

DELIGHTING BUYERS AND  
DRIVING BUSINESS IMPACT:

A BUSINESS LEADERS GUIDE  
TO CREATING

# GREAT EXPERIENCES IN AN EVER-CHANGING WORLD

Today's customer is becoming increasingly discerning. Think for a moment about the changes we've all experienced during the last five years: our online behavior, shopping habits and the range of interaction channels we use is vastly different for many of us in our daily lives. Covid-19 acted as a critical behavioral accelerator; pushing many towards their first online experiences through necessity and causing the digital natives to demand more. Familiarity and acceptance of the online channels grew as a result, and - even now - brands are fighting harder than ever to create value propositions and experiences that will attract and retain their customers and advocates.

This acceleration transformed virtually every industry – from retail to hospitality to sports and entertainment to the ways

we bank and more – which forever changed the ways in which businesses interact with their customers.

Yet, customers want those online experiences to be replicated and connected in the physical world too. They want brands to treat them as individuals, and support them on their mission in the simplest, most transparent, effective, and trusted means possible.

For brands to build that understanding of their prospects, customers and their individual missions, they have to unlock the data they hold and put it to better use for the benefit of their customer. It sounds simple but the two stages of “understanding your customer” and then putting these data to use to help “engage your customer” are surprisingly absent or poorly addressed in many organizations today.

We say “surprisingly” because they are the cornerstones of customer engagement. We’ve heard for years that “Omni-Channel” engagement is (apparently) obtainable by all, but there are too few examples where brands truly orchestrate their customer engagement across all their channels. Channels and customer data are often still siloed and reinforced by internal operating models that are no longer fit for purpose.

Why is this important? Customer loyalty and advocacy is founded on trust and a value exchange. Your customer must be comfortable in making that exchange, and the brand must honor that by managing and using that data to make their customer’s lives and experiences better!

According to [Gartner](#), about 75% of the world’s personal data will be covered under modern privacy regulations by 2023. That means businesses need to gain consent and earn trust with customers now. The cost for using data irresponsibly is great, with businesses being subject to fines. The costs with customers are also significant, with a [recent report by PwC](#) stating that 71% of consumers would buy less from a business that lost their trust. And, 73% of those respondents would spend significantly less.

So, let’s explore those two cornerstones. Over the coming pages, we’ll explore both in turn:

