Digital Business

Topic : Digital Customer Experience

Learning Objectives

▸ **Digital Customer Experience**

  ▸ Define what is Customer Experience (CX)

  ▸ Define what is Digital Customer Experience (DCX)

  ▸ Describe the importance of CX & DCX in the context of Digital Transformation

  ▸ Describe the common misconceptions about DCX

  ▸ Describe how to create a good DCX

  ▸ Describe the criteria for good DCX

Customer Experience (CX)

Customer Experience is the **quality of all of a consumer's encounters with a company's products, services and brand**.

- Harvard Business Review (HBR)

Digital Customer Experience (DCX)

Digital Customer Experience includes only those **experienced through a digital interface**, like a computer, tablet or smartphone.

- Harvard Business Review (HBR)

Customer Experience

- Includes the **traditional customer service channels** that customers use to interact with the company

Digital Customer Experience

- Includes **only the digital interfaces** that customer use to interact with the company

Example of CX/DCX

▸ Online NTUC Fairprice Supermarketing

Click&Collect

Shop online and let us know your preferred collection time and point where you'd like to pick up your order. Collection is available at more than 70 collection points, perfect for those days when no one's home to receive deliveries. Collection is free for orders over $29. Otherwise $3 fee applies. With Click&Collect, you can also enjoy in-store discounts and promotions.
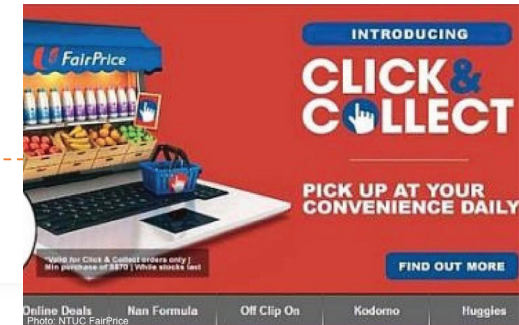
Step 1: Choose Click&Collect
Select Click&Collect as your preferred service at check-out and choose the date and store for your collection.

Step 3: Collect your groceries
Share your order ID (found in SMS & email from FairPrice On) with our staff to collect your order.

Step 2: Receive a reminder
You will receive a SMS reminder on the day of collection. Collect your order at your selected collection point after 6pm. Please note that your order will only be held until 5.59pm the next day.

Digital Customer Experience (DCX)

Customer Experience (CX)

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Importance of CX/DCX

1. ## Digital Economy
   - All businesses need to "go digital" to survive in this current digital economy
   - Create and capture new value for customers using technology
   - Essential to know **how/where to use** "digital" **<-** make or break

2. ## Increasing Customer's Expectations
   - Digital technology has transformed consumer habits. Customers **expect** & often **rate** organizations on their digital customer experience *first.*

3. ## Need to remain competitive
   - DCX can help create or capture new value for consumers and drive revenue & growth

4 Common Misconceptions about DCX

1. **DCX is limited to digital-only brands** FALSE

   ▸ **All businesses** need to become digital businesses if they want to participate in the current digital economy. Using digital technology as a basis for all customer experience can drive revenue and growth in most businesses, **not just digital-only brands**.

2. **Customers care about digital** FALSE

   ▸ Customers don't think of their experience in digital and non-digital categories. They want to **access companies in the most convenient way possible, regardless of channel.**

   ▸ The **customer is one**, regardless of channels and devices.

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4 Common Misconceptions about DCX

3. **DCX is about sales and marketing** FALSE

   ‣ DCX is about creating experiences that apply to the **entire customer lifecycle** of business, not just sales, marketing & commerce.

