

CUSTOMER EXPERIENCE BY DESIGN

*Leverage Customer Intelligence
to design optimal CX*

Semeon





Customer Experience by Design

Leverage Customer Intelligence to Design Optimal CX

Customer Intelligence describes a holistic, almost real-time understanding of who your customers are and what they think and want. You glean this intelligence from all the demographic, behavioral, and contextual information gathered during every customer interaction with your brand, product, or service whether online or through your internal software systems. Each interaction provides you an opportunity to learn more about your customers' satisfaction and their intent. Extracting meaning from that data is both an art and a science.

To access this insight, you must efficiently gather, connect, and then analyze information from multiple data sources and marketing channels. Then this data needs to be appropriately contextualized so that actionable meaning can be extracted. The more Customer Intelligence an organization can extract, the better equipped it is to design and benefit from an optimal customer experience (CX). This knowledge informs an organization about what to do better, and how to generate more value for its customers, and ultimately for the business.



“Only 24% of large companies are good at taking action based on insights provided by customer feedback.”

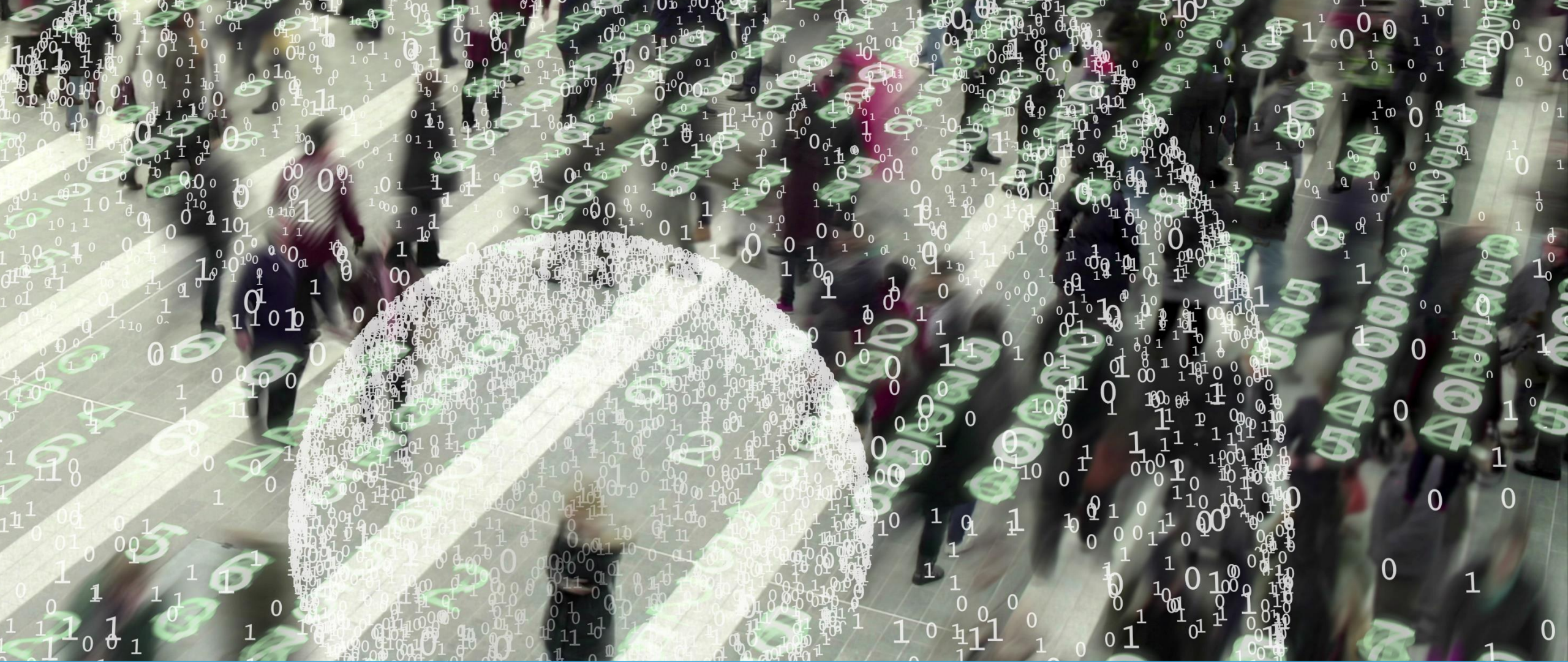
State of VoC programs report, 2017

Intelligence lies beyond the data

You might think collecting data will tell you a lot about what's going on with your CX, but simply having data is not enough. Data often lives in silos inside and outside your organization. The more complex your organization, the more widespread and siloed the information.

