Customer Experience Management+ Assessment & Alignment Tool

smith+co
defining customer experience

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Many organisations are seeking to differentiate through their customer experience yet few have a systematic process for doing so. You can use this assessment tool to determine where you are in your journey towards creating a distinctive customer experience that differentiates your business.

This is a very simple tool designed to help you lead a debate in your organisation about the nature of customer experience management (CEM), what it entails and your priorities given where your organisation is on its journey.

How to use this assessment

There are four main steps to creating a branded customer experience:

1. Understanding your customers
2. Defining the customer experience
3. Delivering the experience
4. Leading the customer experience and sustaining it over time

The steps are explained on the following pages. For each step, five statements are offered.

Simply select the number which best relates to your agreement with each statement and add them up to give your total score for that step (out of a maximum of 50 for each step).

Read the analysis at the end of each section. Your overall score will produce a summary of where you are on the journey and where you may need to focus your efforts.

Probably the best way to use this is to have every member of your senior team answer the questions individually and then share the results. Use the feedback to initiate a thorough debate about the issues while trying to reach a consensus.

Difference of opinion is good and healthy!

Where there are divergent results and views, discuss how you might use further work and analysis to test assumptions and gain more objectivity through using a full CEM+ survey for example.

This is the start of a journey to be world class. At the end of the assessment tool there are suggestions about where you can get further help in customer experience management.

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Step one: Understanding our customers

The first step is to be clear about your target customers; those that represent the greatest proportion of your profits. Who are these highly profitable customers and what do they value and expect from you? How are you currently performing against these expectations?

The essence of brand strategy is to be something special to somebody special. Even if you are in a mass market, some of your customers will be more valuable to you and by focusing on these customers and what they expect and value, you will be in a much stronger position to make decisions regarding your brand strategy and how you can differentiate the customer experience. It is important to know your 'value drivers'. These are the few attributes which are most important to your target customers and cause them to choose you or stay with you. The value drivers are derived from statistical research as part of a customer experience survey.

	Statements	My rating 1 Not at all									Completely 10
1	We have identified our most profitable customers	1	2	3	4	5	6	7	8	9	10
2	We know what target customers expect and value	1	2	3	4	5	6	7	8	9	10
3	We know the value drivers that build loyalty in our market	1	2	3	4	5	6	7	8	9	10
4	We know how our customers rate the current experience we provide against these value drivers	1	2	3	4	5	6	7	8	9	10
5	We understand to what extent, and why our target customers prefer our brand to that of our competitors	1	2	3	4	5	6	7	8	9	10

Calculate your score out of 50

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Scoring menu:

1-10 Your priority should be to understand who your most profitable customers are and which segments of your customer base represent the greatest opportunity for growth. Many organisations find that a small percentage of customers represent the largest proportion of their profit. These are the customers that you should focus effort on to retain their loyalty.

11-20 You have some understanding of the customer segments that are potentially the most profitable but have yet to quantify their value to your business. You must find out more about who these customers are, how much profit they represent and what it is that they expect and value. This will enable you to focus efforts on retaining these customers and finding more like them. This in turn, will create the means to differentiate your brand from competitors.

21-30 You must determine those few customer expectations that are 'value drivers'; that is they drive attraction, retention and referral of your most profitable customers. Use these to define a compelling customer promise and customer experience that will differentiate your brand. Measure the extent to which customers will refer others to you as a means to determine how and to what extent your customer experience is an engine for profitable growth.

31-40 You are fairly clear about what your target customers expect and have begun to identify the 'value drivers' that encourage retention and referral. It is important now to measure your competitive performance against these value drivers and determine how to differentiate your brand. Focus on those customers who give you 'top box' scores for intention to refer others. This measure directly relates to the potential growth in your business and is an indicator of long term success.

41-50 Well done. If your scores are accurate they indicate that you are clear about what your most profitable customers expect and you are measuring your competitive performance on the factors that matter most to these customers. The challenge now is to constantly learn more about what these profitable customers value so that you can create new products and services to satisfy them. This will ensure that your customer experience creates preference for your brand leading to sustainable success.

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Step two: Defining customer experience

Now you are ready to define a brand or customer promise that articulates exactly what these customers can expect from you and how this is different to that of your competitors. Using your 'value drivers' and your knowledge of your competitors' offers, you must define a brand promise that provides a reference point for the organisation.

