

Digital innovations in customer experience

Rethinking CX offers opportunities to prioritize flexibility and frictionless convenience for both internal and external players.



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Digital business has fundamentally changed customers' expectations, putting pressure on businesses to provide new levels of access and convenience. Organizations that are positioned to succeed in this environment are leveraging the connections between internal and external success to pursue a new, more coherent combination of CX, EX, and operations. See our insights about the new playing field of customer satisfaction and the strategies that are setting enterprises up to succeed.



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The new face of DCX

Digital is transforming the customer experience, with self-service, omnichannel presence, and AI implementations leading the way.

The last few years have made DCX (Digital Customer Experience) more important than ever. Many have taken work, education, and socializing online, with consumers and companies alike discovering that things once done face-to-face can be completed far more simply and inexpensively through the web. Looking forward, these new digital habits aren't going anywhere.

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Online sales topped \$791 billion in 2020, up 32% from \$598 billion in 2019.

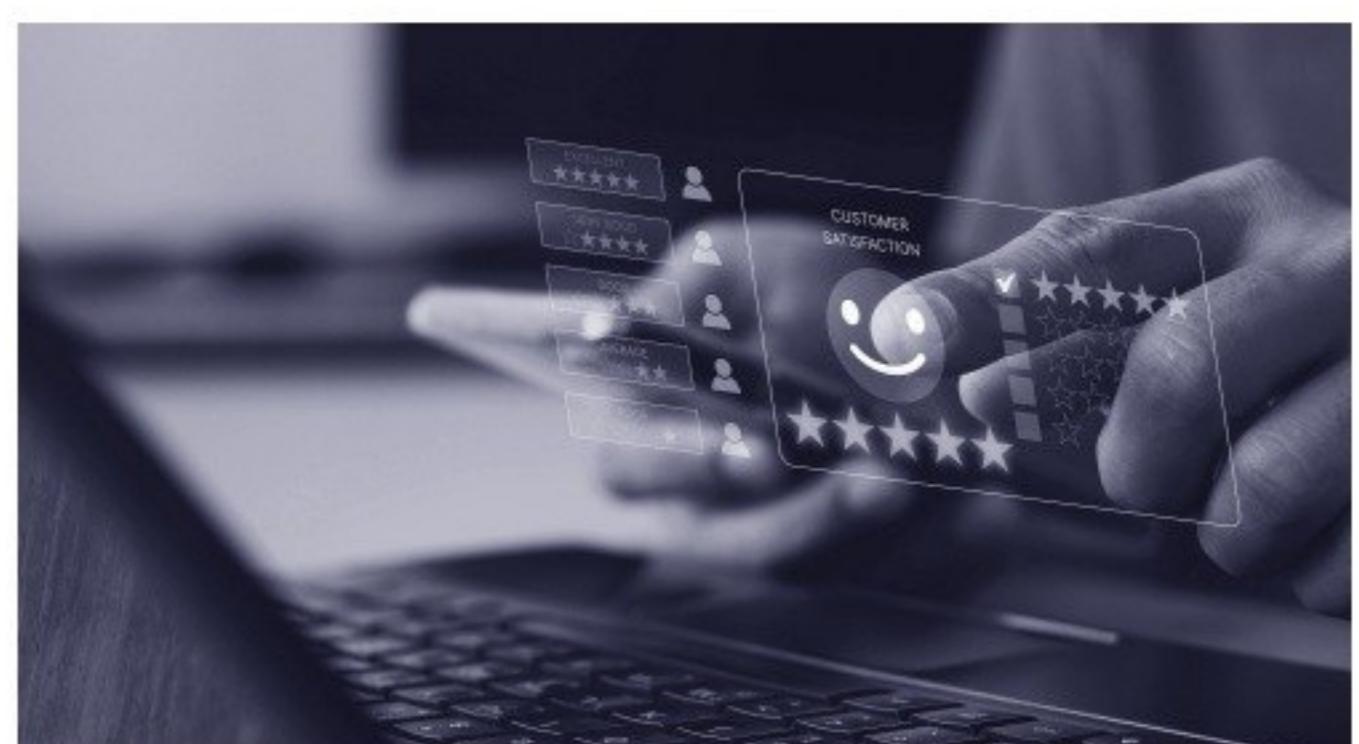
[DigitalCommerce360, 2021]

