

Customer Experience Innovation

How companies stand out from the crowd by providing unique and memorable customer experience



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Abstract

In today's world where information is democratized to a large extent, customers have transformed themselves into a most powerful entity that determines brand presence, relevance, and obsolescence. They have in a way become brand enhancers and brand executioners. For companies offering products and services on the digital highway, it is simply no more sufficient to provide a consistent experience across multiple channels. When offering seamless customer experience becomes 'hygiene', companies need to resort to bold approaches that seek to make their customers' lives fun, pleasurable, and more importantly, memorable. Customer experience innovation is centered around providing personalized, original, fun-filled, and helpful services which can help companies differentiate their products and services, and stand out from the crowd.

Across all sectors and markets, the battle to win and retain customers' attention has become intense, and loyalty, an increasingly precious commodity. Indeed, a recent survey of nearly 25,000 people found that only 28% said a brand was a major determinant of their purchasing decision. There are¹ four factors that contribute to this:

1

The *cost of search* has dramatically reduced, making it easy for consumers to compare the features and prices of products and services, rapidly commoditizing many industries, and forcing companies to offer heavy discounts to retain their market share.

2

The *rise of social networking* has made it easier for consumers to share their experiences – positive or negative – disempowering marketers and forcing many companies on the defensive. An example of this is Dave Carroll's now infamous United Breaks Guitar video and its impact on United Airlines' reputation (and 10% drop in share price) after it went viral on YouTube².

3

The unstoppable *march of mobile technology* has heightened customer expectations. Hence, companies need to invest increasingly to engage 'always-on' customers wherever and whenever they want.

4

The *proliferation of marketing communications* has resulted in consumers becoming immune to brand promises. Firstly, they are themselves filtering out the majority of marketing communications, and secondly, using technological innovations like TiVo to filter brand messaging even further.

Customer experience innovation

To tackle these pressures, organizations are increasingly looking to innovation as a means of preserving mind-share and shoring up prices. But today, the benefits of product innovation are often, either short-lived as a result of shortening product life cycles, or ineffective, as the introduction of more features and functions serves only to bewilder the already overwhelmed customers.

Companies are beginning to realize that the most sustainable form of

differentiation is customer experience. (We define customer experience as the lasting impression – positive or negative – a brand makes on its customers, across multiple touchpoints throughout the customer journey.) To date, customer experience design has focused on providing a seamless and frictionless experience across channels. However, this operational excellence mindset is fast becoming 'table stakes'. To win today, companies need to create **innovative**

experiences that are genuinely **different** and **memorable**. In a world of social media, mobile, and demanding consumers, brand equity is not derived from getting the basics right, but from out-innovating your competitors so successfully, your customers want to talk about you, again and again.

To be memorable, customer experience needs to be personalized (**know me**), original (**surprise me**), fun (**entertain me**), or helpful (**make it easy for me**).

¹ This Time It's Personal, Ernst & Young, 2012

² <http://www.youtube.com/watch?v=5YGc4zOqozo>



Know me

"What scares me about this is that you know more about my customers after three months than I know after 30 years".

Lord MacLaurin, Tesco Chairman, on the Clubcard, 1994³

In the UK, Tesco's Clubcard is now famous for its pioneering approach to personalization through customer analytics. Managed by dunnhumby, the loyalty program gave Tesco access to huge volumes of customer data, which was used to target customers with offers, initially in direct mail and now through digital channels. The data also had the potential to be used on a macro level to support inventory, store layout, and merchandising decisions.

In the digital domain, Amazon pioneered an approach to marketing that presented recommendations based on past behavior and predictive analytics. Today, Amazon couples its own data with Facebook's, to evolve ever-richer profiles in support of better and better targeting. Pandora has

applied this approach to music, taking metadata associated with a piece of music, and user ratings to develop personalized playlists. Netflix applies a similar approach to movies.

Surprisingly, the use of predictive analytics to support cross-selling and upsell is still not widespread. According to Adobe's 2012 Digital Marketing Optimization Survey, as many as 38% of online marketers have no recommendation engine in place whatsoever, and only 16% were able to make recommendations on the basis of a user's past behavior.

Digital businesses and the huge volumes of data they generate create the potential for organizations to deliver ever more personalized experiences, addressing their offers to a market of one.

