TRENDING TOPICS IN CUSTOMER EXPERIENCE

A CX NETWORK REPORT

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#FOREWORD

Social media has changed the face of customer experience and has even been called the future of CX. Communication through social channels has elevated the company-customer relationship to a more personal level, while simultaneously providing instant gratification to the fast-moving, multi-tasking millennials — a generation that by 2020 will be spending $1.4 trillion in the US alone and represent 30 per cent of all retail sales.

Good and bad customer experiences on social media channels are generally more public than phone calls or email exchanges and are therefore more perceptive to going 'viral' — spreading like wildfire across the internet — than any other communication you have with your customers. Not to mention that once something has been published online it will remain easily accessible to loyal customers and potential new ones forever.

To highlight the importance of not neglecting social communications within the customer experience industry, we have released our 2015 CX trends report; 'Trending Topics in Customer Experience'.

Besides social media, this report will also delve into other current CX buzzwords; big data, digital marketing, diversification, loyalty, omni-channel and personalisation. We outline what each of these mean for the customer experience industry today — illustrated with case studies and quotes from CX leaders — and how can you utilise them to their full extent.

Zarina de Ruiter
Editor of CX Network

TRENDING TOPICS OF CUSTOMER EXPERIENCE AT A GLANCE

#BIGDATA

#DIGITALMARKETING

#DIVERSIFICATION

#LOYALTY

#OMNICHANNEL

#PERSONALISATION

#SOCIALMEDIA

#BIGDATA

FINDING YOUR CUSTOMER IN A SEA OF DATA

Big data, as the name implies, involves vast quantities of data which you can analyse and leverage to improve your customer processes. But with so much information at your fingertips, it's easy to get lost in a sea of data and lose sight of your customers along the way. So how do you keep track of your target audience and ensure that the data you're collecting is helping you elevate the customer's journey to create a *great* customer experience?

> " The biggest mistake companies make with data is that they access a particular data stream, or data flow, and they build a user case on top of the data layer. "

Maarten Stramrood, Director of Segment and Online Marketing

upc

It's important that you define what it is that you're looking for within the data. There's no point in just collecting everything you can get your hands on and then not knowing where to start to untangle it all. Rather than aimlessly accessing data streams, why not build user cases first and then assign the relevant data to each individual profile that is specifically targeted for your company?

#BIGDATA

FINDING YOUR CUSTOMER IN A SEA OF DATA

That is what UPC Nederland, the biggest cable company in the Netherlands, did. And their Director of Segment and Online Marketing, Maarten Stramrood, **has told CX Network** that it has given them an invaluable insight to make their user profiles as intelligent as possible, which can then be leveraged for targeting and personalisation purposes.

The key is to first define what you want to understand about your customers, then proceed to implement it.

"It's easy to be blinded by the amount of data available and to get too drawn into analysis for analysis sake. The key is to define what you really want to understand about your customers and their needs. Once you have you key questions, you need to match these to the correct data points and focus on solving the specific queries – thus avoiding data overload.

"Big data is useful in understanding the link between customers and their product preferences. Who likes what and what do they want to purchase together. Most importantly, however, is the requirement to validate what the data is saying directly with customers. Go out there and speak to your customers."

Karl de Bruijn,
IT Director

Cath Kidston
EST. LONDON 1993

#DIGITALMARKETING

EVOLVING YOUR MARKETING STRATEGY FOR THE DIGITAL ERA

Today's age is a digitally focused one and with the first true digital generation, millennials, soon becoming the biggest consumer market this is only going to increase. Looking at digitalising your processes and evolving your marketing strategy for the digital era, can be a daunting task — especially if you've not set up a long-term plan yet and you're unsure where to start.

by 2020 *millennials* will spend **$1.4 trillion** in the US and represent **30%** of all retail sales

Source: Accenture

First you need to establish a digital presence, which should be optimised for both desktop and mobile devices — as smartphones and tablets make up an increasingly dominant proportion of the connected market — before you can start thinking about utilising more specific processes for your marketing campaigns.

#DIGITALMARKETING

EVOLVING YOUR MARKETING STRATEGY FOR THE DIGITAL ERA

The good news is that there is a wealth of information and technology available for you to utilise and maximise the potential of digital marketing. Many companies, some even within the same industry as you, have gone though the exact same process and you can learn from their mistakes and successes. With technology evolving continuously, upgrading existing software and hardware can be a strenuous and expensive procedure, so having the opportunity to buy the latest and most advanced pieces to help you can actually be cheaper, easier and more time-efficient.

Once you've drawn up a plan, it's key to start implementing the changes as soon as possible. You don't have to have the slickest digital presence from the get-go, what you do need is a presence in the digital space. Period. After establishing this you can optimise each individual aspect as you go along, maximising the profitability with each addition and adjustment.

