CUSTOMER EXPERIENCE
POCKETBOOK

"It is, however, reasonable to have perfection in our eye; that we may always advance towards it, though we know it never can be reached."

Dr Samuel Johnson

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INTRODUCTION

People love elegance and simplicity, particularly as the world gets ever more complex. It helps them relax and think.

So, what makes something inherently complex simple enough to capture and keep our attention? What is it that makes people go 'wow, I want one'? That's where Customer Experience (CX) comes in.

This pocketbook is intended to introduce the science, principles and real-world applications of a CX strategy to drive better engagement with customers.

The content is aimed at those in charge of all or a part of customer experiences such as in sales, marketing, digital, customer services, account management, CRM, retentions, and overall base management.

We've included the best practices, skills, capabilities, and ways used by companies that successfully develop longer-lasting relationships with customers to help their business grow.

TERMINOLOGY

ACTIVITIES Initiatives, outreach campaigns, inbound prompts, triggered messages and actions used to communicate, manage, administer, grow, retain and engage customers.

COMPLEXITY Manifestation of processes and activities that has many interconnected parts and defies easy understanding by one or more audiences.

CUSTOMER EXPERIENCE (CX) The overall feeling a customer gets from interacting with the business and its products and services.

CUSTOMER JOURNEY Visual representation of the customer experience that maps every interaction, touchpoint, message and emotion.

EXPERIMENTS Analytical tests designed to understand the effects of activities and processes on customer behaviour and performance.

INSIGHT Information derived from analysis of data that has value in supporting decision-making in planning and activity execution.

MAPPING In the context of CX it refers to capturing and analysing the elements and sequence of a process, such as a customer journey

PERSONALISATION Tailoring activities and interactions for a customer using personal, contextual and relevant information and content.

ROADMAP A visualisation of the vision, direction, strategy, phases, steps and timescales for an initiative, programme, or the business.

WOW MOMENT An event at a point in time that prompts the customer to think 'wow!'

CUSTOMER EXPERIENCE

CX is about orchestrating resources to manage how a customer feels when transacting and interacting with the business through any channel, not just digital.

It's a holistic approach that encompasses everything a business does to deliver superior experiences, value, and growth for its customers through its brand, products, service and pricing.

BRAND Customer perception and connection with a business, encompassing its identity, reputation, and emotional associations. Strong brands build trust, loyalty, and recognition, influencing customer decisions and shaping expectations.

PRODUCT The product or service proposition, including quality, features, functionality, and design. A great product satisfies customer needs, solves problems, and provides value.

SERVICE Support and assistance, including interactions, responsiveness, and after-sales. Great service builds trust, loyalty, and positive word-of-mouth.

PRICE The cost paid for the proposition by customers, including affordability, perceived value, and willingness to buy.

IT'S ABOUT THE JOURNEY...

CX is about all the interactions a customer has with a business. It includes everything from their first awareness of the brand to making a purchase and using the product or service and getting support from customer service to closing an account.

In essence, CX is about the overall impression a customer has during their journey with the business. It's not just about the product or service, but also how easy it is to use, how helpful the customer service is, how relevant the messages are, and how the company makes the customer feel before, during and after the interaction.

A positive CX can lead to increased customer loyalty and sales, while a negative CX can drive customers away.

CX isn't just about digital transactions; it's about creating meaningful and positive connections with customers throughout their journey no matter how they choose to interact with a business.

...AND HOW HUMANS THINK, FEEL AND BEHAVE

Understanding how customer emotions, thoughts, and behaviours are shaped by their interactions with a brand is crucial for creating a positive and memorable CX that fosters loyalty and drives business success.

Human emotions heavily influence perception of an experience so, positive emotions like joy, trust, and satisfaction lead to a better CX, whereas negative emotions like frustration, anger, or disappointment can quickly sour the experience.

Humans tend to judge an experience based on how they felt at the most intense moment (peak) and its end. So, better CX comes from positive peak experiences and a satisfying conclusion.

Our brains take shortcuts when processing information, which influences our perception of CX. This means we tend to favour information that confirms our existing beliefs, which can affect our perception of interactions.

CX IS IMPORTANT

In today's digital world, where customers share their experiences publicly, transactions are not enough.

Businesses need to foster longer lasting relationships with their customers to build loyalty and advocacy by consistently delivering great experiences.

The internet has made it easier for customers to compare prices, features, and most importantly, reviews from other customers. Social media and online review platforms give customers a powerful voice and a negative experience shared online can quickly damage a brand's reputation.

Customers expect a seamless and tailored experience whenever and however they interact with a company. However, businesses driving efficiencies can also lead to impersonal interactions and a feeling of being undervalued.

Good CX is crucial and not only benefits customers but also drives better business results.

Increased customer loyalty and retention: Happy customers tend to stay longer, repeat purchase and participate in loyalty programs so, less spend on acquiring new customers means more budget available to keep existing ones.

Increased sales and revenue: Loyal customers are more likely to spend more money with the business, buy new products or services, pay a premium, and value the overall experience.

Reduced costs: Smooth and efficient experiences can result in less customer service contacts and complaints, saving the business time and money.

Increased recommendations: Satisfied customers are more likely to promote your business to others for free. Their network is more likely to trust their recommendation than traditional marketing messages.

Improved brand reputation: Good CX can foster a strong and positive reputation for your brand, making it easier to attract new customers.

THE COMPLEX WORLD

Always-on, hyper-connected, constantly changing – all ways of describing the world we live in.

Complexity characterises something that has many elements and factors that interact with each other in many ways. The more elements and factors, the greater the variety and inter-relationships between them, leading to an ever more complex environment.