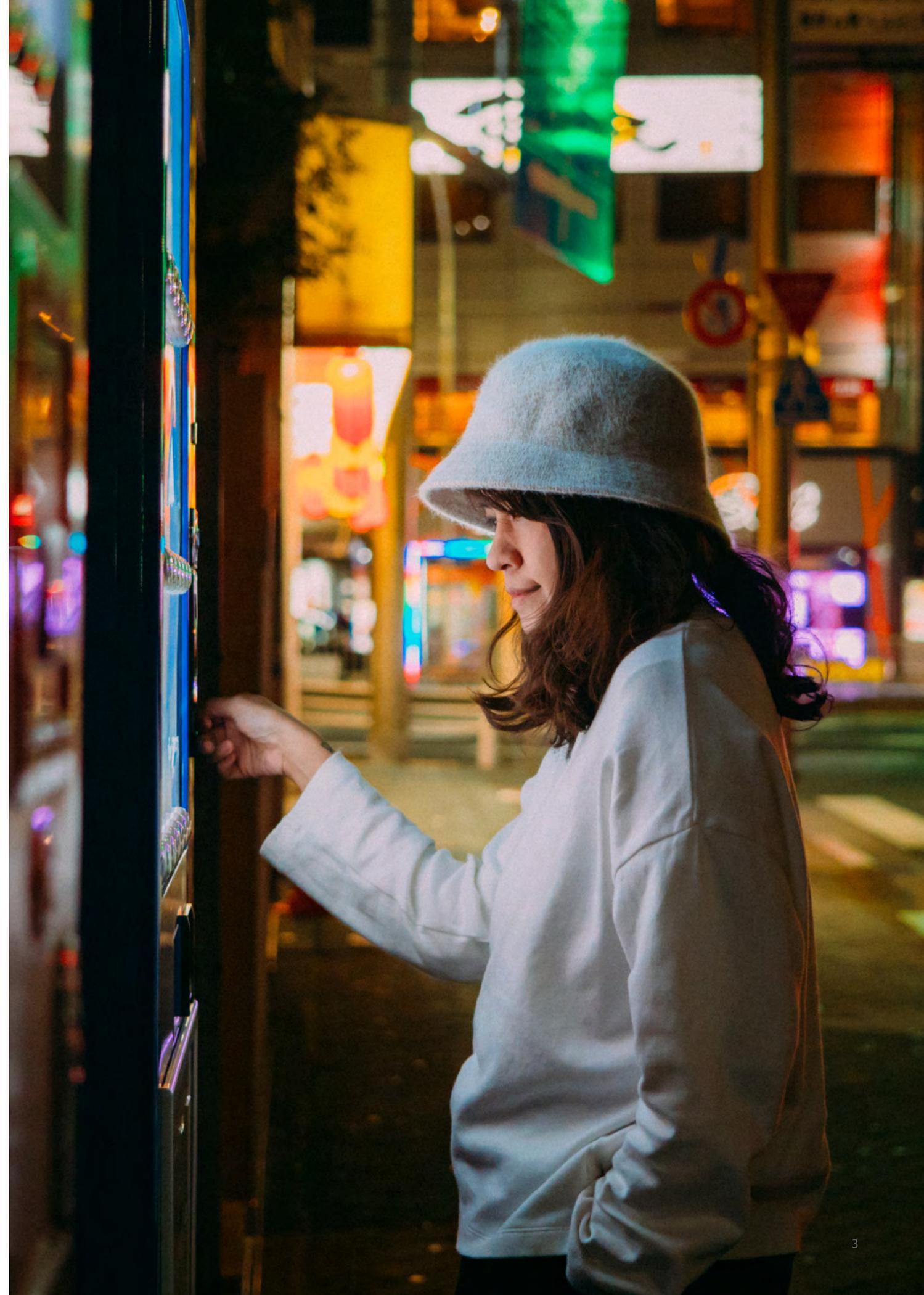
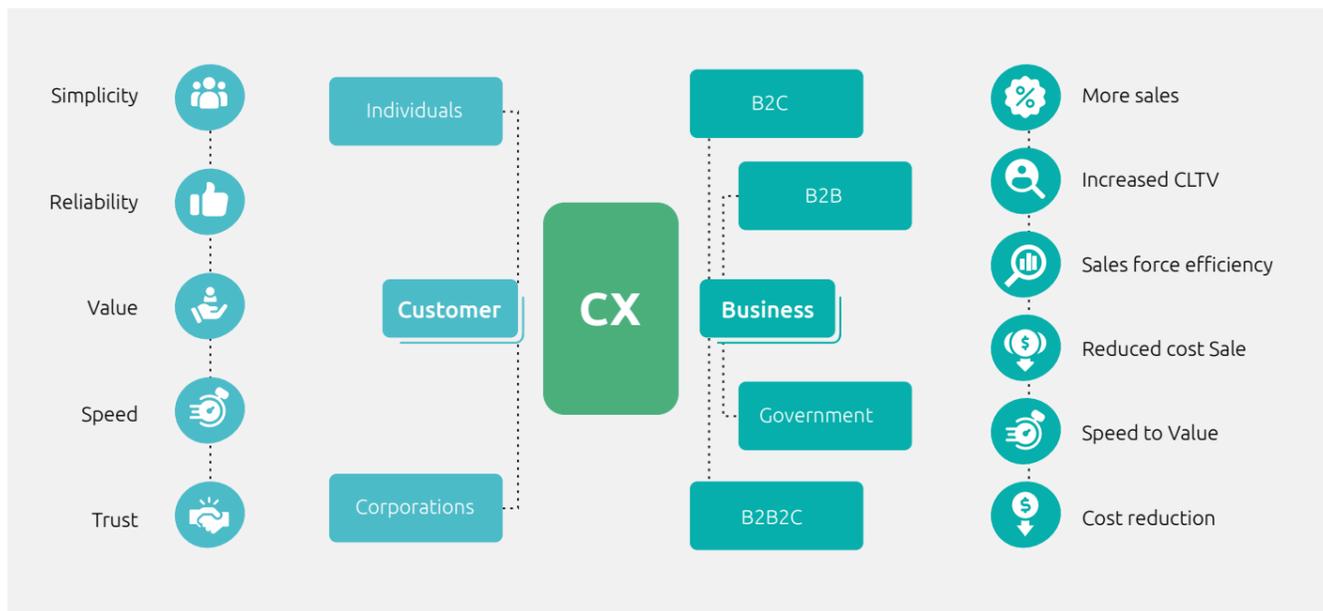
- Understanding your customer
- Engaging your customer

