

# Can good data deliver a better customer experience?

Discussion Paper

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**Geo Strategies**



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# Introduction

Many businesses are starting to acknowledge the direct benefits that a formal customer experience strategy can bring. In a recent survey, 69% of organisations recognised a strong link between long-term business performance and customer experience<sup>1</sup>.

## It all starts with what you know

It may sound obvious, but creating a long-term customer experience strategy starts with the customer; Who they are, where they are, what they like, their historical interactions with your organisation. All information that comes from data. An organisation needs to collect, process, store and manage customer information properly if it wants to build a strategy that meets and exceeds its customers' expectations.

What's more, because customers interact through multiple touch points, managing data quality should become a priority for everyone who manages those touch points or supports those who do.

## Doing it better at every customer touch point

What are the fundamental links between data and the ability to deliver great customer experience across these three major customer touch points?

- **Human customer service channels:** Call centres, helpdesks and sales teams
- **Outbound marketing channels:** Direct mail, e-mail and mobile communications
- **Multichannel marketing channels:** Social media and websites

**“69% of organisations recognise a strong link between long-term business performance and customer experience”<sup>1</sup>**



# 1. Human customer service channels

Departments that interact directly with customers, such as call centres or helpdesks, strive to offer the best possible customer service.

There are many factors which can impact this such as internal processes and procedures. The most fundamental point, is having accurate customer data and the right systems in place to support them. This is key to empowering those in customer service roles to execute efficient and informed interactions.

## Why does data quality matter to your customer?

Consider a typical scenario from your customers' perspective in which you've called an organisation simply to update your address details:



## Negative

Sitting on hold you wonder what is taking so long and when you're finally connected it

seems your details can't be located in the system. It transpires this is due to a minor spelling error made when originally capturing your details - an extra 'S' was accidentally added to your postcode. You want to update your new address details but when asked to spell out every word, on every line, you begin to feel frustrated and unconfident that they will record your new information without error.



## Positive

Despite being placed on hold for a few seconds, the organisation you're calling

has an accurate record of all your details and when you are connected the call handler greets you by name because you can be identified simply by your phone number. What's more, updating your address only requires your new postcode and house number. The call has been quick and efficient and you're confident that any important documents you're due to receive will be addressed correctly and always reach you.

These two familiar scenarios demonstrate the impact that poor data collection and storage can have on a customer. Poor data quality can have big implications on the quality of customer service a business offers:

- Long frustrating calls for customers - time costs a company money.
- Loss of important cross-sell and up-sell opportunities.
- Critical mailings not reaching their recipients resulting in the cost of the wasted mailing, delayed payments or missed appointments.
- Damage to brand perception - just one bad experience can lead to a customer not recommending an organisation to a friend, or even actively advising against it.

## Data quality strategies to support better customer service - a whole different view

What actions can those who manage and support customer facing touch points take to drive better customer service through the management of their data?

1

### Step 1 – Integration of data capture software into front-end systems

Verifying new customer details, including e-mail address and mobile number, at the point of capture, can ensure that they are accurate and useable. This could reduce the time it takes to on-board new customers and help ensure the correct information is available for future use.

2

### Step 2 – Maintenance of clean and up to date customer records

As data decays over time it is important to maintain accurate customer information. Organisations should regularly clean data and suppress records, for example those who have registered not to be contacted through a preference scheme. This allows customer service teams to respond in the most appropriate manner such as identifying when a customer has moved home or addressing sensitive conversations with relatives when a customer has passed away.

3

### Step 3 - Obtaining a full view of customers to increase cross-sell and up-sell opportunities

Creating a Single Customer View (SCV) can provide a transparent snapshot of all the data an organisation holds on each customer. This can be achieved through aligning the data records collected at all touch points. An SCV can allow those speaking with customers to quickly identify cross-sell and up-sell opportunities in a more informed manner based on the insight it provides on the customer's previous interactions. To find out more about aligning channels and creating an SCV see Section 4.



## 2. Outbound marketing channels- direct mail, e-mail and mobile communications

**A good customer experience can be described as efficient, targeted, personal, timely and relevant.**

That means hitting the right person, with the right message, at the right time, for the right price.

