Forbes
INSIGHTS

DATA ELEVATES THE CUSTOMER EXPERIENCE

NEW WAYS OF DISCOVERING AND APPLYING CUSTOMER INSIGHTS

IN ASSOCIATION WITH: **§sas**

CONTENTS

EXECUTIVE SUMMARY

In times gone by, customer experience consisted of static, one-dimensional encounters. Now, thanks to big data and related organizational innovation, customer experiences are rich interchanges between customers and the organizations with which they choose to do business.

Today's customer experience requires a combination of individualized insights, connected interactions and an agile approach to meet customers in the channel of their choosing. This means more than simply doing the same things over in the new channels. It requires new ways of exploring customer trends and preferences, and being smarter about responding to these factors.

Data-driven customer experience is critical to the future growth and development of organizations, particularly in today's hyper-competitive economy. A Forbes Insights survey of 357 executives of large organizations finds that the benefits of evolving to data-driven customer experiences (data-driven CX) are wide-ranging, including enhancing revenue generation and enabling cost reduction, as well as accelerating process efficiencies and quality improvements. Data-driven CX also enables organizations to better target and optimize for specific customers, as well as to deliver consistency and context across various channels. To achieve this, however, there needs to be greater alignment of people, processes and technology across enterprises—involving not only sales and marketing teams, but also other key players behind customer experience, including information technology, purchasing and production.

This report is a comprehensive follow-up to a preliminary pulse survey, "Blazing the Trail from Data to Insight to Action," conducted among 105 executives of large global organizations in October 2015. The pulse survey explored the depth of organizations' embrace of data analytics to enhance the customer experience, and the research found that while half of large enterprises (with $500 million or more in annual revenue) have tightly integrated customer

data analytics into their key processes, there are many areas that are still works in progress. Half of large enterprises were still in the learning stages of customer analytics, and were in the process of applying these analytics to enhance their customer experience. A majority reported positive results with the data analytics they have applied so far.

The pulse survey also found a strong push to enable real-time insights from customer data. Most of the advanced analytics enterprises reported having real-time capabilities, and were seeking to apply them across all channels. Predictive analytics is the advantage most companies were seeking in their analytics initiatives; a majority reported they are already seeing better engagement with customers.

The pulse survey also found that the greatest challenges to insightful analytics were the ability to convert ongoing initiatives into repeatable processes. In addition, a majority of even the most advanced enterprises did not consider key departments or business areas to be highly proficient yet in data analytics. Even marketing and IT departments lagged.

The ability of organizations to develop and link key back-end processes with customer experience is explored in greater depth in the latest expanded survey, the results of which are covered in this report. This updated survey identified three categories of organizations, based on executives' reports of their progress in linking data analytics to the customer experience delivered. As seen from the results, about half of the group have made great strides in this area, while 34% are moving forward with their efforts. Another 14% report little progress at this time:

Leaders: Executives reporting having "a well-developed and designed enterprise data analytics effort enables us to deliver a superior customer experience" (52%).

Explorers: Executives reporting their organizations "are rapidly and systematically developing data analytics capabilities to improve our customer experience" (34%).

Laggards: Executives reporting their enterprises "have data analytics capabilities in many parts of the organization, and are beginning to apply these analytics to improve the customer experience"; or "are still developing data analytics, and have difficulty providing consistent customer experience"; or "are not using analytics for customer experience at this time" (14%).

This survey measures organizations' data-driven CX progress based on three key pillars—*organization* (people), *openness* (data) and *orchestration* (process). These represent the key components on the journey to deliver more compelling and rewarding customer experiences.

The following key findings came to light as a result of this research:

ORGANIZATION:

- Delivering a superior customer experience doesn't happen overnight—it requires a mix of activities and competencies, from data integration to technology implementations to training to rethinking processes.

- To meet the challenges of delivering superior customer experiences, organizations are turning to analytics to better understand customer trends and preferences. For three in 10 enterprises, data-driven CX is already delivering a significant shift in elevating customer experiences. Many more executives who are still in the early stages of development anticipate results over the next two years.

- For the most part, business leaders grasp the importance of enterprise-level data analytics for supporting brand- and customer-focused initiatives.

- Data-driven customer experience delivers just as much of a positive experience to organizations as it does to customers. For a majority of enterprises, their data-driven CX efforts are already delivering benefits in two key areas: decision making, and stepped-up insights and engagement with customers.

OPENNESS:

- Overall, data integration remains a challenge. Only 36% of executives say they have attained real-time, highly integrated capabilities across all the customer channels within their enterprises. At this point, just half of even the most highly data-driven CX organizations consider themselves to be highly integrated. For the most part, information is managed centrally, as reported by a majority of executives. Only 14% of executives are able to report that their data is structured on a cross-functional, synchronized basis.

- Integration may be a challenge, but the pieces are in place. Many organizations have established the mechanisms needed to achieve the necessary back-end

integration to deliver data-driven CX. Executives are pushing to increase the visibility of key data sources to further data-driven CX.

- There's a prevailing understanding that opening up data and sharing it with customers will go a long way to advancing the customer experience. The ability to extend real-time offers as customers browse a site or to show the real-time status of order shipping are powerful examples. Two in five executives agree that sharing data with customers would be beneficial "in all cases." In most cases, customers are not looking at the same data as employees are—thereby reducing the quality of the customer experience.

- Visibility into customer activity is low, with only a handful of enterprises (6%) currently capable of seeing the entire breadth of their customers' experiences. Executives were asked to identify the areas of their customer experience-related processes that require the greatest visibility among customers, and complaint resolution came out on top.

ORCHESTRATION:

- Executives report they have made progress in linking back-end processes with front-end services or interfaces. However, data from these processes is not highly integrated or delivered in real time.

- Delivering superior customer experience isn't just about machines and systems—the success of such efforts relies on the people who build and manage these systems, and on their ability to help design key business processes. There is a close alignment between staff managers and professionals involved in back-end systems

and customer experience delivery. However, there is a need to draw them even closer.

- The ability of decision makers to get at customer experience-related information is key to the success of superior customer experience. Just under half of the executives in the survey report that the majority of their relevant enterprise information is easily accessible via a single, highly integrated presentation layer.

- Most executives consider their data analytics function to be ready for incorporation into their mainstream business processes. Eighty-two percent say their data analytics capabilities themselves—tools, technologies, platforms—are "highly advanced." Executives report taking numerous steps to better align and increase insights and visibility into the customer experience they are delivering. Close to half, 48%, report they have developed interfaces or access analytics to increase awareness, while 47% indicate they have promoted more active data sharing across their enterprises.

- The benefits of data-driven CX are wide-ranging. The most often-cited benefit among executives is having a greater ability to target and optimize for specific customers (57%), as well as achieving consistency across various channels. A majority, 51%, also credit data-driven CX with delivering greater context across the various channels, and close to half also cite an enhanced ability to predict customer requirements. A substantial portion of executives, 41%, say insights from data analytics enable them to coordinate treatments, tactics and offers across limited touchpoints, generally in batch and outbound campaigns.
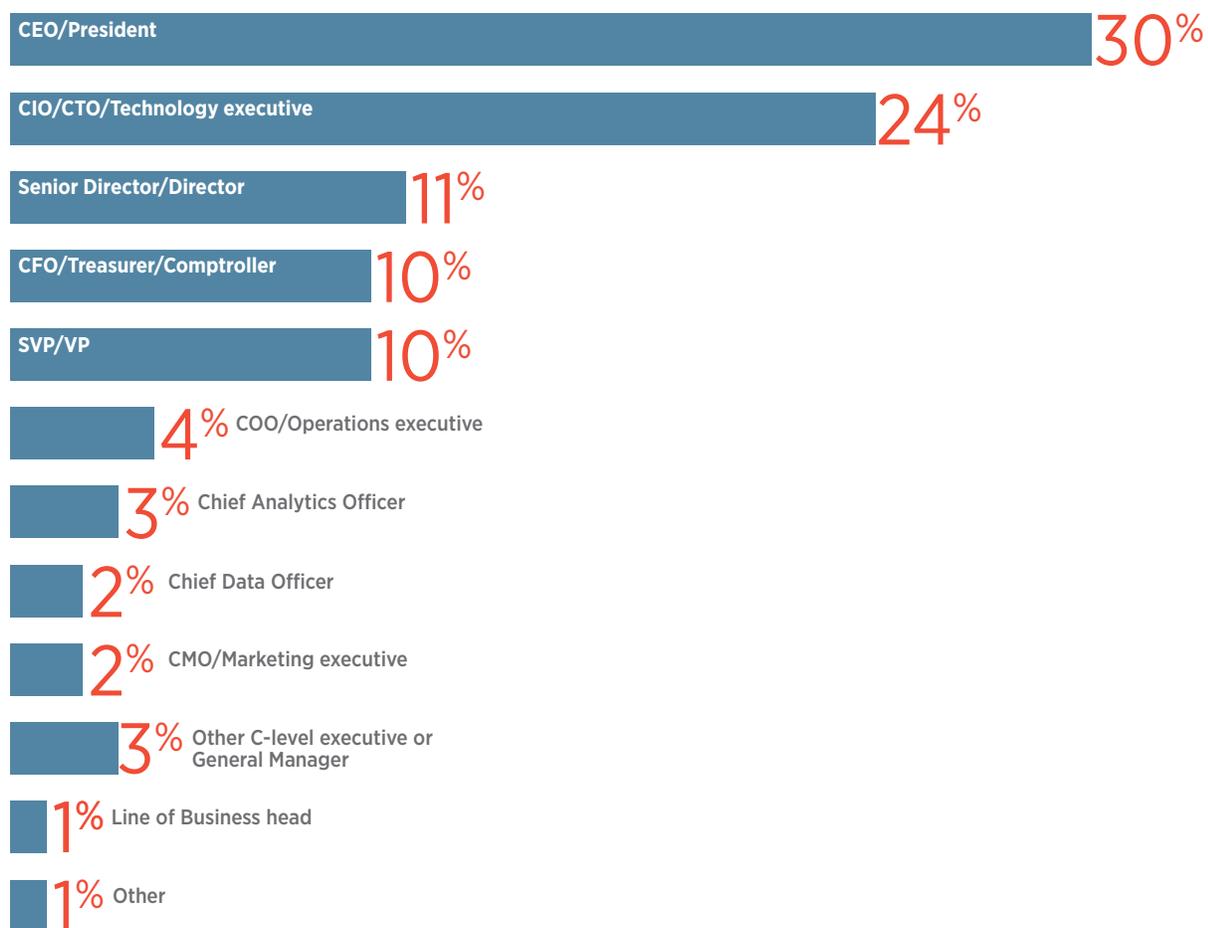
METHODOLOGY AND DEMOGRAPHICS

The survey includes responses from 357 senior-level executives, representing a range of job functions and industries.

Close to one-third are heads of their organizations, while one in four are top technology executives (Figure D-1). The roles responding executives oversee include overall corporate management, customer experience, IT security and customer service/support (Figure D-2). Industries represented in the survey include manufacturing and industrial products, technology (software, systems), banking, energy (oil & gas, power & utilities, mining), financial services, asset management, and general business and consumer services (Figure D-3). The survey was global in its reach (Figure D-4).

FIGURE

D-1 **WHICH OF THE FOLLOWING BEST DESCRIBES YOUR TITLE?**

Title	%
CEO/President	30%
CIO/CTO/Technology executive	24%
Senior Director/Director	11%
CFO/Treasurer/Comptroller	10%
SVP/VP	10%
COO/Operations executive	4%
Chief Analytics Officer	3%
Chief Data Officer	2%
CMO/Marketing executive	2%
Other C-level executive or General Manager	3%
Line of Business head	1%
Other	1%

Note: Does not add to 100% due to rounding.

FIGURE

D-2 WHICH OF THE FOLLOWING FUNCTIONS ARE PART OF YOUR ROLE?

Function	
Corporate management	68%
Customer experience	50%
IT/security	50%
Customer service/support	45%
Operations	34%
Strategy	32%
Finance	24%
Marketing	24%
Sales	21%
Other	1%

Manufacturing/Industrial Products — 18%

Technology (Software, Systems) — 18%

Banking — 9%

Energy (Oil & Gas, Power & Utilities, Mining) — 9%

Financial Services/Asset Management — 9%

Services (business or consumer) — 7%

Consumer Products/Retail — 6%

Healthcare — 5%

Insurance — 4%

Telecommunications — 4%

Automotive — 3%

Media & Entertainment — 3%

2% Public Sector/Government

1% Pharmaceuticals/Life Sciences

Other — 3%

FIGURE

D-4 WHERE ARE YOU PERSONALLY LOCATED?

- North America
- Europe
- Asia/Pacific Rim
- Latin America

15%

32%

26%

26%

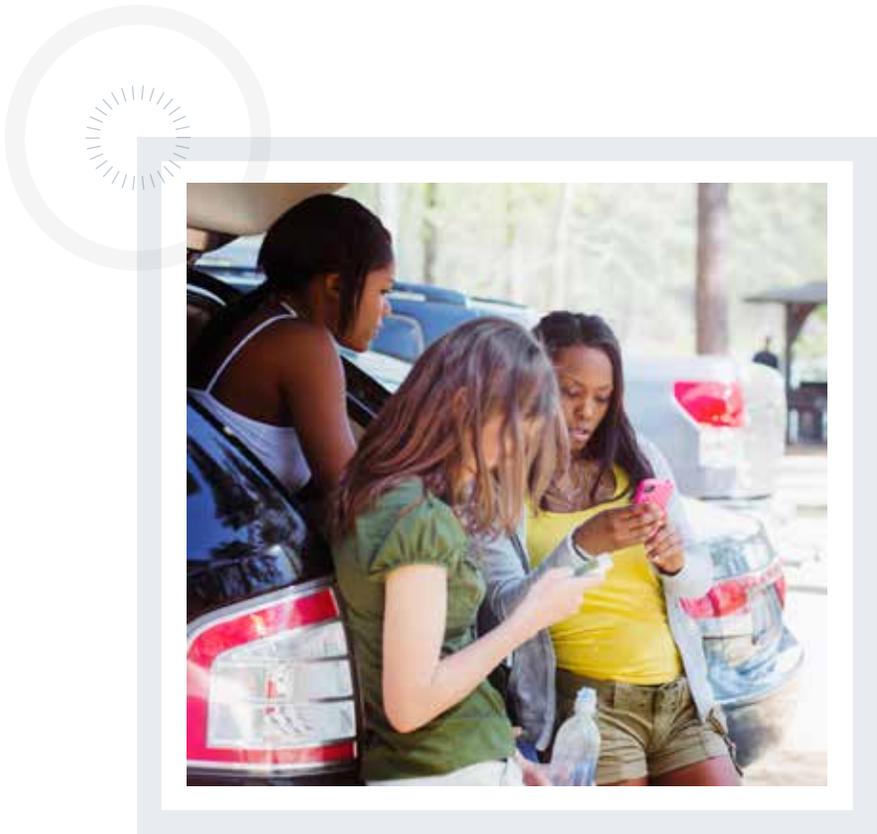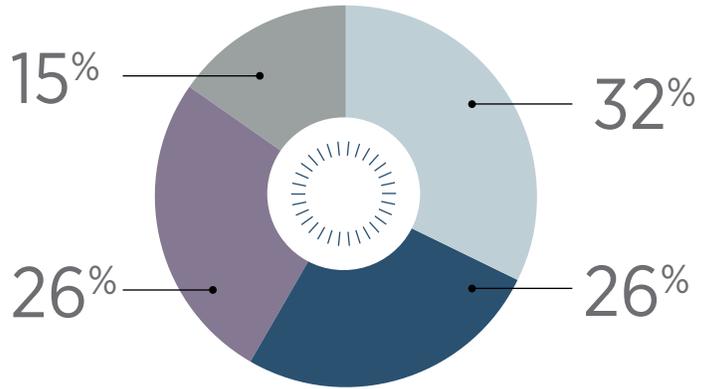## ORGANIZATION: EMBRACING THE ANALYTICS VISION

