Advancing CX Analytics Maturity for Better Customer Experiences

Melissa Davis

Who Are the CX Leaders to Watch?

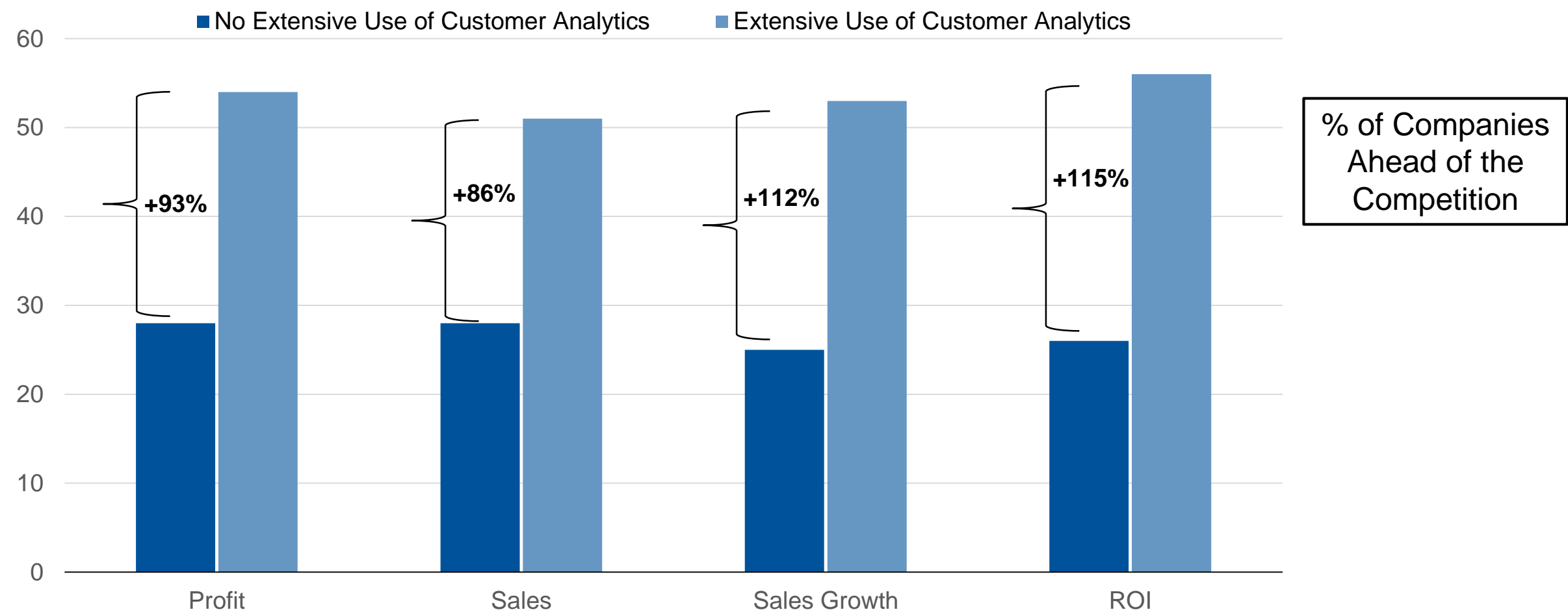Source: "Market Trends: Analytics Lead the Shift From Tactical to Strategic Approaches in Customer Experience Innovation," (G00317740)

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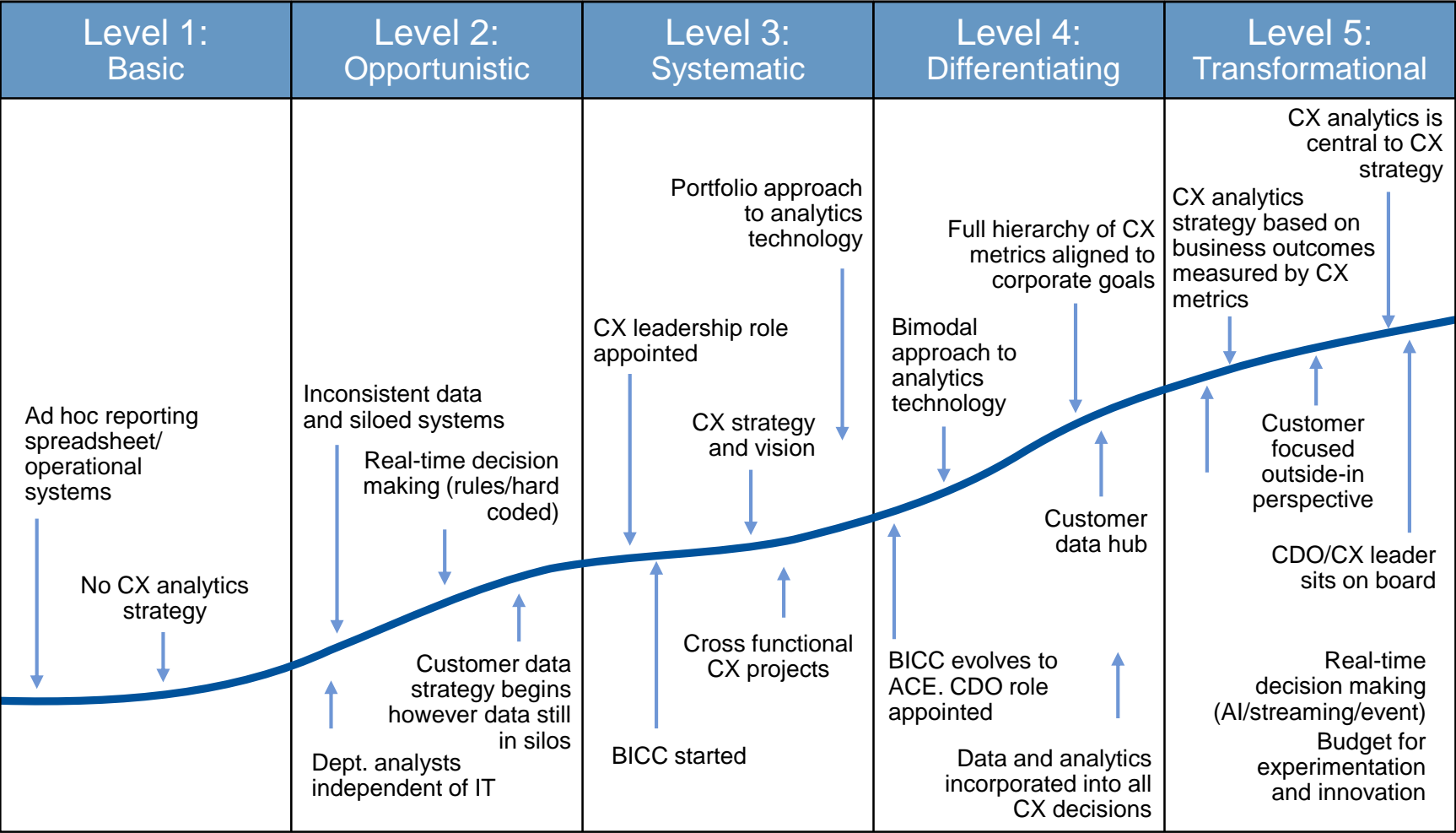# The Value of Excellence in Customer Analytics

