

Customer experience is the next competitive battleground”

Jerry Gregoire, CIO, Dell



Customer Experience is a Business Priority

“CE will overtake price and product as the key brand differentiator” - *Walker*

“89% of companies expect to compete mostly on the basis of CE” - *Gartner*

“72% of businesses say that improving the CE is their top priority” - *Forrester*



Customer Experience is a "C" Suite priority

“Companies that excel at *CE* grow revenues 4-8% above the market” – *Bain & Co.*

“The cost of U.S. customers switching due to poor service is over \$1.6T” – *Accenture*

“Increasing customer retention rates by 5% increases profits 25% - 95%” - *Bain & Co.*

A 10% improvement increases the value of the company 30%.” - *Bain & Co.*



Customer Experience is a Marketing priority

“Customer experience is the new marketing.”

Steve Cannon, President & CEO, Mercedes Benz USA

“91% of marketing leaders believe in 2 years they will be competing primarily on the basis of CE.”

Gartner

“We take most of the money that we spend on paid advertising put it back into the CE. We let the customers be our marketing.” Hsieh, CEO, Zappos

*Customer
experience is
the new
advertising
department*
- Max Kalhoff

Customer Experience is a Product priority

“You’ve got to start with **CE** and work back towards technology not the other way around”

Steve Jobs

“Today’s consumers buy products and services more and more by buying into an idea and an experience”

McKinsey

“50% of consumer product investments will be redirected to **CE** innovations ”

Gartner



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Customer Experience is a Sales priority

“86% of buyers would pay more for a better CE”

Walker

“64% of people find CE more important than price”

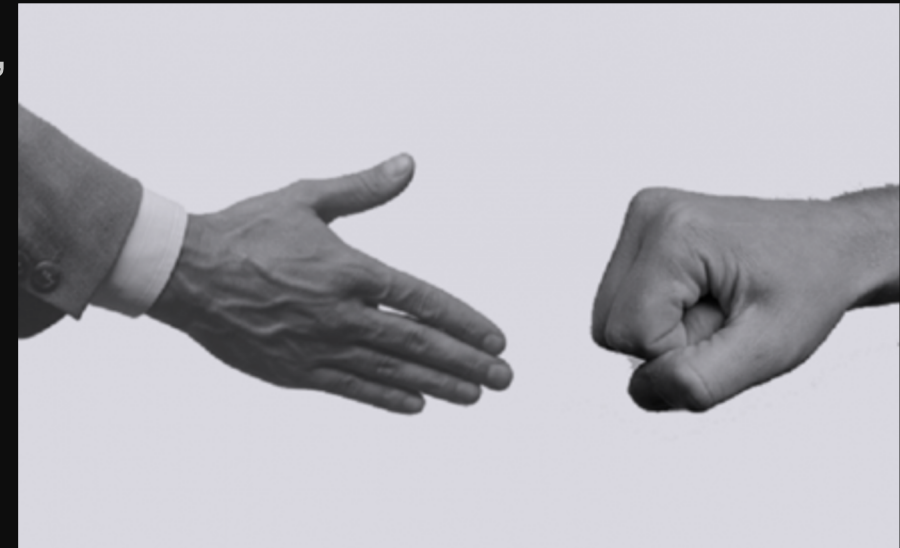
Gartner

“70% of a buying experience is based on how a customer feels they are being treated”

McKinsey

“Millennials are willing to spend the most (21% additional!) for great CE”

AMEX Customer Service Barometer



Customer Experience is a Service priority

“Customers remember service a lot longer than they remember the price ”

Freedman, President, E-tailing Group

“Consumers share bad customer experiences 2X more than positive experiences ”

AMEX Customer Service Barometer

“After 1 bad experience, 51% of customers will never do business with that company again ”

