



The new model to wow customers

**Reinvent your organization
with customers at the center
of everything**

In a world of instant access, constant connectivity and seemingly unlimited options, customers have the power. You know delivering a great customer experience is critical to the survival of your business. And you know what that experience looks like: a trustworthy brand, consistent products, frictionless interactions and customer-centric people.

But how do you make your vision a reality? How do you become truly connected, not just in your customer-facing operations, but across your entire organization?

We call organizations that achieve this enterprise-wide customer focus “connected enterprises.” And becoming one—and realizing the benefits—requires investing in a wholly set of new capabilities and reorganizing your business to deliver them. **By deploying a capabilities-based model, customer experience investments are not one-offs but rather part of a larger, unified strategy that puts the customer first.**



Unite the entire business around customer-centric capabilities

Not every part of your business touches the end customer directly. But connected enterprises recognize that no matter how far down the line, every area ultimately impacts customer satisfaction and their connection to your brand.

That's why one of the core characteristics of the connected enterprise is front-, middle- and back-office groups all working in cohesion toward the same goal: exceeding customer expectations at all touchpoints and across all channels.

Connected enterprises achieve this by upending traditional organizational models based primarily on business function. These structures present numerous barriers and obstacles to executing the customer vision: buried data, disparate systems, disconnected processes, conflicting priorities, and misaligned goals.

Instead, connected enterprises break down functional silos and reorganize the business around eight core, integrated capabilities that span brand, products and services, interactions and people (see sidebar).

The capabilities-based model gets the entire organization focused first and foremost on serving the customer. It aligns people, operations, systems and processes in all areas of the organization to the customer experience strategy—not just sales and marketing, but also delivery and support groups like supply chain, product development, IT, HR and finance.

Connected enterprises win customers!

Does your organization exceed customer expectations?



1 A study conducted by Forrester Consulting on behalf of KPMG, July 2016.

It pays to become a connected enterprise. **2X**

Organizations with a customer first outlook are 2X more likely to see greater overall success.²

Click for more information

KPMG Connected Enterprise

Are you realizing the full value of your omnichannel approach?

Seamless interactions are vital for every customer engagement

Getting closer to customers requires much more than channel harmonization and integration. Single- and multi-channel initiatives are a start, but they're not enough. In fact, many organizations are finding that even a omnichannel strategy isn't generating sustainable ROI. That's why high-performing organizations are moving to an architecture of capabilities that align people, operations, systems, and processes around the customer to capture business value.

What is truly required to deliver a connected customer experience?

At KPMG, we've identified eight critical capabilities that every organization needs in order to realize its omnichannel potential and transform into a KPMG Connected Enterprise.

The value of KPMG Connected Enterprise

It's a challenge to consistently meet customer expectations in a new, fast-paced marketplace that continuously has digital capabilities that help organizations quickly and effectively align and capture the greatest value.

Our research shows that organizations with a Customer First outlook are **2X** more likely to see greater overall success.²

75% of organizations with a Customer First outlook are 2X more likely to see greater overall success.²

10% of organizations without a Customer First outlook are 2X more likely to see greater overall success.²

2 A study conducted by Forrester Consulting on behalf of KPMG, July 2016.

Eight key capabilities of connected enterprises

1 Product, pricing and customer strategy: Delivering relevant, valuable, consistent and targeted products, services, experiences, pricing and offers

2 Experience centrality: Delivering a seamless and personal customer experience that continually meets evolving expectations across channels

3 Seamless commerce: Delivering a convenient, secure, integrated and consistent transaction experience across channels

4 Advanced data and analytics: Using data insights to engage and execute across all touch points while also protecting privacy and security

5 Technology architecture and enablement: Leveraging technology systems and expertise to deliver cross-channel experiences, enable employees, and synchronize with the broader digital ecosystem

6 Organizational alignment and people capability: Marrying the vision, culture, organizational structure and performance management approach to customer needs and perspectives

7 Responsive supply chain: Leveraging advanced, analytics-driven demand planning, inventory management and distribution to enable customers to select, receive and return products and services conveniently

8 Partnerships, alliance and vendor management: Leveraging third-parties to increase speed to market, reduce costs or deliver on the customer promise

How to get started



We've identified some key focus areas for organizations that are building capabilities-based models and becoming connected enterprises.