4. **DCX is about technology and strategy** FALSE

   ‣ **Culture** outweighs strategy when it comes to DCX. Companies with the right technology still need to embrace a **customer-centric view** of their business in order to successfully improve digital customer experiences.
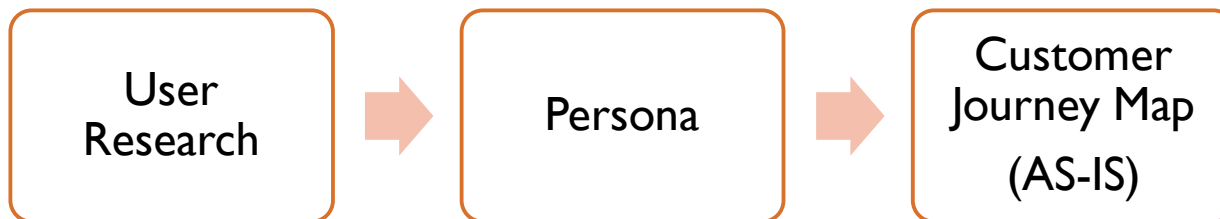
   ‣ **Customer-first** strategy

How to create a good DCX?

1. ## Customer-Centric View
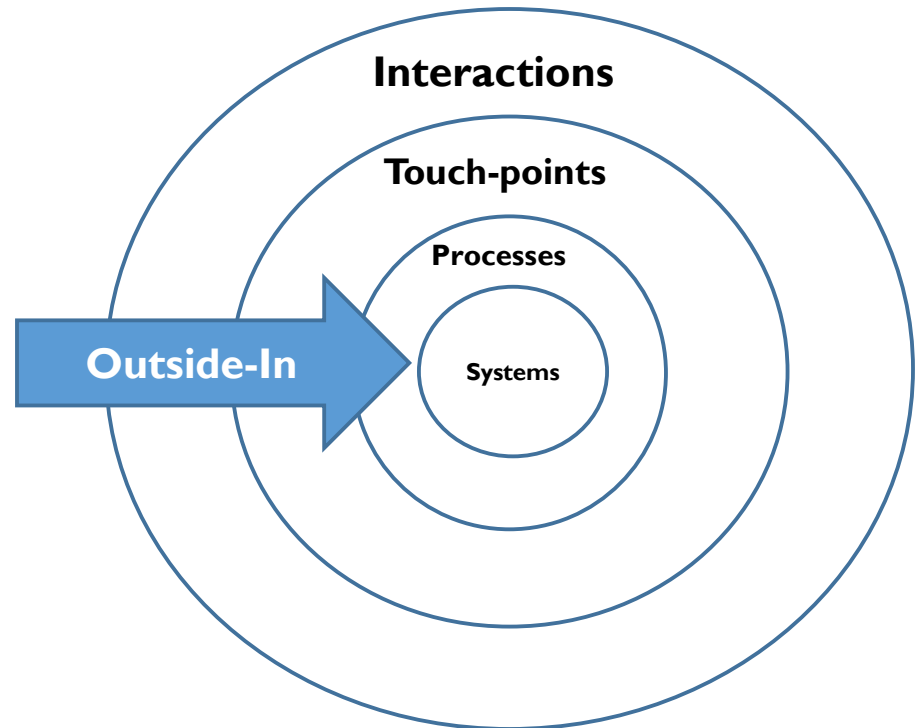   - ▶ Design Thinking Process
   - ▶ Persona

2. ## Focus on Entire Customer's Lifecycle
   - ▶ Customer Journey Map

   ```
   [ User Research ]  →  [ Persona ]  →  [ Customer Journey Map (AS-IS) ]
   ```

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Customer-Centric View

▶ **Customer-Centric, Outside-In Approach**

▶ First focus on the customer's **interactions** with the company, then **touch-points** with the company, then the **internal processes** supporting the interactions, then the **internal systems** supporting the interactions

