Mastering intentional experiences – India CX report
Foreword

In the last couple of years, we have witnessed seismic global events, such as the COVID-19 pandemic, the Ukraine-Russia war, unanticipated weather patterns and the rapid adoption of disruptive technologies. These events have had an unusual impact on Indian consumers and have altered the way they purchase, consume and behave today. In this report, we examine how Indian companies are adjusting to catch up with ever-changing consumer expectations and identify organisations that are leading in customer experience (CX) through a primary survey of more than 5,000 consumers. Further, we have provided a way forward for companies looking to consistently deliver a superior customer experience.

In today’s day and age, the customer values a product not only on price but also on how the customer experience is delivered. Customers not only want connected journeys, transparent processes and seamless transitions across channels but also expect experiences to be tailored to meet their circumstances. How well customer experience is delivered can be measured using the six pillars of customer experience: personalisation, integrity, expectations, resolution, time and effort and empathy.

As per KPMG India-Equitor report¹, companies can realise an additional USD200 billion of value by unlocking the potential of CX through right CX strategies. An enterprise that aligns every critical process, function and relationship around customer experience has a higher chance of emerging a winner.

KPMG International conducted a global survey across 25 markets benchmarking leading brands on their performance on customer experience. This survey measures CX across the six pillars based on a standardised method to account for variations across different geographies. Insights from the survey highlight that India has scored higher than the global average on the Customer Experience Excellence (CEE) score. This means that brands in India have had a focus on providing personalised experiences and meeting customer expectations more effectively. The survey further indicates that top-performing brands in CX today have higher customer loyalty and advocacy and customers see higher value in their offerings. These brands make considerable efforts to understand customer needs and provide customised experiences while also respecting customers’ time and effort.

This report covers a few select examples of brands that have demonstrated superior customer experience by leveraging well-defined tools and approaches.

It is imperative for businesses to recognise and appreciate that customer experience is much beyond transactional. In the Indian market, leading companies and brands have recognised customer experience as imperative to sustained value creation. Personalisation has emerged as a key pillar to drive customer loyalty. Focusing on customer needs and experience will be necessary for brands to stay relevant in the current scenario and to make consumers as their biggest advocates/brand ambassadors.

Manuj Ohri
Partner, Business Consulting
KPMG in India

¹. Customer experience – The key to sustained value creation, KPMG in India & Equitor Value advisory published in 2022
2023 key insights - What India values most

This year’s report highlights how leading brands have fostered intentional experiences across five focus sectors and what is needed for organisations to become a master in experience-driven excellence.

### Key Insights

<table>
<thead>
<tr>
<th>Top five global brands in India are performing better in CEE Index(^2) compared to most markets driven by the personalisation pillar.</th>
<th>To succeed in new markets, organisations must comprehend consumer needs and preferences, customising their offerings accordingly.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personalisation is the leading driver for loyalty and advocacy in India.</td>
<td>Organisations need to collect customer data at each touchpoint - sales, marketing and service and analyse it holistically to drive better decision-making on campaigns, product launches, etc.</td>
</tr>
<tr>
<td>Many of the brands in the survey have set the bar higher by improving their CEE score (avg +5 per cent) mainly driven by improvement in the expectations pillar (avg +7 per cent).</td>
<td>Organisations need a top-down approach, implementing a customer-centric strategy to meet evolving consumer needs. As customers grow more demanding, winners respond leaving a clear call to action for those lagging.</td>
</tr>
<tr>
<td>Brands with high online channel satisfaction score(^3) did better on integrity, personalisation and time and effort.</td>
<td>Brands should analyse customer journeys to identify opportunities for showcasing their purpose and values, enhancing customer experiences across channels along the way.</td>
</tr>
<tr>
<td>Retail sector consumers have the highest loyalty score (8.45) of any sector, whilst the logistics sector scores (8.09) the lowest.</td>
<td>Retail organisations must prioritise key customer trends such as individual well-being, environmental sustainability and digital transformation in order to foster customer loyalty.</td>
</tr>
<tr>
<td>Financial services consumers have the highest level of promoters, with 55 per cent willing to promote the brands driven by integrity in their operations.</td>
<td>Financial services organisations need to identify the pivotal factors influencing their industry and leverage strategic initiatives that set them apart, ultimately driving customer loyalty.</td>
</tr>
<tr>
<td>&gt;50 per cent of customers are willing to pay more for a product/service backed by an environmentally or socially ethical brand.</td>
<td>Organisations can leverage behavioural motivations to segment their customers, allowing them to tailor messaging, create new product categories and establish pricing strategies accordingly.</td>
</tr>
<tr>
<td>The older generation gives higher loyalty score to brands as compared to the younger generation(^4) as they are pleased if the brand meets their expectations and maintains integrity in operations.</td>
<td>To create personalised and meaningful experiences, organisations should adopt context and circumstance-driven segmentation techniques, enabling them to cater to individual needs and preferences effectively.</td>
</tr>
</tbody>
</table>

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2. CEE Index = (CEE Rank/No of brands in the market)
3. Customer satisfaction with the brand’s web channel interactions (email, brand website, web chat, Social Media etc.)
4. Older generation age is 45+ years while the younger generation age is between 18-34 years
The six pillars of customer experience act as the gateway to designing intentional experiences

For 13 years, KPMG professionals across the globe have been asking consumers about their individual experiences with brands. Over that time, more than 5,50,000 consumers worldwide have been interviewed, providing more than 5.5 million individual evaluations across 39 countries, regions and jurisdictions to support our expertise in customer experience best practices.

