

## 3 Smart Ways to Exceed Your Customers' Digital Expectations







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### Introduction

As consumers we're exposed to amazing digital experiences every single day. We carry those experiences with us, adjust our expectations accordingly, and insatiably demand more. This influences our overall perception of brands. According to Gartner, customer experience (CX) is the new marketing battlefront. More than two-thirds of marketers responsible for CX say their companies compete mostly on the basis of CX, according to the 2017 Gartner Customer Experience in Marketing Survey. Since then, CX ownership has risen, and mapping CX to business outcomes has proven its efficacy in delivering results for companies that invest in it.<sup>1</sup>

The constant cycle of innovation and rising expectations is the new normal in today's digital society. Digital leaders are setting the bar for every other brand. Businesses can no longer expect to succeed with just a strong product or service when the perceived value of the brand is determined by the surrounding digital experience it delivers. Organizations know this—91 percent have adopted or have plans to adopt a digital-first strategy in response.<sup>2</sup>

And this impact has only been heightened by the impact of the COVID-19 pandemic—as customers dependence on technology cemented and individuals became more discriminating toward evolved and reliable digital services.

This digital mandate has given rise to the customer-experience-driven business, where culture and technology come together around the customer. Experience-driven businesses understand the need for high-quality digital engagement and see it as an opportunity to embrace technology and creativity to improve and differentiate the customer journey. As a result, 50 percent of IT decision-makers say that digital business strategies have helped their organizations achieve revenue growth, on average by 29 percent.<sup>2</sup>

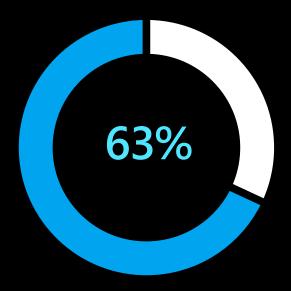
In an experience-driven business, crossfunctional teams collaborate closely to combine technology and creativity. For business teams, it's a dynamic place where they can create better ways to attract new customers and keep existing ones at the center of everything they do. For technology professionals, close partnerships with business teams elevate the opportunities for technology to be a fundamental component of business and marketing strategy, driving exciting innovation and revenue growth.

Becoming an experience-driven business isn't simple, and there's no one-size-fits-all approach. But whether you're looking to become a digital leader, want to start enhancing your website and applications, or just begin exploring the potential benefits of digital capabilities, this e-book contains tips, tricks, and tools to building your roadmap to digital transformation.

75%

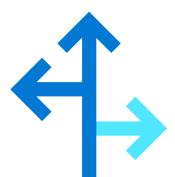
Organizations calculated a positive relationship between improving customer satisfaction and business impact.<sup>1</sup>

63% Correlate revenue growth to customer satisfaction.<sup>1</sup>



# Three ways to unlock your digital potential

The drive to become an experience-driven business doesn't just come from the C-suite. Leaders in a variety of customer-facing roles, like marketing, are a natural catalyst for change because they're entrenched in the customer journey. In fact, anyone with a deep understanding of today's digital mandate and a strong vision for what digital experiences can do for customers and the business can lead the charge.



For leaders and teams wanting to combine creativity and technology, we've identified three ways to kickstart their experience-driven digital strategy.

**O1**Envision your customers' digital experience





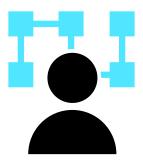
**02**Develop your data strategy

03

Enlist your innovation champions







Successful experience-driven businesses are built on a deep understanding of customer needs and expectations. It's important to see this from the perspective of your target customers, and to understand you're being compared to the full range of digital experiences currently available in your industry and beyond, rather than just your specific offerings.

To get started, identify how your target customers feel about their current digital experiences. Then, divide up these insights into "digital parity" and "digital differentiators" to start building a picture of where your company sits relative to these expectations and desires.



### Whiteboard exercise:

#### Create your digital innovation roadmap

Categorize your findings into the groupings below to start building your digital innovation roadmap.





