VERSION NEXT
NOW

TEKSYSTEMS CX ISSUE | WINTER 2022

ELEVATE EXPERIENCE

How to Establish an Effective
Customer Experience Strategy

Are You Experienced?

In the early 1980s, market research firm TARP conducted a study for Coca-Cola and found that a median of 10 people heard about a bad experience for a small-ticket packaged good. From there grew the marketing adage that the average unhappy customer will tell 10 people about their bad experience or the poor service they received. But it's not 1981—it's 2022, and we have access to the internet and social media. The number of people that hear about a bad experience or poor service has increased by powers of 10. If customers have a poor experience, they won't hesitate to take to Facebook, Twitter, Yelp or another social media platform to tell the world all about it, which is why customer experience is a make-or-break proposition for organizations today.

The good news is it's not that difficult to deliver good CX—you need a solid strategy, some insight into your customers' needs, a sense of what their buying journey looks like and a customer-centric mindset. As 2022 winds down, it's worth considering making CX a priority in 2023 if you haven't already started.

Sharon Florentine
Contributing Editor

THE CHANGE AGENT

Optimizing the customer experience, with clear line of sight into your customers' journeys, will unlock growth and lead to better outcomes for your business.

01

The Journey of Customer Experience

There are a lot of ways brands influence customer purchasing decisions and compete for customer loyalty. But there's a reason brands absolutely obsess over delivering exceptional customer experiences—it plays a huge role in the buying decision. In fact, 90% of consumers are willing to pay more for a product or service if it comes with great CX.[1]

Customer experience is the quality of the relationship a customer has with your company. CX is shaped by the cumulative interactions a customer has with your brand, from viewing ads on social media to conversations with your sales force or customer support team to walking into a physical store..

In general, most organizations have a good idea about how their customers experience their brand. It's become standard practice for companies to have robust customer satisfaction or voice-of-the-customer programs that track customer delight and customer pain points.
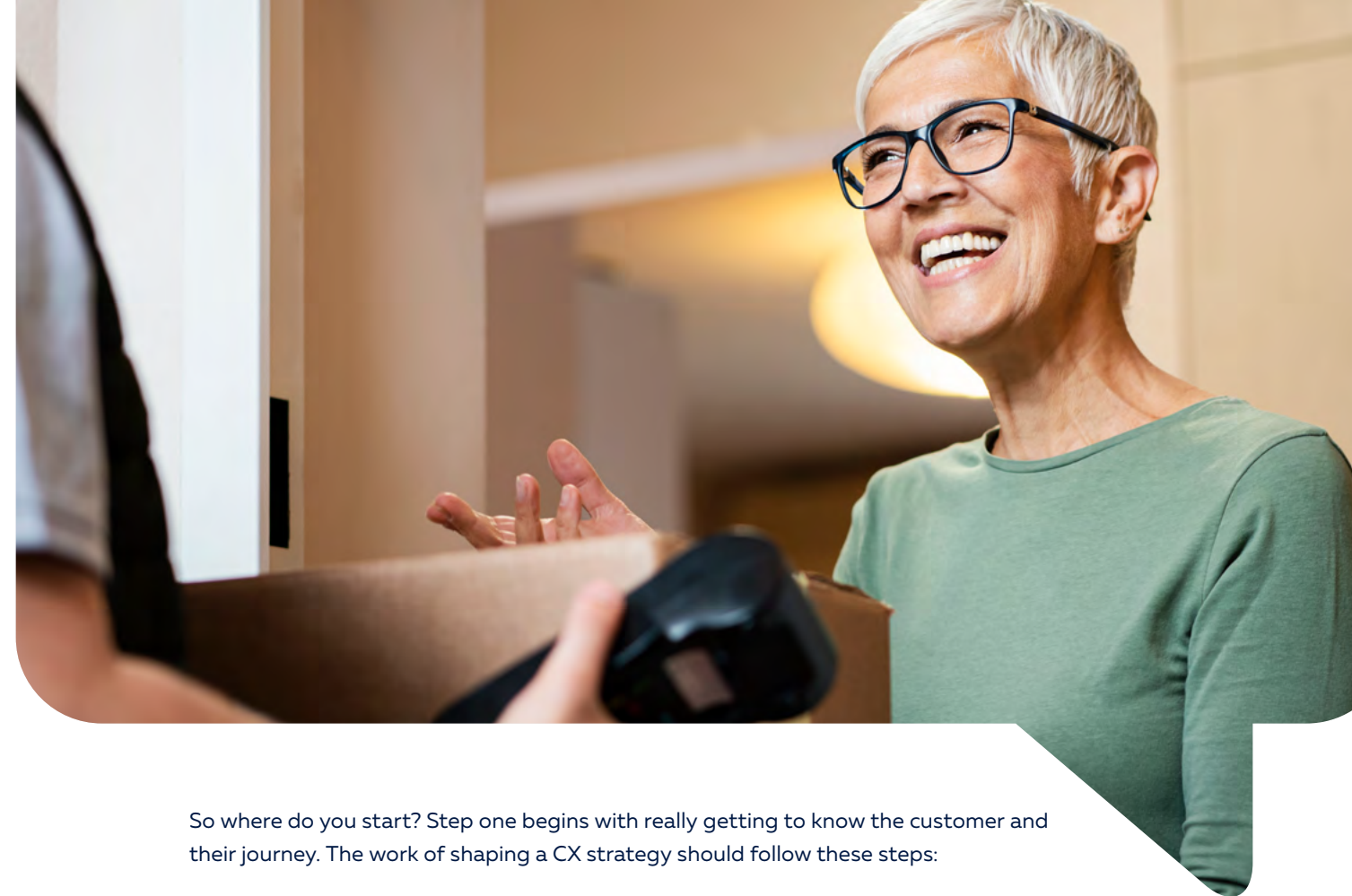
So where do you start? Step one begins with really getting to know the customer and their journey. The work of shaping a CX strategy should follow these steps:

