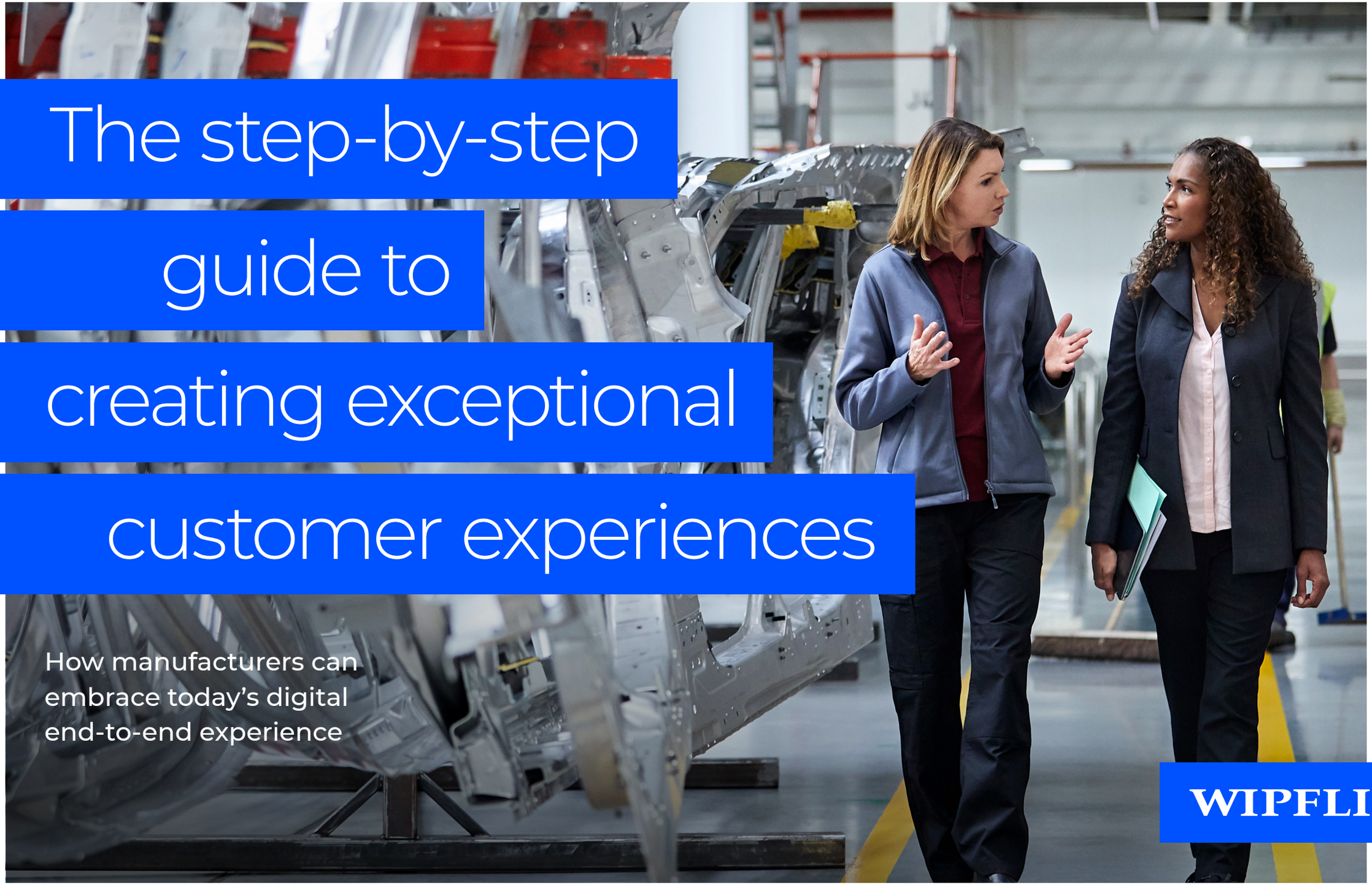


The step-by-step guide to creating exceptional customer experiences

How manufacturers can embrace today's digital end-to-end experience

WIPFLI

Exceptional customer experiences don’t just happen.

They are designed.

