

2019 SPECIAL REPORT SERIES

# Digital CX

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# Introduction



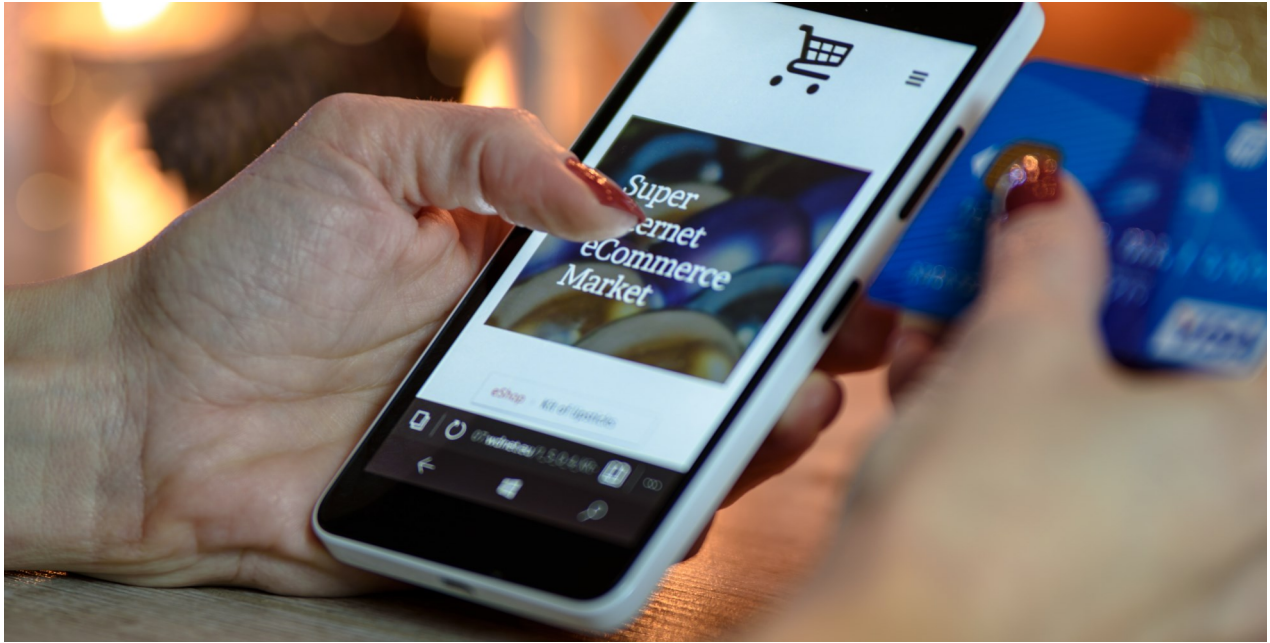
Unless you're a household-name retailer or CPG brand like Johnson & Johnson or Frito Lay, digital channels are often the first touchpoint prospective customers have with your business. Perhaps they discovered your organization through a search engine, GPS app, advertisement on social media or a reviews site like Yelp.

For digital-only companies such as cloud storage provider Dropbox or Capsule, a virtual pharmacy, the *entire* customer journey hinges on the digital customer experience. Meanwhile, a business that sells products and services in *both* physical and digital channels uses DCX as a crucial extension of the customer journey. It empowers customers to self-serve and interact with the brand at any time through whichever channel they choose.

The digital customer experience is the sum of digital interactions between a customer and a company, and the customer's resulting impression of the brand. This includes front-end services and supporting back-office processes typically designed to provide speedier, more convenient customer support than offline channels.



# What Does An Omnichannel Customer Experience Look Like?



Customers don't perceive their experience as "digital" and "non-digital." For instance, when an Amazon Prime member's two-day shipment is late, they don't blame the ground delivery service, they blame Amazon. Hence why it's so important for a brand to deliver a unified, omnichannel experience. That means customers should be able to do the following:

## 1. Toggle seamlessly between channels without repeating information

For instance, if a customer starts filling out a form on their computer and decides to switch to their smartphone, the form should auto-populate already-completed fields. Similarly, a customer should be able to perform the same tasks on the mobile app as the website.

## 2. Seek customer support, engage with the brand and perform transactions in the same way and with the same ease across every channel

Not all companies enable customers to purchase items through every channel, such as Instagram or Facebook Messenger. If this option is not available, the company should right-channel the customer to the website or other point-of-purchase that's convenient for them. Similarly, your agents should monitor social media mentions just as closely as they engage with the webchat function.



### 3. Receive a personalized service and engagement experience in every digital channel

Companies collect exorbitant amounts of customer data via digital channels. They should use it to provide personalized, context-based recommendations across all channels, otherwise customers won't feel justified in sharing their personal data.



