

Using technology to fight customer volatility - Accenture

By [De Wet Bisschoff](#), issued by [Stone](#)

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Customer volatility is the unpredictable or unsteady nature of customer behaviour. And conventional wisdom suggests this is a trend on an upwards trajectory amid heightened economic uncertainty the world over.

In this hyper-volatile environment, customers are now quick to switch brands or products, or even switch between different channels when making a purchase. This poses a new set of a challenge for businesses - many of whom are in survival mode - as they must be able to identify and respond to customer needs quickly and effectively in order to keep their base growing.

So how do you respond? Businesses should first have a clear idea as to why customer volatility exists in their market. Factors such as economic conditions, changes in technology, and customer expectations are all contributing factors. For a particular organisation, it may be one or all of these.

In the case of technology development, huge progress has made it easier for customers to compare prices and products, making them more likely to switch brands or channels. Additionally, changes in economic conditions make customers more likely to shop around for the best deal.

So, having identified the root causes of customer volatility, businesses must then devise strategies to combat it.

A key part of this is understanding the new complexities of changing customer behaviour, and the need for real-time monitoring to identify changes or trends that could indicate potential customer volatility.

The frightening reality is that these changes can happen quickly and often without warning, unless intelligence gathering mechanisms are in place.

These can involve tracking customers across different channels, including social media, email, or even in-store. Additionally, businesses should pay closer attention to customer feedback, as this can provide valuable insights into needs and expectations.

Once businesses have a good understanding of behaviour, they can start to develop strategies to address customer volatility. The key leveraging strategy is to focus on experience. It is the new currency of doing business. By providing a

positive customer experience, businesses can ensure base remains loyal, even in a volatile environment.

The only way that any organisation is going to get this right is through the use of optimum technology. In the current modern idiom AI-driven customer segmentation to identify and target potential customer groups will offer a new competitive advantage. While social media platforms to engage with customers and increase brand awareness are now ubiquitous, many organisations fail to have a coherent data interpretation and analytics process in place. Frankly you're dead in the water if you are not in a constant cycle of interpretation and adjustment.

Loyalty programmes are nothing new but targeted technology that offers real-time recognition and rewards will help smooth out the volatility and uncertainty curve. The trick here is to recognise need and nuance in a customer and have the ability to act instantaneously. Learn to pivot quickly.

Marketing automation tools are software platforms that automate and streamline marketing activities and processes, such as email campaigns, social media management, content marketing, customer segmentation and lead scoring. They are designed to help marketers save time and effort, while allowing them to deliver more targeted, personalised, and effective marketing messages. This is another useful tool in the effort to manage customer volatility, providing businesses with a streamlined and efficient way to execute a wide range of marketing tasks, allowing marketers to focus on more strategic work.

Automation tools can also help businesses target specific audiences more effectively and can also help businesses track the results of their campaigns more easily, providing valuable insight into which strategies are working and which need to be improved.

The new contract between companies and customers is now fully contingent on personalised experience and important because they create an emotional connection between customers and brands. By providing tailored content and services to customers, brands can build trust and loyalty, which can lead to increased customer satisfaction and increased sales. Personalised experiences also make it easier for customers to find what they need and help to differentiate a brand from its competitors, which is key to ensuring customer engagement and loyalty.

There is no question in my mind that volatility in the modern marketplace will only increase, the noise will get louder and customer demand and expectation multiply exponentially. The key to addressing this, is effective use of technology. The tough part is to find the right fit for the right business.

ABOUT THE AUTHOR

De Wet Bisschoff is director of operations and sales at Accenture in Africa.

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