Experience Leadership for CX Enthusiasts & CCXP Exam

2) MASTERY OF METRICS & ANALYTICS

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Welcome to the Experience Leadership Course

This course is the fastest way to leapfrog norms in customer experience business results. It’s also the fastest way to prepare for your CCXP exam, or just to learn the CX body of knowledge as outlined by the Customer Experience Professionals Association (CXPA).

Prioritization for your learning success:

1. **Must-have** information is emphasized in the live class and on-demand recordings.
   
   *Take extensive notes for your performance success*

2. **Should-have** information is explained in this workbook.
   
   *Read this workbook & complete topic mastery for exam & certificate*

3. **Could-have** information is included as links in the on-demand recording web pages.
   
   *Explore links to readings & templates as desired*

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Common Practice vs. Strategic Impact Practice

**Common practice is not always best practice!** We discovered this through our 5-year benchmark study.

- The top success factors for stronger business results are not the most commonly practiced: coordinating among various groups managing CX (e.g. VoC, UX, DX, CRM, Service, etc.), sharing VoC with all employees, expecting action from originators of VoC issues, expecting cross-org collaboration to improve CX, and using customer lifetime value, CX is a determinant of corporate strategy.
- These practices were in the minority in our 5-year study, yet firms emphasizing these factors were more likely to have greater CXM maturity and business results.

**Role of CEM In Our Company's Strategic Planning as Evidenced by My Top Management's Actions**

<table>
<thead>
<tr>
<th></th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEM is a subset of corporate strategy</td>
<td>63%</td>
</tr>
<tr>
<td>CEM is a determinant of corporate strategy</td>
<td>28%</td>
</tr>
<tr>
<td>CEM is not relevant to corporate strategy</td>
<td>11%</td>
</tr>
</tbody>
</table>

*Ranked by percentage of respondents reporting each answer.*

**Firms with CEM as a Determinant of Corporate Strategy tend to enjoy the following advantages:**

<table>
<thead>
<tr>
<th></th>
<th>Strategy Subset</th>
<th>Strategy Determinant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Review processes from customer perspective</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inform front-line employees’ decision-making</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Track negative word-of-mouth</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Use customer feedback to guide AOP</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inform strategic decision-making</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Listen prior to product development efforts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capture front-line employees’ observations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Analyze lost sales</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collect VoC from all influencers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Calculate customer lifetime value (CLV)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Track positive word-of-mouth</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Onboard all employees regarding CX programs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reward CX improvement by teams</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Ranked by/gap in World-Class or Well-Established practices between CEM as a corporate strategy determinant versus CEM as a corporate strategy subset.*
CX Data Analysis

In this class, we will cover 3 sections: 1) CX Data Analytics, 2) Tie CX to C-Suite, and 3) What Drives CX ROI.

**CX Data Analysis includes:**

- NPS, CSAT, Secure Customer Index, Customer Health Score, Value Quotient, Effort Score, ROI.
- Stated importance, implied importance, regression, correlation.
- Retention, share of wallet, sales velocity, profit margin expansion, attrition, penetration, engagement.
- Top-box, bottom-box, standard deviation, mean, median, mode.
- Statistical significance, confidence, validity, reliability.

Many of these metrics are defined in the Pre-Class Workbook.
Pointillist’s study reveals NPS and CSAT as top key performance indicators in current best practices. However, “quantifying customer experience ROI” is the ongoing #1 CXM challenge. 49% of enterprise CX leaders are not satisfied with their organization’s ability to quantify the impact of CX on hard business metrics. 40% of CX leaders agree that quantifying the ROI of customer experience is the #1 overall CX challenge today.

**Topic Exploration:** What do you suppose are the shortfalls of current KPIs?

**Topic Exploration:** What does this imply about industry benchmarking, current best practices, and differentiation?
What are CX Annuities?

In financial investments, an annuity provides an ongoing income stream.

A customer experience annuity does this by stopping the need for sunk costs of remedial CX and re-allocating those previously sunk cost funds to higher-value opportunities.

Remedial CX is anything that could have been prevented through “right the first time” performance.

