B!O

DIGITAL TRANSFORMATION: REBIRTH OF THE ORGANISATION

This white paper explores how B2C organisations are implementing digital transformation and their efforts to establish a customer experience focus that will position them for success.

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INTRODUCTION

DROP THE DIGITAL – THIS IS CUSTOMER EXPERIENCE TRANSFORMATION

Like a man in the middle of a hurricane who can't feel the wind, any organisation in 2017 that is not looking over its shoulder for the disruption coming up behind it and preparing to digitally transform, is going to get swept up and tossed aside sooner rather than later.

The third Industrial Revolution, better known as the **Digital Revolution**, is blowing hard, upsetting the status quo and driving change through the centre of the most stable of markets. But this is not just any old change, this is transformational change. The kind of change that used to come every 20 years or so and was termed a 'new S curve'.

The high speed of technological advancement is leading to massive customer behaviour change. This means that companies large and small are trying to transform themselves before the change transforms them out of their markets. The 'S' curves are coming thick and fast, and are no longer one-off events but a new business world order, making disruption a new state of mind.

Winners in this new status quo will be those with the ability to change, and keep on changing. There is no plateau for market leaders to rest on any longer, just a long road of continual transformation ahead.

A new kind of organisation is emerging – one that has micro-knowledge of its customer behaviours and can react to change instantly. One that is data-led and customer experience-driven, flexible and able to iterate continually to optimise its organisation, processes, technology and business models. One that knows that if it stands still it dies.

Executive Summary
This paper:

- Discusses how continual change is essential in a fast-moving landscape

- Reveals the customer experience (CX) revolution and its benefits for both customer and business

- Examines how B2C organisations are implementing digital transformation

- Gives examples of their efforts to establish a customer experience focus

- Considers physical and digital integration

- Addresses how to create an agile organisation

- Reveals how to build a CX vision and roadmap

- Includes exclusive interviews with executives driving digital transformation strategies

- Examines how they're helping position their organisations for success.

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A CONTINUAL JOURNEY OF CHANGE

Digital transformation requires overhauling processes, structures and systems to create an organisation focused on serving customer needs and delivering a best-in-class experience. Digitally-connected consumers are demanding services and products attuned to the way they now live their lives. Organisations that fail to meet their expectations will find that the disruptors coming up from behind start to erode their market share.

Successful organisations will listen to the marketplace, constantly innovate and bring their products or services to the market at speed using all the tools available. They are already looking at how they can tap into the latest developments in wearables, artificial intelligence, augmented and virtual reality, chatbots and online search to solve customer problems.

And disruption is not a one-off event for a company to weather. It is continual. For instance, app-only banks such as Atom and Monzo are shaking up financial services. But another wave of disruptors is already on the horizon. Clinc is a start-up and has developed a 'Siri for personal finances' that is driven by deep data, a neural network patterned on the human brain and a very sophisticated understanding of natural speech[1]. It will offer users visibility of their finances and personalised, useful advice in real-time.

Even disruptors can be caught out and fail to see where competition is going to emerge and undermine their business model. Amazon is moving in to food delivering services based on the 'sharing economy' model such as Deliveroo and Uber, with a proposition it believes will be a smoother experience[2].

To avoid the fate of companies like Kodak, which failed to see it was being sidelined by new technology and that its core offering had been rendered obsolete, organisations have to accept that change is a constant.

Companies need to develop a fluid mind-set that runs from top to bottom of the business and understand that their core proposition may well evolve away from the product or service upon which the business was built.

HOW CAN I HELP?

[1] http://uk.businessinsider.com/clinc-at-finovate-2016-9
[2] http://uk.businessinsider.com/amazon-restaurants-london-deliveroo-2016-9

Customer needs and trends change at an accelerating pace and organisations must follow suit. For instance, Nokia is now a long way from its roots as a paper mill and rubber goods supplier and Suzuki no longer makes weaving loom machines for the silk industry. More recently, Instagram started off as Burbn, a combination of a gaming and photo app, before the gaming features were stripped out – a successful pivot as Facebook paid $1 billion for the company in 2012.

Organisations must understand that transformation is a continual process and that the underpinning foundations of a business – the operations, technology and culture – need to be continually renewed. This will avoid wasting immense resources and investment in a one-off Herculean effort that may leave a company with new tech and a restructured organisation but with its fundamental DNA the same and still unable to respond to changing circumstances.

Rhona Bradshaw
Director of Digital
Virgin Media

"It wasn't that we literally stopped doing one thing and started doing another thing overnight. We had to start evolving how we thought about digital in terms of our practices and operating models and had to start to demonstrate its ability to influence sales and interactions with contact centres – we had to start living and breathing it.

We are recognising that our customers are changing their habits in media consumption and how they interact with brands. How they effectively expect their involvement with companies and services like ourselves to be is very different from how it previously was – and will be very different again in a few more years when millennials come of age."

— SECTION 03

DRIVEN BY A CX REVOLUTION

Consumer expectations are now sky-high and set by their online interactions. Increasingly they are putting value on their overall experience of a company based on every touchpoint and interaction.

- Consistency across all touchpoints, from call centre and counter to app and ecommerce platform
- Simple, intuitive interfaces and platforms that permit easy transactions and allow interaction
- An 'always on' attitude with round-the-clock support for customer problems

Key expectations of what makes a seamless, enjoyable customer experience include:

- Speedy delivery of the product or service
- A feedback mechanism whereby the consumer can make their voice heard - and have their problems solved
- Relevent and personalised solutions and recommendations.

Every time a consumer interacts with a brand their expectations need to be met, whether the interaction is a bag drop-off at an airline check-in desk or booking a restaurant table online. All these brand interactions add up to the overall CX.

James Hawkins
Director of
Programmes
NHS Digital

"Our challenge is to harness the power of information and technology to transform the health and care system so that patients can access it online with the convenience, security and confidence they experience daily when banking, shopping or travelling.

Whilst some areas of health and care are advanced in their use of digital and whilst we routinely use technology in the diagnosis and care of patients, many parts of the system are behind other sectors. We want to improve systems and processes and, more importantly, to improve the experience of our patients."

Gartner defines CX management as "the practice of designing and reacting to customer interactions to meet or exceed customer expectations and, thus, increase customer satisfaction, loyalty and advocacy."
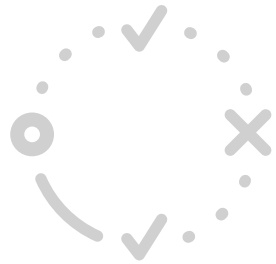
Companies that fail to deliver a superlative CX across all touchpoints risk losing customers, their product or service becoming commoditised and setting off on a downward spiral of price discounting. Research from Microsoft demonstrates the strength of feeling with 62% of global consumers saying they have stopped doing business with a brand due to a poor customer service experience[3].

The same poll showed 90% of respondents expect a brand to offer a self-service customer support portal – and 60% will have a more favourable view of a brand if the offering is mobile-responsive.

On the other hand, the transformation journey necessary to deliver a great CX will also deliver multiple benefits in regard to efficiencies and new product development.

For instance, replacing physical tickets with digitally delivered tickets for music festivals and gigs provides a fast, seamless experience for festival-goers.

Digitising tickets also delivers efficiencies on paper sourcing and printing, and presents opportunities for data collection that can feed into new product development.

