

# CUSTOMER XPERIENCE

A Current & Future State of Mind for Organizations





*The 2020 Customer Xperience Outlook (CX-O) report prepared basis insights from leading professionals in India across industries including CX practitioners, offers a valuable perspective on the unfolding state of customer experience in India. It highlights the key trends, challenges and future priorities associated with it.*



## How focused is India on CUSTOMER EXPERIENCE?



Competition has intensified and differentiation between brands is at an all-time low. Customer expectations are being disrupted and empowered by technology. Consumers are interacting with brands through ever increasing channels in their journey. And speed, convenience, choice are only a few among the many expectations that they have.

In this evolving consumer landscape, customer loyalty does exist, but no longer as one knew it to be. Solus' loyalty, is no longer an achievable target for brands in many of the markets/ sectors. This decade will need brands to be working harder and smarter to engage with their consumers.

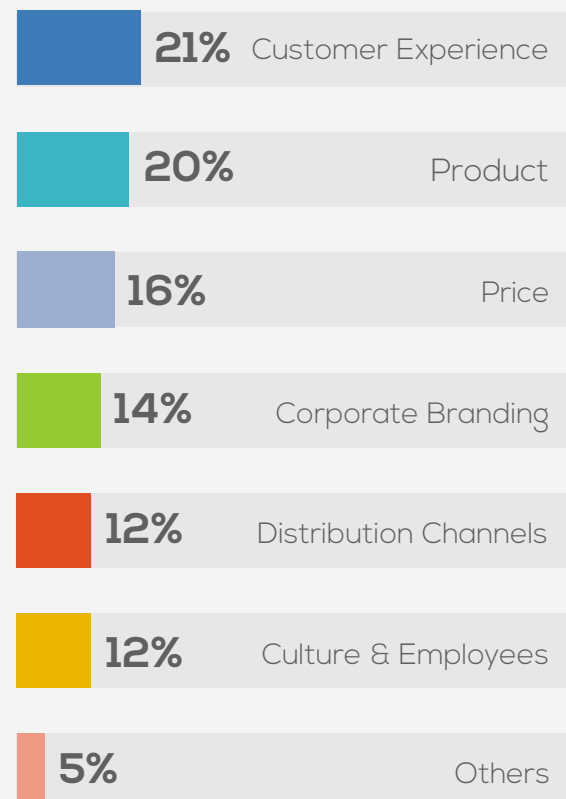
India is a hyper-intensified market, with both global and local players. And a customer-focused strategy would do well here, especially when differentiation between brands is not as high as one would assume. A few years ago, a leading experience management services firm based in the U.S, predicted that by the end of 2020, customer experience will overtake price and product as the key brand differentiator.

Marketers in India definitely recognize that a 'seamless customer experience' is a key customer need. The 2020 Customer Xperience Outlook (CX-O) report, confirms that 'Customer experience' has already taken its place amongst the top organizational priorities in India. Basis feedback from the surveyed professionals, it is evident that the approach to CX in India has begun to mature. The report forecasts that organizational priorities will be further reshaped in the next three years and customer experience will undergo significant transformation.

But CX in India is also a key organizational challenge. Close to 60% of the surveyed professionals in the 2020 CX-O survey, believe that limited differentiation exists between organizations in India on customer experience.

### Top organization priorities

in india: **2020**



### FOCUS ON CX

by Organizations will further increase by

**1.2 X TIMES**  
IN THE NEXT **3 YEARS**

# Top trends in transforming CUSTOMER EXPERIENCE

Organizations in India are making significant investments in tools, technologies and formulating strategies, to transform and capitalize on customer experience. The fact that organizations in India, are realizing the value of focusing on customer experience is reassuring, especially when consumers are willing to pay extra for a better experience.

In a separate Hansa survey, conducted amongst customers who use digital platforms services as OTT, food delivery apps, and online banking etc, close to 6 in 10 consumers were willing to pay extra for a better experience.

