FROM CX TO EX-CUSTOMERS

What happens when the customer is removed from the buying journey?

BY STEVEN VAN BELLEGHEM

WWW.STEVENVANBELLEGHEM.COM
EDITOR
STEVEN VAN BELLEGHEM,
PARTNER AT NEXXWORKS

DESIGN
KARL DEMOEN,
COOKIE COLLECTIVE
Dear reader

If you follow my blog, you'll have probably noticed that I've been writing a lot about automated buying, personalized AI platforms and the future of customer experience.

How will our relationship with customers change when AI platforms like Amazon Alexa will hijack the relationships with our customers? What will be the impact on our brands? How can we keep reaching out to our customers without becoming invisible? Could a subscription business model be an answer to keep ourselves relevant? These were some of the questions that I've tried to answer these past few weeks.

I've bundled, adapted and structured some of my favorite recent blog posts in this e-book, hoping that I could help you figure out what the future of customer experience could look like in the following years. I'd love to help you think about the next steps that you could be taking, in preparation of when the AI gatekeepers will slide in between your brand, and your customers. There are so many thrilling possibilities open to you, if you just react in time.

The future promises to be very exciting for those companies that will truly understand the changed nature of customer experience and relationships. And I hope that this e-booklet will offer you some vision, and some real-life case inspiration to accomplish that.

Enjoy!
# TABLE OF CONTENT

## CHAPTER 1 - The algorithm economy: automated buying, trusted gatekeepers & M2M

- Why you should become a 'Trusted Gatekeeper’  
- Marketing to machines (M2M)  
- DE-filtered, filtered-IN & filtered-OUT brands  
- The two phases of automated buying  

## CHAPTER 2 - How to keep your brand relevant in the age of automated buying & Al gatekeepers

- Change the channel  
- Brands as a service  
- Brands with an attitude  
- Just be the best  
- Appoint friction hunters  
- The friction-free employee  
- Let the data smooth things over  
- Become a life partner  
- Only a platform can stand with (and against) platforms  

## INFOGRAPHIC – How to survive when the customer is removed from the buying journey?

- About Steven Van Belleghem  
- Before we say goodbye
CHAPTER 1

THE ALGORITHM ECONOMY

AUTOMATED BUYING, TRusted GATEKEEPERS & M2M
Why you should become a ‘Trusted Gatekeeper’

I remember a time when algorithms weren’t very reliable. In 2001, navigation software had about a 50% success rate of bringing you where you needed to be, while a human nailed it about 85% of the time. Back then, if I had to choose between the advice of software or my co-pilot, I always picked the latter. Today, the algorithms do the trick about 99.9% of the journeys, while humans still platform at 85%. I prefer to ignore any humans sitting in the car with me for the benefit of the arrows in the very experienced machine in front of me. And the reason is trust, pure and simple.

**Trusting algorithms over humans**

Trust machines works exactly the same way as trusting a human: if Phil always pays my invoices on time, I will trust Phil. If he doesn’t, I won’t. Exactly like that, if booking.com keeps suggesting hotels that turn out to be exactly what I like, I will trust booking.com, quite blindly. If it doesn’t, I won’t.

Even companies tend to underestimate this simple law of
trust, in the sense that most believe that people are still a lot more comfortable trusting a human than an algorithm. But a recent study showed quite the opposite: that people tend to rely more on advice when they think it comes from an algorithm than a person. Trust is no longer an issue of digital versus human, but of delivering what you promise. It’s about continuity.

**Part of the (algo)rhythm of daily life**

Even those luddites who claim that they will not let themselves be manipulated by algorithms because they cling to their freedom of choice and thought, have reality rooting against them. I always ask them if they bother to click on Google’s second page if they do any research, and the answer is almost invariably “no”. For me, that closes the case: they do trust Google to customize the most relevant hits for their context on the first page.

Algorithms occupy such a big part of our lives, that they have become invisible to us. This has a tremendous effect on our buying behavior, and on the choices we make. I always like to give the example of Amazon Echo with its sidekick ‘brain’ Alexa. Let’s say that the average consumer buys about 200-300 ‘routine’ products per month: like toilet paper, toothpaste or coffee filters. If we’re honest, most of us do not care about the brands of these ‘unsexy’ products. And if we do, we tend to purchase the same ones. So, we are either in some sort of a routine buying pattern or we look for the most interesting price promotions. In the future, these 200-300 products will almost automatically find their way to our home. It will be like electricity. Those products will just be there and you won’t ask any questions about them anymore. Only when those products don’t show up, you will start asking questions. Of course, a company like Amazon plays a leading role in creating this form of ‘automated commerce’. Amazon Echo users start to trust Alexa’s algorithms to do the groceries in their place, and as long as it keeps delivering what they like, they will keep on doing so. Trust is about patterns, positive ones. And if there is one thing that algorithms excel at, it’s patterns, right?

