



A few tips on...

STARTING
YOUR CUSTOMER
EXPERIENCE
INITIATIVE

STARTING YOUR CUSTOMER EXPERIENCE INITIATIVE

What's the biggest obstacle to implementing customer experience?

Lack of strategy according to Forrester's State of Customer Experience report 2012.

The trouble is, strategy in itself - even if it is bold, differentiated and customer-centric - won't guarantee success. Where we see most companies fail is in the execution. And that often comes down to a lack of a simple structure that guides everything you do.

Having a simple Customer Experience Management framework will help to ensure that your people, processes, products, technology and social media tools enable the customer experience rather than dictate it

So what is the framework and how might you use it for your own business?

It is a simple yet powerful tool for ensuring all of your initiatives work together to deliver the strategy. We've shown an example on the next page. The way to use it is to define your strategy from right to left but deliver it from left to right.

As we outline each of the steps, you'll see that we've used Zappos, the US on-line retailer, as an example. For those of you who have read '*Bold – how to be brave in business and win*', Zappos will already be familiar. For those who haven't, the brand is a powerful example of CEM strategy in practice.

It starts with purpose...

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There's always a little element of bravery when you start a new project. It's a bit like jumping in the deep end in a way. You don't know exactly where you'll come out, so you need to stay true to your core purpose - it becomes the compass that guides you*

Sonu Shivdasani,
Six Senses Resorts

PURPOSE

Be clear what your brand stands for

Start with defining your purpose. Many brands have a vision statement but it is often uninspiring or so vague as to be useless. If you do not have a clearly stated purpose, start here because it really does determine everything you do. For example Zappos started out selling shoes. They built a great reputation and steadily grew their business. But after four years, Tony Hsieh, the CEO, paused and posed the question:

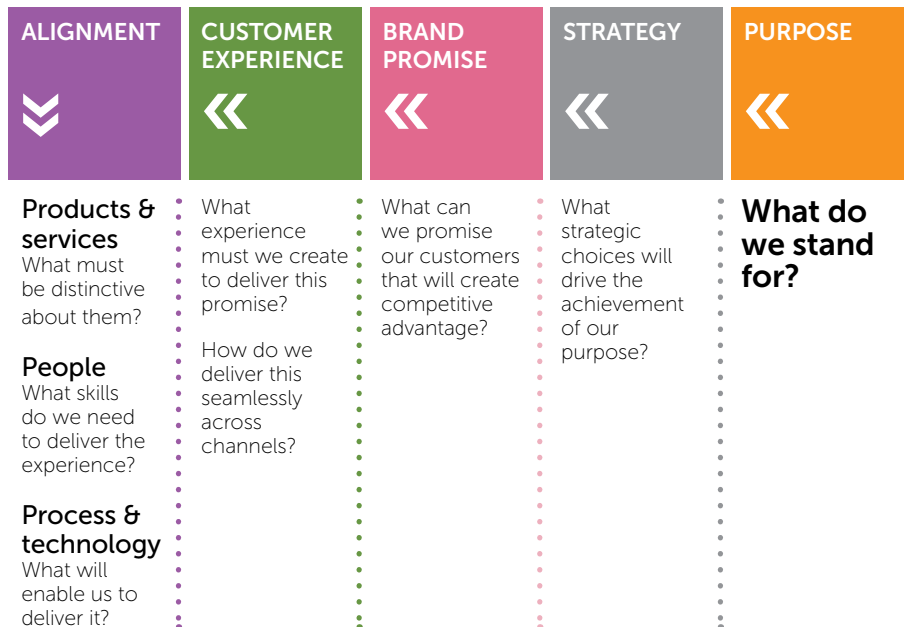
Do we want to be selling shoes, or do we want to be about something more meaningful?

The answer was 'Delivering happiness'. This became its unifying purpose. But it wasn't just some lofty ideal. It was translated into a strategy that drove everything the brand did.

STRATEGY

Align strategy with your purpose

The next step is to take strategic decisions that are in keeping with that purpose. For Zappos, their strategy was to deliver the very best customer experience. Tough decision. It meant they chose to walk away from the easy, low-risk (but hard to control) drop-ship model which represented 25% of their most profitable business. Every decision for the management team was now driven by creating the type of organisation and culture that could deliver their strategy of differentiating their customer experience.



* Bold – How to be Brave in Business and Win Shaun Smith & Andy Milligan

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PEOPLE

It's all about shared purpose and values

This is important, because you can't simply hand over a manual which says 'here, this is what you do, how to do it and when to do it'. And there's not one educational qualification that awards you a top grade for making people feel special.

