



The Mobility Era and The Changing Automotive Industry Customer Journey



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The McLaren Formula One car in which Daniel Ricciardo and Lando Norris will compete for the 2021 World Championship is a remarkable piece of machinery. During the course of an average Grand Prix, over 300 sensors monitor 1000 input parameters and transmit over 1.5 GB of live data back to the pits as well as the Technology Centre in Woking. McLaren claims the number of data points collected for analysis is in excess of 750 million per race—twice the number of words each of us will speak in a lifetime. The goal? Make the car go faster.

Organisations striving to design and create a better customer experience can learn from this. Strategically positioning sensors at each touchpoint of the customer journey will yield a continuous flow of business-critical information, allowing decision makers to make more informed decisions to deliver on customers' ever increasing expectations.



MCLAREN FORMULA ONE CAR

The concept of the customer journey is not new. Fundamentally, we want to enable customers to achieve what they want to do seamlessly and with little effort. Mapping out what customers experience when they interact with a company and buy (or not) has tremendous benefit. Some of these include:

- 1. Identifying pain points** so solutions can be developed to deliver a better customer experience.
- 2. Understanding areas of customer frustration and delight** to prioritise investments. If something is important to a customer, resources can be directed there. The opposite is also true. If something doesn't impact the customer experience, why spend money on it?
- 3. Directing training efforts for the frontline.** If a common area of customer concern exists, frontline employees need to be empowered to manage those situations with better training, empowerment, and effective policies.
- 4. Predicting happy customers and those likely to churn.** Customers who are likely to be promoters, passives, and detractors can be identified so appropriate action can be taken to increase brand loyalty.

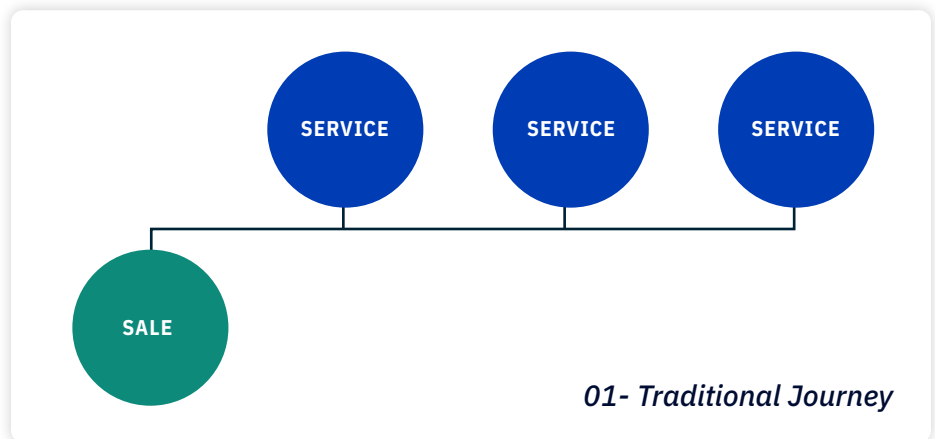
- 5. Identifying the moments that matter** to nurture a customer-centric culture. Communicating what's important for customers to those responsible for delivering customer service on the frontline is essential. These moments become talking points that become ingrained in a company's culture since they relate directly to sales, profitability, and market dominance.

But in automotive, customer journeys are becoming increasingly complex. We are now in the mobility era, so the lifetime value of the customer is paramount. Brands must manage multiple journeys across a lifetime with the intent of increasing brand engagement, and along with it, greater revenue and profitability. Each manufacturer is on a continuum with some farther along than others.

It's worth repeating that there is no one customer journey that will work for every organisation. Instead, the approach to the customer journey needs to meet the needs of the manufacturer and its customers. Some have the resources to create and provide different mobility solutions while others don't, so their customer journey will be different. Remember: one size doesn't fit all.

The Traditional Journey

The traditional journey looks at a small subset of the total journeys possible. A customer buys a car and gets it serviced. Then feedback about the experience is collected shortly after the sale and on a transactional basis after the car is serviced. Historically, automotive CX programmes took this approach (and many still do), which is great if it meets the needs of the manufacturer and the resources they have available. However, there is a risk that they will be left behind.



The Expanded Customer Journey

The expanded customer journey recognises that loyalty is more than just an exemplary experience a customer receives at their dealership and that to deliver an excellent experience, a brand must consider vehicle quality. A customer may love their dealership, but if the car breaks down every three months, the brand likely won't be on the consideration list when that same customer comes back into the market.

