

"In a crowded marketplace, fitting in is a failure. In a busy marketplace, not standing out is the same as being invisible."

~Seth Godin, Marketing Guru

ACE — The Ultimate Trump Card

Card players know and accept that sometimes the cards just don't come their way, and that they are stuck having to play the cards they've been dealt. But did you ever wonder why some card players seem to win a disproportionate amount of the games they play? They have the very same odds of winning as anyone else at the table, yet somehow they almost always seem to win. Is it because they understand the game better? Or is it because they know the other players; because they are more observant; because they know the odds better; because they are smarter; because they put on a more convincing performance; or because they are just lucky? What is it that gives them their "edge"?

While, in card games, you're stuck with the cards you're dealt, that's not at all the case in business. You can largely stack the deck in your favor if you have a firm understanding of how the game is played. The purpose of this whitepaper is to help business owners and managers, especially of small to medium sized businesses, find an "edge" as they consider—from a customer experience perspective—the kind of business they have, the kind of business they want, and how important it is to have a strategy for winning. It will also offer entrepreneurs and leaders principles for evaluating where they are today and some insights into building a winning business that is focused on making the total customer experience not just better, but extraordinary.

In today's highly competitive marketplace, and with increasingly demanding and fickle consumers, the game can end quickly. It's critical to create winning strategies, execute well, take chances, learn from mistakes, and try again. As important as those undertakings are, they're no longer enough to secure the success of a company. The businesses that will thrive in the next decade are those that most consistently play the Amazing Customer Experience (ACE) card.

"Customer Experience" (often referred to as CE or CX) is defined as the sum of all experiences an individual customer has with a particular business. It can refer to a single transaction or an aggregate of the experiences associated with all customer touch-points.

A trump card is a playing card that prevails over all others. In the *experience economy*, an Amazing Customer Experience is the trump card that will be required to propel a company to success. Until you have found a way to create an ACE, you're going to continue to chase your customers.

The Importance of the ACE

Interestingly, today's consumers are not just comparing the customer experience they receive at a company to the experience they received at the company's competitor. Rather, they are comparing customer experiences they receive from all businesses. According to Lior Arussy in the book *Exceptionalize It!*, after experiencing the "amazing experiences delivered by world-class companies, customers will impose their new standards on you. They will demand the same level of delight and excitement. They will accept nothing but the exceptional. And if you fail to provide it, as many of your industry competitors will, you will be subject to price pressure."

Perhaps you think you're already playing an ACE, and that you've already created an amazing customer experience. But Arussy puts it like this, "So how do you know that you have arrived? When the customers are standing in line for your products. When they are willing to wait until you have availability. When they wake up early in the morning and queue for hours to get one of the first of a new product you've innovated. That's when you know you've exceptionalized it."

Producing an ACE is never an accident. It takes enormous forethought and planning; a willingness to ask the tough questions; courage to take decisive action; the discipline to stick with it.

The Edge

In *Customer Experience Edge*, authors Soudagar, Iyer and Holdebrand say that the customer experience edge:

- 1. Differentiates a company from its competitors.
- 2. Is difficult for competitors to replicate.
- 3. Uses well-designed foundational and disruptive technologies.
- 4. Accomplished its goals in a cost-effective, scalable, flexible, and sustainable manner that leads to profitability.

"This edge is the new business weapon that all businesses need if they are to create a differentiated offering that customers value, transforming them into not just loyal but passionate advocates who engage with you in co-creation and co-innovation and promote your offerings to others, boosting your revenues and profits."

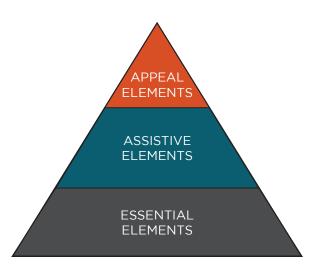
In *Exceptionalize It!*, CE consultant Lior Arussy writes, "Your competition is not standing still. They're working full throttle to get customers to choose them. Your competitors are trying to delight customers and obtain their commitment. You are not alone in this race." And ultimately, the best hand wins.

Since your customers will have an experience with your business, the question becomes, will it be an amazingly positive experience or a negative one?

A Winning Hand

Maslow's hierarchy of needs, which has been a staple of business and developmental psychology for decades, offers an interesting parallel. His theory is often portrayed in the shape of a pyramid with the largest, most fundamental levels of needs at the bottom and the need for self-actualization at the top.

Customer experience can similarly be defined in a hierarchical pyramid, although the comparison with Maslow's concept fades when one realizes that to achieve an ACE, one really has to master the customer experience (CE) at all levels.



Essential Elements are attributes that are absolutely essential to doing business with you. No matter what your product or service is, if these essential elements of the customer experience do not meet a relatively high level of performance, you will fail to keep the customer's business, regardless of how amazing the rest of the customer experience is. Taking the essential attribute of dependability for example: if FedEx occasionally closed its office doors a few minutes early in an effort to get a jump on loading packages into their shipment containers, they would quickly lose clients who count on FedEx to keep regular hours (and FedEx would also lose the opportunity to provide an amazing customer experience by "rescuing" customers with last-minute saves).

