



Maximizing Your Customer Experience Management Metrics



Customer Experience Is The New Brand Image

Other people's experiences
influence everyone

Good and bad experiences impact
non-customers as well as customers

Customer Experience Management



Optimise

NOT



Maximise

Attract, retain
and **grow** profitable
customers.

Optimising ...

You don't have to WOW
people all the time ...



... consistently “acceptable” service
also builds strong customer
relationships

VALUE FOR MONEY

SHARE OF WALLET

SATISFACTION

RETENTION

LOYALTY

**Yet, metrics are
always debated!**

NPS

RECOMMEND

CROSS SELL

COMMITMENT

UP SELL

PERFORMANCE

Where's The Magic Number?



Answer...

There is no Magic Number

- All measures are highly correlated
- Every program is different

Transactional v Relationship v Brand

The way customers make decisions

What your company has bought in to...

Different Programs Require Different Metrics

Relationship (strategic)	Transactional (tactical)
Brand level	Event driven
Cumulative experiences	Single experience
Multi-channel/multi-event	Recent & timely
Key Driver analysis	Reported to “units”

Different Programs Require Different Metrics

Relationship (strategic)

Brand level

Cumulative experiences

Multi-channel/multi-event

Key Driver analysis

Transactional (tactical)

Event driven

Single experience

Recent & timely

Reported to “units”

Loyalty

Recommend

Share of Wallet

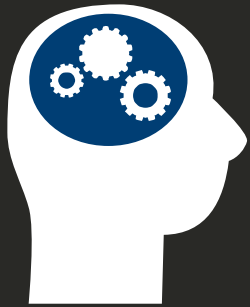
Satisfaction

Performance

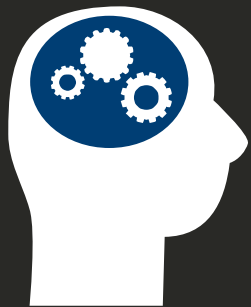
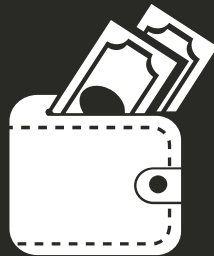
Critical Incidence

When Can People “Spread Their Behaviour”?

Share of Mind



Share of Wallet



All



Nothing

Supermarkets
Savings & Investments

B2B

Retail

Hotels

Airlines

Frequent Flyers

Insurance

Mobile Phone Service

Auto

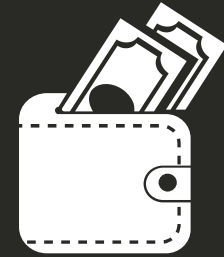
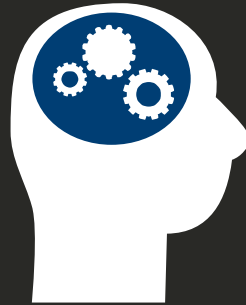
Current Accounts

Laptops

Competitive Performance Is Paramount



Switch or stay



Share of Wallet



Which direction?

There Are Only Two Fundamental Ways To Grow A Business...

“MORE YIELD”

(More \$ from existing customers/existing markets)

