



TRENDS AND CHALLENGES

PRACTICAL ADVICE

INDUSTRY INSIGHTS

ABOUT

Excel at customer experience • How to leverage customer insight, data & analytics to excel

# The Big Book of Customer Insight, Data & Analytics

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## ABOUT THE AUTHOR



Zarina de Ruiter graduated with a BA in Journalism in her home country of the Netherlands, before embarking on a global journey, working in offices from North America to

Australia, finally landing in the United Kingdom in 2010.

She worked for a magazine publisher and TV producer in London for four years, growing the digital presence and brand awareness of an SME-focused title and also taking responsibility for the digital output of magazines Director of Finance, Offshore Technology, Business Today and the WI's Woman's World, in addition to ad hoc work on the print publications.

She is currently the Editor of CX Network at IQPC, where she produces, commissions and edits a range of premium-level content for senior customer experience, service, digital, insight and marketing leaders in line with the themes of the global events run throughout the year.

# ABOUT THE CONTRIBUTORS

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for more information.

We are both blessed and cursed to live in a world of rapidly increasing complexity. In our peaceful old world, we had relatively simple businesses: broadcast TV, physical retail, store-based sales of consumer goods and relatively straight-forward insight methodologies to accompany them: good old fashioned quantitative research went a long way to answering most business problems all by itself.

Let's start with the curses.

In our exciting new world, our businesses are massively more complex. There is a rapidly increasing proliferation of routes to market across every industry and, rather than relaxing traditional routes to market, new ones now sit alongside old ones creating portfolios of consumption channels to be understood and managed.

It's not just routes to market that have become rapidly more complex, either. With 6.4 billion cumulative monthly active users (MUAs), mobile messaging apps are changing the face of communication and digital experiences (vs 'only' 2.6bn MAUs on social networks). Messaging platforms are the new place where digital audiences congregate to discover, engage with and share brands. So we have gone from our simple old world, where websites were the primary digital location, to apps. Followed by going from apps to social networks, and now from social networks to messaging apps. In a very short period of time. But, much like routes to market, of course we actually have to support all of the above as a complex ecosystem where each plays a vital role.

With each route to market comes a different data set that can't easily be joined to others, a different language, and a set of objectives when measuring

audiences and success. Have our teams rapidly increased along with this complexity? Of course not! So we turn to how we are blessed by this new world.

Along with our rapidly growing data sets, we are blessed with massive cheap computing power (cloud computing) to store and process that data, open source data science algorithms to tease meaning and insight from it and flexible open source reporting solutions enabling cheap insight creation and delivery that would have either been impossible or prohibitively expensive just a couple of years ago. Tragically, most insight teams are drowning in the complexity of data of the new world but many are starting to leverage these opportunities to get their head above water and get back in control of their worlds.

At BBC Worldwide we have successfully built deep partnerships with a number of brilliant data science start-ups like Affinio, Parrot Analytics, Rhiza and CrowdEmotion alongside traditional research and measurement agencies for individual components of an ecosystem of tools and capabilities that we've built to allow our small team to use insight to lead the business through the rapidly increasing complexity.

We are cursed by this rapidly increasing complexity – our jobs are tougher than they've ever been. But we are also blessed to have a larger number of more powerful tools and capabilities than we've ever had.

To be successful in the old world you had to be a master of one or two types of research. In the new world you need to be able to weave together data and systems to tell joined up stories across data sets, which is a very different skill and one that sadly many insight people are really struggling with. Hence the importance of sharing and learning, as we are doing in this report.



**David Boyle**  
EVP Insight  
**BBC Worldwide**

David Boyle leads the work of the Insight team at BBC Worldwide. His task is to help to transform the relationship that BBC Worldwide has with its audience by building industry-leading insight capabilities. Whether that's insight into consumers, BBC brands and the market, or insight into what connects with audiences emotionally and what inspires them.

David has spent the last seven years constructing global insight capabilities for the publishing and music industries – helping them make quicker, smarter and bolder decisions for their brands. He joined BBC from his most recent role as SVP Consumer Insight at HarperCollins Publishers where his consumer insight work allowed the company to better understand consumer behaviour and attitudes towards books, authors, book discovery and purchase.

Prior to that David was at EMI Music, where he delivered insight to all parts of the business in more than 25 countries. He has also worked to help the Labour party win their historic third term in the UK and to build some of the insight and analysis infrastructure that was instrumental in Barack Obama's elections.

## Within this section you'll find

**Brands That Excel at Utilising Customer Insight, Data & Analytics for Customer Experience**

**The Changing Customer Insight Landscape**

**New Measurement Metrics to Capture Customer Data**

**From Big Data to Predictive Analytics**

**Using Insight for Segmentation and Personalisation**

**The Importance of Data Privacy to Build Customer Trust**

**What Changing Data Protection Laws Mean for Global Customer Insight Professionals**

**The Future of Customer Insight, Data & Analytics**

## Introduction

Customer insight, data & analytics have become an imperative part of customer experience. With constantly rising customer expectations and an increasing demand for a quicker service, more channel choice and a highly personalised interaction, the only way you can achieve all three of these and ensure you're providing an excellent CX is by truly knowing your customers.

In *The Big Book of Customer Insight, Data & Analytics* we look at the rapid way the industry has accelerated in recent years and how these changes have impacted upon customer experience strategies across the globe. There hasn't only been a rise in speed and technology but also complexity, and organisations have to constantly adapt and evolve to keep up with new companies disrupting the market.

How do you stay on top of these changes? And how do you make the most of the data available at your fingertips, ensuring it is turned into useful information that can drive change within the business?

Based on research carried out with industry leaders from the likes of **BBC Worldwide, The Walt Disney Company, Bang & Olufsen, Spotify, EE, QVC, Financial Ombudsman Service**, and many more, we provide you with the ultimate guide to utilising customer insight, data & analytics to excel at customer experience.

## Brands That Excel at Utilising Customer Insight, Data & Analytics for Customer Experience

While it's important to understand what key elements can enhance an insight-driven customer experience, knowing which organisations you can look to for inspiration will help you put your own theories into practice.

"In the leisure sector you have the most advanced CX based on analytics. Companies like **Disney**, of course, with a complete rejuvenated experience in their park mixing big data, digital and offline. Companies like **booking.com** are also interesting in that they are trying to maximise interactions in a good shape.

"Even a 'classical' brand such as **Accor Hotels** is mixing online and offline experiences and embedding you in a complete journey as you're travelling, both before and after, using digital interactions, your posts and comments, and of course classical transactional data."

■ **Damien Bourgeois**, Head of CRM and Customer Intelligence, **AXA Belgium**

"I think **ASOS** does a great job for customer experience. It is so easy to narrow down to find the products you may wish to choose from. The photography on their website is excellent, you can see how the clothes look from all angles, and the suggested upsell items are always relevant.

"**Wayfair** is a fairly new player as a single site but it's done a great job of building brand awareness. Its customer communications are excellent, especially the 'we'll tell you when it's in stock' feature; they've got the level of communication just about right."

■ **Patrick Osborne**, Head of Strategic Insight & Reporting, **QVC**

"I've always admired the marketing that beer brands such as **Bud Light** do and the rich insights that must be behind it. The fact that they're able to have an ownable brand identity in a category with so many close competitors is impressive. And the way they adjust their positioning in their English and Spanish advertising without deviating from their core brand identity is fascinating."

■ **Andrea Lopus Cardozo**, Director, Consumer Insights, **Pandora**

## The Changing Customer Insight Landscape

Really knowing your customers by studying their behavioural patterns and joining up all interactions they have with you as a brand is an important factor of any 21st century customer experience strategy. Utilising this information in the right way can lead to a more memorable customer service, increased satisfaction levels and, ultimately, better retention. But the industry is changing at a rapid pace and with a proliferation of contact channels and disrupting brands entering the market, it has also never been more complex. How has customer insight, data & analytics evolved and what does this concretely mean for customer experience leaders?

***I think that the digitalisation of the interactions is one of the biggest disruptors.***

**David Boyle, EVP Insight, BBC Worldwide**

Damien Bourgeois, Head of CRM and Customer Intelligence at AXA Belgium, said: "The main evolution is of course capacity of IT. In the 80's we were told that 1-2-1 marketing will arise soon and with it we will be able to dialogue with each customer even in our very large organisation on an individual base. It took a lot to achieve this and now, we can make it happen. The difference is only

due to IT capacities. Thanks to the consequence of Moore's Law, now it's possible to personalise our relationships with millions of customers, and we do."

That the technological power nowadays is "incredible", is something that Patrick Osborne, Head of Strategic Insight & Reporting at QVC, agrees with. He explained: "When I first started working with customer data back in 1992 in a mail fulfilment house, it was all done in DOS and 500 respondents was a major piece of work. Showing results was difficult and required complex coding.

"But as the technology has developed, it's helped with all of these basics, and we're now able to do so much more on the statistical modelling and data visualisation aspects. And even that has come on in leaps and bounds. SAS was revolutionary but it still required a lot of time spent coding and working on data structures – new tools like Python and R open up great new vistas to look at less structured data."

David Boyle, EVP Insight at BBC Worldwide, also highlighted the change in available technology and he said that it has become much more affordable to now analyse large amounts of data. Boyle said: "Another really important change is the rise of massive cheap computing power and the availability of open source data science algorithms, which means huge amounts of data can cheaply and easily be analysed and insights can be algorithmically teased out without a person having to read through books of tables to find the insight. This has been promised for many years, but in the

last year or two has finally become reality in the day-to-day world of insight."

***The tools we use, and the way in which we store and query data sources, has moved on dramatically. But I think the biggest evolution has been the way in which insight is being used.***

**Richard Tate,**  
Head of Digital Insight, EE

Juan F. Gorricho is the Chief Data & Analytics Officer for The Walt Disney Company's Partners Federal Credit Union and he added that the shift to digital is a big change impacting the industry. "I think that the digitalisation of the interactions is one of the biggest disruptors," he said, "particularly as customers shift to digital interactions. This is creating significant amounts of data that, if used appropriately, will give companies insights to continue to improve customer experience. On top of that, there are new technologies available and more accessible such as machine learning that are simplifying the way companies create insights out of the available data."

In addition to the new tools and technology available nowadays to gather and extract customer insight, another change is the way this information is applied within businesses and the speed with which it's actioned upon.

Richard Tate, Head of Digital Insight at EE, explained: "The tools we use, and the way in which we store and query data sources, has moved on dramatically. But I think the biggest evolution has been the way in which insight is being used. I remember at the beginning of my career in insight the most exciting thing was having data with less than a 24 hour latency. Now if we want to we can collect and process data and output an action in almost real-time. And we've moved on from just reporting. Now it really is about what that data means for us and how we should use that information to make a change. There's never a dull moment in analytics (apart from when that little circle is going round and round as you wait for something to load)."

With the change in the way insight is both gathered and used within organisations, also comes a move in the requirements for the people at the heart of these teams. There is a different skillset needed within the industry today.

