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GUIDE



Guide to Successful CX Programs

Part 1: Introduction



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Net Promoter, NPS and the NPS-related emoticons are registered service marks, and Net Promoter Score and Net Promoter System are service marks of Bain & Company, Inc Satmetrix Systems, Inc and Fred Reichheld

GUIDE TO SUCCESSFUL CX PROGRAMS

Part 1: Introduction



Defining Customer Experience

Customer experience' is a current buzzword. While there are countless interpretations, *Forrester Research* defines it simply as:

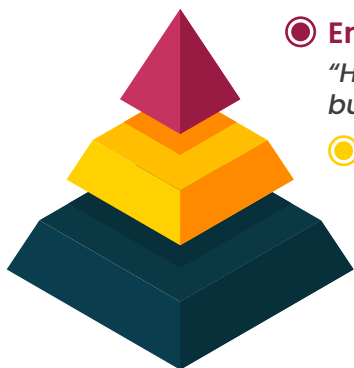
“How customers perceive their interactions with your company.”

This definition is rooted in Forrester's framework for the Customer Experience Index. The index breaks it down into three key customer perceptions:

1. **Usefulness and Effectiveness:** Did the product or service meet expectations and needs?
2. **Ease of Use:** How simple was it to engage with the company, product, or service?
3. **Enjoyability:** Was the experience enjoyable or emotionally engaging?

Forrester's Customers Experience Index

“Thinking of your interactions with these firms over the past 90 days...”



Enjoyable

“How enjoyable were they to do business with?”

Easy

“How easy were they to do business with?”

Effective

“How effective were they at meeting your needs?”

According to this, only customers can truly tell if they found an experience useful, easy, or enjoyable, as these are based on personal perceptions. **Meanwhile, the term “interaction” implies a two-way exchange between a company and its customer**—such as navigating a website, making a purchase in-store or online, or responding to emails. During these interactions, customers evaluate whether a business meets their needs and is both convenient and enjoyable to engage with.

This definition is important to understanding and discussing:

- What customer experience professionals should be focusing on
- How responsibilities intersect with other departments
- How to interact with other departments or professionals (like store managers or finance)
- What results can be expected or produced
- How to measure progress and success

Most companies and leaders aim for customer satisfaction. They want customers to enjoy their experience, share it with friends, and come back.

The challenge with customer experience is knowing how:

- The customer feels at different touchpoints, episodes, or overall relationships
- To measure the customer experience
- To establish accountability
- To drive change and improvement

This is where the Net Promoter System can be used as a framework to:

- Understand what clients are saying, experiencing and feeling
- Measure the customer experience
- Establish accountability for customer experience throughout an organization
- Drive change and improvement through real-time data and feedback

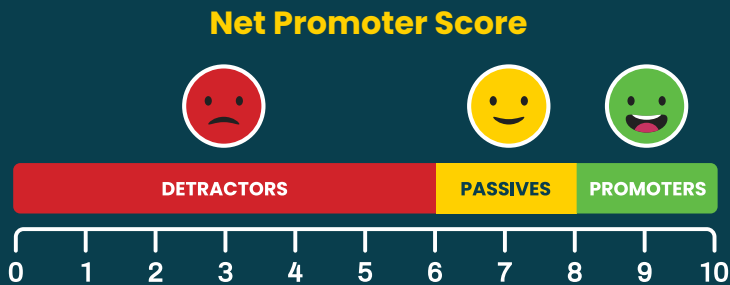
The Development of the Net Promoter Score®

In the early 2000s, Fred Reichheld, in collaboration with Satmetrix and Bain, initiated a research project. They aimed to find an effective method to measure customer experience, as traditional customer-satisfaction surveys were falling short in driving timely and efficient organizational improvements.

Through the testing of a variety of questions to see how well the answers correlated with customer behaviour, they found one question that worked best for most mature companies across a range of industries:

What is the likelihood that you would recommend [insert company/brand name] to a friend or colleague?

In the research that the team conducted, high scores on this question correlated strongly with repurchases, referrals, and other actions that contribute to a company's growth. If you are interested in learning more about the research around NPS, we would recommend reading the book "[The Ultimate Question 2.0](#)" by Fred Reichheld and Rob Markey.