This is why measuring quality of the vehicle should be considered a part of the expanded journey. However, very few manufacturers do so today. Why? Because quality is typically managed outside the CX department. Quality studies are done, but they only involve

a sub-sample of the customer base and often stay within the silos of quality and product planning. This needs to change.

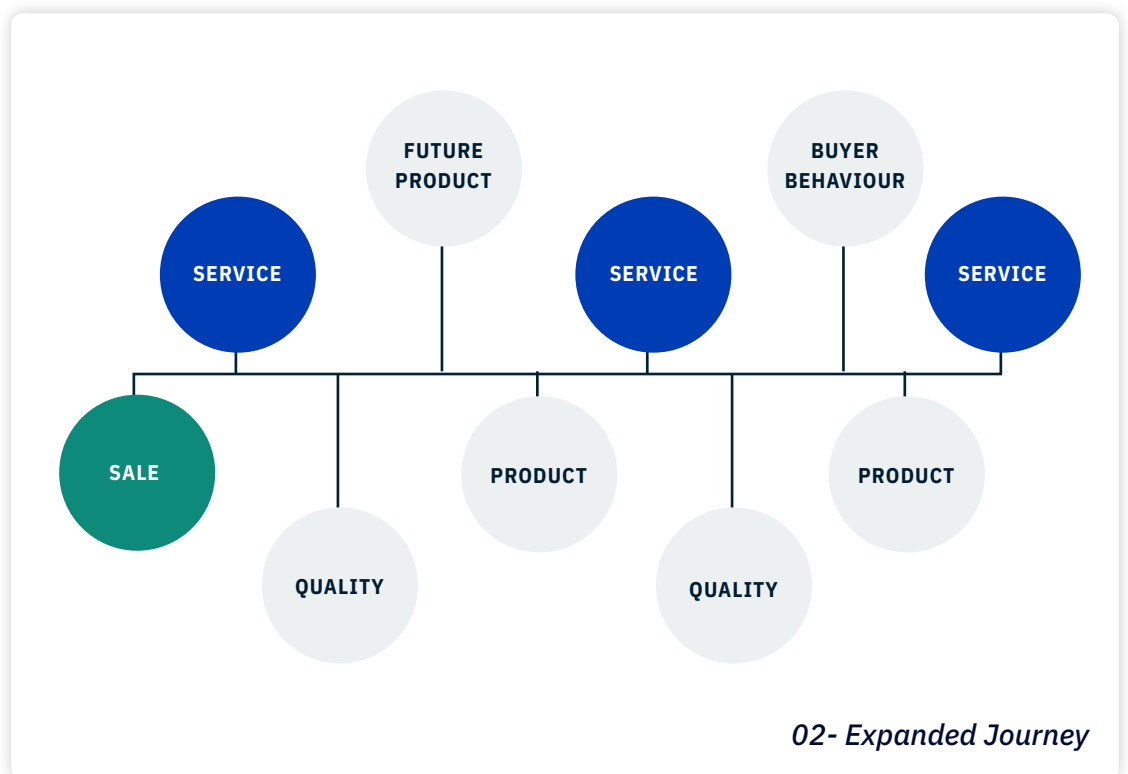
Quality affects all customers. Wouldn't it make sense to measure it that way? Incorporating quality metrics as part of the CX programme not only provides a more complete picture of loyalty, but as budgets come under increasing scrutiny, building quality tracking into the CX programme makes inherent sense. The infrastructure is already in place at the individual customer level, so why not leverage it to save the company money?

An agile design means that manufacturers can try something new, see if it works (or doesn't) and implement it accordingly. This can affect future product. Asking customers their opinions about a vehicle being considered for market not only is

a potential source of valuable information, but it also engages customers in the brand. Insight communities have done this effectively, but in this case, we're casting the net wider, encouraging dialogue with all customers.

Lastly, buyer behaviour metrics could be incorporated into the expanded journey. Understanding the motivations behind the purchase, consideration, and

disposal dynamics yields tremendous insight into the customer mindset, helping to craft more effective marketing strategies. This could include key questions from syndicated studies (such as those used in NCBS or IACS), but doing it within the framework of the CX programme, getting insight into the hands of decision makers faster.