Your customers have been conditioned by online retailers to expect responsive, timely and transparent interactions. If they have to jump through hoops to find information or complete a transaction, they’ll take their business elsewhere.

This cultural phenomenon is here to stay. It applies to consumers across all generations, and their expectations are now shaping interactions in the manufacturing sector. If your customers can research, order, track and pay for everything from furniture to groceries online, why can’t they expect the same from the manufacturing industry?

It’s time to create an end-to-end digital customer experience, and Wipfli is here to help you figure out how. In this e-book, we cover:

- Why manufacturers **need to create** an end-to-end digital customer experience
- How to create a **frictionless** customer experience without losing the human touch
- Four ways manufacturers can **embrace** digital transformation with limited resources
- Where to invest to create an **innovative** customer experience
- 10 best practices for putting **people first** in your digital transformation

Why manufacturers need to create an end-to-end digital customer experience

Why manufacturers need to create an end-to-end digital customer experience

It's no secret that customers prefer to do business with companies that make doing business easy. Increasingly, that means embracing an end-to-end digital customer experience.

Yet many manufacturers are still operating in the "black box" model of engagement. That is, the customer places an order on one end of the transaction and accepts the order at the other end. Everything that happens in between is a mystery.

This level of engagement won't be enough to maintain customer loyalty — much less grow volume and revenue — over the long term. As buyers become more discriminating, the pressure is on for manufacturers to adapt.

Shift from vendor to partner

Manufacturers of commodities are well aware that there are limited options for standing out in a crowd. They can compete based on price or quality, or even on faster turnaround or reliability. But a competitor can enter the market — tomorrow promising the same, or even better.

Manufacturers that embrace the digital customer experience have an edge that is harder to replicate. Why? Because an end-to-end digital experience is the outcome of an integrated cross-departmental effort — an operational strategy that integrates people, process and technology — and it goes well beyond a website or an e-commerce portal (no matter how pleasing and user friendly those tools are).

By breaking down the walls of their black box and embracing a digital customer experience, manufacturers can make it easier for their customers to do business with them. In so doing, they can shift from being just another vendor to becoming a trusted partner — a status that is even more precious in the aftermath of the COVID-19 pandemic, which exposed the fragility of supply chains and the need for greater visibility. The basic ability to manage expectations and commitments to customers with greater certainty has been essential to the survival of many businesses.

Create a frictionless experience

Turning the customer experience into a competitive differentiator requires more than surface improvements. Although your sales and operations may benefit from a new website or an updated enterprise resource planning (ERP) system, the tools alone will not create a better experience. The key is in the strategy, not just the capabilities.

Creating a truly frictionless digital experience starts with the customer. Before investing in new technology, manufacturers need to map the end-to-end experience from a customer's point of view.

> Creating a truly frictionless digital experience starts with the customer.

This includes asking such questions as:

- How do customers find you?
- How do customers research your products?
- How do they browse your inventory?
- How do they ask questions?
- How do they request a quote?
- How do they make a purchase?
- How do they track the status of their orders?
- How do they manage returns?

Also, consider the role of data. Unifying information across the enterprise and leveraging that information to both serve and share across the supply chain opens new avenues to strengthen relationships. It also makes you more valuable to your various channels — from the traditional wholesale/distribution channel to the direct sales approach through salespeople or online. You are no longer manufacturing a commodity; you are creating value.

Improve accuracy and visibility

Automation and industrial internet of things (IIoT) capabilities go hand in hand with creating a digital customer experience. Manufacturers that rely on manual processes will be increasingly hard-pressed to cater to customer demands for quality and accuracy, much less provide real-time information on orders.

Manual tasks are ripe for error, which naturally degrades the customer experience. Automating tasks on the shop floor, as well as in back-office functions, can improve accuracy and reduce costs across your operations.

Likewise, connecting your assets and implementing capabilities such as automated data entry, barcode scanning and radio frequency identification (RFID) allows for real-time data collection. This in turn will enable manufacturers to provide their customers with greater visibility into order status and tracking.

When considering technology investments, keep in mind that those tools can have broader positive impact beyond the customer experience. They can help your operation reduce time, waste and costs. Aim for multiple benefits to make the business case more appealing.

