

RETURN ON EXPERIENCE:

Why and how you must invest in customer experience management (CXM)

01 why

ROE IS THE NEW ROI

Our world is becoming more transparent than ever. On the customer service side of business, especially for high profile brands, there's no sweeping a bad customer experience under the rug. Thanks to the internet and social media, those customers now have the ability to tell thousands of people about their experience **instantly**, so the customer experience is paramount.

Ever been to a restaurant where the food was amazing, but the service sucked? Guess what you're going to remember... The same goes for **events and experiences**. No matter how much you spend on talent, technology, food, and flowers, attendees will be disappointed if they don't feel like they were given enough attention. It's that simple.

One of the true pioneers of people skills and customer experience, Dale Carnegie, wrote in his most famous book, *How to Win Friends & Influence People*, "When dealing with people, let us remember we are not dealing with creatures of logic. We are dealing with creatures of emotion, creatures bristling with prejudices and motivated by pride and vanity."

And therein lies the secret. Let me give you an example.

I have a friend who would take me to this awful Italian restaurant in Secaucus, NJ. He loved it. I could never understand why, but then it dawned on me — he didn't really care about the food.

He was greeted by the owner every time we went there, they had "his table" ready for him, and the staff doted on him. From his favorite water (sparkling with lime), to wine (a nice Borolo), to food (of course, a dish that wasn't even on the menu), this guy was **treated like a total VIP** and that's all that mattered. Despite mediocre food and its strip mall location, he loved it because he



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Dale Carnegie, *How to Win Friends & Influence People*



felt important, and wanted the people he brought there to see that, too. Let's use the now infamous [Fyre Festival](#) as an extreme, but interesting, example of Dale Carnegie's premise.

[Fyre Festival](#) was marketed as an “impossible, exclusive, luxurious” music festival experience, blowing up on Instagram with a promo video featuring supermodels, celebrities, and influencers Kendall Jenner, Bella Hadid, and Emily Ratajkowski. Before a location was announced or a single artist was booked, consumers flocked to the website to buy their ticket packages, some costing six figures.

These people were sucked in by the allure of the celebrity experience, only caring about the festival's [exclusivity](#) and how they were going to be treated at the event. Again, this is an extreme example, but the motivation was pride and vanity, both for the organizers and the attendees.

It's easy to see why some marketers don't put as much thought into making sure each attendee's experience feels personalized and important. When researching event and experiential marketing agencies, you will find an endless list of companies that specialize in production, design, event tech, and [social media strategy](#). There are thousands of choices for venues, florists, caterers, A/V companies, photographers, entertainers, gift bags, rentals, wait staff, props, and decor. You'll find articles, whitepapers, and interviews all revolving around these same things. But you'll find very little about managing the customer, or guest, experience.

Why? Because most people mistake the event itself as being the experience. And yes, it's a big part of it, just as the meal is part of the experience at a restaurant, but there are many things that go into the experience and it is imperative that they are treated equally. An event is really only as successful as its guests' say it is.

This leads us to the ever important return on investment (ROI). Every marketer has his or her barometer for ROI, but most find events and experiences hard to quantify, especially today when compared to digital media. The ability to track purchases that started with a click on a digital ad or a Google search is easy and reliable. But it's nearly impossible to link a brand experience to a sale, right? That's where our concept of “Return On Experience” (ROE), comes in. ROE has instant brand benefits that can be parlayed into authentic brand evangelism and long term affinity. This is not to say that “traditional” ROI metrics aren't super valuable — they are essential, but an exceptional guest experience is more important than ever.

Continue reading to discover why, in a world controlled by Yelp ratings and customer reviews, **events are only as good as their guests' overall experience**. You'll be surprised by the power of feedback and what you may be overlooking in your [planning process](#).

01 why

EXCEPTIONAL EXPERIENCES REAP REWARDS

“The problem for many companies is that they are still focused on defining a successful customer experience in terms of what's good for the business's bottom line, rather than what really makes it successful for the customer.”

Glen Hartman, Senior Managing Director of Accenture Interactive, North America (Salesforce)

Let's back up a bit and focus on events and experiences in general. Most people have heard that countless studies have shown that a majority of young consumers [value experiences](#) over material possessions. Event management platform [Bizzabo](#) surveyed more than 1,000 brand marketers for its Event Marketing 2019: Benchmarks and [Trends Report](#), and found that 41% of them considered event marketing to be their top marketing channel — up 32% year-over-year and ahead of [content marketing](#) (27%), email marketing (14%), and social media (6%).