Or take a fashion chain that introduces 'track and trace' technology into its supply chain at item level. It will be able to monitor stock levels on the retail shelves in real-time, and ensure that items are always available – finding an item is out-of-stock is a very disappointing experience for a potential customer. Other benefits to the business will include the ability to spot where losses are occurring in the supply chain due to theft, and the cost savings stemming from containers leaving distribution centres fully loaded.

Marketing departments are taking the lead in explaining the importance of CX internally and aligning operations around delivery. By 2017 89% of marketers expect CX to be their primary differentiator, according to Gartner.

Businesses that proactively embrace digital transformation across the three key pillars of technology, operations and culture will become customer-centric and in a position to deliver the CX that differentiates them from competitors.

62%

Of global consumers say they have stopped doing business with a brand due to a poor customer service experience

90%

Of people expect a brand to offer a self-service customer support portal

(3) Microsoft Global State of Multichannel Customer Service Report

"We have an ambition to be the best leisure airline and we have a programme to deliver that across every customer touchpoint – digital is integral to that and my digital roadmap is integral to the overall brand ambition. We are moving digital from a separate vertical as such to fully integrating it into our day-to-day business."

—— **Nick White** Digital Director at Thomas Cook Airlines

89%

Of marketers expect CX to be their primary differentiator in 2017, according to Gartner.

"A seamless, satisfying customer experience that breaks down the barriers between physical and digital is the holy grail. And behind the scenes, creating these experiences gives businesses the chance to identify efficiencies, improve processes for staff and find savings at scale."

—— **Peter Veash** CEO at The BIO Agency

— SECTION 04

INTEGRATION AT ALL COSTS

Businesses that have **face-to-face** contact with customers – whether at a high street shop, estate agent, bank branch or via cable-installation or door delivery teams – may be looking to rationalise their real estate portfolios, but digital transformation does not mean removing all physical touchpoints.
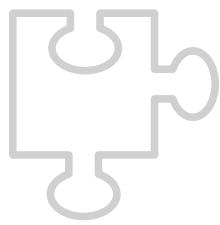
Digital transformation requires an organisation to integrate operations, processes and structures so its customers can access the goods and services they want via any channel in a seamless way. This approach means adopting the methodology of service design – a strategy that requires digitally overhauling both 'back-of-house' and 'front-of-house' operations, from logistics to customer care, and orchestrating all these interlocking elements to ensure the customer is immersed in a seamless 'service flow'.

Digital transformation will unlock customer data and the collation and analysis of that data will be essential to the integration of a brand's physical and digital presence. High quality data about preferences, intent and purchase history will help provide the element of personalisation customers now require, and stop products and services being seen as "cookie cutter" offerings.
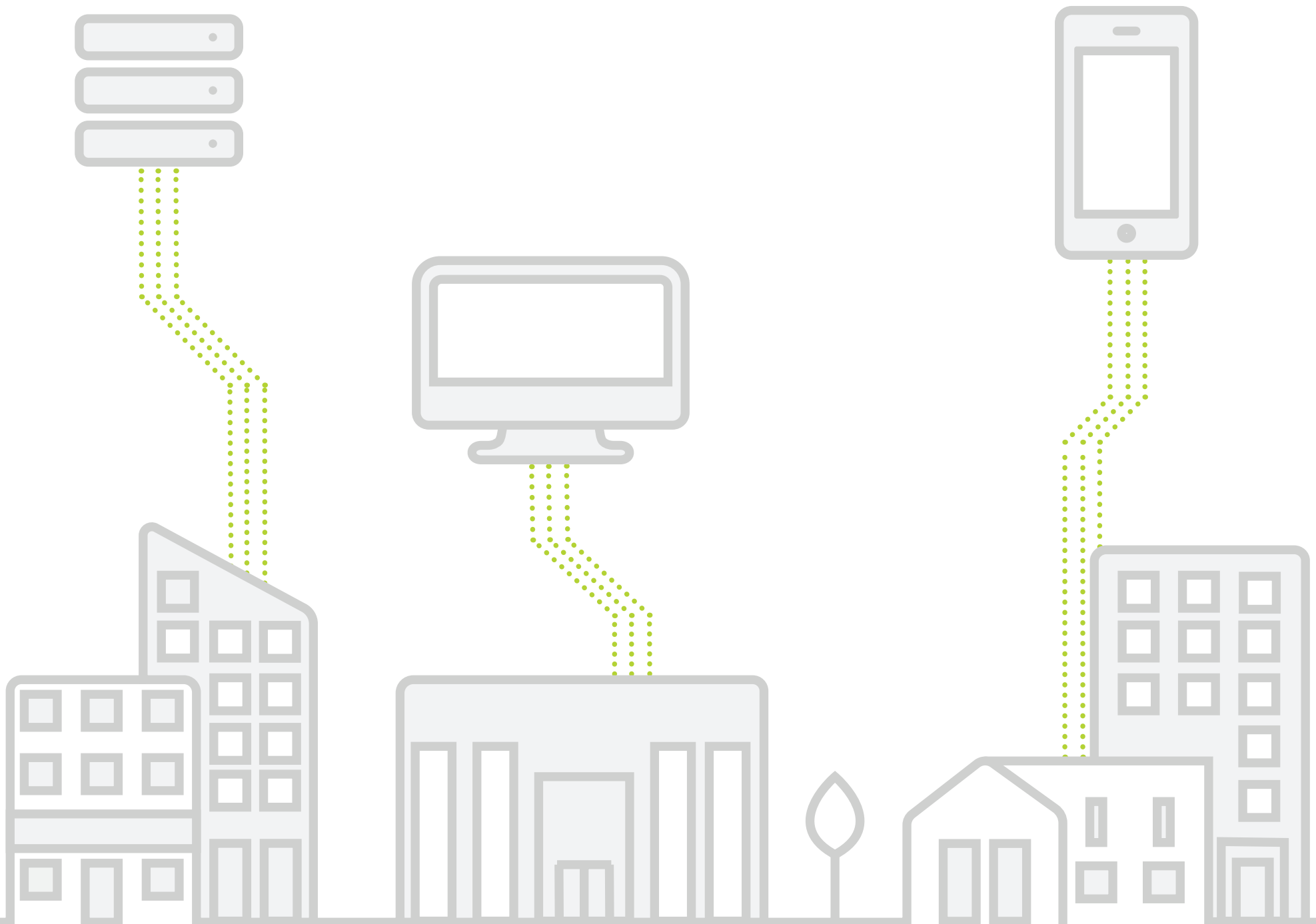
Rhona Bradshaw, Director of Digital at Virgin Media, makes the point that the optimal CX is different for everyone – one person might want an end-to-end customer journey where they do not speak to anyone, another might want a mix of offline/online and a third may wish no digital interaction at all. The great advantage for established companies is that they can give customers a wider choice of how to interact with the business.

Greyhound is a business rooted in the physical, with buses, ticket offices and drivers. However, its customers are now used to the ease and simplicity provided by digital experiences. Currently, even if customers buy the ticket online they are required to have a printed ticket that is handed to the driver. Chief Commercial Officer Andy Kaplinsky describes the process as "a complete mismatch with customer expectations."

Bus drivers collect all the paper passenger tickets and mail them into the company for revenue analysis – data collection and research is conducted in a very analogue fashion.

The bus company now plans to provide all drivers with iPhones and is developing an app so customers can present digital versions of their tickets on their mobile devices that can be scanned or swiped on-board. The technology will allow Greyhound to directly tie passenger lists into its Customer Relationship Management (CRM) system. The project will also deliver a host of associated benefits that will increase the company's competitiveness.

