
Five Steps to Great Digital Customer Experiences



By Joerg Niessing , INSEAD Affiliate Professor of Marketing

In an omni-channel marketing universe, brands trying to be all things to all customers will get lost in the shuffle.

Before the digital revolution, branded customer experiences had a beginning, middle, and end. The marketer's goal was relatively simple: to guide consumers smoothly down the linear path to a purchase. What happened once the customer left the store wasn't all that important.

These days, things are hardly so neat. With a smartphone in every consumer's pocket, disruption is an ever-present possibility. In addition, paid marketing messages make far less noise than they used to. Brands must work hard to be heard over the cacophony of conversations about them on Facebook, Twitter and user forums. These social media and word-of-mouth platforms carry more weight with digital consumers than conventional advertising. Today's omni-channel marketing universe requires brands to be fanatical about the consistency of their messaging across all relevant touchpoints.

The classic “marketing funnel” is now a cycle. Marketers should forget the straight-and-narrow purchase path of old and learn to master far more twisty

terrain. There is no universal formula for digital adaptation; the optimal customer journey will look somewhat different for each brand, but there are five general points marketers should keep sight of.

1. Increase Your Technological Versatility

To keep pace with the breakneck speed of technological change, brands will have no choice but to beef up their tech portfolio — which is why a [Gartner analyst predicted](#) that by 2017, CMOs' IT spend will exceed that of CIOs. According to research from eBay, consumers now use, on average, up to five devices or platforms to research and complete a single purchase. The challenge here is twofold: Keeping the user experience seamless and engaging across all relevant channels, while meeting management's ever-stricter ROI criteria. In the current environment, established methods of attribution such as the "last click" and third-party cookies aren't agile enough. (For more on this, read my post about updating [marketing mix modeling](#) for the digital age.)

2. Customisation Is King

It's no longer sufficient to know merely who your customers are; marketers nowadays must know where each customer is along the journey of brand engagement. The one-size-fits-all messaging of old must be replaced by targeted interactions designed to help particular customers advance to a particular stage in their journey - whether it be downloading an app, retweeting a promo link or adding an item to a mobile shopping cart. Ideally, the connection between customer and brand would deepen at each stage, until that customer is ready to advocate for your brand online.

3. Balance Earned, Owned and Paid Media

These days, advocates are largely groomed over earned media (e.g., online communities and social networks), rather than paid (traditional advertising) or owned (brand properties such as websites and blogs) media. That is not to diminish the importance of the latter two; paid and owned avenues should definitely be leveraged to create engaging customer experiences. But the numbers speak volumes about the dangers of relying too heavily on paid placements to win customer love online. In one recent study, 84 percent of millennials reported that they "didn't like" advertising and trusted their closest friends nearly twice as much as sales messages. Many brands have turned to creating sponsored content in an attempt to bolster credibility, but

industry research suggests that that tactic hasn't been too successful either.

Admittedly, the relatively recent introduction of social media advertising has blurred the line between earned and paid approaches to some extent. However, truly organic engagement is still the Holy Grail. The solution is simple: Turn your customers into collaborators. Top brands ranging from Burberry to Starbucks have launched successful social media campaigns centred around user-generated content. Weight Watchers reported that asking questions of Instagram followers produced an 11 percent spike in engagement.

4. Follow the Advice of Your Followers

Social media monitoring tools make it easy for brands to sample the flavour of what's being said about them online. That's a good first step, but a higher-level use of these tools involves going from passive listening to contributing proactively to digital conversations in a way that adds value for consumers. Even better would be the ability to use those conversations as a basis for meaningful, timely action. This speaks to the general need for companies to break silos in order to meet the demands of digital-era consumers, for whom delays due to bureaucratic inefficiency are tantamount to disrespect.

Even top brands aren't listening closely enough to their social media followers. Earlier this year, a study by software maker Freshdesk found that Interbrand's top 100 companies for 2014 took an average of eight hours to respond when customers tweeted them, and didn't respond at all to nearly 80 percent of the tweets.

5. Collaborate to Expand Your Reach

To catch up with customers wherever they may be, it may be necessary to enlist some extra help. For example, the partnership between Uber and Spotify, allowing customers to stream their playlists to the car's speakers during their ride, is a great way for two young companies with overlapping brand profiles to engage in mutual promotion. Similarly, brands can take advantage of the growing field of proximity marketing to engage customers in-store. Last year, Hillshire Brands used iBeacon technology installed at grocery stores in ten U.S. cities to send tailored notifications about American Craft sausages to shoppers' mobile devices as they roamed the aisles. The campaign produced a boost in sales and a 20-fold increase in

customer engagement for Hillshire.

All five of the above points speak to the overall way marketing has changed since the advent of digital. The goal is no longer to reach one million people in order to make 100 sales. It's about reaching ten people, who reach 100, who reach 1,000, and on and on. Targeted campaigns should be aimed at converting online influencers into brand ambassadors within their digital communities.

At the same time, as I noted in [my last post](#), digital technology has not changed the basic rules of branding. Companies like Netflix, Google, or Amazon are not successful because they offer digital products instead of physical products; they are successful because they have embraced a management culture that is customer-centric at every touchpoint in the omni-channel consumer journey. If you integrate traditional concepts that put the customer in the center of everything you do and merge these with the new 21st-century realities you will have a guiding framework that will manoeuvre you through these turbulent times.

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