**Topic Exploration:** What’s your company’s biggest remedial CX issue?

**Topic Application:** How much is this remedial CX issue costing your company? How much is it costing customers? How would things improve for customers and for your company if this recurrence of this remedial issue was prevented?
Use Net Promoter Score® Wisely

Strategic Impact means you’re driving growth. Ensure your metrics usage reflects market truths.

Bad profits is a phrase introduced by Fred Reichheld in his 2006 book, The Ultimate Question, which introduced NPS®. Ironically, misuse of NPS has actually contributed to bad profits. Other metrics in your company may be at-odds with your Intentional CX and customer lifetime value goals.

**Topic Application:** Who can you talk to in Finance, Sales (Revenue Operations), or Marketing (Marketing Ops) to validate your understanding of who your core-growth customers are?

**Topic Application:** What can you do this quarter to test the 4 reality-checks listed above?
Reality Checks for CX Indexes

You can increase your strategic impact when you know (a) what each index communicates, (b) what the equation assumes, (c) what managerial behavior it nurtures, (d) whose value it represents, and (e) which audience is most appropriate for it.

**Topic Application:** Which indexes would you select for a good balance of “WIIFM” (what’s in it for me) value?

**Topic Application:** Based on what the index(es) communicate, which index(es) best support your executives’ intended outcomes from your work?
### Mastery of Experience Leadership: Metrics & Analytics

#### Topic Application: How could you use different indexes for different audiences across your company?

<table>
<thead>
<tr>
<th>Strategic Impact</th>
<th>Customer Health</th>
<th>Effort Score</th>
<th>Value Quotient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Message Check: Communicates...</td>
<td>customer behavior related to your product’s effectiveness.</td>
<td>efficiency of issue resolution.</td>
<td>positive vs. negative outcomes for customers.</td>
</tr>
<tr>
<td>Reality Check: Assumes...</td>
<td>trouble-free, strong product usage leads to repurchase.</td>
<td>ease of remedies = customer experience excellence.</td>
<td>positive outcomes for customers get dents from negative outcomes (defects, waiting, ...)</td>
</tr>
<tr>
<td>Behavior Check: Tends to...</td>
<td>focus customer experience strategy on repurchase.</td>
<td>focus customer experience strategy on service effectiveness &amp; efficiency.</td>
<td>stimulate both efficiency &amp; effectiveness company-wide.</td>
</tr>
<tr>
<td>WIIFM Check: Implies...</td>
<td>your product’s value to customers.</td>
<td>your remedy speed’s value to customers.</td>
<td>your company’s value to your customers.</td>
</tr>
</tbody>
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Mastery of Experience Leadership: Metrics & Analytics

ROI: Return on CX Initiative

Strategic Impact practices focus on leading indicators: how are you making a difference in customers' time and resources and your company’s operational time and resources? Executives want to see sustained gains.

**Topic Exploration:** What are your executives measured on?

**Topic Exploration:** What are examples of remedial CX that your company is investing in?

**Topic Application:** How can you influence executives’ interest in customer experience annuities?
When your company’s (and partners’) customer experience efforts impact any of these cost or revenue ingredients, you should find the corresponding financial ratio to communicate strategic impact.

**RONA (Return on Net Assets)**

Ron A is return on net assets. RONA is commonly used to compare firms within an industry.
Return on equity shows how well your company is generating value from investors' funding.
ROI can be increased through higher profit margins and/or higher asset turnover.
Tie CX to the C-Suite

In the second section, we’ll explore What Drives CX ROI: how to get executives’ buy-in and stimulate action.

Let’s Do It

Topic Application: Looking back at the previous pages in this workbook, what would you like to do differently?

1) What I want to discuss:   With Whom   When

2) What I want to research:   How   When

3) What I want to do:   How   When
Topic Mastery

When you’re presenting CX measures to the engineering team, what are they asking (and why!) about when they say: “What is this study’s ____”?

a) Confidence

b) Validity

c) Reliability
How to Get Executives’ Buy-In

Money talks. It’s the language of managers. It’s how their performance and opportunities are measured. Speak managers’ language to stimulate their passion for making a difference that customers will reward.