#### Parity:

What are the basic customer expectations you must get right to ensure your current digital experience isn't negatively impacting the brand?

- a. Customers expect to be able to buy at any time of the day, on a range of mobile devices.
- b. They expect a website never to be down.

# 02



#### Differentiation:

How could you give customers more of what they love, going above and beyond competing experiences?

#### For example:

- a. Customers want proactive, personalized recommendations and guidance when looking for products and services.
- b. They want fast responses to questions or support inquiries, and they don't always want to call and wait for a live representative.

Once you've identified what's holding you back from meeting expectations today and how you could exceed expectations tomorrow with new digital capabilities, you can work toward solutions. This might mean resolving a poorly performing mobile app or website that goes down at peak periods of the year (e.g., Black Friday). Or, it might mean incorporating personalization and bots to improve how fast customers can find the answers they want.

Here are some examples of how other companies turned their knowledge about their customers into experiences that delight.



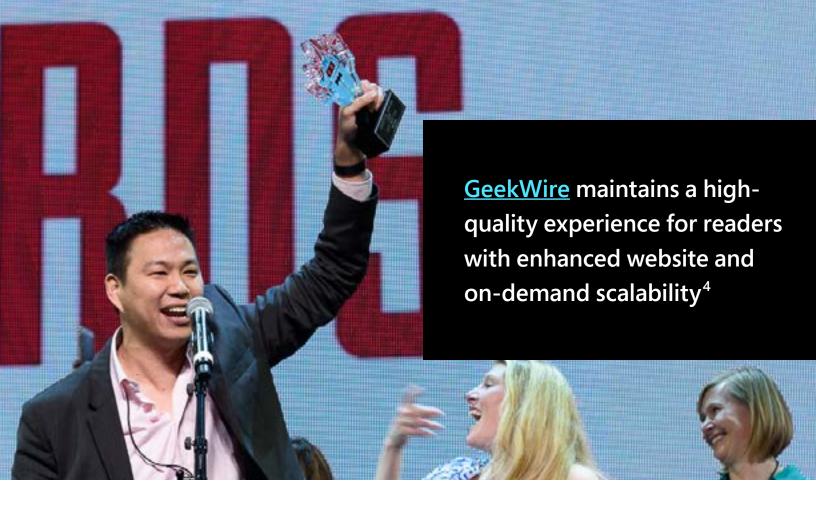
Real Madrid, a leading sports franchise, needed a way to connect with its growing global fan base and give them a more immersive club experience. Its solution was to create a global "digital sports platform" for fans, including:

- A fan engagement platform to capture and store fan interactions, including mobile check-ins and profile updates on the official website.
- An extended video platform to host new and historical video content on Real Madrid matches.

An interactive consumer app for mobile devices that allows fans to engage the brand wherever they are, including virtually accessing stadiums and statistics.

This enabled Real Madrid to increase one-toone engagement, implement highly targeted campaigns, and better track and analyze fan behaviors, resulting in fan profiles increasing by 400 percent and digital revenue by 30 percent.





Not every business needs to kick off its next digital initiative with a global, interactive platform. GeekWire, a technology news site with global readership, is a great example of a business starting its digital transformation with an enhanced website experience.

As GeekWire grew in popularity and its site traffic increased to two million readers and three million page views per month, traffic spikes began to create performance issues that hurt both reader engagement and awareness based on poor performance rankings (page load times) across social media platforms and search engines. It needed better control over content and on-demand scalability to maintain a high-quality experience for readers.

By migrating its website to the cloud, the GeekWire team was able to keep using its current site and open source technologies, cut costs and downtime by skipping in-depth infrastructure management, and enhance website performance and scalability to achieve extremely low page load times with near 100 percent reliability. Now the team is looking to continue its transformation by leveraging the cloud to add completely new web apps for readers.

### Questions to ask:

## Are you providing strong digital experiences?

01

How modern, clean and functional is your website? Is it in need of an update compared to competitors' platforms?