The data goes on... Great customer experiences are a tangible business advantage, resulting in up to a 16% price premium on products and services, increased loyalty, willingness to try new products and openness with personal data, according to [PwC's latest Consumer Intelligence Series](#) survey. **Additionally, 65% of consumers say that a positive experience is more influential than advertising or marketing.**

So, now that everyone knows the power events and experiential marketing, where's the competitive edge? How can you set yourselves apart and deliver an unforgettable and impactful experience? It's really quite simple. **Invest in your guests.**



Investing in your guests/customers means creating a thoughtful, frictionless, VIP experience from the initial event **announcement or invitation** through onsite engagement, after they've returned home, and even throughout the year. It's our job as marketers and event professionals to establish and nurture a personal, long term relationship with guests based on positive emotion and trust.

An April 2018 research study from **Salesforce** found that across all age groups, roughly nine in 10 buyers worldwide said trust in a company will make them more likely to be loyal, make recommendations, buy more products or services from them, buy more often, spend more money, or share their experiences. That's a huge statement.

These stats don't only apply to consumer-facing events, **B2B marketers who provide an ongoing service to their clients need to clearly demonstrate the inherent value in being a customer.** Establishing loyalty programs and producing coinciding events can drive behavioral shifts in their customer base.

01 why

PEOPLE NEED PEOPLE (ESPECIALLY WITH TECHNOLOGY)

“A superior customer experience is one of the few remaining means of sustainable competitive differentiation.”

Jenny Sussin, Gartner Analytics



Technology is important and very useful, but in order to create truly exceptional experiences, you need to invest in people, too. Hiring skilled, personable employees/staff and providing very specific training is essential. Disney has this down to a science. Each “cast member” (their version of employee) must go through extensive training and follow very specific rules of guest engagement, including one of the most important skill sets, which is how to recover from “service failures.” Why? Because events happen in real-time and let's not kid ourselves — things go wrong.

The company has even created the **Disney Institute** to teach anyone how to approach customer service and provide very simple, but powerful strategies to achieve consistent results. This is no doubt Disney's secret sauce, and despite hosting millions of guests every year in its theme parks,

it finds ways to make each individual guest feel important and welcome.

Disney's seven pillars of quality customer service:

- 01 Make eye contact and smile!
- 02 Greet and welcome each and every guest.
- 03 Spread the spirit of hospitality. It's contagious!
- 04 Provide immediate service recovery!
- 05 Always display appropriate body language at all times!
- 06 Create *dreams* and preserve the *magical guest experience*!
- 07 Thank each and every guest!

When was the last time your event budget included a line item for “customer service” or “*guest experience*?” Too many marketers spend their precious time and money investing in new technology that can replace human interaction, like chatbots, mostly to serve their own business needs. However, the majority of consumers are not “early adopters,” so new tech can often be ignored and even become problematic.

Dealing with glitches and unfamiliarity with the technology onsite may actually hinder the guest experience. In fact, in [Usabilla's August 2018 survey](#), more than half of respondents (55%), said they prefer live help than from a chatbot — **46% said they would prefer interacting with a human even if a chatbot saved them 10 minutes**. Interestingly, this preference was strongest among [Gen Z](#) (60%) and millennials (50%). Much of this resistance stems from the perception that chatbots can't handle complex problems, which is often the case onsite at events. This isn't to say that technology can't play a role in your event, but people are just as important.

Having the best possible onsite staff is a guest experience gamechanger:

- According to a recent survey of US shoppers by private software research company [Qualtrics](#), customer service “deal breakers” vary when it comes to shopping in-store vs. online. For example, nothing would steer in-store customers in a different direction more than rude employees (42%) — followed by a disorganized store (17%), high prices (15%), and long checkout lines (12%)

- Nearly three-quarters (74%) of internet users surveyed by customer experience management firm **InMoment** said that a disappointing interaction with staff — whether it's a poor attitude or lack of knowledge — is a leading reason why they would consider a brand experience as a negative one
- According to an August 2018 survey by **Genesys**, three-quarters of respondents prefer to talk to a human to solve their customer service problems, as opposed to digital options. Getting issues resolved in one interaction requires customer service representatives to be knowledgeable and aware of the guests' needs
- On the negative side, multiple studies have shown that poor customer service **drives** customers away. According to Genesys, 58% of consumers have ended their relationship with a company after receiving poor customer service. Close to half (49%) of respondents in the Genesys study gave up a brand after just one bad experience. Nearly half of consumers also discussed a bad customer service experience with family and friends offline, while 24% made their opinion known using social media
- A May 2018 survey of 2,000 US internet users conducted by brand experience agency **Jack Morton** found that 45% of respondents said brands today rarely live up to the promises they've made — essentially giving them a D grade for poor performance. And nearly half said that when a brand doesn't keep its promise, they no longer trust it and will stop buying its products