Streaming entertainment is now so prevalent that movie studios are changing their film distribution channels to include at-home viewing. In the US, BOPIS (buy online, pickup in-store) has been almost entirely eclipsed by curbside pickup.¹

[1] RetailDive, 2021

In short, consumers are clamoring for easier, more convenient, and more on-demand services in everything from online banking to customer support. Those rising to meet the demands of today's customer are creating seamless, personalized and fast experiences that are driving up sales while driving down costs.

Mobile, social, and IoT have changed the way people interact with the world. The digital revolution has put services, products and experiences at people's fingertips, and when brands fall short of expectations, consumers are more than willing to walk.



So what are companies doing to meet those expectations? Creating more ways to engage with customers, offering more self-service options and deploying AI to create more personalized journeys.

Don't take loyalty for granted

- ▶ *27.9% of people said they are extremely willing to switch to have a better customer service experience*
- ▶ *32.7% are very willing to switch*
- ▶ *35.5% are somewhat willing to switch*
- ▶ *Only 3.8% said they would be unwilling to switch*

[Forbes, 2020]

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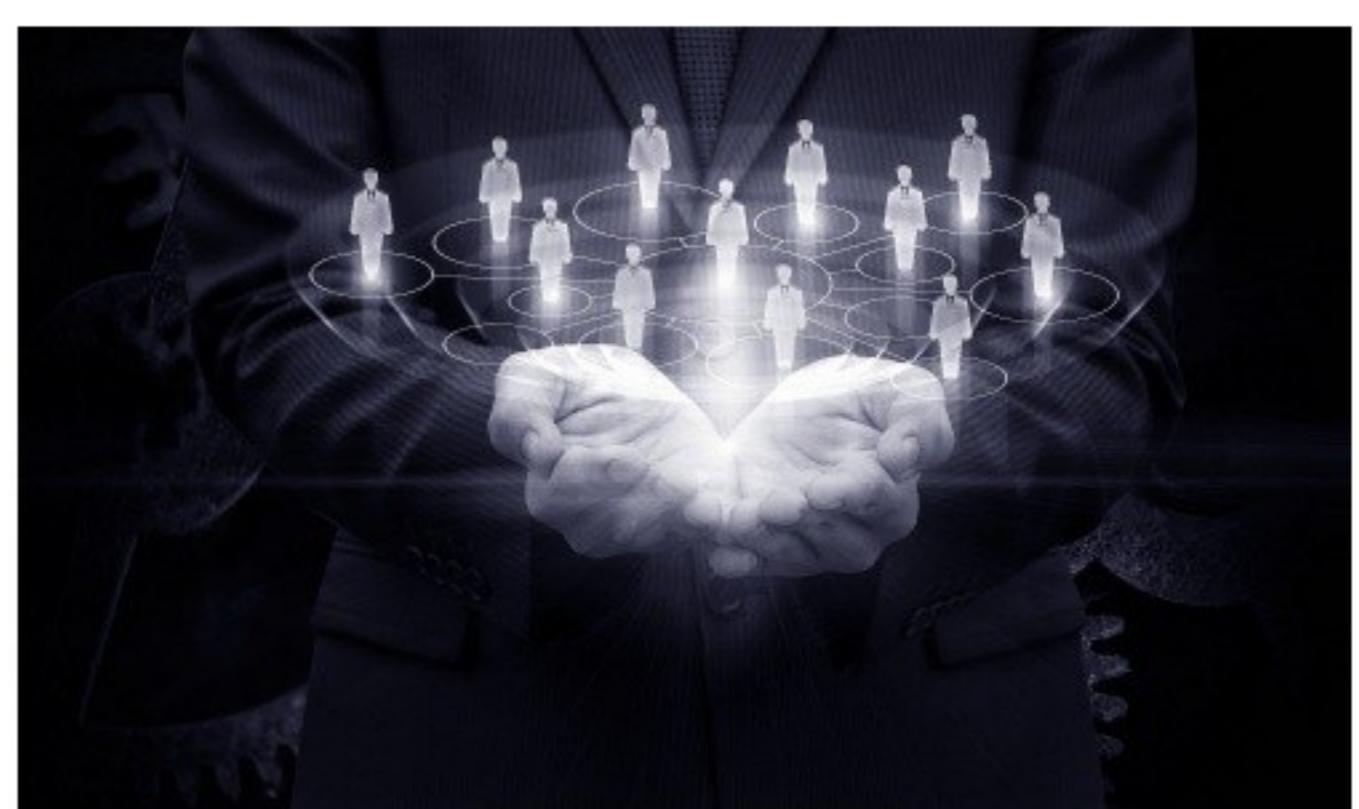
Nearly 3/4ths of consumers use multiple channels before making purchases.

