A CASE FOR CLIENT EXPERIENCE EXCELLENCE

Every Client, Every Time, No Excuses

By Joseph Michelli, PhD, CCXP, CSP
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There’s accountability and there’s real accountability. Try this:

Would you be willing to be held to an unforgiving standard, which I refer to as the “tremble effect,” when it comes to the quality and consistency of experiences you and your team provide to your clients?

The “tremble effect” is aptly described in a quote that’s been attributed to former AT&T Chairman C. Michael Armstrong. “The ancient Romans had a tradition,” Armstrong purportedly said. “Whenever one of their engineers constructed an arch, as the capstone was hoisted into place, the engineer assumed accountability for his work in the most profound way possible: he stood under the arch.”

I am not sure there is an actual historical record that supports this claim, but Armstrong’s assertion evokes images of trembling engineers awaiting the ultimate proof of their competency. It also has a morbid Darwinian flair.

Although far less harsh, the world of client experience performance management certainly has taken a turn in the direction of increased accountability.

Health care, for example, used to operate somewhat like the lead character from the long-running television series House. That character, Dr. Gregory House, played by Hugh Laurie, offered negative and at times awful patient experiences as he delivered his product—extraordinary diagnostic skills and amazing clinical outcomes. In recent years, value-based purchasing in health care has linked reimbursement levels for providers with patient ratings of perceived care. The Dr. Houses of the world are less tolerated in health care today.

CHANGING CLIENT EXPECTATIONS

So what does this have to do with you and how you interact with your financial services clients? From my vantage point the relevance comes from changing client expectations. In essence, your clients are no different than healthcare, hospitality, or luxury goods consumers. As customers, people collectively are more demanding, seek greater service speed, and expect to be cared for professionally and cared about personally. Moreover, they reward professionals whom they perceive to offer consistently extraordinary experiences with a cumulative loyalty. Conversely, clients drop the arch of accountability on sub-par professionals by taking their business elsewhere.

To find support for the importance of rededicating efforts on the client experience front, one need look no further than Forrester Research (https://go.forrester.com/). Forrester has developed an annual benchmarking survey called the Forrester Customer Experience Index. That survey is provided to a wide swath of consumers asking them about the nature of experiences they’ve had with companies across industries. The survey looks at three key elements of customer experience excellence—the degree to which customers feel a company or service professional (1) meets their needs, (2) offers ease, and (3) makes the experience enjoyable.

Forrester then merges data about those three aspects of customer experience and calculates a singular Customer Experience Index score for every company. Overall results suggest that most companies are receiving very mediocre scores on the index.

Forrester has calculated a performance level that it calls “the green line of goodness.” That line differentiates between underperformers and those producing excellent client experiences. Companies that perform above the green line of goodness enjoy a number of remarkable financial outcomes and client relationship benefits. By asking loyalty questions and correlating financial performance with scores above and below the green line of goodness, Forrester finds the following:

- The higher the Customer Experience Index score, the more likely a client will consider future business interactions and/or recommend a friend or family member.
- The lower the Customer Experience Index score, the more likely a client will consider switching to another provider.

Modeling the business value of higher Customer Experience Index scores, Forrester estimates millions of dollars of annual incremental revenue for “any
company in any category” it surveys. In industries such as hotels and wireless service, the annual incremental revenue boost is calculated as billions of dollars.

If your clients were asked, would the experience you provide be rated above Forrester’s green line of goodness?

In any case, it pays to consistently meet your clients’ needs in a manner that makes it as easy as possible for them and enhances the pleasurableness of their experience. To know if you are consistently meeting their needs in an easy and pleasurable way, you have to routinely ask clients about their business objectives and expectations and then solicit their feedback about your successes and shortfalls.

Good client experience is good for your business and it is a major source of profits and sustainability in a sea of similar services often delivered by competitors that are providing only marginal experiences.

To perform above the green line of goodness as an investment and wealth advisor, it is essential to understand key components of client trust, leverage experience design, and execute a branded client experience.

**CLIENT EXPERIENCE AND TRUST**

How would you answer the following?

1. Most people can be trusted—true or false?
2. What percentage of Americans answered “true” to that question in 1964?
3. What percentage of Americans answered “true” to the same question in 2016?

