

# High performance customer experience management

The ultimate result of today's many business challenges is that it is more important now than ever that companies know their customers better. That is the end goal of customer experience management, and yet, many companies still fail in obtaining a holistic operational view of the customer, and as a result, fail in upping their game in terms of experience management.

"It's common knowledge that the cost of keeping and growing an existing customer is much lower than getting new customers. Customer experience is about quickly and accurately responding to customer needs, and since most businesses have a variety of customer touch points today, they need a unified view to be able to see what is happening in the business and to be able to extrapolate a perfect user experience," explains Michael Renzon, CEO and founder of InQuba.



## Applying the data

He points out that accessing the kinds of experiences that lead to customer loyalty and engaging in the customer story hinges on real-time sharing of key insights in order to listen to the voice of the customer. "A lot has been said about using data to improve customer experience, but it's the application of the data that makes the difference."

Speaking at Customer Experience World held in Sandton, Renzon highlighted the fact that without a sophisticated model that can be used to populate data into an organisation, obtaining these kinds of insights and using them in a focused, specific way is extremely difficult. However, he believes that done correctly, using the many data points companies possess about their customers will allow strategic insights that will ultimately result in converting customer experience to increased revenue.

"It's all about aggregated marginal gains (AMG)," he says. "AMG is the practice of driving high performance through multiple high-velocity gains. Essentially, it's about using all of the small advantages a company can access in order to gain a big enhancement in its customer service, and the converse also applies: if a company ignores any of the smaller customer challenges, the end result is a loss that will be larger than anticipated."

Used by Team Sky, the first British professional cycling team to win the Tour de France, AMG has been proven to provide focus and results by directing effort in a specific way. "Dave Brailsford, manager of Team Sky, analysed all of the many factors that could play a role in the team's success or failure, and focused on those that would ensure better results. These included seemingly inconsequential things like the pillows the team slept on every night, as well as more common-sense factors like the aerodynamics of the seats on the bikes. The end result is multiple wins for a team that was an underdog."

## Marginal gains

According to Renzon, this approach is equally effective in business, especially where there is data that can be used to pinpoint the gains. "The marginal gains live in the data. When taken from an AMG perspective, using predictive modelling and aggregating the data will allow companies to identify which areas will have the most significant impact on customer satisfaction. However, the correct application of AMG is as important as finding the gains themselves."

He adds that there are three steps: service management or recovery, operational customer experience management, and strategic customer experience insights. These will allow companies to use their data to access marginal gains that will ultimately result in keeping customers happy or turning unhappy customers around, and pushing vital data to the front line, which will assist them in doing their jobs better, as well as enabling sensitivity analysis or what-if analysis.

"Not all gains are created equally, and AMG is the foundation of a process of continuous improvement that will result in high

velocity feedback loops. Effective customer experience and engagement relies on a single view of all customer related feedback, as well as the correct action being taken in order to capitalise on this knowledge. The impact of this, when done right, is high performance customer experience management that will impact positively on the bottom line," Renzon concludes.

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