“Moving from service to engagement is shifting from a close-ended interaction focused on issue resolution to an open-ended conversation where both parties are better-informed and have better tools. This includes CRM information, contextual customer journey data, an AI-powered knowledge base and relevant coaching so agents can more easily engage with customers.” - Evan Dobkin, senior product marketing manager at TalkDesk

### 4. Encounter a similar user interface and ease-of-use across every channel, as well as a consistent visual and branding experience

Visually speaking, the brand aesthetic should stay consistent across every channel – ditto the user experience. If a customer can check their purchase history or schedule an appointment on the mobile app in just a few clicks, the website should offer the same ease of use. The interface and layout of each digital touchpoint should seem familiar.

### 5. Request support from a live agent if their issue goes unresolved in digital

A common complaint about digital channels is that customers don't have recourse to contact live support if they can't find an answer through self-service. Companies should prominently feature a call-to-action to contact live support so that the customer doesn't feel alienated or uncared-for. In fact, in a recent CCW Digital Market Study on Trends in CX Design & Strategy, customers identified lack of live support as one five top pain points.

## 6. See a seamless connection between the in-store and digital customer experience

Retailers are experimenting with in-store digital initiatives to reduce proverbial pain points like long lines and inventory mismanagement. For instance, at UK fashion retailer Oasis, store associates roam the floor carrying iPads to assist customers with on-the-spot checkout and online orders if their desired item isn't in stock. Their in-store purchases are then reconciled with their customer profile on the website and mobile app, further personalizing the experience the next time they shop. Meanwhile, quick service restaurants like Chick-Fil-A and Potbelly dispatch employees to take mobile orders on iPads during peak traffic to reduce wait times.

# What Are Some Common Mistakes Businesses Make With DCX?



## 1. Don't establish digital initiatives that are superfluous or merely cost-cutting, with no benefit to the customer

When digital initiatives are designed to cut costs or divert customers away from agents, it's usually obvious to the customer. Worse, going digital can *complicate* the customer journey if it's improperly set up.

Digital channels should complement the existing customer journey and add value to certain touchpoints. For instance, many companies use automated web chat as a way to provide 24/7, always-on customer support and prevent the customer from having to wait on hold if they call a contact center.

Better yet is if the company provides a robust self-service platform that lets the customer circumvent support altogether and resolve their issue independently on their own time. However, in order to add value, the self-service experience must be significantly better than what a customer would achieve by walking into a store or calling the contact center.



Additionally, sometimes a company's marketing department will establish a presence on an arcane reviews site or less-trafficked social network like Google Plus just to increase web searchability. If a company appears on a new channel, customers logically expect to be able to receive support in that channel, so don't set one up unless you are prepared to deliver a level of customer support that is equivalent to your other channels. A customer comment or complaint left unaddressed on the web for all to see serves as a warning sign to prospective customers that you don't take customer feedback seriously.



"Many companies first created a business page on Facebook for marketing purposes, but customers started making posts and messaging the company for service requests. Pushing those customers to another channel because it's convenient for the company is not a positive customer experience."

– Evan Dobkin

## 2. Make sure the digital customer experience is a logical extension of the customer journey

Don't digitize processes just because it's in vogue or it's cheaper; you'll end up with a fragmented customer experience. For instance, local mom-and-pops often ask their customers to participate in an online survey by providing a URL at the bottom of their receipt.

Customers have little incentive because they've never interacted with the business online and have no reason to start doing so. If the proprietors instead proffered a short paper survey customers could fill out on the spot, they might see a higher survey response rate. The takeaway here is that digital channels should provide an easier way for customers to do the things they *already* do with the business.

A great example of this is the Starbucks mobile app. Customers often waited in long lines to order beverages, had their names misspelled on their coffee cup, and tracked loyalty points using a punch card, which they might lose or forget to punch. Using the mobile app, customers can order ahead, skip in-store lines and automatically receive rewards points for every purchase.



"You have to really partner with your product team to understand what is coming down the pipeline, what are the projects and the efforts that you think make the biggest impact for the user and where are there other areas where you can become more efficient." - Margot Dear

### 3. Don't draw a line between the online and offline experience

Companies like to differentiate between the in-store customer experience and the online customer experience, hence why investment in digital channels is trending up while retailers spend less and less on maintaining their stores. Alibaba, China's largest ecommerce company, has pioneered a "new retail" concept that erases the distinction between digital and physical with its Hema line of high-tech supermarkets.

Customers can purchase items in-store and have them delivered to their homes within 30 minutes (provided they live within 1.86 miles of a store), and they can use the Taobao mobile app to scan items on shelves and find product details, customer reviews and ratings. Customers who wish to dine in can reserve a table through the mobile app, order food and pay for their meals, and have their food brought to them by robots. In this scenario, Alibaba uses digital to do what it does best (deliver speed and convenience) while also providing a great in-store experience with plenty to see and do.

