



Agenda 2020

Customer Experience Management

Practical cookbook to building the best customer experience within Home Credit organizations

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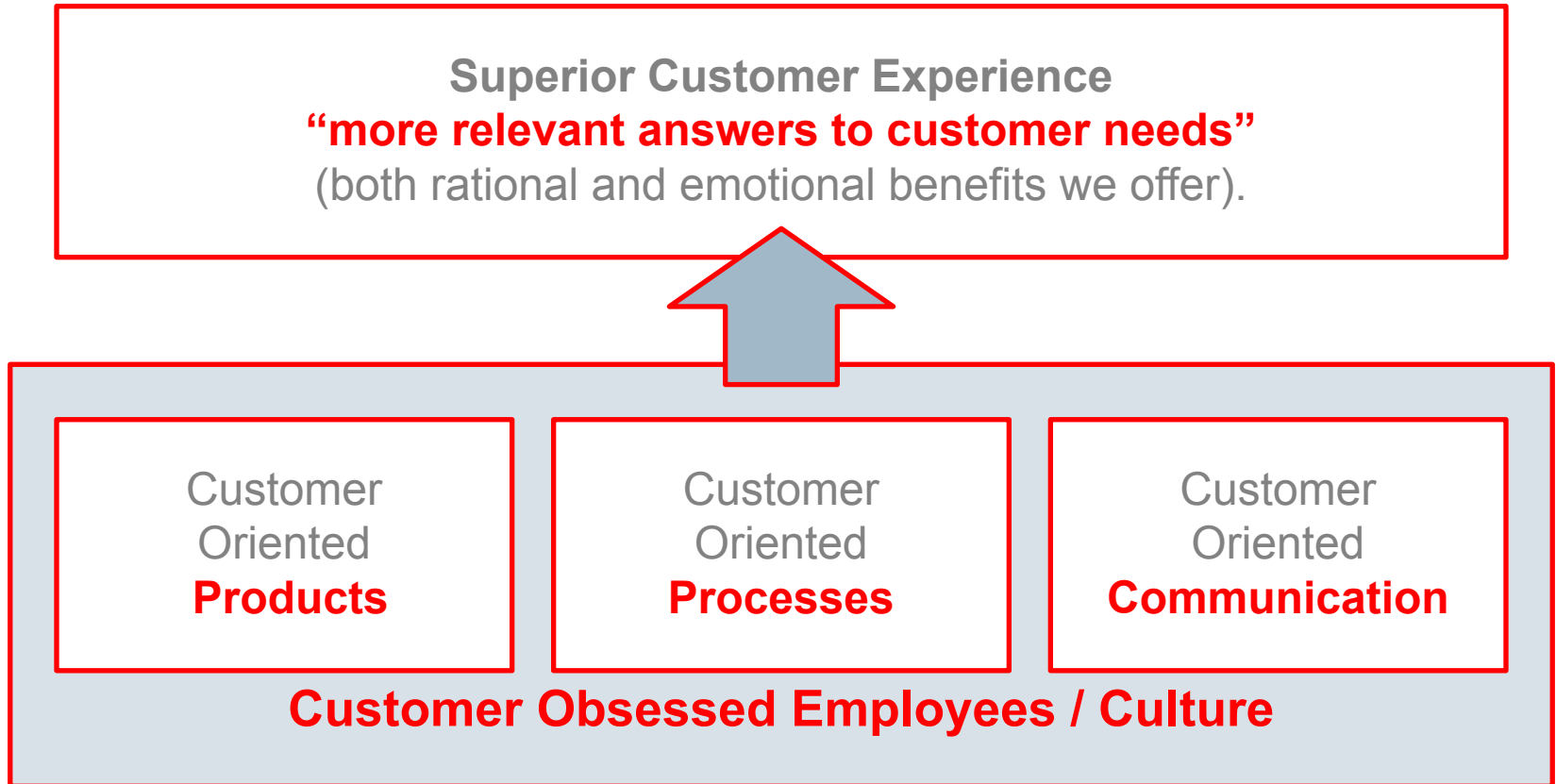
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Customer experience is mainly affected by product and process design and communication