At the same time, M2M (machine-to-machine) technologies (like 'The Internet of Things') enable interactions with machines that can themselves foster experiences that are highly relevant to the individual consumers. For example, Toyota Friend, a collaborative program between the automaker, Salesforce.com, and Microsoft, enables drivers to deepen their relationship with their cars through a private social network, where vehicle data triggers text messages and tweets as reminders to recharge a battery, book a service, or to look into a potential fault.

The underlying lesson here is; the more targeted the message, the more memorable is the experience. To win consumers' attention, marketing communications need to be highly relevant and personalized.

Surprise me

"Is it really all that exciting? Waiting for take-off; passing time. We see our passengers fighting boredom while they wait.

So we asked ourselves: could we use social media to make our passengers feel special?"

KLM orchestrated a campaign, aptly titled 'Surprise,' which utilized customer data in a highly original way to deliver a personalized and surprising experience.

KLM was able to track down passengers in Schiphol airport by monitoring customer check-ins on Foursquare or their tweets,

exploring their social profiles, and mapping their handles to their customer records. They used this data to provide them with small gifts relevant to their specific interests, prior to boarding an aircraft – a Nike Plus band for a sporty customer travelling to Rome, or a city guide to New York.

Tracking the ROI of such interactions is hard, but these random acts of kindness resulted in more than 1 million impressions on Twitter alone, and helped position the KLM brand as fun, caring, and deeply personalized.⁴

³Mesure, Susie, 'Loyalty card costs Tesco £1bn of profits - but is worth every penny'. *The Independent*, October 10th, 2003

⁴To see the campaign in action, go to <http://www.youtube.com/watch?v=pqHWAE8GDEk>.



Entertain me

HSN, a \$3.3 billion multichannel retailer, with a strong and growing digital presence (currently 38% of sales are digital, including mobile sales of \$167 million), is a strong innovator, using original content and community techniques to deliver personalized experiences to its loyal shoppers, summarized by the slogan, 'It's fun here!'. The company's strategy focuses on driving high customer engagement in order to increase revenues.

Building on the trend towards social gaming (77.9 million social gamers in the US alone) and seeing 'gamification' as a means of driving high engagement, the retailer launched a gaming platform called HSN Arcade, which generated over 650,000 members, playing over 116 million games. This innovation enriched the customer experience – visitors who game, typically spent twice as long on the site and visited

twice as often; and those who shop and play were twice as likely to convert. For example, Queen Latifah's Fashion Royal Rumble challenged consumers to go head-to-head with the Queen in a 'fashion-friendly' competition and in the process increased awareness, and spurred interest in their exclusive Queen Collection.

The HSN.com gaming platform has driven a more immersive experience that reinforces its brand values. At the same time, the games themselves need to be innovative in order to succeed, bringing consumers closer to celebrities and products in a virtual environment and entertaining them in the process.

Vail resorts, a \$1 billion mountain resort company, launched an innovative mobile app called EpicMix in 2010-11, targeted at its skiing and snowboarding customers. With EpicMix, all skiers' activity on the

slopes is automatically captured and uploaded to their EpicMix dashboard. On-mountain photographers can take pictures and deliver them to customers' EpicMix accounts free of cost. Skiers can follow days skied, track vertical feet moved, see where they rode, and earn EpicMix points for achievements. Today, more than 350,000 members use EpicMix and there are more than 3 million social media posts of people sharing the skiing experience with their friends and families.

EpicMix is a good example of leveraging mobile apps to provide innovative customer experiences. The company has transformed the ski resort space from being a thrill-seekers' paradise for skiers, to one that extends to their friends, families, and the skiing fraternity, while also bringing them additional recognition and 'fame' for their skiing feats.



Make it easy for me

In 2010, Matthew Dixon et al. produced the landmark HBR article, *Stop Trying to Delight Your Customers* which argued that customer satisfaction was a function of organizations' ability to reduce customer effort. This ability to make life easy for customers remains an important driver of loyalty even today.

For example, last year, Target adapted its standard store layout and format, introducing CityTarget, a half-size store piloted in Chicago, Seattle, and Los Angeles, with plans for further rollouts this year.