Define your vision

At a broad level, all connected enterprises strive to put the customer at the center of the business—to understand what their customers really want and embed that customer perspective in everything they do. But that won't look exactly the same for every organization.

You need to be absolutely sure about what your vision is before you start to reinvent your capabilities and structure. Defining what you're trying to achieve up front will help you understand how your capabilities line up and how your organizational model supports or hinders your goals. And it will help you pinpoint areas where you might need to invest or spur change and develop a roadmap for your change journey.

Align your organization

One of the most difficult steps in the journey to become a connected enterprise is achieving organizational alignment around your customer experience vision. We've found that organizational alignment is one of the least prioritized and least invested in connected enterprise capabilities. But it's often the key ingredient that makes a customer experience strategy work.

Aligning the organization takes a lot of time and a lot of trust. It requires everyone being willing to open up, form new relationships, take some risks, learn new things, and change routines and behaviors.

Perhaps most of all it requires strong leaders who make crystal clear the importance of investing in new capabilities, make the case for change, and chart the course forward. We find that while the CEOs and the board usually set the long term vision and strategy, it's often the COO—with his/her unique cross-functional view—that actually executes it.

Make people and culture a priority

It's critical for organizations that are transforming into connected enterprises to think proactively about the people and cultural impacts of change.

From a people perspective, you'll need to consider how legacy employees will be affected by your new structure as well what new skillsets you will need in the future. HR should be included into strategic discussions as a true business partner, right from the get go. Bringing HR to the table early on allows you to more effectively build your talent along the way—in alignment with your vision—and avoid a massive investment at the end.