AND

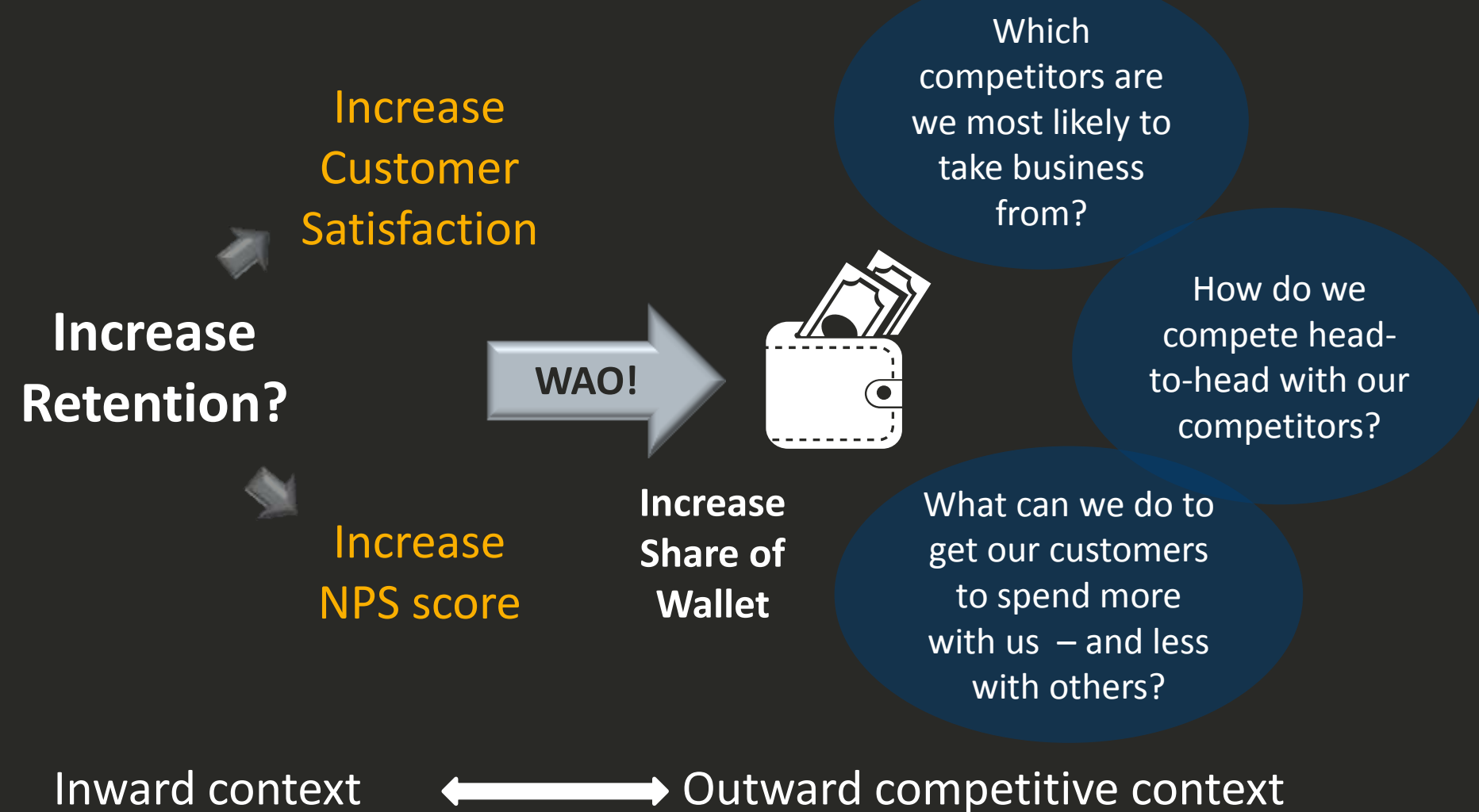
“MORE FIELD”

(Add new customers/
New markets)



The focus of Wallet Allocation Optimizer
is more yield.

WAO! Focuses On “More Yield”



Rank Matters...

Customer performance ratings do not tell enough of the story.

YOUR CUSTOMER

YOUR BRAND

It looks like Janet & John are equally satisfied



Janet, 32, married,
3 children

9

... they would be
“Promoters”





John, 45, divorced,
no children

9

...and equally ‘good’
customers...



Rank Matters...

...until we look at the competitive context – other brands they are using as well as you:

	YOUR CUSTOMER	YOUR BRAND	COMPETITORS	
			A	B
	Janet, 32, married, 3 children	9	9	10
	John, 45, divorced, no children	9	7	8



Rank Matters...

... and start to look at the Rankings ...

	YOUR CUSTOMER	YOUR BRAND	COMPETITORS A	B
	Janet, 32, married, 3 children	9 <i>Equal last</i>	9	10
	John, 45, divorced, no children	9 <i>Clear first</i>	7	8

Rank Matters...

Instead of focusing on a single “inward” looking measure
 We need to focus on *competitive rank*

	YOUR CUSTOMER	YOUR BRAND	COMPETITORS		WAO! SHARE OF WALLET
			A	B	
	Janet, 32, married, 3 children	9 <i>Equal last</i>	9	10	25%
	John, 45, divorced, no children	9 <i>Clear first</i>	7	8	50%

Rank Matters...

