sugarcrm

STRATEGICALLY AMAZE YOUR CUSTOMERS WITH EFFORTLESS EXPERIENCES

HD-CX Customer experience like you've never seen.

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INTRO

Customer Experience

It's repeated like a mantra throughout the business world. As trendy as it may appear, customer experience is more than just a buzzword. It is your ticket to a competitive edge and a way to make your company and product stand out within the industry. But if you're like most companies, you may not know where to start developing and defining a customer experience strategy.

To help provide a roadmap to customer experience success, we developed this guide to jumpstart your customer experience strategy and help you create experiences that have lasting impacts.

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Building a Customer Experience Strategy

What is Customer Experience?

Customer experience, also known as CX, is exactly what it sounds like in the most basic definition; the experience a customer has with your organization. Though that is a succinct way to reference the heart of CX, it needs further explanation to understand the proper business case:

> "Customer experience is the customer perception of both direct and indirect interactions with your organization throughout the entire customer lifecycle."
>
> **- CLINT ORAM, CO-FOUNDER AND CHIEF STRATEGY OFFICER, SUGARCRM**

While the above definition appears at first glance to just add nuance to the basic definition, it provides important clues to why the customer experience is so important to organizations today. It's important to keep in mind that as you grow as an organization, furthering your CX strategy, your definition of customer experience will mold and change to fit your voice and company.

For now, let's start with breaking down this definition of customer experience to its most basic elements.

- **Customer**: Obviously, the heart of the definition is the customer, a general term for anyone who interacts with your brand. This includes prospective customers, current customers, or lost customers and it's important to note that this doesn't just include the people you have within your CRM as company contacts—it's every member of your customer's team. In addition, it encompasses all parts of the customer lifecycle. Each phase of the customer lifecycle impacts your brand.

- **Perception:** It's not just your brand's public persona that sets up how your customers perceive your company, but your social proof, as well as your product. Unfortunately, this aspect you have the least control over as a business but it is something that can be undoubtedly worked on internally for external results.

- **Interactions:** Based on the idea of perception, it could be trying to buy your product, troubleshooting a problem, interacting with

support, or even billing—all of these aspects affect the way a customer perceives your brand and has a lasting impact on how your organization is viewed.

- **Lifecycle:** We all know that customers proceed through different parts of the funnel, from prospect to customer to former customer. Once customers choose to churn based on interactions with your company or lack thereof, it's hard to convince them to stay. A superb customer experience can make the difference between loyal customers and lost customers.

Looking at the basics of the customer experience definition above, it's important to note that there are items both within and beyond your control as an organization. While customers and their perception are most certainly outside of your control, you can control the interactions they have with your company—both positive and negative, which is why having a CX strategy matters.

START

Why a Customer Experience Strategy Matters

This is where having a customer experience strategy comes into focus. By having a procedure to guide your customers through any circumstance, you can help shape your organization's perception. It's just as crucial for the negative experiences as it is for the positive ones.

If you don't have a plan for negative experiences, it's like being on a flight, realizing there is an engine problem, and not having any parachutes on the plane. No one thought they would have a problem, so why would you need a backup plan? Just like this scenario, your organization must have a plan for both smooth experiences and crashes; otherwise, you're leaving customers without a parachute to figure out how to manage on their own in a crisis. Likewise, positive experiences should also have a plan to provide a record of your successes and build your brand.

Effectively, when it comes to your product or service, you're the expert and should understand common problems, plan for them, and know what to do if it occurs. This plan for both positive and negative occurrences forms part of what encompasses your customer experience strategy.

Your CX strategy impacts two things:

- How your company is perceived
- How your organization serves its customers

Customer experience is deeper than product reviews and customer satisfaction. It is the sentiment associated with your company as a whole. More tangibly, customers that have a great customer experience will spend more, remain customers for longer, and spread the word. What's important to note is that the customer is at the heart of all this because they shape the market's reception to your brand and product, ultimately impacting your company's revenue.

