

Executive Think Tank Dinner

**The Effortless Customer Experience in the
Age of Digital Transformation**



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MODERATOR:

Stephen Loynd

Global Program Director,
Digital Transformation Practice
Frost & Sullivan

PANELISTS INCLUDE:

Grace Hayes-Larson

Member Services Training Manager
Chime

Alon Mor

Senior Director
Wix.com

Kevin Kluck

Director, Customer
Experience Operations
Castlight Health

Jay Kershner

Vice President Customer Service
and Workplace
Molekule Inc.

Christine Rimer

Vice President, Product Marketing
& Customer Advocacy
SurveyMonkey

Lori Harmon

Vice President Inside Sales
and Customer Success
NetApp

Michael Perry

Senior Manager Global Operations
Coinbase



On March 21, 2019, a group of customer experience and contact center professionals gathered in San Francisco to discuss, “The Effortless Customer Experience in the Age of Digital Transformation.” What follows are highlights of that conversation.

A Time of Disruption

Frost & Sullivan Analyst Stephen Loynd, the featured moderator, opened the dinner by proposing that we’re living in a time of incredible change – that nothing less than a new world is emerging. According to the World Economic Forum that gathered in Davos back in early 2016, we’re living amidst “the Fourth Industrial Revolution,” a time when technology and data is imbedding itself into just about everything we do, influencing our lives in myriad ways. Technology is so pervasive and moving so fast it is disrupting businesses and society alike. As Stephen noted:

*In the words of Erik Brynjolfsson and Andrew McAfee in their book, *Race against the Machine*, the root of our problem is not that we’re in a Great Recession or a Great Stagnation, but rather that we are in the early throes of a Great Restructuring. Our technologies are racing ahead, but our skills and organizations are lagging behind...*

Just consider an astonishing statement from Google CEO Sundar Pichai back in January, 2018 – he claimed that AI is one of the most important things humanity is working on, and that its impact will be more profound than electricity ... and even fire.

Stephen then pointed out that this profound change is of course also affecting all the organizations represented by those around the table; the contact center is not immune from the effects of exponential technological change. All businesses today are wrestling with how best to adapt to the digital age unfolding in real-time.

With all this in mind, Stephen posed the following question to the group:

In the context of customer engagement ... at a time of such rapid change and disruption, is it really so important to “delight the customer?” Or is it perhaps a better strategy to establish structures and

processes that aim to satisfy the customer's basic expectations, to make things as easy as possible for today's frenetic consumer?

Omni-channel

The results of this opening question make sense. While Frost & Sullivan research shows a movement toward omni-channel customer service experiences – where the customer experience is consistent, seamless, and effortless, whether the customer is interacting with the same channel, or moving between channels – most companies remain in a multi-channel reality.

Jim Radzicki of TELUS International articulated the fundamental difference between omni-channel and multi-channel service for the group: “Omni” means connecting all data from different sources, and providing an end-to-end experience such that if someone jumps channels, his or her history of experiences travels with them, whereas “multi” means offering multiple channels between which data is not necessarily shared.

And just as the above responses show, most companies today appear to have multi-channel capabilities. Often they're delivering customer experiences that are fractured when customers move from one channel to another; such as when a customer escalates from a (mobile or social or web) self-service channel to an assisted service channel. When the customer context and history does not move seamlessly from one channel to another, information about the customer and their issue is lost, and the customer has to start all over. This leads to lower customer satisfaction scores, and eventually customer attrition, as exhausted customers get tired of having to repeat their problems every time they interact with another agent or channel.

That point brought the group back to the theme of effortless customer experiences, and with the advance of AI, the move toward an omni-channel future. Saif Ahmad of Xavient Digital



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PANELISTS continued:

Marcus Vinson

Fraud & Risk Manager
Chime

Maggie Lin

Product Marketing Manager
SurveyMonkey

Phillip McNamara

Business Development
Voxpro

Jim Mitchell

Vice President Business Development
TELUS International

George Puig

Chief Commercial Officer
TELUS International

Jim Radzicki

Vice President Global Solutions
TELUS International

Saif Ahmad

President & COO
Xavient Digital



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– Jim Radzicki

Vice President

Global Solutions

TELUS International

(acquired by TELUS International in 2018) suggested that today, it’s more about ensuring what he called a “phase shifting” type of experience, not unlike when streaming TV in the sense that one can pick-up an interaction or experience where they left off. Oftentimes customers simply don’t have the patience to recreate the data points they’ve already provided during a service interaction in another channel. And so as channels multiply, the question becomes, how do you offer true experience continuity?

