Developing a Customer Experience Strategy

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What is CX?

The customer experience (CX) is the sum total of all the touchpoints and areas of engagement that a potential customer, current customer, and the former customer has with your brand. The customer experience is all encompassing from your top of funnel marketing campaigns, to your sales process, to your customer success/customer service teams.

One poor experience at any stage of the customer experience journey could completely eliminate every positive experience that a customer had prior to that moment, which is why a holistic CX strategy is essential to maintain your brand's reputation.


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Why does CX matter?

Why does the customer experience matter? For starters, loyalty.

Customers who have an excellent experience throughout their consideration, purchase, and support stages are more likely to stay loyal to your brand. In fact, according to PwC, "One in three customers are willing to switch brands after just one bad experience."

Today customers have more options than ever before and are accustomed to fast, efficient, accessible, and (most importantly) simple interactions with brands at every stage of the purchase process and beyond.

40%
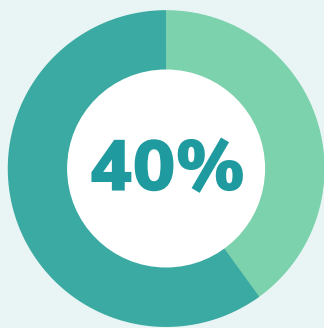
of respondents said that CX is at the core of their digital strategy

Stiff Competition

If you're making strategic improvements to your CX strategy then you're not alone. In a survey from the Harvard Business Review (HBR), 40% of respondents said that CX is at the core of their digital strategy.

Leaving Money on the Table

The Tempkin Group found that companies making $1 billion in revenue can earn an additional $700 million by focusing on CX across a three year span.

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Why does CX matter?

Your Customers Trust Each Other

New customers place a greater emphasis on peer reviews than ever before, meaning that one bad individual experience isn't isolated to that one experience - it could carry a ripple effect to new customers researching their purchase.

There are more opportunities for customers to rate brands directly and on third party platforms - not to mention the all powerful word of mouth (including personal social networks).

Referral and reputation management websites like Google, TrustPilot, G2, Capterra, and Software Advice are just a few examples of where your customers turn after a positive and negative experience and those reviews add up.

Only as Strong as Your Weakest Link

Think about it like this; your brand has 5 customer facing employees that equally manage 50 customers. Four employees are passionate and deliver a 5 star experience consistently, however one employee delivers a 3 star experience consistently.

In this scenario, your brand rating goes from a perfect 5/5 to a 4.6/5. If that one bad egg provides 1 star experience or, more realistically, all of your five star employees begin to provide 4 star experiences, then your rating now drops to a 4.2. Consistency is critical to the customer experience.

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CX best practices

The customer experience has evolved with the digital age to become more advanced and more data oriented. Gone are the days of the simple comment card. Quality customer experience data is versatile, accessible, automated, and efficient. If you're not taking advantage of technology to collect customer feedback and improve your customer experience then you're ultimately leaving it to a gut decision.

What's new in CX?

Advances in new technologies allow brands to track every customer interaction to date and the ability to predict what they will do next. As AI and machine learning technologies become more advanced that data can then be used to automate personalized experiences on every channel.

Personalization

Advances in technology mean that brands know the location (digitally and in-person) that a customer connected with your brand, which associate interacted with them, purchase history, and at the bare minimum - they know who those customers are.

How valuable is personalization to your customer experience?

Here are a few stats to pay attention to:

- 79% of customers expect a custom experience when interacting with a brand
- 72% of customers expect a brand to know their purchase history
- In 2016, Accenture completed a report that stated that 33% of customers ended their relationship with brands because the experience wasn't personalized enough
- 75% of customers are more likely to make a purchase with a brand that knows their name, purchase history, and can make recommendations based on that purchase history
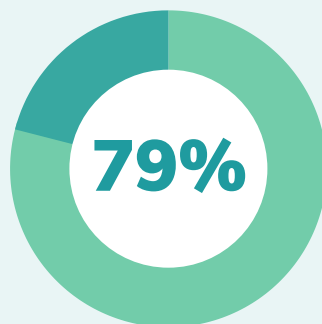
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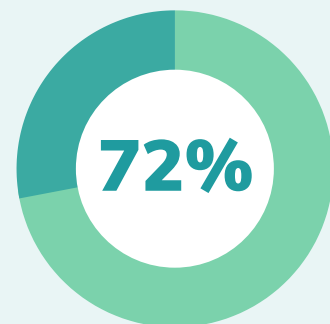
CX trends to adopt

Recognition

56% of customers are more likely to do business with an online website if they're remembered by name. Customers are less tolerant of generic messages or experiences.

Relevence

58% of customers are more likely to purchase a product that was recommended based on previous purchases/preferences. Customers are not interested in products that don't align with their interests.

Remembered

65% of customers are more likely to shop at a retailer that knows their purchase history.

