



## **Future Series Keeping Pace with Consumers**

**Hosted by: Kerryn Saward, General Manager, Business Customer Experience, CommBank**

**Panellists:  
Diane Rutter, Partnership Customer Experience and Insights, PwC  
Carolyn Mackenzie, Managing Director, Forever New.**

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How can businesses redesign the customer journey to connect with new consumer behaviours?

Amid changing expectations, it has never been more important to deliver consistent, seamless experiences that are aligned to consumers' needs. But how do you keep pace?

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### **Jinny Olney:**

For those of you that joined us last week, you would have heard me explain that the Future Series was designed to explore new possibilities and spark a bit of curiosity about what the future might hold for our workplaces and everyday lives. In our second episode of the future series today, we're going to be talking about keeping pace with consumers. In such a rapidly changing environment, consumers are expecting faster, better, always on service with a personal touch, please. Today, our panel of experts will explore these changing consumer needs and what exciting new developments in customer experience we can expect to see in the coming years.

Please join me in welcoming Kerryn Saward, General Manager Customer Experience at CommBank. Carolyn Mackenzie, Managing Director at Forever New from Melbourne and Di Rutter, Customer Experience and Insights Partner at PwC. And now to hand over to our panel.

### **Kerryn Saward:**

Thank you, Jinny. And welcome everyone. Just a reminder, we are live from sunny Sydney, actually torrential rain, Sydney, and Melbourne. So, we welcome you to submit your questions today via the webcast and our panellists would be delighted to answer some of those questions.

Now, a discussion with business leaders on the changing face of customer expectations, the imperative to drive better, faster customer experiences would not have been out of the ordinary a year ago. I'm sure we've all received invitations to conferences, webinars, talking about the need to digitise and to create personal experiences. But over the last eight months, what COVID-19 has shown us is that the pace of change is rapid. The move to digital, the way that we engage our customers, where we engage them, and on what topics, is changing. We know consumer spending patterns are changing. I certainly know my move to online and digital shopping has rapidly increased and customers are demanding more speed, better quality, better technology and personalised experiences. Now those businesses who are adapting and innovating and not just surviving, they're thriving. So, Di, maybe if we can get you to kick off today's discussion, what types of innovations should businesses be focusing on to meet these growing demands of consumers?

### **Di Rutter:**

Yeah. Look, thank you so much, firstly, for having me today and it's an excellent question. Something that's keeping myself and my clients up at night in government and health, which is the, the area I focus on mostly. I

guess a few thoughts from me. The first is I guess the need to really build contemporary services, to meet the changing and forever increasing expectations of customers and you know, thinking quite tactically post COVID-19 as we move forward, looking at how we can shift to new models of service delivery. We've seen successes with things such as telehealth, virtual care, different virtual servicing models. How do we look at the successes from those types of responses and look to build them into how we modernise service delivery, moving forward? I'd say the second thing, and this is a, a really big one to consider is how to evolve services across channels to support ongoing wellbeing.

And this is, you know, matters now more than ever as we see that lack of human connection and interaction and the impacts that's had on wellbeing. So how do we build that empathy and human elements into your digital offerings? And probably the next is around maximising the utility of your data. Sounds easy, but there's a world of possibility better using data and analytics to personalise the experience and really tailor it so that you can get services to those that need help the most when they need it. And, and the last one that I've been thinking about is connection and connection between government, private sector, not-for-profits, how we can all come together and collaborate to service the holistic needs of customers by working together and driving greater innovation.

**Kerryn Saward:**

Fantastic. And Carolyn, if we can maybe pass to you, what innovations have you been focusing on?

**Carolyn Mackenzie:**

So, I think for us, it's driven you. One of the biggest things is understanding what the customer's friction points are in terms of how they engage with the brand and how you do and make it for them to shop. So for us, it's really about understanding what are the biggest issues they're having and the challenges, and then trying to work around developing a strategy that really helps to make that easier for them, that they can engage with the brand as well, and then working around whatever that looks like, determining what innovation we need to come up with to create that sort of easier customer experience for them.

