

# Map and optimize your customer journey

*Four steps on the path to Continuous Customer Engagement*



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## Customers' expectations are soaring... and going unmet

The goals of today's marketers are not complicated. In a recent IBM® survey, 42 percent of marketers said their top goal was “acquiring customers,” while 36 percent said their main focus was “retaining and improving customer loyalty and satisfaction.”<sup>1</sup> The truth is, these goals haven't changed significantly over the years. Marketers have always focused on attracting new customers and keeping existing customers happy.

What have changed, however, are today's customers. They're empowered like never before, and continually connected in ways that were difficult to imagine just five years ago. For example:

- There are 5.9 billion mobile phone subscribers across the globe<sup>2</sup> —almost six out of every seven humans on Earth.
- 71 percent of smartphone users compare prices in stores.<sup>3</sup>
- Mobile sales accounted for close to 40 percent of all 2013 Black Friday online traffic, and 25 percent of all online sales; online sales increased 19 percent over 2012.<sup>4</sup>
- 92 percent of consumers research online and seek opinions via earned media before a purchase.<sup>5</sup>
- 70 percent of a B2B purchase decision is made before a sales professional is contacted.<sup>6</sup>

Today's consumers constantly connect with their friends, families and followers in real time, using mobile, social, and other digital channels. They've come to demand that same level of access, at a moment's notice, to you and your company. And, when brands don't deliver a consistent and relevant experience across channels, customers take notice: \$83 billion is lost every year in the US due to poor customer experience.<sup>7</sup>

Of course, companies are aware of these challenges, and most are working to deliver the personalized, relevant and seamless experience today's consumers demand with new technologies and best practices. They've moved away from mass marketing tactics to more personalized, one-to-one dialogues with customers. But, all too often, there's a disconnect between the back office and the storefront—and this approach to personalization is clearly still falling short of customers' expectations. In fact, when a recent survey asked executives if they believed they were delivering a superior customer experience, 80 percent said they did —yet only 8 percent of their customers agreed.<sup>8</sup>

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**80% of CEOs**

think they deliver a superior customer experience

**Only 8%**

of their customers agree

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The alarming reality is that there's a significant gap between the experience companies perceive they deliver and what their connected customers actually experience. Something has to change, and marketers need to lead the way by transforming their approach into what IBM calls Continuous Customer Engagement: the ability to interpret and evolve an understanding of an individual in order to engage in a productive manner in any brand interaction. This level of transformation requires marketers to move beyond just the activities that directly precede a sale. Instead, marketers need to "own" the customer's entire experience with their brand, regardless of where that customer is in the purchasing cycle.

Moreover, since customers are savvier than ever, it's now the norm that they'll conduct pre-purchase research, comparison shop, and seek opinions from their network. These new types of interactions often occur outside the immediate purchase cycle, but they can be crucial to informing customers' future purchases and long-term relationship with your brand. And, since the customer increasingly owns the timing and method of the interaction, enterprises need to be equipped with technology that enables them to respond at a moment's notice.

