering the customer to make those decisions and choose what’s important to them to focus on,” Ardinger said.

Create a “wow!”

Sometimes it is enough to deliver the right product or service at the right price at the right time. But increasingly, it is not; after all, how many other people within driving distance offer the same product at a comparable price?

As competition steps up across all segments, the need to create a positive experience — to create a “wow” in the mind of the customer — becomes increasingly important.

“Business is becoming much more competitive,” Ardinger said. “And in the environment that people are surrounded by every day, they can get pretty much everything they want. So why would a customer want to interact with your

CHAPTER 1 Understanding the drivers behind the customer experience

business? Using technology to provide an answer to that question is a pivotal goal.”

Even as recently as two or three years ago, digital delivery in a retail environment meant something like a TV with a VCR sitting in a Bed Bath & Beyond or Foot Locker, with the hope the salesperson would put in the right tape at the right time and wouldn't be too concerned after that loop played 50,000 times that they wouldn't put Caddyshack in at the end of the day.

That's the old experience, and that was only two or three years ago. What we're seeing now is this move to digital and the advantages it actually has, Ardinger says.

“Today, digital delivery for an in-store branded media network incorporates everything from entertainment and video, music, etc., to entertain customers as they're walking by, but also to give them an information source about new products, new offerings, and delivering it in such a way that it 'wows' the customer,” he said. “It's the same types of things that they see at their home, HD screens, things along those lines, big format, all taken into consideration to create an immersive environment that matches the brand and experience.”

One of Nanonation's retail customers is the Build-A-Bear Workshop, a chain of specialty stores where children (and adults) can design their own stuffed animals from scratch — choosing colors, type of animal, outfits and other attributes. Using a custom-designed software application called NameME, customers are walked through a step-by-step process of creating their new companion. The animals are assembled before customers' eyes in a



Build-A-Bear Workshop's gift-card kiosk allows customers to build gift cards in much the same way they would build bears.

process that is highly interactive and creates an emotional affinity for both the animal and the process itself.

As an experience, it is far removed from simply buying a stuffed animal off a shelf — it is an interactive process that engages the customer, creating memories and giving him something he cannot get elsewhere.

“The fact is you can walk in, choose a particular bear, pick the outfit, stuff it yourself, go through the particular series of steps, and at the end you get to actually use an interactive device where you can name the bear and print out a birth certificate,” Ardinger said. “It gives that customer a direct connection with what they've created in the store.”

When it came time to add a gift-card program, it didn't make sense to use a typical batch of preprinted cards hanging from hooks — after all, this was an experience entirely built upon the idea of customization.

“Having the ability to, again, personalize that experience very much engages the customer,” he said.

So the “wow” in this case came in the form of a gift-card kiosk that allows customers to build their own gift cards, in much the same way they build the bears themselves. It is a reinforcement of the positive experience made elsewhere in the store, an organic extension of it, as well as an additional profit center.

“Wow’ is about giving them a reason to come back,” Ardinger said. “Why would I want to use this system over and over again? It can't just give me value, but it has to also resonate with me.”

Another key concept that falls under the “wow” umbrella is that of the first impression — and, as is famously known, you only get one chance to make those.

For BMW PLC in Frankfurt, Germany, the first impression has just as much to do with aesthetics as with practicality. The experience of buying a luxury automobile must be, in a word, luxurious — after all, the shopper is not just paying for the car, he is paying for the emotional satisfaction that comes from being made to feel important, like a high roller.

When a new dealership opened its doors in 2005, 11 interactive terminals provided

by Friendlyway were installed to allow customers to touch their way through the thousands of vehicles on hand. The kiosks were designed with the aesthetic of the dealership in mind — so rather than looking like freestanding machines that were added as an afterthought, the sleek units are just another extension of the BMW brand. Customers can use the terminals to research cars and print their findings, sign up for e-mail alerts and check prices and mileage on used vehicles in stock.

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— Brian Ardinger, senior vice president and chief marketing officer, Nanonation

For customers reluctant to speak to an auto salesperson, the experience is a powerful one — they are given control of the research process and made to feel at home in the high-end showroom. That most definitely creates a “wow” in the mind of the shopper.