**Topic Exploration:** Do your managers feel your industry or company is unique? How does this affect acceptance of outside data?

**Topic Application:** How much is a chronic customer issue costing your company? (rough estimate is okay, or naming just one aspect of the costs) What would be the upside from preventing this issue’s recurrence?

**Topic Application:** How can you apply the money data you have to customer experience insights this quarter?
How to Tie CX to Corporate Strategy

Current best practice is to establish NPS® or a similar customer experience metric as criteria for recognition, bonuses, or compensation. A major achievement is to establish a customer experience goal as one of the corporation’s “strategic pillars” (also known as corporate objectives, stretch goals, etc.).

Strategic Impact practice identifies the customer experience impact of every strategic pillar, instead of setting up a separate customer experience goal. Whenever certain goals are seen as being separate from customer experience, it conveys a false message. In fact, every goal can impact customer experience in some way.

Topic Exploration: How do you think Disney, Ritz Carlton, Nordstrom, Zappos, etc. have tied CX to corporate strategy?

Topic Application: How can you discuss this with your executive sponsor?
What Drives CX ROI?

Current best practices focus almost exclusively on lagging indicators. After a process or service leaves your workflow, then it’s out of your hands. “The train has left the station.” Strategic Impact practices focus mostly on leading indicators, in order to see major gains in lagging indicators.

**Topic Exploration:** Have you seen an initiative with strong results, even though it had weak engagement?

**Topic Exploration:** What advice do you give to a school child who wants to improve their exam performance?

**Topic Exploration:** What happens when initiative leaders give strong attention to involvement levels and things that employees can control?
Lagging Indicators Reflect Leading Indicators

When you have robustly selected your leading indicator, you can be confident that its trend will be mimicked by lagging indicators. Robust selection means correlation analysis, then Pareto analysis, and then 5 why’s.

Vodafone tracked “customer value added” (CVA) by things Vodafone was doing to address customers’ concerns (CVA = leading indicator).

Market share trends (customer buying behavior = lagging indicator) followed the same pattern as CVA, with a 4-month lag.

Customer Value Added scores predicted market share to within 1% accuracy, and accurately predicted customer churn.

Topic Exploration: How can you discuss this with your executive sponsor or C-team?
What are CX Leading Indicators?

Strategic Impact practices focus on what you’re doing about CX, to prevent recurrence or occurrence of issues. You see the performance trend before your stakeholders do. You see what they will soon experience. After customers experience the improvement, their ratings and behaviors will improve accordingly, driving financial improvements.

**Topic Exploration:** Have you experienced a brand’s breakdown in their workflows? Describe the situation:

**Topic Exploration:** How did this brand’s workflow breakdown affect your sentiment about that brand? How did it affect your behaviors? (word-of-mouth, buying)
How to Identify Leading Indicators

Here is a 3-step recipe for robustly identifying a predictive leading indicator.

1. Key Driver Analysis
   - Correlation coefficients
2. Pareto Principle: 80/20 rule
   - Cumulative percentage of bars = red line
   - 80% of issue is from top few items
3. Root Cause Analysis
   - 5th answer = the root cause

**Topic Application:** Who can you involve in your company to help you apply these 3 steps?

**Topic Application:** How can you make these 3 steps “a way of life” across your company?
CX ROI Drivers

In the third section, we’ll explore CX ROI Drivers: how to use metrics wisely to drive engagement for ROI.

Let’s Do It

_topic Application:_ Looking back at the previous pages in this workbook, what would you like to do differently?

1) What I want to discuss:   With Whom   When

2) What I want to research:   How   When

3) What I want to do:   How   When
Topic Mastery

*Topic Mastery: Your company just merged with another firm, and their executives are doubting the value of CX work. How would you establish their passion for experience management?*
Choose & Use CX Metrics Wisely

Before the industrial revolution, business owners knew each of their customers. They felt the consequences of poor decisions. Even if a benefactor financed a business owner, it was still clear that satisfied customers were the key to keeping benefactors satisfied. Experience metrics can aim to restore those truths.

If your CX team’s biggest accomplishment is silo-smoothing, you’ve probably achieved more than any other company in your industry. Ease of doing business depends largely on smoothing silos.

