

Editorial: *Reflecting on Spreading Positivity, Developing Authentic Relationships, Balancing the Human Touch and AI, Thinking in Systems and Considering Drivers of Growth*



A well-known economist, consultant and on two occasions TEDx speaker (Liran, 2024) underlined the importance of spreading positivity, the respect and success being critical in shaping perceptions, behaviors and understanding, everything being shaped by culture. The President and CEO of Vodafone US Inc. (Joosten, 2024) brought to our attention the urgent need of having a correct perception of customer trust, so as to ensure the alignment of businesses' actions with customer expectations, encouraging the development of authentic relationships. The Head of Research & Insight at Acxiom (Dennis, 2024) showed that customer experience (CX) transformation driven by artificial intelligence (AI) fast advance requires a better understanding of what is happening at the intersection of people and technology, carefully balancing the human touch and AI. While beyond the valorisation of AI technology benefits, it is also important to pay attention to the new challenges introduced by the AI-enabled volatility, uncertainty, complexity, and ambiguity (VUCA), consequently addressing them during AI integration into companies' decision-making processes (Bennett, Lemoine and Molnár, 2024).

To reinforce companies' transformation leaders need to develop a good knowledge of their organisations' functioning as a system, and think in systems, as well as overcoming inertia by making from the new behavior a norm, adapting to emerging environment accordingly (Gupta, 2024). Also, they need to have both a to-do list (keeping them on track), and a to be list (keeping them within the process of behavior change towards the new wanted norm), proving this way leaders' core character traits, while building connections and trust (Maor et al., 2024).

The reputed CX consultant Lynn Hunsaker (2024) recently demonstrated how all companies' growth strategies are shaped by company-wide cost decisions (affecting relationship strength and duration, revenue, and lifetime value) which reflect what both customers, and investors (focused on gaining profit) experience within their relationship with a company, both future relationship duration and revenue depending of the well working together of wisest cost decisions and customer relationship strength. She recommended companies to consider three drivers of growth (delivering your value proposition, customers' changes, and preventable issues) – as shown in figure below – maximizing growth by preventing issues, valorizing opportunities for differentiation and preference, and making opportunities available to be used.

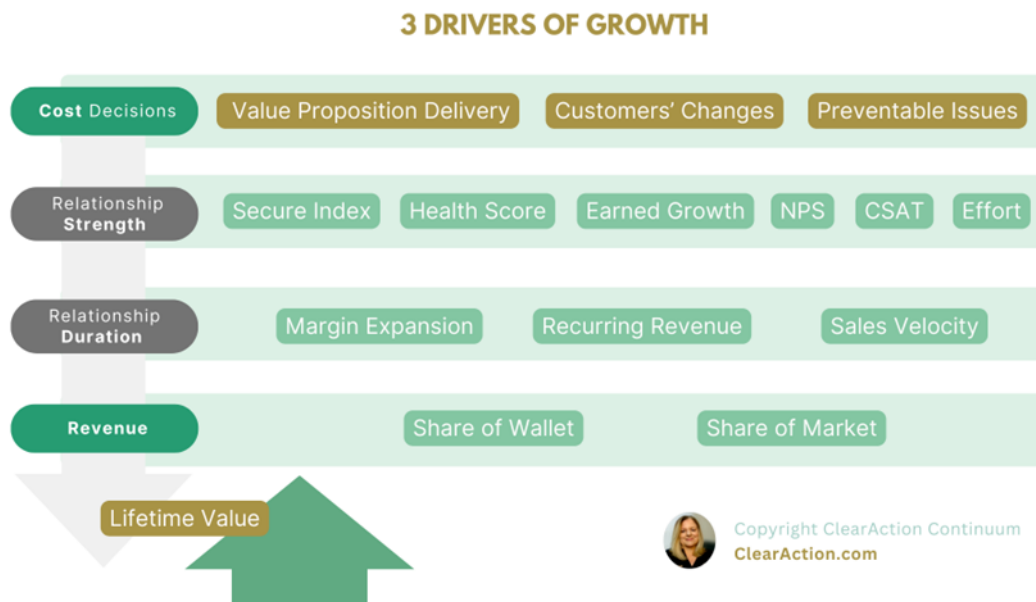


Figure no. 1: 3 Drivers of Growth

Source: Hunsaker, L., 2024. 3 Surprising Growth Drivers: Rethinking Costs, CustomerThink, December 4 (work cited)

As it is always challenging to discuss matters of common concern, retention marketers were very interested to rediscover, going deeper, how critical is the collaboration (working effectively) between CX teams and retention, on the special occasion of the inaugural Retention Uncensored event organized by the leading e-commerce retention marketing platform Yotpo at Slate NY (Anderson, 2024). Within this framework, it was underlined, for example, how retention strategies can be refined by managing to use customer feedback (ensuring pain points identification) in a way that brings good results, new opportunities not only for upselling, but also for re-engagement and loyalty being opened.

Of course, beyond businesses' essential part of acquiring customers (activating them), having recurring customers (buying consistently from a business) is a continuous challenging

task being in the center of the businesses' customer engagement strategy, their viability and long-term success depending on improved retention (Braze, 2024). And in order to improve user retention, it is important to consider the recommendations coming from a leading customer engagement platform like Braze, as shown in figure below.



Figure no. 2: 3 Drivers of Growth

Source: Braze, 2024. *Retention in Action: Creating lasting and lucrative connections with customers*, Braze, November 18, 2024, p. 09 (work cited)

In our last HMM issue (Purcarea, 2024) we brought to our readers' attention, among other aspects, BCG experts' reference made regarding value creation informed in the end by reflection (Torres et al., 2024), and what Ali et al. (2024) said concerning the need of a culture of innovation and improvement.

Allow us to end by remembering what the customer data platform (CDP) Twilio Segment (known as combining Twilio's scalable and reliable communication APIs with Segment's best-in-class customer data infrastructure) highlighted last year (Twilio Segment, 2023): *"Customer retention is the lifeblood of any modern business. And a resilient business, with reliable revenue streams, is especially important in economic climates such as this... The sad reality is that few businesses have the right data and technology to implement retention strategies at scale... now is the time to build a cohesive strategy for customer retention. It helps to break retention down into three stages. **Early-stage retention** focuses on getting new customers to stick around. **Middle-stage retention** focuses on keeping customers who've stayed with you past the onboarding*

period and have made a repeat purchase. **Late-stage retention** focuses on increasing the longevity and loyalty of your customers.”

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