There are many bright, well-qualified people that you can hire, but only a few of them will be the right fit for your brand. 'Hire for DNA not MBA' should not be dismissed as simply a clichéd mantra; it genuinely is about finding people who share your values and then teaching them the skills they need.

So important is 'fit' to Zappos, that they offer new hires \$2,000 at the end of their first week of training to leave the company. Why? Because Zappos only wants people who are passionate about the brand and committed to what it stands for. Having found the right people you can set about giving them the knowledge and skills they need to deliver a branded experience. And this is not just about training and communication, it's about creating the right culture and creating an employee experience that mirrors the customer experience your want to deliver.

PRODUCT & SERVICE

Align product and service with strategy

Ensure products and services are distinctive and aligned with your purpose and brand promise. And just as customer expectations change over time, so must your product and service offering. Once you've got a great product, it's easy to get complacent. But customers are changing so fast, you can't just stand still.

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If you want to remain number one, you have to think like number two. The pace of change is so fast that we all have to think like brand challenger even when we are the brand leader.

Tom Fishburne
Marketoologist.com

Zappos is an active customer listener and is constantly evolving its product range and service channels in line with their customers' changing needs and values. Being in the flow of customer feedback through social media allows brands to begin to engage their customers in product development. Brands such as Virgin, Lego, First Direct, Toyota, O2 and innocent are involving their customers in co-creation so that they become not only brand ambassadors, but brand investors.

PROCESS & TECHNOLOGY

Check that your processes and technology support and enable your people to deliver the experience

Today, customers expect you to offer a range of communication options - phone, email, website, chat, online forums, traditional post and, of course, in-person. Many customers will use these channels interchangeably, so they must be integrated.

Different customers will also interact with you for different reasons at different times. Convergys found that although 43% of 'Millennials' were using social media to interact with brands, only 28% of 'Baby Boomers' did*. Millennials were also more likely to use 'self-help' and automation as older customers. However all customers, regardless of demographics, preferred to talk to a real person when there is a major problem. This takes the multi-channel concept beyond just providing operational efficiency. All channels have to be integrated to provide a seamless customer experience. The right information at the right time about the right customer, leaves your people free to focus on creating the right emotional connection. And for the contact centre, the agent desktop needs to centralise and integrate the various channels and present the information to the agent in the most efficient way, freeing them to focus on the customer experience.

For Zappos, social media is embedded within this experience. They realised early on that this was the best way to create a level of intimacy with customers they never meet. They've focused their process and technology to enable their contact centre to tweet, monitor, engage and respond promptly to customers and, in so doing, also attract potential customers and like-minded employees.

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Which takes us back to purpose

As you implement your customer experience process, undoubtedly you'll encounter many hurdles; you'll meet with sceptics who say it can't be done, you'll be faced with the temptation of cutting costs and taking the easy route.

From our research with bold highly successful brands, we know that they succeed, because they hold on to their purpose and do whatever is necessary to achieve it.

Never forget what started you on the journey in the first place. As you grow, be careful you don't 'grow-up' and lose the passion that made you special.

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My job is to write the most exciting chapters that I can and leave a greater novel than when I arrived

Angela Ahrendts
CEO, Burberry

Our work in customer experience has led us to define some critical questions that we believe need to be answered in order to really reap the benefits of CEM. They are deliberately broad in their nature because CEM, social or otherwise, has to be part of a holistic strategy for the brand. It cannot exist in isolation. For this reason, the responsibility cannot reside in any one department. The strategy must be shared across the 'C-suite' and functions although the governance of it may fall to the Chief Experience Officer, Marketing or Operations, depending on the organisation. However, whilst the methodology, management and measurement may be defined centrally the delivery has to be owned by everyone.

On the next page, we've listed some of the key questions you need to ask when embarking on your customer experience process.

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The key questions you need to ask

CUSTOMER INSIGHT

- 1 Who are your profitable customers?
- 2 What do they value?
- 3 How are their needs changing?

DEFINE BRAND PROMISE

- 4 What does your brand stand for?
- 5 What can you promise?
- 6 How will this differentiate you?

CUSTOMER EXPERIENCE DESIGN

- 7 How can you deliver the promise?
- 8 What are your hallmarks?
- 9 Where do you over-index?

ORGANISATIONAL ALIGNMENT

- 10 What does this mean for your people?
- 11 Processes and Technology?
- 12 Products?

EXTERNAL COMMUNICATION

- 13 What can you claim credibly?
- 14 How can you dramatize this?
- 15 How can we communicate this across channels?

CUSTOMER MEASUREMENT

- 16 How can you measure the experience?
- 17 How can you measure the leading indicators?
- 18 How can you use CRM to measure results?