

# Digital CX Trends You Can't Ignore

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## Introduction

Customers want to have their cake and eat it too. And in an era where the customer experience represents a pivotal brand differentiator, they have the power to make that request.

They can indeed expect brands to simultaneously deliver communication that is speedy and personalized. They can indeed ask brands to accommodate their unique engagement preferences, even if those preferences require considerable resources.

This landscape is heightening the urgency of the digital transformation. The effective use of digital channels is the best way for brands to learn about their customers and orchestrate highly relevant, personalized, and valuable experiences at scale.

Mastery of digital customer experiences has not been easy for most brands, however, and the evolution of customer demands and emergence of new challenges are only adding to the difficulty.

To help you navigate the digital experience climate and take steps to deliver the most seamless, customer-centric journeys possible, CCW Digital is pleased to highlight five digital CX trends that you absolutely cannot ignore.



## Trend #1 | Personalization Gets Productive

The typical digital interaction may not involve heart-to-heart conversations between customers and agents. With self-service on the rise, it may not even involve a conversation whatsoever.

The low-touch nature of digital interactions does not, however, negate the importance of personalization. It simply asks brands to reconsider what personalization really means.

Whereas brands have long viewed personalization as an exercise in showing off what they know about customers, the digital-era approach involves using what they know to anticipate needs and orchestrate more valuable interactions. It is less about engaging in small talk about local sports teams and upcoming vacation plans and more about predicting why a customer is interacting – and helping the customer more efficiently and effectively achieve that goal.

A brand that uses data to recognize customers and anticipate their needs can surface highly relevant offers, provide proactive support to potential problems, minimize the need for repetitive authentication questions, and fast-track customers to the support option (be it a bot or an agent) best-suited to their issue. Attention to this data will also help a brand gain a deeper understanding of its customers over time, fueling more relevant and valuable future experiences.

Though it may not involve as many intimate conversations, this vision of personalization is still predicated on empathy. It urges brands to focus on delivering what really matters to customers, which may be a highly personalized resolution to a very complex problem in some cases – but could be a quick, convenient, frictionless experience that respects the customer's time and effort in many others.

“Personalizing the experience is the best way to build a strong relationship and trust with a customer. In fact, **66% of consumers** said they will stop using a brand if their experience is not personalized.”

**Lenore Files, Twilio**

## Trend #2 | Data Revolution Begins

The previous iteration of personalization – that predicated more on friendly small talk than productive experience orchestration – enabled brands to fake it till they made it. Agents could feign personalization by being warm and charming even if they had little-to-no meaningful insight into the customer’s identity, history, and preferences.

In the era of productive personalization, that shortcut no longer exists. If brands want to truly recognize customers, anticipate future needs and intentions, and then meaningfully orchestrate all engagement experiences, they require access to powerful, real-time, actionable intelligence.

“Digital relationships are rooted in gathering and unifying data that allows for a deep understanding of your customer, and then utilizing this data to tailor the customer experience to the specific needs they express, or you expect they’ll express, and their gathered behaviors and preferences.”

**Lenore Files, Twilio**

The good news is that digital engagement promotes access to the necessary intelligence. With additional touch points at which to engage with customers and learn from their behaviors, brands can develop more complete perspectives of their customers. They can **better assess personas, better track preferences, and better map intentions.**

“Customers will provide you with all the data points needed for efficient and empathetic experiences, from website visits, previous orders, ticket history, nearest storefront, and any other previous interaction they’ve had with your business. And **two-thirds of consumers prefer that brands only use first-party data to personalize engagement with them**, according to [Twilio’s 2023 State of Customer Engagement Report](#).”

**Lenore Files, Twilio**

The challenge, of course, is establishing a framework for capturing, unifying, democratizing, and acting on this intelligence. The overwhelming majority of today’s brands lack 360-degree views of the experience, and the fragmentation will only grow deeper as more channels and behavioral preferences emerge. The death of third-party cookies will exacerbate this challenge, as brands will become reliant on first-party data collection and management to paint the necessary picture of their customers.

This reality is thrusting customer data platforms (CDPs) into the limelight.

“First-party data gathered using a CDP can be displayed in a single interface and used by agents or any customer facing employee to deploy highly personalized, contextual conversions on nearly any channel via a hyper customizable contact center solution like Twilio Flex.”

**Lenore Files, Twilio**

Capable of not only capturing and unifying vital data but surfacing actionable intelligence in real-time, the right CDP can **transform a transactional organization into a data-driven, customer-centric one**. From there, removing customer effort, anticipating behavior, and delivering markedly personalized experience becomes a fairly easy journey.

“Combining excellent data management with communications allows you to create a constant cycle of improvement. At Twilio we like to refer to this flywheel as the “virtuous cycle of customer engagement”. Using every customer data point to enhance a customer’s profile and improve personalization for all future engagements, whether self-service, digital or phone. This makes it easy to deliver personalization drawing from more than just the limited historics in a CRM. Collecting deep customer data and unifying it inside a powerful data platform allows a brand to analyze dialogue, learn more about a customer each interaction, and activate those insights about your customers for future Sales, Marketing or support activities; the virtuous cycle flywheel in action.”

**Lenore Files, Twilio**

### Trend #3 | Journeys Become Relationship-Minded

The ideal digital interaction may be quick and convenient, but it is not purely transactional. And it most certainly does not exist in a vacuum.

