

Andrew Reise

Customer Experience Strategy and Implementation

Enterprise Customer Experience Transformation

CASE STUDY

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Executive Summary

Andrew Reise Consulting is currently assisting this corporation in the strategy, design, and implementation of an enterprise customer experience transformation program that will deliver significant results. This multi-year program represented our client's top strategic priorities and involved nearly every aspect of the business. The success of this program relies on our ability to help our client overcome several common customer experience pitfalls, including:

- Inability to link the customer experience strategy to the corporate vision and mission
- Failure to commit key resources to the program on a full-time basis
- Underestimating the criticality of change management
- Lacking the appropriate executive alignment
- Taking a piecemeal approach to customer experience management
- Lacking the discipline to measure the results
- Inability to take an end-to-end approach to customer experience



Business Challenge

Our client, a major wireless telecommunications provider, was faced with numerous strategic threats and opportunities:

- 1 **Stagnant Growth:** Wireless competitors were growing their customer base at a much faster pace and threatened to take an increasing percent of the market share.
- 2 **Market Saturation:** The market for wireless telecommunication products and services was highly saturated. As a result, major wireless telecom competitors fought over the same customer base.
- 3 **Consumer Loyalty:** The wireless consumer base was not highly loyal to their service provider, representing a potential risk for churn.
- 4 **Customer Service Leadership:** Our client had differentiated itself in the marketplace as a leader in customer service. As a result, their churn rates were among the lowest in the industry. Key competitors, however, had made strides in customer service and were closing the competitive gap.
- 5 **CRM and Technology Follower:** While our client was a leader in customer service, they delivered service without sophisticated automation or CRM capabilities. Other competitors had an advantage with more current data warehousing, customer analytics, and overall CRM capabilities.

The company's brand promise was to deliver differentiated customer service, but deficiencies in key capabilities and an aging information systems infrastructure threatened to create a significant brand gap and loss of competitive position. Our client needed a strategy to build on its customer service differentiation strategy.

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HOW ANDREW REISE HELPED

Andrew Reise was engaged to develop and implement a comprehensive customer experience strategy to respond to key strategic threats and opportunities. Andrew Reise's engagement included the entire program lifecycle, from initial strategy development through implementation of the strategic roadmap.

Making the Case for Change Competitor & Market Research

In order to crystallize the competitive and market threats, Andrew Reise conducted research using both internal and external resources to assess market and competitive positions. Research included an assessment of comparative customer growth, churn, financial performance, consumer attitudes, technology trends, and an assessment of specific targeted CRM capabilities. This research helped to provide a fact-based foundation that identified specific gaps between our client's current position and their competitors. These gaps served as key considerations to guide the development of the customer experience strategy and crystallized the case for change with the executives.

PHASE 1: CREATING THE CUSTOMER EXPERIENCE STRATEGY

Andrew Reise worked with the company to assemble a dedicated team of functional leaders across the enterprise including representatives from Sales and Marketing, Information Systems, Finance, Operations, and Customer Service. By establishing a dedicated team, Andrew Reise consultants were able to effectively facilitate dozens of work sessions to develop a customer experience strategy based on an analysis of consumer, market, competitive, brand promise, and existing CRM capability factors:

- 1 Value Focus:** A compelling mission and vision statement was established to focus on delivering lasting value to the company in the areas of expanding the breadth, depth, and duration of the customer relationship. The result created a clear call to action for all stakeholders at the outset of the program.
- 2 Customer Needs Assessment:** Andrew Reise researched customer insights based on our proprietary customer needs network, collecting and analyzing customer feedback, and incorporating established customer segment profiles and personas. The results provided critical insights into the company's existing and target customer base in terms of needs and wants.
- 3 Competitive Assessment:** An assessment of the company's market and competitive environment was conducted to identify key threats and opportunities. The result provided key insights into competitive threats and opportunities that served as an input to the business case and overall strategy.
- 4 Customer Lifecycle Mapping (current state):** An end-to-end customer experience lifecycle process was developed to provide a process-centric view using the customer's perspective. Internal company processes and capabilities were mapped to the customer experience lifecycle process to analyze the current state issues and opportunities. The result was the creation of an enterprise-wide customer experience lifecycle model for all enterprise programs going forward.

