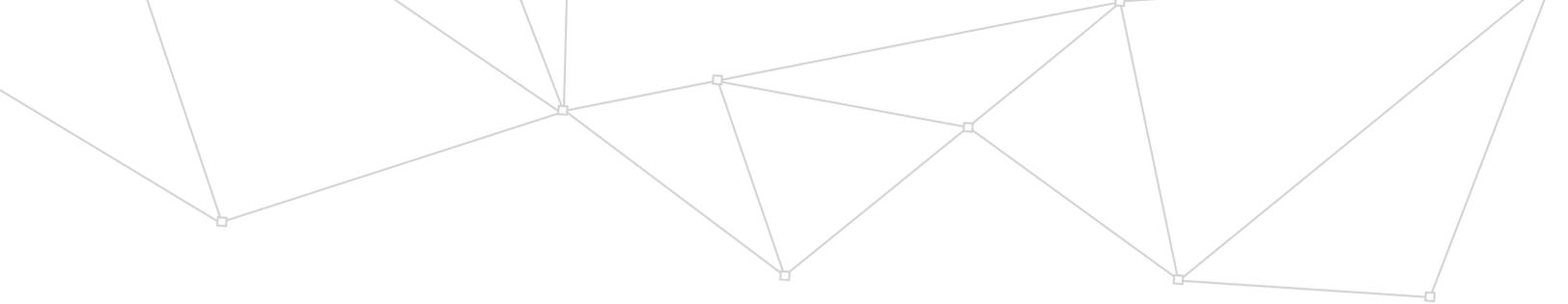


Customer Experience. Why CMOs Must Simplify, Then Act.

How to identify, capture and activate the customer insights you need to get your customer experience strategy off the ground.





Demystifying the customer experience.

The “customer experience” — as a strategic initiative — is fairly new. There are still a lot of unknowns. There is ambiguity regarding “ownership” of this initiative within the enterprise, and “best practices” for capturing and using data to activate a customer experience strategy have not yet been fully defined.

With no clear path in sight, most marketing executives stall out before they get started. In many cases, this happens because fear and complexity surrounds the data and insights required to formalize a customer experience strategy. Fear and complexity that leads marketing executives down the “What About ...” path. You know the path I’m talking about. It’s when you and your entire team find yourselves constantly asking, “But, what about this?” Or, “What about that?”

Marketing executives get consumed with all the possible answers they may need — all the things they don’t know. They become overwhelmed by the enormity of the task. They overcomplicate things. What happens? Complexity becomes the barrier to progress. A course of action is never defined and documented. So, they never get started.

Steve Jobs built his entire career doing the opposite. He eliminated complexity and focused on the power of simplicity. He didn’t try to overcomplicate things. Instead, he focused on those things that mattered most to the customer and eliminated everything else.

In fact, he once said ... “Simple can be harder than complex: You have to work hard to get your thinking clean to make it simple. But it’s worth it in the end because once you get there, you can move mountains.”

CMOs have the power to move mountains when it comes to elevating and differentiating the customer experience. They just have to simplify. They have to focus on what absolutely matters: insights that will, in fact, improve the customer experience. Then they must act.

Mark Twain said, “The secret of getting ahead is getting started.” Leading CMOs are taking Mr. Twain’s message to heart. They are simplifying and demystifying the customer journey. They are capturing customer insights that inform their strategy and drive action — action that improves customer acquisition, retention, loyalty, advocacy, and ultimately the customer’s overall experience.

This paper explores the essential data requirements and actions marketing executives must focus on to capture the customer experience opportunity. The opportunity that exists inside their company and the market they are competing in today.

Why CMOs own the experience.

The customer experience, by its very definition, is complex. Forrester Research defines it as:

“The product of the interactions between an organization and a customer over the duration of their relationship. This includes all of a customer’s interactions with your company from awareness to discovery, purchase, use of products / services, loyalty and advocacy.”

However, Forrester also understands the power of simplicity and has distilled this definition down to a single sentence:

“How customers perceive their interactions with your company.”

