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Adapting Your Digital Touchpoint Strategy in 2024: Get Ready For 2050

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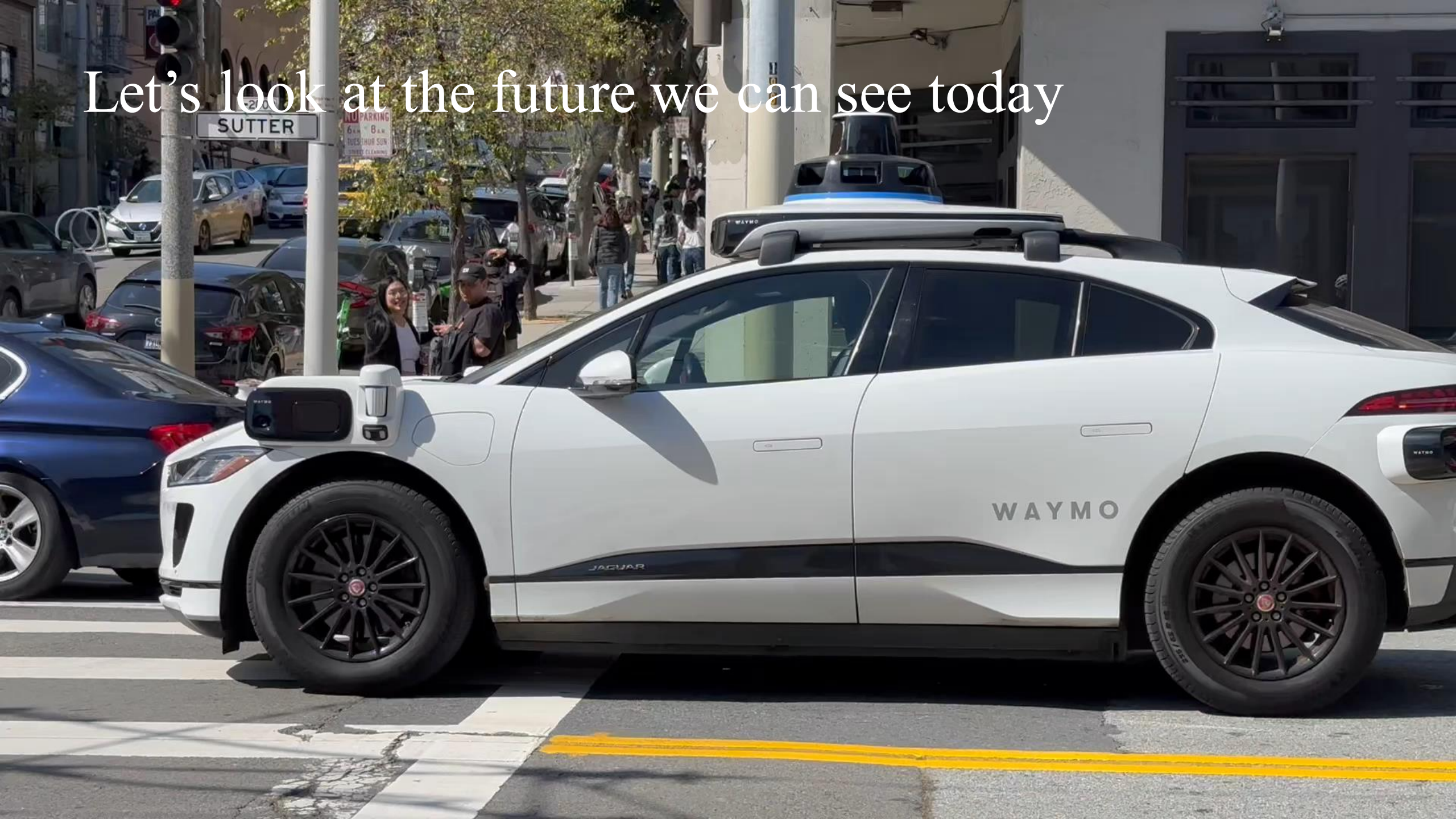January 17, 2024

BOLD AT WORK

Agenda

1 **What is the future of consumer digital experiences?**

2 What is the state of immersive interfaces?

3 What is the state of invisible experiences (IX)?

4 What challenges do enterprises face?

5 How can you start to prepare for the future today?
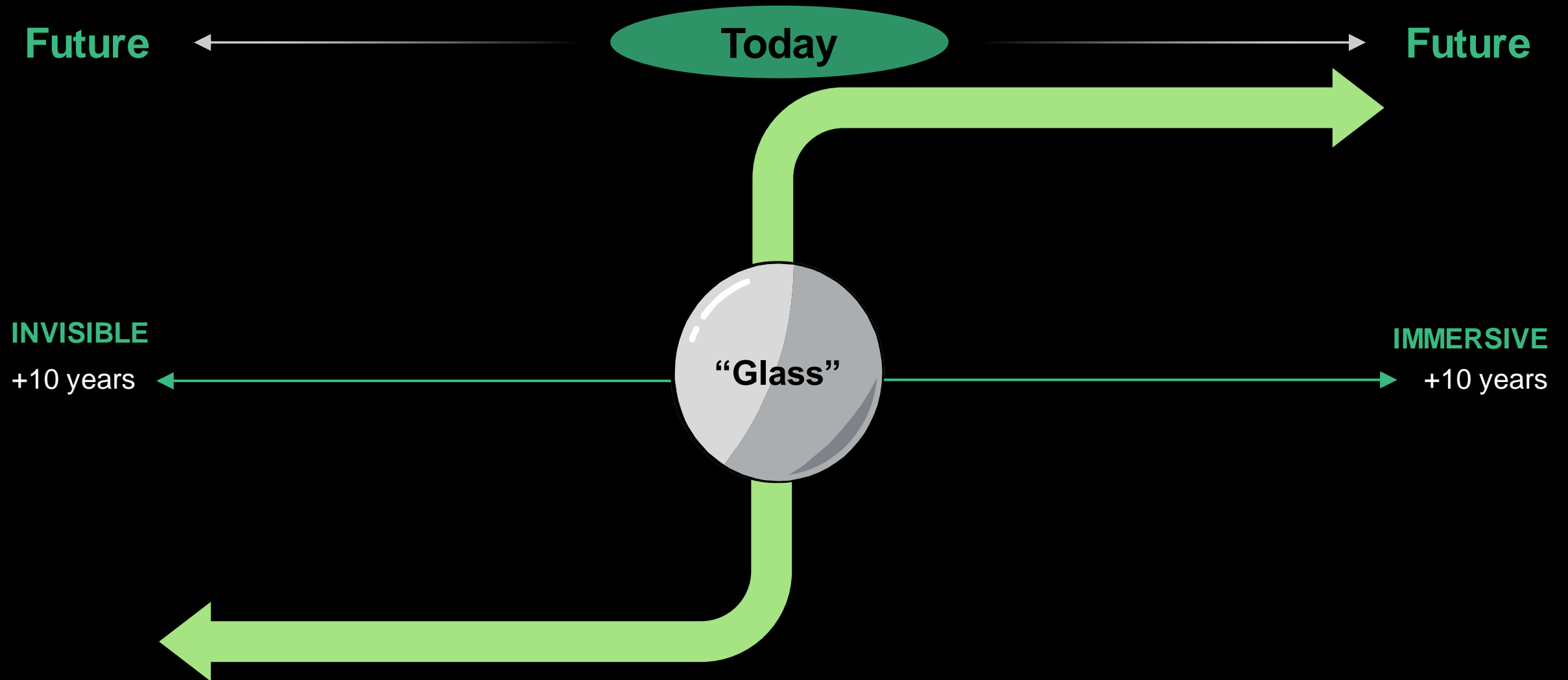
FORRESTER®
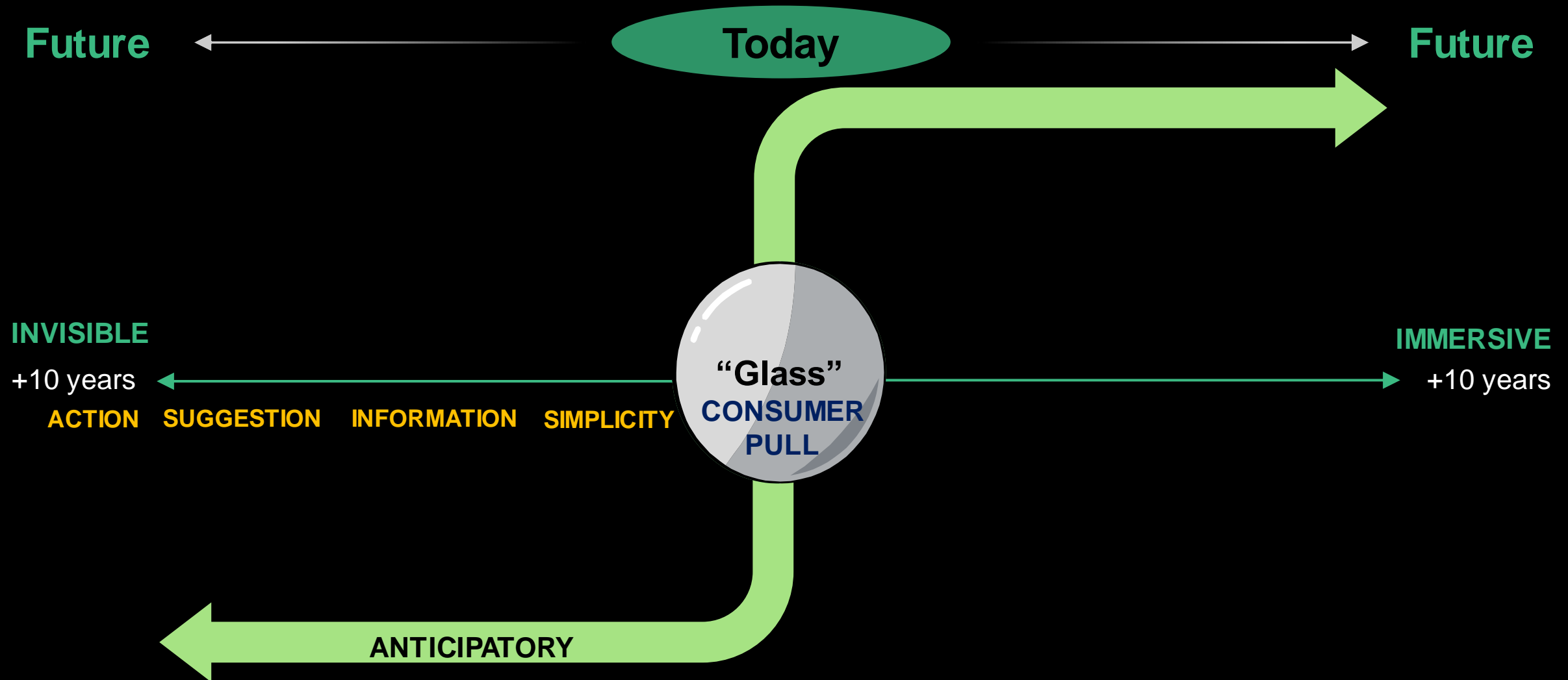
Let's look at the future we can see today