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Getting it Right

Death by a thousand cuts

Historically, dozens of individual technology and/or business projects were identified to address discrete issues. Without a holistic cross-functional or overarching strategy, these projects often failed to deliver on expectations.

The power of collaboration

To avoid past mistakes, our client assembled a cross-functional team who was fully dedicated to the development of a holistic customer experience strategy. Members of the team left their day jobs for 4 to 6 months to collaborate on the development of the strategy. The result was a powerful fact-based strategy that helped align the entire organization to a common goal of improving the breadth, depths, and duration of the customer relationship.

PHASE 1: CREATING THE CUSTOMER EXPERIENCE STRATEGY

5 **Capability Assessment:** Andrew Reise conducted an assessment of the company's individual capabilities using Andrew Reise's proprietary Capability Maturity Model. The maturity level for each capability area was assessed on a 1–5 scale to determine the strengths and weaknesses of key capabilities. The result was a quantifiable assessment of individual capabilities that served as a baseline and benchmark for the specific goals and objectives of the customer experience strategy.

6 **PAID Diagramming:** Andrew Reise facilitators utilized a proprietary transformation tool called PAID diagramming (Process, Application, Integration, Data) to further map the customer experience lifecycle to underlying business processes, application systems, interfaces, and data sources to identify more tactical and specific issues and opportunities within the business architecture. The result provided insights into specific real-world issues and opportunities that provided a key input into the development of a realistic and achievable customer experience strategy.

7 **Customer Experience Strategy:** Andrew Reise helped organize and analyze all input factors to create a series of compelling strategic imperatives serving as the foundation of the customer experience strategy. The strategic imperatives were developed to specifically address the various competitive threats, issues, and opportunities identified throughout the strategy project. Strategic imperatives represented major platforms or themes, such as:

- Developing a deeper customer understanding
- Facilitating more meaningful customer interactions
- Enabling the end-to-end customer experience
- Enhancing campaign and marketing effectiveness
- Establishing powerful business and customer analytics
- Improving speed to market and agility
- Establishing a foundation for operational effectiveness

The result was a clear and compelling customer experience strategy based on a foundation of value creation for the business.

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PHASE 2: FRAMING CUSTOMER EXPERIENCE INITIATIVES AND SOLUTIONS

In order to make the strategy more tangible, Andrew Reise collaborated with the company to further build out the strategy by developing the customer experience detailed strategy:

- 1** *Customer Experience Initiative Framing:* In order to make the customer experience strategy achievable, common or related issues and opportunities were grouped together and transformed into discrete initiatives. Each initiative represented a distinct project or solution that when implemented, would enable one or more of the strategic imperatives defined in the customer experience strategy. Each initiative was then further defined in terms of more specific solutions that could be implemented. The result was a list of more than 35 discrete initiatives or projects that could be implemented to realize the strategy. Initiatives addressed key capabilities in areas such as an enterprise data warehouse, business intelligence, voice of the customer, cross-sell/up-sell, cross-channel integration, web channel transformation, billing and customer care system transformation, and lifecycle/interaction management.
- 2** *Business Case Development:* Based on the identification and framing of the program initiatives, a more detailed 5-year business case was developed for each initiative. The business case was based on both qualitative and quantitative metrics that were specific to the company. The individual initiative business cases were then aggregated into a single integrated business case that clearly demonstrated the significant ROI that the program represented.
- 3** *Transformation Roadmap:* The individual initiatives were then sequenced into a long-range customer experience roadmap based on dependency, resource, and ROI factors. The result was a detailed program roadmap that would serve as a guide throughout the transformation program.
- 4** *Program Governance:* Andrew Reise defined the strategy program governance model for the entire program, including work plan management, risk management, issue management, status reporting, program alignment, responsibility and decision making governance, as well as the overall program organization structure. The result was a program governance model that would be utilized throughout the transformation program.

Going Deep

People, process and technology

In order to develop pragmatic customer experience initiatives, we assisted our client in a detailed analysis of discrete CRM capabilities using our proprietary CRM maturity model. This analysis helped identify specific people, process, and technology capabilities needed to deliver the strategy.

