

Customer experience strategy: Criteria to achieve customer experience excellence

How can brands predict future trends? How can they foresee what 'excellent' will look like in a year's time?



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It could be argued that customer expectations are increasing at a faster rate than ever before. This can be problematic when devising a customer experience strategy. How can brands predict future trends? How can they foresee what 'excellent' will look like in a year's time? Indeed, there have already been a number of casualties in recent years... The entertainment chain Blockbuster, so beloved at one time, failed to connect with its customers in a world of web-based, on-demand services. Similarly, the book retailer Borders felt the pinch during the explosion of online retail. This post looks at the ways brands can still deliver customer experience excellence in an environment which is constantly evolving.

The need for change

Evolution can be a good thing. As the scientist Charles Darwin once said: "It is not the strongest of the species that survives, nor the most intelligent that survives. It is the one that is most adaptable to change." Of course, change for change's sake is unhelpful – similar in essence to the 'seeing what sticks' approach, which is unlikely to bear fruit.

In the first instance, a company needs to recognise that digital is no longer a department which works in isolation; it is a central driver of enterprise-wide plans and strategies, whose focus is to engineer a human touch into a digital future. And indeed, it should work in tandem with all of the organisation's capability areas, with each department moving harmoniously in the same direction.

In the second instance, this movement should be underpinned by four macro-capabilities; namely...

- a rich understanding of excellence
- colleague engagement
- an understanding of customer experience economics
- a customer-centric vision

This underpinning will ensure that when a brand is ready to transform its customer experience strategy, it will be doing so in a manner which is more equipped to succeed. Colleague engagement, in particular, has risen in importance in recent years. The best firms have aligned the employee experience with the customer experience, creating a culture where the needs of the customer are as important as the needs of the organisation. This has led to significant improvements in Empathy, in every respect; the strongest organisations work hard to understand what it is like to be both a 'brand representative' and a consumer.

Putting change into practice

Of course, identifying the need for change is only half the battle. Reportedly, some 70 per cent of change programmes fail to meet their objectives.^[1] Customer experience design should be disciplined, and seen as a core business capability rather than a marketing project. It also means that companies need to expand from the factors they traditionally value, such as products, margins, efficiency and productivity. These factors are still important, but the customer experience strategy should also encompass what the customer values: solutions to life's problems, a sense of being valued, peace of mind, and mood-enhancing, uplifting experiences.

And it does not necessarily mean spending more. Companies such as USAA have managed to reduce costs by designing out inefficiencies and duplications, meaning that the improved customer experiences are, in effect, self-funding. Moreover, there is a measurable increase in customer loyalty; customers who receive continually positive experiences with a brand are more likely to return to them in the future.

Finally, the need for change is particularly important for UK organisations. The 2017 US CEE demonstrates that the gap is widening between brands in America and the United Kingdom, with the US currently standing at 6 per cent ahead of the UK. 58 American

brands achieved an overall CEE score of 8 or above in the latest analysis, compared to just four in the UK, and this highlights an important need for adaptability and transformation. A fresh look at the customer experience strategy is the best way to set this transformation in motion.

[1] Harvard Business Review. Cracking the Code of Change, 2000