



Technical White Paper

Enhancing Customer Experiences Through Digital Transformation - A White Paper



More than what you think.

Executive Summary

Is digital transformation only about digitizing existing services? It is much more than just that. While digital indicates the rapid pace of change due to the adoption of technology, the word transformation adds more meaning. Transformation indicates the need for an organization to adopt change and innovation and reinvent instead of just enhancing and supporting existing traditional methods.

Moreover, transforming the business to the digital world is now a necessity and the only best option available for organizations looking at moving ahead. When such transformation happens, organizations must leverage technologies and the best practices within their businesses. These best practices include processes, people, and everything that impact the smooth running of the organization.

The Constantly Connected Consumer

Today mobile devices, apps, machine learning, automation and much more allow customers to get what they want, almost at a real time. These new digital technologies have caused a shift in customer expectations, resulting in a new kind of a buyer. The new opportunities are arising from the use of modern technology influence the way customers rate organizations, based on their digital customer experience. The customer of today is connected continuously, app-native, and aware of what can be done with technology. So, the need is for a good digital transformation strategy that includes the right technologies and communication which provide a competitive advantage to the customer and is sustained by an empowered & innovative team. Only when organizations follow such a holistic approach, will customers get a richer experience.

Is enhancing customer experience the same as providing better customer service? While providing better customer service is reactive, enhancing customer experience is proactive. Today's customers want organizations to treat them as unique individuals and know their personal preferences and purchase history. Research indicates that 75% of customers admit being more likely to buy from a company that:

- **Recognizes them by their name,**
- **Knows their purchase history, and**
- **Recommends products based on their past purchases.**

The experience of the customer with your product/application/services must be such that your offering should cease to be a need and become a want for the customer.

Surprisingly customers do not mind organizations to use their data to improve their experience. Some organizations are still to understand how to increase the wants of customers. They believe digital transformation is all about building a nice and rich website that would enhance customer experience. But, technology has empowered consumers to get what they want, whenever they want, and how they want it. Customers expect their interaction with an organization and its products and services to be seamless in a digital environment. Customers have many touch points, and disruption in any of these touch points dilutes Customer's expectations.

Customers now interact more with the middle office, and back office functions of an organization and these functions must be ready to face the challenges of digital transformation. Most consumers now expect a customer service response in no time and also expect the same response times on weekends as on weekdays. This has forced organizations to remain accessible and on-demand, 24 hours a day, seven days per week. Everything nowadays is happening in real time, which is why organizations that offer urgency, personalization, and accessibility to their customers will win out in the long-run.

Matching Up Customer Expectations

So, how does an organization build better experiences for the customer? Today's customers are not tied to a single channel. They browse in-store, shop online, gives feedback through mobile apps and ask your support team questions on social media networks. Tying all these interactions together allows you to create a single digital profile every time a customer interacts with your business.

The following factors shed some light on a strategy for digital transformation which enhances your customer experience:

- Improve reporting capabilities
- Enhance access to applications
- Provide a metrics collection functionality
- Enable mobility for existing applications
- Formulate a strategy for social media interactions
- Align organizational processes

Improve reporting capabilities

A major stumbling block for many customers is the reporting functionality which is more of a back-office activity. With digitization, you can place the power of generating reports in the hands of your customers. Efficient reports help in building a good relationship with clients. Though customers may have easier and faster access to the products and services of your organization, you need to enhance the reporting capabilities and enhance the experience of your customers. When you apply a digital transformation to running of advanced ad hoc reports, customer service levels can be vastly improved.

When you take the time to find out the needs and wants of your customers, the effort creates value for them. By doing so, you can structure the journey of your users' experience. Such structuring will help identify upfront potentials problems and prevent them. Across sectors, satisfied customers spend more, show deeper loyalty to businesses, and create conditions that allow businesses to have lower costs and higher levels of employee engagement.

Enhance access to applications

When organizations provide easier access to their products through digital transformation and yet host the products on legacy environments, customers face difficulties in the speed of access. Organizations need to plan to move the products from their legacy environments to a SaaS-based model. Usage of a cloud-based platform such as Amazon Web Services (AWS) technology enhances customer experience. Some technology partners provide excellent framework such as Cloud Steps Transformation Framework, and such frameworks can be used to re-host products on to the cloud. The re-hosting addresses issues related to availability, scalability, and performance requirements.

With the Amazon Web Services technology, customers can have uninterrupted remote access to organizations' products from their laptop, tablet, or phone via the internet. To meet strict security and privacy requirements, the technology partner may also add multi-tenant management capabilities to the application.

Provide a metrics collection functionality

As digital services mature, more and more opportunities arise to provide more value to customers. You can make innovations and tailor services based on the needs of the customers. A great innovation would be to allow access to metrics to customers, and with such solutions, users feel being in control.

Organizations need to collect metrics to enhance their services. Several business challenges arise while collecting the data. The challenges include collection, loading/storage, and querying of data. Also, capturing data points such as metric name, timestamp, and associated value from system generated records add to the complexity. When organizations deploy products in remote geographies, metrics collection is difficult. When data must be collected about products deployed in various geographies at regular intervals, a digital transformation strategy plays a huge role.