Future experiences will be simultaneously more immersive and invisible.
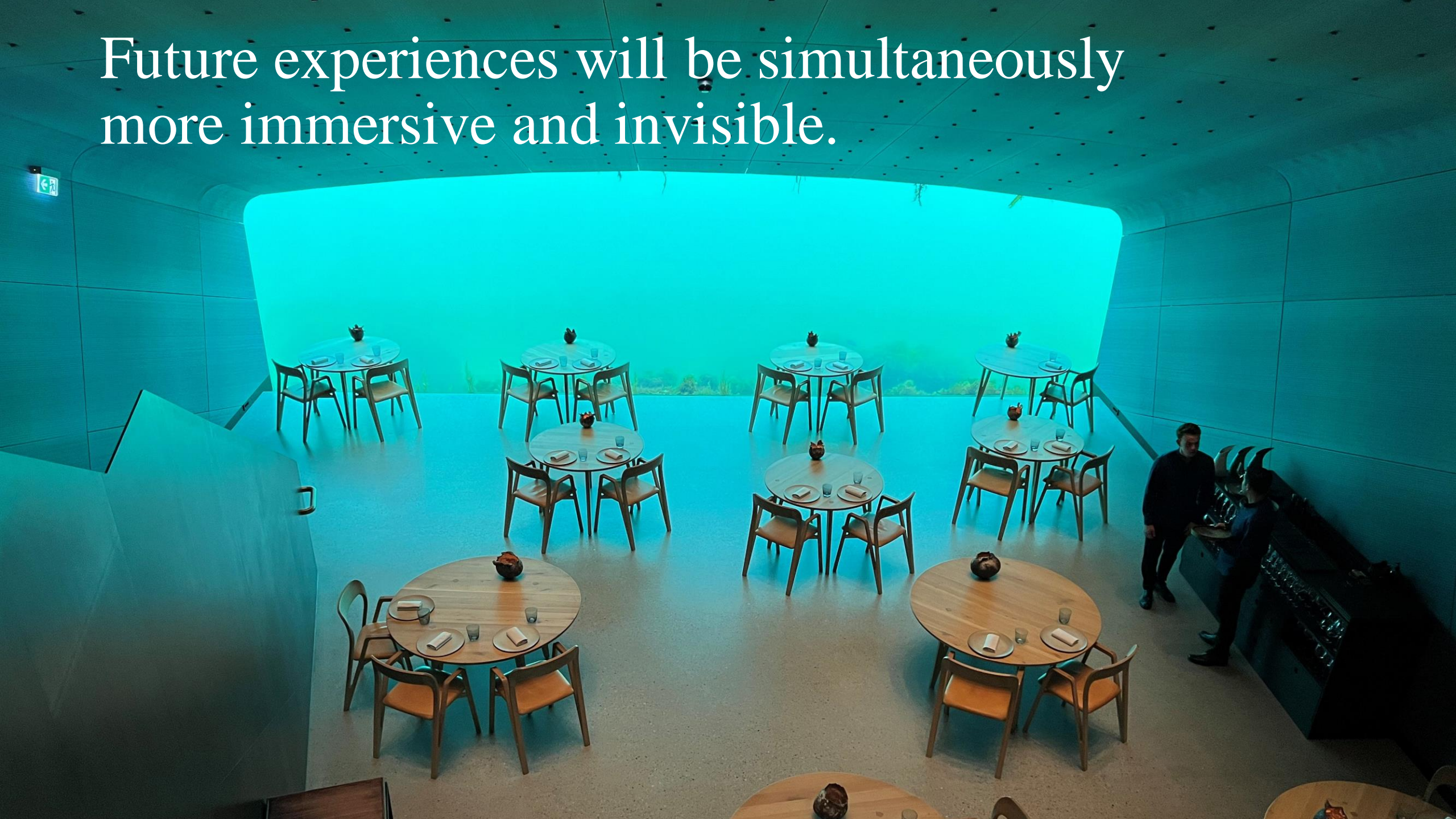
Future experiences will be simultaneously more invisible and more immersive

Future ← → Future

Today

INVISIBLE
+10 years ←

"Glass"

→ IMMERSIVE
+10 years

The best brands will understand their customers well enough to anticipate some of their needs and engage them proactively

Future ← →
Today
Future

INVISIBLE
+10 years

IMMERSIVE
+10 years

"Glass"
CONSUMER PULL

ACTION   SUGGESTION   INFORMATION   SIMPLICITY

ANTICIPATORY

Machines will mimic and enhance humans and the world around us and ultimately offer us virtual alternatives

Future ← ... → Today → ... → Future

HUMAN & REALISTIC

INVISIBLE
+10 years ←

"Glass"

CONVERSATIONAL   **XR**
CHAT   VOICE   AR/VR   METAVERSE → +10 years

IMMERSIVE
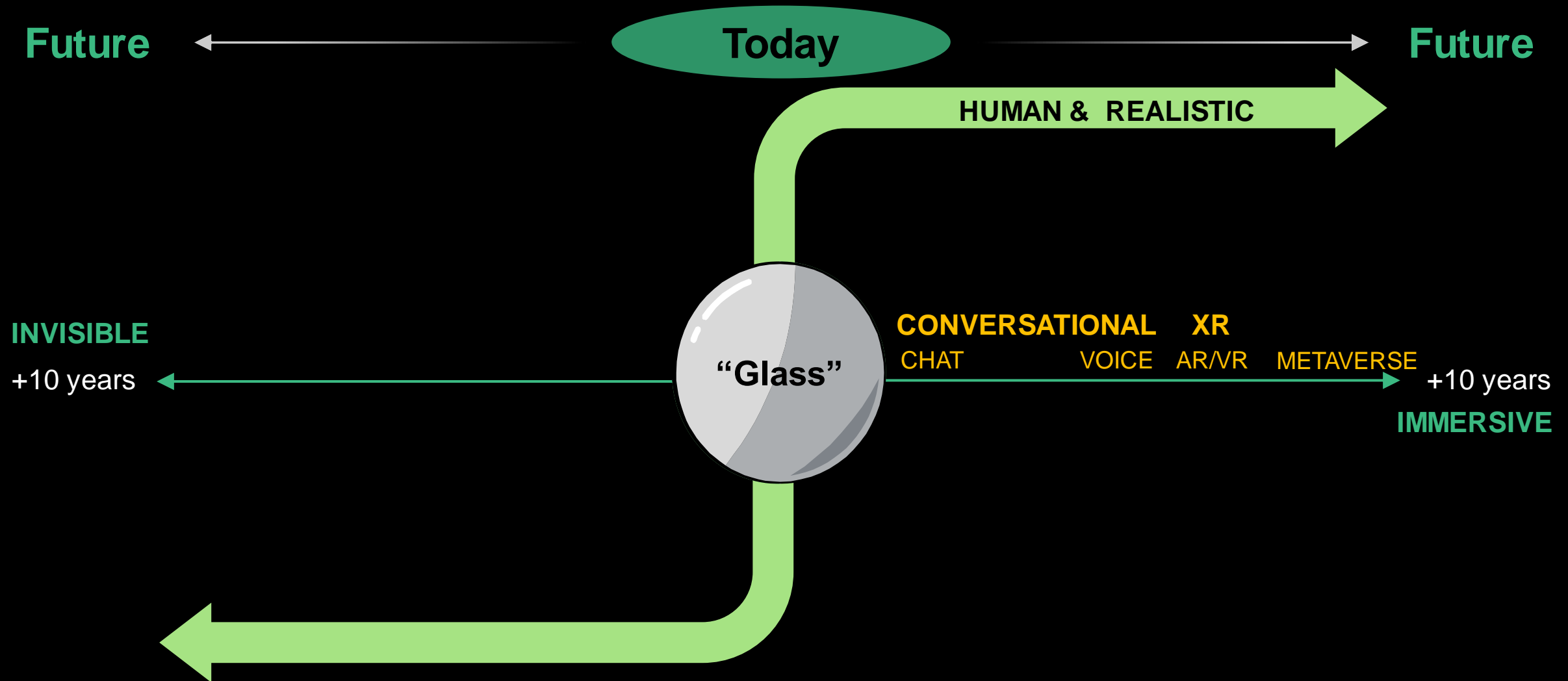
All the elements are visible today — just less sophisticated and in smaller proportions

Future ← ――――――――――→ **Today** ――――――――――→ **Future**

HUMAN & REALISTIC

XR

Voice

Chat

INVISIBLE

+10 years

"Glass"