We Know

Market shares follow a company's rank

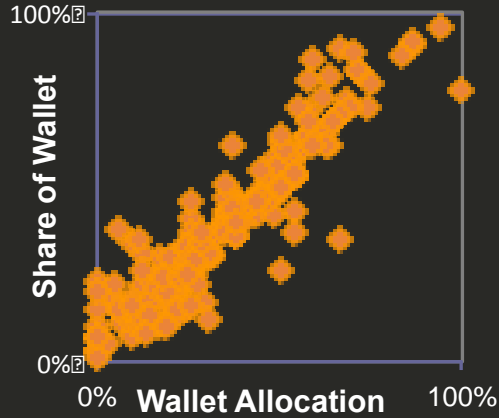
The Problem

If you can't improve your rank, you can't improve your share

Rank Works Across Different Metrics

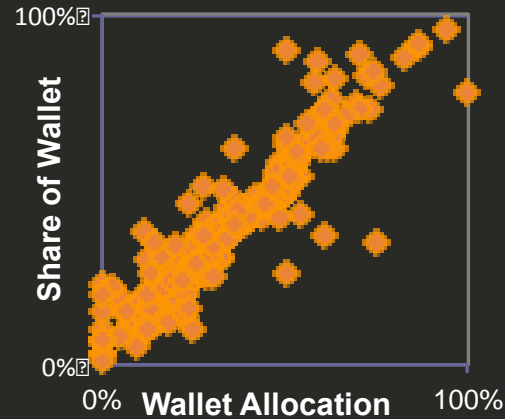
Satisfaction

R=.90



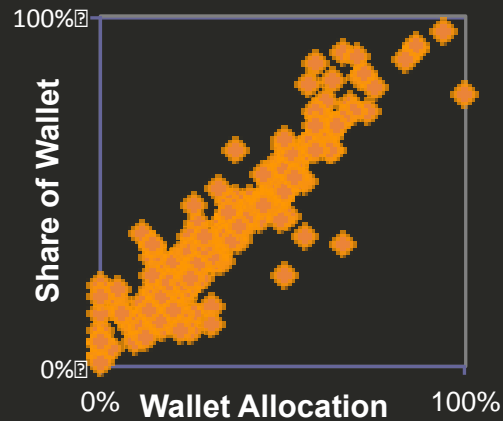
Purchase Intention

R=.92



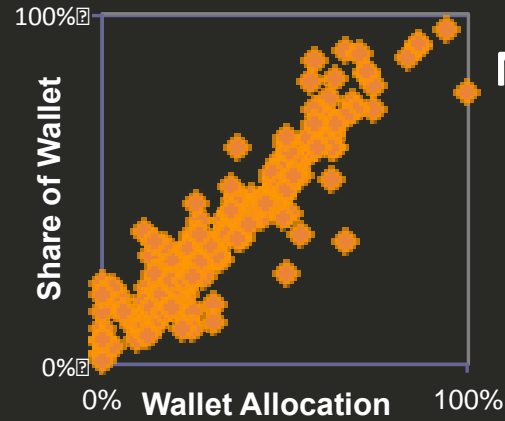
Recommend Intention

R=.92



Net Promoter

R=.91



The “Best” Metric?

“

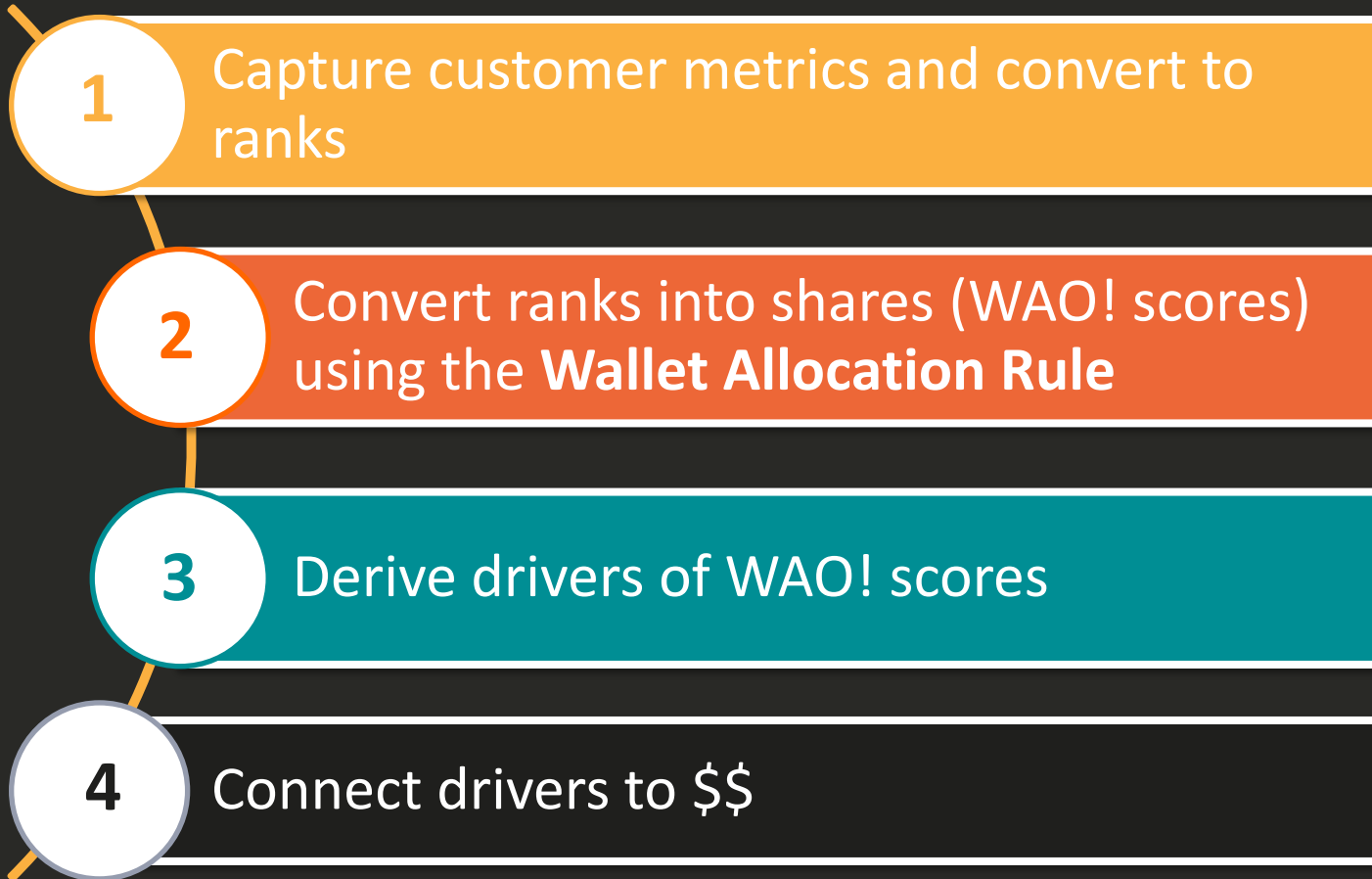
**It’s not that the metrics
we use are wrong**