Transformation Journey towards a 360° view of customers

Value

Mobile Tagging & Tracking

Web Tagging & Tracking

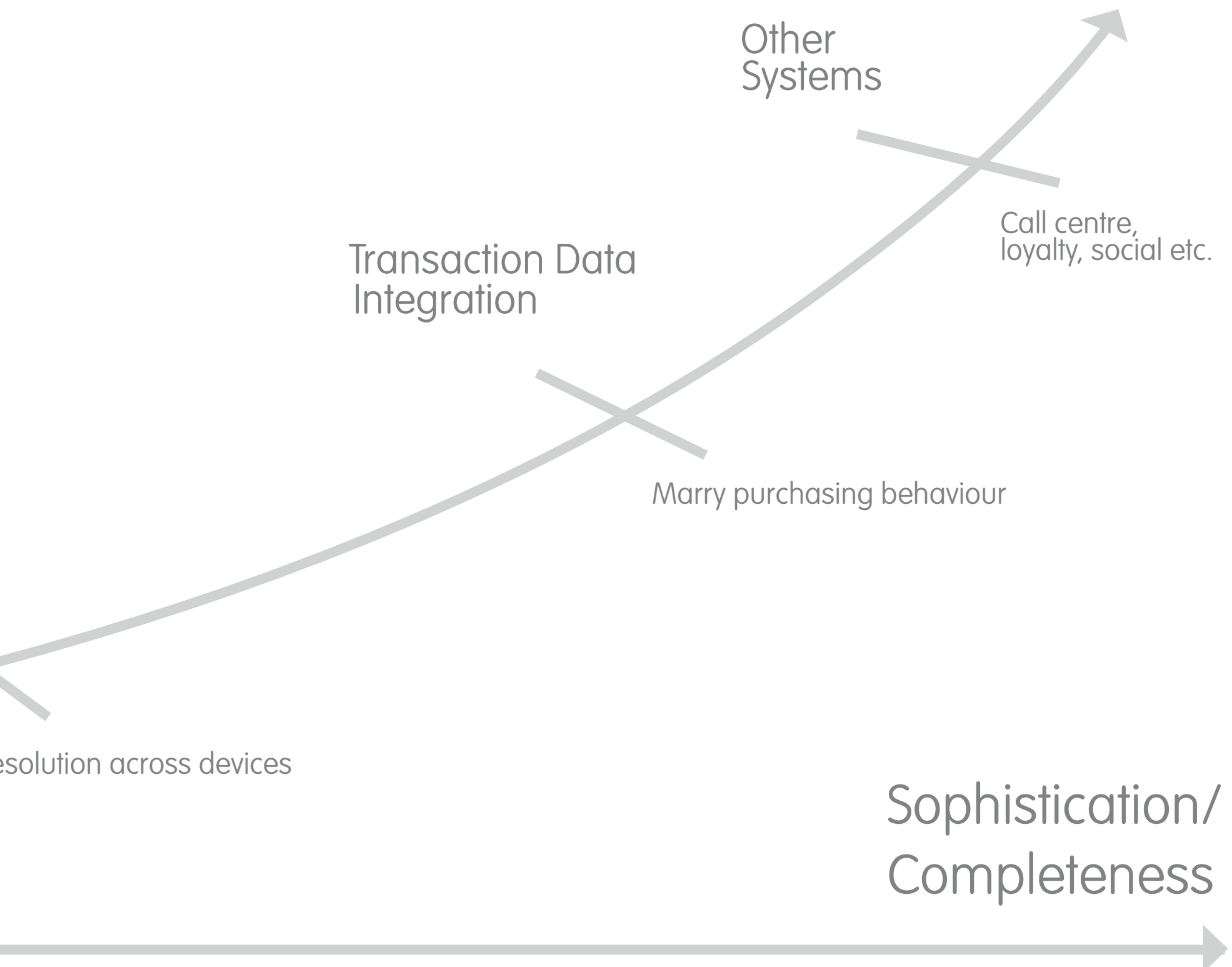Identity re

Anonymous & known visitors
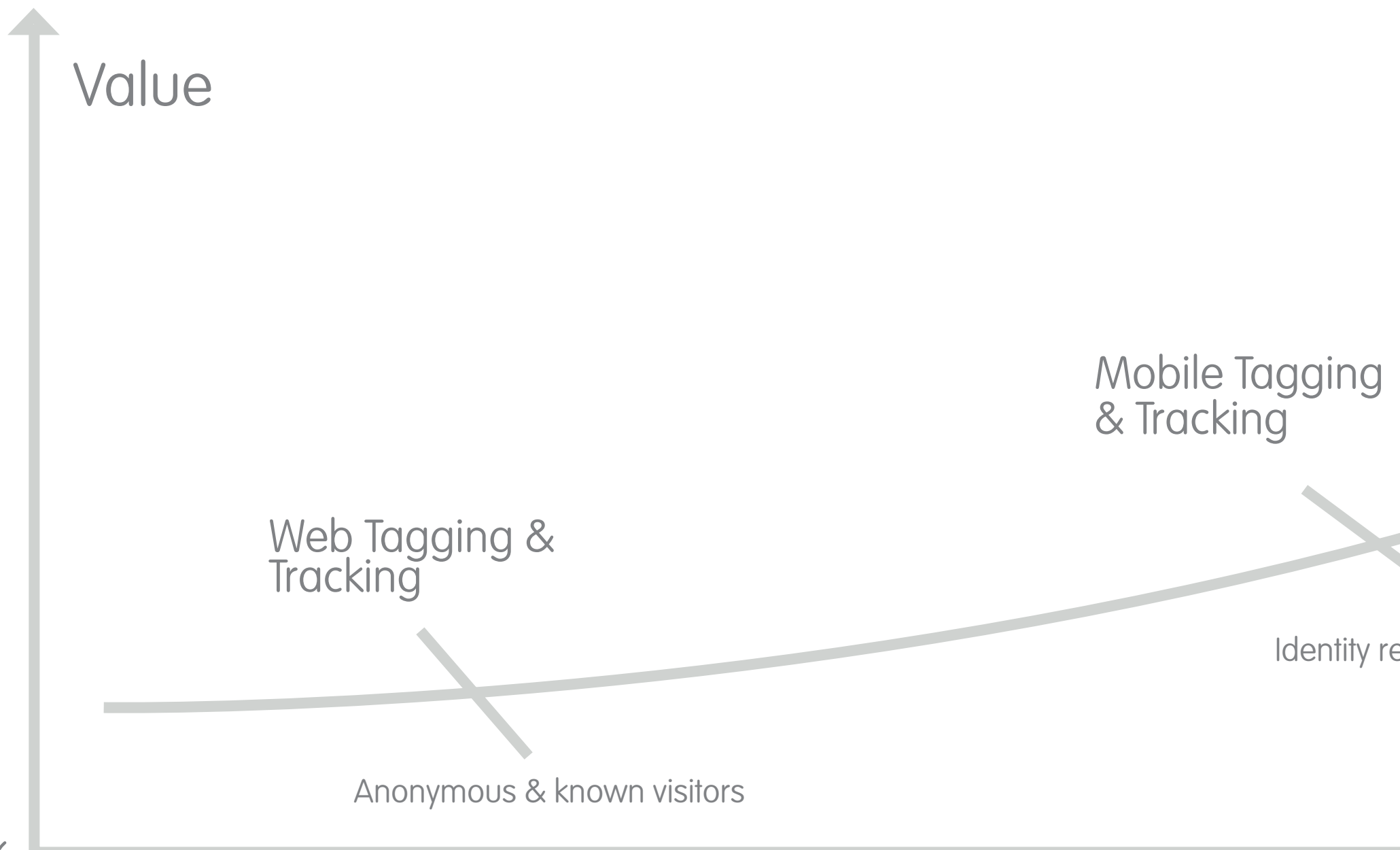
It will have more information on individual customers to aid personalisation, be able to gauge a customer's long-term value to the business and interact accordingly, and will have real-time inventory information to help it develop a better yield-management model for ticket pricing. Kaplinsky says: "We will have a much more seamless process for the customer and much more engaging tools for our drivers."