At any point in history, great minds probably thought their world was the most complex it's ever been due to growth, whether in population, society, cities, infrastructure, transport, technology, communications, or data etc.

Even today, this growth seems almost exponential, as does the complexity of our world.

When things get really complex it means that we are unable to fully comprehend the situation or environment which can lead to confusion, errors, and difficulty making rational decisions.

Complexity often requires more resources (time, money, people) to maintain, operate and change creating inherent inefficiencies and greater chances for things to go wrong.

Such complexity can also be intimidating and difficult for people to learn and use, which can limit their effectiveness or exclude potential users.

The more complex our world, the easier people find it to just ignore it and hope it leaves them alone. However, doing that is not going to make it any easier or understandable.

We must constantly adapt the way we look at the world and strive for simplicity.

THE RACE FOR CONSUMER ATTENTION

Brands continually look to identify and engage potential buyers across an ever-growing range of channels, from the well-established (e.g. retail and eCommerce) to the emergent (e.g. wearables and IoT), with each new iteration changing the nature of customer conversation.

Marshal McLuhan, the 20th century Canadian media theorist famously declared "the medium is the message" - that the channel through which a message is received is more relevant or important than the content itself.

Over time the nature of the medium of communication on a society (or, perhaps, a customer base) can influence thinking, expectation, and behaviour on such a scale that personalised messages could never hope to achieve.

But what if that message is, in fact, multiple media with content from a range of sources through an ever-growing milieu of channels, all attempting to entice individuals to spend their money?

Technological advances have certainly made consumers more accessible - everywhere we go we are bombarded by messages clamouring for our attention, whether it be on the street, in the media, or on the device in our hand. Some messages are subtle, but most is blatant and overabundant every day.

What does that mean for the audience? Yes, complexity. Complexity accompanied by uncertainty, confusion, exhaustion and, ultimately, exhaustion.

Is that good CX?

COMPLEXITY: THE BY-PRODUCT OF PROGRESS?

Progress can come with scant consideration for customer impact. Why should a business care about end-user complexity if it moves the dial on things like technical superiority, cheaper marketing or lower cost to serve?

From the consumer's perspective, progress has contributed myopic marketing, obstinate customer services, baffling retail experiences and incomprehensible ecommerce.

Modern organisations are usually full of bright people tasked with solving compartmentalised problems using analytical skills (and technology) and focusing on their boss's KPIs.

Business siloes and technology become more specialised, and politics or disagreements result in natural barriers, with lines of influence or demarcation being drawn, and staff KPIs incentivised to reinforce a narrow perspective. Things get done based on who shouts loudest.

BUSINESSES CREATE THEIR OWN COMPLEXITY

Rarely is the whole operation viewed as a holistic system, nor are the individual areas such as marketing and customer services viewed as sub-systems within that whole.

All of this creates waste, duplication, friction, and gaps that result in more complexity and less cohesion with which to solve problems.

"We **don't fully understand customer needs** and behaviours so, we tend to form an insular perspective on what we think they want which spills over into poor proposition and message design."

"Our constant focus on **quick-wins** and **quick returns** drives 'temporary' solutions that stick around and have long-lasting ramifications, not least in keeping staff who can still support it."

"Creating or buying **one-size-fits-all** end-to-end tools means we've ended up with lots of redundant features that customers and staff don't want, which causes higher training and support overheads."

"Our **lack of process** or **system design strategy** has created a mix of independent overlapping systems solving specific problems. The staff get confused and frustrated."

COMPLEXITY IS BAD CX

Complexity caused by poor design of products, services and touchpoints, or as an indirect result of business challenges with its own systems and processes, adds unnecessary hurdles for customers.

Instead of a smooth and positive process, poor design choices manifest as bad experiences for the customer.

For example, imagine a car manufacturer that offers a variety of models, motive power options and trim levels. If the various combinations and the way to select them is overly complex, potential customers are likely to feel overwhelmed and discouraged from completing a configuration.

Frustration and wasted time
Complexity means customers take longer to get what they need, which can be incredibly frustrating, especially if they're already dealing with a problem or question.

Lack of understanding
Products, services, or processes that are too complex can lead to customer confusion and frustration. Imagine wanting to complain and being faced with complex forms and jargon.

Reduced customer satisfaction
Complexity can make the business feel impersonal and uncaring of its customers. When customers have bad experiences, they're going to be unhappy, leave negative reviews, and leave.

Reduced accessibility
Complexity makes it difficult for customers to access products and services, maybe due to language, technical limitations, or simply a lack of clarity about what's involved.

Reduced staff engagement
Inefficient processes, repetitive manual tasks, unintegrated systems, and poor training can cause staff frustration, protracted resolution time, introduce errors, hamper quality of service and increase cost-to-serve.

THE COST OF COMPLEXITY

Poor design and bad CX leads to increased customer friction and churn, as well as higher employee stress and dissatisfaction, reduced efficiency and increased costs.

It reduces sales opportunities and customer lifetime value, and chips away at good-will and patience, with even loyal customers becoming more open to the constant wooing of competitors.

Just think of the last time you had a bad experience with a company – what did you do, complain? Or leave a negative review? Did you tell your friends? Or did you decide to spend your money elsewhere? Or was it all of these?

74% Consumers are likely to switch brands if they find the purchasing process too difficult[1].

66% Customers are willing to switch brands because of poor experience[2].

1. Salesforce, State of the Connected Customer, 6th Edition
2. https://www.forbes.com/sites/shephyken/2018/05/17/businesses-lose-75-billion-due-to-poor-customer-service/

Putting it bluntly, **poor design** and **complexity** is a simple way of **leaving money on the table** for your competitors.

