



The Customer Experience Revolution

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How Companies like Apple, Amazon, and Starbucks have changed business forever

Jeofrey Bean
Sean Van Tyne

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Our Curiosity and Inspiration

- These companies change their industries and customers lives forever
- Great ideas, great products and services are not good enough
- What are these companies doing?
- Businesses that provide a great customer experience are more profitable and sustainable than their competitors

“We know from the data that people will pay for it”

Gary Tucker – Sr. VP of Global Services and Emerging Industries, J.D. Power



Definitions by Experience Makers

Customer Experience (CX)

All interactions people have **with** or **about** a company's messages, people, processes, products or services.

When the experience starts

From potential customer to customer to advocate.

User Experience (UX)

A person's experience directly interacting with a company's products or services.

The **proof point** that promises made are true.



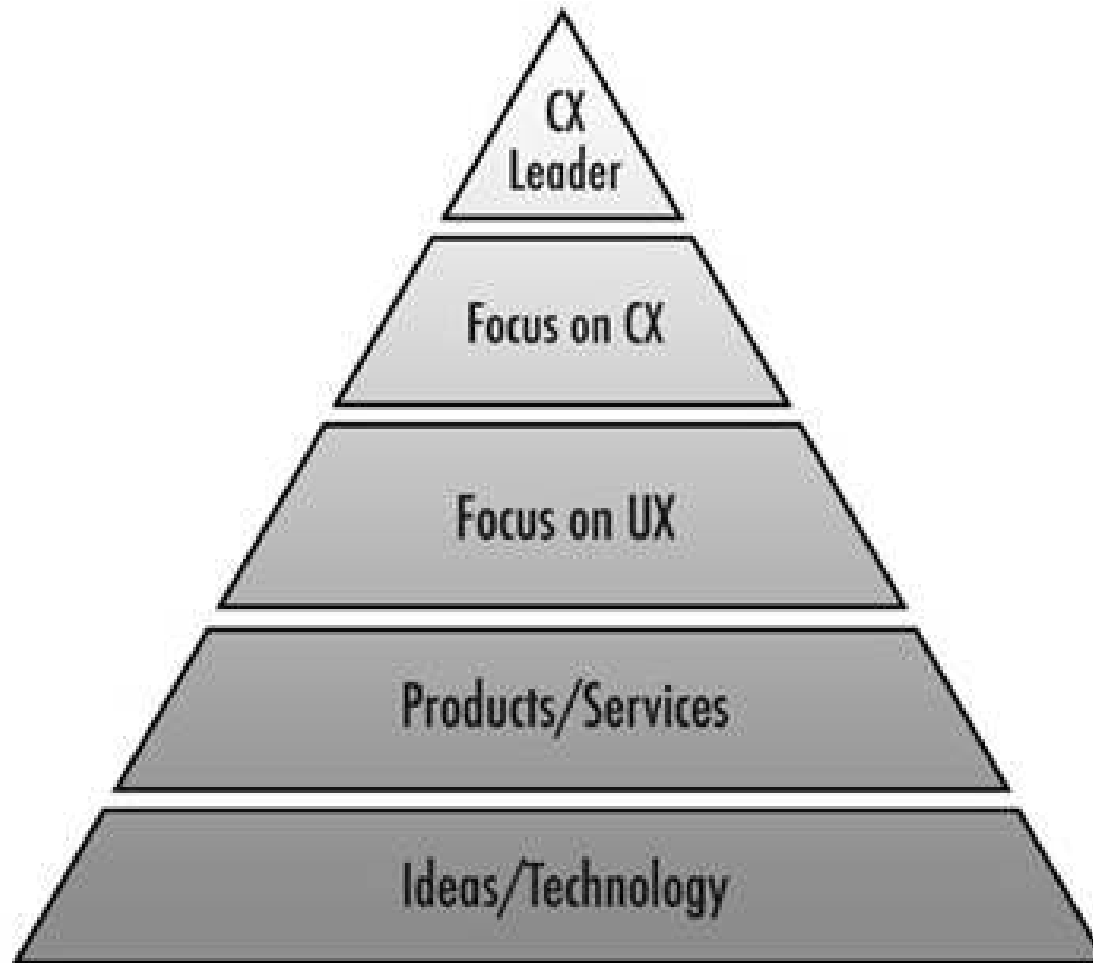
The Customer Experience Revolution 3Ds

The best experience companies purposely....

