

Customer Understanding: The Cornerstone of Customer- Centricity

**Insights Association
The X Event**

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ABOUT ANNETTE FRANZ, CCXP



- Coach, Consultant, Keynote Speaker
- 25+ years in CX
- Author of *Customer Understanding: Three Ways to Put the “Customer” in Customer Experience (and at the Heart of Your Business)*
- Founder and CEO, **CX Journey Inc.**
- Internationally recognized CX thought leader and influencer
- Immediate Past Chair, **CXPA** Board of Directors
- Certified Customer Experience Professional (**CCXP**)
- CEM Certified
- Official Member, **Forbes** Coaches Council
- **CX@UCI** Advisory Board Member
- CX Technology Start-Up Advisor

A conceptual image illustrating customer experience. On the left, a hand emerges from a computer monitor, holding a yellow credit card. On the right, a hand holds a brown paper shopping bag. The background is a solid dark gray. Overlaid on this scene is the text 'What is Customer Experience?' in a large, white, serif font. To the left of the main text, there are two large white question marks '??' and a thin vertical white line.

What is Customer Experience?

??

WHAT CX IS... AND IS NOT



customer experience

[kuhs-tuh-mer ik-speer-ee-uhns]

noun

- The **sum of all the interactions** (including with product and price) that a customer has with an organization over the life of the “relationship” with that company...
- ... and, more importantly, the **feelings, emotions, and perceptions** the customer has about those interactions.

- 
- A large red prohibition sign (a circle with a diagonal slash) is overlaid on the list of items that are not customer experience.
- Customer service
 - Customer care
 - Customer success
 - Customer satisfaction
 - Customer marketing
 - Technology
 - Just the frontline

In a world where products and services are becoming more and more commoditized every day, *customer experience is really the one true differentiator.*



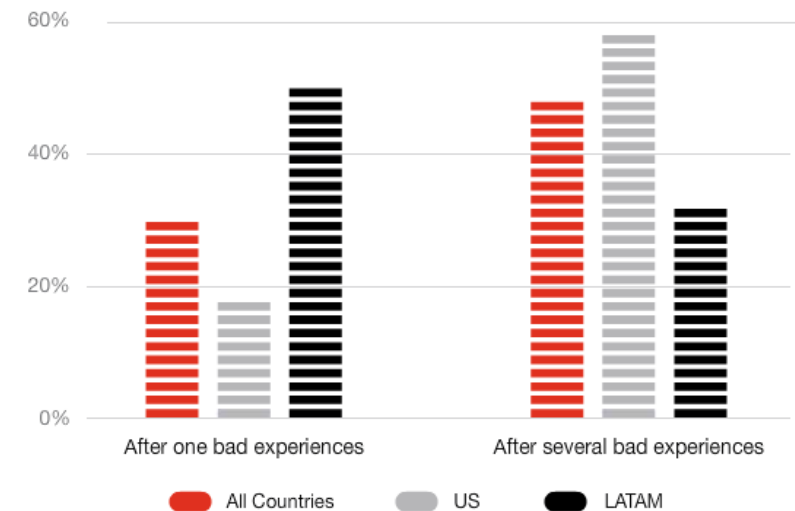
THE RITZ-CARLTON

WHY CUSTOMER EXPERIENCE?

Customers want to feel valued and appreciated. When brands (a) remember there's a human on the other end of the transaction and (b) deliver a great experience, customers will pay more for the product or the experience.



When do consumers stop interacting with a brand they love?