Organizational readiness is a key foundation to delivering data-driven customer experiences. There is a tendency for enterprises to jump headlong into technology, but technology alone won't deliver a satisfying customer experience.
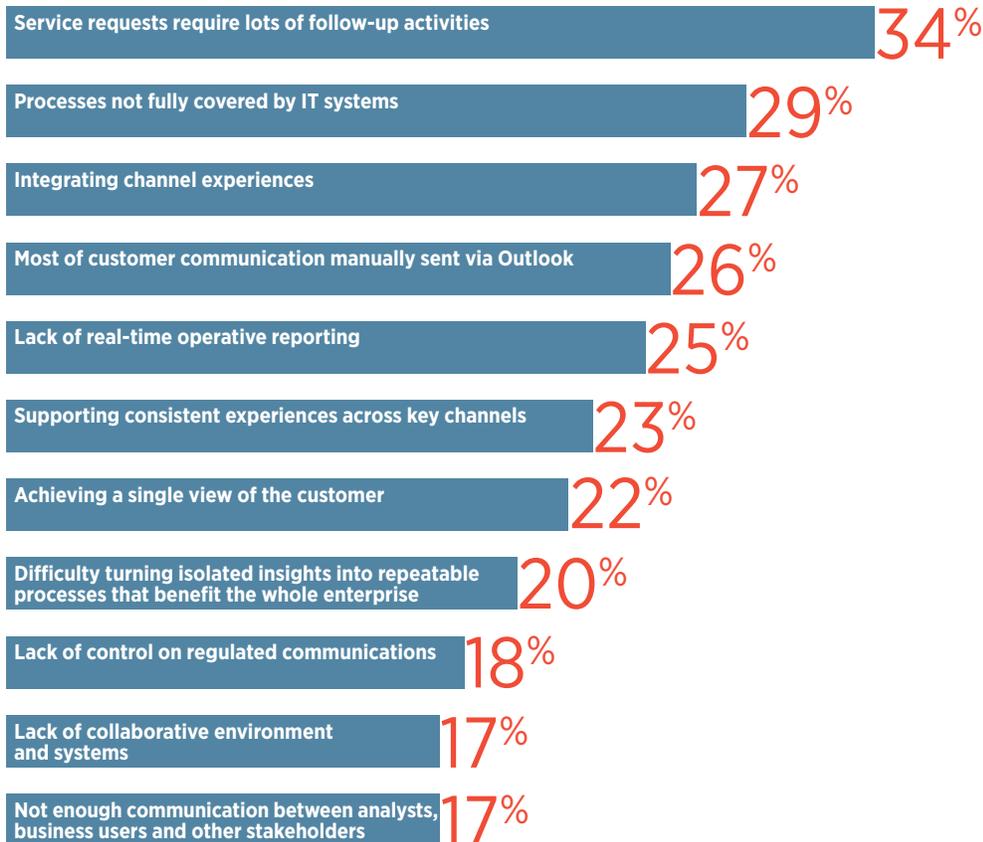
THINKING LONG TERM

Delivering a successful customer experience requires a mix of activities and competencies, from data integration to technology implementations to training to rethinking processes, and it doesn't happen overnight. Among challenges seen, the leading area of concern to executives is the fact that customer service requests require a chain of activities across enterprises

to deliver. The second-ranked concern is that processes required to deliver superior customer experiences are not fully covered by enterprises' existing IT systems. In addition, executives report the ability to leverage their customer experiences consistently across multiple channels as another challenge (Figure 1).

FIGURE 1

WHAT ARE THE MOST PROFOUND CHALLENGES TO IMPROVING THE CUSTOMER EXPERIENCE WITHIN YOUR ORGANIZATION? (TOP CHALLENGES)

Challenge	%
Service requests require lots of follow-up activities	34%
Processes not fully covered by IT systems	29%
Integrating channel experiences	27%
Most of customer communication manually sent via Outlook	26%
Lack of real-time operative reporting	25%
Supporting consistent experiences across key channels	23%
Achieving a single view of the customer	22%
Difficulty turning isolated insights into repeatable processes that benefit the whole enterprise	20%
Lack of control on regulated communications	18%
Lack of collaborative environment and systems	17%
Not enough communication between analysts, business users and other stakeholders	17%

Preparing the organization is often a multi-year journey that evolves. For Royal Bank of Scotland (RBS), efforts to build a data-driven customer experience represented "part of a transition away from a pure sales focus," relates Christian Nelissen, chief data officer for RBS. "We needed to focus on what the relationship brings to the customer." Nelissen says he sees his department's role as "getting the business to understand data, to go out and talk to people about data." His team also sought to better answer the question "What do people struggle with?" Part of RBS's transition involved internal videos, delivered to customer service representatives, that show how they are empowered to make changes to online services to better meet customer questions or suggestions. The RBS website is highly customizable, to be able to test new ideas as well as respond to customer requirements.

At Citrix Systems, which serves 330,000 enterprises worldwide, learning how to continuously advance the customer experience is now a top priority, driven by the findings of the company's data innovation group. "We're big advocates of gaining data insights about customers," says Mike Stringer, group director, data analytics at Citrix. "It's just as important as our products or services. If they're really engaged with the product, and we understand how they use the product, and we get that they're getting value from the product, that makes us successful."

The challenge has been adapting mindsets to embrace data-driven customer experience. "It's been really hard getting people to think differently with analytics, and around customers," says Stringer. "A great example of

this is with our journey with predictive analytics," he adds. "We had to step back and go, 'How do we get people more interested in this and see more value out of this?'" To begin evangelizing the power of predictive analytics for customer experience, Stringer's team first looked at some of the issues the company's sales group was encountering. Through analytics, the team found that sales were stronger when sales representatives followed up with customers to provide continuing support, dispelling the notion among sales teams that support time takes away from time selling. "We were seeing a lot more success when our salespeople stayed involved in support," he relates.
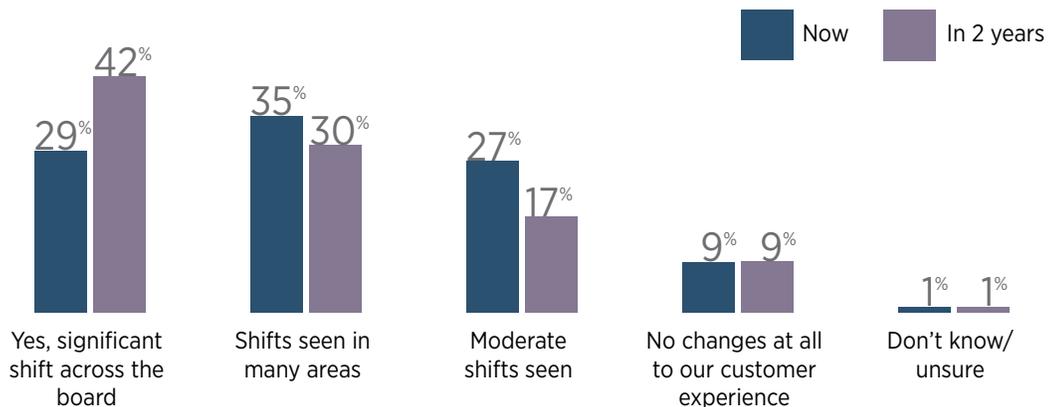
ANALYTICS UPS THE ANTE ON CX

To meet the challenges of delivering superior customer experiences, organizations are turning to analytics to better understand customer trends and preferences. For nearly three in 10 enterprises, data-driven CX is already delivering a significant shift in elevating customer experiences. Many more executives still in the early stages of development anticipate results over the next two years.

A substantial segment of executives, 42%, anticipate that data analytics will soon result in a "significant shift" in their ability to deliver a superior customer experience. This transformational shift is currently most evident among the Leaders in the group, 41%, versus 18% of the Explorers and only 8% of Laggards. Interestingly, those respondents not as advanced with data-driven CX expect to catch up within the next two years, indicating a fast-moving space (Figure 2).

FIGURE 2

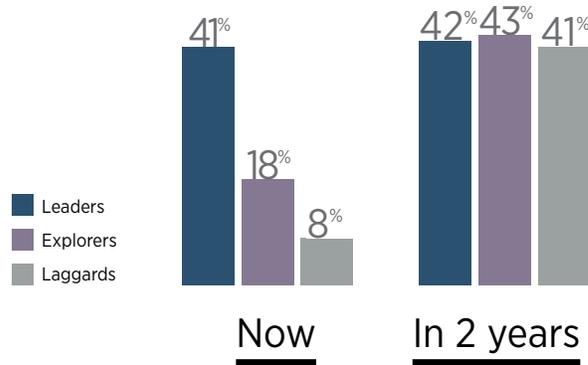HAS YOUR USE OF DATA ANALYTICS CREATED A NOTICEABLE SHIFT IN YOUR ABILITY TO DELIVER A SUPERIOR CUSTOMER EXPERIENCE? DO YOU EXPECT TO SEE A SHIFT IN THE NEXT TWO YEARS?

Legend: Now / In 2 years

- Yes, significant shift across the board: 29% / 42%
- Shifts seen in many areas: 35% / 30%
- Moderate shifts seen: 27% / 17%
- No changes at all to our customer experience: 9% / 9%
- Don't know/unsure: 1% / 1%

SIGNIFICANT SHIFTS—
LEADERS VS. EXPLORERS VS. LAGGARDS

■ Leaders		
■ Explorers		
■ Laggards		

Now

41% 18% 8%

In 2 years

42% 43% 41%

"The use of data analytics enables us to make relevant marketing offers to customers in their preferred channel based on prior purchase behavior and other customer characteristics," says Sanjay Sidhwani, senior vice president of marketing analytics for Synchrony Financial. "We are now using SKU, category and merchant category data to anticipate customer needs and serve relevant content in marketing communications. We also use behavioral data in our customer-service operations to improve the customer service experience. We expect to further improve the customer experience by creating a single view of all customer relationships and enabling all customer interactions with the relevant data."

For the most part, business leaders grasp the importance of enterprise-level data analytics for supporting brand- and customer-focused initiatives. Close to six in 10 say that top executives understand the linkage "extremely well," and the remainder at least have a basic understanding. The Leaders in the survey—with the greatest linkage between data analytics and customer experience—are well ahead in this regard. Close to three-quarters report their business leaders grasp the advantages of data-driven CX "extremely well," versus two in five Explorers and less than about one-third of Laggards (Figure 3).

FIGURE

3 HOW WELL DO BUSINESS EXECUTIVES UNDERSTAND THE IMPORTANCE OF ENTERPRISE-LEVEL DATA ANALYTICS TO BRAND AND CUSTOMER-FOCUSED INITIATIVES?

Extremely well, a diverse group of executives is regularly engaged in customer analytics	57%
Basic understanding, executives beyond marketing are aware of the importance of customer analytics	39%
Underdeveloped, line-of-business executives only occasionally share data and analysis	4%

BUSINESS EXECUTIVES UNDERSTAND "EXTREMELY WELL"—
LEADERS VS. EXPLORERS VS. LAGGARDS

73% 43% 31%

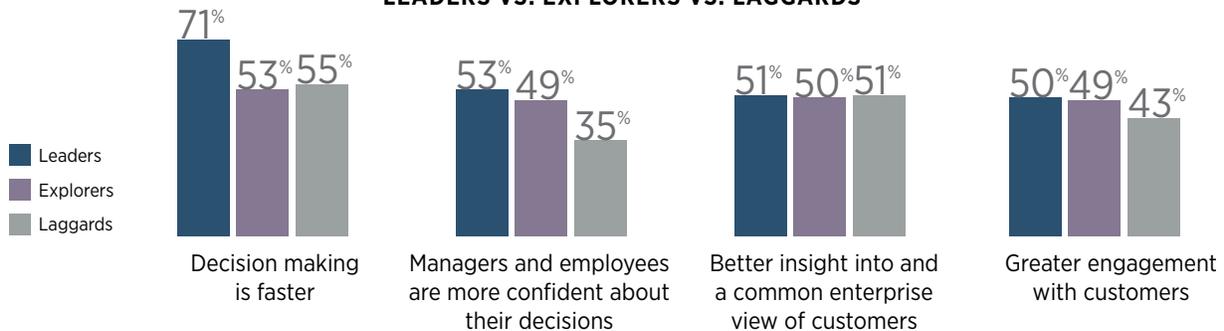|		
■ Leaders		
■ Explorers		
■ Laggards		
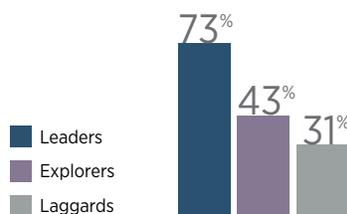
HOW DATA-DRIVEN CX DELIVERS

Data-driven customer experience delivers just as much of a positive experience to organizations as it does to customers. For a majority of enterprises, their data-driven CX efforts are already delivering benefits in two key areas: decision making and stepped-up insights, and engagement with customers. There is also an added benefit emerging, cited by close to half of execu-

tives: they report a greater level of confidence in the decisions they are making, thanks to having a data-analytics underpinning. Benefits are being seen among substantial segments of enterprises, regardless of the stage of data-driven CX. However, Leaders in the survey are more likely to be seeing an ability to accelerate decision making, cited by 71% (Figure 4).

FIGURE
4   **HOW IS YOUR ORGANIZATION BENEFITING FROM DATA ANALYTICS SO FAR?**

Benefit	%
Decision making is faster	62%
Better insight into and a common enterprise view of customers	51%
Managers and employees are more confident about their decisions	49%
Greater engagement with customers	49%
Increased sales/revenues	47%
More repeat business from customers	44%
Cost savings/more effective use of marketing spend	37%
Greater collaboration between departments	36%
Able to more quickly react to market changes	32%
Able to test and develop more innovations in our products and services	23%

**LEADING BENEFITS SEEN—
LEADERS VS. EXPLORERS VS. LAGGARDS**

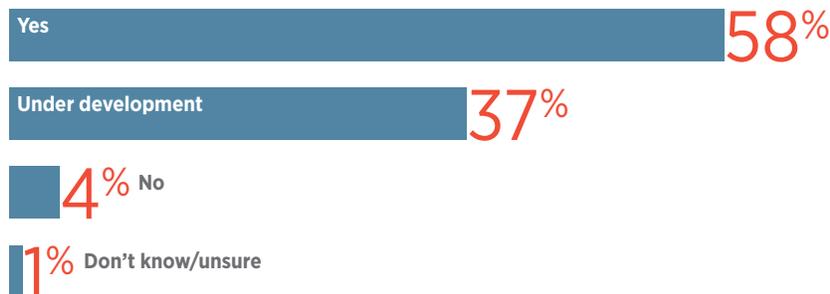|	Leaders	Explorers	Laggards
Decision making is faster	71%	53%	55%
Managers and employees are more confident about their decisions	53%	49%	35%
Better insight into and a common enterprise view of customers	51%	50%	51%
Greater engagement with customers	50%	49%	43%

THE POWER OF METRICS

The survey also asked executives if they are actively measuring the impact of their data analytics as applied to customer experience. The phrase "if you're not measuring, you're not marketing" makes a difference when it comes to measuring the success of customer experiences. A majority of enterprises, 58%, have taken this to heart. Adoption is much higher among Leaders—74%, versus 37% of Explorers. These metrics take on many forms across the data being generated as it relates to transactions—from conversions to revenues to social media responses. An organization may have tens of thousands of metrics associated with customer experiences, but what ultimately matters is being able to capture and understand the key metrics that relate to customer satisfaction, engagement and buying decisions (Figure 5).

FIGURE 5

DOES YOUR COMPANY EMPLOY METRICS TO MEASURE THE IMPACT AND SUCCESS RATES OF CUSTOMER ENGAGEMENTS?

Yes **58%**

Under development **37%**

4% No

1% Don't know/unsure

EMPLOY METRICS TO MEASURE CUSTOMER EXPERIENCE— LEADERS VS. EXPLORERS VS. LAGGARDS

- Leaders **74%**
- Explorers **37%**
- Laggards **51%**
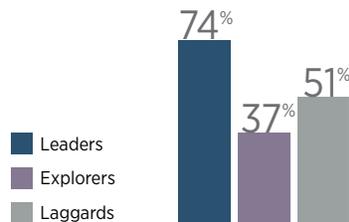
OPENNESS: SOLUTIONS FOR ANALYTICS SUCCESS

The openness of data and solutions is forming the foundation for superior data-driven customer experiences. This means that essential data, applications and systems are being shared across enterprises. What kind of data is opening up the customer experience, and is it being shared and leveraged?

