

WHITE PAPER

DRIVING YOUR CUSTOMER EXPERIENCE FOR SUPERIOR BRAND GROWTH

Measure, Act and Improve business processes by capturing actionable insights through contextual conversations.



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INTRODUCTION

What do my customers want?

You are either asking this question or trying to answer it. Leading enterprises understand that irrespective of what they are selling, at the end of the day they are selling a unique customer experience (CX). All too often because the term can be ambiguous in its definition, executives focus only on specific touchpoints, missing the point that customers don't see their experiences in terms of touchpoints, but as journeys to achieve a need.

A great CX requires you to be ambitious. It requires you to go beyond surveys, experience and touchpoints to map the customer journey.

What can you expect from this report?

An actionable and functional guide on how you can improve your customer experience. Every enterprise has defined touchpoints. This will help you to see those touchpoints in the form of a journey, not independent of each other but as a cohesive unit, and how each step can be leveraged to improve existing processes.

A differentiated customer experience gives businesses a competitive advantage in industries where customers are free to switch brands.



UNDERSTANDING CX

Is it worth the hype?

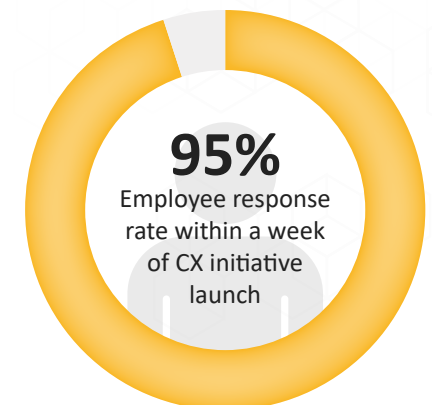
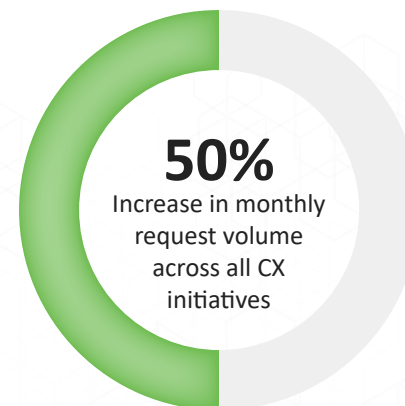
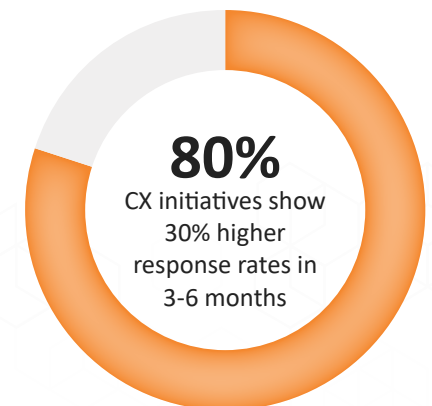
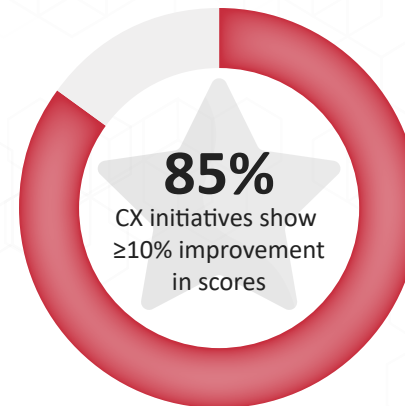
Customer experience is how customers perceive their interactions with your company.

The first part is easy enough to understand. *Customer perceptions* about your products and services are available to you thanks to social listening. But understanding the second part of the definition – *interactions* – can get tricky. It is not so much the response that an ad you placed had, but more on have you delivered the brand promise. It is a balance between setting and delivering expectations. How well you deliver determines the strength of your brand's overall value proposition.

CX is customer perception about your offering and the brand delivering on expectations set.

It's never been easier to discover what's on your customer's mind. Through data, contextual conversations, and feedback, customers are now ready to share what makes them happy – or unhappy. Companies that learn to leverage this treasure trove of information and use it to innovate products or services will thrive in the future. Understanding that CX is not just a concept is crucial. Superior customer experience drives superior business growth. It is the one competitive advantage that you can have in your industry when there is nothing else stopping your customer from switching to a competing brand other than a better experience.

HOW DOES CX HELP YOU DELIVER DRAMATIC IMPROVEMENTS?



HOW TO IMPROVE CX

Though several actionable points can be implemented to drive a good customer experience vehicle, we have broadly classified them into:



DATA

What to collect and how to interpret for insights.



CONTEXTUAL CONVERSATIONS

Contextual conversations and why they need to go beyond surveys and 'how are we doing' rating systems.



