IBM

Smartare Analys 2013

ACTIONBASE

knowit

addedo

accenture
High performance. Delivered.

advectas

Middlecon AB

STREAM-INTELCOM

Creating a Seamless Customer Experience

May 2013

High performance. Delivered.

Arne Löfgren
Nordic Lead Analytics
Products
arne.lofgren@accenture.com

accenture

Agenda

1 Short about Accenture and Analytics

2 Where is the market heading

3 What is the way to move

4 Conclusions and Questions

Accenture practice facts and figures for Analytics

Accenture Analytics Capabilities

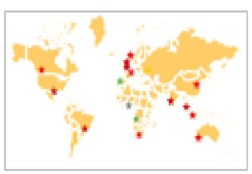
Top Talent

44.000
resources providing:
Customer Strategy
Mgmt Scientists
Mktg Process Engrs
Cust. Data Mgmt
Mktg Ops

Thought Leadership & IP

Over 200 patented assets

Global CoEs



15 Global Innovation Centers

Innovation Consortium

IIA INTERNATIONAL INSTITUTE FOR ANALYTICS

Proven Predictive Solutions

8 Key Alliances & Acquisitions

Delivering High Performance at Scale…

- Process customer data on over **1.5 Billion** people across 6 continents
- Manage **$20 Billion** in mass advertising budget on behalf of our clients
- Designed and executed **10,000** multi-channel marketing campaigns last year
- Launched over **10 Billion** personalised text messages
- Executed over **20 Billion** personalised emails

Agenda

1 Short about Accenture and Analytics

2 Where is the market heading

3 What is the way to move

4 Conclusions and Questions

Introduction

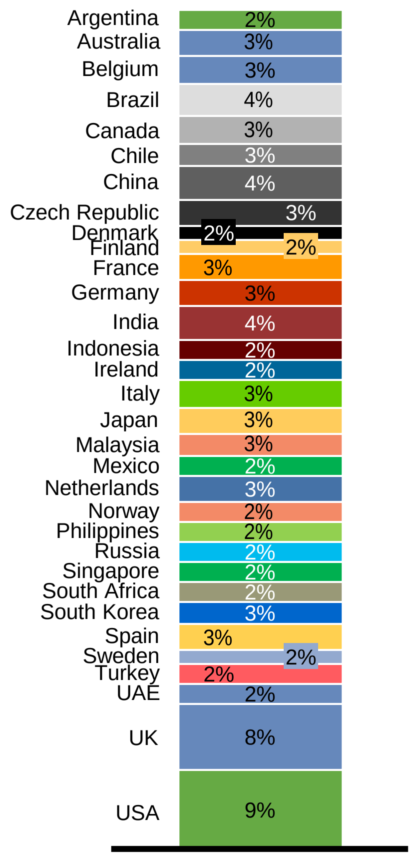
Generating predictable, sustainable, profitable **growth through existing and new customers remains a key challenge** for today's business organizations:

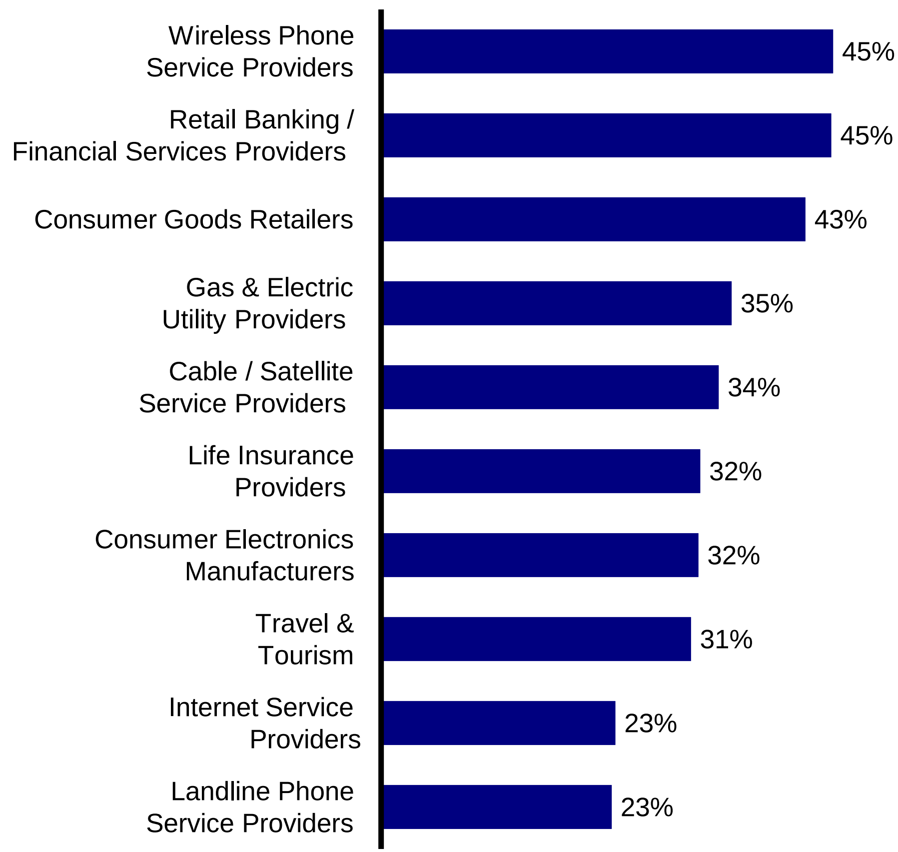
- While the **global economy remains volatile**, companies continue to focus on growing revenue from their current customers and acquiring new customers.
- Many of their existing, "tried and true" customer acquisition and retention strategies are having **trouble keeping pace with target consumers** who are perpetually in motion, more technologically savvy than ever, and increasingly difficult to predict.
- The result is that **many companies are struggling** to retain and also gain enough customers to fuel the growth they and their shareholders expect.