**How brands will become trusted gatekeepers**

If algorithms are driving our lives and if trust is their fuel, then brands have no other choice than becoming trusted gatekeepers. An example of a company that is suffering in becoming a trusted gatekeeper is Facebook. Over the years they have evolved into one of the dominant gatekeepers of information, deciding about what we see and what we don’t based on our past behavior. But they broke our trust during the Cambridge Analytica scandal and the many trust decreasing stories in 2018. The tragic part is that Facebook is very good at gatekeeping, at filtering the information that is relevant for us, but once trust is broken, it’s very hard to repair. And it has been greatly struggling with that these past months. Today, Facebook can stop 95% of
all ‘bad’ content on their platform. 95% is not bad, but the remaining 5% can cause a lot of damage. Only when they reach 99.99%, they will again be seen as a trusted gatekeeper of information.

It’s clear that the mission of brands in this matter is two-fold: one part advising and curating in an efficient manner and one part trust. You need both to grow. That’s why we are clearly seeing a shift among the Big tech players from focus on world dominance to trusted gatekeepers. Being a gatekeeper requires sector expertise. It requires consistently doing what you promise. Over and over again. Trust in a world of AI may be difficult to achieve without full transparency of the systems behind it. Today it is a black box. That’s why I believe that this evolution will trigger a wave of algorithmic transparency in the long run. Trust may be about consistency, but it grows a lot faster and sticks a lot harder when it is pushed by transparency.

Amazon is for instance doing a pretty great job at that: if you ask Alexa for toothpaste, it will buy the same one that you have always been using, and not the most expensive one, nor the most sponsored one. It knows that your ‘usual brand’ will make you happy and that this is essential for the continuity of your relationship. It has curated like a friend, not like a salesman, and proven itself to be trustworthy. Coolblue (a very popular Dutch e-commerce company), too, outshines a lot of similar players, with its ‘Coolblue’s choice’: it always offers the 3 most popular products to customers. This pattern of trust is monetized through the fact that the bigger part of its revenue comes from these filtered choices. The same goes for Netflix: its algorithms excel at gatekeeping, which is why they are so immensely popular.

If you think that this rule of “efficient gatekeeping + trust” only applies to the Big Tech players, think again. The latter have changed the buying behavior of all consumers, which mean that the traditional players too must ask themselves: what do I excel at, and how can I become a trusted gatekeeper in the matter? In a world that will evolve towards dominant AI platforms, the most convenient, most consistent and most trustworthy will gather the biggest market share. Make sure you are part of that game.

Marketing to machines (M2M)

Marketing has changed intrinsically over these past few years. In fact, the only thing in marketing that remained stable is its purpose, which is to influence the buying decision of consumers. For me, one of the most intriguing and exciting evolutions of the next years will be the transformation of our target audiences. It used to consist of humans only, but we will need to perform marketing to machines in a very near future as well.
Today, we live in a world that is ruled by algorithms. They steer our every decision, most of all our buying behavior. People who claim that they will not let themselves be influenced by them are unfortunately naïve or delusional, as I stated above. One of the most exciting next phases will be that of automated and predictive commerce, combined with the filtering power of AI assistants. Soon, about 80% of the routine shopping that we perform per month, will become automated, with very little input from humans. The algorithms behind our voice assistants and our smart fridges, will become gatekeepers between our brands and our customers. That’s exciting, but it will also entice a new way of marketing.

**From SEO to AO – Algorithm Optimization**

Now, for those critical readers amongst us: true, influencing algorithms to get to the consumers is not new. We’ve all had to perform some Search Engine Optimization to keep afloat in Google’s sea of information. But the difference was that, with SEO we were still trying to affect humans in the end. If our fridge automatically buys new milk when the bottle is almost empty or if we tell Alexa to buy toothpaste, the algorithm could become the final decision maker. Pretty soon, marketers will need to evolve from SEO to AO: Algorithm Optimization.