Finally, recognize that your in-store customer and e-commerce customers have different needs and expectations. For instance, your in-store buyers are more likely to want to be able to try a range of products before they buy, and may value the input of knowledgeable store associates. Conversely, an online shopper likely may already know what they intend to purchase and wants to do so quickly and conveniently.

### 4. Make sure the digital customer experience is supported by the right IT infrastructure

An omnichannel customer experience can't exist without the support infrastructure of integrated IT systems and consolidated internal processes. Companies must invest in dedicated software systems to streamline and automate customer-facing processes, such as omnichannel support software.

For instance, an IVR on its own can only be used for basic call routing, where every customer listens to the same laundry list of menu options. However, when connected to a CRM system, the IVR can recognize customers and personalize the interaction based on their data.



"If the IVR can proactively offer the best option based on recent activity, it will save the customer time and inform the agent who is calling and why before they take the call. This is far more enjoyable for the customer, leads to shorter times in the IVR, and an agent who can answer and end calls more quickly, resulting in higher CSAT scores and lower costs per interaction." – Evan Dobkin

# How To Optimize Various Digital Channels For Their Best Use Cases



Although it is important to provide a holistic digital CX that's predictable and consistent across every channel, the fact remains that certain channels are suited to different purposes. By understanding the pros and cons of each one, you'll have a better shot at optimizing each channel and guiding customers to the channel best suited for them.

That being said, you should still provide support in the customer's preferred channel. If a customer contacts you via Facebook Messenger with a complex troubleshooting query, answer in as much detail as you can, then suggest they visit your video tutorial library or consult a knowledge article by providing a link.

Digital channel	Best for...	Pros	Cons
<b>Website</b>	Helping customers find and compare product information, complete purchases, and learn more about the company	Can be used for a range of functions including customer support, self-service and point-of-purchase. A great way for engaging prospective customers	The business doesn't have an opportunity to build a relationship with a customer without lead generation



Digital channel	Best for...	Pros	Cons
<b>Mobile apps</b>	Account inquiries, updating personal data, billing, payments and self-scheduling	Makes it easy for customers to make educated product decisions, pay bills etc. anywhere and anytime	Apps aren't the best way to engage prospective customers as they tend to be transactional
<b>Knowledge base</b>	Topic-based questions or educating customers about product capabilities	Allows you to categorize questions by topic and how frequently they are asked. Customers can search for topics using keywords through your search bar	If your algorithms don't properly index search results, the knowledge base can be an exasperating experience for customers
<b>Video/audio tutorials</b>	Teaching customers how to use the product step-by-step and highlighting specific product capabilities	You can visually demonstrate how to use a complex product	Tutorials can become outdated very quickly as new product features are introduced
<b>FAQs</b>	Simple yes or no questions or topics related to accounts, transactions, etc.	Answers routine questions customers may have during product consideration or directly after purchase	FAQs don't usually go in-depth, so customers may still seek answers to more complex questions
<b>IVRs</b>	Routing customers to the best self-service channel or the right agent	Provides context to the agent before they answer the call and right-channels customers to the platform optimized for their specific service issue	Natural language processing capabilities are still in development and may misinterpret customer intent. Customers should be able to escalate to a live agent

Digital channel	Best for...	Pros	Cons
<b>Chatbots</b>	Self-scheduling, product onboarding, providing product recommendations or answering FAQs	Chatbots can link the customer to additional resources such as a k-base article or tutorial depending on the outcome of the conversation.	Possibility of misinterpreting customer intent. Customers should be able to escalate to a live agent.
<b>Voice Assistants</b>	Basic account inquiries, buying previously purchased items, answering FAQs	Allows customers to quickly and effortlessly perform transactional tasks	Can only facilitate short-answer, routine Q&As or perform repeatable tasks.
<b>Online forums</b>	Technical or opinion-based questions, such as recommendations	Forums indicate the types of queries customers have, which ones aren't adequately covered in your knowledge base, and how well customers understand your product	Since these are sometimes run by customers, there is a potential for misinformation or misrepresentation of your brand. Forums should be monitored regularly for false information and abuse

## Case studies: Examples of Good Digital CX



## 1. Business objective: speed

The number-one mandate for digital channels is to reduce customer effort and empower users to achieve things faster. Voice commerce using smart speakers like Amazon Alexa or Google Home is a classic example. They enable customers that already know what they want to buy to purchase the exact item they want without having to sign into a website or mobile app, search for the item and input payment details. Instead, the customer simply barks an order and the smart speaker uses their pre-existing account details to execute payment and order the item.

Meanwhile, Amazon's 'Dash' reordering buttons were designed to help customers reorder brand-specific items such as Tide detergent or Charmin' toilet paper. These adhesive badges stick to any surface and customers press it when they need to restock a specific item. While the product has been derided as awkward and unsightly, it represents a deep understanding of the typical Amazon customer. People often forget to buy refills for fast-moving goods like coffee pods or detergent until they reach for the item in the cabinet and realize supplies are depleted.