Legend: ■ No Extensive Use of Customer Analytics   ■ Extensive Use of Customer Analytics

Categories: Profit (+93%), Sales (+86%), Sales Growth (+112%), ROI (+115%)

% of Companies Ahead of the Competition

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CX Analytics Maturity Model — Where Are You?

Level 1: Basic	Level 2: Opportunistic	Level 3: Systematic	Level 4: Differentiating	Level 5: Transformational
Ad hoc reporting spreadsheet/ operational systems	Inconsistent data and siloed systems	Portfolio approach to analytics technology	Full hierarchy of CX metrics aligned to corporate goals	CX analytics is central to CX strategy
No CX analytics strategy	Real-time decision making (rules/hard coded)	CX leadership role appointed	Bimodal approach to analytics technology	CX analytics strategy based on business outcomes measured by CX metrics
	Customer data strategy begins however data still in silos	CX strategy and vision	Customer data hub	Customer focused outside-in perspective
	Dept. analysts independent of IT	Cross functional CX projects	BICC evolves to ACE. CDO role appointed	CDO/CX leader sits on board
		BICC started	Data and analytics incorporated into all CX decisions	Real-time decision making (AI/streaming/event)
				Budget for experimentation and innovation

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How to Achieve CX Analytics Excellence

Strategy and Metrics

Organization and People

CX Analytics Excellence

Technology

Analytics Processes and Data

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Global Life Sciences Company

Pharma Case Study:

- A global life sciences company with a multibillion-dollar consumer healthcare business.

Challenge:

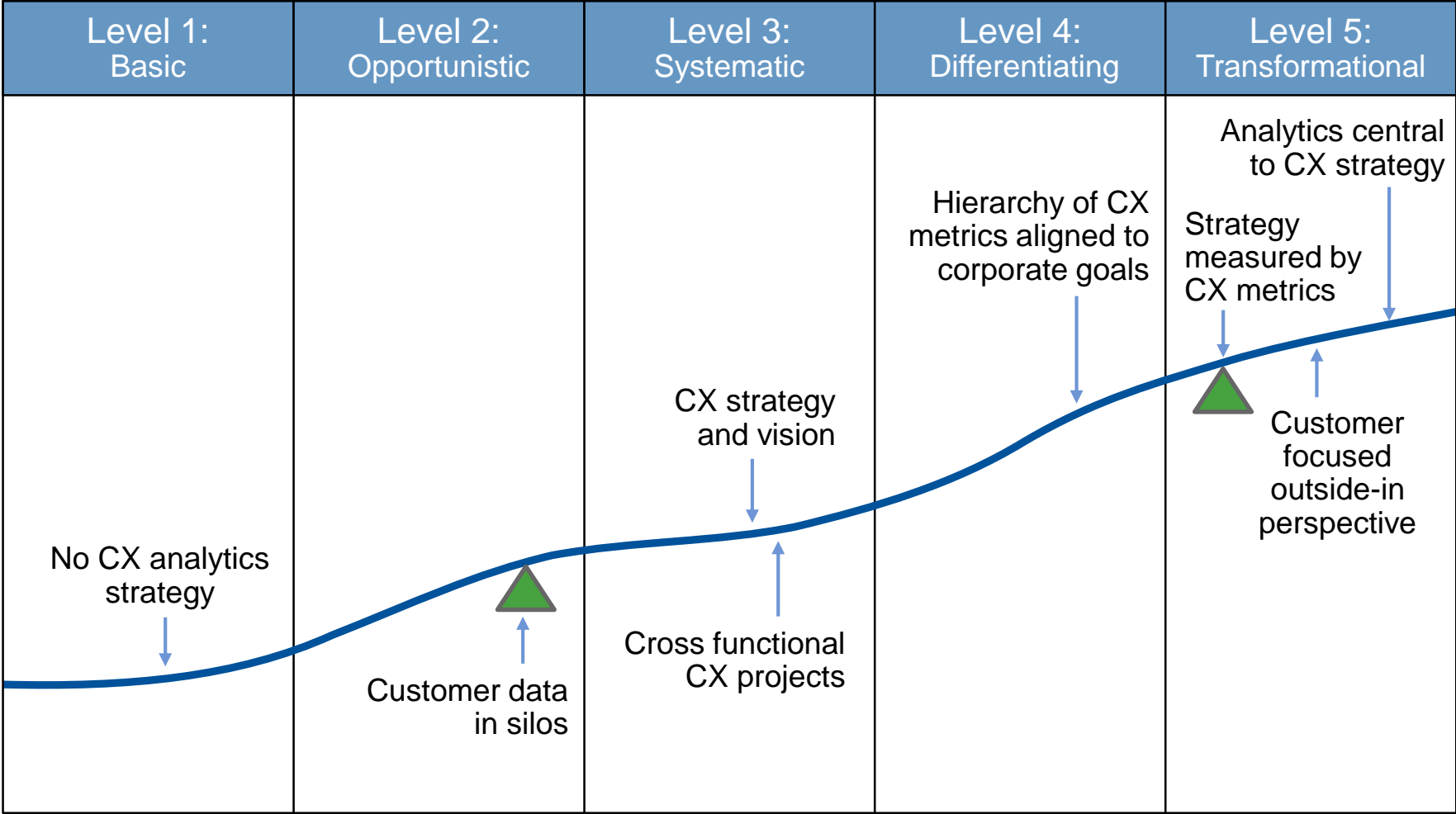- Fragmented customer experiences worldwide and across channels.

