

The 'Warm and Fuzzy' Score - By Rick Reilly

Why we're neglecting a vital element of effective brand stewardship to drive customer loyalty



We all spend a great deal of time and money on the implementation of customer experience initiatives to increase customer satisfaction, loyalty, and - eventually - profitability of our organizations. We keenly measure the success of these initiatives in a variety of ways - directly by asking or observing the customer and indirectly through customer retention and financial metrics - to foster continuous improvement. Despite our best efforts to improve performance based upon these measures, we are often times unsuccessful in reaching our baseline goals. Why? Perhaps a major reason is that we're not driving change where it really counts: how the customer experience makes the customer feel.

At this point in the customer experience evolution, many of us measure our performance in two direct—yet unequivocally different—ways:

1. Customer Satisfaction Surveys measure customer sentiment based upon a large number of transactions over a prolonged period of time. And while best of breed organizations are able to systematically tie these results back to specific employees/interactions, most of us use these metrics to drive top-down strategic improvements on a broad scale. Generally speaking, surveys tell us, "How do our customers regard us as a unit/brand?"

2. Quality Assurance (e.g., third party mystery shopping, internal inspections, etc.), on the other hand, measures what management has defined as operational drivers of positive customer sentiment at less frequent, yet generally routine intervals. Companies tend to use these results to foster incremental improvement via training, coaching, etc. on an employee-by-employee basis. Quality Assurance tells us, "How well am I - as an employee - executing the steps of our service process?"

Based upon the logic above, it appears we do a good job polling our customers on their perceptions of our brand holistically (via surveys) to drive strategic improvement from the executive-level. Additionally, we do a good job spot-checking employee operational compliance (via quality assurance) to drive incremental improvement at the line-level. But when do we actively measure how individual employees make our customers feel at the line-level to drive the incremental improvement that not only fosters operational consistency but customer loyalty? More importantly, how do we identify specific employees that may be executing the service process correctly but may require guidance on moving beyond rote execution and establishing an emotional connection with our customers? Herein lies the gap.

Historically, we have focused our customer experience measurement efforts at the employee-level using the objective lens of procedural compliance (i.e., QA) to ensure the fairness and consistency of measurement from employee-to-employee and from evaluator-to-evaluator. Instead of focusing on whether or not an employee displayed empathy during a problem resolution interaction, we asked ourselves whether or not the employee verbally apologized, facilitated a solution within a defined timeframe, and followed up after the initial encounter. The latter is an example of an objective, black and white framework with little room for interpretation, which inherently fosters consistency. I would argue, however, that the framework is not necessarily correlated to an effective customer encounter – you may execute the right steps, but you may not facilitate those steps in a manner that is meaningful to the customer. (Think of the last time someone apologized to you without really meaning it.)

In the case of the "problem resolution" scenario outlined above, if you're not measuring the empathy involved in the interaction, how can you possibly determine a.) whether or not it was an effective interaction and b.) help identify and guide those employees who may be falling short? Those clear-cut steps that signify "compliance" typically outline a process to satisfy the customer's basic needs, but they do not take into account one's ability to establish the type of connection with a customer that leads to true loyalty. And in this age where service process (e.g., smiling, eye contact, basic name usage, etc.) is becoming a commodity and the emotional connection is emerging as the true differentiator, we cannot afford to continue to overlook this shortcoming in our customer experience measurement toolkit.

As our customers' expectations continuously evolve, so must our business practices to successfully manage, meet, and exceed those expectations. More specifically, we need to begin collectively exploring creative ways to measure employee performance that combines the actionable detail of quality assurance with the subjective impressions of a customer survey. Only then can we close the loop. Effectively associating the individual employee behaviors that drive customer satisfaction with the resulting emotional outcomes that create customer loyalty will enable companies to monitor and strengthen a brand promise, one moment of truth at a time.

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