

Technology's Role In Applying A Coherent CX

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BRADLEY HOWARD (BH): Hello everyone. I'm Bradley Howard and welcome to the latest episode of Tech Reimagined. Today, I'm sitting down with Alex Hunter again and we'll look into more detail about the key role that technology is playing in defining and implementing a coherent customer experience, especially around loyalty and retention. Just to remind everyone, Alex, please, can you tell us a few words about yourself and your impressive career?

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ALEX HUNTER, BRANDING & CX EXPERT (AH): Sure. That's very generous, thank you. I'm delighted to be here. Thank you for including me in the conversation. My name is Alex Hunter. I help businesses figure out how they can be better, how they can provide outstanding customer experience. I spent some time in and around the Virgin Group as part of the team that founded Virgin America, the airline in the U.S. and then as Global Head of Digital for the entire Virgin Group and the Virgin Mother brand. So I'm very much looking forward to this conversation.

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BRADLEY HOWARD (BH): Thanks, Alex, and welcome to the show. So you've worked for a number of different mega brands, global mega brands, absolutely fantastic on their digital strategy. Do you think the overall online experience for consumers has been positive or negative during the pandemic?

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AH: I think it started very negatively and I think it exposed how far behind the curve a lot of industries were from a digital adoption perspective. But in the intervening months, I think it's actually been a huge boon for the consumer, because when major industries, grocery stores, airlines, the F & B industry to name just a few, retail as a whole, when almost overnight their platform for delivering their products and services was taken away from them, they had no choice but to, for want of a better word, pivot and do better, and I think it actually it was a really interesting litmus test for the appetite of brands to really invest and innovate or they died - and some of them did. We saw a lot of high street closures. We saw a lot of FMV chain and retail and travel chains disappear. That's not because they had a bad product or they can blame it entirely on covid. It's just because they didn't really adopt this and that's very important. I think, you know, supermarket chains had to overnight figure out how to deal with an exponential increase in click and collect orders, delivery orders.

You know, Amazon employed 150,000 people in the UK alone to deal with that, but they did. And as far as you and I and everybody else watching this could ascertain, not a lot changed. There was no blip. There was no denigration in service. It was just, it just carried on. I mean, Amazon were so far ahead of the game because they've almost defined the game and that total overnight shift in consumer behaviour forced all of these companies to do to do the same, and I'm really hoping that some of the innovation that came out of essentially like a, you know, a gigantic global hackathon remain, because they are genuinely good consumer benefiting innovations.

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BH: Yeah, we all talk about Amazon during the pandemic as though, well, of course it managed to cope with the massive increase in number of orders. But certainly at Endava, where we see lots of different companies, we see some that have managed to handle that massive increase in demand very well through their kind of much more agile thinking rather than traditional businesses and so

forth. So do you think the customer expectations have changed now that we're getting through the pandemic?

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AH: I think so, yeah, I think people want to be able to access, in the loosest sense of the word, companies through digital now more than ever, because we have our devices on us 24 hours a day and we've gotten used to being able to do so much more with them than we could a year ago, when it comes to, you know, products and services, we now demand that companies are available to us 24 hours a day and we want to be able to access them on the platforms of our choosing. So if we start a conversation, you know, on email, we want to be able to continue it on Twitter. We don't want to have to switch back and forth and God help you if you ask me for information I've already given you on a different platform. That happened that was starting to happen in some industries pre-pandemic. But now it's, we demand it because all of these apps have changed, all the platforms and delivery mechanisms have changed to be mobile or digital first. And we've changed our expectations as a result. And that's taken a lot of industries by - and how we structure our own organizations has actually had to completely change as a result. I mean, weirdly and rather paradoxically, the airline world who are totally reliant on 30 plus year old technology generally in the past and are not good about adopting new technology from an operational how you run your business perspective, they've been the ones who have actually figured this out the fastest.

So when I had a problem with an airline and I go online on Twitter and bitch about it, you've got armies of social media people, who really all they can do is kiss my backside and say, "I'm so sorry we let you down, I'm so sorry, call this number." British Airways, of all people, realised, well, instead of training people to placate angry customers, why don't we train our reservations agents who have decades of institutional knowledge about the ins and outs of every possible booking process? Why don't we just train them how to use Twitter? That's actually not that hard. So not only can they apologise, but they can resolve the problem at the same time. And so the customer is getting instant gratification and resolution to their problem. Costs go down. There's no call centres to man, there's no phone lines. That total transformation of essentially the same thing, customer service delivery was really a lovely by-product of the pandemic from a customer experience and an expectation perspective.

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BH: Do you think there's a danger, though, of - as more and more products and services move into the digital realm, that it becomes a bit of a price war, that it can become ever decreasing circles of margin and profit for companies in order to be top of the search results?