2012 Global Consumer Pulse Research

This year, Accenture surveyed 12,662 end consumers in 32 different countries via the Internet between July 2nd and August 9th, 2012. Respondents were asked to evaluate 10 industry sectors (up to four industries per respondent).

Distribution by country and industry of global sample of respondents (n=12,662)

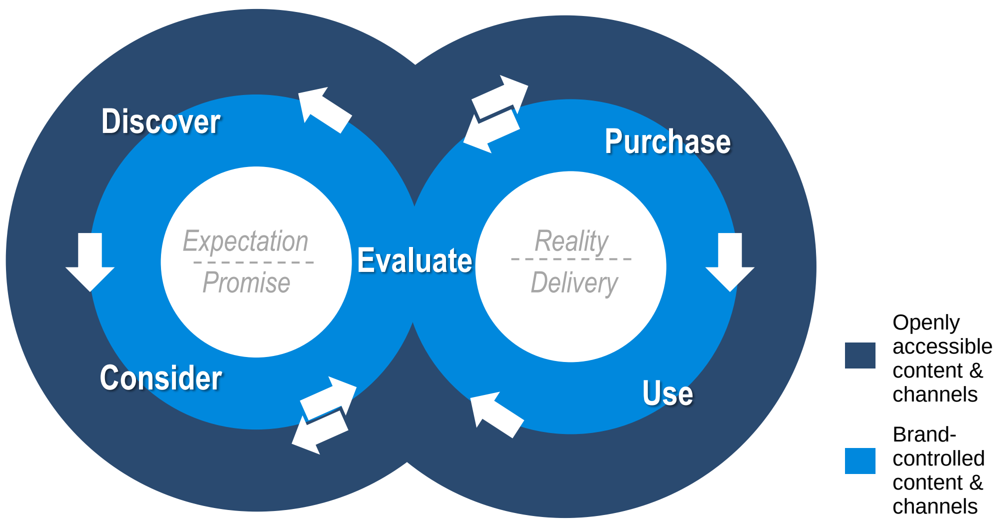




Research Anchor – Engaging the "Nonstop-Customer"

The 2012 research is anchored onto the "Nonstop-Customer Experience Model", which conveys the changing consumer dynamics: The customer's path to purchase used to be linear; now – enabled by technology – the journey is more dynamic, accessible and continuous.

- Accenture's Nonstop-Customer Experience Model -



Dynamic

Enabled by technology, consumers control pace of decisions, paths are not linear and choice is almost effortless

Accessible

The "Voice or Noise of Others" is amplified and empowered. Content is anywhere, anytime from anyone

