



STOP
LISTENING
TO YOUR
CUSTOMERS
(SO MUCH)

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THE KEY TO A BETTER CUSTOMER EXPERIENCE IS **KNOWING WHAT TO LISTEN FOR ON ANY GIVEN DAY.**

In an earnest attempt to provide tailored customer experiences, companies find themselves awash in a sea of changing customer preferences.

Many are beginning to feel they need a lifeboat.

From where Jane likes to eat on weekends to the size of Sanjay's suits, companies are "listening" to customers via an ever-growing number of channels. But, as the available information about each and every customer increases, the meaningful and actionable insights gleaned from this information do not seem to be growing in tandem. Add to this scenario the fact that customer preferences can be as mercurial as quicksilver, and you have a situation in which most companies are struggling to create a blueprint for the customer journey.

ENTER LIVING SERVICES,

your laser pointer to the customer preferences that matter. Living Services are branded, personalized services that change in real time for every individual, wherever they are and whatever they are doing. Living Services allow a company to hone in on what matters to a customer, tuning out the digital noise.¹ For instance, smart home management systems can be a form of Living Services, sensing who is home and proactively adjusting thermostats, brewing coffee or running a bath based on a family's user profiles and usual patterns of behavior.

Much like a predictive home system, **smart companies are beginning to approach customizing the entire customer experience, knowing it will change frequently.** As companies learn not *more* about their customers, but rather the most *relevant* things about their customers in a variety of situations and contexts—they become better able to serve them. For companies, to “listen” well—but selectively for insight—is fast becoming an art as well as a science.

THROW AWAY THE TRADITIONAL JOURNEY MAP

In the recent past, a customer's journey map was the keystone to an organization's customer experience battle plan. This approach made sense when journeys contained a more predictable number of touchpoints and channels.

In today's digital environment, however, the number of ways a customer can interact with a company becomes mind boggling. Many customers switch between channels with little predictability; only 13 percent of customers are pure digital customers². Because of this switch, companies need to become operationally nimble to address the full and constantly changing spectrum of customer needs.



For instance, 23 percent of customers will **REVERT TO PHYSICAL OR ANALOG** means to contact a company, if digital means are not successful.³



Surprisingly, Millennial customers are the **MOST LIKELY TO SWITCH** to a non-digital channel when their issues are not resolved via digital routes.⁴

Despite this variability, 75 percent of customers expect to pick up right where they left off—not having to re-enter information or re-inform a customer service representative of their issue.⁵

There is no clear journey map for such a situation because it is constantly changing. **Savvy companies are turning to an adaptable customer experience model as an alternative.**

Carnival Cruise Lines is doing just that, as it reinvents the customer experience. "Carnival is transforming how guests enjoy their cruise vacations by anticipating a guest's needs, wants and desires throughout their journey and acting on them," said Michael Jungen, Carnival SVP, Global Experience & Innovation Design and Technology.

Using streaming analytics, contextual awareness and machine learning, as well as a new capability "Experience Genomics," Accenture is enabling Carnival to anticipate guest preferences. Crew members cannot only personalize interactions with guests, but passengers will also benefit from a "digital concierge" that learns their preferences.

Each guest is assigned a "medallion" bracelet for the cruise, with the goal being a personalized, simple and hassle-free experience for passengers. The medallion allows the passenger room entry, purchasing power and a host of other benefits. It also allows the cruise line to anticipate a guest's needs based on the individual's actions, movements and preferences. This proactive collecting of information keeps the crew informed of a customer's changing needs throughout the journey.

"It's all about guest centricity," Carnival CEO, Arnold Donald, explained. "Every decision we make arises from our guest."⁶

As companies like Carnival forego the one-size-fits-all journey map for a personalized, adaptable customer experience model, industries are changing rapidly. Living Services are coming alive.