Ardinger points out that these customer experience goals — making it quick, solving a problem and creating a “wow” — are not mutually exclusive. In fact, the most powerful experiences are the ones that combine all three. Well-executed digital signage applications can easily touch all three — give the person information he needs (solving a problem and, in doing so, speeding things up), and do it in a visually compelling manner that creates a genuine “wow.”

Case study: Harley-Davidson

Piloted in select locations in 2006, the Harley-Davidson In-Store Branded Media Program is now deployed at more than 300 dealerships. A mix of music videos, rider profiles, marketing promotions and educational content, the network currently has over 80 hours of content with four new hours added every month — all distributed totally digitally.

Harley-Davidson's objective was to deploy a networked signage solution to engage, entertain and inform customers. The motorcycle manufacturer wanted to replace a DVD-based system that lacked flexibility to quickly update promotions and drew complaints from dealers because the same content repeated every four hours for a month at a time. Making the switch would provide dealers with a greater base of content and ensure time-sensitive promotions play only at the right times and locations.

A PC-based media player with multiple video connections (VGA, DVI, S-Video

and Composite) allowed dealers to easily swap the player with virtually any video distribution system to meet the various needs of the dealers, who have as many as 30 displays in some locations. Each player ran software and was connected to the Internet to monitor, manage and measure content at each dealership. New content was remotely uploaded monthly or on an as-needed basis.

The media player also came with pre-loaded software and initial content and accessory and cabling packages were available to the dealers to make self-installation quick and simple. The result: 99 percent of dealers installed the system themselves.

As a result of Harley-Davidson's deployment, an increase in dealer participation of 33 percent was achieved, and 86 percent of dealers reported positive customer reactions to the new program.

Chapter 2 Understanding how technology touches the lives of your customers

In the current competitive environment, it is important to look for ways retailers can differentiate their experience so they stand out and deliver more for their customers.

Once you understand the airplane-level purpose for your customer experience — that is, what really drives the success of such a project in the eyes of the user? — the next step is understanding how technologies interact with and influence your customers and their expectations for the process.

Placing technology in a business environment has a demonstrable effect on the relationship between company and customer from that moment forward. When it is well executed, the results can be overwhelmingly positive. If poorly executed, such initiatives can be an embarrassment at best, a black hole for customers and goodwill at worst.

“It’s not just about making the customer feel good, although that is important,” said Brian Ardinger, senior vice president and chief marketing officer for Nanonation. “You have to ask yourself why a customer would want to use this technology in the first place. There has to be something in it for them. You have to give them something they cannot get anywhere else.”

Technology also serves as a bridge between the needs of the business and the needs of the customer.

“Oftentimes, especially in difficult economic times, we focus as retailers on the business needs side, what can we do to lower our costs, what can we do to increase our efficiencies, improve our satisfaction,

Placing technology in a business environment has a demonstrable effect on the relationship between company and customer from that moment forward.

things like that, without taking into consideration that we have to bridge the gap to what our customer needs,” Ardinger said. “As we deploy these technologies, we have to ask how we are using them to meet the customers’ needs. How can we save the customer time, save them some money and improve their experience?”

In this chapter, we’ll examine specific instances of technology and the way it touches customers in their day-to-day routines.

Example 1: Petro Stopping Centers

Headquartered in El Paso, Texas, Petro Stopping Centers operates 65 truck stops in more than 30 states. The centers sell the usual assortment of goods you’ll find at typical truck stops and c-stores — food, toiletries, electronics, general merchandise — but 85 percent of the company’s sales come from fuel.

As such, it is crucial to the company to keep its best customers — the over-the-road truck drivers — happy and coming back for more.

One of the ways the company reaches out to truckers is by providing some of the comforts of home, such as showers, laundry facilities and home-style cooking. It also operates a loyalty program aimed at winning and rewarding repeat business.

Currently, Petro has more than a quarter of a million drivers enrolled in its loyalty program.