Surveyed marketers and CX professionals in the 2020 CX-O survey highlighted digitization, customer segmentation, personalization, omnichannel delivery as prominent focus areas for organizations to transform customer experience.



Digital Experience



Customer Segmentation and Personalization



Omnichannel Experience



Technology has imploded and empowered the lives of consumers. Going forward, it will insinuate itself even more in a consumer's life. And yes, digitization will go a long way in keeping pace with the expectations of the 'always connected consumer'. Many organisations are embracing 'digital transformation' to be more agile and dynamic. Infact, 'Digitization' has emerged as the # 1 trend in India for transforming customer experience in the 2020 CX-O study. Some surveyed executives believe that the digital adoption pace needs to be faster and that the use of technology still remains underleveraged in many processes.



Organizations need to recognize, that in order to provide a superlative customer experience, the outward-inward perspective (customer's journey needs) is a must. This is an essential key assumption while re-designing or introducing new digitized processes and experiences.

**Nitasha Singh, CX Practice,  
Hansa Research**



We all love it when people recognize us by name in a crowd, so why wouldn't we like it as a consumer! Or why wouldn't a customer get delighted to receive benefits from a brand which are relevant to his /her needs? Basis the surveyed marketers and CX practitioners, customer segmentation and personalization are also amongst the top trends in transforming CX in India. Today, some organizations are using these powerfully, to make both strategic and tactical changes. Used individually or in an integrated manner, both segmentation and personalization can incrementally transform CX by establishing a meaningful relationship between the brand and the customer, thus boosting customer loyalty.



Consumers have access to a multitude of channels to reach out to a company. But, customers do not set their expectations basis the channel they interact with. They want a seamless experience, regardless of the channel and want to switch channels, basis their convenience and need. Whether it is an enquiry, buy, or need for customer support or servicing, customers expect organizations to deliver a unified experience without loss of information or gaps across channels. Today, technology is able to empower organizations to do that but it remains a complex exercise. It requires huge investments and integration of tools, technologies, systems, processes and resources.



# High Quality Customer Experience Requires A **Customer-First Culture**

Focusing only on product or digitization or consumer data or technology, is not going to be the 'solution' for delivering on customer expectations. To deliver a high quality customer experience and emerge victorious in a competitive scenario, it is important for organizations to establish an empathetic customer-centric culture.

According to Hansa Research, a well embedded 'Customer-first culture' is a key gap that is impacting CX in India. This is a pressing challenge in India as well as globally. 75% of the surveyed executives in the study, acknowledged that their organizations had still not attained a true CX culture, inspite of it being articulated as a top organizational priority.

Organizations are not shying away from recognizing the need for a CX culture. It is the only way forward, to progress towards a customer experience world. A 'customer-centric culture' needs to be more than a desired need or strategy. It needs to top driven and percolate down to each unit and individual within the organization, to become a shared belief and a key value. This may involve changes in organizational practices, policies and programs ranging from hiring practices, empowerment to changes in reward and recognition practices etc. Until then, transition to a CX culture will remain a challenge.

## — Customer First Culture — Readiness in Organizations

**A well embedded**  
'Customer first culture'  
exists within the organization

STAGE

4

25%

Organization committed and  
focused on developing a  
'Customer first culture', it is  
**not fully embedded**

STAGE

3

45%

**Fragmented focus** within the  
organization on developing a  
'Customer first culture'

STAGE

2

↑  
30%

A 'Customer first culture' is  
**limited to only a stated  
strategy** at the moment

STAGE

1

↓



# Challenges Faced By CX Leaders

## in Meeting Customer Expectations in India

A seamless customer experience will lead to higher satisfaction and hence higher customer loyalty and reduced churn, setting the stage for business growth with increased revenues.

**Praveen Nijhara, CEO, Hansa Research.**

Higher satisfaction will lead to higher customer loyalty and reduced churn, thereby setting the stage for business growth with increased revenues. This is an intuitive truth, but not easily achievable in this landscape where customer motivations, behaviour and expectations are evolving rapidly and often not understood.