**Kerryn Saward:**

Yeah, I think you've hit the nail on the head around customer effort. And I'd, I certainly know from the CommBank perspective, one of the key areas for us is understanding that contextualised experience for consumers, whether they be our business customers or our retail customers, and really creating that simplicity and removing that friction and effort. So maybe if we continue on that thread, Carolyn, as more consumers shift online and more businesses look to innovate in the space of digital, what are some of the advances or new concepts you've introduced, as I understand you recently scooped the pool in the Australian retailers awards for best omni-channel and best digital experience. And you think you'd like to share today?

**Carolyn Mackenzie:**

I think for us, we're obviously using our technology to make customers' interactions with the brand so much easier on them. Not about making it easy for Forever New, but really trying to satisfy what they're looking for. We're trying to ensure that the digital experience we're offering is more of a guide and not a barrier to working within the brand. So, at Forever New, we've really been focused in the last little while of creating a better experience for our customers.

We're enabling them to connect on more channels than they've ever had before, and actually making sure that we strike that balance between digital enhancements, but also human connections. So, more recently, what we've launched is the capability online, where you can actually book an in-store or virtual tour in-store and you make an appointment with one of our staff members to actually get some starting tips, shopping advice, and that's really bringing stores online and customer into being face-to-face as well. And I think that's one of the biggest things we've done that's really transformed that whole customer journey for Forever New.

**Kerryn Saward:**

And Di, maybe we can build on that because I know you also touched on in your introduction, human connections. I think that's a fabulous example of that omni experience, connecting you in-store whilst your digital, any other thoughts you want to add in that space?

**Di Rutter:**

Look first thought is I'm, I'm definitely in a hop on and try that virtual store experience. That sounds fantastic. I think the other thing that I wanted to add is that, you know, at PwC, we do a lot of research around trust and I know it's been a hot topic for, for a long time, but really understanding what the drivers of trust are, and the reason I raise it is, for me, where organisations and businesses can look to differentiate is really that relationship that they build with their customer.

And when we look at the drivers, there's sort of two aspects, one is what we're called values trust, and that's all about how connected the customer feels to the overall purpose of the organisation they're interacting with and things such as transparency and open communication from an organisation to its customers about what it's doing, what it's planning what's worked well and what hasn't, all go towards building that trust at that level. And the second one down, which sort of touches on effort with customers is what we call experience trust. And that's really the, how reliable, dependable, easy it is, and frictionless the experience is, when customers interact with the services and products by that organisation. And it's really interesting because it's both of those levers that count to really improving that relationship with customers as part of the overall experience, whether it's in-person or digital as well.

**Kerryn Saward:**

And I'm sure many people watching today and each of us can share our own experience around frustration with couriers' deliveries, where online retailers are so dependent on other parties in the value chain, other businesses to deliver on their goods. So that trust of repeated consistent delivery, reliability, is just so important. So important to earn the right for the next engagement. And I think that spans any sector, any industry from retailing through the professional services, financial services, getting it right every time is just so important.

**Carolyn Mackenzie:**

I just wanted to say that I do feel that the other part of that is really the businesses that succeed are those that really understand their brand as well. So, it's not just about technology and it's not just about how you interact when you go online, but really understanding that you're adequately investing in the brand, that you're developing unique product propositions as well, that make you stand out. Because, you can have experience, but without a good product and without a good brand, you actually don't succeed either. It's when all three things come together, those are the brands and the businesses that will ultimately do really well longer term. So, I think it's got to be quite a holistic thing as well, where it's not just one. It has to be all three.

**Kerryn Saward:**

And we touched on before around the shift digital. I think with digital comes the richness of data. And as we know rich data about our customers, it could be their spending habits, time of day, shopping in my case, the use of electronic payments or the moves away from cash is leaving us with data to provide more personalised. You talked about this before Di more personalised service, the ability to be able to contextualise experiences for customers. And it's rich with opportunity. I'd love to explore with both of you now. Maybe Di we can kick off with you, how you're working with your clients to use data, to create connections, to deliver better experiences to customers.