The opportunity lies in being able to not only provide services and responses to customers, but also share data with them on a real-time basis as well. "It's incredible and exciting that we've come so far when it comes to analytics," says the senior manager of marketing at a retail apparel chain. "We're providing the customer a seamless experience, but also getting real-time information from them and providing contextual feedback back to them. We're always trying to break down barriers to our customers, and provide them with a relevant message that resonates."

INDUSTRY PERSPECTIVES

The ability to gather data may vary considerably from industry to industry. Consumer products organizations and retailers say point-of-sale data is the most important to building customer profiles, while technology companies rely on call center interactive data. For some industries, the ability to ascertain customer or audience preferences may be even more challenging. Online streaming media is one such example. "On our streaming platforms, we have granular listening behavior available; however, for satellite delivery, we don't always know what content is being listened to," says John Carpenter, senior director of enterprise marketing solutions with Sirius XM Radio, Inc.
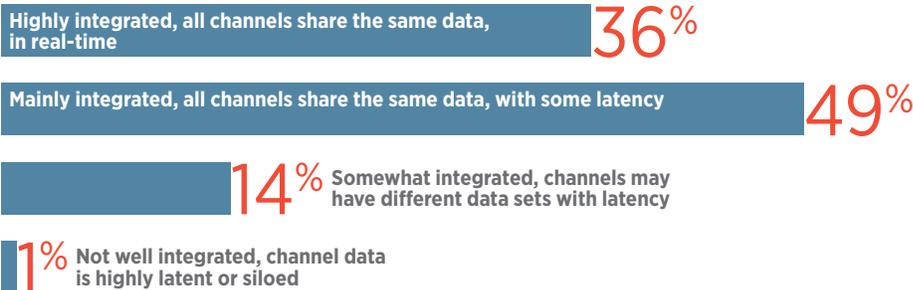
The solution, Carpenter continues, is to develop insights from data that is available to know and predict audience preferences, such as contests and click-throughs to specific email content. "If we send out an email newsletter with several blocks of content, and the subscriber clicks on the Britney Spears content, for example, we can assume the subscriber likes pop music." Carpenter's team also conducts analysis against social media data to infer listener preferences. "We are a media business, so content is king. We have a lot of original content, so we want to make sure we appropriately market it. We do quite a bit of analysis on that."

Healthcare is another setting where data analytics is having a direct impact on improving the customer experience. In recent years, NYU Langone Medical Center
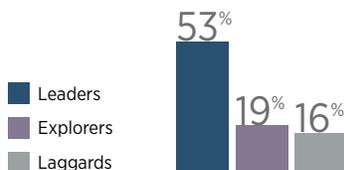
FIGURE

6 IN YOUR ORGANIZATION, HOW WELL INTEGRATED IS THE DATA MOVING ACROSS KEY CUSTOMER CHANNELS (PHONE, WEB, MOBILE, ON-SITE)?

Highly integrated, all channels share the same data, in real-time **36**%

Mainly integrated, all channels share the same data, with some latency **49**%

14% Somewhat integrated, channels may have different data sets with latency

1% Not well integrated, channel data is highly latent or siloed

HIGHLY INTEGRATED DATA ACROSS CHANNELS— LEADERS VS. EXPLORERS VS. LAGGARDS

53%

■ Leaders
■ Explorers
■ Laggards

19% **16**%

has been moving to a data-driven culture to improve the quality of care and performance. "This is slightly different than your typical relationship with customers, where it's all transactional about products," says Dr. Robert Grossman, dean and CEO of NYU Langone. "The real key is about three things—quality, efficiency and safety."

To address these requirements, Grossman and the medical center's IT team began collecting data on critical aspects of patients' customer experiences, including lengths of stay, discharge times, number of open beds and infection rates, as well as metrics related to medical research, such as lab space/dollar density and grant money awarded. The data is then provided to administrators and clinicians through a dashboard. Delivering efficiency is one positive result from this data-driven information, Grossman says. "If a patient comes to NYU, and they come through emergency, you don't want them to wait five hours for a doctor," he says. "We have that on a dashboard, and have reduced the average wait time to see a doctor to usually less than 10 minutes. We totally changed the workflow in the emergency room to be able to provide that efficiency for emergency patients."

DATA-DRIVEN CX AND DATA INTEGRATION

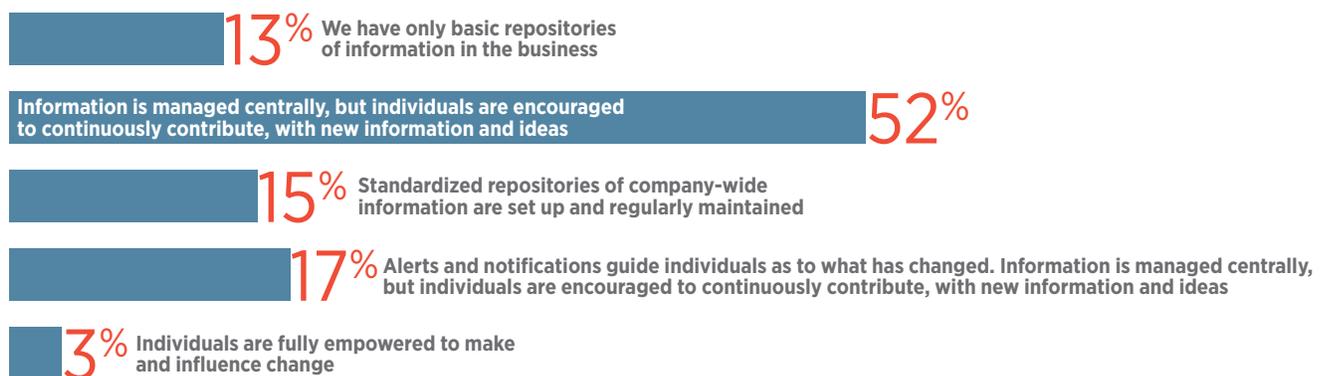The survey examines the embrace of technology platforms

and methodologies that enhance visibility across customer channels. Overall, however, data integration remains a challenge. Only 36% of executives say they have attained real-time, highly integrated capabilities across all the customer channels within their enterprises. Among data-driven CX leaders, the ratio is much higher—53%, compared with only 19% of the Explorers (Figure 6). Approximately half of even the most highly data-driven CX organizations consider themselves to be highly integrated. "We can get clever stitching data together—it's much more valuable when you combine data, coming out of the telemetry of the product, and our support services," says Stringer of Citrix. "We even do some dark data [data collected and stored and not used] analysis on text."

For the most part, information is managed centrally, as reported by a majority of executives. Only 20% report that individuals in their organization are able to take advantage of information and derive actionable insights from data being shared across their enterprises. Even among Leaders in data-driven CX, only about one in four report that alerts and notifications guide individuals as to what has changed. Information is managed centrally, but individuals are encouraged to continuously contribute, with new information and ideas; or individuals are fully empowered to make and influence change (Figure 7).

FIGURE 7

HOW WIDELY ARE INFORMATION AND INSIGHTS SHARED ACROSS YOUR ORGANIZATION? (PLEASE SELECT THE STATEMENT THAT MOST CLOSELY REFLECTS YOUR SITUATION.)

13% We have only basic repositories of information in the business

52% Information is managed centrally, but individuals are encouraged to continuously contribute, with new information and ideas

15% Standardized repositories of company-wide information are set up and regularly maintained

17% Alerts and notifications guide individuals as to what has changed. Information is managed centrally, but individuals are encouraged to continuously contribute, with new information and ideas

3% Individuals are fully empowered to make and influence change

INDIVIDUALS CONTRIBUTE/ARE FULLY EMPOWERED— LEADERS VS. EXPLORERS VS. LAGGARDS

- Leaders **26%**
- Explorers **13%**
- Laggards **16%**
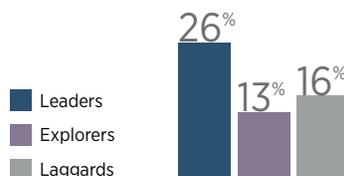
A key piece of the integration challenge is the dissolution of silos, a challenge that enterprises are only just beginning to address. Only 14% of executives are able to report that their data is structured on a cross-functional, synchronized basis. And 45% say their data is focused on specific areas and processes, but not yet fully integrated.
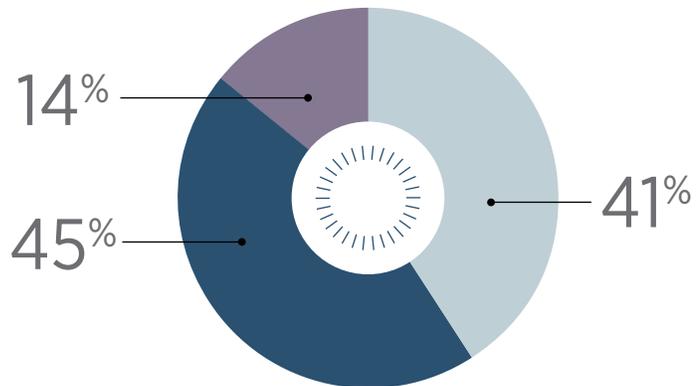
Another 41% say their data is still siloed by departments. Even the Leaders in the survey, who are further along in their data-driven CX initiatives, indicate that they have not yet achieved a large measure of data integration (Figure 8).

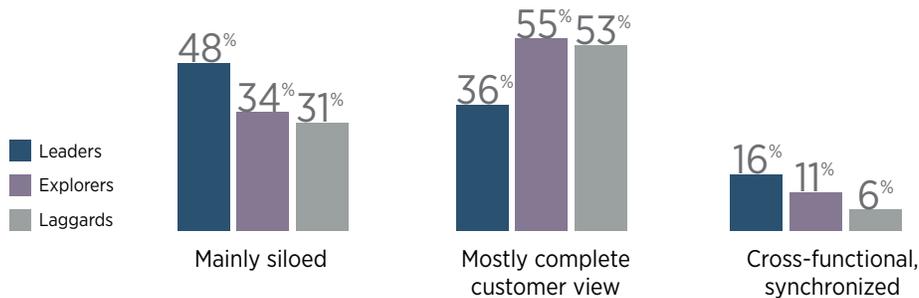**HOW IS YOUR CUSTOMER DATA STRUCTURED AND ORGANIZED TO PROVIDE AN INTEGRATED VIEW? (PLEASE SELECT THE STATEMENT THAT MOST CLOSELY REFLECTS YOUR SITUATION.)**

Our data is used primarily for business reporting purposes and stored in corporate/departmental warehouse(s). Basic customer information is included, but data silos still exist

Specialized data stores support specific business applications—analytics, reporting and campaign management—to create a mostly complete view of the customer. Access to digital channels (web behavior, social media and external data) is available but not fully integrated

Customer data is cross-functional and comprises fully synchronized data stores, structured to support the full range of marketing analyses, campaign management, real-time processing, query sandboxes and BI reporting

**CUSTOMER EXPERIENCE DATA STRUCTURE—
LEADERS VS. EXPLORERS VS. LAGGARDS**

Leaders
Explorers
Laggards

Mainly siloed: 48% / 34% / 31%
Mostly complete customer view: 36% / 55% / 53%
Cross-functional, synchronized: 16% / 11% / 6%

"IT systems may take years to integrate, and now we're seeing it with [Internet of Things] environments," says Mike Flannagan, vice president of data and analytics at Cisco. "We know we have access to all that loyalty card data for you as a customer. But what about the data for what you were doing on our website yesterday? Can I incorporate that in real time to improve the kind of experience you have? Enterprises large and small have silos of data, and they're really struggling to bring those silos together."

MEETING DATA INTEGRATION CHALLENGES HEAD-ON

Integration may be a challenge, but the pieces are in place. Many organizations have established the mechanisms needed to achieve the necessary back-end integration to deliver data-driven CX. More than three in five executives have databases and data warehouses that integrate both internal and external sources of data across their applications and channels. This is far more prevalent among Leaders, in which three in four have adopted data integration platforms, versus 46% of the Explorers (Figure 9).

HAS YOUR COMPANY CREATED DATABASES OR DATA WAREHOUSES THAT INTEGRATE BOTH INTERNAL AND EXTERNAL SOURCES OF DATA ACROSS APPLICATIONS AND CHANNELS?

- Yes
- Under development
- No
- Don't know/unsure

1%
4%
34%
61%
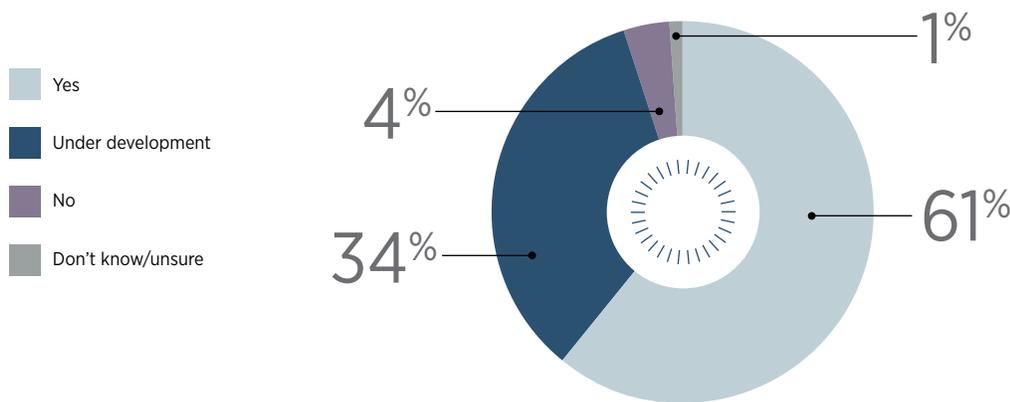
DATABASES AND DATA WAREHOUSES FOR DATA INTEGRATION—LEADERS VS. EXPLORERS VS. LAGGARDS
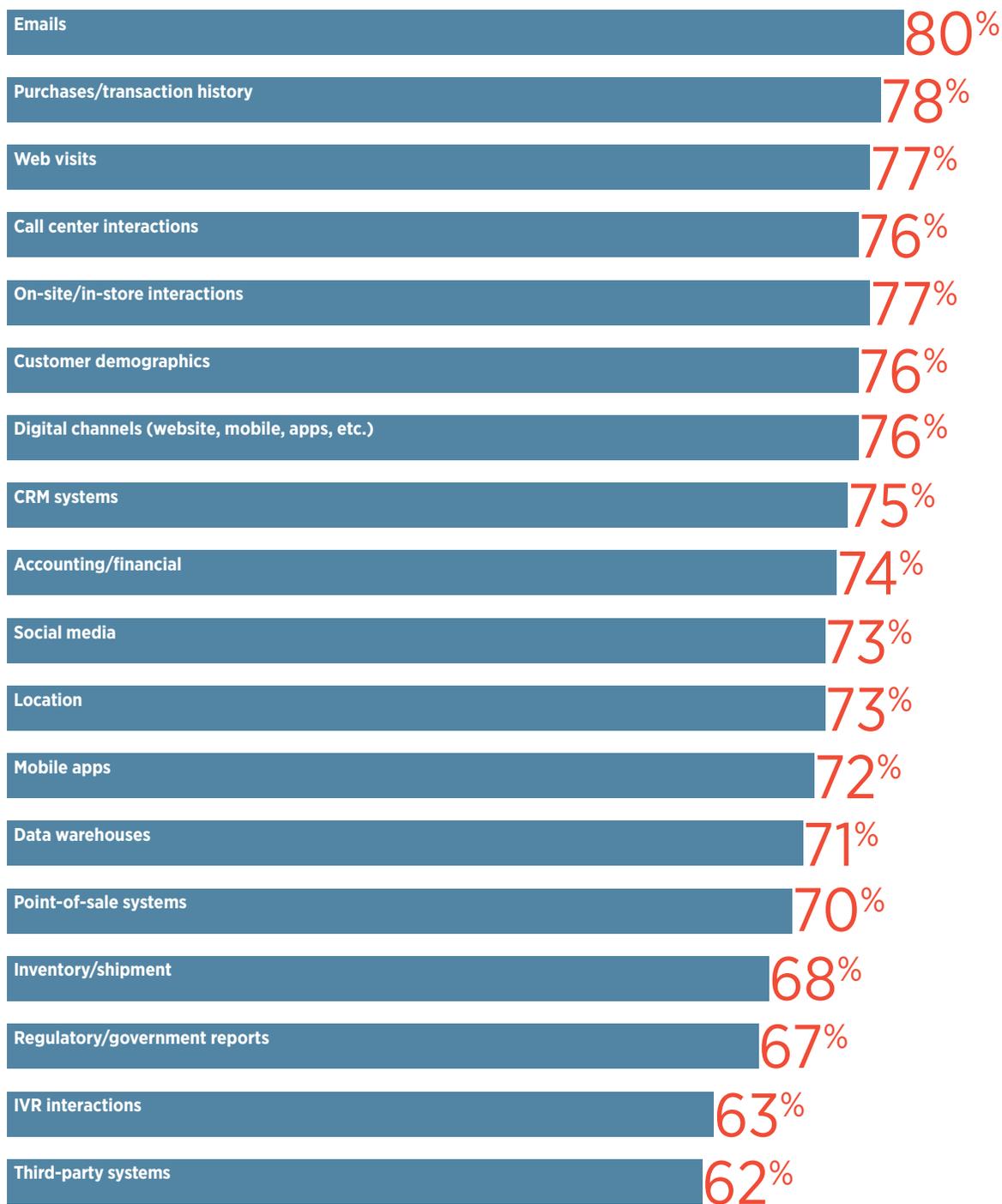

