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TOP 5

CUSTOMER EXPERIENCE TRENDS FOR 2025

A WNS Perspective

When the pandemic compelled the majority of the world to retreat into their homes, a fundamental and permanent shift in the way people do business was set in motion. A WNS-Corinium Intelligence 2021 global survey¹ reveals that even as enterprises fast-tracked the adoption of digital, optimizing Customer Experience (CX) has emerged as the top transformation agenda for more than 50 percent of the respondents.

The creation of customer-centric and digital-first CX models will prove integral to ensuring loyalty and retention through to 2025. But once expectations about speed, convenience and personalization are met, new demands will require CX to go even further, as people seek experiences that progress their values and deliver personal transformation.

Here, we explore five CX trends that will change the way businesses function in 2025.



1 Data-rich Digital Doubles

As our lives become more digitally dependent, an explosion in consumer data will enable businesses to segment customers in increasingly niche ways, eradicating any remaining distance between brands and consumers. IDC forecasts that global data creation will increase at a Compound Annual Growth Rate (CAGR) of 23 percent from 2020 to 2025, representing more than twice the amount of data created since the advent of digital storage.²

As new technologies help in capturing and collecting data, organizations will be able to tap into new, previously underutilized data sources, while from social media listening through to weather analysis, external data will also become increasingly important to businesses.

As data — particularly unstructured data — continues to proliferate, leading companies will embrace Master Data Management (MDM)³ systems to authenticate and consolidate customer details, breaking down information silos and creating a single version of truth within an enterprise. To gain the full value from customer data and to ensure insights can be accessed seamlessly, businesses will implement self-service analytics⁴ and make high-quality data readily available to users across functions.

By 2025, these developments will enable the creation of data-rich digital twins of customers. Businesses will be able to harness these data doubles to confidently predict the efficacy of CX design on different customer personas, enable strategic decision-making and unlock growth.



2 EQ Avatars

As our digital and physical worlds blur, advances in conversational Artificial Intelligence (AI) will herald the creation of emotionally intelligent virtual customer assistants, fundamentally transforming CX in the process. Combined with the rise of AI virtual influencers such as Ling (created by a Chinese AI start-up), these assistants could even become the face of a business' customer service offering.

AI-powered virtual customer assistants are viewed by many as a transformative tool for CX – and it's easy to see why. A new proof-of-concept study led by researchers at the University of California San Diego School of Medicine, for instance, has demonstrated how speech-analyzing AI tools can effectively predict the level of loneliness in older adults. Meanwhile, a German AI start-up has created a virtual assistant that can read a customer's body language and gestures, using them to determine the sentiment behind a customer's speech and their emotional state.

By 2025, these emerging emotional capabilities will be enhanced as previously faceless AI assistants are given visual representation in the form of realistic digital avatars. Digital-only influencers are already proliferating, with Lil Miquela, created by marketing agency Brud, joining Ling as a famous avatar influencer. Businesses will soon harness similar digital personalities to make automated customer interactions feel even more human.

3 Prescriptive Hyper-personalization

Big data analytics will increasingly be deployed to understand the future rather than report on the past. In the world of CX, this means enabling the creation of hyper-personalized experiences that pre-empt and predict customer needs, and eventually proactively and prescriptively nudge customers toward certain actions that benefit causes close to their hearts.

While this has applications across diverse industries, travel is one sector where hyper-personalization will soon become a prerequisite of CX. According to one study,⁵ personalized experiences are now the most desirable luxury amenity for 82 percent of global travelers.

One American airline is already paving the way on this front, equipping flight attendants with

hand-held devices containing carefully selected customer information, such as whether a passenger is a frequent flyer or has a short connection. Attendants can harness this data to tailor in-flight experiences to each passenger.

By 2025, as hyper-personalization makes the shift from predictive to prescriptive, the travel industry could begin creating CX services predicated upon prioritizing and encouraging sustainable travel for certain demographics. One study shows that 76 percent of Gen Z travelers seek to use environmentally friendly modes of transport when on vacation.⁶ In doing so, loyalty will be enhanced as customers come to rely on the businesses facilitating experiences that they know match their values.

4 Radical Transparency

'Anytime, anywhere' service is fast becoming an expectation across all consumer touchpoints. But by 2025, 'any-time, anywhere' will be joined by 'anything', as increasingly savvy consumers demand total transparency from businesses about their products, services or practices.

At present, digitally integrated CX service models that bring together human agents and conversational AI⁷ meet consumer demand for access to services. In future, such models will meet consumer demand for information too, driven by growing concerns about ethical sourcing, environmental impact, digital security and product safety.

A leading global packaging manufacturer is already offering one solution; employing Radio-frequency Identification (RFID) and blockchain synchronization to create digital 'birth certificates' for materials, enabling customers to trace the movements and origins of products across the entire supply chain.

Seamless access to this kind of information can help customers understand the back story of a product, assure them of its authenticity and enable them to develop relationships with businesses based on trust. Organizations should consider the most impactful way to disseminate this kind of information and integrate it directly into next-generation CX models.



5 Edifying Experiences

Powered by increasingly powerful and accessible digital solutions, the rise of improved touchpoint experiences has heightened consumer expectations across all industries. In the next five years, as demands around convenience, speed and efficiency are met, customers will expect experiences that offer them personal transformation, as the experience economy evolves into the transformation economy.

This means that businesses will need to deliver an emotional experience that enhances the lives of customers, supporting them on their journey to become better individuals. Fusing CX with a sense of purpose and showing customers what a business stands for is one way of achieving this. One American retailer, for example, has launched a feature on its mobile application that enables customers to donate cash rewards directly to local non-profit organizations in their community.

By offering these experiences, CX can become the vanguard of Corporate Social Responsibility (CSR) within an enterprise. In this future, purpose will become a differentiator for businesses among consumers who already expect premium experiences, enabling companies to communicate how they are improving the lives of individual customers and society as a whole.

COVID-19 has accelerated digital transformation and helped businesses realize the future of CX in shorter time frames. But as CX capabilities rise, so too will customer expectations. Businesses must prepare for 2025 by squeezing new value from customer data, predicting customer needs, offering transparency, harnessing emotional technology and offering personal transformation.

(This article was created in collaboration with The Future Laboratory)

Know more about WNS' CX solutions

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