The truth is that, for now, no one knows exactly what this will entail. It could even be that marketing to the likes of Alexa and Google Assistant will remain pretty much the same as before. Maybe Amazon will want to grab a piece of that delectable advertising pie, pretty much copying Google’s search advertising model approach, but via voice. Or, Amazon – forever the customer centric pioneer – could decide to play the customer card and market itself as a perfect matchmaker between customer and product. The reality will probably be a mix of those two, I believe.

The most important question is probably “how”? How will we be able to market to machines? Above all, there will be a lot of testing to see how we could influence our machines and their algorithms. Like I said: it’s too soon to give a clear-cut answer. But here are already some of the possibilities that I see:

**Guided by product reviews**

Product reviews are already playing an important role in many industries, like the hotel and restaurant sectors, but they will only gain in importance once the age of extreme filtering will take off. Why? Because the algorithms – always trying to please each target with extreme personalization – will be too smart to trust the biased product information on our websites and instead, will search for more ‘neutral’ information.

Does that mean that brands will need to start influenc-
ing product reviews, and pay to have them adapted? Certainly not. As we’re seeing an increased movement towards both transparency and trust in business, that would be a horrible idea. For me, it means that product and service quality will only gain in relevance. I’ve always been very critical of that type of occupational therapy marketing – so typical of the FMCG industry – that offers completely superfluous innovations in order to boost sales. If an innovation is not about value, it will simply not make it in the age of trusted gatekeepers. But quality will be sure to win this game.

If you do want to influence the reviews, you will need to organize that in a very transparent manner. A great way could be through product launch communities of your most loyal customers, who get to be the first to test out innovations, in return for writing reviews. Here again, quality will be of prime importance, as you will of course not be able to force them to write good reviews only.

**Branding for the win**

Another change I see happening is around pricing. We used to perform expensive in-depth market research around pricing. Data and algorithm-based testing will take the place of that type of research. As a lot of customers tend to be quite price sensitive, we’ll have to experiment how they react and then finetune our pricing to that. It could even be that the difference of a few cents could make a huge difference to the gatekeepers.

I believe that branding will become hugely important. The Big Question in the era of voice will be: will we ask Alexa or Google Assistant for toothpaste, or will we ask for Colgate? Only time will tell, but it’s safe to say that household names like Coca Cola, Nespresso or Heinz will have a major advantage. That’s why I also believe that classical advertising will keep on playing a big role, to make sure that a brand’s name stays top of mind in the consumer community.

**Products as a service**

I’m also really intrigued by how algorithm-based buying and gatekeeping could very well push the “servitization” of products. Instead of occasionally buying one-off products, the age of automatic buying might trigger subscriptions to toothpaste, toilet paper and detergent. It could very well be that grocery food boxes like the ones of Marley Spoon and Hello Fresh are just the forerunners to a subscription economy boom. Brand loyalty could become all about consumers renewing their brand subscription.

Last but not least, I already see a lot of organizations jumping on the Alexa Skills bandwagon. What’s happening is basically the same thing as the explosion of apps at the beginning of the mobile age. It was recently announced that the number of Amazon Alexa skills in the U.S. more
than doubled in the course of 2018: from 25,784 Alexa skills to 56,750, at a rate of about 85 new ones per day. The big idea here is that brands want to bypass the gatekeepers by joining them as some kind of additional service. Just like in the mobile age – where we use the apps on our homepage about 80% of the time – only a few skills will be left to rule them all down the lane.

First mover advantage

If your head is not spinning by now, I'm sure you're wondering how you can enter this exciting game of marketing to machines. I see two major entrance points. First of all: monitor your review data at all times, learn lessons from them and keep acting upon them. Start to manage your review data and your product launches as if we're already smack in the middle of algorithm based automatic buying. Set up innovators’ communities with fans, involve them in launches and ask them to share their feedback in reviews. And like I said, keep in mind that the quality of your products will remain of the essence. Second: keep a close eye on the voice advertising models of Amazon and Google: like always, the first trials will surely be very accessible and affordable. Remember how cheap Facebook advertising used to be? Experimenting with these early advertising models will give you first mover advantage on their platforms.

DE-filtered, filtered-IN & filtered-OUT brands

When the AI platforms like Google Home and Amazon Alexa will start to automate our buying actions and move in between us and our customers, I believe that brands will evolve to have one of 3 relationship triangles with them, and the customer.

One of them will unfortunately turn out to be fatal.

DE-filtered Brands. Brands with a direct customer relationship: function + love

Though I believe that direct contact with customers will become extremely challenging and therefore extremely valuable in the Age of Gatekeepers, some brands with a particularly strong identity will be able to stay in control of the lines of communication. The reason that customers will stay with them is twofold: both functional and emotional.

