

# Deloitte.



## **Building connections with the human in the middle:**

Charting a course between  
technology and the customer

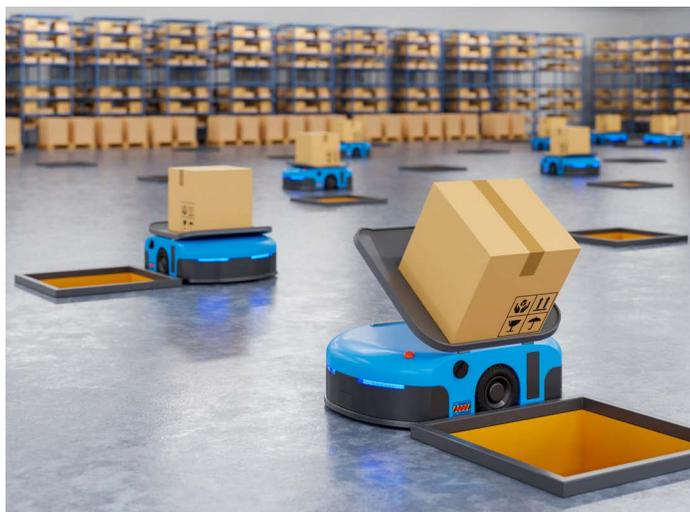
## At a critical crossroads, the consumer industry forges new connections between technology and individuals

This is not the first time that consumer organizations have had to adapt to changing circumstances. But what makes COVID-19 different? The pace of change has accelerated, meaning developments that many predicted would take decades have happened in the space of a few weeks.<sup>1</sup> Technology has transformed how we work, expanding the workforce to include new sources of talent. Unprecedented upheavals in the way we live have caused consumer behaviour to shift. How will the consumer industry respond and what will need to change?

Success in the future lies in leaders understanding how to empower their workforces, so each employee has access to technology that allows them to be more focused on the things that really matter: customers, and their needs and wants. We must remember, however, that technology is just a tool. Human decision-making will always remain at the core of any consumer business. The most effective consumer businesses will use technology to generate knowledge and insights that augment the decision-making process, making it faster, more robust, and ensuring the decision-makers are more empathetic to the customers needs.

### Technology: driving the human experience

Cloud, data and analytics, artificial intelligence, and automation technologies have created a digital experience that not only drives new customer value, it disrupts the way organizations operate and do business. But a technology solution in isolation is not a game-changer in and of itself. When technology is implemented in ways that support an organization's workforce, it creates better outcomes for employees. This integration allows employees to focus on value-added activities, leaving the system to support with time-consuming, transactional, and even the more mundane tasks.



## Case study

*In 2019, after several years of experimenting, mass retailing giant Walmart began a significant roll-out to its US network of a wide range of robotics. These include robots to aide in autonomously cleaning floors, unloading and sorting items from delivery trucks, and moving product to/from the sales floor.*

*According to Walmart, by taking on the repeatable, predictable, and manual tasks, these new so-called smart assistants are allowing store employees to focus on the most exciting parts of retail: selling merchandise and serving customers.*

*During the COVID-19 pandemic, the retailer has been able to capitalize on the additional, and unexpected, benefits of its robotics investments. Automation has helped it adapt to new in-store pressures, such as having to clean more frequently and ensuring physical distancing. The robots have also helped streamline inventory management processes, enabling the company to better meet the surging consumer demand for online groceries as consumers shop from the safety of home. Walmart is now expanding its existing robotics partnerships and looking to accelerate automation across stores and fulfillment centres.<sup>2,3</sup>*

### A new kind of customer

The safety protocols introduced to slow the spread of COVID-19 transmission have drastically altered consumer behaviour, curtailing customer footfall to bricks-and-mortar stores in many jurisdictions. For many consumer businesses, this has highlighted the importance of adapting to serve their clients.

The pandemic has also changed customer value drivers. For many consumers safety is paramount, with their priorities focused around food, family, learning, money, and work. Shopping is sourced at online retailers, and entertainment has migrated online or to digital spaces. Consumers are paying more attention to the social impact of brands and there's been a greater focus on supporting local businesses, where there is an emotional connection.

Deloitte research shows that nearly two-thirds (58 percent) of customers say a brand is their favourite because of the way the brand makes them feel in every interaction.<sup>4</sup> Employees are essential to this equation: they can create relationships with the consumer that are personal and meaningful. Strong connections create customer loyalty, and loyalty drives business results.

