

Don't force every engagement into an experience...



22 Nov 2019

At Ask Afrika's 'Aha moment' market research intelligence Cape Town Roadshow, MD Sarina de Beer combined insights from their latest Ask Afrika Orange Index report to isolate standout service excellence trends, as these are informing and transforming business today. Here's what you missed!



As seen at Ask Afrika's Aha Moments roadshow.

De Beer started with a reminder that Ask Afrika's Orange Index puts the focus on customer experience trends rather than on customer loyalty, which is covered in Ask Afrika's Icon Brands benchmarking survey.



#AskAfrikaAhaMoment: The brand loyalty shift explained

Leigh Andrews 21 Nov 2019



The Orange Index, therefore, ranks brands from a service point of view.

It's known as the most comprehensive customer experience (CX) benchmark in the industry and asks companies for lists of customers to contact telephonically – they persist until they get hold of a customer who has had a recent experience with the brand – while consumers can also go out of their way to participate through online surveys, though doing so face-to-face means you get a richer response as these are based on the census.



2018 Ask Afrika Orange Index: Be human

Danette Breitenbach 10 Oct 2018



De Beer notes that the online responses are important to collect for future triangulation. Once these responses have been ranked, the results are audited from a sampling and statistical point of view.

Welcome to the world of parallel living

Look at most people around you. In your home, in your office, on your commute – chances are, almost everyone you encounter has their headphones on and their eyes glued to a screen, effectively living in their own world, in their own environment.



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How do brands make a connection with these distracted consumers?

De Beer says it's all about showing your brand adds value to the customer.



As seen at Ask Afrika's Aha Moments roadshow.

Sharing a long-term view of service levels in South Africa, she said these tend to go up with the convenience of new tech capabilities, like chatbots and social media access to brands.

These new forms of communication have had some teething problems, which resulted in frustration for brands and consumers alike, but the convenience factor tends to balance that out.



The true struggle lies in keeping the brand-customer relationship healthy and focusing on emotional satisfaction levels. From an industry point of view, De Beer says this is in constant flux.

Customer experience success factors

Critical here is total time taken to resolve an issue and the extent to which employees have your best interest at heart as consumers.

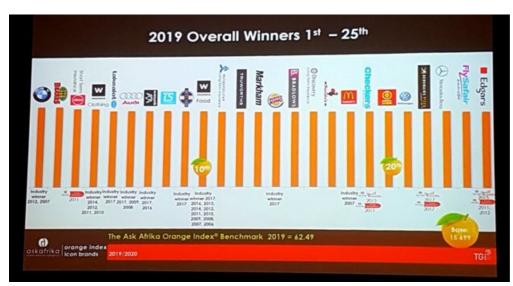
It's about going back to basics as the very concept of 'engagement' has changed, though luckily it's less vague than it was a few years ago.



Study reveals marketers focus more on transactional relationships than building emotional loyalty

Diving deeper into what this means, De Beer said the Ask Afrika Orange Index results are dominated by brands in the automotive and retail sector, with insurance also featuring strongly.

Insurance used to be a grudge purchase but is evolving into something different, as it proves its value.



As seen at Ask Afrika's Aha Moments roadshow.

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Ask Afrika looked at the concept of trust from brand and service point of view, which is currently going through a plateau in banking.

Telecommunications brands have also dropped in overall performance.



#ExperienceAdvantage: The secret to winning in the age of experience

De Beer said a reason for this is that it's the 'soft stuff' that truly drives loyalty, while relationships are driven by trust. The definition of trust has also changed with the rise of reputation measurement and is now more individually driven.

Interestingly, Ask Afrika found that consumers are willing to pay more when loyalty and trust is higher.

Age: Less of a purchase decision factor than we're made to believe

Generationally, there's no real difference, so the obsession to "put something in a box" is just not useful.

Looking at changes over the human lifetime, De Beer says while it's true we are not driven by the same things at age 30 as when we are at age 45, the over-exaggerated generational changes aren't as pronounced as we are made to believe.