Satisfaction,
Purchase Intention,
Recommend Intention,
Net Promoter

**It’s that we don’t take them
far enough**

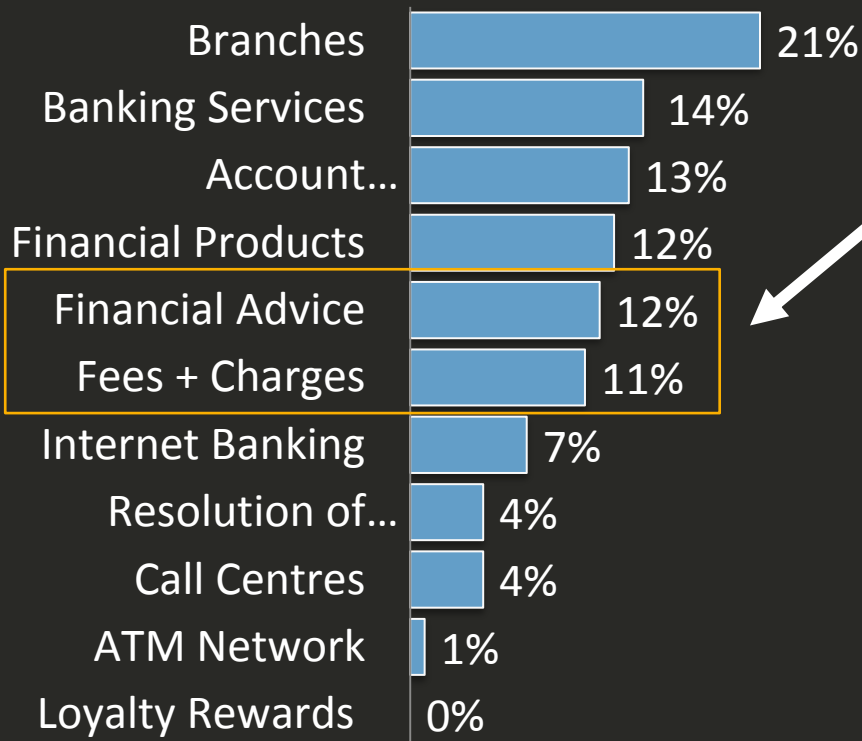
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Our WAO! Analysis Follows A Simple Process

