Five ways to deliver true customer value

Patrick Ohlin CoreBrand, lists some key ways to improve and enhance customer experiences

THE WHEELS of industry usually move slowly. But in the case of customer experience management - the science of building brand preference by meeting customer needs and exceeding expectations - the speed has been breakneck. Back in 2005, the web and prevalence of blogging helped shed shocking new light on the myriad obstacles to building sustainable loyalty: the New Jersey couple who were labelled as 'Jew couple' by restaurant staffers; the financial services company that addressed a US citizen as 'Palestinian Bomber'; and the mindless customer service reps who changed a telecom customer's name to 'Bitch Dog' in its CRM database. These little things can get in the way of building your brand - to say the least.

Most successful companies deliver clear, compelling value and make good on their promises. If you are not confidently among them, do not lose heart. Most organisations can get lost in the weeds when facing tough decisions. As brand stewards, we are uniquely positioned to help inform and colour decision-making processes that affect the brand.

Pump up the experience

One key to the process is to take the right initiatives, at the right time, even when things seem to be going against you.

Consider the airlines, post 9/11. Conventional wisdom and economic necessity said that, to weather the storm, all non-essential services should be pared down, and every effort should be made to deliver on time service. Going against this 'wisdom', JetBlue and Southwest bucked the trend. They reinforced their value, relying on innovative operations, and concentrating with unrelenting focus on customers and attention to detail to seize the advantage. Even a near-tragedy in Los Angeles last year quickly turned into a success story for JetBlue, largely due to the surplus equity created through flawless brand implementation. Talk about branding in turbulent times (nod to Peter Drucker)!

Clearly most companies would prefer to be JetBlue and not just blue. Now you can help leaders see the light. The box on the next page identifies common warning signs and offers customer-focused branding approaches for realigning what you say and do as a company. Please note that if several of the warning signs on the left resonate with your organisation, the times has come to get back to basics.

It's hardly surprising, in the light of all this, that customer experience management has become a critical objective for many companies during the last two years. Customer experience teams and enhancement initiatives have emerged everywhere. Companies of all shapes and sizes are now dedicating themselves to identifying, isolating and managing their customer interactions, both to improve satisfaction and to retain their most valuable assets.

The push for simplicity

Simplicity and business-ease have become more important than the comfort of business as usual. We see this in our work every day. One executive, in describing the desire to make it simple, told us that his services needed to be as 'easy as Google'. Another talked of leapfrogging the competition by offering simpler transactional forms and intuitive interfaces.

By recognising the power of everyday media and communications to reinforce brand strategy, each of these companies - and others like them - is setting a trend that will gain steam over the next few years. They are breaking down functional silos, desegregating marketing and operational budgets, and beginning the process of refocusing frequent and often unheralded touchpoints to better deliver enhanced customer experiences.

Quantitative management of brands

This is particularly exciting to us at CoreBrand. Because of our enduring passion for the power of corporate brands, we know what it takes to tie strategy to implementation and to unlock brand equity. We also know that brand alignment and consistency are prerequisites for improving the customer experience - especially when the brand has been damaged by isolated events such as those quoted at the start of this article. And in partnership with our clients, we know that customers respond well to our efforts. A former financial services client estimated the savings from clarifying applications and presenting fewer opportunities for defection at $8 million annually. Who can afford to ignore results like that?

Five keys to improved brand management and customer experiences

If you are interested in attracting and retaining your new best customers, you are not alone. Here are a few tips to getting started down the path to a well-managed brand.

1. Customers return to companies they understand and trust. Make yours one of them.

- Raise your conversation with customers to its most natural state of clarity, simplicity and ease of access.
- Be honest - recognize past problems and articulate what you are doing to fix them. Employees and partners will respect you; customers will listen.

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▶ Reward participation (internal and external sharing of expectations and experiences). Competitive reviews can help create a baseline against which to compare.

2. Revisit your company's core identity, values and operating principles. Are your people and processes supporting these? If not, find out why not.
▶ Think about how you gain or lose value through 'customer experiences', and map out a picture of the current state.
▶ Identify the key behaviours that affect brand performance.
▶ Ensure that all your people understand this - and act accordingly: delivery of the brand experience has to be seamless, and that includes partners and distributors as well as your own people.

3. Once you know where the pain is, run cost-benefit analysis to determine the magnitude and value of needed changes.
▶ If the ROI is there, go for it. Prioritise first, then set achievable goals. Focus on the most critical points of interaction with your most valuable customers first.
▶ Try to make innovative changes that reinforce your brand and demonstrate customer focus.

4. Consider how you measure satisfaction.
▶ Work with business leaders to balance financial and customer-experience goals; these should align.
▶ Fast-paced industries, such as technology, may measure satisfaction more frequently.
▶ Slower or traditional industries might need to use quarterly touchpoint research to remain responsive.
▶ How you present products and services is also important. Linking product development specs to post-sales surveys can expose innovations for which there is little demand, while averting future dissatisfaction.

5. Evaluate and quantify progress against goals at planned intervals.
▶ Employ tracking studies to maintain focus on customers and provide a regular basis for realignment.
▶ Online questionnaires, direct mail surveys, and paid user research can be effective ways to collect these data.

And remember the golden rule

Finally, as we embark on a new year, 2007, let us remember why *customers matter*. A brand is a total reflection of a company and the experiences of its customers. Without customers, brands lose meaning.

Meanwhile, customer experiences are a constantly changing reflection of brand strategy and how effectively it is delivered. This has become more complex only with the steady maturation of the web, with its boundless opportunities for customer dissatisfaction to surface and gain currency.

By acknowledging the strong correlation between simpler and more transparent interactions and higher customer satisfaction scores, fewer companies now question whether returns on customer experience investments justify the expenses.

After all, the customer is always right in the end. •

More on customer experience at WARC.com

Warning signs of brand deterioration	Customer-focused branding approaches
1. Low customer satisfaction and retention evidenced by low repeat business, high churn rates.	1. Consider market research to identify causal links and define the priorities for improvement.
2. Flat or falling market share.	2. Evaluate competitors and potential substitutes against your brand criteria and market dynamics.
3. Poor internal communications.	3. Evaluate strategy, organisational structure, bottlenecks, breakdowns and competing interests. Push for organisational accountability.
4. Low advertising and marketing spend versus competitors.	4. Evaluate marketing channels and effectiveness.
5. Inconsistent brand messages or themes across geographies.	5. Evaluate your brand positioning and execution. If necessary, refine the core story and messaging.
6. Influx of new or out-of-category competitors and messages.	6. Identify your top two or three points of differentiation and execute well every single day.
7. High customer service costs versus industry standards.	7. Look for ways to streamline, simplify and improve transactional communications while cutting costs.
8. High ratio of ad hoc to planned communications.	8. Evaluate your communications strategy. An audit may help you to identify opportunities to standardise and automate communications.
9. Decentralised, or non-performance-based workforce and low employee morale.	9. Provide tools to educate and orientate employees while enabling them to focus on satisfying customers. Reward those who adhere to standards.
10. Risk-averse company culture.	10. Reward innovation and risk taking within acceptable limits to management, Legal and Compliance.

Fonte: Admap, v. 42, n. 2, p. 47-48, Feb. 2007.