



**AVASANT**



Revolutionizing Customer Experiences  
Through SMAC :  
**The New Technology Foundation**

Hointer, a clothing store in Seattle, defies the concept of traditional retailing by embracing the idea of an intelligent store using “SMAC”. Deployed on the cloud, the “Omni-cart app” allows customers to make an in-store purchase in an unstaffed store. The application provides recommendations to customers based on their purchase history, social interactions, and mobile/web check-ins at different stores. It suggests a similar outfit based on customer data with a tap on their mobile phone. Customers only need to scan the QR code of an outfit and the app suggests proceeding to the trial room. The digital kiosk within the trial room further assists consumers with customized options to fit in and discard the rejected clothing. With this, the store not only has challenged traditional retailing but also created a unique customer experience for the connected customer of the twenty-first century by providing a no-queue purchase and nullifying all negative experience of a brick and mortar store. SMAC is empowering customers with the right data at the right time, in order to assist them in their decision-making process.

Since the dawn of the new millennium, while the interaction between consumers and enterprises generate large volumes of data, there is a significant demand for analyzing and interpreting the available data from multiple perspectives to catalyze and enhance customer experience and arrive at better decisions. Most internet users have experienced that their actions on the internet today, such as undertaking a keyword search, are recorded and analyzed for possible usage patterns. When customers shop at a retailing website, in addition to logging the purchase,

Evolving market place dynamics has witnessed a stupendous growth in user specific data on the social networks like Twitter and Facebook. Dubbed as third largest country on the planet, Facebook (1.19 Billion active users) is driving new business models, which enhances the customer experience through the integration of digital technologies. Sport Chek, a sports retailer in downtown Toronto introduced Digital Facebook Wall for Adidas shoes for customers to scan the collection

every action performed on the site is recorded and analyzed for behavioral insights. Marketers are busy understanding their consumer purchase decision and customizing their customer offerings through royalty cards on mobile, check-in badges, social media interactions and suggested purchase, obtained from humongous data freely available on various technology platforms. With close to 50% of the mobile phones in the US and the UK market being Smartphone, mobile presents a huge opportunity to tap customer data and improve their experience through customized offerings. With the growing demand for current and updated information through connection to internet from anywhere and anytime, has made analytics important in our day-to-day life to draw the correct inferences from available data. Amazon reported 30% revenue from its analytics based recommendation engine. Futuristic technologies are transforming the way we live our daily life. Gadgets like Google-Glass allow us to interact with internet through natural language and voice commands while displaying and transmitting information in a smartphone format. Nike+ FuelBand is an activity tracker that is worn on the wrist allows its wearers to track their physical activity, steps taken daily and amount of calories burned. It integrates the information from the wristband into the Nike+ online community and phone application, allowing wearers to set their own fitness goals, monitor their progression, and compare themselves to other members of the community. Such innovations have started taking the customer experience to a different plane allowing real-time interaction between human, devices, and data, enhancing quality of living.

and view related videos. It also introduced a real time retail lab for customers to customize their Reebok shoes in-store purchase through a digital kiosk for home delivery of the product. Digital technology through SMAC has enabled organizations to get a real time view of the customers’ specific needs. For example, Facebook has significant demographic insights of users, including their age, gender, location, their interest in books, movies, the companies they have worked for and their likes and

dislikes, based on the advertisements they click or ignore. This creates a significant amount of information about users that can be mined and analyzed for business opportunities. Nearly eighty percent internet based information and all data related to our on day-to-day activities are unstructured. However, if these are well harnessed and properly interpreted,

these hold a significant potential for new business possibilities. Given the ongoing digital revolution and the consumer’s penchant for data on the go, businesses are transforming themselves - leveraging innovative technologies like Social Media, Mobility, Analytics, and Cloud Technologies (SMAC).

