4 ways small businesses can win over customers by being more like Amazon (but better)

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• **Starting an ecommerce business** requires a digital storefront that's easy to shop.
• Amazon became an ecommerce giant in part because of the company's customer-centric playbook.
• Supply chain expert Douglas Kent explains how small businesses can apply the same strategies.
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More and more Americans are starting businesses and many of them are bucking the traditional brick-and-mortar model in favor of **online storefronts**.

**Starting an ecommerce business** means your customers can shop from anywhere in the country, or even the world. But that also means there's a lot more competition, not only from other small businesses but from one of the biggest companies in the world - Amazon.

It's hard enough to get someone to buy your locally-sourced, hand-poured soy candle instead of another brand's. But it's harder still to beat Amazon's off-brand products' prices, one-click convenience, and two-day shipping.

Perhaps business owners have a better chance at success when they try to be more like Amazon instead of reminding customers of their differences from the almighty retail giant. As the saying goes, "if you can't beat 'em, join 'em."

That's the approach supply chain expert Douglas Kent advises small businesses take. Kent is the executive vice president of strategy and alliances at the Association for Supply Chain Management (ASCM) and said that adopting more of Amazon's model will lead your company in the direction customers are headed.

"The consumer sentiment is we want to support our small businesses because they help our economy, but in doing so, they don't want to make the trade off of their experience," Kent told Insider.

It's possible for small businesses to adapt to Amazon's standards, without leaving behind their independently-owned authenticity. Kent walked us through a few strategies business owners can steal from the retailer and explained why they're so effective.
Shoppers expect speed, convenience, and customer-oriented service

Once people have tasted the ease and accessibility of Amazon, it's very difficult for them to go back. In many ways, the retail industry may never return to the days before Prime shipping and no-questions-asked returns. "The speed of service and delivery and the accuracy associated with that perfect order fulfillment - unfortunately, Amazon sets the bar really high with a very secure two-day delivery," Kent said.

For many people, supporting local businesses doesn't get much further than an aspiration. Kent said people may prefer to shop small, until they're met with expensive shipping costs and headache-inducing returns. "If my customer experience is not up to snuff, then I may say this isn't worth the trade-off," he said. Kent calls this mentality an "elasticity factor," or how willing customers are to stretch their values and wallets to make a purchase.

Even if you can't offer two-day shipping, find ways to speed up your logistics. For example, some companies partner with local courier services to offer same-day delivery to nearby customers. And subscription services offer a predictable way for customers to stock up on their favorite products.

Mimic Amazon's simple path to checkout

One of Amazon's greatest strengths is that the company is obsessively customer-oriented. Thanks to all the data the company tracks, it feels like everyone's shopping experience is catered to their individual wants and needs. This isn't always attainable for a small ecommerce brand, but you can ensure your website is engaging and easy to navigate.

Kent said this comes down to building "great digital storefronts" where people can visualize your products like they would in a store. For example, you can try different ways to display a product, such as a moving graphic (or gif) when they scroll over it or using video to show how a piece of clothing fits on the model. It's okay to try new formats, especially as more people have grown accustomed to online shopping.

"We tend to be more comfortable now, as a result of pandemic, to make a purchase online, even age groups that formerly were a little bit resistant have now become quite used to it," Kent said.
Easy returns make customers feel more confident

Another part of Amazon’s massive appeal is its generous return process, which is as simple as printing out a free shipping label and dropping the package at the post office within 30 days. When there are few reasons to discourage customers from returning an order, they’re more apt to buy multiple options and choose one to keep, Kent said.

The cost and labor for small businesses to process returns can be burdensome, but Kent encourages businesses to stop seeing them as a burden. Instead, returns are a necessary value proposition to give customers more control and options, which can lead to a better shopping experience.

But it’s not enough to offer a quick and easy return process - companies need the staff, training, technology, and efficient workflows to ensure they can carry them out. "Smaller businesses have underestimated the volume and the difficulty in the reverse logistics process," Kent said.

Technology can ease and automate the process, but returns also require a team of reliable, personable, and efficient customer service representatives. Even though people are placing their orders digitally, they may prefer talking to a human being for more complex situations like returns, exchanges, and sizing.
Transparent customer service and reviews

Kent stressed the importance of transparency throughout customer interactions, especially when shipping delays come up. Keep customers updated on every process of their order and notify them when unexpected issues arise. "The worst thing people hate, particularly if they've chosen to do business with a smaller entity, is if they don't know something is happening," he said.

This transparency also translates to the reviews on your site, Kent said. Companies should vet all the reviews on their site to ensure they're genuine and credible. "That's always a fear factor when you find a product that you think you want to buy, but it's from someone you don't know," he said. We always look at reviews."

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