



Build better customer journeys with real-time decisioning

Navigating modern customer experiences –
with the customer at the wheel



The concept of a customer journey isn't a new one; it's been around since the 1980s. And customer journeys, at their core, aren't that complicated. The goal is to help a customer move down a specific path toward an objective, which is usually a product purchase. Historically, most journeys were exclusively designed with that end in mind, but a major shift in how we work, shop, relax, and socialize has forced marketers to significantly rethink their approach.

There are more channels and touchpoints than ever before, and digital engagement options are almost endless. Customers are looking for relevant, connected, and secure experiences. Their context and needs change rapidly as they click, browse, and engage. It's almost impossible to predict what they will do minute to minute – much less script out an extended series of interactions. Brands are no longer in control of the journey at all – the customer is.

It's time for a refresh

Connected customer experiences are the minimum requirement for building brand-customer relationships today. **It's no longer differentiating to deploy analytics when engaging a customer.** Most brands do this on a surface level, every single day. But there is still a way brands can separate themselves from their competitors: By operationalizing analytics and data in real time, using propensity and relevance to adapt the experience right along with the customer and bring those journeys to life.

Traditional approaches to journey-building used to use rules, reminders, and nudges to push the customer toward the brand. This was done at fixed times throughout the experience, using a narrow set of predetermined content and offers. Marketers would simply construct a few basic, linear scenarios that didn't allow for much variation or adaptation. Any one person moving through that journey would likely experience the same thing as anyone else moving through the same journey.

There's a problem with that approach: while the customer moves through an experience, they rarely do so in a straight line. They often back up, leap forward, get stuck, or change directions completely. This causes their context to constantly change and those rules-based journeys quickly become brittle. As an individual's context stagnates, the brand's messages and offers quickly become irrelevant. In just a few moments, the entire process falls victim to poor timing and an overall lack of empathy.

The rules-based journey approach is about what the *brand* wants, not about what the customer *needs*. These types of journeys lack any sense of empathy at a time when empathy is more important than ever. Brands absolutely need to put the customer at the center of every decision throughout the journey – engaging each individual on a one-to-one level and treating them like a real person with real needs. The customer is generating digital signals every second they're online. But it's up to the brand to activate that information and use it to determine the exact right approach for the exact moment.

It's time to ask new and different questions. Does this person need help with a service issue? Is it a suitable time to present a sales offer? Do you need to go the extra mile to retain them after a negative experience? The key to journey-building is finding those answers and setting your organization up to respond immediately – while the customer is the most receptive and engaged.

Creating modern customer journeys – fast

Customer journeys need to be looked at holistically, with the brand aiming to help the customer complete each journey as quickly and painlessly as possible – even if the outcome does not maximize the brand's short-term revenue. It's true: Many times the identified journey involves the customer buying a product, but unfortunately that's where much of today's journey software starts and stops. Any single interaction is only a small part of a much bigger brand experience for the customer; consistently adding *value* should be the goal, even if an eventual sale is still out over the horizon. Trying to force a sale before its time runs the risk of interrupting and potentially fatiguing the customer. The last thing you want to do is cause an unwanted pit stop or inconvenient delay that sets both the customer and the brand back.

Fortunately, nearly all journeys can be broken down into pieces to make them easier to understand and optimize. During stages of that journey, brands can prioritize and level up content designed to help customers make progress against their goals. But it's important to keep in mind that when an individual reaches a step, you must *never* try to force them toward the next one. Instead, brands should utilize real-time analytics to look out across all possible journeys and content options for that customer – with full knowledge of what they're likely to do so you can present the most relevant message. That's where modern journey solutions deviate from their predecessors.

Modern journey solutions can't simply rely on rules or basic analytics – instead they need predictive analytics and machine learning to constantly read and react to new customer context, re-assess the options for that individual, and pivot to prioritize a new journey or conversation as needed. Every time you get new data about a customer, it can (and often does) completely change your understanding of what they need and what path they're on. This kind of real-time adaptation enables an elevated experience, eclipsing any level of relevance that a rules-based journey could provide.