**Di Rutter:**

With the advances in technology, there's an infinite amount of data, which as a secret data nerd, I get very, very excited about. But look, there's probably three things to think about. One is understanding the data that is available. That sounds really simple, but really understanding and getting an idea around what you have access

to and therefore how best to use it. And also recognising that there are new sources of data, you know, internet of things, micro detail about customer behavioural data while they're interacting with channels. So, really understanding that the use of that. The second then is once you understand that, how do you maximise the use of the utility of the data that you have. What I advise my clients is that there's almost the, how do you use the data to look historically and learn from the behaviours and patterns of your customers to then use that to improve their experience moving forward. But then there's, and this is the part that excites me, is the look ahead.

So, how do you use that data to predict some of the unmet needs of your customers so that you can be there proactively to support them, provide new products, services, innovations before they know they even need it. And that's a really exciting place to play in. And then I guess the third for me is, that's great learning all those interesting things about your customers, the segments, how they interact, but how do you then take action off the back of that data? And speed to action is critical, especially with the increasing expectations of customers, is how do you build action off the back of the data? And so, we're doing a lot of work at the moment around building in real time feedback loops to be able to close the loop in real time, in response to customers, feedback, building in behavioural nudges.

If we see that a customer is struggling or there's a friction point in their experience so that we can help, you know, guide and navigate them through the journey in the most seamless possible way. And then there's all sorts of things. You combine that with technology, how you can use data to reduce servicing effort and cost by linking it to operations. So, but I'll, I'll stop there so I can talk about for a long time.

**Kerryn Saward:**

We'll keep exploring that a little more. I think there's that fine balance, and we've all talked about this, between use of data to nudge customers and create relevant conversations in moment. And I think as it's now the agreed term of that creepiness factor, any, any thoughts on that?

**Di Rutter:**

Absolutely. I think it goes hand in hand to say that with the immense opportunities that manifest from the use of all the data and access to this data is the, the risk and also, a lot of times perceived risks around how that data is used. So we've been doing a lot of work as well around ethical use of data and, and this concept of ethics by design, which is build ethical decisions and checkpoints into all the steps of the way, right through from how you collect data to the black box of how you analyse the data to then use it, to ensure that there's complete transparency.

And also, being open with your customers about how their data is being used and give them the choice around what additional value can be provided to them for data that they provide you. So, that whole social contract with customers is critically important around the data space.

**Kerryn Saward:**

I think that links beautifully to the comment you made earlier, Carolyn, about your brand and ensuring that your touch points with customers, each of the elements of the pyramid, stack up to be consistent with your brand. And I think how organisations use data sometimes perceived to enrich the customer experience can sometimes destroy brand if it's not done in a way that is ethical and, and with consent of the customer. Incredibly important. So, Carolyn from a Forever New perspective, how are you using data and insights?

**Carolyn Mackenzie:**

So, I think data, as we just said is obviously one of the key things for businesses going forward. We've only just launched a loyalty program. So, up until now, we didn't really have much data on our customers, but we've actually created a loyalty program where people can sign up and you're getting immense amount of data about their preferences on when they shop, how they want to shop, which channel they prefer, where they come from via social media, or through targeted emails that they're responding to. So, I think it's like you say, you have to respect them, and make sure that you're not bombarding and you're not constantly selling. And I think as a customer, the expectation is that they know you have their data, they know that you're aware of what they're

choosing. You actually more obliged in a way to make sure that that service you're giving them enhances that experience even more.

So, if I don't shop a certain category, I don't expect to be flooded with a load of emails that are things that are completely irrelevant to me, because that can be quite annoying as well. So, for us, we're very, very careful about what we do target customers with how often, how frequently with communicating with them as well, because I think people do tune out and you've got to really sort of honour the data that you have because people have trusted you with the day-to-day giving. I mean, we have a lot of data that also just shows the amount of time she spends on the site. You know, if pages on click through, at which click rate does she drop out of a page. Those are all really important things for us on data, not just about our customer, but actually how she is shopping the channel and how we can refine and work to get product up page, putting things of more interest to her. So, we spend a lot of time analysing and looking at how we use data from all our customers.