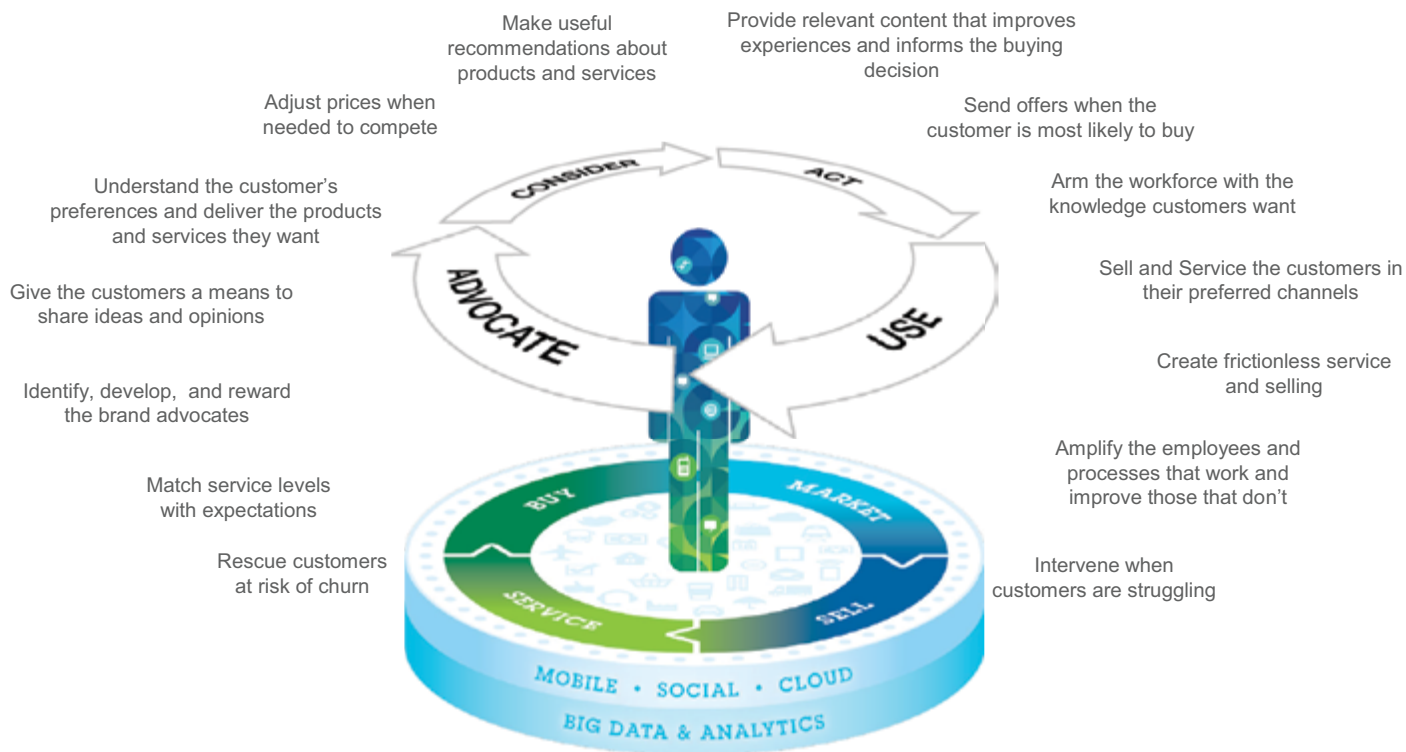


Figure 1: "Continuous Customer Engagement" means interpreting and evolving an understanding of an individual in order to engage in a productive manner in any brand interaction.

How can the Continuous Customer Engagement approach to marketing address these new challenges? In many interactions, showing a customer a traditional marketing offer may indeed be the right action. However, at other moments, a customer may be seeking information or looking to accomplish a task. Rather than soliciting the customer with an offer, the best approach in these cases may be to recommend products and services, to intervene when a customer is struggling, or even to provide the customer with a means to share ideas and opinions. Marketers need to employ ways to learn about their customers, in context, in order to determine the best possible action to take during any interaction—even when that action doesn't fall under the traditional scope of marketing.

Although Continuous Customer Engagement provides a framework for the future, the reality is that many brands aren't entirely in touch with what their customers experience today. How can you improve on something you don't fully understand? The following steps will help you address that question by showing you how to identify what your customer journey looks like today, pinpoint areas of struggle that you can resolve quickly, determine gaps that need to be filled, and develop a strategy for optimizing the customer journey in the future.

### **Step 1: Map your current customer journey**

The term “customer journey” signifies the series of interactions that any customer has with your brand. Each individual's journey will be different, because each customer is unique. From the customer's point of view, steps on this journey can include researching a product line, receiving a marketing email, seeing a display ad, browsing a website, hearing about a brand from a friend, or asking a company for information or help with an order. These interactions can take

place at almost any time—presale or postsale, and across multiple channels. Can you ensure you're delivering a consistent experience, and accounting for all these factors? With customers able to contact you whenever they choose, can you fully predict and understand their journey?

