

Digital Transformation to make the Customer the King

Have you frequented a restaurant where the waiter knows what you might want to order? Have you experienced that at your neighbourhood mom and pop store, you just need to mention soap or shampoo and he knows the brand and quantity you will most likely order?

Translating this real world experience of making customers feel like royalty in the digital world is not an entirely easy task.

The surge in online transactions and experiences has escalated expectation of personalisation efforts for everyone. Non-personalised business poses a risk in low loyalty environments. According to a survey, 71% of the customers expect personalisation, but 76% get upset if they don't find it. Obviously consumers are looking for products and services very exclusive for them, their interests and their location.

Since personalisation or customer centricity directly influences buying behaviour, the value of getting personalisation right is increasingly important for all businesses. Digitally native companies are backed with customer data and providing personalisation is the way they operate.



Businesses, both B2B and B2C that have low or limited engagement with customers are starting to realise that customer experience can be delivered even better with digital

transformation. But digital transformation is not just digitisation of existing processes but to reimagine processes and ideas that will enhance customer experience.

To implement this, a clear, integrated, top down roadmap is necessary to identify where the value is and how to deliver it.

Strategies to take on the digitally conscious customer.

Digital technology has transformed customer behaviour. Mobile applications, anytime-anywhere service, location-specific ads, automation, artificial intelligence have all enhanced customer experience. While the customer expectations are high irrespective of B2B or B2C, going digital needs a lot of focus on delivering the right customer experience and rethinking how customer interaction happens.

In B2B, a business should consider selling via social media channels, build a relationship with customers post sales leading to customer loyalty. Marketing teams need to be backed by data and consider targeted marketing instead of spending on generic TV or newspaper ads. A customer service team can be proactive and needs to have all the customer information at their fingertips before we get in touch with the clients.

In short, if a business needs to accommodate the digitally conscious customer and grow the business, it has to adopt digitisation.

So is there a way in which businesses can adopt digitisation mindfully?

The 5 Stage Model: BUILD

Lindsay Herbert, an inventor and senior technology leader at IBM shares the BUILD model for companies to deliver digital transformation success.

The BUILD model is cyclical and repeatable. The model can be used for any organisation of any size from multi-nationals to small enterprises. The 5 stages are:

- **Bridge:** Identify the gaps in the existing systems to deliver customer centric solutions. The taxi hailing app Uber was able to put customer experience in focus to identify the gaps in the system to innovate and disrupt the cab-booking system.
- **Uncover:** The role of the leadership team is extremely crucial at this stage to share the vision and intent to transform. This will be useful to uncover the resources, capabilities, processes that either enable or hinder digital transformation. Hema Hattangady mentions in her book Lift Off that when she was CEO of Conzerv, she worked with her team constantly and consistently to ensure the products and processes were aligned to the customer needs.
- **Iterate:** Build in short cycles, test with real users and then make changes and iterate to the next cycle. Amazon's extremely user friendly checkout process has been developed over the years. Features like 1-click checkout, multiple credit

cards and addresses have been developed by continuously listening to customer feedback and tracking customer behaviour. Technology has been used well to keep listening to this customer's voice consistently.

- **Leverage:** Leverage successes to gain greater access to resources and scale up. Take successful Iterate solutions to scale. AI-based chatbots have revolutionised business consumer communication. Dominos Pizza started allowing their customers to order via Facebook Messenger. They experimented with conversational design and AI technology and later used AI based chatbots for the entire pizza ordering process.
- **Disseminate:** Disseminate new ways of working and processes to make the new way business as usual. Digital technology in healthcare is booming. Augmented and Virtual Reality (AR/VR) is being adopted in hospitals to understand how someone suffering from pain feels and experiences. VR training exercises to customise each patient's requirements speed up the recovery process. This will soon start to become more prevalent for patient treatment.

To see a successful digital transformation effort yield a great customer experience, a business needs to ensure to keep the customer in mind. If it is so simple, why is it hard?

Why is keeping the customer in mind hard?

Digital transformation effort can often turn out to be overwhelming with a dearth of accurate customer insight. As a result, it can be easy to get one's eyes off the customer and in fact worsen the customer experience. If the user experience and the customer experience are not consistent or are confusing, customers can quickly look elsewhere for better experience.

Blockbuster, the video retailer, had heavily invested in the digitisation efforts. At the same time, Netflix came along with a recommended watch list based on customer's interests. Also, there were no video rental stores. Blockbuster however, continued to retain its late fee charges, which frustrated its consumers further. And that sealed the deal for Netflix.

Given the fact that there are so many companies out there who are trying to go digital, there is tremendous need for technical talent to scale up to deliver. But more than outsourcing or hiring, it is important to collaborate with partners to accelerate the development and the digital transformation efforts.

Innoventes has been at the forefront of the digital transformation journey and has worked with various companies to deliver customer centricity. For one of their online furniture clients who was experiencing high rejection rates, they applied the BUILD model to identify the gaps in existing processes to capture the relevant data. They discovered the faulty processes, introduced frequent quality checks, leveraged Google's location services to promote online delivery each time. They further integrated a flexi payment option to transform from customer rejections to a seamless customer checkout

If you are keen to know how you should put digital transformation on your agenda so that you make your customer the king, connect with us at ram@innoventestech.com