



Customer-centricity: the new digital currency

Last year, the UK was named the least productive European nation in the G7 and latest figures suggest that things have not improved; in fact, some claim these productivity challenges are one of the biggest economic threats facing Britain. At the same time, the intense and constant pace of change caused by the digital era continues to ripple across every industry.

How to achieve this? For the first time, we've carried out an independent Trends Report to identify and examine the top issues (2016 Advanced Trends Survey) facing British organisations in the face of digital disruption. The results show that many companies are still far from delivering, or even fully understanding, the multi-touchpoint experience today's customers now expect and increasingly demand.

This is concerning when, according to Gartner, 89 percent of companies now expect to compete primarily on customer experience. It is those organisations who create operations that revolve around every aspect of the customer journey that will innovate, prosper and grow in the digital age. This fact is supported by Forrester's Trends 2016: The Future of Customer Service, which highlighted the need to build operations in such a way that every communication should be designed so that it's easy, efficient and creates a satisfying interaction for the customer.

Put yourself in your customers' shoes

To be able to surprise and delight customers, companies need to see their business from the perspective of their customer. By starting with

their needs and desires, organisations can then work backwards, to understand what must be reconsidered, what new digital capabilities are required, and satisfy them. But what do today's customers really expect?

To be able to reimagine how you work with your customers, it's vital that you not only understand them and their needs, but have the means to deliver the resulting changes that are identified. Our Trends Report revealed that, while 93 percent of respondents believe a connected digital infrastructure is important to be able to service a customer's needs, an additional 73 percent admit to problems reacting quickly to customer issues due to limitations with their online services.

The challenge of responding to customer needs is also highlighted in another recent report, The 2016 State of Digital Transformation, which revealed that while more than half of those responsible for digital transformation cite 'evolving customer behaviours and preferences' as the primary catalyst for change; only half (54 percent) of survey respondents have completely mapped out their own customer journey.

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This highlights the disconnect between understanding digital transformation in isolation, and how it can best be employed to positively impact the entire customer experience. This could be because many companies focus their business transformation efforts on IT and business processes, whereas real change needs to start with people. Firstly the customer, then those delivering service to the customer: both the workforce of that organisation and the leaders managing the company.

Companies that are customer-centric are listening not only to what their customers want, but finding how to best meet their changing expectations. This allows everything from the product, to marketing, and support teams not only to better serve them, but also to establish how best to leverage the digital means to do it. E-consultancy recently asked what the most important characteristic is for establishing a truly “digital-native” culture; 58 percent of respondents said it was to be customer-centric.

By shifting focus to your customers and every element of their journey, you can begin to align your technical capabilities to directly address your customer’s pains, needs, and desired outcomes, making a positive impact on their experience with you driving their satisfaction and loyalty.

Research by Deloitte found that customer-centric companies were 60 percent more profitable compared to companies that were not focused on the customer. Given that customer loyalty – from referrals and renewal of business – plays a critical role in the success of every organisation, it’s easy to argue that those failing to embrace a customer-centric digital strategy will be less able to compete effectively.

How well do you know your customers? Ten questions to ask yourself

1. Do you know your customers and their key market problems?
2. Why do your customers do business with you?
3. What are the immediate needs of your customers? Are you meeting them?
4. What do your customers want or expect?
5. What are your competitors doing (that you aren't) to win customers?
6. How can you become the kind of market leader your competitors will struggle to match?
7. Is there increasing pressure from your customers to deliver a more digital face to your service, such as providing services via social media? Are you able to meet this?
8. How important is a connected digital infrastructure in being able to service and anticipate your customers' needs?
9. Does your current IT infrastructure limit your ability to respond quickly to customers' issues, or have you had problems in being able to quickly resolve customers' issues due to limitations with your current online service?
10. Has social media enabled you to improve/innovate the way you interact with your customers?

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Reimagining digital 'disruption'

In many cases, digital disruption is seen as a negative, literally tearing through existing processes and distracting the business. Many organisations scramble to deploy new technology without the required re-engineering of processes and procedures. To exploit the benefits that digital technology can bring, it's imperative that process change is implemented as part of the overall plan not just an afterthought.

For many, it also appears to cause anxiety and is considered costly, but that is arguably a very pessimistic way of looking at things. There's no denying that the digital era is changing the expectations of customers, partners and employees; the way they want to engage and the services they demand – but is this a bad thing?

Rather than being viewed as a major disruptor, digital transformation can enable businesses to advance their competitive position, reduce inefficiencies and improve performance by unlocking the potential of their workforce in a more customer-centric way. It's an opportunity for businesses to identify the changes needed from an informed position and work out those priorities which will have the biggest impact, putting people and technology at the heart of their organisation, ensuring efficiency, growth and prosperity.

