# HOW TO KEEP YOUR CUSTOMER JOURNEY FROM PASSING ITS SELL-BY DATE


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What is the shelf life of the journeys you have mapped out for your customers? How long will they be relevant to their wants and needs?

Is it two years? One year? Six months?

It is a lot shorter than you think.

The customer journey maps that companies use to attract, win, and keep customers degrade quickly because customer preference and purchase criteria change rapidly.

How fast do customer expectations change? In a TCS analytics study on wireless communication providers, we discovered that in early 2013, customer choice was driven by contract.[16] By March 2013, T-Mobile—touted as the 'uncarrier'—had obliterated contracts, which shortly thereafter ceased to be a prime purchase criterion.

[16] "TCS South Area Social Insight Study," 2013–2014 Twitter data.

Any customer journey designed around the contract experience expired in that quarter, and customers continued changing their wireless provider purchase criteria.

In this research covering millions of social media posts and two years of customer behavior, we observed that the criteria customers used to choose among wireless providers changed fast—some rising (pricing, data, devices such as iPhones), others dropping (contracts, coverage, generic phones). They changed on a monthly basis.

Clearly, if a company creates static or rigid customer journeys, their sell-by dates will come and go just as fast.

We found that customer criteria are not just variable by time; they differ by geography. While wireless phone service customers in Atlanta focused on coverage and download speeds, customers in Oklahoma City were up in arms about what they perceived as 'data capping'—setting monthly limits on how much digital data they could use at a preferable rate. At the same time, customers in Miami and Houston were more likely to choose providers based on international access and coverage.

Companies of all types—not just wireless carriers—need to pay heed here. To respond to the rapid pace of customer change, companies need to measure the customer experience frequently, if not continuously, across all channels. They also must be operationally adept enough to change as fast as the customer does.

## ADJUSTING AT THE SPEED OF MARKET SHIFTS

During the 2014 holiday season in the previously mentioned study (Figure 1), the highest number of Twitter discussions in the Southeast U.S. (33%) were on down payments for phones. The next most frequent topics were monthly fees (22%), upgrade fees (17%), and fee waivers (14%). Responding quickly, one provider eliminated down payments on some iPhone models for the holidays. Another provider, noting that upgrade discussions were spiking in Texas, Georgia, and Alabama over the holiday season, offered new phone purchases with lower monthly payments in those regions. It also eliminated upgrade fees for certain programs, and began offering shorter contract terms.

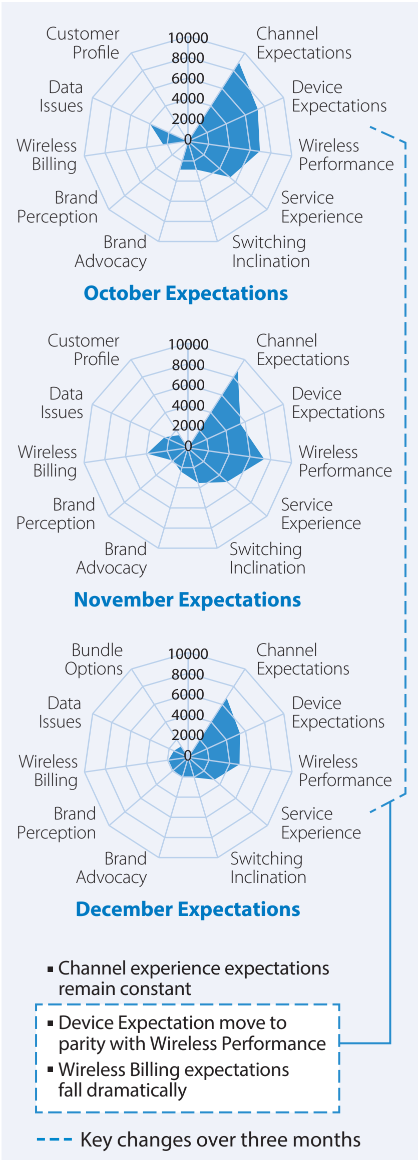



**Figure 1:** Customer Experience Changes Over a Three-month Period

*Over the fall of 2014, the holiday season, the criteria customers used to choose among wireless service providers shifted on a monthly basis.*

To stay competitive, all companies must build the internal capability to alter those customer journeys—not in a year, or in a matter of weeks, but potentially in days and hours. Researching customer needs, creating solutions to address them, managing all the possible customer touchpoints, optimizing them for each customer segment, and finally creating a customer experience that encourages the target customer to buy (and remain loyal) must become a continuous activity for companies, not a one-off.