But you also have to deliver the promise and this is done by mapping the complete customer touch-line and the 'moments of truth' your customers have of you. The customer touch-line and touch-points are those times where customers interact with the organisation through the call-center, store or employee. At each step the current experience is examined and then re-designed to deliver the promise. The most important touch-points are indentified and become 'hallmarks' for your brand. These then have implications for changes to people, processes, products and services.

One of the most important tasks is to identify the 'brand behaviours'. In other words, how do employees need to behave in order to deliver the promise and differentiate the experience your customers have of you. This is vital work that impacts every function and for that reason it requires a cross-functional working group to define and manage the delivery of the experience.

	Statements	My rating 1 Not at all									Completely 10
6	We have created a partnership between marketing, HR and Operations to define and deliver the customer experience	1	2	3	4	5	6	7	8	9	10
7	We have defined a brand promise that differentiates us in the eyes of our target customers	1	2	3	4	5	6	7	8	9	10
8	We have mapped our customer touchline to determine the key points of contact our customers have with us and how our promise should be delivered at each	1	2	3	4	5	6	7	8	9	10
9	We have identified how to improve our services and processes to deliver our customer promise in a way that is consistently valuable to target customers	1	2	3	4	5	6	7	8	9	10
10	We have defined the specific employee behaviours required to deliver the new experience	1	2	3	4	5	6	7	8	9	10

Calculate your score out of 50

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Scoring menu:

1-10 You need to create real understanding and commitment at executive level to taking action that will differentiate the brand from competitors. Creating a distinctive customer experience requires aligned effort from Marketing, HR and Operations to achieve the strategy.

11-20 You are beginning to be clear about what customers expect. Now you must define a brand promise that will differentiate you from competitors. It is important that this brand promise is aligned with what your profitable customers value and your chosen differentiation strategy. The brand promise will help identify, and then communicate, priority actions internally.

21-30 You have made some progress towards defining a customer promise. You now need to 'ground' this by designing a customer experience to deliver your promise at each step of the customer touchline. The hardest part for most organisations is moving from generic brand values to specific brand behaviours. Mapping the customer touchline in some detail will enable you to determine how you can differentiate your offer to make your brand promise come alive for target customers.

31-40 The challenge is to turn your strategy into reality. You need to identify which processes, products and services must be improved to deliver the promise. This is difficult because you have finite resources and budgets. Pay close attention to what your most profitable customers said they value, your brand promise and the ways in which you feel you can best deliver this along the customer touchline. This will help focus attention on the most critical process, product and service changes that will be required. The final step will be to calculate the cost/benefit of these and agree priority actions.

41-50 You are making great progress in designing a customer experience that will truly differentiate your organisation. You have identified some of the implications for process, service and product change and the potential cost/benefit of doing so. The hardest part of the process is actually getting your people to behave in a way that is consistent with your strategy and deliver the promise. This is where you need to focus now. The challenge is to determine the specific employee behaviours that will deliver the new experience and to ensure that these are reinforced throughout the organisation.

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Step three: Delivering the customer experience

In order to deliver the experience consistently your people need to know what customers expect, what you are promising and how to deliver this. This requires communications, training and new HR practices as well as changes to systems and processes. This in turn requires strong leadership who take personal responsibility for communicating the customer experience.

The next step is to align recruitment and promotion criteria, as well as performance measures and rewards with the experience and desired behaviours. Unless people are tasked and their performance managed against delivery of the promise and experience it will remain a short-lived aspiration rather than every-day reality.

	Statements	My rating 1 Not at all									Completely 10
11	We have continuing internal communications to build clarity and commitment around implementing the customer experience	1	2	3	4	5	6	7	8	9	10
12	Our leaders have been trained as champions of our customer experience and are leading its implementation	1	2	3	4	5	6	7	8	9	10
13	We have created training to equip our employees to deliver the customer experience	1	2	3	4	5	6	7	8	9	10
14	We have a scorecard of indicators that provide leaders with objective and timely feedback on how well we are delivering against our promise	1	2	3	4	5	6	7	8	9	10
15	Our HR practices are reinforcing our brand values	1	2	3	4	5	6	7	8	9	10

Calculate your score out of 50

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Scoring menu:

1-10 Successful implementation is your greatest challenge. Your priority should be communicating customer expectations and the desired experience throughout the organisation. This requires as much thought given to marketing the new customer promise and experience internally as to externally. Communicating once is not enough. Constant reinforcement of what is important, why it is important and how people need to behave to deliver this is the minimum standard.

