# Three Keys to Driving CX Program Success

## By Cynthia Grimm and Christine Mazur

*If there's one reason we have done better than our peers …, it is because we have focused like a laser on customer experience..."*
— Jeff Bezos

## Introduction

While many organizations say Customer Experience is a top priority and have developed formalized Customer Experience (CX) programs, few claim to be successful. In fact, in our recent national benchmarking study of Voice of the Customer (VoC) practices, we found that only one-third of CX professionals feel their VoC program has been very successful in driving improved customer satisfaction and business impact. In that same study, we found that VoC programs are most successful in "listening and learning" through research and contact handling and least successful in turning those learnings into systemic improvement. In other words, we are great at collecting data and terrible at turning it into actions and business improvement.

How can you avoid this pitfall? From experience, we know that organizations that have successful CX programs incorporate three key characteristics in their programs – these are what drives success:

1. **Organizational Engagement and Communication** – This starts with commitment from senior leadership and cascades through the organization. Organizational engagement requires a well-thought out communication strategy that includes program branding, governance, regular and frequent review of VoC insights, closed-loop feedback mechanism, story-telling and celebrating success.

2. **Linking CX Data to Business Results** – While many programs start out strong with a lot of enthusiasm, they quickly lose organizational support if the money spent on gathering and analyzing CX data is not tied to bottom line impact. Tying CX data to business results, requires thinking through and gaining management commitment on which business outcome metrics are most important. Then, through linkage analysis, the CX program should identify what VoC outcome metrics are leading indicators of those business outcome metrics and what are the key drivers of the outcome metrics. This provides a chain from individual actions and improvements to ultimate business results.

3. **Action Planning and Accountability** – While it is important to have good data and analysis to inform actions, real improvement in CX, and ultimately business results, is dependent on the actions taken. This requires a formalized action planning process that establishes ownership, identifies root causes, generates and tests solutions and measures the impact.

Having laid out the three keys to a successful CX program, let's discuss these one at time:

## 1. Organizational Engagement and Communication:

**It starts with <u>Senior Management Support</u>** - We are talking fundamental business transformation here and that doesn't happen without C-suite sponsorship.  It is more than just helping to secure the budget. The actions you should expect to arise from the CX Program will require top-tier engaged and active support and stewardship. Your CX Program will falter without it.



**Effective <u>Governance</u> drives the program** -  Beyond C-suite support, organizations embarking on a CX strategy require some form of governance structure starting with a Steering Committee though which to funnel and traffic-control all initiatives. This committee should either have direct involvement of the C-suite or a sponsor at the most senior level through which it will have effective access to the necessary decision-making.
Beyond a Steering Committee, some larger organizations make use of CX Champions throughout the organization. These are designated employees in each department or function who act as "champions" of the CX program.  They are trained on the key elements of the program and are charged with both communicating to those in their function or area about the program and key insights and bringing back feedback to the Steering Committee from their function or area on how the CX data is being used, success stories and any suggestions for improvement.
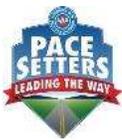
**A <u>Communication Plan</u> engages the rest of the organization** – An effective CX program communication plan has three key elements (1) program branding, (2) regular and frequent review of CX insights, and (3) story-telling and success celebration.  <u>Program branding</u> provides an easy way to talk about the program, builds excitement throughout the organization and should tie to key business objectives.  For example, a road-side assistance organization that wanted to instill a sense of pride in their tow truck operators to deliver an outstanding customer experience branded their program "Highway Heroes".  Another company tied into a corporate initiative to "Listen to the Boss".  Creating a program brand is an opportunity to engage your corporate communications professionals for a creative internal brand that also ties to your overall corporate goals and image.  <u>Regular and frequent review of CX insights</u> is imperative to keep the data in front of everyone. Make sure the information shared is to the point and relevant to the audience.  For example, sharing your overall NPS or customer satisfaction level will be appropriate for everyone and could be shared on TV's or general communication platforms throughout the organization.  But customer satisfaction with accuracy and timeliness of invoicing is better shared just with the function responsible for invoicing.  This is where your CX Champions will play a role.  One of their responsibilities might be to review the key findings with their group on a monthly or quarterly basis.

When insights are being shared, it is important to not just provide data, but to bring in the emotional element through <u>story-telling and success celebration</u>.  Stories help us to relate and are memorable.  Make sure your data supports the key story you want people to remember and then layer in actual customer stories, quotes, videos to make it "real".  And don't forget to celebrate successes and

> "*Facts are facts, but stories are who we are, how we learn and what it all means.*"
>
> Alan Webber, co-founder of <u>Fast Company</u>

make sure you tie employee actions to customer satisfaction improvements, e.g., because we improved

our xyz process customer satisfaction with that process has increased y % in the last three months.

2. **Linking CX Data to Business Results** - There are four key steps to linking CX data to business results. *First*, gain management buy-in on what business results metrics you are trying to impact – e.g., share of wallet, % renewal, share of market or some other metric. *Second*, decide which CX program outcome metrics will be the best leading indicators that tie directly to your business outcome metrics. Example of common CX program outcome metrics are NPS (i.e., intention of recommend), customer satisfaction, and intention to repurchase/renew. The right metric for your organization will depend on your industry and business model. Once you begin the data collection and analysis, conducting linkage analysis between your program outcome metrics and business outcome metrics will be important to solidify that tie. *Third*, understand the key drivers of your designated program outcome metrics. This also may be iterative, since you will need to collect data to do the analysis to truly understand the key drivers. *Fourth*, it is important to design your survey ecosystem so that you have defined key attributes that impact on touchpoints that impact on program outcome metrics and ultimately the business results metrics. This is where it is often useful to have a customer journey map and/or a customer experience roadmap to understand all of the touchpoints and impacting attributes. In the example below, any actions and improvements on "timeliness of response" for call support/Customer Service Support will have an impact on Satisfaction which will in turn have an impact on the business results. Of course, individual attributes and touchpoints don't work in isolation (they are impacted by each other) and some are more important than others in driving outcome metrics. That is where the analysis comes in to understand key drivers and how various parts work together to drive business results.



