

Customer Experience (CX) Executive Briefing

Delivering frictionless and engaging customer experiences in retail and CPG

Data and analytics are the keys to the CX of the future

Customer experience (CX) is the perception that a consumer has of how well their expectations are met each and every time they interact with an organization. Tech disruptors like Amazon and Uber have set the bar high for CX. As more of us move to digital channels, delivering a great experience has become hugely important. Many of us will walk away after just one poor experience...but good experiences vastly improve the likelihood to purchase, become a repeat customer, or even better still become an advocate for your business.

To create loyalty, organizations in retail and consumer packaged goods (CPGs) must design and manage exceptional experiences that feel individual, effortless, and hyper-personalized at every interaction. Successful organizations are leveraging data and analytics to differentiate from their competition by understanding their customers better, and ensuring that every customer interaction is engaging and meets their needs. When organizations succeed, they improve customer loyalty, improve market share, and grow revenue.

Teradata has identified the core disciplines that are required for an organization to meet customer expectations around CX. These disciplines are part of a Customer Insights Foundation (Figure 1).

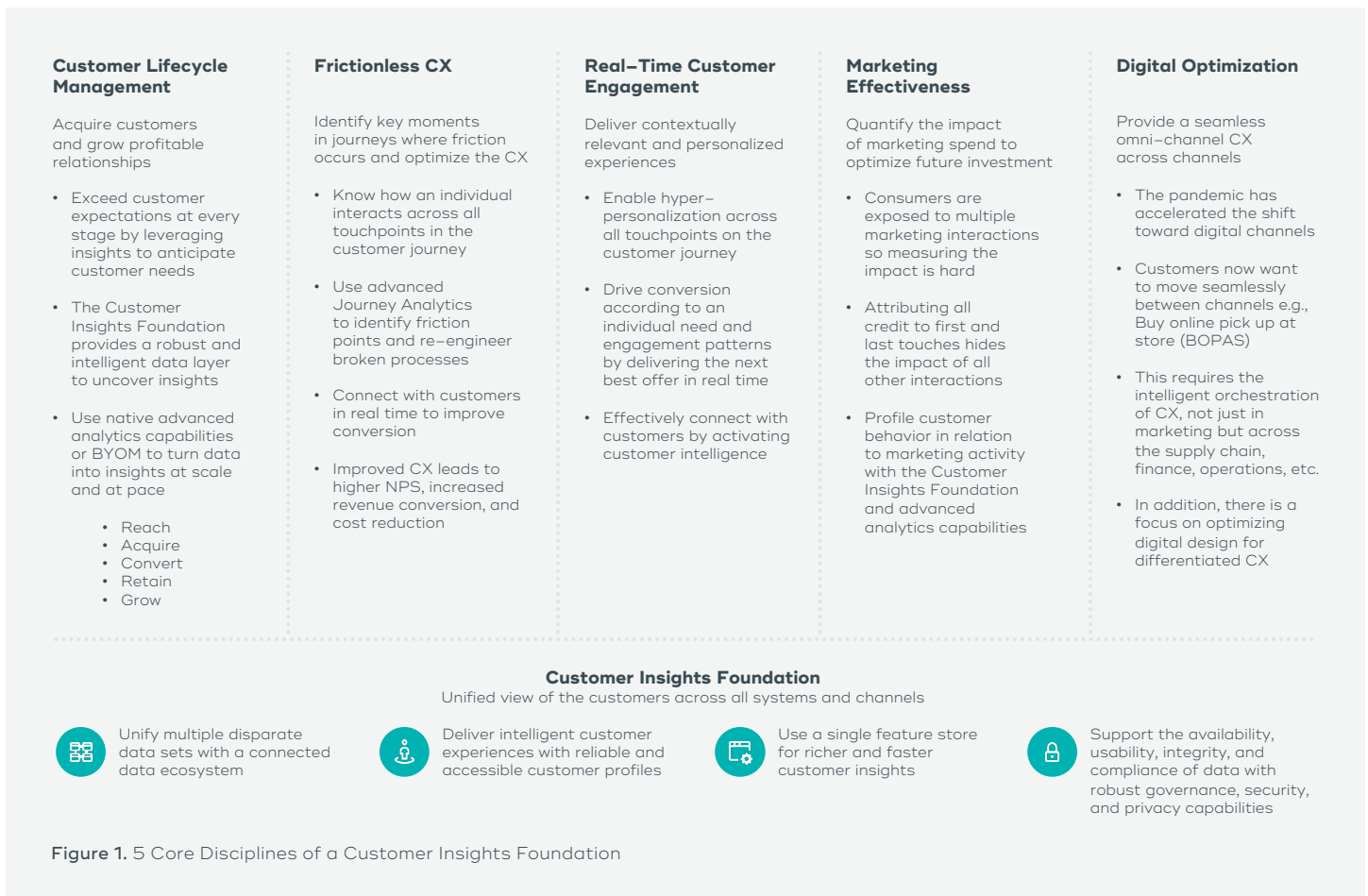


Figure 1. 5 Core Disciplines of a Customer Insights Foundation

A Customer Insights Foundation Enables a Connected Data Ecosystem

The Customer Insights Foundation brings together disparate data including granular browsing data, transactions, payments, and customer profiles into a connected data ecosystem for a unified customer view. Comprehensive and reliable profiles are accessible to the entire marketing ecosystem, with robust governance, security, and privacy capabilities to ensure usability, integrity, and compliance. This Foundation empowers retailers and CPGs:

- At every step in the Customers Lifecycle Management, analytics play a pivotal role in understanding and anticipating their needs. This discipline is about enabling and improving the “bread and butter” advanced analytics – such as lifetime value calculations, churn prediction, product recommendations, and segmentation – that an organization needs to acquire new customers, retain them, and grow profitable relationships.
- Frictionless CX is the ability to join customer interactions across multiple channels and visits to identify key moments in customer journeys, then optimize them by removing friction points and prioritizing improvement opportunities.
- Real-Time Customer Engagement is the ability to combine everything you know about a customer in the moment that they interact, and deliver contextually relevant, personalized experiences. Real-time “always-on” dialogue is 10 times more effective than traditional marketing, driving incremental revenue and Net Promotor Score (NPS) growth.