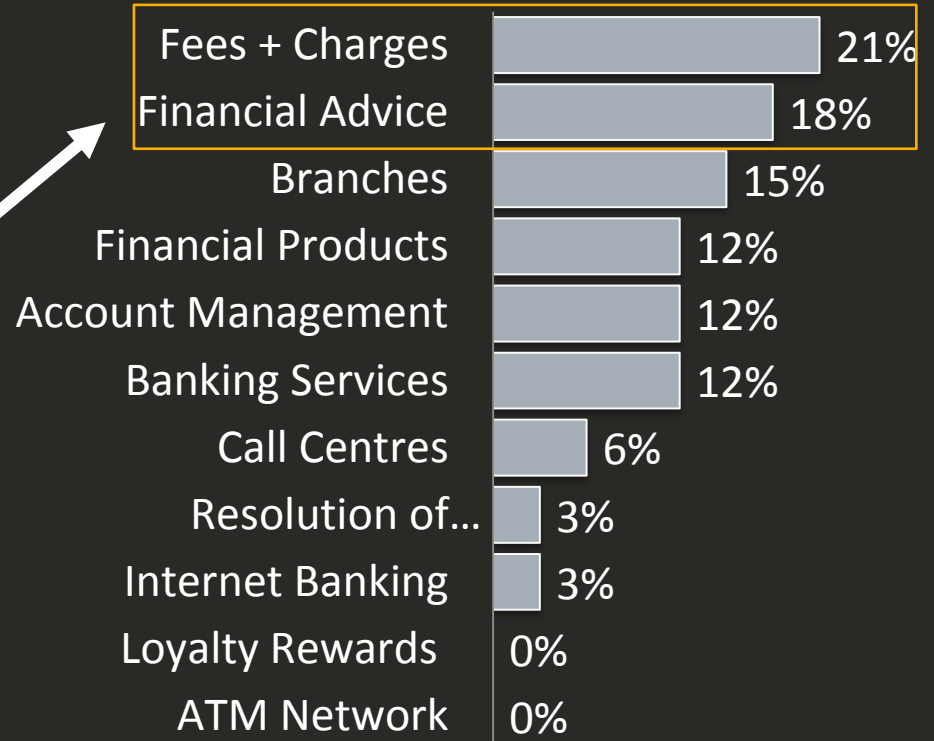


The Drivers of WAO! Are Different

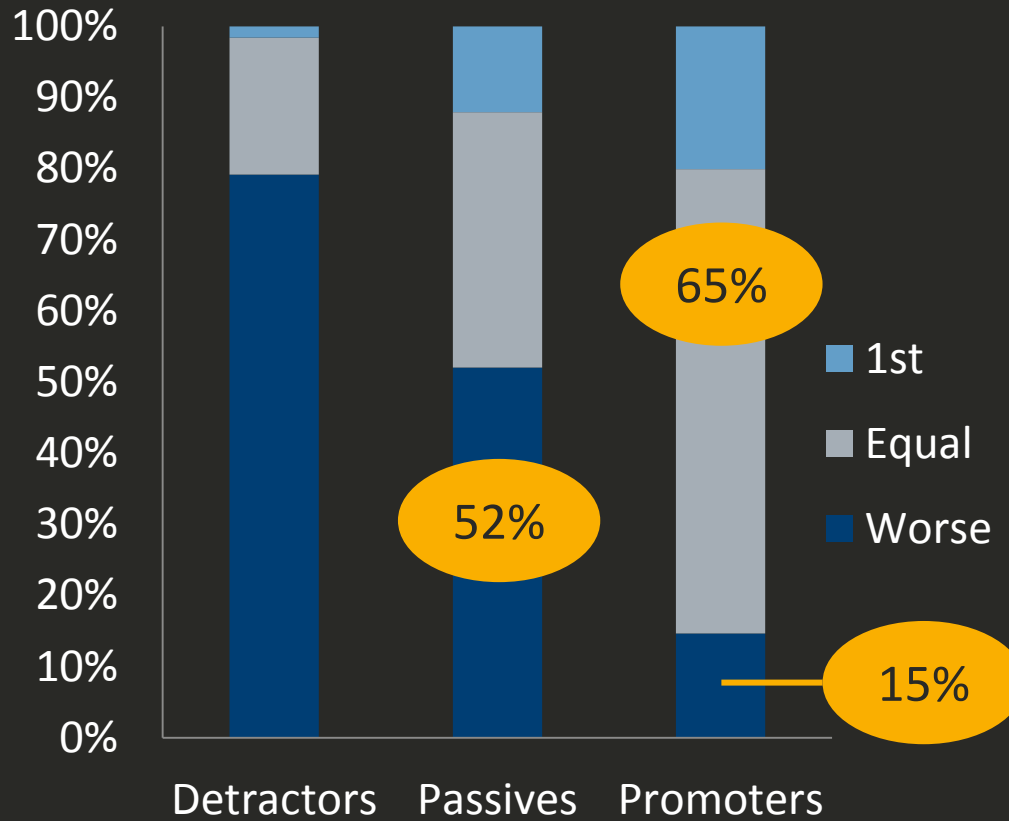
Drivers of SAT



Drivers of WAO!



