

COMMERCE & EXPERIENCE MANAGEMENT (XM) -

Delivering unparalleled customer experiences that create lasting brand advocates, reduce costs and secure revenue streams

INTRODUCTION

Our current environment makes the need for delivering exceptional online experiences more important than ever. Customers are making fewer and more thought out purchases, creating an increased need to outshine your competition, retain your customers, stabilize and increase your revenue. The concept of customer experience isn't a new one, but now more than ever it should not only be embraced at the fullest capacity but amplified via a deployed Experience Management solution. Leverage XM with Commerce to reduce costs, increase revenue, improve resource efficiency and stay engaged with your customers.

MOVING INTO THE XM AGE

Historically, there's been misalignment between the experience organizations believe they deliver and what the customer's perception of the experience actually is. This is commonly known as the "experience gap."

A recent study illustrates there is always room for improvement in closing this gap. The study found that 73% of senior marketing executives indicated that customer centricity is critical to the success of the business and only 14% said that customer centricity is a hallmark of their company.¹



**CUSTOMER
EXPERIENCE GAP**



80% of firms believed they delivered a “superior experience” to their customers. When asking customers about their perceptions, they heard that only 8% of companies were really delivering a superior experience.²

If organizations want to see an improvement in closing the experience gap, implementing an XM practice is an excellent place to start. An XM solution allows organizations to identify a variety of sources that will influence or improve business outcomes and the overall customer experience.

¹ Marketers Struggle to Find Single Source of Customer Truth: Adapting to Ever-changing Needs Key to Customer Centricity | cmocouncil.org
² Closing the Delivery Gap | 2bain.com

FURTHER DEFINING XM

So what is XM, exactly? And how is it different from customer experience?

XM is the process of monitoring key interactions humans take when engaging with a company in order to identify opportunities for improvement. In practice, XM uses data to measure, improve and pivot on these interactions across four core experiences of business: employee, product, brand and customer experience. Customer experience is merely one tenant of XM.

Utilizing Experience data (X-data) and Operational data (O-data) provides leaders with a 360 degree view of their customers and employees. O-data provides you with information on what has happened, such as hard costs including sales and finance numbers. X-data provides information to understand the thoughts and emotions of people's experiences.³

Four Core Experiences of Business



WORDS CREATE A STORY - COMMERCE & XM CREATE AN UNPARALLELED EXPERIENCE

When considering commerce experiences, XM is a great tool for analysing and improving offline and online experiences. With future predictions showing decreases in Gross Domestic Product (GDP) and Personal Consumption Expenditures (PCE), one can anticipate customers will have a longer buying cycle and higher expectations for the commerce experience surrounding each purchase. Additionally, face-to-face purchases will become less prevalent which will add to the difficulty of identifying customer satisfaction during the process. Combined with findings that 32% of customers will walk away after one bad experience and 59% will walk away after several bad experiences,⁴ there is a clear need for XM.

³ What is Experience Management | qualtrics.com

⁴ Experience is everything. Get it right. | pwc.com

Commerce & XM will give organizations the X-data required to better understand the customer expectations during the purchase journey in order to implement changes that improve the experience and realize an increase in customer retention, increased revenue, customer loyalty and eventually customer advocacy.

IMPACT TO ORGANIZATIONS

A Commerce and XM solution is built to focus on reducing internal costs, driving more revenue, improving resource efficiency and optimizing customer engagement. Using a simple example such as an “abandoned cart” is an easy way to understand the impact of a XM driven Commerce experience. Placing actionable intercepts on an abandoned cart will deliver data on why the purchase was not completed. Cart abandonment intercepts can be nuanced by cart value, time post abandonment and continued engagement - all which lead to increased revenue and an optimized customer experience.

Benefits of a self-service focused Commerce XM Experience

REDUCE COSTS	Avoid unnecessary 1:1 customer service inquiries	Avoid unnecessary returns	
GENERATE MORE REVENUE	Highlight products for up-selling, cross-selling and related spare parts	Trigger based abandon cart opportunities: Offers, surveys and related products	Obtain product page data for further engagement
RESOURCE EFFICIENCY	Reduce 1:1 customer service inquiries	Free up sales team to focus on value selling and not issue resolution	Trained engineers focus on complex issues
CUSTOMER ENGAGEMENT	Leverage interaction data to improve experience at pivot touchpoints	Stay engaged with customers during pivotal times in Commerce	Deploy Net Promoter Score (NPS) surveys to retain and increase brand advocates

VALUE OF AN SAP COMMERCE & QUALTRICS XM IMPLEMENTATION

Qualtrics XM can positively impact your organization in a multitude of ways. Depending on your objective(s), it can be used to realize benefits across four key categories: experience, loyalty, sales & service and data & insights.

Experience

- Identify improvements with the biggest impact on the experience and organization's bottom line
- Improve overall customer experience rooted in real-time customer data
- Reset customer expectations

Sales & Service

- Provide self service options
- Prepare sales representatives for increased volumes

Loyalty

- Improve customer retention
- Resolve customer issues faster to reduce revenue attrition and increase loyalty
- Create brand and employee ambassadors
- Leverage employee data to increase retention
- Optimize training to develop employees and deliver tangible results in performance development

Data

- Establish a 360 degree view of customers
- Leaders have access to data to improve customer and employee experience
- Collection of X and O data for organizations to act upon
- Real-time data with triggered actions for optimum experiences
- Utilization of XM data for outside Commerce initiatives

SUMMARY

Gaining visibility into both X & O data will give your leaders a 360 degree view of your customers, allowing you to understand what customers expect and where improvements need to be made. Leveraging the self-service focused Commerce XM implementation will result in cost savings, increased revenue, resource efficiency and turn your customers into brand advocates all while delivering an unparalleled Commerce experience.