> **"Customers are willing to spend 10-20% more for a great customer experience but 54% of US Consumers say customer experience at most companies needs improvement."**
> **- PWC**
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Crafting Your Customer Experience Strategy

Most companies realize that they need to focus on the customer experience but don't know where to begin, or they have a strategy but aren't as customer-centric as they might like. Regardless of the situation, every company can benefit from going back to the basics of a customer experience strategy because they are the building blocks that provide a foundation of any customer experience. In the simplest essence, customer experience is:

Sum of All Customer Interaction(s)

Customer Expectation

Customer Experience
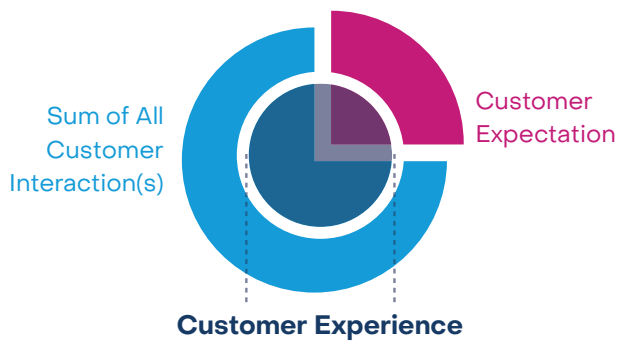
As shown above, customer interactions are those they have with your brand, and customer perception is their expectation of those interactions.

Before You Begin: Understand Your Organization's Customer Experience Right Now

To start, you want to understand where your customer experience is today. If you don't know, it's time to do some digging through internal systems, measuring public personas, and talking to current and former customers. What you uncover during this research will indicate how mature your organization is within its customer experience journey. Whether or not you have a customer experience strategy in place within your organization, it's important to do this periodically. It's an honest and holistic look at processes, business management, and customers, which can help any company grow.

Here's the information you should be gathering right now and why:

Internal

- **Deals Lost and Won:** Determine the why behind your deal's success and failures, understand what customers wanted from your organization, expectations, pain points, and decision influences.
- **Customer Churn:** How many customers buy again or renew? Understanding how many customers you lose year over year and why is essential to business improvements.
- **Internal Sentiment:** This one is a bit trickier depending on your internal culture but asking employees for feedback on what they believe is working versus not directly impacts your customers. In other words, what's your internal temperature and employee happiness?

- **Employee-Customer Interactions:** What are your employees hearing when they are interacting with customers? This should cover everything from accounting to marketing to sales to customer service—anyone who interacts with customers.

TIP: While uncovering this information, pay careful attention to the emotions of your customers—how they felt, the smoothness of interactions, and expectations. During interviews, utilize open-ended, non-leading questions to solicit genuine feedback.

External

- **Current Customer Interviews:** What keeps your existing customers buying from you? What do they see as your weakness? Understanding how your current customers perceive you allows you to create a roadmap for improvements.
- **Former Customer Interviews:** What caused the customer to no longer buy from your organization? This should help you uncover the pain points that they had and what, from their perspective, you did to lose their business. These interviews can be eye-opening, even if they point out some hard-to-swallow insights.
- **Social Media Reception/Sentiment:** How do people react to your brand online? Are you seeing engagement, and are people talking about your company on social media? Doing a general search of your brand and hashtags potentially associated with it should provide a general sentiment about your brand.

- **Online Reviews:** Do customers love your products or hate them? With review sites and functions everywhere, you shouldn't have an issue locating them. How your company is reviewed on employment sites can also affect your public brand image and potential to hire an area not to overlook.
- **General Search Results:** Type your organization's name into the search bar and review the results. Sounds easy, right? Be sure that you aren't looking for your organizational pages but what other websites might be talking about your brand and/or product.
- **Competitor Assessment:** Do you know where your current competitors rank in the above areas? It's time to find out what customers are saying about them publicly and see how your organization compares.

After gathering the information, you should have a clear picture of what your customer experience is currently. Analyze the sentiment you collected as well as a list of strengths and weaknesses of your organization. It may not be what you expected, but it is the starting point to begin or reframe your approach to organizational focus on customer experience.

Know Your Customers

While many steps while defining your customer experience strategy can be easily adjusted to fit your organization, this step is a key part of the process, whether you are just starting or continuing your current efforts. Customers are at the heart of your journey to providing exceptional customer experience, and it's absolutely essential that you understand their journey from problem to purchase.