Rank and NPS categories

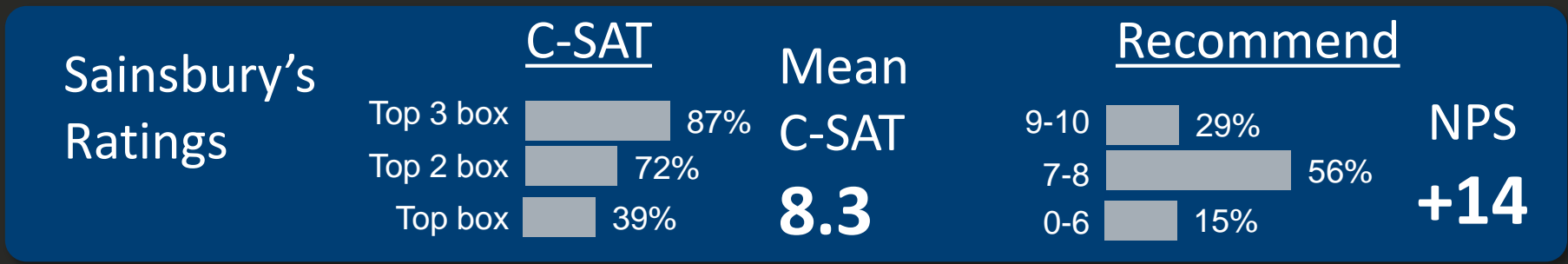


WAO!

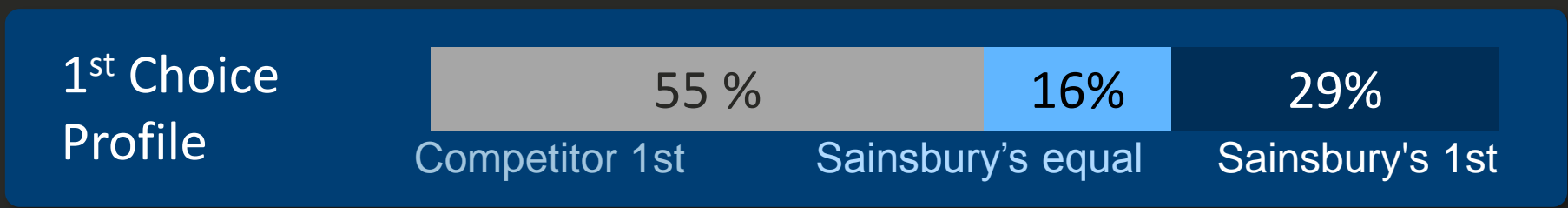
**What it can tell you
(example deliverables)**



