

A blurred background image of a business meeting. In the foreground, a hand holds a tablet displaying a dashboard with various charts and graphs. In the background, other people are visible, some looking at documents and others at the tablet. The overall scene is brightly lit and out of focus, emphasizing the tablet and the text overlay.

**How to guide - How to leverage data to enhance customer experience**

**Cecile Euchenhofer and Markus Gildenhard of 1&1 Telecommunication, a company with 3,200 employees primarily based in Germany, share their views on this hot topic. Their portfolio includes innovative products in broadband and mobile services, serving 16 million customers.**

## **THE WHY - THE IMPORTANCE OF DATA IN CUSTOMER EXPERIENCE**

Cecile Euchenhofer - 1&1 Telecommunication (CE): "In the highly competitive markets customer retention is crucial. I believe that data plays a crucial role in shaping our business strategy, helping us learn from the past, make informed decisions, cater to customer needs, introduce innovative products, and ultimately deliver a superior customer experience."

## **THE HOW - HOW TO OBTAIN DATA**

At 1&1 Telecommunication the acquisition of data is facilitated through two main approaches. The initial method involves a direct inquiry with customers through 33 surveys triggered by events such as hotline calls or specific customer journeys. In these surveys, customers are prompted to rate their experience on a scale of one to five and provide textual feedback. This approach yields valuable insights from an "outside-in" perspective.

From an "Inside-Out" standpoint, the organization utilizes transactional data, interactional data, and customer data to gain comprehensive insights. This approach enables a holistic evaluation, such as assessing customer perception and network performance.

The alignment of these perspectives facilitates the identification of both successful areas and those requiring further investigation.

Upon discovering patterns or unique customer behaviors, such as a preference for Android or Apple phones, they can tailor their products and offers accordingly. This applies to both sales and service aspects of their business.

## **WHAT TOOLS TO USE?**

On the data product side of things, 1&1 Telecommunication applies feedback analysis and customer satisfaction explainer.

### **Markus Gildenhard - 1&1 Telecommunication**

**(MG):** "Feedback analysis encompasses soliciting customer input regarding issues, with responses often provided through text feedback or search queries across platforms. Although analyzing text poses challenges, it delivers valuable qualitative insights. The emphasis is on pinpointing existing problems and revealing unforeseen aspects. The methodology involves word counting, a straightforward yet impactful technique. Real-time identification of trending words facilitates insights into ongoing customer sentiments. Despite its simplicity, this approach proves highly valuable and effective."

Transitioning to the customer satisfaction explainer, the organization's objective extends beyond simply questioning customers about satisfaction; it involves modeling it. The rationale for predicting customer satisfaction lies in a profound comprehension. A predictive model was developed to anticipate customer responses and identify key drivers influencing these responses within the customer journey. This strategic approach enables the organization to gather valuable insights and effectively address underlying causes.

## **USE AI WISELY**

MG: "In terms of AI, large language models play a crucial role in not only analyzing data but also interacting with our customers to personalize their experience. While we prioritize human-centric service and avoid chatbots, we leverage ChatGPT to assist call center agents. This technology helps agents respond faster, coherently, and with more personalized content, enhancing the overall customer experience."

## **DESIGN THE CUSTOMER INPUT OPPORTUNITIES CAREFULLY AND MONITOR THE RESULTS**

1 & 1 Telecommunications drafted a process model to delineate the customer journey's various steps, aligning it with the 30-plus surveys in use. This integration facilitated the correlation of specific process steps with customer opinions, unveiling both positive and negative trajectories in their customer journey.

The synergy between process mining and surveys has proven invaluable in amalgamating outside-in and inside-out data. Customers may not always express their thoughts in alignment with company expectations. The combination of process mining and surveys, particularly in processes like onboarding, enables the precise mapping of customer experiences from order to delivery. This, in turn, enhances the accuracy of understanding their interactions with the company.

### WHAT TO KEEP IN MIND

The belief that internal data alone is adequate, especially given the valuable insights from millions of customers, might be misleading. Customer opinion surveys offer unique information not encompassed by operational data alone. The synergy of both is crucial for a comprehensive understanding of your customers.

The simple solutions might be more effective than the complex ones. MG: “Our trending keyword analysis, initially a simple byproduct of a more complex model, turned out to be remarkably useful. This experience highlights that sometimes straightforward approaches, such as word counting and statistics, can be effective, even when more advanced methods are considered.”

Lastly, while modeling customer experience allows us to understand drivers, predicting customer responses can reveal uncertainties. Some customer journeys exhibit significant uncertainty, where we know customers are happy or unhappy but struggle to pinpoint why. Predicting customer experiences helps measure this uncertainty, providing insights into whether additional information can reduce it and enhance our understanding of customer opinions.



**Key takeaways: It is not possible to understand and predict your customers' behavior without analyzing the data. The more effort you put into designing a model where your customers can input data, the better results you will receive. The applied models don't always need to be very complex, but they should certainly aim to enable your customers to voice their feedback, as relying on it alone doesn't provide you with the whole picture.**



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