

The C-Suite

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October 28, 2011

The customer experience • def: a customer journey which makes the customer feel happy, satisfied, justified, with a sense of being respected, served and cared for, according to his/her expectation or standard, starting from first contact and through the whole relationship. Some have suggested that the customer experience is the single most important aspect in achieving success for companies across all industries. And the C-suite is devoted to improving the customer experience. Or is it? Consider the following examples:



In pursuit of a better customer experience, an European food and beverage company decides to “in-source” its toll free customer care center, which it has outsourced for many years. The task force created to manage this transition establishes three goals: (1) improve service quality and increase customer satisfaction; (2) lower costs; and, (3) expand and enhance the service.

This company has never measured customer satisfaction with the existing outsourced customer care center, it hasn’t quantified the supposed brand loyalty benefits of this service channel, and it hasn’t conducted a formal cost-benefit analysis of growing and improving this service. The first official act of the task force – made in the name of minimizing distractions – is to postpone any and all customer surveys until the new contact center is opened and the call volume is under control.

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SINCERITY OR LIP SERVICE?

A multinational business-to-business manufacturer discovers that product quality is suffering because employees are skeptical about and demotivated by the company's commitment to a target of "zero product defects." It's not the target they are mocking, but senior leadership's commitment to providing the resources required to meet an unrealistic lofty standard. Locked in a boardroom for a few weeks to develop an innovative plan, a group of rather weary executives emerges with a new, improved, and customer-centric approach to product quality. Signs are printed, speeches written, and town hall meetings scheduled. The new strategy? 100% satisfaction – guaranteed.

A major U.S. retailer intends to invest many millions to enrich its national customer relations contact center. The strategy is to invite store visitors to contact a special 800 customer care number if they have a question or problem while shopping. Prior to launching this initiative, the company fields a customer satisfaction survey. The principal finding: Awful service in the stores is a primary cause of customer dissatisfaction and decreased brand loyalty. The company dismisses the finding about lousy retail service and marches forward with its campaign for a new customer care number.

A blue chip, multinational consumer goods company operates two customer contact centers which handle millions of inquiries about hundreds of different products. Citing customer satisfaction as job number one, the company embarks on an ambitious study to assess the feasibility of consolidating two centers into a single center. In teeing up the feasibility study, the executive team stipulates that the study should be robust in every way, but it's not interested in "those satisfaction scores, which are so easy to manipulate." For four months, two accountants argue about the correct costs of operating two centers and the "real" costs of operating one center. A third accountant is added, six more months go by, and the decision to consolidate is approved.

EVERYONE APPRECIATES
CERTAINTY. FACTS. UNEQUIVOCAL
OUTCOMES. TRUISMS.

You couldn't make this stuff up.

Veritable illustrations of the "customer experience" as lip service. Genuine stories of C-suite plans for creating experiences sans the customer. In each instance, senior management has either removed the "customer" from the "experience" or relegated the customer to the "back of the line."

And one of the common threads running through these and similar stories is the C-suite's disdain for or misunderstanding of the customer survey data. To be sure, most companies like to do surveys; they just don't know how to effectively use the results.

Alarminglly—as demonstrated in the above anecdotes—it’s not unusual for the C-suite to view the voice of the customer data as a distraction, an unnecessary burden, or a biased indicator (especially if the results challenge conventional wisdom). That’s a shame. Used correctly, the results of customer surveys offer the C-suite a powerful and practical management tool for investing in the customer experience.

In our 30 years of experience, we’ve observed that those companies achieving the best ROI for their customer experience investments are flush with customer survey data and resistant to the temptation to “dumb down” their business case for a better customer experience. In particular, the leadership of these exceptional companies is rooted in four unique habits in the use of customer survey data.

Feedback In Perpetuity

It’s all about immersing the organization in customer feedback.