GUI

+10 years

IMMERSIVE

Remove steps

Send information

Make suggestions

Take action

ANTICIPATORY
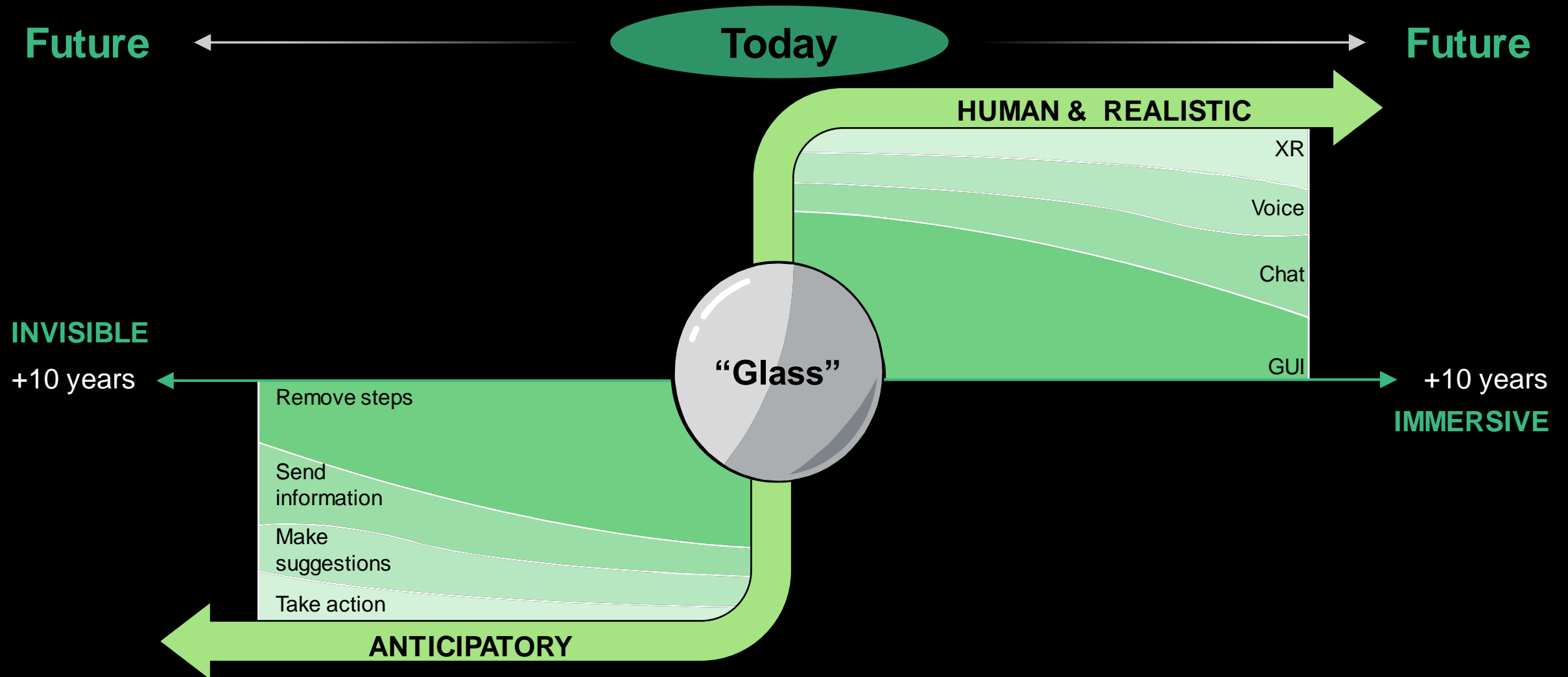
Keep in mind:

- **There are no big leaps forward!** We'll see a gradual evolution as technology improves and brands have more of the right data (context) to deliver increasingly immersive and invisible experiences.

- **This is an "AND" and not an "OR."**
  - We will still make phone calls, receive direct mail, struggle with exasperating IVRs or virtual assistants via chat, etc.
  - We won't do everything or even most things in the mythical metaverse.

- These new experiences opportunities will be exciting once **we start doing new things** – rather than old things in new ways.
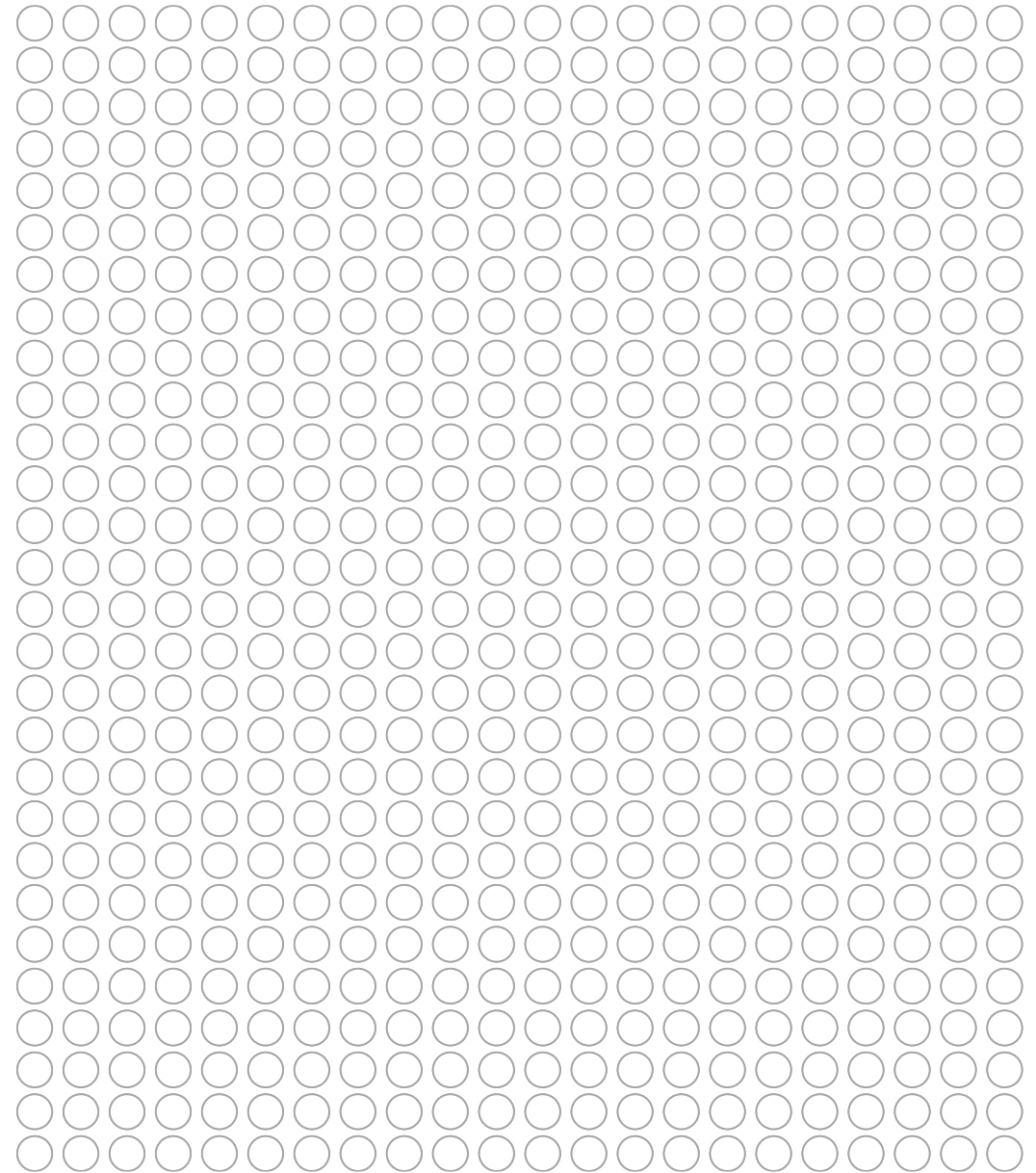
Forrester thinks of a consumer journey or experience as a set of moments.

Each moment has four components

10
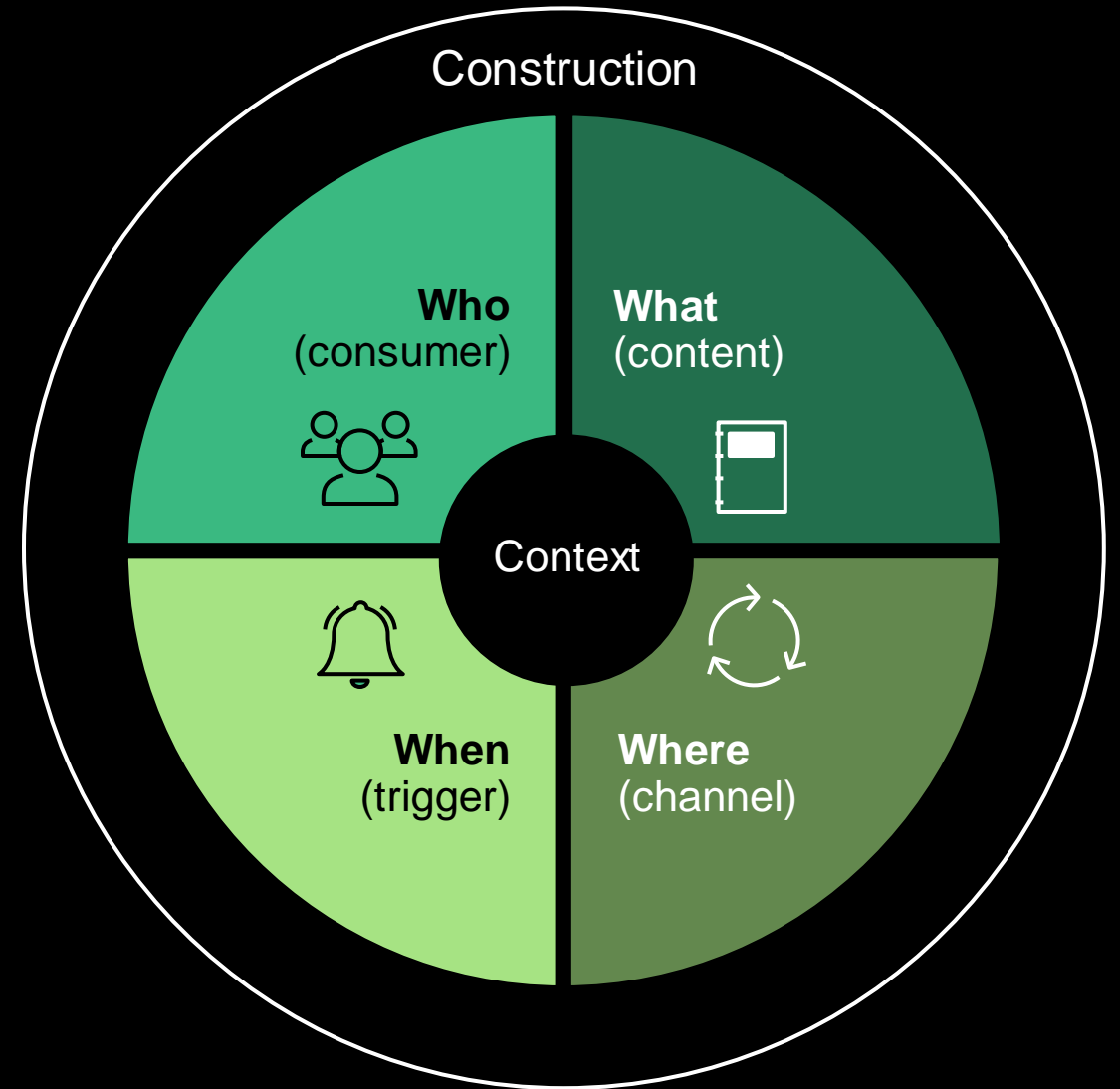
Imagine all the moments a consumer has each day

