Executive Brief:

Closing the Customer-Experience Gap with Digital-Performance Management

To digitally disrupt—or avoid being disrupted—businesses must be able to optimize their digital outcomes. DPM helps close the customer-experience gap.

Business leaders are increasingly focused on digital disruption, whether they want to disrupt their industries or hope to avoid being disrupted. It's little wonder, as digital business accounts for nearly a quarter of the world's economy today, according to Accenture, and is expected to grow even more. Most businesses now understand that the success of their digital endeavors—from personalized customer interactions to new services enabled by the Internet of Things—starts with the success of the digital customer experience they deliver.

In many organizations, however, there's still a large gap in how IT teams and their business-side colleagues perceive the customer experience. That gulf in understanding hampers their ability to optimize digital outcomes and impedes their digital success.

Consider this scenario: ABC Co. spends weeks developing a major marketing campaign. By mid-morning on launch day, the social-sentiment/brand-awareness team witnesses a rapid uptick in negative tweets and posts from customers trying to purchase products: "Great deals at ABC Co. Too bad I can't actually buy them!" "Thanks, ABC Co.—for nothing!" The marketing team immediately contacts the IT operations group, which is unaware of any problems. From IT's vantage point, system health indicators—such as utilization and performance—appear fine.

For the rest of the day, hours are consumed determining the root cause of the customer complaints. "It becomes a war-room scenario," says David Jones, director of sales engineering at Dynatrace. "The company invests dozens of hours, and dozens of IT people, looking for one of potentially thousands of causes" that could range from user errors to page-loading rates to content issues. The upshot is wasted time and resources, no speedy resolution for unhappy customers, confusion about what went wrong, and lost revenue as a result of the failed transactions.

There's a good reason why this scenario plays out time and again at businesses across multiple industries. On the surface, digital transactions are designed to look simple: one click and your ride is on its way. This is the "perceived" customer experience. That click, touch, or swipe, however, kicks off a dynamic ecosystem of thousands, if not millions, of technology interdependencies that span servers and systems across geographies. Think of this as the "delivered" customer experience.

In actuality, the true "customer experience" isn't one or the other, but both together.

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The problem is that most businesses aren't capable of merging these views.

"They're reacting either to customer feedback or to IT health systems information," says Ryan Bateman, director of digital performance and marketing at Dynatrace. "Very few can integrate the two to understand the entire impact on customers."

Traditionally, perceived and delivered experiences are monitored and measured by completely separate camps using completely separate tools. On the business side, data includes the "voice of the customer" (that is, customer expectations, preferences, and other feedback), social sentiment, Web analytics, mobile analytics, and behavioral analytics data. Top concerns revolve around customer conversion, cart abandonment, page visits, online revenue trends, and related areas.

Meanwhile, IT (operations and developers or DevOps) concentrates on system health, mean time to repair, load time, latency, and related issues. The top concerns for this group include system and application performance, scalability, quality of service, efficiency, and other system health metrics.

Consequently, no one sees the whole picture. "The operations team has its own set of tools, the development team has its own set of tools, and the business groups have their own set of tools," Jones says. "They're all generating their own sets of data, and nothing looks the same from one part of the organization to another."

If the business sees a sudden drop in Web revenue, for example, or an uptick in negative customer sentiment, there's no quick and easy way to correlate that with something happening on the IT side. Similarly, if the IT operations staff sees an operational problem occurring, it doesn't know how critical that problem is to business performance. In addition, while many businesses employ "digital-experience platforms" to quantify social sentiment, brand awareness, layout/content effectiveness, and so on, this data reflects reactive behavioral information, with no real-time technology insights that IT can use to remedy the problem.

To get a full view of the customer experience, businesses need to develop new capabilities and processes focused on digital-performance management (DPM). This emerging approach, which evolved to address gaps in the customer-experience and application-performance management (APM) industries, better links IT and the business by integrating the perceived and delivered customer experiences. Rather than having players use their own separate data, DPM enables everyone—whether in social media, marketing, customer analytics, IT operations, or development—to work from the same data set captured during the customer visit. Depending on what they consider most important, the business and IT can each explore the data from different angles as well as different levels of abstraction and drill-downs.

Because DPM integrates IT system performance with digital business performance, all stakeholders can begin speaking the same language—and working toward the same goals. They can begin collaborating on customer-experience optimization, making better decisions, and responding in real time to issues. "The customer experience is the intersection point that all these audiences have in common," says Bateman.

