



The CCC Approach to CX Strategy

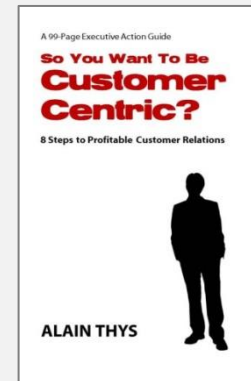
Making it happen



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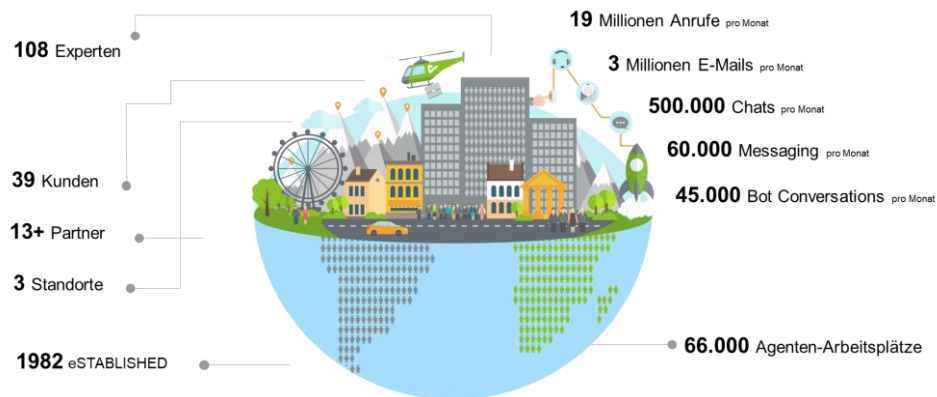
Welcome

Allow me to introduce myself

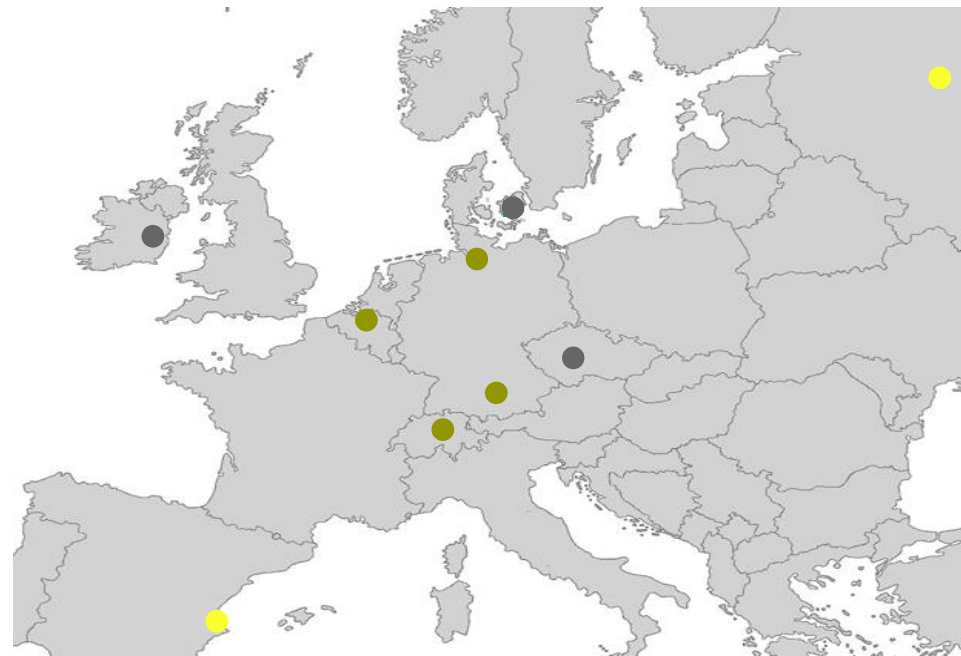
INFINIT.CX GROUP

Your Partner in Digital Service Innovation

With more than 30 years of experience, infinit.cx is the number 1 specialist for complex contact centre projects in Germany. From consulting and system integration to operation and support: we guide you from vision to result. Practical but personal, we give companies a decisive competitive advantage: efficient and outstanding customer service across all channels.



Own Offices ● Network Partners ● Representative Offices ●



Some Clients Past and Present

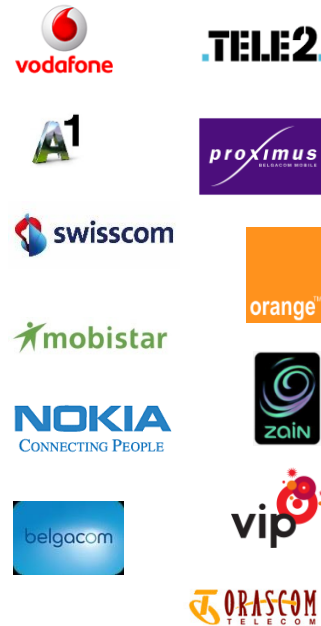
AUTOMOTIVE



FINANCE



TELECOM

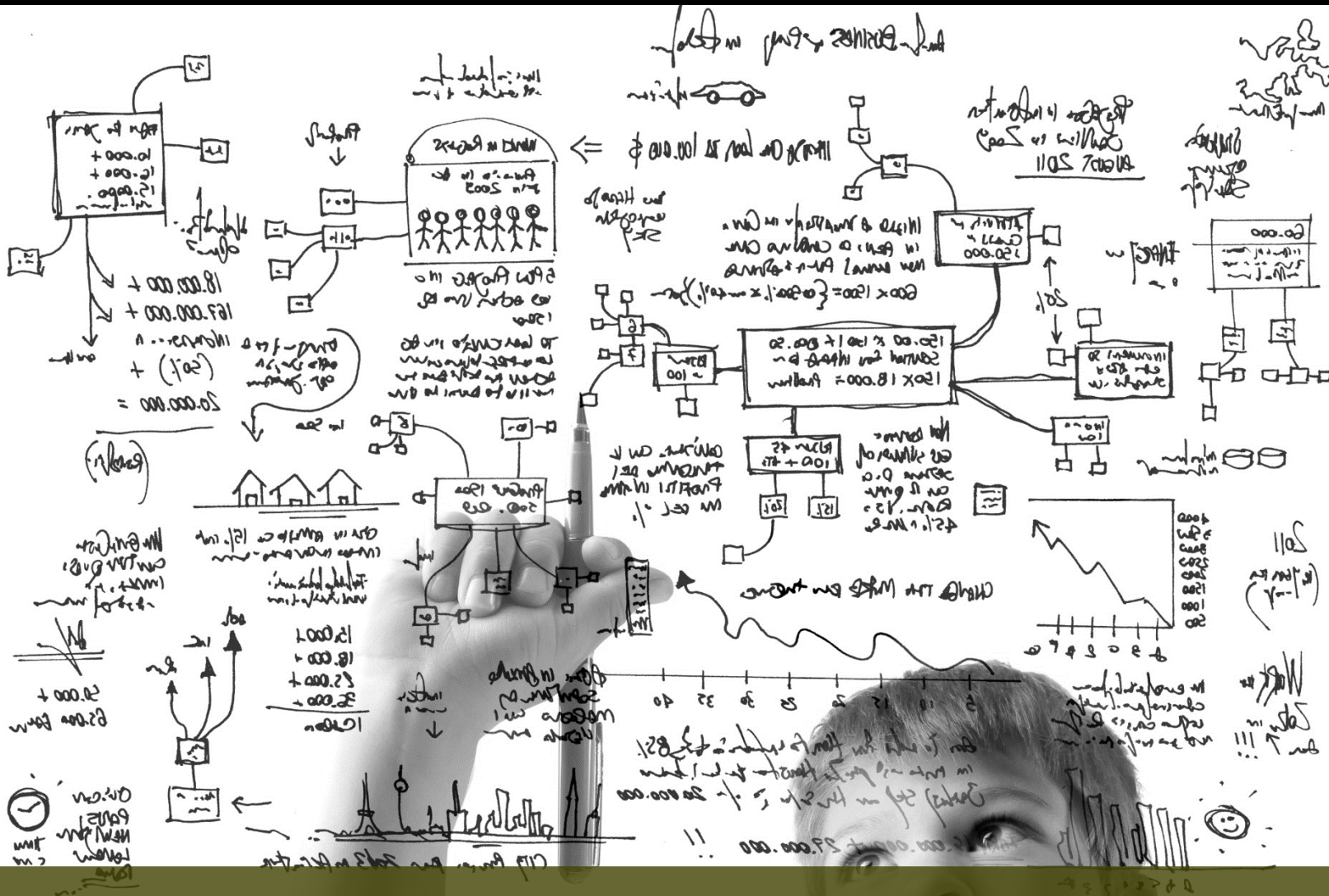


LIFESTYLE



B2B





We know that CX brings value – and that you need a strategy

Why are we here?