Ease of doing business is more about minimizing negative surprises, rather than making everything effortless. Negative surprises occur whenever what you deliver falls short of the value proposition that customers accepted.

Ease of doing business creates magnetic attraction for new and returning customers. It stimulates referrals, price elasticity, and so on.
Another irony is our own creation of silos by the way we lead CX. Silos are CXM kryptonite! Silos exist whenever things that should be connected are disconnected.

1) **Team** metric silos happen when team progress indicators are disconnected from company progress indicators. Thankfully, cascaded objectives is a method for determining what each organization contributes to corporate goals, and what each team contributes to organization goals. Corporate performance is the summation of team performance, so show connections. You’ll see more about cascaded objectives in the Culture and Accountability class.

2) **Organizational** metric silos happen when independent targets are selected by product lines, account teams, or support functions – or when they compete against each other. Metrics must be synergistic, especially when customers buy multiple products in multiple geographies.

3) **Care-about** metric silos happen when what your company cares about is not the same as what customers care about. Referrals, retention, and revenue growth are what your company wants to see. To get there, you must emphasize defect reduction, responsiveness, etc. Both sets of care-abouts must be prominent, showing their connections, with highest focus on customers’ care-abouts as the means to the end.

4) **Empowering** metric silos happen when loyalty indexes like NPS are emphasized in compensation or bonus criteria. Indexes aren’t actionable by teams. What teams can control are the root causes of key drivers of loyalty.

5) **Recognition** metric silos happen when you feature individuals and heroics instead of teamwork and prevention.

6) **Dashboard** metric silos happen when dashboards from your enterprise feedback management software focus on customer sentiment. These dashboards aren’t connected to improvement progress of the root causes of customer sentiment.

7) **Resolution** metric silos happen when first contact resolution (FCR), agent ratings, and follow-up with Detractors do not prevent issues for your whole customer base.

8) **Program** metric silos happen when your CX team’s success is measured by something besides what your team is doing to facilitate timely information and tools to your stakeholders and to drive employee and organizational involvement in improving the root causes of customer issues

**Topic exploration:** Which silos exist in your company?
*Goal silos undermine your experience leadership progress when they skew your focus away from the realities of customer experience. Like an airplane pilot's control panel, you need CX metrics to help you avoid turbulence, balance speed and fuel conservation, and get to your destination with a pleasant passenger experience. Turbulence represents hassles for customers, fuel conservation represents managers' bandwidth, and passengers represent your stakeholders and customers themselves. A pilot monitors all facets in balance as a serious responsibility.

In our airplane pilot analogy, a focus on touchpoint goals can distract the pilot from engine trouble. Since most of the prevalent customer experience issues are caused by non-customer-facing groups, touchpoint goals hide -- or buffer -- CX annuity opportunities. This is engine trouble, indicating weak customer-centricity throughout your company. A major goal for customer experience management should be minimization of buffer situations. CX goals must be shared across every functional area and every managerial level.

Survey score goals can be like trying to lose weight by stepping on the bathroom scale throughout the day. You won't truly reach this goal unless you're making significant lifestyle changes.

Product goals can ignore the fact that many customers buy multiple products from your company.

Loyalty goals can ignore the need to earn trust. Relying on marketing programs can cost a lot for fleeting success. You're still vulnerable to competitors unless ease-of-doing-business -- across the entire customer life cycle -- is superior to the alternatives available to your customers.

CX program goals let your top executives forget that customers are the primary source of salaries, budgets, and dividends. Investors leave when customers leave, not vice versa. Therefore, customer experience insights should be a determinant of corporate goals as a means toward investors' happiness.

Heroics goals are an expensive way to run your business. Usually, there are numerous customers affected by any glitch, and heroics solve the situation for a tiny percentage of these customers. An issues prevention mindset is better for customers and for investors.

Partner goals -- for your channel partners, strategic alliances, agencies and suppliers -- typically emphasize costs, timing, and bureaucracy. These goal silos are like shooting yourself in the foot. Harmony across your entire value chain is essential in your quest to be the most preferred, fastest growing, and most profitable company in your industry. Shift to win-win policies and processes, and manage a tight ship by educating suppliers and alliance and channel partners about your customers' realities and expectations. Create joint goals with them, emphasizing what that each party contributes toward your customer experience goals.