As a part of this survey, views of more than 89,000 consumers across 25 markets were taken. The brief scope of the report is as follows:

**About the research:** The research for this report was conducted via an online survey methodology. A nationally representative consumer sample, comparable in terms of age and gender and showing regional representation, was used to conduct this survey. To participate in the research and to be able to respond to questions on a specific brand, respondents must have interacted with that brand in the last six months. This survey is focused more on urban consumers. An interaction is defined as making a purchase of the organisation’s products or services as well as contacting it with a query or even browsing its website or stores so not all respondents were existing customers of the brand they evaluated. We have empirically discovered that these six pillars of personalisation, time and effort, expectations, integrity, resolution and empathy serve as a definitive measure of CEE. These pillars are intricately connected, forming a robust framework to assess the delivery of customer experience across various channels, industries and organisation types. Better customer experience then gets reflected in terms of higher Net Promoter Score (NPS), brand loyalty and value.

**Key metrics: the six pillars of CEE**

<table>
<thead>
<tr>
<th>Pillar</th>
<th>Key Metrics</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Personalisation</strong></td>
<td>Using individualised attention to drive emotional connect</td>
</tr>
<tr>
<td><strong>Time and Effort</strong></td>
<td>Minimising customer effort and creating frictionless processes</td>
</tr>
<tr>
<td><strong>Expectation</strong></td>
<td>Managing, meeting and exceeding customer expectation</td>
</tr>
<tr>
<td><strong>Integrity</strong></td>
<td>Being trustworthy and engendering trust</td>
</tr>
<tr>
<td><strong>Resolution</strong></td>
<td>Turning a disappointing experience into a great one</td>
</tr>
<tr>
<td><strong>Empathy</strong></td>
<td>Achieving an understanding of the customer’s circumstances to drive deep rapport</td>
</tr>
</tbody>
</table>

**Indian consumers surveyed:** 5088

**Indian and Global brands rated:** 154

**Global markets covered:** 25

**Sectors covered in India:** 9
India’s standing on Customer Experience Excellence metrics 2022

Global CEE Metric 2022 across 25 countries

<table>
<thead>
<tr>
<th>Countries</th>
<th>No. of brands</th>
<th>CEE Metric</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>154</td>
<td>8.25</td>
</tr>
<tr>
<td>Global</td>
<td>3051</td>
<td>7.68</td>
</tr>
</tbody>
</table>

- Brands considered across participating firms can be broken down across the same nine sectors
- Across all 25 countries, integrity and personalisation came out as the two leading pillars of focus while empathy was the lagging pillar
- Variation in the CEE metrics over 2021 has ranged from -1 per cent to +1 per cent for participating countries

Sample: 26 countries
CEE Metric is on a scale of 1-10

India’s average score across the six pillars

- Personalisation: 8.28
- Time and Effort: 8.27
- Expectation: 8.24
- Integrity: 8.35
- Resolution: 8.20
- Empathy: 8.12

Sample: 154 brands in India across 9 sectors
Ratings are on a scale of 1-10 across the six pillars of Customer Experience Excellence (CEE)

India’s focus sectors showcasing high CEE metric

<table>
<thead>
<tr>
<th>Sector</th>
<th>CEE metric</th>
<th>Leading pillar</th>
<th>Lagging pillar</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>8.33</td>
<td>Integrity 8.43</td>
<td>Empathy 8.19</td>
<td>The retail sector demonstrates strong loyalty scores, indicating low customer churn, higher retention and a willingness to pay more due to perceived value.</td>
</tr>
<tr>
<td>Financial services</td>
<td>8.28</td>
<td>Integrity 8.43</td>
<td>Empathy 8.16</td>
<td>The financial services sector excels in integrity and personalisation, leading to higher Net Promoter Scores (NPS). This fosters better customer advocacy and reduces customer acquisition costs.</td>
</tr>
<tr>
<td>Travel</td>
<td>8.11</td>
<td>Integrity 8.15</td>
<td>Empathy 8.04</td>
<td>The travel sector received low score in the empathy pillar, indicating persistent challenges in the quality of customer communication and query handling.</td>
</tr>
<tr>
<td>Telecom</td>
<td>8.10</td>
<td>Integrity 8.23</td>
<td>Empathy 7.92</td>
<td>The telecom sector showcases low subscriber loyalty due to inconsistent network quality across circles from a single operator, lack of personalised customer support and the ease of mobile number portability (MNP) process. The availability of similar plans/packages and freemium models across operators are the other factors.</td>
</tr>
<tr>
<td>Utility</td>
<td>8.07</td>
<td>Integrity 8.25</td>
<td>Empathy 7.94</td>
<td>The utilities sector, despite lagging in comparison to other sectors and the market average, receives high customer perception on the integrity pillar, possibly due to the trust placed in government-owned utility brands.</td>
</tr>
</tbody>
</table>

Scored highest on Loyalty – 8.47/10
Scored highest on NPS – 43/100
Scored average on most parameters
Scored lowest on Loyalty – 8.24/10
Scored lowest on perceived value – 7.85/10

Higher CEE scores correspond to higher NPS scores, emphasising the importance of customer experience in driving advocacy. Elevated CEE scores translate into reduced customer retention costs and increased potential for upsell revenue.

Brands with lower empathy scores are perceived to have lower value, hindering premiumisation unless improvements are made in the empathy pillar.
Movers and shakers of 2022

As organisations invest in meeting ever-rising customer expectations, it has been difficult to be distinctive. But some have managed to significantly improve their positions on our index. The brands with the highest jump in CEE ranking are our movers and shakers.

