emStream Insights Series

emStream brings an exclusive insights series featuring thought provoking perspectives of leaders from diverse backgrounds on the topics of customer experience, data and artificial intelligence
Marketing has been profoundly disrupted by digital technologies. Mobile first is a new standard, Data is the great game changer and the Cloud allows professionals to use marketing functions easier than ever. At the same time a tougher competitive landscape and product commoditisation have compelled companies to make Customer Experience (CX) a priority.

What is CX really? It is about delivering a promised brand experience and creating a relationship with the customer. Here we explore customer experience success factors, the major role of data and the integration of new technologies.

Customer Experience
Key success factors

Improving customer experience generally starts with defining customer centric KPIs and improving the actual user experience (UX).

Most companies have not defined marketing KPIs with the right intent. KPIs are traditionally derived from hard business metrics such as revenue and profitability, which while well intended often do not direct marketing efforts towards “customer centric actions”. For example, if customer loyalty is important, objectives should be formulated in terms of increase in redemption rates. These customer centric KPIs should then be applied to all outbound functions directly interacting with customers.

Improving the experience itself generally requires defining the customer journey map and bringing tech, design and business together. The focus should be on enhancing the User Experience (UX) – i.e. the touchpoint with the customer.
More specifically, improving UX requires a focus on the following aspects:

**Design** includes graphics, color combinations or even typography. Studies in psychographics have proven that visual design can be a big differentiator for apps and websites.

**Information Architecture** refers to the structure and taxonomy of information. It dictates how easily users find what they’re looking for.

**Interactive Design** offers ways to use functionalities across different devices in an easy way.

**Usability** is at the intersection of visual design and information architecture and aims to make website or mobile app usage as easy as possible.

**Content Strategy** defines the stories we want to share and greatly impacts the way users actually interact with the brand.

**Human Computer Interaction** (user research) looks at the way users actually interact with computers and mobile devices and provides valuable feedback for UX improvements.

Companies should build capabilities in these areas as they impact how users interact with the business and the brand.

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**Data is the game changer**

Data analytics significantly improves “customer stickiness” by enhancing our understanding of customer journey maps. This allows us to develop personae more accurately and design campaigns at the individual level.

In order to build this understanding, we need to analyse the data accumulated. This was traditionally particularly difficult and led marketers to work with rough segmentations that did not show differences in customer tastes. For example, sampling two customers in the category “Male 40-45 living in the suburbs” could yield wildly different tastes in music. The enhanced possibilities to collect data and the development of new technology platforms with AI capabilities have now made sophisticated customer analytics accessible.

Important success factors for data initiatives are the collection of sufficient historical data and leveraging “real-time” capabilities.

To make the right inferences, data analytics requires looking at customers over an extended time period. Small sampling datasets can lead to serious problems for the brand. Stories such as a biker receiving coupons for toys after exceptionally purchasing a pink unicorn as a gift are not rare. Once sufficient data is accumulated, the creation of meaningful customer personae is truly a collaborative effort between marketers and engineers.
Paradoxically, while historical data is important, real-time analytics is now the true differentiator. It allows you to engage quickly with the customer when interest and intent are established. Real-time analytics allows us to impact the “window of opportunity” in an era when customers are used to shopping around simultaneously in multiple online and physical stores. It’s about hitting the right audience with the right message, at the right time and using the right channel.

Technology integration

Implementing success in the current context is really about integration and building an awareness for new technologies.

A good illustration of this are large enterprise websites that are fully embracing the customer journey. Behind the scenes, the focus of technology is on personalisation, content, analytics, data hubs, campaign management platforms and an ecommerce engine. These functions must be seamlessly integrated, offer scalability and preferably be on the Cloud. The Cloud in particular makes the deployment and use of core functions much simpler for marketers. They increasingly subscribe to functions without the current integration complexity that usually drives the bulk of IT initiatives.

On the technology tools side, choices feel infinite as the space for data technology players is crowded and constantly changing. Established players are expanding the functionalities of existing solutions but new providers, often with a background in “real-time” data are changing the market significantly.

With all these new technologies, CIOs and CMOs aim to drive maximum value from their enterprise IT portfolio. Developing a modernisation roadmap that rationalises the portfolio and improves standardisation through cloud enabled product suites is now really common sense.

Where do we go from here?

Digital disruption has brought much excitement to marketing by making the field more scientific and offering the possibility of treating each customer individually. In the end, creating a great customer experience will remain a combination of an analytical and creative process with better outcomes for businesses and their customers.

This trend can especially be observed in the disruption of the traditional agency model. Advertising and marketing are now a lot more about data and technology. Epsilon is fortunate to have focused on digital data centric investments for the past 15 years. In that way we are ahead of the curve.
emStream combines powerful data aggregation features with the ability to mine sentiments using proprietary Natural Language Processing. emStream can be used across a wide variety of AI-driven use cases that require analysis and visualization of data for learning buying patterns, vendor performance, revenue growth, and factors contributing to the success of your business through actionable insights.

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