Caroline Wells is the Head of Customer Experience and Insight at the Financial Ombudsman Service and she said: "You need people who have emotional intelligence, who are able to take a lot of information and turn it into a story that colleagues in different departments can resonate with. They need to understand it, appreciate it, feel empathy towards it, and then be driven to do something about it. It is no good producing something, throwing it in the air and hope people catch it and know what to do with it. Sometimes



## Transforming Data to Actionable Insights in 4 Stages

**Will Shapiro, Head of Research, Analytics at Spotify outlines the key questions to ask to create actionable insights from your customer data.**

It's useful to break down the transformation from data to actionable insights into four stages:

**Data → Feature Set → Insight Generation → Action.**

Each of these stages should be closely considered. People often see machine learning as a panacea that can be applied to whatever data they have on hand to produce actionable insights. However, if the input data is of poor quality, and there aren't any useful features, 9 times out of 10 you won't get high quality actionable insights.

While there are some machine learning approaches that depend less on great feature sets (such as deep learning and neural nets), these black box techniques rarely produce insights that lead to action, as the levers powering the insights are so opaque.

If I had to choose one area of this value chain to focus on to produce actionable, game-changing insights, it would almost always be constructing useful and precise feature sets.

In order for any insight to be actionable, there are two useful questions that can be asked at each stage of this process leading up to Action:

- What is the quality and coverage of the input?
- How precisely does this input relate to the action I wish to take?

This can mean different things at each stage:

### Data

- What is the coverage of my data? Is it being accurately logged?
- Is there a way I can collect data that more precisely addresses the proposed action?

### Feature Set

- How useful are the input features? Is there a ground truth that can validate them?
- How do the available features relate to the proposed action? Are there features I can construct that more directly relate to the proposed action?

### Insight

- How rigorous are my insights? Have they been peer reviewed? Have my results been independently reproduced?
- How transparent are my insights? Is it clear what the relationships are between inputs and outputs? Can I clearly identify the levers I want to move in order to achieve the impact I seek?



you need a team of people that not only can identify and assimilate the information, and break it down and present, but they should also be able to guide colleagues and show what they should do differently.”

***On one hand we have customers wanting privacy and on the other wanting more personalised services. The challenge, especially with the General Data Protection Regulation (GDPR) on the horizon, is finding the balance.***

**Richard Tate,**  
Head of Digital Insight, **EE**

With all these changes disrupting the landscape; availability of tools and technology, shifting people requirements and the speed of change, to name but a few, what challenges and opportunities does this new world of customer insight present for customer experience?

Patrick Osborne from QVC highlighted the sheer amount of data that is potentially available: “The nuggets are there but they are often very hard to see. With the right tools and analysis we can make it work for us, but everyone is struggling on this one, even the giants like Amazon. Customers don’t see themselves as a web customer or an in-store

customer – they see themselves as a customer of your brand and often the reality doesn’t live up to that expectation. However, traditional retailers with a high street presence and website can struggle to deliver a cohesive and seamless online and offline customer experience.”

“When it comes to customer experience, the relationship between customers and companies are really two-way now,” Damien Bourgeois from AXA Belgium continued. “And social media is the most powerful tool for both customers and companies to materialise this. Though you have to accept people are talking about your brand everywhere on the web and without a permanent control of the company. That was probably frightening to a lot of businesses in the beginning. Now we know also the lever it is to listen and act better. But that means you need to embed the ‘listen and act’ principles of customer experience in the day-to-day activity of the brand.”

Richard Tate from EE highlighted the challenge and opportunity that the rising need for personalisation on the back of insight requires. He explained: “On one hand we have customers wanting privacy and on the other wanting more personalised services. The challenge, especially with the General Data Protection Regulation (GDPR) on the horizon, is finding the balance.”

We’ll be looking at personalisation and the changing data laws, including the GDPR, in more detail later on in this report.

## New Measurement Metrics to Capture Customer Data

The way customer data is captured has seen a big overhaul in recent years. Only listening to the voice of the customer (VOC) through a single channel no longer cuts it. And with customers suffering from survey fatigue, new avenues need to be ventured into. Not only is it important to capture customer feedback quicker than ever before in a variety of different ways, but gauging customer emotions for a complete 360-degree view has also increased in importance. But what is survey fatigue exactly? What are the implications for gathering information through customer feedback?

***The integrity of the data you pull from the surveys people complete these days is different because it depends on where they are at and how much time they’re willing to invest.***

**Caroline Wells,** Head of Customer Experience and Insight,  
**Financial Ombudsman Service**

Caroline Wells of the Financial Ombudsman Service said: “The implications of survey fatigue are that people are not giving their whole selves when they’re completing surveys anymore. You’re not getting a true representation of how customers

<sup>1</sup> <https://www.dimensiondata.com/Global/Downloadable%20Documents/2015%20Global%20Contact%20Centre%20Benchmarking%20Summary%20Report.pdf>

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are really feeling, because they're feeling bored of the whole process. The integrity of the data you pull from the surveys people complete these days is different because it depends on where they are at and how much time they're willing to invest. If they don't get anything back for it, it starts to show in the survey results."

***There is meaning in data that can now be extracted automatically in its scale using machine learning and artificial intelligence. Without the wide availability of those algorithms and processes, it would be locked away in there forever.***

**David Boyle**, EVP Insight, BBC Worldwide Service

As survey fatigue presents a very real issue for the industry, organisations need to look at new ways to capture and measure customer insight. There are text and speech analytical tools that capture VOC near real-time, even analysing whether the customer is happy or angry from tone of voice, but phone communications are not the sole customer contact channel. Digital (social media, web chat, apps, etc.) already account for over 35 per cent of all customer interactions and is expected to overtake voice by 2017<sup>1</sup>. So organisations have to look at ways to capture customer insight through these new contact channels and integrate this data with that of the more traditional channels. With

the same research highlighting that social media is the number one contact choice for Generation Y globally, it's important to understand how to use this information effectively.

Caroline Wells further explained why it's important to look at social media comments made about the brand and not just sit back and wait for the customer to reach out. She explained: "It's a lot about looking at what people say to each other in forums or on social media. Twitter and even Instagram are now big for people sharing their experiences when out and about. It's a good place for companies to get a sense of how people are feeling. The interesting thing is that people still don't tend to complain directly to a business through social media, but they will post a comment out in the ether, so all their friends and family, and whoever else is following them, can see them complain about the company. It is a distance thing, where people can't be bothered to tell the business itself that it's not doing a very good job, but you rather tell everybody else about your experience. It's a really interesting shift in consumer behaviour. And consumers expect businesses to pick up this negative feedback and do something with it."

David Boyle, EVP Insight of BBC Worldwide, explained how they derive customer information from social media: "An organisation we work with called Affinio tease insight out of Twitter network data. Just a few years ago their work wouldn't have been possible or would've been prohibitively expensive. A couple of years ago I was

doing conference talks about how Twitter data was misleading and now I'm the biggest advocate of it thanks to massive computing power and the data science algorithms that finally tease out appropriate meaning from that data in a quick and powerful way. That social data is now really diminishing the role of traditional market research, which we still do but in many ways it's secondary in importance to us now.

"It used to be only possible to say 'here is what people on Twitter think' and 'these are the most popular topics people on Twitter talk about'. That was interesting but incredibly biased by who is on Twitter and who is not on Twitter and, amongst those on Twitter, it was further skewed by the minority of that tweet. In the new world, by clustering people on Twitter based on what they follow, to see who the different types of people are, in a really meaningful way – not the difference between old vs young or UK vs US, but real, behavioural segments – it is possible to say 'this is what this kind of person thinks' and that is much more representative of the real world."

***A lot of companies talk about omni-channel, but when you really question them about it they don't have omni-channel, they have multi-channel.***

**Caroline Wells**, Head of Customer Experience and Insight, Financial Ombudsman Service

**When people say they have too much data, what they really mean is that they have the wrong data or gaps in their data.**

**Petra Green**, Marketing Director  
– Data, Digital & Systems,  
**Bloomsbury Publishing PLC**

David Boyle from BBC Worldwide continued: “There is meaning in data that can now be extracted automatically in its scale using machine learning and artificial intelligence. Without the wide availability of those algorithms and processes, it would be locked away in there forever. So like the example I gave with Affinio on social media segmentation, without AI and machine learning type approaches we never would be able to unlock the immense value we are finding in Twitter data.

“Another organisation we partner with is Parrot Analytics. They scrape the internet for references, Wikipedia pages and Tweets about TV-shows. They scrape all the data and they tease out genuine insights about how much demand there is for a TV-show in a particular country on a particular day and how it differs from other TV-shows. It’d incredibly insightful and potentially game changing for the TV industry. I have had similar raw data before but it just hadn’t been useful to me. Suddenly it’s potentially game changing, because

AI and machine learning tease out real insight from data that would otherwise have been locked away.”

Once these insights have been captured there is another obstacle on the path to creating that full 360-degree customer view. Caroline Wells continued: “The challenge can be not being joined up within your business about the different ways people talk about you. The press office will be interested in what people say in papers or on the radio, you’ll have another team looking at what people are saying on social media and in forums, and you might also have a traditional survey and analytical department that is getting feedback – and quite often you end up with different tools to use. So you have an awful lot of data but you don’t have that joining up of what people are saying to give you a real sense of the heat that is coming off the different things that you’re doing. They don’t give you feedback about the same problem that you’re causing customers, they’re giving you a perspective on different parts of their journey with you. Joining those up you get a much better picture of what is happening to people as they use your service.”

Being joined up means having a seamless omni-channel model in place. Not only do you need to have a consistent customer journey from one touch point to the other, but internally omni-channel is just as important. Joining up all customer data will help employees deliver a better service due to the customer information they have at their fingertips.

Not many organisations get it right yet, however.

Caroline Wells said: “A lot of companies talk about omni-channel, but when you really question them about it they don’t have omni-channel, they have multi-channel. There is a big misunderstanding in the industry itself about what that means. It’s very easy to throw around things like multi-channel and omni-channel, but omni-channel is your platinum standard. And it’s quite rare for companies to operate true omni-channel both for customers and their own staff.”

## From Big Data to Predictive Analytics

Data is at the forefront of customer insight, but it can be easy to drown in a sea of big data instead of turning the information gathered into insights that help you drive continuous improvement across the service you’re providing customers. There is a case to be made for only gathering the information you require for a specific campaign to prevent that drowning sensation, however in a rapidly changing landscape you don’t necessarily know which data might become relevant in the future. And you don’t want to risk having any data gaps.

Petra Green is the Marketing Director – Data, Digital & Systems of Bloomsbury Publishing PLC. She said they are missing customer data because of lack of access and incomplete data inherited from other businesses that have become a part of their organisation.