If I were a betting man, I would bet you answered “false” to question 1, underestimating on question 2, and may have been close on question 3.

In 1964, 77 percent of respondents said “most people can be trusted,” but only 31 percent agreed in 2016.

Where did those 46–percent points worth of trust go in that 52-year span?

My uneducated guess is that vitriolic and alarmist political discourse, high-profile cases of corporate greed, a 24-hour news cycle trolling for stories of human depravity, social media viciousness fueled by people relishing in the anonymity and reach of their online posts, etc., are some of the influencing factors. But I will let social scientists take a scholarly approach to understanding our trust gap.

**TRUST AND CLIENT EXPERIENCE**

For me, as a client experience consultant, “low trust” has huge business importance. The 2016 data emerging from research conducted by Stanford Law School has led PBS to opine that the new U.S. motto should be “In Nothing We Trust.” This pervasive cynicism is not limited by how we view one another but how we view most institutions, including government and business.

So how do businesses thrive when they are likely populated by owners, employees, and clients who all share a common and heightened level of distrust? More importantly, how do you differentiate yourself as a trustworthy provider? The short answer is that you must extend trust before you can expect it.

**TRUST-EXTENDING CUSTOMER EXPERIENCE EXAMPLE FROM ZAPPOS**

I remember working with Tony Hsieh, the chief executive officer of Zappos, as he defined a policy that allowed his contact center staff (referred to as the customer loyalty team or CLT) to credit a customer’s account with a return if a customer notified the CLT that they were “going to be returning” items (Michelli 2011). In essence, a call to the contact center might go as follows:

**Customer:** “I have 10 pairs of shoes I am going to be sending back.”

**Zappos CLT:** “Great. I will remove those charges from your credit card.”

**For a deposit of about $2.79, users could check out an umbrella via app. They would then pay about $.75 for every half-hour of use and check them back in when done.**

**CLIENT VIEWS OF BRAND TRUST**

From a client’s perspective it is a rare brand that extends trust. Given laws of reciprocity, people tend to return that which they receive. Thus, unexpected trust results in the reciprocal action of finding a brand to be trustworthy.

Extending trust includes, at the very least, the following three elements:

1. Contrary to the trend, you must fundamentally believe that most people are trustworthy; personally, I am not sure I can operate any social contract if that is not at the center of my belief system.
2. You must authentically extend trust whenever possible.
3. You need to know reasonable limits of trust and how to manage those cases where your trust is violated.

I know the cynics. They talk about how customers will rob you out of business or say that if you give an employee or client an inch, they will take a mile. The skeptics will cite examples such as the Washington Post story about an umbrella-sharing start-up in a very “communal” culture like China that struggled because it overestimated the trustworthiness of people. According to the article:

For a deposit of about $2.79, users could check out an umbrella via app. They would then pay about $.75 for every half-hour of use and check them back in when done.
Users could find the umbrellas in stands at subway and bus stations, they could leave them wherever. Once checked out, a user would receive a code to unlock the lock built into the handle… But not everything that can be shared should be shared [as] nearly all of the 300,000 umbrellas have gone missing.

I respond to this pessimism with examples of businesses that adhere to the three tenets listed above and extend trust to clients out of respect for them. That respect and trust are foundational to all relationships and should be assumed until the other person acts to erode it.

Call me naïve, but I would rather read less about humans being untrustworthy and read more about #dressmatchmaker, the hashtag used by a grassroots movement of women offering to let other women borrow their wedding dresses in the wake of dress manufacturer Alfred Angelo’s sudden bankruptcy.

Here are excerpts from a few tweets that continue to give me cause to trust the amazing goodness of people:

Anyone willing to donate their wedding dress to a bride in a bind? I’m going to offer mine after our wedding in 2 weeks. #dressmatchmaker

#dressmatchmaker I just got married in May and am willing to give my dress to a scrambling Bride in need!

#dressmatchmaker I heard the news! I have a size 18/20 dress that I would happily part with to a bride in distress!

VALUE OF TRUST

Trust is not a function of naïveté, it is an empirically proven approach to business. In his 2006 book, The Speed of Trust, Stephen M. R. Covey cites a study conducted by Watson Wyatt that showed, “Total return to shareholders in high-trust organizations is almost three times higher than the return in low-trust organizations.” In other words, when employees feel they can trust their leaders, investors tend to reap greater returns.