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AH: No, I don't think so. I don't think so, because I think what we're doing is we're still going back to the brands we know and love, that we've been loyal to for as long as we can remember. We're just using slightly different ways of engaging with them. So, you know, again, McDonald's are a great example of this. You know, I can order my food on the app and pick it up at one of the pick up windows now. It doesn't mean that I'm sort of siding Burger King, who I'm sure made great burgers as well. But it's more that how I interact with the brand I love has changed. I'm not considering going anywhere else. Apple are a great example of this. They never missed a stride through this. They kept doing what they always did: 'We make good products. We look after our customers. How we do that is fundamentally changed. But why would we stop doing what we're doing?' And I think people are probably buying more Apple product as a result.

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BH: Well, their results certainly show that people are buying more Apple products as a result.

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AH: Yeah, and what's interesting from their perspective is they looked at - and as many other businesses have - they looked at food delivery services and especially in the U.S., I'm always blown away by the breadth of what's available to bring to my doorstep. But they've looked at the people who have weaponised that idea and say, you know, "we can bring you basically whatever you want in 20 minutes". And Apple have said, "Well, if they can do it, we can, too. We have retail outlets in every major city and every suburb in the United States. Why don't we just do a delivery service since we're not getting footfall through our stores anymore?" So it's this understanding of not just one's own industry, but the delivery of product, irrespective of what it is - that will not go away. We can look around us and see who else is innovating within and without our industry and take some inspiration from that. And I really, really hope that that sticks around.

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BH: What do you think has changed in regards to data that companies are using during the pandemic online and trying to merge online and offline together as well?

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AH: That's a wonderful question. And it's, I mean, the marriage of online and offline and the intersection of those two ideas, it's something I've thought about for a long time because, data is only good if we act on it, right? We can be the best data hoarder and collector and have every piece of metric or analytic that we can think of. But if we're not actually doing anything with it, it's useless. More importantly, I believe if we're not putting that data in front of people who can actually act on it in a meaningful way, it's also useless. So this sort of liberalisation or democratisation of data within an organisation, putting information about a customer in front of somebody who's talking to them in real time, you know, a check in agent or a hotel, you know, reservations person, an Apple Genius – do they still call them that? - with information about our relationship between brand and customer in the moment allows that check in agent, Genius, whatever, to understand the breadth of that relationship the brand has with the customer. You know, when I get on board a flight and they say, "Mr. Hunter, good to see you again," I feel like a rock star. They've got no idea who I am. Dude, I know that. But then, you know, give them my profile and say, "oh, how was San Francisco last month? Did you have a good trip?" I feel great. You know, you remember what my favourite drink is. They can't do that unless we give them the data to understand my preference behaviour, explicit or implicit. And because we are now, by definition, because of the things we just talked about, gathering so much more behavioural and preference data from customers, we really have no excuse not to be coming up with ways to get the right data in front of our teammates.

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BH: How do you manage data gathering and the amounts of data gathering with creeping customers out and the backlash that that has?

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AH: So that's an absolutely fundamental question. I think we have to take the understanding that, you know, a customer's data or data about a customer is sacred and theirs. And we need to treat it with deference and respect and fragility and know that if we screw this up once, that we may poison that relationship with the customer forever, and of course, word spreads quickly. So we have to look at it in a respectful light. I mean, there's the wonderful story of this very, very high end hotel chain that loves to do the type of moments of delight thing that I've talked about. And they noticed a particular customer, a very loyal customer, always had the same chocolate

wrappers, quite a lot of them, in the bin, in their room. And they thought, well, you know, the housekeeping saw this and they had the corporate culture, the service culture where the housekeeper, relayed it to the concierge and the concierge thought, 'I know what we can do here'. And they presented this person with a nice arrangement of these chocolates. The next time the guest was seen was running out of the hotel, going "They're spying on me, they're spying on me". Very delicate. It's very delicate, and I think it doesn't need to be overengineered. Something as simple as addressing the customer by first name is just as powerful because it's an acknowledgment that behind every click and every call is a human being. Now more than ever, when our social contact is so limited, we need that. So we don't have to be too clever with these types of things. It's just remembering there's a human at the end of this.

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BH: Do you think that companies are currently going into a generation of relying on data too much rather than that service culture and trying to think ahead of the curve rather than the analytics of what data has been collected?

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AH: Oh, for sure. I think that's a real danger. I think data is just one tool in our toolbox. I think if we don't understand how we want a customer to feel when they're experiencing our product or service for the first or one hundredth time, we've kind of lost sight of what it is to exist as a business in the first place. You know, that- the data is and the technology we use are means to an end. What experience, what emotion are we trying to create here? OK, let's define that and once we've defined it we can decide what technology we need to make those experiences happen. If we're trying to let data run our organisations, we're never going to see past our own noses. And that's a tragedy.

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BH: What's your view on targeted advertising then?

