

Bridging the customer experience gap

Econsultancy

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Executive summary

The **Bridging the Customer Experience Gap** report, produced by **Econsultancy** in partnership with **Zone** and **Cognizant**, explores the extent to which companies are meeting consumer expectations.

Based on surveys of both consumers and businesses, each with more than 1,000 respondents, the study is the most authoritative state-of-the-nation assessment of how well companies are delivering when it comes to customer experience.

Six key customer experience gaps you need to address now

The research highlights six fundamental areas in which businesses need to improve if they are to successfully deliver against customer needs, close the gap between themselves and competitors, and eradicate the gulf that exists internally between what should be – and is currently – delivered to consumers.





1. The experience delivery gap

The survey identified that there is a highly significant gap between how businesses believe they perform and how they deliver against customer needs. Our Net Promoter Scores (NPS) – derived from consumers' likelihood to recommend a company based on the overall customer experience they received – ranged from 36 for high-street retailers to -7 for utility companies. While Net Promoter Scores in positive territory are generally regarded as acceptable, all the industries covered have a long way to go before they reach a score of 50+ which is typically regarded as the benchmark for excellence.

The gap between marketers' ambitions and the reality of experiences they're currently able to deliver to their customers is very apparent. The majority of marketers surveyed for this report acknowledge that there is a great deal of room for improvement, with only 15% of respondents scoring their company 9 or 10 out of 10 for the online experience, and around a fifth (19%) giving one of the top two scores for the overall customer experience across all interactions with the brand.



2. The capabilities gap

Marketers are hindered by a significant inability to deliver across essential organisational CX components such as data, technology, experience design, processes and organisational structure. There is also a substantial gulf between the percentage of business respondents rating their companies as 'excellent' for these different areas, and the proportion of respondents regarding them as 'important'.



3. The culture gap

To be genuinely customer-focused, the whole business must understand and buy into CX goals. While nearly three-quarters (73%) of marketers agree that CX is seen as 'integral to commercial success' within their organisation, only around half (52%) agree they 'collaborate effectively across the organisation to deliver a joined-up customer experience'.

For many organisations, there is also a lack of consensus across departments, with objectives behind decision-making lacking in transparency. Very few business respondents (17%) strongly agree that their 'entire organisation is united around overall customer experience goals'. Often, this cross-department disunity boils down to the lack of a cohesive strategy and culture – rather than more practical divisions such as technology or structural divides.



4. The technology and data gap

Only around half (54%) of respondents agree they have the 'technology needed to deliver great customer experiences'. Many organisations are hamstrung by technology when seeking to improve experiences for their customers, with legacy technology and infrastructure seen as the most significant barrier to delivering better customer experiences (23%). Meanwhile, only 51% say they have 'the back-end tech capabilities required to produce brilliant customer experiences'.

As with technology, it is clear many organisations still need to work out how to exploit data fully. Technology and data challenges are often inter-related. Only 56% of respondents describe their data capability as 'excellent' or 'good', and it is evident that organisational and technical barriers to data sharing and insight continue to hamper many companies. Only half agree they are 'able to access the data they need across organisational silos to derive actionable insights', and only a slightly higher percentage (57%) deem themselves to have the marketing analytics required 'to optimise against key CX metrics'.



5. The design gap

The report highlights the importance of great front-end design to facilitate high-quality user experiences. Although 59% of respondents agree that they have 'the front-end design capabilities to produce brilliant customer experiences', a lower proportion (53%) can 'prototype website enhancements in a collaborative environment'.



6. The perception gap

There is a distinct mismatch between customers' needs and desire, and what's being prioritised by those responsible for the customer experience. For example, responsiveness to online enquiries is an area where the survey suggests marketers should be doing more. Marketers are also under-indexing the importance of ensuring up-to-date information on the website and optimisation for smartphones.

Only around half (54%) of respondents agree they have the technology needed to deliver great customer experiences.

Recommendations



1. Strategy: Develop a robust CX plan built around company culture

A commitment to customer experience has never been more important, with business success increasingly defined by the ability to satisfy consumer needs and expectations. There is no room for tokenism when it comes to CX. Companies must consider root-and-branch transformation if required. They need a unified approach to ensure they have the technology, data and processes in place to underpin their CX programmes. It's easier said than done, but the right strategy needs to be in place as a prerequisite for success. With buy-in and budget from the top of the organisation essential, the business benefits resulting from a better customer experience need to be measured, communicated and emphasised, to keep up the momentum.



2. Culture: Leaders need to walk the walk

Without the right culture in place, your CX strategy is highly unlikely to succeed. The whole organisation needs to be aligned so that the customer is at the heart of the business, with a designated customer champion sufficiently empowered to align different functions. Customer-facing employees need to be motivated and empowered to go the extra mile, with a good understanding of the importance of customer lifetime value and not just the immediate sale. It is also crucial that employees in back-end functions are aligned to a culture of customer centricity, because great customer experiences are often the consequence of slick processes and co-operation within the heart of the business. Crucially, a top-down approach is needed so that rank-and-file employees can see that C-suite executives are committed to customer centricity with a real understanding of the nuts and bolts of the customer experience, and of the related challenges the business faces on a day-to-day basis.

The whole organisation needs to be aligned so that the customer is at the heart of the business.



3. Metrics: Establish customer-focused measures to reinforce their importance

An established mantra of business is that you get the types of behaviour you measure. Organisations – large and small – need a set of customer-focused metrics, whether focused on Net Promoter Score, customer advocacy or satisfaction, that permeate the whole business and are fed into leadership teams on a regular basis. With employees in a wide range of roles needing to buy into a customer-centric culture, the prominence of appropriate metrics in individual and team performance assessments will help to focus minds on the right kind of behaviour.



4. Design: Refine the front-end digital experience

While there is more to the customer experience than effective digital engagement, the online experience increasingly defines how consumers view your brand, with frictionless interactions now seen as the norm. Companies need to invest in the front-end experience to give their brands a chance of success in the digital era. They must encourage a focus on experience design, cultivating those skills internally and calling on the right partners to help ensure they are developing a world-class digital experience that is aligned to the vision for your brand. Companies must also ensure they are making the necessary investment to ensure that the front-end experience is part of the bigger picture, rather than being developed in isolation.



5. Technology and data: Make sure you invest in the required back-end integrations

A slick customer experience necessitates effective technology and data integration so that the customer is receiving the right information at the right time as part of an optimal experience. Some of the behind-the-scenes integrations and tech development may not be glamorous but they are necessary for success. The imperative to get this right means that companies need the CIO, CTO, CMO and other heads of department to be working in harmony, rather than pulling in different directions. It is ultimately the responsibility of the CEO to ensure that everyone is pulling in the right direction, both within the boardroom and across the whole organisation. Different consultancies and agencies working for your business also need to be focused on the same goals, with good co-operation between these partners paramount.

Foreword

We're excited to have partnered with Econsultancy on this report to assess the state of customer experience from both the brand and consumer perspective.

It's their most comprehensive report ever on this topic, and the findings are revealing.

Interestingly there are marked discrepancies between brands' perceptions of customer experience and their customers'. And whilst the importance of delivering great experiences is acknowledged by the majority of marketers, the report shows that the reality of executing this is more challenging than merely stating the principle.

The findings reaffirm the need for an end-to-end approach to address these challenges: that getting operations, culture, organisational change, technology and data right is vital to underpin experience transformation at scale.

That's why we continue to invest in adding strong experience capabilities to Cognizant's existing operations and technology expertise, and why we're so excited that Zone are part of the Cognizant family.

I hope that the report offers you food for thought on your own journey to a better experience for your customers.



George Porteous

George Porteous
Head of **Cognizant Digital Business UK**

When we first sat down with Econsultancy to discuss this project, it became clear that there were two distinct angles we wanted to explore.

As digital professionals, we all know that customer experience (CX) is an issue that resonates for businesses in every sector. The research confirms this view – nearly three-quarters (73%) of respondents in the 1,000-strong brand sample identify CX as crucial to their business.

But as individuals, we all came to the discussion with our own examples – of brands who earned our loyalty with outstanding CX, and of companies that had lost our custom by failing to deliver. What was striking was the emotion that people brought to the table. Every experience, either positive or negative, was recounted with passion and greeted by nods of agreement or fervent dissent. CX clearly resonates with individuals on a deep and highly emotional level.

The research identifies the building blocks of customer experience – technology, data, strategy, culture, process and organisational design. But it's the way that these different skills and capabilities combine to create human experiences that makes CX such a powerful differentiator. Mark Evans, Marketing Director at Direct Line Group, tells a story of a customer who made a claim for a stolen television (see page 25). An eagle-eyed employee spotted the customer griping on social media that the theft meant they would miss that night's boxing event – and promptly turned up at the customer's house to loan him their own set for the big fight. It was smart social media monitoring and customer service operations that made that possible – but for the customer in question, it was a highly personal and human experience.

It's the need to blend the rational (data, technology and platforms) with the emotional (narrative, empathy, customer centricity) that makes delivering outstanding CX so challenging.

Zone has always been an agency with customers at heart – from our origins as a content specialist in 2000 through our growth to one of the leading independent digital agencies in the UK. As we grew, we learned how to combine creative storytelling with technology and data. But to deliver world-class CX at scale, we needed to find a partner to help us achieve genuine transformation.

That's why, after 16 years of proud independence, we chose to join forces with Cognizant last year. And it's by combining Zone's user-centric culture and capabilities with Cognizant's unrivalled technical expertise that we believe we're well placed to help brands bridge the customer experience gap.



Jon Davie
Chief Client Officer, **Zone**

Methodology

This UK-focused research is based primarily on surveys of both business professionals and consumers. There were 1,019 respondents to our business survey which was fielded online during July and August 2018. All respondents work client-side for brands, predominantly in the marketing function (69% of the sample), but also in other parts of the business, including customer service (15%) and customer insight (7%).

Further breakdowns of the respondent profiles, including size of company by revenue, and business sector, are included in the Appendix.

Information about the survey was emailed to Econsultancy's and Marketing Week's respective databases of marketers and digital professionals, and also promoted via social media. The incentive for taking part was access to a free, advance copy of the report just before its publication on the Econsultancy website, plus the chance to win an Amazon Echo Show. Third-party panels were used to supplement the sample size.

The consumer survey was carried out in July 2018, through Toluna. Some 1,200 consumers were surveyed in total, with six cohorts of 200 consumers separately asked the same questions about customer experience in the context of high-street retail, banking, utilities, mobile phone operators, insurance or private healthcare. The sample is nationally representative of the UK adult population in terms of gender and age.

Consumers were asked to name a brand they had dealt with online during the previous six months, and then answered questions based on their experiences with their chosen brand.

As part of our statistical analysis of the survey data, multiple regression was used to model the impact of each attribute of the consumer experience with overall online customer experience satisfaction (see *Section 11*). The regression model isolates the unique impact of each attribute, thus allowing us to determine which attributes are the most important at driving a positive online customer experience.

As well as carrying out business and consumer surveys, we conducted a number of interviews with senior executives in a variety of senior roles at a range of companies (see Acknowledgements below).

Acknowledgements

As well as those who took our online survey, we would like to thank the following people for their additional insights:

- Michael Sherwood, Head of Customer Experience, **Atom Bank**
- Tom Daniell, Retail and Brand Marketing Director, **Aviva**
- Anne-Marie McConnon, Chief Marketing Officer – Investment Management, **BNY Mellon**
- Margaret Jobling, Group Chief Marketing Officer, **Centrica**
- Adrienne Gormley, VP Global Customer Experience, **Dropbox**
- Mark Evans, Marketing Director, **Direct Line Group**
- Maya Moufarek, Chief Marketing Officer, **Pharmacy2U**
- Blake Cahill, Senior Vice-President of Digital Marketing and Media, **Philips**
- Sanjit Badhan, Founder, **BasesysOne**, and former Head of CRM, **TransferGo**
- Saul Lopes, Head of CRM and Loyalty, **Virgin Holidays**

The experience delivery gap: how consumers and marketers rate CX

While consumers score some well-known brands highly for customer experience across our featured sectors, including the likes of Amazon and John Lewis in the world of retail, the research shows there is significant room for improvement for most businesses across most sectors. Net Promoter Scores ranged from 36 in retail to -7 for utility companies. Business professionals surveyed are aware of the deficiencies when it comes to the customer experience they offer customers, scoring their own organisations an average of around 6.5 out of 10 for customer experience.

This report explores the extent to which companies are meeting consumer expectations around the customer experience (CX), with a focus on both the specific drivers of a positive online experience and the organisational attributes that are necessary for both digital and overall CX success. The report covers areas such as culture, technology and content, all of which are fundamental to success.

A key objective for this research was to compare the view of consumers and marketers about the quality of the customer experience, based on a survey of 1,200 consumers and more than 1,000 marketers. *Table 1* overleaf shows how companies themselves rate the customer experience they offer, compared to consumers. Consumers were asked to rate their experience in the context of their recent dealings with one of six different types of company, namely *high-street retail, banking, utilities, mobile phone operator, insurance or private healthcare*.

While business professionals surveyed (mainly marketers, but also those working in customer service, customer insight, sales and IT functions) gave their own companies an average score of around 6.5 out of 10, consumers scored brands significantly more highly, giving an average score of 8 out of 10. At a general level, this appears to suggest that many of the best-known brands are typically delivering a positive customer experience, and that marketers are perhaps unduly negative about the experience offered by their own companies.

However, looking beyond the top-line figures, the consumer view on the customer experience varies greatly by sector, with the Net Promoter Score – derived from consumers' likelihood to recommend a company – ranging from a respectable 36 in retail to -7 for utility companies (*Table 2*).

