Roadmap to Digital Transformation

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Agenda

1 High Level Process Overview

View current status and highlight standard process for all use cases

2 Key Factors

Understand Key Factors that were considered for this transformation

3 Use Case Guidance

Showcase top use cases identified for digital transformation

4 Roadmap

Roadmap use case timelines and phases

5 Summaries of Success

Outline change management principles to ensure success

High Level Process Overview

Launching
- Siloed experimentation
- Team communication
- Brainstorm optimization

Assessing
- Evaluate success
- Celebrate victories
- Continue improving

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Planning
- Setting goals
- Appointing leadership
- Acquiring resources

Implementing
- Architecture building
- Data accessibility
- Employee training

Key factors

TIMELINE

This transformation should take place in less than 2 years, typically between 18 to 24 months, to realize timely but long-lasting value for the Company. As early as the Planning phase, there will be value delivered in the form of defining key business objectives.

VALUE

The Consultancy has identified 3 top use cases to guide the digital transformation. These use cases all impact Company revenue, by increasing customer transactions, reducing churn, and responding to customer concerns, respectively. They also have clear metrics to judge success.

COST

The Costs include acquiring data, processing it, storing it, integrating with business applications or processes to drive decisions, as well as the security costs associated with sensitive data. Finally, there are costs of training and change management to become data-driven.

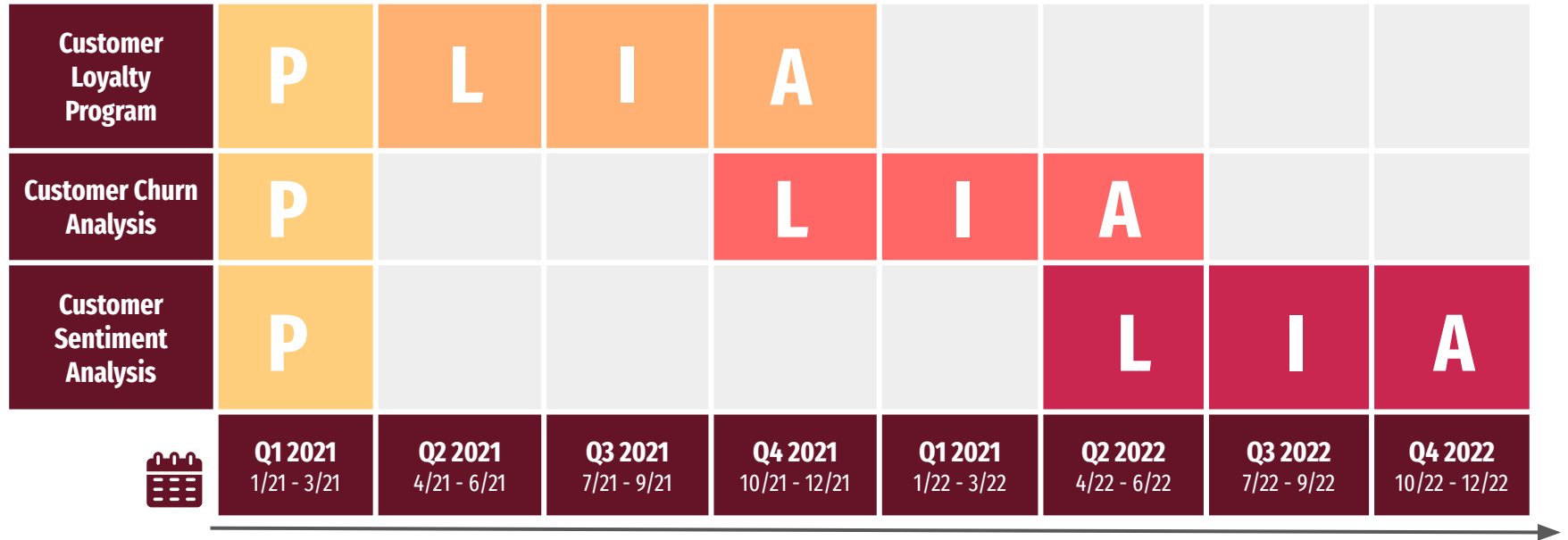**CULTURE**

The cultural changes required to implement this transformation are significant, but because the use cases have strong corporate precedent there are best practices to follow. Early stakeholder buy-in and sponsorship, clear metrics for success, process changes required, and overall data-driven decision-making training are required for a successful transformation.