Solution:

- Reimagined the customer engagement through data-to-insight-to-action processes.
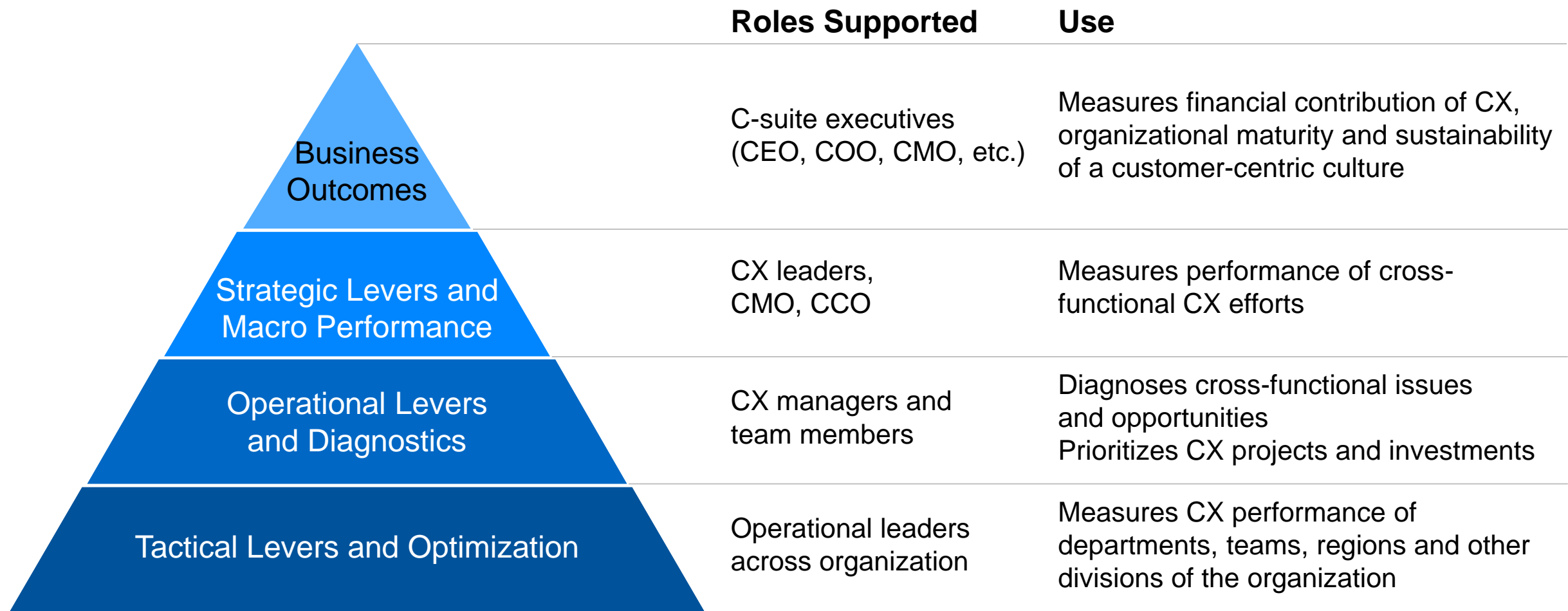
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How to Achieve CX Analytics Excellence

Strategy and Metrics · Organization and People · CX Analytics Excellence · Technology · Analytics Processes and Data

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Align CX Strategy With Business Outcomes/Metrics

Level 1: Basic	Level 2: Opportunistic	Level 3: Systematic	Level 4: Differentiating	Level 5: Transformational
No CX analytics strategy	Customer data in silos	CX strategy and vision / Cross functional CX projects	Hierarchy of CX metrics aligned to corporate goals	Analytics central to CX strategy / Strategy measured by CX metrics / Customer focused outside-in perspective

▲ The pharma company's journey

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The Hierarchy of CX Metrics Defines How Data Is Used

	Roles Supported	Use
Business Outcomes	C-suite executives (CEO, COO, CMO, etc.)	Measures financial contribution of CX, organizational maturity and sustainability of a customer-centric culture
Strategic Levers and Macro Performance	CX leaders, CMO, CCO	Measures performance of cross-functional CX efforts
Operational Levers and Diagnostics	CX managers and team members	Diagnoses cross-functional issues and opportunities Prioritizes CX projects and investments
Tactical Levers and Optimization	Operational leaders across organization	Measures CX performance of departments, teams, regions and other divisions of the organization

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Pharma Case Study:

- A global life sciences company with a multibillion-dollar consumer healthcare business

Challenge:
- Struggle to identify and respond to consumers at key moments

Solution:

