

Seven Hard-Learned Lessons of Customer Experience

If you are just starting or are in the midst of a customer experience transformation, you are not alone. In today's competitive marketplace, customers demand exceptional, end-to-end, omnichannel experiences, and they have more choices than ever. If your company doesn't provide them, chances are one of your competitors does.

But where do you start? Becoming customer-centric and experienced-focused begins with changing your organization's mindset. Over the past four years, we've learned that many organizations lack a clear understanding of what customer experience is and how it works, so we've compiled this list of seven basic truths of customer experience to help organizations begin changing their mindsets.

1. One outstanding element is not enough to make an experience exceptional, but one terrible element is enough to kill an exceptional experience.

According to Joseph Pine and James Gilmore, authors of *The Experience Economy*, "an experience is value delivered over time." To deliver an exceptional customer experience, your company must perform well at every touchpoint. Sounds logical, right? Unfortunately, many companies get carried away with creating a single superior element and drop the ball on other parts of the experience.

To be sure, standout elements are great. Peaks in the customer experience can reinforce your brand identity, and they are the moments that customers love to share with their friends (word of mouth, anyone?). But one, or even several, outstanding elements cannot rescue an otherwise poorly designed or executed customer experience. The customer experience is the sum of a

customer's interactions with a company over time, not just the ones in which your company has invested heavily.

Imagine you are trying a new restaurant for the first time. The quality of the meal blows you away, but it takes 20 minutes for the server to take your order and when you go to the restroom, a giant roach skitters out from beneath the sink. What are you most likely to remember and tell your friends about? The great food, the poor service, or the roach? If you're like most customers, you'll probably mention the poor service or the roach.

In experience delivery, consistency is key. You have to be able to hit the right notes at the right time every time and have strong recovery processes in the rare instances that you miss the mark. We specialize in developing customized, research-based customer journey maps for financial service providers and non-profit organizations. Let us help you architect the customer experience that will delight your customers at the right time and in the right way.

2. BUT, an experience can't be exceptional all the time. Some variation in the level of customer experience is not only inevitable, but also desirable.

In our customer experience training, we show our clients graphs of two customer experiences. The first graph depicts an experience with slight peaks and troughs in customer satisfaction, and the second depicts an experience that with constant customer satisfaction throughout. When we ask clients which experience they want to deliver, they almost always choose the second one.

But what they should be trying to deliver is the first experience. Many people naturally assume that eliminating variation is the goal of the CX approach. But human psychology is a tricky thing. Behavioral economist Daniel Kahneman has demonstrated that customers prefer some variation in the experience, as long as the overall average of satisfaction is high (in other words, the troughs can't be too low). If an experience is consistently average or marginally above average, then no single part of the experience will stand out.

You may be thinking, "Hold on a minute. Didn't you just say that I have to perform consistently well over time? Now you're saying I don't?" Not exactly. Let's go back to the restaurant example. What if the server had taken your order within a reasonable time frame (not the fastest, but not 20 minutes after you sat down) and the restroom was clean and free of insects. Now what would stand out about the experience? Most likely, the excellent meal.

The lesson here is that in order to deliver an exceptional customer experience, the restaurant doesn't have to gild the sinks or hire overly attentive staff. It has to do a good job at most things and do an exceptional job at one or two things.

We've had plenty of leaders tell us that that they want to provide an exceptional experience every step of the way. . . until they see the price tag. No modern organization has the resources to make every moment exceptional, nor would it make economic sense to do so. Starbucks could make my experience exceptional by offering a personal massage while I wait for my latte. From the customers' perspective, that would be an exceptional experience, but it hardly seems a savvy business investment.

The key to delivering exceptional experiences is knowing when, where, and how to deliver memorable high points in the experience. Customer experience leaders know what parts of the experience they need to knock out of the park and which elements need to be good enough. Westin did it with the Heavenly Bed. After conducting extensive research, Westin "finally realized that what people are looking for [in a hotel] is a good night's sleep" (Atlanta Business Chronicle, 10/25/1999). The chain spent months testing over 50 beds to come up with the Heavenly Bed, and the marketing strategy has paid off handsomely. The Heavenly Bed has become the cornerstone of the Westin brand and customers can even buy their own heavenly bed for home. Westin does a great job in other elements of the customer experience, but the Heavenly Bed is how they distinguish themselves from the pack.

