

How to Create a Great Customer Experience



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Welcome!

ITSM Academy

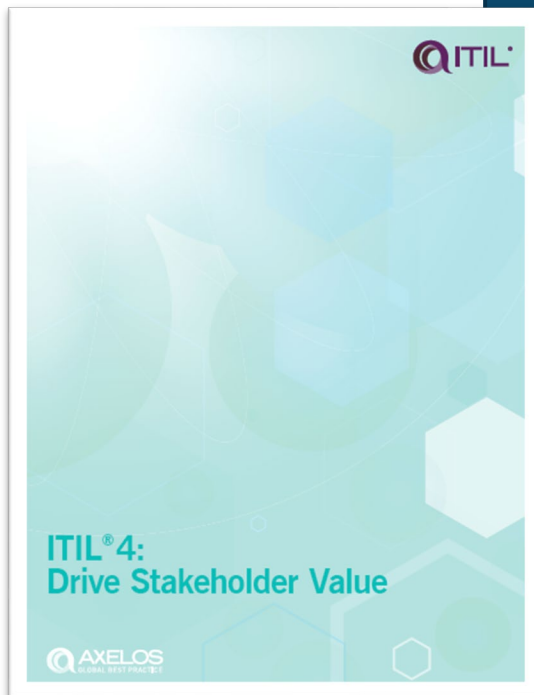
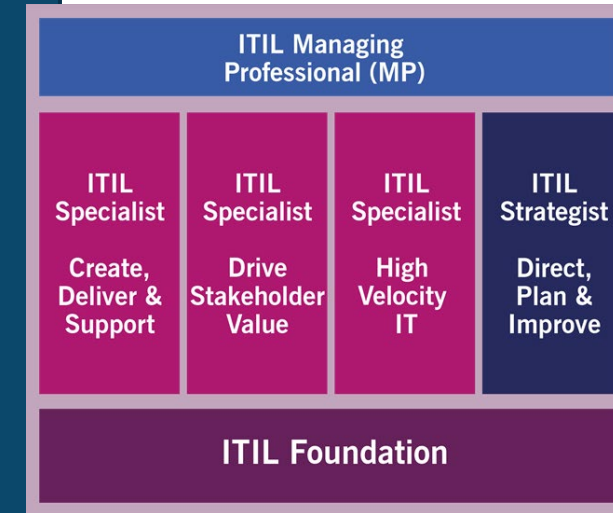
- Full service provider of IT Service Management (ITSM) education and advice
- Accredited and sustainable education and training
 - ✓ ITIL®
 - ✓ DevOps
 - ✓ Customer experience
 - ✓ Process Design (CPDE)
 - ✓ Agile
 - ✓ Lean

Donna Knapp

- Author
- Curriculum Development Manager
- Certified Process Design Engineer
- ITIL Expert, ITIL Managing Professional
- DevOps Foundation, DOL, DSOE, DTE, CDA
- XLA Champion
- Certified Scrum Master
- Certified Agile Service Manager
- Certified Agile Process Owner
- VeriSM Foundation
- Knowledge-Centered Support (KCS) Principles
- Certified ISO/IEC 2000 Consultant/Manager

■ Drive Stakeholder Value

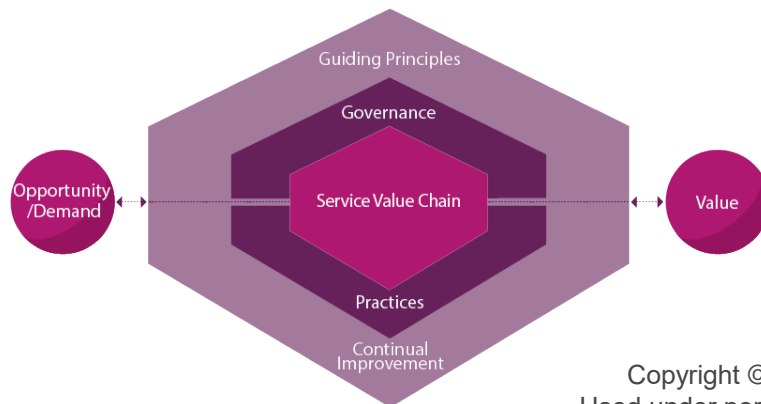
- ✓ What is experience?
- ✓ Why it matters
- ✓ The customer journey
- ✓ Designing experience



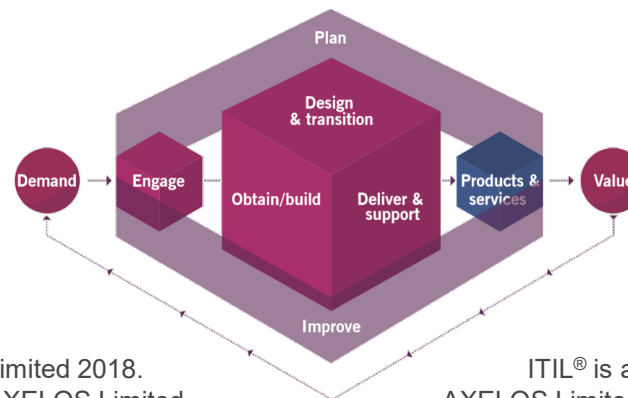
About ITIL® 4

- Co-creation of value
- Best practices *and* exploratory ways of working
- Principles-based
- Value-stream centric
- Alignment with adjacent ways of working
 - ✓ Agile, Lean, DevOps...