- Proving the value of marketing spend and optimizing future investments is complex to measure, as customers are exposed to many marketing interactions at once. Organizations are often forced to use overly simplistic measures like giving all the sales credit to the last touch before purchase, but this hides the impact of other interactions. The answer lies in Marketing Effectiveness and being able to identify individual journeys, and then attribute sales according to the importance of each touchpoint. This approach allocates sales credit to the whole of that buying journey.

- The focus on Digital Optimization has increased during the pandemic as use of digital channels has accelerated rapidly. Consumers want a consistent omni-channel experience wherever they choose to shop. Organizations must be able to intelligently orchestrate customer journeys, aligning all business functions with world-class data management and integration capabilities.

What Can Teradata Help You Accomplish?

Teradata has identified four key capabilities to deliver frictionless and engaging customer experiences (Figure 2). They are:

1. Listening to customers in real time as they interact. This requires the continuous capture of all data signals and bringing together this disparate data into a single connected data ecosystem for a unified customer view.
2. Using analytics that go well beyond reporting and dashboards that explain what’s already happened. Complex advanced analytics like path analysis, affinity, real-time scoring, and attribution that are predictive and prescriptive are needed to deliver deep insights that anticipate customer needs.



Figure 2. 4 Core Capabilities to Enable Engaging CX

Teradata Drives Business Outcomes at the Largest Global Companies

Teradata works with the world's largest companies, in every vertical, to transform their customer journeys and drive significant business value.



Improved relevancy
\$100m
Increased profit



Real-time intervention
30%
Improved conversion



Improved relevancy
90%
Improved ROI



Offer optimization
3x
Increased spend



Journey optimization
30%
Cost reduction



Personalized journeys
181m
Individual relationships



Improved ROI
30%
Reduced acquisition cost



Spend optimization
20%
Reduction in cost



Active CX management
18 points
NPS growth

3. Leveraging real-time decisioning, in less than 25 milliseconds, to determine the next best offer in real time. Self-learning ensures continuous optimization.
4. Operationalizing insights through seamless integration with the MarTech stack to ensure that the right message is delivered to the right channel at the right time.

About Teradata

Teradata is the connected multi-cloud data platform company. Our enterprise analytics solve business challenges from start to scale. Only Teradata gives you the flexibility to handle the massive and mixed data workloads of the future, today. The Teradata Vantage architecture is cloud native, delivered as-a-service, and built on an open ecosystem. These design features make Vantage the ideal platform to optimize price performance in a multi-cloud environment. Learn more at [Teradata.com](https://www.teradata.com).

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