

# The Intersection of Customer Experience, Strategy and BPI

## Leveraging customer experience to drive business performance

### The Reality

In today's functional silos, executive leadership defines changes in the strategic direction of the company, the customer facing teams plan customer experience improvement, and operational groups drive business execution improvement. The real debate begins with what needs to be improved first.

In a perfect world, all the priority initiatives could be resourced and executed at the same time. The reality is that each functional area attempts to chart a course that positions their number one priority as the company's number one priority. Is there a right one to choose or is it really a function of who lobbies the hardest, and who has been waiting the longest? Could there be another evaluation criteria that could easily be layered on top of the business cases to help with the prioritization?

The answer is a resounding "yes," additional criteria can be added to the prioritization efforts. In fact, most companies have already collected the necessary data to enhance the prioritization process. According to a Gartner study, 95% of companies are collecting customer feedback, but only 35% take actions from that feedback resulting in a failure to use the collected data to its fullest potential.



### Plan: Provide direction through strategic planning

An effective strategic plan will define for everyone how the company will be successful and those milestones they need to achieve to be effective in moving the company in that direction. At the very core, it will define what the company wants to be, to whom, and how it will deliver value.

The strategic plan needs to not only include leadership's visionary direction, but also incorporate customer feedback supporting that vision. Executive leadership and management then communicate the customer validated plan enterprise wide to ensure everyone is on the same page and moving in the same direction. Secondly, the plan should define how growth is going to be achieved and which customers value those improvements enough

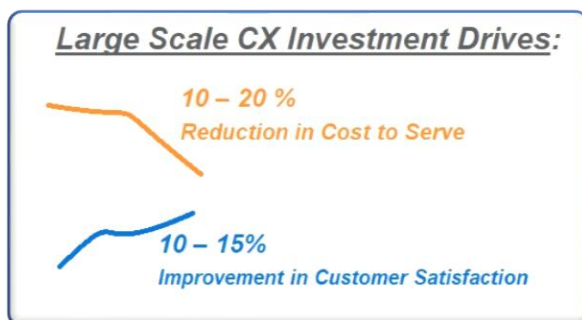
to pay for them by purchasing more, purchasing more often, staying longer and referring others.

A successful strategic plan will include:

- Clear, quantifiable, realistic, measurable customer facing goals that can be cascaded to the organization
- Action plans to achieve those targets that identify the leaders responsible
- A mechanism to continually monitor performance, collect customer feedback, create corrective action where necessary, and follow through on commitments through accountability
- Frequent leadership review and adjustments of execution plans

## Follow: The Customer Journey

The customer interaction experience quality has a more far reaching effect than the satisfaction with a singular interaction, but also impacts attrition, overall satisfaction and new customer acquisition. Finding a way to improve the customer experience, will result in improvement in all the areas above. Research shows that companies that execute large-scale effort improve customer experience have seen a 10-20 percent reduction in cost to serve and a revenue growth of 10-15 percent as well as improved customer satisfaction scores and employee satisfaction (McKinsey, 2016).



At its core, a customer journey map is a visual representation of how a customer interacts with the supplier. It shows how they engage, when they engage, what decisions are made and information they collect along the way. The key to truly understanding the journey is to abandon the lens of supplier and look at it from the customer perspective. The customer will not have knowledge of internal processes and data hand-offs; they only see the outputs of these processes.

The documentation of the customer journey creates an overall understanding throughout the organization of the customer's perspective. This understanding then will help to define the problems and sticking points along the way that make the experience less than ideal. Identification of those sticking points or "moments of truth" will also help to pinpoint the processes in need of improvement. Use customer feedback to identify where negative experience occurs in their journey and use that feedback to prioritize the improvement of internal processes. Is it an internal hand-off, or is it a point where information is not readily available, so it causes a bottleneck internally?

An objective customer journey map, will provide understanding of:

- The "why" behind the observed metrics and analytics
- Areas where business process creates obstacles or negative experiences for the customer
- Opportunities to improve the customer experience
- Pivotal points in the customer journey where they decide to continue or abandon the journey

## Drive: Process changes to improve CX

Today, many companies are creating effective strategic plans and collecting and analyzing customer feedback, but they are not using this data to drive improvement to improve customer experience and therefore customer engagement. Gallup analysis has found that only 29% of B2B customers fully engaged; meaning that the other 71% are willing to take their business elsewhere (2016). Using customer feedback to drive improvements in the customer experience will help to increase customer engagement as well as improve the overall customer relationship.

No longer are functional areas pitted against each other trying to make the case for their specific improvement priority, but rather decisions can be made based on which improvements will have the greatest impact on the customer experience. Functional areas will also have to look outside their silos to understand the overall impact on the customer experience, which will promote a more customer centric culture overall. The added benefit being that customer feedback collection will provide customer value based opinions on these improvements, and the improvements will have a greater likelihood of success in producing results

The business process improvements should be able to:

- Improve the customer experience driving better customer loyalty and retention
- Unify internal functions to prioritize improvements that improve the customer experience
- Increase awareness of the customer perspective and shift the focus from internal improvement to the customer needs

## Conclusion

While strategic planning, process improvement and customer feedback collection can be executed independently, creating an internal process that combines the three initiatives helps to align improvements to customer experience with the areas most appreciated by the customers. Armed with the knowledge of who are the strategically important customers and what parts of their journey are creating a less than desirable experience, prioritizing the improvements needed in business processes that shape these experiences becomes much easier. Together, strategy and customer experience will be driving improvement prioritization, and customers will not only gain the efficiencies critical to internal priorities but also will help drive towards the strategic milestones.



**Author: Maria Cancino** is a business process optimization leader at Customer Centered Strategies.

**Customer Centered Strategies** is focused on helping companies create sustainable competitive differentiation through the quality of the customer experience they provide. This is accomplished by understanding customer feedback, alignment of strategic vision, streamlining cross-functional processes, implementing value add automation, and improving employee engagement through effective change man-



Simplify your processes & delight your customers

[www.ccsdelivered.com](http://www.ccsdelivered.com)