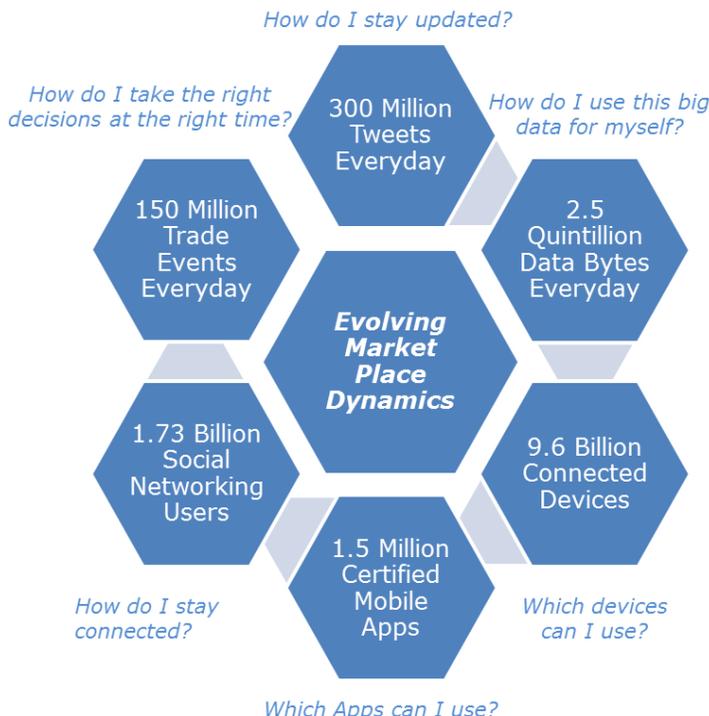


Figure 1: Digital Market Place

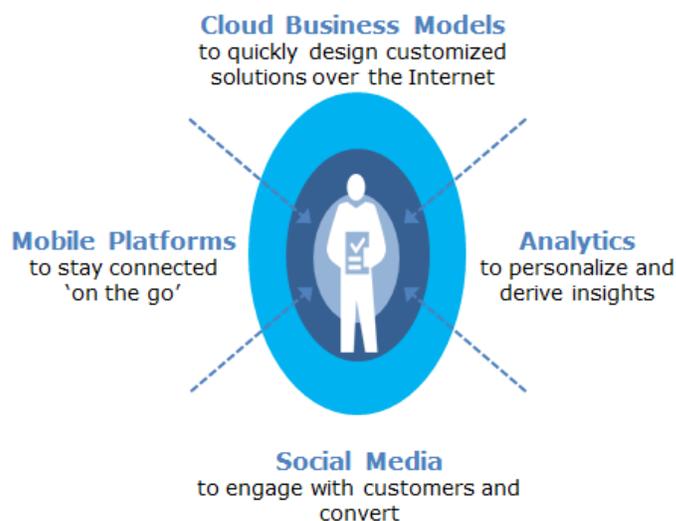


Figure 2: Leveraging SMAC

## Social Media

Starbucks reported USD 180 million in revenue during the first year of the launch of its crowdsourcing initiatives on social media, which helped it not only to understand consumer preferences, but also enhanced its product innovation capability. Social Media has become a prominent force to attract consumer. Social media provides a lever to business by enabling them to reach the right target market with messages related to its products and services. A focused messaging improves the chances of the message being viewed by members of the target segment. Businesses can refine and develop marketing campaigns that are more aligned to the needs and aspirations of the target consumer. Consumers have the freedom to choose which business, product, or service they track and monitor using the new media. For example, Qantas, the Australian airline, resolves their customers' queries in real time at airport lounges by tracking their GPS locations on social media platforms. Each time a customer expresses displeasure on a social media site, an alert is sent to the lounge staff to address the issue. Similarly, businesses have the opportunity to leverage the media to share information with its consumers and address their issues and concerns through quick social as well as real time response.

## Mobility

Mobility lays the foundation for a highly responsive business environment with end-to-end visibility, leading to lower operational costs and greater competitive advantages. The interaction or cooperation between decision-making bodies and the field executives significantly enhances the productivity of an organization. The real time exchange of business information between corporate strategy group and field operations is a key function which mobility enables. It helps management understand the needs of the customer faster and respond to them effectively in a timely fashion. With the introduction of concepts like BYOD (Bring-Your-Own-Device) and BYOA (Bring-Your-Own-App), the boundaries have blurred between offices and working from home. Mobility has created a new breed of executives who are connected on the go across the globe. Mayo Clinic patient app revolutionizes patient experiences by providing updates on health news from Mayo Clinic, provides access to medical records, lab results, and allows secure messaging between the patient and their care team. The app also uses an adaptive technology to aid the use by blind and hearing impaired. Mobility lays the foundation for a highly responsive business environment with end-to-end visibility, leading to lower operational costs and greater competitive advantages.

