



INMOMENT POINT OF VIEW

How COVID-19 Has Affected Your CX Data

Authors: Jim Katzman, Principal, CX Strategy & Enablement; Eric Smuda, Principal, CX Strategy & Enablement; Radi Hindawi, Senior Director, Global Strategic Insights

We know a lot has been said about COVID-19 and its effect on customer experience (CX) programs. However, in speaking with clients, we've realized that many brands are also struggling with a problem that's gone relatively un-discussed: what do companies do with the data they are collecting during a time as unique as this? Additionally, should brands be listening to customers differently during this pandemic?

There are three elements here that brands should consider: pausing compensation tied to CX metrics, listening harder to assess customer responses to process changes (with less emphasis on trends), and collecting CX data from new sources to gain a wider customer perspective. Today's discussion takes aim squarely at these ideas.

HIT PAUSE ON YOUR PROGRAM'S COMPENSATION ELEMENTS

Admittedly, KPIs are important, and almost all CX programs have some sort of financial incentive tied to results. However, it's time for some tough love—the pandemic has altered brand capabilities, changed customer expectations, and broken all of the trend lines virtually overnight.

If this link to compensation is a brand's primary concern, we suggest reevaluating CX program priorities within that organization. Now is the time to listen to how customer needs and situations have changed, because the CX data paradigm that companies relied on before the pandemic rapidly became out of date months ago.

All of that said, having administered programs like this many times in the past (and having had to deal with internal pressures from CHROs or board compensation committees), we have some alternative solutions to propose:

1. Only compare full operations months in 2020 with similar months in 2019. For example, if a brand is truly able to return to full operations (all stores open) by July 1, 2020, it could compare the data from January and February—as well as July through December—in 2020 with the same months as 2019. Organizations should reset their baseline upon the 8 months they are including while removing the months that cannot be normalized in comparison to last year.



2. Use July through December as a comparison period (again, this assumes that all operations are open again by July 1). This approach eliminates the previous months' disruption and also accounts for any seasonality a business may have.
3. A third, more complicated approach is to use statistical analysis to determine how to adjust the trend line during your impacted months this year against the same time period last year. Again, no small task. In fact, brands considering this option might find it easier to wait until later this year so that they can include more months in their calibration period.

Listen, Listen, Listen—Customer Processes are Changing By The Hour

Being able to walk into a restaurant and check on a reservation already feels like years ago. So does window shopping, spending a day at the mall, and virtually every other facet of business as usual.

True, many companies have displayed tremendous, oftentimes on-the-fly innovation in the face of all this upheaval, but this

turbulence has also resulted in customer, employee, and non-customer journeys changing more than ever. Listening to those individuals is thus absolutely essential to having quality CX data, especially as stores re-open and brands test hard-won innovations.

Innovation has been the name of the game for many industries during this pandemic, and some brands have adapted faster than others. Many fast food brands, for example, hadn't invested in third-party delivery or curbside services before the pandemic, but a major player that we work with in this space doubled down on its customer listening and overlaid it with market research to truly understand adapting both.

This chain learned that certain customers were still not completely comfortable with third-party delivery, but the aforementioned market research showed that these newer fulfillment methods attracted new customers. This revelation only happened because the chain kept its listening programs alive and combined that listening with market research to understand customers' journey through a changing industry. Perhaps most importantly,

this method helped the brand keep its CX data clean and retain a wide, accurate perspective on changing market conditions.

Collect New Data from New Sources

In addition to reevaluating how intently companies listen to customers, now is also an ideal time for brands to take stock of which listening posts they use and whether it's time to add new ones to the mix. Indeed, the pandemic has left many brands with no choice but to change their channel mix, never mind how they transact with customers or calibrate their entire business model. Either way, now's a good time to consider listening differently and how doing so affects CX data.

Additionally, brands need to listen to more than their customers. Employees are invaluable for garnering deeper intelligence about the customer experience. True, many employees are under tremendous stress right now, but engaging these individuals can also leave them feeling more impassioned about their work and that their organization cares for them.

Employee engagement can help both improve the customer experience and ensure that they remain brand advocates instead of detractors. Engagement doesn't have to be complicated or time-consuming, either—pulse surveys, for example, are an efficient and cost-effective way to keep tabs on employee sentiment, gather new, accurate data from a new source, and, again, let these individuals know that their brands care. Meanwhile, panel-based surveys will likely prove effective for planning organizational and CX strategies in coming

months... and maintaining a competitive advantage in a post-COVID world.

Leverage to Learn

All in all, brands that want accurate CX data should never stop listening to customers, employees, and the market, and this is especially true right now. Companies should also acknowledge that the power of data has changed as tremendously as our world. The solution here, however, is quite simple—brands must leverage data to learn, not to plot against history or drive compensation. Organizations must be willing and able to listen to new data sources. Finally, companies must also acknowledge that some of these new data sources may have a permanent home in their channel mix even after this pandemic finally passes.