- **Determine** what the experience should be
- **Develop** the experience by engaging people, anticipating
- **Deliver** on all their promises



CUSTOMER EXPERIENCE HIERARCHY



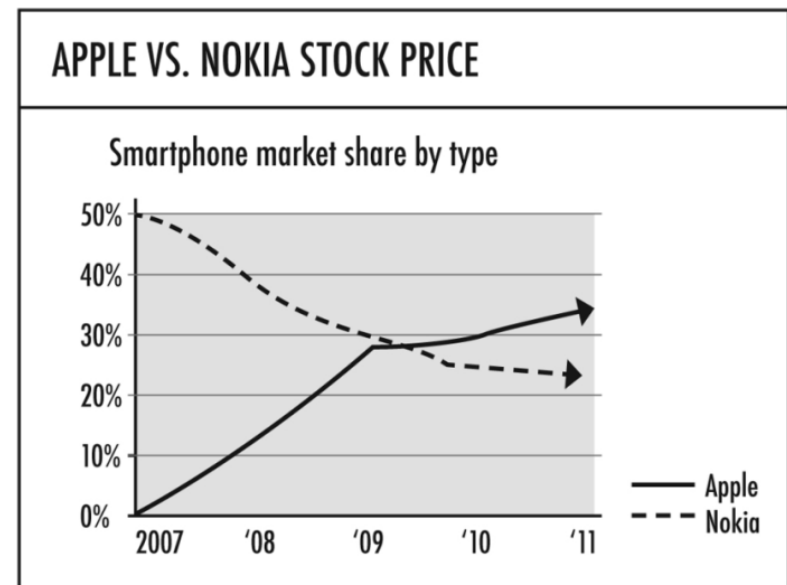
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Bold steps with CX



- iPhone bold steps into a new market with CX
- Nokia, BlackBerry (RIM), Palm, Motorola defined the experience until 2007
- A toothpick-like stylus to poke, lose, distract, worry, to help people adapt to hardware, tiny plastic keys
- Many broken promises



Bold steps with CX



- iPhone Innovated experience by understanding and anticipating what people wanted their phones to “*Do-For*” them and what experience they wanted doing it.
- **Determined** what people want the phone to “*Do-For*” them
- **Developed** pleasing and consistent processes and technology for people
- **Delivered** on the promises



The Blockbuster experience?



Innovative in its day

- Family oriented
- First to put videos in front of customer, not behind counter
- Computerized accounts
- Consistent store to store experience

People had to go to a store

- A library experience
- Customer **penalties as a profit center**
- All about the stores, not the customer



Innovating the Experience



- Everything would change except the movies people waited in line for at the Blockbuster store
- Hastings unpleasant customer experience was his inspiration

“We utilize technology to enhance subscriber experience”

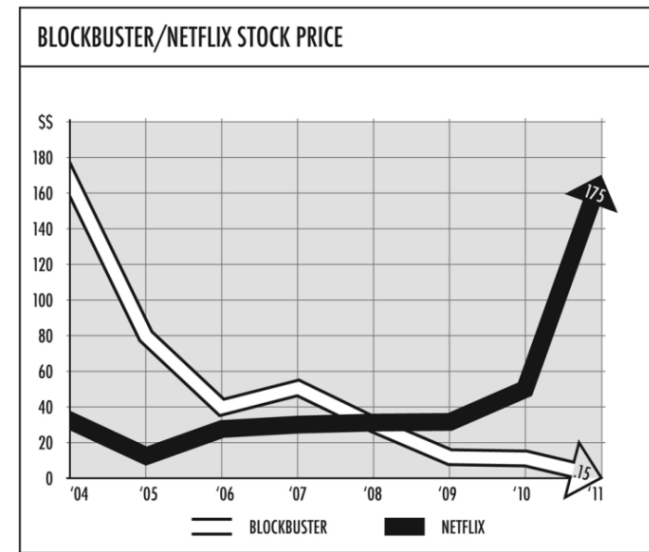
- 2002 Reed Hastings – CEO Netflix



Innovating the Experience



- Web site - post office – DVD
- Personalizing experience
FlixFinder
- The battle front now:
New devices



