



Tame Chaos with Consistency: The Superior Customer Experience

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Defining and improving the customer experience is beyond dynamic, even beyond complex—it is becoming chaotic. Many organizations struggle to sift through the data, touchpoints, and noise to provide their customers with a predictably positive experience, every time. Take Archstone, for example. Archstone is a \$1.5 billion real-estate company that owns, operates, and develops upscale apartment properties. The company is highly regarded and successful in the markets it serves. In 2008, Archstone's management was looking to improve the customer experience. The leadership team realized that in order to sustain their preeminent position in the market and achieve growth targets, the company needed to transform its relationships with its upscale clientele. They knew that in our fast-paced, ever-connected economy, their customer experience was showing signs of becoming chaotic. Archstone's experience is not unique. In general, customer experiences are becoming more complex, so creating a predictably positive, consistent customer experience is challenging.

A typical customer experience comprises a journey that begins at the customer's first point of contact, ends with the last invoice, and often includes numerous interactions in between. Information flows to the customer from your company across multiple channels and, now more than ever, from many sources beyond your company's control. As Coca-Cola executive Joe Tripodi states, "Now information flows in many directions, consumer touchpoints have multiplied, and the old one-size-fits-all approach has given way to precision marketing and one-to-one communications."¹ Thus, for nearly every organization today, a complex customer experience ecosystem has evolved in which engagement with customers no longer follows a straightforward pattern that can be easily controlled. Recent Forum research confirms this point of view. In an interview with Forum, a financial services executive said, "In the old days you just had to train tellers to give good customer service. Now there are

five channels to manage: tellers, ATMs, the web site, the call center, and mail, all of which have to be consistent and interlinked." Add the social media component to this picture, and the tumultuousness of the customer experience ecosystem increases even further.

In an effort to put new focus on the customer experience, many companies have hired chief customer officers (CCO). Forrester Research reports that the CCO role exists in an increasing number of B2B and B2C firms: Allstate, Dunkin' Brands, USAA, Philips Electronics, FedEx, Cleveland Clinic, and SAP, to cite just a few.² These individuals serve as top executives with the power to redesign and improve customer experiences across this ever-more-complex range of customer interactions. Three-fourths of the CCOs that Forrester interviewed sit on the executive management team of their company. Some firms' customer experience leaders spend their time fixing problems that are creating unhappy customers, while other firms use the CCO role to accelerate growth or improve efforts to integrate acquired companies. But even with this increased executive focus, the path to a consistently superior customer experience is rarely clear or smooth.

At Forum, we have determined from our work with clients that best practice involves making the process of improving your company's customer experience as simple as possible. Our experience tells us that it is important to focus on the key elements of service that drive customer loyalty for your company. The goal becomes to get employees working in concert with each other, like the players in professional symphony. We define a superior customer experience as the consistent, intentional delivery of your customer promise through every interaction your customers have with your people, processes, products, and services. And our process cuts through the customer experience chaos and complexity, and enables employees to deliver service that customers value and will pay for.

Forum's Point of View: Stake Your Reputation on Service

1

Base service on what customers want

Clearly understand what your customers expect, identify the make-or-break opportunities to deliver on those expectations, and develop service standards that ensure it happens.

2

Develop people's capability to deliver consistently good service

Train all who touch the customer in the processes and behaviors that will consistently meet or exceed customers' expectations.

3

Engage leaders as champions

Get buy-in from senior leaders, and equip them with the knowledge and tools they need to drive the effort across the entire organization.

Getting this training right can prove difficult, because a company's service employees often live in different functional areas that don't communicate naturally with one another. But the reality is that customers don't care if they are talking with a teller at a bank location or a call center employee. Customers want their problem solved and the experience to be consistent, regardless of the channel they choose.

3. Engage leaders as champions.

This is a key step in creating a superior customer experience. Without the commitment of a company's senior leadership, gaining the necessary momentum for making the required cultural shift is nearly impossible. Leaders must be intimately engaged in the process, so that they can clearly communicate and even model the service behaviors the organization needs to manifest.