Getting paid

During the solutioning phase, we also modeled the customer experience in terms of the customer experience process (P), enabling applications (A), interfaces (I), and data sources (D) using our proprietary PAID diagramming approach. The result was a clear linkage between customer experience interactions and the underlying people, process, and technology enablers.

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Organizing for Results

A new function

Since the strategic program was to span multiple years, it was important to find the right internal resources committed to the effort for the long term. The company established a new functional cost center for the program where key resources from across the enterprise were reassigned from their functions. The cost center included a complete departmental organization structure that could replicate all internal employee coaching and performance reviews throughout the program.

The result was a dynamic program structure that was able to garner 100% focus from its participants and internalize a sense of ownership and pride in the program.

PHASE 3: IMPLEMENTING THE CUSTOMER EXPERIENCE ROADMAP

Andrew Reise assisted in the kick off and day-to-day execution of the transformational program, including:

- 1 **Program Management:** Andrew Reise served as the overall program management office for the program, managing all aspects of strategy, program governance, and benefits realization.
- 2 **Benefits Realization:** Andrew Reise assisted the company with the financial management aspects of the program, including careful management to the business case and establishing processes and methods for measuring benefits realization on a go-forward basis.
- 3 **Organization Transformation:** Andrew Reise assisted in the establishment and staffing of a dedicated program team of more than 325 people. In addition, Andrew Reise assisted with the change management aspects of the program.
- 4 **Process Transformation:** Andrew Reise assisted with the establishment of an enterprise process model within the company, including the identification of process owners who would oversee and optimize the implementation of new processes.
- 5 **Technology Transformation:** Andrew Reise assisted with the information technology implementation for several of the initiatives.

RESULTS

05

Duration (Years)

325

FTE's Engaged

35

Initiatives

225%

Return on Investment

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KEY FINDINGS

The challenges associated with any program of this size and complexity can be significant. However, we credit the success of this program to helping our client to overcome several common customer experience pitfalls, including:

01 *Inability to link the customer experience strategy to the corporate vision and mission*

The strategy that was developed first considered the company's mission, vision, and brand promise. Customer needs and expectations were then evaluated and a strategy was developed that delivered on the brand promise while meeting or exceeding customer needs and wants.

02 *Failure to commit key resources to the program on a full time basis*

Rather than balancing resource demand with other projects, an approach was taken to establish a new structure within the organization and reassign resources on a full-time basis for the course of the transformation program to ensure the highest level of focus and commitment.

03 *Underestimating the criticality of change management*

Given the overall magnitude of change being deployed, the program committed significant resources to work with customer-facing personnel and their respective leaders to understand and adopt the changes. A rigorous change management methodology was applied throughout the program.

04 *Lacking the appropriate executive alignment*

The executive leadership placed these programs as a top priority and communicated this to the organization. Executives were actively engaged throughout the program to help resolve issues and keep the organization aligned to the overall goals and objectives.

05 *Taking a piecemeal approach to customer experience management*

The overall program was comprised of 35 initiatives, each of which represented significant customer experience capabilities and benefits. In order to help align these various initiatives, the customer experience strategy bundled related initiatives into strategic imperatives. By doing so, the company was able to maintain a focus on the long-term goal rather than individual projects.

06 *Lacking the discipline to measure the results*

Too often, companies develop a business case and then fail to realize the benefits. Early on, we identified the company metrics and benefits for each initiative and ensured that the scope, resources, and tasks would achieve those results. We then helped to establish a financial reporting function to help manage and benefits realization.

07 *Inability to take an end-to-end approach to customer experience*

Rather than defining initiatives as "customer care" or "retail" we understood that customer touch points transcend organizational departments. Our approach included the modeling of an end-to-end customer experience lifecycle that served as a foundation for aligning process, technology, and people changes across the enterprise.

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10 Steps to Strategy Development

We speak **Customer.**

It's a language we know very well. We're Andrew Reise, a recognized global thought leader who specializes in improving both sides of the company/customer relationship.

Our unique approach consists of our own methodology and a group of distinctly selected consultants – who are all veterans in customer experience. Our process is proven and our people boast a 'do it all' no-nonsense approach and are empowered to do the right thing even if that means going above and beyond the original scope of work.

The Andrew Reise mission: Bettering the lives of our clients, colleagues, and communities.



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