CityTarget addresses the needs and aspirations of its new urbanite customers through clearer signage and smaller product quantities, understanding that for smaller metropolitan apartments bulk buying can be a hindrance. At the same time, the model also caters to frequent visits with a smaller average order value, backed up by more frequent restocking than is seen in the suburbs.

In addition, Target selected 'heritage' locations that signal a strong commitment to a city's identity, such as the Carson

Pirie Scot and Co. building in Chicago. It also complemented the move with merchandise that accentuated it, such as coffee mugs in Seattle, in the process capitalizing on the lucrative tourist market.

Technology is a key enabler too. Target recognizes these consumers are time-poor, and has introduced a mobile POS (point of sale) solution to enable speedy checkouts and prevent queuing. In addition, the use of QR codes helps urban shoppers keen to trace the origin of their products, find out more before making a selection. Expect this innovation to be extended to incorporate coupons and offers soon, possibly enabled by NFC.

CityTarget pushed Target into the top ten of Fast Business' 50 Most Innovative Companies of 2012⁵.

In automotive, OEMs are beginning to see their In-Vehicle Infotainment (IVI) systems as a key differentiator and driver of brand value. Yet, automakers have a long way to go before they provide an experience that compares favorably with that seen in consumer electronics, most notably in Android and Apple app stores. Despite a

number of pioneering innovations, such as adaptive cruise control, voice recognition, and workload estimation (to adapt features available on a head unit to the 'phase of driving'), the adoption of these services has been disappointing.

One challenge of adoption relates to the process for downloading new services. This typically entails a user having to download an app onto their laptop, load it onto a USB memory stick, and then travel to the car to load the new software.

Ford recognized this challenge and responded in the simplest way possible. They did the customers' job for them – load the software onto a memory stick, and sent the memory stick by mail. Fortunately, this tactical solution will be short-lived – 4G and Wi-Fi receivers will become standard in the near future, but in the short term, this approach appears to have paid off, with Ford boasting an astonishing 80% adoption rate of IVI services among its consumers. Further, more than half of Ford owners have cited connectivity as a big reason for their purchase.

⁵The World's 50 Most Innovative Companies, *Fast Company*, March 2013



The future

In the future, companies will find innovative ways of combining all the above to create truly memorable experiences.

Smart navigation download

Imagine a driver is stuck in traffic; his car detects there is not enough fuel to get to the destination programmed into his satellite navigation system. A pop-up window appears on his head unit, asking him if he would like to download a smart app that will help him find a petrol station on his route. The driver accepts and the app downloads over 4G, starting up automatically and providing a search result listing stations within range and sorting them by price. The driver selects a station and the satellite navigation system reroutes his journey accordingly. He drives to the station, fills up, and is

prompted to 'Like' the app on Facebook. When he reaches his destination, he receives a personalized email confirming his purchase and notifying him how much money he saved. He can revisit the app in his car, online, or via his mobile phone at any time to determine total savings achieved over a certain period. Because he 'Liked' the app, he is included in a referral campaign offering him the chance to refer it to one of his friends in return for a money back on the original purchase.

This is not the stuff of science fiction. On the contrary, many of these features and functions are available in cars today.

However, what is important is not so much the technology underpinning this scenario, as the fact that the scenario is anchored around a driver's needs. It is based on the use of data (not enough fuel in the tank) and a user journey that anticipates each step of the process without requiring too many interventions from a driver who needs to focus on driving. The fact that the driver liked the app also singles him out as a strong candidate for the referral campaign and can make him eligible for future promotions as a valued supporter of the brand.



A personalized luxury watch purchase

A loyal customer of a fashion brand is traveling overseas on business, and has just won a large contract – he decides to celebrate by buying himself a new watch. He goes to the brand’s mobile app on his phone, which directs him to the closest local outlet; at the same time, the app sends an advance alert to the store of his potential visit. When he walks into the local outlet, the RFID tag on his loyalty card immediately identifies him and sends a notification to one of the sales assistant’s iPads. The sales assistant approaches the customer, addresses him by name, offers him his favorite drink, and inquires what he will be looking for today. The assistant brings up the customer’s purchasing history on her iPad and sees that he has already bought two sporty models over the last four years. She immediately brings up a selection of watches that match the customer’s tastes. Together, they walk through a number of options, selecting

model, color of face, and type of metal for the bezel, crown, and lug. The assistant takes a picture of the customer’s wrist with her iPad and shows him how his chosen watch will look with a leather or metal strap using an augmented reality application. The customer chooses the leather and completes the purchase using his NFC-enabled phone.