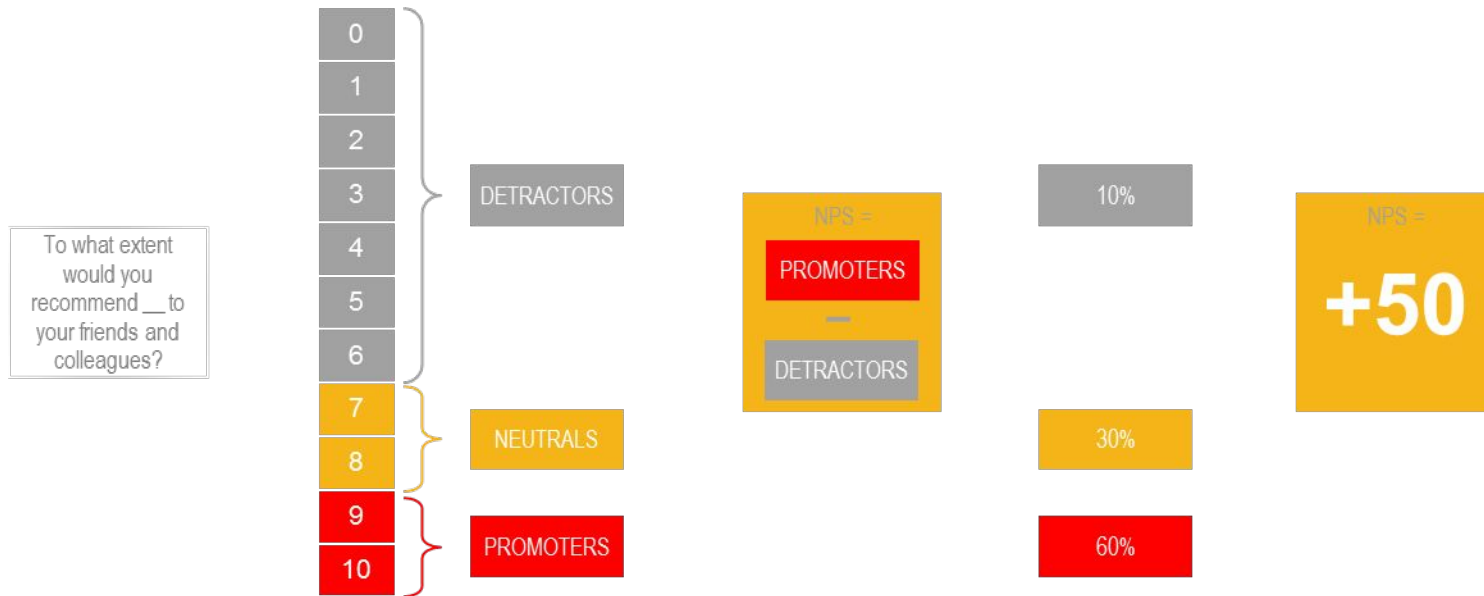


Customer Experience Board is an effective tool to steer resources you already have into building superior customer experience



When properly managed, it increases loyalty as measured by NPS (Net Promoter Score)

Overall Customer Experience / Loyalty is best measured by Net Promoter Score (NPS)



By definition, in order to achieve high NPS, you need both a) high number of ambassadors and b) low number of detractors



General idea of customer experience management is actually very simple



- People only remember bad and great, no one cares about “good enough”
- Find the “bad” and fix it
- When changing something, you might as well change it to the great
- When searching for the “bad”, you will run into something that’s “good enough”, but could be changed into “great”



So how exactly are you going to benefit from productive customer experience management?

- A.** Productive Cust Ex will translate into increasing customer satisfaction, consequently increasing customer NPS.
- B.** You will know the painpoints, why clients contact you and what emotions it causes.
- C.** Top management understands client issues and client satisfaction, as they meet regularly, on a bi-weekly basis
- D.** Cust Ex can be successfully used as a tool to increase employee engagement in building pro-client culture.
- E.** Cust Ex is an engine for generating ideas and proposals to improve your processes, both servicing as well as sales oriented.
- F.** Regular Cust Ex Board meetings demonstrate your dedication to build pro-client culture to whole organization.



Cust Ex is not an abstract concept, it is a pragmatic and realistic way to manage processes and biz operations

- Before you start planning your Cust Ex activities, make sure (rather twice) that you have reached broad understanding and agreement on an ideal customer experience (vision). Do not skip this step. You will prevent many conflicts and avoid unproductive time spend on useless discussion.
- Management has to share the same vision/goal. Vision is more than a dedication to fulfil the sales plans. Do not calculate CBA of every single individual activity, do it for clients. Satisfied client with positive customer experience is profitable – does not always work other way round: profitable customer does not necessarily have positive experience.
- Vision can not be formulated without knowing thoroughly your customer. Listen to real stories of real customers, only through good listening, you will understand customer needs.
- „Sell“ Customer experience vision to your employees first. Their spontaneous buy-in will indicate it will work for customers too. More importantly, you will benefit from continuous stream of employee improvement proposals. Your employees are in every day contact with clients, they know best the processes and they know what causes client discomfort.



