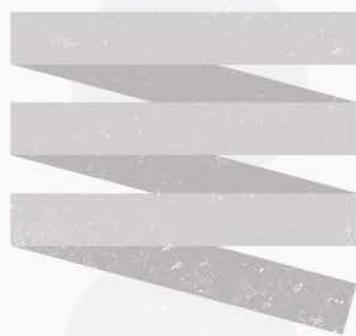# THE FUTURE OF CUSTOMER EXPERIENCE

The future of customer experience will be driven by two megatrends, both of which are inter-related.

1. Technology

2. Lifestyle

(1) TECHNOLOGY

Gartner's top Top 3 Technology Trends for 2014[1] will all shape the future of customer experience. They are:

(a) Mobile Device Diversity and Management

(b) Mobile Apps and Applications

(c) The Internet of Everything

(A) MOBILE DEVICE DIVERSITY AND MANAGEMENT

There is an ever escalating diversity of connected devices that people are using – often simultaneously. As well as the obvious PCs, tablets and mobiles, we now have smart TVs, connected cars and wearable technology. Products such as Google Glass, Smart Watches and the massive growth of cheap sensor technology are enabling the kind of multi-modal mobility that is driving an increased focus on self awareness as well as the urge to tell everybody about everything you're doing right now. Someone walking down the street wearing their Adidas Micoach[2] could end a bad experience call and instantly tweet to the whole world how high #BT had caused their heart rate to go.

> **"THE NEXT EVOLUTION IN USER EXPERIENCE WILL BE TO LEVERAGE INTENT, INFERRED FROM EMOTION AND ACTIONS, TO MOTIVATE CHANGES IN END-USER BEHAVIOR."**

(B) MOBILE APPS AND APPLICATIONS

Gartner predicts that improved JavaScript performance will begin to push HTML5 and the browser as a mainstream enterprise application development environment. This will drive expanding user interface models including richer voice and video that can connect people in new and different ways. Gartner predicts that "the next evolution in user experience will be to leverage intent, inferred from emotion and actions, to motivate changes in end-user behavior."

> **ALWAYS CONNECTED WILL BE THE MAIN DRIVER OF FUTURE LIFESTYLE TRENDS AND CONSEQUENTLY FUTURE CUSTOMER SERVICE EXPECTATIONS**

(C) THE INTERNET OF EVERYTHING

The internet has already expanded into cars, domestic appliances, vending machines and just about every device with a human interface and a power source. Advances in connectivity have already resulted in wifi enabled air travel, smart cities and even connected roads[3]. People use iPhone apps to monitor their sleep. Gartner concludes that most enterprises are not technologically, operationally or organizationally ready to respond to this Always Connected consumer.

(2) LIFESTYLE

Always Connected will be the main driver of future lifestyle trends and consequently future customer service expectations. Whilst the duration of connectivity and the type of devices people are connected through will vary across generations, there will be an overwhelming trend of more connectivity and stronger expectation of

service delivery via the individual's chosen device and channel.

More specifically, Always Connected will affect lifestyle and service delivery expectations in three crucial aspects:

(A) TIME POOR

For many years, technology has been a strong driver of the Cash Rich Time Poor phenomenon, the Blackberry making executives Always Connected, at least as far as work was concerned, over a decade ago. The crucial thing to understand going forwards is that the plummeting cost of being Always Connected is making everyone time poor. Whether it's 'Gen Z' (Gen Always Connected!) chatting constantly on Facebook and, increasingly, other social networks or Silver Surfers comparing prices, more hours connected means fewer hours for everything else in your life, so everyone will become much more impatient with inefficient service delivery that involves more customer effort. This drives the two specific customer experience trends now outlined.

(B) INSTANT RESPONSE

As stated above, the huge growth of mobile technology means that people do what they want and get what they want any time any place – Instant Gratification. Before long hardly anyone will want to wait for anything, ever. Currently there are many inbuilt delays in most companies' service delivery processes from call centre advisors who are not authorised to handle the full range of potential customer enquiries to corporate Twitter accounts (even so-called 'care' and 'customer service' accounts) that elicit no response to a service request or at best a very slow one.

(C) WHAT'S HAPPENING

In the Always Connected world your customers always know What's Happening, whether it's where their friends are now and what they're doing or how much gas their heating system uses when they turn up

the lounge thermostat. So it's completely natural to them that they should also want to know at any time what's happening with their product delivery, with the replacement boiler they're waiting to be installed, with their bank or utility provider switch, with their insurance claim. Moreover, they understand that technology has made it easy for companies to keep them informed. So if they're not, why not?

THE LONG TAIL

Jo Kraus rapidly built Excite into a company worth over $1 billion before the bursting of the dot.com bubble and the rise of a company called Google caused an equally swift reversal in its fortunes. In subsequently analysing Excite's demise, Kraus pinpoints Google's superior understanding of the Long Tail of the internet. He explains that whilst the 10th most popular query on Excite was 10,000 times more requested than the 1,000th most popular, the top 10 queries made up only 3% of their total search volume. But this seemed impossible to monetise. Previously, advertising had been about a relatively small number of big spenders targeting mass markets. Google understood that Search lent itself to small advertisers targeting small markets and through their invention of AdWords invented a way to make money out of the Long Tail. As Kraus says, the internet is about millions of markets of dozens rather than dozens of markets of millions.