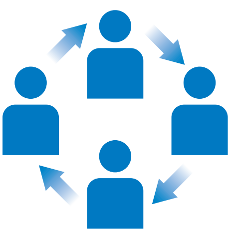
Unfortunately, most companies make a single Herculean effort to map a set of customer journeys. Their designs are often informed by gut instinct and internal anecdotes (which can skew those journeys to whatever hot issues may be affecting one department or another)—*not* by data. Then these firms spend months and years building out the capabilities for those journeys. However, they do not design them with the capacity for rapid change. Nor do they frequently monitor customer preferences and experience to understand what to change, where to change it, and when.

Customer journey maps need to be dynamic; processes, systems, and even people must have plasticity.

## THE FOUR DRIVERS OF FAST-CHANGING CUSTOMER EXPECTATIONS

Customer preferences change more quickly than businesses expect, largely because of four factors:

- **Information.** Customers inarguably are better informed today. Free and open market information that allows customers to compare prices at every stage of the journey is one of the most disruptive capabilities to come with the mobile internet. Social media and consumer forums are becoming more important in all phases of the customer journey: researching, consideration, purchasing, and servicing.

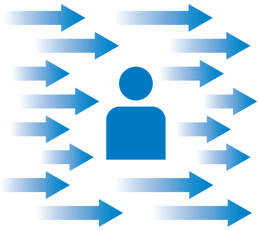


- **Social influence.** The primary influence on the customer purchasing decision no longer comes from the companies they buy from. It does not come from advertising. It comes from personal recommendations and peer reviews (81%).[17] Word-of-mouth recommendations have been industrialized through social media. They are not one-to-one; they are many-to-many, with their impact magnified exponentially. Indeed, 74% of shoppers rely on social networks to make purchase decisions.[18] According to a 2012 study by the Chief Marketing Officer Council and Lithium, the purchases of about four out of five U.S. social media users are influenced by their friends' posts.[19]

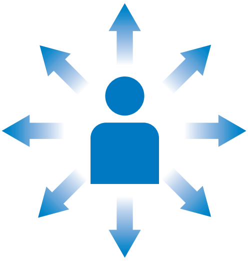
[17] Deloitte University Press, On the couch: Understanding consumer shopping behavior, 2015, accessed July 5, 2016, https://www2.deloitte.com/content/dam/Deloitte/tr/Documents/consumer-business/on-the-couch.pdf

[18] ibid.

[19] Forbes.com, Are Brands Wielding More Influence In Social Media Than We Thought?, May 7, 2012, accessed July 16, 2016, http://www.forbes.com/sites/marketshare/2012/05/07/are-brands-wielding-more-influence-in-social-media-than-we-thought/#2175995e7748



- **Technology innovation.** The pace of technology change has become faster, and customers are adopting new software, hardware, and functionality all the time. This changes their expectations of *your* technology. Years ago, banks were slow to unveil new ATM features, but today new mobile phones and features are constantly entering the market. The result for banks: many customers expect them to leverage those new features and functions—even in their ATMs.



- **Market influence.** Customers' interactions with other industries are influencing their expectations of how *your* business should operate. Previously, you monitored your competition to stay competitive. What happened in another industry—retail, for instance—had little or no impact on insurance, or banking. But every business is now operating on the same or similar online platforms. Almost every company has a website, a mobile app, a Facebook page, a chat interface, etc. So if one industry or company eliminates contracts, allows mobile payments, offers 60-day returns, and sends geo-targeted coupons, your customers will know about it. They will also expect you to do the same, or something similar, regardless of your industry segment.

This is true of business models, too. Customers adopting Uber, Lyft, and Airbnb approaches to managing the customer journey are expecting similar models from other companies. To stay competitive, businesses must monitor every entity in their customers' ecosystem of products and brands.

## DO YOU HAVE A 360-DEGREE, 365 DAYS-A-YEAR VIEW OF YOUR CUSTOMER?

Because customers are dynamic, a business needs to continuously loop customer feedback into the customer journey. Without that feedback loop, no customer journey can succeed for long; it will quickly fall behind customer expectations.