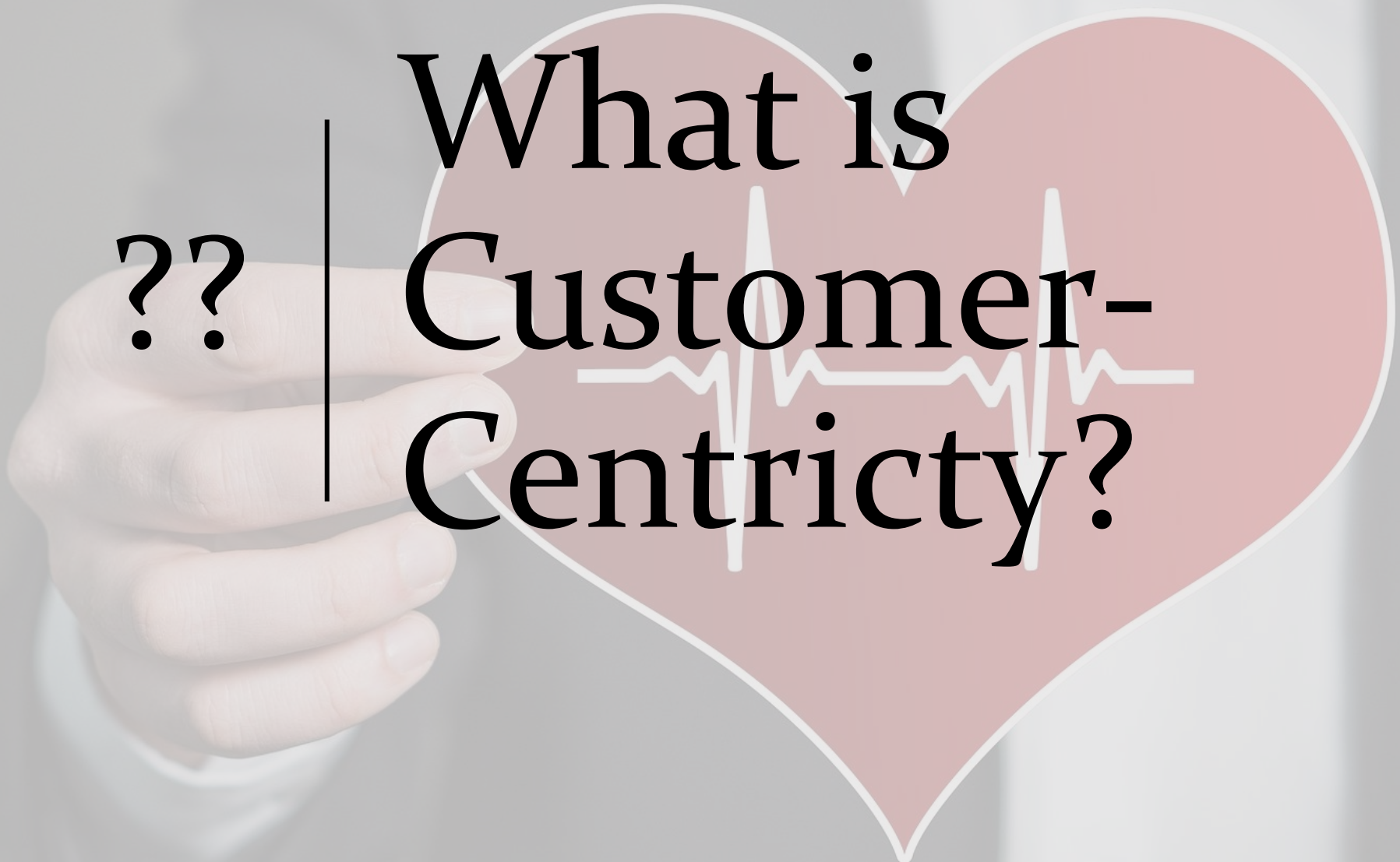


Q: At what point would you stop interacting with a company that you love shopping at or using?

Source: PwC Future of Customer Experience Survey 2017/18

??

What is
Customer-
Centricity?



customer centrality

[kuhs-tuh-mer sen-tris-i-tee]

noun

- ... has culture as its foundation
- ... is organization-wide, not an individual effort
- ... requires mindset, behavior, and culture shifts
- ... places the customer at the center of all the business does
- ... ensures the customer's voice is brought into all discussions, decisions, designs
- ... benefits the customer and the business



