

Impact of Customer Experience on Sales - Executive Summary from Sales Excellence



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Rick Harris, Owner, Customer Faithful

Customer Faithful is passionate about understanding customers. As Managing Director, Rick Harris spends his life studying customers - analysing what motivates them, what frustrates them, what makes them behave the way they do – so he can help organisations improve their customer experience & design customer loyalty techniques. Rick is a regular speaker on consumer trends and insight, best known for his work on post-recession consumer behaviour across different generations. Customer Faithful clients include Home Retail Group (trading as Argos and Homebase), QVC, Crabtree & Evelyn, Wild At Heart, and World Duty Free.

OVERVIEW

The Sales Club CEO, Gordon McAlpine, introduced the event and welcomed everyone to our Sales Excellence session at the stunning private members club, One Alfred Place. Rick Harris and his colleague Amber Nicholls then led a fascinating and interactive workshop, exploring how a **focus on customer experience** helps both B2C and B2B organisations **drive sales growth and gain competitive advantage**.

The session was attended by cross sector members and guests, from the technology, travel, hospitality, distribution, housing, security, legal, media & financial services sectors. The workshop culminated in a delicious buffet lunch and time to network with high calibre sales peers.

INTRODUCTION

Customer Faithful helps organisations improve the experience of their customers - not simply to be nice people, but because **providing great experiences results in customers coming back**, as well as **saying good things about your brand to other people**.

In this workshop we'll...

- learn how to capture and organise customer experience insight
- demonstrate how customer experience differs from customer service and why it takes you further in impacting sales performance
- identify how to measure the impact of customer experience - sales, loyalty, advocacy and beyond

In short, **customer experience insight provides a tool for finding ways to positively impact sales growth** – it's a competitive advantage.

WHAT IS CUSTOMER EXPERIENCE

- Definition: “How customers **perceive your company** and their **interactions with you.**”
- There are two parts to this definition, my personal interactions and my wider views on your company
- **Key Insight:** Both are key to sales growth – whether we like it or not, what I hear about your company (my neighbours experience, what I read on Twitter...) whether true or untrue goes beyond your product or service directly
- Why is this important? Because you’re competing on experience – beyond the actual product or service, and into: What its like to live with? What happened after I bought it? Can I trust this company to look after me as a customer? More than another company?
- As sales professionals, we come up against these questions all the time
- In customer experience we call this 'the 1st mile' – the starting stretch of the customer experience. In this case, they are bringing with them some rumours, word on the street.
- **Key Insight:** As a sales team, you need to know the word on the street, and how **customers perceive** your brand/organisation. E.g. I really like the idea of owning a Toyota Prius but I've heard there are environmental issues with the battery...

How to capture and organise customer experience insight

What is customer experience?

My definition:

“How customers **perceive your company**
and their interactions with you.”



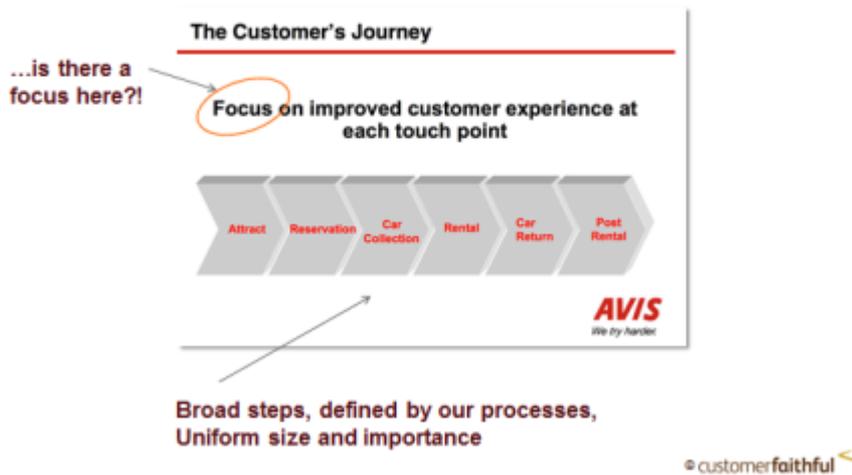
*“I really like the idea of owning this Toyota Prius,
but I've heard that there are environmental
issues with the battery?”*