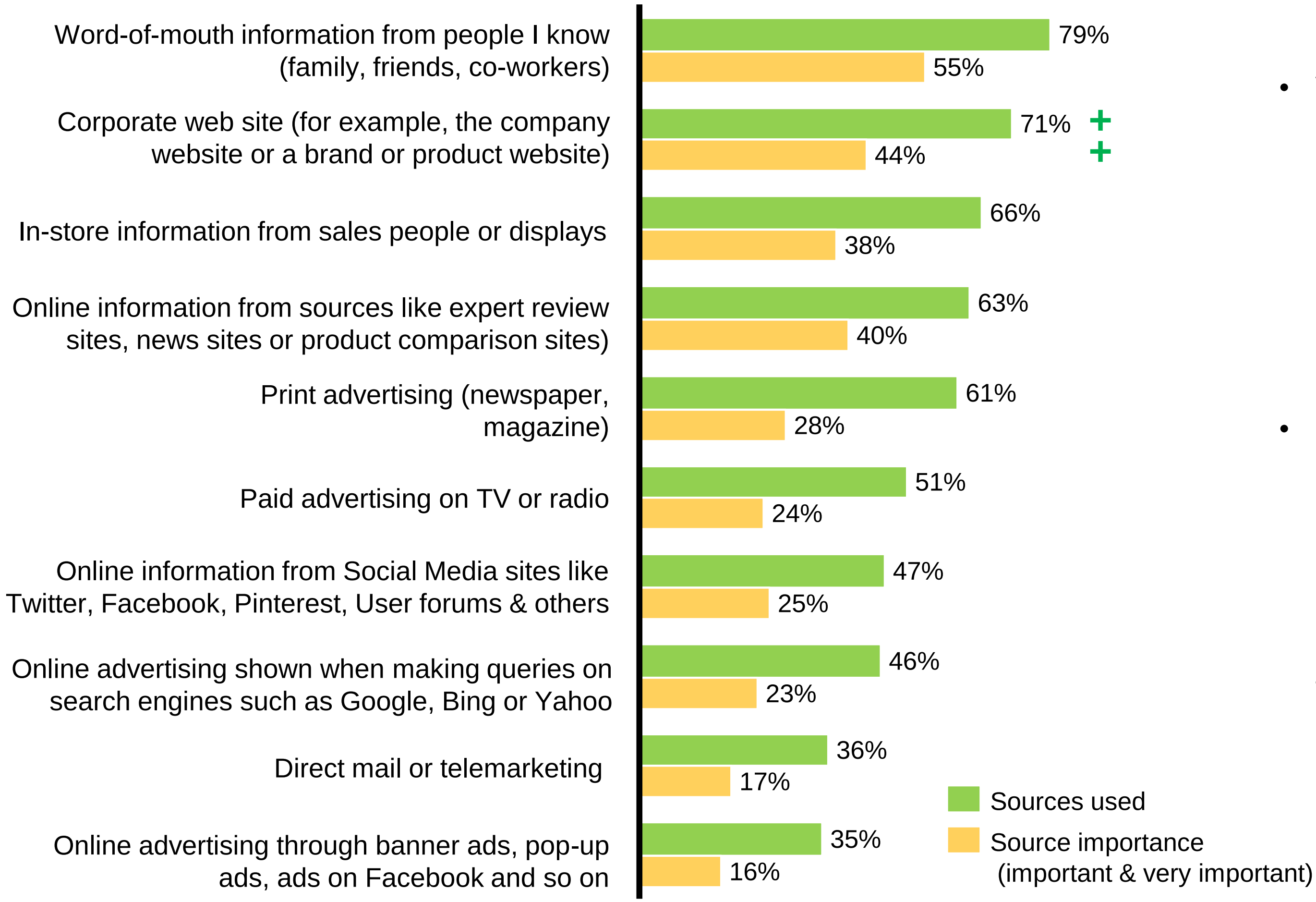
Continuous

Touch points are 'always on'. It's easier to compare promise vs. delivery; the caveat: getting trapped in endless evaluation

- ❑ Buyers no longer enter a channel but, are continuously *in the channel*.
- ❑ Content beyond the brand's control is everywhere, most insistent and ever more influential.
- ❑ "Evaluation", not purchase, is now the focal point. Consumers are constantly exposed to re-assessing their choices.
- ❑ They can compare and evaluate more easily brand promise versus delivery, and how it matches up to their needs.
- ❑ Different segments respond in different ways to these shifts, moving at own speeds and along distinct pathways
- ❑ Faced with endless evaluation, they also develop distinct behaviors: some may buy by habit or emotion, others 'delegate' decision-making.

While word-of-mouth remains the main information source across industries, use and influence from online sources like corporate web sites or other online news/review sites is notable compared to traditional channels like in-store or print advertising.

Use and importance of information channels when learning about the companies’ products and services.



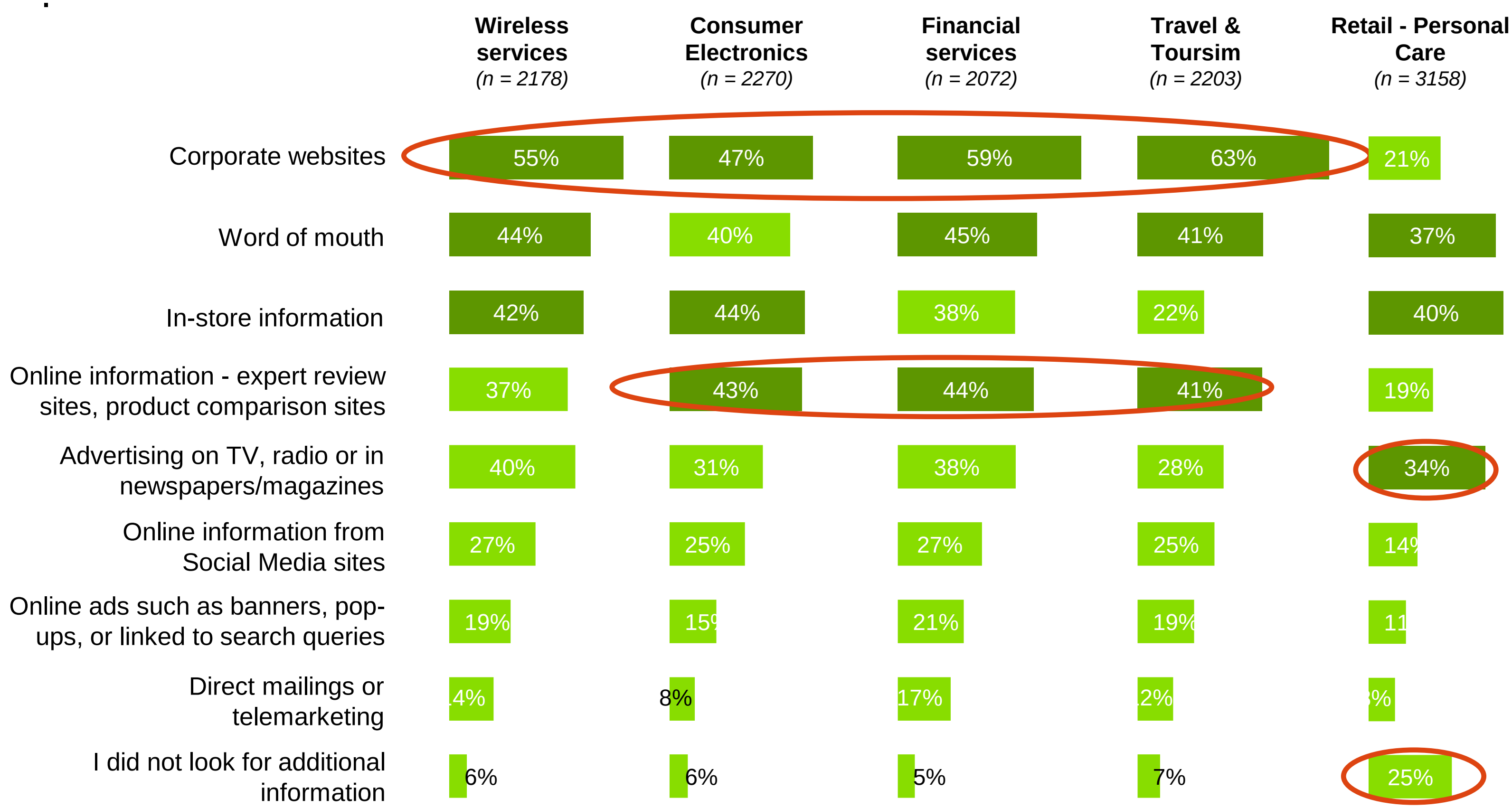
- Word-of-mouth information, which can also be conveyed via social media peer-to-peer discussion, is again the most important and impactful information source across channels.
- Significant increase in use and stated influence of corporate web site as well as high results for online expert review sites, news sites and product comparison sites confirm the growing impact of digital channels.