- **Spend time reflecting on your goals** for your relationship with your customer and do some baseline investigation of your internal tools and processes.

- **Get to know your customer** and learn about their relevant (and sometimes not so relevant but illuminating) needs and frustrations.

- **Distill what you've observed** into key learning and opportunity areas, creating maps of the customer's current experiences.

- **Generate ideas**, imagining new possibilities for or in support of customer interactions.

- **Sort, group and prioritize** these ideas into a recommendation and roadmap.

- **Share your findings** in a way that illuminates the vision's possibilities and provides you with the inspiration and communication tools to move forward.

90% *of consumers are willing to pay more for a product or service if it comes with great customer experience.[1]*
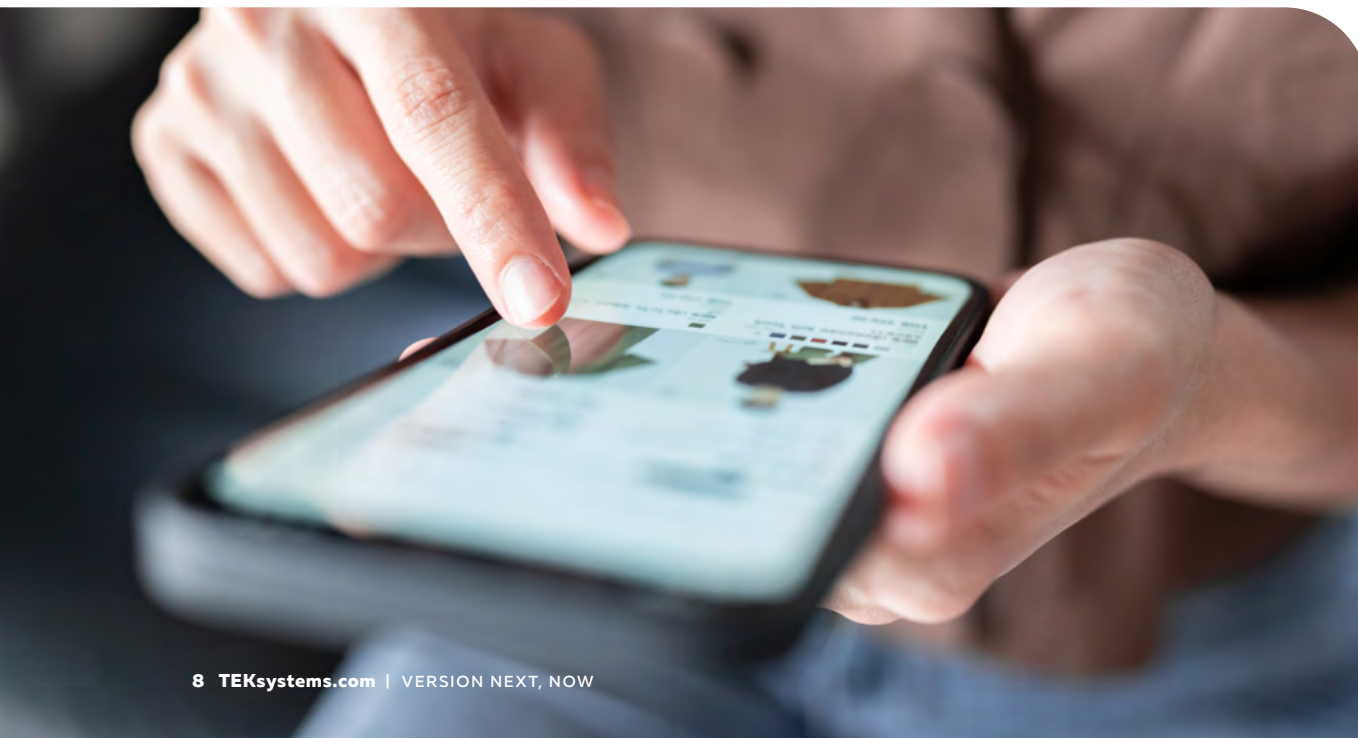
It's important to consider that initiatives included in a CX strategy may not all be customer-facing. Great customer experiences are dependent on strong internal relationships and processes, integrated tools and shared data.

The customer experience is shaped by the entirety of a customer's journey rather than any single interaction. The customer journey is rarely, if ever, linear. Your customers start and stop and retrace their steps. They jump from a digital channel to an in-store experience and back again. Customers create their own path to purchase rather than follow a predetermined process. This can make it nearly impossible to understand the customer's context—where have they been, where are they now and where are they going?

Mapping your customers' journey provides clear, simple references and shared understanding of their interactions with your brand as well as insight into their needs. Customer journey maps help you identify commonalities and opportunities to serve customers more efficiently, fixing pain points and repeating processes that resulted in successful interactions. Focus on making each experience a little better than it was yesterday. Optimizing the customer experience, with clear line of sight into your customers' journeys, will unlock growth and lead to better outcomes for your business.
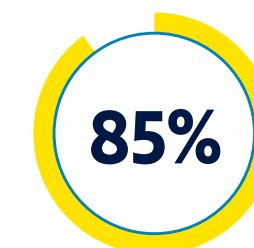
85% *of consumers expect consistent interactions across departments.[2]*

MARKET PERSPECTIVE

Sitecore explored the future of customer experience in a recent white paper, and we explore some of their perspectives here.

02

Moving CX Forward

Q What does it mean to meet ever-increasing expectations and the subsequent integration of in-person and digital across the customer journey?

+ A *Sitecore: It means meeting the customer wherever they are, helping them move seamlessly from channel to platform, to in-person experience and back again. It could include, for example, digital interactions in-store (touch screen search points), integration of offline experiences in e-commerce (augmented reality virtual "try-ons") and a seamless mix of AI and human (chatbots that defer to humans when questions become too complex).*
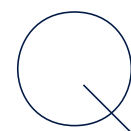
Q What is the importance of a centralized customer database?

