

## The customer experience: a simple, untapped lever for performance

*Having arrived from the United States in the early 2000s, the concept of customer experience is difficult to impose in France.*

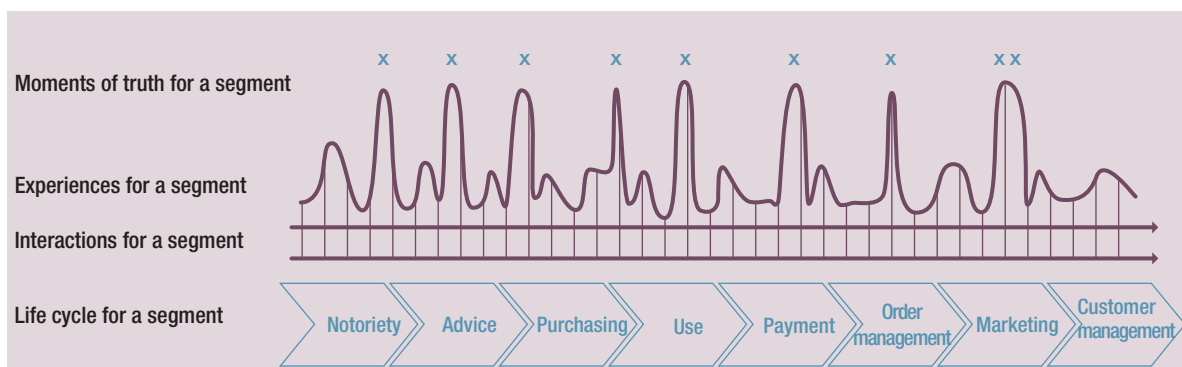
Yet, across the Atlantic there are many examples of companies that have experienced both commercial and financial success by pursuing major programmes addressing this issue. First of all, there are the groups for which customer experience is in the company's DNA: Starbucks has succeeded in transforming coffee consumption into a unique experience signifying both a lifestyle and a good time, alone or with friends. There are also very industrial companies that have managed to move from a simple economic relationship with their customers to a unique experience for users. For example, UPS has managed to turn a pure logistics activity into an experience synonymous with convenience, security, and reassurance for its customers. To do this, UPS has innovated (package tracking from start to finish, state-of-the-art self-service,

etc.), trained its employees who make contact with users, optimised its rates and created a global image found everywhere (trucks, uniforms, etc.). Today, UPS is a cool, attractive company and not a stern logistician. Most importantly, UPS has weathered the crisis better than its competitors.

Three reasons explain the setback to the customer experience in France:

- 1 A vague, overused definition
- 2 Difficulty in understanding that the implementation of this approach will not change everything in the company's operations
- 3 The issue of ROI (Return on Investment) that is difficult to estimate in the short and medium term

We will look at these three points.



**The definition** of customer experience is simple. It involves working throughout the lifecycle of a customer segment to identify the most important moments in their relationship with the company (called Moments of Truth) and provide a reassuring, highly satisfying response.

Consider an example of a simple moment of truth in the telecom world: the first use of a new mobile phone. For young techies, this is a moment in the relationship with the carrier without any relevance. However, for people who are less comfortable with technology and may be older, this may be a moment of truth. If the seller takes ten minutes to transfer the customer's contacts onto the new SIM card and explain how the new phone works, the customer will become a promoter of the carrier. Otherwise, the customer will be a harsh critic. These key interactions placed end to end with moments of truth will determine the Customer's Experience with the carrier.

So, by definition, **the first step in a customer experience transformation plan is to identify the moments of truth, segment by segment.**

The second step involves **understanding** that the concept of customer experience does not change everything in the company's operations, but selecting the most relevant moments of truth does. Indeed, if all moments of truth are in theory to be addressed optimally, the reality of maintaining business logic is more complex.

To select the moments of truth, competitor performance and customer expectations of this moment of truth must be taken into account.

A decision matrix can then be put into place.

Customer expectations	Strong	Continue to stand out?	Catch up?
	Weak	Do nothing?	Act?
		Weaker	Stronger

*Performance of competitors*

During the stage of selecting the moments of truth to be addressed, the company brand and overall strategy will play a decisive role. A brand synonymous with added value (Apple) will do everything to stand out when a company synonymous with low cost (Free) is tempted to be less demanding.

Now that we have seen that a programme to improve customer experience does not mean changing everything but only addressing moments of truth selected for each segment, we arrive at the third key point of the experience: **the ROI.**

Again, economic models are easily attainable. For starters, the costs associated with the transformation of a specific moment of truth are easy to calculate, as the scope is very clearly defined. Moreover, the revenues expected from loyalty and increased business performance are often known and approachable because of the company's knowledge of each segment's sensitivity to the various drivers of satisfaction. ROI should therefore not be a barrier to addressing Customer Experience.

In summary, a successful programme to improve Customer Experience includes the following steps: identifying the attractive segments, analysing the moments of truth (qualitative and quantitative studies), selecting the moments of truth to be addressed as a priority, auditing the impacted operational capabilities and economic modelling. This is feasible without major disruptions and could potentially bring significant benefits for a company from a business development standpoint, such as the image perceived by the public. ■