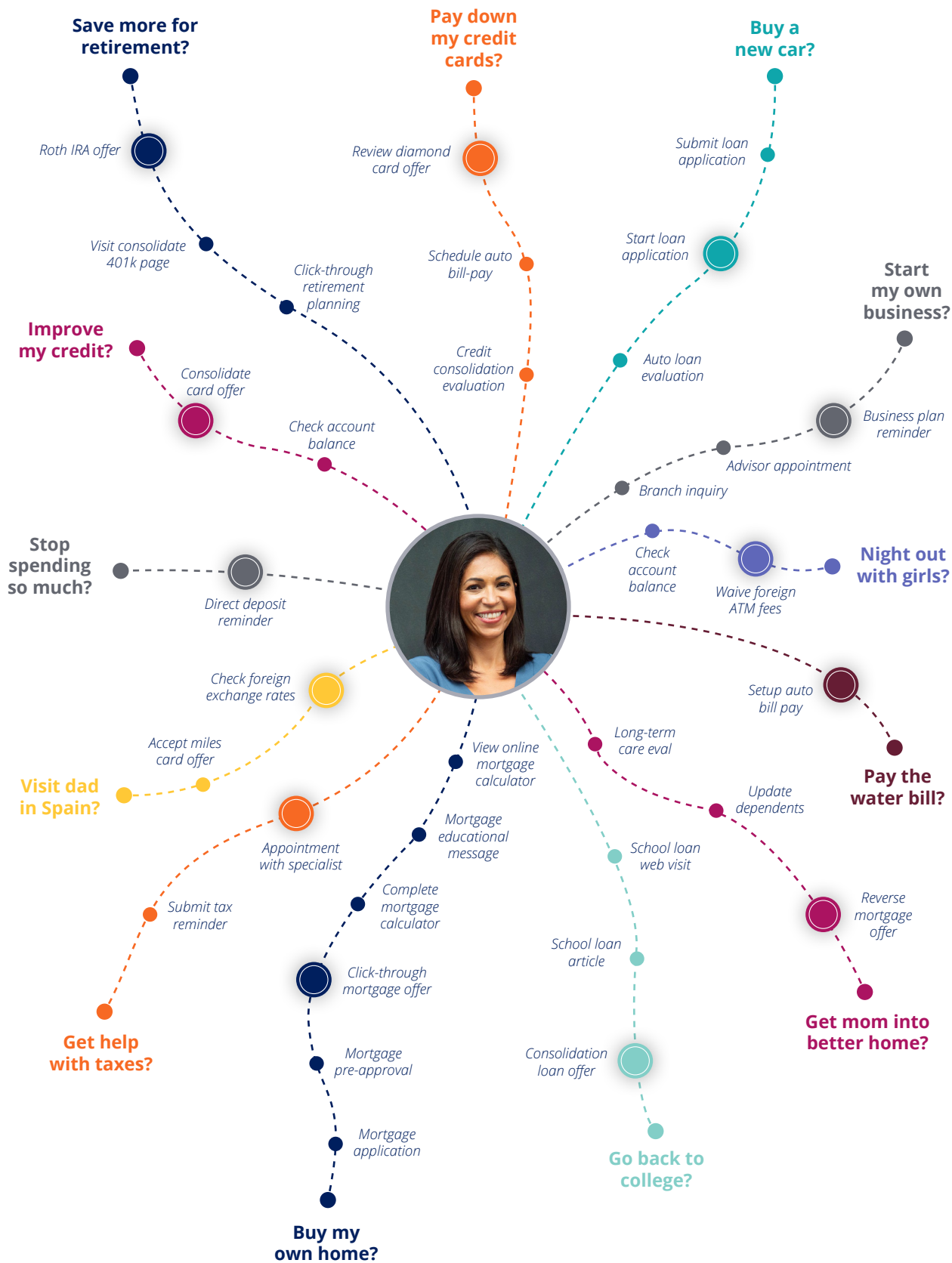
What modern customer journeys look like in the real world

Traditional customer journeys that rely solely on sales or product-specific offers are a thing of the past. Modern, empathetic customer journeys are about so much more, including the following:

