

The Integrated Customer View



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By Philip Watt and Peter Barnsley

With consumer expectations at an all-time high, most companies have improved their customer-facing operations. With just a few clicks, customers can quickly find a provider's best price, determine product availability, and connect with a service representative—virtually or in real-time. Completing the order? There are email, call center and mobile app options; payment plans from credit to debit to PayPal; and delivery choices galore, often at no cost.

The wired planet has put today's consumers in the driver's seat. So why are so many customers still frustrated and unhappy? Certainly it's not because businesses haven't made many of the right investments. Mindful that the cost of replacing a customer is estimated to be five times as much as the cost of retaining one, enterprises have implemented a range of customer-centric improvements from staff training to simplified work processes to social media engagement. Yet most of these improvements are built around a major flaw—the lack of an integrated customer view.

Consider banking customers. A customer with a checking account will logically consider applying for a mortgage, a credit card, or a car loan from the same bank. As an existing customer, he'll assume his basic account information will be available to the customer service representative handling the new transaction. Well, usually not.

The problem is that banks rarely have a complete and common view of their customers available to each of their consumer channels. In order to apply for a new product or service, an existing customer has to go through a process of providing the same information the bank already has on file.

That's because a majority of customer interactions in banking are siloed—closely aligned with individual channels instead of with the business as a whole. Every time a customer deals with his bank through a different channel, the experience varies so greatly he could be talking to completely different companies.

But banking isn't the only industry with this issue. Insurance, Telecommunications, Utilities, and Retailing all face the same challenges. Many organizations in these sectors have grown through mergers and acquisitions, expanding their IT structure

in scale and complexity and further constraining the ability to deliver a “whole” picture of their customers.

Businesses understand their customers want to use multiple channels to communicate with them, and they know their customers expect all of their account information to be readily available across those channels. In short, they expect businesses to have an integrated customer view. So why aren't more businesses moving toward that goal?

One Customer, Divided

There are two ways that companies continue to bifurcate customer information. One is based on technology. Organizations usually have group-wide databases that contain all of that precious customer data. Yet, their various channels and product processing systems also maintain separate local data systems specific to each product or service relationship held with each customer.

In addition to the technology constraints, many organizations divide themselves along business lines that seem to deliberately discourage the notion of a single customer view. In a bank, this might be vertical lines like insurance, deposits, and commercial lending. This is complicated further by multiple outlets, such as branch networks, telephony operations, and Internet channels—all with their own internal fiefdoms and competition.

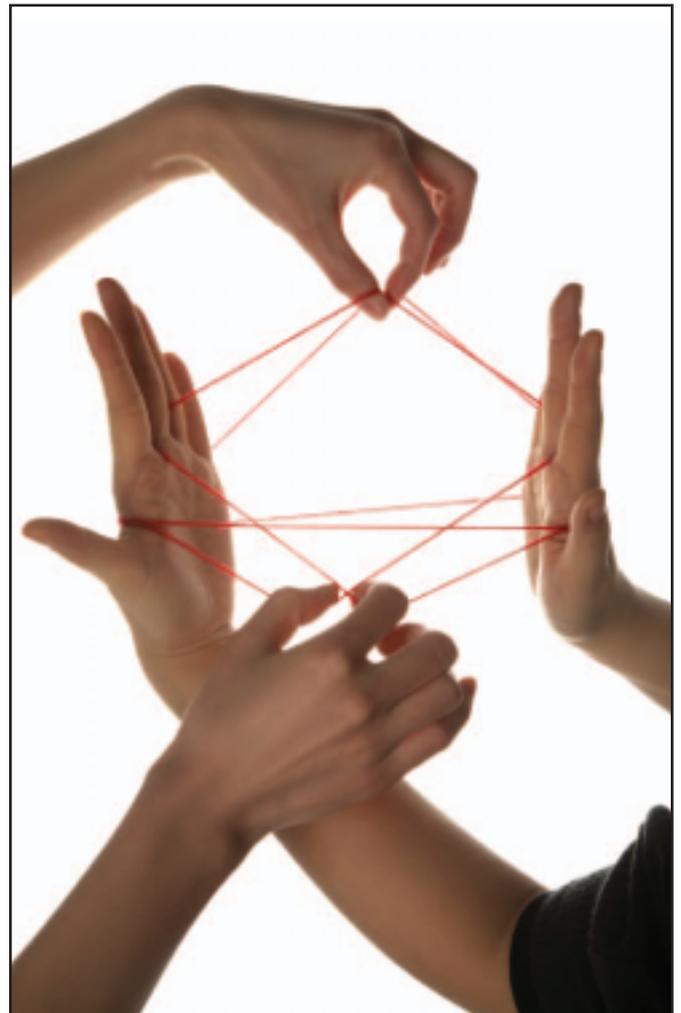
Couple this with the fact that in many organizations it is difficult to find anyone at a senior level who “owns” the customer experience and can drive the business change that’s needed to enable the company to “join-up” around the customer.