Customer-centricity

/kuhs-tuh-mer sen-'tri-sə-tē /

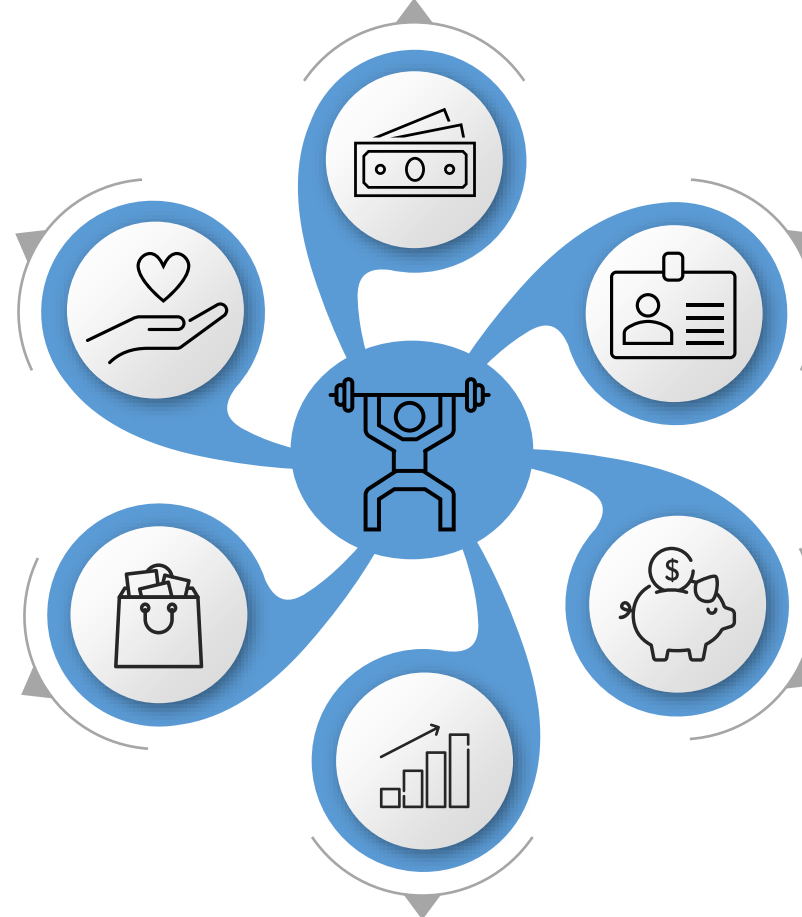
noun

An approach to doing business in which the business:

- Focuses on **creating a positive experience for the customer** by understanding the customer, her needs, pain points, problems to solve, jobs to be done
- Places the **customer at the center** of its philosophy, operations, and ideas
- Believes customers are the **primary reason that they exist**

CUSTOMER-CENTRICITY

Culture = core values + behaviors



Customer Understanding

Listen, characterize, empathize

Platinum Rule

Treat customers the way *they* want to be treated.

Outside-In Thinking and Doing

Bring the customer voice into everything you do.

Employees...

... more first. Employees and the employee experience drive the customer experience.

People Before...

... products, profits, and metrics.

HUMAN BENEFITS

- Problems solved
- Value delivered
- Feel valued
- Feel listened to
- Feel cared for
- Feel understood
- Consistency
- Trust
- Innovation

BUSINESS BENEFITS

- Growth
- Competitive advantage
- Increased retention
- Increased CLV
- Increased loyalty
- Increased referrals
- Reduced costs
- Increased revenue
- Profitability



