



**These days, experience is everything.**

**The emphasis on experience is arguably at its greatest today because the structure of almost everything we do—how and what people buy, how and where they work, and how they interact with others—has been upended by world events in 2020.**

The consumer behavior shifts we're seeing today are not a blip. They are likely to stay with us for a long time, some likely forever. Some have been in motion for years, and many have been accelerated by the COVID-19 pandemic.

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**80%**

For example, over [80% of consumers](#) who increased their digital usage in a variety of channels during the pandemic expect to sustain these levels moving forward.<sup>1</sup>

This new reality forces businesses to look deeply at how people are experiencing their brands. Too many are falling short of meeting their customers' rapidly changing expectations. Focus on the customer is not new, but experience is now being elevated from a workstream to a new way of working backed by the C-suite.

For years, the rise of customer experience via touch points (CX) has gone hand in hand with the digital revolution. The internet (and then smartphones) made it necessary to design complex interactions through technology across a new customer journey. Even though we have made huge strides in improving CX, it has become too homogenized, leaving little differentiation.

In fact, after the pandemic started, CX dropped down the priority list by 33% among CEOs in our latest research. One of the newer concerns that emerged is “lack of clarity about ROI for CX investments.”<sup>2</sup>

Today, experience is still paramount. Not in terms of creating a branded veneer to company-centric processes and systems, but as something much more expansive.

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# 77%

In our research, 77% of CEOs said their company will fundamentally change the way it engages and interacts with its customers. They recognize that change is needed for business growth, durability and relevance.<sup>3</sup> The question is, how?

We must move beyond the belief that touch points are where experiences start and end. To every interaction with your brand, customers bring a purpose, problem, need or question—along with expectations for how quickly or easily that outcome will be realized.

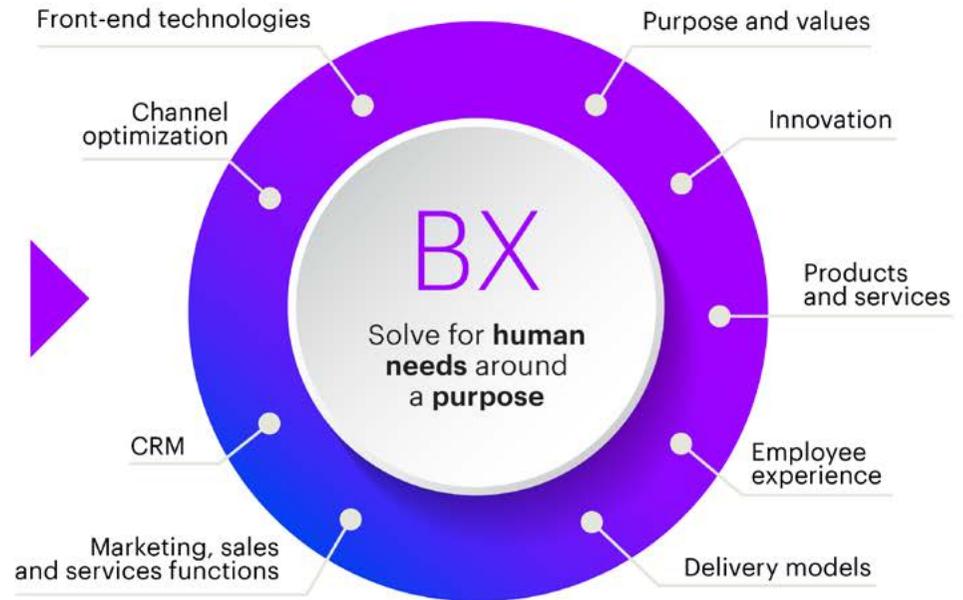
Right now, an experience renaissance is afoot, driven by these consumer and CEO shifts. This renaissance is galvanizing companies to push beyond the CX philosophy and reimagine their entire business **through the lens of experience** to enable customers to achieve these outcomes. It’s a simple statement but with major ramifications.

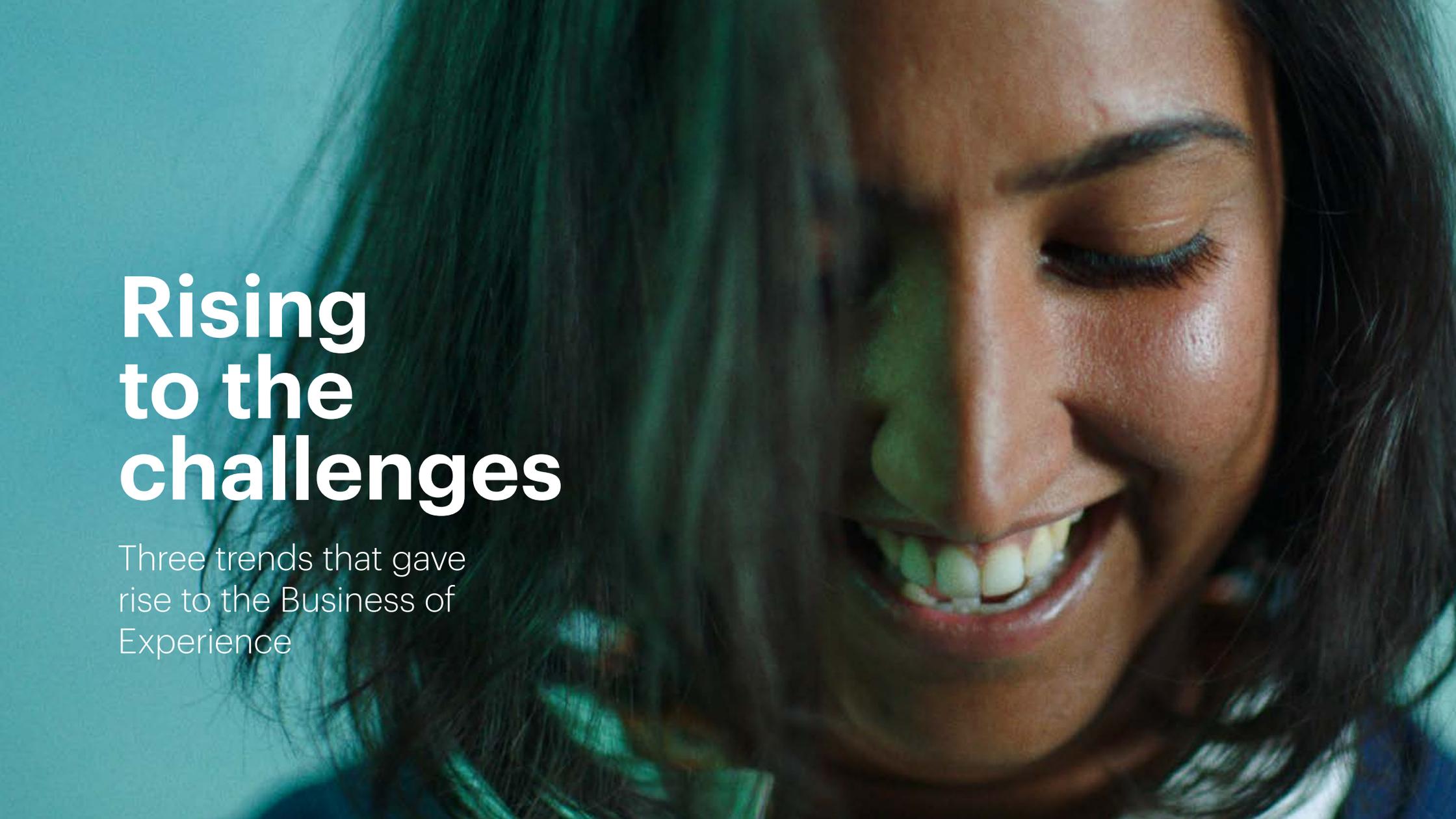
Big and small, established brands and startup, companies that embrace this mindset shift will be able to meet their customers’ needs and become an indispensable part of their lives. They will also uncover new market opportunities and set themselves up for sustained growth, relevance and durability—whatever the future throws at them.