ICICI Prudential Life Insurance
Life insurance brand

**Time and Effort** – Leading pillar in 2022
- Introduced a Humanoid bot5 at various touchpoints in the customer journey to reduce time and effort for the customer, which enables personalised interactions with a human touch and allows customers to fulfill service requests through voice commands.

Kalyan Jewellers
Jewellery retail brand

**Personalisation** – Leading pillar in 2022
- Introduced My Kalyan, a hyperlocal strategy for grassroot customer outreach, which enables Kalyan Jewellers to be a neighborhood jeweller and engage with local communities face-to-face, showcase product catalogues and drive traffic to the nearest stores.6

HDFC Life
Life insurance brand

**Integrity** – Leading pillar in 2022
- Enabled senior citizens to submit digital life certificates effortlessly using vision AI capabilities7
- Developed an advanced voice-enabled chatbot that leverages natural language processing and supports multiple languages.8

Airtel
Telecom services brand

**Personalisation** – Leading pillar in 2022
- Launched the 'Airtel Thanks' program9 that - offers personalised rewards and benefits based on the customer’s usage patterns and preferences - allows consumers to access special offers on different leading OTT services.

Hotstar
Streaming services brand

**Integrity** – Leading pillar in 2022
- Hotstar led the viewership of Hindi language OTT originals in India in 2022 with 7 out of the top 15-most watched original shows, and a portfolio of 70 vernacular channels.10a
- Its focus on sports streaming through cricket, football, pro-kabaddi led to 29 per cent viewership in the OTT space, riding on AVOD model with low subscription fees, unlike SVOD models of other players.10b

Crossword
Book and stationary retail brand

**Integrity** – Leading pillar in 2022
- Prioritised books as a category to bring bibliophiles back to stores
- Books account for 65 per cent of the revenue now, up from about 55 per cent and aims to reach 70 per cent going ahead11
- Organised frequent book reading sessions with authors and interactive workshops for kids.

Note: Our findings are basis secondary research and interactions with key industry stakeholders, other companies in the same sector may also have implemented similar initiatives which may not have been captured.

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5. ICICI Prudential Life Launches AI-powered voice chatbot, Livemint, published on August 31, 2020
7. HDFC Life launches video life certificate facility for pensioners, The Economic Times, published on Nov 22, 2019
8. HDFC Life launches Google assistant bot for stay-at-home policy servicing, Livemint, published on Aug 13, 2020
9. Airtel rolls out new brand campaign around customer program #AirtelThanks, The Economic Times, published on May 9, 2019
10a. Streaming originals in India: The 2022 story, Ormax Media, published on Jan 11, 2023
10b. How Disney+ Hotstar came to rule the OTT Industry in India, Sparsa.com, published on Dec 09, 2022
11. Crossword plans to open more stores, formats and launch an app, The Financial Express, published on May 21, 2022
Sector: Financial services
Integrity is the leading pillar in the financial services sector

Financial services sector brands are finding ways to add value and create superior customer experiences (CX) through technology deployment, analysing customer data across touchpoints and focusing on digital commerce. These initiatives have impacted all six pillars of CX with integrity driving the CX while empathy still being an area where brands can improve.

### Leading pillar for the financial services sector

**Integrity**

Financial services in India maintain a high level of integrity in their operations by:
- Pre-issuance verification calling (PIVC) as a mandatory step before onboarding customers.
- Protecting customers from risks by implementing fraud prevention systems like KYC, two-factor authentication/multi-factor authentication, segregation of rights (maker/checker/approver).
- Video KYC to ensure customers understand the T&C and what they are buying into and to minimise the risk of mis-selling.
- Providing product and services disclosures to customers including product literature in regional language.
- Adhering to strict regulations.

### Lagging pillar for the financial services sector

**Empathy**

Empathy can drive better CX for the financial services sector. Brands can do this by:
- Proactively offering value-add services (like health camp) in difficult circumstances like pandemic, earthquakes, floods, etc.
- Organising financial literacy workshops (for tax management, succession management, insurance, pensions, etc.).
- Offering financial management guidance at the time of money inflows due to fixed deposit/mutual fund/policy maturity/surrender, etc.
- Providing procedural assistance to customers in need.
- Managing the quality of customer resolutions with a quicker turnaround on feedback.

### Comparative performance of brands on CEE metrics

<table>
<thead>
<tr>
<th>Brand</th>
<th>CEE score</th>
<th>Leading pillar</th>
<th>Score</th>
<th>Lagging pillar</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>ICICI Prudential</td>
<td>8.60</td>
<td>Time and Effort</td>
<td>8.70</td>
<td>Empathy</td>
<td>8.42</td>
</tr>
<tr>
<td>ICICI Lombard</td>
<td>8.48</td>
<td>Resolution</td>
<td>8.57</td>
<td>Empathy</td>
<td>8.29</td>
</tr>
<tr>
<td>Life Insurance Corporation</td>
<td>8.44</td>
<td>Integrity</td>
<td>8.67</td>
<td>Empathy</td>
<td>8.19</td>
</tr>
<tr>
<td>Max Life</td>
<td>8.41</td>
<td>Personalisation</td>
<td>8.49</td>
<td>Empathy</td>
<td>8.29</td>
</tr>
<tr>
<td>HDFC Life</td>
<td>8.39</td>
<td>Integrity</td>
<td>8.52</td>
<td>Empathy</td>
<td>8.31</td>
</tr>
<tr>
<td>ICICI Bank</td>
<td>8.38</td>
<td>Personalisation</td>
<td>8.50</td>
<td>Empathy</td>
<td>8.21</td>
</tr>
<tr>
<td>PhonePe</td>
<td>8.38</td>
<td>Integrity</td>
<td>8.46</td>
<td>Empathy</td>
<td>8.17</td>
</tr>
<tr>
<td>HDFC Bank</td>
<td>8.37</td>
<td>Integrity</td>
<td>8.44</td>
<td>Empathy</td>
<td>8.25</td>
</tr>
<tr>
<td>State Bank of India</td>
<td>8.34</td>
<td>Integrity</td>
<td>8.66</td>
<td>Empathy</td>
<td>8.08</td>
</tr>
<tr>
<td>Standard Chartered</td>
<td>8.32</td>
<td>Integrity</td>
<td>8.57</td>
<td>Empathy</td>
<td>8.15</td>
</tr>
</tbody>
</table>