It is impossible to invest heavily in every aspect of the customer experience, but don't despair. That's where we can help. In-depth ethnographic research uncovers industry- and company-specific trigger points that will set your experience apart.

3. Your product or experience is not as important to the customer as it is to your company.

You and your fellow employees likely spend at least 40 hours per week thinking about your product or experience and how to make it better for your customers. Your customers do not. No matter how great your experience or product, it will very rarely be as important to your customers as it is to you. Even the most passionate brand advocates have their limits. The good news is that you don't *need* to have your customers' undivided attention 24/7 to be a customer experience leader. In fact, the customer experience approach can fine-tune your marketing approach and identify those moments when your customers are most receptive to your messaging. Understanding your customers will enable you to anticipate their needs and be there when and how they want you to be and avoid overwhelming them.

A customer journey map is an excellent tool for demonstrating how a product or experience fits into a customer's life. Developed from the customer's perspective, it depicts what a customer is

thinking and feeling during the process and suggests ways for the company to engage with the customer. Clients sometimes worry about too much white space on a customer journey map. “We should be engaging with our customers at every point in the experience,” they exclaim. But not interacting with your customers at certain points in the experience may be the best choice. In today’s world of bloated email boxes and endless text messages, the line between engaging your customers and oversaturating them is finer than ever and companies can shoot themselves in the foot if they accidentally cross it.

I recently put an item in an on-line shopping cart and within three days, I received 5 reminders that the item was still in my cart. FIVE. Instead of feeling like a valued customer, I felt like I was being stalked. I routinely receive 100-200 email messages a day. I don’t want five more cluttering my inbox. While customers’ thresholds for email messages vary, most would agree that five is too much. Sometimes silence is golden, and sometimes customers need frequent contact with you.

How do you know how frequently you should be interacting with your customers? It all depends on the industry, the target audience, and the product, service, or experience being delivered. In-depth customer research and detailed customer experience tools will help you tailor your engagement strategy to your customers’ expectations.

4. Exceptional customer service is NOT the same thing as an exceptional customer experience.

This continues to be the most common misconception about customer experience. Great customer service is necessary, **but not sufficient**, to create an exceptional experience because it is only one component of the customer experience. No matter how good it is, customer service cannot compensate for weak or poorly designed internal processes.

I had some of the best service ever at the Department of Motor Vehicles. Yes, you heard me right—the Department of Motor Vehicles, a notorious bastion of poor customer service. But the representative that helped me was an 11 on a scale of 1-10. Her efficient, attentive manner made me confident that things would be done right, and she made me feel that for those few minutes, my business was the most important thing in the world. I was missing a piece of paperwork (despite checking and re-checking before leaving the house), and instead of turning me away, she helped me locate a copy of the missing document in my email and printed it out for me. She truly went above and beyond.

Was it an exceptional experience? No. The on-line reservation system was broken, which meant that we still had to wait 45 minutes to see a representative. Moreover, the poorly written

instructions on the website meant that I and pretty much every other person in the building did not have all of the required documents.

Is the overall low quality of the experience the representative's fault? No! She was the best part of the experience, but she can't be expected to make up for a shoddy website and an understaffed office. A simplified document process and an updated user interface on the website (or even electronic document submission) would make a poor experience exceptional.

It's easy to jump to the conclusion that if employees bend over backwards for customers, everything else will fall into place. In our experience, things don't always happen that way. Even the best employees are powerless in the face of outdated processes. There is only so much they can do if they don't have the right tools.

If your representatives consistently receive high marks, but your customer experience metrics don't reflect them, it's time to look into your processes. Tools such as service blueprints can help identify weak processes that are dragging your customer experience down.