Most companies don't know how to connect data from these disparate sources so they fail to capture the true voice of their customers (VoC). Capturing data at every customer touchpoint is essential, but then you also need to make sense from it if you want to know what customers think, expect, and want from your services, products, and customer interactions. You need tools that can collect, analyze, and interpret data from all sources. You then need reports and dashboards that provide actionable insights you can act on to improve every stage of the customer journey.

Gathering this type of Customer Intelligence and insight on how to improve your CX presents a serious challenge to most organizations. This is where powerful technologies such as artificial intelligence (AI) come in to separate the signal from the noise.



Signal vs. Noise



Content produced in 60 seconds in 2017

Despite having more data than ever, most businesses have only a foggy, imperfect view of their customers. Why hasn't more data let us know our customers better? There are two big reasons for this.

A tsunami of data

Every day, humans generate 2.5 quintillion bytes of data. To understand the scope of that figure, that means 90 percent of all the data in the world was created in the last two years.

There's so much data coming so fast that many businesses now perceive it as a source of unhelpful noise that serves no useful purpose. That noise drowns out what you want and need to hear from your customers. If you can't hear or understand what your clients are saying, then you can't meet their needs, or improve your CX.

“90% of all the data in the world was created in the last two years.”

IBM 2017 Key Marketing Trends

Most of the data is hard to decipher

Most businesses understand **structured data**, which mostly lives in databases, involve numbers or labelled data such as spreadsheets, customer contact information, purchase orders, etc. This is highly organized data. It follows a fixed format, is uniform, and conforms to rules. Businesses understand this data and know how to respond to it.

Unstructured data is the opposite. It is untraditional, comes in many formats, and is not constrained by rules. Examples include text sources like emails, office documents (Word, PPT, PDF), customer call transcripts, feedback forms, forums, blog and social media posts, open ended survey responses, product or service reviews, tweets, Facebook comments, and text messages.

This is where most data growth is happening and businesses are baffled by how to capture, analyze, and respond to it.

The variety, velocity, and volume of unstructured data makes analyzing it challenging. Yet it holds the greatest potential for customer insight.

Businesses know unstructured data contains valuable information, but how do you separate the signal from the noise? This is where the power of artificial intelligence (AI) and machine learning come in.

“80% of all the data is unstructured and expected to grow to over 93% by 2020.”

IBM on The Future of Cognitive Computing



The value of AI

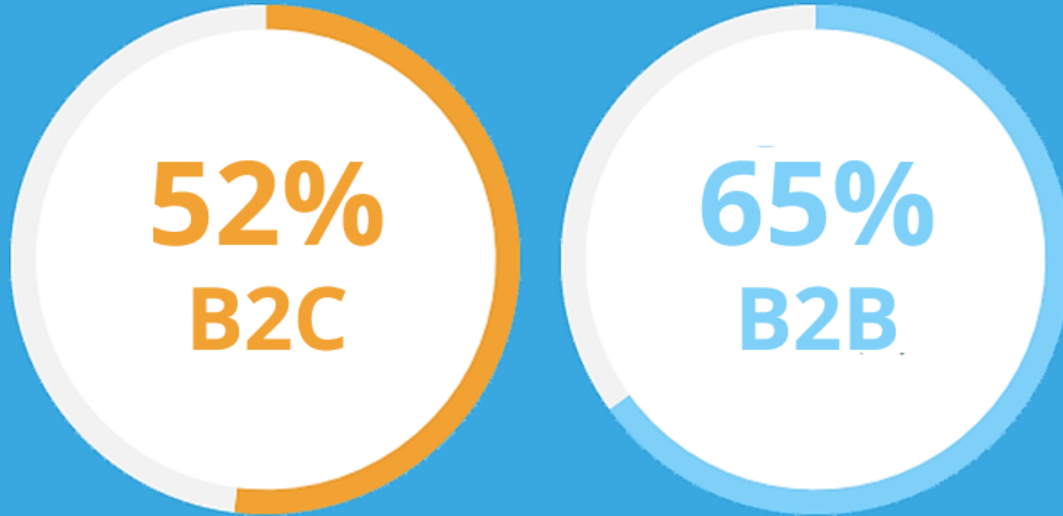


Machine learning to the rescue

At its most basic, artificial intelligence (AI) is when a machine mimics human cognitive functions, like learning and problem solving. Machine learning is an application of AI and is when a system, without explicit programming, learns automatically, and improves its function based on the data it accesses.

