
ANNALES
UNIVERSITATIS MARIAE CURIE-SKŁODOWSKA
LUBLIN – POLONIA

VOL. LIII, 2

SECTIO H

2019

IEVGENII UGOLKOV

ievgenii.ugolkov@gmail.com

CMO, ZIKO Ltd., CEO, Waterland Trade House Ltd

ORCID ID: <https://orcid.org/0000-0002-2306-4061>

OLEH KARYY

oleh.i.karyi@lpnu.ua

Department of Management of Organizations, Lviv Polytechnic National University,

Stepan Bandera St, 12, Lviv, Ukraine

ORCID ID: <https://orcid.org/0000-0002-1305-3043>

*Supporting the customer journey with digital instruments
of marketing communications*

Keywords: customer journey; customer experience; customer journey map; content

JEL: M31; M12; M37

How to quote this paper: Ugolkov, I., & Karyy, O. (2019). Supporting the customer journey with digital instruments of marketing communications. *Annales Universitatis Mariae Curie-Skłodowska, sectio H – Oeconomia*, Vol. 53, No. 2.

Abstract

This article describes the possibilities of improving customer satisfaction from the company's involvement in every point of interaction *via* digital marketing communication instruments and the customer's journey map concept. To achieve this goal, the literature on the concept of customer travel was examined, the results from a two-year monitoring of two production companies were selected and the companies' online and offline marketing communication with clients was presented. The findings indicate that the customer experience should be simple and intuitive for the customer's perception. The customer experience is not limited to certain channels of interaction and is not one-time. Rather, it is the sum of the customer's feelings at every point of their interaction with the company that accumulates during the customer's journey. Managers must design and

create a customer's travel map in order to direct their customers to a correct purchase decision, according to the company. The customer journey map includes elements such as staff, instruments and content, each of which influences the final customer experience and together create synergies that give the company the opportunity to maximise customer satisfaction and increase its income. Effective management of the customer's journey map design must be supported by digital means, especially in marketing communication. The customer's journey map should be tailored to the specific industry and this opens up the need for further research in this field.

Introduction

With intense competition on the market, the ability to differentiate an enterprise from competitors is reduced, but one thing that is clearly memorised and difficult to copy is the experience of customer interaction (customer experience, CX) with a particular business. That is why companies try to improve their customers' experience through the creation of a series of points of interaction through which they guide them to purchases and ensure a further long-lasting business relationship. This task calls for good cooperation inside a company, especially in the field of marketing communications in all these points of interaction.

Literature review

According to Walker (*Customers 2020: A Progress Report*, 2013), the customer experience will have the same role as the price and quality of the product in the customer's purchase decision. Research by Gartner (Sorofman, 2014) shows that in 2016, 89% of enterprises competed with similar enterprises based on customer experience, compared with 36% in 2013. In terms of general trends in digital marketing, a customer experience efforts shift was significant in 2017. The data are shown in Figure 1.

McKinsey (2016) indicates that the purchase decision depends (70%) on how the company relates to the customer at the points of interaction. At the same time, scientists indicate that customers will not re-buy products from a company from whom they received a negative experience of interaction. The same statistics are shown by Glance (*Counting the Customer*, 2015, p. 3), suggesting that 91% of customers will not interact with an enterprise after their first negative experience. Practically the same result – 89% – is found in the RightNow *Customer Experience Impact Report* (2011, p. 6). This data reveals that the customer experience development should be considered not a desired activity but a mandatory one.

It is advisable to consider the impact of customer experience from the economic and financial perspective. Companies that focus on customer experience enjoy 4–8% higher profits (Bain, 2015). US statistics in 2016 show that the potential loss of the enterprises due to the poor quality of customer service can total approximately USD 1.6 trillion. According to the research of NewVoiceMedia (*The \$62 billion*

