How To Improve Customer Experience

Organisations focus on customer experience to satisfy customers, attract new customers, and increase customer lifetime value. Those who do this well know that great customer experience is more than 'customer service'.

Successful organisations view customer experience as incorporating everything they do for customers. That is, engagement between customers and your staff as well as engagement with your products and services, brand, and with other customers (and potential customers).

This is a much broader approach than is common. And it is an approach that often requires new strategies and skillsets.

The good news is that progress can be broken into defined stages. There are four stages on the path to realising the full potential of customer experience:

1. The first stage is **customer service**. This is the 'service with a smile' stage. It includes training staff, tracking customer satisfaction, reducing error rates, and improving the convenience and efficiency of touch points. It covers both person-to-person and online touch points.

2. The second stage is **customer journey**. This stage moves from optimising touchpoints to improving the tend-to-end customer journey. This includes providing a simple, consistent and seamless experience across all touchpoints.

3. The third stage is **service design**. The first two stages are about how your organisation interacts with its customers. The third stage also includes your products and services. As they are the real reason customers engage with you at all, the third stage places them at the centre. At this stage, organisations often start by identifying unmet or poorly met customer needs. Using those insights, they design or re-designing their products and services as end-to-end experiences. In other words, they use design thinking across the entire customer value chain.

4. The fourth and final stage is **customer experience**. That is, holistic experiences that engage customers and satisfy emotional and rational needs. It may include building and nurturing communities, or engaging with existing communities.

A few industries like theme parks and restaurants were born at the customer experience stage. Other industries – especially ones like financial services that are heavily based on products to met rational needs – will find there are significant opportunities from pursuing the full benefits of customer experience.

The Customer Experience Pyramid

Customer Experience
- Emotionally engaging services
- Relevant social engagement
- Nurture, engage with communities

Service Design
- Solve users problems vs 'develop products'
- Innovate to increase value to customers
- Deep ongoing customer insight

Customer Journeys
- Manage end-to-end journeys
- Easy, efficient, coherent end-to-end
- Seamless and consistent across channels

Customer Service
- Friendly and responsive
- Efficient touchpoints
- Get-it-right-first-time
- Great complaints handling