The group agreed that silos between departments present real challenges in making omni-channel a reality. Obviously it’s difficult to apply the power of algorithms to information that is fractured between silos. Another thought leader added that a lot of times there are issues around best-in-class technology. For instance, a company may want a service cloud to be able to perform a specific task, but it cannot. And it’s also about trying to put five or six solutions into one workflow, which inevitably results in points of failure when it comes to the customer experience. There are silos in decision-making as well, and that can make things even more challenging process-wise.

For Lori Harmon of NetApp, it’s also about the company life-cycle. What if there is a lot of legacy infrastructure? “Moving that glacier is hard,” she noted. “It can take a long time to make that shift.” Christine Rimer of SurveyMonkey added that the investment it takes to implement the information architecture to deliver great customer experiences takes cross-functional collaboration, courageous leadership and a multi-year vision, which can be difficult when leaders are often measured on quarterly and annual objectives.

Finally, Michael Perry of Coinbase pointed out that the choice between phone and self-service is not black or white. Matters of complexity and urgency are also involved. Does the inquiry require an immediate response or can it wait? Companies can then match customers to service based on the level of complexity and urgency. They can offer customers the channel of their choice.

AI in the Organization

The omni-channel aspiration has emerged as an important trend. Concurrently, new features and capabilities are increasingly available in a number of customer engagement applications – from digital marketing and marketing automation systems – to web, mobile, and contact center applications. This also means more integration between these applications, ideally to leverage deeper omni-channel capabilities across the customer lifecycle.

At the same time, leading vendors in the market are offering richer customer engagement suites, providing many of these best-of-breed capabilities within these broader suites. That potentially reduces the number of applications to upgrade and integrate, allowing companies to implement omni-channel capabilities faster, and at reduced cost. Inevitably, AI will become more and more embedded in this process.

Christine Rimer of SurveyMonkey stated that the question of when and how to use AI to improve a customer’s experience is of central importance. And it’s important to remember that the goal of AI is not empathy, its efficiency. Jim Radzicki of TELUS International felt that

there are some customers who absolutely want to talk to the AI chatbot while there are others who don't. People will use such programs more willingly if they're done well. After all, there are a certain percentage of customers who prefer not to talk to a live-agent. The opposite is also true, as chatbots are useful in identifying those who just want to talk to another person, and then put them right through to save them the effort of dealing with automated systems. Therefore, the first thing companies need to do is to identify whether the customer wants to talk to a person or to a robot, and then switch them accordingly.

But Maggie Lin of SurveyMonkey raised the issue that AI has become a buzz-word with a broad definition. What is it, really? What does it mean to use machine learning versus deep learning, for example. Saif Ahmad of Xavient Digital pointed out that bots lack contextual awareness. "And if you can't do first call resolution," he wondered, "What's the bounce rate? Is that even being measured? Can the bot trigger an event notification and trigger a learning loop? Most bots are at the machine learning phase, and the next step in AI is true deep learning." For Saif, the baseline is, "Meet my expectation and get the hell out of my way. This correlates well to NPS. Organizations with low effort score have something like a 60% higher NPS score. It seems to me that we shop on Amazon for the ease as much as for what they offer."

Kevin Kluck of Castlight Health asked a related question – "How well do we really understand AI and how you actually use it? From what I've seen, most people understand how important it is, but they do not know how to get there." Companies seem to understand that AI is a real need, but they also seem to lack the talent pool inside organizations to make it a reality; they know they need it but don't know how to get there. Kluck suggested that part of the reason might be that there's an entire generation of employees who grew up without the internet. "We need to remember that."

Lori Harmon of NetApp felt that there is also a general distrust of AI that needs to be considered. Too often data is "bad" – which means that AI sometimes won't work the way it's expected. Saif Ahmad of Xavient Digital was convinced that it's important to understand the context of what a company is trying to do. AI is algorithmic and evolutionary – data sets develop as they're worked on. "We've all seen those demos from Google. It's tempting to think you plug



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Director, Customer
Experience Operations
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– **Saif Ahmad**
President & COO
Xavient Digital

it in and your problem gets solved,” he noted. “But it’s more of an evolution than that, like speech recognition. If you go out of context, the model will get tripped up. We need to understand the evolution of AI.”

