

IN THE ONLINE CHANNEL WE TRUST?

Retailers are committed to providing customers with accurate and complete product information. However, the reality is conflicting priorities and poorly designed content building processes prevent many from delivering on that commitment.

Trust and good relationships are built on telling the truth. Multi-channel retailers strive to maintain this principle with every customer touch point including the online channel.

How important is telling the full truth with product content? We believe it is a critical factor in multi-channel sustainability and profitability. We also believe retailers are philosophically committed to telling the truth in the product content they feature online. Yet in practice, many are unable to scale their content building processes and technologies to meet that commitment.

In the Online Channel We Trust?

In a retail store, the customer has the benefit of full product packaging to confirm needed information points. In customer-centric retail stores, knowledgeable associates can offer additional information on use, compatibility or application of the product. However, in the online channel, the customer is limited to the product detail page as the primary source of information. That information must be completely trustworthy from the customer's perspective.

Every product category has mandatory and optional information points that inform customers and influence purchase behavior. At a minimum, a product record must confirm each of the mandatory information points to be truthful. If those points are not included, only a portion of the truth or a half-truth emerges. Half-truths erode the trust consumers have in the retail brand and contrib-

ute to low conversion rates, fewer return visits and potentially higher return rates if items are purchased based upon partial information.

Omission of Facts

Consider the American Heritage Dictionary's definition of a half-truth:

Half-truth: "A statement, especially one intended to deceive, that omits some of the facts necessary for a full description or account."

Now consider that definition in relation to product information. If some of the facts necessary for a full description of the product are missing, is a half-truth created? That depends on how you define a half-truth, what information was actually omitted and intent.

The American Heritage Dictionary emphasizes the point that a statement is a half-truth, especially if it was intended to deceive. After reviewing hundreds of retail web sites, Virtucom is of the opinion that omission of facts necessary for a full description of a product is the result of conflicting priorities rather than actual intent to deceive. However, the result is the same.

Consider the following examples to determine if a half-truth exists and if you agree with the actions that would have prevented it in the first place.

Example #1:

A/C unit omits mounting type

An air conditioner features all of the important information points *except* the type of mounting. The retail assortment in-

cludes portable, in-wall, window and casement type units. The picture looks like a "conventional" window unit but there is no information to confirm it. Does the customer abandon the search? Enter the URL of a competitor? Buy the item hoping it's what is expected only to return it at your expense if it isn't?

Example #2:

Electric dryer omits required accessory

Content for an electric dryer does not inform the customer that a 30 amp cord is a required accessory and not included. If the customer orders the item and it is delivered without the required accessory, how good is that customer going to feel about the information on your web site?

Example #3:

R/C vehicle omits battery information

The product content confirms a rechargeable battery is included for the R/C vehicle but omits the fact that a controller requires its own battery that is not included. The item arrives and now an extra trip to the store is needed before the toy can be used. What frustration level will develop for this customer and how good are they going to feel about the value of your product content?

Incorrect Information

If the *omission* of important information leads to distrust, the *existence* of inaccurate information accelerates it. Inaccurate product information is a significant problem in the online channel. While dimensions and weight are frequently wrong, it is not uncommon to observe important and incorrect product information points. Beyond infractions of normalization rules



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and units of measure, incorrect product information is literally infecting ecommerce at all levels. And it's having a significant impact on profitability in the online channel.

The problem is more acute when retailers pursue shortcuts to building accurate, complete and consistent product content.

In the drop-ship industry, many distributors now offer product content to their retail partners. When retailers audit this content they observe a wide range in accuracy and completeness from SKU to SKU and from category to category. Why?

The answer has to do with the processes used to create the content and lack of understanding of information each category requires to influence purchase behavior.

Companies that offer product content as an "extra" or value add to their core offering typically scrape the content from manufacturer web sites. They do not structure it consistently or verify its accuracy, and they certainly do not compare each content record to a set of written requirements.

Even retailers who build their own product content face significant challenges with accuracy of information. The problem has much to do with the disparate sources of information used to build their product information. Item dimensions and weight may originate from a legacy system and despite the fact that contradictory information is confirmed, little is done to address the source of the inaccuracy.

Unsubstantiated Information

When product content uses the terms "better," "faster," "brighter," etc. in relation to other products in the category, there is a good chance that unsubstantiated claims are being used.

It is not uncommon for product manufacturers to use carefully worded but contextually unsubstantiated claims in their own marketing materials. Often the claims reference a proprietary term that means little to the cus-

tomers. However, the information sure sounds impressive to the uninformed customer.

When a retailer uses these claims in product content, customers begin to see contradictions from one product to the next. Each product record claims to be better, faster, brighter, etc. than other products in the same category.

Unsubstantiated claims often originate with the product manufacturer, and unless the customer is comparing manufacturer web sites there is little opportunity to trace those origins. However, on a retail web site, all of these products are shown in one location where the contradictions become readily apparent. These contradicting claims appear as half-truths and erode the trust those customers had in the retailer.

Icing on the Cake

The presence of PDF files for owner manuals, install guides and other product materials can go a long way in providing additional information to customers. However, the reliance on these files as a *primary* source for product information is sloppy. Best practices in the online channel require information to be readily available, searchable and comparable in a web interface. Forcing the customer to open numerous PDF documents to confirm basic and important information about the product will result in a frustrated and short-lived user experience.

Best practices in content building require the definition of what information components are mandatory or optional within every product category. Further, that information must be structured in a consistent and easy-to-understand manner.

Conclusion

Product information accuracy and completeness are driven by a commitment to offering truth and building long-term cus-

tomers value or trust. While retailers share that commitment, few are supporting it with scalable processes as their catalogs grow from thousands to hundreds of thousand products.

Virtucom advocates four steps to meeting a commitment for truth with your product information.

Step #1: Document content requirements in each product category.

Step #2: Build scalable and efficient workflow processes to obtain accurate product source information.

Step #3: Audit the product content you offer to the online guest.

Step #4: Measure key web performance metrics against improvements in product truth.

A commitment to full truth with product information is critically important to maintaining trusting relationships in a multi-channel environment.

Virtucom Group is helping leading retailers deliver on that commitment with remarkable results. For more information, please contact Mike Jacobs at 315.422.3100 x1 or email mjacobs@virtucomgroup.com.

Contact Information

VIRTUCOM GROUP
120 East Washington Street
Syracuse, New York 13202
315.422.3100

www.virtucomgroup.com
info@virtucomgroup.com