Uber, Amazon and Airbnb are all examples of how, rather than seeing digital as a disruptor, organisations can harness it to deliver, and exceed customer expectations. All three are relentlessly customer focused and equally technology driven. They know exactly what their customers want, and are therefore able to enhance their buying experience, by offering

new products and services which perfectly appeal, keeping themselves ahead of the competition.

It could be argued these companies are relatively new on the block, although Amazon has now been around for years. They have 'disrupted' the norm, working from a clean slate, free from years of legacy systems and operations to simply embrace the latest technology at their heart. But by focusing on changing customer needs in the digital era, is it possible for the rest of the business community to reinvent and get ahead?

Starting with the data - building the customer persona

Being 'digitally ready' is about transforming in the right way, driven by a desire to get closer and more personal with customers. Every communication should be designed so that it's easy, efficient, and creates a satisfying interaction for the customer.

There's little argument that to respond and engage effectively with customers, you need to know them. But the question for many still remains – where to start? Data analytics is recognised as playing a vital role in enabling decision-makers to understand customer behaviour, but the reality is that most organisations still have to get to grips with this.

Indeed, the FSN Future of Planning, Budgeting and Forecasting (PBF) Survey 2016 found that, of the 955 senior finance professionals who responded, non-financial data capture ranked last on CFO's top five priorities. That's despite the fact that those organisations that do make better use of non-financial data are much further along the planning, budgeting and forecasting journey.

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Case Study: The English Cricket Board

- > The English Cricket Board (ECB), the national governing body for cricket, is leading the way in the business of sport. It currently liaises with, and has some level of relationship with one million followers of cricket. It acknowledges that it doesn't have complete insight about how each supporter engages with cricket, their history with the sport nor their aspirations. However, it is already on its digital transformation journey which will deliver increased customer intelligence which is critical for them.
- > Working with Advanced to implement a CRM project using Microsoft Dynamics CRM, it will bring together every touchpoint with any individual engaging with cricket, providing a seamless and connected experience. Not only will this ensure that every single opportunity to increase engagement and improve loyalty is explored, it will also broaden its reach. Independent research carried out by the ECB revealed that up to nine million people in the UK have 'some kind of interest' in cricket, and therefore its digital transformation project aims to identify and engage with this audience. Based on the demographics of its existing 'customer' base, it will identify trends of behaviours and characteristics to broaden its reach to this wider group of individuals and drive greater participation with cricket – by creating a connected cricket experience.
- > Damian Smith, Head of IT at ECB, comments: "Our raison d'être is to drive participation in cricket. By making sure everything is captured on the CRM platform, we have the opportunity to provide a seamless and connected experience for anyone who interacts with any aspect of cricket. Advanced is working with us to make CRM the digital face of our work, which will drive a connected cricket experience and help us realise our ambition to bring even more people into the game. We want to make sure every single opportunity to increase engagement and improve loyalty is explored. Advanced's expertise in delivering successful CRM projects will ensure we have access to real-time data to identify trends and a better understanding of cricket's position in the sports marketplace."

Reinventing your customer service – creating a digital face

Are you able to deliver the multiple touchpoint experience that customers now expect? Increasingly, providing a digital face to your business with a presence on all relevant digital platforms is forming a major part of a business' ability to achieve true customer satisfaction. Yet respondents to our Trends Survey revealed they weren't delivering this: 73 percent admit to problems reacting quickly to customer issues due to limitations with their online services.

In addition, social media remains a missed opportunity for many. While almost two-thirds of those organisations surveyed (66 percent) feel pressure from customers to deliver a more digital face to their service via social media, less than half (46 percent) have used social media to innovate in the way they interact with customers. Although the same percentage (46 percent) believe customers use social media to complain, over 17 percent don't even know if their customers operate on social media for this purpose.

By simply understanding the digital channels that your customers use and learning to manage them effectively, it could help you improve customer satisfaction whilst stealing a march on your competitors.

Don't forget the role that your employees play in delivering customer service

It's well reported that Britain lags behind on productivity. Could a lack of digital tools lay at the heart of this problem? When we consider the importance of empowering the workforce so they can operate at their full potential and deliver the best customer service possible, could addressing frustration within the workforce be a silver bullet for success? For businesses to deliver customer service excellence, incorporating digital technologies to ensure workforces are agile, innovative and engaged is becoming a pre-requisite.

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Ask yourself these questions:

1. Do customer facing employees have access – or the opportunity to gain access, to all digital channels on which customers may operate?
2. Do customer facing employees have the digital tools needed to respond to customer issues effectively, such as access to real-time information about that customer's concerns, be it a price change, a delivery issue, or a change to an order?