| Attributes | Individual Touchpoints | Touchpoint Stages | Program Outcome Metrics | Business Results |
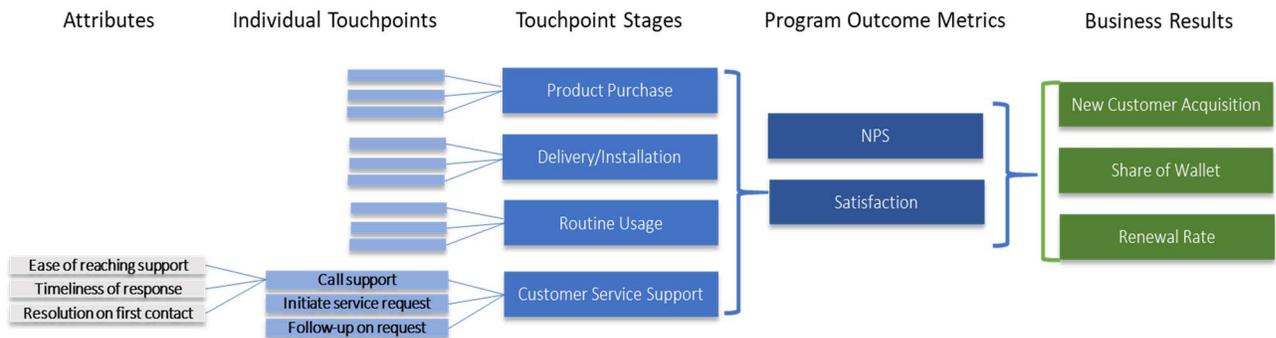
3. **Action Planning and Accountability –** We recommend the steering committee or ad-hoc action planning team use an eight-step process[1] for transforming learning into systemic improvements:

1. **Define the Issue** – Use multiple data sources to identify priority issues. Your CX data should tell you key opportunities, i.e., attributes and touchpoints that are key drivers of outcome metrics (e.g., NPS or satisfaction). In addition, look at operational data and customer contact data for additional input to set priorities.

2. **Establish Ownership** – Identify owners for each opportunity area. Ideally, your steering team or action planning team will have representation from all part of the organization that have a hand in shaping the customer experience, so that you can move quickly with assigning accountability.

3. **Ensure Clarity & Understanding** – Make sure those who are accountable for taking action understand what the customer wants the organization to do better or differently. Looking at

survey verbatims is one good way to add clarity.  Or, you may need to conduct drill-down investigations with some additional qualitative interviews with customers.

4. **Identify Root Causes** – The goal of this phase is to pinpoint the origins of the poor or dissatisfactory customer experience.  This may involve looking at policies, processes, practices, technology and people management.  This could also involve standard Six Sigma tools, such as fishbone diagrams or "5 Why's" analysis or detailed process mapping tools.  Whatever approach you choose, make sure action item owners have identified what may need to be fixed or changed before moving ahead.

5. **Generate Potential Solutions** – For each origin or root cause, identify at least one potential corrective action, innovation or solution. This can be done through a brainstorming session where all potential ideas are put on the table, without evaluation.

6. **Evaluate & Select Solutions** – Once all potential actions and solutions have been generated, each must be evaluated and a decision made on whether to include it in the final improvement plan.  Criteria to consider are:

- *Clarity* – the action or solution is easy to explain and understand
- *Impact* – the action or solution will really help improve the customer experience
- *Difficulty* – the action or solution will *not* be difficult to implement
- *Time* – the action or solution can be implemented in a timely fashion
- *Cost* – financial resources are available to implement this action or solution
- *Resource*s – human and other necessary resources are available to implement this action or solution
- *Return on Investment (ROI)* – using the data from your research and "what if" scenarios you can model the potential ROI of each action or solution.  CX Solutions uses "Dollar Impact Analysis"[2] to conduct this type of analysis.

7. **Finalize & Enact Plan –** Armed with a set of actions and solutions that "pass the test", the owners can finalize and implement the improvement plan.  The team should document the plan in the form of an Improvement Plan Charter.[3]

8. **Determine the Impact** – Once the plan has been implemented, start looking for evidence of impact and improvement.  Evidence can be gathered through the ongoing CX survey, but also might be evident in fewer complaints to the contact center or an improvement in the internal operational metric that is tied to the area being improved.  For some actions/solutions, you may want to pilot test with one area or a customer segment to determine if you will get the impact that you expected.  This also gives you more of a chance to test and iterate before you roll out to the larger organization.

And then, when you do determine improvement, it is important to communicate and celebrate! Success breeds success!

## Conclusion

In their CX programs, organizations are generally good at collecting CX data and struggle with turning data into business improvements.  We have found three key areas that drive CX program success:

1. Organizational engagement and communication
2. Linking CX data to business results
3. Action planning and accountability

When organizations pay attention to these areas and implement appropriately, they typically see steady improvement in both outcome metrics and business results.

End Notes:
1. Adapted from "Eight Steps to Improving Customer Experience" by Randall Brandt
2. See CX Solutions white paper on "Keep Your Eye on ROI"
3. For more information on writing Improvement Plan Charters, see Pyzdek, T. and P Keller (2010) *The Six Sigma Handbook*.  New York: McGraw-Hill; pp. 165-166.