According to Forrester Research, most companies make the following customer experience analytics mistakes:[20]

- 39% do not regularly ask customers about the quality of their interactions
- 77% do not track customer experience drivers in their organizations (which makes it difficult to know how to change even if change were possible)
- 72% do not track how customer experiences affect business results (which makes it difficult to get leadership buy-in to invest in improving and changing the customer experience)
- 79% do not share the customer experience findings they do gather with employees or leadership (thereby effectively guaranteeing that the customer experience they provide will neither improve nor change)

Businesses have responded to the dissonance in what customers want and what their companies offer by investing a great deal of time and money into creating seamless and consistently branded customer experiences across all channels. However, companies tend to monitor those channels inside-out, deriving metrics from internal key performance indicators (KPIs). They also typically report those metrics channel-by-channel (for example, web reports, store reports, call center reports), even though they have designed a holistic, omnichannel customer journey.

Siloed channel analytics can be very misleading. During focus group customer interviews, a cable company discovered that customers who dropped its service cited poor service.[21] However, it also found that customers were satisfied with each channel. In the case of onboarding, there were many touchpoints (phone calls, service visits, web forms, emails, and so on), and each showed 90% satisfaction. That was pretty good. But over the course of the whole customer journey, satisfaction fell to 40%. Not so good.

[20] Forrester, Seven Steps to Successful Customer Experience Measurement Programs, February 4, 2016, accessed July 16, 2016, http://reprints.forrester.com/#/assets/2/153/'RES91981'/reports

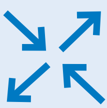
[21] McKinsey, From touchpoints to journeys: Seeing the world as customers do, March 2016, accessed July 12, 2016, http://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/from-touchpoints-to-journeys-seeing-the-world-as-customers-do

In summary, each touchpoint worked well, but the whole customer experience did not because while the company was focused on optimizing touchpoints, customers engaged with the company through integrated, cross-channel journeys. The entire customer journey turned out to be less than the sum of its channel parts.

To manage and modify a customer journey, companies need to monitor customer experience holistically. However, amid all the hoopla over analytics, marketers still distrust data. They reportedly depend on data for only about one-tenth of the decisions they make about customers.[22] And according to a CEB survey of 800 marketers at Fortune 1,000 companies, data-based decisions trail "conversations with managers and colleagues, expert advice, and one-off customer interactions."[23]

## HOW TO KNOW WHEN YOUR CUSTOMER JOURNEY STARTS GROWING STALE

Here are some signals that your customer journey might be wearing a bit thin:



**1.** Customers shift channels frequently in their interactions with your firm. This indicates frustration in your channel experience.


**2.** Customers seek and provide information about your company or product from sources you do not control or to which you do not contribute. This indicates that your information and guidance is not complete, useful, or, in the worst-case scenario, not credible.

**3.** Customers go off the map, creating their own journeys from outside your company. This indicates the people, processes, interactions, and information you are providing in your journey map are not sufficient or dynamic enough to meet their needs. Your journey is too rigid.

[22] Harvard Business Review, Marketers Flunk the Big Data Test, August 16, 2012, accessed July 19, 2016, https://hbr.org/2012/08/marketers-flunk-the-big-data-test

[23] TCS.com, Omnichannel Banking Customer Experience: Forget What You Thought You Knew about Channels, 2014, accessed July 11, 2016, http://www.tcs.com/SiteCollectionDocuments/White-Papers/Omni-Channel-Banking-Customer-Experience-0414-1.pdf

Customers bouncing from channel to channel is not a sign your omnichannel strategy is working; our analysis shows that while brands are omnichannel, their customers are not. In a TCS analysis of retail banking channels, we discovered that customers only switch channels when their preferred one does not meet their expectations.[24] We call this channel inertia. Accordingly, when your customers hop from one channel to another, this should signal that the previous channel they preferred is no longer meeting their needs, and has to adapt.

If you offer avenues for customers to resolve issues but they post complaints and seek product information from sources you do not control or contribute to, then that is a signal your journey is stale. In one case, a cable company provided and responded to customers via many traditional and digital service channels. Still, we found its customers went to Amazon for modems and WiFi range extenders, then used Amazon's equipment review area to complain about and discuss the cable company's customer service, not just the products they were buying from Amazon. This indicated customer problems were not being resolved within the channels the company provided.

This can be part of a larger trend that indicates your journey is stale. While off-track journeys can be opportunities for companies to meet their customer where their journey takes them, if customers research, shop, buy, and seek service outside of your journey map, then your journey map is not working for them.