5. A product is NOT an experience.

Companies are eager to adopt the customer experience framework, but sometimes they go about it the wrong way. One common mistake is to try to adopt a customer-centric, experience-based approach by adding the word "experience" after a product. So, for instance, cereal would become the "cereal experience" and shampoo would become the "shampoo experience." But from the customers' perspective, there is no "cereal experience" or "shampoo experience." Customers don't think about the world in terms of products. They think about the world in terms of tasks they need or want to accomplish. They buy shampoo because it helps them take care of their hair and cereal because they like to eat it for breakfast (and sometimes dinner!).

Products are part of a broader experience, and the trick is to understand what that experience is *from the customers' perspective*. In fact, a single product may be part of multiple experiences. The only way to know for sure is to invest in in-depth ethnographic research at the front end of your project to make absolutely sure that your company is thinking about the experience in the same way your customers do.

6. Pay attention to multiple users.

Companies often design experiences from the perspective of a single user. That makes sense when there is a single user, but it can lead to huge customer experience headaches when there are multiple users or joint decision-makers.

Financial service providers have a dismal track record on this point. I am currently being held hostage by a 27 year-old American Express Optima card that I opened in college. I almost never use it because the benefits on my other cards, including my American Express Gold, are much better. So why do I keep it? It's simple, really. American Express won't let me upgrade to a better card (they don't allow that), and they won't let me transfer the 40,000 reward points associated with the card to the Gold Card jointly held by my husband and me. The rationale: the points are mine and cannot be put into a joint account.

The problem is that while American Express thinks of us as two customers, we think of ourselves as a single household unit. Money spent on one card or the other is money spent by both of us, and points earned on one card or the other are points earned by both of us. Marriage penalties like this are fairly common, and financial service providers do have to walk a fine line between facilitating ease of doing business for couples and protecting individual privacy. Some of this is due to regulations that are out of their control. But in our experience, there is almost always a workaround if an organization has the will and motivation to change. Most of the time, they don't.

The bottom line: it is not enough to know your customers. You have to know how they interact with your company and in what context.

7. Always remember: you don't know what you can't see.

Many companies have sophisticated metrics in place to measure the customer experience. These metrics generate important information and can help your organization detect problems. But having good metrics does not mean your company is in the clear. Metrics and surveys only tell you part of the story.

In order to ensure that your customer experience is top-notch, you have to stay vigilant and engage in some good, old-fashioned detective work. When customers can't accomplish what they want, they may report it to you, or they may look for a workaround. Keep your eyes open for high levels of activity in unexpected channels or pages—they are a clue that something isn't working. First-call resolution is important, but are there simple ways to resolve problems so that customers don't have to call at all? Do your surveys give customers the opportunity to assess the holistic experience? Customer experience is an ongoing journey, and conducting periodic audits of your experiences will ensure that you are at the top of your game.

8. You can't be everything to everyone, and you shouldn't try to be.

Trying to be everything to everyone risks being nothing to everyone. When we begin an experience design project, we ask our client who the target customer is. Frequently, our clients say, "We want the experience to appeal to everyone." However laudable the sentiment, this is not a viable strategy in today's business world. In today's on-demand era, customers expect customized products and services built to meet their needs. Most companies lack the resources to customize on a large-scale, which means they should focus on target audiences.

Targeting specific clients with your experiences does not mean leaving others in the dark. It means designing experiences with specific clients in mind. Some clients beyond your initial target will enjoy the experience you provide even though it is not tailor-made for them. The key is to identify your target and understand them better than anyone else. Period.

Does it make sense for a company like Abercrombie and Fitch to build experiences for 65 year-old men? Probably not. A 65 year-old man is way outside of Abercrombie's young demographic, and even if he has grandchildren in the target demographic, the data shows that he is unlikely to be shopping with them. That doesn't mean that the occasional 65 year-old man will not step into Abercrombie and Fitch, and that he may enjoy the experience (especially if his sense of smell is not what it used to be). It means that it does not make sense for Abercrombie and Fitch to tailor their experiences to the attitudes, behaviors, and beliefs of 65 year-old men.

Remember: It is always better to create an exceptional experience for a smaller group of customers than an average experience for a larger one.