Use Case Guidance

	Customer Loyalty Program	Customer Churn Analysis	Customer Sentiment Analysis
	A structured, long-term marketing initiative to incentivize purchases	**End to end view of customer journey and fallout areas**	**Automated process of discovering how customers feel about products and services**
POSITIVE	- Potential largest revenue generator for the company - Understand what separates high-value and low-value segments - Test variety of incentives across different user cohorts	- Understand where customers are churning - Identify areas of opportunities for customer saves - Improve customer experience, decreasing churn	- Proactive business solutions from insights - Customer satisfaction and retention are *5-25x less expensive than acquiring new customers - Takes variety of data in many forms to turn into insights
NEGATIVE	- Amount of data required is expensive to store and clean - Measurements of success can be difficult to define over the long-term	- Data pipelines and ingestion require multiple source inputs - Data volume is large and would potentially need investment in data infrastructure	- Measurements of success must be determined after deliverables are created

*https://www.userlike.com/en/blog/customer-service-kpi

Roadmap: Overview

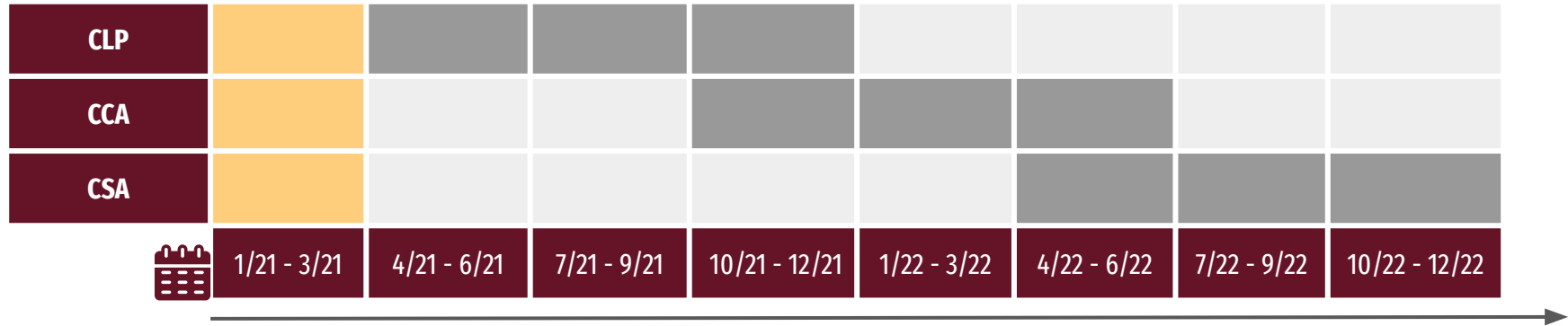|	Q1 2021 1/21 – 3/21	Q2 2021 4/21 – 6/21	Q3 2021 7/21 – 9/21	Q4 2021 10/21 – 12/21	Q1 2021 1/22 – 3/22	Q2 2022 4/22 – 6/22	Q3 2022 7/22 – 9/22	Q4 2022 10/22 – 12/22
Customer Loyalty Program	P	L	I	A				
Customer Churn Analysis	P			L	I	A		
Customer Sentiment Analysis	P					L	I	A

Phase 1: Planning (all projects)

Phase 2: Customer Loyalty Program (launch | implement | assess)

Phase 3: Customer Churn Analysis (launch | implement | assess)