11-20 You have taken some steps to communicate the customer promise and new experience. The focus now should be on designing training for managers and employees that will equip them with the skills and knowledge they need to deliver. Do not underestimate how important this is. Unless your managers fully understand the importance of the customer experience initiative, how to deliver it and their role as leaders it probably will not happen. Similarly, employees must know at a level of detail how they must behave differently to deliver the promise.

21-30 Managers and employees are aware of the customer promise and the desired experience. You are ready to implement training across the company to build the skills necessary to deliver it. This training needs to operate at three levels; the Head – knowing what to do and why it is important; the Heart – being motivated to do it; the Hands – having the skills and tools to enable employees to behave in that way. The internal communication programme that you have begun will address the first two components. A comprehensive skills training programme must address the third. These same skills must then be integrated into regular induction and technical training so that the messages are reinforced.

31-40 You have made good progress in defining and delivering your customer experience. Now is the time to upgrade your processes, products and people's skills to constantly improve it and continue to differentiate your brand. This requires a continuing process of customer feedback, review and action to delight customers on the attributes of greatest importance to them. The alignment of Marketing, HR and Operations will be very important here to ensure that there is a coherent action plan and that management stay focused on the improvement effort.

41-50 You are seeing positive results from your efforts. The important thing now is to align performance measurement and reward systems so that the focus is maintained and enthusiasm sustained. Most organisations measure what is easy rather than what is important. To avoid this, create a scorecard of measures to monitor your customer experience and how you are performing on the most important drivers of customer retention. Link your management and employee reward systems to these measures to ensure that you reward people for the right behaviours so that the effort is sustained.

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Step four: Leading the customer experience

Finally we know that leaders are the key success factor in sustaining any organisational change. This step is about ensuring that leaders are prepared to manage the change over the long-term and that the organisation is measuring and rewarding the right things in order to sustain it.

This final step is about the belief that leaders have and their personal commitment to delivering the promise and experience even when things get tough. So, in a recession, the natural tendency for most organisations is to cut costs across the board even when this undermines the customer experience. The leaders of those organisations that deliver outstanding branded experiences know how value is created for their customers and which touch-points are the most critical. They manage their costs to move resources away from those areas that create least value to those that create the most. In this way the organisation becomes even more differentiated in the minds of its customers.

	Statements	My rating 1 Not at all									Completely 10
16	Leaders believe that giving customers a better experience will lead to profitable growth	1	2	3	4	5	6	7	8	9	10
17	Our company's top executives demonstrate their commitment to our customer experience strategy	1	2	3	4	5	6	7	8	9	10
18	Leaders make decisions that are consistent with our customer experience strategy	1	2	3	4	5	6	7	8	9	10
19	Leaders measure and monitor the quality of the customer experience	1	2	3	4	5	6	7	8	9	10
20	Our leaders reward employees who put customers first	1	2	3	4	5	6	7	8	9	10

Calculate your score out of 50 ☐

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Scoring menu

1-10 Your main concern should be in creating understanding and commitment with leaders at all levels to your customer experience initiative. Without this your efforts will fail. Do not tolerate managers who pay 'lip service' to the effort. Give them coaching and if they do not fully commit to demonstrating your values and delivering your brand promise then move them out of the company.

11-20 Unless you measure and monitor the customer experience on a frequent basis it will continue to be a low priority for your organisation. If you have already created a scorecard of customer experience measures, gradually align your financial reporting and other operational measures with this so that the executive team is using the scorecard to drive the business and deliver the strategy.

21-30 You are measuring the customer experience but have yet to really link bonuses and rewards to the results being achieved. Unless you do, managers and employees will focus primarily on other issues. Ensure that executives and employees receive a significant proportion of their income on the basis of how well they are delivering your brand promise and desired customer experience. Think of non-financial ways of rewarding employee efforts too. Recognition schemes and prizes all help to reinforce the message.

31-40 You are measuring and rewarding the customer experience. You now need to ensure that decisions are made which support the brand values and customer promise even if this is at the expense of short-term profit. Managing market expectations is very difficult but top executives need to avoid making promises that can only be delivered through short term actions that may have an impact on your strategy. For example, cutting costs in the call centre may achieve the next quarter's profit target at the expense of increasing customer dissatisfaction.

41-50 You are seeing real results from your efforts and leaders throughout the organisation are demonstrating their commitment to the customer experience. The challenge now is to create a culture at all levels which puts customers first and makes your brand the most important asset that you own. This requires putting in place management development and succession planning to ensure that the future generation of leaders own the strategy and are committed to sustaining it. It also requires that you audit your customer experience and brand positioning on a regular basis to keep abreast of changing customer and market expectations.