02

Is your website mobile-ready and does it provide a seamless experience across different devices?

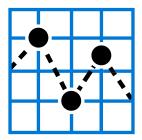
03

Are you able to maintain an engaging, personalized customer journey across all your channels?

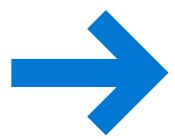
04

Do your customers have self-service options (chat bots or interactive guides) to assist them when searching for products or support?





Data is the lifeblood of an experience-driven business. Just like a fitness tracker helps people understand their body to make healthier decisions, data is how you keep your finger on the pulse of the customer journey to make smarter decisions. When developing your data strategy, a strong approach is to map the questions you need to answer. Then, evaluate the data you have, and the data you need in order to answer those questions.



## Mapping your data strategy

01



#### The questions you need to answer

These will naturally emerge as you work on identifying your customers' needs and expectations. As you map out the entire customer journey, mark the touchpoints and behaviors you don't have insight into.

- Do you know which platforms and channels your customers use and prefer?
- Do you know how many steps it takes for a customer to purchase a product or use a service?

# 02



#### Mapping the data you have

You likely already have troves of hidden data throughout your organization that could deliver new, meaningful insights if only you could just light them up. Explore the various systems and databases that may hold siloed structured data or valuable unstructured data.

- ✓ Have you built connections to structured data that may reside with different teams, such as bridging marketing campaign and sales data?
- Are you able to access and analyze unstructured data such as customer emails, mobile location data, or audio transcriptions from customer support?

# 03



#### Identifying the data you need

Working through important questions you need to answer and mapping the data you have will set you up to identify and secure the data you need.

- You could unify databases across teams to quickly expand access to valuable customer information you may be missing, like the marketing and sales example above.
- ❷ By implementing new digital and analytics capabilities, you can capture new data from existing platforms (mobile) or analyze new unstructured data sets.
- Some companies have also incentivized customers to share even more data by creating transparent "data loops" where customers see how their data is used to create additional value.

Whether you go big or start small, prioritizing a data strategy is a great way to quickly uncover new customer and business value without a major investment. Here are a couple of strong examples.



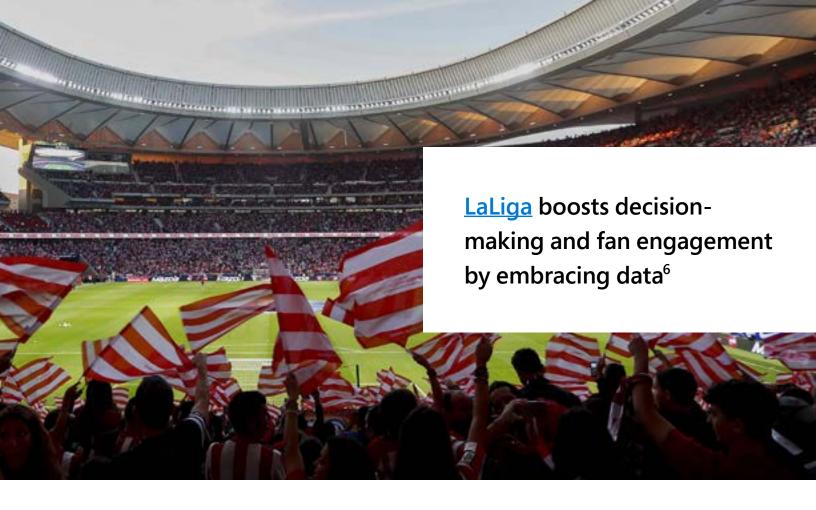
Trying to get technical support can be a timeconsuming and frustrating experience. But it doesn't have to be that way. Using Al and data, HP has been able to improve the customer support experience while uncovering new value for the business.

