



Digital  
Marketing  
Institute

# DESIGNING AND OPTIMISING CUSTOMER EXPERIENCE

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*All images created by DMI.*

# **LESSON 1: THE BASICS OF CX**

# KEY CONCEPTS OF CUSTOMER EXPERIENCE

## CX management

Customer experience is something every organization manages, whether intentionally or not. There are no hard and fast rules about what you must do. It's about understanding several interconnected processes that combine to deliver an experience. This may or may not match with the customer expectations.

Organizations that create exceptional customer experiences know that managing experience is an ongoing process and more a mindset for the entire organization than just the responsibility of a couple of employees.

## Three main entities

There are several advantages of online, for buyers:

- It's accessible anytime, especially when you think of web and social.
- It's accessible anywhere, in particular with mobile devices.
- Online interaction is also faster than traditional ways of transacting.
- Records and receipts are available.

There are several competing elements to consider for an organization when you're looking at the overall customer experience:

- **The organization:** What your organization's business priorities are – for example, increased revenue, margin, or conversion
- **Your brand:** How the business stands out from the crowd, including what it is famous for and how it does things differently
- **The customer:** How you satisfy their needs, how you meet their goals with minimum friction and meet their emotional needs.



Figure 1: The three elements of CX

It can sound like a simple tick-box exercise to satisfy each of these three items, but you'll quickly discover they can be in tension with each other. For example, what your customer demands does not necessarily align with your commercial ambitions. And at times, these can be polarized.

The job of customer experience management is to find the sweet spot for all three.

# THE IMPACT OF CX ON PERFORMANCE

## Customer experience (CX)

Forrester assesses companies in order to produce a Customer Experience Index. It shows for a range of sectors the average and where particular brands score. It's a powerful tool to understand who is doing what and well.

Customer experience (CX) can at times feel like it's hard to measure as it's made up of many parts – from sales through to service. One of the most convincing arguments for why an organization should pay attention and invest in its CX is the linkage between experience maturity and financial performance.

Watermark Consulting analyzed and correlated the performance of organization CXI scores on the S&P 500 (Manning, 2012). Perhaps unsurprisingly, those organizations with excellent CX return over 22% more shareholder value compared to their competitors (Manning, 2012).

When working on a large digital transformation project for Argos, people made the case for investing in better owned apps to John Walden, the CEO. When he saw the direct linkage between experience and revenue, he stated, “We cannot, not do this.” The project was approved, and this helped revive the laminated book of dreams into the brand we all love today.

## KEY ROLES AND RESPONSIBILITIES IN MANAGING CX WITHIN AN ORGANIZATION

### Role of marketing

Businesses have provided products and services long before CX was formalized as a topic. Some may ask who should now perform this role and tasks.

Marketing historically has been closest to the customer, thinking about providing the right message, to the right person at the right time.

With digital being the core channel across the customer journey, **digital marketers** are best placed to lead awareness of CX across the entire organization.

### Answering the CX question

Delivering customer experience is everyone's job in an organization!

It may not be obvious to individuals in their current role what they must do. It is likely employees from across the organizational spectrum will have questions on why they should spend their resources on this. As a CX champion, your role is to make the case and provide answers to these questions.

### Experience, data, and culture

Some used to believe the mantra of build it and they will come. All an organization had to do was to make the content or tool available for customers to help themselves, as if a standalone digital service was enough to completely satisfy a customer's needs. This might have been the case for a simple brochureware website.



## Experience

Now, digital services reach into every part of the organization. Creating new services is as much about internal processes and experience design as external (customer-facing) items. Internal users are equally important to design for.

## Data

When services are well architected, they generate data that can be used as an insight to guide core business decision-making. This requires more effort than simply placing analytics container tags and hoping for the best. Configuring and integrating data sources is specialist work, but once done, it provides a rich seam of insight into what users (including internal ones) are frequently doing.

## Culture

It is said you can't engineer a culture; you simply have one. Culture is derived from behavior. If employee behavior from the very top is not aligned with the desired CX, it is irrelevant what experiences have been created or the data created by them.

For example, your organization may pride itself on being fast. If a backstage employee doesn't conduct their duties in an efficient and timely manner, it doesn't enable the frontstage employee to address the customer. This single negative experience can take ten good experiences just to make up for it. Culture eats experience for breakfast.

## Digital maturity assessment

As a digital marketer, you'll most likely have a good understanding or appreciation for technology – from software at work to devices in the home. You can't assume this is true for all employees. Often employees will disguise the fact they don't understand all systems; it could even be part of their role to use them. It's easy to point the finger and ask why, but often it's down to lack of training; people are just expected to know what to do.

With people and their behavior at the forefront of your CX, it's vital to truly understand how mature the organization is across an array of technologies. It could be that certain roles have less exposure or need to interact with services, or simply a lack of awareness.

By understanding through individual assessments and reward for change, an organization's plans can be more realistic when it comes to satisfying customer needs. It's better to over-deliver on the promise.

## CXO role

A large number of activities and steps are needed to manage CX. In each conversation the voice of the customer should be represented, to bring a balance to the argument. Remember the tension triangle of business, brand, and customer!

This perspective in management is a critical role that may not currently be present in every organization. Ideally, a Chief Experience (or Customer) Officer (CXO) will bring the needs of the customer into the boardroom. Alternatively, it may be an additional undertaking by the Chief Marketing or Operations Officer.