A sizeable proportion of the executives in the 2020 CX-O survey believed that their own customers would rate them as 'inconsistent in meeting expectations'. Though there are certain sectors such as E-commerce, automotive, travel and hospitality, financial services – particularly banking which are more advanced than others in providing a superior customer experience. There are also some companies in other sectors, who are redefining customer experience by working with customers to co-create a customer-centric strategy that delivers value through product innovation, reshaped service experiences etc.

Organizations are increasingly emphasizing on the importance of the customer within their organization. Identifying and understanding the customer in his/her journey is one of the key challenges that organizations are facing. It remains essential to understand the customer in totality. Organizations need to be aware of the customer pulse and sentiment, to shape the customer experience strategy in this evolving landscape.

Today, organizations are recognizing the importance of a data driven approach. Internal and external data sources are being used to construct an understanding of the customer. Almost all leading organizations are using some Voice of Customer (VOC) metric to capture customer feedback. The most popular external metric remains Net Promoter Score (NPS), Customer Satisfaction (CSAT) surveys and Journey Mapping.

## Challenges In Meeting Customer Expectations



Failing to understand the customer & customer journey



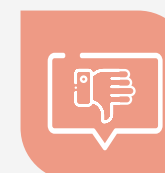
Slow and underleveraged technology & digital enhancements



Lack of a Customer centric culture/ customer empathy



Resource Constraints, especially Right Talent



Response times below customer expectations



# THE FUTURE:

Prioritizing To Manage and Deliver on Customer Expectations

## THE TOP 5 CX PRIORITIES

1



### Ensuring quality of Customer Contact Data

Quality of customer contact data has emerged as one of the top CX priorities. Poor quality contact data can lead to many hurdles including inaccurate customer profiles. It can also hamper marketing, customer communication, and personalization and retention efforts. Ensuring quality customer contact data is essential to prevent wastage of resources and inefficiencies.

2



### Using Internal Data (Customer Data) for Customer Insight

'Internal' Data such as contact information, website activity, customer service records etc are an important source of data. It provides an understanding of customer preferences, usage, interactions with the brand. It can also amplify organizational efforts to connect with the consumer.

3



### Creating an unified understanding of the customer basis multiple sources of consumer data

Today 'Data silos' is a key challenge for organizations, given multiple sources of tools, data and insights are on different platforms. It leads to inefficiencies and sometimes can lead to failed strategies. It is being positioned in organizations as a top CX priority to ensure customer profiles and behaviour are understood accurately. Unifying data will allow building stronger engagement opportunities through improved experiences.

4



### Actioning Customer Feedback

Actioning customer feedback, is another top CX priority for organizations. It is an area where most organizations struggle post VOC measurement. It is important to understand that the numbers from measurement programs cannot alone lead to action, they need to link to some KPIs, Internal process metrics and need to translate into insights that are specific and actionable. It is also important for feedback to be deployed within the organization. One of the critical steps for ensuring actionability requires organizational cross functional teams to collaborate and understand 'root causes' of the problem to develop / implement corrective actions.

5



### Internal Focus on Customer Experience within the organization

Internal focus on CX within the organization: Still more must be done! Internal focus on CX within the organization is key for businesses to effectively tackle the CX challenge that is upon them. It is only collective action, which can lead to true impact.

To actually deliver a superior and a consistent 'Customer Experience', is a long road ahead for many organizations and most of them are cognizant of this fact. They believe that it is key to prioritize resources and identify CX priorities to transform the experience for their customers.



# OUR CX

## Product suite



Customer  
Satisfaction



Net Promoter  
Score



Transaction  
Experience



Lost  
Customer



Mystery  
Shopping



Employee  
Satisfaction



Vendor  
Satisfaction



Customer  
Journey  
Mapping

To Learn More About Hansa Research Or Our 2020 CX-O Report [writetous@hansaresearch.com](mailto:writetous@hansaresearch.com)



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