Ready, set, go! Start with what you've got

- To start with, focus on identifying moments in your processes that causes major discomfort, both from customer and employee (front-end) point of view.
- Find out what are the key reasons that make customer to come into contact with you (be it branch visit, call to service center or e-mail you).
- Exploit data that are already available. Using different perspective, you might find new (maybe surprising) facts. Ask front-end colleagues (POS, call-center), listen to customer calls, read their e-mail and the social media current discussions.
- Run a workshop with front-end colleagues and have a thorough discussion. Make a list of processes or product features that do not reflect customer needs (or make them angry).
- Be open, honest when talking about hassle-moments. Call a spade a spade. Let it all hang out. You will get closer to your client experience/opinion.



Keep your employees in the loop



- Results of data analysis, customer feedback will create powerful story. Share it! Make yourself a regular speaker at your periodic employee meetings. Adjust the presentation to specific target audiences to achieve colleagues buy-in.
- It is important to present implemented projects and share the success stories. Point out frequently mentioned topics/turn-offs, areas with great impact on customer satisfaction.
- Lay-out next steps, i.e. newly opened position of Customer Experience Specialist/Manager and the operating rhythm of Cust Ex Boards.
- Continuous stream of messages delivered through internal-comms is critical to keep the momentum. Keep colleagues in the loop so they can follow all your steps.
- At the same time, establish a regular frequent practice of asking for direct feedback from customers and your employees.



Finding the Customer Experience Manager

- You will need a dedicated person to run the custex agenda, both competent and brave to run this all-encompassing agenda.
- Recommended skill set:
 - Excellent analytical skills
 - Experienced in data interpretation
 - desire to look for causalities
 - Fast-learner, result-oriented
 - Ability to see broader picture balanced with attention to details.
 - Excellent communication and presentation skills
- Suitable prior experience
 - customer experience (hard / impossible to find)
 - process design
 - client research (beware of too passive types)
 - data analysis
 - Customer relationship management
- Your Customer Experience Manager needs (particularly at the beginning) primarily CEOs support. Pay enough attention not only to introduction of the new role in the organization but also explain his/her mandate, responsibilities and goals.



You will lack accurate data, don't let it slow you down

- Identify top 10 reasons why people call you. All of them, not just complaints. In a way, all calls are complaints. People don't call just for fun.
- Track frequency, preferably on a monthly basis.
- To start with, ask your front-end colleagues to compile a list of top contact reasons. Have them make an estimate, it will be accurate enough.
- Ask them to track customer interactions in a way that does not request IT/application. Even pen and paper notes for two days will provide a very good and accurate sample.
- However, greater detail (specific reason of contact) will eventually be necessary. Just knowing number of people complaining about cards or loans will not lead to an actionable project. You will need to find more detail about specific moments or product features bothering customers most.
- Try to find out as many details as possible so you can be a competent partner for product or process owners. In the long run, you are heading for (on-line) report that monitors reasons of client interactions and turn-offs, including detailed description and frequency.



Example of a TOP10 reasons in Air Bank

Most frequent reasons of contacts on Call Center			11/2014		12/2014	
1	EC01	Increase/decrease of limit	1 189	3,5%	1 397	4,6%
2	EA20	Change of password, security questions	1 268	3,7%	1 322	4,4%
3	FA01	User name inquiry	1 047	3,1%	1 026	3,4%
4	FB02	Transaction checking inquiry	817	2,4%	877	2,9%
5	FF06	Loan application status inquiry	1059	3,1%	876	2,9%
6	BF09	Loan application	1 010	3,0%	803	2,7%
7	AB15	General inquiry on loan conditions	1 179	3,5%	757	2,5%
8	AC03	Money transfer inquiry	733	2,2%	695	2,3%
9	AA11	Call back on missed call	955	2,8%	673	2,2%
10	AC06	Other – general process inquiry	578	1,7%	506	1,7%



How to run your bi-weekly custex board

- Leader / sponsor of Cust Ex has to be CEO, without his/her active engagement and tangible support it will never work. His active participation is critical element of success.
- Cust Ex Board consists of all members of top-management team, no exceptions! They all make decisions that influence customers, so they all should understand and share the responsibility.
- Regular participation of top management is a must, do not tolerate absence. Plus, you really need to follow the bi-weekly rhythm.
- Agenda should focus on fixing the system, not individual complaints of particular customers.