To start mapping your customer journey, create or re-examine your personas: hypothetical customers that exhibit the qualities of your target buyers. For example, a health and beauty retailer may have one product line targeting an 18-24 female audience, another meant for an 18-24 male audience, and yet another for an over-55 female audience. By creating personas, you can transform those segments from flat data points into customers: Emily, the college track runner with windburn-prone skin; Jake, the high school senior who's struggling with acne; and Linda, the retiree with a substantial perfume collection. B2B marketers who currently equate personas with the companies they target may benefit from focusing more closely on the purchase decision-makers at those companies: Rachel, the 35-year-old bakery owner who needs to start accepting credit cards, or Pedro, the VP of Digital Marketing at a home goods company who's under pressure to show the ROI of his email campaigns.

Once you've identified your personas, think about how those different personas interact with your brand. Do certain personas use or prefer specific channels over others? Perhaps your purchase data tells you that Jake prefers to buy via the mobile channel. Linda may like to share tips with her Facebook friends, and Rachel, who manages many of her business' operations herself, always emails before picking up the phone. Is your call center set up to act on Rachel's emails? Are you investing in mobile technology that will meet Jake's needs?

Next, consider what motivates each persona to move through the various stages of the buying process. For example:

- Where do they typically get their information? Via social media sites, word of mouth, through email, their mobile devices?
- How receptive are they to receiving outbound communications?
- How do they prefer to make purchases? In-store, through a website, via a catalog?
- Are they receptive to promotions, rewards cards, or sales?

Answering these questions can help you determine the way(s) in which your personas are most likely to contact you or welcome hearing from you. At the same time, take a look at how your marketing department currently operates. For example, if you've determined that a customer is likely to be receptive to both email and website marketing offers, you must then ask whether your email and website marketing teams work together to send consistent messages and offers via both channels. Is your marketing technology set up to encourage this type of collaboration? If these teams operate in silos, your customer will likely receive disconnected or competing offers, depending on the method of contact.

The purpose of mapping your current customer journey is to help you walk in your customers' shoes. The more you understand who they are, what messages they receive from you, how responsive they are to your current marketing initiatives, what aggravates and motivates them, and how they prefer to interact with you, the more you will come to understand how best to serve them.

### How can I do this?

Many marketing technology vendors and marketing services providers, including IBM, offer customer journey workshops.

These workshops will help you identify what technologies you have in place today and how they impact your customers' experience across channels.

## Step 2: Pinpoint areas of struggle

Once you've mapped the customer journey for your various personas, the next step is to search for and identify current areas of struggle: anything that may prevent a customer from moving from one stage in the lifecycle to the next. These areas of struggle can range from technical (a website error prevents a customer from adding a certain product to her shopping cart) to qualitative (a lack of available plan information triggers a prospect to accept a car insurance quote from a competitor).

Marketers are always trying to balance forward-looking strategies with maintaining the technologies and modes of contact they use today. So, while you may be in the midst of developing a great new strategy to roll out six months from now, don't lose focus on optimizing your customers' experience today. Failure to do so will result in lost revenue and customer churn.

### How can I do this?

One way to address areas of struggle on your digital properties is with the help of IBM's Customer Experience Management solution. This offering, formerly known as IBM Tealeaf, allows you to see your digital channels through the eyes of your customers.

For example, you can play back any customer web session and pinpoint errors on your website or with your mobile app that prevent web sessions from being profitable or productive. You can then invest confidently in removing those obstacles, which will allow you to maximize your current digital marketing initiatives.

### Step 3: Determine gaps you want to fill

Once you've identified and fixed any existing points of customer struggle, you then want to look at the personas you created and consider where there are gaps in their journeys that you can fill.