Boost employee value

Designing for a digital experience does not necessarily mean reducing your head count. In fact, automation can free up staff to focus on higher-value functions.

For example, employees can concentrate on more complex undertakings or business priorities such as continuous improvement efforts, business improvement processes or customer engagement. Manufacturers may even find they can expand into new areas such as taking on more customized work.

Another positive: They can expect to see a rise in engagement and retention as employees find more meaningful ways to contribute to the company.

How to create a frictionless customer experience without losing the human touch

How to create a frictionless customer experience without losing the human touch

In manufacturing, the customer experience is rapidly becoming just as influential in the buyer journey as the quality and pricing of the actual products.

However, many shop floors were not designed for the digital era. Manufacturers cannot simply overlay existing processes within each department with digital tools and expect the result to be a cohesive end-to-end experience for customers. The information and process are traditionally too siloed or nonexistent for that to occur spontaneously.

The key to creating a frictionless digital customer experience for manufacturing is to purposely design it to be a cross-departmental flow and then adopt the right digital tools, in the right places, without losing the human component.

Customers want the convenience that digital capabilities offer: on-demand access to timely and relevant information and a heavy dose of self-service functionality. But they also want easier ways to reach the organization and be reached back to. They want to connect with the human component for guidance, issues, clarifications or even empathy. Getting this right will require a marriage between digital, business process, organizational tribal knowledge and industrial IIoT capabilities.

Breaking through sources of friction

Sources of friction abound in the bulk of business interactions experienced by customers and internal staff, from lead to quote to build to pay. They are a natural condition of siloed departments.

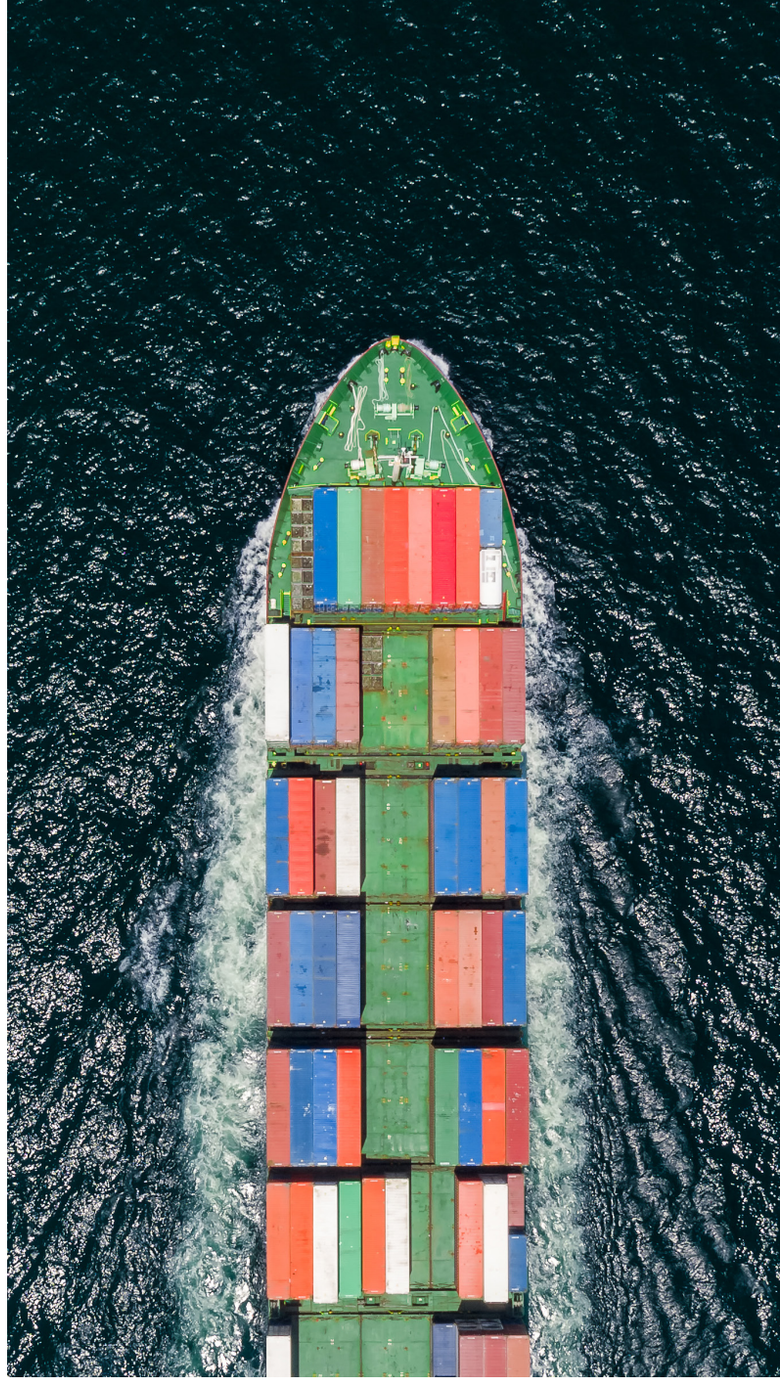
Outdated websites, inaccurate inventory and a lack of visibility are all sources of friction. Requiring customers to complete every transaction over the phone or across multiple applications creates friction. Expecting customers to speak to multiple representatives or to wait days for an answer to straightforward questions causes friction.