The good news is that poor design is easy to spot, and relatively easy to fix.

By simplifying processes, interfaces, and communication, businesses can eliminate friction and create a smoother CX that benefits both customers and the company.

However, it's harder to resolve internal operational and technical issues like data hand-offs, inelegant and convoluted processes, discrepancies in quality and focus between departments, and poor KPIs.

Fixing bad CX is a continuous process that requires prioritisation of customer needs and simplification whilst fostering a culture of test and learn to create more positive customer experiences.

HOW TO IMPROVE CX THROUGH SERVICE...

- Create a company culture that empowers and rewards all employees to go the extra mile.

- Make it easy for customers to get consistent and seamless help however and whenever they want through assisted service channels or self-service options such as knowledge bases, or chatbots.

- Focus on resolving customer issues quickly and efficiently to show customers the business' appreciation of their time and commitment to their satisfaction.

- Reduce customer waiting times through efficient processes, adequate staffing, transparency and managed expectations.

- Train employees on customer service best practices and how to deliver exceptional experiences.

- Give employees the autonomy and resources to resolve customer issues effectively in the customer's interest.

- Personalise interactions based on customer data and behaviours whether messages, product recommendations, or just using their name.

- Introduce surprise and delight initiatives to further wow customers at opportune times.

...AND DESIGN

- Map all the touchpoints a customer has with the business, from initial awareness to after-sales interactions, to spot identify opportunities for improvement along the end-to-end journey.

- Involve customers in the design process to get interactive feedback on needs and pain-points rather than wait until final testing or release.

- Simplify customer processes and back-office procedures and make them as easy to follow as possible.

- Use clear language and avoid jargon and technical terms that customers may not understand.

- Make sure the website, app, retail stores and other touchpoints are easy for the customer to navigate and use.

- Walk customers through processes step-by-step and offer helpful resources.

"Everything should be made as simple as possible, but not simpler."

Albert Einstein

CUSTOMER JOURNEYS

The customer journey refers to all the interactions a customer has with your brand, products, or services.

It describes the entire end-to-end experience from the moment they first become aware of your brand through to purchasing, support, advocacy and beyond.

It's not a single, universal customer journey because every customer is different and will encounter the business and make decisions in their own unique way.

Consequently, it must be adaptable to enable tailored marketing, sales, customer service and fulfilment strategies according to segment objectives and treatment principles.

A good customer journey is one that seamlessly meets the customer's needs at every step of the way, recognising their likely thoughts, feelings and concerns before, during and after each step.

This means understanding customers at each stage of their journey is crucial to ensuring the experience and actions are tailored to resonate with them at each touchpoint.

A customer journey is like a map of the road to get from A to B but designed to help the organisation navigate customers efficiently through the business.

It visually maps out the ideal pathway, processes, experience and feelings for the customer at each stage of the journey.

The customer journey map encompasses all interactions, whether initiated by the customer or the business, and all touchpoints, such as social media, telephone and self-serve.

Visualising the customer journey helps the business identify areas to improve and ensure smooth, positive customer experiences.

WHERE TO START A CUSTOMER JOURNEY

Customer journeys describe the customer's full end-to-end experience as they progress through the steps of a business' processes to achieve their objective.

Defined processes may already exist for customer interaction scenarios such as opening an account, purchasing products, paying a bill, or getting help for an issue.

However, they may be inefficient, not documented, not consider customer pain-points, or just not designed for the customer.

Where to start depends on where the business is already so, whether it's a completely new process or a re-design of an existing one, consider:

- Where could have the greatest positive impact on experience?

- Which processes are frequented the most by customers?

- Where are the customer pain-points, e.g., in purchasing or service?

- Focus on a single process to start with and to learn about the approach

- Aim to create a good first impression with customers through onboarding

DEFINING A CUSTOMER JOURNEY

Understand your customers
Who are they, what do they do, what do they want, and why? Research and involve them, e.g. a customer panel.

Understand your existing processes
What are the good bits and pain-points? Be honest, get customer feedback, research what good looks like.

Lay out the main stages of the linear process
This will be the main route of the journey, such as awareness, booking, paying, delivery, experiencing, support.

Incorporate customer goals for each stage
What do they want to achieve, what do they expect? Set using research, feedback and subject matter experts.

Design the process steps within each stage
What would an ideal process be? How do others do it? What is the easiest and quickest for the customer?

Add in the supporting features and functions that support each step
E.g. the entry and exit points, what information is exchanged, which touchpoints, who and what is involved?

Review each stage and the whole journey
How will customers feel? Could any part be improved to enhance their experience?

WHAT TO INCLUDE IN A CUSTOMER JOURNEY

Motivations?
e.g. lifestyle, interests, situation

User needs?
e.g. looking for X, when

Customer emotion?
e.g. how should they feel

Entry points to the journey?
e.g. media prompts, friends

Triggers to start the journey?
e.g. social, event

Stages of the journey?
e.g. thinking, planning, delivery

Steps in the stage?
e.g. paying, anticipating

Interaction points?
e.g. store collection

Data captured?
e.g. name

Functionality?
e.g. card terminal

Data used?
e.g. offer

Supporting information?
e.g. facts page

Customer commitments?
e.g. expectations

Treatment differences?
e.g. gold vs silver

Decision points?
e.g. how do you want to pay?

