



## WHAT IS A DIGITAL-FIRST INITIATIVE?

Brands across the globe and within every industry recognize the connected nature of consumers and as such, have prioritized a digital-first initiative to meet consumers on the channels and devices they use most frequently. Brands that adopt a digital-first initiative put digital at the forefront of their customer experience. They implement strategies to teach and encourage customers to choose digital channels as the primary means of connecting and transacting with the business throughout the customer journey.

In this guide, we'll look at the consumer and industry trends driving a digital-first transformation. We'll discuss how marketers can use personalized communication through the most engaging digital medium – video – as the basis of a communication strategy that teaches consumers to adopt digital behavior at the point of every customer transaction.

# DRIVERS FOR THE DIGITAL EXPERIENCE

"It's the age of the **EMPOWERED** customer."

"Consumers are more connected than ever."

"Technology is evolving rapidly."

You've likely heard all of these statements before. Together, these trends all serve as a catalyst to improving the digital customer experience.

In response to today's inherently digital consumers, marketers are left to adapt to the new customer journey and determine the best way to engage with digitally empowered customers.

The customer journey today frequently begins through a digital channel, such as the company website or mobile app. Forrester Research predicts that by 2017, 60 percent of all retail transactions will involve an online interaction at some point along the customer journey.

If you want to keep pace with today's digital market, it's essential your brand digitizes the customer journey and creates a seamless digital experience across every touch point.

Says McKinsey,

"Digital channels no longer just represent "a cheaper way" to interact with customers; they are critical for executing promotions, stimulating sales, and increasing market share."

In tandem with digitizing the customer journey, brands must also continue to push customer adoption of the digital channels.

## TRANSACTIONAL ENGAGEMENTS ENABLE A DIGITAL-FIRST STRATEGY

Each customer transaction can trigger the delivery of a personalized message that's relevant to the customer and designed to teach and influence the customer to start with digital channels first when connecting with the brand. Using video as the communication vehicle helps the brand delight customers with a positive experience, as video captures a customer's attention and can visually and verbally convey messages in an easy-to-understand manner.

Delivering personalized videos requires you to leverage your 1st-party customer data. Using your available **customer data allows you to enhance your customer experience** and improve the way you interact with customers, as you can engage customers with stories that are personalized based on her interests, profile, transactional history and current behavior.

For brands that maintain a centralized data source, data can also provide full visibility into the preferences and behaviors of your customer base across every interaction they have with the brand - from transactions to browsing history to service calls. Only with an understanding of your customers' existing behavior can you understand how to effectively shift behavior to the desired actions.





Customer relationships frequently begin on digital channels, but brands need to then focus on increasing customer engagement in the digital realm throughout the rest of the customer relationship. For instance, this could mean generating awareness and use of a brand's digital offerings, such as a mobile app or autopay feature. How can brands influence consumer behavior so they choose digital channels before any others for shopping, service, account management and other transactions? Likewise, how does a brand influence customer behaviors to avoid costly non-digital actions, such as calling customer support?

The customer journey consists of many transactions, both digital and non-digital, and every transaction is another opportunity to reinforce digital behavior. The more you can communicate to the individual in a personally relevant way, with calls-to-action that resonate, the more effective you will be in driving the desired behavior shift to digital adoption. It's for this reason that personalized storytelling is so effective at shifting behavior.





### FOLLOWING EVERY TRANSACTION WITH A PERSONALIZED VIDEO STORY

Brands should follow up every transaction – both digital and non-digital – with a personalized video, the most captivating medium, that greets the customer by name, recaps the details and key elements of the transaction, and makes recommendations for how this transaction is most appropriately executed via a digital channel for the future. The video can also promote additional products or services, and close with calls-to-action for the next best action, which is recommended based on the customer's history and available data.

Let's look at some customer scenarios and associated use cases for how personalized video storytelling as a transactional engagement can support the digital-first strategy: (1)

A WIRELESS CARRIER can deliver a personalized video to new or existing customers after they purchase a new device either in-store or online. For many wireless carriers, the callin rate for these customers can exceed 100 percent within 60 days of receiving the device, with questions that could be avoided if customers leveraged digital support channels and resources.

