

“Design New Vs. Improve Current Experience”



CX Executive Round Table

3 Qtr. 2018



Agenda



- 11:00-11:05 Introductions and overview
- 11:05-11:15 The challenge
- 11:15-11:50 Facilitated discussion (5 questions)
- 11:50-11:55 Closing comments & next steps
- 11:55-12:00 Call to action & wrap up

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Background to the Challenge



*Customer Experience **expectations** are moving fast...*



BAIN & COMPANY

“In the experience economy, customers’ expectations for what constitutes an acceptable—or even exceptional—experience keep rising. Customers expect an easy, highly personal experience from their vendors, accessible in multiple channels, but increasingly centered on the smartphone.”

McKinsey
&Company

“Customers increasingly **dictate the rules**:

- Three-quarters (75%) of them, research finds, expect “now” service, (5min) within five minutes of making contact online.
- Similar percentages want a simple experience and use comparison apps when they shop for consumer goods.
- Moreover, they not only expect providers of services and products to do business on digital platforms but also insist on a “social” experience.
- They (79%) put as much trust in online reviews as in personal recommendations.”

Background to the Challenge



Gartner®

“81% of leaders responsible for customer experience (CX) say their companies will mostly or completely compete on the basis of CX in two years. Yet **only 22%** say their CX efforts have exceeded customer expectations.”

Mar 2018

- ONLY 22% Leaders say... “Their efforts have exceeded customer expectations”



Background to the Challenge



FORRESTER®

“Forrester’s Customer Experience Index, an annual report that ranks the CX performance of 314 brands in the U.S., shows that consumer satisfaction on their experience has stagnated, with **59% saying their experience is “ok.”** Twenty-five percent (25%) of consumers rated their experience as “poor” or “very poor.” (1 out of 4)

(Think about the customer view vs. the Bain and McKinsey studies on growing expectations. And the Gartner insight of 78% are not exceeding expectations.)

**TEMKIN** Ratings

Few organizations deliver outstanding experiences to their customers. In fact, **only 6%** of companies earned an “excellent” score in the 2018 Temkin Experience Ratings.