While some of these facts and figures stem from traditional customer service interactions, such as speaking with a call center or employee at a retail store, the premise applies across all **customer/guest interactions**. Your guests would often rather interact with a knowledgeable staff member to answer their questions — and they will remember a negative interaction.

Be an asset to your guests by making yourself and your team available to answer questions and offer peace of mind. Zappos, the online shoe seller known for its stellar customer service, puts its phone number front and center on its **website** to **encourage customers to call** for assistance. Why? Because its customers are the most important asset. In fact, Zappos customer service is weighted sevenfold toward the phone (vs. chat or email). CEO Tony Hsieh said, **“We’re actually experimenting with ways to get more people to call because it’s such a valuable marketing and brand builder for us.”**

The lesson here? If you’re going to use technology, pair it with warm humans and you have a recipe for success.

NEGATIVE EXPERIENCES = NEGATIVE REVIEWS

“If you make customers unhappy in the physical world, they might each tell six friends. If you make customers unhappy on the internet, they can each tell 6,000 friends.”

Jeff Bezos (Clicktale)

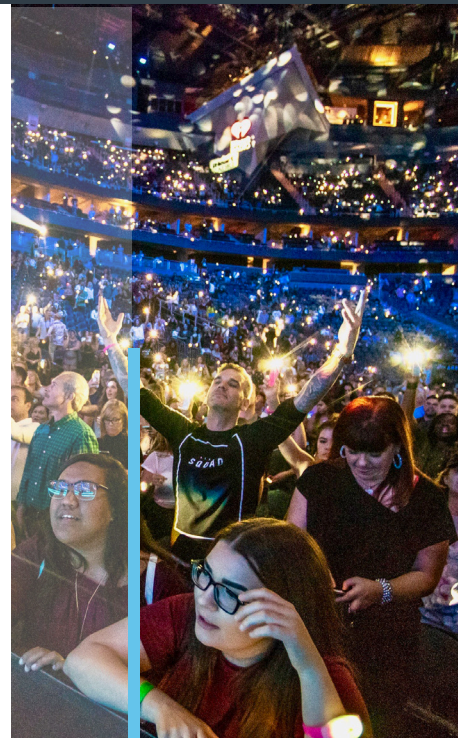
Some guests who don't get the experience they feel they deserve, will complain. Not to you, but online to the rest of the world. Online reviews are today's word of mouth marketing. They can make or break your event, and ultimately, your business. According to an October 2018 [survey by Zendesk](#), **49% of internet users share a bad customer service experience on their social media pages**, compared to 38% who share a good experience. Similarly, 46% will post their bad experiences on online review sites (while only 27% will post about a good experience).

Crowd-sourced online review sites like Yelp, Google Maps, and TripAdvisor (among others) play **a crucial role** in determining the success of businesses today. And trust in online reviews remains high, with only 3% of respondents in [BrightLocal's annual survey](#) saying that they don't trust online reviews at all. The survey also found that eight in 10 internet users said they generally trust online reviews as much as personal recommendations if they meet certain criteria, such as having multiple reviews.

Potential, current, and loyal customers are using these sites daily to make their decisions about where to shop, where to eat, and how to spend their money.

Here are some pretty eye-opening stats around customer service reviews:

- 89% of companies expect to compete mostly on the basis of customer experience, versus 36% in 2010. ([Forbes](#))
- According to Salesforce, 50% consumers are likely to switch brands if a company doesn't anticipate their needs. ([Clicktale](#))



- 86% of buyers will pay more for a better customer experience. By 2020, customer experience will overtake price and product as the key brand differentiator. ([Super Office](#))
- On average, a one-star increase on Yelp leads to a 5-9% increase in a business's revenue, one negative review can cost you 30 customers. ([Invesp](#))
- It takes roughly 40 positive customer experiences to undo the damage of a single negative review. ([Inc.](#))
- When customers are unhappy, there's a 91% chance they won't do business with a company again. ([Inc.](#))



Unfortunately, your guests will have a stronger memory of a bad experience at your event than a good one. In an interview with [The New York Times](#), Clifford Nass, a professor of communication at Stanford University said, “The brain handles positive and negative information in different hemispheres.” Negative emotions generally involve more thinking, and the information is processed more thoroughly than positive ones, he said. Thus, we tend to ruminate more about unpleasant events, and use stronger words to describe them, than happy ones.