Our research and experience indicate that there are three key areas that successful organizations focus on to build a superior customer experience:

1. Base service on what customers want.

This seems so simple, but so many organizations fail to do it. Organizations with a superior customer experience clearly understand what their customers expect and value. They use market research, CRM data, customer ratings, touchpoint maps, complaint information, and other valuable sources to determine how to deliver consistent service and sometimes even deliver a WOW experience. Importantly, these organizations know where their key customer touchpoints are, so that they can deliver on make-or-break opportunities every time. They put standards in place to ensure that the right level of service is being provided at the right times.

2. Develop people's capability to deliver consistently good service.

Again, while this may seem obvious, many organizations simply do not do it. Once they understand the behaviors that drive customer satisfaction and loyalty, superior customer experience organizations mobilize their people to exhibit these behaviors as they do the work that they do day in and day out. This part of the process is about training—getting employees to recognize great service and to practice delivering great service, all within the context of the company's values.

In the most successful examples we've seen, the company's leaders receive a significant amount of executive coaching. This equips them with the knowledge and tools they need to drive the customer experience effort across the entire organization. It also provides them with the time and space to carefully consider how their functional organization impacts the customer experience. Recall the symphony analogy: leaders need to learn to play their parts and integrate that learning with the rest of the orchestra.

At Archstone, the solution centered on the development of a powerful customer promise that the employees used to define their service activities. The promise was this: Great apartments. Great Service. Guaranteed.™

The rallying cry became "A Commitment to GREAT," and the employee and leader behaviors worked with the GREAT acronym: Go the extra mile, be Reliable and Responsive, Empathize, Ask questions and listen, and Take ownership. Each audience in the organization had the opportunity to "learn about" and "learn to do" the GREAT behaviors. The Archstone employees developed a common and consistent mind-set with regard to resident expectations, service tools, and language. And leaders put the right enablers and supports in place. For example, in an effort to increase employees' power to serve customers, management allowed each associate to spend up to \$1,000 to resolve an issue without having to seek prior approval; if, say, a resident's car was towed inadvertently, an associate could pay the towing costs.



After 3 years of focusing on their Commitment to GREAT, Archstone has seen a dramatic improvement in the customer experience as evidenced by more effective and engaged employees, increased compliments from residents, and fewer resident complaints escalated to management. In fact, as local residential staff gained competence and authority to handle customer issues, there was a 90 percent drop in escalations of complaints to Archstone's central call center, which was subsequently disbanded.

Within the dynamic customer experience ecosystem, where customer interactions are constantly increasing and coming through multiple channels, an opportunity exists to focus your company's efforts on developing a consistent, intentional delivery of your customer promise. The truth is that, while markets, technologies, products, and channels have become more complex, customer expectations have not changed all that much. Customers want to be confident that when they interact with your company—no matter where, when, or with whom—their needs will be met and their problems solved. If your company can ensure that the right level of service is being provided consistently across all functions and channels, the effectiveness of your customer experience strategy will increase substantially.

To begin taming the chaos and creating a consistently positive experience for all your customers, contact us at The Forum Corporation.

Would your employees do this?

At Archstone, employees take their "Commitment to GREAT" very seriously. At one of their high-end properties, a tenant accidentally dropped her cell phone into the garbage, and she did not realize she had done this until after the trash had been relocated to the dumpster. To rescue the lost phone, a staff worker making \$14 per hour jumped into the dumpster and rooted around until he found the tenant's lost phone. When asked about his heroic efforts, he replied that he was "acting in the spirit of the Commitment to GREAT vision."

Such responsiveness to a customer's need demonstrates the power of training employees to deliver a superior customer experience. In the heat of the moment, employees that have internalized how to deliver a predictably positive experience will rely on what they know and make decisions that align with your company's customer-focused values.