CX is a serious business. In a world driven by commodity, marketplaces, aggregators and limited time, it can be the only tool ensuring your brand is both desirable and memorable.

# NOTES

# **LESSON 2: ASSESSING CX WITHIN AN ORGANIZATION**

# BRAND STRATEGY AS AN ORGANIZING IDEA

## Organizing idea framework

Most mid-to-large size organizations have a brand strategy. Part of their successful growth required they were clear about who they are and what they stand for.

Traditionally this was used to inform a 'message house' – which is a tool used for creating consistent communications. These models are typically designed as concentric circles, with a mission, vision, and values, only ever being understood and used by marketers.

They are no longer fit for purpose in a world where the customer is in charge. Organizations must be clear on what they are doing and how to do it for the benefit of the customer by reviewing the strategy in each of the connected eight elements in the Organizing Idea framework:

- Organizing Idea
- Purpose
- Vision
- Values
- Experience Principle
- Operating Model
- Customer Benefits

## Reinforcing the CX strategy

The Organizing Idea itself is a short statement – for example, 'We try harder.' Typically, these can be externalized and used as straplines for prospects and customers to see. But more importantly, they're an internal beacon constantly reminding us what is driving the organization.

It's no longer just for marketing. These summary lines provide a mental shortcut to the strategy, so that all activities can be quickly filtered into whether they're right or not – like a giant soil sieve.

## CX strategy and employees

The challenge with large brand strategy playbooks is that they're rarely read! However, by synthesizing elements into a single flow chart, organizations can ensure that all employees can see the elements of the strategy and how they connect themselves. A separate playbook can articulate the elements providing examples which quickly suggest the desired outcomes. Traditionally, countless hours are poured into getting the exact wording, as if it contains magic. A much better use of time is to check they are understood and can be put into practice by everyone.

This strategy can be used across the entire lifecycle for each employee. For example:

- **Recruitment:** Looking for characteristics where the candidate aligns to the behaviors
- **Onboarding:** Training in the strategy
- **Objective setting:** Activated through actions for the individual
- **Appraisal:** Reviewing evidence of how they are delivering
- **Promotion:** Rewarding consistent demonstration and innovation

## Social manifesto

Providing a good product or service is not enough in the Age of the Customer. Your organization may not be the starting point for the customer journey, as with the traditional world of advertising. Marketplaces and aggregators distribute and dilute your message to the point of commoditized comparison on price.

By having a rallying call to be part of a community, the organization is more than a sales machine. It has a purpose that customers can align to, is memorable and can be involved with – frequently.

For example, you may be in the outdoor apparel category. The purchase cycle could be limited to once every five years, with little need for the customer to interact with the organization. By injecting a social manifesto into your strategy, for example ‘taking care of nature’, you can invite customers to frequently and regularly interact with the organization.

This can importantly bring about three outcomes for customers and employees alike that are a win-win:

- Increased wellbeing by doing something that is fulfilling and useful
- Facilitating co-creation by providing an opportunity to bring people together
- Generating engagement through positive habits

## PRESENTING EVIDENCE OF THE CUSTOMER EXPERIENCE

### Service shadow

The nature of what you need to do with Customer Experience is in the name – you need to experience what the service is, as a customer.

Throughout the entire organization everyone should go back to the floor to experience for themselves what it is like to transact. This observation and experience is known as **service shadow**. By conducting service shadows regularly (collecting evidence through photos, for example, with mobile phones), you can quickly spotlight underperforming areas or opportunities to inject more of your Organizing Idea.

### Experience Pyramid

Once an organization understands customer needs and goals, the mission is to set about answering them. This is the heavy lifting work of experience – not the fun or delightful part, but building the foundation for everything else. Frequently organizations want to rush this part, moving quickly on to the more entertaining things.

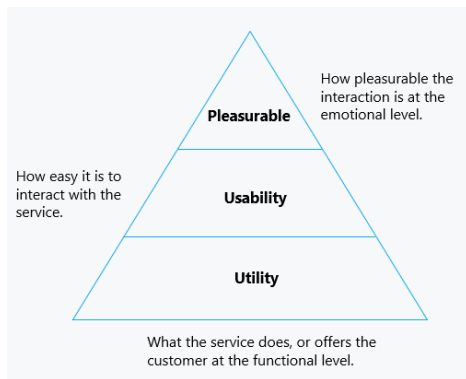


Figure 2: The three stages of the Experience Pyramid

The Experience Pyramid involves three stages:

- **Utility:** Firstly, the organization needs to completely satisfy the utility – meeting needs. It doesn't have to be pretty or easy – needs can be thought of as mandates. Without them, there is no permission to play.
- **Usability:** This stage aims to reduce friction and make things easier to use.
- **Pleasurable:** Only when this intensive work is complete can the organization move on to the third stage – creating pleasure, often the realm of marketing.

Ask yourself, do we fully understand our customer's goals and are we fully satisfying them?

## Channel scope

When managing service shadows, it can be useful to have a simple journey model that catalogs the steps and available channels. You need good breadth and depth across the whole journey to form a rich picture. A simple service such as a Trello board with voting capability can be used to indicate specific channels (such as contact center call) and journey steps (such as product support) that will be completed. Over time, you will be able to spot areas that are under-represented.