The financial services sector excels in integrity and personalisation, leading to a higher Net Promoter Scores (NPS). This fosters better customer advocacy and reduces customer acquisition costs. Another reflection is in the perceived value being offered by the brand. Most Indian consumers being financially prudent will always prefer a trusting entity to handle their money. They are often likely to stick to the brand in case of satisfactory experience.

### NPS Score

**43/100**

Highest among sectors

### Loyalty Score

**8.39/10**

4th best sector

### Value Score

**8.18/10**

Best performing sector

**Legends**

- NPS measures the likelihood of a customer recommending the brand and is calculated as the difference between promoters and detractors.
- Loyalty score is the likelihood of continuing to buy goods/services from the brand.
- Value score is extent to which a brand offers good prices/rates.

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Leaders in the financial services sector are driving intentional customer experiences across the six pillars

With an aim to provide elevated customer experience, financial services organisations focus on making their processes easy and convenient, providing clear information about products/services and offering responsive customer services. Personalisation and automation are also becoming increasingly important to improve customer experience and increase efficiency in serving customers. As businesses in the financial services sector are improving their customer experience, the sector has seen the highest improvement in the CEE metric score (rising 6.5 per cent over the 2018 score) amongst sectors surveyed.

Examples of sector leading practices

**Personalisation**
ICICI Prudential developed the ability to leverage data and information available from past service interactions with customers and employ intelligence to create personalised solutions.

**Time and Effort**
Max Life introduced artificial intelligence/machine learning initiatives for auto underwriting of policies, thus reducing the issuance turnaround time for customers.

**Expectation**
HDFC Life educated consumers on the critical role of life insurance in securing their financial future via its campaign #InsureKareinBinaDelay, which reminds consumers a day before the premium due date.

**Integrity**
Life Insurance Corporation implemented Front-end Application Package (FEAP) which enabled policyholders to receive policy status reports, revival quotations, loan quotations, payment of premiums, etc.

**Resolution**
PhonePe designed support journeys and workflows for customers on a digital bot platform that automates the resolution process. Over 80 per cent of support queries are automated.

**Empathy**
HDFC Bank launched the "HDFC Bank Cares" program to empower employees to prioritise their own well-being, fostering a team that is emotionally invested.

Note: Our findings are basis secondary research and interactions with key industry stakeholders, other companies in the same sector may also have implemented similar initiatives which may not have been captured.
Make it happen - drive connected operations to deliver exceptional value

Evolution of a customers' journey with a Financial Services brand

Base
- Deliver consistent brand promise
- Develop 360-degree view of the customer
- Focus on customer reach across popular channels
- Enable online interactions using digital tools
- Integrate operations across the front, middle, and back offices
- Partner with like-minded organisations

Competitive
- Design product / features using real-time data on market trends
- Integrate customer data across internal systems
- Adopt best practices in channel experience
- Transparent service terms and fees
- Focus on customer reach across unique/niche channels
- Enable cross-functional communication using digital tools
- Digitise operations across the front, middle, and back offices
- Partner across the broader financial services industry

Experiential
- Design product / features backed by AI
- Connect Cloud-based marketing platforms to cloud-based CRM
- Drive personalised interactions via AI/ML and channel experience
- Usage of end-to-end digital services
- Drive spend tracking to prioritise offerings via analytics
- Simplify and unify the organisation’s CX objectives
- Workflow automation across the front, middle and back office
- Cross-industry partnerships to drive the value story throughout the customer journey

Phase 1
- Customer awareness and engagement
- Revenues grow as customers’ ‘connect with the brand becomes a habit

Phase 2
- Customer acquisition
- Value delivery functions
- Value delivery functions

Phase 3
- Customer retention and upsell
- Back-end support functions

Connected journeys across internal functions and customer touchpoints, have become the competitive battleground

Source: KPMG Connected Enterprise Future of Sector publications
Sector: Retail
The retail sector is making the customer journey more convenient by providing online shopping options, even for high-ticket items like jewellery. With features like personalised discounts, multiple delivery and payment options, AI-powered virtual try-on options and easier return policies, the customer is enjoying the process more than the product itself. Based on the CEE survey, retail sector brands have managed to score high on integrity while empathy pillar still needs further improvements. Providing a good customer experience requires enterprise-wide empathy, which entails identifying with and understanding the customer’s situation, feelings and motives. Improving on the empathy pillar can help organisations humanise customer experience.

The retail sector in India maintains a high level of integrity in its operations by:

- being transparent about pricing, T&C, etc.
- treating customers equally regardless of order history and payment methods, etc.