Do not try to find a solution at the Cust Ex Board, delegate to the process owner. However, it is extremely helpful to articulate direction that would be either ideal or completely wrong.

- Particularly at the beginning, you might quite often disagree on discussed topic within the team. It will improve with time.
- In fact, Cust Ex is accelerating and stream-lining process focused on client processes and products. Aim is to turn bad processes into good (or great) and to turn good processes into great.



Keeping momentum and staying hands-on



- Permanent Cust Ex Board members: senior management team – CEO and CEO-1, Cust Ex team, internal comms representative.
- Role of internal comms is to provide report of key decisions (including reasoning) for whole organisation (blog or other suitable inter-comms media) – serves as a role modeling. Internal comms report does not serve as a meeting minutes which are prepared by Cust Ex team (meeting minutes and action points).
- Bi-weekly meeting rhythm is critical to ensure „agility“ and keep momentum. Frequency also means importance to the organisation. Clients and customer experience has to be permanently discussed – it is not topic for the Cust Ex Board only.
- Bi-weekly rhythm with altering agenda: Metrics (top reasons of client interaction, complaints, nomination of new Cust Ex projects) and Projects (status and progress report of Cust Ex projects/activities, also complex issues/topics that require substantial time frame).

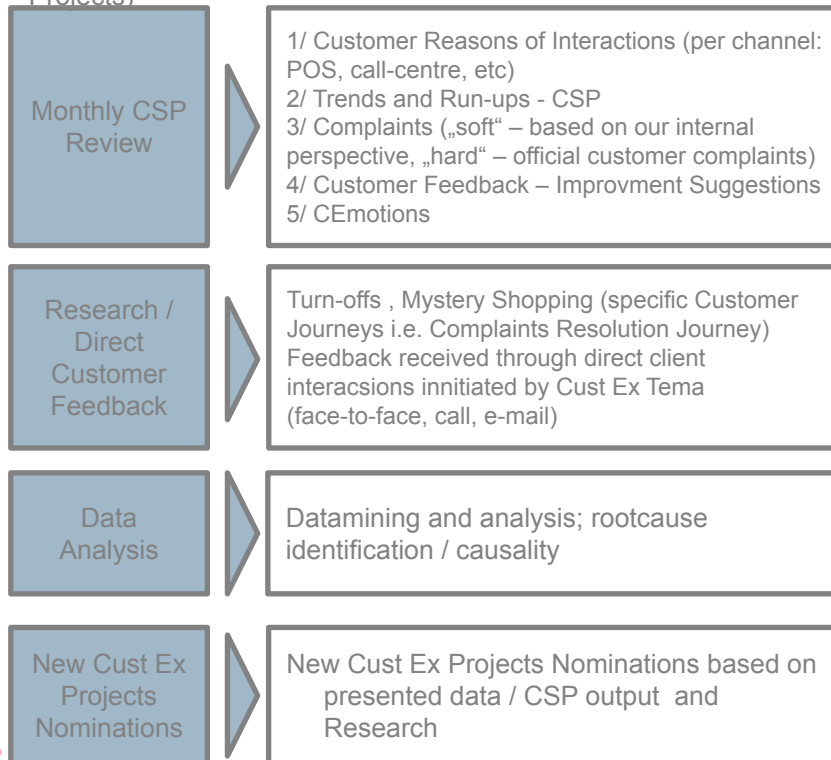


Ideal Operating Rhythm

Metrics (75-90 min)

July	Aug				Sept			
Tue 30	Tue 6	Út 16	Tue 20	Tue 27	Tue 3	Tue 10	Tue 17	Tue 24
Metrics	ProjRew		Metrics	ProjRew		Metrics	Metrics	