- Identified business goals and target outcomes

- Prioritized metrics to measure across the customer journey

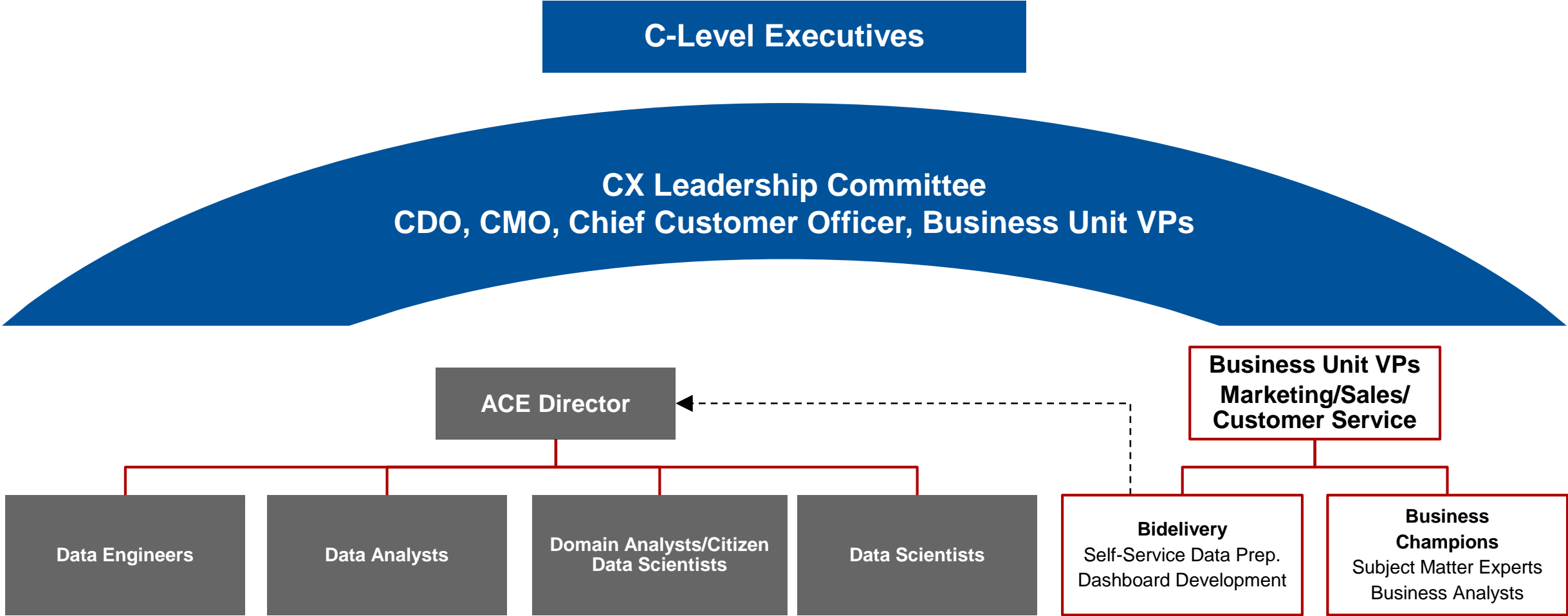**Business Outcomes and Metrics**

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Secure Senior-Level Sponsorship and Empower Domain Teams

Level 1: Basic	Level 2: Opportunistic	Level 3: Systematic	Level 4: Differentiating	Level 5: Transformational

CX leadership role appointed

CDO/CX leader sits on board

Dept. analysts independent of IT

BICC started

BICC evolves to ACE. CDO role appointed

The pharma company's journey

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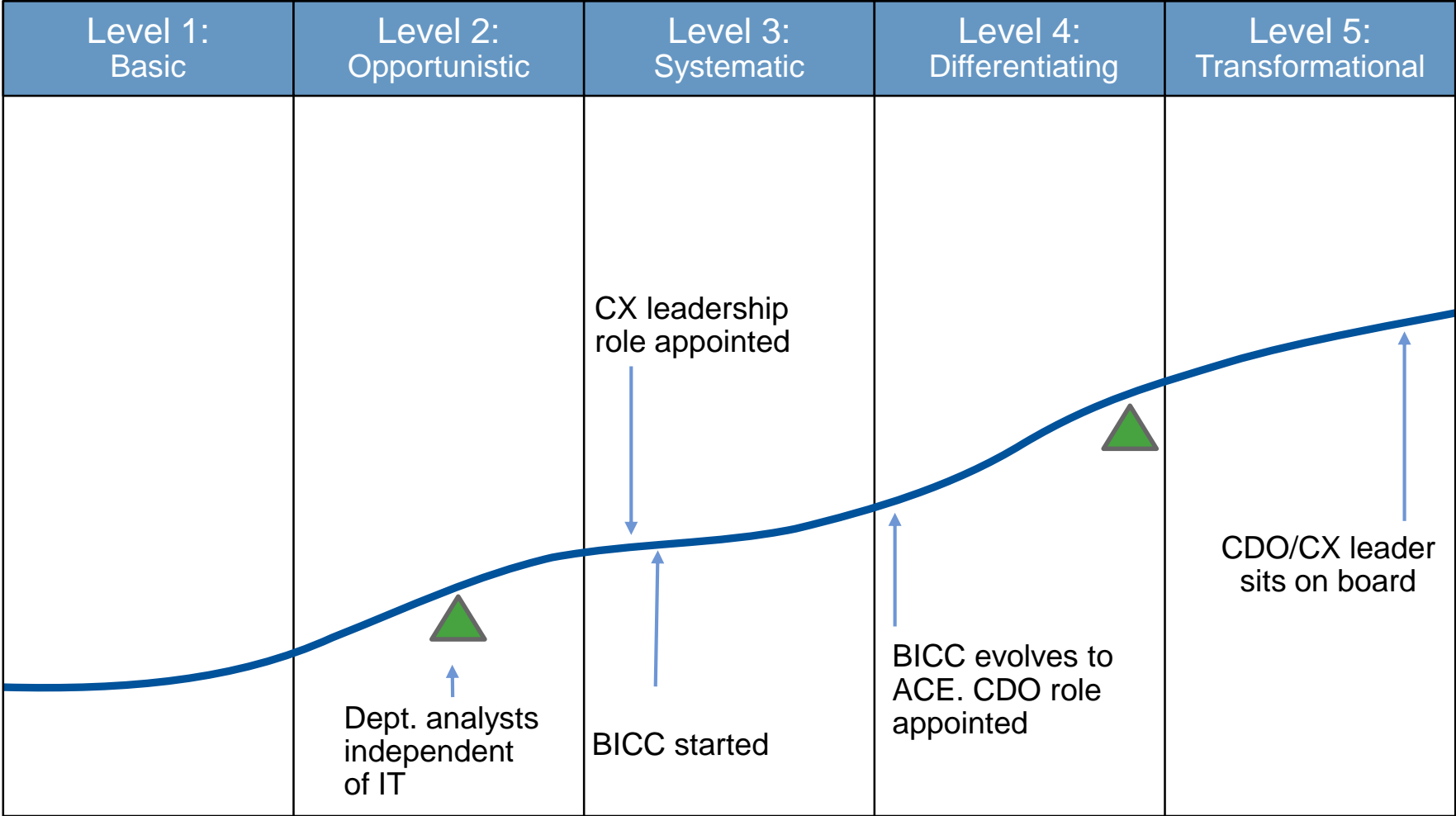
C-Level Sponsorship Delivers CX Excellence: "Analytics Center of Excellence (ACE)" Hybrid Model