This divide-and-conquer approach eliminates any kind of competitive advantage in customer service and customer retention. Not only does the company bear the expense of customer churn, it misses the opportunity to deliver new

sales leads based on complete knowledge of the customer. So, it just makes financial sense to have an integrated view of the customer across all channels, coupled with the ability to access and exploit the data the firm holds. The challenge, as always is delivering.

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Notice that the term used here is an “integrated customer view” rather than a “single customer view.” There’s a big difference. The latter means putting all of your customer data into a single database—but that doesn’t even begin to solve the



problem. Instead, the goal is more subtle, more accepting of technical constraints, and focuses on operations—making data, intelligence, and process activation available to all customer touch points when and as needed.

In essence, the term “single customer view” implies a technical solution to a poorly articulated business problem. In contrast, an “integrated customer view” is a business-led capability that’s delivered through process and technology change.

The good news is that achieving an integrated customer view doesn’t require a “big bang” expenditure and major systems overhaul. Delivering an integrated customer view can be achieved progressively through a Common Service Layer solution—one that enables your organization to map customer data from various databases into a common view that can be made available to the people, processes, and systems that deliver your customer experience.

The strategy of taking progressive steps lessens the need to re-engineer the systems that deliver your service processes and the core data storage that you rely on to manage day-to-day operations. And, the implementation of technologies, such as an enterprise service bus, which enables communication and interaction between applications, means that much of the data from your different internal organizations can remain intact, rather than your having to take an extensive “design and build from scratch” approach.

Given that the idea is to have a company-wide integrated view of the customer, it might seem contradictory to say it can be achieved in progressive steps. Yes, it’s true that not all of the capabilities are likely to be delivered to all touch points at the same time, and business prioritization will be needed. However, such a strategy is preferable to the “big bang” approach, which would almost certainly create adoption problems that could doom your plan to failure.

There are five key requirements to a Common Service Layer solution for an integrated customer view:

- It must be flexible and scalable. The ability to support rapid business process change will ensure that adding intelligence to existing processes won't compromise speed and efficiency.
- It must be standards based to facilitate integration with the applications it exploits and those that consume its services.
- It must be process oriented. It requires the ability to support process automation, including the configurability of business processes, workforce management, and work distribution.
- It must permit progressive implementation for incremental realization of benefits without putting the implementation program at risk.
- It must be secure and use standards-based encryption.

The first steps of designing the solution will depend on your individual business and where you are in your CRM lifecycles. But most companies will benefit from taking the following three initial actions:

- **Initiate a customer experience and capability analysis.** Uncover the key drivers of your customer experience—they may not be just the obvious ones. Look at what capabilities differentiate you from the competition.
- **Define the target optimum customer experience.** Look not only at benchmarks in your industry but also your target operating model for how you will put customer at the center of all you do.

- **Identify the key capabilities required to improve and achieve the optimum customer experience.** Put pragmatic action-oriented plans in place to design the experience and balance this between people, process, and technology changes to improve capabilities.

What else is required? It's important to note that designing an integrated customer view requires a commitment from the top of the company—including identification of someone who 'owns' the customer experience and can drive change. Additionally, older and complex legacy systems must be taken into account since they may be difficult to assimilate with new technologies and processes, although choosing the right project scope for the initial implementation can ease some of these challenges.

For example, using a Common Services Layer solution to achieve an integrated customer view has been put into practice by a global hardware manufacturer who is moving toward a services-based approach. The product portfolio was complicated, and the solution helped link previously separate customer bases. It was essential to get an overall view of the impact of service introduction, and this was achieved in a reasonably short time by integrating only the essential elements of data needed to identify the customer overall. Taking this

incremental approach avoided a complete legacy systems integration and saved a considerable amount of money. Because of these initial steps, the hardware manufacturer has increased customer satisfaction without a major technology overhaul.

As a final note, remember that your focus is on business change, not simply technology change. Your eye must be on the customer, who just wants to deal with your organization through any available channel at any given time and not have to repeatedly provide information already on file, whether it's personal information or the state of a sales transaction.

Seeing your business through the experience of the customer and creating an integrated customer view can turn a rigidly siloed organization that's a turn-off to frustrated customers into one that feels to its customers like it is truly joined up, understands their needs and aspirations and may even have them raving about you on Facebook.

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