The Enhanced Customer Journey

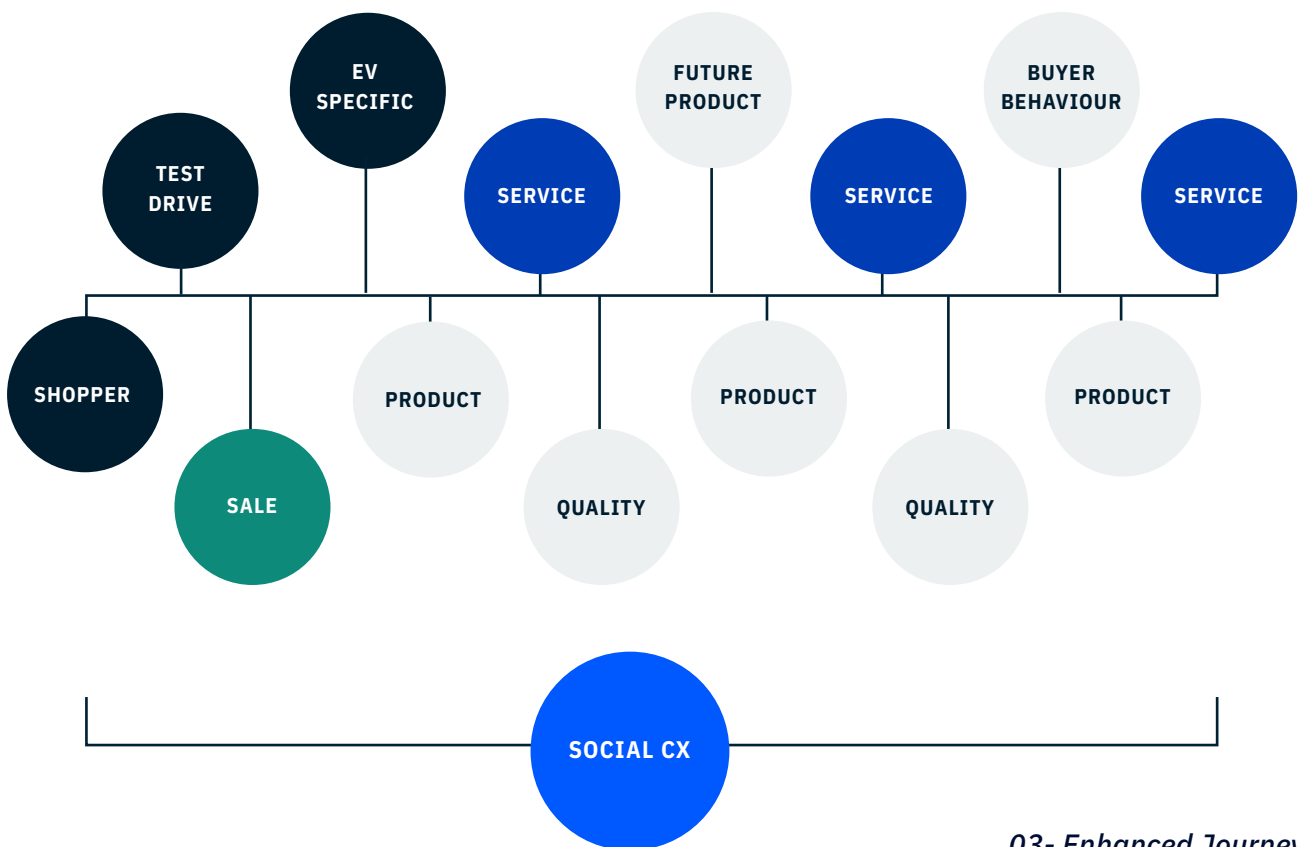
The enhanced customer journey incorporates touchpoints either pre-sale or immediately after a purchase. Contacting potential customers who shopped the brand either in person or online not only provides valuable CX insights, but offers tremendous sales opportunities. We want satisfied customers, but we also want to

sell them a car. How do we know they're still in the market unless we ask, and more importantly, have a process in place to handle the response.

Test drives are also critical. Done well, they can turn shoppers into customers, so we need to know what works and what doesn't. Here too is an opportunity to close the sale.