Table 1: How consumer and marketer ratings for customer experience compare (average score out of 10)

	Marketers	Consumers
Online customer experience	6.49	8.02
Consistency of the overall customer experience across all interactions with the brand	6.59	8.04

Methodology note: Consumers were asked to rate a specific brand they had dealt with online in the previous six months. Each consumer surveyed was questioned about a specific sector, either high-street retail, banking, utilities, mobile phone operator, insurance or private healthcare. Business professionals surveyed (mainly marketers, across all business sectors) were asked to rate the customer experience for their own companies' customers.

Consumer survey

Table 2: Online customer experience Net Promoter Score by sector

	High-street retail	Banking	Utilities	Mobile phone operators	Insurance	Private healthcare
Promoters (9-10)	51%	48%	28%	39%	41%	44%
Passives (7-8)	34%	32%	37%	37%	39%	40%
Detractors (0-6)	15%	20%	35%	24%	20%	16%
Net Promoter Score	36	28	-7	15	21	28

Methodology note: Consumers were asked the following question: 'Based on the online experience with this company, how likely are you to recommend this brand to a friend or colleague?'

These NPS scores are overshadowed by a 2018 global study by Customer Gauge¹, which revealed that global NPS averages for these sectors are significantly higher: 62 in healthcare, 54 in retail, 42 in insurance and 37 in banking. This indicates that UK-based businesses have some way to go to match global averages, with an NPS score of 50+ widely regarded as a benchmark for excellence, though scores will inevitably vary depending on the industry.

As well as naming a company they had recently dealt with, consumers were asked to name a brand – from any sector – they associated with a ‘brilliant customer experience’.


As can be seen in the tag cloud below (Figure 1), two brands stand out. John Lewis, the never-knowingly undersold multichannel retailer, matched digital-focused behemoth Amazon, showing that incumbents can compete with digital players when it comes to delivering exceptional customer service, and winning over the hearts, minds and wallets of consumers.

¹ <https://customergauge.com/benchmarks-report>

Consumer survey

Figure 1: What brand or brands do you associate with a brilliant customer experience?





Only 15% of marketers scored their company 9 or 10 out of 10 for the online experience.

The way these two brands have become so synonymous with a positive customer experience gives other brands something to aspire to. In the case of Amazon, its sheer ubiquity means that it is top-of-mind for consumers who value the convenience of being able to get everything from books and groceries to electronics and clothes from a familiar website and app delivered to their home or place of work. In the case of the John Lewis Partnership, owner of John Lewis and high-end supermarket Waitrose, the brand has a strong tradition of focusing on the customer experience and, in recent years, has invested heavily in its ecommerce operations and in-store innovations, such as self-service check-in iPads for John Lewis Click & Collect orders in 140 branches².

As *Figure 2* and *Figure 3* show, the vast majority of marketers surveyed for this report implicitly acknowledge that there is a great deal of room for improvement, with only 15% of respondents scoring their company 9 or 10 out of 10 for the online experience, and 19% giving one of the same two top scores for the overall customer experience across all interactions with the brand.

Meanwhile, *Table 3* and *Table 4* show the consumer survey ratings out of 10 for each specific sector.

The next sections of this report look at the core components an organisation needs to have in place to deliver a great customer experience (*Section 7*), with subsequent chapters focused on specific topics: culture (*Section 8*), technology (*Section 9*) and content & user experience (*Section 10*).

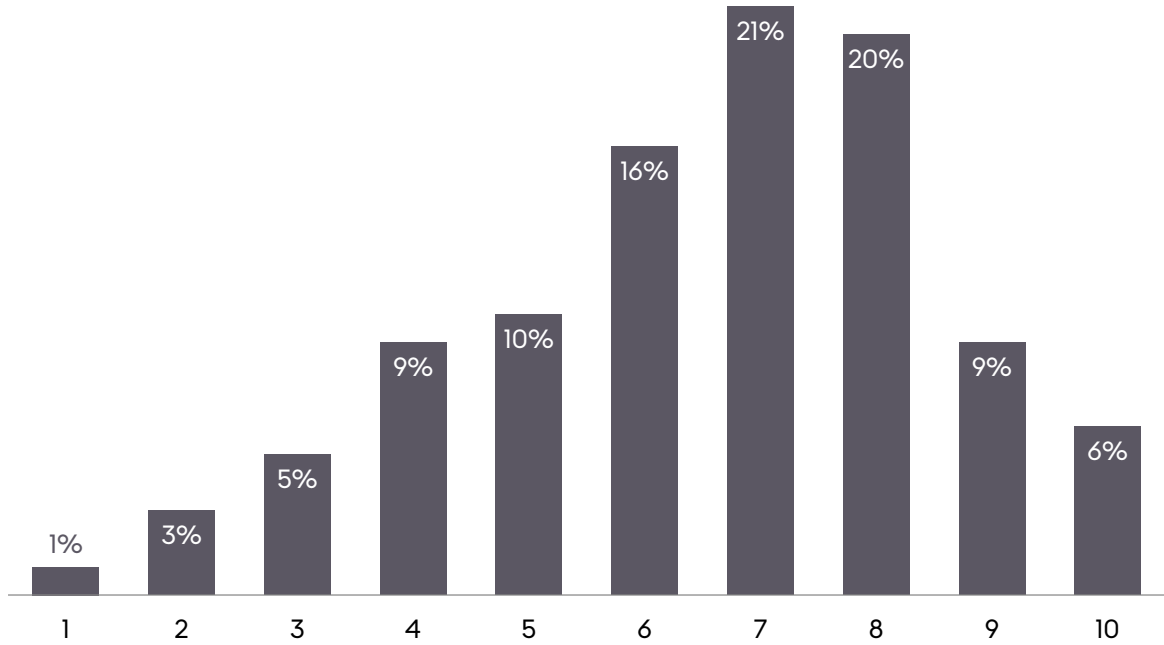
Section 11 looks specifically at the drivers of a great online experience, comparing how consumers and marketers prioritise different attributes, such as easy-to-access information, the simplicity of carrying out basic tasks and a personalised approach. This section also looks at how the consumer perspective on what is most important varies, depending on the type of business they are dealing with.

While the report will be of particular interest to those working in industries covered by our consumer survey, the research is aimed at executives working across all sectors, including B2B. The research should appeal both to business leaders – including C-suite executives – and also to practitioners more involved at the digital coal-face, including with both back-end and front-end development.

² <https://internetretailing.net/themes/themes/john-lewis-and-waitrose-maintain-focus-on-customer-experience-despite-falling-profits-17331>

Marketer survey

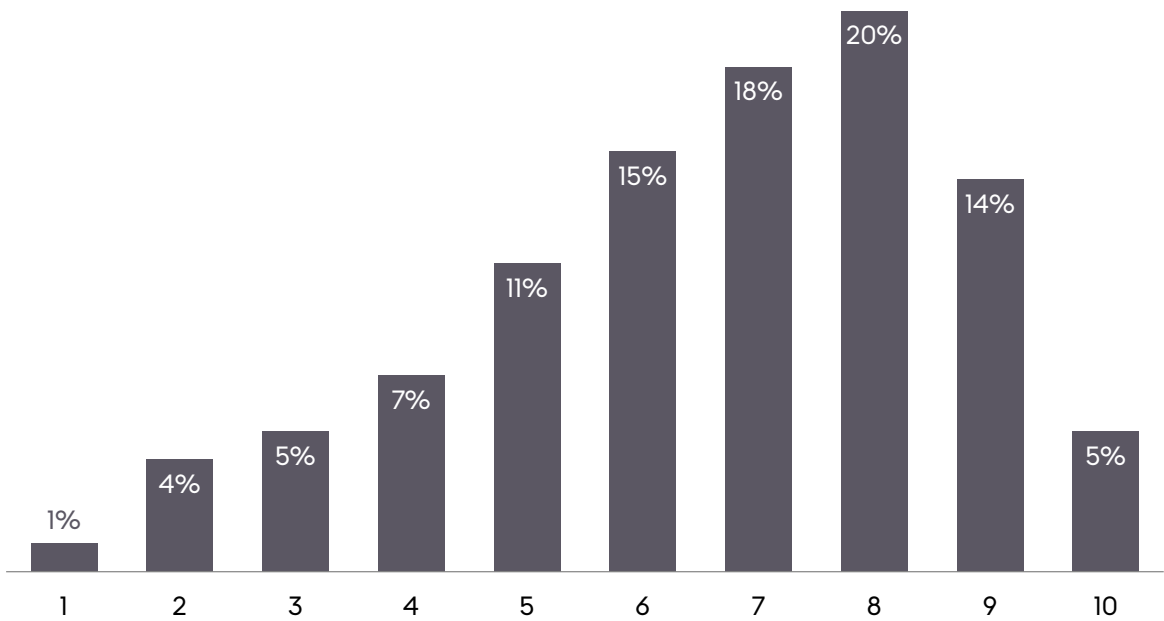
Figure 2: How would you rate the online experience for your customers (where 1 is 'very poor' and 10 is 'excellent')?



Respondents: 920

Marketer survey

Figure 3: How would you rate the consistency of the overall customer experience across all interactions with your brand?



Respondents: 922

Consumer survey

Table 3: How would you rate the online customer experience when dealing with this company (where 1 is 'very poor' and 10 is 'excellent')?

	High-street retail	Banking	Utilities	Mobile phone operators	Insurance	Private healthcare
1	1%	1%	3%	3%	1%	0%
2	1%	0%	1%	1%	1%	1%
3	0%	1%	4%	3%	1%	0%
4	2%	2%	5%	1%	2%	2%
5	5%	4%	6%	6%	4%	5%
6	6%	7%	8%	5%	4%	4%
7	14%	11%	14%	15%	15%	16%
8	25%	18%	26%	27%	31%	23%
9	18%	25%	15%	16%	18%	19%
10	28%	31%	18%	23%	23%	30%

Respondents: 1,200

Consumer survey

Table 4: How would you rate the consistency of the overall customer experience across all interactions with this company?

	High-street retail	Banking	Utilities	Mobile phone operators	Insurance	Private healthcare
1	0%	1%	3%	3%	1%	0%
2	1%	2%	1%	1%	1%	1%
3	0%	0%	3%	3%	1%	1%
4	3%	3%	4%	2%	1%	3%
5	4%	4%	7%	6%	3%	4%
6	4%	5%	10%	4%	4%	5%
7	14%	13%	12%	18%	13%	15%
8	26%	19%	23%	23%	31%	22%
9	18%	23%	18%	19%	22%	23%
10	30%	30%	19%	21%	23%	26%

Respondents: 1,200

The capabilities gap: core components of a great customer experience

A range of capabilities are necessary for CX success, including the right strategy, technology, experience design, culture and data. Almost a quarter (23%) of business professionals surveyed regard strategy as the most important component, with culture (18%) and experience design (17%) in second and third place respectively. Across the whole range of capabilities there is a significant shortfall between the proportion of companies who say they are doing them well and the proportion who believe these capabilities are important for success.

Customer experience transformation offers up a highly complex set of challenges, with no single playbook that organisations can steadily work through.

It requires businesses to address an array of moving parts – whether organisational, technical, cultural or other – while ensuring that day-to-day performance does not suffer. Naturally, many companies are still grappling with the changes required to achieve CX excellence. Yet, as they do so, customer expectations are constantly on the rise, moving the bar progressively upwards.

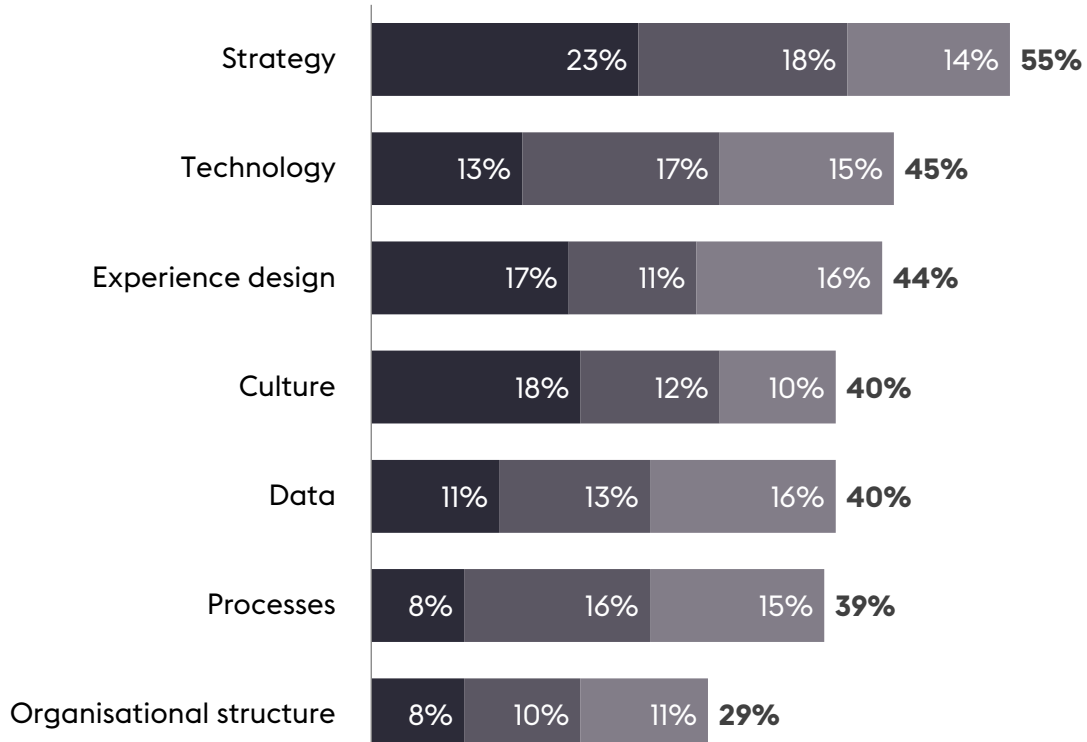
In *Figure 4*, the broad range of responses shows how, even among CX professionals themselves, there are significant differences of opinion regarding the most important components of improvement, and – by implication – how best to go about meeting consumer expectations. Each of the seven featured areas of capability are included by at least 29% of executives in their top three choices, and no component is widely overlooked.