Above all, these strong brands will offer good quality and
value: that’s their functional advantage. Brands that are merely there to surf on trends, or that keep ‘reinventing’ themselves with useless incremental changes, nurture a fleeting identity and will be pushed to the background. But brands that keep a direct connection with their customers, also have an emotional incentive. Being the best will no longer be enough to overcome the filter: customers will really need to love you as well if you want them to ask for you, or visit you. BMW is a good example: it builds good, solid cars, but it’s people’s emotional tie with the brand that drives them to visit its garages (sometimes even if they do not yet have the intention of buying.)

**IN-filtered brands: function + like**

A second, somewhat less enviable, but still very valuable class of brands will be those that will lose the direct relationship with customers – because they lack the functional or emotional strength of the first category – but are smart enough to understand the ins and outs of market-
ing to machines. Though they will not be able to have a
direct (buying) relationship with the customer, they will
still be able to influence them indirectly.

These are the products that may not be love-brands or
evoke strong emotions but are still very much liked be-
cause they offer such excellent quality of function. The lat-
ter is exactly the reason why they are able to get through
the filters: because of their strong added value, they will
be able to collect excellent customers reviews. The algo-
rithms behind the Filter Guardians like Alexa and Google
Home strive for extreme personalization. In other words,
they will not trust the biased product information on
brand websites and instead, will search for more ‘neutral’
information like the ones from customer reviews. In other
words: those with good reviews, are the ones that will get
through the filters.

**OUT-filtered brands: no function + no love or like**

This is the one category that you do not want to end up in.
These are the brands that are too weak to stay in people’s
hearts and minds. They are the shallow brands, that are not
able to offer a strong value, which will result in a lukewarm
response, and no objective online traces to be caught be the
filter algorithms. A few years ago, they would have been
able to pay big bucks in advertisement to get noticed and
sell their offer. But that is less and less the case. Even now,
if you invest hard cash in advertising, but if you get bad re-
views or poisonous remarks on social media, you won’t have
any success. But in the age of guardian filters, they will be
the first ones to literally disappear, and then die out.

**Will you be missed?**

Seth Godin once asked the burning question “If your
brand were to disappear tomorrow, who would truly miss
you?”. The evolution towards automated buying brings
this query to a whole new level: full automation will hide
brands behind a filter, a “wall”, and they will indeed dis-
appear from the point of view of the customer. Only the
functionally and emotionally strong brands will truly be
missed, and thus be actively looked for. The functionally
strong (and much liked) might not be actively sought after,
but will be found because of their good reviews. And the
rest will remain invisible and will very quickly disappear.
My advice? Now that most of you still have a direct rela-
tionship with the customer, work on your brand identity
like never before, and think like crazy about how you
can come become the best and most loved brand of your
industry.
The two phases of automated buying

Fully automated buying will happen. Once the algorithms prove that they work flawlessly, we’ll simply trust them, just like we do today with our GPS-system. Not just for the low involvement products like toilet paper, either. But for other higher involvement purchases too, like insurances or even regular travel plans.

But there’s also this form of buying that a lot of companies are currently cashing in on and that’s very difficult to predict and automate: impulse buying. Without it, Asos, Zalando, Amazon, Alibaba and many others would be a lot less successful. Difficult, but not impossible. That’s why, in the future, I see the automation happen in phases, according to these steps.

Automated needs

Automation works best for repetitive tasks in a data-rich environment. It’s one of the reasons why repetitive jobs – manual, but just as much cognitive – will be the first ones to disappear under the influence of technology. The same goes for the process of buying. You brush your teeth twice or more every day with about the same amount of paste, which means that you buy toothpaste roughly in the same intervals of time. You maybe travel each year to that same marketing congress in February. You probably renew the ink in your printer about every 3 months. You could hail an Uber every first Thursday night of the month because that’s when you go out drinking with your colleague friends. These actions all repeat themselves, and are quite easy to duplicate for smart algorithms, taking the human intent and action of buying completely out of the equation.

Automated wants

Now, impulse buying is a completely different affair. You might buy an extra-large pack of salt and vinegar chips because you had a rough day at work and you’re stress eating, even if your usual diet is quite healthy. Or you might buy a new pair of sunglasses, even if you have one because you saw that popular actor wearing them. Or you might buy a new lipstick for no reason at all, even if you have 10 pairs of that same type of red already. How do you predict, and automate that? If you didn’t even know you were going to buy these things an hour ago, how could the algorithm? And a lot of buying in fashion, books, make-up and even small electronics is based on this type of buying. These are all merely based on a sudden “want”, rather than a “need” and therefore a lot harder to predict and automate.

