What is Customer Experience?

While it's a seemingly simplistic concept, 'customer experience' has a major impact on the overall success of a business and factors highly when it comes to building and sustaining a brand . It is regarded as the single most important differentiator of business today. In a world of choice, easy access, instant gratification and augmented reality, very little but experience can provide a competitive edge to brands.

Customer Experience in Business

Essentially, customer experience is defined by the perceptions formed through the all the interactions between a customer and an organisation, on every touchpoint. It includes a rational and emotional component, and hence is often referred to as the feelings and thoughts that customers have about a brand.

Managing Customer Experience

Customer experience is a science and comprises of various competencies that companies need to master. Becoming more customer-centric for many mean serving customers. But true customer-centric companies understand that they need to work from the core purpose, answering the "WHY" questions, as describesd by Simon Sinek *as well as* thinking from outside-in. Truly understanding customers and their journeys, and designing from these perspectives, will move companies from good to great with an untouchable advantage in the market.

1. **Define a customer experiece vision and strategy**

Customer experience should not be left to chance. Every company should have a their customer experience essence embedded in their vision. Crafting a simple and easy to understand framework is important so that everyone in the company understands the desired experience. The vision should serve as a compass to direct behaviour for every interaction with customers.

A customer experience strategy should include the customer experience essence and the vision, but more importantly, the context for realising the vision. This will include the customer experience goals and objectives, structures responsible to achieve the results and the measures to track the success.

2. **Empower your employees**

Richard Branson and Jeff Bezos are not the only CEO's who consistently highlight the importance of employees to the success of a business. It is critical that employees understand what the customer experience framework is - know what the desired experience is *and*, how service is to be delivered for achieving the desired results.

Too often, employees are expected to deliver service without three important pillars for success:

1) knowledge and information;

2) skills and competencies and

3) empowerment through support and trust.

Therefore make sure to share the customer experience vision and strategy with everyone in the company, provide appropriate training and development programmes and trust employees to do the right thing, as opposed to taking the easy way out

3. **Have your ear on the ground**

Listening to your customers and making sure that you get to know them, is essential to becoming more customer-centric. Great customer experience cannot be delivered to customers who do not

feel heard or appreciated. Companies must develop sufficient empathy to understand what customers think and feel. And this can only be done by understanding what drives them, what their needs are (conscious and sub-conscious), what their pain points are and which experiences are so great (or bad) that they feel compelled to share with others.

Voice of the Customer (VoC) is a framework used to collect information (data) about customers and their experiences. The VoC can comprise of various channels customers use to engage with companies to share their stories. It can be initiated from the company such as surveys, interviews, customer groups, specifically aimed at gathering information. Alternatively, customers can use other channels to reach out to companies, such as contact or call centers, online channels or social media. All these sources provide insights into an improved understanding of your customers.

4. **Look from the outside inwards**

Customer experience should develop organically, it has to be carefully crafted. If customer experience is to be used as a differentiator to grow and retain business, customers' experience of the end-to-end journey should be understood. "Walking" in a customers' shoes, seeing the journey through their eye's will identify pain points in the service delivery, delights and disappointments, opportunities. Using customer journey maps provide a deep-dive into one group of customers' journeys and how to create various moments at critical points, considering all channels, that would be intense or long enough for lasting impressions. The sum total of all these moments should result in an overall very positive experience, enough to become evangelists of the brand.

5. **Measure and track customer experience performance**

It is said that what is not measured, cannot be improved. This also applies to customer experience. Various measurement indexes are used in customer experience, with most commonly used being NPS (Net Promotor Score) and CSAT (Customer Satisfaction Index). However there are many other metrics available to measure the performance and success of a company, including measures such as Net Success Score, Net Effort Score, Net Emotion Score, net Forgiveness Score, Net Trust Score, amongst others. Companies need to identify the most suited metrics to track their own objectives to support the business goals.

It is also important that the score should not become the driver of customer experience, but rather the process following the data gathering and insights, so that effective recovery strategies can be designed to fix the current customer experience challenges, but also to serve as a rich source of information for innovation of service delivery, product and product design, internal procedures or protocols.

6. **Share and celebrate achievements**

Share success stories with everyone in the company. To get everyone behind the customer experience goals, companies should share their customer experience performance and trends with all staff. A reward and recognition programme for achieving the customer experience goals, and how it translates to the overall business goals, should be designed to ensure that everyone knows how close they are to the goals. The actual stories from customer feedback, provide a reality and context to the scores and people love feel-good stories that inspires. Negative stories should be used as case studies to review the customer journey, processes, skills and competency gaps.

Benefits of Customer Experience for business

Customer experience is not just the latest buzz word in business today, it a powerful tool to 1) differentiate through a unique experience associated with a brand 2) use as a retention mechanism for business (customers are 4x more likely to become disloyal after a poor service experience) . Studies by Bloomberg Businessweek and Oracle indicated that roughly 75% of senior executives believed that customer experience was one of the most vital influences to establish a loyal customer base, 3) grow the business through experiences that "move" customers to becoming brand evangelists… effectively becoming sales reps for the business.

The Consumer Psychology Lab are [customer experience specialists](). From auditing how customers interact with your brand right up to creating a customisable customer experience measurement tool for your business, The Consumer Psychology Lab is able to give you the insights you need to propel your business and create the ultimate customer experience.