When the customer returns to his hotel room, he receives a text message thanking him for his custom (he has already stated this as his preferred mode of communication) and offering him a free service as a reward for his loyalty to the brand. The text also includes a link that will automatically notify his friends on Facebook of the purchase (“Look what I just bought...”).

A few months later, the brand has an event displaying its latest range of watches and apparel in the customer’s home outlet.

He receives a handwritten note from the person who sold him the watch, thanking him again for his custom and notifying him of the local event.

This scenario demonstrates how an innovative blend of technology and a strong service ethic can create a unique experience. Despite being in a different country, the outlet immediately ‘recognizes’ a valued customer and provides a tailored experience, based on past purchasing behavior. The experience is enhanced by a guided selling app that walks the customer effectively through the main options (providing a good opportunity for upselling) and by augmented reality, which supports the final decision. The customer record maps his home location to the local promotion but the brand’s culture is what inspires the salesperson to write a personalized note, potentially converting someone loyal to the brand, into a lifelong ambassador.



Helpful customer service from a triple-play communications provider

A cable TV, telco, and broadband provider regularly runs propensity models against its customers to proactively identify anyone at risk of defaulting on their monthly payments. An 'outbound collections' agent calls an at-risk customer to try to bring their spend levels down. Calling up his record, the agent is notified that broadband usage levels have dropped dramatically. Through careful probing, he uses this information to determine that the customer's eldest daughter has just left home and that the customer now has only a limited requirement for streaming services. Consequently, he offers to move the customer onto a lower tariff without penalties. A previous agent has already captured the customer's current mobile telco provider and contract renewal date

– it is in two months. The agent checks his customer's current monthly payments and determines that his company might offer a cheaper tariff. As a gesture of goodwill, he offers a triple-play discount and to buy the customer out of his existing contract if he signs up today. After the call, the customer receives a text asking him to rate the quality of the service. On responding, he receives a link to broadcast the great deal he has just had, on Twitter (his Twitter details are shown against his customer record). He is so delighted that he follows the link, which suggests a form of words for his tweet.

This is an everyday scenario from the collections team in any contact center, supported by standard CRM technology

and a simple analytical model. However, some simple innovations help deliver a memorable customer experience. Agents are clearly trained to both, capture and use data, and to develop a more rounded view of the customer. They do this by either storing this information for future use (current telco provider), or utilizing it to pinpoint a change in the customer's personal circumstances, which in turn presents an opportunity to reduce their monthly outgoings and to cross-sell them into the triple-play proposition. The agent is given sufficient freedom to make an investment and to convert that investment into goodwill and a positive brand perception from the customer's Twitter followers.

How to create innovative experiences

So how should companies go about generating the ideas needed to enrich customer experience in a way that makes their brand memorable? The answer involves creating *customer cults*, working across silos on *customer-centric ideation*, and designing solutions that use the '*voice of the customer*'.

“

Now, I want you to raise your right hand – and remember what we say at Wal-Mart, that a promise we make is a promise we keep – and I want you to repeat after me: From this day forward, I solemnly promise and declare that every time a customer comes within ten feet of me, I will smile, look him in the eye, and greet him. So help me Sam.”

Sam Walton to over 100,000 Wal-Mart associates via TV satellite link-up, mid-1980s

People make experiences. No matter how digital your business is, your company still needs bright minds to innovate on a daily basis to drive memorable experiences; whether it is to come up with the idea of a new quiz or game on HSN Arcade, or to identify the right gift to surprise and delight bored travelers. Companies that create memorable experiences have 'cult-like cultures' (to use Jim Collins and Jerry I. Porras' term from *Good to Great*) that focus ruthlessly on the customer – customer cults, you might say.

The classic example is shoe e-retailer Zappos, which immerses its contact center agents in a zany and liberal culture that places a high degree of trust in its agents to do right by their customers.

In one famous story, an agent received an out-of-office reply, which announced that a customer was doing a three-day walk to raise money to fight breast cancer. The response is shown alongside and demonstrates the potential impact that a cultish focus on the customer can have.

Hello WW!

