

Digital technologies have disrupted the customer's traditionally linear path to purchase. Excellence in customer experience remains the best bet for businesses to influence their customers and navigate them through the complex maze of interactions and touch points.

70% of buying decisions are based on customer experience.1

















Smart Stores

TREND 1

HOME



Brick and Mortar Strikes Back

In the age of expanding digital commerce, successful retailers may blur the lines between online and physical stores to deliver an omnichannel experience that influences and serves the consumer, independent of the channel.

TREND 2

Smart brick-and-mortar stores will activate rich experiences to complement the strengths of their online channels (e.g., price comparison, product reviews, etc.) as well as offer unique in-store experiences that cannot be offered by online channels (such as trials and demos and in-store pickup).



Walking through the doors is just like walking into our website.²

Angela Ahrendts(former Burberry CEO)

TRADITIONAL BRICK AND MORTAR

94% of retail sales3

Trials and demo

Instant gratification



DIGITAL COMMERCE

6% of retail sales3

Price/information transparency

Personalized

Community and reviews



SMART BRICK AND MORTAR

Trials and demo

Instant gratification

Price/information transparency

Personalized

Community and reviews

Digital Needs Brick and Mortar, and Vice-Versa

Digital native retailers are embracing brick and mortar, while brick and mortars are going digital as they scale down traditional stores.

Brick and Mortar		
	WALMART	WALMART TARGET
	Incentives for ordering online and store pickup ⁷	ordering online and store navigation and finding products ⁸
\$3 trillion of the \$3.5 trillion in retail sales 8600+		8600+ U.S. brick-and-mortar to close in 2017 ¹⁰ – Cr



Unique Customer Experiences Already in Play



AMAZON GO

No payment counters



BURBERRY
Check out from store couch.



TESCO KOREAShop at metro stations on digital aisles. Delivery by evening.

Make Your Stores Smarter

DEFINE

Focus on overall customer experience and not just on physical store.

Assign objective to brick and mortar—e.g., product showcase, support.



IMPLEMENT

Refine customer journeys to include timely in-store touch points.

Ensure seamless transitions between physical and digital interactions.



OPTIMIZE

Measure and analyze customer interactions.

Optimize based on learnings.

Cisco Powers Smart Stores from Experience to Operations

INCREASED CUSTOMER ENGAGEMENT AND PROFITABILITY

- Traffic-centric staffing
- · Handheld checkout
- Targeted ads

- · Virtual concierge
- · Store lighting sync

RELIABLE AND
OPTIMIZED STORE
OPERATIONS

- · Remote store Wi-Fi assurance
- · Application performance monitoring
- · Store layout optimization
- Secured customer data
- · Locally cached digital catalog

Discover Cisco retail solutions >



Personalizing for the Segment of One

Customers no longer want cookie-cutter products and experiences.

Thanks to evolving data technology and customer expectations, most industries are witnessing a major demand for individualized products and services, each curated based on every single person's needs and preferences.

77%
of digital natives
expect a personalized
digital experience.

VentureBeat

Hyperpersonalization Takes Center Stage



More connected than ever

25 billion

"things" connected to Internet by 2020¹²



Customers generate and share lots of personal data.

1.7 MB

of new information created every second for every human by 2020¹³



Advancements in technology

Vastly improved abilities to capture data, analyze it, and target customers in real time via innovative mediums

Unique Experiences Deliver Great Results



Individualized services
Greater customer loyalty



Proactive experiences
Faster completion of customer goals



Real-time adjustments

Increased customer satisfaction



Crowdsourced ideasFewer product failures



The More Personalized, the Better



WELLS FARGO
Personalized ATM
dashboard



MCDONALD'S ASIA
Create your own burger at kiosk.



BIRCHBOX
Hair gel that suits you

Fortify Your Data Strategy to Deliver Hyperpersonalized Experiences

CAPTURE



Identify data types (e.g., customer, transactional, social, etc.).

Capture required data from relevant sources and channels.