KPI Dashboard

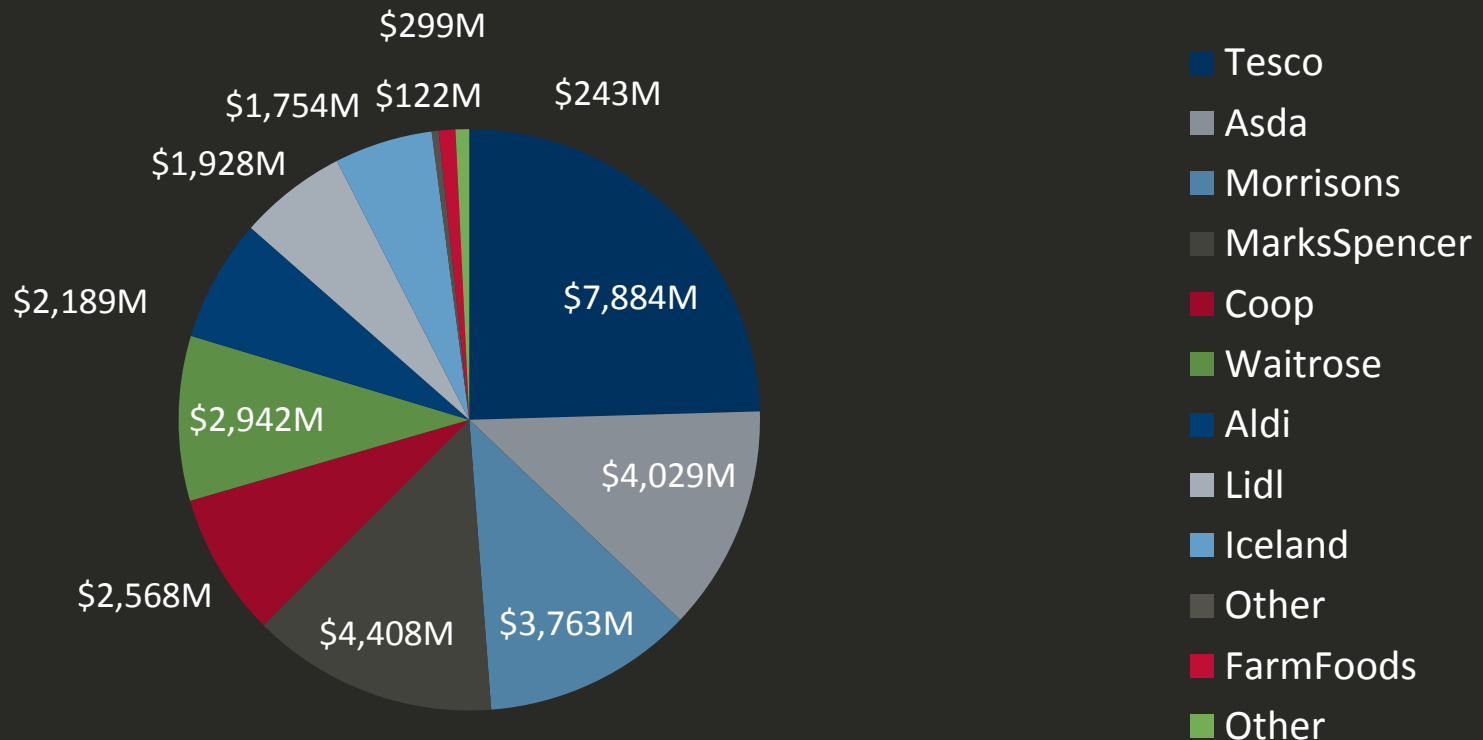


Competitive Performance	40%	Sainsbury's WAO! score
	\$1.5	Competitive spend index
	\$30 billion	Competitive spend
	86%	Competitive usage

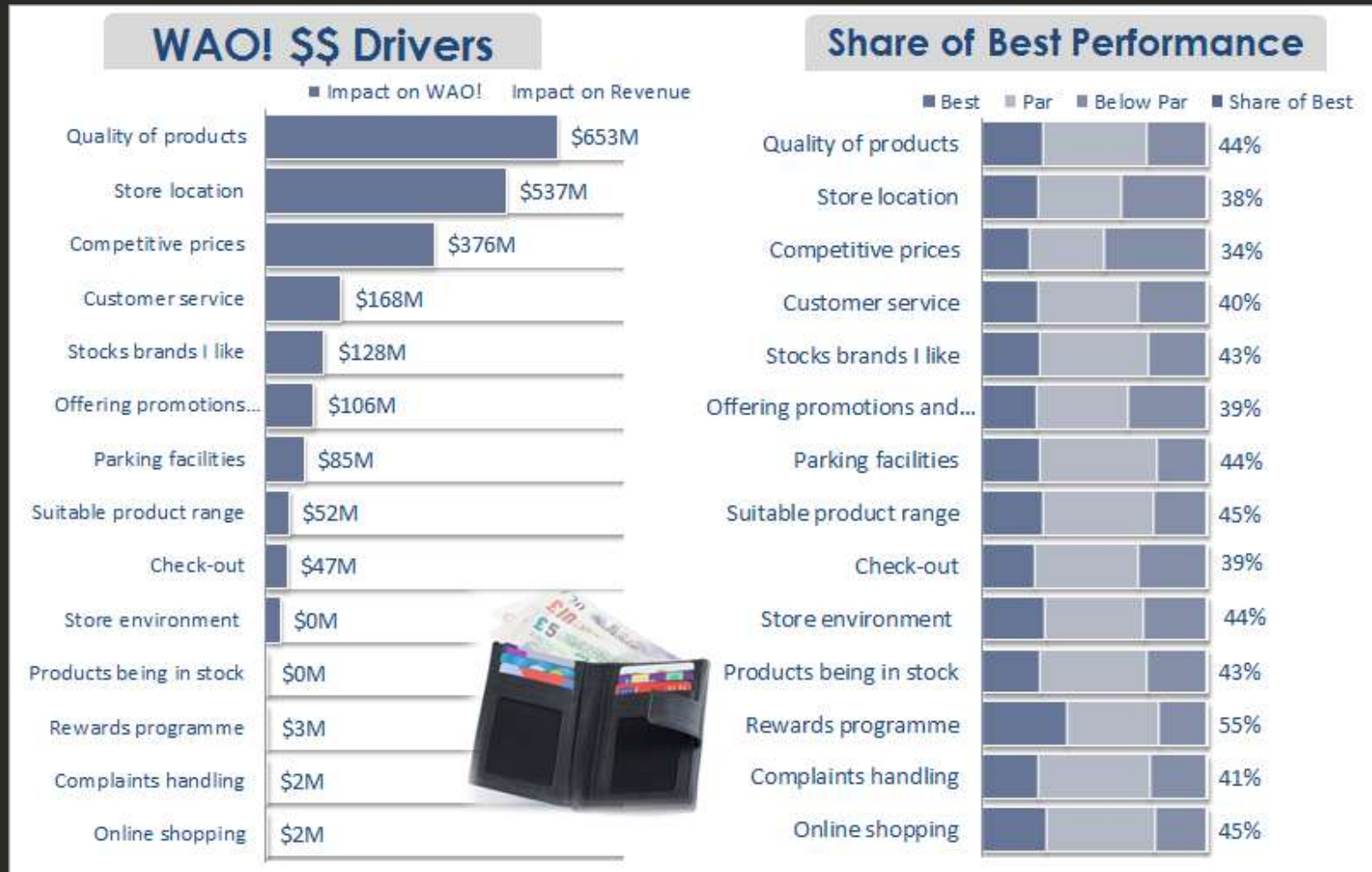


Sainsbury's Lost Revenue To Competitors

- Client revenue: \$20 billion
- Client customers' spend with competitors: \$30 billion
- Share of competitor spend shown in pie chart



