



Forrester: Companies Will Thrive And Fail In The Age Of the Customer In 2016

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CAMBRIDGE, Mass.--(BUSINESS WIRE)--Oct. 21, 2015-- 2016 will prove to be the most consequential year for companies adapting to digitally-savvy, empowered customers, according to Forrester. Forrester identified the top 10 critical success factors that will determine if companies thrive or fail in the age of the customer in an introductory piece to its 2016 predictions reports.

"Businesses have a lot at stake in 2016. Empowered customers are changing the market fundamentals for virtually every industry, forcing companies to reinvent their strategy and operations," said Cliff Condon, Chief Research And Product Officer at Forrester. "We are approaching a fork in the road where companies can either make the hard changes to dramatically improve their chances to win in the market or preserve old models and defer transforming their operations at the risk of failure."

The top 10 critical success factors that will determine who wins and who fails in the age of the customer are:

1. *Personalizing the customer experience (CX)*: Customers will reward companies that anticipate their individual needs and punish those that have to relearn basic information at each touchpoint.
2. *Implementing multidiscipline CX strategies*: Companies that transform operations to deliver high-value, personalized experiences will drive a wedge between themselves and laggards just executing CX tactics.
3. *Disrupting leadership*: CEOs will need to consider significant changes to their leadership teams to win a customer-led, digital market; CEOs that hang on to leadership structures to simply preserve current power structures will create unnecessary risk.
4. *Connecting culture to business success*: Those that invest in culture to fuel change will gain significant speed in the market; those that avoid or defer culture investments will lose ground in the market.
5. *Operating at the speed of disruptors*: Leaders accept that disruption is now normal and will animate their scale, brand, and data while operating at the speed of disruptors; laggards will continue to be surprised and play defense in the market.
6. *Evolving loyalty programs*: Companies that find ways for customers to participate with their brand and in product design will experience new and powerful levels of affinity; companies that try to optimize existing loyalty programs will see little impact to affinity or revenue.
7. *Converting analytics to customer value*: Leaders will use analytics as a competitive asset to deliver personalized services across human and digital touchpoints; laggards will drown in big data.
8. *Mastering digital*: Companies that become experts in digital will further differentiate themselves from those that dabble in a set of digital services that merely decorate their traditional business.
9. *Elevating privacy as a differentiator*: Leaders will extend privacy from a risk and legal consideration to a position to win customers; companies that relegate privacy as a niche consideration will play defense and face churn risk.
10. *Putting in place a customer-obsessed operating model*: Companies that shift to customer-obsessed operations will gain sustainable differentiation; those that preserve old ways of doing business will begin the slow process of failing.

New market dynamics are in play for 2016 and the gap between customer-obsessed leaders and laggards will widen. The decisions companies make, and how fast they act, will determine if they thrive or fail in the age of the customer.

For more detail on and to download a guide to the top 10 critical success factors, [please visit Forrester's blog](#). These trends and others will be discussed at [Forrester's Age of the Customer Executive Summit](#), Nov. 2-4, 2015 in Sarasota, Fla.

About Forrester Research

Forrester Research (Nasdaq: FORR) is one of the most influential research and advisory firms in the world. We work with business and technology leaders to develop customer-obsessed strategies that drive growth. Forrester's unique insights are grounded in annual surveys of more than 500,000 consumers and business leaders worldwide, rigorous and objective methodologies, and the shared wisdom of our most innovative clients. Through proprietary research, data, custom consulting, exclusive executive peer groups, and events, the Forrester experience is about a singular and powerful purpose: to challenge the thinking of our clients to help them lead change in their organizations.

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