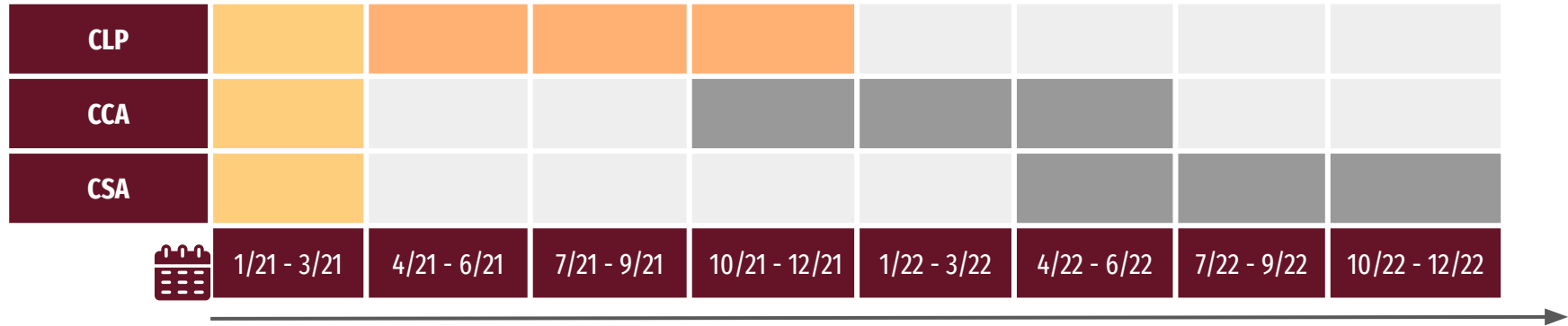**Phase 4:** Customer Sentiment Analysis (launch | implement | assess)

Roadmap: Phase 1: Planning

	1/21 – 3/21	4/21 – 6/21	7/21 – 9/21	10/21 – 12/21	1/22 – 3/22	4/22 – 6/22	7/22 – 9/22	10/22 – 12/22
CLP	�(Phase 1)	▨	▨	▨				
CCA	▨			▨	▨	▨		
CSA	▨					▨	▨	▨

Digital Transformation Committee: A committee built from multiple different groups that will lead the transformation effort and its success. Responsible for goal setting, trainings, and identifying opportunities

Change Management Committee: A committee built to push the change management process of the transformation. Responsible for transitioning teams to adopt new tools, migrate work efforts, and restructure roles and responsibilities.

Roadmap: Phase 2: Customer Loyalty Program

	1/21 - 3/21	4/21 - 6/21	7/21 - 9/21	10/21 - 12/21	1/22 - 3/22	4/22 - 6/22	7/22 - 9/22	10/22 - 12/22
CLP	■	■	■	■				
CCA	■			■	■	■		
CSA	■					■	■	■

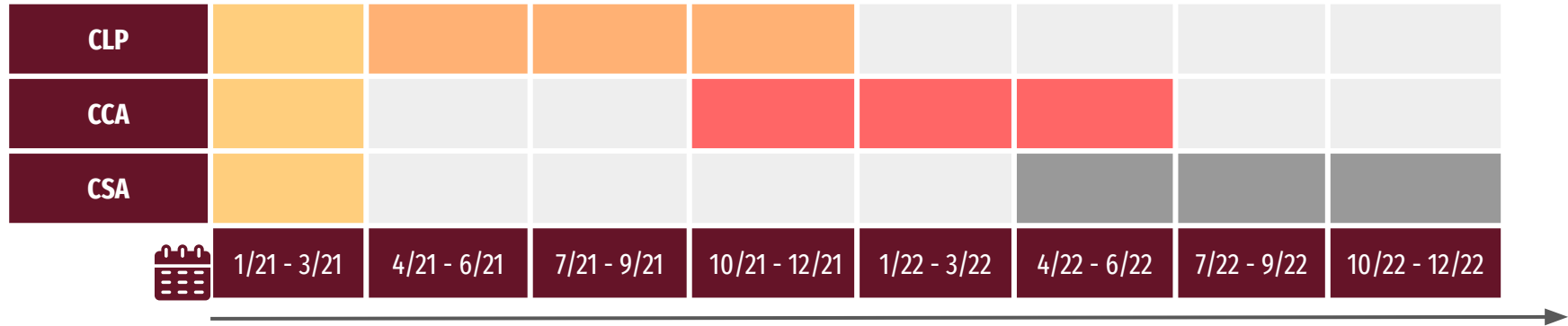**Launch:** Gather purchasing history, and start to segment customers based on prior purchasing activity

