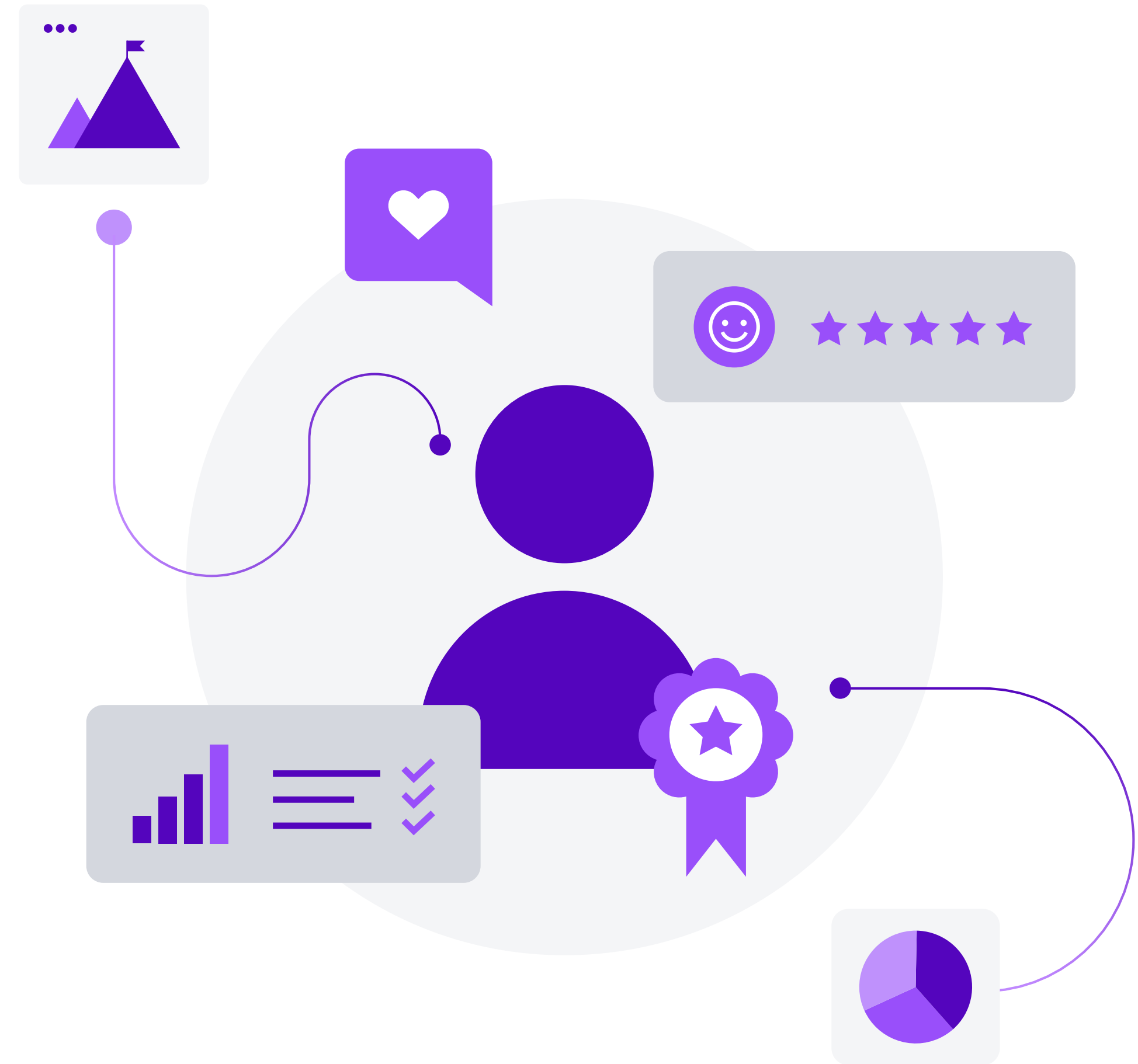


TALKDESK WHITE PAPER

Great expectations: Satisfying the modern consumer

by Brad Cleveland



:talkdesk®

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Introduction

Effective customer experience leadership—along with the right technologies, approach, and culture—is more critical than ever. In this report, customer strategy expert Brad Cleveland gives his insight into five key areas that he believes are essential to turning your customer experience vision into reality. Brad is the author of the new book, *Leading the Customer Experience* (Kogan Page, New York, 2021). The contents of this paper draw from Brad's book, the International Customer Management Institute (ICMI), Talkdesk, and other sources.

Most leaders recognize the importance of customer experience. And many organizations are, at least in part, employing some customer experience methods and principles. But too often, these efforts are coming up short. In this paper, we explore five keys to success:

1. Understand today's customers' needs and expectations.
2. Establish a compelling customer experience vision.
3. Boost the value of customer support.
4. Harness the potential of systems and processes.
5. Maintain and build on your momentum.

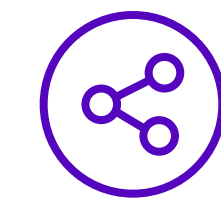
These principles will not go out of style. They are important today and are essential to prepare for tomorrow.

What is customer experience?

Customer experience can be defined as:



Everything a prospect or customer hears about your organization.



Every interaction customers have with your organization and its products and services.



Ultimately, how customers feel about your organization.

— *LEADING THE CUSTOMER EXPERIENCE*, BY BRAD CLEVELAND, KOGAN PAGE, 2021

Customer experience—more important than ever

Customer experience is more important now than ever before, for several reasons:

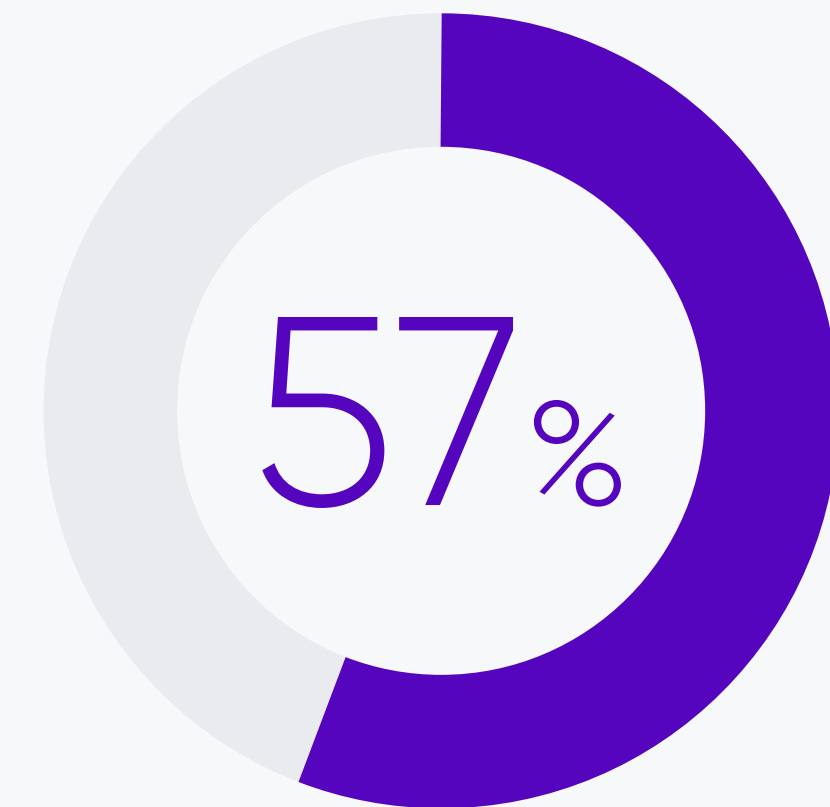
Customer needs and expectations are evolving quickly. The COVID pandemic forced dramatic, worldwide change on organizations and consumers. Work from home (WFM) became the new normal for many, and employees had to juggle family and work demands more than before. Consumer needs changed overnight. As things rebound, aligning your services to meet evolving customer needs and expectations is imperative.