To overcome the challenges related to metrics collection, organizations and their technology partners may want to implement OpenTSDB. OpenTSDB is a time series database and is the key to address the challenges related to data collection. OpenTSDB enables the storage of raw data and provides very fast aggregates to achieve the client's business goal.

Enable mobility for existing applications

Enabling mobility is a useful digital transformation strategy to enable simple and pleasant interactions for customers with your services. Supporting a mobile platform involves many aspects like ensuring continuous presence, providing anytime accessibility, and allowing access to multiple devices.

Implementation of a solution to enable customers to pay through mobile devices is one of the major needs of mobility. The strategy must involve running the application on a variety of mobile browsers and create a function that requires users to provide necessary information to validate payment details.

As part of enabling mobility of payment services, a technology partner would provide a solution involving the following services:

- Develop a responsive design for webpages
- Validate payment parameters
- Integrate the application with the website
- Develop a Universal Mobile Web Application to support all mobile browsers

Formulate a strategy for social media interactions

By gathering customer tweets, posts, feeds, likes, etc., one can measure the success rate of his/her product/service. Every day there can be thousands of statements made about your brand either through a tweet, notes, comments, or pins. Collecting that data and analyzing it through the scans of sentiment analysis technology can help you understand how customers perceive your brand and what you need to do to improve your marketing strategies/services.

A good digital transformation strategy ensures a good experience for the customer. A good experience enables customers to turn to advocates for your services from being loyalists. Customers then become partners in your marketing efforts and the exposure of your brand increases to a large extent.

Turning customers to advocates depends on leveraging the power of social media. Social media provides valuable insights into customer analytics as customers use the medium to discuss products and provide good feedback. Hence organizations need to tap into the data provided by social media.

Before implementing a social media strategy, a thorough analysis of the existing methodology is needed. For example, you may be using basic tools such as Excel to track the perception about your services on the social media platform. Hence you need the tools required to track and capture the comments and prioritize them. You may also want to integrate that data with an existing ERP environment. You may want to engage a technology partner to configure SAP social media analytics by using technologies such as NetBase and SAP Cloud for Social Media Engagement. SAP Social Media Analytics delivers accurate, real-time analytics to the user to enable an understanding of its markets and customers through social feeds.

Align organizational processes

Organizations may have disparate processes. When disparate processes are present, organizations need to develop solutions to integrate the data from different sources. The integration would provide an accurate view of the business. Also, the solution needs to leverage historic data to identify trends to enable effective risk management.

To implement the solution, the strategy would be to combine data from a wide variety of sources to get an integrated and up-to-date view of their business. The best practice would be to design a new system architecture using Microsoft SQL Server Analysis Services and Reporting Services. This would provide the most cost-effective solution as it includes an RDBMS without the need to purchase additional licenses for the individual products.

When you successfully implement the solution, it provides you a faster Return-on-Investment (ROI). The solution is cost effective and helps you align processes across the organization. The alignment helps to articulate strategies, set objectives, monitor performance, perform group analysis, and then make informed decisions that supported the overall business strategy.

Improve customer experiences With real-time analytics

- 70% of enterprises have increased their spending on real-time customer analytics solutions over the past year.
- 58% of enterprises are seeing a significant increase in customer retention and loyalty because of using customer analytics.
- 60% use real-time customer analytics to improve customer experience across touch points and devices is extremely important today.
- 44% of enterprises are gaining new customers and increasing revenue because of adopting and integrating customer analytics into their operations.
- 39% of enterprise execs consider IoT an important technology today for improving customer experiences increasing to 55% in two years, making it one of the fastest growing systems for customer analytics.
- 60% of enterprise business leaders say customer analytics is extremely important today, jumping to 79% by 2020 with a key driver being personalization at scale.

Real-time business drivers

Percentage of respondents indicating that these are among the top three drivers of increased investment in real-time customer analytics

Scale customer - centered decisions and actions across function in the business



Design contextual customer engagements across their journey



Accuracy in demand planning and product / Service availability



Address competitive and / or regulatory market pressures



Better understand supply chain dynamics



Source : Harvard business review analytic services survey, March 2018

Enterprises should successfully adopt customer analytics to achieve their goal of providing personalization at a scale by continually fine-tuning every aspect of the marketing mix for every customer audience or persona in real-time. Improving customer experiences to improve customer retention and loyalty is where real-time customer analytics will deliver the greatest business value. Organizations need to try to create a real-time marketing technology stack that pays off by delivering in-depth customer insight and intelligence.

Improving Customer Experience through Sentiment Analysis

Emotional AI, also known as sentiment analysis, analyzes negative, neutral, and positive views from a written report and uses it to gauge and understand customer reactions. Sentiment Analysis in simple words can be referred to as data mining of customer experience. It helps identify

- Brand reception and popularity
- Company reputation
- Overall brand health
- New product perception and anticipation
- Potential crisis

Sentiment analysis can be used to track psychological trends, analyze social media, and review the market research results. Its software scans reviews, ratings, social media posts, and articles to pick up on the sentiments of the people providing them, allowing marketers' clients to form an aggregate from the ratings and use it to improve their customer service.

