



THE PYRAMID OF EXPERIENCE EXCELLENCE:

Operation, Optimization, and Innovation

Author: Jennifer Passini, Ph.D., Senior Director of Solutions Strategy

No matter whether your brand is a retail bank, an auto dealer, or a grocery store, few elements of running your business matter more than operations. The term covers a broad view of both day-to-day and big-picture business elements, all of which are geared toward building up your bottom line and your customer relationships.

Though many organizations strive for quality operations for quality operations' sake, brands can also, from the right viewpoint, tune their ops toward something more fundamental: Experience Improvement (XI). Ensuring that your brand runs smoothly is all well and good, but going about ops a certain way can also open the doors to fundamentally connective experiences for customers. This approach creates a stronger bottom line while also ensuring bold, innovative, and human experiences for your clientele. There are three layers to this approach: operational excellence, optimization, and innovation.

OPERATIONAL EXCELLENCE

The first step toward using ops to create Experience Improvement is, as we discussed earlier, something any brand needs to keep tackling if they want to be successful: operational excellence. In all actuality, operational excellence is somewhat table stakes, as customers do not choose a brand or experience expecting the worst. But, it is important for an organization to focus and track performance objectives related to being operationally effective.

At its simplest, operational excellence is about ensuring consistency. Organizations need to do everything in their power to ensure that their brand is consistent across locations, channels, and employee teams. Another consideration is customer expectations—consistency does not matter if experiences do not align with expectations. What's crazy is that

expectations can evolve over time, which, foundationally, is what makes interaction or transaction-based measurement so important. This type of measurement allows the organization to explore performance, as well as understand when expectations emerge.

For example, a retail bank can achieve operational excellence by removing as much friction as possible from all servicing points, as well as building and executing on omnichannel strategies. A well-designed CX measurement system that explores operational effectiveness and delivery at all touchpoints (as well as provides the ability to explore cross-channel experiences) helps organizations ensure operational excellence. This type of measurement system should also provide the most effective approach to recover at-risk customers.

At its core, this approach is more or less the same for every brand regardless of industry, and it can serve as the foundation for ops-based Experience Improvement because it relies on desiloing data. Brands can't achieve operational excellence if teams are siloed from one another, but by sharing intel and working together to create solutions, they can ensure operational consistency while also achieving the 360-degree customer understanding needed for true Experience Improvement. This is why it's important to begin your XI efforts with operational excellence.

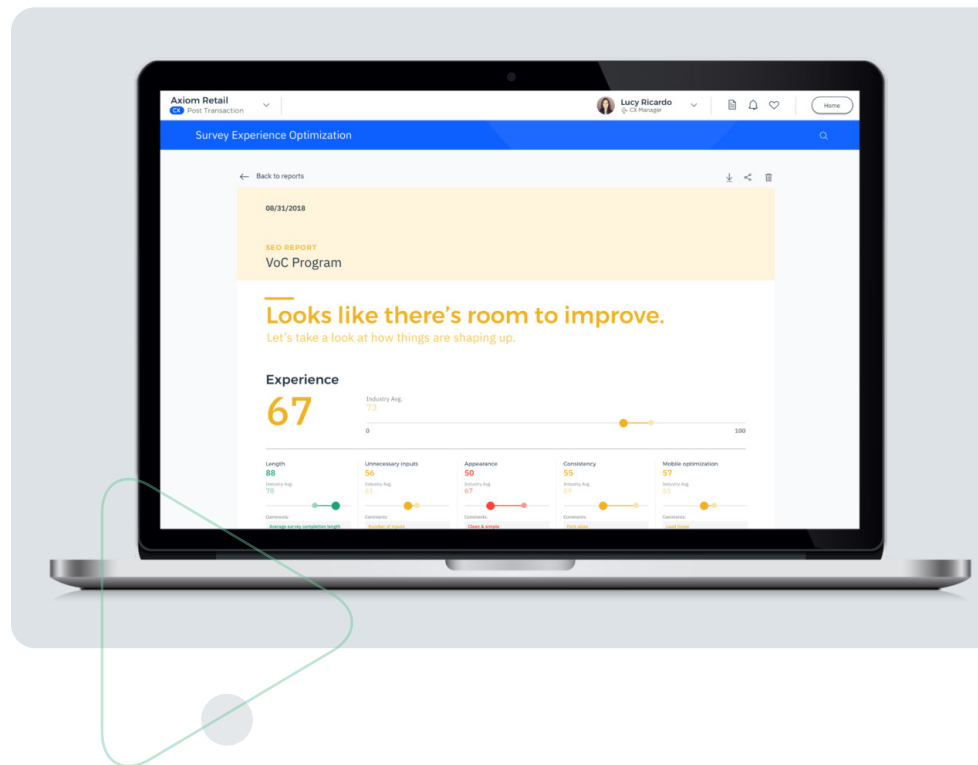
OPTIMIZING EXPERIENCES

The ability to track experiences and detect problems or issues is just the beginning. More evolved CX programs help organizations optimize experiences by focusing on systemic issues that need to be addressed, and by diagnosing root causes to support continuous improvement. Brands can begin optimizing their operations once they've created a process with which they can act on feedback. In all, optimization means taking a hard look at things that could be better or are just not working, then leveraging an informed approach to creating better experiences.

Let's say a retail bank learns that most questions about online banking come through call centers and branch locations.

The bank should consider how many such questions come in, what types of customers ask them, and the cost associated with fielding these requests. This sizing and root cause analysis presents brands the best opportunity to do more with customer feedback by connecting it to operations. Organizations can then establish impact, establish priorities, and fully understand their experiences' business impact(s).

True optimization relies on the deep analysis and intelligence that organizations start gathering during the operational excellence phase. Brands can begin driving business impact once they arm themselves with this information (as well as continue the desiloed solutions approach outlined in the previous section).



INNOVATION DRIVES BETTER OUTCOMES

Innovation is the last, most important step of using ops to create Experience Improvement. Innovation is what optimizing your operations builds toward—when a brand has robust, consistent operations, it becomes easier for the organization to forecast market trends and know what its customers will want. Ultimately, innovation helps future-proof your business.

Forecasting trends and future-proofing your organization are essential components of Experience Improvement. The key to creating a fundamentally improved experience is to anticipate what customers will want before they themselves may even



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know. Couple that with friction reduction, closing the loop, and the other elements of Experience Improvement, and the result is a CX powerhouse that will keep your clients coming back even amid adverse market forces.

One of the best sources for identifying opportunities to evolve or innovate are unstructured, unsolicited sources of Voice of Customer (VoC) intel. What are customers talking about? What do they complain about? What do they say about other experiences? Categorizing unstructured feedback allows organizations to know what's next.

So, to recap, brands can leverage ops to achieve Experience Improvement by first ensuring that operations are consistent across the brand, as well as that they have the right mechanisms in place to measure and track how well experiences are delivered. This means effectively managing multi-channel journeys and breaking down communication barriers for better performance at scale. Then, goals can shift from reacting to being proactive. Creating transformational experiences that exceed customers' needs is the best outcome of innovation, and is only possible with a foundational XI program focused on operational excellence.

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