Through understanding where your organizational customer experience is currently, you have a great deal of information that you require to complete this step. But there may be additional information that you can source from internal technology like your CRM, marketing automation platform, etc., or work that you have completed internally before as a starting point for understanding your customers. Here's what you need to understand your customers:

- **Understand the Current Buyer's Journey:** What steps do customers complete to purchase from your company and after they purchase? From the first interaction to the last, it's essential to know what is currently occurring and what is breaking down according to customer feedback that you previously solicited.
- **Define your Customer Profiles:** Understanding your customers not only applies to knowing their names but the more general information that drives solutions from your industry or vertical. While you may understand the generalized profile relating to company type, industry, company size, revenue, and other firmographic information, defining the customer profile goes far beyond that. Here you want to evaluate pain points that they are facing, expectations of purchase, common motivations, and use cases. During this, it's perfectly okay to have multiple profiles or personas, but don't lose focus by creating so many that you cannot optimize internally. Personas should be focused on the verticals where you want to succeed, not in every industry you have or could do business with.

These are just the basics to understanding your customers, and this whole process is about shifting to enhance their experiences. Not only do your customers want to be understood, but they also want personalized experiences and expect them, making this step one of the most important steps in your customer experience journey. As you grow in delivering these experiences, refine, revisit, and optimize the personas and journey to fit your customers. In the end, excellent customer experience evolves by constantly adapting—anticipating and meeting the needs of your customers.

Incorporate Everyone into Your Customer Experience Journey

One of the most frustrating but important actions of this process is to share your findings within the organization—specifically the leadership of your organization. It's a hard look at your organization's customer experience because the reality may be different than internal perception, which can cause friction. When obtaining buy-in within your organizational leadership, it's important to point out that customers who have good experiences are likely to spend more, customer churn costs cut into profit, and that customer experience is your organization's competitive edge in today's market.

Presenting the facts, organizational leadership should then start the trickle-down process, soliciting feedback within their areas to not only build excitement but begin aligning management to the changes coming. Relay this information by discussing moving the internal focus to customers and defining success based on customer feedback and revenue. While there aren't specifics to the strategy right now, it's important to gauge the team's feedback and the ideas they provide in response because these ideas are invaluable.

This step cannot be understated—it's absolutely essential to have everyone in the customer experience strategy. Think of it as priming the engine before starting it; while you don't want to flood it, you definitely want to ensure that you are prepared for a smooth start. Just like the adoption of new business technology, making sure that people feel they are informed and involved with new internal initiatives helps them feel successful.

Define Your Vision and Goals

The information you uncovered in step one should provide an idea of what you need to do to enhance your organizational customer experience, but this is a step beyond. Sit down with your organization's key stakeholders and define your vision and goals. This is your chance to take the lead and visualize what is possible.

First, it's time to consider what is the gap between what customers expect and what your company is providing. That gap should cover what should be done within the shorter term but will provide direction on what your goals and vision should be. Here are some questions to ask when it comes to defining the vision:

- What do we want to see in the short term for improvements? Long-term?
- Do you have internal employees that have rallied for change and what are they saying? What would they suggest the vision should be?
- What financial investments are you prepared to make with customer experience?
- What does your company need to do to have a direct impact on revenue?

- What internal improvements could have external implications?
- Why are you working on customer experience?

These questions should provide a springboard for starting out your customer experience vision but are by no means an absolute list. Define the overarching vision for customer experience within your organization and both long-term and short-term goals for the initiative. Keep in mind, the customer experience initiative is part of your organizational goals—the strategy is how you get there.

Write down your vision, solicit feedback, and establish it within the organization. Having a clear vision for customer experience ensures that no one is surprised by shifting focus as long as the vision is well-communicated within the organization.

> **Make sure you communicate the vision across the entire organization because it's a shared vision and goal for everyone, from the executive team to the new hire.**

Map Your Goals to Teams and Processes

Whatever your goals are, they need to be put into practice internally. Once defined, these provide the metric for teams to strive for. This falls into two categories, organization-wide and departmental.