Reactive messages?
e.g. confirmation

Potential pain-points?
e.g. paying

Proactive messages?
e.g. not long now

Follow-up actions?
e.g. prompt for feedback

Exceptions?
e.g. special circumstances
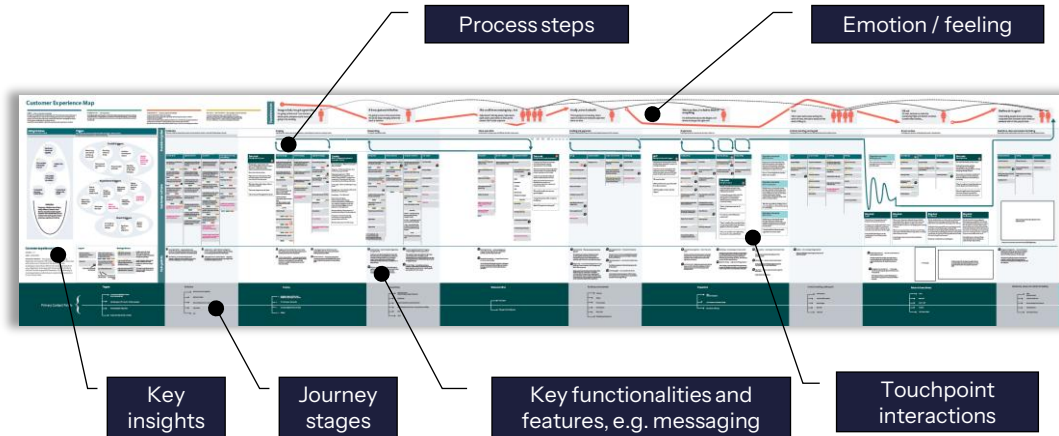
MAPPING THE JOURNEY

Customer journeys describe a customer's experience as they progress through the steps of a process to achieve their objective. This process might be, for example, opening an account, purchasing products, paying a bill, or getting help for an issue.

Aim to cover the full, end-to-end customer experience with the business, but it's usually easier to start simple by focusing on getting one process right and then extend to other processes using the learning from the first.

Journey definition will evolve as the teams consider impacts and opportunities so, being able to change the process definition quickly and easily is important.

Use a spreadsheet's box grid, or a whiteboard, or sticky notes on a wall to define the core journey and, once fully defined, then represent it in a highly visual format for internal communication.

EXAMPLE STYLISED CUSTOMER JOURNEY

Process steps

Emotion / feeling

Key insights

Journey stages

Key functionalities and features, e.g. messaging

Touchpoint interactions

EXAMPLE AREAS FOR CUSTOMER JOURNEY MAPPING

- Targeting
- Awareness
- Consideration
- Decision
- Sign-up
- Account opening
- Purchasing
- Welcome

- Delivery
- Installation
- Education
- Reassurance and care
- Recognition and reward
- Up / Cross sell
- Usage stimulation
- Servicing

- Support
- Maintenance
- Invoicing / billing
- Debt collection
- Retention
- Renewals
- Advocating and introducing
- Win-back

WHAT IS SIMPLICITY?

Simplicity is a mindset, a radical focus on what really matters: the customer.

It's about decision-making that minimises everything that sits between the customer and what they want: Realigning or removing what doesn't add value, whether ideas, systems, processes or teams.

Simplification is not an easy task. It takes significant effort, careful planning, and ruthless decision-making to remove waste, rejecting what doesn't add value, and maintaining a radical focus on what matters, even if it upsets people.

It's not the same as being simplistic or simplifying to an extent that lacks sophistication or cutting away the very essence of what made it good in the first place. In essence, simplification is not as easy as it sounds.

Sim·pli·fi·ca·tion, *noun*
Making something simpler to be uncomplicated in form or design and easier to understand or do.

It's often easier to think that if something isn't broke don't try to fix it, but this is ignoring the inherent complexities and nuances of everyday life that cause high abandonment rates, low conversion rates, high churn rates, low satisfaction scores, bad reviews, and complaints.

Businesses become fixated on commercial and operational KPI rather than customer KPI, which steers customer journeys and experiences towards efficiency rather than satisfaction.

Different departments may have their own goals and priorities, which creates disjointed views of what's important, whereas what's needed is everyone working towards a unified customer-centric vision.

Outdated technologies and processes create friction for customers and replacement can be an expensive undertaking.

Additionally, our brains seem wired to add rather than subtract, which means we tend to overlook opportunities to simplify by removing things, instead opting to add more elements because it just feels easier and more efficient.

SIMPLICITY IS GOOD DESIGN

Simplicity endures and is a feature of good design and should permeate throughout the organisation's processes, people, and capabilities.

Getting it right means great experiences for the customer, which has a positive impact on the business.

Simplified experiences need to change as customer needs and demands for ease and convenience evolve over time, meaning innovation and adaptation must be continuous.

Adopting the mindset of the customer is easy for all of us as consumers, but it can be enormously challenging when it comes to the processes we know are behind the curtain and must live with every day.

We can't always see the wood for the trees.

Therefore, when it comes to taking an objective view of what's good and, more importantly, what's bad about a customer journey, an outsider's view is hugely beneficial as they won't succumb to excuses or internal rationalisations, nor explain away what doesn't work.

They can objectively identify and articulate the whole customer operation with its interdependencies, causalities, complementary and conflicting objectives, and help identify the right solutions.

Of course, simplicity also depends on your point of view, but finding an effective balance between organisational challenges and customer expectation is paramount.

It is best to focus on simplicity for the customer because if you get that right then internal roles, and the business, will directly and indirectly benefit as well.

Just think of how successful Google and Apple have been since they revolutionised the way people interact with technology.

SIMPLIFICATION FOR CUSTOMERS

Customers want their interactions with the business to be frictionless. E.g.

- Just let them do what they need without getting in their way.

- Avoid overwhelming them with unnecessary information or processes.

- Guide them quickly through the experience, using intuitive, straightforward and familiar mechanisms and language.

- Help them when they need it and offer support when and how they want it.

