



# How to Transform Your CX Program with Experience Intelligence





# Abstract

Customer experience is changing. In the fall of 1998, Harvard Business Review published an article titled “Welcome to the Experience Economy.” The article states “From now on, leading-edge companies—whether they sell to consumers or businesses—will find that the next competitive battleground lies in staging memorable experiences, that inherently have more value than the products or services alone.”

The first step companies took to address this experience opportunity was to focus on the customer. Despite the increased focus, and evidence that CX done well can deliver real business benefits, many companies still aren’t getting it right. So why are so few companies seeing an impact for all of their

efforts? The truth is that customer experience doesn’t happen in a vacuum. There are a multitude of forces at play, from employees, to competitors.

Today’s most successful brands are moving away from a siloed view of the survey/score philosophy to viewing not just the customer experience—but the overall business experience—as an integrated, cultural driver of change. This white paper explores the process of change from beginning to end: from creating and promoting a culture of accountability to implementing the necessary human and technological requirements to take your brand from a score-based follower to an insights-driven leader.

# Break Away from the Survey/Score Paradigm

Let's be blunt. The industry is in a rut. In many cases, CX has been forced into the ever-narrowing box of a survey and a score.

The danger in this approach is that brands risk missing out on the art of the possible. Instead of building a program that can affect organizational change, they settle for another metric on a spreadsheet.

The good news is that a shift is already underway. Brands across the globe are taking risks and expanding their horizons. They're understanding and executing on sophisticated, complex initiatives that are leading to some remarkable outcomes.

In the past few years, CX leaders have taken their programs from simple score-

based initiatives to an full-blown aspect of company culture. It's no longer one siloed team that runs a survey from a dark room. Brands that want to succeed in today's competitive world have made experience a part of their culture from the C-level executive to the frontline employee. Additionally, they aren't only viewing experience from the perspective of the customer, but from the employee and the market as well. They use insights gathered from a variety of channels and touchpoints, integrated with customer data from multiple sources, mined by sophisticated analytics technologies, and then channeled to steer every corner of their businesses.

**“CX leaders outperformed CX laggards on both stock price growth and total returns. The price of the portfolio of top publicly-traded brands in the CX Index grew 32%, compared to 3% for the portfolio of lagging brands. When we looked at total returns over this same period, the findings were similar: 34% for our portfolio of CX leaders versus just 5% for our portfolio of CX laggards.”<sup>1</sup>**

RICK PARRISH, “DOES CX QUALITY AFFECT STOCK PERFORMANCE? YES, BUT...”

FEBRUARY 28, 2018



# Make the Move to Experience Improvement

## Experience Improvement:

ex·pe·ri·ence | \ ik- 'spirē-ən(t)s \|  
im·prove·ment | \ im- 'prüv-mənt \

noun

InMoment's revolutionary approach to experiences, which focuses on solving for the greatest business challenges, like retention, growth, and profit.

Making the shift, however, is much easier said than done, because today's enterprises are increasingly complex.

Organizations are now composed of a variety of stakeholders, unique cultural elements, and complex technological infrastructures. These organizations are attempting to gather feedback from both internal and external stakeholders, including employees, customers, and partners. Not only that, but these brands must then deal with the overwhelming amount of data coming in from every corner of the organization: operational, transactional, CRM, feedback, loyalty, competitive, and

more. Extracting usable insights from this mountain of information can be daunting at best. Sharing it with the right people within the organization so they can take immediate action and close the loop with those stakeholders can easily become overwhelming—even when you've taken all the right steps.

So how have the most successful brands navigated these complicated but crucial waters? They start by making a purposeful shift in their focus, going from merely managing experiences, to focus on actually improving experiences. And a change like that starts from the top down.

# Start the Cultural Shift from the Top Down

Evaluating your experience landscape is often easier said than done. It's a complex environment with many stakeholders. The most successful brands have taken a top-down versus a bottom-up approach. This ensures a more strategic view of the program, from a cultural and technological perspective.

## Leadership & Culture

Successful brands have a leadership team committed to creating a better experience from the top down. This team recognizes customer experience as a competitive differentiator and invests resources, hires talent, and consistently makes decisions that reinforce that commitment. Most times, this commitment is accompanied by the adoption of a comprehensive framework like a Net Promoter System (NPS) versus a single score.

As an executive, when was the last time you:

- Used your own product or service?
- Took a call in your contact center?
- Visited your own website?
- Used your mobile app?
- Sat down with a customer to understand how they use and view your product?
- Listened to a frontline employee about the customer experience and how it could be improved?