**Topic exploration:** Which goal silos are at the heart of your current customer experience strategy?
Data silos are blamed for the challenges of quantifying CXM ROI.

What’s at the center of your data collection systems? Maybe financial and operational data. That inside-out architecture will make it harder for you to foster customer focus and to differentiate the end-to-end customer experience journey. To solve data silos, center your data hub on customers. An excellent guide for this is Theresa Kushner’s book, Managing Your Business Data. A peak into her wisdom is summarized in the ClearAction article called Customer Experience Data: Untapped Gold Mines.

Second, make your operations data agile. Operations data includes sales and service transactions and interactions from your CRM system, along with corresponding enterprise data. As we saw during the pandemic, customer focus is vital everywhere that data is collected, stored, processed, and accessed.

Third, synthesize customer experience data. Ironically, CXM generates mountains of data silos, collecting data faster than your company can consume it. As long as customer feedback data is directionally correct, it should compel managers to make changes customers will continually reward. The first part of synthesizing CX data is to re-think your customer feedback approach to build upon almost-free customer insights to the extent needed to match core-growth customers’ realities and expectations.

The next part of synthesizing CX data is to coordinate managers of different parts of customer experience throughout your company – UX, DX, VoC, CRM, Service, Loyalty, Success, Sales, Marketing, and so on. Like a human body, the right hand needs to know what the left hand is doing, the right and left legs must be in-sync, and all organs must work together.

The next part of synthesizing CX data is to establish a CX metrics dashboard that tells the full story of what’s going well and where help is needed.

Topic application: What can you do this quarter to synthesize CX data?
What are CXM Engagement Metrics?

Customers have already paid fair market value for your product or service. They buy from many other providers in their business or personal life. They are most likely to engage when they see evidence that you've engaged internally in acting on what they told you in your voice of the customer studies.

Employees have a built-in interest in customer experience: customers pay for salaries, budgets, and dividends. The keys to employee engagement in customer experience improvement are to make it (a) a way of life (something everyone does at specific times of the year), (b) tied-in to employees' rhythms of performance reviews (organizational, external, and/or individual), and (c) fun (e.g. recognition, contests, leaderboards, etc.).

<table>
<thead>
<tr>
<th>ENGAGEMENT LEVELS</th>
<th>PROGRESS LEVELS</th>
<th>RESULTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>% departments reading customer comments</td>
<td>% customer pain points with a systematic plan</td>
<td>% negative comments related to a plan</td>
</tr>
<tr>
<td>% departments with a systematic plan</td>
<td>% actions completed by original target date</td>
<td>% positive comments related to a plan</td>
</tr>
<tr>
<td>% plans with cross-functional collaboration</td>
<td>% systematic plans completed</td>
<td>% savings for customers (time, money)</td>
</tr>
<tr>
<td>% employees with performance objective(s) tied to customer pain</td>
<td>% team recognition entries using improvement tools</td>
<td>% increase in ratings related to a plan</td>
</tr>
<tr>
<td>% departments entries in team recognition database</td>
<td>% Customer Heroes preventing issues</td>
<td>% team recognition entries with customer testimonials</td>
</tr>
</tbody>
</table>

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Topic Application: What types of engagement are already happening? What would best support your goals?

Topic Application: How can you experiment with at least one metric from each of the 3 columns above?
How to Use CXM Engagement Metrics

These are categories you could use for team recognition. Customer experience excellence is about teamwork and smoothing silos. It’s also about preventing issues for customers. Everyone has a customer, whether external or internal. The more you involve everyone across your company, the more customer-centric your culture will become.