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- An example of a **personal interaction:** the last car your customer bought from you cost them a fortune in servicing costs (negative personal interaction)
- We can respond to this **from a sales perspective** with:
 - Which model did you have previously? (look what’s improved since)
 - Define a fortune (today’s costs are £100 lower than that on average)
 - What do you like about owning a Prius? (use these to leverage emotional draw to product)

THE TRADITIONAL VIEW OF CUSTOMER JOURNEY MAPPING

The Traditional View of Customer Journey Mapping



- The problem with this is that Avis are trying to think about the customer experience, but **within the confines of their own process**
- This isn't the customers journey – it's the Avis Journey!
- How many customers say this is what my post rental experience is like??!!
- **Key Insight:** We need to try harder to understand how it feels for the customer

Now let's add a little more detail...



A little extra detail and structure adds a more customer-centric perspective.....
...but it's still not clear what the customer thinks at each stage – where's the insight?

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- This model is better, more customer-centric, but still doesn't really tell you anything very creative!
- We need to think about **WHAT**, as a car hire firm that really wants to **drive sales** through a better experience do **I ACTUALLY DO** at checkout?

LET A DELIGHT OUT CUSTOMERS, BUT HOW?

- Even some of the world's top corporations (who absolutely get that customer experience directly contributes to new sales leads, repeat sales, positive referrals...) lack precision
- It's great to empower sales teams to delight the customer, but much better to show them HOW to delight the customer!!
- Lots of businesses ask their employees to go and delight their customers
- GE are ranked 6th in the Fortune 500 index – hugely respected. Their mantra is 'Delighting our customers is a necessity. Because if we don't do it then someone else will!'

PUTTING A 'WOW' MOMENT IN THE CUSTOMER JOURNEY

- So do I need a WOW moment to headline my experience – something that customers will talk about, that I can then use in my sales pitch?
- An often-quoted example of a 'signature moment' is from the Westin Hotel chain - their Heavenly Bed is so comfortable that guests leave feeling better than when they arrived!
- The problem with this approach is that:
 - It assumes that customers stay 'wowed' each time they repeat the experience
 - It assumes that competitors can't copy the signature moment
 - It assumes that the market stays static, and is not impacted by new trends, economic conditions or legal requirements
 - The reality is that these assumptions are optimistic at best, and naive at worst
- Westin Hotels themselves realised that, whilst the Heavenly Bed was hugely popular, it no longer stood alone in the industry (The Four Seasons Hotel developed their own 'legendary' bed, the Perfect Sleep)
- Westin were forced to find other moments to keep their experience differential, such as tailored fitness workout programs and super-food menus to reinforce the sense of wellbeing from a stay

Case Study:
Putting a WOW experience moment in the customer journey



WESTIN
HOTELS & RESORTS
heavenly bed

FOUR SEASONS
Hotels and Resorts

® customer faithful 

WHERE DOES THE MAGIC INSIGHT INGREDIENT COME FROM?

Key Insight: True customer experience insight requires:

- exploring needs in the context of the individual lives of customers and those around them, rather than those delivering products & services
- casting the customer in the role of 'expert', and seeks to learn directly from their views, stories and experiences, not just their order history!
- Only when you have a true customer perspective should you drill into detail & solution

CASE STUDY 1: REDESIGN YOUR PROPOSITION TO CREATE WIN-WIN SALES DRIVERS

- Domino's wanted to **grow their sales to existing customers**, who already loved the product, but didn't order as often as they felt they could
- So they decided to change the slant of their customer research away from the pizza, the toppings, the dough crust – the things they always researched
- Instead, they asked customers about their lives, and where they went at different times of the day and times of the year. They asked about what they ate there, and how they chose food
- And what they found was that home delivery pizza was great for homes and offices, but not so good for other places
- This resulted in the installation of new delivery points on beaches and parks. Convenient for customers and for Domino's and resulted in increased sales opportunities = Win-Win!