It’s important to remember that whilst we cover each independently, both need to be addressed in unison. You can create fantastic customer insight, but if you don’t use it across your engagement and activation journey all you’ve done is create a data platform. Similarly, you can craft engaging, brand-driven experiences, but if the customer feels anonymous because what they told you only ten minutes ago isn’t available to progress a conversation or a journey, they’ll get frustrated and look elsewhere. Does this sound familiar? Read on:

## How can you become effective at mastering customer data?

### Data – the secret weapon in meeting the needs of an experience economy

Providing a truly unique and contextual experience isn’t easy – and it isn’t simple for a business. Nonetheless, some organizations are getting it right. They’re building customer trust on a single source of unified, trusted data. And they’re striding ahead of the competition. In our experience, brands need to go beyond just creating beautiful and joined-up experiences – they must recognize and treasure the trust customers put in them to protect and use their data in a respectful and appropriate manner to create experiences that deliver value at speed for both the business and the customer alike.





What these companies have recognized is the need for and consequence of using data to identify and power their differentiating customer experiences.

The challenge organizations face in this experience economy is that, in addition to customers opting in and providing first-party data (data that companies directly collect from customers), they need to analyze it, use it to create customer profiles and segmentation, identify propensity (e.g., to buy, churn, etc.). What's more, this must happen across the customer lifecycle, incorporating both third-party and owned channels. And should be done in real-time, and at scale.

## The customer data challenge

The more you know about your customers, the better the experience you can provide them with. But data often trips us up. But it's not a lack of data that's the problem. Rather, there's a huge volume of data - only it's not in one place and organizations struggle to connect it all together to provide a single, real-time view of the customer. This is especially true when trying to stitch unknown to known customer data.

Information is captured at every customer touch point (Marketing, Sales (for B2B only), Service, E-commerce and Points of Sale channels) as well as events and moments. We call this **Customer data**. Then, there's the data residing in core business operations and partner ecosystems (for example: supply chain, operations, etc.) – we call this **Enterprise data**. It's all there. And it's all sitting in disconnected silos across the enterprise.

And there's the challenge of data privacy and consumer trust. Ethical data management is the cornerstone on which customer trust and loyalty are built. Data use is also governed by increased global data regulation, which requires mature data privacy, quality, and lifecycle management; whilst honoring the preferences and permissions set by your customers. For example, Identity resolution is quickly becoming a critical step in the data supply chain – and this will be even more critical when we enter a (third party) cookieless world post 2023.

### What is driving the need for a data-driven customer experience?

The pandemic has shifted focus on how to engage with customers. As this new world begins, we have noticed that customer expectations have quickly picked up in terms of experience, personalization, emotion and new ways of convenience.

To meet these new expectations companies must become customers obsessed to be able to fulfill their customers' quest for meaning at every interaction. For that, data is fundamental.

We think there are three key themes and questions brands must address in order to master their management of customer data:

- Breaking down org silos and managing the volume of data
- Embedding privacy and trust in all your data operations
- Building an identity that accurately reflects your customer interactions with your brand

