



# On Customer Experience

Benefits. Best Practices. Truth.

January 2011

## On Customer Experience

There's certainly nothing new about focusing on the customer experience to differentiate a business. Over the past decades, brands have rocketed to iconic status by doing just that. Think Apple, Virgin, Starbucks, and Disney.

The difference today is that empowered consumers (B2C) and buyers (B2B) are demanding more. Not just in lower price, but in better service as well. According to a 2010 American Express study, Americans are willing to spend 9% more with companies that provide excellent service. The same study showed that 91% of customers believe that customer service is important, but only 24% actually feel they get the service they deserve. It's no wonder that brands with better customer experiences are outperforming their competitors.

## The Benefits

Companies that wholeheartedly focus on the customer experience usually enjoy these benefits:

- Reduced churn among customers and employees
- More predictable revenues
- Less advertising expense
- Lower new customer acquisition costs
- Noticeably better internal alignment
- More unsolicited referrals
- Greater brand awareness

For all these reasons, *companies that deliver better experiences operate more profitably* than others in their category.

Great experiences don't just happen and PowerPoint presentations alone can't make them a reality! They occur when all functions of the operation align with one another to achieve the outcomes your customers seek.

Good customer experience design starts with understanding what your customers care about most. Understanding which promises are most important to your customers, then aligning your organization to make and keep them, is the leader's most important role. When what the customers want most is what the business does best, the 'rising tide effect' kicks in and everyone benefits.



## Which Industries Benefit Most?

Service brands with branded locations, high transaction volumes, multiple channels, and/or many interactions between customers and employees are the biggest users of customer experience design. Retailers (any business with a cash register, really), healthcare facilities, entertainment companies, hospitality providers (including hotels, restaurants, and travel providers), and professional services firms are the fast-adopting users.

Customer Experience is also practiced by B2B and industrial firms, especially for inbound sales, design centers, sales processes, and mobile apps.



## Is Customer Experience Design For You?

Your company could probably benefit from Customer Experience Design if you answer YES to three or more of these questions:

- Is my industry being commoditized? Do I fear having to compete on price?
- Does my business involve a large degree of customer service in any or all the channels (in-store, phone, web, mobile, face-to-face)?
- Have competitors introduced positive changes that my customers are noticing?
- Am I in a highly competitive space?
- Are new product or service introductions quickly matched by the competition?
- Has finding best-fit employees and suppliers become more difficult?
- Am I spending too much time winning back customers?
- Are your customers, prospects, or employees confused about how your brand's promises are different from any of your competitors?
- Does getting everyone on the same page feel more difficult now?
- Are my processes dictating my customer's experience?
- Do different departments and functional areas within my business often seem unsynchronized resulting in disappointed customers?

## Best Practice

Working on just the customer-facing parts of the experience without working on the business processes that make the experience happen consistently better and more profitably isn't sustainable. That's why experience design should be used twice. Once to design the experience, then again to get the experience to 'fit' within the constraints of the company. These guidelines can help lead to the best approach.

The best customer experience designs find the right promises to make and the practical and profitable ways to keep them. Customer experience design achieves results that other methodologies can't because it:

- Successfully ties the brand to the business
- Shows how front line staff, supported by operations, can profitably deliver a superior experience
- Details what's important in experience delivery without removing the magic of surprise and great service

**Good Experience Design Begins And Ends With Story.** The organizations that win at word of mouth, owe thanks to their customers. They translate great experiences into stories which, in turn, create the desire for others to have the same experience. This simple formula works well because it uses design as a bridge-building tool to connect the emotions of people with the rational delivery abilities of a business.

**First, Listen To Customers.** The focus needs to be on customers. Listen intently to learn what points of differentiation will be most meaningful from their point of view. A great variety of research tools from traditional interviews to modern techniques like anthropology-inspired observation and facial profiling help identify just which experience encounters have the potential to create raving fans. Often this step also involves examining the behavior and 'hot buttons' of competitors' customers.

**Then, Listen To Employees.** Dig deeply into the attitudes and behaviors of employees, particularly those in customer-facing positions. The objective is to understand how clearly they recognize and respond to the little touches and clues that can truly differentiate the brand. Insights gained from this step help assure that the final experience design will be readily adopted.