<sup>2</sup> <http://www.cxnetwork.com/cx-experience/articles/multi-channel-vs-omni-channel-understanding-the-cr>

**The place most insight projects fail is answering one business question when something else is the real problem.**

**David Boyle, EVP Insight, BBC Worldwide Service**

She explained: “When people say they have too much data, what they really mean is that they have the wrong data or gaps in their data. One of our issues is that we don’t always control the capture of the data. If people buy a book directly from the warehouse, their customer service team would take that information and record it. On the website, on the other hand, we have forms, pop-ups and newsletters and we try to make it as easy as possible to find and capture customer data.

“However, the majority of our customers we don’t have any interaction with at all, because it’s through bookshops or online retailers such as Amazon. Although these customers are buying our products, Amazon wouldn’t share that information with us. Some retailers do share this with us, as we might run a competition with Waterstones (for example), and then we have access to people who have entered that competition. But if Amazon chooses to do something, they’re entirely on their own.

“We also have another complication at Bloomsbury in that we have bought 20 to 30 different

companies, or lists, over the last 15 years, so we’ve acquired lots of legacy systems and pots of data that could be incredibly valuable and useful. But as they don’t necessarily have as much granular information as we would like, we have to go back and try to enhance that data or try and segment it further.”

So it’s imperative that you do collect, or keep a hold of, all your customer data as information that might seem irrelevant at the time, can very well make a huge difference to the business in the future. However, the key to ensuring the data

you collect is actually useful and applied within the organisation, is to make sure you ask the right business questions before analysing it.

David Boyle from BBC Worldwide explained: “You have to be very, very clear what the business question is that you’re trying to solve. The place most insight projects fail is answering one business question when something else is the real problem. That involves a deep understanding of the business, what the business is trying to do and what decision they’re trying to make.



<sup>3</sup> <http://www.janrain.com/about/newsroom/press-releases/online-consumers-fed-up-with-irrelevant-content-on-favorite-websites-according-to-janrain-study/>

***We've learned that when we let consumers know (through marketing or in-product communications) about how Pandora personalises the listening experience for them, it allows them to appreciate it even more.***

**Andrea Lopus Cardozo,**  
Director, Consumer Insights, **Pandora**

"If you're clear on that it's relatively straightforward to design and deliver against that. There are two ways you can do that. One is to pull together lots of individual pieces of insight and have a person weave those together into a story that has multiple data sources but answers the business question. That is the sources manually brought together and, we do that lot. It requires insight professionals skilled in reading different types of data sources. That is an incredibly special person and not typical of the research industry.

"Another way is to give people highly customised dashboards that let them solve the problem themselves. We build custom reports online that people can easily manipulate and get to the answer they need to get to. For example: 'who is the audience for my brand?' is a relatively straightforward question. On the dashboard you can select the brand and the country and in a really rich and engaging way, see where the opportunities are, how it compares to competitors in other

countries and get a very rich understanding of what audiences you should go after."

In addition to capturing data from existing customers, another way to enhance the customer experience is the use of predictive analysis. This approach looks at existing data and patterns to predict future trends through techniques such as machine learning and data mining. This is an advancement that is still very much in the early stages of development for many organisations, though a giant such as Google is already using machine learning.

Allan Stewart, VP of Publishing Services at Jagex Games Studios, gave an example showing the value of predictive analytics. He said: "We can use trends in the data to identify what might really be going on under the surface. We can, for example, accurately predict when a customer is likely to churn out of membership. We can then interrupt them with a reason to stay in the game or a reason to stay a member. We do that by using some fairly sophisticated machine learning techniques."

## Using Insight for Segmentation and Personalisation

One way in which the data gathered can concretely lead to a better customer experience, is through an optimised omni-channel strategy. After all, one of the biggest trends disrupting the customer experience landscape is that of full cross-channel

integration; moving from a multi-channel model to an omni-channel one. Where multi-channel gives customers a choice between channels of communication, omni-channel takes this one step further and focuses on a seamless and consistent experience for those moving between different contact points<sup>2</sup>.

Traditionally organisations wouldn't necessarily link up customers who, for example, called in with an enquiry and then followed this up with a message on social media, but this integrated 360-degree customer view is becoming the norm. Even if you haven't achieved this level of omni-channel consistency yet, other business have and they've set the bar. As a result customer expectations are high.

But how do you ensure a consistent cross-channel experience to all of your customers? That's where having access to the relevant customer data and using analytics comes in. To achieve this advance level of customer journey mapping, elements such as customer segmentation and personalisation become important as they will ultimately lead to a customer service that is more tailored, consistent, efficient and memorable.

A one-size-fits all approach hasn't worked for a long time. Several years ago nearly three quarters of consumers<sup>3</sup> stated they were frustrated if a website showed content that was not tailored to them. With more and more organisations changing their strategies accordingly, customer expectations

have only risen since.

Personalisation has proven effective with open rates lifted by almost 150 per cent on personalised emails<sup>4</sup> and over half of customers revealing they purchase more with cross-channel personalisation<sup>5</sup>.

Maarten Stramrood, Digital Director (formerly Director of Online Marketing and Insight) at the largest cable operator in the Netherlands, Ziggo<sup>6</sup> gave an example of how they apply web personalisation within their organisation. He said: “We have an approach called online identification, which means that we try to identify as many visitors to our website as possible. We don’t want to know who they are, but we try to put them in a predefined segment.

“For example, we have a segment for people who used to be customers and we have a lot of triggers and variables. As soon as we are able to identify someone as an ex-customer, we’re able to pinpoint them and change the content on the website and make it more personal, so we could try to persuade them that we have improved our services. It’s only a tiny bit of content that we change but it makes the message more focused on that particular segment.

“A lot of people also log into our ‘my environment’ where of course it’s easy to personalise the content. And we use a lot of onside and offsite targeting, which is called profiling. For example

if people visit the sporting events on our website we profile them as ‘sports fans’ during their entire journey on the website. And if they come back they will see more sport images on the website than any other customer. They are not aware of it, but if you ask them if they like the website they say that they do.”

[Read full interview with Maarten Stramrood, Digital Director of Ziggo here](#)

A company that has taken personalisation to the next level is Pandora, a free web radio that personalises the music you can listen to. Its Director, Consumer Insights, Andrea Lopus Cardozo, explained how they’ve achieved the high-level of personalisation that has become their trademark: “Many consumers joke that Pandora really ‘knows them’, but they can’t necessarily articulate what makes the listening experience so good. We’ve learned that when we let consumers know (through marketing or in-product communications) about how Pandora personalises the listening experience for them, it allows them to appreciate it even more.

“One of the things that we believe makes Pandora’s personalisation superior is that the ‘music genome project’ (the algorithm behind Pandora’s stations) is populated by real people. Real music experts rate each song on hundreds of attributes, including everything from gender of lead vocalist to presence

of a guitar solo. A second element of Pandora’s excellent personalisation is that when listeners interact with the service using ‘thumbs up’ or ‘thumbs down’, adding variety, etc., they essentially get to tell the music genome project more about what they do and don’t want to hear.

“Helping consumers understand that Pandora really is working hard for them behind the scenes and that consumers’ feedback on the platform does matter makes listeners recognise that Pandora really is playing songs personalised just for them.”

And do they use segments like Ziggo do, to get to know their customers even better, and offer them and even more tailored experiences?

Andrea continued: “Pandora segments listeners in a variety of ways: behaviourally (e.g. loyal versus lapsed), demographically (mostly for ad-sales purposes), and psychographically. The psychographic segmentation is the one that really allows us to ‘get to know’ our consumers. In order for us to gain this understanding, we conduct focus groups to form hypotheses around key differentiators among groups.

“We don’t just ask about music listening behaviour, but also about how music fits into their lives and how they approach life in general. We then conduct a large survey which yields a cluster analysis. From there, we choose 1-3 clusters to observe through

<sup>4</sup> [http://www.warc.com/LatestNews/News/Personalisation\\_boosts\\_email\\_open\\_rates.news?ID=35295](http://www.warc.com/LatestNews/News/Personalisation_boosts_email_open_rates.news?ID=35295)

<sup>5</sup> <http://www.mybuys.com/wp-content/uploads/MyBuys-eTailing-Consumer-Survey-eBook-May-2014.pdf>

<sup>6</sup> <http://www.cxnetwork.com/cx-digital/interviews/interview-upc-nederland-evolve-customer-experience-through-personalisation-and-online-care>

in-home ethnographies. By this point, we have a good feel for who our chosen target clusters are as people and as music listeners. We then keep their preferences, attitudes, unmet needs, etc. in mind as we pursue product enhancements and create marketing materials.”

It’s undeniable that personalisation is a big competitive differentiator for organisations, not only to ensure you don’t frustrate customers with irrelevant content, but also to increase ROI through a more targeted and effective customer experience. And the key to delivering a personalised, cross-channel experience across the entire customer journey is having access to the relevant customer insights and using analytics to dig deeper into this information.

## The Importance of Data Privacy to Build Customer Trust

Customer insight has been front and centre within this report, but something that we haven’t looked at yet is the importance of ensuring data privacy. While capturing customer data is imperative to creating a personalised customer experience, there is a fine line between utilising this to improve your services and intrusion.

Andrea Lopus Cardozo from Pandora explained: “As much as consumers appreciate it when they feel Pandora ‘knows them’, there does come a point when it can seem like too much. We’re still learning through messaging testing exactly

where to draw the line between simple claims such as ‘Pandora serves you music based on your personal taste’ and exaggerated statements such as ‘Pandora knows you better than you know yourself’, which could elicit a yikes factor.

“Additionally, consumers often want to share what they’re listening to on social media, within the Pandora app, etc., but naturally you want to help them make it crystal-clear what they’re sharing and with whom. While some people might take great pride in sharing their ‘Boy Bands of the 90’s station’, others might not want their listening behaviour broadcast over the internet.”

To ensure you don’t cross this fine line into intrusion, it’s important that you’re open with your customers about what information you capture from them and what you use it for. If they realise

there is a clear benefit and that the insights will be stored anonymously, they’re much more inclined to agree to this and you’re building trust along the way – a building block for long term loyalty. The graphic below shows the impact customer trust has on a business<sup>7</sup>.

In addition to ensuring customer privacy is adhered to as a driver for trust and long-term loyalty, there are laws in place to safe keep this private information. But with constantly changing regulations and the new EU data protection law coming into force in 2018, what exactly do organisations need to do to make sure they comply with all the changes? In the next chapter this is explored in depth by a data protection lawyer who outlines the implications of the new regulation and what the role of Brexit is within this changing landscape.

### Percentage of people who engage in each behaviour based on trust



Source: 2016 Edelman Trust Barometer

<sup>7</sup> <http://www.edelman.com/insights/intellectual-property/2016-edelman-trust-barometer/>



**Jonathon Little**  
Partner  
**Jones Day**

Jonathon Little is Partner at Jones Day. His practice focuses on commercial projects involving the use of technology. He advises on data protection, cyber security, commercial and technology regulation, IT licensing and procurements and outsourcing projects.

He also advises companies on marketing strategies, data protection policies, the treatment of personal data in corporate transactions, international data transfers, breach notification and response and general data protection compliance.