Likewise, Thomas Cook Airlines is focusing on using digital capabilities to improve the physical experience. Data and CRM systems allow the airline's cabin crew to offer a more personalised welcome, while on-board content can be developed to be more relevant to an individual.

A recent initiative is the Airshoppen online service that allows passengers to order and reserve duty-free products up to a month before their flight. When they embark they find their orders placed on their seats – providing that experience of ease and delight expected of modern companies, while the airline also enjoys a commercial benefit.

The NHS e-Referral Service is a flagship example from NHS Digital of physical and online integration to deliver an improved service. It combines electronic booking with a choice of place, date and time for first clinic or hospital appointments – delivering the dual benefit of removing an admin cost for the NHS and giving patients greater choice, convenience and flexibility over their physical interaction with health professionals.

Other
Systems

Call centre,
loyalty, social etc.

Transaction Data
Integration

Marry purchasing behaviour

esolution across devices

Sophistication/
Completeness

— SECTION 05

THE NEW AGILE ORGANISATION

The modern, digitised organisation needs to become agile, stay competitive and avoid disruption – it needs to listen. There must be constant monitoring of the market, competitors, customer trends and the latest advances in technology.

SECTION 05.1

CONSTANT
MONITORING

This needs more than lip service Companies have to stitch processes for efficient monitoring into their culture across all departments. Real-time feedback loops need to be set up so that frontline staff in call centres or at other touchpoints can report on problems that have surfaced with products and services, or changes in customer behaviour.

Feedback and data on customers and the marketplace needs to flow across the company quickly to reach the decision-makers. Speed to market is now a defining factor in the success of a company, and one of the key aims of digital transformation is to streamline processes and overhaul structures so companies become nimble and able to respond to changing conditions quickly.

"Previously, we had a cookie-cutter approach to the delivery of projects and the solutions to the way people wanted to interact with us. Now our agility has really evolved and we have been able to evolve what agile actually means to people. It's a much more fluid and organic way of delivery based on the idea of iteration and realising you don't have to have all the answers."

— **Rhona Bradshaw** Director of Digital at Virgin Media

Part of a digital transformation plan will involve locating where data caches are held, 'unlocking' them and integrating information on a single system. Blockages will be occurring in over-siloed companies and the release of dammed-up data is just one of the many arguments for stronger structural integration.

This process can be a huge challenge for international companies with regional databases operating incompatible systems.

Analysis of integrated data streams will provide the insights that underpin new product development and help companies identify new revenue opportunities and sectors for expansion.

Social media monitoring will also play a huge part in assessing if the company is achieving its aims. As part of a digitisation strategy, companies should build up capabilities in social media – the use of Facebook and Twitter for customer service is regarded as standard by younger demographics. Social media departments need to harvest data from customer feedback on specific problems but should also be monitoring general sentiment regarding their company and competitors.

■ SECTION 05.2

DYNAMIC
REACTING

Learning is an integral part of developing a nimble, dynamic company mind-set that can react to fast-moving marketplaces. Company culture can be invigorated and refreshed by engaging with two particular sources of intelligence – customers and tech-orientated start-ups – by way of co-creating and mentoring programmes.

Working much more closely with both consumers and start-ups is paying dividends for some companies. Technology has made it easier to involve consumers in the development of products and services – co-creation, crowdsourcing and deployment of user-generated content are all facilitated by digital platforms.

Staying close to start-ups and keeping up an open dialogue and relationship also helps a legacy business stay abreast of developments in digital technology and consumer behaviour. This is a strategy rapidly becoming the norm in sectors like Financial Services – for example, Lloyds Banking Group recently started a mentoring scheme for fintech start-ups to foster collaboration and partnerships.

To stay competitive, organisations have to create a culture that is open and receptive to new ideas. An ability to find partners, advisors and advocates who can keep a company connected to the latest customer trends and developments in technology is a vital part of the transformation process.

Open dialogue matrix

Excite

- Inspire the right conversations
- Drive excitement and engagement around innovation
- Share challenges and problems

Execute

- Rapid prototyping
- Leverage existing assets
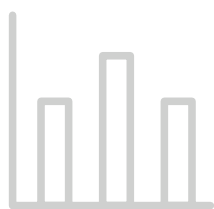- Showcase, feedback, buy-in and roll out
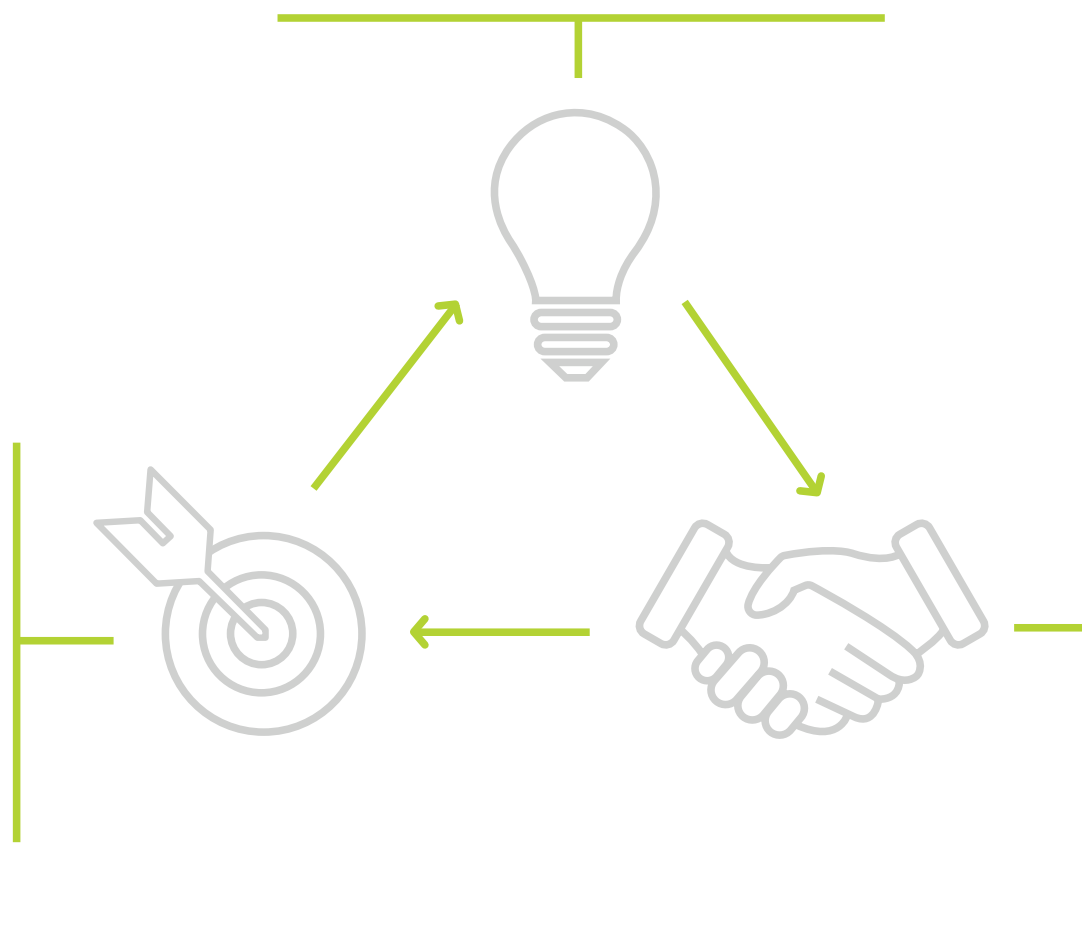
Engage