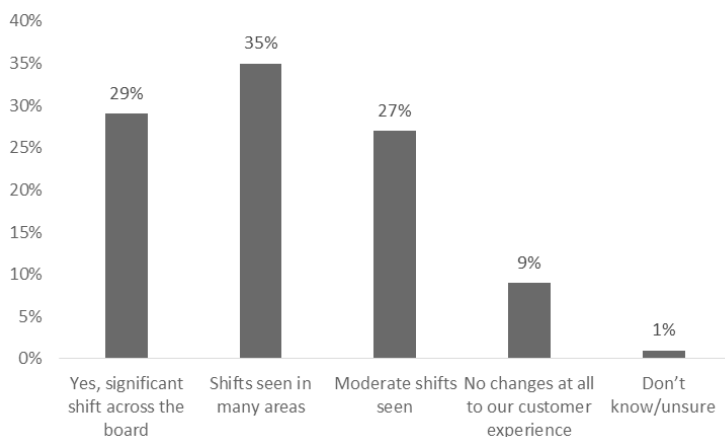


Figure 1. Shift of customer experience efforts in 2017

Source: (Savelli, 2017).

customer..., 2016), this amount was actually equal to USD 62 billion in 2015 and USD 41 billion in 2014.

The quality of customer interaction with a company is also explored by well-known analytical companies Nielsen and McKinsey (Benmark & Singer, 2012). In their studies, they indicate that 33% of customers are ready to recommend a company that will provide a quick, even ineffective response to their request. At the same time, statistics show that 95% of customers share their experience with each other. The research from 2012 indicates that customers are twice as likely to speak about the negative experience of interaction with an enterprise rather than a positive one (American Express, 2012). These data tell us that businesses that refuse to purposefully create their own customer experience will lose their reputation. Analysing the loss of customers due to low-quality customer service, Zendesk (*Why companies should invest...*, 2013) conducted a study that showed that 40% of customers are ready to buy goods from their competitors if their service is better. Despite the rapidly growing popularity of the concept of customer experience, 87% of customers believe that enterprises should make greater efforts to develop this advantage.

The research of Bain (2015) reveals that 80% of companies think that they already provide the best experience to their customers, but only 8% of their customers believe that these enterprises provide the best interaction experience. Such a misunderstanding leads to the loss of existing customers, which are 6–7 times cheaper for the company than attracting new customers. Today, one negative customer response is worth about 12 positive ones.

The problem of building customer experience has both organisational and technical aspects. According to Hagen (2011), only 31% of enterprises evaluate and reward their own staff for improving the quality of the CX. Data of LivePerson (Kang, 2013), regarding the development of customer experience, shows that 82% of customers

expect a quick response to their questions from the company. At the same time, by 2020, Gartner (2011) predicts that 85% of users will interact with businesses without people. At present, 45% of enterprises that provide customer self-service programmes online significantly reduce staff costs for incoming calls and e-mails. The research of McKinsey (2016) concludes that the answer time should not exceed five minutes.

In addition, 64% of users expect to receive an online response from the same consultant through any communication channel (*Why companies should invest...*, 2013, p. 13). The research of Accenture (2013) confirms this opinion, pointing out that 89% of customers are unhappy with the need to interact with many consultants. At the same time, switching from one channel of interaction with a consultant to another also causes complications for 61% of customers.

When exploring the concept of customer experience in marketing, it is worth mentioning that it involves both online interaction and offline interaction, which expands the activities of marketers in attracting customers to managing the customer journey at all stages of engagement with them. That is why the company must build its own organisational structure and business processes in such a way that they allow customers to effectively interact with many departments and provide a good experience of customer interaction. In this case, statistics partly confirm that companies often do not understand the differences between traditional points of interaction with the customer and the construction of systematic multichannel work with them, which is called the "customer journey".

Research methodology

This article seeks to describe the possibilities of improving customer satisfaction from engagement with a company in any point of interaction, as created by digital instruments of marketing communications and the concept of the customer journey map. In order to achieve this goal, we investigate the literature on the concept of customer journey and present chosen outcomes resulting from two years of monitoring two production enterprises and their online and offline marketing communications with customers.

Results

The conclusions of consulting company McKinsey (2016) are that maximising customer satisfaction from engagement with the company should be guaranteed through the thoughtful journey of the customer, which, according to McKinsey's research, will reduce the cost of customer service by 20%. It is notable that 86% of marketing managers point to the need for building a customer experience through the customer journey.

Researchers such as Brinker and Heller (2018, p. 6) and Satell (2015) have developed the concept of the so-called customer journey in the company. If we summarise their interpretation, then the customer's journey is understood as the client interaction with the enterprise at all possible stages and the obtaining of a synergistic effect on the customer which leads to a positive final purchase decision and further cooperation with the enterprise.