If sources of friction are not corrected, customers will drift to competitors that offer a better experience.

At its heart, creating a frictionless experience is about making it easier for customers to do business with you and for your employees to do business for you; they are inseparable. Think of this in terms of providing customers and employees with:

- Self-service tools to research products and terms, request a quote, make a purchase and find answers to basic questions.
- Accurate order fulfillment and billing capabilities.
- On-demand answers for order history, production schedules, shipments and supplies.
- Workflows, pricing and payment methods that are appropriate for the type of buyer engaged.
- After-market capabilities that make it easy to handle returns, troubleshoot issues or request servicing.

The more investments that manufacturers make in the customer experience, the more opportunities they have to strengthen relationships. By anticipating customer needs, they can provide targeted solutions at every step in the customer journey — whether from a chatbot or a member of the sales team. There is also greater potential for revenue growth by uncovering new opportunities to up-sell and cross-sell services and products.



Mapping the customer experience

Creating a good customer experience starts with mapping the customer journey beyond how we market to attract new customers.

Consider questions like: How do products flow through the shop? How does information flow? What are the likely entry points for customer engagement? What are the current obstacles clients experience and when?

Our experience has shown that leaders need to physically walk the floor, follow the flow of information and steps that a customer would need to experience, and engage all areas of the business — from sales and accounting to customer service and manufacturing to warehouse and shipping. At each interaction point, they need to ask:

- What outcome is our customer seeking at this step?
- What outcome does our organization want for itself?
- What role does my team play in creating this outcome?
- What is the best action(s) to create that outcome?
- What are the best tools to support those actions?

Often, this exercise will reveal hidden bottlenecks, workarounds, information barriers and other sources of friction. It will also provide a foundation for targeted improvements and more informed conversations.

The more connectivity you have on the shop floor, as well as between the shop floor and the rest of the operations, the better you're able to capture real-time information on inventory and product flow. Having this data on hand will empower staff to better respond to customers when they want or need to speak with a person.

The benefits extend well beyond the customer experience. Automation, analytics, IIoT technologies and a host of other tools can support the desired experience, streamline operations, optimize processes, reduce costs and improve quality control.

