Customer Experience Journeys in Digital Disruptive Business Models

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Agenda

- How Customer Experience journeys are changing – Clive Curtis, Huawei
- The impact of new disruptive digital business models – Prof. Mark Skilton
- The Digital Business Value and Customer Experience Work Group

Clive Curtis
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Problem Space

OUTSIDE IN APPROACH

What are the characteristics of a digital Customer?

Customer Journeys,

Customer Scenarios

How does Loyalty work?

Examples of mechanisms and scenarios to operate an Enterprise - good practices

What is the Value of Digital?

Value

Operating models

New mechanisms of value e.g. crowd Vertical, Horizontal economies
Digital Business…

- A new definition of ‘Digital’ based on ‘value and revenue’ and not ‘atoms and bits’

Digital Business 1.0
- Digital copies of analog/physical capabilities
- eMusic, sStores, ePayments etc...
- The same business model, but with the assets digitized.

Digital Business 2.0
- The degree to which an enterprise’s products and service value and revenues are realized through technology*
- A definition based on value and revenue broadens the idea of digitization as it moves beyond managing information about things to creating new value based the properties of digital information itself*
- This enables and creates completely new business models, value streams and customer expectations.

*Gartner 2012
Is there really such a thing as a digital customer/employee/citizen?

We do know that digital disruptors are increasing the empowerment of consumers, employees and citizens.
  - Mobile
  - Social
  - Pervasive Internet

This increased empowerment is changing the way that Consumers/Employees/Citizens interact with the products and services they buy and use, the public bodies they interact with and the environments in which they work and play.

Consumers/Employees/Citizens have more choice and are more in control over the relationship with their suppliers/service providers and the digital spaces that they inhabit.
Digital Customers/Employees/Citizens…

They operate (and expect to operate) in **Real Time**
- Immediacy of information and opinion

They want everything **On-Demand**
- Immediacy of supply
- Immediacy of choice and selection

They are **Always Online**
- Pervasive internet
- Smartphone enabled

They want things the way they want it **(DIY)**
- Increased use and expectation of Self-Service
- Want to have control over how they interact

They are **Social**
- Share experiences before, during and after.
- Look to each other for advice and inspiration
- Generate content
- The workplace becomes more social.
Digital Customers

- If we look at the evidence of how traditional value-chains are being dis-intermediated.....
  - AirBnB, Taobao, TripAdvisor, Uber....etc..

- .......we can hypothesise that consumers/employee/citizen relationship is becoming more important with the social groups that they interact with and the ecosystems that they participate in rather than the products and services that they consume.
A More Demanding Digitally Enabled & Empowered Audience
Digital Customer (Employee & Citizen) Journeys

- Increased activity on ‘engaging, discovering and exploring’
  - Also true for Digital Citizens and Digitally enabled employees.
- Creates new value-models & new demands.
- Business, government and employers need to think differently about how to architect their service delivery.
- This workgroup will attempt to create a reference model to help business, public organisations and employers think about what kind of digital journeys and digital experiences they want to create.
Use case #1: Consider

- **Buying**
  - Awareness
  - Interest
  - Choose

- **Using**
  - Use
  - Manage
  - Pay

- **Sharing**
  - Renew
  - Recommend
  - Leave

- Diagram showing interactions with platforms like TripAdvisor, SMS, PayPal, and toptable.
Use case #2: Consider.....

- **Buying**
  - Awareness
  - Interest
  - Choose

- **Using**
  - Use
  - Manage
  - Pay

- **Sharing**
  - Renew
  - Recommend
  - Leave

Diagram showing interactions such as Check-In, Tax free, BAA, and United Airlines.
Usecase#3: Consider…..

**Buying**
- Awareness
- Interest
- Choose

**Using**
- Use
- Manage
- Pay

**Sharing**
- Renew
- Recommend
- Leave

[Diagram showing workflow and icons]
What does this mean for EA?