HP implemented an AI-based virtual agent to help customers diagnose and solve problems, but then used that virtual agent to collect and feed critical data to live agents. If the virtual assistant can't resolve an issue, customers don't start over—live agents have important context such as what's been tried, diagnostic results, and technical documentation

suggestions right when they start the call. This Al solution is also being used to generate key insights for marketing and business teams. A unified dashboard with data such as direct customer feedback, key metrics on system performance, and overall resolution rate gives both teams insights they can use to improve future products, services, and experiences.

Through this AI solution and smart use of data, HP has been able to improve the customer support experience by cutting down call wait and resolution times while improving its overall resolution rate from the 15- to 20-percent range to 70 to 80 percent.





While the Madrid-based Spanish football (soccer) organization LaLiga is creating innovative digital experiences for its hundreds of millions of fans around the world, it's also creatively using data on the back end to develop better content, build a deeper understanding of fans, and enhance engagement.

All of LaLiga's different apps and online channels generate telemetry data, which helps customer teams understand how and when these services are used. LaLiga saw an opportunity to use this data for proactive engagement with fans. For example, if a fan usually follows a couple of games a week but hasn't connected recently, LaLiga uses

that insight to re-engage that fan with a notification just before their favorite team's next game.

LaLiga is also creatively using engagement data to share fan insights with business teams throughout the organization. It feeds engagement data into scorecards that include fan analytics, marketing campaign analytics, and over-the-top (OTT) analytics from recommendation and pricing models. These scorecards support nearly any decision within the organization, including providing its international department spanning 43 countries with up-to-date local insights.



### Questions to ask:

## How sophisticated is your data strategy?

01

Are you sharing and combining data sources with cross-functional teams spanning marketing, customer service, sales, operations and more?

02

Do you have "360-degree" customer profiles that include not only preferences and purchase patterns but omnichannel interactions across mobile, digital and even brick-and-mortar touch points?

03

How close to "real-time" is your datadriven decision-making? Is reporting siloed to data teams or is it a selfservice activity? 04

Do your analytics tools provide predictive or even prescriptive recommendations based on your data?





Creating a strong partnership between internal business and technology teams is a vital yet often overlooked opportunity. Think about how you can embed technology specialists at the center of the customer journey while ensuring your business teams are similarly aware of the company's technology roadmap. This will drive deeper cross-team collaboration and understanding, which will lead to less technology barriers, more effective solutions, stronger customer experiences, and more value to the business.

How you approach these partnerships and communicate between teams is important, so here are some tips:



## Connecting with your inner technologist:

#### A guide for business teams

01



First, approach these conversations with empathy. While you're trying to drive new innovation and customer engagement, the technology teams are already working flat out to make sure the engine of the business stays running. Take time to understand the complexity of their role and what keeps them up (or working) at night and factor that into your conversations with them.

02



Next, enter these conversations with an exploratory mindset. As the technology experts, they'll provide insight and guidance as to what's easy or difficult to achieve. This partnership is about forming a solution together, not making a technology transaction.

03



Lastly, work to align your vision and needs with their own goals and aspirations. How can you get them invested in this project and partnership? Can you demonstrate how adopting new technology and building new solutions can both streamline their workflows and help them deliver new value to the business?



## Speaking the language of the business:

A guide for technology teams



First, show (or build) an understanding of the business requirements for your technology. Those will become the building blocks of these conversations. Then take that a step further—look for the outcomes your business team is trying to achieve. Thinking through to the point of "Oh, they're trying to do that for customers" will help everyone speak the same language and remain focused on a unified end-goal.

01



Next, enter these conversations by leaving your technologist hat at the door. Rather than immediately working through operational responsibilities and implementation strategies, spend some time discussing what might be possible in an ideal world. Working backward from an ideal scenario will be much more conducive to a productive conversation than starting from a place of roadblocks and resistance.

02



Lastly, help your business teams understand your technology roadmap. It will be more effective to start from existing plans and investments to build a joint roadmap than to try and shoehorn a new digital experience roadmap in after the fact. Thinking about new digital solutions alongside existing technology plans will also help identify where both teams may already be heading in the right direction.