Strategy or Tactics?

What I am going to talk about today

1. Getting buy-in from the rest of the organization (getting an understanding of the necessity)
2. Setting up the CX programme (incl VoC) correctly
3. Driving action – change something
4. Getting ROI – make money with it
5. Existence management – keep it going

What we learned in 20 years

Typical barriers to get there

Our Approach - The CCCC-Model

CORE SYSTEM

At the core is the Futurelab VoC calibrate approach, which delivers **actionable insights** through Voice of the Customer and Employee:

- Governance
- Systematic VoC(E)
- Processes

COMMUNICATE VALUE

Once captured, value needs to be communicated in order to **inspire more people**

- Ensure people are Willing, Skilled and Able
- Showcase success and ROI
- Bring other departments and senior management on board

CREATE VALUE

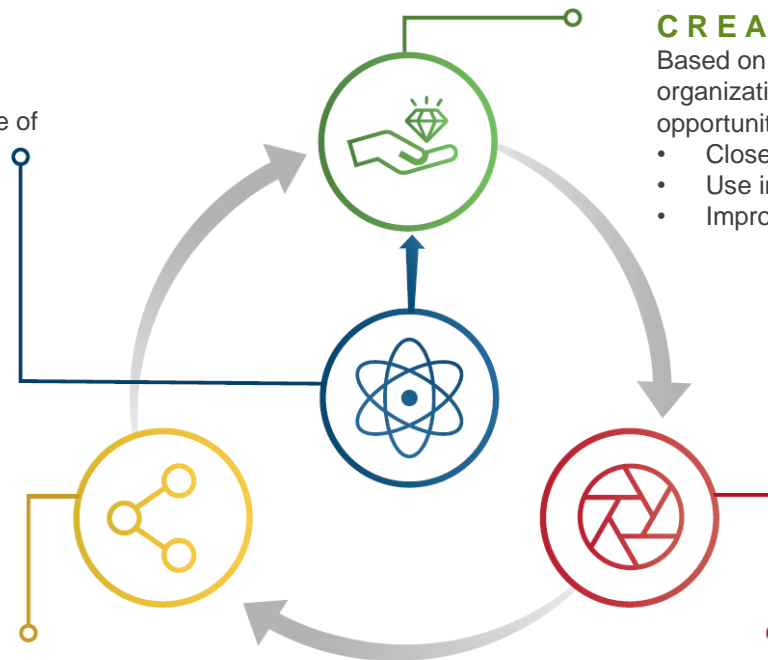
Based on the outputs of the Core, the organization can **create value**. Key opportunities are:

- Close the loop to improve CX
- Use insights to drive sales
- Improve operational efficiency

CAPTURE VALUE

It isn't enough to create the value, we must also capture it, to effectively **prove it to the organization**. We need to:

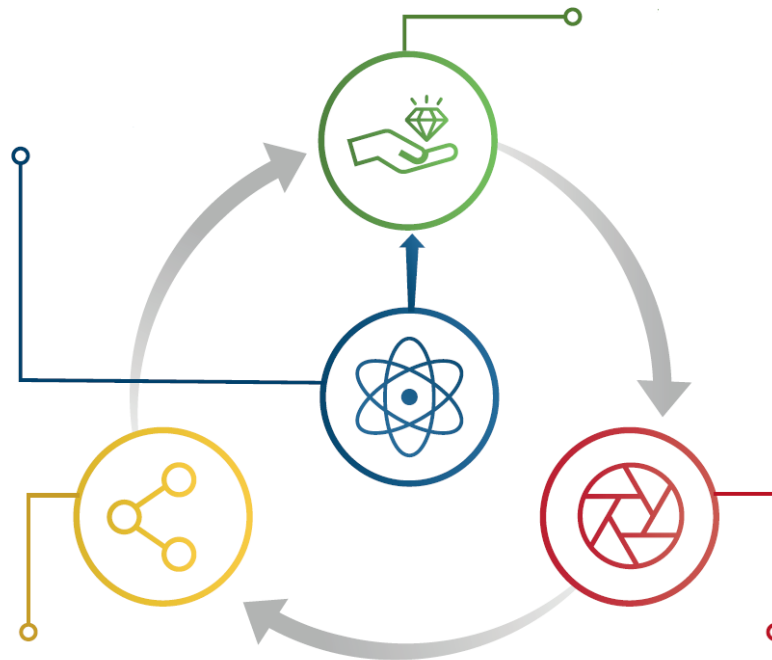
- Show the value of CX and recommendation
- Develop a pragmatic ROI & Business Model
- Implement the right KPIs



CORE SYSTEM

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- Systematic VoC(E)
- Processes

