



a great customer experience..... through the customers' eyes

A few years ago we all used to talk about satisfying customers and improving customer satisfaction and loyalty. Today, some of the latest buzzwords that we are encouraged to strive for include delighting rather than satisfying customers, build a relationship with customers, improve customers' emotional engagement with your company and even deliver a customer experience so great that your customers will want to take a photograph of it and keep it for ever!

These concepts sound great on conference platforms, might be good for career development if you're seen to be pushing them within the company and may

appear more innovative and sexy than customer satisfaction. But are they really helping organisations to become more successful through better customer management or are they at best a red herring, or worse a serious distraction from the hard day-to-day slog of improving customer satisfaction and loyalty? Do customers want to be delighted, wowed and engaged emotionally by companies or do they see things in a different way? Is it possible that customers are driven by their emotions to a greater extent in some situations than others? In this article I will reveal new evidence that answers these questions, and provides valuable practical guidance for companies wanting to improve the emotional aspects of their customer experience.



Great and not so great customer experiences

The evidence I am going to present about how customers feel was collected just before Christmas by surveying a randomly selected sample of 2000 representative adults from the YourSayPays panel. To understand how customers see things we needed to put things into context for them, so we asked them to think of a company that they are very satisfied with, like the customer experience provided and intend to remain loyal. As shown in the most liked companies chart, the results make interesting reading.

We then asked them to provide a contrasting example of a company that gives them a bad experience that dissatisfies them enough to make them switch (or wish they could switch if they are locked in). Chart 2 shows the most disliked companies.

How customers judge their experiences

To understand the extent to which emotional or rational factors drive customers' judgements, we explored what influenced people's choice of the companies they like most. Is it because they provided a delightful customer experience, made customers emotionally engaged, built a relationship? Or is it because they simply get the basics right, consistently satisfying rather than dissatisfying their customers? Chart 3, 'What makes customers loyal?' reveals what makes the most difference.

We then needed to see if disgruntled customers were driven simply by the converse of the factors itemised in Chart 3, companies simply not getting the basics right, or whether any other drivers were affecting things. For both their most and least liked companies, customers rated how much they were influenced by a long list of possible factors. The items were based on factors commonly used in customer satisfaction surveys and on factors drawn from books and articles about the emotional aspects of the customer experience. The very interesting findings about why customers dislike some companies so much are shown in Chart 4, 'What makes customers dislike?'.