Customer
Understanding
is the
Cornerstone

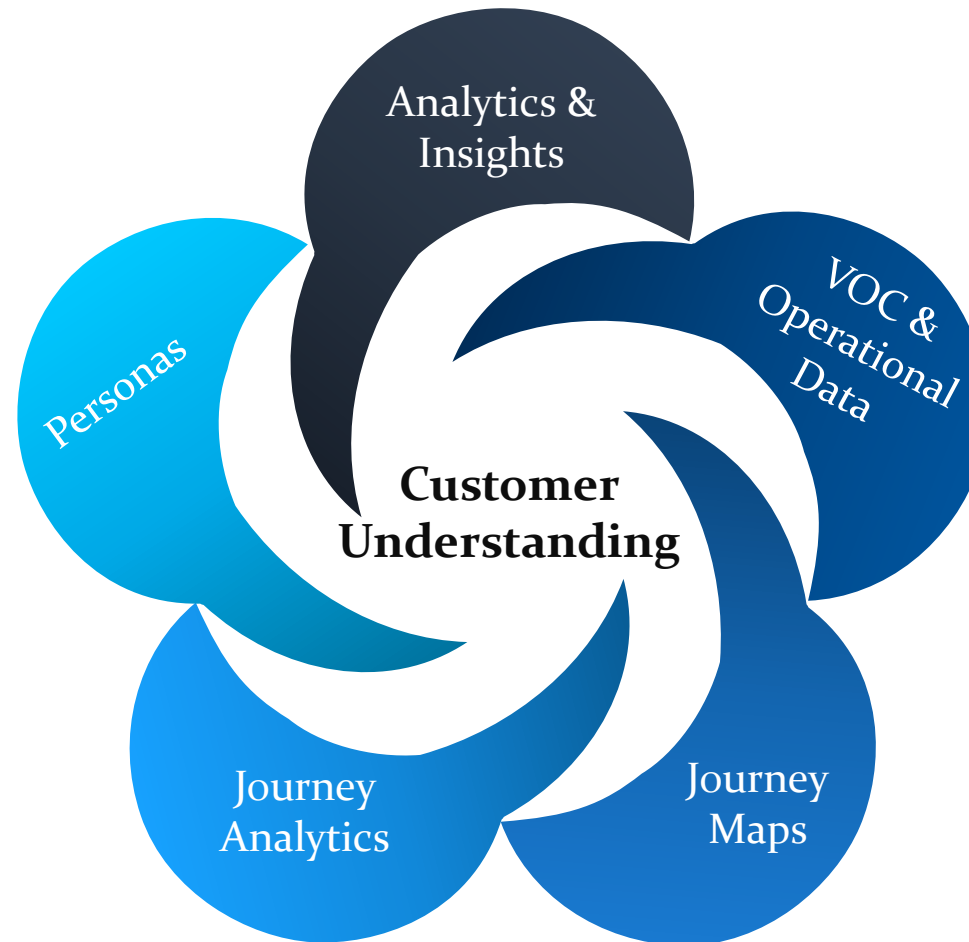


POINT B

POINT C

POINT A

HOW TO ACHIEVE CUSTOMER UNDERSTANDING



4 Things You Need to Know

... to Achieve Customer Understanding

A man with glasses and a dark shirt is looking down, his face partially obscured by a grid of numbers. The numbers are in various sizes and colors, including blue, green, and yellow. A glowing orange line graph is overlaid on the right side of the image, showing a sharp upward trend. The overall background is a dark, textured grid.

#1 | Listen

LISTEN INCLUDES...



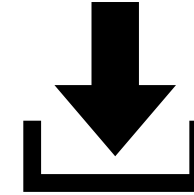
Ask

- Surveys
- Interviews
- CABs



Listen

- Social media
- Online reviews
- VoCe
- CABs



Capture

- Customer data
- Interaction data
- Transaction data
- Etc.



#2 | Characterize

CHARACTERIZE



Susan Smith

Chief Customer Officer

"In my work, I ensure that there are no discussions, decisions, or designs without bringing in the customer and her voice."

DEMOGRAPHICS

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BEHAVIORS

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ATTITUDES/FEELING

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NEEDS/CHALLENGES

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GOALS/ MOTIVATIONS

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SAYING

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OUTCOMES/JTBD

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VALUE DRIVERS

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HOW CAN WE HELP?

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EMPATHY MAP

Empathy Map Canvas

Designed for:

Designed by:

Date:

Version:

1 WHO are we empathizing with?
Who is the person we want to understand?
What is the situation they are in?
What is their role in the situation?

2 What do they need to DO?
What do they need to do differently?
What job(s) do they want or need to get done?
What decision(s) do they need to make?
How will we know they were successful?

3 What do they SEE?
What do they see in the marketplace?
What do they see in their immediate environment?
What do they see others saying and doing?
What are they watching and reading?

4 What do they SAY?
What have we heard them say?
What can we imagine them saying?

5 What do they DO?
What do they do today?
What behavior have we observed?
What can we imagine them doing?

6 What do they HEAR?
What are they hearing others say?
What are they hearing from friends?
What are they hearing from colleagues?
What are they hearing second-hand?

7 What do they THINK and FEEL?
PAINS
What are their fears, frustrations, and anxieties?
GAINS
What are their wants, needs, hopes and dreams?

What other thoughts and feelings might motivate their behavior?

Last updated on 16 July 2017. Download a copy of this canvas at <http://gamestorming.com/empathy-map/>