However, I don’t believe that they cannot be automated. I’ll always remember how Nadira Azermai, CEO of ScriptBook, once told her audience “Humans are a lot more predictable
than we like to think”. Her company scans scripts and then predicts the odds of them becoming a success. You’d think that with the changing fashion in movies, or the fact that we are dealing with art, this would be excruciatingly difficult. But their success rate is very impressive. That’s why I have no trouble believing that, as long as we have enough contextual data, what we call “impulse” buying can be predicted, too. If you know that Jane likes to “impulse” buy clothes when she is stressed and you know what stresses her and are able to measure it (phone calls with her mother in law, doctor’s visits, working late, traffic jams between work and home,... whatever) and you know her favorite color, type of brand, skirt length, etc. from past buying behavior, then you could predict her next action in the matter.

So, the full and frictionless automation of buying will probably happen in phases. First, the repetitive “needs”, based on buying behavior, but then quite possibly the impulse buying of “wants” will follow, based on a combination of buying behavior and contextual data. In case of that last one, the question will of course be: do we want these things to become automated? Because this could very well open up what I like to call a temptation island for marketing experts, with strategies that could surpass the boundaries of ethics. These are things that we need to think about now, before they happen.
CHAPTER 2

HOW TO KEEP YOUR BRAND RELEVANT

IN THE AGE OF AUTOMATED BUYING & AI GATEKEEPERS
I used to say that people don’t fall in love with brands, but with the interface of a brand. But pretty soon (or now already, in some parts of the world) personal assistants and smart IoT devices will own and ‘lock up’ that interface. Only the strongest of brands will be able to break through.

When I talk to company decision makers about these evolutions, I see that they aren’t always sure how they can or should react. One of the things I advise them, is that they ought to invest in branding as its role will only increase in importance. The main reason is that brands will want people to order ‘Heinz ketchup’ via Alexa, instead of ‘ketchup’. And amidst all the ‘invisible’ and automated buying that is starting to take place, that’s quite a challenge. Here’s what you could do to strengthen the identity of your brand.

Change the channel

Branding used to be all about presence in shops and classic advertising: shelve space and airtime were the best ways to get your brand out there. But in the virtual world, we’ll need to approach our advertising differently. And that’s something that we’ll need to start experimenting with now.

On Saturday February 2 - 2019, the world’s largest ever virtual concert took place within the video game Fortnite: no less than 10 million people streamed the 10-minute DJ set by Marshmello, with dancing avatars all over the place. It was surreal. Just to compare: the biggest recorded concerts IRL attracted ‘only’ 3.5 million people (Rod Stewart in Brazil in ’94 and Jean Michel Jarre in Moscow in ’97). With such an audience, just imagine the impact of product placement there, or in other popular games.

One of the most impressive personalized product placement projects comes from Youku Tudou, though, which I visited on one of our nexxworks China innovation tours: as Alibaba users log into the Youko Tudou channel with their Ali ID, they are able to for instance show jury members drinking diet coke or coke zero on China’s ‘The Voice’, depending on a viewer’s taste. So imagine what would happen if one of the newer and insanely popular channels like Fortnite would use that type of personalized product placement.

I think that all types of XR – like AR and VR – could very well play a major role here too. You could nourish impulse buying in shops or on the streets with realistic 3D-ads, organize personalized virtual discounts or use gamification with virtual treasure hunts. Showing AR reviews above products in shops could also be a great strategy, with information on which items are the healthiest, the tastiest or the best buy.
Brands as a service

These AR reviews are in fact a great ‘bridge’ to another powerful branding strategy: transitioning from a purely commercial sales-driven brand towards an informational service-driven one. You could become a brand that offers real value by helping people buy with a useful content layer. Whereas content marketing used to be limited to the online world, I’m really excited about its potential for offline shopping. There’s for instance a Belgian supermarket that allows you to scan a product on how (un)healthy it is. Though I’m not fond of its execution, the idea behind this service is a real winner.