Chart 1 - most liked companies

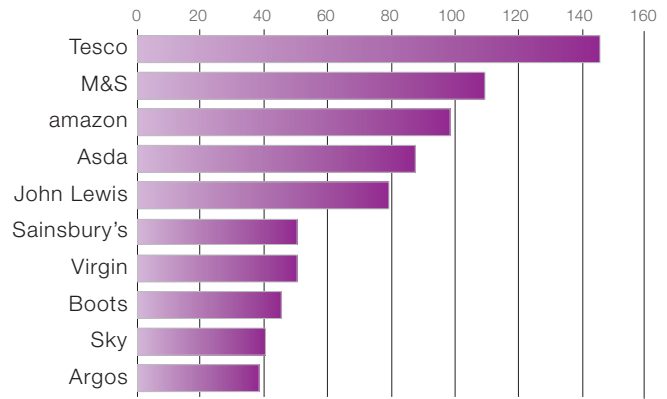


Chart 2 - most disliked companies

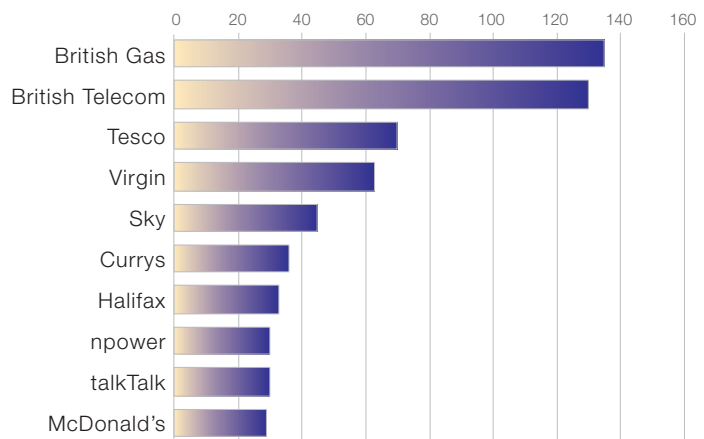
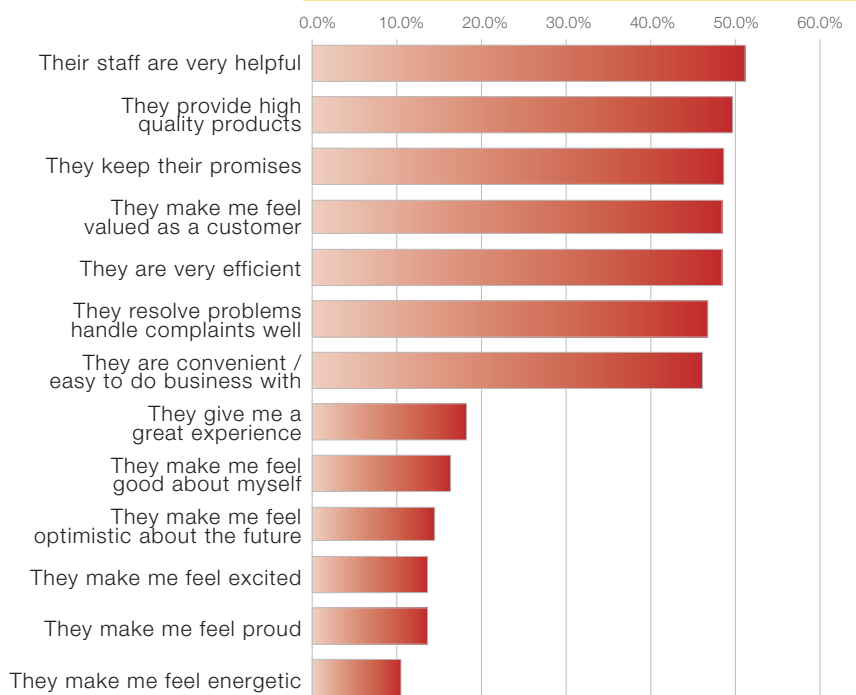


Chart 3 - What makes customers loyal?

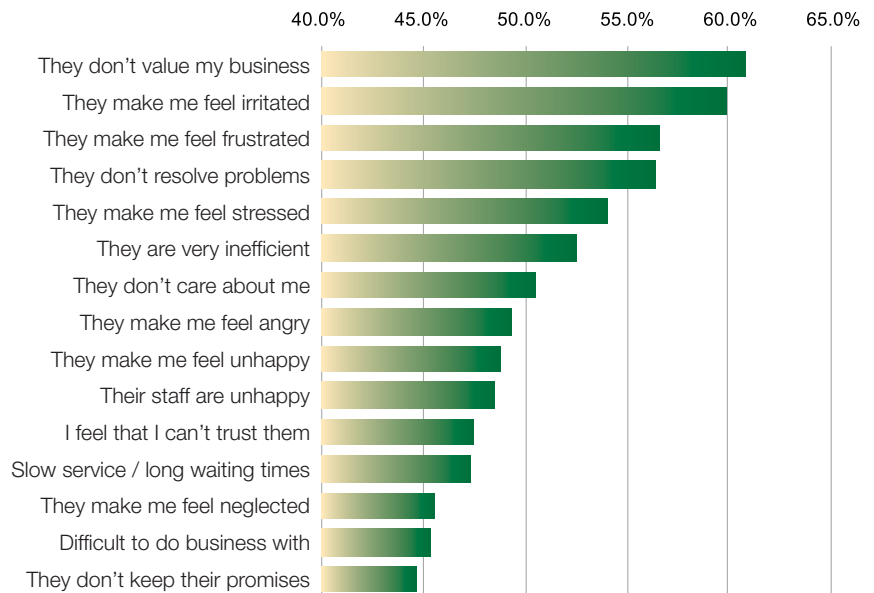




Dissatisfaction spawns emotions

The new and very interesting information uncovered by this survey is the extent to which emotions have a much stronger impact on customers' attitudes when they're having a bad customer experience than when they're having a good one. The clear implication is that companies do need to invest in training their staff to empathise with customers' emotional state in any situation where the company is not meeting customers' requirements. Whilst this is not completely new (training courses on managing angry customers have been around for years) most organisations fail to appreciate the extent to which the emotional aspects of the customer experience are affecting customers' attitudes when problems occur.

