

The human connection:  
How empowering your people  
drives customer loyalty



# The customer experience imperative

A great customer experience has always been an important business differentiator. But getting it right takes work, even for companies who think they've nailed it. In a Bain & Co study, 80% of CEOs said their company delivered a superior customer experience. The kicker: only 8% of their customers agreed.<sup>1</sup>

One reason for the disparity is that a great customer experience isn't created by products or digital channels alone. More than anything, it's created by people – by engaged and motivated employees who go to work every day determined to do their best for the company's customers.

In this paper, we look at the link between customer experience and employee experience. We'll also outline the role of technology in improving employee experience, with suggested actions for leaders across your business.

As we emerge into a world where an engaged workforce is ever more essential to success, we hope it gives you an opportunity to step back and think about how small steps can lead to maximum impact.

<sup>1</sup> Bain & Company, [Closing the Delivery Gap](#)

# The rise of the experience economy

The days when having a great product was all that mattered are long gone. Today's customers prize experience above all – and the experience they crave is based on a very human trait: the need to feel valued. “A positive customer experience comes down to making a customer feel valued in the moment,” says Brian Solis, Global Innovation Evangelist at Salesforce. He points out that 71% of consumers say they're more loyal to businesses that showed them this kind of consideration during COVID-19.

**“A positive customer experience comes down to making a customer feel valued in the moment.”**

[Brian Solis, Global Innovation Evangelist, Salesforce](#)

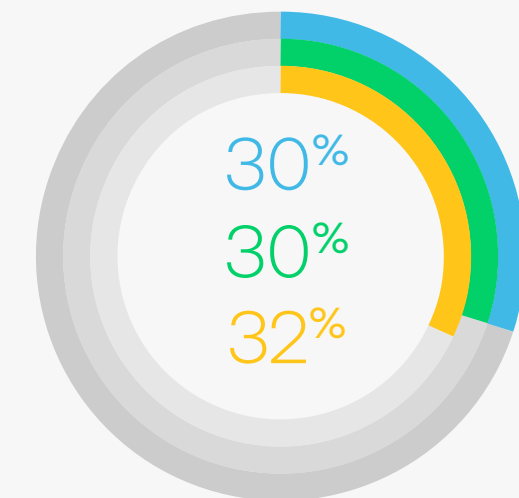
But as with so many other aspects of our lives, the pandemic only accelerated a trend towards an “experience economy” that was already in play.

- In [The ROI of CX Transformation](#), Forrester found that customers are 2.4x more likely to stick with a brand when their problems are solved quickly
- In its [Experience is Everything](#) report, PwC found that 32% of consumers would stop doing business with a brand they loved after one bad support experience
- In its study of [The World's Simplest Brands](#), Siegel+Gale found that 76% of people are more likely to recommend a brand that delivers a simple experience

While making customers feel valued was already a core metric for evaluating the customer experience, the turmoil of COVID-19 made it even more critical. That shows in the fact that the brands that scored highest on Forrester's US 2021 Customer Experience Index were brands that had changed their approach during the pandemic – by bringing in more digital options and safer physical interactions, for example.

And those efforts aren't just translating into better customer experience, but into material business results. Forrester also found that companies with advanced customer experience report a marked improvement in a number of metrics, including customer lifetime value, customer advocacy and basket size.<sup>2</sup>

**The customer experience dividend**  
Companies with advanced customer experience reported:



- better customer lifetime value
- more customer advocacy
- greater basket size

Source: [Forrester Consulting](#)

2. Forrester Consulting, [Consumers Demand Digital: Firms That Make it Great Differentiate](#), January 2021

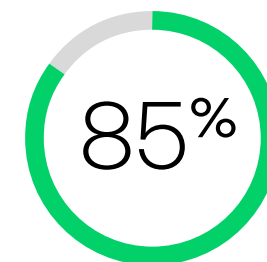


# Employee engagement is key to a positive customer experience

There are many ways companies can improve the customer experience lifecycle. Opening times can be changed to meet the needs of customers who work all day. Marketing copy can speak to issues customers are struggling with. Products and services can be refined to be easier to use, based on direct customer feedback and intuited customer needs.