## A great experience

is defined not by what you offer but by how well you enable your customers to achieve the outcomes most important to **them**.

# Welcome to the **Business of Experience (BX)**





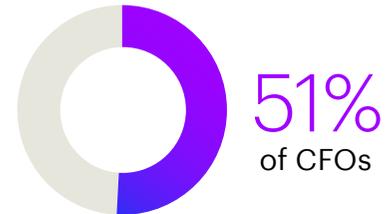
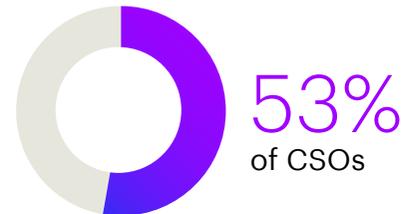
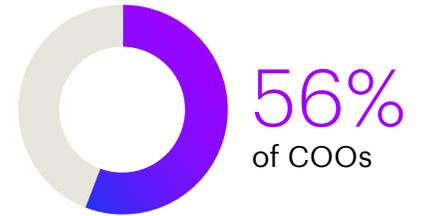
# Rising to the challenges

Three trends that gave  
rise to the Business of  
Experience

## An evolution from CX

**BX is a more holistic approach that allows organizations to become customer-obsessed and reignite growth. Whereas CX was limited to the chief marketing officer's (CMO) or chief operating officer's (COO) purview, BX is in the board room as a CEO priority because it ties back to every aspect of a company's operations. And it's not just the CEO:**

In our research, 56% of COOs, 53% of chief strategy officers (CSOs) and 51% of chief financial officers (CFOs) also said their company will fundamentally change the way it engages and interacts with its customers.<sup>4</sup>



BX is very much a new category of leadership that savvy CEOs and their leadership teams will embrace as we move deeper into the coming decade.

In many ways, BX is the inevitable consequence of the fact that we had been defining the domain of customer-centricity too narrowly as a set of touch points over the past 20 years. Now, customer-centricity needs to be the driving force throughout an entire company in ways that most organizations have yet to embrace. If they do, they can thrive.

That's evident in customer-obsessed organizations such as [Apple](#)<sup>5</sup>, [Amazon](#)<sup>6</sup>, [Salesforce](#)<sup>7</sup>, and the like that have embraced a BX strategy and are reaping the rewards as a result. BX-oriented companies like these have proven that you can drive commercial impact when you make a positive impact on people. On average, these BX-oriented companies grow their profitability year-on-year by at least six times over their industry peers.<sup>8</sup>

## In fact, on average, BX leaders outperform CX-oriented companies in year-on-year profitability growth\* by:



\*Accenture Interactive identified the top 15% BX companies based on their survey responses to questions around BX capabilities. Using publicly available financial data, Accenture Interactive calculated industry-indexed EBIT for each company for 1-, 3-, 5- and 7-year CAGR, and then compared BX companies to their peers.

While attention to customer experience is not new, BX has taken on an urgent business imperative today in large part because of three major challenges besetting CX as we know it: customer demands, a sea of sameness and flight to purpose. These trends have been barely discussed but are very real. The first is a legacy of 20<sup>th</sup> century organization, the second has been happening for some time and is a sign of market maturity and the third has been very much accelerated by the pandemic.

# CUSTOMER DEMANDS

Many organizations seem to be out of sync, too rigid or moving at a pace that is slower than consumer change. In our research, around 41% of CEOs said they believe an inability to respond quickly to changing market conditions and customer habits is a key barrier in responding to the COVID-19 crisis.<sup>9</sup>

In the past, brands competed with other brands in their space for excellence in experience (if they even paid attention to it).

But now if an organization's experience fails to meet standards set by companies that do not directly compete with it, then they will be seen as a failure. That's because consumer expectations have become truly liquid across different product and service categories. They no longer compare their brand experiences between two different companies in the same space. Rather, they make comparisons between their brand experience of, for example, a mobile service provider with a best-in-class airline or even a design and tech-driven play such as [Airbnb](#).<sup>10</sup>

# 20%

The top 20% of leading companies in our research recognize this and are far more likely to be taking a BX-led approach.

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About 

# 61%

of them say their customers are shaped by the most hyper-relevant, real-time and dynamic experiences they encounter across all industries and that those experiences impact how and why they innovate.

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# 33%

By contrast, only 33% of companies lagging in their performance say the same.<sup>11</sup>

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## As their experience of connected digital services grows, consumers can also see for themselves how technology and digital services could be improved across a wide variety of sectors.

They can imagine how services could evolve to make their lives easier. They will be drawn to the services that leap forward and transform markets.

These services will reshape consumer expectations in the process. Once a new way of doing things takes root, consumer interest and usage will coalesce around the experiences capable of delivering it.

This opens up challenges for businesses, not only in terms of commercial opportunities and how to speed up and simplify internal processes and operations, but also in transforming and reinventing the products and services they supply.

They will likely be forced to rethink organizational structures that are based either on product categories or clearly defined roles such as production, sales, marketing, IT, distribution, research and development.