Customer experience is a unique journey. If you could simply acquire “the answers” on what creates a great customer experience, leadership wouldn’t be essential. Case studies from pandemic-fueled Amazon, Apple, Zoom, or UPS can be as discouraging to some as they are inspiring to others. Further, simply trying to emulate others rarely

works. Each organization’s journey is unique. You’ll need to find the path that’s right for you.

Customer experience has an enormous impact on your organization. The costs of poor customer experiences are staggering: lost customers, damage to your organization’s brand, the adverse effects of employee dissatisfaction, to name a few. Better experiences deliver a powerful upside: customer retention, positive word of mouth that strengthens your brand, and competitive differentiation. Customers tolerated, for a time, inconveniences and service misses. Patience has run out, and the months ahead will cement brand reputations, good or bad, for many organizations.

The good news is, creating effective customer experiences is not a mystery or uncharted territory. If you and your team focus on proven principles, your odds of success increase dramatically.



of Leaders in North America and Europe say their entire business model needs to be reconsidered in the wake of COVID-19.

Futurum Research, June 2020

I. Understanding today's customers

As a leader, you have to continually reassess and recalibrate what it means to deliver a great customer experience. When customers are pleased by innovation in products or services from one organization, they begin to expect improvements from others. This can seem like a daunting challenge. Fortunately, it's not hit-or-miss guesswork. ICMI has identified 10 expectations customers have when interacting with organizations.



What is changing, of course, is what these expectations mean. Since early 2020, for example, there's been a dramatic shift to online alternatives in education, retail, entertainment, government, and other economic sectors. How we buy, consume, and engage has put a premium on the need for products, services, and support to be accessible through a range of convenient channels.

Customers don't want to think about channels or processes. They just want services to be understandable and easy. This is made possible by a "digital front door" strategy, along with omnichannel (deeply integrated channels) capabilities that enable you to meet customers when and where they want to be.



82%

of consumers say the number one factor to a great customer service experience is having their issues resolved quickly.

Voice of the customer

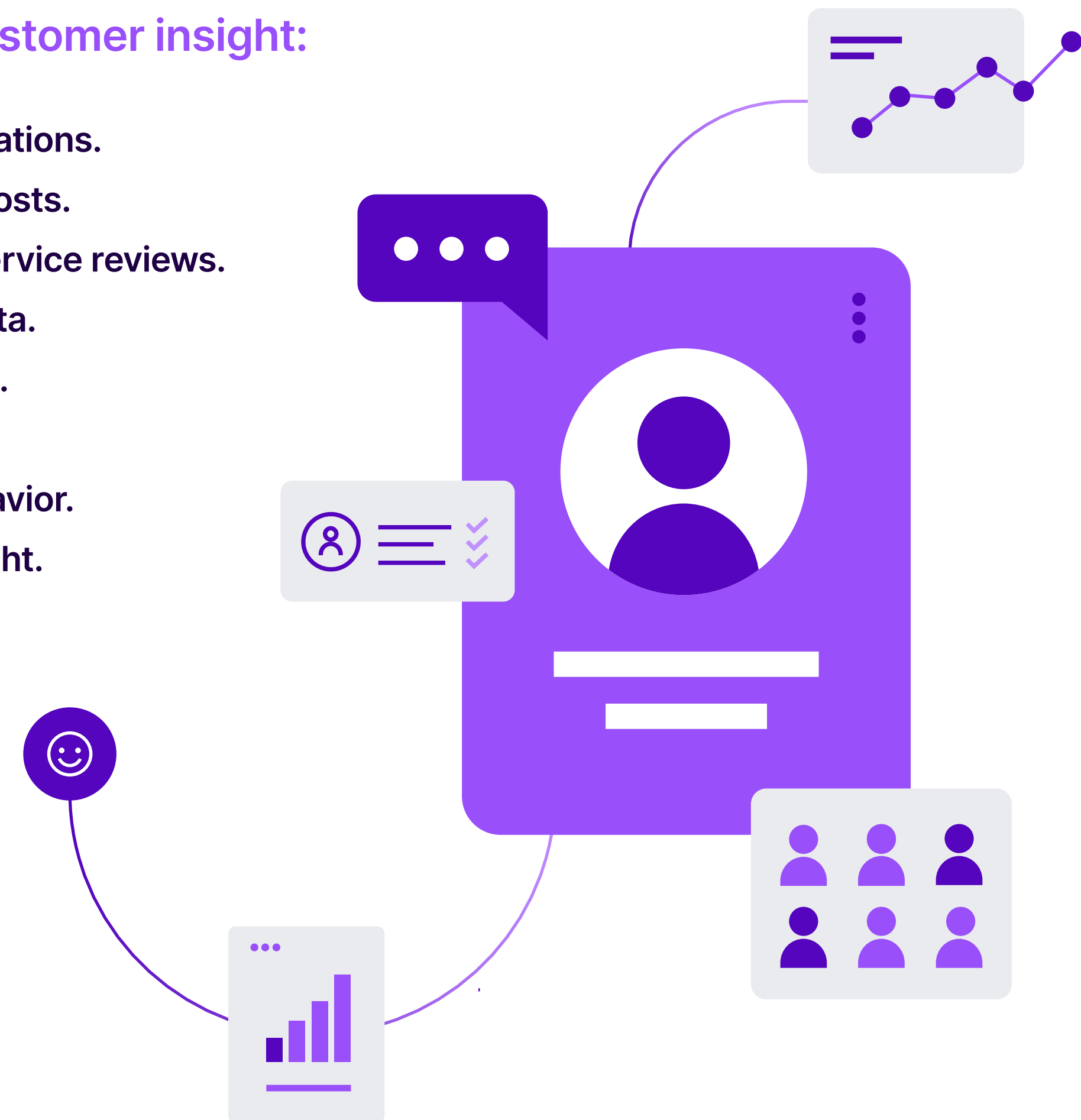
How can you truly understand how customers perceive and define expectations—accessibility, courtesy, responsiveness, and others? The answer: listening carefully. Feedback from customers and employees is like oxygen: your organization must have it to survive and thrive. Voice of the customer (or VoC) is the term often used to describe this process.

