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Getting from Here to There

5 KEYS TO CUSTOMER EXPERIENCE SUCCESS IN 2016 AND THE FUTURE

By Lynn Hunsaker (first published by InsideCXM*, and is the first in a six-part series of articles about Customer Experience for the Future)*

ABOUT THE AUTHOR

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ABOUT BankersHub

BankersHub was founded in 2012 by Michael Beird and Erin Handel, 2 Financial Services professionals dedicated to educating and informing banks, credit unions, solution providers and consultants in the U.S. and worldwide. BankersHub delivers best practices, research insights, opinions, economic trends and consumer views through online web education, virtual events and conferences, live streaming activities, custom training and content development.

Technology has shaped customer experience management (CXM) as we know it today: CRM, enterprise feedback systems, journey maps, social media monitoring, loyalty programs, and so forth. A crucial ingredient missing in CXM to-date is embedding customer-centered mindsets and actions company-wide. Over the past couple of years, more and more CXM leaders have been realizing the limitations of technology-based CXM *and silo-ized CXM.   They're acknowledging that customer-centered culture and widespread employee engagement in owning and driving customer experience excellence is crucial to achieving business results.*

CXM in the Future

One of the commonly accepted rules of proper corporate business etiquette is that political discussions in the workplace are generally disfavored. With Campaign 2016 already dominating the daily news cycle and social media, along with a highly fragmented electorate, what can employers do to manage political discussions and political activities in the workplace? Alternatively, don't we have the right to express our views in the workplace – as American citizens?

Here are 5 words (#BigIdeas2016) representing successful customer experience management (CXM) in the future:
1) Context
2) Outside-In
3) Patterns
4) Collaboration
5) Momentum

1) Customer Experience Excellence as a Context

Every job exists thanks to customer funding. Therefore, every job has a stewardship to customers' well-being. If not, why fund it? Every manager not only has fiduciary obligations and supervisory duties, but also responsibility for how decisions and deliverables contribute to customers' propensity to buy and rebuy.

Why it's key to future success: This viewpoint is powerful in shifting from our current collective mindset of CXM as something that customer-facing staff takes care of. It is a shift from the micro management of CX as encounters, interactions, experiential events and processes, or case-specific resolution. It is an expansion from relatively superficial treatment of CXM as digital or content marketing or touch-point management. It centers our thinking on realities as customers see them, across their end-to-end process for selecting, getting and using the solutions we sell. It has the power to dismantle silos that currently dominate and severely limit CXM.

(Read more: Key #1 Customer Experience Context is King)

Customer experience definitions that transcend current mindsets to enable superior performance in the future are:

Customer Experience is customers' realities in selecting, getting and using a solution

that enables a capability they want.

A customer is anyone who has a role in the decision or action to get something, or who uses what is obtained.

2) Outside-In Perspective of Customer Experience

Which of these two questions is outside-in: (1) "How likely are you to [do X for or think Y about] our company?" versus (2) "How well have we helped you meet your goals?" The latter is about us helping the customer, while the first question is about the customer helping us. Think about which of those two questions is most appealing to customers. If we give anyone the opportunity to talk about themselves we'll get a lot more participation and a lot more valuable information.

Why it's key to future success: Expecting customers to do something for the company is perhaps a bit odd. They've already paid fair market value for what they bought. If they're participating in a survey or in social media or anything else we can be grateful for that generosity. Otherwise, as much as we're reaching out, it's actually from an inside-out, self-serving perspective. We should seek to extend value or create value to continue a fair dynamic in our hopes for customers to engage with us.

Focusing on the customers' goals can make a huge difference in what we can achieve through CXM. First of all, it gives employees and suppliers a higher purpose. Second, it is the key to being more innovative, and more successful in launches. Third, it characterizes expectation-sets. Customer segmentation and CX personas based on expectation-sets are more natural and a better view of reality, and they are instrumental to every manager using CX excellence as a context for their decisions and deliverables.

(Read more: Key #2 Outside-In Beyond Skin-Deep)

3) CX Patterns Move the Needle

Patterns in customer experience data reveal trends, connections, and impetus to make a difference for the greater good. To identify patterns, we need to study cross-tabulations, conduct correlation analyses,

characterize groups of customers who see things similarly, link various customer feedback sources, connect quantitative (ratings) and qualitative (verbatim) data, and explore linkages between customer perceptions, sentiment, behaviors, operational data, employee opinions, and financial data. Patterns are enriched through root cause analysis (ask "why?" 5 times), Pareto charts, scatter diagrams in quadrant charts, and calculating customer lifetime value.

Why it's key to future success: Patterns are influential in shifting from our current emphasis on index scores, micro approach to following up on low ratings, tactics for moving a few decimals in ratings averages, seat-of-the-pants action planning in silos, and weak accountability for driving changes that customers will reward. Patterns are currently used most effectively by Business Intelligence and Marketing, but the greatest power of patterns is how they inform the rest of the company in using CX excellence as a context for their decisions and deliverables.

(Read more: Key #3 Customer Experience Brilliance by Pattern Discovery)

4) Collaboration Earns Customer Trust

The customer experience journey or lifecycle is horizontal, fluid, and continuous across a company's various departments, processes, and facets of CXM. Incongruent CX governance, design, data, or improvement efforts are typically more transparent to customers than we realize. These mis-matches erode confidence and trust that are essential for relationship strength that yields business growth. Nearly every issue that causes surprises or hassles for customers cannot be resolved without cross-functional collaboration. Perpetual existence of these issues, especially after customers have voiced their dissatisfaction, takes a toll on customers' trust that they are heard and valued, and that their future well-being is assured.

Why it's key to future success: This viewpoint is impactful in shifting from our current silo treatment of VoC instruments (i.e. customer listening posts). It is a shift from silo management of VoC, references, predictive analytics, loyalty management, user experience design, customer service, and other facets of CXM. It is a shift from finger-pointing and the not-invented-here syndrome. Collaboration is an indication of internal trust, which is a precursor of external trust.

(Read more: Key #4 Collaboration Earns Customer Trust)

5) CX Momentum for Company Growth

At the end of the day, company growth is the ultimate reason for customer experience management. Growth is something that's ongoing, and customer experience is also ongoing. So of course momentum is an essential aspect of customer experience strategy and governance. Coincidentally, shared vision and ownership among the entire C-team for CXM is the starting point for enduring momentum, which is not accidental or automatic. Momentum is assured when "CX excellence as a context for every job's decisions and deliverables" becomes a way of life. Team recognition, incentives based on action progress, and weaving CX insights into the company's ecosystem can be instrumental in propelling momentum.

Why it's key to future success: This viewpoint is significant in shifting from our current emphasis on individuals, heroics, programs, and compartmentalization of CXM. It is essential to overcoming the negatives in the mixed signals noted in the introductory paragraphs of this article. It is a shift from patchwork CXM strategies and Jenga-like managerial decisions. Growth requires fuel.

(Read more: Key #5 Customer Experience Momentum Drives Company Growth)

Not every company will succeed in profitably differentiating customer experience. Very few companies are making this wish a reality now. The strongest differentiation won't be about sizzle, but rather, substance. Future success will not hinge upon an impressive technology, but rather, people and processes. To rise above the pack, context, outside-in, patterns, collaboration, and momentum are five keys to managing CX in ways that customers will reward in a strong positive trajectory.

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