However, don't live in fear of guest feedback — embrace and encourage it. Offer incentives for early registration or social media posts about your event, make it easy to [communicate with your team](#) online, and never delete negative comments.

In an [interview with eMarketer](#), Rob Gonzalez, Co-Founder and EVP of Business Development at Salsify stated, “Reviews are awesome for a brand in a lot of different ways. From a market-research perspective, reviews are extremely underutilized. It's candid feedback directly from your market that you don't have to pay for. Too few brands see reviews as providing them with useful data.

“They're also underutilized from a brand loyalty perspective. **Brands can respond to reviews — it's a chance to have a dialogue with somebody who's upset about your product and learn something from it.** Negative reviews in particular are great market signals.”

B2B user events or conferences also allow advocates to be a mouthpiece for your brand. Getting current customers who are eager to [share their success](#) stories with other customers, or even prospects, is a great tool to close the loop in the customer life cycle and drive more revenue. Those stories can be aspirational for other customers and may even get them to spend more through upsells or contract extensions.

BEING A VIP IS NO LONGER THE EXCEPTION, IT'S THE EXPECTATION

“Focusing on customer experience management (CXM) may be the single most important investment a brand can make in today’s competitive business environment.”

Forbes

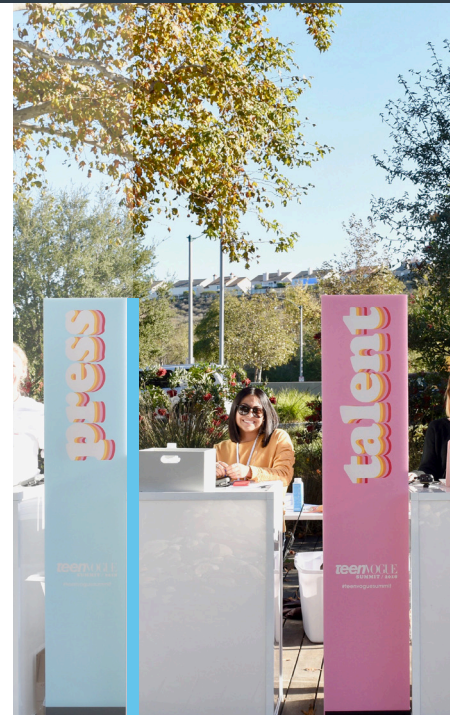
Increased customer expectations, and with it, implied VIP service, are the result of changes like the explosion of digital, the empowered consumer, and the acceleration of innovation. Today’s event guests are more informed and in charge than ever before — they expect event organizers to know their individual needs and to personalize the experience to fit them exactly. But don’t be mistaken as to what constitutes a ‘VIP.’ **A VIP is no longer just a subset of more important guests at an event.** Sure, there may be specific guests with more access, better seats, or invites to exclusive experiences, but everyone should be viewed as a VIP.

So, what is the key to meeting those expectations and providing VIP treatment at every level of entertainment? Service and attention.

Well-informed guests want to **attend events** that provide personalized service and continued attention. Even just a little VIP treatment can go a long way — and if you put your guests’ wants and needs at the center of your **event planning**, they’ll be talking about it long after the party is over. From knowing their names at the door to asking them about their day, understand your guests intimately from the initial invitation to the final thank you email.

This brings us back to where we started — everyone wants to feel important. Another great quote from Dale Carnegie resonates, “The desire for a feeling of importance is one of the chief distinguishing differences between mankind and animals.” **The motivation in human life mostly revolves around ways to achieve a feeling of importance.** Let us repeat that. *The motivation in human life mostly revolves around ways to achieve a feeling of importance.*

Think about all of the ways humans strive to feel a sense of importance.



Here's a few examples:

- Social media: Instagram, Facebook, LinkedIn
- Celebrities: Actors, entertainers, musicians
- Inventors: Steve Jobs, Thomas Edison, Elon Musk
- Politicians & presidents: From George Washinton to Donald Trump
- Queens & kings: Catherine the Great, British royalty, Dictators
- Foodies: Chefs, wine enthusiasts, food influencers
- The wealthy: Warren Buffet, the Kardashians, Jeff Bezos
- Athletes: Quarterbacks, pitchers, starters

THE CUSTOMER EXPERIENCE

“People do not care how much you know until they know how much you care.”