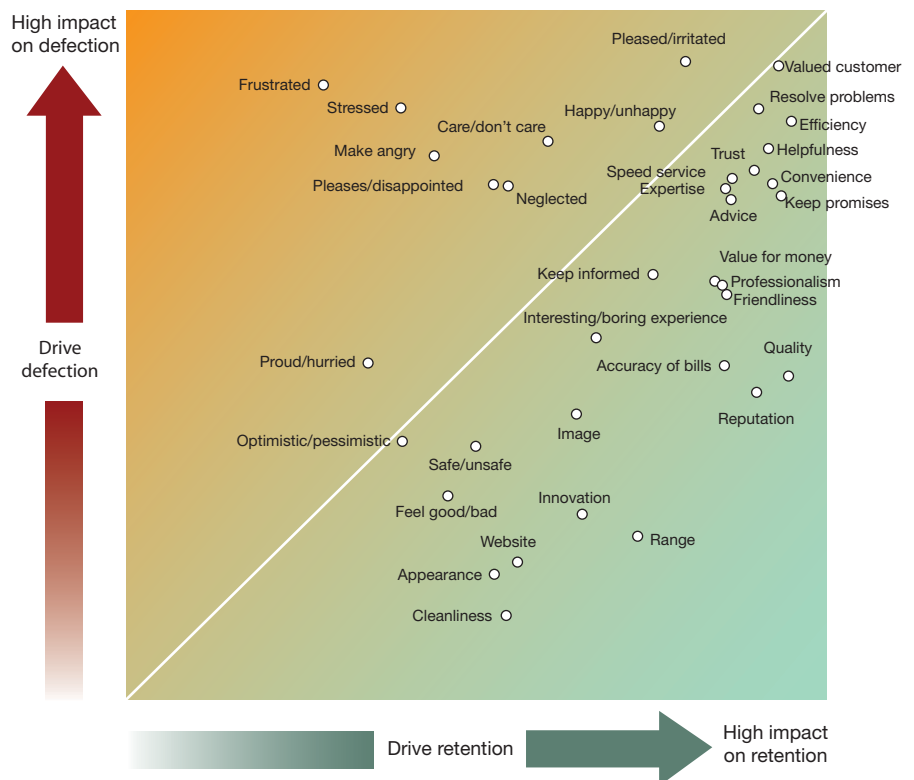
Chart 4 - What makes companies disloyal?



Satisfaction is more rational

By contrast, positive customer experiences affect customers' attitudes and future loyalty behaviour in a much more rational way. This contradicts some well promoted topical views that to achieve very high levels of customer satisfaction and loyalty, companies must focus on improving the emotional rather than the rational aspects of the customer experience. Companies are encouraged to delight rather than satisfy customers, to build a relationship with them and to strive for emotional engagement with their customers. Whilst positive emotions are strongly associated with pleasurable experiences such as love, families, personal achievement etc, they do not play a strong role in customers' definition of good customer experiences. A customer experience that people want to repeat (i.e. they are a loyal customer) is largely based on rational judgements that their requirements are being met, consistently, that good value for money is provided, that companies are easy to deal with, keep their promises etc. All things that most people would intuitively relate to. When thinking about companies that inspire a high degree of loyalty, customers are not driven by customer experiences that give them positive emotions such as excitement, pride, optimism, happiness or any of the other 'delighters' that some companies are trying

Chart 5 - Impact of emotions on loyalty



to use to 'wow' their customers. Of course, when customers take their kids to Disney, the positive emotions play a major role in their judgement of the experience, but not when they're deciding whether to renew their motor insurance or phone contract, recommend their electricity supplier, keep