+ /- Where shift between 2011/2012 is >= 5%

Focusing on five specific purchase situations in selected industries, the important use of online information sources – especially corporate websites, review or comparison sites – is confirmed, though industry differences exist.

Information sources used to learn about / evaluate products or services in the last six months

.



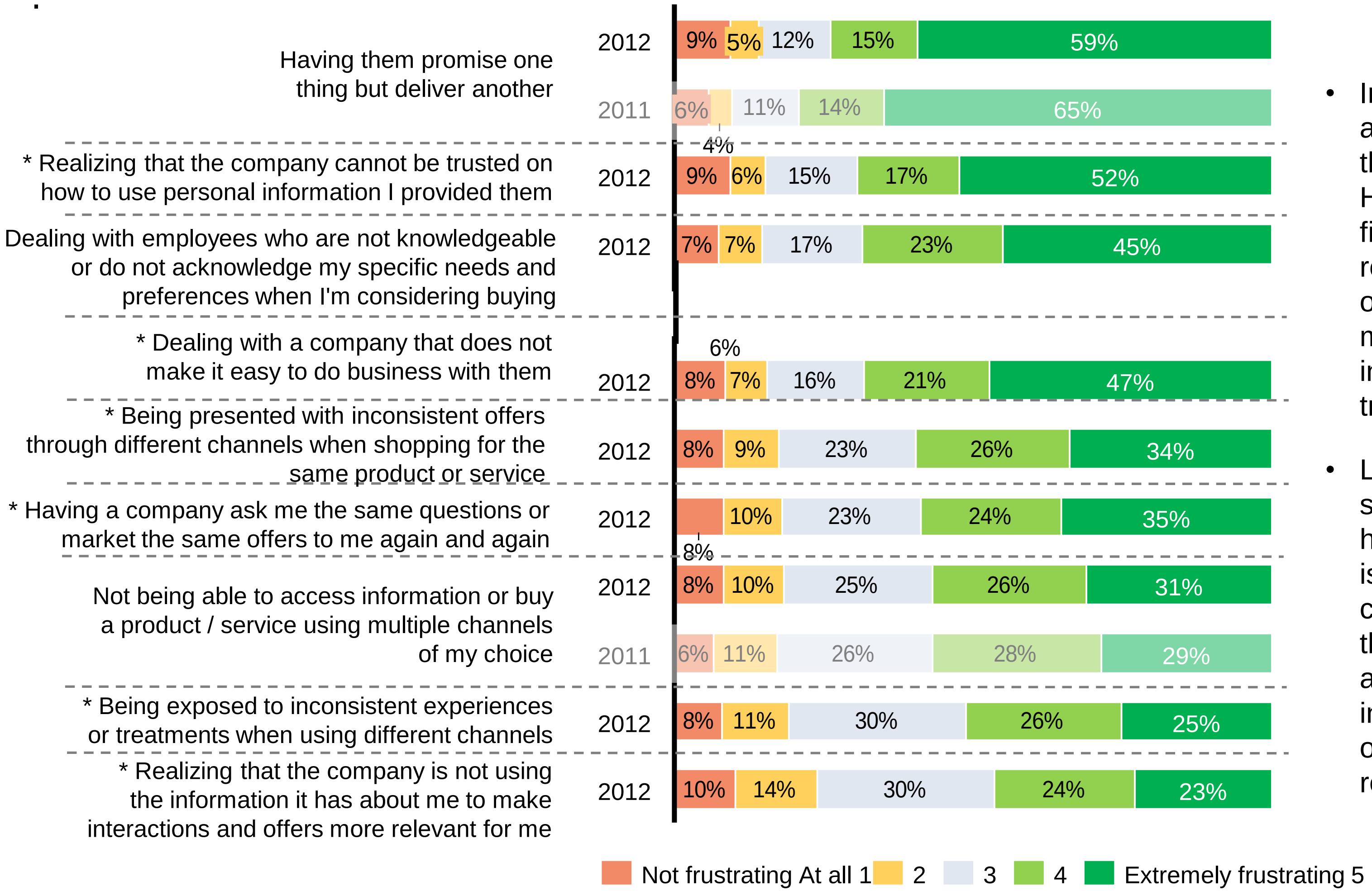
Description of pruchase situation

Wireless services	Consumer Electronics	Financial services	Travel & Toursim	Retail - Personal Care
I subscribed to service with a wireless phone provider (with or without a new handset)	*I purchased a new electronics device like a PC, a radio, a TV set, or a game console*	*I purchased/subscribed to a new financial services product with a bank/financial institution*	*I purchased an airline ticket or hotel stay for a personal vacation*	*I purchased personal care products such as shampoo, toothpaste or skin cream*

Setting false expectations while marketing and selling to consumers is again a major source of frustration this year, more so than any other issue. Realizing that a company can not be trusted with personal information is another major frustration point.