CONSISTENCY AND RESPONSIVENESS ARE THE GUIDEPPOSTS

Reacting to customer issues has become both more important and more complicated than ever before. The impact of a single customer experience gone wrong has become greatly magnified in today's digital world. And responding requires a lot of effort and complexity—employees providing continuous monitoring across channels to catch customer complaints, and leaders spending significant time responding to customer executive escalations.

In the attempt to simultaneously track journeys, produce positive experiences, and respond to issues and complaints, companies have become as unpredictable as their customers. Those that focus on just two main areas—consistency and responsiveness—have a much better chance of achieving desired results.

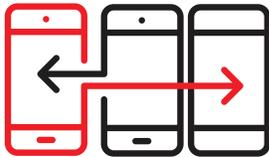
The cost of not getting these areas right is high. **For instance, 75 percent of customers report being unhappy because of companies' broken promises and six out of ten consumers have switched due to poor customer service in at least one industry.**⁷

The desire for consistency extends beyond customer service: Six out of ten customers say they will not do business with a company that initially offers a low price but raises rates at a later date.⁸

In addition to consistency, customers reward companies who demonstrate responsiveness to their needs. For example:



FOUR OUT OF TEN CUSTOMERS want personalized responsiveness, preferring to do business with companies that utilize personal information and buying habits to customize pricing and promotions.⁹



Across industries, customers who interact with a specific employee to resolve an issue that takes more than one contact to resolve are actually **LESS LIKELY TO CHURN** than those who had the issue resolved in their first interaction.

FOLLOW THE TRAIL OF BREADCRUMBS

Customers drop digital breadcrumbs all the time. Many companies are unsure of how to make sense of this trail, however. Analytics, implemented correctly, can help companies segment customers and address their needs differently. **For instance, loyalty programs can help customer relations, but seven out of every 100 customers have a negative reaction to attempts to gain their loyalty.**¹⁰

In the digital world, effective analytics must also be increasingly context-based, which is where Living Services comes into play. For example, Tom flies out of his home city every Sunday evening for work. A car rental agency using Living Services can determine when Tom's habits indicate he is not flying for business, and is likely leaving for a family vacation, by simply taking into account deviations in flight patterns and rental request specifics. When Tom flies with his family, he is seeking a different customer experience because he is essentially, a different kind of customer in that context. Knowing this, the companies he regularly purchases from can adjust their goods or services accordingly, keeping a loyal customer happy, in the same way Carnival Cruise Lines can do so for each passenger on a particular cruise, real-time. Their dynamic customer experience model comes into play the moment he steps out of his normal pattern of behavior. After all, Tom's digital breadcrumbs provided them a clear trail.

TUNE OUT, TUNE IN

To better provide a consistent, responsive, dynamic customer experience model, companies need to learn what to tune out and what to tune into—allowing insights to guide their creation of Living Services.

TUNE OUT THE NOISE AND FOCUS ON WHAT MATTERS.



Implement a closed-loop customer experience feedback process and hypothesis-led analytics. When enough Janes and Sanjays experience an issue, a good closed loop process will red flag it as a systemic problem. It can then be rectified immediately. While not every individual problem is easily fixed, systemic problems should be top priority.

TUNE INTO THE BASICS.



In addition to driving consistency and responsiveness in key customer-facing areas, companies need to look at tangential areas that can still heavily impact the customer experience—order fulfillment and pricing, for example. These experiences can have a dramatic impact on a company's bottom line, equal to that of those considered to be core customer service. Make your managers silo busters and hold them accountable for working together across processes, not just in their own area.

LEVERAGE TECHNOLOGY TO DRIVE CONSISTENCY.



Digital technology can help provide a consistent experience for customers. Focus on automating the low-hanging fruit and delivering cross-channel continuity for customers.

Focusing on an adaptable customer experience model that emphasizes consistency and responsiveness is no small task. But, as Living Services begin to truly take hold, it is a key measure to retain customers in the digital era.

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NOTES

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