FEATURING:

Jay Baer
Frank Eliason
Augie Ray
John Goodman
Annette Franz
and more!

THE SURVIVAL GUIDE TO CUSTOMER EXPERIENCE

20 CXM Experts Show Us How It's Done

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THE SURVIVAL GUIDE TO CUSTOMER EXPERIENCE

LEADERSHIP

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PREFACE

INTRODUCING CXM

CHAPTER 1

THE NEW CUSTOMER-BRAND RELATIONSHIP

THE AGE OF EXPERIENCE

Ragy Thomas
@ragythomas

Ragy is a technology visionary, entrepreneur, and investor who has played an instrumental role in the evolution of two business-critical channels for the enterprise: social media and email. As the founder and CEO of Sprinklr – the most complete social media management platform in the world, serving more than 650 enterprise brands globally – he is helping large companies reimagine their office infrastructure to manage consumer experiences across every touchpoint.

> "People don't remember what you said. They don't remember what you did. They remember how you made them feel."
>
> – Maya Angelou

If Dr. Angelou had chosen a different path – perhaps become a Harvard Business School professor instead of an award-winning poet – she may very well have said:

> "It is imperative that large brands manage and optimize customer experiences at every touchpoint across every team, function, division, and location."

Thankfully, Angelou wasn't a business school professor and her legacy for elegant prose remains intact. But Angelou's core insight is a truism about how people ought to treat one another and, by extension, how businesses should operate.

Everyone, personally or professionally, should strive to give the best possible experience to those they interact with.

Simple to say? Yes. Simple to do? Hardly.

WE ARE SURROUNDED BY FORCES BEYOND OUR CONTROL

Connectivity, mobile computing, and the advent of social media have resulted in a power shift between organizations and customers.

This shift manifests in three key ways:

1. Customers know more than brands.

Brands used to hold all the information. Customers were limited to information from their own experiences and those of close friends.

Today, customers can know more about products than a company's own sales people; more about pricing than a company's own finance department; more about support challenges than customer care.

2. Every customer is a global media company.

The influence that any single customer had on your business used to be minimal. People either bought your product or they didn't. Either way, their impact was limited to their own purchasing decisions.

Today, any customer can communicate information about your business to billions

"Today's customer is ANY person (prospect, customer, employee, investor, partner, analyst, observer, reporter, etc.) who interacts with your brand."

of people at a cost of zero. One compelling anecdote about your company can reach every potential buyer in the entire world in a matter of hours.

3. Expectations are elevated.

We now live in a world where you can book a castle in France on Airbnb, summon a Ferrari to pick you up at the airport on Uber, and share an entire catalog of music with your aunt in Morocco on Spotify.

It's no wonder that people expect your business to deliver amazing service with the full weight of modern technology at every single interaction. If they don't get it – well, they'll let you know.

So, what does this all mean for your business?

CUSTOMER* EXPERIENCE MANAGEMENT... THE STRATEGIC CHALLENGE

*Customer: any person who interacts with your brand at any point in time, in any capacity, on any channel.

Notice, I said "any person" as an expanded definition of "customer." There is a reason for that. It isn't enough to just acknowledge your actual paying customers. Today's customer is ANY person (prospect, customer, employee, investor, partner, analyst, observer, reporter, etc.) who interacts with your brand.

In this brave new world, business leaders are confronted with some serious questions:

- How do we structure our business to not just manage the challenges of the modern customer, but to also take advantage of the new opportunities they represent?

- How exactly do we deliver the right brand experience – making people feel the way we intend – at every possible interaction?

- How do we do all of this at scale, while still maintaining our core competencies as a business?

The answer is Customer Experience Management.

Customer Experience Management requires a holistic approach to the infrastructure, training, policies, and people required to manage and optimize customer experiences at every touchpoint.

You need to think about:

- Turning customer experience into a differentiator for your business.

- Finding and training people who recognize that, literally, every experience can be life or death for a brand today.

- The next generation of front-office technology that can deliver a holistic view of your customers directly to any front line employee at any time.

Now think about doing this for a business with hundreds of brands and thousands of employees distributed across dozens of departments in dozens of countries.

Clearly this is a BIG deal.

THE CUSTOMER EXPERIENCE MANAGEMENT DREAM TEAM

Because it is such a big deal, we've assembled the "who's who" of Customer Experience. These are the thought leaders and visionaries who eat, drink, and sleep CX. We hope you learn as much from them as we have... and heed their words.

CUSTOMER EXPERIENCE MANAGEMENT (CXM)

Definition:
The process of providing unforgettable experiences to your customers at every touchpoint – online, on the phone, on social, and in person.

This is not optional, even for large, complex organizations. It's the future of every business operating in a networked world. Your brand isn't your company. It isn't your marketing message. It isn't even your product. It is the sum of your customers' experience at every brand touchpoint.

CHAPTER 1

THE NEW CUSTOMER-BRAND RELATIONSHIP
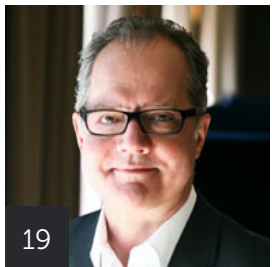
WHAT YOU SHOULD KNOW ABOUT THE MODERN CUSTOMER

2X Customers are twice as likely to share a negative experience with a business than a positive one.

A happy customer will tell about 4-6 people about their positive experience.

An unhappy customer will tell about 9-15 people about their negative experience.

9/10 90% will look at online reviews before making a purchase.

60% – 90%
of in-store purchases are influenced by online research.

1% of customers feel that vendors consistently meet their expectations.

80% of customers say that companies do not have the context of their last conversation

74% 74% trust suggestions from a "friend" on social media.

67% 67% of people will spend money after getting recommendations from their "friends" online.

86% of customers will pay more for a better customer experience.

BIGGER ISN'T ALWAYS BETTER IN THE CUSTOMER BUSINESS

"Customer centricity is our foundation."

"We are nothing without our customers."

"We are in the customer business."

These are just a sampling of some of the things I've heard over the years walking the halls and talking with leaders of companies in every type of business, from restaurants to banks to makers of widgets.

These are also words that you'd expect to see on one of those motivational posters with a glorious high-resolution photo of a dramatic rescue at sea or a volunteer assisting an elderly gentleman across the street.

The fact remains – and I've experienced it firsthand over the past 25 years – that many businesses across industries struggle with translating and scaling these admirable words into business models that fully execute on the brand promise. There are myriad reasons why. Some are common root causes. Others are unique to a specific entity. There is one thing I've learned though, that is as close to a golden rule as you can get on this topic. The bigger you are, the harder it is to be customer-centric.

Let's face it. Big businesses are… well… big. They are complex. They contain hundreds or even thousands of functions, processes, operating models, and systems. They often span vast geographies and employ a lot of people. And the more people that are involved, doing different things, being measured in different ways, and having different personal and professional goals, the more daunting the task to rally them all around a single common objective – the customer.

Barry Dalton
@bsdalton

Barry has spent the better part of 25 years consumed with anything related to customer experience, customer loyalty, CRM, social business, and technology. He has worked with Fortune 500 and mid-market companies alike on the implementation of customer experience strategies, operating models, and leading-edge technologies, driving revenue growth and profitability.

"The approach to creating raving customer fans needs to be two-pronged: a combination of hiring and redirecting the existing workforce."

Trace any big company back to its roots. Whether that takes you back 10 years or 100, they were all simpler. They weren't about customer analytics, or CRM systems, or award-winning user experience design. They were people serving people. So, in trying to figure out how your company can deliver on customer expectations at scale, I've found the most valuable place to start is with people. The people that a business hires and employs are, after all, responsible for creating all the complexity in a business in the first place.

As an on-going enterprise, you can't very well wipe the slate clean and go hire all new employees that are passionate about delighting their customers. So, the approach to creating raving customer fans needs to be two-pronged: a combination of hiring and redirecting the existing workforce.

For hiring, it starts with redefining what's important. I would argue that attitude should trump aptitude in screening new employees, regardless of the department. It is possible to teach people how to use tools, how to run a production line, how to build a complex model in a spreadsheet. But, it is very difficult to teach someone how to treat people well. This is a life skill that is learned way before they

hit your HR department. To scale a customer attitude across the business, you need to recruit people who can demonstrate that they are committed to learning, challenging the status quo, and being fungible.

For those folks that have been punching in and out for a while now, it's a bit more complicated. Often times, leadership declares to the organization that this is "the year of the customer" or something to that effect. And, the expectation is that every disparate tribal faction within the organization will figure out how to meld that objective with their day job and the things they will be measured against at their annual review. That never happens. So the expectations of the customer-centric vision need to be aligned with peoples' capabilities and their reward systems. Alignment of these things requires some pretty serious transformation.

Scaling the customer brand promise is obviously not just about your people though. It will require sophistication around customer analytics, CRM, experience design, and other capabilities. The bigger you are, the more sophistication will be required. And it's a constant exercise in balancing the benefits of developing these capabilities with cost

of change and expected financial return. Sustainability, however, can only be achieved by people who are committed to the brand promise, understand why it's important to them in their day-to-day activities, and how they will be measured against the objectives.

So my advice, while you're figuring all that out, is to go back to your roots: people serving people.

78% of marketing professionals say they "try to differentiate through customer experience."

Source: Econsultancy, Adobe

78%
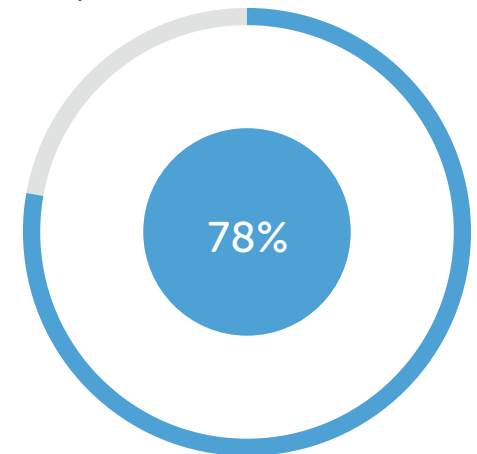
THE ROLE OF SOCIAL MEDIA CUSTOMER SERVICE IS CHANGING!

In the past few weeks, my role at Citi has changed, and it is something I see happening throughout our industry. Social media has become more ingrained in what we do, and how we act as a company. It is no longer about what we say, but instead a reflection of what we do. If you think about it, there is a natural evolution happening that you should be thrilled to be a part of. In fact, many reading this are helping to lead the way.

Before I get into where we are moving, we should first step back and take a look at where we have been. Let me set the stage for you...

The year was 2007. Not that long ago in human years, but for those involved in social media, it feels like a lifetime. Twitter had just celebrated its first birthday. Facebook was not even close to going mainstream. Myspace was passing its peak and taking a turn for the worse. No one had even heard of Google Plus

(okay, maybe some still have not heard of it). And many of the other social networks we use today weren't even ideas yet.

I just started working for Comcast, the Philadelphia-headquartered cable company. My background has always been in Customer service, which I have always found to be an underappreciated part of the business world. Still on a high from my success of transforming the Customer service operation at a bank, I was eager to tackle a similar endeavor, this time, at the largest institution in Philadelphia. I never anticipated what would happen next.

Immediately after I joined Comcast, Advertising Age writer and NPR personality Bob Garfield began his public ridicule of the company, a vicious rampage which would later become known as the "Comcast Must Die" crusade.

Frank Eliason
@FrankEliason

Frank is a Global Director of Customer Experience for Citi. He was formerly the Global Director of Social Media at Citi. Prior to that, he was credited with starting social media customer service while at Comcast. He has been recognized by many publications, including being called "the most famous customer service manager in the US, possibly the world" by BusinessWeek. He is also the author of "@YourService," published by Wiley.