## 2. Business objective: Assisting customers in-store quicker than a human can

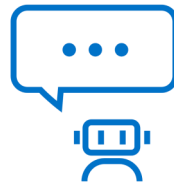
Sometimes, digital channels can augment the in-store experience. Home Depot lets shoppers use Apple Business Chat to ask the whereabouts and availability of products. The chatbot sends them an interactive map detailing the corresponding aisle and bay where the item can be found, allowing customers to self-navigate without having to look for a store clerk.



“We have an understanding here in process excellence that when you get an answer from a chatbot the answer looks the same every time. You don’t have to ask the chatbot more than two or three times maximum.” - Bjartmar Jensen, head of process excellence at Tryg

## 3. Business objective: Encouraging customers to visit the store

Sephora’s chatbot on Facebook Messenger helps customers book a makeover appointment at the nearest store and try on products using augmented reality filters on their cell phone camera, empowering customers to make more educated purchasing decisions. After introducing the chatbot, Sephora saw a 60 percent lift in the number of customers visiting the store following an interaction on Messenger, representing a 42 percent increase in store traffic.



## 4. Business objective: Encouraging customers to visit the store

Personalization is an example of how a digital channel delivers added value in a way that only digital can do. Companies like Amazon, Netflix and Spotify have grown synonymous with personalization, thanks to AI-powered recommendation engines that grow more sophisticated every time the user interacts with the website or mobile app to provide increasingly accurate recommendations.

Netflix takes personalization so seriously that the company claims it offers not one product but over 100 million products – one for each of its more than 100 million subscribers in over 190 million countries. Meanwhile, Spotify's proprietary algorithms deliver music playlists so personalized users have joked that the music streaming service knows them more intimately than their spouse.



## 5. Business objective: Convenience as a value proposition

Digital channels are especially adept at eliminating traditional pain points, such as having to call numerous healthcare providers to find one that will accept your insurance, or comparing life insurance policies.

On ZocDoc, users can search for doctors based on zip codes, ratings, specialization, types of insurance accepted and more for a personalized app experience. They can also fill out their medical history so the doctor has context when the patient arrives - the definition of an omnichannel experience, and much more frictionless than if an agent were to recite a list of doctors over the phone for the customer to choose from.

Some digital platforms like ZocDoc, eBay don't necessarily provide a service; rather, their convenience value proposition comes from serving as a digital marketplace for buyers and sellers to find each other and build relationships.



"We realized the world is changing so we tried to create a digital ecosystem, the Schneider Electric Exchange, where our partners can interact with each other even without Schneider Electric or to bring in new players in like startups and data architects. We are trying to bring everything together in one place because it's part of a good customer journey to reduce the number of entry points to your software platforms." - Jochen Sadlers, head of digital customer experience at Schneider Electric

## About the Author



### **Kindra Cooper, Digital Writer and Editor** **Customer Management Practice**

Kindra Cooper is a digital writer and editor for CCW Digital, the global online community and research hub for customer contact professionals. In her role, Kindra writes daily articles and produces podcasts on customer experience, design thinking, UI/UX, brand strategy and more. Her reporting has appeared in various print and web publications covering politics, arts & entertainment, business and architecture.



## Meet Our Analysts



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# Upcoming Events

## OCTOBER

### Service Design

October 15-17, 2019

Chicago, IL

<https://servicedesignweek.iqpc.com/>

## NOVEMBER

### Chief Experience Officer Exchange

November 3-5, 2019

JW Marriott Marquis Miami, Miami, FL

[https://www.customercontactweekdigital.com/  
events-chiefexperienceofficerexchange](https://www.customercontactweekdigital.com/events-chiefexperienceofficerexchange)

## DECEMBER

### CCW Digital Online Event: Contact Center 2025: A Roadmap—FREE to register

December 3-4, 2019

[https://www.customercontactweekdigital.com/  
online-events/contact-center-2025-a-roadmap](https://www.customercontactweekdigital.com/online-events/contact-center-2025-a-roadmap)

## JANUARY

### CCW Nashville

January 28-31, 2020

JW Marriott, Nashville, TN

[https://www.customercontactweekdigital.com/events-  
customercontactweekwinter](https://www.customercontactweekdigital.com/events-customercontactweekwinter)

## FEBRUARY

### Experience Design

February 25-27, 2020

Denver, CO

<https://experiencedesignweek.iqpc.com/>

## MARCH

### CCW Executive Exchange Miami

March 22-24, 2020

Miami, FL

[https://www.customercontactweekdigital.com/events-  
ccwexchangeusa/](https://www.customercontactweekdigital.com/events-ccwexchangeusa/)