Organizationally, you'll want to have some common goals across all teams that you strive for—this is why creating a customer-focused culture is so important. Map your organizational goals to your culture and, most importantly, communicate them to your teams. This is where you make sure to align the organization against silos and create a mentality that shares the same goal regardless of function. You can do this in a variety of ways, from brand campaigns to lunch and learns, but the important thing is to keep the message simple, aligned, and on target so that everyone is working toward the organizational goals.

The secondary part of this is refining and optimizing the customer journey that you have internally and uncovered in the first step. Highlight the issues you want to fix based on your goals and customer feedback, then revise and simplify the journey centering around what is convenient and expected by your customers. This is an organization goal because the journey must be defined at the top and then implemented cross-functionally across departments.

The more complex side of this is mapping your vision and goals to departmental teams based on function but without creating silos that damage your customer experience. Think of the gap that historically existed between sales and marketing for context here—you're going to want to avoid creating that tension between departments but instead provide transparency for a complete customer picture. It's important to note that this is not just for customer-facing teams; everyone in the organization needs to have a role in customer experience. Bring your department leaders and managers into the conversation here; provide them with the goal and align with them on how to get there—creating ownership and a shared goal. Why? These people are your organizational experts in each department's day-to-day, possessing the insight that higher levels of leadership may not see.

Teams may have similar goals, but no two teams will be exactly the same in how they approach the goal. The communication that you have organizationally will influence the mindset of every team as they work to strategize ways to meet the goals set for them, laddering up to the organizational vision. Having this on a team level also has the added benefit of optimizing internal processes that may have previously barred an exceptional customer experience—by doing the work and optimizing, each team has an investment in the organization's customer experience journey.

Provide Tools to Help Your Organization Succeed

The tools you have within your organization must align with the customer experience you are creating. This means you need high-adoption, low-maintenance, easy-to-use tools that do the work for you rather than taking up time with cumbersome features and data entry. Every team should be enabled through your business systems and be able to see a complete, holistic customer view that allows them to understand where they are in the buyer's journey, see historical interactions and concerns, and tailored information that personalizes experiences. Without a complete customer picture, you're unable to understand customer churn, highlight customers who are at risk, or increase your revenue.

Creating that centralized customer view should be essential. Departments need to work together to align with technologies that integrate and communicate, effectively barring the silos of information between teams. Here are the business tools and software that you should be integrating internally to help enable a complete customer view:

- **CRM:** A Customer Relationship Management System, or CRM, provides a single repository for information about customers and potential customers, guiding the buyer's journey and keeping everyone informed on opportunities and current customers. The data within this system is shared information for sales, customer service, and decision-makers. A successful CRM shows your organization's historical interactions with customers and provides insight directly within the system so that sales can focus on relationships rather than maintaining the system.

- **Marketing Automation:** A robust and good marketing automation tool combines email marketing, lead scoring, lead capture and tracking, nurturing, event management, and social media marketing into one application. This information provides marketers the opportunity to ensure they are providing the right information, at the right time, and right stage of the customer journey. Marketing automation must successfully integrate with your CRM to provide the link between marketing and sales to avoid siloing information and reduce lead hand-off time.

- **Customer Service Software:** Customer service software can vary depending on who you speak to and, historically, many organizations utilized their CRM to track customer issues and service requests. The problem is CRM is not meant to act as a tool for customer service which means that customizations are needed to the CRM, which are costly and often break. However, customer service software is designed to integrate with CRM and provide contextual information to sales about historical customer interactions. Unlike CRM, customer service software is optimized for service providing easy ways to make self-service centers, route cases, determine SLA, and more processes that are specific to customer service.

- **Artificial Intelligence:** More than a buzzword, artificial intelligence is an essential tool to customer experience whether it comes from marketing, sales, customer service, or an internal team because it can help to find answers quickly and effectively as well as alert and inform internal stakeholders plus uncover insights that others miss. It's not replacing employees but having them focus on the actual human instead of searching for predictive insights, the right webpage, or preventing the connection between a prospect and sales leader.