03

Here are some examples of how business and technology teams have partnered effectively to enhance the digital experience.



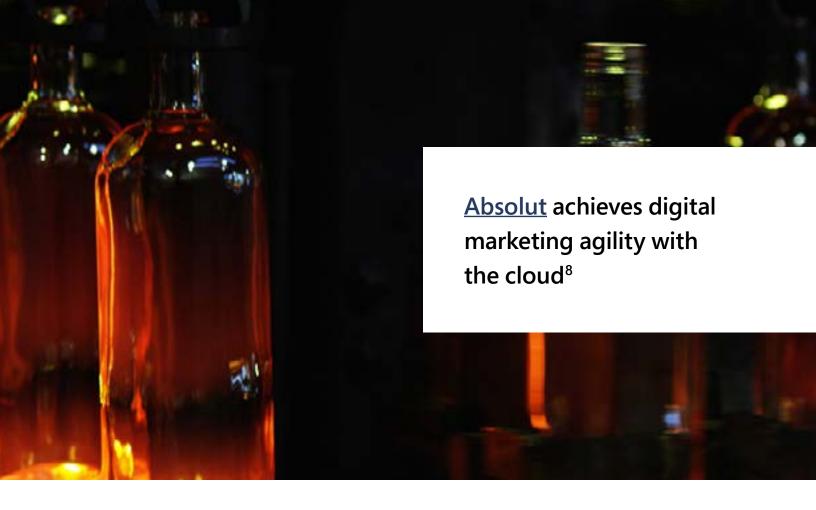
Because UPS manages 19 million packages in more than 220 countries and territories every day, it invests more than \$1 billion every year in innovative technologies to improve its customer service. As part of that effort, business and technology teams worked together to build intelligent applications for customers.

The first part of this customer-focused technology initiative was a faster, consolidated version of the UPS Mobile app. The team was able to extend the application to millions of users around the globe and across two different app ecosystems from a single, smaller code base. This increased efficiency and enhanced the customer experience by providing insight into pricing and shipment arrival times.

The second part of this initiative was to improve service levels via a chatbot called UPS Bot. This enabled customers to instantly get information about shipments, rates, and UPS locations via text and voice-based conversations.

UPS business and technology teams are now regularly working together to identify and prioritize new features, including analyzing which channels customers are using, usage trends, common requests, and the bot's responsiveness. And with greater efficiency and agility, they can now add new features across all devices in weeks or days—something that previously would take months to achieve.





While Absolut, the iconic spirits brand, has historically been a leader in traditional marketing, it recently needed to make a major push to digital content and channels to connect better with its consumer base.

The company worked closely with technology teams from the very beginning to adopt a new cloud-based platform that could support both its marketing and technology needs:

Marketing can now use one app service for its websites and across channels to accelerate content delivery and improve responsiveness.

- Developers can now deploy code directly into its web apps without the need for third-party outsourcing or infrastructure management.
- The technology teams can directly spawn new websites and features in record time.

With the agility to add features and launch websites in minutes as opposed to days, marketing and technology teams now work together to quickly build and launch new campaigns, deepen conversations, and reach new customers around the world.

## Questions to ask:

## Is technology powering or holding back your digital experience?

01

02

How easy is it to add new functionality to your platforms and campaigns to enhance the digital experience? Do your technology teams have a seat at the table? Are you able to easily scale your website and applications alongside spikes in traffic, or do on-premises resources make this difficult and inefficient?

03

04

Have you developed a mobile app and is your website responsive to different devices and form factors?

Are you able to serve customers personalized experiences based on their preferences?

05

Is AI or machine-learning being leveraged? For example, to automate data clean-up and analysis or deliver engaging interactions using bots?

# Bringing your vision to life

If you're still reading, you're likely excited by the potential of becoming an experience-driven business and the new digital capabilities you can unlock. So what next steps should you take and how can you approach engagement with teams and decision-makers to become a leader and catalyst for transformation and change within your organization?



