



Putting a Signature on

× Customer Experience*

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Customer experience has become a hot topic in business today.

A 2011 Temkin Group study of over 200 companies indicated that only 7% of companies believe they are a customer experience leader today and 61% want to be at the top in their industry in three years. These are high ambitions and who wouldn't want to focus on something that has such huge potential to increase revenue, drive premium profit margins, and generate loyal customers who actually do recommend your products and services to others?

However, many customer experience efforts are destined to merely result in incremental improvements that will miss the real impact and potential value. Only a few companies can truly become leaders.

How can you make sure that your customer experience efforts pay off with the type market leadership enjoyed by companies like Southwest, Apple, or Starbucks? The answer is to not get so lost in the tactics as to miss the real point, which is identifying and delivering authentic and consistent Signature Point experiences that are relevant to customers and differentiating for your brand.

To reach its full impact, customer experience needs to be thought of as a strategic agenda item on par with and actually integrated with corporate strategy, managing the brand, and new product development. Customer experience should not be confused with existing efforts to focus on customer service or touch-point management. These efforts are focused more on delivering tactical reengineering of customer-facing processes.

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As a customer experience leader, you want customers to talk with everyone they know (and don't know) about your company, employees to live and exude the best qualities of the brand on and off the job, and to be rewarded as a market leader. If you share that vision for your customer experience efforts, here are some strategic tools and ideas to help you do that.

Brand Integrity. Customer experience should focus on delivering excellence at the most important experience points to your customers. These points are different for every company. Without a targeted focus on specific experience points, trying to improve all generic customer touch-points at once becomes an overwhelming operational task that becomes so watered down that no one thing stands out as memorable or truly excellent.

At a coffee house the most important point in the experience may be the smell when you enter the store, at a consumer electronics store it may be the competence of the staff, and at a shipping company it may be the ability to track your package location online in real-time. The point is that each industry and company has to focus on unique elements of customer experience that have relevancy to their specific brand and position in the market. Once those overall points in the customer journey are selected, there are many tactical details to get those designed and delivered with excellence.

The Brand Integrity equation provides a simple tool for creating a highly relevant and differentiated model customer experience. The concept begins with the simple equation of customer experience divided by customer expectations. Your customer experience needs to at least live up to, if not surpass, the expectations your customer has of your brand and company. In essence, the Brand Integrity quotient has to be equal to one or greater.

$$\text{Brand Integrity} = \frac{\text{customer experience}}{\text{customer expectations}}$$

This equation raises the customer experience focus to go beyond the basics or common courtesies and well-maintained customer areas that have historically been the focus of “customer service excellence” programs rooted in customer satisfaction surveys and mystery shopper efforts. Those can be good foundational programs. However, they will not get you to the innovative and breakthrough customer experiences that elevate your brand and drive market leadership.

How can Brand Integrity be translated into actionable programs? There are just three simple points to analyze and consider that make up the Customer Experience portion of Brand Integrity: Proof Points, Counter Points and Signature Points.

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Proof Points and Counter Points—The Core Focus. Using Voice of the Customer (VOC) research, Customer Journey or Day-in-the-Life customer analysis tools can provide a view into the broader needs that customers have and how they experience your product or service in the context of their daily lives. But for strategic planning, these tools need to be designed correctly. They should be designed to look at the customer’s workflow or life from the customer perspective, not just views of how the company directly interacts with the customer.

For example, most people experience Starbucks as a place to take a break from a busy day, not to just purchase a cup of coffee. How do you help create that break in the action once you understand that they are commuting to work, taking a morning break from a job site or on their way to a final exam? It is more than just selling cups of coffee quickly. You provide warm colors, natural materials, play cool, relaxing music, and provide small sized treats to go with the coffee, all delivered by people who are organized, working easily as a team and working at a fast but non-hectic pace.

Proof Points are living operational examples of the expectations the customer has about the company or brand. Proof Point examples include Apple providing easy, face-to-face, and personal tech support for their products at the Genius Bar. This experience is “living proof” that Apple products and services are easy to use, personal expressions of ourselves, and simple.

Counter Points are operational elements in the business that contradict the positive expectations the customer has about the company or brand. For example, at one time United Airlines carried the tag line, “Fly the Friendly Skies.” This was at a time when United was rated with some of the lowest competitive comparisons for in-flight customer service. When you set up customer expectations one way through your branding and advertising and then deliver the reverse, that is destroying customer trust and brand value. In some cases, this may mean just changing the expectations, such as focusing United’s tag line to something true, such as, “More Flights to More Places” or it can mean launching programs to change the operational realities to meet the expectations.