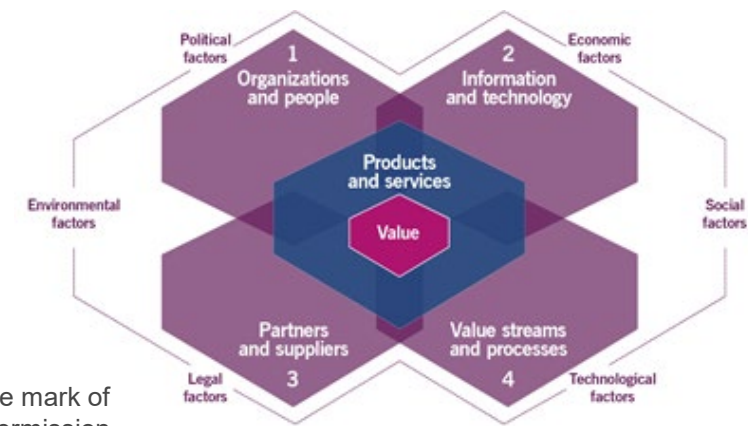
ITIL 4 reshapes established ITSM practices in the wider context of customer experience, value streams, digital transformation and systems thinking.

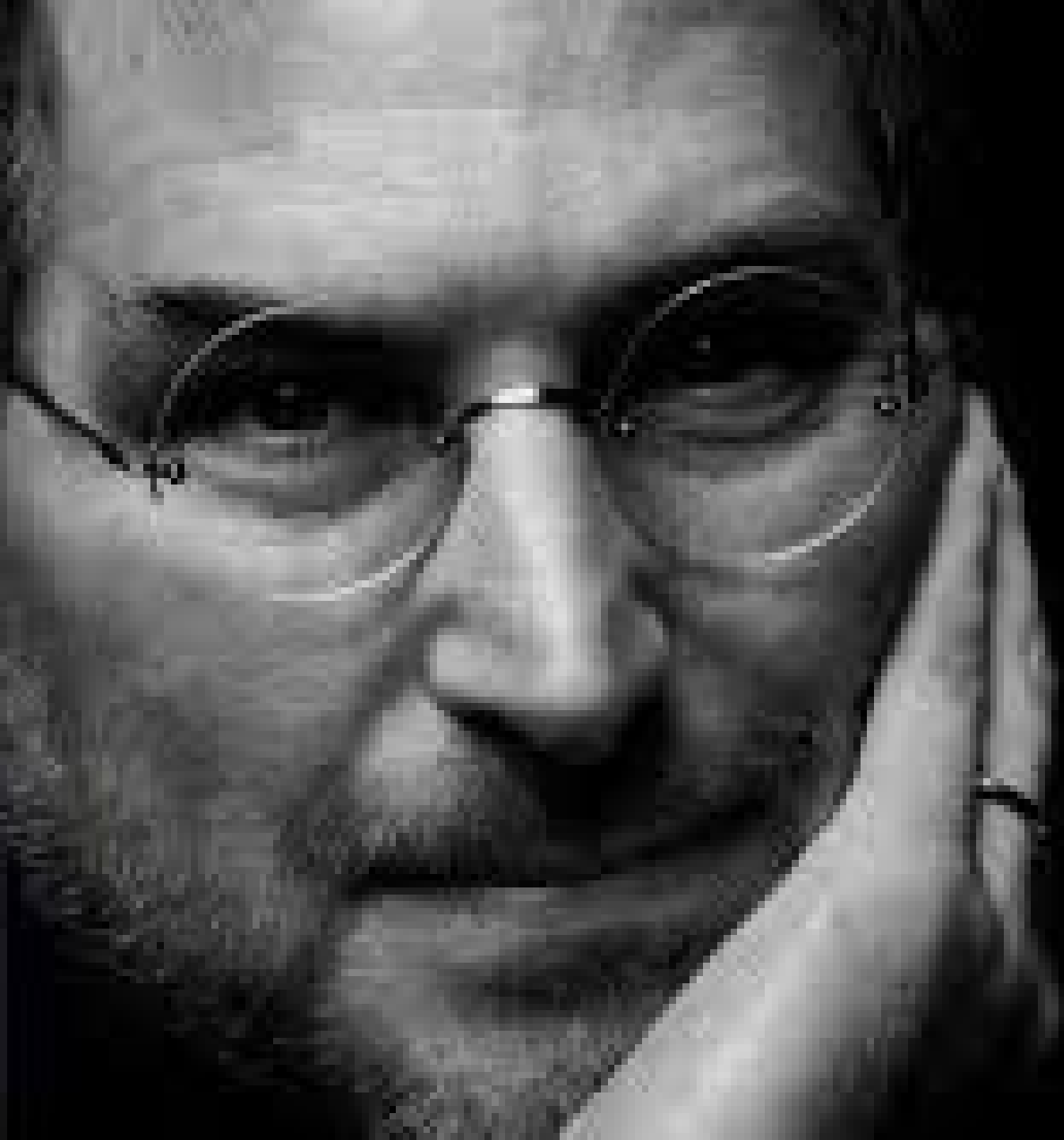


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“You’ve got to start with the customer experience and work back toward the technology, not the other way around.”