- Engage internal and external stakeholders to drive ideation and prioritisation
- Drive idea generation events
- Engage experts and key stakeholders in solution conceptualisation

A PERFECT DYNAMIC
MONITORING MODEL

Setting up listening and feedback programmes is essential for a constant stream of customer and market intelligence, and allows an organisation to stay light on its feet in fast-changing business environments.

Greyhound operates in the increasingly competitive sector of mass transport.

It has developed an efficient market monitoring model led by two departments. The commercial team, led by Chief Commercial Officer Andy Kaplinsky, is responsible for the commercial direction and strategy from a customer point of view, and the customer service organisation "out in the field".

Andy Kaplinsky
Chief Commercial
Officer
Greyhound

"We have re-organised the field structure so that each region has a customer experience manager responsible for market insights and all front-of-house activities. This is a new position that we created, in order to split driver and maintenance operations from the customer service side."

The CX managers are responsible for looking at the operations from a customer perspective and requesting performance from the 'back-of-house' functions of maintenance and driver operations. The managers work closely with the commercial team to share field insights, devise strategy and execute projects.

The commercial team carries out customer satisfaction surveys and tracks Net Promoter Scores on a daily basis, with the results of the surveys sent to the field as necessary when there is action needed, prompted by a low or high score.

The team also runs the Customer Assistance Centre, which handles customer issues through a call centre and monitors complaints on a monthly basis. It also includes a social media team that tracks sentiment and engages with customers through social media channels.

"As far as competitors, we track competitive activity on a local basis where we see the need. Counting [passenger] loads is a primary activity that we do in particularly competitive markets. There is little to no industry data to work from. We actively track competitive pricing through a real time Business Intelligence tool for use by our pricing team. We get feedback from the Customer Experience managers and informally via various relationships with the field."

— **Andy Kaplinsky** Chief Commercial Officer at Greyhound

The ability to constantly monitor and **dynamically react** to the learnings is an absolute necessity for an organisation if it is to deliver best-in-class CX. A digital transformation strategy that streamlines **feedback processes** and allows intelligence and data to flow from the frontline back to the marketing, commercial, innovation and customer service departments at speed will deliver a competitive edge in terms of market analysis and decision-making.