93%

believe a connected digital infrastructure is important to anticipate and service customer needs

Can you say you're 'connected'?

An overwhelming 93 percent of those surveyed in our Trends Report believe a connected digital infrastructure is important to be able to service a customer's needs - and of that 93 percent, nearly 20 percent believe that it's vital. But how many people can truly claim to be 'connected'; how many understand what it means?

In a customer-centric world, a connected business is one in which every touchpoint with the customer can be viewed, understood and acted upon – easily, quickly and in an informed manner. Underpinning this is an integrated digital infrastructure that links across the customer journey: from an initial contact, through to delivery and with a full history of any issues. Add to this cloud-based solutions or software-as-a-service (SaaS) and you will gain additional levels of security, flexibility and reliability, as well as a more agile and effective workforce.

The reality is that nearly 50 percent of organisations said they do not act on real-time data, nor have the necessary connected digital

infrastructure, according to the results from our Trends Survey. In addition, more than 40 percent have not yet – or do not know if they have - invested in cloud-based systems, yet of those that have, nearly 70 percent say the investment has resulted in a more flexible and productive workforce. How important is this, and what are the benefits for those that do take steps to achieve this connected vision?

Case Study: The Academies Enterprise Trust

The Academies Enterprise Trust (AET) is the largest multi-academy trust in the UK, responsible for 66 academies. By moving these 66 academies to a centralised IT infrastructure to unify its entire system, the AET will be able to deliver a learner-centric solution to its academies, enabling it to refocus resources to maximise the impact on its learners, as well as make significant savings.

The approach places the individual student (the customer in this instance) at the core of the solution, linking and using all key data, to give senior leaders and teachers access to important data to gain a single, real-time view of

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learner progress. This facilitates an efficient and rapid response to any immediate issues. Once implemented, the solution will link to external data sources to provide users with a 360-degree view of the learner, and any environmental impacts that may be affecting their progression.

Chris Meaney, the Trust's ICT Director, comments, "As a large, nationwide trust, it was critical we united all of our localised systems in order for us to illustrate success at both academy and trust level. Our senior leaders and teachers will be able to access important data to gain a real-time view of learner progress at the trust, academy, cohort or learner level - facilitating an efficient and rapid response to any immediate issues identified, and fast dissemination of positive best practices. In short, this software will empower our academies and staff to positively impact outcomes in an instant.

"The cost savings of £1.5m will enable us to reinvest in our network of schools, staff and resources to ensure the best possible learning environment for our students, and help us to realise our vision of delivering world-class learning outcomes."

The role of business leaders in re-imagining the future

Achieving the full potential of a digital business is not as straightforward as simply incorporating digital technologies. An informed consideration and vision is required as to how the expectations of customers can be exceeded. Embracing this needs to come down to business leaders.

The Trends Report revealed that a reassuring 87 percent of respondents see the ability to reimagine and adapt business as the most important leadership quality, followed by an ability to think and react with pace (at 72 percent). However, a digital first vision was only seen as an important leadership attribute by 35 percent. Is there a dangerous disconnect around the level of understanding of how digital technologies not only support, but drive success in these areas?

Summary: the customer-centric opportunity

British businesses are operating in a period of unprecedented change and uncertainty, from both a digital and economic climate perspective. In order to navigate their way through this, by focusing their attention on the customer, they will be well-placed for future success. However, tied to this is a need for an immediate call to action – to rethink the digital transformation and what it can deliver as businesses reimagine their operations.

Our Trends Report revealed that although today's organisations realise the importance of offering the customer the multi-touchpoint experience that they have come to expect, the reality is that many businesses do not fully understand what this entails, and therefore are unable to deliver it.

To build the capabilities to succeed in the future, there are many businesses that still need to up their digital game, in whatever sector they operate. The shift to a digital-centric, customer-led mindset, with positive and relevant customer experiences across channels and touchpoints, can provide that competitive advantage. What's more, British employees recognise this, revealing a disconnect between the potential of the workforce and the reality of what they can actually achieve.

Empowering the workforce with the right digital tools so they can operate at their potential when servicing their customers, could alone be the silver bullet for success.

At the same time, if an organisation is to truly innovate, grow and prosper, this change must be a priority for, and driven by, the boardroom. However, while most British businesses understand the importance of transformation, one could argue that some leaders are simply not equipped to successfully drive this evolving process.

The good news is that despite the digital transformation often seeming like a ticking time bomb, there's still time for organisations to think customer-first and build long-term strategic plans now – encompassing a connected digital infrastructure, as well as organisational approaches – built around customer needs, and going way beyond 'business as usual.'

More information

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