Interactions

Touch-points

Processes

Outside-In

Systems

Design Thinking Process

Start with the customer. Focus on the customer to understand the problems

Learning about the audience for whom you are designing
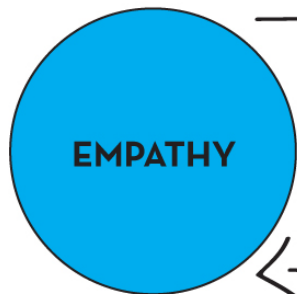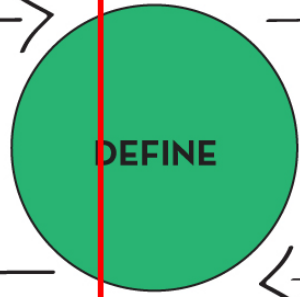
brainstorming and coming up with creative solutions.
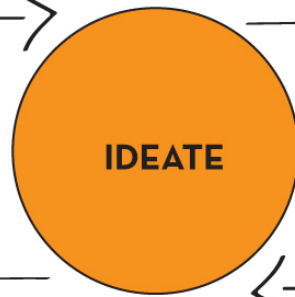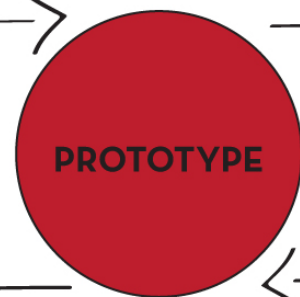
Returning to your original user group and testing your ideas for feedback.

EMPATHY

DEFINE

IDEATE

PROTOTYPE
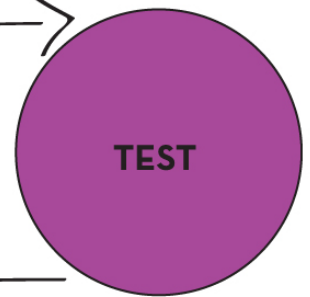
TEST

Redefining and focusing your question based on your insights from the empathy stage.

Building a representation of one or more of your ideas to show to others

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Design Thinking Process

Personas

▸ Personas are representations of significant groups of the users that reflects patterns based on behaviour, goals, attitude and other variables

▸ Different personas will have different needs & different ways of interacting with the company

Personas

Persona

▸ **Persona creation is based on User Research** looking out for:
- Demographics
- Habits/ Behaviour
- Task Frequency
- Needs/Goals
- Pain Points

▸ **3 Common User Research Methods:**
- Field Observation
- Interview
- Survey

▪ Consolidate/ Categorise the **behaviours, pain points and needs** of the users to come up with **different types of users/ personas**

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Example: Personas for Telco Company on Data Plan

- **Business Users**
  - Needs: Higher talk-time, SMS & data
  - Ways of Interacting with the company: Through corporate/CIS department
- **Students**
  - Needs: Higher data, Lower price
  - Ways of Interacting with the company: Through call centre/ branch
- **Foreign Workers**
  - Needs: Higher overseas talk-time, Lower price, Pre-paid
  - Ways of Interacting with the company: Through 3rd party retailer of prepaid cards

Example: Personas for StarHub App

Aaron Koh
Property Agent

Frequently Used Apps

Location: Ang Mo Kio, SG
Phone: iPhone SE
Age : 37

"I want to check and pay my bills quickly on the go."

About Aaron

Aaron is a property agent who is always on the go. He has to manage multiple accounts. Due to his busy schedule, he needs to easily check bills for all accounts and pay his bills quickly through the app.

Behavioral Considerations

- Busy; always on the go 24/7
- Tech savvy
- Checks app once a month

Pain Points

- Keying in credit card details every time I make a payment
- Downloading the PDF bill to view bill breakdown
- Using data to download the PDF bill
- I don't know how to set up GIRO

Needs

- Check and pay bills
- Monitor data usage
- View mobile usage breakdown

Example: Personas for StarHub App
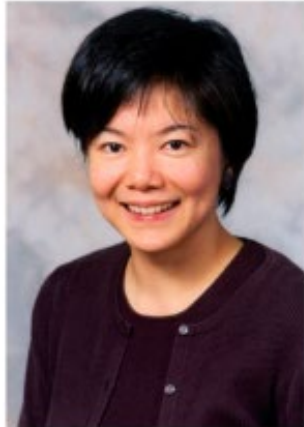
Lee Mui Choon
Homemaker

Frequently Used Apps

Location: Bedok, SG
Phone: iPhone 6 Plus
Age : 52

"I want to login easily and redeem Starhub Rewards."

About Mui Choon

Mui Choon is a homemaker who spends most of her time at home. Her daughter has a tendency to exceed her data limit, incurring additional cost. Mui Choon also wants to redeem bill rebates via Starhub Rewards because her friend recently told her about it.