Jones Day is a global law firm with 44 offices in major centres of business and finance throughout the world. Its unique governance system fosters an unparalleled level of integration and contributes to its perennial ranking as among the best in the world in client service. Jones Day provides significant legal representation for almost half of the Fortune 500, Fortune Global 500, and FT Global 500.

## What Changing Data Protection Laws Mean for Global Customer Insight Professionals

2016 has been a big year for data privacy. After more than four years of consideration, the EU has implemented a fundamental review of its data protection laws. Consequently, an updated regime will come into force on 25 May 2018. This will, for the first time, extend the scope of the EU data protection rules to many businesses located outside Europe, increase the obligations on those processing customer data, and significantly raise maximum penalties for non-compliance.

Against this backdrop of increased regulatory scrutiny, it is vital that any business looking to analyse personal data to improve customer experience is aware of and complies with these rules. This article highlights the key changes to data protection rules and suggests areas that businesses should review to check that they are ready for the new regime.

### A Changed Regulatory Approach: What You Need to Know

The current data protection rules mean that businesses can only process personal data when one of a list of conditions is met, for example, where there is data subject consent. Processors must follow eight

“data protection principles”, including obligations to process personal data “fairly and lawfully” and to apply an “appropriate” level of security.

Businesses can only transfer personal data outside the EEA in limited circumstances or under approved arrangements. Individuals have rights to object to marketing and some profiling activities.

While this basic structure of regulation is being retained, customer experience and insight professionals should note that the new rules will mean that many of the obligations will be tightened.

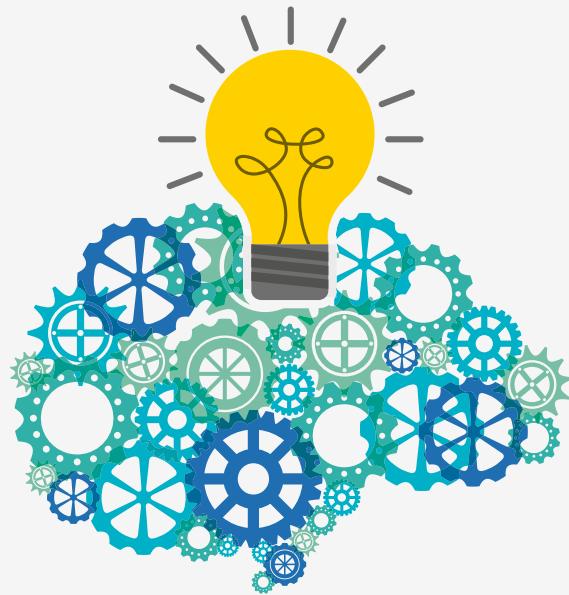
### A different approach

- The General Data Protection Regulation (GDPR) takes the form of a regulation which means that it will be directly applicable in all EU Member States without the need for national legislation. At present, each Member State has adopted legislation to implement a common directive which has led to significant differences in approach between countries.
- There will be a “one-stop shop” approach to regulation and a single national authority will regulate all processing activities of a business across the EU. This will typically be the authority of the “main establishment” of the business.

### Wider reach

- The new rules will also apply to non-EU based companies offering goods or services (even if free) to EU residents or monitoring their behaviour. This is a significant development as currently the EU





data protection rules only apply to EU entities or those using EU-located equipment.

- Both the existing and the new rules only apply to information of its “personal data”. However, this is defined very broadly by the GDPR, expanding the existing concept to include any situation where an individual is likely to be “singled out,” whether directly or indirectly. It is likely that this will catch cookies and IP addresses.

## Tighter conditions for processing

- Consent will have to be the result of “clear

affirmative action”. Some company-used methods of obtaining consent (including replying on silence, using pre-ticked boxes being acceptance on or inactivity in each case with detailed wording buried in a privacy policy) are unlikely to be sufficient. This will be a significant difference for incompatible web-based businesses.

- Individuals are always able to withdraw consent.
- If consent is “bundled” as a condition for a contract then this is likely to cause issues as to whether consent was freely given.
- For the first time there will be specific rules for consent given by children and the approval of a parent will be required for those under 16.

## Requirements for planning and system design

- CX and insight leaders must consider data protection and privacy in planning their systems and activities (“Privacy by Design”).
- Significant data protects, such as systematic and extensive profiling, must be preceded by a data protection impact assessment.

## New rights for individuals

- Customers will have a new right to be forgotten, which will require businesses to erase their personal data.
- Individuals will have a right to data portability,

allowing them to request a copy of their personal data or ask that it be transferred to a new supplier.

**Against a backdrop of increased regulatory scrutiny, it is vital that any business looking to analyse personal data to improve customer experience is aware of and complies with the rules.**

## Data Protection Officers

- Companies will need to appoint a Data Protection Officer if their core activities involve processing personal data in a way that requires regular and large scale monitoring or large-scale processing of “sensitive personal data” (data on race, health, religion, belief, trade union membership or sexual life).

## Data breaches

- There will be a general obligation to notify data breaches to the authorities and, where there is a high risk to individuals, to the data subjects themselves.
- Notifications to authorities must take place within 72 hours of discovery of a breach.

## Enforcement

- The maximum penalties breach for breach will increase to the greater of Euro 20 million or 4 percent of worldwide annual turnover.

## An Outline Approach to Compliance

It is important for businesses working with data to understand that making the necessary changes to the account of the GDPR will take time. It's likely to be an extensive exercise and one that should be approached seriously. The changes made by the GDPR will have a major impact on any company carrying out data analytics. The necessary changes are likely to require significant amendment to marketing strategies, profiling activities and IT systems.

Companies should start by reviewing their

current use of personal data and the policies, systems and consents connected with this. Particular care should be taken to identify the occasions in which personal data is recorded and to confirm that either the necessary consents are being obtained or that there is an alternative legitimate basis for processing.

Once the current uses of personal data have been identified, companies will need to turn to the changes made by the GDPR. In particular:

- "Privacy by design" and the need to make impact assessments before large projects mean that data protection needs to be considered at an early stage together with IT and marketing strategy.
- Privacy policies will almost certainly need updating.
- Where processing depends on consent then this will need to be reconsidered. Consent forms must meet the new requirements. Particular care is needed where children are concerned.
- International transfers of personal data should be reviewed.
- IT systems will need to take account of the new rights to be forgotten and of data portability.
- Systems and processes will be needed to ensure that data breaches can be notified in time.

## A Word About Brexit

### Brexit is a big issue for UK-located businesses.

From 25 May 2018 the GDPR will apply in the UK unless Brexit has already taken place. After Brexit, the GDPR will no longer apply as a matter of UK law (although it will still apply under EU law to UK businesses in relation to sales and monitoring activity in the EU).

From the date of Brexit the UK can in theory choose its own data protection rules. However, in practice this freedom will be significantly constrained by the EU data transfer rules. EU law prohibits the transfer of personal data to countries lacking 'adequate' data protection. This standard is increasingly seen as requiring substantially equivalent rules.

The UK will face a choice. It can either apply data protection rules that are 'adequate' which is likely to mean similar to the GDPR (perhaps with lower penalties) or it can accept that UK businesses will be subject to the same restrictions that currently apply to data transfers from the EU to the U.S. or Asia. These require use of the EU Standard Contractual Clauses, Binding Corporate Rules or bilateral arrangements and can lead to cost and complexity.



*The views and opinions set forth herein are the personal views or opinions of the author. They do not necessarily reflect views or opinions of the law firm with which he is associated.*

## Ethical Data Use Best Practices and Recommendations

In *The Trust Imperative: A Framework for Ethical Data Use*<sup>8</sup>, Susan Etlinger, Industry Analyst at Altimeter Group, outlined ethical data use best practices and recommendations. They are based on interviews with Chief Privacy Officers, Chief Data Strategists, CEOs, CTOs, Chief Product Officers, marketers, lawyers, policy analysts, sociologists, ethicists and other people who are thinking deeply about trust, and defining the future of data ethics.

### 1 Beneficial/designed

- Identify benefit both to customer/consumer as well as company of using their data.
- Validate benefit via surveys, communications, and other [automated] feedback loops.
- Scenario plan for potential risks to customers/consumers based on data. Can they be unfairly exposed? Targeted? Discriminated against? Can that be remediated? How so?

### 2 Progressive

- Implement processes for continuous improvement/innovation for data analysis, with the expectation that the data used is 1) necessary and 2) returns better results than had it not been used.
- Establish a culture and practice of data minimisation, using the least amount of data necessary to meet the desired objective. This means not only the amount of data, but the type of data being used.

### 3 Sustainable

- Establish and document data collection processes and socialise them inside and outside

the organisation. Sample sizes and methodology should be transparent and consistent.

- Assign responsibility for monitoring and communicating changes to terms of service (TOS) and application-programme interfaces (APIs) of data sources to manage or account for potential sustainability issues over time.
- Establish oversight of, and conduct scenario planning to identify, algorithms or business decisions that could affect customer experience, or harm them by inadvertently exposing sensitive information about them.
- Plan and document the expected lifespan of the data to be collected, particularly if the data is being generated by a connected device.

### 4 Respectful

- Consider the expectations and needs of the people whose data is to be collected and used. Would a reasonable person expect to be tracked by a 'beacon' device the moment they enter a building? This will be highly context-dependent.
- Consider and plan for what may happen if the product or business is discontinued. What will happen to the data?
- Involve a diverse set of internal stakeholders who

are subject matter experts in areas that may affect the customer experience.

- Build up, as Geoff Webb, Senior Director, Solution Strategy, NetIQ calls it, your organisation's "herd immunity". This means cultivating a culture of data privacy, in which it isn't just the 'experts' but rank-and-file employees who also look out for and strive to protect the customer's privacy.

### 5 Fair

- Demand justification and transparency for instances in which the organisation makes customer or consumer information 'more public'.
- Identify and document possible areas in which data collection may unfairly target certain individuals, whether based on financial status, race, gender, age, sexual orientation or other (inferred or actual) attribute.
- Evaluate whether organisational data strategy and processes protect the consumer's ownership rights.

<sup>8</sup> <http://go.pardot.com/U/69102/2015-07-12/pxysr>

## The Future of Customer Insight, Data & Analytics

We've looked at where customer insight, data & analytics is today and how you can leverage this within your organisation to improve the customer experience you're providing. But where is the industry heading in the next few years? With the market evolving at an accelerated speed it is near impossible to accurately say what the opportunities, tools and technology will be just a few months down the line, let alone in a few years. And yet that is exactly the question we put in front of our panel of experts. We asked them to predict the major trends that will have a big impact and which ones customer experience and insight leaders should prepare for now.

***I think customer demands and expectations are high and this will only grow in terms of experience both online and offline.***

**Patrick Osborne**, Head of Strategic Insight & Reporting, **QVC**

Damien Bourgeois from AXA Belgium said that the main evolutions are coming from the customers themselves. He explained: "We can capture preferences, intention to act or to not act, to be ready at the right moment and using the right interaction with each customer. Autonomy of the

customer will increase and you need to maintain the very good level of communication and listen better and better. And you need to do so without being seen as an 'intruder' or you will be pushed out by customers.