Assistive Elements are those customer experience attributes that make it easier to do business with you and/or say "I get you" to your customer. For example, when Apple allows customers to easily share their iTunes library across multiple authorized "machines," the company shows that it understands how mobile their customers are (while simultaneously respecting copyrighted material).

Elements of Appeal are those attributes of your customer experience that appeal to your customers' sensory, aesthetic, and intellectual interests. Appeal elements establish the level to which your customer experience draws the customer in with an engaging experience that is memorable and distinctive. When Disney pays such close attention to the details of the customer experience that their Camp Wilderness campground bathrooms not only sparkle with cleanliness, but also provide luxury features that most four-star hotel bathrooms don't possess, they create an appeal that is undeniable and compelling.

"Good is the enemy of great."

[Greatness is largely a matter of conscious choice, and discipline.]

~Jim Collins

Three Threes

Each of the three core elements of the customer experience (essential, assistive and appeal) is made up of three underlying principles. When in search of an ACE, every touch-point with customers should be evaluated by gauging the experience against these principles.

Essential Elements

- 1. Reliability/Dependability. Nothing kills a customer experience like a lack of reliability or dependability. You can have the coolest product or service in the world, but if your company cannot be relied upon to consistently provide it, it will soon be a distant memory. If your product has great features, but doesn't work dependably, the features will seem of little importance. If your customers can't count on you to be open and available when you say you will be, if you don't meet your commitments and deadlines, or if they can't count on you in a pinch, you need to take a serious look at: the structure of your offering, the quality and training of your staff, your company culture. The entire customer experience your company can provide hangs in the balance with this one principle.
- 2. Responsiveness. Customers today have unprecedented expectations with regards to responsiveness. It used to be that if you returned a call within 24 hours, or replied to an email the same day, you were considered pretty responsive. No longer! Today's customers expect return calls within the hour, and return emails within minutes. That's not to say that you cannot alter expectations and meet your stated commitments for responsiveness, but the new bar is set very high. Before FedEx, the expectation for receiving an order was between seven and ten days. Today, the expectation is one to three days (and in some cases, same-day). In the world of the Internet, the expectation is that your online offerings will reflect current inventory levels, show updated pricing, present one and two-day shipping options, and instant email confirmation (especially if the purchase is for an online product or service).
- 3. Relevance. If Google was unable to present relevant search results, users would quickly look for a search engine that was able to. But be advised that this principle isn't uniquely applicable to information-based companies. If it's the Fourth of July in Florida and you've got winter boots in your store window, no one is going to walk through your door. All businesses must maintain relevance if success is to be achieved and sustained.

Assistive Elements

Convenience/Ease-of-Use. Nothing encourages and assists a customer in doing business
with you like convenience and ease-of-use. And nothing kills a customer experience
like inconvenience and/or something that is painfully difficult to use. In real estate,
the old adage "location, location, location" is largely a reflection of the importance of
convenience. A business or home that is conveniently located has an edge on any other
property.

Sam's Club has always had a food court with a soda fountain at the front of their stores near the checkout lines. But, because you had to stand in the check out line to purchase your bulk groceries and then stand in a second line just to buy a soda, Sam's missed an opportunity to sell a lot more soft drinks. The good news is that they figured this out (and I'm now counting down the days before their competitors follow suit). Members can now grab an empty cup at the primary checkout, pay for the soda in the same transaction as their groceries, and fill up their cup conveniently on the way out the door. That's the art of convenience, and it puts Sam's Club one step closer to an ACE.

2. Instructiveness. If you've ever bought a piece of assemble-it-yourself furniture, you have likely experienced the worst in customer experience. By the shear nature of having purchased an assemble-it-yourself product, you took full responsibility for the construction. But you probably failed to realize/remember that the instructions were most likely written by someone with a minimal familiarity with the English language and almost certainly by someone who has never tried to assemble the product based upon those instructions alone. Indeed, trying to take on something new without proper instruction can be maddening.

In business, we often have a great opportunity to score an ACE by thoughtfully, accurately and courteously instructing our customers. Certainly we need to instruct them in the proper use of our products or services. But we also often need to be instructive on the front end, by teaching them why they need our product or service and why ours is the best fit for their needs. We need to instruct them in the value we've provided by making sure that they understand our deliverables and our invoices—and do so before they ask.

A decade ago, grocery stores created self-service lines with "handy" touch-screen computers and scanners. To say that they were not initially met with great enthusiasm is an understatement, largely because most of us had no idea how to operate them. Since then, almost all self-serve checkout lanes have an employee committed to providing instruction and assistance, but that one employee can now serve four to six lines of customers instead of one. As a result, for most of these businesses, long lines at the checkout are virtually a thing of the past. And that's an ACE.