AI and machine learning can now process incredible amounts of data — including all that structured and unstructured Customer Intelligence that businesses possess right now. Therein lies the true value of AI. Unstructured data may be the largest untapped asset inside a business. AI will be the means to extracting value and exploiting the information it contains.

The interest in AI among marketing teams has risen in parallel with the importance of improving customer experience. These technologies help businesses separate signal from noise by extracting meaning from data. But what is the end goal for using these tools?



“Customers are likely to switch brands if a vendor does not personalize communications to them”

Source: Salesforce 2017 State of Marketing

AI as a competitive edge to craft CX

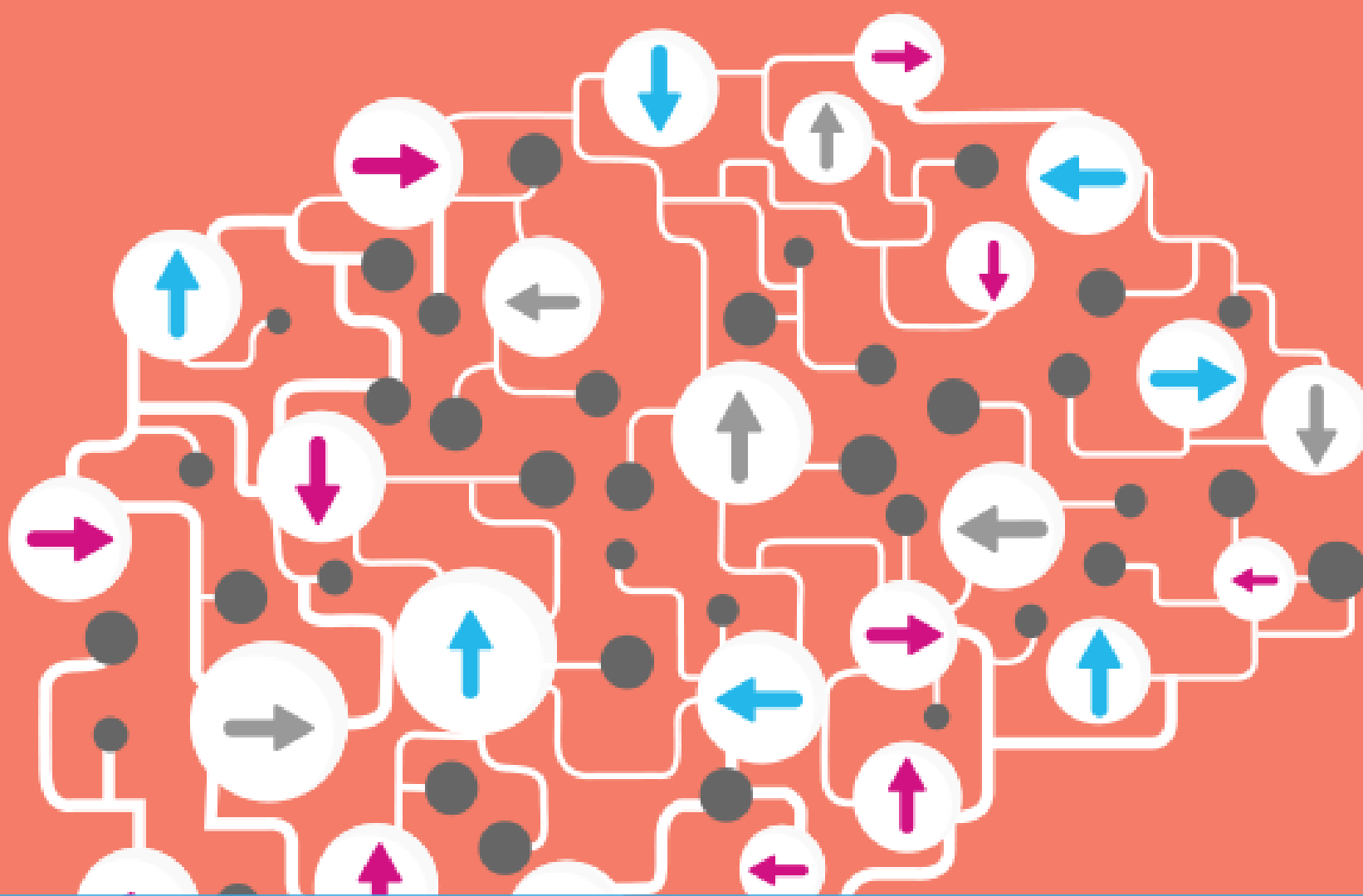
How important has CX become? [Gartner’s Customer Experience Survey](#) describes it as the new marketing battlefield: “More than two-thirds of marketers say their companies compete mostly on the basis of CX... And in 2020, 81% say they expect to be competing mostly or completely on the basis of CX.”