DPM

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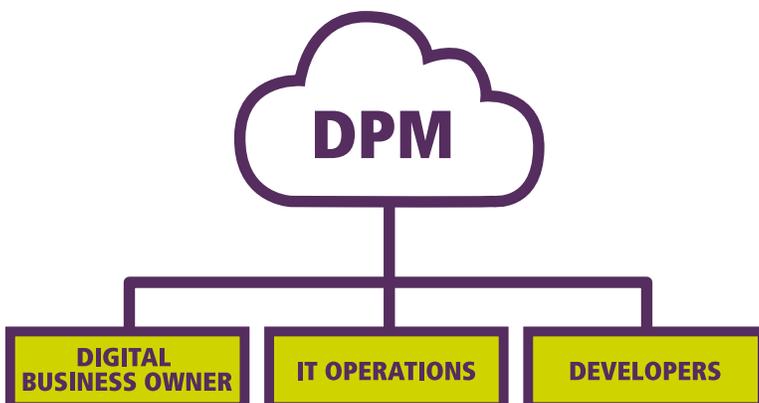
Using DPM processes and technologies, businesses can:

- **Enable a real-time view of the customer, with an integrated set of business and IT data.** When customers report problems with a website or a mobile app, the business can capture needed context from all customers for the duration of their visits. Rather than wasting hours determining the root cause or trying to replicate a problem, IT staffers can drill into the code and make a fix in near-real time. "I can extract all that data to a zip file or a shortcut link, hand it to the tech guys, and they can replay it to see what's wrong," says Erwan Paccard, director of marketing at Dynatrace. "It gives them something actionable to work on right away."

  Further, organizations can monitor key performance analytics, such as online revenue per minute, customer conversion rates, and customer sentiment. When a problem arises, IT operations can pinpoint the source—for instance, Web page performance, a mobile app glitch, an improperly executing database statement, or issue with shopping-cart checkout—and then address it with an understanding of the effects it has upstream.

- **Provide personalized customer service.** Service representatives can see exactly what customers clicked on or zoomed into, how they got there, and how well the systems delivered that experience. Armed with these insights, service reps no longer need to ask dozens of questions or rely on the customer's description of the problem—they can see precisely what's going on.

- **Establish trust and build a healthy brand.** Outages, slow performance, and technology glitches are a fact of life for digital businesses. But with the insights that DPM provides, businesses can more easily turn a negative customer experience into a positive one. For instance, if a customer from a targeted account prematurely leaves a high-value page that would indicate buying interest (such as abandoning a partially completed form), the company can see whether the problem was related to content, response time, or device compatibility and then reach out to make amends. "You can respond quickly enough to save the relationship, transaction, or deal because you know what's going on almost in real time," Paccard says. Doing so can make or break a company's digital success, as it can establish trust and show transparency—two "must-haves" for attracting digital customers.

- **Make better business decisions.** The visibility that DPM provides can help businesses make more accurate decisions that improve business performance, whether it's boosting application throughput, enabling more personalized experiences, taking steps to reduce support costs, or improving IT efficiency. For instance, businesses can ascertain whether certain pages or features on the customer-support portal are non-intuitive or too slow and fix them, encouraging higher rates of self-help and lowering support costs. Additionally, with increased visibility into how page performance affects, for example, conversion rates, IT can optimize performance for specific pages that need to perform well at crucial times.

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A DPM initiative requires high-level support from the organization's C-suite—whether that comes from the chief digital officer, chief customer officer, chief marketing officer, or chief information officer—as well as solid change-management processes.

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— Ryan Bateman, Director of Digital Performance and Marketing, Dynatrace

Because DPM is an emerging capability, businesses will encounter hurdles when implementing it. To begin with, they need to understand that DPM is a *practice*, not a software solution or a tool. "Similar to the way DevOps and Agile revolutions have taken hold, DPM requires both process and cultural change across different groups that

historically worked in silos," Bateman says. A successful DPM initiative, then, requires high-level support from the organization's C-suite—whether that comes from the chief digital officer, chief customer officer, chief marketing officer, or chief information officer—as well as solid change-management processes.

Despite the challenges, businesses intent on achieving digital success should get started practicing DPM now.

A few places to begin:

- Assessing their current digital-performance maturity on a sliding scale, from reactive, to effective, to optimized.

- Holding workshops for IT and business stakeholders to establish the goals and data that are important to each group.

- Setting priorities by identifying key metrics that are vital to business performance. One global retailer's IT team set up dashboards outside the executive offices showing real-time customer sentiment status, based on page-loading and response time. "This set of dashboards gave them a high-level view for how many people were happy, as opposed to tolerant or frustrated, across brands and global locations," notes Steve Trimbo, digital experience practice manager at Dynatrace. "Both groups were seeing this for the first time. If something wasn't working, they could take action with the IT team."

- Executing on the plan, including the design of new processes and channels of communication between lines of business, marketing, analytics, IT, and other relevant stakeholders.

The bottom line: Businesses can no longer afford to maintain a fractured view of the digital customer experience. "More and more, the customer experience is becoming the yardstick for measuring business success," Bateman says. "As you see an increase in the quality of the customer experience, there's a direct correlation with revenue, lower cost of customer support, and higher efficiency in IT."

Put another way, smart companies now understand that today, digital performance and business performance are one and the same.

For more information on digital performance management, visit www.dynatrace.com.