Warby Parker too, has launched a new service on top of its brand, albeit in the online world: it added a very realistic looking Virtual Try-On feature to its iOS app that uses augmented reality and face-mapping capabilities. They understand that they’ll need to become buying facilitators.
You see this type of ‘servitization’ and ‘facilitating’ happening everywhere. Sometimes more successful then others. Shoe chain Clarks, for instance, recently announced it is training 6,500 members of staff talk to children in a way that’ll improve their language skills. The initiative is part of a Department for Education project to stop kids from falling behind at school. Commendable though the idea is, the gap between shoe-shopping and grammar lessons is really wide. If you’re experimenting with this type of branded utility, try to keep some coherence. Because the social media backlash around Clarks has been quite brutal.

Turning your products into services with a subscription-based model – eg monthly beauty products deliveries – goes in the same direction: you strengthen your branding by literally binding yourself to the customer for longer periods in a stretch. I wrote about that in my former blog, if you want to know more.

Brands with an attitude

Everyone is always talking about the personalization of products and services, but I see that brands will start to ‘personalize’ themselves too. Not in the same way, of course. Some major brand are increasingly growing a ‘personality’: voicing opinions to strengthen their identity. Remember Colin Kaepernick, the football player who first knelt during the US national anthem before NFL games to protest racial injustice? Nike brilliantly responded to that with a campaign, released right after, showing an image of Kaepernick with the words “Believe in something. Even if it means sacrificing everything.” As expected, there was quite a backlash, with videos of people burning Nike shoes, cutting Nike’s swoosh logo off socks, and in some cases vowing to never buy Nike products again. Nike, in its turn, responded by advising people on how to burn their products safely.

They took a real risk, not knowing how making a stand would affect sales, but they built a very strong and recognizable identity along the way.

Just be the best

This one might be old school advice, but I believe that – especially in the era of automated and ‘invisible’ buying – people always remember quality. If your product is 15 times better than your competition, then they will stay with you. It’s very hard to distance yourself from the commoditization of a market, but if you invest in pure and simple quality, you’ll stick in the brains of consumers. When I say quality, I don’t mean a different kind of toothpaste flavor, I mean a smartphone camera that has the
best resolution of the market or walking shoes that are so sturdy that they will last almost a lifetime.

**Appoint friction hunters**

In the age of personalized AI gatekeepers, a lot of companies will benefit from hiring friction hunters: highly inquisitive, critical, people-sensitive and data-driven investigators who are responsible for chasing down the types of corporate processes that historically grew into a certain shape but are no longer relevant in that way. I’m talking about the type of rigid process or structure that everyone follows, but no one remembers why. I have seen so many companies that have unintentionally installed these types of barriers that prevent customers from having a nice experience. Purchasing or using something has become like this race where you have to avoid all kinds of crazy obstacles.

The mission of the friction hunters would be to identify those and remove them one by one in such a way that everything starts to run exceedingly smooth. If this happens in the right way, if the company succeeds in creating a strong customer-obsessed culture, I believe they will be able to build “an offer you cannot refuse”: something that presents itself in such a natural and simple manner that
it becomes irresistible compared to all the other mediocre offerings out there.

Leslie Cottenham, CEO of Hello Customer, gave a beautiful example of a company that excels at removing this type of obstacles when I talked to her in our podcast conversation. It will probably not surprise you that it was Tesla, a company well-known for taking nothing for granted and redesigning every little process from scratch. Leslie told me that she entered the “pretty bland” (her words) Tesla showroom with low expectations, secretly believing that the image of the company was mostly hype: “in the end, it’s just a car manufacturer, like any other”. She expected to be hijacked by a salesman for an hour, going through too many confusing options, and their financing. Instead, she was invited to drive the car with the salesman, all the way discussing her questions. And when she asked for a quotation at the end, he said that she could just check the website, as there were only three models with five options and a couple of colors to choose from. Everything was centered around the driving experience, simplicity, self-service and speed. There was no sales pitch, no administration, no waiting for days until you receive an almost unreadable quotation of seven pages.

The friction-free employee

A really big part of that frictionless ‘magic’ of Tesla has to do with the way it’s organized, in a completely different way than traditional car manufacturers. It’s pure logic. If your employees do not have any control or power over every touch point in their interaction with the customer, they will never be able to remove all the unnecessary obstacles. Tesla really understands that. You can free employees from all the repetitive (cognitive) tasks that you want by using AI, and open up their time to interact with customers on a personal level, but if they have limited decision power, the result will be a zero sum game.