UNDERSTAND



DELIVER AND IMPROVE

Combine data from disparate sources to obtain 360-degree view of customer.

Acquire analytics and targeting technology.

Use data and insights to deliver personalized customer interactions.

Incorporate customer responses in future experiences, often in real time.

Cisco Products Enable End-to-End Personalization

TELEMETRY AND BIG DATA

- Embedded telemetry in the network provides breadth and depth of data—e.g., user, device, location, app.
- Cisco® Unified Computing System™ powers all data-intensive workloads on a centrally managed, highly scalable system.

CUSTOMER INSIGHTS AND ANALYTICS

- Cisco Connected Mobile Experiences (CMX) and Meraki[®] Location Analytics use network/Wi-Fi data to capture customer data such as location, time spent, in-store movement, etc.
- · Cisco SocialMiner® listens to customer conversations originating in the social web.

EXPERIENCE
DELIVERY PLATFORMS

- · Cisco Enterprise Mobility Services Platform (EMSP) quickly builds context-aware mobile experiences using drag-and-drop design tools.
- EMSP sends personalized notifications to visitors based on their real-time location.



Intelligent Assistants Add a Voice to Customer Interactions

Intelligent assistants (such as Amazon Alexa, Apple Siri, and Microsoft Cortana) will have the ability to engage in meaningful conversations that move consumer interactions forward.

At first, applications of intelligent assistants may be more prevalent in discovery- and search-related experiences. However, with enhancements to Al technology, as well as commercialization of Siri, Alexa, etc., intelligent assistants could participate in advanced interactions such as processing payments, obtaining real-time support, or mining through extensive data to respond to complex queries.

By 2020

the average person will have more conversations with bots than a spouse.¹⁴

- Gartner

Intelligent Assistants Are Ready for Mass Adoption



Conversation is golden

45%

of U.S. adults already use an intelligent agent.¹⁵



Ready for mass adoption

10 million

homes are projected to have devices such as Amazon Echo and Google Home by the end of 2017.¹⁴



Growing ecosystem

Amazon, Microsoft, Google, and Apple provide APIs off the shelf to add voice to your applications.

Ready for Prime Time



Discovery

Basic search functions, but not for complicated queries



Transactional

Repetitive transactions, but not for high-stakes transactions



Orders

Simple everyday orders, but not for complex, high-value orders



Support

Routine high-volume services, but not for confidential advice



Speak Up. Done.



DOMINO'S PIZZA"OK Google, order pizza."



ROYAL BANK OF SCOTLAND

"What is my account balance?"



MACY'S ON CALL
"Where are ladies' shoes?"

Give Voice to Your Customer Experience

LISTEN



DEVELOP



DELIVER AND IMPROVE

Assign objective (e.g., marketing, support).

Identify pilot use cases.

Decide: Build own versus partnership.

Set up infrastructure and data.

Deploy pilot use cases.

Optimize experiences and expand use.

Cisco Acquired MindMeld, a Deep-Domain Conversational Al Platform

Cisco plans to introduce intelligent assistants in product, marketing, and support.

CONTEXTUAL NATURAL LANGUAGE PROCESSING

- · Understands open-ended inputs
- E.g., "Get me two tacos. Extra spicy."

MULTIMODAL INPUT SUPPORT

- · Seamlessly blends voice, text, and touch inputs
- E.g., "Enter 'I need help' in chat box."

CONTINUOUS LEARNING

- · Captures preferences and learns new use cases over time
- E.g., "Get me my usual Tuesday lunch."



Human Interaction Remains Golden

Since human interaction remains critical in providing services, digital customer support will play a big role in maintaining that element while providing anywhere, anytime service. Digital support will see mass adoption of telepresence technologies, enabling support experts to virtually interact with customers wherever and whenever they choose.

Inclusion of virtual experts at critical touch points of the customer lifecycle can boost customer satisfaction and loyalty while reducing the risk of churn.

77%
of U.S. consumers prefer dealing with human beings for advice.

