

# “How to Create a Culture of Customer First”



## CX Executive Round Table

2 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

# Agenda



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

# Agenda

---



11:00-11:05 Introductions and overview

11:05-11:15 The challenge

11:15-11:50 Facilitated discussion

11:50-11:55 Closing comments & next steps

11:55-12:00 Call to action & wrap up

# Background to the Challenge



1. What **methods** and techniques are necessary to create a culture?
2. How do you **measure** and quantify the benefits of customer experience projects, and what are the measures that go with customer experience programs?
3. How do you **shift** from a product centric organization **to a customer centric organization**?

# Background to the Challenge



FORRESTER®

In General – Overall Consumer Experience is not improving!

*The US Customer Experience Index, 2017 (August 2017 report)*

“Customer Experience Quality Worsened -Twice as many brand scores fell as rose; losses were, on average, bigger than gains. As a result, the number of scores in the excellent category fell to zero; the percentage of good scores dipped by one percentage point; and the percentage of poor scores rose by three points.”

***“For the first time, no industry averages improved, but three fell.”***

# Background to the Challenge



## Gartner

**“Customer Experience Management (CEM)** is a team sport... To deliver a consistent customer experience across all channels, every team needs to be involved” (CMO, COO & CIO play)



**BAIN & COMPANY**

Customer Experience Transformation provides...

A steady flow of customer feedback that **supports continuous improvement** and inspires employees to focus on building deeper customer relationships.

The CEO guide to customer experience outlines... **McKinsey & Company**

The fundamentals of customer interaction, as well as the steps necessary to redesign the business in a more customer-centric fashion and to organize it for ***optimal business outcomes***.

# Background to the Challenge



## Methodology:

Not as mature as PM or CI, but all CX methods have common elements...

- **Strategy**
- **Insights**
- **Actions**
- **Management (CEM)**

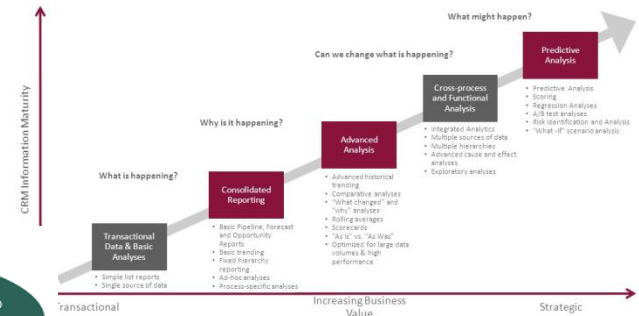
## Journey Mapping



**VOC / MOT**

## Data and Analytics

CX Analytics Maturity Model



METHODOLOGIES

## Design Methods



DISCOVER	PLAN	ACT	OPTIMIZE
Vision	Assessment	Organization	Performance Management
Landscape	Strategic Plan	Processes	Benchmarks
Business Case	Road Map	Tools And Technology	Continuous Improvement

**The Digital Customer Experience Improvement *Playbook* For 2018**







# Background to the Challenge

## Measures:



**Bain & Company's** partner and lead of customer strategy and marketing practice said that thousands of companies today are using NPS, yet recent (Bain) analysis shows **only one in 10 getting it right.**

**Forrester's** senior analyst, Tom Champion, said "leading organizations should gather data from multiple sources. That means from solicited and unsolicited feedback, structured and unstructured data, via direct and implied methods. (NPS is True North)

$$Y = f(x_1, x_2, x_3, x_4 \dots)$$

$$\text{NPS} = f(\text{FCR}, \text{Cycle Time}, \dots)$$

"The biggest mistake organizations are making is not linking their customer experience metrics to business metrics."

# Background to the Challenge



- Your employees' experience should reflect the one you're trying to provide to customers.
- Your core values should align with the customer experience. (Inc.)

