

Key Signs

When to Focus on Customer Experience Improvement

- Customer defection is increasing
- High value customers are not retained
- Critical customer interactions that drive customer behaviors are not understood
- Customers are more susceptible to competitive promotions
- Post-sale customer expectations are not met
- Customer experience improvement efforts lead to only incremental improvements in retention
- Current technology frustrates the customer
- Internal quality metrics are not linked to customers' experience
- Employees focused on continuous cost reduction or aggressive pushes for product sales rather than enhancing the customer interaction

When the Going Gets Tough, the Tough Embrace Their Customers

The current economic downturn is likely to be steep, long and turbulent. What are the right moves now and over the coming months? There is no one-size-fits-all set of prescriptions. Each company will have different levers to pull to weather the economic storm based on their strengths and vulnerabilities.

Regardless of which levers you pull, the last thing you want to do is drive away your most valuable and most vulnerable customers. Recent studies provide evidence that companies that do not deliver a good customer experience are vulnerable to customer attrition:

- 87% of consumers have stopped doing business with an organization after a bad customer experience compared to 80% in 2007 and 68% in 2006
- 84% of consumers indicated they would tell others about a bad experience compared to 74% in 2007 and 67% in 2006
- Blogging about a negative customer experiences has increased from 13% in 2007 to 22% in 2008

Most Organizations Fail to Deliver the Expected Customer Experience

Connecting with customers in new, meaningful and consistent ways remains elusive. Many companies are already disconnected from their customers. One of the indicators of this disconnect is that 80% of companies believed they were delivering a superior experience while only 8% of their customers thought they were receiving a superior experience.

Customer Value Partners Delivers Winning Customer Experiences

CVP has been recognized as a leader in the design, management and optimization of the end-to-end customer experience. Our approach to customer experience transformation is drawn from our own customer research about creating compelling customer experiences, the use of our Predictive Customer Behavioral Analytic Modeling tools, and the delivery of successful customer experience projects in a wide variety of industry sectors.

The results of our approach have delivered **fast, sustainable economic value** as measured by **profitability, customer retention, revenue growth, and operational efficiency**.

Our clients, in collaboration with CVP, have been recognized as winners of the 1st Annual Gartner & 1to1 Customer Award for Customer Service Optimization and the World Class in Customer Satisfaction Award from the Service Quality Measurement Group.

CVP's Approach Provides Value at Every Stage

Customer Experience Assessment

The Customer Experience Assessment follows a rigorous multi-dimensional process that maps the end-to-end life cycle of your customers' interactions with your company and of each touch point between them; and the underlying employee attitudes and behaviors, business processes and technology that impact the customer experience. The process documents the relative importance of the customer interactions, customers' minimal expectations for those critical interactions, and how well you're performing relative to your customers' minimal expectations.

Customer Experience Gap Analysis and Vision

With an understanding of current practices, this module identifies where you have the most to gain and greatest risk from a deterioration in performance; describes the intended vision and outcomes of the future customer experience; and identifies the changes (people, structure, processes, technology) required to achieve the vision.

Customer Experience Roadmap Development

This module translates the Customer Experience Vision module into a set of high impact incremental initiatives prioritized into an opportunity roadmap based on each initiative's potential to create economic value for the customer and the value that can be captured for the company, the difficulty of implementation, and the company's readiness for change. The roadmap highlights what actions are going to take place, who directs the actions and how they will be enacted.

About Customer Value Partners

Customer Value Partners (CVP) is an award-winning business and IT consultancy that collaborates with Fortune 500 and public sector clients to accelerate their business performance. We employ Voice-of-Customer based methods to solve performance challenges in the areas of Customer Life-Cycle Management, IT Functional Effectiveness, and Program Performance Management. Based in Fairfax, VA, with operations in Atlanta, Baltimore, Boston, Jackson, MS, New York and San Diego, our seasoned professionals deliver practical, experienced-based solutions to our clients' strategic, operational, and technological challenges. CVP has been recognized as one of the fastest growing companies by:



Our clients, in collaboration with CVP, have been recognized as winners of the 1st Annual Gartner & 1to1 Customer Award for Customer Service Optimization and the World Class in Customer Satisfaction Award from Service Quality Measurement Group (SQM).

For more information, visit us at www.cvpcorp.com.

Hidden Opportunities

Increase Customer Retention, Reduce Operating Expenses

Challenge

A large company in the telecommunications industry believed strongly in the importance of the customer experience and was committed to producing high-quality products. Nonetheless, management found that although the company was improving on its quality measures, customers were defecting to competitors.

Approach and Results

CVP's Customer Experience Transformation approach revealed numerous critical customer interactions with varying degrees of customer dissatisfaction across different customer segments. Contrary to what the company thought was important, less than half of customers' most critical interactions were related to product performance. Closely linked to these specific interactions were numerous disconnects where customer had one expectation and the company delivered a different experience. These insights proved critical to understanding why the company was losing customers.

The process allowed the company to focus on what really mattered to its customers and to make targeted investments in business processes and employee training to correct customer-alienating operational dysfunctions. The resulting benefits have included:

- 12% increase in customer retention
- 26% lower the cost-to-serve