"So we will go from modelling people's behaviours to becoming a favourite partner, to systems in which equality between customers and companies will predominate, and people will be able to challenge and select the partners with whom they want to share and act. Big data will not be the exclusivity of companies but will govern each relationship and will be in the hands of customers first. That's a big challenge for everybody but will also create a lot of opportunities for fair trade."

That the customer will be at the forefront of the changes happening within the market, and will even be defining them, is something that Patrick Osborne from QVC also highlighted. He said: "I think customer demands and expectations are high and this will only grow in terms of experience both online and offline. At QVC, we are setting up a global customer experience function which is not limited to online customer experience; we think this is vitally important to continue and enhance the harmonious and consistent experience for our customers. We're also investing a great deal in new analytical tools and setting up advanced analytics hubs in the business; this will enable us to maximise the value of the data we are receiving."

***Autonomy of the customer will increase and you need to maintain the very good level of communication and listen better and better.***

**Damien Bourgeois**, Head of CRM and Customer Intelligence, **AXA Belgium**

In addition to changing customer expectations and behaviours, another area of opportunity lies within more, and cheaper, technology. Juan F. Gorricho from The Walt Disney Company's Partners Federal Credit Union continued: "More data, both internal and external, will be available, enabling the creation of more detailed views of the customer. At the same time, technology will be easier and cheaper to use. With the right business oriented vision and use cases in place, companies will be able to speed up the development and impact of customer experience analytical solutions. We are preparing for this by creating a culture of constant experimentation in which we are continuously piloting new solutions."

One of the areas where there is a lot of opportunity for technology evolution is mobile, with the number of mobile only internet users having overtaking desktop-only users<sup>9</sup>. Caroline Wells from the Financial Ombudsman Service explained the impact on insight: "We need to think about all the developments that are being made with smartphones and how information can be pinged

<sup>9</sup> <https://www.comscore.com/Insights/Blog/Number-of-Mobile-Only-Internet-Users-Now-Exceeds-Desktop-Only-in-the-U.S>

# TRENDS AND CHALLENGES WITHIN CUSTOMER INSIGHT, DATA & ANALYTICS

TRENDS AND CHALLENGES

PRACTICAL ADVICE

INDUSTRY INSIGHTS

ABOUT

across from one place to another. At some point in the future there will be technology that means that feedback can be given instantly by people without even knowing they're doing it. That is the future of this intelligent temperature checker.

**You need to invest time, effort and expertise in guiding, challenging and shaping what insight or analytics start-ups are doing.**

**David Boyle, EVP Insight, BBC Worldwide**

"It might be based on how many times people have to flick back and forth between webpages or how many times they try to reach a number and can't get through. There is a lot more intelligence behind the scenes that can help us understand what is happening with customers without them having to tell us. That is the bottom line, we're getting to the stage where our lives are becoming pre-prepared for us by technology and you don't have to make the effort to tell someone something outright."

Finally, not only your customers are changing and the technology available at your fingertips, but so is the landscape around you and the platforms that impact your business. David Boyle from BBC Worldwide explained this by saying that simple questions like 'what is Facebook?' and 'what role does it play in my industry?' change continuously.

Boyle continued: "There is a very significant, largely unmet need to say what these platforms are and the role they play. Our answer is to partner with people outside of our business to solve problems. We partnered with a really smart analytics research agency, MIDIA Research to help us get ahead of industry trends, the changing nature of partners like Facebook and Netflix and what these mean for our business. We guide them with our experience and they guide us with theirs; we couldn't do it without them and they couldn't do it without us.

"And I think this is great advice for others: Recognise there is a lot you can't do without the right technology partner, data science partner or strategic partner. You can't do it all by yourself anymore. You used to be able to but the data and issues are far more complicated. You also can't buy these things off the shelf because they won't meet your business needs. You need to invest time, effort and expertise in guiding, challenging and shaping what insight or analytics start-ups are doing."



## Within this section you'll find

### CASE STUDY

How Boots UK Boosted Sales and Customer Satisfaction By Increasing Personalisation

### TOP TIPS

How to turn Customer Data Into Actionable Insights

### CX TALKS

Interviews and Presentations from Insight, Data & Analytics Leaders

### TOP TIPS

How to Leverage Customer Insight, Data & Analytics to Excel at CX

## CASE STUDY: How Boots UK Boosted Sales and Customer Satisfaction By Increasing Personalisation

CHALLENGE	BUSINESS RESULT
Boots UK aimed to inspire its 15 million loyalty card holders to feel more engaged with the brand and increase their spend. How could it shape compelling offers based on unique customer preferences?	Boots UK now extracts actionable insights from its transactional data, enabling it to reach out with relevant promotions and inspire a significant increase in incremental spend and customer satisfaction.

Founded in 1849 and based in Nottingham, England, Boots UK is the UK's leading pharmacy-led health and beauty retailer. As of August 2015, Boots employs around 60,000 people and operates over 2,500 stores across the UK, excluding equity method investments, offering a range of services including eye and hearing care.

### Tailored Offers Drive Sales

The last decade has seen a fundamental shift in retail customer expectations. Today's customers want to shop whenever they choose, online or on mobile devices, and to receive the same high-quality service at every touch point. To

meet these expectations, retailers must gain a complete, 360-degree view of individual customer interactions on all channels, and use that insight to deliver tailored services.

Customer loyalty programmes are a powerful way to engage with customers and gain the level of insight required to achieve personalisation at scale, but the explosion of data from new digital channels creates tough analytics challenges.

This was the situation facing Boots UK. To drive continued success in a highly competitive space, the business aimed to inspire its loyalty card members to feel more engaged with the brand and increase their spend.

Martin Squires, Head of Customer Insight at Boots UK, takes up the story: "Based on our number of active members over a six-month period, more than 15 million people use the Boots Advantage Card, representing around two thirds of our customer base. We knew that harnessing this data to deliver compelling, timely and personalised offers would be a powerful way to drive incremental sales.

"To achieve our goal, we needed to extract actionable insights from our massive volumes of transaction data. However, our previous approach to analytics relied heavily on manual processes, which meant our analysts spent around 80 per cent of their time collating and preparing data from six separate source systems.

"These time-consuming processes, combined

with a reliance on legacy analytics tools, made it extremely difficult to create a single view of each customer. As a result, we were forced to use generic, catch-all marketing campaigns. For example, issuing a coupon for the same product to every customer when their basket value was above a certain threshold.

*Today, we can analyse our customer data orders of magnitude faster – enabling us to deliver personalised offers at speed and scale.*

**Martin Squires**, Head of Customer Insight, **Boots UK**

"We wanted to identify our Boots Advantage Card customers' individual preferences, and delight them with tailored offers and promotions, and we set out to transform our approach to marketing."

### Integrating Every Channel

To achieve its personalised marketing goals, Boots UK is creating an analytics-driven marketing processes, supported by IBM solutions.

Today, Boots UK uses their database software as a central data warehouse repository for its sales transaction data. Boots is now able to match transactions to individual loyalty card customers, and determines the next-best actions for each

person based on their unique purchasing histories and preferences.

By sharing these predictive models, Boots UK can develop and deploy highly targeted marketing messages and ensure that it reaches out to each customer via their preferred contact method.

“There is a tendency for enterprises to view customer analytics projects as one-off capital investments,” comments Martin Squires. “Without continual investment in new capabilities, the quality of your data will quickly begin to drift, forcing another major investment a few years down the road. Given the explosion of new channels in recent years, we believe it’s vital to approach customer analytics as a continuous process, and IBM’s product roadmap aligns perfectly with that vision.”

## Measuring Campaign Effectiveness

With the new solutions powering its e-commerce site and providing deep insight into online customer behaviour, Boots UK can measure the effectiveness of its marketing campaigns, and identify the kinds of digital interactions that drive in-store purchases. Boots UK now launches tailored campaigns across all of its channels, including online, in store at the point of sale, and via its new mobile app.

“We are seeing that an increasing number of our shoppers browse and compare products on one of our digital channels before they complete their journey in store,” explains Martin Squires. “Our mobile app streamlines the customer journey by enabling customers to browse, compare and

reserve products rapidly. Better still, we now deliver tailored offers directly via the app, helping us to delight our Boots Advantage Card customers with personalised services.”

## Boosting Sales Significantly

Thanks to its integrated, analytics-driven marketing processes, Boots UK is achieving its goal of delivering tailored offers that inspire incremental sales.

“Before, the sheer amount of manual effort required to analyse our data made it practically impossible to reach out with the kinds of tailored offers we were aiming for,” says Martin Squires. “Today, we can analyse our customer data orders of magnitude faster – enabling us to deliver personalised offers at speed and scale. In fact, we now launch 70 per cent more tailored messages every year.

**Given the explosion of new channels in recent years, we believe it's vital to approach customer analytics as a continuous process.**

**Martin Squires**, Head of Customer Insight, **Boots UK**

“The more relevant your message is, the more likely you are to inspire your customers to make a purchase. Since we launched our new approach to marketing, we have measured a dramatic increase

in incremental sales from our Boots Advantage Card customers compared to untargeted promotions, enabling us to strengthen our position in a competitive market.”

## Lifting Customer Satisfaction

Boots UK is now measuring significant increases in positive customer sentiment around its loyalty scheme.

“Like many retailers, we use surveys to measure customer perceptions around the value of our loyalty card,” explains Martin Squires. “In the past, customers would often answer ‘no’ when asked if they felt as though they were receiving tailored offers. Today, many Boots Advantage Card members agree that ‘they regularly receive interesting offers’.”

He adds: “Supermarkets have larger average basket sizes, which gives them a substantial advantage when it comes to analysing customer preferences and building personalised offers. We see our leap ahead of the competition as a clear validation of our marketing transformation.”

Martin Squires concludes: “Our solutions are helping us uncover valuable insights from a goldmine of loyalty card data, and we are delighted with our achievements so far. By continuing our close collaboration with IBM, we are confident that we can build an even deeper understanding of individual customer preferences—helping us to build more compelling offers, drive sales and nurture loyalty.”



## TOP TIPS How to Turn Customer Data Into Actionable Insights

We have spoken about the importance of customer insight to increase customer satisfaction and retention levels, and the role of data to get that full 360-degree customer view. But once you have gathered the data, and you've ensured it's relevant to meet your business goals, how do you make it actionable? We have asked our panel of experts for their top tips.

"Always keep in mind the business need. It's easy to get distracted by all the fun things you can do with data, but if you remain focussed on the main objective of the analysis you're much more likely to deliver an actionable insight."

**Patrick Osborne**, Head of Strategic Insight & Reporting, **QVC**

"Tell a story. It might be a pretty boring story compared to your favourite novel, but translating data into prose like 'this is what we see, this is what we think is happening, this is what we think we should do' goes a long way. In my mind there are few things worse than a presentation comprised only of a data-dump without clear implications and recommendations."