75%
46%
43%

- Leaders
- Explorers
- Laggards
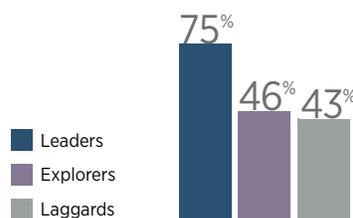
Financial services organizations are also employing a variety of data types to enhance the customer experience. "We have a lot of data about our customers and relationships," says Sidhwani. "We know how many relationships each customer has with us and have detailed data about each relationship such as transactions, ticket sizes, customer service calls, logins, payments, outbound solicitations and third-party customer data, such as credit bureau and demographic data. Our biggest opportunities lie in connecting different types of data and making it available on a customer service call or an online session to improve the customer experience."

Executives are pushing to increase the visibility of key data sources to further data-driven CX. Emails (80%) are the most often-cited source for such interactions, followed by purchases and transaction history (78%). This figure represents the combination of respondents assigning a '4' or '5' rating on a 1-to-5 scale where 1 is "not visible" and 5 is "highly visible." Website data (77%) also ranked high, along with on-site/in-store interactions (77%), followed by call center interactions and customer demographics (each at 76%) (Figure 10).

FIGURE 10

ON A SCALE FROM 1 TO 5 WHERE 1 IS "NOT VISIBLE" AND 5 IS "HIGHLY VISIBLE," DESCRIBE HOW VISIBLE THESE DATA SOURCES ARE TO YOUR MANAGERS AND EMPLOYEES DIRECTLY RESPONSIBLE FOR CUSTOMER EXPERIENCE. (% WHO SELECTED 4 OR 5)

| Data Source	%
Emails	80%
Purchases/transaction history	78%
Web visits	77%
Call center interactions	76%
On-site/in-store interactions	77%
Customer demographics	76%
Digital channels (website, mobile, apps, etc.)	76%
CRM systems	75%
Accounting/financial	74%
Social media	73%
Location	73%
Mobile apps	72%
Data warehouses	71%
Point-of-sale systems	70%
Inventory/shipment	68%
Regulatory/government reports	67%
IVR interactions	63%
Third-party systems	62%

NEXT UP: INCREASING VISIBILITY, ESPECIALLY TO CUSTOMERS

There's a prevailing understanding that opening up data and sharing it with customers will go a long way to advancing the customer experience. The ability to extend real-time offers as customers browse a site, or to be able to show the real-time status of order shipping are powerful examples. Two in five executives agree that sharing data with customers would be beneficial "in all cases." A majority of executives in firms leading with data-driven CX, 54%, take this view, versus one-quarter to one-third of their lesser-developed counterparts (Figure 11).

FIGURE

11   **WOULD IT BE MORE BENEFICIAL FOR CUSTOMERS TO HAVE ACCESS TO MORE DATA ON THE PROCESSES SUPPORTING THEIR TRANSACTIONS AND ENGAGEMENTS WITH YOUR ORGANIZATION?**

Legend:
- Yes, in all cases
- In some cases
- Not at all
- Don't know/unsure

1%

4%

42%

54%
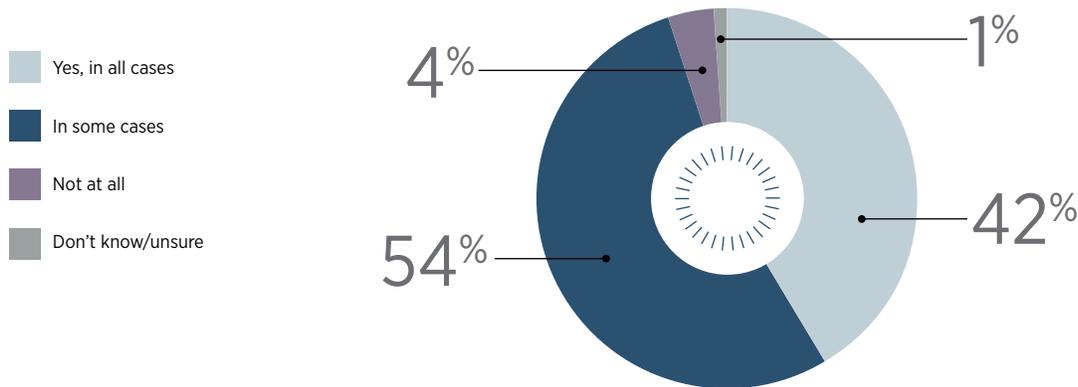
Note: Does not add to 100% due to rounding.

**BELIEVE BENEFICIAL FOR MORE CUSTOMER ACCESS TO DATA—
LEADERS VS. EXPLORERS VS. LAGGARDS**

54%

28%   31%
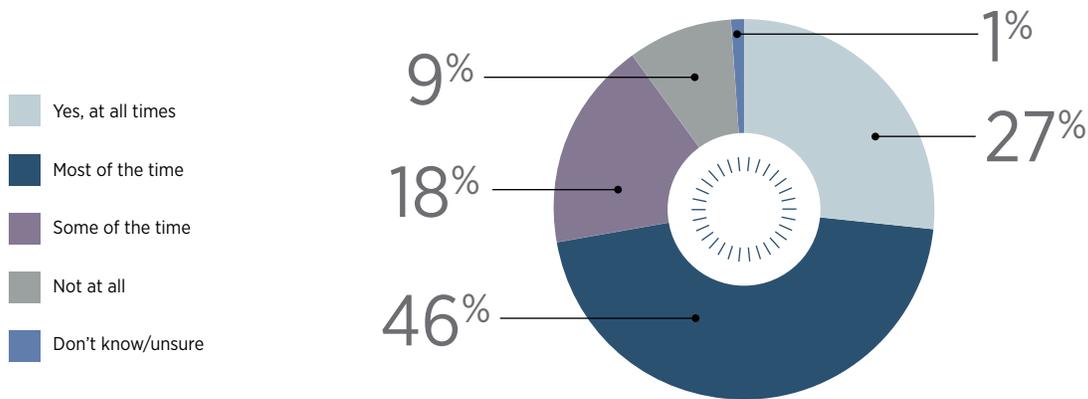
- Leaders
- Explorers
- Laggards
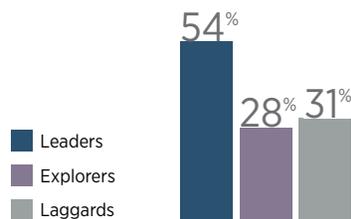
In most cases, customers are not looking at the same data as employees are—thereby potentially reducing the quality of the customer experience. The ultimate measure of the openness of customer data is whether they have access to the same information as employees. This has implications in terms of being able to track shipments, resolve issues and seek new offers on a real–time or near real–time basis. At least 27% of organizations enable customers to access all of the same data as their employees have. The Leaders are more likely to have such capability in place—39%, versus only 13% of Explorers (Figure 12).

FIGURE

12 DO CUSTOMERS HAVE ACCESS TO THE SAME DATA AS EMPLOYEES ACROSS KEY CHANNELS?

Yes, at all times
Most of the time
Some of the time
Not at all
Don't know/unsure

1%
27%
46%
18%
9%

**CUSTOMERS HAVE SAME ACCESS AS EMPLOYEES TO DATA AT ALL TIMES—
LEADERS VS. EXPLORERS VS. LAGGARDS**
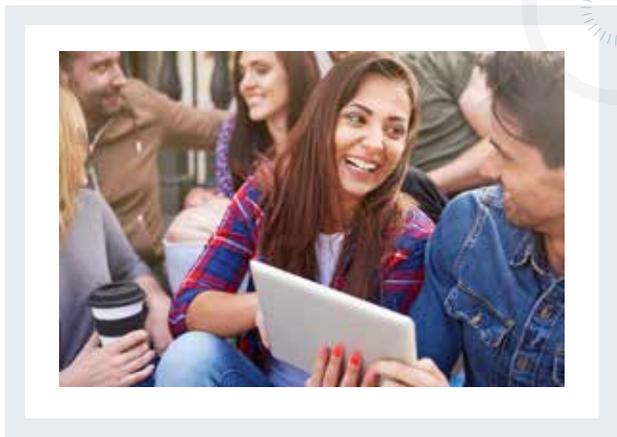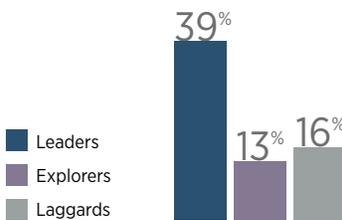
Leaders
Explorers
Laggards

39%
13%
16%

Visibility into customer activity is low, with only a handful of enterprises (6%) currently capable of seeing the entire breadth of their customers' experiences. Only 27% of executives can say they have a substantial amount of the data being generated (more than 75% of interactions, transactions, requests) from their customers. Even for the Leaders in the survey, only one-third can see most of the activity related to their customers (Figure 13).

13 WITH THE DATA CURRENTLY AVAILABLE TO YOU, HOW MUCH OF A VIEW DO YOU HAVE OF YOUR CUSTOMERS AND THE EXPERIENCES THEY HAVE WITH YOUR ORGANIZATION?

- 1%-25% of interactions, transactions, requests
- 26%-50% of interactions, transactions, requests
- 51%-75% of interactions, transactions, requests
- 76%-99% of interactions, transactions, requests
- 100% of interactions, transactions, requests

4%
31%
38%
21%
6%
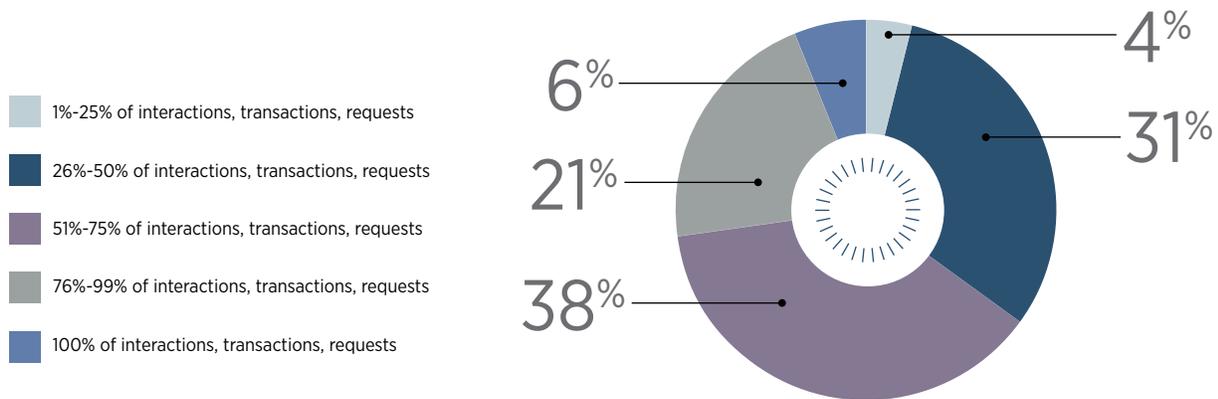
ABLE TO SEE AT LEAST 75% OF CUSTOMER ACTIVITY DATA— LEADERS VS. EXPLORERS VS. LAGGARDS
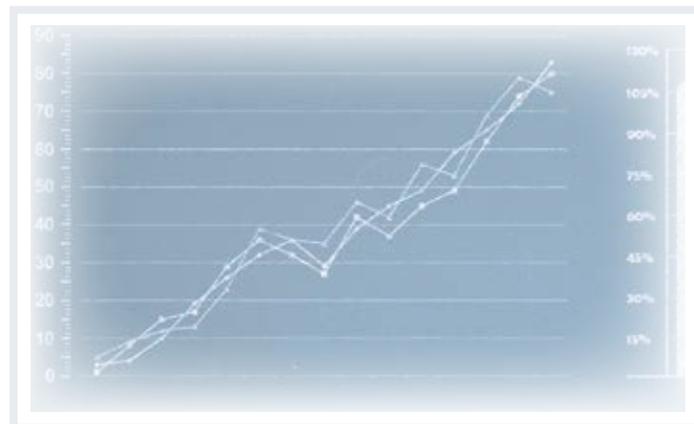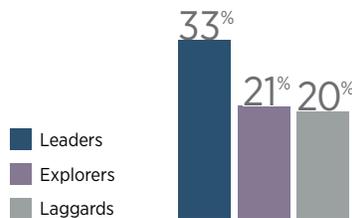
33%
21%
20%

- Leaders
- Explorers
- Laggards

Executives were asked to identify the areas of their customer experience–related processes that require the greatest visibility among customers. Customer complaint resolution comes out on top (81%). This figure represents the combination of respondents assigning a "4" or "5" rating on a 1-to-5 scale where 1 is "not data-enabled" and 5 is "highly data-enabled." Order acknowledgment and follow-up is also more heavily tied to data analytics, cited by 79% who assigned higher ratings. Shipping and delivery follows with 78% (Figure 14).

FIGURE
14

ON A SCALE FROM 1 TO 5 WHERE 1 IS "NO VISIBILITY REQUIRED" AND 5 IS "VISIBILITY IS HIGHLY ESSENTIAL," PLEASE RATE THE LEVEL OF VISIBILITY CUSTOMERS NEED TO HAVE INTO THESE PROCESSES. (% WHO SELECTED 4 OR 5)

Process	%
Customer complaint resolution	81%
Order acknowledgment/follow-up	79%
Shipping/delivery	78%
Customer support calls/interactions	77%
Invoicing/billing	77%
Inventory status	76%
Customer on-site/in-store interactions	76%
Order entry and processing	75%
Customer feedback surveys	75%
Help desk requests	75%
Purchase order/requisition	74%
Customer website visits/interactions	74%
Purchase/transaction	73%
Product/service innovation and development	73%
Customer mobile app interactions	71%
Credit approvals	68%

THE INCREASING WEALTH OF DATA

The good news is that the amount of data being generated through customer experiences is growing rapidly. Ninety-eight percent of executives say the volume of this data has increased over the past 12 months, and in almost all cases, the growth rate has topped 10%. Thirty-eight percent report that such data is growing at a rate exceeding 25% annually. For close to half of the Leaders in the group, this data growth is even greater than 50% annually, suggesting that data-driven CX is creating a wealth of information to provide continuous improvement (Figure 15).

HOW HAS THE AMOUNT OF DATA AVAILABLE ON CUSTOMER EXPERIENCE CHANGED OVER THE PAST YEAR?