CUSTOMER EXPERIENCE

Mapping the journey a customer goes through to understand what motivates their purchase/non-purchase decisions.



EMPLOYEE EXPERIENCE

Because no CX can function without the employee who is delivering said CX on the ground, in real-time.

HOW TO IMPROVE CX

DATA

Focus on high quality data as it is one of the main indicators for the level of engagement organisations are able to establish with their customers.

- **Mine unstructured data for gems:** Brands place too much focus on collecting structured data on customer experience through well-defined rating scales. While this simplifies reporting, customers are humans who prefer providing their feedback through open-ended text, which contain information on the issue as well as the context in which the issue occurred. This enables in-depth analysis of root causes of the issue.
- **Continuous measurement in real-time:** Companies use a variety of metrics (CSAT, NPS, CES, etc.) to quantify customer satisfaction and loyalty. However, the choice of which metric to measure is not critical since there is no single metric or set of metrics that will work for everyone. What matters is how the business inserts the metric into a systematic capability to collect, analyze, and act on feedback in an effective and complete measurement system of the customer journey.

CONTEXTUAL CONVERSATIONS

In our experience, contextual conversations are key to driving a well-rounded customer experience. Why? Today, customers expect timely and personalized interactions throughout their journey with the brand. Hence they are keen to let brands know about their experience, providing insights into how you can improve the experience you deliver.

- **Conversations, not surveys:** Surveys are often designed to provide a one-time snapshot of the business and do not allow for immediate resolution of customer issues. In contrast, conversations allow brands to:
 - Listen to their customers, as well as probe and clarify to gain greater insights.
 - Identify issues and gain the opportunity to resolve them in a timely manner.
 - Accurately assess experience parameters and identify root causes.

Engage respondents through structured conversations that are designed to gain insight on customer interactions and the experience generated.

- **Leverage conversations for revenue:** Contextual conversations should be used to generate referrals and drive repurchase through contextual campaigns. Leverage the brands' most engaged customers who are more responsive to offers or referral campaigns than other customers. Contextual campaigns can also serve as an incentive to drive engagement, increasing the quality of insights generated from the CX program.
- **Talk to everyone:** Transactional surveys capture sentiments of only customers who have purchased from the brand, and miss out on the larger population of potential prospects who have visited but not purchased. Conversations with non-purchasers can lead to unique and valuable insights into what and why they didn't transact, providing actionable inputs to improve customer experience and drive purchase.

HOW TO IMPROVE CX

CUSTOMER EXPERIENCE

While most companies are adept at measuring touchpoint-specific CX outcomes, they have little to no visibility on the overall customer journey. Taking a journey approach helps businesses see the customers' point of view along with the steps they take to fulfil a need, and identify critical touchpoints that impact experience the most. Identifying and fixing systemic issues at these touchpoints can dramatically improve the overall customer experience, resulting in improved satisfaction, repeat purchases and decreased churn.

- **Context adds value:** Current CX measurement programs focus on metrics that rely on a rational evaluation of experience which does not take into account the emotion felt during the experience, leading to a loss of contextual information. The best way to capture this is through conversations that begin immediately after the interaction.
- **Solve in 2 hours, not 2 days:** Customer complaints should be addressed as quickly as possible, as customer complaints are indicators of systemic problems with product, employees or internal processes. It is a unique opportunity for brands to investigate and improve to prevent further complaints in the future.

Moreover, by meeting customer expectations, companies can improve the chance of transforming first time customers into loyal customers, driving repurchase and advocacy. Customers often only take to social media after having tried and failed to resolve their problem through traditional channels as provided by the brand. Brands need to ensure that internal feedback channels are

well-equipped to handle customer complaints to avoid frustration on the customer end.

- **Internal benchmarking:** External benchmarking is a time-proven method to compare organizational performance with respect to its competitors. But when it comes to customer experience, there is a lack of reliable benchmarks, as the overall experience delivered by each brand is different and cannot be compared.

Taking a journey approach to CX allows you to see it from the point of view of the customer and the steps they take to satisfy a need.

Internal benchmarking allows businesses to identify and improve upon drivers to great CX specific to their customers, leading to increase customer retention and loyalty.