## Get Your Hands Dirty

True experience leadership is not achieved by sitting behind a desk every day. For those executives looking to make the necessary shift to a customer-centric culture, you need to lead the charge. You need to get your hands dirty.

A culture of customer experience comes from a place of empathy. This means taking the steps to understand your business as the customers experience it so you can make effective, impactful changes.





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## Put the Right People in Place

Customer experience isn't just a program or initiative. It's a way of doing business. Without top-down buy-in, your efforts will undoubtedly fail. This means you need to put the right people in place—throughout the entire organization—to champion and remind every employee in your organization about your new roadmap.

Put together a "Special Forces" team. It doesn't matter what you call it. The point is it should have a representative from operations, marketing, finance, HR, product, technology, and any other critical departments in your organization.

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### Members of your Special Forces team should be:

- **True leaders within the organization, not figureheads**
- **Dedicated to making an elevated experience a way of life**
- **Willing to meet often**
- **Action-oriented and committed to solving problems**
- **Collaborative and communicative**

## Relationship, Not Transaction

CX leaders understand that the experience is much more than a transaction. It's the perception customers and employees have of the culmination of experiences, over time, with and around the brand's people, products, and services. These leading brands:

- Identify and tie the range of interactions to individual customers
- Have and actively nurture relationships with a variety of stakeholders, including customers, end users, employees, suppliers, partners, etc.
- Recognize that all stakeholders are inextricably connected and impact their own and each other's relationship

## Harnessing Complexity

These brands have an extensive technical infrastructure, appropriate staffing, and a mature and sophisticated leadership approach. They have found a way to use this complexity to their advantage by integrating people and technology to provide a holistic view of the customer experience.

## Seamless Integration

CX leaders have complex, de-siloed technology infrastructures to support multifaceted interactions for customers, employees, partners, and other stakeholders. This includes, but is not limited to, seamless omnichannel experiences and customer-facing interactions (web, contact center, physical locations, mobile, etc.).

## Big Data

CX leaders have CRM, loyalty, marketing automation, and other centralized customer data management systems that collect and store a range of customer information. Transactional, demographic, social, purchasing behaviors, preference, and other types of data power advanced analytics.



# Identify Business Objectives and Stick to Them

At the beginning of your experience journey, your brand will need to have deliberate conversations and concentrated efforts to identify what you really want to achieve. The roadmap you follow will be dramatically different depending on your goals; the route you follow, for example, will vary depending on if you're trying to turn your business around versus trying to put your organization in a high-growth situation.

The best way to begin is to ask yourself and your team some very simple questions:

- What do I want to measure?
- Why am I interested in this process?
- Where and when do I want to implement?
- How am I going to measure and listen?
- Which system will result in the best experience for the customer and employee?
- How am I going to take action on results?

## What Do I Want to Measure and Why?

These may be the most critical questions of all because there are many reasons to make the move to a customer-centric organization. The answer to these questions, however, will drive almost everything else and there is no single or bad answer.

Do you want to see how you compare to industry peers? Where you fall with compliance? How likely customers are to return or recommend? How satisfied customers are with your people, products, and processes? No matter what you want to measure, it's critical to identify the objective up front and then stay the course. A brand committed to experience excellence will understand the baseline motivation and stay true to that North Star.

Once you can answer what you want to measure, the next question is "Why?"

- To understand your brand promise
- To understand what drives customer and employee business outcomes

- To understand the healthfulness of your relationship with your customers and employees
- To understand how you compare to competitors using a standard metric
- To understand more about what customers and employees want in the future
- To understand why customers and employees are leaving
- To understand employee performance so you can make appropriate staffing decisions
- To understand where your customer and employee journeys may have intelligence gaps
- To understand root causes so you know why customers and employees do what they do and feel how they feel
- To understand what is most important or what actual journeys consist of
- To understand your baseline and where you stand today

All of the above is a perfectly acceptable and appropriate answer. A comprehensive experience program should be striving toward a variety of goals from different stakeholders. However, without consistent alignment and commitment to the “why,” each of these stakeholders will undoubtedly end up disappointed.

## Create a Culture of Accountability

Congratulations! You’ve taken the right steps. You, as an executive, have fostered empathy, put the right people in place, and identified what and why you’re investing in your customer experience. Now what?

The next step is to promote a culture of accountability. Without clear goals and expectations, your plans will end up as a blip on a radar—a nice thought, but one without staying power.

The most important thing to remember is that every person in your organization—from the executive to the contact center agent—is responsible for the customer experience. Every person needs to understand their role and how it impacts the business.