**Andrea Lopus Cardozo**, Director, Consumer Insights, **Pandora**

"First of all, you need to fix a goal. It could be a very limited one, in term of covering CX, but it's needed to start measuring the impact and learn from it. It's also important to be able to manage the data internally as in the beginning it will cost time, energy and money. Afterward, with engaged people [top management], you will have to be patient in order to collect results and make it grow. You need to prove to others it's possible, measurable and valuable, even if it's not immediately tremendously successful. Start small, be patient and focus."

**Damien Bourgeois**, Head of CRM and Customer Intelligence, **AXA Belgium**

"For me interpreting the data is the easy part, but telling the story is the thing you have to crack. It starts with the message – be really clear about what action the insight should drive, understand who your audience is and tailor the message for that audience. Always be clear in your mind what outcome you are looking for."

**Richard Tate**, Head of Digital Insight, **EE**

"Share the information – not just once but on a regular basis. It is too often that data is behind locked doors. The more people know the more they understand and, therefore, the more involved they are."

**Petra Mengelt**, Customer Service Director, **Euroloan Group Plc**

"Focus on and get very good at solving one business problem at a time. For example: 'who is the audience for my brand in a certain country?' Get really, really, really good at solving that business problem. That means don't try to help with everything. Say no to a lot of things until you get very good at one thing and then move onto the next one. It is about understanding what the problem is and solving that, then comes the action."

**David Boyle**, EVP Insight, **BBC Worldwide**

"Start with the end in sight: what are you going to do with the insights. Keep in mind that good insights now may be better than perfect insights 6 months from now."

**Juan F. Gorricho**, Chief Data & Analytics Officer, **Partners Federal Credit Union, The Walt Disney Company**

## CX TALKS: Interviews and Presentations from Insight, Data & Analytics Leaders

### Customer Insight and Analytics Best Practices



**Stephen Ingledew**  
Director,  
Customers  
and Marketing  
**Standard Life**

### How to Really Understand the Customer



**Katy Pearce**  
Head of  
Customer  
Experience  
**Vodafone  
Group  
Enterprise**

### How Data Can Help You Develop a Customer-Centric Strategy



**Mariana Machado**  
Customer  
Behaviour  
Director  
**Accor Hotel  
Group**

### How Nordea Turn Their Customer Data Into Actionable Insights



**Thomas Folkjaer**  
Head of  
Customer  
Insight  
**Nordea**

### Achieve Commercial Success Through Customer Insight



**Jorge Mascarenhas**  
Head of  
Customer  
Experience  
**O2**

### Boosting Conversions Through Customer Reviews and Ratings



**Carly Hulls**  
Head of  
Community  
& Customer  
Experience  
**TourRadar**

## TOP TIPS How to Leverage Customer Insight, Data & Analytics to Excel at Customer Experience

Ultimately, how do you leverage all the insight you've gathered to optimise the customer experience you're providing and propel yourself ahead of your competitors? Our panel of experts share their top pieces of advice.

"While there are many different ways to approach creating customer experiences (which differ based on the type of experience – i.e., product, marketing, ads, etc.) two general principles to focus on from a data/insight/analytics point of view are Granularity and Precision.

"To truly understand customers, it is often better to look at them in a more granular way. Too often, very high level segments are relied upon to inform decision making related to customer experiences.

"And crafting precise customer-level features from data can revolutionise an organisation's capacity to understand and craft experiences for their customers. Useful features can impact every aspect of the customer experience, from understanding what works and what doesn't, to inspiring the creation of new types of experiences."

**Will Shapiro**, Head of Research, Analytics, **Spotify**

"Do not underestimate the importance of the bringing data alive to the audience. Data is only useful to the extent it inspires someone to do something with it. Keeping the way you present data simple enough but also make it colourful. You can present a lot of facts and figures showing trend data but if you include a Vox Pop video interview of a single customer making the same point, you inspire more action. Data cannot stop with a spreadsheet, you need to consider the way you're going to express it to the people who need to do something with it."

**Paul Sands**, Director of Retail Development and Customer Experience, **Bang & Olufsen**

"Make sure you don't just look at customer insight in isolation. Ensure you also look at any operational data that's available as an overlay to increase your understanding of the customer's end to end experience. A customer's perception of their experience could be tainted by something like how long they were on hold for. You might not necessarily see this end to end experience in the verbatim that is shared, and you might be wondering why the customer wasn't satisfied, despite appearing to do all you could in the interaction that they were surveyed on. It's therefore important to not look at a piece of insight in isolation; you need to pull the environmental conditions together to fully understand the customer experience as a whole."

**Wayne Butterfield**, General Manager – Digital Care, **BT**

"Becoming a data-driven company with a delightful experience is not a matter of technology or scale of investment. What really matter is the culture. If the Board of Directors is convinced, you can go further. If the middle management is in action to make it happens, you will have a chance to succeed. But at the end, it's not a question of small teams of experts, everyone needs to believe it. So you may need to change your company culture to be able to succeed.

"It's the reason why it's so difficult. It's also the reason why emerging companies, digital natives ones, are often prompt to be ready for this. They can decide to put it in their DNA at the very beginning. Though even for them, in many cases, it's not yet the case. And it's more difficult to transform than to fine tune, of course. So engage your people, train them, explain and be customer focused. That's the only way."

**Damien Bourgeois**, Head of CRM and Customer Intelligence, **AXA Belgium**

## INTERVIEWS

### TELECOMS



**Richard Tate**  
Head of Digital Insight  
EE

### FINANCIAL SERVICES



**Juan F. Gorricho**  
Chief Data & Analytics Officer  
**Partners Federal Credit Union, The Walt Disney Company**

### RETAIL



**Patrick Osborne**  
Head of Strategic  
Insight and Reporting  
**QVC**

## TELECOMS INTERVIEW



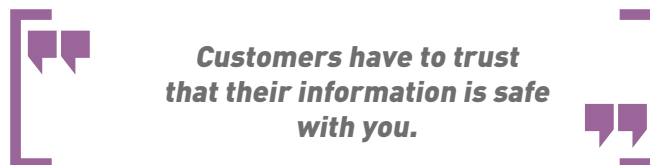
**Richard Tate**  
Head of Digital  
Insight  
EE

Richard Tate has worked in the world of data and analytics for longer than he can remember and he has never looked back. Starting life as journalist, he quickly wanted to understand more about what content people were consuming and before long he had a whole new career path.

He is an expert in getting actionable insights from data across web, mobile and apps, generating measurable improvements to performance, including eCommerce conversion and marketing ROI. Richard is also skilled in customer engagement and insight analysis, using path analysis, catchment data, footfall, session replay, surveys, feedback, research and testing including multivariate and A/B/n.

Richard has worked across some big global brands including the BBC, Sky, Telefonica, Tesco and EE, creating, building and developing insight teams and helping put data and insight right at the heart of the business.

In this interview Richard discusses how telecoms company EE makes the most of customer insight by creating a joined up experience, the tools they use to ensure they gather data that is high quality, and the importance of enabling more people to access and understand the data to enable a self-service culture.



*Customers have to trust  
that their information is safe  
with you.*

### First of all, what has been your journey into customer insight, data & analytics?

I actually started life as a journalist, working in local radio and then moving into online at the BBC and Sky. But it was my curiosity about understanding who was reading my content that got me into the world of analytics and insight.

Starting my analytics life in the world of mobile log files was fun and makes me grateful for how far we've come in making data more accessible.

### What are your key responsibilities at EE?

At EE, where I've been for just over a year, I'm responsible for developing and communicating a deep understanding of who, what, when, where, how and, most importantly of all, understanding and explaining the why and the 'so what' across our digital estate.

### What does the wider customer insight, data and analytics strategy at EE entail?

It's about being joined up. Too often data sits in little pots with specialists mining them and coming up with insight. What we're doing at EE is making sure we're bringing together our data pots and talented people, and linking things up to drive a brilliant cross-channel customer experiences.

### How do you believe this sets you apart from other organisations?

I've worked in a number of organisations and most of them were working to the same objectives: let's join stuff together to drive a great experience and which helps the bottom line. In the 21st century I don't think an organisation can afford not to.

Through split testing alone my team has driven several million pounds worth of commercial improvements across our website, whether through improved conversion or improvements in NPS.

One simple change that drove a big impact was the testing of social proof in some of our eCommerce journeys. Minor tweaks to language gave us big improvements in conversion, which just proves that sometimes a little tweak is all you need.

### What is the process of gathering customer insight and data at EE?

For digital data across EE we use Adobe Analytics and Adobe Target and this drives much of the insight across the online channels. We spend time ensuring we're gathering the right data and then making sure it's high quality. And of course it's important to be joined up too. As an organisation we're constantly

striving to put insight at the heart of everything we do.

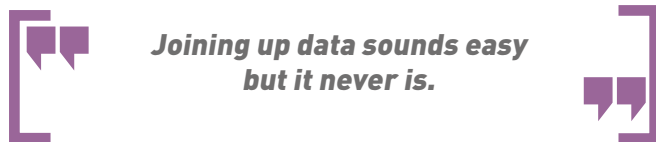
## How have the data and insight learnings impacted the wider business strategy?

With a packed split testing and targeting programme we're constantly making both small and large changes to our online experience to drive performance against a range of KPIs, including customer satisfaction and conversion. We're also driving a stronger self-serve culture to enable more people to access and understand data.

## What are your biggest challenges when it comes to insight, data and analytics right now? And what steps are you taking to overcome these?

There are a couple of challenges. Firstly joining up data sounds easy but it never is. Sometimes systems just don't talk nicely to one another and of course you need something to link together. It takes time, money and resource to start on that journey and I'm not sure it ever ends.

The second challenge is around data privacy and security. From a personalisation perspective I think it has to be subtle.



There's no doubt that when you ask a customer if they want their services to be more personal to them they generally say yes. But then they will say that they don't like going to a website to browse a product and then everywhere else they go online they are followed

by adverts about that product.

So it's finding the right balance between providing great services to your customers but also not making it scary or invasive. And equally those customers have to trust that their information is safe with you.

And then, finally, the other challenge is around people. Analytics isn't one of those career aspirations you have at school, so I've been a passionate supporter of EE's apprenticeship scheme.

And since I joined the company I've had an apprentice in my team learning all about the brilliant, fun and engaging stuff we do in the world of insight.

## What tools or technology are you currently using to make the most of your customer's data? And how have they benefitted your insight strategy?

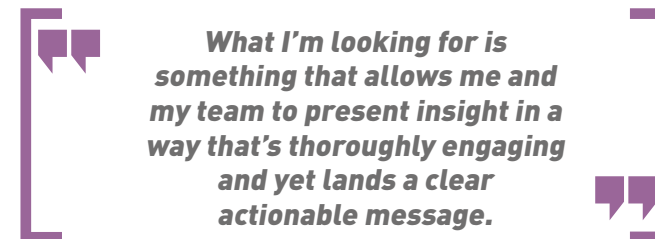
We use Adobe Analytics and Adobe Target as our main digital tools. We also use Adobe Data Workbench for merging offline data with online data.

