

ON THE ROAD TO CUSTOMER-CENTRICITY

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Where is your organization on the journey?

BY Susan Hash, Contact Center Pipeline

In recent years, a growing number of organizations have demonstrated progress toward becoming more customer-centric.

For some, the transformation that began as conversations in the executive suite is now beginning to take root in the company culture and day-to-day practices on the front lines.

Yet, many more are still in the early stages of discovering that being customer-centric involves much more than simply advocating good service. Customer experience management expert Janet LeBlanc defines a customer-centric organization as one that has attained a level of maturity that allows it to respond to customers in the most appropriate ways: “They engage, train and mobilize their employees, who are aware of the correct behavior to meet customer needs and who know when and how to act according to the circumstances needed to keep customers satisfied,” she says. “Throughout every touchpoint of the customer-centric organization—whether it is directly or indirectly interfacing with the customer—there is a clear sense of purpose and discipline around how to improve and enhance the customer experience.”

The Road Behind: Gaps and Improvement Opportunities

As more organizations begin to make the move from talk to action, where do most lie on the customer experience maturity curve? Janet LeBlanc + Associates has been tracking the state of customer-centricity in North American companies since 2012. The consultancy’s biennial “North American

Study on Customer-Centricity” evaluates 45 essential practices across five pillars of customer-centricity (listed below) necessary



JANET LeBLANC

to consistently deliver a positive experience that creates value for both customers and the company. The 2014 study exposed several key gaps and opportunities for improvement within each pillar:

STRATEGIC ALIGNMENT. Despite the desire to strategically align the organization around the customer, less than 35% of participants reported directly linking their annual executive performance to customer experience improvements. Just over half (52%) of companies reported having a brand promise that reflects customer-centricity, and only 33% used performance management to track customer experience improvements.

SENIOR LEADERSHIP. Less than half of participating companies considered customer experience a recurring leadership agenda, and 63% did not consider company leaders to be customer-centric.

CUSTOMER INSIGHTS. Only 40% of respondents rated their organization’s ability to drive product development using evolving customer expectations as excellent; 44% ranked it as fair and 17% said it was poor. Less than one-third (28%) reported regularly tracking how customer-focused frontline employees behaved at all interaction points.

EMPLOYEE ENGAGEMENT. Only 38%

ranked their company as excellent when it came to clearly communicating what customer-centricity means across the organization, and just 33% of respondents reported training employees to deliver a consistent experience across interaction channels.

MEASUREMENT AND REWARDS. Just over one-third (35%) of participants rated their company as excellent at rewarding and recognizing the achievement of customer experience improvements, and only 30% believed that the company did an excellent job of tracking the effectiveness of customer experience action plans and initiatives.

Recent Progress, But Still Much Room to Improve

The results from the most recent study on customer-centricity have not yet been released, but an early look at the findings reveals progress across all five pillars, LeBlanc says. (Look for her article on the results in the March 2017 issue of Pipeline).

SENIOR LEADERSHIP, in particular, has made considerable headway over the years. In 2012, leaders were focused primarily on gathering customer insights through market research and by tracking customer satisfaction. “In 2014, senior leaders showed progress in terms of understanding their role and the need to strategically align the organization around the concept of customer-centricity,” LeBlanc says. “But to truly embrace customer-centricity, everyone in the organization—whether you’re on the front line or in a back-office function—needs to understand their role in delivering the ideal customer experience. It’s the end-to-end journey that impacts the customer’s perception of the overall experience.”

It seems that message is being heard by more executives. The 2016 survey showed that 45% of participants rated their senior leadership as excellent at modeling and leading customer-centric behaviors, compared to 37% in 2014.

Organizations are slowly gaining some ground in the **EMPLOYEE ENGAGEMENT** pillar. In 2012, organizations, overall, received a failing grade (5.2 out of 10) when it came to clearly defining and communicating to employees what they need to do to improve the customer experience. That score rose one point in 2016, LeBlanc says, adding that





“there is still a lot of work to do in that area, but it’s moving in the right direction.”

