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CUSTOMERS



10 Rules for Customer Experience Excellence

Rule 1: Have a Deep Understanding of Your Customer before You Design or Implement any Customer Experience Program.

This may sound like an obvious rule but one of the fundamental errors in customer experience management programs is that they are based on fundamentally flawed assumptions about what customers actually want. The most important insights about your customers will form the foundations of your program so getting an in-depth understanding is critical.

It doesn't matter how well you think you know your customer, it is still imperative that you undertake a detailed analysis of their unique characteristics. Customers are people and people will regularly change their priorities based on what is happening in their environment. This requires a deeper analysis than simple customer segmentation. Having a multi-dimensional understanding means you can identify their emotional states, desires and dislikes. Knowing how they feel during any specific time is as important as knowing what they value most.



The experience you deliver for your customers has to match how they want to be treated at any given point in time. A marketer that has this depth of understanding about their customers will be able to deliver a differentiated customer experience than someone who only knows the core values of their customers by segment.

When you map out the customer journey, make sure you have a mechanism in place to capture the impact of cultural and environmental conditions affecting the emotional states of your customers. For example, marketing of home delivery pizza one hour before dinner time is likely to have more impact on your customers than advertising at 10am.

Rule 2: Fix Your Customer Pain Points First.

There is no use implementing a "delight our customer" program when you have obvious customer pain points. In our opinion, any customer experience program that does not address the obvious pain points articulated by their customers first, is wasting company money unnecessarily.

The key is to identify the pain points by speaking to a broad section of your customer base. Don't assume you know the pain points. Listening to your customers is the most important aspect of achieving customer experience excellence. Find out from your customers what they find painful when doing business with your company. The first step you take should be to fix these pain points.

For example, any efforts made to improve communication through personalisation are wasted as customers won't respond positively when your billing process is broken or they have to wait 30 minutes at a retail outlet to get basic customer support. Fix the obvious first before you undertake your next step.

Rule 3: Get Input from Within the Company and from External Parties

It's short-sighted to think you can achieve greatness without assistance from external professionals. Involving a broad mix of internal people is the first step towards achieving excellence. Don't make your program purely a marketing or customer support driven initiative. It needs to have the buy-in of the whole of the company. Your internal members should be able to contribute towards helping you design a well-planned program that considers all customer interactions with your company.

It's important to get external people involved as well. Getting different perspectives and insights will ensure you are drawing on inspiration and

ideas from other industries and companies. Use this as the basis to create your differentiated service.

Ground breaking services only occur when you deliver unexpected levels of service. For example a financial services company can apply hospitality training in an effort to differentiate themselves from their competitors.

Rule 4: Focus on Reducing the Effort Your Customers Need to Do Business With You.

The effort required to do business with your company contributes significantly to how customers feel about your company. This rule is closely tied in with Rule 2. Often the pain points for customers are linked to the unacceptable levels of effort, as identified by your customers, required to do business with you.

When you undertake an interaction mapping exercise, you should be focused on identifying the effort required by your customers to complete a certain transaction or enquire about a particular service. Reducing customers' efforts and making the process more convenient should be your priority.

You may have multiple channels to complete the same transaction and it is common for some channels to be more effective and frictionless than others. The problem may be that your customers are experiencing pain because they are not using your more effective channels. The questions raised should be around why this is the case, and how do you effectively migrate more customers onto the frictionless channel. If online is your preferred channel then review the reasons why you don't have the usage levels you want. Maybe it's not as frictionless as you thought it. Talk to your customers and find out their preferences. Maybe self-service is not your customers preferred option. Maybe you need to



adjust your initial strategy if you want to win and retain more customers.

Rule 5: Define the Customer Experience In Line With Your Product or Service Positioning. Not All Customers Need to be Delighted.

I would expect to get a different level of service from a Porsche dealership than a used car company. There is no use providing a level of service if it is not in line with what your customers expect or are willing to pay for. For example, if you are a budget airline and your positioning is based on providing low cost airfares, then your passengers are not going to expect the same standard of service as a premium airline. Attempting to change the customer experience to the level of a premium airline could be

detrimental to your primary value proposition of providing low cost air travel.

There is a real cost to "delighting" customers, and you should be careful not to fall into the trap of thinking you need to deliver an exceptional customer experience when all your customers actually care about is how low your costs are when they purchase an airfare. Improving and providing differentiated customer experiences for low cost providers can still be achieved but it has to be carefully constructed and in proportion to the payback you're likely to get from the marketplace. It would be more prudent to design a customer experience program that would achieve better experiences than your rival low cost provider than against a premium provider. This point leads us to rule 6.

Rule 6: Benchmark Your Services Against Your Direct Competition and Also Your Industry.

The direction you take with your customer experience program should always be primarily focused on beating your direct competitors. Delivering a better overall customer experience

than your competitors is the key to gaining greater market share and generating more profits. However, keeping abreast of what your industry leaders are doing is an important aspect of planning for the future and ensuring a global player does not erode your market share unexpectedly.

