

The customer is queen

Transforming customer experience

In today's rapidly evolving marketplace, the definition of customer experience is transforming. Gone are the days when providing exceptional service meant merely operating a responsive call centre or an efficient customer support portal. Now, customer experience has become a holistic journey that begins the moment a product is conceived and extends far beyond its delivery, influencing every aspect of a company's strategy and operations.

Companies that excel in creating a customer-centric culture have proven to significantly outperform their peers. Studies have shown that growth-focused organisations—those that prioritise customer needs and adapt dynamically—generate up to 30 percent more shareholder value compared with their less adaptive counterparts. Yet, despite its apparent value, many organisations struggle to break out of traditional silos and adopt a unified, data-driven approach to customer experience.

Building exceptional customer experiences

Today, it has become imperative for companies to make customers valuable to the business and brands valuable to customers. To build an exceptional customer experience, it is essential to design experiences that are efficient, enjoyable and trustworthy. Neglecting any one of these can diminish a brand's impact.

"There are two things you are trying to achieve: first, make customers more valuable to businesses and brands; second, make brands more valuable to customers."

**– Nick Garrett,
Global Leader -
Marketing & Commerce,
Deloitte Digital**

The following are some critical themes for building exceptional customer experiences:

- **Hyper-personalisation**

The future of customer experience lies in blending IQ (Intellectual Intelligence) and EQ (Emotional Intelligence). Hyper-personalisation must adapt to a person's various roles and contexts. For example, a UK bank that uses EQ to engage young customers through relatable communication and seamless digital experiences. Meanwhile, a French car manufacturer uses EV data to cross-sell and up-sell to customers based on their driving patterns. Brands valuable to customers.

"In the post-truth era, customers expect businesses to be completely transparent across the entire ecosystem, from point of purchase to raw materials, to the manufacturing process."

**Ashvin Vellody,
Partner, Chief Strategy &
Innovation Officer – T&T,
Deloitte India**

- **Humanising business**
Brands need to demonstrate vulnerability and humility by actively involving customers in their journey. An Indian multinational food company created a purpose-driven marketing campaign that resonated with Indian values, connecting with customers on an empathetic level. Similarly, an American multinational technology corporation, despite its global recognition, acknowledges the ongoing need for improvement and actively engages with user feedback.
- **Transparency and trust in a post-truth era**
Customers today demand complete honesty. An Indian financial services company has set an example by openly sharing its pricing structure, fostering trust in a market where transparency is often lacking. Meanwhile, A Mexican beer brand has maintained its brand integrity and consumer trust, even in the face of challenges related to misinformation.
- **Strategic gamification**
Gamification is an effective strategy for influencing behaviour and enhancing engagement. In B2B contexts, it can promote adoption and foster loyalty among customers. Examples include gamified dashboards for field agents and loyalty programmes that encourage repeat business. For instance, a cloud-based ticket booking platform uses interest-based gamification to engage customers and maintain their long-term interests.

- **AI-enhanced customer service**
Brands must harness AI for proactive support while keeping a human touch. Combining IQ and EQ is key. Businesses can automate 60–70 percent of customer inquiries while focusing human resources on complex, empathetic interactions, setting up a “beautiful situation” of efficiency and care.
- **Designed ecosystems for participation**
To succeed, companies should aim for a “share of participation,” moving beyond simply capturing a share of mind or wallet. This approach involves creating interconnected experiences that place the customer at the centre and creatively combine various assets. For instance, an American company operating an online marketplace for short- and long-term homestays has developed an ecosystem that extends beyond just offering accommodations; it provides unique experiences that encourage active customer engagement.
- **Decentralisation and customer empowerment**
Empowering the community is essential, allowing customers to shape the brand. B2B SaaS platforms implement this concept by encouraging user feedback and suggestions, fostering a sense of shared ownership.
- **Total immersion for new-age customers**
Young customers in their 20s and 30s expect brands to engage with them on their own terms. Businesses must adapt to this shift, as total immersion will be a crucial trend in coming years.

Achieving a superior customer experience requires adopting an integrated strategy that connects all areas of the organisation. It is crucial to highlight the role of functional leaders in recognising the economic value of experience initiatives and ensuring that data is utilised wisely and responsibly.

The journey towards world-class customer experience is complex, but by using these principles, businesses can stay relevant and competitive in a rapidly changing marketplace.

Key insights

The following prerequisites are essential for building exceptional customer experiences:



- **Lack of cross-functional collaboration and siloed decision-making are the primary barriers to building exceptional customer experiences**
Organisations must reach a consensus on short-term vs. long-term customer goals. This involves aligning on a problem statement and ensuring that every function interprets data with a consistent narrative, which helps avoid siloed actions and uncoordinated efforts.



- **Organisations must have a unified vision for customer-centric goals that can be translated into individual function-specific goals**
Balanced KPIs are essential, reflecting departmental and organisational objectives. This approach keeps the teams focused on broader goals rather than isolated departmental achievements.



- **A robust data management strategy is essential for creating an end-to-end customer view across the lifecycle**
Data fragmentation and unstructured data present significant hurdles in the Indian market due to the lack of structured, unified data and evolving regulations on data usage. This creates silos and obstructs clear customer insights.



- **Need to build a purpose-driven brand instead of a profit-oriented one.**
Developing a purpose that, while it may indirectly contribute to business outcomes, is not solely focused on numbers. Purpose-driven strategies foster stronger customer relationships and build brand loyalty over time.

Achieving sustainable growth

A holistic approach to transforming customer experience is essential. This approach emphasizes the importance of data quality, cross-functional collaboration and the integration of advanced technologies, such as AI for personalised customer engagement. While addressing unique challenges such as data fragmentation and siloed operations, the focus should be on aligning organisational goals with customer needs. It is crucial to foster a culture of

empathy and to continuously adapt to emerging trends. By prioritising long-term customer value, organisational alignment and purpose-driven strategies, businesses can achieve sustainable growth and build stronger, more meaningful relationships with their customers.

DEBT TO DIFFERENTIATION