The key elements of an effective customer journey should be considered (Satell, 2015):

- providing the best content;
- choosing the right marketing tools;
- the introduction of management processes and control over their implementation.

Maynes and Rawson (2016, p.12), under the term “customer journey”, outline the number of interactions pre-built by the enterprise for each segment of customers, considering their needs, desires, behaviour, preferred interaction technologies and other factors. Their research indicates that customer journey and its development is much more effective than the traditional point of interactions.

Points of interactions can be presented by products, advertising and Internet resources, i.e. everything that a potential customer can interact with. Simulating a customer's journey process much faster enables priority journeys for customers to be identified. Enhancing the interactions to provide an impeccable customer journey is often one of the most effective ways to create the best customer experience.

The customer journey is always multichannel. Fifteen years ago, the typical customer used on average two channels of interaction with the enterprise, while today the average is six channels, with more than 50% of customers using at least four channels (Chahal, 2016).

According to the data of analytical online service eMarketer (Kats, 2018), shown in Figure 2, 31.9% of customers prefer phone calls, 29.1% – e-mails, 30.7% – online chat, 6% use the information from the company website and only 1.3% use social media.

According to Salesforce (Beerman, 2017), 75% of customers expect the same quality experience of interacting with the company through any interaction channel (Internet resource, social networks, mobile phone, or personally in the office). According to PwC (*Multichannel cuts further...*, 2016), the trend of multichannel interaction with the customer will only increase by 2020. Already, enterprises that use strong multi-channel interactions with their own customers hold 89% of regular customers, whereas other companies hold only 33%. The same research statistics show that effective multi-channel customer engagement allows 91% of regular customers to be maintained (Dreyer, 2014). Google research has shown that customers who use many interconnect channels work longer with one vendor than those who use only one channel. In their opinion, the use of many interconnected communication channels in the overall customer journey is possible through the creation of a customer journey map.

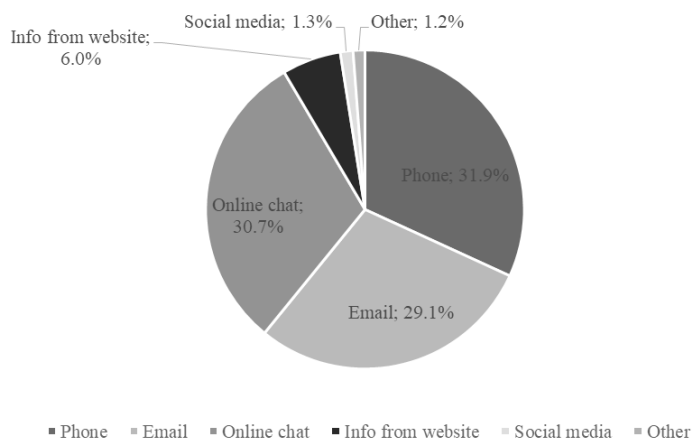


Figure 2. The channels of interaction that customers preferred in 2018

Source: (Kats, 2018).

The customer journey map is ideologically very simple. This diagram illustrates the steps that a potential customer will take when interacting with the enterprise. The more points of interaction are on the journey map, the more difficult it becomes to create the map. The customer's journey map starts with the first interaction (for example, advertising) through meetings with the customer, calls, purchase, payment and ending, for example, with delivery.

Richardson (2010) believes that the customer journey map is based on the traditional sales funnel, which consists of elements such as awareness of need, research and purchase. He also suggests adding the fourth stage: the experience of using the purchased product. This phase has become particularly topical due to the development of technologies and the rapid exchange of ideas among the customers of the enterprise. As an example, the author makes it possible to see thousands of different product reviews by entering the word "unboxing" on YouTube. However, beyond the emotional factors behind customer behaviour, these videos contain a business component. A good experience from the use of the purchased product is a small form of theatrical production. This helps the customer to go through the first steps of using the product effortlessly and creates a positive impression about it.

When constructing a journey map for a customer, Richardson (2010) suggests considering four factors:

- actions: what customers do at each stage of the journey and how they move to the next stage;
- motivation: why customers are interested in moving onto the next stages, what emotions they are experiencing and what they are worried about;
- question: what are the uncertainties, doubts or other problems that prevent customers from moving on to the next stage;

- barriers: what structural, procedural, financial, managerial or other barriers are present in the process of moving to the next stage?