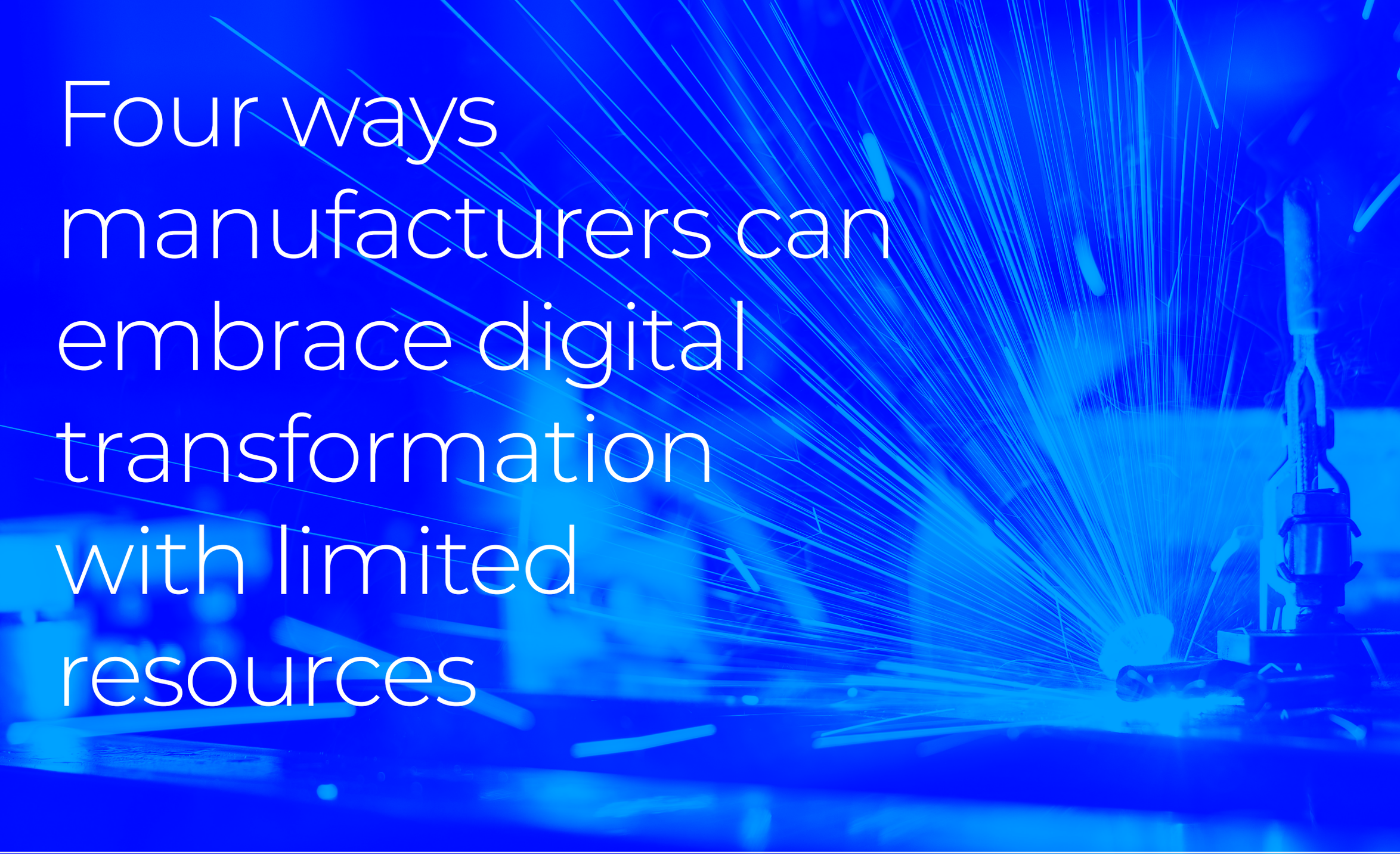
Moving people into more strategic roles

Digital transformation does not replace the need for people. This is especially true for manufacturers that want to provide a high-touch experience for customers. However, it will require different skillsets and expertise. Given the rapid pace of technology evolution, the manufacturing 4.0 workforce needs to be both resilient and digitally fluent.

Manufacturers may need to invest in reskilling or upskilling employees or in expanding the number of engineers on staff. They may also need to shore up their customer support staff with specialists who are educated and empowered to respond to customer issues. Transitioning existing staff to new, technical and/or customer-facing roles could enable manufacturers to up their game without adding to payroll.

Employees who embrace continuous learning and thrive on solving challenges may find greater job satisfaction. Instead of engaging in repetitive tasks or time-consuming workarounds, employees can focus on managing exceptions and troubleshooting issues.

Four ways manufacturers can embrace digital transformation with limited resources



Four ways manufacturers can embrace digital transformation with limited resources

Digital is the future of manufacturing. Manufacturers across the spectrum are finding that investments in Industry 4.0 technologies are reducing waste and cost, improving supply chain resilience, driving higher profitability and creating a world-class customer experience.

