Customers want to pay you more for a better customer experience. What are you waiting for?

Redefine your customer experience

The new competitive factor

What would Adam Smith think?
The father of modern economics taught that the way to increase demand was to decrease price. So what would he make of our world, in which customers—both enterprises and consumers—say their experiences with companies that sell to them are more important to their purchase decisions than price or other factors?

Enterprise customers are on a new journey, according to Avanade research, in which most (56% of respondents) have already paid more for a product because the customer experience beat that of less-costly options. How much is that customer experience worth? Buyers say they’ll pay up to 30% more.

Research by Accenture similarly finds that:

- In 2013, 66% of consumers switched companies because of poor customer experiences, up from 49% in 2005.
- But companies are largely ineffective in providing satisfying experiences. Just 14 percent of consumers agree their providers offer them a tailored experience while 41 percent disagree.

Given the importance of the customer experience, companies need to prioritize their investments accordingly. That requires a deeper understanding of what the customer expects of the experience, the factors that influence it, and how to enhance it. Redefining the customer experience is the subject of this paper.

That redefinition, and the customer journey of which it is a part, are aspects of Work Redesigned, a strategy that uses new technologies and processes to support the new ways in which companies and their employees and customers wish to work and interact.

Create a customer segment of one with Avanade’s Work Redesigned vision.
Where sales falls short

Generations of business school students have learned the textbook model of marketing and sales: the "funnel," in which businesses market and sell, and customers buy, through a linear process that starts with product discovery and continues through steps of consideration, evaluation, purchase, use, and—sellers hope—repeated purchases.

Well, you can throw that textbook away. It was based on a world in which businesses controlled the buying process and the flow of information, customers always moved along a single pipeline, and both sellers and buyers based their expectations on technologies that were relatively predictable.

In other words, the funnel-shaped customer experience was based on a world that no longer exists. Today, the customer controls the buying process and the flow of information. Any customer with a PC, tablet, or phone can access any of a company's customer touch points directly or via third-party, social-media, at any time and from anywhere.

That's not just true of the sales process, but of the customer service process, too. What used to be a one-to-one channel between seller and buyer has become, thanks to technology, a one-to-many channel. Because unhappy customers can broadcast their complaints worldwide through social media, businesses now have much more at stake in boosting customer satisfaction. That elevates the importance of post-sales customer service, makes it more of a brand function, and makes it key to the customer experience.

As a result of all this, customers have redefined what they expect, and even demand, of businesses. The new customer experience needs to deliver:

- Mobile-enabled processes that improve access to information and purchasing and customer service processes.
- Employee enablement that equips sales and service employees to deliver elevated service.

CRM and the redefined customer experience

Customer relationship management (CRM) systems and processes—which support pre-sales and sales activities through post-sales service across a range of touch points—are key to the redefined customer experience. But typical CRM solutions don't support the way today's businesses and customers want to interact. Businesses need to know what to require of their CRM systems and processes to meet and exceed customer expectations.

Ideally, the CRM solution is the system of record that provides the much-vaunted "360-degree" view of the customer. What's often overlooked is what constitutes "360 degrees" changes all the time, for lots of reasons: you add products and services or channels for customer contact, or your customers change or add to the third-party channels that are important to them.

No CRM system can meet unanticipated needs out of the box—but it should be flexible enough to accommodate these changes as they occur. For example, it should enable a business to "listen" to new interaction channels such as online communities and social-media channels that didn't exist when the business deployed the solution.

To support today's customer expectations for a redefined experience, CRM systems and processes need to:

Enable multi-channel interactions. Today's customers want to interact with a business on their own terms. Today's CRM systems and processes should support various ways of engaging customers, such as online chat and collaboration. Online channels should recognize repeat customers and give them personalized experiences based on their customer profiles.

Connect people to insights for deeper customer understanding. Integrating CRM with analytics enables sales and services teams to bridge data sources and use rich customer insights to improve interactions and build lasting relationships with customers. Connecting sales and service to easily accessible and usable customer data can support greater customer personalization; so customer-facing employees can take the right action at the right time. Interactions become more relevant to the customer, while becoming more valuable (e.g., through cross-sell and up-sell) to the business.
Enable employees to collaborate and cooperate to drive customer outcomes. Collaboration tools—such as IM, web conferencing and team sites—are potent additions to CRM. They make it possible for sales and service employees to access colleagues, partners, and other contacts faster than before, even during customer interactions. Those “in-the-background” employees can “swarm” around a customer’s query, researching sales options or testing technical solutions while the customer is engaged with the sales or service rep. As a result, these additions to CRM accelerate and facilitate successful customer outcomes.

Incentive programs, such as those based on gamification, can be integrated into CRM to encourage greater collaboration and cooperation among sales and service employees.

Deliver mobile-enabled processes to extend interactions. Sales and services employees, and customers, can benefit from the addition of mobile solutions to CRM. On the customer side, mobile apps aren’t just for consumer transactions any more. Business customers—who already use mobile apps in their roles as consumers—want such convenience in their professional roles, too.

Mobile applications can extend relevant, immediate customer information and tailored support processes to any location, enabling more immediate sales and service that engages and delights customers wherever they are.