In 2002, the company enlisted Nanonation to develop a touchscreen kiosk program that would allow drivers to manage their loyalty information on their own. This would eliminate the need for punch-cards and other paper-based tracking systems that inevitably fail or become too burdensome to keep up with. The kiosks include video trailers of movies for sale at store locations as well as coupons and promotional announcements.

Drivers can swipe their loyalty cards at any kiosk in the system and instantly see how many points they have earned — and what sorts of amenities that translates into. Points can be redeemed through the kiosk for gift certificates, prepaid long distance cards or showers. The kiosks also include mapping functionality to direct drivers to the nearest location.

“We’ve added a lot of functionality over the last four years,” said David McClure, marketing director for Petro. “What was a program that just redeemed points now performs a lot of informational services for the drivers. We even run advertising on it, and we used it to send out Christmas cards to our customers last year.”

Understanding the experience: Petro knows that its loyalty patrons are away from home for long periods of time, so it uses the program to market “creature comforts” such as movies, showers and food. Visually, the system uses design elements that emphasize the romance of the open road, fostering a positive mood in its users.



One of the ways Petro reaches out to truckers is by providing some of the comforts of home; it also operates a loyalty program for winning and rewarding repeat business. Currently, more than a quarter of a million drivers are enrolled in the program.

Example 2: Live Nation: interactive digital signage via text messaging

Live Nation, the world’s largest music company, produces more than 16,000 concerts a year in 57 countries. At more than 130 venues, Live Nation uses Nanonation’s Nanopoint digital signage software to manage the content on the digital signs in the arena. With the software, Live Nation efficiently controls national promotional campaigns from a central location.

Meanwhile, personnel at the venue can update signs with local content and messages triggered by real-time events. Some shows incorporate audience participation via text messaging on cell phones. Via text, concertgoers can vote on their favorite song, ad message or whatever message points the advertiser can conceive. They can request information via

text message, building on the visuals with additional content that creates a deeper relationship.

The interactive content helps create the mood and enhance the live experience. With Nanopoint, Live Nation can customize advertising to the show and audience. This offers greater flexibility and targeting for advertisers to reach their specific market segments.

Live Nation can set custom triggers to update material on a show-by-show basis. Previously, Live Nation used prerecorded media that couldn't be changed after the beginning of the season. Now, Live Nation can stay up to date with the fast-paced media culture.

With interactive signage through mobile texting, Live Nation has been able to secure sponsorship deals with brands that value interactive customer relationships. With the application, advertisers can utilize text-to-screen and photo-to-screen interactivity with consumers at the venue. Consumers can respond to advertisements that push info in response to text messages.

Nanonation's solution is built on Apple-based media players and software tied to a variety of screen outputs. Live Nation uses Nanonation's Digital Signage tool to plan media schedules and publish to each sign as needed.

Understanding the experience:

Advertisers and brands are always looking for new and engaging customer experiences that shatter the advertising clutter. The ability to customize messages

for a concert tour or individual show gives advertisers unprecedented flexibility.

Crowds respond to advertising and content that is specific to the show and music or show genre. In this age of mass customization, everyone wants to feel special. Targeted messages allow advertisers to reach show goers at the level to which they've become accustomed. Text interaction allows crowds to vote on messages or concepts, building a new level of relationship that makes passive advertising a thing of the past.

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Example 3: Marina Square cinemas, Singapore

Marina Square is one of the largest and most popular shopping malls in Singapore, with more than 700,000 square feet of retail space and estimated traffic of two million visitors per month. Part of a recent remodeling initiative included the installation of 10 digital screens, provided and maintained by 1-2-1View.

One of the mall's key tenants is cinema operator Golden Village Pictures, which wanted to stage a special event to coincide with the release of the film TMNT, featuring the Teenage Mutant Ninja Turtles.

Given the age group of the desired audience, two particular portions of the

mall were singled out for promotion: the food court and the youth-oriented “Groove Nation,” a collection of clothing and accessories stores aimed at young shoppers. Screens within these two areas were targeted in the weeks leading up to the event, with 15-second static ads followed by 90-second movie trailers, in a loop.