Accenture

Remote Experts: Humanizing Digital Support



For high-stakes and confidential interactions

84%

of consumers prefer working with live agents to resolve issues.¹⁷



For complex cognitive decisions

The power of the human brain brings 100 billion neurons and 1 trillion connections to the table.¹⁸



For servicedriven sales

\$1.6 trillion

is the estimated cost of customers switching due to poor service.¹⁶

Keeping It Personal



Remote experts
Essential for critical
high-stakes services



Luxury retailPersonal stylists



Financial services
Guidance from personal bankers



Healthcare
Virtual doctor visits





Remote Experts Are Already Reaping Rich Dividends



AMERICAN EXPRESS

Uses premium support for black-card customers; increased net promoter score by 38%¹⁹



KAISER PERMANENTE

Offers virtual doctor visits; experienced more virtual visits than in-person visits²⁰



METLIFE MEXICO

Has virtual support kiosk at select branches; experienced net promoter score of 100²¹

Turn Customer Service into Competitive Advantage

EVALUATE



Decide: Enrich existing services versus expand in scale, or both.



DEPLOY

Acquire remoteexpert technologies.

Train service reps on technology to deliver outcomes.



INTEGRATE

Weave remote expert services into high-priority customer journeys.

Optimize service journeys based on observed results.

Cisco Remote Expert

Get close to your customers like never before.

IMMERSIVE EXPERIENCE

Delivers a compelling customer experience with high-quality, collaborative audio and video

MULTICHANNEL DELIVERY

Identifies, locates, and connects customers with experts for instantaneous service, anytime, anywhere

VIRTUALIZED WORKFORCE Creates a virtual pool of experts that can be centrally located, dispersed at branches, or located at home

AUDIT TRAIL

Enables recording of interactions in support of regulatory/compliance requirements



Instant Fulfillment Becomes a Reality

With rising customer expectations, instant delivery may become table stakes for many industries. Retail stalwarts such as Amazon and Walmart have already invested in same-day deliveries and pickups.

Drones and driverless cars possess strong potential to disrupt the instant-delivery market, particularly for fulfilling orders in high-density areas. Ride-share companies such as Uber and Lyft may also play a pivotal role in bringing the shared economy to the fulfillment ecosystem.

\$87 billion

The cost of parcel delivery in 2015²²

- McKinsey & Company

Customers Demand Instant Fulfillment



Customer expectations

30%

of Millennials believe same-day shipping is important.²³



Willingness to pay

25%

of customers would pay for same-day delivery.²²



Technology advancements

Autonomous vehicles (AVs) could deliver

80% of all parcels in 10 years.²²

A Competitive Advantage



Expedited shipping

Amazon's same-day delivery covers 1000 U.S. cities.²⁴



Sharing economy

5 million downloads for UberEATS²⁵



Driverless cars

25% of all driven miles by 2030²⁶



Drone delivery

86% of Amazon packages weigh 5 lbs. or less.²⁷



Instant Fulfillment on the Rise While AV Initiatives in Pilot



AMAZON
Offers same-day de

Offers same-day delivery and is also testing drone delivery



WALMART

Incentivizes sameday pickup



WHOLE FOODS

Delivers groceries in one hour

Expedite Your Fulfillment

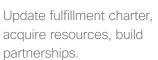
ACCESS



Business case—assess cost versus benefit.

Identify target markets and resources, partnerships.

DELIVER



Pilot in test markets.



SCALE AND LOOK AHEAD

Expand operations to other target markets.

Follow market trends, technology developments, regulations.



VR/AR Blend Digital with Physical

Virtual reality (VR) and augmented reality (AR) technologies will create engaging experiences by bridging physical worlds with the digital world. VR/AR will bring the customer closer to the product with engaging demos and trials and simplified order experiences—all in a "store-like" atmosphere.