- **Communications:** How your teams and company communicate are essential to customer experience—can people interact and work together no matter what team they are on? Are people utilizing the same system to help increase communication? Having a single platform for communication may not seem like a big deal, but it is to streamline internal processes. There are multiple levels to this, from chat, meetings, and email. Everyone needs to be on the same technologies to streamline projects and communication, so you aren't wasting time from employee to employee on finding the right internal tool.

- **Cloud Computing:** Less of an actual tool but more of a feature, cloud computing is essential to remote connectivity. You want your information to be secure but accessible to your team regardless of their location, and that means you need tools that are cloud-enabled to provide the best solution possible. With an increasingly mobile and remote workforce, this is essential. Otherwise, you're losing potential valuable ground if employees aren't working with the most up-to-date information within your business systems.

Each of the above tools has nuances, but here's the essential takeaway—every tool you have must integrate and communicate to create a clear customer picture for everyone. This means you have to find a solution that suits your organization and enables customer experience. Focus on systems that have the above features and qualities, as well as measuring internally what tools each team needs to be successful in reaching their customer experience goals.

For more detailed coverage of what technology you need to enable great customer experiences, check out the Driving Memorable Customer Experiences with Technology eBook.

Measure, Adapt, Repeat

Throughout the steps above, your teams and organization should be actively implementing the insights from your research and optimizing processes, but it's not enough to just do it; you must measure and define success. If you don't measure, you're throwing hard work out the door. To measure your success and progress, track these key insights that are ranked by importance:

- Customer Retention Rate
- Customer Engagement Rate
- Sales metrics
- Customer Satisfaction (CSAT)
- NPS
- Average Speed of Answer (ASA)
- Average Handle Time (AHT)
- First Contact Resolution (FCR)
- Internal process improvements
- Internal feedback and sentiment
- Customer issues/feedback
- Brand awareness
- Online presence/reviews

If something is lagging, it's time to revisit. Perhaps your goal wasn't aligned properly or one that didn't hit the market well. Much like any campaign, it's normal to find misses within your execution, fix them, then continue to align and adapt to your organizational strategy. There are going to be failures on your journey to creating a great customer experience; use them as learnings and adjust as needed.

Continually ask your customers for feedback to understand what areas are missing the mark and what areas exceed expectations. What your customers provide as feedback should continually grow your strategy. Don't forget to make sure you're talking internally too with employees and understanding what is working for your company and not. Sometimes customers can't see internal breakdowns, but they will feel them if you don't keep a pulse internally. Internal investment is also a large part of your organization's customer experience success.

The last part of the strategy is repetition. Just as your organization will grow, your customer experience strategy should as well. Whatever you do internally to enable customer experience should not only be expandable but repeatable. Customers will change, employees will change, the market will change—just as your organization grows, customer experience maturity must also continually evolve. Winning at customer experience is centered around creating customers for life.

> "Profit is the applause you get for creating a motivating environment for your people and taking care of your customers."
> **- KEN BLANCHARD**

AMAZE

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Strategically Amaze Your Customers

Your customer experience strategy is the first step in amazing your customers, and it can only grow from there because it's centered around them. Customers want personalized experiences that meet expectations regardless of whether they are businesses or individual consumers. At the end of the day, you are selling person to person, and that is the experience that will impact your organization.

Creating a customer experience strategy may seem like a daunting task, but it's no longer optional if you want to remain competitive in your industry. The good news is, you can let your customers lead the way to help you define what works and rely on your internal talent to implement effective tools and processes within their teams.

You aren't alone in your customer experience journey. If you're not sure where to start, we're here to help you on your customer experience journey enabling you to deliver the experience that your customers crave.

GET DEMO

About SugarCRM

SugarCRM is how marketing, sales, and service teams finally get a clear picture of each customer to help businesses reach new levels of performance and predictability. Sugar is the CRM platform that makes the hard things easier.

Thousands of companies in over 120 countries rely on Sugar to achieve high-definition CX by letting the platform do the work. Headquartered in Silicon Valley, Sugar is backed by Accel-KKR.

To learn more visit www.sugarcrm.com or follow **@SugarCRM**.

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