FEEDBACK
LOOPS

CUSTOMER FEEDBACK

CUSTOMER EXPERIENCE

SERVING

LISTENING

CUSTOMER ENGAGEMENT
- Touchpoints & channels
- Online communities

LEARNING

INTERNAL PROCESSESS
- Internal processes and comms
- Change management

RESPONDING

IMPROVED PRODUCT/ SERVICE

ACTIONABLE INSIGHTS
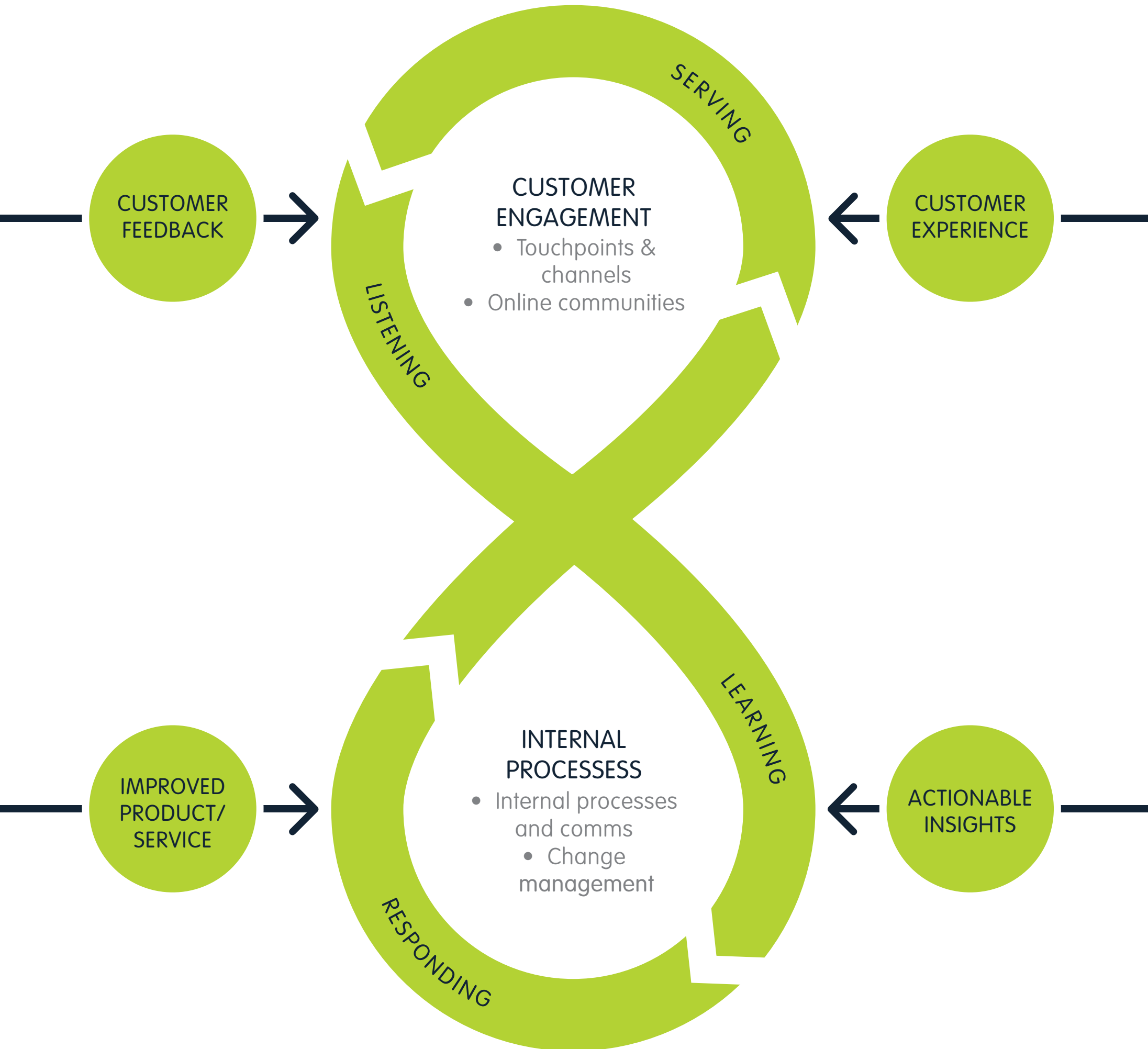
— SECTION 06

DIGITAL TRANSFORMATION METHODOLOGY:
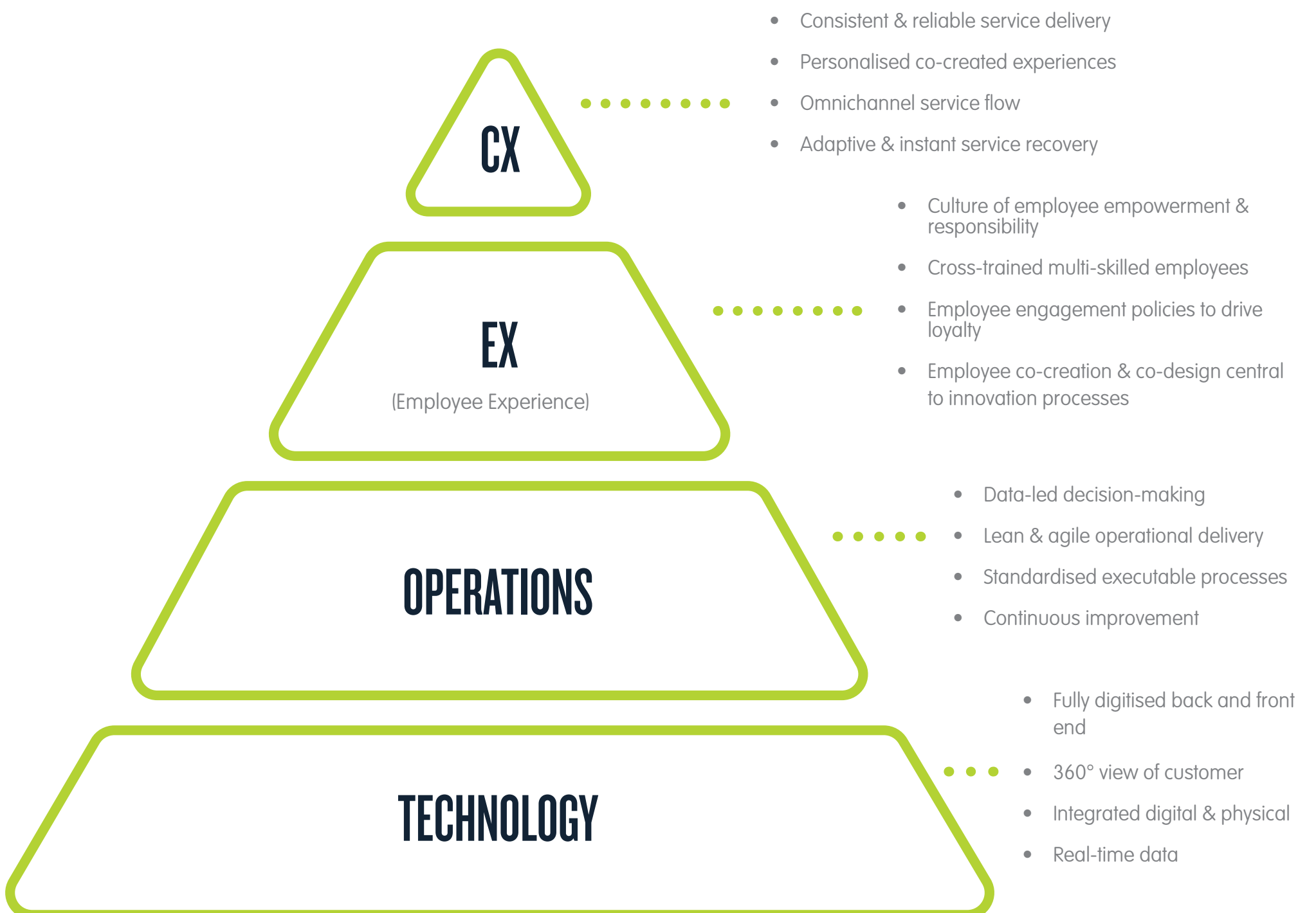# A JOURNEY OF CHANGE TOWARDS A TRANSFORMED CX

The phrase 'digital transformation' is used to represent many different types of transformation – but here we define digital transformation through CX.

Digital transformation is the transformation of a company across the three key pillars of customer experience delivery – **technology, operations** and **culture** – with the aim to transform the customer experience and stay competitive in the marketplace.

Transformation thus becomes the identification of the future customer experience an organisation needs to deliver, in order to become and stay competitive. The transformation journey becomes the necessary change across the three pillars of technology, operations and culture within the company in order to deliver the new CX vision. This isn't change for change's sake; this is focused, transformational change aimed squarely at delivering customer satisfaction and, ultimately, generational loyalty.

"Customer experience is the last source of sustainable differentiation and the new competitive battleground."

– **Tiffani Bova** former Vice President at Gartner

CX
- Consistent & reliable service delivery
- Personalised co-created experiences
- Omnichannel service flow
- Adaptive & instant service recovery

EX
(Employee Experience)
- Culture of employee empowerment & responsibility
- Cross-trained multi-skilled employees
- Employee engagement policies to drive loyalty
- Employee co-creation & co-design central to innovation processes

OPERATIONS
- Data-led decision-making
- Lean & agile operational delivery
- Standardised executable processes
- Continuous improvement

TECHNOLOGY
- Fully digitised back and front end
- 360° view of customer
- Integrated digital & physical
- Real-time data

- SECTION 06.1

METHODOLOGY

Creating a vision, roadmapping a journey

Organisations need to define exactly what transformation success looks like, pinpoint its position – and then plan how to get there. Once they have defined the **transformation vision**, they can then roadmap the journey. There are **four** key steps to building a CX vision and getting started...

1 Mapping the customer experience to understand the challenge

A detailed mapping of the current customer experience of current products and services is critical to being able to create a vision and roadmap for transformation. With the proliferation of channels over the last few years, customers now interact with organisations across a multitude of interaction points.

And their customer experience is determined by the collective experience of them all. It is important the actual experience is mapped out first so it can be measured and pain points identified.

2 Analysing the competitive landscape to see the future

Customers now expect personal and meaningful experiences from their interactions with products and services. And their expectations are not just being set by an organisation's industry competitors, but by non-industry disruptors. These digitally native companies have made the delivery of a competitive customer experience their strategic mission above everything else. Organisations such as Uber have understood that in this new 21st century business landscape, CX determines everything – from awareness to advocacy,

from functional delivery to emotional engagement, from service to brand. As successful 21st century brands deliver innovative, best-in-class CX, organisations who wish to compete must analyse CX in their industry and beyond it, plot where they currently sit, and then work out the future positioning that will give them competitive advantage.

3 Visioning the destination to bring the journey to life

Understanding where an organisation is headed, and being able to communicate that destination internally is critical to succeeding on a transformation journey. Winning hearts and minds is key to being able to move the organisation across the three change pillars of digital transformation – technology, operations, and culture.

This vision needs to be communicated emotionally as well as functionally, so that it is credible and supported across silos and differing projects.

4 Road-mapping the journey to plot the transformation

Next the organisation needs to roadmap the journey towards the vision. This is achieved by plotting key projects on a transformation map across departments and in terms of the three pillars of change – technology, operations and culture. Projects must be transformational and large enough to effect the change required by the project, but also be achievable within the available timescale. Each project will have dependencies across other departments and will need to be coordinated for delivery to take place.