According to industry association ACEA, full-electric and plug-in hybrid cars in Europe almost tripled to over 1 million vehicles in 2020, accounting for 11 percent of overall sales. Understanding this growing population of vehicle buyers is critical for future growth. The enhanced journey contacts these customers shortly after purchase. What worked and what didn't when you purchased your EV? Was the salesperson knowledgeable (this can be a problem the data would suggest)? Do you know where the charging stations are? Has the vehicle met your expectations in terms of driveability and range?

And to supplement what is being learned in the enhanced journey, monitoring and managing the reviews about a brand or dealership in social media is critical. The last 12 months in particular have shown we are living online, so this additional touchpoint in the customer journey needs to be incorporated to keep brands up to date with their evolving customers.



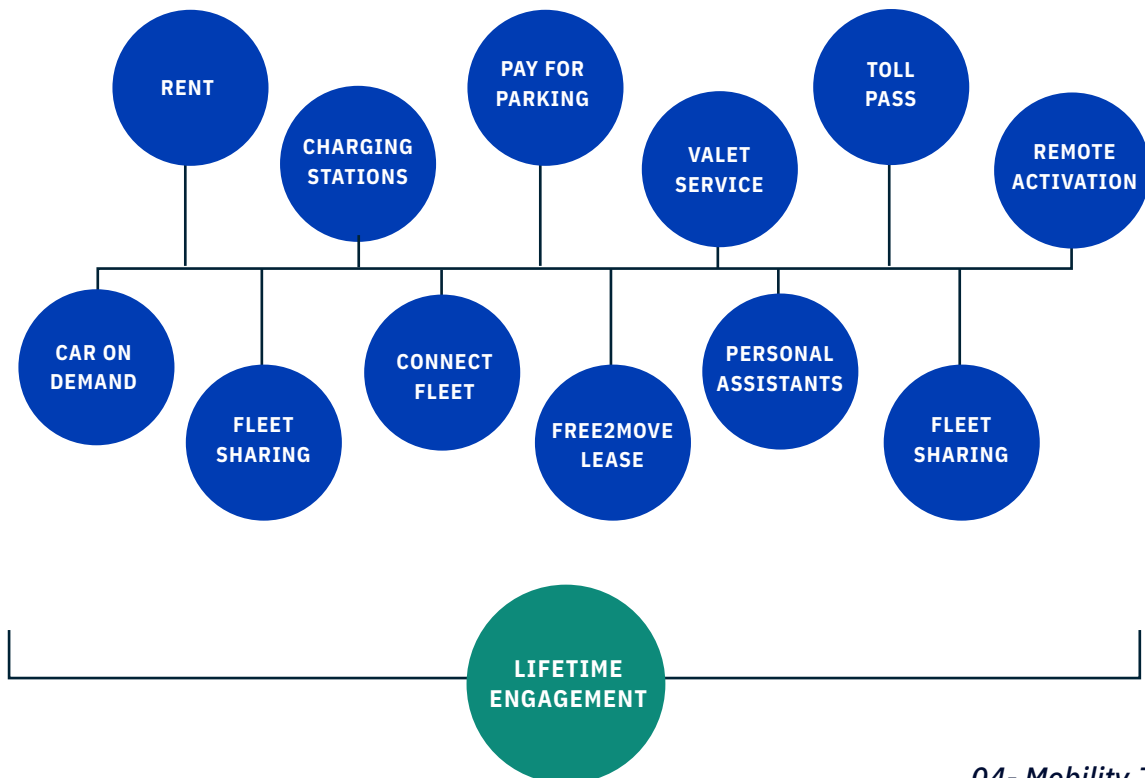
The Mobility Journey

The automotive industry's transition into the mobility industry directly impacts the customer journey. In addition to the relevant touchpoints from the journeys above, the mobility journey adds additional layers of complexity since the way in which customers 'consume' transportation is changing. New touchpoints have emerged and new ways of measurement are required.

The graphic below is based on the mobility services offered by PSA (pre Stellantis) and is publicly available on their web-

site. Other manufacturers have a similar strategy, but this illustrates how changing needs in the mobility industry mean feedback has to be obtained differently. A diagnostic survey isn't appropriate here, but a quick always-on digital sensing capability needs to be incorporated, which captures key information like NPS and ease of use measures.

Customers can go through some or all of these four journeys. Therefore, it can get very complicated very quickly.



04- Mobility Journey

What Does All This Mean?