Shocking the Experience



- Many of the best have lost their way and found it again
- July 12, 2011 Netflix **told** customers...new DVD plans, separate streaming, Quikster
- Price increases up to 60%, Quikster, 2 Web sites
- Anger, betrayal, confusion quickly expressed in social media
 - Netflix partially retracts and adjusts
- Customer experience lifecycles



Setting a New Bar



“Amazon fundamentally changed the way that people interact and expect to interact with all online providers.”

“When you have a company that sets the new bar on expectations, it sets the bar for every company.”

- Gina Pingitore, J.D. Power’s Chief Research Officer



Experience is the Currency



- When Amazon first started letting customers review books, some publishers were startled
- Bezos knew that helping customers make an informed purchase decision creates *real* value

Making a bad purchase decision isn't just a waste of the money a customer has spent on the product, it's a waste of the customer's time spent with the product.

- Bezos was a pioneer in understanding that the balance of power was shifting from the company to the customer, and the customer was controlling the conversation



Customer Focused



- Bezos's strategy has been to **Determine** *what the customers want*, and then go find people who have the skills to **Develop** and **Deliver** those products and services.

“Because the world changes and what used to be cutting-edge skills have turned into something your customers may not need anymore.” – Bezos, Bloomberg Businessweek

- Bezos's philosophy is that a company is not defined by its technology, process, or people, but by its customers.



CEO as Customer Advocate

“Whether it was positioning in the marketing message, or customer service and support, or upgrades and repairs, Steve Jobs usually said, ‘delay the product so you can fix it.’”

- Larry Tesler, Vice President and Chief Scientist at Apple Computer

“Our CEO spends many hours out with customers, partly because he wants to stay in touch with customers and partly because he is modeling the behavior that he expects from everyone on his team and throughout the organization.”