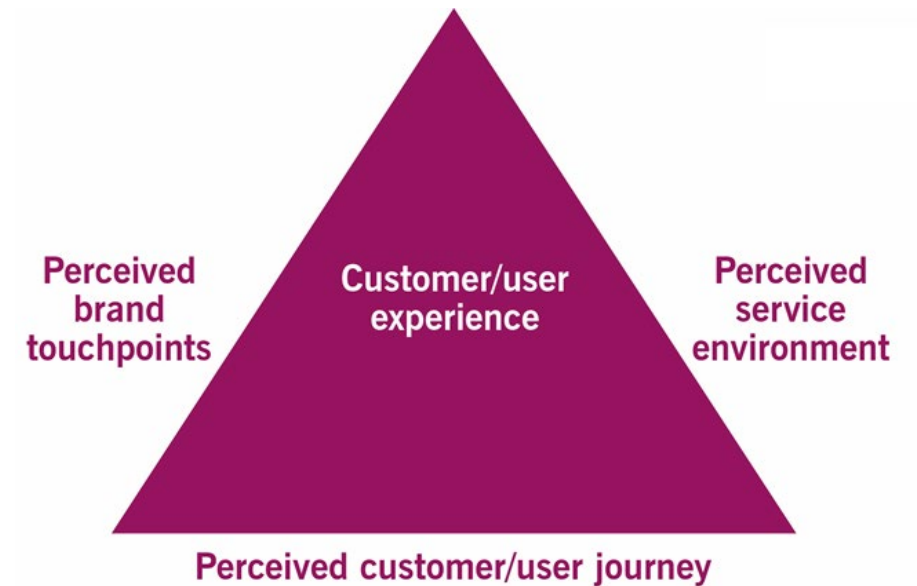
Steve Jobs

Customer Experience

Customer experience is the sum of the functional and emotional interactions with a service and service provider as perceived by a customer or user.

Experience is influenced by

- The customer journey
- The brand touchpoints the customer interacts with
- The environment that the customer experiences



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How do customers *feel* about our products, services, and interactions?

Why Experience Matters

- Experience shapes people's opinions, decisions and actions
- Experience is cumulative
- Experience has consequences
- Perception really *is* reality

Source: Essence of eXperience

30% of customers will leave a brand and never come back because of a bad experience.

IDC, 2020

A 1-point increase in customer experience scores can lead to a \$1B increase in annual revenue.

Forrester, 2019

Companies that invest in employee experience have 4 times higher average profits, 2 times higher average revenues, and 40% lower turnover.

Jacob Morgan, 2018

What is Standing in the Way?

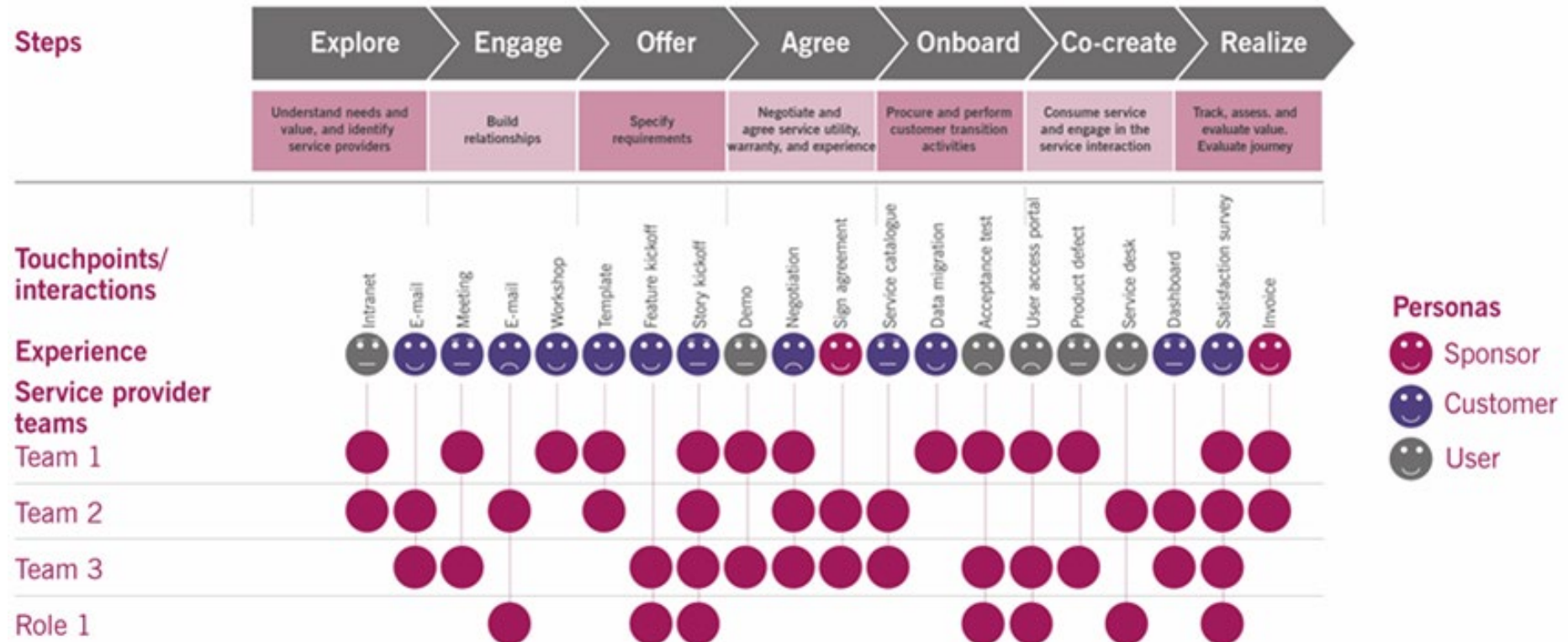
- Most organizations lack an experience-driven internal mindset
- Organizations are still siloed, without the collaboration required across departments to deliver end-to-end customer experience excellence
- The level of customer insight required to deliver world-class experiences is missing when it comes to technology development
- The lack of internal skills prevents seamless experiences


Forrester, 2018



Where to Begin

- Mastering the customer journey enables organizations to maximize stakeholder value through co-creation, not only by focusing on outcomes, but also by focusing on the experience