## Assemble your innovation dream team

Start assembling your innovation dream team with representation across business and technical teams. This should include development and operations, and passionate individuals from a variety of customer-facing teams like marketing, customer service, and sales. You can do this while creating your digital scorecard, developing your data strategy, and of course enlisting your technology champions.

- Rather than build your digital scorecard solo, this is an opportunity to engage your first group of innovation teammates: marketing, sales, and customer support. Use a mini whiteboard session to pull from each team's expertise when mapping the customer journey and your digital competencies.
- When building your data strategy, connect with your data analysts (if you're lucky enough to have them), or reach out to whoever has the broadest insight into how your organization is managing data. Regardless of the data you uncover, having these conversations will help you find the best person to support new data-driven capabilities as part of the innovation team.

When engaging technologists, think about who you want embedded in your innovation engine. Ensure you're identifying the right skillsets, and also someone with an appetite for a long-term partnership—or at the very least an exciting project.



## Kickstart your innovation workshop

Once you've assembled your innovation dream team, you'll want to conduct an innovation workshop. There are a number of ways you can organize this, but here are a few useful suggestions:

- Establish a shared goal and commitment to improving the digital experience. Beyond aligning on a north star for the team, identify the role each team member will play and how this will impact both the project and their day-to-day workflows.
- ✓ Go through the pain points and differentiators you previously identified and rank them in terms of "essential," "high-value," and "transformative." This will help you prioritize your innovation team's work based on how each capability will impact to the customer experience.
- Work together on a technical assessment that maps out the technology and data investments you'll need, as well as the potential value each capability could bring to customers, teams, and the business. This will help you further prioritize initiatives according to ROI and should begin to define the parameters needed for the next big phase—developing a pilot solution.

Establish a shared goal and commitment to improving the digital experience.





#### Start building your solution

With your innovation dream team assembled and your digital, technology, and data priorities mapped out, you'll be ready to begin building a pilot solution. At this stage, you may start to identify the ways that using the cloud could provide a path to accelerating your transformation. Keep in mind this could focus specifically on one area of the digital experience, like revamping your website or applications. You'll find it's much easier to expand to more ambitious projects once you've got the "basics" and fundamental technology right. Choosing a pilot project will help you fine-tune your solution while demonstrating what you're trying to accomplish and why—preparing for a broader rollout while communicating business value and ROI to those managing financial budgets and approvals.

Microsoft Azure helps teams focus their creativity on creating innovative experiences that delight customers and improve revenue growth. Whether you're moving your website

to the cloud, adding rich personalization based on customer data, or exploring the role artificial intelligence could play in helping your customers, we can help you bring your vision to life. As you start engaging various teams across your organization and work toward prototyping potential technology solutions, contact your Microsoft Azure partner.

Not only do they intimately understand the capabilities of the technology, they're steeped in experience from helping other customers make similar journeys. They can help with any questions or provide additional resources and guidance on how small teams can provide a high-quality experience without expensive investments.

#### Additional resources

- <sup>1</sup> "Key Findings from the Customer Experience in Marketing Survey 2019: Marketers Take More Control as CX Expectations and Budgets Rise," Gartner, 2019.
- <sup>2</sup> "2019 Digital Business Survey," IDG, 2019.
- <sup>3</sup> "Real Madrid brings the stadium closer to 450 million fans around the globe, with the Microsoft Cloud." 2019.
- <sup>4</sup>"How GeekWire is serving the latest tech news to 2 million readers worldwide," 2017.
- <sup>5</sup>" HP uses artificial intelligence to transform its customer support experience," 2017.
- <sup>6</sup>"LaLiga boosts fan engagement with multiple digital channels and conversational AI," 2019.
- $^{7}$ " <u>UPS paves the way for better service with faster development and artificial intelligence</u>," 2017.
- <sup>8</sup> "Absolut's spirited brand rendered in the cloud," 2019.