Increased by more than 50%

Increased 25%-50%

Increased 10%-24%

Increased 5%-9%

Increased up to 5%

Has not changed

Decreased 0%

2% 2%
17% 13%
25%
41%
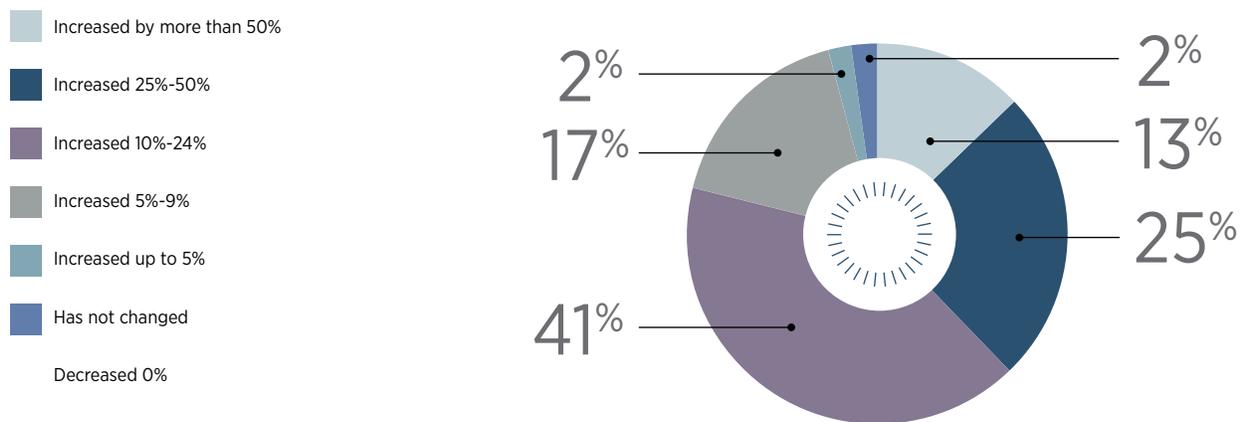
GROWTH OF CUSTOMER EXPERIENCE DATA INCREASING AT RATE OF MORE THAN 25% A YEAR— LEADERS VS. EXPLORERS VS. LAGGARDS

Leaders
Explorers
Laggards

46%
33%
28%
20%
6% 6%

>50%   >25%
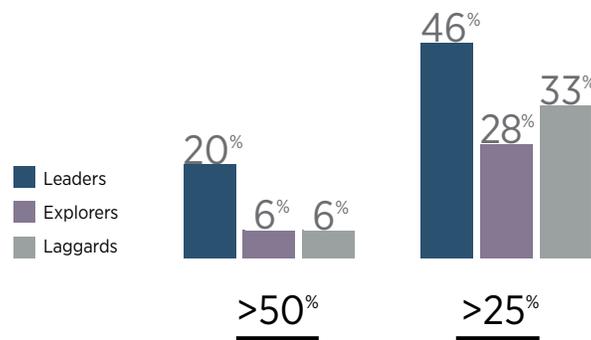
When it comes to getting the best data on what customers are experiencing in their interactions with enterprises, executives look to their call centers first. Half consider call centers as being the most essential source for customer experience-related data, followed closely by web visits. Mobile apps and email are also considered data troves to be mined. While the Leaders in the survey rely on call center interactions more than their lesser-advanced counterparts, it's notable that developing organizations are also as likely to see other data sources to be just as important (Figure 16).

16 WHICH OF THE FOLLOWING DATA SOURCES DO YOU CONSIDER ESSENTIAL TO GAINING INTELLIGENCE ON THE CUSTOMER EXPERIENCE?

Data source	%
Call center interactions	50%
Web visits	49%
Mobile apps	47%
Emails	46%
Purchases/transaction history	41%
Customer demographics	38%
CRM systems	36%
Social media	36%
Digital channels (website, mobile, apps, etc.)	33%
On-site/in-store interactions	31%
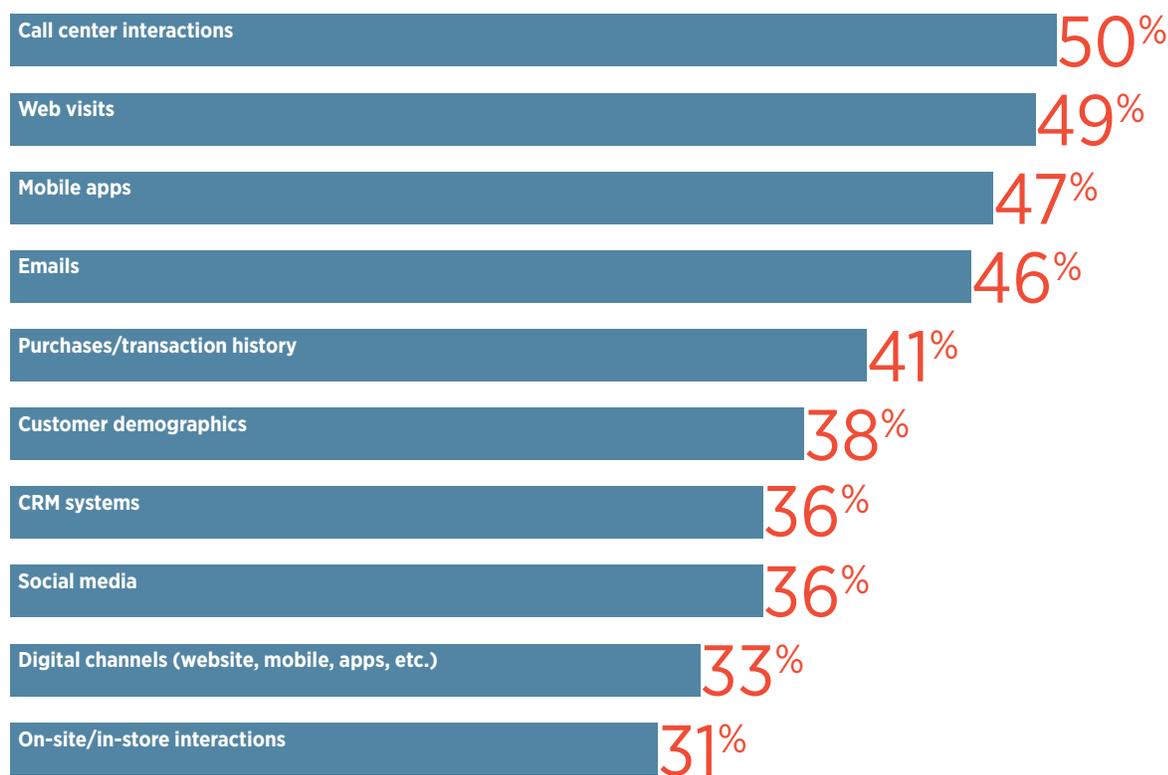
For its part, Synchrony Financial relies on a variety of data sources to gain intelligence on the customer experience. "We have many data sources about our customers ranging from transactions to ticket sizes and demographic data," says Greg Simpson, CTO of Synchrony Financial. "The exciting thing is that there is an entirely new world of data sources available to us, thanks to everything from social media insights to the Internet of Things and the addition of things like beacons in the marketplace. Bringing the entire universe of data available to us together is what makes today's data analytics efforts so powerful."

ESSENTIAL CUSTOMER EXPERIENCE DATA SOURCES— LEADERS VS. EXPLORERS VS. LAGGARDS

Data source	Leaders	Explorers	Laggards
Call center interactions	56%	43%	47%
Web visits	48%	51%	45%
Mobile apps	50%	43%	45%
Emails	45%	49%	41%
Purchases/transaction history	41%	38%	47%
Customer demographics	41%	34%	33%
CRM systems	36%	34%	25%
Social media	36%	34%	41%
Digital channels	33%	33%	31%
On-site/in-store interactions	28%	38%	22%

Legend:
- Leaders
- Explorers
- Laggards
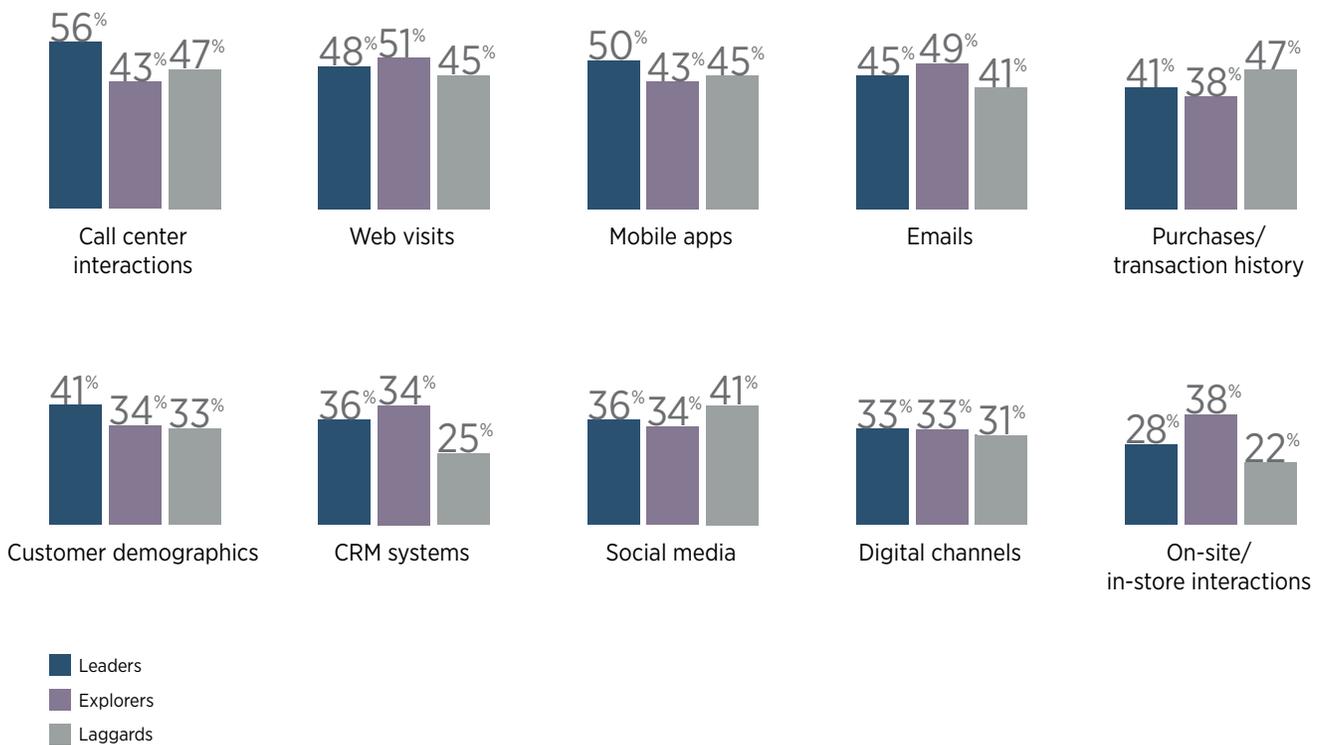
ORCHESTRATION: PROCESS EXCELLENCE FOR ANALYTICS

To support superior, data-driven customer experiences, organizations need to be able to link the results and services being deployed at the front end to key underlying processes.

When data silos are brought together, the results can open up new vistas for organizations. For example, a home-builder has recently been able to pull together data tied both to potential customers' smartphones as well as to existing security cameras to better understand the experiences of visitors to its welcome centers, Cisco's Flannagan says. The homebuilder was able to look at the experiences of those eventually purchasing homes, but was in the dark about other visitors to the centers. "They really had no idea what people were doing in those welcome centers unless they bought a home," he says. "That's the only time they collected data."

In an effort to understand the experience of these non-buying visitors, the homebuilder combined WiFi data tied to visitors' phones and security camera footage to gather non-personally identifiable information to answer questions, such as how long potential customers spent in the visitors center, what gained their attention and some demographic information, such as age and gender. The homebuilder was able to see that "certain communities were attracting young professionals, for example," says Flannagan. "Because of that, they were able to make some real-time decisions to adjust their marketing."

The combined smartphone and video data feeds are instrumental in other industries as well, notes Flannagan. For example, a major auto manufacturer has been better able to understand the customer experiences taking place within its showrooms by tracking and identifying who is visiting, and what types of vehicles they are attracted to.

ALIGNMENT ENHANCES VISIBILITY

The survey examined organizations' abilities to align processes from across their enterprises to deliver this visibility. Executives report they have made progress in linking back-end processes with front-end services or interfaces. However, data from these processes is not highly integrated or delivered in real time. A majority of executives, 85%, indicate that their key customer channel data is integrated to some degree with data connected to back-end processes, such as CRM, ERP, sales, supply chain or inventory. But there is work that needs to be done: just over one-third consider their data delivery from back-end processes to be highly integrated and shared in real time. A majority of the leading organizations with data-driven CX report having such highly integrated, real-time capabilities, versus one in five of Explorers (Figure 17).

EMPOWERING PEOPLE BEHIND THE PROCESSES

Delivering superior customer experience isn't just about machines and systems—the success of such efforts relies on the people who build and manage these systems and their ability to help design key business processes. There is a close alignment between staff managers and professionals involved in back-end systems and customer experience delivery. However, there is a need to draw them even closer. Overall, 82% of executives report their people responsible for back-end processes (connected to CRM, ERP, sales, supply chain, inventory) are involved in customer experience management, design, planning, mapping or measurement. However, only 41% indicate that these staff members are highly involved in all customer experience-related activities. A majority of the Leaders in the survey, 56%, indicate their back-end systems staff plays a highly engaged role in delivering customer experience (Figure 18).

17

IN YOUR ORGANIZATION, HOW WELL INTEGRATED IS KEY CUSTOMER CHANNEL DATA WITH DATA CONNECTED TO BACK-END PROCESSES (SUCH AS CRM, ERP, SALES, SUPPLY CHAIN, INVENTORY)?
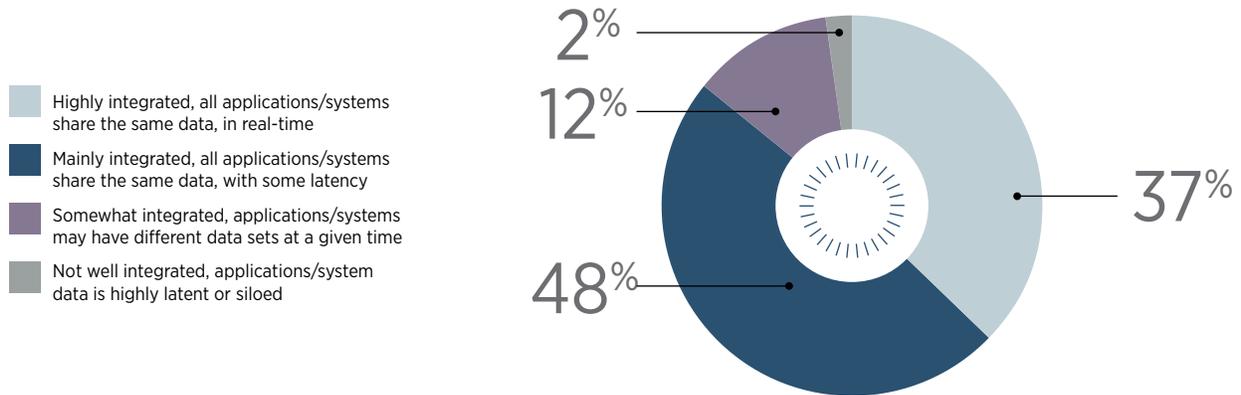
Highly integrated, all applications/systems share the same data, in real-time

Mainly integrated, all applications/systems share the same data, with some latency

Somewhat integrated, applications/systems may have different data sets at a given time

Not well integrated, applications/system data is highly latent or siloed

2%
12%
48%
37%

ESSENTIAL CUSTOMER EXPERIENCE DATA SOURCES—LEADERS VS. EXPLORERS VS. LAGGARDS

54%
20%
16%

- Leaders
- Explorers
- Laggards
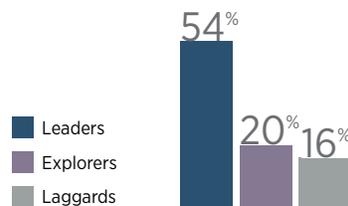
18

IN YOUR ORGANIZATION, HOW DEEPLY INVOLVED ARE THE PEOPLE RESPONSIBLE FOR BACK-END PROCESSES (CONNECTED TO CRM, ERP, SALES, SUPPLY CHAIN, INVENTORY) IN CUSTOMER EXPERIENCE MANAGEMENT, DESIGN, PLANNING, MAPPING OR MEASUREMENT?