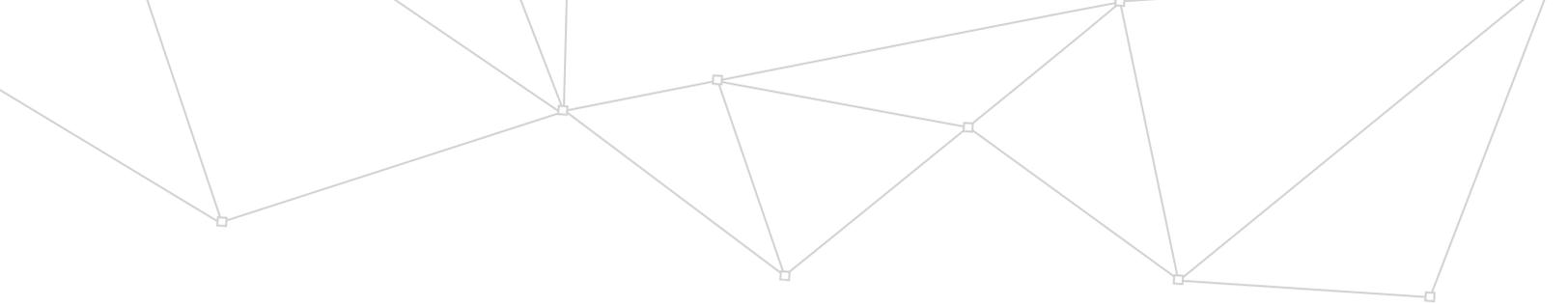
The key word here? Perceive.

Perception is something that every CMO should know something about, and perception is defined as:

“The way we think about or understand someone or something.”

Isn’t that what marketing is all about? Isn’t that what “branding” is meant to do — establish a clearly defined position or perception in the mind of the customer?

The CMO owns customer perception. This is why the CMO must also own the customer experience. This is also why they are responsible for capturing the customer data and insights that are necessary to turn the customer experience into a competitive advantage.



How to get started.

Now that we have an understanding of what the customer experience is all about and have clearly assigned ownership to the CMO, let's talk about the data that is needed to improve it.

If the definition of customer experience is “how customers perceive their interactions with your company,” then your data collection model should be rooted in three simple things:

- > Customers
- > Perceptions
- > Interactions

Let's simplify it a little more. To get started, what you really need to know is:

- > Who your valued customers are
- > What your customer's journey looks like
- > What your customer's desired outcomes are
- > What your customer's overall experience expectations are

The data you need to collect should answer these four fundamental questions:

1. What do my high-performing customers look like?

2. What does my customer's journey look like?

3. What are my customer's desired outcomes in critical interactions they have with my company?

4. What are their overall experience expectations?

Remember, your goal is to simplify. By focusing on these four questions, you will have the foundational customer data and insight you need to start leading and implementing a customer experience strategy that will improve “how customers perceive their interactions with your company.”



Know your customers.

1. What do my high-performing customers look like?

This is your starting point. But, first we need to point out that not all customers are created equal. Your research has to begin with segmentation analysis on your customer base. Some basic segmentation criteria could include:

- > Profitability
- > Life-time Value
- > Longevity
- > Satisfaction

This will help you understand who your high-performing customers are. Then you need to get inside their heads, adding psychographic insight to your demographics. You need to conduct formal research that helps you more deeply understand who your customers are, how they think and what motivates them. You will want to look for commonalities and differences that exist within each segment. You will also want to build extensive personas for client and customer contacts involved in the customer journey. And don't assume the persona work you have done on the sales or content side of the business will cover this. It is likely that there are client contacts involved in the post purchase and repeat purchase phases of your customer journey that you have not built personas for in the past.

Once you have a baseline understanding of your customer segments you will need to understand how they interact with your company.

Know their journey.

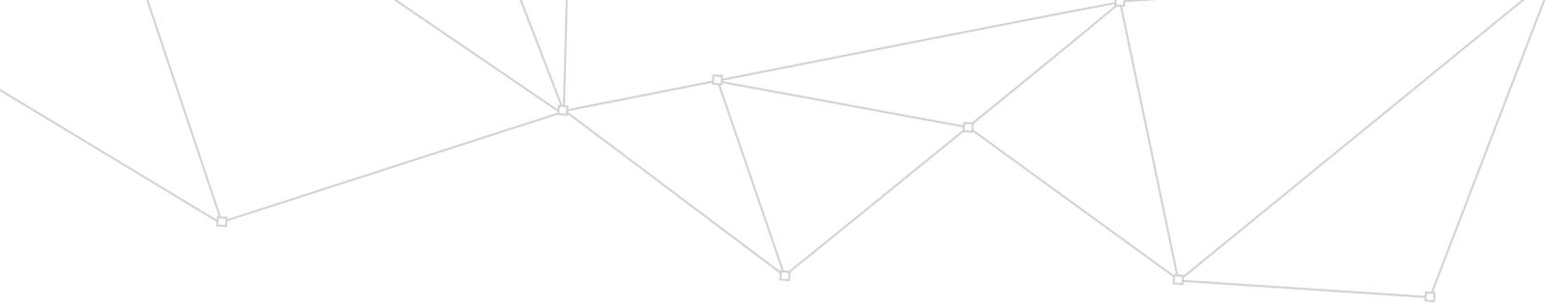
2. What does my customer's journey look like?