**Kerryn Saward:**

I'm sure a lot of people would share this sentiment as my online shopping has increased exponentially in the last eight months as has the spam into the inbox. So, kudos to you, Carolyn, and Forever New for really critiquing and challenging how you contact your customers, the frequency and the relevance, because I certainly know my spam filters are working overtime and the junk box is getting full.

**Carolyn Mackenzie:**

And people who are constantly bombarded, I think they do tune out and it does actually have impacts to brand and the whole experience about that brand as well. And the more you come across that, you're just about selling something rather than sharing stories about the brand, you know, food while we were in lockdown, we were doing keep fit sessions on our story programs, how to sort of style and be comfortable at home, home cooking that was healthy. And I think that's what people look for as much more of just a lifestyle rather than just all about clothing. So, we've certainly tried to sort of move away from just always every time we talk to a customer it's about putting product in front of them. And I think that's key to building a really successful brand for the future as well.

**Di Rutter:**

Yes, just probably two other things while we're talking about data that keep me up at night is this concept of, and this is where my nerdiness does come through again, algorithmic bias. Because in the future of AI, at the end of the day, humans still write the code to train the models. And so, I think bringing the rigor in ensuring that as much as we can, there's no unconscious bias being built into any of these algorithms that are pushing out these well-intended notifications. That's sort of one thing. And the other thing that I'm in discussions a lot about is a cookie-less future and what that means about how we collect data, or don't, about our customers. And so I guess the question I pose is, moving forward, it really does come back to that trust with customers, for them to be able to feel comfortable sharing their data and information with you, if they trust you to add value to their experience.

**Kerryn Saward:**

Excellent. And I briefly just want to touch on feedback in, but in the spirit of real-time feedback, we'd love to hear your questions. So, if you have any questions today for Carolyn, Di and myself, please send them through now. We're keen to answer those for you, but you've both touched on customer feedback, both touched on data, personalised experiences, how are you using your customer feedback, whether it be end of purchase or post-purchase surveys, digital experiences, to be able to close the loop and evolve your customer experience. Carolyn, did you want to perhaps kick off?

**Carolyn Mackenzie:**

When I talked about brands adequately investing in their brand, I think one of the biggest things we did was to go right back to the beginning and understand who our customer was. So, we actually did a load of research that actually broke customers into segment groups, trying to understand what they were looking at, the type of profile they were, who they shopped at, who they preferred as a brand, why did they prefer shopping at certain brands over others? And then we've got all these segments broken down. So, we have clear customer segment groups

that we define and build our ranges around as well. So, I think the power of that data is so good and so strong when you're using it to actually develop strategies about offering a unique proposition and making sure that the product really does cater for that customer. So, it's not about the selling, but actually defining how we shape our business from a product perspective is how we've started to use some of that data around our customers as well.

**Kerryn Saward:**

Fantastic. And we've had some questions through, thank you, but keep sending them through. And I think as we talk about measuring success of customer experience and feedback, we've got a question here. How do you measure the success of customer experience?

**Di Rutter:**

It's a really great question. And there's probably a multi-pronged answer to that. The first one, and it links quite nicely off the back of feedback, is using your customer sentiment and feedback to measure the continuous pulse check as to if you're improving the experience for your customers. So, the first thing I would say is ensuring that you have the right listening posts in the right aspects of your customer journey, to be able to capture meaningful information that tells you whether you are improving the experience or not. I use the language a lot with my clients thinking about the short loop and the long loop. The short loop is all about that real-time feedback, you know, post-call feedback or capturing as close to the moment as you can feedback about an interaction your customer has with you.