How NPS® Works

Here's a brief breakdown of how it works:

Scores 0-6: Detractors

Scores 7-8: Passives or Neutrals

Scores 9-10: Promoters

The **Net Promoter Score (NPS)** is determined by subtracting the percentage of Detractors from the percentage of Promoters, resulting in a percentage score. A higher score is preferable.

You can ask this NPS question based on a particular transaction, episode or the overall relationship with the brand. The event based NPS will most likely fluctuate more than the relationship based NPS.

In addition to the NPS question, it is important to gather information about why the customer gave that score. This can be in the form of comment boxes where the customer can write as much as they like – positive and/or negative. Another option is to provide tick boxes or Agree-Disagree sliding scales based on the main business drivers (such as Price, Location, Service, Range etc). Text analytics technology is used to understand the underlying themes and sentiment in the comments (without manual reading).

However, the NPS question only makes up one part of a successful CX program.

Why Closed Loop Feedback is Important to Successful CX Programs and Increased Customer Advocacy.

A successful CX program doesn't just hinge on a percentage score from the NPS component of a survey. It is about using the information collected in a way that will drive change and improvements to the whole of the customer experience.

Your NPS score isn't the be all and end all, it is what you do with the results of your survey that will make the difference.

How your program works to feed or loop information back to the people who can make a difference is important, and how fast the program enables this is also imperative. This is the basis of closed loop feedback.



Through our experience, we have seen many benefits of closed loop feedback, these include:

1. Service Recovery

Capturing feedback allows organizations to understand which customers they have failed badly. Closing the loop with these customers is essential as it allows an organization to recover and still protect revenue (e.g. stop a customer churning away) as well as understand in detail the real pain points of the experience for customers.



2. Identifying Bright Spots

We find that promoters don't always provide details about the particulars of the experience that they really enjoyed, and instead are just leaving statements such as "It was excellent" or "Everything was great". Closing the loop with customers and calling them back allows frontline managers to really understand which parts of the experience or which staff are creating promoters. These bright spots can then be replicated elsewhere.



3. Idea Generation

Speaking to customers allows managers to brainstorm what can be done to improve the experience. Some customers have actually thought through what would make the experience great and can provide innovative ideas. Additionally, it also serves as a space to validate new ideas, allowing managers to gauge whether planned changes resonate with customers or miss the mark.

4. Cultural Change

Closing the loop with customers requires conversations with customers beyond the frontline staff. When managers and executives are making calls to customers, it grounds the organization on what is really important – providing products/ services to the customer. C-level executives closing the loop with customers shows the organization that the customer is important and that the organization is "walking the talk" when it comes to improving advocacy.



This guide is part of a comprehensive trilogy.

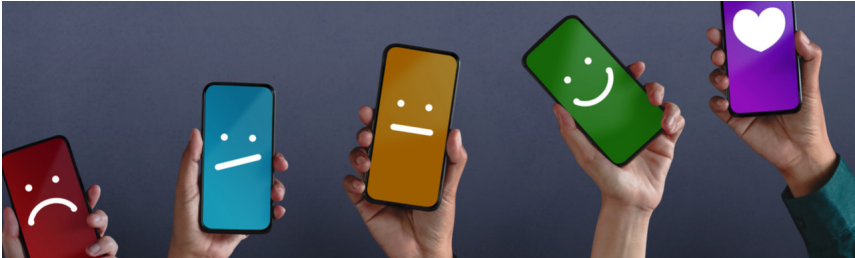
READ NEXT:

Part 2: Launching Your Customer Experience (CX) Program



Now it is time to start crafting a robust CX program. From setting clear objectives to designing effective surveys, Part 2 equips you with the strategies and insights.

Part 3: Monitoring and Optimizing Your Program



Once your CX program is in motion, it is crucial to monitor its performance and make iterative improvements. This guide teaches you how to tackle challenges head-on and refine your strategies for long-term success.



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We partner with organizations to break down siloes and barriers in order to deliver exceptional customer and employee experiences.


Resonate is experienced in end-to-end management for customer and employee experience and voice of the customer programs.

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As Globally Accredited NPS consultants, we pride ourselves in delivering expert advice and sharing our experience with your business.



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The customer advocacy landscape is always evolving and we are too. Our team is constantly adding leading edge functionality, growing with you and enabling you to better understand your customers.



Compliant with Industry Security Standards

One of the first in the industry to attain ISO 27001 Industry Security Standard. Globally recognized and accepted industry practice with ISMS.