Empathy can drive better CX for the retail sector. Brands can do this by:

- actively responding to customer feedback
- training employees to exhibit empathy during customer interactions
- offering a convenient return and replacement service

<table>
<thead>
<tr>
<th>Brand</th>
<th>CEE score</th>
<th>Leading pillar</th>
<th>Score</th>
<th>Lagging pillar</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tanishq</td>
<td>8.84</td>
<td>Integrity</td>
<td>9.00</td>
<td>Resolution</td>
<td>8.82</td>
</tr>
<tr>
<td>Leading footwear brand</td>
<td>8.67</td>
<td>Expectation</td>
<td>8.77</td>
<td>Empathy</td>
<td>8.51</td>
</tr>
<tr>
<td>Leading E-commerce platform</td>
<td>8.67</td>
<td>Integrity</td>
<td>8.75</td>
<td>Empathy</td>
<td>8.45</td>
</tr>
<tr>
<td>Malabar Gold</td>
<td>8.63</td>
<td>Integrity</td>
<td>8.79</td>
<td>Empathy</td>
<td>8.43</td>
</tr>
<tr>
<td>Nike</td>
<td>8.62</td>
<td>Integrity</td>
<td>8.82</td>
<td>Empathy</td>
<td>8.40</td>
</tr>
<tr>
<td>Kalyan Jewellers</td>
<td>8.60</td>
<td>Personalisation</td>
<td>8.66</td>
<td>Empathy</td>
<td>8.47</td>
</tr>
<tr>
<td>Titan Eyeplus</td>
<td>8.59</td>
<td>Personalisation</td>
<td>8.67</td>
<td>Expectation</td>
<td>8.48</td>
</tr>
<tr>
<td>Skechers</td>
<td>8.58</td>
<td>Integrity</td>
<td>8.66</td>
<td>Empathy</td>
<td>8.36</td>
</tr>
<tr>
<td>Puma</td>
<td>8.57</td>
<td>Expectation</td>
<td>8.68</td>
<td>Empathy</td>
<td>8.41</td>
</tr>
<tr>
<td>Senco</td>
<td>8.57</td>
<td>Expectation</td>
<td>8.70</td>
<td>Empathy</td>
<td>8.45</td>
</tr>
</tbody>
</table>

The retail sector demonstrates strong loyalty scores, indicating low customer churn, higher retention and a willingness to pay more due to perceived value. Customer effort is a strong predictor of loyalty. The less effort it takes to be a customer, the more loyal we become. Incidentally, time and effort is the second leading pillar for the retail sector, pointing to high customer loyalty, since most of the purchases happen through e-commerce marketplaces, the buying experience is mostly similar across brands. Differentiation is primarily based on product quality and design, which comes into play under the integrity and expectation pillars.

<table>
<thead>
<tr>
<th>NPS score</th>
<th>Loyalty score</th>
<th>Value score</th>
</tr>
</thead>
<tbody>
<tr>
<td>40/100</td>
<td>8.45/10</td>
<td>8.09/10</td>
</tr>
<tr>
<td>2nd best sector with 53 per cent of promoters</td>
<td>Highest loyalty score</td>
<td>2nd best performing sector</td>
</tr>
</tbody>
</table>
Leaders in the retail sector are driving intentional customer experiences across the six pillars

The retail sector relies heavily on providing a good customer experience, which includes creating an inviting store environment, offering a wide variety of products, having a knowledgeable and friendly staff and providing easy and convenient ways for customers to shop, both in-store and online. Personalisation and seamless experiences across channels are key focus areas for organisations in this sector.

![Sector scores on six pillars](chart.png)

### Examples of sector leading practices

**Personalisation**
- Leading footwear brand designed a mobile app, powered by artificial intelligence, to personalise the shopping experience, which understands user preferences using a new and improved wish list, live chat and augmented reality try-on

**Time and Effort**
- Zara provided ultimate omnichannel experience on the app with features like scanning items in-store to check availability, size and color; facility to book trial rooms; and in-store guide to locating items

**Expectation**
- Kalyan Jewellers enabled customer outreach and service network called 'My Kalyan' to direct marketing efforts locally and promote the brand, showcase product catalog and drive traffic to the nearest showrooms

**Integrity**
- Tanishq introduced a digital initiative called “Enhance trust with tech” to showcase integrity in sourcing Gold and Diamond by doing end-to-end traceability, meeting compliances, quality screening and certification requirements

**Resolution**
- Leading E-commerce platform took customer service to social platforms, e.g., monitoring its social media handle seven days a week in multiple languages, thus furthering its customer-centric approach

**Empathy**
- H&M introduced a collection called “Conscious”, which was made from fibres derived from food waste, wood pulp and recycled metals and textiles, encouraging customers to “wear the waste”
Make it happen - drive connected operations to deliver exceptional value

Evolution of a customers' journey with a Retail brand

**Base**
- Predict customer behaviour using data analytics
- Develop customer-friendly user interface
- Deliver consistent interaction across touchpoints
- Perform highly reliable order fulfillment operations
- Adopt digital best practices

**Competitive**
- Design data-driven customer engagement and conversation
- Deliver omni-channel purchase experience
- Provide flexibility to pick and choose a purchase journey
- Integrate multiple ecosystems seamlessly to drive transaction volume and revenues
- Incorporate real-time operations visibility
- Shift from legacy to cloud systems
- Align future alliances with complementary technology leaders