[Harvard Business Review, 2017]

Optimizing the digital customer experience can pay significant dividends. Users expect a consistent and seamless experience no matter how they are choosing to engage.

But it is worth investing time in these efforts; for every additional channel a customer uses, they spend as much as 10% more money,³ and have a higher LTV.

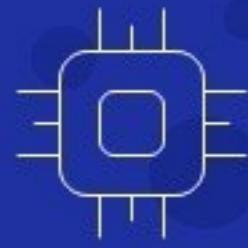
Additionally, omnichannel companies see nearly 3x the customer retention rate.⁴



Customers are everywhere. You should be, too.

On average, customers use ten channels to engage with companies.²

Unfortunately, only 9% of marketers feel equipped to run campaigns across multiple channels. That leaves a lot of opportunities for missed communication.



The personal touch

As experience increasingly becomes a key differentiator, personalization goes from “nice to have” to a “must have.” Zoho has been helping to drive this trend, primarily through their AI-driven suggestion engine, Zia. With the deep, omnichannel context Zia provides, Zoho has turned once generic emails into targeted, personalized engagements with customers.

Knowledge bases and FAQs covering the user's major pain points let the simplest and most common issues be resolved quickly and without human intervention.

Customer education or certification programs give your users the ability to solve their own problems. As Peter Balaji, Zoho's Director of Sales and Support, notes, “It's also a great way to build brand loyalty. Every time users visit your website to take courses, watch videos, or read whitepapers, you have the opportunity to foster deeper connections and get people more invested in your brand.”



Serving the DIY customer

Consumers today are pushing for self-service, on-demand solutions. Zoho has seen this transformation to “DIY” firsthand, and has reshaped their support offerings in response. By making use of omnichannel-derived data, Zoho uses intelligent chatbots to drive smarter, faster engagements.

Looking forward: Evaluating the customer voice

Customers are also increasingly looking to self-service options as the first place they turn to for help. From scheduling appointments to checking out groceries, people are opting for DIY as a faster, more convenient way of doing basic things, and companies are responding in turn.

Offering your customers self-service options can yield significant long-term savings.

AI: 24/7 service without 24/7 staffing

24 hours used to be considered an acceptable response time for sales or support inquiries; the expectation now is to get answers within hours (or minutes)⁵. AI is one way that companies are meeting this need, providing customers with quick and effective help while also saving billions of hours and trillions of dollars.⁶



*Chatbots are predicted to save the finserv industry alone more than **862 million** hours by 2023.*

[Juniper Research, 2020]

AI also offers a wealth of possibilities for agents: reps can generate incredibly specific customer profiles with data drawn from all over the web; it improves personalization in everything from hyper-targeted marketing campaigns to purchase recommendations; it can perform sentiment analysis so that agents know how their customers are feeling before they even enter a call.

What it amounts to is a deeper, more context-rich picture of the customer, one that enables reps to make better connections.



Good DCX is, fundamentally, about reducing roadblocks and friction for your visitors. It's about establishing processes and communication channels that meet people where they are, and empowering your employees with the information they need to do their best. Digital is improving every aspect of the customer experience; are you taking advantage of what it can do?