So it’s not just crucial to remove friction in the buying process, it absolutely needs to be removed on the employee side as well, granting them the power they need to help make the customer happy. It’s a step by step process in which, first of all, you need to work on internal culture and really get that customer as a first priority in all the heads. Not just that of the board and the management, but everyone.
Let the data smooth things over

Of course, the very basis of removing friction is by knowing your customers so well that you can offer what they want before they even know they want it. Let their data tell you faster than real time when your products and services will be expected next. The most beautiful examples in the matter can be found in the most customer-obsessed country of them all: China. Talking to Pascal Coppens, I learned so many beautiful examples of friction-free customer experiences. Take Didi, the Chinese Uber, for example: they see it as their mission to use AI to find averages and predict where vehicles should be; even before people realize they need them. Services like Uber have already taken so much friction out of the business of transporting people, but Didi is taking that to a whole new level.

Ctrip does the very same for the travel industry. The top friction messing with a seamless tourist experience are other travelers just like them. “Hell is other tourists”, to severely misquote Sartre. Based on the data of its vast customer base, Ctrip monitors and predicts where streams of tourists will want to go and when. If a popular destiny like Venice is in danger of being saturated, they redirect the crowd to other ones, through for instance reward systems. With the fast-rising numbers of Chinese tourists, it’s crucial to manage peaks in tourism, so as not to spoil the experience for everyone. And Ctrip does that beautifully.

In an age where customers will stick to the companies that are easiest to interact with on a product, service or communications level, striving for convenience and zero-friction is crucial. So any way you adapt your strategy towards structurally combating friction will keep your company relevant in these challenging but exciting times.
Become a life partner

In a world ruled by omnipresent AI platforms, brands will need to become a partner, a coach even in the day to day life of their clients. They will become this extra support system layer in the lives of customers, and such a personalized omnipresent added value can only result in strong emotional bonds.

My advice for you is to think hard about what you can offer customers beyond “selling stuff”, and how you can assist them in achieving their goals. If you’re in financial services, for instance, find out how you can help your customers beyond managing their money efficiently, realizing their true hopes and dreams. This is the type of mindset that will help you to move up that brand ladder and make sure that you become a more preferred brand and keep visible in a world of AI assistant gatekeepers.

Only a platform can stand with (and against) platforms

Of course, if you want to keep your relevance in the AI ecosystem and philosophy, technology will play a big part in that. There’s no way around it. Yet the truth is, that for many non-tech companies, it will become increasingly impossible to handle the ultra-sophistication of AIOT (the blend of the intelligence of AI with the ‘senses’ of the IOT, as Jingwei Kang from Chinese IoT product development platform Ingdan calls it) systems on their own. They will need talent and money to manage these huge opportunities, and you know that’s a challenge if even the big companies out there are struggling with that.

Take BMW and Mercedes, for instance, two of the most successful and prestigious car brands in the world. They were able to manage perfectly, and very successfully on their own for more than 100 years. Yet today, these mighty competitors have joined forces to fight against the Ubers and Lyfts of this world. And it’s not about just working together, either. They actually started a new company together, both investing about a billion euros into it. I believe
Towards an individual, omni present, AI platform for every consumer

that this will become the new normal: companies, even competitors, actually working together, sharing investments, sharing talent, because there’s just too much scarcity in terms of resources (both money and people). You will only be able to stand on the shoulders of the AI platforms if you partner up into a platform of your own.

But, on the other hand, I also believe that a lot of companies will figure out a way to work together with technology companies simply because they will need their resources. You can compare it with electricity: we will need their power to create certain benefits for our customers that we cannot achieve on our own. I believe that this type of ecosystems partnering thinking will be the future. The dynamics of company A competing against company B will be a thing of the past. We’ll end up with ecosystem A against ecosystem B. What you can start doing now already is figure out how you will add value to that ecosystem, how you can play your role in that ecosystem.
Before we say goodbye, I thought it would be useful to leave you with some sort of synthesis of what you read so far: an infographic with some clear and simple ‘rules’ for surviving and thriving when your relationship with the customer becomes filtered or even disappears. I truly believe that the latter is not something that you should fear, but something that you should grab with both hands as an opportunity. Exciting times lie ahead!

