



BLACK FRIDAY GOES DIGITAL

It's no secret that Black Friday is one of the most popular shopping holidays of the year, with over 151 million customers taking part.

According to the National Retail Federation, the number of online shoppers was greater than the number of in-store patrons in 2015. As this trend accelerates, retailers must understand and accommodate digital consumers in order to thrive. Gaining insights on the patterns and behaviors of different online shopper segments allows businesses to deliver the right experience, whether it's a special holiday or just another shopping day.

Following the Holiday Weekend, the team at [24]7 looked at data across retailers to better understand what was driving online shoppers to make a purchase, or not. This analysis was based on unstructured data found in chat sessions, thus giving vital clues into reasons of purchase or non-purchase that typical structured analysis could not provide.

Purchasers chatted more about promotions, whereas 1 in 4 non-purchasers sought product info



[24]7 identified two prominent customer segments shopping online: Balanced Shoppers and Deal Hunters. Based on their behavior and shopping patterns, we found:

1. Balanced shoppers were shoppers who were not influenced highly by deals and discounts, but were driven primarily by the choice of the right product for their needs.
2. Deal hunters were shoppers whose purchase choices were actively influenced by discounts, promotions, and deals.

Our findings:

The purchase incidence among deal hunters is twice that of balanced shoppers, yet mobile conversion is higher among balanced shoppers. However, more than half of balanced shoppers dropped out during the initial stages of the buying process.

Some of the reasons for the drop include:

- 25% discovered the item they wanted was sold out or out of stock
- 12% were just collecting information or were undecided
- 8% found that the product's specs didn't meet their expectations
- 6% encountered technical issues (e.g. page not responding, etc.)
- 3% left because the information was unavailable
- 3% found that the item they wanted isn't available online

While the deal hunters had a higher propensity to purchase, we were still able to identify the reasons why they would abandon their shopping carts, which includes:

- 18% left because retailers were unable to match prices with competitors
- 11% left because the discounts were no longer available
- 4% found that the discount didn't meet their expectations
- 4% discovered their 'points' wouldn't be applied or were expired
- 2% were asked to contact the store

More than half of the Balanced Shoppers dropped out at the initial stages of the buying process



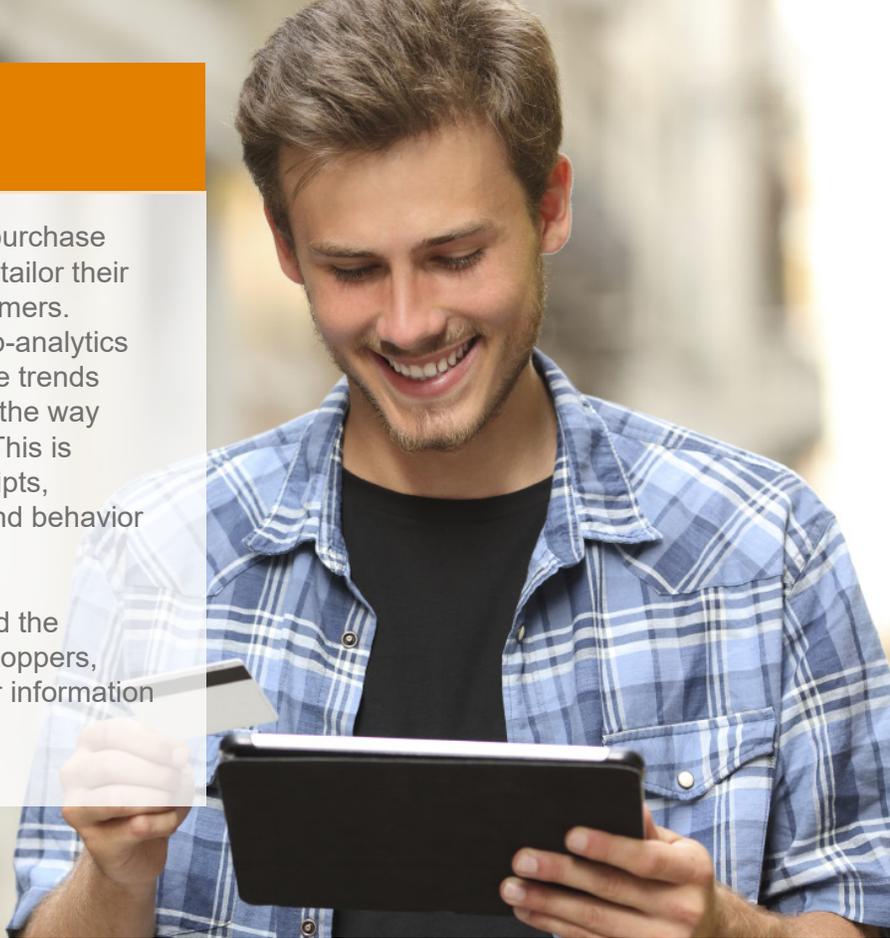
READING GUIDANCE

23% Balanced Shoppers who didn't purchase, chatted to get product information, out of which 12% didn't buy because they were unsure, 8% weren't happy about the product specifications and 3% didn't get the information they were looking for.

WHAT THIS MEANS

Retailers must understand the reasons for non-purchase across different behavioral segments in order to tailor their strategy and treatment modes for different customers. Structured data analysis using clickstreams, web-analytics reports and other sources can point to WHAT the trends are, but understanding WHY customers behave the way they do requires an analysis of a different kind. This is where chat mining helps. By mining chat transcripts, retailers can unlock the customer preferences and behavior drivers that lead to critical insights.

This information can help businesses understand the behaviors and motivations behind their online shoppers, allowing them to step in and provide guidance or information when necessary.



[24]7 Chat brings together prediction, omnichannel intelligence, and rich user engagement to make chat intuitive and effective. To determine in real-time who you should engage, when you should engage them, and what to recommend, we leverage advanced predictive models. Unlike legacy business rules, our models utilize structured and unstructured data from a variety of channels to deliver 3x higher conversion rates.

Utilizing Big Data and advanced statistical techniques, [24]7 Chat can empower your business to continuously optimize its visitor targeting at every stage of the funnel. This can help you prevent different online shopper segments from dropping off at varying stages of their journey. The more you know about your customers, the better prepared you are to deliver the experience they want when engaging with your business.

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About [24]7

[24]7 makes customer service and sales simple. Our platform and applications use big data and predictive analytics to understand customers and drive better service and sales results for large enterprises.

[24]7's platform enables an omnichannel interaction experience. We connect customer interactions across an enterprise's web, mobile, chat, social, and phone channels. It's all in real-time and in the cloud.

Our solutions drive immediate business results. We increase revenues, reduce service and sales costs, and create more satisfied customers.

[24]7 serves the Global 100 market leaders in the Financial Services, Retail, Technology, Telecommunications, and Travel Industries. For more information visit: 247-inc.com

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