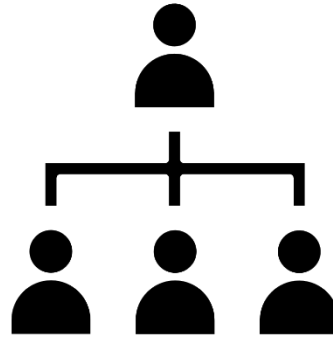


Governance



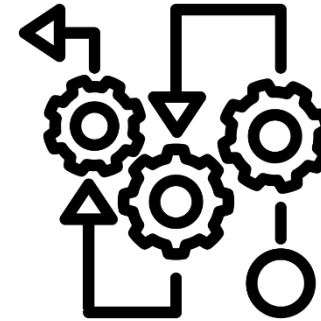
C-Level Support

„I give you Aircover“



Cross-Departmental
Steering

„We can solve this“



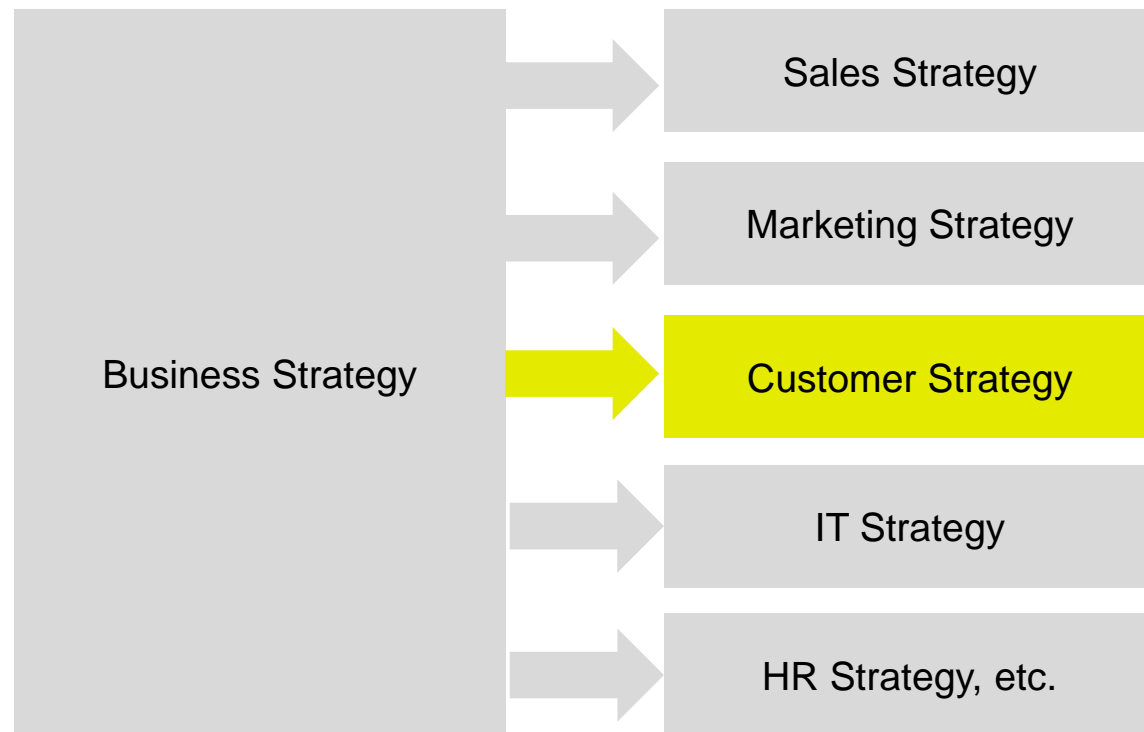
Processes reviewed
and adapted

*„This is not extra
work“*

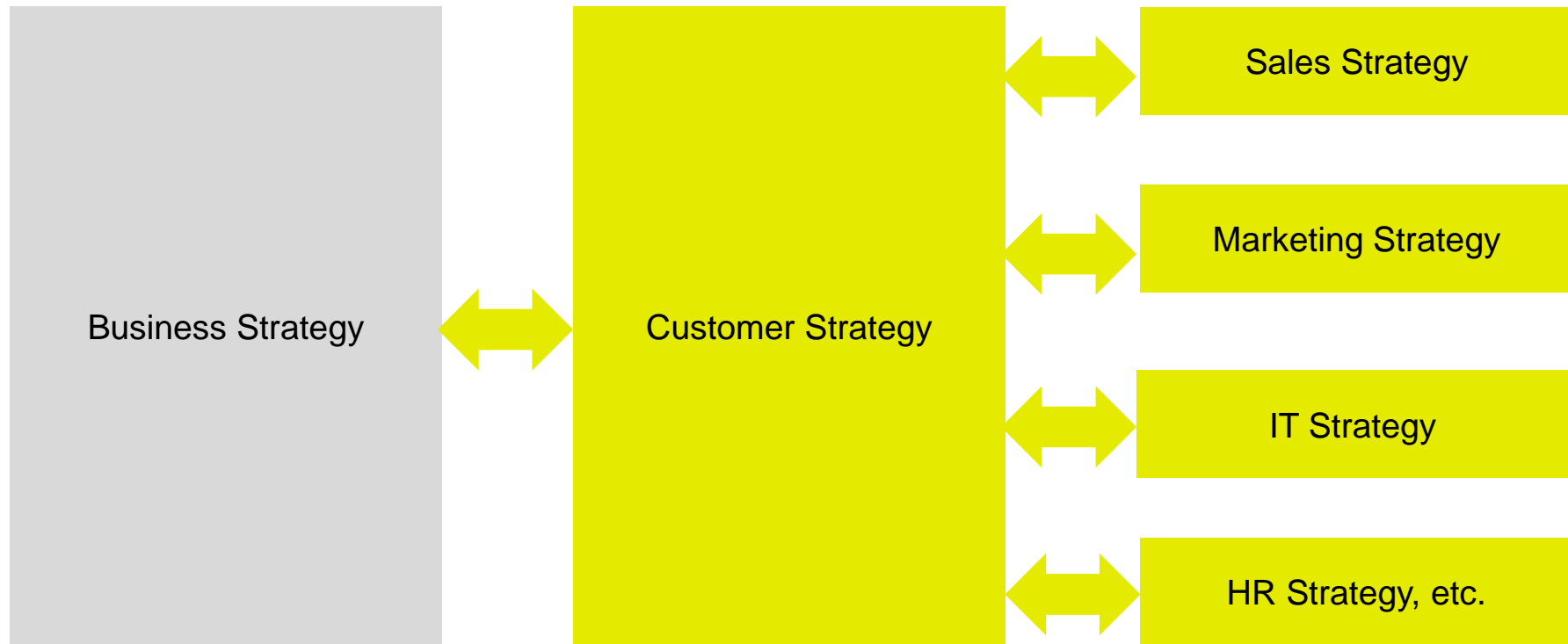
I hear you ask.....

Where in the company should CX reside?

Typical Strategic Planning



Customer Centric Strategic Planning

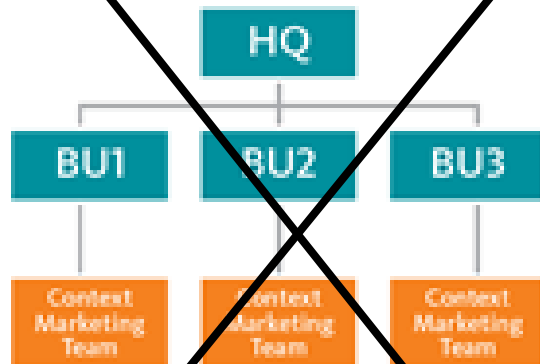


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Where in the company should CX reside?

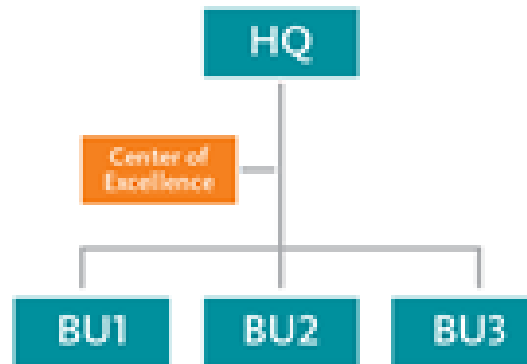
Fundamental organizational models

Independent



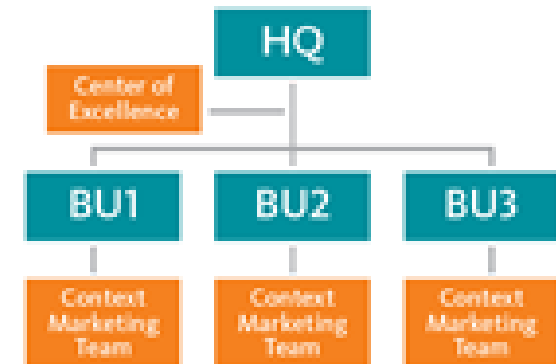
- Independent teams
- Common in early stages
- Not scalable

Centralized



- Centralized service center with context marketing, CRM and IT resources

Hybrid/Matrixed



- Center of excellence with shared resources, best practices, prototypes
- BUs address specialized or local content, initiatives
- Integration mechanisms




Are you listening, or just shouting?

Are you having a conversation?



Is it really that hard?

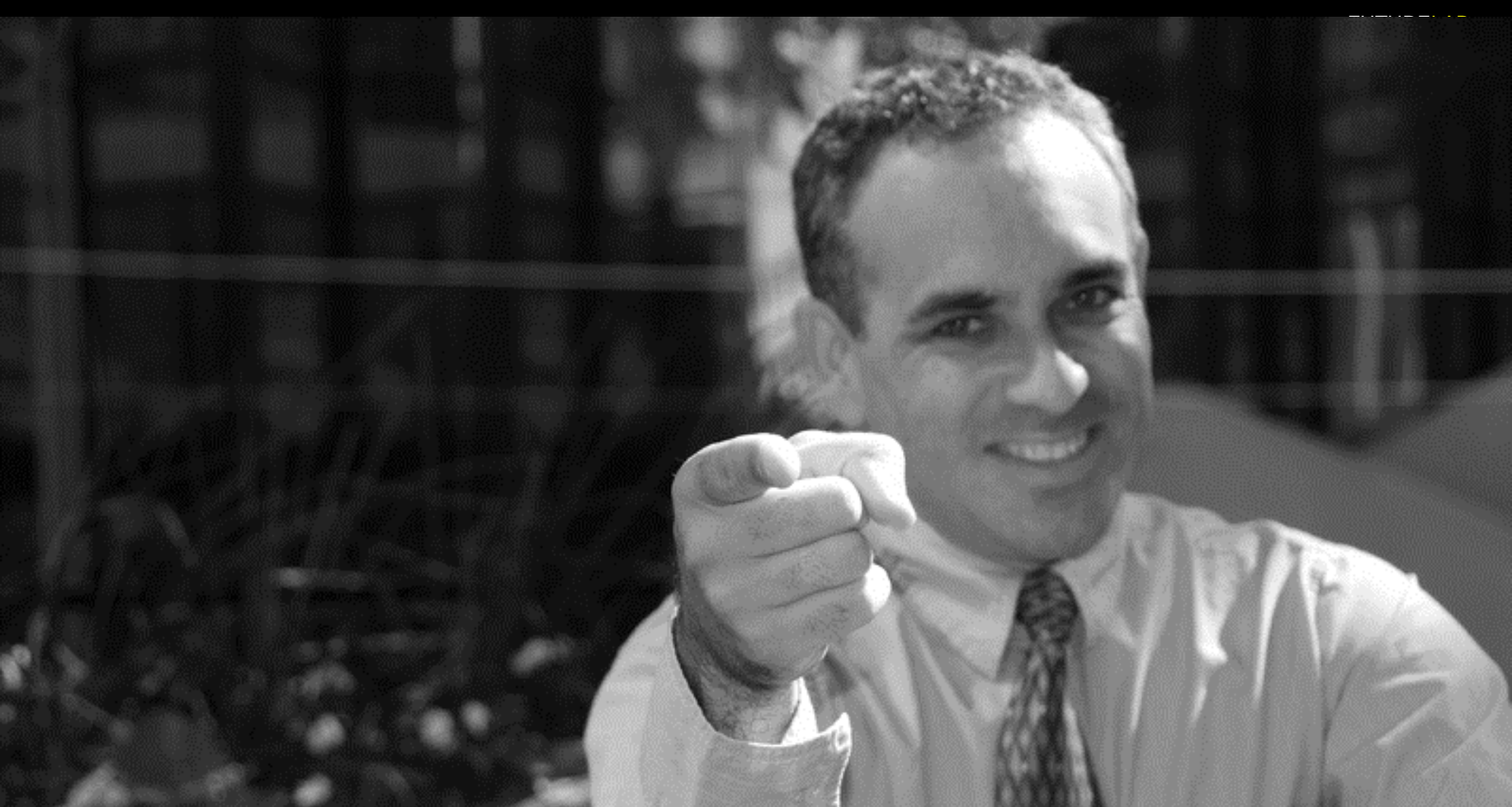
Does ANYBODY listen to the customers?