While working through emails from our amazing customers, I came across your auto reply. Normally we mark them as auto replies, but yours caught my eye. I just wanted to let you know what an admirable thing you are doing! We at Zappos are proud to have you as a customer, and as part of our family.

Thank you for being a wonderful person.

Ashlee

Customer relations rep at Zappos⁶

⁶ZAPPOS: HAPPINESS IN A BOX, Stanford Graduate School of Business, Case Study M-333, 23/08/2010

Whether or not the customer is the cult, the results can be impressive. UK mobile network provider, O2, has a similarly obsessive vision centered on the customer: "To enable our customers to make the most of their world and its possibilities through the services we offer". This is not just marketing puffery. Think of O2 as providing a marquee for all its customers on a match day at Twickenham Rugby stadium in London, throwing in a free pie and a pint. This has nothing to do with its

'core' business of being a communications provider, but it innovatively creates a memorable experience that sets it apart from its competitors.

Customer-centricity is not magic. There is a creative process that companies can follow and that will generate surprising insights that in turn drive innovative experiences. Toyota Motors Europe (TME) was wrestling with how to scope its 2015 In-Vehicle Infotainment release, due to a burgeoning list of ideas from IS, product marketing,

and R&D resulting in an incoherent wish list that would have been difficult to implement. It would have also been overwhelming for consumers, who were already struggling to comprehend the existing feature set. The solution for TME was to change the approach. Rather than doing conventional requirements gathering, the three functions came together in customer-centric ideation sessions that were explicitly customer-centric

1. Create personas

TME defined a typical Toyota family, the Arnolins, each with their own car, lifestyle, and preferences.

2. Define moments of truth

Toyota realized that to give the Arnolins a great experience of the brand, it was important to identify the events that were critical to get right. These included pick-up of a new vehicle (customer onboarding), smartphone pairing, and the download of a new app from the vehicle

3. Create user journeys

For each 'moment of truth', a number of user journeys were defined, setting out in detail how to deliver the perfect customer experience.

4. Select the best

Toyota had a well-defined vision (SMART – simple, modular, anticipative, rewarding, and trustworthy), but this was distilled down to the slogan 'It just works.' This was a useful rallying call for three groups with subtly different agendas, with IS looking to bring head-unit HMI in sync with the portal and mobile user experience, R&D looking to rein-in requests for new features that would be hard to deliver within the timeframe, and product marketing accountable for maximization of user adoption. Three journeys were selected to bring 'It just works.' to life.

5. Test and learn

The journeys were developed on an Android app prototype, so that TME could test their concepts and immerse themselves in the desired customer experience.



A major UK bank was struggling with its account-opening procedures, with branch-centric processes, poor usability across channels, and complex communications. As a result, 80% of their customers dropped out, and those that made it through had to wait many weeks before they could meaningfully engage with the bank.

The C-Suite recognized the problem and initiated a wholesale transformation of the process across all channels. Customer experience design was at the heart of the solution; comprising a number of strands, including customer experience labs, live 'ethnographic' observations, detailed prototyping, eye-tracking analysis on web designs, and testing of communications

Technology

All of the customer journeys in this article, real or fictional, make extensive use of technology, whether it is mobile apps supporting guided selling, cloud-based social listening applications, classic CRM solutions, Near-Field Communication (NFC), or analytical tools.

Broadly, each of these tools supports one of the four different phases, and they can often be selectively meshed to offer highly distinct customer experiences:

- Listen: Applications that enable analysis of the voice of the customer, either to understand the effectiveness of a given experience, or to make targeted interventions where experiences go wrong (or right!)
- Observe: Applications or tools that enable monitoring of customer behavior to assess the effectiveness of customer experience designs, often in real-time, so that the appropriate actions (cross-sell, upsell, etc.) can be initiated
- Deliver: Technologies – often cutting-edge – that provide personalized, entertaining, surprising, or helpful customer experiences
- Manage: Operational applications

content for simplicity. Over 70 customers participated in experience labs, which were critically observed live, by over 50 employees, including the C-Suite. By getting senior executives to witness the poor customer experience, first hand, this approach drove significant momentum for change and resulted in a number of innovations, including: product finders and comparators, paperless identify authentication, eSignature and digital T&Cs, and radically streamlined data capture. The redesigned customer experience reduced the average time taken to open an account from 23 days to less than a day; nearly 50 percent of applications were concluded purely via the online channel– up from none!