Anywhere operations, the future of remote business

Enterprises that meet the demand for flexible, distributed functionality have a unique opportunity to get ahead of the remote operations curve.

Remote business anytime, anywhere is here to stay. Enterprises went remote in 2020, and now it's a business imperative to go several steps further to get more value out of remote processes and thrive in the complexities of remote operations. That's why anywhere operations was named one of the Top 9 Strategic Technology Trends for 2021 by Gartner Research.

customers alike. Gartner described the idea as, "more than simply working from home or interacting with customers virtually—it also delivers unique value-add experiences across five core areas: collaboration and productivity, secure remote access, cloud and edge infrastructure, quantification of the digital experience and automation to support remote operations."



Anywhere operations is about prioritizing distributed operations and a complete remote experience for employees and

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By the end of 2023, 40% of organizations will have applied anywhere operations to deliver optimized and blended virtual and physical customer and employee experiences.

[Gartner, 2020]

This is a natural consequence of putting people first—wherever they are—and building resilient delivery systems. Customers and employees are now expecting those standards and more. They want to have access to everything they need not just from their home office, but anywhere they choose to sit down and log in. They're also expecting that the services they rely on will keep working at the highest standards even during difficult times.

So what then for enterprises? Some steps include:

- 1)** Meet the demand for convenient functionality anytime, anywhere by prioritizing remote services as the default.
- 2)** Provide secure access to all relevant applications by taking a cloud-first approach to everyday applications, particularly in the areas of collaboration, sales, and customer service. This cloud-first approach needs to be paired with a focus on fast, comprehensive integrations to ensure that all relevant data is available to employees across applications, exactly when they need it, wherever they are.
- 3)** Re-evaluate and quickly replace complex legacy systems if they are unable to provide the flexibility that's now required.

At Zoho we have the tools to get any enterprise ready to fully embrace anywhere operations. With our broad suite of SaaS apps built on the same platform and seamless integrations with third-party applications, Zoho fits right in to any existing system, and fills in any gaps in remote operations easily. We provide all this at a fraction of the price of competing solutions, making Zoho apps the best value on the market for quality and price.



Zoho runs on Zoho too! In 2020, we took our nearly 10,000 employees remote all around the world in just three days. Throughout the process we continued to provide employees and customers alike the very best they've come to expect from Zoho, wherever they are. With Zoho, anywhere operations isn't just the future, it's our past and present, too.

How developing higher EX standards leads to better CX outcomes

Enterprises that meet the demand for flexible, distributed functionality have a unique opportunity to get ahead of the remote operations curve.

Businesses that lead the pack in customer outcomes have discovered a simple secret for maximizing their CX capabilities: optimizing their employee experience (EX). The core components of EX at any business are workplace culture, workplace environment, and technology. When employees feel supported, comfortable, and well-equipped, they are able to perform high quality customer-facing work (and therefore, create better CX).



So whether you're looking to boost sales, drive innovation, or increase customer satisfaction scores, it might be time to start thinking about good EX as a path to success. But if you think EX is limited to perks like on-

site massage therapists or free beer on Fridays, it's time to think again. Today's EX leaders understand that creating engaged employees is about providing them opportunities for meaningful and purposeful work that fosters personal and professional growth.

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Companies with high EX ratings are twice as innovative, as measured by revenue from services or products introduced in the past two years.

[ZDNet, 2020]

Improved EX pays dividends; it's linked to higher customer satisfaction scores, faster

innovation and increased revenue. And because it helps lower attrition and turnover, it can also help significantly reduce operating expenses.

Why EX should matter

When employees are happy and passionate about their jobs, customers can tell. In fact, Glassdoor's research shows that just a 1-star (out of 5) improvement in a company's rating can lead to more than a 3% improvement in CSAT and has the potential to bump stock valuations by nearly 19%.⁷

Nearly
90%
of execs at
revenue growth leaders
say that improved EX
directly leads to
improved CX.