Customer-driven leaders use the voice of the customer to discern those actions that lie in the intersection of a “good customer experience” and “an optimal ROI.” They go far beyond the platitudes of being customercentric and put belief systems and processes in place to institutionalize an intentional, formal, and systematic way of listening to and then acting on the voice of the customer. Clinging to the aspiration of creating a customer-driven organization (not an organization that is people-, place-, or point-in-time-driven), they always invest in listening to the voice of the customer. It’s not an every-so-often thing. It’s not a line item in the budget that’s subject to veto during lean times. It’s not postponed during a crisis for fear of lower scores. And it’s not delayed due to internal resource constraints. The best leaders don’t compromise their voice of the customer efforts to accommodate short-term inconveniences, marketplace conditions, or organizational upheaval.



Engineering A Better Customer Experience: Part Science & Part Art

Given that companies have been fielding customer surveys for decades, you might expect that they're pretty good at it; that they know what and how to measure the customer experience and how to interpret the results. Not so fast.

First, good customer experience data must be precise and trustworthy. And – here of late – the “mad scientist” is spending too much time in the customer experience laboratory of many companies. There's a lot of suspect data out there. It's a customer survey frenzy in today's marketplace (I have one client that fielded more than 200 customer surveys in a four year period!). An increased reliance on web surveys coupled with the widespread availability of “easy-to-use” survey tools has decreased a respect for and an adherence to scientific standards. Rigor is frequently compromised to “get the survey out.” And while anyone can conduct surveys today, not everyone should.

Second, contrary to corporate wisdom, survey data about the customer experience are not actionable, in and of themselves. In other words, data doesn't take action – people do. The survey won't tell you what to do. “Actionable” isn't a property of the survey results as much as it is an outcome of careful and deliberate thinking about the survey results and intentional and widespread sharing of the results.

Data analysis is complex. It shouldn't be done in a vacuum. It shouldn't be a private, individual activity. The best analysis – the sort that invites action – is social and interactive. It takes advantage of all the benefits of group dynamics.

I think that the management guru Peter Drucker had it right. Most of the time we don't know the “objective” (read the right action to take to improve the customer experience); we need both data and reflection.

A Tolerance For Ambiguity

Customer champions are more at ease with the uncertainty that's endemic to customer satisfaction and loyalty results. Everyone appreciates certainty. Facts. Unequivocal outcomes. Truisms. Yet, when it comes to survey results, it's fair to say that it's often a murky and muddled world. Survey results may indeed reveal one or two certainties – things that are essential to creating a better customer experience. However, the vast majority of these data will yield a “maybe.” Companies that consistently enjoy higher customer satisfaction and loyalty performance are typically led by a C-suite that is more comfortable with such uncertainty. When the results are equivocal, these companies neither fear nor attempt to discredit the data. Instead, they impose their wisdom of the business and a business case-mentality on top of the data.

An Appetite For Considered Risk

Customer satisfaction and loyalty leaders are usually less risk averse. They're at ease with and demonstrate a greater willingness to take calculated risks to improve the customer experience. Why shouldn't they be? They possess plenty of data and, when necessary, a maturity to work with the mixed messages that accompany customer feedback.

At least part of this mindset – one of being less risk averse – certainly owes to framing their investments in the customer experience in terms of a cost-benefit calculation. Leaders know the costs and benefits of a lesser and better customer experience. As a result, it's considerably easier for them to connect the dots between what customers need, what must be done to meet those needs, and what the cost-benefit of fulfilling those needs is.

An Enigma

Despite good intentions, many companies today are doomed to delivering a mediocre customer experience because they have been failed by their senior management. Smitten with oversimplifying the complexity of the customer experience – and favoring decision-making shortcuts – many executives set their customers, employees, and shareholders up for disappointment by taking the “customer” out of the “experience.”

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Customer Care Measurement & Consulting



Customer Care Measurement & Consulting helps Fortune 500 companies from every industry get a better ROI for their investments in the customer experience.

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