Highly involved, integral to all CX activities

Involved in many CX activities

Somewhat involved in selected CX activities

Not involved at all in CX

Don't know/unsure

2%
15%
41%
41%
1%
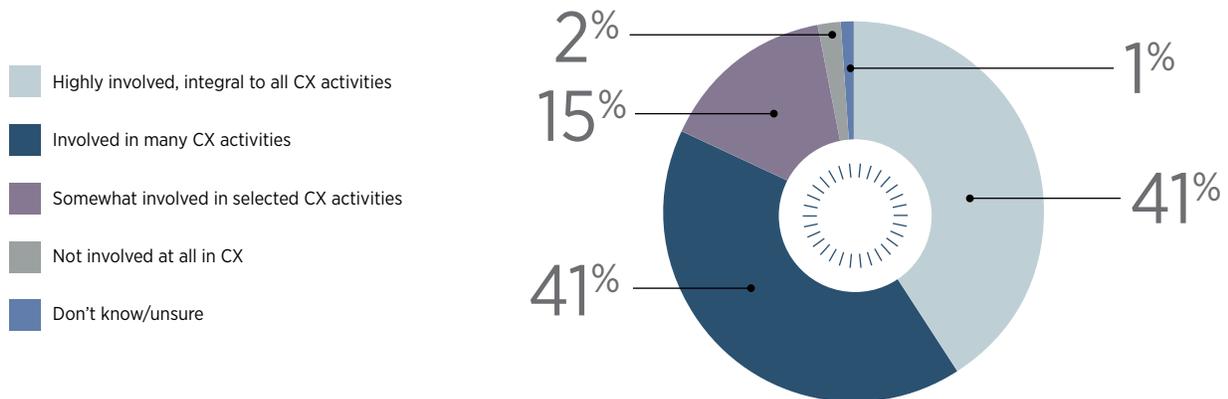
BACK-END STAFF HIGHLY INVOLVED IN CUSTOMER EXPERIENCE—LEADERS VS. EXPLORERS VS. LAGGARDS

58%
20%
22%

- Leaders
- Explorers
- Laggards
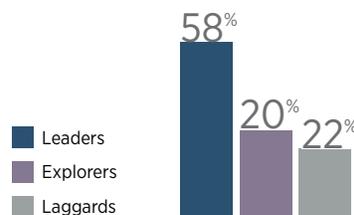
KEY TOUCHPOINTS

As data analytics increasingly gets applied to the customer experience, the first place it gets applied is the purchasing process itself. When asked to rate the key customer experience elements that are data-driven within their organizations, invoicing and billing comes out on top, cited by 75%. The purchasing process follows closely with 74%, as does the ability to deliver order acknowledgements to customers. This figure represents the combination of respondents assigning a "4" or "5" rating on a 1-to-5 scale where 1 is "not data-enabled" and 5 is "highly data-enabled" (Figure 19).

FIGURE
19 ON A SCALE FROM 1 TO 5 WHERE 1 IS "NOT DATA-ENABLED" AND 5 IS "HIGHLY DATA-ENABLED," PLEASE RATE HOW DEEPLY THE FOLLOWING HIGH-LEVEL PROCESSES RELATED TO CUSTOMER EXPERIENCE MANAGEMENT ARE SUPPORTED BY DATA ANALYTICS. (% WHO SELECTED 4 OR 5)
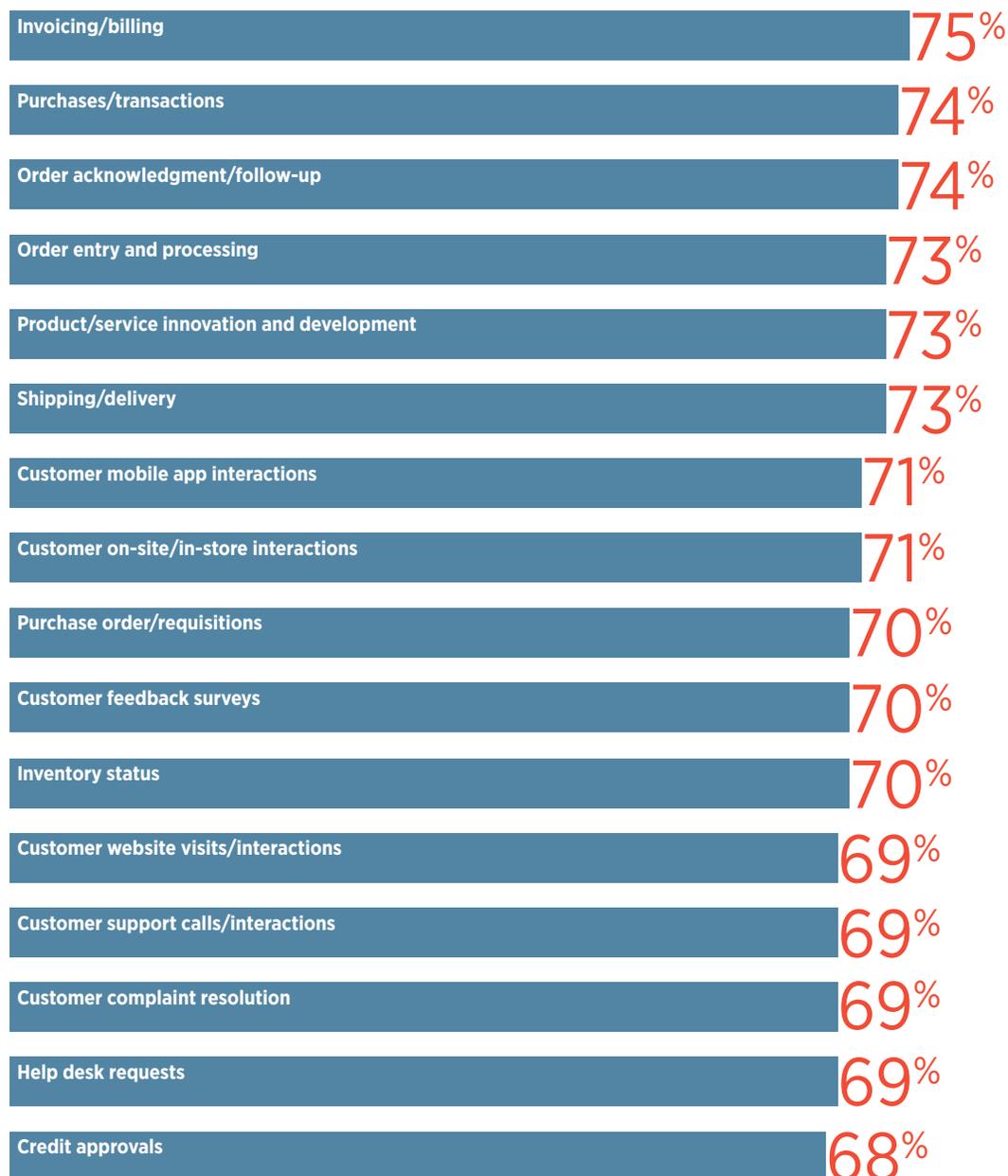
Process	%
Invoicing/billing	75%
Purchases/transactions	74%
Order acknowledgment/follow-up	74%
Order entry and processing	73%
Product/service innovation and development	73%
Shipping/delivery	73%
Customer mobile app interactions	71%
Customer on-site/in-store interactions	71%
Purchase order/requisitions	70%
Customer feedback surveys	70%
Inventory status	70%
Customer website visits/interactions	69%
Customer support calls/interactions	69%
Customer complaint resolution	69%
Help desk requests	69%
Credit approvals	68%

The ability of decision makers to access customer experience-related information is key to the success of superior customer experience. Just under half of the executives in the survey report that the majority of their relevant enterprise information is easily accessible via a single, highly integrated presentation layer. The companies leading the way with data-driven CX are the furthest along with having presentation interfaces for decision makers (Figure 20).

20 HOW MUCH OF YOUR ENTERPRISE INFORMATION IS NOW READILY ACCESSIBLE TO DECISION MAKERS IN A SINGLE, HIGHLY INTEGRATED PRESENTATION LAYER OR FORMAT?

0% Little to none

1%-25%

26%-50%

51%-75%

76%-100%

Don't know/unsure

1%

18%

12%

39%

30%
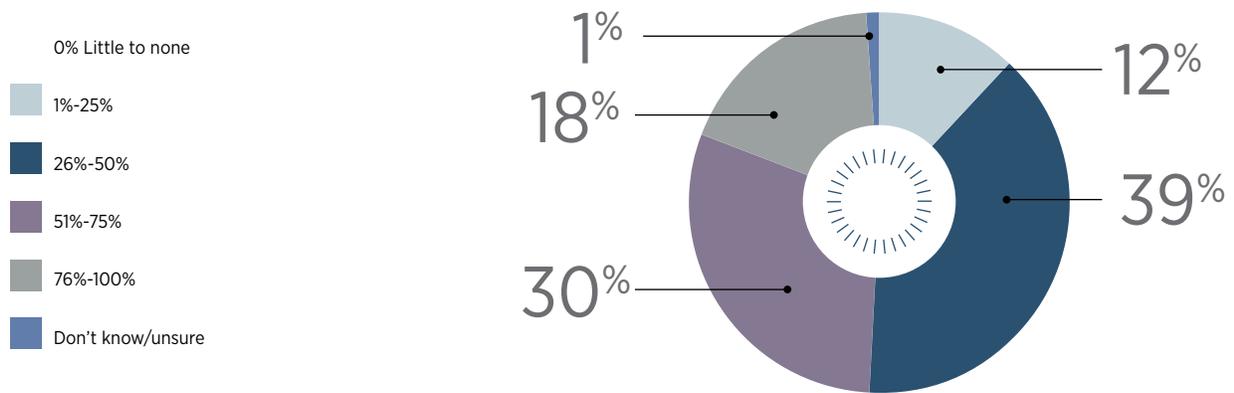
MAJORITY OF ENTERPRISE INFORMATION ACCESSIBLE VIA PRESENTATION LAYER— LEADERS VS. EXPLORERS VS. LAGGARDS

53%

45%

33%

Leaders

Explorers

Laggards
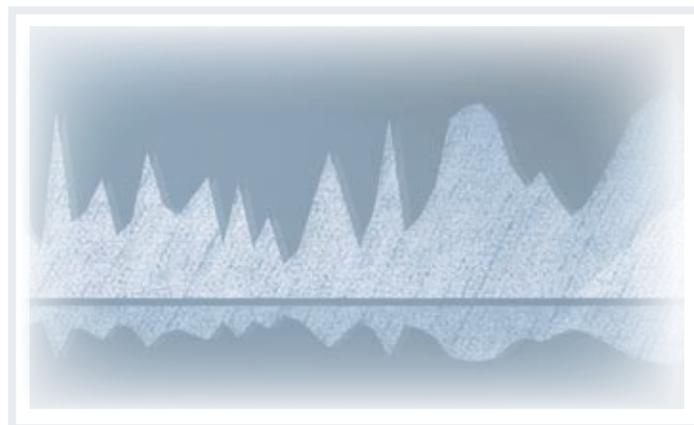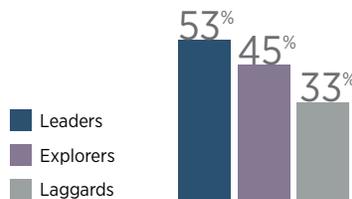
IT departments have been taking the lead with data-driven CX. Eighty-six percent of executives indicate this department has the greatest expertise for delivering data-driven CX. Finance and accounting departments are also out ahead, followed by CRM functions. These figures represent the combination of respondents assigning a "4" or "5" rating on a 1-to-5 scale where 1 is "not proficient" and 5 is "highly proficient" (Figure 21).

FIGURE

21

ON A SCALE FROM 1 TO 5 WHERE 1 IS "NOT PROFICIENT" AND 5 IS "HIGHLY PROFICIENT," PLEASE RATE THE DATA ANALYTICS CAPABILITIES OF THE FOLLOWING DEPARTMENTS OR FUNCTIONAL AREAS OF YOUR ORGANIZATION WITH DATA ANALYTICS. (% WHO SELECTED 4 OR 5)

Department	%
Information technology	86%
Finance/accounting	84%
Customer relationship management	82%
Sales	82%
Marketing	82%
Production	80%
Human resources	75%
Supply chain/inventory	75%
Branch offices	75%
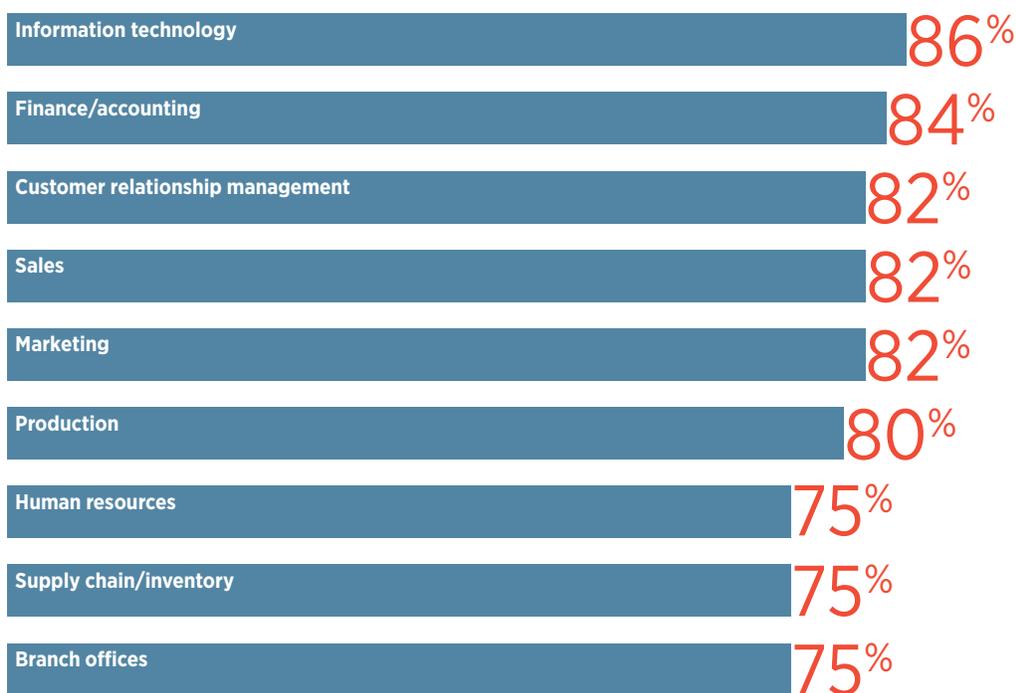
STATE OF READINESS

Most executives consider their data analytics function to be ready for incorporation into their mainstream business processes. Eighty-two percent say their data analytics capabilities themselves—tools, technologies, platforms—are "highly advanced" or "advanced," the highest ratings of the various pieces of their customer experience delivery model. Channel integration is also well along, as is management and monitoring of the models developed. These figures represent the combination of respondents assigning a "4" or "5" rating on a 1-to-5 scale where 1 is "not mature" and 5 is "highly advanced" (Figure 22).

