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How To Measure Customer Experience Across Multiple Touchpoints

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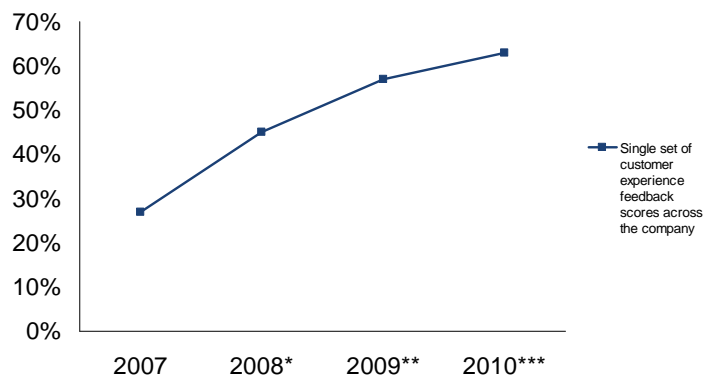## Customer experience measurement is on the rise

Single set of customer experience feedback scores across the company

Base: 74 North American firms with $500 million or more in revenues in 2006
* Base: 287 North American firms with $500 million or more in revenues in 2007
** Base: 90 North American firms with $500 million or more in revenues in 2008
*** Base: 141 North American firms with $500 million or more in revenues in 2009

Source: Forrester's Q4 2006, Q4 2007, Q4 2008, and Q4 2009 Global Customer Experience Peer Research Panel Surveys
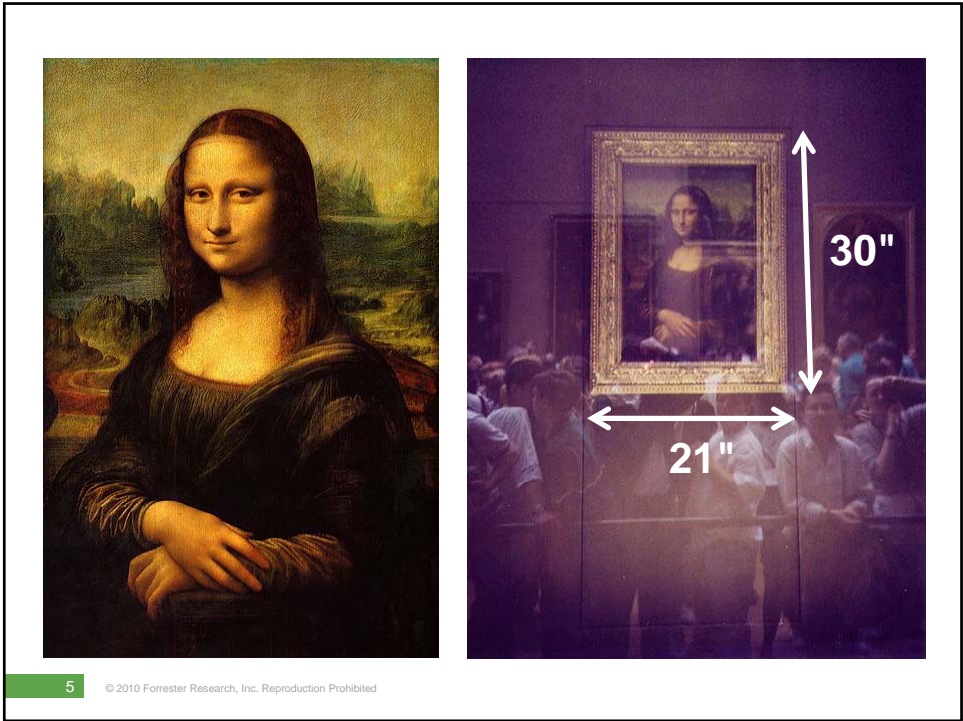
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Agenda

What does it mean to "measure" customer experience?

How do leading firms measure enterprise customer experience in practice?

How can companies use customer experience metrics to drive business results?

4

30"

21"

Also 30" x 21", but strangely lacking the emotional impact of the Mona Lisa

How customers feel about their interactions with your company

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There are three types of customer experience metrics