The completed transformation map provides a full visualisation of the organisation's transformation journey – everything that needs to happen to create the necessary change. It also de-silos the organisation by showing the dependencies of each departmental project on other departments, creating in effect a fully collaborative high-level visual project plan that has the capacity to bring the organisation together in the delivery of a focused vision of the future.

SECTION 06.2

GETTING STARTED

Vision today, vision tomorrow

With a three-to-five-year vision agreed, and a roadmap up on the wall ready to go, how does an organisation actually get started?

No organisation can boil the ocean and change across the three pillars in one go, or jump straight to delivering visionary projects without fixing the basics first. So doing this in order to deliver some quick wins and provide a stable platform for future projects is critical in the first year of the transformation.

This means that the initial phases of transformation work will always be about fixing the basics and recalibrating and refocusing current projects to the new vision. But it's also a good time to kick off some 'hero' projects in order to get the transformation momentum going.

These should be small projects that deliver big change in quick timeframes, creating excitement and proof points of what the vision looks and feels like – and that it is achievable and desirable.

Complex projects which are needed to allow other key projects to start should not be delayed because of their complexity, but tackled immediately when budgets and energy are high. The CX vision is what should give these difficult long-standing projects a new impetus to finally be completed.

How projects are delivered is also important. An agile discovery/alpha/beta delivery process is key; this approach protects against creating projects that are not fit-for-purpose, or whose deliverables have become irrelevant over time. The ability to work agile is also key to creating an organisational behaviour based on constant change that fits the new market conditions.

FOUR WAYS TO WIN

Fix the basics

Identify the critical projects that must be completed to deliver initial quick wins and the platform from which the full vision can then be implemented.

Recalibrate pre-vision in-progress

Make sure in-progress projects are recalibrated and refocused on the transformation milestones and the vision.

Tackle complexity

Don't shy away from the most difficult projects, as these are the ones that will need the energy and budget which is abundant at the beginning of the process.

Kick off at least one 'hero' project

Kick off a high-innovation project that draws attention and fires the starter gun for transformation, and in the process gets everyone excited about the future.

SECTION 06.3

ENGAGEMENT

Small wins, big heroes

Change of this magnitude across the three pillars of technology, operations and culture is difficult and prone to failure. This is because the complexity of the tasks and their interdependencies create major headaches in traditionally siloed organisations. But with the right external partners and internal expertise, these challenges can be overcome and new fit-for-the-future technologies and processes can be successfully implemented.

However, the most difficult change within transformation is, and will probably always be, culture – because changing the culture of an organisation is about changing people. As they say, culture eats strategy for lunch, and no matter how great the vision and its communication is, if the workforce of the organisation is not engaged and not taken on the journey with the leadership, the transformation is doomed to fail. Employee engagement and buy-in to the vision is absolutely critical.

Culture is often the forgotten pillar of change in the rush to transform the technology and the operational processes that deliver the CX vision. We should never forget that a major part of any organisation's CX delivery is its people, and because of this, to achieve the CX vision the internal journey must include the engagement, involvement and retraining of the workforce.

Engagement

Bring the vision to life via conceptualisation and take it on a roadshow around the organisation to start winning hearts and minds.

Decision-making

Create a Transformation Steering Committee with representatives from all departments to filter project and delivery decision-making. Members should reflect the whole organisation and be rotated to maximise employee involvement.

Heroing

Highlight key projects that deliver big improvements quickly so as to build excitement and provide proof points that the transformation is possible.

Involvement

Make sure the employees have input and sight of the CX vision being developed, and are included in the roadmapping.

— SECTION 07

FRONTLINE DESPATCHES: DIGITAL LEADERS ON CHALLENGES AND SUCCESSES

Organisations are not all at the same stage in their digital transformation journey. As one might expect, those businesses with products built on digital platforms, like telecoms or media companies, have a headstart in understanding and implementing change.

However, all businesses have learnings to share from their experiences and the problems they have to tackle. In this section we present a Q&A with team leaders at Virgin Media, US transport business Greyhound and NHS Digital – very different organisations but with similar digital transformation challenges.

Q&A

What are the hurdles you have encountered on your digital transformation journey?

James Hawkins
Director of Programmes
NHS Digital

The NHS is a complex and diverse set of organisations with a devolved operating model.

We cannot succeed with a 'one size fits all' approach and one of the keys for us at NHS Digital is helping health and care organisations to benefit from our experience, whilst also enabling individual organisations to make choices about the products and services that are right to meet their needs.

This means that whilst we provide national services when it is right to do so (such as Spine, e-RS and EPS), we also enable choice for health and care providers.

The way to achieve this is for NHS Digital to provide the standards, frameworks and assurance to enable private developers to safely and securely enter the market.

Another challenge is to ensure that we have appropriate buy-in from clinicians in order to encourage take-up of systems and services. It is fundamental that everything we do is based on user needs and that clinical and frontline staff are involved in the design process, ensuring that our systems and services are designed to solve real world problems and are efficient and intuitive to use.

Rhona Bradshaw
Director of Digital
Virgin Media

The biggest hurdle is how to manage change culturally. How do we start to change people's interpretation of the role of digital? When I joined digital was very much seen as a channel by sales, marketing, customer care etc. Each of the main disciplines had a channel dedicated to online activity and digital was perceived as a distribution model rather than a way of thinking and operating.

Digital is so much more about becoming an integral part of how we operate - recognising that our customers are changing their habits in media and how they interact with brands.

How they expect their involvement with companies and services like ourselves to be is very different from how it previously was and will be very different again in a few more years when millennials come of age. We are changing how our people view things in terms of processes and rebuilding platforms or products that have a digital interaction as part of them. We are helping people see that digital is not a substantial change but a complementary piece of activity – consumers do not have a linear view of how they want to interact with a business, they have an omnichannel view of the different ways in which they want to interact. They do so at their own time and at their own convenience.

Andy Kaplinsky
Chief Commercial Officer
Greyhound

When we started this we had a very ambitious, fast and aggressive plan for our IT transformation. We had not adequately invested in our systems but we developed a plan to rapidly leapfrog the competition. However, our biggest hurdle was that we were not initially organised to take on such a big challenge. We quickly realised that in order to succeed, we had to create a commercial organisation centred on the customer experience that could define what the future needs to look like.

Additionally, our legacy systems were old and outdated and our IT organisation lacked the specific knowledge of our systems. We had to rebuild our IT group from scratch, mixing

experts in the old systems with experts in the new technology that we are leveraging. Since we built the teams and governance processes necessary for such a large endeavour, things have run much smoother. Culturally, getting everyone on board, and communicating the vision and programme was a challenge. We had to tell the entire organisation about what we were doing and why. And we had to gain the buy-in and commitment from all of our employees to support the effort and accept the changing way we would operate.

Q&A

How is the company being structured to deliver digital transformation?

Rhona Bradshaw
Director of Digital
Virgin Media

Within Digital we have five different groups. There is a digital transformation group that defines the architecture that our platform sits upon and what kind of tech we should be using, and understands the road map that will get us to where we need to get to in delivering the digital aspects of digital transformation.

There's a digital experience group that understands and defines what the customer journeys are and how we can optimise platforms and create omni-channel experiences. We have a digital strategy team focused on the long-range plan – where we need to get to in five years' time and how it fits in to the overall business requirements.