## ELEMENTS OF THE CUSTOMER JOURNEY

### Customer journey framework

With such a large volume of evidence and documentation, it is critical to capture all information with a structured method. Most organizations do not have a single framework that documents these steps, due to their very siloed nature.

The task is to understand all the parts which are grouped into higher level clusters. This tiered model allows the organization to quickly point to the stages where focus is needed. In most organizations, there are six tier 1 stages, with around a total of forty tier 2 elements.

Once this model is built and agreed by the entire organization, it becomes the single source of truth in referencing where a customer experience event occurs. Without such a managed taxonomy, the job of assessing, designing, and aligning organization tasks would be impossible because of a lack of understanding between departments.

## Customer journey from CX standpoint

Understanding the complexity of the spaghetti-like customer journey is no mean feat. Each element can be thought of as its own set of processes and experiences, but this leads to a poor overall CX.

### Sequence

The order customers wish to choose is up to them, but you can provide good signposting and gated processes to show the sequence of steps. By externalizing these, you provide a 'mental model' that facilitates the customer understanding of what happens in a sequence.

### Linkage

These islands of experience are not standalone. When a specific activity occurs in one, it can affect several other experiences. Ensuring these linkages are captured and understood allows the organization to execute design changes without breaking the overall customer experience.

### Controlled vocabulary

Lastly, using a controlled vocabulary in describing Customer Journey Framework Tiers allows teams to work better together in the organization, aligning their efforts to the same event without confusion.

## CUSTOMER EXPERIENCE MAPS

### Key elements

Customer experience maps are a visual articulation of the entire experience. To be of strategic and long-term value, they need to capture several elements. These are best captured per journey tier, for example, Awareness stage.

- The X-axis is time – plotting the journey tiers as they're experienced.
- The Y-axis is the layer cake from customer to capability.

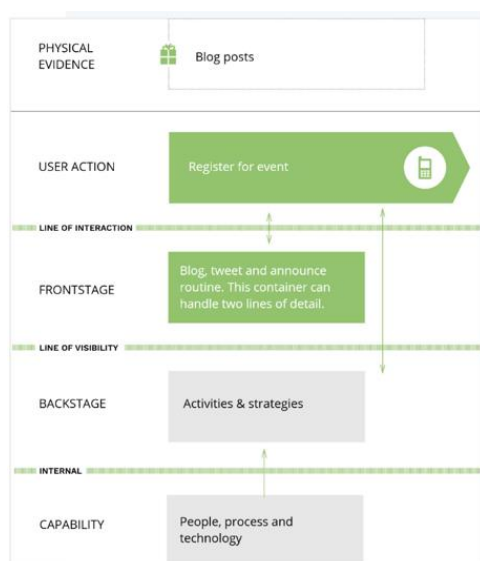


Figure 3: A sample customer experience (CX) map



For each event, the CX map documents a slice of the customer touchpoint, constructed from **evidence** (what the customer sees) and **action** (what the customer does). It is worth noting that just because the organization provides evidence, it is not a given the customer will action it. With this example, you can start to understand why CRM processes are critical to capture a multitude of scenarios.

For the organizational layers of the model, they are set out to capture what an organization provides that a customer can access or interact with (the **frontstage** – or customer-facing part), the processes and strategies that enable this to happen (the **backstage** – or internal facing part) and lastly the **capabilities** (the technologies and tools that enable the **Backstage** and **Frontstage** events to be provided).

This may feel large and complex. It is. But with this level of detail, the organization can understand the 50,000 ft view of how everything works.

## As-Is customer experience

A customer experience map should represent the reality of the journey, including all issues, loops and dead ends. It's important to capture and show all these undesirable moments rather than a Utopian vision. Through iconography, event types can be classified in order to help the reader see them at a glance.

The experience today (as problematic as it might be) is called the As-Is state.

## To-Be customer experience

Once the organization has an understanding at first-hand of what the customer needs are, these are plotted on the existing (As-Is) map as additional rows to form the To-Be map. Now for a specific journey stage, you can understand a deep slice of what the organization provides today, how it operates, and what it could be. This enables Service Anticipation Gap modeling – the distance between the As-Is and To-Be.

## Customer touchpoint

You may have heard the expression customer touchpoint. The customer experience should not be reduced to this single expression but should be kept as two distinct parts:

- The customer **evidence** – what the customer can see
- The customer **action** – what the customer can do

Remember, just because the customer can see (evidence) or do (action) doesn't mean they will or can. They may choose to ignore, forget, or simply miss it. By intentionally separating these two important items, you will be able to make better informed CRM decisions for any new design activities.

## USING DATA TO MEASURE CX

### CX performance dashboards

People talk a lot about data. Big data has been a hot topic for the past few years. But often, organizations don't know what data they have, let alone how to use it.

From the Customer Journey Framework, each tier should have a list of data sources aligned to each capability. By reviewing each of these, a company can extract the key metrics and aggregate them into a dashboard that enables a simple traffic light report of the entire customer experience.

Using tools such as PowerBI enables visualization from these multiple data sources to help the organization better measure the what and where. This is a far more powerful insight than blunt tools such as Net Promoter Score (NPS), which don't identify the *why*.

Start by reviewing what you have today. It's likely to be very little or siloed to each business area. By working with technical colleagues, you will develop a rich picture of what the organization could have, but doesn't make use of today.