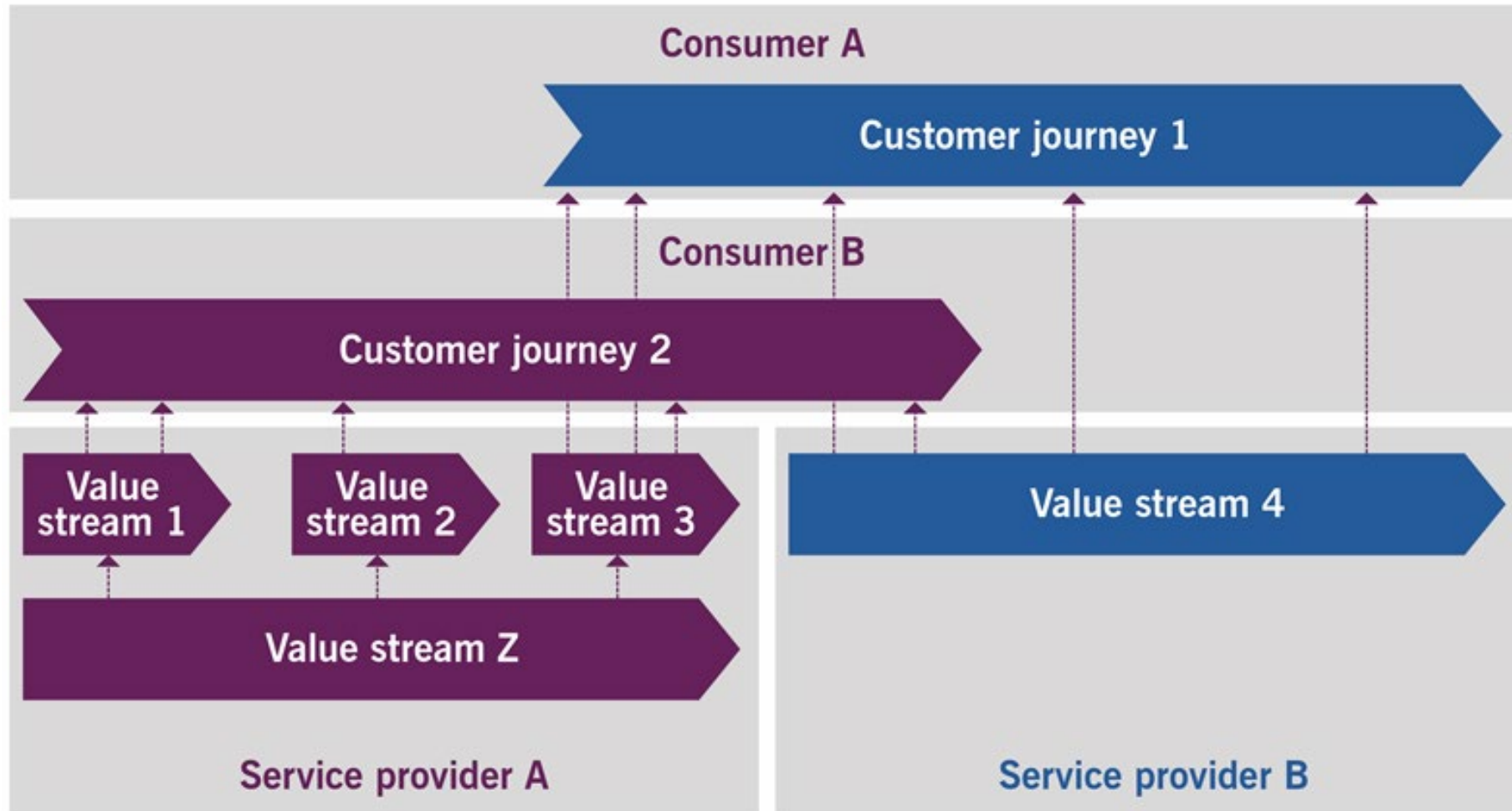


“Customer experience
management is the art and
science of coaxing lifetime
loyalty from daily transactions.”