100 million

consumers will shop in augmented reality by 2020.14

- Gartner

VR/AR Technology Enters Prime Time



Computing advancements

Oculus Rift is

1.3 million

times more powerful than early VRs from 1990s.²⁸



Camera phones everywhere

15 million

phone-based VR units in the United States by 2020²⁸



Democratized ecosystem

Google, Microsoft, Facebook (Oculus) sharing software development kits (SDKs) to enable VR/AR in mainstream applications

Turn Dreams to Reality



Utilize virtual showroomsSee stores in your living room.



Build virtual productsCustomer is at the center of design.



Shop using your camera Aim. Click. Buy.



Early Movers Are Investing in VR/AR



VOLVO
Browse cars from your couch.



LOWES

Design your virtual kitchen.



Use VR/AR to Energize Your Customer Journeys

EVALUATE



DEVELOP



INTEGRATE

Assess need and ROI.

Identify relevant use cases.

Choose technology based on need:

AR simplifies discovery and experiences.

VR provides fully immersive 3D visuals.

Embed VR/AR in overall customer journey.

Evolve based on need and technology advancements.



Every Transaction and User Experience Matters

Customer experience technologies can succeed only if they are complemented by high-performing applications. Application monitoring technologies trace critical business transactions end to end in ultra-complicated technology environments. They ensure consistent delivery of a superior application experience, which is extremely relevant to providing high-quality customer experiences.

1-second

delay in e-commerce transaction decreases customer satisfaction by 16%.²⁹

Kissmetrics

Application Experience: More Relevant Than Ever



Flawless experience

Poor experience = abandoned carts

40% of customers abandon a website that takes more than 3 seconds to load.³⁰



IT and business inseparable

Poor IT = customers lost

Subpar support, negative customer reviews



Agility without failure

Poor IT agility = market share loss

Agility paramount in today's highly complex application environment

Application Experience Is Table Stakes in Application Economy



Trace end-to-end transactions for troubleshooting
Faster diagnosis and fixes



Understand the user experience

Nonstop, high-quality experiences



Tie app performance to business performance

Greater revenues and improved customer satisfaction



Application Performance Monitoring Is a Must



ROYAL BANK OF SCOTLAND

Uses mobile app to effortlessly serve thousands at once; Paddington Station now the busiest branch³¹



EXPEDIA

Uses proactive troubleshooting to minimize business impact; experienced 25% improved transaction performance³²



Puts no brakes on customer and driver experience; gathers 20 million metrics per second³³

Application Monitoring Spans People, Processes, and Technology

STRATEGIZE



REORGANIZE



OPERATE

Prioritize applications (e.g., most used, market leading, most troublesome).

Acquire technology platform.

Deploy monitoring on pilot applications.

Define new operating model (e.g., process workflow, responsibilities).

Realign organization/team based on new model.

Monitor: Fix and optimize apps.

Scale monitoring to all applications.

Cisco AppDynamics®

Application performance monitoring for superior experience

MAP IQ

Code-level insights for every user, every transaction

BASELINE IQ

Automates baselines, anomaly detection, and alerting for every metric and at scale

DIAGNOSTIC IQ

Automates diagnostics to provide end-to-end visibility

BUSINESS IQ

A real-time feedback loop between application and business performance

Learn more about AppDynamics >

Recommended Content

TREND 1



Learn More

HOME

Partner with Cisco to transform your customer experience. Cisco customer experience solutions are specially curated packages of hardware, software, and services that deliver specific business outcomes. Our rich portfolio of solutions, backed by our service offerings and our global partner ecosystem, deliver a robust foundation for your digital transformation.

Let Cisco help you reimagine your customer experience and accelerate your journey toward digital transformation in your organization.

The Cisco Advantage

One-stop shop for all customer experience technology



ALIGNED WITH YOUR BUSINESS IMPERATIVES

TREND 2



VALIDATED TO WORK TOGETHER



SUPPORTED BY CISCO



SCALABLE AND SECURE



EXTENSIBLE BY DESIGN



UNMATCHED OFFERING IN THE MARKET

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