THE GAP WILL ONLY GET WORSE

Background to the Challenge



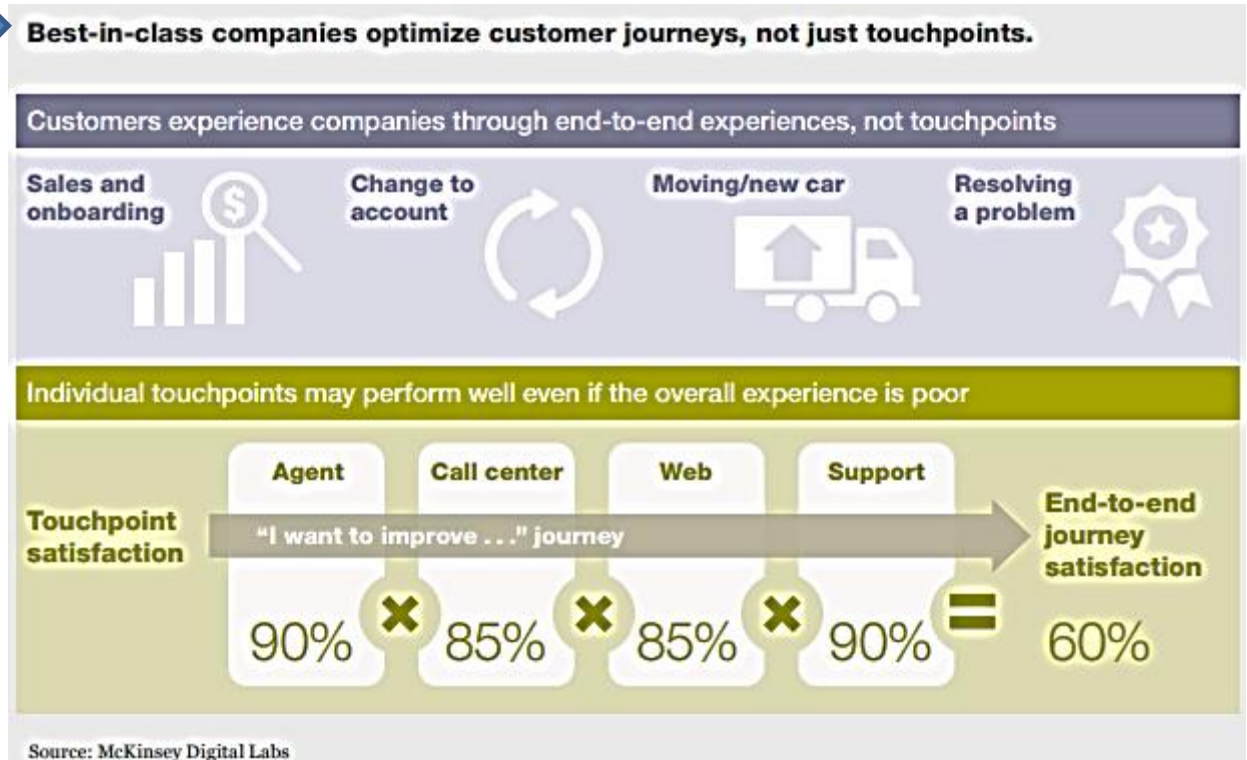
APPROACH MATTERS: NEW vs. IMPROVE AS-IS

“Best-in-class companies optimize customer journeys, not just touchpoints.”



McKinsey
& Company

Vs.



Improve As-IS point problems in sub-processes based upon “Moments of Truth”

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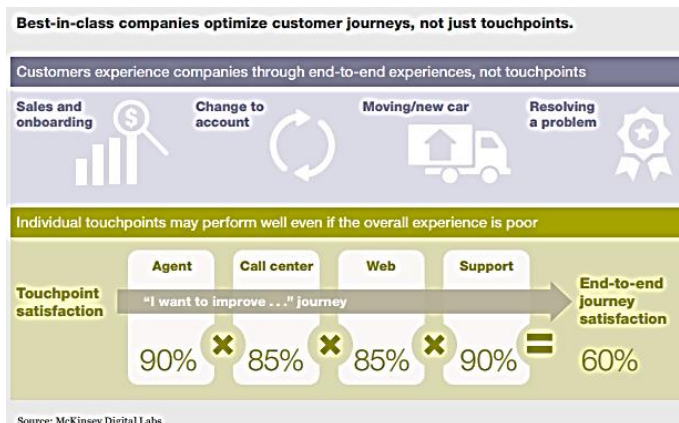
Facilitated Discussion #1



Design new experiences

vs.

Improve existing moments of truth?



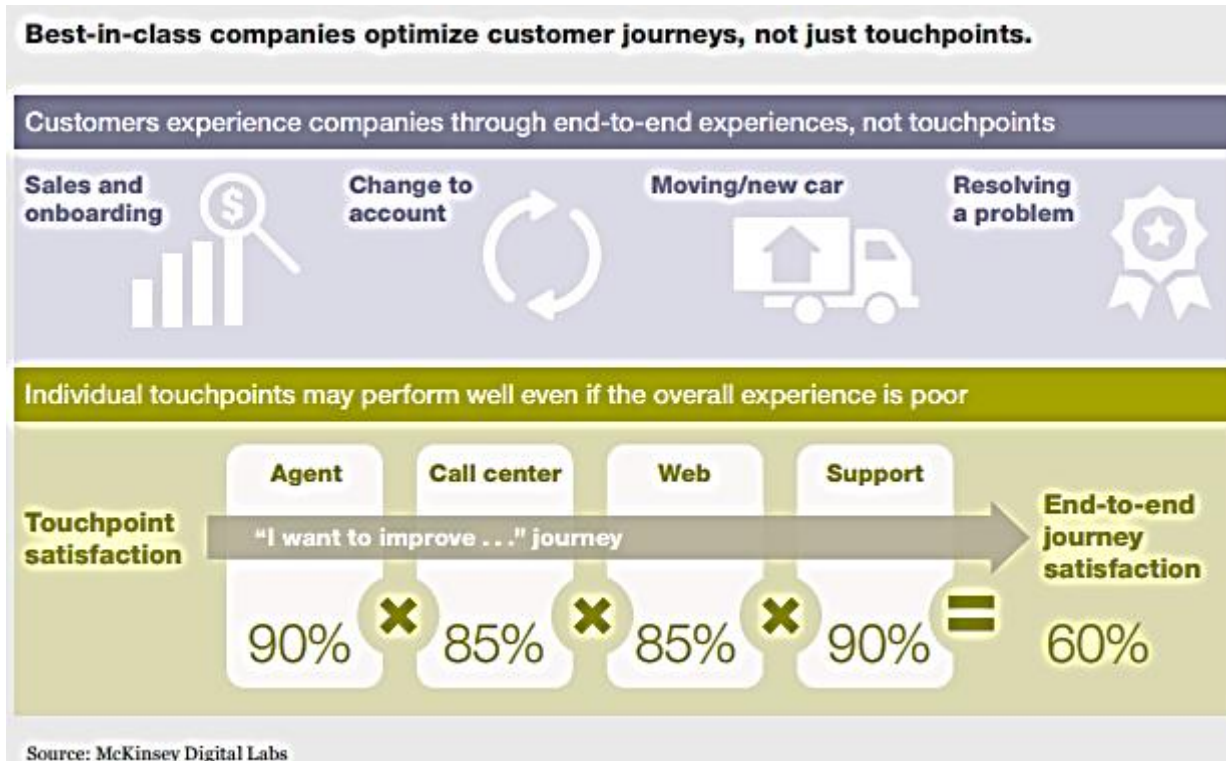
- *What percentage of your CX efforts are focused on designing New vs. Improving existing moments of truth? And Why?*