This mindset shift means that your business must transition from being Product-Centric to Customer-Centric.

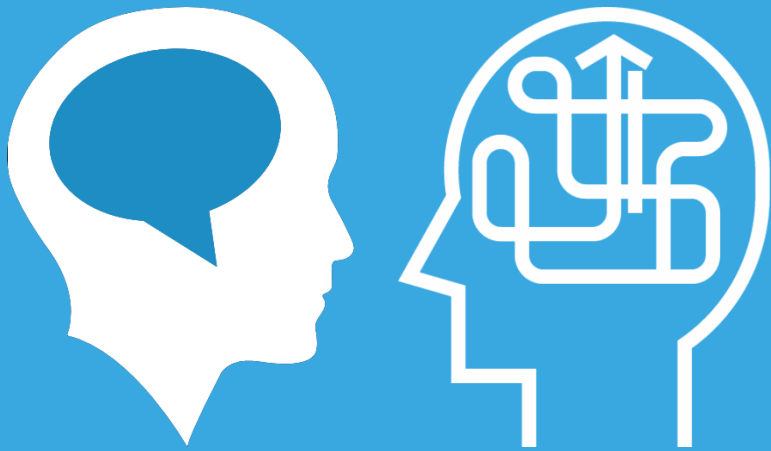
Marketing teams, sales staff, and data analysts need every available tool in their arsenal to win that battle. AI seems like one of the most promising tools.

The [Salesforce 2017 State of Marketing](#) report found that 57% of marketing leaders saw AI as absolutely or very essential in crafting CX. Another 64% say they are responding to changing customer expectations by focusing on providing consistent CX across every channel or customer touch point.

Why does that consistency of experience matter? Because 52% of B2C and 65% of B2B customers said they would likely switch brands if a company did not make an effort to personalize its communications to them.



The key to understanding Customer Intent



Algorithms that decipher intent and understand irony

Language is complex, with subtle layers of meaning. People use irony, jokes, and sarcasm in their speech. Slang, regional dialects, and the context of the conversation add even more layers. These traits are the very things that make it difficult for businesses to gather meaning from their unstructured data. Humans find it hard to manage this complexity, so it's understandable that machines find it hard too. That means most data analytics tools fail at the accurate interpretation of customer sentiment. Yet those distinctions are essential to understand the true voice of your customers.

Some software development companies have found the solution to this challenge through natural language processing (NLP), a subset of AI. NLP is the technology behind computers understanding how people speak in real life and what their words mean.

The patented and patent pending technology developed by Semeon leverages NLP to understand the context behind what people express in words and reveals true customer sentiment. It goes as far as detecting and understanding irony.

Semeon tools embrace human linguistic complexities and allows brands—whether large organizations, SMBs, or individual influencers—to understand the real conversations that their audience is having. By using such AI-powered tools, companies can understand their customers' intent and respond accordingly.

The pulse on what customers think, expect, and want

AI-powered algorithms transform massive amounts of unstructured text-based data into clear, intuitive views of your customers, and the channels they use. They can deliver actionable information about trending topics, the influencers that affect those trends, and the channels where the conversations are happening.

That direct insight, driven by machine learning and NLP, allows your teams to make better decisions faster.

To get the full picture of your customer experience, you need historical data (hindsight), real-time data (insight), and predictive data (foresight).

As you compare data analysis tools and solutions, ensure the one you choose reveals the true VoC, the one expressed by your customers within your unstructured data that describes what they want and expect from your business.



HINDSIGHT

Reveal trends to understand factors that drive customer behavior so your new products align with future customers. Engage on the channels that your audience uses most during their buying journey.



INSIGHT

Analyze customer perceptions to optimize your messaging and develop product value awareness. Understand the context of positive and negative comments surrounding new product to adjust your strategies in real time.



FORESIGHT

Monitor consumer habits, wants, and needs so you can shift strategies and offers in response. Follow trends to stay far ahead of competitors to grab untapped market opportunities.

Better tools remove the guesswork and provide a holistic & actionable customer view

Your analysis tools shouldn't make you guess what move to make next. They should provide enough information that your business can make intelligent, informed decisions that improve customer experience.

This process involves analysis of public data (blogs, news, social media) and private, internal data (emails, call center notes, surveys, CRM records). Your data analysis tools should seamlessly gather this information, break down silos, and extract sentiment, intent, and other customer signals.