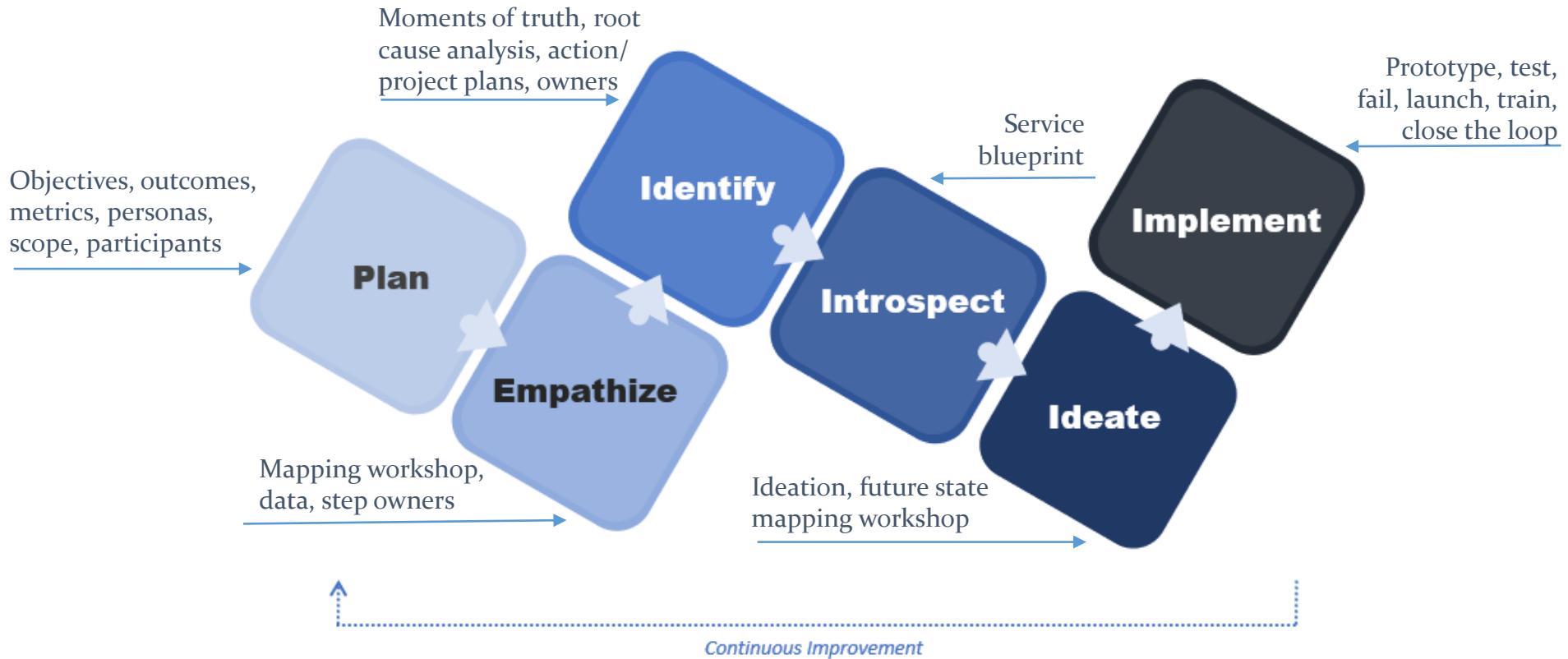
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A top-down view of numerous hands of various skin tones arranged in a circle. Each palm is covered in thick, vibrant red paint, which is smeared across the fingers and wrists. The background is dark, making the red paint and the light skin tones stand out. The hands are positioned with palms facing upwards, creating a sense of unity and shared experience.