The promotion was an overwhelming success for all involved; not only did a teeming mass of children get to meet Leonardo, Donatello, Raphael and Michelangelo, but the nearby retail shops benefited from the swelling crowd before, during and after the event.

Understanding the experience: Young people have grown up in a world where content is delivered digitally. This is not new to them; it is what they expect. Digital screens in a retail space, telling them about an event they will not want to miss, are a natural fit. The networked nature of digital signage also allows retailers to be intelligent in how they plan promotions; after all, it would make no sense to run promotions for TMNT in an upscale, adult clothing store. Targeted delivery to specific screens at specific times allows the customer to feel important, in addition to increasing the chances that the message will resonate and be remembered.

Example 4: Royal Caribbean Cruises

When Royal Caribbean Cruises (RCL) launched their latest 3,600-passenger Freedom Class ships, they needed a way to better promote the best-in-class capabilities the spa and fitness center offers. RCL turned to Nanonation to

create a high-impact visual and auditory showcase of the ships’ high-end facilities.

Displayed on two 65” high-definition touchscreens outside the spa and fitness center, an HD interactive application guides guests through all of the treatments, services and facilities available on ship. A “virtual concierge,” which is a personality filmed in HD and then layered into the application, guides users through the system and makes recommendations on treatments and services.

In addition to the spa and fitness sections, the interface also is an interactive wayfinding application to guide users to the ship hot spots. Users can easily see a map and directions to areas such as the pool, rock climbing wall or restaurants.

The result is a high-impact interface that leaves users with the “wow” experience RCL wants its guests to receive.

In summary

What do all of these examples have in common? They are all projects where technology is used to meet the unique needs and wants of a very targeted group of people.

If you were to lay the specifics of these five projects side by side, you’d see more differences than similarities. That’s because each was custom-built with the customer in mind. Every customer, in every location at every time of day and day of the week, has different needs and desires. Building a technology-driven customer experience involves knowing — intimately — those needs and desires, then tackling them one by one in the smartest fashion the specific situation will allow.

Chapter 3 Understanding the gamut of customer experiences

No man is an island — nor is any one aspect of a business. In the era of the multichannel enterprise, companies have to work to deliver consistency across all of those channels; that means not only delivering products and services in a consistent fashion at consistent prices, it also means delivering consistent experiences.

One good experience — or a single bad one — leads to another. In a 2006 survey of holiday shoppers, retail consultancy firm Gomez Inc. found that 65 percent of online shoppers would stop or reconsider visiting that retailer's real-world store if they had a single bad experience. Likewise, 71 percent said a single bad experience at a brick-and-mortar store would prevent them from wanting to visit that retailer's Web site.

And with today's connected customer, word of an experience can be transmitted worldwide in the blink of an eye.

"The social buzz that used to take weeks or months to get around to a particular market can happen instantaneously," said Brian Ardinger, senior vice president and chief marketing officer for Nanonation. "Within minutes, a customer can relay a good or bad experience about what they have in the store."

In this chapter, we'll look at five different examples of technology-based customer experience and analyze how those experiences make sense across all of the company's channels.

Example 1: Mazda retail revolution

Buying a new car should feel good. It should certainly feel more substantial than

In the era of multichannel enterprise, companies have to work to deliver consistency across all of those channels.

buying, say, a sack of groceries or a DVD player. It is a major investment, and car shoppers want to be made to feel special.

For a company like Mazda Motor Corp., that experience begins with the car itself and its built-in level of luxury, continues through all of the marketing and advertising materials supporting it (television, Internet, print) and ends with the showroom.

Traditionally, that last step of the process — the showroom — was reserved for those who wanted to take a test drive or were fairly far along in the decision-making process. The automobile showroom is often perceived as a high-pressure environment, a place where customers need to be prepared to haggle.



Mazda wanted its customers to feel special when buying a car, up to and including its showroom kiosks.