However, despite its numerous advantages, digital transformation has been slower to gain traction in small and midsized businesses. To be sure, the market is growing, and investments are making Industry 4.0 capabilities more attainable and affordable. This is particularly true of IIoT technologies, where economies of scale are beginning to drive down costs. However, the onus is largely on manufacturers to do the market research and determine where and how to invest in innovation for the long term.

Naturally, this is challenging for companies that have numerous investment objectives but limited human and financial resources. The digital transformation journey touches all aspects of the business, from staff to technology infrastructure to cybersecurity. Moreover, it's not a one-and-done task. In other words, there is no one place to invest or one-time capital expenditure to make. Digital transformation is an iterative process that can take years to fully realize.

How to start creating your digital transformation strategy

Here's the good news: Digital transformation is not an all-or-nothing undertaking. There are tremendous benefits to be gained even at a smaller scale — provided the investments are prioritized according to an overall strategy. You may even have the building blocks in place to get started without realizing it.

Here are four ways you can embrace innovation with limited capital, staff and time.

Resource challenge

I don't have the staff to lead our digital transformation efforts.

Solution

Ensuring you have a digital transformation champion who can focus on building and executing a digital strategy is absolutely essential. Manufacturers have three options to consider:

- Find a resource on staff who has the capabilities, skill set and potential to drive innovation on a full-time basis.
- Recruit a leader with the right skill set to lead this effort.
- Outsource the effort to a consulting firm that can augment your existing staff or work hand in hand with your team to lead the effort.

Keep in mind that digital transformation is not just an IT initiative or a shop floor project. Your digital transformation champion needs to be a bridge between IT capabilities and business operations.

Resource challenge

My employees are not appropriately educated or confident in using new technologies and data or analytics as part of their day-to-day operations.

Solution

In many cases, existing employees can be retrained and upskilled to adopt new processes and technologies. The key is to put a change management, communications and training strategy in place to guide your efforts. Taking a strategic approach to developing your workforce will result in stronger returns through greater productivity and increased capacity.

Resource challenge

There are too many competing priorities and not enough capital or time to undergo a full-scale digital transformation.

Solution

There's no need to go big right out of the gate. First create an overarching strategy to define where you want to be in the next three, five and 10 years. Then prioritize investments according to your strategy.

By starting small, you can easily make course corrections without disrupting your entire operation. You can also use the revenues gained from improved efficiencies to reinvest in the next phase of deployment.

At Wipfli, we recommend manufacturers start with investing in IIoT capabilities. This is where you will see the quickest, most cost-effective return on your investments.

Resource challenge

I don't have the capacity to replace legacy equipment with Industry-4.0-ready technology.

Solution

This is a very real challenge for many manufacturers that are looking to leap the digital divide. But just because you your equipment predates Industry 4.0 doesn't mean you can't take advantage of IIoT solutions.

The smartest strategy here is to engage an engineering firm (familiar with your machinery) to modernize legacy equipment. In some cases, your equipment may already be producing data that simply needs to be collected and distributed. In other cases, legacy equipment can be modernized with the addition of sensors and other capabilities at a relatively low cost.

Where to invest to create an innovative customer experience

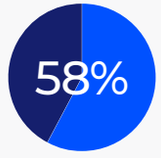
Where to invest to create an innovative customer experience

Game-changing innovation isn't limited to the headline-generating technologies like augmented reality, robotics and artificial intelligence (AI). It can also be found in capabilities and business process improvements that enable manufacturers to build an innovative customer experience. Manufacturers that get this right will gain a strategic advantage that will offer a measure of protection against disruption while also bringing new revenue opportunities to light.

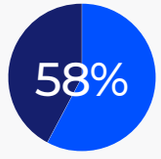
"Getting this right" are the key words here. To be exceptional, the customer experience needs to be evaluated and designed into every step of the customer journey and supported by the right tools and the right people in the right places. Investing heavily in front-end marketing and e-commerce functions may win over new business — but if these investments are made at the expense of customer care after the point of purchase, manufacturers will lose out on opportunities to build loyalty and develop new revenue streams.