Marketing communications which tick these boxes can give greater returns and have a positive influence on customer and brand perception. Data plays a fundamental role in determining the extent to which marketers can achieve this because, if an organisation doesn't know its customers, how well can it target them?

**“52% of people would walk away from a company that tries to sell them something that they have already said that they are not interested in”<sup>2</sup>**

**Consider the following:**



**“How often have you sent out mailings to the wrong address, wasting budget on bounced emails and returned direct mailings?”**

**Laying the foundations** - Working with those in an organisation responsible for collecting and managing customer data can ensure that all details are validated at point of capture and cleaned on a regular basis.



**“Have you ever considered how often you are communicating with a customer and whether the messages that you are sending them are even relevant?”**

**Utilise insight from customer data** - Harnessing the insights and information locked in customer data can remove the guesswork from marketing campaigns. Segmentation based on previous purchasing trends can drive more relevant communications. Creating an SCV to consolidate all customer information across an organisation is key to achieving this.



**“Are you sending contacts information that they already have or worse still have already told you that they don't want to know about?”**

**Enhance customer knowledge** - Experian research found that 52% of people would walk away from a company that tries to sell them something that they have already said they are not interested in<sup>2</sup>. Appending additional information, such as customer insight profiling, to existing data can give you even more insight into the demographics and behaviours of a customer and help personalisation and targeting of a message.



**“Are you sure that you are compliant with your communications? Do you know whether your customer has opted out of direct mailings?”**

**Be channel sensitive** - Not only would 45% of people leave a company that had contacted them in a way they had asked not to be, but if you are in violation of the Data Protection Act (1998) the UK Information Commissioner's Office (ICO) can issue fines of up to £500,000.<sup>3</sup> Accurately capturing and storing a customer's channel preferences for inbound and outbound communications means an organisation can respond to that customer via their preferred channel which in turn increases the chance of creating a more positive engagement.

Using data to provide a more targeted approach can demonstrate to customers that your organisation understands them. Consolidation of this trust can then greatly strengthen the ability to cross-sell and up-sell to customers with products or services that they actually need and are interested in.

<sup>2</sup> Experian: Single customer View on consumer behaviour: <http://www.experian.co.uk/assets/consumer-information/brochures/single-customer-view-on-consumer-behaviour.pdf>

<sup>3</sup> itgovernance: penalties: <http://www.itgovernance.co.uk/dpa-penalties.aspx>



### 3. Multiple touch points—social media and websites

As businesses encourage their customers to use online and electronic channels, using the data they collect through these channels can allow them to build a more complete picture of their customers and their online interaction history.

This can improve the chance of getting the engagement right the first time and increases cross-sell and up-sell opportunities, retention and



How can you use the data collected through online channels to improve customer experience?



**Data Quality Monitoring and Cleansing** - Checking the completeness of social and web channel data held including especially critical information such as web profile information and social identity information. If poor or incomplete data is identified this can be acquired or updated.



**Creating a Single Customer View (SCV)** - Linking what customers do online to their other interactions with an organisation creates a transparent and visible profile of a customer. We discuss this further in Section 4.

How does this work in practice?

- **Getting it right first time:** Having data capture software on a website can make submitting a form quick and easy for customers making them less likely to abandon the form and more likely to return again. It will also ensure correct details for on-going interactions.
- **Linking online interactions to the rest of the journey:** Having an SCV with good quality data allows a customer's journey online to link through to all other related interactions, providing them with a seamless experience. For example, this would provide a full view of how a customer has made a purchase online, the outbound fulfilment of that purchase, details of any subsequent customer support provided, as well as any related social media activity.
- **Offer a better, more personal service:** Ensuring the business has visibility of customers' actions online such as viewing products, creating wish lists, abandoning shopping carts and submitting queries, and guaranteeing these are also included in an SCV. This fuels personalisation of the customer journey by enabling decision making based on customer activity.
- **Respond more efficiently:** Customers increasingly use social media to log complaints or queries so having the ability to extract posts to a company Twitter™ feed or Facebook™ page and link it back to an SCV is important. It provides necessary insight to the organisation's customer service functions ensuring they are able to respond directly. To be able to link such types of posts to customer social identity accurately is critical.