## Case study

*Delta Airlines has been recognized as an industry leader in its response to the COVID-19 crisis. It was one of the first airlines to enforce safety measures like keeping the middle seat open, requiring passengers to wear masks, and giving fliers two years to re-book cancelled flights. It also led the industry in implementing enhanced cleaning procedures and technologies—like electrostatic spray with hospital disinfectant to sanitize surfaces—across its fleet. Perhaps most importantly, Delta has consistently maintained these new standards, unlike other airlines that implied such measures would be implemented but did not follow through in all cases.*

*Early signs show these investments are paying off with customers. Reflecting on its performance part-way through 2020, Delta reported its overall customer satisfaction scores had increased by 30 points compared with 2019.*

*At least two key ingredients can be attributed to the airline's success. The first is entrusting employees with a purpose. Delta established a new Global Cleanliness division focused exclusively on hygiene standards, following through on its promise to customers with real organizational investment. The second is customer communications. Delta has made it a priority to communicate transparently with its customers throughout the crisis, even giving them early looks at new cleaning technologies as the latter were being developed.*

*Taken together, Delta has developed a winning combination of new technologies and customer care that continues to earn and retain its customers trust.<sup>5</sup>*

## Equipping employees with tools, skills, and confidence

How do consumer organizations foster these strong connections? It starts with confident employees who have the right skills and competencies. Organizations then need to equip them with guidelines and direction about how to manage customers. They must have the autonomy to be human, and above all, trusted to make the decisions that deliver a unique experience to each customer. Supporting these exceptional employees with the right data, insight, and technological tools to create experiences that resonate with each customer will allow consumer organizations to facilitate a symbiotic relationship between brand and consumer.

## Case study

*Known for its focus on customer satisfaction, Ritz-Carlton has consistently achieved one of the highest J.D. Power rankings for guest satisfaction. The luxury hotel chain achieves this through well-trained and assured staff who can identify and meet even unexpressed wishes. The organization first looks for applicants who are sociable, caring, and who demonstrate an aptitude for learning. It then trains them to become brand ambassadors, because the company understands that the best way to deliver its service values is to trust its people. Every employee is encouraged to make informed decisions that give guests an unforgettable experience, and to do what's best in the moment without needing permission from a supervisor.*

## Six ways to advance the human experience within your organization

Here are some practical ways that organizations can create human experiences that will help them win customers and facilitate growth:

- 1. Recommit to the well-being of your employees and customers.** Focusing on mental health, consider giving employees access to mental health services or apps; take steps to ensure that workplaces are comfortable and safe.
- 2. Reconnect your employees and customers with your social impact.** Build a bond with customers by encouraging employees to share the company's COVID-19 story in their own voices, and treat employees—especially front-line workers—as your most important brand ambassadors.
- 3. Re-engage in communication with employees and customers.** Be clear about the changes you see on the horizon. Be consistent in your messaging, even if that means explaining the reasons why hard choices were made. Use communication channels that will resonate with your employees.
- 4. Re-engage your employees with new skills and capabilities to service your customers.** Show employees that you value their curiosity, creativity, imagination, emotional and social intelligence, and adaptability. Deliver in-the-moment training that helps employees use these skills to deliver the best possible customer experience.
- 5. Rethink how you organize your teams to focus on the customer.** While big, strategic customer problems should be tackled by cross-functional teams, giving employees a way to work that lets them connect with and respond rapidly to customer needs will create an organization-wide culture shift.
- 6. Rethink how you can improve productivity and build business resiliency through digitization and automation (D&A).** COVID-19 and the shift to remote work has created countless new processes, many of which can be streamlined or optimized using D&A. This frees up employees to focus on the areas where they can contribute the most. For customers, look for ways that D&A can streamline engagement and communication, even make their lives easier.

As organizations reflect back on the abrupt shift in the ways of working brought on by COVID, new employee experiences have been created, and a spotlight now shines on how work gets done. Employees are empowered to work where they want, set their own safety expectation and reframe their importance in the economy. Organizations will not be able to go back, and the challenge now becomes how you go forward to keep ahead of future disruptions while simultaneously embracing technology changes, and not sacrificing the culture and human experiences that made your organization great.

## Endnotes

1. Anne-Marie Slaughter, "Forget the Trump Administration. America Will Save America," *The New York Times*, March 21, 2020.
2. Shoshy Ciment, "Walmart is bringing robots to 650 more stores as the retailer ramps up automation in stores nationwide," *Business Insider*, January 13, 2020.
3. PSFK, "Faced with Online & Grocery Surges, Walmart Expands Both Human & Robotic Staff," PSFK, April 24, 2020
4. Deloitte Digital, *Exploring the value of emotion-driven engagement: The dynamics of customer loyalty*, May 2019.
5. Jessica Puckett, "How Delta Set the Standard for the Airline Industry's COVID-19 Response", *Conde Nast Traveler*, September 8, 2020
6. Deloitte, *The power of your people: A practical journey to recovery for the consumer industry*.

---

## Contact:

**Mike Jackson**

**Consulting, Leader, Future of Work**

647-641-6578

**[www.deloitte.ca](http://www.deloitte.ca)**