

EARLY WARNING SIGNALS

How Experience Signals Can Drive Your Business Forward

Medallia

Introduction

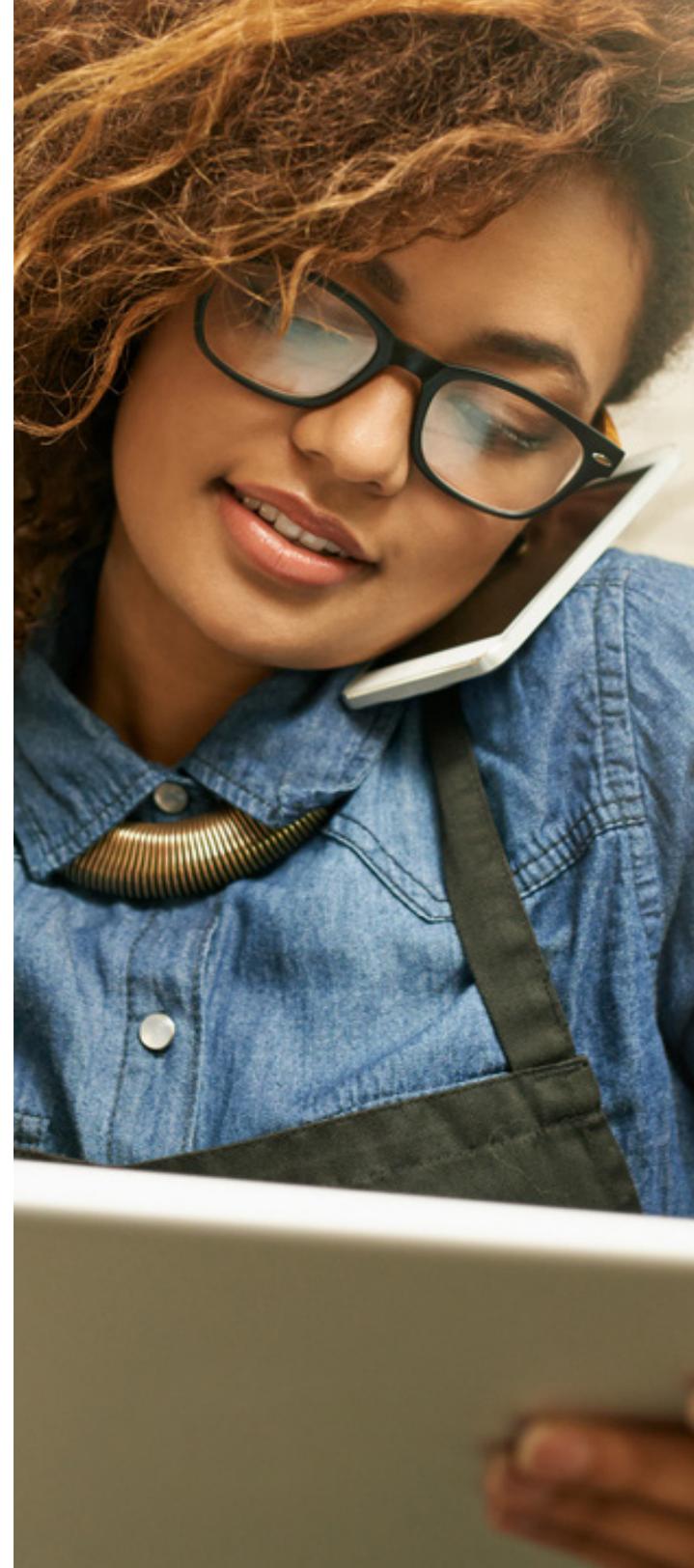
Surveys look at the past. Signals capture the present, and power the future.

Understanding customer needs and expectations has always been at the heart of customer experience. But for many companies, customer feedback has come primarily from surveys. While this may have been enough in the past, the global pandemic and the digital transformation seen across industries has altered the customer journey.

Surveys alone can't provide enough insights to help organizations stay ahead of changing consumer behavior and unpredictable market conditions. Omnichannel engagement combined with omnichannel signal collection is the only way to establish and truly understand the connection between customer behaviors, thoughts, intentions, and needs.

In today's digital-first world, companies must capture experience signals in real time across the entire customer journey, from both direct and indirect feedback, operational data and observed behavior. These insights can act as early warning signals that help organizations identify issues to resolve and opportunities to quickly adapt and innovate.