- **Service:** Service journeys utilize “nudges” to preemptively solve customer problems before they occur or escalate. For example, in the case of a banking customer traveling abroad, the brand could serve up content about exchange fees or restrictions they might incur internationally – prior to the trip. The brand may remind them to authorize their credit card for international use, and may highlight value-add information like ATM locations, foreign exchange counters, or branch locations during the trip. The goal of this kind of journey is *not* to make an immediate sale, but to head off the most likely problems before they ever occur – and by doing so, earn the right to expand that relationship with the customer.
- **Nurture:** Nurture journeys are similar to service journeys – designed to keep your brand top of mind while gradually increasing customer or member engagement. For example, a healthcare brand may have multiple nurture journeys in place to educate or inform customers – focusing on health, fitness, aging, membership programs, or case issues. Those journeys would each feature a wide variety of podcasts, articles, videos, studies, news, etc. The strategy would be to expose the customer to each type of content and see which journeys and formats catch their interest. Each time they engage on a topic, that’s a brand’s window of opportunity to identify and adapt to their behavior. The goal is not to sell or convert – it’s to build engagement and develop that customer relationship long term using a low-pressure approach.
- **Retention:** Retention journeys are different. They are often very immediate and are used to reduce the attrition of high-value customers – maintaining profitability without maximizing incentives. For example, a telecom provider may analyze customer browsing or network behavior for patterns and determine that a customer is frustrated and trending toward canceling or churn. Instead of waiting until that person calls the contact center (when it may be too late, and will definitely be expensive), they reach out with a personalized and proactive retention offer – based around the customer’s needs like providing extra data, adding an additional family member at no charge, or offering the latest upgrade at a reduced rate. This avoids churn, allows them to save that customer at a significantly reduced cost, and has the added benefit of improved customer satisfaction and loyalty levels.
- **Resilience:** Resilience journeys are the newest offshoot of real-time capabilities. They are designed to safeguard your customer’s short-term well-being. By doing so, companies can solidify high-value relationships with their customers over the long term. However, they’re often tricky because an organization needs a strong understanding of individual customer context and ability to pay. At the same time, they are relatively low risk and provide substantial benefits. For example, during a time of short-term customer hardship, a brand would proactively reach out to a customer whose profile and behavior show a risk of non-payment or default. The organization would provide them with a personalized offer of reduced terms that should allow them to stay in good standing if accepted. The practice not only helps customers prioritize payments to the brand, but also helps build relationship equity with the individual and creates substantial positive public sentiment.

Modern journeys happen in real time

The journey shifts as quickly as the customer's context



How to deliver the right journey for each customer

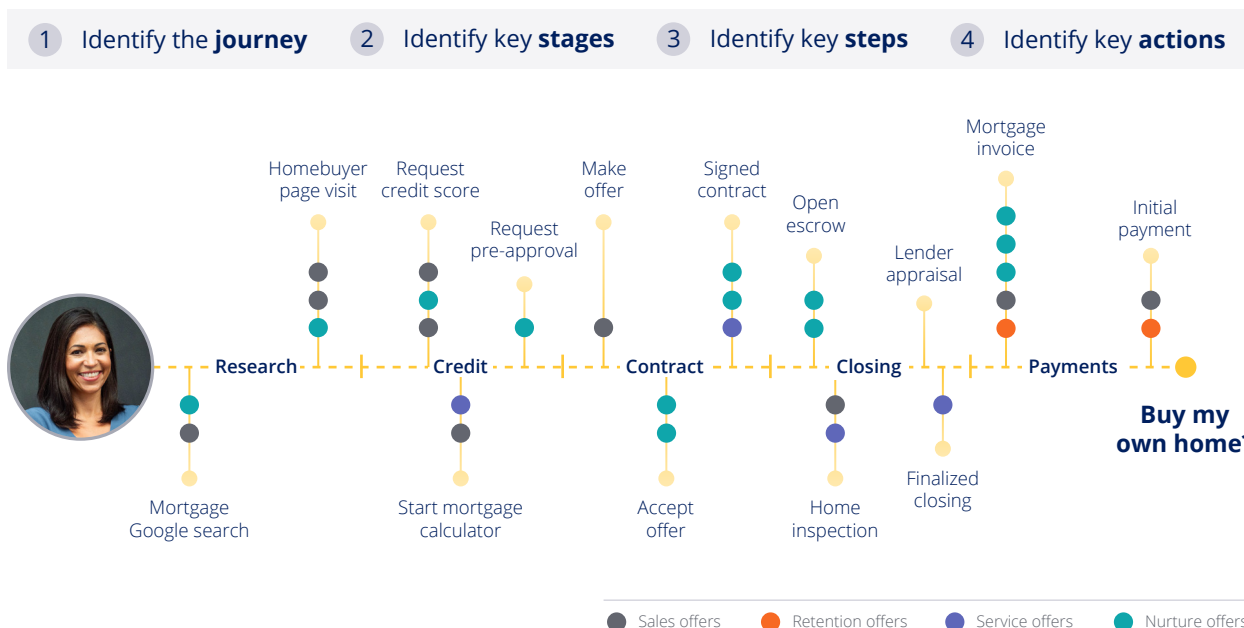
Modern customer journeys are made possible with real-time decisioning capabilities, which use next-best-action strategies to power customer-centric decision-making. Next best action (NBA) is an approach used to engage individual customers at a one-to-one level. Rather than using segments, they take into account each individual's unique needs, preferences, and context.

NBA strategies use propensity-driven decision-making to materially increase the relevance of communications, increasing engagement to create incremental customer lifetime value (CLV). One of the largest advantages of NBA is that it goes beyond just sales offers to consider all the potential conversations you could have with a customer.

