# **Managing the Online Customer Experience**

# Meaning

Customer experience is defined as your customers' perceptions – both conscious and subconscious – of their relationship with your brand resulting from all their interactions with your brand during the customer life cycle.

As for customer experience management, Gartner sums it up pretty well in its definition: "the practice of designing and reacting to customer interactions to meet or exceed customer expectations and, thus, increase customer satisfaction, loyalty and advocacy."

Customer experience management is about more than serving your online customers. It's about more than knowing where customers shop and what brand of dog food they buy. It's about knowing your customers so completely that you can create and deliver personalized experiences that will entice them to not only remain loyal to you, but also to evangelize to others about you – and that's the most valuable form of advertising there is.

Gaining this depth of knowledge about customers isn't something that just happens. It comes from extracting customer insight from all touch points and channels across your entire organization. It's about harnessing mountains of customer data from online channels and beyond, and extracting valuable insight from that data with speed and precision.

# **Importance of Customer Experience Management**

- 1. Reiterate the branding in order to promote Brand Recall via a variety of experiences: A successful customer experience management helps in building and developing brands in the minds of the customer, which ultimately helps in the long-term association of the customers and the company.
- 2. Increase profits by enhanced sales from a cocktail of new and existing customers: A better customer experience is a sure way of getting sales and it can be from new or existing customers. A satisfied customer will always bring repeat sale and act as word-of-mouth

- **3.** Customer experience management helps to improve Brand loyalty with the help of better and positive customer interactions, customer satisfaction and customer goodwill. In the long run, these are assets for any company to grow and build future upon.
- **4. Propagate the word-of-mouth** about the customer experience thereby pulling in new customers
- **5. Inculcate the internal staff with better values** and importance of Good customer experience thereby improving the process of customer experience management

## Ways to improve the customer experience

Let's take a look at seven ways to create a great customer experience strategy to help you improve customer satisfaction, reduce churn and increase revenues.

## 1. Create a clear customer experience vision

The first step in your customer experience strategy is to have a clear customer-focused vision that you can communicate with your organization. The easiest way to define this vision is to create a set of statements that act as guiding principles.

Once these principles are in place, they will drive the behavior of your organization. Every member of your team should know these principles by heart and they should be embedded into all areas of training and development.

#### 2. Understand who your customers are

The next step in building upon these customer experience principles is to bring to life the different type of customers who deal with your customer support teams. If your organization is going to really understand customer needs and wants, then they need to be able to connect and empathize with the situations that your customers face.

One way to do this is to segment your customers and create personas. Try to give each persona a name and personality. For example, Anika is 35 years old; she likes new technology and is tech savvy enough to follow a video tutorial on her own, whereas Musahib (42 years old) needs to be able to follow clear instructions on a web page.

By creating personas, your customer support team can recognize who they are and understand them better. It's also an important step in becoming truly customer centric.

#### 3. Create an emotional connection with your customers

You've heard the phrase "it's not what you say; it's how you say it"?

Well, the best customer experiences are achieved when a member of your team creates an emotional connection with a customer.

Research by the Journal of Consumer Research has found that more than 50% of an experience is based on an emotion as emotions shape the attitudes that drive decisions.

Customers become loyal because they are emotionally attached and they remember how they feel when they use a product or service. A business that optimizes for an emotional connection outperforms competitors by 85% in sales growth.

And, according to a recent Harvard Business Review study titled "The New Science of Customer Emotions", emotionally engaged customers are:

- At least three times more likely to recommend your product or service
- Three times(!) more likely to re-purchase
- Less likely to shop around (44% said they rarely or never shop around)
- Much less price sensitive (33% said they would need a discount of over 20% before they would defect).

#### 4. Capture customer feedback in real time

How can you tell if you are delivering a WOW customer experience?

You need to ask – And ideally you do this by capturing feedback in real time.

Use live chat tools to have real time conversations and when done, send a follow up email to every customer using post-interaction surveys and similar customer experience tools.

Of course, it's possible to make outbound calls to customers in order to gain more insightful feedback.

It's also important to tie customer feedback to a specific customer support agent, which shows every team member the difference they are making to the business.

#### 5. Use a quality framework for development of your team

By following the steps above, you now know what customers think about the quality of your service compared to the customer experience principles you have defined. The next step is to identify the training needs for each individual member of your customer support team.

Many organizations assess the quality of phone and email communication, however, a quality framework takes this assessment one step further by scheduling and tracking your teams development through coaching, eLearning and group training.

#### 6. Act upon regular employee feedback

Most organizations have an annual survey process where they capture the overall feedback of your team; how engaged they are and the businesses ability to deliver an exceptional service.

But, what happens in the 11 months between these survey periods?

Usually, nothing happens. And this is where continuous employee feedback can play a role using tools that allow staff to share ideas on how to improve the customer experience and for managers to see how staff is feeling towards the business.

For example, using project management software or social media tools, you can create a closed environment where your organization can leave continuous feedback.

#### 7. Measure the ROI from delivering great customer experience

And finally, how do you know if all this investment in your teams, process and technology are working and paying off?

The answer is in the business results.

Measuring customer experience is one of the biggest challenges faced by organizations, which is why many companies use the "Net Promoter Score" or NPS, which collects valuable information by asking a single straightforward question:

"Would you recommend this company to a friend or relative?"