In the customer experience map, note the data available for each capability and whether it is used today.

## Analytics packages

Before you can create insights, you must capture the data. Across the customer journey, there are multiple types of data available.

For example, in retail footfall, counters are available via wifi pinging to understand how many customers are in the store. Interactions cover purchases, activities, and customer services. These make for interesting charts to understand current volumes, but do not affect the customer experience itself.

By collecting explicit loyalty data from an individual account, you can recognize and offer the most appropriate reward or points collection. Also, analytics can identify individuals and behaviors, which is critical in establishing relationships with those that matter.

## Analyzing hypotheses

Assessing data can lead to several hypotheses. These what-if's can be tested to understand what specific combinations are most appropriate for your audience.

For example, you may wish for more prospects to become email subscribers to receive offers. There are several elements – image, headline, standfirst, and call to action. Using a few variables, platforms can test and automatically optimize for the best performing combination.

By using data, you can *know*, not guess, how to improve the experience.

# THE ROLE OF CAPABILITIES

## Enhancing the CX

Capabilities, specifically technologies, can feel alien to marketers, with only technologists understanding what the organization has and what it does. Capability maps can at first appear to be an array of boxes in a grid, but actually they are the modern marketer's best friend.

In organized groups (or levels), they can capture the capabilities today – the As-Is state. In automotive, for example, Level 1 could be Marketing Management, Level 2 could be Marketing

Promotions and Offers, with Level 3 being Finance offers. For each capability a specific system or tool is responsible.

By understanding what capabilities, you must work with, you can understand what data is available and how those systems enable you to meet customer needs.

Most organizations do not fully utilize the systems they already have because they are not aware of their potential.

## Testing

Knowing what you have is one thing, but knowing what you need is another. By working with a technical architect, you can first lay down the As-Is state, creating the model of capability organized by level.

It's not just for the architect to do on their own. By working together, you can describe the types of services the organization needs to meet the demands of the tension triangle – the brand, organization, and customer. This additional coding can signify the functional maturity. In other words, can the capability fully satisfy all needs, or only a part?

By working together, you can understand what each of these elements is actually capable of. Ideally, it's best to create a short playbook that documents this for others involved in CX management.

Don't be surprised to find your organization does not have a capability map or a current version!

## Capability map

This terminology can feel a little alien at first, but once understood it is relatively straightforward.

A **capability map** can help close the gap between your vision and what is possible. Many organizations believe they need the latest piece of technology and that's what's stopping them from creating better customer experiences.

By understanding what you have, knowing what it is capable of, and how it can be combined, you will be able to start making changes that don't require long drawn out business cases with never ending IT programs.

Instead of seeing technologists as blockers, you can move a little closer to their world and start to improve the CX by working together better.

## CAPTURING CX MATURITY

### Heuristic review

A Heuristic review is an expert assessment reviewing all dimensions contained in the Customer Journey Framework of your owned properties. For example, this could be content and tools showing 'New this season'. Each dimension can be maturity assessed from 'Not available' to 'Differentiating'.

This simple traffic light scoring provides a visual heatmap where the organization fails or exceeds at what it set out in the strategy. It's worth noting that not every dimension will be differentiating – that is not sustainable for a business, nor is it appropriate for your brand strategy.

Individual dimensions rolled up to their tier 1 (for example, Support) can indicate over the entire customer journey where the business has strengths and weaknesses.

## Heuristic review dashboard

A Heuristic review is best completed by a service designer or researcher who is familiar with the organization. They will use the Customer Journey Framework to work through each dimension, capturing evidence of why the scoring is given, with light annotations.

This report is used by the CX professionals responsible for designing and managing. By using the Organizing Idea tool, each dimension can have an assumed maturity for fit. For example, if the organization sets out to be fast, then account creation, checkout, and payment should be differentiating to others in the category.

## CAPTURING THE CATEGORY EXPERIENCE

### Best Practice review

A Best Practice Review is an expert assessment of the same dimensions used in the Heuristic review but for competitors and comparators.

It follows the same process, with an added feature of opportunity for your own organization where a competitor or comparator is differentiating.

By using this evidence, your own organization can innovate, ensuring it does not plagiarize but produces a unique and useful service.

### Best Practice playbooks

Best Practice playbooks can become useful sources to remind people of what is already existing.

By averaging the score for each dimension, you can shine a light on where there is low category maturity. If this dimension fits with your Organizing Idea, it can be significant to stand out and become famous. It will most likely be noticed by your competitors, so refreshing the Best Practice playbook quarterly can help your own organization stay one step ahead.

### Best Practice report

A Best Practice report is completed by a service designer or researcher. Before they undertake the analysis, agreement on the competitor and comparator set is best done by the CX working group, with representation from Marketing, Operations, and Technology. Each may have their own learning agenda.

Once completed, the tool can be used in various ways, helping inform strategy, simply learning from others about what has become category norm.

**Note:** Including comparators can be extremely useful. Categories tend to plagiarize, ending up with little differentiation. For example, Financial Services can look at Retail for how to create better physical experiences, renewing the role as to why visit a high street branch.

# SEGMENTS AND PERSONAS

## Difference between segments and personas

Most organizations feel they know who their customers are. After all, they have been servicing them for a long time already!