VoC initiatives vary widely from one organization to the next. In some cases, these activities are limited. They may primarily revolve around surveys but do not include other sources of feedback. The VoC program may be too tightly controlled, with only limited involvement from the rest of the organization.

In other organizations, VoC is vibrant, strategic, and effective. The VoC initiative enables the organization to capture a wide range of feedback, analyze it, identify priorities, and take action. These organizations invest in tools and processes that capture data as they engage with customers and provide insight on channel, context, and other aspects of the customer's experience.

Sources of customer insight:

- **Direct conversations.**
- **Social media posts.**
- **Product and service reviews.**
- **Operational data.**
- **Channel usage.**
- **Focus groups.**
- **Customer behavior.**
- **Employee insight.**



II. Establishing a customer experience vision

With great expectations, one organization launched its customer experience initiative to a cross-section of employees (in person, in a large meeting room, just before COVID shut things down). Two presenters walked through a 75-minute overview. In 30 to 40 slides, they covered acronyms, discussed surveys and response rates, and introduced various metrics and other topics.

After the presentation, two people were talking as they headed for a coffee station. “Did you get all of that?” one asked. “Not much” was the reply, “And we’re up to our eyeballs in work; I hope this doesn’t add much to it.” This organization, like so many, missed the opportunity to win hearts and loyalties. Few employees felt a sense of ownership.

What was missing? Vision! Can you picture Richard Branson, Emily Weiss, Elon Musk, or another leader

you admire launching a new initiative around metrics or internal efforts such as digital transformation? It would never happen. Those things have an important place—but as supporting roles.

Successful organizations create a customer-focused vision that all can get behind—one squarely focused on customers. For example, a retailer of outdoor clothing and supplies has the mission to inspire and educate customers for a lifetime of outdoor adventure and stewardship. A government agency is transforming around the vision to make government services simple so that people can get on with their lives.

An effective customer experience vision brings focus. It enables you to clarify values and simplify your products, services, and what you stand for—your brand promise.



+679%

Since 2009, a stock portfolio comprised of the publicly traded simplest brands in our global Top 10 has outperformed the major indexes by 679%.

— THE WORLD'S SIMPLEST BRANDS, SIEGEL+GALE, 2020

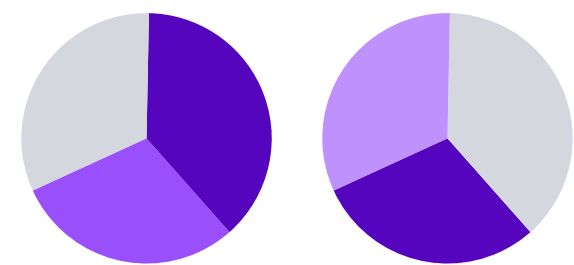
Identify important goals

With vision in hand, you're ready to develop the guideposts you'll use to make sure your organization is headed in the right direction. There are two major categories of goals—business goals and customer experience goals.

BUSINESS GOALS:



Boost customer lifetime value.

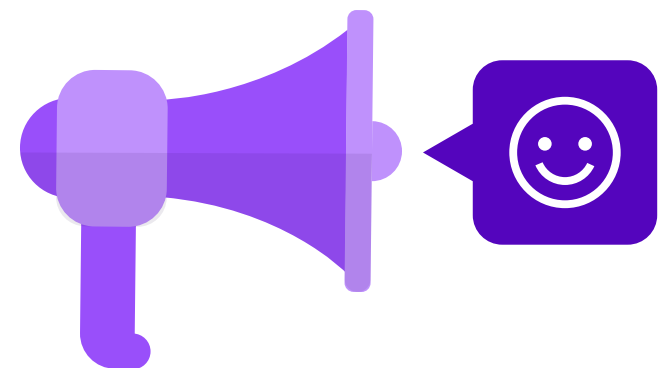


Improve market share.



Increase customer retention.

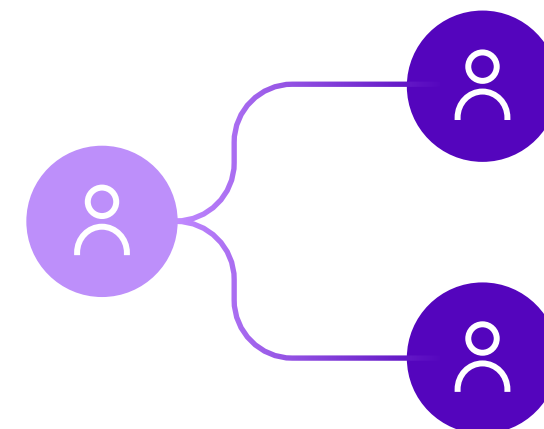
CUSTOMER EXPERIENCE GOALS:



Boost positive word-of-mouth.



Reduce customer effort.



Improve employee engagement.

Business goals justify your customer experience initiative. They are most likely reflected in the metrics you use to measure organizational health. Examples include: decrease annual customer churn, increase revenue, boost customer lifetime value, improve market share, and others.

Customer experience goals measure the success of your efforts. These include both department-specific and overall goals. Some gauge perceptions: customer satisfaction or how easy they felt about the experience. Others follow outcomes, such as repeat business or cancellations. More organizations are also wisely including employee experience in their key goals.

Walk before you run. A compelling vision and a few high-level goals are what you need to get the wheels turning.

