Beyond Customer Loyalty…
Customer Enchantment

NACUSO CONFERENCE
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WHO CALLS THEIR FINANCIAL SERVICES COMPANY AT A TIME LIKE THIS?
PART OF THE ANSWER LIES IN THE SECOND PART OF THE STORY...
WHAT THE REP DID

• Looked at each contact as an opportunity to fulfill the mission

• Looked at the interaction from the customer’s perspective as opposed to her line of business perspective

This didn’t happen by accident…
AFTER 34 YEARS, HERE IS WHAT I KNOW...

• Mission is filter through which everything passes
• Successful leaders are customer zealots
• Dedication to workforce yields dedication to customers
• Voice of the customer is regularly sought and valued
• Commitment to excellence permeates the organization
• Customers are “enchanted”, not just “satisfied”
HOW ENCHANTMENT IS DIFFERENT

Loyal Clients
Clients are satisfied and come back

- Will recommend you if asked
- “May” give you a second chance
- Have minimum investment in your future
- See you as a supplier/vendor
- More about the product/service

Enchanted Clients
Clients are raving fans and spread the word

- Go out of their way to recommend you
- They forgive you
- They want to help shape your future
- They feel sense of ownership
- More about the relationship

Word-of-mouth advertising is the least expensive and most effective form of promotion
ENCHANTMENT

encompasses a customer’s first impression of a brand to their latest interaction with it.

Achieving enchantment requires both an “intrinsic” association with a product or service as well as an “extrinsic” association with the brand’s history, beliefs and behaviors.
ENCHANTMENT CYCLE

Listen to customers, their influencers and other stakeholders

Define and Design how your organization will meet or exceed needs

Communicate a resonant Promise

Promise

Deliver flawlessly on the Promise

Deliver

Reinforce the promise and deliver in all communications & interactions

Reinforce

Client
FULFILLING THE PROMISE... EVERY TIME

- Your culture and brand promise are linked through the experience delivered, supported by leadership.
- Leaders translate customer expectations through the brand and desired experience into employee behavior.
- This alignment creates an exceptional experience and a sustainable competitive advantage.
THROUGH TRANSFORMATIONAL LEADERSHIP
CUSTOMER ENCHANTMENT
Transformational leadership is *the process* whereby a person engages others and creates a connection that raises the level of motivation and morality in both the leader and the follower (Northouse).
LEADER’S ROLE
TRANSFORM PEOPLE ➔ TRANSFORM CULTURE

Most visible customer fan

Listen to the customer
• Surveys
• Social Media
• Customer Panels
• Listening Posts

Turn information into action

Measure performance against expectations
LEADER’S ROLE
TRANSFORM PEOPLE → TRANSFORM CULTURE

Culture alignment

• Values
• Messaging
• Decision making
• Rewards
• Punishments
• Rituals

Lead through the “Red Zone”
A WORD ABOUT “RED ZONE MANAGEMENT”

The Red Zone is a critical time and place in the life of a company that is characterized by the simultaneous presence of

- The opportunity for Great Gain
  and
- The real likelihood of Great Loss

Red Zone

Company

Performance

GAIN

LOSS
RED ZONE MANAGEMENT

Today's Business Model

The Red Zone

Customer Enchantment
Mergers & Acquisitions
Culture Re-Design
Brand Re-design

Future Business Model
RED ZONE MANAGEMENT – CRITICAL SUCCESS FACTORS

• Define desired future state
• Motivate workforce to share vision
• Energize activities to achieve success quickly
• Provide support systems to stay the course
• Maneuver through the zone while Running the Business (RTB) and Changing the Business (CTB)
RED ZONES REQUIRE CONCURRENT ACTION

"We must continue doing business today while simultaneously changing the way we do business."
THROUGH CUSTOMER EXPERIENCE MANAGEMENT

CUSTOMER ENCHANTMENT
CUSTOMER EXPERIENCE
AS SEEN FROM THE EYES OF THE CUSTOMER

"is the sum-totality of how customers engage with your company and brand, not just a snapshot in time, but throughout the entire arc of being a customer."

Adam Richardson, Harvard Business Review
TOUCHPOINT MANAGEMENT IS CRITICAL

- A Touchpoint is the interaction between an organization and its customers
- It is the means by which a customer or prospect realizes the promise of your brand
- These touchpoints are service clues and require management

Environments  Personal Interactions  Written and Digital Communications
EXPERIENCE MAPPING: FITTING IT ALL TOGETHER

In-depth qualitative research technique

Utilizes visual cue to help stakeholders recall specific episodes in their journey

Reviews the total experience:

• Expectations prior to the first encounter (decision factors)
• Activities (e.g., product offer, sales support, applying for product)
• Touchpoints (e.g., materials, conversations, website)
• Recognizes changes in attitudes, if any, through each stage of the experience

Provides a framework for action
EXPERIENCE MAPPING – DELIVERY ON THE PROMISE

Awareness
How do we raise awareness and interest in brand?
What are initial perceptions?

Evaluate
What’s important to the prospective customer?
How do we help them evaluate our value proposition?

Purchase
What is the first impression?
How easy is it to buy?
How do we express appreciation?

Deliver/Support
How do we deliver our value proposition?
How accessible are we?

Refer/Retain
How do we retain customers?
How do we listen to their voice? How do we assist referrals?

Example - customized by segment
TOUCHPOINT ASSESSMENT

• In what areas can we deliver an exceptional experience?
• What are ways to surprise our customers that we currently do not do?
• What should be done more consistently that should be reinforced?
• Where are we not achieving the expected outcome?
• How can our messaging reinforce the experience and brand?

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Review for each step
The Kano model shows how tangible customer needs, wants, and suggestions can be segregated into 3 separate requirement categories:

**Basic Requirements**
Meet these requirements quickly and with the lowest cost possible.

**Performance Requirements**
Selectively meet these requirements to achieve highest ROI.

**Enchantment Requirements**
Meet these requirements to achieve elite status.
THE PAY OFF

• Brand distinction
• Over the top retention
• Steady stream of referrals
• Reduced cost of acquisition
• Reduction in “blind spots”
• Greater efficiency
• Employee retention
Endeavor Management is a management consulting firm that leads clients to achieve real value from their strategic transformational initiatives. Endeavor serves as a catalyst by providing the energy to maintain the dual perspective of running the business while changing the business through the application of key leadership principles and business strategy.

The firm’s 40 year heritage has produced a substantial portfolio of proven methodologies, enabling Endeavor consultants to deliver top-tier transformational strategies, operational excellence, organizational change management, leadership development and decision support. Endeavor’s deep operational insight and broad industry experience enables our team to quickly understand the dynamics of client companies and markets.

Combined with our Gelb Consulting experience (founded in 1965) we also offer clients unique capabilities that focus their marketing initiatives by fully understanding and shaping the customer experience through proven strategic frameworks to guide marketing strategies, build trusted brands, deliver exceptional customer experiences and launch new products. Our experienced consultants and analysts use advanced marketing research techniques to identify customer needs and spot high potential market opportunities.