CUSTOMER HASSLE REDUCTION
1) Tackling a chronic hassle for customers
2) Anticipating & preventing a hassle for customers
3) Simplifying policies to fit customer expectations

CUSTOMER EFFICIENCY IMPROVEMENT
1) Finding ways to save time for customers
2) Reducing wasted costs for customers

CUSTOMER VALUE INNOVATION
1) Creating something valuable to customers

CUSTOMER EXCELLENCE ALIGNMENT
1) Aligning job roles with what’s best for customers
2) Revising internal policies to help employees better serve customers’ needs
3) Smoothing handoffs between departments to prevent complications for customers
4) Tracking “right the 1st time” from downstream internal customers’ viewpoints

Topic Application: How can you encourage every team in your firm to make a sustained difference for customers?
Make VoC a Guide for All Managers

Strategic Impact practices emphasize expectations standards as much, or more, than moments of truth studies. When customer expectations clarify how every group does their work, prevention of customer issues prevails.

When your company is using moments of truth research to validate/tweak internal customer-focus metrics, you’ll notice that desired business results (renew/repurchase/recommend/etc.) are near-automatic by-products.

**Topic Exploration:** Can you recall a time when someone you know learned new standards for their job? How did that affect their internal/external customers?
Quantifying CX ROI is the #1 Overall CXM Challenge

Now that you’ve completed this class, what are your views about this top challenge?

**Topic Exploration:** What do you suppose are the shortfalls of current KPIs?

**Topic Exploration:** How do the #2-#5 top challenges contribute to solving the #1 challenge?
Let’s Do It

*Topic Application:* Looking back at the previous pages in this workbook, what would you like to do differently?

1) What I want to discuss:  
   With Whom  
   When

2) What I want to research:  
   How  
   When

3) What I want to do:  
   How  
   When
Mastery of Experience Leadership: Metrics & Analytics

Topic Mastery

*Topic Mastery:* In the company you just joined, market share was the main way executives tracked CX progress. What would you recommend for using leading indicators to improve experience progress?
Mastery of Experience Leadership: Metrics & Analytics

Summary

**Experience Metrics & Analytics**

**Strategic Impact**

**Leading indicators**
- What you can adjust before stakeholders see it
- Early warning signals: in-process or input to a process
- Employee engagement: saving time or money for customers preventing recurrence of issues; preventing occurrence of issues

**CX data analysis**
- **Correlation**: implied importance, key driver analysis (KDA) how linear is the relationship between a CX factor and loyalty
- **Top box, bottom box**: % of business at-risk or at-opportunity % of customers at each end of a CX factor’s rating spectrum money represented by % of customers at either end of spectrum
- **Cross-tabs**: identify outliers, trends, and actionable data stories compare a demographic question to each CX factor compare different CX factors to one another rows = 100%, columns = 100%, what stands out to research more?

**Indexes**
- **Lifetime value**: cumulative profitability of a segment or customer tends to balance thinking and behaviors for long- & short-term
- **NPS®**: likely to recommend offsets likely to not recommend tends to stimulate score begging: give us a 10
- **CSAT**: % of very satisfied customers + satisfied customers tends to focus CX strategy on service
- **Secure Customer Index**: combo of recommend, rebuy, satisfied compare % saying “very” for all 3 questions vs. lower ratings tends to stimulate holistic thinking and actions
- **Customer Health Score**: how well use of product meets intent tends to focus CX strategy on repurchase (subscription renewal)
- **ROI**: gain minus investment, divided by investment tends to focus on a short payback period
- **CX Value Quotient**: net value to customers how well you delivered (minus shortfall) your value proposition tends to stimulate both efficiency and effectiveness

**Experience Metrics & Analytics**

**CX Leading Indicators**
- **What we’re doing about CX**
- **Drill down past key driver to its vital few sub-themes, to resolve & track the faulty filter at the root**

**CX Lagging Indicators**
- **What customers are doing/seeing**
- **Predicted by faulty filter resolution**

Focus on diamond (i.e., faulty filter) in a 5th-why workflow of a vital-few subtheme of a key driver of loyalty

Focus CX team on facilitating employee engagement; otherwise:
- **Results are temporary**
- **CX excellence doesn’t become a way of life**
- **Solutions are weaker, slower, less innovative without diversity of inputs**

Focus every team on making a difference for customers
- **Setup team recognition with these categories**
- **Tie CX to corporate strategy**
- **Identify CX impact of each pillar**
- **High visibility to CX impact via dashboards, bonuses, team recognition**