Pre ‘Age of the Customer’, an organization had to understand the size of an audience, their location, and their prospective value. This enabled the organization to create products, knowing already there was an audience prepared to buy them.

Segments still have a role today. They enable media planning and financial modeling. Personas are the same but different. Importantly, they capture, through primary research, mental models – that is how we think.

By documenting what is mandatory, what is a gain, and what is a pain, CX can actively design for those things.

Your organization should use *both* segments and personas.

## Empathy maps

Empathy maps are tools which document what the organization assumes about each audience.

They capture the hypothesis of what the customer is:

- **Seeing:** environment, with friends and what the market offers
- **Saying:** attitude in public, behavior towards others, measures of success
- **Thinking and feeling:** what really counts, major preoccupations, worries/aspirations
- **Hearing:** what friends say, what boss says, what influencers say

The challenge with empathy maps is that they’re loaded with *assumptions*. Over time, these assumptions become ‘supposed truths’ inside organizations and it’s hard for people to accept they might not be true.

By using primary research, documented as personas, better decision-making can take place throughout the customer experience.

## Personas

Segmentation is a good starting point for a recruitment screener. Typically, five candidates per segment provides a good relevance. A detailed discussion guide enables a researcher to ask each individual some questions to uncover how they think, what matters to them, and how they go about it.

After all the interviews are complete, the organization undertakes a rigorous exercise of combing insights and grouping those together. This notes any cultural differences or allowances for different country behavior.

Typically, the number of personas generated is not the same as the number of segments. For example, most organizations may have around 12 segments, but only four personas.

The reasons for this are two-fold:

- Attitudes (needs and goals) from multiple segments are the same, so they are concatenated to a single persona.
- Each persona is a design tool in itself. Having more than six personas becomes too challenging to use practically.

The simplest use from personas is to review the mandatory needs, and then see how your organization fully meets these needs and where they occur. Don't be surprised if there are several areas where you fall short.

This process is known as User-Centered Design. Most organizations historically do not follow this process.

## **MATURITY OF CX**

### **Managing CX**

Now that you have a basic understanding of and what a capability map is, you're probably thinking how you or your team can manage all of this!

Remember, it's not just your job. CX belongs to everyone – not just those in frontstage customer-facing roles.

If a technology fails to meet expectations or poor decision-making at board level occurs, these both affect the customer experience indirectly. Ensuring everyone in the organization knows why their role is important matters.

### **Maturity assessment of CX**

Knowing where the organization employee maturity is at down to the individual level matters. It enables an understanding to not overpromise what is possible and provides a practical framework to help develop low maturity areas.

To gain a detailed insight, you can use a questionnaire to understand skills, attitudes, and current behavior in Technology, Communication, Tools, Share and at Home. Four levels of maturity can describe an individual's current state. These can be rolled up to a department level providing the organization with a solid picture of the current state. Only then can appropriate training be provided.

# NOTES

# **LESSON 3:**

# **DESIGNING CX**



# CUSTOMER FEEDBACK

## Importance of delivering a participatory CX

Many businesses have historically centered around the product they have manufactured or the service they offered. The winning formula was always to create something better, different, more desirable, or lower cost to that of the competition.

The Internet 2.0 revolution changed all that. It brought more choice and transparency through ratings and reviews. This fueled the ecommerce machine, to give us unparalleled choice. After that, customers had more choice to explore and with the financial downturn of 2009, those choices have become more careful.

From an initial position of fire and forget (the sale) to a long-term relationship (loyalty), organizations are using technology to be more personalized and relevant.

But technology is only part of the solution. By standing for something worthwhile, being on the side of the customer and out to defeat evil, organizations have more than a product or service – they have a point to prove. This in turn can be designed to include customers within the business itself – effectively participating in the organization which they believe in. Done right, for example Rapha, it can create a powerful marketing machine that steamrolls over the competition.

## Types of service values enabling participation design

Getting to the point where friction is removed or reduced can be thought of as hygiene – it's good but doesn't say anything other than your organization is easy to do business with.

By reviewing all the service connections (the linkage between your offering), values can be selected that offer benefit to the customer: ones that enable more participation. From three groups (creating wellbeing, driving engagement, and enabling co-creation), there are a total of 21 prospective values.

Each value has an action. For example, Serenity (in creating wellbeing) reduces anxiety and builds resilience by developing fully considered services such as billing forecast, to avoid bill shock.

## Brand value

Do you know your brand values? These carefully selected words represent your strategy – they are things you believe in and a specific combination that is unique to your organization.

Typically, there will be four values. But knowing these words alone is of little value; it's knowing *how* they're used that counts, both emotionally and rationally. Values matter in Customer Experience; they are the foundations for everything else to be built on. Have a look and find them in your brand book, and see how they are explained.

Just because a value can be explained as Experience Principles doesn't mean one size fits all. Benefits can be different for each persona. By planning how your experience is relevant, this can help you complete a deeper Heuristic review analysis, in understanding how your organization today provides demonstrable and relevant experiences.

## Experience Principles

Because Experience Principles are conceptual, it can be difficult to communicate what they are and how they can be used. By creating a ladder from your Organizing Idea to Persona benefit, you can disseminate the key CX messages in an easy to explain format.

By focusing on Experience Principles, you can show how they are relevant to customers and a practical tool across all roles in the organization.

