

Introduction

Back in 2018, a company named Zume was making headlines for its robotic pizza-making operation in California. Not only did the company use mostly robots to make and deliver pizza, but they also created software to forecast what kinds of pizzas would be ordered when, and where the majority of those orders would most likely be placed. The software guided their drivers to those areas so that the pizza you received would have come out of one of the 28 ovens on board the truck, just as they arrived at your home. In a 2018 *Forbes* article, CEO Alex Garden was quoted as saying, “I am up to my eyeballs in discussions with a number of companies about this technology who are starting to understand the applicability better. I wildly underestimated the market demand for this.”¹

Others clearly agreed with him and Zume raised \$375 million from SoftBank in late 2018.

However, just one year later there appeared to be some bumps in the strategy. Alex Garden, commenting to a CNBC reporter, shared that “one of the problems that we encountered was, our beautiful pizza—with no stabilizers in it—in a traditional box declined in quality from the time you cooked it until the time it was delivered, to the point that we didn’t think it was good enough.”²

By late 2019 the road had got even bumpier and by early 2020 the company had laid off most of their staff.

But it started with a powerful idea to deliver an experience customers would love, create safer, more creative roles for employees, and reduce labor costs as a percent of revenue. To be honest, I was more than a little skeptical when I first read about Zume. Clearly, they had reduced the labor required to make a fresh pizza, but their product quality issue aside, exactly how long would it take to make back the capital cost of all that robotic and AI technology? Perhaps more relevant, though I wasn’t completely in love with Domino’s, they did manage to improve the quality of their pizza and

deliver what seemed like an extremely freshly made pie in about 30 minutes or less and their Pizza Tracker sort of had me hooked (for reasons we will discuss later).

Digital first—promise or peril?

The good news is that in a digital-first world, your organization has a lot of choices. The bad news is that making the wrong one can have serious consequences.

I don't share this example to scare you or to try to sow fear, uncertainty, and doubt into your dream of delivering a more digitally enabled customer experience. In fact, one of the world's leading experts on digital transformation, Mohan Sawhney of the Kellogg School of Management, has said: "A zero-touch customer experience should be an aspirational goal for all companies."³ Given the impact of COVID-19 on the world, being able to deliver a touchless experience clearly isn't bad advice.

Though let us also remember the words of Charlotte Beers, Chairman Emeritus, Ogilvy & Mather, when she said, "The truth is, what makes a brand powerful is the emotional involvement of customers."

But how do you reconcile these two statements? Can a zero-touch customer experience actually create emotional involvement? Has digital transformation advanced enough that the level of empathy and emotional connection, typically delivered by frontline staff, achieves similar levels of loyalty and advocacy?

Over the next several chapters, we will explore the answer to this question in depth by drawing on our own client experience and research, as well as examining the way some of the world's leading brands are tackling this question themselves and are delivering experiences their customers love.

The goal is to help you land on the right assembly of human and digital elements to create an experience that not only exceeds your customers' expectations but turns them into advocates that won't be stopped in promoting your brand.

This book will help you design the next-generation customer experience in a world where you can order a pizza from a pair of sneakers. (Totally true by the way—look it up. They are called "Pie Tops II" from Pizza Hut. One shoe orders the pizza and the other pauses the TV while you answer the door.)

Your takeaways

Here is what you will learn from this book.

In Part 1, we dive right into the heart of the matter and discuss the 3Cs of *convergence*, *competition* and *culture* as the key drivers forcing brands to rethink the experience they deliver.

In Part 2, we introduce you to the 7 Design Strategies that have proven invaluable in guiding customer experience solutions that achieve measurable results. The next seven chapters will go more deeply into each and highlight a leading-brand case study to make it even more tangible. In each example we describe the design strategy through the experience it delivers, then break it down in terms of the operating details, the “heart of the matter,” and the results they have achieved. Each chapter is summarized with key insights before previewing the next chapter.

Part 3 begins with a definition of what delivering a digital-first experience is all about and clarifies some common terms needed to get the most out of the playbook.

The four playbook chapters will:

- help you separate the “signals from the noise” to uncover and validate those things in the experience that if you exceed expectations, will lead to customers rewarding you with their loyalty and their spending;
- take those insights and turn them into a business case your CFO will be delighted to fund because of the incremental revenue and operating margin it will generate;
- apply a proven design process to turn that business case into a digital-first experience that sets the standard for your industry;
- finally, review an example of the 7 Design Strategies brought to life from several client projects to demonstrate how you go from your new customer storyboard to a blueprint for successful implementation that can scale across your organization.

During a recent CNBC interview commenting on their performance through the pandemic, Nike president and CEO John Donahoe stated, “We know that digital is the new normal. The consumer today is digitally grounded and simply will not revert back.”⁴ In the frenetic pace of a post-pandemic world, it is easy to lose sight of what creates real value for customers. It just isn’t as simple as saying “technology is an enabler” to the value you seek to deliver. That may be true for many experiences, but in other cases, as you will read

here, the technology is more than an enabler, it actually is the experience. (As I wrote this, I just received a notification from Duolingo, the language learning app, that I have new “daily quests” available to me. Très bien.)

In a *Harvard Business Review* article entitled “How smart, connected products are transforming companies,” Professor Michael Porter and co-author James Heppelmann conclude: “Smart, connected products are dramatically changing opportunities for value creation in the economy. A revolution is under way in manufacturing. The effects are not confined to manufacturing, however, but are spreading to other industries that use—or could use—smart, connected products, including services.”⁵

If these authors are right, and the revolution in manufacturing is spreading to other industries, including yours, it might be time to consider how your company is adapting to this new reality.

That is when this book will come in handy.

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