Teddy Roosevelt

01 Before the event: Anticipate

Anticipate the potential issues you will be dealing with:

- + Information deficit:**
Because people don't read
- + Traffic:**
Because people will blame you
- + Parking:**
Because people expect ease and convenience
- + Check-in:**
Because people hate waiting in line
- + Questions:**
Because people expect quick answers
- + Access:**
Because people will complain
- + Crowd flow:**
Because people will get stressed, very quickly
- + Seating:**
Because people will feel slighted
- + Special needs:**
Because people are high maintenance



02 Before the event: Prevent and invest

Prepare and invest in a customer/guest experience strategy:



Invest:

Start with your guests in mind, not your budget



Staff:

Hire the right people for the job



Train:

Set expectations; teach communication



Test:

Don't leave anything to chance



Document:

Have a guest plan and write it out.



Assign:

Give staff specific jobs with very clear roles



Prioritize:

Know what's important



Collect information:

Know your guests, their needs, and preferences



Backup:

Have Plan B, C and D ready to go should something fail



“First ask yourself what is the worst that could happen? Then prepare to accept it. The proceed to improve on the worst.”

Dale Carnegie

“Successful communication depends on how well you can make your message a part of the listener, and the listener a part of your message.”

Dale Carnegie

03 Before and during the event: Communicate

Communicate effectively and often:

- +** **Manage expectations:**
Nothing is more important
- +** **Provide direction:**
The right communication at the right time
- +** **Simplify:**
Communicate in parts, not paragraphs
- +** **Excite:**
Build anticipation for the event
- +** **Update:**
Communicate changes. No surprises
- +** **Respond:**
Create a two-way communication channel
- +** **Wow them:**
Be creative with communication and use personality
- +** **Again, manage expectations:**
Don't risk a let down!



04 During the event: Make it personal

Communicate effectively and often:

- + Personalize through actions and body language:**
Nothing is more important
- + Greet:**
Make every guest feel important!
- + Know names:**
And use them
- + Make eye contact:**
Your body language counts
- + Smile:**
This isn't brain surgery
- + Engage:**
Be "assertively friendly" like Disney cast members
- + Read the room:**
Look for any guests that look lost or frustrated
- + Direct:**
Know where to send guests and show them the way
- + Surprise and delight:**
Plan personalized surprises and go the extra mile



“Names are the sweetest and most important sound in any language.”

Dale Carnegie

“Feeling gratitude and not expressing it is like wrapping a present and not giving it.”

William Arthur Ward

05 After the event: Show gratitude

Communicate effectively and often:

- + Recap:**
Acknowledge service failures and identify improvements
- + Say thank you:**
Show guests you value their time. Acknowledge any hiccups
- + Gift:**
Give guests something thoughtful, not typical
- + Ask:**
Get feedback and ask for guest's opinion
- + Share:**
Send photos and videos that can be easily shared
- + Reach out:**
Keep guests engaged and informed
- + Invite:**
Offer early access to the next event
- + Repeat:**
Go back to step #1





03 conclusion

CONCLUSION

Our mantra at [Concierge.com](https://concierge.com) is “Being a VIP is no longer the exception, it’s expectation.” Every one of your event guests should feel important, like a VIP, and that requires thoughtfulness on the event professional’s part. Again, with a clear focus on the guests, you can expect an instant ROE (“Return On Experience”) in the form of positive feedback, brand loyalty, and repeat attendance.

We help our clients create a clear strategy around the [guest experience](#) and give them the tech and talent to execute it. [Subscribe to the Concierge.com newsletter](#) to learn even more about the ever-changing guest management industry.

03 about concierge.com

ABOUT CONCIERGE.COM

Concierge.com was designed to deliver a much better guest experience for attendees while saving event producers a significant amount of time, money, and resources. Imagine impeccable attention to detail and accurate communication with every guest and every vendor (without using spreadsheets).

From the first invitation to the final itinerary, Concierge.com acts as a smart, digital concierge, making sure that no detail is missed, everyone feels like a priority, and every type of guest is handled the right way. Whether you’re managing a party of 10 or a group of 10,000, Concierge.com is ideal for VIP hospitality, weddings, corporate events, [incentive travel](#), sports camps, charity galas, and any event where an impeccable guest experience is job #1!