Take a retail bank, for example. One of the bank's personas may be Micah, a 20-30 year old account holder who is slowly paying down his student loans. Making loan payments on time is one of Micah's priorities. From digital analytics data, the bank can determine that he demonstrates a preference for the mobile channel. The bank can infer that Micah would be interested in an affordable mobile banking service, such as an app. Automated loan payments might interest him, and he would also benefit from mobile app notifications that assure him his payments go through on time.

If the bank already offers a mobile banking service, it should investigate whether Micah takes advantage of it. If not, why? Has the bank failed to target him with relevant marketing campaigns that highlight the service? If it has targeted him, why hasn't he converted? Perhaps the bank requires a mobile banking fee that makes the service too expensive for him. Or, perhaps the bank is sending him offers, but through a channel he tends not to respond to, like direct mail. Or, maybe the bank doesn't offer mobile banking at all. If so, is Micah's need significant enough to motivate the bank to invest in developing a mobile app?

By identifying these gaps — either in the services you currently offer or in how your customers do or do not take advantage of those services — you have the opportunity to further optimize your customers' experience while maximizing your own return on marketing investment.

### How can I do this?

Gaps are commonly channel-based; often, marketers would like to invest in a new channel, like mobile or social media, but don't know how to coordinate it with their existing systems. The goal is to communicate across channels with your customers, while delivering a relevant and consistent experience. One way to address this need is with the help of IBM's Omni-channel Marketing Optimization solutions. These solutions can help you branch out into new channels, while ensuring that those efforts are consistent with your existing marketing practices. For more information on moving your mobile and social media marketing efforts out of silos, read this white paper.

### Step 4: Strategize to improve

So far, we've identified what your customers currently experience, where you can make immediate changes and improvements to the customer journey, and how to fill any gaps that exist between what your customers want and what you actually provide them today. At the same time, marketers need to continue to plan for the possibilities of tomorrow. What new technologies are relevant to your industry? What new channels are emerging? How can you leverage them? What experience or service can you provide your customers that will set your brand apart from the competition?

By exploring market research, talking with technology providers, and taking stock of what your customers (across personas) truly want and need, you can lay the foundation for a comprehensive future strategy. However, as you do so, keep in mind that technology and marketing will always evolve, as will the ways that your customers interact with you. Yet, despite these new modes of contact and commerce, your customers' tastes and needs will remain as unique as ever.

To enable your brand to adapt and evolve more rapidly than your competitors, start by refocusing your operational and measurement strategies around your customers. Doing so will ensure that you can always add new modes of contact and offer new services to those customers who, at the end of the day, give life to your business.

### **How can I do this?**

Any effective marketing strategy will unite people, process and technology around distinct, actionable goals. As you develop your strategy, be sure to maintain the focus of all your operations around the customer, including how you measure your programs. The open rate of a specific email campaign can offer insight for future campaigns, but do you know the lifetime value of your most loyal customers, or how likely a certain account holder is to churn? Your customers drive your business, and the best strategy for the future will put them at the center of all your operations.

### **About IBM ExperienceOne**

IBM ExperienceOne helps you attract, delight and grow the loyalty of customers by enriching the ways you engage each of them. IBM ExperienceOne provides a set of integrated customer engagement solutions that empower marketing, merchandising, commerce and customer service teams to identify the customers and moments that matter most, and to rapidly apply those insights to develop and deliver personally rewarding brand experiences.

IBM ExperienceOne ignites innovation by leveraging patterns of success from more than 8,000 client engagements, original industry research, and products consistently recognized as industry leaders in major analyst reports.

IBM ExperienceOne solutions are delivered in cloud, on premises, and in hybrid options.

### **For more information**

To learn more about IBM ExperienceOne, please contact your IBM representative or IBM Business Partner, or visit the following website: [ibm.com/experienceone](https://ibm.com/experienceone).



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Produced in the United States of America  
October 2014

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