"The tides of change have been working, and Customers have realized they control the brand, not the company."

As a company, we had to decide how to respond. I did what any service person would think to do: I helped people. It was with this that social media Customer service was born.

At first, we simply called disgruntled Customers on the phone. Telephone Customer service continued to grow as our Customers found it to be the best way of getting help. This eventually led me to Twitter, thanks to a colleague, Scott Westerman. Twitter became a fruitful platform once the search function became available through now defunct companies like TweetScan and Summize (Twitter bought Summize.) All of a sudden, we could easily search for conversations being had about our company, and respond in real time.

Our Twitter efforts were part of a much broader effort to improve the service Comcast offered Customers. Our social media Customer service received a lot of favorable press coverage and inspired many other companies to strive to emulate our strategy of Consumer engagement on Twitter.

As time went on, I think many companies forgot the part about fixing what was broken. Many of the first companies were receiving glowing write-ups in social media and the press. The problem with social media Customer service is inevitably you are asking people to blast your brand publicly for help. Nearly 90% of the time, those that turn to social are frustrated by other, more traditional channels – and so, they take to social to blast a company into submission. The tides of change have been working, and Customers have realized they control the brand, not the company.

Over the years, social media for businesses has become more and more about pushing some message that nobody cares about. We forgot that social media is about dialogue and the best aspect for business is enriching the lives of Customers. As this push aspect became predominant in social media, we watched Customers take action against brands, especially in comments. It used to be the worst brands would see this, but today we even see it with some of the most loved brands.

Social media is not TV or other forms of mass marketing. It is the birth of micro-marketing, or one-to-one marketing. It is a space that thrives on word-of-mouth, but the mouth people care most about is their own, or those of their closest friends. Companies have to change in order to truly succeed.

86% of buyers will pay more for a better customer experience,

but only **1%** of customers feel that vendors consistently meet their expectations

Source: CEI
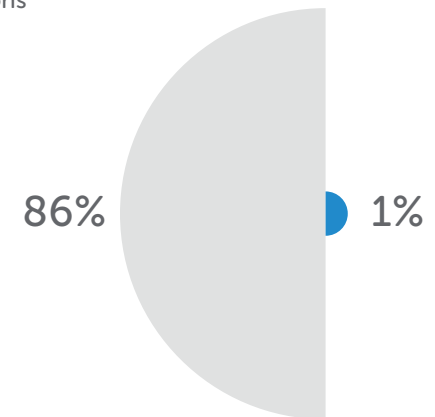
86%   1%

"My role has changed. I am now focused on Customer experience, and proud of that fact. I, along with many of my colleagues at Citi, are working to make the Customer the center of everything we do."

Apple, notorious for not being heavily present in social media, has been actively listening to conversations with the launch of the latest iPhone and the newest version of the iPhone software. The company was using social media to quickly identify and fix problems. This has always been the way companies can have the greatest success in social media. Recognize the shift in control, and then understand how your company can capitalize. We always said it starts with listening, but the reality is that listening isn't enough. It may start with listening, but action is also required. I am not talking about the action to fix that one person's problem. If that is your focus, you will attract more and more negative attention. It is about listening and making the wholesale change necessary to fix procedures, products or even cultural issues that are wrong within your company.

My role has changed. I am now focused on Customer experience, and proud of that fact. I, along with many of my colleagues at Citi, are working to make the Customer the center of everything we do. My former company, Comcast, recently promoted Charlie Herrin to be the SVP of Customer Experience – reporting into the CEO of the cable division. We were fixing a lot while I was at Comcast, but it was not built into their culture. Now it will be Charlie's job to do just that. Each day, I see similar roles developing within thousands of companies. This is the natural evolution of social media Customer service.

This is your evolution and now it is time for you to step up and lead your organization in this manner. You have access to the Customer story, written in their words. Does your brand mission match the true story shared by Customers? Is your CEO aware of the brand story that your Customers share? It is time you provided that and build the new brand story for your Customers.

63% of customer experience decision-makers think the importance of the customer experience has risen.

Source: Forrester Research

63%
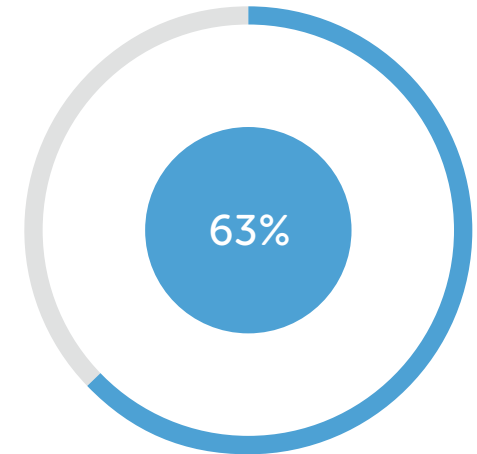
CUSTOMER EXPERIENCE MANAGEMENT IN THE AGE OF SOCIAL

It is fair to say that business as we know it will never be the same again. The advent of the internet and, more recently, the adoption of social networks, has put the power firmly in the hands of the consumer. No longer can you hide bad service, poor products, or an awful customer experience.

Everything is open and available to be shared with anyone, anywhere in the world.

The modern customer in the digital age expects the last, best experience they have anywhere will become the minimum expectation for the experiences they want everywhere.

This expectation comes at a huge price, as this is entirely disruptive for the 10-, 50-, or 100-year-old business as they try and apply new processes and procedures to fix their years of legacy processes.

Back in 2009, when I launched a well-known credit card company onto social media, their service level for a response on social media was 90 minutes. In 2015, a response any longer than 10 minutes telegraphs to the digital, connected, and influential customer that you're not listening, and you don't care.

The opportunities for companies brought about by the über-connected consumer in the age of social media are many. A by-product of having consumers always on, and with a global voice, is that your market research and product development teams can receive instant feedback the moment a product or service is launched. In the past, research cycle times of weeks, if not months, were common. However, this means that companies need to be set up and prepared to ingest this feedback into legacy processes.

Andrew Grill
@AndrewGrill

Global Partner, Social Business at IBM Interactive Experience

Based in London, Andrew is an internationally-renowned thought leader in the fields of social business, digital transformation and social media networks. Currently, Andrew is a Global Partner at IBM Interactive Experience. He leads a team of social business professionals across Europe, providing strategic advice and delivering complex projects across all industries.

"Smart companies are federating the role of social to all parts of the business."

HOW TO MEET THE EXPECTATION OF THE NEW CUSTOMER

At the moment, I am seeing a lot of companies going back to the days of the company switchboard when it comes to managing customer experiences via sources such as social media.

In most companies that I speak to, there is a "social media team" that handles all communications into the company – just like the switchboards of 80s.

In 2015, not only is this model not scalable, it will never deliver the value customers expect.

Smart companies are federating the role of social to all parts of the business. This way, the logistics team knows about a supply chain issue within minutes of it surfacing, rather than waiting for the "social media switchboard" to send on the message – or worse, finding it buried in the social media report (that no one really reads) sent around each week.

GETTING IT RIGHT THE FIRST TIME, EVERY TIME, AT THE RIGHT TIME

My wife recently signed up for a new pre-paid mobile SIM card with a well-known, market-leading mobile operator.

What was her experience like?

First of all, she had to activate the SIM card online – no big deal here. While activating she was hit with a plethora of "special offers" that she had to choose from. As she always does, she opted out of all marketing communications... or so she thought.

The next day, and every day after that, she began been receiving offers via SMS from the mobile operator (remember, she opted-out online).

In trying to stop the messages coming, she called the carrier's call center. They were unable to help, and actually compounded the angst because all they said was that when she logged back into the account, her opt-out preferences would be reset. Frustrated beyond belief, she had to drive to one of the operator's stores to speak to someone in person.

This experience is wrong on so many levels.

First of all, her expectation when opting-out of marketing communications was just that. Someone in the mobile operator's marketing department decided that she needed to have more offers pushed to her via SMS in the early days of her relationship with the company.

If you've ever played the dating game, you know that it's human nature to be put-off by that new person calling or texting you every day too early in the relationship. As humans, we feel the same way when we buy products.

We want to have a "relationship" with the company when we need them (new service, service issue, billing inquiry), but outside those times, I am sure many of us are happy just to be left alone, and "just be friends."

HOW WOULD YOU DESCRIBE CXM IN YOUR OWN WORDS?

❝ Ensuring the last best experience becomes the minimum expectation for customer experiences everywhere.

ANDREW GRILL

What is not taught to marketing students these days is that it's okay to just be friends. We can have a true relationship with a few brands we rely on and trust, however brands always want to take things to the next level when we don't. That's where the experience sours.

Marketers in 2015 have to trust that consumers know exactly how they want the relationship with a supplier to evolve.

What scares me with the advent of social, and the volumes of "big data" that we are now seeing, is that marketers simply see this greater detail about a consumer as a prompt to send them more junk instead of bettering the experience.

Now the tables are turning. Consumers have all the power both before, during, and after an interaction with a company.

Marketers must learn to focus on the customer experience. Great customer experience will drive advocacy and reduce the need for the "spray and pray" advertising.

The digitally connected customer is a key influencer in his or her own right. If my wife had experienced an amazing on-boarding experience from the beginning, she might have told several of her friends by now. That would in turn reduce advertising costs, as customers are marketing to each other.

I fear, however, that some existing "old school" CMOs are not yet ready to change, or have such an investment in the old way they just can't change.

One final thought is that in the age of digital disruption, board members of companies need to ensure they have digital representation to drive the agenda in this new space. At a time when gender diversity is a hot topic, perhaps we need to also consider a digital diversity agenda to ensure the right customer experience is in the DNA of every company.

A NEWLY EMPOWERED CUSTOMER DEMANDS A NEW MARKETING APPROACH

The tables have turned. Today's consumers are more empowered than ever before. This means marketers must get beyond the cycle of chasing campaign-oriented capabilities around every emerging channel.

Marketers will certainly have to be able to describe the value of the product or service through various campaign-focused, offline and online content islands such as television, print, social, mobile, or other. But, they must also create differentiated experiential value that is separate and distinct from that product or service – and then integrate the physical and digital world together seamlessly.

The customer's experience through all aspects of their journey with the brand should guide the brand's marketing strategy. Customers will be looking to be continuously delighted, surprised, informed, entertained, and assisted.

They will seek out brands that align with their purpose and values. Relationships will continue to be tenuous, but will be deepened less on the quality of the product or service, or the quantity of interactions – and more on the differentiated experience created within each interaction.

CUSTOMER EXPERIENCE MANAGEMENT WILL BECOME THE CORE OF A BUSINESS

How to keep up with the modern customer? You need to restructure marketing from a siloed group that is solving small marketing problems at the individual channel level, into a much more liquid set of teams that work together to create differentiating customer experiences.

Robert Rose
@Robert_Rose

Robert is in the business of helping marketers become stellar storytellers. As the Chief Strategy Officer for the Content Marketing Institute, and Senior Contributing Analyst for Digital Clarity Group, Robert helps develop content marketing and customer experience strategies for large companies such as Oracle, 3M, Abbott Laboratories, The Bill & Melinda Gates Foundation, Allstate Insurance, Staples, and Petco – helping them tell their story more effectively.

HOW WOULD YOU DESCRIBE CXM IN YOUR OWN WORDS?

> **CEM should be reversed. It should be MEC: Managed Experiences for Customers.**

ROBERT ROSE

The new role of marketing will be to evolve customers. From aware, to interested, to delighted, to passionate sharers of their experience. Businesses must transform their marketing strategy in order to address this evolution. Both inside the company and out.