Steve Curtin, Author

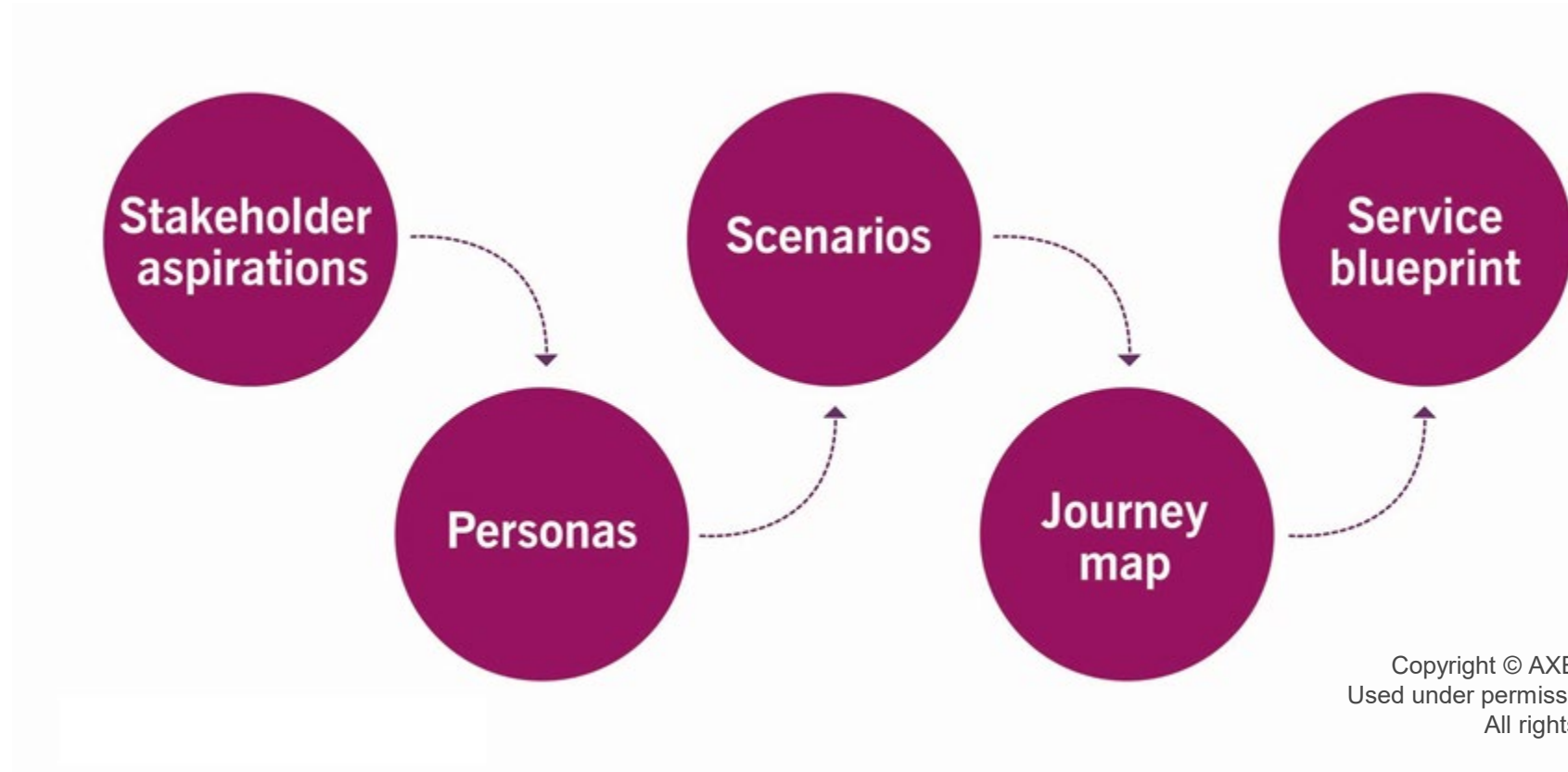


Customer Journeys and Value Streams

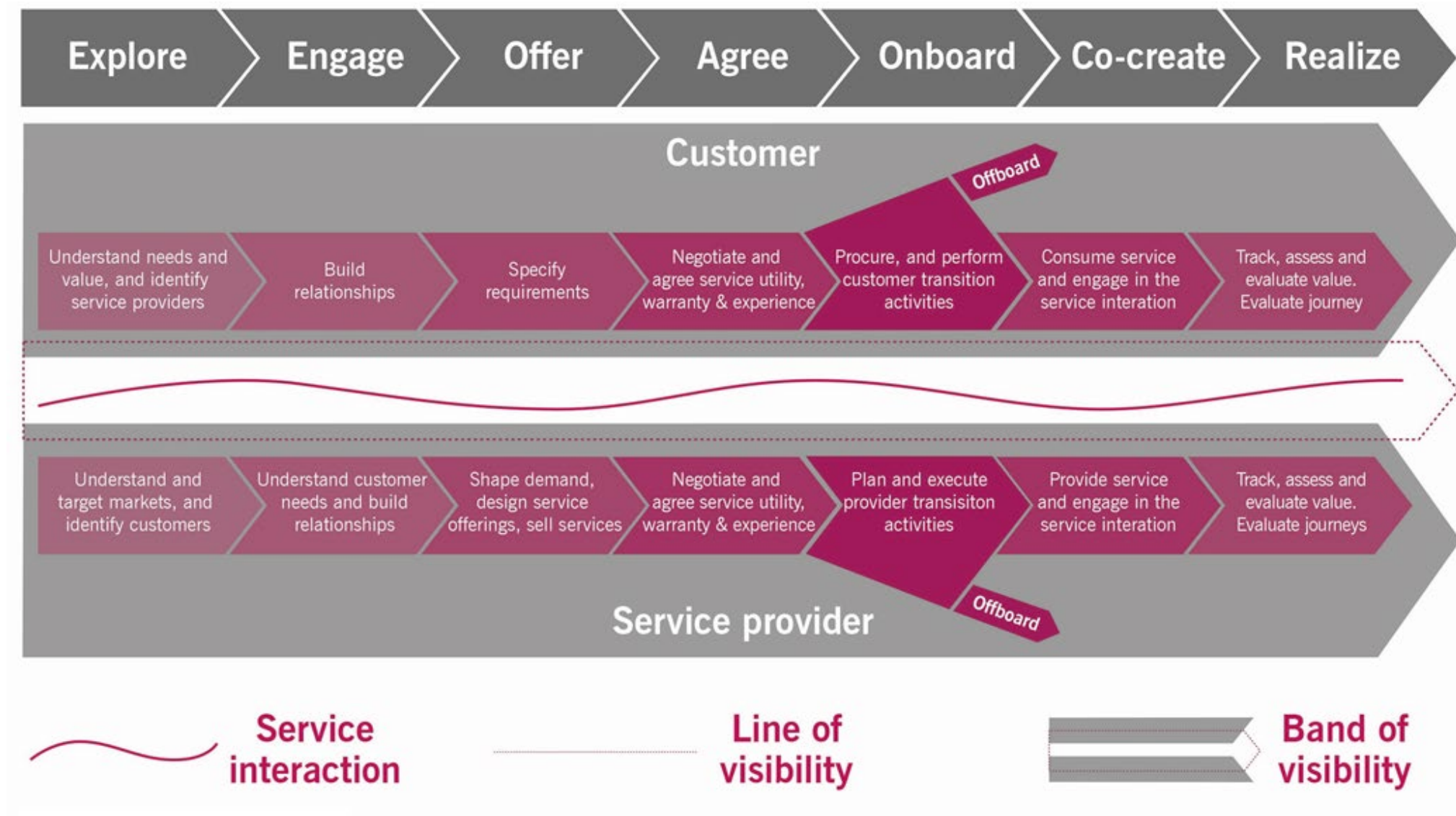



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Understanding Stakeholder Aspirations



Mastering the Customer Journey





“Customer service should be less about offense – bending over backwards to please customers – and more about defense...preventing frustration and delay.