**Experiential**
- Design AI/ML-based personalised offerings to drive customer lifetime value
- Engineer diminished boundaries between online/offline experience
- Provide flexibility to create own purchase journey
- Consistent customer connect across the lifestyle ecosystem through ‘super app’
- Switch dull processes to intuitive delights through automation
- Make real-time operational visibility public to build integrity
- Extend CX infrastructure into employee experience
- Maintain process hygiene and avoid dilution of CX using back-end digital tools
- Introduce ecosystem partners to design new journey tools compatible with customer expectations

Connected journeys across internal functions and customer touchpoints, have become the competitive battleground

**Phase 1**
- Customer facing functions

**Phase 2**
- Value delivery functions

**Phase 3**
- Back-end support functions

**Source:** KPMG Connected Enterprise Future of Sector publications
Sector: Telecom
The telecom industry in India is actively enhancing the customer experience on the backbone of 360-degree customer insights built on data analytics. To reach closer to their subscribers, they have introduced innovative self-service options, enabling customers to manage their accounts, make payments and resolve common queries independently. A full view of subscriber behaviour, has helped them in offering personalised plans and services tailored to specific subscriber personas. Moreover, they are further investing in automation and digitalisation to offer faster and more efficient customer support.

The telecom sector currently exhibits a moderate level of customer advocacy. Subscriber loyalty remains low due to inconsistent network quality across circles from a single operator, lack of personalised customer support and the ease of mobile number portability (MNP) process. Customers perceive less value for price in this sector, primarily due to the availability of unlimited data packs and freemium models, which can diminish the perceived worth of the services provided when compared to other industries.

### Comparative performance of brands on CEE metrics

<table>
<thead>
<tr>
<th>Brand</th>
<th>CEE score</th>
<th>Leading pillar</th>
<th>Score</th>
<th>Lagging pillar</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airtel</td>
<td>8.23</td>
<td>Integrity</td>
<td>9.00</td>
<td>Resolution</td>
<td>8.09</td>
</tr>
<tr>
<td>Jio</td>
<td>8.23</td>
<td>Expectation</td>
<td>8.77</td>
<td>Empathy</td>
<td>8.03</td>
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<tr>
<td>Vi</td>
<td>7.83</td>
<td>Integrity</td>
<td>8.75</td>
<td>Empathy</td>
<td>7.64</td>
</tr>
</tbody>
</table>

The telecom sector can enhance customer experience (CX) by embracing empathy as a driving force through:
- improving customer service channels to provide prompt and personalised assistance
- proactively communicating service disruptions or changes to minimise customer inconvenience

Integrity is the leading pillar in the telecom sector

The telecom sector upholds a strong commitment to integrity in its operations by:
- ensuring compliance with regulatory requirements
- implementing stringent data privacy and security measures to protect customer information
- transparency in rating and billing of services

The telecom sector currently exhibits a moderate level of customer advocacy. Subscriber loyalty remains low due to inconsistent network quality across circles from a single operator, lack of personalised customer support and the ease of mobile number portability (MNP) process. Customers perceive less value for price in this sector, primarily due to the availability of unlimited data packs and freemium models, which can diminish the perceived worth of the services provided when compared to other industries.
Leaders in the telecom sector are driving intentional customer experiences across the six pillars

The telecom sector demonstrated commendable performance in meeting customer expectations, scoring the highest among all pillars. However, the resolution pillar showed the lowest improvement, indicating ongoing challenges for customers in getting their queries resolved. Interestingly, customers found the most satisfaction through the telecom sector’s social media channels.

Examples of sector leading practices

- **Personalisation**: Airtel offers personalised rewards and benefits to its customers based on usage patterns and preferences, including special offers on OTT platform services as per subscription plans.24

- **Time and Effort**: Vodafone Idea launched “self-KYC” for automating customer onboarding from the ease of their homes with SIMs delivered to their doorsteps, resulting in a 20 per cent reduction in KYC drop-offs.25

- **Expectation**: Jio enabled customer access to cross-lifestyle Jio services through a super-app built on Jio Platforms, and a penetration pricing strategy, becoming one of India’s first self-service apps to reach 100 million app downloads on Google Playstore. Currently, as on 31 August 2023, this app has more than 500 million downloads on Google Playstore.26

- **Integrity**: Airtel showcased network strength and coverage by making their network information public. It shows areas of strong coverage and spots where they are working to improve.27

- **Resolution**: Airtel collaborated with leading OEM to double the amount of automation in its network; fully automated 69 per cent of alarms; and reduced mean time to repair (MTTR) by 29 per cent and network unavailability by 47 per cent.28

- **Empathy**: Jio compensated the users in Madhya Pradesh and Chhattisgarh region with complimentary 2-day unlimited plans as some of the customers faced service disruption for more than 4 hours in 2021.29

Note: Our findings are based on secondary research and interactions with key industry stakeholders, other companies in the same sector may also have implemented similar initiatives which may not have been captured.
Make it happen - drive connected operations to deliver exceptional value

Evolution of a customers' journey with a Telecom brand

- Perform micro-segmentation for targeted operations
- Drive usage during opportunity pockets
- Manage experience level across service offerings
- Secure API-based framework for partners for localised service offerings

- Develop rapid customer onboarding and self-service using robust digital services
- Trigger additional / repeat purchases using digital experiences
- Develop CX-centric operational/ecosystem capabilities
- Shift from fixed contract to bucket/time-limited and flexible pricing
- Enable touch-less automated middle and back office operations to drive consistent quality and focus on personalised front office operations
- Focus on people strategy centered around managed services
- Adopt latest network technology
- Integrate operational services with existing partner offerings for efficient solution delivery

