

Customer Experience Management: The Danger of Data Silos

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Abstract

If data is the foundation of your customer experience insights, then it follows that customer data should be easily accessible and housed in a manner that is both efficient and effective. We see many organizations collecting feedback via multiple vendors (apps or platforms) in an effort to create a holistic view of their customers. Unfortunately, the result is a disparate view of data which leads to a distorted or incomplete understanding of their customers.

This white paper will discuss the disparate data problem and the difficulties it presents, but it will also outline a unified platform solution and its plentiful benefits, including:

- A more streamlined and efficient process
- Lower operational costs
- A CX program that scales as you grow
- Holistic insights that inspire company-wide action



The Danger of Data Silos

USING DIFFERENT VENDORS IS LIKE TRYING TO VIEW AN ENTIRE MURAL WITH ONLY 5X7 SNAPSHOTS; VERY RARELY WILL YOU GET ALL THE CONTEXT YOU NEED TO UNDERSTAND THE “WHY” FOR YOUR BUSINESS.

When it comes to customer experience, companies should be analyzing multiple sets of data (including omnichannel, post-transactional, call center, loyalty, and feedback data) in order to truly understand their customers' journey.

However, many companies today have organized their support structure in a siloed way, where different parties (vendors, apps, or departments) focus on a specific part of the experience. For instance, one vendor would be utilized for call center data, while another vendor would be responsible for mining social media feedback. This separation of data makes bringing data together, discovering insights, and sharing them extremely challenging.

The results of a distorted view of your customer and their experience can spread throughout your organization, creating both operational inefficiencies and lack of insights.

Operational Inefficiencies

- **Inability to Scale Your CX Program:**

Ideally, any CX program you implement would evolve with your organization. However, an organization with multiple data silos will find that as it grows each silo will scale independently of the others and lead to greater silos. As a result, its CX program becomes more and more complex to the point where the input far exceeds the output.

- **Time-Consuming Process:** Data silos have a profound effect on employees and their ability to efficiently compile and regulate data. In fact, a recent study found that, “data scientists spend 60% of their time on cleaning and organizing data. Collecting data sets comes second at 19% of their time, meaning data scientists spend around 80% of their time on preparing and managing data for analysis.”¹

This alarming statistic shows that compiling data and readying it for analyzation can inhibit productivity. Any business owner would hope that their

employees are spending the majority of their time doing work that would create business impact, but data scientists are spending the overwhelming majority of their time on housekeeping.



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- **Difficulty Sharing Information:** Sharing information is vital to any CX program. Whether you're compiling feedback from data sources such as loyalty, CRM, or transactional information into a unified pool of data, sharing insights from department to department, reporting findings in a meeting, or communicating critical information to and from teams on the frontline, your data needs to be shareable.

The evolving nature of CX software causes compatibility issues between different data platforms. Furthermore, the functionalities are typically designed with different purposes or by different teams, making any attempt at combined analysis like comparing apples and oranges.

- **Excessive Costs:** Multiple vendors require greater headcount to manage and operate those platforms. Given the fact that the average enterprise marketing department uses 91 applications² (even though many of those may not be CX-specific) supporting multiple vendors and their data silos can cost any organization more than a pretty penny.

Lack of Insights

- **Disparate View of Customer:** To get the clearest possible picture of the customer and their experience, it makes the most sense to take a holistic approach rather than a segmented approach.

In a segmented approach to data, the insights will be specific to only one type of customer, area of the organization, or chapter of the customer journey, limiting the effectiveness and actionability of the insights.

For instance, a retail store sees the customer experience from the point of view of in-store purchasing interactions, while the digital/e-commerce team is focused on the online experience, and the call center team has yet a different set of inputs and KPIs.

These segmented understandings each provide satisfaction about a specific touchpoint, but failure to combine them can create a disconnected understanding of the customer journey as a whole. This is a big issue when you realize that customers expect a consistent, singular experience with a specific brand, not a collection of interactions with different teams.

- **Can't Identify Higher Priority Issues:** In addition to an incomplete view of the customer, it is also difficult for the most impactful issues to be identified and prioritized when information is kept in data silos.