EXPERIENCE MANAGEMENT MUST BE ABOUT QUALITY, NOT QUANTITY

You can't optimize every single customer-brand interaction. You can't. And you never will. This is one of the keys to understanding how to thrive in this new era. No brand in the world – it doesn't matter how big – will ever scale their experiences to cover every single way a customer may interact with them. These interactions are constantly changing, expanding, rearranging. The key is to actually truly understand the major "pivot points"– and optimize these to such a degree that it creates a halo of delight that customers want to share.

The talented marketing group of the next decade will manage portfolios of experiences at every major stage of the customer journey. Like any good media company, knowing how to optimize both the number and the type of impact created will be what separates successful marketing teams from those who aren't.

In other words, it's not about continually focusing on building a million "good" theme parks that nobody talks about positively or negatively. It's about delivering just the right number of "remarkable" theme parks that build audiences (across the life cycle) who want to share what an amazing experience they had.

THE MAIN PROBLEM WITH CXM IS UNDERSTANDING CXM AS A PROBLEM

Customer experience (CX) is commonly (and accurately, in my view) defined as something like: "the customer's perception based on the sum of their interactions with a company or brand."

By extension, customer experience management (CXM, aka CEM) should be the business discipline of managing (monitoring, modeling, creating, curating, delivering, measuring, and optimizing) these experiences, right?

In my view, the answer is, in fact, no. This might be quite surprising, given that I am an acknowledged CXM expert, have co-founded a firm dedicated to CXM, and am writing in a forum specifically dedicated to the strategic challenges – and advantages – of CXM. Nevertheless, customer experience management should not be understood as the application of management to the

established definition of customer experience – for two fundamental reasons.

The first is that CX refers to the customer's perception, that is, to their mental state. Customer research is a powerful and sadly neglected tool – most firms should spend far more time and effort understanding their customers' needs, goals, and attitudes. Still, regardless of the quality for your customer insights, no firm can reasonably expect to manage the mental state of individual customers.

The second reason is that CX refers to the totality of all possible interactions. This totality could extend over years or decades and encompass not only thousands of interactions across every possible channel and touchpoint – website visits, app usage, call center and face-to-face conversations, mass advertising exposure, store visits, issue resolution, and

Tim Walters
@tim_walters

A founding partner of Digital Clarity Group, Tim has vast experience helping companies engage with both consumers and employees. An early advocate of personalized and relevant digital experiences, he is also an expert on intranets and the future of work. His background in research, teaching, and software marketing and strategy makes Tim a valued advisor to enterprises as well as solution providers.

"CX is life, the universe, and everything."

social media exchanges. It also includes impressions and opinions your customers form about, say, how company executives appear in the news, the color and weight of the paper on which the bill is printed, the arrangement of products on the shelf or of shade trees in the parking lot, etc.

By definition, in other words, CX is life, the universe, and everything – and proposing to manage that is a fool's errand (or a job for Prak, the character in "Life, the Universe and Everything" who is capable of – and condemned to – telling the truth about everything and everybody in the entire universe).

If there is one CXM challenge that companies face more than any other at this juncture it is this: CXM seems overwhelming. Organizations feel like they are caught between the irresistible force of empowered consumers and the immovable object of CXM – that is, the seemingly impossible task of getting started and building momentum with something as huge as managing (every) customer('s) (every) experience.

The immensity of the perceived task probably accounts for the fact that in a 2013 survey,

91% of organizations said they aspire to be among the customer experience leaders in their industry... yet only 37% had started any kind of formal CXM initiative.

## FOCUS ATTENTION WHERE IT MATTERS MOST – HIGH-VALUE CUSTOMER JOURNEYS

The totalizing customer lifecycle view is useful as a heuristic, but far too amorphous and intangible to serve as the basis of action. Instead, efforts to improve customer experience should focus on specific customer journeys.

Notice, that's journeys, in the plural. Customer journey (singular) is sometimes used as a synonym for the cradle-to-grave customer experience or life cycle. But you should rather think of customer journeys as the multiple, relatively discrete, time-bound, outcome-oriented exchanges between a customer and a brand or provider.

Take the example of a cable provider. The key customer journeys might be: researching and selecting a new cable company; onboarding and service activation; issue resolution; billing; and service upgrades. Such journeys are small enough to be manageable yet comprehensive

91% of organizations said they aspire to be among the customer experience leaders in their industry...

yet only **37%** had started any kind of formal CXM initiative.

91%   37%
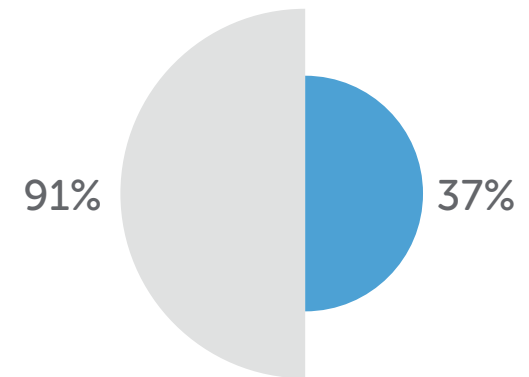
"If there is one CXM challenge that companies face more than any other at this juncture it is this: CXM seems overwhelming."

enough to have significant impact on the customer experience.

McKinsey estimates that over half of all customer interactions are part of such multi-channel customer journeys. In practice, this means that a limited number of journeys account for the lion's share of revenue, as well as harboring most of the opportunities to influence customer satisfaction and build loyalty.

The customer journey approach does not make it any more feasible to "manage" customer perceptions about their experiences. But, since journeys are proscribed and often goal-oriented (for example, meet the field rep at my home at the appointed time, or get a quick and accurate answer to my question from the help center), it is far easier to identify what matters to customers the most, and whether it is being provided to their satisfaction. If you optimize a customer journey to meet those expectations, you've gone a long way toward ensuring a positive experience and a good feeling.

Finally, high-value customer journeys often involve multiple touchpoints and therefore numerous teams or departments within the organization. Focusing on a journey forces the employees in these silos to cooperate and share common insights and goals. Such teams then come into alignment with the customer, rather than with performance metrics and incentives that don't correspond to overall satisfaction.

Bottom line: You can't – and you don't need to – control or manage the entire customer experience. Focus on the customer journeys that are the sources of value (for you and for your customers).
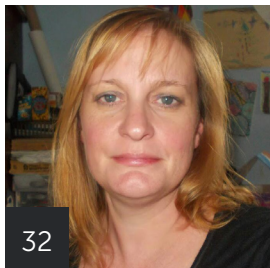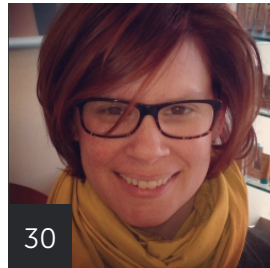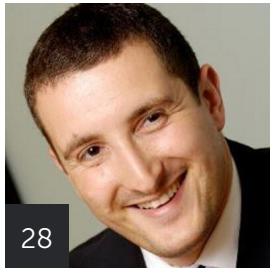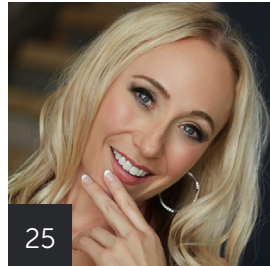
Over half of all customer interactions happen during a multi-channel journey.

Source: McKinsey

56%
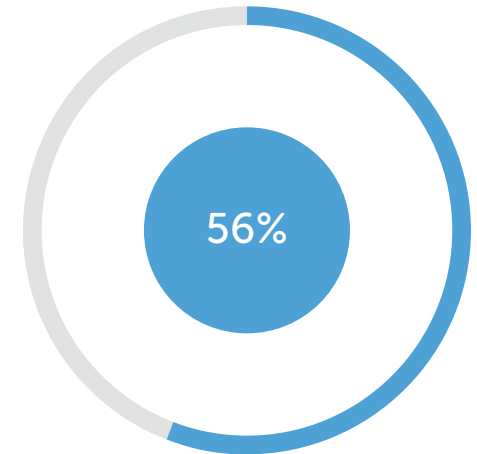
CHAPTER 2

THE NEED FOR A HOLISTIC VIEW OF THE CUSTOMER

IT'S 2015 – DO YOU KNOW WHERE YOUR CUSTOMERS ARE?

Steve Curtin
@enthused

Steve Curtin is the author of "Delight Your Customers: 7 Simple Ways to Raise Your Customer Service from Ordinary to Extraordinary" (AMACOM Books, 2013). After a 20-year career with Marriott International, Steve now devotes his time to speaking, consulting, and writing on the topic of extraordinary customer service. He lives in Denver with his wife, their four children, and a Goldendoodle named Nugget.

It occurred to me while reading through a list of 15 Customer Service Trends for 2015 assembled by Richard Shapiro, President of The Center For Client Retention, that nine of the 15 trends are related to omnichannel: a seamless approach to a consumer's experience through all available shopping channels (e.g., mobile devices, computers, physical stores). It's difficult to imagine a scenario whereby omnichannel is optional for those companies expecting to remain relevant with consumers in 2015.

OMNICHANNEL IS GREAT, BUT SEAMLESS CUSTOMER EXPERIENCE IS BETTER

I've read that omnichannel is the realization of social business and I believe that's correct. But it must, as the above definition states, be seamless. The opposite of seamless is disjointed or faulty. Too often, this characterizes the consumer's experience in attempting to communicate with an organization. As Richard observes in his article:

> "When consumers post a question or complaint on a brand's social media site, the days of asking them to call you are coming to an end. Consumers expect a response in the same channel of communication. If your brand has a Facebook, Twitter, Pinterest, etc. page and you invite consumers to interact, then companies truly need to respond; that's the definition of interaction."

In addition to the obvious social media channels and review sites, organizations must also treat channels used to acquire customer feedback with the same sense of urgency. Too often, customers take time to provide feedback only to be ignored. (This is one reason customer satisfaction survey response rates are so low.)

HOW WOULD YOU DESCRIBE CXM IN YOUR OWN WORDS?

" The art and science of coaxing lifetime loyalty from daily transactions.

STEVE CURTIN

@enthused We'd like to follow-up on your experience. Please email hotelbrand@hotel.com details, contact info w/ Twitter ID. @hotelbrand

@hotelbrand With all due respect, I provided details in response to a survey weeks ago. Spent 20 mins. as I recall. #custserv

@enthused. For proper documentation in our office, if you change your mind, sent details to hotelbrand@hotel.com w/ Twitter ID. @hotelbrand

Consider the following Twitter exchange I had earlier this month with a hotel brand.

This is a good example of Richard's observation above that "consumers expect a response in the same channel of communication." If the company had simply acknowledged or, better yet, responded to my original feedback (obtained via its web-based guest satisfaction survey following my stay), then there would be no need for them to ask me to email "details" of my experience to them a second time, six weeks later.

What's even worse than failing to accept responsibility for a faulty channel that fails to capture, archive, and share a customer's feedback, is to then imply that it's the customer's responsibility to duplicate his efforts by resending details of his experience through a different channel in order to assure "proper documentation." Do you see the irony of this request? What happened to the original "documentation" provided six weeks earlier through the satisfaction survey channel?

More than likely, this lack of continuity is caused by two different work groups performing two different functions using two different systems. Of course, this defies the "seamless approach" that defines omnichannel and disregards the trend that "consumers expect a response in the same channel of communication" as cited by Richard Shapiro.

UNDERSTAND TO TRANSFORM

I like to say, "You can't transform what you don't understand." Therein lies the key to customer experience management: understanding is what drives your customer experience strategy.