+ A *Sitecore: "Meet the customers where they are" may be a popular mantra, but it is deceptively simplistic. This is an all but impossible task without robust customer data management, centralization and at least some degree of automation, artificial intelligence (AI) and machine learning (ML). The sheer volume of touchpoints in a customer journey is mind-boggling. Devices could include desktop, tablet, mobile, smartwatch, smart speaker, smart TV, smart car and platforms such as web, mobile web, app, social media, messenger, voice. They all have vastly different levels of data availability, brand integration and customer engagement.*

SECTION 02

Q What is technology's role in moving toward next-level customer experiences?

A *Sitecore:* Having the right technology can effectively align teams, streamline processes and connect systems to transform workflows. But technology alone doesn't always suffice; organizations need the right teams with relevant skills strategically placed so that their contributions to the customer experience can make a difference. Only then can systems and data be harnessed in a way that goes beyond the delivery basics to support messaging that scales seamlessly across channels.

Q What is the best way forward?

A *Sitecore:* Most organizations have yet to attain the next level of digital transformation. If they expect to succeed in today's environment that is driven by rising consumer expectations, they must bite the bullet and begin the behind-the-scenes transformation to build a next-generation operating model. Perhaps unsurprisingly, in our recent research, when asked about their organization's top three business goals, the top response was "better leveraging technology to accelerate our business success." There is a willingness across many organizations to delve deeper into systems that will enable them to keep up with customers' ever-increasing CX expectations.

OUR PERSPECTIVE

One North leaders Kathryn Kollett and Matt Murphy share perspectives on how companies that prioritize the customer and develop an effective and ever-evolving CX strategy will see continued success and unlock growth across their customer value chain.

03

This Time, It's Personal

In any business, customer experience is what drives the customer value chain. It's directly responsible for initial sales, repeat sales, customer loyalty and social brand advocacy—all of which essentially determine the success of a business.

Think about brands you deliberately avoid—that sentiment is rooted in your experience as a customer. You may grudgingly accept becoming a customer if you have a dire need or limited options, but they're not winning your loyalty and you certainly won't recommend that brand to others. That's what makes a compelling CX strategy so critical.

Several factors prevent success or slow down a brand's ability to implement an effective customer experience strategy. The most common problem is that they lack a customer-centric mindset. Brands may claim to be to be customer-obsessed, but organizations tend to focus internally on their products, services and financial goals. Customers don't care about a brand's financial goals, and they aren't motivated to purchase by your list of service offerings. Your customers have specific problems they need to solve and needs they're trying to fulfill. Rather than looking inward, brands should fixate on how their customers experience their brand. Then, they should focus on how to invest in people, processes and technology to innovate and deliver a better customer experience based on those CX insights.

> "The work of shaping your **CX strategy** must be grounded in **human-centered design**"