ON A SCALE FROM 1 TO 5 WHERE 1 IS "NOT MATURE" AND 5 IS "HIGHLY ADVANCED," PLEASE RATE HOW FAR YOUR ORGANIZATION HAS ADVANCED INTO THE FOLLOWING STAGES OF DATA ANALYTICS DEVELOPMENT. (% WHO SELECTED 4 OR 5)

Data analytics	82%
Integration of insights into customer channels	77%
Ongoing management and monitoring of all models	76%
Programming/application development	76%
Data acquisition/collection	75%
Data preparation/management	74%
Visualization/presentation	74%
Data architecture	73%
Analysis design	71%
Integration of insights into key customer-facing/marketing processes	71%
Predictive analytic environment	70%

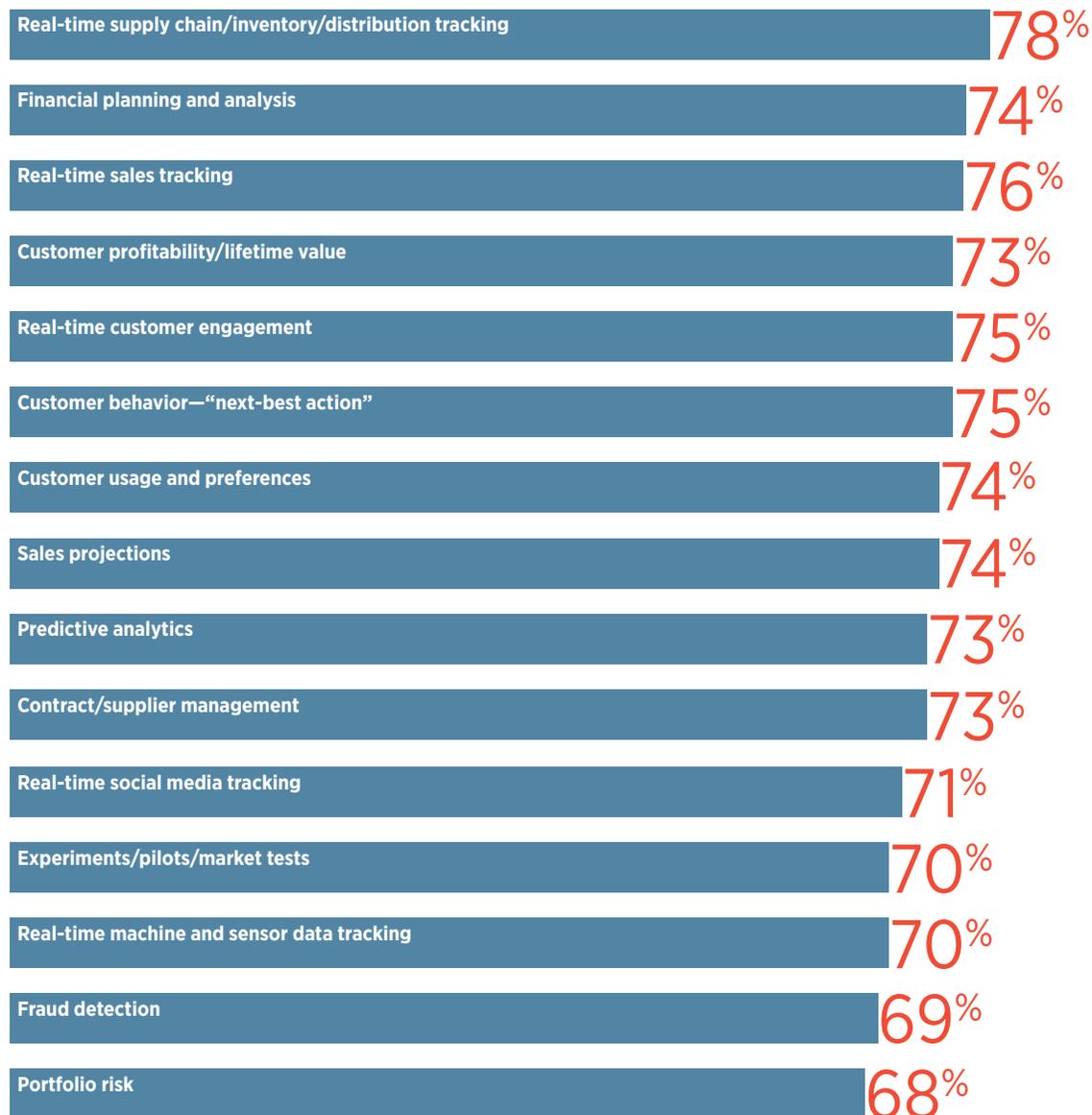Real-time supply chain/inventory tracking, along with financial planning and analysis, and real-time sales tracking, rank as the analytic areas having the greatest impact on their customer-experience-related management initiatives. More than three-quarters report these areas are important for their customer experience. These figures represent the combination of respondents assigning a "4" or "5" rating on a 1-to-5 scale where 1 means "very low impact" and 5 is "very high impact" (Figure 23).

FIGURE 23

ON A SCALE FROM 1 TO 5 WHERE 1 IS "VERY LOW IMPACT" AND 5 IS "VERY HIGH IMPACT," DESCRIBE WHICH OF THE FOLLOWING ANALYTIC AREAS HAVE HAD THE MOST IMPACT ON YOUR CUSTOMER EXPERIENCE MANAGEMENT OVER THE PAST YEAR. (% WHO SELECTED 4 OR 5)

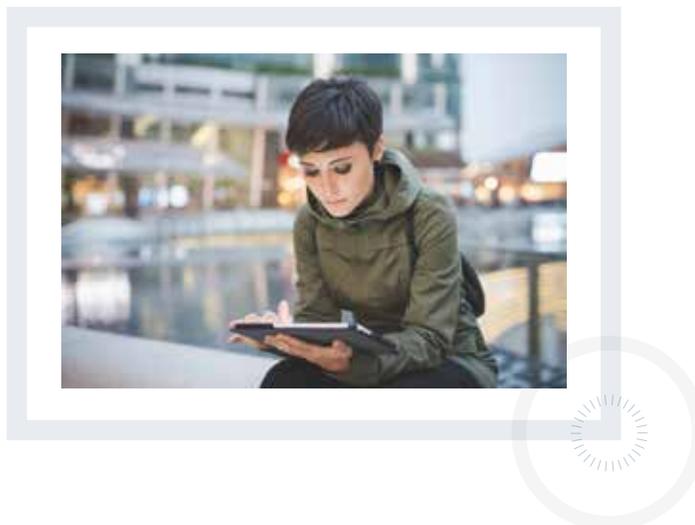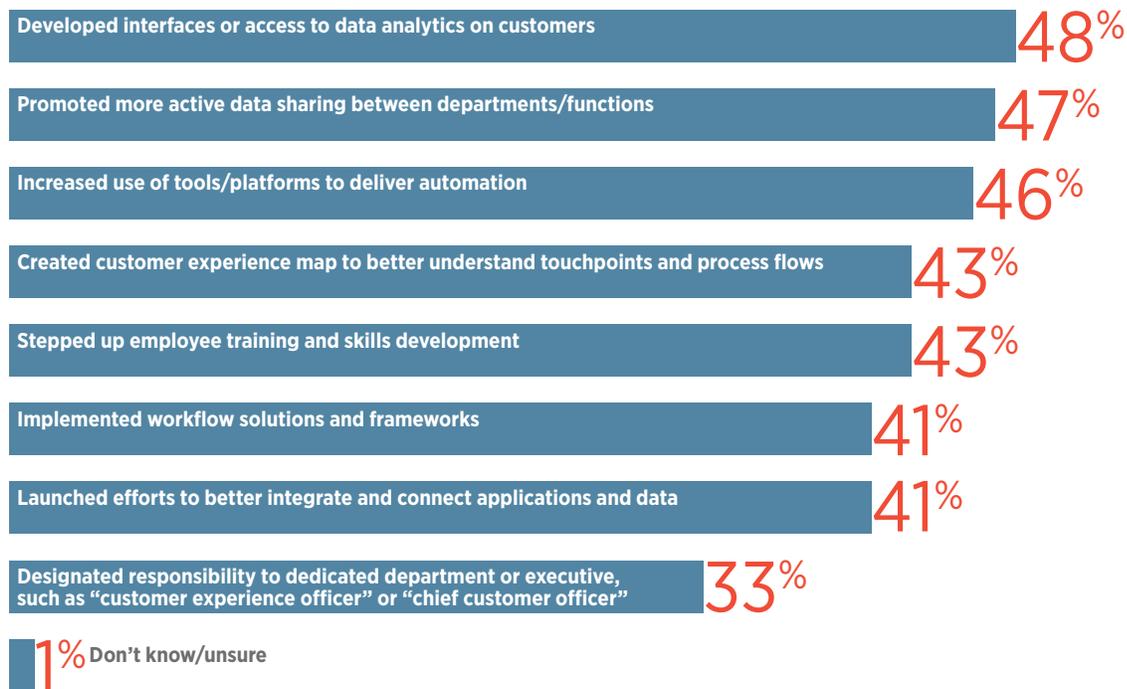| Analytic area	%
Real-time supply chain/inventory/distribution tracking	78%
Financial planning and analysis	74%
Real-time sales tracking	76%
Customer profitability/lifetime value	73%
Real-time customer engagement	75%
Customer behavior—"next-best action"	75%
Customer usage and preferences	74%
Sales projections	74%
Predictive analytics	73%
Contract/supplier management	73%
Real-time social media tracking	71%
Experiments/pilots/market tests	70%
Real-time machine and sensor data tracking	70%
Fraud detection	69%
Portfolio risk	68%

Executives report taking numerous steps to better align and increase insights and visibility into the customer experience they are delivering. Close to half, 48%, report they have developed interfaces or access analytics to increase awareness, while 47% indicate they have promoted more active data sharing across their enterprises. Increased use of tools and platforms to deliver automation is also an option that is frequently cited. Enterprises in all stages of data–driven CX development have been adopting these solutions (Figure 24).

FIGURE
24

WHAT STEPS HAS YOUR ORGANIZATION TAKEN TO BETTER ALIGN AND INCREASE INSIGHTS AND VISIBILITY INTO THE PROCESSES THAT SUPPORT CUSTOMER EXPERIENCE?

Step	%
Developed interfaces or access to data analytics on customers	48%
Promoted more active data sharing between departments/functions	47%
Increased use of tools/platforms to deliver automation	46%
Created customer experience map to better understand touchpoints and process flows	43%
Stepped up employee training and skills development	43%
Implemented workflow solutions and frameworks	41%
Launched efforts to better integrate and connect applications and data	41%
Designated responsibility to dedicated department or executive, such as "customer experience officer" or "chief customer officer"	33%
Don't know/unsure	1%

STEPS TO INCREASE CUSTOMER EXPERIENCE VISIBILITY—
LEADERS VS. EXPLORERS VS. LAGGARDS

51% 44% 49%

Developed interfaces or
access to data analytics
on customers

46% 48% 47%

Promoted more active
data sharing between
departments/functions

47% 47% 37%

Increased use of tools/
platforms to deliver
automation

45% 44% 31%

Created CX map to
better understand
touchpoints and
process flows

42% 43% 47%

Stepped up
employee training and
skills development

35% 30% 33%

Designated responsibility
to dedicated department,
executive, such as
"CX officer"

43% 39% 37%

Implemented
workflow solutions
and frameworks

42% 37% 49%

Launched efforts to
better integrate and
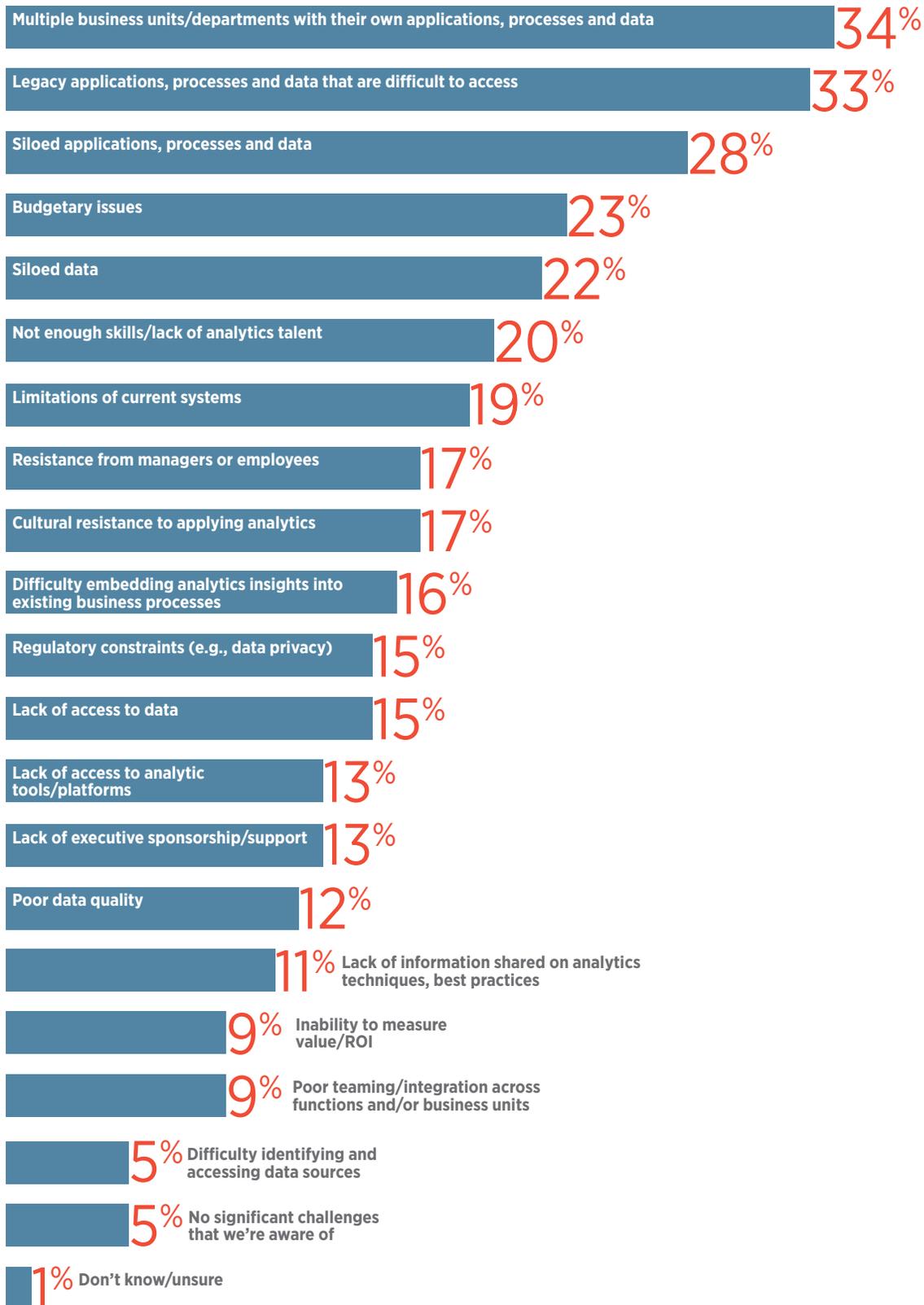connect applications
and data