MEASUREMENT AND REWARDS is the area that organizations are struggling the most with, LeBlanc says. “Measurement and rewards are about shaping behaviors—particularly, tracking the effectiveness of customer experience action plans and improvements, and using that information to recognize changes in behavior,” she stresses. “Most of the time, organizations are racing around trying to fix pain points in the customer experience. They don’t stop to measure and recognize the improvements in customer experience—in terms of how customers perceive that interaction but also within internal operational metrics.

“Yet, doing so significantly accelerates the pace of transformational change,” she adds. “Management and employees want to know that they’re doing the right thing and that they’re doing well. Seeing the successes along the way motivates everyone, and creates a sense of excitement that the organization is on track. Building a customer-centric culture is a long journey, and we all want to know that the things we’re putting in place are having an impact.”

EDITOR’S NOTE: To learn more about the five pillars, join Janet LeBlanc’s webinar on “The Five Building Blocks of Customer Centricity,” on Jan. 24, 2017, 3 p.m. EST (produced by The Conference Board of Canada). Visit bit.ly/2gvryxy for information.

Experiences Matter; Experiences Are Journeys; Journeys Are Designed



THOMAS A. STEWART



PATRICIA O’CONNELL

So say Thomas A. Stewart and Patricia O’Connell, authors of the new guide book, “Woo, Wow and Win: Service Design, Strategy and the Art of Customer Delight” (Harper Business). “Service should be designed with as much care as products, but most companies are not designed for service,” they state.

“Great service is not just a consequence of good intentions, attentive management and a supportive culture. In fact, cause and effect are reversed: Service needs to be laid into the company’s keel, the way performance is built into a BMW or intuitiveness designed into an iPad.”

Service design and delivery, the authors point out, is a sustainable, repeatable and profitable way to differentiate your company, and find and serve the right customers. I recently had a chance to chat with Stewart and O’Connell about service delivery from the contact center’s standpoint. They shared the following insights that leaders can put into practice in their centers.

THE CUSTOMER IS NOT ALWAYS RIGHT

The idea that the customer is always right is one of the biggest myths currently guiding many organizations’ service delivery, says O’Connell. “Even with the understanding that customers are looking for action and response from the contact center, leaders should be mindful of whether customers’ requests are reasonable,” she says. “There may be things that you’re not able to help people with and that you cannot provide them.”



PRACTICAL POINTER

O’Connell and Stewart have amended the service motto to state: “The customer is always right—provided the customer is right for you.” Decide which customers you want to engage with, and what you’re willing to do for them; as well as which customers are wrong for you and which services you will not offer, O’Connell advises.

DELIVER A CONSISTENT, COHERENT EXPERIENCE

The high cost of running a contact center keeps most leaders preoccupied with budgeting and allocating resources. “Many companies are so focused on cost management they miss value creation opportunities,” Stewart says.

He offers L.L. Bean as an example of a company that has successfully aligned its brand personality with the service that it delivers in the contact center. The retailer

encourages customers to call if they need to return an item so that they can enjoy the experience of speaking with an agent who embodies the brand image (practical and relatable native New Englander). The live interaction offers agents the opportunity to strengthen the relationship with customers while cross-selling appropriate products, maximizing value.



PRACTICAL POINTER

Make sure that your service policies and processes don’t add to the customer’s frustration and effort. Return policies, for example, often force customers to jump through several hoops to get a return merchandise authorization. Stewart points to a quote from Nordstrom’s Ken Worzel, who says, “If you know you’re going to take the return, make it a delightful experience. If you know how the conversation is going to end, why make the customer sweat if she does not have the receipt? We want a relationship.”

AVOID OVERSCRIPTING: PROVIDE GUIDELINES & PARAMETERS

The contact center agent may be the only human touchpoint that the customer will encounter. Therefore, it is critical that agents are trained to identify and understand the emotions that the customer brings to the call, and to handle each interaction with the appropriate level of empathy, says O’Connell. “Companies need to recognize that and allow agents to let their humanity shine through,” she notes.

While scripts serve a purpose in highly regulated industries in which certain disclosures are required, calls that are strictly scripted make agents sound unnatural and robotic. Allowing agents some room to improvise will help them to build rapport with the caller.



