Next-stage personalisation: a new frontier for CX

Insights from the filmed webinar hosted by TechNOVA in partnership with TIBCO

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Personalisation is key to meeting customer expectations in a world where the likes of Amazon, Netflix and Facebook have set a new bar for experiences that delight, engage and compel. For users, these experiences are streamlined and seamless but, as panelists on the TechNOVA *Next-stage personalisation: a new frontier for CX* webinar made clear, achieving this is anything but.

"You need to orientate the whole organisation to focus on the customer journey and get away from silos," says Steve Kato-Spyrou, UX Manager at leading retailer, John Lewis. "You do it very slowly and with a great deal of pain."

David Rosen, Digital Innovation Leader at TIBCO, said that when it comes to personalisation, companies shouldn't get too hung up on achieving "one-to-one" experiences. He pointed out that Amazon and Netflix are pioneers of personalisation but much of what they do isn't about individual recommendations but about focusing on groups.

"It's about thinking about people who are similar to one another and have shared attributes and shared likes and dislikes," he said. "It's about economies of scale marketing. If you just focus on one-to-one marketing then you lose track of other ways to engage customers, such as advertising or in-store marketing."

Data, everywhere

Personalisation can only happen when organisations really know and understand their customers. Yet too many organisations struggle to manage the data they already hold, never mind the vast reams of data now being generated by our connected world, whether it's the ceaseless babble of social media posts or meteorological data that could impact shopping habits.

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"In many businesses, there's too much data," said David Rosen, TIBCO's Digital Innovation Leader. "A few years ago, we collected everything and threw it into clouds, into data lakes and it was overwhelming."

He points out that much of this data is unstructured, unlabeled and held in silos, making it difficult to access or combine in order to run the advanced analytics that are the engine of Amazon-style customer experiences.

"You need to be able make decisions about what data is relevant to the mathematical decisions you are going to make," said Rosen. "Beginning with data platforms, there's a lot of work to be done before you even get to the advanced mathematics and statistics that make a difference in terms of combining that into proactive, positive, personalised, relevant next action, next offer, next product to buy recommendations."

Angel Serrano, Santander

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For the banking industry, however, there are many barriers to personalisation, many of which are rooted in the industry's rightly cautious approach to handling sensitive customer data. "GDPR became live in May 2018 and the financial services sector is taking it very seriously," said Angel Serrano, Head of Data Science at Santander. "It will take us some time to move to cloud services that are more flexible than anything we can have on the premises because of the confidentiality of the data we hold on the customer. We basically have 5,000 variables about our customers, way more than any other industry, and that's why we have to be extra careful about how we treat our customers' data."

Steve Kato-Spyrou agreed that data is an issue, particularly for an organisation like John Lewis that is 150 years old. "There are data lakes all over the place and you're

trying to scoop them together, so it's just chaos," he said. "You have to pull things from everywhere and create a layer so that all this data can be proved useful."

He pointed out that this isn't just a technology issue; it's also a big cultural shift in terms of how people think about data and its possibilities for their role. "It's a slow process and getting people to look at it from both sides, not just from a data science point of view and not just from a creative point of view, but marrying the two together."

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Angel Serrano, Santander

Serrano agreed that pure data science on its own won't transform your business. "You have to get the basics right, collect as much information as you can, make it clean and make it available to run your advanced analytics. But," he stressed, "a data science model is worth nothing on its own unless you can make it into a product people want."

Serrano described how Santander turned insights into millennial behaviour to create the Spendlytics app, to help customers keep track of their card spending, analyse their shopping habits and enable the Spanish banking giant to compete with digital-first challenger banks.

Transforming the customer experience

Anand Sampat, Head of Customer Experience at rail operator, c2c, explained how digital technologies can deliver experiences that are personal, friction-free and add real value to daily life. "Rail has not historically been customer-centric but there's now a real appetite for the industry to become so," said Sampat.

Anand Sampat, c2c

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"We were one of the first train operators to offer digital forms of ticketing and off the back of that we have been able to innovate around compensation"

Anand Sampat, c2c

He highlighted how digital innovation in one area of the business creates opportunities to collect more customer data that can then be used to drive further customer-focused innovation. "We were one of the first train operators to offer digital forms of ticketing and off the back of that we have been able to innovate around compensation," explained Sampat. "Because we know where you bought the ticket and when you arrived and if the train was delayed or not, we can automatically pay out the right amount of compensation without you even having to make a claim."