Main frustrations with respect to consumer prospecting/buying experience

.



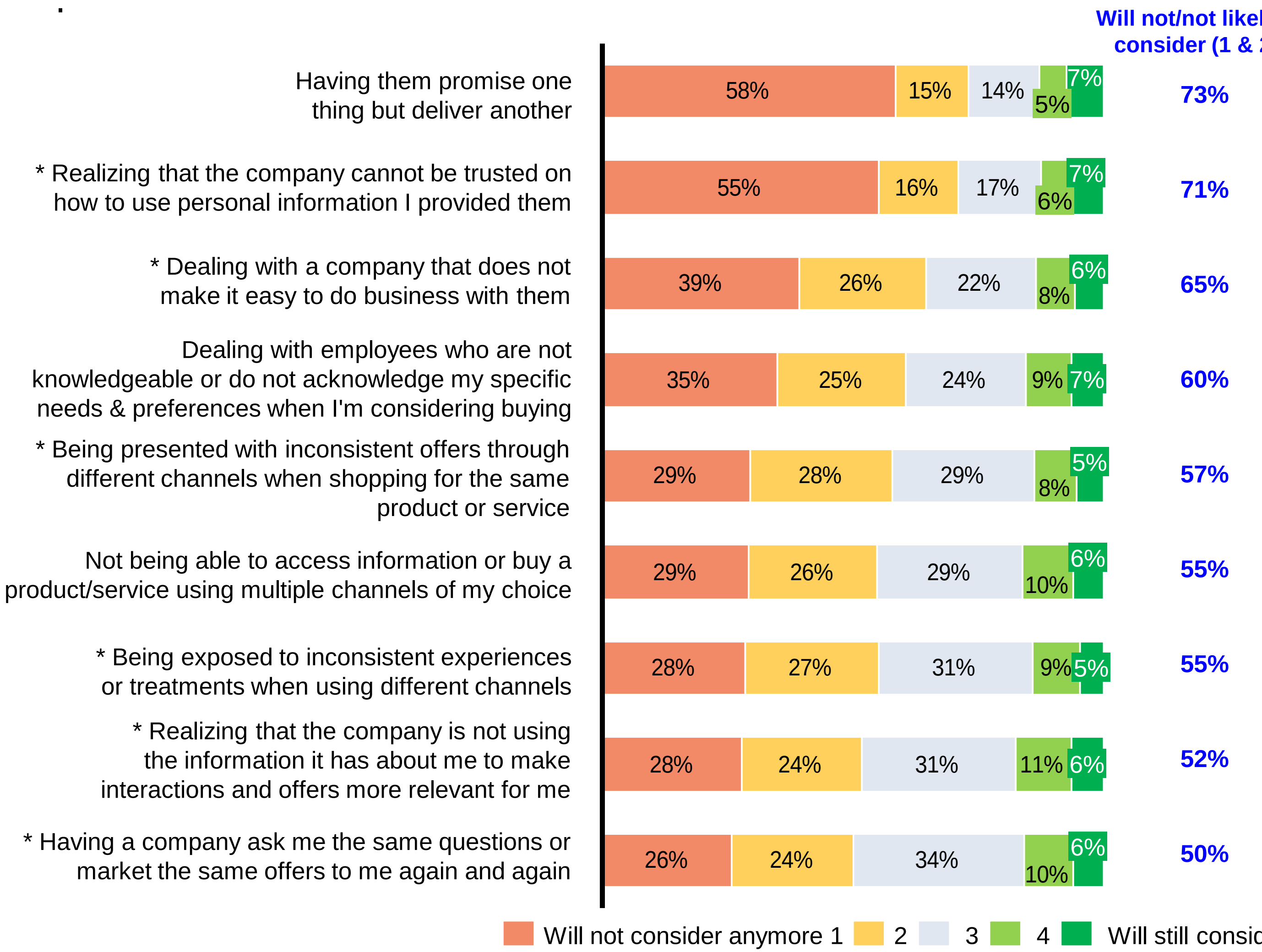
- Inconsistency is another frustration theme for consumers. Half or more globally find it frustrating to receive inconsistent offers from various marketing sources or inconsistent channel treatments.
- Less frustrating, but still bothering nearly half of all consumers is realizing that a company is not using the information it has about them to make interactions and offerings more relevant for them.

** New items included in 2012*

The customer experience starts long before the consumer turns into a customer. Indeed, when confronted with frustrating marketing & sales experiences, at least half of respondents would no longer consider these providers for purchase.

Reaction of consumers that are being confronted by a negative experience while prospecting.

.