Do you want that solved right away, or can it wait a few days so I go to the bottom of it?

Short, pragmatic questions – in a popup, in a chat, in a conversation

It starts really simple – just ask!



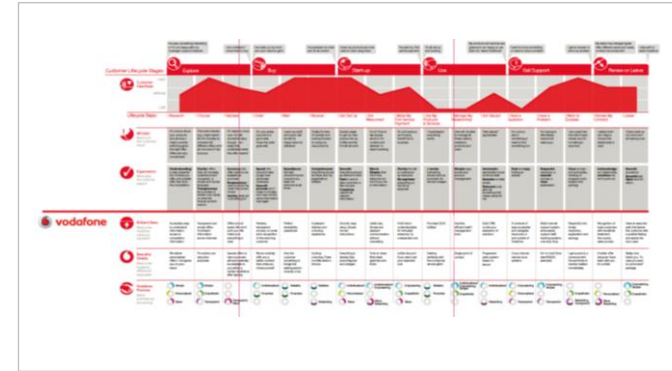
It is NOT just about surveys

Observations, conversations, small data

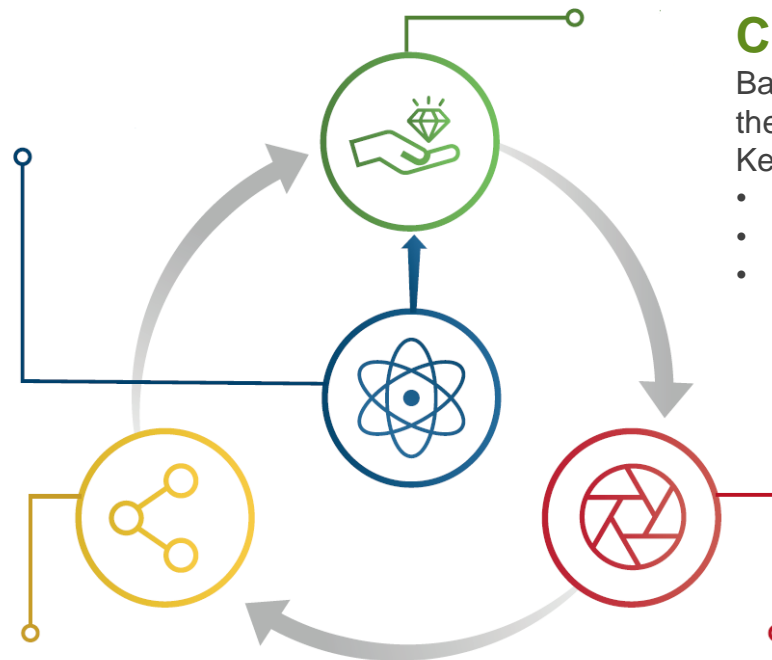


Starting with the basics, **CORE** means looking at the Customer Lifecycle / Journey and having a very clear understanding of:

- **Why** do we want to ask? What do we want to **Manage**? Which **Actions** do we want to take? Where's the **ROI**?
- **Who** to ask (which **stakeholders** can add value to my insights). This includes non-buyers and **employees**!
- **How** to ask (which **technologies** and **methodologies** to use)
- **When** to ask (which **touchpoints**, **interactions**, moments in time are relevant to the customers' experience, and increase the likelihood of them answering)
- **What** to ask: which **metrics** to use, which **questions** to ask – but also what **other information** to capture. This includes many **non-survey elements** to give us an understanding of the **emotions** and **actions** of the customer.



Short, insightful
questionnaires and
observations,
actionable insights

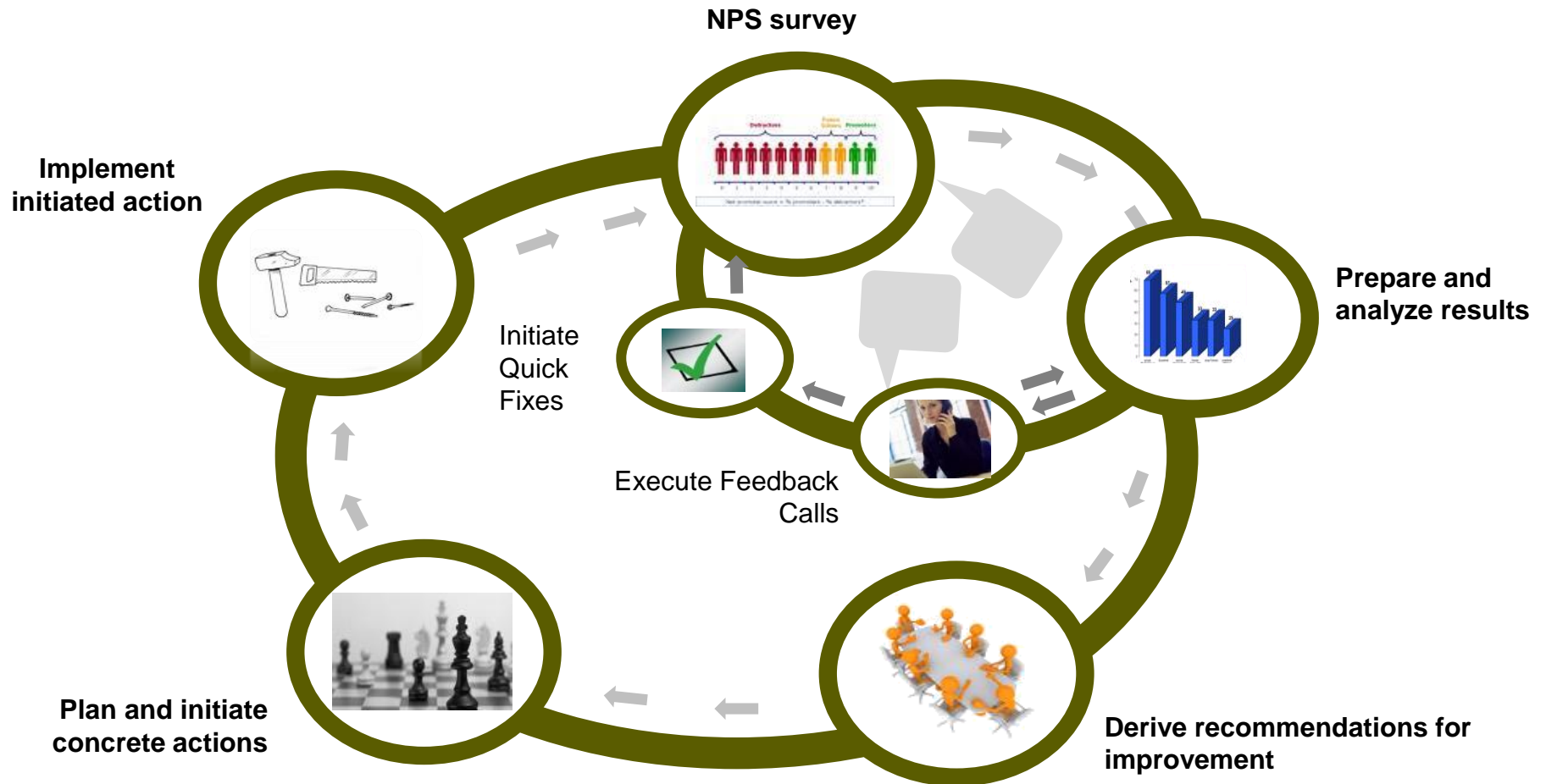


CREATE VALUE

Based on the outputs of the Core, the organization can **create value**.