With personalized videos, the wireless carrier teaches customers to use digital channels first, such as changing account information, managing shared data, paying a bill or adding a feature, all in an effort to reduce costly calls to the contact center. The personalized video greets the customer by name, recaps the details of the transaction, instructs customers on how to activate their new phone and transfer content between devices, and then points customers to an online how-to center to learn more about their new device.



A HOTEL OR RESORT can use personalized video to communicate with guests before they arrive for their stay. After a guest books his stay, either online or through an agent, the resort sends a video that recaps the trip package and encourages the guest to make any trip changes through an online portal. The video can also include a personalized message highlighting the resort amenities the guest is most likely to enjoy, and encourages him to download the mobile app or digital concierge service to use during his stay.



A BIG-BOX RETAILER can use personalized video ads to promote omnichannel initiatives and drive digital customer acquisition. For example, think of a consumer that browses the brand's site for a new appliance, but abandons the site before making the purchase. The brand can target that visitor with an ad that shows the product they browsed with the current pricing and an offer to buy online and pick up in-store with a map of the nearest retail location based on the consumer's IP address. Because personalized video ads are tailored to each individual shopper based on key data attributes, they are more effective at driving action.

These engaging stories hold the viewer's attention because they are personally relevant to each individual and based on a recent event that is unique to that individual. They proactively answer the most frequent customer service inquiries to avoid future calls related to the same subject, or explain the value in adopting digital channels to aid in changing the customer's future behaviors.

# A DIGITAL-FIRST ORGANIZATION REQUIRES CROSSFUNCTIONAL BUY IN

The ability to create a seamless digital experience at every touch point requires buy-in across the organization, from marketing and advertising to customer service and support. Communication at every customer interaction needs to be **informed by a single structure data repository supporting customer preferences**, **history and other contextual references**. Siloed department initiatives result only in a broken, segmented appearance to consumers.

Companies have taken different approaches assigning responsibility for the customer-facing digital strategy. Largely, it's the CMO and the marketing organization that's tasked with building a customer-centric brand, which encompasses the digital customer experience and the use of customer data for personalized experiences. Some companies have created new roles, such as the chief digital officer, chief experience officer and marketing technologist, to head up the digital transformation.

No matter the organizational structure, a digital-first strategy crosses functions and requires that the CIO and CMO functions align. Companies need to leverage customer data that's coming from many disparate sources, so the CIO and CMO must work together in order to gain access to the customer data that will help make educated decisions about a digital-first strategy. This alignment allows brands to realize the true value of a data-driven and digitalfirst approach to engage consumers through the channels they use most.

### CONCLUSION

Every customer interaction carries with it an inherent cost of handling the interaction and an opportunity to increase the value of the customer relationship. A digital-first strategy reinforces the use of digital tools and channels as the primary approach for future interactions, while also recommending changes that lift the value of each customer and improve the customer experience.

**Forrester Research reports** that while 74 percent of business executives say their company has a digital strategy, only 15 percent believe their company has the skills and capabilities to execute on that strategy.

#### It's time to put more focus on a strategy.

Companies that choose to prioritize a digital-first initiative and adapt to consumers' digital tendencies will gain a strong competitive advantage.

### **ABOUT SUNDAYSKY**

SundaySky is transforming the relationship between brand and customer through personalized video. Our platform, built on proprietary SmartVideo technology, combines the power of video with personalized storytelling at scale to foster long-term customer relationships. The SmartVideo Platform lets marketers communicate to an audience of one and easily create, manage and optimize real-time personalized video programs throughout the customer lifecycle. AT&T, Comcast, Allstate and other industry-leading brands partner with SundaySky to engage prospective and current customers, resulting in higher revenue, lower costs and deeper loyalty. SundaySky is headquartered in New York City with offices in Tel Aviv and Tokyo