- Organise customer advisory boards to maintain client led innovation in the latest solution offerings
- Apply human centric design to digital front ends
- Translate B2C experiences for enterprise customers
- Tailor interactions across the tech ecosystem through ‘super app’
- Develop operational capabilities to support Anything as a Service (XaaS) model and act as a “sector of sectors”
- Build flexible and adaptive workforce for an agile launch of services
- Implement technology architecture to deliver on disruptive business and financial models
- Drive adjacent-sector partnerships in health, insurance, logistics, banking, manufacturing to monetise data and build new revenue streams
- Build customer data platforms equipped with analytical models for targeted cross-sell/up-sell campaigns

Connected journeys across internal functions and customer touchpoints, have become the competitive battleground

Source: KPMG Connected Enterprise Future of Sector publications
Sector: Travel
Integrity is the leading pillar in the travel sector

The travel sector, particularly airlines, is implementing various measures to make the customer journey more convenient. They offer user-friendly and intuitive website and mobile applications, enabling customers to easily search, select and book flights. Additionally, they offer web check-in options, allowing passengers to skip long queues at the airport. Moreover, airlines provide real-time flight status updates and notifications through multiple channels, keeping customers informed about any changes or delays. These initiatives collectively contribute to a more convenient and hassle-free customer journey in the travel industry.

Leading pillar for the travel sector

- The travel sector in India maintains a high level of integrity in its operations by:
  - adhering strictly to the safety regulations and protocols to ensure the well-being of customers
  - providing transparent and accurate information regarding flight schedules, policies, promoting trust and accountability

Lagging pillar for the travel sector

- Empathy can drive better CX for the travel (airlines) sector. Brands can do this by:
  - actively responding to customer feedback
  - emphasising empathy in the training programs to provide compassionate service
  - proactively communicating service disruptions or changes to minimise inconvenience to customers

Comparative performance of brands on CEE metrics

<table>
<thead>
<tr>
<th>Brand</th>
<th>CEE score</th>
<th>Leading pillar</th>
<th>Score</th>
<th>Lagging pillar</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vistara</td>
<td>8.67</td>
<td>Time and Effort</td>
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<td>Resolution</td>
<td>8.56</td>
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<td>IndiGo</td>
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<td>Integrity</td>
<td>8.31</td>
<td>Empathy</td>
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<td>Air India</td>
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<td>Integrity</td>
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<td>Resolution</td>
<td>7.71</td>
<td>Empathy</td>
<td>7.71</td>
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</tbody>
</table>

The travel sector received the lowest score in the empathy pillar, indicating persistent challenges in the quality of customer communication and query handling. The industry also has one of the lowest scores in perceived value. Travel has become increasingly expensive, resulting in low customer tolerance for bad experiences. Nevertheless, the sector has a high loyalty score, which was not possibly derived from good experiences but from the brand offering one of the least bad experiences.

NPS score

41/100
63 per cent promoters

Loyalty score

8.43/10
One of the highest loyalty score

Value score

8.09/10
Laggard in value score
Leaders in the travel sector are driving intentional customer experiences across the six pillars

The travel sector showcased impressive performance, securing the highest score in the integrity pillar, reflecting the widespread trust customers have in travel players. However, it received the lowest score in the empathy pillar, indicating persistent challenges in query resolution and issue resolution for travel (airlines) organisations. Surprisingly, despite limited usage, customers expressed the highest satisfaction with the social media channel. It is noteworthy that customers still preferred face-to-face and direct channels over web channels to engage with the brands, signaling their inclination towards more personal interactions.

Examples of sector leading practices

| Personalisation | Vistara offered personalised benefits under the loyalty program, “Club Vistara”, including priority services, lounge access, bonus points, exclusive offers and communications on travel preferences.  
| Time and Effort | Indigo implemented self-service kiosks at various airports, enabling passengers to check-in, select seats, print boarding passes and drop off their baggage without waiting in long queues (ground staff encourage self-service kiosk usage).
| Expectation | Akasa Air brought a pet-friendly policy for its travelers, allowing them to bring in their domesticated dogs and cats on their flights.
| Integrity | Air India introduced “FogCare” initiative to eliminate the impact of flight disruptions due to fog by offering affected passengers easy options to reschedule or cancel their impacted flight at no extra cost.
| Resolution | Indigo launched its mobile application to allow customers to manage bookings, make changes and seek changes conveniently. Also integrated its chatbot Dottie into the mobile app.
| Empathy | Emirates introduced “Fly with me” collection where they give plush toys with printed activity blankets to kids to keep them busy on their long-haul flights.

Note: Our findings are based on secondary research and interactions with key industry stakeholders, other companies in the same sector may also have implemented similar initiatives which may not have been captured.

30. About Club Vistara, Airvistara.com, accessed on Jan 2023
31. Akasa Air to allow passengers to bring pets onboard, The Hindu, Jagriti Chandra, published on Oct 2022
32. Air India launches ‘FogCare’, flyers allowed to reschedule, cancel flights impacted by fog, India Today, Poulomi Saha, published on Dec 2022
33. Indigo annual report FY 21-22. accessed on Jan 2023
34. Kids ‘fly better’ with Emirates new range of collectible toys and bags, Emirates, published on Mar 2023

*Please note that Akasa Air and Emirates were not a part of the brands surveyed for CEE 2022.
Make it happen - drive connected operations to deliver exceptional value

Evolution of a customers' journey with a Travel brand

- Implement real-time communication across channels
- Modify offerings seasonally / as per opportunity
- Design online vs in-person interactions optimisation across the customer journey
- Digitise processes to repurpose, retrain and redirect resource
- Create consistent customer views across cross-functional teams
- Skill/train to convert employee interactions into a delight element
- Partner with complementary service providers for a wider customer reach

