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

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- 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.*
“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

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
Understanding Stakeholder Aspirations
Mastering the Customer Journey

Explore → Engage → Offer → Agree → Onboard → Co-create → Realize

Customer

Understand needs and value, and identify service providers → Build relationships → Specify requirements → Negotiate and agree service utility, warranty & experience → Procure, and perform customer transition activities → Consume service and engage in the service interaction → Track, assess and evaluate value. Evaluate journey

Service provider

Understand and target markets, and identify customers → Understand customer needs and build relationships → Shape demand, design service offerings, sell services → Negotiate and agree service utility, warranty & experience → Plan and execute provider transition activities → Provide service and engage in the service interaction → Track, assess and evaluate value. Evaluate journeys

Service interaction → Line of visibility → Band of visibility

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

Source: Hasso Plattner Institute of Design
From Needs To Agreements

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

- **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

<table>
<thead>
<tr>
<th>Service</th>
<th>Example of Utility</th>
<th>Example Metrics and Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile internet</td>
<td>Connection to global internet network</td>
<td>Number of incidents where internet resources could not be accessed (&lt;2 per month)</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Warranty Req.</th>
<th>Example Metrics and Targets</th>
<th>Conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Availability</td>
<td>Percentage of availability over one month (&gt;99%)</td>
<td>Within agreed service provision time and area, including home region and roaming destinations</td>
</tr>
</tbody>
</table>
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

<table>
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<tr>
<th>Experience Characteristic</th>
<th>Metrics and Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uninterrupted completion of user actions</td>
<td>Number and percentage of bookings which were dropped unfinished per month (&lt;50 or &lt;5%)</td>
</tr>
</tbody>
</table>
Integrating XLAs and SLAs

**Desired Experience**

- **XLA**
  - Experience indicators (XIs)
- **SLA**
  - KPIs

**X-Data**
Sentiment
Soft or subjective

**O-Data**
Operational
Hard or quantitative

Source: Essence of eXperience
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.
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.
## Continual Learning and Improvement is Key

<table>
<thead>
<tr>
<th></th>
<th>Single-loop learning</th>
<th>Double-loop learning</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Service perspective</strong></td>
<td>Does service create the intended value?</td>
<td>Is original value proposition still valid?</td>
</tr>
<tr>
<td><strong>The customer journey</strong></td>
<td>Is the customer happy with the service and service provider?</td>
<td>Do end-to-end value streams enable the customer journey to work effectively and efficiently?</td>
</tr>
</tbody>
</table>
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!
Core Publications and Certification Courses

- **ITIL Managing Professional (MP)**
  - ITIL Specialist
    - Create, Deliver & Support
  - ITIL Specialist
    - Drive Stakeholder Value
  - ITIL Specialist
    - High Velocity IT
  - ITIL Strategist
    - Direct, Plan & Improve

- **ITIL Foundation**

- **ITIL Foundation**

Practices Guides

- **ITIL Strategic Leader (SL)**
  - ITIL Strategist
    - Direct, Plan & Improve
  - ITIL Leader
    - Digital & IT Strategy

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CITRUSCOLLAB COURSES AND CERTIFICATES

**COURSES**
- Essence of Experience
  - 8 hours
  - Prerequisite to ...
- Mastering the XLA Framework
  - 24 hours
- Mastering the XMO
  - 16 hours
- Orchestrating the Experience Ecosystem
  - 8 hours

**EXAMS**
- XLA Essentials
- Mastering XLA Framework
- Mastering the XMO

**CERTIFICATIONS**
- XLA Champion
- XLA Framework Master
- XMO Master

**DESIGNATION**
- XLA Ambassador™
- Experience Ecosystem Champion
Questions?