- Do not make them work hard to achieve what they want.

- Provide only relevant information, tips and opportunities when appropriate.

SIMPLIFICATION FOR FRONT-LINE STAFF

OPEN

Front-line staff want seamless integration of information and tools with their role. E.g.

- Provide instant access to concise, pertinent information about the customer being served and the range of propositions that are available.

- Support them with efficient technology, and effective administration, training, operational and fulfilment processes.

- Integrate relevant tools directly into their day-to-day role so they can ensure customer service and sales are expedited.

- Minimise manual hand-offs between systems, processes, and colleagues.

- Guide them towards achieving their own performance objectives.

SIMPLIFICATION FOR BACK-OFFICE STAFF

Back-office staff want information and tools that enable their role. E.g.

- Give full access to information about the customers, processes, products and/or technologies that are in their charge.

- Automate repetitive tasks to minimise errors, strategy misalignment and boredom.

- Use mechanisms that are adaptive to the demands of the business and intuitive to their way of working.

- Standardise processes, data capture and reporting.

- Support them with integrated help and training to enable them to be more effective in reaching their goals.

SIMPLIFICATION FOR MANAGERS

Managers need pertinent measures and controls over activities and direction. E.g.

- Provide a visual dashboard of their area's responsibilities that tracks how they are performing against targets and overall objectives.

- Introduce clearer insights and reduced information overload to improve productivity and reduce stress.

- Introduce control mechanisms that enable quick reaction to the latest situation and trajectory using the resources under their control.

- Enable workflow oversight to monitor activity and process efficiencies and prioritise opportunities to address staff pain-points.

- Provide integrated tools for managing resources, including communication, delegation and workstack prioritisation.

SIMPLIFICATION PRINCIPLES

Appealing
Designing physical and digital interactions that engage the senses and create a memorable experience.

Solving
Finding solutions to the customer's problem with vigour and resourcefulness that achieves their preferred outcome.

Caring
Being concerned for customer wellbeing and feelings during the interaction. Looking out for the customer's best interests.

Advocating
Acknowledging, empathising and being accountable for solving the problem. Stepping into the customer's shoes.

Streamlining
Removing unnecessary complexity from the customer's everyday life. The customer's time is precious.

Supporting
Respecting the customer's needs and providing help only when and where required. Customers are people, too.

Adapting
Changing communication and behaviour to best fit the customer. Every customer is an individual.

Appreciating
Making the customer feel special through VIP treatment. Their business is important.

PREPARING TO SIMPLIFY

Think ahead
Simplification is a strategy, a mindset that aims to create a frictionless experience for the end user. This means the business must plan the overall journey to the user's goal, and the key steps involved.

Be consistent
Familiarity helps users feel comfortable with what they are doing. Whatever the channel or device the user chooses to access your products/services, make it look and feel the same.

Have clarity
Simplification is about having clarity of purpose and values in brand and product messaging that also permeates throughout each customer journey.

Involve customers
Your customers will be the ones journeying through your processes. This qualifies them to provide independent feedback, and to vote with their feet so, it pays to listen and learn from them.

Learn from others and experiment
There's nothing wrong with learning how other businesses have simplified their customer experiences. Consumer brands like Apple, Amazon and Netflix can all be experienced as a customer before applying the learning through experiments in better CX.

Don't shock
Everybody loves surprises...when they are positive. Make sure there are no shocks in the user experience that could cause them to stop their journey.

EXAMPLE: GET STREAMING IN 3 EASY STEPS

Situation

Major streaming platform providing popular visual entertainment content.

Consumers wanting to gain access to new and exclusive streaming content in their own time and as quickly as possible.

Objective

Allow consumers to sign-up as quickly and effortlessly as possible to maximise subscribers and minimise abandonment.

Approach

In just 3 simple steps new customers can start streaming.

Sign-up starts on the homepage with very simple messaging summarising the primary features and benefits, and a clear call to action for new and existing customers: Enter your email address.

1. The first step automatically checks for an existing customer email and, if so, prompts for a password to login, otherwise it prompts for a new password to sign up.

2. The second step reinforces key benefits and prompts selection of one of only three different price subscriptions. Each is described in a simple feature summary and, if a lower subscription is selected, a promotional offer is proposed to up-sell.

3. The third step is selecting a payment method and reiterates the subscription features and benefits to address common concerns. The choices and details are confirmed, and the customer gets immediate access to content.

Outcome

The business removed friction from the registration process that could otherwise lead to abandonment.

By focusing on simplicity for the customer it has achieved a streamlined experience that doesn't get in the way of what the customer ultimately wants.

HOW TO SIMPLIFY

Map the customer journey
Visualise all touchpoints, interactions, communications, processes and activities.

Identify pain points
Use research and feedback to spot difficult areas or frustrations for customers.

Focus on high-impact areas
Identify the most important steps and areas for simplification based on improving customer KPI.

Balance quick win vs longer-term gains
Immediate impact is good for showing progress, but more strategic improvements are important for bigger gains.

Eliminate the unnecessary
Identify unnecessary steps, tasks, communications, processes, activities, interactions etc and remove them.

Automate and fast-track where possible
Where possible, pre-fill information capture, fast-track customer processes, automate repetitive tasks, standardise forms etc.

Communicate, measure and refine
Align the business around a culture of simplification and the new approach, continuously measure and refine.

PERSONALISATION

Personalisation is more than just using the customer's name to get their attention; it is using available data to create an engaging connection during interactions and when messaging.

It's the process of customising a service or product to the needs, interests and preferences of a specific individual or group using relevant content and experiences to increase their likely engagement.