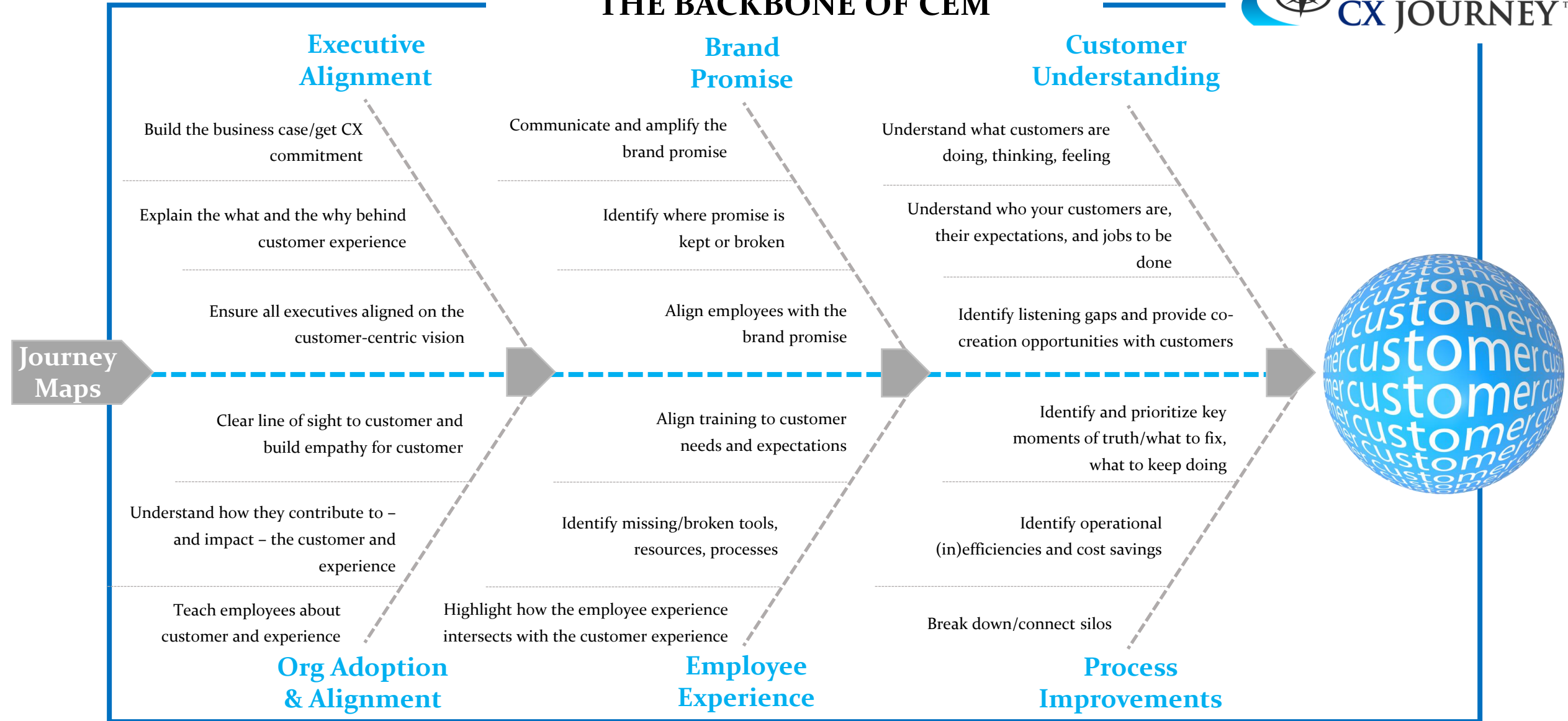
#3 Empathize

KNOW THE TOOL. EMBRACE THE PROCESS.



- **Understand current experiences:** outline and identify what customers do, think, and feel as they interact with your brand
- **Evaluate current experiences:** measure, highlight, and diagnose existing issues and opportunities
- **Design new/future experiences:** prioritize and rethink existing processes, products, and services and/or create new ones
- **Implement new experiences:** future-state maps become blueprints or statements of direction
- **Inform CX strategy:** help to identify listening gaps, prioritize improvement opportunities, and enhance operational (in)efficiencies
- **Communicate experiences:** onboarding, training, telling the customer story, and ongoing education in support of a customer-centric culture
- **Align around the customer:** garner executive commitment, bring the customer front and center, and show line of sight to customer