Customer experience is by no means an overlay or add-on for any organisation, requiring deep and thorough planning from the ground up. *Strategy* is comfortably the most widely highlighted success factor for companies seeking to ‘deliver a first-class customer experience’. This recognises that many project failures can be traced back to oversights or faults in the strategy that underpinned them, or a failure to communicate that strategy effectively.

Strategy and *culture* – often seen as siblings – collectively make up the ‘first choice’ component for more than four in ten (41%) executives. An effective strategy is vital to define the organisation’s objectives and how it will go about delivering and tracking them, while culture – which management guru Peter Drucker famously described as eating strategy for breakfast – is key to execution and implementation.

Marketer survey

Figure 4: Ranking of importance of capabilities for being able to deliver a first-class customer experience



Respondents: 769

Encouragingly, most companies are confident they have an adequate CX strategy in place, and that they have fostered the culture within their organisations to allow it to have an impact (*Figure 5*). In both cases, more than six in ten respondents describe their *culture* (63%) and *strategy* (62%) as at least 'good' in terms of delivering a first-class customer experience. At the same time, this still leaves well over a third of organisations in both areas deeming themselves just 'okay' or worse.

A strong strategic foundation is by no means the only requirement for CX excellence. The structure of the house itself – again metaphorically speaking – also has to meet the required standard. Because of the fragmented nature of modern marketing, *technology* remains a key differentiator for companies seeking to re-centre themselves around the needs of customers. However, selecting the right marketing and operational technology systems, and getting them to work together effectively, remains something many organisations struggle with.

Almost half (44%) of respondents rate their technology capability as okay or worse (Figure 5). This is despite technology ranking second among CX success factors (Figure 4) and joint top ('marketing technology') as the area where businesses are investing in order to improve CX (Figure 7).

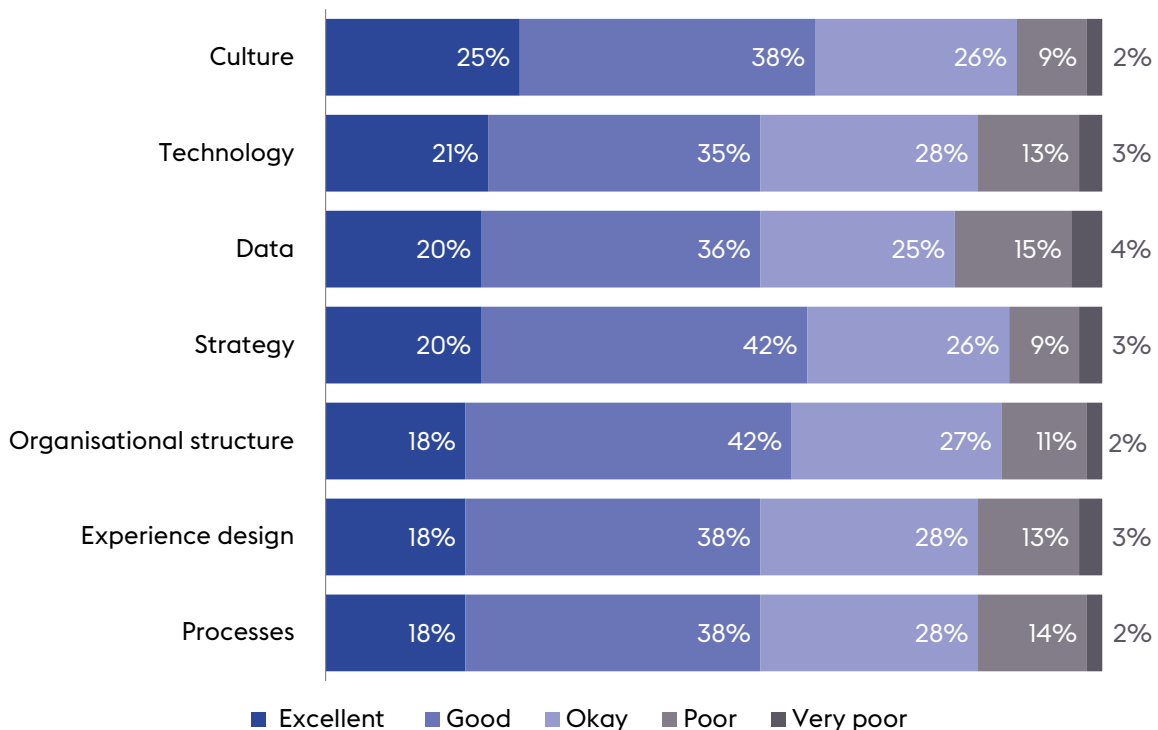
Figure 6 illustrates the shortfall in capability across the core organisational CX components, showing the gap between the percentage of business respondents rating their companies as 'excellent' and the percentage regarding each capability as being in their top three for importance.

Like technology, organisational structure can result in bottlenecks that restrict the flow of CX benefits. It is cited by less than a third (29%) of respondents as a top-three component, in terms of importance, yet should be more widely recognised as crucial to providing support for CX initiatives and allowing businesses to tie down strategy. Less than a fifth (18%) of marketers say their organisations have achieved an 'excellent' organisational structure, with a view to delivering a first-class customer experience.

Processes, closely tied with organisational structure, are more widely referenced as important (39%). Both are evidently seen as challenging to get right, with fewer than one in five respondents citing their organisations as 'excellent' in these areas.

Marketer survey

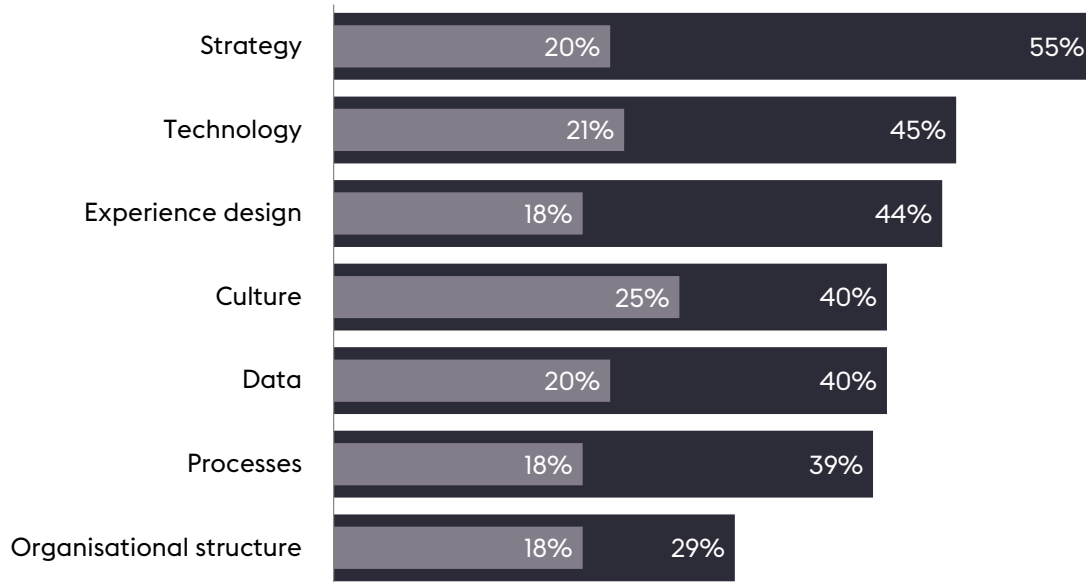
Figure 5: How do you rate your organisation's capabilities in the following areas in terms of its ability to deliver a first-class customer experience?



Respondents: 777

Marketer survey

Figure 6: How marketers rate their organisations' capabilities in the areas they perceive to be most important for a first-class customer experience



- Proportion of marketers regarding these capabilities as being in their top three for importance for delivering a first-class customer experience
- Proportion of marketers rating their company's capabilities in these areas as 'excellent'

Respondents: 769

How to structure teams effectively remains a preoccupation for many business leaders. Margaret Jobling, Group Chief Marketing Officer at **Centrica**, says the energy and services company has recently restructured to put the customer more at the heart of the business. *"We are very much sold on the importance of the customer experience, it's something we value and recognise. We also know that as a legacy business, we have some legacy processes, thinking and systems that we are trying to break away from. Eighteen months ago, we changed the business to a single P&L so we could think about the customer from end-to-end, and make teams more horizontally integrated,"* she says.

The organisational agility of younger disruptive companies is seen as one of the key reasons for success in meeting customer expectations. By definition, they have fewer issues with legacy systems or structures, and have built themselves from the outset with customer experience as their *raison d'être*. *"Customer experience is being reset by the leading platforms and startups. Everyone expects an Uber-like experience, whether you're B2B or B2C. Customers don't expect clunky, 20-step processes,"* says Blake Cahill, Senior Vice-President of Digital Marketing and Media at **Philips**.

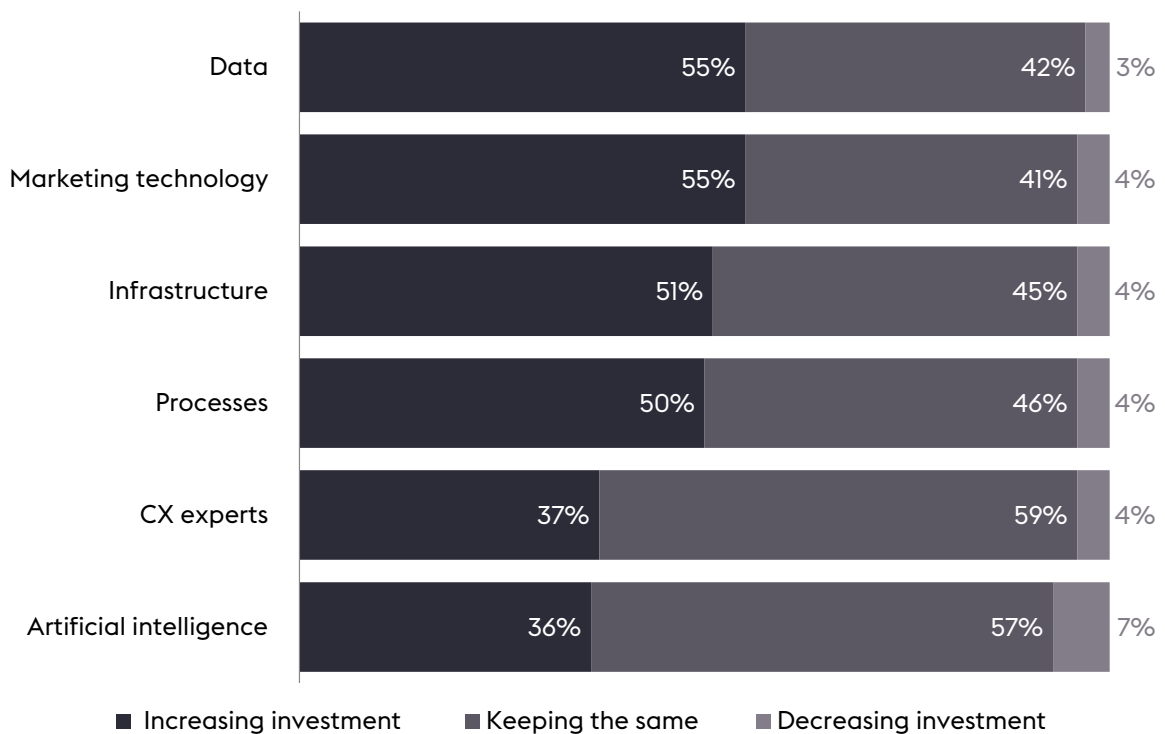
Someone who has been involved with customer experience programmes at both established brands and at the startup end of the spectrum is Sanjit Badhan, a CRM consultant who was until recently Head of CRM at international financial remittance company **TransferGo**. He explains: *“I was in the fortunate position of being able to look at the end-to-end customer experience which is much more difficult when you are working for a large organisation with silos, and a divide between operational and commercial teams.”*

Understanding the customer is naturally pivotal to any effective CX effort. Without data on customers and their behaviour, organisations are at best relying on guesswork when they decide how to optimise experiences, and why. But to extract high-quality, actionable data from different sources is highly challenging, and drawing out insight from the numbers requires significant resource in itself – both human and technical.

Naturally, many respondents see data as a key building block of CX. Four in ten put it in their top three in terms of CX importance (Figure 4), and more than half (55%) say they are increasing investment in how they make use of data for CX (Figure 7).

Marketer survey

Figure 7: In which of the following areas are you investing to improve the customer experience?



Respondents: 739



Voice of the brand



“From a technology and process perspective, we are fine. Our challenge in a large organisation is getting consistency across all the various businesses. We are not a house of brands, everything is a Philips product. We do have an opportunity to pull across our whole portfolio, templating user journeys, making sure all apps function the same and having a common component library that drives commonality across B2B and B2C.”

Blake Cahill

Senior Vice-President of Digital Marketing and Media, **Philips**



“It is a real challenge to keep things simple for customers when dealing with the complexity of legacy infrastructure. Full personalisation is the holy grail, but adds yet another layer of complexity. Delivering a seamless end-to-end customer experience is much easier in a greenfield context, but with legacy systems you never completely crack it.”