To identify the problematic aspects that adversely affect the customer journey, we suggest the use of focus groups and round tables to identify trends and deep structured individual surveys in order to fully understand the causes of the identified problems.

Often, the customer journey may turn out to be non-linear, as some customers can skip several steps and go straight to the purchase after first stage. There is no definite correct way to build a customer's journey. Much depends on the characteristics of the target audience, industry, product specifics, etc.

As already noted, enterprises separate the concept of the "customer journey" and several points of interaction with it. In the case of a customer's journey, it is a system of interaction with the customer by all departments, aiming for the rapid solution to his/her problem. In the case of individual point of interaction, departments do not solve the customer problem but only do their own task: engagement, sale, service, documentary and financial support, etc. That is why the priority is the development of an integrated system of interaction with the customer of the enterprise using modern Internet technologies.

Regarding the issue of the attitude of Ukrainian enterprises towards building the customer experience, it should be noted that many Ukrainian enterprises still operate without a separate marketing division that coordinates all interactions between the enterprise and the customer. This means that most of their interactions with customers are not coordinated with each other; they are more intuitive rather than structured. However, the liberalisation of the visa regime with the EU has led to a sharp increase in demand for a good experience by Ukrainian customers. After gaining a qualitatively new experience from interacting with foreign enterprises, Ukrainian customers are in no hurry to give their money to businesses that do not focus on improving their experience of interaction. Increasing competition and the gradual blurring of geographical barriers through e-commerce only contributes to this process, and although customer service quality gradually began to appear in the headlines of leading publications and marketing activities in late 2016 and 2017, most enterprises have not yet fully realised the sharp change in customer preferences for interactions. This trend is also evidenced by the lack of qualitative and thorough materials on building the customer experience in the scientific work of domestic marketers and economists.

On the basis of the literature review and a two-year analysis of the marketing activities of two companies that install water treatment systems (BWT Ukraine Ltd and ZIKO Company Ltd), we have attempted to build a typical map of the customer journey in the enterprise. It is not universal for any enterprise but can serve as the basis for further adaptation to the business model and business processes of a particular enterprise. A typical customer journey map is shown in Figure 3.

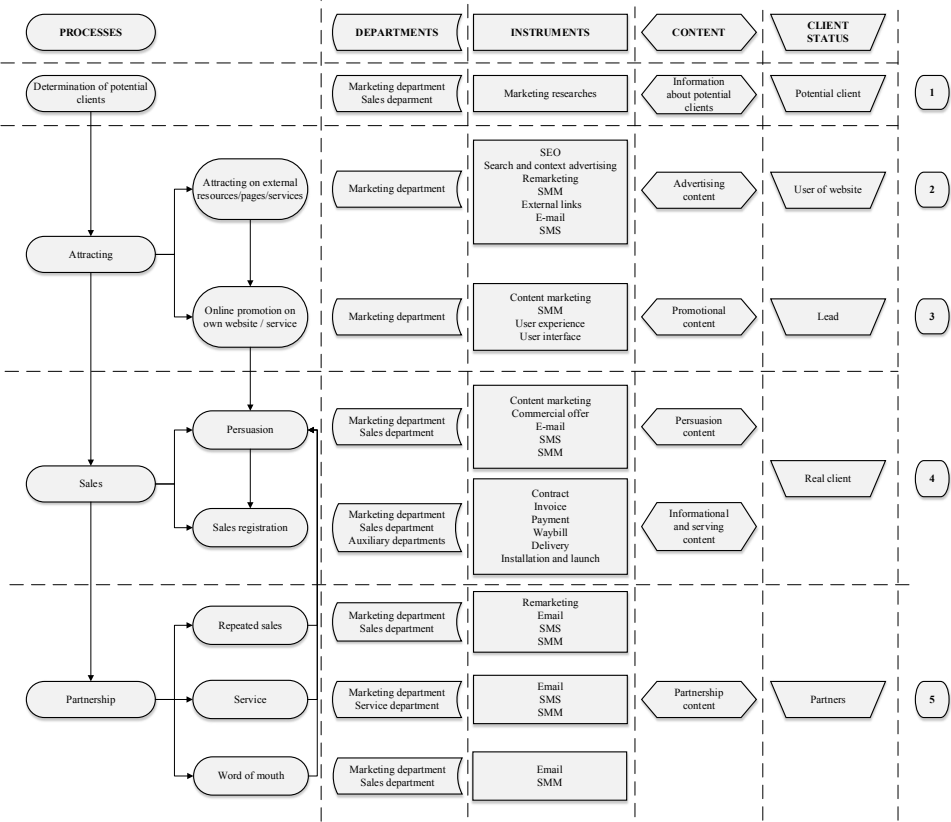


Figure 3. Customer journey map and usage of digital marketing communication instruments

Source: Authors' own study based on a summary of the literature review.