# Turn Ideas into Implementation

Many CX initiatives fail because organizations lack the commitment or tools to take their ideas and turn them into reality. It's a complex undertaking, but the key is having an enterprise-wide understanding of where you are on your experience journey, the foresight and follow-through to plan and execute on next steps, and then a commitment to choose strategic partners to help you get where you want to go.

## Understand Your Location on the Experience Journey

The first thing to know when trying to pinpoint where you are on the CX journey, is that it's not a linear one. Your organization may excel at one phase of the journey and need to improve in another. The key is discovering those areas of strengths and weaknesses so you can take the next steps and move to future proof your surveys. At a high level, there are four phases in a brand's maturity and most organizations are playing in at least several of the phases of this spectrum:

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**There are many ways to measure where you are in your journey. Guide your program in the right direction with a [CX Maturity Assessment.<sup>2</sup>](#)**

- **MEASURE:** To improve the customer experience, you need a baseline to compare against. Many brands excel at this piece of the equation because scores and metrics are relatively easy to generate.
- **TRACK:** Once a measurement system is in place, brands generally take the step into resolving obvious CX issues by closing the loop with individual customers and fixing broken processes.
- **ANALYZE:** Understanding root cause is the next step. It allows brands to elevate the conversation and truly address issues that are negatively affecting the customer experience at the deepest level.
- **OPTIMIZE:** Once the foundation has been established, brands must optimize existing practices to reflect the cultural shift, apply those same practices to any new processes it introduces, and be ready for the future of their program.



## Execute on Next Steps

Once you have pinpointed where you are on your CX journey, it's critical to continue that momentum and execute on the initiatives you've identified. For many brands this includes identifying and implementing a CX strategy or system (like NPS). Regardless of the system your brand chooses, there are a few critical steps that must be taken to ensure success.

### 1. ORGANIZATIONAL ALIGNMENT:

Align experience goals and objectives with corporate goals and objectives to ensure priorities are consistent across the organization.

### 2. STRATEGY AND AWARENESS:

Communicating the new roadmap and direction out to internal stakeholders is key. Awareness campaigns and pilot programs are both additional effective ways of building internal buy-in.

### 3. ENABLEMENT AND TRAINING:

Begin at the tactical level by re-engineering feedback methods, redesigning key customer journeys, and launching closed-loop initiatives.

### 4. STRATEGY AND AWARENESS:

Incent employees to focus on customer centricity and encourage cultural shifts through targeted change at every level.

## Choose Strategic Partners

Understanding your CX journey and executing on a new strategy are critical components, but without the right partners, your efforts can slow or even stall.

A comprehensive CX program will involve a variety of systems and processes. Many organizations have built these systems from the ground up. Others will require a partnership. Whether your brand has internal, homegrown solutions or is partnering to provide these capabilities, you will require a technology partner who can integrate with these systems or other vendors to provide a bigger view of the end-to-end customer experience.

When looking for a CRM vendor, take the following into consideration:

### OMNICHANNEL LISTENING

Today's customers expect a different relationship with a brand. With the variety of choices and products available, customers want to feel like their feedback is valued and effecting change. The bottom line is that this new breed of customers wants to share their feedback. But they're

still human, so they need to be able to leave that feedback how, when, and where it's convenient and most authentic for them. Not only does this actually improve the feedback experience, but it also allows you to gather more, richer, and different types of data.

- **CUSTOMER-CENTRIC LISTENING:**

When it comes to a CFM vendor, look for one with a customer-centric listening approach. Your customers shouldn't be limited by the technology your vendor does, or does not, support. A comprehensive CFM vendor should have the technology to support a variety of feedback channels, including voice, web, and video.

- **THE NUMBERS DON'T LIE:**

Facebook users view 8 billion videos per day and Snapchat users view 6 billion per day.<sup>3</sup> And phone surveys still account for as much as 46% of total feedback volume.<sup>4</sup> Voice, video and image as a feedback method are clearly ubiquitous and being able to capture, analyze, and report on that data will be crucial to understand customers' stories.

