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Customer Experience Social Media Conversations

by Lynn Hunsaker

Social media contains a wealth of information about the customer experience, and savvy managers are paying attention. In my interview with Sean McDonald, former director of Dell's online community, he points out that the social Web is full of customer comments, and engaging customers in conversations enables opportunities for:

- Building brand reputation: turn negative sentiment into positive word-of-mouth.
- Customer service: delight and retain customers for additional growth.
- Competitor analysis: see how they are viewed by customers.
- Sales leads: find customers who are researching your brand category.
- Employee engagement: channel relevant data to all functional areas.
- New product development: augment focus groups with private community inputs.



Transition to Conversations

"Typically customer conversations occur on a need-only basis, which is unfortunate," he says.

"Companies are aligned by departments to facilitate the ease of their production: Finance keeps the books, HR manages people policies, etc. — and most departments are inward facing. Customers' conversations used to be at barbecues, around water coolers, and in back halls. The social Web has unleashed a billion users with an appetite to share and learn from people like themselves. The Web has become more social and given literally everyone a voice."

"Companies can engage in conversations both online and offline about customers' passions and interests to build relationships, not just transactions. The social Web has done some of the work for you, providing public conversations that can be mined and used. The findings may be useful to a wide variety of functional areas, including finance, HR, and others, for continual improvement and innovation."

"More progressive companies, like Zappos.com for instance, establish a culture recognizing that every employee is in the customer engagement business, and that the most important opportunity is to engage a customer, and hopefully make a sale, but at least to delight and retain the customer."

Make Product Introductions More Profitable

"For new product research, augment focus groups with private community conversations: access input from exponentially more people about products, services, packaging, business models, etc. At Dell we were bringing out the Linux operating system on more of our laptops and desktops, and one of the untested questions was: how would the customer buying Linux, which requires different service than traditional operating systems, feel about self-service versus an assisted service model. Customers

responded that they did not want us to invest in an assisted service model, as they did not plan to call-in to our service queues in our contact centers. They did want relevant content to be available on the Web for them to take with them anywhere they went.” This finding made the product launch more successful with customers, and saved the company from incurring wasted costs and time.

Re-Balance Sales and Service Roles & Compensation

“Sales is typically rewarded through commissions, and you can make a lot of money in this career by generating revenue. When there is a problem, it’s left to Customer Service to retain customers as best possible. Companies organized this way tend to reward themselves for Sales calls (point of sale), but not much for Customer Service calls (point of need). Saving and delighting the customer is typically the job of the Service organization, which often has the lowest paid employees in the company, with few incentives for a job well done. Why wouldn’t a company want to make this investment more balanced, to be in a position where there’s higher likelihood to make customers more passionate, with valuable positive word-of-mouth online and offline.”

Resolve & Prevent Customers’ Problems

“There is a lot of positive customer feedback, although the negative tends to be amplified. In fact, negative comments are typically expressed with such passion that other potential customers are highly discouraged about the brand. With the Web, negative experience postings can be far and wide for any one customer. If you’re motivating your workforce to have less contact with customers, there are two sides to the coin. It’s good if you are working upstream to prevent problems, but it’s bad if you’re missing out on the exchange with customers. Service is a very big touchpoint with customers.”

“What we learned at Dell in 2005-2006, many customers were having a suboptimal customer experience around warranty support. When they were contacting us, they weren’t getting the resolution that they deserved. And they were going onto the Web and actively talking about it. You can imagine that if you repeat that 1,000 times or even 10,000 times, that now there are 10,000 mentions of personal stories of having had a bad service experience with a Dell product. With the number of views, and how far that can spread on the Web these days, if this happens to you it means you have to go out and acquire new customers to replace all those that just left. And all the prospects consider that were considering you are going to cost a lot more time and money to convince them even to consider you because of all the negative mentions that they’ve heard. So our charter was to go out and find and help those customers that were having a negative customer experience. It wasn’t to quiet them, but rather to turn a negative situation into a positive one. As we did that, people talked about the positive experiences they were having with Dell, even though it had started as a negative experience.”

“Companies that reward solving customer problems — and prevention of problems — can benefit from proactive listening on the Web. Establish within your enterprise points of contact with individuals who have both passion and authority to make change: resolve customer issues, enable customers to purchase what they’re asking for, etc. To do otherwise defeats your purpose in growing your business. Channel competitive information to the right departments to help them be more productive and profitable.” *Access entire interview at [Customer Experience is the New Marketing](http://www.blogtalkradio.com/customerexperience) (www.blogtalkradio.com/customerexperience; 25:00).*

Find out how to customize these tips to your situation; contact the author lynn.hunsaker@clearaction.biz.