- Kaaren Hanson, Intuit’s Vice President of Design Innovation

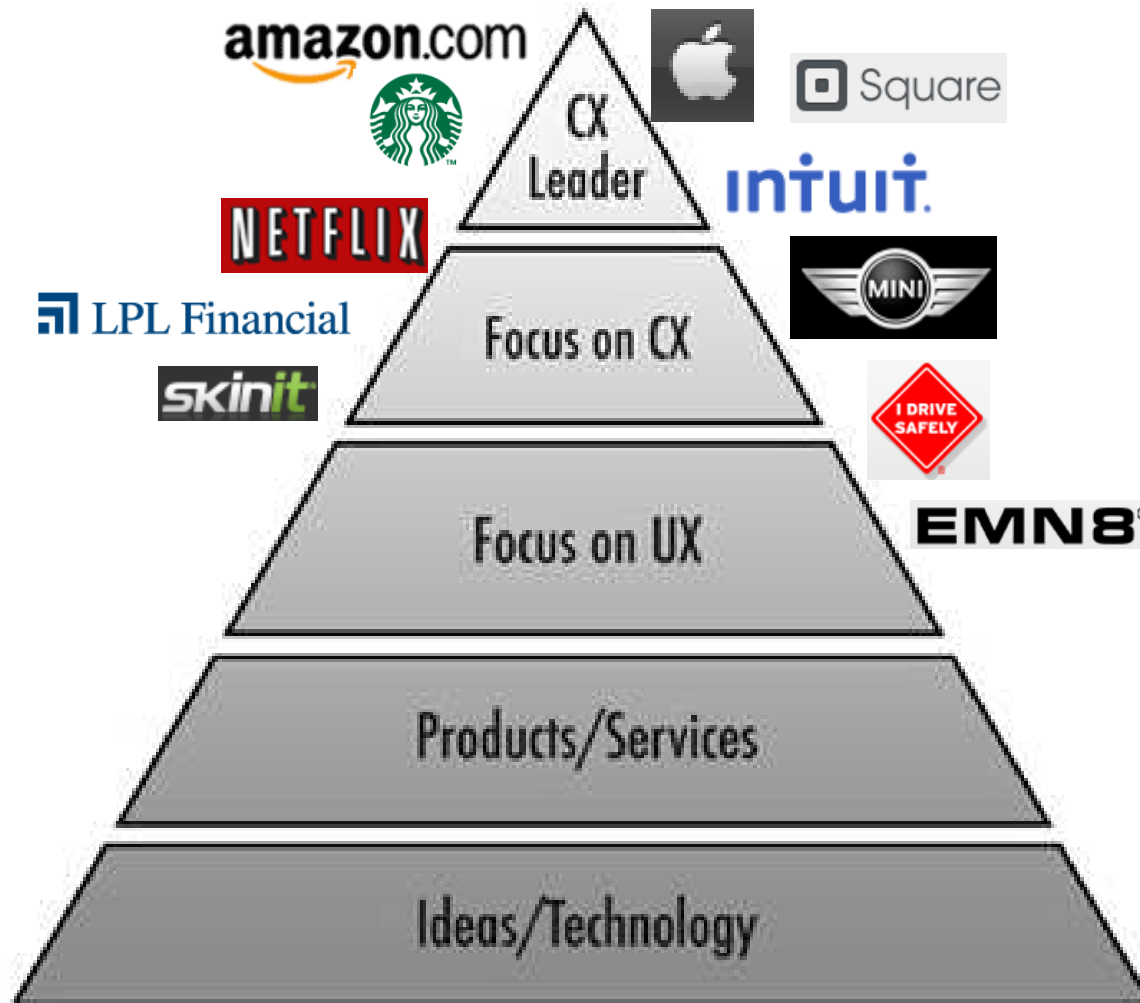


CX in the company DNA

- Customer experience isn't a responsibility assigned to one department or executive
- It doesn't get there by accident
- The great ones guard against complacency and compete with themselves
- Continuously measuring their achievements from their prior metrics

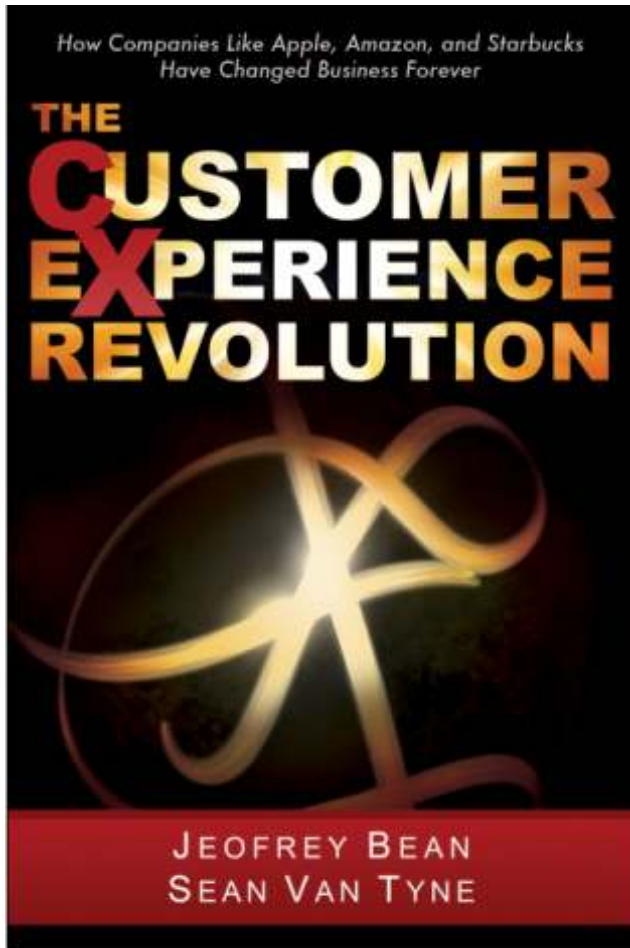


CUSTOMER EXPERIENCE HIERARCHY



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Jeofrey Bean

www.DelMarResearch.com

Sean Van Tyne

www.SeanVanTyne.com

The Book

www.CXRevolution.com

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