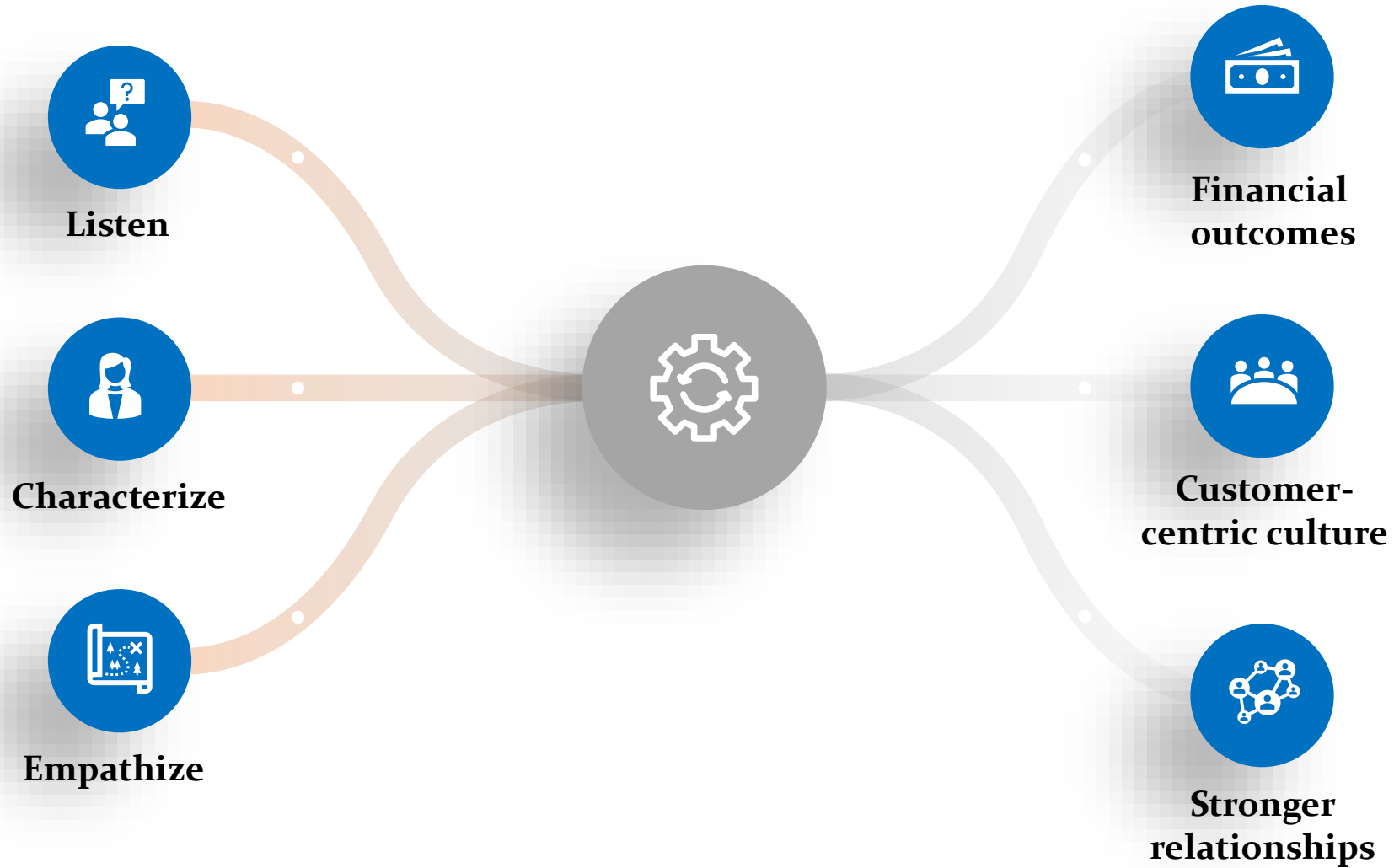
THE BACKBONE OF CEM



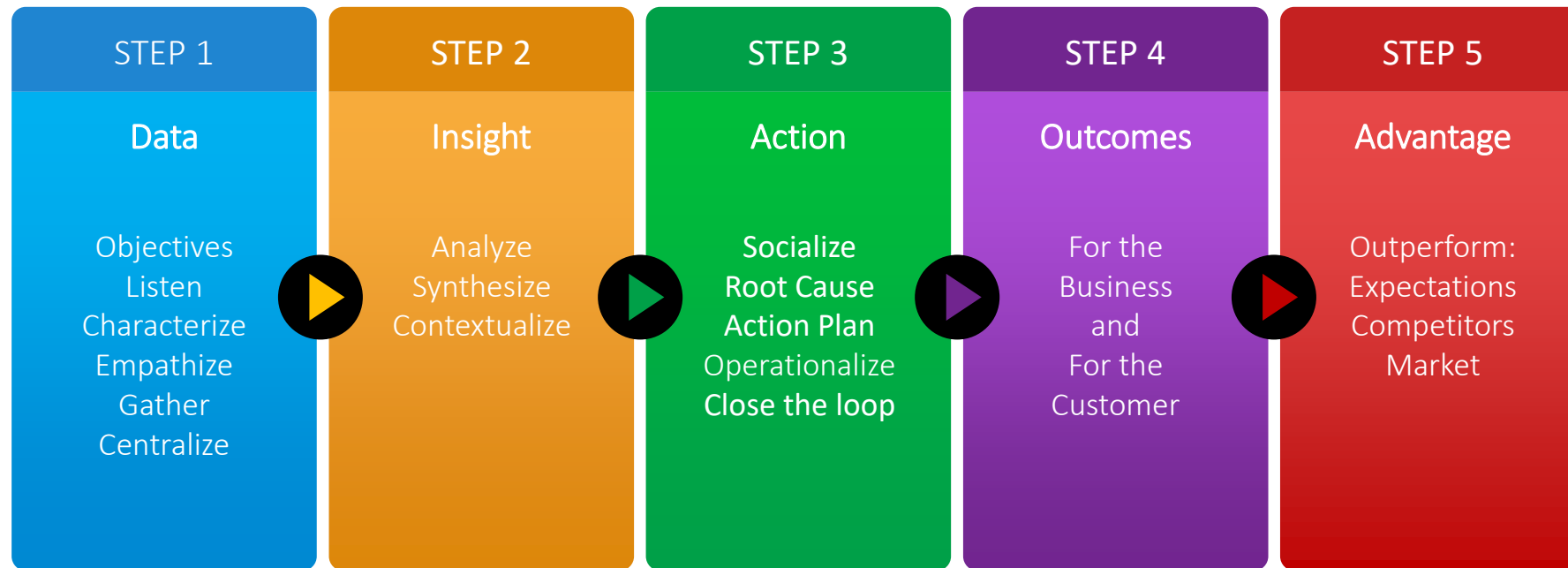


#4 Action

DATA IS JUST DATA UNTIL...



5 STEPS FROM DATA TO ADVANTAGE



BRING THE CUSTOMER INTO YOUR BUSINESS EVERY DAY



- Share data/insights
- Customers before metrics
- Personas on every wall
- Persona animations
- Persona product stories
- Customer pictures
- Customer cut-outs
- A real customer
- Streamed customer feedback
- Customer interviews/videos
- Journey maps
- Journey walk/gallery
- Customer room
- Empty chair
- CCO/CX professionals
- And more...

A group of business professionals in suits are gathered around a wooden table, assembling large, colorful puzzle pieces. The pieces are yellow, red, green, and blue. The scene is dimly lit, with the focus on the puzzle and the hands of the participants. The text '1 + 1' is overlaid on the left side of the image.

1 + 1

Putting It All
Together

customer understanding

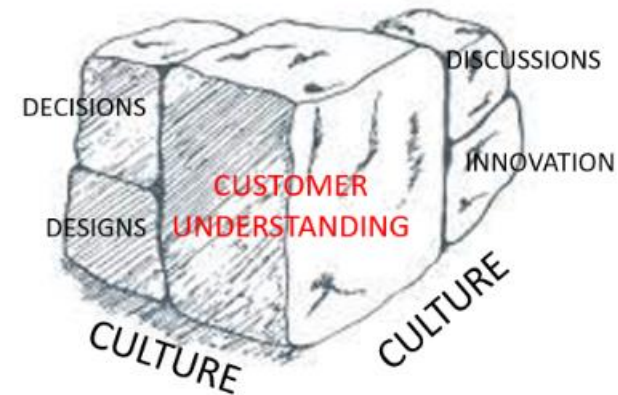
