Has Covid-19 exposed a lack of customer experience in local businesses?

Marketing guru, Philip Kotler, said that the customer is king, but has this been the case during the Covid-19 pandemic? Having wreaked havoc on a majority of businesses, the pandemic has forced brands to reconsider their business models, and most importantly, the customer experience they offer.

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Geoffrey Hardy, head of digital at Immersion Group, says that while many brands believe they are customer-centric, the reality says different. Covid-19, according to Hardy, brutally exposed the fact that so many businesses lack a robust customer-experience approach, forcing them to pivot.

"Being customer-centric is more than just a statement, it is an ethos that lives within the company and how the business is run. You need to be geared towards the customer in all aspects. At the height of the pandemic, we saw a mix of reactions, some retreating, looking internally and not addressing the customer, while others either activated a customer-focused campaign or scrambled to pivot in order to survive," says Hardy.

Immersion Group says a good majority of experiences are not informed by actual data. Working off assumptions as opposed to a deep data dive, Hardy says a common thread noted among local business was a lack of an empathetic understanding of the customer.

> *Many of the larger organisations became change averse, they stalled several initiatives and seemed to progressively move backwards. There was a natural expectation that the pandemic provided an opportunity to focus on enhancing their customer experience across digital channels, but in reality, the move was slow if there was any move at all.*

According to the Immersion Group, if 2020 did anything, it definitely forced customers online, even the digital laggards are now shopping online. Hardy says that despite Covid-19 this transformation has been brewing for some time now, "The inclination to be digitally transformed has always been there, the pandemic just accelerated the timelines. This placed unexpected pressure on majority of businesses and many, without the required research, scrambled to transform digitally and, have in fact, started to amount significant technical debt, which will not bode well in the future."

Reynhardt Uys, chief experience officer at Immersion Group, says that the pandemic also forced companies to consider different shifts within the business and, perhaps most importantly, ensure they were part of the solution and not the problem: "Being forced into a contactless environment meant that many businesses had to completely rethink their model and strategies and in some cases, diversify entirely. They also had to show that they were part of a caring community and address basic needs of customers, even if it was not a core product."

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Meghan Taylor 25 Nov 2020

Servicing clients no longer in-store has proven to be one of the biggest challenges of 2020. This change in outlook and location forced businesses into a digital shift, whether they adequately prepared for it or not. "While this was an immense change, we are more than certain things will not revert to what it was, and businesses will need to continue with digital transformation. During the pandemic we have seen double-laggards shopping online and those who are not attuned to this digital-savvy approach will be left behind."

While the pandemic forced a customer experience focus, a majority of the tools used have existed for some time now and are simply gaining more traction. The Immersion Group says that technologies such as artificial intelligence, virtual reality and the Internet of Things existed before, but are now just accelerating as a much bigger focus is placed on digital transformation.

"We are seeing the enablement of self-service, for example, as something that was on the cards, but is now being expediated as a result of Covid-19. Social distancing has also created a gap between the customer and brand. This has left many businesses looking at how to mitigate this social gap while retaining an important and much-needed connection to the customer," says Hardy.

While the pandemic continues to have a devastating impact on the global economy, there are some key customer experience learnings to be taken from 2020:

1. Responsiveness to change – become more agile to respond quickly, operate as lean as possible to enable the business to pivot when needed.

2. Do not invest in any technology until you have a clearer understanding of what your customers need.

3. Only make data-defined decisions, do the research and design a solution that speaks to what your customer's context is and what is required.

4. Be innovative and on a constant look out for how to differentiate the business to get ahead of the curve. Ensure you have innovation cycles set up and ensure strategy is happening concurrently so that change can take place more

quickly.

5. Be aware of the employee cycle of change and proactively address it. The pandemic is mostly characterised by fear and uncertainty, leaving many employees with significant challenges when working from home. Address this shift and also the massive rise of virtual meetings and work-life balance issues. Be sure to create a meaningful and supported work environment.

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