that enable marketers or customer-facing employees to engage with customers in innovative ways, and successfully manage the resulting interactions

However, the terrain is still relatively immature and many innovative customer experiences require bespoke solutions. No predefined technology stack exists for customer experience management – a situation that has created an opportunity for niche players and agencies to come together in an ecosystem that supports specific niches within the CEX domain. uTest.com, for example, offers a crowdsourcing service that tests digital experiences and provides almost instant feedback from a very broad set of volunteers using a multiplicity of digital devices. In the digital domain, this approach works well given the level of complexity inherent in delivering an innovative experience across multiple devices and platforms. At the same time, several established enterprises or best-of-breed vendors are now enhancing their products by bringing in digital capabilities. CRM, BPM, and BI solutions are starting to incorporate social listening and analytical tools,

The approach's success lies in the belief that there is no 'best practice' that will guarantee a strong customer experience. On the contrary, companies need to listen to the voice of the customer and design their solutions accordingly.

However, with the proliferation of structured and unstructured customer data, this can be difficult; and companies are evolving in their approach, with a variety of analytical techniques using big data platforms to address this. While analytics is a part of the solution, the above example shows that there is no substitute for a more intimate approach where customers themselves corroborate the multiple insights such data can produce.

while enterprise content management and e-commerce tools now feature web analytics modules, as a standard.

Table 1 provides an overview of some of the key innovations that are making an impact in this space.



Table 1: Customer experience management tools and technologies

	Technology	Description	Examples	Experience
Listen	Social listening applications	Monitor trending topics on social networks and make targeted interventions. Functionality ranges from simple keyword searches, to more complex customer-sentiment analysis.	Radian6, RightNow Google Alerts Social Mention Sysomos	Know me
	Response applications	Capture structured (e.g., NPS) and unstructured feedback data to measure and improve customer experience through unified communications across digital and traditional channels	Responsys, Satmetrix SAS Attensity	Know me, Make it easy for me
Observe	Web analytics	Measurement, collection, analysis, and reporting of web data generated by specific events / transactions to support insights that can be used to improve customer experiences	Adobe Omniture, WebTrends, Google Analytics IBM Coremetrics Unica	Know me, Make it easy for me, Surprise me
	A/B / Multivariate testing	Test and optimize web designs based on usage, conversion rates, and other metrics.	Adobe Test and Target, Autonomy Optimost, MaxTest, Adlucent, Google Website Optimizer	Make it easy for me
	Customer flow tracking	Monitor and analyze customer flow in retail to help optimize store layout and inform key merchandising decisions	Wavestore, TrackandTrace, IdentiSys (Qmatic)	Know me, Make it easy for me
Deliver	Eye-tracking	Solutions that monitor how customers view digital content to optimize page layout	BunnyFoot, iMotions	Make it easy for me, Surprise me
	QR code scanners	Enable real-time, personalized interactions in-store or with ATL campaigns to provide additional information and drive conversions or traffic to websites. Likely to be superseded by NFC.		Know me, Entertain me
	NFC	Enable real-time data exchange between devices or between devices and tagged objects to support mobile payment, access control, ticketing, couponing, and personalization.	InsideSecure, Yubico	Know me, Entertain me, Surprise me, Make it easy for me