Kathryn Kollett
Director, One North
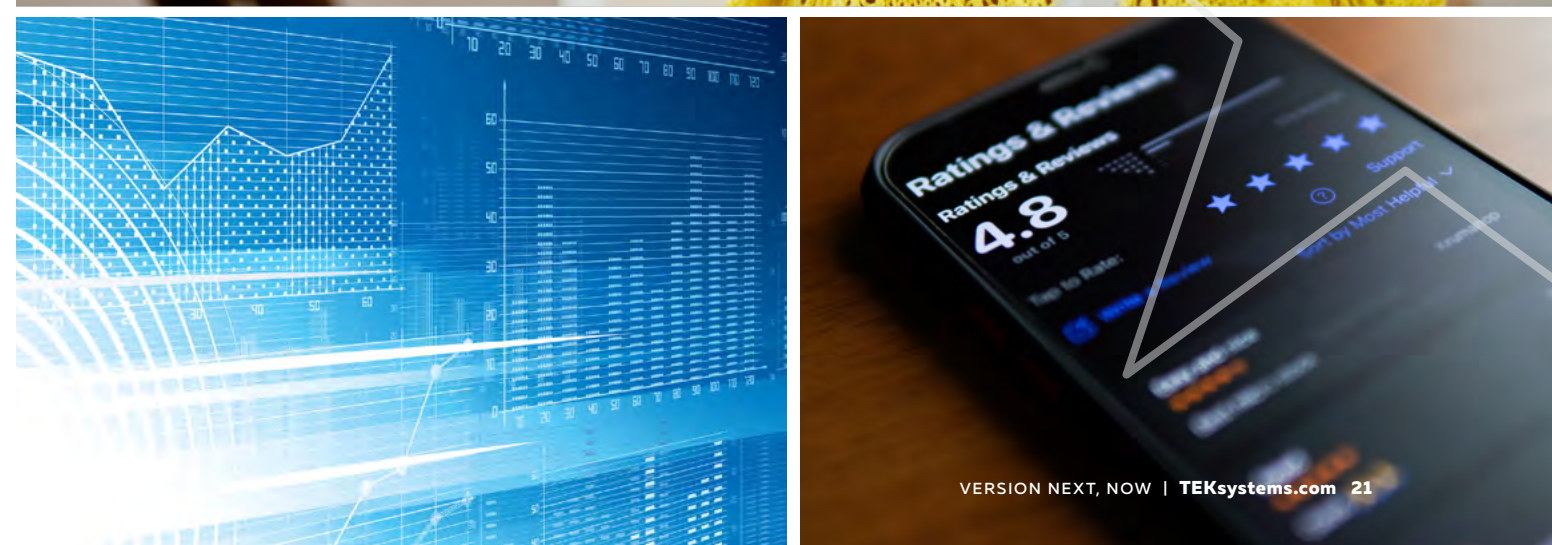
A second problem is the **lack of agreement** with regard to a CX strategy. Brands invest a lot of time and resources in defining strategies to leapfrog the competition. They talk in sweeping platitudes about their desire to delight customers through digital innovation. But that's a rather nebulous claim and almost impossible to execute, not to mention the risk involved in making such broad, sweeping changes. Companies would be much better served by focusing on incremental innovation. Your customers' experience is purely a function of the expectations they had coming into their next interaction with your brand. Consider your customers' expectations today and deliver an experience that exceeds them. Focus on making each customer interaction just a little better each time.

Siloed business operations—and in some cases, the organization's structure and hierarchy—is another headwind that can slow down progress. Securing buy-in from across the organization is critical when you're establishing a CX strategy, and that starts at the very top with the C-suite. Senior leadership must set the tone for building a culture focused on the customer. Every function of the business must have a clear understanding of their impact the customer experience journey. For example, your invoicing department may create amazing customer experiences, but if your CX strategy didn't link back to the purchasing department, you've negated all the positive headway made toward delighting your customers.

Elevating the customer experience has been proven to be an integral part of an organization's strategy. At the end of the day, customers don't care if you claim you have omnichannel or multichannel capabilities or that you are meeting your financial goals for the year. They care about the connection that is made, the way it's made and the quality of the service being provided. They want an experience that meets or exceeds their expectations. Organizations that prioritize the customer and develop an effective and ever-evolving CX strategy will see continued success and unlock growth across their customer value chain.

> "***CX strategy*** *drives the customer value chain, which essentially determines the* ***success*** *of the business*"

Matt Murphy
Director, One North

TEKsystems' Tips

Focus on incremental change: Companies often skip over incremental innovation—this is a mistake. Stay focused on exceeding customer expectations along the value chain—don't try and change the entire system in one fell swoop.

Connect with the right stakeholders early: Ensure the right people are in the room when discussing the CX strategy and also have a plan for integrating the various voices in the conversation. You don't want a member of the C-suite or another senior leader taking up all the oxygen in the room. You need to secure buy-in from everyone to be successful.

Consider all points of view: Every initiative has naysayers and doubters, and CX is no exception. Make sure their voice(s) is reflected in the final strategy.

Secure external perspective: You know your customer better than anyone (if you've done your homework), but you might be too close to the work. Lean on a partner to help you stitch the strategy together, but don't let them deliver a cookie-cutter, out-of-the box strategy. Your CX strategy must represent your unique, individual perspective on the customer.

Think like a customer: Have a customer-centric mindset when developing your CX strategy. What things would you want to see from a brand? What would turn a good experience into a great one?