Behavioral Considerations

- Distrusts payments via apps
- Has 2 accounts - one for mobile and one for TV & broadband
- Checks app once a month

Pain Points

- Reading small fonts in the app
- Difficult to find anything among the clutter
- Additional cost incurred when daughter exceeds data limit
- Confusing login
- Cannot view bills from more than 6 months ago

Needs

- Clear login instructions
- Redeem rebates via Rewards
- Monitor daughter's data usage

Customer Journey Map

▶ The **Customer Journey Map** describes the **journey of a user (or persona)** by representing **ALL the different touch points** that characterize his interaction with the service.

▶ It extends from touch points designed to raise **awareness** and interest (e.g. advertising and marketing, etc.) to the touch points associated with **usage** (e.g. sales reps, support services, complaints handling, etc.) to the **cessation** of the relationship with the company (e.g. closing a bank account, switching to an alternative provider, etc.)

▶ It requires us to **step into the shoes of the customer** and understand how our processes impact on the experience he/she has with the company.
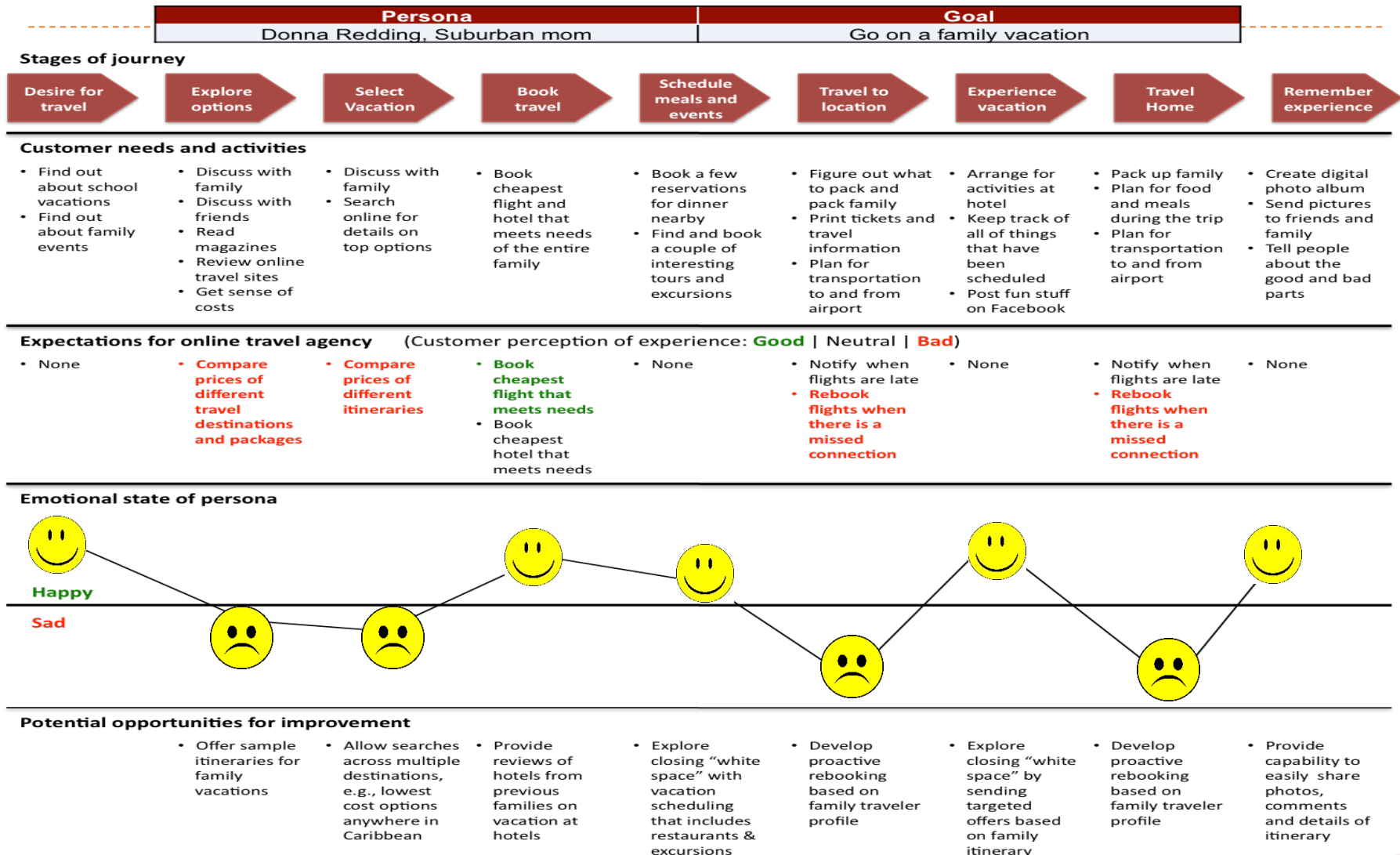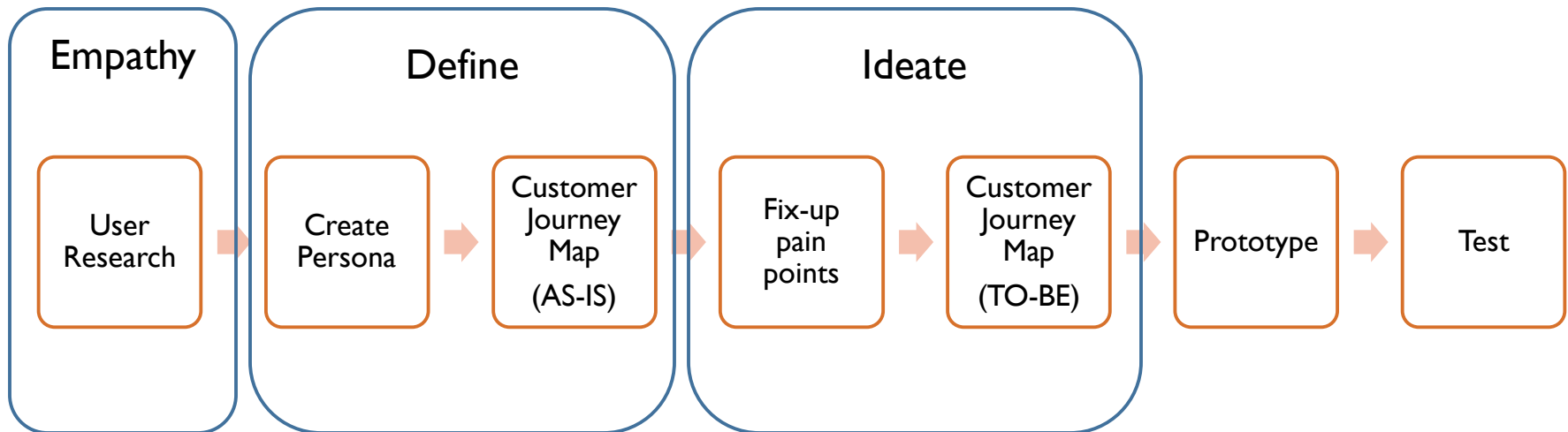
Customer Journey Map