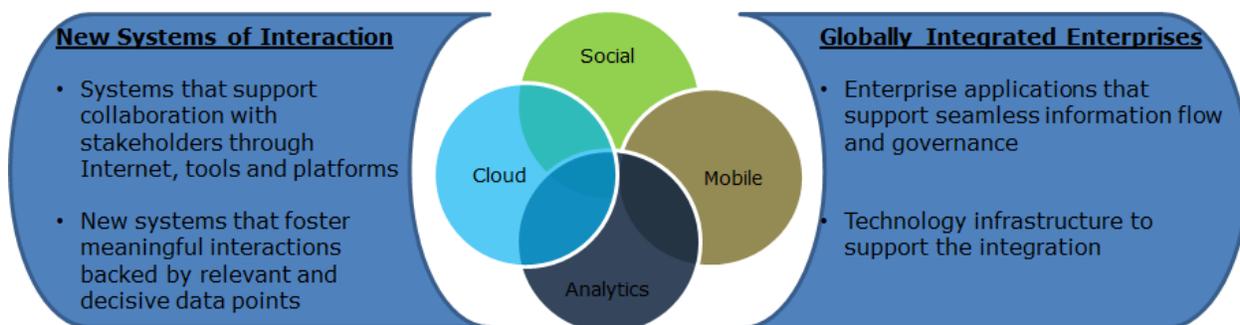


Figure 3: SMAC leads to the development of new systems and integrated enterprises

## Analytics

With Big data platforms helping in collection, integration, and transformation of large volumes of data, companies can conduct complex and varied analysis on much larger datasets to understand consumer behavior and align the solutions to their needs. This also reduces the time to respond to customer needs and makes the intervention timely.

Organizations can now impact the entire customer engagement life cycle by being prepared and ready for every interaction. The interaction better aligned to respond to customers queries on a real time basis through multiple channels, while driving huge improvements in the quality of interaction. Retail giants are using Big data to personalize the offers to enhance customer experience. Healthcare companies are using it for improving the patient care in hospitals. Banks leverage the technology for upselling and bringing new products to market. Manufacturing companies are using Big data to improve their products, predict the failures in their product lines ahead of time to make every customer interaction very seamless and smooth.

An effective Big Data engine churning out analytics on captured information provides new insights of the tremendous value on customer behavior, thus resulting in new business opportunities. Virtual phone

system provider, Grasshopper since deploying its data analytics engine in February 2013 was able to ease its number portability process for its customers, which resulted in significant savings and reduced the churn by 25%. Companies are able to leverage unprecedented cost advantage and agility by timely analysis of available data and monetizing the value through delivering the service using mobility and cloud services.

## Cloud Computing

Cloud Computing along with mobile technologies, works to give a freedom for businesses and consumers to transact business in a flexible manner and allow for scalability. Employees become more productive, and knowledge sharing with consumers is easy and timely. As such, a growing number of organizations are using cloud-based tools to quickly and effectively engage with customers across a variety of channels including voice, email, chat, social media, mobile, SMS and video. National Football League (NFL) recently went electronic by moving the health record of its 32 teams to the cloud. This enhanced the accessibility to health information of players by coaches and medical staff, on the go. Given that customer preferences continue to change and evolve, using the cloud as a foundation for delivering service provides an organization extensible and flexible solution to implement processes that can evolve easily to meet changing needs.

## The Road Ahead

Through new ways of engagement with stakeholders, SMAC presents exceptional opportunities to businesses that were earlier thought non-existent or unprecedented. The way needs of the new age customer and their elevated expectation are serviced and benefited through technology foundation like SMAC is summarized in the graphic. The multitude of devices leveraged today, such as tablets and Smartphone are creating a humungous amount of both structured and unstructured data for businesses to store, process, and derive value. Data sources and their rate of infusion are exploding as mobility; social media and internet proliferate into the life of every individual, producing terabytes of structured and unstructured data.