[kuhs-tuh-mer un-der-stan-ding]

verb

- ... is seeing, feeling, experiencing, and learning through the eyes of the customer, through the customer's heart and mind
- ... is achieved in three ways
- ... builds empathy for the customer
- ... puts the “customer” in *customer* experience
- ... informs your CX strategy
- ... drives business growth

noun

- ... is the cornerstone of customer-centricity



Customer-Centric Companies...

01

Deliberately design a culture that puts the customer at the center

02

Understand their customers by listening, characterizing, and empathizing

03

Act on what's learned from listening, characterizing, and empathizing

04

Bring the customer and her voice into all they do: discussions, decisions, designs

05

See the value in putting the customer front and center – and reap the benefits



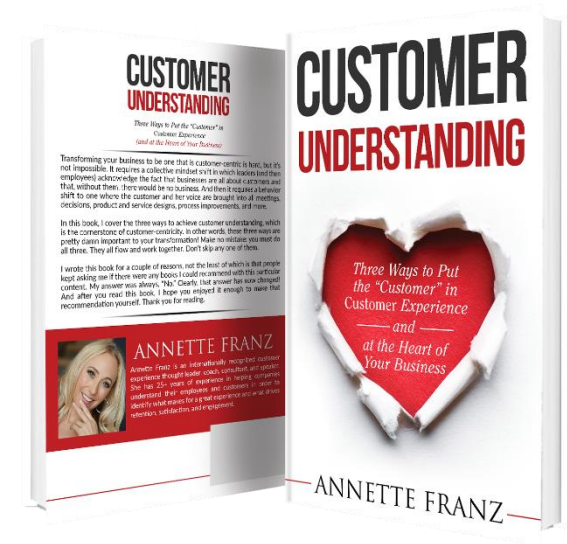
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Available on Amazon
in paperback and
Kindle formats!



Thank You!