And then importantly, building in the processes and mechanisms to take action on that feedback in the moment where it warrants action. And then the long loop being, building in that continuous listening from your customers ongoing so that you can start identifying your backlog of systemic issues or problems that might take a bit more investment to fix that you know will have a significant impact on the overall experience. And the only other comment I'd say is one of the things I'm in conversations about a lot at the moment is how do you measure the return on investments of customer experience? And there are many ways of doing that, but if you can get to the point where you've got a really robust feedback system in place, and you're able to link that to your operational data, there's real power in that. Because not only are you capturing perception data, but also the actual reality of how that experience is performing.

**Kerryn Saward:**

I think it's a fabulous point around the return on investment. I think certainly someone who's been a customer experience professional for many, many years, the misconception that customer experience is just about making people feel good. Rather than you are doing it to drive an outcome. And that is a return on an investment. You are there to drive revenue, support your customers through deep engagement for sustainable long-term relationships as well. So, I think that's a fabulous point around the return on investment. Carolyn, measuring success of the customer experience.

**Carolyn Mackenzie:**

So, we have a multifaceted way of looking at it. I think from an online perspective, engagement is probably the strongest indicator of how successful your return is. So, if engagement numbers are low, that means the post hasn't hit the mark, the product's either not right, or there's something wrong with the way that we executed it. So, engagement is one thing. We also spend a lot of time on a digital level, looking at every return we get on all our paid social channels we use. So, anything through Facebook, through Google, Instagram, all of those, we look at KPIs and return indexes in terms of the kind of return on revenue, which is what we measure to say, how successful one channel is versus another. And then that's how we all sort of proportionate our spend based on the performance that we're getting on that return as well, because certain channels work better than other channels do work for us.

So, from a digital perspective, return on investment is absolutely paramount and that is something we really do focus on. From a store perspective, we also do have in-store feedback, which we have at the tool points where you can actually, it's a quick survey. They'll talk about how engage, what their experience was in the store on that particular day from service to product availability, to just any sort of feedback that's in there. And it takes literally five minutes, but we use that data a lot in our stores to say, how are we actually tracking, and have we actually

delivered a good service for our customers? So, those are the two ways that we look at it just in terms of return and get the feedback from them as well.

**Kerryn Saward:**

And that customer feedback, I think probably one of my passion areas is customer complaints. And certainly, for the last seven years here at CommBank, really looking at how do we learn from those complaints from our customers, really unearth any potential systemic issues in the business, but more importantly, closed that loop with customers. We've heard you, were doing something about it, and probably more important, we're sorry. And so, listening to that feedback and taking action absolutely critical. Now, when we've had a question come through Di to build on your comments before about AI and does AI play a part in data collection? Have you seen that with your clients experiencing that?

**Di Rutter:**

Yeah. It's an interesting question. I might have to have to think about that one in the context of data collection. I would say yes, if I was thinking off the cuff, right. Because what we're seeing today in the world of sort of metadata is new data sets being created off the combination of a bunch of data or variables. And so, what I mean by that is if you can connect your customer behaviour data with some other data that you have that creates something new of which would be incredibly valuable. But yeah, interesting question. You've got my brain ticking,

**Kerryn Saward:**

Good to be challenged, but, and next and next Future Series conversation next Thursday is actually talking about the future of technology with a technology futurist. We'd love to have that title. Di, I'm going to throw to you again, as the self-confessed data nerd, I'm assuming a technologist nerd as well. What sort of technology do you think will reshape customer experience?

**Di Rutter:**

So, I wish I had the power of our predicting the future. I don't, but if I had to think about it as of today, I'd say, this whole theme of how you humanise the digital experience. And linked to that, I would say, digital humans. I don't know if you've seen them or interacted with any of the digital humans, but they are incredible. And they have the ability to react, respond, and interact with you and learn from your context and in real time, to provide you human-like responses. And it's quite phenomenal. And I think going back to my earlier point around wellbeing, being such a big focus, the need for human interaction is never going to disappear, so how can we replicate that in a digital environment or as close to as possible. So, I really think that's a game changer in so many aspects.