C-Level Executives

CX Leadership Committee
CDO, CMO, Chief Customer Officer, Business Unit VPs

ACE Director

Business Unit VPs
Marketing/Sales/
Customer Service

Data Engineers

Data Analysts

Domain Analysts/Citizen Data Scientists

Data Scientists

Bidelivery
Self-Service Data Prep.
Dashboard Development

Business Champions
Subject Matter Experts
Business Analysts

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Pharma Case Study:

- A global life sciences company with a multibillion-dollar consumer healthcare business.

Challenge:

- Global organization with disparate business units.

Solution:

- ACE connecting 140 countries in 35 languages.

Composed of:

- Domain analysts.
- Citizen and data scientists.

Pharma Company Analytics Center of Excellence (ACE)

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How to Achieve CX Analytics Excellence

Strategy and Metrics

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CX Analytics Excellence

Technology

Analytics Processes and Data

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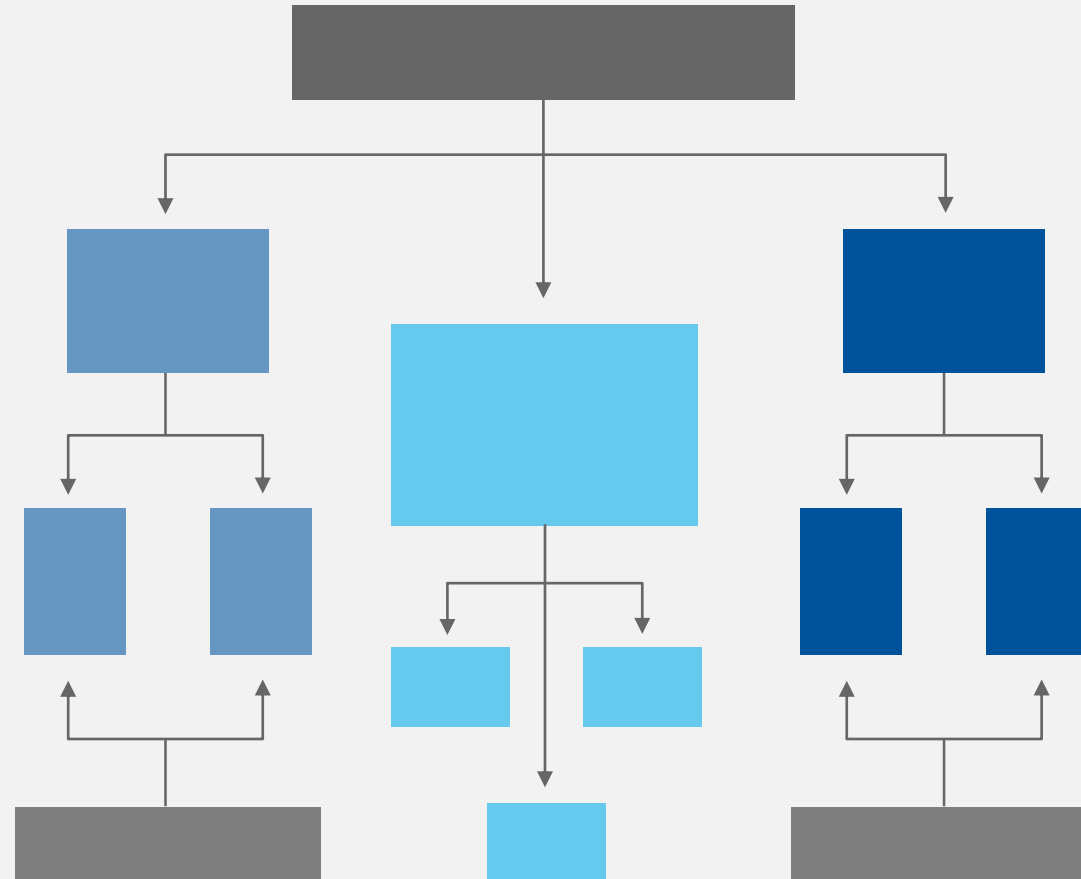
Integrate Analytics Processes and Collect Relevant Data

Level 1: Basic	Level 2: Opportunistic	Level 3: Systematic	Level 4: Differentiating	Level 5: Transformational
Ad hoc reporting spreadsheet/ operational systems	Inconsistent data and siloed systems Customer data in silos	Cross functional CX projects	Customer data hub Data and analytics incorporated into CX decisions	CX analytics is central to customer experience strategy Customer focused outside-in perspective Budget for experimentation and innovation

The pharma company's journey

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Don't Let This Be Your Customer Experience

Raising Insights to New Levels:
Truly Understand the Customer

Accuracy	What customers say they need	What customers want	What customers need
Best	Externally (Social)	Psychology (Audio, Social)	Consumption (IoT)
Better	Incidentally (Audio)	Interests (Third-Party Appends)	Purchase Attributes (Product Catalog)
Good	Directly (Surveys)	Demographics (Survey or Purchased)	Purchase History (Transaction Logs)

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Analytics Behind the Scenes for Customer Psychographics — Not What and How, but Why …

Video
How Are They Behaving?