Real-World Application: Lululemon Athletica

Lululemon Athletica is a multinational athletic apparel retailer with 600 stores in 17 countries. The vision statement on their website states that they create transformative products and experiences that build meaningful connections, unlocking greater possibility and well-being for all. This customer-centric vision has served them well, particularly when judged by their latest financial statements—the company reported net revenue increased 29% to $1.9 billion year-over-year. The success of the Lululemon brand has been largely driven by a human-led design approach. To support this approach, the company collects customer feedback and then adapts products and services to better serve the needs of their customers. The ability to collect actionable customer input has helped drive innovation throughout the organization.

Research insights and feedback collected from customers are shared throughout the organization, allowing cross-functional teams access to data to inform decision-making. For example, UX and brand strategy teams use insights to learn from customers and inform their planning roadmaps. In 2020, before the company kicked off new footwear-positioning research, they leveraged customer feedback to validate and establish hypotheses surrounding the customer journey, consideration set and key drivers of footwear purchases. The customer insights contributed to a robust understanding of their target audience, enabling the company to drive innovation for and with their customers.

All information shared herein was accessed from public sources as indicated.

TEKsystems Digital Strategy and Experience Design Portfolio

- **700+ clients, including 50% of the Fortune 100**
  Delivering innovative solutions in creative and design, user experience, marketing technology, and strategy and operations.

- **2,200+ digital placements across nearly every industry vertical**
  Through our Talent Services, we help clients augment, extend, accelerate or transform their digital business strategies.

- **Home to 3 of only 315 Sitecore MVPs worldwide**
  Recognized as exceptional professionals in the Sitecore community.

- **In good company**
  Transformational technologies demand equally transformative partnerships. Full-stack capabilities coupled with depth and diversity of experience in leading platforms that help organizations grow, innovate and thrive.

The views and opinions expressed in this publication are those of the authors and do not necessarily reflect the views of TEKsystems, Inc. or its related entities.

Meet Our Contributors

Kathryn Kollett
Director, CX Strategy, One North

Kat Kollett is the director of customer experience strategy, leading the CX strategy team at One North. She brings a multidisciplinary, user-focused approach to innovations in brand, digital, analog, environmental, and interpersonal experiences, and helps clients apply those innovations to meet their strategic objectives.

Matt Murphy
Director, Digital Marketing Operations, One North

Helping brands utilize their martech stack to maximize customer lifetime value. Matt has experience that spans digital marketing operations, customer experience management, data-driven optimization, content management, content marketing, SEO, email marketing, mobile marketing, digital experience platforms, and UX strategy and design execution.

About TEKsystems®

We're TEKsystems. We accelerate business transformation for our customers. We bring real-world expertise to solve complex technology, business and talent challenges—across the globe. We're a team of 80,000 strong, working with over 6,000 customers, including 80% of the Fortune 500 across North America, Europe and Asia, who partner with us for our scale, full-stack capabilities and speed. We're strategic thinkers, hands-on collaborators, helping customers capitalize on change. We're building tomorrow by delivering business outcomes and driving positive impacts in our global communities. TEKsystems is an Allegis Group company.

Sharon Florentine, Contributing Editor

Sharon Florentine is the contributing editor for Version Next, Now, TEKsystems' quarterly publication. She is an award-winning independent writer and editor with more than 20 years of experience in the tech industry. Her work has appeared in Computerworld, PC Magazine, CRN and eWEEK, among others, and she is a passionate advocate for equity, diversity and inclusion in tech and beyond. Most recently, Sharon was a senior writer for CIO.com, where she covered software development, Agile, IT careers, learning and development, and DE&I. She lives near Philadelphia.

Listen Now

Don't miss our experts as they share their perspectives on The Agile World podcast..

Be in the Know

Check out previous issues and know what's next Version Next, Now

Follow Us

in f ▶ 🐦 📷

Sources

1. Driving Customer Loyalty: Perception, Effort and Action, Sitel
2. State of the Connected Customer, Salesforce

TEKsystems®