- For all of these issues, at least 50% of consumers globally indicate that a negative marketing & sales experience will make them no longer consider a company in the future.
- In addition to broken promises and distrust with personal data, other major issues include not being easy to do business with and dealing with employees who don't acknowledge consumers' specific needs when buying.

** New items included in 2012*

Agenda

1 Short about Accenture and Analytics

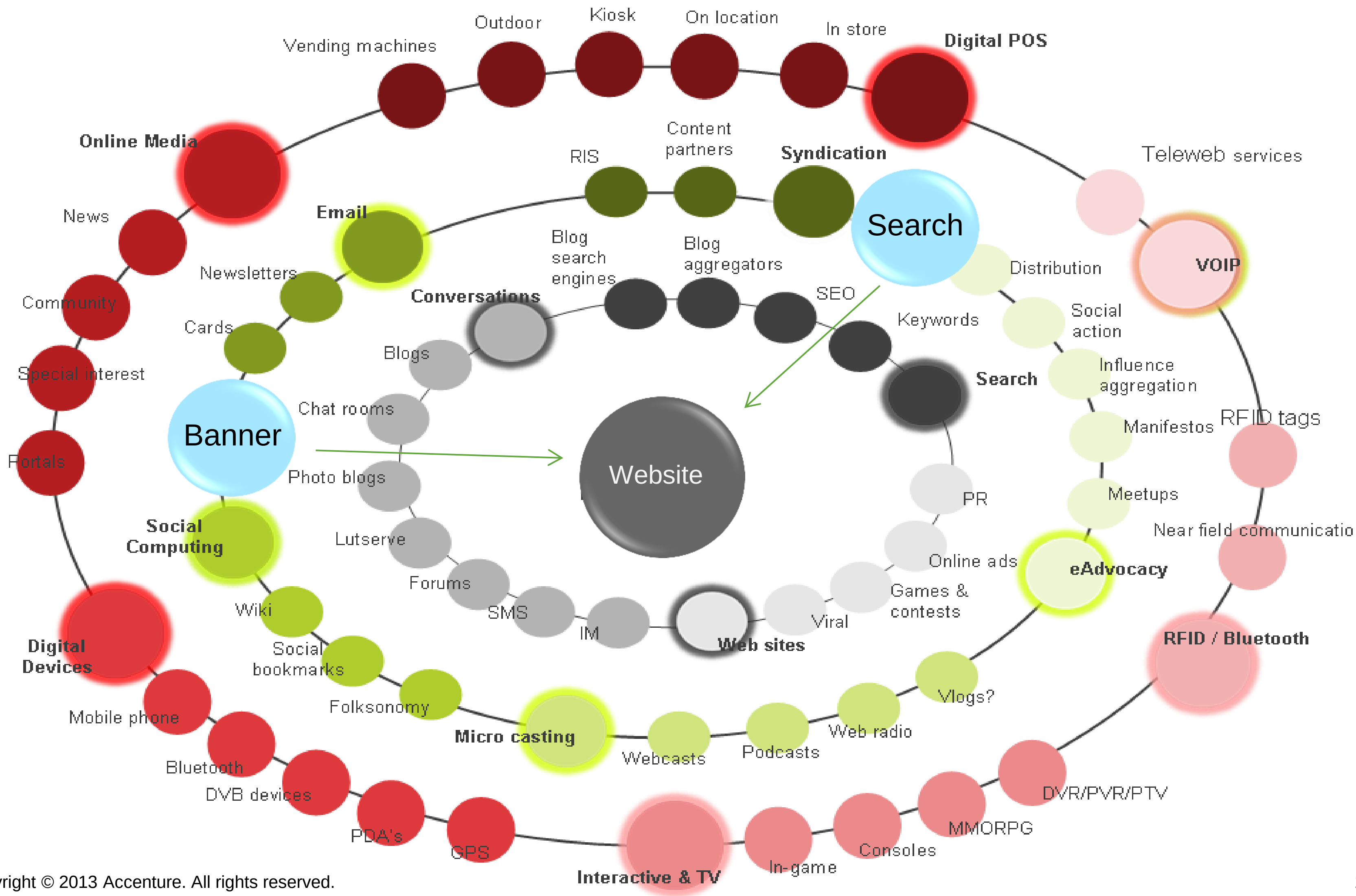
2 Where is the market heading

3 What is the way to move

4 Conclusions and Questions

Yesterday's digital ecosystem was simple to understand and manage,

but today's ecosystem is anything but simple…



”The Winning Formula”

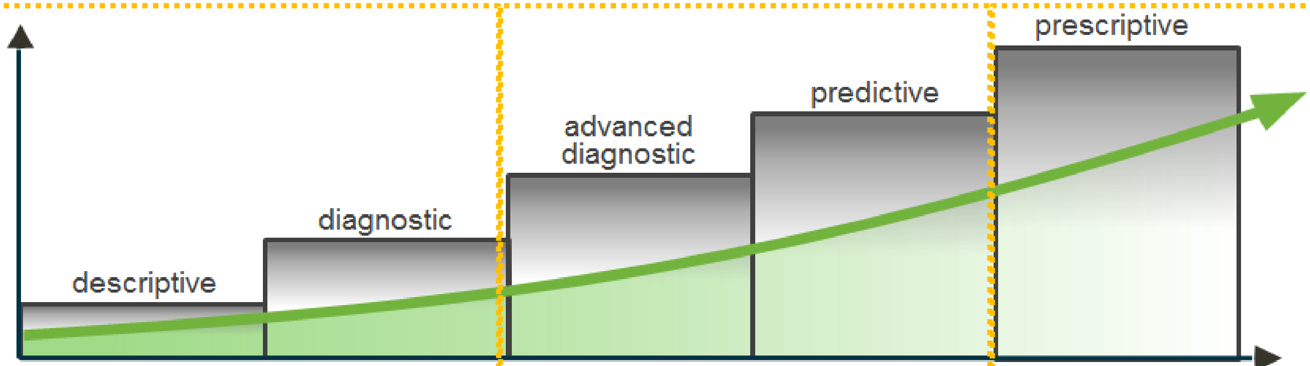
Data + Insights + Actions

=

Better Decisions & Improved Outcomes

How to support the ”Winning Formula”