He sees further innovation ahead, using the data collected via digital ticketing to provide location-based pro-active information such as platform and station information to improve, quite literally, the customer journey.

Click above to watch the webinar

The human touch
While digital technologies can make life more convenient, personal and immediate, our panelists agreed that the human touch still matters.

"We rely heavily on our partners," said Steve Kato-Spyrou of John Lewis. "Our shop floor staff are key to all this and the technology is just a foundation so they can do the best work they can do."

Sampat agreed that technology gives customer-facing staff the tools to provide a better service. "Personalisation has changed the way front line customer service personnel are interacting with customers," he said. "They need to have that awareness of the technologies around them and how the CRM systems, possibly making use of AI and machine learning, are presenting information about that customer."

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Anand Sampat, c2c

He went on: "We have shifted from a "computer says no" type of service to a "let me understand you as a customer, your needs and preferences and your past transactions with us". Customers now expect you to utilise that information so the training you give customer service agents has to be adapted to that kind of environment."

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"It's about balancing technology and being human to deliver the right customer experience"

Anand Sampat, c2c

Empathy is really important and it's important for the agent to understand the emotion that the individual is going through, whether they're making decisions about health care or financial services or even buying a £3,000 season ticket from a train company. "It's about balancing technology and being human to deliver the right customer experience," said Sampat.

Engaging or intrusive?

There can, however, be a fine line between engaging customers with personalised marketing and services and crossing a boundary into intrusive or unwelcome attention. Anand Sampat of c2c pointed out that the use of social media to target messages at customers has highlighted consumer awareness of how their data is being used. "It has raised concerns about privacy issues among customers," he says.

The key thing, he stresses, is to be transparent with customers from the beginning so they understand how you will use their data for offers and promotions. "It's about setting the expectation at the beginning and then making sure you do not stray into doing anything else because then you are crossing the line," he said.

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"If you are going to collect information about me and use it to have dialogue with me about products or offers, then the logic of that personalisation should feel transparent"

David Rosen, TIBCO

David Rosen of TIBCO added that there's no point collecting customer data if the resulting personalisation is clumsy or heavy-handed. "If you are going to collect information about me and use it to have dialogue with me about products or offers, then the logic of that personalisation should feel transparent," said Rosen. "I should be able to look back and retrace my steps and see that the communication is logical and makes sense to me based on my past behaviours."

John Lewis' UX manager Steve Kato-Spyrou said the basics of using data to personalise the customer experience boil down to two rules: "don't break the law and don't be overly creepy".

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Steve Kato-Spyrou, John Lewis

Steve Kato-Spyrou, John Lewis

And he agreed that the resulting personalisation should be finely calibrated so that recommendations or promotions are relevant and meaningful to the customer. "If you've made the customer spend five minutes to fill in the personal data and then the recommendations are no good, you've lost them," he said.

Data scientists, the new gold rush

Delivering the personalisation agenda relies on organisations having the right skill sets to manage the data and run the advanced algorithms that will drive insight and anticipate customer behaviour. "Data scientists are gold dust," said Steve Kato-Spyrou of John Lewis. "In retail, we cannot afford to offer the kind of wages that finance can." Anand Sampat said the required skill set is highly specialised. "Having someone who can do the math is one thing but having someone who can connect it to the commercial realities of the business is something else."

"This does not happen without leadership. You need someone from the C suite to stand up and say we will be a digital business, we will be analytics driven and we will be innovative and disruptive"

David Rosen, TIBCO

All the panelists agreed that changing the customer culture to encourage innovation and attract the right talent comes from the top. "This does not happen without leadership," said David Rosen of TIBCO. "You need someone from the C suite to stand up and say we will be a digital business, we will be analytics driven and we will be innovative and disruptive."

From the discussion among the TechNOVA webinar panelists, it's clear that this is a technology and culture shift that businesses from multiple industries are still working on.

Thank you for reading our playbook

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