"Understanding" in the world of customer experience management really has three components:

1. Understand who your customers are.
2. Understand what they're trying to achieve.
3. Make sure employees understand how they contribute and what is expected of them.

What does that mean? If companies are to design and deliver a great customer experience, they must first know who their customers are, what customers are trying to do with their products or services, what they

are going through in order to achieve that, and how the experience went.

And, they must communicate this information to employees so that they know not only what customers expect but also what is expected of them.

WHO ARE YOUR CUSTOMERS?

Many companies talk about developing products and designing experiences for their "target customers," but what can you really do with knowing that your customers are "males, 18-49"? Targets are too high-level and meaningless when it comes to customer experience innovation and design; they don't provide details about needs, goals, attitudes, behaviors, or emotions; and are just too far from reality and from what the customer is actually doing.

Annette Franz
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Annette is Vice President of Customer Experience at Touchpoint Dashboard, the world's first journey mapping software. She blogs at CX Journey, where she shares her passion for helping companies understand the importance of the employee experience and its role in delivering an exceptional customer experience, as well as how to transform their cultures to ensure the customer is at the center of every conversation.

HOW WOULD YOU DESCRIBE CXM IN YOUR OWN WORDS?

> Optimizing every interaction a customer has with your organization.

ANNETTE FRANZ

Personas, on the other hand, are up close and personal – literally. Personas are fictional characters used to describe an ideal prospect or an actual customer going through some scenario with your company. They outline motivations, goals, behaviors, challenges, likes, dislikes, objections, and interests that drive buying decisions or whatever it is that your persona is trying to achieve.

Using personas to define your customers allows you to shift from target-thinking to a more actionable definition or view. If you really want to develop a personalized experience for your customers, you need to do your homework and develop personas. Personas take you one step closer to a customer-driven transformation.

Once you know who the customer is – whose journey you are going to focus on – you can take the next step: map the customer journey with the organization. You need to focus on mapping very specific tasks to be achieved by the customer. You'll find out very quickly that it's going to be much easier and much more meaningful to map at the persona level than for some high-level, meaningless, inactionable target demographic.

There are many approaches to mapping. Don't get so lost in the HOW that you forget the WHY.

WHY SHOULD WE MAP?

If there's going to be any customer-driven transformation, you need to think about the journey, not just about individual, singular touchpoints. Customers just don't think about things that way – they think about your company and your brand overall. When your product quality stinks, you stink. When your service is bad, you are bad. As a result, you need to take a more holistic view of the experience. Remember, you're only as strong as your weakest link. So, understand your individual touchpoints, but think in terms of journeys. Also know that much of the experience often happens between the touchpoints, i.e., those things that happen behind the scenes as well as those that are out of the control of the customer and the company, like economic or political factors, traffic on the way to the store, or the lack of parking spaces – which are difficult for organizations to measure directly.

"McKinsey found that organizations that focus on the entire experience (rather than just managing individual touchpoints) benefit through enhanced customer satisfaction, reduced churn, increased revenue, and greater employee satisfaction."

McKinsey found that organizations that focus on the entire experience (rather than just managing individual touchpoints) benefit through enhanced customer satisfaction, reduced churn, increased revenue, and greater employee satisfaction. These organizations have broken down the proverbial silos and found effective ways to collaborate across departments, another benefit of taking a more holistic view/approach.

TRANSFORMATIONAL THINKING

The great thing about journey maps is that you're going to use them to not only transform the customer experience but also to transform organizational thinking – in order to transform the customer experience.

How?

Let's start with one of the most important things: maps help to ensure that the entire organization is on board with the common goal – improving the customer experience.

One approach to achieve that is to use maps for employee onboarding and continuous training. Maps help the employee connect the dots and make sense of how cross-functional teams work together to deliver the customer experience, and they provide a clear picture of how what the employee does contributes to that experience. Maps help them understand how their work matters.

Maps also provide employees with a clear line of sight. When employees have a clear line of sight, it means that they:

- Know how they contribute to the common goal (this is especially important for back-office employees who often feel like they cannot impact the customer experience).

- Know what it means to deliver a great customer experience.

- And ultimately, are given the tools and training – and are empowered – to do so.

"Customer empathy" is the latest buzz phrase, but it's not just a buzz phrase, it's a reality and a necessity. It's all about understanding and sharing the needs and feelings of others. To walk in another's shoes is to understand and live what they are doing, thinking, and feeling; these details are all part of the journey mapping process. When employees are able to empathize, they can deliver a great customer experience for every customer with which they interact.

As you can see, maps are quite valuable and not only transform the organization but also your culture, the way you do business, and ultimately, the customer experience.

KEEPING PACE WITH CONSUMERS IN 2015

As every year goes by, the challenges for the modern organization become ever more intense. As technology evolves and customer expectations increase, senior leaders from businesses in all sectors are faced with the daunting task of "keeping up." I use the word "daunting" intentionally, as companies must face the realities of the future full-on if they are to be part of it.

I was recently having a discussion with peers of mine about the failings of strategic decision-making in and around the areas of process and technology. While organizations like to think they are "future proofing" when investing and implementing new technology, too many of them have technology that is already out of date!

If we are to face the challenges of the modern customer, we should consider restructuring our businesses to align much closer to the experience our customers have. So many organizations have spent time mapping customer journeys, but how many of them have re-organized the way they work to align to the journey the customer experiences?

At the same time, it is vital for businesses to see the **continuous improvement** of customer experience as not only a way of working, but as an opportunity to take advantage of evolving customer needs. What I mean by this is that changing customer behavior enables a business to be proactive in continually innovating. It gives your business permission to try new things – some will work, some will not – but customers will appreciate the fact that you are constantly trying to make the experience better.

The absolute benchmark for this type of approach is Amazon – led by the ultimate transformational leader, Jeff Bezos.

Ian Golding
@ijgolding

Ian is an independent Customer Experience Specialist. Having spent over twenty years in business improvement, Ian has always worked hard to ensure that the organizations he works for are as customer focused as possible.

"Whether you are a multinational corporation or a mom-and-pop enterprise, what your customers want today will be different tomorrow."

The company is constantly re-investing in ideas to continually improve the customer experience. This is absolutely intentional and focused on delivering the Amazon brand experience that we all demand – basically an experience that is as simple and seamless as possible. The result is that if Amazon sold houses, we would probably look no further!

The greatest challenge is in having the vision and courage to continually push your organization to keep evolving. I often talk about the importance of businesses acknowledging the need for change.

Even now, in 2015, businesses are coasting along with the belief that they do not need to change – now or ever. The reality is that nothing ever stays the same. Whether you are a multinational corporation or a mom-and-pop enterprise, what your customers want today will be different tomorrow. If you want to survive, you have to find a way of continually adapting to their needs. Nothing can be sacred anymore – that is a fact whether we like it or not!

CULTIVATING THE CUSTOMER EXPERIENCE IS A NON-NEGOTIABLE

The modern customer is connected, social, and influential, and yet many businesses remain traditional in how they approach them.

Successfully engaging customers is not as much about managing them as it is about cultivating relationships. Any meaningful relationship requires a genuine understanding of who people are, how they behave, and what you can do to help the other person. As such, creating these relationships take time and commitment.

The modern customer has high expectations and if they're not met, they are likely to part ways. High expectations, though, shouldn't be a deterrent. Rather they're an opportunity to improve and optimize your engagement strategies. Most expectations don't require technology upgrades or sophisticated platforms; only better workflows and transparent communication.

When you show that you value your customers from the inside out, it builds confidence and trust. The more a customer trusts you, the more they'll likely engage with you. To reap the rewards of these relationships, use these opportunities to collect information, complete call to actions, or connect with customers one-on-one.

BUILDING CONSUMER TRUST

Because the customer experience is about relationships, it starts the moment a customer becomes aware of your brand or product. Introductions are no longer formal, and can be as subtle as a tweet in someone's feed or casual mention from a friend. While you might not be able to control how or when someone is introduced to your brand/company, you can influence what they feel when they meet you.

Marisa Peacock
@marisacp51

Marisa Peacock is the principal and chief strategist for The Strategic Peacock. As a social business strategist and marketing consultant, Marisa helps organizations create and implement online strategies that appropriately target the right audience with the right information using the right media.

HOW WOULD YOU DESCRIBE CXM IN YOUR OWN WORDS?

" Acquisition of customer intelligence to create meaningful human interactions with brands.

MARISA PEACOCK

Your brand represents your mission, vision, and values and as such, any time you engage with a customer, your message should embody what you stand for.

No one sets out to make customers uncomfortable or unappreciated, but they can feel that way if messaging isn't consistent across every touchpoint. Whether it's on the phone, in an email, on social media, or face to face — the voice, tone, and character of your company are of paramount importance. It's easy to be nice to your fans, but how do you respond to your detractors? How will you act in a crisis?

Establishing the persona of your brand requires a fundamental understanding of what your brand represents; commitment to remaining true to your values; and the emotional intelligence to understand your customers' behaviors.

THE KEY INGREDIENT FOR SUCCESS

Most companies think their bottom line comes first, but smart businesses know that it's the customers who do. Without customers, you won't survive. And if you're not taking the time to invest in developing meaningful customer relationships, customers won't last long.

Everything your company does must be built around the customer experience.

What does the customer experience mean to the C-suite? How does it impact research and development? Information technology? Customer service? Marketing and sales? Customer-driven companies adopt a culture where employees not only have an advanced understanding of the customer, but also a responsibility to deliver the highest possible level of service to all customers.

Cultivating the customer experience is a non-negotiable — it must be integrated into every facet of a company in order to meet and exceed the expectations of the modern customer.

GREAT CUSTOMER EXPERIENCE IS NOT A RACE, IT'S A JOURNEY

Imagine yourself walking down a street surrounded by digital billboards. As you pass one, it becomes personalized to you – mentioning you by name, telling you about the latest safety testing on a set of cars that you have been researching online. Another one offers new tips for getting your youngest to eat their veggies, the organic kind. There's also the one that tells you there's a big sale happening this weekend on ski gear at your local sports store.

Imagine yourself walking into your favorite clothing store and being greeted by name by a new salesperson. She knows your name because the iBeacon in your smartphone alerted her on her iPad as you entered the store. She mentions a sale on jeans, noting that there are only a few left in your size, and offers to help you pick some out to try on.

You make a few purchases and as you are leaving the store, the salesperson whispers that you should plan to come back in a couple of days, because there will be a big sale on thermal undergarments that would be perfect for that ski trip you are planning.

YOUR BEST CUSTOMER EXPERIENCE

Okay, so this is a slightly new take on "Minority Report" that might make Tom Cruise proud. It's a super-personalized customer experience that will make some consumers happy and completely freak out others. It does sound nice to be able to walk into a store and get that kind of personalized treatment, or to be surrounded by advertising that you can relate to, but the reality is... we just aren't there yet. And to be honest, that's a really good thing.

Barbie Mosher Zinck
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Barb Mosher Zinck is a content marketing strategist/digital experience analyst. She is the Editorial Director of Digital Tech Diary, a new online resource for digital experience practitioners. She spends her days learning how to build better customer experiences, providing actionable strategies for her clients and practical guidance for her magazine audience.

"Keeping a customer is much easier than gaining a new one, but if you don't bring together the entire organization's view of your customer, losing that customer is pretty simple."

We've been having this discussion about what the best customer experience really is for a few years now, if not more. But great customer experience is really hard to define, because it's so personal to every customer and prospect you have. There are few, I suspect, that see great customer experience as the personalized billboards or a salesperson knowing your skiing plans without you even telling her. I think most, though, are looking for something much simpler, and that is where brands need to focus.