But by far the biggest impact across the entire customer lifecycle comes when employees are engaged and motivated to deliver the best possible customer experience. A huge majority (85%) of respondents to a 2021 IDC survey said that a better employee experience and higher employee engagement translate to a better customer experience, and 62% said the link was “large” or “significant”.

So for any business looking to increase customer experience, the first place to focus is on its internal equivalent: employee experience.



of respondents said a better employee experience translates to a better customer experience.<sup>3</sup>

## An employee-first approach is the key to great customer experience

Leadership expert Dr Toby A. Travis recommends turning the traditional business hierarchy of priorities on its head, putting employees first and owners last.

### Priority 1:

#### Employees

Highly supported employees result in higher productivity and client satisfaction

### Priority 2:

#### Existing customers

Greater customer satisfaction results in greater sales and market share, attracting new clients

### Priority 3:

#### New customers

Expanding customer base results in increased revenues for owners

### Priority 4:

#### Owners

Increased revenue results in opportunities for continual improvement

Source: [Forbes](#)

3. IDC, [Market Analysis Perspective: Worldwide Employee Experience Management Strategies 2021](#)

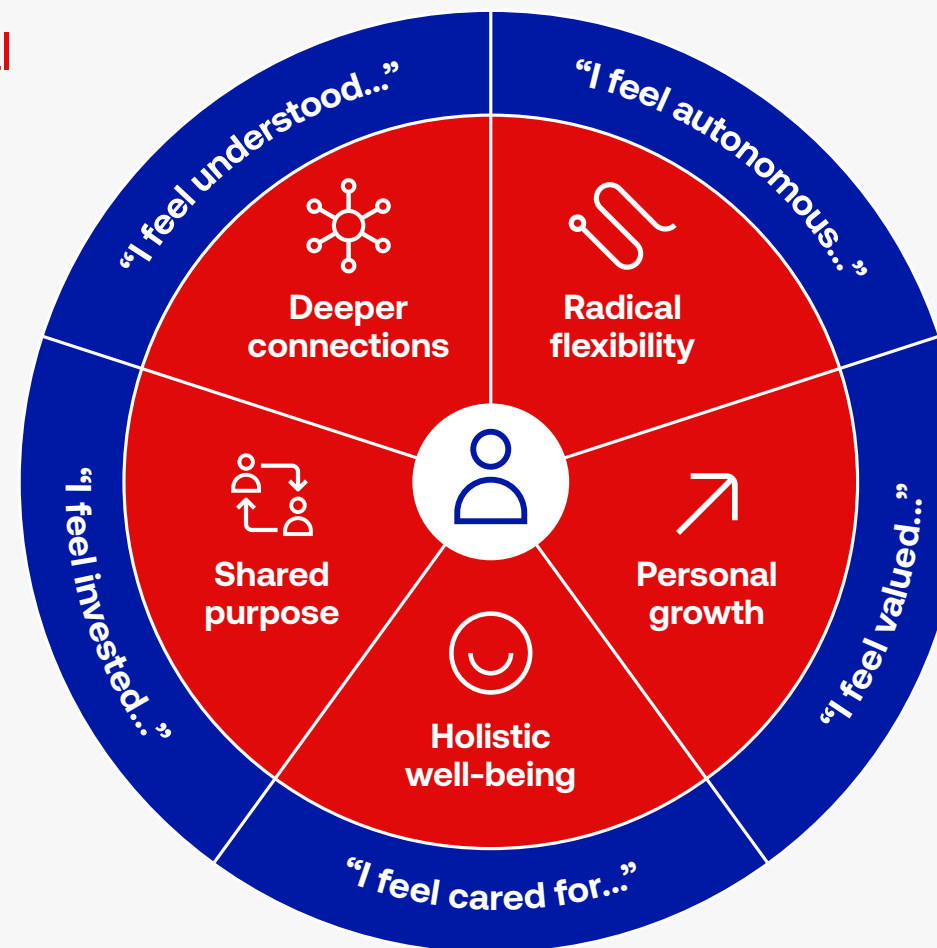
# A new rulebook for employee experience

The nature of what makes a positive employee experience is also changing. The old employee engagement rulebook – think long hours tempered with ping-pong tables and free coffee – no longer works, especially as levels of dynamic, flexible and remote working increase.