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### A comprehensive CX program should include data from a variety of systems, processes, vendors, and partners, including:

- eCommerce
- Marketing automation
- Competitive intel
- Web analytics
- Social analytics
- Voice of customer
- Loyalty
- Transactional
- Point of sale
- Market research
- CRM
- Audit
- Email
- ERP

## ADVANCED ANALYTICS

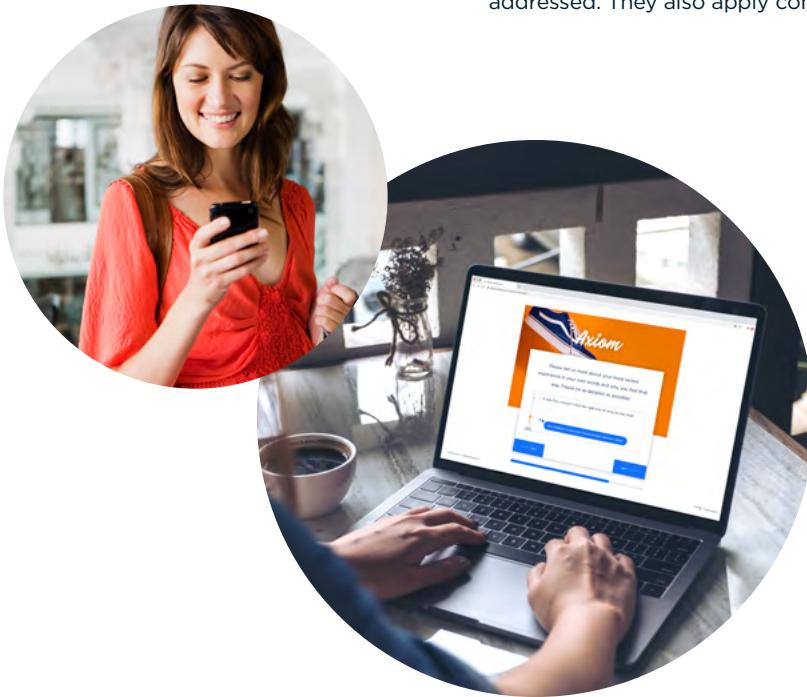
Advanced analytics allow you to understand the structured—but more importantly the unstructured—data you’re gathering from your customers. Most, if not all, CFM vendors offer the ability to crunch numbers and provide a score. The real sophistication comes in with unstructured data. A preferred CFM vendor will be able to synthesize and analyze massive quantities of comments, social stories, videos, and more and turn that into optimized, actionable insights.

- **TEXT ANALYTICS:** Look for a vendor with a linguistics-based model that provides a high level of accuracy. Linguistic models are based on human knowledge, ensuring the complexities inherent in language are fully addressed. They also apply context

contained in natural language to ensure greater accuracy and account for anomalies machines simply cannot comprehend.

Text analytics should also include sentiment detection, industry and custom tuning, and integration throughout the platform.

- **PREDICTIVE ANALYTICS:** Look for a vendor who can integrate customer data from virtually any source in its native format, and can use that data to forecast risks and opportunities, including churn, revenue, likelihood to return, and much more, at both a brand and individual customer level. Vendors should also be able to visualize the findings in an easy-to-consume, actionable format.
- **SELF-SERVE ANALYTICS TOOLS:** A comprehensive CX program will often include your in-house team of data scientists who will need more than standard reporting. Look for a vendor who not only delivers insights via easy-to-consume reports and dashboards, but also offers a self-serve analytics tool that gives your internal teams the analytics power to slice and dice data at a deeper level.



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## RECALL: THE ABILITY TO ACCURATELY IDENTIFY A WORD OR TAG

### *Misspellings*

I silpped and fell > I slipped and fell

### *Missing terms*

Terms that are not included in dictionaries

## PRECISION: ENSURING CONTEXT IS UNDERSTOOD CORRECTLY

### *Homonyms*

Cold food > cold restaurant > cold staff

Mild sauce > mild weather > mild demeanor

Well done! > The meat was well done

### *Filler words*

I've had a few problems (complaint) > I've had few problems (praise)



## DATA INTEGRATION

The days of a single system running an entire business are long gone. Most enterprises have dozens, if not hundreds, of technology platforms. The effect these siloed systems have on the customer is the same effect seen for years on organizations as a whole: a fragmented, disjointed experience.

- **BIG CUSTOMER DATA:** Look for a vendor who can integrate customer data from a wide variety of systems, including multiple CRMs, social, transactional, financial, loyalty, market research, competitive, and operational. Native integrations may or may not be required based on your brand's goals, but the ability to bring VoC feedback together with other types of data is critical to a comprehensive understanding of your CX landscape. This bringing together of relevant customer data allows for deeper analysis and better surfacing of insights.

- **FEEDBACK:** Look for a vendor whose platform is flexible enough to handle changes in feedback mechanisms, channels, and methods—without high additional costs.