With NBA you have a large library of actions that are always on and available for presentation at all times, so it becomes much easier to find a relevant action to take for each person as they progress along a journey. Instead of making a sales offer, the next best action may be to recommend a training course, negotiate a discount, attempt to collect a debt, or congratulate someone for being a five-year customer. In fact, many times your best option might be to do *nothing*. If the customer is experiencing a problem, any action you take could actually *worsen* the situation. Silence can be an undervalued customer treatment.

Where modern customer journeys and NBA meet

At Pega, we help brands utilize a high-empathy approach and build sustainable customer relationships with a capability called next-best-action customer journeys. Next-best-action journeys allow the brand to identify common customer experiences that they wish to optimize, break those experiences down into consumable stages, and increase the likelihood that a customer is presented with relevant and compelling content designed to help them solve their problem when they enter a stage. Instead of simply pushing customers to the next stage with rules, this capability relies on propensity modeling to determine which journey the customer is on at that exact moment. Real-time decisioning then helps present the best offer or action that aligns with *exactly* where they are in their journey, through whichever channel the customer chooses to interact in.



Those journeys are powered by the Pega Customer Decision Hub™ (CDH). Customer Decision Hub acts like a brain that sits in the middle of all your marketing and engagement channels, bringing everything together and unifying your existing stack. It's a real-time decisioning engine with built-in analytics and machine learning that reads customer context, figures out what it means, and triggers messages to individual customers exactly when they need them – constantly learning and improving from customer responses. To ensure every journey is driven by the customer themselves, their journey is orchestrated by their needs – not a fixed set of variables.

Brands all over the world are using Pega Customer Decision Hub to enable customer journeys. Vodafone has been a Pega user since 2007 – progressively integrating more of their inbound and outbound channels, such as call centers, retail stores, web, mobile, interactive voice response, and campaign management.

“With Pega, we can forget about the channel – it’s irrelevant. The idea of audience-based segments is gone. We have genuine, relevant, one-to-one communications, personalized to the individual – making decisions based on what happened half a second ago.”

Group Head of Marketing Technology & Commercial Capabilities, Vodafone

Instead of making decisions within business units or channels, Vodafone centralizes them at the country level within Pega Customer Decision Hub. As customers interact on inbound channels or events stream in, they use it to determine intent and select a next best action. Those actions are delivered immediately on inbound channels in less than 200 milliseconds and queued up for delivery on outbound channels. The combination of complete customer context, real-time decisioning, and a large conversation library increased response rate by 500%.

Vodafone

Always-on marketing example



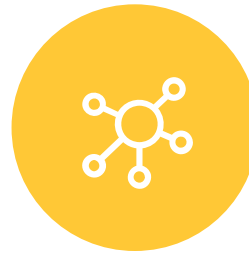
Centralize all marketing decisions

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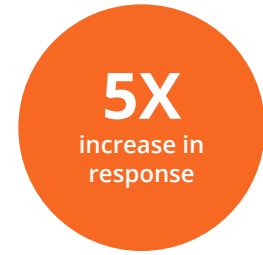
Calculate each individual's intent

As customers interact on inbound channels, or events stream in, they use it to determine intent, and select a next best action



Distribute actions across channels

Those actions are delivered immediately on inbound channels (< 200ms), and queued up for delivery on outbound channels



Huge increase in relevance

The combo of complete customer context, real-time decisioning, and a large conversation library increase response by 500%

How to start transforming your customer journeys

Digital engagement options and customer expectations are only going to increase in the future, meaning companies who aren't creating seamless, unified, and personalized experiences will end up further and further behind the competition. Detecting customer context is going to need to be even faster and more accurate than ever before. While this level of transformation can seem monumental, there are ways companies can get the ball rolling in the right direction:

- 1 Move away from batch messaging and segment-based campaigns – so you can treat every customer as a unique individual.
- 2 Evaluate your current tech stack to make sure it's meeting not just your current business needs, but future ones as well.
- 3 Look into future technology investments that can replace or augment what you've already implemented.
- 4 Start diversifying your actions and offers to include more than just sales.
- 5 Implement a cultural shift from leadership down to place the customer at the center of customer journeys. The brand should take the lead in all engagements.

As customer journeys become even less linear and more complex, companies who get it right will thrive, building the long-lasting customer relationships that are critical to business success. It's time for companies to start their own journey toward customer experience excellence.



About Pegasystems

Pega delivers innovative software that crushes business complexity. From maximizing customer lifetime value to streamlining service to boosting efficiency, we help the world's leading brands solve problems fast and transform for tomorrow. Pega clients make better decisions and get work done with real-time AI and intelligent automation. And, since 1983, we've built our scalable architecture and low-code platform to stay ahead of rapid change. Our solutions save people time, so our clients' employees and customers can get back to what matters most.

For more information, please visit us at [pegasystems.com](https://www.pegasystems.com)