

Ensuring Smarter Investments in your Customer Experience During Economic Uncertainty



AT A GLANCE

Prioritizing investments based on ROI has always mattered, but extra scrutiny now will pay off later.






With the link between CX success and financial performance widely acknowledged, companies faced with tight budgets, or even budget reductions, must make smart decisions on where they do (or don't) spend on CX. **Decisions must be aligned to maximizing the impact of each dollar and minimizing the risk of churn from underinvesting in key areas.**

To support these critical decisions on CX priorities, Ipsos CX provides a specialized approach to calculating the **Return on Customer Experience Investment, or ROCXI**.

Outcomes of ROCXI

- Validates CX metrics (VOC, engagement data, sales and ops data, etc.) against business outcomes
- Demonstrates the financial return of improving CX and calculates the risk of unresolved CX issues
- Performs "what if" simulations and action planning that links CX optimization to financial outcomes
- Provides opportunity prioritization and justifies scaling or consolidating CX investments

Business Questions We Answer

-  How do we justify and prioritize CX investment?
-  How do we forecast the impact of CX investments? What about pull-backs?
-  What is the commercial value of an increase in my CX KPI?
-  How to create buy-in for decisions around CX investments?
-  How will investments or pull-backs impact us in the near term and the long term: loyalty, churn, customer lifetime value, etc.

What Our Clients Are Saying Now

"I need to uncover the key drivers of retention so that I protect investments in those parts of the experience."

"I need to quickly determine if pausing my overhaul of the digital experience will result in revenue loss that exceeds near term savings"

"I need to more accurately capture CX KPIs and how they translate to business value"

Share of Spend

Customers choose your company more often and more frequently

Advocacy

Customers share positive experiences with friends, family and social networks



Retention

Customers are retained and at-risk customers are recovered

Operational Efficiency

Resources are prioritized around the touchpoints that matter most

Access Our Recent Thought Leadership



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Transforming CX Insights into Tangible Business Outcomes

Case Study: Ipsos identified an NPS improvement goal of 22pts before returns would diminish. CX initiatives now center around activities that will drive +22pts and \$66 million in incremental CLV.



Focusing On Return

A leading **financial services provider** sought to justify continued investment in CX with already strong NPS scores...

Ipsos paired VOC data with entity level financial data for 18 months to quantify the correlation between NPS scores across customer segments and financial performance.



Prioritizing Investments

...and then **prioritize initiatives** that drive the best return on investment by yielding measurable impact on CLV...

Key drivers analysis identified the CX improvement opportunities that would deliver the best financial return and drive customers to higher lifetime value.



Strategic Planning

...and capping investments at the point where **improving NPS no longer delivered** better business outcomes.

Ipsos identified optimal focus customer segments and simulated how each investment would translate to higher NPS and subsequent revenue.

We Equip Our Clients with Simulated Impact of CX Initiatives at Various Investment Levels.

Each key driver of retention is considered under scenarios of status quo investment levels, increases, or decreases.

Armed with insight on impact by customer segment, we help clients devise informed business cases for prioritized CX budget allocation.

Leveraging the Lean Canvas Framework, we help clients ensure the business case is clear, actionable, and poised for buy-in. We also define a measurement strategy to enable re-prioritization as learnings are captured or new information comes available.

More CX Budget / Effort

Statuesque CX Budget / Effort

Reduced CX Budget / Effort

Disqualify: Never pursue CX ideas that can alienate select segments without quantifiable ROI

Watch-out: Underinvesting in current problem areas can perpetuate current drivers of churn

Avoid: Especially when high value customers are impacted, losses can outweigh saving

Re-assess: Evaluate business case as these may be less relevant during economic uncertainty

Maintain: Continue to invest while exploring optimization; scrutinize cuts as they may yield negative ROI

Double-Down: These bubble to the top of prioritization as they represent achieving MVE at lower cost

Limit: While high impact; consider deferring or phasing until economic climate is more stable

Activate: Prioritize these CX investments for maximum ROI and speed to impact

Unicorn: Whether through optimization or effective scaling, these initiatives are must-do, *if* they exist

Churn

Retain (same spend)

Grow Value (higher spend)

Ipsos is the global leader in designing, measuring and delivering value from Customer Experience programs. We help organizations retain customers and recover those at risk, grow share of spend, increase advocacy and drive up operational efficiency; to 'deliver a Return on Customer Experience Investment (ROCXI).' Based across 50 countries, our expert CX teams help organizations at all stages of CX measurement and management, using a unique blend of research, technology, analytics and advisory solutions

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