- **COMPLEX HIERARCHIES:** Your business's reporting structure is complex; a spider web of employees, partners, and customers versus a straight line from top to bottom. For example, a software services business may have different departments that roll up to divisional leadership who roll further up to executive leadership. Other enterprises have frighteningly complex overlapping hierarchies with discrete business units reporting up through the organization through multiple pathways.

It is critical for a CX program to model organizational reporting correctly so that the right information is broadcast to the right people at the right time in a manner that fits culturally. Look for a partner who can provide real-time, actionable data that is tailored specifically to each department and level in the organization.

## FLEXIBILITY

A large-scale CX deployment will undoubtedly be complex with extreme technological requirements. It's critical to evaluate a vendor's ability to provide superior flexibility while still allowing advanced analytical capabilities that drive speed to insight.

- **MULTI-TENANT ARCHITECTURE:** An enterprise-ready VoC vendor should have a system designed to support multiple client organizations or "tenants" on the same single stack of computing resources, allowing them to reliably deliver an Internet-scale CX application in a cost-effective manner.



## ONGOING SUPPORT & PROFESSIONAL SERVICES

A customer-centric organization will realize that a customer experience program will require ongoing maintenance. Technology will only take your organization so far. You need a team of knowledgeable consultants, paired with state-of-the-art technology, to help you design and implement the right solution to optimize your CX investments and deliver the desired outcomes.

- **DEDICATED ACCOUNT TEAM:**

Look for a VoC vendor who offers a dedicated account team that will exist past the initial sales interaction. Your program will be unique, and the most

successful brands work hand in hand with their support team on a day-to-day basis to ensure their program is continuously effective and healthy.

- **STRATEGIC SUPPORT:** Not every VoC vendor has a strategic outlook. Beware the vendor that sets up your program and then leaves it alone to fend for itself. Look for a VoC vendor who is constantly innovating with new products, features, and services, so your brand is ready for the future as it comes. Also look for a partner with the experience and staff to help you evolve and grow the program to drive additional value over time and account for changing customer expectations.

## CFM Vendor Red Flags

- No multichannel feedback methods: voice, video, web
- Inflexible managed service implementation approach
- Machine-learning text analytics without Natural language processing (NLP) capabilities
- No integrated big data predictive analytics
- Inflexible multi-brand, multi-level hierarchy and reporting structure
- No big data visualization capabilities
- No social advocacy and reviews
- No location-level engagement and coaching
- No ongoing, dedicated support team
- Non-inclusive pricing and packaging

**Choosing the right CFM vendor is a critical step in the move to a more strategic customer experience. While you evaluate different vendors, keep in mind the following questions. Does the vendor:**

- Offer a variety of listening methods including voice and video, or does it avoid certain feedback channels because its technology can't support customers' needs?
- Have a linguistics-based text analytics solution tailored to customer experience, industries, and individual clients?
- Offer 80%+ accuracy in text analytics?
- Support advanced predictive analytics using a variety of data sources to predict churn, revenue, likelihood to return, and more?
- Have a self-service advanced analytics tool in addition to standard reports and dashboards?
- Integrate data from a variety of sources at scale to deliver holistic insights?
- Focus on stories that are supported by scores or solely on scores and surveys?
- Take a strategic approach to program design and implementation or nickel and dime for every small change?
- Have a flexible architecture to support complex businesses and hierarchies?
- Have an enterprise-ready system that supports multiple client organizations to deliver a comprehensive CX solution in a cost-effective manner?
- Provide a dedicated account team to manage day-to-day interactions?
- Have the expertise to provide strategic direction to account for changing customer expectations?



# Embrace the Art of the Possible

It's time to get out of the rut. To learn from industry leaders and expand your view of the customer experience. To move beyond surveys to integrated listening that reveals in-depth insights. To stop looking at customers as data points in a graph and to truly understand their stories. To share those stories with purpose so the right people can take the right actions to affect business outcomes.

The experience world has changed. Brands that continue to view CX as a survey and score will quickly fall behind. But brands that embrace the art of the possible and create an end-to-end experience for customers, employees, and the market will transform from score-based followers to successful market leaders.

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**To demo a product or to contact us call:**

NORTH AMERICA  
**+1 385 695 2800**

UK & IRELAND  
**+44 (0) 1494 590 600**

APAC  
**+61 (2) 8397 8131**

GERMANY  
**+49 (0) 40 369 833 0**

Or email us at [sales@inmoment.com](mailto:sales@inmoment.com)

## 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](http://inmoment.com)