Mark Evans

Marketing Director, **Direct Line Group Insurance**



“The asset management industry is at the start of its customer experience journey. The next challenge is for the industry to deliver a revised proposition – not just a service – centred on the needs of its clients and which achieves shareholder value. At BNY Mellon Investment Management, our multi-boutique model enables us to be relevant to each and every client. We believe being easy-to-deal-with is key. It’s one of the ways we add value as we play our part in actively growing the wealth of our clients, communities and economies to grow collective prosperity. We want every interaction to be beneficial to our clients and so we’re blueprinting and systemising what constitutes ‘true relevance’ at every touchpoint. This is becoming more and more of our focus in our end-to-end operation. We believe this focus in our everyday operations brings greater opportunity to work seamlessly with our clients and advisors, bringing new ways of working that offer greater involvement, control and choice of access to investment solutions.”

Anne-Marie McConnon

Chief Marketing Officer – Investment Management, **BNY Mellon**



“We have customer experience teams and customer journey teams. We see the customer experience team as being like the architects whereas customer journey teams are more like the plumbing and the wiring. The insight, proposition and marketing teams are all very much involved.”

Margaret Jobling

Group Chief Marketing Officer, **Centrica**

17

The culture gap: importance of a customer-centric culture

The right kind of culture underpins success when it comes to being able to deliver on customer experience. Different departments need to be united around the same customer-centric objectives if brands are to succeed. However, worryingly, only 17% of business respondents strongly agree with the premise that their entire organisation is united around overall customer experience goals. In an age when there is so much talk of automation and AI, the human touch is also crucial.

Becoming a customer-focused organisation can often require significant cultural adaptation, especially for larger incumbent brands that can be set in their ways and preoccupied with defending their turf. Just as with outdated technology, processes and management thinking, legacy culture can be a major barrier to progress in customer experience programmes. Putting the customer first does not always chime with the onus on economies of scale that can dominate within many larger and more established companies.

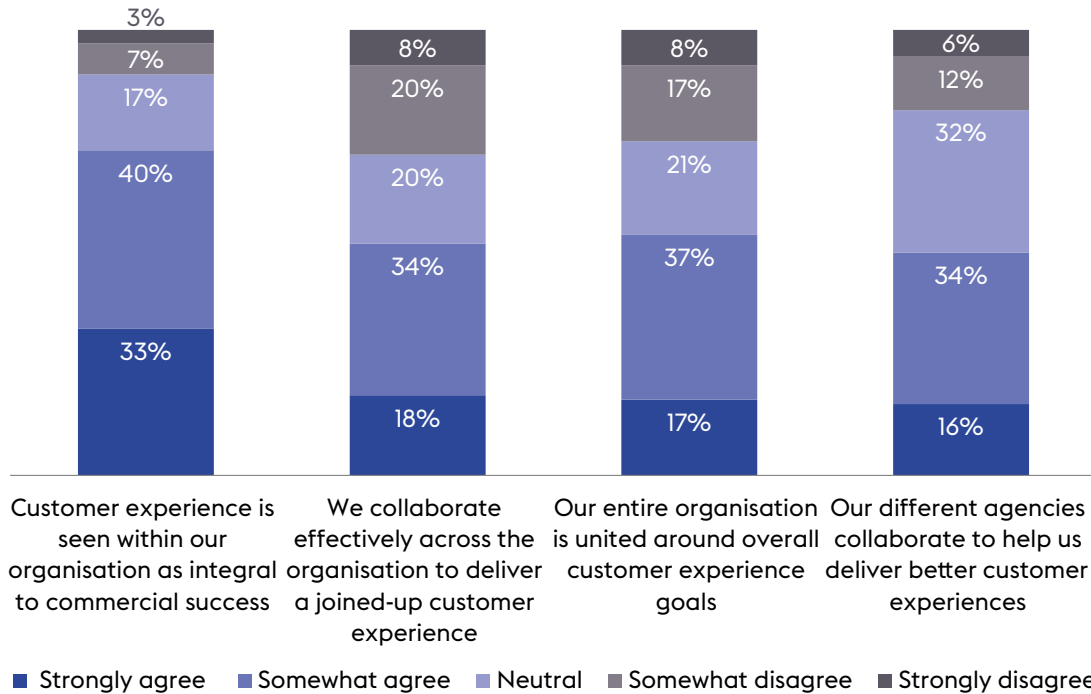
Customer requirements are multi-layered, and constantly shifting, so CX success relies heavily on agility, collaboration and willingness to change. *“A block we often come up against is that there are a lot of people who think they know what a customer wants and will design it to suit a certain use case”,* says Adrienne Gormley, Vice President of Global Customer Experience at **Dropbox**. *“But you find in the real world that users will find many other use cases for it. It’s critical to understand how those use cases are impacting customer experience.”*

To be truly customer-focused, the whole business must understand and buy into CX goals. However, for many organisations, there is a lack of consensus across departments with objectives behind decision-making remaining blurred. Very few respondents to our survey (17%) strongly agree with the premise that their *‘entire organisation is united around overall customer experience goals’* (Figure 8).

Often, this cross-department disunity boils down to the lack of a cohesive strategy and culture – rather than more practical divisions such as technology or structural divides. As such, it is imperative for those leading CX efforts to make the benefits of customer experience come alive for the rest of the organisation, and to convey them in terms that various stakeholders will understand.

Marketer survey

Figure 8: Please indicate whether you agree or disagree with the following statements relating to your customer experience.




Respondents: 373

Tom Daniell, Retail and Brand Marketing Director at **Aviva**, notes that “every business has a cultural challenge that says: ‘how do we [shift from being] a company that hasn’t historically prioritised customer experience?’. It’s the difference between how we come across on the phone versus just optimising the speed of that phone call.”

For many companies, the planning for cultural transformation has been done, but the execution of that vision remains a work-in-progress. Nearly three-quarters (73%) of marketers agree that CX is seen as ‘integral to commercial success’ within their organisation, so broad buy-in has been achieved. However, far fewer (52%) agree they have translated that into being able to ‘collaborate effectively across the organisation to deliver a joined-up customer experience’.

Mark Evans, Marketing Director at **Direct Line Group**, highlights the importance of a clear mission all staff can assimilate. “Our overall mission is to make insurance easier and better value. It may sound low-level but the reality is that insurance and other multichannel service sectors like telecoms and utilities are complicated and messy. Making things easy is a defining mantra that keeps you honest,” he says. “We have to imbue everyone in the brand promise – what would the fixer, Winston Wolf, do? That’s the cultural layer over and above the quantifiable methodology.”



73% of marketers agree that CX is seen as ‘integral to commercial success’ within their organisation.

As an example, Evans relates that the employee managing the social feed one day noted a customer’s complaint that their stolen TV had yet to be replaced and they wouldn’t be able to watch the boxing that evening with their friends. Noting they lived nearby, the social media manager got in their car, picked up their own TV and loaned it to the boxing fan for the night. *“That wasn’t in the manual,”* he adds.

This anecdote is a reminder of the ongoing importance of the human touch for many businesses seeking to improve customer experience and perception of their brands. While automation and personalisation at scale will be integral to success for many as AI and machine learning move higher up the business agenda, stories like this underscore the importance of a human face for many brands in a world where many people will remain distrustful of purely automated interactions without any human-to-human contact.

Another important capability for businesses is being able to feed information back into the business. Many companies struggling with customer experience find their ‘voice of the customer’ activities have either happened in isolation, or the results don’t make sense to the rest of the organisation. *“We have a really well-developed NPS suite of metrics to check we’re meeting expectations. Our customer metrics are reported all the way up to the board every month and it makes up part of everyone’s bonus, so it’s everyone’s problem,”* says Evans.

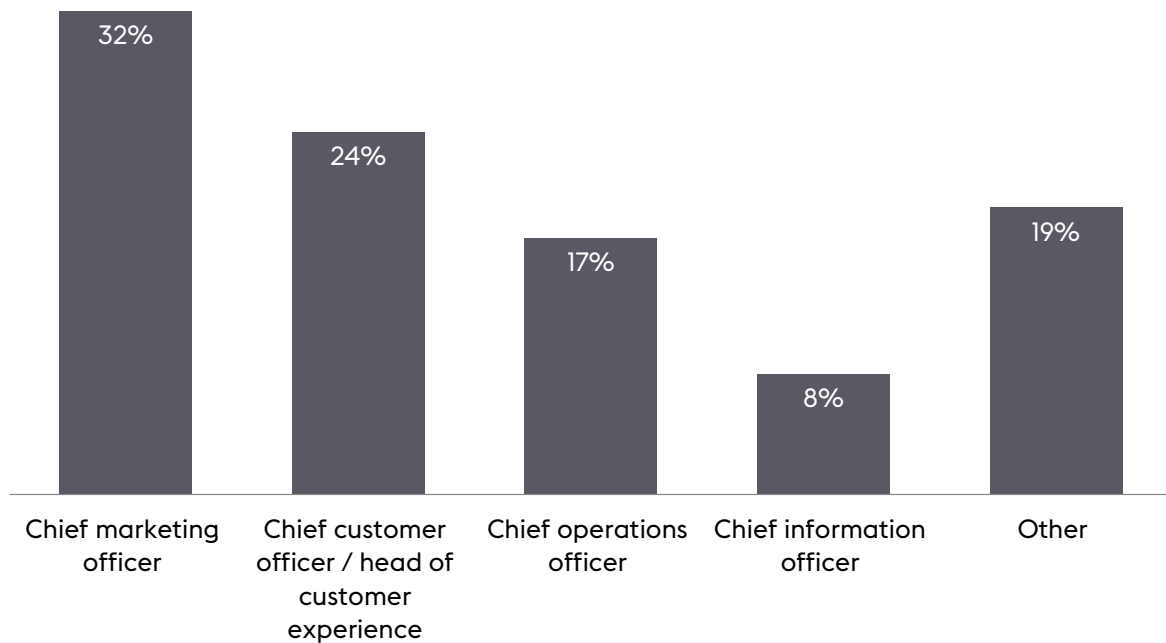
“We have listening posts at various stages,” says **Dropbox’s** Gormley. *“Is the support team coming back time and again with customers tripping up at the same point, or is there lots of traffic on community posts? It’s important that this all feeds back into product and design.”* She also emphasises the need for focus: *“What is the customer trying to do? The most important thing is making that easy. And making sure it delivers what they expect it to do.”*

“On a very practical level, the business’ growth rate and site conversion rate are great indicators,” says Maya Moufarek, Chief Marketing Officer at Pharmacy2U. “If they flicker, it might be an indication of mismatch. Customer feedback received through service review sites such as Trustpilot or Feefo, or through customer service queries and complaints, or more in-depth and proactive research such as customer surveys and focus groups, are other ways to stay on top of it.”

Figure 9 shows who within the organisation is ultimately responsible for the customer experience. While a pan-organisational approach is required for success, the C-level executive ultimately responsible will vary from business to business. Respondents to our business survey were most likely to say that the *chief marketing officer* (32%) is responsible, followed by the *chief customer officer* (24%).

Marketer survey

Figure 9: Who is ultimately responsible for the customer experience within your organisation?



Respondents: 763



Voice of the brand



“An organisation needs to be focused on its purpose when it comes to its relationship with customers. What is the nature of its relationship with customers? Is it about empowerment, making customers feel better about themselves, or about supporting or rewarding them? Having a defined purpose makes conversations about customer experience suddenly much easier, for example how to align different channels, thinking about commercial objectives, and how to organise people and teams. You need to embed that within the business but it’s amazing how many organisations don’t have that in place.”

Sanjit Badhan

Founder, **BasesysOne**, and former Head of CRM, **TransferGo**



“Being invested in what matters most to clients does bring some healthy challenges along the way. For example, creating a sustainable holistic approach end-to-end isn’t always easy. That said, our teams see this as an opportunity to deliver the best we can for our clients. Knowing this has corporate focus creates a great place to work, learn and grow, with our people feeling confident in challenging us to continually improve all we do.”

Anne-Marie McConnon

Chief Marketing Officer – Investment Management, **BNY Mellon**



“We gave the call centre team a budget and said they had licence to spend it however they wanted if it would hand the customer a good experience. We came back to check on it, thinking they would have bought a customer a hamper or something, but nothing. They still think they can’t do it. It’s not a million miles away but it takes time to change.”

Tom Daniell

Retail and Brand Marketing Director, **Aviva**



“Very simple things can be done to understand ROI [from CX investments]. One is understanding contact centre demand. Most customers don’t want to phone us, they want straight-through processing. They’re only phoning because something hasn’t worked. If you understand the type and frequency of those contacts and feed it into the change process you can stop demand coming in at source and measure it. How much money have I saved and what’s the positive impact in terms of the effort score and output NPS? If you’re thinking about ways of articulating why a focus on customer experience is a good idea, this is a really good place to start.”

Michael Sherwood

Head of Customer Experience, **Atom Bank**

The technology and data gap: the challenge of legacy infrastructure and data silos

Great customer experiences are underpinned by joined-up technology platforms that allow for a 360-degree view of the customer, and, among other things, effective automation and personalisation of marketing through the right channels at the right time. Two-thirds (66%) of business professionals surveyed say their systems are ‘not sufficiently joined-up to deliver great customer experiences,’ and almost a quarter (23%) regard legacy technology and infrastructure as the most significant barrier to CX success. Disconnected technology platforms and problems with data go hand in hand. Only half (50%) of companies agree they are ‘able to access the data they need across organisational silos to derive actionable insights’.

