InMoment

EBOOK

Three Rules for Choosing the Right Customer Experience Metrics

Measuring CX Success

Customer experience (CX) has evolved from a curiosity to a necessity in many industries over the past 20 years. Many of today's brands depend on data to help them understand their customers, predict customer behavior, and make better business decisions. Because of this, customer experience has taken measurement and metrics to an entirely new level.

From Net Promoter Score (NPS), Overall or Customer Satisfaction (OSAT and CSAT), and Customer Effort Score (CES), to Net Retention and First Call Resolution—the metrics you use to understand whether or not you're headed in the right direction are nearly limitless.

Now, the question for CX experts isn't what to measure, but if what you are measuring has meaning for your business.

Here are three rules to help you choose the right metrics to measure your CX success!

Rule #1: Design with the End in Mind

An effective customer experience program design starts with knowing what you want to achieve for your business.

This doesn't merely mean setting out to improve your score in OSAT, NPS, or in Customer Effort. Those are all mechanisms that drive effort on a basic level, but they shouldn't be the pinnacle of your program's achievement. The end goal should be about finding a meaningful financial metric to use as a proper lever for change to drive your organization—and its greater business goals—forward.

When designing your customer experience program, it is important to avoid silos with an overarching metric. A meaningful metric should go beyond measuring experience at a single touchpoint; it should be present throughout the entire customer journey so you can get a meaningful, holistic view of your experience.

"To maximize customer satisfaction, companies have long emphasized touchpoints. But doing so can divert attention from the more important issue: the customer's end-to-end journey."

MCKINSEY & CO,. "CUSTOMER EXPERIENCE, CREATING VALUE THROUGH TRANSFORMING CUSTOMER JOURNEYS"

Rule #2: Tailor Your Metrics to What Your Stakeholders Care About

Being sensitive to what your stakeholders care about is important in choosing a metric framework for customer experience. **Here are the three most prevalent stakeholder points of view to consider when choosing the right metrics for your organization:**

1. YOUR COMPANY'S POINT OF VIEW:

Effective CX metrics from your company's point of view are tied to business results, threaded through the customer journey, and true to your company identity. It's also important to think about how the metrics you choose communicate value for various stakeholders within your company.

For instance, your CFO will be more interested in metrics that tie to ROI, whereas your HR team will be more focused on metrics that predict or reduce employee churn.

2. YOUR EMPLOYEES' POINT OF VIEW:

Metrics that matter to your employees should be easy to understand so onboarding can be quick, efficient, and effective. Having to re-explain complicated metrics to new employees over and over again can be an exhaustive process, so it's best to keep them simple and straightforward.

CX metrics for employees should also track something your employees know they have an impact on. If an employee can't see their personal effect on a metric, then it will be meaningless to them.

3. YOUR CUSTOMERS' POINT OF VIEW:

For customers, CX metrics should be representative of their specific need state. Customers want you to understand their needs and wants, so the metrics you measure should work toward that understanding.

For instance, what do your customers perceive is your brand promise and how well are you delivering on it? The customer related metrics you choose should be designed to push your organization and make it better.

Rule #3: Don't Be Chained to Historical Data

Customer experience insights are all about context. In fact, it's not a stretch to say that without context, the insights you gain are close to meaningless. It's because of this principle that you should make sure the metrics you track evolve with your business. Just because a historical metric once worked for you doesn't mean that it holds any value in the present.

If your business has recently experienced significant growth, it may be time to reassess your metric framework. When considering how relevant your metrics are to your current customer experience, look no further than your unstructured feedback.

Unstructured feedback goes beyond a simple score and delivers a story directly from your customers. These stories are rich with customer sentiment and the reasoning behind your scores. In other words, your customers are telling you exactly what you should be tracking through unstructured feedback.

Home Improvement Brand Combines Global Brand Standards with Cultural Nuances to Shape Customer Experience

In Mexico, a major home improvement brand—which operates over 100 stores in the country—partnered with InMoment to craft a customer listening program that would be sensitive to the unique needs of the market, but also allow for company-wide comparisons. They knew, because of the distinct differences within each market, that a one-size-fits-all approach would not net data that reflects the true customer experience story.

The company runs post-transaction e-commerce and in-store surveys in both Spanish and English, and uses InMoment's Active Listening Studio to yield more robust responses.

Using this approach, the brand identifies the demographics, characteristics, and behaviors of its most valuable customers (based on transaction size) and predicts future purchasing trends. It uses this information to appropriately stock shelves and plan product expansion and location growth. The brand believes feedback from its loyalty members—contractors and business owners—is especially important in driving initiatives. In fact, the company is launching a member-specific survey to further harness the power of insights from this group.

InMoment created a custom, market-specific metric for the home improvement giant that delivers a culturally nuanced view alongside global brand measures of customer satisfaction. Additionally, the company tracks Net Promoter Score and OSAT, and has seen more than a 20 point increase in its NPS since implementing the program.

BY THE NUMBERS

115
LOCATIONS

in Mexico—
2,274 globally

15K+
ASSOCIATES

in Mexico—
371,000 globally

10%
GROWTH RATE

10% annual
growth rate

$83.2B
ANNUAL REVENUE

in global annual
revenue

300%
INCREASE

in survey response
volume

20 PT
INCREASE

in NPS

Choosing Metrics with Meaning

Choosing metrics to measure your CX success can seem like a daunting task. Although defining your metric framework is crucial, it is important to remember that if you know your business and what matters to your company at its core, you have a northstar to guide your decision making.

With this principle in mind, you can zero in on the metrics that truly represent how you do business, are easily understood and embraced by everyone in your organization, drive the desired outcomes from all your stakeholders, and are ultimately connected to game-changing financial impact.

About InMoment

Improving experiences is why InMoment™ exists. Our mission is to help our clients improve experiences at the intersection of value—where customer, employee, and business needs come together. The heart of what we do is connect our clients with what matters most through a unique combination of data, technology, and human expertise. With our hyper-modern technology platform, decades of domain authority, and global teams of experts, we uniquely deliver a focus on Experience Improvement (XI) to help our clients own the moments that matter. Take a moment and learn more at **inmoment.com**

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