Without a picture of where, when, how and why customers engage with your company — you will still be flying blind. A picture of their journey provides you with a roadmap to define communication, messaging and operational strategies that are required to improve the customer experience.

Your picture will take the shape of a customer journey map. This initiative can quickly become overwhelming and complex, so it is critical not to complicate the picture you are trying to create. To produce your journey map you will need to conduct research and most likely partner with a third-party expert. You will want a partner that understands the level of complexity (better yet, simplicity) you need in the customer journey map to guide strategic decisions from this point forward. Don't let your partner over-engineer it. The insights you capture must be actionable against the communication, messaging and operational strategies you will deploy to improve the customer experience.

Your customer journey map only needs to give you visibility into data you will actually use. It is the roadmap, not the strategy. You will want to paint a picture of the customer journey that answers these basic questions:

- A. When do my customers interact with my company?**
- B. Where do they interact with my company?**
- C. How do they interact with my company?**



Let's break each of these down and determine the data you need to gather and use to guide your customer experience strategy.

A. When do my customers interact with my company?

This is the timing lens of your journey map. It informs you when critical touchpoints occur throughout the journey. This starts by simply defining the major and repeatable phases of your customer's journey. Dozens of customer journey and lifecycle phases have been defined. For our purposes, the phases of the customer journey will include:

- > Awareness
- > Research
- > Selection
- > Purchase
- > Receiving
- > Using
- > Recommending
- > Repeat Purchase / Loyalty
- > Advocacy

What you are looking for are critical interactions that take place between your company and the customer in each phase. Your goal is to capture the interactions that matter and make a difference in the customer's overall experience. In the end, you will need to label specific interactions and place them within their respective phases on the journey map. These touchpoints will play a critical role in helping you formulate your overall customer experience strategy.

B. Where do they interact with my company?

Now that you know when these interactions happen, you need to understand where they are taking place — more specifically, the environments or situations where these interactions occur. Your goal is to align the “when” with

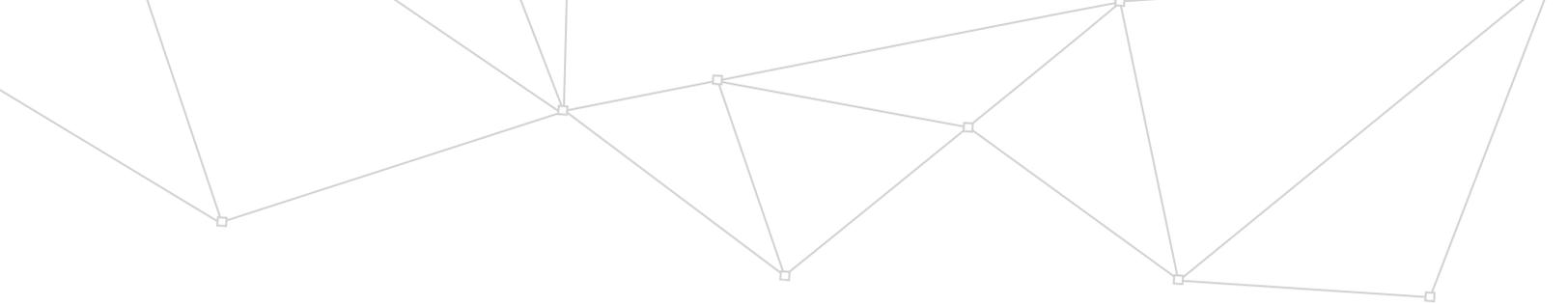
the “where.” The “where” needs to capture specific online and offline locations. Online locations might include: corporate website, social channels, live chat, e-commerce software, support system, etc. Offline would reflect where the interaction happens across the enterprise: sales, marketing, customer service, purchasing, technical support, professional services, executive team, etc.