Credits

HOW TO KEEP YOUR BRAND RELEVANT IN THE AGE OF AUTOMATED BUYING & AI GATEKEEPERS

ALGORITHMS ARE MOVING IN BETWEEN BRANDS & CUSTOMERS

Brand

Customer

DE-FILTERED

INFLUENCING THE FILTERS WITH INFORMATION

If you ‘talk’ to machines, make them understand you:

- Offer quality to ensure good customer reviews
- Organize product launch communities
- Offer the lowest price

FILTERED-IN

BYPASSING THE FILTERS WITH EMOTION & OMNIPRESENCE

EMOTION

If you talk to humans, make them love you

HAVE A PERSONALITY
(Nike)

SUPPORT
Don’t just “sell”, be of service (Warby Parker)

INVISIBLE OMNIPRESENCE
Automate yourself into invisibility

BECOME AN OMNIPRESENT LIFE-COACH
(Didi)

KNOW BEFORE THE CUSTOMERS WHAT THEY WANT

- Make them notice you: be on all the channels
- Offer quality to ensure good customer reviews
- Organize product launch communities
- Offer the lowest price

INFLUENCING THE FILTERS WITH INFORMATION

If you ‘talk’ to machines, make them understand you:

- Offer quality to ensure good customer reviews
- Organize product launch communities
- Offer the lowest price

FILTERED-IN

BYPASSING THE FILTERS WITH EMOTION & OMNIPRESENCE

EMOTION

If you talk to humans, make them love you

HAVE A PERSONALITY
(Nike)

SUPPORT
Don’t just “sell”, be of service (Warby Parker)

INVISIBLE OMNIPRESENCE
Automate yourself into invisibility

BECOME AN OMNIPRESENT LIFE-COACH
(Didi)

KNOW BEFORE THE CUSTOMERS WHAT THEY WANT

- Make them notice you: be on all the channels
- Offer quality to ensure good customer reviews
- Organize product launch communities
- Offer the lowest price

FILTERED-IN

HOW DO YOU AVOID BECOMING FILTERED-OUT?

BYPASSING THE FILTERS WITH EMOTION & OMNIPRESENCE

EMOTION

If you talk to humans, make them love you

HAVE A PERSONALITY
(Nike)

SUPPORT
Don’t just “sell”, be of service (Warby Parker)

INVISIBLE OMNIPRESENCE
Automate yourself into invisibility

BECOME AN OMNIPRESENT LIFE-COACH
(Didi)

KNOW BEFORE THE CUSTOMERS WHAT THEY WANT

- Make them notice you: be on all the channels
- Offer quality to ensure good customer reviews
- Organize product launch communities
- Offer the lowest price

FILTERED-IN

HOW DO YOU AVOID BECOMING FILTERED-OUT?

BYPASSING THE FILTERS WITH EMOTION & OMNIPRESENCE

EMOTION

If you talk to humans, make them love you

HAVE A PERSONALITY
(Nike)

SUPPORT
Don’t just “sell”, be of service (Warby Parker)

INVISIBLE OMNIPRESENCE
Automate yourself into invisibility

BECOME AN OMNIPRESENT LIFE-COACH
(Didi)

KNOW BEFORE THE CUSTOMERS WHAT THEY WANT

- Make them notice you: be on all the channels
- Offer quality to ensure good customer reviews
- Organize product launch communities
- Offer the lowest price

FILTERED-IN
About Steven Van Belleghem

Steven Van Belleghem is an expert in customer focus in a digital world. He is a popular international keynote speaker. In his keynote presentations, Steven takes his audience on a journey to the world of modern customer relationships in a clever, enthusiastic and inspiring way.

Steven is the author of four bestselling books. He became known for his first book, The Conversation Manager, which won the award for most innovative marketing book of 2010. Steven also wrote The Conversation Company, When Digital Becomes Human (best marketing book of 2015) and his most recent book, Customers The Day After Tomorrow. Over 120,000 copies of his books were sold and they are published in 7 languages. Customers the day after tomorrow is nominated for the award of best international business book.

Steven is also an entrepreneur. He is a co-founder of consultancy firm nexxworks and the co-founder of content creation company Snackbytes. Steven is investor in the AI start-up Hello Customer and the fast growing digital agency Intracto. He spent the first 12 years of his career as a consultant and managing partner of the innovative market research company InSites Consulting. During that time, the company grew from 8 to 130 staff with offices in 5 countries. Steven is also a part-time marketing professor at Vlerick Business School. Finally, Steven is a board member of Plan International.
Before we say goodbye

So, that's it. I really hope you enjoyed reading about all the exciting possibilities of the era of automated buying and personalized AI platforms. I just know I loved writing it for you.

If you want to stay in touch to learn more about the subject, follow me on:

@stevenVBe
steven@vanbelleghem.biz
linkedin.com/in/stevenvanbelleghem
facebook.com/theconversationmanager
YouTube.com/StevenVanBelleghem
stevenvanbelleghem

www.stevenvanbelleghem.com