• Potential to Evolve the Analytical capabilities



	Level A	Level B	Level C
Collection	• Inconsistent, poor quality & organization of data • Poorly integrated systems • Limited data set coming from digital sources (ie owned, earned, paid media)	• Integrated, accurate, data in central warehouse; • Start to implement operational analysis • Data still mainly an IT function; little unique data • Few embedded processes	• Data as strategic asset • Fully integrated processes • External data (structured and not structured) is included in BI reports and analytics
Analysis	• Analytics not considered as a strategic priority (no enterprise perspective on data or analytics) • Silos of data, technology & expertise deliver local value • Isolated analytic efforts, un-integrated data & processes • Understand average digital segments; KPI focused; no understanding of Key Business Objectives (KBO)*	• Dashboard reports of KPIs are built for top executives • Analytics is leveraged for forecasting & trending • First approach for KBO and KPI matching • Executive support for fact-based culture; Awareness of competitive possibilities	• Broad support for flexible analytic to the business • Board support for fact-based/testing/ learning culture • Next generation analytics
Execution	• Functional & tactical sponsors • Intuition-based decisions • Multiple disconnected targets, typically not of strategic importance • Using digital interactions to drive improvement recommendations	• Analytical efforts focused on small set of important performance metrics • Analysts recognized as key talent and focused on important business areas • Limited interaction between all analysis areas	• Analytical support implemented at operational level driving both local and enterprise wide development • World-class professional analysts • Develop models/scenarios to predict the outcomes of future customer interactions • Strong leaders behaving analytically; Passion for analytical competition

Next Generation Analytics
with end-to-end focus on data to analytics to insight to outcome

FROM	TO	
Product centric	Customer centric	Next Best Action per customer
What to offer	How to offer	Incentive, price, channel, creativity, optimization
“One shot” analytics	“Always on” analytics	Continuous test & learn
Batch	Real time	Contextual info: operations, events, navigation logs, complaints, social media conversations
Individual	Social	Exploiting relationships & virality among customers
Structured internal info	Any info available	Textual info from web, forums, blogs, social media, complaints,…
Manual	Industrialised	From tens to hundreds of predictive models
Only internal analytics	As a service support	Flexibility and scalability

Proactive expectation setting is critical to customer satisfaction

- Companies continue to focus efforts on delivery and do not devote enough attention to customer expectations.
- Left unmanaged, customers assemble their own expectations based on a collection of best personal experiences.
- We believe companies must start <u>proactively setting the customer service expectation</u> in order to get ahead of this dilemma.

Introducing the Chief Customer Service Officer:
At the heart of the new growth agenda

Today's Challenges

Declining Customer Satisfaction

Low Levels Differentiation

No Loyalty

New Disruptions

Social Service

Co Created Customer Experience

The keys to the rising value of the Chief Customer Service Officer.

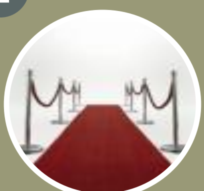
- ***Capitalizing on the service experience for retention and growth***
- ***Understanding and delivering on the service promise throughout the value chain***
- ***deepening the engagement with the omni-channel consumer***

Co-operating with the Chief Analytics Officer to create new innovative approaches

Customer service trends shaping the Chief Customer Service Officer Agenda

What do Customers Expect?

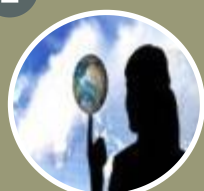
1
No more one-size-fits-all!



Value-based, Differentiated Experiences

- Design experiences to match budget

2
Give me control and I won’t risk losing it!



Increased Customer Control

- Understand customers’ service history and make customer convenience a top priority

3
It’s the bartender that makes the difference!

Facilitating Repeat Interactions

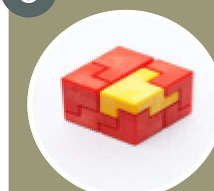
- Maximize the value of every touch

4
Save me time and I am all yours!

More “Do it Yourself”-- Emerging Channels

- Optimize processes to enable more self service

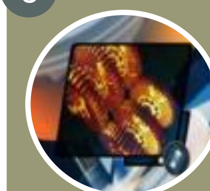
5
Don’t make me repeat myself!



Tighter Channel Integration

- Invest in integrated service-enabling technologies and rethink service agent roles

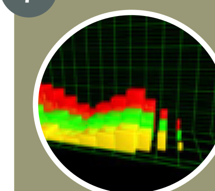
6
They said it was your issue!



Technological Advances in Collaboration

- Enable knowledge workers to shape service experiences and leverage presence technologies effectively

7
To know me is to love me!



Business Intelligence/ Analytics

- Use predictive analytics to define “next best actions” and apply insights to improve the customer experience

How do Service Leaders act?