Speech
How Do They Communicate?

Text
What Do They Talk About?

Why?

Audio
How Are They Feeling?

Behavior
What Do They Do?

Image
How Do They Look?

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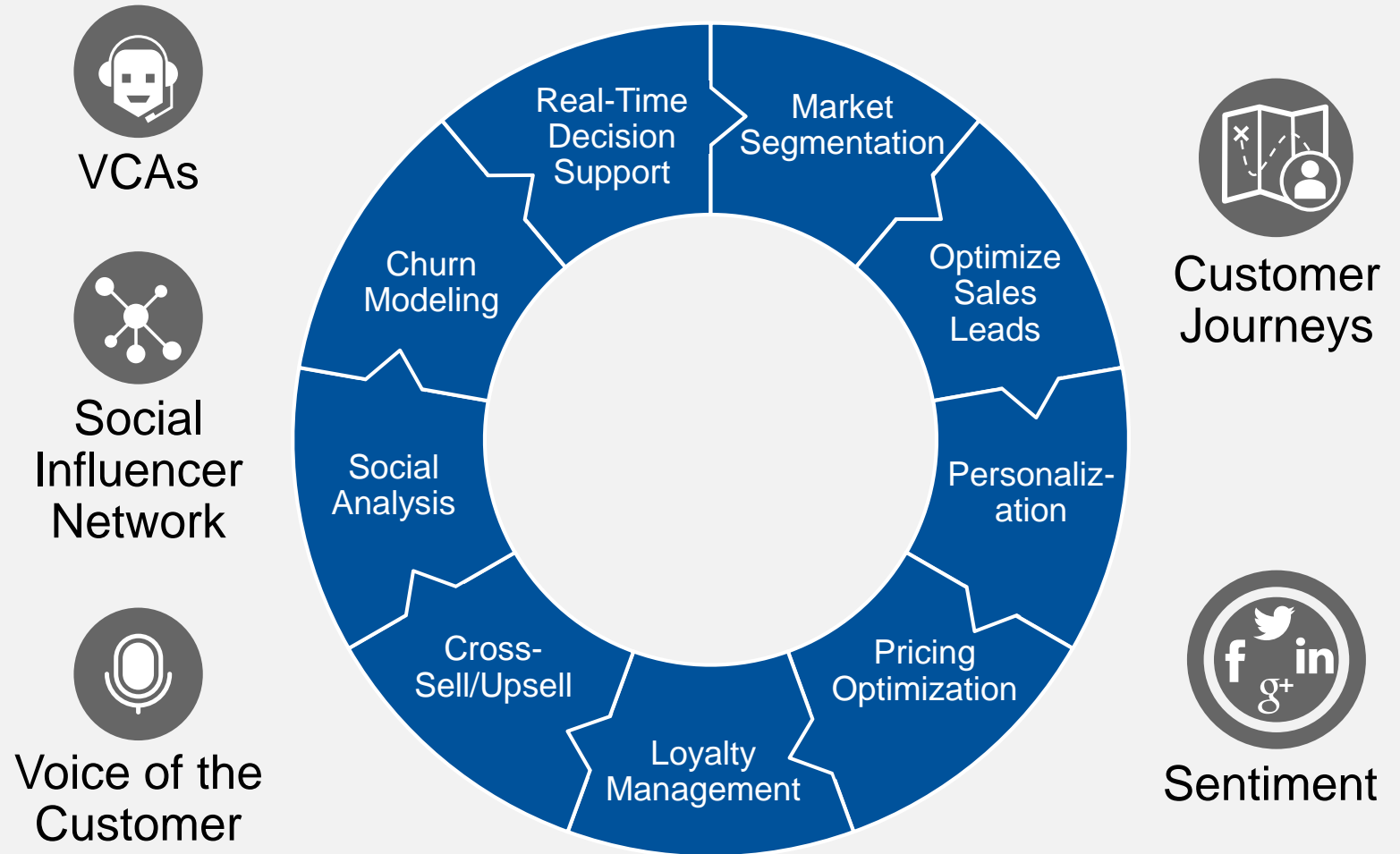
Deploy the Right Technology at the Right Time

Level 1: Basic	Level 2: Opportunistic	Level 3: Systematic	Level 4: Differentiating	Level 5: Transformational
Ad hoc reporting spreadsheet/ operational systems	Inconsistent data and siloed systems Real-time decision making (rules/hard coded)	Portfolio approach to analytics technology	Bimodal approach to analytics technology Customer data hub	Real-time decision making (AI/streaming/ event) Budget for experimentation and innovation

▲ The pharma company's journey

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Take a Portfolio Approach to Analytics Technologies

Run | Differentiate | Innovate

Mode 2
(Exploratory, Adaptable, Flexible, Risk-Taking)

Enterprise Reporting

Embedded Analytics (ERP, CRM, SCM)

Analytic Application

Analytic Application

Data Science Platforms

Modern BI Platforms

Analytic Application

Mode 1
(Predictable, Reliable, Risk-Averse, Standards-Oriented, Rigorous Governance)