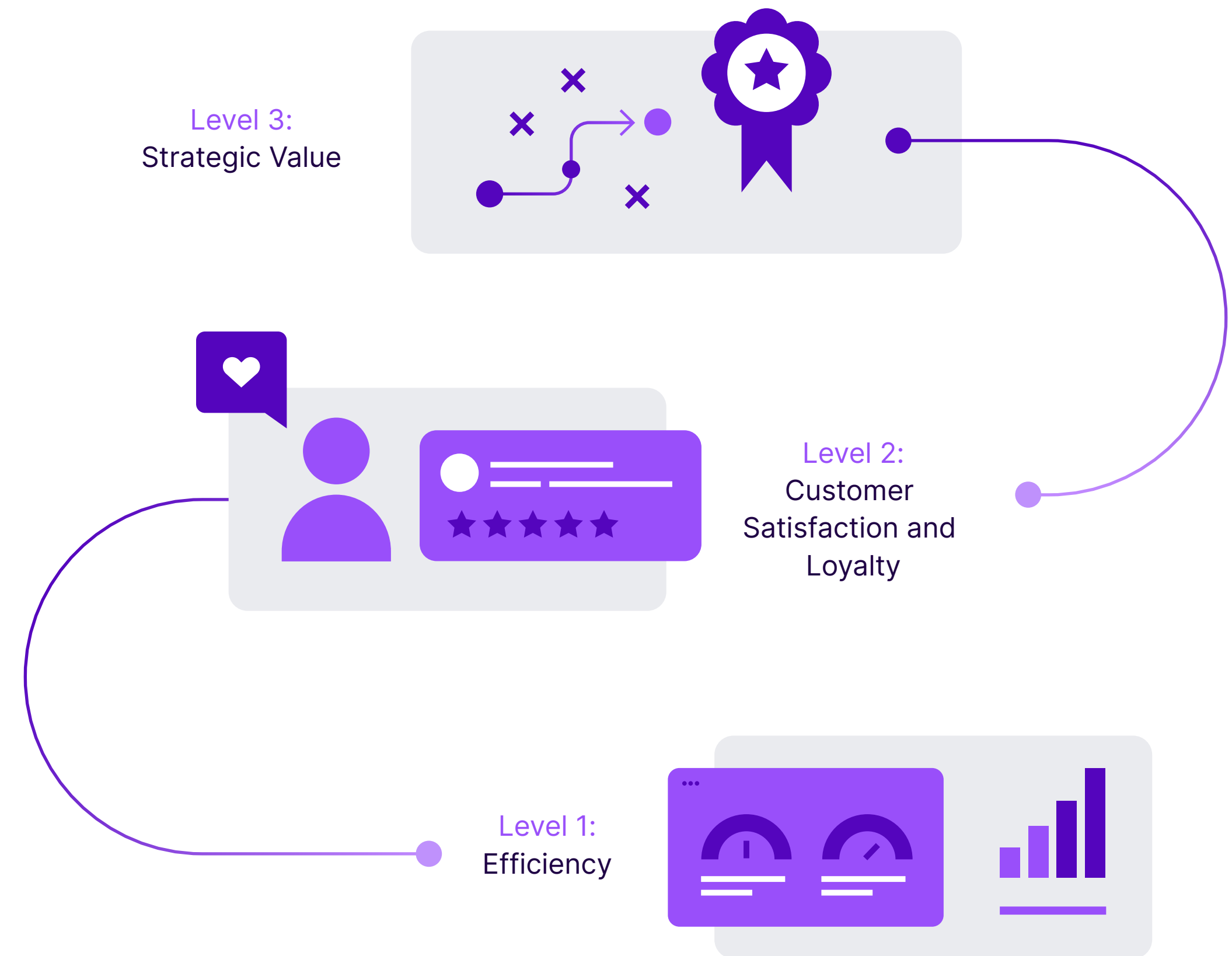
III. Boosting the value of customer support

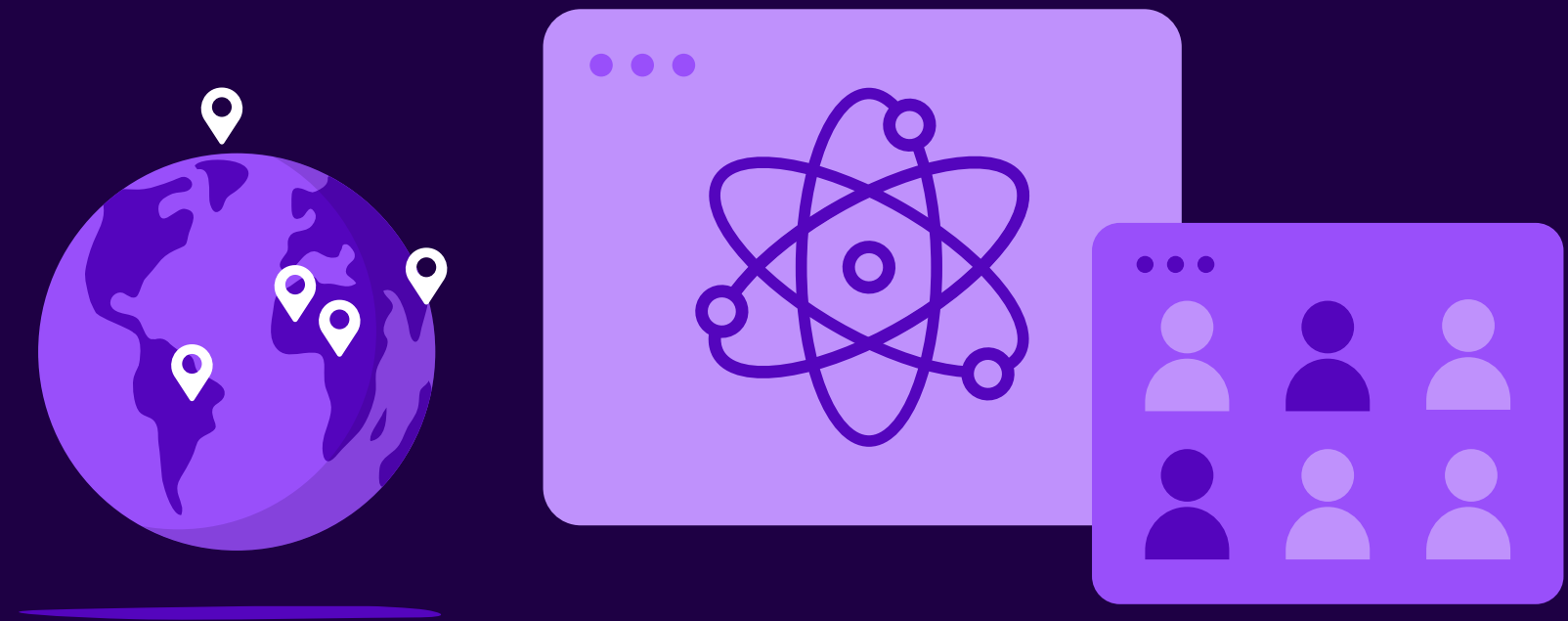
There are three levels on which effective service creates value. Thinking through each can be helpful in seeing the potential of customer service to shape better customer experiences.

Efficiency. The first level is efficiency. This involves problem prevention; robust self-service capabilities; tools that make the right information available at the right times; accurate workload forecasts and schedules; and others.

Customer satisfaction and loyalty. A second level of value is contribution to customer loyalty. The principle is, if you were to measure customer satisfaction before and after a customer service encounter, effective service should translate into higher scores. In a classic study often cited in business schools, Marriott found that 89% of customers who had no problems were likely to return, while 94% of customers who had problems that were resolved were likely to return¹. When service is done right, it does maintain and even boost a customer's loyalty.