Using Adobe has allowed us to more quickly drive a self-serve culture in the business, which means we can deploy our analytics specialists on some of the more complex and challenging questions rather the churning out reports and working on the simpler queries.

The user-friendly interface for Target has also allowed us to enable more people who aren't analysts to conduct simpler split tests, once again allowing our analysts to work on the more complex journeys.

## Is there a technology you're looking for to further optimise your insight strategy, but have yet to find?

Coming from a journalistic background I am always a little frustrated at the way in which we present back data and insight. I'm a storyteller, and I don't enjoy telling that story through Excel and PowerPoint.



What I'm looking for is something that allows me and my team to present insight in a way that's thoroughly engaging and yet lands a clear actionable message. Tools like Tableau and Prezi are a start, and with the right skills things like D3, but they are still not hitting the mark for me.

## What has been your key learning throughout your career within customer insight that you can share with customer experience leaders that are nearer the start of this journey?

We all have to start somewhere, and if I have learnt one thing over the past 10 years or so it's don't try and do it all at once. Always take a test and learn approach. Do something, learn from it, tell the story of what you did and what happened and then move onward and upward.

It sounds like a cliché, but there's no such thing as a failure – you will constantly learn and move on. The biggest piece of advice I could ever give is if you get knocked down get straight back up again!

## FINANCIAL SERVICES INTERVIEW



**Juan F. Gorricho**  
Chief Data & Analytics Officer  
**Partners Federal Credit Union, The Walt Disney Company**

Juan F. Gorricho is currently the Vice President, Chief Data & Analytics Officer for The Walt Disney Company's Partners Federal Credit Union.

In this role, Juan leads the data and analytics strategy development and execution for Partners, one of the top credit unions in the US, exclusively serving the more than 100,000 cast members of The Walt Disney Company.

Juan has more than 15 years of experience in the data and analytics space including multiple speaking engagements.

In his prior roles with Disney, Juan led multiple multimillion dollar projects to implement business intelligence and analytical solutions for key lines of business such as Labor Operations, and Merchandise.

In this interview Juan discusses why member insight is at the heart of the strategy of the Walt Disney Company's Partners Federal Credit Union, why new tools and technology aren't always the answer to solving industry challenges, and he shares the early stages of an innovative new system of analytical solutions they're working on that is interconnected, and creates synergies through connectivity.

**Firstly, can you tell me about your history in customer insight and your key responsibilities as the Vice President, Chief Data & Analytics Officer, Partners Federal Credit Union at The Walt Disney Company?**

The majority of the roles I have led at Disney and before have relied heavily on deep and detailed understanding of customers to drive strategy. Since early in my career, I have had strong passion for the use of data to shape strategies, particularly in customer centric activities.

In my role at Partners Federal Credit Union, I have two main responsibilities in this regard. One consists on building a solid and rich data foundation that enables us to understand our customers or members, as we call them in the credit union space. This includes having a complete, 360 degree view of key attributes about them as well as about their activities and interactions with us. The second main responsibility consists on delivering key, member-centric insights to my peers in the lines of business for them to execute strategies that will create memorable experience for our members.

**What does the wider customer insight, data and analytics strategy at the Walt Disney Company's Partners Federal Credit Union entail?**

Member insight is at the centre of our strategy. Knowing our members well is at the core of our vision, "Make all financial dreams come true". We need to know our members, understand what they need, and develop products, services, and experiences that leverage that knowledge about the members to meet their needs. We capture this strategy with two principles in our strategic plan: know our members and show our members that we know them.

***The most important way to avoid drowning in data is by starting with the end in mind: how are you going to use the insights you derive from the data?***

As outlined in the prior question, the first statement drives us to continuously build richer views of our members, understanding their characteristics and behaviours. This consists on bringing together transactional data but it also entails enriching the view of the customer with external data from third party vendors as well as internal, behavioural data that may not be transactional in nature.

The second statement drives us to develop products, services, and experiences that are relevant to what our members need. In this regard, it is critical for

my team to have strong partnerships with the lines of business that lead member experience activities in order to understand exactly what their needs are and deliver data products that are timely and relevant to their activities.

**Data teams tend to focus, sometimes, too much on building complex algorithms and solutions that can take a long time.**

**What are your biggest challenges when it comes to insight, data and analytics right now? And what steps are you taking to overcome these?**

The challenges are not very different across companies and industries. There are technical challenges such as a lot of very different source systems with a myriad of data quality issues, to cultural and organisational challenges such as the level of maturity of the organisation to take action with the insights and data products we are delivering.

It is critical to address these challenges head on in order for key initiatives such as personalisation to be successful. With inaccurate and/or incomplete data, personalisation strategies will be irrelevant and may not be timely. If lines of business do not know how to act on the outcome of personalisation centric data products, we will miss opportunities to show our members we know them.

In my experience, and it seems to be a common theme across my peers in other industries, people and culture challenges tend to be the harder ones to

address. The best way to overcome these challenges is to forge strong partnerships with the lines of business tasked with managing member experiences to ensure that they come along for the journey.

This translates into making sure that the data and analytics strategies are developed keeping a balance between people, process, and technology.

In this space it can be tempting to invest heavily on technology alone by securing lots of data and/or sophisticated technology. This is easy. This usually ends up on overlooking and underestimating the importance of ensuring that the business processes and the people leading them are ready to leverage the outcome of the data products.

**There has been a lot of change in the way organisations get customer data, with survey fatigue coming into play and ensuring the gathering is non-intrusive. What is the process of gathering customer insight and data at the Walt Disney Company's Partners Federal Credit Union?**

We gather data in several different ways. Qualitatively, we rely heavily on touch point and experience surveys, as well as focus groups. We conduct traditional surveys after our members have had interactions with us through digital and non-digital channels. These give us insights into the experience within a touch point.

We also conduct more comprehensive, experience focused surveys that gives an idea of the satisfaction with the overall experience our members have at Partners. Additionally, we conduct focus groups regularly to gather feedback first hand from our

members.

Quantitatively, we have started collecting multiple data points in our business processes that allow us to understand the performance of the business processes. As mentioned earlier, this includes transactional data as well as non-transactional data about what our members experience is through the channels. For example, we will soon start collecting and leveraging log data about our online and mobile banking application to enrich our view of the member experiences through those channels.

**With inaccurate and/or incomplete data, personalisation strategies will be irrelevant and may not be timely.**

We are also looking at piloting transcribing voice calls and performing text analytics on the transcription in order to use the data to determine member sentiment. System based strategies such as these allow us to gather more data about member experience in a non-intrusive way.

**Once you have collected the customer data it can be easy to drown in a sea of big data. How do you segment the insights and accurately map the customer journey?**

The most important way to avoid drowning in data is by starting with the end in mind: how are you going to use the insights you derive from the data? This comes from forging strong partnerships with



business partners, which will allow data teams to understand what the most relevant and impactful uses of data and insights are.

***I firmly believe that companies have more than enough data and technology to get going, and that main thing they really need is an initial idea of relevant use cases where data and analytics can make a difference, and just start.***

Customer or member experience journeys are

certainly a great way to start because they are business centric and will highlight the most critical data points that are needed. Data efforts tend to be less successful when data teams start from the bottom up, bringing all data together without any specific business strategy or direction in mind – kind of a “build it and they will come” approach to data. Going after the data without business direction will take data teams in directions that most likely will not be aligned with the most relevant business needs.

**And when you have this rich customer view and journey map in place, how do you ensure the insight you’ve collated are made operational at the Walt Disney Company’s Partners Federal Credit Union?**

We follow a principle of building end-to-end solutions

that work, even if they are not that sophisticated at the beginning. Data teams tend to focus, sometimes, too much on building complex algorithms and solutions that can take a long time. We prefer to start small and to ensure that our solutions work end to end. Once we have tested that the solution works and that it is creating value, we then focus on improving it iteratively.

***Organisations that want to get going with customer insights, data and analytics need to do that: get going.***

This iterative process also ensures that the organisation’s maturity evolves with the complexity of the solution. This goes back to one of the points I made earlier about always keeping a balance between people, process, and technology.

Data and analytics are only valuable if they are being used to improve the outcomes of business processes. This implies adoption of the solutions by those who lead member experience areas. And adoption will be driven by relevancy of the solutions, which goes back to the point made earlier about data teams having strong partnerships across the organisation.

**Are you working on any innovative initiatives that your peers might be able to learn from?**

We have an ambitious goal for having a system of analytical solutions that is interconnected and that creates synergies through this connectivity.





Traditionally, organisations implement data and analytical solutions one a time, in isolation. For example, organisations can have a pricing optimisation engine that operates independently from a product recommendation engine or from the risk scoring models. Our vision is to start developing these components and as they evolve, we are starting to interconnect them to make sure that their output takes into account all the other dimensions.

**Data and analytics are only valuable if they are being used to improve the outcomes of business processes.**

For example, our vision is that when we make a product recommendation through the recommendation engine, the algorithm also takes into account the risk, pricing, and profitability dimensions. This will ensure that we are optimising

our recommendation for the whole system rather than for a single domain. We are in the early stages of this initiative but it is pretty exciting to think where this can take us.

### **What tools or technology are you currently using to make the most of your customer's data? And how have they benefitted your insight strategy?**

Primarily, our technology strategy has been based on leveraging simple and available technology. I think that to get going, companies have already more than enough technology available. Thinking that acquiring new technology will solve the challenges or add business value is a common trap in which many companies fall into.

Additionally, I have led the adoption of cloud computing to support my data and analytics strategy. This allows me to minimise the amount of capital and operating expenses required, aligning them with the business value being created, while giving us access to technology that otherwise would be cost prohibitive to acquire in house such as big data, machine learning or MPP databases.

We primarily work with Amazon Web Services in this front leveraging a pretty nice solution from Zementis called ADAPA to run our analytical models as a service. For model development we use SAS and R, and for data visualization and more traditional BI we use Tableau and SQL Server.

### **What has been your key learning throughout your career within customer insight, data & analytics that you can share with customer experience leaders that are nearer the start of this journey?**

I would say that the biggest key learning has been that 'perfect' is the enemy of 'good' and that momentum forward is better than perfect trajectory. Organisations that want to get going with customer insights, data and analytics need to do that: get going.

**Member insight is at the centre of our strategy. Knowing our members well is at the core of our vision.**

There is a lot of noise in the market about tools and technology which is confusing many companies, making them think that it will take significant amounts of capital investments or armies of data scientists to start.

I firmly believe that companies have more than enough data and technology to get going, and that main thing they really need is an initial idea of relevant use cases where data and analytics can make a difference, and just start.



## RETAIL INTERVIEW



**Patrick Osborne**  
Head of Strategic  
Insight and  
Reporting  
**QVC**

Patrick Osborne has been working with customer data, insight & analytics since 1993, and has developed his career following the incredible growth of this industry. He started off in direct mail fulfilment, and moved on to higher education working on student statistics and satisfaction indices. He then worked as a market analyst at Mintel International, surveying customers and forecasting market trends.