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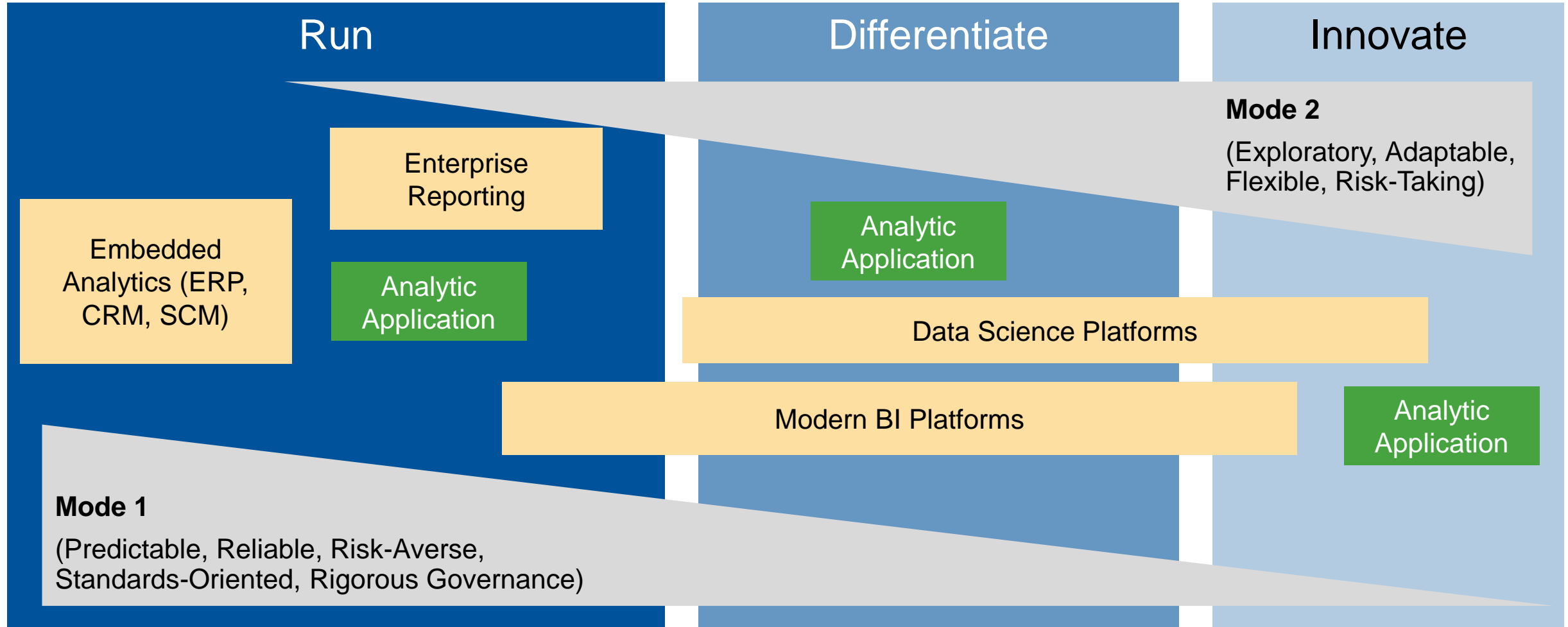
Why Real-time Is Important

From:

Historical Analytics & Segmented Marketing Decision Making

- Segmented
- History-Based
- Ridged
- Reactive

SPEED

To:

Predictive Analytics & 1:1, Real-Time Decision Making

- 1:1
- Timely
- Relevant
- Proactive
- Self-Adaptive

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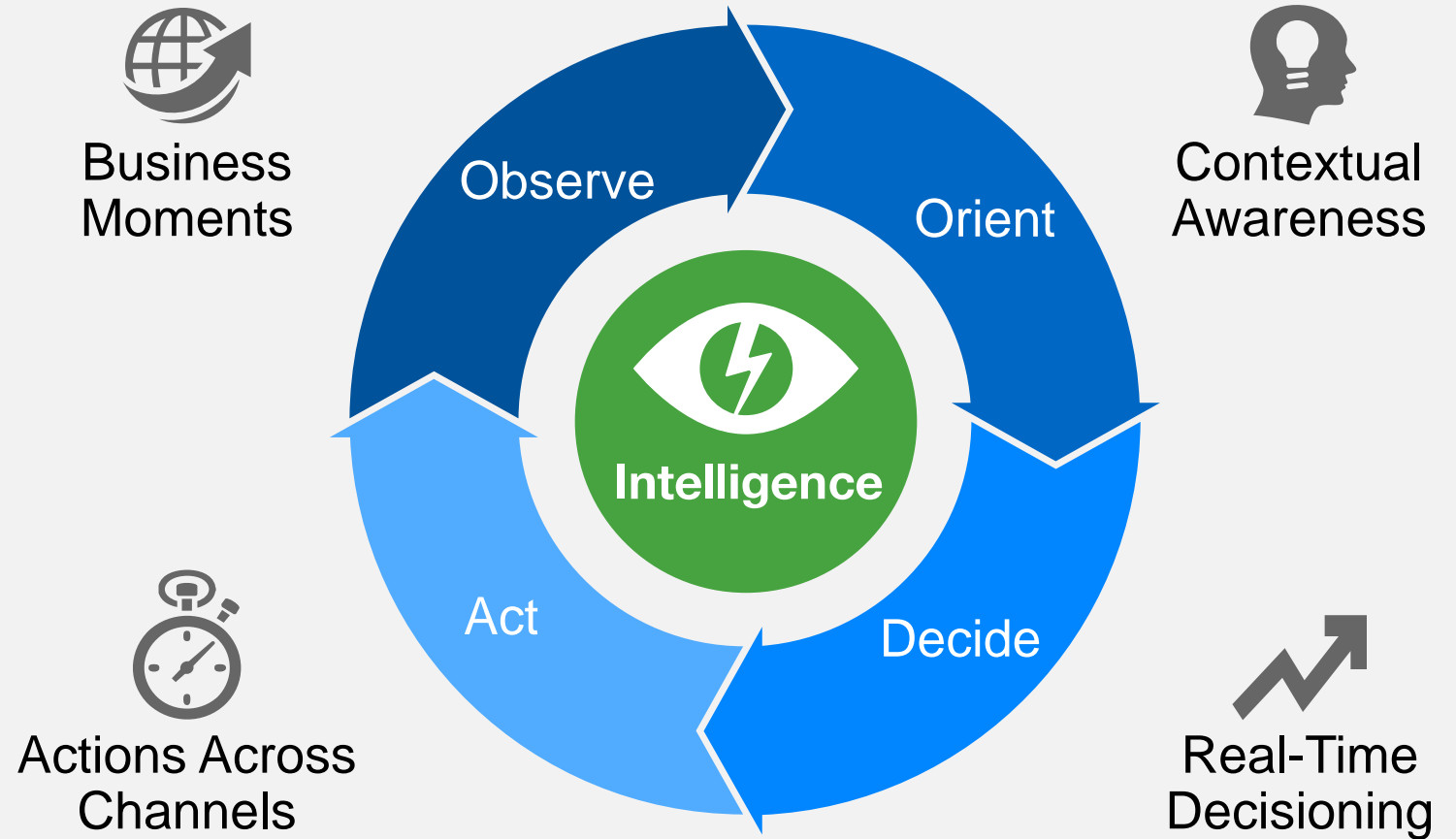
But Understand Faster Is Not Always "Ideal"

