Enterprise Feedback Management – All You Need To Know Is In The Name

By John Carroll, III Global Head of Clients

Leaders are constantly seeking new ways to drive customer centricity throughout their organizations. Time-starved customers are less and less willing to provide feedback in traditional ways. Venture capitalists are funding specialist software companies with hundreds of millions of dollars to address company and customer needs alike under the name of enterprise feedback management, or EFM. Yet even with this mounting popularity, confusion about what EFM is and how it is different from traditional customer research is hindering deployment and real business success. It's about time we simplify EFM for the sake of clarity. In fact, all you really need to know about EFM is in the name itself.

E is for Enterprise

The idea that EFM is fundamentally about broad enterprise usage is being lost in a jumble of traditional "old-school" transactional customer-satisfaction research programs. All over the world, across industry sectors, and for many years there have been large research projects focused on measuring the last experience a customer has had. However, these programs typically report to a handful of researchers in a central location who prepare reports that are disseminated infrequently to a select set of middle managers.

On the other hand, true EFM is about broad, real-time usage whereby nearly all employees from the CEO to the front line across all functions receive role-appropriate types of customer feedback daily. This democratization of customer feedback data is the hallmark of EFM. It is spawning a real revolution in how organizations become customer-centric by tightening the loop to near-instantaneous broad recognition of experience performance – be it good or bad.
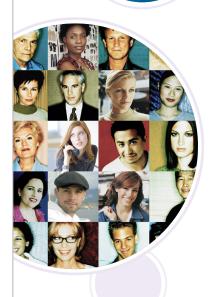
To know if your current program is truly EFM, simply ask yourself "How many people in our organization have their own unique user names and passwords to see their own specific customer information?" and then divide that figure by your total number of employees. If you have a ratio equal to 10 percent or less, you know you do not have EFM in place yet.

F is for Feedback

This is the realm of real-time data capture that combines a wide variety of customer feedback and Customer Relationship Management (CRM) data as well as related operational and financial data and more and more employee feedback, too. This continuous real-time data fusion of a diverse set of customer experience and behavior relevant data streams including those from social, mobile, local and commercial (SoLoMoCo) sources is new and powerful.

The age of single-source data being reported in silos is ending. Furthermore, feedback is increasingly unstructured as customers become less willing to complete traditional feedback surveys. Feedback includes data that need not be actively provided. Passive geo-localization data is just one of the many new and powerful sources of feedback being combined, analyzed and presented throughout organizations.

M is for Management

Here again is a simple and important difference from the traditional approach, whereby the "M" stood for measurement. The emphasis of EFM is on action, change and improvement, or in other words, on the management of customer experiences. Management requires analysis to move away from purely backward historical views and toward predicting the impact of customer experiences on customer behavior and adjusting the strategy and tactics of the business in anticipation of predicted customer behavior.

Most importantly, management is about closing the loop on individual customer events, rather than simply feeding a scorecard, which was the hallmark of traditional transactional research programs. True EFM systems don't stop at providing scorecards; they foster the taking of immediate action every single time an experience goes wrong, a customer seeks help or a business process is predicted to fail.

EFM Simplified

So, there it is – EFM simplified. With the hype and promise of harnessing the volume, velocity and variety of customer experience data by applying EFM technologies, it is easy to be confused about how leaders should think about adopting these new and powerful tools. By ensuring EFM addresses broad enterprise usage of multiple active and passive feedback sources in a framework oriented much more toward management than measurement, we can be sure to capture maximum value from our EFM investments. After all, with EFM, all you need to know is in the name.

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