Strategic value. A third level of value is strategic—meaning cross-functional, impacting the organization as a whole. Every day, your customer-facing services have visibility on the organization's products, services, and processes. Those insights can easily fall through your fingers. But when you're set up to capture and use them, they can help the entire organization improve and innovate.





15%

of executives say they have both a 360-degree view of customer data and the organizational structure to make use of those insights.

"Making Customer Experience the Heart of the Enterprise", Harvard Business Review Analytic Services (HBRAS), 2021.

The real value in customer service is being a set of antennae, the eyes and ears that can enable you to understand what's happening and see ahead. Yes, service is necessary to help those customers. But the real value is in helping ALL customers by being an engine of innovation.

Exercise-strategic value

Assemble a small cross-functional team to explore how well your organization uses insight from customer interactions to improve products and services. Rate how customer data is used to:

- **Assist sales and marketing by providing insight into what customers want and expect.**
- **Help operational areas or manufacturing pinpoint and fix quality problems.**
- **Contribute to R&D (e.g., by sharing insight on customer needs, competitive strengths and weaknesses, and innovation opportunities).**
- **Inform the design and improvement of self-service systems, apps, websites, FAQs, how-to videos, and other resources.**
- **Serve as an early warning system for potential brand damage or legal troubles (e.g., from product defects, unmet promises, or security vulnerabilities).**

Next, discuss where and how information should be captured, how it can be mined for relevant insight, and how to strengthen cross-functional communication and collaboration. Identify system capabilities and processes that can help.

IV. Harnessing the potential of systems and processes

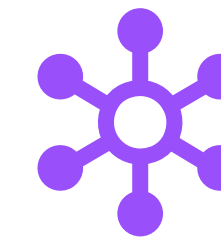
Shaping processes and technologies that strongly support customer experience is an essential part of leadership. Leading organizations usually share three traits that place them ahead in customer experience vision.

The three key traits of leading organizations

They leverage the potential of technology. Capable technology is a fundamental enabler to delivering consistently great customer experiences. For example, experiences that consistently hit the mark couldn't exist without access to large amounts of data. That includes, increasingly, the insights generated by artificial intelligence (AI) and machine learning capabilities. You can understand more about your customers and your employees through their behaviors, their direct feedback, and the results of their actions than ever before.

But the sheer number of different customer experiences across many touchpoints can lead even the most tenacious professionals to throw their hands up, wondering how to manage it all. Technologies that are easy to use and that "play well" with other systems can help you integrate channels and touchpoints, capture and use the right data, and tell a unified customer story. Mapping out how you collect, analyze, and use data can help you establish a sound approach. No organization has perfect data, but the right technologies and processes can help you get and stay on track.

KEY CUSTOMER EXPERIENCE TECHNOLOGIES:



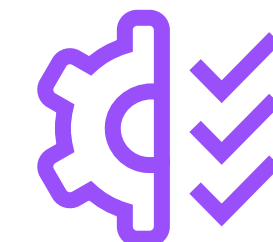
Omnichannel capabilities.



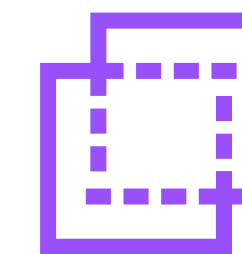
Customer relationship management.



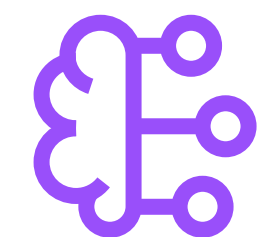
Analytics and reporting tools.



Task automation.



Seamless system integrations.



AI-driven self-service.



Knowledge management.



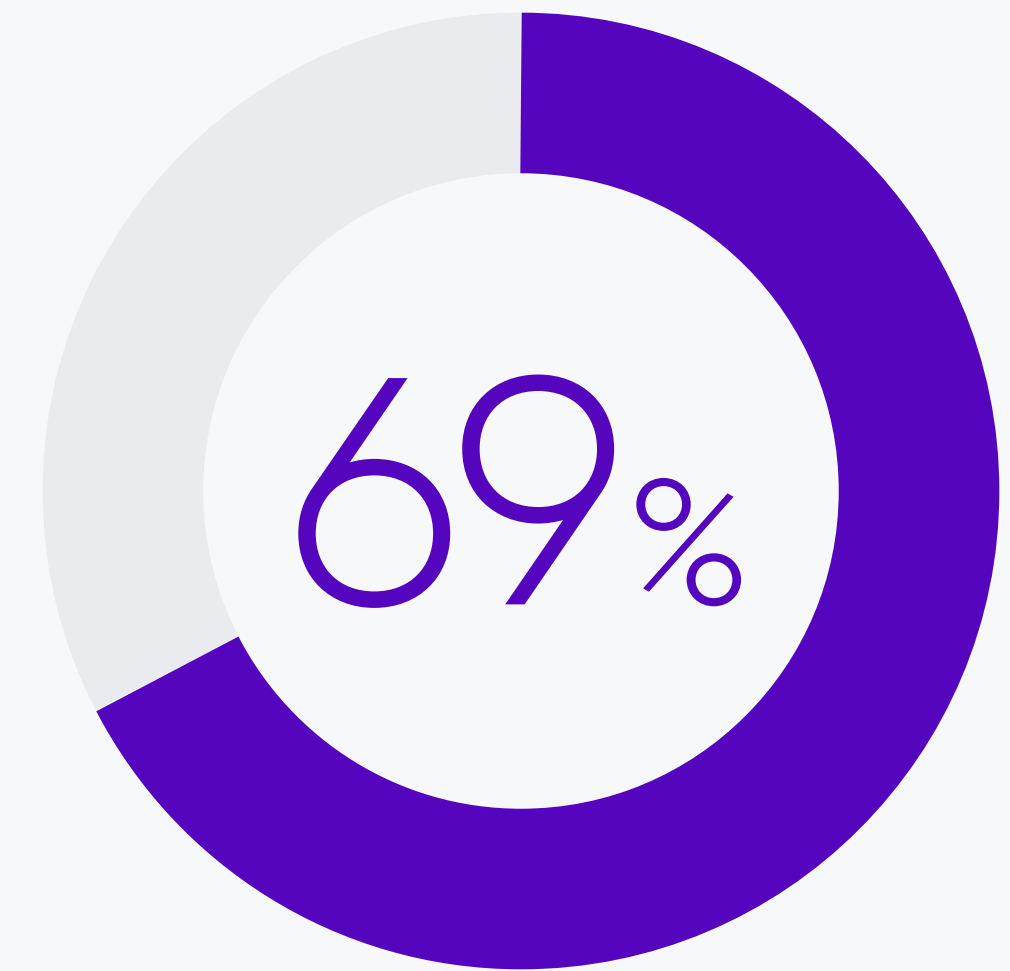
Desktop tools.