## Great experiences

are no longer a nice-to-have—they're a necessity for business survival.

# SEA OF SAMENESS

When companies talk about CX, they typically mean things like traditional sales and marketing touch points (think attentive store clerks in attractive stores, simple and beautiful apps and websites, helpful service agents, AI chatbots and smart messaging on social media).

When executed well, CX investments have yielded good results: more customers, sales and loyalty. Its importance is not going away, but its value proposition is stalling because many of the fundamentals of CX are now commonplace.

Designers everywhere have been making incremental improvements to touch points for more than 25 years, and norms have been established. For example, we know how to welcome new bank customers with good onboarding routines. We've seen how clothes should be presented in a digital store. We commonly expect ultra-fast online check-out with minimal clicks.

As expectations have risen, simple, fast, clear and intuitive experiences like these have become a given for customers, meaning they're easy to copy and aren't differentiated enough to automatically gain you market share.

# 85%

Today, more than four out of five brands report languishing growth from their [investments in CX](#), and 85% of elite brands' CX scores remain stagnant.<sup>12</sup>

BX requires you to go deeper to unpack a path to sustainable growth—like when [Crate and Barrel](#)<sup>13</sup> allowed its products to be added to third-party registry company Zola's lists. The company was able to get its products on more customers' wish lists than if it had kept things only in-house, creating a better, more differentiated experience for customers.

## CX has become mainstream,

leading to a sea of sameness. To offer great experiences, we must change [how](#) we deliver them.

# FLIGHT TO PURPOSE

Brands today are facing intense pressure to stand for something bigger than the products and services they sell. This demand for purpose has been growing for years but has been accelerated by recent world events. Today, [eight in 10 consumers](#) say purpose is at least as important to them as CX.<sup>14</sup>

[More than half of Gen Y and Z consumers, compared to 37% of other consumers,](#) say they have shifted a portion of their spend away from their current service provider when a company disappointed them due to its words or actions on a social issue.<sup>15</sup>

At the same time, brands are also expected to emphasize certain values, such as sustainability, and show their commitment to both purpose and values via the experiences they offer customers. BX leaders understand this flight to purpose:

# 60%

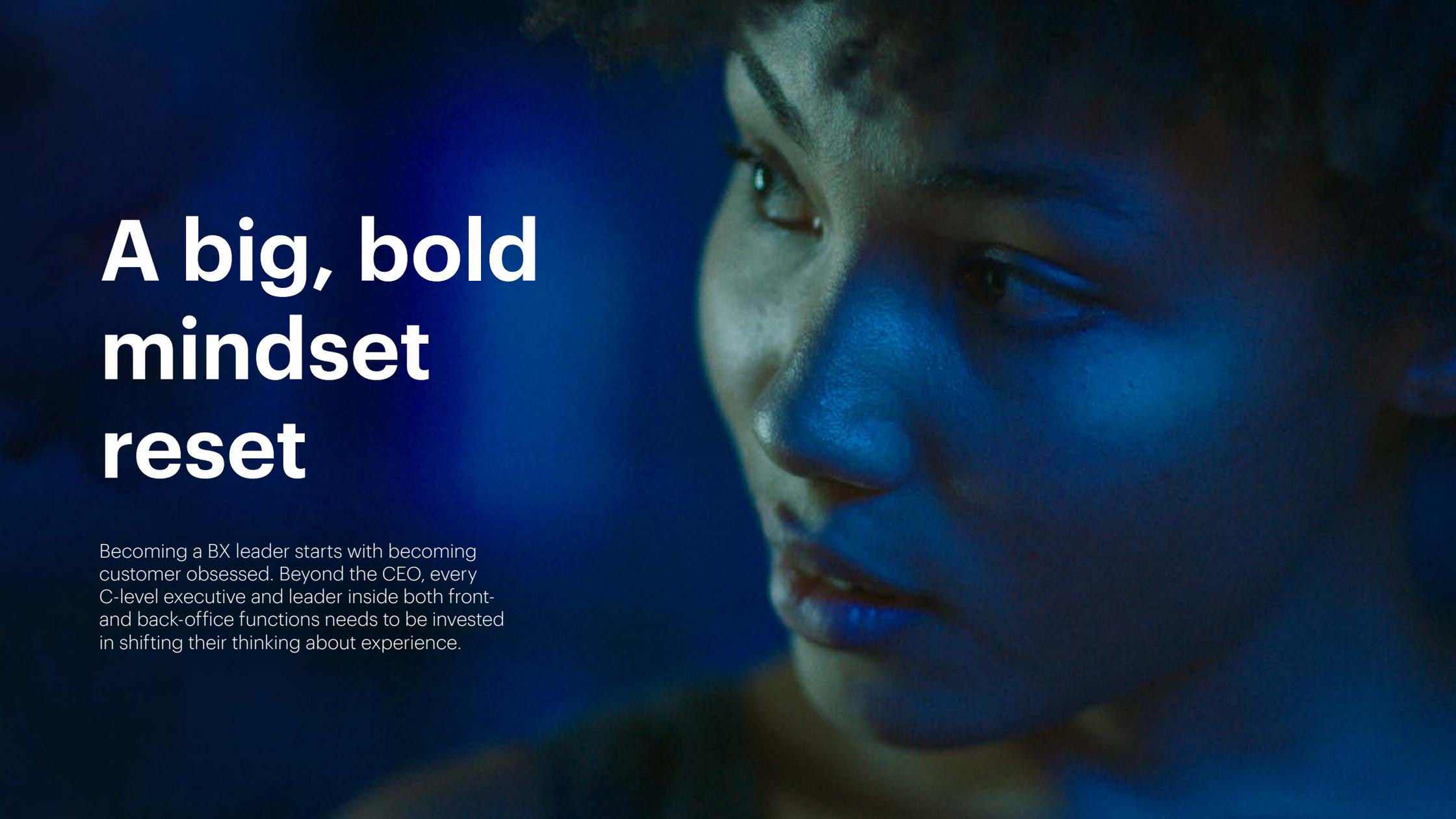
In our research, around 60% of outperforming companies acknowledged that they need to stand for something bigger than the products and services they sell and that they expect to always seek the best outcomes for their customers. This is about double the percentage of their peers, who are slower to recognize a clear consumer demand.<sup>16</sup>



Recognition that a brand's vision and commitment to improving the quality and equality of human lives can play a critical role in its growth is the foundation of a BX approach.