The impact of out-of-date customer journey maps can be severe. The CMO Council has found that customers are more willing than ever to ditch a brand for another that offers a better experience. What is more, almost half (47%) of CMOs say they are not realizing the full revenue potential of their customers, and 49% report they need to do more to connect their internal processes with the changing customer experience. Only 16% of these CMOs felt their companies delivered a customer experience that fulfilled their brand's promise.[25]

[24] TCS.com, Omnichannel Banking Customer Experience: Forget What You Thought You Knew about Channels, 2014, accessed July 11, 2016, http://www.tcs.com/SiteCollectionDocuments/White-Papers/Omni-Channel-Banking-Customer-Experience-0414-1.pdf

[25] CMO Council, Predicting Routes to Revenue, January 2016, accessed July 13, 2016. http://www.cmocouncil.org/images/uploads/307.pdf

## HOW TO KEEP UP WITH THE ACCELERATING PACE OF CUSTOMER EXPECTATIONS

So what can companies do to keep their customer journeys competitive? The story of a large retailer is instructive here. Earlier this decade, with a customer base composed mostly of women with children, the chain wanted to bring mobile technology and social media into its customer journey. However, it first needed to know exactly how its customers used them. After using CRM, surveys, and social analytics, the retailer realized it was dealing with four unique behavioral segments. We will simply refer to them as Segments A, B, C, and D.

Let us take a look at Segment C. By collecting data on each segment's mobile and social behaviors along each stage of the customer journey, the retailer discovered 68% of Segment C used a mobile device to shop for deals (many also used catalogs), and 73% discussed products with other mothers through social media channels.

The awareness stage was often kicked off by an SMS message from family and friends informing shoppers in Segment C of an upcoming special event (a birthday, a graduation, and so on). She then visited the retailer's mobile website, and searched the catalog. She browsed the store's shelves, used her PC to compare prices on the web, asked family and friends about options and deals, checked out product reviews on her mobile while she was in the store, and on her PC when she returned home. In the selection phase, she filled multiple carts from competitors, but often abandoned her online carts.

Coupons and point-of-sale add-ons were critical to Segment C customers in the purchase stage, and sometimes she would put off a purchase until a better deal emerged.

Based on this level of persona profiling and the associated customer journeys, the retailer invested in more than four dozen digital programs to develop the capabilities for improving engagement with all these moms. These programs included enhancing mobile search capabilities and creating a mobile app with an embedded loyalty program that offered coupons and calendar reminders of special events in the shopper's children's lives. The retailer built out its in-store WiFi. It launched an intense SMS marketing program with SMS coupons, SMS shipping alerts (and SMS abandoned cart alerts), while instituting an easier return program.

All that happened earlier this decade. But much has changed since then: in mobile-social technology, processes, functions, shopper preferences, and behavior. In the Segment C shoppers' 'awareness of need' phase of the customer journey, mobile web and shopping apps have become more popular than SMS. Fewer customers are visiting stores, and more are making purchases from mobile phones. More internet users of all types are on tablet computers and fewer use PCs.

Had the retailer stuck with a picture of its customer journeys taken just a few years ago, it would have had challenges. The lesson here is that companies must monitor their customer experience KPIs as often as needed in their industry to ensure the customer journeys—and the initiatives based on them—are still on track. We say 'in their industry' because our customer research across industries shows us that the pace of customer change varies by industry. You need to begin with test data collection and analytics to benchmark how frequently key decision criteria is changing in your industry's key segments.

Benchmarking your unique Industry Customer Change Cycle will also inform many other aspects of your customer experience efforts: How often can you successfully introduce new features and functions? How often can customers consume new messaging? What is the right timing for new product releases? What changes most frequently, so where should you prepare and operationalize for change? Is it product, messaging, pricing, or service?

## DEPLOYING DYNAMIC CUSTOMER JOURNEY MAPS

Understanding the change is the first requirement; building systems, processes, and training people to adapt quickly to customer change is the second. Companies will need to shift to dynamic customer journey mapping and its attendant technologies to adjust them quickly.

A great example of such mapping can be seen at U.K. supermarket giant Tesco. Tesco continually analyzes its 13 million loyalty card customers' purchasing data.[26] Using what it calls Recency, Frequency, Value analysis, it scores customers on how often they shop, the items they purchase, and their spending. With this analysis, Tesco creates personal experiences for different shoppers, customizing offerings for each segment.