Key opportunities are:

- **Close the loop** to improve CX
- Use insights to drive **sales**
- Improve **operational efficiency**



VoC magic: customer verbatims lead to

Instant ROI and structural impact through closed loop

How Closed Loop drives Action & ROI:



1. **Direct Voice of the Customer** versus blind averages
2. Ability to **solve the issue immediately** on the spot , without dropping it or escalating unnecessarily
3. Gives **responsibility to people**, not to management – promoting proactivity
4. Allows to **pick up dropped leads** and even upsell
5. Possibility to stop detraction even if the issue is impossible to solve, because **customer gets closure**.
6. Stimulate promoters to actively go out and **recommend** you

*Toyota Dealers, after the pilot ended: “**Can we keep on doing this? We will PAY for it!**”*



My favourite case

How to learn from verbatims the easy way

Would I recommend you? Ha, I already sold 3 grills for you. Why? Because the meat tastes so much better!



My favourite case

How to learn from verbatims the easy way

Die Preise senken ;) (9)

na ja, die Preise sind schon "saftig,, (10)

Hmmm, vielleicht etwas günstiger werden?(9)

Preise sind sehr hoch. (10)

*Preis/Leistung
Preis hoch,
Leistung auch gut...
schönes Design (9)*

Den Preis :-) (10)

Leider sind Ihre Preise doch recht hoch. Kann man über eine günstigere Serie anbieten? Meine Freunde scheuen die hohen Preise. Ich bin mit meinem Performer super zufrieden! (10)

My favourite example

How to learn from verbatims the easy way



Some Lessons & quick wins achieved:

- Adapt your marketing to the customers ' perception -> *double sales in 3 years*
- Figure out that ' price' is just a default answer by comparing the verbatims in the different categories: -> *keep margins*
- 80% of all customer unhappiness is in the end due to communication shortcomings -> *the ultimate quick and cheap wins*

My favourite example

How to learn from verbatims the easy way



Consumer

- *Would I recommend you? Hah! I've already sold three grills for you guys. Why? Because the meat tastes great!*
- *What to improve? The price of course, haha*

Manager/Owner

- *You're killing me - I always have to make huge advance purchases, and then you don't deliver on time - and don't even warn me.*
- *Why does no one ever answer the phone when I have a customer at the checkout?*

Shopfloor Staff

- *I love Weber - nothing sells so easily*
- *I use a Weber myself - I then show customers photos of me and my family at the grill*
- *Since I was at the Grill Academy...*

Case

Stakeholder

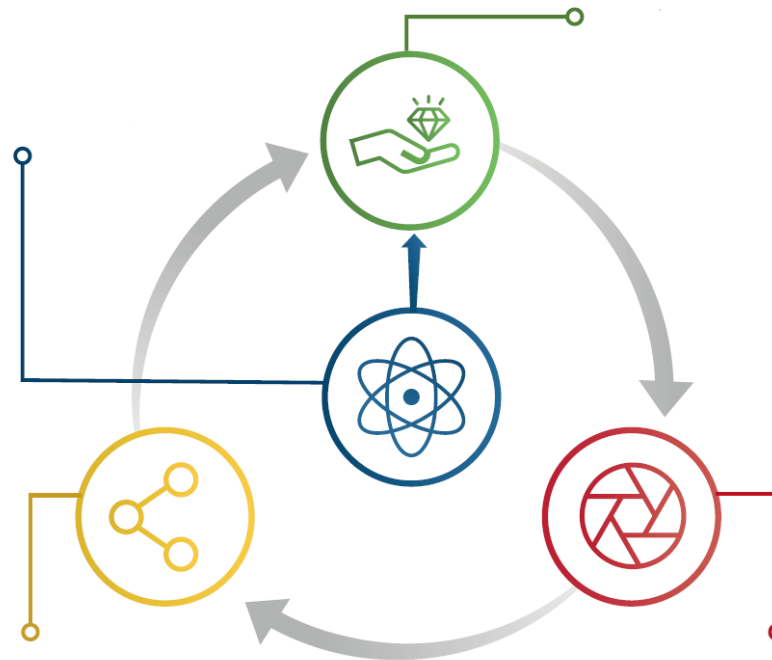
- Check share of wallet
- Just pick up the phone
- “Thanks for the great score...”



sonepar

My favourite (B2B) example

Make sales your friend....



CAPTURE VALUE

It isn't enough to create the value, we must also capture it, to effectively **prove it to the organization**. We need to:

- Show the value of CX and recommendation
- Develop a pragmatic ROI & Business Model
- Implement the right KPIs

ROI Models Should Be Useful, Not Perfect

CX transformation leaders should strive to create a model not based on assumptions that are exactly right but on ones that reasonable people will say are not wrong. Leaders should track success metrics to evolve their assumptions over time.

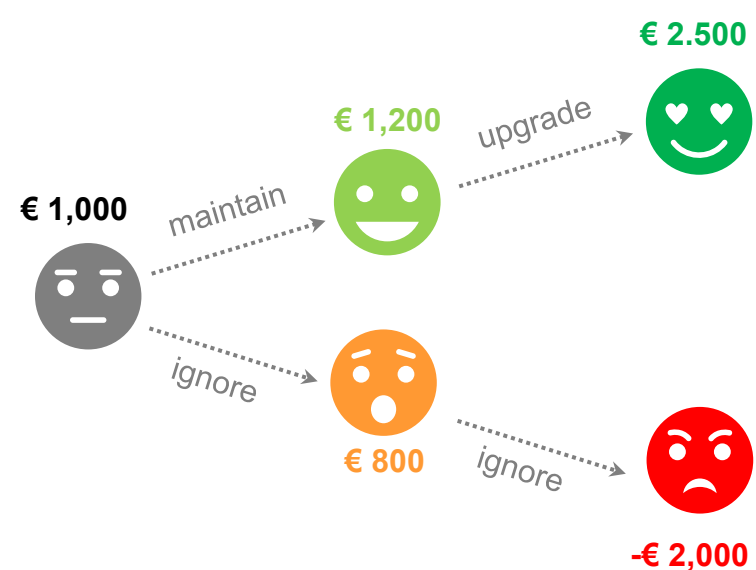
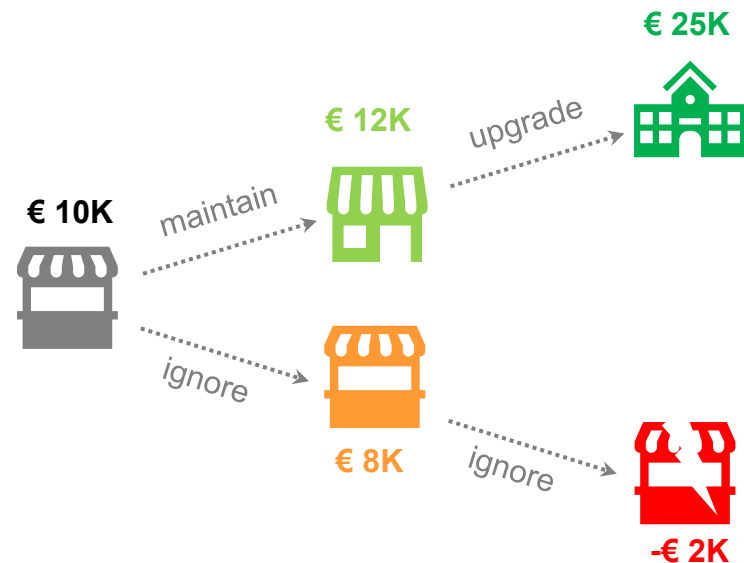
Forrester, The ROI Of CX Transformation

Be pragmatic

Dont try to be perfect, be believable

What if we treated customer like an asset on a balance sheet?