**Know The Business Goals And Constraints.**

Describe the company's "Reason for Being" clearly and succinctly. It should describe what outcome of value the company produces, for whom, and how it delivers. Document the principles by which the company will operate. In other words, write down those unwritten rules of the road that keep things aligned and people on the same page. Depict the connections between roles and their accountabilities to each other.

**Make Your First Story An Experience.** Bring the brand to life with a story. The story can be words, pictures, animation, live-action, or video—or any combination. It's job is to give everyone in the business to see how their lives and the lives of customers will be affected by the change. It's a dynamic, visual, and emotional look at the future. Such a story will connect with employees, help them believe in it, and focus their attention on the desired outcomes.

**Sweat The Details.** Capture the present design in enough detail to connect the customer touch points with the behind-the-scenes operations that support them. Together with leaders and customer-facing teams, consider which of these touch points are the most important (cause the greatest effect, are the most memorable, define the brand, are the most story-worthy, etc), while maintaining focus on what is operationally effective. From these discussions and additional research, evolve a design for future customer encounters and a detailed plan for achieving that design. (This is the magic and the value we offer. Of course, we're not going to detail it here. Our ability to do this so well is why we get hired ;-)

**Design for Adoption Not Just Implementation.** Success at implementation is generally measured by checking to see if the physical aspects of a new customer experience are installed properly. Success at adoption, a much higher order goal of much greater value, is measured by throughput. In other words, is

everyone, employees and customers alike, operating in the new experience happily and productively. Achieving adoption is important because achieving it sooner saves the business money, resources, and time. Hint: keep your existing resources intact. Do not displace key vendors such as architects, agencies, web/mobile developers, and others whose value comes from knowing you so well. Design for implementation is a crucial step. Don't skip it.

## The Truth

Nothing is more critical to your company's success than the ability to deliver superior customer experiences—time after time. Those experiences don't just happen. They come about when enlightened companies, seeking a sustainable competitive advantage, decide that they will engineer every facet of their business to align with their customers' reasons for buying. When customers turn into enthusiastic advocates, the companies that serve them enter the ranks of some of the world's most enviable brands.

Enhancing customers' experiences at every touchpoint creates loyal, enthusiastic endorsers. Formulating a singular design for customers and employees ensures a natural alignment to deliver what brands promise. Learn how to define and tell the brand story in a way that makes a memorable, positive impression then earns a clear, sustainable, competitive advantage.

# ABOUT MIKE WITTENSTEIN



## Languages

English, International English,  
Portuguese, Spanish, Russian

## Education

MBA-Thunderbird,  
BA-University of Florida,  
Middlebury, Brazil, Russia

## Specialties

Branding, Strategy, Customer  
Experience, Customer Service,  
Story, Social Media

## Industries

Retail, Healthcare, Hospitality,  
High Tech, Non-Profit

## Websites

[www.MikeWittenstein.com](http://www.MikeWittenstein.com)  
[www.storyminers.com](http://www.storyminers.com)

## Contact

[mike@MikeWittenstein.com](mailto:mike@MikeWittenstein.com)  
+1.770.425.9830

## Travel

Mike is based in Atlanta  
and works globally.

For two decades, Mike Wittenstein has helped business leaders around the world differentiate their brands by dramatically improving their customer experience. In the process, those clients have gained market dominance, increased their sales, and/or discovered new, unexpected revenue streams.

Today Mike is a sought-after consultant, facilitator, experience makeover expert, and speaker. He works in the retail, hospitality, healthcare, and entertainment industries, as well as other service categories. He partners with both established and emerging brands. He has helped retailers like Party City, Kinko's, Best Buy, Alternative Apparel, Air Canada, and SOHO Office elevate their customer experience, while making it a lot more engaging - and even fun - for all involved. His keen observational skills and plainspoken, approachable style have given clients like Apple, IBM, McDonald's, and iPay Technologies a looking glass view into how their company is perceived by everyday customers.

As an e-visionary at IBM, Mike launched the company's first global experience design consulting practice. He was also co-founder and CEO of Galileo, a technology communications company nationally recognized for innovation and creativity.

His captivating stories teach companies how to move their products and services from commodities to objects of desire. He regularly wows audiences with his friendly, smart and witty style, as they learn how to turn everyday customers into enthusiastic brand advocates.

Mike's first entrepreneurial venture began in high school. He studied abroad for almost two years in Brazil and in the former Soviet Union. He speaks four languages, loves hiking, woodworking, and family travel. Mike is married with two children. He lives in the Atlanta area and works globally.