# 2.5x

Our research shows the leading 20% of companies are 2.5 times more likely than their peers to say they're able to establish and manage a brand promise that connects directly to customer experiences.<sup>17</sup> This coincides nicely to what consumers want, with [nearly half of Gen Y and Z](#) saying they prefer brands that make them feel part of something bigger and connect people around common causes or beliefs.<sup>18</sup>



# A big, bold mindset reset

Becoming a BX leader starts with becoming customer obsessed. Beyond the CEO, every C-level executive and leader inside both front- and back-office functions needs to be invested in shifting their thinking about experience.

# Pivot toward BX thinking

	CX thinking	BX thinking	Ways BX comes to life
<b>CEO</b>	Maximize profitability.	Profit from purpose + experience.	Prioritizing purpose, innovation and delivering holistic experiences to drive business success (i.e., profit).
<b>Marketing and Brand</b>	Making people want things.	Making things people want.	Shaping brand evolution by recognizing brand is built on experiences that connect customers to what they want, not the other way around.
<b>Sales</b>	Focus on the product the company wants to sell.	Focus on the outcome the customer wants.	Ensure the experience is available at defining moments that matter in a consumer's life.
<b>Product Development</b>	Making products easy to use.	Making products that continually adapt to how customers use them.	Investment in insight/design research combined with big data to spot user-driven opportunities.
<b>Talent</b>	Using traditional metrics based on employee performance within a function (onboarding, annual reviews, etc.).	Inspiring and incentivizing behaviors that drive better outcomes for the entire organization.	Empowering employees to feel accountable for customer outcomes.
<b>Tech and Data</b>	Enabling business processes at greater scale.	Enabling customer-centricity at greater scale.	Unlocking efficiencies that can be reinvested to drive continuous performance and innovation.
<b>Operations</b>	Providing efficiency for the company that often limits growth.	Providing efficiency for the customer and the experience that enables them to drive growth.	Measuring customer operational efficiency, engaging operations in innovation from the get-go.
<b>Supply Chain</b>	Moving products and goods to consumers.	Making it easy for consumers to get products and services when and where they want them.	Providing customers with visibility into sourcing and progress of their orders, and innovating last-mile experience to exceed expectations.

The COVID-19 pandemic drastically expanded the role technology plays in people's lives. Seemingly overnight, technology became core to how we work, learn, cook, entertain and connect at home.

For many, access to the right technology at home is essential to participating in the workforce or the difference in whether a child can keep up in school or not.

## Best Buy's evolution into a business of experience starts with customer and employee obsession

As the largest consumer electronics retailer in North America, Best Buy's purpose — to enrich lives through technology — has never been more relevant. The company has always strived to help its customers identify and purchase the right technology for their individual needs. And they offer the expertise and services that help install, set up and repair that technology, helping to bring it all to life for customers.

To deliver that during the pandemic, Best Buy knew it was imperative to deliver a safe experience for customers and employees. In the very early days of the pandemic the company implemented a wide array of safety procedures and quickly transitioned to contactless curbside

pickup, which was scaled to all U.S. stores within just 48 hours. It also introduced virtual consultations and the ability to schedule in-store consultations, enhanced customer experiences that will remain long after the pandemic is over.

# 97%

All these safety-oriented changes have led more than 97% of customers in a recent survey to say they felt safe shopping at Best Buy.

Of course, none of that would have been possible if Best Buy wasn't already customer obsessed.

A key component of that ongoing evolution has been the introduction of a Customer Office that brings a wide range of capabilities — including customer strategy, insights, design, and customer and employee experience — together to put the customer at the heart of things.

Best Buy, however, also understood that you can't be customer obsessed if you're not employee obsessed, too. That's why the company has continued to invest in its people throughout the pandemic, taking steps to ensure their safety while enhancing pay and evolving its benefits to better serve

employees' overall well-being. It has provided emergency relief funding to employees affected by COVID-19, expanded its caregiver pay program, broadened its backup child care arrangement and added reimbursement for employment for employees who seek tutoring for their children.

Becoming a business of experience has enabled Best Buy to be agile in the face of enormous challenges. It has been able to pivot its operation during the pandemic with its employees' backing and well-being in mind, which has, in turn, created unforgettable experiences for customers.

“While we're still early in this journey, the new team has helped us begin to infuse a customer-obsessed mindset into every part of the organization,” **said Allison Peterson, Best Buy's chief customer officer.** “It is making us better at not only meeting our customers' needs, no matter how they choose to engage with Best Buy, but also helping each employee understand their role in delivering this experience.”



# Four winning ways for leaders to trailblaze

Through talking to clients who are leaders in or at least aspiring to do BX, we've identified four winning ways to help you realize its promise. Our research shows that leading companies (i.e., companies that are independently performing well in terms of financial growth and business cycle endurance) are far more likely to take the following approaches, enabling them to consistently outperform peers who don't:

## 01.

Obsess about customer needs—and use that as your compass.



## 03.

Expand the experience remit across your organization.



## 02.

Make experience innovation an everyday habit.