Legend:
- Website
- Mobile App
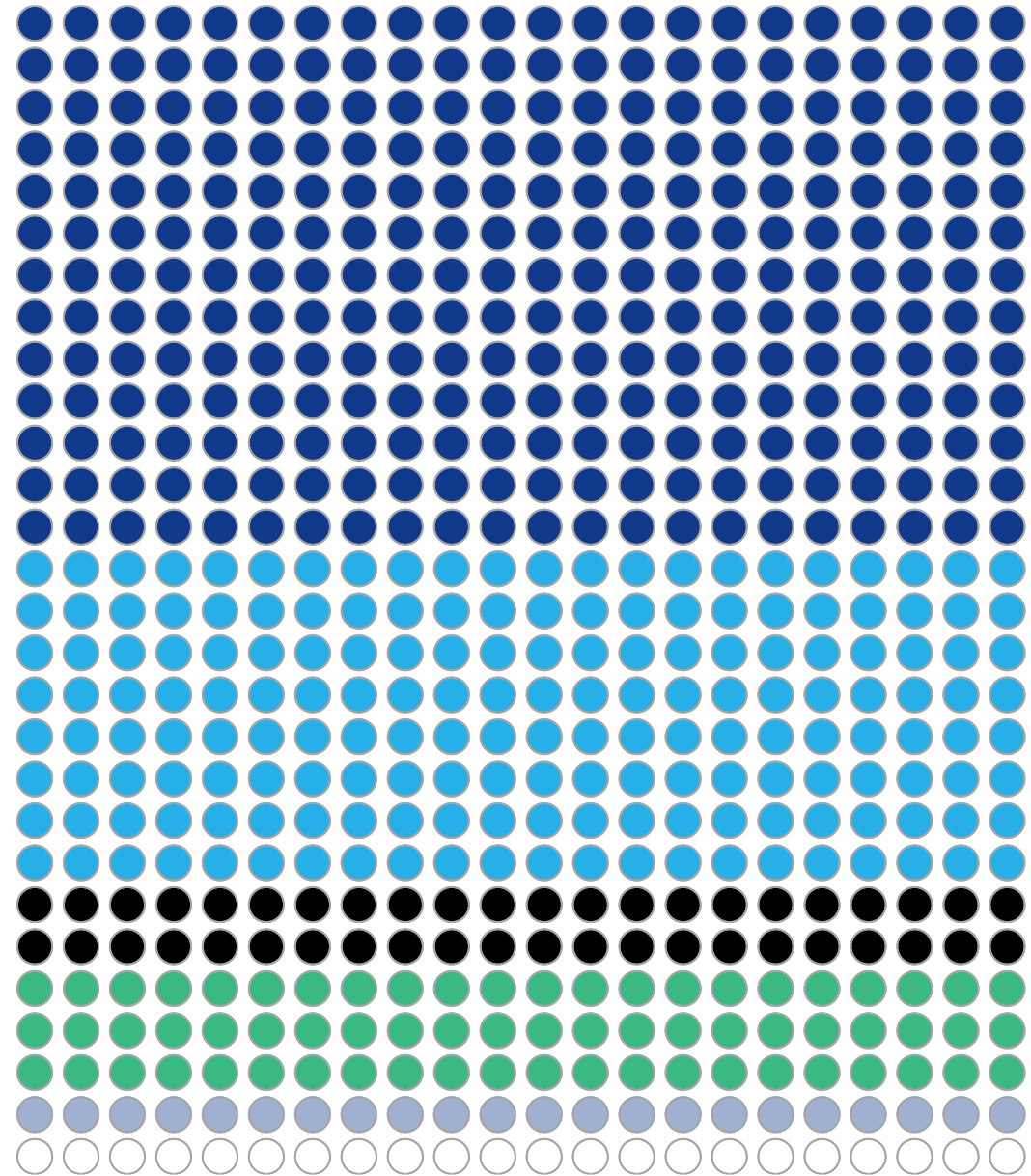- Conversation (VA)
- Outbound
- Extended Reality / Metaverse
- Other

2020

Web and mobile touchpoints dominate

- ● Website
- ● Mobile App
- ● Conversation (VA)
- ● Outbound
- ● Extended Reality / Metaverse
- ○ Other

2030

Conversational interfaces and invisible experiences are growing

Legend:
- Website
- Mobile App
- Conversation (VA)
- Outbound
- Extended Reality / Metaverse
- Other
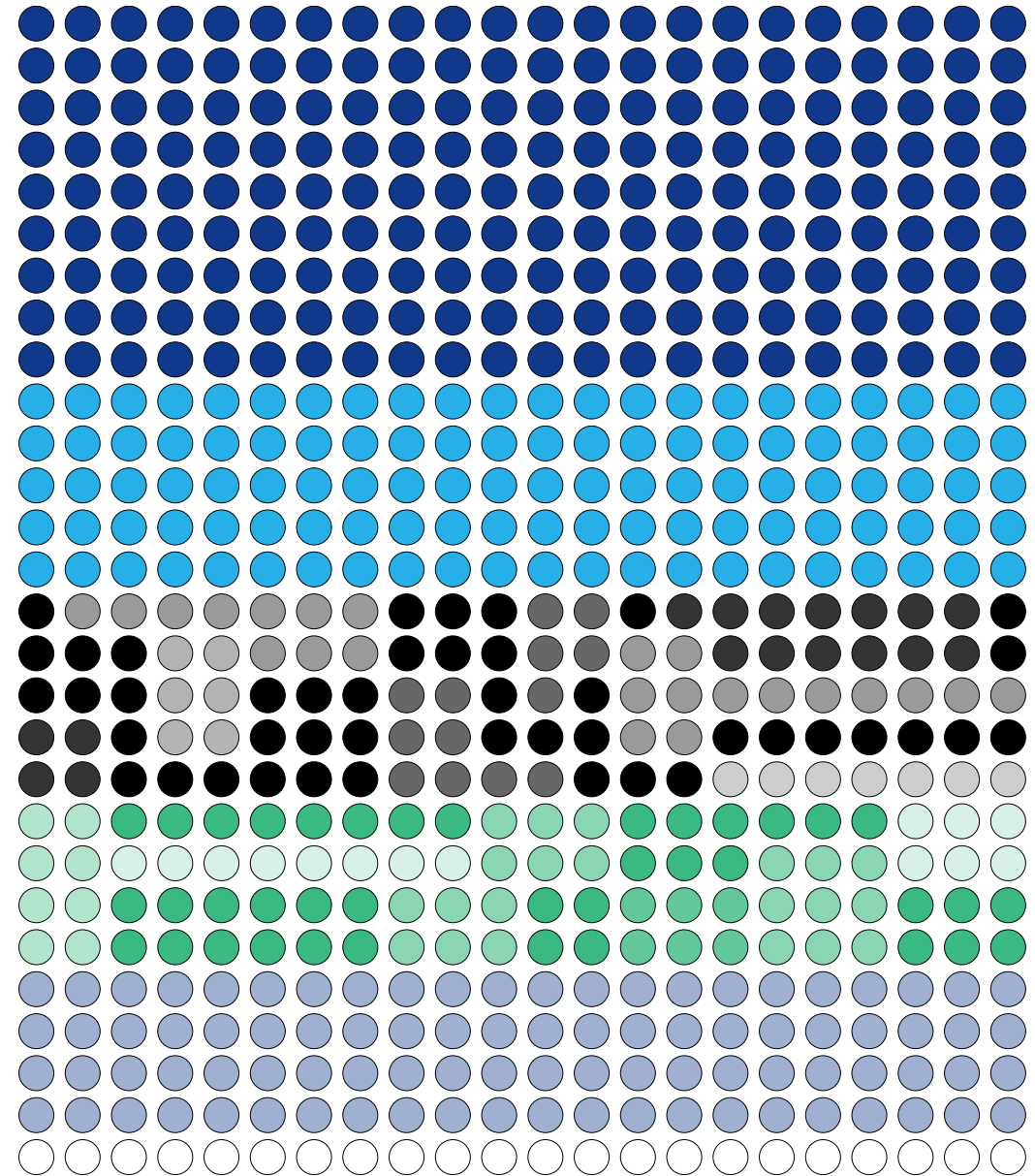
2050