[ZDNet, 2020]

When someone enjoys their job, they'll be a better ambassador. And companies with

high scores in both EX and CX reap the rewards, seeing 1.8x faster growth than those with low scores.⁸ Conversely, companies with lower EX scores have higher turnover and attrition, which in turn raises operating costs.



Measuring the employee experience

The definition of "office work" has changed a lot in recent years, with things like telecommuting and flexible schedules becoming the expectation rather than the exception. But when you stop sharing a physical environment, it becomes even more important to keep an eye on employee sentiment. To tackle this problem, Zoho has put their own tools to the test, using anonymized surveys and town halls to give employees a chance to freely voice concerns to the C-suite.

It also makes recruitment easier. Millennial and Gen Z employees are looking for more than just a paycheck; they want their work to

be as much about purpose as profit. Per LinkedIn, 86% of Millennials would take a paycut to work for a company that aligns with their values.⁹ As consumers are flocking to ethical, values-driven companies, it's no wonder employees are doing the same.

The elements of good EX

While strategies for improving EX aren't "one-size-fits-all," the companies that perform best in this category share a few things in common: a focus on creating strong communication channels, building digital capacity, and providing opportunities for individual growth and learning.



Working together is no longer limited by meeting in the same physical space, meaning that digital EX is more important than ever. The good news is that the tools and technology you're likely already using for better DCX can be useful for EX as well.

[9] LinkedIn, 2018



When employees stick around, it's usually because they feel valued, empowered, and listened to. But understanding how to do this isn't the result of one-off engagement surveys or casual conversations at an annual review. Instead, those winning the EX race bake feedback into the fabric of their culture.

- Raju Vegesna, Chief Evangelist at Zoho

The future of EX

Today's EX leaders are focused on building work environments that enable seamless collaboration and communication among the increasingly hybrid workforce. This requires new ways of engaging and interacting with your employees.

These engagement strategies include everything from using internal social tools (think: messaging boards, forums, AMAs, and digital town halls) to deploying unified communication platforms that let conversations move from phone, to chat, to video, to in-office—all without skipping a beat.



As more and more companies go partially (or completely) remote, the importance of EX will only increase. And whether employees are working remotely, in office, or a mix of the two, implementing EX programs and changes today can lay the foundation for a more engaged, enthusiastic workforce tomorrow.



Creating new communication channels

As a global company from the get-go, Zoho has always had to find ways to keep employees working across continents connected. To meet these needs, they've built an array of tools to make digital conversations feel as seamless as face-to-face ones. Instant messaging, video meetings, and social media style profile pages enable teams and colleagues working in opposite time-zones to build close, meaningful connections.

How CXOs are improving CX

As experience becomes the key differentiator for customers, it is imperative to have the C-suite leading the way.

Often, there are several stakeholders participating in the development of a company's customer experience (CX), but no single person responsible for owning that experience from start to finish. That's where a CXO can make a difference.

The purpose of a CXO (Chief Experience Officer, sometimes known as a CCO, or Chief Customer Officer) is to focus on nothing but how customers interact with the brand. From the very first touchpoint to the most recent engagement, a CXO looks at every step of the customer journey and finds ways to optimize that experience.

Understanding the new role of the CXO

Tasked with understanding each potential customer touchpoint, a CXO stays in close contact with nearly every department across a company. And since they work with teams in both sales and marketing (in addition to support and IT), they can help bring otherwise siloed groups into conversation with one another.

One way to understand what a CXO does is to consider all the different elements of an organization that combine to make up the customer experience. While CX includes things like site design, outreach, and UX (user experience), it isn't limited to any one of those elements. By overseeing the entirety of the CX process, a CXO can find opportunities for improvement that aren't readily apparent to those sitting in only one department.



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Why invest in a CXO to drive retention? Because CAC can be so expensive.