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Unfortunately, De Beer says brands are panicking and trying to turn every engagement into an experience.

Making 'experience' a forced relational dimension overcomplicates the process.

De Beer shared the following example of a brand that took an opportunity to shine at customer experience and ran with it:

De Beer said this was likely the case of one highly engaged individual staffer seizing an opportunity than a decision undertaken by the hotel group overall.

She also pointed out that we don't have these opportunities to provide such a memorable experience each day and sometimes we need to make these opportunities happen.

But we do need to identify and maximise these opportunities where they arise, rather than panicking and forcing a fit where it doesn't make sense to do so.

A different approach to customer experience

De Beer also showed the following video as a simple, fun way of a brand finding an opportunity to make a difference:

Explaining what we can learn from these examples, De Beer says it's become trendy in client experience to measure the complaints, which makes sense if we see how big the complaint ratings are.

Nearly a quarter of consumers surveyed claimed to have made a complaint in the past 6 months.

We need to understand the reality of the complaints in our increasingly intolerant society. But we shouldn't only focus on these, as doing so alienates the happy customers when we pay less attention to their needs.

Don't forget the already loyal...

She also points out the tendency to give the 'prepaid' more than we do to the 'contract' client, whether that's in insurance or telecommunications.

We work harder for those we want to regain than we do for the already loyal, which makes sense from a cost per acquisition perspective.



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Shedding light on what the client experience landscape looks like right now, De Beer said this is where the Ask Afrika Orange Index adds value.

In-service measurement, you have a core matrix to measure a specific service strategy.

Aspects like mystery shopping are usually a compliance measurement, where we audit what is most important to the brand and how staff are complying with that from behind the scenes.

Customer experience measurement does much the same thing.

Unfortunately, these measurements are often designed at in the ivory tower of the brand head office through much theory and literature, which makes them accurate in an academic sense, but that doesn't necessarily make sense practically.

Knowledge and emotion are central to the service industry

Ask Afrika 18 Oct 2018

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Similarly, De Beer says that the Net Promoter Score or NPS tends to be volatile as it's not always in tune with the CX score.

Do customers really do what they say?

There's also a discrepancy in consumers' reported and actual behaviour, as we say generally don't recommend our bank and service providers in real life, even if claim we would do so over phone.

De Beer says the answer sits in the open-ended verbatim which only factors in intended behaviour, not actual behaviour.



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It's important to still measure the academic aspect, but De Beer emphasises the importance of also getting the client view and co-creating what's important to them and annoying them from a customer experience point of view.

So often, De Beer says the basic greeting comes in as a measure, but the reality is that we tend to receive many 'hellos' and just one 'goodbye'.

When we walk into a branch we have an initial interaction at the entrance while someone directs us to a specific queue. From there we get redirected, based on the query.

The power of goodbye

So it's a case of facing constant greetings, yet only the person we encounter at the teller desk or point of sale in retail tends to say goodbye. This can be annoying to consumers.

De Beer says that how we set up the service culture in head office is essential because if you don't drive the culture there, you can't expect the front line to honour something that isn't implemented elsewhere or that historically wasn't part of the CX process.



Satisfied customers don't mean repeat business

Sid Peimer 13 Jan 2015

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This then becomes an internal measure to test the experience, and building that out into the customer experience gives the consumer a chance to articulate what's important to them.

One good experience no longer means repeated good experience, or that the customer is guaranteed to buy your brand again.

De Beer said the typical baseline responses of what makes for a good customer experience include making the customer feel appreciated.

In measuring humanness, it's a case of the brand stepping into the consumers' shoes and getting across "what matters to you, matters to me."

What matters to you, matters to me

That means as brands, we need to understand consumers don't have time to follow up on this again – they need it resolved 'now', the first time they make contact.



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Humanness today is seen as encapsulating service and emotion, effortlessly.

We also expect to do business with companies that 'do good', as that's what resonates.