- All these Use-cases rely on and are enabled by digital disruptors
  - Mobile
  - Social
  - Data Analytics
  - Pervasive Internet (IoT)
  - Cloud Computing
  - Etc...

- They are all journeys that have been designed and made possible by the service providers involved.

- However they mostly represent journeys across eco-systems rather than with one service provider.

- They are examples of the changing nature/demands of digital citizens and challenge organisations, governments & employers to re-think how they architect their organisations, their Enterprise Platforms and also their service delivery models.
Two questions

- What is digital disruption? – examples case studies – change in faster, better, cheaper performance

- What is the Value of customer experience generated with digital business?
Digital Disruption

Switching & Scaling Effects

Network Effects

Digitization

20-30% % CAGR of Shift to Digital Enterprise Activity Results

40-90% Actual Social Behavior % shift to online adoption

7-11% Reported % GDP Digital economy

Triple Scaling Effect

Modern Digital Connected Economy
Digital Disruption

The Modern Digital Business

Creating the Digital Business

Enabling new Value experience

Building growth and return on investment

NEW OPERATING MODELS

NEW CUSTOMER EXPERIENCE

NEW OUTCOMES
Digital is redefining experiences
Rise of Connected Ecosystems

Horizontal Connected Ecosystems

Vertical Connected Ecosystems

Connected Automobile Ecosystem

Smart Hotel Ecosystem

Smart Retail Ecosystem

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Customer Experience in the Connected Economy

HORIZONTAL USER JOURNEYS

VERTICAL USER JOURNEYS
User Stories
- connected “digital spaces”

Social, cultural Space
Interactions and associations

Object Space
Consumables, Fixed objects

Living Space
Rooms, Space objects

Human Space
Biological, wearables, perception

Society, transit Space
Transport, logistics, access

Working Space
Social and Business communities

Commerce Space
In place, complementary, partner services

Intelligence Space
Human, machine intelligence
Example case study – Connected Economy

http://enableid.com/
Making sense of User Experiences

An Information centric view example

- Personal data
- Usage Data
- Generative Data
- Corporate Data
- Open Data

Contextual

Social

Business

Knowledge Intelligence
Example case study – Customer Experience CX

Content to Purchase (C2P)

Before Thinking about product
Thinking about product
Selecting Product
Purchasing Product
After consuming product

Before Thinking about product
Selecting & Purchasing Product
After consuming product

Promotional events – lifestyles
Discounts incentives
✓ Faster ordering
✓ Faster payment
✓ Faster delivery
X reduce time wasted
X reduce wasted stock
✓ Repeat purchases, loyalty
✓ Cross brand purchases

Online Purchase coupons 3rd party Marketplace store
Outcome – feedback
Economics of IOT..

The Self-Reinforcing Socio-Technical Mechanism

- Growing Industry Presence
- Grow Solutions (partners and your own)
- More Services Offered
- Self-Reinforcing Scaling Cycle
- Customer Experience
- Digital Infrastructure
- New Ideas
- New Products
- New Services
- Users Adopt Service
- Increasing Product and Service Presence
Generativity of value

Health Care

“I could do 80% of my primary care outside of a hospital … I don’t need to go to my doctor … it is more than just customer patient acquisition…”

Financial Services

“Financial Services are being transformed by digital.. Old credit monitoring services for Financial credit rating are expanding into new areas providing information for - Healthcare, Taxes, Dating sites etc…

Automotive

Cars already contain so much more digital content, much of the value of the car and the cost of developing a car is related to the digital technology in some way or another. When it comes to lowering fuel consumption or new safety features it is very much about the digital infrastructure, which requires a totally new skill set for the people developing the car.