**Experiential**

- Implement pre-emptive communications across channels
- Design live ecosystem interactions along the customer journey
- Create data-driven formulation of own as well as ecosystem partner offerings
- Tailor post-purchase experiences basis customer data
- Create CX evaluation framework across cross-functional teams
- Develop workforce as the competitive advantage
- Perform channel partner assessment to designate decision points, revenue points and capability points

**Base**

- Simplify customer interaction across touchpoints
- Create efficient operations delivering on the brand promise
- Develop workforce expertise on the subject matter
- Allow customer access to the partner ecosystem as part of the loyalty programme

**Competitive**

- Revenues grow as customers' connect with the brand becomes a habit
- Customer acquisition
- Customer retention and upsell
- Customer awareness and engagement

Connected journeys across internal functions and customer touchpoints, have become the competitive battleground

**Phase 1**

**Phase 2**

**Phase 3**

- Customer facing functions
- Value delivery functions
- Back-end support functions

Source: KPMG Connected Enterprise Future of Sector publications
Sector: Utility
Utility companies are making the customer journey more convenient through various initiatives. Firstly, they are implementing self-service options such as online portals and mobile applications, enabling customers to manage their accounts, make payments and access important information conveniently. Secondly, utility companies are enhancing communication channels by providing proactive updates and notifications about service disruptions, billing and energy usage. Additionally, they are investing in advanced metering technologies that offer real-time data and enable accurate readings without customer intervention.

The utility sector in India maintains a high level of integrity in its operations by:
- being transparent about pricing, terms & conditions, etc.
- treating customers equally
- having customers view utility companies as partly or fully controlled by the government, thus propelling trust amongst its customers

Empathy can drive better CX for the utility sector. Brands can do this by:
- listening to customer feedback
- training employees to exhibit empathy toward customers
- proactively communicating service disruptions or changes to minimise customer inconvenience

<table>
<thead>
<tr>
<th>Brand</th>
<th>CEE score</th>
<th>Leading pillar</th>
<th>Score</th>
<th>Lagging pillar</th>
<th>Score</th>
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<tbody>
<tr>
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<td>Tata Power Delhi Distribution Ltd.</td>
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<td>Integrity</td>
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<td>Empathy</td>
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The utility sector, despite lagging in comparison to other sectors and the market average, receives high customer perception on the integrity pillar, possibly due to the trust placed in government-owned utility brands.

Lagging pillar for the utility sector

Comparative performance of brands on CEE metrics

The utility sector, despite lagging in comparison to other sectors and the market average, receives high customer perception on the integrity pillar, possibly due to the trust placed in government-owned utility brands.

NPS score

<table>
<thead>
<tr>
<th>Score</th>
<th>Laggard in NPS score</th>
</tr>
</thead>
<tbody>
<tr>
<td>34/100</td>
<td></td>
</tr>
</tbody>
</table>

Loyalty score

<table>
<thead>
<tr>
<th>Score</th>
<th>2nd highest loyalty score</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.39/10</td>
<td></td>
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</tbody>
</table>

Value score

<table>
<thead>
<tr>
<th>Score</th>
<th>Laggard in value score</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.85/10</td>
<td></td>
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</tbody>
</table>
Leaders in the utility sector are driving intentional customer experiences across the six pillars

The utility sector displayed notable performance. It achieved the highest score across the integrity pillar, indicating that utility players are widely perceived as trustworthy and able to inspire trust. However, the sector scored the lowest in the empathy pillar, highlighting ongoing challenges in resolving customer queries and problems with utility companies. Interestingly, customer satisfaction was the highest with the social media channel, despite its limited usage. Most customers still preferred face-to-face or web channels to engage with utility brands.

### Sector scores on six pillars

<table>
<thead>
<tr>
<th></th>
<th>Industry Laggards</th>
<th>Industry Average</th>
<th>Industry Leaders</th>
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<tbody>
<tr>
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<td>Empathy</td>
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<td>8.18</td>
<td>8.37</td>
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</tbody>
</table>

Note: Our findings are basis secondary research and interactions with key industry stakeholders, other companies in the same sector may also have implemented similar initiatives which may not have been captured.

35. Loyalty programmes, Indian Oil Corp Ltd., accessed on Jan 2023
36. Indian Oil’s robust digital technology aids seamless operations in lockdown, Press Information Bureau, published on May 2020
37. Customer centricity, Tata Power, accessed on Jan 2023
38. Hindustan Petroleum Corporation Limited Annual Report FY 22-23 accessed on July 2023
Make it happen - drive connected operations to deliver exceptional value

Evolution of a customers' journey with a Utility brand

- Deliver consistent services
- Standardise interactions with the brand across all channels
- Maintain transparency in billing and transactions

• Switch from an on-ground community to an online community
• Develop 24x7 communication channel for the customers
• Refocus workforce on improving customer engagement and experience
• Partner into parallel sectors enabling customer access

- Simplify and automate customer communication
- Promote self-service channels through digitised operations
- Create customer experience parallel to a consumer markets brand
- Invest in digital tools to support customer-focused communication
- Reskill the workforce to help increase organisational “clock speed”

Connected journeys across internal functions and customer touchpoints, have become the competitive battleground

Source: KPMG Connected Enterprise Future of Sector publications
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**Global Report**
Orchestrating the connected customer experience - KPMG Global

**CEE and 6 Pillars**
Orchestrating the connected customer experience - KPMG Global
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