Because from a choice or purchase-decision point of view, data shows that consumers say that even if they are happy with a brand and see themselves as loyal, they'll readily try something from a competitor.

As consumers, we're attached to the segment or category more than we are to the specific brand, so the trust, reputation, ethics and relationship need to be better factored into the academic models and existing measures.

Rethinking trust, what customers really want

De Beer says this is the true power of the Ask Afrika Orange Index – it tells marketers what matters most to consumers, which is often the 'small things' we don't measure on a daily basis.

When it comes to tactical measures, brands often say these just don't fit in, that they're not under their control. De Beer calls this a thinking error that only serves to alienate, and doesn't serve to build the relationship.



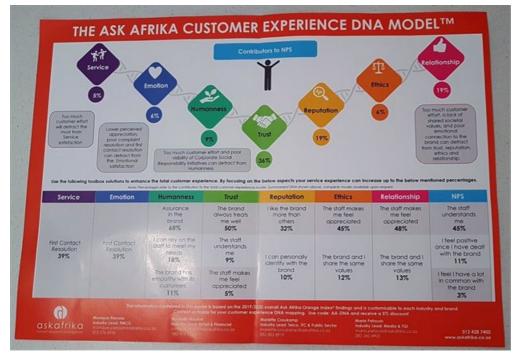
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In fact, many brands are getting the customer relationship wrong. Getting it right is as simple as making the customer feel appreciated.

But remember that if there's no value for money, customers won't even deal with your brand, so aim to promote your shared value, as there are enough other options on the market punting their own product benefits.



As seen at Ask Afrika's Aha Moments roadshow

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De Beer added that customers today define trust fundamentally different compared to how they did a few years ago.

Ask Afrika looked at the core drivers of that change and found that in the latest results, it's about the time taken to resolve your query, and the extent to which the brand treating the customer well and making them feel appreciated with your best interests at heart.



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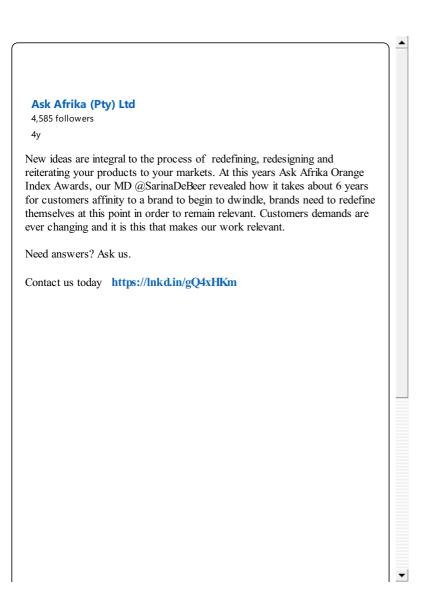


This is a change over the top two drivers last year: The knowledge employees have to resolve your requests and the professionalism of employees in dealing with you.

This opens up a new discourse into what consumers are thinking and prioritising, which will keep brands honest in what we are measuring to be customer-centric. De Beer says this needs a diagnostic look at what it means for your brand.

The six-year itch

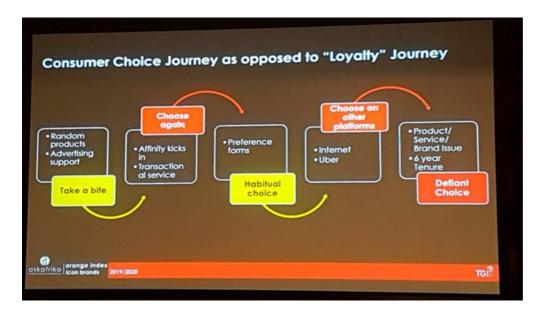
Even customers who have committed to a brand go through a six-year itch, as that's when service levels tend to go into decline. The brand, therefore, needs to reinvent itself from a service point of view then as doing more of the same no longer works.



Consumers' needs change and we expect the brands to keep up when we do.

