

HOW TO GET THE CX FACTOR

In part 2 of their feature on customer experience, DAVID BATUP and LISA MULLER explain how to start out on your CX journey

In part 1 of this article (*Winning Edge*, March/April), we explored customer experience (CX) in the context of B2B sales and posed the question, does it have a place? Part 1 concluded that it is now a key differentiator, due to the rapid sharing of information and social networking opportunities via LinkedIn, Twitter etc.

Buying team's decisions, in both new and existing customers, will be deeply influenced by the CX they receive. This typically builds at a deep personal level over a long period, and will be

shared in a heartbeat with whoever will listen.

A recent Forrester study looked at how CX affects customer loyalty and, ultimately, stock market price. It showed companies that lead on CX enjoy an emphatic 23% above-average stock market performance, while those that don't embrace it lag by 46%.

So, if part 1 established the need for sales to take CX seriously, how do you understand where you are in the journey – or where to start? To help with this, we have developed a CX maturity model.



The grid on page 26 makes it a fairly simple task to agree where you are. It helps a lot at this stage if you are realistic, open and honest in your assessment, as there is no point in trying to rush into a more advanced stage of CX than you are ready for. Internally, your team will not appreciate the additional stress this will cause, and your customers certainly won't.

This is one of those areas where it is better not to start than to do it poorly. The risk of raising expectations and then not delivering on the promises you made is high. Playing at CX is like playing with matches – at some point you will get burnt. And playing at it is a sure-fire way to lose differentiation rather than gaining it.

Before we look at the maturity model in more depth, there is a lot of debate about who should own CX within an organisation. We favour sales leadership, as there is a direct link between CX and sales performance. Sales leaders have an opportunity to provide the direction and the drive to improve CX. At the same time, they help to increase sales sustainability through improved relationships and customer success.

The team should include a representative from every touchpoint in the company. Let's take a company that sells a solution to the B2B market.

Typically, the team would look like this:

Marketing: often the first touchpoint is with marketing

Sales: if it's a new customer, CX will be formed by sales' approach and integrity

Professional services: this is usually where "the rubber hits the road" – so it's critically important that this function performs well

Product management: supporting the sales team and building brand/solution loyalty

Customer services: traditionally, this is where customer satisfaction is measured. It is still very important, but in the wider context of the customer journey

Administration: how were the phones answered and customers received in reception? These functions have a big impact on CX

Legal and financial: again, integrity, fairness and accuracy play a big part at sensitive stages of buying your solution.

This shows a team of seven plus the CX sponsor or leader, so eight in total. This is a significant investment but the stakes are too high to ignore CX in competitive B2B markets.

The first step for the team is to identify where

you are in the CX maturity model. The chances are you have a healthy interest in CX, are probably doing customer satisfaction surveys and genuinely believe you are doing the best for new prospects and customers alike. We would describe this state as "awareness" in the model. Starting with this awareness stage, let's look at what can be done to step up your CX standing and performance.

AWARENESS

Companies at this stage have CX ripples forming throughout the organisation, and maybe a sponsor starting to articulate its importance.

This is the "selling" phase of CX. It is building understanding about why CX is so key to the company's revenue performance and the long-term relationship with customers. The outcome of your efforts is to gain approval to proceed to the next level in the maturity model. This stage is in many ways the most important. Unless the CX concept is accepted and adopted from the beginning, it will stumble and fall as the project progresses. This is usually much to the frustration

“Unless the CX concept is accepted and adopted from the beginning, it will stumble and fall as the project progresses”

of those involved, including customers, whose expectations have been raised.

Typically, these are the practical tasks and actions that build towards the desired outcome:

- Research CX as it applies to your market and customers. Pay particular attention to what your competitors are doing and how they are using CX to differentiate from you
- Use Twitter, LinkedIn groups, Google searches and alerts to stay up-to-date with your market and your customers
- Build the business need and case to proceed
- Sell the importance of CX to your decision-makers and win agreement to form a CX team
- At the next all-hands or "town hall" meeting, launch the programme
- Form the team and set objectives, KPIs, roles and responsibilities. Just remember that the team members will have day jobs, so be realistic about how fast you can proceed.

Take your time and do this stage thoroughly, as there will be bigger challenges ahead if the foundation of awareness is weak.

MAPPING

With a clear mandate, the team can move on to implementing the mapping stage. As Matt >





◀ Watkinson says in *The ten principals behind great customer experience* (FT Publishing), “Great customer experiences leave nothing to chance.” This describes the effort companies are taking at this stage of CX maturity. They recognise that CX starts at the very first touchpoint (which could be a marketing contact or reading your website, all the way through to a delighted customer). Watkinson goes on to say, “There is no element of the customer experience that is too small to make a difference.”