Once participant opined that if a company can’t tell who its customers are, then it’s just doing transactions and little more. Companies need to be able to profile customers in so many ways. Alon Mor of Wix.com circled back on the point that AI is an overly broad term. “You’re basically feeding a machine a script. If the script breaks, the customer is unhappy,” he said. “Right now I’m not happy with what the market has to offer when it comes to AI. The key question remains – what kind of experience do you provide your users? It should be about a flawless experience – and often, talking to a person can get you there, and often that’s preferable to AI.”

Christine Rimer of SurveyMonkey added that, “you need to begin with the end in mind – how can you leverage data in a way that benefits your customers? At Survey Monkey, we use anonymized historical survey data to provide real-time feedback on a customer’s survey in SurveyMonkey Genius.” Leveraging data to improve the customer experience requires an end-to-end view of the customer’s journey. Christine referenced a recent article that makes the case that organizations need more business generalists to leverage the benefits of data science. While the role of the general manager with experience in sales, marketing, product, and IT has been deprioritized in recent years in favor of product and marketing specialists, the article suggests that business leaders with cross-functional experience and end-to-end responsibilities are better able to leverage the benefits of AI to improve a customer’s experience. For Christine:

... The question becomes – are we raising a generation of leaders without the cross-functional expertise needed to leverage AI to drive growth and innovation? Do most simply stay on their specialist path as the fastest way to VP? In recent years, CEOs, executive recruiters and VCs are talking more about the deficit of C-level talent with the cross-functional experience needed to build high performing teams and solve their organization’s most complex problems. A holistic, end-to-end view of a customer’s journey is essential.

Jim Radzicki of TELUS International agreed. The advantages of a Chief Customer Officer, someone who owns the entire customer experience, are clear.

Stephen Loynd of Frost & Sullivan also proposed that implementing omni-channel capabilities, including AI, is a major business and technology transformation initiative. Most organizations have several systems and applications handling different stages of the customer lifecycle and different channels. On top of that, often CX is a shared function between marketing and service, and different departments or product groups within a company may have their own set of CX systems and applications. That increases the complexity of any AI-related initiative.

From a technology standpoint, this involves upgrading customer engagement systems – spanning marketing and service interactions – across the customer lifecycle. And best-in-class organizations are looking to orchestrate customer journeys proactively, not just reactively. For that, analytical tools and capabilities play a critical role – to optimize the customer

experience. It's also a major process transformation initiative that requires training and education to ensure internal and external adoption.

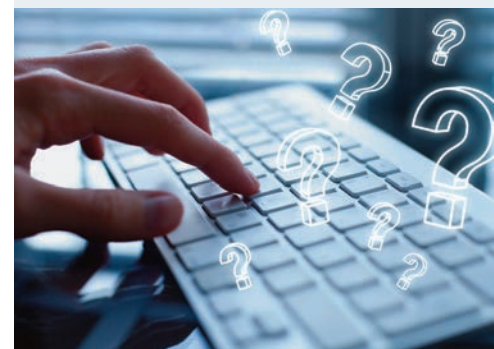
Grace Hayes-Larson of Chime said that, "We're shaping our AI at the same time that we're learning about our customers. So the question becomes, where do you put your resources? You can't make decisions around AI if you don't know the customer so you must evolve in each direction at the same time." Jay Kershner of Molekule, Incorporated added that, "We're pretty young so we're just embarking on AI and data analytics. We're very much in the initial stages of this. But it will be important to have analytics, that's for sure." Another thought leader echoed that sentiment: "We're also in the early phase of researching AI. But we see the importance of having a Chief Customer Officer who oversees customer support, success, renewals, etc. To answer questions such as – is it more about deflection than satisfaction?"

Jim Radzicki of TELUS International offered that while many companies want AI, they don't necessarily know what to do with it. Who owns it, for example? Is it the CIO? Is it the CTO? Everyone wants to reduce customer effort, but too often processes remain in silos between departments. Or maybe the IT department is too taxed. Successful companies seem to have someone in place who owns AI, someone who can move the role of AI in the organization forward, someone who actually has it on his or her P&L.

Another participant reminded the group that unfortunately sometimes the people selling AI products aren't always honest. "I want someone to guide me, to tell me what I REALLY want. It's a huge decision for the entire company to invest in a solution like this. So where do you go to get answers to those fundamental questions? Some companies use consultants. Governance is critical, but for me it's a lot about making it real."