**Kerryn Saward:**

I am going to put you both on the spot one last time. Question here. What phenomenal customer experiences have either of you had during COVID-19. Something has really blown your mind. You thought it was leading or something that was just executed effortlessly. As you ponder that, I'd probably say my experiences probably been the ones not leading, not innovative, but that consistent delivery that I'm delivering on time, per my promise, per your expectation. You are getting what you paid for and all delivered on time. It's been quite amazing, just seamless and frictionless has been blowing out of the water.

**Di Rutter:**

The one that comes to mind, I don't know if it's the best, but it certainly was one that I've been really blown away with is actually some of the work that New South Wales government has spun up, you know, almost overnight, to respond during COVID-19. So, I don't know if you've used it, but the barcode linked to the service New South Wales app. So, when you scan into various venues, it connects straight up and the fact that that didn't exist and they managed to spin it up, roll it out and, and quite seamless, to be honest, I was incredibly amazed. On a side note, my husband and I own a few small businesses, restaurants, and just even having that capability took the

pressure off us in how we manage the experience of our customers. So, that's probably one that's front of mind for me at the moment.

**Kerryn Saward:**

I can build on that for the restaurant industry, huge impacts, I'll jump into your side hustle here, like a good business owner. I'm seeing now the amount of progress, the rapid acceleration of table ordering, where customers are using their own devices at the table, scan in, pay, order. A huge change for the hospitality industry. Any thoughts?

**Di Rutter:**

Yeah, it is a huge change, but I think with change comes some really positive learnings. So, if I think about my personal experience, you know, there are small things that we've had to tweak, but that we will keep in place moving forward. So, things such as table service, our spend per head is increased. That's absolutely something that we're going to keep. And also, I think extending it out to the broader support that government and others have provided just knowing what we are able to access and when, and in a seamless manner through some of the digital portals that have been spun up has just been incredible. So, yes challenges and don't want those again, but so many positive learnings to take forward as part of that.

**Kerryn Saward:**

I think that sums it up beautifully, that the future is bright. I think there's been some horrendous changes with COVID-19, but also with the pandemic has come amazing innovation, businesses, thriving, grabbing those opportunities to meet those customer demands and experiences. And I think that will lead to better customer experiences ongoing in the future.

**Di Rutter:**

A hundred percent agree. Lots to look forward to.

**Kerryn Saward:**

Carolyn, maybe if I can throw back to you too, with that initial question, you've actually had some extra time to ponder. Any fabulous experiences you've had during COVID-19?

**Carolyn Mackenzie:**

Obviously, I wouldn't say COVID-19 has been a good time for anybody. It's been certainly a real challenge for us as well with obviously stores closing around the world and being able to predict how much stock you're buying. Should you be opening stores, shouldn't you? it's been really difficult. We have continued to work, obviously because we've continued to develop ranges. Our lead times are very, very long. So, we're having to predict right up until sort of next winter almost.

And on the back of that, I think we've had a skeleton team in the office. I think one of the positives things that came out of it for us was realising that you can actually do so much with a smaller amount of people, like less people, but who are making decisions, acting with pace and really thinking about the customer. And that's probably been one of the key take-outs for us. We've done a lot in very limited space changing the way that we worked, you know, less paper, much more just getting on with the job and making some critical decisions and actually it's paid off for us, which is, which has been very encouraging. So yeah, it's been a different way of working for us, but there's been good lessons from that as well.

**Kerryn Saward:**

And I think that sentiment is probably shared with business owners and leaders across the country. The agility in decision-making the just get on with it. I think the going from surviving to thriving has really happened during



COVID-19. So, we might wrap it up there. Love to thank Carolyn for joining us in Melbourne and Di joining us here in Sydney. And more importantly, thank you for joining us. I hope you've grabbed some thought starters, some food for thought today, about how you can stay pace and even get ahead of the ever-changing customer experience. I'd also like to welcome you to join us next Thursday for our next Future Series session and conversation with technology futurist, Shara Evans, who's going to talk about insights on the future of technology. So, on that note, have a fantastic day. Thanks for joining us.