What does this mean and how can InMoment help? Changing mobility needs mean a more complex customer journey and a more robust CX infrastructure to capture, understand, and provide the right intelligence to decision makers so strategies can be implemented to drive a better customer experience. Understanding how listening posts can be built into the customer journey and what is appropriate for a manufacturer or brand based on their CX level of maturity are areas with which your InMoment Consulting and Insights Specialists can help. Here are just a few ways in which our technology and services can help automotive brands succeed:

Sensors Across the Journey:

An increasingly multiplex customer journey means that incorporating sensors

or micro surveys into each touchpoint of the journey will be necessary. With InMoment's acquisition of Wootric, building sensors across the customer journey, especially as more mobility solutions come to market, can be done easily and cost effectively.

Cleaning Up Disparate Data:

Another challenge that may surface is what we call "dirty data." All the different data that flow from so many touchpoints can result in very messy data, and the automotive industry especially is notorious for this. The data needs to be cleaned and normalised to make it fit for purpose. InMoment's CXWorkflow was built for this very reason and has been utilised successfully across our automotive clients globally for many years.



Identifying the Moments That Matter:

Fundamental to understanding and optimising your customer journeys is the ability to quantify the moments that matter; this is where InMoment excels. Ingesting CX and operational data into our Experience Intelligence (XI) Platform and applying appropriate analytic techniques will help you to determine which aspects of the journey are imperative to organisational success and which aren't. With the XI Platform, artificial intelligence is employed to identify and rank the moments that matter, but an informed human touch is still required. Our InMoment Consulting and Insights Specialists don't use just 'one' analytic technique, but rather, their approach is driven by the client's business needs or the problem they are trying to solve.

For example, with the move to shorter surveys and a greater emphasis on customer comments, machine learning is used around text analytics to build and optimise the customer journeys. This technique known as Unstructured Customer Journey Mapping (UCJM) is extremely effective in allowing customers to tell us what is important to them in their own words.

Identifying Emotion with**World-Class Analytics:**

Combining client operational data such as customer carpark, demographics, previous brand history, and key financial metrics delivers even greater insight. And since so much of vehicle purchase is driven by emotion, when operational data are integrated with InMoment's text analytics Emotion Derivative Algorithms (EDA), brands have an even greater ability to manage loyalty and churn.

Pinpoint At-Risk Customers:

We help clients understand and optimise the moments that matter by looking at individual customers across all their journeys using a unique identifier such as VIN or customer ID. If this isn't available, we run a cohort analysis to look at how customers could be grouped based on life stage, behaviours, or attitude across the journeys. Knowing this allows you to reach out to 'at risk' customers with an appropriate offer in an attempt to prevent defection.

Know (and Reward) Your Promoters:

Since dealers love referrals to generate digital and in-person traffic, we can identify promoters so they can be incentivised to share their positive experience on social media. We need to understand the passives—and what made them that way—so specific actions can be identified to transform them into a promoter. Here too InMoment's Consulting and Insights Specialists can provide guidance to add value to your data, reduce churn, generate referrals, and increase sales.

Cultivate a Customer-Centric Culture:

Ultimately, a customer-centric culture needs to be created to drive experience improvement. Your InMoment consultancy team will help you to identify messages that resonate across the company and enable you to democratise relevant findings with key stakeholders. Actual customer comments can be disseminated, especially at the C-suite level, through our Moments app to put meat on the bones of quantitative scores so they come to life.



Parallels Between Formula One and Improving Customer Experience

To bring things full circle, just because McLaren keeps recording lap times, it doesn't make the car itself faster. Measurement alone will not move the needle unless you take action to improve. Analysing all the information received from the sensors on a Formula One car and adjusting the car accordingly will lead to a more nimble, quicker, and ultimately more competitive vehicle to win the race.

Sound familiar? There are definite parallels between Formula One and improving the customer experience in the automotive/mobility industry. Want to learn more about how you can make transformational changes that improve your experience and bottomline? Then connect with us today to find out how our technology, industry expertise, and insights can help you be a CX leader.

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About InMoment

Improving experiences is why InMoment exists. Our mission is to help our clients improve experiences at the intersection of value—where customer, employee, and business needs come together. The heart of what we do is connect our clients with what matters most through a unique combination of data, technology, and human expertise. With our hyper-modern technology platform, decades of domain authority, and global teams of experts, we uniquely deliver a focus on Experience Improvement (XI) to help our clients own the moments that matter. Take a moment and learn more at inmoment.com