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AH: Well, it's been interesting for all of us that are iPhone users to go through this experience now with the new version of iOS, which is actively asking you to opt in to tracking at an app level, and I've had conversations about this with a few other people recently. You know, would you rather see a – let's take Instagram as a platform because it's a visual medium and I'm quite a visual person. Would I rather see something that is reasonably complementary to my feed that is, you know, overtly an ad? They have to tell me that it's an ad. Or something that's completely irrelevant and irritating and taking up space in my feed and throwing off my vibe, if you will. On the face of it, I would probably want something that is reasonably complimentary and may actually - based on my, you know, limited, you know, Instagram preferences, introduce me to something I might like. Beyond that, when I'm browsing something like the BBC. Well, BBC outside of the U.K. or anything else, I think it becomes a lot grayer. But I definitely think that there is value both to the consumer and to the advertiser in intelligent, targeted advertising.

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BH: Yeah, I've always said that I don't have a problem with targeted advertising myself. I'd much rather see the latest motorcycles or whatever the manufacturers are producing, rather than something that's completely irrelevant, dresses or something like that for me. So I think there's a place for it.

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AH: Yeah, I think it's ecosystem dependent, right. I mean, Netflix have been doing it passively for years. They're always suggesting us new content based on what we've already watched and then, you know what people like us have watched, and that's exactly the same thing, and we're paying for the privilege because the more they get us to watch, the more unlikely we are to cancel a subscription. And we're totally OK with that algorithmic understanding of our preferences.

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BH: So what's your view on certain media companies? But there are some other companies as well where if you pay some money, then you stop receiving advertising. Do you think that's a good model or not?

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AH: I think it really depends on the quality of what's behind that paywall, right I think that there's some that I can't see the value at all. Something like Spotify, it's worth every penny. I don't know, I mean, my conspiracy reckons that make the advertisements on Spotify as irritating as possible so that you're like, "I will give you lots of money if you shut up". Thinking about it from an experience perspective, when you're listening to a, you know, a 1969, you know, prog rock album that goes from track one to ten without a break, and in the middle of it, you're getting a, you know, 'we buy any cars' ad, it's going to ruin your vibe. So I think it really depends on the quality of the experience. But as an idea, I'm certainly not against it.

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BH: So if a company is looking at buying advertising at the moment, what's your advice to them about the pitfalls of online advertising?

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AH: Well, I think, now, more than ever, we're wanting narrative in our advertising. We want to be entertained because you have the platform to do that now. Will it get us to buy the product? I don't know, depends how good the product is when we have, you know, YouTube ads and Instagram ads and things like that. My eight year old has figured out how to get out, you know, around watching YouTube ads by saying it's irrelevant, you know, so a 30 second ad break, even if it's relevant to what they're watching, he's figured out how to go, 'this is irrelevant to me' and it cuts the ad. So, you know, my generation or, you know, in our generation, we just sort of, we want to be entertained and informed slightly the rest, the younger generation that's not going to work for them. So I think understanding our audiences when we're trying to create conversation with them in the middle of an experience they're already having, I think the rulebook is gone completely out the window, and it's going to be really interesting to see how advertisers solve that, because I don't envy them.

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BH: Is there anything on customer experience that I haven't asked you today that you'd like to mention that you're particularly passionate about?

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AH: I think the value that you will get from just listening to the members of your team that interact with your customers the most cannot be understated. It frustrates the hell out of me when brand and customer service strategy are defined in the C Suite in the boardroom, and there's no one who is representative of the people that actually interact with the customer. And when I work with organisations, I don't talk to the C Suite. Even if they're sponsoring the project for weeks, I go and sit down with people who are actively working with the customer, be it digitally, on a call centre, at a Check-In desk, and just listen, and say, "What are you hearing?", you know, and then try and

find patterns and then present that back and then, you know, even forcing CEOs, CMOs, CTOs, CIOs, CFOs to go and work the front line and listen, you know. You'd be amazed how many organisations, the bigger ones actually, who are really receptive to that idea. You know, they get a better understanding, and they say, "I haven't done this since I started at the company 26 years ago." So just listen to him, listen to them, ask them, recognise them, because the value and insight you will get out of those conversations is absolutely priceless.

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BH: Yeah, I completely agree, we - one of my favourite projects that I've worked on at Endava was sponsored by the CIO of a very large company, and he insisted on having a couple of people from their contact centre in the first kick-off workshop, and they gave some anecdotes of some experiences and he just sat there with his jaw down, just going, "That's just absolutely incredible," and realigns some of their strategy and some of the approach we were working with. It was incredible to hear some of those real life stories that were going on.

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AH: Absolutely. It can completely change a business's perspective.

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BH: Mm, definitely. Well, Alex, thank you so much for joining us today. It's been a pleasure to have you on our podcast, pick your brain on how to implement a coherent customer experience, and I look forward to all the things that are coming our way. To our listeners, I hope you had a wonderful time today. Please make sure you subscribe and hit that 'like' button so that you can join us next week for the latest episode of Tech Reimagined.