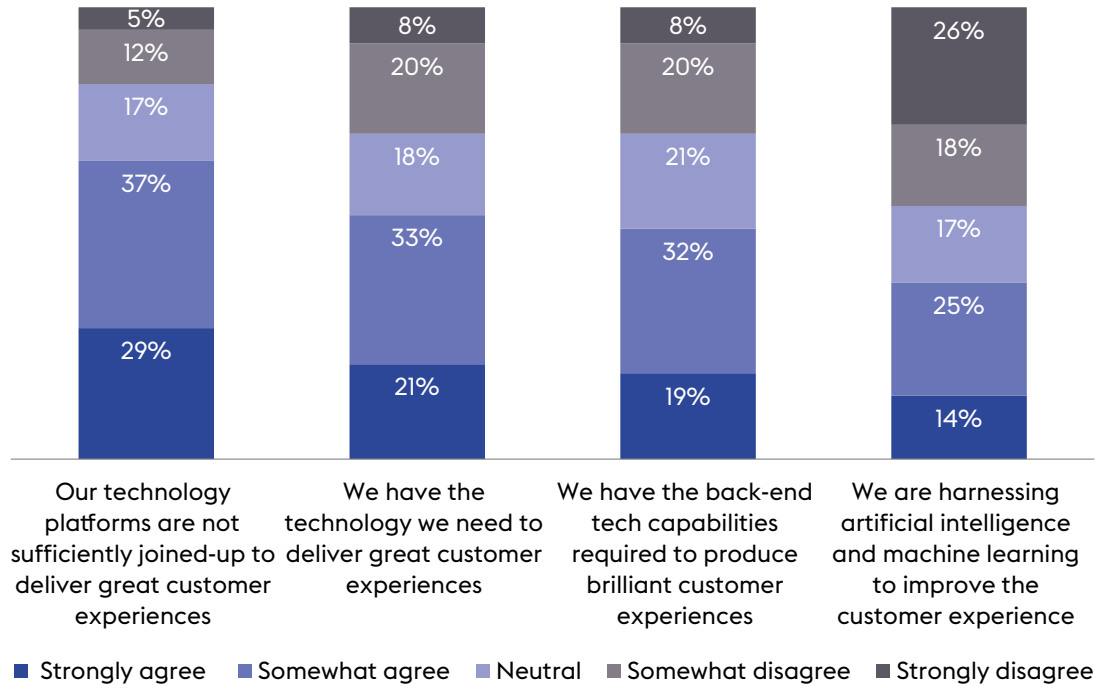
CX is fundamentally about people, and empowering them to achieve what they want in the most efficient and effective way possible – whether they are customers or the employees working to ‘delight’ them.

To allow this to happen, the organisation must have a smoothly operating technology stack. A well-integrated set of solutions is one of the keys to unlocking customer insight, by allowing broad and deep visibility into data. It also, in turn, enables automation, optimisation and personalisation of marketing communications in a way that is just not possible when tasks are performed manually. The multi-faceted and relentless nature of CX improvement means a robust and effective technology platform base is crucial. Few CX initiatives involve only one channel or system, or can be layered on top of existing activity.

Exploring the possibilities of automating CX tasks is very much on the agenda for many companies. Thirty-nine percent of respondents say they are now ‘*harnessing artificial intelligence and machine learning to improve the customer experience*’ (Figure 10). These technologies have huge potential as enablers for businesses focusing on CX transformation, bringing the benefits of speed and scale to analysis of data, creation of content and real-time delivery of compelling, personalised experiences.

Marketer survey

Figure 10: Please indicate whether you agree or disagree with the following statements relating to your customer experience.



Respondents: 370

On the subject of AI, Centrica's Jobling says that *"the potential there is phenomenal and, like other businesses, we are experimenting to build our knowledge and see where the value exchange is. We are looking at how we operationalise and production-ise it."*

It is evident, however, that many organisations, and their employees, are being hamstrung by technology when seeking to improve experiences for their customers. Only around half (54%) of respondents agree they have the 'technology they need to deliver great customer experiences'. Often, headaches reside in the data access layer underpinning applications, with only 51% saying they have the 'back-end tech capabilities required to produce brilliant customer experiences'.

There is also a clear shortfall in the integration of the multitude of applications feeding into CX improvement – vital for businesses to gain a clear picture of customer trends and deliver cohesive and consistent communications. It is by no means uncommon to hear marketers bemoan the poor integration of certain tools as having blocked the path to a particular CX initiative. Two-thirds (66%) of executives concede their systems are 'not sufficiently joined-up to deliver great customer experiences.'

According to Econsultancy's 2018 Digital Trends Report³, published in partnership with Adobe, organisations that have invested in an 'integrated, cloud-based technology stack' are nearly twice as likely to significantly outperform their competitors than the rest (28% vs. 16%). Often – but not always – integration and other technical barriers can be blamed on older applications that have weaknesses in terms of feature-set and focus.

Departments are often stuck with these systems not only because of the financial costs of decommissioning and replacement, but also because of resistance to changing the modes of working associated with them. Swapping out legacy platforms often brings difficulties of user acceptance, with workflows having built up around old systems and employees having introduced their own shortcuts and workarounds to address their deficiencies. New systems also require new training, and often come alongside a refresh in company objectives that also require staff to change mindset.

Legacy technology and infrastructure was the single most prominent reason provided by respondents when they were asked what they saw as the most significant barrier to a better customer experience (*Figure 11*). Almost a quarter (23%) selected this option, placing it ahead of organisational, cultural and strategic factors.

Again, technology can be an area where newer companies are at an advantage when it comes to building a completely customer-focused organisation (although problems of scaling up systems can also be highly challenging). **Centrica's** Jobling notes that *“there are companies like Amazon and John Lewis that people aspire to, but I'm most interested in the big financial institutions like Barclays that have modernised to better serve the customer.”*

³ <https://www.econsultancy.com/reports/digital-intelligence-briefing-2018-digital-trends>

Legacy technology and infrastructure was the single most prominent reason provided by respondents when they were asked what they saw as the most significant barrier to a better customer experience.



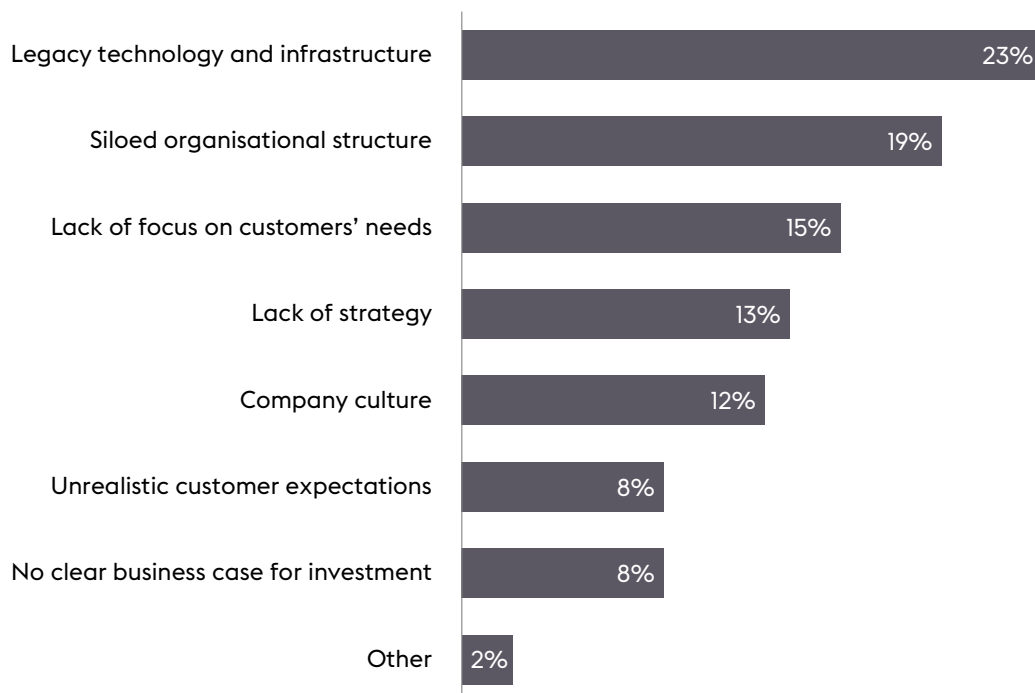
“We are the size of a small country, so you can imagine the multiple touchpoints. At what point do you say it’s easier to rip the house down versus adding another extension?” she adds.

Although *siloed organisation structure* comes a relatively close second to technology, at 19%, responses featuring earlier in this report suggest a higher level of confidence among businesses over overcoming of challenges when it comes to organisation, as opposed to technology systems.

Lack of focus on customers’ needs (15%), *lack of strategy* (13%) and *company culture* (12%) also feature prominently, tallying with the importance of twinned cultural and strategy CX foundations discussed in *Section 7* and *Section 8*.

Marketer survey

Figure 11: What do you regard as the most significant barrier to a better customer experience?



Respondents: 756

Bridging the data gap

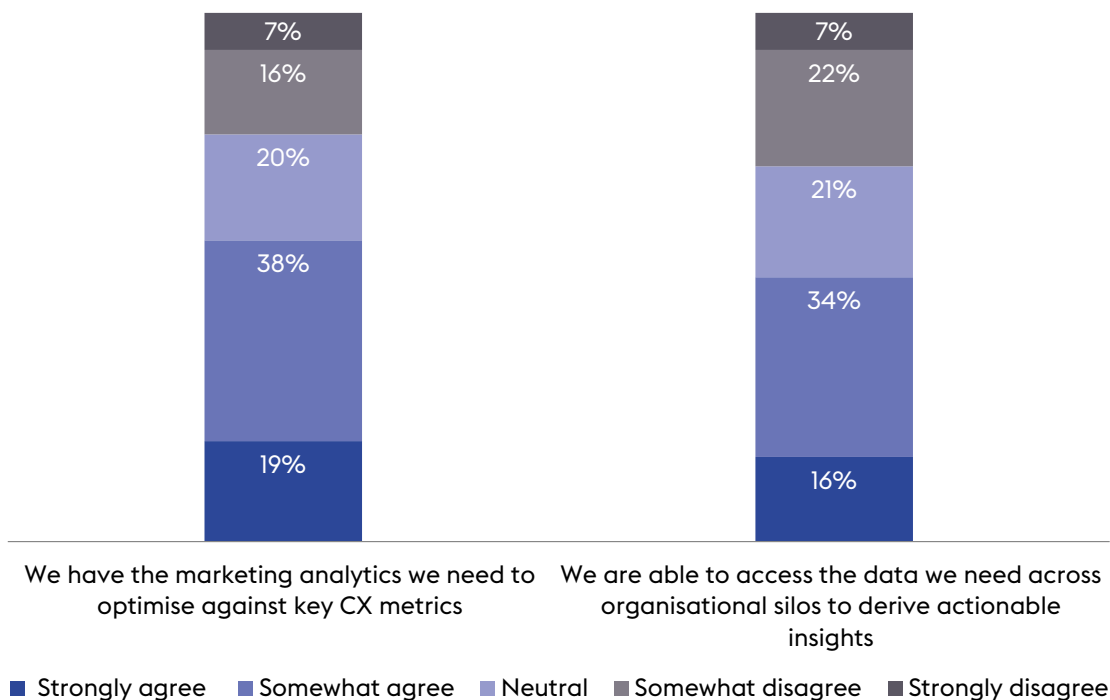
The purpose of CX and marketing technology is ultimately to help organisations harness data to maximum effect. Integration of technology platforms means that organisations have a more complete view of customer interactions, with better insights and decision-making another tangible benefit.

As with technology, it is clear many organisations still need to work out how to exploit data fully. It was seen in *Figure 5* that only 56% of respondents describe their data capability as ‘excellent’ or ‘good’, and it is evident that organisational and technical barriers to data sharing and insight continue to hamper many companies.

Only half (50%) agree they are ‘able to access the data [they] need across organisational silos to derive actionable insights’, and only a slightly higher percentage (57%) deem themselves to have the marketing analytics required ‘to optimise against key CX metrics’ (*Figure 12*).

Marketer survey

Figure 12: Please indicate whether you agree or disagree with the following statements relating to your customer experience.



Respondents: 373

The design gap: mastering front-end design and content

The proliferation of devices, channels, touchpoints and marketing messages has made it harder to deliver a unified customer experience, but companies that can get this right will reap the rewards. Design-driven companies have consistently been shown to deliver better business performance. More than half (59%) of companies agree that they have the front-end design capabilities to create brilliant customer experiences, though only 53% say they can ‘prototype website enhancements in a collaborative environment’. As well as design, this section looks at how the right content strategy is also key to success.

Engaging consumers is hard, made so through the proliferation of devices, channels, touchpoints and marketing messages. Modern marketers have to carve their own path to their customers, whether through personalisation or experience design. The concept of design thinking has gained increased prominence in recent years, aiming to help marketers be more creative in their execution through digital assets and products, and in doing so, improving the user experience.

According to the Design Management Institute’s Design Value Index⁴, design-driven companies outperformed the S&P 500 by 211% between 2005 and 2015.

Leading with design necessitates standing in the customer’s shoes, creating experiences that don’t just get them from A to B, but create an enjoyable experience on the way; one which the customer will want to return to. Returning to the theme of customer choice, a well-designed website goes that extra distance to meet the needs of consumers, providing information and experiences beyond their expectations so they choose that brand over a competitor.