The approach is as with a real estate investment – if you don't maintain, the house takes damage and loses value. If you do maintenance and even renovations, the house increases in value. In the same way, every positive interaction with a customer increases their value



Let's calculate for real

Which are the main customer value drivers in automotive?



Let's calculate

- Car margin € 1.000
- Average life: 5 years
- Avg. service visit margin: € 50

	Detractor 0-1-2-3-4-5-6	Passive 7-8	Promoter 9-10
# Purchases over life time	_____	_____	_____
Purchase margin of car	_____	_____	_____
Value service visits over life time	_____	_____	_____
Customer Value	_____	_____	_____
Word-of-mouth effect (+/-)	_____	_____	_____
Total Customer Value	_____	_____	_____

Let's calculate

- Car margin € 1.000
- Average life: 5 years
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	Detractor 0-1-2-3-4-5-6	Passive 7-8	Promoter 9-10
# Purchases over life time	<u>1</u>	<u>2</u>	<u>4</u>
Purchase margin of car	<u>€ 1.000</u>	<u>€ 2.000</u>	<u>€ 4.000</u>
Value service visits over life time	<u>€ 200</u>	<u>€ 500</u>	<u>€ 1.000</u>
Customer Value	<u>€ 1.200</u>	<u>€ 2.500</u>	<u>€ 5.000</u>
Word-of-mouth effect (+/-)	<u></u>	<u></u>	<u></u>
Total Customer Value	<u></u>	<u></u>	<u></u>

Word of Mouth Impact at a **Global Luxury Car Brand**



How many customers
did you stop from
choosing us?

1



How many customers
did you bring us?

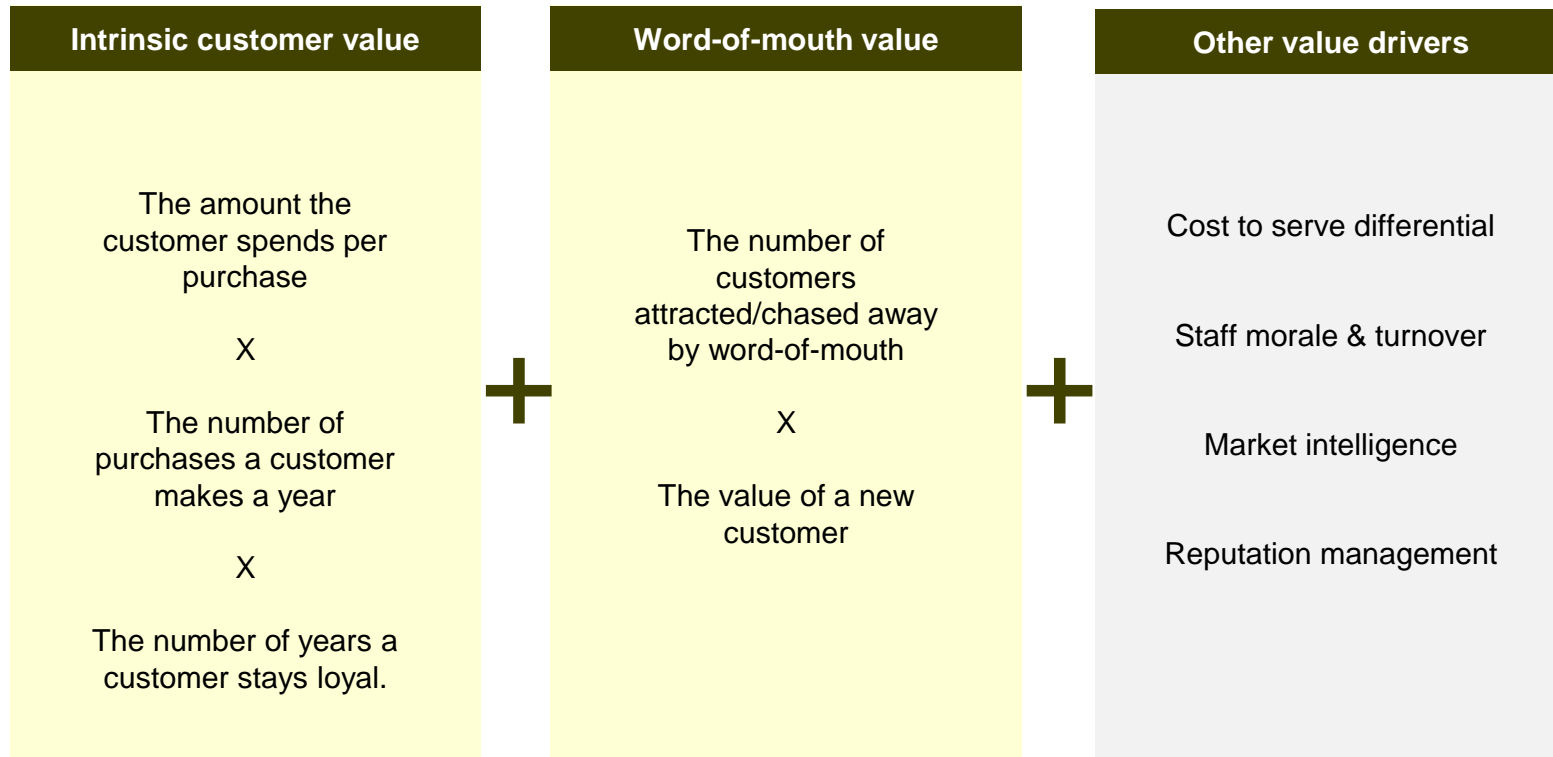
4

Let's calculate

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Customer Value	<u>€ 1.200</u>	<u>€ 2.500</u>	<u>€ 5.000</u>
Word-of-mouth effect (+/-)	<u>€ -2.500</u>	<u>€ 0</u>	<u>€ 10.000</u>
Total Customer Value	<u>€ -1.300</u>	<u>€ 2.500</u>	<u>€ 15.000</u>

Customer Value Calculation: Example (NPS Style)





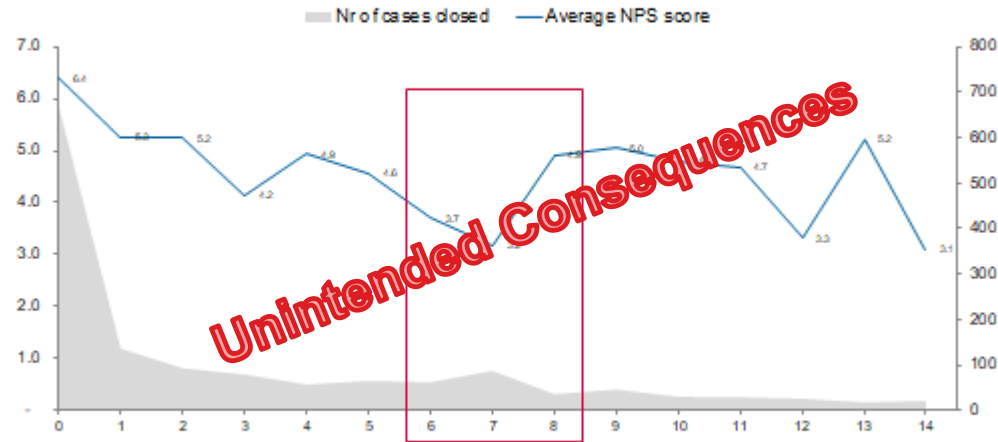
Challenge KPIs



Goodhart's law: *"When a measure becomes a target, it ceases to be a good measure."*

FUTURELABRESEARCH. Insights into actions.

Overall: average NPS score vs. days of case closure



The spike in closures before day 8 actually results in lower NPS score

2/10/2017

21.

What is the problem with many KPIs?

