Inflation is Affecting Your Customer Experience. Here's What You Should Do About It

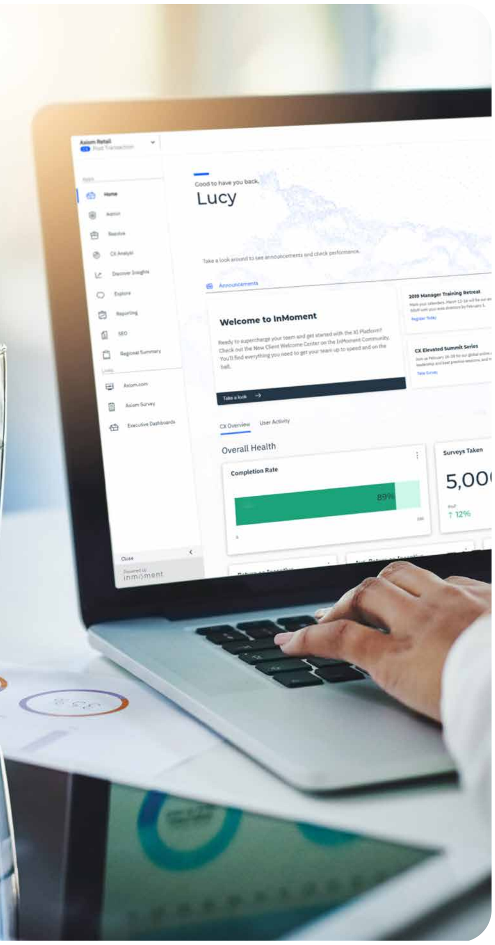
Jim Katzman, Principal, CX Strategy & Enablement

The events of the past few years have already given customer experience (CX) teams plenty of reason to be up at night. Unfortunately, as if a pandemic and the Great Resignation weren't enough for many organizations and brands to contend with, the United States is now seeing its worst inflation in half a century, with other regions and countries also enduring the problem to some extent. The bottom line for experience professionals is that though you've no doubt worked hard to reorient your customer experience around pandemic conditions, inflation is here to compound an already daunting task. When it rains, it pours.

How does inflation affect customer experience? How can brands effectively respond to it even as they also deal with a multitude of other challenges? As with most things customer experience, there are no quick and easy answers here—but if you're willing to put the continuous effort in, the methods and best practices I'm about to outline *will* make a difference for you and your customers.

THE CURRENT INFLATION LANDSCAPE

Before we get into how your brand can keep inflation from impacting your customer experience, let's take stock of the current inflation landscape for a bit of context and perspective. As a quick reminder, the term "inflation" refers to a combination of decreased buying power, increased pressure on financial markets, and other forces that essentially make your dollars worth less today than they were yesterday. This has resulted in a dramatic increase in living costs, with MarketWatch reporting that it's the biggest such surge since February 1982.



There's also been a lot of chatter these last few months about whether the current inflation crisis is comparable to that of the 1970s. The good news (and the short answer) is no, it is not. The 70s saw inflation rates spike as high as 14.5% (yikes!) and little to no pressure to raise interest rates like we see now. However, consumer demand is a significant driver of inflation, and that's as true today as it was half a century ago. That element of consumer demand is also where CX programs start to play a role in all of this.

Now that we've got the lay of the land when it comes to inflation, let's get into how you can use your CX program to still deliver a quality, meaningfully improved experience even in inflationary times.

DELIVERING CUSTOMER EXPERIENCE IN UNCERTAIN TIMES

The first tool that brands and organizations have at their disposal to combat inflation's effects on customer experience is, simply, data. Turn to your full arsenal of data—social media data, market research, website reviews, trends reports, and more—to find what your customers are seeking and how inflation might be threatening their experiences with you. Ingesting all of this data with a versatile experience platform is a huge help here. Surveys remain important for gathering customer feedback, of course, but they can't provide all the context you need by themselves. Additionally, this is an incredible time to capture the voice of your employees. They bring two valuable perspectives to the table: the perspective of being an employee at your organization, and the perspective of being customers elsewhere.

Once you've carved actionable insights out of your data, you can ensure that you're hitting the right message with your customers in uncertain times. You can also figure out how to go the extra mile with your customers. Some grocery stores, for example, are offering free delivery as a means of saving their customers a few dollars on fuel, making them feel valued and just making their lives a bit easier. Whatever the extra mile looks like for your organization, it's in your data for you to find.

Of course, if you have the resources, you should pay attention to opportunities to truly go above and beyond with your customers. Small gestures are always nice, but I read an article the other day about certain banks *waiving fees* for their customers. While I don't advocate going overboard with measures like this, creative generosity will pay off with customers the same way it did during the bleakest stretches of the pandemic.

THIS TOO SHALL PASS

My final piece of advice to you, at least for now, is to remember that though it may feel otherwise as you drive by your local gas station or buy a $4 gallon of milk, inflation is temporary. Bear this fact in mind as you evaluate your CX program, and be careful not to over-rotate—or over-empathize—as you adapt to current conditions. In other words, resist the temptation to make massive, sweeping changes to your program all at once, and instead focus on making your innovations more incremental. Be very thoughtful and deliberate, because some of these changes may be permanently valuable from a CX perspective. This tempo will be different for every vertical, every company, and every customer experience, but it will always have the same central ethos: do not overcompensate, and do not panic.

There's no denying that we live in uncertain times, but approaching your CX program with patience and flexibility is what will get your organization through inflation. That same approach is more or less what enabled CX programs to make a difference for so many companies and customers during the pandemic. By patiently mining your data, combining it with other insights, and giving yourself the flexibility and creativity to come through for customers in ways they themselves may not know they want, your organization will come out the other side of this crisis in a commanding position all while having forged bolder, deeper, and more human connections with your customers..

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