This lens will provide you with visibility to the critical technologies, functional areas of your business and stakeholders that play a role in the customer journey. It will also help you assess the communication, messaging and operational changes that may be required to deliver a more compelling and consistent customer experience.

C. How do they interact with my company?

Here you want to capture the details behind your “where” answers. More specifically, the methods customers use to interact with your company. You need to discover how the engagement or interaction is being facilitated. For instance, one place where customers interact with your company during the “Selection and Purchase Phases” of the journey may be with your sales team. The question you want to answer is how are they interacting? Is it in face-to-face meetings, email correspondence, webinars, online product demonstrations, etc.? In most cases, it will be through consistent and recurring methods.

Once you can see the “how,” you can begin to audit and assess the quality of the content and messages used to facilitate the interactions at each touchpoint. Your goal is to align this knowledge with the insights you gather from other dimensions of the customer journey and what you discover about your customer's desired outcomes in each interaction.



Know their desired outcomes.

3. What are my customer's desired outcomes in their interactions with my company?

This is where we get to the driving factor or intent behind the interactions customers have with your company. Here, you will need to answer questions like:

- > What is the customer trying to achieve with this interaction?
- > What is their state of mind?
- > What is the state of mind you want them to leave with when you deliver their desired outcome?

This is where you will need to conduct more customer research. You will want to get a firsthand understanding of your customer's intent and state of mind entering and exiting specific interactions with your company. This will require primary research and one-on-one interviews. The interview findings should be clustered based on the customer segmentation work you have already done. The goal is to ascertain if specific types of customers have distinct intent / mindset profiles or if the intent / mindset is shared across all customer segments.

Again, your goal is not to overcomplicate things. At the core, the data you are looking for should tell you outcomes customers hope to achieve in critical interactions they have with your company — on both a personal and professional level.

You will want to capture, personal and professional, actual and desired outcomes. To secure the most candid and meaningful answers, you will want to engage a third party to conduct this discovery work. Don't assume you know the answers. Don't just accept what the sales, customer service or other teams tell you — you have to get these answers directly from the customer. You not only need firsthand answers — you also need to capture the essence and emotion behind what your customers say. You have to hear the words they use and factor the emotional investment they put into their responses.

You will want to get a firsthand understanding of your customer's intent and state of mind entering and exiting specific interactions with your company.

Putting the journey to work.

Now that you have a solid understanding of what the journey looks like and what customers seek to achieve with specific interactions, you need to activate this insight. Your knowledge can be used to make communication, messaging and operational decisions that will improve the customer experience. For example, let's say your journey map tells you the following touchpoint is critical in the customer experience:

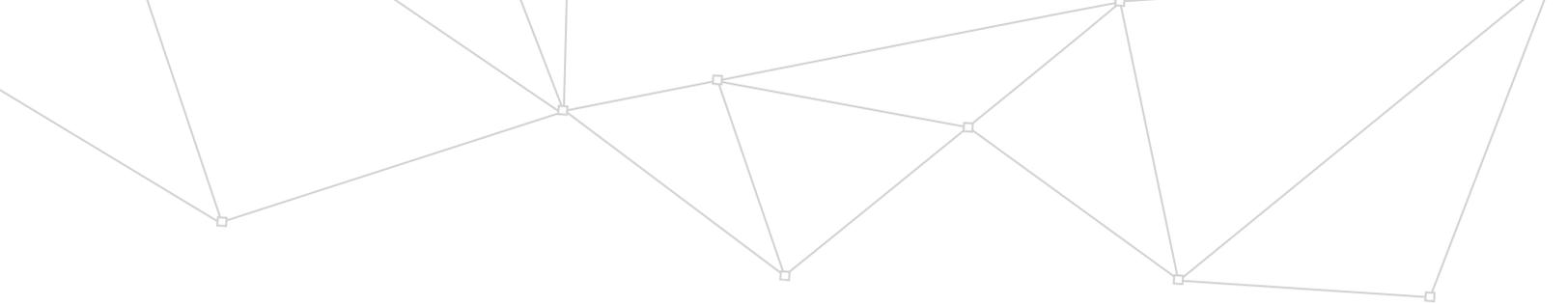
- > When? Purchase phase
- > Where? Online
- > How? E-commerce software
- > Why? Fast, painless order processing

This critical interaction occurs during the “Purchase Phase” of the journey, takes place online and through your e-commerce platform. Based on the research you have completed and your journey map — you know that the customer's intent is to “get in and out of the system as quickly as possible without re-entering information about their account over and over again.” You also know, based on your research, that this is not happening and customers currently leave this interaction feeling “negative, undervalued and that your company isn't smart.”