Commenting on the proposed typical customer journey map, we would like to underline the importance of content. Content is another important component of building and ensuring effective interactions during the customer journey. The concept of “content” in the activities of Internet marketers has been around for a long time. It means information created by employees of a particular enterprise personally or through the copyright of someone else’s information in accordance with the law. A customer, interacting with a company, constantly deals with all kinds of content submitted: through the Internet, by phone, during a meeting, etc. This is why the whole chain of interaction between the enterprise and the customer through the content must be built together and work synergistically. The concept of content is becoming increasingly important, and moving on from the traditional concept of writing information in blogs and forums. When confronted with the user’s expectations, we must not only provide information but also ensure its effective distribution at every stage of the user interaction. That is, if we indicate that the customer will

receive an excellent service, then this should be noted and executed at all stages of the interaction with him or her.

In terms of building a customer journey, it is worth noting the importance of the continuity of the processes and the effective interaction of the team. The fact is that the significant experience of customer interaction with the enterprise is formed only on the basis of the synergistic, directed and coordinated influence of all stages of interaction within it, since all of the listed instruments are used by different departments at different stages. We can even discuss the so-called continuity of the process of impact on the customer from his or her first to last interaction. It is important for the marketing department to develop the integrated management of all customer journeys. It is up to this department to develop high-quality content for each chosen interaction tool at each stage.

It is also necessary to mention the importance of a two-way flow of information between the enterprise and the customer. By implementing certain measures, the marketing department may be able to obtain the necessary feedback from the customer that will make it possible to adjust the marketing activities; these adjustments are important to improve the customer's experience of the journey.

It is also important to consider the choice of appropriate marketing communication instruments. Marketing communication instruments should automate processes, personalise interactions and coordinate the actions of the entire team. At the heart of this lies the idea of building a link between marketing activities and the user experience.

Conclusions

The customer experience should be simple and intuitive for customer perception. Customer experience is not limited to certain interaction channels and is not one-off. It is the sum of the customer's feelings at every point of their interaction with the company, which accumulates throughout the customer journey. Managers have to design and form a customer journey map to lead their customers to the right outcome from the perspective of the enterprise's purchasing decisions. The customer journey map includes such elements as staff, instruments and content, each of which has its own influence on the final customer experience, and together they create the synergy that gives the enterprise the opportunity to maximise customer satisfaction and increase its income as a result. The effective management of the customer journey map design must be supported with digital means, especially in marketing communications. The customer journey map should be adapted to the particular industry and this opens up the necessity for further research in this field.