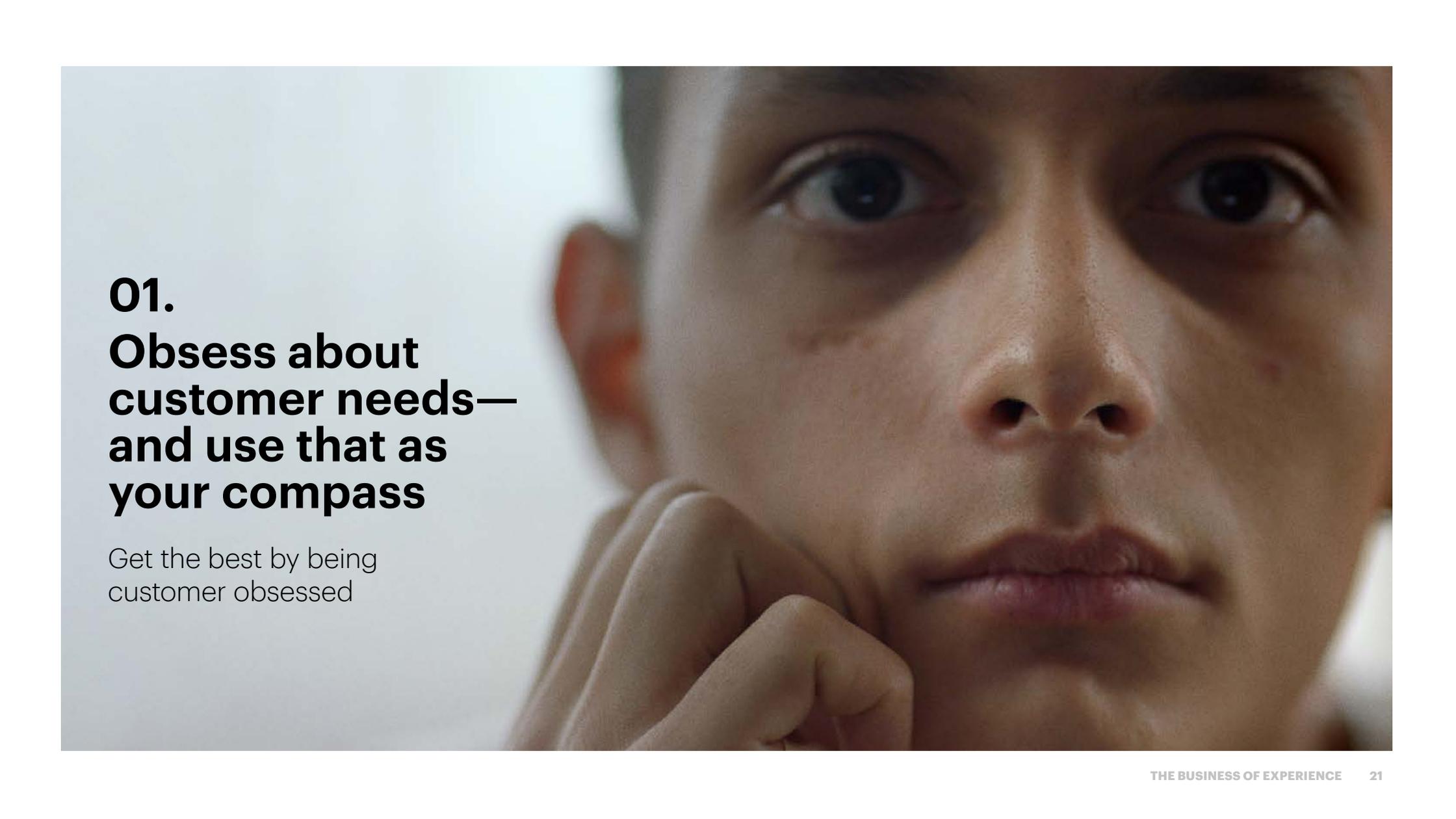
## 04.

Sync the tech, data and human agendas.



**Trailblazers in action** | These leaders redefined business by unearthing and serving big, unmet needs.

Who	Why we say they're a BX leader	Think of it as...
<b>Seamless</b>	Seamless didn't just create an app for food delivery; it created an experience that satisfies all our cravings in the comfort of our own homes.	The business of dining at home.
<b>Zocdoc</b>	Zocdoc didn't just create a booking website; it offered a better experience for patients to connect with doctors without the roadblocks that prevent them from taking ownership of their health.	The business of health empowerment.
<b>Venmo</b>	Venmo didn't just create a payment app; it offered a universal way to borrow and lend money to friends and family regardless of bank affiliation and without the hassle of cash.	The business of frictionless payments.
<b>Netflix</b>	Netflix didn't just create a movie streaming service; it transformed its entire company to own the experience around programming and how we watch it at home.	The business of home entertainment.
<b>Velux</b>	Velux didn't just create a digital service for buying roof windows and skylights; it transformed people's lives and homes without disturbing a single roof tile.	The business of seeing your home in a different light.



**01.**  
**Obsess about  
customer needs—  
and use that as  
your compass**

Get the best by being  
customer obsessed

# What it means:

**Customer needs have always been shifting and have just taken a big leap. They will continue to evolve, often unpredictably, beyond the fallout from the pandemic. As a result, we now need to invest in ways to uncover customers' unmet needs, both big and small.**

This is actually a whole-company endeavor. Relevant data exists with sales teams, customer care operations and finance functions. And conducting new research directly with customers through remote methods can reveal their current needs and expectations. Uncovering unmet needs means thinking about how you make your customers happier and more loyal, identifying what they want to achieve and how they want to achieve it—whether at work, at play or at home—and delivering a stellar experience that enables them to do so.

**It's important to remember that unmet human needs can exist at both the feature/interaction level (e.g., when a streaming service makes it easier to find and consume content) and service or business level (e.g., a medical equipment provider to hospitals reshaping the company to solve for elderly care solutions at home).**

A deeply embedded purpose gives direction here and keeps everyone aligned. It allows brands to anticipate which customer needs they should solve for and which unmet needs they can fulfill. It allows a company to stand for something and infuse that identity into their business and how every leader and employee operates every day. It also allows them to see customers as real people and to solve for real human needs. Purpose also allows a company to guide and improve the employee experience, which is crucial for the delivery of customer experience.

# Why it matters:

**With the pandemic, people's needs and values have shifted so much (and continue to do so) that this is more pressing than at any time in the past.**

Uncovering unmet needs is critical for growth. It pushes boundaries and stretches a company into new categories. It's the only path to sustainable growth.

Yet, organizations have traditionally limited their customer insights function to marketing, using historical data and market segmentation to paint a picture of customers at moments in time.

This broader view can be a helpful snapshot of the market, but it has limitations in that it defines people separately from the rich context that informs their lives, their choices and their needs.

**BX leaders make customer obsession a part of their DNA.**

55%

VS.

26%

Our research shows that leading companies are twice as likely to say they have the ability to translate customer data into actions.

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But many of these same leaders say that there are limits to their data and what they can do as a result.<sup>19</sup> That's why it matters—to be truly customer obsessed, companies need better ways to dig deep and uncover these needs.

# How you get started:

**You should turn yourself into an organization obsessed with customer understanding.**

That means picking up on signals through data and research to understand what people are saying and how they're behaving (knowing the two aren't always the same).

This is how you could understand customers more deeply—both their beliefs and actual behaviors, as well as their articulated (and, more importantly, unarticulated) needs. And this is critical to do across all business functions. A cross-organizational approach to gathering and sharing data/insights is the only way to create the right snapshot of your customer and their needs.

New methods and approaches are needed to gain this contextual, data-integrated understanding of people's unmet needs. Integrating traditional customer segmentation with contextual mindset research yields a rich, unified way to understand and predict what customers are likely to do and why, based on their needs in different situations. This is new for many organizations and still poorly understood and acted on.

It's critical to integrate and democratize your data. Only when analyzed all together can this data provide the robust and unified view of the customer that you need.