You can use the insights you have captured to make material changes that will improve the customer's experience. For instance, you could:

- > Change the way you position your e-commerce offering in the sales process.
- > Improve the user experience of the e-commerce software by eliminating repetitive and complex tasks.
- > Develop and deploy messaging that reinforces you have “smarter, faster systems intentionally designed to give customers back valuable time.”

This is an example of how the data and journey map can drive strategic decisions and intentional improvements within the customer experience. But what about your customer's holistic experience? What are their expectations when it comes to their relationship with your company? Now that you have visibility into your customer's desired outcomes with interactions that take place along their journey, it's time to step back and look at the big picture. It's time to ask: “Are we meeting or exceeding our customer's overall experience expectations?”



Know their expectations.

4. What are their overall experience expectations?

Remember, the customer experience is “the product of the interactions between an organization and a customer over the duration of their relationship.” It is critical that you not only understand what customers expect from individual interactions throughout their journey but what they expect from their long-term relationship with your company.

This is where you begin to understand and crystalize your customer’s “experience expectations.” You will use these insights to construct the thread that connects the customer journey from end to end. This research will tell you what your customer expects from their overall experience. More specifically, what they expect from the people, products and processes that are pervasive in the experience.

You will use these insights to construct the thread that connects the customer journey from end to end.

The work you did earlier in the “where” portion of your customer journey map will inform the first part of this data-gathering initiative. The “where” lens of your customer journey captured specific areas of your organization and individual roles that are a part of the customer experience — in other words, the people your

customers interact with during their journey. Now you need to find out what your customers expect to get from the relationship they have with your people throughout their experience with your company.

You not only want to understand what the baseline expectations are from your customers, but also what your people can do to exceed these expectations. Are your customer’s baseline expectations that your people are smart, efficient, empathetic and helpful? If your people did more follow-up, had quicker turn-around times, told them what to do next — would your people exceed expectations? You will want to capture and analyze this data based on critical interactions that happen in each phase of the customer journey. Then you will assess the customer feedback in aggregate form to determine overall experience expectations.

Now you need to find out what your customers expect to get from the relationship they have with your people throughout their experience with your company.

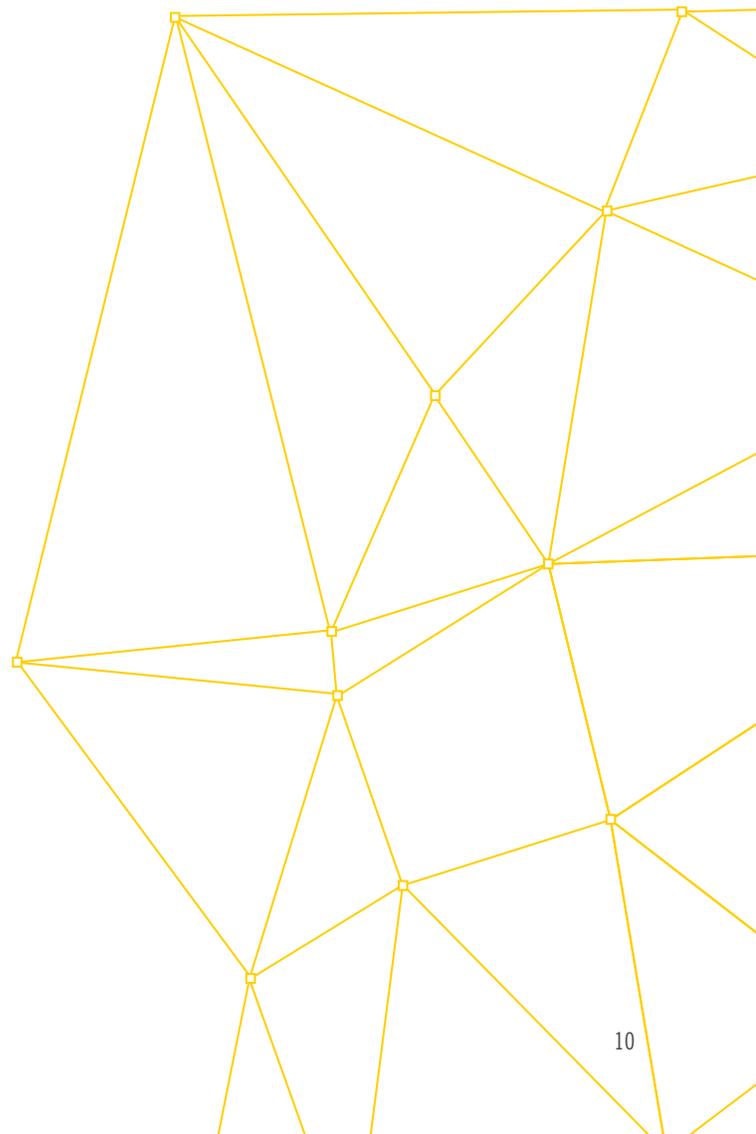
The same research needs to be done with respect to your products. The term product, by the way, represents any individual product, solution or service that the customer pays for and uses. You need to know what creates a positive product experience. Things like — it works out of the box, comes with a warranty, delivers “X” return on investment, makes their team more productive.