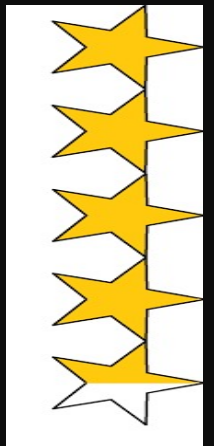
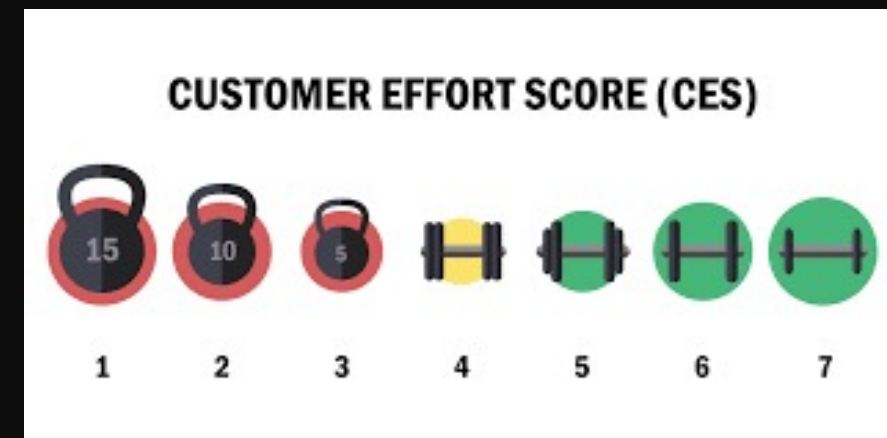
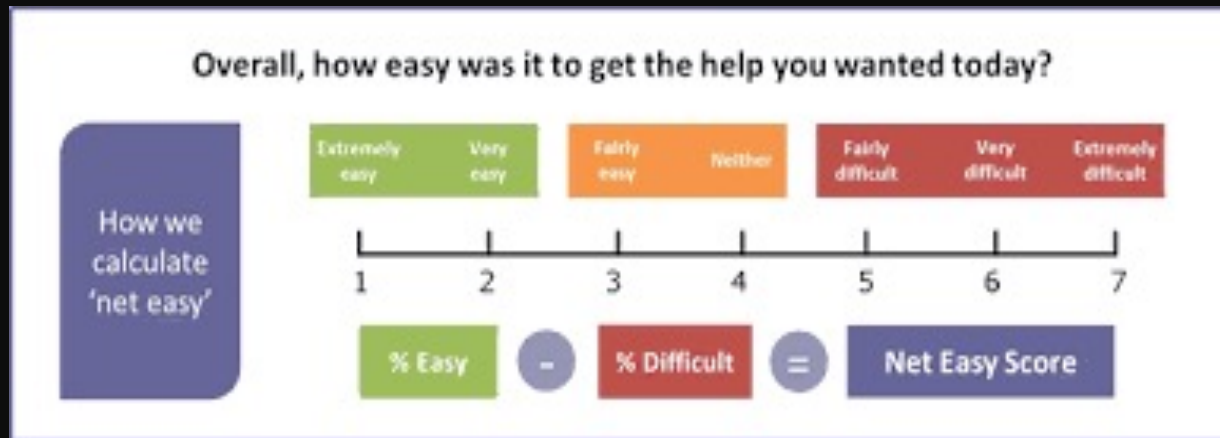
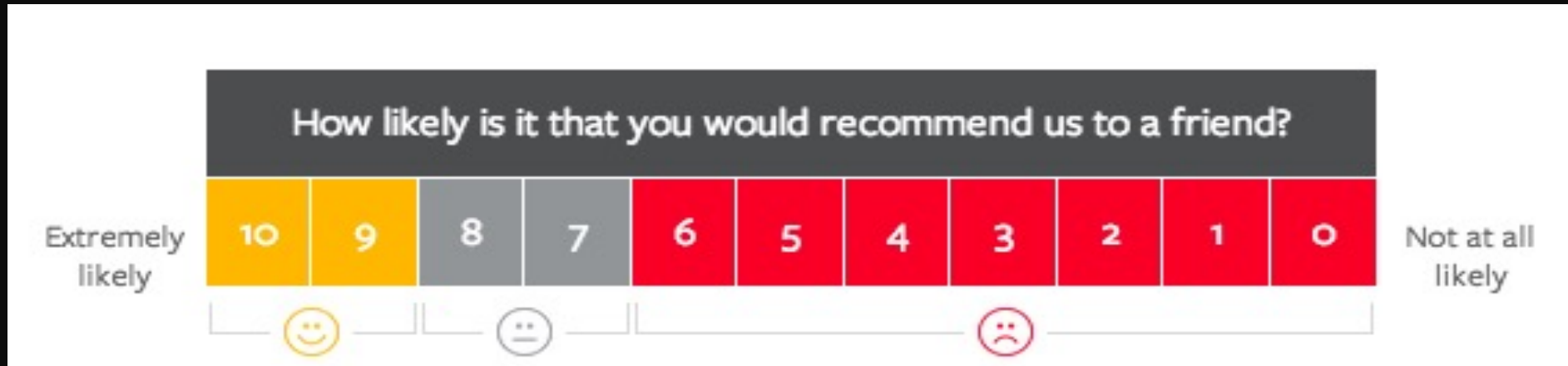
New Voice Media