PRACTICAL POINTER

Develop guidelines and parameters that allow frontline agents to solve problems on the first call. Let agents know how much discretion they have to waive fees, offer freebies, expe-

dite shipping or offer customized solutions.

DON'T SURPRISE & DELIGHT CUSTOMERS, JUST DELIGHT

“Forget about surprising customers,” say Stewart and O’Connell. “Just delight them.” The problem with creating an experience that goes beyond the expectations that you’ve established as part of your service strategy is that it’s not scalable or repeatable, explains O’Connell.

PRACTICAL POINTER

The danger in creating a service experience that both surprises and delight customers is that it is likely to unrealistically reset the customer’s expectations. “Surprises have to be built into your operating model, because, otherwise, you can’t do it profitably and repeatedly,” she points out. For example, “smart companies give every frontline employee a certain amount of free passes or ‘gimmies’

to hand out to customers however they see fit.”

GREAT SERVICE SHOULDN'T REQUIRE HEROIC EFFORTS

In the contact center industry, it has become common practice to recognize customer service heroes—those frontline agents who have gone above and beyond to resolve a customer’s issue.

Yet, as Stewart and O’Connell point out, if your processes are designed correctly in the first place, “your employees should not need to be superheroes, bend the rules or take short cuts to give customers a great experience. ... Every heroic effort is an indication of an opportunity to redesign work so that you do not need superpowers to deliver superior service.”

PRACTICAL POINTER

When companies have processes in place that are difficult, time-consuming or otherwise frustrating, it’s the customers who are required to put forth a heroic effort. Look for opportunities to eliminate complicated or annoying stages in the customer’s journey, the authors say. They offer this example: In a retail store, waiting in line to pay for merchandise provides no value to customers or the store. Forward-thinking retailers like Apple and Nordstrom Rack provide sales clerks with handheld devices to check customers out on the spot. ☉

EDITOR’S NOTE: Stewart and O’Connell offer an online assessment to help you evaluate how successful your center is in creating a superior customer experience. “The Service Design and Delivery Report Card” (bit.ly/2guLrCf) allows you to rate 10 experiential and technical elements to assess your company’s current competence and identify areas of improvement. For the best results, have your counterparts in different functions of the organization also complete the Report Card and compare the results. Examine the differences, figure out what and why they exist, and develop improvement plans.



Partnership Provides Centers with Holistic Approach to CX Measurement & Management

A new partnership will soon provide help for organizations struggling with the measurement component of customer experience management. Verint Systems and Forrester recently announced plans to provide a holistic approach to customer experience (CX) measurement and management. Forrester’s Customer Experience Index (CX Index™) methodology, benchmark data and engagement program will be embedded into Verint’s Enterprise Feedback Management™ (EFM) deployments.

With this new capability, customers can deploy Forrester-developed scoring surveys to gauge their specific CX Index score. Data from the customer-specific surveys will be analyzed by Forrester, and scoring survey results will be displayed within the Verint EFM solution. This is part of an overall “Engagement Program” that will provide a customized evaluation to the customer that illustrates how its scores compare to the industry norm and key competitors—using a custom integration that Verint is building to the Forrester CX Index platform, which will also include recommendations for CX improvements.

“This partnership will have a significant influence on the future of customer experience because it breaks down the barriers that have always existed between technology and insight for industrywide context,” says Roxana Strohmenger, VP, Customer Experience Index, Forrester. “Organizations have previously focused on CX as a business imperative with technology as an optional layer to help surface actionable intelligence, but those efforts lacked awareness of how the business stacked up within its own industry. Together, Verint and Forrester are combining insights and data that better gauge customer experience quality, the competitive landscape and what to improve in an organization’s CX program to drive incremental revenue.”

For more information about the partnership, visit www.verint.com.



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Contact Center Pipeline is a monthly instructional journal focused on driving business success through effective contact center direction and decisions. Each issue contains informative articles, case studies, best practices, research and coverage of trends that impact the customer experience. Our writers and contributors are well-known industry experts with a unique understanding of how to optimize resources and maximize the value the organization provides to its customers.

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