Impact and Competitive Performance – Sainsbury's



Head-To-Head Performance



Key Findings



86% use other brands

56% Prefer a competitor



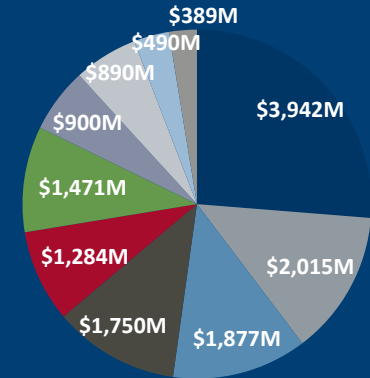
29%

40% Your WAO!
Share of wallet



\$30b Spend with competitors

Where is the \$30 billion going?



Top Drivers and Potential Revenue

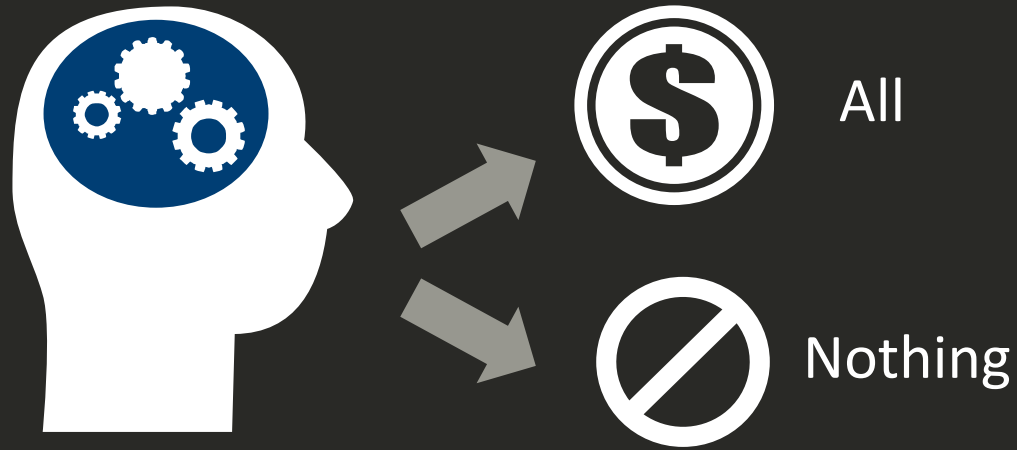


How WAO! Helps You Grow

- Correlates to real business results
- Quantifies the \$\$\$ you lose to competition
- Delivers drivers of spend



So What About All Or Nothing Situations?



All Or Nothing Situations

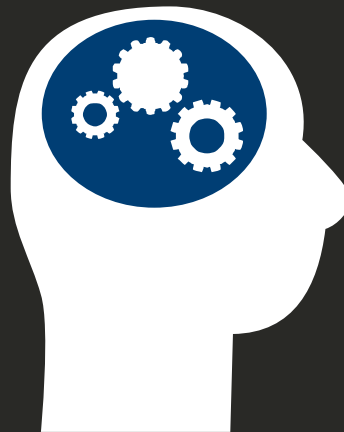
Traditional loyalty questions are relevant

*Likelihood to
continue*

*Share of past
behaviour*

*Barriers to
Switching*

But share of mind is
still important!



All



Nothing

Traditional Measures + Share Of Mind

Combining approaches leads to valuable information

- Share of mind (how they would spread their behaviour if they could)
- + traditional switch/stay analysis

LIKELIHOOD TO SWITCH – “RISK CATEGORIES”

- Loyal/Average/At Risk
- + where they will go if they do switch – Customer Flow Models

DIAGNOSTICS

- Key Driver Analysis
- Priorities for improvement

Transactional Programs

Experience Optimizer

“Event”

“Touch point”

“Moments of Truth”

“Critical Incidents”

- Focused on recent experience
- Much shorter questionnaires
- What do we NEED to know?

What We Need to Know ...

In-coming
opinion

Impact of
Experience

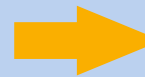
Out-going
experience

Did you experience
anything eventful
in this interaction?



OVERALL RATING
(relationship level)

INTERACTION



OUTCOME



If eventful,
how
do you feel?



If negative,
what can we
do to fix
things?

REMEMBER ...

It's
what you do with it
that really matters !



Thank You

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