Round Robin...



Facilitated Discussion #2

Does your company have two separate CX-focused approaches or just one CX methodology?

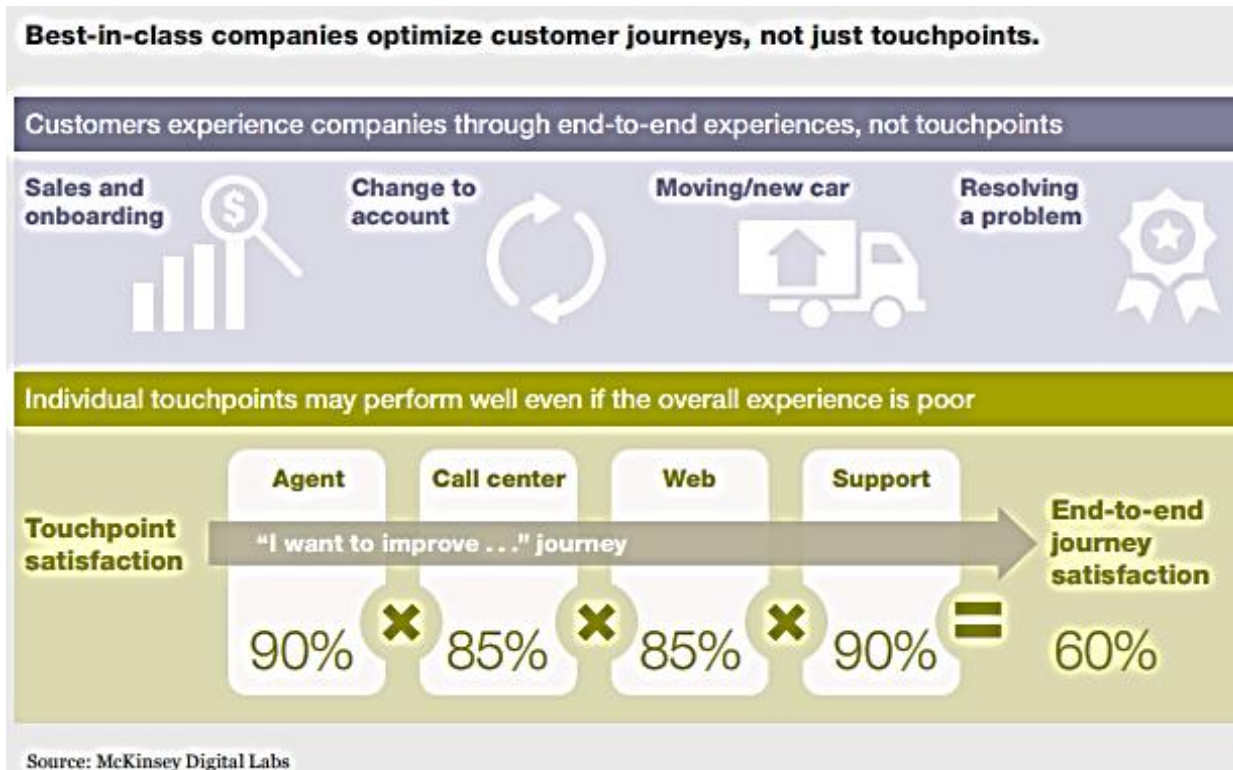


Open Discussion...



Facilitated Discussion #3

Do you use the same resources or are they completely different due to skills required for build new vs improve existing?