Your processes are part of the overall journey. They impact how customers “perceive their interactions with your company.”

Then you need to determine what it would take for your product to exceed their expectations. Will it make them smarter, accelerate time to market, increase their competitive advantage, or serve as a platform for growth?

Finally, what do customers expect from the processes that are inherent in your experience? How efficiently your call center handles calls, how frequently their account manager interacts with them, how their orders are processed, the way your products are packaged and delivered, etc. Do these processes enhance or degrade their experience? What changes are required to improve processes that negatively impact the customer? You need to get answers to these questions. Your processes are part of the overall journey. They impact how customers “perceive their interactions with your company.”

The customer insight you gather with respect to your people, products and processes will inform your overall customer experience strategy. This insight should also be used to make changes in the areas of corporate culture, product development and operations.



What's Next? Action.

Developing a customer experience strategy can be daunting if you let complexity creep in. It can turn into a never-ending data-gathering process. Stop searching for data. Instead, search for answers to critical and strategic questions that will lead to action — actions that will materially impact the customer experience.

We have taken you through the building blocks that you will need to get your strategy off the ground. The steps we have outlined provide you with a complete picture of:

- > Who your customers are
- > The most critical interactions in each phase of their journey
- > The technologies / stakeholders that play a role in those interactions
- > Their desired outcome from each critical interaction with your company
- > What they expect from your people, products and processes (experience / relationship)

This is the data that matters.

This is how you simplify.

This is the knowledge that you, as a CMO or marketing executive need to get started — to formally launch a strategy that will make a positive impact on your customer experience.

So, don't continue down the "What about ..." path.

More questions aren't the answer.

Now it's time to act.



About OnMessage

OnMessage is a messaging infusion company with a proven model for helping you develop a clear, compelling and consistent corporate message. Our methodology aligns your company's strengths and true points of difference with customer needs to create a messaging platform that elicits optimal engagement throughout the customer experience. This methodology, when combined with our organizational change, sales enablement, content development and brand integration services, enables you to achieve a higher return on every connection you make.

We do this through five highly integrated service offerings that enable you to:

- > Develop and deliver a clear, compelling and consistent corporate message
- > Train employees so they can bring your corporate message to life
- > Provide sales with engaging messages, stories and tools
- > Extend and amplify your story with compelling content
- > Integrate your corporate message with captivating brand creative

By partnering with us and infusing consistent messaging in all five of these areas, you can create a differentiated customer experience that will accelerate business growth.

For more information

For more valuable and informative resources that can help you improve your customer's experience, go to: itsonmessage.com/resource

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James O'Gara

President and Founder

James O'Gara is the president and founder of OnMessage — a messaging infusion company. Under his leadership, OnMessage has developed a proven model for helping companies develop a clear, compelling and consistent message. With almost 25 years' experience working in business and marketing leadership positions, O'Gara is known and respected for building collaborative relationships with executive teams that result in highly effective go-to-market, messaging / positioning and demand generation strategies.