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The Art of Small for CX Differentiation

In Pursuit of Differentiation

The ultimate goal for any organization seeking to differentiate itself in the marketplace through customer experience is to deliver a uniquely different and positive experience that becomes synonymous with the brand and its values for customers.

The journey to achieve positive experiences at every customer touch point throughout the customer lifecycle on a consistent basis is not simple. There are many moving parts in the total CX equation that need precise crafting to achieve the commercial benefits that belong to leaders of customer experience management.

The topic of interest for this paper is focused on the small things that an organization can do to create a memorable and lasting difference for its customers. These are the interactions that become uniquely associated with your brand ensuring differentiation from your competitors.

Why Small?

Customer experience differentiation is typically associated with the delivery of efficient services and quality products.

Business processes, technological solutions and people are the larger components addressed in any customer experience program. These are important dimensions in the creation of better experiences for customers. However, the core of customer experience is the emotional experience a person has when interacting with a brand's products or services.

There is growing evidence in the science of customer experience management that highlights the importance of small details and the magnitude of impact on customers; both positive and negative. A recent experiment by Vodafone Germany and Ericsson provides some insight into this issue. In the neuroscience experiment participants were given tasks to perform such as browsing the internet and watching videos using their smartphones while a degradation in quality of service was simulated. The experiment found that all it took was a one (1) second delay in loading videos on YouTube for net promoter scores to fall from a high positive score of +31 to a negative -15 after participants experienced the delay.¹

In a world defined by shorter attention spans and the need to have anything

¹ <http://www.eurocomms.com/industry-news/12128-customer-experience-scores-plummet-from-a-one-second-video-delay-experiment-reveals>

and everything “on-demand” the modern day consumer is likely to feel the “stress” of a one second delay. How does a telecom company ensure there are no delays or congestion in its network? Through a whole lot of expensive infrastructure expenditure, is the short answer to this question. The follow-on question to this point is whether the additional investment in infrastructure to ensure 100% congestion free usage on the network will give the telecom company the emotional relationship required to retain and grow their customer base. The short answer is: unlikely.

Large corporations tend to overlook the importance of smaller actions they can take to build stronger emotional relationships with their customers. These small acts are not only lower cost than larger more costly initiatives but, if done properly, can help customers overcome any minor short failings encountered in the services delivered. These small actions taken to build a stronger emotional link to the brand can ultimately mean the difference between a customer defecting and giving the organization a second chance.

CX Excellence Lies in the Small Details

Just as a minor delay can have a negative impact so can small actions

have the reverse effect on customers. Customer experience excellence requires organizations to not only tap into what their customers value the most but to surprise them with actions when they least expect it to generate a strong positive emotional response.

For organizations to determine what these small actions might be requires creativity and experimentation. Above all the act should be unique and associated with your brand values. Of course if you are successful in your actions you can expect competitors to imitate you so innovation remains an integral part of ensuring you can maintain the interest and loyalty of existing and new customers on an ongoing basis.

Putting Small Gestures Into Practice

Examples of the types of actions organizations are taking can help spark ideas for your own organization. The first example is of a hotel in the United Arab Emirates. This is not one of the top hotels but a moderate hotel of four stars with aging facilities. Despite their lacklustre facilities they manage to create a unique positive connection with their customers by offering them a large warm cookie upon check-in and a beverage. The importance of this action is not the cookie itself but the fact it is *warm*. They immediately invoke all the senses and the

feeling we had as kids when we smelt freshly baked cookies. The hotel invested in a small machine to deliver warm and fresh cookies so it was part of their check-in process. This action would not be memorable had the cookie not been warm. This is the level of small detail that is required to create a unique experience for the hotel guests.



Food tends to be a great instrument of emotional connection for almost every culture so don't underestimate what can be achieved from a customer experience perspective using food.

Airlines, as another example, are constantly missing out on simple low cost actions that can generate strong emotional bonds with their brand. Economy paying passengers moving up the frequent flyer ladder should be regularly placed in empty business class seats to encourage future loyalty. This almost never happens in the airline industry or happens on rare occasions. The surprise and delight generated for customers is low cost yet a powerful gesture for building brand differentiation for the airline.

Not all small gestures have to be physically delivered to customers. Opportunities exist everywhere to *surprise* customers when they *least expect it*. Take for example any banal transactional experience where no emotion currently exists or is considered a non-event for many consumers. Withdrawing

money from an ATM is considered a highly transactional and low emotion touchpoint for banks. The only thing expected from consumers is the possibility of getting charged an extra fee. Now imagine the experience if the ATM machine notified you that you will be getting an extra \$10 with your withdrawal for your continued loyalty. Nobody ever expects a bank to pay them extra for their loyalty. All we have been accustomed to expect is for us to pay bank fees when using the ATM. This



reversal in expectation can generate a positive emotion at a transactional touch point often overlooked by banks.

Similarly, telecom companies have great opportunities to create unique emotional ties with their customers by taking low cost actions. The cost of an additional 1 GB of data is negligible for a telecom provider. Giving this additional data allowance to loyal customers constantly reaching or exceeding their monthly limits without asking for an additional cost would pleasantly surprise customers. The key is to ensure the customer did not have to ask for the additional data in the first place and they were made aware the data was a gift for their continued loyalty.

The Art of Small

The design of what, who, when and how you deliver your small gestures to new and existing customers requires a good understanding of the emotional states before, during and after each interaction at key touch points. Future emotional states need to be outlined to help determine what type of small action will generate the desired emotional state. Don't wait when something goes wrong before giving customers a remedial gift. This is expected by customers and does little to build emotional bonds. The gesture needs to be unexpected and

part of an existing touchpoint interaction. **It has to reflect the organization and how it does everyday business with customers.**

This is the only way it can properly reflect what the brand stands for.

The art of small gestures to generate memorable customer experiences is not simply about giving customers gifts of products and services. It is also about paying attention to the small details in every interaction with customers. Paying full attention to what customers are saying, their tone and their gestures is as important as a warm cookie on arrival. Having well trained staff capable of addressing customers with all mood types and making them feel positive is an integral part of mastering the art of small. The collective small interactions with your organization will ultimately define the larger brand image with your customers and whether you can achieve a uniquely branded experience in the marketplace.

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