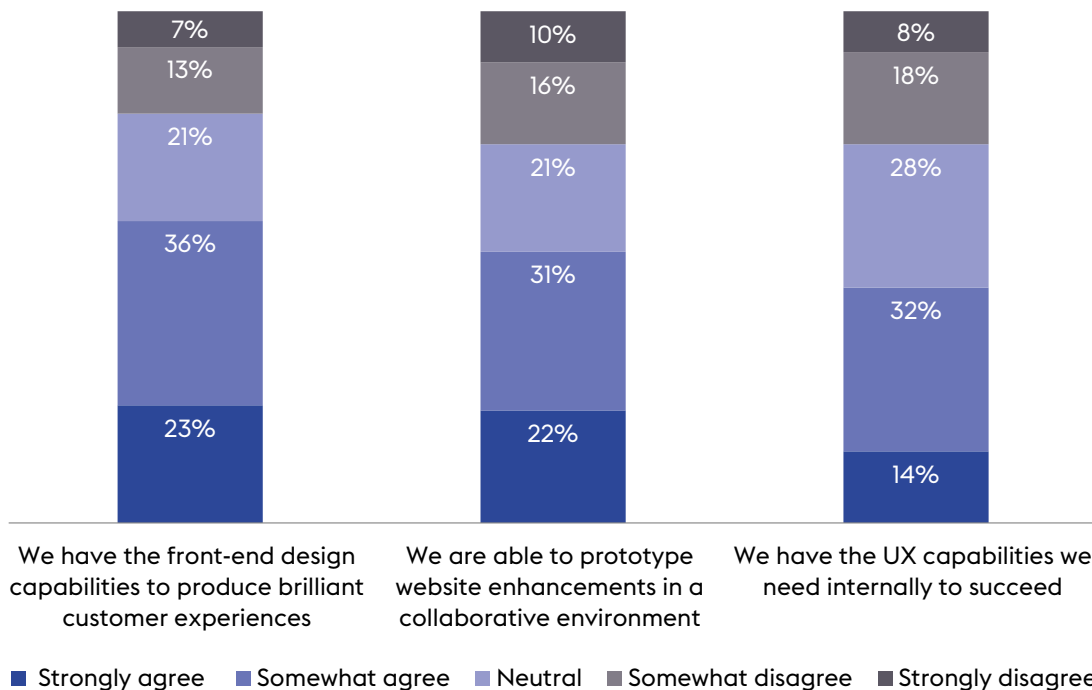
4 <http://www.dmi.org/?page=2015DVlandOTW>

It was already seen earlier in the report that experience design is regarded as the third most important component for CX success (Figure 4).

Encouragingly, 59% of respondents agree that they have the 'front-end design capabilities to produce brilliant customer experiences' (Figure 13). A slightly lower proportion (53%) are able to 'prototype website enhancements in a collaborative environment'. As design and UX have grown in stature and importance, business leaders are right to give these functions a seat at the top table, so that the right kind of thinking is ingrained into CX-related projects from the start.

Marketer survey

Figure 13: Please indicate whether you agree or disagree with the following statements relating to your customer experience.



Respondents: 373

The content imperative

In an era of vast customer choice, an individual's perception of a brand is the sum of their experiences with it; a formula that can determine a purchase decision of one brand over another. Content is a key component of that equation, enabling a brand to engage with customers regardless of device or channel, providing answers and information as a seamless part of the journey.

In her interview with Econsultancy, Pharmacy2U's Maya Moufarek explained, *"We need to know when in the journey questions appear and be able to surface the answers correctly at the right point in time, without having to hunt for it in some distant FAQ."* But content plays more than one role for brands; it is used for lead generation, for customer retention, for the added 'surprise and delight' that keeps customers interested and returning for more.

The kings of content – think Red Bull, General Electric and Glossier, to name a few – use content not just directly associated with products and purchase journeys, but to engage consumers outside of a purchase path, strengthening their brand image and ensuring it is front of mind.

Incorporating content into CX strategies should prevent a peak of engagement followed by a trough as a piece of content achieves an immediate engagement that is not maintained. Avoiding these peaks and troughs requires a content strategy; a continuous narrative brought to life across channels and devices. More than half (56%) of marketers agree they have the 'content strategy [they] need to deliver against [their] CX objectives', but a higher proportion (62%) agree that the concept of 'always-on content' is 'difficult to execute' (Figure 14).

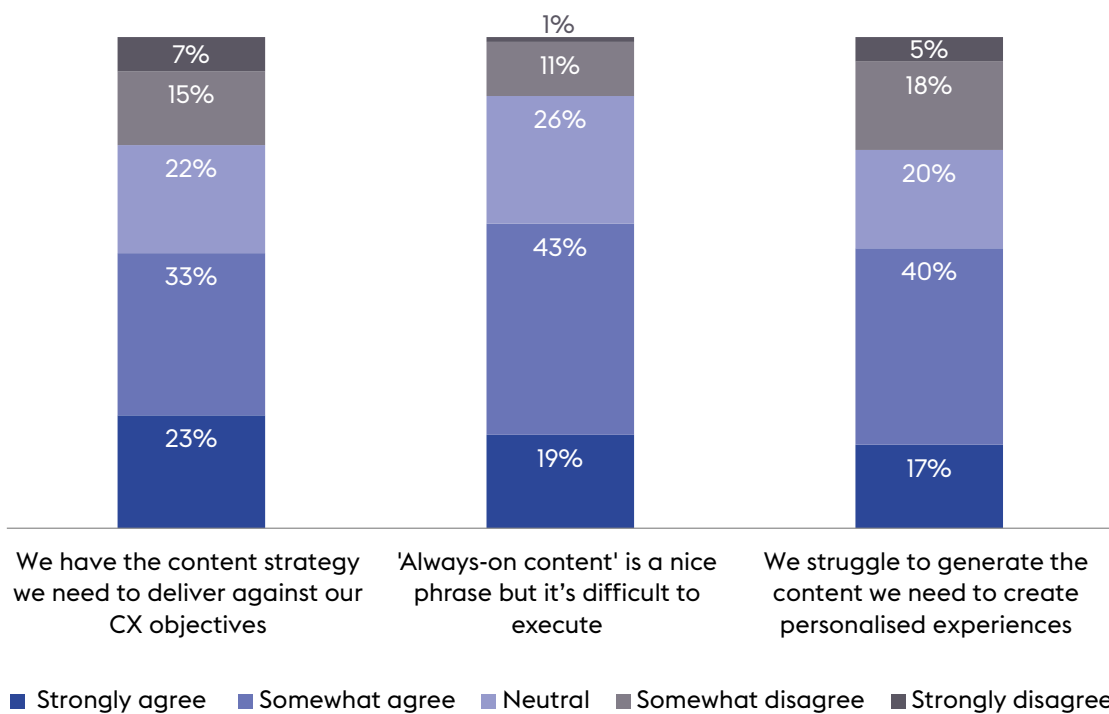
More than half (56%) of marketers agree they have the content strategy they need to deliver against their CX objectives.

For many, a good customer experience is synonymous with a personalised experience, and the leading brands are those that manage to create a constant stream of channel-specific, engaging content that is also personalised to the individual. These leaders have marketing strategies centred on content, driven by the needs of the customer and not by the marketing messages that these businesses would prefer to push.

Personalised content relies on the content created being flexible and adaptable, across customer type and channel type. As can be seen in *Figure 14*, the majority of respondents to this survey (57%) admit to struggling to generate the content they need to create personalised experiences, highlighting the need for long-term content strategies that involve the continuous accumulation of content and the application of this content based on business objectives and data. It will be fascinating to see how quickly developments in artificial intelligence can help brands to overcome these content-related challenges.

Marketer survey

Figure 14: Please indicate whether you agree or disagree with the following statements relating to your customer experience.



Respondents: 373

The perception gap: prioritising attributes of the online experience

Companies need to ensure that they are focusing on the right aspects of the digital experience, in line with what consumers regard as most important. This section shows where there is a mismatch between marketing and consumer priorities. Marketers are overly focused on helping customers achieve what they want to do quickly, but not sufficiently focused on making sure they are providing up-to-date information, for example around availability. Based on consumer priorities, responsiveness to online enquiries is the area where companies should be most closely focused to close the gap, though the relative importance of CX drivers to consumers varies by sector.

This section of the report looks at the extent to which companies are focusing their attention and investment on the aspects of the digital experience that are most important to their customers.

We questioned both consumers and business respondents about ten attributes of the online experience, using multiple regression to generate a percentage 'importance' score for each attribute in the context of driving a positive online experience.


As can be seen in *Table 5* overleaf, while broadly in tune with consumers in some areas, there are other areas where they are evidently over- or under-indexing, offering companies an opportunity to update thinking and differentiate against rivals.

Responsiveness to online enquiries, such as via online forms, chat messages and emails, is an area where the survey suggests marketers should be doing more, with a below-average weighted importance score of only 8%. This is despite it being the aspect of the overall online experience that is seen as most important by consumers (15%), showing the significance they attach to knowing they are being listened to, and their issues acted upon.

Table 5: Drivers of a good online experience

	Marketer view: importance	Consumer view: importance
Easy to access information	14%	13%
Simple to carry out basic tasks online, e.g. book, order, download, pay	10%	8%
You can achieve what you need to do quickly	15%	10%
Information is personalised to your needs	12%	8%
Up-to-date information, e.g. availability and pricing	5%	9%
The online experience reflects your other dealings with the company	15%	11%
Easy to deal with company via your smartphone	8%	10%
Brand anticipates your needs and makes timely recommendations	9%	8%
Information is relevant to your location	4%	9%
Responsive to your online enquiries (e.g. through online form, online chat or email)	8%	15%

Methodology note: Percentages are derived using multiple regression to model the impact of each attribute of the consumer experience with overall online customer experience satisfaction. The regression model isolates the unique impact of each attribute, thus allowing us to determine which attributes are the most important at driving a positive online customer experience. Attributes were sometimes phrased slightly differently in the marketer and consumer surveys.



Marketers attach significantly higher importance to users' ability to achieve what they need to do quickly than customers themselves (15% vs. 10%).

As can be seen in *Figure 15*, though 26% of companies do claim to have achieved excellence in this area, more than a third (35%) regard themselves as, at best, only 'okay'. This result points to the potential of automated customer support bots to improve responsiveness to online queries, but also gives food for thought about ensuring these deployments are implemented with care, and are in line with customer requirements, rather than just targeted at creating cost savings.

While it is difficult to eliminate enquiries completely, and for some businesses this channel serves as a cross- or up-selling opportunity, companies should also consider how they can reduce online enquiries by ensuring that the right information is provided clearly.

Other areas where marketers are under-indexing on importance include ensuring information on the website – such as product availability and pricing – is up-to-date (5% vs. 9%), and that online experiences are optimised for smartphones (8% vs. 10%). Online information focused on location is also more highly rated by users than marketers (9% vs. 4%).

Marketers attach significantly higher importance to users' ability to achieve what they need to do quickly than customers themselves (15% vs. 10%). The figures suggest that the narrative of permanently time-pressured customers has been overplayed, though this is of course still important.

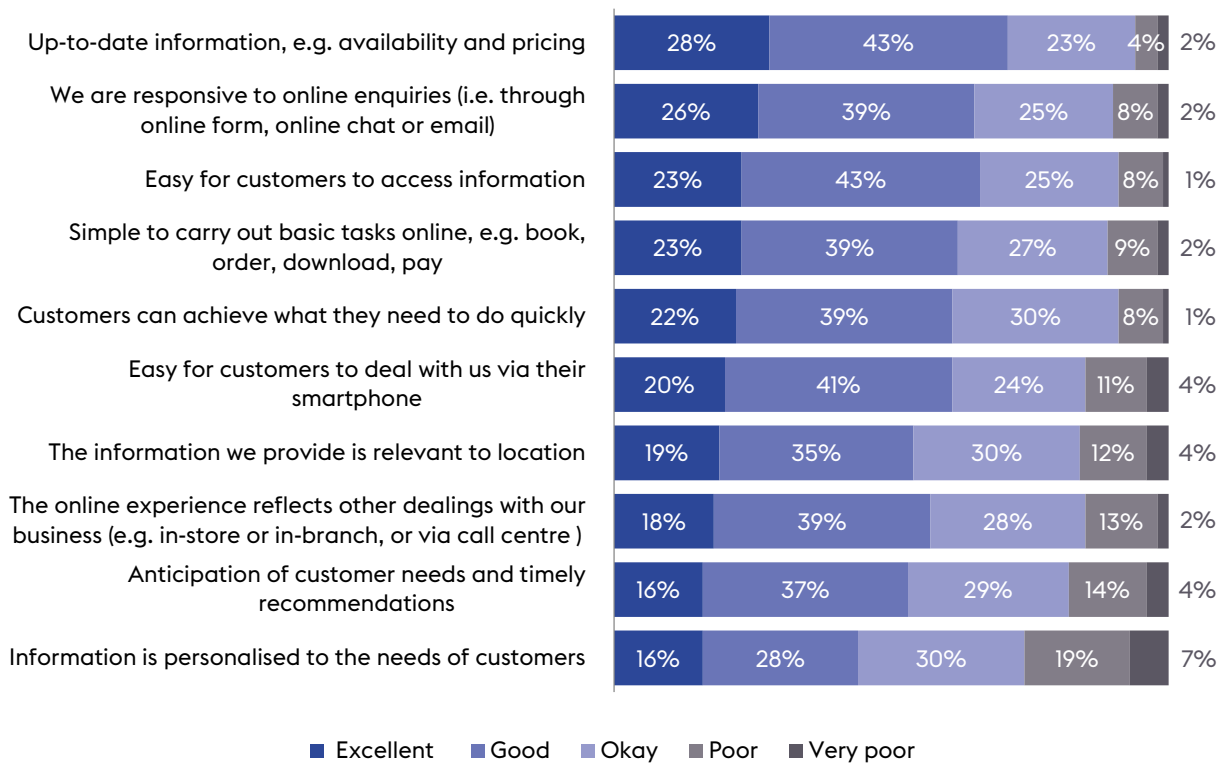
The importance percentage for marketers is equally high for the 'online experience reflecting other dealings with the business' (15%), though consumers also give this attribute above-average importance (11%). The research suggests that marketers have been focusing heavily on a more multichannel or omnichannel approach to business, perhaps compensating for the kind of lack of co-ordination between touchpoints that has been called out by consumers in the past. It is likely the case that many consumers now take a joined-up approach for granted, giving companies even less leeway for getting this wrong.