Part of Mazda's Retail Revolution showroom makeover initiative was aimed at changing that; this program sees the showroom as more of an information center rather than boiler room. Customers are greeted with touchscreen kiosks that allow a "test drive" of sorts in a pressure-free environment. The rest of the showroom is designed in a similarly high-tech aesthetic, conveying a sense of speed, sleekness and confidence.

"We've found through our research that Mazda owners have some of the highest Internet shopping rates of any of the car makers," said David Falk, retail environment manager for Mazda, which serves 704 franchised dealerships in the United States. "Our customers are looking online to get information on our products. So they're computer savvy, they're Web savvy, and we wanted to make an effortless transition from the online world that they'd have in their home environment."

"We educated our people and actually changed the culture of the normal car dealership," said Michael MacDonald, president of Bountiful Mazda in Bountiful, Utah, the original pilot location for the program. "Selling cars is still a one-to-one, person-to-person transaction, but the tools that are used are different than they used to be."

The Retail Revolution also represented a conscious effort on the part of Mazda to reach younger shoppers. Much has been made of "Generation Xbox" — and it is undeniably true that younger consumers are more responsive to digital media. The Mazda case provides yet another affirmation of the importance of knowing your audience and building the experience

with their needs and wants in mind — since the project's inception, the company went from number seven in youngest average age buyers to number two (right behind Scion). The use of digital media in such a showroom allows regional managers a level of control never enjoyed before. Gone are worries about whether the most recent brochure is on the sales floor; all media is updated remotely, in real time. Media planners know exactly what assets are running on what screens, at what times.

65 percent: Online shoppers who would stop or reconsider visiting a retailer's brick-and-mortar store after a single bad experience.

Source: Gomez Inc.

Understanding the experience: During the process of researching a new car, a shopper might read a newspaper, he might visit the company's Web site and he will certainly see one or more television ads. The use of digital media in the showroom allows a consistent, unified message across all delivery platforms. When the customer finally comes into the showroom for a test drive, he is greeted with media of comparable quality and message to what he has seen so far — creating a positive mental association. Plus, it is important for the business to know exactly what kinds of customers it wants to reach, and what it wants to empower those customers to do. Mazda wanted to reach younger car buyers, so it built an experience designed to appeal specifically to that group.

Example 2: Borsheim's interactive digital signage

Generally, when digital signage is referred to as “interactive,” that means the customer will be called upon to do something to trigger events on the screen. In the case of Omaha, Neb.-based luxury retailer Borsheim's (a subsidiary of Berkshire Hathaway), the interactive component is actually behind the counter.

Customers sitting down at the counter to look at high-end watches can look up to see a four-screen video wall, cycling through branded Borsheim's content. But behind the counter, a 15-inch touchscreen faces the salesperson.

If a customer asks to see a Movado watch, the salesperson activates the Movado icon on the touchscreen while retrieving the watch; this triggers a set of on-screen content related to the specific product being demonstrated. If the customer then moves on to, say, an Omega watch, new content can be “ordered up” with just another touch of the salesperson's finger. With a certain amount of finesse, this process can be transparent to the customer — creating the illusion that the entire in-store experience is centered around what that one single shopper is interested in.

Understanding the experience: Shoppers make decisions quickly with low-dollar items, but the amount of time spent investigating and lingering rises in direct proportion with the price of the item. Luxury watches command longer periods of product inspection and customer introspection. By customizing the digital signage content based on the actual product the shopper is looking at, the



Luxury retailer Borsheim's' interactive digital signage contributes to the customer experience by making the customer feel as if the entire in-store experience is centered around his interests.

store uses every possible opportunity to reinforce the essence of that brand. And the customer is made to feel very important, seeing things that matter to him on the video wall for all other shoppers to see.

Example 3: Mandalay Bay interactive digital signage

Las Vegas can be a daunting place, especially to new visitors — restaurants, amenities and entertainment options are so abundant they can almost be overwhelming. It is also a city that is no stranger to digital media; digital billboards beckon from virtually every square inch of the Strip, both inside and out.

In quieter times, paper maps might have been essential. But in the modern Vegas experience, interaction is a crucial, expected part of the customer experience.