What if the Holy Grail of service isn't customer delight but customer relief – the simple relaxing of the shoulders that comes from having your problem handled quickly and smoothly.”

The Effortless Experience



Designing the Customer Journey

Design thinking puts the user at the center of the design process.



From Needs To Agreements

SLAs are insufficient for service measurement, assessment, evaluation, and improvement, but they are still useful.

KEEP IT SIMPLE
AND PRACTICAL



- **Service** – defines the scope of the agreement
- **Level** – defines the characteristics of the services and agreed metrics and targets for each characteristic
- **Agreement** – covers the terms and conditions of the service provision and consumption

The management of service quality and service level should be focused on value, and all relevant characteristics of a service (i.e., utility, warranty, experience) should be managed.

Utility and Warranty

- Utility characteristics are usually described as functions and service actions

Service	Example of Utility	Example Metrics and Targets
Mobile internet	Connection to global internet network	Number of incidents where internet resources could not be accessed (<2 per month)

- Warranty describes the level of assurance that the agreed utility will be provided in the agreed conditions

Warranty Req.	Example Metrics and Targets	Conditions
Availability	Percentage of availability over one month (>99%)	Within agreed service provision time and area, including home region and roaming destinations

Experience

- Many experience metrics are related to
 - ✓ The service interface performance
 - ✓ User satisfaction with either the interface, or the service in general
- The idea is to measure the user experience directly in addition to asking users about it
- The experience-based (or XLA™*) approach to service definition and measurement is applicable to services where service actions are an important part of the service

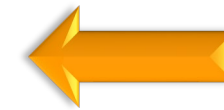
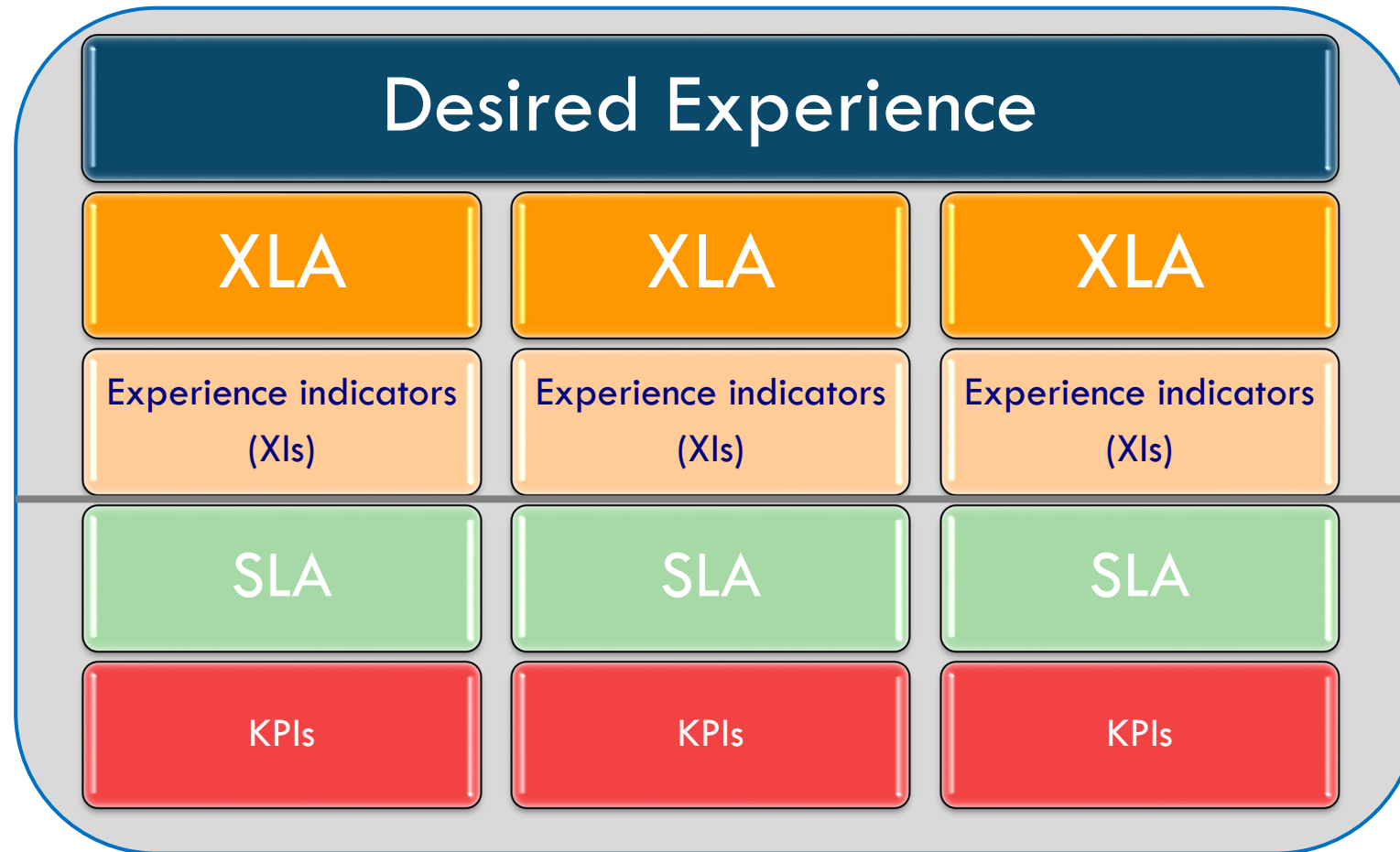
Examples of experience metrics include the number and frequency of