Challenge all KPIs





Mercedes-Benz
Customer Assistance Center Maastricht

Best example

Kill the KPIs



Customer Focused

Voice of Customer Based

- *NPS & CSI & CES per company/customer*
- *Expectations met*
- *Metric fitting the Customer Journey*



Action Oriented

Outcome Based

- *Loops closed*
- *Loyalty/churn*
- *Financial impact*



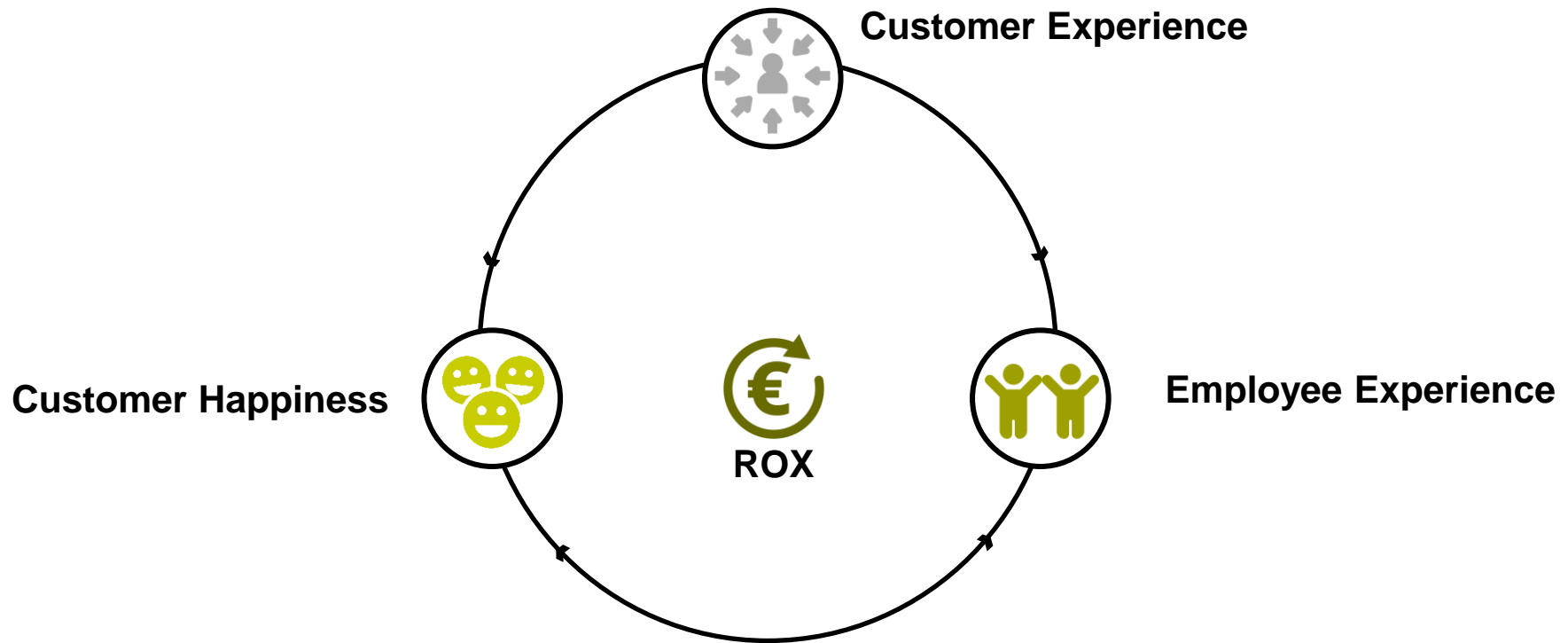
Integrated

Dashboard Based

- *Not a singular number – Goodhart-resistant*
- *Quarterly results supporting*
- *Tested for 'unintended consequences'*

What behaviour do we want to stimulate

Good KPIs



A good CX program not only leads to happier and more profitable customers, but also (both directly and indirectly) to happier employees. And happier employees, in turn, help make customers even happier. All of this leads to ROX!

A positive feedback loop

Think Holistic!

Testresults Automotive Contactcenter:

BETTER

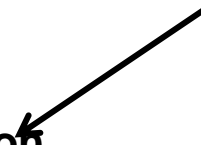
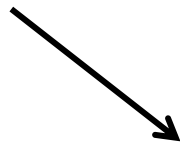
- Increased customer satisfaction (NPS) through case ownership and the ability to set priorities
- Reduced waste in the system and less irritation to the customer from boomerang cases
- Personalized engagement for customers

FASTER

- Agents may process fewer cases per day than average, but achieve a higher overall completion rate
- Agents process fewer cases at a time, but have a faster overall turnaround time
- *As an organization, we can save time on total case processing time by taking a holistic view of all time spent*

HAPPIER

- Greater job satisfaction
- Increase in employee engagement
- Reduction in lost time due to 'breaks' and sick leave
- Reduced churn -> substantial recruitment and training cost reduction



More satisfied customers & cost reduction

The kicker - 12- 18 months later 2-4 percentage points more repeat buyers

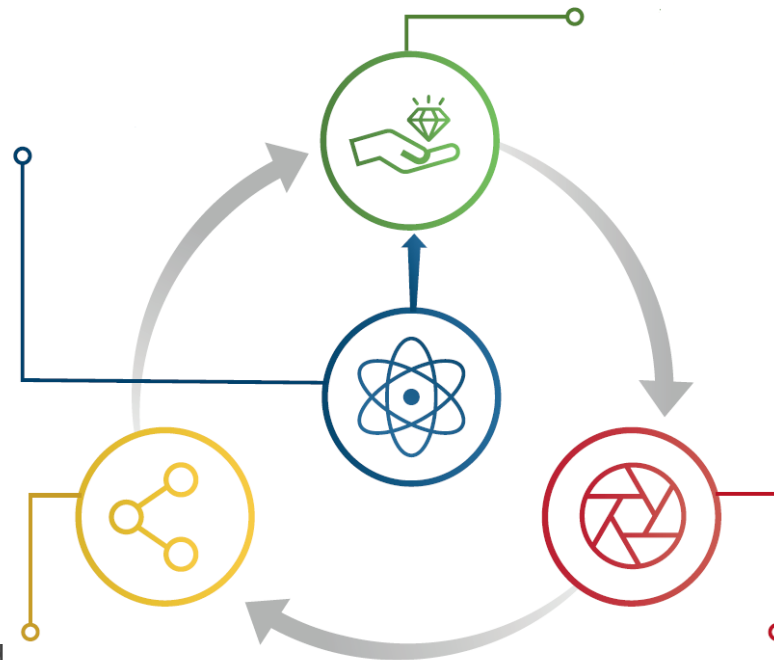
The "Perfect Case"