	Technology	Description	Examples	Experience
Deliver	Augmented reality	Create immersive web and retail experiences through mediated reality to enhance customer sales and service interactions, improve marketing effectiveness, and strengthen brand differentiation.	Mobile apps, e.g., Google Goggles, Wikitude, Metaio, Qualcomm (Vuforia)	Entertain me, Surprise me,
	Motion sensing	Fun interactive product demos	Microsoft Kinect	Entertain me
	Private social networks	Online communities hosted by company to bring customers, suppliers, or channel partners together to share experiences	Infy Bubble	Entertain me, Make it easy for me
	Mobile first	Customer applications designed for mobile platforms (tablets, smartphones, etc.), e.g., for loyalty program delivery, mobile augmented reality, and branded gaming	Responsive design frameworks, SAP Sybase, RightNow Mobile, Mloyal, Belly, BlippMedia	Know me, Entertain me, Surprise me, Make it easy for me
	Click-to-call / Video chat	Support digital customer interactions by providing real-time support from an agent via website or mobile app		Make it easy for me
	Recommendation engines driven by Big Data, BPMS, and BRMS	Recommend products / services, based on user's past buying behavior, or the buying behavior of users with similar characteristics, using a set of defined and inferred rules	Real-time data analytics, powered by big data (Hadoop, SAP HANA, Oracle Exalytics), BPMS and BRMS (Pega, Tibco, Savvion), Collaborative / content-based filtering algorithms	Know me, Entertain me
	Customer experience design	Provides individualized customer experiences by dynamically generating and delivering unlimited variations of rich digital content in real time.	Adobe Flex, Adobe Scene 7, Richfaces, Icefaces, Myfaces, Flash, Ajax	Make it easy for me
Manage	Social CRM / Social analytics	Capture, respond, transact and track issues and queries via social networks and understand customer psyche in social platforms and its impact on buying behavior	Right Now, Radian6 Salesforce.com Spredfast Sysomos	Know me, Make it easy for me

	Technology	Description	Examples	Experience
Manage	Lead management	Insight-based responses to pre-defined triggers (e.g., failure to complete purchase online) to present highly relevant communications to prospects	Eloqua, Salesforce.com, Oracle Fusion	Make it easy for me, Surprise me
	Single view of the customer (SVOC)	Customer data hub collating and matching customer data across multiple touch-points to support granular segmentation models and predictive analytics	Infosys Customer Genome, Collabera, Customer Centria, Leading BI and CRM suites	Know me
	Marketing resource management	Organize and manage the delivery of creative assets and other content across digital marketing channels, including web, mobile, email, social media, and video	Adobe CQ, Oracle UCM, IBM WCM, SDL Tridion	Make it easy for me
	Interactive web stores	A consistent shopping experience across all customer touchpoints, including mobile, social and in-store.	IBM WCS, Hybris, ATG, Sterling, Magento	Make it Easy for Me
	Marketing analytics and optimization	Use of prospect and customer data to help optimize all aspects of the marketing mix, including communications, channels, and price, and thereby deliver relevant and helpful offers	SAS, Unica, Eloqua	Know me, Make it easy for me

Given the pace of change, and the bewildering complexity of digital channels, traditional 'waterfall' approaches are poorly suited to delivering solutions that provide memorable experiences. Hence, we recommend that in general, companies take a 'test and learn' approach.