START AT THE BEGINNING

The beginning is really your business strategy, and one hopes that you have aligned that strategy with the needs of your customers – they go hand-in-hand. Now that you know what you want to do and how it aligns to the needs of your customers, it's time to start monitoring social media for keyword mentions so you can reach out to customers and prospects, right? Slow down.

You're aiming directly for the end before starting at the beginning. First things first: get your entire organization on the same page.

Develop a holistic view of your customers. Figure out what the initial profile is that you need to build to get a good view of your customers and their needs. It doesn't have to include everything – it's a beginning, something you can build on as you access more data and learn more.

To do this, think about the customer's journey through the buying process, from need to actual purchase. Use that journey to start developing the customer profile. Pull in data sources used at each point in the journey, and start to build a picture. As you continue to add more data sources, learn how to filter out the noise and keep only the important information. This won't happen overnight, take the time to get it right.

TAKE IT ACROSS THE ORGANIZATION

Keeping a customer is much easier than gaining a new one, but if you don't bring together the entire organization's view of your customer, losing that customer is pretty simple. As you build that holistic profile, remember that the customer life cycle goes long past the point of actual purchase.

Connect the dots between marketing, sales, and service and support. Everyone in your organization should know a customer across every touchpoint, using that knowledge to grow the relationship.

This holistic view of the customer also enables you to develop a consistent message across all your communication and engagement strategies. Everything you do with social media, content marketing, communications, and support should be consistent and usable across marketing, sales, customer service, and more. Having a single consistent voice from your organization is as important as having that holistic view of your customer.

BUILDING GREAT CUSTOMER EXPERIENCES TAKES TIME

You hear it every day – there's no time to waste. If you want to be successful, you have to begin doing great things for your customers, offering great customer experiences. Personalize. Mobilize. Socialize. Localize.

"Great customer experience is not a race, it's a journey. And the best customer experiences pay respect to the entire journey, not just the destination."

Every brand is in a rush to be the best, offer the best, to personalize the experience across every channel, online and off. But there's a reason why the tortoise won the race over the hare. He took his time. The hare, in his rush to win, didn't pay attention, and in the end he paid the price. I'm not suggesting you slow down to a crawl, but I am suggesting you take the time to do things right from the beginning.

Building a holistic view of the customer across the entire customer life cycle and presenting a consistent voice across your organization – these things are what will help you win the race, and no matter what technology you use, they won't happen overnight.

As for that salesperson knowing about your skiing trip, or what size jeans you wear? Wouldn't you be just as happy if she was polite and helpful and offered you the same deals you get from that store's online shop? Wouldn't it be nice to shop on your smartphone on your lunch break, and continue that shopping experience on your tablet at home later that night? Wouldn't it be nice to receive an email or a tweet from customer support letting you know that if you need any assistance with that product you just bought, to feel free to reach out?

Great customer experience is not a race, it's a journey. And the best customer experiences pay respect to the entire journey, not just the destination.

CHAPTER 3

WHY SOCIAL MEDIA SHOULDN'T BE A SEPARATE DEPARTMENT
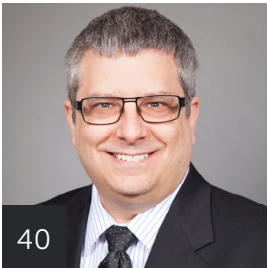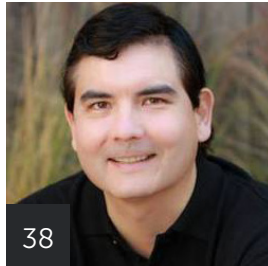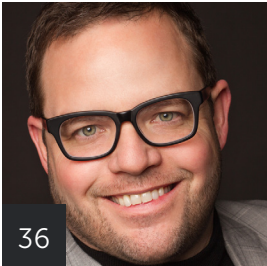
ARE SOCIAL MEDIA JOBS ABOUT TO DISAPPEAR?

Social media has had as much impact on companies and their customers as any technological advance ever, because social fundamentally changes the relationship between those parties from its historical norm – which is "master" and "servant" – to something closer to a relationship among peers. Social has given customers a voice, and business will never be the same. Customers can punish or praise companies within seconds from the palms of their hands, and those communications can (at times) result in meaningful changes to company policy and behavior.

This fundamental disruption was first accompanied by a legion of new communication platforms like Facebook and Twitter, and then an extraordinary array of software, tools, and consultants birthed to govern or improve how companies navigated these uncharted new waters.

This is why most companies today have Social Media Departments whose responsibility it is to use these new platforms to interact with customers and prospective customers, and to stay abreast of the boundless new software and best practices developed to optimize those interactions.

But as we close out 2014, I'm starting to wonder if the era of the Social Media Department is winding down.

WHEN SOCIAL MEDIA BECOMES EVERYONE'S JOB

In my first book, "The NOW Revolution: 7 Shifts to Make Your Company Faster, Smarter, and More Social," my co-author Amber Naslund and I predicted that we would eventually get to a point in business where social media would be fully incorporated into the fabric and culture of organizations, and social would be

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"Customers can punish or praise companies within seconds from the palms of their hands"

a skill rather than a job. We wrote that in 2010, but in many ways that book feels more current than ever.

I think we're getting close to that tipping point, where social starts to get plugged into other parts of the organization as a layer, rather than as a freestanding department. This is because the strategic imperative for social can often transcend marketing, and intersects, aligns, or overlaps with many other divisions of the enterprise:

- Is social media marketing? Yes.

- Is social media advertising? Increasingly, yes.

- Is social media customer service? Very much so.

- Is social media market research? It should be.

- Is social media earned media, like public relations/communications? Often, yes.

- Is social media a tool for sales? Increasingly it is, especially with social enablement/training programs taking root. (Nice piece by Brian Solis on the state of the union of that here.)

- Is social media employee recruitment? Indirectly, yes. And in some companies/ industries it's a big part of direct recruiting.

- Is social media internal collaboration and process improvement? Yes-ish. Typically, we'd think of this as "social business," and since it's internal rather than external facing, I'd think of it as separate, but the tools and the systems are similar of course.

HOW LONG CAN YOU KEEP SOMETHING THAT WANTS TO DISSIPATE IN ITS OWN CONTAINER?

As social media touches more and more corners of the organization day-to-day, it becomes increasingly ungainly to encapsulate those activities into a freestanding department, doesn't it?

As we wrote in 2010, Amber and I believe the future has two deviations from today's norm:

First, nearly all employees will be "social" in some fashion, and are trained to interact with customers (and one another) with speed and lack of prejudice about roles and process.

Second, "social media" ceases to be a job other than for a small number of senior managers that oversee social implementation cross-departmentally, like Chief Customer Officers do today with their emphasis on horizontal optimization of customer experiences. Instead of the Social Media Department, other legacy departments like Customer Service, Market Research, and Communications will have members that manifestly focus on the "social media" components of their departmental responsibilities.

What you end up with is essentially a Center of Excellence model, but with nobody in the CoE except for senior managers spending 100% of their time in social.

Certainly, there are companies that have already put this model into place. But it is definitely not the norm for most mid-sized and large organizations. With social getting broader, and more complex, and more integral into the workings of the enterprise, this decentralized future of social media is right around the corner.

TRANSFORM SOCIAL MEDIA INTO A CUSTOMER EXPERIENCE YOU CAN BE PROUD OF

Anyone can now reach and engage customers at scale using social media. The challenge is to make social interactions feel like people connecting with people, regardless of whether that's done in the form of a tweet, status update, or blog post. After all, isn't customer experience about delivering a consistently human experience whenever someone interacts with your brand?

EXPERIENCING YOUR BRAND ON SOCIAL MEDIA

Your customers are already experiencing your brand on social media, whether you like it or not. And it's not just customers; it's also prospects, potential employees, partners, investors, etc. They're showing up on their (not your) favorite social networks to get a sense of what your company stands for, what others are saying about your brand, and whether (or not) to consider doing business with you.

With that said, you need the right social media approach to deliver a customer experience that not only represents your brand, but also the people behind your brand. Here are five ways to do just that:

1. UNDERSTAND YOUR CUSTOMERS' BEHAVIOR BY LISTENING FIRST

Build your social media approach around listening to what your customers are saying and analyzing what they're doing on social media. Invest in a social listening platform to discover the conversations your target audience is having around pain points, products, competitors, and your brand. Then take action on what you learn. For instance, incorporate social insights into your buyer personas, content marketing, and communication strategies.

Carter J. Hostelley
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Carter is the Founder and CEO of Leadtail, a social strategy and insights firm. For the past five years, he has championed the importance of social media and customer experience to CMOs and senior marketers at leading business brands and venture-backed companies. Carter is also a contributing author on customer experience for CMSWire and has written for InsideCXM.

HOW WOULD YOU DESCRIBE CXM IN YOUR OWN WORDS?

" Delivering a consistently human experience when someone interacts with your brand.

CARTER J. HOSTELLEY

2. ENGAGE CUSTOMERS IN REAL-TIME FEEDBACK

Social media is great for asking questions and engaging in conversations with customers. So go ahead and prompt your Twitter followers for real-time feedback about your latest website redesign, product release, or mobile app. Start discussions within the LinkedIn Groups that your customers are active in. Use this social feedback mindset to inform how your company engages on social networks, and you'll be able to reap the rewards of tapping into the wisdom or your customers... while also making them feel valued!

3. EMBRACE SOCIAL CUSTOMER SERVICE

Business professionals and consumers alike are turning to social media to address their customer service needs. This means the time has come to provide top-notch customer service via social media, especially since your customers are going to ask support related questions on your Twitter handle and Facebook page (if they haven't already). The key is to decide where you'll provide social care, and to develop the right social "playbook" that documents how you'll respond to customers in an appropriate, helpful, and timely manner.

4. ENCOURAGE EMPLOYEE ADVOCACY TO PUT A HUMAN FACE ON YOUR BRAND

It's no longer just sales, marketing, and customer support that interacts with people interested in your brand. Human resources, accounting, and every other department (including the management team) are all touchpoints for your company when it comes to social media. That means practically everyone in your organization needs to be educated on how to engage with social media. Your company needs a plan and process for making that happen, and a culture that encourages and empowers employee advocates to represent your brand on social media.

5. IDENTIFY AND MOBILIZE BRAND ADVOCATES

There's no better advocate for your company than your most satisfied customers. So how are you using social media to identify and mobilize brand advocates? For example, are you leveraging social media to discover who's saying positive things about your brand, and asking them to share positive reviews or testimonials? Or how about inviting advocates to contribute to the company blog? Regardless of how you mobilize your advocates, make sure and flag them within your CRM system so it's easy to reach out again when needed. And don't forget to acknowledge their efforts in being the voice of your brand!

BRANDS: IT'S TIME TO STOP SOCIAL MEDIA "MARKETING"

Eleven years ago, Facebook was simply an idea being cooked up by some college kids in a dorm room. Now it's a publicly traded company worth $200 billion – that's more than giants like Coca-Cola, AT&T, and Walt Disney. There's certainly some debate about Facebook's bark being more potent than its bite, but its roaring success is indisputable.

Facebook's story is just one of the tell-tale signs that global organizations now recognize the value of social. They have individuals and teams dedicated to the cause. Some brands have even had moments of sheer brilliance via social. We are miles from where we started, but we're still miles from where we need to be.

THE PROBLEM WITH SOCIAL MEDIA TODAY

Sixty percent of organizations still cite marketing as the main function of social channels. We fail to see that social touches so many other departments outside of marketing. Too often, we don't recognize that social is also recruiting, customer care, product development, sales, market research, crisis management, just to name a few.