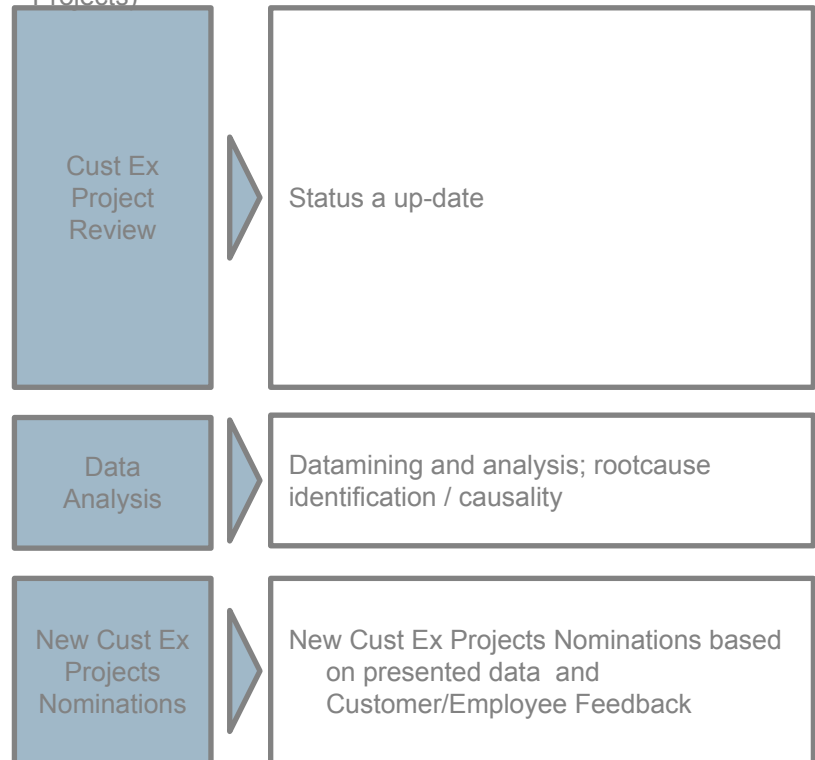
Focus: Monthly CSP review (Trends, top 10, Run-ups, Analysis etc.), Process Review/Analysis of Ad-hoc Customer Topics, Direct Customer Feedback. Nomination of new „customer-experience-to-be-improved“ areas or topics (Cust Ex Projects)



Projects Review (60-90 min)

July	Aug				Sept			
Tue 30	Tue 6	Tue 16	Tue 20	Tue 27	Tue 3	Tue 10	Tue 17	Tue 24
Metrics	ProjRew		Metrics	ProjRew		Metrics	Metrics	

Focus: Cust Ex Projects Review (Status, Next Steps, Scope/Planned Solution revisions – scope/timing – reprioritisation). Nomination of new „customer-experience-to-be-improved“ areas or topics (Cust Ex Projects)





Later on, you will need a bit more Data

What you need

- *Frequency of customer interactions by channel (by reason of interaction, i.e. split into very concrete reasons of: servicing needs, general inquiry, navigation in on-line applications, complaint, etc.) and*
- *hassle factor (how much discomfort it caused to client)*

CSP – (customer satisfaction platform)

- You will need an engine/application/process that will enable easily collect reasons of client interactions through various channels (call centre, POS, e-mail etc.). It will provide you with quantified knowledge what are the most frequently raised issues, inquiries or complaints. Primarily, you will use top 10/20 reasons of client interactions, top 10 complaints, client emotions.



Later on, you will need a bit more Frontline Experience

What you need

- *You are looking for customer stories, insights, detailed knowledge of how process works in every-day reality*

Periscope (front-end employee input)

- Periscope Project was originally prepared by HR as an activity enabling direct interaction of first-line staff (POS, call centre) and HQ teams (i.e. marketing, CRM, Cust Ex). Periscope-colleagues contribute with their unique knowledge of customer behavior/needs to Cust Ex projects.
- Their involvement should not demand more than 0.1 FTE per person. Establishing Cust Ex Periscope team is a key activity that will help you identify Cust Ex topics.



Later on, you will need a bit more Research

What you need

- *You are looking for customer satisfaction score, in-depth interviews mechanism (call/personal etc.) for questioning clients having recent experience with particular process/product*

Research

- Looking for customer turn-offs, you will often need customer research. Either customer satisfaction research or mystery shopping focused on channel (POS, call centre) or specific product or process (i.e. complaints).

In-depth insights

- will help you to prove or disprove specific hypothesis of particular turn-off. Respondents: clients with recent experience of a particular process or product (early termination, complaints etc).