Customer Experience

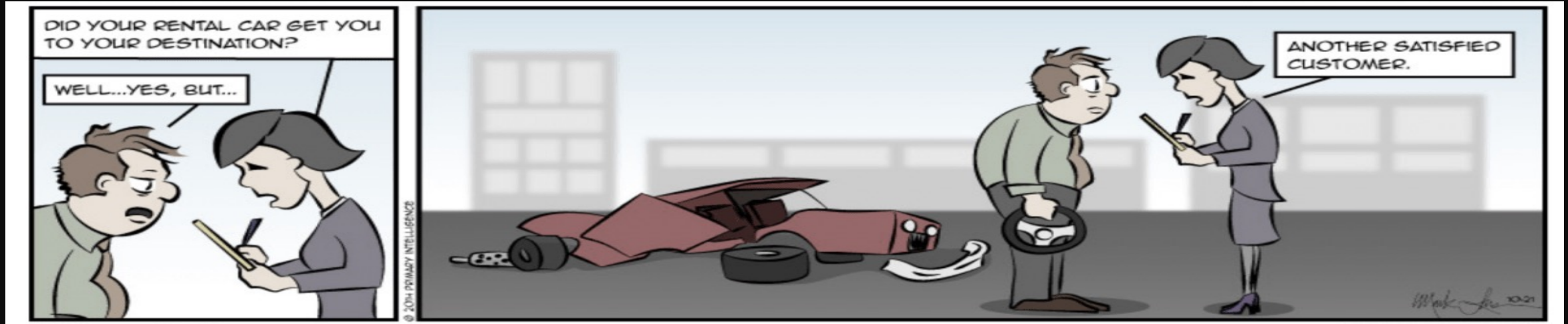


Point-In-Time Customer Feedback



Feedback-Based Measurement

- Blunt instrument
- Easily gamed
- Sample / respondent based
- Little correlation to actual satisfaction
- Best research about past not future behavior
- Doesn't answer why
- Difficult to determine ROI
- Must use alternate measures for detail
- Who, when, where and how matter
- One customer is not always as valuable as another
- Doesn't reflect actual customer behavior
- An 11 point scale pretends noise is science
- Does not predict future behavior
- Hard to action



Companies Want a Better Number

“We find little relationship between satisfaction and loyalty. Twenty percent of the “satisfied” customers in our study said they intended to leave the company in question; 28% of the “dissatisfied” customers intended to stay.” - MIT

“People who believe in NPS believe in something that doesn’t actually do what they want. NPS scores are the equivalent of a daily horoscope. There’s no science here, just faith.” - Jared Spool

“Every department gets up at the senior staff meeting and gives a number, often NPS. If I can’t use NPS, I need another number. I need a number that tells everyone how we’ve improved.” - Fortune 500 Senior VP of Design



The Science of Measuring Customer Feedback

Customer Journeys record the experience of being a customer over time capturing both company and customer-initiated interactions.