In addition to investor returns, high-trust organizations are good for leaders, team members, and even customers. I depict this relationship in the formula:

High Trust = Happy Employees = Happy Customers = Happy Shareholders = Happy Leaders

My formula finds support from Neil Davey, managing editor of mycustomer.com, who recently cited research from David Ulrich, a professor at the Ross School of Business, University of Michigan, about the value of trusting and engaging employees. Davey notes that Ulrich’s research demonstrates, “For every 10% increase in employee engagement levels, a company’s customer service levels go up by 5%, and profits by 2%.”

By contrast, employee distrust, disengagement, and neglect for development create the environment for most client complaints. Davey notes, “A recent survey of 3,000 consumers by the Institute of Customer Service (ICS) reveals that staff attitude and staff incompetence are rated the ‘most annoying or frustrating’ service problem, while ‘people-related issues’ account for a whopping 62% of all complaints.”

I have often said, if something doesn’t live inside an organization, it won’t be perceived outside the organization.

KEY LEADERSHIP BEHAVIORS

What do great leaders do to build the trust of those they serve? They do a lot, but I focus on the following three key behaviors:

1. Share a vision.
2. Make promises in keeping with that vision.
3. Honor your promises.

SHARE A VISION

It’s hard to trust a captain without a compass or an Uber driver unwilling to use navigation guidance. By taking the time to create and articulate your vision, you offer your people a sense of true north. The delineation of your vision allows them to choose if they want to join you on the journey.

In working with leaders at Mercedes-Benz and writing my book, Driven to Delight (2015) I witnessed first-hand the trust-building power of crafting a vision for the desired future state. In the case of Mercedes-Benz leadership, that vision was shared both through words and in the form of a visual road map (see figure 1).

MAKE PROMISES IN KEEPING WITH THAT VISION

Once people know where you want to take your organization, you must commit to the steps needed to help them get there. While consulting at Mercedes-Benz, I watched this willingness to verbally commit to a course of action build incredible trust with employees and dealer partners. Then Chief Executive Officer Steve Cannon promised the following through a video known as The Standard:

[This year] will see the introduction of the most comprehensive pledge to an extraordinary customer experience in the history of Mercedes-Benz. Every department will be mobilized. Every touchpoint in the brand will be examined and refined. Every employee in every dealership will be trained and equipped. We will begin immediately and will not rest until we are viewed as the global benchmark.

HONOR YOUR PROMISES

Nothing erodes trust more quickly than false promises. It may be better to commit to nothing than to commit and fail to act in accord with one’s commitments. In the case of Mercedes-Benz, despite many possible distractions, leaders
stayed their course and provided touch-point mapping, toolkits to activate the maps, and training for every corporate and dealership employee.

What are the trust and engagement levels of your workforce? I suspect those trust levels are impacting client engagement. Moreover, I believe you can drive trust in your organization through vision creation, commitments, and actions in support of those commitments.

Many of those actions are reflected in the degree to which you design trust into your overall client journey. For me, experience design can best be defined as a range of disciplines that guide the creation of processes, products, services, and events optimized to produce quality interactions, moments, and memories.

**THE DISCIPLINE OF SERVICE DESIGN**

As a consultant, I am often tasked with helping leaders envision and create service delivery that is relevant to the changing needs of their core customer segments. Together with business leaders I work to craft experiences that drive trust, engage customers, increase consumer spending, fuel loyalty, and drive referrals.

The biggest mistake I see leaders make is shooting before they aim. It takes patience to gather necessary inputs before launching into design fixes.

The first step is deciding for whom you wish to design.

For example, let’s assume you have four core client segments that differ significantly in demographics, values, ambitions, fears, and lifestyle needs. It likely will be impossible to design a service experience that is optimized for all those segments.

Based on business goals and strategy, decisions often are required to focus on one or two of those segments as a starting point for design. Future efforts can expand to address the needs of other segments based on business priorities.

Once a decision has been made as to the prioritized target segment, the tireless and immersive work of understanding that segment begins.