## Customer feedback

Customer insight and feedback is an essential part of managing CX. Multiple methods should be used to understand where things are going well and where things can improve. It's worth noting that these can be coupled with analytic data sources to correlate cause and effect.

A good method is to test for your Experience Principles. Does it feel like your organization provides what it strategically set out to?

## Clustering techniques

One source of customer feedback alone will not reveal any grand insights. By combining and clustering data from multiple sources, you can see insights start to emerge. For example, an automotive manufacturer may use onsite web surveys, external industry surveys, retailer feedback, and contact center verbatim to find which models prospects are struggling to configure. Once candidate topics are discovered, further investigation can take place to understand the signals of issue.

## Co-create session

Understanding issues today enables an organization to close the gaps. New ideas are rarely suggested or revealed as part of these data collection methods.

By planning a 'Co-create', the organization can explore original new ideas. One core principle is that the session incorporates both employees and customers working together.

Groups develop storyboards through real-world and experienced events, setting up the problem to solve. Using nudge cards provides inspiration as to the realm of what's possible. Templates are used throughout the exercise to help the group complete tasks. At the end of the session, each group gets to record a 5-minute video with props that brings their new service idea to life.

At the beginning of the session, groups would be mortified if they knew they might end up doing this. You'll need to stop them having so much fun but don't misunderstand this enjoyment! It provides the permission to lower the guard, to think freely, and generate bold ideas. The act of employees working together can be more powerful than new ideas – they can see how together is better, not making assumptions and putting names to faces. Despite being a massively powerful technique, it is rarely used in organizations today, which in many cases are using marketing campaigns to stay afloat.

## THE TO-BE VERSION OF YOUR CX MAP

### Customer-generated ideas

Generating ideas is only half of the process. Looking at where they land in the overall customer journey is the next step. It could well be that despite creating brilliant ideas, they align to already competent areas of the customer journey.

Start by understanding the value and frequency to the customer. You might be able to use the idea to generate a statement for a specific area later. Capturing the idea components – what the customer is thinking, feeling, and doing – are important parts beyond that of the idea itself. Once these are plotted against the Customer Journey Framework, you can understand densities of ideas against value and frequency, ahead of detail prioritization, enabling the organization to focus on specific areas.

### CX steering group

As you can see, CX involves a large volume of activity. Ensuring everyone in the organization understands the value and the part they play is very important. That's not to say everyone must know everything.

By assigning customer champions from across business units, the organization provides a dissemination model where it's their responsibility to decide what is most relevant and conduct communications. Without this intentional communication, one team of people will be involved in CX design, whilst the rest of the organization carries on blindly. When everyone has a stake in the process, they are more likely to subscribe to change than to be told what to do.

## THE GAP BETWEEN AS-IS AND TO-BE

### Service Anticipation Gap analysis

Considering the two states of the CX (As-Is and To-Be), initially it can look like a lot of project work, that doesn't have time or budget assigned. This is why prioritization is so important.

Just because the organization is not meeting a customer desire does not mean the organization needs to rally the troops in delivering that change.

Service Anticipation Gap analysis can start by understanding the gap in frequency using the MARS model – whether something is well defined or doesn't happen at all. If things are Always or Repeatable, it might not be perfect but can be instantly dismissed as acceptable. This rough cut enables the organization to focus on the big things and not get lost in the weeds of change where no one will notice.

## CX TO CREATE DIFFERENTIATION

### Differentiation mapping

All the hard work can now be put to use. By aggregating CX for each dimension, an average can be displayed for the category. This is best displayed as a bar chart. It shows at a glance the maturity within the entire category for competitors and comparators.

By plotting your own organization maturity as a line across the map, it will expose where the organization over and under-performs.

The third stage is to use your Organizing Idea framework. Look for moments in each dimension that align to your strategy. What can you own and do better than the category?

In total there will be around seven specific areas where:

- The category average is low
- Your organization has the mindset to focus
- The management team are aligned around these points of difference

## **ADDING PERSUASION TO THE TO-BE EXPERIENCE**

### **Psychology principles**

We all feel that there is not enough time. We all demand more and faster, and we want it better. This means organizations must work hard at pleasing us, or at least helping us to feel that things are being done in less time.

Psychology can help us by providing a satnav for the mind, steering quicker to success.

The six persuasive principles are:

- Reciprocity
- Consistency
- Social proof
- Like
- Authority
- Scarcity

### **Applying to the customer journey**

By analyzing your evidence in the Customer Experience Map, you can apply these principles to enable a journey that gets things done. Just remember this should always be ultimately for the benefit of the customer – you are not trying to manipulate them.

Using the mindset context can be a useful tool in helping you apply them. For example, if you want to create more subscribers, offer them a helpful download for free. Then in return they will pay you back with their contact details. When reviewed and applied at a granular level, these can be powerful signposts, sometimes known as nudges.

## **USING THE EXPERIENCE MAP**

### **Applying to the customer journey**

The final item in this goal is the use of emotions. Even with all the best capabilities and processes, sometimes things get awkward – there is no way to hide bad news.

By reviewing the entire journey, using a controlled vocabulary, you can plot a positive to negative line. When you understand that multiple steps can lead to doubt, this becomes a design tool helping the organization think about how this might be avoided by changing the process earlier in the journey.