- User errors
- Back-button usage
- Help (F1) calls
- Dropped (unfinished) service actions
- Users who switched to a different channel during an advertising break
- Users who cancel a subscription after a trial period
- Users who confirm agreement with terms and conditions without reading them

Experience Characteristic	Metrics and Targets
Uninterrupted completion of user actions	Number and percentage of bookings which were dropped unfinished per month (<50 or <5%)

*Experience level agreement (Gianotten, 2017)

Integrating XLAs and SLAs



X-Data

Sentiment
Soft or subjective

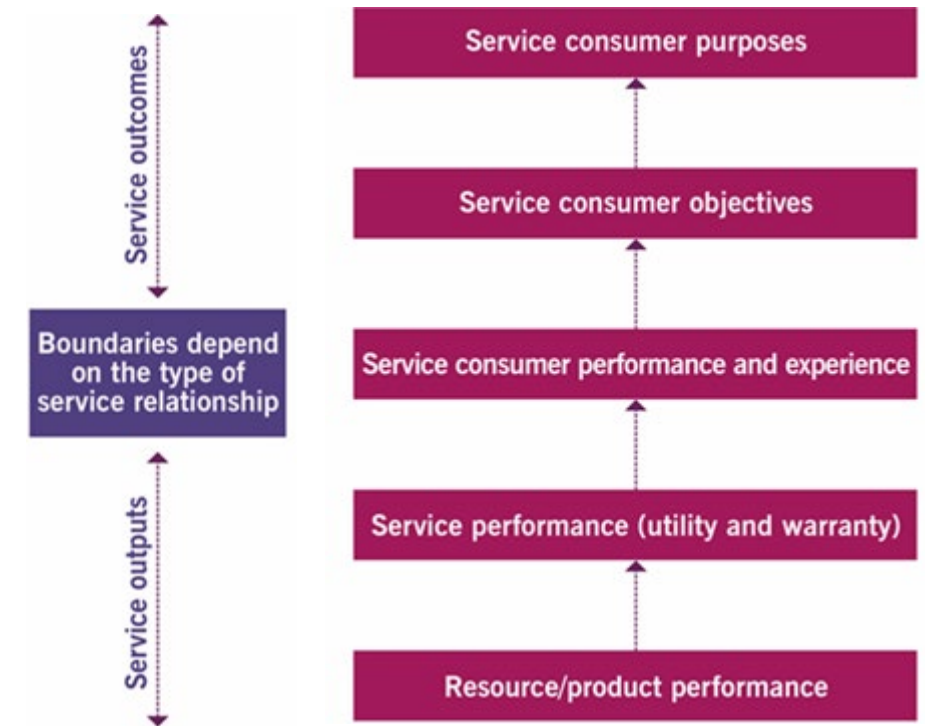


O-Data

Operational
Hard or quantitative

Tracking Performance, Outputs and Outcomes (1)

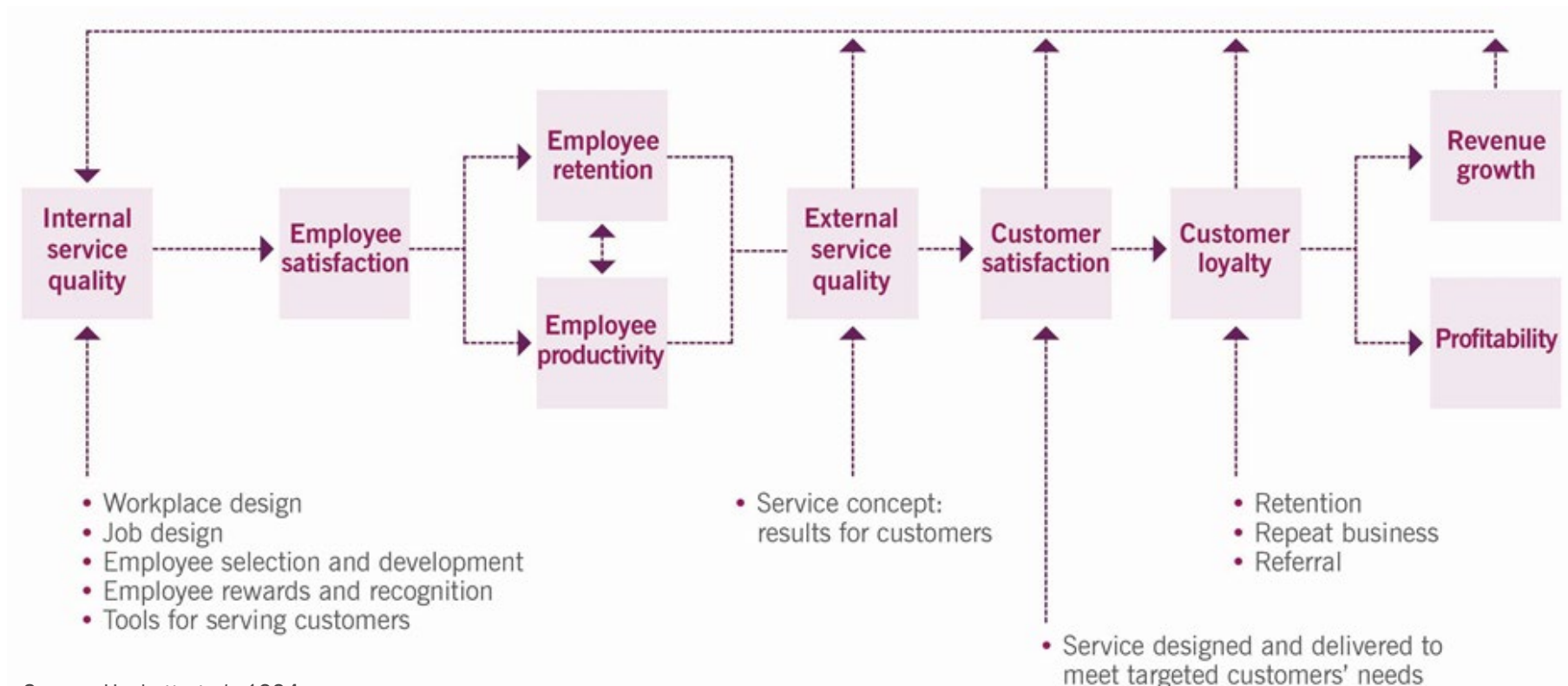
- Identifying direct outcome indicators can be difficult
- If clear links can be established, output and performance indicators can be used to indirectly track service outcome
- Evidence of service outcomes achievement can be tracked and reported at different levels
 - ✓ Return on investment (ROI), achieving strategic objectives, process performance, satisfaction measures, service levels, etc.