## 4. Bringing it all together - do you have a full view of your customer data?



“24% of businesses state that customer data remains siloed between functions and channels, preventing a complete view of customers’ experiences, needs and preferences”<sup>5</sup>

**It is important to consider how each interaction fits together across all touch points to provide one consistently good multichannel customer experience.**

Just one negative experience can lead to dissatisfied customers and a drop in retention. It may also discourage new customers looking to purchase. Consider some examples:

- **Missed order fulfilment:** Having bad email or mobile data prevents companies from informing their customers about critical events, such as shipment of orders.
- **Poor knowledge:** Poor insight into a customer’s activity across all channels, such as a customer service department or their channel preference, could result in information persistently being sent to email addresses that bounce.
- **Poor multichannel data:** The inability to link multichannel activity can lead to both communication and information gaps.

**Create a consistent experience across all of your channels**

Before businesses embark on identifying the impact of bad data across the full customer experience, they need to determine the channels that are critical to each part of their specific customer journey and the data that is critical for the success of these channels. This will ensure that every part of the business will have access to the data it needs to operate effectively.

**Creating a Single Customer View (SCV)**

The ability to link a customer’s interactions with a business is critical. It empowers everyone involved with providing great customer experience, for example marketers can segment campaign data in a more targeted way and customer service teams can provide more knowledgeable responses to enquiries. Importantly, it also provides decision makers with the insight to plan and improve initiatives that impact the whole organisation such as its multichannel strategy.

Typical barriers to having a full view of all customer interactions include the inability to view multichannel engagements or the duplication of customer data. Solving this requires an SCV that:

- a. Removes duplicates in customer records and builds a master record of the customer.
- b. Links all channel engagements during the customer journey.

Achieving this can provide the necessary insight to business users when trying to market, provide support or derive insight about their customers. Having good and accurate data in one place that is accessible to key stages of the customer journey will improve the efficiency of staff and make their jobs easier. Having accurate data around multiple channel engagements can increase insight about the customer base and identify channels of growth.



# Conclusion

If an organisation is serious about improving the customer experience then putting effective data management at the heart of each customer touch point will enable it to exceed customers' expectations, turning a negative experience into a satisfactory one, or even better, into a truly enjoyable one.

What's more is that the operational benefits of doing this also shouldn't be ignored. Greater efficiency, more engaged staff and better customer insight are all significant advantages to improving data management processes that also impact business performance and ROI.

Individual interactions are important but customers look at the bigger picture, so those who interact directly with customers should work closely with those responsible for data to create a joined up view. If companies can demonstrate the measurable benefits that managing data more effectively can provide, it makes a more compelling business case for developing a comprehensive future-proofed data management strategy that puts the customer at its heart and drives business performance.

## A checklist to get started



1. Listen - Read employee and customer feedback to identify key data quality issues.



2. Audit - Benchmark your current data quality and your surrounding processes



3. Set goals and KPIs – Consider what your customer experience goals are and work back to consider what data you need to get you there.



4. Build a business case – Use these KPIs to make sure that key stakeholders in your business have a view of the impact data has on the wider customer experience.



5. Share your vision – Create a singular data strategy across your organisation to maximise the benefits of each touch point.



6. Monitor – Implement initiatives such as Data Governance to ensure on-going processes to meet your needs in the long term.

## About Experian Marketing Services & Geo Strategies

Geo Strategies and Experian Marketing Services have teamed up to provide best-in-breed data and insight, digital marketing technologies and data management services to organisations in Romania.

Combining their unique information tools and an understanding of individuals, markets and economies, our teams of consultants work with organisations across industries to establish and strengthen customer relationships and provide their businesses with competitive advantage.

Our services cover the full spectrum of modern marketing from contact strategies, customer journey, cross-channel marketing, CRM and data strategies, to Mosaic segmentation, Micromarketer area analysis and profiling, to the application of customer analysis and profiling for customer-driven insight, targeting and optimising channel mix.

### To find out more

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Experian, George West House, 2-3 Clapham Common North Side, London SW4 0QL

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