LET THE FUN BEGIN:

Using Customer Understanding to Achieve Transformational Success

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My colleague Andrew recently spoke to the importance of having a continuous improvement framework for your experience program. He discussed the importance of carefully selecting the right resources and designing your program's goals before you turn any listening posts on. This approach constitutes the first two steps of the framework: designing your program with the end in mind, then listening to the audiences who can best help you reach your goals.

Today, I'm taking the baton from Andrew to discuss the truly fun stuff: understanding how best to improve and using that learning to fundamentally transform your organization. These are the steps that occur after a company successfully designs and implements its program, then begins listening to customers.

Customer Understanding & Data Purposes

Most companies can agree that they're all drowning in data. Organizations can gather mountains of it from customer and employee feedback, financial information, operational insights, and other sources. At face value, the notion of having lots of data sounds valuable, but the challenge for many organizations lies in what to make of it all. Consequently, very few brands effectively use their data to inform and influence business decisions.

The key to truly understanding data is integration, analytics, and business intelligence. It's about putting all of your data in one place, isolating and prioritizing improvement opportunities, and learning how to best impact business outcomes. Context is everything—companies risk interpreting data the wrong way if they don't consider the context surrounding customer feedback.

Of course, there's more to context than a careful understanding of customer situations. Most companies have a lot of data sources, and putting feedback against a backdrop of this other information (financial data, operational insights, etc) is the best way for brands to truly understand their customers' profiles and journeys. Perhaps more importantly, companies can also begin to understand what about their customer journeys is broken or needs improvement, which brings us to the next facet of this crucial step.

Data Sources to Integrate with Customer Feedback

Operational or Transactional Data

Systems Data

CRM Data

Employee Data

Business or Financial Data

Social Media Data

Unsolicited Feedback

REACHING THE ROOT

A lot of firms believe that understanding your CX program and data means closely watching NPS and other metrics. While monitoring your scores is certainly important, it's no substitute for identifying and fixing experience problems' root causes. Customer feedback and downward metrics are only the tip of the sword, here—finding the "why" behind a broken process or journey touchpoint is truly what matters. The data process I outlined above, as well as key driver analysis, can help companies find—and fix—the breakages preventing fundamental connections with customers.

Root Cause Analyses

True Driver Analysis

Exploratory Analysis

Customer Profiling

Operational Linkages

Financial Linkages

Keep in mind that employees are also an excellent source of intel on understanding customers. That tip may seem gratuitous, but I've seen a lot of brands overlook talking to customer-facing employees and getting their take on an experience. More often than not, that employee insight provides invaluable experience context, insights on organizational culture, opportunities for future training, and issues that higher-ups may be unaware of. Thus, voice of employee (VoE) initiatives like pulse surveys and face-to-face discussions are vital to understanding your customers and their experiences.

Transformational Success

Once brands truly understand their customers and thus opportunities to improve themselves, it's time to get to work on the next step in your continuous improvement framework: transforming the business. This means operationalizing feedback, creating a customer-centric culture, and taking action on improvement opportunities.

Transformation is an important step of the process not just because brands can actively improve themselves, but also because it's what your customers expect is happening. Customers wouldn't provide feedback if they didn't expect brands to do something about it, so bear this in mind when working toward providing the best experience for them.

THE TRENCHES OF TRANSFORMATION

Action plans are key to ensuring that transformation happens, especially since multiple departments and teams must do their part if the organization wants to see it through. What follows is an effective four-step process for creating and executing improvement action plans:

1. **Define The Plan's Specific Steps**

2. **Identify Departments and Individuals to Involve**

3. **Document Actions and Fixes**

4. **Define a Timeline**

Action plans like these are what allow brands to effectively operationalize their customer and experience understanding. Operationalization is all about connecting experience results to financial metrics and, well, operational success (which is also crucial for proving ROI to executive sponsors). Communication is important to operationalizing customer understanding because it allows teams to know how their work factors into brand experiences (as an aside, it's also important to let customers know what improvements came about because of their input).

A Great Communication Plan Contains

- What You Learned

- Why It Matters

- What Steps to Take

- Who to Involve

- A Change Timeline

- Anticipated Outcomes & Goals

Employees who understand how their role factors into a great, connective experience are usually much more motivated. I spoke earlier to the importance of creating a customer-centric culture, and while it's often easier said than done, that culture is vital to fundamental, transformational improvement. Setting experience goals for different departments, asking senior leaders for help, and continuing to communicate experience wins throughout the company are a few of the best ways to transform your business.

THE PATH TO GOAL REALIZATION

To recap, brands can only achieve fundamental improvement when they've taken the time and effort needed to understand what their audiences are saying, which allows companies to know more about the experiences they provide and what about those interactions needs fixing. They can then transform the business by using an action plan to execute this new understanding across the company. This process is not for the faint of heart, but a brand that attains this transformation can build truly meaningful connections with customers and ride that connectivity to the top of its vertical.

What exactly does reaching the top look like, though? How does it play out? Join us next time for a conversation on realizing organizational success, in which my colleague Jim takes a deep dive on having reached the end goal of Experience Improvement (XI).

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