For this reason, it all circles back to investing in technologies that make it easier to do business with you and for you. These technologies and capabilities will not all be flashy, but they are essential to delivering a world-class experience at every point of interaction.

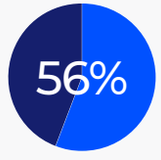
Key barriers to improving the customer experience through digital transformation



Relying on IT teams to **deliver** strategy



Lack of digital skills to **execute** strategy



Lack of digital leadership to **define** strategy

Source: Are Businesses Really Digitally Transforming or Living in Digital Denial? A Report on the State of Digital Business

Sales and ordering

Sales and ordering functions are the most obvious places to invest in the customer experience because these are areas where direct customer interaction occurs. Customers want greater autonomy to research, purchase and track their orders. And when they can't find the answers they need on their own, they expect a rapid and informed response.

At the most basic level, manufacturers need to invest in a digital platform that empowers customers to perform multiple functions with consistency across devices. Integrating an e-commerce function with your ERP tool to provide real- or near-real-time access to inventory, availability, costs and more will provide customers with the ability to place orders at a time that suits them.

After getting these foundational components in place, manufacturers can explore the deployment of other innovative capabilities, such as using AI to provide guidance to and shape recommendations for customers.

Combining intuitive self-service tools with real-time data is a necessary first step to satisfy customer expectations for 24/7 responsiveness. But it will also enable your team to provide a higher level of personal service to customers. Instead of responding to routine questions or processing new orders, sales personnel can create more value by focusing on business development, high-touch follow-up, exceptions management and complicated, customized requests. As an added bonus, manufacturers will reduce the potential for errors and delays in the ordering process — leading to higher customer satisfaction.

Installation and service

Satisfaction drops significantly when customers believe that their time is being wasted. Operations that rely on a patchwork of standalone applications, incompatible platforms, manual processes and tribal knowledge result in information silos, production delays and an incomplete picture of scheduling and capacity.

Making it easier to do business with you is predicated on making it easier for your employees to support your customers. This is particularly true during installation and servicing, when customers are more likely to require coaching or in-depth assistance with installation, configuration and troubleshooting of new products or equipment.

What does this look like in practice? Think accurate estimates and open information flow for order status and delivery. Field staff that have access to both up-to-date customer and product information at their fingertips. And a customer service function that can quickly and efficiently respond to customer requests across multiple channels, including chatbots, live chat, email and telephone.

Consolidating customer information into a single source of truth will ensure all employees are working with the same set of customer data — from order history to servicing needs to call logs — whenever an issue arises.

Aftermarket visibility

We've talked about investing in boosting customer interaction and empowering employees. With these components in place, manufacturers can unlock new revenue streams in the aftermarket by transforming data into value for their business and their customers.

IIoT capabilities and analytics can provide new-found visibility into how customers use their products or equipment. Manufacturers can use the data from connected assets to offer targeted education and preventive maintenance services. They can improve how they forecast demand for supplies and parts to reduce production delays and ensure customers have what they need, exactly when they need it. And they may even uncover novel opportunities or help customers optimize their operations, improve their uptime and reduce production costs.

When the right tools are in place, every interaction and every data point become an opportunity to engage your business differently in the success of your customers. By following this path, manufacturers will naturally begin the shift from producing products to offering solutions that drive greater value into their customers' business.

Where to start

Investing in a better end-to-end customer experience will create opportunities for sustained, continuous interactions, greater profitability and more resilience against market disruptors.

But first you need to identify what your customers need and what they value. Technology itself should not be the primary driver. If your goal is to develop a customer experience that provides a strategic advantage, then your strategic plan, technology investments and business process improvements must be built around this objective.

Using design-led thinking to optimize the customer experience across both physical and digital worlds will lead to measurably better outcomes across the enterprise. Manufacturers that do this right can anticipate reduced costs, improved quality, greater profitability and even higher employee engagement. More important, building a superior customer experience that marries digital technology with personalized service will be the deciding factor among surviving, thriving and closing up shop in the coming decade.