Understanding typically comes from a range of inputs such as general industry trends, direct and indirect subjective and objective feedback from that segment (findings from customer surveys, social media tracking, etc.), and from quantitative and qualitative client segment research (e.g., focus groups, customer interviews, direct observation, diary studies, etc.).

The immersive nature of this work requires the passion of a cultural anthropologist who embeds into a tribe in order to understand habits, mores, folkways, attitudes, and social order. The tireless nature of this work involves the understanding that most of the data you collect about customer segments is time-bound.

**FROM RESEARCH TO VISIONING**

Once you feel you have sufficient understanding of your target segment, great service design companies share that knowledge with cross-functional teams from across the organization, enabling those teams to be immersed into the demographics and psychographics of client segments and charging them with the responsibility of looking for ways to build a service experience that meets their existing and evolving needs.

That new experience likely will involve removal of some elements of the existing experience, elevating key elements of the current experience (through process improvement, human service delivery,
and the aid of emerging technologies), and, in some cases, it will require dramatically shifting the service model.

This phase of service design typically requires an understanding of how those in this client segment research, purchase, receive service, and maintain a relationship with brands like yours.

Persona-based customer journey mapping helps you understand core customer segments so you can add value for these groups. Before I proceed with the virtues of persona-based journey maps, it is essential that we share an important distinction between core client segments and client knowledge needed to craft true personas.

To be clear, client segments do not translate into personas without work and investment.

For example, I can know that I would like to attract customers that represent households with incomes of more than $350,000 and that my products best serve families with two children.

That level of knowledge about a consumer segment, however, is insufficient to craft the type of persona ultimately needed for worthwhile mapping.

Typically, to build a persona you need to conduct a deep inquiry with a representative sample of individuals from that demographic segment to understand psychographics and lifestyle preferences for those who constitute that overall consumer population.7

That inquiry examines purchase preference, media consumption, an average day, fears, aspirations, values, buying behavior, etc. Armed with this knowledge, you then can humanize this segment with a name and backstory that infuses the segment data into an amalgam we refer to as a persona.

That persona then can be used to help explore interactions with your brand from the standpoint of the persona’s wants, needs, desires, and lifestyle.

Here are a few additional considerations we’ve found essential to effective persona-based customer journey mapping:

1. Start by building a map for a persona that represents a large portion of your existing business.
2. Map before you fix.
3. Think of fixing and elevating moments in the journey.

Let’s look at each of these considerations in slightly more detail.

**Start by building a map for a persona that represents a large portion of your existing business.** My momma always said, “Remember the one you brought to the dance.” In other words, to develop the discipline of journey mapping it’s likely best to begin with a group you know well and for whom your existing business should be optimized.

**Map before you fix.** By nature many leaders are doers, but mapping is initially about understanding. Before we can improve the client experience, we need to understand our business from their side of the interaction. Initial mapping is about what is happening from the client’s vantage point. Later the process shifts to what can or should be happening.

**Think of fixing and elevating moments in the journey.** A growing body of memory research suggests that humans remember moments, not days. We tend to fixate on peak experiences, whether those peaks represent high points or low points, but people should focus on recent or end experiences.8 You need to execute flawlessly at important highs and end events along their journey with you.

**BRINGING IT TOGETHER** Trust and accountability are hallmarks of an effective investment and wealth advisory business; however, a poll conducted by the American Association of Individual Investors showed that 65 percent of respondents reported they did not trust their advisors to act in their best interest.9 Only 2 percent of respondents said they trust their financial professionals “a lot.” What a huge opportunity for those who do the work to study and empathize with the journey of their high-value clients.

By taking the time to map the journey of your client segments, you will find places where trust can erode and spot opportunities to build processes and connections that assure your clients feel their trust is warranted. These investments of time and empathic design will, in turn, generate returns via positive social media, reduced client churn, and increased referrals.

Designing trust into client relationships starts with extending trust to clients and team members. It continues by articulating an experiential promise and acting in accord with that promise. Moreover, trust is the by-product of a well-designed set of experiences optimized for key client segments across their entire journey with you and your team. Trust is the currency of relationship—one that billionaire Sir Richard Branson describes as “the most valuable business commodity.”

Here’s to delivering trust-enriching experiences—every client, every time, no excuses.

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**ENDNOTES**


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4. Ibid.


REFERENCES