At heart, we're seeing that what really motivates employees isn't a "work hard, play hard" culture or workplace gimmicks, but the things that motivate us all as human beings: a sense of belonging, and of being valued, respected, listened to, invested in and fairly rewarded.

## The human deal

The human deal increases employee satisfaction with the EVP by 15%



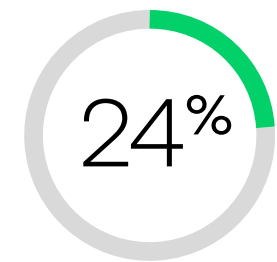
n = 5,000 employees worldwide  
Source: [Gartner 2021 EVP Employee Survey](#)

When employees feel all of those things, their engagement deepens. They're motivated to go above and beyond, both for their employer and for the customer. From the front line to the back office, they'll spend time getting to know individual customers, and working in collaboration to find thoughtful and creative solutions to that help customers achieve their goals.

## The importance of digital transformation in the employee experience

The pandemic highlighted the critical role that digital transformation plays in this new employee experience. When staff were asked to work from home, those whose employers ensured they had the right devices, connectivity and access to systems were more engaged. Frustration levels were reduced and many even said they were more productive.

But those who were left to fend for themselves were still expected to do their role to keep the business operating. They struggled. They didn't feel the same level of value or support from their leaders. Through distraction and frustration, they were unable to deliver their best – either for their employer or for customers.



24% of UK workers were planning a job change in November 2021.<sup>4</sup>

We're now seeing the full impact of that disaffection. Huge swathes of the workforce – from knowledge workers to front line staff – are voting with their feet, in what news headlines have dubbed the Great Resignation, Big Quit or Great Reshuffle. In November 2021, Randstad UK found that 24% of UK workers were planning a job change. And it's driven not just by the way were treated during the pandemic, but also by how they believe their employer will continue to treat them.

### Further reading: Creating a dynamic workforce

Our survey of thousands of employees reveals where employers should focus to promote productivity and growth in the world of dynamic working. [Get the full report](#)

4. The Guardian, ["The Great Resignation"](#), November 2021



# Three focus areas to create a great employee experience

So what can employers do to create a positive employee experience that drives a positive customer experience? From our research and our own culture at Virgin Media O2 Business, along with our work with businesses across the UK, we believe it comes down to doing the right things in three key areas:

- **People:** Respecting and valuing people, rewarding them fairly, and investing in their future
- **Place:** Creating the right spaces for people to do their best work for your customers
- **Technology:** Providing digital tools that support and enable people, not hold them back

In each case, a renewed focus on digital transformation can help leaders, managers and employees to create a positive, productive and engaged workforce, where everyone is enabled to give their all.

As we emerge into a new world, it is a good time to step back and look at your employee experience through each of these three lenses.

- Are you allowing each to be as good as they possibly could be?
- Or could you do more to ensure your people are engaged, motivated and ready to deliver the kind of experiences today's customers are demanding?

Let's look at each in turn, with some recommended actions for your leaders to consider.



# People:

## Create a culture where people feel valued and supported

It might sound simple, but the best ideas usually are. Even small things like saying “thank you” and giving specific praise can be powerful drivers of employee engagement. Showing you value your people, by helping them to achieve their personal and professional goals, is key to keeping talent and knowledge within the organisation.

This can be more challenging in a dynamic working environment when you’re managing a mix of in-office and remote workers. But it’s here that technology can be a great enabler of a positive work culture. Used wisely, it can bring teams closer together, enable access to mentors, information and learning, and provide managers with vital insights into the needs of individuals and teams.

### Bring teams closer together

Collaboration tools are advancing at a rapid rate, addressing many of the shortcomings of the videoconferencing platforms that were the saviour of many businesses in the early days of the pandemic. Today there are myriad options for hybrid and remote working, from Microsoft Teams whiteboards for brainstorming to Monday.com for task collaboration. Tools like Culture Amp and Quantum Workspace, meanwhile, can forge a stronger sense of togetherness and belonging.

