



## Customer Experience Management Prevents Hassles

By Gary M. Katz

One out of two companies (44%) acknowledge that high-profile negative customer experiences have at some time compromised their brand, yet only 29% have high ability to handle and [resolve customer complaints](#).<sup>1</sup>

Do you proactively embrace customers' constructive feedback? While surveys have long been in place for most companies, only 31% of marketing executives report that their company takes customer listening seriously, and just 38% of companies are gathering customer insight from customer engagement situations.<sup>2</sup> Many customer satisfaction managers emphasize the positive and de-emphasize the negative responses. A lack of processes and comfort levels for digesting and acting on constructive feedback can leave a company vulnerable to severe consequences.

Make it safe for executives and employees to receive less than stellar results — as long as they diligently improve. A motto such as this one may be useful in establishing curiosity rather than fear: Good news is no news; no news is bad news; bad news is good news.<sup>3</sup> Make it part of your culture to look at [negative feedback from customers](#) as early warning signals, and, as the old saying goes, turn lemons into lemonade.



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Virgin Mobile measures call center customer satisfaction on a five-point scale and looks at the top-two box (4–5) and bottom-two box (1–2) scores, with emphasis on the latter. Dennis Weikle, Vice President of Customer Care, explains: “When customers are satisfied, that’s great, and we certainly work to continue doing what we’re doing well. We’ve found the bottom box is indicative of churn and negative word-of-mouth, so we built a customer advisory group to look at survey results on a real-time basis, hour by hour, to identify what went wrong, and turn the wrong into a right. We also categorize feedback by call center skill issues and by business operations issues, and drive improvements accordingly. We call customers to acknowledge the issue when a poor rating is given, and find that people are surprised and pleased with the personal attention and commitment to resolution. We’re fortunate to have good customer experience commitment across the business groups to take action immediately. We are consumer champions, and that’s how we hire and orient employees, with tops-down and bottoms-up walk-the-talk. We try in everything we do to anticipate impact on the customer, and over the past year we’ve seen the bottom-box volume shrink in half.”<sup>4</sup> (*Access the full online radio interview at [Improve Customer Experience Results by Enhancing Operations](#).*)

Cisco System’s Anu Ranganath, Global Customer Engagement Program Manager for Quality Initiatives, advises: “Customer experience is the sum of all the experiences before, during, and after a purchase. Quite simply, proactive customer experience management is consistent delivery of your brand promise, and fulfillment of the expectations in the customers’ mind that your brand promise creates. For proactive CEM, I like to say measure twice and cut once. Plan and prepare so that execution is as flawless as humanly possible.



Put the right governance and foresight in place to be able to execute to meet or exceed the customer's expectations. Product quality and reliability are essential, as tablestakes. Touchpoints during and after the sale, including the ease of doing business, must all be aligned to result in the customer wanting to come back to you. Measure customer experience trends, and invest in customer-focused priorities to grow loyalty, share-of-wallet, and profitability." ([Access the full online interview at \*Reactive vs. Proactive Customer Experience Improvement.\*](#))

Focus on leading indicators. Survey results measure what the customer already experienced, so they are lagging indicators. Teams can [improve customer experience](#) only by focusing on metrics tracking the progress of their survey results action plans. These action plan metrics are leading indicators of customer sentiment and business results because they can be observed and constructively managed by teams before customers have a chance to evaluate the results of the action plans. Well-aligned leading indicators can be predictive of future customer sentiment and market performance.



It's common for survey results to be shared with a select set of executives and employees. Remember, out of sight, out of mind. Let every employee see their impact on customer experience. Only 42% of companies use a dashboard of commonly-agreed-to metrics that define success. And just 24% have created a multi-year set of agreed-to-metrics to assist executives in measuring & monitoring customer satisfaction, retention and profitability.<sup>5</sup> These low statistics indicate differentiation opportunities for companies that decide to stand out from the crowd by implementing holistic, highly visible, and readily accessible measures of customer interaction quality in a concerted effort to prevent customer hassles.

*This article is part of the complimentary whitepaper: [Customer Experience Strategy: 4 Overlooked Key Competencies for Sustainable Results.](#)*

<sup>1</sup>Giving Customer Voice More Volume, CMO Council, 2009.

<sup>2</sup>Turning Customer Pain into Competitive Gain, CMO Council, 2009. <sup>3</sup>James C. Morgan, Chairman, Applied Materials Inc.

<sup>4</sup>Improve Customer Experience Results by Enhancing Operations, BlogTalkRadio Customer Experience Optimization, 2009.

<sup>5</sup>Customer Experience Management, Aberdeen Group, 2008.



### Customer Experience Strategy

*4 Overlooked Key Competencies for Sustainable Results*

Marketing Operations  
PARTNERS

## Call to Action

If your company is facing challenges in any of the areas discussed in this article, or if you are thinking about creating a marketing operations function or increasing the effectiveness of the one you already have, you should start with a "current state assessment" that will help you evaluate the overall health of your marketing and/or Marketing Operations today. Doing so will help you zero in on those areas that represent your most difficult challenges as well as your greatest opportunities for bringing the significant benefits of MO best practices to your organization.

## About the Author:



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