https://www.youtube.com/watch?v=A2LFJF1SUBg

Example: Customer Journey Map

Example of Customer Journey Map for Online Travel Agency

Persona	Goal
Donna Redding, Suburban mom	Go on a family vacation

Stages of journey

Desire for travel	Explore options	Select Vacation	Book travel	Schedule meals and events	Travel to location	Experience vacation	Travel Home	Remember experience

Customer needs and activities

• Find out about school vacations • Find out about family events	• Discuss with family • Discuss with friends • Read magazines • Review online travel sites • Get sense of costs	• Discuss with family • Search online for details on top options	• Book cheapest flight and hotel that meets needs of the entire family	• Book a few reservations for dinner nearby • Find and book a couple of interesting tours and excursions	• Figure out what to pack and pack family • Print tickets and travel information • Plan for transportation to and from airport	• Arrange for activities at hotel • Keep track of all of things that have been scheduled • Post fun stuff on Facebook	• Pack up family • Plan for food and meals during the trip • Plan for transportation to and from airport	• Create digital photo album • Send pictures to friends and family • Tell people about the good and bad parts

Expectations for online travel agency   (Customer perception of experience: Good | Neutral | Bad)

• None	• Compare prices of different travel destinations and packages	• Compare prices of different itineraries	• Book cheapest flight that meets needs • Book cheapest hotel that meets needs	• None	• Notify when flights are late • Rebook flights when there is a missed connection	• None	• Notify when flights are late • Rebook flights when there is a missed connection	• None

Emotional state of persona

Happy

Sad

Potential opportunities for improvement

	• Offer sample itineraries for family vacations	• Allow searches across multiple destinations, e.g., lowest cost options anywhere in Caribbean	• Provide reviews of hotels from previous families on vacation at hotels	• Explore closing "white space" with vacation scheduling that includes restaurants & excursions	• Develop proactive rebooking based on family traveler profile	• Explore closing "white space" by sending targeted offers based on family itinerary	• Develop proactive rebooking based on family traveler profile	• Provide capability to easily share photos, comments and details of itinerary

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DCX Process

Empathy

Define

Ideate

User Research → Create Persona → Customer Journey Map (AS-IS) → Fix-up pain points → Customer Journey Map (TO-BE) → Prototype → Test

Case Study: DCX of **Starbucks**

**Customer Journey Map for Starbucks
(Before DCX)**

Case Study: DCX of **Starbucks**

- Starbucks introduced a mobile app for **customers to order their drinks in advance, pay directly within the app, and pick up their orders at the store**.

- The app also provides a convenient **digital loyalty system**, which allows the customers to earn and redeem their loyalty points ("Stars") right within the app.

- Customers love that the app saves them time. **In an average week, seven million purchases are made through the app, accounting for 16% of all purchases.**
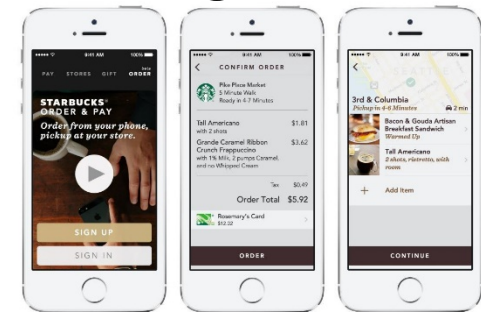
Criteria for Good Digital Customer Experience

1. **Consistency across touchpoints**
   - Consistent support/ service quality across all the individual touchpoints regardless whether digital or non-digital channels

2. **Complement already-existing customer experiences**
   - Should benefit/ help simplify some aspect of the customer experience, and not make the experience more complicated or confusing

3. **Tailor the experience to meet the exact needs of the customer**
   - Personalised/ customised/ targeted experience

4. **Measure Customer Feedback**
   - Opinion-gathering tools to measure how customers feel in order to identify opportunities for improvement

Summary

‣ **Customer Experience (CX)** is the quality of all of a consumer's encounters with a company's products, services and brand.

‣ **Digital Customer Experience (DCX)** includes only those experienced through a digital interface, like a computer, tablet or smartphone.

‣ Importance of CX/DCX:
   1. Digital Economy
   2. Increasing Customer's Expectations
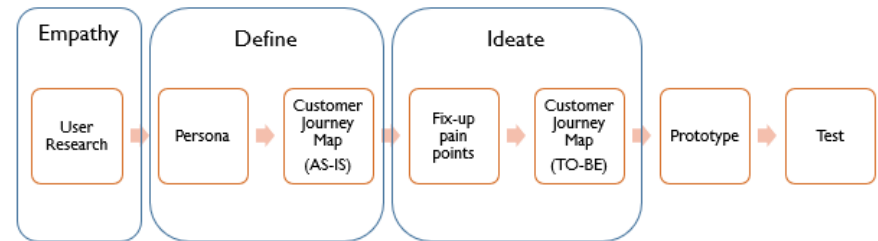   3. Need to remain competitive

Summary

▶ **How to create a good DCX?**

1. Customer-Centric View
   ▹ Design Thinking Process
   ▹ Persona
2. Focus on Entire Customer
   ▹ Customer Journey Map

▶ **Criteria for Good Digital Customer Experience**

1. Consistency across touchpoints
2. Complement already-existing customer experiences
3. Tailor the experience to meet the exact needs of the customer
4. Measure Customer Feedback