It all starts with collecting the RIGHT data in a compliant manner

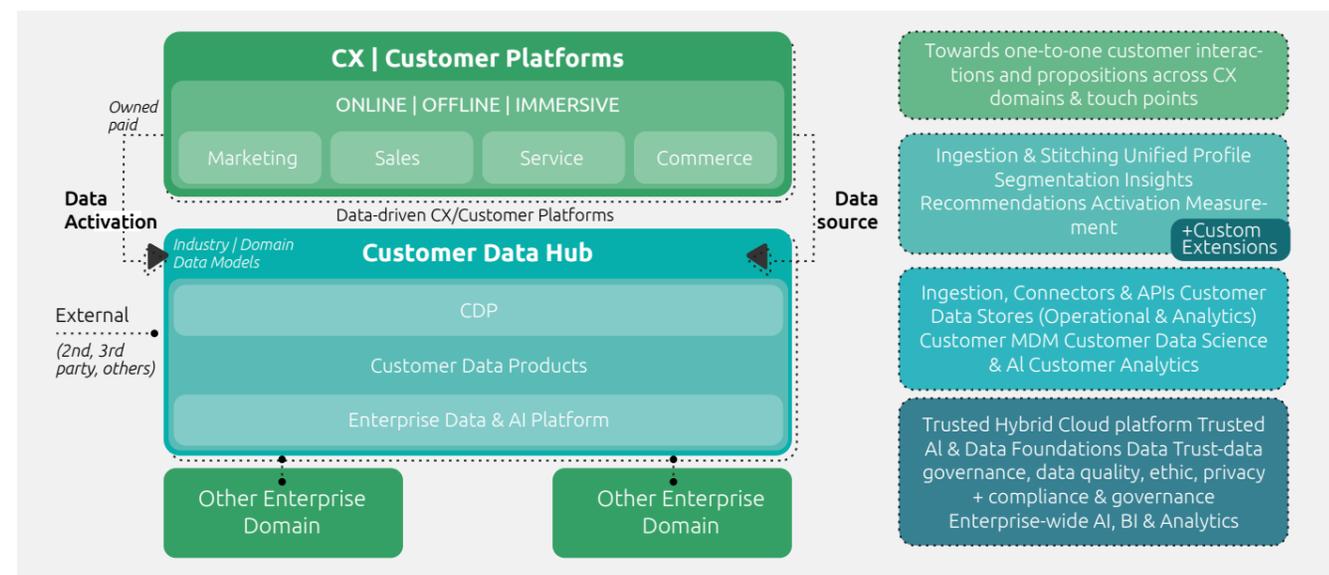
## Technology – what do you need to make this a reality?

Although we have talked about the complexities in the data landscape, the technology landscape to achieve this can be equally confusing. Do I need a Data Management Platform (DMP)? How will it work with a Customer Data Platform (CDP)? Where does customer Master Data Management (MDM), How do I create a roadmap for my Customer Data Hub (CDH)? How do I orchestrate all of this for the benefit of my customers and prospects? How do we plug this in without causing chaos?

These are all typical questions brands ask us to explore with them. Understanding the respective roles (noting the relatively "loose" definitions on components like CDPs in particular) of each component is key, and many brands are starting that journey now, or making further investment to prepare for the slightly opaque vision of a post-3rd party cookie world.

## Using Customer Data Platforms to drive a better customer experience

One route to solving data fragmentation is through a **Customer Data Platform (CDP)**. Designed to create actionable data by taking outputs (segments, audiences, etc.) that are pushed into the organization's interaction platforms, a CDP is a set of data solutions built on top of the enterprise AI and data platform(s). In essence, a CDP ingests, organizes, cleans, enriches, and connects transactional (CRM, points of sale, emails, etc.) and behavioral (web, mobile app, etc.) data into unified and trusted customer profiles. Building this rich view of customers at an individual level rather than coarse segmentation (although the two are complementary rather than competing) is the fuel to drive one-to-one engagement (which we will explore deeper in Part 2) and across all customer touchpoints, ultimately breaking down data silos.



A CDP can also crush departmental silos and help organizations better utilize data from all major facets of the business. Tealium's recent [Organization of the Future report](#) states that key business functions must work together to create better experiences for the customers from every touchpoint. The time is now for the offices of CFO, CIO, and CMO to work together.

A CDP can help give you the answers you're looking for – organizing your customer data into actionable profiles; and blending their transactional and behavioral activity to generate the insight needed for engagement. This goes beyond marketing, supporting your commerce and trading, customer service and any virtually every touchpoint (human or automated). But doing so that is compliant, especially with the deprecation of third-party cookies and heightening global privacy regulations, can be challenging without the right data infrastructure in place.

According to Tealium's [In Data We Trust](#) e-guide, CDPs can establish better trust with customers amid these major shifts through:

- **Reducing risk from siloed data:** Having an abundance of data does nothing without the right strategy in place. Siloed and unorganized data can result in costly processes and increase risk in duplication, stale datasets, and fractured understandings of the customer. Breaking down these silos will maximize data and allow organizations to fully understand their customers and ultimately better connect with them.

- **Propagating privacy preferences:**

Privacy preferences should be honored throughout the entire customer journey and maintained through the lens of the customer. If organizations are not compliant, they risk losing customers, in addition to possible legal repercussions.