Any analysis done from silo to silo will yield limited insights based on the type of data that is housed. Therefore, any insights revealing issues will only represent issues for one type of customer or area of the business, not the higher order issues that affect the organization as a whole.



**EACH DATA SILO WILL
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OF THE BIG PICTURE.**

The Solution

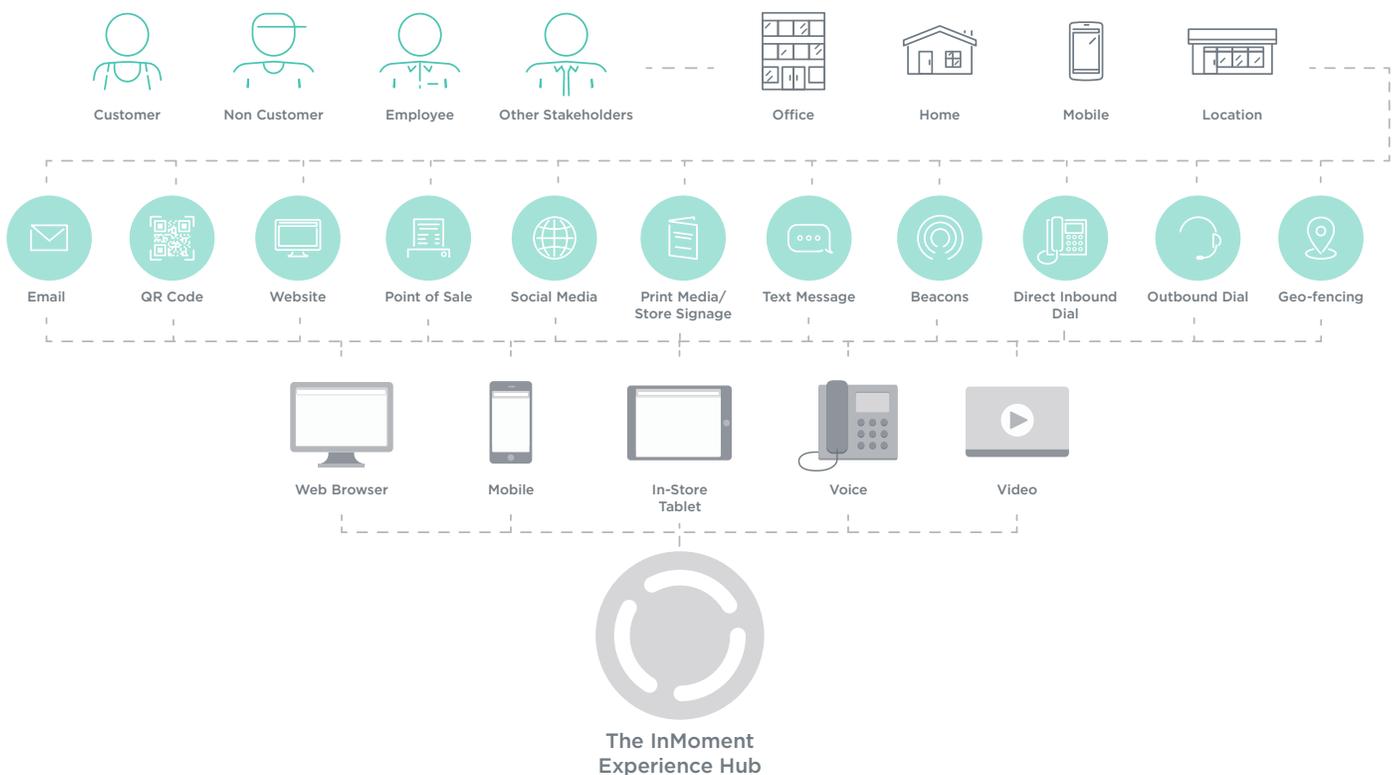
With so many potential issues, it makes sense for organizations to move away from multiple vendors and data silos to a simplified, efficient customer experience management platform. To make this transition to big-picture impact, you need a platform that is capable of compiling, analyzing, and sharing big-picture insights. Whatever platform you choose should have the following three basic functionalities.