Implement: Launch offers for different segments, analyze results, and iterate offers based on A/B testing and previous success

Assess: Build better segments and more targeted offers

ROI Assessment: Based off previous implementations done by The Consultancy, the Loyalty Program is expected to increase transaction conversion by 7%, average transaction price by 5%, and retention by 8%.

Roadmap: Phase 3: Customer Churn Analysis

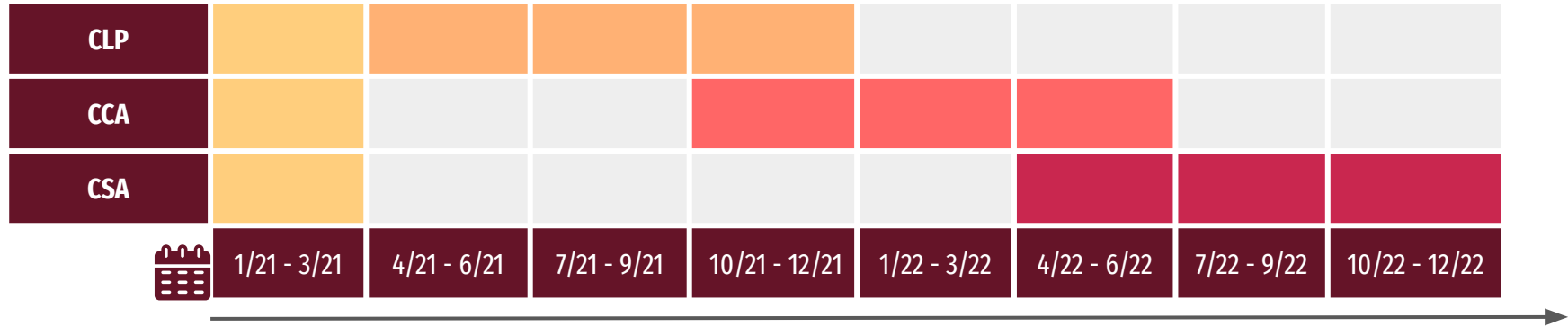|	1/21 - 3/21	4/21 - 6/21	7/21 - 9/21	10/21 - 12/21	1/22 - 3/22	4/22 - 6/22	7/22 - 9/22	10/22 - 12/22
CLP	▢	▢	▢	▢				
CCA	▢			▢	▢	▢		
CSA	▢					▢	▢	▢

Launch: Identify and understand a holistic data pipeline that outlines an end to end view of the customer journey

Implement: Analyze and identify customer pain points, and create a pilot based on recommendations

Assess: Actively monitor pilot phase and adjust pilot as necessary

ROI Assessment: Based off previous implementations done by The Consultancy, Churn Rate decrease is expected to be around 10-15% in the initial analysis. Given the data management needed for this use case, the data pipelines will also aide in other efforts with efficient data pulls.

