



CUSTOMER EXPERIENCE

“THE NEXT BATTLEGROUND”

Before we begin.....Just what are we talking about here?

Customer Experience in its broadest sense.

The complete interaction a customer has with your organisation.

1. Pre-conceived beliefs and expectations:- What a customer thinks, feels, sees and hears about the brand &/or service *before the experience*.
2. Engagement:- What the customer, thinks, feels, sees and hears about the brand and/or service *during the experience*.
3. Memories of the experience:- What the customer, thinks, feels, sees and hears about the brand and/or service *after the experience*.

Experience is everything that happens ~ good or bad ~ when a customer interacts with your organisation, brand and or service.

Context

Both research and our recent experience working with companies in different sectors all point to modern consumers getting more demanding. They are looking for higher service standards and expect them to be delivered at times, in locations and by communication channels that suit their needs rather than the organisation they are dealing with. In many sectors the ability for consumers to differentiate based upon quality of the actual product has long gone, as an example take consumer durables, suppliers now tend to deliver in the quality stakes. This has led to customers who are increasingly price aware and price sensitive, less compliant, more prepared to exercise choice and less likely to offer loyalty without question. Link this with aggressive retailers, modern manufacturing techniques, de-flationary pressure and the results can be products that represent incredible value for money. Have you tried to buy a washing machine lately? You could buy one for less than a good night out! The price of a supermarket DVD player is less than 2lb's of steak.

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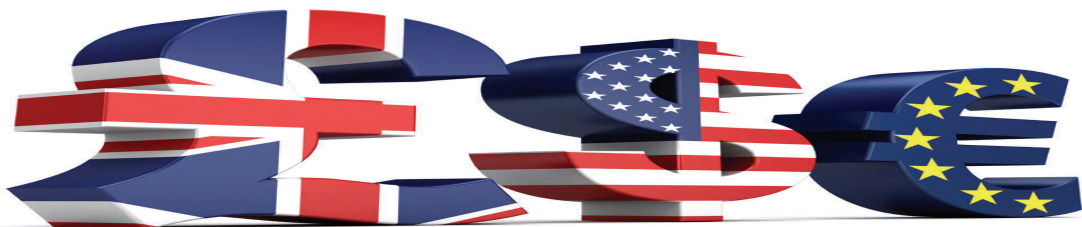


So What!

In this drive towards commoditising, brands and services have a problem. Just how do we differentiate in these circumstances? Even, if we do find a unique point of difference how do we translate it into a sustainable competitive advantage? A similar dilemma exists within the financial services and utilities sector. Stop & think for a second about your own financial arrangements. Are you with a provider that offers you purely the best rate? Like most of us, we are spoiled for choice in the number of providers that offer the required savings accounts, mortgages, branch networks and internet access, etc. Many consumers do stick to existing providers, but the changes discussed above mean that there is an increasing focus on delivering the right customer experience. A good customer experience is not about what you present in PR and advertising. All the corporate identity and branding in the world will not deliver positive customer experiences if your contact centres and staff don't know how or can't deal with your customers in the way you want them to.

Businesses that can't or won't respond to these new demanding customers could pay a high price in terms of reputation, market penetration, profitability and in the long-term survival.

If your business fails to differentiate itself in terms of the experience you offer to customers then you must expect that customers will form their own basis for differentiation. Most commonly that will be price.



Many businesses win customers on price but still fail when it comes to delivering service. If the product is a commodity that is identical no matter who supplies it (e.g. gas) then the difference between one supplier and another has to be in the customer experience that gets delivered. We are seeing shifts in some commodity markets to overt emphasis on the reality of being a customer. Look at the recent British gas win back TV campaign to see this in action.

In markets like this, often the only interaction you ever have as a customer with your supplier is when something goes wrong. Some service based call centres experience over 70 % failure demand. That's the industry way of saying that 70% of the calls they receive are due to things that were supposed to happen not happening.

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Developing your Customer Experience

As we set out at the beginning of this paper. Customer experience focus's exclusively on the consumer / customer (C/C) and looks at the experience a C/C has (good or bad) when interacting with your brand or service. It is everything that happens right across the organisation.

It can be distilled into three areas to make it easier to understand:-

1. Pre-conceived beliefs and expectations: - How a Customer/Consumer feels and thinks about the brand / company or service during engagement.

2. Engagement: - How the customer feels and thinks about the brand/ company or service during engagement.

3. Memories of engagement: - How a c/c feels and thinks about the brand/ company or service after engagement with us.

1. What have we told them to expect.	2. Did engagement meet or exceed expectations	3. What did they remember us for and did we make any money? Will they do it again?
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So What!

The key focus is: - Build experiences that are unforgettably positive and value enhancing, 'what will they remember us for'?

Accept that in lots of cases the only two way personal contacts you will ever get with a customer is when they have a problem of some kind. This may be your one opportunity to deliver an experience that will keep them with you for years.

This article was co-authored by Andy Pool and Mark Hollyoake from Springboard Commercial Solutions Ltd. To find our more about 'customer experience' contact either Andy or Mark on:- contact@springboardcs.com

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