Elevate customer service through employee enablement. The nature of customer service, particularly at the call center, has changed. It used to be that call center employees, and their systems, mostly handled a limited range of very common customer requests. The systems—and the employee training for them—could be simple. Now, by mutual consent, customers mostly avoid call centers for simple requests—such as booking an airline flight or changing a service plan—and go to a business’ website for self-service. Customers save time, businesses save money, and everyone’s happy.

How Avanade helps

Extensibility and flexibility may be necessary to the success of a CRM system—but they’re not enough. No feature set is. It’s like exercise equipment: buying the equipment with the best bells and whistles still won’t make you a better athlete. You also need discipline, practice, time and effort. Similarly, the best CRM software still requires companies to ensure that discipline, vision and change management are all part of the implementation. That’s part of what Avanade brings to the customer experience solution: the implementation skills that help make for Olympic-sized success. Here’s how:

Step 1: Live the customer experience.
The best way to redefine customer experiences is first to live them. To a client’s own understanding of its customers, Avanade adds its direct knowledge of the customer journey, which it gains by experiencing every point of customer touch, including the client’s website, dealers or showrooms, phone sales and support, social media sites, and more. Avanade probes to discover what experiences are causing customers to fall away from the journey, and what changes could turn them into repeat purchasers.

For example, a major manufacturer of recreational vehicles certainly understood its customers’ passion, but it took Avanade to understand how much customer information was lost between the sales person and the CRM system following a customer visit to a showroom—and how that information, once captured, could be used to make the customer journey faster, more personalized, and more successful.

The result was a device-independent mobile solution used by sales people in the showrooms. It captures not just customer information, but a customer’s preferences for configuring the client’s product. That information feeds the CRM system, and can then be used for more targeted, and more effective, follow-up interactions with the customer across any channel the customer chooses.

Step 2: Focus first on business needs, not technology. The better you define your business needs, the better your CRM solution can be fine-tuned to meet them. Avanade, the originator of the Work Redesigned vision, is expert at understanding the complex business processes and workflow of the large enterprise, how they affect the customer experience, how they can be tuned to enhance that experience, and lastly, how to use technology to implement that change.

A European energy company, for example, used an outdated CRM system and processes, resulting in less-than-optimal customer service. Avanade redefined and optimized the processes and then designed a CRM solution to implement them. The result: customer handling and resolution times are down, and cross-selling and upselling by call agents are up.

Companies are also putting more emphasis on usability and design by embracing user-centric design. Understanding the needs of customers and employees, and mapping them to processes and objectives can create the most effective solutions. Avanade uses advanced user experience design capabilities to achieve this.

Step 3: Use agile, iterative development. Given the fast pace of global competition, companies can’t take years to define and develop new customer experiences. At the same time, they can’t sacrifice quality or results for the sake of speed. Avanade works to deliver all these elements—speed, quality and results—through an agile development process that delivers multiple iterations, demonstrates value early, and ensures integration from the back office to the front end.
Point of View
Work Redesigned/Redefining Customer Experiences

The future of customer experience:

TWEET THIS!

Avanade solution components

To redefine customer experiences, Avanade draws on solution components including the following:

- **Avanade CRM Sales Management Solutions based on Microsoft Dynamics CRM 2013**, which optimize opportunities and empowers sales teams to become more customer-centric.
- **Avanade Contact Center Solution**, which integrates agent performance management, agent collaboration, knowledge management and more.
- **CRM Mobile Solutions**, which enable cross-platform integrated solutions.
- **Data and Analytics Solutions**, which provide insights through real-time account data, integrated sales intelligence and social media, helping to make sales conversations more relevant.
- **Enterprise Collaboration Solutions**, which foster internal and external communities by enabling employees to find untapped talent in the company and work with knowledge otherwise trapped within silos.
- **Communication-Enabled Business Processes**, which enable integrated messaging, audio and video interactions.
- **User Experience Design**, which tailors the experience around the user and the business process.

Take back control

Businesses have less control over the customer relationship today than ever before. But by redefining the customer experience, rewriting the business processes that underlie that experience, and deploying technologies to implement it, businesses can create closer and more mutually satisfying relationships with customers. Competitive advantage demands that they do so.

To see how Avanade can help you redefine your customer experiences, contact Avanade to request an Innovation Day at your site or ours. These half-day, discussion sessions and workshops cover industry and technology trends, tuned to your needs and interests.

For more on redefining the customer experience, visit www.avanade.com/RedefiningCustomer.

References


About Avanade

Avanade helps customers realize results in a digital world through business technology solutions and managed services that combine insight, innovation and expertise focused on Microsoft® technologies. Our people have helped thousands of organizations in all industries improve business agility, employee productivity and customer loyalty. Avanade combines the collective business, technical and industry expertise of its worldwide network of experts with the rigor of an industrialized delivery model to provide high quality solutions using proven and emerging technologies with flexible deployment models—on premises, cloud-based or outsourced. Avanade, which is majority owned by Accenture, was founded in 2000 by Accenture LLP and Microsoft Corporation and has 21,000 professionals in more than 20 countries. Additional information can be found at www.avanade.com.

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