Personalisation of information is another area marketers see as more important than consumers (12% vs. 8%), suggesting that as consumers we are more tolerant of a non-personalised experience than as marketers we have been led to believe.

Ease of access to information online is an area where marketers and consumers are closely aligned (14% and 13%, respectively). Making information easily accessible online is a clear opportunity for marketers to make competitive gains by deploying the strong front-end design highlighted in *Section 10*. Showing the potential for differentiation, less than a quarter (23%) of marketers deem their company's performance as 'excellent' when it comes to online information access (*Figure 15*).

Marketer survey

Figure 15: Thinking about the online customer experience your organisation provides, how do you rate your performance across the following areas?



Respondents: 784



Voice of the brand



“Historically, there have been a series of separate customer journeys, rather than something consistent and integrated. People don’t care about what’s happening in your business and how you structure your back office. We systematically tackle every customer journey and every pain point and try to make it an effortless experience. You can’t just put a sticking plaster on a pain point because that will cause a problem somewhere else within the business.”

Margaret Jobling

Group Chief Marketing Officer, **Centrica**



“A high-effort experience will generate disloyalty. We are monitoring it and it can be hard to improve because we need to understand why customers need to get in touch with a service agent and examine the user experience of the website. We also have a long purchase cycle and so have to make sure the conversation is continuous and the customer doesn’t have to repeat themselves – instead that we are always building on the previous conversation.”

Saul Lopes

Head of CRM and Loyalty, **Virgin Holidays**



“Customers want us to put them first but mean it, in everything we do and everything we design. A way of doing that is by involving them directly. Customers aren’t about fads. Brilliant customer experience is about delivering things in a straightforward way that makes their lives easier.”

Michael Sherwood

Head of Customer Experience, **Atom Bank**



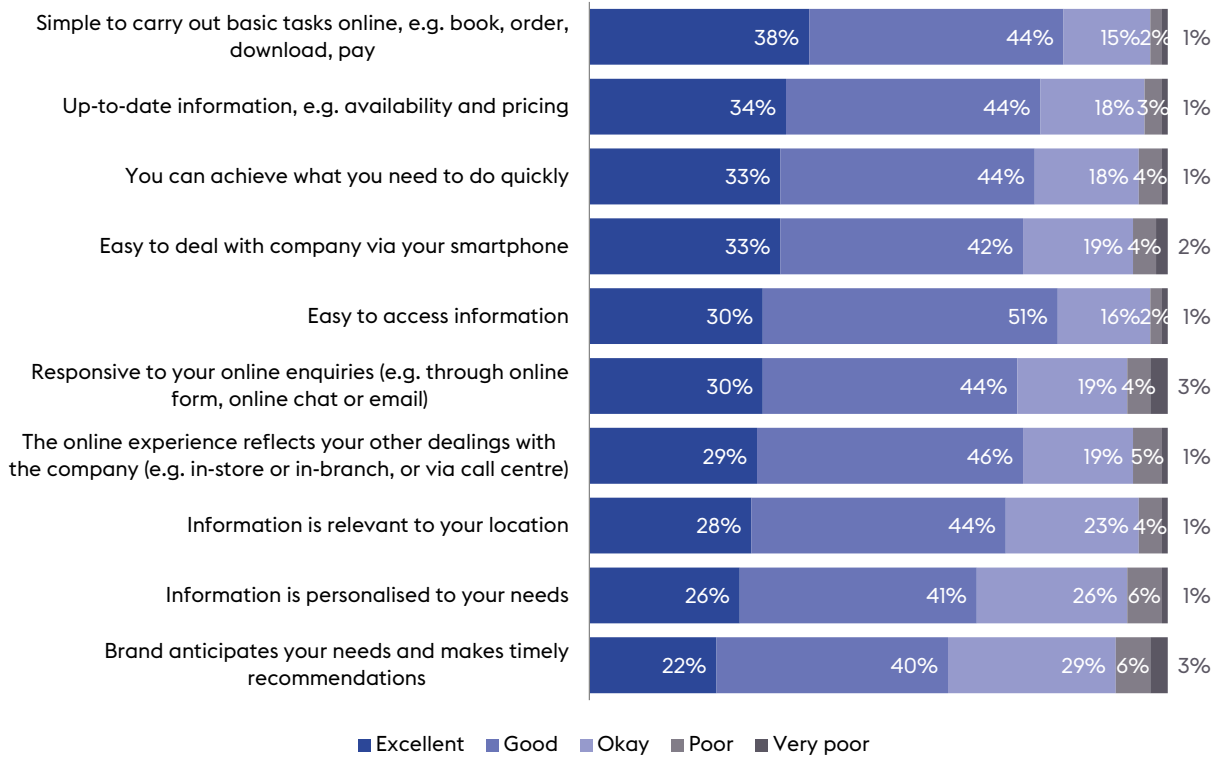
“It’s not hard to identify CX improvements – it’s in the hard yards of implementing it. We had 200 ‘pain points’ in 2013 and it was then about the ruthless, systematic process of picking them off, one by one. In our ongoing quest to make insurance easier for customers, we probably have 200 new ones.”

Mark Evans

Marketing Director, **Direct Line Group Insurance**

Consumer survey

Figure 16: Thinking about your recent online experience dealing with this company, please rate it for the following.



Respondents: 1,200

Why customers rate certain online experiences more highly than others is not always simple to explain, and variances by sector show the importance of scrutinising and tracking expectations over time.

Philips' Cahill notes there are 'tiers of expectation' to uncover and apply to online CX. "You have to look at your industry and your vertical. The major trend is frictionless interaction and that's a thread that can go across everything. The bar around service is certainly higher because of the access customers have on platforms like Twitter", he adds.

Consumer survey

Table 6: Drivers of a good online experience by sector

Key drivers of a good online customer experience	Index of importance					
	High-street retail	Banking	Utilities	Mobile phone operators	Insurance	Private healthcare
Easy to access information	202%	73%	81%	84%	108%	96%
Simple to carry out basic tasks online, e.g. book, order, download, pay	134%	73%	106%	89%	90%	133%
You can achieve what you need to do quickly	65%	124%	121%	89%	89%	90%
Information is personalised to your needs	34%	144%	113%	201%	91%	57%
Up-to-date information, e.g. availability and pricing	28%	85%	117%	117%	102%	151%
The online experience reflects your other dealings with the company	98%	122%	85%	67%	118%	113%
Easy to deal with company via your smartphone	71%	48%	89%	118%	91%	142%
Brand anticipates your needs and makes timely recommendations	66%	116%	100%	92%	77%	112%
Information is relevant to your location	115%	75%	141%	84%	117%	60%
Responsive to your online enquiries (e.g. through online form, online chat or email)	117%	131%	77%	93%	102%	68%

Methodology note: Index percentages are calculated by dividing the industry value by the total sample value.



Retail

For high-street retailers, ease of access to information is seen as particularly important by consumers, and an area offering opportunity for competitive gains. As seen in *Table 6*, retail consumers give it an importance rating of 27% (equivalent to an index importance rating of 202%), more than twice the average across all sectors. However, less than a third (31%) of consumers see retailers as delivering an 'excellent' online experience in this area (*Table 7*).

Oddly, given retailers' constantly shifting inventories, consumers assign relatively low importance to availability of up-to-date information on product pricing and availability. Yet retailers excel in this area, with a leading position across all verticals.



Banking and insurance

In banking, the ability to engender trust and communicate security is clearly a vital deliverable when it comes to CX design. This is reflected in both customers' high importance rating for responsiveness to online enquiries, and expectations that their online experience reflects other dealings with the company, thus elevating joined-up CX across all channels. It also runs through the resilience required of banking players' infrastructure. *"As a financial services provider, security is the number-one expectation. The next is certainty – that when I make a payment, it works,"* states **Atom Bank's** Sherwood.

Positively, given the high bar assigned to them by users, banks are seen as particularly advanced in CX. In nine out of the ten areas, they are the leading sector when it comes to providing 'excellent' experiences (*Table 7*).

Consumers rating insurance companies show a similar range of priorities as those in banking, but rate the quality of online experiences lower across every attribute.

In nine out of the ten areas, banks are the leading sector when it comes to providing 'excellent' experiences.



Mobile operators

With the high complexity of mobile tariffs and close attachment many of us have with our smartphones, it is natural that customers see availability of personalised information as more important when dealing with mobile operators than businesses in other sectors. Mobile players are at the lower end of the spectrum when it comes to personalising information, however.



Utilities

The expectations of utility customers are notable for being broad-ranging, with no CX objective majorly elevated or downplayed.

In essence, according to **Centrica's** Jobling, *“customers want their dealings to be effortless, particularly in utilities where they generally don't want to think about dealing with us and want things to be on their terms. People want speed and efficiency to get to a solution, whether that's paying a bill or booking in an appointment. Our business needs to be reverse-engineered around the customer, for example if a 9pm appointment is best for them they don't care or not if it's outside your normal hours.”*

There is a clear tendency for utilities to trail other sectors in delivering top standards of CX, with offering of timely recommendations and personalised information among areas where customers flag room for improvement.



Private healthcare

Private healthcare users are also seeking a consistent, friction-less experience when dealing with their providers. Smartphone optimisation is rated higher in importance than in any other vertical, and users want easy-to-access and up-to-date information. Perhaps reflecting privacy-consciousness when it comes to healthcare provision, users are less focused on personalisation and location-relevance than other sectors.

Consumer survey

Table 7: Proportion of consumers rating online experience as 'excellent' for the following

	High-street retail	Banking	Utilities	Mobile phone operators	Insurance	Private healthcare
Easy to access information	31%	36%	26%	30%	28%	31%
Simple to carry out basic tasks online, e.g. book, order, download, pay	51%	52%	30%	31%	33%	32%
You can achieve what you need to do quickly	36%	45%	27%	27%	29%	33%
Information is personalised to your needs	24%	32%	25%	23%	22%	30%
Up-to-date information, e.g. availability and pricing	40%	39%	26%	32%	32%	36%
The online experience reflects your other dealings with the company (e.g. in-store or in-branch, or via call centre)	32%	37%	21%	26%	25%	29%
Easy to deal with company via your smartphone	38%	44%	22%	30%	22%	36%
Brand anticipates your needs and makes timely recommendations	26%	30%	13%	20%	20%	23%
Information is relevant to your location	35%	31%	22%	23%	25%	32%
Responsive to your online enquiries (e.g. through online form, online chat or email)	34%	37%	23%	28%	26%	31%

Respondents: 1,200

Consumer survey

Table 8: Proportion of consumers rating online experience as 'poor' or 'very poor' for the following

	High-street retail	Banking	Utilities	Mobile phone operators	Insurance	Private healthcare
Easy to access information	3%	1%	7%	4%	2%	4%
Simple to carry out basic tasks online, e.g. book, order, download, pay	2%	2%	5%	2%	4%	3%
You can achieve what you need to do quickly	3%	2%	10%	9%	3%	4%
Information is personalised to your needs	6%	8%	14%	9%	4%	6%
Up-to-date information, e.g. availability and pricing	4%	2%	8%	5%	4%	4%
The online experience reflects your other dealings with the company (e.g. in-store or in-branch, or via call centre)	4%	4%	11%	9%	4%	3%
Easy to deal with company via your smartphone	2%	3%	15%	8%	4%	8%
Brand anticipates your needs and makes timely recommendations	4%	8%	18%	13%	6%	6%
Information is relevant to your location	2%	4%	11%	5%	4%	4%
Responsive to your online enquiries (e.g. through online form, online chat or email)	5%	4%	11%	10%	3%	6%

Respondents: 1,200

Appendix

/11.1

Additional data

Marketer survey

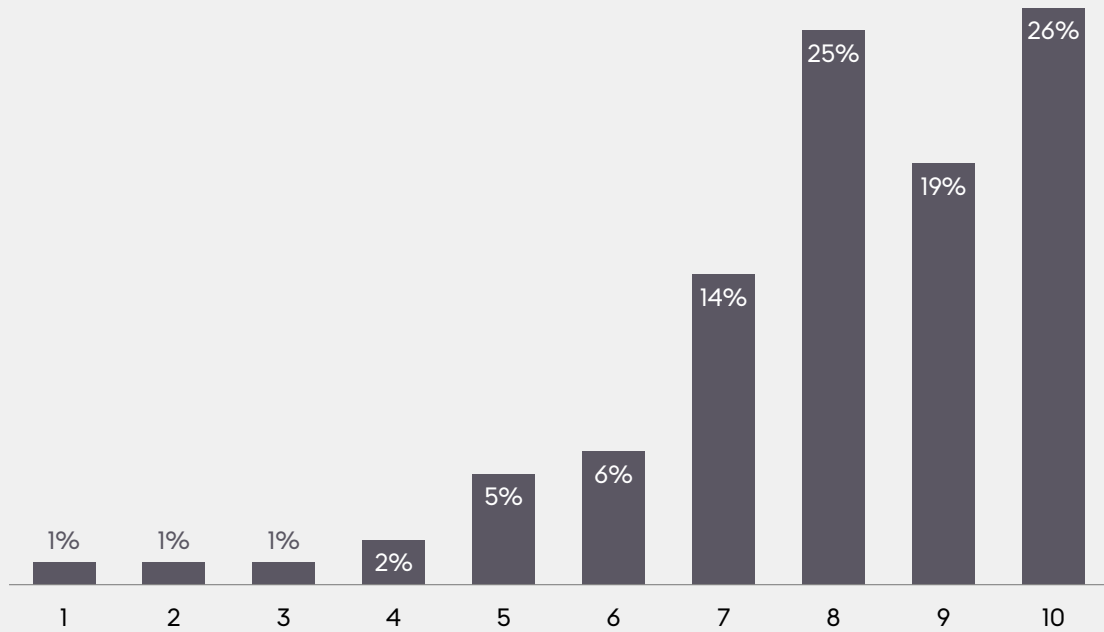
Figure 17: How important are the following aspects of the online customer experience for your customers?



