

MANUFACTURING CASE STUDY

Dow's Customer-Centric Digital Transformation with Heart of the Customer

Introduction

Dow, a global materials science leader, has the ambition to be [the most innovative, customer-centric, inclusive, and sustainable materials science company in the world](#). In 2017, they established a global customer experience (CX) team with a data-driven approach to CX, enabling them to strategically invest in areas that would yield measurable business results. This groundbreaking work was even featured in Jim Tincher's book, [Do B2B Better: Drive Growth through Game-Changing Customer Experience](#). In 2021, Dow reaffirmed its commitment to customer-centricity by partnering once again with Heart of the Customer (HoC) to **build a global, digital approach based on customer needs**.

Project Objectives

The primary objectives of this strategic digital transformation initiative were to:

- **Map the Customer Journey** | Understand every step of the customer journey, from supplier selection to product usage, as customers view it.
- **Identify Friction Points** | Recognize areas in the customer journey where issues, bottlenecks, or dissatisfaction occur.
- **Understand Functional Needs** | Gain insights into customers' functional requirements, irrespective of the business unit with which they interacted.
- **Target Moments of Truth** | Identify which parts of the journey are most critical for customer success, targeting efforts at the most critical touchpoints.

A significant focus was placed on digital interactions and the seamless transition between online and offline channels.

Methodology

To achieve these objectives, Heart of the Customer employed a rigorous [customer journey mapping](#) process that encompassed:

- **Interviewing customers worldwide across all lines of business** | HoC and Dow worked together to identify, recruit, and interview over 50 customers in multiple roles across all of Dow's business lines in 10 different native languages.
- **Engaging employees in cross-functional collaboration** | Knowing that its employees would be critical to building this digital approach, Dow engaged a cross-functional group of employees and customers across the globe throughout the research process, ensuring a holistic perspective and fostering buy-in for the customer-centric approach.

Outcomes

The research and analysis led to several pivotal outcomes:

- **Customer Personas** | Dow's complex customer base was segmented into unique personas, each defined by distinct responsibilities, job functions, needs, behaviors, and interactions with Dow. These personas were used in the development processes to ensure Dow targeted the right information for the right needs of the right person.
- **Digital vs. Human Interaction** | It was discovered that while digital tools were valuable, they were not always the ultimate solution. This revelation allowed Dow to allocate resources for essential human interactions, particularly in strategic decision-making, while enhancing self-serve options for quick issue resolution and information gathering.
- **Functional Needs Alignment** | Contrary to initial assumptions, customers' functional needs were remarkably similar across Dow's business units. This realization enabled Dow to prioritize efforts based on individual customer needs rather than the specific product they were purchasing.

Impact

Dow's customer-centric approach to digital transformation yielded remarkable results and had a profound impact. Dow paid particular attention to the human side of change. According to McKinsey's [Unlocking Success in Digital Transformations](#) report, 70% of digital transformations fail, often due to employee resistance. By involving employees and customers globally and placing customer needs at the forefront, Dow mitigated this risk and enabled a wide range of benefits:

- **Positioning Dow.com as the Digital Hub** | The transformation successfully positioned Dow.com as the central hub for customer interactions. The number of repeat users on Dow.com increased significantly, with over 450% growth in 2022 compared to 2021. The introduction of the New Mobility Science web page generated over 60,000 page views in the first six months. Additionally, the digital approach led to over 2.1 million document downloads in 2022, reducing literature inquiries to support centers by 70%. Online product sample requests also increased by 11% in 2022 compared to 2021. The mobile-friendly uplift of Dow.com resulted in a remarkable 40% increase in mobile visits.
- **Enabling Customer Interactions and Identifying Leads** | Dow successfully enabled customer interactions through digital channels and identified new business leads. Virtual event registration increased by 450% in 2022 compared to 2021. The shift towards digital engagement led to a significant transformation in lead generation, with over 65% of new business leads now originating from digital engagement.
- **Digital Transactions** | Dow's focus on digitalization also facilitated customer transactions through digital means. Digital sales via Dow.com increased by 16% in 2022 compared to 2021 and an impressive 72% increase compared to 2020. Dow now operates one of the largest B2B e-commerce platforms in the chemical manufacturing industry worldwide, with transacted revenue exceeding \$4 billion annually.
- **Enhanced Customer Satisfaction** | The digital transformation initiative sustained or improved customer satisfaction across virtually every digitally mediated touchpoint along the customer journey. Customers reported higher satisfaction levels in finding technical information from the website, identifying Dow products, receiving technical support, and placing orders.

- **Innovation in Material Science** | Dow's innovative approach to digital material science has been a standout success. [By collaborating with customers and utilizing AI and ML technologies](#), Dow has significantly accelerated the development of new products and formulations. This digital capability enables historical formulation visualization and predictive modeling, resulting in faster product innovation and development.

Dow's digital transformation initiative has not only met its strategic business needs but has also exceeded expectations by delivering substantial financial and operational benefits. The company's commitment to becoming a customer-centric, innovative, and sustainable materials science company is being realized through the successful harnessing of digital technologies, and it continues to drive value for customers, employees, shareholders, and the planet. Dow's approach to digitalization, including its focus on customer experience, employee empowerment, and innovation, serves as a remarkable example of how a large-scale digital transformation can be executed effectively and deliver tangible results.

Recognition

Dow's unwavering commitment to a customer-centric approach and strategic technological enhancements received well-deserved recognition. The company was honored to receive recognition for five awards in the annual [U.S. Customer Experience Awards for 2023](#). This includes winning the overall award for top-scoring entry, Gold Awards for its **Digital Transformation**, **Best Use of Insight & Feedback**, and **Best Measurement in CX**, and a Silver Award for **Best B2B Customer Experience**.

These prestigious awards underscore Dow's remarkable success in implementing a customer-centric approach to digital transformation.

Conclusion

The partnership between Dow and Heart of the Customer exemplifies the power of a customer-centric, data-driven approach to digital transformation. It demonstrates how understanding and prioritizing customer needs can lead to measurable business results and industry recognition. Using insights from Dow's customer journey mapping initiative with Heart of the Customer, Dow is advancing its journey toward becoming the most customer-centric, innovative, and sustainable materials science company, driving value for customers, employees, shareholders, and the planet.

ABOUT

Heart of the Customer

At Heart of the Customer, we understand delivering remarkable value requires more than just insights and recommendations. We empower organizations to implement customer experience strategies that deliver measurable results and revenue growth.

Our services help you understand the critical intersection between customer emotions, behaviors, and business outcomes. Our singular goal? Create a lasting impact for your business that delivers bottom-line growth through a data-driven approach to customer experience.

Let's Transform Your Customer Experience

Your business is transforming and innovating, and Heart of the Customer is right there with you, activating your teams and focusing your strategy. [Connect with our team of experts](#) to discuss how we partner with companies like yours to harness customer insights, improve customer experiences, and create business value.

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