Collecting customer feedback allows you to personalize experiences in 3 ways:

1 Allowing you to audit personalization efforts through surveying methods

2 Adding a layer of personalization in post-purchase surveying, which includes the customers' name, store location, associate that they worked with, and purchase knowledge

3 A channel for customers to provide feedback that you can respond to directly

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CX trends to adopt

Artificial Intelligence (AI)

Data analysis can be as time consuming as collecting the data itself. The era of big data naturally paved the way for the era of AI and the Customer Experience is no exception.

Modern CX solutions should have an element of artificial intelligence to provide users with a fully automated 360 data collection and analysis experience. This means that your AI solution should know exactly when to send customer surveys for optimal completion rates and it should be able to determine all possible outcomes when analyzing that data to provide your team with actionable insights.

AI provides a streamlined process that allows you and your team to be decisive and confident using accurate data when making improvements to your CX.
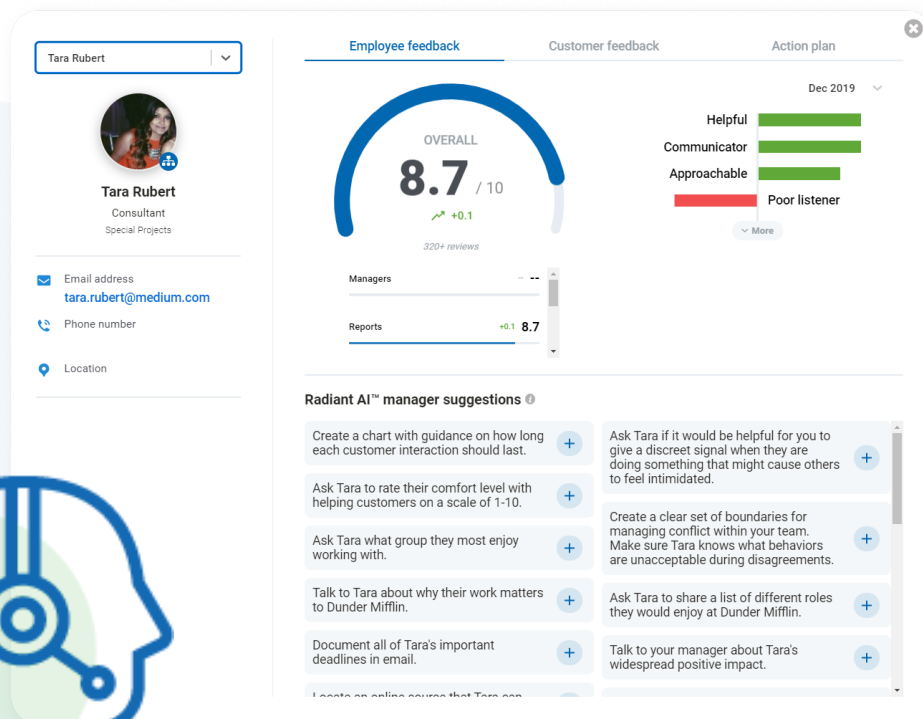
CX trends to adopt

Live chat and chatbot features

A must for any digital brand from both a sales and customer success standpoint. Customers have become accustomed to finding answers immediately by asking a representative directly.

- Live chat has some of the highest customer engagement scores of any other channel
- Live chat is the #1 service choice for shoppers between the ages of 18-49
- Even chatbots have a 63% satisfaction rate with customers with the caveat that they still have the option to connect with a live agent

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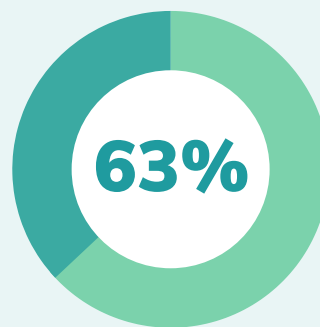
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CX trends to adopt

Develop omnichannel experiences

Between different devices like mobile, tablet, or computers and different delivery methods like email or text, customers expect flexibility when it comes to engaging with your brand. If you're sending customer feedback surveys then here are some statistics to be aware of:

- 98% of customers read text messages - only 20% open emails
- More than half of customers expect a response from a brand within 24 hours
- Companies that provide an omnichannel experience retain 89% of customers
- 55% of all digital traffic now comes from mobile devices
- 61% of customers will move on from a website if they don't find what they're looking for immediately
- 57% of customers won't recommend a brand if their website isn't optimized for a mobile experience
- 74% of customers are more likely to return to a site based on their mobile experience and 67% are more likely to make a purchase

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Intelligent highly automated call centers

Even call centers have gone digital and are developing better predictive responses based on how the customer interacts with the brand and based on which touchpoint they dialed in from, which just adds to the level of personalization that customers expect both digitally and outside the web.

Quantitative and qualitative Insights

Typical survey data is collected through multiple choice questions to help quantify the data overall, but there are ways to collect qualitative insights in a format that can be analyzed as part of a cohort.

Automation technique

Customer feedback response rates increase exponentially when surveys are sent immediately after the purchase but many studies say you could have as long as 24 hours before response rates drop. It all depends on the type of product/service your brand offers. For example, if you are a retail store or restaurant, customer feedback surveys should be sent immediately after a purchase. If your brand sells a larger ticket item, like a car, then you have additional time to send the form as the customer experience will remain top of mind for a longer period of time.