Your website and mobile app will be less relevant

Legend:
- Website
- Mobile App
- Conversation (VA)
- Outbound
- Extended Reality / Metaverse
- Other
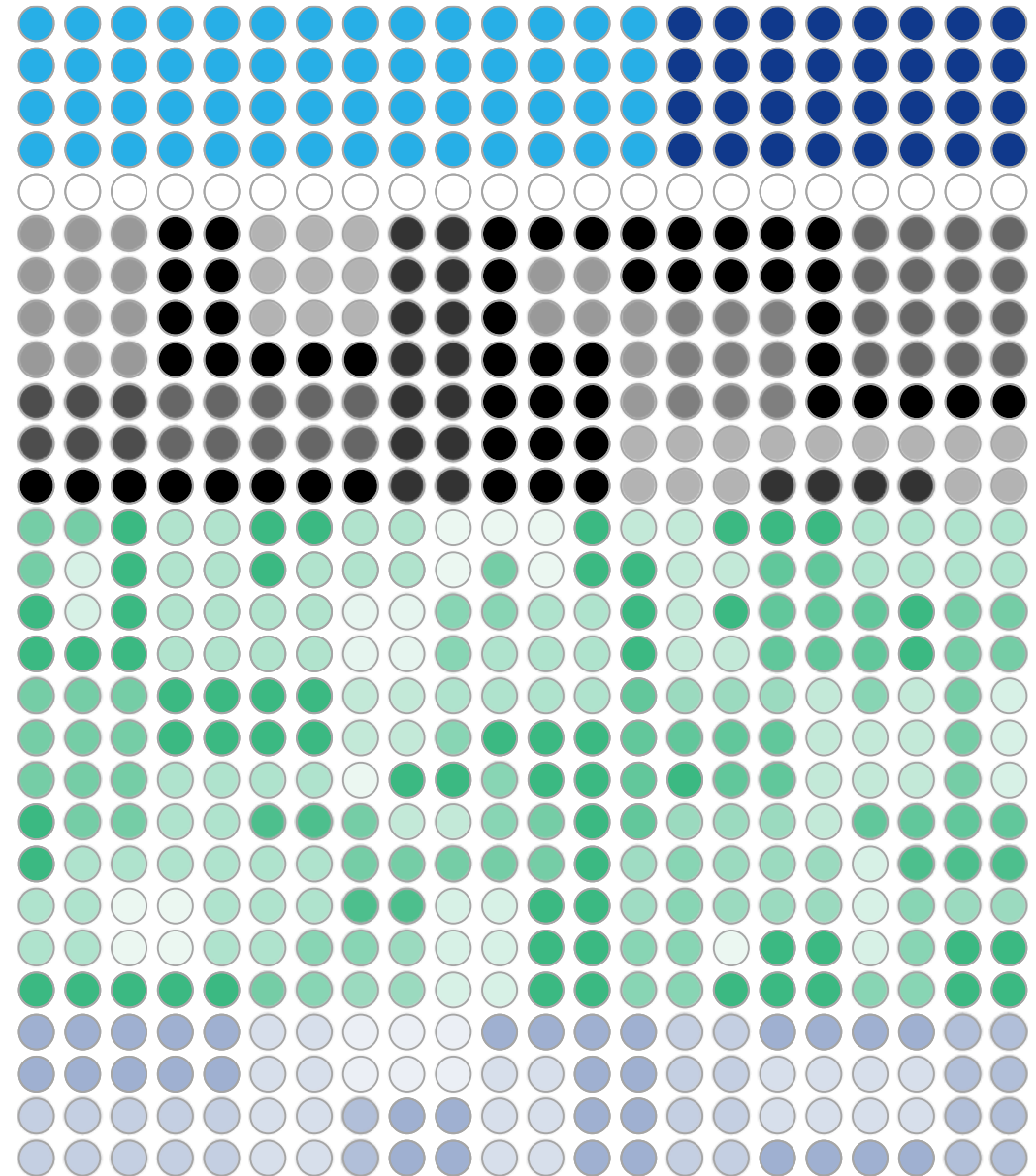
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Consumers want convenience – not conversations.

Consumers have embraced chat as an interface.

Conversations are not convenient – today.

Emerging tech will improve conversational interfaces.

Apple's Vision Pro will renew energy in Immersive Experiences

Image source: Apple

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Invisible experiences are nascent but evolving constantly.

State of invisible experiences (IX)

- Everyone wants it.

- No one has it.

- It's hard to do.

Invisible experiences occur in three stages

Anticipate need

Anticipation demands well-understood customer journeys or the ability to watch consumers in real time.

+

Act on the information

Acting on this information requires brands to use real-time context or insights to choose consumers, channels, content/services, or triggers — quickly.

=

Achieve Results

Invisible experiences

Brands lack the capabilities today

Anticipate need

Anticipation demands well-understood customer journeys or the ability to watch consumers in real time.

"We can anticipate the needs of our consumers."

28%

of *interviewed* executives agreed.

+

Act on the information

Acting on this information requires brands to use real-time context or insights to choose consumers, channels, content/services, or triggers — quickly.

"Do you use notifications to serve your customers proactively?"

54%

of those interviewed said "yes."

=

Achieve results

Less engagement on web or app properties

"We are so effective at serving our customers proactively that the use of our app or website is decreasing."

14%

of those interviewed agreed.

Three conditions set up successful IX opportunities

1. Consumers have needs.

1. Consumers have needs.

2. Consumers value convenience.

Good invisible experiences today offer smart suggestions
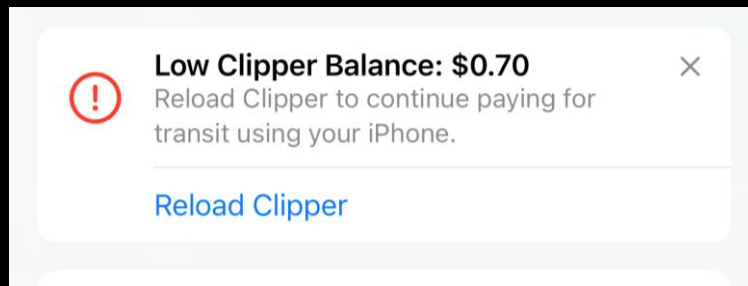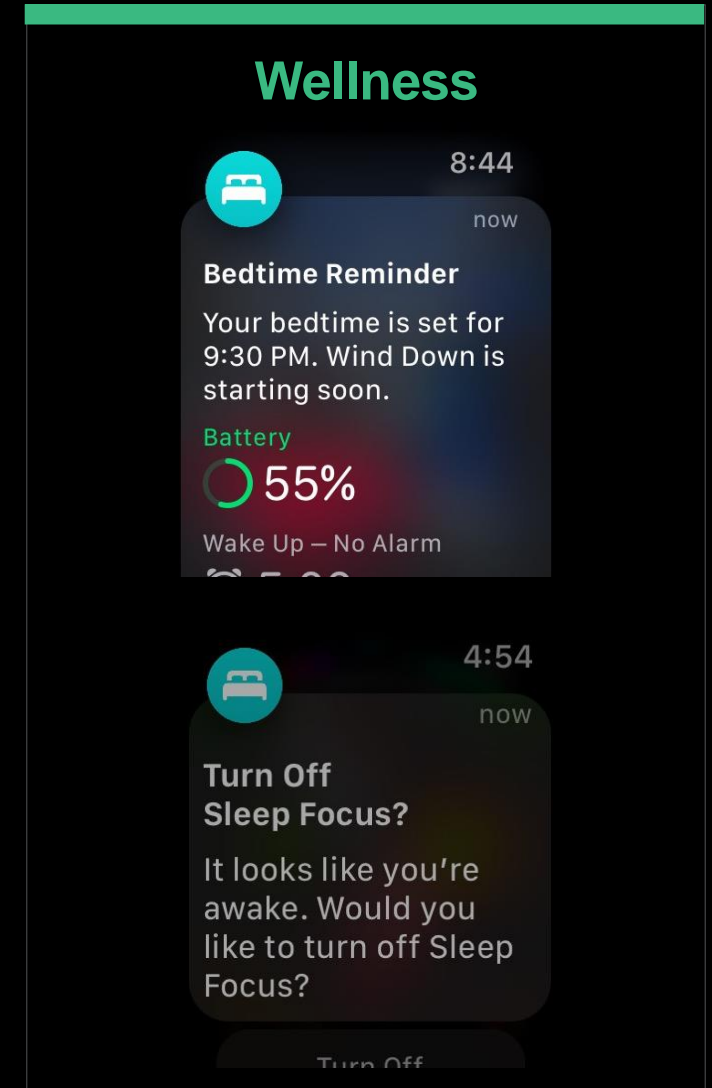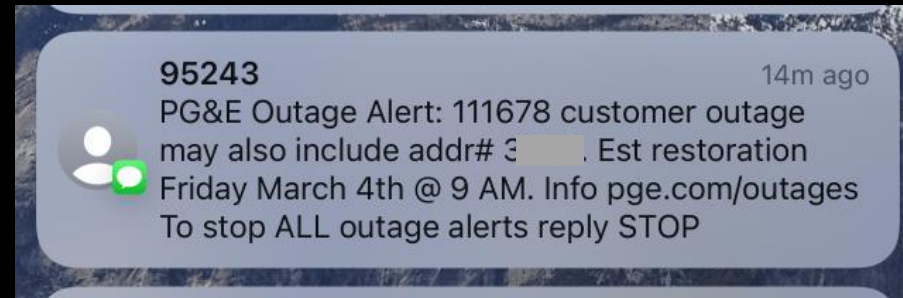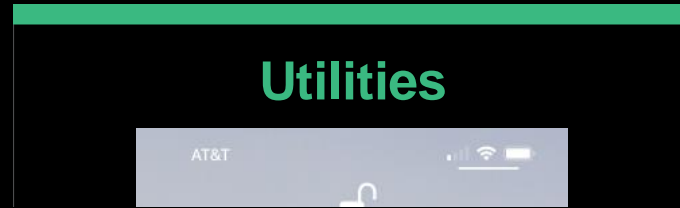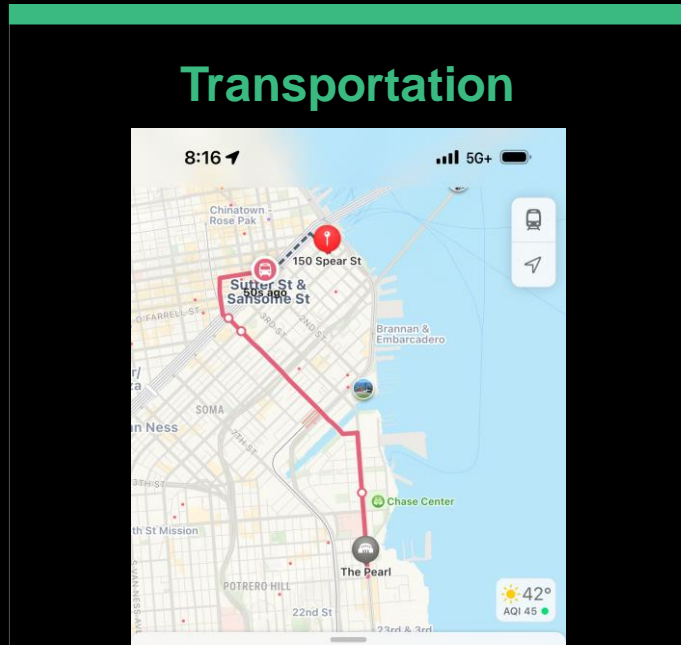
Transportation

Utilities

Wellness

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4 **What challenges do companies face?**

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FORRESTER®

Challenges are far-ranging.