Customer Service Directors will have to accept that they are operating in a Google not an Excite world. They will have to be equipped and willing to listen, respond and deliver to their customers whichever channel they choose to use. Today. And that might not be the same one they used yesterday.

MILLENNIALS

As the future customers, millennials and their successors will obviously encapsulate the future of customer experience and, in particular customer expectations. A 2013 study by Larry Rosen observing US middle school, high school and university students found that most participants managed to focus for only six minutes on a task before turning to a technological distraction. Many spend up to eight hours a day on their phones on a variety of tasks and apps, which involves much rapid switching between them but most time is devoted to using social networking. Of course, the social networking doesn't just involve one site. As well as Facebook and Twitter, Instagram and Snapchat, new must-visit social networking sites are gaining traction with teens all the time. Academics have concluded that the main purpose of all this activity is instant emotional gratification.

ACCORDING TO A 2012 HARVARD STUDY POSTING VIEWS ON FACEBOOK AND OTHER SOCIAL MEDIA SITES DELIVERS A POWERFUL REWARD TO THE BRAIN SIMILAR TO THE PLEASURE FROM FOOD AND SEX.

According to a 2012 Harvard study[5] posting views on Facebook and other social media sites delivers a powerful reward to the brain similar to the pleasure from food and sex. The study led by two neuroscientists concluded that "self disclosure" produces a response in the region of the brain associated with dopamine, which plays a major role in reward-motivated behaviour. The researchers said most people devote 30 to 40 percent of their speech to "informing others of their own subjective experiences" but that on social media, this is closer to 80 percent. In tests, some participants were happy to forego the chance of financial rewards if the alternative was talking about themselves. But maybe all this attention switching and gratification seeking is the world of the future? The world that companies' service delivery processes will have to respond to.

PLANNING FOR THE FUTURE: INSTANT AND OMNICHANNEL

As Gartner emphasised, keeping up with customers' rapidly evolving behaviours and expectations will require a significant allocation of management and financial resources from enterprises. They will need to deliver fast and consistent experiences across channels, devices, locations and time. In the UK, 92% of consumers are already using a variety of different channels, from voice to chat to online and mobile, to communicate with their suppliers' customer service departments[6]. (See Nick Mitchell's article on page 35 for the full story). According to the same research new channels are starting to grow in popularity, with customers expressing the following channel behaviours for accessing customer service:

- **Landline – 66%**
- **Online – 50%**
- **Mobile – 22%**
- **Live Chat – 15%**
- **In Person – 10%**
- **Facebook – 7%**
- **Customer Service App – 5%**

According to Google research in August 2012, 90% of customers cross devices in pursuit of a single service goal like managing finances or planning travel and two-thirds of those reported using two or more screens simultaneously for distinct activities[7]. Social media is the fastest growing channel for customer service, especially amongst younger consumers. The smart phone is the fastest growing device.

The learning for brands is that they will have to focus increasingly on:

1) THE OMNICHANNEL CUSTOMER JOURNEY

They must make sure that consumers get the same quality of service every time they connect, irrespective of the channel they use. Businesses must also use the data they hold on their customers to predict intent and maintain the context of the situation so that customers can continue their interactions via a different channel or device, at a later time.

2) SERVICE CO-CREATION

Companies can smooth this path by using rapidly developing big data/artificial intelligence predictive software to anticipate their customers' likely use of channels and devices. In addition they could step back in time and simply ask customers how they prefer to communicate and co-create individual service strategies.

3) NOW

Customers want a knowledgeable response to their enquiry right now, whatever the channel. They also want to be kept informed, and much more often than their suppliers think. All this via their device and channel of choice, obviously.

4) NEW CHANNELS

Companies must have a plan for delivering a perfect customer experience across all channels. This means investing in newer channels such as Facebook, Twitter and a downloaded customer service app even if they have yet been adopted only by a small minority. But they have to be done properly. The worst thing is to set up a Twitter account that elicits no response when used by a customer. Try tweeting @BTCare and seeing how long you have to wait for a response. I tweeted it on October 11th last year and at the time of writing this article I'm still waiting!

5) ENGAGEMENT

A key characteristic of the newer channels in particular is the opportunity to develop more engagement with customers. Too many companies are still ignoring the idea that their markets are really made up of people. Increasingly, customers expect to be treated like human beings. As originally proposed in The Cluetrain Manifesto[8], 'markets are conversations' – social networks of people who communicate with and influence each other. This can have very negative implications for companies that ignore the future of customer experience but is also an opportunity. Gen Y in particular are collaborative and likely to respond well to opportunities for positive engagement.

In summary, customers today expect a seamless, intuitive experience – one that maintains continuity, connectivity and context across all channels to simplify their lives. Since consumers are also becoming less inert about switching suppliers, getting omnichannel right will be an essential requirement for all businesses to meet customer experience expectations in the future.

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