■ Leaders
■ Explorers
■ Laggards

Departmental divisions and outdated or siloed applica-tions are considered the most pronounced obstacles to achieving insights and visibility into customer experience data, the survey finds. In addition, many corporate systems are saddled with legacy systems that make it difficult to integrate or move data into analytical applications. Siloed and legacy systems and data almost tend to hamstring Leaders the most (Figure 25).
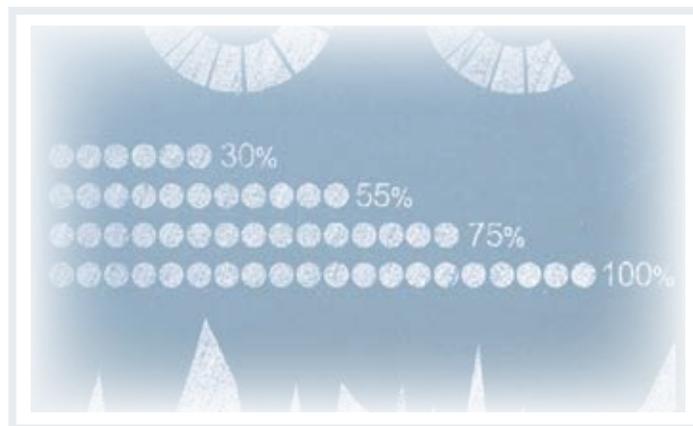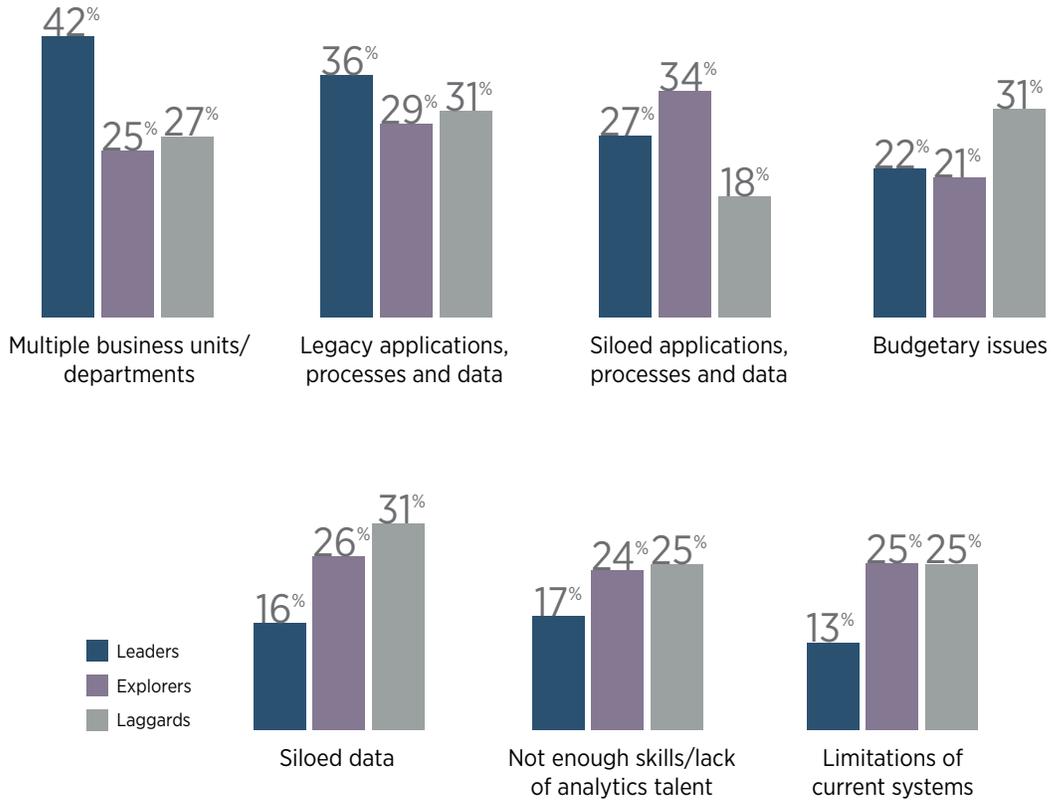
25 WHAT ARE YOUR LEADING CHALLENGES WITH ATTAINING GREATER INSIGHT AND VISIBILITY ACROSS KEY PROCESSES RELATED TO CUSTOMER EXPERIENCE MANAGEMENT?

Challenge	Percent
Multiple business units/departments with their own applications, processes and data	34%
Legacy applications, processes and data that are difficult to access	33%
Siloed applications, processes and data	28%
Budgetary issues	23%
Siloed data	22%
Not enough skills/lack of analytics talent	20%
Limitations of current systems	19%
Resistance from managers or employees	17%
Cultural resistance to applying analytics	17%
Difficulty embedding analytics insights into existing business processes	16%
Regulatory constraints (e.g., data privacy)	15%
Lack of access to data	15%
Lack of access to analytic tools/platforms	13%
Lack of executive sponsorship/support	13%
Poor data quality	12%
Lack of information shared on analytics techniques, best practices	11%
Inability to measure value/ROI	9%
Poor teaming/integration across functions and/or business units	9%
Difficulty identifying and accessing data sources	5%
No significant challenges that we're aware of	5%
Don't know/unsure	1%

**STEPS TO INCREASE CUSTOMER EXPERIENCE VISIBILITY—
LEADERS VS. EXPLORERS VS. LAGGARDS**

42% 25% 27%
**Multiple business units/
departments**

36% 29% 31%
**Legacy applications,
processes and data**

27% 34% 18%
**Siloed applications,
processes and data**

22% 21% 31%
Budgetary issues

16% 26% 31%
Siloed data

17% 24% 25%
**Not enough skills/lack
of analytics talent**

13% 25% 25%
**Limitations of
current systems**

■ Leaders
■ Explorers
■ Laggards

DELIVERING RESULTS THROUGH DATA-DRIVEN CX

The benefits of data–driven CX are wide-ranging. The most often-cited benefit among executives is having a greater ability to target and optimize for specific customers (57%), as well as improving consistency across various channels (56%). In addition, a majority cite the ability to achieve greater context across various customer channels (51%). Close to half also cite their abilities to more accurately predict customer requirements, as well as achieving higher conversion rates (Figure 26).

FIGURE
26 WHAT BENEFITS CAN BE GAINED FROM ACHIEVING A MORE COMPLETE OR UNIFIED VIEW OF THE PROCESSES THAT SHAPE CUSTOMER EXPERIENCE?
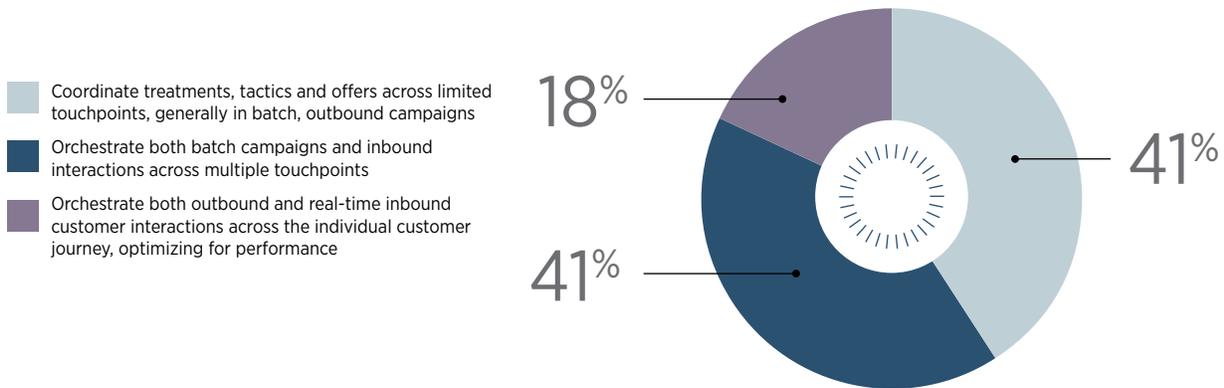
Benefit	%
Greater ability to target and optimize for specific customers	57%
Improve consistency of experience across channels	56%
Achieve greater context to customer transactions and engagements	51%
More accurately predict customer needs and desires	49%
Achieve higher conversion rates	45%
Better automate multichannel interactions	31%
Secure meaningful feedback for product/service innovation	25%

LEADING CUSTOMER EXPERIENCE BENEFITS— LEADERS VS. EXPLORERS VS. LAGGARDS

	Leaders	Explorers	Laggards
Better targeting	59%	50%	59%
Improve CX channel consistency	64%	48%	49%
Achieve greater CX context	52%	50%	53%
More accurate predictions	48%	49%	53%
Higher conversion rates	47%	43%	45%
Better automate CX	30%	29%	39%
Secure feedback for innovation	23%	27%	29%

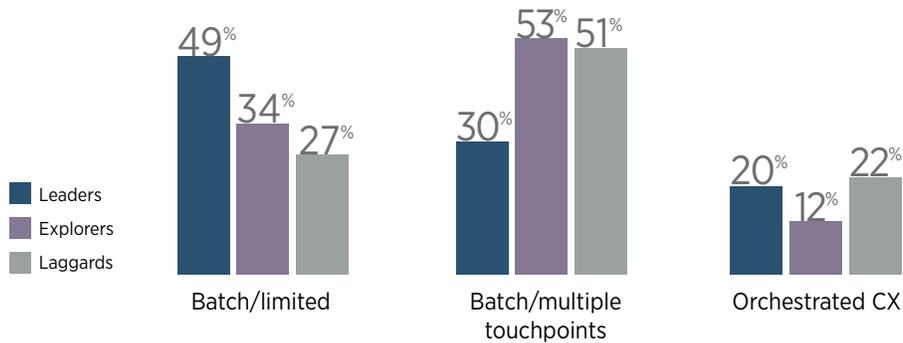■ Leaders
■ Explorers
■ Laggards
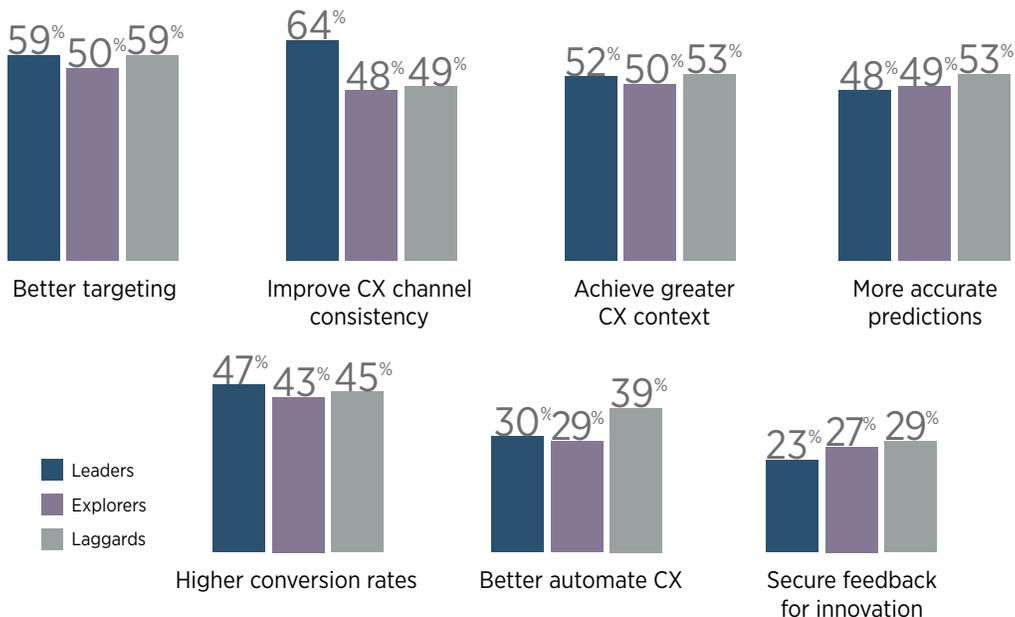
The data-driven CX leaders, in particular, have seen more pronounced consistency across channels as a result of their initiatives. Close to two-thirds report their data-driven CX initiatives have helped them to achieve greater consistency across various customer channels, while six in 10 report a greater ability to target specific customers to deliver information and offers. Notably, even the less-developed enterprises are also reporting positive results across many of these areas.

A substantial portion of executives, 41%, say insights from data analytics enable them to coordinate treatments, tactics and offers across limited touchpoints, generally in batch and outbound campaigns. Another 41% say insights help orchestrate both batch campaigns and inbound interactions across multiple touchpoints. It's notable that even the Leaders among the survey group still rely on batch-mode delivery within limited touchpoints for orchestrating their customer experience interactions (Figure 27).

FIGURE

27 HOW ARE THESE INSIGHTS FROM DATA ANALYTICS USED TO ORCHESTRATE CUSTOMER INTERACTIONS THROUGHOUT THE ORGANIZATION?

Coordinate treatments, tactics and offers across limited touchpoints, generally in batch, outbound campaigns

Orchestrate both batch campaigns and inbound interactions across multiple touchpoints

Orchestrate both outbound and real-time inbound customer interactions across the individual customer journey, optimizing for performance

18%
41%
41%

STEPS TO INCREASE CUSTOMER EXPERIENCE VISIBILITY— LEADERS VS. EXPLORERS VS. LAGGARDS

Leaders
Explorers
Laggards

Batch/limited: 49%, 34%, 27%
Batch/multiple touchpoints: 30%, 53%, 51%
Orchestrated CX: 20%, 12%, 22%

CONCLUSIONS

Forbes Insights' survey of 357 high-level executive decision makers in large organizations found a great deal of interest in applying data analytics to enhance the customer experience. Those organizations that are further along in developing data-driven customer experiences report a range of business benefits, as well as challenges.

Data-driven customer experience is delivering key value drivers for businesses. Especially among more advanced data-driven organizations, benefits seen include enhanced revenue generation, reduced costs, improved process efficiencies, quality improvement and increased business agility.

From an organizational perspective, executives indicate that delivering a superior customer experience requires a mix of activities and competencies, from data integration to technology implementations, to training, to rethinking processes. To meet these challenges, organizations are turning to analytics to better understand customer trends and preferences. For three in 10 enterprises, data-driven CX is already delivering a significant shift in elevating customer experiences. Many more executives still in the early stages of development anticipate results over the next two years.

Here's how to increase your organization's readiness to embrace data-driven CX:

- **Think long term.** Delivering a successful customer experience requires a mix of activities and competencies, from data integration to technology implementations, to training, to rethinking processes, and it doesn't happen overnight. Superior customer service is an ongoing quest that requires a chain of activities across enterprises to deliver.

- **Provide training, insights and inspiration to managers and employees.** Getting managers and employees to think in terms of data requires a change in thinking. Organization members need to understand how employing data to enhance CX makes their jobs more satisfying.

- **Keep measuring results.** It's only natural that activities involving the use of data should also be measured with data. Managers and employees need to understand how and where data-driven CX is delivering.

Open access and sharing of data with customers remains one of the great frontiers for enterprises seeking to heighten customer experience. However, data integration remains a challenge, with only about one in three enterprises having real-time, highly integrated capabilities across all customer channels. This is a challenge even for the most advanced enterprises in the survey. Executives report that the continued presence of data silos across their organizations makes it difficult to bring together information for a complete picture of what customers are experiencing.

Here's how to increase the openness of your organization's CX-related data:

- Determine what is appropriate for your industry. Every industry—and often every company—has its own unique sets of key customer touchpoints and interactions. A data formulation that works for one company may not be suitable for another. Hospitals may focus on emergency room experiences, while media companies may be more concerned with content delivery.

- Smash the silos. Every organization likely now has significant stores of data on its customers, but much of it may still be "dark data"—meaning data that is stored and managed but never used. The reason may be inaccessibility, being maintained within a department or functional area. Data-driven CX proponents need to embark on a voyage of discovery to find these hidden assets and bring them together.

- Open up resources to customers. Sharing data and providing greater access to customers about products, services, inventory and shipments has a powerful effect on enriching the customer experience.

Orchestration is the third vital piece to achieving data-driven CX. Executives report they have made progress in linking back-end processes with front-end services or interfaces. At the same time, they acknowledge that delivering superior customer experience isn't just about machines and systems—the success of such efforts relies on the people who build and manage these systems and

their ability to help design key business processes. There is a close alignment between staff managers and professionals involved in back-end systems and customer experience delivery; however, there is a need to draw them even closer.

Here's how to achieve greater orchestration between your organizations' processes and assets and your data-driven CX initiatives:

- **Look deep into your data resources and assets.** Valuable data that can help deliver superior customer experiences may be lying undiscovered within your organization. CRM, ERP, sales, supply chain or inventory systems are likely sources, but open up your search to other, non-traditional sources as well. For example, security cameras may help provide insights on customer preferences as they move about a location.

- **Empower the people behind the processes.** Delivering superior customer experience isn't just about machines and systems—the success of such efforts relies on the people who build and manage these systems and their ability to help design key business processes. Cus-

tomer experience delivery needs to be a key part of the roles and responsibilities of staff managers and professionals involved in back-end systems and processes.

- **Communicate the benefits being achieved through data-driven CX.** Organizations well along with data-driven CX initiatives report having a greater ability to target and optimize for specific customers, as well as improved consistency of customer experiences across channels, enabling greater understanding of why certain transactions or engagements are taking place and more predictive power.

Data-driven CX is key for surpassing the competition in today's hyper-competitive global economy. It takes a combination of factors—organizational readiness, open data and well-honed orchestration of people and processes—to deliver superior and highly interactive customer experiences. The pieces are now in place: it's a matter of moving forward.

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