> **Did you know?** A majority of firms want to invest in digital, yet a third take the 'wait and see' approach.
>
> Source: KPMG

And when you have that coveted digital presence you can start thinking about marketing campaigns that will work well in the digital space you've carved out for yourself. You can use **big data** to get a better understanding of your customers, which you can then utilise for a wide variety of digital marketing processes, including topics we're analysing in more depth within this report: **personalisation**, **omni-channel** and **social media**.

#STATUSUPDATES

WHAT DO CX LEADERS SAY ABOUT OUR TRENDING TOPICS?

Ruth Genelazo, Head of Customer Service at Moonpig.com

We really try to get to know them [the customer] better and see what it is that they like about the company and what they would like to see more of. It's all about engaging them and listening to them.

Like · Comment · 16 April · 🌐

👍 like this.

Write a comment …

#LOYALTY

Stephen Ingledew, Managing Director, Customers & Marketing at Standard Life

Big data has always been there, it has just not been used to extract insights and action in order to ensure that the experience you're giving your customers is better and meeting their real needs.

Like · Comment · 9 minutes ago · 🌐

#BIGDATA

Maria McCann, Head of Customer Experience and Service at Aurora Fashions

With the advent of omni-channel, companies can start to understand the value of engaging with customers and start to create more of a lifecycle around customer acquisition and loyalty, as well as moving the product around their various channels. It opens up far more opportunities to engage in service and interact with customers in a way that leverages value.

Like · Comment · 6 November · 🌐

👍 like this.

Write a comment …

#OMNI CHANNEL

#DIVERSIFICATION
INCREASING BRAND AWARENESS IN UNEXPECTED WAYS

As a company you tend to stick to the industry you have products or services on offer, but did you know that by doing so you are actually limiting your potential revenues and growth opportunities? After all, you will only ever reach customers that are already familiar with the sector, your brand or what you can offer them.

If you enter a new market you can not only expand your company and increase brand awareness, but you also open up the opportunity for substantial customer growth. You can delight and surprise your existing customer base with the new offering, increasing the possibilities of them valuing the relationship they have with you while at the same time reaching customers you perhaps hadn't considered targeting before.

Diversification is not a new marketing strategy, but is increasingly used in inventive ways. One example is MasterCard's 'Priceless Surprises', which sees the financial services company entering fields such as music and sports.

"Consumer experience has gone through the roof even though it has nothing to do with the core product."

Raja Rajamannar,
Chief Marketing Officer

#DIVERSIFICATION

INCREASING BRAND AWARENESS IN UNEXPECTED WAYS

CASE STUDY: MASTERCARD

Raja Rajamannar, Chief Marketing Officer of MasterCard, spoke at the **Customer Experience Exchange for Financial Services** in London about the opportunities within brand connection, which he said to be critical within CX.

Financial services companies aren't generally associated with pop concerts or sporting events, yet MasterCard has entered that market through their Priceless Surprises concept, in which they reward cardholders with 'surprises' such as tickets to the Grammys and golf experiences.

Rajamannar said that it is about surprising and delighting customers, and making that "a way of life" at MasterCard.

And while it is a vast diversification from their core product, ultimately Priceless Surprises has gained them a stronger position within the market, Rajamannar explained.

"Consumer experience has gone through the roof even though it has nothing to do with the core product," he said.

#LOYALTY

BUILDING BRAND LOYALTY THROUGH REWARDS & ENGAGEMENT

Loyalty is not a new concept within the customer experience industry but it's still a very relevant one. In today's digital age shopping around before buying a product or service has become easier than ever, with comparison websites and online user reviews at the fingertips of the consumer, tempting them away from the companies and brands they have invested in in the past.

While a great price and quality ratio remains a decisive factor, with a nearly unlimited source of information and endorsements available, many other aspects can now make or break a customer relationship. So it's important not only to ensure that you deliver a quality product or service to attract customers, but also to build a relationship with your customers to keep them loyal in a world where it's very tempting for them to switch to a competitor.

Offering personalised rewards through a loyalty scheme is one way to achieve this, which is not only an appealing incentive for your customers but can also provide you with invaluable data to utilise for a targeted customer experience. Enrolment into such programmes has reached an <u>all-time high</u> and it's the top contributor to creating brand loyalty, above product, service availability, price and brand communications. One-third of customers even say that they wouldn't be loyal to a brand if it weren't for the scheme.

> TOP TIP: Instead of starting a loyalty scheme by yourself, partner up for a <u>coalition programme</u>.

#LOYALTY

BUILDING BRAND LOYALTY THROUGH REWARDS & ENGAGEMENT

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Another way to increase loyalty is by evolving the customer's engagement with the company. Go beyond the brand communications across social channels to get them engaged with the company; make them feel a part of it. By having your customers vote on what commercial you should launch next or what product(s) you should revamp you're not only testing the waters but you're also giving them a voice and appreciation.