### Improve access to people and information

Professional development is an essential part of the employee experience, with every investment in learning paying for itself by better equipping the workforce to meet customers’ needs. Remote workers need the same access to formal and informal development opportunities as their in-office colleagues, and technologies like virtual and augmented reality for training, and virtual water-cooler apps that connect junior hires with senior colleagues, can help.

### Bank of America pioneers virtual reality training

In 2022, Bank of America will debut a series of VR experiences for employee training – with simulated scenarios to help them navigate customer conversations and respond to customers with greater empathy.<sup>5</sup>

Only **15%** of junior employees feel a strong sense of belonging, and just **16%** are highly engaged.<sup>6</sup>

5. VR Scout, [Bank of America Turns to VR for Soft Skills Training](#), October 2021

6. [Achievers Workforce Institute](#)



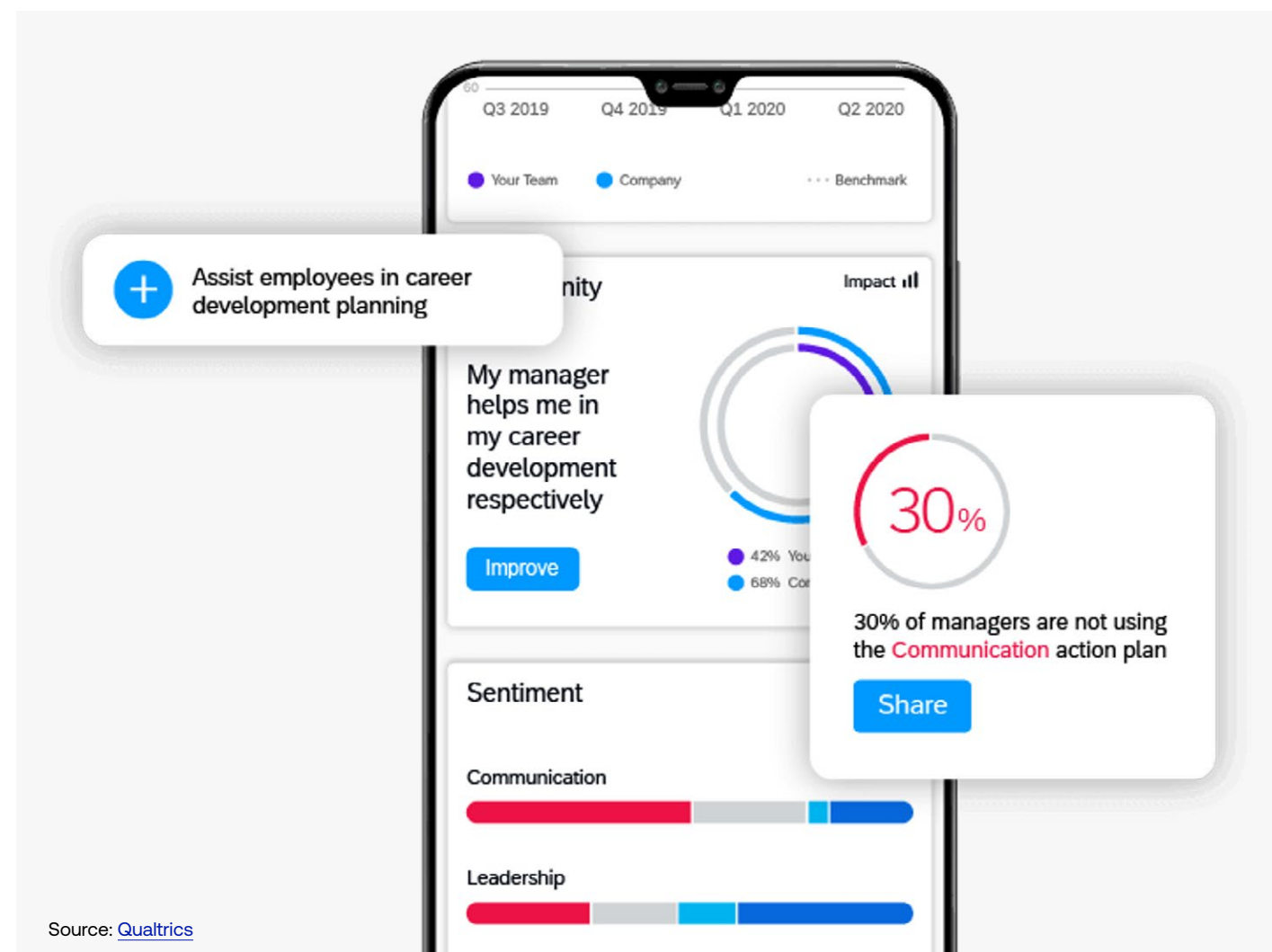
## Get insights into workforce needs

In a hybrid working environment especially, managers need to know where their team is excelling and where individuals or whole teams need help to be at their best. New AI-powered tools, like Qualtrics, provide insights into individuals' workloads and skills gaps, as well as overall team dynamics and areas of friction or inefficiency.

Armed with this knowledge, managers can take action to re-balance workloads, invest in skills training, or tighten up processes.

### Further reading: People strategy

For a deeper dive into how to optimise the employee experience in the new world of dynamic working, read our white paper: [Freedom, flexibility and fulfilment: Re-imagining work in the age of the dynamic workforce](#)



## Actions

- Continuously measure employee experience across the organisation
- Evaluate current employee offering against competitors
- Map employee engagement metrics to customer experience stats
- Identify areas of employee experience to prioritise for customer experience impact
- Ensure the work environment reflects customers' expectations
- Provide tech that allows people to work effectively and enhances employee satisfaction

# Place:

## Create the right spaces for people to do their best work

The right environment is critical for employees to be at their best, whether the space is physical or virtual, customer-facing or internal, in a company building or outside of it.

One of the great inequalities of pandemic home working was the disparity between senior employees who were able to operate from dedicated home offices and those who were starting their careers, potentially vying for space – and connectivity – in shared accommodation. This in itself is contributing to the Great Resignation, sounding a wake-up call to employers to better understand and address employees' spatial needs.

Today, the companies most focused on employee experience are re-thinking spaces in three ways: optimising their own physical premises, supporting home or remote working, and creating new, virtual spaces for collaboration and engagement. In all three, technology plays an essential role.

