

Gathering customer data effectively to create great customer experiences

 By Paula Sartini

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Customer privacy is a term that we are all too familiar with, as regulations such as the Protection of Personal Information Act (PoPIA) and General Data Protection Regulation (GDPR) have come into effect to protect customer data.



Source: www.pexels.com

However, checking boxes to ensure that you are meeting the requirements of these acts is not going to win over your customers or help you to establish connections. It could also negatively affect the customer experience and damage trust.

While customers seek tailored and personalised experiences that delight, often these experiences feel generic and do not deliver the desired response from customers. This is partly because companies have got stuck in the data, using information such as birthdays to remind customers that we know you and we are thinking about you, but instead, this reminds them that you are watching them.

To create delightful customer experiences today, companies need digital transformation to gather customer information, create unique experiences, drive personalisation and build trust and need to move away from spying on customers to rather engaging with customers.

We are watching you

As customers continue to use online platforms for searching for information, shopping, engaging friends and family on social channels, and connecting to the brands they love, companies are inundated with an abundance of data on purchase history, search history, engagement history and more.



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This information may be useful to determine what your customers like and possibly gives you enough information to provide targeted deals and information about the product ranges they have browsed online. But this does not delight your customer and it may even have an adverse effect and lead to negative responses. While some theories state that customers may respond differently depending on where they are in the customer journey, many customers believe that just because you have their information, it does not give you the right to use it.

Rather than adding to the customer experience, many of the interactions from companies remind customers that they are being watched and while they may have provided you with their details as a trade-off for something that they wanted from you, they do not necessarily want to be bombarded with information or spammed with offers.

Company-centric data

According to new research, how companies use customer data is becoming more important to the customer experience. However, many companies are using a mix of customer data that has been collected either via on your own platforms known as first-party data, second-party data whereby companies use other company's first-party data, and third-party data, which may have been purchased from another source unrelated to the company.

While collecting data from cookies or observing purchasing habits has been a quick and easy way for companies to collect customer data over the past few years, this company-centric approach has a rebound effect on the customer relationship and delivers a lower return on investment.

Based on this, companies need to find new ways to gather customer data that are privacy-friendly and gathered first hand. This move from tracking customer behaviour to engaging customers also allows for companies to establish deeper relationships with their customers and build trust.



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Customer-centric data

After years of tracking customer behaviour, it could be a daunting process for companies to discover new ways to gather customer data but according to [Forrester](#) there is a way to gather data straight from the customer. This approach, which they have coined Zero-Party Data, entails asking customers directly about their context or needs.

Based on this approach, customers intentionally and proactively share data with a brand, helping companies to gain insight into customer's preferences, purchasing intentions, personal context and how they want brands to engage with them.

This aligns with Justice Theory which adopts three pillars. First, customers will give data to companies based on what they will get for the data and if they foresee a fair outcome, this is known as Distributive Justice. Next, is Procedural Justice, customers are concerned about how the process of data is handled and how well they were treated post-purchase. Finally, Interactional Justice is about the elements of the interaction from the tone of voice and use of language.

By gaining valuable insight and data about customers, companies can engage customers more meaningfully, improve customer expectations and build trust throughout the buyer's journey. Zero-party data can also be used to tailor personalised experiences, creating experiences of one that are authentic and delight customers.

Customers know what they want

For companies wanting to embrace the customer-centric approach to gathering quality data without infringing on customer privacy, the zero-party data strategy enables companies to gain the information they want in a manner customers are willing to provide to improve customer experiences.

There are several mechanisms available to do this, though companies should not bombard customers with requests for information or overwhelm them with questions. Rather, gathering customer data should be a seamless part of engaging customers and gathering the information that you need to improve the customer experience.

To gather this data, companies would benefit from using tools that are easily available to each employee and gain feedback as part of the customer engagement. For example, incorporating email surveys into customers' correspondence can help to gather valuable insight into what the customer's expectations are of the brand and how they want brands to interact with them.



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Email surveys can be done quickly and easily using a solution that allows companies to incorporate email surveys as part of the email signature. These surveys are built and hosted within the BrandQuantum platform to allow for complete data integrity and security.

Although many companies are waiting for a magic bullet solution to customer experiences, when it comes down to experiences, it is about really listening to your customer and allowing them to tell you what they want.

ABOUT PAULA SARTINI

With over 20 years' experience helping leading organisations overcome various business challenges, Paula understands the challenges that companies face in delivering a consistent brand experience and the impact this has on their bottom line. An analytical thinker that strives to solve business problems with innovative solutions, Paula believes that technology plays a major role in solving critical business and branding challenges. As such, she established BrandQuantum to help businesses overcome their branding challenges in the digital age.

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