Talkdesk CX Cloud™ is an end-to-end customer experience solution that combines enterprise scale with consumer simplicity. It includes solutions for Customer Engagement, Workforce Engagement, AI & Knowledge, and Analytics & Insights, all on a single unified platform. Our speed of innovation and global footprint reflect our commitment to ensure businesses everywhere can deliver better customer experiences through any channel, with unprecedented speed, agility, scale, and security.

They develop cross-functional processes. Without deliberate intervention, departments don't naturally work across functional lines. The marketing team focuses on messaging and response rates. The product management team is occupied with product design and development. Billing concentrates on revenue and collections, and the contact center on meeting service levels and creating positive customer interactions. Each team fixates on being the best they can be within the boundaries

of their department. Great experiences happen by design through cross-department collaboration. They are shaped with a clear-eyed view of the customer as they traverse through the work done by marketing, product management, billing, and customer service. That work must be coordinated and seamless for the trip to feel effortless, satisfying, and yes—sometimes even WOW.

They establish strong governance. The mere idea of governance sounds limiting, even stifling, to some. When done right, though, the opposite is almost always true. It's the department-spanning nature of customer experience that is precisely why governance is so important. Opportunities to innovate will impact budgets, the organization chart, and the status quo. A governance team consists of cross-functional stakeholders who ultimately determine and clear the path for priorities. You'll need a strong, influential senior leader to facilitate, influence, and drive action. You'll also need a team of leaders from across functions—including marketing, IT, employee experience, customer service, and perhaps others. Your goal is to create a group with the means to hurdle functional and cultural divides.



of customers want new digital ways to get existing products and services.

State of the Connected Customer, Salesforce, 2021.

V. Maintaining your momentum

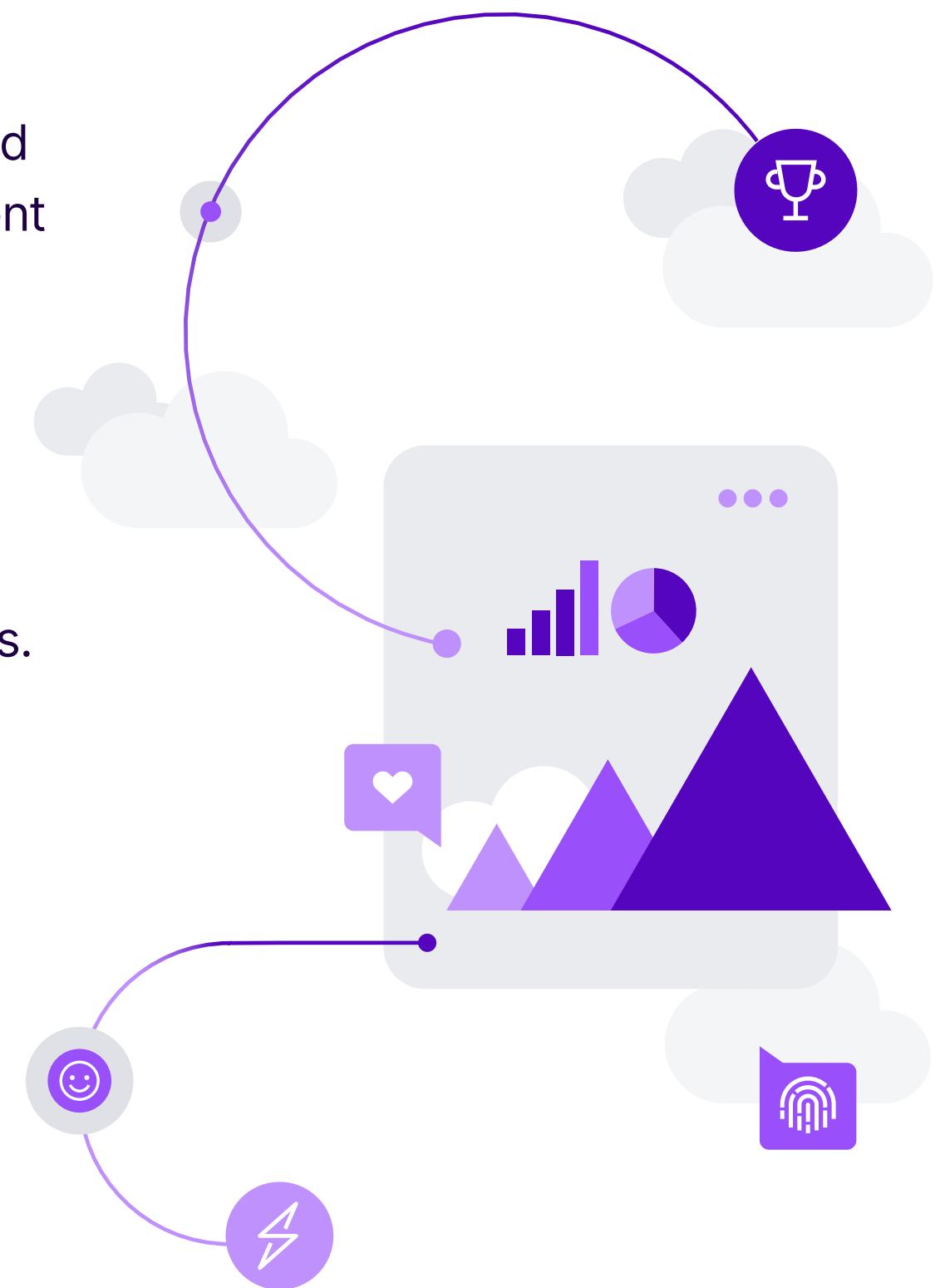
Customer experience can't be just another project that employees can hunker down and wait out until the next thing comes along. Ownership, culture, and engagement are all essential to maintaining and building on your momentum.

The Talkdesk CX Strategy Value Framework™ is a customizable blueprint to help organizations define and then execute on their contact center CX strategies. Leveraging the value framework, customers work with Talkdesk CX Strategy consultants to identify the highest priority initiatives within their contact center. These typically fall under the business value streams of revenue generation, customer experience, operational efficiency, and operational agility. The Talkdesk team then maps out a vision that is true to the customer's business goals and aligned to the value framework, and builds an actionable business plan with an investment analysis to deliver better CX performance that results in tangible business outcomes.

Who owns customer experience?

In many organizations, there is no clear owner of the customer experience. It's not uncommon to find multiple owners across departments pursuing different initiatives that are not coordinated and sometimes compete for priorities and attention.

Because customer experience is inherently cross-functional, you will need senior-level support to clear the path for bold decisions and focus. You'll need an owner. But everyone needs to have ownership in your vision—product designers, those on the shipping dock, marketing, customer service, accounting—everyone. This tends to develop naturally as you build a culture of customer advocacy.