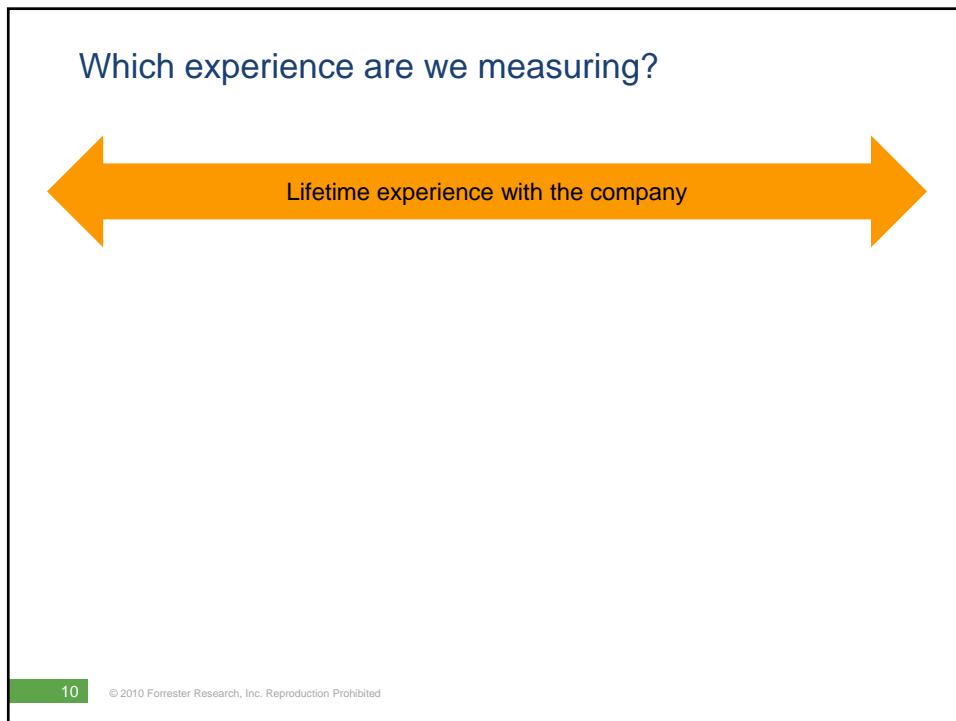| **Descriptive metrics**	**Subjective metrics**	**Outcome metrics**
What happened?	**How did the customer feel about what happened?**	**What will the customer do as a result of what happened?**

Business results

Customer behavior

Customer intentions

Customer perceptions

What happened

Which experience are we measuring?

Lifetime experience with the company

Which experience are we measuring? (cont.)

Lifetime experience with the company

| A specific interaction | .... | Interaction X | Interaction Z |

A set of interactions required to accomplish a key customer goal

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Handoff metrics
Consistency
Continuity

Advertisement

Site visit

Call center call

Store visit

Interaction metrics

Length of site visit
Pages viewed
Task completed

Knowledge, helpfulness of agent
Time on hold

Cleanliness
Availability of sizes

Measuring a multipart customer experience

- Which interactions make up the experience?
- What matters most about:
  - Each individual interaction?
  - The handoffs between interactions?
  - The overall experience?
- What business outcomes do we expect to improve by delivering a better customer experience?

Agenda

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How can companies use customer experience metrics to drive business results?

There is no consensus on a single customer experience metric

Company	Key enterprise customer experience metrics
LEGO	Net Promoter Score
Southwest Airlines	Net Promoter Score Brand health survey
Royal Bank of Canada	Likelihood to recommend Likelihood to buy again Ease of doing business with the firm
Blue Cross and Blue Shield of Florida	Satisfaction with the plan overall Satisfaction with specific aspects of the plan
Telecom company	Call center calls Churn rates

Most firms use surveys as the core data source

1. One or two galvanizing metrics that everyone in the enterprise understands and buys into

Example: Southwest Airlines

Satisfaction with the previous day's travel experience

Net Promoter Score
Brand health

Most firms use surveys as the core data source

1. One or two galvanizing metrics that everyone in the enterprise understands and buys into

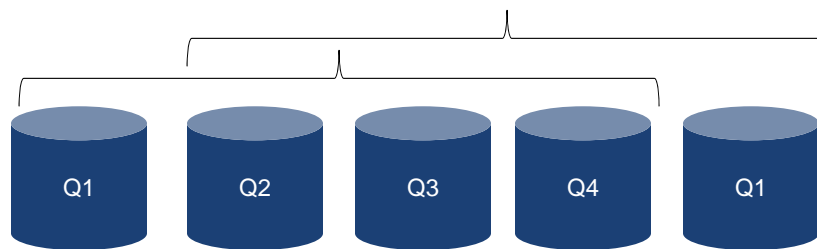2. **A small set of lower-level metrics that capture key dimensions of the customer experience**

Example: large health plan

Overall satisfaction with the plan

Satisfaction with seven key dimensions
of the end-to-end experience

| Q1 | Q2 | Q3 | Q4 | Q1 |

Second-tier metrics: two approaches

Experience attributes

- Merchandise assortment
- Convenience of locations
- Speed of checkout
- Access to parking
- Return policies
- Friendliness of staff
- Cleanliness of stores

Second-tier metrics: two approaches (cont.)