Forward-looking enterprises are increasingly leveraging the new technology across their organizations. The objective is to give employees, third party vendors, and customer access to appropriate data and information wherever and whenever they need it, based on their functional requirements while improving user experience.

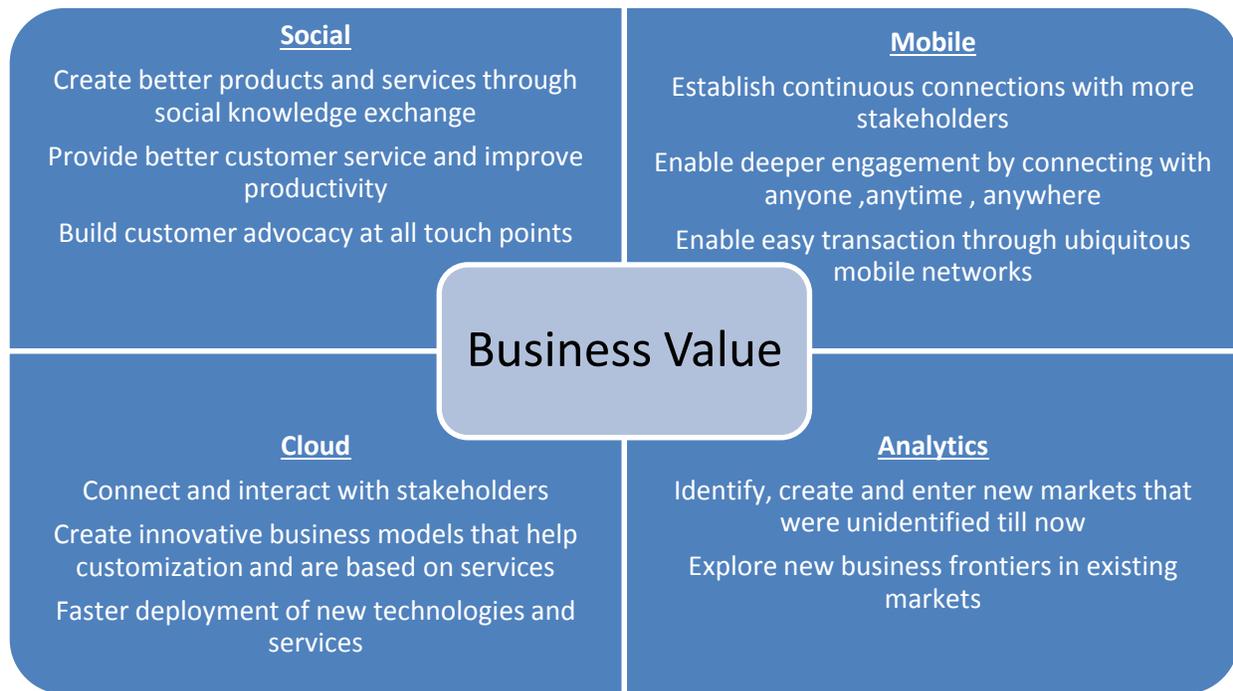


Figure 4: SMAC leads to new business value

This new evolution is not just about mobility, it is also about mobile devices working in tandem with back-end enterprise systems. By interweaving context, personalization, and knowledge of potential actions, using mobile and big data/analytics, the quality of customer experience is being greatly enhanced. SMAC technologies are becoming a standard tool and resource to interact with new age customers. While each of the technology elements has the capability of delivering business value individually, however, in combination with each other they become a potent strategic tool for the enterprise to deliver higher value to its customers.

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#### About Avasant

With its global headquarters in Los Angeles, California, Avasant is a leading management consulting, research, and events firm servicing global clients across the public, private, and non-profit sectors. Our talented team of consultants, lawyers and technologists average over 20 years of industry-honed experience and have conducted 1,000+ engagements in over 40 countries worldwide. Avasant drives customer value through the use of our proprietary consulting and advisory methods, which have been refined over decades of 'real-world' transaction and engagement experience. The combination of our world-class resources allows Avasant to yield superior business outcomes in three primary domains: Strategic Sourcing, Technology Optimization and Globalization Consulting.



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