Customer Experience is the product of interactions between companies and customers over the duration of their relationship.

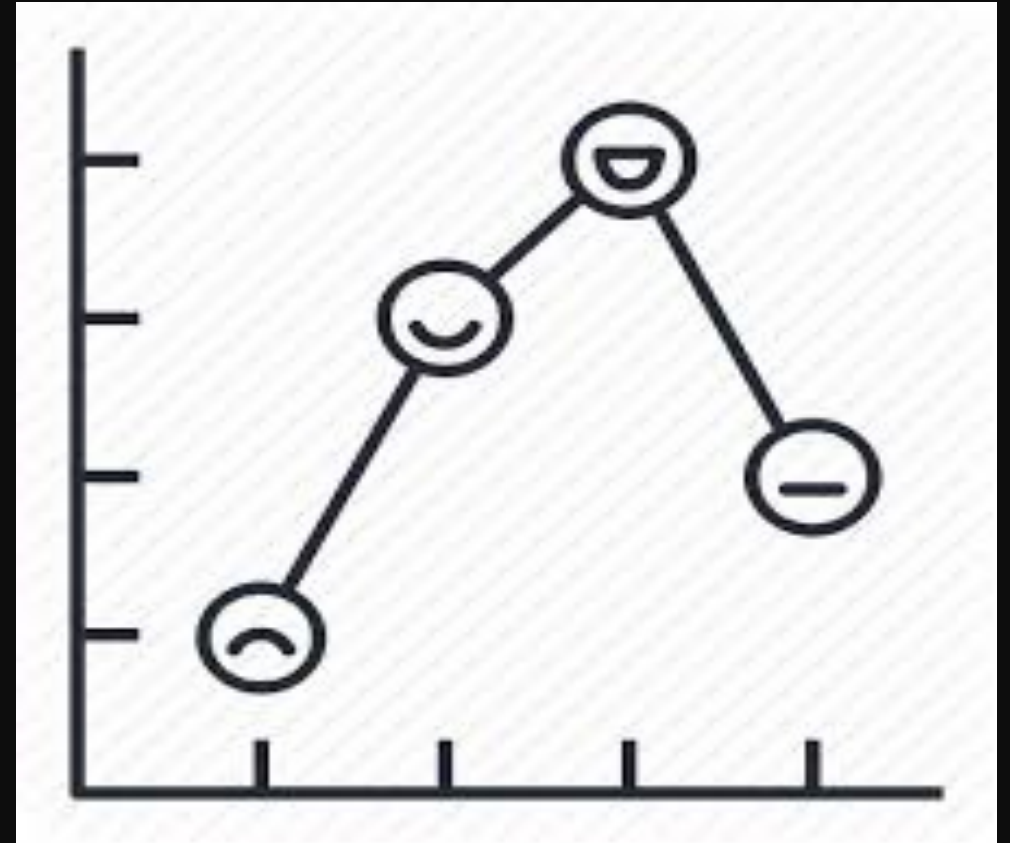
Customer Success is a rapidly emerging function whose goal to make the customer as successful as possible, which in turn improves customer lifetime value.



Today, more than ever, companies need to **Build** Customer Journeys, **Measure** Customer Experience and **Lift** Customer Success.

Loyalty is Best Measured Over Time

- “My metric for success can be summed up in one phrase: earn customers for life.”
- *Mary Barra, Chair and CEO, General Motors*
- “Maximizing satisfaction with customer journeys has the potential not only to increase customer satisfaction by **20%** but also to lift revenue by up to **15%** while lowering the cost of serving customers by as much as **20%**.”
- *McKinsey*
- Satisfaction on customer journeys is **30%** more predictive of overall customer satisfaction than measuring happiness for each individual interaction.” - *McKinsey*



THANK YOU

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