Experience attributes

- Merchandise assortment
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Moments of truth

- Booking
- Check-in
  - Online or at airport
- Gate/boarding
- In-flight
- Baggage claim
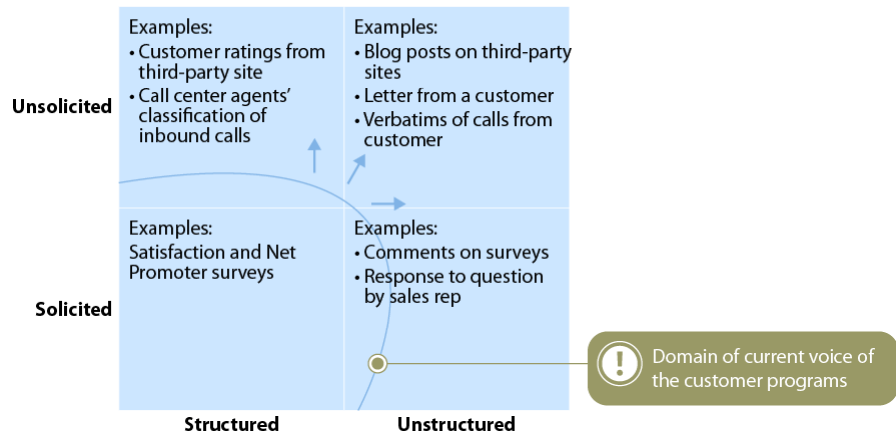 - Lost baggage service
- Rewards redemption

Research identifies what to pay attention to

- **Customer journey maps** highlight the most critical moments of truth in the customer life cycle.
- **Existing market research** shows what matters to customers about different types of experiences and the process of working with multiple channels.
- **Customer verbatim feedback** reveals what people care about when they interact with your company.
  - Rants *and* raves

Technology makes unstructured data accessible

Examples:
- Customer ratings from third-party site
- Call center agents' classification of inbound calls

Examples:
- Blog posts on third-party sites
- Letter from a customer
- Verbatims of calls from customer

Unsolicited

Examples:
Satisfaction and Net Promoter surveys

Examples:
- Comments on surveys
- Response to question by sales rep

Solicited

Domain of current voice of the customer programs

Structured   **Unstructured**

Most firms use surveys as the core data source

1. One or two galvanizing metrics that everyone in the enterprise understands and buys into

2. A small set of lower-level metrics that capture key dimensions of the customer experience
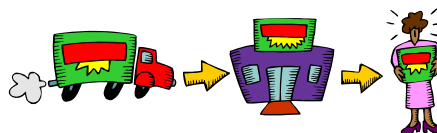
3. **Segmentation that reveals deeper insight**

Is the customer experience better for some . . .

Personas

Moments of truth

Channels
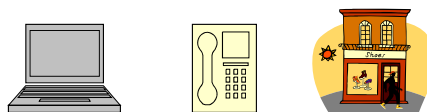
Agenda

What does it mean to "measure" customer experience?

How do leading firms measure enterprise customer experience in practice?

How can companies use customer experience metrics to drive business results?

Metrics serve a variety of functions

- Research and planning:
  - Understand the correlation between customer experience quality and target business results.
  - Identify which experiences, or aspects of the experience, have the biggest influence on results.

Metrics serve a variety of functions (cont.)

- Research and planning:
  - Understand the correlation between customer experience quality and target business results.
  - Identify which experiences, or aspects of the experience, have the biggest influence on results.
- Monitoring and management:
  - Track the actual impact of changes to the customer experience.
  - Benchmark and trend customer experience quality.

Start simple.

Build over time.

Focus on a critical few experiences at first

- Most common

- Most critical to the firm's top customers

- Most critical to the business

Track events that represent known failure

- What could happen that is definitely NOT a good experience?
  - Web site visits that include a 404 or 500 error
  - Dropped calls during a transfer attempt
  - Experiences that involve more than X handoffs
  - Failure to get back to a customer within Y days
  - Customers that wait on hold more than Z minutes

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Design dashboards people want to use

- Give each dashboard a clear audience and purpose.
  - Analyzing data versus telling a story
- Include internal benchmarks to support comparison and motivate friendly competition among peers.
- Test dashboard clarity and usability with employees.
- Conduct training sessions to help employees at all levels understand the data, how to interpret it, and how to use it to change the way they work.

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Help employees see how the data can help them

Role	How the data can help
Front-line managers	• Identify local areas for improvement. • Educate employees on what matters to customers. • Motivate employees to be the best in the company. • Track progress toward improvement goals.
Strategic planners and executives	• Identify systemic failures in current operations. • Identify underserved customer segments. • Build the business case for change. • Prioritize enterprise resource investments. • Prove that progress is being made.
Customer experience program managers	• Track progress of customer experience initiatives. • Reallocate resources based on changing needs.

Recommendations

- Keep measurement frameworks simple.

- Collect data continuously to track trends and provide access to fresh, timely insights.

- Consider surveying other types of "customers" that play a role in delivery of the customer experience.
  - E.g., partners, service providers

- Layer in operational metrics where you can.

- Plan to evolve your measurement system over time. You will anyway!

Thank you

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Selected Forrester research

- June 21, 2010, "The Four Essentials Of Effective Web Site Intercept Surveys"

- January 22, 2010, "How Four Firms Measure Customer Experience Across The Enterprise"

- January 8, 2010, "Measuring Customer Experiences At LEGO"

- September 22, 2009, "Firms Struggle To Measure Customer Experience Across Channels"

- March 11, 2008, "Three Steps To Better Web Site Performance Metrics"