A culture of customer advocacy

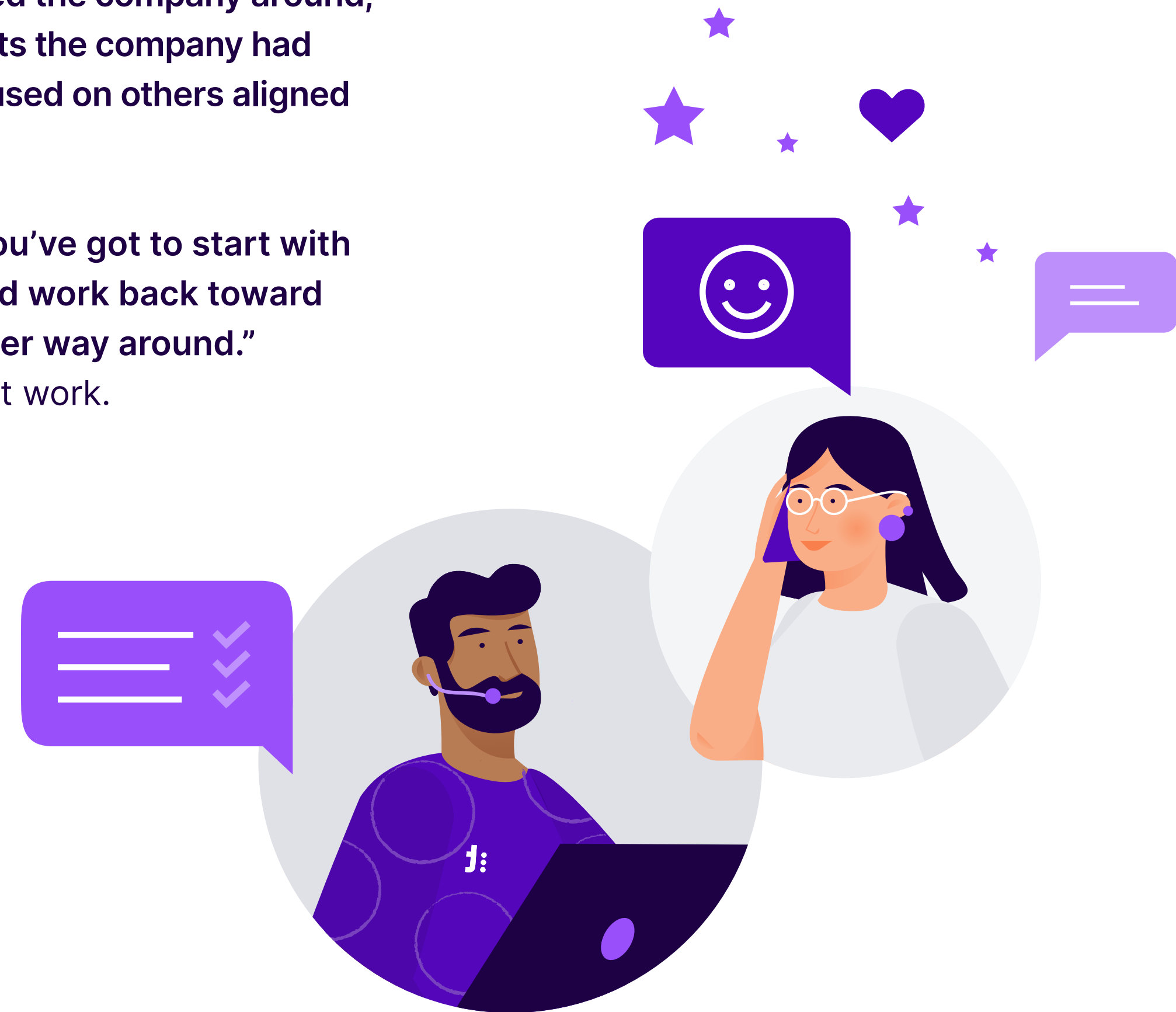
Customer advocacy is doing what's best for customers, which, in turn, leads to customers who spread the good word about your brand.

Customer advocacy plays out in small and big ways. For example:

- **It can help guide individual interactions.**
The reservation agent mentions to the customer that, if they'd prefer, the earlier flight would save \$200.
- **It can be the catalyst to more involved decisions.**
Customer advocacy can drive decisions such as keeping a customer service department open on weekends to match customer preferences.

- **It can be the driver of dramatic change.**
In an historical example, when the late Steve Jobs returned to Apple and turned the company around, he eliminated some products the company had invested heavily in and focused on others aligned with customer needs.

Jobs once famously said, **"You've got to start with the customer experience and work back toward the technology—not the other way around."** That is customer advocacy at work.



Identify important goals

Five steps to customer advocacy:



Agent engagement

The most fundamental enabler of customer experience is employee experience. When you peel back the layers of any customer-centric organization, you'll find a robust culture of honoring employees, encouraging their insight and ideas, and engaging them every step of the way.

Opportunities to grow, goals and objectives that focus on customers, recognition, effective communication, a sense of purpose, and strong alignment with the organization's mission are important factors. So, too, is technology—access to the right information, a clean desktop, collaboration tools, and others make a world of difference.