The Mandalay Bay Resort and Casino launched an interactive digital signage program in November 2006. The company deployed 25 40-inch displays throughout the facility, each of them equipped with optical touchscreen overlays from NextWindow. The program was branded as the “Virtual Concierge,” ready and able 24/7 to help visitors find their way to dining, shows and other attractions.

71 percent: Shoppers who would not visit a retailer’s Web site after a single bad experience at its brick-and-mortar store.

Source: Gomez Inc.

Early estimates indicate that the screens have been well worth the money, with some of them generating more than 4,000 customer interactions per week.

Understanding the experience: Over the past two decades, casinos have become businesses where the clientele expects to do almost everything for themselves — witness the rise of the “comp card,” which takes the place of having a conversation with the pit boss over what freebies are on the way. Casino patrons can manage the entire experience on their own, from the moment they enter the building to the moment they leave — get money from an ATM, play games, add points to their comp card, print a cash-out ticket, redeem the ticket at a kiosk. It is only fitting that in such an environment, the wayfinding and information functions are self-service as well — it is, after all, what the customer expects.

Example 4: The Minnesota Wild’s Xcel Energy Center

To fans of the 9-year-old Minnesota Wild hockey franchise, the Xcel Energy Center in St. Paul is simply “the X.” To the lucky denizens of its 74 executive suites, the X is home to a world-class interactive sports experience.

Each of the suites is equipped with a high-definition, 23-inch Apple Cinema LCD display, which supports 1920-by-1200 pixel resolution. The result is an extremely crisp, high-color viewing experience. It is connected to a networked system that allows fans to interact with video and images, browse exclusive content, check statistics and scores and watch news over an Internet stream.

Content can be remotely modified on a suite-by-suite basis; this allows specific corporate branding and “favorite links” to be added based on who will be spending



The Minnesota Wild’s Xcel Energy Center is home to a world-class interactive sports experience, including high-definition LCD displays with exclusive content and interactive video and images.

time in the suite during a given game. Guests can switch back and forth between live game coverage and video highlights from previous games. NHL partner HDNet provides the content.

The suites at the Xcel Energy Center represent one of the world's first-ever interactive HD systems. And it is not limited to hockey games; content and experience can be modified to suit whatever event the center is hosting, from rock concerts to lacrosse playoffs to political conventions.

The result? For the four years that the system has been in place, the suites have been sold out, 100 percent of the time.

Understanding the experience: Two factors are in play here — the zeal of the sports lover for statistics, video and game-related content, and the executive need for luxury and accommodation. By combining the two, the X has created a destination for executives who want to entertain clients or treat their employees to a special night out. The end result is a one-of-a-kind experience that turns an evening at the hockey game into a highly desirable event.

Example 5: Burger King's "kid's kiosk"

The quick-serve restaurant space is both crowded and competitive, with low prices giving way to increasingly tight margins. And while loyalty often comes from consumer desire for the food itself, it is just as often a factor of other elements of the experience.

Witness the rise of kids' playgrounds in restaurants such as McDonald's and Burger

King. These facilities — not inexpensive to build and maintain by any means — seem to be implicitly saying that there is much more to the restaurant than the food. It is also about building a positive association, particularly with young customers.

Burger King understood this when it launched its "Virtual Fun Center" project in 2002. The company tapped enclosure manufacturer D2 Sales and software provider Nanonation to develop a fun, arcade-like experience especially for little visitors. The resulting unit featured familiar game ideas — falling blocks that have to be lined up, a la Tetris — but instead of plain blocks, burgers and fries fall from the skies.

Originally, Burger King wanted to charge a quarter to play a game on the machines. But D2 Sales' president Sandy Nix said the company realized that even if it gave away the games, the result would be priceless: a positive association with the Burger King brand.

The kiosk itself is bright, colorful and inviting — and designed from the ground up to integrate into the restaurant's playground. The result is a machine that looks like a part of its environment rather than an add-on.

The result? Burger King stores that have the systems average 14 percent higher sales than locations without them.