Further, gone are the days of year-long segmentation studies. Getting it fast and in the right hands is key.

**Good BX means efficiently and continually learning from your customers.**

The rapid and continual integration of qualitative and quantitative insights about a group of people can inform actionable outcomes and invite your customers to collaborate in shaping the future.

If you can identify these needs at speed, you are not only serving customers better but, more importantly, creating that path to sustainable growth and ability to pivot as needed.

## Toggle<sup>SM</sup>: using research and insights to meet an unmet need

Farmers Insurance<sup>®</sup> was on a mission to bring brand-new services to market that could compete with emerging players and create demonstrable new value streams in the ever-evolving insurance space. Armed with research that revealed a staggering 60% of renters across the US did not have insurance, its New Ventures group created a series of concepts focused on the “future of insurance.”

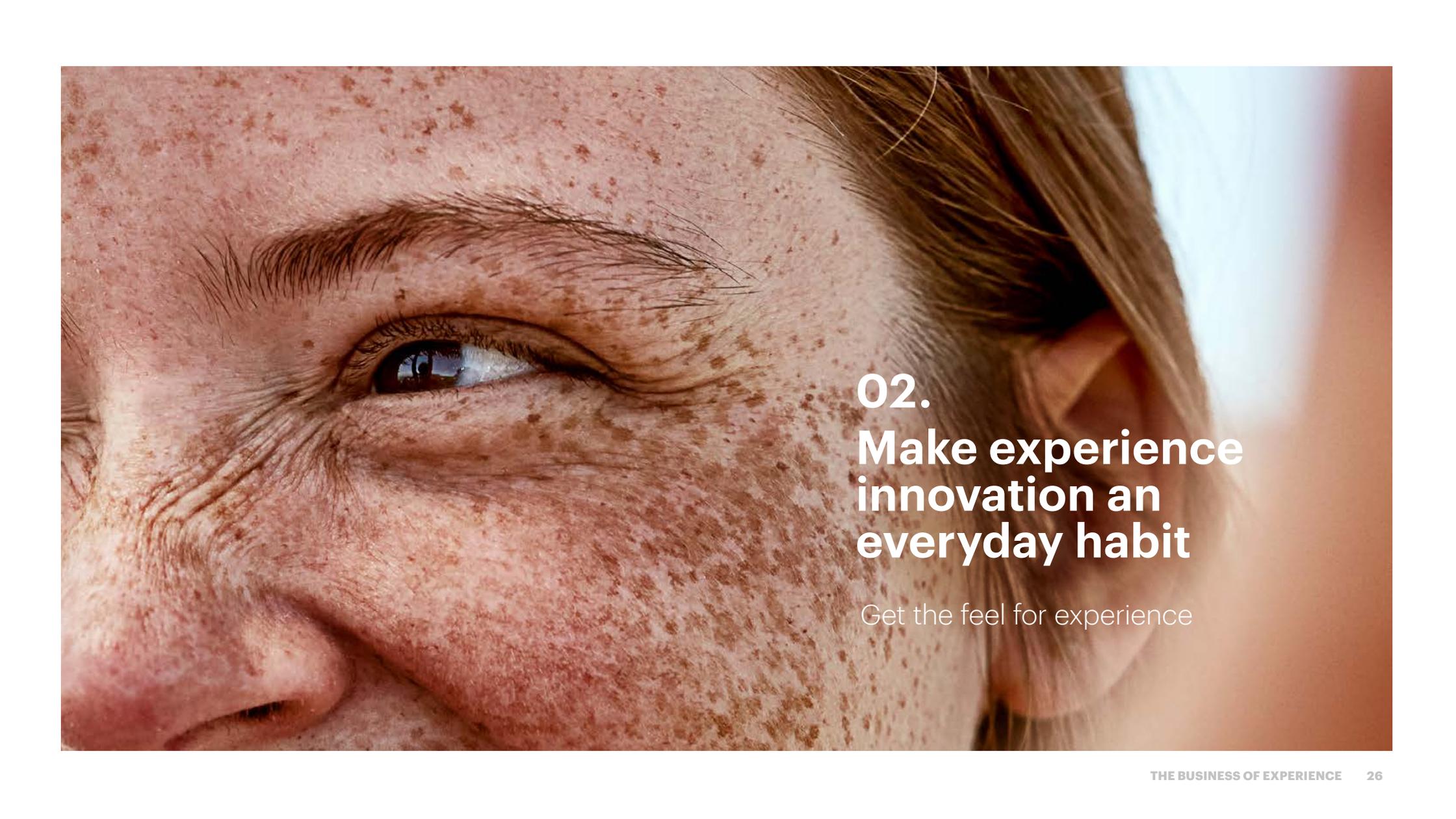
From this, the Toggle<sup>SM</sup> concept and the team responsible for bringing it to life were born. With total freedom granted by Farmers Insurance to create something completely new, it was given a simple objective: launch an insurance platform from scratch around millennials’ mindsets and lifestyles in just five months.

Together with Accenture, Toggle analyzed millennial attitudes toward renting and insurance, which—when combined with the wealth of macro-level data Farmers already had on millennial mindsets—gave them actionable and holistic human insights needed to shape and offer an experience that would meet previously unmet needs.

**The research revealed that to reach the millennial audience, the Toggle<sup>SM</sup> insurance offering had to be accessible, fast and customizable, and the experience second to none.**

Toggle now offers accessible, customizable and modular insurance options that match closely with millennial priorities, including coverage for pet parents, add-ons for specific high-value items, and protection for the user’s side income and equipment. Customers only pay for the coverage they need—whether it’s for their laptop, smartphone or even vintage vinyl collection in the rental apartment—and they can easily cancel, modify or downsize coverage with simple clicks.

Because of deep, contextual insights, Toggle’s entire service and experience are shaped by the people who will use it.

A close-up, high-resolution photograph of a woman's face, focusing on her eye and the surrounding skin. The skin is fair with numerous small, brown freckles scattered across the forehead, nose, and cheeks. Her eye is dark and looking slightly to the right. The lighting is soft and natural, highlighting the texture of her skin and the fine lines around her eye. The background is blurred, showing a hint of a blue sky and a brown wall.

## 02. Make experience innovation an everyday habit

Get the feel for experience

# What it means:

**A true experience innovation culture asks you to close the gap between your brand promise and the experiences you deliver by changing not just what you say, but how you behave across your organization.**

Experience innovation is not a tactic that shows up at a specific moment. It occurs at all levels of your business. And it's not achieved by optimizing CX touch points.