Engage with your customers in real-time

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CX trends to adopt

Piggyback on existing digital experiences

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Keep it short

The longer the survey, the lower the response rate. Keep your customer feedback surveys to the essentials to avoid significant drop off. This concept remains true for all customer interactions, be cordial, diagnose the issue quickly, and demonstrate value.

Make it easy

Single tap surveys are all the rage. Don't make prospective respondents type a bunch of information, if you can auto populate data then do so with unique links and experiences. Keep your surveys to as many multiple choice options as possible to streamline the process of completing it.

Online customer service portals

An online customer service portal benefits both you and the customer by providing on-demand support, reducing the strain of customer support and long ticket queues, additional security by reducing email communications, and greater flexibility. According to Salesforce, 90% of customers expect an online customer service portal when connecting with a brand online.

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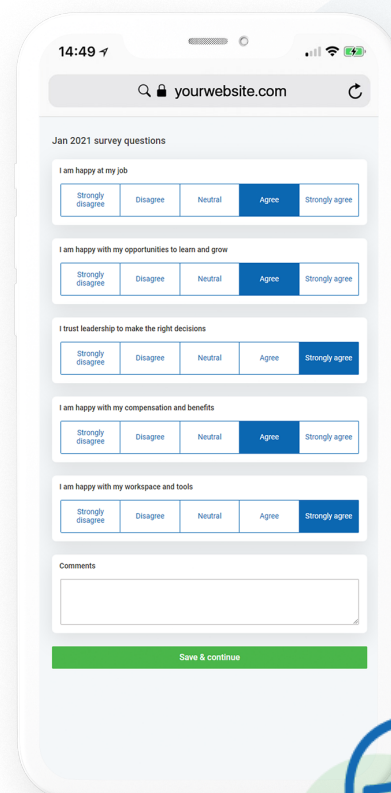
The effect of EX on CX

The customer experience doesn't just rely on adopting the latest software. Your team needs to be well informed, well trained, engaged, enthusiastic, and ready to serve. In this section, we share some data that should open your eyes on how the employee and customer experience are both connected at the hip.

- Companies with an employee engagement program reported having 233% greater customer loyalty than companies without one according to a study by Aberdeen Strategy & Research.
- A study done by Demand Metric found that companies with over 50% employee engagement retained 80% of their customers.
- There is also a negative correlation between turnover and customer satisfaction. When there is a lot of turnover, customer satisfaction dips dramatically.
- Effective managers have one of the greatest effects on employee engagement. Companies with managers who were perceived as the most effective had a 72% higher employee engagement rate.
- Inversely - companies that have little confidence in leadership have a 70% rate of disengagement from employees.
- Having the right company culture is also a major factor in employee engagement - 42% of new job applicants surveyed stated that company culture was the reason. Finding new associates who buy into the company culture is hard enough but the latency between when an engaged new associate gets up to speed on product knowledge and procedures can also cost your brand with each customer interaction during their learning curve.

What to look for in a CX tool

Single Tap Attributes

One of the easiest ways to improve engagement rates on customer feedback surveys is to reduce the amount of effort needed to take the survey. The easiest way to do that is with single tap response methods. One-click, multiple-choice, survey responses to ensure that your data is quantifiable. And if your goal is to collect qualitative data, there are single tap, multiple choice, ways to implement it into your survey.

Automation Triggers

Your CX software needs to have automation triggers that send customer feedback surveys at a cadence that aligns with the product/service that your brand offers.

Diverse Survey Collection - Multi-Device

We've said it many times just in this eBook but if you haven't picked up on it yet - get mobile! Your next CX tool needs to be able to distribute surveys via mobile/SMS and email. It must also have an interface that is optimized for desktop/laptop, mobile device, and tablet.

Simple/Easy Survey Creation - Survey Templates

Your customer experience solution should have pre-made survey templates that you can modify and customize to meet your needs in addition to the ability to create a survey from scratch.

API Diversity

Every tool has limitations, that's why you need a solution with an open source API that allows you to seamlessly integrate all the tools in your tech stack for a unified experience.

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What to look for in a CX tool

Personalization
Your customer feedback surveys should be able to identify specific details about the customer's engagement with your brand. The messages should feel like you wrote it specifically for them. Go beyond knowing their first name and have the ability to automate their entire experience from the store/location, to the purchase, and even to the employee's name who helped them.

Omnichannel Experiences
A CX solution must be able to connect with customers on all devices and be sent through a multitude of different formats like SMS and email.

Intuitive dashboards
A holistic and user-friendly dashboard that unites results from employee surveys, 360° feedback, and customer experiences in one location with full transparency to all members of the team of their own performance and the organization as a whole. By combining all the elements of CX and EX into one platform you can get a full 360 vantage point of how your brand is engaging with key stakeholders.

Artificial intelligence
Artificial intelligence isn't just a buzzword. AI powered insights take the analytical work out of your daily workflow and connect employees with action items curated to their feedback trends. Find an AI tool that gives comprehensive and actionable customer experience data.

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For more information,

macorva.com

info@macorva.com
+1 (713) 965-7560

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