Understanding the experience: Kids love to play, and any business that gives them the opportunity to do so will be fondly remembered — for life. This positive association not only more than makes up for the "lost revenue" from not charging

CHAPTER 3 Understanding the gamut of customer experiences

for the use of the games, it also more than makes up for the entire kiosk innovation itself. Programs such as this become increasingly important as more and more segments find it difficult to compete on price alone.

Chapter 4 Building the solution

As mentioned earlier, the nuts and bolts of the technology are actually the last step in the customer experience planning cycle. It is tempting to begin with this step — after all, technology is exciting, and it is very easy to get caught up in the swirl of possibilities before examining customer and business drivers — but doing so usually results in solutions that go unused.

In other words, it is a sure-fire way to build solutions that don't actually solve anything.

“You need to embed technology into the experience, rather than make it an add-on,” said Brian Ardinger, senior vice president and chief marketing officer for Nanonation. “Too many kiosks and signage deployments look like add-ons — like somebody said, ‘Oh, I’m going to put a chunk of technology in here.’ So what? How does it interact with how the customer is doing business with you?”

Building the technology base of the experience also involves an intelligent assessment of existing enterprise systems. Perhaps the worst move to make at this step is to create a totally new, freestanding application — a “silo” of technology — that doesn't interface with existing databases, Web sites and other IT infrastructure.

“Self-service apps such as gift registry, by definition, have to be integrated either to an e-commerce or merchandising system to be effective,” said Ken Goldberg, chief executive of Real Digital Media. “Digital signage has been implemented as an ‘island’ of technology thus far. As retailers take over ownership of these networks, as I believe they will, the requirement to become integrated with other key

Four steps to building a customer-experience solution

1. Find out what the customer wants.
2. Determine the business requirements.
3. Decide what systems the new solution will need to integrate with (and where the solution will be located).
4. Choose technologies that satisfy the requirements from the first three steps.

applications, like POS, merchandising, CRM, etc., will become paramount.”

Ardinger says his company walks clients through a four-step process for building a customer experience solution:

1. **Find out what the customer wants from the experience.** “We talk about empowering the customer,” he said. “Give them the power to take control of their shopping experience. So being able to make it quick with self-service, or find something at the right time or quickly solve a problem — this is all about getting them to their end goal as fast as possible, using technology.” At this stage, determine exactly what you want the customer to be able

“Too many kiosks and signage deployments look like add-ons — like somebody said, ‘Oh, I’m going to put a chunk of technology in here.’ So what? How does it interact with how the customer is doing business with you?”

— Brian Ardinger, senior vice president and chief marketing officer, Nanonation

to accomplish. This must always be the first step in customer-experience planning.

- 2. Determine the business requirements for the program.** What does the company want to accomplish — shorter lines? Longer dwell times? A greater number of available products? Higher customer satisfaction ratings? Make a list of everything the business needs to get out of this program for it to be considered a success.
- 3. Decide the environment and the execution.** What will need to happen to facilitate the resulting transactions? Which databases need to connect with the new technology, and which data fields will they need to share? What media assets will be needed, and in what sizes/resolutions? What feedback mechanisms will be needed? What environmental factors need to be considered, such as traffic flow and lighting? What about employee support? Where will the machines be placed? (This last question determines a whole litany of other specifications, such as available space, accessibility requirements, maintenance needs, etc.)

- 4. Choose the technology needed.** With the lists created in the three previous steps in hand, it is time to go shopping for technology. Armed with those lists, this step becomes very simple — what devices are properly suited for meeting each of the customer, business and logistical needs of the program? How can they be integrated with one another, and with the legacy systems? Who will maintain them?

Notice that technology is the last step in the process — not the first. Only when you have fully distilled the drivers behind the project (why the customer would want to use it, how that connects with business drivers, where it will all take place) into a logical set of goals can you buy the right technology.

It is worth keeping in mind, too, that the specific technology chosen will vary based on environment; in a multistore chain, the technology might be different in each location because of logistics, flow or a number of other reasons.