Steven van Belleghem

studied applied economics at the University of Ghent. His summers were spent specializing in marketing at UC Berkeley. He started his professional career as a Research Assistant at the Vlerick Business School, where he remains a guest marketing professor to this day. In 2001, he was one of the first employees to join InSites Consulting, a startup in the online research industry. Over time he worked his way up to become one of the company's managing partners and shareholders. He spent a total of eleven and a half years at InSites Consulting. During this period, the company grew from just 8 staff to 130 with branches in five countries. In 2012, he started his own inspiration company called

B-Conversational. He runs the company with his wife, business partner and best friend Evi and, together, they inspire companies around the world. Most of his time goes to giving keynote speeches and organizing workshops and business coaching sessions. In addition, they also help clients set up longterm inspirational programmes to change the mindset and enrich the knowledge of their teams.

Keywords: customer relationship management, digital marketing, customer experience

Technology will be the backbone

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Opinion Piece

When digital becomes human

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Abstract

Successful customer relationships need to balance both digital perfection and the human touch. Consumers are becoming more accustomed to using technology to interact with companies. Digital transformation is important to the success of those businesses, but they also need to ensure that staff retain the human touch. As the digital interface becomes customary everywhere, it will be the emotional, human dimension in a business relationship that delivers success. *Journal of Direct, Data and Digital Marketing Practice* (2015) **17**, 2–4. doi:10.1057/dddmp.2015.36

The movie E.T. was groundbreaking. Before E.T came along, aliens were always non-human, and this lack of human qualities had always made them 'bad' or something to be feared. In contrast, E.T. had a friendly face and a warm, human side that made everyone feel sympathy for him, building a strong emotional relationship between not only the main characters in the film, but also audiences, which is what made him such a favourite for millions.

I believe the same will be true for successful customer relationships in the future. The best relationships can only be built on emotional content, but, crucially, the emotional part of a relationship can only work if the rational, practical side of that relationship runs smoothly too. Therefore, successful customer relationships in the future will be built on both the rational (digital perfection) and the emotional (the human touch) — something I call 'When digital becomes human'.

Technology assists us so much in both our professional and personal lives that it really has become a sixth sense for many people today. Research has shown that average families in the United Kingdom today have three pieces of technology linked to the internet, but by 2020 this will be more like ten, including items we use every day, like our cars, coffee machines or even shoes. With such reliance on technology, digitalization will inevitably also change the relationship between consumers and companies. Customer relationships are already becoming digitally driven from start to finish for many companies, and the differences between online and offline are narrowing all the time.

Today's consumers have quickly become used to self-service, automation, smart data use and proactive customer service, and this is already making the battle to stay ahead in customer relationships a difficult

Offline businesses lag behind

Digital will become a commodity

Digital will become human

Four scenarios

Surviving the modern marketplace

one. Companies with an online origin currently lead the way by anchoring themselves in the digital world, and we have seen many businesses with an offline background lag behind in the digitalization of their customer relations. This may mean they face an uncertain future.

Quite simply, whoever fails to make the transition to embrace digital will struggle to survive. Even companies that successfully make the transition will discover that it may not be enough to just win the hearts and minds of the customer. It may surprise some, but digital transformation will also force companies to transform their human relations. Many will see self-service, automation and robots as dominating customer relations in future, but it is important to recognize that people can still offer something that machines cannot — adding emotion into the customer relationship. For people to continue to play a valuable role in the customer relationship, it is important that their focus is set on emotion — a computer cannot (yet) be creative, empathic or passionate, but people can.

I believe the best customer relationships of the future will be both digital and human. Most companies will admit that they still have a lot of work to do in the digital domain, but I find many companies over-estimate the quality of their human contact with their customers, and these people often don't bring much added value to the relationship.

The way I see it, the reconfiguration of the customer relationship will run along two separate axes, 'the digital' and 'the human' (see Figure 1), meaning companies will find themselves in one of four different situations.

A quick death

If you have neither digital nor human qualities at the heart of your customer relationships, I am afraid your business is likely to face a quick

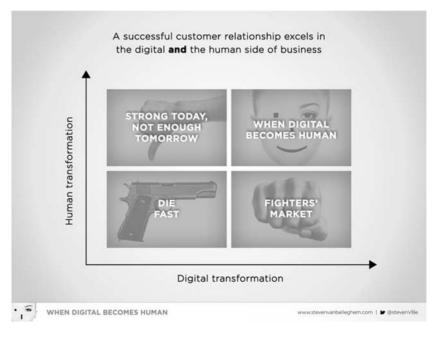
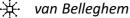


Figure 1: Two dimensions in the reconfigured customer relationship



death. A good product, a good location and a good price are no longer enough to survive in the modern marketplace.

Digitize all facets Strong today, but not enough for tomorrow

Many leading companies owe their success today to the strength of their human relationships. However, having a strong emotional relationship with your customers may only be enough to maintain a strong position in the market in the short term. Companies of this kind face danger from competitors who use the power of digitalization to change the customer relationship and even the market almost overnight. When digital offers a slicker, more convenient service, the quality of a company's human relationships will be a deciding factor in whether the company sinks or swims. Basic service provision will unquestionably need to become more digitalized, and that means going beyond simply having a website or social media presence to digitize all facets of your relationship with your customers.

The new norm A fighter's market

Many of the companies that lead the digital world today, like Amazon, Facebook and Booking.com, will find themselves in this sector as they score strongly in digital matters but avoid human contact wherever possible. A limited number of these companies will be able to continue with this business model and still survive, and they will typically be companies that combine an excellent digital interface with very low prices. Many business leaders argue that companies must choose between operational excellence, product leadership and customer intimacy. However, as a strong digital relationship becomes the new norm for operational excellence, companies must also strive to provide excellent service and user-friendliness. When an optimized digital interface becomes the expected standard (as it will), price may become the only remaining differentiator.

Emotions and success When digital becomes human

This final quadrant contains the new superstars that are transforming the digital world, like Uber and AirBnB. A recent study compared the customer perception of classic hotel booking sites like Booking.com with AirBnB and, while customers were satisfied with both AirBnB and Booking.com, the intensity and strength of the customer relationship were far higher with AirBnB because of the human connection. I strongly believe that combining a digital and a human customer relationship will be the only way for the vast majority of companies to survive in the future. It may shape the customer relationship of the future, but we are already seeing evidence that success is achieved through linking digital perfection with human emotion — and the stronger the emotional relationship, the greater the success.