Enterprises will face challenges

- **Too little funding:** Delivering invisible experiences isn't a high enough strategic priority.

- **Insufficient technology:** Executives lack data, automation, and integration into existing solutions.

- **Not enough of the right data:** Enterprises lack the data and analytics capabilities needed to build insights.

- **Lack a sophisticated data strategy:** Real-time context depends on a sophisticated *data strategy,* but enterprises fail to collect, clean, and distribute data.

- **Too little automation.**

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FORRESTER®

Forrester is building an Invisible Experiences (IX) playbook:

- Evolving enterprise-wide competencies to deliver invisible experiences is complicated and crosses roles. Forrester's internal cross-functional effort involves more than two dozen analysts.

- Conducting research to help enterprises understand what context (i.e., data and insights) they will need as well as how they must build the trust to obtain data from customers. Access to data and customer trust has never been more essential.

- Building an IX Playbook:

  - We've identified more than 60 competencies that enterprises will need to deliver these experiences.

  - For each competency, we've put together a map that tells executives how to start and identifies the steps forward (i.e., how to evolve your sophistication). We've built the first 25 maps.

  - Each competency map includes examples of what each step forward will allow you to deliver. It also includes example strategies as well as the talent, processes, metrics, and technology you will need to execute. Each map will include links to Forrester reports that offer more "how to" depth.

Top 25 competencies fall into 6 categories; data is the common theme

1 **Master Content Creation, Selection, And Delivery To Serve Customers In Their Moments**

- Personalization
- RTIM
- Recommendation Engine

2 **Build Customer Understanding With Strong Identity Resolution Tools**

- Identity
- Identity Resolution
- Audience Selection
- Master Data Management

3 **Obtain Customer Consent To Collect And Use Data And Permission To Serve Them**

- Preference Centers
- Consent
- Consent Management

4 **Data Is The Raw Material To Enable And Fuel Anticipatory Experiences**

- Data Strategy
- Data Governance
- Data Operations
- Data Enablement
- Data Technology
- Data Sharing Ecosystem
- Data Domain

5 **Collect And Analyze Customer Data To Understand And Serve Your Customers Well**

- Customer Data
- Customer Data Strategy
- Customer Analytics

6 **Unleash The Power Of Insights Using AI And ML**

- Explainable AI
- Responsible AI
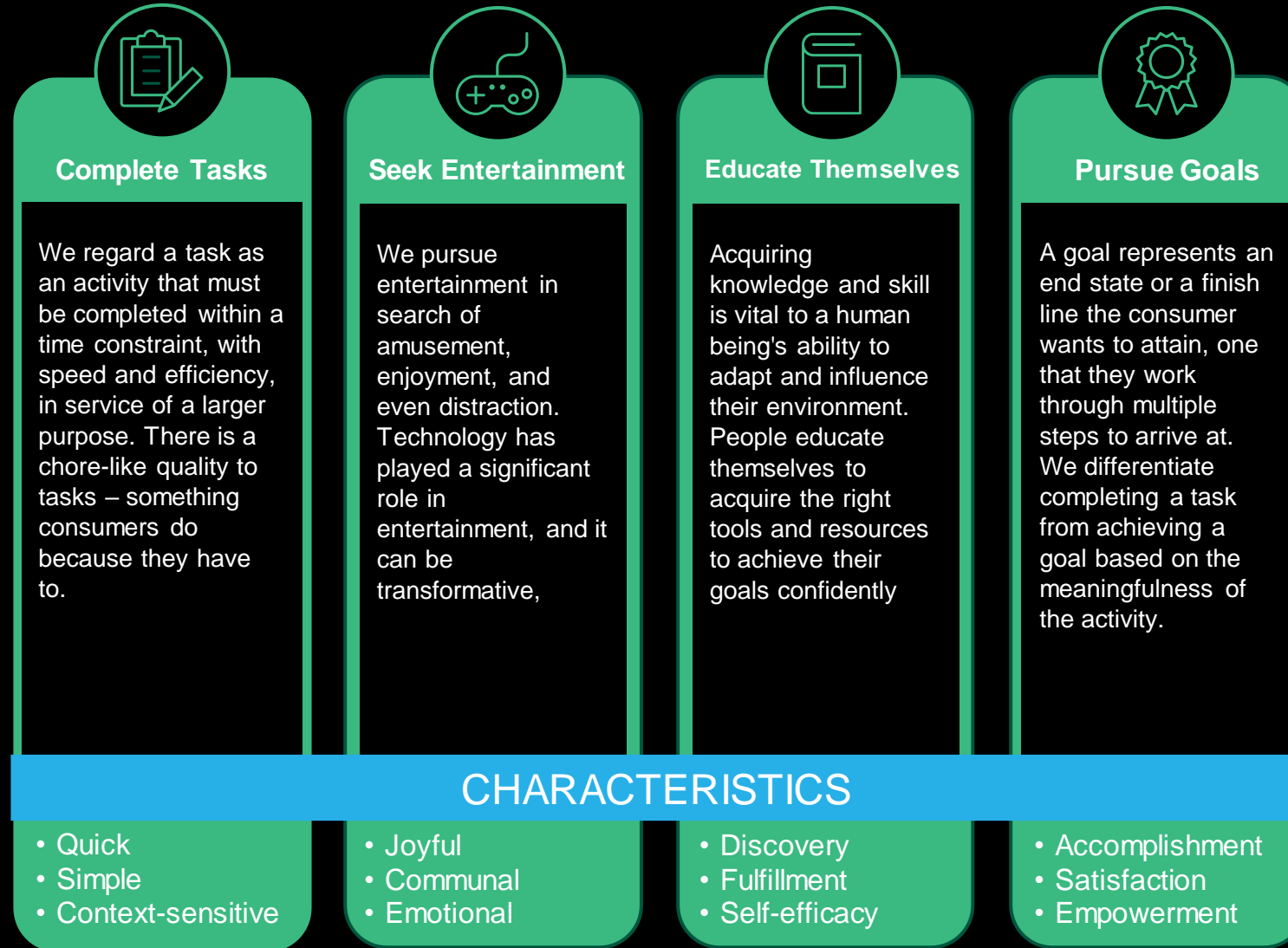- Machine Learning
- Generative AI
- Speech & Text Analytics
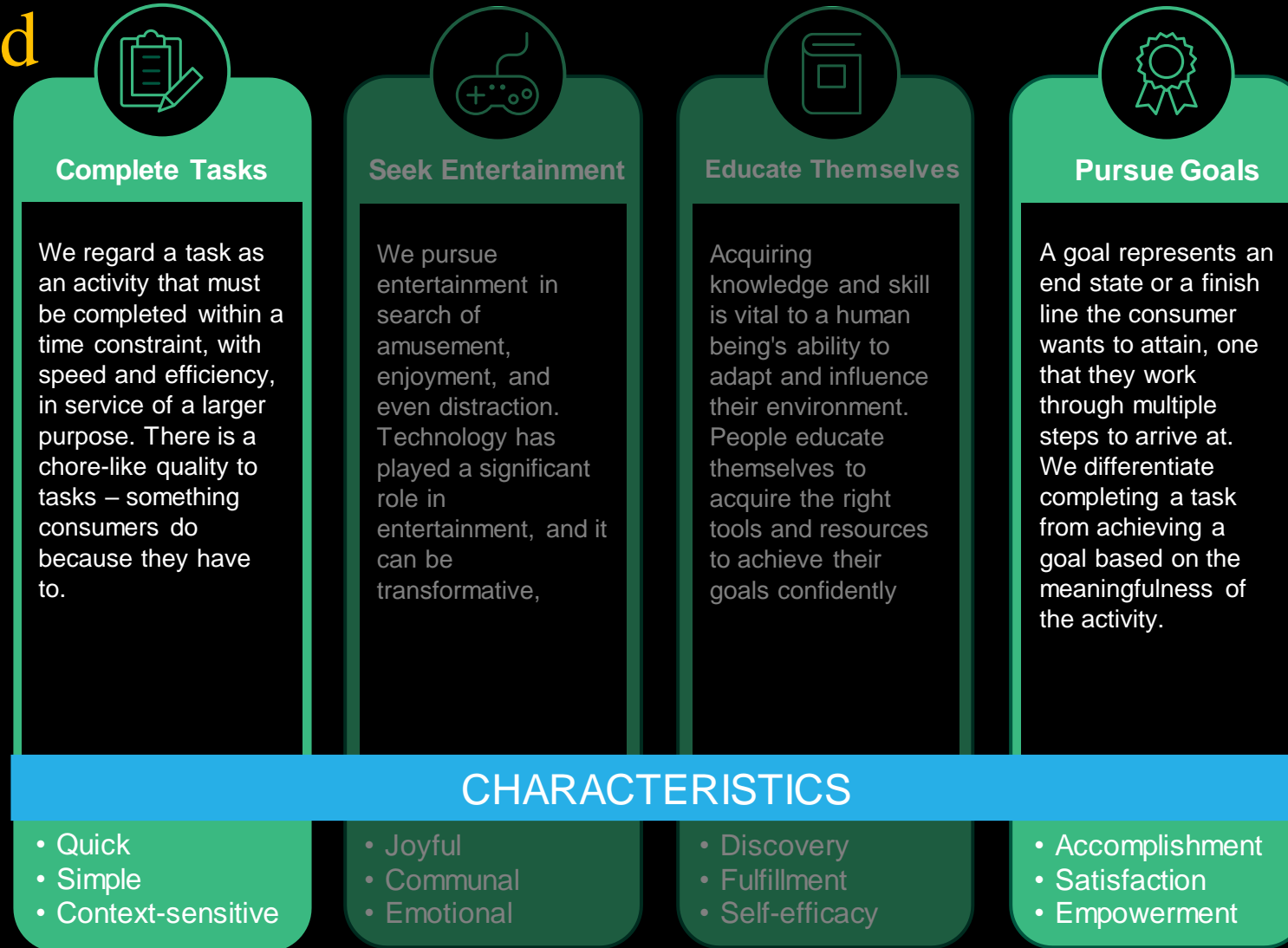
Example of a competency map: *Identity Resolution*

	BEGINNER	INTERMEDIATE	ADVANCED	ASPIRATIONAL
Maturity	Channel-level identification	Known and pseudonymous	Referential identification across channels	Proprietary identity graph
Example	Email uses email address. SMS uses cell phone number.	Use personally identifiable information (PII) when consumer has consented to allow the enterprise to use their data. Company uses a single cookie within the browser.	Brand now has a persistent referential identifier for everyone where they can find one. Referential systems do not guess.	Now brands begin to form their own opinions about how data should be matched and used.
Strategy	Execution-oriented and have the goal of cross-selling products	Evolving how data matching is done, with the goal of brands recognizing customers	Building an ongoing relationship with customers	Achieving competitive advantage
Talent	Line-level managers	+ Developers and IT staff	+ More sophisticated developers	Data scientists
Process	Outbound communication channel owner curates audiences. The customer will be defined at the phone number- or email address-level.	Collect, match, and store customer data based on level of identification and identity signals.	Inbound data and identity signals are matched to a third-party master reference database and across different identities, and a standard identifier is returned.	Develop an in-house reference database containing identification signals and rules/models to establish connections across IDs.
Metrics	Addressable universe	Match rate and accuracy	Scale and persistence	Marketing performance
Technology	Application tools for email	Tools across channels (i.e., CDP and data storage)	Enterprise architecture	Bespoke solutions

How you start today.