But as brands, we become so obsessed with reducing the pain points that we forget to focus on the long-term customer and what makes them stay.

De Beer says it's about rethinking the journey practically, in terms of what the consumer is going through.



It's about getting the customer to choose your brand again and again, rather than assuming they will always be loyal.

This isn't necessarily a relationship death knell, though.

The forgotten customer vs the valued customer

Typically, if we don't reinvent the customer may choose to continue the relationship on a different platform – when the general public is outraged.



H&M removes 'black boy' ad after racism accusation

9 Jan 2018



They will pretend they don't shop there by not going into the store, but will continue to do so online. It becomes a defiant choice.

De Beer said this begs the question of what makes a customer feel forgotten as opposed to valued or appreciated.

The 'forgotten' customer often didn't experience 'first contact' resolution, so they assess the relationship as poor and don't feel appreciated as a result.

On the other hand, the valued customer feels the relationship exists based on input from both sides and that they have something in common with the brand. They also sense the brand as operating in a fair way and that it's good to them and shares the same values.

The basic, concrete go-to industry measurements are not the type that measures what makes them feel appreciated.



So how do we create those 'giraffe moments'?

Nike has taken this call for brand humanity to heart in moving beyond selling shoes and achievement products to building a different ecosystem based on how the consumer of 2020 will engage.



#YPOEdge: James Barty on brand humanity and doing good business, beyond ticking the 'CSI box'

Leigh Andrews 14 Mar 2019

For example, Nike created a running app, associating the endorphins of the exercise with the brand.

Apple also offers experiential genius experience instore, as their app means the complaining customer is handled online so the in-store experience is a clean, positive one. These two mature brands have transcended beyond the transactional to the abstract.

To follow suit, De Beer says that to make the brand migration to emotional engagement, you may need a new operating model.

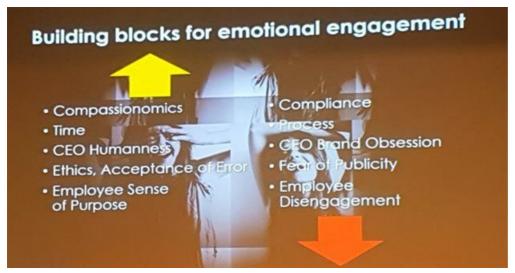
Emotion: Why customer experience winners win

De Beer said that even when things go wrong, most brands don't easily say sorry – a crucial aspect of 'humanness'.



South Africa 'cancels' Old Mutual after body arrives at offices for proof of death Shereesa Moodley 20 Nov 2019

But looking at the banks that came out tops and those that came last in the Ask Africa Orange Index, De Beer noted a big difference when they get stuff right.



As seen at Ask Afrika's Aha Moments roadshow.

De Beer says the term 'Compassionomics' was borrowed from Netcare.

The companies that don't do well on customer experience are the ones that focus on issues of compliance, process and brand rather than experience.



#DesignIndaba2019: "Find the emotional connection in a pure, authentic way" - David Droga



Explaining why these emotional connections matter, De Beer repeated that the consumer relationship is often with the category overall, not just your particular brand.

The consumers who claim they are fully committed to a brand come in at just 22%, which accounts for 37% of overall revenue.

So for your brand to stand out in the category, you need to make a connection that will keep the customer coming back.

Obsess over committed customers

Remember to not only obsess about the complaints aspect of the customer experience, but also about what matters to your loyal and committed customer base.

De Beer concluded that if you get a customer across the emotional funnel, your engagement with the category changes as you become a key player. It's about creating a new sense of meaning and connection, making customers think of your brand more positively than others in the category, by offering a positive experience.

This concludes my coverage of the Ask Afrika 'Aha moment' roadshow. Visit the <u>Ask Afrika press office</u> and follow Ask Afrika on <u>Twitter</u>, <u>Facebook</u> and <u>LinkedIn</u> for the latest updates!

ABOUT LEIGH ANDREWS

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