Sentiment analysis uses technology that employs both linguistic algorithms and natural language processing to assign values to various customer responses. At the same time, machine learning accesses sets of data to uncover the most relevant trends that have occurred over a set time.

This requires a significant amount of planning. You must ensure that you use the right algorithms to capture the most useful information. It's also important to analyze the proper phrases so you can convert your findings into improved experiences, products, and services. This technology makes it possible to identify the features that people prefer the most as well as those that tend to make them feel frustrated.

Customers are complicated and fascinating beings, which means that sentiment analysis can be challenging to get right. Businesses that serve customers directly find it too cumbersome to analyze all of the feedback manually. Using sentiment analysis as well as considering the context makes it possible to catch services issues and take corrective action as early as possible.

Customer Experience Trends - What to Look Out For

- **Metric reexamination** - Organizations will have to revamp their underperforming CX measurement programs
- **Customer Feedback Reduction** - Organizations will need to cut back on the number of customer surveys and focus their data collection on areas where they are prepared and need to take action.
- **Brand Promise Alignment** - Organizations should execute projects that clarify or redefine the meaning of their brand and explicitly articulate their customer promises.
- **Experience Design Orientation** - There should be more focus on design-oriented projects and companies should try to internalize experience design capabilities.
- **Customer Journey Expansion** - Organizations will have to realign their metrics, analytics, experience design and innovation around their customers' journeys.
- **Digital Integration** - Organizations will have to take the next step towards digitalization by building and analyzing experiences that tie together digital channels with contact centers and physical locations.
- **Chatbot Rationalization** - Organizations will have to expect a slight decline in the chatbots arena, but a longer wave of new AI-based applications will emerge.
- **Persona Popularization** - Design personas and behavioral segments might have to be a more mainstream tool.
- **Analytics Expertise Shortage** - Organizations will need to aggressively recruit limited analytics experts and invest in retraining and retooling internal employees to fill this role.
- **Preemptive Problem Resolution** - Organizations should look at applying predictive analytics to find use cases where they can proactively resolve and avoid customer issues.
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Customer Experience Isn't Easy

It is a fact that is here to stay - there is no "customer experience success" switch you can simply turn on in any organization. Providing a seamless customer experience means organizations must be able to react to communication that doesn't fit into their traditional contact center model. To delight the customers, organizations need to keep customers at the heart of digital transformation. They need to know what is that the customers want and how they want to interact with you. Then, the digital transformation must be built around such lessons. A major lesson is to understand the customers' interactions with organizations' services. In this digital era, customers use several touch-points to access an organization's product or service and to voice their opinion. Such touch-points may be through social media, mobility services, better analytics, IoTs, and the cloud. Organizations need to be ready to factor in the challenges related to these touch-points.

While adopting a mobile-first strategy, businesses also need to consider whether its networks can support such increased traffic. These channels need reliable and highly secure network connections. Customer experience requires a difficult, ongoing, organizational-wide change to fully meet the demands of customers beyond traditional programs like lead generation and outbound marketing. One more challenge is getting different channels to interact with one another, especially true for large, established entities that have not broken down operational silos across sales, marketing, and distribution.

Conclusion

A recent study indicates that by 2021, most industry leaders expect their businesses to be competing based on customer experience. For any digital transformation to succeed, the customer is the key. In today's' business ecosystem the customer not only dictates through his or her choices alone but also takes an active part in the decision-making process either directly or indirectly. If such a process has to be created the whole organization has to be streamlined so that every piece of information and data is used for the benefit of the customer.

As part of being digital, organizations need to be agile and enlist the services of a technology partner who understands the business of the organizations. The understanding of the business structure is a key factor in resolving the challenges and enhancing the customer experiences. A technology partner who knows this would implement the right digital transformation by blending business and technology and enable growth and at the same time ensure considerable cost savings.

The industry leaders envision digital transformation as an experience transformation project and less of as a technology project. The digital revolution has enabled companies to unlock not only what the customers want but what the customers need more ardently. The companies are digging deep into this phenomenon of what the customers need and are trying to fulfill it. To address this new phenomenon requires companies to be more customer-centric and agile to act and react in a faster way. If this has to happen there has to be a total digital transformation in the strict sense of the term. The ideas, processes, services, and the products should always improve keeping in mind how relevant they are to the end user or the customer. It is more so about co-creating with the customer and taking the feedback and suggestions from customers and operating in an environment where the customers' opinion is of paramount importance.

A balance should be struck between technology, processes, and individuals in leveraging the marketing ecosystem for enhanced customer experience and this the participation of customers is the most important.



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About YASH Technologies

YASH Technologies focuses on customer success. As a leading technology services and outsourcing partner for large and fast growing global customers, the company leverages technology and flexible business models to drive innovation and value throughout its customer's enterprise. YASH customer centric engagement and delivery framework integrates specialized domain and consulting capabilities with proprietary methodologies and solution offerings to provision application, infrastructure and end user focused Right-Sourcing services. YASH is a SEI CMMI (Level 5) and an ISO 9001:2015 certified company with U.S. and India headquarters and regional sales and development offices globally with customers spread across 6 continents.

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