CASE STUDY: MOONPIG

Personalised greeting card and gift company Moonpig contacted their most valuable customers to create a community: 'Moonpig Addicts'.

Ruth Genelazo, Head of Customer Services at Moonpig, said: "We have only had them for around a year and involve them in testing offers and new products, it's also a way of thanking them for their support.

"We are hoping to have an event with them to get to know them better and understand what they like about the company and our services. It's all about engaging and listening to our most loyal customers."

To illustrate the importance of engagement, **a recent report** found that customers want to help companies improve their customer experience strategy as they like to provide feedback and feel appreciated. One in three explicitly mentioned how they want to feel about their interactions with brands, using words and phrases like "feeling valued", "acknowledged", "heard", "appreciated", and "respected".

#OMNICHANNEL

CREATING A CONSISTENT CUSTOMER EXPERIENCE

Most traditional businesses will have gone down the **multi-channel** route; offering customers the option between various contact points, for example a face-to-face interaction in a brick-and-mortar store and online engagement through social media channels. Whilst it's important to offer a multitude of contact points, just establishing these channels without having an encompassing strategy in place can actually work counterproductive. The real challenge is delivering an **omni-channel** experience; a seamless and consistent journey across all contact points to leverage value.

"With the advent of omni-channel, companies can start to understand the value of engaging with customers and start to create more of a lifecycle around customer acquisition and loyalty, as well as moving the product around their various channels. It opens up more opportunities to engage in service and interact with customers in a way that leverages value."

Maria McCann, Head of Customer Experience and Service

AURORA
FASHIONS

First of all you need to ensure that all contact points offer the same opportunities. Do you sell products in a store? Then the same range should be available online, and vice versa. Does your online chat offer problem solutions and refunds? Then your contact centre needs to deliver the same level of service. Secondly, if your costumers use more than one contact point, ensure that all their information is integrated into a single system. It's a timesaver and it will also help you leverage the data further down the line so you're able to assist your customers quicker and more efficiently.

#OMNICHANNEL

CREATING A CONSISTENT CUSTOMER EXPERIENCE

Finally, a good way to ensure that all customer service reps approach your customers in a similar matter is by establishing a singular and consistent voice for the entire customer journey. One way to uncover how to interact with customers is establishing what kind of person your company would be to them; a friend, family member, or colleague perhaps? You can then create a fictional persona that represents your brand, which your representatives can channel in customer interactions – creating a consistent outward presence and customer relationship.

TO CREATE YOUR COMPANY'S PERSONA, START BY ANSWERING THESE 3 QUESTIONS:

1. How old is your audience? Are you targeting pensioners? Millennials? A mixture of ages?
2. Are communications formal or can the conversation be more relaxed and include emoticons, slang and netspeak such as 'lol'?
3. Do your customers understand your technical terms? What about pop culture references?

Once you have these processes in place you can truly establish a consistent and seamless customer journey across all channels. Whether your customers are contacting you over social media or over the phone, placing an order online or in store, each step of the process will be smooth and efficient, while at the same time increasing brand recognition through the provision of a familiar customer journey.

#STATUSUPDATES

WHAT DO CX LEADERS SAY ABOUT OUR TRENDING TOPICS?

#BIGDATA

Adrian Garcia-Sierra, Head of Digital at AXA Wealth

I think that the insurance industry will change and big data will be a huge driver behind it. But I would say that it's probably more like a five to ten year window. You're probably looking more like it's 2020 to 2025 before we're really seeing significant, wholesale changes.

like · Comment · 21 April ·

Kevin Thompson, Vice President Customer Experience and Development at Barneys New York

We keep it all in-house. That is challenging, but we are one of the very few if not the only retailer in this space doing everything in-house. It's the only way to guarantee precise control and precise execution in all areas, and the best way to maintain a true omni-channel experience.

Like · Comment · 9 minutes ago ·

#OMNI CHANNEL

Maarten Stramrood, Director of Segment and Online Marketing at UPC Nederland

The biggest challenge — and some new solutions will emerge in the next few months or years — is multi-device personalisation. People use more devices and it's quite difficult to personalise them on any particular device. For example if you're able to identify me on my smartphone it's difficult to also identify my profile on my laptop at home.

So how do we connect those two and deliver a consistent experience across all these devices? The really big technology companies such as Facebook and Google are doing a lot of things in this area but no-one has found the golden egg yet.

Like · Comment · 2015 ·

#PERSONALISATION

#PERSONALISATION

ADDING A PERSONAL TOUCH TO THE CUSTOMER'S JOURNEY

The future of personalisation within the customer experience and marketing industry isn't with the more obvious examples, such as ensuring that you're addressing your customers by their first name in an email campaign. Instead it is in the subtle changes, the ones that they don't know about but that elevates their experience with you to a truly memorable one.