1. Make smart use case choices

Complete Tasks

We regard a task as an activity that must be completed within a time constraint, with speed and efficiency, in service of a larger purpose. There is a chore-like quality to tasks – something consumers do because they have to.

Seek Entertainment

We pursue entertainment in search of amusement, enjoyment, and even distraction. Technology has played a significant role in entertainment, and it can be transformative,

Educate Themselves

Acquiring knowledge and skill is vital to a human being's ability to adapt and influence their environment. People educate themselves to acquire the right tools and resources to achieve their goals confidently

Pursue Goals

A goal represents an end state or a finish line the consumer wants to attain, one that they work through multiple steps to arrive at. We differentiate completing a task from achieving a goal based on the meaningfulness of the activity.

CHARACTERISTICS

- Quick
- Simple
- Context-sensitive

- Joyful
- Communal
- Emotional

- Discovery
- Fulfillment
- Self-efficacy

- Accomplishment
- Satisfaction
- Empowerment

Consumers will value IX when they need tasks, goals, and peace of mind

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2. Evolve your strategy as you can and as your customers tolerate

1
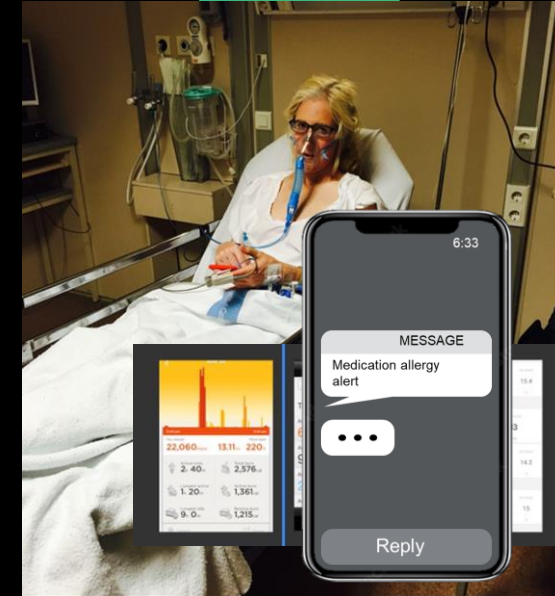
Start by designing or guiding customers along well understood journeys.

2

Using streaming data or analytics, watch and listen to customers who trust you.

3

Use context to build insights to anticipate customers' needs and act on those insights quickly. These customers must trust you enough to share a breadth of data assembled from multiple sources.

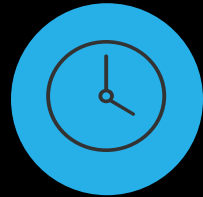# 3. Imagine your experiences or journeys as a sum of moments
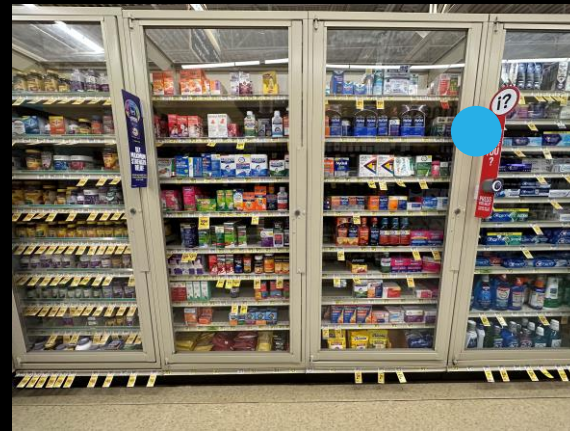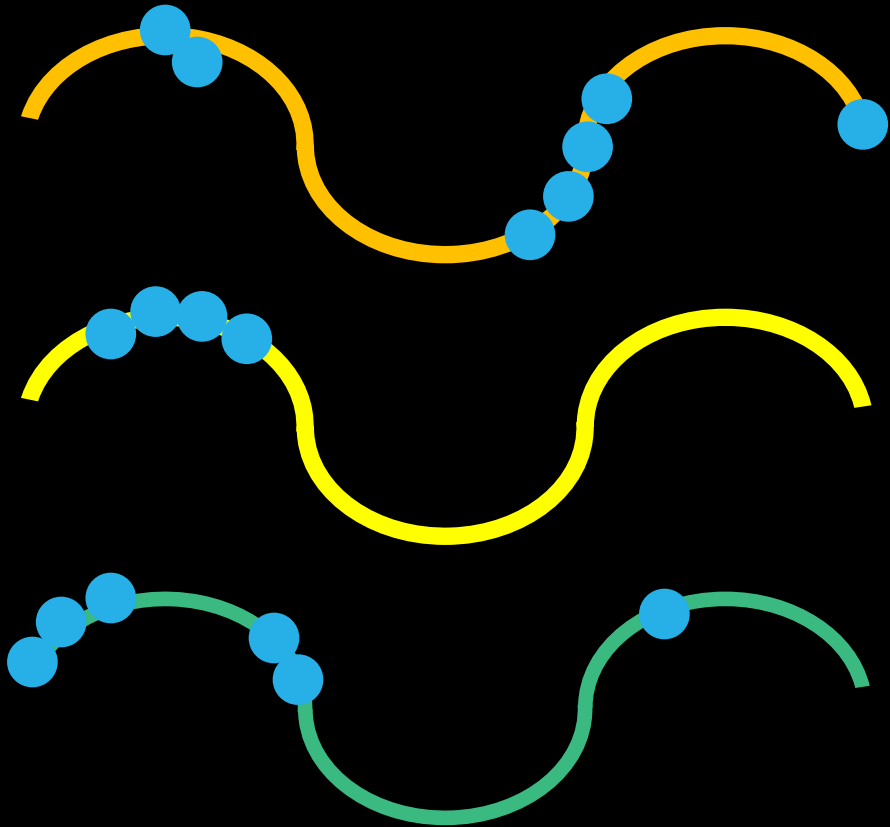
4. **Modernize** your data strategy

Build a comprehensive data strategy.

Create a strategy to collect zero-party data.