### Optimise physical premises

The most employee-focused companies are re-assessing the purpose of the office in a dynamic working world, and adapting their physical space accordingly.

The ever-creative Lego Group, for example, lets people choose a space that suits the work they're doing at any given moment. In its London office, the top floor is for creative work, the middle floor for meetings and collaboration, and the bottom floor for quiet, "head-down" work.

Furniture, lighting and layout are all key considerations in the new-style office, as are new enabling technologies – from indoor location intelligence to understand how space is used, to hybrid conferencing tools that allow remote and physically present workers to collaborate effectively.

### Enable remote working

Whether they're working from home or a local café, employees need a safe, comfortable and well-equipped environment to do their best work. For employers, that means ensuring the right tech is available to employees wherever they choose to work, including adequate connectivity, secure access to relevant systems, and task-appropriate devices.

Support for home working may also involve allocating budget for ergonomic task chairs and height-adjustable desks, in line with health and safety policies. Shopify and Twitter are just two of many companies that now offer employees an allowance to kit out their home office.

Meanwhile, corporate membership of co-working hubs can enable employees to work closer to home, reducing the inefficiency of long commutes while providing a dedicated working environment with opportunities to socialise.

During the pandemic, Shopify and Twitter offered newly-remote workers **\$1,000** to set up an ergonomic home office.<sup>7</sup>

7. CNBC, [Working from home? You might be able to expense a new desk](#), June 2020



## Create virtual spaces

A lot of remote engagement with customers and colleagues still takes place via laptop, desktop, tablet and phone screens. But new options are also emerging that can further close the gap between physical and virtual. As head-mounted displays get smaller and lighter, there are opportunities to visualise and share spaces in new ways. Retail and fashion brands, for example, are among those exploring ways to use the “metaverse” to bring the store experience to customers in digitally innovative ways.

### **Gucci courts gamers in the metaverse**

In 2021, Gucci teamed up with gaming company Roblox to launch the Gucci Garden in the Roblox game world. It featured “multiple immersive themed rooms” where players could browse and buy digital Gucci clothes and accessories for their avatars to wear in the game.<sup>8</sup>

Elsewhere, organisations like Bank of America and Capita are using VR headsets to support remote learning and development, while AR is enabling remote experts to provide their expertise to in-the-field teams in sectors like utilities, oil & gas and field service (see box).