Be prepared to spend quite some time searching for the true story from the customer standpoint



- Quite often you are facing complex problem that goes through many departments and is regulated by rigid processes what were set-up years ago.
- Sometimes it is impossible to find a colleague who will have an up-to-date „end-to-end“ experience with the process – how it works in reality, why is it so, whether change is possible and who can execute it and what are going to be impacts on other processes.
- That is why you need a deep-dive, probably it will be partly also „archeological“ job.
- This is the best (the only) way how to find out the real customer journey/real customer experience and real every-day-job of your employees. You need to discover what were the reasons that led into particular process set-up (historically).
- Process might look perfectly logical from „individual-departmental“ point of view. However, when you line up sub-processes of each department into complete process ... it might be hassle-full for client ... and there is a great chance that the process will be ineffective and costly for you too.



You can achieve a lot in nine months



- You have appointed head of Cust Ex – senior, experienced person with great feel for customer processes, with great communication and teambuilding/motivation skills, who is able to keep fresh „non-banker-but-customer-like“ point of view (does not suffer from „operational blindness“).
- He/she has clearly declared mandate – it is difficult to analyze/audit issues of other teams, Cust Ex team will need your continuous clearly declared support, particularly at the beginning.
- You know why your customers contact you and what bothers them. You have set your priorities, you know what you want to change. For some tasks, you have already found the solution that’s either implemented or waiting for deployment.
- You are involved as a management team. Even more, you work closely with CEO-2 staff on solving the key issues. Over the nine months, you have moved a great distance in understanding each other when it comes to solving customer issues.
- Your customers have not really noticed yet, it’s too early for that. Don’t let this discourage you. You have set yourselves on a path towards systemic improvement of customer experience. Obviously, customers will start noticing someday.



Get started!

- Make sure you have clear mutual agreement on vision / ideal customer experience you aim to achieve.
- Prepare internal comms plan to launch Cust Ex – share your vision with colleagues and explain why is customer satisfaction important for the business. Motivate all colleagues to become more cust-ex oriented in their every-day job.
- Make sure you incorporate Cust Ex Boards into regular top-management meetings. CEO as key sponsor should clearly demonstrate importance of customer experience improvement agenda.
- Staffing – Operating Rhythm Set-up: Appoint Cust Ex leader, communicate his/her responsibilities – start regular bi-weekly meetings.
- Start collecting data from first-line departments. Select additional most relevant methods of data and customer insights collection and start to use them for identifying your first Cust Ex Projects.

Some ending remarks

- 1) Do not calculate CBA for every single individual idea, do it for clients.
- 2) Listen to real stories of real customer, it will help you to understand their needs.
- 3) Do not get surprised. It is usually quite demanding to really understand the root cause.
- 4) To discover the root cause, you definitely need reliable and relevant data and great qualitative questioning.
- 5) Ask a lot! Be in a regular contact with your customers (directly) and with your front-end colleagues.
- 6) Trying to understand the issue/problem, always ask people who are „closest“ to it. Ask them to share with you how it works in every-day-reality (not in a process map ☺).
- 7) Do not try to find a solution at the Cust Ex Board, delegate to the process owner. However, it is extremely helpful to articulate clearly what would be an ideal or completely wrong solution.
- 8) Do not get surprised. Particularly at the beginning, you might quite often disagree on discussed topic within the team.
- 9) Prepare whole organisation up-dates: what are the key Cust Ex topics, why particularly those topics and what are the decisions.
- 10) Cust Ex is not about generating soft-fluffy staff. It is about pragmatic, realistic change of processes and your organisation principles.
- 11) Do not be afraid to change things (processes, organisation set-up, SLA, call scripts etc.). Keep in mind that perfectly logical process (from „internal“ point of view) might be seen as absurd bureaucracy (from client point of view). That is why you need to listen to clients as much as you can. They have a common sense, which might get lost in internal processes.
- 12) Keep in mind that ultimate goal of Cust Ex is: HC clients are sharing positive customer experience with their friends and family



Some ending remarks

- 13) Be ready that you can not sort out everything at once. Up-date pipeline of Cust Ex projects. You will not need release for every activity. Just start „do things differently“ (methodic, call script, communications).
- 14) Always strive for simplification of client processes and do not be afraid to cancel them completely, it is the best simplification method.
- 15) Challenge the status quo. Defending processes that „has been there from ever“ will not bring change and more importantly will not bring improvement and client satisfaction.



Thanks for your attention
