Customer Experience Strategy

Bad News is Good News
Do the Whole Job



www.ClearActionCX.com





No news is bad news

Bad news is good news!

-Jim Morgan, Chairman, Applied Materials



Higher ROI by Acting on Constructive Feedback

0.41% Revenue Growth

1%
Reduction
of Negative
Word-of-Mouth

0.14% Revenue Growth

1%
Increase
of Positive
Word-of-Mouth

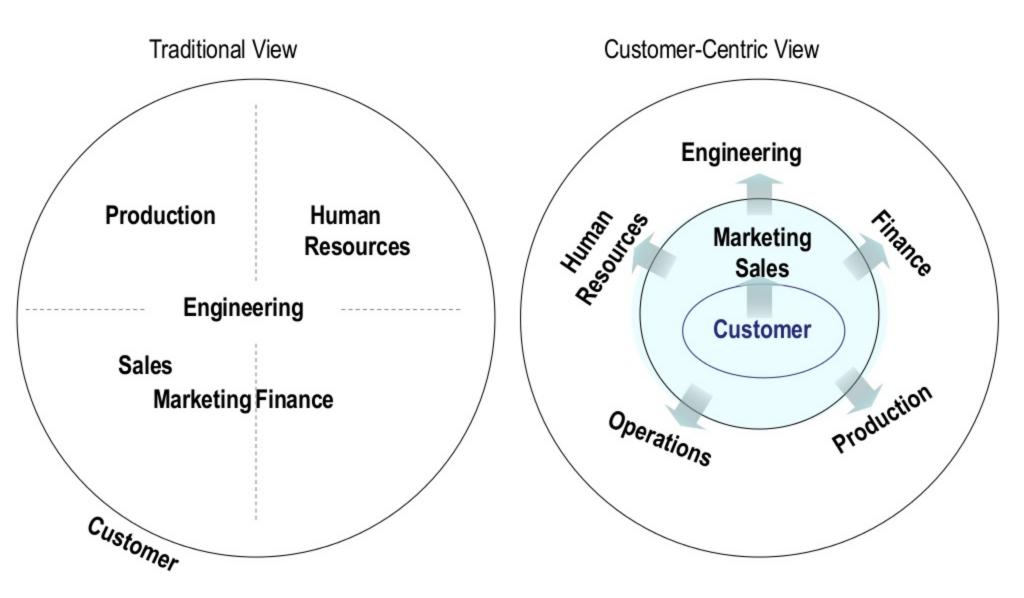


300% ROI on reducing negative buzz compared to increasing positive buzz

-London School of Economics Advocacy Drives Growth study



Key #1: Plan Full Use of Customer Feedback



Key #2: Listen to Right Customers in Right Way

| | Customer A | Customer B | Customer C | |
|-----------|-------------------------|-----------------------|-----------------|---------------------|
| Product A | + | + | + | High Profit Product |
| Product B | + | | | Profitable Product |
| Product C | | - | - | Losing Product |
| Product D | + | | - | Mixed-Bag Product |
| | High-Profit Customer | Mixed-Bag Customer | Losing Customer | |

SOURCE: Thomas N. Petro - "Profitability: The Fifth 'P' of Marketing", Bank Marketing

| Customers | High Margin | Medium Margin | Low Margin |
|-----------|-------------|---------------|-------------------|
| Many | Accountable | Reactive | Basic or Reactive |
| Medium # | Proactive | Accountable | Reactive |
| Few | Partnership | Proactive | Accountable |

SOURCE: Kotler & Keller - Marketing Management, 12th Edition



| municate Value |
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Total Customer Analysis Customer Value Guidance

Surveys
Advisory
Boards
User Groups
Lost Sales
Complaints
Lifetime Value
etc.



| Customer Market Value Product Service Pricing Sourc Distribut Sales Sales A Force Product Selection Position Develop - ing - ing - ment - ment Making Servicing Servicing Sourc Distribut - ing - ing - ing - otion - |
|---|
| Segment Selection Position Develop Develop -ing -ing Force Prom total Customer Analysis Customer Value |
| Surveys Advisory Boards Lifecycle Analysis |



etc.

| Choose the Value | Provide the Value | Communicate Value |
|--|--|-------------------|
| Segment Selection Pos -ation / Focus -i | lue Product Service Pricing Sourc Distribution Develop Develop -ing -ment -ment Making Servici | Force Prom tising |
| Total | | Lavalty Bahavian |
| Customer | Total Experience Innovation | Loyalty Behavior |
| Analysis Customer | | Programs |
| Value Guidance | | |
| Surveyo | | Databases |
| Surveys Advisory | Jsability | Automation |
| Boards | nography | Custom Messages |
| User Groups Lifecy | ycle Analysis | Custom Services |
| Lost Sales Purch | nase Process | References |
| Complaints | t-Purchase | Games, Rewards |
| Lifetime Value Cor | nplements | Communities, |
| etc. | etc. | Web 2.0 |
| CCC. | ! | etc. |



| Choose the Value | Provide the Value | Communicate Value |
|---|--|--|
| Customer Market Value Segment Selection Position -ation / Focus -ing | on Develop Develop -ing -ing | ribut Sales Sales Advering Force Prometrising |
| Analysis Customer | Total Experience Innovation Touchpoint Alignment | Loyalty Behavior Programs |
| Boards User Groups Lost Sales Complaints Lifetime Value Ethno Lifecycle Purchas Post-P | Sales Service Billing Switchboard Website, Ads Urchase Lements | Databases Automation Custom Messages Custom Services References Games, Rewards Communities, Web 2.0 etc. |

| Choose the Value | Provide the | Value | Communicate Value |
|---|--|--|--|
| Customer Market Valu Segment Selection Position -ation / Focus -ing | on \rangle Develop \rangle Develop \rangle | g Sourc Distribut -ing -ing Making Servicing | Force Prom tising |
| Total Customer Analysis Customer | Total Experience Innov | used Value Chair ation t Alignment | Loyalty Behavior Programs |
| Boards User Groups Lost Sales Complaints Lifetime Value Ethnology Lifetycle Purchase Complaints Comp | Sales Service Billing Switchboard Website, Ads Collateral, Events etc. | Data Ownership Root Causes Action Plans Leading Indicators Prediction etc. | Databases Automation Custom Messages Custom Services References Games, Rewards Communities, Web 2.0 etc. |

