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Mobile Customer Engagement is an Investment Priority in 2017

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Summary

Issue/Analytical Summary

Enterprise mobility has become so entrenched within IT's standard set of business tools and processes that the debates about its value, which used to center on whether it made business sense to provide some or all employees with smartphones, tablets, mobile broadband-enabled laptops, or arm them with domestic or international voice and data plans, seem out of date. There are still specifics to figure out: what form of BYOD/CYOD or other method should be used to provide employees device choice; what level of password protection, encryption, or MDM needs to be in place to secure devices; which applications and databases should employees be able to access; should businesses buy or build their mobile apps; how can IT get visibility into the applications employees are using?

All these remain important decision points. But the questions CIOs need to look at are starting to change. New mobile enablers and technologies, such as: Mobile Centers of Excellence; AI and machine learning tools; the IoT; advanced mobile security services; use of bots and digital assistants; and use of AR and VR along with enterprise wearables are on the horizon. Perhaps more important is the use of mobile technology to enhance customer engagement and improve the customer experience. According to a GlobalData survey on mobility investments, this is of critical importance to mobility managers and suggests that they are not only looking inward, but are starting to look outwards and see mobile technology as pivotal in drawing and retaining customers.

Key Takeways

Enterprises are shifting from an inward focus on employee devices, data plans, and mobile device management, to a focus on how to use mobility to transform the customer experience.

The use of mobility to engage with customers is a top priority of mobility managers planning investments in transformative technologies, topping AR/VR, machine learning, wearables and API integration.

Mobile customer engagement is multi-faceted, and includes multi-channel strategies, mobile commerce and payments, personalization, big data analysis, ongoing customer interaction; and customer service elements.

Customer engagement also varies depending on whether the enterprise's end-customer is a consumer or another business, although many businesses are now adopting B2C techniques for B2B programs.

Perspective

Current perspective

According to a study conducted by GlobalData among 200 mobility decision-makers, the top corporate priority for their department among 66% of respondents is to expand the use of mobility to better engage customers. The transformation of the customer experience was also cited as the number one transformation project by 77% of respondents and is driving a significant change in their corporate strategy. This means that rather than looking internally at employees' use of mobile devices and applications, mobility has a new and just as important role in drawing, retaining and delighting customers. What kinds of initiatives are companies investing in to use mobility to transform the customer experience?

Mobile programs to transform the customer experience include advertising and promotional efforts to draw new customers as well as initiatives that keep existing customers engaged, interested and satisfied and therefore likely to renew services or buy more products. While these kinds of programs are used more often in B2C environments where the end-user is a consumer, they are now being adopted to draw and retain business customers and grow the scope of deployments as well.

Initiatives to Draw New Customers

Multi-Channel Engagement. Mobility has become a core enabler within a set of channels to reach prospective and current customers, update them with new product information and incentivize them to buy more products and services. Targeted mobile email, SMS, and mobile push notifications are now peers to face-to-face, retail, social, web, kiosk, virtual, and video interactions. Especially on the B2B side, where expectations are high, companies not only need to invest in programs to identify and satisfy their customers' needs, but may look to 3rd parties to develop multichannel engagement initiatives as part of their digital marketing programs.

Mobile Commerce, Payments and Loyalty Programs. m-commerce uses a mobile device to conduct financial transactions and exchange payments over the Internet and provides information to facilitate a transaction and/or create mobile marketing campaigns such as SMS promotions and loyalty programs. The mobile share of ecommerce has risen to about 40% of the total. For B2B, ecommerce customers not only place order directly from a mobile app or web portal, but often publish catalogs online, manage pricing, and track and fulfill sales orders.

Personalization. Mobile has become the most common way for a customer to research, select and pay for products. Consumers interact and engage with brands on their mobile device more than through any other online access method. Personalization allows targeted offers, coupons and advertising, via push email notifications or SMS, based on the customer's past usage, location, and purchases of related products. Rather than be perceived negatively, it is spurring adoption and purchasing activity. Analytic tools and even video sessions of how customers engage with mobile content are now available.

Big Data. Access to the right data underlies all of the targeted marketing, personalization and customer engagement efforts described above. Analytics on customer preferences and usage not only drive advertising revenues, but can be used to segment customers and allow for targeted marketing efforts. Companies such as Smart Insights collect the following kinds of data on behalf of businesses: time spent using mobile media, percentage of consumers using mobile devices; how many website visits are on mobile vs desktop devices; mobile conversion rates vs. desktop and visit share for Ecommerce sites; mobile app vs mobile site usage; How effective are mobile ads; what percentage of Google Searches are on mobile? This kind of information can in turn drive business decisions and engagement strategies.

Initiatives to Retain and Delight Existing Customers

Ongoing Customer Interaction. Personalization is not all about marketing and promotion before the sale. Ongoing customer interaction and satisfaction is also key. Customer experience strategies will mature from discounts and heavy marketing to identifying where there are gaps in the customer's experience and how to fill them. Companies can identify customers who have had poor experiences and proactively reach out to them to prevent churn. Another perspective from a recent CMO guide pointed out that mobile is most powerful when brands help business customers attain the outcomes they want when using the brand's products.

Mobile Customer Service. Self-service is increasingly available on mobile phones. Standard components for mobile self-service options include: FAQs, maintenance schedules, integration with social media apps: to enable "sharing and liking", trouble-ticket case management; news feeds, customer subscriptions, push notifications, request for assistance: via "Web Chat, Contact Us, and Call Me Back" features. Mobile chatbots are also an emerging trend for both sales and service. According to Mobile Marketing magazine, 69 per cent of UK consumers say they will choose to interact with a mobile or online chatbot before a human, because they want instant answers, with 21 per cent saying they would purchase goods and services from a chatbot.

B2B-Focused Mobile Engagement. Many of the same programs and initiatives to draw and retain consumer customers can be used for engaging with business customers. But the kinds of offers and information required by business customers may be quite different from the consumer. For example, business customers may be looking for product specifications and evaluations to help in RFP processes, such as input into proposal analysis and vendor recommendations. Targeted ongoing content delivery to help businesses with operations, including vertical-specific insights, are likely to help retain the interest of business customers.

Businesses are increasingly using mobile channels and customer engagement tools that have been used to sell, advertise, and promote to consumers. But B2B demands are different as businesses need to pay special attention to their customers' personalized needs, and they may need a content delivery plan to showcase the company's differentiators, a mobile commerce platform to transact sales and track orders, and a robust support operation.

Mobile engagement initiatives are not trivial. There are many 3rd parties that specialize in some or all aspects of mobile marketing/advertising, promotions and loyalty programs, brand management, facilitation of mobile transactions, and use of social media to encourage customers to engage with brands and buy their products and services.

Businesses need to consider mobile as an important channel to engage customers. However these initiatives should not be built in isolation, but integrated with other channels (e.g., social media, messaging, and contact center) to try and deliver the integrated customer experience. Most business engage customers across multiple channels, but are typically unable to handover an engagement without losing the session.

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