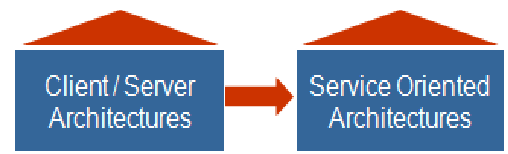
Supported by new Technology trends

Technology trends are no longer isolated; Business and IT requirements are merging and driving the necessity for synergies that can be achieved through a multi-channel approach

1. Data takes its rightful place as a platform

2. Analytics is driving a discontinuous evolution from business intelligence

3. Cloud computing will create more value higher up the stack



4. Architecture will shift from server-centric to service-centric

5. IT security will respond rapidly, progressively—and in proportion

6. Data privacy will adopt a risk-based approach

7. Social platforms will emerge as a new source of business intelligence

8. User experience is what matters

Agenda

1 Short about Accenture and Analytics

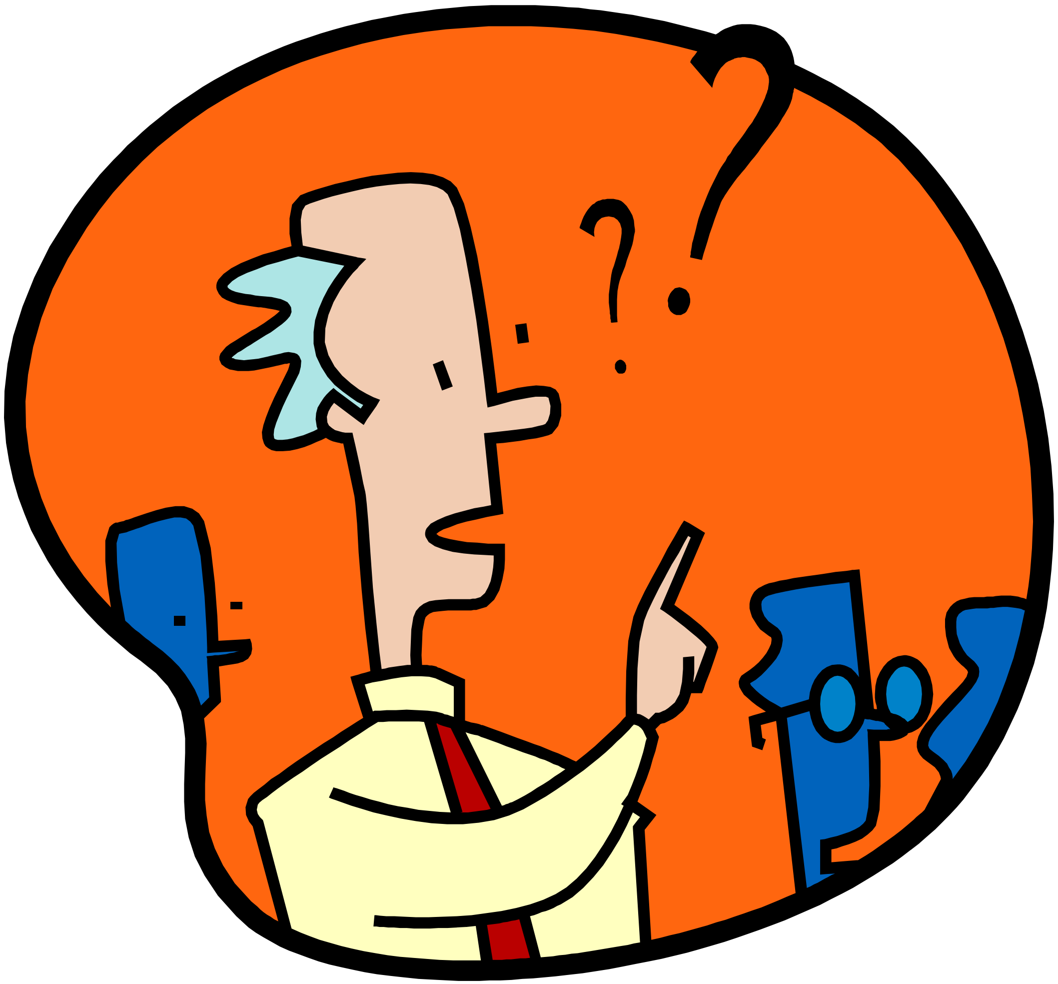
2 Where is the market heading

3 What is the way to move

4 Conclusions and Questions

10 Challenges of todays Customer Service

1. Customers have a single view of their providers, but few providers have a single view of their customers.
2. Most companies still serve their customers, no matter how diverse, using a one-size-fits-all model.
3. Customers request customer service for a finite number of reasons, yet few companies know what those "intentions" are.
4. The more customers use multiple channels to obtain customer service, the more integration and transparency across channels they expect.
5. It's in the nature of most customers to serve themselves, if these conditions exist: availability, speed, consistency and accuracy.
6. Most factors that help companies reduce their customer service costs will also help them raise customer satisfaction and loyalty.
7. Customers don't expect perfection - they expect precision.
8. Even large enterprises can give customers a "general store" experience at scale with the customer service technology now available.
9. Analytics capabilities add no value on their own - it's the application of insight that creates value.
10. At most companies, it's time to rethink the role that customer service agents serve.



Smartare Analys 2013