However, more relevant interactions create more engaging experiences and are more likely to lead to customer loyalty and repeat business.

Personalisation can be simple, like using their name reminding them of their latest transaction, or how long they've been a customer.

It can also be sophisticated, like using artificial intelligence to dynamically personalise messages and content based on the customer's interests, preferences and behaviour.

> "I see you have been a customer for over 20 years. Thank you for your loyalty!"
>
> *Author, eBay online chat*

PERSONALISATION AREAS

Recommendations
Suggesting the products or services that are most relevant to a customer helps them quickly find the products or services they are likely interested in. For example, a retailer recommends products based on the customer's basket content, browsing history or the weather, and a streaming service that suggests different movies or TV shows to each user based on individual viewing habits.

Messages
Tailoring messages based on a customer's unique circumstance is more likely to be read and acted upon when, for example, different email campaign subject-lines and offers are sent to different customers based on their individual purchase history and interests.

Content
Dynamically personalising the imagery and copy text a customer sees when they interact with the business. For example, website and email content that is selected according to their browsing behaviour and the season, or articles and features based on the customer's interests, are more likely to improve engagement, particularly when derived from their stated interests or article reading history.

Service levels that are dynamically adapted to the customer's importance to the business and their previous interactions. E.g., fast-tracking the best customers to the next available agent, or a chatbot that answers questions in the context of the customer's situation and history derived from stored data rather than having to ask the customer.

Pricing adjusts the price of products and services based on the customer's circumstance, their location or purchase history, or other external factors such as demand. For example, a finance company may adjust the interest rate offered to a customer requesting a loan depending on their level of credit risk and market demand.

Product quality and access can be adjusted according to the customer's importance to the business and their history. E.g., returned stock is never sent to the best customers, or new products that are 'soft launched' to selected customers based on their interests derived from browsing history.
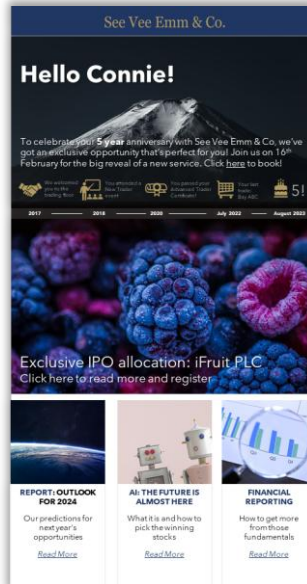
PERSONALISATION IN PRACTICE
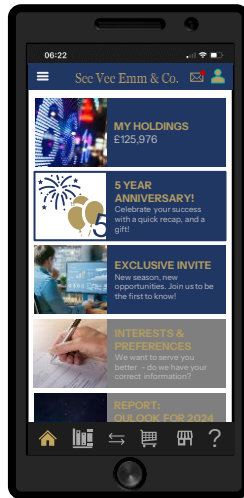
Example App view

Data from the Customer Record

Data from Secure messages, the Customer Record, Transaction History and Event History

Recommendations from predictive models

Data from the customer's Interests, Preferences & Permissions

Recommendations from predictive models

Example Email view

Data from the Customer Record

Data from the customer's Transaction History, Event History, Interests, Preferences & Permissions

Data from the customer's Interests, Preferences & Permissions, and recommendations from predictive models

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HOW TO PERSONALISE

The key to personalisation is the having the right data and ability to apply personalisation in day-to-day customer interactions and messages.

Data that is included 'as is' in an interaction or message, i.e. when it is intended to be seen directly by the customer, must be accurate to avoid unplanned service contact and negative feedback. However, data used only for selecting content or recommending products and services does not need to be completely accurate.

E.g., getting a customer's name wrong or stating incorrect facts is likely to prompt them to act negatively, whereas using 3rd-party demographic estimates of customer age band or faulty behavioural data to select what content to show them is unlikely to be more than an annoyance that affects their engagement and satisfaction.

Personalisation requires:

- Tools to understand how personalisation impacts objectives on different customer segments.
- Customer segment objectives to steer the strategy and data to use for each.
- Quality data from multiple sources that need to be integrated ready for use.
- Ability to dynamically select and configure content in the interaction systems, e.g., website.
- Tools to understand the effect of personalisation on KPI, e.g., analytical systems.
- Tools to derive customer recommendations for offers and actions, e.g., a decision engine.

PSYCHOLOGY OF EXPERIENCE

As humans we remember those experiences that we consider good or bad, or that have just happened. For example, in answer to the question "how was your day?" one might think:

- "My boss was a git" (bad)
- "I made my sales target" (good)
- "The bus was late" (last)
- "Went to a restaurant with great food, but the service was bad, and the tube ride home was a nightmare" (good, bad and latest).

This is a form of cognitive bias known as the peak-end rule, which impacts how humans remember past events.

Our experiences are stored in our minds as a series of snapshots or moments rather than a continuous record of events.

Hardly anyone remembers merely satisfactory or mediocre experiences, let alone brag about them, because the human mind forms an opinion of the past by averaging all those moments to identify the ones that stand out.

MOMENTS OF TRUTH

The moments that have the most emotional intensity or peak will have greater weighting and are more likely to be memorable, whether good or bad, or at the end of the experience.

Moments of truth are the times when a situation reaches a point that the next action will produce a distinctly positive or negative peak and affect all future interactions.

It is in these moments that people judge their experience to either be great, satisfactory, or bad, which for customers can mean the difference between advocacy, loyalty, apathy, avoidance or detraction.

Bad moments are very memorable and often recounted as 'war stories' to friends, family and colleagues, which can spread like wildfire. A bad experience is characterised by a negative outcome for the customer, where they feel let down, disappointed, ripped-off, annoyed or angry.