Show me the money

COMMUNICATE VALUE

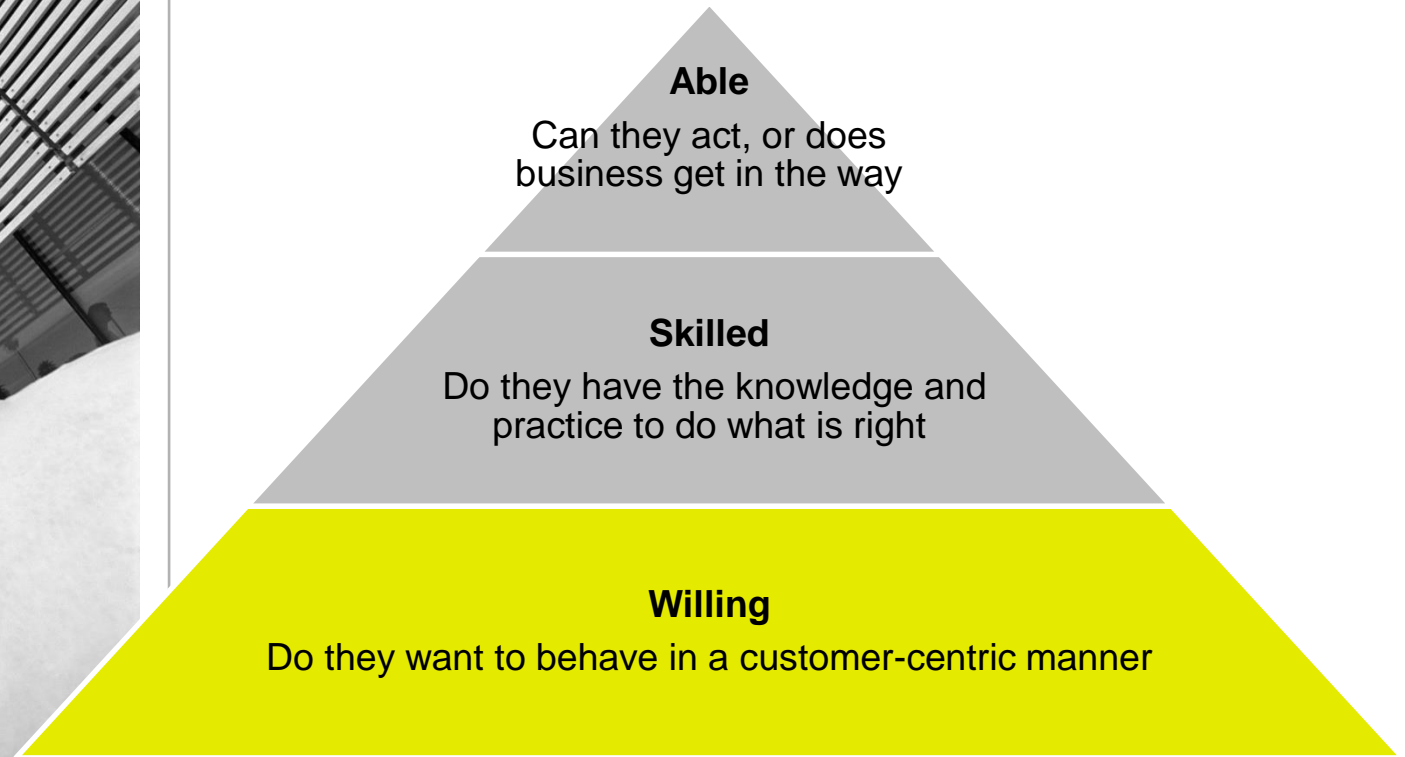
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- Ensure people are Willing, Skilled and Able
- Showcase success and ROI
- Bring other departments and senior management on board





Getting to action requires more than good intentions




The bottom line

People need to “want” to be customer-centric



The good news

Every employee wants to act on the customer's voice



19% of our detractors have an issue with misaligned touchpoints when it comes to complaint resolution.

Real life case

Make the customer's voice more interesting



Real life case

YOU SUCK !



ING...Grant Thornton...DELA
Bring the CX Strategy to life



TELL ME WHY?

Internal & External = Closing the Loop!

Once you actioned it – tell it



To start a customer movement

1. Unite your ambassadors into a community



To start a customer movement

2. Do what you can to help them be successful



To start a customer movement

3. Switch on the spotlights (ignoring others)



To start a customer movement

Examples

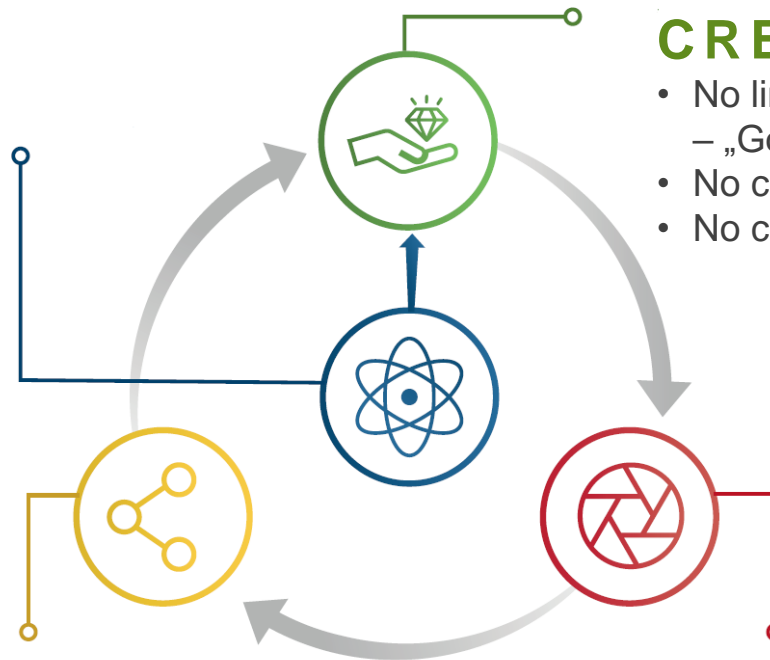
Worst Practice Example – Major Oil Company

CORE SYSTEM

- Only 20% of Customers being surveyed
- Nobody Asked the Agents
- No cross-departmental governance

COMMUNICATE VALUE

- No sharing of results or successes
- No ROI understanding
- No champions/ambassadors



CREATE VALUE

- No link between VoC and action – „Go figure it out“
- No closing of the loop
- No collaboration with sales

CAPTURE VALUE

- No business model or ROI
- Wrong KPIs



Conclusions

Almost done 😊

Summarising - The CCCC-Model

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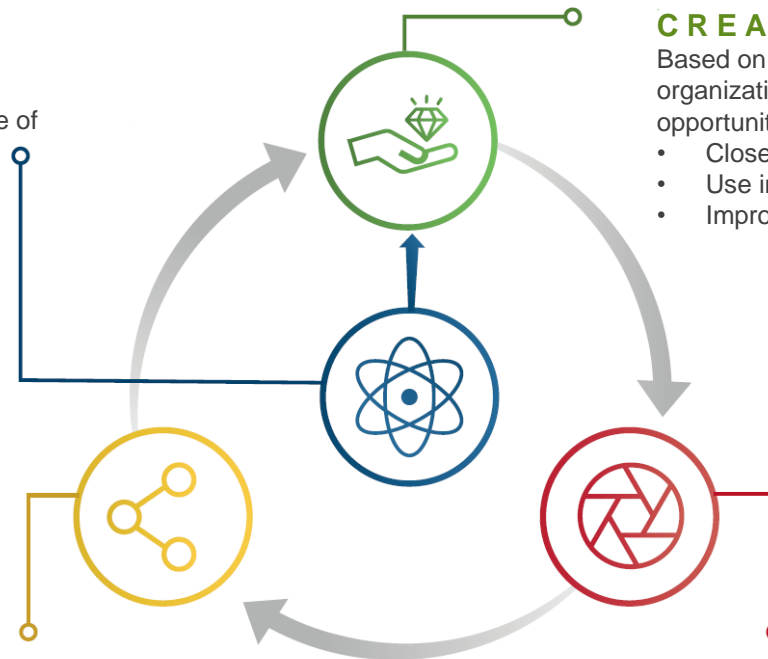
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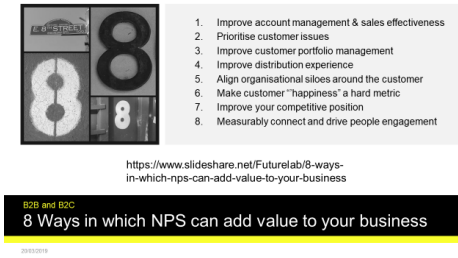
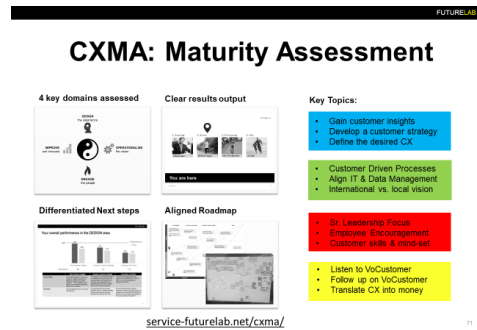
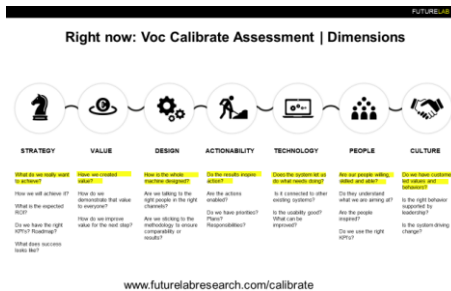
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<https://www.futurelab.net/inspiration>

Book a call or private webinar:

<https://tinyurl.com/CallStefanKolle>

Send an email: sko@futurelab.net

For resources, brainstorming or sparring

Talk to us