### **Northumbria Water Group uses AR-assisted remote experts**

For Northumbria Water Group, O2 Business created a high-speed audio-visual link that connects technicians in the field to remote experts, allowing complex faults to be resolved faster. Experts optimise their time by advising remotely, using augmented reality for greater accuracy in description and real-time demonstration using graphics and annotation, rather than having to physically go to each job where their expertise is required.

[Read the full case study](#)

### **Further reading: Workspace strategy**

For a deeper dive into how leading companies are adapting their workspaces for the new world of work, read our white paper: [Talent, tools and space: New workplace strategies for a dynamic working world](#)

## Actions

- Move from a ‘workplaces’ approach to a ‘workspaces’ strategy
- Support employees to work in the places that suit them best
- Align the real estate footprint with the modes and rhythms of dynamic work
- Establish the right balance of desk space, collaboration space and social space
- Provide tech that lets people work effectively in mixed-use offices and co-working spaces
- Adapt physical and digital spaces for optimal employee and customer experience
- Explore new technologies that can improve digital and physical spaces

8. Charged Retail, [Top 5 High Fashion Brands Embracing the Metaverse](#), January 2022

# Technology: Provide digital tools that support and enable your people

**64%** of workers spend 30 minutes or more every day switching between the apps they need to do their daily work.<sup>9</sup>

While technology enhances investments in people and spaces, it also plays a more direct role in the employee experience. And in many companies, that role is not a positive one.

That's because the internal systems that people use to get work done aren't usually up to the standard of the apps and digital experiences they use in their life outside of work. Internal systems tend to be designed primarily for data entry or extraction, with the user experience a secondary consideration. And while many customer-facing digital experiences are slick, shiny and new, internal systems are often a decade or more old.

The resulting clunkiness has a high cost in terms of customer satisfaction and employee retention. It can create a poor customer experience – from the phone enquiry that takes ages to answer, to the approval timeout on a point of sale terminal. And when employees are frustrated with these same systems, they're less engaged and more likely to leave.

**Progressive employers, meanwhile, are snapping up talent by offering devices, tools and systems that empower people to perform at their best. There are many ways technology can be used to deliver a superior employee experience, but a few of the basics are:**

## Unify and speed up communications

Comms are the backbone of all digital interactions, and friction can occur when different people are using different tools to try to work with others. With multiple touchpoints leading to 'channel overload', integrating the ones you rely on will support better collaboration. Ensuring the right latency and data speeds will help remove obstacles to your people being their most efficient and productive version of themselves possible.

## Make user experience improvements

Design, usability and functionality all matter. When introducing new tools and features, be sure to get user feedback early and often and draw on new process technologies, like chatbots, to add value to individuals as well as the organisation.

Choosing modern tools that are intuitive and pleasant to use won't just improve productivity, but will also help employees to feel they're being invested in, which leads to higher engagement – and a better customer experience.

## Focus on foundational technologies

These are the engine of modern business, so they require special attention. From providing the right device type to designing around scalability during busy times, being able to access the right information at the right time in the right places is critical.

Your software vendor ecosystem will provide the tools to create memorable experiences, while your on-premise and cloud infrastructure give you organisational adaptability, scalability and resilience. And reliable fixed and mobile connectivity are essential to keeping people productive.