3. Empathy/Assurance. Sometimes the best kind of assistance you can offer a client is empathy or assurance. When your customer is dealing with a difficult decision, you should help them see that you understand their hesitancy and offer them the assurance that you know they will make the right decision.

When a customer has a problem or complaint with your product or service you have an excellent opportunity to produce a great customer experience. Start by listening. Truly try to see their point of view. Encourage them to let it all out. Then, with sensitivity and confidence, let them see that you are there with one goal in mind—to assist them. Rather than providing excuses and argument, your empathy and assurance will translate to a salvaged relationship and a customer for life.

Elements of Appeal

1. Appearance/Tangibles. It easy to think that, for some businesses or certain areas of business, appearances are unimportant. But Disney largely dispels this myth when at their Camp Wilderness campground they placed a spotless stainless steel sink in the ground as the inlet for campers' "black and gray" waste hookup.

While most campground owners install the cheapest showerhead money can buy, Disney installs a vibrating showerhead. Why? Because these thoughtful expressions demonstrate that they value their campers. The company's extra effort makes the difference between an experience you'll always remember and one you'll try to forget. And what did the showerheads cost Disney? Less than the cost difference between a single night's stay at Camp Wilderness vs. the same night's stay at a typical RV park. Some have argued that it is the Disney "brand" that allows Disney to charge more for their campgrounds. The truth is, it's this uncompromising attention to detail and an unwavering desire to create an ACE that gives the brand weight. And you bet—a business that creates an ACE can command a premium price and folks will gladly pay it.

Prior to Apple introducing the iMac, desktop computers came in boring square metal boxes in your choice of beige, gray and black. The iMacs were remarkable little machines that you could buy in any of several scintillating "flavors" and were all-around visually striking. By making the case transparent, with little lights to show something fascinating was going on inside, they demonstrated that they understood that when it comes to the customer experience, appearance really matters.

Ask anyone who doesn't own an Apple computer (or tablet or phone) and they will proudly exclaim that they could buy two products from their favorite brand for the price of one Apple product. And that might even be true. So why do so many people pay the extra? Surely it's not solely because they have a more striking aesthetic appeal.

The truth is, Apple spends more time on human behavior engineering than most other manufacturers combined. They leave nothing to chance. They go to great lengths to make sure that their products are the easiest to use, require the least amount of technical support, hardly ever break down, are rarely infected by viruses, etc. Simply stated, they make a great product.

2. Engagement/Unexpected. While we can't always define what makes something engaging, we typically know it when we see it. Gurus expound on the merits and attributes of what make something "go viral," but the truth is, things go viral sometimes for no apparent reason except that they are engaging. Something that is engaging inherently captured our attention and held it for some period of time. Sometimes things are engaging because they are humorous, e.g. the "Charlie bit me" YouTube video. Other times, we find things to be engaging that are intellectually stimulating, thought provoking or visually striking. Sometimes a person's voice or accent can be captivating. Sometimes it's as simple as beauty that captivates us. Nothing creates engagement like the unexpected.

In order to create an ACE, you need to explore ways to captivate and engage your customers and prospects. Occasionally providing an unexpected perk along the way is a great way to capture their attention.

3. Exceptionalism/Uniqueness. In a perfect world, your company will always be the one to raise the bar on the most amazing customer experience. But living in the real world makes this more challenging. Competitors are out to displace your business and are coming at you from every direction. Flailing around with retaliatory marketing is only natural. The trick is to stop, study how your customers interact with your industry, target areas where the industry as a whole is failing them, and develop a clear, measurable plan to ACE it.

All In

In poker, there is a bidding option called "all in" in which the player puts everything on the line—risking it all—going for the big win. In today's competitive, fast-paced, constantly changing, incredibly demanding business environment, watching your "chips" slowly diminish makes an "all-in" strategy very appealing... but winning big with an "all-in" requires you to produce an ACE.

Businesses should examine each customer touch-point to determine whether or not every element of the customer experience is amazing. Often, the challenge is to remember that "amazing" isn't the same as "good." "Good" just isn't good enough anymore! You need AMAZING! Marketing guru Seth Godin states it concisely and clearly in The Big Moo; "In the old days, showing up was 95 percent of success. If you offered a good product at a good price in a reliable way, you'd do fine. Being local was a good thing. Having a long track record helped. Decent quality and personal service mattered as well. No longer. Good enough isn't good enough, because now everything is good enough. Our expectations of quality are unrealistic—and are being met every single day. We don't just want to be satisfied, we want to be blown away."

The small, incremental changes of constant improvement, while important, are likely not enough to produce an ACE. You should look at each and every touch-point with a critical eye, and ask yourself, "Is this truly amazing?" And when the answer is "no" you need to figure out how to dramatically step it up. If you want to avoid the pitfalls of commodity pricing and price wars, and instead, have rabid customers that proudly cheerlead the brand and take dissenters swiftly to the verbal woodshed, you need to go "all in" with your pursuit of an Amazing Customer Experience.

"Incrementalism is the enemy of amazing!"

~Jeff Thomas, President of 30dps



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