Sure, we're investing more in social these days, but spending six or seven figures on a "viral" campaign isn't the type of investment we should be making.

Augie Ray
@augieray

Augie Ray has been in digital and social business for 20 years, working in agencies, market research, and Fortune 200 firms. He is a former Forrester analyst who covered social technologies in the Bay Area. Since leaving Forrester, Augie has worked in three Fortune 200 financial services firms, focusing on strategy, marketing, customer care, and governance of social media efforts, along with methods for giving customers more voice throughout the enterprise. He led an effort at one firm to develop the organization's first social business vision, a blueprint for how new and evolving collaborative economy models offer threats and opportunities to traditional banking and insurance firms.

HOW WOULD YOU DESCRIBE CXM IN YOUR OWN WORDS?

❝ Processes to define, implement and measure differentiating improvements in the end-to-end experience customers have with products and services.

AUGIE RAY

CONNECTING SOCIAL MEDIA TO THE OVERALL CUSTOMER EXPERIENCE

Take a look at your customers' conversations with you on social media. These messages are rarely about "social media," if you really think about it. They're instead related to your service, your store, your product, your return policy, your website, etc. Social media is merely the channel… not the end destination for customers.

So, why have a social media department that is siloed from everything else? As social media continues to touch more parts of the organization, it becomes less logical to keep it confined to one department.

If the marketing department in your organization has primary responsibility for non-paid (or organic) social media, it may be time for a change. Most marketing departments measure their success in reach and acquisition, and the data is clear on the limitations of brands' organic social media in these regards. As a result, using social media to strive for marketing objectives may result

in poor social strategies; meanwhile, failing to expect social media leadership from other parts of the organization may be limiting social opportunities and success.

For example, one of the most powerful brand uses for social media is not broadcasting but listening and responsiveness. This is why we must better use social media to support and enhance other customer-facing brand experiences and integrate social media with other customer care channels. If a customer raises a product question on Twitter, someone should be there to provide a quick and valuable response. If that conversation goes "offline," the context of the conversation should travel offline, as well, so that the customer does not have to repeat himself or herself. That same conversation should then be taken into account when developing product updates.

This is what I see as the future of social: organizations using social media (among other channels) to deliver better end-to-end customer experiences, not simply marketing messages.

SOCIAL MEDIA CANNOT FIT INTO ONE DEPARMENT

social media messages directed at an anonymous enterprise brand – monitored and tagged over a 30-day period – and the business units with which they correlate

5028
TOTAL INCOMING MESSAGES

business development	32%	●
customer care	16%	●
finance	12%	●
global communication	11%	●
guest services	9%	●
legal	7%	●
maintenance and facility	5%	●
marketing	3%	●
misc	2%	●
reservations	2%	●
sales	1%	●
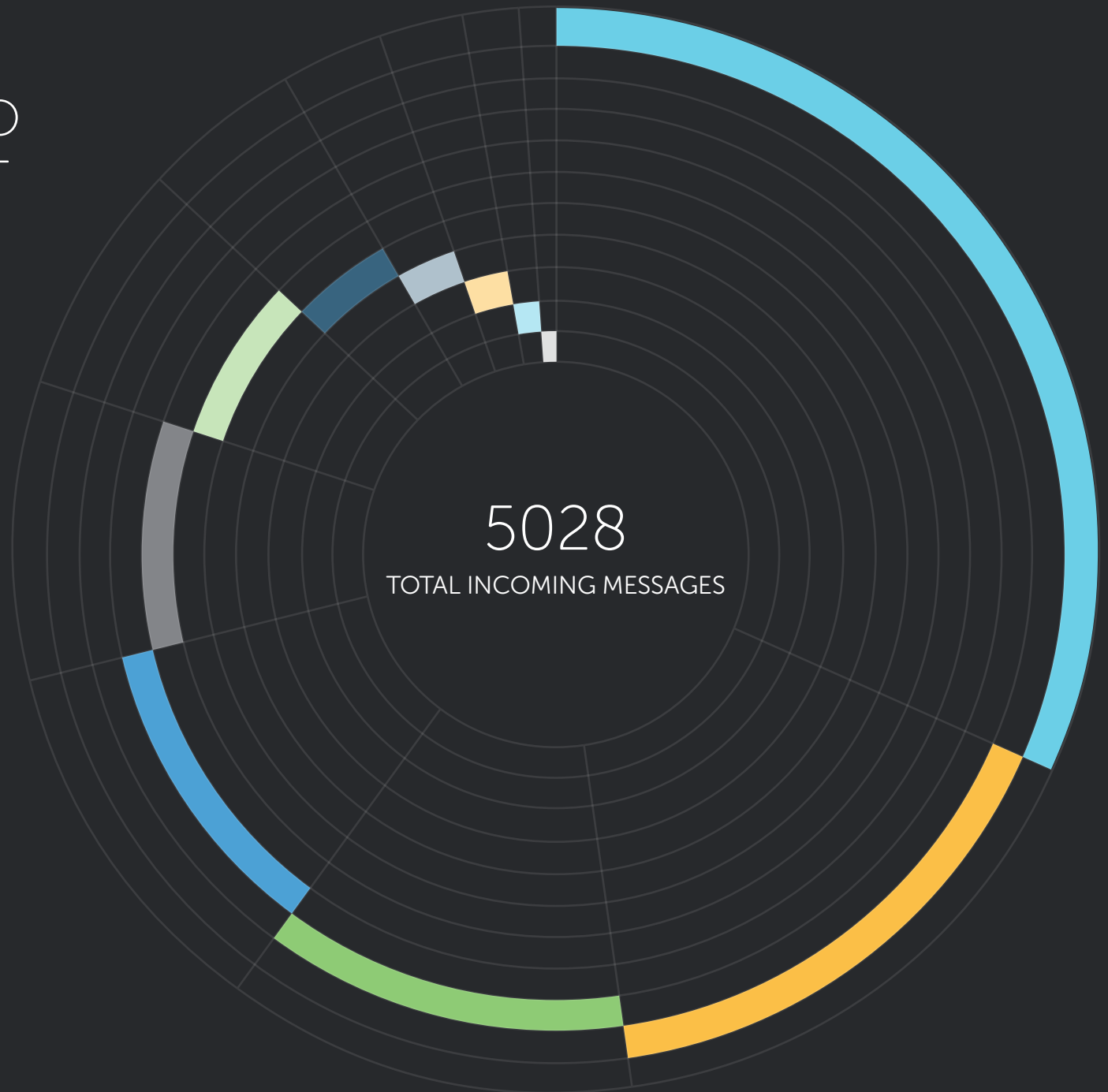
CHAPTER 4

WHAT GOOD CXM LOOKS LIKE
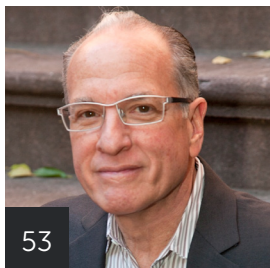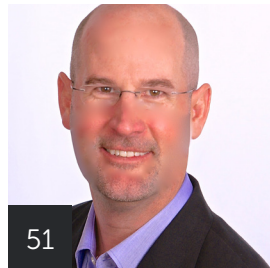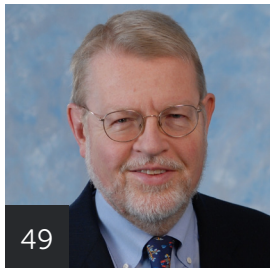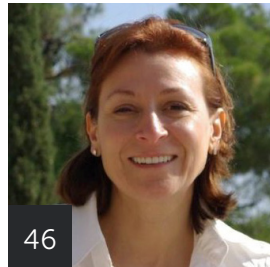
DELIVERING BETTER CUSTOMER EXPERIENCES IN THREE STEPS

STEP 1:
UNDERSTAND THE CUSTOMER

Customers are often – not always – better informed than they used to be about products and services they may purchase, about the options available to them, in brick and mortar, online, or in combination. They expect all interactions with a business to be free of friction. They expect to get things the way they want, and when they want. People are far too busy to be kept waiting, or to be left uncertain about how and when your product or service will be delivered to them. All anyone needs to do is scan Twitter or Facebook to see how people react to being kept waiting for services, or to being kept in the dark.

On the other hand, well-informed customers make great customers – provided that your product or service is good and you are prepared to meet them where they are. As soon as they feel either misled or misinformed, they are likely to pass you by.

All of this means that you have to understand your customers; prepare to do business with them in a way that is as effortless as possible for them, and have your customer-facing staff well-informed and prepared to deliver trustworthy information at every juncture.

Serving the customer is everyone's job.

STEP 2:
MAKE CUSTOMER EXPERIENCE A CORPORATE PRIORITY

Delivering the right brand experience for millions of customers around the globe is no small task. But it can be done if you instill the right mentality across your organization.

Roy Atkinson
@RoyAtkinson

Roy Atkinson is a principal with Clifton Butterfield, LLC, a training and consulting firm, as well as a support industry analyst and writer. He has been named to many "Top 25 / Top 50 / Top 100" lists on the topics of customer service and customer experience, and has written for many outlets, including The Economist Intelligence Unit.

"Every touchpoint – from your website to your front door to your phone greetings – should reflect that brand vision."

As Simon Sinek says in his now-famous TED talk, start with why. Why are you doing what you do? Why would a customer want to choose your product or service? What does your brand say that others don't? That's the first step: Understanding what business you are in. If you don't have a clear vision of what your brand is and how you wish it to be perceived, you won't go very far.

Next, you must project that brand vision inside the organization, because if your colleagues and/or employees don't understand it, your customers shouldn't be expected to. I don't recommend indoctrination, but I certainly do recommend making sure that you have a shared vision.

Every touchpoint – from your website to your front door to your phone greetings – should reflect that brand vision. All of these should be frequently reviewed to make sure they remain in sync. It is one thing to build a bridge; it is another to maintain it.

STEP 3:
DELIVER REMARKABLE CUSTOMER EXPERIENCES AT SCALE

This really gets to the trouble spot. So many companies are excellent at start-up and when small, but then lose sight of the vision as they become larger, and become unable to deliver that shiny brand promise.

Let's consider an example: Apple. Before Steve Jobs returned and performed the herculean task of turning it around and building it into the huge corporation it is now, Apple was on the skids. It got that way because – to use one of the few sporting analogies I favor – it took its eye off the ball. Apple lost its way by trying to please everyone and introducing model after model. This was a nightmare for production, design, retail sales, and certainly (as I can attest firsthand) for service and support. The first smart move Steve made was hacking that huge product list down to four: Pro desktop, pro laptop, consumer desktop,

and consumer laptop. Of course, once his digital hub strategy took hold, the product line grew into what it is now, with tablets and phones as well as computers, with a large selection of iPods along the way. But all of the devices came from that brand vision and held consumers in thrall.

Another minor miracle is that Apple not only does all of this at scale, with web sales and its renowned retail operation, but also survived the transition to a new CEO after Steve's death. Many did not think it would.

So you operate at scale by keeping your offerings in line with your competencies and your vision, while constantly ensuring that your customers are interested in you and are well served. Find your customers and serve them.

THE ROI OF BEING A BELOVED COMPANY

This was excerpted from Jeanne's Book, "I Love You More than My Dog: Five Decisions the Drive Extreme Customer Loyalty in Good Times and Bad," published by Portfolio.

There is an effect that noble decisions have on a company, its people, and its customers. They always seem to find a way back to their "sender," to those who make them. Meaning, yes, they deliver financially.

But beyond the financial gains, beloved companies also enjoy a personal relationship with their customers and employees that transcend others. Their connections are genuine.