FORRESTER®



- In fact, most execs have internalized the ideas laid out more than 20 years ago in the service-profit chain theory, which is that employee satisfaction leads to customer loyalty that in turn leads to profits. So why then, according to Gallup, do *employee engagement rates remain stubbornly unchanged year after year?*



# Background to the Challenge

**Top-Down Values and Priorities are critical...**

## *Product vs Process vs Customer Centric*

- Most companies today operate in a top down "waterfall" environment. Values and priorities at the executive level trickle down, quickly becoming the reality of those in all departments

Product vs Customer



“If customer service doesn't have what they need to be successful, it's because it's not a priority to those making decisions at the top.” (Forbes)

- All research on CX Culture shows a large component relies on Employee Engagement as a critical requirement

# Agenda

---



11:00-11:05 Introductions and overview

11:05-11:15 The challenge

11:15-11:50 Facilitated discussion

11:50-11:55 Closing comments & next steps

11:55-12:00 Call to action & wrap up

# Facilitated Discussion #1



**Much of the research points to a critical foundation of Employee Engagement to enable a culture of Customer Experience.**



*How is your CX program influencing, training and/or enabling employee engagement around the customer?*

*How strong are your employee engagement scores and do they provide insights? They may indicate a direction of improvement needed to improve the CX.*

# Facilitated Discussion #2



1. Vision
2. Governance
3. Roadmap
4. Metrics and Objectives
5. Change Management
6. Management



BAIN & COMPANY

FORRESTER®

McKinsey&Company

*Culture does not just happen... It is built and a part of corporate Vision and Governance at the top.*

- *Is CX its own program of work, integrated or both?*
- *What percent of your portfolio is aligned to CX?*
- *What weight does your CX measure hold on your corporate score card for board score?*

# Facilitated Discussion #3



$$Y = f(x_1, x_2, x_3, x_4, \dots)$$

$$NPS = f(\text{FCR}, \text{Cycle Time}, \dots)$$

The biggest mistake organizations are making is not linking their customer experience metrics to business metrics.”



*How is your CX measurement system:*

- 1) Actionable?*
- 2) Aligned with corporate performance?*
- 3) Forward looking vs. Backward looking?*

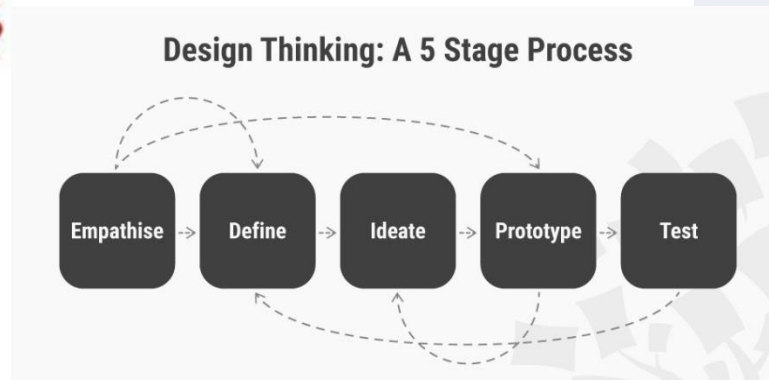




# Facilitated Discussion #4

*Industry is looking to “Empathize with the Customer” more and therefore has adopted tools such as Design Thinking...*

*What tools and methods does your CX team use for focusing further on the customer?*