References

- Accenture 2013 Global Consumer Pulse Survey Global & U.S. Key Findings*. (2013). Retrieved from https://www.accenture.com/t20150523T052453__w__/us-en/_acnmedia/Accenture/Conversion-Assets/DotCom/Documents/Global/PDF/Strategy_3/Accenture-Global-Consumer-Pulse-Research-Study-2013-Key-Findings.pdf [access: 10.11.2018].
- American Express. (2012). *Global Customer Service Barometer. Findings in the United States*. Retrieved from <https://www.scribd.com/doc/96408438/2012-Global-Customer-Service-Barometer-American-Express-JUN12> [access: 10.11.2018].
- Bain, B. (2015). *Are you experienced?* Retrieved from <http://www2.bain.com/infographics/five-disciplines> [access: 10.11.2018].
- Beerman, K. (2017). *14 Retail Customer Experience Stats That Just Might Blow Your Mind*. Retrieved from <https://www.salesforce.com/blog/2017/05/14-retail-customer-experience-stats.html> [access: 10.11.2018].
- Benmark, G., & Singer, D. (2012). *Turn Customer Care into "Social Care" to Break Away from the Competition*. Retrieved from <https://hbr.org/2012/12/turn-customer-care-into-social> [access: 10.11.2018].
- Brinker, S., & Heller, J. (2018). *Making the most of marketing technology to drive growth*. Retrieved from <https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/making-the-most-of-marketing-technology-to-drive-growth> [access: 10.11.2018].
- Chahal, M. (2016). *Why marketers are failing to target consumers at key life events*. Retrieved from <https://www.marketingweek.com/2016/03/04/why-marketers-are-failing-to-target-consumers-at-key-life-events> [access: 10.11.2018].
- Counting the Customer*. (2015). Retrieved from http://ww2.glance.net/wp-content/uploads/2015/07/Counting-the-customer_Glance_eBook-4.pdf [access: 10.11.2018].
- Customer Experience Impact Report*. (2011). Retrieved from <https://www.slideshare.net/Right-Now/2011-customer-experience-impact-report> [access: 10.11.2018].
- Customer experience: Creating value through transforming customer journeys*. (2016). Retrieved from <https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/customer-experience-creating-value-through-transforming-customer-journeys> [access: 10.11.2018].
- Customers 2020: A Progress Report*. Retrieved from <https://www.walkerinfo.com/knowledge-center/featured-research-reports/customers2020-1> [access: 10.11.2018].
- Dreyer, T. (2014). *Omni-Channel Service Doesn't Measure Up; Customers Are Tired of Playing Games* [infographic]. Retrieved from <https://blogs.aspect.com/infographic-omni-channel-service-doesnt-measure-up-customers-are-tired-of-playing-games> [access: 10.11.2018].
- Hagen, P. (2011). *Nine ways to reward employees to reinforce customer-centric behaviours*. Retrieved from https://go.forrester.com/blogs/12-05-11-9_ways_to_reward_employees_to_reinforce_customer_centric_behaviors [access: 10.11.2018].
- Kang, E. (2013). *The Ideal Online Experience: What It Takes for Consumers to Click, Not Abandon*. Retrieved from <https://www.liveperson.com/connected-customer/posts/ideal-online-experience-what-it-takes-consumers-click-not-abandon> [access: 10.11.2018].
- Kats, R. (2018). *For Customer Service, Many Prefer Phone and Email, Emarketer Retail*. Retrieved from <https://retail.emarketer.com/article/customer-service-many-prefer-phone-email/5aac181cebd4000ac0a8ac98> [access: 10.11.2018].
- Maynes, J., & Rawson, A. (2016). *Linking the customer experience to value*. Retrieved from <https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/linking-the-customer-experience-to-value> [access: 10.11.2018].
- Multichannel cuts further into terrestrial's lead, as audiences and platforms continue to shift and fragment*. (2016). Retrieved from <https://www.pwc.com/gx/en/entertainment-media/pdf/tv-advertising-outlook-article.pdf> [access: 10.11.2018].

- Report of Gartner Customer 360 Summit.* (2011). Retrieved from https://www.gartner.com/imagesrv/summits/docs/na/customer-360/C360_2011_brochure_FINAL.pdf [access: 10.11.2018].
- Richardson, A. (2010). *Using Customer Journey Maps to Improve Customer Experience*. Retrieved from <https://hbr.org/2010/11/using-customer-journey-maps-to> [access: 10.11.2018].
- Satell, G. (2015). *Marketers Need to Rethink the Customer Decision Journey*. Retrieved from <http://www.digitaltonto.com/2015/marketers-need-to-rethink-the-customerdecision-journey> [access: 10.11.2018].
- Savelli, N. (2017). *Top 10 Trends Shaping the Future of the Contact Center*. Retrieved from <https://fonolo.com/blog/2017/03/top-10-trends-shaping-the-future-of-the-contact-center-whitepaper/> [access: 10.11.2018].
- Sorofman, J. (2014). *Gartner Surveys Confirm Customer Experience Is the New Battlefield*. Retrieved from <https://blogs.gartner.com/jake-sorofman/gartner-surveys-confirm-customer-experience-new-battlefield> [access: 10.11.2018].
- The \$62 billion customer service scared away* [infographic]. (2016). Retrieved from <https://www.newvoice-media.com/blog/the-62-billion-customer-service-scared-away-infographic> [access: 10.11.2018].
- Why companies should invest in the customer experience.* (2013). Retrieved from <https://www.zendesk.com/resources/why-companies-should-invest-in-the-customer-experience> [access: 10.11.2018].