What is the status of your company's customer experience?

Customer Experience Assessment

Instructions: Please circle the number next to each item that best represents your opinion. Then tabulate your ratings to identify areas of strength and opportunity for your company.

1 = not at all; **2** = to some extent; **3** = to a moderate extent; **4** = to a great extent; **5** = to a very great extent

Customers

1. We have a brand identify that promises customers a unique and satisfying experience.	1	2	3	4	5
2. The company believes that giving customers a consistently superior experience will lead to profitable growth.	1	2	3	4	5
3. We put the interests of customers ahead of the interests of other stakeholder groups.	1	2	3	4	5
4. Our products and services are designed to provide superior value to targeted customers.	1	2	3	4	5
5. Our customers tend to be highly loyal because of the quality of service we provide.	1	2	3	4	5
					Sub Total: _____

Leaders

1. Our leaders provide an engaging, customer-focused vision for employees.	1	2	3	4	5
2. Our leaders have the courage of their convictions when it comes to the customer experience.	1	2	3	4	5
3. Our leaders believe in our customer experience strategy.	1	2	3	4	5
4. Our leaders develop and implement customer-focused standards.	1	2	3	4	5
5. Our leaders coach employees to behave in ways that benefit customers.	1	2	3	4	5
					Sub Total: _____

People

1. We keep employees informed about business results.	1	2	3	4	5
2. We reward customer-focused employee behaviors.	1	2	3	4	5
3. We involve frontline employees in decisions about which potential co-workers to hire.	1	2	3	4	5
4. Our employees have a spirit of collaboration and teamwork in serving customers.	1	2	3	4	5
5. Our employees are passionate about serving customers.	1	2	3	4	5
					Sub Total: _____

Processes

1. Our employees are trained in a reliable service model that creates a consistently positive experience for customers.	1	2	3	4	5
2. We monitor the quality of the company's interactions with customers.	1	2	3	4	5
3. In the interest of customers, we avoid creating bureaucratic processes.	1	2	3	4	5
4. We gather customer feedback from customers on a continuous basis.	1	2	3	4	5
5. We use customer feedback to manage the business.	1	2	3	4	5
					Sub Total: _____

Total: _____

Interpretation Guidelines

If your total score is greater than 80:

Your company appears to be solidly customer-focused; you communicate a customer-focused image, your leaders are aligned around the company's customer experience vision, and they equip and engage employees in taking action to create a superior customer experience. Your company's processes and systems are more likely to support creating a positive customer experience than to detract from the customer experience.

If your total score is 60 through 80:

Your company has an uneven approach to the customer experience. While the customer experience may be an important part of your marketing efforts, leaders are inconsistent in supporting the customer experience, people may not have the direction or tools they need to create a positive customer experience, and processes may be more internally focused than focused on enhancing the customer experience.

If your total score is lower than 60:

Your company does not appear very customer-focused. The customer experience is likely to be variable or negative. Leaders are not in agreement about the importance of creating an excellent customer experience as central to your business strategy. Your employees are unclear about the customer experience vision, if there is one, and what their role is in creating the customer experience. Your processes and systems may be strong in meeting internal needs but are not apparently very effective in serving the customer.

Recommendations:

- Reflect on the findings: Think about where your company is on its "journey" to creating excellent customer experiences and what might be the major challenges and opportunities in taking the next step.
- Share with others your ratings and observations and ask them to do the same.
- Identify opportunities for action. Examine the sub-scores: In what areas is your company relatively strong, upon which you can build? In what areas are there greatest opportunities for gaining competitive advantage by enhancing the customer experience?

Endnotes

1. Tripodi, Joe, HBR.org blogs, "Coca-Cola Marketing Shifts from Impressions to Expressions," April 27, 2011.
2. Hagen, Paul, Forrester Research, HBR.org blogs, "The Rise of the Chief Customer Officer," April 18, 2011.

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