While Tesco primarily focused on dynamic loyalty personalization, the end-game is to be able to adjust any aspect, any step in the journey based on customer experience analytics.

Dynamic customer journey mapping should leverage workflow orchestration across functions and systems, with continuous customer experience monitoring that

[26] Select Statistical Services, How Do Supermarkets Use Your Data? accessed July 16, 2016, https://select-statistics.co.uk/blog/how-do-supermarkets-use-your-data/

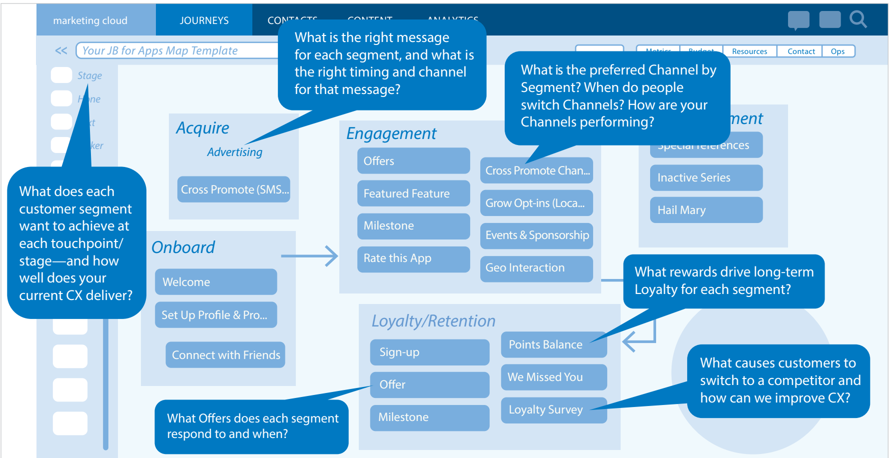



**Figure 2:** Automatic Responses to Customer Actions Makes for a Dynamic Customer Journey

*Salesforce Journey Builder is a first step in Dynamic Customer Journey Mapping and Management. Journey Builder allows automatic responses to customer actions such as purchases, clicks, and email opens. And it is cross channel: It orchestrates email, SMS, push notifications, ads, web, and apps among wireless service providers shifted on a monthly basis.*

can trigger adjustments in the journey. Early examples of this capability can be seen in Salesforce and Pegasystems platforms (Figure 2).

Perhaps the most powerful tool available to help companies respond quickly to changes in their customers' purchase criteria will be artificial intelligence and machine learning. For example, a media company with high customer turnover revamped its analytics using a neural network to predict which customers were preparing to leave so it could address the problem proactively. The analytics accuracy in predicting churn was between 75% and 90%, and every percentage point of churn reduction added millions of dollars to the company's bottom line.[27]

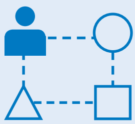
The need for more intelligent applications and advice is nowhere more acute than in customer experience.

[27] Harvard Business Review, Adaptability: The New Competitive Advantage, July-August 2011, accessed July 7, 2016, https://hbr.org/2011/07/adaptability-the-new-competitive-advantage

## CREATING AN AGILE CUSTOMER JOURNEY

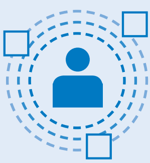
Companies that can change their messaging, offerings, pricing, and channels at the *speed their customer needs change* will be winners. Companies must take two big steps to establish such agile customer journeys:

**STEP 1.**



**Create an infrastructure—people, process, platform, and data—responsive to the insight you retrieve.**
For example, by linking data directly from search to operations, Google can change an ad almost instantly, without human facilitation.

**STEP 2.**



**Monitor behavior at the pace of change and feed insights directly into action.**
Google updates ad positioning continuously according to an ads relevance to an individual search. The better the position, the higher the click-through rate, producing more revenue for Google and the businesses buying ads. This is a virtuous circle that creates value for both parties because Google automatically maps its updates to the changing customer journey.

How do you know your customers are changing faster than you are? You are losing customers and market share. That is a dead giveaway that you are not meeting their needs. Do not wait until they have left to make a change.

Perhaps you do not know how often they change, you thought you did, but that was yesterday.  They have changed since then, have you?

This a challenge that every business needs to address. If the customer journey it designed yesterday does not meet the customer experience needs and purchase criteria of its customers today, every problem the business has—customer churn, declining market share, falling revenue or profits—will certainly get worse tomorrow.