



Inside Tesco's Award Winning Customer Segmentation Analysis

Tesco's on a mission to truly know their customers, what they want, why they need it, and their pain points in order to implement high-impact experience improvements. Knowing their customers' personas and key drivers for each channel allows Tesco to understand what behaviours need to be measured so they can compare experiences between in-store and online experiences.

One of Tesco's goals was to understand where the shopping trip measures declined across each of their six regions across the UK. In particular, Tesco wanted to understand their customers' experiences at a granular level. This would help them identify the actions they should take to improve every customer experience throughout the shopping journey. First, Tesco started by analysing feedback from each individual store, identifying if there were specific times during the day that experiences were better than others, and they focused on which areas of the store functioned well (or not). The outcome of this analysis was to have a clear



Tesco won the award for Best CX Impact at the CX Elite Awards 2021



understanding and improvement action plan that could be communicated across the regions.

As part of Tesco's customer-centric approach, the team wanted to measure not only in-store experiences but also online digital experiences to improve customer retention no matter how the customer interacts with the brand. InMoment ran separate online and in-store CX surveys, to understand the differences between the two types of experiences. It was important for them to understand each journey as they both contribute to overall brand perception.

Using a blended approach, InMoment looked at key structured data as well as unstructured customer feedback and put together individual insight packs, an in-depth report outlining the key actions for store and area managers, and recommendations for each region, focusing on a different shopping trip measure for each journey. These insights packs that gave them detailed feedback and action plans have been given to the relevant teams (e.g. the Cleaning teams, the Stock Fulfillment teams, and the Colleague Training teams), providing clear and direct actions for stores to use on a day-to-day basis to improve the shopping experience for their customers.

With this new level of customer feedback analysis the store managers are empowered to leverage the most relevant insight to create new processes and procedures as needed to help improve customer satisfaction; making sure the customer experience is simple, easy, and intuitive. Tesco strongly believes gathering and analysing feedback across each customer journey and using that information to take action is key to their future success.

Through the analysis, five key areas of a shopping trip were identified that define the customer experience: cleanliness, availability of items, waiting times, helpfulness of staff, and pricing. Through the InMoment platform, Tesco is able to drill down their shopping findings and insight to the store level. Further analysis through the InMoment platform helped them deep dive further into customer data to help understand the meaning behind each customer score.

The team also presented their action planning analysis findings in their Leadership and Governance team meeting.



“Having a large customer perception data set is key to executing this type of programme. A good technology platform will enable you to get the customer voice into the hands of the operation. It enables our office, regional, and store teams to self-serve the customer sentiment trends.”

Fern Roberts, Customer Experience Insights Manager, Tesco

Tesco continues to measure their quarterly progress across the regions and areas where the action plans have been implemented and they are tracking and measuring the progress following the insight-led improvements.

Working with InMoment, Tesco has been able to provide thousands of employees access to CX data and intelligence, personalising the access that is relevant for individual stores, laddering up to store groups and country regions.

Tesco continues to work with InMoment to refresh and keep their feedback programme up-to-date by constantly reviewing customer surveys, with the consideration of what the data will be used for and what actionable information can be gained to manage their business more effectively that in turn will create more loyal customers.