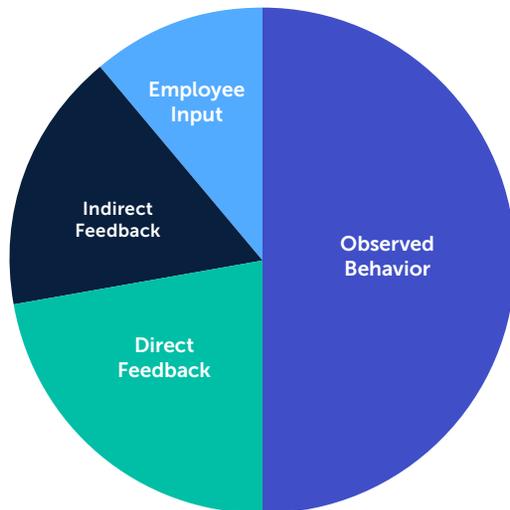
By listening to and learning from all the signals customers send, companies can not only improve experiences in the moment, but also learn how to stay in front of the customer and ahead of the competition. Done right, customer experience delivers tangible business impact — driving loyalty, reducing churn, and growing revenue.



What are experience signals?

Signals are customer experience data points that come from different systems, channels, in-house technology, and even third-party sources.

Signal types include digital clickstream data, e-commerce information, POS data, call center interactions, CRM data, service interactions, IoT data, HR data, sentiment captured from videos, sales and marketing tools, and yes, even survey data.



Seeing the Complete Picture

Capturing signals from a diverse range of inputs allows for a more comprehensive understanding of customer needs at any given moment in time.

Data Types

Structured data is made up of objective responses from a set of pre-determined inputs (i.e. surveys). Unstructured data is open-ended with feedback coming in many forms — such as call transcripts, messaging logs, website contact forms, social reviews, and more.



Indirect Feedback

What customers and employees are saying about you — in channels that aren't expressly designed to measure feedback.



Direct Feedback

How customers and employees share their opinion about you when directly solicited.



Operational Data

Data from various, specialized systems of record across an organization, consisting of transactional and operational interactions.



Observed Behavior

Data and events that reflect customer and employee actions or behaviors that are either observed or inferred.



Introduction

More signals means better customer views.

With customer expectations evolving and the urgent need for greater speed and agility, leaders are now looking to a broader, more diverse set of experience signals to truly understand how they're doing in the eyes of the customer. To see the whole picture and act swiftly, with confidence, it's critical for brands to have a complete and comprehensive view of customer needs.

Why aren't more companies using signals? For many organizations, timely and relevant experience signals are not leveraged because they exist in multiple, disparate systems, aren't structured into usable data sets, and are not connected to known identities. In fact, many signals are expressed in ways that are invisible to organizations because they occur in operational and third-party systems that are not connected with the customer experience data environment.



01 Put all customer data to work.

Combine experience, operational, and behavioral data across your systems of record and engagement to get the best insights. Customers are providing crucial signals each and every day in how they act and engage with your brand (or how they don't).

For example, data from records captured in a CRM platform can be combined with other operational and observed behavior to not only uncover new patterns but also predict risk of churn.

By using a diverse signal field, you'll have a more complete understanding of behaviors which leads to new insights and a deeper understanding of customer expectations.

+14

Companies that integrate feedback from four or more channels have Net Promoter Scores® (NPS) that are 14 points higher than those that only use one channel.

Medallia Research, 2018

02 Uncover customer needs in real time.

Using signals to better understand customer needs helps you expedite issue resolution. For example, incorporating signals such as chat and messaging allows you to resolve issues as they happen. In addition to immediate resolution, incorporating robust customer data and AI-powered analysis provides richer insights and learnings over time to improve customer experience programs.



70% of consumers report that they expect an immediate response when they submit a complaint.

Medallia Research, June 2018



Companies that use social media, online reviews, and other unsolicited feedback are 15 percentage points more likely to improve customer experience.

Medallia Research, June 2018

03 Engage customers whenever, wherever.

By engaging customers on their terms, you can increase willingness to provide direct feedback by offering the broadest set of options to do so. Observing customer behaviors can help identify channel preferences. By looking at more signals, you'll create more ways to listen, understand feedback, and identify issues and opportunities in the moment.



66% of consumers expect the ability to provide feedback on the channel they are currently using.

Medallia Customer Engagement Search, 2018



61% of consumers feel that the brands that should know them, simply don't — even lacking in the most basic areas of customer knowledge, such as purchase history and personal preferences.

Acquia, 2019

04 Understand everyone — not just responders.

Receive insights from all customers about how they feel about your brand, product, or services by gathering indirect customer feedback. Traditional customer experience programs primarily look at survey data and compile feedback based only on those who take the time to respond to the survey. While that feedback is important and valuable, it completely misses those (most likely the majority) who do not respond to the survey.