Function 1: Data Compilation

The first function of a unified customer experience management platform is its ability to compile rich and relevant customer data in a single system. Many systems claim to be able to compile data, but they actually

require users to use multiple applications to actually access the different data sources.

The best technology will feature omni-channel collection, which allows you to listen to your customers via voice, SMS, email, social, video, text, POS, and website



surveys and intercepts. These platforms should also provide the ability to capture transactional surveys, relationship surveys, and post-call surveys.

The best customer experience management platform will not only have access to each of these data categories, but it will be able to compile each of these into a unified data pool without having to navigate the barriers typical of data silos. Consolidating the design of the surveys will also ensure the data is compatible for consistent visualization and analysis.

Function 2: Advanced Analytics

Once a unified platform has compiled customer data, it must then be able to apply advanced analytics to reveal actionable insights. Today's technology has the ability to not only leverage structured data, but also to leverage unstructured data.

With advanced analytics, your CX program is empowered to notify you of anomalies, help you recognize trends and patterns, resolve complaints, and get an overview of your organization.

A REAL WORLD CASE FOR UNIFICATION:

One InMoment client, a major player in the fast-casual food services industry, brought its data together under a unified platform with some exciting outcomes. Before InMoment, the company had no way to compile and analyze data from multiple vendors, and therefore no way to gain holistic insights. InMoment integrated the client's customer feedback data (from a vast range of channels) with its audit data in a location-level report. The compiled data was then run through prescriptive analytics that generated two improvement priorities for each location. After acting on these insights, the client saw a significant increase in all key metrics in just eight months, as well as a reported revenue growth of 3.8 percent across the brand in just one year.



Function 3: Reporting Capabilities

Once your data has been analyzed, a unified CX platform can then report insights on the end-to-end experience to get a better understanding of how the customer experiences your brand. A holistic view of customer data and dashboards that can visualize them is an irreplaceable component of a unified platform, as they give users an overview of relevant insights that can easily be shared in meetings or exported.

Note: The best CX platform can also be layered on top of existing CX software, allowing organizations to combine information from pre-existing data silos and maintain a multi-vendor data collection method. This overlay process is often useful in established enterprise businesses, and can be utilized in situations where data may be lost if a vendor is replaced or preferred.

The Benefits

With a unified customer experience management platform in place, your CX program can become frictionless and free of the issues that come along with using several systems. Here are some of the specific benefits to paring down the amount of CX apps and vendors your organization uses.

- **Streamlined/Efficient Process:** One of the greatest advantages to unifying your platform is removing the complications that come with navigating multiple systems. There are fewer hoops for your analysts to jump through as they can compile data from multiple channels more easily, freeing up time and resources for more strategic tasks.
- **Lower Operational Costs:** The efficiencies gained by supporting fewer vendors should equate to lower overall cost, mean-