Employees stay and become increasingly valuable to the business. Customers become the army that makes them known and beloved in the marketplace.

Here are five reasons it pays to be beloved.

1. BELOVED COMPANIES RETAIN HAPPY, ENGAGED EMPLOYEES

Wegmans Food Markets, Inc. trusts the people working in the stores to make their own decisions about how to keep the promise that "No Customer Goes Away Unhappy."
Of the almost 6,000 Wegmans employees, about 20 percent have ten or more years of service. This grocery store receives more than 150,000 applicants per year who want to wear its aprons.

2. CUSTOMERS ARE THEIR BIGGEST CHAMPIONS

There are over 200 YouTube videos of Zipcar customers with "their" cars. Threadless.com has grown tenfold from 70,000 members at the end of 2004 to more than 700,000 members in 2008.

Jeanne Bliss
@JeanneBliss
www.customerbliss.com

Jeanne Bliss pioneered the Customer Leadership Executive position, holding the role for 20 years at Lands' End, Allstate, Coldwell Banker, Mazda, and Microsoft Corporations. Since 2002, she has led CustomerBliss (customerbliss.com), a preeminent customer experience transformation company, where she helps companies achieve customer-driven growth. She is a worldwide keynote speaker, and co-founder of the Customer Experience Professionals Association (cxpa.org).

"Customers who love you will market for you more powerfully than you can possibly market yourself."

Their customers submit designs for the T-shirts they sell and vote to determine which are produced. The Harley Owners Group started in 1983 now has 850,000 members, many of whom have the Harley-Davidson logo, the number one logo requested in the world, tattooed on their body.

In 2001, after the terrorist attacks in the United States, Southwest Airlines received thousands of letters from customers who wanted to make sure that Southwest would stay in business so they could continue flying with them. Many customers included checks with their letters.

3. CUSTOMERS BEG FOR THEM TO BE IN THEIR LIVES

In 30 minutes of Internet searching, I uncovered petitions from the cities of Portland, Maine; Washington, D.C.; Nashville, Tennessee; Palm Springs, California; and Albany, New York, begging the Trader Joe's corporate headquarters to open a store in their community. Bruce Roter of Albany, who led the grassroots campaign there, stepped up campaign efforts after he received a letter from the company saying no plans exist for a store right now. Not deterred by the rebuff,

he and others on his committee responded by sending postcards of the city – complete with drawn-in arrows showing just where their store would fit right in – to Trader Joe's to demonstrate what a beautiful site it would be for them. In another city, an open letter sent to the "Baltimore Business Journal" addressed to the corporate folks at Trader Joe's was titled "Please, Please Open a Store in Baltimore." Over 2,000 signatures accompanied the request.

4. CUSTOMERS FUEL THEIR GROWTH

In August 2008, Zara eclipsed Gap to become the world's largest clothing retailer because of its decision to keep customers coming back with current and ever-changing inventory. Zara keeps their prices low and their customers begging for more because of how they've decided to design, produce, and distribute. Internet clothing and shoe retailer Zappos.com grew from gross merchandise sales of $1.6 million in 2000 to over $1 billion in 2008 because of how they stayed true to their core; they stuck to decisions they made when they were a fledging website and kept to them as they grew. Even what some consider the last harbinger of "service," the technology sector, can grow when decisions connect

heart and habit, yielding enviable growth and profitability. Web services company Rackspace has achieved 50 percent annual growth by practicing these decisions. The common denominator for all of these companies is how they make decisions which embrace and connect them to customers – decisions you can make in your own business.

90% of customer experience decision makers say that a good experience is critical to their success.

Source: Forrester Research
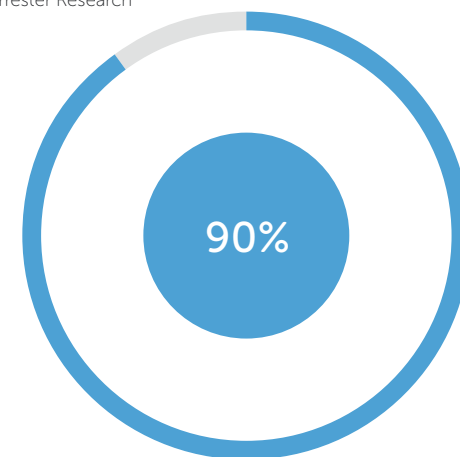
90%

"The Harley Owners Group started in 1983 now has 850,000 members, many of whom have the Harley-Davidson logo,
the number one logo requested in the world, tattooed on their body."

5. CUSTOMERS WANT TO STAY IN TOUCH WITH THEM PERSONALLY.

Tony Hsieh, CEO of Zappos.com, has hundreds of thousands of people following him on Twitter. Why do people follow Tony? Because they know that he actually sends his own "tweets," and they like following him in his daily life. Zappos folks scour the Internet daily to see when they show up in blogs and then personally respond. Recently, a love letter to the company showed up on a website called suggestionbox.com. The message simply was, "To Zappos: keep doing what you are doing. I love Zappos and free shipping and quick delivery." Zappos replied, "We love you too! Thank you for taking the time to enter this comment and make our day!" Mark Constantine, founder of LUSH cosmetics, volleys spirited conversations with "Lushie" fanatics around the world on their open forums.

Here they give him spirited feedback about LUSH and their experiences, beg to keep products that are slated to be eliminated, and talk about life in general. Last count on the North American forums was 1,158,396 posts.

When customers love you for what you do and how you do it, they will tell your story. They'll want people to get to know you and your actions and your decisions. Customers are proud to compel others to try the businesses they love. Customers who love you will market for you more powerfully than you can possibly market yourself. And your customers will grow your business.

THE RULES OF CUSTOMER EXPERIENCE HAVEN'T CHANGED

A man walks into a Nordstrom store holding two snow tires and asks to return them. Nordstrom, a high-end retailer, sells many things, but tires is definitely not on the inventory list. Despite this, the sales associate takes back the tires and gives him a refund anyway.

This story has gone down in corporate history as the epitome of customer experience. It is the gold standard of delighting the customer. Many things have changed since the famous Nordstrom tires incident – your CFO would probably have a heart attack if your all sales associates started accepting random returns – but the same principles of customer experience still apply today as they did decades ago.

So what does managing the customer experience look like in the digital age?

1. YOU NEED TO BE PROACTIVE.

Think about your home insurance policy... have you honestly read that cover-to-cover? Most likely not. So when a disaster happens and you discover that some of your jewelry isn't covered by the policy, you're angry. But if the insurance company includes that information upfront in your welcome package – something as simple as "here are a few things you might not know about your policy" – you won't be caught off guard. The company has managed your expectations.

Being proactive not only solidifies the relationship between a brand and its customers, but it also saves the time and money required to "react" to a situation. If you're FedEx, you know when a package has missed its flight due to bad weather. If you're a bank, you know that a customer

John Goodman

John Goodman is Vice Chairman of Customer Care Measurement and Consulting (CCMC). CCMC's customer satisfaction and loyalty surveys and analytics have been used by over 40 of the Fortune 100 companies to produce a better ROI from their investments in customer experience.

is about to miss their payment due date. If you're an insurance company, you know that you're about to deny someone's claim.

Rather than waiting until the customer angrily contacts you (repeatedly and on multiple channels), you can warn them in advance. Being proactive saves the customer a $25 late fee, and saves your company so much more.

2. YOU NEED TO BE PREVENTATIVE.

It's not true that the customer is always right. Sometimes, the customer doesn't have all the information or they're working off incorrect assumptions. Rather than simply apologizing profusely or blowing the customer off entirely, companies should take preventative steps.

Zipcar is one great example of being preventative. The company provides short videos that address FAQs. Each video is only 90 seconds, but it's packed with information about common transactions – delivered in a fun and entertaining way. For instance the "How to Extend Your Zipcar Reservation" video is a mini-soap opera where a young woman drives to meet her boyfriend who has a picnic laid out.

Lowe's also uses social to provide advice – leveraging Vine – through its series titled "Fix in Six." In six seconds, they provide guidance on how to clean the crud off your shower head, how to deal with frozen pipes, and numerous other home improvement projects.

Technology has made it more possible than ever to anticipate and prevent issues before they even start. No matter how you do it – via Vine or an extra page in a welcome packet – the point is to provide a solution before the problem comes up.

3. YOU NEED TO BE CONNECTIVE.

A couple years ago, I entered a Starbucks in between flights to pick up some much-needed caffeine. The barista told me that they were brewing a new pot and it would take a few minutes. As a consolation prize, my coffee would be on the house. The whole transaction cost Starbucks maybe 10 cents, but the increase in customer loyalty and positive WOM was invaluable.

This is why Starbucks can charge $4 for coffee: they've developed a reputation for awesome customer experience management.

Whether it's Starbucks' 10-cent freebie or hiring fellow pet lovers as cashiers – like PetSmart – creating that small moment of personalization goes a long way. It doesn't cost much and it'll last way longer than the effects of a multi-million-dollar Super Bowl campaign.

The rules of customer experience management haven't changed all that much. You still need to be proactive, preventative, and personal. The big difference now is that you have more channels at your service.
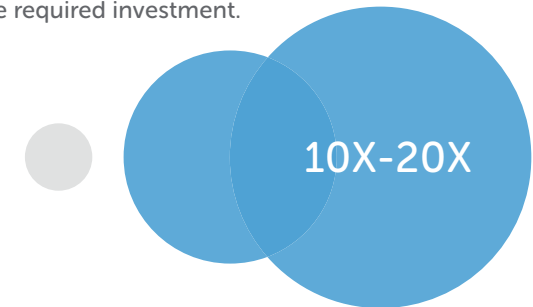
1/3 as expensive to be proactive than reactive.

1/3
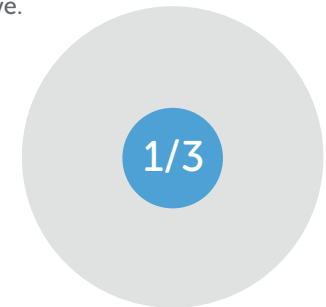
Up to **30%** of all customer dissatisfaction is caused by customers making simple mistakes of having incorrect expectations.

30%
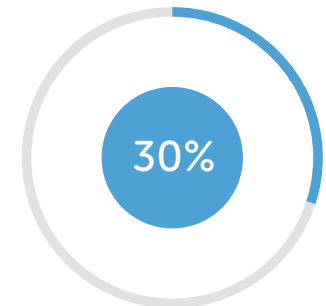
Revenue and positive word-of-mouth payoff from better experiences is **10X-20X** the required investment.

10X-20X

MANAGING THE CUSTOMER EXPERIENCE

Your brand is no longer what you say it is. To quote Wells Fargo, "Our brand is what people say about Wells Fargo to their friends and family. It's how they feel about doing business with us and how they describe those feelings." Smart brands leverage their most important asset: the experience they provide to current customers. Here are three lessons in managing the customer experience from pioneering brands such as Five Guys, TD Bank, and Zappos.

1. EXCEED EXPECTATIONS

Give your customers more than expected and go the extra mile. According to a survey by American Express called the Global Customer Service Barometer, "93% of companies fail to exceed the expectations of their customers." Great companies do "MORE" and differentiate via added value. How do you stand out in a sea of sameness? You figure out ways to create signature added value. Little things that drive differentiation and add meaning. The late Ted Levitt underscores the importance of standing out through experience:

> "The search for meaningful distinction is central. It's about achieving customer getting distinction by differentiating what you do and how you do it. All else is derivative of that and only that."

