### KPMG

## A customer-first approach during unprecedented times

Treat your customers with empathy and integrity in these uncertain times

# COVID-19 has turned everyday life on its head. With the situation changing daily, businesses must act with Integrity and Empathy to navigate the current challenges and retain their customers when the crisis ends.

The rapid outbreak of COVID-19 presents an alarming health crisis that the world is grappling with. There are significant commercial impacts being felt globally, with 94 percent of the Fortune 1000 already seeing COVID-19 disruptions<sup>1</sup>. As viruses know no borders, these impacts will likely continue to spread. Through this crisis, the way organisations engage and interact with their customers will be critical.

During these uncertain times companies focusing on customer experience (CX) may stand the best chance of supporting their customers and protecting their business, while also laying the seeds for future growth. Our Six Pillars of customer experience excellence provide the framework for outstanding customer experiences, and during the COVID-19 outbreak we see two of the Six Pillars – Integrity and Empathy – playing an even more important role. By treating customers in the right way now, organisations are able to continue to nurture and likely to retain them in the long-term.

With around one in five people around the world under orders to stay at home to protect people's health<sup>2</sup>, businesses are needing to find new ways to connect with their customers. This unprecedented situation calls for organisations to understand evolving consumer and community needs, and react to them – fast.

This means both reassuring their customers and also adapting quickly to provide the right products, services and solutions.

There are Six Pillars that can help businesses to better connect with customers and employees. In normal times, they are powerful tools for creating successful, sustainable and ethical businesses. When faced with the global threat of COVID-19, they provide an invaluable guide to corporate behaviour in uncertain times.

They are a set of simple principles that help to navigate challenges by taking a customer first approach. As the global situation becomes more complex, how and when companies should lend support to their customers and colleagues is uncharted territory. Unlike disaster relief, there is no roadmap or recipe for company involvement. However, companies must continue to keep their employees' trust, understand evolving consumer and community needs, and provide products, services and resources where appropriate.

#### **About The Six Pillars**

The Six Pillar framework is derived from 10 years of primary research across 3,000 brands in 25 countries. It shows the universal principles that govern all positive human experiences with both customers and employees: Empathy, Personalisation, Time and Effort, Expectations, Resolution, Integrity. The organisations that master the Six Pillars grow more quickly and manage costs better.

The framework is hierarchical in nature – focusing on Personalisation without addressing trust will bring little long-term benefit. Doing the right thing, finding creative ways to meet customer problems, accurately setting expectations, minimising customer effort, addressing customers' individual circumstances and showing you care follow a natural sequence.

Integrity and Empathy are the two Pillars that companies need to ensure they specifically address if they are to connect emotionally with their customers through these uncertain times.

NPS Score	10		<b>Empathy</b> Showing that you care, choosing the right emotional response to meet the customer's circumstances.
	8-9		Personalisation Understanding the customer's circumstances, prioritising effectively, putting the customer back in control.
	5-7		Time and Effort Making it easy for customers to access information, get essentials, access customer communities and networks helpfully.
	4-5	EXPECT	<b>Expectations</b> Setting, managing and meeting customer expectations accurately in these difficult times.
	3-4		Resolution Responding rapidly to customer needs and finding solutions to new customer problems, accelerate innovation.
	0-3		Integrity Doing the right thing, ensuring the needs of the many are met, prioritising safety, protecting the vulnerable, being seen to act fairly and in all customers best interests.

Note: 1. https://fortune.com/2020/02/21/fortune-1000-coronavirus-china-supply-chain-impact/

2. www.theguardian.com/world/2020/mar/24/nearly-20-of-global-population-under-coronavirus-lockdown

#### Acting with Integrity

Integrity is the most important foundation of all experiences. In times of crisis when anxiety is high, the way organisations survive and grow is even more pertinent. People want to do business with companies that have Integrity, so they must be sensitive to the environment they find themselves in. While those that act responsibly and ethically will likely prosper, organisations taking advantage of the situation by raising prices or miss-selling, may quickly lose the trust of their customers.

Across all global media channels at the moment, we've witnessed a tidal wave of panic buying. Shop shelves have been emptied and delivery services jammed by people attempting to obtain good and services online. Supermarkets have stepped up to help the elderly and vulnerable get the supplies they need, safely. For example, the US grocery retailer H-E-B has a strong ongoing community focus through its Food Bank Assistance Program and natural disaster relief trailer. But in the face of COVID-19, similar to many other US supermarkets, it has also launched Texans Helping Texans, introducing a Senior Support Line staffed by volunteers to allow those aged over 60 to place essential orders by phone, online or through their app - receiving their goods at home the same day<sup>3</sup>

### The importance of Empathy

With workers staying at home and businesses forced to close, some economists predict millions of jobs will be lost<sup>4</sup>. During this time, as well as focusing on their customers, companies must also show they understand the needs and concerns of their colleagues. The Hilton hotel group, for example, is partnering with companies such as Walgreens and Lidl<sup>5</sup> to connect employees from temporarily closed hotels with hundreds of thousands of short-term jobs created by the pandemic.

At a time when all of us are worried for the safety of our loved ones, organisations that demonstrate Empathy, put themselves in their customers' shoes and then adapt the way they do business are likely to ensure customer loyalty. Now is a time for all firms to show they care and reflect back to customers that they are changing their activities because of that understanding.

#### **Responding to the situation**

Across the world, COVID-19 is affecting different people in different ways - from those working from home for the first time, to parents entertaining and educating their children 24/7 or just saying goodbye to that much-needed holiday. Organisations in all sectors are innovating at pace to respond to the changing needs of their customers.

In our research many airlines ranked highly as CX leaders and were some of the first organisations to undertake swift action with their customers as countries closed their borders. Rebooking fees for some tickets issued were waived for example and deep cleans of aircrafts have been introduced to maintain the safety of customers and crew. Like many companies around the world right now, they have been listening to the changing needs of their customers and responding with solutions to make people's lives easier during this troubling time.

We believe that to be successful, organisations must:



Have future-sight; they must flex and adapt to this rapidly changing situation, combining intelligent insight with technology and vision.

Be everyone-centric; walk in customers' shoes to understand what they need and where. And be prepared to be flexible to the needs of different groups.



Be human; keep their language simple to explain what they're doing, why and the benefits to customers. Providing clear and ongoing communication is vital in a crisis.

Listen and respond; continually monitor the situation and the response of customers to measure your success. If it's not working, change it.

Companies can survive and even grow through this crisis, but how they do this matters. Those that display real Integrity and Empathy will maintain loyal customers and weather the storm.

With the COVID-19 situation changing daily, businesses must act with Integrity and **Empathy to navigate the** current challenges and retain their customers when the crisis ends"

Julio Hernandez Global Lead, Customer Centre of Excellence, **KPMG** International

If you have any questions regarding the possible impact from the COVID-19 or are looking for help to position your customer experience strategy to be resilient in the face of future threats, please do not hesitate to contact us.



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  Note All brands noted are within the Global Customer Experience Excellence Research, KPMG International, 2019

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