Show money at-risk or at-opportunity

CXM ROI savings in:
- **Customers’ time & resources**
- **Operational time & resources**

CXM ROI gains in:
- **Strategic use of resources**
- **Customer retention**
- **Share of wallet**

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Mastery of Experience Leadership: Metrics & Analytics

JOBS-TO-BE-DONE
What a customer is “hiring” your solution to do for them

CORE-GROWTH CUSTOMER
Which group of customers will drive your growth most

CX ANNUITIES
Re-allocate previously sunk costs by preventing issue recurrence

CX MATURITY
Mobilize → Operationalize → Align → Embed CX insights in how you run the business

VoC MATURITY
Collect → Analyze → Collaborate → Transform

EXPERIENCE LEADERSHIP
Company-wide alignment to customers’ expectations (at least core-growth)

CUSTOMER EXPERIENCE
Customers’ realities in selecting, getting and using a solution that enables their intended outcome (JTBD)
Realities + Expectations

INTENTIONAL CX
Characterization of how you intend for customers to feel across their end-to-end journey

Qualitative Data: Comments, descriptions of behaviors
Quantitative Data: Ratings, quantifications of behaviors
Operational Data: What happened: observable data supplied by enterprise systems and digital body language
Customer Data: Why it happened and how customers reacted: data supplied by customers about intent, preferences, etc.
Descriptive Data: How people perceive what they touch, see, hear, feel, do
Prescriptive Data: Observable things that happened
Outcome Data: What did customers do or plan to do as a result of their perceptions?
Measurement: Quantifies customers’ thoughts and actions
Metric: Tracks progress toward an (internal) objective
VoC Portfolio: Set of customer feedback methods to capture the full CX journey among various decision influencers
Quantitative Research: Monitor or quantify behaviors and their factors
Qualitative Research: Explore or describe behaviors and their factors
Sentiment: Perception, opinion, attitude, or view
Win-Loss Analysis: Study of why certain sales opportunities were successful or unsuccessful

Real-time Feedback: Desktop or mobile dashboard updated immediately as any customer submits feedback

Closed-loop VoC: Assuring customers their feedback is being addressed

- Average: Sum of ratings divided by number of ratings (mean)
- Median: Middle figure in a low-to-high range of data
- Mode: Most common figure in a data set
- Population: All customers in your market (or in any overall parameter, e.g., lost customers, product A customers, ...)
- Sample: Participants in a study

Non-Probability Sample: Hand-selected participants

Random Sample: Every customer has an equal chance of being selected as a participant (like a lottery)

Stratified Sample: Participants are selected from each segment within a population (such as verticals, roles, locations, etc.)

Moments of Truth: (MoT) the points in a customer journey when they are inclined to engage or disengage

EFM: Enterprise feedback management: software platform for automated surveys and reports

Predictive Analytics: Use of big data apps for real-time guidance at touchpoints or answers to management decision scenarios

- Big Data: Large data sets (multiple sources) for identifying patterns, trends, associations relating to human behavior
- Descriptive: What happened
- Diagnostic: Why did it happen
- Prescriptive: What will happen
- Predictive: How can I make it happen

360-Degree View: Intelligence about the end-to-end customer life cycle or end-to-end customer experience journey

Customer Life Cycle: Seller’s view of customer management from awareness, interest, purchase, onboarding, support, disposing

End-to-End Journey: Customer’s view of need awareness → choice investigation → solution selection → purchase → receiving the solution → integrating the solution* → using the solution → disposing the solution

NLP: Natural language processing; what computers and mobile devices use to understand human language

Data Mining: Use of big data and NLP to discover patterns in text, voice/audio, visuals, or video

Data Modeling: Creating equations to represent or predict how things happen

Informal Interaction: Non-customer-facing supplier employee and customer have a conversation
Mastery of Experience Leadership: Metrics & Analytics

KEEP ME POSTED ON YOUR PROGRESS . . . & HOW I MAY HELP YOU!

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SONOCO (Packaging, ’89–’92)
– Company-wide VoC, Strategic Planning
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