Philip McNamara of Voxpro (acquired by TELUS International in 2017) was encouraged that there are some examples of amazing AI today. "One is the Google app that finishes sentences for you. But at the end of the day, while there's a lot of hype around AI ... I don't see AI making life that much easier for customers as of yet." For Grace Hayes-Larson, "Life is definitely changing in our world and having AI has been a great asset for Chime." Lori of NetApp agreed: "When it comes to warming up leads, AI-enabled chatbots are revolutionary. There's so much you can now offload from a person to AI."

Christine Rimer of SurveyMonkey rounded out the discussion around the question of AI in the organization by focusing in on the question of where the customer experience is owned within organizations. "It strikes me who showed up for this thought leader discussion – people from QA, sales, marketing, support, IT, risk, product, etc.," she said. "Who has the budget and power in organizations? Who is driving the initiatives to optimize the customer's experience? So many organizations have good intentions but they get diffused or lost as they navigate the cross-functional coordination needed for meaningful improvements. Those of us who showed up are sort of this island of mismatched toys, looking for answers, but one thing seems clear ... when all groups within an organization come together, the customer experience will be made better."



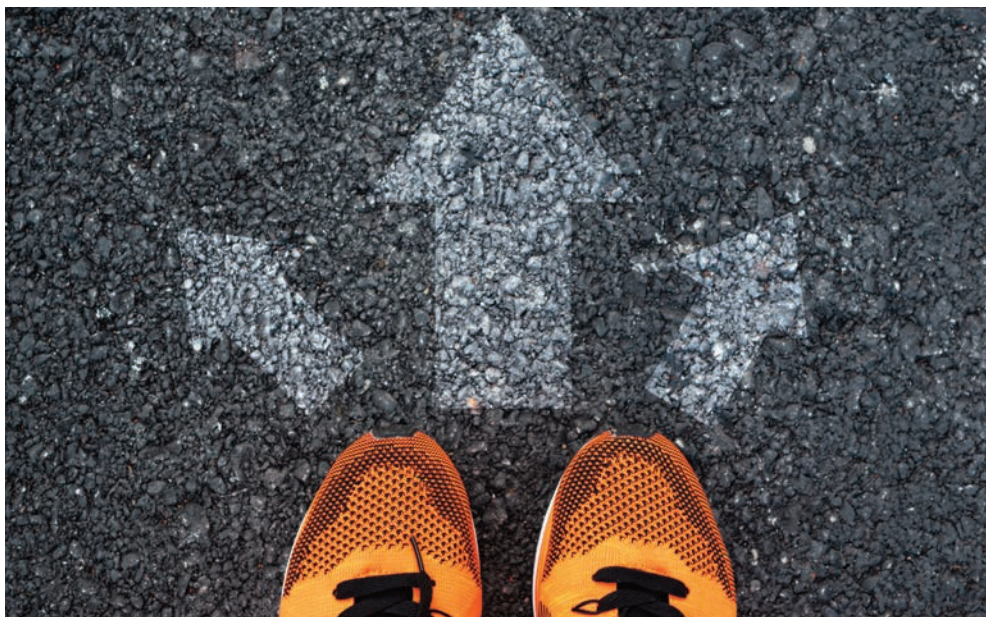
“We’re shaping our AI at the same time that we’re learning about our customers. So the question becomes, where do you put your resources? You can’t make decisions around AI if you don’t know the customer so you must evolve in each direction at the same time.”

– **Grace Hayes-Larson**
Member Services Training
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– **Stephen Loynd**
Global Program Director,
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The Customer Journey

Stephen Loynd of Frost & Sullivan noted that customer awareness can be initiated at various touch-points – website, email, social media, or video. This moves forward to a product consideration, which may include an in-store visit. The customer ultimately decides to purchase a product, perhaps from a website, but not before a phone or chat conversation takes place to answer some questions. Post-purchase, the customer can use a variety of channels – traditional and digital – for service and support needs. And finally, the customer influences other customers and potential buyers to purchase specific products or services. All along, the customer is in different phases of potentially buying more products or services from a company.

“This is not just a hypothetical model or scenario,” said Stephen. “This is the reality for most businesses in today’s digital age – where customers are more digitally connected and empowered than ever before. And therein lays the next set of challenges, and opportunities, for most companies.”

Saif Ahmad of Xavient Digital expressed that, “What would be really interesting to hear is how much of a mapping effort it typically takes, end-to-end. What we often hear is that even people in the customer experience business are not necessarily mapping the end-to-end journey.” Lori of NetApp noted that some estimates claim that 70% of decisions are actually made before a customer even contacts the salesperson. So much lies outside a company’s purview.