Five Guys Burgers and Fries understand the importance of added value to the customer experience. The concept is baked into the business model at Five Guys with free peanuts, unlimited drink refills, free toppings, and extra bonus fries. Here is the reasoning from founder Jerry Murrell:

> "We figure our best salesman is our customer. Treat that person right, he'll walk out the door and sell for you. From the beginning, I wanted people to know that we put all our money

Stan Phelps
@9INCHmarketing

Stan Phelps is the founder and Chief Measurement Officer of 9 INCH marketing. The average distance between the stem of the brain and the top of the heart is nine inches. 9 INCH is a consultancy that works with organizations to win customers that are four times as valuable as ordinary customers. Building programs designed to win the hearts of both employees and customers.

"Customer experience isn't an expense. Managing customer experience bolsters your brand."

into the food. That's why the décor is so simple – red and white tiles. We don't spend our money on décor. Or on guys in chicken suits. But we'll go overboard on food."

2. CONVENIENCE FOR THE CUSTOMER

Take an outside-in view and think about the convenience of your customers first. TD Bank bills itself as "America's Most Convenient Bank." The bank is open seven days a week and most nights until 8 p.m. Convenience has become a huge differentiator for TD. CEO Ed Clark elaborated on this in an interview with the "Financial Post Magazine":

"The great thing about our model is if I put a branch on a corner in New York City, I know five years later I will have more than 25% of the local business, because at some time in that five years someone will come by at 4:02 p.m. Their branch will be closed, they'll look across at our store, this beautiful store, there will be someone giving dog biscuits to somebody's dog, they'll walk in and there's a greeter that's unbelievably friendly, and they'll say, 'So why am I banking at the guy across the street?'... It's a very simple concept: Just be open longer and give better service."

3. EXPERIENCE IS AN INVESTMENT

Customer experience isn't an expense. Managing customer experience bolsters your brand. Take, for example, Zappos. Tony Hsieh and his team built a billion dollar-a-year business by selling shoes online. They did it largely without spending any money on traditional media. Instead, Zappos invested back into its customers by doing the little extras that added to the customer experience. The extras included free shipping both ways, overnight shipping upgrades, a 365-day return policy, and top-notch customer service.

CEO Tony Hsieh refuses to see the experience as an expense:

"Our business is based on repeat customers and word of mouth. There's a lot of value in building up our brand name and what it stands for. We view the money that we spend on customer service as marketing money that improves our brand."

Zappos estimates they only touch 5% of their customers directly (email or phone), but when they do they make it count. Faced with the tough situation that they can't directly help a customer, they'll even look to recommend a competitor to satisfy their needs.

KEY TAKEAWAY

Understand the time and resources spent managing the customer experience is an investment into your brand. Strive to add value to exceed expectations and be convenient to do business with. The best brands are seen as high value and low maintenance.

92% of organizations that view customer experience as a differentiator offer multiple contact channels.

Source: Deloitte

92%
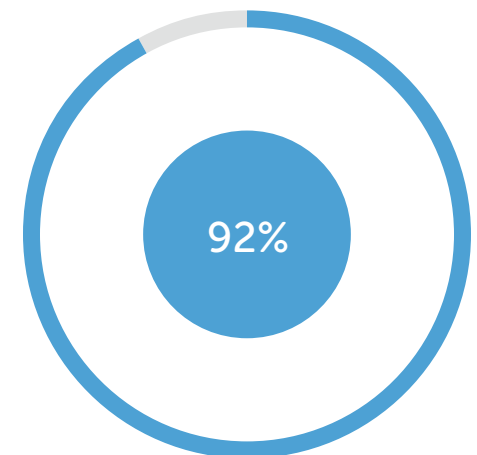
CUSTOMERS ARE PEOPLE FIRST

I was very fortunate to learn about the customer experience when I was young.

My father owned a small men's retail clothing store and at Christmas and Father's Day, his busiest seasons, he put me to work. I was eleven or twelve and thrilled to be behind the cash register. It was a great "job", but more importantly provided a basic foundational education for my future career.

From where I sat, I could see my dad interacting with people as they came in the door. And the key word is "people." My father saw all customers as people first, customers second. If he knew the person, his first question was never, "how can I help you today?" He asked, "How was your weekend" "Is your son enjoying college", or "How was your daughter's wedding?" My dad was much more interested in the customer's state of mind than their method of payment.

And, if my dad didn't know the person, he got to know them; he found out their name, how they heard about his business, and something unique about them that he would recall on their next visit. He had a terrific knack for that.

Overall, my dad welcomed everyone into his store, just like he would welcome them into our home.

What I observed then, thanks to my father, I practice and teach now. Whether we are shopping in a store or conducting business on the phone, email, text, chat, social media, or the latest technology, it is imperative to understand we are interacting and connecting with another person. Thinking of that person as your neighbor or your friend can help create that human-to-human connection that we ultimately desire.

Richard Shapiro
@RichardRShapiro

Richard Shapiro is the Founder and President of The Center For Client Retention (TCFCR), a company providing customized research, training, and consulting services to Fortune 500 corporations to create the exceptional customer experience.

HOW WOULD YOU
DESCRIBE CXM IN
YOUR OWN WORDS?

66 When the
customer feels
valued at every
touchpoint.

RICHARD SHAPIRO

In the research for my first book, The Welcomer Edge: Unlocking the Secrets to Repeat Business, I discovered that there are certain individuals, like my dad, who are natural relationship builders. I call these people Welcomers. They see every interaction as an opportunity to get to know someone better. Additionally, I created three other classifications: Robots, who go through the motions, but don't display any emotions; Indifferents, who do not seem to care if you exist or not; and Hostiles, who are just mean and nasty. The good news is that most Robots can be trained to become Welcomers. It takes work, but it's worth it. Don't bother with the Indifferents or Hostiles. They should not be in your employ.

I also learned that teaching customer service professionals to segment their interaction into three components – the Greet, the Assist and the Leave-behind – will support the creation of a relationship promoting the potential to generate repeat patrons. The purpose of the Greet is to build a connection prior to responding to the customer's specific question or issue. It could be commenting on something the customer is wearing –

their favorite sports team shirt, a beautiful pin or scarf. The Assist not only answers the customer's question, but also provides additional useful information generating more than just a dialogue about a transaction. The Leave-behind communicates a message to the customer that the associate wants to help them again. When one of my favorite waiters, Iron, served me the first time, he let me know at the end of the meal that he really enjoyed speaking with me and I should text him every time I want a reservation. He would personally take care of me. Of course, his response made me feel good. It made me feel wanted. And many meals later that initial gesture created a competitive differentiator that no other restaurant could replicate.

The Greet, the Assist and the Leave-behind is not only effective in face-to-face interactions, but can be utilized in 140 characters or less. When you're responding to a customer in social media, personalize the message by using their name, assist them by being direct and to the point, then leave with a statement of appreciation. It can be a little more challenging to do this in the digital world, but not impossible with a little bit of effort.

"Customers are people and people have feelings. When they know they are communicating with another person who understands their emotions, it makes for a memorable customer experience."

The link between customer satisfaction and generating repeat business is the ability to build a relationship. In my opinion, the strongest loyalty is between two people: the front line associate and a specific customer. Hiring the right people, and training them to recognize the customer as a person first, will give your company a tremendous advantage. Equally important is to keep associates who know your products and your customers. Employee appreciation and acknowledgment is just as consequential as focusing on great customer service. Paying employees to stay will truly nurture long-term customer relationships and produce significant dividends for any business.

It costs five to six times as much to secure a new customer as it does to keep the ones you have. Customers don't walk into a store, contact a call center, or click a mouse unless they are hoping to find that special present for their son's graduation or the perfect outfit to wear to their 25th high school reunion. Customers are people and people have feelings. When they know they are communicating with another person who understands their emotions, it makes for a memorable customer experience.

CUSTOMER EXPERIENCE MANAGEMENT IS EVERYONE'S BUSINESS

It is a well-known fact that during the last few years, the balance of power in commercial relationship started to shift towards the customers. Word of mouth and personal recommendations were always very influential in growing business. However, with the advent of Internet and Social Media, the scale of this influence started to change traditional marketing paradigm.

Today, consumers have unlimited access to better tools for reducing shopping uncertainties – past experiences of socially connected customers.

> "The new information environment allows consumers to predict much more accurately the experienced quality of products and services they consider getting."

The previous quote comes from [Absolute Value: What Really Influences Customers in the Age of (Nearly) Perfect Information](#) written by Itamar Simonson (Professor of Marketing, Stanford) and Emanuel Rosen (ex-marketing executive). This book challenges very fundamental pillars of marketing that include the value of a brand to an organization.

With this change in the dynamic of the marketplace, terms like Customer Experience became very popular, even though no consensus exists among the pundits of how to define the term. However, most agree that it is all about totality of customer perceptions of doing business with a company. Given that customer experience is a perception, the term Customer Experience Management is even more confusing. In fact, some challenge the

Gregory Yankelovich

Gregory Yankelovich is a Technologist who is agnostic to a technology, but "religious" about Customer Experience and ROI. He has solid experience delivering high ROI projects with focus on both Profitability AND Customer Experience improvements, as one without another does not support long-term business growth.

"Organizations have to give up their transactional mentality and think holistically about customer experience."

entire premise and ask whether the customer experience can be managed. I addressed this challenge step by step in this article, but in short – yes, we can manage customer experience as long as we give up a notion of control and manipulation.

Modern marketers outsourced their soul to market research profession, to focus on customer manipulation instead. Marketing needs to return to its roots:

"The aim of marketing is to know and understand the customer so well the product or service fits him and sells itself." – Peter Drucker

Instead of "understanding" customers, marketers prefer to labor on segmenting their customers by demographics. That is why high marks for customer support are often correlate with low marks for overall customer experience. Big data, technology, or any other "silver bullet" cannot replace real knowledge of what customers expect from your products or services.

The good news is customers are not shy to share their experiences with the public online. That offers an invaluable opportunity to learn:

• Why did they select what they purchased (i.e. what did they expect)?

• How did it work out? Did the experience live up to their expectations?

• What specifically delighted or disappointed them?

That knowledge can be interpreted in specifications for a category's "killer" products and changes to clunky delivery processes. Both contribute to improved customer experiences that lead to gains in market share and increased profits.

Customer service/support organizations have to give up their transactional mentality and think holistically about customer experience. It is not about resolving customer problems one at a time. It is about designing problems out of the products and eliminating the customer's need to call customer support.

Cost of call, first time resolution, and customer satisfaction metrics that are used to measure CSR performance have very little influence on how customers perceive your company if they purchased a shoddy product based on false promises. That often may have very little do with how customers experience their company and their products.

I wrote here about Marketing and Customer Support, but it is crucial to understand that customer experience management is only possible as an cross-departmental process. In other words, customer experience management is everybody's business. Superior Customer Experience cannot be delivered without the well-orchestrated cooperation of all departments of a company. Yet, this cooperation is very difficult to achieve. Here is the challenge, and the best opportunity, for a company that is capable to organize itself around a customer-centric paradigm.

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ABOUT SPRINKLR

Sprinklr is the most complete enterprise social media management technology in the world, purpose-built for large companies to drive business outcomes and manage customer experiences across all touchpoints. Called "the most powerful technology in the market" by Forrester Research, Sprinklr's fully integrated social media management software powers more than four billion social connections across 77 countries. Headquartered in New York City with more than 550 employees globally, Sprinklr is revolutionizing customer engagement for more than 750 top enterprise brands, including IHG, Intel, Microsoft, Samsung, and Virgin America, and partners like Deloitte, Accenture, R/GA, Golin, and AKQA. For more information, visit sprinklr.com or tweet us @sprinklr.

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