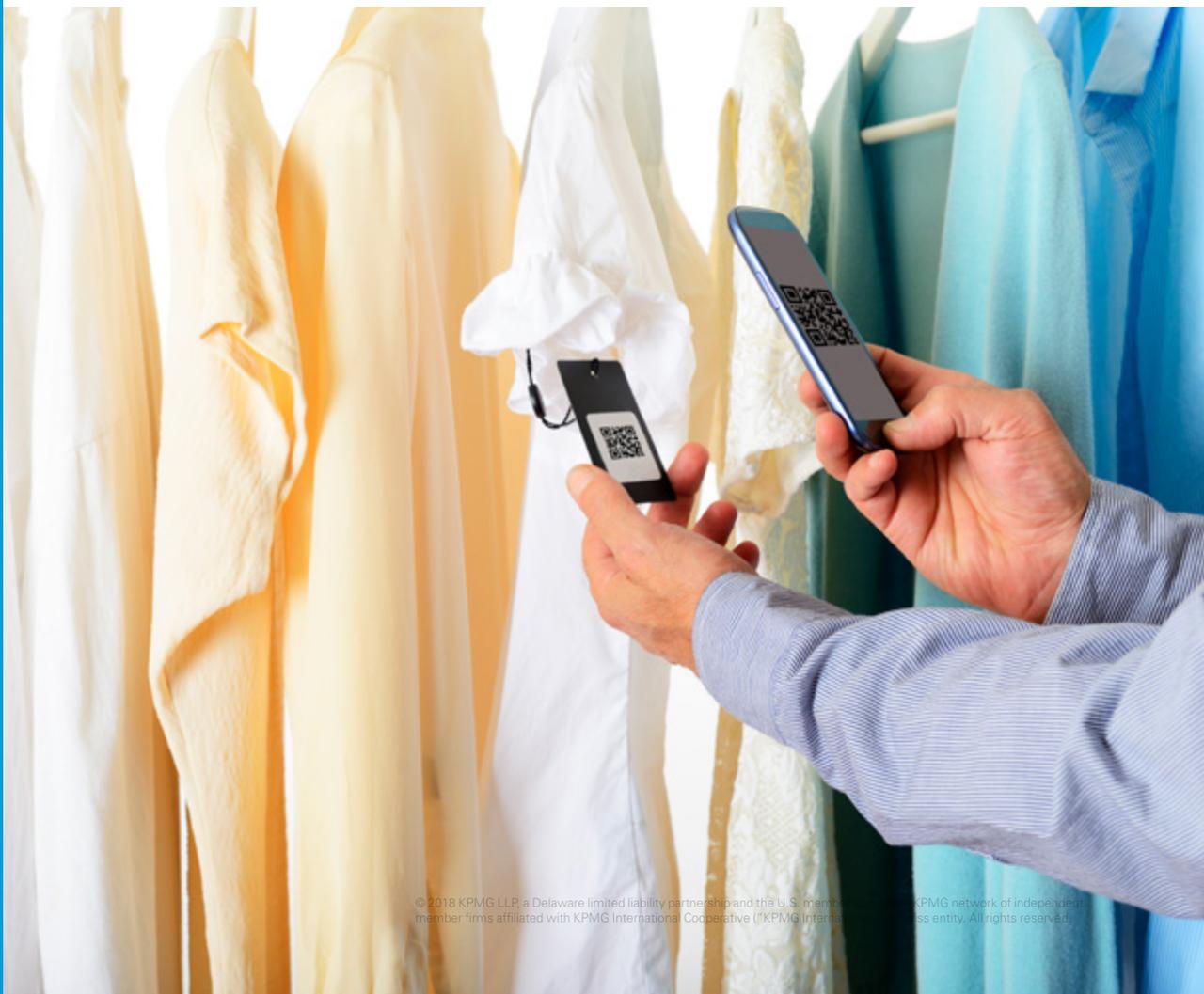
From a culture perspective, consider the mindset and behavioral changes that will be necessary to operate effectively as a connected enterprise. How will you use incentives and rewards, training and knowledge management, or other competencies to ensure people break down organizational barriers, think and work cross-functionally, and put a customer-first lens on everything they do?



Why work with KPMG?

Today's customers are better informed, better connected and more demanding than ever before. Customer experience is overtaking price and product as the number-one brand differentiator. Organizations are investing record amounts on customer-related initiatives, but not all are seeing a credible return on investment.

KPMG combines expertise in strategy and implementation—as well as far-reaching industry and functional knowledge—to create better customer outcomes that produce better business returns. That means looking beyond the front office to a wholesale transformation of functions such as marketing, sales, and service—and linking them to the middle and back office. The resulting organization is closer to customers and can deliver interactions that are seamless, responsive, relevant and consistent, helping companies build greater loyalty and share of wallet. From ambition to implementation, KPMG works alongside organizations on their journey to become customer-centric, balance cost against customer satisfaction, and maximize opportunities to increase revenue.



Get connected now!

KPMG can help your organization evolve into a connected enterprise that meets the demands of today's informed, connected consumers. Focused on helping make the right investments and maximizing return, we work alongside organizations across their entire journey to become customer-centric: from strategy to design to implementation to improvement to governance. We help them reshape people, operations, systems and processes to connect entire enterprises more closely to their customers, employees, partners and products—and realize the value.

Why us? We know how your business works and we know how to get things done. Our global network of talented professionals combine technical expertise with practical business experience in consumer-facing industries, helping your organization address each capability across the connected enterprise—down to the detail—in the right context for your business functions.

KPMG is a market leader on evolving into a connected enterprise:

- **Forrester Wave™**: Business Transformation Consultancies, Q3 2017
- **HfS Blueprint Report**: Digital Technology Strategy and Consultancy Services, 2017
- **IDC MarketScape**: KPMG a leader in digital transformation consulting and systems integrations services



Is your business a connected enterprise?

Try our free diagnostic tool to find out.



Contact

Connect with us to find out how we can help you build a customer-centric organization with a connected enterprise approach:

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