In short, **if you don't satisfy your customers' needs and provide memorable experiences, then one of your competitors will**.
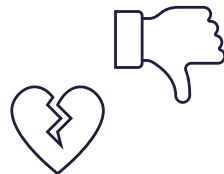
BAD CX WITH A SAVINGS AND INVESTMENT BRAND

A change of address was done easily online for 3 out of 4 people in the household, but for the 4th person there was no option to change on-line once logged in.

The only other option was to sit in a lengthy telephone queue to reach an agent in their telephone support centre.

As no password for telephone support was set up, the agent could do nothing except issue a temporary one by post.

After a week, the temporary password arrived and had to be changed online before making another call to the telephone support centre.

Following another lengthy wait in the queue, an agent was finally able to change the address manually.

The agent could not explain why this one person out of 4 couldn't change their details online, and they still can't.

Whilst the necessary protocols were being followed, the actual customer experience was, at best, annoying.

There were no alternative authentication options so, it took over a week to resolve a simple customer request and wasted customer time waiting in call queues.

GREAT MOMENTS

Great moments are when someone is impressed with the service, product, or outcome of a situation because it significantly exceeded their expectation in a positive way.

They feel excitement, pleasant surprise or delight and it creates a positive memorable experience that stands out from the ambiance of everyday life.

In a business context, these great experiences come about from a business going above and beyond the usual, mundane customer transaction and providing exceptional service that is remembered and valued so that customers stick around, not shop elsewhere and tell others how great the experience was.

The best experiences are those where the customer thinks '**wow, that was great!**'.
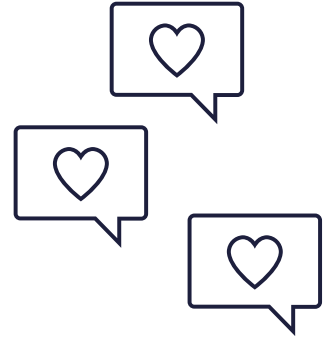
WOW MOMENTS

Ideally:

- something they do not expect as part of the product or service
- give them more value than they are paying for
- timely, appropriate and relevant to the customer's current situation
- perceived as something the company wants to do rather than must do

For example, hotel guests expect a free bottle of water in their room so, getting one with a hand-written welcome note is a nice gesture, but if the hotel puts a bottle opener in your room because they remember you asking for one during a previous stay, then that's a wow moment.

THE THRESHOLD FOR 'WOW' IS ALREADY HIGH

The challenge for businesses in today's complex world is that their customers' expectations are already quite high.

Customers have been 'spoiled' by the likes of Amazon that have raised the expectation bar very high with same day delivery, no-quibble returns and myriad other customer-focused services and features.

The internet has levelled the playing field for consumers to shop anywhere and anytime, with a huge number of competitors vying for their attention.

For example, large hotel chains essentially sell the same, raw product - a room in a location - so they differentiate by providing a unique experience to keep customers coming back.

FIRST, FIX THE FUNDAMENTALS

Get the basics of customer sales and service right, first, because if these are broken, no amount of delight will compensate and can, instead, come across as a bribe. Here are some examples:

- Streamline the journey, removing unnecessary steps or data collection, and make it easy for them to fast-track to their goal through, e.g., helpers, simpler choices, pre-filled information.

- Don't hard sell as customers are easily annoyed and put off by, e.g., pop-ups for 'please don't go', 'newsletter sign up'.

- Opening for business when different segments of customers need you, such as a quiet hour for the older generation, and being helpful and supportive without getting in the user's way. For example, offering guidance through a process vs being forced through a tutorial.

- Don't force customers to change channels half-way through a process but do enable omni-channel so that they can choose how they want to interact with the business for all types of sales and service.

GET THE TIMING RIGHT

Do random acts of kindness to spontaneously reward customers when they are not expecting it, but make sure the timing is appropriate so, don't try and delight before solving an issue.

However, if the customer is having a bad day, for example, a small gesture of kindness can make a big difference.

Make sure the timing is now – wow moments are nearly always in-the-moment, not in 2 weeks' time. E.g. if a customer says they like a particular treat, surprise them by sending it immediately, not after 'n' internal approvals.

It's better to focus on quality over quantity as a small, thoughtful gesture is more effective than a generic giveaway. Also, don't overdo the moments of delight as customers can come to expect them, which diminishes their value over time.

As a starting point, concentrate on the moments that are most intense for customers, i.e., the peaks and the end point

RELEVANCE IS CRUCIAL

Wow moments should be relevant to the customer's situation. E.g., if someone is queuing for a long time, a free drink or discount voucher would be a welcome surprise, but a free pen would not...unless they need to fill in a form along the way.

People appreciate feeling special so, a meaningful moment could be something as simple as using their name, remembering their preferences or a handwritten thank-you note. Personalisation is key: The more targeted your surprise, the greater the impact.

Celebrate milestones: Keep track of birthdays, anniversaries, or other special occasions for your customers. A handwritten note, a small gift, or a discount code can go a long way.

People can tell when something is fake, and it's important to be sincere and authentic so, don't force a wow moment, instead let it happen naturally when it's the right thing to do in the moment.

OVER-DELIVER ON PROMISES

As the adage goes, it's better to under-promise and over-deliver so, if you make promises, make sure they are kept. It's not what you've got, but how you use it so, even small budgets and small efforts can add up to big wow effects.

For example:

- a friendly smile from a customer service representative.

- a well-placed thank-you note.

- proactively solving issues before the customer is aware of them.

- offering a simple concierge service whether you're a hotel or not.

- customers hate rules when they work against their personal situation so, if you can, flex to show empathy to their circumstances.