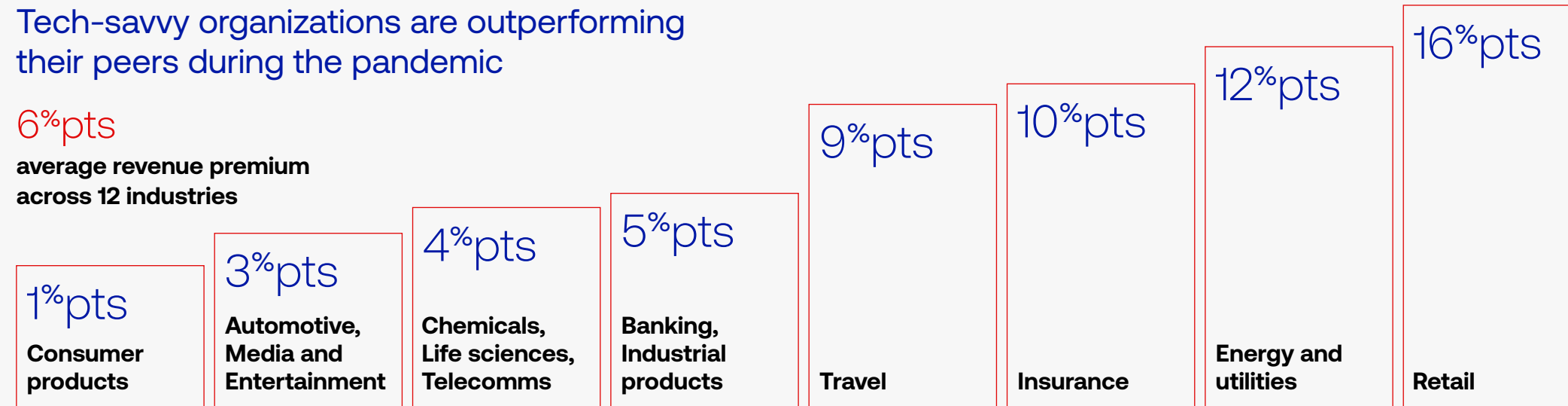
<sup>9</sup> Slack, [The State of Work](#), 2020



## Tech-savvy organizations are outperforming their peers during the pandemic

6%pts

average revenue premium across 12 industries



Percentage represents the revenue growth premium between organizations with high technology adoption (cloud, AI, mobile etc.) and others in each industry. Source [Emerald Insight](#)

## Make smart use of AI and automation

AI can improve the employee experience right across the organisation – from digital assistants like Microsoft Viva that help employees to organise their time, to contact centre bots that retrieve information to help agents answer customer queries faster.

For managers, AI-powered “talent intelligence” tools like Eightfold make it easier to find the right people to fill current skills gaps. Automation tools like BluePrism, meanwhile, offload routine tasks to robotic workflows, freeing people to focus on the more value-added elements of their work.

With AI and automation taking on more of the mundane work, employees have an opportunity to upskill to more satisfying work: in fact 70% believe that automation will offer them an opportunity to qualify for more satisfying work.

### Further reading: [Workspace strategy](#)

For a deeper dive into how AI, automation and other technologies can empower a new dynamic workforce, read our white paper: [AI, automation and collaboration: Why tomorrow’s talent is human + digital](#)

Around **70%** of workers believe automation will offer them an opportunity to qualify for more satisfying work.<sup>10</sup>

## Actions

- Ensure people have the right devices, connectivity and tools for the work they need to do
- Avoid employees having to use “shadow” technologies to get work done
- Address any areas of friction in the employee or customer experience created by technology
- Explore tools that can support people by automating simple tasks
- Ensure employees are being supported to learn new digital skills

<sup>10</sup>. International Federation of Robotics, [Robots double worldwide by 2020](#), 2018

# Talk to us about improving employee and customer experience today

The link between employee experience, customer experience and business performance is a long-established one, but the post-pandemic Great Reshuffle has thrown a spotlight on what can happen when the employee experience is neglected.

The good news is that there are changes every company can make today to improve it – and those that do will reap the benefits of greater customer satisfaction and loyalty, and improved financial performance. Many of these improvements are technology-based, making IT less of a cost centre, and more of an engine of profit.

At Virgin Media O2 Business, we have direct experience of providing the right technology, partners and people to build a positive work culture with a focus on customer excellence. We've also helped organisations of all types and sizes to do the same – not just with new technology, but also the more human aspects of adoption, training and refining.

If you'd like to know more about how we can help you build on your existing technology investments to optimise your own employee experience and your customer experience, get in touch. We can show you how the latest innovations are being embraced by organisations today for employee and customer success – and help you to prioritise what will deliver the most value to your organisation in the short, medium and long term.



Discover more insights at  
[virginmediao2business.co.uk](https://virginmediao2business.co.uk)