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Tracking Performance, Outputs and Outcomes (2)

- Loyalty is a direct result of customer satisfaction which is largely influenced by the value of services provided to customers
- Value is created by satisfied, loyal, and productive employees



Source: Heskett et al., 1994

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Continual Learning and Improvement is Key

	Single-loop learning	Double-loop learning
Service perspective	Does service create the intended value?	Is original value proposition still valid?
The customer journey	Is the customer happy with the service and service provider?	Do end-to-end value streams enable the customer journey to work effectively and efficiently?

Drive Stakeholder Value

- The customer journey represents various steps organizations can take in order to drive stakeholder value
- Mastering the customer journey enables organizations to maximize stakeholder value through co-creation, not only by focusing on outcomes, but also by focusing on experience

Don't just manage the customer experience, design it!



Want to Learn More?

Core Publications and Certification Courses



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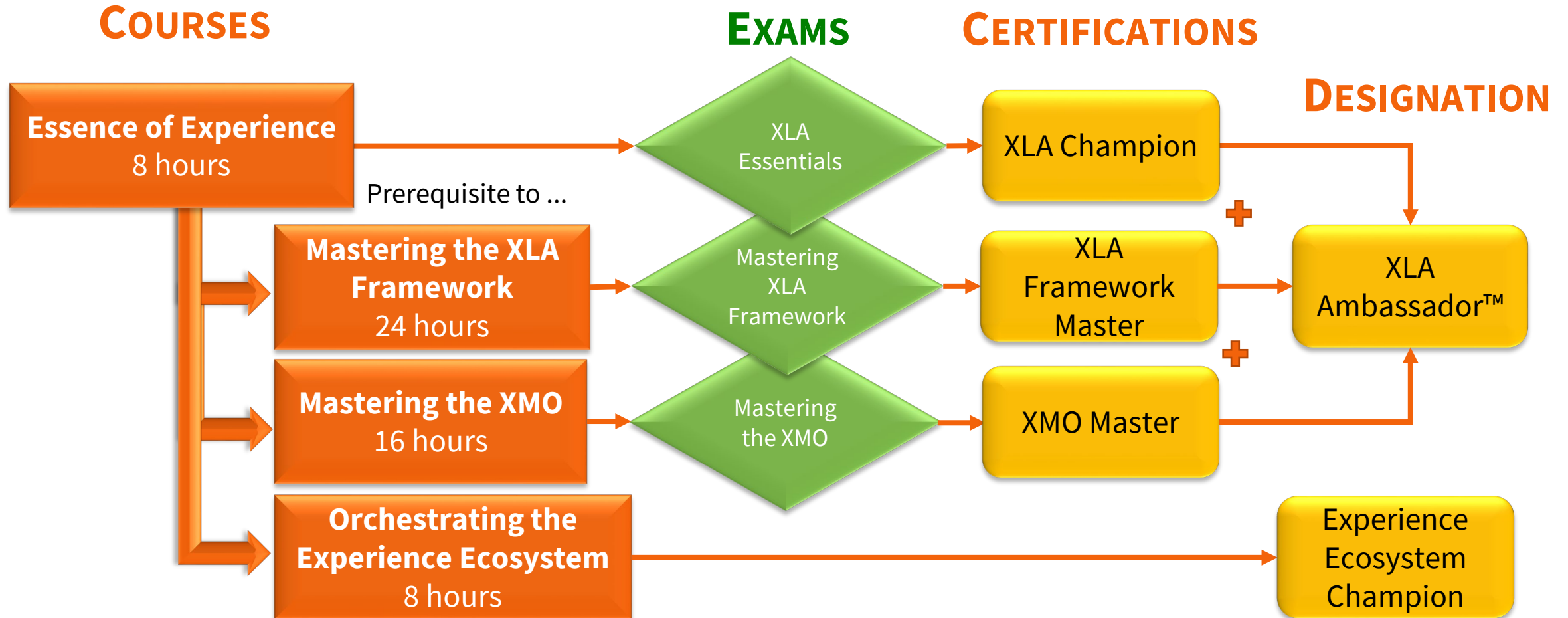
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