Generate insights in real time by closely watching and listening to your customers as well as using ML/AI to anticipate their needs.
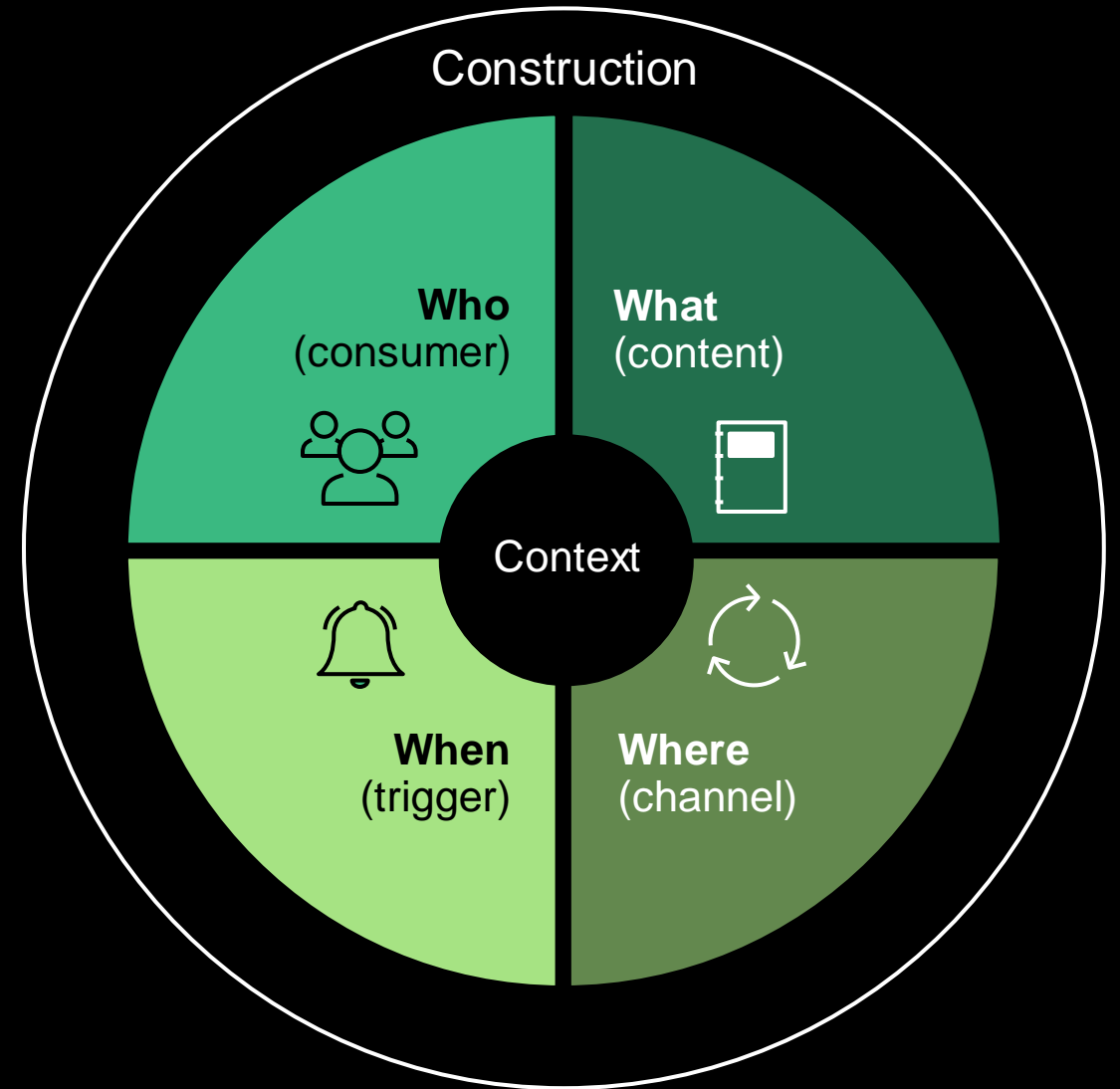
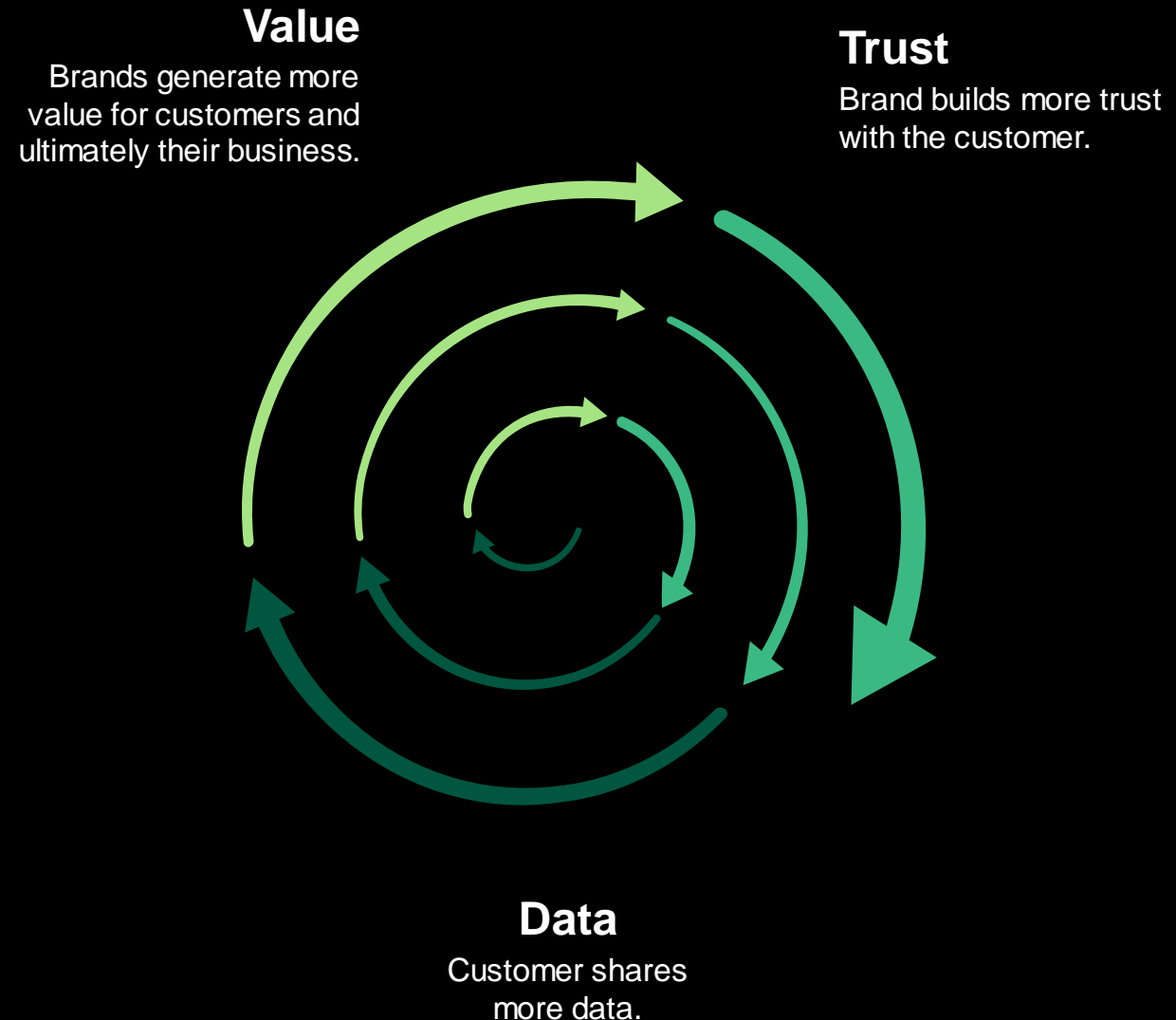Ensure that your use of AI is ethical and explainable.

Abide by customer privacy regulations and evolve this competency into a differentiator.

5. **Context** drives the assembly of moments

6. Customers will give you more data over time **as you deliver value** and as **they learn to trust you.** Failing on trust has severe consequences.

Value
Brands generate more value for customers and ultimately their business.

Trust
Brand builds more trust with the customer.

Data
Customer shares more data.

7. Align metrics with your use case

Tasks
- Speed (fast)
- Engagement (less)
- Easy (perception)

Goals
- Outcomes
- Confidence

Peace of Mind
- Effectiveness
- Satisfaction
- Loyalty

CLV

Marketing
- Acquisition
- Conversions
- Revenue
- Brand Perception

Invisible Experiences

NBX

Marketing

Examples: help, assistance, peace of mind

Examples: promotions, advertisement, sales
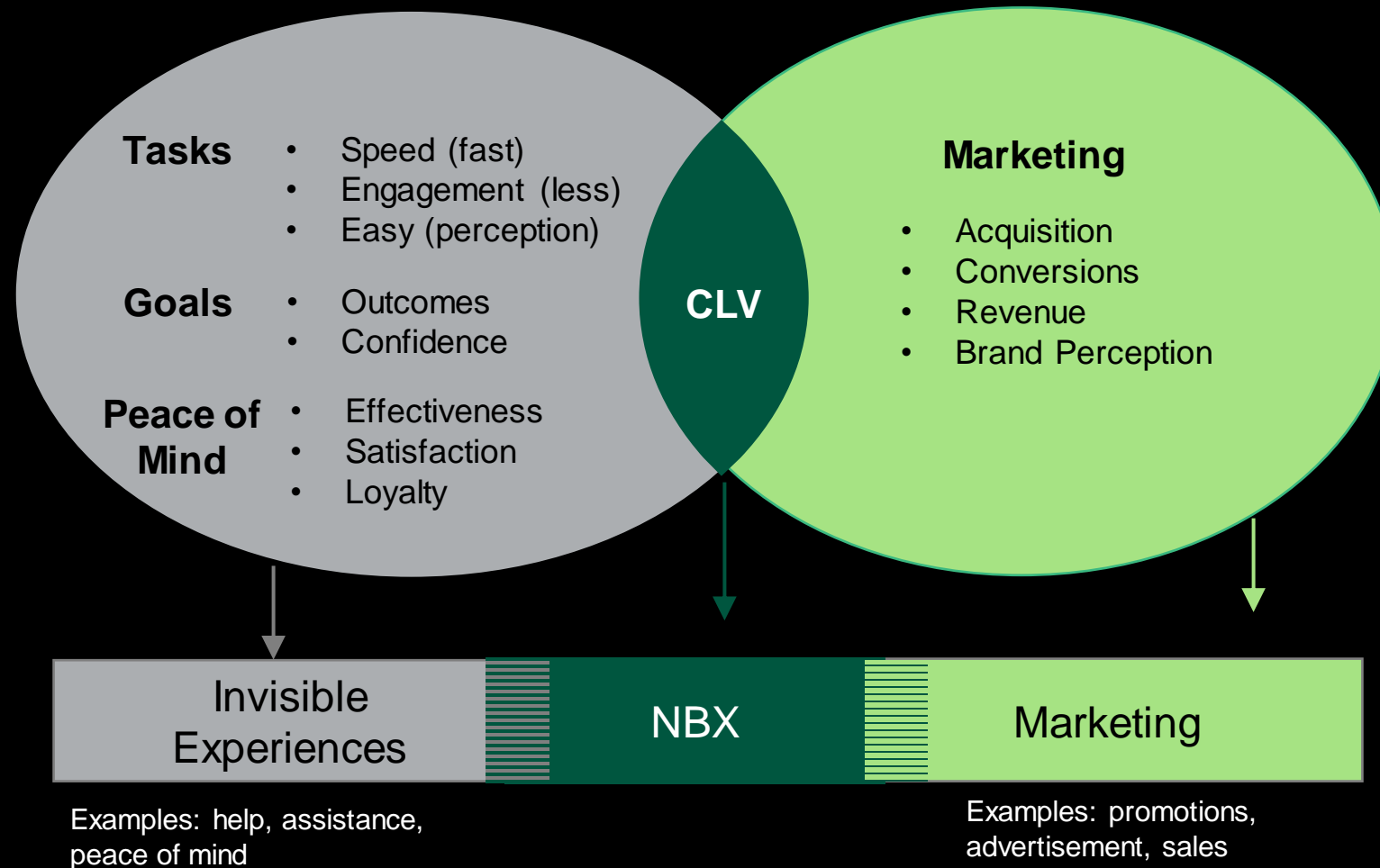
Invisible Experiences:

Summary

1. Make smart use case choices (e.g., tasks, goals, peace of mind).

2. Advance your invisible use cases as fast as you and your customers can tolerate.

3. Imagine your experiences or customer journeys as the sum of many moments.

4. Develop a strategy to modernize and evolve your data and customer analytics competencies.

5. Evolve your process to assemble moments from static to dynamic.

6. Build customer trust over time as you deliver value.

7. Align metrics to your use cases.

Thank You.

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BOLD AT WORK