- **Experience vs. satisfaction:** Customer satisfaction surveys only tend to provide a superficial measure of the behaviours that drive profitability and growth, such as repurchase or referrals. Effective CX programs go beyond customer satisfaction to measure the emotional impact of the customer journey. It is this impact that drives a customers' decision to choose one provider above another.
- **Good profits vs. Bad profits:** While bad profits can result in a short-term increase in revenues, they come at the expense of long-term profitable customer relationships. Good profits are

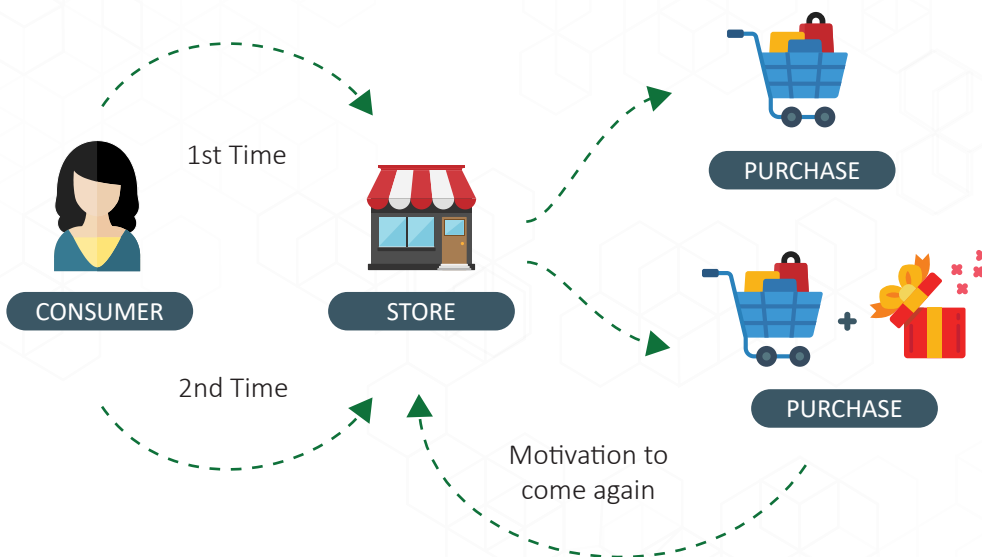
HOW TO IMPROVE CX

earned with customers' enthusiastic cooperation, through repeat purchases or referrals. To create sustainable revenue, businesses must identify and maximize the areas delivering good profits, while cutting down on areas delivering bad profit.

Bad profits are earned through: *Good profits are earned through:*

- | | |
|----------------------------|--------------------------------|
| • Unfair pricing | • Fair and transparent pricing |
| • Captive customer service | • Efficient customer service |
| • Mismatched expectations | • Delivery of brand promise |

- **Add value for returning customers:** Customers who re-engage in availing products or services of a company are essentially their promoters. Added incentives in terms of discounts, extended warranty, freebies and other services can be provided to them when they share their experiences more than one time by cross referencing it to their previous purchases.



EMPLOYEE EXPERIENCE

Employee satisfaction is seen as a leading indicator for customer satisfaction, as satisfied and engaged employees deliver greater service, leading to increased customer satisfaction. Great CX improvement programs extend the conversation to cover frontline employees, who can provide rich feedback based on their interactions with hundreds of customers each day. Also, the breadth of their perspective is greater as they can see all of the elements that contribute to a good or bad experience.

- **Empower frontline employees:** Employees on the frontline often have a better understanding of the products, processes, machines, customers and clients. Implementing immediate and meaningful ways for your employees to use their discretion to deliver better customer service without having to get approval from managers up the line is perhaps the most immediate way to improve your customer experience.
- **Leaderboards and success stories for motivation:** To deliver excellent customer experience, it is important to motivate employees to bring customer centricity to their interactions. Leaderboards that compare employees on the basis of customer experience brings in gamification to the way employees work, motivating employees to share, learn, and grow together across geographical locations. Sharing of success stories and best practices across the organization helps propagate a customer-focused culture within the organization.

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CX ROADMAP AND MOVING TOWARDS CUSTOMER-CENTRICITY

As you start to work towards improving your customer experience processes, it is crucial to define a roadmap that can act as a guide. Your CX vision should stem from what you ultimately want your customer's journey to be like. Do you want minimal steps or an elaborate experience where you take your customer through an emotional rollercoaster? Do you want to position your brand as a low price, fewer facilities provider or a high-priced premium facilities provider? The vision will help you create the roadmap through a combination of a customer-focused feedback loop and an audit of internal processes.

But the critical success of CX can only be achieved when the customer – whether internal or external stakeholders – becomes central to every decision you make. Customer centricity isn't something you do in a campaign once and then forget about it. It has to be a part of your brand's DNA. And only once you are able to move towards centricity can your CX efforts bear fruit in the long term.

ABOUT US

LitmusWorld is a leading enterprise SaaS platform enabling businesses to drive customer and employee experience programmes at scale. Built on a proprietary M.A.I Measure, Act & Improve® framework, the platform delivers actionable insights in real-time across the stakeholder journey. This empowers experience owners to measure experience across business processes, act on issues immediately and continuously improve by leveraging the analytics engine.



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