One of the major risks with known Counter Points is that they are exposed quickly and broadly today through social media sites that become permanent and searchable items for potential customers to find and consider even after you’ve fixed the problems. A March 2011 study by BIA/Kelsey showed that 97% of consumers go online to research products and services locally and 42% use shopping comparison sites. Even further, research from Chadwick Martin Bailey and iModerate Research Technologies found that more than half of smart phone users are accessing information in retail stores to enhance their shopping experience.

Some of the websites we think about are those that help us shop effectively and with greater knowledge. For example, for travel destinations, member comments and ratings on Expedia and Travelocity can be very important. In addition, sites like Yelp are giving customers a direct voice about their experiences with companies. And beyond those targeted consumer information sites, general social media question and answer posts on sites such as LinkedIn are often geared towards questions about experiences with various vendors.

Infotainment sites and personal blogs can also provide a perfect example of the power of social media in exposing customer experience Counter Points. As a well known example, a relatively unknown musician, Dave Carroll, flew on United and had an experience where baggage handlers broke his Taylor guitar. After frustrating customer service experiences that resulted in no acceptable remedy, he turned to YouTube and posted a song titled, "United Breaks Guitars." So far, this post has received over 10 million hits. That means 10 million people have seen this Counter Point of poor baggage handling at United. What's worse, 28,000 people have posted comments telling about their own travel horror stories with United. A Google search on United Airlines today shows this song as the first video hit overall.

By using Proof Points and Counter Points as a filter for your initial analysis of customer experience, it will help to focus the efforts on the most high impact customer interaction points that will make a big difference in results. When assessing or designing your customer experience, start with what your brand stands for. Identify the most important customer experience points that establish your customer's opinion of if you are living up to your brand or not.

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But beyond simply living up to your promises, how do you create a company that creates buzz? How do you get beyond customers just saying they “would” refer you on a Net Promoter Score survey to actually making referrals? How do you get customers to engage in being evangelists of your brand and offers by blogging, Tweeting, talking you up with colleagues and friends? That is the final point: Signature Points.

Signature Points That “Buzz.” Establishing strong market leadership requires delivering an experience to customers that is memorable and worth storytelling and “buzzing” about to friends, family and colleagues. Signature Points are those customer experience elements that are highly unique expressions of the company or brand and are delivered operationally with very high consistency, authenticity and sincerity by employees. Signature Points are the types of things that people are compelled to buzz about with others.

In speaking with diverse groups the country, I have never stumped the audience with the following questions. What is the department store with the grand piano player? Which online store has recommendations based on what other people like you purchased? What hotel gives you a warm chocolate chip cookie when you check in? Which airline do the flight attendants tell jokes and sing songs? The answers are Nordstrom, Amazon, DoubleTree, and Southwest.

What’s interesting is that you’ll never see an ad or branded message from Nordstrom saying, “come shop with us, we have a piano player,” or an ad from Amazon saying, “buy something from us and we’ll recommend more relevant things before you’re done checking out!” These are not advertised, branded or promoted, yet they stick in all of our heads in a way that is stronger than any tag line or promotion. They stick because they are experiential, they are authentic and consistent, and are things that are highly unique and tightly integrated into the brands we come to love.

In Amazon's case, they built an entire competitive advantage and market leadership position with their signature point of recommendations for additional purchases. When Amazon launched, there were (and still are) countless places to purchase the exact same products online. It is a completely commoditized market with easy vehicles for competitive price shopping. However, Amazon turned what was otherwise a commodity transaction to purchase a book online into an information source to discover new products that no bricks-and-mortar store could do.

Clearly, the Nordstrom piano players set a stage for demonstrating, "we have an extra touch of luxury and elegance." Amazon is saying, "with technology we can be more useful than an old style book store." DoubleTree is saying, "welcome to our home away from home." Southwest is saying, "we love our jobs and want you to love flying with us too." So these Signature Points are highly tied to each company's unique brand and strategic positioning in the market. They are not random gimmicks or PR stunts. In some cases, a Signature Point may be embedded in a product itself, such as the track-wheel navigation on the original iPods or in the physical environment such as the Hertz Gold Member Board.

Finding your Signature Points and operationalizing them in a way that employees deliver them consistently and with authenticity requires deep understanding of customer needs, innovative thinking, collaboration across business silos, and tight alignment of leadership to achieve. In other words, it is not easy and needs to be tacked as a corporate strategic initiative.

The concepts of Brand Integrity and Signature Points are two simplifying strategic frameworks for ensuring that your customer experience effort goes beyond becoming just a business-as-usual set of tactics that look more like process reengineering than strategic innovation.

The benefit of embracing customer experience as a strategic initiative is that it will align and permeate the common silos of marketing, product development, operations and customer service in a way that generates focus on designing and delivering memorable experiences that customers will both pay a premium for and buzz about with others, **the definition of market leadership.** 

Info



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