On average, only 18% of customers respond to surveys.

Medallia Benchmark, 2018

05 Discover new ideas faster.

There's a good chance your next big idea or product innovation will come from a customer — or even an employee. Your employees are on the frontlines, often engaging with your customers daily. The insights you get from both can provide early indicators into what's coming down the line that will affect your business, product, or service. By combining the insights from both, organizations can continually understand changing conditions and adapt to stay ahead.

Find ideas even faster by crowdsourcing them from both employees and customers. Using those employee ideas as additional signals brings a richer view of what your customers expect out of the experiences your organization is providing — and any shortcomings you may not even be aware of.

4.6x

Employees who feel their voice is heard are 4.6 times more likely to feel empowered to perform their best at work

Forbes, January 2019

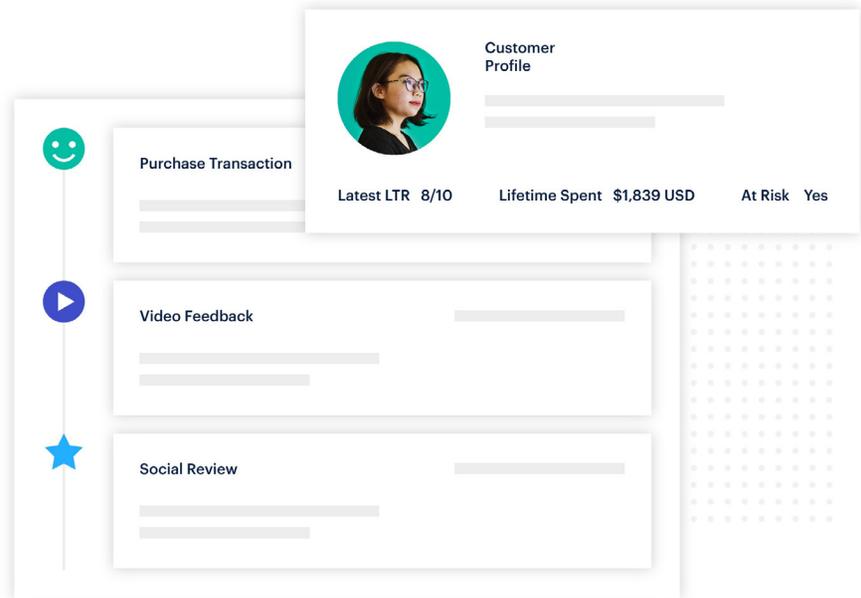


Getting Started

Identifying and capturing signals.

To ensure that the broadest selection of experience signals is identified and mapped into your customer experience solution, review the ecosystem to find ways to engage:

- Look at customer journeys and life cycles to uncover all engagement points.
- Map out your current customer signals, including social media.
- Determine signal opportunities sourced from products and digital systems data, IoT and API data from third-party systems, and external customer data.



An important concept to understand while collecting customer signals is that every functional team will use different data in various formats. This means that your platform should be capable of analyzing and presenting data in ways optimized for each customer experience stakeholder. AI and machine learning play an important role in analyzing large data sets and providing intelligent recommendations for action.

Once signal collection, analysis, and action recommendations become automated, an organization can focus on optimizing each unique customer experience. This is the key to getting ahead of the customer and creating surprise-and-delight experiences.

Getting Started

Choosing the right platform.

The most effective approach to customer experience requires the right mix of technology, processes, and people. Adopting a world-class, scalable platform to collect every signal is a good place to start. More than one thousand of the world's leading brands rely on Medallia to:

- Collect a wide range of signals from thousands of first- and third-party sources
- Analyze millions of customer journeys
- Make insights actionable using industry-leading AI and automation
- Deliver customer-centric experiences with speed and scale
- Stay ahead of changing consumer behavior and unpredictable market conditions

Contact Medallia today for a free Customer Experience Signals consultation.

About Medallia

Medallia is the pioneer and market leader in Experience Management. Medallia's award-winning SaaS platform, the Medallia Experience Cloud, leads the market in the understanding and management of experience for customers, employees and citizens. Medallia captures experience signals created on daily journeys in person, digital and IoT interactions and applies proprietary AI technology to reveal personalized and predictive insights that can drive action with tremendous business results. Using Medallia Experience Cloud, customers can reduce churn, turn detractors into promoters and buyers and create in-the-moment cross-sell and up-sell opportunities, providing clear and potent returns on investment. www.medallia.com

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