"As technology, regulation and segmentation drive us to ever more statistically driven transactional relationships the importance of human contact must not be lost. A deep understanding of customer values and needs will always improve the outcome. Blanket communications will be replaced by personalised activity – even if this is the result of clever interrogation of customer records."

Adam Morghem, Head of Marketing

PREMIUM CREDIT

We have already spoken a lot about big data within this report and with the risk of overusing the word, in personalistion you can leverage the insights gained from your customer data to its fullest extent. Having so much information at your fingertips can be overwhelming if you're unsure where to start, but if you profile your customers and place them in pre-defined segments the similarities and differences between each group of customers suddenly becomes a lot clearer.

#PERSONALISATION

ADDING A PERSONAL TOUCH TO THE CUSTOMER'S JOURNEY

Rather than approaching customers with mass mailings and thinking of them as a number, personalising their journey will create a stronger and more loyal relationship.

CASE STUDY: UPC NEDERLAND

The biggest cable company in the Netherlands uses online identification to personalise the customer's journey on their website. Using triggers and variables they identify a visitor aligned to a pre-defined segment, such as an ex-customer or sports fan.

They are then able to change the content on the website to make it more personal to, for example in the case of the ex-customer, persuade them that UPC has improved the service since they left.

Using these personalisation techniques only a small portion of the content changes, but the message on the website does become more focused by profiling the visitor during their entire journey on the website and then placing them in a pre-defined segment tailored to their preferences.

"They [customers] are not aware of it, but if you ask them if they like the website they say that they do," Maarten Stramrood, UPC's Director of Segment and Online Marketing, said.

#SOCIAL MEDIA

FORMING A SOCIAL RELATIONSHIP WITH YOUR CUSTOMERS

Social media is a great way to communicate with customers in real time and discover what they're feeling and thinking about your brand at any given moment. Swift interactions are key to building that invaluable relationship that will not only improve their awareness of and engagement with your company, even turning them into brand advocates, but will also provide you with invaluable insights into your customer base – and how you can improve their experience.

"Social media is so immediate that you can be both proactive and reactive much faster, as it reaches a lot of people."

Charlotte Dunsterville,
Customer Experience Director

But what are the biggest social media channels? And if you only have the resources to focus on one or two, which one is right for you? The choice can vastly differ depending on the preferences of your target audience. Utilising big data you can profile your customers to get a better understanding of their needs and how to best communicate with them.

On the next page we have profiled four popular social media channels to help you find the one(s) most suitable to your company culture, customers and what you're trying to gain from social interactions.

#SOCIAL MEDIA

WHAT SOCIAL MEDIA CHANNEL IS RIGHT FOR YOU?

facebook

- 1.4 billion users
- 21 minutes spend on the site per user each day
- Connect with 'fans' and turn them into brand advocates
- Share content for 'likes' and 'shares' to increase awareness and engagement
- Use Facebook for Messenger to provide customer service through private chat

Instagram

- 300 million users
- For pictures
- App only, 100% of users access the platform via mobile devices
- Share eye-catching images that target your audience
- Cost-effective way of advertising but don't just promote products, engage with your customers as well

twitter

- 288 million users
- 500 million tweets send daily
- Third most popular social site after Facebook and YouTube
- Engage with customers and turn them into brand advocates
- Share snappy, visual content that followers want to 'favourite' and 'retweet'
- Solve issues quick

YouTube

- 1 billion users
- Hundreds of millions of hours of videos watched each day, generating billions of views
- Get creative and stand out with unique video content
- Search engine Google favours videos at the top of results so make your profile public and include relevant tags for a wider reach

#EVENTS

CX NETWORK'S UPCOMING CONFERENCES AND EXCHANGES

Customer Experience Exchange for Retail – London, UK – 6-8 July

The Exchange is an invitation-only forum that brings together 60 C-level & VPs/Directors of Customer Experience, Marketing, eCommerce and Retail from Fortune 500 retailers.
Find out more:
www.customerexperienceexchangeretail.com

Customer Value Management and Retention in Telecoms – Prague, Czech Republic – 7-9 July

Discover how to leverage customer analytics and segmentation to personalise your communications and develop targeted loyalty programmes that will measurably improve customer retention.
Find out more: www.cvmintelecoms.com

Digital Marketing & Transformation Exchange – London, UK – 21-22 September

Attendees at this invitation-only event will have the chance to meet, discuss, network and benchmark against some of the world's most renowned digital marketing leaders.
Find out more: digitalmarketing-exchange.com

View our full list of upcoming events on CX Network

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On the website you'll find features, interviews, reports, infographics, industry news, white papers and more, for and by customer experience experts.

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