What globalisation has provided is a playing field that is getting harder to define by geographic territories and protectionist laws. Even industries such as telecommunications, where laws protect the number of entrants in the marketplace, competition cannot be avoided from global players such as Skype and Viber. Knowing what unique experiences are provided by these companies will ensure your journey towards customer experience excellence is able to achieve sustainable market differentiation.

Rule 7: Ensure Your Omni-Channel Strategy Delivers Consistent Quality Messages to Your Customers.

It is unlikely you will be able to achieve excellence in customer experience without having a solid strategy around how you can deliver the same high quality messages to your customers, regardless of the channel they choose to interact with your business.

Customers want to be able to get the same response from your company whether they go online, use social media or contact you on the phone. Ensuring you can update all the channels with accurate information and delivering the same message is one of the key tasks a company needs to accomplish to achieve customer experience excellence. It's not an easy task to have a fully integrated communication engine able to deliver a consistent message across all channels. Some channels, such as digital, lend themselves to greater possibilities whilst others such as voice or retail may be harder to control and standardise.

Quality in the messaging is important as customers are seeking accuracy of information as much as they are seeking consistency. Do you

have a knowledge management system? If so, what are your rules for updating and controlling information across your knowledge base and your channels?

Rule 8: Empower Your Frontline Staff to Solve Customer Issues Using Guidelines Rather than Rules.

Nothing is more frustrating for a customer than when they need an issue to be resolved but cannot achieve a happy resolution because the frontline staff they are dealing with are not permitted to act outside of company rules. This practice is common amongst most companies and is largely driven by risk and compliance needs. There is a fear that frontline staff are incapable of using good judgement to solve a customer issue so they are given no authority to work within guidelines as opposed to fixed rules.

Not empowering your frontline staff to offer flexible solutions to customer problems is a fundamental flaw in achieving customer experience excellence. One of the central concepts behind customer experience is the idea that not all customers are the same and therefore we need to provide a higher level of personalisation so we can better serve their needs and desires. Using fixed rules to solve customer issues assumes that all customers are impacted in the same way. This logic is simply flawed. Customers are impacted *differently* by the same issues because customers are not all the same.

Companies need to view customer resolution of issues in a similar way to personalisation of communications when marketing. The impact of not empowering frontline staff to use some "creativity" to solve a customer problem far outweighs the commercial risks.

Following through on Rule 8 will help differentiate you from most of your competitors and help your company achieve customer experience excellence.

Rule 9: Don't Focus on Your NPS Score. Focus on Processes that Lead to Internal Changes from Customer Feedback.

We all understand the importance of measurement and reporting. However, this can also be a trap for many organisations. There is a danger with a single score such as Net Promoter Score (NPS) to measure your customer experience results. It can keep a company from evolving its practices as relevant customer experiences are not ploughed back into the system for further analysis and action.

Companies that achieve customer experience excellence have a robust process for taking actual customer feedback and using this information to make real changes within their organisation. They also use this information to act immediately to resolve any customer issue before it manifests into something larger and leads to a customer loss.

Using any negative customer experiences to change internal processes and practices is a sure way to reduce customer churn rates and achieve better customer experiences. The NPS score will naturally take care of itself if you have the mechanism to properly rectify customer issues in place.

Rule 10: Make Customer Experience Excellence Part of Your Corporate DNA.

For Customer Experience excellence to be achieved you will need highly engaged employees willing to go the extra mile without being provoked. To achieve a highly engaged workforce that truly understands the importance and value of customer experience is no easy task. Rule 10 is by far the hardest rule to accomplish.

Many companies have a culture based around "perform or pay the consequences". So when they attempt to embed customer experience into the DNA, it is usually mechanical and based around fear of non-compliance with company directives. This is not sustainable for the long-term nor is it

going to achieve the sort of customer experiences that differentiate you from the competition.

Although this rule is difficult to accomplish, it certainly is not impossible. There are some basic guidelines that need to be followed in order to head on the right path. These are:

1. **CEO and Board sponsorship** of customer experience management is required.
2. **Internal communication and branding** of your customer experience initiatives needs to be clear and regular.
3. **Change management practices** should be deployed to achieve behavioural changes across the organisation
4. **Training and coaching resources** need to be continuously made available across the organisation to embed the desired new behaviours into employees
5. **A measurement and reward program** needs to be implemented to ensure continual positive reinforcement of desired behaviours
6. **The organisational culture** needs to encourage innovation, adaptation, and remove the fear of failure.

Changing human behaviour is by far the most challenging task in business. Old habits are hard to break but they can be changed with time and the right mix of training and positive reinforcement.

Where to Next?

Kinetic BPO is committed to accelerating customer experiences for organisations. We provide a range of services from full outsourcing of front or back office through to consultancy and training.

Feel free to contact us to learn how we can assist your company.

If you would like to know more about how we can help you improve your customer experiences, contact us at:

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