Respondents: 845

Consumer survey

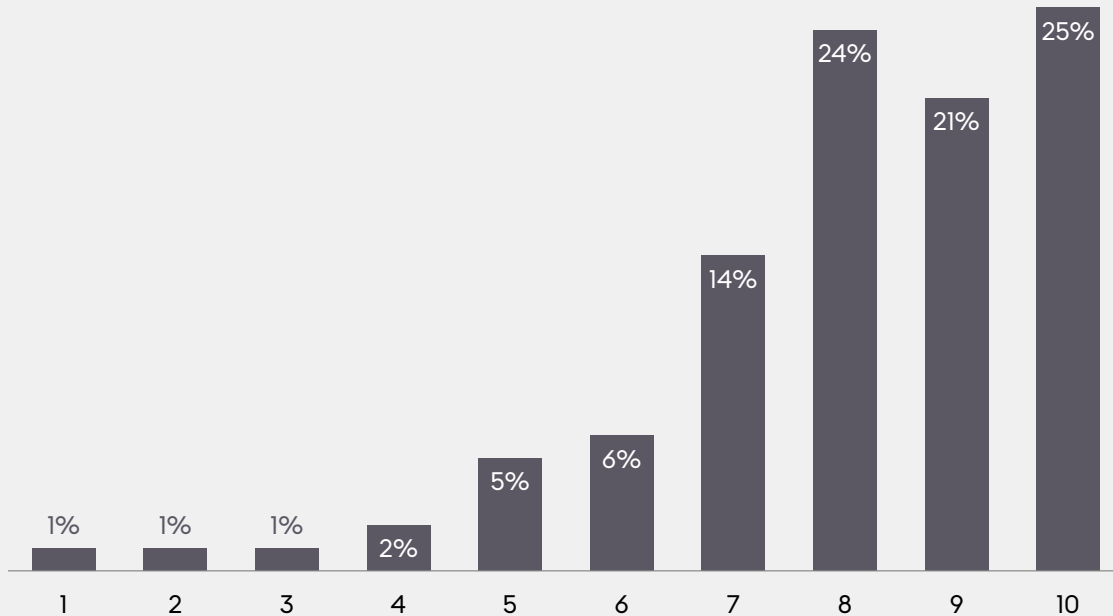
Figure 18: How would you rate the online customer experience when dealing with this company (where 1 is 'very poor' and 10 is 'excellent')?



Respondents: 1,200

Consumer survey

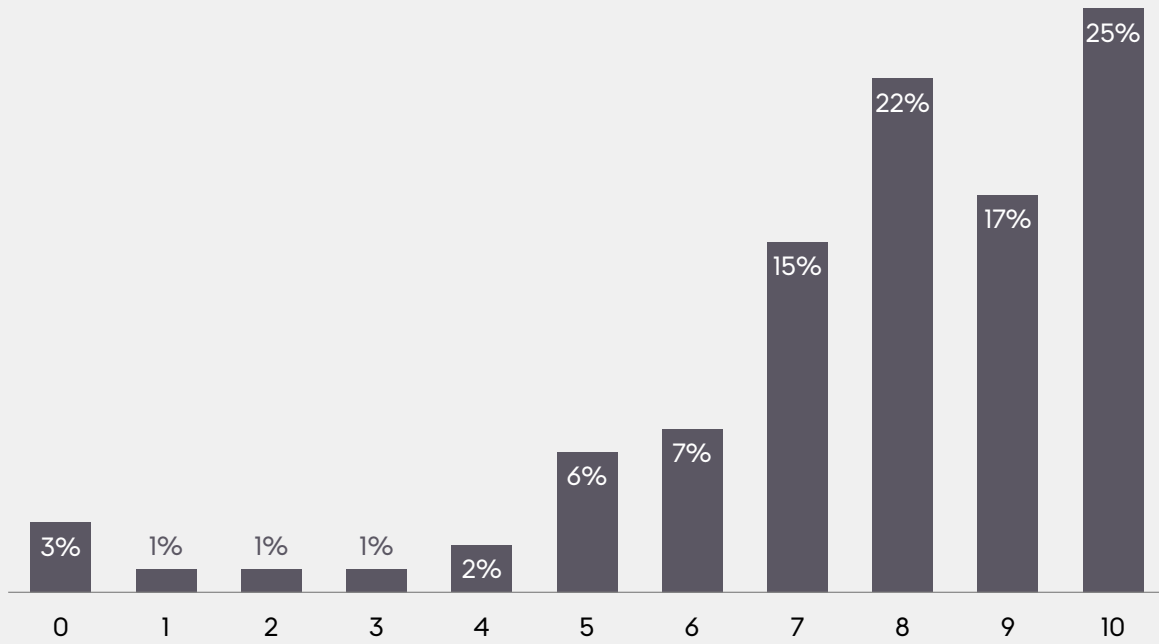
Figure 19: How would you rate the consistency of the overall customer experience across all interactions with this company?



Respondents: 1,200

Consumer survey

Figure 20: Based on the online experience with this company, how likely are you to recommend this brand to a friend or colleague?



Respondents: 1,200

Consumer survey

Table 9: Based on the online experience with this company, how likely are you to recommend this brand to a friend or colleague?

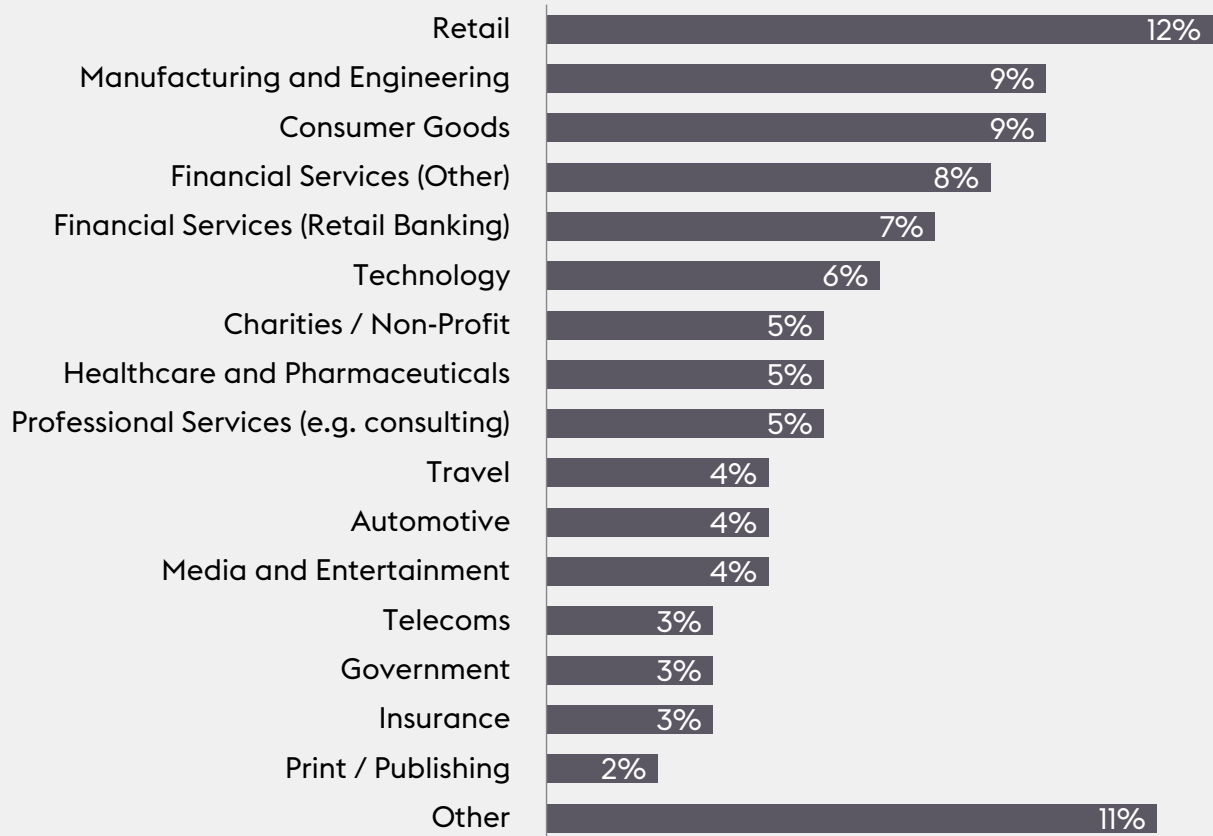
	High-street retail	Banking	Utilities	Mobile phone operators	Insurance	Private healthcare
0	1%	4%	7%	5%	4%	2%
1	1%	1%	1%	2%	0%	0%
2	0%	1%	2%	1%	1%	1%
3	0%	1%	4%	2%	1%	3%
4	1%	3%	2%	2%	2%	1%
5	5%	5%	8%	6%	6%	4%
6	7%	5%	11%	6%	6%	5%
7	15%	10%	17%	15%	16%	16%
8	19%	22%	20%	22%	23%	24%
9	18%	17%	14%	16%	19%	18%
10	33%	31%	14%	23%	22%	26%

Respondents: 1,200

/11.2

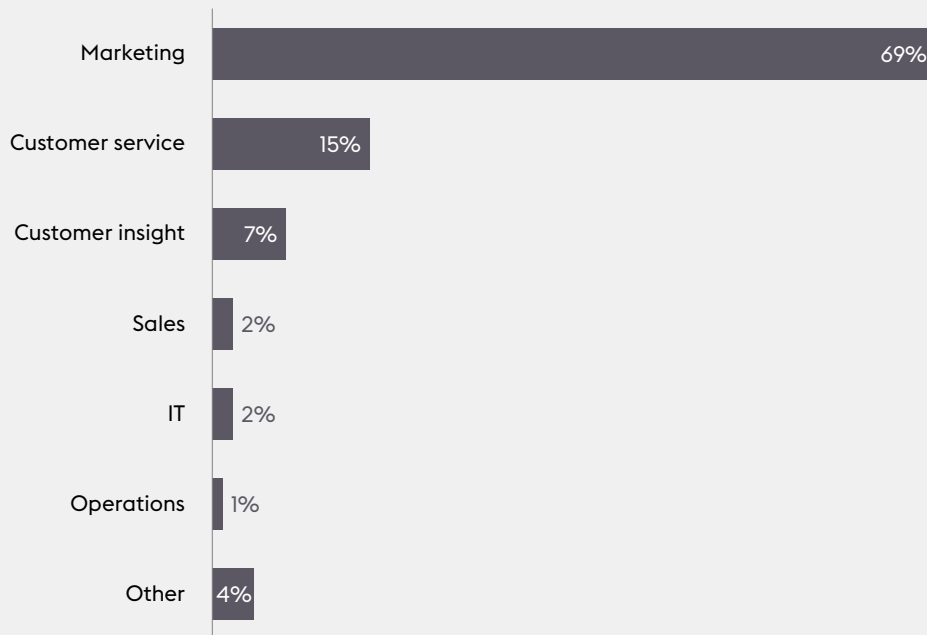
Business respondent profiles

Figure 21: In which business sector is your organisation?



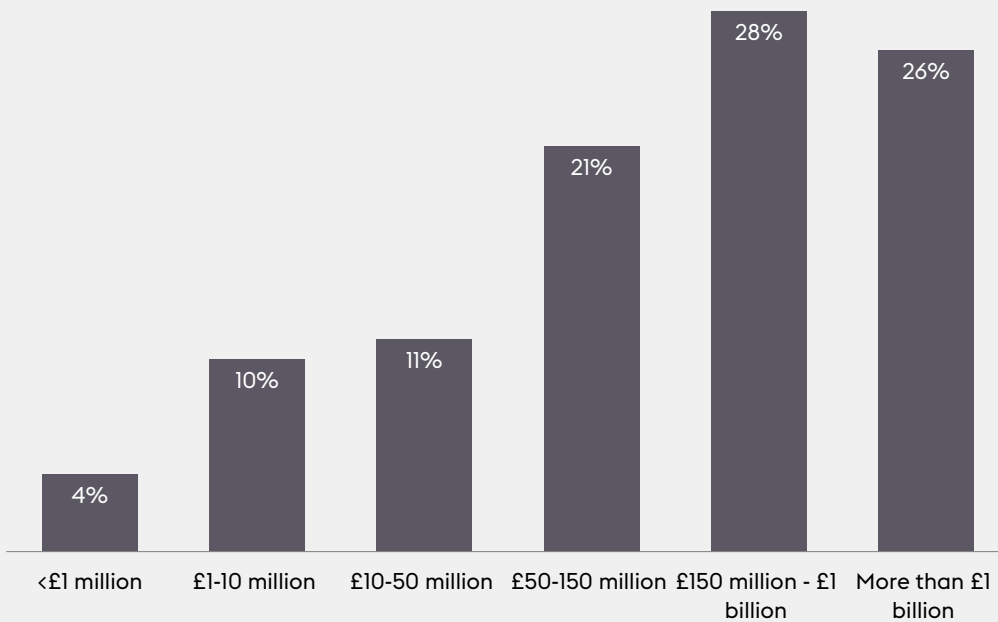
Respondents: 960

Figure 22: What business function do you work in?



Respondents: 950

Figure 23: What is your annual company revenue?



Respondents: 749



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About Zone

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Zone became a Cognizant Digital Business in 2017.

zonedigital.com