- **Enabling operational efficiency and better business agility:**

Allowing all business units that leverage customer data to “speak the same language” and work in tandem is critical in enforcing a positive and consistent customer experience. CDPs enforce this by eliminating these “language barriers” and overall better connecting organizations through data.

- **Providing better transparency to customers and allowing them to have more control over their data (and preferences):**

CDPs are positioned to be trusted repositories of customer data. Customers are also becoming savvier about their privacy rights and preferences, and CDPs can help organizations ensure they are engaging compliantly with their loyal customers.

- **Activating the ultimate customer experience:**

CDPs can allow organizations to better understand customer behavior and preferences via a 360, single customer view. This also enables organizations to better engage with their customers in real-time and at scale.

A person is holding a tablet computer. The tablet screen displays a quote in blue italicized text. The background shows a wooden desk and a laptop keyboard.

*“In an ideal world, organizations would be able to have a personal, one-on-one relationship with their customers. This works if you are a corner store, but most companies operate with thousands of customers, which is where customer data and CDPs play an instrumental role. They enable companies to identify patterns, likes and dislikes, and importantly customer risk – both quickly and at scale. Having a thoughtful strategy for customer data is critical to deliver the personal and trusted experiences now, and to future proof your business”*

**HEIDI BULLOCK,**  
CMO, Tealium

## Realizing the full potential of customer data

But what is the return on investment (ROI)? This is surely the first question that needs to be answered when CX stakeholders are making the business case for a CDP. Beyond delighted, loyal and lifetime customers, the four primary customer experience touchpoints (Marketing, Sales (for B2B only), Service and E-commerce and Points of Sale channels) derive a number of efficiency and revenue benefits from realizing the full potential of their customer data. For example, in marketing do you want to use customer data to build and test segments and engage with customers on the channels that suit their behavior, preferences and patterns? This would help boost revenues and optimize activation budgets by using data to cut out the guesswork when it comes to creating an engaging, personal CX. Or, in service, do you want to use data to detect unsatisfied customers and trigger actions to increase their loyalty (anti-churn scoring, intervention by service agents ...) – this would ensure a higher rate of retention and happier customers.

## Working with Capgemini to build a business case

In today's data-rich consumer landscape, the value of CDP is undeniable. Brands see the value and want to invest in a CDP, but don't know where to start.

Let's be clear, all CDPs are not created equal. They reflect their genesis, whether that's typically from a data mastery position, or a marketing execution position. Do you build your own CDP? Should you buy? These are common questions we help client teams explore in order to choose the right path and / or product.

Most organizations have not realized the full potential of their data and are still building the business case for data transformation. That's understandable. However, the writing is on the wall and, as more and more consumers engage on digital channels, it is time to start preparing for real-time decision making and personalization with a program of CX transformation. And, choosing the right one for your business can be a difficult task. 73% of companies stated that a CDP will be crucial in meeting the customer (customized)

personalized experiences). As the major source of data to rely on is first-party data, data choosing, and managing is critical. Capgemini can help you with the how and the when to apply data for the right CX – we have knowledge across various technology partners and know which product to select from the stack for the results you want.

Done right, personalization goes beyond any single technology to focus on contextually relevant experiences that boost customer value. Customer-focused personalization requires enterprise data management to facilitate customer understanding, industry expertise to define a winning brand strategy, and technology and services to deliver superior customer experience (CX).



## Create visibility with clients and give the best experience

### Becoming journey obsessed

The next challenge is how best to derive actions for your customers based on contextual insight. Ideally, this should be in real-time because your potential customer will not wait minutes until you find the right message, and it needs to be a scale. The insight provided by your CDP enables you to tailor the next interaction or moment your brand shares with the customer, whether that's initiated through a push from the brand, or a pull from the consumer. It's about learning from every interaction with a consumer and influencing in their key moments.

In many instances companies just focus on the data-driven customer experience story and the miss activation – **Customer Journey Management** fills that gap.