Customer Experience Management (CEM)



CEM: Take Advocacy To The Next Step

Traditional Advocacy

Advantage

Go To The Next Level



Expedite issues for big customers

Retain large accounts

Prevent issues systematically & Align effort with lifetime value

Rewards, Communities, Experiential marketing, CRM

Increase revenue

Ensure seamless touch-points & Prevent hassles

Advisory boards, Reference programs, Surveys

Become customer-centric

Embrace negative feedback via value-chain involvement

Product user groups, Usability testing

Improve product performance

Expand inputs to include the customer's full experience with brand

Customer service

Maintain use of product

Add customer-focus to value chain behind service functions



What Is The Difference?

Customer Engagement Customer Satisfaction Customer Relationship Management

Experiential Marketing

Customer Loyalty Customer Experience Management

User Experience Customer Advocacy Customer Retention







Typical Customer Programs – Not Connected!

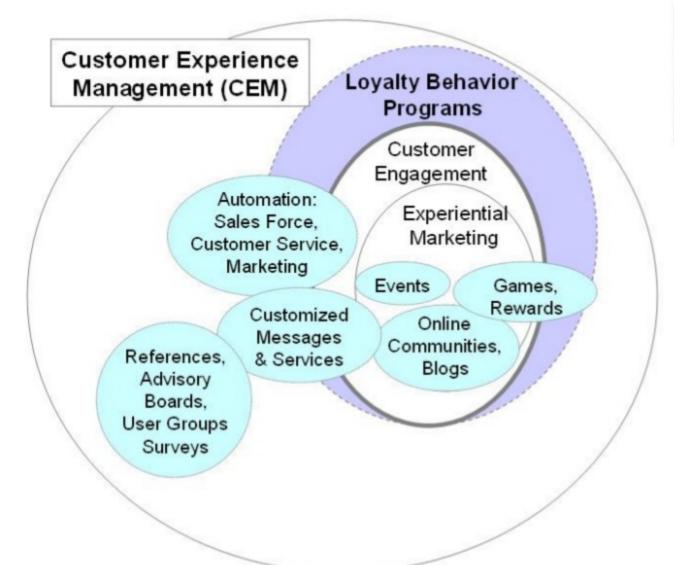






Subset: Experiential Marketing







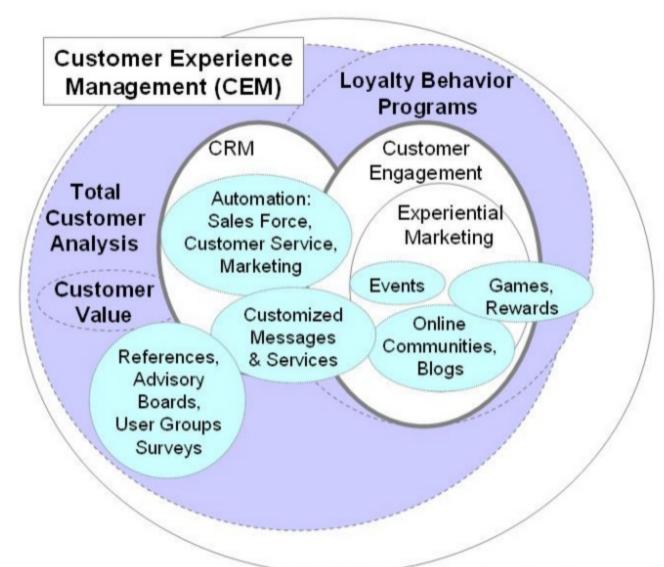
Subset: Loyalty Behavior Programs







Subset: CRM





Subset: Customer Profiles

CLV, Customer Analysis







Subset: Customer Touchpoints

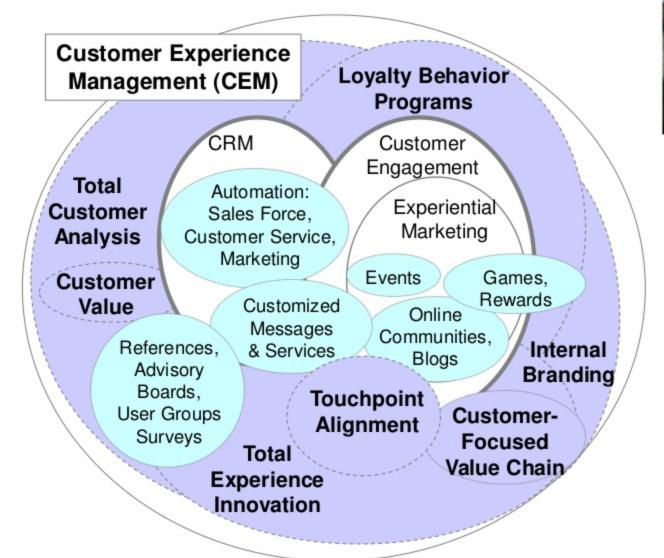






Subset: Experience Innovation







Subset: Internal Branding & Customer-Centricity