10 best practices for putting people first in your digital transformation

10 best practices for putting people first in your digital transformation

Manufacturers are increasingly vulnerable to disruption from competitors that have made the leap across the digital divide. The customer experience is a significant reason why.

Manufacturers that embrace end-to-end digital transformation are better able to create a differentiated experience that attracts and retains customers by offering greater convenience, visibility and value.

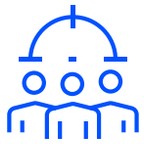
So what does it take to build a customer base that is less likely to drift to your competitors? Start with the following checklist, which offers 10 best practices for putting people first in your digital transformation.

1. Prioritize investments that improve the customer experience

End-to-end digital transformation efforts can be easily waylaid by competing agendas, conflicting priorities and piecemeal applications that slow or impede work and information flow. Instead of investing in the latest tech for the sake of innovation, first ask if it will make it easier to do business with you or for you. If the answer is no, then the business case for that investment may need to be revisited.

2. Employ design thinking

Most established manufacturers will need to engage in some level of operational redesign. Using the design thinking approach will help ensure new processes, technology and even business models support what customers actually want, rather than what the leadership team thinks they need.



3. Know your customer

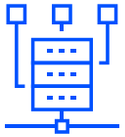
Use data to thoroughly understand who your customers are, what they want and how they want to be engaged with. This data should be collected from across the enterprise — not just at the point of sale — to create a comprehensive picture of customer patterns and preferences as well as the pain points that cause customers to leave.

4. Map the customer journey

Put yourself in your customers' shoes and walk the entire process, from product research to aftermarket servicing. At every touchpoint, determine what outcome customers are seeking and what actions are needed to achieve that outcome. Customer mapping will enable you to identify sources of friction and more strategically invest in tools, training and business process improvements that improve the customer experience.

5. Make it easy to do business with you

Develop an e-commerce platform that is content-rich and easy to search, links to accurate inventory counts and offers accurate pricing. Customers should also have the ability to request a quote, check their order status, track their shipments, pay their invoices and even check past payment history online. The more you empower customers to find information and take action, the better their experience will be.



6. Unify information and data

Information silos are a chronic source of friction and an impediment to workflow. Upgrading or optimizing your ERP system to create a single source of information will provide customers more visibility into their orders. This, in turn, will make it easier for customers to manage their business and their own customer relationships. It will also provide the foundation for improving your staff's ability to respond to customer requests or issues.

7. Invest in responsive, high-touch customer care

Transform customer service from a response function into an engagement center. This will involve investing in self-service functionality while equipping staff with the tools to quickly respond to and resolve questions and concerns, anticipate needs, optimize customer product or operational performance and cross-sell or up-sell products or services.

8. Add more value to customer operations

Digital transformation can make it easier for customers to do business with you. The same technologies and processes that enable your transformation can also make it easier for your customers to solve their own business challenges. Anything-as-a-service (XaaS), digital twins, augmented reality, agile design, connected products, performance optimization and other services that reduce customer costs and/or provide more flexibility, greater certainty and faster turnaround will engender higher levels of loyalty.

9. Engage employees in the process

Employees are the best source for on-the-ground insights into workflow hurdles, broken processes and information gaps. They may also have ideas for how existing applications or platforms can be optimized or new technologies, including IIoT capabilities, can be applied for the best return on investment. As a bonus, including staff in the planning, design and implementation processes will improve employee engagement and increase their adoption of new processes and technologies.

10. Continually measure engagement and satisfaction

The pace of change is not going to slow down. Customer needs and expectations will continue to evolve at a rapid clip. And digital transformation itself is an iterative process; it is a journey, not a destination. To maintain your advantage, plan to collect and analyze meaningful customer data from across the enterprise on a regular basis so you can recalibrate operations as needed to ensure customer satisfaction.

Wipfli can help you bridge the digital divide

Embracing an end-to-end digital customer experience is no small task. Fortunately, this is not a journey you need to make on your own.

For more than 90 years, Wipfli has partnered with manufacturers of all sizes to harness innovation, improve efficiencies and unlock growth. From strategic planning to process improvement to technology integration, Wipfli can help you define your needs, prioritize your goals and mobilize your resources to create a digital customer experience that sets you apart.