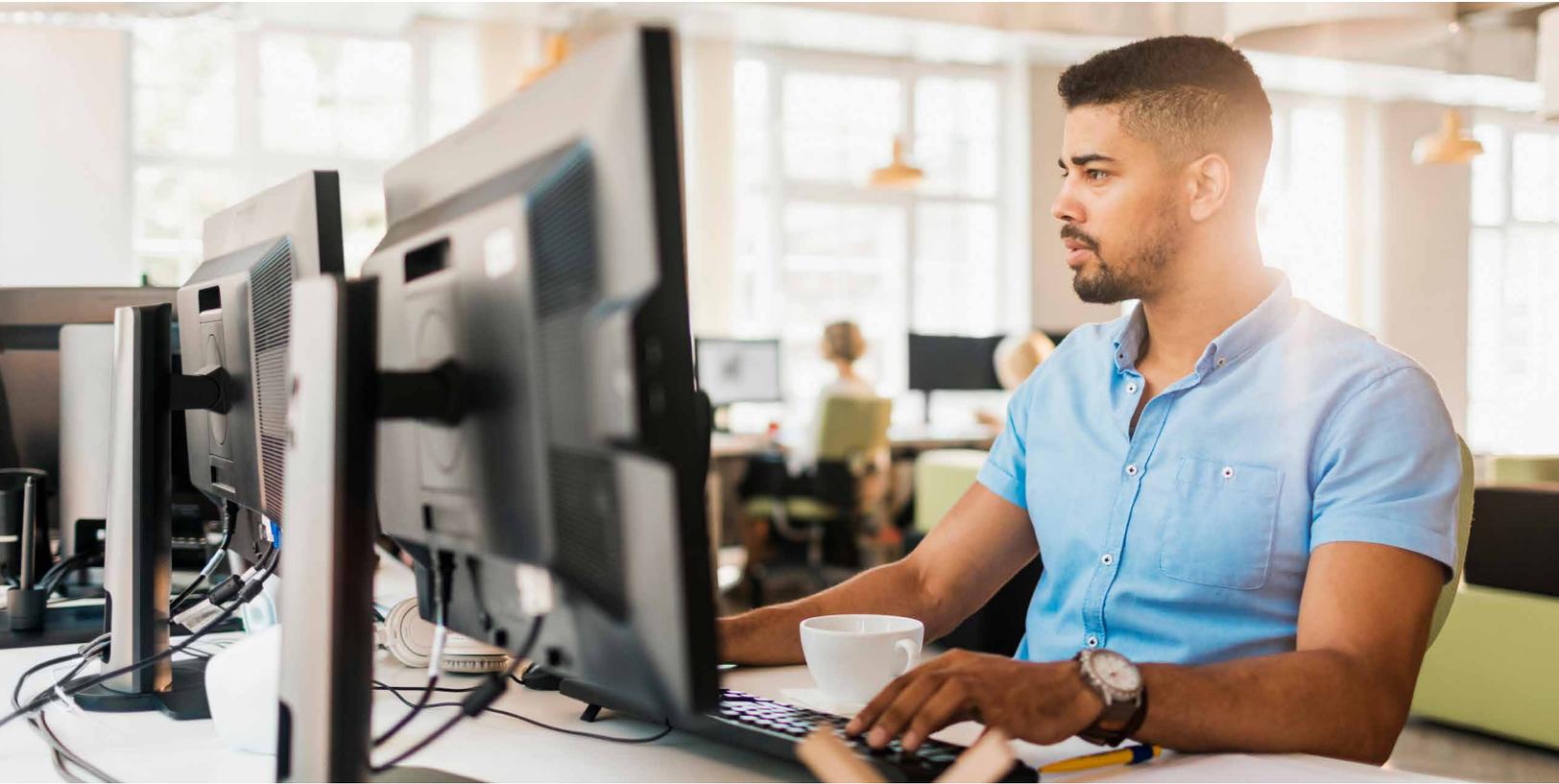
ing that you can allocate those funds into efforts to address your customers' needs and create real business impact.

- **A Program that Scales as You Grow:** Unified platforms can grow with your company, keeping you from having to make changes to your CX program and processes over and over.

The fragile processes used to stitch data together often break as surveys are updated or as systems change. A unified platform is built to easily make these changes and inherently keep those processes intact.

- **Holistic Insights:** A unified platform gives you an end-to-end picture of your customer experience right off the bat. With your customer data no longer in silos, the insights your analytics unearth are now relevant across all brand touch-points. With this data in hand, you can understand why your customers feel the way they do, take action to address the root causes of issues, and create brand loyalty on a daily basis.

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Conclusion

When you de-silo your CX data, the benefits far outweigh the risks. The streamlined process, lower operational costs, scalable program, and holistic insights all contribute to a more elevated perspective. In other words, it's hard to see outside your own functions from inside a data silo. If you want true value or ROI from your CX efforts, it is company-wide action that will drive real, impactful change.

About InMoment

InMoment™, the leader in customer experience (CX) intelligence, arms enterprises with compelling insights to fuel high-value action and relationships with both customers and employees. The company's industry-leading Customer Feedback Management platform leverages a proprietary, AI-based analytics engine to power a full suite of Voice of Customer (VoC), Voice of Employee (VoE) and Employee Experience technologies. InMoment provides innovative solutions and related support services to more than 350 leading brands across 95 countries. For more information, visit <http://www.inmoment.com/>.

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