NEW OUTCOME ECONOMICS

4th GENERATION
ORGANIZATION, PRODUCTS & SERVICES ECOSYSTEM

3rd GENERATION
CONTEXTUAL PRODUCTS & SERVICES

2nd GENERATION
SECONDARY PRODUCTS & SERVICES

1st GENERATION
DIRECT PRODUCTS & SERVICES

Most companies just focus on level 1

Digital product / Service

GENERATIVE GROWTH
Industry structural

EXTENDED GROWTH
Tuned & personalized

REVENUE
Cross-sell up-sell

COSTS & MARGIN
Technology paths

Customer Journeys

- CONTENTS LAYER
  - Business Mediation Cluster
  - Mediation Cluster
- NETWORK LAYER
  - Internetwork Mediation Cluster
- DEVICE LAYER
  - Experience & Sensing Mediation Cluster

Usage/Actuation

- SERVICES LAYER
  - Logical transmission
  - Physical transport

User/Sensor Interfaces

Nested Modular Layered Architectures

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Customer Experience and Digital Technologies

EXEMPLARY CX Life cycle

- **Awareness**
  - Would like to be directed to products she'd like

- **Engage**
  - Needs to be sure she's making the best decision

- **Buy**
  - Easy, seamless purchase

- **Receive Delivery**
  - Clear delivery scheduling and communications

- **Get Help**
  - Personal recognition

- **Elevate/Retain/Leave**
  - Thoughtful follow-up

Customer Experiences

Digital Technologies

Open Platform 3.0

Enterprise Architecture
Q&A

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- good practices

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Digital Business Strategy & Customer Experience DB&CX Work Group

A joint Work Group of the Open Platform 3.0 Forum and the Architecture Forums

Digital Business Strategy and Customer Experience Work Group. This joint work group of the Open Platform 3.0™ Forum and the Architecture Forum will develop and promote an understanding of what it means to be digital, and to establish best practices for organizations providing a digital customer experience.

https://collaboration.opengroup.org/dbcx/
How to get involved

- Join The Open Group Architecture or Open Platform 3.0™ Forum
  - [http://www.opengroup.org/getinvolved/becomeamember](http://www.opengroup.org/getinvolved/becomeamember)
- Subscribe to the Digital Business Strategy and Customer Experience Work Group
- Mail Sonia Gonzalez or Chris Harding
  - [s.gonzalez@opengroup.org](mailto:s.gonzalez@opengroup.org)
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Clive Curtis has over 15 years experience driving and leading transformational customer experience change in Fortune 500 companies. Most recently this has been with eBay Europe where he was responsible for driving the successful transformation of the B2C and also B2B customer experience for eBay across all of Europe, including the deployment of digital customer service technologies and practices as well as organizational change and agent performance best practices. As well as eBay, he has also led customer experience programmes and change activity at Symantec and Verizon Business where he set up and ran the NPS improvement programme for Verizon Business Services across Europe. He has held senior roles in Product Management, Marketing, Channel Management, Sales Consulting, Sales Performance Management, Technical Support, Organizational Performance Improvement as well as Customer Service and Customer Experience Management. He is now working as Principal CEM Consultant - NPS and Omni-channel for Huawei Global Services, with a focus on projects involving NPS improvement and Joint Innovation with partners related to Omni-channel CEM.

Mark Skilton is an accomplished business technology leader who has worked for many fortune 500 companies in over 20 countries, across private and public industry sectors. Mark is currently a Digital Expert at PA Consulting with experience in leadership innovation and strategy for digital platforms, big data, cloud computing, interoperability, metrics monetization and cyber security. He is a Professor of Practice in Information Systems Management at Warwick Business School.

Mark is a recognized international thought leader, speaking at internationally including the EU Commission and several Industry conferences and live TV and Radio and digital media including BBC, Sky, FT, BBC.com and widely syndicated globally. He is the author of two books on building Digital Enterprise for Palgrave macmillan Digital Economy series and a co collaborator on several international digital initiatives and standards developments.

Dr Chris Harding is the Director for Interoperability at The Open Group. His role includes supporting the work of Open Group members on SOA and on Open Platform 3.0™, and he has been Forum Director of the Open Platform 3.0 Forum since its inception in 2013. He contributes to on-line journals, speaks at events, and is a frequent webinar panelist and moderator, within and outside The Open Group.