He worked on the Nectar card programme launch at Sainsbury's, the UK's largest loyalty programme. After three years as a management consultant, Patrick moved to the financial services sector, focussing on customer segmentations, monitoring the move to digital banking and customer satisfaction indices. He now works back in the retail industry at QVC, where he manages their customer insights & analysis

In this interview Patrick talks about the customer insight, data & analytics strategy of retailer QVC, the impact of the biggest industry challenges, where there is still a gap in the vendor market to fully gauge true customer sentiment, and he shares the biggest insight learning of his career to date.

*It [research] shows you how your customer is behaving and facilitates evidence-based recommendations and decisions.*

### Firstly, can you tell us about your journey into customer insight, data & analytics?

I've been working in data, analytics and insight for nearly 25 years now, in a variety of industries and sectors. I began in direct mail fulfilment, then moved on to the university sector, looking at students' behavioural trends and demands for courses.

I then worked on market analysis and forecasting with Mintel International and spent some time at Sainsbury's at the period when the Nectar card was introduced – that certainly gave an amazing insight into customer behaviour.

I also worked as a data analytics consultant in the Big 4 and most recently seven years at Lloyds Bank working with its customer data. I'm currently working for QVC UK, one of the world's largest multi-platform retailers, managing our customer research and analysis programme.

### What does the customer insight, data and analytics strategy at QVC entail?

The main, overriding strategy is for us to stay close to our customers. We have amazing levels of customer satisfaction and loyalty (certainly very different for me after seven years in banking), but in today's highly competitive, global and multi-channel environment it's really important to not take that for granted.

The way we can maintain our customers' loyalty is by really understanding what they need, what they're looking for and what they're responding to.

### How do you believe this insight strategy sets you apart from other organisations?

Lots of organisations make a lot of noise about being customer-centric, but at QVC it's really lived. It's great to be in meetings with our buying or planning teams – and even our broadcasting team – and to hear them talking about our customer segments and referring back to research my team has done to ensure they come to the right decision that will be best for our customers.

*Incorporating social media into our analysis is a challenging one as it's a very polarising medium so gauging real customer sentiment from it is difficult.*

## What is the process of gathering customer insight and data at QVC?

We try and do a lot of our research ourselves when we're speaking to our own customers – we feel it keeps it fresher and also more relevant.

**Customer insight learnings have allowed us to maximise opportunities in online and mobile commerce.**

We use online survey packages for quantitative research, and have trained focus group moderators and in-depth interviewers for the qualitative side. We're making some inroads into using online focus groups, which is really interesting.

Additionally, we maintain a bespoke customer forum – the QVC Lounge – which is an online panel of QVC shoppers representative of the entire customer group. We constantly recruit from our active customer base, and interaction is surveys, discussions and a regular newsletter.

This allows us to collate rapid and comprehensive feedback from our customers. When we're working with prospective customers we partner with agencies and also use online panels as appropriate.

## How have the learnings impacted the strategy?

Customer insight learnings have allowed us to maximise opportunities in online and mobile commerce. We've done a lot of work into how customers use their mobiles, in particular to browse

and search for deals, which has enabled us to time our emails appropriately and also begin to evaluate the impact of the email communication in the overall buying process.

At QVC we're always looking at how to stay ahead in retail, therefore evaluating the next wave of consumers is important.

## How do you believe retail differentiates from other industries when it comes to insight, data & analytics?

The immediacy. You know straight away, in real time, whether or not a product is successful. This is even more the case with QVC's retail model incorporating live TV and the instant visibility of real-time sales.

When I worked in financial services, it was much more of a slow burner. It took a long time to launch new products and services, and often customer reaction was fairly muted as there really wasn't that much differentiation that was obvious to the average financial services customer.

Whereas in retail you have this wonderful, rapid feedback loop which allows you to react quickly and immediately see the impact of your analysis and recommendations.

## What are your biggest challenges when it comes to insight, data and analytics right now?

Technology and expectations are by far the two biggest issues. We hear so much talk about 'Big Data' and in my opinion we are in the second wave of making the most of the data we have (the first

being some 15/20 years ago when SAS, SPSS and the like really went mainstream).

## What steps are you taking to overcome these challenges?

We work with new tools, such as Python, R and Tableau, but it can often be difficult to make the most of these. Our analyst team work hard to ensure they're abreast of new tools, ensuring that open source is maximised. QVC is undertaking appropriate investment in data warehousing and analytical capability worldwide.

**Our analyst team work hard to ensure they're abreast of new tools, ensuring that open source is maximised.**

## Are you working on any innovative initiatives that your peers might be able to learn from?

As a retailer we have numerous platforms that our customer can buy from. They may watch a live TV show, visit the app or browse online. Therefore, marketing attribution can be challenging.

We use various models to attribute sales across our viewing platforms (including online and mobile), and we are currently working with a couple of external partners to see if we can really answer this question definitively. If we can do this, it will be a huge step forward in understanding our customers and how they choose to interact with us.

## What tools or technology are you currently using to make the most of your customer's data? And how have they benefitted your insight strategy?

We're beginning to experiment with both R and Tableau, and are having great results with both; the judgement comes in knowing when to stop, as they're both such great tools and you can generate so much from them.

Tableau in particular is a huge step forward in data visualisation; we've all had that experience

of struggling to 'sell' analytics results to a non-insight audience and Tableau just makes that whole process so much easier.

## Is there a technology you're looking for to further optimise your insight strategy, but have yet to find? Where is there still a gap in the market?

Bringing qualitative and quantitative analysis together is always a challenge. Tools like Wordle can really help, and I've already mentioned Tableau. Incorporating social media into our analysis is a

challenging one as it's a very polarising medium so gauging real customer sentiment from it is difficult. And we then need to think about the relationship between likes, sharing, etc. and brand loyalty, affinity and ultimately purchase.

## What has been your key learning throughout your career within customer insight that you can share with customer experience leaders that are nearer the start of this journey?

The thing that I remember finding so revelatory at the start of my career, and this continues even now, is how small our own social circles are. You get research or analysis back, look at the results, and often your first thought is, 'Really? But I don't do that and nor does anyone I know'.

*The way we can maintain our customers' loyalty is by really understanding what they need, what they're looking for and what they're responding to.*

And this is where research and analysis really comes into its own. It shows you how your customer is behaving and facilitates evidence-based recommendations and decisions. It really lets you get to know your customers and respond well to their needs, wants and aspirations. Trust the research!



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**2016  
MARKET REPORT  
CALENDAR**

## Partner Spotlights

### Independent Knowledge Partner:



Forrester is one of the most influential research and advisory firms in the world. We work with business and technology leaders to develop customer-obsessed strategies that drive growth. Forrester's unique insights are grounded in annual surveys of more than 500,000 consumers and business leaders worldwide, rigorous and objective methodologies, and the shared wisdom of our most innovative clients. Through proprietary research, data, custom consulting, exclusive executive peer groups, and events, the Forrester experience is about a singular and powerful purpose: to challenge the thinking of our clients to help them lead change in their organisations. Visit Forrester's website: <http://www.foresters.com/en-gb>

### Media Partner:



The Digital Standard educates marketers on how to better embrace and use digital as a new skill set for their career. The website is run by Mark Middlebrook, SVP Interactive Marketing Manager at City National Bank. With more than 15 years specialising in interactive marketing, Mark directs the inbound marketing strategy, social media and interactive marketing efforts to support the company's online revenue goals. He shares his years of expertise and learnings within the marketing industry on <http://thedigitalstandard.com>.

### Media Partner:



As companies worldwide have been building up their data warehouses and analytical capabilities, many marketing and CRM managers would theoretically have at their disposal enough tools to get a better understanding of their customers. But do they know how to achieve this? What are the challenges? This LinkedIn group provides a platform for experts to discuss Retail, Marketing and Customer Analytics. It offers questions and answers to issues around concepts and methodologies, applications, algorithms, models, challenges, cultural aspects, etc. Find out more on: <https://www.linkedin.com/groups/4371519>

## Join CX Network

CX Network is an online resource for global customer experience, service, insight, digital and marketing professionals who are leveraging customer management strategies to increase customer acquisition and loyalty, whilst driving increased profits across the entire organisation.

Join CX Network for premium-level content including market reports, in-depth research, CX TALK videos, industry trends, best practice,

interviews with industry leaders and much more.

Our cutting edge content is developed by experienced customer experience professionals and industry insiders, and it's free to become a member.

### Benefits include:

- Access to expertly produced reports, video interviews, white papers, infographics, case studies, podcasts and more
- Weekly newsletters with a round up of the latest content

- Exclusive invitations and offers to attend our global customer experience, digital and marketing events
- Networking opportunities with an extensive community of customer experience decision-makers



## 2016 Market Report Calendar

In addition to our in-depth quarterly reports based on primary research and looking at the industry as a whole, we also produce monthly reports focused on specific sectors and challenges facing customer experience, service, insight, digital and marketing leaders.

You can find a full list of the reports for 2016 to the right, with links to those that have already been published.

Click on the bolded titles to view these reports

<p><b>January</b> <b>Telecoms Focus: How to Reduce Churn and Increase Customer Retention</b></p>	<p>SPONSORED BY: <b>worksmart</b> INTELLIGENT SOFTWARE</p>	<p><b>July</b> <b>How to Capitalise on the Digital Disruption Impacting CX</b></p>	<p>SPONSORED BY: <b>jive</b> work better together™</p>
<p><b>February</b> <b>Optimising Customer Complaints Management in Financial Services</b></p>	<p>SPONSORED BY: <b>worksmart</b> INTELLIGENT SOFTWARE</p>	<p><b>August</b> <b>What is the Role of the Chief Digital Office in a Saturated C-Suite?</b></p>	<p>SPONSORED BY: <b>jive</b> work better together™</p>
<p><b>March</b> <b>The Changing Face of Customer Loyalty in Retail</b></p>	<p>IN ASSOCIATION WITH: <b>DIGITAL MARKETING EXCHANGE</b></p>	<p><b>September</b> <b>7 Key Steps for Customer Experience Leaders to Gain Senior Management Buy-In</b></p>	
<p><b>April</b> <b>How to Tackle the CX Industry's Biggest Challenges</b></p>	<p>IN ASSOCIATION WITH: <b>DIGITAL MARKETING EXCHANGE</b></p>	<p><b>October</b> <b>The Role of Customer Insight, Data &amp; Analytics in the Multi-Channel Contact Centre</b></p>	
<p><b>May</b> <b>Digital Marketing Trends</b></p>	<p>IN ASSOCIATION WITH: <b>DIGITAL MARKETING EXCHANGE</b></p>	<p><b>November</b> <b>Learn From the Winning Strategies of CX Leaders</b></p>	
<p><b>June</b> <b>The Ultimate Guide to Contact Centre Outsourcing: Current Trends and Future Outlook</b></p>		<p><b>December</b> <b>Customer Experience Predictions for 2017</b></p>	