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Summary analysis

Now you are ready to find out where you are on your journey.

Add up the scores for each section. These should be the total ratings for all of the questions that you answered. Record this score here.

Our overall score is

Now find the section below that applies to you. This is our overall assessment of your organisation's status ***from your perspective***. In order to get a totally accurate assessment you will need to elicit the views of your colleagues and customers!

20-40 Your business results may be behind plan and there is a growing awareness of the need to improve the customer experience in order to improve them. Short term fixes do not seem to be having the desired effect and some customers are defecting to competitors. Senior executives are starting to think about how to differentiate the brand to grow revenues but do not know how to begin. There is a level of mis-alignment among executives about what should be done and how to do it. A number of initiatives are being started but it is unclear how they connect with one another. You may have investigated or implemented some CRM initiatives, cost-efficiencies and revenue improvement schemes yet the results are disappointing. You have probably come to realise that what you most need is a clear strategy for moving forwards and the means to align the organisation with it. The good news is that there seems to be awareness of the need for change and a readiness to implement it. CEM+ can provide a logical process for doing this in the most effective way.

41- 80 Your organisation has identified that improving the customer experience is a key strategy to differentiate your brand. There is support at a senior level for improving the customer experience and some local initiatives have started to see results. There is some awareness of what needs to be done but less clarity about how to do it. Different executives and functions have different priorities and views on where to start. There are calls to begin with improvements to technology, marketing, training or processes – but where to begin? Your priority should be to identify your most profitable customers and important segments, determine what they value and then set out to single-mindedly deliver that throughout the organisation. This will help to identify priorities and create consensus regarding how to proceed and in what order tasks should be tackled. Using a systematic process like CEM+ will help to align these actions in a systematic way to ensure success.

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81-120 A number of activities have started throughout your organisation to improve the customer experience with some degree of success. It is important that these are brought together into a systematic framework and that functions work in partnership. There is some danger of initiative overload with different functions and activities competing for management attention and budgets. You are seeing results but these may be short term in the absence of a coherent framework for continuing the effort. The greatest danger is communicating the new direction but then not following through with sustained action. A powerful way of ensuring that the effort is maintained is to build a scorecard to measure progress. CEM+ will help you align processes, HR systems, and training and reward systems to ensure that the progress is sustained.

121-160 You are delivering an improved customer experience as a result of the efforts that your organisation has invested in to-date. Early results are encouraging and leaders are enthusiastic about what has been achieved. You are starting to measure performance against the key value drivers in your business. You should focus on measurement, feedback and improvement to continually upgrade the experience your customers receive and differentiate your brand from competitors. Aligning customer experience measurement with financial and operational performance indicators will allow senior executives to determine the cause and effect of your activities. It is equally important to keep abreast of changing market and competitive conditions to ensure that your customer experience strategy remains valid. Using the CEM+ survey is a powerful way to benchmark your performance on an annual basis and validate your strategy.

161-200 Congratulations! If your responses are accurate these ratings indicate that you are delivering a distinctive customer experience and your brand is probably preferred by target customers. There is commitment at all levels to delighting customers and a culture of continuous improvement. Departments work together to manage the customer experience and it is a focus for management attention. You are already seeing the results of your efforts in terms of market performance and business results. The employee experience is also above average for your sector and your people are loyal and proud to be part of the organisation. The market has high expectations of you and in order to deliver against expectations it will be important to remain focused on under-promising and over-delivering to both customers and shareholders. Using the CEM+ survey on an annual basis will help you keep abreast of changing customer needs and emerging competitive threats as well as preventing you from becoming complacent about your performance.

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For more information on this assessment and what to do as a result of it see *Managing the Customer Experience – Turning Customers into Advocates* written by Shaun Smith and Joe Wheeler.

In the meantime, try the assessment again with your senior management team or other leaders or members of your organisation – involving them at this stage will help align them with any actions that need to be taken.

Further help

This assessment tool is just the start of the journey.

There is further material throughout our website to help you. You may also be interested in our books:

'Uncommon Practice – people who deliver a great brand experience' investigates how leading brands differentiate through their cultures

'Managing the Customer Experience – turning customers into advocates' is considered to be a landmark text book on how to create branded customer experiences

'See, Feel, Think, Do – the power of instinct in business' investigates the role of instinct and innovation in customer experience

Contact us

You can contact Shaun Smith or any one of our team for a one to one discussion about any questions or issues you may have or if you are interested in a full CEM+ survey that will give your organisation a detailed and objective view of where you are on your journey (ss@shaunsmithco.com)

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