Roadmap: Phase 4: Customer Sentiment Analysis

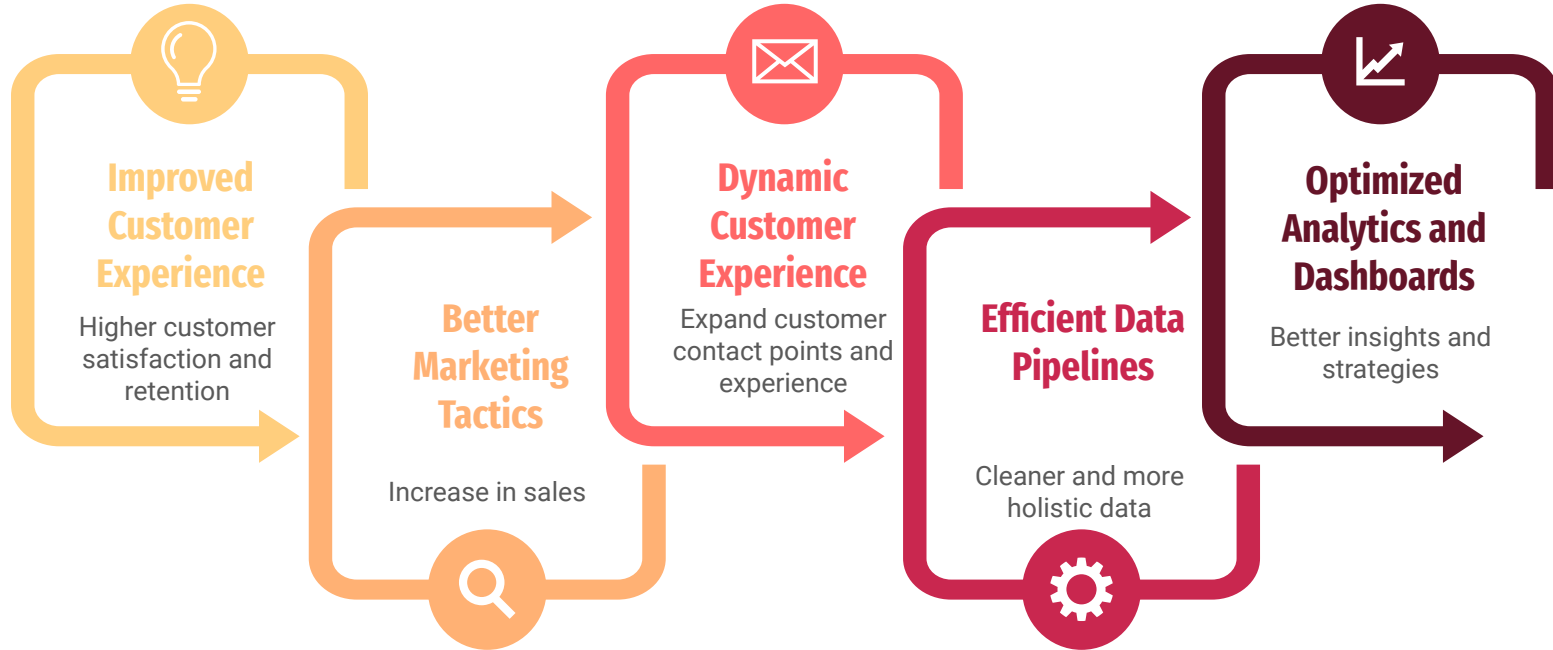|	1/21 - 3/21	4/21 - 6/21	7/21 - 9/21	10/21 - 12/21	1/22 - 3/22	4/22 - 6/22	7/22 - 9/22	10/22 - 12/22
CLP	� Progress	▓	▓	▓				
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CSA	▓					▓	▓	▓

Launch: Siloed brainstorming to analyze available customer feedback data
Implement: Create NLP algorithms to intake data and create reports for insight
Assess: Actively monitor pilot phase and adjust pilot as necessary

ROI Assessment: Increased customer satisfaction increases customer retention which is 5-25x cheaper than acquiring new customers. Turning their feedback into business insights will improve their experience, increase sales, and retain customers.

Summaries of Success

Improved Customer Experience

Higher customer satisfaction and retention

Better Marketing Tactics

Increase in sales

Dynamic Customer Experience

Expand customer contact points and experience

Efficient Data Pipelines

Cleaner and more holistic data

Optimized Analytics and Dashboards

Better insights and strategies

Thank you!