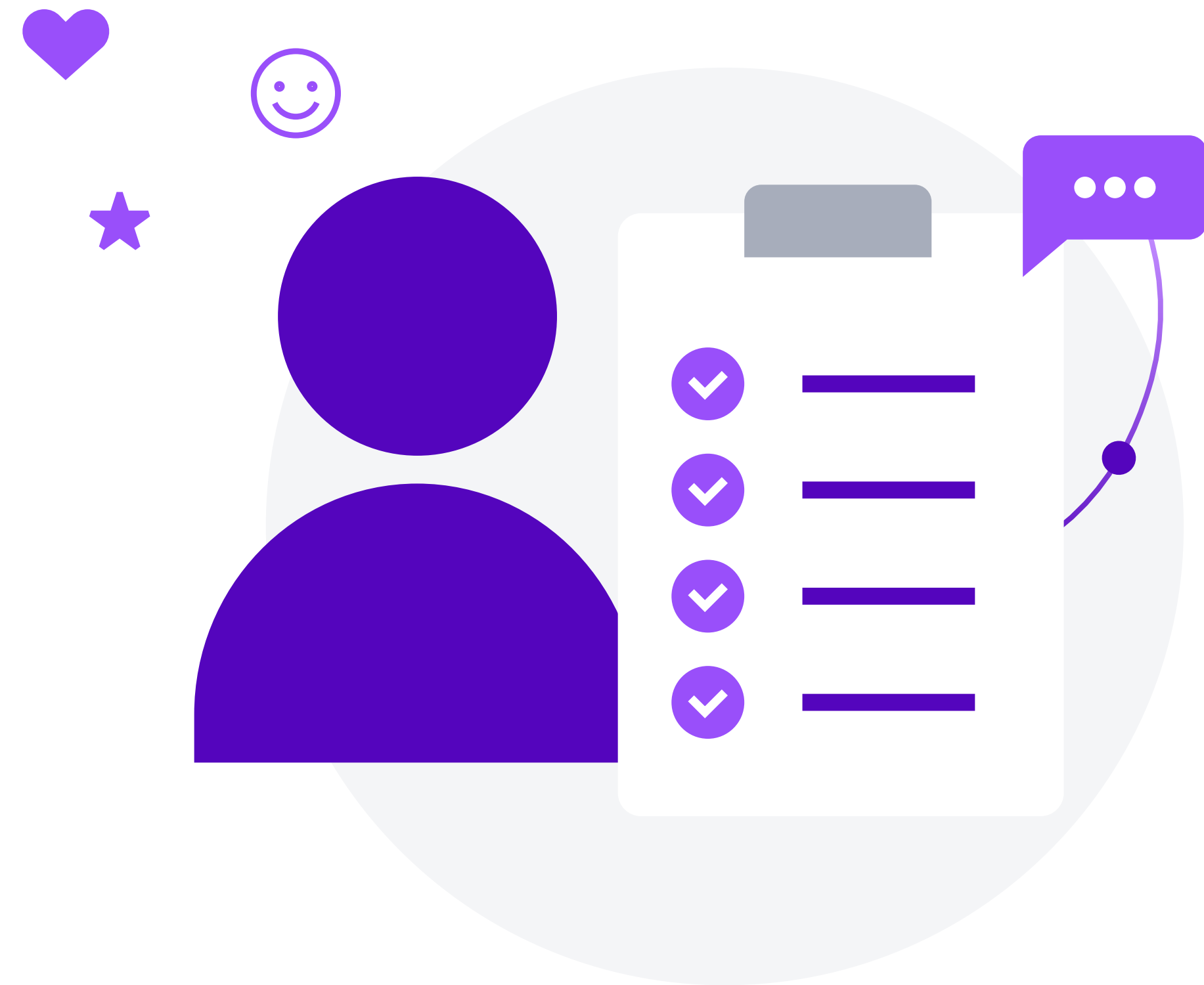
In short, if you're just beginning your customer experience journey, it's time to get comfortable with another "experience"—employee experience. Just as loyal customers say great things about your organization—especially when they feel an emotional connection to it—employees do too.

Conclusion

Many organizations started to focus on customer experience even before the pandemic. However, with the rapid evolution of consumer behavior and expectations, customer experience has truly become a differentiator that can either help your business thrive or doom it to failure.

There is no one single path to enhance customer experience for every business. However, understanding what customers want, having an engaging customer experience vision, leveraging the right tools, and establishing customer experience ownership can set you on the road to success.

MAKE YOUR CX VISION A REALITY



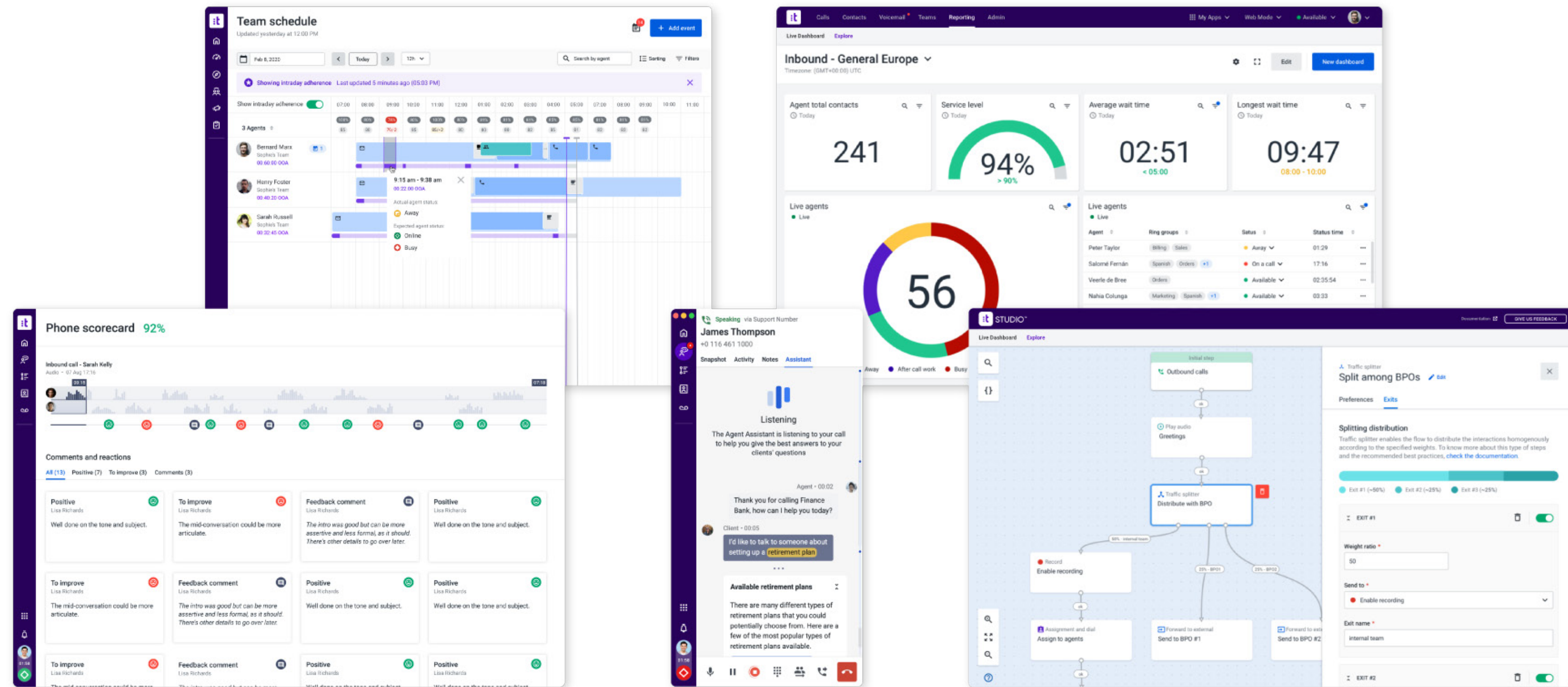
About the author

Brad Cleveland is known globally for his expertise in customer strategy and management. He has worked across 45 states and in 60 countries for clients as diverse as American Express, Apple, USAA, the University of California, and the governments in the U.S., Canada, Australia. Brad is author of Leading the Customer Experience (2021), Contact Center Management on Fast Forward (2019) and other books. His books and LinkedIn Learning courses have been translated into a dozen languages. Brad was founding partner in and former CEO of the International Customer Management Institute, where he now serves as senior advisor. Today, he is a sought-after speaker and consultant. To connect, visit www.bradcleveland.com.

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