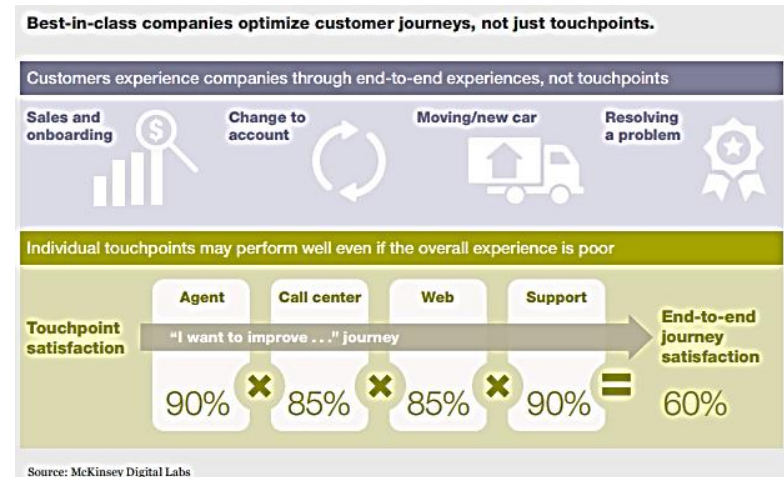


Round Robin...

Facilitated Discussion #4



Where do you find the insights for your end-to-end designs?



- 1) *Life events?*
- 2) *Other companies such as Google, Amazon, Uber?*
- 3) *Customer insights through data and analytics?*
- 4) *Other. . . ?*

Facilitated Discussion #5



ONLY 22% Leaders say... “Their efforts have exceeded customer expectations”

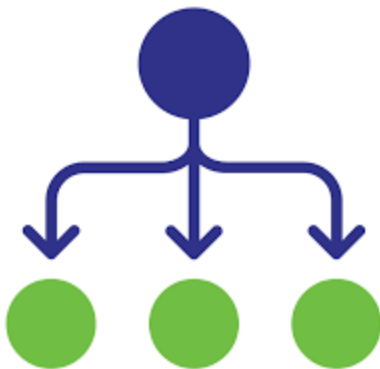
- *How are you determining “Expectations”?*
- *Do you have different expectations by customer segmentation?*



Facilitated Discussion #6

With all the work going on around Customer Experience, does your organization organize around a Taxonomy?

- How did you develop your taxonomy?*
- What pitfalls should others avoid around developing a taxonomy?*



Functional	How did the offering perform in the customer's hands in the job it was hired it to do?
Aesthetic	How did customers experience the look & feel, the taste & smell and sound of the offering?
Content	How did customers experience being informed, enlightened, educated or entertained?
Social relationship	What did customers experience person to person – or people to people?
Financial	How did customers experience the exchange of \$'s, £'s, €'s or ¥'s?
Emotional	How did customers feel when they interacted with the offering or its provider?

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Conclusions 1 - Both are required



COLLABORATION

“Explaining the value of working on both is essential for CX teams to balance internal stakeholder expectations”

CX teams can partner with CI teams to help balance the As-Is workload

CX should always be looking to stay ahead of expectations by working on new experiences while fixing as-is.

- Your brand and customer satisfaction are dependent on what they experience today
- CX teams should have two multiple methods for working on experience
- Understanding the customer transition from existing to new is a real challenge for companies today



Conclusions 2 – Not the same skills



COLLABORATION

*“Product teams,
process improvement
teams can cross skill
and sharing resources”*

***CX teams will find
greater results
when the right
skills are aligned to
the work***

Designing a future-state experience to exceed your customer expectations requires different skills than fixing as-is.

- Creativity, leadership and change agent skills are more important for the new experience teams
- Analysis, mapping, and problem solving skills are more important on As-Is
- **Ensure the right assignment with the right person**



Conclusions 3 - Insights



COLLABORATION

“Cross company collaboration around customer segments may be the competitive advantage”

CX teams need a core competency in understanding customer expectations

To improve the industry trend of meeting expectations, customer insights are critical to a CX program

- Data and Analytics teams should have a priority for CX requests
- There are multiple insight resources and all need to be integrated into a customer view
- Many insights come from parallel industries



Conclusions 4 – Organization is key



COLLABORATION

*“More than one unit is impacting CX...
Education on Taxonomy will help align work”*

CX are the customer advocates for all improvements and changes.. Taxonomy holds them together

Taxonomies are under-valued and need to be understood to increase the effectiveness of your CX work with others

- The taxonomy helps your audience find the information they need
- Be flexible, it changes with time
- Share across all business units to ensure a common language and understanding

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Call to Action

What questions or follow up should we tackle on this challenge?

1)

2)

3)



Call to Action

What three things can you do tomorrow?

1)

2)

3)