Companies at the mapping stage should have identified every touchpoint and use various mapping styles (we favour what we call a CX flightpath) to document key processes, owners and systems at each touchpoint.

To master this stage of maturity requires:

- An internal and customer assessment of your performance at each stage, plotting this on your CX map
- An assessment of the gaps between the two surveys to indicate differences in expectations
- Mapping processes and systems to each touchpoint to enable improvements
- Having a plan to address the lowest scoring areas first, being careful to note that if a

“CX needs to be driven by sales and the sales director, with sponsorship from the CEO”

touchpoint is at an OK but not exceptional level this could be fine. If the CX score is in line or a bit above the customer’s view then ask, “Do we need to improve this touchpoint?”

Remember, no element of the customer experience is too small to make a difference. We often find that big things are being done well, but small things can determine how a customer feels about the CX you have chosen to give them.

MEASUREMENT

Companies at this level of maturity understand their customer’s needs in the context of the service, solution or product they sell. They have mapped and optimised the CX touchpoints and have monitoring systems in place to track the CX. This relies on having KPIs that are meaningful in the context of CX and that they measure what the customer determines as important.

It is really important to drill down into the detail, but don’t fall into the trap of improving a

score without keeping the big picture in mind. Matthew Dixon's book, *The Effortless Experience*, describes this simply as, "Bake a cake, don't focus on individual ingredients."

Improving at this stage requires macro and micro attention and management:

- Focus on overall CX and any trends rather than an individual dip
- Monitor the KPIs you are using and ensure they are fit for purpose, especially if your market is moving fast, eg. mobile operators or IT
- Test your findings with customers or customer focus groups, treating any unsupported findings lacking in customer provenance as needing more customer focused analysis.

Remember, "bake the cake", and don't just measure for measurement's sake.

PROCESS AND TECHNOLOGY

At this stage, we see a company maturing to create a joined up, unilateral implementation of CX throughout the organisation. This is where efficiency and productivity begin to shine, not only creating a great customer experience, but delivering a fluid customer experience from an internal perspective that also really shows from an external, customer-facing perspective.

Here we will see an investment of time, resources and money in areas such:

- Evaluating, defining and improving the processes that sit behind each stage of the customer journey and looking at best practice
- Identifying and implementing technologies to ensure that a customer has an efficient, productive and pleasant experience and to enhance and support these processes
- Implementing technologies for CRM, CEM (customer experience management), client/prospect collaboration, telephony recognition and direction, mobility, web landing pages etc.

At this stage, full commitment to CX is forming in the company DNA. The processes and technology are in place to facilitate a smooth, efficient and great customer experience. Now, the organisation will see a positive impact on revenue and profitability by creating a CX journey for its clients.

CULTURE

The CX culture stage is the point where an organisation has embraced customer experience in every area of its operations, internally and externally. The foundation has been laid and now it is about embedding, empowering, continuous reinforcement and continuous improvement.

Key tasks at this stage will be:

- Identification of a CX "slogan" and "creed" around which everyone bases their work

- Continuous reinforcement in training programmes for all staff
- A dedication that all organisation programmes and initiatives take CX into account
- Empowerment of and understanding by all staff for putting the customer first, and the importance of CX and its impact on the business
- Regular review and measurement, evaluation and improvement of processes and technologies supporting CX and the customer journey
- Establishment of an honest, transparent culture to promote continuous improvement
- Regular meetings of all groups on the customer journey to avoid silo-building.

Creating a great customer experience culture is also about being a great place to work. This in turn creates an organisation that is the best place to buy from. At this stage, it is about ensuring customer experience is "in the blood" of the employees and that the workplace is one that supports its internal and external customers with a mantra of continuous improvement.

Communication, education and embedding of this vision are seen in everything the organisation does and in every area: reception-sales-marketing-services-customer services-accounts payable-account management. The impact of an organisation reaching this stage is a continuous increase in sales revenues and profitability. It also leads to an increase in employee retention and the ability to attract the best talent in the marketplace.

CONCLUSION

When it comes to implementing a CX programme, we like this simple five-step process from Bernd Schmitt's book *Customer experience: A revolutionary approach to connecting with customers*, which takes a staged approach to developing a CEM framework:

- Step 1** Analysing the experiential world of the customer
- Step 2** Building the experiential platform
- Step 3** Designing the brand experience
- Step 4** Structuring the customer interface
- Step 5** Engaging in continuous innovation.

In part 1, our starting point was to achieve support for CX across the organisation and show that there is a business case for a CX approach. Part 2 has covered the practical application of the CX maturity model, which needs to be carefully planned to ensure success. To embed change, a pan-organisation implementation programme is required, with a change management approach.

To sum up, Forrester's evidence shows that CX has an impact all the way to stock market price. It has become established as one of the most important differentiators between market leaders and followers. Ignore it at your peril.

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