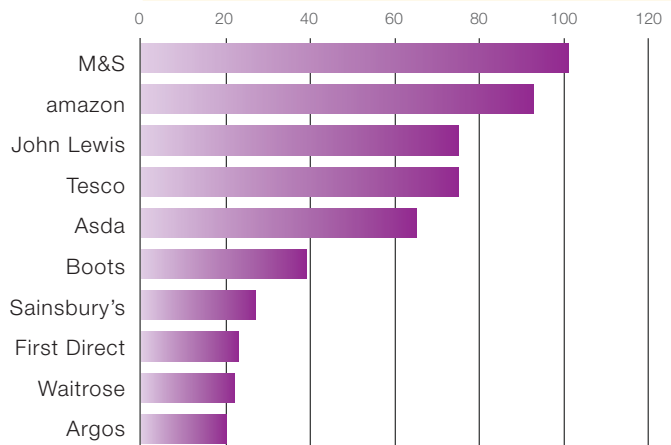
buying books from Amazon or decide whether to buy additional product lines from their bank or supermarket. The differences in the extent to which emotions drive good and bad customer experiences are summarised in Chart 5, 'Impact of emotions on loyalty'.



Reputation

On balance, which companies have the best reputation and benefit most from positive word of mouth? Some companies have many advocates but also generate a lot of negative word of mouth. Other companies have virtually no detractors. Based on positive minus negative word of mouth, Chart 6 reveals the companies with the best overall reputation with UK customers.

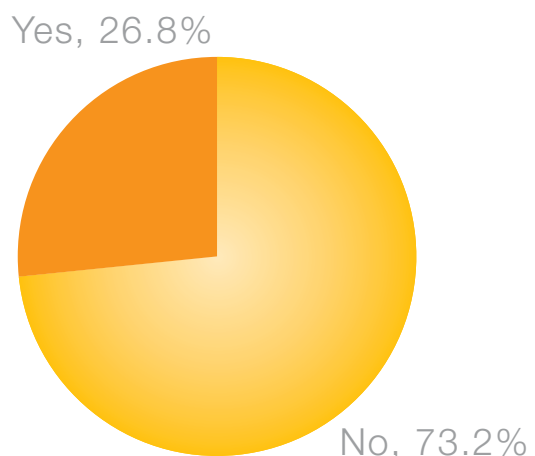
Chart 6 - The best reputation



Do bosses understand customers?

As an interesting finale to the survey, we probed customers' views on the decisions that managers in companies make about customer service. As shown in Chart 7, most people feel that company bosses just don't live on the same planet as their customers. For every customer who feels understood by the companies they deal with, three feel the opposite.

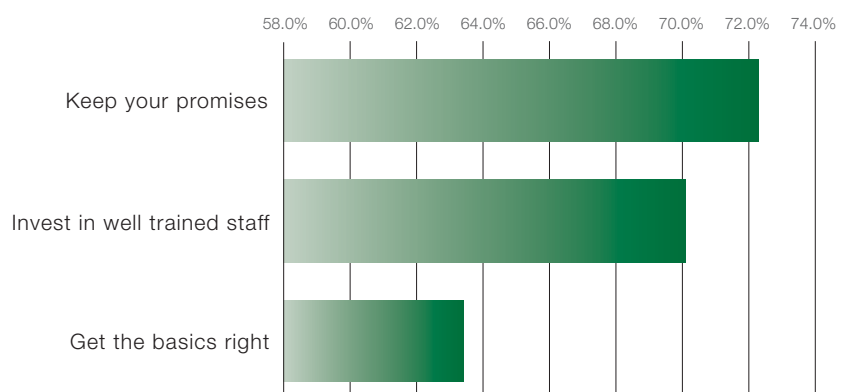
Chart 7 - Do bosses understand customers?



Customers' advice for companies

In conclusion, most companies will achieve high levels of loyalty not by trying to build emotional relationships but by consistently getting the basics right, having well trained staff who provide the help the customer needs, efficiently, every time and who keep their promises – always do what they say they will do. Sure, smiles, friendliness and a caring attitude are all positives but they're the icing on the cake. Customer loyalty is based mainly on the cake being right. And guess what customers said when we asked them? Chart 8 highlights the three main pieces of advice that people would give company bosses about how to provide a good customer experience. All common sense? **S**

Chart 8 - The customers advice



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