Case Study: Redesign your proposition to create win-win sales drivers



Domino's Pizza

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CASE STUDY 2: REDESIGN YOUR PROPOSITION TO CREATE WIN-WIN SALES DRIVERS

- Ciano's is an upmarket Italian in Manhattan. They set out to discover what inspired their customers...in life as well as in their restaurant
- One of the things they found was that many of their customers had a more than a passing interest in wine, some collected, and others wished they knew more and had more confidence trying different wines
- And yet, like most restaurants, they had a large Wine List with the most expensive bottles never being sold as typical diners felt they could not afford it or didn't want to drink all six glasses of it
- So Ciano's decided to offer all their Wine List as a half bottle at half price. They put the emphasis on encouraging their staff and their sommelier to communicate the idea, with the intention to inspire their diners to experiment. The other half bottle was sold by the glass, making it even more accessible and reducing waste
- What they found was that diners started talking across tables, asking each other what they were drinking, and whether it was worth ordering the other half bottle. Ciano's had little trouble in selling the other half bottle

Key Insight: Ciano's didn't start with their wine selling process or their pricing policy, they started with their customers' lives and aspirations. Then they created an innovative and simple to understand solution, and made staff interaction a key part of it. They measured the outcomes and assigned metrics to what they found.

Key Insight: The commercial result was that wine volume went up, average wine spend went up, plus social media and PR influence rose, **which made overall bookings rise too.** All because they were willing to ask an open question about their customers lives

Case Study: Redesign your proposition to create win-win sales drivers



Half-Bottle Wine - Ciano's - New York

TRENDS WE'RE SEEING FOR THE ROLE OF SALES IN CUSTOMER EXPERIENCE

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Trends we're seeing for the role of Sales
in customer experience

- 1. Caveat Emptor → Caveat Venditor
- 2. Salesman → Concierge
- 3. Pitch Perfect → Improvisation

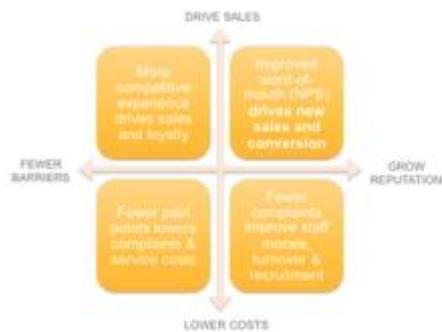


- A concierge salesman is your go-to guy – on the ground where you need them, able to cut through, get things done, facilitate self-service or full service, knows the territory...
- Sales is not about being pitch perfect anymore, that's old hat! It's about salespeople having the confidence and flexibility to improvise

SUMMARY OF KEY INSIGHTS FOR SALES LEADERS TO TAKE AWAY:

- Do we have an outstanding product to sell, or an overall experience that the customer wants?
- CHALLENGE your sales process and your sales training: Do you give your sales teams a hero moment, or the really detailed insight for making a sale?
- Ask your Research Department: I'd like not just the results of the survey but the questions too. Make sure you aren't just priming for what you already know/the way you see the world
- Which of these opportunities are you targeting?
 - Selling products and services?
 - Meeting the experience needs of your customers?
 - Designing your business so that what's good for them is good for you?
- Are your targets and incentives for employees aimed at just making a sale? Or building a reputation? Driving bottom line profit? And underpinning loyalty?

Your Takeout for today



Are your targets and incentives for employees aimed at just making a sale?
Or building a reputation? Driving bottom line profit? And underpinning loyalty?

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ADDITIONAL HELP FOR OUR MEMBERS FROM CUSTOMER FAITHFUL

Rick has very kindly offered members of The Sales Club a free consultation to explore how improvements to the customer experience could be made to drive sales growth in their organisations. Email Amanda Keetley for more details.

THANKS

Our thanks go to Rick for running a superb session, and sharing fascinating and invaluable insights into how to approach Customer Experience to maximise sales performance. Members' feedback from the workshop has been hugely positive.

NEXT EVENT

Supper Club: Best Practice in Sales, 4th October 2012 at Brigade, Tooley Street, London SE1 2HZ (5pm to 9.30pm).

[Click here](#) for full event details and to reserve a space

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