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Employee Engagement in Superior Customer Experience

by Lynn Hunsaker

The hardest thing for competitors to copy is the customer experience you create. And engaged employees are the most dynamic and influential force in creating superior customer experiences. While 80% of executives say they want to use customer experience management (CEM) as a form of differentiation in 2010, only 11% would call their CEM approach “very disciplined”.¹ This mis-match of intentions and capabilities reveals a huge opportunity for sustainable differentiation – if your company is one of the few that is willing to adopt a disciplined approach.



Employee engagement correlates with customer engagement. Many companies, including JetBlue, evaluate their progress in engaging employees for superior customer experiences. The company asks crew members how likely they are to recommend JetBlue as a good place to work, and they ask customers how likely they are to recommend JetBlue to others. They correlate the answers across employees and customers, and the results are trending upward for both measures of success. Although it is a service business, JetBlue believes that only 10% of customers’ perception of their brand is visible externally through customer interactions. The other 90% of brand perception is impacted by management of people, processes, policies, and organization.² JetBlue has been the top airline for 5 years in J.D. Power’s customer service survey. As a sign of strong customer engagement, they have 1.6 million followers on Twitter, more than any company except Whole Foods and Zappos. In 2009 JetBlue was profitable, expanding to 8 new cities and hiring 2,300 people.

The number one obstacle to CEM success. In 2010, executives report a lack of customer experience strategy as their biggest weakness.¹ Half of all companies lack a customer experience management process.³ But internal understanding of the brand is taking root: over the past year, the most improved CEM competency in companies was: employees fully understand the attributes of our brand.¹

Develop a customer experience strategy. These additional CEM competencies are guidance for developing an effective strategy:¹

- 1) Employees across the company share a consistent and vivid image of target customers.
- 2) Decision-making processes systematically incorporate the needs of target customers.
- 3) Quality of interactions with target customers is closely monitored.
- 4) Employees across the company are recognized and rewarded for improving the experience.

Share a Consistent & Vivid Image of Target Customers

If you want to be a customer-centric company, you must set yourself up for success in revolving around the customer’s well-being. A thorough understanding of the customer’s world is the foundation for

customer-centricity.

What is the customer's world? It's much more than recommendation rates or features and benefits of your products and services. The customer's world is the larger context of why and how they're using your products and services:

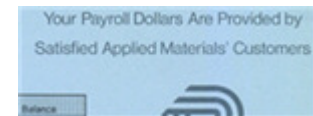
- What are they trying to achieve?
- Are there different circumstances that shape their processes and expected outcomes?
- Are there other products and services and internal elements that are combined with yours as a solution to the overall objective?
- What are their pressures, challenges, frustrations and triumphs relating to that overall objective?
- What are the customer's work-arounds for missing or complex elements of the solution?
- What does the customer consider to be excessive or unnecessary among the solution elements?
- How does the customer prioritize importance and frustration levels of the solution elements?

The goal in exploring the customer's world is to discover opportunities for making it easier and nicer for customers to get and use the solutions they're seeking.

Circumstances		Ultimate Objective	
Customer's Steps (Activities, Decisions)	Desired Outcomes (Functional, Social, Personal)	Value Criteria (Metric, Rank, Frustration)	Current Solutions (Via, Ad-Rec, Barriers)
	Increase ... Increase ... Increase ...		
	Undesired Outcomes (Functional, Social, Personal)	Value Criteria (Metric, Rank, Frustration)	
	Minimize ... Minimize ... Minimize ...		
Integrations			
Observations			

Keep your ear to the ground. A thorough understanding of the customer's world is a moving target. Arrogance has been the undoing of many a leader. Despite compelling evidence of customer retention's impact on revenue and profit, nearly two-thirds of companies do not have a formal voice-of-customer program in place.⁴ So it's no wonder that 69% of companies have not provided customer-facing personnel with customer insights.⁵ Yet, customer-facing personnel can be customer-centric only to the extent that your business processes, policies, and attitudes of all other employees throughout the company allow them to be.

Your payroll dollars are made possible by satisfied customers. This message on my bi-weekly payroll stub, at semiconductor equipment-maker Applied Materials, stood out to me as a stark reminder of the role of customers in my job. A wide array of sensitizers is necessary to keep the customer's world front-and-center for executives and employees. Use every opportunity to provide everyone with a consistent and vivid image of your target customers: post customer stories as articles, podcasts, and video on bulletin boards, intranet sites, newsletters, executive messages, and in staff meetings. Make the customer's world personal to employees by streaming relevant voice-of-customer data to every corner of your organization. Conduct workshops to help all employees identify their jobs' link to customers' well-being, and to involve them in ways to act on customer sentiment data streams.⁶



Engage employees with communities and contests. More than half the workforce at information infrastructure provider EMC is active in 160 communities, which have brought their brand values to life. 95% of employees report personal satisfaction with their job, and 86% are highly engaged⁷. By starting with internal networks and blogs, employees became comfortable with Web 2.0 tools, and became connected with EMC strategy, culture, and fellow employees. Employee experts now engage in communities for developers, customers, and partners, as well as viral marketing efforts. These communities have helped increase revenue, develop products, improve service, reduce support costs, and build relationships and loyalty.

Invest to win. Companies that have increased their customer experience investment in the past three years, compared to those that have decreased their investment, report satisfaction scores that are 60%

higher. And they are 30% more likely to have attrition rates of 5% or less.⁸ These improvements in customer retention spur company growth and likewise boost the bottom line.

Continue reading about the 4 CEM competencies to guide your customer experience strategy at www.clearaction.biz/customer-strategy.



¹State of Customer Experience, Forrester Research, 2010.

²Creating an Army of Brand Ambassadors, Marcus Evans Internal Branding Conference, 2010.

³Obstacles to Customer Experience Success, Forrester Research, 2008.

⁴Giving Customer Voice More Volume, CMO Council, 2009.

⁵Operationalizing Customer Intelligence in the Contact Center, Business Communications Review, 2007.

⁶Invisible Innovation: Process Improvement for Customer Experience, ClearAction, 2010.

⁷Employment Branding & Employee Engagement in a Downturn & Connected World, Marcus Evans Internal Branding Conference, 2010.

⁸Customer Experience Management Benchmark Study, Strativity Group, 2009.

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