Average CAC by Industry:

Manufacturing: \$83

Transportation: \$98

Marketing Agency: \$141

Financial: \$175

Technology (Hardware): \$182

Real Estate: \$213

Banking/Insurance: \$303

Telecom: \$315

Technology (Software): \$395

[StartupTalky, 2020]

Bringing CX to the C-Suite

A CXO wears a lot of hats. But because a CXO has so many cross-departmental functions, it's vital that they have a seat at the executive table.

The CXO's work creating and maintaining a unified company vision is highly strategic and not limited to just one department.

Additionally, they can drive inter-team collaboration and institutional knowledge-sharing that might otherwise be lost due to poor (or unused) communication channels.

Finally, CXOs advise decisions regarding investments in long-term technology.

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*Customer-centric companies are **60%** more profitable than those that aren't.*

[Deloitte, 2017]

Aside from these responsibilities, a CXO is often the key factor in building a customer-centric culture that really is "customer first." More than anyone else in a company, the CXO is tasked with understanding and empathizing with the consumer's perspective, tracking every step of their journey, and considering their experience from both 30,000 ft. and the ground level.

A good CXO fosters the empathetic mindset that differentiates CX-focused companies from those that merely pay the idea lip service. And when that person reports to the CEO or President (instead of falling under a VP of marketing or support), the CXO is better able to drive necessary changes to the customer journey. The position also forefronts the organization's commitment to, and investment in, creating fantastic CX.



Taking command of the CX journey

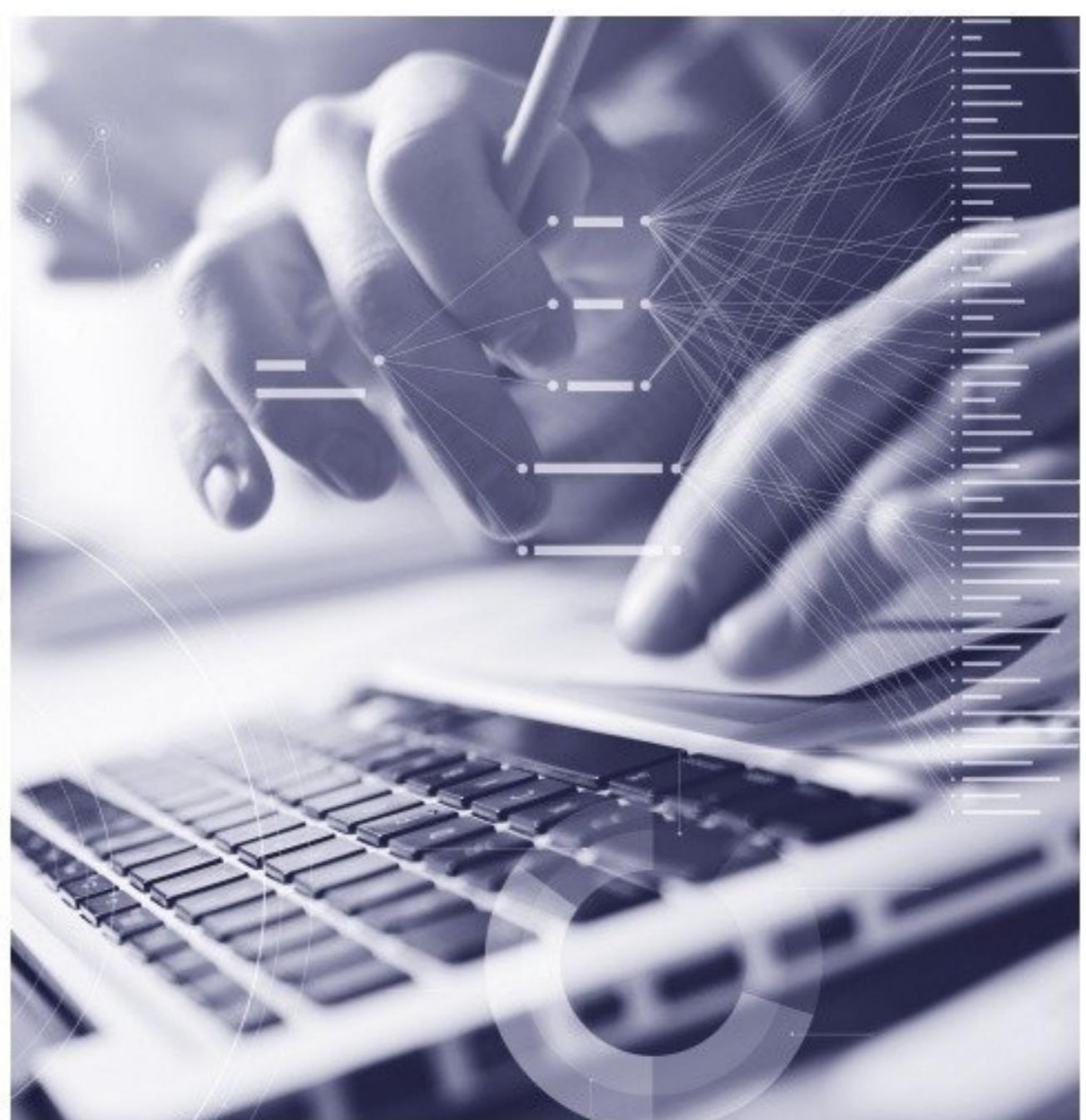
In an effort to better understand our customers, the Zoho team built CommandCenter, a tool to precisely chart and create dynamic, personalized journeys informed by real-time, omnichannel data.

