

consumerdirections

The official publication of the Society of Consumer Affairs Professionals Australia



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Trending now: what to watch in 2014

As 2014 is now in full swing, here are some of the business, customer relations and consumer trends that might be shaping your work and life this year and beyond.

BUSINESS

The rise of the Chief Customer Officer

Called the Chief Experience Officer in the US and the Chief Customer Officer in Australia, this role is responsible for all aspects of customers' experience with a company and its products and services. Expect to see more appointments designed to represent the voice of the customer in the C-suite.

In line with greater recognition of the value of the customer, back in 2012 Gartner predicted that by 2015 the marketing budget allocated to retaining customers and increasing loyalty through customer service would more than double, so time will tell if this eventuates this year.

Embracing disorganisation and start-up thinking

The world, including what customers want, is changing rapidly, and traditional corporate models simply aren't going to cut the mustard any more. Business futurist and innovation expert Craig Rispin says what companies need is a Director of Dis-organisation, to lead the hunt for new business models.

"Companies are shaking up their structures and turning them upside down to find out what business model is going to serve them best in the future, because their customers are changing and demanding more. Going through this journey, companies have to reorganise more frequently, test and correct their course until they find what works best," says Rispin.

Many established corporates are also looking to start-up culture to gain inspiration on how to be more nimble, adaptable and responsive to customers.

CUSTOMER RELATIONS

Customers helping customers

Customers are becoming accustomed to self-service, and this even extends to when they have a problem. What's their first port of call? They ask other customers. Websites offering peer reviews, forums, and even YouTube videos now offer a round-the-clock means for customers to find a solution to their issue.

Futurist Gihan Perera says for organisations that don't provide 24 x 7 support, this reduces customer frustration over having to wait for an answer.

"If the organisation can facilitate that contact between customers through their own website, it makes it even more powerful, because the organisation can then see everything that's happening, and the customer service team has the chance to get involved and engage with customers there," says Perera.

"It does require a culture of being open and willing to accept what people are going to post, because not everything is going to be complimentary. But conversations are happening anyway, so they might as well be happening in your backyard."

Service across all channels, but mobile first

Customers want to be able to access customer service through a variety of customer service channels, and they want a consistent service experience across these channels. This is nothing new, but according to Forrester analyst Kate Leggett, in 2014, customer professionals will work on better understanding their customers' channel preferences, and guide them into the

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right channel depending on the issue. More sophisticated and focused approaches to providing service through the mobile channel will also emerge.

Using technology to enable more and better feedback

Improvements in video conferencing and voice recognition and analysis provide new opportunities to capture customer opinions.

“Video conferencing is becoming popular now because the technology is good. You can have focus groups for marketing, but you can actually involve customers in other parts of the process as well. You wouldn’t normally bring customers into the organisation, but you can through video and other online collaboration tools,” Perera says.

Rispin says US retailers are also now promoting telephone feedback lines on the bottom of receipts. When the customer calls, they are guided through an automated system to leave feedback, which is then turned into text using voice recognition software and analysed using a word density tool. If there’s a high incidence of words like ‘happy’ or ‘mad’, it can trigger a report to a senior manager in customer relations, sales or marketing, and they can decide what action to take.

Proactive and personalised, driven by data

Organisations will increasingly move to proactive service-based communications, driven by systems offering sophisticated behaviour monitoring and predictive analytics. By crunching this data, companies will be able to reach out to customers to provide assistance at the time they are seeking it, and to personalise customer service interactions.

In 2014, customer service organisations are expected to leverage customer feedback on two fronts, according to Leggett: “they will double down on their efforts to gather customer feedback across communication channels and touchpoints and act on it, and direct customer feedback will be tied to agent performance and will start to be used as a metric to measure the success of operations”.

CONSUMER

Going mobile

The explosion of mobile devices is the biggest consumer trend of the moment, with predictions of more websites being accessed by mobile devices than by desktop or laptop computers by year’s end.

Consumers now expect to access any information they want, whenever they like, from wherever they are. It also has huge implications for how customers engage with organisations and brands, with many using their mobile device as a virtual cockpit to manage their life and work.

The emergence of devices such as Apple’s Bluetooth-based transmitter, iBeacon, provides a means for retailers to detect and communicate with customers as they walk into a store, to provide location-specific information such as special offers.

iBeacon has been built into Apple’s devices since 2013, but only now, as stores and locations begin to install them, is their power truly revealed.

“My prediction is that there will be 250 to 300 million iBeacon devices by the end of this year. It’s going to be especially

important in retail, but it could be used internally in a company as well,” says Rispin.

Stronger brand engagement through social media

Part of the mobile trend is consumers documenting their life through social media channels from wherever they are. That includes alerting brands that they are engaging with them through a touchpoint – perhaps by posting and tagging a photo in Instagram, or using geotagging in a Facebook post, says creative director of Thinqe, Anders Sorman-Nilsson.

Brands can take engagement to the next level by responding and creating a dialogue. Take, for example, a situation where a consumer is waiting in a Virgin Australia airline lounge and tagged the company in a post.

“It would be quite powerful if Virgin said thank you for the tag, we’ll give you a free glass of champagne once you have boarded the flight,” he says. “What you are seeing through this mobilisation by the consumer is that subconsciously they want to have a conversation, but very few brands are engaging at this second level.”

With the global social network audience predicted to be 2.55 billion by 2017, these conversations will only grow in importance.

Appealing to the digitised mind, analogue hearts

Sorman-Nilsson’s new book, *Digilogue: how to win the digital minds and the analogue hearts of tomorrow’s customers*, explains that as consumers and customers, our rational decision-making minds are increasingly becoming digitised – we do all our due diligence, research and comparisons online, and we are spending more time in the digital world.

“It’s critical for smart customer-facing brands to provide informational value to our increasingly digitised minds, but it’s equally critical that they keep connecting with our enduringly emotional, analogue hearts – the old school, the traditional, the face to face, and the personal touch,” he says.

Digitising too fast and losing too many analogue touchpoints can be a risk for brands.

“We’ve seen that with call centres moving back to Australia, and companies who were hiding their phone numbers on their websites bringing the human element back to the centre of the customer engagement story,” Sorman-Nilsson says.

Glocalisation

Another paradox is that though consumers have become very comfortable with global commerce, they still have a strong connection to the local, and will support companies that have a local touchpoint or story of provenance.

For example, US-based real estate company Urban Compass has a website which provides prospective apartment buyers in New York for example, with insights into the local neighbourhood as well as property listings and prices.

“Through geomapping, it shows you the highlights of the area, the best restaurants, and you can even speak to Maria, the neighbourhood specialist in William Square, so the global and local converges in a digital asset.”

Gihan Perera is a keynote speaker at the 24th Annual SOCAP Australia Symposium. Registrations now open at www.socap.org.au.