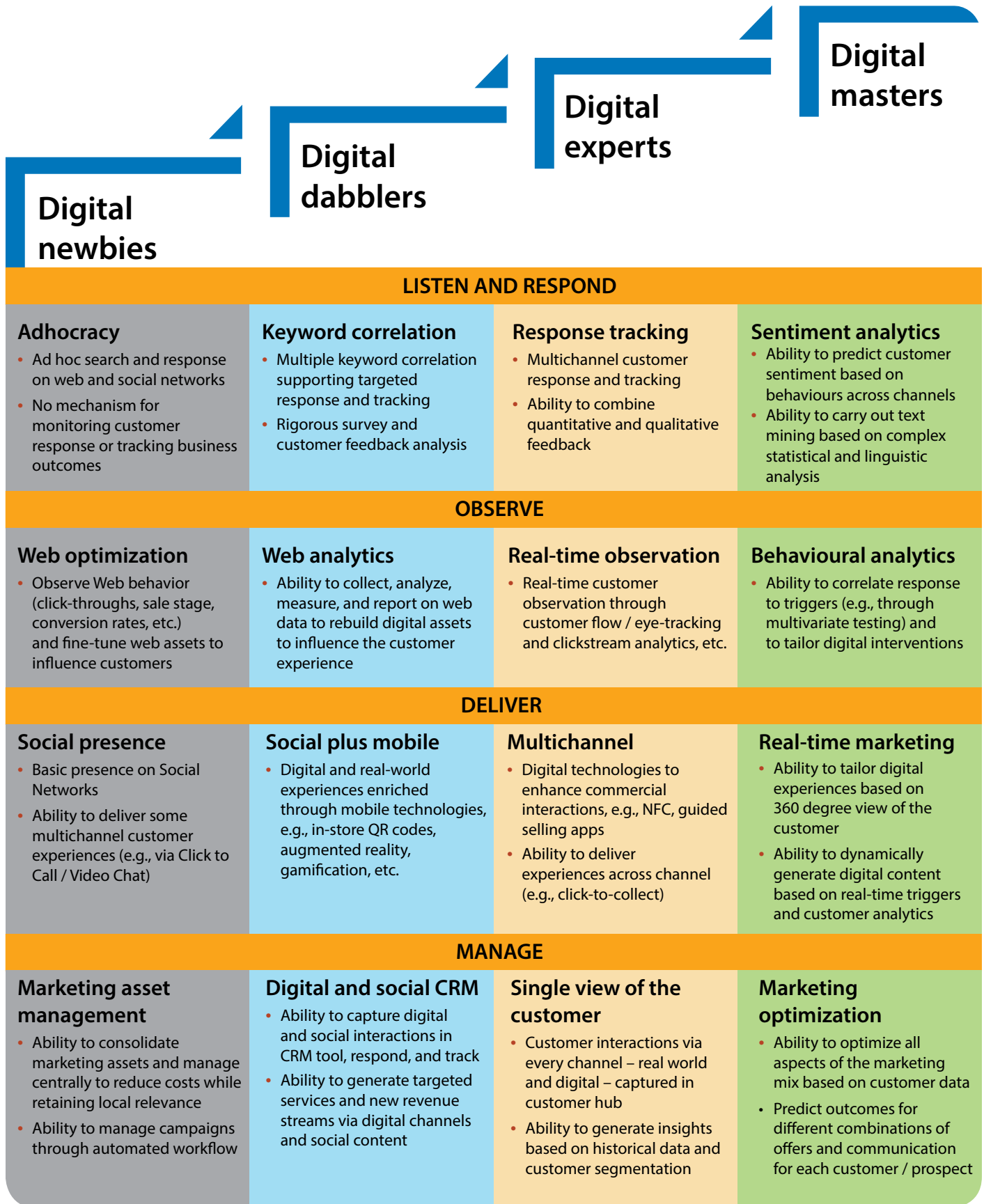
They should release new capabilities to a small audience, as KLM did in Schiphol Airport and Toyota Motor Europe with their 2015 IVI designs, before assessing the results and scaling. This 'Private Beta' approach enables companies to gather

important data before a full-scale global launch where social networks can magnify negative sentiments manifold.

In a domain, where today's leading technologies can quickly obsolesce, we recommend that organizations focus on building capabilities that address their strategic priorities across **listen and respond, observe, deliver, and manage**. This will entail identifying one or two areas where maximum value can be obtained, and having a heavy focus on these, while maintaining basic capabilities across the

board. To help prioritize capabilities and chart out a journey for development, Infosys has developed a 'customer experience innovation maturity model.' For organizations that are just beginning the journey ('Newbies'), we recommend an iterative approach that works through the curve, rather than attempting to become 'Masters' in a single initiative. A stand-alone behavioral analytics initiative is likely to fail without sufficient upfront effort in more basic web analytics or observation techniques.

Table 2: Customer experience innovation maturity model





Go on – make my day!

In a digital world, where customers have more information at their fingertips and ever-increasing expectations, as well as far greater influence over how brands are perceived, delivering a consistent experience across channels is no longer enough. This is a hygiene factor. Consumers, especially in developed economies, no longer trust large organizations, **and are tired of being communicated to**. The only way to hold their attention is to do something different – to innovate. Bold approaches that speak directly to customers on a personal level and make their lives fun and easy are required. If you do not make their day, they are never going to remember you.

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Shankar leads the Digital Marketing and Customer Experience Management Practice at Infosys. He has over 18 years of consulting and large program management experience across manufacturing, financial services, insurance, and retail industries, and specializes in business process management, digital marketing, digital commerce, and social collaboration spaces. An avid evangelist of 'digital everything,' Shankar focuses on creating a digital ecosystem that lends itself to sustainable competitive advantage for organizations.



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Nick (Ex-Infoscion) used to lead Infosys Lodestone's Digital Practice for Manufacturing. He specializes in sales and marketing effectiveness, with a focus on B2B organizations, especially in discreet manufacturing, hi-tech, and telco, having worked as a consultant in these industries for over ten years. Nick is passionate about helping organizations achieve success through better and more innovative customer experiences, especially via digital channels.

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