Negative	Positive
Anger	Acceptance
Annoyance	Admiration
Anxiety	Amazement
Apprehension	Anticipation
Boredom	Calmness
Disappointment	Delight
Disgust	Excitement
Distraction	Interest
Doubt	Joy
Embarrassment	Pride
Frustration	Relaxation
Neglect	Satisfaction
Regret	Surprise (positive)
Surprise (negative)	Trust

Figure 4: Negative and positive emotions that may be experienced by customers

Organizations tend to be extremely rational. Using emotions in strategy can feel strange at first for many, but over time become an important part of customer experience management.

# NOTES

# **LESSON 4: CHANGING THE CUSTOMER EXPERIENCE**

# CUSTOMER EXPERIENCE STRATEGY

## Customer feedback methods

Candidate features are sometimes thought of as the crown jewels – they need maximum protection. Or at least that's how some organizations act! They want to protect them until it's time for the big reveal.

The challenge with this approach is the idea might not be as hot in the customer's mind. By involving customers in the process, your organization reduces the chances of getting it wrong. And the earlier, the better!

A common barrier to externalizing ideas is the fear of competitors copying them. After all, they might swoop in and copy the output of all your hard work. But without all the capture, strategy, and line of sight, they are nothing more than short sentences. For example, Monzo externalizes ideas. Does that enable RBS to come along and build such a great platform? No.

A restricted view can be enacted by an ambassador council, where a small number of customers are consulted and often rewarded. At the other end of the spectrum are publicly viewable boards containing voting tools. This enables the organization to get an acid test understanding of what is most popular. It also has a wider objective, in building a community and showing that your organization cares about what its customers want.

## Extending customers' experience

Your organization can only do so much, whether that's about supporting a brand, or creating infrastructure or geographical reach through customer support. We are never more than a tap away from a competitor.

APIs make services available to other providers. They enable specific capabilities to be presented without the look and feel – just the service.

By developing multiple APIs you are extending your Customer Experience indirectly to other platforms. This is where your Experience Principles really come into their own. There is no comfort of your familiar logo or design language. Customers can only feel what it's like to interact with you via a third party. Think about what APIs your organization has and how you might be missing out on extending your services to create a better CX.

## Complex Retail Strategies

### Aligning bricks, clicks, and people

New services or changes to existing services can often be restricted to the owned platform. But organizations who deliver only changes to the clicks (or taps) part of their strategy are missing out.

A better integrated or blended retail approach is to plan for changes in three areas:

- Bricks
- Clicks
- People



Look at the impact of a new digital service

- How can it be fully integrated?
- How can it be a destination that improves the customer experience?
- Are your people trained in it?
- Are they fully on board?

Instead of thinking in channels, much like the layer cake of the canvas, think about moments in time. Planning for this change can initially appear more complex than simply launching a shiny new website or app, but you are setting up success right from the outset, as failing to plan is planning to fail.

## Change management

With a change in strategy to support your new CX, a change in organization design will most likely be required. This is something many organizations fail to comprehend. They believe by simply producing more digital services, they can improve the CX.

To support the future ambition, you must have a clear view on what design for the organization itself is, including roles, processes, responsibilities and ownership.

By undertaking these change management activities from the outset, and not once the new service is built, the organization has set up the S from the MARS model – we have a process that defines when to do this and we follow it all the time.

## THE BEHAVIORAL CHANGE IN EMPLOYEES

### Impact of change on employees

Do not underestimate the happiness of your own employees!

With all new services, there is a ripple effect through the organization. It can be hard to understand what will happen exactly until it is actually happening.

This does not mean you should adopt a ‘let’s wait and see what happens’ approach. For example, improving a customer knowledge base could substantially reduce inbound calls. You might think this is a fantastic outcome, until you realize these contact center colleagues are now fearful for their own jobs. By thinking about what might happen, how relationships can change, and shifts of responsibility and power, you are providing all the foundations for the new services to work, not be sabotaged.

### Planning change

By analyzing impacts on specific roles, you can plan, discuss, and action any behavioral change ahead of new service deployments. One of the most powerful and practical techniques is the Behavioral Grid from Professor BJ Fogg (2009) of Stanford.



















Source: BJ Fogg	<b>Green</b> Do new behavior	<b>Blue</b> Do familiar behavior	<b>Purple</b> Increase behavior intensity	<b>Grey</b> Decrease behavior intensity	<b>Black</b> Stop existing behavior
 <b>Dot</b> One time	 <b>Green dot</b> Do a new behavior one time	 <b>Blue dot</b> Do familiar behavior one time	 <b>Purple dot</b> Increase behavior one time	 <b>Grey dot</b> Decrease behaviour one time	 <b>Black dot</b> Stop behavior one time
 <b>Span</b> Period of time	 <b>Green span</b> Do behavior for a period of time	 <b>Blue span</b> Maintain behaviour for a period of time	 <b>Purple span</b> Increase behaviour for a period of time	 <b>Grey span</b> Decrease behaviour for a period of time	 <b>Black span</b> Stop behavior for a period of time
 <b>Path</b> From now on	 <b>Green path</b> Do new behavior from now on	 <b>Blue path</b> Maintain behavior from now on	 <b>Purple path</b> Increase behavior from now on	 <b>Grey path</b> Decrease behavior from now on	 <b>Black path</b> Stop behavior from now on

Figure 5: Fogg's Behavioral Grid

The framework sets out change by five colors (green, blue, purple, gray, and black) and three timeframes (dot, span, or path).