Most unstructured text data analysis tools only deliver word clouds. This amounts to single keyword analysis largely based on frequency-driven metrics. Those metrics ask how often a keyword was used, which means they try to derive meaning from how many times a given word or phrase was mentioned in text. These kinds of metrics misinterpret, misunderstand, and completely ignore customer sentiment, context, and intent. It's easy to see how this type of analysis can lead users to make wrong conclusions, which then lead to poor business decisions.

Example of commonly used "Word Cloud":



Rather than frequency-driven, word-based metrics, Semeon instead uses a knowledge-based search engine. Using AI-based, patented semantic techniques, Semeon analysis tools discern meaning (concepts, ideas, relationships), sentiment (feelings, opinions, emotions), and intent (to purchase, to praise, to harm, to inform).

The Semeon algorithm is the first to discern irony, allowing far greater precision in determining sentiment and intent. It breaks through data silos and knowledge biases to provide context-aware meaning and truth.

Rather than word clouds, the Semeon tool creates *Concept Clouds*, which clearly highlight customer pain points and opportunities. The Semeon dashboard pinpoints how idea, sentiment, and intent evolve with time, and finds the influencers behind that evolution.

In this way, Semeon overcomes language complexity, helping businesses hear their true VoC. You don't learn just what customers are saying; you learn what they actually mean. This precision means you can take fact-based actions based on actual customer sentiment. With that information, you deliver a better CX because you can respond in real-time to actual customer sentiment and intent.

Example of a *Concept Cloud* from a Semeon report:



Example of Sentiment and Intent analysis from a Semeon report:





A need too big to ignore



The era of Customer-Centric business

Customer expectations have changed. They demand that your business focus on them and what they want. If you don't, they will look elsewhere.

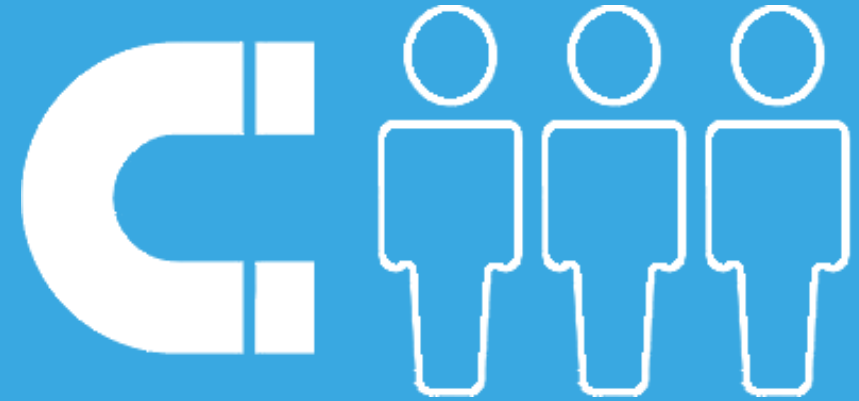
For the future of your business, customer experience is something you can't ignore. If your intent is to become Customer-Centric, then you need a close to real-time feel for the pulse of your customer. You have to move past what simple words your customers say, and instead focus on the context of their expression. This is critical for building a better CX.

The question is now, how do you use data to improve CX and retain your customers? The average organization does not have the capabilities to read all of this data, not to mention make sense of it. The answer to this problem is to use tools that understand and analyze massive amounts of data and show it in a way that your team can use to make smarter business decisions and take action.

You need analysis tools that provide Customer Intelligence with a more complete picture of your customers' needs and wants. With these tools, you will enable your sales, customer support, marketing, and communications teams to be more effective. Such actionable insights will empower your organization to continuously improve your CX and remain competitive.

To create a Customer-Centric business you have to move away from frequency-based keywords (which only give partial understanding) to statistically relevant Concept Clouds (which secure expression integrity) enabling you to truly understand the voice of the customer. Companies that master this will succeed where their competitors fail.

Customer-Centric focus has a payoff: [The cost of acquiring a new customer ranges from five to 25 times more than retaining an existing one. Boosting your retention rate by 5% can increase profits by 25% to 95%.](#)



“Boosting your retention rate by 5% can increase profits by 25% to 95%.”

*The value of keeping the right customers,
Harvard Business Review*

About Semeon

Semeon helps to decipher language complexity such as irony, sarcasm, cultural context, and biases, and presents a more precise representation of what customers are saying they want.

Semeon delivers Customer Intelligence through actionable insights in real time from private and public data, without requiring a dedicated team or countless hours to get results. This knowledge empowers teams to be as responsive and effective as possible.

Semeon enables organizations to drive more sales, increase repeat customers, and develop a deeper understanding of customer needs to optimize their overall customer experience.

[Request a Demo](#)

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