Christine Rimer of SurveyMonkey recalled that about ten years ago, a journey map might be sketched out by a cross-functional team “on the back of a napkin,” so to speak – teams figured out the journey in a general sense and then decided where the onboarding piece fit in after. And then a team later focused on how to get it all right. Now, there seems to be more of an expectation of perfect data before journey mapping, and Christine wondered if having access to so much data actually gets teams “tied around the axle” to some extent. A sort of paralysis in the search for precision in data can result.

“So what it feels like you’re describing,” said Jim Radzicki of TELUS International, “it isn’t about checking boxes, but rather, helping me understand overall customer challenges and how to get an effortless experience.” Michael Perry of Coinbase added that it’s important to remember that a bot can only do so much, and eventually most interactions have to move to a human being. “Exactly,” replied Jim. “Problems only get more complex. Human beings still need to be part of the equation.”

Saif Ahmad of Xavient Digital pointed out that technology evolution goes in cycles. “Think about Agile,” he noted, “As it’s trying to recreate what might be called the cross-functional bottoms-up effort, that’s all coming back now. And to Jim’s point, a lot of times the whole customer experience journey overcomplicates things. When representing a brand, how often do we ourselves go through the end-to-end journey of the customer? If I’m a consumer, how do I make sure my suppliers know I’m a top-tier consumer? I want to be treated better.”

One participant discussed her company’s focus on a business value chain, implemented up front with the client so that expectations are set, pre-sales. For example, telling a client they will not realize their ROI in 1, 2, or 3 years. Talking about a support structure is important, as is giving the client options. “And what about the matter of employee journey mapping?” she asked. “That’s one thing I care the most about. Employees need to have the ability to learn and grow in a way that is adaptable.”

George Puig of TELUS International urged the group to remember that often there are cultural differences between different companies. Employee journey mapping can help find the gaps, and bring lessons learned back into training. “I’ve been in the industry for 25 years and universal agents seem to go up and down,” added Jim Radzicki. “But to get a universal agent, I need 12-14 weeks of training. Sometimes agents are just around for a year and yet I’ve spent ¼ of my time training them.”

“Prepare them for the next step,” suggested Jim Mitchell of TELUS International. “Even if that next step isn’t quite available yet ... but they’ll be ready for it when it does come.” Alon Mor of Wix.com added that agent specialization seems to help a lot.

Customer Engagement Analytics

One thing is clear - our adoption of digital technologies is producing oceans of data that are impacting the competitive landscapes of industries. Digital leaders will be those organizations that know how to use business analytics to offer deep insights into customer behaviors and their wants and needs, and then develop new products and services based on these insights, ultimately innovating and exploiting new business opportunities.

George Puig of TELUS International added that, “It’s across the spectrum and it depends on the business. I think that we all have to prioritize these options. We’re seeing more timely assistance, how fast our businesses move. Customers have a certain level of expectation for real-time assistance across chat, email, etc.” And Saif Ahmad of Xavient Digital suggested looking at the macro picture, where it seems that millennials are a lot more reliant on



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– **George Puig**
Chief Commercial Officer
TELUS International

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“Who measures relational Net Promoter Score? Asking things like, ‘would you recommend this overall experience?’ And, ‘based on this experience, how likely are you to recommend this service?’”

– **Christine Rimer**
Vice President,
Product Marketing
& Customer Advocacy
SurveyMonkey



on-demand assist. Today the augmented human interface helps provide a better level of customer experience. Assistance infrastructure is making life much easier.

Maggie Lin of SurveyMonkey then posed a question: “How is everyone measuring customer satisfaction?” Michael Perry of Coinbase pointed out that there is not a perfect metric – “We measure either the most satisfied customers or the angriest customers.” For Kevin Kluck of Castlight Health, “We ask, are customers happy? So we go ask them. And we should know whether they’re happy even before they do. How we get that answer is subjective. And how does AI play into that?”

Christine Rimer of SurveyMonkey wanted to know, “Who measures relational Net Promoter Score? Asking things like, ‘would you recommend this overall experience?’ And, ‘based on this experience, how likely are you to recommend this service?’”

Jim Radzicki of TELUS International said that there are so many technology solutions one could talk about, but it all comes back to empathy during the customer journey. It’s so important to have that strategic conversation first about how to achieve that kind of consistent and effective empathy, and then implement the right technology afterwards – rather than just jumping to the technology first.

At the end of the dinner it was clear that customer experience leaders are on the right track, asking the right questions. And while it’s noted that AI has the potential to deliver significant business value – it comes at the price of truly understanding the customer journey and related customer effort first.