Successful brands, instead, recognize that the ideal digital transformation uses seamless, end-to-end journeys to create relationships. It enables brands to use data to grow customer trust, which in turn boosts customer loyalty and lifetime value.

The key is to not only deliver exceptional interactions at all touch points but identify how digital channels can work together to create effective journeys that become progressively more predictive, personalized, and valuable.

“For example, digital allows you to use your application as a virtual doorway to your business by engaging customers before they’ve made a purchase. Use an embedded in-app concierge to simplify discovery, answer any questions, and learn about the customers preferences to improve future engagements and increase conversion into the next phase of the buyer journey. Maximize the value of every visit to your application or website by engaging customers early and start learning about what their goals, preferences and needs are so you can tailor the experience to them to remove any friction in the path to purchase and create a better brand and shopping experience.”

**Lenore Files, Twilio**

Part of the journey-minded approach, of course, involves recognizing that certain channels are better-suited than others for certain types of engagement. Whether because it is more conducive to a given use case or simply more appealing to a given customer, the right channel represents the brand's best opportunity to strengthen its relationship. Relationship-minded brands lean into this reality, ensuring the given channel is empowered with the right staff support, the right resources, the right technological platform, and the best data.

Should the "right channel" be a traditional phone call, customer-centric brands do not ignore that reality in the name of the digital transformation. Instead, they use their digital channels to explain the situation to customers, capture the necessary information, and then seamlessly escalate them to phone agents who are ready, willing, and empowered to help.

**"Situational needs and certain industries will create space for tried-and-true channels for some time. In finance or healthcare, where a customer may need to have a phone conversation that includes sensitive content, digital channels aren't always encrypted, so traditional channels remain supreme. Or when a conversation is high value, and greater personalization warrants a higher cost conversation, brands may encourage phone engagements. But tracking a new pair of shoes or making a doctor's appointment are well suited for this next generation of customer engagement strategies where digital is highly favored by both consumers and brands alike for its ease, simplicity, and cost."**

**Lenore Files, Twilio**

## **Trend #4 | Generative AI Transforms CX**

Insofar as only 15% of consumers are confident that they can solve their problems in chatbots, it would be thoroughly unrealistic (not to mention un-customer-centric) to suggest that chatbots are about to become the dominant support vehicle.

Generative AI technology is, however, making automated self-service increasingly more compelling. When integrated with the right systems and fueled by the right data, modern AI platforms can understand conversational customer inquiries – and respond with useful, relevant, personalized answers.

**"ChatGPT is something we have all been hearing a lot about. It can be integrated to provide generative AI capabilities to agents, as well as transform conversational AI bots. However, with the ability to do all of this, data is at the heart."**

**Lenore Files, Twilio**

ChatGPT-driven bots may not suddenly resolve all customer issues or eliminate the need for live agents, but they will attract more interest and participation from customers. In doing so, they will at least capture information that can be passed along to agents upon escalation – and drive long-term improvement to the overall customer experience design.

In essence, they will enhance an organization's ability to capture and action data from digital interactions. In turn, the organization will become more capable of orchestrating effective digital journeys and personalizing customer communication.

## Trend #5 | Generative AI Transforms EX

Responsible for supporting more channels, demonstrating more empathy, and addressing less predictable and more complex matters, agents have an unprecedentedly daunting role in the digital engagement era.

Fortunately, they are gaining access to an unprecedented form of empowerment.

Not simply useful at automating chatbot conversations, generative AI is directly empowering agent productivity. From capturing more vital pre-escalation data from customers, to providing real-time knowledge and intelligence prompts, to automating (and more accurately performing) post-call work, this technology uses the digital landscape to make agents more efficient, more effective, and more human.

**“Generative AI for agents makes customer interactions more impactful and helpful, while speeding response and resolution times and decreasing agent fatigue.”**

**Lenore Files, Twilio**

Leading solutions additionally empower agents to contribute to the overall experience design. By allowing agents to easily “score” bot conversations, create knowledge entries, or share feedback, these employees can use their unique frontline experience to help brands create better interactions and journeys.

### Success In Practice

By acknowledging these key digital experience trends, brands can build a blueprint for a more empowering, seamless, customer-centric journey.

By implementing that blueprint, brands will enjoy key gains against vital metrics. An example success story follows.

Toyota Connected Drivelink team uses Twilio Flex to power their contact center, empowering agents to provide fast, consistent customer experiences. This, in turn, allowed Toyota Connected to focus its resources on efficiently scaling up to service more than 6 million Toyota and Lexus drivers with an incredibly robust telematics platform.

With Twilio Flex, TCNA was able to build a seamless customer experience that offers flexibility, an improved experience for agents, and a more meaningful relationship with drivers.

After a one day proof of concept, Twilio Flex helped Toyota Connected North America decrease after call work by 13% and monthly average handle times 18%.

# About the Author



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Brian Cantor is the Managing Director of Customer Management Practice's Digital division. Driven by a passion for helping brands better empower their employees and more meaningfully connect with customers, Brian oversees research, product development, editorial vision, and commercial strategy for properties like CCW Digital and Customer Engagement Insider. Reaching a community of almost 200,000, these digital properties offer industry-leading commentary, research reports, and virtual event sessions.

Far from a "boardroom manager," Brian routinely speaks at leading customer contact events and directly engages with global enterprises and innovative start-ups via training and advisory services sessions.

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