CommandCenter enables cross-departmental teams to map non-linear, complex paths for customers while maintaining a unified brand experience.

Turning data points into actionable insights

When no single individual (or team) is exclusively tasked with understanding and acting on that feedback, the insights that can be derived from things like customer satisfaction (CSAT) metrics and net promoter scores (NPS) are likely missed.

Sridhar Vembu, CEO of Zoho, notes, "As soon as we created a Customer Advocacy team (that reports directly to me), we started to see real changes in how we engaged with customers, and vice versa. These interactions have led to everything from the creation of new products, to changing our user interfaces, to refining our processes in sales and support."



Vembu continues, “The team quickly discovered that there was a lot more data to be extracted from the reams of surveys, testimonials, and feedback forms already on hand. They constantly draw my attention to optimization opportunities at our fingertips. We had long taken pride in staying close to our customers; now I understand what that can really look like.”



Creating fool-proof touchpoints

More touchpoints in the customer journey means more places for customers to fall out of the funnel. The Zoho teams saw this firsthand, so they built tools like PageSense to better understand where people were engaged, and where there was friction or dropoff. Along with the heatmapping provided by PageSense, Zoho deploys products like SalesIQ for a deeply contextualized picture of who their visitors are, and how they might best be served.

The power of a cohesive CX strategy

As the adage goes, “too many cooks spoil the broth.” Improving CX is no different; when too many people try to own different parts of the customer experience, but no one owns it all, the results are fragmented, short-term, and insufficient.



Bringing a CXO to the table can change these outcomes. Having someone exclusively focused on how customers engage with the brand, and how to improve that experience, can uncover opportunities for change and improvement overlooked (or impossible to see) by teams working in different departments. By deeply understanding the consumer, CXOs can drive retention strategies, bring disparate teams together to find new solutions, and foster a company-wide culture of empathy that really puts the customer first.

Why Zoho for Enterprise?

Proven software, customer commitment, tremendous value.



Scalability & Reliability

Zoho for Enterprise reduces the cost of infrastructure, unifies existing apps, and solves complex business problems for increased enterprise fitness, resilience, and scalability.



Customization & Extensibility

Through granular customizations and powerful in-house developer platforms, Zoho lets you orchestrate workflows, streamline data management, and deploy world-class solutions at scale.



Security & Privacy

From owning our own data centers to GDPR compliance features, Zoho enables enterprise organizations to focus on core business priorities, rather than data management.



Enterprise Services

From data migration to consultation and implementation, our team is armed with the in-depth product knowledge and industry expertise to meet your unique technical requirements.

Are you ready to transform your organization?

We're here to help. Have a 15-minute, no-obligation call with one of our **Business Architects** to get all your questions answered.

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