86%

Of executives say their customer journeys have changed during the last 18 months

2/3

say they felt that understanding or managing their customer journey was more important that 18 months ago

41%

of executives anticipate they will invest in customer journey analytics going forward

Imagine this:

*Kiara is browsing her favorite beauty products app – looking for makeup remover. While browsing, a new line of lipstick shades catches her eye. She likes two of them and adds them to her wish list- although by now, she has forgotten that she wanted to buy makeup remover and logs off without making a purchase.*

*Two days later, she gets a notification from the brand app to complete her purchase. But she is busy at work and the notification doesn't trigger an action from her.*

*The following weekend, Kiara goes shopping – her birthday is approaching, and she wants to buy a new dress. She's successful and books a cab to leave the mall. While she is waiting, she gets an automated email from the beauty brand reminding her that her wish list awaits. However, her cab has arrived, so she, again, ignores the marketing attempt and heads home.*

**NOW** imagine this:

*Kiara is browsing her favorite beauty products app – looking for makeup remover. While browsing, a new line of lipstick shades catches her eye. She likes two of them and adds them to her wish list- although by now, she has forgotten that she wanted to buy makeup remover and logs off without making a purchase.*

*Two days later, she gets a notification from the brand app to complete her purchase. But she is busy at work and the notification doesn't trigger an action from her.*

*The following weekend, Kiara goes shopping – her birthday is approaching, and she wants to buy a new dress. **The beauty brand has a store in the mall and using proximity marketing, knows that Kiara is close. Using her recent browsing history wish list, plus her brand loyalty and profile details, a personalized offer is created. Soon after arriving at the mall, Kiara gets a push notification on the app: "Birthday gift from us: Buy your two favorite lip shades instore and your makeup remover is our gift to you!"***

*Kiara is happy with the offer and goes to buy the lip shades she had wish listed. Having bagged herself two new lipsticks, and a birthday dress, she heads home feeling special and valued.*

This second example is, by far, the better experience for both the customer and the brand. It demonstrates how the use of contextual data across channels and at different moments will bring insight to customer journeys and in turn delivers effective and memorable customer experiences. It shows **shared value**.

## Orchestrated Activation along the Customer Journey

True personalization requires a mindset shift towards considering the entire user experience as an orchestrated, dynamic and contextually relevant journey. As the examples showed, it's about making every interaction with the customer count.

We believe, Customer Journey Management (CJM) to be a holistic discipline that helps brands ensure a HAPPY PATH for their customers (and we all know that happy customers = business growth).

CJM helps:

1. Brands: organize and prioritize (orchestrate) their customer communications
2. Brands: diagnose and address pain-points in the Customer Lifecycle and the Customer Journeys within the lifecycle
3. Customers: by personalizing the brand interaction on a one-to-one basis, focusing on their needs and supporting them on their current journey

When done right, CJM drives results:

- 20-40% increase in customer advocacy due to enhanced engagement
- 15-25% lower costs to serve due to reduction in IT and operating costs

- 10-20% increase in revenues due to improved conversion rates and deepening of relationships

Our approach to CJM helps our clients resolve the complexity of the customer journey and take a Customer First approach of engaging with the customer across their entire lifecycle at every step - mapping, orchestrating, measuring, analyzing and optimizing. It helps our clients move from one phase to another, at real time - delivering impactful customer experience – seamlessly across channels.

With evolving customer demands, businesses need to alter their approach from customer centric to customer-first: they must stitch together multiple journeys using a single source of truth to deliver an experience that is seamless and impeccable. Brands now need to meet customers on their terms in the context of their journeys; all with the aim of ensuring lesser dropouts and long-term customer delight at the end of each of their journeys.

**Contact us to learn how we can help you.**



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*"You Can't Become CUSTOMER-OBSSESSED Without Becoming JOURNEY-CENTRIC..."*

**JOANA DE QUINTANILHA,**  
VP and Principal Analyst, Forrester<sup>1</sup>

<sup>1</sup>Journey Centricity: Learn From The Leaders", Forrester Research, Inc., June 1st, 2020.



## About Capgemini

Capgemini is a global leader in partnering with companies to transform and manage their business by harnessing the power of technology. The Group is guided everyday by its purpose of unleashing human energy through technology for an inclusive and sustainable future. It is a responsible and diverse organization of over 340,000 team members in more than 50 countries. With its strong 55-year heritage and deep industry expertise, Capgemini is trusted by its clients to address the entire breadth of their business needs, from strategy and design to operations, fueled by the fast evolving and innovative world of cloud, data, AI, connectivity, software, digital engineering and platforms. The Group reported in 2021 global revenues of €18 billion.

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