Experience innovation is about solving problems in fundamentally new ways. And that requires rethinking your starting point for innovation as anchored to human needs.

**For example, if innovation is only focused on a single app, it might result in more reliable service or a more personalized solution, but neither of those on their own will change the game.**

They are improvements but not substantive innovations in how the product, service and brand are **experienced**. And they will be relatively easy to copy. Harder to implement, but also harder to copy (and more transformative for the customer) is when innovations converge in coherent and mutually reinforcing ways that create value in the experience.

# Why it matters:

**While people's expectations of brands have been shifting for years, they have been accelerated by COVID-19.**

BX leaders have taken notice and are pivoting accordingly. Just over half of leading companies (about 53%) say that customers expect them to continuously innovate with more relevant products, services and experiences that adapt to their needs and set new standards, versus just 31% of their peers.<sup>20</sup>

Luckily, we now have the untapped potential of innovation powered by data and tech to fundamentally remake these experiences. Our research shows that BX leaders feel better prepared to take advantage of this opportunity to innovate at scale than their peers.

80%  
vs.  
52%

Almost 80% of leading companies said they were very confident about their ability to link their CX innovations to actual business results (e.g., boosts in sales or contract renewals), versus 52% of all other companies. These leaders are also twice as likely to have the agility to pivot toward new models that deliver value and relevance to the customer versus their peers.<sup>21</sup>

# How you get started:

**Most companies are still relying on a new look and feel to existing touch points to drive improvements, but without changing processes or operations to better align with customer needs and helping customers achieve their desired outcomes.**

As a result, any gains they're making are incremental at best. Meanwhile, more customer-centric competitors are realigning operations and processes to deliver experiences designed for customer outcomes and real human impact and are seeing much greater gains in growth. These companies are taking market and mind share and are leaving their less bold counterparts further behind.

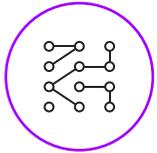
## **So what should you do?**

First, start with building a bridge between your organizational intent and what the customer eventually experiences. Think of it as aligning your mental model with the customer through the lens of experience.

With experience innovation, you test often through sketches and prototypes of increasing fidelity. We call this "build to think" and it has the massive benefit of creating internal alignment at the same time. It gives colleagues and users something to experience. It should be supported by an internal cultural approach embracing risk, creativity and speed.

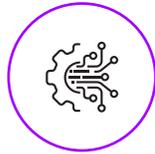
Experience innovation also builds activation and communications thinking into the process from the start to tackle the question of, "where do the customers come from?" – too often left as an afterthought to be addressed once the new product and service nears completion.

**You can also think about the process of experience innovation as an onion with three main layers: feature, service and business. Each one provides a platform for the next.**



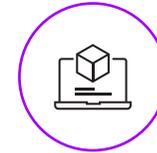
## Feature innovation

is about incrementally improving human experiences with an existing product. Experience features are everyday activities, like Netflix auto play or contactless payments. Features leverage existing technological capabilities and business models to refresh current products and services.



## Service innovation

arises when a set of features creates new services and products, like a mobile banking app.



## Business innovation

develops if a service creates radical, disruptive change to the human experience. At this level, embedding experience innovation as an entire business can change or create a whole new ecosystem.



**03.**

## **Expand the experience remit across your organization**

Experience is everyone's business

# What it means:

**Customer needs have always been shifting and have just taken a big leap. They will continue to evolve, often unpredictably, beyond the fallout from the pandemic. As a result, we now need to invest in ways to uncover customers' unmet needs, both big and small.**

Experience is not the responsibility of just one member of the C-suite anymore—it's everybody's business. Every person and every part of the business must be interconnected and collaborative, functioning as one cohesive, customer-obsessed unit with experience as its north star.

BX is ultimately about fusing your front office of sales, marketing, service and product functions (no more siloes) and connecting it to the back office (e.g., HR, supply chain, etc.). It is an operating model change across the board that flips the focus from engaging customers at touch points to building engagement in every customer's journey instead.

**Our research finds that BX leaders are already taking action:**

57%  
VS.  
25%

Leading companies are more than twice as likely (57% versus 25%) to say they have a strong ability to do this across their organization and with their partners at all levels.<sup>22</sup>

## In order to deliver an experience that aligns to the customer—not the function—total engagement across teams is needed.

For example, to move clothes from the runway to a customer’s closet, you need more than just products or marketing teams. You need the full scale of an organization to create an unforgettable experience on every possible part of each customer’s journey: runway, showroom, app or AR experience, in-store or online purchase, supply chain delivery, easy returns, etc.

BX leaders are adept at cultivating this kind of organization-wide agility. Leaders are more likely to say that

functions beyond traditional CX are set up to pivot in response to changing customer needs (69% cited their innovation organization as being set up this way, and 63% said the same thing about operations, versus 32% and 28% of their peers, respectively).<sup>23</sup> And while the many companies that have created customer success teams are off to a good start, leaders have adopted customer success not only as a post-sales function, but as their enterprise-wide culture and call to action.

**Nike is an excellent example of a company that embodies this winning way. The Nike experience is always rooted in massive cross-functional alignment to create differentiated customer experiences across physical and digital, whether it’s the launch of their “[living retail](#)”<sup>24</sup> [Houses of Innovation](#) or a [new concept store](#)<sup>25</sup> launched post-pandemic.**

# Why it matters:

**Most businesses still organize functions independently across business units; each has separate leadership, channel touch points, budgets, data pools and more.**

At best, this siloed approach is inefficient and financially wasteful. At worst, it causes missed opportunities for connecting with customers and driving growth. This is a legacy of predigital 20<sup>th</sup>-century business thinking. But the reality of operating in a digital- and data-rich world is catching up with organizations.

**We've adopted digital, but not adapted to it.**

Lackluster customer experience can result when some aspect of it was designed to meet the needs of the company or one of its functional siloes instead of the customer, or designed to get customers to do things how the company wants rather than to help customers do things how they want.

# How you get started:

**Start by making experience a priority across every function, including operations, HR, product development, strategy, technology and more.**

Push decision-making around experience down through the organization to be as close to the customer as possible. To make this work, BX leaders understand that every single employee needs to feel a sense of ownership and understand how their individual roles and day-to-day work align with and contribute to the business and the experiences they offer customers.

Nearly 60% of today's leading firms do two things: extensively link partner incentives to the customer experience they deliver (versus just 24% of peers), and conduct change management training for managers and employees (versus 27% for others) to help deal with evolving customer experience demands.<sup>26</sup> It's also important to remember that while employees are crucial to the delivery of experience in an organization, they are people too, and their experience as employees is a necessary component of this as well.