For example, if the employee needs to start a new activity and do it just once, that's a green dot. If they need to stop doing something forever, it is a black path.

**Note:** It's difficult to achieve green and black behavior changes. Blue, purple and gray are easier to implement.

As a marketer, this may seem outside of your comfort zone. However, if you are responsible for changes to the CX, then change techniques should be a process you are fully aware of and can work through with your HR manager.

## THE NEED TO STAY AUTHENTIC

### Accurate and continuous assessment

You need to review the organization's attitude on an ongoing basis.

This involves answering a detailed list of questions to understand the type of hats (white for good, black for evil) the organization wears. No organization is perfect. There will always be some 'black hat' techniques, and this is normal.

The best customer experiences manage how many of these techniques are used. Over time, things can start to slip, because of the need for short-term results. By monitoring organization behavior through formal assessment, a plot can be created and then layered over time to show changes. This type of technique can keep the CX true by spotlighting slippages.

# NOTES

# **LESSON 5: INCREASING PERFORMANCE WITH CX**

# THE VALUE OF RAPID PROTOTYPING

## Rapid prototyping for CX change

There is something rewarding about a big reveal. It's like a firework for everyone to stand back, admire and gasp and swoon over. We get praise. But the techniques usually fail!

Developing ideas through prototyping leads to better product and service design. It can take time to win over hearts and minds for prototyping to become the norm. Involving multiple employees in the process leads to a 'test and learn' culture that ultimately starts to show in financial results.

Using platforms such as InVision allows teams to rapidly create realistic simulations to find what and why is most likely to work. Over time, this agile and iterative way of working allows you to try things out, things that can give a competitive advantage.

An additional benefit of an iterative approach is continual good news for the customer. By adding small features over a long period of time, it feels like the organization is investing in making things better. It provides a genuine reason to communicate and seek feedback.

## Gathering insights

A prototype on its own is only useful for showing a service in progress to others. By using different research techniques across different stages of the process, insight can be gathered to inform the next activity.

By collecting this insight in a simple library, over time, the organization can build a useful repository of primary insights that can be useful to the entire team.

Knowing the types of research that yield the most value can take time for an organization to discover. There is a whole suite of research methods available from card sorting to mental models which inform the organization, to lab-moderated observation where an expert facilitator probes using open-ended questioning.

Over time, an organization receives more of what is truly valuable – time. These techniques enable the organization to make better decisions faster, leading to a continual competitive edge.

## Findings from prototypes

Organizations sometimes have deeply held ideas about what customers need. Findings from prototype and research studies can shatter these assumptions! By showcasing a range of options and providing customer evidence through video, you can show these are not your version of the truth or massaged in any way.

By rolling up features into section scores, you can show a spectrum of interest from high to low. Starting with a hypothesis and then providing the evidence as to how it was proved or disproved can help maintain an impartial opinion. Over time, multiple areas from the organization should seek out these types of findings to help guide their own work.

It's worth noting at the start of this process that employees can feel like a witch hunt is taking place and could be overly defensive. By tactically walking through findings, the organization can let go of a hypothesis culture to one of insight.

# AN INTEGRATED PRODUCT ROADMAP

## Importance of product roadmaps

Throughout the entire analysis and insight process, a stream of features will demand resources. Obviously, not everything can be done at once. Each service within the organization can be thought of as a product and each one needs managing.

A product roadmap, with a stream for each service, can enable an organization to better plan interdependencies and sequencing of projects. Better strategic planning helps with understanding where groups of services can be combined to significantly increase the customer experience. Product roadmaps are historically recorded in silos by each responsible business unit, but by bringing them together the shift from internal to external mindset can be realized.

## Assessing candidate projects

When planning a roadmap, it's a question of what provides value and what's feasible. For example, there is little point in immediately pursuing a project that might yield a lot of value for the organization and customer if it is impossible operationally. These are projects that are consigned to the future, to be reviewed again once things have changed.

By assessing projects with dimensions of both value and feasibility, an organization can truly understand how to prioritize roadmap features.

## Value vs. feasibility

Candidate features should be scored by six dimensions on a scale of one to five. Customer, business, and organizing thought are combined to produce a single value score. Operations and technology platform scores are combined to produce the feasibility score.

It's worth noting that four representatives are normally required from across the organization to do the scoring:

- Operations
- Technology
- Experience
- Commercial

Once these scores are processed, a 5x5 matrix can be plotted, which shows from top right the sweet spot of features to the bottom left of future considerations. Many items will sit in the waterline – the area where a potential feature is high scoring for either value or feasibility but low reversed. These should be actively discussed by the cross-organization Customer Experience team.

Reviewing new candidates quarterly and assessing prioritization can enable the organization to stay sharp and focused on the most important programs.

## ONGOING DATA INSIGHT

### Ongoing data analysis

And now that you have all the foundations in place, the ongoing task of data analysis comes into play.

By understanding real-world usage, you can implement continuous optimization. It could well be that you uncover the need for more data sources.

Measuring the before and after impact of changes can help your business actively manage the customer experience and not be stuck on the 'creating new things' treadmill.

# NOTES



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