# Facilitated Discussion #5



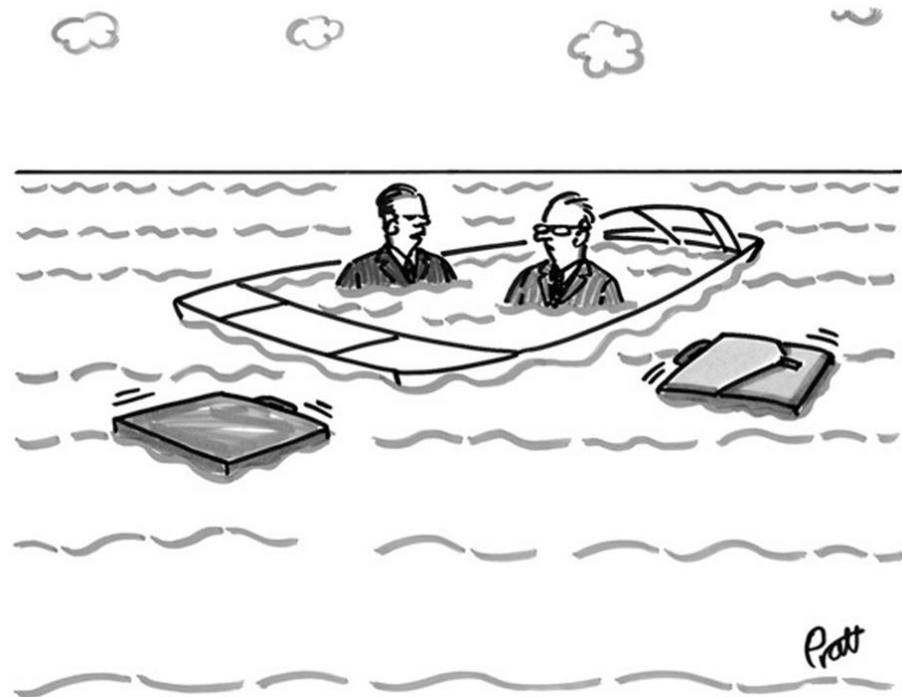
Even the best experience can decay or rot.  
Customer Experience needs Management (CEM)

*How are you managing the CX Journeys ongoing?*

*Do you have accountability for the maintenance?*

***Journey Delighters:***

***Take Client on Fishing Trip!***



# Agenda

---



11:00-11:05 Introductions and overview

11:05-11:15 The challenge

11:15-11:50 Facilitated discussion

11:50-11:55 Closing comments & next steps

11:55-12:00 Call to action & wrap up



# Conclusions 1 - Methods



## COLLABORATION

*“Cross Functional Experiences require conversations and sharing of upstream and downstream impact”*

***CX teams can help with assigning someone to monitor E-2-E CX***

CX is following a similar maturity model as CI ... The key is not in the vision, insight, execution and analysis... The key will be in the maintenance and management of CX ongoing.

- Assignment of Accountability for End-To-End Journey Management needed
- Need governance which aligns to E2E CX ownership
- CX management will require ongoing CI and projects to maintain



# Conclusions 2 - Culture



## COLLABORATION

*“Work with HR partners to ensure Customer and Employees are aligned and heard”*

***CX teams will find greater results when aligned with Employee Engagement***

People Matter... The key to a great experience is understanding people, both employees and customers.

- Employee engagement surveys can be a source of actionable improvements for CX teams
- Listen & Act on VOC and VOE- demonstrate empathy
- **Ensure the alignment of Customer with Employee goals**



# Conclusions 3 - Measures



## COLLABORATION

*“Data and Analytic teams will become more important as Journey data becomes available”*

***CX teams CAN tie NPS and Satisfaction to Revenue and Growth Goals***

NPS is one thing... but understanding the larger measurement system will enable a greater lift in CX results

- Measuring NPS at different Moments of Truth will show a different story
- Customer Satisfaction surveys need to be actionable
- Need solid data and analytics around  $Y = F(x_i)$

# Agenda

---



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



# 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)





# Auto And Home Insurance Providers

1 of 2

2017	2016	BRAND
1 -	1	<b>USAA</b>
2 -	2	<b>The Hartford</b>
3 ▲	8	<b>Nationwide Mutual Insuran</b>
4 -	4	<b>State Farm Insurance</b>
5 -	5	<b>Geico</b>
6 ▲	15	<b>MetLife</b>
7 ▲	14	<b>Progressive</b>
8 ▲	13	<b>Farmers Insurance</b>
9 ▼	3	<b>Erie Insurance</b>
10 ▼	6	<b>Travelers Insurance</b>



# Auto And Home Insurance Providers

2 of 2

2017	2016	BRAND	PEF
11 ▼	10	<b>Allstate</b>	—
12 ▼	11	<b>Safeco Insurance</b>	—
13 ▼	9	<b>AAA</b>	—
14 ▼	12	<b>Liberty Mutual</b>	—
15 ▼	7	<b>American Family Insurance</b>	—
16 ▲	18	<b>National General Insurance</b>	—
17 ▲	20	<b>Esurance</b>	—
18 ▼	17	<b>Auto-Owners Insurance</b>	—
19 ▼	16	<b>21st Century Insurance</b>	—