Customer experience metrics also play a role here—in performance reviews, career progression, company meetings, team-building exercises and training.

# 60%

Nearly 60% of today's leading firms say that their company links performance reviews, compensation and bonuses to customer experience outcomes for its own workforces versus just a quarter of their peers.<sup>27</sup>



**04.**  
**Sync the tech,  
data and human  
agenda**

Get on track by  
investing differently

# What it means:

Successful companies are taking achievable steps big and small to boldly reimagine their business and operating models by focusing intensely on experience.

## 74%

of companies say they plan to completely rethink their processes and operating models to be more resilient post-pandemic.<sup>28</sup> For some organizations, that pivot may require something like a better tech stack to deliver lower costs, more reliable service and more personalized solutions.

For others, successful change comes from finding a new business model with better pricing, different distribution channels or new revenue streams. Either way, it requires an operating model evolution in order to align technology, data and talent into one system that's driven by customer experience and focused on a single unified journey.

This is not about investing more, but instead investing differently. BX leaders rewire data, tech and people to enable agility that continuously unlocks efficiencies that can be reinvested in

new opportunities for performance and growth. This allows them to improve experiences and give customers exactly what they desire without trading profitability and sustainability.

**Among leading companies today, 61% say their company has a clear view of which technology platforms they need to leverage in order to remain competitive and relevant to customers—compared to only 27% of their peers.<sup>29</sup>**

# Why it matters:

**Companies are facing a new reality where the cost to serve and meet new expectations has risen dramatically.**

For example, the volume of purchases may have decreased, but at the same time, costs like safety and delivery have gone up. There has always been tension between delighting the customer and making money, and COVID-19 has only amplified it.

As the experiences you need to deliver have dramatically evolved and continue to evolve, the need to build agility and flexibility into your systems and processes has never been greater. You can only enable customer-centricity at greater scale if you integrate technologies, tools, data and processes. Doing so will help you build and maintain BX, adapt to the unknown and drive the best, most relevant customer experiences.

**BX leaders have already discovered this for themselves.**

58%  
vs.  
25%

We found that 58% of today's leading companies say they can define and deliver new digital capabilities with agility (versus just 25% of their peers),<sup>30</sup> a feat that would be almost impossible without the right kinds of platforms and technology investments. Looking for efficiencies throughout the organization to invest in these foundational BX requirements is key.

# How you get started:

**In today's economic environment, all investments are heavily scrutinized. With siloed organizations and breakdowns between departments, the sum of tech improvements is often a painful, inconsistent experience for the customer.**

Taking a holistic view and finding areas of synergy and connectivity will help you maximize all returns. A refreshed operating model and a continuous approach to experience, efficiency and performance will enable you to leverage the cloud for agility, data for relevance, and the business of experience to create ongoing value for your customers.

**Start by building a more agile technology infrastructure with cloud. Think of your system as a stack. Increasingly, cloud should be at the bottom. This not only allows you to save costs, but to link data and people in newer, faster and more creative ways.**

Next, with the savings that the cloud architecture unlocks, you can reinvest in data, powered by AI, to drive performance. Data enables pattern recognition in the cloud, helping you to see and understand things. As data continues to drive performance through more relevant, impactful experiences, you can use those learnings to refine your cloud infrastructure and unlock additional efficiencies.

Together, cloud and data both impact experience, which is powered by the relevance and agility you've created through technology. It's important to focus on that experience and not to disconnect your investments from customer outcomes. Reverse that thinking and instead plan your technology and data strategy around your experience goals.

Just over half of leading companies (53%) are much more likely to measure the returns on their digital investments than their peers (26%).<sup>31</sup> And they view technology as an enabler—rather than a replacement—for live or in-person interactions (55% versus 27%).<sup>32</sup>

We did this with [Microsoft and French grocer Intermarché](#), creating a centralized data factory that brought the desires and needs of individual customers to the forefront to deliver operational efficiencies for the business and increased value for the consumer.<sup>33</sup>

## A digital transformation for the future comes home

The Canada Mortgage and Housing Corporation (CMHC), Canada's national housing agency, believes that homes provide the foundation and stability for people to participate more fully in society. That principle inspired an ambitious goal:

By 2030, everyone in Canada will have a home they can afford and that meets their needs.

Outdated systems—including nearly 1,000 software applications—prevented CMHC from adapting to the digital age and limited the effectiveness of its employees. So CMHC worked with Accenture to undergo a complete business and technology transformation across people and functions that led to a better experience for clients.

**For example, siloes were eliminated—including between commercial and non-commercial operations—so that more employees are able to track and measure overall client relationships. As a result, employees can now assess if a client could be better served by another product or service than the one for which they originally approached CMHC. New processes replaced manual work, such as for**

**underwriting mortgage insurance, while the company's workforce became more collaborative and fully mobile (and were given more autonomy and flexibility to innovate and be productive). And a new set of technologies built on a cloud platform provides real-time insights on clients and the housing market.**

CMHC's cross-functional initiatives not only transformed its business processes, but it also supported the launch of 13 new housing programs as part of the country's first-ever National Housing Strategy (NHS) to strengthen the middle class and cut chronic homelessness in half. CMHC is now closer to reaching its 2030 goal so everyone in Canada can have a place to call home.



**The incredible  
impact of  
meaningful  
experiences**

## Every company today

is looking at how to manage its way through the economic and health crises unfolding around us and come out on the other end not only stronger, but poised to compete in what many are predicting will be a robust decade. Each company must examine and pivot its business to find new ways to offer meaningful experiences to customers who are also grappling with many of the same challenges.

There's no better time than now to discover what a BX versus CX approach can do for your business. We believe it will ignite growth and deliver the outcomes desired by your customers and for your business, even as uncertainty continues to swirl.

Is it easy?

No.

But it's essential.

BX may be a significant mindset shift, but we believe that over the years, it's going to be an incredible engine for meaningful disruption, market differentiation and customer satisfaction.

**We can show you how.**

## About the Research:

From November 2019 to January 2020, with a refresh in May-June 2020, Accenture Research and Accenture Interactive surveyed:

More than

1,550  
top executives worldwide

Of these executives,

25%  
were CEOs



The survey covered

21  
countries

and

22  
industries

The research was designed to study the way that business leaders considered their customers' experiences and how their companies' capabilities contributed to experience and business outcomes.

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