There is a digital insights group that is responsible for surfacing all the information we have across our platforms and in piecing it together into a coherent story so we can make informed decisions. Finally, there is a digital studio group, which is an in-house design, production and development specialist that defines what the look and feel of our platforms should be and how they integrate with the rest of the Virgin brand.

The overall digital team sits within the Customer Division at Virgin Media.

This division has responsibility for the end-to-end lifecycle of the customer from prospect to Virgin Media customer and it embraces sales and customer care. While we sit in the Customer Division we operate in a horizontal way and support the business as a whole – we support the marketing and commercial teams all the way through to the business divisions, to make sure they have consistency and aligned ambition.

The transformation strategy is built in terms of being hub-and-spoke; digital at the moment is defining the strategy and giving a consistent voice to all aspects. Ultimately, we'll get to the point where we do not need a digital division and we are inherently digital in how we do things.

Andy Kaplinsky
Chief Commercial Officer
Greyhound

A couple of years ago we decided to look outward and to drive growth by focusing on CX. We were not really structured with a team integrated across all consumer touchpoints that could focus on customer needs. I moved into the role of CCO and moved a bunch of functions disparately spread out across different departments under my jurisdiction. We did that so that we could:

▸ Have a coordinated approach towards customers

▸ Have a team focused on delivery

▸ Be a catalyst for the company in order to break down departmental silos and work together to deliver solutions as a whole.

Now we have an organisation that has brought together all the groups that are responsible for all the customer touchpoints. Before, pricing and scheduling were in a separate group from marketing – we did not do a great job of working together and coordinating promotions or activities for instance. And we are able to work effectively with our peers in IT and operations to quickly take advantage of the changes that we are making.

James Hawkins
Director of Programmes
NHS Digital

NHS Digital has been through a transformation process to ensure that it is best positioned to deliver the ambitious agenda that has been set, and to enable the flexible use of skilled resources where they are most needed.

NHS England has recently appointed three technology and change experts to support the delivery of technological change in the NHS. At NHS Digital we work in partnership with these three appointments to help deliver the change we all want for patients.

Q&A

What digital projects have you completed and have there been any measurable results?

Andy Kaplinsky
Chief Commercial Officer
Greyhound

We started with our website – it was the furthest-behind piece of tech and a core piece of our growth engine. We went through an effort to define who we are as a brand, what our personality is and who our customers are through a journey mapping exercise. We then used this information to design a website that reflects our brand personality and that directly addresses the needs of our key customers. The website is really a guiding beacon for our transformation and the starting point for our cultural change throughout the company.

It launched in November 2015 and almost immediately we improved our digital presence, with better positioning in search engines due to our content strategy which has driven increased volume to the website.

We also saw an uptick in conversion rate of almost a percentage point by substantially improving the shopping experience by providing better ways to search, get information and understand our offerings while making the purchase process much easier and more intuitive.

So, we are attracting more visitors to our site and making it easier to do business with us. We are currently working on streamlining the shopping and buying process even more to make it as frictionless as possible, and finding ways to personalise the experience with us by leveraging our content management system.

NHS

James Hawkins
Director of Programmes
NHS Digital

One of many successful digital services is our Electronic Prescription Service (EPS), which enables prescriptions to be sent electronically from a GP surgery to a dispenser of the patients' choice and then on to the NHS Business Services Authority for payment. In 2014/15, EPS made efficiency savings in excess of £115m.

This service not only makes efficiencies in terms of cash, but delivers benefits for GPs, pharmacists and patients. For GPs there is a reduction in lost prescriptions and the ability to cancel prescriptions which may no longer be needed.

For pharmacists the new systems mean that they don't need to transcribe paper prescription information, which saves time and reduces the possibility of errors. And for patients, they no longer have to carry around a prescription, but can have the information sent directly to a pharmacist of their choice, where they can pick up the items at their convenience.

EPS is now available at 6,212 GP practices (80%) and 11,620 pharmacies (98.6%); 18.8 million patients have chosen an EPS pharmacy; and more than half of all prescriptions are EPS transmitted.

Virgin media

Rhona Bradshaw
Director of Digital
Virgin Media

We have a project all about the re-platforming of our website and which allows us to move customers to one single content management system. We have had many different domains and platforms but the re-platforming has allowed us to streamline processes, have one consistent tone of voice and unlock significant sales uplift.

In terms of sales, there has been significant incremental uplift in terms of customer acquisition – we now have a 20-30% rise in the conversion rate in terms of sales completed.

— SECTION 08

CONCLUSION:
THE FOREVER CHANGING, ALWAYS- ON ORGANISATION

The future competitive advantage is cutting-edge, best-in-class customer experience. It's an experience that has to deliver on its promises and be distinctive in the market. It needs to be built around the customer, and rather than stand still it needs to constantly evolve in line with new possibilities and new expectations.

To be able to deliver this 21st century CX consistently across all channels and gain the competitive advantage to stay alive, today's organisations need to transform their technology, processes and culture.

By doing this they can become agile, market-responsive customer-centred organisations that react instantly to forever-changing customer behaviours and needs. And by constantly delivering innovative products and services to their customer base, they will create loyal advocates across generations.

Digital transformation will enable a business to differentiate itself from less dynamic competitors and give it the capabilities to drive business growth. Digitisation across the organisation will be a step-by-step process and involve setting a vision and roadmap for execution that engages all employees, breaking down silos and introducing iterative frameworks for research and development that allow teams to fail fast, learn and move on. Successful organisations will be defined by their ability to listen, learn and pivot when necessary.

The new business paradigm means speed to market for a product or service is now vital. Digital transformation allows a company to gain valuable learnings, refine and relaunch thanks to real-time feedback loops and data analytics. Today the most pressing challenge is to transform operations, technology and culture in a world moving at dizzying speed to ensure sustainable competitive advantage, and to have the baked-in ability to adapt to changing conditions – not just once, but over and over again.

"The message is clear: businesses need to transform to survive, even if this means moving away from traditional business models. The key differentiator is customer experience.

Those who build new services around the customer, unlocking data to provide seamless, personalised experiences, will find themselves best positioned for success. And to maintain that success, they will need to embrace constant change – and keep a look out for the next wave of disruption."

Peter Veash
CEO
The BIO Agency

How to create future competitive advantage

- Build a culture comfortable with continuous change in order to withstand and take on industry disruptors

- Transform the customer experience to become seamless, satisfying and personalised

- Integrate physical and digital touchpoints

- Put in place constant monitoring and feedback loops

- Create a customer experience vision.

ABOUT
THE BIO AGENCY

BIO is an award-winning digital agency consulting and delivering on customer experience-led innovation and transformation. We are one of the only agencies in the UK that can provide an in-house, end-to-end service, spanning everything from business vision and strategy to service design, creative innovation and technical development and build. Defining ourselves as Digital Change Agents® we create experiences that are simple, seamless and intuitive, changing the way customers engage and buy from today's organisations. We work to redefine sectors, helping clients move ahead of their competitors and creating companies fit for the future.

Peter Veash
– Chief Executive Officer

Peter founded The BIO Agency in 2006, bringing together pure-play digital experts to create digital change. It's quickly grown to become a major player in the field. Peter champions creating innovative solutions for B2B and consumer brands, building his vision on a strategic understanding of customer behaviour.

Contributors

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Find out more

We empower our clients to be at the forefront of the digital revolution. We can help your organisation go through change, from consultative advice through to creating and building digital solutions for your customers.

We'd love to share some of our insights and help you on your journey.

Get in touch

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