

Customer Experience: a journey from root to sprout



It's obvious your customer is your most prized stakeholder. Customer is the driving force of every enterprise. High profitability doesn't define business success in the digital era rather a number of happy customers do. To keep the customers happy and coming back for more, businesses tend to invest on Customer Experience.

The journey of CX begins when a customer first hears about your business. Today's customer is knowledgeable and well-informed. They already know a great deal about your products/services before they get in touch with you.

The first point of contact with this potential customer starts defining whether the lead will convert into lasting business. 70% of buying experiences are based on how the customer is being treated [1]. This individual experience is what the reputation of any business is built on.

Customer Experience extends from this initial step until your customers decide if they would like to do business with you again. Everything that happens meanwhile builds trust of the customer. To continuously improve the CX journey, a dedicated approach to customer satisfaction is required.

Identifying Customer Touchpoints

It is important to identify primary customer touchpoints to enhance their buying experience. Touchpoints are the instances when a customer comes in contact with your brand; before, during and after the sale. Identifying and optimizing your customer touchpoints will help you in improving their experience doing business with you and increasing the probability of turning new customers into brand-loyal frequenters.

All the means through which your customer connects with you in the three stages of sales are their touchpoints. Businesses closely observe the experience these touchpoints offer to avoid shortcomings.

For instance, if a customer reaches your website with the intention to get information about you, your website must be built to optimize this online experience. Do you have all necessary information available online? Can your customers easily find it? Is support available on demand? According to the Customer Experience Board, 55% of consumers have bailed out from a transaction due to poor experience [2].

Since the visit on your website is the first impression of your company to the customer in this case, it needs to portray you well. Similarly, there are more touchpoints that need to be taken care of to successfully facilitate the customer experience journey. I bifurcated a few components across the sales cycle and came up with the table below.



Before Purchase	During Purchase	After Purchase
Social Media/Internet	Sales Representatives	Billing
Testimonials	Catalog/Portfolio	Marketing Emails/ Loyalty Programs
Word of Mouth	Promotions	Service/Support Staff
Advertising	Phone System	Follow-ups
Public Relations	Point of Sales	Thank you cards

Newest Trends in Customer Experience

Businesses have changed the way they deal with customers. What once used to be a small component in the marketing process has now emerged as a core organizational function.

Tony Costa, Senior Analyst Forrester has mentioned in his speech the two steps towards better customer experience ^[3]:

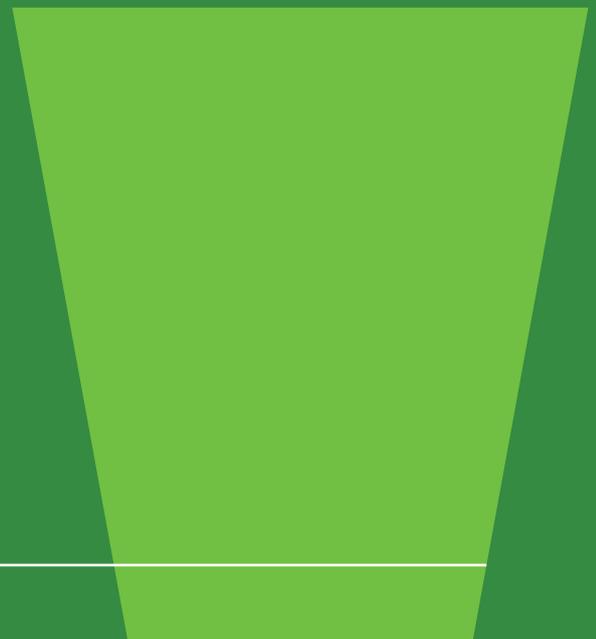
1. Fixing existing CX loopholes and bottlenecks
2. Improving the customer experience in new ways

It is one thing to fix the problems that have occurred. Improving the customer experience has far reaching implications for business in terms of sustainability and success. Leaving the bad CX problems behind will only pile them up leading to a bad CX reputation of the company. More than 58% of a business's customers will not use its services again after a bad experience ^[4].

Thinking forward and finding new ways to improve the customer experience brings new potential to succeed in the digital era. A continuous process of observation and self-improvement elevates CX in the long run. One of these ways is adding value to the customer. Another would be to connect with them in a way that matters to them.

A third way of improving CX would be to give equal and undivided attention to all your customers and treating them all with warm hospitality. This will significantly improve the customer experience overall. According to a 2011 report, customers feel they are brand loyal for the following reasons ^[5]:

- ▶ 73% are entranced by friendly employees or customer service representatives
- ▶ 55% also find easy access to information and support the main driving factor to brand loyalty
- ▶ 36% of the customers prefer personalized experiences and customer support



Innovation brings new tides of customer experiences. The more innovation-centric your enterprise, the faster you will be able to offer exclusivity, simplicity and value for time and money through your sales cycle. If you bring innovation in customer experience, it's bound to surprise your customers. If you stand out in the market with your customer experience, your brand image will improve.

