

## Chapter 95

# New Trends and Tools for Customer Relationship: Challenges in Digital Transformation

**Ana Lima**

*Polytechnic of Porto, Portugal*

**Jorge Pacheco**

*Polytechnic of Porto, Portugal*

### ABSTRACT

*Digital transformation is leading companies to change their business and adjust the strategies to the new market reality – an era of constant customer connectivity focus on transforming the customer value and the use of digital technologies for greater customer interaction and collaboration. This is putting the customer first in many organizations' strategies to leverage the customer journey and experience with brands. Digital transformation is the combined effect of the main digital innovations responsible for changing structures, practices, and values within companies. In terms of customer, it means changing the way business interaction occur during the customer journey. The digital era faces a tremendous growth of customer empowerment, so companies need to structure new ways to be innovative in terms of customer support, anytime, anywhere, and with the proper device – text, video, instant messages, and unexpected ways. The authors strongly recommend any company or organization to bring the customer experience to the early stages of the implementation of a new tool.*

### INTRODUCTION

This chapter presents a broad perspective of how new tools are emerging from digital transformation aiming to better reinforce the interaction with customers. This means new ways to follow customer preferences in terms of customer support and building emotional boundaries with target groups. Nowadays, customers in digital era are more demanding, expecting a real time response and innovative approaches. Digital transformation is highly in progress and it provides new ways to interact with customers in a

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digital way. The market is growing fast in digital era and companies are forced to move faster and update the communication among customers and stakeholders. It has transformed the way customers buy and the experience exchange. Today, customers are driving the buying process among websites, blogs, and social platforms. According to these real-time changes, this chapter describes some of the main concepts of digital transformation, trends and tools to develop close relations with customers, and also considered benefits to companies. The chapter is structured in a simple way, with a literature review in the first section, presenting some of the main concepts - digital transformation, customer relationship and customer experience. Section two and three present some of the trends and tools that support the relation between companies and customers in the growth of digital era. The final section is concerned with the challenges and issues faced by companies when embracing digital transformation in their process of relationship with customers, aiming to differentiate customer service and innovate the customer journey. The author's motivation is based on their experience with mapping customer experience journey in some fields of work and industries in digital era. Our contribution is to present an organized approach and list of the main trends and tools that can support companies to leverage the digital transformation among customer service departments able to face the fast-growing industries.

## **PART 1: DIGITAL TRANSFORMATION AND CUSTOMER EXPERIENCE**

### **Digital Transformation**

Nowadays, more and more people use digital channels and devices in their interactions with brands and companies, so there is an exponential attention for digital customer experience.

Digital transformation is one of the strongest trends in the past few years and those in leadership positions must plan to move ahead of these organizational, technology and social shifts to stay competitive or they could be left overdue as digital business disruption becomes a requirement. This digital transformation is considered a methodology that uses digital technologies to transform and create new business models and cultures. It is also connected with the development of the World Wide Web and all around it, from communications to e-commerce and government management. Digital transformation is known as the integration of digital technology with all areas of a business, resulting in several changes in the business, mainly in managerial operations and the value delivered to customers. In simple words, we can consider that the focus is to change the way companies interact with the market, the customers, and how they deliver and improve a particular consistent customer experience in real time. According to Fitzgerald et al (2013) digital transformation is the use of new digital technologies (social media, mobile, analytics or embedded devices) to enable business improvements such as customer experience, streamlining operations or creating new business models.

World Wide Web has grown at an overwhelming pace from less than 10 million sites in 1998 to more than 500 million in 2008. There were 2.4 billion users in 2014, now there are 4.1 billion users, with Asia leading the way with 2023 million users followed by Europe with 704.8 million and 3.3 billion searches every day on Google alone and more than 2.1 billion active social media users, only on Facebook (Statista, 2018).

The most commonly performed activities online are: instant messaging, like Whatsapp, Skype or Facebook chat (85%), use of social networks such as Facebook, Instagram or Snapchat (77%), use of e-mail (60%), voice or video call conversation, such as Skype or WhatsApp (54%), watch videos, pro-

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