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Real-Time Analytics Moving at the Speed of Business, Every Decision Has a "Right Time"
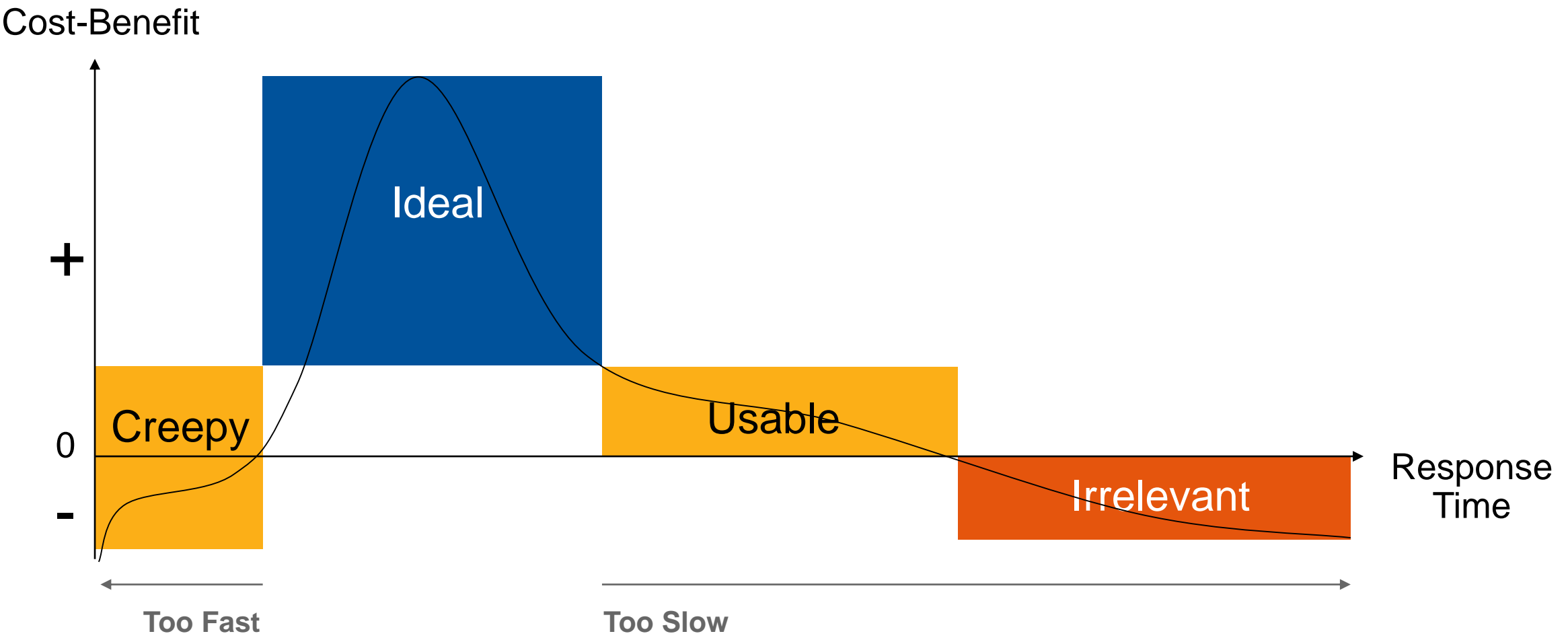
Pharma Case Study Challenge:

- Inability to respond timely to consumers.

Solution:

- Real-time analysis of key moments of delight and dissatisfaction.
- Ability to sense and respond to relevant changes.
- Continuous learning capability to optimize self-help.

Business Moments

Observe

Orient

Contextual Awareness

Intelligence

Act

Decide

Actions Across Channels

Real-Time Decisioning

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CX Analytics Maturity — It's a Continuing Journey

Recommendations

✓ **Run** a CX analytics maturity assessment workshop

✓ **Recruit and secure** a senior management sponsor

✓ **Fund** only data and analytics programs that are based on a business outcome

✓ **Create** a centralized hub of customer data

✓ **Deliver** relevant actionable integrated insights

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Who Are the CX Leaders to Watch?

Recommended Gartner Research

▶ **Use Gartner's Customer Analytics Maturity Model to Create Better Customer Experiences**
Melissa Davis (G00325234)

▶ **The Customer Analytics Leader's First 100 Days**
Melissa Davis (G00304148)

▶ **Market Trends: Analytics Lead the Shift From Tactical to Strategic Approaches in Customer Experience Innovation**
Nick Ingelbrecht, Olive Huang and Others (G00317740)

▶ **ITScore for Data and Analytics**
Andrew White and Thomas W. Oestreich (G00333970)

▶ **The Gartner Customer Experience Management Maturity Model**
Ed Thompson and Mark Lewis (G00323105)

For information, please contact your Gartner representative.

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