For example, T-Mobile appointed mobile and web analytics to find the interdependencies present between checkout withdrawals on mobile, the web and social ^[6]. They found out the loopholes that hinder the online buying experience and eliminated them with the help of smart analytics which in turn boosted revenues.

In another instance, L'Oreal Paris enhanced their web experience for consumers ^[7]. Although the website was strong at highlighting primary products, it wasn't connecting them to the consumer at a deeper level. The improvement in a few components of the website resulted in significant increase in online customer satisfaction.



Customer Experience in the Digital Era

To keep up with the technological advances of the day, businesses need to capitalize on a strong digital presence. People tend to use digital channels more and hence most information and updates are shared online.

The competition between businesses has shifted over to digital platforms. Not only does the CX make the business fit to compete but it also generates revenue. According to a report, 30% of customers share positive reviews on the social media and 69% prefer reading them. On the other hand, 49% of customers share negative reviews on social media with 63% of consumers reading them ^[8].

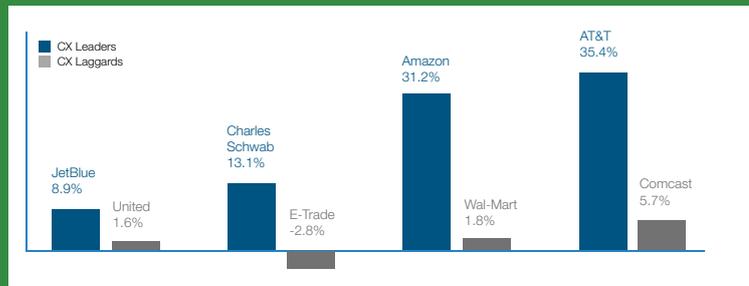
Another way to enhance customer experience is to make every customer feel special. They must feel that they are being taken care of individually. If the response to a customer is personalized, they are bound to feel special which improves their buying experience. Business analytics play an important role in achieving such services. Analytics help you find the information that is important to you so it can be used to boost customer experience.



Better CX Means Better Revenues

Improved customer experience does not only make your customers happy. It is directly proportional to the revenues of your business. Better the customer experience, higher the revenue growth for your business.

The following comparison chart from US Security and Exchange Commission filings show how CX leaders grow significantly more in generating revenues than CX laggards ^[9]. This bar chart explains the role CX plays in generating significant revenues for a business.



The enterprise sector of Pakistan has enormous potential when it comes to CX. While attempts at improving customer experience in the telecom sector are being made, other industries especially the FMCG sector are yet to explore their abilities to harness customer satisfaction and service quality. APAC's insurance sector, for example, had the least score for customer experience out of all the five regions highlighted according to a recent report ^[10].

Another study suggested that APAC mobile subscribers were willing to pay more for a better customer experience (56%) as compared to the global average (45%), showing their priority to be served with better support at all levels ^[11]. This shows there is potential to invest in CX and businesses are not exploring it at the moment. Starting with a strong digital strategy going back to technology, we can completely transform the CX journey of the customer, starting from the very first touchpoint all the way to the very last.

CX Facts

86% of buyers are willing to pay up to 25% more for a better customer experience.

52% of consumers have made more purchases from a company after having a good customer service experience.

62% of B2B customers purchased more after a good customer service experience.

87% of customers share good experiences with others.

Sources

- [1] <https://www.helpscout.net/75-customer-service-facts-quotes-statistics/> (McKinsey)
- [2] http://about.americanexpress.com/news/docs/2012x/axp_2012gcsb_us.pdf
- [3] <https://www.forrester.com/>
- [4] <http://www.newvoicemedia.com/blog/the-multibillion-dollar-cost-of-poor-customer-service-infographic/>
- [5] <http://www.slideshare.net/RightNow/2011-customer-experience-impact-report>
- [6] <http://www.foresee.com/resources/case-studies>
- [7] <http://www.foresee.com/resources/case-studies/case-study-loreal-paris/thank-you/>
- [8] <https://www.zendesk.com/resources/the-impact-of-customer-service/>
- [9] <https://www.forrester.com/>
- [10] <https://www.worldinsurancereport.com/rankings#regional-customer-experience--scores-and-rankings>
- [11] <https://blogs.amdocs.com/>

Suggested Study Material: KPMG Customer Experience Barometers Report 2015

<https://www.kpmg.com/dutchcaribbean/en/Documents/Publications/customer-experience-barometer-v1-fs.pdf>

Suggested Study Material: Mobile Customer Experience is Asia Pacific's Next Digital Frontier – 2015 Predictions

http://blogs.forrester.com/dane_anderson/14-11-12-mobile_customer_experience_is_asia_pacifics_next_digital_frontier_2015_predictions

Suggested Study Material: American Express 2014 Global Customer Service Barometer

<http://about.americanexpress.com/news/docs/2014x/2014-Global-Customer-Service-Barometer-All.pdf>

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