Another way to over-deliver is to reward advocates and loyal customers rather than incentivise loyalty and advocacy, or give more value than the customer expects, whether monetary or otherwise. For example, upgrade their experience by offering a free sample, a complimentary add-on, or same-day delivery for no extra charge.

LISTEN AND LEARN

Listen to the little things that customers say they are concerned about or interested in and do something positive to help or acknowledge their interests. For example, did a customer mention a recent trip or hobby? Send them a relevant postcard or a small gift related to their interest to show you pay attention, care and add a personal touch.

Make it easy for customers to express their opinions and give feedback, then show how you are acting on the information. Even responding personally to a specific customer's issue or suggestion can make a big difference.

Innovation is good and there are endless possibilities for creating wow moments so, don't be afraid to try something novel. However, not every attempt to create a wow moment will be successful. The important thing is to keep trying, ask for feedback, and learn from mistakes.

Also, keep track of your surprise and delight efforts and see how they impact customer satisfaction and loyalty.

BE FRIENDLY

Have a human personality – don't just be a corporate entity, show them compassion and care. E.g. rather than just ignoring odd or joke requests, positively react and grant it. Be entertaining, but not to become a joke.

This means **treating customers as humans** to demonstrate their value as being more than a number by rewarding, informing and/or making life easier for them.

Also, they're individuals with their own unique interests and preferences so, use this insight to differentiate and give them your attention. E.g. Starbucks writes your name on your cup.

Encourage and thank users to show them how they are progressing and congratulate them when they are done.

For example, in today's digital world, a handwritten note expressing appreciation can truly stand out, as can a public thank-you on social media or showing customers that you appreciate them with an exclusive event with special offers, entertainment, or early access to new products.

COMPANY CULTURE IS IMPORTANT

Wowing customers is a mindset applied to all customer interactions so, incentivise staff to provide great service efficiently, not just get the customer off the phone quickly, for example.

Changing existing staff mindset can be challenging but recruiting the right customer-facing staff to be genuinely positive about your company and its products/services will be easier. They are more likely to engender the same positivity in the customers they deal with and make it easier to encourage change in other staff.

Don't ignore your teams and their input. They're often the best source of ideas for how to exceed customer expectations, or at least spot the common issues or subtle pain points that can prevent customers from being delighted.

They also need to understand how to use wow moments and use their judgement to determine when to wow and what to do. The implication is that staff need to be trained and empowered to go 'off-piste' even if it's within defined boundaries.

WOW MOMENTS IN PRACTICE

Netflix

Known for its personalised recommendations and, when you first sign up, asking questions about interests. These are used to start recommending content that you might like and, as you start watching films and shows, it adapts the recommendations, which makes the customer feel like Netflix is really paying attention to them.

Starbucks

Known for its friendly and welcoming atmosphere, when you walk into a Starbucks, you're greeted by a friendly barista who is always happy to help you. Starbucks offers a variety of ways to personalise your coffee, which makes the customer feel special, appreciated and like they're getting a unique experience.

Amazon

For many businesses, having Amazon's simple shopping experience, and fast and free delivery, could already be a wow moment. But Amazon goes above and beyond this to make the customer's shopping experience as easy and convenient as possible, supported by (mostly) no-quibble returns, and deliveries ahead of schedule.

Apple

When you buy an Apple product, you can expect it to be well-designed and well-made. Apple offers excellent customer service so, if you ever have a problem, you can be sure that Apple will do everything possible to help you and make you feel like they care about you.

Disney

When you go to Disney World, you're transported to a magical world where anything is possible. Disney employees are empowered to go well above and beyond to ensure guests have a memorable experiences and makes them feel like they're part of something special.

EXAMPLE: OMNI-CHANNEL LIFESTYLE BRAND

Situation

After upgrading their mobile handset and transferring their apps, data and profile, a customer was unable to resolve an issue with one 3rd party app that was not synchronising data.

Objective

Solve the challenge quickly and effortlessly.

Approach

The customer initially visited the manufacturer's website, but existing help information offered no answer so, they wanted to contact support.

The support web page had simple questions to identify the right type of support and the method of contact, either email, phone or chat.

Choosing chat, they were immediately connected with a support technician without waiting in a queue. The technician went through the problem and typical solutions, but to no avail.

The technician then introduced a senior technician, who requested voice calling the customer's handset directly.

During the discussion, a screen-share session was established to allow the senior technician to remotely observe the issue, identify the specific problem, and interactively help the customer walk through the solution.

Outcome

The seamless support across multiple channels in real-time and at no extra cost, meant it wasn't wasting the customer's time or money.

Real-time escalation meant the customer knew the issue was being taken seriously, even though it did not relate directly to the handset itself.

Each handoff, from web to chat to phone, was introduced so, the customer was not left guessing what would happen next, nor wait for someone to call them back.

The overall support experience was well beyond what most organisations provide.

ACCELERATING YOUR CUSTOMER MANAGEMENT

CVM People fuse innovative thinking with proven expertise to help companies realise value from their data and customer management capabilities. Our unique transformation to operation approach means we can fluidly provide specialist consulting expertise through to executive recruitment services that accelerate customer growth ambitions.

TRANSFORMATION	Strategic direction	Consulting	Expertise-as-a-Service	Executive Recruitment	OPERATION
	Identifying and designing the right customer management and insight capabilities for growth.	Selecting and configuring customer management and insight capabilities to meet your needs.	Adding time-boxed expert resources quickly to your teams to boost your delivery and operational capacity.	Hiring the right talent to build your team, knowledge and expertise for ongoing customer growth.	

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To discuss how we can accelerate your ambitions, please contact **Karl.Dixon@CVMPeople.com**

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